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SENATE—*Thursday, June 17, 2004*

The Senate met at 9:30 a.m. and was called to order by the Honorable JOHN E. SUNUNU, a Senator from the State of New Hampshire.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

O God, who is the strength of our lives. Let us live to tell of Your wondrous works. How magnificent are Your acts, O Lord. How deep are all Your thoughts. You will not give Your glory to another, for You are omnipotent. Help us to endure the discipline of Your loving correction. Empower us to decrease, so that Your spirit may increase in our lives.

Bless our lawmakers today. Give them an eternal perspective on the myriad issues they face. Renew their minds with truth and sharpen their skills in each important area of living. Bless the members of their staffs who labor into the evenings for freedom's cause.

Bring healing to the sick and comfort to those who mourn. Inspire us all to sow bountifully that we may reap bountifully. Blessed be Your Name forever and ever, for wisdom and power belong to You. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JOHN E. SUNUNU, a Senator from the State of New Hampshire, led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 17, 2004.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN E. SUNUNU, a Senator from the State of New Hampshire, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. SUNUNU thereupon assumed the Chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning we will resume consideration of the Defense authorization bill. Under the order, Senator BOND will offer an amendment relating to energy employees, and I understand there may be a modification to the amendment. Therefore, the amendment may be accepted without a recorded vote.

The chairman and ranking member also discussed the possibility last night of considering several missile defense amendments this morning, and I defer to the chairman as to what debate times will be necessary on these amendments after discussion with the ranking member. I do anticipate rollcall votes will be required in relation to these amendments.

We will have a very busy session today as we continue to make progress on the Defense authorization bill. I am pleased with the progress that is being made, though last night I did file cloture on the bill as a necessary tool, in my mind, to facilitate and help bring the bill to closure.

We will continue to discuss the issue of how best to bring the bill to closure. I am in constant discussion with the Democratic leadership and with the ranking member and the chairman as to how we can best finish this important bill. We will be updating the Senate over the course of the day as to our progress.

Once again, I remind our colleagues that we will continue to schedule votes on judges throughout each day's session. We will set votes on those judicial nominations as we set votes on the defense amendments over the course of the day. I do want to thank Chairman WARNER and Senator LEVIN for their tremendous work on the bill thus far, and I look forward to another very full and very complete day.

I will defer for a minute as far as the schedule goes.

RECOGNITION OF THE ACTING MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

VOTING

Mr. REID. If I could ask, through the Chair, to the distinguished majority leader, it is obvious we have a number of amendments to dispose of. As we talked publicly last night with the two managers, we have four missile defense amendments over here. There will be at least two second degrees, maybe more, that will be offered on those amendments. As we have said, as soon as we see them, I am sure we can set out a reasonable period of time to debate them and vote on them, and we should get rid of these with—I do not mean that in a negative sense but move on past these in a fairly short period of time.

We also have indicated that Senator BIDEN wishes to offer the amendment that has been no secret around here to take some of the higher bracket tax cuts and use those moneys for what is going on in Iraq.

Anyway, all of this stuff is fairly known now, what we have to do. I believe we can move through these at a fairly decent rate.

Senator LEVIN mentioned last night that people have been waiting for several days to offer amendments, and we have to make sure they have that opportunity. The main reason for rising

● This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

now is to say I hope that—I should not say I hope; I guess it should be in the form of a question—on Monday that we are going to have some votes on some substantive defense-related amendments, and I do not know what time the distinguished majority leader wants to do that. If it is going to be at the regular time, 5:30, we should know that. If it is going to be earlier, we should alert our folks to that now. Because of certain things that also are quite known around here, we will not have votes tomorrow, unless the majority leader decides to have a cloture vote. Other than that, there will not be any other votes, I am very confident of that.

Does the majority leader have an idea whether he is going to move things up on Monday?

Mr. FRIST. It is absolutely critical that we make today a productive day, and I think we have a good plan for today. Tomorrow needs to be a productive day. The scheduled cloture vote for tomorrow would likely be the only vote tomorrow, and again I think we need to discuss that over the course of the day and then see what the plan would be for Friday and Monday. We will be voting Monday absolutely. We will probably do it later in the day. Again, we will defer to the managers about that.

We need to make Monday a very full and productive day if we are going to finish this bill.

Mr. REID. Mr. President, I want to make sure everyone understands that tomorrow will be a tremendously good day to offer amendments. There would be time to debate whatever they want to lay down, and even though there would not be votes scheduled on them tomorrow that would sure be a good way to get things done. Some Members have already expressed to me that they would be willing to lay down their amendments tomorrow. So tomorrow, in addition to Monday, should be a productive day on this legislation.

Mr. FRIST. I agree, tomorrow would be a great day to lay down amendments if they are absolutely necessary and important amendments, but for amendments we do not need to consider or that can be considered later, we do not need to lay down too many amendments tomorrow because I want to be able to finish this bill. But tomorrow is going to be a productive day.

MEDICAL LITIGATION REFORM

Mr. FRIST. Mr. President, I know we are going to go straight to the bill, but first I want to make a few comments on another very important issue, and now during leader time is the most appropriate time for me to comment. It is an issue that is very close to my heart and an issue that has tremendous impact on people in every State.

I will speak to one State, that is Massachusetts, on the issue of medical liability.

It was just this week that the American Medical Association added another State—Massachusetts—to its growing list of States that can be classified as being in medical crisis because of out-of-control medical litigation system.

For several months, as we brought a series of bills to the floor to try to bring this issue to debate and to focus the attention of this body on it, we have been using the number of 19 States. Now it is 20 States in this great country of ours that are in medical crisis because of this single issue.

According to the AMA, access to quality health care is increasingly endangered. What this means is decreased access to doctors. If you need a doctor, if you are in an automobile accident or if you are a mom or future mom and you need an obstetrician, access to care is increasingly endangered due to a broken medical litigation system. It is a problem in all States and in at least 20 it is a crisis. It is spreading across the country and that is why I take this opportunity to at least mention it and shine a light on it once again. It is a problem, it is a growing problem, and we have a responsibility to address it.

Three weeks ago, I had a wonderful opportunity to present what is called the Shattuck lecture before the Massachusetts Medical Society. I had done my training in Massachusetts and I have tremendous respect for that organization. They report that the litigation crisis has become so severe in Massachusetts that numerous high-risk specialists, such as obstetricians, neurosurgeons or trauma surgeons, have reduced their scope of practice. This applies to 29 percent of general surgeons,—a general surgeon is the one who might come to the emergency room to sew up your child if they have a laceration—36 percent of obstetricians, 41 percent of orthopedic surgeons, and greater than 50 percent of all neurosurgeons. If you are in an accident and you are going to a hospital, you want a neurosurgeon there to evaluate and appropriately treat.

Those are the percentages of those who have said they are reducing their scope of practice. In other words, if you are a neurosurgeon, you might do elective cases but you might not put your name on the list to show up in the middle of the night to treat somebody. Why? Because your insurance would go from $100,000 to $300,000, just so you could have the opportunity to come in late at night to treat somebody. That is about as simple as I can say it. The problem is quality of care is being affected.

The facts in Massachusetts reflect a growing trend. I gestured going up. It should be going down, because it is almost like a downward spiral that is occurring over the last several weeks and months and years. We have heard it again and again on the floor with anecdotes reinforcing what the medical societies are telling us, what hospitals are telling us, and what physicians are telling us, and that is that doctors are leaving and narrowing the scope of their practice. They are leaving the opportunity to deliver babies, maybe just to do the medical aspects of gynecologic care, or no longer taking calls in trauma centers, or they are moving to less litigious States.

I was in Pennsylvania a few months ago. I believe 1,400 doctors in the last 2 years have left the Philadelphia area and they cite the high medical liability rates they are paying as the No. 1 reason they are forced to leave. Many doctors are retiring from practice altogether.

Neurosurgeons and obstetricians are being hurt the most. If you talk to people in the emergency room or if you have friends, nurses, or technicians there, just ask them because emergency rooms are having an increasingly difficult time getting the high-risk specialists, and those are the people you want if an injury occurs. If driving home tonight you are in an accident, you want somebody there or someone who can get there very quickly. That is what is at risk.

I keep mentioning the doctors. It is not just the doctors; it is the patients who are ultimately hurt. The doctors probably will be OK. They will move and incomes can sort of adjust. It is ultimately the patients who are being hurt when health care is being threatened.

The good news is we know how to address the crisis. It is not just a problem that is getting worse that cannot be fixed. We actually know how to address the crisis. Commonsense comprehensive medical litigation reform, which has taken place in some States, has been proven to be overwhelmingly successful. It strengthens our system by addressing the abuses in the system. We want a strong tort system. We want to make sure medical malpractice is aggressively addressed. What we don't want are frivolous, unnecessary lawsuits that drive up the cost of health insurance for the physician, but ultimately the cost of health care throughout the system, and destroy the quality of the great health care that we do have in this country.

Being a physician, obviously this is close to my heart because I see it and I happen to be around physicians a lot and I happen to be around patients a lot. I am not going to give up on this issue. We are going to keep bringing it back again and again until we make headway on this increasing problem.

I don't know how many more States it will take. Massachusetts was added this week. I don't know how many more States we are going to have to add to this medical crisis before we act. How many women are going to have to put up with their obstetricians leaving halfway through the pregnancy, either moving or dropping obstetrics, and having to find another obstetrician, or in rural areas not being able to find an obstetrician at all?

So I do call on my colleagues to stand with America's patients, the American people, and resist the powerful special interests—we know they are out there today—that want no change whatsoever.

I am determined to press forward. We will try once again at some point in the future to address this on the floor of the Senate. This is not a partisan issue. It goes way beyond that. People say we have these partisan votes, but it is not a partisan issue. This should not be and cannot be a partisan issue. So let's make Massachusetts the last State added to this list. Let's reduce that list. The only way we can do that is by acting on the floor of the Senate. Let's act now to stop the crisis from spreading and let's work together to put America's patients first.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 2400, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 2400) to authorize appropriations for fiscal year 2005 for military activities for the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

Pending:

Reed amendment No. 3352, to increase the end strength for Active-Duty personnel of the Army for fiscal year 2005 by 20,000 to 502,400.

Warner amendment No. 3450 (to amendment No. 3352), to provide for funding the increased number of Army Active-Duty personnel out of fiscal year 2005 supplemental funding.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Missouri, Mr. BOND, will be recognized to call up the Bond-Harkin amendment.

AMENDMENT NO. 3384

Mr. WARNER. I wonder if the Senator will yield for a minute? The Senator from Missouri, perhaps the Senator from Iowa, could they advise the Senate with regard to your desire to make a change to the amendment? Has that been completed yet?

Mr. BOND. Mr. President, I would advise the distinguished chairman of the committee that we have made a modification on this to change the offset to an across-the-board reduction in the DOE appropriations. Discussions are continuing with you. We would like to have the same treatment for these workers as the other workers who were described in the Bunning amendment.

This is a work in progress. We do have an across-the-board offset in authorization for all DOE programs in this bill, but, obviously, we are going to have to continue to work with you and work in conference to make sure this is an effective, agreeable offset.

Mr. WARNER. Fine. I would say we will continue to work. At the moment, from the managers' perspective, at least this manager would have to take a close look at this.

I hope in a short time we could establish a time agreement so we could move on with other matters.

Mr. HARKIN. Will the Senator yield for a question?

Mr. BOND. Mr. President, I yield to the distinguished Senator from Iowa.

The ACTING PRESIDENT pro tempore. The Senator from Missouri is recognized to offer his amendment under the previous order.

Mr. REID. Will the Senator from Missouri yield for a question?

Mr. BOND. I am happy to yield to the distinguished minority whip.

Mr. REID. I am wondering if the two proponents of this legislation, the Senator from Iowa and the Senator from Missouri, would give us a general idea of how long they will speak on this?

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BOND. Mr. President, I believe we can have the discussions on the substance of amendment No. 3384 as we work with the managers on both sides and perhaps the Finance Committee to make sure we have the appropriate offset.

The amendment I wish to address, and I know Senator HARKIN and Senator TALENT will address it, is the Energy Workers Special Exposure Cohort Designation Act of 2004, which I will be offering on behalf of myself, Senator HARKIN, and Senator TALENT.

It will designate former nuclear production facilities in Missouri and Iowa as special exposure cohorts under the Energy Employees Occupational Illness Compensation Program Act of 2000. This was a very compassionate act designed to provide lump sum payments of $150,000 to people who had worked in the nuclear weapons production program from 1942 to 1967—way before we understood the dangers of radiation—and who suffered very high levels of radiation and have now been diagnosed, suffered, and many have died from multiple cases of cancer.

This problem was brought to my attention by Denise Brock, whose father had died while waiting for the bureaucracy to work through the steps set up under the program to qualify for that particular $150,000 compensation.

There are a very convoluted set of steps that have to be followed unless you are in a special cohort. There were four States that were designated as having needs that automatically qualified these workers.

We have found upon research that the exposure to the workers in Missouri was in many instances the highest exposure in any place. My colleague and I have met with those workers. Eight workers came into my office with Ms. Brock last spring, in May. Since then, three of them have died. They had multiple cancers. A brave fellow that I met when I met with the group in St. Charles County several months ago, Jim Mitalski, wheelchair-bound because cancer was in his right foot, had at least three other cancers. I am sad to say he slipped into a coma yesterday. His doctors suggest this may be his final coma. He has not been compensated.

The Mallinkrodt workers, who worked at the St. Louis downtown site from 1942 to 1958 and moved out to the Weldon Springs facility in St. Charles County, which operated until 1967, were exposed to levels of radionuclides and radioactive materials that were much greater than the current maximum allowable Federal standards. Many workers were exposed to 200 times the recommended levels of maximum exposure.

The chief safety officer for the Atomic Energy Commission during the Mallinkrodt St. Louis operations described that as one of the two worst plants with respect to worker exposures. Workers were excreting in excess of a milligram of uranium per day, which caused kidney damage.

A recent epidemiological survey found excess levels of nephritis kidney cancer from inhalation of uranium dust.

The Department of Energy has admitted that those Mallinkrodt workers were subjected to risks and had their health endangered as a result of working with these highly radioactive materials.

The Department of Energy reported that workers at the Weldon Springs feed materials plant handled plutonium and recycled uranium which were highly radioactive. NIOSH admits that the operation at the St. Louis downtown site consisted of intense periods of processing extremely high levels of radionuclides. The institute has virtually no personnel monitoring data for Mallinkrodt workers which would be necessary for them to reconstruct the dosages to make them qualify under the act. Under these circumstances, I believe simple justice and equity demands that we provide assistance for these severely ill workers and for their surviving families.

This amendment would add the Mallinkrodt facilities, along with the Iowa Army Ammunition Plant, to the four existing special exposure cohort sites. These are sites where a group of employees with specific cancers who worked at specific nuclear facilities or participated under certain nuclear weapons tests and met other requirements are eligible for expedited compensation. This special exposure cohort designation would make the workers at these Missouri and Iowa sites eligible for the expedited compensation as opposed to requiring them to participate in the long, complex, and cumbersome bureaucratic process known as "dose reconstruction." They are faced with a situation where the bureaucrats are asking them to go back and help them reconstruct the dosages over 50 years ago—or more. They have no records. They are very sick people. They are dying of multiple cancers, the kinds of cancers and other problems caused by exposure to radioactivity. It is not feasible for them to go back and reconstruct. Without the records, we know that these people are seriously ill and are afflicted with all kinds of cancers. We, therefore, ask our colleagues if they will accept the amendment as we work to modify the offset.

The total cost over 10 years for the people who worked in the Missouri and Iowa sites is expected to be $180 million. That is over 10 years. Given the fact that these people are suffering from very serious cancers, I hope my colleagues will join Senator HARKIN, Senator TALENT, and me in saying these people badly need the assistance this designation will provide them.

I will withhold submitting the amendment until we have further discussions with the managers to ascertain their desires and the appropriate offset. But offset or no, let me reemphasize to my colleagues that $180 million for people who are suffering mightily from multiple cancers is the least we can do to take care of the brave atomic workers who helped us develop the weapons that ended World War II and who are now paying every day with the suffering from the exposure to that radioactivity.

I yield the floor.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator from Missouri.

Mr. TALENT. Madam President, I rise today in support of the Bond-Harkin amendment. I am going to be brief because I think my colleague from Missouri has covered the ground. I imagine the Senator from Iowa will wish to speak further.

I want to begin by recognizing the work they have both put into this amendment. My friend from Missouri has been a tiger in support of compensation for these employees. He was moved—as I was moved and as the Senator from Iowa was moved—by the unique claim these individuals have on justice. This is not some kind of giveaway, but it is just compensation that is owed to them for the sacrifices they made on behalf of this country. That is really what this amounts to.

I was pleased to cosponsor this amendment. I am grateful to the Senator from Virginia and the Senator from Michigan for their attempts to work this out. I hope we can do that. I know they want to. I know they recognize the justice of the claims.

We certainly understand the importance of doing this the right way. I just hope we can do this. At the end of the day, if we have to put it in without all of the t's crossed and the i's dotted and work on it in conference, I hope we can do that because we will have other opportunities further down the road in the Defense bill to tie up any loose ends which may exist. Certainly the Senators from Missouri and Iowa have worked in good faith, as I have, in trying to make this acceptable to the managers of the bill.

In Missouri, an estimated 3,500 people worked at sites which handled and processed highly radioactive material. These workers were exposed—and in most instances unknowingly—to dangerous levels of radiation. It is not necessarily important to blame people for that. Those were in many cases the early years of nuclear work and people just didn't know, and it was necessary to do this work. That is why, without trying to point fingers, Congress created the Energy Employees Occupational Illness Compensation Program Act—EEOICPA—of 2000, which was designed to provide these employees with the compensation they deserve.

Unfortunately, the process, as any of us know who sit on the Armed Services Committee or on the Energy Committee—both of which I sit on—is complex, it is disjointed, and in many cases outright mishandled. As a result, in Missouri, hundreds of claims have been filed by surviving individuals who have received not only no compensation but no progress in the processing of their claims. In many cases those individuals faced 200 times the dosage of radiation that would be considered acceptable today. We know that happened because we know the nature of the processes in which they were working, and we can see the illnesses they now have.

That doesn't mean they can go back and reconstruct from worksheets that no longer exist—and which they wouldn't have access to anyway—exactly what happened on a given day 50 or 60 years ago, which is the reason Senator BOND explained so lucidly we need a special exposure cohort, or an SEC, to expedite compensation for these employees. The amendment would simply allow these employees to be included in an SEC. They already exist for employees in other States.

An SEC is a group of employees with specific cancers who worked at specific nuclear facilities or who meet other requirements under the act. The designation would provide former employees at the site with expedited compensation for going through the lengthy and oftentimes impossible process of dose reconstruction.

I could go on. I know the bill handlers want to get the bill finished. The program so far has one of the most abysmal records of performance which I have witnessed in my now 10 years in the Congress on one side of the Capitol or the other. As the Department of Energy and the Department of Labor create bureaucratic paperwork burdens for sick former employees, this amendment, which would remove the barrier of dose reconstruction for those cases, is a small step forward toward giving them the justice which they so clearly deserve.

I believe workers in Missouri and Iowa ought to qualify for inclusion in the SEC.

It is a pleasure for me to cosponsor this amendment. I hope we can work out the issues that remain surrounding it and get it included in the bill.

I yield the floor.

Mr. LEVIN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Madam President, my colleague, Senator BOND from Missouri, and I are on the floor today to basically work with the committee to do the right thing. We are here to simply add former atomic workers, nuclear workers, who worked in our ammunition plants in Missouri and Iowa, to a group of workers who are already eligible for special compensation.

This category is already in effect for workers from Kentucky, Ohio, Alaska, and Tennessee. But since the original legislation was passed in 2000, we have learned a great deal more about the facilities in Iowa and Missouri which makes it necessary to include these workers as well.

I spoke at length on this issue yesterday on the floor. I will not go over those again. I want to make a couple of brief points today.

In Iowa, between 1947 and 1975, almost 4,000 people were employed handling nuclear weapons. So great was the secrecy that 5 and a half years later we still don't know exactly to what the workers were exposed.

At the time the bill passed in 2000, Congress recognized that there were likely to be more situations where it was simply not feasible to reconstruct workers' doses because the records don't exist, or they are inadequate, because it might take so long to reconstruct a dose for a group of workers that they would all be dead before we would have an answer to determine their eligibility. That is precisely the situation we find ourselves in in Iowa, and the workers also find themselves in in Missouri.

Speaking just about the Iowa facility, the Army ammunition facility in Burlington was in operation from 1947 to 1975. The people who worked there and who are still alive today are elderly. Many are sick and many have cancers. They are ill and they are dying. Yet almost 4 years into this program, only 38 Iowans have received compensation. That is because after 3 years of hard work by researchers at the University of Iowa, and at the same time by the National Institute of Occupational Safety and Health, we have learned that Iowa has the worst records documenting worker exposure to radioactivity of any facility in the country. Without good documents, you simply cannot do good dose reconstruction.

When Congress passed this law, they explicitly said workers could be added to a cohort when the records didn't exist to make it feasible to do dose reconstruction. Now, NIOSH has concluded that there are no records anywhere that document the level of internal radiation exposures to which workers at the Iowa Army Ammunition Plant were exposed. None, no records.

With regard to external doses, up until 1968, the highest percent of the DOE employees who were monitored was 7 percent, or 23 workers out of a workforce of 800.

It is time to admit that both in Iowa and Missouri we have two sites where it simply is not possible to perform dose reconstruction. The Government simply doesn't know what went on at these facilities and to what the workers were exposed. That makes it impossible to do timely dose reconstruction.

Some may say the law provides for people to be added to a cohort administratively. Well, 10 days ago, after 3½ years of waiting, the Department of Health and Human Services issued a rule setting out the procedure. This only occurred as a result of congressional pressure. The process set out under the rule is likely to take several more years because there are no statutory deadlines that must be met.

So the workers who worked there, who had high exposure to radioactive materials, who are sick and many have had multiple cancers, quite frankly, cannot wait any longer.

We took an important step in fixing about half of this program yesterday with the Bunning amendment. Now it is time to finish the job and give the workers in Iowa and Missouri the same ability to be compensated as those workers in Kentucky, Ohio, Alaska, and Tennessee.

Again, my colleague from Missouri has an amendment now that is being worked out. We hope it is going to be accepted once all of the T's are crossed and I's are dotted. Basically, it is an equity argument to make sure these workers will be treated fairly and in the same manner as workers who were exposed in other places.

I have met with these workers, as Senator BOND has, and it just tears your heart out. These were patriotic individuals. I have talked to some of them who told me they were told what they did was top secret and they could not discuss it with anybody, not even their doctors. So years later, because they were patriotic, hard-working Americans, they never told anyone about the kind of work they did. In fact, I had to work with some of my colleagues a few years ago to get the Department of Defense to get them a written document that said it is OK for them now to talk about what they did. So, as a result of that, we are now getting a clearer picture of the kind of work these individuals did. They handled highly radioactive materials. Many times, they did not even wear dose badges. They had no idea what they were handling. When you listen to workers talk about how, when they worked, certain things would happen to them, such as the hairs on their arms and legs would stand up when they were getting near this material, they had no idea what it was.

Sadly, many of them have already died. Sadly, many of them died at an early age and they left young children. Some of their kids who are alive today tell me about how their father died and how they had all these illnesses and sores and cancers. Many died when they were in their forties or early fifties. They had no idea it was because of the radiation exposure they had when they worked in those plants.

I think it is time for us to do this, acknowledge their patriotic service, the work they did, the dangers they were exposed to and were never really told about. What Senator BOND and I are seeking to do is simply make this equitable. There is no reason why his workers in Missouri, or mine in Iowa, should be treated any differently than those in the four States I mentioned. I believe those in the four States should be compensated, too, and they have been. We thought ours were going to be compensated, but in the intervening 4 years, we found out that no records exist. So they cannot do the dose reconstruction. They have tried to get around it, but they cannot. So we are left on the floor of the Senate to make this equity argument in the hope the Senate will concur and allow us to move ahead in a way that, hopefully, before the year is out, we will be able to include these workers in this special cohort that will allow them to be compensated out of a fund that was established 4 years ago to compensate these workers. The fund still has, as I am told, plenty of money in it. So we are not actually spending any new money. We are simply adding some people to the fund to be compensated.

I am hopeful we can get this all worked out and that we can accept this amendment and move ahead to adequately compensate and acknowledge the work these people did, at least in Iowa and Missouri. I thank my colleague, Senator BOND, for his leadership on this issue. I thank Senator TALENT for his comments earlier.

Madam President, I yield the floor, and I will be back when we have the amendment fully ready.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Washington.

AMENDMENT NO. 3427, AS MODIFIED

Mrs. MURRAY. Madam President, I call up amendment No. 3427 and ask unanimous consent to have the amendment, which is at the desk, modified.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Reserving the right to object, and I do not intend to object, I think the managers are doing our very best to move along this morning. We have had a number of unexpected switches by a number of Senators who start amendments and stop them for various reasons. We are prepared now to go ahead with the amendment of the Senator from Washington. But I say to our colleagues, when they have informed the managers they are prepared to go ahead, and then abruptly have to stop, it makes it increasingly difficult for us to work on this bill.

I thank the Democratic whip. He has been most helpful. We have lost a lot of time this morning due to unexpected decisions.

Mr. REID. Madam President, if the Senator will yield, we on this side certainly understand the travails of the managers of this bill. Several days ago, we had written on our sheet "voice vote." We thought the amendment of the Senator from Washington had been accepted. There were miscommunications and, of course, that happens. It is certainly no fault of the Senator from Washington. She was ready several days ago, and we told her not to push it because we thought it would be accepted.

Mr. WARNER. We will proceed with the amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The senior assistant bill clerk read as follows:

The Senator from Washington [Mrs. MURRAY] proposes an amendment numbered 3427, as modified.

Mrs. MURRAY. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To facilitate the availability of child care for the children of members of the Armed Forces on active duty in connection with Operation Enduring Freedom or Operation Iraqi Freedom)

At the end of subtitle E of title VI, add the following:

SEC. 653. CHILD CARE FOR CHILDREN OF MEMBERS OF ARMED FORCES ON ACTIVE DUTY FOR OPERATION ENDURING FREEDOM OR OPERATION IRAQI FREEDOM.

(a) CHILD CARE FOR CHILDREN WITHOUT ACCESS TO MILITARY CHILD CARE.—(1) In any case where the children of a covered member of the Armed Forces are geographically dispersed and do not have practical access to a military child development center, the Secretary of Defense may, to the extent funds are available for such purpose, provide such funds as are necessary permit the member's family to secure access for such children to State licensed child care and development programs and activities in the private sector that are similar in scope and quality to the child care and development programs and activities the Secretary would otherwise provide access to under subchapter II of chapter 88 of title 10, United States Code, and other applicable provisions of law.

(2) Funds may be provided under paragraph (1) in accordance with the provisions of section 1798 of title 10, United States Code, or by such other mechanism as the Secretary considers appropriate.

(3) The Secretary shall prescribe in regulations priorities for the allocation of funds for the provision of access to child care under paragraph (1) in circumstances where funds are inadequate to provide all children described in that paragraph with access to child care as described in that paragraph.

(b) PRESERVATION OF SERVICES AND PROGRAMS.—The Secretary shall provide for the attendance and participation of children in military child development centers and child care and development programs and activities under subsection (a) in a manner that preserves the scope and quality of child care and development programs and activities otherwise provided by the Secretary.

(c) FUNDING.—Amounts otherwise available to the Department of Defense and the military departments under this Act may be available for purposes of providing access to child care under subsection (a).

(d) DEFINITIONS.—In this section:

(1) The term "covered members of the Armed Forces" means members of the Armed Forces on active duty, including members of the Reserves who are called or ordered to active duty under a provision of law referred to in section 101(a)(13)(B) of title 10, United States Code, for Operation Enduring Freedom or Operation Iraqi Freedom.

(2) The term "military child development center" has the meaning given such term in section 1800(1) of title 10, United States Code.

Mrs. MURRAY. Madam President, as my colleagues know, I have been working for several months on proposals to help ease the burden on Guard and Reserve families who have a loved one serving our country. Today, I am offering an amendment to help families get childcare so a parent can go back to work while their spouse is deployed overseas.

This amendment applies to activated only, and it is discretionary. I want to make sure that is clear. I think there was a misunderstanding with regard to that issue. It is for activated soldiers, and it is discretionary. This will help relieve the childcare squeeze that is hurting so many families who are silently sacrificing for all of us.

Hopefully, with the success of this amendment, the Senate will then have adopted several proposals to help our Guard and Reserve families get health care through TRICARE, pay for their equipment, help them stay on their payrolls through employer tax credits, and, today, with a critical piece on childcare.

Each one of these steps is part of the much larger effort to help ease the burden on families who are trying so hard to make ends meet while their spouse serves our country overseas.

Six months ago, on January 9, I sat down with members of the Guard's 81st Armored Brigade and their families at Camp Murray in Fort Lewis, WA, and at that meeting Guard and Reserve members told me about the tremendous challenges their spouse and their children would face once they were deployed.

I could see how worried and concerned they were that they would not have time to get their families on sound footing with a job, with childcare, and with health care before they deployed to Iraq. I listened closely to all of their concerns, and I spent several weeks crafting a bill to address a number of those issues.

On February 12, I introduced S. 2068, the Guard and Reserve Enhanced Benefit Act. That is a comprehensive bill that will minimize the challenges at home when these brave men and women leave their jobs, leave their schools, and leave their families to protect our homeland and fight terrorism.

Since that meeting back in January, many of the Guard and Reserve members with whom I met have now been deployed to Iraq. Currently, more than 5,400 brave Washington National Guard and Reserve soldiers have been activated, including 3,200 members of the 81st Armored Brigade who are serving in Iraq today. They are part of the more than 168,000 Guard and Reserve troops who have been called to active duty from States around the country.

Our Washington Guard and Reserve troops are among the more than 22,000 total troops from Washington State who are supporting Operation Iraqi Freedom and Operation Enduring Freedom.

As I have talked with family members since the deployment, I have learned a lot about the tremendous challenges they are facing. Today, I want to report back to them on the steps we have taken in the Senate to help ease their burden.

I am proud that in the past month, the Senate has delivered on three of those challenges I outlined in my bill back in February. The first one we delivered on was health care. My bill proposed providing access to TRICARE for all members of the Guard and Reserve, and their families, regardless of their employment or insurance status. That is an issue that Senators DASCHLE, REID, GRAHAM, and others have been working very hard on over the years. I was a cosponsor of that TRICARE amendment. I voted for it on June 2, and I am very pleased that it passed the full Senate.

Now we need the House of Representatives to agree that our citizen soldiers and their families deserve health care.

Secondly, we made progress on another challenge: the strains facing those who employ Guard and Reserve members. My bill offered tax credits to employers to encourage their support of activated Guard and Reserve. It is something that Senator KERRY and Senator LANDRIEU have worked on. I was the original cosponsor of an amendment to provide a tax credit to employers who continue to pay active Reserve and Guard employees, and that passed the Senate with my support on May 11.

Third, we have provided help for soldiers and families who had to provide equipment because the military did not provide it to them in a timely fashion. Back on October 17, on the Senate floor, I told the story of SPL Ian Willet, who was deployed to Iraq on his 21st birthday last September. His father David wrote to me and told me that Ian and his family will have to buy equipment that the military should have provided.

This week in the Senate we did the right thing for soldiers such as SPL Ian Willet and his family. On Monday, I voted for an amendment directing the Secretary of Defense to provide reimbursement to soldiers who face this hardship. I was proud to be a cosponsor of the Dodd amendment that passed this body by an overwhelming margin.

Today, the Senate has the opportunity to pass the Murray childcare amendment, and that will be another important and critical step forward for families who are sacrificing for all of us.

I have raised these issues time and again on the Senate floor because I believe if the American people are told about the silent sacrifices that so many families are making, they will demand that we do more.

President Bush is visiting Fort Lewis in my State tomorrow, and I hope during his visit he shines a bright light on the sacrifices that families are making while their loved ones serve our country overseas. I think it is critical that he hears directly from these families, as I have, about the burdens our Guard and Reserve are facing today. It is important that he support the steps we have taken in the Senate to help those families with health care, payroll, equipment, and, today, childcare. I hope the President will make it clear to those in the House of Representatives that the support we provided in the Senate cannot be removed from the Defense bill in the dark of night.

One critical support we need to take care of is this amendment on childcare that I am offering today. I offer this amendment in honor of all the Guard and Reserve troops who are sacrificing for us overseas, and I offer this amendment in honor of their spouses and their children who are sacrificing so much for us at home.

Let me explain why childcare is such a challenge for many of our military families. Often when a member of the Guard or Reserve is deployed overseas, the remaining spouse has to go to work to support the family and to make up for the income their spouse has given up because of their military service. Unfortunately today, as we all know, high-quality childcare is very expensive and often out of reach of a single parent.

In addition, many Guard and Reserve families do not live anywhere near a military installation, so they cannot use the services that are available.

I will tell my colleagues about a Washington wife and a mother whose life was turned upside down when her husband was called to active duty. Danielle and Jack Lucas have three children. They worked opposite shifts to avoid the cost of daycare. In February, Jack was told to report to the 81st Armored Brigade at Fort Lewis. Danielle scrambled to figure out how to keep her job and care for her children, including a newborn. Unfortunately, as so many of us find, the cost of daycare was prohibitive and she was forced to quit her job, after 10 years of work, when her husband was deployed.

Jack's monthly military pay was $1,000 less than his civilian job. So when it became impossible to make ends meet, Danielle moved to another part of my State where rent was less expensive. She has now gone back to work, but the cost of daycare is still not affordable. She juggles today with help from her family and her friends to watch her three children, and she often has as many as three different people watching her children in one 8-hour period.

While SPL Jack Lucas is taking the same risks as all Active-Duty soldiers in Iraq, his family has faced emotional and financial turmoil that will be alleviated with the Murray amendment. We cannot continue to ignore the needs of our Guard and Reserve families.

Unfortunately, Danielle's situation is not an isolated case. When MAJ Jake Callahan was called back to duty, his wife Kathleen and two small children were suddenly faced with a childcare dilemma. Kathleen's job requires her to travel and attend work events on weekends and evenings, but her son has special needs, and the cost of childcare is financially out of the question. Kathleen struggles with the stress of abandoning her career now or continuing to rely heavily on her family for childcare.

Kathleen is not alone. Lisa Palmer made the difficult decision to quit her job as a registered nurse when her husband was deployed to Iraq with the 81st Armored Brigade. After her husband was deployed, her two sons began experiencing severe emotional problems due to their father's departure. Lisa believed it was important for one parent to be at home to help her sons through these challenges. Her son's depression, his nightmares, his overwhelming sadness require constant assurance and support by her. Lisa has now started to work part time at the hospital to help lessen the tremendous financial strain of their greatly reduced family income. However, like Danielle and Kathleen, Lisa is only able to do so by leaning heavily on her family and friends to provide childcare.

All three of these women tell me they honestly do not know how they are going to make it through until their husbands return home. The current support system for our deployed and activated Guard and Reserve families is broken. We need a fix to keep our families strong while their spouses serve our Nation. Unless we soften the tremendous burdens they face, we may have trouble retaining the soldiers we have and recruiting the new soldiers we need.

This amendment is about easing the burden on those who serve us today, recognizing that we ask more of them so we need to provide them with more support, ensuring that we can recruit and retain our Guard and Reserve members for our future security.

I have heard some of my colleagues argue that some of these Guard and Reserve proposals are too expensive. We may hear that claim again today. But I think we need to look at the costs of abandoning these families who are serving. We need to look at how much pain it causes them. I have talked with these families. They are trying to serve our country honorably, but they cannot do it when they are so worried about how they are going to keep their children safe and secure while they work to keep their families financially capable. We need to look at how this issue threatens our ability to recruit and retain the voluntary military we need to protect us.

We are spending $5 billion a month on the war in Iraq, and virtually all of this spending goes right to the deficit that our grandchildren are going to inherit. Supporting our Guard and Reserve families is not cheap but we need to do it if we still want to have a Guard and Reserve system after all of these long, extended deployments. These families are part of our war effort. They are part of the war on terrorism. They are part of the war in Iraq. They are part of our homeland security efforts.

All of our military families are sacrificing today. Our Guard and Reserve troops are doing the right thing. They are meeting their obligations. They are protecting our people and they are serving our country with honor.

We have to acknowledge that our unprecedented deployment of Guard and Reserve Forces is creating tremendous new hardships that we have not had to deal with before. The amendment before the Senate now gives us the opportunity to do the right thing for these families and for the loved ones who are serving. We are asking so much of our Guard and Reserve members and their families. We have an obligation to make it easier for their spouses and their children during these long deployments.

The Murray childcare amendment and the other steps we have taken tell our Guard and Reserve soldiers that they can serve our country overseas, even on long deployments, and know their families will be financially secure and they will be able to get childcare and health care.

So my message to our Guard and Reserve families is: We gave you access to health care through TRICARE. We made sure you were reimbursed if you had to buy protective equipment. We made sure employers can continue to keep your loved ones on the payroll by providing employer tax credits. Today, this body will assure you that you have an ease of mind when it comes to your children that you left behind, that they have the childcare that is so critical to the well-being of your family.

We made progress. We have much more to do. We need to keep the pressure on to make sure when we get to conference behind closed doors these measures are not lost.

There are several other elements of my original comprehensive bill that have not been addressed yet, but today I think it is extremely important that we adopt this amendment.

The DOD is supportive of this amendment. It is for our activated soldiers. I urge the Senate to adopt this amendment today. I hope we can do it efficiently and quickly because I think we will send a strong message to those who are serving us so honorably overseas today.

The PRESIDING OFFICER (Mr. ENSIGN). The Senator from Virginia.

Mr. WARNER. Mr. President, I commend our colleague. This is a subject that certainly will be approached in a very bipartisan way.

I am wondering, do we have any procedural requirement on that family who needs childcare, to express some sort of need for it before it is automatically granted? Would the Secretary adopt regulations? I just ask the distinguished Presiding Officer if I may enter into a colloquy with our distinguished colleague on that.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. MURRAY. Mr. President, this would allow the DOD Secretary of Defense to promulgate the process for the families to go through. It would be discretionary for him.

Mr. WARNER. That is very helpful.

Mr. LEVIN. Will the Senator yield for a question on that point?

Mr. WARNER. Yes, of course.

Mr. LEVIN. In the form of a question to the Senator from Washington, whose amendment fills in such a gap and really meets such an incredibly important need for childcare, but is it not true that in section (a)(3), the bottom of page 2, you do provide specifically:

> The Secretary shall prescribe in regulations priorities for the allocation of funds for provision of access to child care. . . .

So the amendment itself does provide for those regulations to be adopted by the Secretary of Defense?

Mrs. MURRAY. The Senator is absolutely correct. I think it is also important to point out there is no direct spending. It simply authorizes the Secretary of Defense to help geographically dispersed Active-Duty military families.

Mr. WARNER. I thank our colleague. I asked the question so as to make it a part of the record of the proceedings today. So often when Congress acts on an amendment such as this, which is so important to so many families, they suddenly hear from Washington, "You got childcare." But I think we better put in a caution: Yes, childcare hopefully will be made available, but there has to be some showing of a requirement. Because it is my understanding the Department of Defense now has a number of childcare centers here in the Greater Washington area. Frankly, the adequacy is questionable. Some families do not have access to them. But those families, I point out, might not be able to meet the criteria in the opening section 1:

> In any case where the children of a covered member of the Armed Forces are geographically dispersed. . . .

Those families theoretically are not geographically dispersed, but they are caught in between the class that you are establishing and those who are near a major military installation here in Washington, yet there are inadequate childcare facilities.

Those are the types of things that are going to have to be worked out should this become law.

Mrs. MURRAY. Mr. President, there is no doubt the childcare is an issue that is very difficult for many families, and to provide all this support for every family is something that will be extremely difficult. We all acknowledge that. But there is a specific group of families serving us overseas today in Iraq and Afghanistan who are absolutely excluded from any help whatsoever. My amendment assures that they are not excluded.

Mr. WARNER. Fine. We definitely want to care for those. Those families who are not serving overseas yet have been pulled up abruptly from Reserve or Guard status, yet where the husband or the wife—whichever the case the uniform may be worn—is not deployed overseas, they may have a critical problem, too.

Mrs. MURRAY. The amendment before us is in support of all activated personnel.

Mr. WARNER. You make reference to those families overseas repeatedly. I just want to make sure about some of those at home.

Mrs. MURRAY. The Senator is correct.

Mr. WARNER. Fine. On the basis of that, we are prepared to accept the amendment on this side.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, let me first commend the Senator from Washington. She has been tenacious, absolutely determined to provide childcare for military personnel. She has devised this amendment to take care of the ones who are currently employed in Iraq and Afghanistan, because their families surely are the ones who, first and foremost, we have to try to take care of, where they have no other alternative on base because they are geographically dispersed.

This amendment provides funds for childcare for members of the Armed Forces who do not have access to military childcare programs because they are geographically dispersed and there is no military childcare program available to them. These will mainly be Guard and Reserve people but not exclusively. There may be families of Active-Duty people who are normally on active duty, who because their loved one is now in Iraq or Afghanistan, for instance, take the family back home and who also will have access to childcare because of this amendment.

It is discretionary spending. I note the Department of Defense supports this amendment. It seems to me the fact that the Senator from Washington was able to work with the Department of Defense to actually obtain their support for her amendment is a notable success for which she is entitled to the commendation of this body and the thanks of this Nation.

I hope this amendment will be adopted by the Senate. I do not know if a rollcall is necessary. If it is, I hope we strongly support this amendment, and I commend Senator MURRAY for her tenacity and for the sensitivity which she shows in so many issues, but in this case on the childcare needs of this country.

Mr. WARNER. Mr. President, I have indicated that colleagues on this side of the aisle are very anxious to work to make this childcare available subject to the availability of funds, as the amendment states. We are prepared to move on, make it totally bipartisan, and voice-vote this amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, without objection the amendment is agreed to.

The amendment (No. 3427) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, we are prepared to proceed with the amendment on important aspects of missile defense by our colleague from California.

The PRESIDING OFFICER. The Senator from California is recognized.

AMENDMENT NO. 3368

Mrs. BOXER. Mr. President, I call up amendment No. 3368.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from California [Mrs. BOXER] proposes an amendment numbered 3368.

Mrs. BOXER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> (Purpose: To allow deployment of the ground-based midcourse defense element of the national ballistic missile defense system only after the mission-related capabilities of the system have been confirmed by operationally realistic testing)
>
> On page 33, after line 25, insert the following:
>
> **SEC. 224. LIMITATION ON DEPLOYMENT OF GROUND-BASED MIDCOURSE DEFENSE ELEMENT OF THE NATIONAL BALLISTIC MISSILE DEFENSE SYSTEM.**
>
> The ground-based midcourse defense element of the national ballistic missile defense system may not be deployed for initial defensive operations before the Secretary of Defense certifies to Congress that the capabilities of the system to perform its national ballistic missile defense missions have been confirmed by operationally realistic testing of the system.

Mrs. BOXER. Mr. President, we are going to face a series of amendments on the missile defense system, and I believe I have an amendment which I am surprised we even have to have a long debate about because it is so straightforward. It says let us not spend the money to deploy the system until it has been tested and until it has been certified as passing those tests by the one office that has the capability of doing it, which is the Office of Director of Operational Test and Evaluation.

We want to ensure that the ballistic missile defense system the President plans to deploy later this year has passed these tests.

In 1983, Congress created the Office of the Director of Operational Test and Evaluation—DOT&E. It is now headed by Mr. Thomas Christie.

The Office of DOT&E was created under the "fly before you buy" law. "Fly before you buy" makes a lot of sense for our taxpayers. Frankly, when it comes to defending our country, my goodness, how much more important can it be before we tell our people they are protected that we actually know they are protected and that the tests which have been done have been signed off on by the very office that has been created for that purpose?

The office oversees the operational testing programs of all major military systems. Operational testing is intended to be as realistic as possible. This includes testing at night, testing in bad weather, using soldiers rather than contractors who have a special interest in the outcome of the test, and using expected enemy countermeasures.

Let me repeat that. In order to have operational tests that you can trust, the testing has to be done under realistic circumstances. We don't know if our enemy is going to attack us on a beautiful, clear day with the wind blowing at a certain rate. The fact is, we need to test under the harshest conditions so that we know what we are deploying works. It must be a realistic test. Most importantly, the tests must be conducted by the Office of DOT&E—the program that is developing the weapons system.

I am sure you are going to hear people stand up and fight against this amendment.

I have to tell you that if you really look at the facts, they do not have them on this side. If I were to ask one of my constituents, who knew nothing about this at all, who they would rather have testing our military systems to make sure they work, the contractor, who has an economic interest in it; the program director, who has an economic interest in getting the program funded; or basically an independent office that was set up by Congress, the Office of Director of Operational Test and Evaluation, I think the answer would be clear. People would want an objective test.

My amendment requires that the Secretary of Defense confirm that the ground-based, midcourse missile defense system has passed these operational tests prior to deployment for initial defensive operations. It is very simple—fly before you buy, test before you deploy, common sense, following the wishes of Congress that knew this was a problem when we set up that office.

Here is why it is important. This amendment is important because the current plan of the Missile Defense Agency does not include any operational testing at any time in the foreseeable future.

Let me say that again. The current plan of the Missile Defense Agency does not include any operational testing at any time in the foreseeable future. And this statement I just made has been confirmed by the Office of Director of Operational Test and Evaluation.

Imagine: We are about to spend $10 billion on this program. It is the biggest program in the defense budget, as I understand it, and we are going to deploy without operational testing.

On December 17, 2002, President Bush announced that the United States will declare a midcourse ballistic missile defense system ready for defense operations at the end of the year. That is interesting. He declared and announced that we would be ready to deploy before the system was tested. He should say: Assuming it passes the tests by the appropriate evaluation agency, which is DOT&E. But he didn't say that. The Pentagon's current plan is to deploy the first interceptor missile in late July, and before the system becomes operational by the end of September when five interceptors are in place at Fort Greeley, AK. The Missile Defense Agency hopes to have a total of 10 interceptor missiles in place by the end of January 5 at both Fort Greeley and Vandenberg Air Force Base in California.

They are moving ahead without any operational testing done by the office that was created to do this.

This plan that I described to you, known as Block 2004, will eventually result in the deployment of 20 missile interceptors by the end of next year.

There is a serious problem here. We have no way of knowing that these interceptor missiles will actually be able to protect us from an incoming ballistic missile attack. The system President Bush is deploying has been tested eight times—not by the Director of the Office of Operational Test and Evaluation, it has been tested by the DOD. The contractor was involved in those tests, and the program director was involved in those tests of the Missile Defense Agency, but not the office that has been created to be the objective tester. The tests were conducted, again, by the Pentagon's Missile Defense Agency in cooperation with the contractor—not the DOT&E.

These tests were highly scripted. They occurred in an unrealistic test environment, and only five of the eight were successful.

Here is the GAO report.

The date is April of 2004. This is a relatively new report. In this report, the GAO criticizes the administration's plan, saying:

> as a result of testing shortfalls and the limited time available to test the BMDS [Ballistic Missile Defense System] being fielded, system effectiveness will be largely unproven when the initial capability goes on alert at the end of September 2004.

That is when the initial five missiles will be deployed.

This report from the General Accounting Office, which is the investigative arm of the Congress, goes on to say:

> the Missile Defense Agency predicts with confidence that the September 2004 defensive capability will provide protection of the United States against limited attacks from Northeast Asia. However, testing in 2003 did little to demonstrate the predicted effectiveness of the system's capability to defeat ballistic missiles as an integrated system.

And from the GAO, who we pay a lot of money to, to advise us, they go on to say:

> None of the components of the defensive capability have yet to be flight tested in their fielded configuration (i.e., using production-representative hardware).

My friends, the GAO has essentially exposed the fact that the President plans a "Wizard of Oz" defense. We have seen the Wizard of Oz. That Wizard of Oz was scary, but when you pull back the curtain, it was just some little guy.

I want to see a successful missile defense system. I want to see it work. Ever since I have been in Congress, I have been voting continually for research, research, so we have one system in place that works. It would be the greatest to have. We may eventually have it. I hope to God we do. I am from California. I want a missile defense system. I am worried. I am just as worried, however, that if we tell our people they are defended and we do not have objective testing behind it, it will be a very hard blow to people and a waste of money that, God knows, we need in other areas of the military and in other ways to defend our people from the suitcase bomb or an attack on a nuclear power plant, which we know the terrorists are looking at.

The President's decision, in my view, before the testing is done, is a waste of our resources. The total amount requested for missile defense in 2005 is $10.2 billion, more than any other defense system in one year ever.

To put this $10.2 billion in perspective, let me read the budgets of some of the programs in agencies critical to protecting us from the threat of terrorism. I have a chart listing what we spend in other areas that are key in our fight against terrorism.

The entire missile defense system is $10.2 billion. That includes everything.

research and everything else. I am talking about the deployment costs, which are about $3.7 billion of the $10 billion. This chart shows the $10.2 billion, which is the entire missile defense cost. The money we are talking about spending is $3.7 billion to deploy these 20 missiles.

Look what we have spent on the other areas to protect our people. The customs and border protection is $6.2 billion. My colleague, Senator MCCAIN, right now is holding a hearing—unfortunately I could not do it because I had to be here—on our problems at the border, protecting our borders from terrorism. The fact is, we need to spend more in high-tech equipment to better protect our people from terrorists crossing the border. The total is $6.2 billion, compared to $10.2 billion on missile defense; Transportation security, $5.3 billion; Coast Guard, $7.4 billion; FEMA, $4.8 billion; Office of Domestic Preparedness, $3.5 billion. This is what we are talking about spending on this deployment—$3.7 billion of the $10 billion—before it is operationally tested by the office that is supposed to do that.

We know the customs and border protection is the front line in protecting the American public against terrorism. Transportation Security Administration—we all know what happened on 9/11; they are responsible for keeping our airlines safe but also our railroads and our ports secure—$5.3 billion, and we are going to spend $3.7 billion on an untested deployment? Coast Guard, $7.4 billion. Imagine that is what we spend on the Coast Guard, and they are right in the line of fire. I visit my Coast Guard ports all the time. They are the lead Federal agency in maritime safety. They are so important. We spend $7.4 billion. And we are spending $10.2 billion on the entire missile defense and ready to toss out $3.7 billion of that in this initial deployment.

All of FEMA, the lead agency for preparing us to respond to all domestic disasters, including acts of terrorism, $4.8 billion. We are about to spend $3.7 billion on an untested system, and we are spending $4.8 billion on FEMA.

Office of Domestic Preparedness, $3.5 billion, which is less than we will spend on an untested system. They are the lead agency responsible for preparing the Nation against terrorism by assisting States and local governments in preparing for terrorists acts.

The Presiding Officer must hear the same things I hear at home from the police officers, from nurses, from the first responders, the firefighters. They are hurting. They need our help. Would it not be better at the moment now not to waste $3.7 billion on this initial deployment, if we have that extra funding, but to put it into the fight on terrorism?

My amendment does not cut any money from this program. My amendment does not cut one dollar from the program. However, it says, do not spend the money until the system is operationally tested. We will have other attempts because other people will be taking out some funding. I do not touch the funding. All I say is, test it before you deploy it. If the Office of Operational Test and Evaluation comes back with a good report, then I say please deploy but not until that time.

We are at war with al-Qaida and with terrorism. The only four nations that have ever successfully tested a nuclear capable intercontinental missile are Russia, France, Britain, and China. We are not at war with them.

We will talk about Korea and Iran. There are fears, and I share the fears, that this technology could get into the hands of the wrong countries or somehow a terrorist could get his or her hands on one of these missiles. That is why I want to protect our country against the potential of this kind of a strike. However, I do not want a make-believe system. I do not want a Wizard of Oz system.

I want a system I can look my people in the eye and say: We spent $3.7 billion deploying the first aspects of this system, and we know it works. I think my people deserve to know that.

When I was in the House, I was on the Armed Services Committee, and I worked very hard on procurement reforms. I enjoyed so much being on the Armed Services Committee in the House. I was there for years. We had some wonderful debates. What we found is: "Fly before you buy" is essential. And that is all we are saying. We want to know the system works. We want to be able to tell the people the system works. And, clearly, we should look at the threat we face.

Now, the reason I am for this program, the reason I have voted for this program many times for research, is because I want to have a system that works. Why? North Korea. I am very fearful of North Korea. Although I believe we can try our best and do more to negotiate with them, there is no question I am worried about a potential missile system in North Korea.

But here is the issue. We have a capability that is not talked about that much here, but the Pentagon's former Director of DOT&E, Philip Coyle, has said: We would never wait until North Korea has launched a missile attack. "We'd blow it up on the ground." We have the capability to know when these missiles are being moved into place. Let me repeat what Philip Coyle said, the Pentagon's former Director of DOT&E:

> We would never wait until the thing was launched. We'd blow it up on the ground.

Now, I subscribe to that theory. I want to blow it up on the ground. I think Philip Coyle is right. With our capabilities, we could see any movement, and we would know. But wouldn't it be great to intercept a missile once it is in the air? Absolutely. If we could not destroy it before it was launched, definitely. But let's operationally test the system first, with the people who are hired to do this for the taxpayers.

Now, let's hear what the Union of Concerned Scientists is saying. They are an independent nongovernmental organization. They released an analysis of the President's plan to deploy a missile defense system. Let me read you two of their findings:

> The Block 2004 missile defense will have no demonstrated capability to defend against a real attack since all flight intercept tests have been conducted under highly scripted conditions with the defense given advance information about the attack details.

Now, do we think our enemies are going to place a call to us and say here is what we are going to do; here is what time we are going to do it; here is the weather we are going to do it in; here is the day? No. The fact is, we have not realistically tested this system.

This is what the Union of Concerned Scientists says:

> Unsophisticated countermeasures that could readily be implemented by countries such as North Korea remain an unsolved problem for mid-course defenses against long-range missiles.

So they are calling our countermeasures that we are using unsophisticated. It is a problem. This means that any country able to launch an ICBM is also capable of using countermeasures to fool our interceptors.

The Union of Concerned Scientists report ends with their recommendation that the Pentagon's Missile Defense Agency should:

> [H]alt its deployment of the Block 2004 Ground-based Mid-course Defense system and Congress should require MDA to conduct operationally realistic testing of the system before it is deployed.

I thank the Union of Concerned Scientists because it was their very clear writing that led me to this amendment. In addition, common sense led me to this amendment. In addition, many former generals who have spoken out on this led me to this amendment. I agree with the scientists. That is why my amendment says that before we declare the system operational, we should know that it has been tested in a realistic manner.

I want to show you the list of 49 generals who have written on this issue. I say to the Presiding Officer, I think you would find this very interesting. This is a list of 49 generals and admirals who call for missile defense postponement because they do not believe the testing is adequate.

In a recent statement these 49 generals and admirals have written to President Bush asking that the deployment of a ground-based midcourse missile defense system be postponed. Their letter points out that the Pentagon has waived the operational testing requirements that are essential to determining whether this highly complex system of systems is effective and suitable.

The last paragraph of their letter sums up the concerns of these generals and admirals:

> As you have said, Mr. President, our highest priority is to prevent terrorists from acquiring and deploying weapons of mass destruction. We agree. We therefore recommend, as the militarily responsible course of action—

The militarily responsible course of action—

> that you postpone operational deployment of the expensive and untested GMD system and transfer the associated funding to accelerated programs to secure the multitude of facilities containing nuclear weapons and materials and to protect our ports and borders against terrorists who may attempt to smuggle weapons of mass destruction into the United States.

Mr. President, I ask unanimous consent to have printed in the RECORD this letter signed by 49 retired generals and admirals.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MARCH 26, 2004.

President GEORGE W. BUSH,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: In December 2002, you ordered the deployment of a ground-based strategic mid-course ballistic missile defense (GMD) capability, now scheduled to become operational before the end of September 2004. You explained that its purpose is to defend our nation against rogue states that may attack us with a single or a limited number of ballistic missiles armed with weapons of mass destruction.

To meet this deployment deadline, the Pentagon has waived the operational testing requirements that are essential to determining whether or not this highly complex system of systems is effective and suitable. The Defense Department's Director of Operational Test and Evaluation stated on March 11, 2004, that operational testing is not in the plan "for the foreseeable future." Moreover, the General Accounting Office pointed out in a recent report that only two of 10 critical technologies of the GMD system components have been verified as workable by adequate developmental testing.

Another important consideration is balancing the high costs of missile defense with funding allocated to other national security programs. Since President Reagan's strategic defense initiative speech in March 1983, a conservative estimate of about $130 billion, not adjusted upward for inflation, has been spent on missile defense, much of it on GMD. Your Fiscal Year 2005 budget for missile defense is $10.2 billion, with $3.7 billion allocated to GMD. Some $53 billion is programmed for missile defense over the next five years, with much more to follow. Deploying a highly complex weapons system prior to testing it adequately can increase costs significantly.

U.S. technology, already deployed, can pinpoint the source of a ballistic missile launch. It is, therefore, highly unlikely that any state would dare to attack the U.S. or allow a terrorist to do so from its territory with a missile armed with a weapon of mass destruction, thereby risking annihilation from a devastating U.S. retaliatory strike.

As you have said, Mr. President, our highest priority is to prevent terrorists from acquiring and employing weapons of mass destruction. We agree. We therefore recommend, as the militarily responsible course of action, that you postpone operational deployment of the expensive and untested GMD system and transfer the associated funding to accelerated programs to secure the multitude of facilities containing nuclear weapons and materials and to protect our ports and borders against terrorists who may attempt to smuggle weapons of mass destruction into the United States.

Mrs. BOXER. Mr. President, the admirals and generals are essentially asking to take that money, that $3.7 billion, out of the $10 billion, and divert it to other programs. I am not doing that. I am simply fencing the money and saying: You can spend it when the tests pass. So they are really asking more than I am doing.

The people who wrote this letter are some of our most distinguished military men and women. I am going to read the names of these generals and admirals:

ADM William J. Crowe, United States Navy, Retired; GEN Alfred G. Hansen, United States Air Force, Retired; GEN Joseph Hoar, U.S. Marine Corps, Retired; LTG Henry E. Emerson, Army, Retired; LTG Robert Gard, Jr., Army, Retired; VADM Carl Hanson, Navy, Retired; LTG James Hollingsworth, Army, Retired; LTG Arlen Jameson, Air Force, Retired; LTG Robert Kelley, Air Force, Retired; LTG John Kjellstrom, Army, Retired; LTG Dennis McAuliffe, Army, retired;—they are all retired, so I will not continue to say that—LTG Charles P. Otstott, Army; LTG Thomas Rienzi, Army; VADM John Shanahan, Navy; LTG Dewitt Smith, Jr., Army; LTG Horace G. Taylor, Army; LTG James Thompson, Army; LTG Alexander Weyand, Army; MG Robert Appleby, Army.

Mr. REID. Will the Senator from California yield for a question?

Mrs. BOXER. Yes.

Mr. REID. I have spoken to the two managers. Senator LEVIN wants to speak in support of your amendment for 5 minutes. They want 25 minutes to respond to your statement.

Mrs. BOXER. Sure.

Mr. REID. We would like to set a vote for around 12:30.

Mrs. BOXER. OK.

Mr. REID. Which is 40 minutes from now.

Mr. WARNER. Mr. President, and no second degrees prior to the vote.

Mr. REID. Yes.

Mrs. BOXER. I am happy to take another 7, 8 minutes and then finish.

Mr. WARNER. That runs us into about 35 minutes on your time.

Mrs. BOXER. I will finish in 5 minutes.

Mr. REID. Yes. Senator BOXER will speak for 5 minutes. He will speak for 5 minutes. That will give you 40 minutes and will be about evenly balanced.

I ask unanimous consent that on the pending Boxer amendment, there be 10 minutes left on the proponents' side, 5 minutes for Senator BOXER, and 5 minutes for Senator LEVIN, and the remaining time be under the control of Senator WARNER, and that there be a vote at 12:30 with no second-degree amendments prior to the vote.

Mr. WARNER. Reserving the right to object, could we state no later than 12:30? We may be yielding back time.

The PRESIDING OFFICER. Does the Senator so modify his request.

Mr. REID. Yes, and that Senator BOXER could have 1 minute prior to the vote.

Mr. WARNER. We will take on this side equal time with 1 minute prior to the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. May I ask the Senator, I do get a vote on this?

Mr. REID. Yes, at 12:30.

Mrs. BOXER. The reason I am reading these names is because these are names we know. These are our heroes: Major General Appleby, Major General Boatner, Major General Bradshaw, Major General Brady, Major General Burns, Rear Admiral Center, Major General Crawford, Major General Edmonds, Rear Admiral Elliot, Major General Faith, Rear Admiral Gormley, Major General Griffitts, Rear Admiral Grojean, Major General Haddock, Major General Holbein, Major General Hyman, Major General Jackson, Major General Lawson, Major General Luchsinger, Major General LeCleir, Major General Willoughby, Brigadier General Cannon, Brigadier General Costa, Brigadier General Cowan, Brigadier General Foote, Brigadier General Forney, Brigadier General Grubbs, Brigadier General Hastings, Brigadier General Johns, Brigadier General Roush.

This is not easy for these people to come out here now and do this. They believe, as I do, and as I hope colleagues on both sides of the aisle feel—and I don't know what will happen with this—that with all of the threats we face today, we have to take care of everything. But for goodness' sake, before we make a $3.7 billion deployment decision, let us test the system with the agency that was set up to do it, not with the program that is kind of fighting for its life always because that is what happens around here, whether it is in the military or any service. You can't rest with that and with the contractors that have the economic stake. This separate objective office is the one.

I stand with the scientists who say we need the realistic test. I stand with the 49 former generals and admirals who say the militarily responsible course is not to spend this money until these tests pass. The Pentagon's current Director of the DOT&E, Thomas Christie, says we can't be sure the system will work against a real North Korean missile. So why wouldn't we fly before we buy? Why wouldn't we be sure that we are spending the money for the taxpayers in a wise way?

I want this as much as anybody else. I want this very much to work. But I don't want to spend the money until we know we have tested the system realistically, and that is common sense.

Again, I named the names of these admirals. They want to go even further. They want to postpone this. I am saying let's not take away the money. Keep the money in place. Let's just make sure the appropriate agency does the testing. That appropriate agency is the Director of Operational Test and Evaluation. It is very simple. I hope my colleagues will support this. We are being told by the people who know that it is not ready yet for deployment.

I thank my colleagues for their patience. I yield the floor. I look forward to a good vote.

Mr. WARNER. Mr. President, I yield myself such time as I may require. I would like to enter into a brief colloquy with our colleague from California. If we can keep the answers short, I want to frame, for those Members following this debate, my perception of what your amendment does. I start by pointing out that last year, this body, this Congress, in a conference report, approved 20 ground-based interceptors—they have been authorized—16 of which will be based at Fort Greely, AK, and four of which will be placed at Vandenberg, CA. They are being fielded as part of a missile defense test bed. This test bed is required for operational realistic testing and provides some measure of operational capability which serves as a basis for the IDO.

Is that basically a correct statement of what we did last year?

Mrs. BOXER. I am sorry. My staff was pointing out something. You are asking me if what?

Mr. WARNER. What we did last year, this body authorized moving ahead on 20 test bed sites, 16 in Alaska and the balance in your State. Am I correct?

Mrs. BOXER. Yes.

Mr. WARNER. Is not the purpose of your amendment to stop that process?

Mrs. BOXER. Absolutely not.

Mr. WARNER. Then how do you proceed to do any testing if you stop the test bed?

Mrs. BOXER. We want operational testing. We want the tests to be done by the appropriate office. That is the purpose of the amendment. That is exactly what the generals are saying. That is what the admirals are saying.

Mr. WARNER. I thank my colleague.

Mrs. BOXER. Sure.

Mr. WARNER. I interpret it quite differently. The amendment would prohibit deployment of the ground-based midcourse missile defense system until the Secretary certifies to Congress that the capabilities of the system to perform its national missile defense missions have been demonstrated in operationally realistic testing.

We authorized precisely what was to be done last year. We are proceeding on that basis right now. And as I look at this amendment, it would be in effect to reverse what we did last year and start off in an entirely different direction. The test bed capabilities will include space, ground, sea-based sensors, missile defense interceptors, battle management facilities, software, command and control, and communications facilities. To provide additional realism, military operators participate in the tests, and the warfighter is developing a concept of operations.

So, basically, what we are doing, if we were to adopt this amendment, is to put a halt on this system.

As I said, I rise in strong opposition to the Boxer amendment. This amendment would prohibit deployment of the ground-based midcourse missile defense system until the Secretary certifies to Congress that the capabilities of the system to perform its national missile defense missions have been demonstrated in operationally realistic testing.

This amendment, however, is flawed.

Let me start by noting that the Missile Defense Agency, with the strong support of the Pentagon's Director of Operational Test and Evaluation, is fielding an extensive missile defense test bed. This test bed is key to operationally realistic testing.

The test bed capabilities will include space, ground, and sea-based sensors; missile defense interceptors; battle management facilities and software; and command, control, and communications facilities and software. To provide additional realism, military operators participate in the tests, and the warfighter is developing a concept of operations.

The test bed facilities, the participation of military operators, and a good concept of operations provide MDA the ability to test realistically but also provide the initial defensive capability of the BMD System. This initial capability is based on the operational capabilities inherent in the test bed. We are, in fact, on track to field an initial, limited defensive capability later this year. That is what a number of Senators have described as a missile defense deployment.

Indeed, the Commander of U.S. Strategic Command strongly supports the early operational exploitation of test bed capabilities. He is the individual charged with assessing the military utility of the BMD system. He testified forcefully to our committee that the BMD system provides a useful military capability, contributes to deterrence, and provides a useful option to military commanders and national command authorities, even in the early phases of testing. He testified that he intends to "take full and early operational advantage of the system's anti-missile capabilities under development." He also wrote in a recent letter, "U.S. STRATCOM supports the continued appropriate development of missile defense capabilities . . . under the evolutionary approach of concurrent test and operation."

The amendment does not recognize the connection between the test bed and the fielding of operational capability. If you prohibit this "deployment," you prohibit operationally realistic testing—and prevent the very basis for the certification that the amendment requires.

The BMD system is already being rigorously tested. I would argue that it is one of the most thoroughly tested systems—at this point in its development—that we have. It has gone through thousands of hours of ground testing. The ground-based midcourse missile defense element that we are discussing has achieved successful intercepts in five of eight tests and proven the basic soundness of the hit-to-kill technology. The operational test community is deeply involved in the test program, each test includes operational test goals in addition to developmental test goals.

Each test already includes a measure of operational realism. That testing will continue and will become progressively more realistic and challenging as the system matures. Testing successes will provide greater confidence that the system is performing as we expect it will.

I would further note that the fielding of BMD systems is threat driven. Serious ballistic missile threats exist today and will increase in the future. Congress addressed this issue years ago in the National Missile Defense Act of 1999, which states that it is the policy of the United States to deploy a national missile defense as soon as technologically possible. The Senate passed that act by a vote of 97-3. We need to proceed expeditiously with fielding.

This is entirely consistent with past practice. Our nation has often fielded military systems without completion of operational testing in response to an urgent military need. These systems include the Joint STARS system in the first Persian Gulf War, and the Global Hawk and Predator UAVs in the war on terror. Deployment of these systems—which had not completed testing—greatly increased the security of our nation. The same will be true when we have fielded the missile defense system.

I urge my colleagues to oppose this amendment.

I ask the chairman of the subcommittee to address the Senate and allocate the time on this side.

Mr. ALLARD. Mr. President, I thank the chairman for yielding to me. Senator KYL was on the Senate floor. I thought I would go ahead and give him an opportunity to make some comments. I would like to make some comments following his remarks.

Mr. WARNER. Does the Senator from Colorado agree with me as to what this amendment does?

Mr. ALLARD. I do. If you take down the test bed, you in effect are going to stop the progress of the missile defense program. The real issue is, if you take down any part of it, it is so intertwined and interconnected, you slow down and stop the whole system. Your comments are very pertinent. They are very much in order. I have tremendous concern that this in effect is going to undo what the Congress has worked so hard to do.

If you remember, initially the legislation directed that we move forward on missile defense as soon as technologically feasible. We are ready to move ahead, and we need to.

I yield 10 minutes to the Senator from Arizona.

Mr. KYL. Mr. President, with regard to the amendment before us, the chairman of the committee and of the subcommittee have made precisely the right point. Congress has passed a law to get us to this point today, to begin the kind of operational testing that everybody agrees we need to do, that even critics of the missile defense program want us to do. Yet now they say let's stop building the missiles that would be used for the operational testing.

The essence of this is captured in one of the first comments of the Senator from California.

She talked about the concept of "fly before you buy," which ordinarily is the way we buy military equipment but not always. She noted that is one of the reasons why the Office of Test and Evaluation was created, and she noted there had been problems as a result of the fact that not all of the operational testing had been done on this program.

Let me quote from the person who heads that office, the Director for Operational Test and Evaluation, Thomas Christie, on this precise issue in his recent testimony before the Senate Armed Services Committee:

> . . . I think the issue we're talking about here is the building of missiles that will be put into silos that are part of the test bed, and we have to have this test bed in order to do some of the testing that will become more realistic engagements, geometrics, for example, than we've been able to do before. And some of these attributes of this test bed are in response to criticism that came from my office and my predecessor in previous administrations. . . .

Mr. President, that is the precise point. The criticism has been that not all of the testing has been under the kind of realistic conditions that would be the real battlefield we need to be able to test against. It has been done by contractors, and, of course, that is the way you have to start out to test the components and make sure they work. Eventually, you have to build the missiles, put them into the ground, and test them in real conditions. What better way to do that than to put them in the actual silos in which they will have to be located in Alaska?

By the way, when Thomas Christie speaks of this, he talks about the places for the best chance of intercepting missiles, where we think they might come in. Where is that? Alaska. Weather conditions in Alaska are not necessarily the best. We have to test these missiles under conditions where there would be several feet of snow or ice on top of the missile silo, the lid that has to be blown off for the ground-based missile interceptor to be shot off. That is why we have to have missiles precisely in the place where they can be tested under these operational conditions. That is precisely why we have to, A, authorize and, B, fund this group of 10 missiles which will be part of the test bed.

Now, the fact that they may also have the capability in an extreme emergency of actually shooting down a hostile missile should not be a bad thing. If, God forbid, a hostile country should challenge us and either mistakenly launch a missile at us or intentionally do so against us, wouldn't it be nice to have the missile in the silo to shoot it down with? I fear some opponents—certainly not anybody on the Senate floor—would say you cannot do that because we have not certified yet that it is an operational system.

In the 1991 gulf war, for example, when we had an air defense system called Patriot and Saddam Hussein began sending Scud missiles at our troops in Saudi Arabia and Kuwait, we actually sent that air defense system to Saudi Arabia, doing some fixes to it on the way over, and we put it on the ground. As the Scuds were launched, we fired Patriot missiles at them. We didn't hit them all, but I think we hit something like about a third of the Scud missiles.

That system wasn't designed to shoot down missiles. It had never been operationally tested and hadn't been certified for deployment, but in an emergency we needed it. We have done that with other systems, such as JSTARS and some of our unmanned aerial vehicles. There are some other programs we can talk about that we didn't "fly before we buy" with those systems. We had them in a developmental process, and all of a sudden we needed them and we used them. Thank God, they were there to be used.

So even if we had to use one of these missiles in an emergency, God forbid, would anybody object to us doing that? Would we have to say, wait a minute, we don't have the certification called for in the Boxer amendment yet? Sorry, we cannot defend ourselves.

I think not. It is an unrealistic requirement. More importantly, it is a requirement that even the head of the group that we have set up, the Director of the Operational Test and Evaluation Office, has said is unnecessary.

We need to move forward in building these missiles so we can put them in the silos and conduct the operational tests that we all agree need to be conducted.

I note that our colleague from California said she has always voted for research. I accept her word on that. But part of the problem for missile defense is that a lot of us vote for research, but when it comes to bending the metal, actually building the system and putting it into the ground, that is when people say we need to slow up, we have not done enough testing, we are not sure it will work against everything. So we have spent an awful lot of money on missile defense and, frankly, a lot of research, but we have not been able to put something into the ground.

President Bush said, when he came into office, we are going to put something into the ground that will work. We may have to let it evolve as it moves forward, and we will make changes as we learn more and more. But that is all right. At least we have an initial capability that might work, God forbid, should somebody accidentally launch something against us, or even do so intentionally. I look at our weapons systems, such as the F-16s that are tested at Luke Air Force Base in Arizona. I am not sure which version of the F-16 we are flying now, but it is not the A, B, C, or D. We build systems and we keep improving them. We evolve in our technology and keep putting that new technology into the systems.

That is precisely what we have decided to do with missile defense, rather than trying to come up with the perfect system that will defeat any kind of offensive system against us. We understand we need to start with something that will be rudimentary and at least will deal with a threat coming from a country like—let's say North Korea, and it may not work against one of the old Soviet systems, for example. But as we get better, we will include those new technologies into these systems, improve them; so as our adversaries develop systems, we will be one step ahead of them.

Finally, part of the purpose of this is deterrence. It is not just to be able to defeat a missile that might be thrown against us. The message we want to send to North Korea, Iran, and other countries is the same one we sent to Soviet Union, which it heard loudly and clearly. It was the message President Reagan sent: We have the economy to outspend you, out-research you, out-build you, and we are going to build a missile defense that will defeat you. Why go to the trouble, since you cannot afford to do it, of trying to build an offensive system that we can defeat? That is the message we want to send to these potential enemies. We can deploy a system and we will always be able to have a system that will defeat what you throw against us. Why take the time and trouble to develop that kind of system? It has a deterrent effect as well.

We need to move forward with this system and defeat the Boxer amendment. Both Chairman WARNER and the Senator from Colorado, Senator ALLARD, are precisely correct in their opposition to this amendment.

Mr. ALLARD. I thank the Senator for his statement. I recognize in a public way his great work on this particular issue, and his comments are very enlightening.

I will yield myself 6 minutes.

I rise in strong opposition to the Boxer amendment. Today, we face a clear threat from long-range missiles in North Korea. Iran has made no secret of its intent to develop long-range missiles. We may have to deal with that threat in the not-too-distant future. That is the truth.

Consequently, I have great concern about this amendment, which seems relatively straightforward but it is potentially devastating to the effort to defend our Nation from long-range missile threats. I say "seems straightforward" because I can actually read this amendment three different ways. None of these readings seem useful to the defense of this country.

If I focus on mission, I would note that Admiral James Ellis, Commander of Strategic Command, has testified to our committee that the ground-based midcourse element of the ballistic missile defense system enhances deterrence and provides him a militarily useful capability. On that basis, perhaps the Secretary could provide the certification required by the amendment, even at this stage of the testing. I don't believe that is what the Senator from California has in mind.

If I focus on operations, I might read this amendment to say we can deploy all we want, but we cannot use what we deployed operationally. Taken literally, that would mean if North Korea or some other nation would launch a missile at us, we would be forbidden by law from trying to defend ourselves. I don't believe that is what the Senator has in mind either. Of course, to be able to try to intercept such a missile, the ground-based midcourse element would have to be on alert and operationally ready. This is precisely why Admiral Ellis strongly supports taking advantage of the operational capabilities of the missile defense test bed.

That brings us to the third reading focusing on deployment. If I read the amendment correctly, it would impose a prohibition on any deployment of defenses against long-range ballistic missiles. Any additional deployment would be prohibited until the Secretary of Defense certifies that operationally realistic testing has demonstrated that the ground-based midcourse defense element can perform its mission.

If that is the Senator's intent, as I read this, if this amendment were to become law at the beginning of the new fiscal year, no further fielding of ground-based midcourse interceptors, radars, battle management facilities, command and control facilities, or communications assets would be permitted. These are the components of the BMD test bed on which the initial defense capability of the GMD element are based.

This has the potential to cause extraordinary harm to the GMD effort by disrupting ongoing efforts to acquire assets for the BMD test bed, including all of the assets I just mentioned. Recovering from this disruption, depending on how long fielding of capabilities were to be suspended, could take years and cost hundreds of millions of dollars. But beyond that, as a consequence of this disruption, and the consequent harm to the BMD test bed, it is not clear to me at all how the Missile Defense Agency could achieve the operationally realistic testing that all of us support.

Furthermore, I believe this amendment fails to grasp the essentials of how the Department of Defense and the Missile Defense Agency are attempting to field missile defenses as effectively and expeditiously as possible.

The ballistic missile defense program is a spiral development effort. That means, in essence, develop missile defenses and field those defenses if the warfighter believes the capability has military utility without necessarily waiting for the 100-percent solution. Further development then allows those defenses to be improved in subsequent spirals.

This amendment does not seem to take account of this spiral development, that the ground midcourse defense system element will be able to perform at a certain level early in its fielding and will improve in its capabilities over time or that continued testing will demonstrate new capabilities as they are developed. Testing, which already incorporates operational goals and some measure of operational realism, gets more realistic and more rigorous with time.

This method of development, testing, and fielding does not seem to me to be compatible with the one-time certification by the Secretary. We all support operationally realistic testing, but banning deployment until a certification appears to me to be self-defeating.

I urge my colleagues to join me in opposing this amendment.

I would like to bring to the attention of my colleagues a quote by Christie, who is the Director of the Operational Test and Evaluation Program:

> I continue to strongly support the construction and integration of the BMDS test bed. This test bed will provide the elements that make up the initial defense operations or. . . .

the architecture of the missile defense system.

Who is this director? He is the chief tester. This is what the chief tester himself is saying about how important it is that we move forward with spiral development where we can operationally show in a test bed the dual capability.

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). The Senator has used 6 minutes.

Mr. ALLARD. Mr. President, I yield the floor and yield—how much time does the Senator from Alabama wish?

Mr. SESSIONS. Five minutes.

Mr. ALLARD. I yield 5 minutes to the Senator from Alabama.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. SESSIONS. Mr. President, I thank Senator ALLARD for his great leadership on the issue of national missile defense, space technology, and all the related issues. We are fortunate to have him as chairman of the Strategic Forces Subcommittee. He understands the issue. He has been dealing with it for many years. He studied it and brought his scientific background to the issue. I agree with him, and I also very much agree with the comments of our distinguished Senator JON KYL from Arizona, who also has studied this issue for many years.

We voted back when President Clinton was President, and he signed the bill to deploy a national missile defense system as soon as technologically feasible. It was an amendment, I recall, by Senator THAD COCHRAN and Senator JOE LIEBERMAN. It passed by a very large vote, and we made a commitment to do that. There was a lot of debate about it then.

I think some people still are somewhat motivated by their criticism of President Reagan's Star Wars maybe; that this would not work; it could not work. They just did not like it. But we voted on it after a national commission had reported unanimously that we needed to have this defense. Overwhelmingly the Senators voted for it. Since then, there has been a steadfast effort to slow, delay, and undermine the actual deployment of this system.

We are now on the move to deploy this system in September in Alaska, to put, I believe, five missiles in the ground, and this will give us the ability to conduct realistic testing, the kind of testing that can actually deal with the realistic conditions around the world, our radar systems, our interceptor systems, the nature of the launch facilities in Alaska, which is the perfect place, people have convinced us, to deploy a system and cover all the United States. It will protect us now. It has military capability to protect this country when deployed.

It also could, in addition to perhaps a threat from a nation such as North Korea that actually rattled its missiles a number of times and are working steadfastly to improve their missile system, help us deal with an accidental launch from a country that has a missile defense program. It would give us the ability to have protection today for the entire United States. That is what we committed to do.

We voted to begin this deployment in September, and General Kadish and his entire team, General Holly and others, have worked so hard to prove the feasibility of this system. A bullet can meet a bullet. We have done it. We know it will work. Now we need to set up an operational system, a very realistic system, deploy these missiles, and continue to test them. We will learn to make them even better to deal with some of the problems we have not anticipated today from this deployment and the testing that can occur there.

We are doing this as part of the spiral development, the idea that when you are developing a new system such as this, it is not possible to anticipate everything that may occur, every challenge that may be out there, and as we learn, we continue to improve the system.

We in Congress in the past have made mistakes sometimes about mandating a new weapon system, a new production, and then demand it meet 10 characteristics, when we may find, as we go along in the development of it, if we drop off 1 of those characteristics and keep 9 of them, we have even more capability and a better system. We are giving them some freedom to deploy and test as they go.

I believe we are well on the way under Senator ALLARD's leadership and Senator WARNER, the chairman of our committee, to deal with any scientific difficulties that have come up in the past.

I thank the Chair for recognizing me to speak on this issue. I join with Chairman WARNER and Chairman ALLARD in urging defeat of the amendment.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, the pending amendment would prevent deployment of the missile defense system before that missile defense system is shown to be workable by operationally realistic testing. That is what we are supposed to do around here. This is nothing new. What is new is the deployment of a system before it has been realistically tested and operationally tested with no plans to ever test the system.

There are a couple of examples where we have deployed systems, but we have never deployed a system without a plan to at least operationally test at some point. There are no such plans here. It violates the spirit and, in one case, the letter of the law relative to testing and relative to "fly before you buy."

These laws are intended to prevent the purchase and deployment to the field of billions of dollars in military equipment prior to it being adequately tested. What we have heard on the floor is a giant rationalization for deploying a system which may or may not work. We have been told this morning that we have to deploy in Alaska because that is where the operational testing is going to take place. How can there be operational testing unless these missiles are put in the ground?

The problem is, that is not accurate. There is not going to be flight testing of these missiles from Alaska. That is not just me saying that; this is what the Department of Defense has told us. I will quote from the DOT&E fiscal year 2003 annual report:

> Due to safety considerations, no tests are currently planned to launch interceptors from the operational missile fields.

I am going to repeat it:

> Due to safety considerations, no tests are currently planned to launch interceptors from the operational missile fields.

So these missiles are not going to be put in Alaska in order to have some place from which to operationally test a missile. It is not going to happen.

Mrs. BOXER. Will the Senator yield for a question on that point?

Mr. LEVIN. I would be happy to yield.

Mrs. BOXER. So when Senator WARNER says essentially we need to go ahead because we are going to test this once they are deployed, what I hear my colleague saying the Pentagon told him, and they put it in writing, is because of safety concerns there will be no operational testing at those sites; is that correct?

Mr. LEVIN. At these sites, they are not going to be fired. So you want to deploy before you test. Do not deploy because you think that is where you are going to be testing from. We are not. That is according to the Department of Defense.

Now another reason we are given is that will work against the real North Korean missile threat. That is what we are told. Yet on March 11, the Pentagon's own chief tester, Tom Christie, testified in front of the Armed Services Committee and Senator JACK REED asked him whether it was true that at this time we cannot be sure the actual missile defense system would work against a real North Korean missile threat, to which Mr. Christie replied, "I would say that's true."

Now, there are good arguments to test a missile defense system which will work. It seems to me to say that a missile defense system which may or may not work, which we have not tested operationally or realistically, is a deterrent against some potential threat, is totally inaccurate as well. It is wishful thinking. Something is not deterred with a system which may not work. There is testing to get a system which does work and then deterrence may be possible, because if there is going to be a missile attack against us, we always have to remember that the people who would shoot at us, No. 1, would destroy themselves, not us. They may or may not destroy us depending on how accurate the missile is, but they would destroy themselves because the retaliation would be swift, clear, certain, and massive. That is the deterrent that works and has always worked in the area of missiles.

Nonetheless, if one wants a defense against such an attack, if they do not think they can deter an attack by the certainty of massive retaliation, if they think some country is going to shoot a missile at us even though it will lead to their own destruction, then the value of that system would be "if it works." But no operational testing here.

Senator BOXER's amendment would prevent deployment of the administration's national missile defense before the capabilities of the system have been confirmed by operationally realistic testing. This amendment does exactly the right thing. The administration currently plans to deploy a national missile defense before the capabilities of the system have been confirmed by operationally realistic testing. This violates the entire spirit, if not the letter, of the "fly-before-you-buy" laws, because these laws are intended to prevent the purchase and deployment to the field of billions of dollars of military equipment prior to it being adequately tested to show that it would work in actual combat.

Sometime in September of this year, the Bush administration will declare a national missile defense system deployed and operational, probably with much fanfare. However, the system has never been realistically tested, against targets that actually look like an enemy missile. Instead, the targets have had beacons on them, telling the national missile defense where they are, instead of using the national missile defense radars to do that. An enemy missile will not have a beacon on it. Yet, the DoD has never yet tested this system without the target having one. Nor has the system been tested against targets that look like a threat missile might look, with the simple countermeasures that any ICBM-capable country would almost certainly have.

The Pentagon's chief test official, who is required by law to independently oversee and approve all operational testing of major weapon systems, has not been given any authority over the missile defense test plans.

This chief test official is the only true independent judge of the Pentagon's weapon system. The law established his position to ensure that political or other pressures did not result in a weapon system being deployed before it was ready. But the Bush administration has consistently tried to marginalize the role of the Pentagon's test official in missile defense.

The result is that the testing for the national missile defense system has remained unrealistically simple. The tests have been designed to ensure test success, and "rack up the score," not to ensure the system actually works in wartime. Despite the artificial simplicity of the tests, the last major test of the system was a failure. That was back in December of 2002, and the DoD has not conducted another such test in the 18 months since then. This long delay has been due to a number of developmental problems with the system's interceptors. The Pentagon still has not fixed the developmental problems with the system, which is why the next test, originally scheduled for March, has been delayed by 4 months. Yet despite these continuing problems, test failures, and the substantial delays, the administration still plans to deploy the system in September, as it has for more than a year. This is putting perceived political advantages of a Presidential election-year before technical reality, and fiscal responsibility.

Senator BOXER's amendment would require realistic operational tests, under the control of the Pentagon's chief tester, prior to deployment of a national missile defense. I support Senator BOXER's amendment, which would put common sense ahead of missile defense politics, and would reinforce the intent of existing "fly-before-you-buy" laws which protect men and women in uniform, the taxpayer, and our national security. I urge others to support this amendment as well.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator is recognized for 3 minutes.

Mr. ALLARD. My colleague said all we have to have is mutually assured deterrence. That is a policy out of the cold war: Blow me up and I am going to blow you up. We are past that in this day and age. We are dealing with leaders in other countries who do not care, and that is where our threat is coming from, it is coming from countries such as Iran and North Korea. We need to figure out a new system, and we need to get it in place as quickly as we possibly can to make sure we can continue to provide the security to this country that the American people expect. The missile defense system is the answer.

We are talking about a test bed that is overlapping with an operational capability, and anything we do to delay the operational capability, we delay testing. When testing is delayed, the cost of the program is run up and the program is delayed out. Then pretty soon there are cost overruns and then the opposition says, well, we cannot move forward because of all of these delays and cost overruns.

The fact is, we are on schedule. We expect to get these missiles in the ground this fall, and we are going to begin to have a system in place where we can defend this country from an unexpected missile attack that may occur out of North Korea or Iran.

Mr. Christie, who I had quoted earlier, in simple terms, was our chief tester, and he states that the test bed is necessary for evolution improvement to the ballistic missile defense system, and that the challenge is to do testing in a manner that will improve the system while supporting an operational system.

Stating something Mr. Christie said from his recent testimony to the full committee, he says that fielding the test bed provides an opportunity to gather operational data on system performance, safety, survivability, availability, and maintainability. We should expect these data to drive system enhancements. The challenge will be in achieving a defensive posture that is flexible enough to accommodate the necessary changes to hardware, software, and processes that will be necessary to maintain a highly available ballistic missile defense system, while supporting a comprehensive testing program that is designed to mature, improve, and demonstrate mission capabilities through continued development.

Mr. Christie believes the Missile Defense Agency test program is a strong one, and that it is working. Unnecessary delays are unnecessary. We simply cannot tolerate those. This issue is too important to the security of this country. So I am asking that my colleagues join me in opposing the Boxer amendment. This is a devastating amendment. It is creating all sorts of problems as far as the defense of this country is concerned, and it is going to severely hinder what we are trying to do with ballistic missile defense.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mrs. BOXER. Mr. President, is there any time for me to rebut some of what was said?

The PRESIDING OFFICER. The Senator from California has 1 minute 20 seconds remaining; the Senator from Colorado has 8 minutes 20 seconds remaining.

Mrs. BOXER. Mr. President, I will take this time to rebut some of what has been said.

The amendment I am offering with Senator LEVIN does not cut one slim dime from the National Missile Defense Program. All it says is, let us make sure the system works before we expend $3.7 billion to deploy it. How people can say that is devastating is beyond belief.

If one wants to talk about devastating, devastating is investing money in something that will not work when it is needed. Devastating is something where the people of this country are told they are protected when they are not because the agency that was set up to test this is not in charge of the operational testing.

The opponents to this amendment also say something else over and over again: It is important we deploy these. Then we will test.

The fact is, the Pentagon themselves—and I ask unanimous consent to have printed in the RECORD this Pentagon report in which they say:

> Due to safety considerations, no tests are currently planned to launch interceptors from the operational missile fields.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Director, Operational Test and Evaluation]

FY 2003 ANNUAL REPORT

DOD PROGRAMS, ARMY PROGRAMS, NAVY AND MARINE CORPS PROGRAMS, AND AIR FORCE PROGRAMS

Ground-Based Midcourse Defense (GMD)

The Ground-based Midcourse Defense (GMD) element is an integrated collection of components that perform dedicated functions during an ICBM engagement. As planned, the GMD element includes the following components:

GMD Fire Control and Communications. The communications network links the entire element architecture via fiber optic links and satellite communications. For IDO, all fire control will be conducted within the GMD element.

Long-range sensors, including the Upgraded Early Warning Radar, the COBRADANE radar, and the Ground-Based Radar Prototype. In December 2005, a sea-based X-band (SBX) radar is to be incorporated.

Ground Based Interceptors and emplacements, consisting of a silo-based ICBM-class booster motor stack and the Exoatmospheric Kill Vehicle (EKV). The plan for the 2004 Test Bed plan places six Ground Based Interceptors at Fort Greely, Alaska, and four at Vandenberg Air Force Base, California. In 2005, plans are to place ten more at Fort Greely.

GMD soon plans to interface with other BMDS elements and existing operational systems through external system interfaces. Through FY06, these plans include GMD interfacing with the Aegis SPY-1B radars and satellite-based sensors and communications.

To date, the GMD program has demonstrated the technical feasibility of hit-to-kill negation of simple target complexes in a limited set of engagement conditions. The GMD test program in FY03 was hindered by a lack of production representative test articles and from test infrastructure limitations. Delays in production and testing of the two objective booster designs have put tremendous pressure on the test schedule immediately prior to fielding. The most significant test and infrastructure limitations and mitigation plans are described in the table below.

MAJOR GMD TEST LIMITATIONS AND MDA MITIGATION PLANS

Limitation	Comments	MDA mitigation plan
Lack of a deployable boost vehicle	The Orbital booster has been tested in developmental flight tests without attempted intercepts. The Lockheed booster testing has slipped such that it may not be available for IDO.	MDA is proceeding with deployment plans emphasizing the Orbital booster. Testing will continue with both designs as Lockheed booster production resumes.
Lack of a realistically placed midcourse sensor	The GMD test radar is collected at the interceptor launch site. The FPQ-14 radar, a non-deployable asset that tracks a transmitter attached to the test target, currently accomplishes the midcourse tracking and discrimination functions.	GMD is developing a mobile, sea-based radar. The scheduled employment of this radar in the GMD Test Bed occurs in the post-2005 time frame.
Fixed intercept point	All of the flight tests to date have had similar flyout and engagement parameters. This limitation includes range constraints and a requirement not to create space debris.	The 2004 Test Bed expands the flyout range and engagement conditions. Space debris creation remains a problem.[a] Transitioning between testing and operations is a concern.

[a] These factors constrain test engagements to relatively low target intercept altitudes and downward directed velocities for both the target and interceptor.

Intercept Flight Test-9 (IFT-9) took place on October 14, 2002, resulting in a successful intercept. The target suite consisted of a mock warhead and a number of decoys launched from the Vandenberg Air Force Base, California, towards the Reagan Test Site. IFT-9 (largely a replay of IFT-8) was designed to increase confidence in the GMD capability to execute hit-to-kill intercepts. Overall, the test execution was nominal although the EKV experienced the track gate anomaly previously observed in IFT-7 and IFT-8. The software changes incorporated in IFT-9 to mitigate this problem were not successful. Further changes were made prior to IFT-10.

In December 2002, GMD attempted a night intercept in IFT-10. In this test, the EKV failed to separate from the surrogate boost vehicle and therefore the ability to intercept the target could not be tested. The failure to separate was attributed to a quality control failure combined with shock and vibration loads on the EKV. As a result, corrective measures taken to fix the track gate anomaly found in previous tests could not be used.

GMD suspended intercept flight testing after the EKV failed to separate from the surrogate booster in IFT-10. IFT-11 and IFT-12 that employed the problematic surrogate booster were eliminated from the schedule. This decision was reasonable given the increased risk of surrogate boost vehicle failure, the resources that would have to be diverted from tactical booster development to fix the problems, and the limited amount of additional information to be gained in IFT-11 and IFT-12 over that available from previous flight tests. It does, however, leave very limited time for demonstration of boost vehicle performance, integration of the boost vehicle to the new, upgraded EKV, and demonstration of integrated boost vehicle/interceptor performance. IFT-13A and IFT-13B remain in the schedule as non-intercept flight tests to confirm booster integration and performance. IFT-13C was added to the schedule and represents a significant exercise of the Test Bed infrastructure. It will be the first system-level flight test to use the Kodiak, Alaska, facility to launch a target missile. While it is not a planned intercept attempt, it will fully exercise the system and may result in an intercept. IFT-13C also addresses a long-standing concern over target presentation that has not yet been tested. IFT-14 and IFT-15 are the next official intercept attempts and are scheduled for May 2004 and July 2004, respectively.

The Orbital Sciences Corporation booster was successfully tested with a mock EKV on August 16, 2003. Shock and vibration environments were measured and compared to previous test levels. Preliminary analyses suggest that the new booster produces lower than expected vibrations at the EKV. Performance of the real EKV mated with the Orbital booster will be demonstrated in IFT-14 prior to IDO. Similar demonstration flights for the Lockheed Martin booster design are slipping due to technical difficulties and several explosions at the missile propellant mixing facility. Silos and related construction projects at Fort Greely, Alaska; Kodiak, Alaska; and Vandenberg Air Force Base, California, are proceeding on schedule. Due to safety considerations, no tests are currently planned to launch interceptors from the operational missile fields.

To date, EKV discrimination and homing have been demonstrated against simple target complexes in a limited set of engagement conditions. Demonstrations of EKV performance are needed at higher closing velocities and against targets with signatures, countermeasures, and flight dynamics more closely matching the projected threat. In addition, system discrimination performance against target suites for which there is imperfect a prior knowledge remains uncertain. GMD is developing a SBX radar mounted on a semi-submersible platform. The SBX radar, scheduled for incorporation into the GMD element in December 2005, is designed to be a more capable and flexible midcourse sensor for supporting GMD engagements. This radar will improve the operational realism of the flight test program by providing a moveable mid-course sensor.

A flight demonstration of the BMDS capability using Aegis SPY-1B data (particularly for defense of Hawaii) is planned for IFT-15 in FY04. A flight demonstration of COBRADANE is currently not planned, and its capability will need to be demonstrated by other means until an air-launched target is developed. IFT-14 and IFT-15, scheduled for FY04, are intended to provide demonstrations of integrated boost vehicle/EKV performance. Even with successful intercepts in both of these attempts, the small number of tests would limit confidence in the integrated interceptor performance.

Mrs. BOXER. Here we have a situation where you have an amendment that does not cut any money from this, that just says fly before you buy. I hope my colleagues will approve it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I know we are under a time agreement. I ask unanimous consent for a couple of minutes to report on what is happening with the bill so far. I was asked this morning to give a report on this. I would like to do that.

Mr. ALLARD. Would you repeat your request?

Mr. REID. I would like a couple of minutes to give the Senate a report on what we have done on the bill so far, the number of amendments and such.

Mr. ALLARD. On the Defense authorization bill? We have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, we have been on this bill 12 days counting today, but 4 of those days are our famous—or infamous, however you look at it—Mondays and Fridays. So actually we spent 8 days on this bill. When we dispose of this amendment, the Boxer amendment, we will have disposed of 79 amendments. During this period of time, counting the Boxer amendment, we will have had 12 rollcall votes.

For a Defense authorization bill, we have not spent an inordinate amount of time on it. We have not spent very much time at all. There have been very few quorum calls. The quorum calls we had this week have been most productive. We have been able to work out the problem dealing with the South Carolina situation, as the Presiding Officer knows. We were able to work out various other problems with the quorum calls we had. Even having had quorum calls, they were very short. So I think we have accomplished quite a bit in a very short period of time on this bill.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I would like to call on the Senator from Mississippi and yield him 3 minutes to comment on the Boxer amendment. I want to recognize, in a public way, that he is the one who carried the initial amendments on the missile defense system that said we move forward when technologically feasible and he has been a real leader in the defense of this country.

The PRESIDING OFFICER. The Senator is recognized.

Mr. COCHRAN. I thank the distinguished Senator from Colorado for yielding to me. I also thank him for his leadership on this issue in the Armed Services Committee. He has been a key proponent and a very persuasive supporter of the National Missile Defense Program and missile defense generally.

This amendment would undermine the ability of our Department of Defense to go forward in the deployment and protection of our country through the use of ballistic missile technology and capabilities. These capabilities have been developed in response to legislation that was approved by the Congress and signed by the Chief Executive to develop a missile defense capability that could defend the United States against missile attack.

We have made great progress since those initial authorizations were approved by the Congress. We are now in a position of actually deploying a system that is workable. The testimony of General Kadish before our Appropriations Committee and before the Armed Services Committee has clearly indicated the successful progress of this program to date. We should continue to support it and we should defeat this Boxer amendment.

Mr. ALLARD. Mr. President, I would like to know what time remains on the Boxer amendment.

The PRESIDING OFFICER. There is 6 minutes 50 seconds.

Mr. ALLARD. On our side. How about the other side?

The PRESIDING OFFICER. All time has expired, other than the 2 minutes preceding the vote.

Mr. ALLARD. Mr. President, I would like to yield myself 2 minutes. I would like to make a couple of summary comments.

First, technologically we are ready to move ahead. The various components of this missile defense system have been shown to be functional and scientifically can happen. What needs to be established is all the communications systems that run from California to Alaska to Colorado, to some of our space satellites, to some of our ships at sea, to the Hawaiian Islands, to the Kwajalein Islands, over thousands and thousands of miles, that they can communicate with one another.

There is only one way to do that. You have to put together a large test bed. This test bed happens to also be the same thing we would use to operationally defend ourselves. To not continue on a dual pathway does not make any sense at all. That is why it is so very important that we defeat this Boxer amendment.

Mr. Christie, who is the tester, is the one who has been following this. It has been stated time and time again that he is satisfied with the progress, the way we are moving forward. He is the expert. He says: You are doing a good job. Keep it up. I am satisfied. I am responsible and accountable for how this program has gone ahead. He has been before the committee and made that statement.

It is very important that we defeat this Boxer amendment. I ask my colleagues to join me.

I think the chairman has a concern or two he wants to raise. I yield the floor.

Mr. WARNER. Mr. President, I wish to advise Senators, Senator LEVIN and I have conferred. We have the next amendment following this vote to be provided by the Senator from Rhode Island, Mr. REED, No. 3354. I reserve the right to put on a second-degree amendment. As soon as we provide the second-degree amendment to the other side, it is my expectation, during the course of the deliberations, we will be able to work out a time agreement.

Mr. LEVIN. Hopefully, we can work out a time agreement after we see the second-degree amendment.

Mr. WARNER. That is correct. There is no restriction. Offer the amendment.

Mr. LEVIN. And the second-degree amendment is not available at this point?

Mr. WARNER. It momentarily will be available. I think we can yield back all time. I didn't know whether the Senator wanted another minute to speak to the amendment. Did she ask for it?

The PRESIDING OFFICER. The Senator from California is recognized for 1 minute.

Mrs. BOXER. I thank the Senator.

I think we have had a good debate. I am just saying to colleagues, these are the names of retired admirals and generals you all admire. They are saying we have to delay this deployment because we have no idea that this system works.

To my colleagues who said let's deploy it and then test it, the Pentagon in its own words has said they can't do it. It is not safe. Here it is. They say:

> Due to safety considerations, no tests are currently planned to launch interceptors from the operational missile fields.

So the Pentagon has said very clearly—and good for them because it would be too dangerous—they are not going to operationally test from the missile fields. So what are we doing? We are investing $3.7 billion out of the $10 billion to move forward with a system that is untested.

For those people who say this is a devastating amendment, why do they support "fly before you buy," which is the way we do things around here? This is a way to get around realistic testing. That doesn't make us any safer; it makes us weaker. It makes us vulnerable.

So I hope you will stand with these 49 generals and admirals and Senator LEVIN and me and vote for the Boxer-Levin amendment.

The PRESIDING OFFICER. There is 1 minute remaining.

Mr. WARNER. I say to our colleagues, this issue was acted upon last year. Money was authorized and appropriated. The program is underway. The effect of this amendment is to cancel what the Congress did last year.

I yield the remainder of our time. I think a vote is now in order.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment.

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be.

The clerk will call the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER (Mr. TALENT). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 42, nays 57, as follows:

[Rollcall Vote No. 124 Leg.]

YEAS—42

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carper
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham (FL)
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kohl
Lautenberg
Leahy
Levin
Lincoln
Mikulski
Murray
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Snowe
Stabenow
Wyden

NAYS—57

Alexander
Allard
Allen
Bayh
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Ensign
Enzi
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Kyl
Landrieu
Lieberman
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (FL)
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Specter
Stevens
Sununu
Talent
Thomas
Voinovich
Warner

NOT VOTING—1

Kerry

The amendment (No. 3368) was rejected.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. ALLARD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, we have advised the Senate that the Senator from Rhode Island, Mr. REED, will have an amendment.

Mr. President, if the Senator is ready to send his amendment to the desk, then I would like to send up a second-degree amendment, and we will proceed.

Mr. REED addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Virginia yield the floor?

Mr. WARNER. Yes.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

AMENDMENT NO. 3354

Mr. REED. Mr. President, I call up amendment No. 3354.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. REED] proposes an amendment numbered 3354.

Mr. REED. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require baselines for and testing of block configurations of the Ballistic Missile Defense System)

On page 33, after line 25, insert the following:

SEC. 224. BASELINES AND OPERATIONAL TEST AND EVALUATION FOR BALLISTIC MISSILE DEFENSE SYSTEM.

(a) OPERATIONAL TESTS.—(1) The Director of the Missile Defense Agency shall prepare for and conduct, on an independent basis, operationally realistic tests of each block configuration of the Ballistic Missile Defense System being fielded.

(2) The tests shall be designed to permit the evaluation of each block configuration of the Ballistic Missile Defense System being fielded by the Director of Operational Test and Evaluation.

(3) The Director of the Missile Defense Agency shall carry out tests under paragraph (1) through an independent agent, assigned by the Director for such purpose, who shall plan and manage such tests.

(b) APPROVAL OF PLANS FOR TESTS.—The Secretary of Defense shall assign the Director of Operational Test and Evaluation the responsibility for approving each plan for tests developed under subsection (a).

(c) EVALUATION.—(1) The Director of Operational Test and Evaluation shall evaluate the results of each test conducted under subsection (a) as soon as practicable after the completion of such test.

(2) The Director shall submit to the Secretary of Defense and the congressional defense committees a report on the evaluation of each test conducted under subsection (a) upon completion of the evaluation of such test under paragraph (1).

(d) COST, SCHEDULE, AND PERFORMANCE BASELINES.—(1) The Director of the Missile Defense Agency shall establish cost, schedule, and performance baselines for each block configuration of the Ballistic Missile Defense System being fielded. The cost baseline for a block configuration shall include full life cycle costs for the block configuration.

(2) The Director shall include the baselines established under paragraph (1) in the first Selected Acquisition Report for the Ballistic Missile Defense System that is submitted to Congress under section 2432 of title 10, United States Code, after the establishment of such baselines.

(3) The Director shall also include in the Selected Acquisition Report submitted to Congress under paragraph (2) the significant assumptions used in determining the performance baseline under paragraph (1), including any assumptions regarding threat missile countermeasures and decoys.

(e) VARIATIONS AGAINST BASELINES.—In the event the cost, schedule, or performance of any block configuration of the Ballistic Missile Defense System varies significantly (as determined by the Director of the Ballistic Missile Defense Agency) from the applicable baseline established under subsection (d), the Director shall include such variation, and the reasons for such variation, in the Selected Acquisition Report submitted to Congress under section 2432 of title 10, United States Code.

(f) MODIFICATIONS OF BASELINES.—In the event the Director of the Missile Defense Agency elects to undertake any modification of a baseline established under subsection (d), the Director shall submit to the congressional defense committees a report setting forth the reasons for such modification.

The PRESIDING OFFICER. The Senator from Virginia.

AMENDMENT NO. 3453 TO AMENDMENT NO. 3354

Mr. WARNER. Mr. President, at this time I send an amendment to the desk in the second degree to the pending amendment.

The PRESIDING OFFICER. The clerk will report the second-degree amendment.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER] proposes an amendment numbered 3453 to amendment No. 3354.

The amendment is as follows:

(Purpose: To require the Secretary of Defense to prescribe and apply criteria for operationally realistic testing of fieldable prototypes developed under ballistic missile defense program)

In the matter proposed to be inserted, strike subsections (a) and (b) and insert the following:

(a) TESTING CRITERIA.—Not later than February 1, 2005, the Secretary of Defense, in consultation with the Director of Operational Test and Evaluation, shall prescribe appropriate criteria for operationally realistic testing of fieldable prototypes developed under the ballistic missile defense spiral development program. The Secretary shall submit a copy of the prescribed criteria to the congressional defense committees.

(b) USE OF CRITERIA.—(1) The Secretary of Defense shall ensure that, not later than October 1, 2005, a test of the ballistic missile defense system is conducted consistent with the criteria prescribed under subsection (a).

(2) The Secretary of Defense shall ensure that each block configuration of the ballistic missile defense system is tested consistent with the criteria prescribed under subsection (a).

(c) RELATIONSHIP TO OTHER LAW.—Nothing in this section shall be construed to exempt any spiral development program of the Department of Defense, after completion of the spiral development, from the applicability of any provision of chapter 144 of title 10, United States Code, or section 139, 181, 2366, 2399, or 2400 of such title in accordance with the terms and conditions of such provision.

Mr. WARNER. Mr. President, we would be happy, on this side, to work out a time agreement as soon as the Senator from Rhode Island is able to indicate to us the amount of time he desires. We will quickly respond as to the amount of time we would desire.

Mr. REED. Mr. President, I think if I could have an hour on my side.

Mr. WARNER. I say to the Senator, an entire hour on your side?

Mr. REED. I would not attempt to simply fill the hour. I would yield back time if we have reached a point where we have sufficiently discussed it.

Mr. WARNER. Mr. President, I would request we have an hour on this side, with the expectation we will be able to yield time back.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia has the floor and makes a unanimous consent request.

Mr. WARNER. Mr. President, I am happy to yield to the Senator for purposes of a statement.

The PRESIDING OFFICER. Does the Senator from Michigan wish to be recognized?

Mr. LEVIN. I thank the Chair.

Mr. President, the suggestion of an hour on this side relative to the Reed amendment, would that include the proposed time for the second-degree amendment to be offered by Senator WARNER? Does the hour that you have estimated you would need include time for debate on the Warner second degree?

The next question is this: If the Warner second-degree amendment prevails, which is a substitute, then the question is, Would the hour that you are referring to, then—without seeing, knowing exactly what would be in the second-degree amendment that would be offered—cover the debate time for your second-degree amendment to the substitute?

Mr. REED. If I may respond, it would be appropriate if we took an hour debating both the Reed first degree and the Warner second degree. At the conclusion of a vote on the Warner second-degree amendment, then there would be no time agreement entered into. It would be my intention to offer——

Mr. LEVIN. If that substitute were adopted——

Mr. REID. Could I be recognized? Would anybody be insulted if I asked for a quorum call?

Mr. WARNER. No.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, we are moving along in a very cooperative spirit. We are going to ask for a time agreement on the Reed amendment and the Warner second-degree amendment as a package. They will be considered in the course of 2 hours, hopefully less. At the conclusion of the debate on these two amendments, we will then proceed to a record vote on the Warner amendment. In the event the Warner amendment prevails, then the Chair would recognize the Senator from Rhode Island for the purpose of a perfecting amendment, which he has a right to do under the rules, but in order to keep the sequence moving, I would like to advise the Senate that it would be done in that way. At this time, until we see the perfecting amendment, we cannot set a time agreement on that. But it would be my hope that we can move along expeditiously, first by crunching the 2 hours to less, moving to a vote, and then the perfecting amendment and concluding, hopefully, a brief colloquy, debate on that, and vote, if that becomes necessary. Have I correctly stated it?

Mr. REID. Mr. President, of course, there would be no amendments in order to either of the amendments, the one of Senator REED or your second degree.

Mr. WARNER. That is correct. But there would be in order an amendment to the perfecting amendment.

Mr. REID. I understand that. I have no objection to that. We have no objection to that.

The PRESIDING OFFICER. So the Chair gets it straight, if the Senator from Virginia could clarify, this is a request for a 2-hour time agreement on the second-degree amendment?

Mr. WARNER. Let me try that again. We have before the Senate at this time the underlying Reed amendment. We have the Warner amendment in the second degree. We ask for an hour on each. At the conclusion of that period of time, which I hope will be less than 2 hours, the Senate would proceed to a record vote on the Warner amendment. I am asking for the yeas and nays incorporated in this. After that is taken, the Chair would then recognize the Senator from Rhode Island for the purpose presumably of offering a perfecting amendment.

Mr. REID. Mr. President, however, if the Warner amendment does not pass, then we would vote on the underlying Reed amendment.

Mr. WARNER. The Senator is correct.

Mr. LEVIN. Immediately.

Mr. WARNER. Immediately.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Nevada.

Mr. REID. Mr. President, it is my understanding that following the votes or vote, whatever the case may be, there will be probably a number of judges we might be called to vote on. My point is at around 3 or thereabouts, there could be a series of as many as four or five votes.

Mr. WARNER. That is a leadership request, I so advise the Democratic whip.

Mr. REID. It is not a unanimous consent request.

Mr. WARNER. It is just an advisory for Senators. But I understand that my leader will be making that request.

The PRESIDING OFFICER. The Senator from Virginia asked for the yeas and nays on the second-degree amendment; is that correct?

Mr. WARNER. That is correct.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. WARNER. Are the yeas and nays ordered on the underlying amendment of the Senator from Rhode Island? If not, I so ask.

The PRESIDING OFFICER. The Chair informs the Senator, it is not in order to request the yeas and nays on the first-degree amendment at this time without consent.

Does the Senator from Virginia yield the floor?

Mr. WARNER. I yield the floor.

The PRESIDING OFFICER. Who yields time under the unanimous consent agreement?

Mr. REED. Mr. President, I yield myself such time as I may consume.

I rise to offer an amendment which would implement the recommendations of the General Accounting Office for missile defense testing and base alignment. Last month the GAO issued a report on missile defense entitled "Missile Defense Actions Are Needed To Enhance Testing And Accountability." In its report, the GAO makes some commonsense recommendations to improve the testing of missile defense and to increase accountability of Congress for missile defense programming.

The principal recommendation is that at some point there is developed and executed a plan for operational testing. That is a very critical point. As the GAO pointed out, they would recommend to the Missile Defense Agency that they prepare for and conduct, on an independent basis, not within the purview of the Missile Defense Agency but on an independent basis, operationally realistic tests of those missile defenses. This is the way we develop and deploy major weapons systems in the United States. We do initial testing. We prove out the technologies. But before we field them, we go ahead and do a test on their operational capacities. That is the basic approach. It is a good approach, a sound approach. The GAO recommendations would make the missile defense programs consistent in this regard with all other programs.

The second aspect of the proposed amendment would be to require the Missile Defense Agency to require course baselines so that we know how much we are spending with respect to missile defense. We know what the course goals are. We know when they are exceeded or when they are constrained by good planning and good management. These are two fundamental aspects of any sound military procurement program.

Missile defense is one of the most complicated programs we will ever attempt to field in the history of this country.

I believe it is appropriate at this juncture to take a look at this missile defense system as it exists today. I think you will hopefully concur with me that we do need some realistic operational testing.

First, this is the basic architecture of the system. The system we are deploying in Alaska is designed principally, if not exclusively, to counter one potential threat—the threat of a missile coming from North Korea. Now, the system is composed of several major elements, I will review them.

First is the DSP early warning satellite. This is a defense system that has been flying since the 1970s. It is well proven, but essentially all this system does is spot the lift-off of an enemy missile, or potential adversary missile, coming out of North Korea or anyplace else. It was put up in the 1970s as part of the cold war to identify a Russian missile or Chinese missile being ignited. That is a rather established technology. It provides just the cue that an enemy missile has been launched.

The next part of the proposed system is the Aegis ships. They have radar, but it was designed not to track ICBMs. Rather, it is to track cruise missiles and close-in aircraft. They are being essentially pushed into the role of trying to acquire the target after it lifts off and track it as far as it can. It really cannot track that far because of built-in limitations. Again, this version was not designed to track long-range ICBMs. Their radar doesn't seem to be powerful enough to protect and track accurately to places such as Hawaii. Also, these Aegis ships have never guided an interceptor to its target in a single intercept test. They have done preliminary activities but have not guided an interceptor to a target in a test. The operational tracking software of Aegis has never been tested in an integrated test. So you have one element that is still not quite up to the speed we would like it to be in terms of the Aegis system.

The next part is the Cobra Dane radar system in Alaska. Cobra Dane is another 1970s version. It has been updated, but it has no real discrimination capability in terms of determining what a missile warhead would be or what a decoy would be. It is incapable of tracking a North Korean missile bound for Hawaii. So, again, we have a problem in terms of providing coverage. It has never been used in an intercept test, and there are no plans to do so because we do not have an ICBM target that can fly in Cobra Dane's field of view. Then we were going to have to replace Cobra Dane and x-band radar on Shemya Island. We don't have the x-based, land-based system. We are working on a sea-based x-band radar, not primarily for operational use but for test use, to be ready in fiscal year 2005.

The final one is the interceptor with the kill vehicle on top. Both the interceptor and kill vehicle are brand-new, and neither have been tested together in an intercept test. The new version of the kill vehicle hasn't been flight tested at all. It is coming off of production.

There are new systems within the kill vehicle. It is an improvement, we hope, over the previous prototypes but has not yet been flight tested. Problems with the kill vehicle are seen as delaying the next scheduled test. That is the IFT-13c. That test is being touted by the Missile Defense Agency as a fly-by. So the next test—the one before this system is declared deployable and deployed—is not designed to knock the missile down but to simply fly by it. If it does knock it down, I am sure the Missile Defense Agency will take great pleasure in it, with great claim. By declaring it just a fly-by, they will have wiggle room for saying the test succeeded and saying we didn't intend to knock it down either. Ask yourself, if we are deploying a missile system in a most recent test to fly by the missile, is that going to protect the U.S.? I don't think that is the case.

My amendment would require that we do operational testing, which is something done on every major system. It is under the purview of Dr. Tom Christie in the Office of Test and Evaluation at the Department of Defense. He is charged by Congress with independently evaluating these systems on behalf of the Defense Department.

Some argue that we need to go ahead and deploy this system right away, that we have done it before, and that is fine. It turns out that we have deployed systems before in emergencies, such as the Predator in Kosovo in 1999. That system had already on the books operational testing plans. Indeed, when this emergency deployment was completed, that operational test was carried out the following year, 2000. This system is a rudimentary system with huge gaps in technology, which has never been fully tested on an integrated basis. None of these parts have been put together in one intercept test yet. This system has no plans for operational testing, which denies the obvious point of the custom and practice and the law in many cases.

The JSTAR surveillance system is another one which individuals will say was put into the fray before it was operationally tested. That is also true. In 1991, JSTARs were deployed in Desert Storm. Following the deployment, even though the Senate Armed Services Committee was so impressed that they wanted to deploy it without testing, the Air Force insisted upon operational testing. They found defects because of the testing. They completed the operational testing in 1995, and this testing revealed problems with respect to the inability to operate at the right altitude and inadequate mission reliability. These were corrected, so the JSTAR system is much more reliable today than it would have been without operational testing.

Once again, this system is untested in a systematic way, and it is not even scheduled for operational testing. The point of my amendment is not to delay or defer this deployment; it is simply to say at some point in time—some point when the Missile Defense Agency feels they are ready for operational testing—we should at least have operational testing. I believe that is absolutely critical.

There are examples now, too, of the tests that have been conducted. These suggest that the tests are not up to the level of operational testing. For example, for the tests conducted so far on this system, all of the targets have had beacons on them, telling the National Missile Defense Agency and the shooters, if you will, the exact location of the missiles coming in. I don't think anybody believes that an adversary would put a beacon on the missile to warn us. Those are the types of rudimentary tests taking place today. They are important tests but not operational tests. Indeed, I asked the Director of the MDA in March when we would stop using beacons on our target vehicles. He simply said he didn't know. That is not exactly the kind of realistic testing the General Accounting Office called for.

I mentioned Cobra Dane, which is the radar that is a critical piece. It will track this target for a long way, and it would hopefully be able to discriminate between decoys and the actual warheads. But we have, as I mentioned before, no plans to test this radar because we lack an appropriate testing vehicle, ICBM.

The other point, which is very important—and it goes to the heart of realistic testing—is that every intelligence analyst who looks at this problem has suggested that if a nation is capable of putting a nuclear device on a long-range missile, and particularly if they are so motivated to use it against us, they are likely to be just as capable of having sophisticated decoys or even rudimentary decoys on the missile.

We have never conducted tests against very sophisticated or even realistic decoys. As a result, we are prepared to deploy a system that has not been adequately tested. But more importantly, there are no plans to adequately test it.

My amendment would simply ask the Department of Defense, through the normal procedures, through the Office of Test and Evaluation, to prepare such plans and conduct those tests when appropriate.

These are just some of the examples I have given with respect to this particular system. There is a whole laundry list of what should be done to ensure that this system, when deployed, is appropriately ready for the challenge. This chart shows yes and no in terms of obvious parameters for a system that is about to be fielded. Most of the parameters have not been accomplished. In fact, the vast majority have not been accomplished.

There is no full system operational test. There are no tests, to my mind, that have integrated every part of this system, from Cobra Dane, the Aegis warships, to the interceptor with the new-kill vehicle with the new booster attached and flying out and engaging a target.

There is no full system operational test scheduled. We are not talking about a situation where we have to wait a few months or a year and there is an operational test planned for. By the way, these operational tests are not something that can be done on 2 or 3 days' notice. These takes months and months to prepare and plan and are extremely costly.

I do not really know, because it is hard to figure out the budget for MDA, whether they have put aside money for operational testing. It is hard to tell. We are not even scheduling these tests.

It has not been tested in bad weather. It has not been tested at night. Experts in the field indicate that is a very important aspect of ensuring the system will work.

Again, I do not think there is any American who does not want to see a workable system in place, but we have to raise questions when we have not done the testing to assure the American public that this system will work and will work as it is designed to work.

Tested three-stage booster and intercept test: This new package of the booster and kill vehicle has not been tested yet.

Tested without interceptor knowing in advance warheads infrared and radar signature. I mentioned that before. All of the data of the enemy warhead is essentially given to the forces that are trying to engage it. That is not a realistic test.

It has not been tested against a tumbling warhead, when the warhead detaches from the boost vehicle and spinning. That has not been tested.

Tested against realistic decoys and countermeasures: Realistic decoys would be something that looked like a warhead; just one other body that looks like a warhead. We have not done that. The decoys that have been used to date have been large spheres that look completely unlike the warhead.

It has not been tested against complex decoys. These are much more sophisticated decoys. We certainly have not done that. We have not reached the realistic level, let alone the complex level.

It has not been tested against more than one warhead on a missile. Again, if there is a nation out there that is capable of producing a nuclear warhead and putting it on a missile, they are probably capable—it may take a little longer—of producing multiple warheads and putting them on a missile.

It has not been tested against more than one incoming missile. If North Korea is going to attack us, why would they do something that would spell doom, first because of our overwhelming power to deter them, but second, what makes us think they will fire just one missile at us? I would assume they would fire multiple missiles, and we have not tested against that.

Again I mention this, we have not tested this without a GPS system, a beacon on the adversary missile and warhead.

Tests have been conducted by the contractors and managers. That is the first "yes" accomplished.

Tests overseen by Pentagon's independent test office: No, and that is the core of our debate today, because looking at the chairman's amendment to my amendment, what they are essentially saying is: Listen, we do not want the independent tester to look at this; we want the Secretary of Defense to prescribe this. That is not the way to do this because it just invites all of the problems with individuals testing themselves.

This is not as much a technical problem as a problem of human nature. You tend to pass every test you give yourself, particularly if it is important you pass the test. That is why we set up, in the eighties, this Office of Test and Evaluation with an individual who is appointed by the President, not the Secretary of Defense, to conduct these tests.

SBIRS high early warning satellites: This will be the follow-on to the DSP satellites. SBIRS is not yet flying. The original plan was to have SBIRS in this system instead of the old DSP system.

SSTS space tracking and surveillance system: This is another system not in place.

Cobra Dane radar upgraded: Yes, it has been upgraded, but not the x-band radar contemplated for this system. It does not have the power of the x-band. Even with this upgrade, it is still not capable of the discrimination that you need to separate decoys from the warheads.

The ground-based x-band radar I mentioned is not deployed. It has been essentially canceled.

Sea-based x-band radar is being developed. It is not yet deployed.

Question: Will it protect Hawaii? It is a question because of the coverage of the Cobra Dane, because the fact the Aegis system is providing an important part of the tracking system.

Fly before you buy: We are certainly violating that. We are buying the system without flying. That is the fundamental problem we are facing today. Yet we are going to declare the system operational. We can argue about that, and we have. Senator BOXER had an amendment which talked to that specifically.

My amendment is not about deploying the system. My amendment is about conducting operational tests at some juncture. I believe this operational testing scheme has hit a nerve because, as I saw the chairman's substitute to my amendment, he basically said yes, we will do operational—in fact, he specifies a date. I believe it is October of 2005. That is pretty ambitious since we are not planning for any tests yet. It is also pretty ambitious since we do not have a suitable missile target vehicle that could fly from the vicinity of North Korea and go through the space in which Cobra Dane operates.

As a result, in a very short time, we would have to build a target missile, we would have to plan for the test, and we would have to integrate all these other pieces. Yet that is what the amendment offered by my colleague from Virginia would say.

The problem with the amendment is that it takes out of the loop the one person who is there to guarantee the independence, the rigor, and the accuracy of this test, and that is the Director of the Office of Test and Evaluation at the Pentagon. That is something I think is critical.

Again, given this list of items to be accomplished, it seems stunning to me that we are actually debating about whether we should just authorize and require at some point—and at this point, after deployment—operational testing, or at least to plan it. But that is the substance of the debate, and just as importantly, not just the operational testing, but the fact it is going to be conducted by an independent agency within the Pentagon, not by the people who are graded by whether they pass or fail. Again, not high tech but human nature. I think more people are comfortable with having someone objectively design the test and supervise the test than having the people who have everything to lose and everything to gain do that.

There is one other aspect of my amendment I want to mention, which is important, and that is the notion of baselines. The GAO came back to us and said: No one seems to know how much the system is costing because there are no baselines.

They pointed out, for example, that there was a $1 billion overrun of the cost goal of missile defense to be fielded starting in September, but the Department of Defense never explained to Congress this overrun. Instead, they simply changed the cost goal.

How can we evaluate this system? How can we make difficult choices between investing in missile defense and increasing the end strength of our Army, if MDA suddenly says, well, our objective was X, but we found it cost us a billion dollars more, so now it is X plus one billion? We have to have a baseline. This is all designed to have appropriate control and appropriate notification to the Congress about the status of this very complex system.

Additionally, this cost goal change was surprising because the GAO also noted that originally the system in Alaska to be deployed in September was to have 10 interceptors, and now it is 5. So not only did they change the cost goal by increasing the amount of money they are spending, but they lowered the number of interceptors and also, I think by fair inference, the capability of the system. High cost, lower capability, but yet it was not communicated to us.

My amendment would ask them to prepare the baseline, to communicate to us when those baselines are exceeded. If we do not have that, then we will not have the ability to do our job, which is to supervise appropriately and oversee the activities of the Missile Defense Agency in the development of this very complicated system.

There has been a great debate about whether we should deploy this system. I found it interesting to note that President Reagan was approached years ago by some Congressmen and Congresswomen who wanted to deploy then the existing system. This was in August of 1986. According to the Frances Fitzgerald's book about President Reagan "Way Out There in the Blue," here is what he told those Congressmen:

> I know there are those who are getting a bit antsy [to deploy a missile defense] but to deploy systems of limited effectiveness now would divert limited funds and delay our main research. It could well erode support for the program before it's permitted to reach its potential.

Once again, we are not debating today the deployment in this amendment. We have had that debate previously with Senator BOXER. We are not debating deployment. We are simply debating let us plan to do the operational testing. Let us get that operational testing done at some point because otherwise we are literally getting a system that is untried. No one wants the first time this system is fully operationally tested to be in the deplorable and horrific situation of a missile heading toward us.

So I would hope that we could, in fact, adopt the Reed amendment, have operational testing planned for it, have baselines established to be able to monitor this system as we should and be able, I hope, to assure the American public that when we say it is in service, it will work. There is a difference between telling them it works and proving it in operational and realistic testing. I hope we can do that.

I reserve the remainder of my time in response to my colleagues.

The PRESIDING OFFICER. The Senator yields the floor and reserves the remainder of his time.

Who yields time?

The Senator from Colorado is recognized.

Mr. ALLARD. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mr. ALLARD. Mr. President, I rise in opposition to the Reed amendment that was before us prior to the amendment from Senator WARNER, and I want to talk about that briefly. Then I want to talk about the second-degree amendment by Senator WARNER.

With respect to the Reed amendment, from my standpoint and the standpoint of the Missile Defense Agency and the Pentagon's office of Test and Evaluation and Formal Operation, tests at this juncture simply would not be helpful.

According to a letter I received on May 17, 2004—and I think this is the most current position—the letter from the Pentagon's Director of Operational Test and Evaluation, Mr. Tom Christie, in response to several questions I asked him, Mr. Christie writes—he is the chief tester we referred to, and he is responsible for overseeing much of the testing that goes on at the Department of Defense and obviously has a deep interest in what is happening as far as accountability in the missile defense system.

Mr. Christie writes, and this is important:

> The Ground-based Midcourse Defense element is currently at a maturity level that requires continued developmental testing with oversight and assistance from operational test personnel.

I would add at this point that the Missile Defense Agency is currently stressing the system is involved in every developmental test to ensure that they are as realistic as possible.

Mr. Christie continues in his letter:

> Conducting realistic operational testing in the near-term for the GMD element would be premature and not beneficial to the program.

I ask unanimous consent that his letter of May 17, 2004, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF THE SECRETARY OF DEFENSE,
Washington, DC, May 17, 2004.

Hon. WAYNE ALLARD,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR ALLARD: Thank you for your May 11, 2004, letter concerning my role in the Ballistic Missile Defense System (BMDS).

The Missile Defense Agency (MDA) is building a BMDS test bed that is essential to support realistic testing, and is absolutely essential for conducting adequate operational testing in the future. The test bed is also key to developing operational concepts, techniques, and procedures, while allowing my office to exploit and characterize its inherent defensive capability.

The Ground-based Midcourse Defense (GMD) element is currently at a maturity level that requires continued developmental testing with oversight and assistance from operational test personnel. Conducting realistic operational testing in the near-term for the GMD element would be premature and not beneficial to the program.

My office has unprecedented access to GMD, and I am satisfied with the cooperation between the program office and the test community. I will continue to advise the Secretary of Defense and the Director, MDA, on the BMDS test program. I will also provide my characterization of system capabilities, and my assessment of test program adequacy annually, as required by Congress.

Sincerely,

THOMAS P. CHRISTIE,
Director.

Mr. ALLARD. In testimony before the Senate Armed Services Committee, Mr. Christie expressed his support for the approach the Missile Defense Agency is taking to incorporate operational realism in the developmental test and is conducting, in his words, continuous operational assessments of the ballistic missile defense system.

We must consider that missile defense is a capabilities-based spiral development evolutionary acquisition program—this is a mouthful—and under this approach the missile defense programs are designed to focus on developing capabilities to meet a range of possible threats. These programs are developed incrementally in blocks with the recognition that full capability would not be reached in the first block.

Missile defense does not have a final architecture that is defined in the first block but will continue to evolve over time. Therefore, testing of the system should occur as we continue to develop it.

We should also consider rethinking how we do formal tests and evaluation. Formal operational testing carries with it certain requirements. There can be no developmental goals because of that. Contractors cannot be involved.

The Director of Operational Test and Evaluation must approve the operational test plans. Even the current Director of Operational Test and Evaluation recognizes the need to adopt a new acquisition paradigm for tests and evaluation.

Here is what Mr. Christie said about that in his speech just 2 months ago:

> The concept of milestone driven operational test and evaluation appears to be becoming a process of the past. Either we change our way of doing business, adapt to the new acquisition paradigms and the realities of the war on terrorism, or we will find ourselves becoming irrelevant with dire consequences for our operational forces. . . . Users need up to the minute, continuous test and evaluation to keep them informed of system capabilities and limitations. Even after fielding, the acquisition community needs continuous evaluation to feed spiral development and other evolutionary acquisition concepts.

I ask unanimous consent that a copy of Mr. Christie's speech be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TEST AND EVALUATION IN THE "NEW WORLD OF 2004"—TUESDAY, MARCH 2

(By the Honorable Thomas Christie)

Let me express my thanks to Gen. Farrell and the leadership of NDIA for, once again, affording me the opportunity to discuss with you some of my views and concerns with T&E. I have had the opportunity to do this for the last two years, and recall that, when I spoke in Savannah [March 2002], I warned you that I might sound like a "stick-in-the-mud" or some sort of Cassandra because I couldn't help but say that I had seen and heard all this acquisition reform stuff before. I'm not sure my remarks here this morning will paint a much different picture than I presented in my talk in Savannah, where I contended that the problems we face as operational testers may have to take different forms than previously, but remain formidable. Recall that the Cassandra I referred to was a princess of Troy who could foresee the future—but the penalty for her gift was that the Gods made it so that no one would believe her. If you don't believe—I will understand.

The theme for this Conference is "Operational Test and Evaluation: Twenty Years and Counting: Doing OT&E Better After Twenty Years of Practice." That title seems to imply two things: that we are doing OT&E better after twenty years and that we have been doing OT&E only in the last twenty years. Our conference chairman, Jim O'Bryon has assembled many of the historic—I won't say ancient—personalities in the field. I challenge each of them to demonstrate that we are doing OT&E better after twenty years of so-called practice. I would offer my observation—or at least concern—that program offices and developers appear at times to be learning faster how to avoid testing then we are learning to do it better. This conference should consider that.

I think Jim may have confused the "Practice makes Perfect" adage with the professional use of the word practice. Doctors have a practice; and I always worry about that when I go to them. I don't want them to practice on ME. For a variety of reasons, Program Managers don't want T&E to be practiced on them either. I know Walt Hollis used to think that they taught "Test Avoidance 101" to program managers at the Defense Systems Management College.

This morning, I thought it would be appropriate for us to spend some time thinking about the history of OT&E in preparation for the insight to be offered by the elder statesmen that you will hear from over the next few days: first, the early reform efforts that set the stage for the creation of DOT&E; then, a little bit of history of the office itself, and I am sure that we will get more of that during the conference because all the living DOT&Es will be here; then, finally, we should discuss some of the challenges that the fast changing acquisition process and accompanying practices are posing.

EARLY REFORM EFFORTS

While I know that the theme of this conference is about the twentieth anniversary of the law on OT&E, for me, OT&E's relevance to OSD goes back, not twenty years, but well over thirty years. The 1970 Blue Ribbon Defense Panel, also known as the Fitzhugh Commission, addressed a whole host of defense management issues, to include "Defense acquisition policies and practices, particularly as they relate to costs, time and quality."

This Commission found the acquisition strategies in being then to be "highly inflexible . . . and also based on the false premise that technological difficulties can be foreseen prior to the detailed engineering effort on specific hardware."

With respect to OT&E, the Blue Ribbon Presidential Commission made several cogent observations. Let me, once again, recall for you four of them, because they relate to early involvement by operational testers, joint test capability, and T&E funding—all of which are coming around again as important issues:

It has been customary to think of OT&E in terms of physical testing. While operational testing is a very important activity . . . it is emphasized that the goal is operational evaluation and that physical testing is only one means of attaining that goal. This is an important point, since it is often argued that operational testing must await production of an adequate number of operationally-configured systems; and, by this time, it is too late to use the information gathered to help decide whether to procure the new system or even influence in any significance way the nature of the system procured.

If OT&E, as a total process, is to be effective, it must extend over the entire life cycle of a system, from initial requirements to extending its life by adaptation to new uses. It must use analytical studies, operations research, systems analysis, component testing, testing of other systems, and eventually testing of the system itself.

There is no effective method for conducting OT&E that cuts across Service lines although, in most actual combat environments, the U.S. must conduct combined operations.

Because funds earmarked for OT&E do not have separate status in the budget, or in program elements, they are often vulnerable to diversion to other purposes.

DOT&E HISTORY

Some ten or more years after the recommendations of the Fitzhugh Commission, the Congress perceived a lack of responsiveness on the part of the Office of the Secretary of Defense with respect to the call for an independent entity overseeing and reporting on OT&E. Congress then legislated the creation of the D,OT&E in 1983. As many of us recall, the Congressional Military Reform Caucus of the 1980s played the key role in this initiative. Among the players in that reform caucus and that legislation were names you would still recognize: Dave Pryor, Bill Roth, Nancy Kassenbaum, Denny Smith, Dick Cheney, Newt Gingrich, . . . They pushed through legislation that created the DOT&E over the adamant objections of the Pentagon, particularly from the acquisition office at that time. Over the past twenty years, these reformers and their successors have protected the office and the independence of OT&E from continued pressures to eliminate or downgrade its function and to vitiate the independence and influence of the OT&E community throughout the Department.

To my three predecessors as DOT&Es, we testers as well as the men and women in our combat forces owe a great debt of gratitude for their courageous efforts in protecting and nourishing the independence and relevance of OT&E. Over the years, each in some way stood up when it counted and made significant contributions to strengthened testing in the Department.

It took over a year and a half after the landmark legislation of 1983 to actually get the DOT&E office up and running and to bring the first Director—Jack Krings—onboard.

Jack did a masterful job of putting the office together and on its feet. He took the initiative—against the grain in most cases—to initiate many of the processes and activities that we take for granted now: the notion of Early Operational Assessments; responsive reports on systems to the decision-makers in the building and on the Hill; the Central T&E Investment Program; and DOT&E oversight of the Automated Information Systems.

Cliff Duncan, who headed the office during the first President Bush's administration, expanded on many of Jack's initiatives, pushed earlier involvement by OTers and enhanced the evaluation capabilities of the organization with particular focus on Independent Evaluations by DOT&E.

In the 1990s, when the budgets for testing and the infrastructure were being slashed by the Services, there was not a greater champion for testing than Phil Coyle. And I believe his vision for "testing as learning" and "making it all count" will continue to guide DOT&E as it adapts to new acquisition strategies.

Over the years, we've developed a ritual here at the NDIA Conference. That is, every year we give Phil Coyle a copy of the Annual Report. We won't disappoint him this year. Here is your very own copy. All the rest of you will be able to see what is in it early tomorrow, when it appears on Phil's web site.

One thing that Phil tried very hard to promote while he was the DOT&E was the proper use of models and situations. It fit in well with the Blue Ribbon Panel comment: that the goal is operational evaluation and that physical testing is only one means of attaining that goal. He had one of the most favorable environments in which to promote modeling and simulation that will be around for many administrations: the use of modeling and simulation in T&E became one of the "Bill Perry's Themes." But, in the end, despite Phil's dedicated efforts, I contend that modeling and simulation in support of T&E has been a mixed bag, at best.

MY LEGACY: EARLY INVOLVEMENT, NO SURPRISES AND THE WARFIGHTER AS THE CUSTOMER

As I walked through this short history, you may have wondered what my hopes and desires for the office are. Making early involvement pay off, cutting down on surprises, better serving the operator—these are among my hopes.

Of course, early involvement is not new to DOT&E. Jack Krings did the first early operational assessment, and Phil Coyle worked hard to great effect to make it the normal way of doing business. There is tremendous power that comes from having operational testers involved early. Some of that power is technical, and some of it comes from the added credibility of having an independent tester looking at the system from the outset.

Obviously, if operational testers, to include my office, are involved in programs from the outset—reviewing requirements or desired capabilities; developing and assessing test plans, to include development testing; participating in critical design reviews; monitoring closely DT along with the deficiencies and corrections that arise from it—all of these efforts help to preclude the big surprises at the last stage of programs that operational testers are blamed for.

THE WARFIGHTER IS THE CUSTOMER

Another direction that I have emphasized is a refocus on who our customer really is. The operational test community, to include DOT&E, should consider the prime customer for its efforts to be the user—the men and women in the trenches, on-board the ships, flying our fighter/attack aircraft, maintaining our complex systems, etc., etc. We are in an era where we are rushing to field new equipment to the warfighters in the Global War on Terrorism. We need to be timely and we need to tell it like it is in informing them of the capabilities and limitations of the new system they are being asked to employ in the field.

In that context, I see a critical need to expand our contacts with operational users across-the-board and to cultivate them as principal recipients of our assessments. Right or wrong, the concept of milestone-driven OT&E appears to be becoming a process of the past. Either we change our way of doing business, adapt to the new acquisition paradigms and the realities of the war on terrorism, or we will find ourselves becoming irrelevant with dire consequences for our operational forces. When so many of our systems go to war before IOT&E and before full rate production, users need up-to-the-minute, continuous T&E to keep them informed of system capabilities and limitations. Even after fielding, the acquisition community needs continuous evaluation to feed spiral development and other evolutionary acquisition concepts.

MISSION FOCUS/JOINT TESTING

Also important, I would like to continue the evolving improvements to the OT&E process we have seen over the years: early involvement—testable operational requirements; backing away from the "pass/fail" mentality; truly testing for learning; mission-oriented focus; more emphasis on evaluation. These are all very "old-time," but just as true now as in 1970. Developing and fielding joint force capabilities requires adequate, realistic test and evaluation in a joint operational context. To do this, the Department will need to provide new testing capabilities and institutionalize the evaluation of joint system effectiveness as part of new capabilities-based processes. DOT&E has been directed to develop a roadmap no later than May 2004 that addresses the changes necessary to ensure that test and evaluation is conducted in a joint environment to enhance fielding of needed joint capabilities. We are working with the Service and Defense Agency test communities to satisfy this direction.

ACQUISITION SYSTEM COMMENTS

You all know that the acquisition process changes much faster than we actually acquire anything. DoD would be much better off if we could produce systems as fast as we produce new Acquisition Regulations. So a major acquisition program during its development passes through, not just milestones that used to be called 1,2,3 and are now called A, B, C, but perhaps even several whole acquisition processes. Programs, such as the V-22 Osprey and the F-22 Raptor, have seen an acquisition system that has been called Need-Based, then one called Simulation-Based, then one called (in the Air Force) Reality-Based, and now one called Capability-Based. These changes are not at the root of the problems encountered by these programs, but they certainly haven't helped. The situation may be getting worse rather than better: I believe I am the first DOT&E to sign two versions of the 5000.2 and I've been in the job less than three years.

TESTING TO SUPPORT NEW ACQUISITION STYLES

Among the major new initiatives, as I just mentioned, is Capabilities-Based Acquisition. The idea here, as I see it, is a continuous process of design, development and testing of a new concept or system until we demonstrate and validate a level of capability deemed worth considering for procurement and deployment. At that point, the decision-maker—hopefully, based on the informed advice of the potential user as well as the acquisition and testing communities—decides that the system has indeed demonstrated a needed warfighting capability and approves advancing it, perhaps into full-scale engineering development, or even directly into production and deployment to our operational forces. One of the features of this approach is that, up to this point, there are no hard and fast requirements, threat-based or otherwise, against which to measure the operational effectiveness or suitability of the system. I said two years ago, "How all this will work in detail is still a little murky." We are still feeling our way. The Ballistic Missile Defense System is a major test bed, in fact, for the operational test community in working with this new acquisition paradigm. In this approach to acquisition, we testers won't be making judgments as to a system's effectiveness or suitability against some ORD-based bench-marks, but rather presenting our best judgment as to the capability demonstrated to-date in whatever environments—open-air testing, hardware-in-the-loop, or human-in-the-loop—the system has been subjected to. Interesting enough, we have some helpful guidance in a statement in the new 5000.1 DoD Directive: The Defense Acquisition System. The Directive has only three policies identified, the second of which I quote: "The primary objective of Defense acquisition is to acquire quality products that satisfy user needs with measurable improvements to mission capability and operational support, in a timely manner, and at a fair and reasonable price."

METHODOLOGY: MISSION FOCUS/COMPARISON TESTING

This directs me, as I see it, to define some marks on the wall with respect to capabilities that must be improved upon. It also keeps a strong mission-oriented focus. The "measurable improvement" phase in the new 5000.1 also highlights the need for comparative evaluations to show improvement. When formal requirements are missing, the current mission capability provides a natural point from which to measure any improvement. This may seem like a simple idea. And we have used it in a number of cases to assist the evaluation. For example, in one Army system, the requirements had specified a timeline for movement after shooting. Well, that requirement was not met in testing, but did that mean the system was ineffective? When we compared the actual time to that of the current system, we found that the new system provided significantly better survivability, even though it did not meet the "Requirement." We used the comparison as part of the justification for calling the system effective.

Now the comparison test idea is often criticized—understandably so in many instances—as being expensive. We need to move to collect data on the capabilities of current systems and forces from ongoing exercises in order to avoid burdening new programs with the time and resources needed to test and collect such data to establish a baseline. But that will require establishing meaningful, accredited databases for operational capabilities of existing forces/equipment/TTPs. As Walt well knows, the information from tests—the databases—quickly become unusable. Archiving the databases should be part of a more robust T&E infrastructure.

TESTING TO SUPPORT ACQUISITION: T&E INFRASTRUCTURE/PEOPLE

While Spiral Development and Block Upgrades might be somewhat different animals, their treatment by the T&E community is somewhat similar. As an aside, we have quite a bit of experience with such approaches, particularly in testing software-intensive systems to include the myriad of automated information systems. Here, we plan our T&E strategies to assess incremental improvements in capabilities as opposed to using the full-up, or ultimate, system requirements spelled out in an operational requirements document as a benchmark. At the least, our assessments should consider whether each spiral or block provides a measurable improvement in military capability over its predecessor. What may be called spiral or block developments, may just be the block upgrades of the past. The T&E community has dealt with those for quite some time now. We should step back now and translate our lessons learned in this context into more concrete policies or strategies for the future.

Undoubtedly, the biggest financial commitment by a program in this context will be to field the first spiral or Block I. Therefore, at a minimum, Block I should clearly demonstrate that it does not represent a decrease in military capability over legacy systems. In addition, If new functionality is added in a spiral or block, we will probably need to carry out some level of regression testing. There will also have to be some assessment of the growth potential of this spiral or block.

The new functionality—if it is to be worth the disruption to the force by requiring retraining, additional training or new operational concepts—ought to represent a significant improvement that should be easy to confirm. We should accept it as our responsibility to confirm, not only that improvement, but that the system continues to be effective and suitable for combat after fielding. In spiral developments, we will need a formal feedback mechanism—spiral reporting, so to speak—to ensure that problems or deficiencies identified in T&E for each spiral are addressed and corrected by the developer. The information needs during spiral development seem to include at least: (1) what is the added capability of the new spiral, (2) what direction should the next spiral take to address the residual deficiencies of the incomplete system and (3) is the new spiral's increase in capability worth the disruption of introducing it into the force—the reconfiguration, the revised training or the changed tactics, techniques and procedures the new spiral might imply.

These considerations lead me to a need for some form of continuous testing, evaluation and reporting even after the system is deployed. Presumably, with increased use of spirals, there will be many more potential engineering change proposals. Hopefully, priorities accorded these proposals will be based on evaluation of data that shows what needs to be fixed depending on the most value to the war fighter.

We need to look to the future beyond the items addressed above—the increasing complexity of systems and tactics to be tested, the need for better trained people in the T&E business, the massive amounts of data becoming available and the concomitant requirement for more sophisticated evaluation techniques/approaches.

T&E INFRASTRUCTURE/TOOLS/MODELING AND SIMULATION

Let me address in some fashion the modeling and simulation disappointment which I inferred earlier. A success story in this context is the AIM-9X. But you have to understand the very special circumstances of that success. First and foremost, the contractor was willing to go down the path. The model was developed by the contractor and was open to the government. The DT program was used to develop and validate the model. The model was a design tool. The OT program also validated the model. The close collaboration of government and contractor was necessary where there are too many cases to cover in a live test program. In the Aim-9X, there were over 500 scenarios that were in the Operational Requirements Document.

However, the experience with M&S, overall, has been a major disappointment of promises undelivered. Why? First, there have been unreasonable expectations. Surely, some design problems can be modeled, but these tend to be small changes in well-understood designs. Defense systems do not tend to be of this ilk. When the system technology is cutting edge, its real limits are probably not well understood. You cannot replace testing with modeling in that case. As Jack Krings used to say, model to interpolate, not extrapolate.

Second Is the money problem. Many program managers would like to finance the development of models with money from testing—trade off testing for modeling. That timing is off—modeling, to be successful, has to start early; using OT money is too late. The trade is not what ought to be the goal. Defense systems encounter a lot of problems in development—a fact that the OT community is painfully aware of because so many of those problems appear in IOT&E. To overcome these, in the best case, takes additional time and money. The role of modeling should be as something extra that can be done to help the success of the program—not some trade off with testing.

T&E INFRASTRUCTURE/RESOURCES/T&E CYCLE TIME

Unfortunately, I am concerned that our T&E infrastructure is not in the best of shape needed to meet the challenges of the future. Past failures of the acquisition process, with all the program slips, have tended to ease the burden faced by the test ranges. Lord knows what would happen if all the programs that claimed to be ready for testing in 2004 actually showed up for testing. If the latest acquisition initiatives deliver what they hope for, then a greater fraction of programs should be ready for testing on or near their schedules. In this respect, I fear the T&E community might not be prepared for success in acquisition reform. A capable test infrastructure to include appropriate targets, instrumentation, etc., will have to be available at our test ranges and facilities.

So, what's the bottom line? First and foremost, we have a lot to be proud of over the past several years in our demonstrated flexibility and responsiveness to an ever-changing acquisition landscape. Our record of early involvement and the fruits of that involvement are also praiseworthy. We have not choice but to continue and even expand our involvement earlier and continuously throughout the life cycle of systems. But, I am concerned with the increasing demands on our resources necessary to make those involvements continue to pay off.

We need to do more in cultivating and serving the users, the operational forces, as prime customers for our products. The Joint Test and Evaluation Capability should play a big role here. Warfighters need to know the capabilities and limitations of the new systems they are deploying, based on our best estimates of what the testing to-date has demonstrated.

The Joint Test and Evaluation Capability will probably borrow a lot from the Joint Training Capability. One key that I believe

> will connect them is the careful enumeration of the military tasks that is catalogued in the Universal Joint Task List. The tasks, standards, and conditions there can be a basis for comparison of current and new capabilities. It ought to be an important item in the new "Requirements Generation" process we will hear about later that is called JCIDS—the Joint Capabilities Integration and Development System.
>
> While acquisition reform has aimed at making substantial reductions in cycle-time, by at least a half in most cases, we in the testing community should be looking at ways of cutting testing turn-around times in half.
>
> I reject the claims of the many critics of the testing process that overall OT&E costs and schedules are excessive—in fact, they're a very small part of system costs (recent Rand study); the costs of skipping tests, of avoiding adequate tests, of skimping on either DT or OT can be huge (as well as cause loss of lives). We started the RAH-66 Comanche, V-22 Osprey and F-22 Raptor programs in the early 1980s. After roughly $7 billion and twenty years of effort, the Comanche is being terminated while still several years from its IOT&E and a production decision. The V-22 program has spent over $16 billion and taken more than twenty years, during which it unfortunately skimped on DT and paid the price in a failed OPEVAL in 2000. It is now embarked on an event-driven test program that will culminate in a second OPEVAL in early 2005. After $36 billion and nearly twenty years in development, the F-22 is about to enter its IOT&E heading for a production decision this coming fall. Now, I challenge you to show me where operational testing has held these programs up or has cost us an arm and a leg as some of our critics would claim.
>
> In closing, I continue to believe the T&E community—in both industry and government, both technical and operational testers—has served the department very well over the years. The success of our operational forces in the last several conflicts reflects that dedication to deploying systems proven effective, suitable and survivable on our ranges and in our facilities. But, the increasing complexity of systems and tactics should be tested, the need for better trained people in the T&E busienss, the massive amounts of data becoming available and the concomitant requirement for more sophisticated evaluation techniques/approaches, all call for new and innovative strategies and capabilities for T&E. I hope this conference does not degenerate into a reminiscence session. We face challenges in the future as we have in the past in ensuring that our soldiers, sailors and airmen are equipped with the best equipment our nation can provide.

Mr. ALLARD. This quote that I just shared describes exactly what he is doing with testing and the Missile Defense Program. Heavy involvement in the developmental test program, with the intent to achieve operational test goals during development, continued test evaluation assessments to keep the warfighter informed of system capabilities and limitations, and continuous evaluation after fielding to feed spiral development. That is the role the Director of the OT&E describes for himself, and that is the role he is playing in missile defense testing.

Everyone on both sides of the aisle, and I would add everyone in the Pentagon, supports operational realistic testing of the ballistic missile defense system, and that is why we are building a missile defense test bed today. That is why the Director of OT&E has over 100 operational test agents influencing and providing input for the GMD. That is why military operators are being used in the tests. Perhaps more importantly, that is why operational test goals are incorporated into each developmental test.

Now, make no mistake, the threat drives this program. We are building missile defenses to meet that threat. The test bed is needed to perform operationally realistic tests of the ballistic missile defense system and testing will proceed, becoming progressively more realistic, and will improve the system. Yet it is these same test bed capabilities that would afford us an early operational capability.

We cannot forget that we have no defense against long-range missiles. The Armed Services Committee has seen intelligence information which illustrates, more than ever, that the ballistic missile threat is real and growing. We are vulnerable and it is time to change that vulnerability. We need a missile defense capability in the field as soon as possible. For that reason, I will oppose the Reed amendment as it was introduced, and I urge my colleagues to oppose those efforts that would tie up our system in a way that adds delays and adds to our inability to defend ourselves from emerging threats in other parts of the world.

With the Warner second-degree amendment, my view of this amendment of Senator REED changes; that is, if we adopt the Warner amendment. This is why I think we need to support Senator WARNER's amendment. The intent is to assure that the Department of Defense conducts operational realistic testing of the BMD system and to support Senator WARNER's second-degree amendment because I believe we will achieve our common goal of operational, realistic testing while avoiding some of the potential pitfalls.

Everyone on both sides supports operational realistic testing, as I mentioned earlier, on the ballistic missile system. I certainly support the Senator's intent to make sure the BMD system is tested. The question is how best to test effectively while improving system capabilities and fielding capabilities as quickly as we can.

Formal operation and testing carries with it certain requirements where there can be no developmental goals. Contractors cannot be involved and the Director of Operational Test and Evaluation approves of the operational test plan.

I think the Warner amendment improves on what was proposed by the Senator from Rhode Island. This is operational testing.

Again, as I said earlier, we are looking at a two-way path here. While we are doing testing, we want to get something in place that is operational. The more we tie this down in a step-by-step process, which happens with the Reed amendment, with accountability on every little finite step in development, the more you delay the process and the more you add to the cost of the program. That is why I am supporting the Warner amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ALLARD. I ask for an additional 1 minute.

The PRESIDING OFFICER. The Senator has that right. He is yielded an additional minute.

Mr. ALLARD. What happens with the step-by-step process in the Reed amendment which leads to delays and additional costs, the Warner amendment refines that down so it is more streamlined and becomes palatable to us who would like to see rapid deployment of some kind of missile defense system for this country.

It is not going to be perfect. That is why we have spiral development. We are going to develop it and improve upon it with time. This is a process we have used before. It works and it is something that is going to assure us that we will have security rapidly deployed for this country where we have emerging threats in Iran and North Korea.

The PRESIDING OFFICER. The time of the Senator has expired. He yields the floor. Who yields time?

Mr. REED. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Rhode Island has 35 minutes 38 seconds remaining.

Mr. REED. Mr. President, if you could interrupt in 10 minutes.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mr. REED. Mr. President, I was very interested in hearing about the letter from Mr. Christie. I have not seen it. I am getting a copy of it.

But as I heard my colleague from Colorado, Mr. Christie seems to be saying that this system is not ready for operational testing yet, that it was premature to operationally test it. But it is ready for deployment in September? I think the notion of deployment is this thing is ready to operate; certainly it is at least ready to begin the threshold operation for testing. So I can't think of anything else that more strongly emphasizes the need for operational testing.

We have all heard the terminology, evolutionary spiral development, new techniques, et cetera, but the basic question here is: Does it work? No evolutionary spiral jargon avoids that question. Related to the question, does it work, is: What can it do? What do we expect this system to do? And then, of course, you validate that by testing under realistic conditions.

None of this is taking place. None of this is planned. I believe my colleagues when they say they want to see this operational testing. But there is no plan to operationally test now.

I find interesting the notion that Mr. Christie says it is premature to test, yet in the amendment to my amendment offered by Senator WARNER there is a specific deadline of October 1, 2005, that a test will be completed.

My amendment doesn't do that because I do recognize the fact that these are very difficult technological issues, that there is great concern about getting the system up and running. There are multiple pieces from space-based radar to ships at sea to land-based radar to booster rockets and kill vehicles. Yet interestingly enough, the Warner amendment would lock in a date of October 1, 2005, to test the ballistic missile system. Yet Mr. Christie is talking about it is too premature, et cetera.

I think the approach I have taken is simply saying at some time in the future we need operational testing. Please lay out a plan—a plan, of course, can be modified—and before these new steps in the process are put into effect, let's have the operational testing. I think it makes a great deal more sense.

Also, there is a question about limiting developmental testing and operational testing by saying, when you do operational testing, you can't do developmental testing. Actually both can be conducted in virtually the same test. I think one of the major differences between developmental testing and operational testing is that developmental testing is designed by the proponent agency and the contractors and they are supervised by the proponent agencies and contractors. Operational testing is designed by Dr. Christie's office, the Office of Operational Test and Evaluation, and supervised and conducted by those individuals from that particular office. It is quite appropriate. It is done frequently.

The Patriot was an example of a system that had both operational and developmental testing taking place. Indeed, the Patriot is another good example of the need for operational testing.

The upgrade PAC–3 missile defense system had a very good record when it was in its developmental phase. It was just doing extremely well. Then they started the operational combat, realistic test phase, and the Patriot PAC–3 failed each of these operational tests. It had four consecutive operational test failures. What did that suggest to you about this system? This system might pass all these tests, as some have argued watered down as they are, but it could pass all of them. Well, the PAC–3 system passed all the development tests and then had four consecutive failures in a row in an operational test.

If we have four consecutive failures in a real operational test of this system, I think the American people will be quite shocked, given the fact we are not planning any operational test, yet we are deploying the system.

Luckily, with the PAC–3, there was time to fix the problem.

These operational tests were not only conducted, but the problems were fixed. In Operation Iraqi Freedom, the system was deployed. It worked very well when it engaged missiles. But again, there are still some difficulties. At least one friendly aircraft was engaged and destroyed by a PAC–3 system. Two were destroyed, suggesting that all the problems with the system in terms of target identification, in terms of proper response and enemy versus friendly targets in the air have not been fully resolved. It is a complex system. This system is much more complex and complicated. But the PAC–3 is a very good example of what we should be doing here—that is, operational testing, learning from those tests, fix the system, and keep doing it continuously.

Again, I think it is an interesting notion about this spiral development and everything else. There has to be consistent, constant testing because that is how you learn so you can make the changes. Yet, again, we don't have an operational test planned for this particular system. I believe we have to have something like that. Again, the national missile system is very complex. We have to have this system.

Part of the Warner amendment to my amendment takes out the Director of Operational Test and Evaluation and lets the Secretary of Defense prescribe the criteria. Let me suggest that in the last several years, Dr. Christie has been advising and consulting. But nothing has happened in terms of operational testing. Each year, he reports to his superiors and to the public at large. In each one of those reports, he calls for more realistic testing. Apparently he is consulting and is not particularly effective. But that is exactly what the Warner amendment to my amendment would do—simply make him a consultant.

The reality is, as a consultant, his voice would be no more prominent than it is today. We don't have an operational testing plan. We have not conducted operational testing yet, and yet we are deploying the system. It seems to me that the Warner amendment waters down further the operational testing. He calls it operational testing, but then it takes out the operational testing, giving it to the Secretary of Defense.

We have seen that this Secretary of Defense is committed to getting this program into the ground by September of this year regardless. That doesn't give me and I don't think it should give the public the confidence that a rigorous realistic testing scheme will be developed. But then the amendment goes on to say within a year we are going to have that, we are going to mandate the test. It seems to be slightly schizophrenic. We don't want the normal procedures, we don't want the Director of Test and Evaluation to be doing it, we want the Secretary of Defense to do it, but he is going to do it by October 1 of 2005.

Again, I don't think the amendment really responds to the problem and the issue. The issue and the problem is developing, as we have done for every other system. PAC–3 is an excellent example of operational testing and planning, and then ensuring that the operational tests take place—not just calling for operational tests but having the independent operational testing agency within the Pentagon designing and conducting the test. That is what my amendment does. It doesn't call for any specific deadline. If the conclusion of Mr. Christie were to be that it couldn't be feasible for 18 months or 2 years, at least we have gotten an operational test plan, and we will conduct the test. That, to me, would be a vast improvement over the current situation.

I hope my colleagues will not favorably respond to Senator WARNER's amendment and give me a chance to have this amendment agreed to.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. ALLARD. Mr. President, I support the Warner amendment to the Reed amendment because it adds flexibility with accountability. The second-degree amendment will allow the Missile Defense Program to field capabilities expeditiously and to improve those capabilities rapidly and avoids the disadvantages I see in Senator REED's approach, which requires realistic testing broken off into blocks.

Specifically, Senator WARNER's second-degree amendment will require the Secretary of Defense, in consultation with the Director of OT&E, to set forth formal criteria to define operationally realistic testing for the ballistic missile defense system as a spiral development program. It will require operationally realistic testing consistent with those criteria during the fiscal year 2005, and it will require operationally realistic testing of each block or spiral of the ballistic missile defense system.

The Warner second-degree amendment provides the flexibility needed to incorporate both operational test goals and developmental test goals in missile defense tests—flexibility that is denied in the Reed amendment. Thus, it avoids the substantial replanning, delay, and additional costs that would result if the Reed amendment is adopted.

But the second-degree amendment also helps ensure that the testing of the missile defense system is realistic and will result in a well-tested system that will be capable of defending our Nation. It requires a formal and appropriate role for the Director of OT&E, and it requires this realistic testing to be conducted during fiscal year 2005—almost certainly sooner than the formal OT&E required in Senator REED's amendment, perhaps even sooner.

I urge my colleagues to support the Warner second-degree amendment.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Rhode Island.

Mr. REED. Mr. President, I am just a bit taken aback by the claim of flexibility. The Warner amendment actually sets out a date certain when the tests will be conducted. Particularly, since it is a year away, particularly Mr. Christie is talking about it is premature because it is in the developmental stage. I thought his letter was quite specific. The ground-based midcourse defense element is currently at a material level which requires continued developmental testing with oversight and assistance from operational testing personnel conducting realistic testing in the near term. I guess the question is, What is "in the near term"? I suggest it would be a year or more. It would be premature and not beneficial to the program.

Let me reiterate that this is an extraordinary letter. It says basically this system is not mature enough to test, but we are going to deploy it. I think that is very unusual, particularly given the history of having other systems where, even though they had not completed their operational testing—like the Predator and JSTARS—the plan for operational testing had already been sketched out—not by the Secretary of Defense but by the Office of the Director of Operational Test and Evaluation.

I think the flexibility is in my central amendment. It talks about before you deploy a block or a spiral—the new terminology might be "spiral," but what they are going to do essentially is what we do so often: build the system to a certain capability; then, through tests or experience or through actual field trials, develop new software, new technology, and new complements that can make it better. At a certain point, rather than just simply tweaking here and there, you go back in and you develop a new block. That is roughly to me what the spiral development is, minus the catchphrase. Before you do that, we should have operational testing.

I think this is a very critical aspect. My amendment does not intend to stifle flexibility. It has no correlation with deployment. That is an issue that is going to be determined—and has been determined. We had votes on that, but somewhere along the line we need to do operational testing.

I must say I would be much more impressed with the degree of commitment to this operational testing if at least we had a plan for operational tests, a plan prepared by Mr. Christie. We do not have that. At least that would signal that we are serious about operational testing. In fact, that should have been done. It says this system is so immature that we cannot even get to the point of developing a plan to test.

Once again, the amendment is not only reasonable but it is compelling. This is what we do when we develop systems. Again, I suggest it is something we should do.

There is another aspect of my amendment which is very important and that is the baseline. Again, we have to know how much is being spent, what are the cost goals, what are the capability goals with respect to the system.

The GAO discovered—we did not discover this because of the way the books are kept—a $1 billion cost overrun. Rather than reporting it, making it obvious or tracking it, they simply changed the cost goals. In conjunction with that, we find that rather than having 10 interceptors, as they originally talked about in terms of cost goals, they now have 5 interceptors. The situation is that the costs have gone up by $1 billion and capability has gone down by half. Now we have a situation where we were unaware of it until the GAO discovered this.

Call it spiral development, call it evolutionary development, that should not be. One would hope this sophisticated development process, this new form of development, would mean that costs are more transparent, more accurate, and the capability is more obvious. That does not seem to be the case.

Along with the notion of developing operational testing is developing the baseline. None of that is in the Warner substitute to my amendment. I cannot see any discussion of establishing baselines, of making sure the costs are appropriate, of alerting Congress to overruns, rather than just changing goals.

I hope my amendment would be adopted and could be adopted.

I yield the floor, and ask at the conclusion we might think about whether it is appropriate to continue debating or to yield back time.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from Colorado.

Mr. ALLARD. Mr. President, on this side, most Members have said whatever they want to say.

I, again, state we have a number of amendments we dealt with last year and this year which, in effect, add delays because of an excess reevaluation of the program. What we are striving for is a commonsense approach to accountability in the missile defense program without so much evaluation that we delay it. Each delay adds more and more costs to the program. Then those people who oppose the missile defense program will use that as a reason to defeat the program.

The fact is, right now we are in the process of putting those missiles in the ground. This fall we expect them to be operational. In order to have the proper developmental process in place, we have to have a test bed. While we are putting the test bed in place, it requires such a wide area we might as well make it operationally functional at the same time. That is what we are trying to do.

The Warner amendment provides the flexibility but still the accountability that we need. I am happy with what he has laid out in that amendment.

Dr. Thomas Christie has indicated time and time again that he is satisfied with his current role and the role his office plays in ballistic missile defense testing. He has testified. He states in his recent letter to me—and maybe I need to read the substance of this letter just to give my colleague an opportunity to hear clearly what his position is—the following:

> The Missile Defense Agency (MDA) is building a BMDS test bed that is essential to support realistic testing, and is absolutely essential for conducting adequate operational testing in the future. The test bed is also key to developing operational concepts, techniques, and procedures, while allowing my office to exploit and characterize its inherent defense capability.
>
> The Ground-based Midcourse Defense (GMD) element is currently at a maturity level that requires continued developmental testing with oversight and assistance from operational test personnel. Conducting realistic operational testing in the near-term for the GMD element would be premature and not beneficial to the program.
>
> My office has unprecedented access to GMD, and I am satisfied with the cooperation between the program office and the test community. I will continue to advise the Secretary of Defense and the Director, MDA, on the BMDS test program. I will also provide my characterization of system capabilities, and my assessment of test program adequacy annually, as required by Congress.

This is the chief accountability officer. He is responsible to make sure everything is ready to move forward. He is satisfied. There is no doubt that he is satisfied with the way things are going.

In order to meet some of Senator REED's concerns, the Warner amendment allows that. We address some of his concerns. Now we need to adopt the Warner amendment so we can still have the flexibility we need to deal with changing technology and perhaps some unexpected events as we move forward.

I don't think anyone who has watched the development of military systems ever figures we have it right the first time. We come awfully close. With each passing year, new technology evolves and new ideas evolve and there are things we can do to improve the system. That is what spiral development is all about.

Again, Dr. Christie indicates that he is satisfied with his role and the role his office plays in the Missile Defense Program. He states that his office has "unprecedented access" to the ground-based midcourse effort and that cooperation is very good between the program office and his office.

He testified that he makes recommendations related to the developmental test program and his office has the ability to bring input into and influence the GMD test program.

Again, to quote Dr. Christie:

> My staff and I remain involved on a daily basis with the Missile Defense System and the BMDS element program offices in order to ensure that operational tests are addressed in their testing.
>
> We have over 100 operational test agents involved in the missile defense test program. A considerable amount of resources are being put forward to make sure we have accountability.

He goes on and indicates again that he is clearly satisfied with emphasis on operational test goals in the BMD system test plan. I will quote directly:

> The GMD [Ground-based Midcourse] program combined test force effectively integrated the operational testers into the program development activities and the test design and planning efforts.

He approved the operational test goals for the last three integrated flight tests.

He recently testified as follows:

> While I am very encouraged by the improved testing environment and capability that the BMDS test bed will provide, I am even more pleased with the increased emphasis on system integration and user involvement that I have seen over the past year.

We go on and on about his testimony as to how he has testified. The fact is, it is working. We are ready to put it in the ground this fall. We all recognize there are going to be improvements as we move along, but we are in a position to make those improvements.

I think the commonsense approach is to support the Warner amendment. I support it and encourage my colleagues to support it.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. Mr. President, how much time does the Senator from Rhode Island have remaining?

The PRESIDING OFFICER. There is 20 minutes 20 seconds.

Mr. LEVIN. I ask the Senator if he will yield me 8 minutes.

Mr. REED. Mr. President, I yield 8 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, the amendment of the Senator from Rhode Island simply says that the usual rules will apply in this case, that we are not going to change the rules because some people believe strongly this is an important weapons system. We have lots of important weapons systems of which we apply the rules that you must have operational testing at some point.

Now, there have been a couple of instances where operational testing has been delayed until after there has been some deployment, but there has been operational testing then. There have been plans for operational testing. The two examples which are used frequently are JSTARS and an unmanned aerial vehicle called Predator. Those are the two examples that have been used where a system has been deployed or partially deployed, and then the operational testing has occurred after that deployment.

But in those two cases—this is the critical issue which the Senator from Rhode Island addresses—as in all other cases, operational testing has occurred; and it has been designed by and implemented by the independent Office of Test and Evaluation.

The difference between the amendment offered by the Senator from Rhode Island and the second-degree amendment offered by the Senator from Virginia is that the Senator from Rhode Island preserves the rule, which as far as I can tell has never been violated, that the Office of Test and Evaluation does the testing. That is an independent test office.

Too often these days we see rules being ignored in order to meet some particular goal: We are not going to apply the Constitution here because we have needs over here. We are not going to apply the usual rules as to how we treat captives and how we treat prisoners because we have other needs over here. We are going to bend rules. We are going to ignore rules because of some particular goal that exists.

In this case, there is a proposal made that we ignore the rule, which has been in place for I don't know how many years, with a very important purpose behind it: that we have independent testing of weapons systems before or during or at some point after deployment by an independent test office—not by the Department of Defense in consultation with the test office, but by that test office itself. It is the way we have protected our men and women in the military, to make sure that weapons systems work. It is the way we have protected this Nation, by making sure that weapons systems work.

We should not make an exception for it here. No matter how strongly people feel national missile defense will contribute to our national security, it will only contribute to our security if it works. To make sure it works, you need an independent testing office to do the testing and to lay out the criteria—not to consult, not to have a voice, but to do what they do with all other weapons systems that we deploy, which is to do the testing themselves.

This amendment does not prevent the administration from deploying missile defenses prior to operational testing. That was the amendment which was just defeated. This amendment allows that deployment but says you have to have operational testing sometime, at some point, and—this is the difference between the first-degree and the second-degree amendment—in the case of the first-degree amendment, that testing has to be done by that independent Office of Test and Evaluation, as all other testing of all other weapons systems that we have been able to research. You have to have plans. You have to make a decision: Yes, we are going to test this, and we are going to have our independent Office of Test and Evaluation do it.

Now, as I said, some defense programs have been deployed before operational testing was completed, and among them is the Predator, which was deployed in Kosovo in 1999, prior to the initial operational test and evaluation. But the operational testing for the Predator was planned for long before the Kosovo deployment, and it was completed in the next year after that deployment. The testing was done by that independent office, not by people who are out there in the field arguing for a system, but independently by the independent test office.

The JSTARS surveillance aircraft is another example of a military system which was deployed prior to operational testing. There was a great need. It was decided they could do the operational testing after the deployment. So two JSTARS aircraft were deployed during Desert Storm in 1991.

Interestingly enough, following that deployment, the Senate Armed Services Committee wanted to accelerate the program, but the Air Force thought the effort in the gulf war had not alleviated the need for operational testing. Indeed, it illuminated areas that needed more attention in development. So operational testing was performed on JSTARS in 1995, and the operational tests revealed some significant problems. Some of those problems in JSTARS, which independent operational testing—and the word "independent" is just as important as the word "operational" and just as important as the word "testing"—those independent operational tests revealed some significant problems, including the inability to operate at the required altitude, inadequate tactics and procedures, and inadequate mission reliability and time-on-station.

What this amendment would do is to insist that the usual rules about operational testing by an independent test office apply here, not before deployment—that approach was defeated when the Boxer amendment was defeated—but at least sometime, and sometime is critically important, and just as critical is that those tests be done not just in consultation with but by the Office of Test and Evaluation.

If you do not like the rules, change the rules, change the law about OT&E,

the Office of Test and Evaluation, change the law, but do not simply say we are going to ignore the law here because that law has an important purpose. That law requiring independent test and evaluation is a law which every Member of this body ought to defend. We fought a long time to put it in place. It has had some wonderful results. Our weapons systems have worked better because we have an independent office that does the testing.

So it is not good enough, as the second-degree amendment says: Well, we will have some consultation with that independent office. That does not give them the critical decision as to whether a weapons system is effective or is not effective. To put billions of dollars into systems which are not shown to be effective at some point, which are not operationally tested at some point by an independent office, is to increase the likelihood that billions of dollars will be wasted.

I thank the Chair and yield the floor.

Mr. REID. Mr. President, will the Senator yield?

Mr. REED. Mr. President, I yield to the Senator from Nevada.

Mr. REID. Six minutes?

Mr. REED. Six minutes.

The PRESIDING OFFICER. The assistant Democratic leader.

Mr. REID. Mr. President, first, I share a name with the sponsor of this amendment. I have, once in a while, given him some advice. When it comes to military matters, there is no one who I have greater confidence in than the Senator from Rhode Island. He is the only Member of the Senate who is a graduate of the United States Military Academy at West Point. He is someone who has taught at that fine school. He is someone who has maintained his military contacts. And he is a student of what has been going on in the military since his retirement from the military. So I feel very confident and comfortable that the Senator—being a member of this most important committee, the Armed Services Committee, and having offered this amendment—is trying to do what he believes is the right thing for this country.

I express my appreciation to him for his studious efforts in offering this amendment and for often answering my questions about the military. He is such a valuable person to have in the Senate.

As I told the majority leader a few weeks ago, when I get up in the morning, the first thing I read is the sports page. I do that because there is always some good news in it. The rest of the newspaper you have to search hard for the good news. But after I finish the sports page, I reluctantly go to the first section of the paper.

This morning I went to the Washington Post. On the front page is a story. We have all seen the headlines about the 9/11 Commission, that according to available evidence, Iraq and Saddam Hussein had nothing to do with the terrorist attacks of 9/11. Another front-page story dealt with Abu Ghraib prison and some of the abuses that took place there.

On page 3 there is a feature story about a soldier that has been laid to rest in Arlington Cemetery. Page 4, there is some discussion about what we did yesterday dealing with the Leahy amendment.

The reason I mention these items very briefly is, you have to go all the way to page A19—I was stunned when I read this—the fourth paragraph, to read:

> Three U.S. soldiers were also killed Wednesday. . . .

It is like a throwaway.

> Three U.S. soldiers were also killed Wednesday. . . .

Three more deaths didn't warrant anything better than a throwaway line in the fourth paragraph on the 19th page of this newspaper.

We know these soldiers who have been killed—more than 800—are fathers, sons, neighbors, loved ones, all different categories. The families of these men and some women who have lost their lives since the war are paying a terrible price. I am stunned that we have come to the point in this war where we now say:

> Three U.S. soldiers were also killed Wednesday. . . .

I don't know how to describe how I felt when I read that. These three soldiers deserved more than that.

I hope we are not at a point where the death of American soldiers in combat is considered so routine that it is barely mentioned, and instead of meritorious placement in a newspaper, it is buried. We need to do better than that.

Hopefully, one of the things this bill will do is focus attention on the sacrifices being made by the men and women in Iraq. I hope the families of these three men get more attention than page A19 in the future.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I see the Senator from Alabama is here. I appreciate Senator SESSIONS serving on the Strategic Subcommittee with me and serving on the Armed Services Committee. He works very hard on that committee. The defense of this country is important. He agrees with that. He brings a stroke of common sense to our deliberations which I, for one, truly appreciate. I yield 5 minutes to the Senator from Alabama.

Mr. SESSIONS. Mr. President, I thank Chairman ALLARD for his leadership and his expertise. He is becoming perhaps the most authoritative Member of the Senate on this issue. He has worked on national missile defense since he has been in the Senate. It is great to work with him.

We do need to do the right thing. We have committed as a country to deploy a national missile defense system. We voted to deploy that system as soon as technologically feasible. That was back in the 1990s, and President Clinton signed the statute we passed. I believe it got 90-plus votes in the Senate. Although there were a lot of people who were opposed to it until the very end, in the end everybody realized that we needed to defend America, and we had the capability of doing so.

There has been a cottage industry of skeptics out there that has made fun of President Reagan. They called his vision for national missile defense Star Wars. Then when President Reagan said no to Gorbachev's proposal in Reykjavik, which accepted so many of the things President Reagan wanted so badly but told President Reagan he would have to stop national missile defense, he thought about that very hard on the eve of the reelection campaign. He knew he would be criticized, but he said, no; national missile defense is important to America. It was important to peace in the world because, instead of worrying about how many of the enemy we could kill, we could begin focusing on how to protect our people from being killed by missile attacks. It was a defining moment in the cold war. One expert recently said that was the moment that signaled the end of the Soviet Union.

We debated it here in the late 1990s. Senator THAD COCHRAN and JOE LIEBERMAN proposed the deploying amendment to go from research and talk to actual deploying and setting a goal for it. We had a bipartisan national commission that unanimously voted that the threat to the United States from missile attack was real, more imminent than intelligence agencies had previously said, and that we needed to move forward to deploy a system.

Under General Kadish, we have achieved a magnificent result. General Kadish—history will record—has been a tremendous leader, a man of substance and honesty and stability and good judgment, under all kinds of pressure. He has been beaten.

Senator LEVIN, the ranking member on our committee, is such a fine Senator. He and Senator REED have been critics of the program. They have raised questions about the program. I don't think it has hurt the program. It has probably helped the program. I know they have never been big fans of it. We made that decision.

We are going forward today. The amendment Senator REED has proposed, I am afraid, would cost us in the long run and provide little benefit. The provisions for cost, schedule, and performance baselines that he mandates have essentially been adopted now by the Department of Defense. It was part of a General Accounting Office study, and the Department of Defense has gone along with that study.

The provision for conducting operationally realistic tests for each block configuration is not unreasonable. Each test we conduct today, however, has developmental objectives. And since this statute would prohibit the agency from approving developmental tests, we would have a real problem there. Those tests may be a problem. Each test would have developmental capabilities. It would require a significant replanning of the test program, slow the development, and increase costs in the long run.

We made a commitment to a new type of strategy for developing this unprecedented system. It is called spiral development. We said to the military, you develop this system. We are not going to put you in a straitjacket. We are going to allow you to move forward. And as you bring on new science and new capabilities, you decide and make recommendations to us as to how you would deploy it.

Maybe we decided it would be unwise for us to mandate exactly how this system should come out. I think that is what I would have as my biggest complaint with Senator REED's well-meaning amendment. I think it puts too much restraint on the freedom and initiative of the leaders in the Department of Defense to be creative in making the system and utilizing the money we put into the system effectively to come up with the best results.

I have been extremely proud of what has been accomplished so far. In September, we will deploy a missile in Alaska—the spot in the world that allows us to protect all of our States. It can knock down missiles that might be produced by the North Koreans, who have acted bizarrely many times in recent years. It would also allow us to knock down a missile launched by mistake, which could happen at any time. It would not be a complete system yet, and we will begin to test from that platform. In other words, to have a national missile defense system, you have to have a headquarters, radar, a communications system, Aegis-deployed radar to pick up missiles as soon as possible after launch.

This system has to work together as a coherent whole, and you need to have the ability to identify early an incoming missile and knock it down. We have proven hit-to-kill technology, bullet hitting bullet, that has been proven in quite a number of tests, and we continue to try to make it even better. I think the best way to test the system is to go forward with the plan we have today, get it in the ground so we can test it in the harsh Alaskan winters, and in the summer, when the humidity is up and maybe there is condensation in the tubes, and we can see how the radar works, and we can make sure we can have communication with our ships and see how the command structure works in order to make a decision. That is the way we need to test.

General Kadish and his team have accomplished a technological feat that many people in this country believe is second only to putting a man on the Moon. It is incredible. They have proven that they love America, that they are willing to advance rapidly toward a goal but at the same time be honest and prudent with the taxpayers' money.

I would not favor an amendment that would constrict them too much. That is what I am afraid this amendment does. That is why I am supportive of Chairman WARNER's proposal, which I think would accomplish much of what Senator REED would favor, without adverse consequences.

I thank the Chair and yield back my time.

The PRESIDING OFFICER. Who yields time?

Mr. REED. Mr. President, how much time remains on each side?

The PRESIDING OFFICER. The Senator from Rhode Island has 7 minutes remaining. The Senator from Colorado has 29 minutes remaining.

Mr. ALLARD. Does the Senator from Rhode Island wish to draw this to a close and move to a vote?

Mr. REED. I think I will speak for about 5 minutes, and at that point we can call for a vote.

Mr. ALLARD. And I will make just a brief closing comment for about a minute or two. Why don't we go ahead. The Senator can make his statement, then I will make my brief statement, and we will move forward to a vote. I think we may have to go into a quorum call briefly before the vote and get things in order.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, first, I want to emphasize, again, that this amendment does not affect the deployment decisions that have been made with respect to the missile system. Again, also, we have all talked about operational testing, its importance, and that you have to do it. I would be much more confident if, in fact, there was at least a plan today for operational testing. Mr. Christie and the Department of Defense could have developed that over the last year or two. His letter said this system is so immature that I cannot even begin to think about operational testing.

Once again, let me raise the obvious. If it is that immature, then what do we have up in Alaska? Is it going to be a deployed missile system or a test bed? Or is it going to be both? That is the real core of my amendment. The real core is that sometimes, unrelated to deployment, we have to have operational testing.

I argue that my amendment provides even more flexibility to the Department of Defense because it doesn't set a date certain of October 1, 2005, when this test must be conducted. I don't think we can make that date, frankly. I think we will find ourselves back here on the next Defense authorization bill striking that, extending it, or pushing it out because, to me, that is an unrealistic, inflexible deadline.

For that reason alone, I urge my colleagues to think particularly about the Warner amendment. There is a suggestion I would unduly hobble development. As I read Senator WARNER's language, he directs the Secretary of Defense to ensure that each block configuration of the ballistic missile system is consistent with the operational scheme, which is precisely what I am saying. But I am not dictating a specific time to do that. The real key difference between Senator WARNER's proposal and mine is that he is reversing the customary and prudent way to do independent operational testing. He is taking away the independence.

The independence, institutionally, is found in Mr. Christie's office, the Office of Operational Test and Evaluation, not in the Office of the Secretary of Defense. Everybody here has to recognize that there is no more political, ideological issue than missile defense in terms of the national security debate. It has been that way for 20 years.

To suggest that the Secretary of Defense and members of the Cabinet are going to be as independent as someone whose job and career it has been to render objective judgments about weapons systems and deployability and effectiveness is, I think, defying logic. This is not rocket science, it is human behavior. Why are we going to build into the system all those objective judgments and objective pressures that any Secretary, regardless of party, regardless of administration, must feel when something this big is before him to decide?

That is why we created a system 20 years ago where there is an independent Office of Operational Test and Evaluation, with a director appointed by the President and who is not directly subject to political whims, the whims of contractors, or the needs of contractors to make sure the funds keep flowing. That is the big distinction between our amendments. We want operational testing, but we want it to be independent. That is the GAO recommendation—independent, realistic operational testing.

We are not specifying to do it next week. We are not saying you cannot deploy until you test. In fact, I am removing myself from the timing. As I said before, I think it is unrealistic to assume that there can be an accurate operational test by October 1 of next year. It is not going to slow down the deployment or development; I don't think so. It is going to make sure we learn from each step, each mistake, and each achievement. That is what good operational testing does.

I feel very strongly that the Warner amendment is trying to talk about operational testing, but the heart of it is not. It is subjective evaluation that has been going on now for years with respect to this missile program. I think we have to get back to independent evaluation. We can do it with my amendment, and we can also ensure that we get baseline information about how much is being spent, and the MDA cannot, in 1 year, decide that they are a billion dollars off in the cost estimate so they change the cost estimate. That is another example documented by GAO of the temptation to funding programs when you are the tester and the testee. That is what the Warner amendment would do.

So I hope, sincerely, that the Warner amendment can be defeated and that we can move on and adopt the Reed amendment. In the spirit of our prior comments, I will yield back my time.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I yield myself 1 minute. I want to make a very brief comment, and that is this: The key argument is that the Pentagon's chief tester says the operational test is premature. The Warner second-degree amendment requires the definition of "realistic testing," and it requires a test according to these criteria next year. That means we will get realistic testing years sooner than with the Reed amendment.

The Warner second-degree amendment provides a formal and appropriate role for the Director of the Office of Test and Evaluation in a developmental program. That is an unusual step and actually enhances his role in the ballistic missile test program. It does all this without incurring the cost and delay of the Reed amendment.

Mr. President, I yield back the remainder of my time and ask my colleagues to vote in support of the Warner amendment.

Mr. President, I have a unanimous consent request that I need to propound.

Mr. President, I ask unanimous consent that following the vote in relation to the pending Warner second-degree amendment, the Senate proceed to executive session and consecutive votes on the confirmation of the following nominations: James L. Robart, Roger Benitez, and Jane Boyle. I further ask unanimous consent that prior to each of the judge votes there be 4 minutes equally divided for debate on the nominations; provided further, that following the votes, the President be notified of the Senate's action, and the Senate then resume legislative session.

Mr. REID. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. The assistant Democratic leader.

Mr. REID. Mr. President, I, first, ask the distinguished acting manager to modify his request to have the votes following the Warner second-degree amendment vote to be 10-minute votes.

Mr. ALLARD. I agree to modify the request to 10-minute votes on the two following the initial vote—or does the Senator want all three of them?

Mr. REID. Yes.

Mr. ALLARD. On all three of them.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Further, Mr. President, under the order, as I understand it, prior to voting on the judges, the Senator from Rhode Island has a right to offer an amendment to his amendment, if the Warner amendment is adopted. The order was he would have the right to offer an amendment; is that right?

The PRESIDING OFFICER. That is the previous order.

Mr. REID. So it is my understanding the Senator from Rhode Island will not offer that amendment now. I ask unanimous consent also, Mr. President—and I think this is in keeping with what Senator WARNER wanted—that following the disposition of these judges, we return to the Defense bill and that the Senator from Rhode Island be recognized to offer another amendment that has already been indicated—I do not know the number of it. It is his second missile defense amendment.

Mr. ALLARD. Missile defense is OK.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLARD. Mr. President, I understand we may need to ask for the yeas and nays.

Mr. REID. I ask for the yeas and nays on the Warner amendment.

The PRESIDING OFFICER. The yeas and nays have been ordered on the pending second-degree amendment.

Mr. ALLARD. We are ready to proceed to the vote, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the Warner amendment No. 3453. The clerk will call the roll.

The assistant legislative clerk call the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER (Mr. CRAPO). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 55, nays 44, as follows:

[Rollcall Vote No. 125 Leg.]

YEAS—55

Alexander
Allard
Allen
Bayh
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee
Chambliss
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Ensign
Enzi
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Kyl
Landrieu
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Sununu
Talent
Thomas
Voinovich
Warner

NAYS—44

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carper
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham (FL)
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (FL)
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Wyden

NOT VOTING—1

Kerry

The amendment (No. 3453) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. ALLARD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3354

Mr. WARNER. Mr. President, I would like to have a clarification about the standing order with regard to the amendment of the distinguished Senator from Rhode Island.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as amended.

Without objection, the amendment, as amended, is agreed to.

The amendment (No. 3354) was agreed to.

EXECUTIVE SESSION

NOMINATION OF JAMES L. ROBART TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF WASHINGTON

The PRESIDING OFFICER. The Senate will now go into executive session to consider nominations.

The clerk will report the first nomination.

The legislative clerk read the nomination of James L. Robart, of Washington, to be United States District Judge for the Western District of Washington.

Mr. WARNER. Mr. President, could I inquire of the Presiding Officer, are these three votes 10 minutes each?

The PRESIDING OFFICER. The Senator is correct.

There is 4 minutes of debate equally divided.

Who yields time?

Ms. CANTWELL. Mr. President, this afternoon it is my privilege to introduce you to the incredibly talented nominee for a vacancy on the District

Court for the Western District of Washington, James Robart.

In one sense, today's confirmation vote is a homecoming for Mr. Robart. Early in his career, he served as an aide to Senator Scoop Jackson. I am sure that he would be proud of his accomplishments during a long and productive legal career, and would wholeheartedly endorse his confirmation.

Following his public service as a staff member in both Houses, Mr. Robart returned to Washington State, where he has worked as an attorney for the past three decades. During his considerable years of practice in Federal court, he has earned a reputation for fairness and integrity.

Mr. Robart's nomination is the result of a bipartisan selection process that has worked very well for Washington State. Members of Washington State's legal community, the White House, and my colleague Senator PATTY MURRAY and I worked together to review a group of applicants. This cooperative approach has produced a number of highly qualified judicial nominees, and I believe it is a sound model for other States.

I am confident that James Robart will make an outstanding Federal judge, and that the people of the Western District of Washington will be well-served by his presence on the bench.

I am pleased to offer Mr. Robart my full support, and I urge my colleagues to approve his nomination.

Mr. LEAHY. Mr. President, today the Senate considers the nomination of James Robart, to be a United States District Judge for the Western District of Washington. He is a graduate of Whitman College and the Georgetown University Law Center. Mr. Robart is currently managing partner at the law firm of Lane Powell Spears Lubersky, LLP, a firm he has worked at for over 30 years. He has handled complex commercial litigation matters including class actions, securities, and employment cases, and has also been involved in counseling clients in the areas of antitrust compliance, employment law, and intellectual property.

Mr. Robart's nomination is the product of a bipartisan judicial nominating commission maintained with the White House by Senators MURRAY and CANTWELL. The State of Washington is well-served by its bipartisan judicial nominating commission which recommends qualified, moderate nominees on whom members of both parties can agree. It is difficult to understand why President Bush has opposed similar bipartisan selections commissions and why this one was so hard to establish. They allow Republicans and Democrats to work together to staff an independent judiciary. I thank Senators MURRAY and CANTWELL for their steadfast efforts in maintaining the commission. The Senate just recently confirmed another well-qualified nominee to the District Court for the Western District of Washington, Judge Martinez, and, with today's vote, the Senate will have confirmed four nominees—all the product of the bipartisan commission—to the district courts in Washington. With this confirmation, there will be no further vacancies in the district courts in Washington.

I would note that, in proceeding to a vote on Mr. Robart, the Republican leadership has again decided to depart from the order of the Executive Calendar and to skip over the nomination of a non-controversial and well-qualified Hispanic nominee to the U.S. District Court for the Eastern District in Pennsylvania, Juan Ramon Sanchez. That is their choice. I do not want to see the Democrats blamed for any delay in confirmation votes for Hispanics when Republicans have controlled the agenda.

With this confirmation we will have confirmed more judges this year than in all of the 1996 session, the last time a President was seeking reelection.

With this confirmation and two more today, the Senate will have confirmed a total of 89 judges this Congress and 189 of this President's judicial nominees overall. With 89 judicial confirmations in just a little more than 17 months, the Senate has confirmed more Federal judges than were confirmed during the two full years of 1995 and 1996, when Republicans first controlled the Senate and President Clinton was in the White House. It also exceeds the 2-year total at the end of the Clinton administration, when Republicans held the Senate majority in 1999 and 2000.

With 189 total confirmations for President Bush, the Senate has confirmed more lifetime appointees for this President than were allowed to be confirmed in President Clinton's entire second term, the most recent four-year presidential term and more than were confirmed in President Reagan's term from 1981 through 1984. Of course President Reagan is acknowledged as the all-time champ for having appointed more federal judges than any other President in history.

I congratulate Mr. Robart and his family on his confirmation.

Mr. HATCH. Mr. President, I am pleased today to speak in support of James Robart, who has been nominated to the U.S. District Court for the Western District of Washington.

Mr. Robart has exceptional qualifications for the Federal bench. After graduating from Georgetown University Law Center in 1973 where he was the administrative editor of the Georgetown University Law Review, he joined the law firm of Lane, Powell, Moss & Miller, which is now known as Lane Powell Spears Lubersky LLP.

Mr. Robart became a partner in that firm in 1980, and subsequently became the comanaging partner and later the sole managing partner—a position that he holds today. During his time at the firm, Mr. Robart has specialized in complex commercial litigation with an emphasis on class actions, securities, and employment law.

He brings a wealth of trial experience to the Federal bench after trying in excess of 50 cases to verdict or judgment as sole or lead counsel, and he has been active in the representation of the disadvantaged through his work with Evergreen Legal Services and the independent representation of Southeast Asian refugees.

Mr. Robart's impressive credentials are reflected in his unanimous American Bar Association rating of Well Qualified. I am confident that he will be a fine addition to the bench and urge my colleagues to join me in supporting his confirmation.

Mr. HATCH. Mr. President, this side is willing to yield all remaining time on all three judges.

The PRESIDING OFFICER. All time is yielded.

Mr. HATCH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is, Will the Senate advise and consent to the confirmation of the nomination of James L. Robart, of Washington, to be United States District Judge for the Western District of Washington?

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 126 Ex.]

YEAS—99

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Cornyn
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Pryor
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens

Sununu
Talent
Thomas
Voinovich
Warner
Wyden

NOT VOTING—1

Kerry

The nomination was confirmed.

NOMINATION OF ROGER T. BENITEZ TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF CALIFORNIA

The PRESIDING OFFICER. The clerk will report the next nomination.

The assistant legislative clerk read the nomination of Roger T. Benitez, of California, to be United States District Judge for the Southern District of California.

Mr. LEAHY. Mr. President, today the Senate considers the nomination of Roger Benitez to the Southern District of California. Judge Benitez is being considered for the last of 5 new seats in the Southern District of California that were created by statute on November 2, 2002, as part of a package of judgeships created for border districts that have a massive caseload and that needed more Federal judges. I worked hard with Senator FEINSTEIN to help create these new positions under Democratic Senate leadership. By doing so, we did what the Republican majority refused to do in the years 1995 through 2000 when there was a Democratic President. We did so under Senate Democratic leadership knowing that the appointments would be made by a Republican.

Unlike many other nominees who have come before this Committee, Roger Benitez comes before us with judicial qualifications, having had experience serving as a judge both in State and Federal courts. He served for 4 years as a California Superior Court Judge for Imperial County and 3 years as a U.S. Magistrate Judge for the Southern District for California.

However, like many nominees of this President, concerns have been raised about this nominee's fitness to serve. Judge Benitez is one of 28 of President Bush's nominees who have received a partial or majority rating of "Not Qualified" from the ABA Committee that conducts a peer evaluation of judicial nominees. Of those, 18 have already been confirmed and another has been recess appointed.

Before President Bush ejected the ABA from the process of providing an informal rating prior to a nomination, temperament or ethics concerns would have been raised at the early stage of a nominee's consideration and in time for the White House to make a decision whether to proceed with that nominee, with knowledge of such determinations and the opportunity to conduct follow-up inquiry. The change in the role of the ABA has led to ABA ratings being less helpful. In Judge Benitez's case, based on interviews with 23 judges and 44 attorneys, more than 10 members of the ABA committee concluded that, based on his temperament, he is not qualified to serve a lifetime appointment on the Federal bench.

Despite these concerns, Judge Benitez is supported by both of his home-State Senators and is the product of the bipartisan commission that Senators FEINSTEIN and BOXER have worked so hard to maintain. I will honor their support of this nominee and support him, as well. With this confirmation, the Senate will have confirmed 14 nominees to the district courts in California.

Judge Benitez is the 17th Latino confirmed to the Federal courts in the past three years. With the exception of Mr. Estrada, who failed to answer many questions and provide the Senate with his writings and views, we have pressed forward to confirm all of the other Latinos whose nominations have been reported to the floor. Democrats will now have supported the swift confirmation of 17 of President Bush's 21 Latino nominees. Unfortunately, Republicans have been delaying Senate consideration of a number of Hispanic nominees and passed over several of the numbers would be even better.

While President Clinton nominated 11 Latino nominees to Circuit Court positions, 3 of those 11 were blocked by the Republican Senate and never given a vote. President Bush has only nominated 4 Latino nominees to Circuit Court positions, three of whom have been confirmed with Democratic support. President Bush's 21 Latino nominees constitute less than 10 percent of his nominees, even though Latinos make up a larger percentage of the U.S. population. It is revealing that this President has nominated more people associated with the Federalist Society than Hispanics, African Americans and Asian Pacific Americans, combined. While President Clinton cared deeply about diversity on the Federal bench, this President is more interested in narrow and slanted judicial ideology.

I congratulate Judge Benitez and his family on his confirmation.

Mr. HATCH. Mr. President, I rise today to express my unqualified support for the nomination of Robert Benitez to the District Court for the Southern District of California and to urge my colleagues to confirm this fine nominee.

Born in Havana, Cuba, Judge Benitez's life embodies the spirit and strength of this Nation. After coming to this country, he obtained a law degree from the Western State University College of Law in 1978, and then distinguished himself in a diverse and successful law practice. The people of California recognized his obvious ability and appointed him to the Superior Court in 1997. He was re-elected to that court in 1998, and served with distinction until 2001. Since that time, Judge Benitez has served as a Federal magistrate judge in the Southern District of California.

Mr. Benitez is an exceptional nominee. I fully expect him to serve with distinction on the Federal bench in California.

Mr. DURBIN. Mr. President, I oppose the nomination of Roger T. Benitez to be a United States District Judge for the Southern District of California because this nominee received a rating by the American Bar Association of "substantial majority Not Qualified." More than 10 members of the 15-member ABA evaluation committee agreed that Magistrate Judge Benitez is unqualified for this position. The ABA conducts thorough background investigations of all of the President's Article III judicial nominees.

At the February 25, 2004 nomination hearing of Judge Benitez, ABA officials made the following statements on the record:

> Judge Benitez is "arrogant, pompous, condescending, impatient, short-tempered, rude, insulting, bullying, unnecessarily mean, and altogether lacking in people skills."
>
> Judge Benitez "would often become irrationally upset and outraged if an attorney who had been appointed to represent a defendant had a scheduling conflict and asked another equally competent and prepared attorney to appear before the nominee."
>
> Interviewees had "grave doubts about Judge Benitez' ability to competently handle the more demanding docket caseload of a Federal district judge and efficiently manage a district courtroom, based on their perception of his very slow and rigid manner of handling his current court calendar."
>
> "Based on their exposure to the nominee's mode of relating professionally to others in his official capacity as a judge, interviewees expressed doubt over Judge Benitez's ability to become an accommodating and collegial member of the Federal district court."
>
> "[T]he nominee's temperament problems are compounded by the fact that Judge Benitez fails to appreciate the depth of concern by the bench and bar regarding his temperament and has not demonstrated that he is willing or able to address those concerns."
>
> "Our committee members, after reviewing my report on the nominee, were particularly concerned about the clear, consistent pattern to the criticisms that emerged from the interview."

These statements are highly troubling, and they strongly suggest that Judge Benitez is not prepared for this important lifetime position.

I am also concerned about the ABA's discovery that Judge Benitez has a practice of limiting the number of guilty pleas that he accepts on a given day. The ABA said that this practice was "highly unusual compared to most other Federal judges, who will typically hear several matters in a day of the kind Judge Benitez has on his docket."

The ABA did not make these allegations or reach the rating of Not Qualified lightly. The ABA investigator, Richard M. Macias, conducted interviews with 23 judges and 44 attorneys, and two-thirds of those interviewed raised concerns, including a majority of both judges and lawyers. The comments were based on first-hand knowledge or observation. The ABA reports that "[t]he negative comments about Judge Benitez' temperament reflected a consistent pattern over the years up to the present time."

Mr. Macias, a respected member of the legal profession and an experienced ABA investigator, said that he has never received so many negative comments about a judicial nominee in the 10 years he has been conducting background investigations. Mr. Macias was supported in his testimony by Thomas Z. Hayward, Jr., a respected Chicago attorney and chair of the ABA's Standing Committee on Federal Judiciary.

When he took office, President George W. Bush abolished the historic practice—dating back to President Eisenhower—of seeking the views of the ABA, the Nation's largest association of attorneys, before making an Article III judicial nomination. One of the main reasons that presidents waited for the ABA evaluation was to avoid nominating unqualified nominees and prevent situations like the one we face today with Judge Benitez. Past Presidents often decided not to nominate individuals who received ABA ratings of Not Qualified. President Bush would be wise to reinstate the ABA's traditional role in the judicial nomination process.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Roger T. Benitez, of California, to be United States District Judge for the Southern District of California?

Mr. REID. I ask for the yeas and nays?

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 1, as follows:

[Rollcall Vote No. 127 Ex.]

YEAS—98

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Cornyn
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dole
Domenici
Dorgan
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Pryor
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Voinovich
Warner
Wyden

NAYS—1

Durbin

NOT VOTING—1

Kerry

The nomination was confirmed.

NOMINATION OF JANE J. BOYLE TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF TEXAS

The PRESIDING OFFICER. The clerk will report the next nomination.

The legislative clerk read the nomination of Jane J. Boyle, of Texas, to be United States District Judge for the Northern District of Texas.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I wonder if Senator REID and Senator WARNER are here. I want to clarify the length of time which the next amendment will take. My understanding is that Senator REED's amendment might take as little as 10 minutes; in which case, it would make sense to stack his vote with the vote on the Biden amendment which would then be 2 hours later. However, if there is objection to that, I think people should be informed there could be another vote after this final vote on judges in about 10 or 15 minutes.

I am wondering if Senator WARNER is here.

Mr. WARNER. He is right here.

Mr. LEVIN. Is Senator REID here?

Mr. REED. I am here.

Mr. LEVIN. Senator HARRY REID, too.

Mr. WARNER. Mr. President, for the convenience of the Senate, stacking the two votes is quite acceptable.

Mr. LEVIN. Should I make a unanimous consent request? I think Senator HATCH——

Mr. WARNER. I discussed it with him, and it is fine.

Mr. LEVIN. Mr. President, I ask unanimous consent that after this vote, there then be a period of time to debate the Senator Jack Reed amendment, which we expect would be short. We would immediately go to the Biden amendment.

Mr. WARNER. Mr. President, we were going to intersperse a Sessions amendment for 30 minutes.

Mr. LEVIN. I will amend that to ask that immediately after Jack Reed's amendment, there be a Sessions amendment for 30 minutes equally divided, and that we then go to a Biden amendment for perhaps as much as 2 hours, and there be three votes stacked at that point.

The PRESIDING OFFICER. Is there objection?

Mr. LEVIN. Excuse me. Do we have a copy of the Sessions amendment? Is Senator SESSIONS here?

Mr. WARNER. He is not here.

Mr. LEVIN. So there will be no time agreement on the Sessions amendment until we know which amendment it is.

Mr. WARNER. We must check with our Finance Committee regarding the time on the Biden amendment. We are trying to work toward putting the votes in one batch.

Mr. LEVIN. Mr. President, I revise that unanimous consent request to ask that immediately after the debate on Senator REED's amendment, it be laid aside and we proceed to a debate on the Sessions amendment; that it then be laid aside and we then go to the Biden amendment, and we will hopefully have three votes at that time.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Texas is recognized.

Ms. HUTCHISON. Mr. President, the nominee we are going to vote on, Jane Boyle, has served our country in so many positions: U.S. magistrate, where she had an outstanding record, as our U.S. Attorney, where she had an equally outstanding record. She has shown fairness, a judicial temperament, and great leadership in every position she has held.

Mr. President, I am proud to have recommended her nomination along with my colleague, Senator CORNYN, and before that, Senator Gramm. We have never been disappointed in Jane Boyle's performance, and know she will be an outstanding judge.

I urge a vote for her nomination.

Mr. LEAHY. Mr. President, I also support the nomination of Jane J. Boyle.

Mr. President, Ms. Boyle is currently the United States Attorney for this district. She comes to the Senate with extensive litigation and judicial experience. Before serving as the Northern District's U.S. Attorney, Ms. Boyle served for over a decade as a United States Magistrate and she served for years as a Federal and city prosecutor. I support Ms. Boyle's nomination.

With the three judicial confirmation votes today, the Senate will now have confirmed 20 judicial nominees this year alone. Only 17 judges were confirmed under Republican leadership in the entire 1996 session and no circuit court nominees were confirmed that entire time. That was the last year in which a President was seeking reelection. The Senate has now exceeded the number of total judges confirmed and the number of circuit court judges confirmed.

With these three confirmations today, the Senate will have confirmed a total of 89 judges this Congress and 189 of this President's judicial nominees overall. With 89 judicial confirmations in just a little more than 17 months, the Senate has confirmed more Federal judges than were confirmed during the two full years of 1995 and 1996, when Republicans first controlled the Senate and President Clinton was in the White House. It also exceeds the two-year total at the end of the Clinton administration, when Republicans held the Senate majority in 1999 and 2000. It is not quite as many as the 100 judges nominated by President Bush that a Democratic-led Senate confirmed in our 17 months in the majority in 2001 and 2002.

With 189 total confirmations for President Bush, the Senate has confirmed more lifetime appointees for this President than were allowed to be confirmed in the most recent four-year presidential term that of President Clinton from 1997 through 2000. It is more than a Republican majority confirmed in President Reagan's entire term from 1981 through 1984. Of course, President Reagan is recognized as the all-time champ in terms of judicial appointments having appointed more than any other President in our history.

I congratulate Ms. Boyle on her confirmation.

Mr. HATCH. Mr. President, I rise in support of the confirmation of Jane J. Boyle to the U.S. District Court for the Northern District of Texas. I have had the pleasure to review Ms. Boyle's distinguished career and I am confident that she will make a fine Federal judge.

Jane J. Boyle is an extremely experienced attorney who has tried over 180 cases to a verdict during her impressive career as an assistant district attorney, an assistant U.S. attorney, and as the U.S. attorney for the Northern District of Texas. She has also served with distinction as a magistrate judge in the same district. Ms. Boyle brings a wealth of experience to the Federal bench and she will make an excellent addition to the Northern District of Texas.

I am not alone in believing that Ms. Boyle will make an outstanding Federal district judge. The Texas Employment Lawyers Association, TELA, calls Ms. Boyle "considerate, concerned, and well-read," in addition to possessing "a great deal of knowledge about employment law" and an excellent judicial demeanor that is reflected in her "even-handed and fair" approach to adjudication. Ms. Boyle also has strong bipartisan support. The current chair of the Dallas County Democratic Party has written a letter expressing her "enthusiastic support of the nomination of Jane J. Boyle," and a former chair of the same organization wrote a letter stating that "in the case of this nominee, partisan considerations are unwise and should evaporate."

Ms. Boyle's experience both as a U.S. attorney and as a Federal magistrate judge will serve her well on the Federal district court. I urge my colleagues to join me in strong support of Ms. Boyle's nomination.

Mr. CORNYN. Mr. President, I am proud today to cast my vote in the affirmative for Jane J. Boyle who has been nominated to the U.S. District Court for the Northern District of Texas. She presently serves as United States Attorney for the Northern District of Texas. Judge Boyle has a long and distinguished career of public service and is well qualified to return to the bench having served as United States Magistrate Judge for the Northern District of Texas from 1990 to 2002.

In addition, she served a previous term as United States Attorney, Northern District of Texas from 1987 to 1990, and was an Assistant District Attorney in the Dallas County District Attorney's Office from 1981 to 1987.

Judge Boyle is imminently well qualified, as the ABA has rated her. More importantly, there is bipartisan consensus of those who know her and work with her. Moreover, she has garnered the respect of her colleagues and those who work for her. Most notably, she has gained the respect of the Dallas community, including folks from the entire political spectrum.

I ask unanimous consent to have a related article printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

(For immediate release, June 17, 2004)

SENATE CONFIRMS JANE BOYLE FOR JUDGESHIP

WILL FILL VACANT SEAT IN NORTHERN DISTRICT, BASED IN DALLAS

WASHINGTON.—The U.S. Senate on Thursday unanimously approved the federal judicial nomination of current U.S. Attorney Jane Boyle to be the U.S. District Judge for the Northern District of Texas. Boyle, 49, will be based in Dallas, and replaces retired Judge Jerry L. Buchmeyer. The Northern District's jurisdiction includes 100 counties.

"Jane Boyle has remarkable experience and knowledge of the law. She has done an outstanding job as U.S. Attorney in Dallas, and I'm confident that she will continue to serve Texas and the nation with excellence," Cornyn said. "She has garnered the respect of her colleagues, those who work for her, and most notably, she has gained the respect of folks from across the political spectrum."

U.S. Sen. John Cornyn, a member of the Judiciary Committee, along with Sen. Kay Bailey Hutchison, recommended Boyle to President Bush on September 9, 2003. The President nominated Boyle on November 24, 2003, and she was confirmed by the Judiciary Committee on April 1, 2004.

Boyle was appointed by President George W. Bush in 2002 to be U.S. Attorney for the Northern District after a long and distinguished legal career in Texas. Prior to that selection, she served as U.S. Magistrate Judge for the Northern District for twelve years, earning significant judicial experience in the region.

Boyle also worked for a number of years as an Assistant U.S. Attorney and an Assistant District Attorney for Dallas County. She earned a J.D. degree from Southern Methodist University School of Law in 1981 and graduated with honors from The University of Texas at Austin in 1977. She has been published in numerous legal periodicals, including the Texas Bar Journal.

Sen. Cornyn chairs the subcommittee on the Constitution, Civil Rights & Property Rights, and is the only former judge on the committee. He also serves on the Armed Services, Environment and Public Works, and Budget Committees. He served previously as Texas Attorney General, Texas Supreme Court Justice, and Bexar County District Judge.

Mr. LEAHY. Mr. President, I ask for the yeas and nays on the nomination.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Texas, Mr. CORNYN, is recognized.

Mr. CORNYN. Mr. President, in the interest of time, I will not belabor the point. I wanted to add my voice to that of Senator HUTCHISON commending this fine nominee, Jane Boyle, to the U.S. Senate.

The PRESIDING OFFICER. The question is, Shall the Senate advise and consent to the nomination of Jane J. Boyle, of Texas, to be United States District Judge for the Northern District of Texas?

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER (Mr. SMITH). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 128 Ex.]

YEAS—99

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Cornyn
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles

Pryor
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Voinovich
Warner
Wyden

NOT VOTING—1

Kerry

The nomination was confirmed.

The PRESIDING OFFICER. The President will be immediately notified of the Senate's action on this nomination.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005—Continued

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, it is my understanding that Senator WARNER and Senator REED have worked out an arrangement whereby the missile defense amendment will not be offered, but the end strength amendment will be offered at this time.

The chairman has arrived. What I have said is that the chairman and Senator REED have agreed that his missile defense amendment will be offered at a subsequent time and that now the end strength amendment that has been around for several days would be debated at this time and voted upon.

Mr. WARNER. Mr. President, that was a suggestion I made to the Senator from Rhode Island. I think he will perhaps reflect on the need to go forward with his second missile defense amendment, and he had asked for that need to be reconsidered. Therefore, in its place we can put the end strength amendment, which would be a matter of convenience and great interest to our membership on this side, given it is a bipartisan amendment.

Mr. REID. Following that, the amendment of Senator SESSIONS will be offered, and following that the amendment of Senator BIDEN will be offered.

Mr. WARNER. Could we put time agreements on this now?

Mr. REID. We certainly should be able to.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, the distinguished leadership on the other side and myself and the leadership on this side have worked out the following time agreements: On the amendment from the Senator from Rhode Island, which has a second degree from the Senator from Virginia, Mr. WARNER—

Mr. REID. No. 3352.

Mr. WARNER. Correct—we would need 40 minutes equally divided on those amendments.

Mr. REID. A total of 40 minutes?

Mr. WARNER. A total of 40 minutes equally divided. We would then proceed to lay that aside and proceed to an amendment by the Senator from Alabama.

Mr. REID. No. 3371.

Mr. WARNER. Correct. That will take 20 minutes.

Mr. REID. Twenty minutes equally divided?

Mr. WARNER. Fifteen on this side, and I think the other side only needed 5 on that amendment.

Mr. REID. We will take the 15 and probably would not use it.

Mr. WARNER. Then 30 minutes equally divided. That amendment will not require other than a voice vote which we will do. We will then immediately proceed to the Biden amendment.

Mr. REID. No. 3379.

Mr. WARNER. Correct. At the moment, that would require 2 hours equally divided, with the expectation that can be reduced in time.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I ask unanimous consent, as the chairman has indicated, that on amendment No. 3352 there be 40 minutes equally divided, with no second-degree amendments in order except for the one that Senator WARNER has indicated that he will offer, and Senator REED knows about that; No. 3371, there be no second-degree amendments in order; and No. 3379, there be no second-degree amendments in order, with the time as stated previously. There would be no second-degree amendments then prior to the vote.

Mr. WARNER. That is correct.

Mr. REID. As indicated, 40 minutes, 30 minutes, and 2 hours.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. I concur in the request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Rhode Island.

AMENDMENT NO. 3450 TO AMENDMENT NO. 3352

Mr. REED. Mr. President, I ask for regular order for No. 3352.

The PRESIDING OFFICER. That amendment is now pending.

Mr. REED. Mr. President, I understand that Senator WARNER has a second-degree amendment which I will accept.

Mr. WARNER. That is correct, and I seek now to modify it, and I will send a modification to the desk and add to the modified amendment.

It is a very minor modification. I simply strike one word, and it is the word "the." I send the modification to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

The amendment (No. 3450), as modified, is as follows:

(Purpose: To provide for funding the increased number of Army active-duty personnel out of fiscal year 2005 supplemental funding)

Strike line 2 and insert the following: "502,400, subject to the condition that costs of active duty personnel of the Army in excess of 482,400 shall be paid out of funds authorized to be appropriated for fiscal year 2005 for a contingent emergency reserve fund or as an emergency supplemental appropriation".

Mr. WARNER. I am ready to indicate to my colleague we have worked on this amendment in the second degree. It is my understanding that the Senator from Rhode Island is prepared to take the Warner amendment as modified.

Mr. REED. That is correct.

Mr. WARNER. Fine.

Mr. REED. I want to thank the chairman for his instructive work on this amendment. He recognizes, as I recognize, along with my colleagues and principal cosponsors Senators HAGEL, MCCAIN, CORZINE, AKAKA, and BIDEN, that our Army is stretched very thin across the globe with numerous missions, and in order to fulfill these missions we have to raise the end strength of the Army.

The amendment before us today would put within the authorized end strength a 20,000 increase in the number of soldiers in the U.S. Army. These are the number of troops the Army has indicated that they can absorb this year, and that they can train and utilize this year. It represents the recognition that we cannot simply depend upon emergency powers through supplementals to increase the end strength of the Army. We have to, as we do in this amendment, put in the actual end strength number to reflect a larger Army and also to reflect the fact that this is not a temporary occurrence.

Our commitments in Iraq, Afghanistan, and around the globe are going to require a substantially larger Army for an indefinite period of time.

As a result, working together with the chairman, we have placed in the Defense authorization bill the precise number of soldiers, this precise increase of 20,000 troops.

What the chairman has added, though, is the fact that these troops have to be paid for. There is a strong argument that we should pay for them in terms of regular budget authority, but he has suggested that we again go the emergency supplemental route to pay for these troops, which are now fully authorized in law. What I wanted to accomplish in the amendment first is to make sure we do incorporate a suitable end strength number. That has been accomplished.

Second, I wanted to avoid a situation where the Army had to go within its existing programs to search high and low for dollars to pay for these extra troops. That has been accomplished by the chairman's suggestion that we move some funds already identified in the emergency supplemental and designate those to pay for these additional troops.

So we have avoided a situation where the Army this year is going to be forced to come up with funds by going through and ransacking their existing programs, and we have set it in the authorization bill, the appropriate forum for such a decision. We have set in the precise number of end strength that is appropriate this year for the U.S. Army.

The question still arises, What happens in succeeding years? The argument myself, Senator McCAIN, Senator HAGEL, and others have made is we cannot continue to depend upon supplemental and emergency funding. This is not an emergency. This is a fact of life in the world today. We need a larger Army.

We are accomplishing our objectives today for this fiscal year in this authorization, but I think the chairman and we all recognize we will eventually confront a situation where we have to raise the bottom line of the Army in terms of the funds they have. We do not want to see a situation a year from now or 2 years from now when the supplementals are inadequate but the needs of these troops are still persistent.

Senator LEVIN has language in this authorization bill that indicates in succeeding years, after this fiscal year and after this authorization bill, any increase in end strength will have to be put in the Army budget. I think that is an appropriate response. I think the Reed amendment as modified by Senator WARNER will, in effect, accomplish that.

This is the thrust of the amendment. I have had an opportunity to explain it. At this point I reserve the remainder of my time to allow the Senator from Virginia to comment.

Mr. WARNER. I thank my colleague. This is one of those situations. Senator REED is a very valued member of the committee and the amendment has strong cosponsorship; namely, Senators McCAIN and HAGEL and others on our side. I think all along the committee has recognized the need to work with the Department of Defense, most specifically the Department of Army, to resolve this situation. I thought it necessary to second degree the amendment which would authorize the Department of Defense to pay the cost of the additional Active-Duty soldiers for fiscal year 2005 from supplemental or contingent emergency reserve funds because the sponsors of the amendment had not identified the considerable sum, some $2 billion plus, that their amendment would generate in the need for the Army budget.

The Army needs this Active-Duty strength. I think we are in agreement on this point.

Senator, I indicate now I am going to urge my colleagues to accept the amendment.

I note that in the bill we are considering there is a specific authorization which the committee worked out in section 402 for temporary increases of up to 30,000 active duty soldiers above the currently authorized level. This goes 10,000 active-duty soldiers beyond the end strength level proposed in Senators REED and HAGEL's amendment.

My second degree amendment, however, addresses the real issue stemming from these increases—how to pay for them. The Reed/Hagel amendment provides no offsets for the $2.4 billion cost of these extra troops. I submit that this is not a cost for the Department to take "out of hide," or that the Department of the Army should absorb out of the FY 2005 budget.

The approach in my second degree amendment reflects the recommendation of the Army Chief of Staff, General Schoomaker, who testified that using supplemental appropriations gives necessary flexibility and is, in fact, essential to preserve the Army's ability to plan for operational readiness in the present and modernization for the future.

The Reed/Hagel amendment would have the effect of directing the Army to increase its end strength by 20,000 in FY 2005 at a cost of $2.4 billion. The amendment identifies no offset, it identifies no means to pay for these additional troops. Consider the potential effect of that proposal on the Army. The $2.4 billion represents a 15 percent reduction of funding for direct costs of operating forces for home station training, exercises and operations; in other words—fuel, spare parts, maintenance, food, and other consumables. Alternatively, this reduction would eliminate almost all funding for Army individual and unit training—such as basic training, flight training, and combat training center rotations. The $2.4 billion represents a 42 percent reduction of funding for Army command and control, logistics, weapons and ammunition transportation and storage. It could reduce resources to key readiness and modernization accounts, as indicated above, and divert money needed to train and retain more experienced personnel because of the imperative to satisfy an end strength number.

My amendment would afford the Army the opportunity to flexibly execute its budget while increasing its manpower. I would ask you to keep this in mind and also keep in mind that the conferees will have the task of finding $2.4 billion in offsets if this amendment becomes a law.

Mr. HAGEL. Mr. President, I rise today to join my colleague Senator JACK REED in introducing an amendment to the fiscal year 2005 Defense authorization bill to increase the size of the United States Army by 20,000 additional troops.

Over the last year the Congress has expressed grave concern that our Armed Forces are too small to meet the extraordinary demands being placed on them today. These demands will be with us well into the future.

Senator REED and I are proposing this amendment to formally increase the size of the United States Army by 20,000 troops in the coming year.

The additional troops are urgently required to give the Chief of Staff of the U.S. Army the tools he needs to fight the war on terrorism, stabilize Iraq and Afghanistan, and meet the global demands being placed on the total force today.

Under emergency authority, the U.S. Army has already exceeded its authorized end strength by around 15,000 soldiers. This amendment provides straightforward congressional approval for these additional troops. It also puts the future funding of these troops on the record, not masked in the emergency supplemental appropriations process.

The size and cost of the Army must be transparent to the American people, our allies, and to those that would oppose us in the war on terrorism.

This amendment gives General Schoomaker, the Chief of Staff of the United States Army, the additional manpower he has told us he needs to transform the total force . . . the active duty Army, the Army Reserve, and the Army National Guard.

The amendment recognizes the fact that the Army needs 20,000 more troops now. In the future the Army must also be authorized to add 10,000 more soldiers.

The amendment increases the approved Army end strength personnel floor from 482,400 to 502,400 troops. It tells the soldiers in the Army that we strongly support increasing the size of the Army to meet the increased demands being placed on the service.

I commend Chairman WARNER and ranking member LEVIN for their outstanding work on this Defense authorization bill. Members of our Armed Forces are currently engaged in combat operations in Iraq and Afghanistan.

Hundreds of thousands of American men and women in uniform are serving around the world defending the freedoms we hold dear.

Chairman WARNER and ranking member LEVIN are tireless supporters of our men and women in these dangerous times. Our Nation owes them both, and their staffs, a debt of gratitude for their service.

I also appreciate the Chairman's contribution to this effort with his second degree amendment.

And finally, I wish the U.S. Army a happy 229th birthday.

Mr. BIDEN. Mr. President, I am very pleased to be a cosponsor of this amendment with Senators REED, MCCAIN, HAGEL, CORZINE, and AKAKA.

I understand that we have accepted the Senator from Virginia's amendment paying for these additional 20,000 soldiers in the supplemental.

While I think the Army would be better served by an end strength increase that is not subject to repeated supplementals, I am pleased that we are all in agreement that we need more troops today.

I think it is very simple. Soldiers provide stability. Without adequate numbers of boots on the ground, you can't get security and stability.

That is true in Iraq, Afghanistan, Korea, and the Balkans.

As Senator MCCAIN and I have both said repeatedly, we need more troops in Iraq to achieve stability. If we had put more troops into Iraq after major combat operations, the situation might be very different. I don't believe it is too late. I still think that additional troops are needed.

I also believe that it is my obligation to back that up with some relief for those soldiers serving today. We shouldn't have to keep issuing "stop-loss" orders, forcing soldiers to stay in the Army.

Let's give the Army what it needs.

What my colleagues and I hoped to accomplish was to reassure today's soldiers and their families that they will not have to keep looking at extended deployments and stop-loss orders. Instead, we want them to know that we are committed to making the Army large enough to do the missions America is asking it to do.

Some of our colleagues believe that the need for additional soldiers is temporary. I disagree.

It is true that the Army is planning a major restructuring. This may mean future efficiencies, but we don't know that yet. Like any other major change, more resources are needed during the change. In this case, more soldiers are needed as the Army moves to a more capable brigade structure.

I would rather plan for the clear needs of the next decade in the regular budget. I don't think we should be relying on supplementals to provide the right sized Army.

If I and my colleagues are wrong, then we can revisit these numbers and cut end strength like we did in the beginning of the last decade. I would rather take the cautious approach and err on the side of our soldiers and their families.

I urge my colleagues to adopt this amendment which takes us closer to that goal.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, with the series of votes that we have, first on REED and then on BIDEN—we have received word there may be a couple of other Senators who may want to speak on this amendment. I ask unanimous consent of the Chair, in the form of a unanimous consent request, that prior to the Reed amendment being voted on, as amended by WARNER, there be 10 minutes set aside to talk about that prior to this vote.

Mr. WARNER. I think that is an accommodating gesture. In fact, the amount of time I reserved on this side, portions of it perhaps could be yielded back, and then absorbed by the proposal of the distinguished leader.

Mr. REID. The time may not be necessary.

Mr. WARNER. It may not be necessary. But so many of our colleagues are doing a lot of work all over the system right now. They didn't recognize that this would be brought up at this time. We want to accommodate them.

Mr. REID. Mr. President, I ask unanimous consent that prior to the vote on the Reed amendment, Senator REED control 10 minutes, Senator REED of Rhode Island.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Rhode Island.

Mr. REED. Mr. President, I yield such time as remained.

Mr. WARNER. Mr. President, would the distinguished Democratic leader allow the time to be managed on this side by either Senators HAGEL or MCCAIN, the time we have on this side? That would sort of divide it between yourself and the two colleagues on this side?

Mr. REID. That would be appropriate because those were the two Senators we were worried about.

Mr. WARNER. I thank the Senator.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. I thank the chairman for his constructive participation in this process and also to emphasize what he has emphasized and that is the extraordinary stress our Army is withstanding at this point. They are doing it magnificently, performing with great skill and professionalism.

We have 126,000 soldiers in Iraq; we have 13,000 soldiers in Afghanistan; we have soldiers still in the Balkans, 2,500; we have forces in Kuwait, about 17,000; we still have our mission in the Sinai; we have 1,700 soldiers in Guantanamo maintaining the detention facilities there; we have 16,000 soldiers, Noble Eagle, which is the heart of our defense of our homeland; we have soldiers in the Philippines; 31,600 soldiers in South Korea. We have them all over the world doing an extraordinary task and job for our company. Frankly, they need more help and that is the heart of the Reed amendment.

In addition to that, we have seen troubling signs that this operational tempo is putting great stress and duress on our soldiers. Recently, there was a stop-loss order announced by the G-1 of the U.S. Army that said essentially any soldier who is scheduled to depart within 90 days for deployment cannot leave the service, even if that soldier's time in service has expired. Essentially what they have said is: You can't get out of the service. The Volunteer Army is no longer completely volunteer. That is just one example.

We are withdrawing troops from Korea at a time when there is a huge crisis on the peninsula. The North Koreans indicated they have plutonium; they are intending to process it. They may have already constructed eight nuclear devices. We don't know for sure. Yet at this time when we need maximum military force to complement our diplomacy, we are withdrawing troops, which is perhaps sending a signal to the North Koreans that they can wait us out or that we are not able or ready to match our diplomacy appropriately with military force.

That is another prime example, I believe. In fact, frankly, I think that if North Korea 2 or 3 years ago brazenly declared they had nuclear weapons, our response would not have been to withdraw troops. The calls in this Chamber would have been for more troops in Korea. But now because of Iraq that is difficult; we are pulling them out to send them to Iraq.

Then we have a situation in our training centers, the infrastructure of the Army. This is one of the major reasons why we have such extraordinarily skilled soldiers.

First, they are men and women of courage and character, but second they received the greatest, most realistic training in the world. They are individuals who can and will do any job, but they do that so well because they are the best trained.

We are taking soldiers from our training centers—those trainers who are preparing the troops to go overseas—and we are deploying them.

As a result, these are indications that we have a military force which is significantly stretched. That is why it is so important to raise the number of troops that we have entering the Army.

Today, the Army has 495,374 soldiers serving on active duty. The end strength has to increase. The Reed amendment increases it by 20,000 troops.

There are those who have predicted we would get in this predicament. General Shalikashvili's predictions and other predictions are coming true. Our responsibility is now to give the military, particularly the Army, sufficient resources and sufficient personnel to do the job which we are asking them to do.

Last December, in 2003, the Army's Strategic Studies Institute published a report which stated that the ground force requirements in Iraq have forced the U.S. Army to the breaking point.

We have to prevent that breaking point from being reached, and that means putting more troops into the force structure.

Last year, during the appropriations debate, Senator HAGEL and I sponsored an amendment that would have raised the end strength by 10,000 in the supplemental appropriations. It passed the Senate. I thank my colleagues on both sides who were very supportive of that. But, unfortunately, at that point the administration thought it was unnecessary and they were able to successfully defeat that proposal in conference. At least now they recognize the need for additional troops. But what they are still adhering to is this notion that the emergency is temporary.

I hope by putting the actual number of the end strength increase in this bill we are sending a signal to everyone that we will, in fact, stay the course—not just rhetorically but with actual resources and actual troops.

Senator WARNER explained the funding mechanism was one where some of us would have preferred, frankly, if we could have, to increase just the bottom line of the Army. But given these other demands on resources and this authorization bill, it was his suggestion that we, once again, use emergency funding to fund this now authorized end strength. That gets us through this year. But the concern I have and the concern others have is that we will reach a point within a year or two where the Army is going to have these troops in uniform but their baseline is not going to be sufficient if a supplemental or emergency funding is not made readily available. That is a real crisis and we have to start thinking about that now.

Senator LEVIN has been very thoughtful on this topic. He has language in the bill that says any increases in the next fiscal year of the end strength have to be budgeted through regular budget processes. Again, I hope that takes place. But that means giving more resources to our Army, and we will work—I think I can speak for Senator WARNER—to make sure the Army has those resources.

I am very pleased we are able to make this adjustment—overdue adjustment—in the end strength of the U.S. Army.

I retain the remainder of my time, and I yield the floor.

The PRESIDING OFFICER. Who yields time?

If no one yields time, time will be charged equally to both sides.

The Senator from Alabama.

Mr. SESSIONS. Mr. President, in regard to the Reed amendment—and that discussion has been had so far—I am pleased that the chairman and Senator REED have worked out an agreement. I hope that will be satisfactory.

I haven't had time to fully study the details of it, but I expect to be supportive of the agreement which they have reached. We know the Army is stretched today. We definitely need to consider what we can do to alleviate that.

I would like to add a few thoughts in general on the subject of the Army, its restructuring which is ongoing, and how we best can deal with it and what our policy about it should be.

We are in the process of a major restructuring within all of the Department of Defense, but particularly the Army. In dealing with that, they are in the middle of it right now.

General Schoomaker, who spent his career as a combat officer and a special forces officer, is a man of decisive leadership skills. He is working very hard to determine how to get the Army in the posture we want it to be.

With Guard and Reserve, we have over 2 million personnel in uniform, but we are finding it extremely difficult to maintain 150,000 or less soldiers in Iraq.

General Schoomaker has a story which he tells. It is about a rain barrel. He says the way he sees the military, the Army's rain barrel has a spigot and the spigot is about two-thirds of the way up. Whenever we have a demand, we draw down the water, but we are only drawing the top third of the barrel. In large part, the barrel is not accessible and readily deployable for purposes that we are likely to face in the future. He believes we can work on that.

He knows something we all know—that we have a finite defense budget. I am as strong a person as there is in this Senate on expanding spending for defense and making our defense capabilities second to none. We are that today. We have the greatest army the world has ever known. The professional soldiers who serve us so well are doing incredible things. We are proud of them. People just say that. I say to you that every military in the world knows the American military is unsurpassed. They respect us. That is why they want to train with us. They want to learn our tactics. They want to see what equipment we are using. It is something in which we should take pride. He is working with that and how to better utilize our resources.

There was an article recently which a radio reporter in Alabama asked me about. People are transferring from the Air Force to the Army. I said I didn't know that. I did some checking on it.

The Air Force has concluded they are 17,000 above their needs, that these 17,000 soldiers are excess for the mission they have. So they are giving an opportunity to change their MOS, or transfer to the Army, which needs more.

The Navy has discovered it has 7,000 excess.

I chaired an Armed Services Committee, the Sea Powers Subcommittee, and all the new ships that we are building today are using half—maybe less than half—the number of sailors to operate them as we used to use because of technology, better equipment, and science. We can operate a combat warship with half the people he used to have.

So the Navy is downsizing. They do not want to spend any more money than they have to for personnel who aren't critical for their mission because they have technological advances they would like, and new ships they need to bring on. The Air Force is thinking the same way.

The Army, of course, is more personnel driven. Although it is quite technologically advanced today, all of our soldiers have to be highly trained to be able to utilize the technology they have.

We are already at an increased end strength posture for the Army. The numbers I have are around 19,000 above the authorized end strength, but that is flexible.

General Schoomaker says he is not asking for legislation that mandates a permanent increase in his end strength. He stated in committee, in answers to questions as part of his formal testimony, he would prefer not to be mandated to have this end strength increase, but because we are in combat today he has done it and can maintain it. He would like to be able to utilize funding from the supplemental to maintain that strength. He has said he would prefer we allow him to continue to work on his restructuring and see if we cannot create more combat brigades that are ready to be deployed, fully equipped, and highly trained.

Frankly, in years past, we have had more soldiers than we have had equipment and training. The Europeans are being criticized by the United States, and in their own self-evaluations, for bringing on large numbers of draftees and others who stay just for a short period of time. They are not highly trained and not highly equipped and are spending a lot of money, but the soldiers are not deployable to serious combat situations. Their ability to deploy and actively participate in combat is far less than it should be.

If we think about the rain barrel analogy of General Schoomaker, we think about the ability to move personnel numbers from the other services, which can be an important part of our restructuring and improvement in our defense forces, we may find that we can make more progress than we think. That is certainly my goal.

Our Guard and Reserve are performing exceedingly well. I visited them in Iraq. I know some military police and the Guard unit have been criticized for unacceptable behavior in the Abu Ghraib prison. I visited an Alabama National Guard MP unit in Baghdad. Every day our soldiers were going to a local MP unit. They were working with the local Iraqis. They told me they bonded with them. They walked out on patrol with them. They taught them how to investigate crimes. They taught them all they knew about law enforcement. Forty percent of those guardsmen—many of them 40 years of age—were State troopers and police officers in Alabama. They are well trained in how to handle people, how to deal with crowds, how to maintain order, how to handle traffic tickets, and investigate crimes.

Our Guard and Reserve are important. They can absolutely supplement our Active-Duty forces, and should. We should not create a system or expect we have to do all our work with only Active-Duty soldiers. They certainly can do that. I don't think anyone is suggesting to the contrary.

So we have one national defense system. We have one Army, Guard, and Reserve today. We need to continue to transform and restructure that entity so we have a structure that is sufficient to meet the demands. But we also are lean and well paid and well trained. It does no good to add a bunch of soldiers to the military if we are not going to add training capability, if we are not going to add equipment, if they are not trained on the best helicopters, if they are not trained with the best missiles, or trained with the best computer systems and do not know how to access our global hawk and other satellite systems that provide intelligence. If we do not do that, we are not as successful as we should be.

At a NATO conference not long ago, a year or so ago after the Iraq war, a French rapporteur reported on it. He said the conclusion that one would draw from the war in Iraq is that a smaller, technologically advanced, well-trained military can defeat a much larger military not well-trained and not technologically advanced.

As we work to make sure we do everything possible for our Army, everything possible for our Guard and Reserve, we must make sure they have the best pay possible, make sure they have the best benefits possible. I will offer an amendment in a few minutes on that. We must make sure they are trained with the best equipment possible, so when they are on the battlefield, they have the ability to inflict the greatest military force on the enemy and be as protected as is possible.

That is where we are. Hopefully, on this amendment, we have reached an accord we can all live with. Many people want to do something for our Army because they are so proud of them and they know how tough the duty is in Iraq. They have seen their neighbors go off in the Guard and Reserve to serve in Iraq or Afghanistan. They want to do something for them. It does sound like maybe one of the best things we could do is increase the numbers. I am not sure we ought to rush too fast. We need to be thoughtful and cautious as we go that way. We need to listen to General Schoomaker. He has not asked for permanent increases in end strength, although he is up now pushing 20,000, as I understand it, above the authorized end strength.

If we do all that is necessary to bring efficiency to bear and we reward our soldiers for their terrific performance, we will have met our challenge.

I see Senator REED, a West Point graduate. He understands the military. It is a pleasure to serve with him on the Armed Services Committee.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. I thank the Senator from Alabama for his kind words also.

We are all in agreement that there is tremendous stress on our Army. Let me suggest this chart shows the deployments in Operations Iraqi Freedom and Enduring Freedom projected not just over the next several months but actually into 2007. The dark green demonstrates the actual planned deployment today, the projection of February 2004. On July 19, 2003, last year, these are the force projected, brigades equivalents.

It was projected for July of 2004 we would be roughly at about 8 brigade equivalents. Today in Iraq and Afghanistan there are 18 brigades, more than twice as many soldiers, or about 130,000-plus soldiers in these two operations.

This is not just a spike. This is, as you can see on the chart, a plateau. We are expected, under the projections today, to have 17 brigades all the way out to the end of 2005, the beginning of January of 2006. They come down a little bit if things stabilize a bit in March of 2006, to around 13 or 14 brigades.

This is a long way out to project. So far, if we look at the projections, we have ended up with more troops needed than what we thought we could entertain.

My point is that this is not a temporary spike in requirements for soldiers in the U.S. Army. This stretches out to 2007, 3 years from now. It is entirely appropriate we put this number into the Defense bill, that we do not simply give some emergency powers to the Secretary of Defense.

The challenge we have going forward—we have met the challenge this year by tapping into that emergency fund, but the challenge going forward is giving the Army the resources in succeeding budgets in their own bottom line so they can continue to field these forces. That is what we are projecting today. It is not as if in 6 months we will be fine, Iraq will be resolved, Afghanistan will be resolved, we will be back to a low level of participation.

Our planners' best thoughts today are for 17 brigades for a long time. So that is what is at the heart of the amendment I have proposed, along with Senator McCAIN, Senator HAGEL, Senator CORZINE, Senator AKAKA, and Senator BIDEN. I believe we are taking a very important step by putting the end strength number in our authorization bill, not as an emergency but as a reality, as a near- and medium-term reality. That is what this chart says. Three years from now we are going to have to still find troops to put in about 14 or 15 brigades in these 2 operations.

But the issue that is still outstanding—not this year because we have bridged it with the emergency funding—is, how do we build up the resources within the Army budget to carry these soldiers forward 2 and 3 years hence? We will be working on that, obviously, over the next few weeks into conference and beyond.

I know there are other colleagues—Senator McCAIN, Senator HAGEL, and others—who might want to talk. We have made arrangements prior to the vote for 10 minutes, which I would gladly offer to them for their comments.

Mr. President, may I inquire how much time I have?

The PRESIDING OFFICER. The Senator has 4 minutes 38 seconds.

Mr. REED. Thank you, Mr. President. I reserve the remainder of my time and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SESSIONS. Mr. President, how much time remains on this side?

The PRESIDING OFFICER. The Senator has 3 minutes 40 seconds.

Mr. SESSIONS. Three minutes.

Mr. President, I would just share for our colleagues some other things that are happening. There is a serious effort to restructure our forces that also includes looking at our troop strength deployed abroad in a number of different areas. I think we have 37,000 soldiers in South Korea. I believe that number is larger than it needs to be. The military is looking at what they can do to reorganize those forces there and bring some of them home.

I believe, having visited 12 military installations in Europe just within the last 2 months, we can bring home substantial numbers of our troops from there. In fact, I think it would be a mistake if we do not bring home two divisions. Probably 40,000 Army soldiers and their dependents could be brought home from Europe. It is not necessary to maintain that kind of strength abroad.

So there are a lot of things we can do to make life easier for our soldiers. General Schoomaker would like to see a soldier be able to go to a military base with his family and stay there 7 years, and be promoted and stay with a unit and improve his technical skills and his unit cohesion before being moved again. Those are goals we need to seek so we will be even better in capability, and it will also be good for the soldiers and their families.

I reserve the remainder of the time and yield the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. McCAIN. Mr. President, I rise in strong support of the Reed amendment. Yesterday, in USA Today: "Army division sees its war tour extended and its casualties rise," a very interesting front-page story in USA Today, entitled: "13 months on the ground in Iraq." It says: "After more than a year of combat, soldiers of the 1st Armored Division wonder when they'll go home."

There are some interesting comments in this article from individuals:

> "The option left to the nation, the Army, was to keep 1st Armored here or pretty much concede defeat," says Lt. Col. T.C. Williams, the battalion commander. Soldiers were disappointed, he says, but they also knew that after a year in Iraq, they were prepared for anything. "Nobody does this better than we do," he says.

I am sure he is correct.

There are other quotes:

> "We still have a mission we have to accomplish, for the good of the Iraqi people and the future," says Staff Sgt. Brad Watson. . . .
>
> But these soldiers don't hide their concern that their extension has been violent, hard on their families, and left them wondering how things could have been.
>
> "Gosh, we could have got out of here in 12 months with little or no casualties, and all of a sudden 17 people in your platoon become a casualty?" Watson says, "It's something I never dreamed could happen."

The point of the story is there are some very brave young Americans who have had to remain in Iraq. There are also stories about the so-called stop-loss rule, which has been imposed, which prohibits people from leaving the military at the time when they are supposed to, which I think some could argue is some form of conscription, of a draft.

What we are doing is we are stopping men and women in the Army and in the Marine Corps from leaving the service at the time of the expiration of their contract. So we are involuntarily keeping people in the military. And instead of the draft applying to all Americans—conscription—we are basically penalizing those people who volunteered to serve, which, in my view, is the worst of all worlds.

The reason why we are in trouble in Iraq and in as much trouble as we are in today and having the difficulties we are having today is because after the conclusion of the combat phase of the war we had too few boots on the ground in Iraq. Anyone outside of the Pentagon, with rare exception—any retired general will tell you that we did not have enough people on the ground to pacify the situation, stop the looting, stop the resurrection of the Baathists, stop the beginning of an insurgency. We had a window of opportunity to do so. We did not have enough people on the ground. And now we are paying a very heavy price for that incredible mistake on the part of the civilian leadership in the Pentagon.

And why were they so reluctant to send additional troops? The dirty little secret is, they did not have them. Do you think we are taking troops out of Korea to deploy to Iraq because the situation has gotten better in Korea? The last time I checked, the North Koreans posed an even greater threat and are acting in a more intransigent fashion than ever before. But we are having to take thousands of people out of deployment in Korea and move them to Iraq.

Meanwhile, we see people who are guardsmen and reservists who are going back and back and back. Now, I have had the opportunity of meeting and talking to many. In fact, 40 percent or 55,000 of the soldiers currently serving in Iraq and Afghanistan are guardsmen and reservists. They are wonderful. They are magnificent people. But they did not join the Guard and Reserves to be deployed every other year to Afghanistan or Iraq.

When we look at the training of the soldiers who were assigned to the prison in Abu Ghraib, they were people who were involuntarily extended and had no real training in carrying out the functions they were supposed to at that prison—again, a very heavy price, a very heavy price.

Mistakes happen in conflicts. That is why we try to avoid them. But a fundamental error that is still not corrected—still not corrected—is the shortage of the military on the ground with the kinds of specialties and skills that are so badly needed: special forces, military police, linguists, civil affairs, and others who simply are not there today. And we see in some cases a chaotic situation in some parts around Baghdad and in the Sunni Triangle.

So I regret that we are here on the floor of the Senate having to force an increase in the size of the Army on the Department of Defense. As I say, literally every retired military officer I have talked to has said—and every military expert says—you do not have a large enough Army. I recently talked to one retired general who said: I have a fear of not enough people in Iraq and that we are not able to do the job.

But my far greater fear and nightmare is that we have something in Korea, something between China and Taiwan, something in our own hemisphere like significant unrest in Venezuela or a significant commitment we might have to make on the continent of Africa. We don't have the people to do it.

I hope we will support the Reed amendment. I hope the Pentagon and the civilian leadership there will come to their senses and recognize that there are not enough men and women in the military today. They are magnificent, but there are not enough of them. They are stretched too thin. They are badly overworked, and we have paid a very heavy price for these failings from the beginning of the Iraqi conflict.

I still believe we can win and must win, but long ago we should have repaired this deficiency in the size of the Army and the Marine Corps.

I yield the floor.

The PRESIDING OFFICER (Mr. CORNYN). All time has expired.

Mr. WARNER. Have we pretty well resolved this? The Senator from Arizona and the Senator from Alabama, have we taken adequate time over here for our colleagues who have been in strong support? I think we have reached a conclusion on this matter. We will not need that extra tranche of time.

Mr. REED. If the Senator will yield, I believe we were waiting for Senator HAGEL, another cosponsor.

Mr. WARNER. I think we should allow some time for Senator HAGEL. We will make that time available.

Mr. REED. I thank the Senator.

The PRESIDING OFFICER. There are 10 minutes available prior to the vote.

Mr. WARNER. Then let's hope Mr. HAGEL can make it.

Mr. REID. Under the order, the Sessions amendment is now in order.

The PRESIDING OFFICER. That is correct.

Mr. BIDEN. May I have 10 seconds on the Reed amendment?

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I can't think of a more important amendment we are going to vote on than the Reed amendment. I am a principal cosponsor. I believe it is overdue. I hope to the Lord we go ahead and do the right thing here and support this amendment.

The PRESIDING OFFICER. Under the previous order the Senator from Alabama is recognized.

Mr. REID. Mr. President, after the amendment is reported, I wonder if I could speak first. I am going to use 15 minutes on another subject. It will take a few minutes. I would like to go do something else.

Mr. WARNER. Absolutely, Mr. President.

Mr. REID. Is that OK with Senator SESSIONS?

Mr. SESSIONS. It is all right with me. I know Senator CHAMBLISS wanted to speak also.

Mr. WARNER. Mr. President, I think this might be an appropriate time that I would like to urge adoption of my amendment in the second degree to the Reed amendment.

Mr. REID. I think that is totally appropriate.

Mr. WARNER. Let's have that.

The PRESIDING OFFICER. The question is on agreeing to the second-degree amendment No. 3450, as modified.

The amendment (No. 3450) was agreed to.

Mr. WARNER. I move to reconsider the vote and to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. This amendment has the strong support of the Senator from Virginia.

I thank the Chair.

AMENDMENT NO. 3371

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, does the Senator from Nevada want 15 minutes right now?

Mr. REID. I am going to use 15 minutes. It has nothing to do with your amendment. We have 15 minutes, but we weren't going to oppose your amendment anyway. I would like to take my few minutes now.

Mr. SESSIONS. All right. So you want the full 15 minutes?

Mr. REID. I don't know how much time I will use. I don't think I will use near that amount.

Mr. WARNER. If the Senator will yield, I am advised by the parliamentarians that we may need to put in on the Reed amendment now that there are no further amendments, second degree or otherwise, in order on that amendment. The desk asked me to check that.

Mr. REID. That was part of the original order. Would the Chair ask that the Sessions amendment be called up now.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

> The Senator from Alabama [Mr. SESSIONS] proposes an amendment numbered 3371.

Mr. REID. Mr. President, I ask unanimous consent that reading of amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide for increased support of survivors of deceased members of the uniformed services)

On page 130, between lines 9 and 10, insert the following:

SEC. 642. DEATH BENEFITS ENHANCEMENT.

(a) FINAL ACTIONS ON FISCAL YEAR 2004 DEATH BENEFITS STUDY.—(1) Congress finds that the study of the Federal death benefits for survivors of deceased members of the Armed Forces under section 647 of the National Defense Authorization Act for Fiscal Year 2004 has given Congress sufficient insight to initiate action to provide for the enhancement of the current set of death benefits that are provided under law for the survivors.

(2) The Secretary of Defense shall expedite the completion and submission of the final report, which was due on March 1, 2004, under section 647 of the National Defense Authorization Act for Fiscal Year 2004.

(3) It is the sense of Congress that the President should promptly submit to Congress any recommendation for legislation, together with a request for appropriations, that the President determines necessary to implement the death benefits enhancements that are recommended in the final report under section 647 of the National Defense Authorization Act for Fiscal Year 2004.

(b) FISCAL YEAR 2005 ACTIONS.—At the same time that the President submits to Congress the budget for fiscal year 2006 under section 1105(a) of title 31, United States Code, the President, in consultation with the Secretary of Defense, shall submit to Congress a draft of legislation to provide enhanced death benefits for survivors of deceased members of the uniformed services. The draft legislation shall include provisions for the following:

(1) Revision of the Servicemembers' Group Life Insurance program to provide for—

(A) an increase of the maximum benefit provided under Servicemembers' Group Life Insurance to $350,000, together with an increase, each fiscal year, by the same overall average percentage increase that takes effect during such fiscal year in the rates of basic pay under section 204 of title 37, United States Code; and

(B) a minimum benefit of $100,000 at no cost to the insured members of the uniformed services who elect the maximum coverage, together with an increase in such minimum benefit each fiscal year by the same percentage increase as is described in subparagraph (A).

(2) An increase, each fiscal year, of the amount of the death gratuity provided under section 1478 of title 10, United States Code, by the same overall average percentage increase that takes effect during such fiscal year in the rates of basic pay under section 204 of title 37, United States Code.

(3) An additional set of death benefits for each member of the uniformed services who dies in the line of duty while on active duty that includes, at a minimum, an additional death gratuity in the amount that—

(A) in the case of a member not described in subparagraph (B), is equal to the sum of—

(i) the total amount of the basic pay to which the deceased member would have been entitled under section 204 of title 37, United States Code, if the member had not died and had continued to serve on active duty for an additional year; and

(ii) the total amount of all allowances and special pays that the member would have been entitled to receive under title 37, United States Code, over the one-year period beginning on the member's date of death if the member had not died and had continued to serve on active duty for an additional year with the unit to which the member was assigned or detailed on such date; and

(B) in the case of a member who dies as a result of an injury caused by or incurred while exposed to hostile action (including any hostile fire or explosion and any hostile action from a terrorist source), is equal to twice the amount calculated under subparagraph (A).

(4) Any other new death benefits or enhancement of existing death benefits that the President recommends.

(5) Retroactive applicability of the benefits referred to in paragraphs (1) through (4) so as to provide the benefits—

(A) for members of the uniformed services who die in line of duty on or after October 7, 2001, of a cause incurred or aggravated while deployed in support of Operation Enduring Freedom; and

(B) for members of the uniformed services who die in line of duty on or after March 19, 2003, of a cause incurred or aggravated while deployed in support of Operation Iraqi Freedom.

(c) FISCAL YEAR 2006 BUDGET SUBMISSION.—The budget for fiscal year 2006 that is submitted to Congress under section 1105(a) of title 31, United States Code, shall include the following:

(1) The amounts that would be necessary for funding the benefits covered by the draft legislation required to be submitted under subsection (b).

(2) The amounts that would be necessary for funding the organizational and administrative enhancements, including increased personnel, that are necessary to ensure efficient and effective administration and timely payment of the benefits provided for in the draft legislation.

(d) EARLY SUBMISSION OF PROPOSAL FOR ADDITIONAL DEATH BENEFITS.—Congress urges the President to submit the draft of legislation for the additional set of death benefits under paragraph (3) of subsection (b) before the time for submission required under that subsection and as soon as is practicable after the date of the enactment of this Act.

ENRON DEJA VU

Mr. REID. Mr. President, I appreciate the courtesy of my two friends. I have been here all day, and I have to leave the floor for a few minutes.

"You have seen that before." That is what deja vu means, so I am told. We have seen it before. We in Nevada have the second highest gas prices in the whole country. They have soared to record levels. The oil companies say these price increases are a matter of supply and demand. I have heard that before. I remember now that is the same excuse we heard 4 years ago during the western electricity crisis when Nevada consumers were being ripped off by one of the most ravenous corporate swindlers in history—Enron.

While Enron reaped windfall profits, it told consumers the record high prices were the result of supply and demand. But it turned out Enron was rigging the market to rob consumers. Over the last few weeks, bit by bit, audiotape recordings of Enron traders have come to light in various ways, chiefly through CBS News.

I am reminded of Senator Jesse Helms. I was a new Senator, and Jesse Helms sat back here. He stood and said: I don't want to be here. It was the pornography issue. He said: I hate to talk about this kind of stuff, but I have to. And the stuff he proceeded to talk about was pretty gross, to be honest with you.

Well, I hate to point to this chart, this audiotape today that CBS played last night on the news, but I am going to because it fully outlines what Enron did to the people of the State of Nevada and people in other parts of the Western United States.

Here is a direct quote from one of the Enron traders, one of the people who caused these prices to go up. He worked for Enron:

> I want to see what pain and heartache this is going to cause Nevada Power Company.

This Enron trader goes on to say:

> I want to . . .

Everyone can see as well as I can the next word. I am not going to repeat it. It starts with "f" and ends with a "k."

> I want to . . . with Nevada for a while.

Second trader says:

> What do you mean?

And the first trader says:

> I just, I'm still in the mood to screw with people, OK?

Enron traders had all kinds of ways to cheat customers. They shipped power from California to Oregon, masked the original source of the power, and then sold it back to California at inflated rates. This little scheme, this one right here, made Enron a profit of $222,678 in 3 hours. Enron traders also boast on the tapes that Enron CEO Ken Lay will wield a lot of influence in the Bush administration. They were right about that.

A few weeks ago the Washington Post reported on the influence of the people who raised large amounts of money for the President's campaign. One of those big fundraisers was Ken Lay—the President gave him a nickname of Kenny Boy—who served on the administration's Energy Department transition team, if you can believe that, and recommended two of the members of the Federal Energy Regulatory Commission, known as FERC.

After Enron gouged western consumers, utilities in Nevada and other States turned to FERC for help. Remember, two of them came from Kenny Boy. But FERC ruled in favor of Enron and against providing relief to Nevada utilities and taxpayers.

Adding injury to insult, last fall the bankruptcy court ruled that Nevada taxpayers owe Enron an additional $330 million for power Enron never even delivered. Our utilities have asked FERC to hear the case. Senator ENSIGN and I have submitted a brief in support of their complaint. Now I am also joining with western Senators and requesting that FERC vacate the exorbitant contracts that were signed during the manipulated energy crisis.

The parallel between the western electricity crisis and today's gasoline market is troubling, to say the least. The big oil companies are making record profits of up to 75 cents a gallon for a fill-up of a car in Nevada. For 10 gallons, that is a profit of $7.50. The big oil companies are making these record profits, which come out of the pockets of working families in Nevada.

I am afraid I am not the only one feeling, as we stated earlier, that I have seen this before, deja vu. Nevada consumers know they are getting gouged again and it is not a good feeling.

I appreciate the courtesy of the Senator from Georgia and the Senator from Alabama.

The PRESIDING OFFICER. Who yields time?

The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I yield time to the Senator from Georgia, who chairs the Subcommittee on Personnel of the Armed Services Committee, on which the Presiding Officer also serves. I value his judgment on this issue and appreciate his support for this amendment.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. CHAMBLISS. Mr. President, I thank my colleague from our neighboring State of Alabama for his terrific interest in our brave men and women who serve in every branch of our military. At this time, when we have so many men and women in harm's way, it is very appropriate that leadership come from this body. Senator SESSIONS has provided the kind of leadership that our men and women have come to expect.

Today, I rise in support of the amendment Senator SESSIONS has proposed. This amendment will provide a much needed revision of the Department of Defense's current policies related to providing benefits to the families of service members who make the ultimate sacrifice for their country.

The DOD's current death benefit policies have been in place, without any substantial revision, for some time now. These benefits have not kept pace with the times and, in particular, the needs of military families in the event the primary provider dies in the line of duty.

Obviously, these events are extremely difficult for any family. They are painful times for military families. I agree that we need to expand the benefits these families receive under those circumstances.

Specifically, this amendment directs the administration to expedite the final death benefits study that is currently working its way through the DOD. This study was due to Congress on March 1 of this year but has still not been delivered.

The amendment also indexes increases in the current death gratuity benefit of $12,000 to the same rate as the basic pay increase, which is 3.5 percent, beginning in fiscal year 2005. Beginning in fiscal year 2006, the amendment increases the maximum coverage under the Serviceman's Group Life Insurance program by $100,000, from $250,000 to $350,000, and indexing future indexes in the SGLI at the same rate as the basic pay increase; and it provides that the Government shall pay the premium on the first $100,000 of this life insurance.

The amendment creates two new benefits, which I believe are much deserved. First, it allows for the payment of one year's salary and benefits to soldiers who die while on active duty, 2 year's pay in salary and benefits to soldiers killed in action or in a hostile or terrorist event.

The amendment, as drafted, does not violate any budget points of order and allows the Department of Defense necessary time to incorporate the costs and implementation of this program in the fiscal year 2006 budget.

We have just had a thorough discussion by Senator REED and Senator SESSIONS regarding the increase of troop strength. I am so respectful to folks such as Senator REED, Senator McCAIN, as well as Senator SESSIONS on that particular issue. I agree with them on that issue. We do need to increase the size of the force structure. We need to be able to continue to do that under the current all-volunteer system that we have. If we are going to have that all-volunteer system compete with forces in the outside world, we are going to have to continue to look at the benefits we provide to our brave men and women. This amendment does that.

It adds an additional benefit to our men and women that they don't have today, and it certainly will be of help to our recruiters from the standpoint of continuing to allow them to recruit our finest men and women in America into the military.

Secondly, we will be able to retain the men and women that we invest so much money in, from the standpoint of making sure they have the equipment and training necessary to continue to defend freedom and democracy around the world.

So I commend very highly my friend from Alabama, and I thank him for his great leadership. I am pleased to join in this amendment. I ask my colleagues to support it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I thank the Senator from Georgia and also my cosponsors, Senators JOE LIEBERMAN and JIM INHOFE.

When we ask American soldiers to leave our shores to go abroad in a combat environment to execute the policies of the people of the United States of America, we need them to know, and Americans want them to know, that if their life is lost in that effort, their families are going to be well taken care of. We have a lot of private groups that work at this, but it is most important that the Federal Government have in place policies that would allow their loved ones to be fully and adequately compensated.

Last year we increased the basic death gratuity from $6,000 to $12,000. That was an improvement. It doubled. It is important that we have indexed that to inflation, and it is still not nearly enough for a family today. So we looked at the Serviceman's Group Life Insurance policy, which is somewhat subsidized by the Government, but it is paid for by the soldiers. They take out up to $250,000 in life insurance. Many young soldiers don't like that $16 a month or so that comes out of their paycheck. They sometimes don't choose to take it out. We want to encourage more people to take on that benefit—take out the maximum life insurance so the military will now, under this amendment, if approved, have an additional $100,000 in life insurance fully paid for by the Government, if the soldier takes out his life insurance part. I think that will encourage more people to sign up and provide a much larger benefit package for them. Those are some of the issues that we were concerned about.

Years ago, soldiers got a year's salary if they lost their life. That was changed as part of the life insurance package a number of years ago. I think the Senate believed that we needed to guarantee a person's salary for the year they worked if they are hurt during an Active-Duty accident—not in combat. For 1 year, they will get their salary and benefits paid. Those killed in combat, because they were serving their country in a hostile environment, would have 2 years of salary paid for them.

Those are the kinds of things that can make a real difference in the life of a family. Families will not need to worry about where their next meal is going to come from if they have enough money to take on new housing and move, and maybe for expenses in putting children in school, and all those things that go with the tragic loss of a loved one. We need to make sure they are fully taken care of in that regard, and this amendment would do that.

I cannot say again how strongly I believe we should do the right thing by those soldiers who give their lives for their country. In my State of Alabama, I have talked to over 20 families who have lost a loved one since the war on terrorism began. I have talked to husbands, wives, fathers, and mothers. We have talked to them about the loved ones they have lost—their children. I have been to funerals. Those are things that are very meaningful to anybody who has had that experience.

I feel a special responsibility, as I think every Senator does, to those soldiers who went because we voted to send them there; we asked them to go for us.

I think this is a good first step toward achieving the compensation that families need. There are other compensation benefits they receive, such as benefits for children, income for spouses that are in law, but this is a lump sum that can help a family adjust and establish a life under new and different circumstances and help them get through the tragic period of pain and loss they inevitably will have to go through.

We asked that the Defense Department do a study for us on their ideas and evaluate the current system for fairness and workability. They did not complete that report. We have seen a draft of that report. It was supposed to have come in March. It has not officially been completed.

I will say this: I think it is quite likely that after we evaluate that report, we may want to come back again next year to do some other things to bring more fairness and more support to the families who lost a loved one in the service of their country. There is no higher service that one can render than to give their life for their country.

We have lost a good number of soldiers. We have lost them in the past, and we are losing them in this war on terrorism. I feel strongly that our obligation includes making sure those families left behind are well taken care of.

I yield the floor and reserve the remainder of the time.

The PRESIDING OFFICER. Who yields time? If no one yields time, time will be charged equally to both sides.

The Senator from Alabama.

Mr. SESSIONS. Mr. President, there is one point I want to make clear. The act provides for retroactivity of the salary benefits. With regard to soldiers who lost their life in combat since the beginning of the Afghan war or in terrorist acts, their families will receive 2-year's salary and benefits retroactive to the loss, as well as being a part of future benefits for those soldiers who lose their lives in the future.

To reiterate, I ask my colleagues in the Senate to consider that we have before us an opportunity to correct what has been for many a longstanding inequity for our military, the paucity of our death benefits programs for our soldiers killed in combat.

We began to make a difference when in the fiscal year 2004 Defense Authorization Act, this Senate offered and the Congress passed the provision to improve the death gratuity from $6,000 to $12,000. This was an important improvement, but more can be and needs to be done. To that end, I offer this amendment that begins the process of enhancing our death benefits program to bring it more in line with the significance I believe we all attach to the sacrifices made by our military and their families.

This amendment asks the President and the Secretary of Defense, working with the Secretary of Veterans Affairs, to submit enhanced death benefits for our military and their families as part of the fiscal year 2006 budget request. We expect the next budget in just 8 months. This will give the Department time to deliver the final report on the death benefits from the study we directed in the fiscal year 2004 Authorization Act.

There are specific areas where the death benefits provisions are in need of improvement. The Veterans Administration reached similar conclusions in a 2001 study, and I am confident that the compensation teams working on these issues in the Defense Department are equally convinced that we need changes.

Among the changes is an increase to the Servicemen's Group Life Insurance maximum benefit to $350,000. The Department of Defense would also provide a minimum floor of Servicemen's Group Life Insurance of $100,000 for every servicemember at no cost provided that members selected the maximum amount of $350,000.

I felt great anguish that some of our troops were not selecting the insurance due to the cost or perhaps a lack of understanding about the risks of serving in our military and or the benefits of this program. It may seem hard to believe, but saving $16.25 per month, the current fee to receive the current maximum $250,000 benefit, may appear to be an important financial decision for some, especially our more junior troops. This change makes the insurance a more attractive option.

The amendment will direct in fiscal year 2005 indexing the current death gratuity to the same rate as the basic pay increase. It further asks the Defense Department, beginning in fiscal year 2006, to index Servicemen's Group Life Insurance to the same percentages to which basic pay increases. This is important to ensuring that the benefit does not erode over time like the death gratuity benefit clearly did.

Further, this amendment makes possible for the first time a benefit to ease the transition as well as to clearly recognize the sacrifice of military members killed due to hostile or terrorist actions. For the family left behind, there is no greater tragedy than loved ones lost in combat.

It is clear that service aboard our ships, in our aircraft and around our mechanized equipment is a hazardous vocation. Our troops work with live ammunition and in environments so very different and inherently dangerous when compared to many other occupations. When troops are lost in training accidents or in service-connected events, we should recognize that risk and provide benefits accordingly. The amendment would authorize one full year of salary and benefits to those lost in the service of their country to recognize the hazardous nature of the work performed by the military.

Similar in intent to procedures in other militaries, such as Canada and the UK, and in many U.S. States and cities, this amendment provides an increased benefit for members killed in hostile acts. I have recommended 2 years salary and allowances for those lost in hostile situations. The Defense Department, by a DoD instruction, already makes a determination if a casualty resulted from hostile actions for every member of the military who is lost on active duty.

By comparison, the surviving dependents of a police officer or firefighter killed in the line of duty receive $267,494 under the Public Safety Officers Benefits Act. This benefit has been indexed to correct for inflation and sends a clear signal to our Nation about the value of these leaders of our citizenry. The military is no less valued and this benefit, along with the other provisions in existence and the enhancements in this amendment reflect our Nation's appreciation.

These provisions are similar in intent to the Public Safety Officers Benefits Act of 1976 which acknowledges the risks faced by our police officers and firemen. This amendment acknowledges the risks of military service and helps those left behind with transition assistance.

Anyone who witnessed the bravery of our police and fire personnel on 9/11 and who saw the memorable pictures from that day was profoundly struck by how wonderful these heroes were and how willing they were to go into harm's way. Our soldiers are no less brave. I have visited our wounded heroes at Walter Reed Hospital recently and, like our police and fire personnel, our military is extraordinary for their bravery. This is especially the case for those who pay the ultimate price and die in the service of their country.

I would add that in 1908, the 60th Congress saw fit to authorize 6 months of pay as a death gratuity, and in 1917, the 65th Congress repealed this law in favor of a Government life insurance program. In retrospect, I think the 60th Congress had it correct.

A key feature of this amendment is that the recognition benefits—the one year or two year salary compensation—are to be retroactive for those who were lost in Operation Iraqi Freedom, and Operation Enduring Freedom. We owe this recognition to those troops who went abroad to defend our freedoms.

This amendment also provides an opportunity for the President to recommend any other benefits he deems appropriate. The amendment does not impact the plan for fiscal year 2005, except for beginning to index the $12,000 death gratuity. This will, I believe, give the Defense Department some time to finalize its approach to these changes. The intent of this legislation is to ensure that as part of the fiscal year 2006 budget request, which is due to us in 8 months, that the budget request we receive will incorporate these measures. This gives the administration time to expedite the final report, gather the appropriate accounts together, and to provide to the Congress the legislative initiatives and supporting regulations to substantially improve our death benefits programs. We owe our brave men and women no less.

I yield the floor. Mr. President, I believe no one else is seeking to speak on this subject, so I yield back all the time.

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to amendment No. 3371.

The amendment (No. 3371) was agreed to.

Mr. SESSIONS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Parliamentary inquiry, Mr. President. Is the Biden amendment in order at this moment?

The PRESIDING OFFICER. It is.

Mr. BIDEN. Further parliamentary inquiry: Is there a copy of the amendment at the desk?

The PRESIDING OFFICER. There is.

AMENDMENT NO. 3379

Mr. BIDEN. Mr. President, I ask that we proceed to amendment No. 3379.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Delaware [Mr. BIDEN] for himself, Mrs. CLINTON, Mr. CARPER, Mr. CORZINE, and Mrs. FEINSTEIN, proposes an amendment numbered 3379.

Mr. BIDEN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide funds for the security and stabilization of Iraq by suspending a portion of the reduction in the highest income tax rate for individual taxpayers)

At the end of subtitle A of title X, add the following:

SEC. . (a) PROVISION OF FUNDS FOR SECURITY AND STABILIZATION OF IRAQ THROUGH PARTIAL SUSPENSION OF REDUCTION IN HIGHEST INCOME TAX RATE FOR INDIVIDUAL TAXPAYERS.—The table contained in paragraph (2) of section 1(i) of the Internal Revenue Code of 1986 (relating to (relating to reductions in rates after June 30, 2001) is amended to read as follows:

“In the case of taxable years beginning during calendar year:	The corresponding percentages shall be substituted for the following percentages:			
	28%	31%	36%	39.6%
2001	27.5%	30.5%	35.5%	39.1%
2002	27.0%	30.0%	35.0%	38.6%
2003 and 2004	25.0%	28.0%	33.0%	35.0%
2005 and thereafter	25.0%	28.0%	33.0%	36.0%”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

(c) APPLICATION OF EGTRRA SUNSET TO THIS SECTION.—The amendment made by this section shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 to the same extent and in the same manner as the provision of such Act to which such amendment relates.

Mr. BIDEN. Mr. President, with regard to amendment No. 3379, I ask unanimous consent that Senators CARPER, CLINTON, CORZINE, and FEINSTEIN be listed as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, my amendment is quite simple and straightforward. It is no different in its intent than the amendment I offered when the President some months ago requested $87 billion for the reconstruction of Iraq, as well as the support of American forces.

The bottom line is it says we should stop borrowing to cover the cost of our mission in Iraq and Afghanistan. If this mission is as important as the President says it is—and I believe it is—then we should pay for it. We should not make my kids pay for it. We should not make my grandchildren pay for it. We should pay for it.

Before I get into the details of the amendment, because it relates to my finding the money to pay for the $25 billion asked for in this authorization by the President, let me remind people what the state of the Tax Code is now relative to the highest bracket.

In the year 2001, the highest bracket of individual taxpayers was 39.6 percent.

With President Bush's tax cut that was passed, that bracket, along with others, was reduced from 39.6 percent to what it will be and what it is in 2004, 35 percent. So it has come down from 39.6 percent to 35 percent.

The way the Bush tax cut proposal works, when it became law—and I see the chairman of the Finance Committee here who, as the old joke goes, has forgotten more about the Tax Code than I am going to know—is that top bracket will stay at 35 percent in 2005, 2006, 2007, 2008, 2009, and 2010. In the taxable year of 2011, under the present status of the Tax Code, it will go back to 39.6 percent.

I realize there is a move in the House and among many here to "make the tax cut permanent" so the 35-percent tax bracket would remain in 2011, 2012, 2015, 2018, and so on, but right now, unless it is made permanent in the taxable year 2011, it will go back to what it was in 2001, 39.6 percent.

One other statistic, to be in this top tax bracket, the people in the 35-percent tax bracket, which used to be 39.6, have on average a taxable income of a million dollars a year. Now, obviously, there are people in there making a billion dollars a year, but no one is in that bracket unless their taxable income is $319,000.

That means after all of the deductions are taken, after all of the things one is able under the law to deduct, so one is likely to have an income of closer to $450,000 or $500,000, they end up with a taxable income of $319,000. OK? So it is taxable income.

That is after one deducts for medical costs they are able to deduct, deduct for their children, for all the things one is entitled to deduct, and people in that category can deduct for a lot of things that average folks do not get to deduct.

So what does my amendment do? How do we have $25 billion so that these bright young pages—and I am not being solicitous; I am not joking—sitting down at the base of the podium there, whose average age is probably 16 or 17 years old, how do we act responsibly enough to say that they should not be paying for this war, that those of us who voted for it, my generation, those who are paying taxes now, should pay for it?

What happens with this $25 billion? It is essentially paid for by the deficit. This all goes to the deficit. This is going to be paid for. It is going to be added. I predict before the year is over—and I do not claim to be an expert on our budget, but I have been around long enough that I think I am pretty knowledgeable—this year's deficit will end up being closer to $600 billion than $500 billion. Everybody knows it is going to be over $500 billion. So why are we going to ask them, why are we going to ask my granddaughters, who range from age 3 to 10, to pay for this war, when we are fully capable of doing it?

One might say: OK, BIDEN, how are you going to pay for this war? Are you going to take money away from education? Are you going to take money away from things that affect these kids? No.

I am going to ask my colleagues shortly to do what I think every patriotic American is fully prepared to do. At the United Way they talk about, this guy gave at the office, but what do we give at the office in this war? What are any of you people, and what am I, giving at the office?

None of us are in Iraq. We are not in the military. We are not getting shot at. We are not away from our families. We are not that National Guardsman or Guardswoman who is taking a pay cut of 30, 40, sometimes 50 percent to serve their country right now.

I mean, this is never a healthy thing for a nation. We are in the midst of a war when the bulk of America is not asked to do anything about it. There are very few people sacrificing for this war. Like our grandparents or our parents, no one has asked us to put tape over our headlights when we drive at night or use ration cards or have to pay higher taxes to support the war. There is no draft.

So what happens? Well, there are a lot of patriotic, young women and men—and some not so young, meaning in their thirties and forties—who are over in Iraq right now. What are we doing?

The idea that if we ask the wealthiest Americans among us to contribute to the war effort, that they are unwilling to do that is preposterous.

I sometimes get mad at some in my party—not those on the Senate floor but some in my party—and some liberal commentators. What frustrates me sometimes is they assume that only poor, middle-class people are patriotic; that they are the only ones willing to make sacrifices for their country. I am here to say that wealthy Americans, the wealthiest among us, the wealthiest 1 percent, are as patriotic as the lowest 1 percent.

In the last time out, when I tried to do this—and I will get to the detail in a minute—to pay for the $87 million, I happened to be with a group at an exclusive country club in Wilmington, DE. We are a wealthy little State. We have some very wealthy people in our State. All States do, but as a percentage we have some very wealthy people. I happened to be with a group of them for an outing. We got to the time that we had the buffet, and it was outside. A couple started asking me about the war. The next thing I know, as every Senator knows and as every staffer has observed their Senators being engaged, all of a sudden it was like a roving press conference. It went from 1 press person to 2, to 5 to 10 to 15, and all of a sudden there was a group of people standing around. Before I knew it, literally, standing outside on this beautiful evening, on this patio of this magnificent club, there were no fewer than 40, mostly men, who are among the wealthiest—not literally the wealthiest, but some were probably in the top 20 or so in my State—some of the wealthiest people in my State, and they are asking about the war.

I said: Let me ask you all a question—and in fairness I want to acknowledge, maybe they were intimidated because no one wanted to be the one to say, no, do not count me in, but I said I am going to go down to the Senate, and I am going to offer an amendment that would require you people right here on this outside patio to give up 1 year of the 10 years of your tax cut to pay for this war. Does anybody here think that is unfair?

I give my word, my honor as Biden, not one person raised their hand. Then people started to chime in. They said, no, it is fair. They started talking about what other people are doing.

When have we ever gone to war when we simultaneously have suggested, as we have gone, to say this is going to be a long, tortuous undertaking to fight terror, and at the same time any President in the past, some 200-plus years, has said: And by the way, as we go, I am going to give you the biggest tax cut in the history of the United States of America?

Now, again, try to be objective about this. Let's assume—I do not, but let us assume for the sake of argument that we badly needed this tax cut in order to spur on the economy. Let me accept that as a given for the sake of this debate.

I asked these people: Does anyone here think if the top 1 percent of the people paying taxes in America were to forego 1 year of the tax cut that, in fact, that would slow the economy? The economy would stall? Sputter? Assuming they were the reason it was growing. I didn't hear anybody tell me that. I have not heard any reputable economists tell me that.

So here I am, back on the floor again, finding it fascinating, absolutely fascinating—and I expect this will be voted on party lines again—why the overwhelming number of my colleagues, for whom most of these wealthy people likely vote, are unwilling to do what the wealthiest among us are fully willing to do.

This time around what I am suggesting is even less "painful." In order to come up with $25 billion to pay for this piece of the war in Iraq and in Afghanistan, you know the only thing you have to do? You have to say: In the year 2005, the tax cut for the wealthiest 1 percent of Americans, who in fact cannot have a taxable income less than $319,000, will go back up from 35 percent to 36 percent. The 1-percent solution.

I can't fathom any wealthy person in America, even at the low end—and, by the way, the average income of this top 1 percent is over $1 million. I can't fathom a single one of these people not having enough patriotic instinct to say: No, no, no, no, I am unwilling. I am unwilling to pay, in the year 2005, 2006, 2007, 2008, 2009, and 2010, 1 percent more than I would otherwise have to pay.

What does that mean? Does it mean 1 percent less investment in their portfolio? Does it mean they buy a Lexus instead of a Mercedes? What does it mean? What does it mean?

While we are now saying, as I think the President probably has no choice, to the people who signed up volunteering in the military: No, no, you are staying another year because your patriotic responsibility is we need you. The President is probably right about that.

Or he is saying to what will be approaching 40 percent of the forces on the ground being shot at or subjected to car bombs in Iraq and Afghanistan who are reservists and National Guard: You have to go twice.

He is saying to the physician who is in the Guard, whose income may have been $150,000 or $200,000 whose pay as a colonel may be $80,000 but he still has the same mortgage payment, the same tuition payment, the same "nut" to pay, as they say: It's your patriotic responsibility.

How can we in this country at this moment say we can ask that of those people and we can't say to people whose average income is $1 million: Do us a favor, pay 1 percent more to pay for this installment on the war?

What have we become? Can you imagine that being said in 1943? No, no, no, no, don't ask it of them.

Can you imagine that being said if the income tax had been in place in 1915 or 1916?

Can you imagine that being the case in the Korean war? Can you imagine that?

What is the second logical argument as to why this is a bad idea? If you all agree with me that these Americans are as patriotic as anyone else and that it could not possibly hurt them in any material way, then you have to say: Here is the deal. This will slow economic recovery. This is bad for the economy.

I got a letter from the Chamber of Commerce saying this is going to hurt small business.

My friend from Iowa is here, the chairman of the committee. As the old thing goes—in this case, it is true—he is my friend.

The Chamber of Commerce says it is going to hurt small business. What they mean by that is there are some small businesses that pay their taxes as if they were individual taxpayers. Do you know how many of them pay at the top 1 percent? Of all the small businesses in America? For every 100 small businesspersons in America who claim and pay as individuals, 2 percent—t-w-o percent—of them are in this category where they would be affected.

I am sure the Senator will be able to tell me—I suspect he is here to engage in debate—how taking 1 percent of the American individual taxpayers and asking them to pay 1 percent more in the next 5 years, and taking 2 percent of the small businesspersons in America and asking them to pay 1 percent more for the next 5 years, when each of them fall in a category where they have a taxable income of at least $319,000 a year—how this is going to slow the economy.

I have said this to the President and I have said it publicly—Senator McCAIN was on the floor earlier—what I am about to say. Senator McCAIN was on the floor earlier talking about the end strength amendment of Senator REED. He said we need this. He said mistakes happen in war. That is why—and he went on from there.

I believe, and I am confident, this President has made some very serious mistakes in the conduct of this war. I am also confident were I President I would have made mistakes. I am confident, had it been President Gore, he would have made mistakes. I am confident that Senator KERRY will make some mistakes if he is President. I don't think this President will be judged harshly for the mistakes he has made.

But I do think history will judge him fairly harshly for the opportunities he has squandered. One of the opportunities squandered here is the ability to have united this Nation in common purpose after 9/11.

Let me ask a rhetorical question. Can you imagine if immediately after 9/11, when the President had that big economic summit down in Crawford, TX, or near Crawford, with some of the most prominent, significant, and patriotic businessmen in America, and some of the most wealthy men and women in America—what do you think would have happened, as that broke up, if he said: By the way, I want to ask the following of all of you. I would ask each one of you in the spirit of unity and harmony in this country, when you leave this room after hearing me speak, I strongly urge you—I ask you to take out your cell phone and call your accountant at home and ask him to go out and find four of the most worthy young women and men, eligible for college, who are unable to pay for college for 4 years, and commit to pay their tuitions.

Would any of my colleagues on the Senate floor think there would have been a single solitary man or woman in that room who would not have walked out, dialed up their cell phone, and said to their accountants, find those people? I mean it sincerely. I am not joking about this. I can't fathom that group of women and men not responding to the call for unity—not just to deal with the war on terror but to deal with healing and uniting this country. Nothing has been asked of these people, not because they have refused, not because they are unwilling, but because of an ideological disposition that somehow in any way to alter the tax structure beyond what we have just done is ipso facto wrong, bad, counterproductive. We are a slave to ideology on this floor.

There is not a single person in here who can say this $25 billion because it is all fungible is not going to be added to the deficit. Why don't we pay for it fairly, honestly, and straightforwardly? When have we ever succeeded in the great noble causes of this country without engaging all segments of society?

I would make the rhetorical point—I suspect you will not do this, but I will make you a bet. If you were to call your State's 10 wealthy people who fall into this category and ask them whether they would support having to pay at a 36-percent rate rather than a 35-percent rate to pay for the war, I am willing to bet you that 8 out of 10 or more of them will say, I am willing. I am betting—and I trust all of my colleagues would—if you do that, you will come and tell me you found in your State more than 2 out of 10 said they wouldn't do that, I will buy you dinner anywhere you want to go to dinner. It is on me. My financial disclosure statement shows, unfortunately, that I am one of the least well positioned in this body to pay for dinner.

There is something wrong, there is something not sensible about failing to be more responsible. How can it be called responsible to say we are going to make these pages, these kids, pay the $25 billion? I don't get this. Every one of us, Democrats and Republicans, comes to the floor of the Senate and talks about the need for a culture of responsibility. I truly don't get it, other than ideology.

I respectfully suggest that if, in fact, we do this to set a precedent that engages more people in the outcome of this war on terror—I am not making a populist argument—the group that is in the top 1 percent will get, out of the total tax cut of $1.8 trillion, $88.9 billion.

Again, I am not making a populist argument. That may be arguably justified on the merits. But it is the idea that 1 percent can't give up 1 percent of $688.19 billion. It is not even 1 percent; it is actually $688.19 billion over 10 years—that they will not give up 1 percent for 5 of those years. It is the equivalent of asking them to give up one-half of 1 percent of that number when 99 percent of the American people pay—not all 99 percent; some don't pay taxes—but 99 percent of the American people get a tax cut of about $1.1 billion dollars.

A couple of my Republican colleagues have said it is unfair to pick on the wealthy. It is not picking on anybody. I am trying to find the most equitable way to do this. What I am trying to do is make sure we are in a position to act responsibly, and it is not responsible to pile the debt upon our children for an endeavor we chose to undertake when it is fully within our power to pay for it without in any way being unfair to any single group of taxpayers and without having any rational argument that it will, in fact, negatively impact on the economy.

Were I in my 27-year-old populist mode, I would say it is greed. But I have learned a lot in my 32 years here. It is that we have not asked. For every wealthy group of businessmen and businesswomen in my State that I have approached, I have yet to have one tell me there is something unfair or unequitable about this.

I urge my colleagues. I will conclude this portion by saying I urge my colleagues to let us be responsible, what I define as responsible. It doesn't mean if you disagree you are irresponsible, but let us be responsible here. Let us pay for something we can easily pay for and not pile more debt for an elective judgment we made in this body—and I made it as well—to take on the dictatorship and the maniacal leadership of Saddam Hussein, to take down the Taliban, and to seek al-Qaida in its hovel.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from Missouri.

Mr. BOND. Mr. President, I ask unanimous consent to set this amendment aside temporarily. I further ask unanimous consent that the time not be charged against either side on this amendment for the purpose of resolving an amendment discussed earlier today.

The PRESIDING OFFICER. Is there objection?

Mr. BIDEN. Reserving the right to object, Mr. President, I am told by leadership staff that we have not been able to clear that at this moment on the Senate floor. So I would suggest the Senator withhold briefly until I find out why there is some doubt. I object, and I say to my friend from Missouri that I will find out why in a moment.

The PRESIDING OFFICER. Objection is heard.

Mr. BOND. Mr. President, I guess that is objection to the unanimous consent request.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, do I have 20 minutes?

The PRESIDING OFFICER. There is 60 minutes allotted to the Senator. Out of fairness, I yield myself 20 minutes because there are other Members who want to speak.

The PRESIDING OFFICER. The Senator has 20 minutes.

Mr. GRASSLEY. There is a big problem with Senator BIDEN's amendment. Before I go into the problem with Senator BIDEN's amendment, let me say I agree with his concerns about the size of future Iraq funding packages. I am concerned about the Federal deficit we are facing on the horizon.

But we also have to realize we are in war. You do not go to war unless you go to war to win. If you go to war, you go to war to win. You put all the resources behind the men and women that it takes to win that war. You do not put their life in danger on the battlefield. It may sound like we do not care about future generations, but you don't worry about deficits.

If we worried about deficits in World War II, Hitler would have been in New York City. The Japanese would have been in California. They would not have stopped at Pearl Harbor. We decided we were going to win that war, and we put all the resources behind it.

For only the first time since Pearl Harbor, we have been attacked. On September 11, 3,000 Americans died. We decided we were going to defend America. We decided we were going to fight not on American soil, we were going to fight on the soil of the people who harbor the terrorists who attacked America on September 11. We are going to go to war to win. We are going to put the resources behind our men and women. We are not going to take any chances.

I don't find any fault with anyone who talks about deficits. Only if they are so concerned about deficits that they do not care if we win the war and protect Americans, and the Constitution gives our Government that responsibility.

We also found, as a result of the war, being attacked in America, that the economy went into the tank. Out of 2.5 million jobs supposedly lost in this recession, 1 million of those jobs were lost 3 months after September 11, 2001; not because of the economy but because of war and the public not being certain what would happen in the future.

So we had tax cuts to revive the economy. We have a strong economy. A strong economy produces more resources so we can fight the war and win the war. The economy is growing. Federal revenues, as a result of these tax cuts, returned to their average levels, where they have been for 50 years, 18 to 19 percent of gross domestic product. We fought the Vietnam war and the Persian Gulf war during that period of time. So 18 to 19 percent of GDP for Federal taxes seems to be a level that does not hurt the economy.

In fact, the economy grows, and it is a level of taxation that people have accepted. It is producing the results we need to bring in more revenue to close the gap so that we do not have big budget deficits in the future.

On the point of taxes and the point of the budget gap, I note that Senator BIDEN's amendment contains no dedication of the revenue from raising taxes to any kind of fund that is oriented toward the war. In other words, the amendment simply raises taxes for more spending. The implication is on a Defense bill it will go to defense efforts.

When we hear about sacrifice, I am not sure I hear sacrifice. Let's spend less for domestic programs so we can give more to support our men and women in uniform. In World War II there were efforts to curtail domestic expenditures. We put all of our efforts behind our men and women but not raise taxes, more spending, bread and butter at the same time.

I also point out there are two sides to the Federal ledger. One is the revenue side. That is what we take in from the people who work in our factories, our offices, and our farms across America. The other side of the ledger is the spending side.

My friends on the other side focus exclusively, as my good friend from Delaware has, on the tax side. They look only to taxpayers to put our fiscal house in order.

I agree with the goals of reducing the deficit, but I don't intend to hurt the economy through higher taxes and put a damper on the economy. I want the economy to grow. The economy is growing. What sort of a signal would raising taxes send? Lower taxes one year, raise them the next year. How do you get investment that way?

I disagree that it is all right to look only at the tax side of the ledger. Indeed, the Senate approved a bill a little over a month ago that included $170 billion in revenue offsets. Republicans, working with like-minded Democrats, have been willing to exercise fiscal discipline, especially when it comes to closing corporate loopholes and curtailing tax shelters.

I digress for a moment on the subject of offsets. I notice with some amusement a story in Congress Daily A.M. dated last month, May 18. The story noted the special alchemy in the Finance Committee work in formulating offsets. The article went on to quote anonymous lobbyists who were frustrated with the Finance Committee production of offsets.

As a matter of fact, the tax staff at the Finance Committee happens to be the only committee personnel putting in work to generate offsets to raise revenues, and doing it in a fair way for corporations taking the advice of big tax firms, big investment bankers, big accounting firms, working together, to think of some miraculous tax loophole that is not legal to avoid taxation. That is cheating.

We are going after the cheaters and bringing in that revenue.

The record is clear. We found plenty of revenue raisers. I ask the full Senate, who was the last Democrat to propose any savings on this spending side? All we have to do is look at Senator SANTORUM's "spendometer," that thermometer he has of red ink that adds up every Democrat amendment being offered on budgets and otherwise. We know where the pressure to spend is.

How can we in good conscience propose those billions and billions of dollars of expenditures—mostly for domestic programs, not to win the war in Iraq—and then complain about budget deficits?

Not a single spending cut is being proposed by those on the other side. Maybe back in the mid-1990s, but we have to go back many years. All I see is spending increases.

So if those on the other side want to claim to be fiscal disciplinarians, let's see entries on the spending side of the ledger. To have credibility, you cannot just go to the American people and ask for more money. You know, if I could ever get a reasonable tax increase, and have people on the other side of the aisle tell me how high taxes had to go to satisfy their appetite to spend money, I might just scratch my head and say: Well, maybe we ought to do it if we could get a consensus that is as high as taxes are going to go, and we don't have to worry about them going any higher. But I have never seen that you could raise taxes high enough to satisfy some people in this body who want to spend money.

I am also concerned about the degree to which taxpayers finance reconstruction in Iraq on a blank-check basis. I first raised this concern almost a year ago. We ought to be very careful about the structure of future aid packages.

Now I will speak specifically about Senator BIDEN's amendment. He says he is seeking to offset the President's war-funding request with a tax increase. As I noted above, the text of the amendment simply raises taxes for more spending. There is no connection between taxes raised and Iraq funding.

Let's take a look at the tax increase. For 2001, the top rate was reduced to 38.6 percent. In the 2003 tax bill, we reduced the top rate to 35 percent. Senator BIDEN's amendment would raise that top rate back to 36 percent. The premise of the Biden amendment seems to be that taxpayers in the top bracket are solely Park Avenue millionaires. They clip coupons, bring in the money, get out their cigars, lean back in their chairs, and enjoy life. Well, the facts are somewhat different.

According to the Treasury Department, about 80 percent of the benefits of the top rate go to taxpayers with small business ownership. Now, we have had some debates about the definition of "small business." Some on the other side define "small business" as only those businesses with taxable income below, say, $320,000.

To those folks, a local chain of shoestores, if it makes over $320,000—no matter how many folks it employs—is the same, in their category, as the Nordstroms or the J.C. Penneys.

Those of us from the heartland know that the definition of "small business" does not cut off at, say, $320,000. It depends upon whether the business is locally owned. It depends on whether the business finances its growth from its own earnings.

Conversely, to folks from small-towns, like me, big businesses are generally the companies that finance themselves through big, massive bond borrowing or through the stock market.

The reason the distinction is important for public policy issues, such as the level of taxation, is that we value local or regionally based businesses. The folks who own those businesses are from that community. They go to the local church. They support the local Little League. Small business, as I see it, is a stabilizing yet very dynamic social force in these communities and makes America what it is today.

So when I talk about small business, I am not going to use any artificially low level of taxable income. I am going to use a commonsense definition of what small business is. There is too much at stake to demagog the definition.

When we are considering tax policy, and specifically the tax rate applicable to business, we have really two categories. The first category is the regular big corporation. Virtually all big businesses, that is, publicly traded companies, are taxed under the regular corporate rate schedule.

Small business income is generally taxed at the individual or personal level. In most cases, the owner of the small business puts the income of the small business on his or her personal tax return.

As a practical matter, then, the individual tax rate is the rate paid by that small business. The corporate tax rate, with some exceptions in the case of some older, smaller corporations, generally applies to big business. The relationship between the top individual rate and the top corporate rate has a bearing on our policy toward small business. If the top individual marginal rate is higher than the top corporate marginal rate, then we as a society are sending a very bad and negative signal about small business, and even to small businesses that exist.

Before 2001, the top marginal rate for small business was 39.6 percent. Guess what. If you were a big corporation, the top rate was 35 percent. We had a penalty against small business. When you look at the difference, it was a 15-percent penalty against small business—before we changed the tax law last year. So it was a 15-percent small business penalty. That was the law. That was our Federal tax policy bias against small business.

In 2001, a bipartisan majority of this Senate, including almost one-fourth of the Democrats voting with us, voted to gradually equalize the top marginal rate between small business and big business, recognizing that penalty as being unfair, being anti-entrepreneurial.

Starting last year, for the first time in many years, the top rate, 35 percent, is the same for Fortune 500s as it is for successful small businesses. Senator BIDEN's amendment would take the first step to restore and perhaps even enhance the 15-percent penalty on small business. With all the appetite for taxing and spending around here, rest assured, small business would be facing even higher taxes in the future because, as I said, you cannot raise taxes high enough on the other side of the aisle to satisfy the appetite to spend money.

I do not quarrel with the notion that taxpayers in the top bracket make incomes starting in the range that has been stated of $320,000. A lot of these successful small business owners make figures like that. But keep in mind, that figure represents the total net income of those small businesses. Successful small businesses are those that purchase the equipment and hire the new workers.

I would ask my friends on the other side, those friends who are so eager to raise taxes—and not all are—why they are all so reluctant to cut spending and eager to increase spending, to focus on the effects of their policy on small business, the effects of their policy on entrepreneurship in America, because small business creates 80 percent of the jobs in this country. Why, at this time, with a recovering job market—1.2 million jobs created this year—would we want to put a damper on the economic recovery by raising taxes on the very people, the very businesses, the very small businesses, that create 80 percent of the new jobs?

Last month, the Senate, by a vote of 92 to 5, approved a bill designed to cut the top marginal tax rate for small business manufacturers yet again to 32 percent. Senator BIDEN's amendment would go the other way and hammer our small business manufacturers.

Anyone voting for Senator BIDEN's amendment is, in effect, saying they support raising taxes on small business manufacturers. A vote for the Biden amendment is a vote to raise the top marginal tax rate on small business manufacturing from the 32 percent in the JOBS bill that we just passed to 36 percent. That is a tax increase on small business of 13 percent—13 percent. Is that the direction we want to go in a recovering economy, in a job-creating economy? Is there something wrong with the economy that is growing now, with 1.2 million jobs in the last 6 months? Why would you want to dampen that?

Finally, I do not want you to take my word for this. I am just a public official. I would like to have you listen to what small business folks are saying.

I would like to have you take a look at this chart. The chart is a copy of a letter from the three principal small business grassroots organizations. The first organization is the National Federation of Independent Business or NFIB. The second one is the Small Business Legislative Council, and the third organization is the Small Business Survival Committee.

The PRESIDING OFFICER (Mr. SMITH). The Senator has used 20 minutes.

Mr. GRASSLEY. I ask unanimous consent for 3 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. I am going to read the second paragraph of this letter.

> Accelerating income tax relief: Approximately 85 percent of small businesses file their tax returns as individuals. An increase in tax refunds means small firms will have more resources and more capital to put back into growing their businesses. A series of studies by four top tax economists examined the effect of tax rate cuts on sole proprietors. Their results indicate that a 5 percent point cut in rates would increase capital investment by about 10 percent. And, they found that dropping the top tax rate from 39.6 percent——

Where it was up until the year 2001——

> to 33.2 percent would increase hiring by 12.1 percent.

What these small business groups said was their tax policy priorities included a reduction in the top marginal rate. It is right there in their letter.

Now let's think about this. As the small business folks say in their letter, there is a link between tax relief, economic growth, and jobs. We have seen the evidence of that linkage over the last year or so. Check out the economic statistics. The tax relief kicked in, the economy started growing, and jobs started coming back—1.2 million jobs in the last 5 or 6 months.

Why would we want to reverse the course? Some would speculate that for the minority party, it is good politics for the economy to go into the tank. Raise taxes as the economy is coming back, and you stifle economic growth. If economic growth is stifled, then jobs disappear. If jobs disappear, then voters will throw out the President and his party.

I am not that cynical. I don't believe some of the opposition would want to put short-term political advantages over the economic well-being of their constituents. But it does make you wonder.

To sum up, a vote for the Biden amendment is, clearly and simply, a tax increase. How high do taxes have to go to satisfy the appetite on the other side of the aisle to spend money? I don't know. But this is a start. It is a tax increase during an economic recovery. It is a tax increase on the folks who create the jobs in America, our hard-working small business owners.

For those reasons, I obviously ask Members to reject the Biden amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I compliment my friend and colleague, Senator GRASSLEY, for his remarks. I join in those remarks. I compliment him for his leadership as chairman of the Finance Committee. Under his leadership of the Finance Committee, we have passed two very significant tax cuts: The tax cut in 2001, and we accelerated or completed that tax cut in 2003. As a result of those tax cuts, the economy is growing. As a result of the tax cuts, the maximum tax rate is 35 percent. Again, this has made a difference. The economy is growing.

Senator GRASSLEY mentioned there have been over 1 million jobs created in the last few months. He is correct. The stock market has rebounded substantially—the stock market is up 25 percent, if you are looking at the Dow Jones; 40 percent, if you are looking at the NASDAQ—from the time we took up that bill last year.

Some people want to undo that. They say: We want to pay for the war; we don't want to add more debt to our children and grandchildren. I appreciate that, but what about other spending? This is $25 billion. They say: We will increase the rate 1 percent on the upper income people to pay for that.

Let me just look at a couple of other facts. As recently as May 12, 3 or 4 weeks ago, we had an amendment on the floor of the Senate that was voted on that would have increased spending $86 billion. It wasn't paid for. We made a budget point of order against it. We defeated it, I think, by one vote. But no one was saying: We want to increase taxes to pay for that. I guess on this one, you would have to increase the maximum rate by 3 or 4 points to pay for it. On the same day there was a motion to increase spending by $9 billion. We defeated that with a budget point of order; again, I believe, by one vote. That was $9 billion.

On May 4, there was another spending increase. This was trade adjustment assistance, $5 billion. We defeated that by a vote or two.

Many of the people who are saying they want to pay for this $25 billion, they want to pay for the war, they didn't want to pay for this additional spending or they didn't offer that. So I find it interesting, for the ones who are acting as if, in many cases, they want to balance the budget, I have a total of about 68 votes where budget points of order were made, and in most cases, mostly Democrats—with the exception of my very good friend, ZELL MILLER from Georgia—voted to waive the budget every time. In other words, they voted for more spending.

The three amendments I just alluded to in May of last year were over $100 billion of new spending. So there are lots of attempts to increase spending over and above what we are doing anyway, mostly by our colleagues on the other side of the aisle. That is one of the points I wanted to make.

Let me echo a couple of other things my friend from Iowa said. Why would you want to have an individual rate higher than corporations? I used to be in manufacturing. I used to have my own business. Why should an individual be taxed more than Exxon? The corporate rate is 35 percent. There is an effort to make manufacturers at 32 percent. Yet we are going to tell self-employed people, S corp people, that they should pay 36 percent. That doesn't make a lot of sense.

There is one other comment. This happens to be about the Constitution. Are people trying to kill this bill? You put this on this bill and the House is going to, what we call, blue-slip it. It is going to stop the bill. Why? Because there is something called the Constitution. The Constitution says in article I of the Constitution, section 7:

> All Bills for raising Revenue shall originate in the House of Representatives; but the Senate may propose or concur with Amendments as on other Bills.

It says all revenue measures, all tax measures have to originate in the House of Representatives. This is the U.S. Senate. So if we do that, the tradition is, the House will say: Thank you very much, but we are not going to let you preempt our constitutional prerogative. So they blue-slip it. In other words, they kill the bill.

This is a Department of Defense authorization bill. I have great respect for Senator WARNER and Senator LEVIN, but they are not supposed to rewrite the tax bill. That is for the Finance Committee. That is under the jurisdiction and leadership of Senators GRASSLEY and BAUCUS. Tax amendments don't belong on this bill. Maybe it sounds good rhetorically: We will just ask the upper 1 percent.

I think that is bad policy: We want the upper 1 percent to pay for the war. Nobody else has to pay for it, just the upper 1 percent.

That doesn't make sense. We don't do that for education. We don't do that for other spending. I don't think it makes sense. I happen to think the income-tax code is already so progressive, the upper 5 percent pay over half; the upper 1 percent pay over 20 percent. Yet some people want to make it more and more progressive.

It wasn't too long ago we were celebrating Ronald Reagan's legacy and his great contributions to this country and the free world during his term of office. At the conclusion of his term of office, the maximum tax rate was 28 percent. I know under President Clinton it went all the way up to 39.6. That is a pretty significant increase. Now we have it at 35 percent. Yet some people say: Let's make it more progressive.

I guess you could take this same amendment and put it on every one of these spending amendments. And I haven't totaled it. It is about $1.4 trillion worth of additional spending that most of our colleagues on the Democratic side of the aisle have proposed, and we have stopped using budget points of order. For those who ask, Do we need budget points of order? Yes, we do.

They have been effective in curtailing the growth of spending. I said $1.4 billion, but it is actually $1.2 trillion, not since the budget was adopted last year. Real money, a lot of money. I think the figure is well over $140 billion just in 2004 or 2005 alone.

Constitutionally, those of us who have the pleasure of serving this great body, the Senate, stand before the President of the Senate and put our hand—most of us—on the Bible and swear allegiance to the Constitution of the United States. The Constitution of the United States says all revenue measures shall originate in the House. If you don't like that, try to amend the Constitution. That is in the Constitution. We have over 200 years of history and tradition of the Senate of following the Constitution. All revenue measures shall originate in the House. So to try to circumvent that and say we are going to stick a little tax bill into a Defense authorization bill is not the way the Senate is supposed to work. It hasn't worked that way.

I have only been here 24 years, which is not quite as long as my colleague from Delaware. But the Senate doesn't originate tax bills. It hasn't for hundreds of years, and it should not today. I ask my colleagues to, at the appropriate time, vote against the amendment by our friend and colleague from Delaware.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I say to my friend from Oklahoma, he doth protest too loudly. I am not taking it out of the tax bill. This is good stuff on the Constitution, but I think my friend voted for the JOBS bill and just violated the Constitution, by his definition, because we had a revenue measure in there. It didn't get blue-slipped, and he apparently violated his oath, by his definition. I don't think he violated his oath at all.

But the truth is this: In the JOBS bill, what did we do? We changed the Tax Code. So this is great rhetoric, and my friend from Iowa went through this whole thing about—

Mr. NICKLES. Will the Senator yield for a clarification?

Mr. BIDEN. Yes.

Mr. NICKLES. For my colleague's information, we have not yet passed the JOBS bill. What we are going to do is take a House bill, strike that House bill, and insert that bill into an H.R. So it will be a House revenue measure before it goes to conference. We have not gone to conference. The bill before us is a Senate bill. There is a difference.

Mr. BIDEN. The Senator did vote for the Senate bill, correct?

Mr. NICKLES. Yes.

Mr. BIDEN. He would be able to do the same thing with this bill if he used his ingenuity, would he not?

Mr. NICKLES. To clarify, this is a Senate bill, and it will stay that when it goes to conference.

Mr. BIDEN. But it doesn't have to any more than the last Senate bill had to stay a Senate bill. I have been here 32 years. I may not be in the No. 2 position in my party, as my friend was, but I don't need an education on how we do this. This is malarkey, as they say—this argument being made about the Constitution. Let me move on, if I may.

My friend references President Reagan, and I might note that I voted for the Roth-Kemp tax cut. Then I watched President Reagan and voted with him when he raised taxes three times after that because he was a responsible fellow. He raised taxes three times after that out of necessity. I also was here—and we talked about World War II. The President says this is the equivalent of World War II. My friends talk about World War II. We raised taxes through the ceiling in World War II. I don't know whether they didn't teach the same history in Oklahoma and Iowa as they did in Delaware, but we raised taxes in World War II.

Also, this notion about all these other programs—the Senator, because he is so busy and has extensive responsibilities on his side of the aisle, did not have an opportunity—he didn't miss much—to hear my speech on the front end.

There are two purposes in my doing this: One is to unite this Nation, for everybody to get in on the deal. Many other people are being asked to sacrifice. You know, this is a war. People are dying. Some people are sacrificing. People are having their incomes radically changed—those in the National Guard and Reserves. They are contributing at the office.

The other part is—I will say this again, and I said it last time—would any wealthy American—and I hope every one of my kids becomes a wealthy American. By most people's standards, based on my salary, most people think I am wealthy. I don't have stocks, bonds, debentures, and savings accounts. I am not bragging about that, but that is a fact. Most Americans think I am wealthy based on the salary I get paid. But I say to the top 1 percent out there, call me, give me your name, and tell me you are not willing to pay 1 percent higher for the next 5 years in order to make sure these kids sitting here don't pay.

War is different than education. Part of the purpose of a leader, when you go to war, is to unite the Nation, share the responsibility, engage in the sacrifice.

The other point I will make is that my friend from Iowa talks about the fact that this tax cut generated economic growth. I don't disagree with that. But the real question is, is taking one-tenth of 1 percent of the total tax cut going to stop economic growth? Is the Senator making that argument? Well, if he is right, this is a bad idea. One-tenth of 1 percent is the total cost of the total tax cut of this amendment—$25 billion, one-tenth of 1 percent. That is going to bring this economic growth to a screeching halt? Give me a break.

Let's talk about the small business people. I didn't make the assertion that all small business people are sitting back clipping coupons. I am not saying that. I just tell you what the facts are. The facts are, as the Senator knows, that small business owners have to be in the top 1 percent of wage earners to fall into this bracket. Only 2 percent of all the small business owners in America fall into this bracket. That does include some people with passive incomes participating in investment and small businesses. This is not the hands-on, mom-and-pop business owners by any stretch of the imagination. If you look at only sole proprietor returns, those with hands-on owners, they are less than 2 percent. So I can understand my friend disagreeing with me. That is a logical position he takes. He may believe that it is unfair to have them pay 1 percent more and not ask people making $100,000 to pay 1 percent more. I can understand that. That is just an honest disagreement.

I can understand my friend from Oklahoma in his argument on why are we taxing corporations more. That makes sense, too. We can do that. If he wants to go that route, I will help him.

There are other ways to do this. I tried to pick the most painless, unifying mechanism I could find to do a responsible thing: make sure these kids in the blue suits don't pay for this war. They are still going to pay for the war, by the way. We have already spent over $200 billion on this war. I am not complaining about that. I am arguing that we need more troops.

My Lord, all these specious arguments: My God, the mom-and-pop grocery store owners are going to be put in jeopardy by this amendment; this is going to slow down economic growth; this is unfair.

Then the irony is that my friend from Iowa, who always says he is not a lawyer—as I pointed out to him, he is smarter than any lawyer on that committee. Be careful of this good old boy from Iowa, who says: Golly, gee whiz, I am not a lawyer. He knows more hard case law than anybody I know on the Senate floor. Yet he stands up there straight faced and says: You know what, this $25 billion tax increase—and it is—paid for by the top 1 percent is bad for the economy, but I, Chuck Grassley, am out there making sure corporations pay more. I am finding loopholes and closing them.

I congratulate him. Guess what it means. It means you are going to have more people pay more taxes. Is that going to slow down the economy? When my friend takes out of the tax stream or adds to the tax stream by shutting loopholes that do not belong in the law, guess what. More money is coming to the Government. More money than $25 billion I am talking about.

He is a very bright guy. So let's be logical. Let's set up a little syllogism here. If his thesis is my $25 billion is going to slow down the economy, $25 billion now is in the hands of people out there, or will be over the next 5 years out in the hands to be spent by Americans, what about the $25 billion, $35 billion, $100 billion he is looking to take out of the economy over the next 5 years that will be spent by corporations, being spent by, maybe unfairly, but being spent—that is not going to slow down the economy, but my $25 billion is?

Again, to use the expression of my granddaughter, give me a break. I may not be the brightest candle on the table, but I am a relatively logical guy. There is no logic in the argument.

So, look, there are three good reasons to be against Biden: One, you ideologically think this is a bad idea because somehow you think—and I am being a little facetious—that the top 1 percent of the American public pays too much of a burden and is put upon, and to add anything else on them is just unfair to the rest of the American public. OK. Got it. It is a straightforward argument, logical.

The second logical argument is, if there is any merit to it: You ought to spread this out, Biden. If, in fact, you are going to add to the deficit by paying for Medicare or the prescription drug bill—which I voted against and which a lot of you voted for; it cost a lot more than you promised it was going to cost, raising the deficit, spending that I did not vote for—it is better to say unless you are going to pay for this spending, you should not pay for it with revenues. OK. I got it. It is a straightforward argument.

Or lastly, one might argue: Psychologically this is dangerous because after cutting taxes, to now raise them for 5 years by 1 percent for 1 percent of the population, it is going to inject some uncertainty. I don't know what that means. That could be an argument one could make.

With all due respect, you cannot make the argument mom and pop are going under; mom and pop are slowing down; that the loss of revenue is going to stifle economic growth; that this portion of the population is put upon; that this is no different than education or health care or highways, because it is. It is war.

By the way, when I introduced this proposal on a larger measure—$87 billion—a while ago, according to the national polls, 56 percent of the Americans polled on the last version of this amendment said pay for the war from the tax cut.

This is all about values. This is about value differences. And the value that I am espousing—and I am not being so moralistic to suggest that I know it is superior to the value my friends are proposing, but it is a different value. I value the necessity of a greater sense of national unity and a greater contribution from all sectors of the economy in winning this war. I value the notion that when we are clearly able, without doing any harm to the economy or being unfair to any one segment, that we should pay, when we can, rather than make our children and grandchildren pay.

The difference between war and education is on education we made a judgment that we should have an educational system, and we do not control the population. So as children are born, the responsibility to keep a commitment we made exists. It is not elective. War, in this case, was elective. I elected to go to war. That is not a societal responsibility that rests with a generation that has not even come of age yet; it is a responsibility of ours, just as World War II was the responsibility of the greatest generation in the history of mankind, the World War II generation. They did not say: Make my son, Joe, make my daughter, Valerie, make my son, Jim or Frank, pay for this war. They valued responsibility. They stepped up to the ball. As to the idea that this even calls for any serious sacrifice, if that is the case, my Lord, we have lost our bearings.

I have seen not one scintilla of evidence that this will slow economic recovery; that this is a burden upon a group of people who strongly resist taking on the burden; that this is, per se, unfair. This is something I believe—and I cannot prove it because I have not conducted any national poll—that if the people who will be affected by this, again, whose average income is $1 million a year, who have to have a taxable income of $320,000 a year even to get in the game, and if they are small business, 98 percent of them will be not affected one single little way by this, my guess is, if they know it is really going to pay for the $25 billion needed next year for the war, they would pay it, proudly pay it, and rightfully should pay.

My dad, who passed away long ago, used to have an expression. My dad was, I guess, probably like the mom or dad of Senator GRASSLEY and Senator NICKLES and others, a generation that had a different view. My dad's table was a place where you had dinner, you sat down, and two things were demanded. One, you had to have good table manners, and the other was you had to engage in conversation. Our table was a table where you sat down and had conversation and incidentally ate, rather than sat down, ate, and had incidental conversation. It was the one place the family got together with certainty every night, and friends were always included.

I will never forget my father in a discussion with my uncle, Bill Scheen, talking about a particular tax. My dad looked at him and said: Bill, there is no price too high to pay to live in this great country.

I am not asking for a big price. I am just asking for people to do what in their heart they know is right.

I understand my friends, what they have not said—and I may be wrong, but I suspect part of their concern about this amendment, because at least four Members on that side have come up to me and said: I would like to vote for this, Joe, but here is my fear—I give my word this is true—this is my fear: My fear is this would be a foot in the door. If you make this argument and it has catches, I am paying for the war, then your guys are going to come back and say: Look, we ought to raise taxes on the wealthiest corporations to pay for health care, or to pay for whatever. I think that is a legitimate concern on the part of my Republican friends. I understand that. Maybe that is the reason why, not the people who have spoken but some of the people who have spoken to me, who share my concern about not passing this on to these kids are not going to vote with me. I think it is a shame. I just cannot think of how we are able to communicate to the American people that we are in mortal combat for what will be an extended period of time with an enemy that does not wear a uniform but has the capacity to do overwhelming harm to us but that there is no need to rally the entire Nation to contribute a little bit at the office in order to win that war.

Again, the example I gave of what if the President had said go out and pay the tuition of two or four people in your neighborhood, for those of you who can afford it, that is not going to help the war. If anyone thinks that is what I meant, they missed the whole point.

The point is, we should use this time of crisis to unite the country, to talk about the things where we can help one another, where it is not paid for, where it is not unfair. That is the point I am trying to make, and I guess I am not being articulate enough because I do not think a lot of my friends get it.

It is probably my fault because maybe I am not explaining it well enough, but just to make sure everybody understands, how does one convince people that this is as tough a deal as it is if, in fact, we have this incredibly large tax cut? How does that square? It is like my saying to my kids, when they ask me can they go to a summer camp, and my saying I cannot afford to do that, and I drive up the driveway the next day in a brand new Lexus; it is tough times, kids, I cannot afford to send you to that college, you are going to go to the State university, and we buy a summer house. I mean, how does one do that?

By the way, this war is going to cost us a couple hundred billion dollars more before this is over.

Well, I have said all I want to say. I wish I could have said it better but I think this is fair. I think it is equitable. I think it is necessary, and I hope my colleagues will see it that way. I understand if they do not.

I reserve the remainder of my time, and I yield the floor.

Mrs. FEINSTEIN. Mr. President, I join Senator BIDEN in support of this amendment to pay for the President's request for an additional $25 billion to fund the war in Iraq.

This amendment will temporarily roll back the acceleration of the President's May 2003 tax cuts for those making more than $319,000 per year by raising the income tax rate from 35 percent to 36 percent for 5 years, 2005–2009.

Assuming passage of this supplemental funding request, the Iraq war will have cost the American people more than $175 billion. And without this amendment, every penny of this $25 billion supplemental request will be borrowed, becoming another debt we will leave to our children and grandchildren.

This amendment, however, offers a very reasonable way to pay for this stage of the war on terror.

By rolling back the acceleration of the May 2003 tax cut just enough to fund the $25 billion request before us, we will reduce the already serious debt burden on our Nation.

We are offering this amendment because it is essential that we begin paying for the programs that we propose.

It is important for the public to know that they—along with our soldiers—must also sacrifice during this war on terror.

Except to tell us that we should visit our shopping malls more frequently, the President has shown little leadership in asking citizens to give to this war effort.

This amendment sends a different message—one that says that it is important that those who have the capacity to pay for this war effort must step forward.

It is time for sacrifice. Deficits, interest costs and the debt are growing again.

Net interest payments on Federal debt are set to increase sharply from approximately $170 billion in 2003 to more than $300 billion by 2012.

And we are facing these daunting fiscal realities as we try to meet a host of new challenges: the war on terror, the war in Iraq, the threat of North Korea, and, of course, securing our homeland.

The Congressional Budget Office predicts that the Federal deficit for fiscal year 2004 will top $470 billion—the largest deficit in our history.

A portion of every dollar we spend from this day until the end of September 2004, will be borrowed money—money our children and grandchildren will have to repay.

After this year's deficit, it is estimated that we will accumulate almost $1.5 trillion in debt during the next 5 years and a total of $2 trillion during the next decade

To help us understand the fiscal track we are on, one must understand that this year's deficit is larger than the amount the President requested for defense in his Fiscal Year 2005 budget request, 447 billion, and larger than the combined non-defense discretionary budget for this year, 459 billion.

Further, the budget projections we are now using do not include the cost of military operations in Iraq and Afghanistan. So add another $25 billion to $80 billion to the deficit.

Nor do they include long-term costs associated with correcting a growing problem with the Alternative Minimum Tax, AMT. This will cost $660 billion over the next 10 years.

The current budget picture also hides the full impact of extending the President's tax cuts to just the next 5 years. Beyond this 5-year window, the costs escalate dramatically. The total 10-year cost of those cost: $1.6 trillion.

And the budget uses $1.1 trillion of revenue from the Social Security and Medicare trust funds over the next 5 years.

Overall, our Federal debt is expected to rise from $6.8 trillion today to $15.1 trillion in 2014.

Why do Deficits Matter? They matter, as the Brookings Institution points out, because they slow economic growth. By 2014, the average family's income will be an estimated $1,800 lower because of the slower income growth that results when government competes with the private sector for a limited pool of savings or borrows more from abroad.

They increase household borrowing costs by driving up interest rates: A family with a $250,000, 30-year-mortgage, for example, will pay an additional $2,500 in interest for a one-percent hike in interest rates.

They increase indebtedness to foreign creditors. Japan holds $526 billion of our debt. China holds $144 billion. The United Kingdom holds $112 billion. Caribbean Banking Centers hold $62 billion.

They require that a growing proportion of revenues be devoted to paying interest on the national debt: By 2014, this increased borrowing will cost the average household $3,000 in added interest on debt alone.

They impose enormous burdens on future generations. Today's young people will have to pay more because our generation has increased the debt so tremendously. And there will be added pressure to cut spending on health care, education, and other critical services.

Additionally, deficits will prevent us from addressing looming crises in both Social Security and Medicare when the baby boomers retire.

In 2003, we spent $1.2 trillion on these programs and other entitlements—54 percent of the Federal budget. This includes Social Security, Medicare, Medicaid, food stamps, unemployment compensation.

By 2009, we will be spending $1.6 trillion for these entitlements—57 percent of the Federal budget.

By 2014, we will be spending $2.1 trillion—59 percent of the budget.

These programs are in serious danger if we continue down this path of deficit spending.

In January of last year during his State of the Union Address, the President said the following:

> This country has many challenges. We will not deny, we will not ignore, we will not pass along our problems to other Congresses, to other Presidents, and to other generations. We will confront them with focus and clarity and courage.

Well, this is one challenge we are passing on to other Congresses and to other generations.

Today we have a chance to meet this challenge and demonstrate fiscal responsibility by temporarily rolling back a small portion of the accelerated tax cut for the wealthiest Americans.

Everyone who is affected by this amendment makes more than $319,000 a year in taxable income, which typically means that they are making more than $430,000 a year in gross income.

This amendment does not revoke the 2001 or 2003 reductions in the top income tax rate, nor would it affect any other element of the 2001 or 2003 tax packages. It would merely temporarily raise the marginal income tax rate on the richest in our society.

By scaling back a small portion of the accelerated cut in the May 2003 tax package, we will be taking a first step toward putting our fiscal house in order and asking citizens to sacrifice for the war on terror.

Passing this amendment is the responsible thing to do. I urge your support.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I assure my colleague from the State of Delaware, for whom I have a tremendous amount of respect, that his inability to persuade us has nothing to do with his lack of passion or eloquence. He has an abundance of both, and a lot of good faith and friendliness thrown in to boot. The problem is, he is wrong. That is the only problem.

I would like to try to explain why I think that is so, with all good faith, to my friend. He started out by saying that the purpose of his amendment is to unite the Nation and then proceeded to offer an amendment which chose a very small minority of taxpayers on whom to raise taxes, and that is supposed to unite the Nation.

With all due respect to my friend, I do not think that unites the Nation. That hearkens back to the old class warfare concept that there are some people who are so rich that we have to soak them a little bit more in order to be fair.

In fact, that is implicit in the argument. We have a lot of people overseas sacrificing. These rich people must not be sacrificing enough so let us extract more money from them in the form of income taxes. That is the implicit argument. That is not a uniting argument.

The interesting thing is that when it comes to the Tax Code of the United States, Americans are very egalitarian. Middle-income taxpayers support repeal of the death tax, for example, even though they know it would never help them. They support the retention of the tax cuts on the highest tax brackets, on the middle tax brackets. We all support it for the lower tax brackets. In fact, a lot of people would like to be in the next higher bracket. That may be one reason they do not want to soak the rich, because they would like to be in that next bracket maybe in a few years.

The reality is, most people are perfectly happy, even where they are, supporting fair taxes. Polls have been taken, and the question asked is, What do you think is the fair percentage of taxes to extract from Americans? The answer, uniformly, year after year, is about one-third, and that applies to all tax brackets. So most Americans believe that the fair tax would be about a third of what one makes, regardless of how rich they are.

What are the real facts about the sacrifice that Americans make financially, the sacrifice, that is to say in the amount of taxes that they pay to fund things such as the war effort? Let me give the exact statistics, because I think this makes the point that there is already a lot of sacrifice—and, by the way, it is a willing sacrifice.

When it comes to war, I think we are all willing to do more because we are asking some young men and women to sacrifice an awful lot, but let's get the exact facts.

How much do the top 1 percent—and that is the people we are talking about—pay in taxes in this country? The top 1 percent obviously pay more than 1 percent, maybe 5 percent or 10 percent, maybe 20 percent, 30 percent? Do my colleagues know how much the top 1 percent pay? They pay almost a third of the taxes of this country. So the folks we are talking about, the 1 percent pay, to be exact, 32.3 percent of the taxes. Almost exactly a third of the taxes are paid by the top 1 percent.

That is more than fair. That is a pretty progressive tax system.

How about the top 5 percent? They pay over half of all taxes. Just the top 5 percent pay 52.8 percent of the taxes.

How about the top 10 percent? We always like to talk about the top 10 percent of the class, and that is a pretty elite group. The top 10 percent pay almost two-thirds of all of the taxes—64.8 percent, to be exact. What do the bottom half percent of our taxpayers pay? There is the top half and the bottom half. How much do my colleagues think the bottom half pay? Less than 4 percent of the taxes are paid by the bottom half—36 percent, to be exact.

One could say the wealthier people in this country are paying their fair share. One could say they are making a sacrifice. I would not put it that way because, frankly, I think most of them can afford to do it. I do not think it is something they resent doing. So I think it is a sacrifice they are very willing to take on, but I do not think we should contend that we are uniting America by picking a very small minority of taxpayers, who are already paying a third of all of the taxes in the country, and saying now they are going to have to pay some more or else they are not sacrificing enough.

The interesting thing is that the tax cuts President Bush proposed and we passed into law actually increased the percentage of taxes paid by those in the higher brackets. It did not decrease it. So it added to the sacrifice, if one wants to put it that way.

In every one of these brackets, if we want to take the top 1 percent, the top 5 percent, the top 10 percent, the percentage of taxes paid by that group of people is higher today than it was before the tax cuts. And the percentage paid by the lower 50 percent is actually less. It used to be 4.1 percent. Now it is down to 3.6 percent.

So it is a specious argument to suggest that somehow these people are not paying their fair share, that the only way to be fair is to make them sacrifice some more. I don't think we should look at the war effort this way, let alone fund our Government this way. I don't think it is the way to unite the country. If anything, it further tends to divide the country.

I would like to move to the second point. I think most people now recognize that the tax reductions had a great deal to do with the stimulation of the economy. Why was that so? Primarily because there was more capital available. People were able to keep more of their own money, and they did one of three things with it: They either spent it, which helped some businesses because they now had more revenue; or they invested it, then there was more capital to be invested in businesses to create more jobs, for example; or they saved it, and savings amounts to investment because whatever institution you put it in then invests the money.

So in all three situations there was more money infused into the economy; more capital, which created more jobs; and those jobs, the jobs that have been created and the capital infused in the economy, have created an extraordinarily strong economy.

One of the results of that has been to begin to reduce the budget deficit by providing more income to the Federal Government because more money is being paid by people and by businesses. That wealth is what is going to be able to help us win the war as well as fund the other things we have to fund.

The argument of my colleague from Delaware is: But this is a very small amount of money. One-tenth of 1 percent, I believe, is the number. That may be. One-tenth of 1 percent of what we are talking about is a heck of a lot of money—$25 billion to be exact, as I understand it. So we are not talking peanuts. That is $25 billion that would not be helping to create new jobs, to stimulate the economy, to create additional wealth, which could be used to pay for the war as well as the other things on which we need to spend it.

It is an especially important part of the economy. Phil Gramm, our former colleague from Texas, used to talk about one of his constituents who said he had a lot of jobs in his life. He worked for a lot of employers, and he said, the funny thing was they all had more money than he did.

There are employers and there are employees. Thank God for both. But you have to have enough capital, enough wealth, to create jobs to pay people to do work for you in order for the rest of us to have a job. It is those people in these tax brackets who have that capital that they are able to invest in a business, so-called disposable income, money that they can invest in a stock or some other equity to help create a job in this country. That money has more effect in the economic recovery than a lot of the other money that is paid in taxes. Therefore, this is not an insignificant proposition that we are talking about, only talking about one-tenth of 1 percent, and therefore what difference and does it matter? It could make a great deal of difference in the economic health of our country.

It is wrong to raise taxes at this point when we know the reduction in taxes, especially the marginal rates, have produced such a strong effect on the economy.

We could get into an argument about small businesses. There is an entire report that I could get into that talks about the effect on small businesses. We know many of the people in this tax bracket are small business owners. These are where most of the jobs are created, 7 out of 10 jobs, if you want to get into the statistics, are created by small businesses. There are 8 million small businesses in America that employ over half the workers, and this tax rate is the rate many pay because they are a passthrough entity, like the subchapter S corporations and partnerships and so on. We don't need to get into all that.

The point is, this hurts small businesses just as much as it hurts big businesses. In any event, it hurts those who create jobs, and it doesn't unite America. It doesn't unite us as a nation, as my colleague would suggest. It tends to divide us and hurt us. That is one of the reasons we oppose it.

There are very few people on the other side of the aisle for whom I have greater respect than the Senator from Delaware. I understand the motivation behind his proposal. I simply think it is the wrong approach. It is in that spirit that I oppose his amendment and urge my colleagues to keep the tax cuts that we put in place. They have done a lot of good. Let's keep them. We do not need to hurt somebody in order to unite the country. We have enough revenue to pay for the increased needs of our country. Of course, the amendment doesn't even apply that money to the war in Iraq. There is an assumption that it would be used for that purpose, and I will grant that assumption. But the bottom line is we don't have to do this in order to win the war in Iraq, in order to supply our troops, and it would have very negative effects on the economy of the country, as well as being very unfair.

So I urge my colleagues to vote against the amendment of the Senator from Delaware.

The PRESIDING OFFICER. Who yields time? The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield myself such time as I might consume.

When the author of this amendment finished, he spoke about my being inconsistent: that I want to close tax loopholes. He says that takes money out of the economy, so it is inconsistent when I say that it is wrong for him to take money out of the economy.

I think the thing for him to remember about closing these tax loopholes, we are taking in money from dishonest taxpayers, whereas he is taking money away from honest taxpayers by raising the marginal tax rate. He would say I am inconsistent in complaining about his taking money out of the economy and running it through Government, whereas I am taking money out of the economy by closing the tax loopholes of dishonest taxpayers.

When I close those loopholes, have dishonest taxpayers pay taxes they ought to be paying anyway—except for the fact that they buy tax shelters put together by big corporate lawyers, big accounting firms, and big investment bankers—I am getting money from dishonest taxpayers. But in the bill that I referred to, the JOBS bill, we reduce taxes in America so that companies that do manufacture in the United States will pay less corporate tax as an incentive to create jobs in America.

We are taking money from dishonest taxpayers, but we are putting it right back into the economy in the private sector by reduced taxes for people who do manufacturing in America to create jobs. So I think I am totally consistent. I think having dishonest taxpayers pay what they would otherwise pay if they hadn't been buying these tax shelters is the right policy.

I think the Biden amendment reducing marginal tax rates and hurting small business is the wrong policy. It is the right policy to have dishonest taxpayers who use tax shelters pay their taxes, and I think it is all right to give tax relief to companies that manufacture in America—not those that manufacture overseas but create jobs in America. That bill passed 92 to 5, and I presume with the support of the Senator from Delaware.

I believe we are doing the right thing. I believe he is doing the wrong thing. I believe we encourage job creation and entrepreneurship, particularly among small business. I believe his amendment will actually discourage it.

I believe his amendment is the first step towards what Senator KERRY is campaigning for in his campaign for the Presidency—that, if he is elected, he made it very clear he is going to raise the top marginal tax rate not just to 36 percent as the Senator from Delaware would, but raise it to 39.6 percent.

Do you think that is the end? There is not enough money there to do all the things Senator KERRY is campaigning on. Pretty soon it is not just 39.6. Pretty soon it is taking away deductions so that the top marginal tax rate might say 39.6, but it is effectively 42, or, in the case of subchapter S, 45 as it used to be. Pretty soon there is not enough money there. Pretty soon you are taxing middle-income people to a greater extent. Who knows where that all ends?

I think sometime there has to be a decision made that the Government will only take so much out of the economy; that 535 Members of Congress will only spend so much money. That amount of money is not satisfactory to people on the other side of the aisle, but I decided that where it has been for 50 years—17 to 19 percent of GNP—is where it ought to be, and the tax reductions we passed in 2001 and in 2003 to stimulate the economy, to get us out of the recession, out of the joblessness that came as a result of the September 11 attack on America by terrorism, and to revive the economy, is about right. These tax bills were at their highest level since World War II. We ought to bring it back to where it was for 50 years—17 to 19 percent—for two reasons.

No. 1: The economy has grown at that level of taxation very well over that 50 years. It hasn't done any harm to the economy.

No. 2: It is a level of taxation that is accepted by the people of this country.

There is a basic philosophical difference between that side of the aisle and this side of the aisle. They believe we should bring the money into Washington and let 535 Members of Congress decide how to divide up the goods and services of this country. There is a philosophy we have on this side of the aisle that it is better to leave the money in the pockets of the taxpayers because having 130 million people decide how the goods and services of this country ought to be expended or invested results in a more dynamic economy than if 535 Members elected to the Congress of the United States make that decision for 270 million Americans.

When we enacted the individual tax cuts in 2001, the Treasury Department estimated that roughly three out of four taxpayers affected by the 35 percent bracket filed returns with small business activity involving a sole proprietorship, S-corporation, partnership, or a farm.

Advocates of tax increases now claim that only 2 percent of small businesses are impacted by the top rates.

I would like to address their criticism that a very small percentage of all small businesses are affected by the top brackets.

This statistic merely states the obvious. Only about 2 percent of all taxpayers have incomes above $200,000 per year, so it is not surprising that the distribution of small business owners follows roughly the same pattern.

Let's consider the impact of this tax increase on small business.

A soon-to-be-released study by the Tax Foundation concludes that most high-income taxpayers are active business owners rather than "passive" investors.

The Tax Foundation study combines IRS data with demographic Census data, and finds that high-income taxpayers are mostly in "active" business occupations—such as construction, manufacturing, and retail trade—rather than in passive occupations such as banking, finance, and securities.

What is significant about the Tax Foundation report is that, overall, about 74 percent of those hit by the highest marginal rate have active business activity.

This business activity comes in three basic forms: Schedule C, for sole proprietorships; Schedule E, for S-corporations, royalties, and partnerships; and Schedule F, farm income. The most common of these are Schedule E.

Of those taxpayers hit by the 35 percent rate, nearly two-thirds—62.7 percent—have Schedule E income from an S-corporation, royalty, or partnership.

It is likely that most of these taxpayers are shareholders in S-corporations.

The Tax Foundation data shows that these high-income taxpayers receive about 37 percent of their overall income from salaries and wages which, when combined with their Schedule C, E, and F income, would bring their total amount of business income to 65 percent of their total adjusted gross income.

This figure does not include other ways in which a business owner may take profits out of the firm.

For example, an entrepreneur who capitalized his business with a loan, may receive regular interest in return.

Taxable interest and dividends account for roughly 9 percent of the overall income for high-income taxpayers.

While most of this interest and dividend income is likely from traditional investments, a portion could be "business income" taken as interest or dividends from their small business.

The Tax Foundation was able to isolate the occupations and industries that these high-income individuals are engaged in. They did this by combining IRS data with demographic Census data.

They found that high-income taxpayers are engaged in a wide variety of active business industries and occupations throughout the economy.

The largest single category of 31.5 percent is "executive, administration & managerial"—the most likely category that the president or CEO of a firm would choose.

By contrast, physicians, lawyers, and judges comprise just 11.4 percent of these individuals.

Another analysis shows that high-income taxpayers are engaged across all industries.

The one category in which passive investors would most likely be found is within the "securities, brokerage, and investment companies." But only about 4 percent of high-income taxpayers are found in this industry.

By contrast, 4.9 percent of these taxpayers are found in the construction industry, 8.1 percent are in manufacture durable goods, 5 percent are in retail trades, and 6 percent are in business services such as computers and data processing.

High-income taxpayers engaged in legal services comprise just 3.2 percent of these high-income taxpayers.

The data clearly shows that a very large proportion of high-income taxpayers are engaged in some form of active business operation—not clipping coupons and resting back in their rocking chairs smoking their cigars, the image of a lot of rich people.

The only conclusion from these findings is that raising taxes on these high-income taxpayers would ripple through every industry, not just passive investors.

And as the U.S. Chamber of Commerce says in their letter, it will kill job growth in small businesses.

The 1997 economic census—the most recent available—shows that S-corps, proprietorships, and partnerships employed over 30 million people that year.

It seems unlikely that 30 million jobs cold be created by "shell" companies owned by passive investors.

The stakes of this debate are high because there has been an explosion of individual-owned businesses over the past two decades.

Between 1980 and 2000, for example, the total number of sole proprietorships, partnerships, and S-corporations more than doubled, from 10.8 million in 1980 to 22.8 million in 2000.

S-corps alone grew 424 percent, from 545,389 in 1980, to 2.86 million in 2000, and now far exceed the number of conventional C-corporations.

This year, the IRS estimates that nearly 58 percent of all corporate tax returns will be S corporation returns. If you are prepared to vote for a tax increase on small business job growth, then Members should vote for the amendment before the Senate by the Senator from Delaware. If Members care about sustaining the job growth that we have experienced over the past several months, I urge Members not to vote against that growth by increasing taxes on the important small business sector.

There is also another problem with the bill. Senator BIDEN would have Members believe the world is filled with wealthy, passive investors. The truth is, however, that people continually move in and out of high tax rate categories, most likely because they have sold a business or a major asset.

The IRS recently released a study of 400 of the highest individual income tax returns for the years 1990 through 2000. That study shows less than 25 percent of those returns appeared in the top 400 more than once and less than 13 percent appeared more than twice, which shows high-income people are not high income through their livee.

I could add that low-income people are not always low income throughout their lives because we have a dynamic society, a dynamic economy. Some people improve their lot and some people do not improve their lot. Some people end up in a lower level.

What does this mean? The top taxpayers are not a fixed group of people. People move in and out of this group according to economic fluctuations or maybe because of major events. So we are probably looking at a large number of business owners who are selling their businesses or selling their farm. If members think they are voting for a tax increase on a class of idle rich, think again. These are not coupon-clipping people who get their money, smoke their cigars, and lean back in their rocking chairs. These are people that create jobs, probably never retire, keeping that small business going by reinvesting their earnings.

If Members vote for this amendment, I am not sure they will know whose taxes they are increasing.

How much time remains on this side?

The PRESIDING OFFICER. The time in opposition is expired.

Mr. GRASSLEY. I yield the floor.

The PRESIDING OFFICER. There are 6 minutes 18 seconds remaining.

Mr. REID. This is for Senator BIDEN's amendment.

Mr. BIDEN. If my colleagues are finished responding, I am prepared to yield back the remainder of my time and at whatever time appropriate, vote on the amendment.

Mr. GRASSLEY. My time has expired.

Mr. BIDEN. I yield back the time.

AMENDMENT NO. 3352, AS AMENDED

Mr. REID. Under the order, there will now be 10 minutes for Senator REED. We are going to yield back that time.

The PRESIDING OFFICER. Time is yielded back.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. The regular order is the vote on the Reed amendment?

The PRESIDING OFFICER. As amended.

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the amendment.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCONNELL. I announce that the Senator from Utah (Mr. BENNETT) and the Senator from Oklahoma (Mr. INHOFE) are necessarily absent.

Mr. REED. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 93, nays 4, as follows:

[Rollcall Vote No. 129 Leg.]

YEAS—93

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Cornyn
Corzine
Crapo
Daschle
Dayton
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchison
Inouye
Jeffords
Johnson
Kennedy
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Pryor
Reed
Reid
Roberts
Rockefeller
Sarbanes
Schumer
Sessions
Shelby
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Voinovich
Warner
Wyden

NAYS—4

Craig
Santorum
Smith
Thomas

NOT VOTING—3

Bennett
Inhofe
Kerry

The amendment (No. 3352), as modified, was agreed to.

Mr. FRIST. Mr. President, I move to reconsider the vote.

Mr. ENSIGN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. Mr. President, we have made good progress on the bill. I congratulate the managers for their tremendous progress. We have been in discussions with the Democratic leadership and the chairman and the ranking member as to how we can complete action on the bill. I think we are underway, although we have a number of amendments pending, a lot of amendments planned for tomorrow and Monday. After discussion with the Democratic leadership, we are prepared to vitiate cloture in large part because of the progress we made yesterday and today, and we will continue to make tomorrow and Monday.

Members have talked to the managers of the bill about amendments tomorrow as well as Monday. They have a good outline. We would, therefore, not vote tomorrow. We have one more vote tonight. So we would not vote tomorrow.

Monday has to be a very productive day and, in all likelihood, we would have a series of votes beginning late Monday afternoon, sometime after 5 o'clock. We can talk about the specific time. But there are likely to be four or five or even six rollcall votes on Monday, starting after 5 o'clock, probably 5:30 or so. The exact time will be announced tomorrow.

We will have a busy day Tuesday as well, as we consider the remaining amendments. It is my personal hope—as long as we continue working together very aggressively—to complete the bill on Tuesday, understanding we have a lot of work to do. Thus, the proposal would be to have one more rollcall vote, which will be shortly, no more rollcall votes tonight, no votes tomorrow, and starting at about 5 or 5:30 on Monday, a series of rollcall votes.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3379, offered by the Senator from Delaware, Mr. BIDEN.

Mr. REID. Have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Utah (Mr. BENNETT) and the Senator from Oklahoma (Mr. INHOFE) are necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 44, nays 53, as follows:

[Rollcall Vote No. 130 Leg.]

YEAS—44

Akaka
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carper
Chafee
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham (FL)
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (FL)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Wyden

NAYS—53

Alexander
Allard
Allen
Baucus
Bayh
Bond
Brownback
Bunning
Burns
Campbell
Chambliss
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Ensign
Enzi
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hutchison
Kyl
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (NE)
Nickles
Pryor
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Sununu
Talent
Thomas
Voinovich
Warner

NOT VOTING—3

Bennett
Inhofe
Kerry

The amendment (No. 3379) was rejected.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. The managers, together with our distinguished colleague from Nevada, would like to do the following to accommodate Senators on both sides: The Senator from Missouri would introduce an amendment, lay it down, and speak maybe 1 minute to it. We then would turn to the other side. The Senator from New York wishes to address the Senate for several minutes and then we will come back over to Senator TALENT, who wishes to speak with Senator CLINTON. They will each have a couple of minutes. Then Senator BROWNBACK will lay an amendment down and Senator DORGAN may or may not speak to it, but there will be no more votes, of course, tonight.

Mr. LEVIN. Then we will clear those amendments after all of that?

Mr. WARNER. No, we might stop midway and clear the amendments. As soon as the package is ready, the Senator from Michigan and I may clear an en bloc package of amendments.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I have a question for the manager of the bill. I will have a second-degree amendment to the Brownback amendment which I will also lay down after his.

Mr. WARNER. That is fine. I am not seeking unanimous consent. I am just trying, in a gentlemanly way, to organize this.

I see the distinguished Senator from Nevada wishes to speak?

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, can we just do this one step at a time, before we agree to any amendment? If there is going to be a second-degree amendment as part of a unanimous consent, I think we better withhold that piece. We didn't realize there was going to be a second-degree amendment. Is it to the Brownback amendment? If this is in the form of a unanimous consent request, we can't at this moment agree to it.

Mr. WARNER. It is not in the form of a unanimous consent.

Mr. REID. Mr. President, if I could address remarks to the Chair? We have a number of Senators who have been waiting. The two managers have cleared 18 amendments, or something like that. It would take just a matter of a minute or two to do that, but they are not yet ready.

Mr. WARNER. I thank the leader. The package is being put together. At this point in time I yield the floor and I see the Senator from Missouri seeks recognition.

The PRESIDING OFFICER. The Senator from Missouri.

AMENDMENT NO. 3384

Mr. BOND. Mr. President, I thank my good friend, the chairman, and certainly I thank the ranking member, for their accommodation. I call up amendment No. 3384 which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri (Mr. BOND), for himself, Mr. TALENT, and Mr. HARKIN, proposes an amendment numbered 3384.

Mr. BOND. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To include certain former nuclear weapons program workers in the Special Exposure Cohort under the Energy Employees Occupational Illness Compensation Program and to provide for the disposal of certain excess Department of Defense stocks for funds for that purpose)

At the end of subtitle D of title XXXI, insert the following:

SEC. 3146. INCLUSION OF CERTAIN FORMER NUCLEAR WEAPONS PROGRAM WORKERS IN SPECIAL EXPOSURE COHORT UNDER THE ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM.

(a) FINDINGS.—Congress makes the following findings:

(1) Energy workers at the former Mallinkrodt facilities (including the St. Louis downtown facility and the Weldon Springs facility) were exposed to levels of radionuclides and radioactive materials that were much greater than the current maximum allowable Federal standards.

(2) The Mallinkrodt workers at the St. Louis site were exposed to excessive levels of airborne uranium dust relative to the standards in effect during the time, and many workers were exposed to 200 times the preferred levels of exposure.

(3)(A) The chief safety officer for the Atomic Energy Commission during the Mallinkrodt-St. Louis operations described the facility as 1 of the 2 worst plants with respect to worker exposures.

(B) Workers were excreting in excess of a milligram of uranium per day causing kidney damage.

(C) A recent epidemiological study found excess levels of nephritis and kidney cancer from inhalation of uranium dusts.

(4) The Department of Energy has admitted that those Mallinkrodt workers were subjected to risks and had their health endangered as a result of working with these highly radioactive materials.

(5) The Department of Energy reported that workers at the Weldon Springs feed materials plant handled plutonium and recycled uranium, which are highly radioactive.

(6) The National Institute of Occupational Safety and Health admits that—

(A) the operations at the St. Louis downtown site consisted of intense periods of processing extremely high levels of radionuclides; and

(B) the Institute has virtually no personal monitoring data for Mallinkrodt workers prior to 1948.

(7) The National Institute of Occupational Safety and Health has informed claimants and their survivors at those 3 Mallinkrodt sites that if they are not interviewed as a part of the dose reconstruction process, it—

(A) would hinder the ability of the Institute to conduct dose reconstruction for the claimant; and

(B) may result in a dose reconstruction that incompletely or inaccurately estimates the radiation dose to which the energy employee named in the claim had been exposed.

(8) Energy workers at the Iowa Army Ammunition Plant (also known as the Burlington Atomic Energy Commission Plant and the Iowa Ordnance Plant) between 1947 and 1975 were exposed to levels of radionuclides and radioactive material, including enriched uranium, plutonium, tritium, and depleted uranium, in addition to beryllium and photon radiation, that are greater than the current maximum Federal standards for exposure.

(9) According to the National Institute of Occupational Safety and Health—

(A) between 1947 and 1975, no records, including bioassays or air samples, have been located that indicate any monitoring occurred of internal doses of radiation to which workers described in paragraph (8) were exposed;

(B) between 1947 and 1955, no records, including dosimetry badges, have been located to indicate that any monitoring occurred of the external doses of radiation to which such workers were exposed;

(C) between 1955 and 1962, records indicate that only 8 to 23 workers in a workforce of over 1,000 were monitored for external radiation doses; and

(D) between 1970 and 1975, the high point of screening at the Iowa Army Ammunition Plant, only 25 percent of the workforce was screened for exposure to external radiation.

(10) The Department of Health and Human Services published the first notice of proposed rulemaking concerning the Special Exposure Cohort on June 25, 2002, and as of May 13, 2004, the rule has yet to be finalized.

(11) Many of those former workers have died while waiting for the proposed rule to be finalized, including some claimants who were waiting for dose reconstruction to be completed.

(12) Because of the aforementioned reasons, including the serious lack of records and the death of many potential claimants, it is not feasible to conduct valid dose reconstructions for the Iowa Army Ammunition Plant facility or the Mallinkrodt facilities.

(b) INCLUSION OF CERTAIN FORMER WORKERS IN COHORT.—Section 3621(14) of the Energy Employees Occupational Illness Compensation Program Act of 2000 (title XXXVI of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398); 42 U.S.C. 7384*l*(14)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following new subparagraph (C):

"(C) Subject to the provisions of section 3612A, the employee was so employed for a number of work days aggregating at least 45 workdays at a facility operated under contract to the Department of Energy by Mallinckrodt Incorporated or its successors (including the St. Louis downtown or 'Destrahan' facility during any of calendar years 1942 through 1958 and the Weldon Springs feed materials plant facility during any of calendar years 1958 through 1966), or at a facility operated by the Department of Energy or under contract by Mason & Hangar-Silas Mason Company at the Iowa Army Ammunition Plant (also known as the Burlington Atomic Energy Commission Plant and the Iowa Ordnance Plant) during any of the calendar years 1947 through 1975, and during the employment—

"(i)(I) was monitored through the use of dosimetry badges for exposure at the plant of the external parts of an employee's body to radiation; or

"(II) was monitored through the use of bioassays, in vivo monitoring, or breath samples for exposure at the plant to internal radiation; or

"(ii) worked in a job that had exposures comparable to a job that is monitored, or should have been monitored, under standards of the Department of Energy in effect on the date of enactment of this subparagraph through the use of dosimetry badges for monitoring external radiation exposures, or bioassays, in vivo monitoring, or breath samples for internal radiation exposures, at a facility.".

(c) FUNDING OF COMPENSATION AND BENEFITS.—(1) Such Act is further amended by inserting after section 3612 the following new section:

"SEC. 3612A. FUNDING FOR COMPENSATION AND BENEFITS FOR CERTAIN MEMBERS OF THE SPECIAL EXPOSURE COHORT.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated to the Department of Labor for each fiscal year after fiscal year 2004 such sums as may be necessary for the provision of compensation and benefits under the compensation program for members of the Special Exposure Cohort described in section 3621(14)(C) in such fiscal year.

"(b) PROHIBITION ON USE FOR ADMINISTRATIVE COSTS.—(1) No amount authorized to be appropriated by subsection (a) may be utilized for purposes of carrying out the compensation program for the members of the Special Exposure Cohort referred to in that subsection or administering the amount authorized to be appropriated by subsection (a).

"(2) Amounts for purposes described in paragraph (1) shall be derived from amounts authorized to be appropriated by section 3614(a).

"(c) PROVISION OF COMPENSATION AND BENEFITS SUBJECT TO APPROPRIATIONS ACTS.—The provision of compensation and benefits under the compensation program for members of the Special Exposure Cohort referred to in subsection (a) in any fiscal year shall be subject to the availability of appropriations for that purpose for such fiscal year and to applicable provisions of appropriations Acts.".

(2) Section 3612(d) of such Act (42 U.S.C. 7384e(d)) is amended—

(A) by inserting "(1)" before "Subject"; and

(B) by adding at the end the following new paragraph:

"(2) Amounts for the provision of compensation and benefits under the compensation program for members of the Special Exposure Cohort described in section 3621(14)(C) shall be derived from amounts authorized to be appropriated by section 3612A(a).".

On page 373, line 18, strike "$6,674,898,000 and insert "$6,494,898,000".

AMENDMENT NO. 3384, AS MODIFIED

Mr. BOND. I send to the desk a modification on behalf of myself, Senator HARKIN, Senator TALENT, and Senator

GRASSLEY, and ask it be immediately considered as a modification.

The PRESIDING OFFICER. Is there objection to the modification? Hearing none, it is so ordered.

The amendment (No. 3384), as modified, is as follows:

(Purpose: To include certain former nuclear weapons program workers in the Special Exposure Cohort under the Energy Employees Occupational Illness Compensation Program and to provide for the disposal of certain excess Department of Defense stocks for funds for that purpose)

At the end of subtitle D of title XXXI, insert the following:

SEC. 3146. INCLUSION OF CERTAIN FORMER NUCLEAR WEAPONS PROGRAM WORKERS IN SPECIAL EXPOSURE COHORT UNDER THE ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM.

(a) FINDINGS.—Congress makes the following findings:

(1) Energy workers at the former Mallinkrodt facilities (including the St. Louis downtown facility and the Weldon Springs facility) were exposed to levels of radionuclides and radioactive materials that were much greater than the current maximum allowable Federal standards.

(2) The Mallinkrodt workers at the St. Louis site were exposed to excessive levels of airborne uranium dust relative to the standards in effect during the time, and many workers were exposed to 200 times the preferred levels of exposure.

(3)(A) The chief safety officer for the Atomic Energy Commission during the Mallinkrodt-St. Louis operations described the facility as 1 of the 2 worst plants with respect to worker exposures.

(B) Workers were excreting in excess of a milligram of uranium per day causing kidney damage.

(C) A recent epidemiological study found excess levels of nephritis and kidney cancer from inhalation of uranium dusts.

(4) The Department of Energy has admitted that those Mallinkrodt workers were subjected to risks and had their health endangered as a result of working with these highly radioactive materials.

(5) The Department of Energy reported that workers at the Weldon Springs feed materials plant handled plutonium and recycled uranium, which are highly radioactive.

(6) The National Institute of Occupational Safety and Health admits that—

(A) the operations at the St. Louis downtown site consisted of intense periods of processing extremely high levels of radionuclides; and

(B) the Institute has virtually no personal monitoring data for Mallinkrodt workers prior to 1948.

(7) The National Institute of Occupational Safety and Health has informed claimants and their survivors at those 3 Mallinkrodt sites that if they are not interviewed as a part of the dose reconstruction process, it—

(A) would hinder the ability of the Institute to conduct dose reconstruction for the claimant; and

(B) may result in a dose reconstruction that incompletely or inaccurately estimates the radiation dose to which the energy employee named in the claim had been exposed.

(8) Energy workers at the Iowa Army Ammunition Plant (also known as the Burlington Atomic Energy Commission Plant and the Iowa Ordnance Plant) between 1947 and 1975 were exposed to levels of radionuclides and radioactive material, including enriched uranium, plutonium, tritium, and depleted uranium, in addition to beryllium and photon radiation, that are greater than the current maximum Federal standards for exposure.

(9) According to the National Institute of Occupational Safety and Health—

(A) between 1947 and 1975, no records, including bioassays or air samples, have been located that indicate any monitoring occurred of internal doses of radiation to which workers described in paragraph (8) were exposed;

(B) between 1947 and 1955, no records, including dosimetry badges, have been located to indicate that any monitoring occurred of the external doses of radiation to which such workers were exposed;

(C) between 1955 and 1962, records indicate that only 8 to 23 workers in a workforce of over 1,000 were monitored for external radiation doses; and

(D) between 1970 and 1975, the high point of screening at the Iowa Army Ammunition Plant, only 25 percent of the workforce was screened for exposure to external radiation.

(10) The Department of Health and Human Services published the first notice of proposed rulemaking concerning the Special Exposure Cohort on June 25, 2002, and the final rule published on May 26, 2004.

(11) Many of those former workers have died while waiting for the proposed rule to be finalized, including some claimants who were waiting for dose reconstruction to be completed.

(12) Because of the aforementioned reasons, including the serious lack of records and the death of many potential claimants, it is not feasible to conduct valid dose reconstructions for the Iowa Army Ammunition Plant facility or the Mallinkrodt facilities.

(b) INCLUSION OF CERTAIN FORMER WORKERS IN COHORT.—Section 3621(14) of the Energy Employees Occupational Illness Compensation Program Act of 2000 (title XXXVI of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398); 42 U.S.C. 7384*l*(14)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following new subparagraph (C):

"(C) Subject to the provisions of section 3612A and section 3146(e) of the National Defense Authorization Act for Fiscal Year 2005, the employee was so employed for a number of work days aggregating at least 45 workdays at a facility operated under contract to the Department of Energy by Mallinkrodt Incorporated or its successors (including the St. Louis downtown or 'Destrehan' facility during any of calendar years 1942 through 1958 and the Weldon Springs feed materials plant facility during any of calendar years 1958 through 1966), or at a facility operated by the Department of Energy or under contract by Mason & Hangar-Silas Mason Company at the Iowa Army Ammunition Plant (also known as the Burlington Atomic Energy Commission Plant and the Iowa Ordnance Plant) during any of the calendar years 1947 through 1975, and during the employment—

"(i)(I) was monitored through the use of dosimetry badges for exposure at the plant of the external parts of an employee's body to radiation; or

"(II) was monitored through the use of bioassays, in vivo monitoring, or breath samples for exposure at the plant to internal radiation; or

"(ii) worked in a job that had exposures comparable to a job that is monitored, or should have been monitored, under standards of the Department of Energy in effect on the date of enactment of this subparagraph through the use of dosimetry badges for monitoring external radiation exposures, or bioassays, in vivo monitoring, or breath samples for internal radiation exposures, at a facility.".

(c) FUNDING OF COMPENSATION AND BENEFITS.—(1) Such Act is further amended by inserting after section 3612 the following new section:

"SEC. 3612A. FUNDING FOR COMPENSATION AND BENEFITS FOR CERTAIN MEMBERS OF THE SPECIAL EXPOSURE COHORT.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated to the Department of Labor for each fiscal year after fiscal year 2004 such sums as may be necessary for the provision of compensation and benefits under the compensation program for members of the Special Exposure Cohort described in section 3621(14)(C) in such fiscal year.

"(b) PROHIBITION ON USE FOR ADMINISTRATIVE COSTS.—(1) No amount authorized to be appropriated by subsection (a) may be utilized for purposes of carrying out the compensation program for the members of the Special Exposure Cohort referred to in that subsection or administering the amount authorized to be appropriated by subsection (a).

"(2) Amounts for purposes described in paragraph (1) shall be derived from amounts authorized to be appropriated by section 3614(a).

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I ask unanimous consent the Senator from New York, Mrs. CLINTON, be recognized for 5 minutes to speak?

Mr. WARNER. We would have to lay this aside. We are waiting for the Chair to rule.

Mr. REID. It doesn't have to be laid aside.

Mr. WARNER. We wanted to clear the amendment.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. I promise I will speak very briefly. We discussed this amendment at great length today. This is an amendment designed to take care of and put in a special employee cohort, workers in some very dirty nuclear bomb plants in Iowa and Missouri, back in the 1940s and 1950s. At the request of the managers, we added a number of conditions to it. We worked through the authorizations, and the funding of it is by authorization. I believe we have worked that out.

I think the amendment will be set aside. If anybody is really interested in it we will be happy to refer them to the CONGRESSIONAL RECORD, and at the appropriate time we will come back and restate why this is so important. It is relatively inexpensive—$180 million over 10 years. I hope my colleagues will be willing to accept it.

With that, I thank the managers and my cosponsors and I yield the floor.

Mr. WARNER. Mr. President, I want to say at this time, we started today's very productive session of amendments with Senator BOND, who has remained on the floor now I would say about 9 hours, to obtain what you have right now. Well done, sir.

Mr. BOND. I thank my colleague.

Mr. WARNER. If it is agreeable to my colleagues, I ask unanimous consent that amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 3173, AS MODIFIED; 3202, 3440, AS MODIFIED; 3163, AS MODIFIED; 3199, AS MODIFIED; 3172, AS MODIFIED; 3245, AS MODIFIED; 3285, AS MODIFIED; 3251; 3413, AS MODIFIED; 3216; 3390, AS MODIFIED; 3273, AS MODIFIED; 3284, AS MODIFIED; 3434, AS MODIFIED; 3401; 3237, AS MODIFIED; 3279, AS MODIFIED

Mr. WARNER. I now send a package of amendments to the desk and ask they be considered en bloc.

The PRESIDING OFFICER. Is there objection? Without objection, the amendments will be considered en bloc.

Is there debate?

Mr. LEVIN. These amendments have been cleared, I believe, on both sides.

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

The amendments were agreed to, as follows:

AMENDMENT NO. 3173, AS MODIFIED

(Purpose: To provide for the supplemental subsistence allowance, imminent danger pay, family separation allowance, and certain federal assistance to be cumulative benefits; and to require a report on availability of social services to members of the Armed Forces)

On page 127, between the matter following line 5 and line 6, insert the following:

SEC. 621. RELATIONSHIP BETWEEN ELIGIBILITY TO RECEIVE SUPPLEMENTAL SUBSISTENCE ALLOWANCE AND ELIGIBILITY TO RECEIVE IMMINENT DANGER PAY, FAMILY SEPARATION ALLOWANCE, AND CERTAIN FEDERAL ASSISTANCE.

(a) ENTITLEMENT NOT AFFECTED BY RECEIPT OF IMMINENT DANGER PAY AND FAMILY SEPARATION ALLOWANCE.—Subsection (b)(2) of section 402a of title 37, United States Code, is amended by striking subparagraph (A) and inserting the following:

"(A) shall not take into consideration—

"(i) the amount of the supplemental subsistence allowance that is payable under this section;

"(ii) the amount of special pay (if any) that is payable under section 310 of this section, relating to duty subject to hostile fire or imminent danger; or

"(iii) the amount of family separation allowance (if any) that is payable under section 427 of this title; but".

(b) ELIGIBILITY FOR OTHER FEDERAL ASSISTANCE.—Section 402a of such title is amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

(2) by inserting after subsection (f) the following new subsection (g):

"(g) ELIGIBILITY FOR OTHER FEDERAL ASSISTANCE.—(1)(A) A child or spouse of a member of the armed forces receiving the supplemental subsistence allowance under this section who, except for the receipt of such allowance, would otherwise be eligible to receive a benefit described in subparagraph (B) shall be considered to be eligible for that benefit.

"(B) The benefits referred to in subparagraph (A) are as follows:

"(i) Assistance provided under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

"(ii) Assistance provided under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(iii) A service under the Head Start Act (42 U.S.C. 9831 et seq.).

"(iv) Assistance under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.).

"(2) A household that includes a member of the armed forces receiving the supplemental subsistence allowance under this section and, except for the receipt of such allowance, would otherwise be eligible to receive a benefit under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) shall be considered to be eligible for that benefit.".

(c) REQUIREMENT FOR REPORT.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the committees of Congress named in paragraph (2) a report on the accessibility of social services to members of the Armed Forces and their families. The report shall include the following matters:

(A) The social services for which members of the Armed Forces and their families are eligible under social services programs generally available to citizens and other nationals of the United States.

(B) The extent to which members of the Armed Forces and their families utilize the social services for which they are eligible under the programs identified under subparagraph (A).

(C) The efforts made by each of the military departments—

(i) to ensure that members of the Armed Forces and their families are aware of the social services for which they are eligible under the programs identified under subparagraph (A); and

(ii) to assist members and their families in applying for and obtaining such social services.

(2) The committees of Congress referred to in paragraph (1) are as follows:

(A) The Committee on Armed Services and the Committee on Health, Education, Labor, and Pensions of the Senate.

(B) The Committee on Armed Services of the House of Representatives.

(d) EFFECTIVE DATE.—(1) Except as provided in paragraph (2), this section and the amendments made by this section shall take effect on October 1, 2004.

(2) Subsection (c) shall take effect on the date of the enactment of this Act.

AMENDMENT NO. 3202

(Purpose: To provide relief to mobilized military reservists from certain Federal agricultural loan obligations)

On page 131, between lines 17 and 18, insert the following:

SEC. 653. RELIEF FOR MOBILIZED MILITARY RESERVISTS FROM CERTAIN FEDERAL AGRICULTURAL LOAN OBLIGATIONS.

The Consolidated Farm and Rural Development Act is amended by inserting after section 331F (7 U.S.C. 1981f) the following:

"SEC. 332. RELIEF FOR MOBILIZED MILITARY RESERVISTS FROM CERTAIN AGRICULTURAL LOAN OBLIGATIONS.

"(a) DEFINITION OF MOBILIZED MILITARY RESERVIST.—In this section, the term 'mobilized military reservist' means an individual who—

"(1) is on active duty under section 688, 12301(a), 12301(g), 12302, 12304, 12306, or 12406, or chapter 15 of title 10, United States Code, or any other provision of law during a war or during a national emergency declared by the President or Congress, regardless of the location at which the active duty service is performed; or

"(2) in the case of a member of the National Guard, is on full-time National Guard duty (as defined in section 101(d)(5) of title 10, United States Code) under a call to active service authorized by the President or the Secretary of Defense for a period of more than 30 consecutive days under section 502(f) of title 32, United States Code, for purposes of responding to a national emergency declared by the President and supported by Federal funds.

"(b) FORGIVENESS OF INTEREST PAYMENTS DUE WHILE BORROWER IS A MOBILIZED MILITARY RESERVIST.—Any requirement that a borrower of a direct loan made under this title make any interest payment on the loan that would otherwise be required to be made while the borrower is a mobilized military reservist is rescinded.

"(c) DEFERRAL OF PRINCIPAL PAYMENTS DUE WHILE OR AFTER BORROWER IS A MOBILIZED MILITARY RESERVIST.—The due date of any payment of principal on a direct loan made to a borrower under this title that would otherwise be required to be made while or after the borrower is a mobilized military reservist is deferred for a period equal in length to the period for which the borrower is a mobilized military reservist.

"(d) NONACCRUAL OF INTEREST.—Interest on a direct loan made to a borrower described in this section shall not accrue during the period the borrower is a mobilized military reservist.

"(e) BORROWER NOT CONSIDERED TO BE DELINQUENT OR RECEIVING DEBT FORGIVENESS.—Notwithstanding section 373 or any other provision of this title, a borrower who receives assistance under this section shall not, as a result of the assistance, be considered to be delinquent or receiving debt forgiveness for purposes of receiving a direct or guaranteed loan under this title.".

AMENDMENT NO. 3440, AS MODIFIED

(Purpose: To promote a thorough investigation of the United Nations Oil-for-Food Program)

On page 272, after the matter following line 18, insert the following:

SEC. 1055. UNITED NATIONS OIL-FOR-FOOD PROGRAM

(a) RESPONSIBILITY OF INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE FOR SECURITY OF DOCUMENTS.—(1) The Inspector General of the Department of Defense, in cooperation with the Director of the Defense Contract Audit Agency and the Director of the Defense Contract Management Agency, shall ensure, not later than June 30, 2004, the security of all documents relevant to the United Nations Oil-for-Food Program that are in the possession or control of the Coalition Provisional Authority.

(2) The Inspector General shall—

(A) maintain copies of all such documents in the United States at the Department of Defense; and

(B) not later than August 31, 2004, deliver a complete set of all such documents to the Comptroller General of the United States.

(b) COOPERATION IN INVESTIGATIONS.—Each head of an Executive agency, including the Department of State, the Department of Defense, the Department of the Treasury, and the Central Intelligence Agency, and the Administrator of the Coalition Provisional Authority shall, upon a request in connection with an investigation of the United Nations

Oil-for-Food Program made by the chairman of the Committee on Foreign Relations, the Committee on Armed Services, the Committee on the Judiciary, the Committee on Governmental Affairs, the Select Committee on Intelligence, the Permanent Subcommittee on Investigations, or other committee of the Senate with relevant jurisdiction, promptly provide to such chairman—

(1) access to any information and documents described in subsections (a) or (c) that are under the control of such agency and responsive to the request; and

(2) assistance relating to access to and utilization of such information and documents.

(c) Information From the United Nations.—(1) The Secretary of State shall use the voice and vote of the United States in the United Nations to urge the Secretary-General of the United Nations to provide the United States copies of all audits and core documents related to the United Nations Oil-for-Food Program.

(2) It is the sense of Congress that, pursuant to section 941(b)(6) of the United Nations Reform Act of 1999 (title IX of division A of H.R. 3427 of the 106th Congress, as enacted into law by section 1000(a)(7) of Public Law 106–113; 113 Stat. 1501A-480), the Comptroller General of the United States should have full and complete access to financial data relating to the United Nations, including information related to the financial transactions, organization, and activities of the United Nations Oil-for-Food Program.

(3) The Secretary of State shall facilitate the providing of access to the Comptroller General to the financial data described in paragraph (2).

(d) Review of Oil-for-Food Program by Comptroller General.—(1) The Comptroller General of the United States shall conduct a review of United States oversight of the United Nations Oil-for-Food Program. The review—

(A) in accordance with Generally Accepted Government Auditing Standards, should not interfere with any ongoing criminal investigations or inquiries related to the Oil-for-Food program; and

(B) may take into account the results of any investigations or inquiries related to the Oil-for-Food program.

(2) The head of each Executive agency shall fully cooperate with the review under this subsection.

(e) Executive Agency Defined.—In this section, the term "Executive agency" has the meaning given that term in section 105 of title 5, United States Code.

AMENDMENT NO. 3163, AS MODIFIED

(Purpose: To provide for improved medical readiness of the members of the Armed Forces, and for other purposes)

On page 296, between lines 14 and 15, insert the following:

TITLE XIII—MEDICAL READINESS TRACKING AND HEALTH SURVEILLANCE

SEC. 1301. ANNUAL MEDICAL READINESS PLAN AND JOINT MEDICAL READINESS OVERSIGHT COMMITTEE.

(a) Requirement for Plan.—The Secretary of Defense shall develop a comprehensive plan to improve medical readiness, and Department of Defense tracking of the health status, of members of the Armed Forces throughout their service in the Armed Forces, and to strengthen medical readiness and tracking before, during, and after deployment of the personnel overseas. The matters covered by the comprehensive plan shall include all elements that are described in this title and the amendments made by this title and shall comply with requirements in law.

(b) Joint Medical Readiness Oversight Committee.—

(1) Establishment.—The Secretary of Defense shall establish a Joint Medical Readiness Oversight Committee.

(2) Composition.—The members of the Committee are as follows:

(A) The Under Secretary of Defense for Personnel and Readiness, who shall chair the Committee.

(B) The Assistant Secretary of Defense for Health Affairs.

(C) The Assistant Secretary of Defense for Reserve Affairs.

(D) The Surgeons General of the Armed Forces.

(E) The Assistant Secretary of the Army for Manpower and Reserve Affairs.

(F) The Assistant Secretary of the Navy for Manpower and Reserve Affairs.

(G) The Assistant Secretary of the Air Force for Manpower, Reserve Affairs, Installations, and Environment.

(H) The Chief of the National Guard Bureau.

(I) The Chief of Army Reserve.

(J) The Chief of Naval Reserve.

(K) The Chief of Air Force Reserve.

(L) The Commander, Marine Corps Reserve.

(M) The Director of the Defense Manpower Data Center.

(N) A representative of the Department of Veterans Affairs designated by the Secretary of Veterans Affairs.

(O) Representatives of veterans and military health advocacy organizations appointed to the Committee by the Secretary of Defense.

(P) An individual from civilian life who is recognized as an expert on military health care treatment, including research relating to such treatment.

(3) Duties.—The duties of the Committee are as follows:

(A) To advise the Secretary of Defense on the medical readiness and health status of the members of the active and reserve components of the Armed Forces.

(B) To advise the Secretary of Defense on the compliance of the Armed Forces with the medical readiness tracking and health surveillance policies of the Department of Defense.

(C) To oversee the development and implementation of the comprehensive plan required by subsection (a) and the actions required by this title and the amendments made by this title, including with respect to matters relating to—

(i) the health status of the members of the reserve components of the Armed Forces;

(ii) accountability for medical readiness;

(iii) medical tracking and health surveillance;

(iv) declassification of information on environmental hazards;

(v) postdeployment health care for members of the Armed Forces; and

(vi) compliance with Department of Defense and other applicable policies on blood serum repositories.

(D) To ensure unity and integration of efforts across functional and organizational lines within the Department of Defense with regard to medical readiness tracking and health status surveillance of members of the Armed Forces.

(E) To establish and monitor compliance with the medical readiness standards that are applicable to members and those that are applicable to units.

(F) To improve continuity of care in coordination with the Secretary of Veterans Affairs, for members of the Armed Forces separating from active service with service-connected medical conditions.

(G) To prepare and submit to the Secretary of Defense and to the Committees on Armed Services of the Senate and the House of Representatives, not later than February 1 of each year, a report on—

(i) the health status and medical readiness of the members of the Armed Forces, including the members of reserve components, based on the comprehensive plan required under subsection (a) and the actions required by this title and the amendments made by this title; and

(ii) compliance with Department of Defense policies on medical readiness tracking and health surveillance.

(4) First meeting.—The first meeting of the Committee shall be held not later than 90 days after the date of the enactment of this Act.

SEC. 1302. MEDICAL READINESS OF RESERVES.

(a) Comptroller General Study of Health of Reserves Ordered to Active Duty for Operations Enduring Freedom and Iraqi Freedom.—

(1) Requirement for study.—The Comptroller General of the United States shall carry out a study of the health of the members of the reserve components of the Armed Forces who have been called or ordered to active duty for a period of more than 30 days in support of Operation Enduring Freedom and Operation Iraqi Freedom. The Comptroller General shall commence the study not later than 180 days after the date of the enactment of this Act.

(2) Purposes.—The purposes of the study under this subsection are as follows:

(A) To review the health status and medical fitness of the activated Reserves when they were called or ordered to active duty.

(B) To review the effects, if any, on logistics planning and the deployment schedules for the operations referred to in paragraph (1) that resulted from deficiencies in the health or medical fitness of activated Reserves.

(C) To review compliance of military personnel with Department of Defense policies on medical and physical fitness examinations and assessments that are applicable to the reserve components of the Armed Forces.

(3) Report.—The Comptroller General shall, not later than one year after the date of the enactment of this Act, submit a report on the results of the study under this subsection to the Committees on Armed Services of the Senate and the House of Representatives. The report shall include the following matters:

(A) With respect to the matters reviewed under subparagraph (A) of paragraph (2)—

(i) the percentage of activated Reserves who were determined to be medically unfit for deployment, together with an analysis of the reasons why the member was unfit, including medical illnesses or conditions most commonly found among the activated Reserves that were grounds for determinations of medical unfitness for deployment; and

(ii) the percentage of the activated Reserves who, before being deployed, needed medical care for health conditions identified when called or ordered to active duty, together with an analysis of the types of care that were provided for such conditions and the reasons why such care was necessary.

(B) With respect to the matters reviewed under subparagraph (B) of paragraph (2)—

(i) the delays and other disruptions in deployment schedules that resulted from deficiencies in the health status or medical fitness of activated Reserves; and

(ii) an analysis of the extent to which it was necessary to merge units or otherwise alter the composition of units, and the extent to which it was necessary to merge or otherwise alter objectives, in order to compensate for limitations on the deployability of activated Reserves resulting from deficiencies in the health status or medical fitness of activated Reserves.

(C) With respect to the matters reviewed under subparagraph (C) of paragraph (2), an assessment of the extent of the compliance of reserve component personnel with Department of Defense policies on routine medical and physical fitness examinations that are applicable to the reserve components of the Armed Forces.

(D) An analysis of the extent to which the medical care, if any, provided to activated Reserves in each theater of operations referred to in paragraph (1) related to preexisting conditions that were not adequately addressed before the deployment of such personnel to the theater.

(4) DEFINITIONS.—In this subsection:

(A) The term "activated Reserves" means the members of the Armed Forces referred to in paragraph (1).

(B) The term "active duty for a period of more than 30 days" has the meaning given such term in section 101(d) of title 10, United States Code.

(C) The term "health condition" includes a mental health condition and a dental condition.

(D) The term "reserve components of the Armed Forces" means the reserve components listed in section 10101 of title 10, United States Code.

(b) ACCOUNTABILITY FOR INDIVIDUAL AND UNIT MEDICAL READINESS.—

(1) POLICY.—The Secretary of Defense shall issue a policy to ensure that individual members and commanders of reserve component units fulfill their responsibilities for medical and dental readiness of members of the units on the basis of—

(A) frequent periodic health assessment of members (not less frequently than once every two years) using the predeployment assessment procedure required under section 1074f of title 10, United States Code, as the minimum standard of medical readiness; and

(B) any other information on the health status of the members that is available to the commanders.

(2) REVIEW AND FOLLOWUP CARE.—The regulations under this subsection shall provide for review of the health assessments under paragraph (1) by a medical professional and for any followup care and treatment that is needed for medical or dental readiness.

(3) MODIFICATION OF PREDEPLOYMENT HEALTH ASSESSMENT SURVEY.—In meeting the policy under paragraph (1), the Secretary shall—

(A) to the extent practicable, modify the predeployment health assessment survey to bring such survey into conformity with the detailed postdeployment health assessment survey in use as of October 1, 2004; and

(B) ensure the use of the predeployment health assessment survey, as so modified, for predeployment health assessments after that date.

(c) UNIFORM POLICY ON DEFERRAL OF MEDICAL TREATMENT PENDING DEPLOYMENT TO THEATERS OF OPERATIONS.—

(1) REQUIREMENT FOR POLICY.—The Secretary of Defense shall prescribe, for uniform applicability throughout the Armed Forces, a policy on deferral of medical treatment of members pending deployment.

(2) CONTENT.—The policy prescribed under paragraph (1) shall specify the following matters:

(A) The circumstances under which treatment for medical conditions may be deferred to be provided within a theater of operations in order to prevent delay or other disruption of a deployment to that theater.

(B) The circumstances under which medical conditions are to be treated before deployment to that theater.

SEC. 1303. BASELINE HEALTH DATA COLLECTION PROGRAM.

(a) REQUIREMENT FOR PROGRAM.—

(1) IN GENERAL.—Chapter 55 of title 10, United States Code, is amended by inserting after section 1092 the following new section:

"§ 1092a. Persons entering the armed forces: baseline health data

"(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a program—

"(1) to collect baseline health data from all persons entering the armed forces;

"(2) to provide for computerized compilation and maintenance of the baseline health data; and

"(3) to analyze the data.

"(b) PURPOSES.—The program under this section shall be designed to achieve the following purposes:

"(1) To facilitate understanding of how exposures related to service in the armed forces affect health.

"(2) To facilitate development of early intervention and prevention programs to protect health and readiness.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1092 the following new item:

"1092a. Persons entering the armed forces: baseline health data.".

(3) TIME FOR IMPLEMENTATION.—The Secretary of Defense shall implement the program required under section 1092a of title 10, United States Code (as added by paragraph (1)), not later than two years after the date of the enactment of this Act.

(b) INTERIM STANDARDS FOR BLOOD SAMPLING.—The Secretary of Defense shall require under the medical tracking system administered under section 1074f of title 10, United States Code, that—

(1) the blood samples necessary for the predeployment medical examination of a member of the Armed Forces required under subsection (b) of such section be drawn not earlier than 60 days before the date of the deployment; and

(2) the blood samples necessary for the postdeployment medical examination of a member of the Armed Forces required under such subsection be drawn not later than 30 days after the date on which the deployment ends.

SEC. 1304. MEDICAL CARE AND TRACKING AND HEALTH SURVEILLANCE IN THE THEATER OF OPERATIONS.

(a) RECORDKEEPING POLICY.—The Secretary of Defense shall prescribe a policy that requires the records of all medical care provided to a member of the Armed Forces in a theater of operations to be maintained as part of a complete health record for the member.

(b) IN-THEATER MEDICAL TRACKING AND HEALTH SURVEILLANCE.—

(1) REQUIREMENT FOR EVALUATION.—The Secretary of Defense shall evaluate the system for the medical tracking and health surveillance of members of the Armed Forces in theaters of operations and take such actions as may be necessary to improve the medical tracking and health surveillance.

(2) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit a report on the actions taken under paragraph (1) to the Committees on Armed Services of the Senate and the House of Representatives. The report shall include the following matters:

(A) An analysis of the strengths and weaknesses of the medical tracking system administered under section 1074f of title 10, United States Code.

(B) An analysis of the efficacy of health surveillance systems as a means of detecting—

(i) any health problems (including mental health conditions) of members of the Armed Forces contemporaneous with the performance of the assessment under the system; and

(ii) exposures of the assessed members to environmental hazards that potentially lead to future health problems.

(C) An analysis of the strengths and weaknesses of such medical tracking and surveillance systems as a means for supporting future research on health issues.

(D) Recommended changes to such medical tracking and health surveillance systems.

(E) A summary of scientific literature on blood sampling procedures used for detecting and identifying exposures to environmental hazards.

(F) An assessment of whether there is a need for changes to regulations and standards for drawing blood samples for effective tracking and health surveillance of the medical conditions of personnel before deployment, upon the end of a deployment, and for a followup period of appropriate length.

(c) PLAN TO OBTAIN HEALTH CARE RECORDS FROM ALLIES.—The Secretary of Defense shall develop a plan for obtaining all records of medical treatment provided to members of the Armed Forces by allies of the United States in Operation Enduring Freedom and Operation Iraqi Freedom. The plan shall specify the actions that are to be taken to obtain all such records.

(d) POLICY ON IN-THEATER PERSONNEL LOCATOR DATA.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall prescribe a Department of Defense policy on the collection and dissemination of in-theater individual personnel location data.

SEC. 1305. DECLASSIFICATION OF INFORMATION ON EXPOSURES TO ENVIRONMENTAL HAZARDS.

(a) REQUIREMENT FOR REVIEW.—The Secretary of Defense shall review and, as determined appropriate, revise the classification policies of the Department of Defense with a view to facilitating the declassification of data that is potentially useful for the monitoring and assessment of the health of members of the Armed Forces who have been exposed to environmental hazards during deployments overseas, including the following data:

(1) In-theater injury rates.

(2) Data derived from environmental surveillance.

(3) Health tracking and surveillance data.

(b) CONSULTATION WITH COMMANDERS OF THEATER COMBATANT COMMANDS.—The Secretary shall, to the extent that the Secretary considers appropriate, consult with the senior commanders of the in-theater forces of the combatant commands in carrying out the review and revising policies under subsection (a).

SEC. 1306. ENVIRONMENTAL HAZARDS.

(a) Report on Training of Field Medical Personnel.—

(1) Requirement for report.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the training on environmental hazards that is provided by the Armed Forces to medical personnel of the Armed Forces who are deployable to the field in direct support of combat personnel.

(2) Content.—The report under paragraph (1) shall include the following:

(A) An assessment of the adequacy of the training regarding—

(i) the identification of common environmental hazards and exposures to such hazards; and

(ii) the prevention and treatment of adverse health effects of such exposures.

(B) A discussion of the actions taken and to be taken to improve such training.

(c) Report on Responses to Health Concerns of Members.—

(1) Requirement for report.—Not later than 180 days after the date of the enactment of this Act, the Assistant Secretary of Defense for Health Affairs shall submit to the Secretary of Defense and the Committees on Armed Services of the Senate and the House of Representatives a report on Department of Defense responses to concerns expressed by members of the Armed Forces during post-deployment health assessments about possibilities that the members were exposed to environmental hazards deleterious to the members' health during a deployment overseas.

(2) Content.—The report regarding health concerns submitted under paragraph (1) shall include the following:

(A) A discussion of the actions taken by Department of Defense officials to investigate the circumstances underlying such concerns in order to determine the validity of the concerns.

(B) A discussion of the actions taken by Department of Defense officials to evaluate or treat members and former members of the Armed Forces who are confirmed to have been exposed to environmental hazards deleterious to their health during deployments of the Armed Forces.

SEC. 1307. POST-DEPLOYMENT MEDICAL CARE RESPONSIBILITIES OF INSTALLATION COMMANDERS.

(a) Requirement for Regulations.—The Secretary of Defense shall prescribe a policy that requires the commander of each military installation at which members of the Armed Forces are to be processed upon redeployment from an overseas deployment—

(1) to identify and analyze the anticipated health care needs of such members before the arrival of such members at that installation; and

(2) to report such needs to the Secretary.

(b) Health Care To Meet Needs.—The policy under this section shall include procedures for the commander of each military installation described in subsection (a) to meet the anticipated health care needs that are identified by the commander in the performance of duties under the regulations, including the following:

(1) Arrangements for health care provided by the Secretary of Veterans Affairs.

(2) Procurement of services from local health care providers.

(3) Temporary employment of health care personnel to provide services at such installation.

SEC. 1308. FULL IMPLEMENTATION OF MEDICAL READINESS TRACKING AND HEALTH SURVEILLANCE PROGRAM AND FORCE HEALTH PROTECTION AND READINESS PROGRAM.

(a) Implementation at All Levels.—The Secretary of Defense, in conjunction with the Secretaries of the military departments, shall take such actions as are necessary to ensure that the Army, Navy, Air Force, and Marine Corps fully implement at all levels—

(1) the Medical Readiness Tracking and Health Surveillance Program under this title and the amendments made by this title; and

(2) the Force Health Protection and Readiness Program of the Department of Defense (relating to the prevention of injury and illness and the reduction of disease and noncombat injury threats).

(b) Action Official.—The Secretary of Defense may act through the Under Secretary of Defense for Personnel and Readiness in carrying out subsection (a).

SEC. 1309. OTHER MATTERS.

(a) Annual Reports.—

(1) Requirement for reports.—

(A) Chapter 55 of title 10, United States Code, is amended by inserting after section 1073a the following new section:

"§ 1073b. Recurring reports

"(a) Annual Report on Health Protection Quality.—(1) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives each year a report on the Force Health Protection Quality Assurance Program of the Department of Defense. The report shall include the following matters:

"(A) The results of an audit of the extent to which the serum samples required to be obtained from members of the armed forces before and after a deployment are stored in the serum repository of the Department of Defense.

"(B) The results of an audit of the extent to which the health assessments required for members of the armed forces before and after a deployment are being maintained in the electronic database of the Defense Medical Surveillance System.

"(C) An analysis of the actions taken by the Department of Defense personnel to respond to health concerns expressed by members of the armed forces upon return from a deployment.

"(D) An analysis of the actions taken by the Secretary to evaluate or treat members and former members of the armed forces who are confirmed to have been exposed to occupational or environmental hazards deleterious to their health during a deployment.

"(2) The Secretary of Defense shall act through the Assistant Secretary of Defense for Health Affairs in carrying out this subsection.

"(b) Annual Report on Recording of Health Assessment Data in Military Personnel Records.—The Secretary of Defense shall issue each year a report on the compliance by the military departments with applicable policies on the recording of health assessment data in military personnel records. The report shall include a discussion of the extent to which immunization status and predeployment and postdeployment health care data is being recorded in such records.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1073a the following new item:

"1073b. Recurring reports.".

(2) Initial report.—The first report under section 1073b(a) of title 10, United States Code (as added by paragraph (1)), shall be completed not later than 180 days after the date of the enactment of this Act.

(b) Internet Accessibility of Health Assessment Information for Members of the Armed Forces.—Not later than one year after the date of the enactment of this Act, the Chief Information Officer of each military department shall ensure that the online portal website of that military department includes the following information relating to health assessments:

(1) Information on the Department of Defense policies regarding predeployment and postdeployment health assessments, including policies on the following matters:

(A) Health surveys.

(B) Physical examinations.

(C) Collection of blood samples and other tissue samples.

(2) Procedural information on compliance with such policies, including the following information:

(A) Information for determining whether a member is in compliance.

(B) Information on how to comply.

(3) Health assessment surveys that are either—

(A) web-based; or

(B) accessible (with instructions) in printer-ready form by download.

SEC. 1310. USE OF CIVILIAN EXPERTS AS CONSULTANTS.

Nothing in this title or an amendment made by this title shall be construed to limit the authority of the Secretary of Defense to procure the services of experts outside the Federal Government for performing any function to comply with requirements for readiness tracking and health surveillance of members of the Armed Forces that are applicable to the Department of Defense.

AMENDMENT NO. 3199, AS MODIFIED

(Purpose: To authorize United Service Organizations, Incorporated (USO) to procure supplies and services from the General Services Administration supplies and services on the Federal Supply Schedule)

On page 195, between lines 10 and 11, insert the following:

SEC. 868. AVAILABILITY OF FEDERAL SUPPLY SCHEDULE SUPPLIES AND SERVICES TO UNITED SERVICE ORGANIZATIONS, INCORPORATED.

Section 220107 of title 36, United States Code, is amended by inserting after "Department of Defense" the following: ", including access to General Services Administration supplies and services through the Federal Supply Schedule of the General Services Administration."

AMENDMENT NO. 3172, AS MODIFIED

(Purpose: To express the sense of the Senate that perchlorate contamination of ground and surface water is becoming increasingly problematic to the public health of people in the United States)

On page 48, between lines 7 and 8, insert the following:

SEC. 326. SENSE OF SENATE ON PERCHLORATE CONTAMINATION OF GROUND AND SURFACE WATER.

(a) Findings.—The Senate makes the following findings:

(1) Because finite water sources in the United States are stretched by regional drought conditions and increasing demand for water supplies, there is increased need for safe and dependable supplies of fresh water for drinking and use for agricultural purposes.

(2) Perchlorate, a naturally occurring and manmade compound with medical, commercial, and national defense applications, which has been used primarily in military munitions and rocket fuels, has been detected in fresh water sources intended for use as drinking water and water necessary for the production of agricultural commodities.

(3) If ingested in sufficient concentration and in adequate duration, perchlorate may interfere with thyroid metabolism, and this effect may impair the normal development of the brain in fetuses and newborns.

(4) The Federal Government has not yet established a drinking water standard for perchlorate.

(5) The National Academy of Sciences is conducting an assessment of the state of the science regarding the effects on human health of perchlorate ingestion that will aid in understanding the effect of perchlorate exposure on sensitive populations.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) perchlorate has been identified as a contaminant of drinking water sources or in the environment in 34 States and has been used or manufactured in 44 States;

(2) perchlorate exposure at or above a certain level may adversely affect public health, particularly the health of vulnerable and sensitive populations; and

(3) the Department of Defense should—

(A) work to develop a national plan to remediate perchlorate contamination of the environment resulting from Department's activities to ensure the Department is prepared to respond quickly and appropriately once a drinking water standard is established;

(B) in cases in which the Department is already remediating perchlorate contamination, continue that remediation;

(C) prior to the development of a drinking water standard for perchlorate, develop a plan to remediate perchlorate contamination in cases in which such contamination from the Department's activities is present in ground or surface water at levels that pose a hazard to human health; and

(D) continue the process of evaluating and prioritizing sites without waiting for the development of a Federal standard.

AMENDMENT NO. 3245, AS MODIFIED

(Purpose: To require two reports on operation of the Federal Voting Assistance Program and the military postal system together with certain actions to improve the military postal system)

On page 247, between lines 13 and 14, insert the following:

SEC. 1022. OPERATION OF THE FEDERAL VOTING ASSISTANCE PROGRAM AND THE MILITARY POSTAL SYSTEM.

(a) REQUIREMENT FOR REPORTS.—(1) The Secretary of Defense shall submit to Congress two reports on the actions that the Secretary has taken to ensure that—

(A) the Federal Voting Assistance Program functions effectively to support absentee voting by members of the Armed Forces deployed outside the United States in support of Operation Iraqi Freedom, Operation Enduring Freedom, and all other contingency operations; and

(B) the military postal system functions effectively to support the morale of the personnel described in subparagraph (A) and absentee voting by such members.

(2)(A) The first report under paragraph (1) shall be submitted not later than 60 days after the date of the enactment of this Act.

(B) The second report under paragraph (1) shall be submitted not later than 60 days after the date on which the first report is submitted under that paragraph.

(3) In this subsection, the term "Federal Voting Assistance Program" means the program referred to in section 1566(b)(1) of title 10, United States Code.

(b) IMPLEMENTATION OF RECOMMENDED POSTAL SYSTEM IMPROVEMENTS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth—

(1) the actions taken to implement the recommendations of the Military Postal Service Agency Task Force, dated 28 August 2000; and

(2) in the case of each such recommendation not implemented or not fully implemented as of the date of report, the reasons for not implementing or not fully implementing such recommendation, as the case may be.

AMENDMENT NO. 3285, AS MODIFIED

(Purpose: To amend title 32, United States Code, to provide for the use of members of the National Guard on full-time National Guard duty for carrying out homeland security activities in support of Federal agencies)

On page 208, between lines 16 and 17, insert the following:

SEC. 906. HOMELAND SECURITY ACTIVITIES OF THE NATIONAL GUARD.

(a) AUTHORITY.—Chapter 1 of title 32, United States Code, is amended by adding at the end the following new section:

"§ 116. Homeland security activities

"(a) USE OF PERSONNEL PERFORMING FULL-TIME NATIONAL GUARD DUTY.—The Governor of a State may, upon the request by the head of a Federal agency and with the concurrence of the Secretary of Defense, order any personnel of the National Guard of the State to perform full-time National Guard duty under section 502(f) of this title for the purpose of carrying out homeland security activities, as described in subsection (b).

"(b) PURPOSE AND DURATION.—(1) The purpose for the use of personnel of the National Guard of a State under this section is to temporarily provide trained and disciplined personnel to a Federal agency to assist that agency in carrying out homeland security activities.

"(2) The duration of the use of the National Guard of a State under this section shall be limited to a period of 180 days. The Governor of the State may, with the concurrence of the Secretary of Defense, extend the period one time for an additional 90 days to meet extraordinary circumstances.

"(c) RELATIONSHIP TO REQUIRED TRAINING.— A member of the National Guard serving on full-time National Guard duty under orders authorized under subsection (a) shall participate in the training required under section 502(a) of this title in addition to the duty performed for the purpose authorized under that subsection. The pay, allowances, and other benefits of the member while participating in the training shall be the same as those to which the member is entitled while performing duty for the purpose of carrying out homeland security activities. The member is not entitled to additional pay, allowances, or other benefits for participation in training required under section 502(a)(1) of this title.

"(d) READINESS.—To ensure that the use of units and personnel of the National Guard of a State for homeland security activities does not degrade the training and readiness of such units and personnel, the following requirements shall apply in determining the homeland security activities that units and personnel of the National Guard of a State may perform:

"(1) The performance of the activities may not adversely affect the quality of that training or otherwise interfere with the ability of a member or unit of the National Guard to perform the military functions of the member or unit.

"(2) National Guard personnel will not degrade their military skills as a result of performing the activities.

"(3) The performance of the activities will not result in a significant increase in the cost of training.

"(4) In the case of homeland security performed by a unit organized to serve as a unit, the activities will support valid unit training requirements.

"(e) PAYMENT OF COSTS.—(1) The Secretary of Defense shall provide funds to the Governor of a State to pay costs of the use of personnel of the National Guard of the State for the performance of homeland security activities under this section. Such funds shall be used for the following costs:

"(A) The pay, allowances, clothing, subsistence, gratuities, travel, and related expenses (including all associated training expenses, as determined by the Secretary), as authorized by State law, of personnel of the National Guard of that State used, while not in Federal service, for the purpose of homeland security activities.

"(B) The operation and maintenance of the equipment and facilities of the National Guard of that State used for the purpose of homeland security activities.

"(2) The Secretary of Defense shall require the head of an agency receiving support from the National Guard of a State in the performance of homeland security activities under this section to reimburse the Department of Defense for the payments made to the State for such support under paragraph (1).

"(f) MEMORANDUM OF AGREEMENT.—The Secretary of Defense and the Governor of a State shall enter into a memorandum of agreement with the head of each Federal agency to which the personnel of the National Guard of that State are to provide support in the performance of homeland security activities under this section. The memorandum of agreement shall—

"(1) specify how personnel of the National Guard are to be used in homeland security activities;

"(2) include a certification by the Adjutant General of the State that those activities are to be performed at a time when the personnel are not in Federal service;

"(3) include a certification by the Adjutant General of the State that—

"(A) participation by National Guard personnel in those activities is service in addition to training required under section 502 of this title; and

"(B) the requirements of subsection (d) of this section will be satisfied;

"(4) include a certification by the Attorney General of the State (or, in the case of a State with no position of Attorney General, a civilian official of the State equivalent to a State attorney general), that the use of the National Guard of the State for the activities provided for under the memorandum of agreement is authorized by, and is consistent with, State law;

"(5) include a certification by the Governor of the State or a civilian official of the State designated by the Governor that the activities provided for under the memorandum of agreement serve a State security purpose; and

"(6) include a certification by the head of the Federal agency that the agency's requirement for National Guard support ends not later than 179 days after the commencement of the support.

"(g) EXCLUSION FROM END-STRENGTH COMPUTATION.—Notwithstanding any other provision of law, members of the National Guard on active duty or full-time National Guard duty for the purposes of administering (or during fiscal year 2003 otherwise implementing) this section shall not be counted toward the annual end strength authorized for Reserves on active duty in support of the reserve components of the armed forces or toward the strengths authorized in sections 12011 and 12012 of title 10.

"(h) ANNUAL REPORT.—The Secretary of Defense shall submit to Congress an annual report regarding any assistance provided and activities carried out under this section during the preceding fiscal year. The report shall include the following:

"(1) The number of members of the National Guard excluded under subsection (g) from the computation of end strengths.

"(2) A description of the homeland security activities conducted with funds provided under this section.

"(3) An accounting of the amount of funds provided to each State.

"(4) A description of the effect on military training and readiness of using units and personnel of the National Guard to perform homeland security activities under this section.

"(i) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed as a limitation on the authority of any unit of the National Guard of a State, when such unit is not in Federal service, to perform functions authorized to be performed by the National Guard by the laws of the State concerned.

"(j) DEFINITIONS.—For purposes of this section:

"(1) The term 'Governor of a State' means, in the case of the District of Columbia, the Commanding General of the National Guard of the District of Columbia.

"(2) The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such section is amended by adding at the end the following new item:

"116. Homeland security activities.".

AMENDMENT NO. 3254

(Purpose: To repeal a requirement for an officer to retire upon termination of service as Superintendent of the Air Force Academy)

On page 84, between the matter following line 13 and line 14, insert the following:

SEC. 535. REPEAL OF REQUIREMENT FOR OFFICER TO RETIRE UPON TERMINATION OF SERVICE AS SUPERINTENDENT OF THE AIR FORCE ACADEMY.

(a) REPEALS.—Sections 8921 and 9333a of title 10, United States Code, are repealed.

(b) CLERICAL AMENDMENTS.—Subtitle D of title 10, United States Code, is amended—

(1) in the table of sections at the beginning of chapter 867, by striking the item relating to section 8921; and

(2) in the table of sections at the beginning of chapter 903, by striking the item relating to section 9333a.

AMENDMENT NO. 3413, AS MODIFIED

(Purpose: To amend the Science, Mathematics, and Research for Transformation (SMART) Defense Scholarship Pilot Program)

On page 285, line 1, insert ", the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives" after "Representatives".

On page 285, between lines 9 and 10, insert the following:

(g) CRITICAL HIRING NEED.—Section 3304(a)(3) of title 5, United States Code, is amended by striking subparagraph (B) and inserting the following:

"(B)(i) the Office of Personnel Management has determined that there exists a severe shortage of candidates or there is a critical hiring need; or

"(ii) the candidate is a participant in the Science, Mathematics, and Research for Transformation (SMART) Defense Scholarship Pilot Program under section 1101 of the National Defense Authorization Act for Fiscal Year 2005.".

On page 285, line 9, strike "(g)" and insert "(h)".

AMENDMENT NO. 3246

(Purpose: To permit qualified HUBZone small business concerns and small business concerns owned and controlled by service-disabled veterans to participate in the mentor-protege program of the Department of Defense)

At the end of subtitle G of title X, add the following:

SEC. . MENTOR-PROTEGE PILOT PROGRAM.

Section 831(m)(2) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2302 note) is amended—

(1) in subparagraph (D), by striking "or" at the end;

(2) in subparagraph (E), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(F) a small business concern owned and controlled by service-disabled veterans (as defined in section 8(d)(3) of the Small Business Act); and

"(G) a qualified HUBZone small business concern (as defined in section 3(p) of the Small Business Act).".

AMENDMENT NO. 3390, AS MODIFIED

(Purpose: To express the sense of Congress on the Global Partnership Against the Spread of Weapons of Mass Destruction)

At the end of subtitle F of title X, add the following:

SEC. 1055. SENSE OF CONGRESS ON THE GLOBAL PARTNERSHIP AGAINST THE SPREAD OF WEAPONS OF MASS DESTRUCTION.

It is the sense of Congress that the President should be commended for the steps taken at the G–8 summit at Sea Island, Georgia, on June 8–10, 2004, to demonstrate continued support for the Global Partnership against the Spread of Nuclear Weapons and Materials of Mass Destruction and to expand the Partnership by welcoming new members and using the Partnership to coordinate nonproliferation projects in Libya, Iraq and other countries; and that the President should continue to—

(1) expand the membership of donor nations to the Partnership;

(2) insure that Russia remains the primary partner of the Partnership while also seeking to fund through the Partnership efforts in other countries with potentially vulnerable weapons or materials;

(3) develop for the Partnership clear program goals;

(4) develop for the Partnership transparent project prioritization and planning;

(5) develop for the Partnership project implementation milestones under periodic review;

(6) develop under the Partnership agreements between partners for project implementation; and

(7) give high priority and senior-level attention to resolving disagreements on site access and worker liability under the Partnership.

AMENDMENT NO. 3273, AS MODIFIED

(Purpose: To revise and extend the authority for an advisory panel on review of Government procurement laws and regulations)

On page 158, between lines 6 and 7, insert the following:

SEC. 805. REVISION AND EXTENSION OF AUTHORITY FOR ADVISORY PANEL ON REVIEW OF GOVERNMENT PROCUREMENT LAWS AND REGULATIONS.

(a) RELATIONSHIP OF RECOMMENDATIONS TO SMALL BUSINESSES.—Section 1423 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 106–136; 117 Stat. 1669; 41 U.S.C. 405 note) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection (d):

"(d) ISSUES RELATING TO SMALL BUSINESSES.—In developing recommendations under subsection (c)(2), the panel shall—

"(1) consider the effects of its recommendations on small business concerns; and

"(2) include any recommended modifications of laws, regulations, and policies that the panel considers necessary to enhance and ensure competition in contracting that affords small business concerns meaningful opportunity to participate in Federal Government contracts.".

(b) REVISION AND EXTENSION OF REPORTING REQUIREMENT.—Section 1423(d) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1669; 41 U.S.C. 405 note) is amended—

(1) by striking "one year after the establishment of the panel" and inserting "one year after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2005";

(2) by striking "Services and" both places it appears and inserting "Services,";

(3) by inserting ", and Small Business" after "Government Reform"; and

(4) by inserting ", and Small Business and Entrepreneurship" after "Governmental Affairs".

AMENDMENT NO. 3284, AS MODIFIED

(Purpose: To require an independent report on the efforts of the National Nuclear Security Administration to understand the aging of plutonium in nuclear weapons)

On page 394, after line 22, insert the following:

SEC. 3122. REPORT ON EFFORTS OF NATIONAL NUCLEAR SECURITY ADMINISTRATION TO UNDERSTAND PLUTONIUM AGING.

(a) STUDY.—(1) The Administrator for Nuclear Security shall enter into a contract with a Federally Funded Research and Development Center (FFROC) providing for a study to assess the efforts of the National Nuclear Security Administration to understand the aging of plutonium in nuclear weapons.

(2) The Administrator shall make available to the FFROC contractor under this subsection all information that is necessary for the contractor to successfully complete a meaningful study on a timely basis.

(b) REPORT REQUIRED.—(1) Not later than two years after the date of the enactment of this Act, the Administrator shall submit to Congress a report on the findings of the study on the efforts of the Administration to understand the aging of plutonium in nuclear weapons.

(2) The report shall include the recommendations of the study for improving the knowledge, understanding, and application of the fundamental and applied sciences related to the study of plutonium aging.

(3) The report shall be submitted in unclassified form, but may include a classified annex.

AMENDMENT NO. 3434, AS MODIFIED

(Purpose: To express the sense of the Senate on the effects of cost inflation on the value range of the contracts to which a small business contract reservation applies)

On page 164, after line 18, insert the following:

SEC. 816. SENSE OF THE SENATE ON EFFECTS OF COST INFLATION ON THE VALUE RANGE OF THE CONTRACTS TO WHICH A SMALL BUSINESS CONTRACT RESERVATION APPLIES.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) in the administration of the requirement for reservation of contracts for small businesses under subsection (j) of section 15 of the Small Business Act (15 U.S.C. 644), the maximum amount in the contract value range provided under that subsection should be treated as being adjusted to the same amount to which the simplified acquisition threshold is increased whenever such threshold is increased under law; and

(2) the Administrator for Federal Procurement Policy, in consultation with the Federal Acquisition Regulatory Council, should ensure that appropriate governmentwide policies and procedures are in place—

(A) to monitor socioeconomic data concerning purchases made by means of purchase cards or credit cards issued for use in transactions on behalf of the Federal Government; and

(B) to encourage the placement of a fair portion of such purchases with small businesses consistent with governmentwide goals for small business prime contracting established under section 15(g) of the Small Business Act (15 U.S.C. 644(g)).

(b) SIMPLIFIED ACQUISITION THRESHOLD DEFINED.—In this section, the term "simplified acquisition threshold" has the meaning given such term in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)).

AMENDMENT NO. 3401

(Purpose: To amend the Federal Fire Prevention and Control Act of 1974 to provide financial assistance for the improvement of the health and safety of firefighters, promote the use of life saving technologies, and achieve greater equity for departments serving large jurisdictions)

(The amendment is printed in the RECORD of Monday, June 7, 2004)

AMENDMENT NO. 3237, AS MODIFIED

(Purpose: To ensure fairness in the standards applied to members of the Army in the awarding of the Combat Infantryman Badge and the Combat Medical Badge for service in Korea in comparison to the standards applied to members of the Army in the awarding of such badges for service in other areas of operations)

On page 86, between lines 9 and 10, insert the following:

SEC. 543. PLAN FOR REVISED CRITERIA AND ELIGIBILITY REQUIREMENTS FOR AWARD OF COMBAT INFANTRYMAN BADGE AND COMBAT MEDICAL BADGE FOR SERVICE IN KOREA AFTER JULY 28, 1953.

(a) REQUIREMENT FOR PLAN.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committees on Armed Services of the Senate and the House of Representatives a plan for revising the Army's criteria and eligibility requirements for award of the Combat Infantryman Badge and the Combat Medical Badge for service in the Republic of Korea after July 28, 1953, to fulfill the purpose stated in subsection (b).

(b) PURPOSE OF REVISED CRITERIA AND ELIGIBILITY REQUIREMENTS.—The purpose for revising the criteria and eligibility requirements for award of the Combat Infantryman Badge and the Combat Medical Badge for service in the Republic of Korea after July 28, 1953, is to ensure fairness in the standards applied to Army personnel in the awarding of such badges for Army service in the Republic of Korea in comparison to the standards applied to Army personnel in the awarding of such badges for Army service in other areas of operations.

AMENDMENT NO. 3279, AS MODIFIED

(Purpose: To require a report on any relationships between terrorist organizations based in Colombia and foreign governments and organizations)

On page 269, between lines 2 and 3, insert the following:

(f) REPORT ON RELATIONSHIPS BETWEEN TERRORIST ORGANIZATIONS IN COLOMBIA AND FOREIGN GOVERNMENTS AND ORGANIZATIONS.—(1) Not later than 60 days after the date of the enactment of this Act, the Secretary of State shall, in consultation with the Secretary of Defense and the Director of Central Intelligence, submit to the congressional defense committees and the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives a report that describes—

(A) any relationships between foreign governments or organizations and organizations based in Colombia that have been designated as foreign terrorist organizations under United States law, including the provision of any direct or indirect assistance to such organizations; and

(B) United States policies that are designed to address such relationships.

(2) The report under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

AMENDMENT NO. 3279

Mr. NELSON of Florida. Mr. President, I rise to address amendment No. 3279 to the pending bill. This amendment asks the administration to report on any relationships between foreign governments or groups operating within their territories and foreign terrorist organizations in Colombia. It also asks the administration to describe United States policies that are designed to address such relationships.

This amendment, tragically, is extremely timely in light of today's news. This morning's Miami Herald reported that in Little River, Colombia, in the province of Norte de Santander, over 30 peasants were murdered in cold blood. Terrorists entered their residencies and shot them to death with automatic weapons. The FARC is suspected to have committed this crime. While Colombia, with tremendous support of the U.S., has made great strides in fighting narcoterrorism under President Uribe, there is still much work to be done, as is underscored by yesterday's events.

The FARC and the ELN, Colombia's two main rebel groups, both of which have been designated by the United States as foreign terrorist organizations, continue to conduct terrorist attacks against civilians in their campaign against the Colombian government. These groups are also heavily involved in the drug trade that does so much harm to Colombia and to our own country. At a time when Colombia is making slow but steady gains in its long struggle against the FARC, the last thing it needs is to have neighboring countries providing assistance to these brutal adversaries.

To be perfectly blunt, my primary concern is with Venezuela. On my visit to Colombia and Venezuela in April, I heard some disturbing accounts from various U.S. officials of instances in which the FARC had been able to cross the line into Venezuela and conduct operations from that side of the border from virtual safe havens. Colombian authorities are also suspicious that the Chavez government has been willing to, at a minimum, look the other way while FARC elements operate in Venezuela, if not actually permitting some level of coordination.

Threatening to compound the "safe haven" problem for the United States and Colombia is the fact that Venezuela also harbors a potent market in false documentation, such as passports and other identity cards. I am increasingly concerned at the ease with which, simply by buying off officials for $800 or $900, one can acquire fully legitimate, yet false, documents in Venezuela—everything from a passport to a driver's license. I am certainly concerned that international terrorist groups will discover their ability to acquire and make use of forged Venezuela documents to conduct terrorist attacks, and I raised these important issues with Venezuelan officials during my visit.

Naturallly, the Venezuelan government disputes these serious allegations. What this amendment would do is help us establish the facts. If groups in Colombia that our government has designated as foreign terrorist organizations are receiving support or assistance from Venezuela, or any of Colombia's other neighbors, or any other state for that matter, we need to know about it and adjust our policies accordingly.

Right now, Colombia needs all the help it can get from its neighbors. In asking the administration to report on whether terrorist groups may have relationships with or be operating in neighboring countries such as Venezuela, perhaps we can address this problem in a more regional context and better understand what Colombia is up against.

I thank the chairman and ranking member and their staffs for their support.

AMENDMENT NO. 3401

Mr. DODD. Mr. President, it is my understanding that Senate amendment No. 3401 is acceptable to both the chair and ranking member. This amendment would reauthorize the Assistance to Firefighters Grant Program, or the FIRE Act, for the next 6 years.

It is based on bipartisan legislation introduced by Senator DeWine and myself on May 11, 2004. The bill, S. 2411, currently has 39 co-sponsors, including the distinguished Chairman and Ranking Member of the Senate Armed Services Committee.

As many of our colleagues know, the Senate approved by unanimous consent the original FIRE Act as part of the Defense Authorization bill 4 years ago. There is some precedent, then, for this amendment to the current Defense Authorization bill, despite the fact that the legislation falls under the jurisdiction of the Senate Commerce Committee.

Unless Congress quickly reauthorizes the FIRE Act grant program, it will expire at the end of the current fiscal year on September 30, 2004. If this legislation is not quickly enacted, fire departments throughout the Nation will not receive the assistance they need to fight fires, save lives, and protect their own.

I have consulted with the distinguished Chairman of the Senate Commerce Committee about the urgency of reauthorizing the FIRE Act before the fiscal year ends. He is fully aware of the fact that we have precious few legislative days left on the Senate Calendar. Accordingly, he has indicated to me his intention to hold a hearing on the reauthorization bill on July 8, with a markup to follow before the August recess.

Assuming that this schedule holds firm, my expectation is that legislation passed by the Commerce Committee would take the place of amendment No. 3401. In the event that work on the Defense Authorization Act is not completed this year, I am also prepared to move the FIRE Act reauthorization as a free-standing bill. Alternatively, should the Commerce Committee not act on this legislation, the Senate will have at least acted to reauthorize the FIRE Act adopting amendment No. 3401.

In closing, I thank Senator McCain for his leadership on this issue, and his unwavering commitment over the years to advancing the cause of firefighters. I also commend Chairman Warner and Senator Levin for their willingness to help the Nation's fire services on the Defense Authorization bill both today and 4 years ago. Finally, I would like to express my appreciation to Senator Hollings for his wise counsel and strong support for the FIRE Act initiative.

I yield to the distinguished Senator from Virginia.

Mr. WARNER. Mr. President. I thank the Senator from Connecticut. I am prepared to accept this amendment based on the understanding he has reached with the distinguished Chairman of the Commerce Committee.

As Senator Dodd indicated, the Commerce Committee plans to hold a hearing on the FIRE Act on July 8, with a markup expected shortly thereafter. I look forward to working with Senators McCain, Dodd, and DeWine to ensure that this important legislation to help our Nation's fire departments is enacted into law this year.

Mr. McCAIN. I thank the distinguished Chairman of the Armed Services and my friend from Connecticut for the opportunity to work with them to reauthorize this important program.

As Chairman of the committee of jurisdiction over the Assistance to Firefighters Grant Program, I am familiar with this program's success. This program provides grants to local fire departments using a competitive, merit-based review process. I agree with my colleagues that this program is an example of a well-run government program that should be reauthorized, and am proud to be a cosponsor of S. 2411.

I have consented to allow Senator Dodd's amendment be added to this important legislation as a placeholder. The Senate Commerce Committee intends to hold a hearing on S. 2411 on July 8, 2004, and then we expect to report the bill out of Committee by the August recess. It is my intention that this reported version of S. 2411 be used to replace the placeholder during the conference for S. 2400.

I thank Senators Dodd, Warner, and DeWine for their leadership on this issue, and look forward to working with them to pass this legislation this year.

Mr. LEVIN. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Before the Senator from New York speaks, I wonder if I might get the attention of the distinguished whip?

If we can have assurance, as the managers depart the floor, to do some other work, that this will be the final action on this bill tonight?

Mr. REID. I will indicate, as both managers know, tomorrow Senator Lautenberg is going to offer two amendments, Senator Durbin is going to offer two amendments, Senator Reed is going to offer his amendment, if he so chooses, on missile defense, and I am going to offer my amendment on current receipts.

Mr. WARNER. Mr. President, the distinguished Senator from Nevada went over that with me, and that strikes me as a very good day. If a Republican Senator desires an amendment, we will work him or her into the queue as the case may be.

Mr. REID. Absolutely.

Mr. WARNER. Then we might mention also the schedule for Monday?

Mr. REID. On Monday, we have Senator Levin, Senator Dayton, Senator Byrd, and Senator Bingaman, and there may be others as the day progresses.

Mr. WARNER. That is correct. These are the amendments that have been forthcoming on the other side of the aisle.

I am prepared to assist my colleagues on this side if they have matters, but we are really working toward what the majority leader, in consultation with the distinguished Democratic leader, indicates. We are going to conclude this bill on Tuesday.

Mr. REID. We will do our very best—Tuesday night or Wednesday morning. But we are doing quite well.

Mr. WARNER. It is largely due to the tremendous cooperation on both sides. So we have the assurance that this will be the completion of the work tonight?

Mr. REID. Absolutely.

Mr. WARNER. I thank the distinguished leader.

Mr. REID. There will be no more votes. The Chair already announced that. Can the Senator from New York be recognized for 5 minutes?

The PRESIDING OFFICER. Is there objection? The Senator from New York is recognized for 5 minutes.

Mr. WARNER. And the Senator from Missouri wishes to speak for how many minutes?

Mr. TALENT. I would like 5, but I probably will not use them.

Mr. WARNER. Five minutes to follow the Senator from New York.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. If the Senator will yield for a unanimous consent, I ask unanimous consent the Senator from North Dakota, Mr. Conrad, be added as a cosponsor to amendment No. 3432, which has already been agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3163, AS MODIFIED

Mrs. CLINTON. Mr. President, I rise to thank the chairman and ranking member for the work they and their staffs have done, along with the Senator from Missouri and myself and our staffs, to accept an amendment that addresses two issues critical to our men and women in uniform. First, through this amendment we are attempting to develop better policies and information in order to track the health of soldiers and others in uniform after a deployment overseas.

Second, we are seeking to improve the medical and dental readiness of our National Guard members and reservists.

Last month, Senator TALENT and I introduced the Armed Forces Personnel Medical Readiness and Tracking Act of 2004. I am delighted that many of the ideas we have advocated are included in this legislation because of our amendment.

It has been a pleasure working with my colleague on the Armed Services Committee, Senator TALENT, and with his staff.

When I was First Lady, I worked to bring attention to the problems and symptoms that many of our veterans returning from the 1991 gulf war experienced. This constellation of symptoms came to be known as the Gulf War Syndrome.

During Senate Armed Services Committee hearings in February 2003, before the current Iraq war, I asked the Chairman of the Joint Chiefs, General Myers, and each of the Service Chiefs, whether they would be monitoring and tracking the health of our soldiers who are deployed in the gulf.

They assured me they would. But I am afraid that based on reports from soldiers returning from this deployment, we have not done all we should to screen and track the health of our soldiers. Indeed, several weeks ago we had several soldiers from the 442 MP unit out of Orangeburg, NY, who are being treated at Fort Dix for injuries and symptoms they incurred in Iraq, including headache, sleeplessness, and many others.

We know very well our enemy stops at nothing. The use of Sarin in an artillery shell in Iraq last month demonstrates more than ever the need to have adequate information about the health of our young men and women.

The legislation we have championed that is being adopted seeks to establish procedures to ensure that the information is systematically collected so that, if soldiers return exhibiting certain symptoms, there will be a base of information on which we can determine what could have caused that.

The amendment requires the Department of Defense to develop a comprehensive plan to improve medical readiness and tracking before, during, and after deployment. It establishes a Joint Medical Readiness Oversight Committee to advise the Secretary of Defense on the medical readiness and health status of members of the active Reserve components.

It requires compliance of the Armed Forces with medical readiness and tracking policies. It requires that we develop and implement the annual readiness plan.

The committee will include DOD officials and experts in the military service organizations, veterans service organizations, and civilians.

Finally, current law requires the information about the health of soldiers returning from deployment to be collected, but it appears these provisions are not being enforced. So we require audits of blood serum collection programs, as well as the predeployment and postdeployment health assessment database that DOD is supposed to maintain.

These problems have come to light because of our many Guard and Reserve members who have been deployed, and we are finding too many examples where they don't have the requisite medical readiness and where they are not sufficiently tracked.

This is an effort to do what we should do—the right thing to treat our young men and women in uniform. I am hoping it provides a good base for us to learn more about what they are supposed to do during their deployment in the gulf and elsewhere around the world.

I thank my colleague from Missouri as well as the chairman and ranking member for working with us and I look forward to seeing this implemented to further the health of our young men and women.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. TALENT. Mr. President, I wish to say a few words on our amendment, but before I do that, let me take a minute to compliment again Senator BOND, who laid down the amendment and Senator HARKIN for cosponsoring it, to assist former employees in Iowa and Missouri who were affected because they worked in plants that produced the atomic materials from which we made the atom bombs which won the war and then kept us safe.

Because of their exposure to the radiation, they have become ill and they deserve compensation. They are not getting it because of the convoluted procedures that are currently in place. We simply want to allow them to be treated separately as already occurs with employees in the four States.

I admire the way Senator BOND has fought like a tiger for those employees. I have joined him in doing that.

I appreciate the work of the managers of the bill in trying to figure out a way to accept that amendment. I hope we can, indeed, do that. It is just a matter of justice for these employees.

I also wish to speak for a moment about the amendment which Senator CLINTON and I offered based on the legislation which we sponsored together some weeks ago. I want to return her kind words and say it has been a pleasure to work with her and her staff on a strong bipartisan basis to make these changes which we think are necessary to protect the health of our men and women in the military, and also to make certain they are ready to be deployed when they need to be deployed. Those are the two things we are trying to do.

Before employees, service men and women are deployed to combat theaters, we require that a blood sample be drawn from them, and after they return that another blood sample be drawn from them.

The point is, it has happened too often in the past where service men and women coming back from active duty show signs and symptoms of illness, and we can't figure out what is wrong. We need baseline blood tests so we can tell the extent to which their blood is deviate and their health symptoms are deviating from what they were before deployment. This will give us a clue as to what is wrong with them so we can avoid another gulf war syndrome episode.

I have had vets from Missouri over several years talking to me about this issue. We allow the military to do it today, particularly with regard to reservists and guardsmen because it is often not done because local commanders want to get them deployed and into the theater.

This is very important and now it will be the law. I am grateful to the managers of the amendment for accepting that part of the amendment.

The other point is to simply improve the health of our Active and Reserve component service men and women. We put in place a joint committee to oversee the medical tracking system that is supposed to be in place but isn't implemented as well as it should be.

We require that reservists receive detailed health assessments at least every 2 years. Right now they only get exams every 5 years.

We require routine health baselines for all our recruits entering the armed services so we will know the health status of people when they enter the military.

There are a number of other good measures as well.

I only have 5 minutes. I imagine I have used most of that.

Let us say it has been a pleasure to work with the Senator from New York and her staff. We are jointly grateful to the Senator from Virginia and the Senator from Michigan for their openness on this amendment, and we are pleased that it was agreed to and look forward to holding it through the rest of the process.

I yield my time.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 3235

Mr. BROWNBACK. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. BROWNBACK] proposes an amendment numbered 3235.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To increase the penalties for violations by television and radio broadcasters of the prohibitions against transmission of obscene, indecent, and profane language)

On page 280, after line 22, insert the following:

SEC. . BROADCAST DECENCY ENFORCEMENT ACT OF 2004.

(a) SHORT TITLE.—This section may be cited as the "Broadcast Decency Enforcement Act of 2004".

(b) INCREASE IN PENALTIES FOR OBSCENE, INDECENT, AND PROFANE BROADCASTS.—Section 503(b)(2) of the Communications Act of 1934 (47 U.S.C. 503(b)(2)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively;

(2) by inserting after subparagraph (B) the following new subparagraph:

"(C) Notwithstanding subparagraph (A), if the violator is—

"(i)(I) a broadcast station licensee or permittee; or

"(II) an applicant for any broadcast license, permit, certificate, or other instrument or authorization issued by the Commission; and

"(ii) determined by the Commission under paragraph (1) to have broadcast obscene, indecent, or profane language, the amount of any forfeiture penalty determined under this subsection shall not exceed $275,000 for each violation or each day of a continuing violation, except that the amount assessed for any continuing violation shall not exceed a total of $3,000,000 for any single act or failure to act."; and

(3) in subparagraph (D), as redesignated by paragraph (1), by striking "subparagraph (A) or (B)" and inserting "subparagraph (A), (B), or (C)".

Mr. BROWNBACK. Mr. President, on this amendment, I am being joined by Senator LIEBERMAN and Senator ZELL MILLER.

It is a simple issue. I want to take a few minutes to explain it. I am hopeful we will get strong support in this body as in the House. A similar bill came up earlier in the House and it passed that body 391 to 22. The same issue passed the Commerce Committee in the Senate 14 to 0 on a recorded vote.

It is an issue of fines and decency on over-the-air broadcasts—whether it be radio or television.

I think it is important to put my comments in context today by explaining the policy history of this issue; that is, decency on over-the-air public airwaves.

At the invention of television, our Nation established a public policy of providing citizens with free over-the-air television. It gave broadcasters wishing to provide that service with the use of valuable spectrum. Not everyone can broadcast over the Nation's public airwaves. These are airwaves owned by the public. That is why the statute requires the Federal Communications Commission to evaluate not just the ability but the character of an entity to operate.

When handing out a broadcast license, in return for a license, each broadcaster agrees not to air indecent or obscene content between the hours of 6 a.m. and 10 p.m. The broadcaster gets a valuable piece of spectrum, which is public property. The broadcaster gets the right to use that. In exchange, one of the requirements is they not broadcast indecent or obscene content between the hours of 6 a.m. and 10 p.m.

Fines and license revocations have always been the discipline tool available to the FCC to help enforce America's longstanding commitment to broadcast decency.

This is an issue about license. It is an issue about the use of public property, and some modest limitation of that.

We live in a nation where we hold the first amendment in high regard, as well we should. In an effort to maintain the free exchange of information, thoughts, and opinions, we strive to avoid government involvement in communications content.

At the same time, as a nation, we strive to project decency and justice for all. As a nation raising children, we do the same. With the turning of a tuning knob, or the click of a remote, minors all across America are presented with the content of the public airwaves.

Broadcasters have a legal and a moral duty to ensure that American taxpayers—and especially children—are not assaulted by explicit material.

For years, we have been asking and waiting for the broadcasters to police themselves in this effort. Unfortunately, instead of fulfilling the public interest duty, they have allowed the content to grow steadily worse and worse.

Meanwhile, the companies that own the broadcast stations have grown steadily larger—and not surprisingly. Some of these broadcasters' profit margins have made them immune to the FCC's current fine structure. Let me give you an example.

Today's maximum fine for an indecent broadcast is $27,500. That seems like a lot of money—and it is to some. But it isn't to others. Compare that fact to a 30-second commercial during the 2004 Super Bowl which cost advertisers an average of $2.3 million for a 30-second ad.

In the words of the FCC Commissioner, Michael Powell, these fines are peanuts to the big media conglomerates. That is why we are here to increase the fine structure for indecency and obscene broadcasts. The threat of these fines will be taken seriously and force broadcasters to protect their consumers from explicit content.

Nothing in this amendment forges any new ground in broadcast decency law. The intent is simple: To increase the fines for indecent broadcasts to mask the realities of today's media markets. This amendment would increase the maximum fines tenfold, from $27,500 to $270,000, with a maximum $3 million cap per incident per day.

Why do we need to do this? We need this amendment to end the growing volume of graphic content on free over-the-air broadcasts. Remember, broadcasters profit from exclusive and free use of the public airwaves which gives them unique access to all Americans, particularly America's youth. With that access to our country's intellectual, moral, and social development comes a set of moral and social responsibilities and obligations that are agreed to in the licensing process.

I am very disappointed by the apparent confusion the broadcasters are having between the right to do something and the right thing to do when it comes to the public airwaves.

Recently, FOX and VIACOM announced they were going to appeal the FCC Bono ruling so they can use the "F" word on broadcast television. This is their response in spite of the fact that the FCC overturned the original rule in response to a fierce public outcry.

This hostile response the public is getting from broadcasters is inexcusable. We see time and again media leaders defending their profit-driven motives by airing explicit content and then falsely hiding behind their so-called first amendment rights. Broadcasters have joined the shock jocks of the country to shout down those who publicly question harmful content as an anti-first-amendment censor. In abandoning their duty to adhere to decency standards, broadcasters point to the absence of decency regulations on cable television. This is just a red herring. We are talking about public airwaves and a public right to air decent material.

The broadcasters argue they have a right to air indecent, obscene, and profane material. But that is a disgraceful abuse of the first amendment. I support the first amendment and its guarantees of free speech. It is the basis of much of the freedoms we enjoy in our great democracy. But there are limits, and particularly here, where we are dealing with a public license and the use of public property where the licensee has agreed to not broadcast indecent material.

This principle has been affirmed by the Supreme Court of the United States in the famous Pacifica case where it was upheld that the Government had the right to protect the public airwaves. This case came to the Court in the early 1970s when George Carlin's famous "filthy words monologue" was broadcast during the middle of the day on a New York radio station owned by Pacifica Foundation. A father driving with his son heard the broadcast and complained to the FCC. The FCC said that if those kinds of words were used again, the radio station airing them would be fined. Just like today, the broadcasters challenged the ruling and the case went all the way to the Supreme Court. The Court upheld the FCC action and added that it could continue to fine broadcasters in the future because broadcasters had to take special care not to air material that would offend or shock children.

The majority opinion stressed that of all the forms of communication, broadcasting has the most limited first amendment protection because it extends into the privacy of the home and is uniquely accessible to children.

The FCC has been too lax for too long enforcing the law on broadcasters. A recent public outcry has been a wake-up call for the FCC. The Commission told us they do not have all the tools they need for effective enforcement. That is why we are here today.

Passing this legislation will tell the broadcasters that we are serious about protecting our airwaves and we will give the FCC updated tools to get the job done. I don't know if I need to remind my colleagues that this came to the forefront at this year's Super Bowl, an event families across the country watch together. At the halftime show, the incident between Justin Timberlake and Janet Jackson set off a firestorm that had been brewing for a long period of time.

Finally people said: Look, I have had enough: I don't want to see this any more, particularly when I am watching TV with my family. That is what launched this forward.

We have been waiting for years for the broadcasters to voluntarily take care of this growing problem. They have failed. Instead, they are fighting tooth and nail for the availability to air graphic material so they can increase their profit margins.

America deserves better. That is why we need to make the consequences of broadcasting indecency punitive so the standards are no longer ignored.

I urge my colleagues to vote for this amendment. Increasing the fines will help clean up our Nation's free, over-the-air television and radio by holding accountable broadcasters who use the public airwaves and individuals who use the opportunity of a live performance to gain notoriety through indecent acts.

As I noted previously, this has been considered by the Senate Commerce Committee and it has passed unanimously in that committee. It has been considered previously by the House of Representatives, which has voted 391 in favor with only 22 against increasing these fines. They actually have some teeth in today's marketplace. I urge my colleagues to vote for this amendment.

I ask for the yeas and nays when we vote on this Monday. I further ask unanimous consent that when we go back to this amendment on Monday that I be recognized first to speak if there are any further amendments that are proposed to this that are to be considered on Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator has requested the yeas and nays.

Mr. BROWNBACK. Mr. President, I have been informed that we need colleagues on the other side to respond to yeas and nays and I will not ask for that until we do get that agreement from my colleagues on the other side of the aisle.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BURNS. Mr. President, I send to the desk a second-degree amendment to the pending amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Montana [Mr. BURNS], for himself and Mr. ENSIGN, proposes an amendment numbered 3457 to amendment No. 3235.

Mr. BURNS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment, add the following:

SEC. . ADDITIONAL FACTORS IN INDECENCY PENALTIES; EXCEPTION.

Section 503(b)(2) of the Communications Act of 1934 (47 U.S.C. 503(b)(2)), as amended by section 102 of this Act, is further amended by adding at the end the following:

"(F) In the case of a violation in which the violator is determined by the Commission under paragraph (1) to have uttered obscene, indecent, or profane material, the Commission shall take into account, in addition to the matters described in subparagraph (E), the following factors with respect to the degree of culpability of the violator:

"(i) Whether the material uttered by the violator was live or recorded, scripted or unscripted.

"(ii) Whether the violator had a reasonable opportunity to review recorded or scripted programming or had a reasonable basis to believe live or unscripted programming would contain obscene, indecent, or profane material.

"(iii) If the violator originated live or unscripted programming, whether a time delay blocking mechanism was implemented for the programming.

"(iv) The size of the viewing or listening audience of the programming.

"(v) The size of the market.

"(vi) Whether the violation occurred during a children's television program (as such term is used in the Children's Television Programming Policy referenced in section 73.4050(c) of the Commission's regulations (47 C.F.R. 73.4050(c)) or during a television program rated TVY, TVY7, TVY7FV, or TVG under the TV Parental Guidelines as such ratings were approved by the Commission in implementation of section 551 of the Telecommunications Act of 1996, Video Programming Ratings, Report and Order, (CS Docket No. 97-55, 13 F.C.C. Rcd. 8232 (1998)), and, with respect to a radio broadcast station licensee, permittee, or applicant, whether the target audience was primarily comprised of, or should reasonably have been expected to be primarily comprised of, children.

"(G) The Commission may double the amount of any forfeiture penalty (not to exceed $550,000 for the first violation, $750,000 for the second violation, and $1,000,000 for the third or any subsequent violation not to exceed up to $3,000,000 for all violations in a 24 hour time period notwithstanding section 503(b)(2)(C)) if the Commission determines additional factors are present which are aggravating in nature, including—

"(i) whether the material uttered by the violator was recorded or scripted;

"(ii) whether the violator had a reasonable opportunity to review recorded or scripted programming or had a reasonable basis to believe live or unscripted programming would contain obscene, indecent, or profane material;

"(iii) whether the violator failed to block live or unscripted programming;

"(iv) whether the size of the viewing or listening audience of the programming was substantially larger than usual, such as a national or international championship sporting event or awards program;

"(v) whether the obscene, indecent or profane language was within live programming not produced by the station licensee or permittee; and

"(vi) whether the violation occurred during a children's television program (as defined in subparagraph (F)(vi)).".

Mr. BURNS. This is a friendly second-degree amendment. We have talked about and, of course, we know that the bill that has been voted out of the committee and is waiting for floor action moves this along.

We were all shocked and dismayed over the spectacle at the Super Bowl this year. Those responsible should be severely punished for such a vulgar display of tastelessness.

That being said, this high-profile, well-publicized incident could prompt Congress to go too far. In some areas of this bill, we did go too far. This second-degree amendment fixes that.

While I fully support the underlying Brownback legislation, I am offering this second-degree amendment to protect the interests of small broadcasters that should not be punished for the events outside of their control.

I am sorry I did not see the halftime show during the Super Bowl. I saw who it was going to be. It was put on by MTV, which I never watch, for very good reason. It ought to be a pay channel. I moved over to the poker tournament on ESPN, so I missed the whole spectacle. But, nonetheless, lots of families did not.

In the case of the Super Bowl, for example, many affiliates were furious their viewership was exposed to such a spectacle. The amendment I offer simply calls on the FCC to consider the size and revenues of the stations in question, as well as whether they had anything to do with producing the offensive content in question. In other words, we have small market television stations that have no control on content but may find themselves in a lawsuit for indecent content that might be broadcast.

Finally, I believe, as we approach these issues, we must take a hard look at the declining standards across all media. I understand there have been industry efforts to develop indecency guidelines that will apply fairly and evenly across all media platforms that distribute content. I think this approach could prove enormously beneficial in setting unified standards so individual broadcasters understand what is expected of them. Additional clarity in terms of content standards would also eliminate excuses among those who choose to push the envelope, the limits of vulgarity for commercial gain.

Nothing in the broadcast industry has been talked about so much as the halftime at this year's Super Bowl. It has absolutely been on the minds of broadcasters across this country.

The American people clearly expect Congress to act on the indecency issue. So I call on my colleagues to adopt this second-degree amendment I have offered, which will help to produce real solutions without unduly penalizing small broadcasters.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWNBACK. Mr. President, in speaking to the Burns second-degree amendment, this is an amendment that was considered in the Commerce Committee and added to the base bill at that time. What he is proposing to do makes a lot of sense. I do not see a problem with that at all, so I would be supportive of doing that.

Overall, we want to get this to move it forward. The House has moved on this action. The FCC is seeking this authority. So we really want to try to get this to move on through the process, if at all possible. We are not having further rollcall votes until Monday, so we will proceed at that time, and I will ask for a rollcall vote then.

Mr. GREGG. Mr. President, earlier today the Senate adopted the Murray amendment No. 3427, to facilitate the availability of childcare for the children of members of the Armed Forces on active duty in connection with Operation Iraqi Freedom or Operation Enduring Freedom.

I support that amendment but wanted to additionally acknowledge efforts that are already underway in the private sector to help support those who are risking their lives to keep us safe.

I would like to speak about the American spirit. We are a people who can do great things when united. We have witnessed this in recent months with dozens of home-front stories of the many great deeds of Americans in support of our troops and our Nation's efforts abroad in the war on terror.

There is Spirit of America, a private group which set out to raise $100,000 to build TV stations in Iraq. Americans responded with thousands of donations totaling $1.52 million. Federal Express donated the domestic shipping costs of the equipment for this gift to the country of Iraq. Those stations are being built now and will offer the Iraqi people a national and independent news source that is not Al-Jazeera. This is great.

This American spirit is also responsible for the gift of 10,000 school supply kits, 3 tons of medical supplies, and 2 tons of 'friendship' Frisbees to the Iraqi people, all paid for and donated by Americans.

You hear about American students donating books to Iraqi schools and sending letters to Iraqi children.

And now, thousands of childcare providers have united across the country to donate childcare services to National Guard and Reserve members home on 2 week R&R leave from Iraq and Afghanistan to allow them to carry out personal business, take their spouses out on a date, or enjoy other recreational activities while they are home.

Operation Childcare is an effort of the Nation's network of childcare resource and referral, NACCRRA, their local agencies, and thousands of childcare providers across the country to give back to those men and women who are fighting to keep us safe. This program was designed for those members of the military who do not live near military bases and therefore do not have access to family support programs provided to Active-Duty personnel.

So far, over 4,700 centers and individual providers have signed on to Operation Childcare. In my home State of New Hampshire there are 35 providers who are donating childcare to our guardsmen and reservists. These numbers continue to grow, as more people hear about the program.

Childcare providers who volunteer their time for Operation Childcare will receive official recognition, but I suspect many would agree with one childcare provider in Tennessee who said:

> You don't have to recognize me—I am just thrilled and honored to be able to do something to help our troops.

NACCRRA should be applauded for their efforts in organizing this service for our service members.

This is but a snapshot of the home-front efforts being carried out by thousands of Americans across this country. The American people are truly united behind our men and women in uniform. This is the American spirit that continues to inspire.

Mr. DEWINE. Mr. President, I am pleased to put my full support behind an agreement made between Senators DODD, MCCAIN, WARNER, LEVIN, and HOLLINGS to attach the Assistance to Firefighters Act of 2004, as amendment No. 3309, to the pending Department of Defense Authorization bill.

Each day, we entrust our lives and the safety of our families, friends, and neighbors to the capable hands of the brave men and women in our local police departments. These individuals are willing to risk their lives and safety out of a dedication to their citizens and their commitment to public service.

We ask local firefighters to risk no less than their lives, as well, every time they respond to an emergency fire alarm, a chemical spill, or as we saw on September 11—terrorist attacks. We ask them to risk their lives responding to the nearly 2 million reports of fire that they receive on an annual basis. Every 18 seconds while responding to fires, we expect them to be willing to give their lives in exchange for the lives of our families, neighbors, and friends. One hundred firefighters lost their lives in 2002 in the line of duty, and nearly 450 lost their lives in 2001. The unyielding commitment these individuals have made to public safety surely deserves an equally strong commitment from the Federal Government.

In 2000, Congress affirmed the value of having a properly trained, equipped, and staffed fire service by passing the Firefighter Investment and Response Enhancement, FIRE, Act—legislation that Senator DODD and I introduced, along with Congressmen PASCRELL, WELDON, and many others, on the House side. In the 4 years since the FIRE Act became law, fire departments have made significant progress in terms of filling the substantial needs outlined in the National Fire Protection Association's "needs assessment."

To date, Congress has appropriated nearly $2 billion dollars for the FIRE

Act program. Virtually every penny of that amount has gone directly to local fire departments through FIRE grants to provide firefighter personal protective equipment, training to ensure more effective firefighting practices, breathing apparatus, new firefighting vehicles, emergency medical services supplies, fire prevention programs, and other important uses.

The direct nature of the FIRE Act grant program—funds literally go straight from the Federal Government to local fire departments—is an extremely important aspect of the law, particularly in light of the difficulties we are seeing with other homeland security grant programs getting money to flow directly to the intended recipients.

FIRE Act grants are awarded based on a competitive, peer-review process that helps ensure that the most important needs are filled first and that funding will be used in an effective manner. I am proud to note that 86 of Ohio's 88 counties have received FIRE Act funding up to this point and that the fire service in my home state is much better prepared to respond to emergencies as a result. The bottom line is this: The FIRE Act program has proven to be an extremely valuable tool for fire-based first responders.

The time has come to reauthorize this important legislation—to build upon the successes of the original FIRE Act and to refine the program where improvements can be made. Amendment No. 3309, which I am offering along with Senator DODD, accomplishes just that.

Our amendment focuses on four central themes. First, we take steps to make the grant program more accessible for fire departments serving small, rural communities and to eliminate barriers to participation faced by departments serving heavily populated jurisdictions. Second, we codify changes made in program administration since its transfer to the recently created Department of Homeland Security. Third, the amendment increases the emphasis within the program on life-saving Emergency Medical Services and technologies. And fourth, we evaluate the program through a series of reports to help ensure that resources are targeted to the areas of greatest need. These priorities have been developed jointly with the fire service, and represent a means to strengthen the FIRE Act program for years to come.

Our amendment would help the FIRE Act program more accessible for fire departments serving the very largest and smallest jurisdictions in America. Our experience over the past four years has been that a number of features in the program make participation difficult for departments serving these populations. Career fire departments, most of which serve populations well in excess of 50,000, have been receiving only a small percentage of the total grants thus far. After consulting with the fire service organizations, fire chiefs in my home State of Ohio, and officials administering the program at the Department of Homeland Security, we have found that there are two main reasons why this has been the case.

First, matching requirements for large departments, currently fixed at 30 percent, have been particularly difficult to meet. Second, current law dictates that departments—whether they serve a large city, such as Cleveland and have numerous fire stations, or a small town, such as Cedarville, OH, and have only one station—are eligible for the exact same level of funding each year: $750,000. These two elements of the current program have caused a number of large fire departments to forgo applying for FIRE grants. With respect to smaller, often volunteer-based departments serving populations of 20,000 or less, budgets are often so limited that meeting the current match is simply not possible. Many of these departments struggle with even the most basic needs, such as having an adequate number of staff available to respond to a structure fire.

Our legislation addresses each of these problems in a simple and straightforward fashion. Specifically, the amendment would reduce matching requirements by one third for departments serving communities of 50,000, and by one half for departments serving 20,000 or fewer residents in order to encourage increased participation by these departments. The amendment also would re-structure caps on grant amounts to reflect population served, with up to $2,250,000 for departments serving one million or more, $1,500,000 for departments serving between 500,000 and one million, and $1,000,000 for departments serving fewer than 500,000 residents. Together, these two changes would go a long way toward increasing the accessibility of the program for the very largest and smallest departments in the United States.

The second major component of our legislation has to do with the transfer of the FIRE Act Administration from the Federal Emergency Management Administration, FEMA, to the Department of Homeland Security, DHS. When FEMA's functions were transferred into the DHS, the FIRE grant program, along with the U.S. Fire Administration, also were transferred to DHS. As a part of that transfer, formal administration of the FIRE grant program has been delegated to the Department to the Office of Domestic Preparedness, ODP, which oversees all DHS grant programs. While the U.S. Fire Administration—the real fire experts within the Federal Government—remains involved, we need to take steps to formalize the management of the program following the transfer to DHS.

There are a number of reasons for solidifying program administration in law, chief among them being the ability of fire departments across our Nation to plan for the future, and the ability to ensure an ongoing role for fire experts in the process. First, our amendment gives the Secretary of Homeland Security overall authority for the program. This just makes sense given the Secretary's current home within ODP. Additionally, the amendment would codify in law practices currently in use by ODP—peer review by experts from national fire service organizations, a formal role for the U.S. Fire Administration, and collaborative meetings to recommend grant criteria.

These steps would benefit the program for years to come and would help bring stability to the increasingly mature FIRE grant program. Perhaps more importantly, formalizing the role of the U.S. Fire Administrator and national fire service organizations would help resolve a fundamental tension between the mission of the FIRE Act program, to improve firefighting and EMS resources nationwide for all hazards, and the mission of its caretaker, ODP, to focus on terrorism prevention and response.

It makes sense for ODP, as the central clearinghouse for grant programs within DHS, to manage the FIRE grant program. Equally so, it makes sense to build features into the program which would help ensure that the FIRE grant program will remain dedicated solely to the fire and Emergency Medical Services, EMS, communities and will not be diluted over time into a generic terrorism-prevention program. Our amendment carefully strikes this balance.

The third major focus of this amendment is on finding ways to improve safety and to save lives. We do this in a number of ways. First, we have teamed up with national fire service organizations to incorporate firefighter safety research into the fire prevention and safety set-aside program. This new research, supported by a 20 percent increase in funds for the prevention and safety set-aside, would help reduce the number of firefighter fatalities each year and would dramatically improve the health and welfare of firefighters nationwide.

Second, we place an increased emphasis on Emergency Medical Services. In most communities, the fire department is the chief provider for all emergency services, including EMS. To illustrate this point, a 2002 National Fire Protection Association study indicates that fire departments received more than seven times as many calls for EMS assistance as they did for fires. When our family members, neighbors, and friends need immediate medical help, we turn to EMS providers, and we rely on this help to be as effective and timely as possible. It is our duty in structuring the FIRE grant program, then, to do everything we can to give EMS squads the assistance they need to carry out this important mission.

Despite the overwhelming ratio of EMS calls to fire calls, the FIRE grant program has not adequately reflected the importance of EMS over the past few years, with about 1 percent of all grants going specifically for EMS purposes. While there is no question that a number of other grants have indirectly benefited EMS and that departments do invest their own money into this service, more can and should be done through the FIRE Act to boost our EMS capabilities nationwide. To accomplish this goal, we do a number of things in the amendment, including specifically including fire-based EMS professionals in the peer review process and allowing EMS grant requests to be combined with those for equipment and training. We have already seen evidence that new, combined structure is making excellent progress this year in shifting a greater emphasis to EMS within the program.

Additionally, we include language to incorporate independent, nonprofit EMS squads into the FIRE grant program for the first time. While our work with national fire service organizations on this particular provision has been productive and is ongoing, its intent is clear—and that is to try to bring the emphasis within the FIRE grant program on EMS closer to the level of demand in the field for this life-saving service. I am pleased that we have this language in the amendment and believe that through markup in the Commerce Committee next month, and perhaps later during conference consideration of the underlying bill, we can find an even better solution for increasing support for EMS.

Third, we create a new incentive program within the FIRE Act that encourages departments to invest in life-saving Automated External Defibrillator, AED, devices. These devices are capable of dramatically reducing the number one cause of firefighter death in the line of duty—heart attacks. Our incentive program essentially says to fire departments that if you equip each of your firefighting vehicles with a defibrillator unit, we will give you a one-time discount on your matching requirement. Congress has expressed, time and again, strong support for getting these devices out to communities through various grant programs. It is our hope that we can maintain that commitment by extending support for lifesaving defibrillator technologies to fire departments across the country.

Fourth, we eliminate a burdensome and unintended matching requirement for fire prevention grants. These grants generally go to non-profit organizations, such as National SAFE KIDS, to provide for fire safety awareness campaigns, smoke detector installations in low-income housing, and other important prevention efforts. Though no match was required in the first few years of the program, a recent legal opinion from the Office of Domestic Preparedness has reversed course and instituted a 10 percent match for grantees. This unanticipated requirement, which is extremely difficult for nonprofits with limited capital, has had a debilitating effect on the prevention program and needs to be eliminated. Our legislation does just that.

Together, these commonsense features of our amendment would dramatically improve the safety of our communities, as well as the firefighters who bravely serve them.

The fourth section of this amendment centers on a comprehensive review of the FIRE grant program. This review, to be conducted in part by the National Fire Protection Association, and in part by the General Accounting Office, GAO, seeks to evaluate the program with an eye toward ensuring that resources are targeted to the areas of greatest need. A similar study by the National Fire Protection Association conducted shortly after passage of the initial FIRE Act was extremely helpful as far as identifying the nature of the fire service needs. Ultimately, this part of the amendment is about making sure that the billions of taxpayer dollars authorized by this legislation are used in the most responsible and effective manner possible.

Our amendment is a good amendment. It is comprehensive and collaboratively drafted with input from fire and emergency services experts from across the country. The National Safe Kids Campaign, the International Association of Fire Fighters, the International Association of Fire Chiefs, the National Volunteer Fire Council, the International Association of Arson Investigators, the International Society of Fire Service Instructors, and the National Fire Protection Association, among others, all support our legislation.

Furthermore, the process agreed upon between Senators DODD, MCCAIN, and WARNER for consideration of our amendment is a good process. Senator MCCAIN, in his capacity as chairman of the Committee of jurisdiction—the Commerce Committee—has graciously agreed to allow our amendment to be attached to the underlying bill, with the expectation that language reported out of his committee next month will be inserted in its place during conference negotiations. This arrangement gives our legislation the best possible opportunity to pass the Senate, with the added benefit of thorough deliberative consideration through the committee structure. I appreciate Chairman MCCAIN's, and ranking member HOLLINGS' willingness to take this approach, Senator DODD's hard work to reach a positive resolution to the matter, and Senators WARNER and LEVIN's willingness to facilitate this agreement by accepting the amendment at this time. The efforts of all three Senators deserve the praise of the firefighting community.

As was the case in 2000, the Department of Defense authorization bill has become the vehicle of choice for the FIRE Act legislation. I am optimistic that the final result this year will be the same as it was then, concluding with passage of our amendment into law. I am proud to introduce this amendment with my friend and colleague from Connecticut and look forward to working to ensure that the Federal Government increases its commitment to the men and women who make up our local fire departments. We owe them and their service and dedication nothing less than our full support.

SCIENCE & TECHNOLOGY FUNDING LEVELS

Mr. SANTORUM. Mr. President, I rise today to engage the distinguished Senator from New Mexico, Senator JEFF BINGAMAN, concerning the Department of Defense Science and Technology—S&T—program. Senator BINGAMAN and I are both former members of the Senate's Committee on Armed Services and have a deep appreciation for the importance of the Department of Defense's S&T program in meeting current and future defense needs.

Mr. BINGAMAN. The Senator from Pennsylvania is correct in noting our strong support for the Department's S&T programs. During the 106th Congress, I introduced an amendment—SA 199—cosponsored by Senators SANTORUM, KENNEDY, and LIEBERMAN, to S. Con. Res. 20, the Senate's Budget Resolution for Fiscal Year 2002, that was designed to ensure the long-term national security of the United States through a robust Department of Defense S&T program. Additionally, during the 105th Congress, I introduced an amendment—SA 2999—cosponsored by Senators SANTORUM and LIEBERMAN, to S. 2057, the Fiscal Year 1999 National Defense Authorization Act, articulating a sense of the Senate on the ideal level of funding for our Department of Defense's S&T program.

Mr. SANTORUM. The Senator from New Mexico is correct. He has been a strong advocate for our Department of Defense S&T program for many years. It is worth noting that together, we have succeeded in raising the profile of these budget accounts and helped to influence the levels requested for the S&T program in the annual budget request submitted by this and other administrations. I also want to thank Senator BINGAMAN for his support for my amendment—SA 182—to H. Con. Res. 83, the Senate's Budget Resolution for Fiscal Year 2002, which sought to increase funding devoted to the Department of Defense's Basic Research—6.1—account. It is by investing in these budget accounts that we will reap the technology benefits that will sustain our military edge over our adversaries.

Mr. BINGAMAN. We also agree that by funding these vital programs at over 3 percent of the total Defense Department budget, we will be demonstrating a commitment and leadership in an area critical to U.S. national security. Past research carried out with S&T program funding has provided the foundation for protecting U.S. military personnel and ensuring U.S. technological superiority on the battlefield. Handheld translators, unmanned systems, thermobaric bombs, and laser-guided and global positioning systems are just a few examples of the many technologies resulting from S&T investments that are used today to remove personnel from harm's way, enhance battlespace awareness, and address new threats.

Mr. SANTORUM. Additionally, we are united in advocating continued support for these critical programs so we can meet our national security needs of tomorrow. The Department of Defense's S&T program provides a unique contribution to the job of equipping and protecting our men and women in uniform and defending America. S&T funding supports education and training for future scientists and engineers—leading to technological advancements that shape defense technologies, including engineering, mathematics, and physical, computer and behavorial sciences. Throughout the decades of the 1950s, 1960s, 1970s and 1980s, the Department of Defense and other federal agencies sustained their commitments to these investments in American universities. This investment can be measured by the number of systems relied upon by America today to project power and maintain our interests around the globe.

Mr. BINGAMAN. Furthermore, American universities offer the Department of Defense the laboratories and knowledge base necessary to successfully complete this transformation objective. The Department of Defense has historically played a major federal role in funding basic research and has been a significant sponsor of engineering research and technology development conducted in American universities.

Mr. SANTORUM. Senator BINGAMAN is correct. For over 50 years, Department of Defense investment in university research has been a dominant element of the Nation's research and development infrastructure and an essential component of the United States capacity for technological innovation.

Mr. BINGAMAN. I thank Senator SANTORUM for his observations on the importance of robust Department of Defense S&T program funding, and I urge that we continue to advocate funding the S&T program at a level of at least at 3 percent of the total Department of Defense appropriation.

Mr. SANTORUM. The Senator is correct in his statement and I too support the 3 percent S&T program funding goal.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to a period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO THE SENATE AND HOUSE

Mr. FRIST. Mr. President, I would like to take a moment to thank all of the dedicated Members of the Senate family who poured their hearts into making President Reagan's final journey to the Nation's Capitol a dignified and fitting tribute.

Lawmakers and dignitaries from all corners of the globe, Supreme Court justices, Federal officials and hundreds of thousands of citizens made their way to the Rotunda last week to pay their final respects to our 40th President.

It was a solemn and stately event. Each moment radiated a sense of history. I would like to thank some of the Senate individuals whose hard work made last week possible: 1. Sergeant at Arms Bill Pickle; his deputy, Keith Kennedy; protocol officer, Becky Daugherty; Capitol information officer, Laura Parker; and the Sergeant at Arms staff; 2. Alan Hantman, the architect of the Capitol, and the Capitol Superintendent, Carlos Elias; 3. Terry Gainer and the Capitol Police who, under extraordinary pressure, maintained security with discretion and consideration; 4. Emily Reynolds the Secretary of the Senate; her deputy, Mary Suit Jones; and their hard working staff; 5. The Senate Chaplain Pastor Barry C. Black whose sonorous and reflective tributes captured the public's love for President Reagan; 6. All of the volunteers who handed out bereavement cards to the public, manned the condolence booths, and handed out water to the thousands of visitors waiting patiently to see the President; and 7. The Capitol Guide service which worked round the clock.

My sincere thanks also go to Chairman LOTT and Senator DODD. Their steady leadership over the proceedings was crucial.

Likewise, the President of the Senate and the President Pro Tempore presided over the Senate on this momentous occasion with dignity and distinction.

I also wish to extend my thanks to my colleagues in the House of Representatives. Throughout, both chambers worked closely and patiently to carry out a tribute that I think all would agree properly reflected and celebrated President Reagan's extraordinary legacy.

I specifically thank: 1. The Speaker and his dedicated staff; 2. The House Sergeant at Arms and doorkeeper, Bill Livingood; 3. The House chief administrative officer, Jay Eagen; 4. The Clerk of the House, Jeff Trandahl; and 5. The House Chaplain, Reverend Daniel P. Coughlin. His stirring remarks are now a part of America's history.

Finally, to the Reagan family: Through a bleak and solemn week-long procession, their love and respect for Ronald Reagan was a beacon to us all. The Reagan family showed an uncommon dignity and grace that raised us up and touched our hearts.

We will never forget their love. And we will never forget how Ronnie loved his Nancy, and how hard it was for her, even at the very last, to let him go.

Thank you to the Reagan family. And thank you to the man who led us so well and loved his country so deeply—Ronald Wilson Reagan, 40th President of the United States.

TRIBUTE TO THE CAPITOL POLICE

Mr. REID. Mr. President, today I want to take a moment to both thank and commend our U.S. Capitol Police for their outstanding actions during the evacuation of the Capitol complex last week.

As we now know, the decision to evacuate was made on a moment's notice when a private airplane flew into restricted airspace and could not be contacted. Our Capitol Police put the lives of the people who work in Congress ahead of their own. The Capitol and surrounding buildings were vacated within minutes.

In addition to thousands of employees and Members of Congress, hundreds of dignitaries from around the world had come to the Capitol last Wednesday to pay their respects to President Ronald Reagan. The Capitol Police executed the evacuation with efficiency and professionalism.

Fortunately, the threat proved to be a false alarm, and it was again the Capitol Police who screened and helped each individual as they reentered the buildings.

Only a few weeks ago I had the honor of speaking at the re-dedication ceremony of the Capitol Police headquarters. This would be an honor for any Senator, but it is especially so for me, because I served as a U.S. Capitol Policeman years ago.

The Capitol Police force has changed quite a bit over the years. It was founded in 1828 with three nonuniformed watchmen. Before that, only one guard protected the Capitol.

Today, more than 1,300 professionally trained men and women serve as Capitol Police officers. Their challenges have obviously become more formidable, but their main focus still lies in protecting life throughout the complex of congressional buildings, parks, and streets.

I would like to take a moment to recognize 3 Capitol Police officers who have been killed in the line of duty: Sgt. Christopher Eney was killed on August 24, 1984, during a training exercise; Jacob "J.J." Chestnut was killed on July 24, 1998, while guarding his post at the Capitol; and John Gibson was killed on July 24, 1998, while protecting the lives of visitors, staff, and the Office of the House Majority Whip.

The police headquarters building is now named in honor of these 3 fallen heroes. A few weeks ago, at the rededication ceremony, I had the opportunity to meet some of the children of these men, now grown. Speaking with them reminded me of the sacrifice that these officers and their families had made.

Likewise, the events of last week reminded me that our U.S. Capitol Police officers put their lives on the line every day, to protect all of us. For that we can never thank them enough.

RUSSIA'S FALTERING DEMOCRACY

Mr. BIDEN. Mr. President, I rise today, regretfully, to discuss the faltering state of democracy in Russia. I say "regretfully," because during my more than 31 years in the U.S. Senate, I have consistently striven to improve relations between our country and Russia.

For example, a few years ago, despite severe U.S. budgetary constraints and significant foreign policy differences with Moscow, I introduced legislation that when enacted substantially increased funding for Muskie Fellowships for graduate students from Russia.

During my time in the Senate—which has spanned the last decade of Brezhnev, the brief ruling periods of Andropov and Chernenko in the early 1980s, the lengthier and stormy tenures of Gorbachev and Yeltsin, and since 2000 the era of Vladimir Putin—I have always believed that a constructive relationship with Russia is in the best interest of that great country, and is a vital national interest of the United States.

During the Soviet period our ties were based overwhelmingly on strategic considerations. Moscow and Washington had huge, redundant nuclear arsenals that, if ever used, would have "made the rubble bounce"—that is, would have gone a long way toward destroying life on this earth as we know it.

The focus of our diplomacy, particularly of our arms control negotiations, was to make that ultimate horror scenario impossible.

But we had no illusions about making the Soviet Union a genuine partner in anything more than in that narrow strategic sense. Whether or not one fully concurred with President Reagan's memorable description of the U.S.S.R. as an "evil empire," no one could have asserted that it in any way resembled a democracy, anchored by the rule of law, with civil liberties and human rights for all its citizens.

In fact, after the signing of the Helsinki Final Act in 1975, the United States effectively utilized the so-called "Basket Three" of that document to publicly hold the Soviet Union accountable for its violations of human rights and civil liberties.

Great hopes for change accompanied the collapse of the Soviet Union at the end of 1991 and Boris Yeltsin's successor government in the Russian Federation. Although the lid did come off of the worst of state repression, Yeltsin's tenure was marred by widespread corruption, which discredited democratic reform in the eyes of many Russians.

Yet Yeltsin, for all his failings, did successfully make the difficult personal transition from communist to democrat. Given time, Russia's political system held—and still holds—the promise of evolving into a genuine democracy.

That potential, unfortunately, has not only not been utilized, it has been systematically stifled by Yeltsin's hand-picked successor, Vladimir Putin.

In his 4½ years in power, Mr. Putin, an intelligent and street-smart former agent of the KGB, has developed a system known as "managed democracy." Aside from the unintended irony of this oxymoronic construct, in practice it is long on "managed" and short on "democracy." In essence, Russians are witnessing a rollback of the civil liberties they enjoyed during the 1990s.

Both the 2003 parliamentary elections and the March 2004 presidential election were described as seriously flawed by international observers.

The Putin government has selectively and ruthlessly utilized its prosecutorial powers to silence incipient rivals and thereby intimidate other potential opponents. The most celebrated case is that of Mikhail Khodorkovsky, former head of Yukos Oil, Russia's most modern, Western-like private company. Mr. Khodorkovsky's principal sin appears to have been his belief that a wealthy man had the right to engage in Russian political life as a potential alternative to Putin by funding independent, non-governmental organizations.

The imprisonment and legal proceedings against Khodorkovsky have violated virtually every canon of fairness and legality. His trial on tax evasion charges, which opened on Wednesday in Moscow, was scheduled to be held in a cramped courtroom in a blatant move to restrict access to outside observers.

In a speech late in May, President Putin delivered an ominous warning to Russian organizations that defend democracy and human rights for allegedly serving "dubious" interests and receiving financial support from the West.

Putin has also used financial gimmicks to eliminate the major, independent national television stations in Russia, leaving only a handful with local audiences. Earlier this month the most popular and outspoken surviving Russian television journalist was fired.

As a result of this repressive media policy, Russian viewers have long since been denied objective coverage of world events, especially of the brutal war being waged by their army in Chechnya.

In that context, President Bush's answer last week to a question at a G–8 press conference in Sea Island, GA, is disturbing. The President said that the G–8 leaders were "united by common values." He went on to explain: "We do agree on a free press. We don't necessarily agree with everything the free press writes, but we agree on a free press."

The ancient Greeks used irony as a rhetorical device by attributing a positive characteristic to negative reality. The Black Sea was called "the peaceful sea" precisely because, in actuality, it was so stormy. We moderns might call it "the power of wishful thinking."

I hope that is what President Bush was doing—subtly pushing Putin into behaving like a member of the G–8 club, to which Russia now belongs despite its mid-size economy, which, absent extraneous political criteria, would not qualify it for membership.

For although the Russian newspaper scene is still vibrant, as I have just described, its electronic media are anything but free. And, as in the majority of other countries, most citizens of the Russian Federation get their news from television, not from newspapers.

Some observers fear a crackdown on the print medium and perhaps even on foreign broadcaster journalists based in Russia.

As for supposed overall "common values," the most recent report on Russia in "Nations in Transit 2004," published by Freedom House, shows Russia slipping from poor to very poor during calendar year 2003 in 5 of 6 categories: electoral process; civil society; independent media; governance; and constitutional, legislative, and judicial framework. The only category in which it did not fall was corruption, and there it remained mired at an extremely poor level.

I hope, therefore, that Putin will not misconstrue President Bush's off-the-cuff answer in Sea Island as license to continue his own undemocratic domestic policies.

As several American commentators and newspaper editorials have discussed, Russia's inclusion in the G–8 since the late 1990s is not irreversible.

Its economy certainly does not qualify it for membership, and if it persists in violating the "common values" to which it pays lip service, the United States and its democratic allies may decide to return to the G–7 format.

I hope it does not come to that.

I thank the Chair and yield the floor.

PLEDGE OF ALLEGIANCE CASE

Mr. BROWNBACK. Mr. President, I would like to applaud the decision by the Supreme Court yesterday dismissing the Pledge of Allegiance Case and affirming a student's right to say the pledge with the phrase "One Nation Under God." The majority decision concluded that the Court lacked jurisdiction over Mr. Newdow's claim of injury since Mr. Newdow is merely a noncustodial parent with no decision-making authority over his daughter's education.

The Court, of course, chose to sidestep the larger issue presented by the case. If you recall, Mr. President, the Ninth Circuit's stunning decision was deeply troubling to many Americans when it was first announced in 2000. The Ninth Circuit, unable to legally address the issue of relationship between the father and the daughter, simply decided that Mr. Newdow had a fundamental right to have his child shielded in public school from religious views that differ from his own.

Never mind that such a right has not been articulated before, and certainly not within the context of a noncustodial relationship, but more importantly, a right of such magnitude has breathtaking implications for the future relationship between the Federal judiciary and public education. For one thing, any disenchanted parent similarly offended by what their children are taught in public schools could run to the Federal courts and clog the system with litigation. Mr. Newdow's objection to the Pledge of Allegiance is that it supports the historical fact that this Nation was founded on a belief in monotheism; the Pledge of Allegiance simply reflects that singular and important fact about this Nation and about us. As a matter of law, injury of the kind alleged by Mr. Newdow must be direct and palpable. Having an unorthodox interpretation of historical fact certainly does not rise to a level which would confer article III standing.

But even if we assume that Mr. Newdow had standing, the merits of Newdow's case are nonexistent as Chief Justice Rhenquist, O'Connor, and Thomas argues in their minority opinion. Recitation of the Pledge of allegiance in public schools is fully consistent with and appropriate within the context of the establishment clause of the first amendment to the United States Constitution. The words of the pledge simply convey the conviction held by the Founders of this Nation that our freedoms come from God. Congress inserted the phrase "One Nation Under God" in the Pledge of Allegiance for the express purpose of reaffirming America's unique understanding of this truth, and to distinguish America from atheistic nations who recognize no higher authority than the State. The Ninth Circuit's decision was problematic on several fronts.

Let me point out a few specifics. First, the court ignored the distinction that the Supreme Court historically has drawn between religious exercises in public schools and patriotic exercises with religious references. The Court repeatedly has said that the latter are consistent with the establishment clause. The voluntary recitation of the Pledge of allegiance is not a coerced religious act, and the Ninth Circuit's conclusion to the contrary is insupportable.

Second, the Ninth Circuit ignored the numerous pronouncements by past and present members of the Court that the phrase "under God" in the Pledge of Allegiance poses no Establishment Clause problems. It is one thing to identify isolated dicta with no precedential weight; it is something quite different to ignore, as the Ninth Circuit did, consistent and numerous statements from the Court's opinions all pointing to a single conclusion. The Ninth Circuit's refusal to heed the Court's previous statements about the pledge is simply inexcusable and is a glaring and continuing example of judicial activism run amok.

A decision to affirm the Ninth Circuit could have had ramifications extending far beyond the recitation of the Pledge of Allegiance in public schools. There is no principled means of distinguishing between recitation of the pledge, and recitation of passages from other historical documents reflecting the same truth. The Declaration of Independence and the Gettysburg Address that every student in this Nation is familiar with contain the same recognition that the Nation was founded upon a belief in God.

Should we, in a recitation of those seminal speeches, similarly delete any references to God? In fact, had the Ninth Circuit's decision been allowed to stand, it could have cast doubt about whether a public school teacher could require students to memorize portions of either one.

Additionally, much in the world of choral music would become constitutionally suspect, if it is performed by public school students. If the optional recitation of the Pledge of Allegiance violates the establishment clause, what would be the basis by which music teachers can have students perform any classical choral pieces with a religious message? The phrase "under God" in the Pledge of Allegiance is descriptive only. In contrast, much in classical choral music is explicitly religious. They would, under the Ninth Circuit's decision have a greater chance of being rejected.

In ruling that Michael Newdow could not sue to ban the Pledge of Allegiance from his daughter's school and others because he did not have legal authority to speak for her, the Court avoided the larger question of whether or not recitation of the pledge in a public school is an unconstitutional violation of the First Amendment proscription against the establishment of religion.

However, restrictions on religious freedom in the guise of preventing the establishment of religion have been eroding our freedoms and adversely affecting our culture. This began in 1962 in the Engel v. Vitale case, when 39 million students were forbidden to do what they and students had been doing since the founding of our Nation, and only a year later in the School District of Abington Township v. Schempp, the Court held that Bible readings in public schools also violated the first amendment's establishment clause. Then 1992, Lee v. Weisman removed prayer from graduation exercises, and the 2000 ruling in Santa Fe Independent School District v. Doe, prohibited student-initiated, student-led prayer at high school football games.

No legislative body affirmatively adopted any of these restrictions. In fact, the people's representatives—at both the Federal and State level—did precisely the opposite. For example, when Congress added the phase "under God" in 1954 to the Pledge of Allegiance, it did so with the explicit intention of fostering patriotism and piety. It was done to reflect the values of the American people.

Those values, Mr. President, have not changed. And the Court's ruling yesterday simply confirms what the American people have always known: acknowledging God in the public square is patriotic, wise, and good. It is not in conflict with our founding principles, or with our Constitution.

COMBAT CASUALTY CARE

Mr. INOUYE. Mr. President, I rise today to recognize the courageous men and women of military medicine, whose efforts to preserve life on the battlefield must not go unnoticed. Since World War II, I have followed the advances in personal protection and combat casualty care which have changed the fate of thousands of our military men and women.

The improvements in battlefield protection have given our military the lowest levels of combat deaths in history. While there is still regrettable loss of life in Iraq and Afghanistan, the fact that we are savings hundreds of lives which could not have been saved in past operations is proof that these advances are paying off.

Historically, 20 percent of all war casualties resulted in death. Today, that rate has been cut in half. Additionally, the rate of total battlefield casualties has also declined by half.

Many advances have led to these decreases. Improved body armor, the placement of forward surgical teams, improved medical training and evacuations, in theatre assessments of unforeseen medical complications, and superior medical technology are just a few of the changes I want to address.

As we read about casualties in the press, one might not realize that much has changed. We read about injury or death by mortar or improvised explosive device. And, as in the past, when soldiers are injured, the first person they call out for is not their mother, not their sweetheart, or even God, but for a medic. But circumstances are different when that medic arrives today. Training of our medics has improved drastically. Today every medic is certified as an emergency medical technician. They are provided with improved medical kits with state-of-the-art medical equipment. The military unit on the ground has these additional capabilities and life saving techniques to improve combat care from the moment of injury.

A second major development in treating battlefield injuries is the placement of forward surgical teams closer to the front lines. These teams target the 15-20 percent of wounded who, without care within the first hour after wounding, would die before seeing the inside of a combat support hospital. Uncontrollable hemorrhage has been a major cause of death in previous wars. Today, the forward surgical teams are well equipped to identify and stop bleeding using a hand held ultrasound machine to identify internal bleeding. Advances in hemorrhage control dressings have also had a substantial impact on saving lives.

Circumstances were definitely a little different when I served during World War II. After I was injured, it took 9 hours to get to a field hospital where they performed military trauma surgery and over 3 months before I made it back to the United States. I spent 11 months in a hospital that was essentially a converted hotel in Atlantic City waiting for my final surgery and another 9 months in a rehabilitation facility in Battle Creek, MI. All told, it was almost 2 years from the time I was injured until I was able to return home to Hawaii.

Today, military personnel injured on the battlefield can be transported from theatre to a military hospital in Europe in a matter of hours. Depending on the extent of the wounds, they can be flown back to the United States within days. The rapid, sophisticated treatment on the battlefield and expedited transfer to safety are two of the most striking differences between military medicine today and World War II.

The story of Private Jessica Lynch is an excellent example. Following her rescue from the Iraqi hospital, Army medics, Air Force aeromedical evacuation troops and Special Operations forces transported her thousands of miles, used three different aircraft, and provided care during her entire journey, until she reached the safety of an Army hospital in Landstuhl, Germany. This was all accomplished in fewer than 15 hours. This same approach has saved the lives of many other courageous, young heroes.

What remains a mystery is how to treat the unexpected. Many deaths are the result of disease or non-battle injuries. In March 2004, there were 595 evacuations from Iraq for disease or other non-battlefield injuries. The Army Medical Department has deployed special teams with expertise in areas such as leishmaniasis, pneumonia, mental health and environmental surveillance to respond to these types of injuries. Having their critical assessments and recommendations while our troops are still in theatre will hopefully enable the command to decrease these illnesses.

The good news is that we have already improved our rates on this front. In the Civil War, twice as many people died of disease than of battle wounds. In World War I, about 56,000 U.S. soldiers died of disease, 14,000 during World War II, but only 930 during the Vietnam War. And we continue to make progress.

Press reports have highlighted the suicide rates of our troops serving overseas, but little acknowledgement has surfaced on how the military is addressing this concern. In July 2003, the Army sent a team of mental health experts to study the issues facing our troops in Iraq. This team was assembled to assess the increase in suicides in Operation Iraqi Freedom, evaluate the patient flow of mental health patients from theater, and analyze the stress-related issues Soldiers experience in combat.

This was the first time a mental health assessment was ever conducted with soldiers in combat. I cannot stress the importance of the collection and analysis of this data and its potential to help the military address these issues at the earliest stages.

We have also learned a great deal about providing better protection to our forces. We are now experiencing less than half of the theatre evacuations for chest and abdomen wounds than was seen during World War II, Korea, and Vietnam because of body armor.

The 1991 Gulf War was the first major conflict in which all U.S. troops were provided body armor. At that time, the vests were made of Kevlar. They were capable of stopping shell and grenade fragments, but were a heavy 25 pounds to carry. The lighter interceptor body armor now used in Afghanistan and Iraq weighs only sixteen pounds and stops grenade fragments, 9mm slugs, and some rifle ammunition. The efforts placed in these advancements have paid off and should continue with renewed commitment.

But while these advances have drastically improved our casualty rates, injuries to the limbs are increasing. Historically, 3 percent of those wounded in action required some amputation. Today that rate has jumped to 6 percent in Iraq. This requires our attention. We must focus on technology to reverse this trend.

These are just a few of the advances in medical technology and treatment that are responsible for saving the lives of our military.

As we think about today's improvements, we should remember the men and women that served before this conflict. Nearly half a million men were permanently disabled by wounds during the Civil War. Their sacrifices led others to develop improvements in orthopedic surgery and the design of prosthetic limbs. It is important that we recognize these sacrifices and contributions and continue our commitment to further advances.

It is said that my generation was the greatest generation. But I have spent a great deal of time visiting our military personnel and must say that this generation is surpassing us by far. These men and women in uniform display the courage, strength, and devotion of our armed forces.

I thank the Chair for allowing me to recognize the men and women of our military and to pay particular attention to lesser known positive data coming from the Global War on Terrorism.

CONFIRMATION OF PAUL STEVEN DIAMOND AND LAWRENCE F. STENGEL AS UNITED STATES DISTRICT JUDGES FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Mr. SANTORUM. Mr. President, I am pleased to submit this statement related to the Senate's unanimous confirmation of the nominations yesterday of Paul Steven Diamond and Lawrence F. Stengel as United States District Judges for the Eastern District of Pennsylvania after only a brief opportunity to speak on their behalf. First, I want to thank the President for their nominations and congratulate them and their families and to thank them for their willingness to serve Pennsylvania and our country.

Paul Diamond attended Hunter College-City University of New York and Columbia University where he graduated Magna Cum Laude in 1974. He received his J.D. from the University of Pennsylvania Law School in 1977. He served as an Assistant District Attorney in the Philadelphia District Attorney's Office from 1977-1980. Paul Diamond then served as a law clerk on the

Pennsylvania Supreme Court to former Justice Bruce W. Kauffman, who now serves as a Federal judge on the United States District Court for the Eastern District of Pennsylvania. He returned to the Philadelphia District Attorney's Office until 1983. From 1983 until 1991 he was an associate and then a partner at Dilworth, Paxson, Kalish & Kauffmann in Philadelphia. Paul Diamond was an Adjunct Professor at Temple University School of Law from 1990–1992. From 1992 until the present he has been a partner at Obermayer Rebmann Maxmann & Hippel in Philadelphia.

Paul Diamond has written a book, Federal Grand Jury Practice and Procedure, and several articles on issues related to grand juries. He has extensive experience in general civil and criminal law practice areas and will be an excellent addition to the Federal bench.

I also want to extend my congratulations to Judge Lawrence F. Stengel who has served as a Common Pleas Judge in Lancaster County since 1990. Judge Stengel received a B.A. from St. Joseph's College and his J.D. from the University of Pittsburgh School of Law. His service on the Court was preceded by 10 years of legal practice, where he focused primarily on civil litigation matters as an associate at Dickie, McCamey & Chilcote, PC, and in private practice as a sole practitioner. He has also served as an adjunct professor at Franklin & Marshall College and Millersville University.

He has also served his community prior to legal practice as an English and Social Studies teacher at Lancaster Catholic High School. Judge Stengel was also a board member of Leadership Lancaster which assists young leaders with getting connected with community organizations. He has also served as a Guardian Ad-litem for abused children. As President of the Lancaster Bar Association, Judge Stengel formed a diversity task force to investigate ways to increase the number of minority attorneys practicing in Lancaster County and appointed a committee for the creation of the Lancaster Bar Association Foundation—a foundation whose primary purpose is to raise funds for enhancing the delivery of services to underprivileged clients. I am pleased that he will be serving on the Federal bench. I want to thank my colleagues for their support for these nominations and again congratulate them and their families.

SADIE BROWER NEAKOK

Ms. MURKOWSKI. Mr. President, in November of 2003, I was honored to join with the Senator from Maine, Ms. COLLINS, in speaking on the Senate floor about the need for a national museum honoring the contributions of women in American history.

Senator COLLINS and I took turns addressing the accomplishments of pioneering women from our respective States, who were breaking through glass ceilings long before society acknowledged that they even existed.

One of the women I discussed was Sadie Brower Neakok, an Inupiaq Eskimo woman, from Barrow on Alaska's North Slope. Sadie has the distinction of being the first woman to serve as a magistrate in the State of Alaska. Four years before the United States passed its landmark civil rights act, an Eskimo woman was sitting on the bench in the State of Alaska.

But her life was remarkable in so many other respects. For one thing, she was appointed in 1960, a year after Alaska was admitted to statehood and long before women, not to mention Alaska Native women, came to realize that a career in the law was even an option. She continued in that role for nearly 2 decades.

Second, she was not trained as a lawyer. She was trained as an educator at the University of Alaska Fairbanks.

Yet when Sadie took the bench everyone knew she meant business. You should know that in the early days, the bench was Sadie's kitchen table.

She was tough on offenders, but equally tough on Government officials when asked to enforce unjust laws and regulations.

Ignoring the neutrality and detachment our society expects from its judicial officers, Sadie took a great risk when in May, 1961 she challenged an arbitrary game regulation which permitted duck hunting only after the ducks had already flown south.

After one subsistence hunter was arrested for violating the law, she quietly organized the rest of the community to violate the same law. Nearly 150 people came forth bearing ducks and demanded to be arrested.

The game warden could not keep up with the violators. There was not sufficient space in the jail to house them all. Sadie refused to charge them. In response to the community emergency, the regulation was changed.

Reflecting on this well known episode of civil disobedience, the Alaska Commission on the Status of Women in 1983 noted, "It was, perhaps, judicial activism at an awkward peak, but it brought necessary change for the people of Barrow."

Finally, Sadie was already an accomplished teacher, a public health worker and a social worker before taking the bench. She was working on her fourth career before many women embarked on their first job outside the home.

This is not to say that Sadie ignored the home. She was the mother of 13 children and cared for numerous foster children. In fact, she is regarded as the mother of all Barrow, which today has a population of about 4,500 people. She was a renowned seamstress, capable of making virtually anything from cloth or fur. Her life makes the aspiration shared by many women of "having it all" seem like a cliché.

I have the sad duty of informing the Senate that Sadie Brower Neakok passed away last Sunday at the age of 88. When asked once what the best part of her work was, Sadie replied, "gaining the respect of my people." Today in Barrow, AK, which remains an Eskimo community where people still speak their Native language, the community will turn out to demonstrate the depth of that respect.

If there were a National Women's History Museum, young women everywhere would know Sadie's name and be able to take inspiration from her story. Until then it will take a bit more effort for people to learn more about this remarkable woman.

Fortunately, Sadie's story is not lost to history. It is preserved for eternity in recorded oral histories and in the book "Sadie Brower Neakok—An Inupiaq Woman" by Margaret Blackman.

It was a privilege to honor the life of Sadie Brower Neakok on the Senate floor last November. Today we extend our sympathy to Sadie's family and to all of the Inupiaq people of the North Slope on the loss of a respected Elder and a great leader.

HALT THE ASSAULT BUS TOUR

Mr. LEVIN. Mr. President, this week, the Million Mom March entered the tenth week of its "Halt the Assault" bus tour. The bus tour is traveling across America in a pink RV and making stops in nearly every major metropolitan area in the country. Their message is simple. They are asking Congress and President Bush to act now to reauthorize the assault weapons ban. They are in Illinois this week and they will be in my home State of Michigan at the beginning of August. I hope folks in each State will join them to help convey their important message.

In addition to banning 19 specific weapons, the ban makes it illegal to "manufacture, transfer, or possess a semiautomatic" firearm that can accept a detachable magazine and has more than one of several specific military features, such as folding/telescoping stocks, protruding pistol grips, bayonet mounts, threaded muzzles or flash suppressors, barrel shrouds, or grenade launchers. These weapons are dangerous and they should not be on America's streets.

The ban was designed to reduce the criminal use of military-style semiautomatic firearms, and it has done just that. According to statistics reported by the Brady Campaign to Prevent Gun Violence, from 1990 to 1994, assault weapons named in the ban constituted 4.82 percent of guns traced in criminal investigations. However, since the ban's enactment, these assault weapons have made up only 1.61 percent of the crime-related guns traced.

According to the Brady Campaign, throughout the 1980s, law enforcement officials reported that assault weapons were the "weapons of choice" for drug traffickers, gangs, terrorists, and paramilitary extremist groups. In response, our Nation's first responders asked Congress and President Bush to limit access to such weapons so that our streets and communities might be safer.

In order to keep these deadly, military-style weapons out of our communities, America's moms are joining gun safety groups and the law enforcement community in urging us to extend this critical gun safety law that is about to expire. Without action, firearms like UZIs, AK-47s, and other semiautomatic assault weapons could begin to find their way back onto our streets again.

Unfortunately, despite Senate passage of a bipartisan amendment that would have reauthorized the ban, it appears that this important gun safety law will be allowed to expire on September 13, 2004. The House Republican leadership opposes reauthorizing the law and President Bush, though he has said he supports it, has done little to help keep the law alive. I hope all of my colleagues will join me in thanking America's moms for their efforts in the battle to reauthorize the assault weapon ban.

NOMINATION OF JOHN C. DANFORTH

Mr. HAGEL. Mr. President, I offer my strong support for John C. Danforth's nomination to be Representative of the United States to the United Nations.

Jack Danforth's career in public service dates back to 1969, when he became Missouri's Attorney General. He served in that position until 1976. He went on to serve three distinguished terms in the United States Senate, where he was chairman of the Senate Commerce Committee.

Since retiring from the Senate in 1995, Presidents of both political parties have called upon Jack to tackle complex problems. In 1999, then-Attorney General Janet Reno appointed him as a special counsel to investigate the 1993 deaths of 80 Branch Davidians in Waco, Texas. In 2001, President Bush appointed him as a special envoy to Sudan to help achieve peace between long-warring factions in that country. His service in Sudan reflects his varied talents and great capacity for diplomatic accomplishments.

Jack Danforth has earned the respect of both national and international leaders. His strong character, broad experience and varied accomplishments make him an excellent choice to once again serve America, this time in the United Nations at one of the most challenging times in history.

I endorse John C. Danforth's nomination and encourage the Foreign Relations Committee and Senate to offer their full support to this nomination.

UGANDA

Ms. LANDRIEU. Mr. President, I wish to take this opportunity to report back to my colleagues on some observations during my recent visit to the nation of Uganda. The Congressional Coalition on Adoption is a bipartisan, bicameral caucus that enjoys the support of nearly 200 members of Congress. I am fortunate to cochair this organization with my friend and colleague, the Senior Senator from Idaho. Every year, we have been taking a delegation of members and staff to a nation which plays, or could play, a leading role in assuring every child a loving family. In recent years, we have lead delegations to Romania, Russia, China, and Guatemala. However, this month, we traveled to a spot that is truly special in the world—Uganda.

I am sad to say that if Americans know anything about Uganda, they know its tragic history. Since independence from Britain, Uganda has moved from tragedy to tragedy. Famously called the "Pearl of Africa" by Sir Winston Churchill, decades of misrule and grisly dictatorship left Uganda destitute and denied her proper role in the family of nations.

Yet, the spirit of the people of Uganda seems indomitable. Despite Amin, despite Obote, despite HIV/AIDS, despite brutal terrorists in the north, Ugandans continue with a joy of life that is almost impossible to accept in our own terms. The people there have an amazing capacity to look past their personal tragedies and continue to strive for a better life for their children.

Perhaps no man better captures the spirit of the people of Uganda than their current President, Yoweri Museveni. When Idi Amin staged his coup in 1971, now-President Museveni went into exile and began a history of resistance to dictatorship and misrule that has earned him comparisons with our own George Washington. Since his National Resistance Movement took power in 1986, Uganda has enjoyed the first sustained period of growth and stability that it has known since independence. As is often mentioned, President Museveni also exerted personal and farsighted leadership in the struggle against AIDS. The difference between this kind of personal leadership and its absence can be found by comparing the AIDS infection rates in Uganda with those of the rest of sub-Saharan Africa.

Thus, Uganda is a country with capable and proven leadership, with an industrious people who are eager for more contact with the United States, and with an amazing natural beauty that is unparalleled in my own experience. However, Uganda faces two enormous challenges, and that is what drew the Congressional Coalition on Adoption to the country. Sadly, both of these challenges have contributed to the creation of orphans. They are the epidemic of HIV/AIDS and the ongoing terrorism by the Lord's Resistance Army in northern Uganda.

Uganda has a population of 25 million people, and estimates suggest that nearly 10 percent of Uganda's population are orphaned. The good news is that Uganda has tackled one of the great orphan-generating disasters by acknowledging AIDS as a threat that can shake a country to its core. AIDS infection rates in some sections of Uganda were greater than 50 percent. From that devastating past, and with the good work of President Museveni and the First Lady, Janet Museveni, they have brought infection rates in Uganda to less than 6 percent.

However, we must continue our support for the President's "ABC" program that endorses abstinence, being faithful, and condoms in that priority. The three pronged approach has been very successful, and we must ensure that ideological differences do not undermine our support for a program with such an amazing success rate.

Additionally, we observed some very important clinical work with the drug Nevirapine. It is one of those small miracles that should do wonders in theory, but as a practical matter, the results are somewhat more troubling. Nevirapine has been shown to reduce mother-to-child HIV transmission rates by 50 percent. German pharmaceutical companies are providing the drug for free in Uganda. Nevertheless, because the healthcare infrastructure is so fragile and, in much of Uganda, nonexistent, Nevirapine has been subject to something called the "cascade effect." Effectively, this means that since Nevirapine treatment requires a number of steps, at each stage we lose participation of mothers. So, when 6,000 women enter a clinic's door seeking treatment, we end up saving about four babies at a cost of $5,000 for each child. It is not that those children are not worth saving, we should do everything we can to save every child. However, when we tackle an enormous problem with finite resources, we must devote our efforts to the most effective treatments available.

As the administration unrolls its funding strategy for the global effort against AIDS, I think we must examine this question of mother-to-child transmission carefully. In addition to the cascade effect, we must be careful not to "create" orphans with our healthcare funding choices. If all of our efforts go into saving infants, and we do less to help the mothers, we have only added to Uganda's difficulties with a large orphan population.

But the real pressure creating new orphans in Uganda also deserves American attention. The Lord's Resistance Army, LRA, has been operating in Uganda since 1989. Suffice to say that its origins can be found in the delusional preachings of a self-proclaimed priestess, and since that time, it has lost whatever purpose it might have claimed. Fifteen years later, the LRA is lead by Joseph Koney, and his acts of cruelty can only rank with those of Hitler and Stalin. I heard personal testimony from an 11-year-old girl who was forced to kill her own mother in front of her siblings.

This rag-tag group of brigands, thieves, and terrorists prey on the weakness of children. They swell their own meager ranks of 2,000 men by abducting children out of their homes. Young children are made to carry equipment, frequently starving to death during their treks of hundreds of miles to the LRA bases in southern Sudan. Older males are forced to fight or be killed. Girls are brutally raped and used as sex slaves for years.

Child soldiers are regrettably not unique to Uganda. However, Koney's pathological desire to have children murder their own families and their fellow villagers leaves scars that are harder to heal than in other parts of the world.

Despite this reality, U.S. military assistance to Uganda is a pittance. It is certainly true that the Ugandan army has a checkered past. It is also true that President Museveni has intervened in other conflicts, such as Rwanda. Yet, whatever harm might conceivably come from greater military assistance the United States would provide Uganda, it is overwhelmed by the horror of the status quo. If there is a moral obligation to use military force to defeat terrorists anywhere on Earth, I cannot conceive of a better place for the use of force than against the LRA.

East Africa is an unstable and difficult neighborhood. Nearby Somalia is a failed state. Sudan has actively harbored terrorists, including Osama bin Laden. The Congo is an ongoing battleground. Rwanda experienced the worst genocide since Nazi Germany. This is a place that needs some attention and would benefit from a more robust American role. I am certain that we will need a real partner in this region—a partner in our fight against terrorism, an economic partner that demonstrates the success of the African Growth and Opportunity Act, and a regional model for the combat of AIDS. I believe that Uganda could be such a partner, and this Senator will pursue those steps available to me that would cement this relationship.

Finally, let me say a word about intercountry adoption. President Museveni graciously received our delegation, and we had the opportunity to explain our position. Namely, the coalition feels that children flourish with loving families, but suffer in institutions. Of course, Uganda's traditional culture would normally absorb orphaned children in precisely the way we think is most appropriate—first with their family, secondarily within their community. However, we feel that where these social systems have been overwhelmed, as they have been in Uganda, a country should consider the option of international adoption. We believe that a nation can have no better ambassador to the United States than a child who has been adopted into a U.S. family and now has an active interest in their home country. We have seen it in China, Korea, and Russia. The process of intercountry adoption simply connects Americans to another country in a way they otherwise never would be.

So with these thoughts in mind, President Museveni has agreed to review our request that Uganda ratify the Hague Convention on Intercountry Adoption. International adoption is not going to be a solution to the very important tasks ahead of Uganda. However, in the lives of the children who find parents this way, intercountry adoption will be a true blessing.

I am also very pleased to announce that President Museveni and his wife Janet have kindly accepted my invitation to join us for a reception in their honor at my home. This will be an excellent opportunity for the Washington community to welcome this distinguished leader and build upon the foundations of partnership that have already been laid. I look forward to seeing many of my colleagues there.

NATIONAL FLOOD INSURANCE ACT OF 1968

Ms. MIKULSKI. Mr. President, I rise to support S. 2238, the Flood Insurance Reform Act of 2004. I want to thank Senator SARBANES, my colleague from Maryland and a member of the Banking Committee that pushed this legislation through. Senator SARBANES and I worked together as "Team Maryland" to ensure that this legislation addressed many of the lessons learned in the aftermath of Hurricane Isabel.

In September 2003, my State of Maryland was devastated by Hurricane Isabel. This was the worst natural disaster in Maryland history. The people who live on the Chesapeake Bay and the many rivers leading into the Bay lost their homes, their possessions, and many lost their livelihoods.

The flooded communities have names like Bowleys Quarters and Millers Island, Bayside and North Beach, Kent Islands and Hoopers Island. The people who live in these communities are hard-working people. Many are retirees who scrimped and saved to buy these homes. Some are people I went to school with. Many of these communities are still struggling with the legacy of Isabel. Some Marylanders are still living in trailers which are really glorified campers.

Right after Hurricane Isabel swept through Maryland, Senator SARBANES and I went with Secretary Tom Ridge and Governor Ehrlich to see the damage, to talk to people, and to find out how we could work together with Marylanders to put their lives back together. When disaster strikes, we are Team Maryland and Team America, Federal and State officials, Democrats and Republicans. We saw houses moved off their foundations in North Beach. We walked the streets of Bowleys Quarters where children's toys and personal items were pushed into yards by three feet of flood waters. We saw mud more than a foot deep three blocks away from the water. We talked to a business owner on Kent Island who lost her restaurant only 6 months after she bought it.

I was incredibly moved by what I saw, not only the devastation, but the way these communities were pulling together. I heard about daring rescues from our intrepid first responders. Churches opened their doors to provide food and shelter. Neighbor was helping neighbor. I promised these communities that their Federal Government would help.

Unfortunately, the National Flood Insurance Program wasn't there the way it should have been. Today, nearly 9 months after Isabel hit, my constituents are still struggling to get the money that is owed to them. They are frustrated, confused, and frankly, many are just plain fed up. They feel like the insurance they paid for wasn't there when they needed it the most.

From Calvert County to Baltimore County to Anne Arundel County to Maryland's Eastern Shore, people told me they didn't understand what their flood insurance covered. Though their homes were damaged, they thought between homeowners insurance and flood insurance they would be covered. Nothing was explained to them when they bought these policies. They didn't know, for example, that the contents of their home wasn't covered without a separate policy. People thought if they had $200,000 worth of coverage on a home they bought for $50,000 that flood insurance would pay to replace the home. But when they put in their claims they found out they would only get a portion of what it costs to make repairs or rebuild.

Another serious problem was the way insurance agents handled people's individual claims. When people asked their insurance agents to explain things to them, they couldn't get a straight answer. That's because some of the insurance agents don't really know what these policies cover or how they really work. In Southern Maryland, some homeowners were able to get emergency advances on their claims. Others were told there was no way to get advances on their claims. Different agents gave different answers. In some cases, the same agent would give a different answer depending on the day. That is unacceptable.

When I heard these stories about claims being denied or shortchanged, I asked my constituents if they could appeal. They told me they didn't know. When they filed their claims, no one told them how to appeal, or even if an appeal was possible. My office became a clearinghouse for appeals. We asked the National Flood Insurance Program for instructions on filing an appeal; there wasn't one. So, I organized community meetings and appeals hearings. I brought FEMA and representatives from the National Flood Insurance Program to Maryland communities to explain to people what they needed to do to get a fair hearing.

Once Marylanders figured out their policies and filed their paperwork, the payments they were getting were not adequate to repair the damage. The flood insurance adjusters weren't using real world estimates for what it took to repair damages. In Bowley's Quarters, the adjuster gave people real lowball estimates for their repairs. So the community association asked a local contractor to come in for a second opinion. When his estimate was significantly higher, the community leaders went back to the adjuster. They told the adjuster what was needed to do the job. But people shouldn't have to go through all of this to get a fair appraisal and a fair reimbursement from insurance they paid for.

These experiences led to four recommendations that I submitted when I testified before the Banking Committee earlier this year. Senator SARBANES was instrumental in developing these recommendations and worked with the committee to make them part of this legislation. Helpful to this process were two reports that outlined the myriad of problems that surfaced after Hurricane Isabel struck Maryland. The first report was prepared by Maryland's former Insurance Commissioner, Steve Larsen, at the request of Baltimore County Executive, Jim Smith. The second report was prepared by Maryland's current Insurance Commissioner, Alfred Redmer. Many of the findings in those reports were similar to what I heard directly from constituents and were helpful in developing the following recommendations:

One, the National Flood Insurance Program must provide a clear and understandable outline of policies so policyholders understand what is covered and what is not. Two, the agents who sell flood insurance must understand what they are selling and how claims are processed so consumers don't get the runaround instead of answers. Three, there must be a clear way for policyholders to appeal their claims awards or appraisals of loss. Four, consumers need to know that the insurance they purchase will pay the real world cost of repairing damages or replacing their losses.

I support this bill because it addressed four key reforms that I believe will improve the National Flood Insurance Program. First, the bill directs FEMA/NFIP to develop supplemental forms to the flood insurance policy. These supplemental forms will explain in simple terms the exact coverages being purchased by a policyholder, any exclusions from coverage that apply to coverages purchased, and an explanation, including illustrations, of how lost items and damages will be valued under the policy at the time of loss. Second, the bill directs FEMA/NFIP, in cooperation with the insurance industry to establish minimum training and education requirements for all insurance agents who sell flood insurance policies, publish these requirements in the Federal Register, and inform insurance companies and agents of the requirements. Third, the bill directs FEMA/NFIP to establish a formal appeals process with respect to claims, proofs of loss, and loss estimates relating to flood policies. Fourth, the bill directs the Comptroller General of the United States to conduct a study of the adequacy of the scope of coverage provided under flood insurance policies, the adequacy of payments to flood victims under flood insurance policies, and the practices of FEMA/NFIP and insurance adjusters in estimating losses incurred during a flood.

As the one year anniversary of Hurricane Isabel approaches, I believe we need to take aggressive steps to address the inadequacies of a flood insurance program that clearly wasn't there for people in their greatest time of need. This bill goes a long way in making the flood insurance program fairer, more transparent, and reliable.

NOMINATION OF ANNE W. PATTERSON

Mr. HAGEL. Mr. President, I rise today to offer my strong support for Anne W. Patterson's nomination to be the U.S. Deputy Representative to the United Nations.

Anne has served the United States with distinction over the past 31 years, both at home and abroad. Anne began her career in 1973 as an economic officer in Ecuador, later rising to become U.S. Ambassador to Colombia and El Salvador. She has achieved a diverse set of accomplishments, which include mastering both Spanish and Arabic. Anne has served as Principal Deputy Assistant Secretary and Deputy Assistant Secretary of Inter-American Affairs and as office director for the Andean countries. She is currently the Deputy Inspector General of the Department of State.

Anne's commitment to excellence has been recognized by her colleagues and superiors at the State Department. She twice received both the State Department's Superior Honor Award and its Meritorious Honor Award. The Government of Colombia awarded her with the Order of the Congress and the Order of Boyaca. She was also recognized by the Government of El Salvador with the Order of Jose Matias Delgado.

Anne's wide array of experiences and commitment to service make her an excellent choice to serve America at the United Nations. I endorse Anne W. Patterson's nomination and encourage the Foreign Relations Committee and Senate to offer their full support to this nomination.

TRIBUTE TO THURSTON ESCO WOMBLE

Mr. LOTT. Mr. President, when we dedicated the National World War II Memorial and commemorated the 60th anniversary of D-Day, much was made of the fact that this Nation loses an average of over 1,000 World War II veterans every day. Just last week, we honored the passing of one of the greatest members of that great generation, President Ronald Wilson Reagan.

I want to take this opportunity to recognize the passing of another great member of that great generation, Thurston Esco Womble. When President Reagan spoke at the 40th anniversary of D-Day, he memorably referred to the assembled veterans as "the boys . . . . the heroes who helped end a war." Thurston Womble was one of those boys, one of this Nation's unsung World War II veterans who helped ensure the United States of America maintained its freedom and way of life during a very difficult time in our Nation's history.

Mr. Womble's service began prior to Pearl Harbor, when he enlisted in the Navy in March, 1941. By that October, he had gone through the Metalworkers School in Norfolk, VA. Womble was soon assigned to duty on the U.S.S. *Cincinnati* (CL-6), engaged in patrol and convoy duty in the western Atlantic and Caribbean, blockading occupied French men-of- war, and searching for German blockade runners.

In November, 1942, *Cincinnati* assisted in the interception and destruction of the German blockade runner S.S. *Annalise Essberger*. Although the German crew scuttled their ship, a boarding party reached it in time to take all 63 crew members prisoner before the blockade runner sank. Early in 1944, *Cincinnati* served as escort flagship for three convoys transporting men and equipment from New York to Belfast in preparation for the invasion of Normandy. She subsequently participated in the assault on Southern France and patrolled South Atlantic shipping lanes until the war in Europe ended.

But Thurston Womble's naval service did not end there. After the war ended, he went back to school at the Philadelphia Navy Yard and graduated as a boilerman. He was then assigned to duty aboard U.S.S. *Lake Champlain* (CV–39), one of our newly built aircraft carriers assigned to so- called "Magic Carpet" duty, bringing veterans of the European Theater back home. Womble was aboard in November, 1945, when *Lake Champlain* crossed the Atlantic in 4 days, 8 hours, 51 minutes, a record which held until surpassed by the U.S.S. *United States* in 1952. He was in charge of lighting off the boilers in *Lake Champlain*'s #1 Fireroom for that historic transit.

On February 18, 1950, in Quincy, MA, Womble married Olive Bates Merrill. They became the parents of Noreen, who is a high school teacher in Inverness, FL, and Eric, who served as my national security adviser and military legislative assistant for 7 years.

In the years after World War II, through the Korean Conflict, and up until 1960, Womble served on a veritable parade of U.S. Naval vessels: U.S.S. *Beverly W. Reid* (APD–119), U.S.S. *Houston* (CL–81), U.S.S. *Fargo* (CL–106), U.S.S. *Bataan* (CVL–29), U.S.S. *San Marcos* (LSD–25), U.S.S. *Fort Mandan* (LSD–21), U.S.S. *Laning* (APD–55), and finally, U.S.S. *Saratoga* (CVA–60).

Womble rose in rank and responsibility to become a Boiler Technician Chief Petty Officer and Leading Chief of the Boilers Division aboard *Saratoga*. His commanding officers repeatedly cited, not only his mechanical abilities and technical skills, but his energy, enthusiasm, and his outstanding and inspirational leadership in performing tasks "not previously considered within the capacity of ship's force personnel." Truer words were never spoken than in 1960, when his commanding officer wrote, "The Navy will realize a great loss when Womble retires this coming August." That was when Womble became a fleet reservist and started a second career.

Womble's Navy career probably wasn't what his parents, Huey Clayton and Thelma Esco expected when he was born in Autauga County, AL, on August 16, 1922. But the experience of being raised in rural Alabama in a close knit family taught Thurston the values that carried him through a long and honorable Naval career.

Following his active-duty service, he enrolled in Jones College in Jacksonville, FL, to study business management and worked 13 years in Mobile, AL, as the representative for the Royal Insurance Companies, specializing in employee protection and workplace safety. In 1980, he became Sales Manager and Quality Control Manager for G&V Industrial Contractors, also in Mobile, AL. Thurston then served as Director and Chief Boiler and Pressure Vessel Inspector for my home State of Mississippi. All in all, it seems clear to me that Womble carried his experience as the son of a carpenter, fisherman and farmer, as well as his devotion to his Navy shipmates, into a career of devoted and humble service to the people and communities in Mississippi and Alabama.

During an active and reserve career that spanned 30 years, Thurston was awarded the Navy Occupation Medal; European Clasp, American Defense Service Medal; American Area Campaign Medal; European-African-Middle Eastern Campaign Medal; World War II Victory Medal; Korean Service Medal; National Defense Service Medal; and six Good Conduct Awards.

Thurston Womble's final days where spent with the family and friends he loved so much—and doing what he enjoyed most, golfing and fishing. He is survived by his wife of 54 years, Olive, their children, Noreen and Eric, Eric's wife Wendy and grandchildren, Melissa and Matthew. I extend my sincere condolences to the entire Womble family on their loss. I also want to thank Thurston for his dedicated service to our country and for setting an example that the rest of us can only hope to emulate; our great Nation owes him a debt of gratitude.

LIEUTENANT COLONEL MICHAEL J. DELANEY

Mr. WARNER. Mr. President, I rise today to honor Lieutenant Colonel Michael J. Delaney of our Army's Office of Legislative Liaison. Lieutenant Colonel Delaney has distinguished himself as an outstanding American soldier from the great State of Virginia and will soon complete over 23 years of selfless service to the Nation in the United States Army. His dedication to Soldiers, commitment to excellence, and performance of duty has been extraordinary throughout his career and, especially over the past 4 years, has cemented the positive relationship between Congress and the U.S. Army. He will retire on August 1, 2004.

Over his 23 years of selfless service, Lieutenant Colonel Delaney served in a succession of command and staff positions worldwide. As a junior officer, he stood at the forefront of freedom during the Cold War in Germany. From the Cold War frontline, Lieutenant Colonel Delaney earned his wings as an aviator and qualified on a variety of rotary wing and fixed wing aircraft. During Desert Shield and Desert Storm, Lieutenant Colonel Delaney commanded an aviation unit based at Fort Belvoir. Despite the wide dispersion of his unit throughout the combat theater, they were able to successfully accomplish their mission due, in no small part, to his exceptional and inspirational leadership. Lieutenant Colonel Delaney has since served in a variety of positions of increasing responsibility.

For the past 4 years, Lieutenant Colonel Delaney has served as a congressional liaison for the U.S. Army. Perhaps this assignment was pre-ordained, as Lieutenant Colonel Delaney's wife, the former Susan Fanning, served as staff to Senator Paul Laxalt of Nevada. His mother-in-law, Shirley Fanning, also has a history with the Senate as she served on the staffs of Senators Everett Dirksen and Strom Thurmond for 25 years. Lieutenant Colonel Delaney's work as a legislative liaison and as the Chief of the Programs Division enabled the Army to provide this Congress the information we need to accomplish our constitutional duties. His efforts have been exceptional and noteworthy in working with Congress during a critical time as the Army undertook transformation, in the aftermath of the 9/11 terrorist attacks, and during our current efforts with the Global War on Terrorism. Throughout this critical time Lieutenant Colonel Delaney has fostered a personal relationship between Congress and the U.S. Army.

Lieutenant Colonel Delaney holds degrees from George Mason University, B.A., 1981, and the Naval War College, M.S., 1996. His military awards include the Legion of Merit, the Meritorious Service Medal, and the Master Aviator Badge.

Lieutenant Colonel Delaney represents the epitome of what the Army seeks in a congressional liaison and the country expects from our officers. His service to the Nation has been exceptional, and Lieutenant Colonel Delaney is more than deserving of this recognition.

ROBERT A. RIESMAN

Mr. CHAFEE. Mr. President, I rise today to honor the life of Robert A. Riesman, who, sadly, passed away on June 2 in Providence, RI.

Robert Riesman was a Renaissance man and a prominent Rhode Islander, who succeeded in and devoted himself passionately to all aspects of his life. He was a decorated soldier, a successful businessman, and a leader in Rhode Island politics. He was a philanthropist, a dedicated man of faith, and a devoted father and husband.

But my own words cannot fully convey the value of Bob Riesman's character and achievements. This can best be expressed by Mr. Riesman's close friend and my esteemed colleague, Senator JACK REED, whose eloquent eulogy of June 6 describes Mr. Riesman in the most human terms.

Therefore, Mr. President, I ask unanimous consent that Senator REED's eulogy be printed in the RECORD.

IN MEMORY OF ROBERT A. RIESMAN

Last Thursday, Richard Licht and I spoke. We quickly concluded that, outside our own families, Bob Riesman was the finest man that we had ever met. Then, we also quickly concluded that we tend to give our families a little extra credit.

Bob Riesman was my hero.

He lived his life heroically. He lived with honor and with a commitment to high ideals. He pursued wisdom. He cherished family and friends. He set an example of decency and integrity and modesty. He time and time again entered the arena to be part of the great issues that shaped his generation and shaped our lives. But, he never forgot that life is little things, too: acts of kindness, moments of humor, sharing life's joys and disappointments with family and friends.

He was an American hero.

He joined the Field Artillery at Camp Ethan Allen in Vermont many months before Pearl Harbor. He had just graduated from Harvard. Bob was always very proud of his Harvard diploma, but declared that he was educated at the Boston Latin School.

He served with the First Infantry, his beloved "Big Red One". He fought through North Africa and Sicily. His soldiers admired his fearlessness and his authenticity. For his courage under fire, he was awarded the Silver Star. For his wounds, he was awarded the Purple Heart. Because of these wounds, he had to leave the First Division and he became an intelligence officer with the First Army. The last days of the war found him as a staff officer in Paris.

We always spoke together about the Army. Every conversation in some way or another touched on our youthful and lifetime devotion to the Army. Bob seldom, if ever, talked about the difficult moments. He recalled the camaraderie. He spoke of his admiration and respect for Sergeant Vic Lister and the other American soldiers that he led. He spoke about the leaders that he admired and those he found lacking. We both reveled in those memories of soldiers and soldiering, he knowing far better than I the terrible cost of war.

Bob Riesman saw the horror of war but refused to surrender his spirit to its brutality. And having seen that horror and bearing the memory forever of those young soldiers who never returned, Bob's return was not simply an occasion for celebration. It was an opportunity and an obligation to engage in another struggle; the struggle of a committed citizen to build a just and decent society in America and to be a force for peace and justice around the world.

And, Bob never wavered from that commitment.

Bob Riesman was a man of great faith and great tolerance.

His parents taught him to cherish his Jewish faith and act on this faith to serve his neighbors and his community and his country. Bobs faith was more than just a theological exercise. It was for him a summons, not just to reflection, but also to action.

Bob Riesman was my friend.

To sit by him and to feel the comfort of a kindred spirit, to listen and learn, to trace and retrace the days of our lives, to share good wine and good conversation, to know the feeling of unqualified support and affection was a precious and enduring gift to me.

On one memorable evening, we rode together, just the two of us, back from West Point. We had been up for the day to visit the newly dedicated Jewish Chapel at West Point. Bob and I attended services with the Cadets and then had supper with them. It had been a splendid day for the both of us, but a special day for Bob, uniting both his faith and his Army. In the nighttime drive, we spoke of many things. At one point, we began to discuss William Butler Yeats. Bob, as he often did to my amazement, began to recite from memory passages not only from Yeats, but W. H. Auden's famous lines:

Earth receive a honored guest
William Yeats is laid to rest

Today, earth receives another honored guest.

Bob taught me so much and, along with my Father and Mother, set an example of what, on my best day, I might hope to be.

His approval meant the world to me. I recall those times when we spoke and he was particularly pleased by something he had read or heard about me. He would say "my boy, you are a credit to the Regiment."

In a life of extraordinary achievement, Bob's greatest achievement was his marriage to Marcia and their wonderful children and grandchildren. Marcia and Bob were best friends as well as husband and wife. To watch them was all you needed to know about respect and commitment and deep and abiding love.

Bobby and Jeanie are their parents' pride. Whenever I asked about either of them, Bob's eyes would light up and his voice would resonate with uncontained joy and pride. This reaction was only exceeded when we spoke about Abe and Clare.

At this moment, I know we all wish for one thing, to have a few minutes again with Bob, to be with him before the fire on Freeman Parkway or watching the sun set in Middletown, to feel the comfort of his presence, to know that in a life that can mean there was at least one who was noble. But, that cannot be.

And knowing this, our hearts would surely break save for one thing. Bob made us stronger and better by his life. He has given us the example and the ability to carry on. And, we will.

Dear friend, I shall miss you.

Dear friend, "you have been a credit to the Regiment."

ADDITIONAL STATEMENTS

HONORING THE ACCOMPLISHMENTS OF DANIELLE MILLER

● Mr. BUNNING. Mr. President, I pay tribute and congratulate Danielle Miller of Louisville, KY on being named a distinguished finalist for the Prudential Spirit of Community Awards. This award honors young people in middle level and high school grades for outstanding volunteer service to their communities.

Danielle Miller founded a service organization called the "National Awareness Committee" to provide clothing, books, and other needed items to members of the Lakhota Sioux Nation living on a reservation in South Dakota. Danielle became aware of the Lakhotas needs during a school presentation by the Native American Support Effort—NASD—in the eighth grade, and became a volunteer. Although she was too young to go on a mission to the reservation, she realized she could accomplish a great deal in her community.

Danielle Miller planned and organized five collection drives at local schools and in nearby communities, and gathered enough clothing, blankets, kitchenware, bicycles and books to fill a 52-foot truck. She recruited volunteers to help sort, pack, and load the donations, and personally accompanied the shipment to the Rosebud Reservation in southern South Dakota. Danielle plans to make a documentary film that will be used to make even more people aware of the Lakhota situation.

The citizens of Louisville are fortunate to have a young lady like Danielle Miller in their community. Her example of dedication, hard work and compassion should be an inspiration to all throughout the entire Commonwealth.

She has my most sincere appreciation for this work and I look forward to her continued service to Kentucky.●

MG EDWARD MECHENBIER

● Mr. DEWINE. Mr. President, today I wish to share with my colleagues a story about a wonderful American who I have had the privilege of personally knowing for many years. I am talking about MG Ed Mechenbier. I have had the honor of knowing him as a friend and as a true patriot of the American spirit and soul. On June 30, 2004, MG Ed Mechenbier will celebrate his retirement from the United States Air Force Reserve following a brilliant military career that began in 1964 when then Cadet Mechenbier entered the United States Air Force Academy.

My friend Ed Mechenbier is a very humble man, not known for patting himself on the back or openly touting his many accomplishments. But, he is a hero in many respects. He is a man who is driven by a sense of duty, a sense of honor, and a sense of country.

In June 1967, Ed Mechenbier found himself flying an F4C Phantom II fighter while assigned to the 390th Fighter Squadron, Da Nang Air Base, South Vietnam. On June 14, 1967, Ed was assigned a strike mission against the Vu Chu railroad near Kep, approximately 30 miles northeast of Hanoi. This flight was the 80th mission for then 1LT Ed Mechenbier. June 14, 1967, also marks the day that Ed became a Prisoner of War after his aircraft suffered a direct hit from a surface to air missile. Little did he know that when he began his 80th mission that he would not leave the Hoa Lo prison, which is also known as the "Hanoi Hilton" for the next five years, eight months and four days.

The stories that our former POWs describe remind us of the tremendous fighting spirit and sense of survival that distinguish and define the modern day American warrior. February 12, 1973, became a day of freedom for Ed and many other POWs who were released to return with honor to the hallowed soil of the United States. Upon return home, Captain Mechenbier was awarded the Silver Star with the Oak Leaf Cluster for his resistance to demands by the North Vietnamese for information, confessions, and propaganda material. In addition, Captain Mechenbier was awarded the Bronze Star with distinction for his efforts to conduct himself strictly in accordance with the Code of Conduct during his capture and imprisonment. The POW credo "Return with Honor" is exactly what Ed Mechenbier did. Throughout his imprisonment, he did not lose his fighting spirit. He did not lose his sense of hope. And, he did not fail to remain anything, but a shining example of a warrior whose duty assignment had been temporarily changed.

The irony of this story continues and on that day in February 1973, an Air Force C-141 Starlifter had been dispatched to the Gia Lam Airport in Hanoi, North Vietnam. To the casual observer, the tail number of that aircraft, 66-0177 is insignificant. Historically, however, that identification number is very important because it was the first U.S. aircraft to leave North Vietnam with former POWs as passengers. On board that aircraft, which was affectionately dubbed the "Hanoi Taxi," was former POW Captain Mechenbier. Throughout the process of returning former POWs to the United States, the "Hanoi Taxi" was a vital resource as were many other aircraft that were needed to accomplish such an honorable mission. In the years following February 1973, the Hanoi Taxi's history and legacy had been temporarily forgotten while the aircraft carried out a long and proud period of service within the Air Force fleet. Today, over 30 years later, the Hanoi Taxi is still flying airlift missions for the 445th Airlift Wing at Wright-Patterson Air Force Base in Dayton, OH.

At the same time, the life of Ed Mechenbier has also moved forward. Following several assignments that include flying with the 4950th Test Wing and the 162nd Tactical Fighter Squadron, the young Air Force Academy cadet of 1964 is now leaving military service as a major general in the United States Air Force Reserve. Through the many promotions and the many assignments, Ed never forgot who he was and his keen sense of perspective tends to bring calmness in times of difficulty.

Several years ago, as a member of the 445th Airlift Wing, Ed reunited with the Hanoi Taxi in his capacity as a member of the United States Air Force Reserve. The historic aircraft and the former POW, who was once a passenger on the aircraft, became one of its pilots. Recently, Ed Mechenbier made his final flight as a command pilot having accumulated more than 3,500 hours flight time in several military aircraft. The final flight was more than just a trip around the traffic pattern—the final mission was one that would take him half way around the world to land at the Noi Bai airport in Hanoi. The mission was to return to American soil the remains of American service members who had been missing in action during the Vietnam era and recently recovered from central Vietnam by U.S. military officials. On this mission, the Hanoi Taxi once again returned to Vietnam and the former passenger, Ed Mechenbier was at the controls of the aircraft. Once again, the Hanoi Taxi returned to freedom the remains of fallen comrades from a war that has not been forgotten.

During a repatriation ceremony that was conducted prior to departure for return to the United States, Ed Mechenbier said this to those who gathered to honor the fallen comrades: "For those of us who were fortunate enough to come home, I think we owe a little bit to all the families—to help them make the closure on that end." The last operational mission was carried out in the same manner that Ed Mechenbier has conducted himself since 1964—with honor, with pride, and with a tremendous sense of duty.

On June 30, 2004, MG Ed Mechenbier and several hundred of his friends will gather to celebrate his retirement. Even though retirement signifies an ending of sorts, his legacy of excellence, commitment, patriotism, and dedication to "completing the mission" will remain long after his retirement. The legacy that he leaves behind will inspire generations well into the future.

I am proud of Ed Mechenbier. I am proud of his accomplishments, but perhaps more importantly, I appreciate his unwavering sense of duty, honor, and country for it is those values that define the warrior spirit. I thank him for the many sacrifices he has made for our great Nation, and I join with all Ohioans and the members of this Chamber in wishing MG Ed Mechenbier a happy and successful retirement. May God bless him and his family as they enter this new phase in their lives.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 2:06 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 4513. An act to provide that in preparing an environmental assessment or environmental impact statement required under section 102 of the National Environmental Policy Act of 1969 with respect to any action authorizing a renewable energy project, no Federal agency is required to identify alternative project locations or actions other than the proposed action and the no action alternative, and for other purposes.

H.R. 4517. An act to provide incentives to increase refinery capacity in the United States.

At 6:01 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4503. An act to enhance energy conservation and research and development, to provide for security and diversity in the energy supply for the American people, and for other purposes.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 4513. An act to provide that in preparing an environmental assessment or environmental impact statement required under section 102 of the National Environmental Policy Act of 1969 with respect to any action authorizing a renewable energy project, no Federal agency is required to identify alternative project locations or actions other than the proposed action and the no action alternative, and for other purposes; to the Committee on Environment and Public Works.

H.R 4517. An act to provide incentives to increase refinery capacity in the United States; to the Committee on Environment and Public Works.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-7981. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Saab Model SAAB 2000 Series Airplanes; Doc. No. 2002-NM-259" (RIN2120-AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC-7982. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Raytheon Model Hawker 800XP Airplanes; Doc. No. 2002-NM-277" (RIN2120-AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7983. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Gulfstream Aerospace LP Model 1125 Westwind Astra Series Airplanes; Doc. No. 2001–NM–402" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7984. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model DHC 8 101, 102, 103, 106, 201, 301, 311, and 315 Airplanes on Which Engine Oil Coolers Have Been Installed per LORI Inc. Sup Type Cert. SA8937SW; Doc. No. 2003–NM–222" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7985. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747 400 and 400D Series Airplanes; Doc. No. 2003–NO–93" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7986. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model DHC 8 102, 103, 106, 201, 301, 311, and 315 Series Airplanes; Doc. No. 2004–NM–38" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7987. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Dornier Model 328–300 Series Airplanes; Doc. No. 2003–NM–121" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7988. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 727 Series Airplanes; Doc. No. 2002–NM–273" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7989. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Dornier Model 328–300 Series Airplanes; Doc. No. 2003–NM–138" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7990. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: General Electric Company CF6–80E1 Model Turbofan Engines; Doc. No. 2001–NE–45" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7991. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model DHC 7 100 Series Airplanes; Doc. No. 2003–NM–153" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7992. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Honeywell International Inc. TPE331–10 and –11 Turboprop Engines; Doc. No. 2003–NE–02" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7993. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Raytheon Aircraft Company Model 1900C Airplanes; Doc. No. 2003–CE–27" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7994. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Pratt and Whitney JT9D 3A, 7, 7A, 7AH, 7F, 7J, 20, and 20J Turbofan Engines" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7995. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Class E Airspace; Holdrege, NE; Doc. No. 04–ACE–25" (RIN2120–AA66) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7996. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Class E Airspace; Minden, NE; Doc. No. 04–ACE–26" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7997. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Class E Airspace; Superior, NE; Doc. No. 04–ACE–30" (RIN2120–AA66) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7998. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Class E Airspace; Oshkosh, NE; Doc. No. 04–ACE–27" (RIN2120–AA66) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7999. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Saab Model SAAB Model SF340A and SAAB 340B Series Airplanes; Doc. No. 2002–NM–146" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8000. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Engine Components Inc (ECi) Reciprocating Engine Cylinders; Doc. No. 2004–NE–07" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8001. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC 8 70 and 70F Series Airplanes; Doc. No. 2001–NM133" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8002. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Eurocopter France Model AS355E, F, F1, F2, and N Helicopters; Doc. No. 2003–SW–56" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8003. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Eurocopter France Model AS332C, L, and L1 Helicopters; Doc. No. 2002–SW–45 CORRECTION" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8004. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Saab Model SAAB 340B Series Airplanes Equipped with Hamilton Sunstrand Propellers; Doc. No. 2002–NM–200" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8005. A communication from the Attorney Advisor, Maritime Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Shipping-Technical Amendments" (RIN2133–AB59) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8006. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Saab Model SAAB 2000 Series Airplanes; Doc. No. 2002–NM–261" (RIN2120–AA64) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8007. A communication from the FMCSA Regulatory Officer, Federal Motor Carrier Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Parts and Accessories Necessary for Safe Operation; Fuel Systems" (RIN2126–AA80) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8008. A communication from the Deputy Chief, Wireline Competition Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Access Charge Reform, Reform of Access Charges Imposed by Competitive Local Exchange Carriers, CC Doc. No. 96–262; Petition of Z-Tel Communications, Inc. For Temporary Waiver of Commission Rule 61–26(d) to Facilitate Deployment of Competitive Service in Certain Metropolitan Statistical Areas" (FCC04–110) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8009. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations: Crystal Beach, Lumberton, and Winnie, Texas and Vinton, Louisiana" (MB Doc. No. 02-212) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8010. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations: Cameron, First Mesa, Flagstaff, Dewey-Humboldt, Parker, Bagdad, Globe, Safford, Grand Canyon Village, Gilbert, and Chino Valley, Arizona" (MB Doc. No. 02–73) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8011. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations: Ashland, Coaling, Cordova, Decatur, Dora, Hackleburg, Hobson City, Holly Pond, Killen Midfield, Scottsboro, Sylacauga and Tuscaloosa, Alabama, Atlanta, Georgia, and Pulaski, Tennessee" (MB Doc. No. 03–77) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8012. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations: Ocilla and Ambrose, Georgia" (MB Doc. No. 03–246) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8013. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations: Littleville and Russelville, Alabama" (MB Doc. No. 04–12) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8014. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations: Linden and Marin, Alabama" (MB Doc. No. 03–162) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8015. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations: Colby, KS0" (MB Doc. No. 04–11) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8016. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations: Mt. Vernon and Okawville, Illinois, St. Louis, Missouri" (MB Doc. No. 03–196) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8017. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations: Encinal, Texas" (MM Doc. No. 02–349) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8018. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations: Post, O'Donnell, and Roaring Springs, Texas" (MM Doc. No. 01-127) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8019. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations: Bloomington, IN" (MM Doc. No. 03–230) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8020. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "In the Matter of Implementation of Section 25 of the Cable Television Consumer Protection and Competition Act of 1992: Direct Broadcast Satellite Public Interest Obligations Sua Sponte Reconsideration" (FCC 04–44) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8021. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations: Chase City, VA, Creedmoor, Ahoskie, Gatesville, and Nashville, NC" (MB Doc. No. 03–232) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8022. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations: Glasgow and Bowling Green, Kentucky" (MB Doc. No. 04–42) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8023. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations: Arlington, The Dalles, Moro, Fossil, Astoria, Gladstone, Portland, Tillamook, Coos Bay, Springfield-Eugene, Manzanita, and Hermiston, Oregon; Covington, Trout Lake, Shoreline, Bellingham, Forks, Hoquiam, Aberdeen, Walla Walla, Kent, College Place, Long Beach, and Ilwaco, Washington" (MB Doc. No.) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8024. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations: Jackson, MS" (MM Doc. No. 01–43) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8025. A communication from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations: Anniston, AL" (MB Doc. No. 03–229) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8026. A communication from the Attorney Advisor, Wireline Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of the Commission's Rules Regarding Dedicated Short-Range Communication Services in the 5.850–5.925 GHz Band" (5.9GHz Band) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8027. A communication from the Legal Advisor, Wireline Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Part 97 of the Commission's Rules Governing the Amateur Radio Services" (FCC04–79) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. COCHRAN, from the Committee on Appropriations, without amendment:

S. 2537. An original bill making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes (Rept. No. 108–280).

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 2013. A bill to amend section 119 of title 17, United States Code, to extend satellite home viewer provisions.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. SHELBY for the Committee on Banking, Housing, and Urban Affairs:

*Alan Greenspan, of New York, to be Chairman of the Board of Governors of the Federal Reserve System for a term of four years.

By Mr. HATCH for the Committee on the Judiciary:

Henry W. Saad, of Michigan, to be United States Circuit Judge for the Sixth Circuit.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. GRAHAM of Florida (for himself and Mr. DURBIN):

S. 2535. A bill to amend title XVIII of the Social Security Act to modernize the medicare program by ensuring that appropriate preventive services are covered under such program; to the Committee on Finance.

By Ms. COLLINS (for herself and Mr. WYDEN):

S. 2536. A bill to enumerate the responsibilities of the Officer for Civil Rights and Civil Liberties of the Department of Homeland Security, to require the Inspector General of the Department of Homeland Security to designate a senior official to investigate civil rights complaints, and for other purposes; to the Committee on Governmental Affairs.

By Mr. COCHRAN:

S. 2537. An original bill making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. LIEBERMAN (for himself and Mr. DODD):

S. 2538. A bill to provide a grant program to support the establishment and operation of Teachers Institutes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. CAMPBELL (for himself, Mr. INOUYE, Mr. DOMENICI, and Mr. SMITH):

S. 2539. A bill to amend the Tribally Controlled Colleges or University Assistance Act and the Higher Education Act to improve Tribal Colleges and Universities, and for other purposes; to the Committee on Indian Affairs.

By Ms. CANTWELL:

S. 2540. A bill to protect educational FM radio stations providing public service broadcasting from commercial encroachment; to the Committee on Commerce, Science, and Transportation.

By Mr. McCAIN (for himself, Mr. BROWNBACK, Mrs. HUTCHISON, and Mr. ALLEN):

S. 2541. A bill to reauthorize and restructure the National Aeronautics and Space Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. KENNEDY (for himself and Mr. EDWARDS):

S. 2542. A bill to provide for review of determinations on whether schools and local educational agencies made adequate yearly progress for the 2002-2003 school year taking into consideration subsequent regulations and guidance applicable to those determinations, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. THOMAS (for himself and Mr. BURNS):

S. 2543. A bill to establish a program and criteria for National Heritage Areas in the United States, and for other purposes; to the Committee on Energy and Natural Resources.

By Ms. STABENOW (for herself, Mrs. LINCOLN, and Mr. LEVIN):

S. 2544. A bill to provide for the certification of programs to provide uninsured employees of small businesses access to health coverage, and for other purposes; to the Committee on Finance.

By Mr. NELSON of Florida (for himself and Mr. ROCKEFELLER):

S. 2545. A bill to amend titles XVIII and XIX of the Social Security Act and title III of the Public Health Service Act to improve access to information about individuals' health care options and legal rights for care near the end of life, to promote advance care planning and decisionmaking so that individuals' wishes are known should they become unable to speak for themselves, to engage health care providers in disseminating information about and assisting in the preparation of advance directives, which include living wills and durable powers of attorney for health care, and for other purposes; to the Committee on Finance.

By Mr. DURBIN:

S. 2546. A bill to amend the Federal Food, Drug, and Cosmetic Act to require premarket consultation and approval with respect to genetically engineered foods, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. FRIST (for himself and Mr. DASCHLE):

S. Res. 382. A resolution authorizing the taking of a photograph in the Chamber of the United States Senate; considered and agreed to.

By Mr. CAMPBELL (for himself, Mr. DODD, Mr. SMITH, Mr. REID, Mr. DAYTON, and Mr. DEWINE):

S. Con. Res. 119. A concurrent resolution recognizing that prevention of suicide is a compelling national priority; to the Committee on Health, Education, Labor, and Pensions.

ADDITIONAL COSPONSORS

S. 640

At the request of Mr. BUNNING, his name was added as a cosponsor of S. 640, a bill to amend subchapter III of chapter 83 and chapter 84 of title 5, United States Code, to include Federal prosecutors within the definition of a law enforcement officer, and for other purposes.

S. 893

At the request of Mr. SANTORUM, the name of the Senator from North Carolina (Mrs. DOLE) was added as a cosponsor of S. 893, a bill to amend title VII of the Civil Rights Act of 1964 to establish provisions with respect to religious accommodation in employment, and for other purposes.

S. 983

At the request of Mr. CHAFEE, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 983, a bill to amend the Public Health Service Act to authorize the Director of the National Institute of Environmental Health Sciences to make grants for the development and operation of research centers regarding environmental factors that may be related to the etiology of breast cancer.

S. 1557

At the request of Mr. MCCONNELL, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. 1557, a bill to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of Armenia.

S. 1890

At the request of Mr. ENZI, the name of the Senator from Colorado (Mr. CAMPBELL) was added as a cosponsor of S. 1890, a bill to require the mandatory expensing of stock options granted to executive officers, and for other purposes.

S. 1916

At the request of Ms. LANDRIEU, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 1916, a bill to amend title 10, United States Code, to increase the minimum Survivor Benefit Plan basic annuity for surviving spouses age 62 and older, to provide for a one-year open season under that plan, and for other purposes.

S. 2158

At the request of Ms. COLLINS, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 2158, a bill to amend the Public Health Service Act to increase the supply of pancreatic islet cells for research, and to provide for better coordination of Federal efforts and information on islet cell transplantation.

S. 2176

At the request of Mr. BINGAMAN, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 2176, a bill to require the Secretary of Energy to carry out a program of research and development to advance high-end computing.

S. 2253

At the request of Mrs. FEINSTEIN, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 2253, a bill to permit young adults to perform projects to prevent fire and suppress fires, and provide disaster relief, on public land through a Healthy Forest Youth Conservation Corps.

S. 2351

At the request of Ms. COLLINS, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 2351, a bill to establish a Federal Interagency Committee on Emergency Medical Services and a Federal Interagency Committee on Emergency Medical Services Advisory Council, and for other purposes.

S. 2363

At the request of Mr. LEAHY, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 2363, a bill to revise and extend the Boys and Girls Clubs of America.

S. 2434

At the request of Mr. HATCH, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2434, a bill to establish the Commission to Study the Potential Creation of a National Museum of the American Latino Community to develop a plan of action for the establishment and maintenance of a National Museum of the American Latino Community in Washington, D.C., and for other purposes.

S. 2447

At the request of Mr. LIEBERMAN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2447, a bill to amend the Public Health Service Act to authorize funding for the establishment of a program on children and the media within the National Institute of Child Health and Human Development to study the role and impact of electronic media in the development of children.

S. 2474

At the request of Mr. ALLARD, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 2474, a bill to amend the Internal Revenue Code of 1986 to allow penalty-free withdrawals from retirement plans during the period that a military reservist or national guardsman is called to active duty for an extended period, and for other purposes.

S. 2525

At the request of Mr. SPECTER, the names of the Senator from Connecticut (Mr. DODD), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Maine (Ms. COLLINS), the Senator from Maine (Ms. SNOWE), the Senator from New York (Mrs. CLINTON), the Senator from Rhode Island (Mr. REED), the Senator from Vermont (Mr. JEFFORDS) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 2525, a bill to establish regional dairy marketing areas to stabilize the price of milk and support the income of dairy producers.

S. 2529

At the request of Mr. GRASSLEY, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 2529, a bill to extend and modify the trade benefits under the African Growth and Opportunity Act.

S. CON. RES. 8

At the request of Ms. COLLINS, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. Con. Res. 8, a concurrent resolution designating the second week in may each year as "National Visiting Nurse Association Week."

S. CON. RES. 75

At the request of Mr. DURBIN, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. Con. Res. 75, a concurrent resolution expressing the sense of the Congress that a commemorative postage stamp should be issued to promote public awareness of Down syndrome.

S. CON. RES. 110

At the request of Mr. CAMPBELL, the names of the Senator from Georgia (Mr. CHAMBLISS), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Indiana (Mr. BAYH), the Senator from Minnesota (Mr. COLEMAN), the Senator from Oregon (Mr. WYDEN) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. Con. Res. 110, a concurrent resolution expressing the sense of Congress in support of the ongoing work of the Organization for Security and Cooperation in Europe (OSCE) in combating anti-Semitism, racism, xenophobia, discrimination, intolerance, and related violence.

S. RES. 311

At the request of Mr. BROWNBACK, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. Res. 311, a resolution calling on the Government of the Socialist Republic of Vietnam to immediately and unconditionally release Father Thadeus Nguyen Van Ly, and for other purposes.

S. RES. 313

At the request of Mr. FEINGOLD, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. Res. 313, a resolution expressing the sense of the Senate encouraging the active engagement of Americans in world affairs and urging the Secretary of State to coordinate with implementing partners in creating an online database of international exchange programs and related opportunities.

S. RES. 357

At the request of Mr. CAMPBELL, the names of the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of S. Res. 357, a resolution designating the week of August 8 through August 14, 2004, as "National Health Center Week."

AMENDMENT NO. 3171

At the request of Ms. LANDRIEU, the names of the Senator from New Jersey (Mr. CORZINE) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of amendment No. 3171 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3235

At the request of Mr. BROWNBACK, the names of the Senator from Georgia (Mr. MILLER) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of amendment No. 3235 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3264

At the request of Mr. PRYOR, the names of the Senator from New York (Mrs. CLINTON) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of amendment No. 3264 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3315

At the request of Ms. LANDRIEU, the names of the Senator from Maine (Ms. SNOWE), the Senator from South Dakota (Mr. DASCHLE), the Senator from Nevada (Mr. REID), the Senator from Minnesota (Mr. DAYTON), the Senator from Florida (Mr. NELSON), the Senator from Washington (Mrs. MURRAY), the Senator from New Jersey (Mr. CORZINE), the Senator from New York (Mr. SCHUMER), the Senator from Arkansas (Mr. PRYOR) and the Senator from Maryland (Ms. MIKULSKI) were added as cosponsors of amendment No. 3315 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3352

At the request of Mrs. CLINTON, her name was added as a cosponsor of amendment No. 3352 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3355

At the request of Mr. REED, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of amendment No. 3355 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3368

At the request of Mr. LEVIN, his name was added as a cosponsor of amendment No. 3368 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3379

At the request of Mr. BIDEN, the names of the Senator from New York (Mrs. CLINTON), the Senator from Delaware (Mr. CARPER), the Senator from New Jersey (Mr. CORZINE) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of amendment No. 3379 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3384

At the request of Mr. BOND, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of amendment No. 3384 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3397

At the request of Mr. HARKIN, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of amendment No. 3397 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3427

At the request of Mrs. MURRAY, the names of the Senator from Tennessee (Mr. ALEXANDER), the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of amendment No. 3427 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3434

At the request of Mr. MCCONNELL, the names of the Senator from Minnesota (Mr. COLEMAN) and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of amendment No. 3434 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3440

At the request of Mr. ENSIGN, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of amendment No. 3440 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3441

At the request of Mr. MCCAIN, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of amendment No. 3441 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3442

At the request of Mr. MCCAIN, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of amendment No. 3442 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3443

At the request of Mr. MCCAIN, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of amendment No. 3443 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3444

At the request of Mr. MCCAIN, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of amendment No. 3444 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3445

At the request of Mr. MCCAIN, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of amendment No. 3445 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM of Florida (for himself and Mr. DURBIN):

S. 2535. A bill to amend title XVIII of the Social Security Act to modernize the medicare program by ensuring that appropriate preventive services are covered under such program; to the Committee on Finance.

Mr. GRAHAM of Florida. Mr. President, I am very pleased to introduce the Medicare Preventive Services Coverage Act of 2004, and to be joined by Senator RICHARD DURBIN.

This legislation would change the basic charter of Medicare to one that not only diagnoses and treats, but also prevents illness.

On July 30, 1965, Medicare was created under title 18 of the Social Security Act to provide health insurance coverage for the elderly.

The coverage provided through the program was limited to diagnostic and treatment services that were considered reasonable and necessary.

There was little demand to cover preventive services under Medicare or any other health plan at that time because we were not yet cognizant of the vital role of prevention on the health and quality of human life.

The basic charter of Medicare reflects this lack of understanding.

However, since Medicare's inception, we have learned a lot about the enormous burden of chronic disease on our Nation.

According to the Centers for Disease Control and Prevention, CDC, more than 1.7 million Americans die of a chronic disease each year, accounting for about 70 percent of all deaths.

Not only does chronic disease lead to a majority of deaths and disabilities in America, it also accounts for about 75 percent of health care costs each year, placing a huge economic demand on our Nation.

Medicare bears a lion's share of this cost. In 2003, Medicare spent nearly $7,000 per beneficiary; much of this cost is attributable to treating chronic illnesses.

The percentage of the population over age 65 has increased dramatically and will continue to do so. This will place an even greater economic burden on Medicare.

What is the bottom line? In short, Medicare cannot afford this spiraling cost.

The good news is that we now have decades of research demonstrating that although chronic diseases are the most common and costly of all health problems, they are also the most preventable.

For example, according to the CDC regular eye exams and timely treatment could prevent up to 90 percent of diabetes related blindness.

Eye chart screening for visual acuity is currently recommended by the United States Preventive Services Task Force, USPSTF, but is not covered by Meidcare.

The impact of prevention on chronic disease is well known by the President's Secretary for Health and Human Services.

HHS Secretary Thompson said in September 2003:

> There is clear evidence that the costs of chronic conditions are enormous, as are the potential savings from preventing them, even if there may not always be agreement on the exact amounts of these cost savings.

He goes on to say:

> . . . the Nation simply cannot afford not to step up efforts to reverse the growing prevalence of chronic disorders. Resources and energy need to be marshaled in all sectors and at all levels of society.

Partnership for Prevention, a Washington, DC, think tank on health policy takes Thompson's comments one step further. A recent Partnership report makes the following logical assumption:

> As the primary source of health insurance coverage for millions of older Americans and persons with permanent disabilities, Medicare has the potential to have a substantial impact on the health of beneficiaries by promoting and covering cost-effective preventive services.

Congress has added coverage for some preventive services over the last two decades, including the flu vaccine, mammograms, and cancer screening.

As HHS does not have the authority to add preventive services to Medicare—despite the growing body of evidence that has proved their efficacy—these benefits were only added to Medicare because of congressional action.

The benefits that Congress have added are extremely important, and I am glad that we have taken the steps to make them available to our seniors.

However, the congressional process is slow, and subject to political winds and influences that are not always based purely in science.

The legislation I am introducing would change the basic charter of Medicare from a program focused on diagnosing and treating illnesses to one that also prevents illnesses by giving the Department of Health and Human Services the authority to make coverage decisions for preventive services.

Why change the current system of passing legislation each time we want to add coverage of preventive service to Medicare? There are some very logical reasons.

The reliance on Congress to cover preventive services has resulted in: Coverage for only half of clinical preventive services that experts recommend for the 65+ age group; coverage that not only fails to keep up with changes in scientific evidence but is often in consistent with authoritative recommendations; a confusing array of cost sharing requirements across covered preventive services; and lack of coverage of some preventive services that provide great health benefits in favor of others that do not meet current evidence standards as a result of vocal advocacy groups.

Luckily, the fundamental reform of the program that I am proposing does not require extensive statutory or bureaucratic change.

Medicare already has a process in place for the Secretary of Health and Human Services to make coverage decisions on diagnostic, treatment, and durable medical equipment options.

My bill would authorize the Secretary to make coverage decisions on preventive services using that same process, based on the recommendations of the federally-convened United States Preventive Services Task Force, USPSTF, and other groups.

This authorization would not entail dramatic new administrative expenses or a major reorganization of CMS coverage processes and staff.

My legislation would put preventive services on an equal footing with diagnostic and treatment services by allowing the Secretary to make coverage decisions for all services needed to prevent, diagnose, and treat illness.

Providing beneficiaries with the most cost-effective and current preventive services should no longer require an "Act of Congress."

It should, instead, require the insight of the experts in the field, and be based on the same careful process HHS is currently using.

Let us untie their hands and improve the lives of our Medicare beneficiaries by building coverage of preventive services into the currently established coverage decision process.

This legislation is supported by the following groups: American College of Preventive Medicine; HealthPartners; Deafness Research Foundation; Partnership for Prevention; American Dietetic Association; American Public Health Association; Families USA; American Physical Therapy Association; American Academy of Family Physicians; United Cerebral Palsy Association; National Mental Health Association; Campaign for Tobacco-Free Kids, and the Emergency Department Practice Management Association.

If Medicare were created today, it would certainly not exclude coverage of preventive services.

Today we know how important preventive services are; they save money and lives. Let us give Medicare the authority to do its job.

I urge my colleagues to join me in sponsoring this important piece of legislation.

I ask unanimous consent to print letters of support from the above-listed groups in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN PUBLIC
HEALTH ASSOCIATION,
Washington, DC, June 1, 2004.

Hon. BOB GRAHAM,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR GRAHAM: On behalf of the American Public Health Association (APHA), the largest and oldest organization of public health professionals in the country, representing more than 50,000 members from over 50 public health occupations, I write in support of the Medicare Preventive Services Coverage Act of 2004.

As outlined in position paper 7633, "Policy Statement on Prevention," APHA has long supported measures to increasingly utilize the fund preventive services in federal health programs. In this vein, the Medicare Preventive Services Coverage Act of 2004 demonstrates a significant commitment to addressing the underlying factors responsible for the underutilization of prevention strategies that optimize the health and independence of the elderly by granting the Secretary the authority to approve Medicare coverage of preventive services based on recommendations of the U.S. Preventive Services Task Force and other groups. By allowing decisions about coverage of preventive services to be made in the same timely, evidence-based manner as other services under Medicare, the legislation would enable Medicare to take a vital step towards focusing more on disease prevention, which is cost-effective and has the ability to prevent or delay the occurrence of chronic disease.

Since the creation of Medicare, the American Public Health Association has supported measures to protect Medicare beneficiaries against significant financial exposure that imposes barriers to the receipt of needed care. The provisions of the Medicare Preventive Services Act of 2004 that aim to eliminate co-payments and deductibles from all future preventive benefits serve to ensure that Medicare beneficiaries will not be restricted from accessing needed preventive medical care because of financial hardship.

Thank you for your attention to and leadership on this important public health issue. We look forward to working with you to move legislation forward this year.

Sincerely
GEORGES C. BENJAMIN, MD, FACP,
Executive Director.

JUNE 2, 2004.

Hon. BOB GRAHAM,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRAHAM: Congratulations on the introduction of your new legislation to provide a permanent solution to Medicare's long-standing failure to cover appropriate preventive health services. Families USA, the health consumer advocacy organization, strongly endorses your effort.

Currently, life-saving and life-improving preventive screening services have been covered only by an act of Congress—and usually only after long and difficult debates. Your proposal will place this basic scientific and technical issue in the excellent medical staff of the Centers for Medicare and Medicaid Services, where decisions can be made on a more timely, professional and scientific basis. We believe that this will help ensure that important preventive care services will be implemented in a more timely and rational way. The result will be an improvement in the quality of life of Medicare beneficiaries.

Congratulations again on this proposal—one of a long-line of creative and helpful health initiatives that you have championed in your outstanding Senate career.

Sincerely,

RONALD F. POLLACK,
Executive Director.

AMERICAN PHYSICAL
THERAPY ASSOCIATION,
Alexandria, VA, June 2, 2004.

Hon. BOB GRAHAM,
U.S. Senate, Senate Hart Office Building,
Washington, DC.

DEAR SENATOR GRAHAM: On behalf of the 64,000 members of the American Physical Therapy Association (APTA), I commend you for your efforts to promote the full continuum of health care for our nation's seniors and persons with disabilities served by the Medicare program. APTA appreciates the introduction of your legislation, the Medicare Preventative Services Coverage Act of 2004 and fully supports its enactment by the 108th Congress. Prevention services are an essential part of the health care continuum that needs better integration into the Medicare program, and your legislation goes a long way toward achieving that objective.

Physical therapists provide prevention services that forestall or prevent functional decline and the need for more intense care. Through timely and appropriate screening, examination, evaluation, diagnosis, prognosis, and intervention, physical therapists frequently reduce or eliminate the need for more costly forms of care and also may shorten or even eliminate institutional stays. Physical therapists are actively involved in promoting health, wellness and fitness initiatives, including the provision of services and education of patients that stimulate the public to engage in healthy behaviors. An example of physical therapist involvement in preventive services is the use of therapeutic interventions to improve strength, mobility, and balance to reduce falls that often lead to more costly health care and disability under Medicare.

Thank you for your commitment to improving the Medicare program. The addition of appropriate preventative services to the Medicare program will help our nations' seniors and persons with disability lead more healthy and productive lives within our communities. Please feel free to contact Justin Moore on APTA's Government Affairs staff at justinmoore@apta.org or 703/706-3162, if you have any questions or need additional information.

Sicnerely,

BEN F. MASSEY, Jr., PT, MA,
President.

AMERICAN ACADEMY OF
FAMILY PHYSICIANS,
Washington, DC, June 9, 2004.

Hon. ROBERT GRAHAM,
Hart Senate Office Building,
U.S. Senate, Washington, DC.

DEAR SENATOR GRAHAM: Thank you for the opportunity to review the draft of your legislation, the Medicare Preventive Services Coverage Act. On behalf of the 93,700 members of the American Academy of Family Physicians, I am pleased to inform you that the AAFP strongly endorses the bill, and we congratulate you for your efforts on behalf of the nation's seniors.

This legislation would help make Medicare more responsive to the people that it directly serves. By allowing CMS to cover preventive services that are based on evidence and current science and that have been reviewed and approved by the United States Preventive Services Task Force and other appropriate organizations, the bill helps direct Medicare toward proven health care services that will keep seniors healthier. The AAFP commends your commitment to evidence-based measures that will prevent accidents and illness and provide more effective health care. We believe that sound science should always be the basis of medical decisions.

The Academy would urge you and your colleagues in Congress to consider giving CMS the authority to review current preventive services in the light of the U.S. Preventive Services Task Force recommendations and to alter reimbursement accordingly. And we would also suggest that Congress might want to make more explicit the agency's authority to review and revise payments as the evidence of previously approved services changes.

Thank you, Senator Graham, for your commitment to the health of Medicare patients and for your leadership in improving this important program that serves them.

Sincerely,

JAMES C. MARTIN, MD, FAAFP,
Board Chair.

AMERICAN COLLEGE OF
PREVENTIVE MEDICINE,
June 4, 2004.

The American College of Preventive Medicine (ACPM) is very pleased to support Senator Bob Graham's bill granting the Secretary of Health and Human Services the authority to approve Medicare coverage of preventive medical services from the recommendations of the United States Preventive Services Task Force (USPSTF) and other appropriate organizations.

As the representative organization for preventive medicine physicians, ACPM understands the potential long-term benefits from clinical preventive services supported by evidence to have a beneficial impact on survival and quality of life. As the population of the United States ages, preventive services will become the best strategy to keep people healthy and to conserve medical expenditures.

Therefore, the ACPM offers its full support of Senator Graham's proposed legislation to include preventive services under Medicare coverage.

MIKE BARRY,
Deputy Director.

AMERICAN DIETETIC ASSOCIATION,
Chicago, IL, June 2, 2004.

Hon. BOB GRAHAM,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRAHAM: The American Dietetic Association (ADA) is the largest organization of food and nutrition professionals in the U.S. We promote optimal nutrition and well being of all people, by relying on evidence-based practices and policies. To that end, ADA is pleased to support the Medicare Preventive Services Coverage Act of 2004.

Nutrition is a critical element to any comprehensive health care program and in particular preventive services. According to the Department of Health and Human Services, 40 percent of Americans age 40 to 74 suffer from pre-diabetes. The evidence shows that proper nutrition and physical activity can prevent many, if not most of these Americans from developing type II diabetes. In cardiovascular care, the evidence shows that proper preventive nutrition intervention can slow or reverse conditions such as hypertension or dyslipidemia. Unfortunately, Medicare does not recognize the importance of preventive care in general and preventive nutrition therapy specifically.

When Congress passed the Medicare Modernization Act last year, it included a new provision for preventive care under Sec. 611, the Initial Preventive Physical Examination. While referral to medical nutrition therapy is specifically mentioned in the bill, CMS is interpreting this new language as limited to only those diseases (diabetes and renal) that are already eligible for MNT. As a result of this interpretation, patients diagnosed during the initial preventive physical exam as having pre-diabetes, must wait until their conditions progress to type II diabetes before Medicare will cover nutrition therapy.

Such an approach to preventive care is poor health policy and poor fiscal management of the program. Your Medicare Preventive Services Coverage Act if enacted, will promote preventive care within Medicare to the status it deserves. ADA commends your efforts and foresight.

Sincerely,

RONALD E. SMITH,
Director of Government Relations.

CAMPAIGN FOR
TOBACCO-FREE KIDS,
June 14, 2004.

Hon. BOB GRAHAM,
U.S. Senator, Hart Senate Office Building,
Washington, DC.

DEAR SENATOR GRAHAM: The Campaign for Tobacco-Free Kids is pleased to lend its support to your bill, The Medicare Preventive Services Coverage Act of 2004.

This bill will help provide the scientific foundation and evidence-based decisions that are critical for ensuring that the Medicare program provides the most effective preventive services to all Medicare beneficiaries. This bill will help shift the emphasis of the Medicare program from treating illness to one where the focus is more on wellness, health promotion and prevention. With nearly three-quarters of all illnesses in this country related to preventable conditions such as tobacco use, lack of proper nutrition and physical fitness, obesity and diabetes, it makes perfect health and fiscal sense to enact such changes into the Medicare program.

With the recent inclusion of prescription drug coverage to the Medicare program, including coverage for prescription tobacco use cessation medications such as nicotine nasal spray and bupropion SR, this bill represents a tremendous opportunity to enhance and compliment this new coverage through the provision of tobacco use cessation counseling services. According to the U.S. Preventive Services Task Force, next to childhood immunizations, tobacco cessation counseling is the most clinically effective preventive service that we have. Furthermore, we know that counseling services double the number of successful quit smoking attempts versus people who try to quit "cold turkey". And when combined with medications, there is nearly a four-fold increase in successful quit attempts. With about 10 percent of all Medicare beneficiaries still smoking, about 4.5 million people, such a benefit would have a tremendous impact on the health and quality of life of our nation's seniors.

Again, the Campaign for Tobacco-Free Kids is proud to support this important piece of public health legislation.

Sincerely,

Matthew L. Myers,
President.

Partnership for Prevention,
Washington, DC, June 2, 2004.

Hon. Bob Graham,
U.S. Senator, Hart Senate Office Building, Washington, DC.

Dear Senator Graham: Thank you for requesting Partnership for Prevention's comments on Medicare policy concerning disease prevention and health promotion.

Partnership strongly recommends that Congress modernize Medicare by directing the Centers for Medicare and Medicaid Services to make coverage decisions for disease prevention and health promotion services based on evidence-based recommendations such as those of the U.S. Preventive Services Task Force and the Advisory Committee on Immunization Practices. This was one of the principal policy recommendations in Partnership's 2003 report, A Better Medicare for Healthier Seniors: Recommendations to Modernize Medicare's Prevention Policies. We understand that you plan to introduce legislation that would bring about such a policy change.

When Congress created Medicare in 1965, it designed the program based on the knowledge of health, medicine and health care at that time. Thus, Medicare focused on hospitalization and visits to doctors' offices to treat or diagnose seniors who were already showing signs of illness. Medicine has made great progress since then, including development of proven ways to prevent disease and promote longer, healthier lives. But Medicare has consistently lagged behind the curve, failing to cover proven disease prevention and health promotion services or providing coverage years later than private insurers.

Allowing Medicare coverage decisions for preventive services to be made following a similar process as diagnosis and treatment decisions is an important step in modernizing Medicare. It is also critical that these coverage decisions be informed by systematic reviews of evidence conducted by independent experts, such as the U.S. Preventive Services Task Force. We understand that your bill would address these issues and enable Medicare to keep pace with progress in preventive medicine and health promotion.

Partnership's Better Medicare report also noted that use rates for most preventive services that are covered by Medicare fall short of national targets, in part because of a confusing array of cost sharing requirements, such as deductibles and co-payments for these services. We understand that your bill would eliminate these impediments for preventive services covered in the future.

Most Americans understand that it is preferable to help people stay healthy instead of waiting to treat them after they become sick. It is in our nation's interest for seniors to be healthy instead of infirm, active instead of hospitalized, productive instead of costly, independent instead of dependent. Cost-saving and cost-effective disease prevention and health promotion are sound investments for our country.

Thank you again for requesting our comments on these important facets of Medicare policy.

Sincerely,

John M. Clymer,
President.

Deafness Research Foundation,
Washington, DC, June 2, 2004.

Hon. Bob Graham,
U.S. Senate,
Washington, DC.

Dear Senator Graham: On behalf of the Deafness Research Foundation and World Council on Hearing Health, we fully support the Amendment to Title XVII of the Social Security Act to modernize the Medicare program so as to ensure preventive services be covered under the program.

The Deafness Research Foundation and its public education and advocacy arm, called the World Council on Hearing Health's mission is to make a lifetime of hearing possible for all people through quality research, public education and advocacy. We espouse the program platforms of detection, prevention, intervention and research about hearing loss. Therefore, we fully support your draft bill that will allow for the Secretary of Health and Human Services be granted the authority to approve Medicare coverage of preventive services based on recommendations of the U.S. Preventive Services Task Force and other organizations if enacted.

Early detection of hearing loss through regular hearing checkups (at least once every two years) from childhood to adulthood is a key to early intervention as needed. For babies and children it is especially important so their educational, emotional and social development is not halted nor compromised. In adults, early detection of hearing loss is the best prevention against further damaging one's hearing not to mention the impact hearing loss can have on one's career and quality of life. In the elderly, the ability to diagnose hearing loss early on is an imperative to combat misdiagnoses of dementia and senility.

We commend you on taking the initiative to propose this bill and we will tell the 40,000 donors and members of Deafness Research Foundation to fervently follow its progress.

Sincerely,

Susan Greco,
Executive Director.

June 3, 2004.

Hon. Robert Graham,
Hart Senate Office Building,
Washington, DC.

Dear Senator Graham: I am writing on behalf of HealthPartners in support of the "Medicare Preventive Services Coverage Act of 2004". HealthPartners is a consumer-governed family of nonprofit Minnesota health care organizations focused on improving the health of its members, its patients and the community. HealthPartners and its related organizations provide health care services, insurance and HMO coverage to more than 670,000 members. The key features of this bill would go far in helping to improve the health of Medicare enrollees.

This bill would put disease prevention on a level playing field with disease detection and treatment under Medicare. It would also permit preventive service coverage decisions to be based on evidence. We believe strongly that appropriate preventive services should be included in the Medicare benefit set and that those benefits should be evidence-based. Using the United States Preventive Services Task Force (and other appropriate organizations') recommendations as a guide for the addition of preventive services is an excellent step.

We encourage the Secretary and Congress to continue to focus benefits in both the Medicare and Medicaid programs on evidence based medicine. Evidence based care provides the structure for the right services to be delivered at the right time in the right location for enrollees of all ages. This, in turn, supports achieving the six aims for care as outlined by the Institute of Medicine: care that is patient-centered, timely, effective, efficient, equitable and safe. We support your efforts to achieve these ends.

Sincerely,

George Isham, M.D.,
Medical Director and
Chief Health Officer.

Emergency Department Practice
Management Association,
McLean, VA, June 16, 2004.

Hon. Senator Graham,
Hart Senate Office Building,
U.S. Senate, Washington, DC.

Dear Senator Graham: Thank you for the opportunity to review your draft legislation, the Medicare Preventive Services Coverage Act. On behalf of the Emergency Department Practice Management Association's members, we congratulate you on your efforts in this area and strongly support this legislation as it reflects sound health policy.

EDPMA members work with their hospital partners to provide quality patient care in the emergency departments across the country. As you know, overcrowding in emergency departments is a serious problem. By expanding Medicare's coverage of preventative services, we believe that Medicare patients will have incentives to get treatment in less acute settings.

Emergency departments are a key element of the nation's safety net. While we support expansion of Medicare benefits, we believe it is of critical importance that Medicare's physician fee schedule appropriately capture emergency physician's uncompensated care costs. We look forward to working with you to address this problem.

Like you, EDPMA is dedicated to providing quality care to Medicare's patients. We join you in support of this legislation and appreciate your on-going leadership in health policy.

Sincerely,

Emily R. Wilson,
Managing Director.

National Mental
Health Association,
Alexandria, VA, June 16, 2004.

Hon. Bob Graham,
U.S. Senate, Hart Senate Office Building, Washington, DC.

Dear Senator Graham: On behalf of the National Mental Health Association (NMHA), I am writing to commend you for introducing the Medicare Preventive Services Coverage Act of 2004. Prevention and early detection of mental illness are critical components to ensuring overall well-being that have long been overlooked, particularly with regard to Medicare beneficiaries. Your bill represents a major step forward in recognizing that mental illness can be prevented and successfully treated, especially if detected early. Prevention services provided through this legislation will undoubtedly lead to improved access to and utilization of mental health treatment among a population in which mental illness has been severely under-diagnosed.

NMHA is the nation's oldest and largest advocacy organization addressing all aspects of mental health and mental illness. With more than 340 affiliates nationwide, we work to improve the mental health of all Americans through advocacy, education, research, and service. Prevention of mental illness is a key element of our mission, and we are heartened by your efforts to ensure that Medicare beneficiaries receive a full complement of preventive services, including mental health services.

As you know, mental illness affects a very large segment of the Medicare population, but few receive the treatment they need. According to the Surgeon General's 1999 Report on Mental Health, some 20 percent of those 55 and older experience specific mental disorders that are not part of normal aging, including phobias, obsessive-compulsive disorder, and depression, and 40 percent of those on Medicare because of a disability, face mental illness. Major depression is particularly prevalent among older Americans: in primary care settings, 37 percent of seniors display symptoms of depression.

However, all too often seniors and people with disabilities struggle with mental illness alone and without treatment and support. It is estimated that only half of older adults who acknowledge mental health problems actually are treated. A very small percentage of older adults—less than 3 percent—report seeing mental health professionals for treatment. This lack of care has tragic consequences as illustrated by the fact that Americans 65 and older have the highest rate of suicide in the country, accounting for 20 percent of suicide deaths.

The President's New Freedom Commission on Mental Health found that "[t]he number of older adults with mental illnesses is expected to double to 15 million in the next 30 years [and that] [m]ental illnesses have a significant impact on the health and functioning of older people and are associated with increased health care use and higher costs." New Freedom Commission on Mental Health, Achieving the Promise: Transforming Mental Health Care in America. Final Report, p. 59. The Commission recommended that "[a]ny effort to strengthen or improve the Medicare and Medicaid programs should offer beneficiaries options to effectively use the most up-to-date [mental health] treatments and services." Id., p. 26.

Early detection and intervention services are essential for preventing mental health problems from compounding and for lessening long-term disability that can result from mental illness. The President's Commission stated that early assessment and treatment are critical across the life span and found that "[n]ew understanding of the brain indicates that early identification and intervention can sharply improve outcomes and that longer periods of abnormal thoughts and behavior have cumulative effects and can limit capacity for recovery." Id., p. 57. Numerous studies have indicated that prevention and early intervention services for seniors result in improved mental health conditions, positive behavioral changes, and decreased use of inpatient care.

Thank you again for introducing the Medicare Preventive Services Coverage Act of 2004. By incorporating preventive mental health services into the Medicare program, this bill will substantially improve access to treatment for a population with tremendous mental health needs.

Sincerely,

MICHAEL M. FAENZA, MSSW,
President and CEO.

Hon. BOB GRAHAM,
U.S. Senate, Hart Office Building, Washington, DC.

DEAR SENATOR GRAHAM: United Cerebral Palsy would like to lend our wholehearted support to the Medicare Preventive Services Coverage Act of 2004 that would amend the Social Security Act and the Medicare Prescription Drug Improvement and Modernization Act of 2003 to make a broad array of preventive health care services a standard part of Medicare. To date, the Congress has added selected preventive services to Medicare but has not included other services that are proven effective; nor has it encouraged Medicare to take a comprehensive approach to disease prevention and health promotion for American seniors and people with disabilities. Passage of this legislation would mean that, for the first time and to the benefit of millions of Americans, prevention would be placed on a level playing field with disease detection, diagnosis and treatment under Medicare.

We thank you for recognizing that prevention is a good investment, diminishing disability and discomfort, leading to less time spent in hospitals and in nursing homes and more time spent at home and in the community. In many cases, effective preventive services will generate cost savings for Medicare, as well as providing beneficiaries with more productive years of life.

About one in eight of Medicare's 40+ million beneficiaries, about 5 million people, are people with disabilities under age 65, people who have worked and become disabled, or who are the adult dependents or survivors of eligible workers. According to the National Economic Council, these beneficiaries are 35 percent less likely to have any sort of employer-based coverage, compared to elderly beneficiaries who sometimes have coverage through retiree health plans. Thus, access to any prevention benefits outside their Medicare coverage is severely limited.

For individuals with disabilities, prevention is truly no less important than medical treatment. A primary disability can often mean that a person is extremely at risk for, or susceptible to, secondary health or disabling conditions. Compounding this fact is the fact that many of these secondary conditions may be low-incidence conditions that affect only a small population and would, therefore, not necessarily be those that come to the attention of Congress when new coverage decisions are made.

Additionally, as people with a wide range of disabilities grow older, the impact of their disability may lead to premature occurrence of age-related conditions. Clearly, the Medicare Preventive Services Coverage Acts of 2004 would be of great assistance to these beneficiaries by allowing decisions about coverage of preventive services to be made in the same manner as coverage decisions for other services, making preventive service coverage decisions more timely, individualized and evidence-based.

We are also pleased that the bill would eliminate co-payments and deductibles from all future preventive benefits. There is currently a confusing array of cost-sharing requirements across Medicare's covered preventive benefits, and Medicare beneficiaries with disabilities are more likely to have lower incomes. By definition, people receiving disability insurance often are unable to engage in full-time work due to their conditions, and more than three-fourths of these beneficiaries have income below 200 percent of the poverty level, compared to half of elderly beneficiaries.

United Cerebral Palsy wishes you the best and offers our support in gaining passage of this critical legislation.

Sincerely,

STEPHEN BENNETT,
President and Chief Executive Officer,
United Cerebral Palsy.

By Ms. COLLINS (for herself and Mr. WYDEN):

S. 2536. A bill to enumerate the responsibilities of the Officer for Civil Rights and Civil Liberties of the Department of Homeland Security, to require the Inspector General of the Department of Homeland Security to designate a senior official to investigate civil rights complaints, and for other purposes; to the Committee on Governmental Affairs.

Mr. COLLINS. Mr. President, today Senator WYDEN and I are introducing the Homeland Security Civil Rights and Civil Liberties Protection Act of 2004. It has been a pleasure to work with my colleague from Oregon on this legislation to strengthen protections for civil rights and civil liberties. In the wake of the terrorist attacks on September 11, 2001, during his joint address to Congress, the President called on all Americans to "uphold the values of America and remember why so many have come here. We're in a fight for our principles, and our first responsibility is to live by them."

In response to the need to safeguard our homeland, Congress enacted the Homeland Security Act of 2002 that created the Department of Homeland Security, the most significant government restructuring in more than 50 years. But in focusing our attention on protecting the homeland from future terrorist attacks, we also must ensure that we do not trample on the very values that the terrorists seek to destroy. In enacting the Homeland Security Act, Congress understood the importance of providing checks and balances to protect civil rights and civil liberties. To this end, Congress created within the Department three positions devoted wholly or in part to ensuring respect for civil liberties as the Department carries out its mandate to protect our homeland. These positions are the Officer for Civil Rights and Civil Liberties, the Privacy Officer, and the Department's Inspector General. These three officials have crucial roles in assessing actions of the Department that may affect personal privacy, civil rights, and civil liberties.

The nature of the mission of the Department of Homeland Security makes safeguards especially important. The Department is now our country's biggest law enforcement agency. It has more Federal officers with arrest and firearm authority than the Department of Justice. In addition, DHS law enforcement personnel have contact with thousands of people every day. In this post 9/11 world, DHS law enforcement personnel must be especially sensitive to maintaining civil liberties as they work to strengthen security and detect and deter terrorist attacks.

I am pleased that the leadership of the Department recognizes the fundamental importance of protecting the rights of all of us while fighting terrorism. Under the leadership of Secretary Ridge, the new Department of Homeland Security has won praise for its commitment to the protection of our freedoms. Secretary Ridge has provided the Officer for Civil Rights and Civil Liberties and the Privacy Officer with the tools they need to be effective. These officials have functioned at the senior level, regularly providing advice to the Secretary and his deputies. The Officer for Civil Rights and Civil Liberties, the Privacy Officer and the Inspector General have met regularly with organizations concerned about civil liberties, privacy, human rights, and immigrant rights and have been responsive to their concerns.

It is time for Congress to build on the foundation Secretary Ridge has laid in protecting civil rights and civil liberties. I believe the Homeland Security Civil Rights and Civil Liberties Protection Act of 2004 does exactly that.

The bill would write into law the activities of the Officer for Civil Rights and Civil Liberties. As enacted, the Homeland Security Act did not clearly define the duties of that position. Over the past year, however, a strong Officer, with the support of the Department's leadership, has charted an important course for his office. The Officer has worked closely with the senior leadership of the Department. He has assisted in the development of departmental policies to ensure that civil liberties are given due consideration. He has overseen compliance with constitutional and other requirements relating to the rights and liberties of individuals affected by the Department's programs. He has coordinated with the Privacy Officer to ensure that overlapping privacy and civil rights concerns are addressed in a comprehensive way. And he has investigated alleged abuses of civil rights and civil liberties.

None of these activities is expressly addressed in the statutory language creating the Department, and there is no assurance in the law that future Officers for Civil Rights and Civil Liberties will work so energetically to carry out these vital duties. It is time for the law to catch up with practice, and the Homeland Security Civil Rights and Civil Liberties Protection Act ensures that goal.

The bill also clarifies that the Officer for Civil Rights and Civil Liberties as well as the Privacy Officer should report directly to the Secretary, and requires coordination between those officers to ensure an integrated and comprehensive approach to the important issues they address.

The Homeland Security Civil Rights and Civil Liberties Protection Act of 2004 strengthens the ability of the Department's Inspector General to safeguard civil rights and civil liberties by requiring the DHS Inspector General to designate a senior official to coordinate investigation of abuses, ensure public awareness of complaint procedures, and coordinate his or her work with the Officer for Civil Rights and Civil Liberties. This position is similar to one Congress created in the Office of the Inspector General of the Department of Justice.

Finally, the Homeland Security Civil Rights and Civil Liberties Protection Act of 2004 amends the mission statement of the Department of Homeland Security to ensure that actions taken by the Department to protect the homeland do not diminish civil liberties and civil rights. This important revision places into the statutory language that the protection of civil rights and civil liberties is crucial in this time of heightened security.

The battle against terror will last for many years, perhaps decades. During that long struggle, we must continue to secure our nation against future attacks, but at the same time protect those American values that define our free society. The Homeland Security Civil Rights and Civil Liberties Protection Act of 2004 will strengthen the protection of civil rights and civil liberties and will help to ensure that that protection will continue in the years to come.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2536

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Homeland Security Civil Rights and Civil Liberties Protection Act of 2004".

SEC. 2. MISSION OF DEPARTMENT OF HOMELAND SECURITY.

Section 101(b)(1) of the Homeland Security Act of 2002 (6 U.S.C. 111(b)(1)) is amended—

(1) in subparagraph (F), by striking "and" after the semicolon;

(2) by redesignating subparagraph (G) as subparagraph (H); and

(3) by inserting after subparagraph (F) the following:

"(G) ensure that the civil rights and civil liberties of persons are not diminished by efforts, activities, and programs aimed at securing the homeland; and".

SEC. 3. OFFICER FOR CIVIL RIGHTS AND CIVIL LIBERTIES.

Section 705(a) of the Homeland Security Act of 2002 (6 U.S.C. 345(a)) is amended—

(1) in the matter preceding paragraph (1), by inserting "report directly to the Secretary and shall" after "who shall";

(2) in paragraph (1), by striking "and" at the end;

(3) in paragraph (2), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

"(3) assist the Secretary, directorates, and offices of the Department to develop, implement, and periodically review Department policies and procedures to ensure that the protection of civil rights and civil liberties is appropriately incorporated into Department programs and activities;

"(4) oversee compliance with constitutional, statutory, regulatory, policy, and other requirements relating to the civil rights and civil liberties of individuals affected by the programs and activities of the Department;

"(5) coordinate with the Privacy Officer to ensure that—

"(A) programs, policies, and procedures involving civil rights, civil liberties, and privacy considerations are addressed in an integrated and comprehensive manner; and

"(B) Congress receives appropriate reports regarding such programs, policies, and procedures; and

"(6) investigate complaints and information indicating possible abuses of civil rights or civil liberties, unless the Inspector General of the Department determines that any such complaint or information should be investigated by the Inspector General.".

SEC. 4. PROTECTION OF CIVIL RIGHTS AND CIVIL LIBERTIES BY OFFICE OF INSPECTOR GENERAL.

Section 8I of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by adding at the end the following:

"(f)(1) The Inspector General of the Department of Homeland Security shall designate a senior official within the Office of Inspector General, who shall be a career member of the civil service at the equivalent to the GS–15 level or a career member of the Senior Executive Service, to perform the functions described in paragraph (2).

"(2) The senior official designated under paragraph (1) shall—

"(A) coordinate the activities of the Office of Inspector General with respect to investigations of abuses of civil rights or civil liberties;

"(B) receive and review complaints and information from any source alleging abuses of civil rights and civil liberties by employees or officials of the Department and employees or officials of independent contractors or grantees of the Department;

"(C) initiate investigations of alleged abuses of civil rights or civil liberties by employees or officials of the Department and employees or officials of independent contractors or grantees of the Department;

"(D) ensure that personnel within the Office of Inspector General receive sufficient training to conduct effective civil rights and civil liberties investigations;

"(E) consult with the Officer for Civil Rights and Civil Liberties regarding—

"(i) alleged abuses of civil rights or civil liberties; and

"(ii) any policy recommendations regarding civil rights and civil liberties that may be founded upon an investigation by the Office of Inspector General;

"(F) provide the Officer for Civil Rights and Civil Liberties with information regarding the outcome of investigations of alleged abuses of civil rights and civil liberties;

"(G) refer civil rights and civil liberties matters that the Inspector General decides not to investigate to the Officer for Civil Rights and Civil Liberties;

"(H) ensure that the Office of the Inspector General publicizes and provides convenient public access to information regarding—

"(i) the procedure to file complaints or comments concerning civil rights and civil liberties matters; and

"(ii) the status of investigations initiated in response to public complaints; and

"(I) inform the Officer for Civil Rights and Civil Liberties of any weaknesses, problems, and deficiencies within the Department relating to civil rights or civil liberties.".

SEC. 5. PRIVACY OFFICER.

Section 222 of the Homeland Security Act of 2002 (6 U.S.C. 142) is amended—

(1) in the matter preceding paragraph (1), by inserting ", who shall report directly to the Secretary," after "in the Department";

(2) in paragraph (4), by striking "and" at the end;

(3) by redesignating paragraph (5) as paragraph (6); and

(4) by inserting after paragraph (4) the following:

"(5) coordinating with the Officer for Civil Rights and Civil Liberties to ensure that—

"(A) programs, policies, and procedures involving civil rights, civil liberties, and privacy considerations are addressed in an integrated and comprehensive manner; and

"(B) Congress receives appropriate reports on such programs, policies, and procedures; and".

Mr. WYDEN. Mr. President, the threat of terrorism is an unfortunate fact of life today, and it is not going to go away any time soon. Protecting American citizens against this threat will continue to be an essential and urgent task for the foreseeable future.

However, I do not believe that fighting terrorism aggressively requires tossing civil liberties protections into the scrap heap. This is not an "either or" choice. This country's tradition of high standards of civil rights and civil liberties should not and need not become the first casualty of the war on terrorism.

I have made this point repeatedly in the time since the terrorist attacks of 9/11. Still, all too often, we have seen well-meaning government agencies take the approach of designing a security system or program first, and worrying about the civil liberties and privacy implications later.

I am convinced that the approach of making civil liberties an afterthought doesn't work and isn't acceptable. Civil liberties and privacy considerations need to be built into the DNA of the Homeland Security Department and its various programs.

The legislation that created the Homeland Security Department included some very positive steps in that regard, by creating an Officer for Civil Rights and Civil Liberties and a Privacy Officer.

Today, I am joining Senator COLLINS in introducing new legislation to flesh out the role and stature of these key offices within the Department.

Specifically, the legislation would add a reference to civil liberties to the statutory mission statement of the Department of Homeland Security. It would provide further detail as to the duties of the Officer for Civil Rights and Civil Liberties. It would specify that both the Officer for Civil Rights and Civil Liberties and the Privacy Officer shall report directly to the Secretary. And it would direct the DHS Inspector General to designate a point person within the I.G. office to focus expressly on civil liberties matters.

None of these items represents a radical departure from the original Homeland Security legislation or the current practice of the department. Rather, this new bill codifies much of what is already going on, giving it a firm statutory basis.

I hope my colleagues will join Senator COLLINS and me in supporting this legislation, and in delivering a strong message that civil liberties matters remain a core factor in this country's homeland security efforts. I ask unanimous consent that the text of the bill be printed in the RECORD.

By Mr. LIEBERMAN (for himself and Mr. DODD):

S. 2538. A bill to provide a grant program to support the establishment and operation of Teachers Institutes; to the Committee on Health, Education, Labor, and Pensions.

Mr. LIEBERMAN. Mr. President, today I am introducing legislation, along with my colleague from Connecticut, Mr. DODD, that will strengthen the content and pedagogy knowledge of our present K–12 teacher workforce and thus ultimately raise student achievement.

My proposal would establish eight new Teacher Professional Development Institutes throughout the Nation each year over the next five years based on the model which has been operating at Yale University for over 25 years. Every Teacher Institute would consist of a partnership between an institution of higher education and the local public school system in which a significant proportion of the students come from low-income households. These Institutes will strengthen the present teacher workforce by giving each participant an opportunity to gain more sophisticated content knowledge and a chance to develop curriculum units with other colleagues that can be directly applied in their classrooms. We know that teachers gain confidence and enthusiasm when they have a deeper understanding of the subject matter that they teach and this translates into higher expectations for their students and thus, an increase in student achievement.

The Teacher Professional Development Institutes are based on the Yale-New Haven Teachers Institute model that has been in existence since 1978. For over 25 years, the Institute has offered six or seven thirteen-session seminars each year, led by Yale faculty, on topics that teachers have selected to enhance their mastery of the specific subject area that they teach. The subject selection process begins with representatives from the Institutes soliciting ideas from teachers throughout the school district for topics on which teachers feel they need to have additional preparation, topics that will assist them in preparing materials they need for their students, or topics that will assist them in addressing the standards that the school district requires. As a consensus emerges about desired seminar subjects, the Institute director identifies university faculty members with the appropriate expertise, interest and desire to lead the seminar. University faculty members, especially those who have led Institute seminars before, may sometimes suggest seminars they would like to lead, and these ideas are circulated by the representatives as well. The final decisions on which seminar topics are offered are ultimately made by the teachers who participate. In this way, the offerings are designed to respond to what teachers believe is needed and useful for both themselves and their students.

The cooperative nature of the Institute seminar planning process ensures its success: Institutes offer seminars and relevant materials on topics teachers have identified and feel are needed for their own preparation as well as what they know will motivate and engage their students. Teachers enthusiastically take part in rigorous seminars they have requested, and as part of the program, practice using the materials they have obtained and developed. This helps ensure that the experience not only increases their preparation in the subjects they are assigned to teach, but also their participation in an Institute seminar gives them immediate hands-on active learning materials that can be used in the classroom. In short, by allowing teachers to determine the seminar subjects and providing them the resources to develop relevant curricula for their classroom and their students, the Institutes empower teachers. Teachers know their students best and they know what should be done to improve schools and increase student learning. The Teacher Professional Development Institutes promote this philosophy.

From 1999–2002, the Yale-New Haven Teachers Institute launched a National Demonstration Project to create comparable Institutes at four diverse sites with large concentrations of disadvantaged students. These demonstration projects are located in Pittsburgh, PA, Houston, TX, Albuquerque, NM, and Santa Ana, CA.

Follow-up evaluations have earned very positive results from the teacher participants in the Yale-New Haven Institute, as well as the four demonstration sites. The data strongly support the conclusion that virtually all teachers felt substantially strengthened in their mastery of content knowledge and they also developed increased expectations for what their students could achieve. In addition, because of their involvement in the course selection and curriculum development process, teacher participants have found these seminars to be especially relevant and useful in their classroom practices. Ninety-five percent of all participating teachers reported that the seminars were useful. These Institutes have also served to foster teacher leadership, to develop supportive teacher networks, to heighten university faculty commitments to improving K–12 public education, and to foster more positive partnerships between school districts and institutions of higher education.

By some studies, teacher quality is the single most important school-related factor in determining student achievement. In support of this, the No Child Left Behind Act requires a "highly qualified" teacher to be in every classroom by the end of 2005–2006. Effective teacher professional development programs that focus on subject and pedagogy knowledge are a proven method for enhancing the success of a teacher in the classroom and in helping them meet the highly qualified criteria.

Though a K–12 teacher shortage is forecast in the near-term and many new teachers will be entering our schools, those teachers who are presently on the job will do the majority of teaching in the classrooms in the very near future. For this reason, it is imperative to invest in methods to strengthen our present teaching workforce. Like many professions, the quality of our teachers could diminish if their professional development is neglected. Research has shown that positive educational achievements occur when coursework in a teachers' specific content area is combined with pedagogy techniques. This is what the Teacher Professional Development Institutes Act strives to accomplish.

The Yale-New Haven Institutes have already proven to be a successful model for teacher professional development as demonstrated by the high caliper curriculum unit plans that teacher participants have developed and placed on the web and by the evaluations that support the conclusion that virtually all the teacher participants felt substantially strengthened in their mastery of content knowledge and their teaching skills. My proposal would open this opportunity to many more urban teachers throughout the nation.

I urge my colleagues to act favorably on this measure. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2538

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEACHER PROFESSIONAL DEVELOPMENT INSTITUTES.

Title II of the Higher Education Act of 1965 (20 U.S.C. 1021 et seq.) is amended by adding at the end the following:

"PART C—TEACHER PROFESSIONAL DEVELOPMENT INSTITUTES

"SEC. 241. SHORT TITLE.

"This part may be cited as the 'Teacher Professional Development Institutes Act'.

"SEC. 242. FINDINGS AND PURPOSE.

"(a) FINDINGS.—Congress makes the following findings:

"(1) The ongoing professional development of teachers in the subjects the teachers teach is essential for improved student learning.

"(2) Attaining the goal of the No Child Left Behind Act of 2001, of having a teacher who is highly qualified in every core subject classroom, will require innovative and effective approaches to improving the quality of teaching.

"(3) The Teachers Institute Model is an innovative approach that encourages a collaboration between urban school teachers and university faculty. The Teachers Institute Model focuses on the continuing academic preparation of school teachers and the application of what the teachers study to their classrooms and potentially to the classrooms of other teachers.

"(4) The Teachers Institute Model has also been successfully demonstrated over a 3-year period in a National Demonstration Project (hereafter in this part referred to as the 'National Demonstration Project') in several cities.

"(b) PURPOSE.—The purpose of this part is to provide Federal assistance to support the establishment and operation of Teachers Institutes for local educational agencies that serve significant low-income populations in States throughout the Nation—

"(1) to improve student learning; and

"(2) to enhance the quality of teaching by strengthening the subject matter mastery of current teachers through continuing teacher preparation.

"SEC. 243. DEFINITIONS.

"In this part:

"(1) POVERTY LINE.—The term 'poverty line' means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act) applicable to a family of the size involved.

"(2) SIGNIFICANT LOW-INCOME POPULATION.—The term 'significant low-income population' means a student population of which not less than 25 percent are from families with incomes below the poverty line.

"(3) STATE.—The term 'State' means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(4) TEACHERS INSTITUTE.—The term 'Teachers Institute' means a partnership or joint venture between or among 1 or more institutions of higher education, and 1 or more local educational agencies serving a significant low-income population, which partnership or joint venture—

"(A) is entered into for the purpose of improving the quality of teaching and learning through collaborative seminars designed to enhance both the subject matter and the pedagogical resources of the seminar participants; and

"(B) works in collaboration to determine the direction and content of the collaborative seminars.

"SEC. 244. GRANT AUTHORITY.

"(a) IN GENERAL.—The Secretary is authorized—

"(1) to award grants to Teachers Institutes to encourage the establishment and operation of Teachers Institutes; and

"(2) to provide technical assistance, either directly or through existing Teachers Institutes, to assist local educational agencies and institutions of higher education in preparing to establish and in operating Teachers Institutes.

"(b) SELECTION CRITERIA.—In selecting a Teachers Institute for a grant under this part, the Secretary shall consider—

"(1) the extent to which the proposed Teachers Institute will serve a community with a significant low-income population;

"(2) the extent to which the proposed Teachers Institute will follow the Understandings and Necessary Procedures that have been developed following the National Demonstration Project;

"(3) the extent to which the local educational agency participating in the proposed Teachers Institute has a high percentage of teachers who are unprepared or under prepared to teach the core academic subjects the teachers are assigned to teach; and

"(4) the extent to which the proposed Teachers Institute will receive a level of support from the community and other sources that will ensure the requisite long-term commitment for the success of a Teachers Institute.

"(c) CONSULTATION.—

"(1) IN GENERAL.—In evaluating applications under subsection (b), the Secretary may request the advice and assistance of existing Teachers Institutes.

"(2) STATE AGENCIES.—If the Secretary receives 2 or more applications for new Teachers Institutes that propose serving the same State, the Secretary shall consult with the State educational agency regarding the applications.

"(d) FISCAL AGENT.—For the purpose of this part, an institution of higher education participating in a Teachers Institute shall serve as the fiscal agent for the receipt of grant funds under this part.

"(e) LIMITATIONS.—A grant under this part—

"(1) shall be awarded for a period not to exceed 5 years; and

"(2) shall not exceed 50 percent of the total costs of the eligible activities, as determined by the Secretary.

"SEC. 245. ELIGIBLE ACTIVITIES.

"(a) IN GENERAL.—Grant funds awarded under this part may be used—

"(1) for the planning and development of applications for the establishment of Teachers Institutes;

"(2) to provide assistance to the Teachers Institutes established during the National Demonstration Project to enable the Teachers Institutes—

"(A) to develop further the Teachers Institutes; or

"(B) to support the planning and development of applications for new Teachers Institutes;

"(3) for the salary and necessary expenses of a full-time director to plan and manage the Teachers Institute and to act as liaison between the local educational agency and the institution of higher education participating in the Teachers Institute;

"(4) to provide suitable office space, staff, equipment, and supplies, and to pay other operating expenses, for the Teachers Institute;

"(5) to provide a stipend for teachers participating in collaborative seminars in the sciences and humanities, and to provide remuneration for those members of the faculty of the institution of higher education participating in the Teachers Institute who lead the seminars; and

"(6) to provide for the dissemination through print and electronic means of curriculum units prepared in the seminars conducted by the Teachers Institute.

"(b) TECHNICAL ASSISTANCE.—The Secretary may use not more than 50 percent of the funds appropriated to carry out this part to provide technical assistance to facilitate the establishment and operation of Teachers Institutes. For the purpose of this subsection, the Secretary may contract with existing Teachers Institutes to provide all or a part of the technical assistance under this subsection.

"SEC. 246. APPLICATION, APPROVAL, AND AGREEMENT.

"(a) IN GENERAL.—To receive a grant under this part, a Teachers Institute shall submit an application to the Secretary that—

"(1) meets the requirement of this part and any regulations under this part;

"(2) includes a description of how the Teachers Institute intends to use funds provided under the grant;

"(3) includes such information as the Secretary may require to apply the criteria described in section 244(b);

"(4) includes measurable objectives for the use of the funds provided under the grant; and

"(5) contains such other information and assurances as the Secretary may require.

"(b) APPROVAL.—The Secretary shall—

"(1) promptly evaluate an application received for a grant under this part; and

"(2) notify the applicant within 90 days of the receipt of a completed application of the Secretary's approval or disapproval of the application.

"(c) AGREEMENT.—Upon approval of an application, the Secretary and the Teachers Institute shall enter into a comprehensive agreement covering the entire period of the grant.

"SEC. 247. REPORTS AND EVALUATIONS.

"(a) REPORT.—Each Teachers Institute receiving a grant under this part shall report annually on the progress of the Teachers Institute in achieving the purpose of this part and the purposes of the grant.

"(b) EVALUATION AND DISSEMINATION.—

"(1) EVALUATION.—The Secretary shall evaluate the activities funded under this part and submit an annual report regarding the activities to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives.

"(2) DISSEMINATION.—The Secretary shall broadly disseminate successful practices developed by Teachers Institutes.

"(c) REVOCATION.—If the Secretary determines that a Teachers Institute is not making substantial progress in achieving the purpose of this part and the purposes of the grant by the end of the second year of the grant under this part, the Secretary may take appropriate action, including revocation of further payments under the grant, to ensure that the funds available under this part are used in the most effective manner.

"SEC. 248. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part—

"(1) $4,000,000 for fiscal year 2005;

"(2) $5,000,000 for fiscal year 2006;

"(3) $6,000,000 for fiscal year 2007;

"(4) $7,000,000 for fiscal year 2008; and

"(5) $8,000,000 for fiscal year 2009.".

By Mr. CAMPBELL (for himself, Mr. INOUYE, Mr. DOMENICI, and Mr. SMITH):

S. 2539. A bill to amend the Tribally Controlled Colleges or University Assistance Act and the Higher Education Act to improve Tribal Colleges and Universities, and for other purposes; to the Committee on Indian Affairs.

Mr. CAMPBELL. Mr. President, today I am pleased to introduce legislation to update and improve the Tribally Controlled Colleges or University Assistance Act and amend the Indian sections of the Higher Education Act.

Indian tribal colleges were first created about 30 years ago in response to the higher education needs of Native populations living in remote and isolated areas of the country where access to higher education is extremely difficult.

There are 33 tribally- or Federally-chartered Indian colleges in the Nation and they do a superb job despite the many obstacles they face.

In recent years the cost of higher education has far exceeded the rate of inflation. Tribal colleges face other problems as well: a growing population and growing demand for services; increased demand for additional facilities; geographical isolation; and difficulty attracting quality professors to teach.

Tribal colleges not only provide a quality higher education but also enhance the cultural knowledge, knowledge depositories, college preparatory work, and other important educational needs of Indian communities.

Tribal colleges also enhance the economies of tribes. The national unemployment rate in the U.S. today is about 5.6 percent, while the rate for Native Americans is many times that, and in some parts of Indian country hovers above 50 percent.

Tribal colleges serve as centers for business incubation and small business development in order to encourage private business development and job creation.

Tribal colleges are also being called on to help Indian communities in the often-difficult transition from welfare to work. These institutions also provide education and training to people ready to join the workforce.

To continue the vital work of these colleges, the bill I am introducing will provide additional resources and means to develop facilities, increase quality faculty and improve the overall education of Indian people within their reservations.

I urge my colleagues to join me in supporting this important bill.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2539

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—TRIBAL COLLEGES AND UNIVERSITIES

SEC. 101. TRIBALLY CONTROLLED COLLEGE OR UNIVERSITY ACT OF 1978.

(a) FORMULA.—Section 108(a)(2) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1808) is amended by striking "$6,000" and inserting "$8,000".

(b) TITLE I REAUTHORIZATION.—Section 110(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1810(a)) is amended—

(1) in paragraphs (1), (2), (3), and (4), by striking "1999" and inserting "2004";

(2) in paragraphs (1), (2), and (3), by striking "4 succeeding" and inserting "5 succeeding";

(3) in paragraph (2), by striking "$40,000,000" and inserting "$55,000,000";

(4) in paragraph (3), by striking "$10,000,000" and inserting "$20,000,000"; and

(5) in paragraph (4), by striking "succeeding 4" and inserting "5 succeeding".

(c) TITLE III REAUTHORIZATION.—Section 306(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1836(a)) is amended—

(1) by striking "1999" and inserting "2004"; and

(2) by striking "4 succeeding" and inserting "5 succeeding".

(d) TITLE IV REAUTHORIZATION.—Section 403 of the Tribal Economic Development and Technology Related Education Assistance Act of 1990 (25 U.S.C. 1852) is amended—

(1) by striking "$2,000,000 for fiscal year 1999" and inserting "$5,000,000 for fiscal year 2004"; and

(2) by striking "4 succeeding" and inserting "5 succeeding".

(e) CLARIFICATION OF THE DEFINITION OF NATIONAL INDIAN ORGANIZATION.—Section 2(a)(6) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)(6)) is amended by striking "in the field of Indian education" and inserting "in the field of Tribal Colleges and Universities and Indian higher education".

(f) INDIAN STUDENT COUNT.—Section 2(a) of the Tribally Controlled College or University Assistance Act (25 U.S.C. 1801(a)) is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively; and

(2) by inserting after paragraph (6) the following:

"(7) 'Indian student' means a person who is—

"(A) a member of an Indian tribe; or

"(B) a biological child of a member of an Indian tribe, living or deceased;".

(g) CONTINUING EDUCATION.—Section 2(b) of the Tribally Controlled College or University Assistance Act (25 U.S.C. 1801(b)) is amended by striking paragraph (5) and inserting the following:

"(5) DETERMINATION OF CREDITS.—Eligible credits earned in a continuing education program—

"(A) shall be determined as 1 credit for every 10 contact hours in the case of an institution on a quarter system, or 15 contact hours in the case of an institution on a semester system, of participation in an organized continuing education experience under responsible sponsorship, capable direction, and qualified instruction, as described in the criteria established by the International Association for Continuing Education and Training; and

"(B) shall be limited to 10 percent of the Indian student count of a tribally controlled college or university.".

(h) Accreditation Requirement.—Section 103 of the Tribally Controlled College or University Assistance Act (25 U.S.C. 1804) is amended—

(1) in paragraph (2), by striking "and" at the end;

(2) in paragraph (3), by striking the period at the end and inserting "; and"; and

(3) by inserting after paragraph (3), the following:

"(4)(A) is accredited by a nationally recognized accrediting agency or association determined by the Secretary of Education to be a reliable authority with regard to the quality of training offered; or

"(B) is, according to such an agency or association, making reasonable progress toward accreditation.".

(i) Technical Assistance Contract Awards.—Section 105 of the Tribally Controlled College or University Assistance Act (25 U.S.C. 1805) is amended in the second sentence by striking "In the awarding of contracts for technical assistance, preference shall be given" and inserting "The Secretary shall direct that contracts for technical assistance be awarded".

SEC. 102. TITLE III GRANTS FOR AMERICAN INDIAN TRIBALLY CONTROLLED COLLEGES AND UNIVERSITIES.

(a) Definition of Tribal College or University.—Section 316(b) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)) is amended by striking paragraph (3) and inserting the following:

"(3) Tribal college or university.—

"(A) In general.—The term 'Tribal College or University' means an institution that meets the definition of tribally controlled college or university in section 2 of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801).

"(B) Inclusions.—The term 'Tribal College or University' includes Bay Mills Community College; Blackfeet Community College; Cankdeska Cikana Community College; Chief Dull Knife College; College of Menominee Nation; Crownpoint Institute of Technology; Dine College; D–Q University; Fond Du Lac Tribal and Community College; Fort Belknap College; Fort Berthold Community College; Fort Peck Community College; Haskell Indian Nations University; Institute of American Indian and Alaska Native Culture and Arts Development; Lac Courte Oreilles Ojibwa Community College; Leech Lake Tribal College; Little Big Horn College; Little Priest Tribal College; Nebraska Indian Community College; Northwest Indian College; Oglala Lakota College; Saginaw Chippewa Tribal College; Salish Kootenai College; Si Tanka University-Eagle Butte Campus; Sinte Gleska University; Sisseton Wahpeton Community College; Sitting Bull College; Southwestern Indian Polytechnic Institute; Stone Child College; Tohono O'odham Community College; Turtle Mountain Community College; United Tribes Technical College; and White Earth Tribal and Community College.".

(b) Distance Learning.—Section 316(c)(2) of the Higher Education Act of 1965 (20 U.S.C. 1059c(c)(2)) is amended—

(1) in subparagraph (B), by inserting before the semicolon at the end the following: "and the acquisition of real property adjacent to the campus of the institution on which to construct such facilities";

(2) in subparagraph (K), by striking "and" at the end;

(3) by redesignating subparagraph (L) as subparagraph (M); and

(4) by inserting after subparagraph (K) the following:

"(L) developing or improving facilities for Internet use or other distance learning academic instruction capabilities; and".

(c) Application, Plan, and Allocation.—Section 316 of the Higher Education Act of 1965 (20 U.S.C. 1059c) is amended by striking subsection (d) and inserting the following:

"(d) Application, Plan, and Allocation.—

"(1) Institutional eligibility.—To be eligible to receive assistance under this section, a Tribal College or University shall be an eligible institution under section 312(b).

"(2) Application.—

"(A) In general.—A Tribal College or University desiring to receive assistance under this section shall submit an application to the Secretary at such time, and in such manner, as the Secretary may reasonably require.

"(B) Streamlined process.—The Secretary shall establish application requirements in such a manner as to simplify and streamline the process for applying for grants.

"(3) Allocations to institutions.—

"(A) Construction grants.—

"(i) In general.—Of the amount appropriated to carry out this section for any fiscal year, the Secretary shall reserve 30 percent for the purpose of awarding 1-year grants of not less than $1,000,000 to address construction, maintenance, and renovation needs at eligible institutions.

"(ii) Preference.—In providing grants under clause (i), the Secretary shall give preference to eligible institutions that have not yet received an award under this section.

"(B) Allotment of remaining funds.—

"(i) In general.—Except as provided in clause (ii), the Secretary shall distribute the remaining funds appropriated for any fiscal year to each eligible institution as follows:

"(I) 60 percent of the remaining appropriated funds shall be distributed among the eligible Tribal Colleges and Universities pro rata basis, based on the respective Indian student counts (as defined in section 2(a) of the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801(a)) of the Tribal Colleges and Universities; and

"(II) the remaining 40 percent shall be distributed in equal shares to eligible Tribal Colleges and Universities.

"(ii) Minimum grant.—The amount distributed to a Tribal College or University under clause (i) shall not be less than $500,000.

"(4) Special rules.—

"(A) Concurrent funding.—For the purposes of this part, no Tribal College or University that is eligible for and receives funds under this section shall concurrently receive funds under other provisions of this part or part B.

"(B) Exemption.—Section 313(d) shall not apply to institutions that are eligible to receive funds under this section.".

SEC. 103. LOAN REPAYMENT OR CANCELLATION FOR INDIVIDUALS WHO TEACH IN TRIBAL COLLEGES OR UNIVERSITIES.

(a) Perkins Loans.—

(1) Amendment.—Section 465(a) of the Higher Education Act of 1965 (20 U.S.C. 1087ee(a)) is amended—

(A) in paragraph (2)—

(i) in subparagraph (H), by striking "or" at the end;

(ii) in subparagraph (I), by striking the period at the end and inserting "; or"; and

(iii) by adding at the end the following:

"(J) as a full-time teacher at a Tribal College or University (as defined in section 316(b)).''; and

(B) in paragraph (3)(A)(i), by striking "or (I)" and inserting "(I), or (J)".

(2) Effective date.—The amendments made by paragraph (1) shall be effective for service performed during academic year 1998–1999 and succeeding academic years, notwithstanding any contrary provision of the promissory note under which a loan under part E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087aa et seq.) was made.

(b) FFEL and Direct Loans.—Part G of title IV of the Higher Education Act of 1965 (20 U.S.C. 1088 et seq.) is amended by adding at the end the following:

"SEC. 493. LOAN REPAYMENT OR CANCELLATION FOR INDIVIDUALS WHO TEACH IN TRIBAL COLLEGES OR UNIVERSITIES.

"(a) Definition of Year.—In this section, the term 'year', as applied to employment as a teacher, means an academic year (as defined by the Secretary).

"(b) Program.—The Secretary shall carry out a program, through the holder of a loan, of assuming or canceling the obligation to repay a qualified loan amount, in accordance with subsection (c), for any new borrower on or after the date of enactment of this section, who—

"(1) has been employed as a full-time teacher at a Tribal College or University (as defined in section 316(b)); and

"(2) is not in default on a loan for which the borrower seeks repayment or cancellation.

"(c) Qualified Loan Amounts.—

"(1) Percentages.—Subject to paragraph (2), the Secretary shall assume or cancel the obligation to repay under this section—

"(A) 15 percent of the amount of all loans made, insured, or guaranteed after the date of enactment of this section to a student under part B or D, for the first or second year of employment described in subsection (b)(1);

"(B) 20 percent of such total amount, for the third or fourth year of such employment; and

"(C) 30 percent of such total amount, for the fifth year of such employment.

"(2) Maximum.—The Secretary shall not repay or cancel under this section more than $15,000 in the aggregate of loans made, insured, or guaranteed under parts B and D for any student.

"(3) Treatment of consolidation loans.—A loan amount for a loan made under section 428C may be a qualified loan amount for the purposes of this subsection only to the extent that the loan amount was used to repay a loan made, insured, or guaranteed under part B or D for a borrower who meets the requirements of subsection (b), as determined in accordance with regulations promulgated by the Secretary.

"(d) Regulations.—The Secretary may promulgate such regulations as are necessary to carry out this section.

"(e) Effect of Section.—Nothing in this section authorizes any refunding of any repayment of a loan.

"(f) Prevention of Double Benefits.—No borrower may, for the same service, receive a benefit under both this section and subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.).".

(c) AMOUNTS FORGIVEN NOT TREATED AS GROSS INCOME.—Rules similar to the rules under section 108(f) of the Internal Revenue Code of 1986 shall apply to the amount of any loan that is assumed or canceled under this section.

TITLE II—NAVAJO HIGHER EDUCATION

SEC. 201. SHORT TITLE.

This title may be cited as the "Navajo Nation Higher Education Act of 2004".

SEC. 202. CONGRESSIONAL FINDINGS.

Congress finds that—

(1) the Treaty of 1868 between the United States of America and the Navajo Tribe of Indians (15 Stat. 667) provides for the education of the citizens of the Navajo Nation;

(2) in 1998, the Navajo Nation created and chartered the Navajo Community College by Resolution CN-95-68 as a wholly owned educational entity of the Navajo Nation;

(3) in 1971, Congress enacted the Navajo Community College Act (25 U.S.C. 640a et seq.);

(4) in 1997, the Navajo Nation officially changed the name of the Navajo Community College to Dinė College by Resolution CAP-35-97;

(5) the purpose of Dinė College is to provide educational opportunities to the Navajo people and others in areas important to the economic and social development of the Navajo Nation;

(6) the mission of Dinė College is to apply the principles of Sa'ah Naaghi Bik'eh Hȯzhȯȯn (Dinė Philosophy) to advance student learning through training of the mind and heart—

(A) through Nitshkees (Thinking), Nahat (Planning), Iin (Living), and Sihasin (Assurance);

(B) in study of the Dinė language, history, philosophy, and culture;

(C) in preparation for further studies and employment in a multicultural and technological world; and

(D) in fostering social responsibility, community service, and scholarly research that contribute to the social, economic, and cultural well-being of the Navajo Nation;

(7) the United States has a trust and treaty responsibility to the Navajo Nation to provide for the educational opportunities for Navajo people;

(8) significant portions of the infrastructure of the College are dilapidated and pose a serious health and safety risk to students, employees and the public; and

(9) the purposes and intent of this Act—

(A) are consistent with—

(i) Executive Order 13270 (3 C.F.R. 242 (2002); relating to tribal colleges and universities)); and

(ii) Executive Order 13336 (69 Fed. Reg. 25295; relating to American Indian and Alaska Native education), issued on April 30, 2004; and

(B) fulfill the responsibility of the United States to serve the education needs of the Navajo people.

SEC. 203. DEFINITIONS.

In this title:

(1) COLLEGE.—The term "College" means Dinė College.

(2) COSTS OF OPERATION AND MAINTENANCE.—The term "operation and maintenance" means all costs and expenses associated with the customary daily operation of the College and necessary maintenance costs.

(3) INFRASTRUCTURE.—

(A) IN GENERAL.—The term "infrastructure" means College buildings, water and sewer facilities, roads, foundation, information technology, and telecommunications.

(B) INCLUSIONS.—The term "infrastructure" includes—

(i) classrooms; and

(ii) external structures, such as walkways.

(4) NATION.—The term "Nation" means the Navajo Nation.

(5) RENOVATIONS AND REPAIRS.—The term "renovations and repairs" means modernization and improvements to the infrastructure.

(6) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

SEC. 204. REAUTHORIZATION OF DINĖ COLLEGE.

Congress authorizes the College to receive all Federal funding and resources under this Act and other laws for the operation, improvement, and growth of the College, including—

(1) provision of programs of higher education for citizens of the Nation and others;

(2) provision of vocational and technical education for citizens of the Nation and others;

(3) preservation and protection of the Navajo language, philosophy, and culture for citizens of the Nation and others;

(4) provision of employment and training opportunities to Navajo communities and people;

(5) provision of economic development and community outreach for Navajo communities and people; and

(6) provision of a safe learning, working, and living environment for students, employees, and the public.

SEC. 205. FACILITIES AND CAPITAL PROJECTS.

The College may expend money received under section 209(c) to undertake all renovations and repairs to the infrastructure of the College, as identified by a strategic plan approved by the College and submitted to the Secretary.

SEC. 206. STATUS OF FUNDS.

Funds provided to the College under this title may be treated as non-Federal, private funds of the College for purposes of any provision of Federal law that requires that non-Federal or private funds of the College be used in a project for a specific purpose.

SEC. 207. SURVEY, STUDY, AND REPORT.

(a) REPORT.—The Secretary shall—

(1) conduct a detailed study of all capital projects and facility needs of the College; and

(2) submit to Congress a report that —

(A) describes the results of the study not later than October 31, 2009; and

(B) includes detailed recommendations of the Secretary and any recommendations or views submitted by the College and the Nation.

(b) ADMINISTRATIVE EXPENSES.—Funds to carry out this section may be drawn from general administrative appropriations to the Secretary.

SEC. 208. CONTINUING ELIGIBILITY FOR OTHER FEDERAL FUNDS.

Except as explicitly provided for in other Federal law, nothing in this Act precludes the eligibility of the College to received Federal funding and resources under any program authorized under—

(1) the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.); and

(2) the Equity in Educational Land Grant Status Act (Title V, Part C, of Public Law 103-382; 7 U.S.C. 301 note); or

(3) any other applicable program for the benefit of institutions of higher education, community colleges, or postsecondary educational institutions.

SEC. 209. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated for each fiscal year such amounts as are necessary to pay the costs of operation and maintenance.

(b) BUDGET PLACEMENT.—The Secretary shall fund the costs of operation and maintenance of the College separately from tribal colleges and universities recognized and funded by the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.).

(c) FACILITIES AND CAPITAL PROJECTS.—

(1) IN GENERAL.—In addition to amounts made available under subsection (a), there are authorized to be appropriated to carry out section 205 $15,000,000 for each of fiscal years 2005 through 2009.

(2) AGENCIES.—Amounts made available under paragraph (1) may be funded through any 1 or more of—

(A) the Department of the Interior;

(B) the Department of Education;

(C) the Department of Heath and Human Services;

(D) the Department of Housing and Urban Development;

(E) the Department of Commerce;

(F) the Environmental Protection Agency;

(G) the Department of Veterans Affairs;

(H) the Department of Agriculture;

(I) the Department of Homeland Security;

(J) the Department of Defense;

(K) the Department of Labor; and

(L) the Department of Transportation.

SEC. 210. REPEAL OF NAVAJO COMMUNITY COLLEGE ACT.

This Act supersedes the Navajo Community College Act (25 U.S.C. 640a et seq.).

By Ms. CANTWELL:

S. 2540. A bill to protect educational FM radio stations providing public service broadcasting from commercial encroachment; to the Committee on Commerce, Science, and Transportation.

Ms. CANTWELL. Mr. President, I stand today to offer a bill to protect educational radio stations.

Broadcaster Linda Ellerbee has compared radio to a national campfire: a place where a variety of voices bring us stories, news, opinion, culture and entertainment. But it seems these days that those representing the biggest business interests have the best seats at that campfire.

Current regulations allow commercial broadcasters to move into the spaces of some, lower-powered educational stations.

Last year the FCC ordered an educational station at a high school in Pennsylvania to be closed because a commercial broadcaster wanted to move into that space. That high school station had been serving the students and the community in Havertown, PA for fifty years. But no more. The high school station's voice was silenced. And that same FCC order also closed a radio station operated by a school district in Princeton, NJ. Both stations lost their licenses so a commercial broadcaster could get a frequency closer to the very profitable radio market in Philadelphia.

In my State of Washington, a high school station that has served a Seattle community for 35 years is now threatened with closure. That's because a commercial broadcaster located in another State wants to relocate to a larger city to increase its profits at the expense of the students of Mercer Island High School and the community the station serves. And in this case, the school's station also serves an important tool in the lives of those working in the local music community. The station focuses on introducing new and local bands to the airways. These artists are frequently later picked up for airplay by other radio stations. Few stations across the U.S. perform this role in the music industry. No other station serves this role so well in the Seattle music community.

If the FCC allows this move, it could be worth millions to the commercial broadcasters. But what is the cost to the local community when this voice is silenced? What is the educational cost to the students at this high school? What benefits and experiences will they be losing in the future?

This is a classic example of commercial interests trumping the public service interest in preserving local educational broadcasters. These small public service stations usually don't have anyone to stand up for them. Since the 1970's, we have seen more than a hundred of these stations disappear, to be replaced by larger, often national broadcasters, with little if any connection to the local community.

The examples I've given you here today are not the only ones. Radio stations run by universities in Pittsburgh and North Carolina are also vulnerable to similar attempts.

This is why I am introducing the Educational Radio Protection Act.

My legislation is very simple: educational stations that are able to meet certain qualifying standards, similar to the requirements for primary, Class A, stations on FM radio, will be given the same protected status that these primary stations receive.

This is an important measure to protect community broadcasters. And the bottom line is that commercial broadcasters won't be able to bump these educational stations off the radio dial.

I thank you for the time today to discuss an issue that really is a cornerstone of democracy. For only in a democracy are the voices of the many heard to bring about a functioning government. I urge my colleagues to support this bill, and yield the floor.

By Mr. McCAIN (for himself, Mr. BROWNBACK, Mrs. HUTCHISON, and Mr. ALLEN):

S. 2541. A bill to reauthorize and restructure the National Aeronautics and Space Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. McCAIN. Mr. President, I am pleased to be joined today by Senators BROWNBACK, HUTCHISON, and ALLEN in introducing legislation to re-authorize the National Aeronautics and Space Administration. This legislation marks the beginning of a new age of exploration, and the extension of humanity's quest for knowledge to a manned mission to Mars.

NASA is currently responsible for a number of programs that create greater knowledge about the Earth and the universe around us. As we speak today, the two robots, *Spirit* and *Opportunity*, are exploring craters on Mars in search of ancient lake beds. The Hubble telescope continues to show us new discoveries about the universe. NASA satellites also help us to develop a better scientific understanding of the Earth's atmosphere and its response to natural and human-induced changes. NASA is in the process of developing airplanes with morphing wings that will change shape during flight.

Despite all of these wondrous achievements, NASA is an agency in search of a new mission. For many Americans, the Apollo landings remain a moment of inspiration, but also a fading memory of the past. Many space enthusiasts have complained that the manned space program has been stuck in low Earth orbit and harnessed to a costly space station and aging Space Shuttle infrastructure. Just last year, we again witnessed the inherent danger in manned spaceflight, and some questioned the need for such a risky and expensive program.

To his credit, President Bush announced on the day of the *Columbia* tragedy that "our journey into space will go on." In January, the President offered a bold new space vision and made a firm commitment to return the Space Shuttle to flight, finish construction of the International Space Station, and return astronauts to the Moon in preparation for a manned mission to Mars. This bill would authorize these activities consistent with the President's overall requested budget amounts, and set the nation firmly on a course for manned exploration beyond low Earth orbit.

However, we also have learned from the mistakes of the past. Unfortunately, NASA's recent history of managing projects, such as the X-33 and X-34, has been full of disappointment and failure. Many Members have seen the wisdom of President Reagan's adage to "trust, but verify," when analyzing NASA's budget numbers. With these lessons in mind, the bill contains a number of provisions to ensure that NASA stays on track.

The bill would require the submission of a baseline technical requirements document and life cycle cost estimate, so that Congress can find out exactly what is required to implement the President's vision and begin to determine its cost. The bill also would require an industrial assessment of the private sector's ability to support manned missions to the Moon and Mars, and a commercialization plan to identify opportunities for the private sector to participate in future missions. Most importantly, the bill would require quarterly life cycle reports on major systems of the new initiative, and include cost-control measures when the cost overruns of these systems exceed 15 percent and 25 percent over the total life cycle cost of the system.

The bill also would codify many of the recommendations of the Columbia Accident Investigation Board (CAIB). Admiral Gehman and the other board members did an admirable job in thoroughly investigating the causes of this tragic accident. The bill would establish a lessons-learned and best practices program to ensure that NASA does not repeat the mistakes of the past. In addition, the Office of Safety and Mission Assurance is given independent funding and direct line authority over the entire Space Shuttle Safety organization. An Independent Technical Engineering Authority is established within NASA with its own budgetary line to maintain technical standards, be the sole waiver-granting authority for technical standards, and perform other tasks. The bill also would ensure that the Independent Technical Engineering Authority would recertify the Space Shuttle orbiters for operation prior to any operations beyond 2010. The bill would include an assessment of NASA's culture and organization, and an action plan to fix the cultural and organizational problems that the CAIB identified as a major cause of the accident. The men and women of the *Columbia* gave their lives to further America's knowledge of the Earth and the stars, and we should honor their memory by ensuring that such an accident never occurs again.

In addition, the bill would address the problems concerning the Hubble Space Telescope. As my colleagues know, NASA has indicated that it cannot use the Space Shuttle for another human mission to service this national treasure. Both NASA and the National Academy of Sciences are reviewing options for using robots and other means to save the telescope. Sixty days after the National Academy releases its report, the Administrator would be directed to report to Congress on the future servicing options for Hubble and how much it will cost.

I realize that concerns have been raised regarding some of the cuts that NASA is proposing to pay for the President's exploration vision. In order to pay for this new program, we must realize that there is limited funding and that NASA funding has to be re-allocated. However, this bill should not be construed as supporting each and every proposed reduction. Instead, the bill simply would authorize the funding levels buy the major budget accounts.

Curiosity and a drive to explore have always been quintessential American traits. This has been most evident in the space program, which continues to show great advances in human knowledge. However, we are fully aware of the inherent risks and costs of space exploration, and the need to mitigate them wherever possible. Based on this knowledge, let us now embark upon this great journey into the stars to find whatever may await us.

I urge my colleagues to support this legislation, and look forward to working with them to ensure passage of this bill this year.

By Mr. KENNEDY (for himself and Mr. EDWARDS):

S. 2542. A bill to provide for review of determinations on whether schools and local educational agencies made adequate yearly progress for the 2002–2003 school year taking into consideration subsequent regulations and guidance applicable to those determinations, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. KENNEDY. Mr. President, it's a privilege to join my colleagues in introducing the No Child Left Behind Fairness Act. Our goal is to achieve accurate and fair determinations of accountability in current law. The bill does not change the accountability provisions of the law, but it does require the Department of Education to play by its own rules in considering the progress of each school.

The accountability provisions in the No Child Left Behind Act are critical to accomplishing the goal of closing the achievement gap. Before its enactment, many communities ignored the gaps between some children and others in school, even though some groups of students were consistently falling behind. Communities are now beginning to provide the help those schools need to meet higher standards for all students, such as better teacher training, better curriculums, and better support and attention.

It makes sense to identify schools as needing improvement. There's nothing wrong with shining a light on areas that need improvement—even in the best schools. That doesn't mean they are failures.

But for the accountability provisions in the law to be useful, they must be accurate. We need accurate determinations of whether schools are making progress.

A full two years after passage of the No Child Left Behind Act, the Department of Education finally issued the regulations and guidance that schools need to accurately calculate accountability under the law. Those rules were a step in the right direction. They specifically addressed the achievement of children with disabilities and limited English proficient children.

The Department's rules were effective immediately, but many schools had already made their evaluations for the year as best they could. They shouldn't have had to make these assessments and calculations without adequate guidance. They certainly shouldn't be penalized for the Department's delay in issuing this guidance.

So far, 28,000 schools have been identified by States as failing to make adequate yearly progress. Many of those schools were identified in the 2002–2003 school year, before the new rule were released. A number of schools and districts identified as failing to make adequate yearly progress might have succeeded if the new rules had been in effect from the start. The Department's delay in issuing adequate rules and guidance has created unnecessary confusion, caused a potential mislabeling of schools, and misdirected resources from the schools and students who actually need them.

Some States have asked the Department of Education for permission to review their scores from last year under the new rules, and submit a more accurate calculation of accountability. Many of us in Congress have urged the Secretary of Education to apply the new regulations retroactively, so that States, school districts, and schools can review last year's data

On accountability and correct it if necessary. The Secretary of Education has refused, stating that he lacks the authority to do so.

This bill provides that authority. It enables the new regulations to be applied retroactively, so that schools will be judged on the same standards for the past year as they will be in the future, not by different criteria for different years.

Schools across the country are struggling to comply with the requirements of the No Child Left Behind Act. If we want schools to be held accountable, we need to make the process fair. I urge my colleagues to pass this legislation s soon as possible. Schools are waiting for our response. They don't deserve an unfair burden in complying with the act and improving their schools.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2542

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "No Child Left Behind Fairness Act of 2004".

SEC. 2. REVIEW OF ADEQUATE YEARLY PROGRESS DETERMINATIONS FOR SCHOOLS FOR THE 2002–2003 SCHOOL YEAR.

(a) IN GENERAL.—The Secretary shall require each local educational agency to provide each school served by the agency with an opportunity to request a review of a determination by the agency that the school did not make adequate yearly progress for the 2002–2003 school year.

(b) FINAL DETERMINATION.—Not later than 30 days after receipt of a request by a school for a review under this section, a local educational agency shall issue and make publicly available a final determination on whether the school made adequate yearly progress for the 2002–2003 school year.

(c) EVIDENCE.—In conducting a review under this section, a local educational agency shall—

(1) allow the principal of the school involved to submit evidence on whether the school made adequate yearly progress for the 2002–2003 school year; and

(2) consider that evidence before making a final determination under subsection (b).

(d) STANDARD OF REVIEW.—In conducting a review under this section, a local educational agency shall revise, consistent with the applicable State plan under section 1111 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311), the local educational agency's original determination that a school did not make adequate yearly progress for the 2002–2003 school year if the agency finds that the school made such progress taking into consideration—

(1) the amendments made to part 200 of title 34 of the Code of Federal Regulations on December 9, 2003 (68 Fed. Reg. 68698) (relating to accountability for the academic achievement of students with the most significant cognitive disabilities); or

(2) any regulation or guidance that, subsequent to the date of such original determination, was issued by the Secretary relating to—

(A) the assessment of limited English proficient children;

(B) the inclusion of limited English proficient children as part of the subgroup described in section 1111(b)(2)(C)(v)(II)(dd) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(C)(v)(II)(dd)) after such children have obtained English proficiency; or

(C) any requirement under section 1111(b)(2)(I)(ii) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(I)(ii)).

(e) EFFECT OF REVISED DETERMINATION.—

(1) IN GENERAL.—If pursuant to a review under this section a local educational agency determines that a school made adequate yearly progress for the 2002–2003 school year, upon such determination—

(A) any action by the Secretary, the State educational agency, or the local educational agency that was taken because of a prior determination that the school did not make such progress shall be terminated; and

(B) any obligations or actions required of the local educational agency or the school because of the prior determination shall cease to be required.

(2) EXCEPTIONS.—Notwithstanding paragraph (1), a determination under this section shall not affect any obligation or action required of a local educational agency or school under the following:

(A) Section 1116(b)(13) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6316(b)(13)) (requiring a local educational agency to continue to permit a child who transferred to another school under such section to remain in that school until completion of the highest grade in the school).

(B) Section 1116(e)(8) of the Elementary and Secondary Education Act of 1965 (20

U.S.C. 6316(e)(8)) (requiring a local educational agency to continue to provide supplemental educational services under such section until the end of the school year).

(3) SUBSEQUENT DETERMINATIONS.—In determining whether a school is subject to school improvement, corrective action, or restructuring as a result of not making adequate yearly progress, the Secretary, a State educational agency, or a local educational agency may not take into account a determination that the school did not make adequate yearly progress for the 2002–2003 school year if such determination was revised under this section and the school received a final determination of having made adequate yearly progress for the 2002–2003 school year.

(f) NOTIFICATION.—The Secretary—

(1) shall require each State educational agency to notify each school served by the agency of the school's ability to request a review under this section; and

(2) not later than 30 days after the date of the enactment of this section, shall notify the public by means of the Department of Education's website of the review process established under this section.

SEC. 3. REVIEW OF ADEQUATE YEARLY PROGRESS DETERMINATIONS FOR LOCAL EDUCATIONAL AGENCIES FOR THE 2002-2003 SCHOOL YEAR.

(a) IN GENERAL.—The Secretary shall require each State educational agency to provide each local educational agency in the State with an opportunity to request a review of a determination by the State educational agency that the local educational agency did not make adequate yearly progress for the 2002–2003 school year.

(b) APPLICATION OF CERTAIN PROVISIONS.—Except as inconsistent with, or inapplicable to, this section, the provisions of section 2 shall apply to review by a State educational agency of a determination described in subsection (a) in the same manner and to the same extent as such provisions apply to review by a local educational agency of a determination described in section 2(a).

SEC. 4. DEFINITIONS.

In this Act:

(1) The term "adequate yearly progress" has the meaning given to that term in section 1111(b)(2)(C) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(C)).

(2) The term "local educational agency" means a local educational agency (as that term is defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801)) receiving funds under part A of title I of such Act (20 U.S.C. 6311 et seq.).

(3) The term "Secretary" means the Secretary of Education.

(4) The term "school" means an elementary school or a secondary school (as those terms are defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801)) served under part A of title I of such Act (20 U.S.C. 6311 et seq.).

(5) The term "State educational agency" means a State educational agency (as that term is defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801)) receiving funds under part A of title I of such Act (20 U.S.C. 6311 et seq.).

By Mr. THOMAS (for himself and Mr. BURNS):

S. 2543. A bill to establish a program and criteria for National Heritage Areas in the United States, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. THOMAS. Mr. President, I rise today to introduce the "National Heritage Partnership Act." The first Heritage area was created on August 24, 1984—the Illinois and Michigan National Heritage Corridor. Little or no growth occurred in this program for the first 10 years. However, in the last couple of years the Congress has added 23 more Heritage areas!

The Park Service provides technical assistance and funding but Heritage areas are not National Parks. About 30 bills have been introduced this Congress to study or designate new areas. There are no Federal guidelines requiring what a heritage bill must contain, the program has very little requirements and it is out of control.

As a result, I have conducted two oversight hearings in the National Parks Subcommittee. I also had the General Accounting Office conduct a review of Heritage Areas. The following concerns were identified: individual areas are designated with specific legislation, but a National Heritage Area Program does not exist in the National Park Service; there are no official standards or criteria; existing heritage areas range in scope and size from "Rivers of Steel" in Pennsylvania to the entire State of Tennessee; the potential exists for unlimited designations which are impacting funding for other Park Service programs; and oversight and accountability of funding is lacking.

Today, I am introducing legislation with the Chairman of the Interior Appropriations Subcommittee which will establish National Heritage Area guidelines and criteria. The bill considers the recommendations from the GAO report about Heritage Areas and raises the standard for designation and requires specific criteria for national significance before an area can be designated. In addition, a cap has been placed on annual funding for the Heritage Area Program to avoid impacting other National Park Service programs.

This program is out of control. We are continuing to put unnecessary fiscal and resource demands on the Park Service. We have no established criteria to ensure the recognition of truly nationally significant areas. Consequently, we have compromised the integrity of all existing and future National Heritage Areas. I am pleased Senator BURNS has joined me in this effort and I look forward to moving this bill through the Senate in the near future.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2543

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "National Heritage Partnership Act".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents..
Sec. 2. Definitions..
Sec. 3. National Heritage Areas program..
Sec. 4. Suitability-feasibility studies..
Sec. 5. Management plans..
Sec. 6. Local coordinating entities..
Sec. 7. Relationship to other Federal agencies..
Sec. 8. Private property and regulatory protections..
Sec. 9. Authorization of appropriations..

SEC. 2. DEFINITIONS.

In this Act:

(1) LOCAL COORDINATING ENTITY.—The term "local coordinating entity" means the entity designated by Congress—

(A) to develop, in partnership with others, the management plan for a National Heritage Area; and

(B) to act as a catalyst for the implementation of projects and programs among diverse partners in the National Heritage Area.

(2) MANAGEMENT PLAN.—The term "management plan" means the plan prepared by the local coordinating entity for a National Heritage Area designated by Congress that specifies actions, policies, strategies, performance goals, and recommendations to meet the goals of the National Heritage Area, in accordance with section 5.

(3) NATIONAL HERITAGE AREA.—The term "National Heritage Area" means an area designated by Congress that is nationally significant to the heritage of the United States and meets the criteria established under section 4(a).

(4) NATIONAL SIGNIFICANCE.—The term "national significance" means possession of—

(A) unique natural, historical, cultural, educational, scenic, or recreational resources of exceptional value or quality; and

(B) a high degree of integrity of location, setting, or association in illustrating or interpreting the heritage of the United States.

(5) PROGRAM.—The term "program" means the National Heritage Areas program established under section 3(a).

(6) PROPOSED NATIONAL HERITAGE AREA.—The term "proposed National Heritage Area" means an area under study by the Secretary or other parties for potential designation by Congress as a National Heritage Area.

(7) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(8) SUITABILITY-FEASIBILITY STUDY.—The term "suitability-feasibility study" means a study conducted by the Secretary, or conducted by 1 or more other interested parties and reviewed by the Secretary, in accordance with the criteria and processes established under section 4, to determine whether an area meets the criteria to be designated as a National Heritage Area by Congress.

SEC. 3. NATIONAL HERITAGE AREAS PROGRAM.

(a) IN GENERAL.—Subject to the availability of funds, the Secretary shall establish a National Heritage Areas program under which the Secretary shall provide technical and financial assistance to local coordinating entities to support the establishment of National Heritage Areas.

(b) DUTIES.—Under the program, the Secretary shall—

(1)(A) conduct suitability-feasibility studies, as directed by Congress, to assess the suitability and feasibility of designating proposed National Heritage Areas; or

(B) review and comment on suitability-feasibility studies undertaken by other parties to make such assessment;

(2) provide technical assistance, on a reimbursable or non-reimbursable basis (as determined by the Secretary), for the development and implementation of management plans for designated National Heritage Areas;

(3) enter into cooperative agreements with interested parties to carry out this Act;

(4) provide information, promote understanding, and encourage research on National Heritage Areas in partnership with local coordinating entities;

(5) provide national oversight, analysis, coordination, and technical assistance and support to ensure consistency and accountability under the program; and

(6) submit annually to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report describing the allocation and expenditure of funds for activities conducted with respect to National Heritage Areas under this Act.

SEC. 4. SUITABILITY-FEASIBILITY STUDIES.

(a) Criteria.—In conducting or reviewing a suitability-feasibility study, the Secretary shall apply the following criteria to determine the suitability and feasibility of designating a proposed National Heritage Area:

(1) An area—

(A) has an assemblage of natural, historic, cultural, educational, scenic, or recreational resources that together are nationally significant to the heritage of the United States;

(B) represents distinctive aspects of the heritage of the United States worthy of recognition, conservation, interpretation, and continuing use;

(C) is best managed as such an assemblage through partnerships among public and private entities at the local or regional level;

(D) reflects traditions, customs, beliefs, and folklife that are a valuable part of the heritage of the United States;

(E) provides outstanding opportunities to conserve natural, historical, cultural, or scenic features;

(F) provides outstanding recreational or educational opportunities; and

(G) has resources and traditional uses that have national significance.

(2) Residents, business interests, nonprofit organizations, and governments (including relevant Federal land management agencies) within the proposed area are involved in the planning and have demonstrated significant support through letters and other means for National Heritage Area designation and management.

(3) The local coordinating entity responsible for preparing and implementing the management plan is identified.

(4) The proposed local coordinating entity and units of government supporting the designation are willing and have documented a significant commitment to work in partnership to protect, enhance, interpret, fund, manage, and develop resources within the National Heritage Area.

(5) The proposed local coordinating entity has developed a conceptual financial plan that outlines the roles of all participants (including the Federal Government) in the management of the National Heritage Area.

(6) The proposal is consistent with continued economic activity within the area.

(7) A conceptual boundary map has been developed and is supported by the public and participating Federal agencies.

(b) Consultation.—In conducting or reviewing a suitability-feasibility study, the Secretary shall consult with the managers of any Federal land within the proposed National Heritage Area and secure the concurrence of the managers with the findings of the suitability-feasibility study before making a determination for designation.

(c) Transmittal.—On completion or receipt of a suitability-feasibility study for a National Heritage Area, the Secretary shall—

(1) review, comment, and make findings (in accordance with the criteria specified in subsection (a)) on the feasibility of designating the National Heritage Area;

(2) consult with the Governor of each State in which the proposed National Heritage Area is located; and

(3) transmit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate, the suitability-feasibility study, including—

(A) any comments received from the Governor of each State in which the proposed National Heritage Area is located; and

(B) a finding as to whether the proposed National Heritage Area meets the criteria for designation.

(d) Disapproval.—

(1) In general.—If the Secretary determines that any proposed National Heritage Area does not meet the criteria for designation, the Secretary shall include within the suitability-feasibility study submitted under subsection (c)(3) a description of the reasons for the determination.

(2) Other factors.—A finding by the Secretary that a proposed National Heritage Area meets the criteria for designation shall not preclude the Secretary from recommending against designation of the proposed National Heritage Area based on the budgetary impact of the designation or any other factor unrelated to the criteria.

(e) Designation.—The designation of a National Heritage Area shall be—

(1) by Act of Congress; and

(2) contingent on the prior completion of a suitability-feasibility study and an affirmative determination by the Secretary that the area meets the criteria established under subsection (a).

SEC. 5. MANAGEMENT PLANS.

(a) Requirements.—The management plan for any National Heritage Area shall—

(1) describe comprehensive policies, goals, strategies, and recommendations for telling the story of the heritage of the area covered by the National Heritage Area and encouraging long-term resource protection, enhancement, interpretation, funding, management, and development of the National Heritage Area;

(2) include a description of actions and commitments that governments, private organizations, and citizens will take to protect, enhance, interpret, fund, manage, and develop the natural, historical, cultural, educational, scenic, and recreational resources of the National Heritage Area;

(3) specify existing and potential sources of funding or economic development strategies to protect, enhance, interpret, fund, manage, and develop the National Heritage Area;

(4) include an inventory of the natural, historical, cultural, educational, scenic, and recreational resources of the National Heritage Area related to the national significance and themes of the National Heritage Area that should be protected, enhanced, interpreted, managed, funded, and developed;

(5) recommend policies and strategies for resource management, including the development of intergovernmental and interagency agreements to protect, enhance, interpret, fund, manage, and develop the natural, historical, cultural, educational, scenic, and recreational resources of the National Heritage Area;

(6) describe a program for implementation for the management plan, including—

(A) performance goals;

(B) plans for resource protection, enhancement, interpretation, funding, management, and development; and

(C) specific commitments for implementation that have been made by the local coordinating entity or any government agency, organization, business, or individual;

(7) include an analysis of, and recommendations for, means by which Federal, State, and local programs may best be coordinated (including the role of the National Park Service and other Federal agencies associated with the National Heritage Area) to further the purposes of this Act; and

(8) include a business plan that—

(A) describes the role, operation, financing, and functions of the local coordinating entity and of each of the major activities contained in the management plan; and

(B) provides adequate assurances that the local coordinating entity has the partnerships and financial and other resources necessary to implement the management plan for the National Heritage Area.

(b) Deadline.—

(1) In general.—Not later than 3 years after the date on which funds are first made available to develop the management plan after designation as a National Heritage Area, the local coordinating entity shall submit the management plan to the Secretary for approval.

(2) Termination of funding.—If the management plan is not submitted to the Secretary in accordance with paragraph (1), the local coordinating entity shall not qualify for any additional financial assistance under this Act until such time as the management plan is submitted to and approved by the Secretary.

(c) Approval of Management Plan.—

(1) Review.—Not later than 180 days after receiving the plan, the Secretary shall review and approve or disapprove the management plan for a National Heritage Area on the basis of the criteria established under paragraph (3).

(2) Consultation.—The Secretary shall consult with the Governor of each State in which the National Heritage Area is located before approving a management plan for the National Heritage Area.

(3) Criteria for approval.—In determining whether to approve a management plan for a National Heritage Area, the Secretary shall consider whether—

(A) the local coordinating entity represents the diverse interests of the National Heritage Area, including governments, natural and historic resource protection organizations, educational institutions, businesses, recreational organizations, community residents, and private property owners;

(B) the local coordinating entity—

(i) has afforded adequate opportunity for public and governmental involvement (including through workshops and hearings) in the preparation of the management plan; and

(ii) provides for at least semiannual public meetings to ensure adequate implementation of the management plan;

(C) the resource protection, enhancement, interpretation, funding, management, and development strategies described in the management plan, if implemented, would adequately protect, enhance, interpret, fund, manage, and develop the natural, historic, cultural, educational, scenic, and recreational resources of the National Heritage Area;

(D) the management plan would not adversely affect any activities authorized on Federal land under public land laws or land use plans;

(E) the local coordinating entity has demonstrated the financial capability, in partnership with others, to carry out the plan;

(F) the Secretary has received adequate assurances from the appropriate State and local officials whose support is needed to ensure the effective implementation of the State and local elements of the management plan; and

(G) the management plan demonstrates partnerships among the local coordinating entity, Federal, State, and local governments, regional planning organizations, nonprofit organizations, or private sector parties for implementation of the management plan.

(4) Disapproval.—

(A) In general.—If the Secretary disapproves the management plan, the Secretary—

(i) shall advise the local coordinating entity in writing of the reasons for the disapproval; and

(ii) may make recommendations to the local coordinating entity for revisions to the management plan.

(B) Deadline.—Not later than 180 days after receiving a revised management plan, the Secretary shall approve or disapprove the revised management plan.

(5) Amendments.—

(A) In general.—An amendment to the management plan that substantially alters the purposes of the National Heritage Area shall be reviewed by the Secretary and approved or disapproved in the same manner as the original management plan.

(B) Implementation.—The local coordinating entity shall not use Federal funds authorized by this Act to implement an amendment to the management plan until the Secretary approves the amendment.

SEC. 6. LOCAL COORDINATING ENTITIES.

(a) Duties.—To further the purposes of the National Heritage Area, the local coordinating entity shall—

(1) prepare a management plan for the National Heritage Area, and submit the management plan to the Secretary, in accordance with section 5;

(2) submit an annual report to the Secretary for each fiscal year for which the local coordinating committee receives Federal funds under this Act, specifying—

(A) the specific performance goals and accomplishments of the local coordinating committee;

(B) the expenses and income of the local coordinating committee;

(C) the amounts and sources of matching funds;

(D) the amounts leveraged with Federal funds and sources of the leveraging; and

(E) grants made to any other entities during the fiscal year;

(3) make available for audit for each fiscal year for which the local coordinating entity receives Federal funds under this Act, all information pertaining to the expenditure of the funds and any matching funds; and

(4) encourage economic viability and sustainability that is consistent with the purposes of the National Heritage Area.

(b) Authorities.—For the purposes of preparing and implementing the approved management plan for the National Heritage Area, the local coordinating entity may use Federal funds made available under this Act to—

(1) make grants to political jurisdictions, nonprofit organizations, and other parties within the National Heritage Area;

(2) enter into cooperative agreements with or provide technical assistance to political jurisdictions, nonprofit organizations, Federal agencies, and other interested parties;

(3) hire and compensate staff, including individuals with expertise in—

(A) natural, historical, cultural, educational, scenic, and recreational resource conservation;

(B) economic and community development; and

(C) heritage planning;

(4) obtain funds or services from any source, including other Federal laws or programs;

(5) contract for goods or services; and

(6) support activities of partners and any other activities that further the purposes of the National Heritage Area and are consistent with the approved management plan.

(c) Prohibition on Acquisition of Real Property.—The local coordinating entity may not use Federal funds authorized under this Act to acquire any interest in real property.

SEC. 7. RELATIONSHIP TO OTHER FEDERAL AGENCIES.

(a) In General.—Nothing in this Act affects the authority of a Federal agency to provide technical or financial assistance under any other law.

(b) Consultation and Coordination.—The head of any Federal agency planning to conduct activities that may have an impact on a National Heritage Area is encouraged to consult and coordinate the activities with the Secretary and the local coordinating entity to the maximum extent practicable.

(c) Other Federal Agencies.—Nothing in this Act—

(1) modifies, alters, or amends any law or regulation authorizing a Federal agency to manage Federal land under the jurisdiction of the Federal agency;

(2) limits the discretion of a Federal land manager to implement an approved land use plan within the boundaries of a National Heritage Area; or

(3) modifies, alters, or amends any authorized use of Federal land under the jurisdiction of a Federal agency.

SEC. 8. PRIVATE PROPERTY AND REGULATORY PROTECTIONS.

Nothing in this Act—

(1) abridges the rights of any property owner (whether public or private), including the right to refrain from participating in any plan, project, program, or activity conducted within the National Heritage Area;

(2) requires any property owner to permit public access (including access by Federal, State, or local agencies) to the property of the property owner, or to modify public access or use of property of the property owner under any other Federal, State, or local law;

(3) alters any duly adopted land use regulation, approved land use plan, or other regulatory authority of any Federal, State or local agency, or conveys any land use or other regulatory authority to any local coordinating entity;

(4) authorizes or implies the reservation or appropriation of water or water rights;

(5) diminishes the authority of the State to manage fish and wildlife, including the regulation of fishing and hunting within the National Heritage Area; or

(6) creates any liability, or affects any liability under any other law, of any private property owner with respect to any person injured on the private property.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

(a) Suitability-Feasibility Studies.—There is authorized to be appropriated to conduct and review suitability-feasibility studies under section 4 $750,000 for each fiscal year, of which not more than $250,000 for any fiscal year may be used for any individual suitability-feasibility study for a proposed National Heritage Area.

(b) Local Coordinating Entities.—

(1) In general.—There is authorized to be appropriated to carry out section 6 $15,000,000 for each fiscal year, of which not more than—

(A) $1,000,000 may be made available for any fiscal year for any individual National Heritage Area, to remain available until expended; and

(B) a total of $10,000,000 may be made available for all such fiscal years for any individual National Heritage Area.

(2) Termination date.—

(A) In general.—The authority of the Secretary to provide financial assistance to an individual local coordinating entity under this Act (excluding technical assistance and administrative oversight) shall terminate on the date that is 15 years after the date of the initial receipt of the assistance by the local coordinating committee.

(B) Designation.—A National Heritage Area shall retain the designation as a National Heritage Area after the termination date prescribed in subparagraph (A).

(3) Administration.—Not more than 5 percent of the amount of funds made available under paragraph (1) for a fiscal year may be used by the Secretary for technical assistance, oversight, and administrative purposes.

(c) Matching Funds.—

(1) In general.—As a condition of receiving a grant under this Act, the recipient of the grant shall provide matching funds in an amount that is equal to the amount of the grant.

(2) Administration.—The recipient matching funds—

(A) shall be derived from non-Federal sources; and

(B) may be made in the form of in-kind contributions of goods or services fairly valued.

By Ms. STABENOW (for herself, Mrs. Lincoln, and Mr. Levin):

S. 2544. A bill to provide for the certification of programs to provide uninsured employees of small businesses access to health coverage, and for other purposes; to the Committee on Finance.

Ms. STABENOW. Mr. President, today I rise to introduce the Health Care Access for Small Businesses Act of 2004. I am pleased to be joined in this endeavor by my colleagues, Senator Lincoln and Michigan's senior Senator Levin. My bill would help small businesses provide health coverage for their employees, an important first step in providing access to health care for all Americans.

Last month, thousands of Americans participated in the annual Cover the Uninsured week, a discussion about the urgent need to cover the uninsured. The sheer breadth of the groups that participated in the unprecedented effort demonstrates the urgency of this issue. Labor unions were united with business groups, doctors with nurses, and charity health care providers with for-profit hospitals and insurance companies.

And yesterday, the consumer group Families USA and the governors of Iowa, Kansas, and Maine released even more disturbing news. Using Census Bureau data, they found that approximately 81.8 million Americans—one out of three people under 65 years of age—were uninsured at some point of time for the past two years. Almost two-thirds were uninsured for six months or more; and over half were uninsured for at least nine months.

We need to stop having discussions and start finding solutions. Too many hard working Americans are going without health insurance. There is a great misconception that uninsured Americans are largely unemployed or on welfare. That is simply not the case. More than 80 percent of uninsured Americans are part of working families, and almost half work for small businesses. If we can help small businesses cover their employees, we will have made great progress in covering the uninsured.

The bill I am introducing today is aimed at making coverage more affordable for employees of small businesses through what is called a "three-share" program. It would not impose any new funding mandates on state or local governments nor would it create new bureaucracy. It is an innovative community-based approach that could work throughout the country.

And it's aimed at ensuring primary care services are more available. We know that the primary care model through federally qualified health centers has been a tremendous success. This would build on this success by empowering communities—health care providers, small businesses, churches, civic groups—to form their own health care programs.

The three-share model is an innovative community-based idea that has been working across the U.S. from California to Arkansas to Maryland and, of course, Michigan. The name "three-share" stems from the program's payment structure. Premiums are shared between the employer who pays 30 percent, the employee who pays 30 percent, and the community which covers the remaining 40 percent of the cost.

In a three share model, a non-profit or local government entity serves as the manager of the plan. They design a benefit package by negotiating directly with providers or contracting through an insurance company. Then, they recruit small businesses that have not offered insurance coverage to their employees for the past year. The average cost for coverage is about $1,800 per year, much lower than the national average for commercial insurance, which on average costs about $3,400 for a single person and $9,000 for a family, according to the 2003 Kaiser survey of employer benefits. Of the $1,800, the employer and employee would each pay approximately $540 and the community would pay about $720.

And they have been successful. For example, in Muskegon, Michigan, the three-share program Access Health has been working with about 400 small businesses to cover some 1,500 uninsured full and part-time employees. Wayne County has operated Health Choice for a decade. Although it is undergoing some changes, it has nearly 1,300 businesses enrolled and covers everyone from cab drivers, nail salon technicians, and nursing aides. Kent County, where Grand Rapids is located, began enrolling small businesses and employees in their program in 2002 and hope to grow to cover 2,500 individuals this year.

Different three share plans have received funds for the community portion from various places. In Michigan, most of the money has come from Medicaid funds. A plan in California uses money from the tobacco settlement, while a plan in Arkansas raises funds through church events and other community initiatives.

Unfortunately, despite the nuances that distinguish three share plans from one another, they all share a common challenge: they all lack a stable and sustainable funding source for the community share. This bill will help provide a steady stream of funding and analyze what three shares do right and how communities can develop their own three share model programs.

Insuring more working families will also take the pressure off state Medicaid budgets. Adequate care for those presently uninsured will also help slash the billions that is spent on uncompensated care.

Providing health care for these families fulfills a moral commitment. No one in America who gets up in the morning and goes to work should go to sleep at night fearful that an illness or injury in the family could wipe out everything they have worked hard for. This is a great nation, and together we can ensure that no American has to go without health care again.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the text of the bill was ordered to be printed in the Record, as follows:

S. 2544

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Care Access for Small Businesses Act of 2004".

SEC. 2. THREE-SHARE PROGRAMS.

The Social Security Act (42 U.S.C. 301 et seq.) is amended by adding at the end the following:

"TITLE XXII—PROVIDING FOR THE UNINSURED

"SEC. 2201. THREE-SHARE PROGRAMS.

"(a) Pilot Programs.—The Secretary, acting through the Administrator, shall award grants under this section for the startup and operation of 50 eligible three-share pilot programs for a 5-year period.

"(b) Grants for Three-Share Programs.—

"(1) Establishment.—The Administrator may award grants to eligible entities—

"(A) to establish three-share programs;

"(B) to provide for contributions to the premiums assessed for coverage under a three-share program as provided for in subsection (c)(2)(B)(iii); and

"(C) to establish risk pools.

"(2) Three-share program plan.—Each entity desiring a grant under this subsection shall develop a plan for the establishment and operation of a three-share program that meets the requirements of paragraphs (2) and (3) of subsection (c).

"(3) Application.—Each entity desiring a grant under this subsection shall submit an application to the Administrator at such time, in such manner and containing such information as the Administrator may require, including—

"(A) the three-share program plan described in paragraph (2); and

"(B) an assurance that the eligible entity will—

"(i) determine a benefit package;

"(ii) recruit businesses and employees for the three-share program;

"(iii) build and manage a network of health providers or contract with an existing network or licensed insurance provider;

"(iv) manage all administrative needs; and

"(v) establish relationships among community, business, and provider interests.

"(4) Priority.—In awarding grants under this section the Secretary shall give priority to an applicant—

"(A) that is an existing three-share program;

"(B) that is an eligible three-share program that has demonstrated community support; or

"(C) that is located in a State with insurance laws and regulations that permit three-share program expansion.

"(c) Grant Eligibility.—

"(1) In general.—The Secretary, acting through the Administrator, shall promulgate regulations providing for the eligibility of three-share programs for participation in the pilot program under this section.

"(2) Three-share program requirements.—

"(A) In general.—To be determined to be an eligible three-share program for purposes of participation in the pilot program under this section a three-share program shall—

"(i) be either a non-profit or local governmental entity;

"(ii) define the region in which such program will provide services;

"(iii) have the capacity to carry out administrative functions of managing health plans, including monthly billings, verification/enrollment of eligible employers and employees, maintenance of membership rosters, development of member materials (such as handbooks and identification cards), customer service, and claims processing; and

"(iv) have demonstrated community involvement.

"(B) Payment.—To be eligible under paragraph (1), a three-share program shall pay the costs of services provided under subparagraph (A)(ii) by charging a monthly premium for each covered individual to be divided as follows:

"(i) Not more than 30 percent of such premium shall be paid by a qualified employee desiring coverage under the three-share program.

"(ii) Not more than 30 percent of such premium shall be paid by the qualified employer of such a qualified employee.

"(iii) At least 40 percent of such premium shall be paid from amounts provided under a grant under this section.

"(iv) Any remaining amount shall be paid by the three-share program from other public, private, or charitable sources.

"(C) PROGRAM FLEXIBILITY.—A three-share program may set an income eligibility guideline for enrollment purposes.

"(3) COVERAGE.—

"(A) IN GENERAL.—To be an eligible three-share program under this section, the three-share program shall provide at least the following benefits:

"(i) Physicians services.

"(ii) In-patient hospital services.

"(iii) Out-patient services.

"(iv) Emergency room visits.

"(v) Emergency ambulance services.

"(vi) Diagnostic lab fees and x-rays.

"(vii) Prescription drug benefits.

"(B) LIMITATION.—Nothing in subparagraph (A) shall be construed to require that a three-share program provide coverage for services performed outside the region described in paragraph (2)(A)(i).

"(C) PREEXISTING CONDITIONS.—A program described in subparagraph (A) shall not be an eligible three-share program under paragraph (1) if any individual can be excluded from coverage under such program because of a preexisting health condition.

"(d) GRANTS FOR EXISTING THREE-SHARE PROGRAMS TO MEET CERTIFICATION REQUIREMENTS.—

"(1) IN GENERAL.—The Administrator may award grants to three-share programs that are operating on the date of enactment of this section.

"(2) APPLICATION.—Each eligible entity desiring a grant under this subsection shall submit an application to the Administrator at such time, in such manner, and containing such information as the Administrator may require.

"(e) APPLICATION OF STATE LAWS.—Nothing in this section shall be construed to preempt State law.

"(f) DISTRESSED BUSINESS FORMULA.—

"(1) IN GENERAL.—Not later than 60 days after the date of enactment of this section, the Administrator of the Health Resources and Services Administration shall develop a formula to determine which businesses qualify as distressed businesses for purposes of this section.

"(2) EFFECT ON INSURANCE MARKET.—Granting eligibility to a distressed business using the formula under paragraph (1) shall not interfere with the insurance market. Any business found to have reduced benefits to qualify as a distressed business under the formula under paragraph (1) shall not be eligible to be a three-share program for purposes of this section.

"(g) DEFINITIONS.—In this section:

"(1) ADMINISTRATOR.—The term 'Administrator' means the Administrator of the Health Resources and Services Administration.

"(2) COVERED INDIVIDUAL.—The term 'covered individual' means—

"(A) a qualified employee; or

"(B) a child under the age of 23 or a spouse of such qualified employee who—

"(i) lacks access to health care coverage through their employment or employer;

"(ii) lacks access to health coverage through a family member;

"(iii) is not eligible for coverage under the medicare program under title XVIII or the medicaid program under title XIX; and

"(iv) does not qualify for benefits under the State Children's Health Insurance Program under title XXI.

"(3) DISTRESSED BUSINESS.—The term 'distressed business' means a business that—

"(A) in light of economic hardship and rising health care premiums may be forced to discontinue or scale back its health care coverage; and

"(B) qualifies as a distressed business according to the formula under subsection (g).

"(4) ELIGIBLE ENTITY.—The term 'eligible entity' means an entity that meets the requirements of subsection (a)(2)(A).

"(5) QUALIFIED EMPLOYEE.—The term 'qualified employee' means any individual employed by a qualified employer who meets certain criteria including—

"(A) lacking access to health coverage through a family member or common law partner;

"(B) not being eligible for coverage under the medicare program under title XVIII or the medicaid program under title XIX; and

"(C) agreeing that the share of fees described in subsection (a)(2)(B)(i) shall be paid in the form of payroll deductions from the wages of such individual.

"(6) QUALIFIED EMPLOYER.—The term 'qualified employer' means an employer as defined in section 3(d) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(d)) who—

"(A) is a small business concern as defined in section 3(a) of the Small Business Act (15 U.S.C. 632);

"(B) is located in the region described in subsection (a)(2)(A)(i); and

"(C) has not contributed to the health care benefits of its employees for at least 12 months consecutively or currently provides insurance but is classified as a distressed business.

"(g) EVALUATION.—Not later than 90 days after the end of the 5-year period during which grants are available under this section, the General Accounting Office shall submit to the Secretary and the appropriate committees of Congress a report concerning—

"(1) the effectiveness of the programs established under this section;

"(2) the number of individuals covered under such programs;

"(3) any resulting best practices; and

"(4) the level of community involvement.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $100,000,000 for each of fiscal years 2005 through 2010.".

By Mr. NELSON of Florida (for himself and Mr. ROCKEFELLER):

S. 2545. A bill to amend title XVIII and XIX of the Social Security Act and title III of the Public Health Service Act to improve access to information about individual's health care options and legal rights for care near the end of life, to promote advance care planning and decisionmaking so that individuals' wishes are known should they become unable to speak for themselves, to engage health care providers in disseminating information about and assisting in the preparation of advance directives, which include living wills and durable powers of attorney for health care, and for other purposes; to the Committee on Finance.

Mr. NELSON of Florida. Mr. President, I am pleased to be joined by my colleague and cosponsor Senator JAY ROCKEFELLER as we introduce the Advance Directives Improvement and Education Act of 2004. Senators ROCKEFELLER and COLLINS, along with Senator WYDEN, sponsored a bill with similar goals in the 107th Congress and have provided invaluable support and counsel in drafting the bill we introduce today.

The Advance Directives Improvement and Education Act of 2004 has a simple purpose: to encourage all adults in America, especially those 65 and older, to think about, talk about and write down their wishes for medical care near the end-of-life should they become unable to make decisions for themselves. Advance directives, which include a living will, stating the individual's preferences for care, and a power of attorney for health care, are critical documents that each of us should have. The goal is clear, but reaching it requires that we educate the public about the importance of advance directives, offer opportunities for discussion of the issues, and reinforce the requirement that health care providers honor patients' wishes. This bill is designed to do just that.

Americans are afraid of death. We don't like to think about it, talk about it, or plan for it. Any yet, we will all face it. Not only our own deaths, but our parents, siblings, friends, and sometimes, tragically, children. Today, most Americans face death unprepared. Family members frequently end up making critical medical decisions for incapacitated patients, yet they, too, are unprepared. Only 15 to 20 percent of adults have advance directives. Among this group, many have not discussed the contents of these important documents with their families or even the person named as the health care proxy.

It is time to bring this discussion into the mainstream. Too much is at stake to continue to deny our mortality. You all know about the tragic situation going on in Florida with Terri Schiavo. Here is a young woman in a persistent vegetative state who is the subject of a debate about her treatment between her husband and her parents, a debate that has now become a court case and a legislative quagmire. Why? Because she didn't write down what type of care she would want in the event an accident, illness or other medical condition caused her to be in an incapacitated state. She is young and didn't think about death or dying. If she had an advance directive that made her wishes clear and named a health care proxy to make decisions for her should she be unable to do so for herself, the treatment debate might continue, but there would be no question as to who could decide. The Supreme Court has clearly affirmed that competent adults have the right to refuse unwanted medical treatment Washington v. Glucksburg and Vacco v. Quill, 1997, but it also stressed that advance directives are a means of safeguarding that right should adults become incapable of deciding for themselves.

Fortunately, situations like Mrs. Schiavo's are rare. Of the 2.5 million people who die each year 83 percent are Medicare beneficiaries. In fact, 27 percent of Medicare expenditures cover care in the last year of life. Remember, everyone who enrolls in Medicare will die on Medicare. The Advance Directives Improvement and Education Act encourages all Medicare beneficiaries to prepare advance directives by providing a free physician office visit for the purpose of discussing end-of-life care choices and other issues around medical decision-making in a time of incapacitation. Physicians will be reimbursed for spending time with their patients to help them understand situations in which an advance directive would be useful, medical options, the Medicare hospice benefit and other concerns. The conversation will also enable phyisicans to learn about their patients' wishes, fears, religious beliefs, and life experiences that might influence their medical care wishes. These are important aspects of a physician-patient relationship that are too often unaddressed.

Another part of our bill will provide funds for the Department of Health and Human Services to conduct a public education campaign to raise awareness of the importance of planning for care near the end of life. This campaign would explain what advance directives are, where they are available, what questions need to be asked and answered, and what to do with the executed documents. HHS, directly or through grants, would also establish an information clearinghouse where consumers could receive state-specific information and consumer-friendly documents and publications.

State-specific information is needed because in addition to the federal Patients Self-Determination Act passed in 1990, most states also have enacted advance directive laws. Because the state laws differ, some states may be reluctant to honor advance directives that were executed in another state. The bill we introduce today contains language that would make all advance directives "portable," that is, useful from one state to another. As long as the documents were lawfully executed in the state of origin, they must be accepted and honored in the state in which they are presented, unless to do so would violate state law.

All of the provisions in the Advance Directives Improvement and Education Act of 2004 are there for one reason: to increase the number of people in the United States who have advance directives, who have discussed their wishes with their physicians and families, and who have given copies of the directives to their loved ones, health care providers, and legal representatives.

Senator ROCKEFELLER and I all believe that as our Medicare population grows and life expectancy lengthens, improving care near the end of life must be a priority. Helping people complete these critical documents is an essential part of making the final journey as meaningful and peaceful as possible.

Over the next decade or two our elderly population will grow. Babyboomers, used to having control of their lives and demanding the best, will be stunned to discover that good end-of-life care is hard to find. I recommend to all of you a report called Means to a Better End: A Report on Dying in America Today that was published in November 2002 by Last Acts Partnership. In it, every state and the District of Columbia was rated on eight different criteria to assess the state of end-of-life care in this country. Not one state—not mine, not yours—received a high grade. Some did well in one or two areas, but none did well in half or more of the measures: all were mediocre at best. The researchers found that too many people end their days in hospitals and nursing homes, attached to machines, alone, in pain. Doctors, not wanting to admit "failure," as many of them see death, urge aggressive treatments such as chemotherapy on patients who have little chance of responding to it. Pain medication is often underprescribed or withheld for fear that the dying patient—dying patient--might become addicted to the drug.

The good news is that growing numbers of health care providers, nonprofit organizations and consumer advocates recognize the need for change. New palliative care programs, pain protocols and hospice services are being instituted in facilities around the country. Another Last Acts Partnership publication, On the Road from Theory to Practice highlights the best programs and practices for others to emulate.

This body is a legislative institution not a medical one--with the exception of the distinguished majority leader, of course. We cannot legislate good medical care or compassion. What we can do, what I hope we will do, is to enact this bill so that the American public can participate in improving end-of-life care—first, by filling out their own advice directives and talking to their families about them; and by raising their voices to demand that our health care systems honor their wishes and improve the way they care for people who are near the end of life. If we can do that, we will have done a great deal.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

Mr. President, I also ask that a letter of support for this legislation from the Last Acts Partnership also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2545

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.--This Act may be cited as the "Advance Directives Improvement and Education Act of 2004".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Medicare coverage of end-of-life planning consultations.
Sec. 4. Improvement of policies related to the use and portability of advance directives.
Sec. 5. Increasing awareness of the importance of end-of-life planning.
Sec. 6. GAO studies and reports on end-of-life planning issues.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress makes the following findings:

(1) Every year 2,500,000 people die in the United States. Eighty percent of those people die in institutions such as hospitals, nursing homes, and other facilities. Chronic illnesses, such as cancer and heart disease, account for 2 out of every 3 deaths.

(2) In January 2004, a study published in the Journal of the American Medical Association concluded that many people dying in institutions have unmet medical, psychological, and spiritual needs. Moreover, family members of decedents who received care at home with hospice services were more likely to report a favorable dying experience.

(3) In 1997, the Supreme Court of the United States, in its decisions in Washington v. Glucksberg and Vacco v. Quill, reaffirmed the constitutional right of competent adults to refuse unwanted medical treatment. In those cases, the Court stressed the use of advance directives as a means of safeguarding that right should those adults become incapable of deciding for themselves.

(4) A study published in 2002 estimated that the overall prevalence of advance directives is between 15 and 20 percent of the general population, despite the passage of the Patient Self-Determination Act in 1990, which requires that health care providers tell patients about advance directives.

(5) Competent adults should complete advance care plans stipulating their health care decisions in the event that they become unable to speak for themselves. Through the execution of advance directives, including living wills and durable powers of attorney for health care according to the laws of the State in which they reside, individuals can protect their right to express their wishes and have them respected.

(b) PURPOSES.--The purposes of this Act are to improve access to information about individuals' health care options and legal rights for care near the end of life, to promote advance care planning and decisionmaking so that individuals' wishes are known should they become unable to speak for themselves, to engage health care providers in disseminating information about and assisting in the preparation of advance directives, which include living wills and durable powers of attorney for health care, and for other purposes.

SEC. 3. MEDICARE COVERAGE OF END-OF-LIFE PLANNING CONSULTATIONS.

(a) COVERAGE.—Section 1861(s)(2) of the Social Security Act (42 U.S.C. 1395x(s)(2)), as amended by section 642(a) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2322), is amended—

(1) in subparagraph (Y), by striking "and" at the end;

(2) in subparagraph (Z), by inserting "and" at the end; and

(3) by adding at the end the following new subparagraph:

"(AA) end-of-life planning consultations (as defined in subsection (bbb));".

(b) SERVICES DESCRIBED.—Section 1861 of the Social Security Act (42 U.S.C. 1395x), as amended by section 706(b) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2339), is amended by adding at the end the following new subsection:

"End-of-Life Planning Consultation

"(bbb) The term 'end-of-life planning consultation' means physicians' services—

"(1) consisting of a consultation between the physician and an individual regarding—

"(A) the importance of preparing advance directives in case an injury or illness causes the individual to be unable to make health care decisions;

"(B) the situations in which an advance directive is likely to be relied upon;

"(C) the reasons that the development of a comprehensive end-of-life plan is beneficial and the reasons that such a plan should be updated periodically as the health of the individual changes;

"(D) the identification of resources that an individual may use to determine the requirements of the State in which such individual resides so that the treatment wishes of that individual will be carried out if the individual is unable to communicate those wishes, including requirements regarding the designation of a surrogate decision maker (health care proxy); and

"(E) whether or not the physician is willing to follow the individual's wishes as expressed in an advance directive; and

"(2) that are furnished to an individual on an annual basis or immediately following any major change in an individual's health condition that would warrant such a consultation (whichever comes first).".

(c) WAIVER OF DEDUCTIBLE AND COINSURANCE.—

(1) DEDUCTIBLE.—The first sentence of section 1833(b) of the Social Security Act (42 U.S.C. 1395*l*(b)) is amended—

(A) by striking "and" before "(6)"; and

(B) by inserting before the period at the end the following: ", and (7) such deductible shall not apply with respect to an end-of-life planning consultation (as defined in section 1861(bbb))".

(2) COINSURANCE.—Section 1833(a)(1) of the Social Security Act (42 U.S.C. 1395*l*(a)(1)) is amended—

(A) in clause (N), by inserting "(or 100 percent in the case of an end-of-life planning consultation, as defined in section 1861(bbb))" after "80 percent"; and

(B) in clause (O), by inserting "(or 100 percent in the case of an end-of-life planning consultation, as defined in section 1861(bbb))" after "80 percent".

(d) PAYMENT FOR PHYSICIANS' SERVICES.—Section 1848(j)(3) of the Social Security Act (42 U.S.C. 1395w-4(j)(3)), as amended by section 611(c) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2304), is amended by inserting "(2)(AA)," after "(2)(W),".

(e) FREQUENCY LIMITATION.—Section 1862(a)(1) of the Social Security Act (42 U.S.C. 1395y(a)(1)), as amended by section 613(c) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2306), is amended—

(1) by striking "and" at the end of subparagraph (L);

(2) by striking the semicolon at the end of subparagraph (M) and inserting ", and"; and

(3) by adding at the end the following new subparagraph:

"(N) in the case of end-of-life planning consultations (as defined in section 1861(bbb)), which are performed more frequently than is covered under paragraph (2) of such section;".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to services furnished on or after January 1, 2005.

SEC. 4. IMPROVEMENT OF POLICIES RELATED TO THE USE AND PORTABILITY OF ADVANCE DIRECTIVES.

(a) MEDICARE.—Section 1866(f) of the Social Security Act (42 U.S.C. 1395cc(f)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by inserting "and if presented by the individual (or on behalf of the individual), to include the content of such advance directive in a prominent part of such record" before the semicolon at the end;

(B) in subparagraph (D), by striking "and" after the semicolon at the end;

(C) in subparagraph (E), by striking the period at the end and inserting "; and"; and

(D) by inserting after subparagraph (E) the following new subparagraph:

"(F) to provide each individual with the opportunity to discuss issues relating to the information provided to that individual pursuant to subparagraph (A) with an appropriately trained professional.";

(2) in paragraph (3), by striking "a written" and inserting "an"; and

(3) by adding at the end the following new paragraph:

"(5)(A) In addition to the requirements of paragraph (1), a provider of services, Medicare Advantage organization, or prepaid or eligible organization (as the case may be) shall give effect to an advance directive executed outside the State in which such directive is presented, even one that does not appear to meet the formalities of execution, form, or language required by the State in which it is presented to the same extent as such provider or organization would give effect to an advance directive that meets such requirements, except that a provider or organization may decline to honor such a directive if the provider or organization can reasonably demonstrate that it is not an authentic expression of the individual's wishes concerning his or her health care. Nothing in this paragraph shall be construed to authorize the administration of medical treatment otherwise prohibited by the laws of the State in which the directive is presented.

"(B) The provisions of this paragraph shall preempt any State law to the extent such law is inconsistent with such provisions. The provisions of this paragraph shall not preempt any State law that provides for greater portability, more deference to a patient's wishes, or more latitude in determining a patient's wishes.".

(b) MEDICAID.—Section 1902(w) of the Social Security Act (42 U.S.C. 1396a(w)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B)—

(i) by striking "in the individual's medical record" and inserting "in a prominent part of the individual's current medical record"; and

(ii) by inserting "and if presented by the individual (or on behalf of the individual), to include the content of such advance directive in a prominent part of such record" before the semicolon at the end;

(B) in subparagraph (D), by striking "and" after the semicolon at the end;

(C) in subparagraph (E), by striking the period at the end and inserting "; and"; and

(D) by inserting after subparagraph (E) the following new subparagraph:

"(F) to provide each individual with the opportunity to discuss issues relating to the information provided to that individual pursuant to subparagraph (A) with an appropriately trained professional.";

(2) in paragraph (4), by striking "a written" and inserting "an"; and

(3) by adding at the end the following paragraph:

"(6)(A) In addition to the requirements of paragraph (1), a provider or organization (as the case may be) shall give effect to an advance directive executed outside the State in which such directive is presented, even one that does not appear to meet the formalities of execution, form, or language required by the State in which it is presented to the same extent as such provider or organization would give effect to an advance directive that meets such requirements, except that a provider or organization may decline to honor such a directive if the provider or organization can reasonably demonstrate that it is not an authentic expression of the individual's wishes concerning his or her health care. Nothing in this paragraph shall be construed to authorize the administration of medical treatment otherwise prohibited by the laws of the State in which the directive is presented.

"(B) The provisions of this paragraph shall preempt any State law to the extent such law is inconsistent with such provisions. The provisions of this paragraph shall not preempt any State law that provides for greater portability, more deference to a patient's wishes, or more latitude in determining a patient's wishes.".

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Subject to paragraph (2), the amendments made by subsections (a) and (b) shall apply to provider agreements and contracts entered into, renewed, or extended under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), and to State plans under title XIX of such Act (42 U.S.C. 1396 et seq.), on or after such date as the Secretary of Health and Human Services specifies, but in no case may such date be later than 1 year after the date of enactment of this Act.

(2) EXTENSION OF EFFECTIVE DATE FOR STATE LAW AMENDMENT.—In the case of a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by subsection (b), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of

the first regular session of the State legislature that begins after the date of enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of the session is considered to be a separate regular session of the State legislature.

SEC. 5. INCREASING AWARENESS OF THE IMPORTANCE OF END-OF-LIFE PLANNING.

Title III of the Public Health Service Act is amended by adding at the end the following new part:

"PART R—PROGRAMS TO INCREASE AWARENESS OF ADVANCE DIRECTIVE PLANNING ISSUES

"SEC. 399Z–1. ADVANCE DIRECTIVE EDUCATION CAMPAIGNS AND INFORMATION CLEARINGHOUSES.

"(a) ADVANCE DIRECTIVE EDUCATION CAMPAIGN.—The Secretary shall, directly or through grants awarded under subsection (c), conduct a national public education campaign—

"(1) to raise public awareness of the importance of planning for care near the end of life;

"(2) to improve the public's understanding of the various situations in which individuals may find themselves if they become unable to express their health care wishes;

"(3) to explain the need for readily available legal documents that express an individual's wishes, through advance directives (including living wills, comfort care orders, and durable powers of attorney for health care); and

"(4) to educate the public about the availability of hospice care and palliative care.

"(b) INFORMATION CLEARINGHOUSE.—The Secretary, directly or through grants awarded under subsection (c), shall provide for the establishment of a national, toll-free, information clearinghouse as well as clearinghouses that the public may access to find out about State-specific information regarding advance directive and end-of-life decisions.

"(c) GRANTS.—

"(1) IN GENERAL.—The Secretary shall use at least 60 percent of the funds appropriated under subsection (d) for the purpose of awarding grants to public or nonprofit private entities (including States or political subdivisions of a State), or a consortium of any of such entities, for the purpose of conducting education campaigns under subsection (a) and establishing information clearinghouses under subsection (b).

"(2) PERIOD.—Any grant awarded under paragraph (1) shall be for a period of 3 years.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $25,000,000.".

SEC. 6. GAO STUDIES AND REPORTS ON END-OF-LIFE PLANNING ISSUES.

(a) STUDY AND REPORT ON COMPLIANCE WITH ADVANCE DIRECTIVES AND OTHER ADVANCE PLANNING DOCUMENTS.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study on the effectiveness of advance directives in making patients' wishes known and honored by health care providers.

(2) REPORT.—Not later than the date that is 18 months after the date of enactment of this Act, the Comptroller General shall submit to Congress a report on this study conducted under paragraph (1) together with recommendations for such legislation and administrative action as the Comptroller General determines to be appropriate.

(b) STUDY AND REPORT ON ESTABLISHMENT OF NATIONAL ADVANCE DIRECTIVE REGISTRY.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study on the implementation of the amendments made by section 3 (relating to medicare coverage of end-of-life planning consultations).

(2) REPORT.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall submit to Congress a report on this study conducted under paragraph (1) together with recommendations for such legislation and administrative action as the Comptroller General determines to be appropriate.

(c) STUDY AND REPORT ON ESTABLISHMENT OF NATIONAL ADVANCE DIRECTIVE REGISTRY.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study on the feasibility of a national registry for advance directives, taking into consideration the constraints created by the privacy provisions enacted as a result of the Health Insurance Portability and Accountability Act.

(2) REPORT.—Not later than 18 months after the date of enactment of this Act, the Comptroller General shall submit to Congress a report on this study conducted under paragraph (1) together with recommendations for such legislation and administrative action as the Comptroller General determines to be appropriate.

LAST ACTS PARTNERSHIP,
Washington, DC, June 17, 2004.

Senator BILL NELSON,
U.S. Senate,
Washington, DC.

DEAR SENATOR NELSON: On behalf of Last Acts Partnership, a national nonprofit organization dedicated to improving care and caring near the end of life, I thank you for introducing the "Advance Directives Improvement and Education Act of 2004." Your recognition of the importance of advance care planning and your leadership in crafting this legislation is greatly appreciated. We applaud your commitment to educating Americans about the need for these critical documents and support the goal of encouraging all Medicare beneficiaries to discuss advance directives with their physicians and families.

A life-threatening or terminal illness or a tragic accident takes its toll not only on the patient but on his or her family as well. After more than 60 years of working in the end-of-life care field, Last Acts Partnership (formerly Partnership for Caring and Choice in Dying) knows full well how much worse it is when people are asked to make decisions for a loved one having never discussed his or her wishes for care at the end of life. Advance directives and the necessary conversations that should accompany them are a gift to guide those who find themselves responsible for another's care.

Ensuring that each of us receives the kind of care we want if we are incapacitated or approaching death must be a policy priority as we look to the future of health care. The portability provision in your bill is another necessary step toward that goal. Providing an information clearinghouse is also key because too many people, including health care providers, are unaware of options such as hospice and palliative care, home care, spiritual counseling and other resources.

Again, Senator, we thank you, your cosponsors, and all of the senators who join in support of this important legislation. Last Acts Partnership looks forward to assisting you and your staff as it moves through the legislative process. Our membership and our collegial organizations will be working to support the passage of the "Advance Directives Improvement and Education Act of 2004" and, more importantly, to assure that the health care wishes of our loved ones and ourselves will be honored.

Sincerely,

KAREN ORLOFF KAPLAN,
MSW, MPH, SCD,
President and CEO.

By Mr. DURBIN:

S. 2546. A bill to amend the Federal Food, Drug, and Cosmetic Act to require premarket consultation and approval with respect to genetically engineered foods, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. DURBIN. Mr. President, today I am introducing legislation that will strengthen consumer confidence in the safety of genetically engineered food and genetically engineered animals that may enter the food supply. This bill, known as the Genetically Engineered Food Act (GEFA) of 2004, requires the Federal Food and Drug Administration (FDA) to conduct an environmental and safety review of all genetically engineered plants and animals that may enter the food supply.

Our country has been blessed with one of the safest and most abundant food supplies in the world but we can do better. Genetically engineered foods have become a major portion of the American food supply and promise to become a larger part in the future. The next generation of genetically engineered foods will be more complex, will possess more novel genetic variations and will challenge regulatory agencies' ability to assess and manage their food safety and potential environmental effects.

Currently, the FDA screens genetically engineered foods through a voluntary consultation program. Despite assurances from the FDA for the past two years that the proposed and more stringent "pre-market biotechnology notification" (PBN) rules governing genetically engineered foods were imminent, those rules have yet to appear.

The Genetically Engineered Food Act of 2004 will create a transparent process that promotes public participation as decisions are made regarding the safety and environmental impact of genetically engineered plants and animals.

This bill will make the review process mandatory in place of the current voluntary system, which will reduce the chance that a potentially harmful product could bypass or receive inadequate regulatory oversight. The measure will establish unambiguous and predictable pathways for developers of genetically modified foods to gain approval to go to market and will ensure consumer confidence in the integrity of the system through a fully transparent review process.

An improved regulatory system for genetically engineered foods will boost consumer confidence in biotechnology derived foods, give federal agencies clear legal authority to deal with new technology and provide a process to detect problems even after genetically engineered foods are approved.

The Genetically Engineered Food Act of 2004 will strengthen government oversight in several important ways.

Mandatory Review: Producers of genetically engineered foods will be required to receive approval from the FDA before introducing their products into interstate commerce. The FDA will ensure, based on the best scientific evidence, that genetically engineered foods are just as safe as comparable food products before allowing them on the market.

Public Involvement and Transparency: In order for our country to gain the benefits that genetically engineered plants and animals can offer as additional sources of food, public confidence must be maintained in the safety of these products. My bill will provide for public involvement in the approval process by providing information to consumers, and giving them the opportunity to provide comments. Adding transparency will increase the public's understanding and confidence in the safety of these animals as they enter the food supply.

Scientific studies and other materials submitted to the FDA as part of the mandatory review of genetically engineered foods will be made available for public review and comment. Members of the public will be able to submit any new information on genetically engineered foods not previously available to the FDA and request a new review of a particular genetically engineered food product even if that food is already on the market.

Testing: The FDA, in conjunction with other Federal agencies, will be given the authority to conduct scientifically-sound testing to determine whether genetically engineered foods are inappropriately entering the food supply.

Communication: The FDA and other Federal agencies will establish a registry of genetically engineered foods for easy access to information about those foods that have been cleared for market. The genetically engineered food review process will be fully transparent to give the public access to all non-confidential information.

Environmental Review with Respect to Animals: While genetically engineered foods such as corn and soybeans are already part of our food supply, genetically engineered animals will also soon be ready for market approval. These animals hold much promise as an additional source of food for our nation. However, we must ensure not only the safety of these genetically engineered animals as they enter the food supply, but also the impact of these animals as they come in contact with the environment.

The provisions of my bill are consistent with the recommendations made in the 2004 National Academy of Sciences report, "Biological Confinement of Genetically Engineered Organisms"; the Pew Initiative on Food and Biotechnology 2004 report, "Issues in the Regulation of Genetically Engineered Plants and Animals"; and the 2004 report from the Ecological Society of America, "Genetically Engineered Organisms and the Environment".

The FDA has a mandatory review process in place that is used to review the food safety of genetically engineered animals before they enter the food supply. However, this bill will provide the FDA with additional oversight authorities to address the potential environmental impact of genetically engineered animals prior to their safety approval.

Environmental issues have been identified as a major science-based concern associated with genetically engineered animals. Therefore, to obtain approval to market a genetically engineered animal, the developer must include an environmental assessment that analyzes the potential effects of the genetically engineered animal on the environment. A plan must also be in place to reduce or eliminate any negative effects. If the environmental assessment is not adequate, approval will not be granted.

I urge my colleagues to join me in this effort to strengthen consumer confidence in the safety of genetically engineered foods and genetically engineered animals that may enter the food supply. The Genetically Engineered Foods Act of 2004 will help provide the public with the added assurance that genetically engineered foods and animals are safe to produce and consume. I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2546

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Genetically Engineered Foods Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) genetically engineered food is rapidly becoming an integral part of domestic and international food supplies;

(2) the potential positive effects of genetically engineered foods are enormous;

(3) the potential for both anticipated and unanticipated effects exists with genetic engineering of foods;

(4) genetically engineered food not approved for human consumption has, in the past, entered the human food supply;

(5) environmental issues have been identified as a major science-based concern associated with animal biotechnology;

(6) it is essential to maintain—

(A) public confidence in—

(i) the safety of the food supply; and

(ii) the ability of the Federal Government to exercise adequate oversight of genetically engineered foods; and

(B) the ability of agricultural producers and other food producers of the United States to market, domestically and internationally, foods that have been genetically engineered;

(7) public confidence can best be maintained through careful review and formal determination of the safety of genetically engineered foods, and monitoring of the positive and negative effects of genetically engineered foods as the foods become integrated into the food supply, through a review and monitoring process that—

(A) is scientifically sound, open, and transparent;

(B) fully involves the general public; and

(C) does not subject most genetically engineered foods to the lengthy food additive approval process; and

(8) because genetically engineered foods are developed worldwide and imported into the United States, it is imperative that imported genetically engineered food be subject to the same level of oversight as domestic genetically engineered food.

SEC. 3. DEFINITIONS.

(a) THIS ACT.—In this Act, the terms "genetic engineering technique", "genetically engineered animal", "genetically engineered food", "interstate commerce", "producer", "safe", and "Secretary" have the meanings given those terms in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321) (as amended by subsection (b)).

(b) FEDERAL FOOD, DRUG, AND COSMETIC ACT.—Section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321) is amended—

(1) in subsection (v)—

(A) by striking "(v) The term" and inserting the following:

"(v) NEW ANIMAL DRUG.—

"(1) IN GENERAL.—The term";

(B) by striking "(1) the composition" and inserting "(A) the composition";

(C) by striking "(2) the composition" and inserting "(B) the composition"; and

(D) by adding at the end the following:

"(2) INCLUSION.—The term 'new animal drug' includes—

"(A) a genetic engineering technique intended to be used to produce an animal; and

"(B) a genetically engineered animal."; and

(2) by adding at the end the following:

"(nn) GENETICALLY ENGINEERED ANIMAL.—

(1) IN GENERAL.—The term 'genetically engineered animal' means an animal that—

"(A) is intended to be used—

"(i) in the production of a food or dietary supplement; or

"(ii) for any other purpose;

"(B)(i) is produced in the United States; or

"(ii) is offered for import into the United States; and

"(C) is produced using a genetic engineering technique.

"(2) EXCLUSION.—The term 'genetically engineered animal' does not include an established line of a genetically modified animal that—

"(A) is used solely in scientific research; and

"(B) is not intended or expected—

"(i) to enter the food supply; or

"(ii) to be released into the environment.

"(oo) GENETICALLY ENGINEERED FOOD.—

"(1) IN GENERAL.—The term 'genetically engineered food' means a food or dietary supplement, or a seed, microorganism, or ingredient intended to be used to produce a food or dietary supplement, that—

"(A)(i) is produced in the United States; or

"(ii) is offered for import into the United States; and

"(B) is produced using a genetic engineering technique.

"(2) INCLUSION.—The term 'genetically engineered food' includes a split use food.

"(3) EXCLUSION.—The term 'genetically engineered food' does not include a genetically engineered animal.

"(pp) GENETIC ENGINEERING TECHNIQUE.—The term 'genetic engineering technique' means the use of a transformation event to derive food from a plant or animal or to produce an animal.

"(qq) PRODUCER.—The term 'producer', with respect to a genetically engineered animal, genetically engineered food, or genetic engineering technique, means a person that—

"(1) develops, manufactures, or imports the genetically engineered animal or genetically engineered food;

"(2) uses the genetic engineering technique; or

"(3) takes other action to introduce the genetically engineered animal, genetically engineered food, or genetic engineering technique into interstate commerce.

"(rr) SAFE.—The term 'safe', with respect to a genetically engineered food, means—

"(1) as safe as comparable food that is not produced using a genetic engineering technique; or

"(2) if there is no such comparable food, having a reasonable certainty of causing no harm.

"(ss) SPLIT USE FOOD.—The term 'split use food' means a product that—

"(1)(A) is produced in the United States; or

"(B) is offered for import into the United States;

"(2) is produced using a genetic engineering technique; and

"(3) could be used as food by both humans and animals but that the producer does not intend to market as food for humans.

"(tt) TRANSFORMATION EVENT.—The term 'transformation event' means the introduction into a plant or an animal of genetic material that has been manipulated in vitro.".

SEC. 4. GENETICALLY ENGINEERED FOODS.

Chapter IV of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 341 et seq.) is amended—

(1) by inserting after the chapter heading the following:

"Subchapter A—General Provisions"; and

(2) by adding at the end the following:

"Subchapter B—Genetically Engineered Foods

"SEC. 421. PREMARKET CONSULTATION AND APPROVAL.

"(a) IN GENERAL.—A producer of genetically engineered food, before introducing a genetically engineered food into interstate commerce, shall first obtain approval through the use of a premarket consultation and approval process.

"(b) REGULATIONS.—The Secretary shall promulgate regulations that describe—

"(1) all information that is required to be submitted for the premarketing approval process, including—

"(A) specification of the species or other taxonomic classification of plants for which approval is sought;

"(B) identification of the genetically engineered food;

"(C)(i) a description of each type of genetic manipulation made to the genetically engineered food;

"(ii) identification of the manipulated genetic material; and

"(iii) the techniques used in making the manipulation;

"(D) the effect of the genetic manipulation on the composition of the genetically engineered food (including information describing the specific substances that were expressed, removed, or otherwise manipulated);

"(E) a description of the actual or proposed applications and uses of the genetically engineered food;

"(F) information pertaining to—

"(i) the safety of the genetically engineered food as a whole; and

"(ii) the safety of any specific substances introduced, altered, or produced as a result of the genetic manipulation (including information on allergenicity and toxicity);

"(G) test methods for detection of the genetically engineered ingredients in food;

"(H) a summary and overview of information and issues that have been or will be addressed by other regulatory programs for the review of genetically engineered food;

"(I) procedures to be followed to initiate and complete the premarket approval process (including any preconsultation and consultation procedures); and

"(J) any other matters that the Secretary determines to be necessary.

"(2) SPLIT USE FOOD.—

"(A) IN GENERAL.—The regulations under paragraph (1) shall provide for the approval of—

"(i) split use foods that are not approved for human consumption;

"(ii) split use foods that are intended for human use but are marketed under restricted conditions; and

"(iii) other categories of split use food.

"(B) ISSUES.—For each category of split use food, the regulations shall address—

"(i)(I) whether a protocol is needed for segregating a restricted split use food from the food supply; and

"(II) if so, what the protocol shall be;

"(ii)(I) whether action is needed to ensure the purity of any seed to prevent unintended introduction of a genetically engineered trait into a seed that is not designed for that trait; and

"(II) if so, what action is needed and what industry practices represent the best practices for maintaining the purity of the seed;

"(iii)(I) whether a tolerance level should exist regarding cross-mixing of segregated split use foods; and

"(II) if so, the means by which the tolerance level shall be determined;

"(iv) the manner in which the food safety analysis under this section should be conducted, specifying different standards and procedures that are permitted to be applied for nonfood products grown in food crops depending on the degree of containment for that product and the likelihood of the product to enter the food supply;

"(v)(I) the kinds of surveillance that are needed to ensure that appropriate segregation of split use foods is being maintained;

"(II) the manner in which and by whom the surveillance shall be conducted; and

"(III) the manner in which the results of surveillance shall be reported; and

"(vi) clarification of responsibility in cases of breakdown of segregation of a split use food.

"(C) RECALL AUTHORITY.—The regulations shall provide that, in addition to other authority that the Secretary has regarding split use food, the Secretary may order a recall of any split use food (whether or not the split use food has been approved under this section) that—

"(i) is not approved, but has entered the food supply; or

"(ii) has entered the food supply in violation of a condition of restriction under an approval.

"(c) APPLICATION.—The regulations shall require that, as part of the consultation and approval process, a producer submit to the Secretary an application that includes a summary and a complete copy of each research study, test result, or other information referenced by the producer.

"(d) REVIEW.—

"(1) IN GENERAL.—After receiving an application under subsection (c), the Secretary shall—

"(A) determine whether the producer submitted information that appears to be adequate to enable the Secretary to fully assess the safety of the genetically engineered food, and make a description of the determination publicly available; and

"(B) if the Secretary determines that the producer submitted adequate information—

"(i) provide public notice regarding the initiation of the consultation and approval process;

"(ii) make the notice, application, summaries submitted by the producer, and research, test results, and other information referenced by the producer publicly available, including, to the maximum extent practicable, publication in the Federal Register and on the Internet; and

"(iii) provide the public with an opportunity, for not less than 45 days, to submit comments on the application.

"(2) EXCEPTION.—The Secretary may withhold information in an application from public dissemination to protect a trade secret (not including any information disclosing the results of testing to determine whether the genetically engineered food is safe) if—

"(A) the information is exempt from disclosure under section 522 of title 5, United States Code, or applicable trade secret law;

"(B) the applicant—

"(i) identifies with specificity the trade secret information in the application; and

"(ii) provides the Secretary with a detailed justification for each trade secret claim; and

"(C) the Secretary—

"(i) determines that the information qualifies as a trade secret subject to withholding from public dissemination; and

"(ii) makes the determination available to the public.

"(3) DETERMINATION.—Not later than 180 days after determining adequacy of an application under paragraph (1)(A), the Secretary shall issue and make publicly available a determination that—

"(A) summarizes the information referenced by the producer in light of the public comments; and

"(B) contains a finding that the genetically engineered food—

"(i) is safe and may be introduced into interstate commerce;

"(ii) is safe under specified conditions of use and may be introduced into interstate commerce if those conditions are met; or

"(iii) is not safe and may not be introduced into interstate commerce, because the genetically engineered food—

"(I) contains genes that confer antibiotic resistance;

"(II) contains an allergen; or

"(III) presents 1 or more other safety concerns described by the Secretary.

"(4) EXTENSION.—The Secretary may extend the period specified in paragraph (3) if the Secretary determines that an extension of the period is necessary to allow the Secretary to—

"(A) review additional information; or

``(B) address 1 or more issues or concerns of unusual complexity.

``(e) Rescission of Approval.—

``(1) Reconsideration.—On the petition of any person, or on the Secretary's own motion, the Secretary may reconsider an approval of a genetically engineered food on the basis of information that was not available before the approval.

``(2) Finding for reconsideration.—The Secretary shall conduct a reconsideration on the basis of the information described in paragraph (1) if the Secretary finds that the information—

``(A) is scientifically credible;

``(B) represents significant information that was not available before the approval; and

``(C)(i) suggests potential impacts relating to the genetically engineered food that were not considered in the earlier review; or

``(ii) demonstrates that the information considered before the approval was inadequate for the Secretary to make a safety finding.

``(3) Information from the producer.—

``(A) In general.—In conducting the reconsideration, the Secretary may require the producer to provide, within a reasonable period of time specified by the Secretary, information needed to facilitate the reconsideration.

``(B) Information not provided.—If a producer fails to provide information required under subparagraph (A) within the period specified by the Secretary, the Secretary shall take 1 or more of the actions described in paragraph (5).

``(4) Determination.—After reviewing the information by the petitioner and the producer, the Secretary shall issue a determination that—

``(A) revises the finding made in connection with the approval with respect to the safety of the genetically engineered food; or

``(B) states that, for reasons stated by the Secretary, no revision of the finding is needed.

``(5) Action by the secretary.—If, based on a reconsideration under this section, the Secretary determines that the genetically engineered food is not safe, the Secretary shall—

``(A) rescind the approval of the genetically engineered food for introduction into interstate commerce;

``(B) recall the genetically engineered food; or

``(C) take such other action as the Secretary determines to be appropriate.

``SEC. 422. MARKETPLACE TESTING AND POST-MARKETING OVERSIGHT.

``(a) Testing.—

``(1) In general.—The Secretary, in consultation with the Secretary of Agriculture and the Administrator of the Environmental Protection Agency, shall establish a program to conduct testing that the Secretary determines to be necessary to detect, at all stages of production and distribution (from agricultural production to retail sale), the presence of genetically engineered ingredients in food.

``(2) Permissible testing.—Under the program, the Secretary may conduct tests on foods to detect genetically engineered ingredients—

``(A) that have not been approved for use under this Act, including foods that are developed in foreign countries that have not been approved for marketing in the United States under this Act; or

``(B) the use of which is restricted under this Act (including approval for use as animal feed only, approval only if properly labeled, and approval for growing or marketing only in certain regions).

``(b) Post-Market Oversight.—

``(1) In general.—The Secretary shall establish a program to monitor and evaluate the continued safety after commercialization of genetically engineered foods approved under section 421.

``(2) Activities.—Under the program, the Secretary shall—

``(A) take appropriate actions to ensure that each split-use food complies with any restriction or other condition on the approval of the split-use food; and

``(B) conduct inspections and monitoring of genetically engineered foods and facilities that produce genetically engineered foods to ensure that only approved genetically engineered foods are marketed to humans.

``SEC. 423. REGISTRY.

``(a) Establishment.—The Secretary, in consultation with the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the heads of other agencies, as appropriate, shall establish a registry for genetically engineered food that contains a description of the regulatory status of all genetically engineered foods approved under section 421.

``(b) Requirements.—The registry under subsection (a) shall contain, for each genetically engineered food—

``(1) the technical and common names of the genetically engineered food;

``(2) a description of the regulatory status, under all Federal programs pertaining to the testing and approval of genetically engineered foods, of the genetically engineered food;

``(3) a technical and nontechnical summary of the type of, and a statement of the reason for, each genetic manipulation made to the genetically engineered food;

``(4) the name, title, address, and telephone number of an official at each producer of the genetically engineered food whom members of the public may contact for information about the genetically engineered food;

``(5) the name, title, address, and telephone number of an official at each Federal agency with oversight responsibility over the genetically engineered food whom members of the public may contact for information about the genetically engineered food; and

``(6) such other information as the Secretary determines should be included.

``(c) Public Availability.—The registry under subsection (a) shall be made available to the public, including availability on the Internet.''.

SEC. 5. GENETICALLY ENGINEERED ANIMALS.

Chapter V of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351 et seq.) is amended by inserting after section 512 the following:

``SEC. 512A. GENETICALLY ENGINEERED ANIMALS.

``(a) In General.—Section 512 shall apply to genetic engineering techniques intended to be used to produce an animal, and to genetically engineered animals, as provided in this section.

``(b) Application.—An application under section 512(b)(1) shall include—

``(1) specification of the species or other taxonomic classification of the animal for which approval is sought;

``(2) an environmental assessment that analyzes the potential effects of the genetically engineered animal on the environment, including the potential effect on any non-genetically engineered animal or other part of the environment as a result of any intentional or unintentional exposure of the genetically engineered animal to the environment; and

``(3) a plan to eliminate or mitigate the potential effects to the environment from the release of the genetically engineered animal.

``(c) Dissemination of Application and Opportunity for Public Comment.—

``(1) In general.—On receipt of an application under section 512(b)(1), the Secretary shall—

``(A) provide public notice regarding the application, including making the notice available on the Internet;

``(B) make the application and all supporting material available to the public, including availability on the Internet; and

``(C) provide the public with an opportunity, for not less than 45 days, to submit comments on the application.

``(2) Exception.—

``(A) In general.—The Secretary may withhold information in an application from public dissemination to protect a trade secret (not including any information disclosing the results of testing to determine whether the genetically engineered food is safe) if—

``(i) the information is exempt from disclosure under section 522 of title 5, United States Code, or applicable trade secret law;

``(ii) the applicant—

``(I) identifies with specificity the trade secret information in the application; and

``(II) provides the Secretary with a detailed justification for each trade secret claim; and

``(iii) the Secretary—

``(I) determines that the information qualifies as a trade secret subject to withholding from public dissemination; and

``(II) makes the determination available to the public.

``(B) Risk assessment information.—This paragraph does not apply to information that assesses risks from the release into the environment of a genetically engineered animal (including any environmental assessment or environmental impact statement performed to comply with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.)).

``(d) Denial of Application.—Under section 512(d)(1), the Secretary shall deny an application if—

``(1) the environmental assessment for a genetically engineered animal is not adequate; or

``(2) the plan to eliminate or mitigate the potential environmental effects to the environment from the release of the genetically engineered animal does not adequately protect the environment.

``(e) Environmental Assessment.—

``(1) In general.—Before determining whether to approve an application under section 512 for approval of a genetic engineering technique intended to be used to produce an animal, or of a genetically engineered animal, the Secretary shall—

``(A) conduct an environmental assessment to evaluate the potential effects of such a genetically engineered animal on the environment; and

``(B) determine that the genetically engineered animal will not have an unreasonable adverse effect on the environment.

``(2) Consultation.—In conducting an environmental assessment under paragraph (1), the Secretary shall—

``(A) consult, as appropriate, with the Department of Agriculture, the United States Fish and Wildlife Service, and any other Federal agency that has expertise relating to the animal species that is the subject of the application; and

“(B) disclose the results of the consultation in the environmental assessment.

“(f) Safety Determination.—In determining the safety of a genetic engineering technique or genetically engineered animal, the Secretary shall consider the potential effects of the genetically engineered animal on the environment, including the potential effect on nongenetically engineered animals.

“(g) Progeny.—If an application for approval of a genetic engineering technique to produce an animal of a species or other taxonomic classification, or genetically engineered animal, has been approved, no additional application shall be required for animals of that species or other taxonomic classification produced using that genetic engineering technique or for the progeny of that genetically engineered animal.

“(h) Scope of Approval.—The scope of the genetic engineering technique that the Secretary may approve shall be limited to the precise procedures described in the application for approval.

“(i) Conditions of Approval.—The Secretary may require as a condition of approval of an application that any producer of a genetically engineered animal that is the subject of the application—

“(1) take specified actions to eliminate or mitigate any potential harm to the environment that would be caused by a release of the genetically engineered animal, including actions specified in the plan submitted by the applicant; and

“(2) conduct post-approval monitoring for environmental effects of any release of the genetically engineered animal.

“(j) Recall; Suspension of Approval.—

“(1) Recall.—The Secretary may order a recall of any genetically engineered animal (whether or not the genetically engineered animal, or a genetic engineering technique used to produce the genetically engineered animal, has been approved) that the Secretary determines is harmful to—

“(A) humans;

“(B) the environment;

“(C) any animal that is subjected to a genetic engineering technique; or

“(D) any animal that is not subjected to a genetic engineering technique.

“(2) Suspension of approval.—If the Secretary determines that a genetically engineered animal is harmful to the health of humans or animals or to the environment, the Secretary may—

“(A) immediately suspend the approval of application for the genetically engineered animal;

“(B) give the applicant prompt notice of the action; and

“(C) afford the applicant an opportunity for an expedited hearing.

“(k) Rescission of Approval.—

“(1) Reconsideration.—On the motion of any person, or on the Secretary's own motion, the Secretary may reconsider an approval of a genetic engineering technique or genetically engineered animal on the basis of information that was not available during an earlier review.

“(2) Finding for reconsideration.—The Secretary shall conduct a reconsideration on the basis of the information described in paragraph (1) if the Secretary finds that the information—

“(A) is scientifically credible;

“(B) represents significant information that was not available before the approval; and

“(C)(i) suggests potential impacts relating to the genetically engineered animal that were not considered before the approval; or

“(ii) demonstrates that the information considered before the approval was inadequate for the Secretary to make a safety finding.

“(3) Information from the producer.—

“(A) In general.—In conducting the reconsideration, the Secretary may require the producer to provide, within a reasonable period of time specified by the Secretary, information needed to facilitate the reconsideration.

“(B) Information not provided.—If a producer fails to provide information required under subparagraph (A) within the period specified by the Secretary, the Secretary shall take 1 or more of the actions described in paragraph (5).

“(4) Determination.—After reviewing the information by the petitioner and the producer, the Secretary shall issue a determination that—

“(A) revises the finding made in connection with the approval with respect to the safety of the genetically engineered animal; or

“(B) states that, for reasons stated by the Secretary, no revision of the finding is needed.

“(5) Action by the secretary.—If, based on a review under this subsection, the Secretary determines that the genetically engineered animal is not safe, the Secretary shall—

“(A) rescind the approval of the genetic engineering technique or genetically engineered animal for introduction into interstate commerce;

“(B) recall the genetically engineered animal; or

“(C) take such other action as the Secretary determines to be appropriate.

“(l) Animals Used in Development.—An animal that is used in connection with an investigation intended to support approval of an application under section 512 and this section or that is otherwise used in connection with the development of a genetic engineering technique or production of a genetically engineered animal for which approval is sought shall be deemed unsafe for the purposes of sections 501(a)(5) and 402(a)(2)(C)(ii) unless—

“(1) the applicant submits information required by the Secretary that addresses the food safety of the animal;

“(2) the Secretary publishes the information in the Federal Register and provides a public comment period of not less than 60 days; and

“(3) based on the information provided under paragraph (1), any public comment, and other information available to the Secretary, the Secretary—

“(A) makes a determination that the animal is safe; and

“(B) publishes the determination in the Federal Register and on the Internet.”.

SEC. 6. PROHIBITED ACTS.

(a) Unlawful Use of Trade Secret Information.—Section 301(j) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331(j)) is amended in the first sentence—

(1) by inserting “421,” after “414,”; and

(2) by inserting “512A,” after “512,”.

(b) Adulterated Food.—Section 402 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 342) is amended by adding at the end the following:

“(i) Genetically Engineered Animals.—If it is a genetically engineered animal, or is a genetically engineered animal produced using a genetic engineering technique, that is not approved under sections 512 and 512A.

“(j) Genetically Engineered Foods.—

“(1) In general.—If it is a genetically engineered food, or is a genetically engineered food produced using a genetic engineering technique, that is not approved under section 421.

“(2) Split use foods.—If it is a split use food that does not maintain proper segregation as required under regulations promulgated under section 421.”.

SEC. 7. TRANSITION PROVISION.

(a) In General.—A genetic engineering technique, genetically engineered animal, or genetically engineered food that entered interstate commerce before the date of enactment of this Act shall not require approval under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), but shall be considered to have been so approved, if—

(1) the producer, not later than 90 days after the date of enactment of this Act, submits to the Secretary—

(A) a notice stating that the genetic engineering technique, genetically engineered animal, or genetically engineered food entered interstate commerce before the date of enactment of this Act, providing such information as the Secretary may require; and

(B) a request that the Secretary conduct a review of the genetic engineering technique, genetically engineered animal, or genetically engineered food under subsection (b); and

(2) the Secretary does not issue, on or before the date that is 2 years after the date of enactment of this Act, a notice under subsection (b)(2) that an application for approval is required.

(b) Review by the Secretary.—

(1) In general.—Not later than 21 months after the date on which the Secretary receives a notice and request for review under subsection (a), the Secretary shall review all relevant information in the possession of the Secretary, all information provided by the producer, and other relevant public information to determine whether a review of new scientific information is necessary to ensure that the genetic engineering technique, genetically engineered animal, or genetically engineered food is safe.

(2) Notice that application is required.—If the Secretary determines that new scientific information is necessary to determine whether a genetic engineering technique, genetically engineered animal, or genetically engineered food is safe, the Secretary, not later than 2 years after the date of enactment of this Act, shall issue to the producer a notice stating that the producer is required to submit an application for approval of the genetic engineering technique, genetically engineered animal, or genetically engineered food under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.).

(c) Failure To Submit Application.—

(1) In general.—Except as provided in paragraph (2), a genetically engineered animal or genetically engineered food with respect to which the Secretary issues a notice that an application is required under subsection (b)(2) shall be considered adulterated under section 402 or 501, as the case may be, of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 342, 351) unless—

(A) not later than 45 days after the producer receives the notice, the producer submits an application for approval; and

(B) the Secretary approves the application.

(2) Pending application.—A genetically engineered animal or genetically engineered food with respect to which the producer submits an application for approval shall not be considered to be adulterated during the pendency of the application.

SEC. 8. GENETICALLY ENGINEERED CROPS.

To the maximum extent practicable, the Secretary of Agriculture shall ensure that standards for the regulation of genetically engineered field test crops to prevent cross-pollenation with non-genetically engineered crops and prevent adverse effects on the environment are based on the most recent scientific knowledge available.

SEC. 9. REPORTS.

(a) IN GENERAL.—Not later than 2 years, 4 years, and 6 years after the date of enactment of this Act, the Secretary and the heads of other Federal agencies, as appropriate, shall jointly submit to Congress a report on genetically engineered animals, genetically engineered foods, and genetic engineering techniques.

(b) CONTENTS.—A report under subsection (a) shall contain—

(1) information on the types and quantities of genetically engineered foods being offered for sale or being developed, domestically and internationally;

(2) a summary (including discussion of new developments and trends) of the legal status and acceptability of genetically engineered foods in major markets, including the European Union and Japan;

(3) information on current and emerging issues of concern relating to genetic engineering techniques, including issues relating to—

(A) the ecological impact of, antibiotic markers for, insect resistance to, nongerminating or terminator seeds for, or cross-species gene transfer for genetically engineered foods;

(B) foods from genetically engineered animals;

(C) nonfood crops (such as cotton) produced using a genetic engineering technique; and

(D) socioeconomic concerns (such as the impact of genetically engineered animals and genetically engineered foods on small farms);

(4) a response to, and information concerning the status of implementation of, the recommendations contained in the reports entitled "Genetically Modified Pest Protected Plants", "Environmental Effects of Transgenic Plants", "Animal Biotechnology Identifying Science-Based Concerns", and "Biological Containment of Genetically Engineered Organisms (2004)", issued by the National Academy of Sciences;

(5) an assessment of the need for data relating to genetically engineered animals and genetically engineered foods;

(6) a projection of—

(A) the number of genetically engineered animals, genetically engineered foods, and genetic engineering techniques that will require regulatory review during the 5-year period following the date of the report; and

(B) the adequacy of the resources of the Food and Drug Administration; and

(7) an evaluation of the national capacity to test foods for the presence of genetically engineered ingredients in food.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act and the amendments made by this Act.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 382—AUTHORIZING THE TAKING OF A PHOTOGRAPH IN THE CHAMBER OF THE UNITED STATES SENATE

Mr. FRIST (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 382

Resolved, That paragraph 1 of rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol (prohibiting the taking of pictures in the Senate Chamber) be temporarily suspended for the sole and specific purpose of permitting an official photograph to be taken of Members of the United States Senate on June 22, 2004.

SEC. 2. The Sergeant at Arms of the Senate is authorized and directed to make the necessary arrangements therefore, which arrangements shall provide for a minimum of disruption to Senate proceedings.

SENATE CONCURRENT RESOLUTION 119—RECOGNIZING THAT PREVENTION OF SUICIDE IS A COMPELLING NATIONAL PRIORITY

Mr. CAMPBELL (for himself, Mr. DODD, Mr. SMITH, Mr. REID, Mr. DAYTON, and Mr. DEWINE) submitted the following concurrent resolution; which was referred to the Committee on Health, Education, Labor, and Pensions:

S. CON. RES. 119

Whereas suicide is one of the most disruptive and tragic events a family and a community can experience, and it occurs at a national rate of 30,000 suicides annually;

Whereas suicide is the fastest growing cause of death among youths and the second leading cause of death among college students;

Whereas suicide kills youths 6 to 9 times more often than homicide;

Whereas research shows that 95 percent of all suicides are preventable;

Whereas research shows that the prevention of suicide must be recognized as a national priority;

Whereas community awareness and education will encourage the development of strategies to prevent suicide;

Whereas during the 105th Congress, both the Senate and the House of Representatives unanimously agreed to resolutions recognizing suicide as a national problem and declaring suicide prevention programs to be a national priority (Senate Resolution 84, 105th Congress, agreed to May 6, 1997, and House of Representatives Resolution 212, 105th Congress, agreed to October 9, 1998);

Whereas the yellow ribbon is rapidly becoming recognized internationally as the symbol for the awareness and prevention of suicide, and it is recognized and used by suicide prevention groups, crisis centers, schools, churches, youth centers, hospitals, counselors, teachers, parents, and especially youth themselves; and

Whereas the week beginning September 19, 2004, should be recognized as Yellow Ribbon Suicide Awareness and Prevention Week: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) recognizes that the need to increase awareness about and prevent suicide is a compelling national priority;

(2) reaffirms the commitment of Congress to the priorities expressed by the 105th Congress, in Senate Resolution 84 and House Resolution 212, to continue to recognize suicide prevention as a national priority; and

(3) encourages Americans, communities, and the Nation to work to increase awareness about and prevent suicide.

Mr. CAMPBELL. Mr. President, today I am proud to be joined by 5 of my colleagues in submitting a resolution declaring the week of September 19, 2004, as Yellow Ribbon Suicide Awareness and Prevention Week dedicated to raising awareness about suicide and suicide prevention programs.

Suicide is a national tragedy that impacts the lives of millions of American families. According to the Centers for Disease Control and Prevention (CDC), suicide is the eleventh leading cause of all deaths in America, and the third such cause of death for young folks ages 10 to 24. And, unfortunately, Colorado has one of the highest suicide rates in the Nation.

Research shows that 95 percent of all suicides are preventable, and at the local, State, and Federal level, suicide prevention programs are becoming an important priority. On the Federal level, for example, the Department of Health and Human Services recently developed the National Strategy for Suicide Prevention.

One suicide prevention program, that has saved more than 2,500 lives is the Yellow Ribbon Suicide Prevention Program, founded in 1994 by Coloradans Dale and Dar Emme after their son, Mike, tragically took his own life. The program encourages youngsters, parents, and teachers to talk about suicide and emphasizes the use of a "link" card which young folks can carry with them and give to a friend, parent, or teacher if they are in need of assistance.

With local programs throughout the United States and programs in 47 countries, the Yellow Ribbon Suicide Prevention Program is used by crisis centers, schools, churches, and youth centers. And, the Yellow Ribbon Suicide Prevention Program has the endorsement of various State health departments and various State education departments and the American Osteopathic Association. And, the yellow ribbon has become the international symbol for suicide prevention and awareness.

I believe that community-based efforts and programs like the Yellow Ribbon Suicide Prevention Program, as well as attentive parents, teachers, and friends can make all the difference to someone who is desperate but does not know how to ask for help or where to turn.

Let's work together to make suicide prevention a national priority.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3453. Mr. WARNER proposed an amendment to amendment SA 3354 proposed by Mr. Reed to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

SA 3454. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill S. 2400, supra; which was ordered to lie on the table.

SA 3455. Mr. McCONNELL (for himself and Ms. Snowe) submitted an amendment intended to be proposed by him to the bill S. 2400, supra; which was ordered to lie on the table.

SA 3456. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill S. 2400, supra; which was ordered to lie on the table.

SA 3457. Mr. BURNS (for himself and Mr. Ensign) proposed an amendment to amendment SA 3235 proposed by Mr. Brownback to the bill S. 2400, supra.

TEXT OF AMENDMENTS

SA 3453. Mr. WARNER proposed an amendment to amendment SA 3354 proposed by Mr. Reed to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

In the matter proposed to be inserted, strike subsections (a) and (b) and insert the following:

(a) Testing Criteria.—Not later than February 1, 2005, the Secretary of Defense, in consultation with the Director of Operational Test and Evaluation, shall prescribe appropriate criteria for operationally realistic testing of fieldable prototypes developed under the ballistic missile defense spiral development program. The Secretary shall submit a copy of the prescribed criteria to the congressional defense committees.

(b) Use of Criteria.—(1) The Secretary of Defense shall ensure that, not later than October 1, 2005, a test of the ballistic missile defense system is conducted consistent with the criteria prescribed under subsection (a).

(2) The Secretary of Defense shall ensure that each block configuration of the ballistic missile defense system is tested consistent with the criteria prescribed under subsection (a).

(c) Relationship to Other Law.—Nothing in this section shall be construed to exempt any spiral development program of the Department of Defense, after completion of the spiral development, from the applicability of any provision of chapter 144 of title 10, United States Code, or section 139, 181, 2366, 2399, or 2400 of such title in accordance with the terms and conditions of such provision.

SA 3454. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; which was ordered to lie on the table; as follows:

On page 127, between the matter following line 5 and line 6, insert the following:

SEC. 621. RELATIONSHIP BETWEEN ELIGIBILITY TO RECEIVE SUPPLEMENTAL SUBSISTENCE ALLOWANCE AND ELIGIBILITY TO RECEIVE IMMINENT DANGER PAY, FAMILY SEPARATION ALLOWANCE, AND CERTAIN FEDERAL ASSISTANCE.

(a) Entitlement Not Affected by Receipt of Imminent Danger Pay and Family Separation Allowance.—Subsection (b)(2) of section 402a of title 37, United States Code, is amended by striking subparagraph (A) and inserting the following:

“(A) shall not take into consideration—

“(i) the amount of the supplemental subsistence allowance that is payable under this section;

“(ii) the amount of special pay (if any) that is payable under section 310 of this section, relating to duty subject to hostile fire or imminent danger; or

“(iii) the amount of family separation allowance (if any) that is payable under section 427 of this title; but”.

(b) Eligibility for Other Federal Assistance.—Section 402a of such title is amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

(2) by inserting after subsection (f) the following new subsection (g):

“(g) Eligibility for Other Federal Assistance.—(1)(A) A child or spouse of a member of the armed forces receiving the supplemental subsistence allowance under this section who, except for the receipt of such allowance, would otherwise be eligible to receive a benefit described in subparagraph (B) shall be considered to be eligible for that benefit.

“(B) The benefits referred to in subparagraph (A) are as follows:

“(i) Assistance provided under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

“(ii) Assistance provided under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

“(iii) A service under the Head Start Act (42 U.S.C. 9831 et seq.).

“(iv) Assistance under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.).

“(2) A household that includes a member of the armed forces receiving the supplemental subsistence allowance under this section and, except for the receipt of such allowance, would otherwise be eligible to receive a benefit under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) shall be considered to be eligible for that benefit.”.

(c) Requirement for Report.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the committees of Congress named in paragraph (2) a report on the accessibility of social services to members of the Armed Forces and their families. The report shall include the following matters:

(A) The social services for which members of the Armed Forces and their families are eligible under social services programs generally available to citizens and other nationals of the United States.

(B) The extent to which members of the Armed Forces and their families utilize the social services for which they are eligible under the programs identified under subparagraph (A).

(C) The efforts made by each of the military departments—

(i) to ensure that members of the Armed Forces and their families are aware of the social services for which they are eligible under the programs identified under subparagraph (A); and

(ii) to assist members and their families in applying for and obtaining such social services.

(2) The committees of Congress referred to in paragraph (1) are as follows:

(A) The Committee on Armed Services and the Committee on Health, Education, Labor, and Pensions of the Senate.

(B) The Committee on Armed Services of the House of Representatives.

(d) Effective Date.—(1) Except as provided in paragraph (2), this section and the amendments made by this section shall take effect on October 1, 2004.

(2) Subsection (c) shall take effect on the date of the enactment of this Act.

SA 3455. Mr. McCONNELL (for himself and Ms. Snowe) submitted an amendment intended to be proposed by him to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; which was ordered to lie on the table; as follows:

On page 164, after line 18, insert the following:

SEC. 816. SENSE OF THE SENATE ON EFFECTS OF COST INFLATION ON THE VALUE RANGE OF THE CONTRACTS TO WHICH A SMALL BUSINESS CONTRACT RESERVATION APPLIES.

(a) Sense of the Senate.—It is the sense of the Senate that—

(1) in the administration of the requirement for reservation of contracts for small businesses under subsection (j) of section 15 of the Small Business Act (15 U.S.C. 644), the maximum amount in the contract value range provided under that subsection should be treated as being adjusted to the same amount to which the simplified acquisition threshold is increased whenever such threshold is increased under law; and

(2) the Administrator of the Small Business Administration, in consultation with the Federal Acquisition Regulatory Council, should ensure that appropriate governmentwide policies and procedures are in place—

(A) to monitor socioeconomic data concerning purchases made by means of purchase cards or credit cards issued for use in transactions on behalf of the Federal Government; and

(B) to encourage the placement of a fair portion of such purchases with small businesses consistent with governmentwide goals for small business prime contracting established under section 15(g) of the Small Business Act (15 U.S.C. 644(g)).

(b) Simplified Acquisition Threshold Defined.—In this section, the term “simplified acquisition threshold” has the meaning given such term in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)).

SA 3456. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; which was ordered to lie on the table; as follows:

On page 158, between lines 6 and 7, insert the following:

SEC. 805. REVISION AND EXTENSION OF AUTHORITY FOR ADVISORY PANEL ON REVIEW OF GOVERNMENT PROCUREMENT LAWS AND REGULATIONS.

(a) RELATIONSHIP OF RECOMMENDATIONS TO SMALL BUSINESSES.—Section 1423 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 106–136; 117 Stat. 1669; 41 U.S.C. 405 note) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection (d):

"(d) ISSUES RELATING TO SMALL BUSINESSES.—In developing recommendations under subsection (c)(2), the panel shall—

"(1) consider the effects of its recommendations on small business concerns; and

"(2) include any recommended modifications of laws, regulations, and policies that the panel considers necessary to enhance and ensure competition in contracting that affords small business concerns meaningful opportunity to participate in Federal Government contracts.".

(b) REVISION AND EXTENSION OF REPORTING REQUIREMENT.—Section 1423(d) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1669; 41 U.S.C. 405 note) is amended—

(1) by striking "one year after the establishment of the panel" and inserting "one year after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2005";

(2) by striking "Services and" both places it appears and inserting "Services,";

(3) by inserting ", and Small Business" after "Government Reform"; and

(4) by inserting ", and Small Business and Entrepreneurship" after "Governmental Affairs".

SA 3457. Mr. BURNS (for himself and Mr. ENSIGN) proposed an amendment to amendment SA 3235 proposed by Mr. BROWNBACK to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

At the end of the amendment, add the following:

SEC. ADDITIONAL FACTORS IN INDECENCY PENALTIES; EXCEPTION.

Section 503(b)(2) of the Communications Act of 1934 (47 U.S.C. 503(b)(2)), as amended by section 102 of this Act, is further amended by adding at the end the following:

"(F) In the case of a violation in which the violator is determined by the Commission under paragraph (1) to have uttered obscene, indecent, or profane material, the Commission shall take into account, in addition to the matters described in subparagraph (E), the following factors with respect to the degree of culpability of the violator:

"(i) Whether the material uttered by the violator was live or recorded, scripted or unscripted.

"(ii) Whether the violator had a reasonable opportunity to review recorded or scripted programming or had a reasonable basis to believe live or unscripted programming would contain obscene, indecent, or profane material.

"(iii) If the violator originated live or unscripted programming, whether a time delay blocking mechanism was implemented for the programming.

"(iv) The size of the viewing or listening audience of the programming.

"(v) The size of the market.

"(vi) Whether the violation occurred during a children's television program (as such term is used in the Children's Television Programming Policy referenced in section 73.4050(c) of the Commission's regulations (47 C.F.R. 73.4050(c)) or during a television program rated TVY, TVY7, TVY7FV, or TVG under the TV Parental Guidelines as such ratings were approved by the Commission in implementation of section 551 of the Telecommunications Act of 1996, Video Programming Ratings, Report and Order, CS Docket No. 97–55, 13 F.C.C. Rcd. 8232 (1998)), and, with respect to a radio broadcast station licensee, permittee, or applicant, whether the target audience was primarily comprised of, or should reasonably have been expected to be primarily comprised of, children.

"(G) The Commission may double the amount of any forfeiture penalty (not to exceed $550,000 for the first violation, $750,000 for the second violation, and $1,000,000 for the third or any subsequent violation not to exceed up to $3,000,000 for all violations in a 24 hour time period notwithstanding section 503(b)(2)(C)) if the Commission determines additional factors are present which are aggravating in nature, including—

"(i) whether the material uttered by the violator was recorded or scripted;

"(ii) whether the violator had a reasonable opportunity to review recorded or scripted programming or had a reasonable basis to believe live or unscripted programming would contain obscene, indecent, or profane material;

"(iii) whether the violator failed to block live or unscripted programming;

"(iv) whether the size of the viewing or listening audience of the programming was substantially larger than usual, such as a national or international championship sporting event or awards program;

"(v) whether the obscene, indecent or profane language was within live programming not produced by the station licensee or permittee; and

"(vi) whether the violation occurred during a children's television program (as defined in subparagraph (F)(vi)).".

NOTICES OF HEARINGS/MEETINGS

SUBCOMMITTEE ON FORESTRY, CONSERVATION, AND RURAL REVITALIZATION

Mr. COCHRAN. Mr. President, I announce that the Subcommittee on Forestry, Conservation and Rural Revitalization of the Committee on Agriculture, Nutrition, and Forestry will conduct a hearing on June 24, 2004 in SD–562 at 9:30 a.m. The purpose of this hearing will be to Review the Implementation of the Healthy Forest Restoration Act.

SUBCOMMITTEE ON NATIONAL PARKS

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that the following hearing has been scheduled before the Subcommittee on National Parks of the Committee on Energy and Natural Resources.

The hearing will be held on Thursday, June 24, 2004 at 2:30 p.m. in Room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on S. 2543, to establish a program and criteria for National Heritage Areas in the United States, and for other purposes.

Because of the limited time available for the hearings, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SD–364 Dirksen Senate Office Building, Washington, DC 20510–6150.

For further information, please contact Tom Lillie at (202) 224–5161 or Sarah Creachbaum at (202) 224–6293.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. KYL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, June 17, 2004, at 10 a.m. to conduct a hearing on "An Overview of the Regulation of the Bond Markets."

Concurrent with the hearing, the Committee intends to vote on the nomination of the Honorable Alan Greenspan to be Chairman of the Board of Governors of the Federal Reserve System; on S. 894, "The Marine Corps 230th Anniversary Commemorative Coin Act"; and S. 976, "The Jamestown 400th Anniversary Commemorative Coin Act of 2003."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. KYL. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on June 17, 2004, at 9:30 a.m. on Enhancing Border Security.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. KYL. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, June 17, at 10 a.m. to receive testimony regarding the Environmental Management Program of the Department of Energy and Issues associated with accelerated cleanup.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. KYL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 17, 2004, at 9:30 a.m. to hold a hearing on Law Enforcement Treaties.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. KYL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 17, 2004, at 2 p.m. to hold a hearing on Nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. KYL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 17, 2004, at 3 p.m. to hold a hearing on Nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. KYL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, June 17, 2004, at 9:30 a.m. in Dirksen Senate Building Room 226.

Agenda

I. Nominations: Henry W. Saad, to be U.S. Circuit Judge for the Sixth Circuit; and Claude A. Allen to be U.S. Circuit Judge for the Fourth Circuit.

II. Legislation: S. 1735, Gang Prevention and Effective Deterrence Act of 2003 Hatch, Feinstein, Grassley, Graham, Chambliss, Cornyn, Schumer, Biden; S. 1635, L-1 Visa Intracompany Transferee. Reform Act of 2003 Chambliss; S. 2013, Satellite Home Viewer Extension Act of 2004 Hatch, Leahy, DeWine, Kohl; S.J. Res. 4, Proposing an amendment to the Constitution of the United States authorizing Congress to prohibit the physical desecration of the flag of the United States Act of 2003 Hatch, Feinstein, Craig, Sessions, DeWine, Grassley Graham, Cornyn, Specter, Chambliss; S. 1700, Advancing Justice through DNA Technology Act of 2003 Hatch, Biden, Specter, Leahy, DeWine, Feinstein, Kennedy, Schumer, Durbin and Kohl; S. Res. 322, A resolution designating August 16, 2004, as "National Airborne Day" of 2004 Hagel, Durbin, Graham, Hatch; S. Res. 370, A resolution designating September 7, 2004, as "National Attention Deficit Disorder Awareness Day" of 2004 Cantwell; and S. 2396, Federal Courts Improvement Act of 2004 Hatch, Leahy, Chambliss, Durbin, Schumer, Clinton

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. KYL. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs be authorized to meet on Thursday, June 17, 2004, at 9 a.m., for a hearing entitled "Buyer Beware: The Danger of Purchasing Pharmaceuticals Over the Internet."

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. KYL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on June 17, 2004, at 2:30 p.m. to hold a closed hearing on Intelligence Matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. KYL. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology and Space be authorized to meet on Thursday, June 17, 2004, at 2:30 p.m. on the Final Report on the President's Commission on Implementation of U.S. Space Exploration Policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER AND POWER

Mr. KYL. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, June 17, at 2:30 p.m.

The purpose of the hearing is to receive testimony on S. 2513, a bill to authorize the Secretary of the Interior to provide financial assistance to the Eastern New Mexico Rural Water Authority for the planning, design, and construction of the Eastern New Mexico rural water system, and for other purposes; S. 2511, a bill to direct the Secretary of the Interior to conduct a feasibility study of a Chimayo water supply system, to provide for the planning, design, and construction of a water supply, reclamation, and filtration facility for Espanola, NM, and for other purposes; S. 2508, a bill to redesignate the Ridges Basin Reservoir, CO, as Lake Nighthorse; S. 2460, a bill to provide assistance to the State of New Mexico for the development of comprehensive state water plans, and for other purposes; and S. 1211, a bill to further the purposes of Title XVI of the Reclamation Projects Authorization and Adjustment Act of 1992, the "Reclamation Wastewater and Groundwater Study and Facilities Act", by directing the Secretary of the Interior to undertake a demonstration program for water reclamation in the Tularosa Basin of New Mexico, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. HARKIN. I ask unanimous consent that Peter McElligott of my staff be granted floor privileges during today's debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLARD. Mr. President, I ask unanimous consent that Colin Woodall, a member of Senator CORNYN's staff, be granted the privilege of the floor during the course of the debate on the Defense authorization bill, S. 2400.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REED. Mr. President, I ask unanimous consent that Gabrielle Chapin and Dr. Harsh Trivedi, fellows in my office, be granted floor privileges during the debate on S. 2400.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that Steve Beasley, a fellow with the Finance Committee, be granted the privileges of the floor during consideration of the Defense bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. I ask unanimous consent that Brian Goodwin of my staff be granted floor privileges for the remainder of debate on this important issue.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. CLINTON. Mr. President, I ask unanimous consent that Paul Paolozzi, a fellow in my office, be granted the privilege of the floor for the remainder of the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

AFRICAN GROWTH AND OPPORTUNITY ACT

Mr. FRIST. Mr. President, in a few moments, we will be closing for the evening after a very productive day, but before doing that, I wish to make a few comments on an issue that is very close to my heart, and it concerns the wonderful continent of Africa.

I have had the opportunity to work for periods of time in Africa as part of my former profession—medicine—and as part of medical mission work. Indeed, in the last year, I had the opportunity to travel to Africa, to the Sudan where I have really been able to capture what I love so much in delivering health care. I was in Kenya, Mozambique, Botswana, South Africa, and Namibia this past year. So, obviously, I am speaking about a continent that is close to me.

As I traveled through Africa, whether doing medical mission work or as a Senator on the part of official delegations, I have had the opportunity to observe the huge impact legislation that was passed in this Chamber now 4 years ago has had. It is called the African Growth and Opportunity Act, which is a critical trade measure that has benefited thousands and thousands of Africans and given them hope and an outlet for productive activity which paints a much brighter future. It is a trade measure that helps Africans, it helps the United States, and I believe strongly it helps all of humanity.

Congress passed the African Growth and Opportunity Act 4 years ago with strong bipartisan support in this body. It was signed into law by President Clinton. Since that time, it has created about 150,000 new jobs and maybe even more than that. President Museveni from Uganda was in my office 2 days ago, and he believes 150,000 is an underestimate; the real figure may be more like 250,000 or 300,000 jobs.

Investors, because of this act, have poured about $340 million in new private investment into Africa, and because of this investment in Africa, there have been new opportunities for U.S. businesses.

The African Growth and Opportunity Act—most people know it as AGOA—has given many countries in the continent—and not all have taken advantage of it, but many have—an opportunity to compete on a more level playing field with nations throughout the world, such as China.

The reason I come to the floor of the Senate tonight to take a few minutes is because these gains could be lost if this body does not act on what we call the AGOA Acceleration Act of 2004. This act has a lot of provisions. It has just been introduced in the Senate, but several provisions, if we do not act in this current bill, are set to expire in September of this year and, thus, that is why we need to act now, or act in the very near future. Hundreds of millions of dollars of investments in the continent of Africa are at stake, and hundreds of thousands of Africans, many of whom are living in the poorest parts of the world, could lose their jobs.

So I hope my colleagues—and I have had the opportunity to talk to a number of them over the course of today and yesterday—will work together collectively so we can move this very important bill forward. The bill has the strong support of this administration and the strong support of both sides of the aisle.

I spoke with the Democratic leader about the bill, and I know that he feels very strongly about it as well. It was approved by the House of Representatives last week by voice vote. I encourage my colleagues to both look at and support this important bill. It will make a huge difference in the lives of Africans. I hope we can address that bill in the near future.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nomination on today's Executive Calendar, Alan Greenspan, which was reported by the Banking Committee today. I further ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

FEDERAL RESERVE SYSTEM

Alan Greenspan, of New York, to be Chairman of the Board of Governors of the Federal Reserve System for a term of four years.

Mr. REID. Mr. President, today the Senate has confirmed the nomination of Alan Greenspan to continue for yet another term as chairman of the Federal Reserve Board. While I did not force the Senate to take a rollcall vote on the matter, I do want to make it clear for the record that had such a vote been taken, I would have opposed Mr. Greenspan's confirmation.

I hold Chairman Greenspan in high regard as a dedicated public servant; however, I am concerned that the economic objectives that Mr. Greenspan aims to advance all too often come at the expense of Americans who are too young, too old, or too poor to belong to the investor class. During earlier years of his tenure, I worried that his slow-growth, high-interest manipulation of monetary policy hurt American workers. This year, my concerns about his decisions as Chairman grew to alarm. I was stunned to read that Mr. Greenspan supported the President's tax cuts for the wealthiest people and corporations among us, while at the same time predicting that growing Federal budget deficits and the retirement of baby boomers would require cuts in Social Security and Medicare. It was particularly shocking given his enthusiastic support for deficit reduction during the Clinton administration.

Our economy is becoming deeply and disturbingly stratefied, and it is eating away at our country. Our fiscal policy and the monetary policy that Chairman Greenspan has steered have created a gulf separating the haves and have-nots in America, a gulf so wide that it seems like even a lifetime of dedicated and hard work can no longer guarantee Americans a ticket into the middle class. I worry that if we do not try to correct our economic policy and return it to a fairer and more just course, we will not be holding true to our promise of affording opportunity to everyone.

I am pleased to see that at last the economy is beginning to show signs of growth and job creation. However, it is essential that we pay attention to whether that prosperity is shared by more than just a small handful of people occupying the top rungs of our economic ladder. We need to make sure that our economic prosperity doesn't come at the expense of elderly people depending on Social Security or young people trying to get a start in the job market. I believe that we need someone at the helm of the Federal Reserve who gives these matters the regard that they deserve.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

AUTHORIZING TAKING OF A PHOTOGRAPH

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. Res. 382, submitted by Senators FRIST and DASCHLE earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 382) authorizing the taking of a photograph in the Chamber of the United States Senate.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. I ask unanimous consent that the resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 382) was agreed to, as follows:

S. RES. 382

Resolved, That paragraph 1 of rule IV of the Rules for the Regulation of the Senate Wing of the United States Capitol (prohibiting the taking of pictures in the Senate Chamber) be temporarily suspended for the sole and specific purpose of permitting an official photograph to be taken of Members of the United States Senate on June 22, 2004.

SEC. 2. The Sergeant at Arms of the Senate is authorized and directed to make the necessary arrangements therefore, which arrangements shall provide for a minimum of disruption to Senate proceedings.

ORDERS FOR FRIDAY, JUNE 18, 2004

Mr. FRIST. I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. on Friday, June 18. I further ask that following the prayer and the pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of Calendar No. 503, S. 2400, the Department of Defense authorization bill. I further ask consent that the cloture vote be vitiated. I further ask consent that the Brownback recognition request be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, tomorrow the Senate will resume consideration of the Defense authorization bill. As I mentioned earlier, we intend to complete action on this bill early next week. The chairman and ranking member of the Armed Services Committee have done a superb job in moving this bill forward, and as I commented a couple of hours ago on the floor, we made real progress over the last 48 hours. We will maintain that momentum and that effort over the course of tomorrow's session.

As I stated, I vitiated the scheduled cloture vote in anticipation of further cooperation and with the view of finishing the bill on Tuesday. I also stated earlier that we would not have rollcall votes tomorrow, although a number of Senators have expressed an interest in offering their amendments, and a number have said they still want to offer an amendment. If that is the case, I ask that they contact the managers so that we can proceed in that fashion tomorrow.

The next votes will occur Monday at approximately 5:30, and there will likely be a number of votes after 5:30 on Monday night, given that we will be voting on some of the amendments considered tomorrow as well as Monday during the day.

Finally, as a reminder, the resolution we just adopted moments ago provides for the official photograph of the Senate to occur on Tuesday, June 22. Members are asked to be at their desk at 2:15 sharp that day for this photograph.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. FRIST. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 9:24 p.m., adjourned until Friday, June 18, 2004, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 17, 2004:

DEPARTMENT OF COMMERCE

ALBERT A. FRINK, JR., OF CALIFORNIA, TO BE AN ASSISTANT SECRETARY OF COMMERCE, VICE LINDA MYSLIWY CONLIN, RESIGNED.

DEPARTMENT OF STATE

JOHN RIPIN MILLER, OF WASHINGTON, TO BE DIRECTOR OF THE OFFICE TO MONITOR AND COMBAT TRAFFICKING, WITH THE RANK OF AMBASSADOR AT LARGE. (NEW POSITION)

DEPARTMENT OF VETERANS AFFAIRS

ROBERT ALLEN PITTMAN, OF FLORIDA, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (HUMAN RESOURCES AND ADMINISTRATION), VICE JACOB LOZADA, RESIGNED.

IN THE ARMY

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be colonel

NANCY H. FIELDING, 6900
TAMMY L. MIRACLE, 4858

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be colonel

BRIAN R. COPES, 8224
JUDITH M. ELLER, 7230
JEFFREY G. PHILLIPS, 3129
DENNIS P. SIMONS, 5667

CONFIRMATIONS

Executive Nominations Confirmed by the Senate June 17, 2004:

FEDERAL RESERVE SYSTEM

ALAN GREENSPAN, OF NEW YORK, TO BE CHAIRMAN OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR A TERM OF FOUR YEARS.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

JAMES L. ROBART, OF WASHINGTON, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF WASHINGTON.

ROGER T. BENITEZ, OF CALIFORNIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF CALIFORNIA.

JANE J. BOYLE, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF TEXAS.

HOUSE OF REPRESENTATIVES—*Thursday, June 17, 2004*

The House met at 10 a.m.

The Reverend Greg Surratt, Pastor, Seacoast Christian Community Church, Mount Pleasant, South Carolina, offered the following prayer:

Father, thank You for the privilege of being an American and of living in a country that values liberty and justice for all people. We pause to remember those who, in a very real way, are defending those rights for ourselves and for others. Protect our soldiers in Iraq today, and in Afghanistan and other parts of the world. We pray for peace with our enemies and understanding from our allies.

Thank You for the gifts You have given us; the ability to lead, to choose, to decide, and to govern. Help us to use them wisely in the administration of our government today. May we debate with civility and decide with certainty the issues that lie before us. We ask for Your wisdom in areas that we lack it.

Most importantly, may our focus today be upon Your priorities for us: That we do justly, that we love mercy, and that we walk humbly before You. It is in Your name that we gather. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. TERRY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. TERRY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from New Jersey (Mr. PASCRELL) come forward and lead the House in the Pledge of Allegiance.

Mr. PASCRELL led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOMING THE REVEREND GREG SURRATT

(Mr. BROWN of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of South Carolina. Mr. Speaker, it is with great pleasure that I welcome Pastor Greg Surratt of the Seacoast Church of Mount Pleasant, South Carolina, to Washington, D.C.

Pastor Surratt is the founder and senior pastor of Seacoast Christian Community Church, which began in February 1988 with approximately 65 members meeting in an apartment. Seacoast Church has blossomed into nine campuses and over 7,000 attendees around the State of South Carolina and Savannah, Georgia.

Pastor Surratt and his wife, Debbie, dreamed of building a church that would speak the language of the modern culture and encourage nonbelievers to investigate Christianity at their own pace, free from traditional trappings of religion that tends to turn them away. That dream is now a reality. At Seacoast, you can be sure to find a special place just for you. Whether you are a child, student, married or single, Seacoast is a program with your needs in mind.

Mr. Speaker, I commend Greg on the fine job he is doing for so many people at Seacoast Church, and thank him on behalf of the people of the First Congressional District of South Carolina for coming to Washington and sharing his time and prayers with us. I ask him to please continue to keep this body in his prayers daily. May God bless him and the entire Seacoast family.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GILCHREST). The Chair will entertain 10 one-minute speeches on each side.

REPUBLICANS SOLVE $4 BILLION PROBLEM WITH $150 BILLION EXPENDITURE

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEFAZIO. Mr. Speaker, well, it promises to be yet another hot muggy day in Washington, D.C., so the Republican leadership are rushing to drag out a bloated tax give-away bill and rush it through before it begins to stink too badly in the heat and the light of day. It is rumored to be 4,400 pages long, but there are no printed copies available to Members of Congress, the general public, only lobbyists who wrote the bill.

It is a $4 billion problem, and it will be solved with a $150 billion burden on the American taxpayer. Only in Washington, D.C. It has to do with U.S. corporations' taxes overseas, but this bill addresses Eskimo whalers, fishing tackle manufacturers, $9 billion for tobacco growers, and it is going to privatize tax collections in the United States, giving our most private information to the private sector bill collectors. Only in America do we solve a $4 billion problem with a $150 billion expenditure; only in a Republican America.

FATHER'S DAY

(Mr. BURGESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURGESS. Mr. Speaker, we have all heard the story about the visiting room in prisons that are packed on Mother's Day but empty on Father's Day.

This simple story illustrates the oftentimes unrecognized power of fatherhood as a force for the good in the lives of our children. In fact, almost three-fourths of means-tested welfare aid goes to children in homes without fathers. Children without fathers are more likely to become involved in crimes, fail in school, abuse drugs, and end up on welfare as adults.

Children raised in household structures without fathers are subject to significantly increased risks of harm. Social science overwhelmingly demonstrates that children do far better when they are raised by two married parents in a stable family relationship.

So this weekend we honor our Nation's fathers, and we should do so with the understanding of the enormous, yet sometimes silent and almost unrecognized impact that our fathers make on society at large.

As a society, we should recognize that we undervalue fathers at our peril. We should honor our fathers. I know I honor mine. Thank you, dad.

CONGRESS OWES THE AMERICAN PEOPLE BETTER

(Mr. EMANUEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EMANUEL. Mr. Speaker, later today the House will vote to solve a $4 billion tax problem with a $150 billion solution. My Republican colleagues actually wonder why they lost the South Dakota and Kentucky special elections.

This legislation and the energy bills we just passed have two things in common: They are filled with tax breaks and giveaways to the biggest special interests and donors in this town. While corporate tax rates are at their lowest level in decades, and as our workers are experiencing the slowest wage growth since World War II, this bill is a special interest gift that keeps on giving.

Here are some of the handouts: $14 billion to the energy, big oil companies; $10 billion for a Federal buyout of tobacco; $519 million for small aircraft companies; $92 million for suspension of duties on ceiling fans; $169 million for makers of Puerto Rican rum.

Mr. Speaker, think about this, $10 billion for a tobacco buyout, and we cannot finish a highway and mass transit bill that puts millions of Americans to work. Maybe what we should do is pave the roads with tobacco around here. All the while, Americans are suffering with rising health care costs and college tuition that has increased by a third. We owe the American people better than what we are going to do today.

TIME MAGAZINE'S MISTAKE

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, in a review of the book "Prelude to War" Time Magazine saw fit to detail, as the book does, the location of the secret bunker used by Vice President CHENEY in the aftermath of 9/11. Both the book's author and Time Magazine were wrong to reveal the location of this site. This is not tabloid material, a photographer catching a celebrity on vacation.

Vice President CHENEY did not go to this site to relax, he went there in case our President was attacked and killed by terrorists. He went there to be ready to take control when our Nation was under attack.

Identifying this site is unacceptable and wrong. By detailing the complex and its location, the book and the magazine have combined to compromise a part of our national security. They compromised the ability to protect the man who is first in line for the Presidency. That was wrong.

HAMILTON IMAGE SHOULD REMAIN ON $10 BILL

(Mr. PASCRELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PASCRELL. Mr. Speaker, I rise to affirm my support for the image of Alexander Hamilton to remain on the face of the $10 bill. Paterson, New Jersey, a city characterized by its Great Falls, is a great city that was transformed by Hamilton to serve as one of America's first industrial centers. I have lived there all my life. I still live there.

I would like to share some of the knowledge that I have obtained about Alexander Hamilton. He arrived in America as a poor immigrant from the Caribbean island of Nevis. He attended school in New York and became involved in the American Revolution, was a great general in the battles of Trenton, Princeton, and Monmouth, and indeed at the battle of Yorktown, which was the turning point of the Revolutionary War. For those who read history, George Washington turned to him. He was his trusted aide.

Hamilton wrote 51 of the Federalist Papers. In 1789, Hamilton served in George Washington's administration, and was the first Secretary of the Treasury. His innovative mind afforded him the opportunity to use his new position to provide Americans with financial machinery, including banks.

Ronald Reagan, our dearly beloved former President, was correct when he called Alexander Hamilton "a man of enormous intellectual capacity and courage."

Mr. Speaker, I challenge those proponents who want to change the image on the $10 bill not to a duel, but for a little sanity here on the floor of the House.

☐ 1015

ECONOMY ON THE UPSWING

(Mr. BONNER asked and was given permission to address the House for 1 minute.)

Mr. BONNER. Mr. Speaker, there is a little secret that our friends on the other side of the aisle do not want the American people to know, and that is that the dark clouds that have been hanging over our country and over our economy are beginning to blow out and a blue sky is on the horizon, 1.4 million new jobs just in the last 9 months. Homeownership, the American dream that we all learned about, is at the highest level under this President in the history of our country.

There is another little secret they do not want the American people to know, and that is that millions of Americans are taking advantage of a new prescription drug provision to Medicare by calling the 1-800 Medicare hotline and learning how they can save up to 25 percent at the register in savings on their prescription drugs.

The little old secret they do not want the American people to know is that if the American people understand this, the only dark clouds will be on their vote totals on November 2.

FSC/ETI BILL

(Mr. BLUMENAUER asked and was given permission to address the House for 1 minute.)

Mr. BLUMENAUER. Mr. Speaker, I find some small amount of irony with my friend on the other side of the aisle talking about secrets that somehow we do not want the American people to know. The American people can judge for themselves about the extent of this economic recovery who wins and who loses; and the prescription drug benefit, the seniors of this country have seen through the sham that it is.

But for them to talk about secrets, I find particularly ironic, because Members of the minority party have to come to the floor today in the 1-minutes to talk about the important FSC bill, because that is a secret; and we are voting on it in a few minutes. There is not a printed copy that is available. Only the lobbyists are aware. There will not be adequate time for debate, a meaningful debate, in 30 minutes. They will not allow amendments. They will not even allow the bipartisan alternative to be voted on on the floor.

I find a great deal of irony about their concern for secrecy. I think they ought to start by opening up the legislative process so at least their own Members have a chance to participate with people on the other side of the aisle.

NATURAL GAS SUPPLY

(Mr. TERRY asked and was given permission to address the House for 1 minute.)

Mr. TERRY. Mr. Speaker, I commend the House for dedicating much of this week to energy, and I want to spend time today on the natural gas crisis. Clean-burning natural gas heats our homes, cooks our meals, and is used to produce almost everything we use, from food to fertilizer, to cars and clothes; but soaring natural gas prices have a devastating ripple effect on our economy. Families are paying hundreds of dollars more annually for their natural gas.

The U.S. chemical industry has cut at least 90,000 jobs in the past 4 years. Manufacturers have moved overseas where gas prices are much lower. Farmers have seen the cost of fertilizer double in 4 years as fertilizer imports have increased by 43 percent.

The Energy Policy Act, which the House passed again this week, would dramatically boost domestic natural gas supplies and lower prices. By adopting this balanced plan, we would save Americans approximately $1 trillion in natural gas costs over the next 20 years, $1 trillion saved along with hundreds of thousands of jobs.

AN ENERGY BILL ENRON WOULD LOVE

(Mr. HONDA asked and was given permission to address the House for 1 minute.)

Mr. HONDA. Mr. Speaker, one feature industry loves about the energy bill this body passed again Tuesday is a provision that would repeal the Public Utility Holding Company Act, which helps States regulate large multi-state electricity companies.

Some people say that we do not need PUHCA anymore, that its time has passed.

But exemptions from PUHCA are what enabled the actions we heard from Enron and other energy traders in recently released tapes. Here is how they described what they were doing when allowed to operate without PUHCA.

"So the rumor's true?" one trader asked another. "They're [expletive] taking all the money back from you guys? All the money you guys stole from those poor grandmothers in California?"

The Enron trader responded, "Yeah, Grandma Millie, man. But she's the one who couldn't figure out how to [expletive] vote on the butterfly ballot."

The first trader responded, "Yeah, now she wants her [expletive] money back for all the power you've charged right up, jammed [expletive] for [expletive] $250 a megawatt hour," the first trader says.

One of the traders, referring to efforts to stop the gouging, said, "It's just crap. It's completely crap. It just goes against everything our country's about."

Well, I do not know about you, but in my mind, stealing from your customers goes against everything our country is about; and this is outrageous. The American people deserve better. In fact, they deserve an apology.

PISTONS WIN IT ALL

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute.)

Mr. SMITH of Michigan. Chauncy Billups, Tayshaun Prince, Big Ben Wallace, Richard "Rip" Hamilton, Rasheed Wallace, Corliss Williamson, Mehmet Okur, Lindsey Hunter, Elden Campbell, Darvin Ham, Mike James, Darko Milicic.

Mr. Speaker, these are the names of the Pistons. I would like to congratulate the Detroit Pistons for bringing the NBA championship back to the east, back to Motown, and back to the State of Michigan.

It seemed like no one believed in the Pistons, no one gave them a chance against the Laker team that had been really tailor-made to win the title.

Well, true fans believed, and our beloved team did not disappoint. The Pistons played hard every minute. They found every loose ball, controlled the offensive boards, and kept beating the Lakers down the floor. They never stopped coming and never stopped going for it. The Pistons had a whole team of role models. They had chemistry, coaching, spirit, determination, you name it. Detroit's defense was more dominant than any single player, and they are worthy of champions. They played as a team and won as a team and set a good example for all of us. Years from now, true Piston fans are going to remember this magical journey.

ENERGY

(Ms. BERKLEY asked and was given permission to address the House for 1 minute.)

Ms. BERKLEY. Mr. Speaker, this week the House has voted on energy bills that do absolutely nothing to help Nevada families with the cost of power or skyrocketing gas prices. These bills only help this administration's special interest friends. The Republican energy bill is riddled with billions of dollars of taxpayer giveaways to nuclear, oil, and gas industries. I am appalled that we would spend one more cent on nuclear energy when there is no way to safely store radioactive waste at Yucca Mountain, Nevada. This administration continues to dump money into the Yucca Mountain project despite the fact that it is unsafe and a ridiculous proposal.

I am outraged that not one of these bills puts an end to fraud and abuse perpetrated by companies like Enron. Enron's deliberate and malicious manipulation of the market stole over $1 billion from Nevadans and other Western ratepayers.

I am disgusted that we are doing nothing to reduce gas prices at a time when oil companies are reaping record profits. The FTC must investigate this industry and its practices.

Now is the time to create an energy plan that weans this country from its reliance on foreign oil and to harness renewable energy sources.

CALLING FOR SUPPORT OF JOBS CREATION BILL

(Mr. PENCE asked and was given permission to address the House for 1 minute.)

Mr. PENCE. Mr. Speaker, Indiana has lost more manufacturing jobs than any State in the Union. So today I rise to enthusiastically support congressional action on the American Jobs Creation Act. Thanks to impending sanctions by the WTO, Congress will today cut the corporate tax rate from 35 to 33 percent, provide $4 billion in relief for AMT, also known as the antimanufacturing tax, and reform the Tax Code to reduce double taxation on U.S. manufacturers that export and do business overseas like so many Indiana companies do.

1.4 million new jobs since last fall is a good start, but let us rev up the engine of the American economy, especially American manufacturers, and create good-paying American jobs by passing today the American Jobs Creation Act.

9/11

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, before I begin, let me first of all acknowledge the crisis in Sudan and demand that the Sudanese Government immediately respond to the killing in Darfur and as well the United Nations be allowed to provide humanitarian aid immediately. It is a crisis that we need to address, not yesterday, not today or tomorrow but we should have been addressing weeks and months ago.

But I speak this morning about the reflection of the existence of a 9/11 commission and to say to America and this Congress, what would we have done without knowing the truth? The headlines today suggest no Iraq-al Qaeda 9/11 link found at all, Mr. Speaker. It also says the plan was a 10-plane plan; but the most striking knowledge for all those relatives to hear was that the FAA did not, did not, did not contact the military or NORAD, was confused and did not contact in sufficient time for any intervention to occur.

It is imperative that this Congress, not next year, not in November, not in January, investigate now, holding hearings before Judiciary, Homeland Security, Armed Services, and International Relations. It is imperative that we know the truth and that we respond to the truth and that we act on the truth.

GOOD ECONOMIC NEWS

(Mr. SHUSTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHUSTER. Mr. Speaker, I rise to salute our steadily growing economy. Sometimes it is hard to remember how the intellectual fortunes of free enterprise have fallen under high taxes and government intrusion. Now that the Bush tax cuts have started to kick in and boost the economy, we see again that job growth has remained strong and in May we gained jobs. The American people are recognizing the positive leadership of George W. Bush and the Republican Congress.

Let us look at the facts: job seekers in America are getting good news and, most importantly, jobs. There were 248,000 jobs created in May. That means more than 900,000 jobs created over the last 3 months alone. Today the unemployment rate is down to 5.6 percent, lower than the average unemployment rate of the last 3 decades. America's families are seeing the change in their kitchen-table finances. Homeownership has risen to the highest level ever and real disposable income is up to an annual average rate of 3.9 percent. Finally, our business owners are benefiting. Real business investment in equipment and software is up to an annual rate of 14 percent.

This is an economics package that puts people first. The President and the Republicans in Congress will continue to knock down the barriers of high taxes and government red tape. By removing those barriers, we see the true entrepreneurial spirit of the American people and with that spirit so grows our economy.

COMPLAINT FILED WITH ETHICS COMMITTEE

(Ms. SCHAKOWSKY asked and was given permission to address the House for 1 minute.)

Ms. SCHAKOWSKY. Mr. Speaker, when we as Members of Congress choose to look the other way at wrongdoing, when the agreed-upon standards of ethics of this body are seriously violated and no one makes a peep, the credibility of this institution is seriously damaged.

One of my colleagues has filed a complaint with the Committee on Standards of Official Conduct, the Ethics Committee. He has raised serious questions about Majority Leader TOM DELAY's conduct, questions related to bribery, extortion, fraud, money laundering, and abuse of power. Some Republicans have tried to dismiss this complaint as mere partisan politics rather than respond to the substance of the charges. The gentleman from California (Mr. DOOLITTLE) threatened that as a result of this complaint from now on it is a matter of, quote, you kill my dog, I'll kill your cat.

This House has a duty to investigate wrongdoing, and we should do it immediately and seriously; and we should do it without killing dogs or cats.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GILCHREST). Neither the content of an ethics complaint nor the fact of its filing may be debated on the floor until such time as it may become the question pending before the House.

A GREAT DAY FOR TENNESSEANS

(Mrs. BLACKBURN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BLACKBURN. Mr. Speaker, this is a great day for the people of Tennessee. It is also a great day for the people of Texas and Washington State and Florida, Wyoming, Nevada, and South Dakota because today we are going to pass the American Jobs Creation Act in this House. In that bill, there is a provision that restores the deductibility of sales tax to our Federal income tax filing. For those of us in States that do not have a State income tax, deducting that sales tax is important. For our 5 million Tennesseans, this is a great day.

Mr. Speaker, I started my fight for tax fairness when I was a member of the Tennessee State Senate, and I have continued that upon coming here to Congress. I want to thank Congressman KEVIN BRADY, Majority Leader TOM DELAY, and Chairman BILL THOMAS for their leadership and their outstanding work on this issue of tax fairness.

□ 1030

This is an enormous step forward. It is one that we have waited for since 1986. It is a great day for Tennesseans. I thank them for their leadership.

OIL COMPANY PROFITS

(Mr. MCDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCDERMOTT. Mr. Speaker, at the President's direction the Vice President presided over secret meetings with big oil, dirty coal, and a legion of industry lobbyists.

In secret they wrote an energy policy that has turned this country into a panhandler, begging for more oil. Motorists in downtown Seattle will pay an extra quarter of a billion dollars, that is billion, in just the next 90 days because of the increase in the price of a gallon of gasoline. The administration will blame it all on the war. The price of gasoline is over $2 a gallon and the price in Iraq is 5 cents a gallon.

Yes, Mr. President, it is war all right. It is war that the oil companies are waging against the American people with the knowledge and consent and assistance of the administration. Oil company profits are up over 300 percent for one company, 200 percent for another. We are waging a war all right. It is a war to get America out of the hands of pricing, special interests and back into the hands of the American people. We want our country back. November 2 is coming, Mr. Bush.

COMMENDING DELTA AIRLINES

(Mr. ISAKSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ISAKSON. Mr. Speaker, 75 years ago today in 1929 Delta Airlines flew its first six-passenger aircraft from Monroe, Louisiana to Dallas, Texas, inaugurating a great company and a great contributor to the United States of America.

Begun as a crop dusting company in the Mississippi Delta, Delta Airlines has grown to a worldwide company, employing 60,000 people, 30,000 of them in my home State of Georgia and our great City of Atlanta.

I am pleased to rise today and commend Delta Airlines on the celebration of its 75th anniversary and to commend them for the contribution they have made to the travel of the United States of America and its citizens and to business enterprise, travel, and tourism around the world.

SALUTING SONIA SCHREIBER WEITZ

(Mr. TIERNEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIERNEY. Mr. Speaker, today on June 17, 2004, the Holocaust Center of Boston North, Inc., located in Peabody, Massachusetts, and dedicated to the study of the Holocaust, Genocides, and Human Rights, will honor my constituent Sonia Schreiber Weitz with the Center's first Social Justice and Human Rights Award.

A Holocaust survivor who experienced the torture and degradation of five Nazi concentration camps and Hitler's Death March, Sonia Weitz has devoted her life to educating young people to the dangers of bystander behavior, the nature of hatred and power of one individual to create positive change. An accomplished author and poet, she is committed to fighting for human rights and sharing her experiences during the Holocaust with audiences of all ages.

Born in Krakow, Poland in 1928, young Sonia attended public schools with both Jewish and non-Jewish friends. Only occasional whispers of anti-Semitism marred her early childhood, but in September of 1939, when Sonia was 11 years old, Germans invaded Poland and changed her life forever. Many of her relatives were murdered, the Gestapo took her mother, and she and her remaining family members were sent to a labor camp where they remained for more than a year. Sonia and her sister, Blanca, were then sent to Auschwitz, while their father and Blanca's husband were sent to Mauthausen in Austria. As liberating forces approached and the Nazis sought to destroy evidence of the camps, the inmates were sent on a death march through the snow and ice to Bergen-Belsen, in Germany, where the two sisters experienced the worst conditions of their enslavement. Finally liberated, they lived in a camp for displaced persons for 3 years before immigrating to the United States, where Sonia lives today, in Peabody, Massachusetts.

In her book, "I Promised I Would Tell," Sonia Weitz shares memories of Nazi racism, dehumanization and mass murder. "Who better to write about light after darkness than me," she says. A co-founder of the Holocaust Center North, Ms. Weitz has coordinated clergy conferences, media seminars, human rights awareness days, interfaith teen projects, and Holocaust survivors' workshops since 1982. She has been an appointee of the United States Holocaust Memorial Council. She is the recipient of an honorary Doctor of Humane Letters degree from Salem State College, the ADL Interfaith Award, the Facing History Human Rights Award, and countless other honors.

Mr. Speaker, I am pleased to join my constituents throughout Boston's North Shore in honoring this extraordinary human being, Sonia Schreiber Weitz, and I ask that my remarks unanimously be allowed to conform with the written remarks submitted on this day.

PROVIDING FOR CONSIDERATION OF H.R. 681, AMERICAN JOBS CREATION ACT OF 2004

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 681 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 681

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 4520) to amend the Internal Revenue Code of 1986 to remove impediments in such Code and make our manufacturing, service, and high-technology businesses and workers more competitive and productive both at home and abroad. The bill shall be considered as read for amendment. The amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill, modified by the amendment printed in the report of the Committee on Rules accompanying this resolution, shall be considered as adopted. All points of order against the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; and (2) one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

Mr. REYNOLDS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 681 is a closed rule that provides for consideration of H.R. 4520, the American Jobs Creation Act of 2004. The rule provides one hour of debate in the House equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means.

The rule further provides that an amendment in the nature of a substitute recommended by the Committee on Ways and Means, as modified by the amendment printed in the Committee on Rules report accompanying the resolution, shall be considered as adopted.

The rule waives all points of order against the bill, as amended, and against its consideration.

Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, America's economy has taken its share of hits over the past several years. We had a triple shock of terrorist attacks, corporate scandals, and recession. But each time this economy was stricken, this administration and this Congress responded with action to move forward, to create jobs, and to spur economic growth.

In fact, in just his first few months in office, after inheriting a slowing economy, President Bush and this Congress enacted a series of tax cuts that resulted in the shortest and shallowist recession in this Nation's history. Our work towards recovery has continued throughout its time and today real GDP growth has grown at its fastest rate in 20 years. More than 1.4 million jobs have been created. The unemployment rate is below the average level in each of the past 3 decades. Productivity has grown to the fastest 3-year rate in 40 years. Home ownership is at an all-time high and we have the highest number of total payroll employees in our history.

In the particularly hard hit manufacturing sector we have seen the best 4-month period of job growth in 6 years and the manufacturing employment index was at its highest level since 1973. Even in my region of the country, which has traditionally lagged national recoveries, one prominent economic survey reported "signs of a long awaited rebound in hiring demand were evident across most regions and industries, suggesting that the economic growth may soon begin to shift into a new higher gear."

But our work is not done until every American looking for a job finds one, and that is why, Mr. Speaker, I am pleased to be here today on behalf of the American Jobs Creation Act by supporting this rule and underlying bill.

The most recent data shows that employment remained strong last month, evidenced by the creation of 248,000 new jobs and continuing three quarters of a strong economic growth. Now it is time to seize on this momentum and continue to take steps to grow our economy, generate jobs, boost domestic manufacturing, and protect small businesses and farmers.

As my colleagues well know, recent European sanctions on American exports are hurting our manufacturers and farmers to the tune of up to $4 billion a year. Tariffs currently stand at 8 percent and will increase a staggering 1 percent per month until FSC–ETI is repealed. These sanctions are increasing the price of U.S. goods sold outside the United States. They are reducing the exporting capability of multiple industries, and they are threatening the ability of our domestic country to create jobs here at home.

We have the power to stop them now, and without our action many small businesses and other employers face financial ruin while their employees face their own job losses. But by repealing FSC–ETI through the underlying bill, this Congress will put an end to these sanctions and help yet again to put Americans to work.

H.R. 4520 permanently reduces the corporate tax rates from 35 percent to 32 percent for domestic manufacturers, producers, farmers, and small corporations. This is yet another stimulant for job growth, encouraging production and manufacturing here at home, giving employers incentives to reinvest, expand and, most importantly, create new jobs in the United States.

Mr. Speaker, the underlying bill also addresses a fundamental hurdle in realizing even bigger job growth, the double taxation of U.S.-based manufacturers. Our global counterparts currently share a significant advantage over the United States simply due to the onerous U.S. Tax Code. In reducing this double taxation faced by U.S.-based companies, we will greatly enhance their competitiveness and ability to sell American-made goods in the global market, all the while making it easier for them to create more jobs here in the United States.

Last month the Institute for Supply Management's manufacturing index showed the twelfth straight reading above 50 percent and the seventh reading above 60 percent. Readings at this level indicate substantial expansions in manufacturing activity, which is more good news for manufacturing job creation.

Mr. Speaker, another important part of H.R. 4520 is its relief for millions of small businesses and farmers from the Alternative Minimum Tax. Over the years this tax has burdened more and more middle-income Americans, a clearly unintended consequence. With the passage of the underlying bill today, this House will deliver much needed relief for millions of American farmers and small businesses. This relief will help keep individuals from sending exorbitant amounts of their hard-earned money to Uncle Sam and use it instead to create new jobs and new opportunities.

Finally, H.R. 4520 makes it cheaper for existing businesses to increase their investment and for entrepreneurs to also expense their new ventures. The underlying bill includes provisions to promote investment in new equipment. Increased investment such as this provides significant stimulus to the economy and further aids in boosting job growth.

Shipments of core capital goods, which is the category most directly linked to business investment, has continued to rise recently, and we can build on that progress.

Mr. Speaker, the Committee on Ways and Means has worked tirelessly on behalf of the American people and I would like to commend the chairman and committee members for their steadfast support of sound tax policy and job creation.

We have the opportunity and responsibility to not only continue, but to accelerate the last 9 months of economic growth and job creation. We can do that today by passing the American Jobs Creation Act. I urge my colleagues to support the rule and the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Mr. McGOVERN. Mr. Speaker I yield myself 8 minutes.

Mr. Speaker, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me the customary 30 minutes.

Mr. Speaker, all of us recognize the need to quickly fix the FSC–ETI export tax issue. Thousands of U.S. exporters are needlessly paying 8 percent tariffs to European countries simply because the Republican-controlled Congress has failed to pass legislation to avoid these penalties. These tariffs will continue to climb 1 percentage point each month as long as the issue remains unresolved.

These retaliatory tariffs are especially hard hitting as the United States continues to experience difficult times in the manufacturing sector, which has lost nearly 3 million jobs under the Bush administration. In my congressional district in Massachusetts, jewelry, textiles, and small manufacturers have especially been hit hard by these sanctions.

Throughout the WTO process there has been bipartisan consensus that the U.S. should repeal the extraterritorial income exemption, the ETI and comply with the WTO decision. The disagreement has been over what to replace it with. Last year the gentleman from New York (Mr. RANGEL) and the gentleman from Illinois (Mr. CRANE) and the gentleman from Illinois (Mr. MANZULLO) and others introduced a bipartisan, revenue-neutral fix to this problem, H.R. 1769.

□ 1045

This bill currently has 172 bipartisan cosponsors. When our colleague, the gentleman from Indiana (Mr. HILL), filed a discharge petition in March to bring the bill immediately to the floor, 18 Members signed that petition.

The Crane-Rangel bill would take the $50 billion in tax incentives that American companies operating overseas receive under the current ETI and create new incentives for American companies to produce goods in the United States. It lowers the corporate income tax rate for U.S. companies and addresses the growing problem of U.S. companies moving their plants overseas.

Simply put, H.R. 1769 is a clean, paid-for bill that remedies the FSC/ETI problem without unduly burdening those companies that have benefited from this exemption in the past, and without unduly burdening our children and grandchildren by adding to our deficit.

So why did we not fix the problem months ago by passing the Crane-Rangel bill? Why are we not debating H.R. 1769 this morning? Why is the Republican leadership denying the gentleman from New York (Mr. RANGEL) the opportunity to offer his alternative on the floor today?

Because time after time the leadership of this House has demonstrated that it would rather offer a goody-bag of corporate tax giveaways to special interests than simply and quickly fixing the problem.

What is in this grab bag of a bill? The closer you look at it, the uglier it gets.

This bill is chock full of sweetheart deals, special fixes, and big giveaways to special interests. It looks like every lobbyist in town will be celebrating tonight. The list of provisions that favor particular companies or industries includes cruise-ship operators, whale hunters, Chinese ceiling fans, foreign gamblers, NASCAR track owners, timber companies, cattle ranchers, bourbon distillers, movies theater owners, small plane manufacturers, bow and arrow sets, fishing tackle boxes, and corporate jet owners.

This is no way to do tax policy.

The list of narrow special interest giveaways is very familiar because we have seen them all before, when a similar set of giveaways held up passage of the Armed Forces Tax Fairness Act for 18 months, until finally, finally, they were thrown out and this House decided to do the right thing and support our uniformed men and women and their families.

But like the evil poltergeists in the movie, they are back. And this time they have brought along some friends. What else is in this bill?

How about paying a private company to make a profit collecting debts owed to the IRS so that all our private tax information will now be given to private bounty hunters. How about tax provisions that give U.S. companies fresh incentives to locate operations anywhere other than in the United States by giving them even more tax shelters for their foreign income? At the very core of this bill are $35 billion in tax incentives for U.S. firms to invest overseas.

If you are a small manufacturer or farm cooperative that creates jobs and has production solely in the United States, too bad. You are simply out of luck in this bill.

Mr. Speaker, let us talk about the frosting on the cake. This bill as it is written will add at least another $34 billion to the deficit. In just 3 short years, the Bush administration and the Republican-controlled Congress have taken our Nation from record surpluses to the largest budget deficits in the history of the United States, in the history of the United States, Mr. Speaker. And now the leadership of this House wants to add at least $34 billion more to these deficits.

The legislation passed in the other body at least has the benefit of being revenue-neutral. And the Crane-Rangel bill is fully paid for.

Why is it that everyone seems to be able to pay for their corporate tax legislation except for the Republican House leadership? Why are they the only ones that want to pass the burden of debt on to future generations? And let us not forget that when all the phony accounting gimmicks such as slow phase-ins and phase-outs and sunsets provisions are factored in, the amount added to the deficit is more likely to be closer to $45 billion.

This bill may mean more jobs, Mr. Speaker, but they will not be U.S. jobs.

This bill rewards companies that move off shore, that shelter income from production abroad, and that outsource even more jobs now and forevermore.

Now, I seem to remember the Republicans saying over and over that our Tax Code is simply too complex, too confusing and too costly; but this bill, instead of simplifying and tightening the Tax Code and closing loopholes, creates over 400 pages of new and expensive special interest exceptions.

This bill makes our Tax Code more complex, not less; more unfair, not less. It does too little for those businesses that prefer to produce and hire in the United States. It hurts farmers, stiffs small businesses, and benefits large multinational companies first and foremost.

It increases the deficit and tacks on major unrelated initiatives. Instead of simply fixing the $5 billion FSC/ETI problem, it creates a $150 billion special interest giveaway.

Mr. Speaker, this Special Interests Christmas Tree Giveaway Act is quite simply a scandal. Now, in light of such largesse for special interests and large corporations, I was surprised when this morning the Republican majority in the Committee on Rules did not make in order an amendment proposed by the gentleman from California (Mr. LANTOS) and me. Our amendment would provide tax relief to every company and business that makes up the difference in income to an employee activated into the National Guard or Reserves and would have provided support to those same companies to train temporary employees to fill the jobs left vacant by active-duty employees.

At a time of national emergency, when members of the Reserves and National Guard are serving extended deployments in Iraq and Afghanistan, the Republican majority in the Committee on Rules decided that this modest tax relief proposal was not important or relevant enough to be considered during the debate on this bill.

This bill before us helps Halliburton and Bechtel, two corporations that are ripping off the American taxpayer through fraud and abuse of their defense contracts in Iraq; but the Republican leadership will not help the hundreds of small businesses suffering from long-term vacancies or the families whose loved ones have been activated for service in Iraq and Afghanistan.

Mr. Speaker, at the end of the debate on this rule, I will offer a motion to defeat the previous question. If the previous question is defeated, the gentleman from California (Mr. LANTOS) and I will offer our amendment to H.R. 4250 to help the Reservists and small business.

We have the chance to do the right thing today. I urge my colleagues to reject this rule and to oppose the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I spent a good deal of time doing the presentation, the fact that I think our economy is moving, that the American Jobs Creation Act of 2004 is going to create more jobs across America; and I just want to make sure that my view of that is again on the record.

Mr. Speaker, I yield 4 minutes to the gentleman from Washington (Mr. HASTINGS), a distinguished member of the Committee on Rules.

Mr. HASTINGS of Washington. Mr. Speaker, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me time to speak on this rule and about the underlying bill.

Mr. Speaker, I want to celebrate an enormously important change in the Federal income Tax Code that is a key part of the American Jobs Creation Act, a return to fairness for the residents of States that have no State income tax.

The Federal 1986 Tax Reform Act eliminated the State sales tax deduction from the Federal income Tax Code, but maintained the State income tax deduction from one's Federal income tax responsibilities. Washington is a non-income tax State. Americans who live, work, and raise their families in Washington, in my view, have been treated unfairly since 1986. And Washington State is not alone. Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, and Wyoming all do not have statewide income taxes. Clearly these States are a minority in this House and, indeed, in this Congress.

There are not just party majorities and minorities in Congress, there are similar divisions on policies and issues, and this is one of them. When it comes to trying to fix the Federal Tax Code's discrimination against non-income tax States, the congressional delegations from the affected States had and have been a distinct minority in this body.

Mr. Speaker, today my colleagues and I from the affected States will have the first opportunity to correct this longstanding injustice by voting to pass the American Jobs Creation Act. It has taken hard work on both sides of the aisle to get this change made. The Washington State delegation has worked on this issue for years. Republicans and Democrats have pitched in where they are able and tried to get this job done. But probably the best illustration of just how difficult a challenge it has been to correct this injustice is to look back on who served as the most powerful member of this body after the 1986 tax reform.

That tax reform became law in October of 1986. In January of 1987 the Democrat majority in the House at that time elected a Speaker of the House from the State of Texas. When this Texas Speaker's tenure ended, the Democratic majority elected a Speaker of the House from Washington State. For four Congresses, this House was run by a Speaker from one of the nine non-income tax States. Yet even with this powerful office, the States' tax codes and fairness did not get corrected by a vote in this House.

Mr. Speaker, this just demonstrates how long and hard a road these congressional delegations from these sales tax States have been traveling.

Today we can and will make a big change for the better for our States. This bill is a tremendous victory in my view. Comments have been made that the State sales tax portion of this bill is not perfect, and it does not return the Federal Tax Codes to its pre-1986 reform wording and that the State sales tax deduction will eventually sunset. I will only say after working so long, after struggling such long odds for nearly 20 years when our States have had no deduction, I say let us grab the victory; seize the one bird in our hand as tight as we can, especially when we have not seen two birds in a bush for nearly 2 decades.

This bill will provide billions of dollars of relief to tax payers in Washington and the other States in this tax year and for the next year. Let us get this enacted into law. It will be working to include a change in the future that will make this permanent, obviously.

Mr. Speaker, I urge all of my colleagues to support this rule and especially urge all of my colleagues from non-income tax States to support the American Jobs Creation Act.

Mr. McGOVERN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just want to clarify to the gentleman from Washington (Mr. HASTINGS) that the sales tax deduction provision phases out in 2 years. It is not permanent. And this morning the gentleman from Washington (Mr. HASTINGS) and other Republicans voted against making it permanent.

Mr. Speaker, I yield 5½ minutes to the gentleman from New York (Mr. RANGEL), the ranking Democrat on the Committee on Ways and Means.

Mr. RANGEL. Mr. Speaker, I do not really know what the Republicans are so frightened of in this bill that they allegedly are so proud of that they continuously deny the Democrats an opportunity to say, But we got a better idea.

The Republican majority has been successful in winning the votes in order to get legislation passed. I do not think they have been successful in allowing the American people to believe that they have been fair, that they have been fair to the minority, or that they have been fair to the working people, or that they have been fair to the manufacturers that work hard every day to try to create jobs. I do not think that they think that they have been fair in terms of having some sense of patriotism or some sense of pride in saying, Made in the USA.

Yes, they say this legislation creates jobs, but not jobs for Americans. Jobs for people overseas. Why would they not let the Crane-Rangel bill come out in substitute? It has been rumored because we did not have a substitute, but I am so glad to see that my friend who is the chairman of the Committee on Rules is on the floor, who is always fighting hard to do the right thing, but somehow he is overwhelmed by evil forces that deny him the opportunity to do it.

Early last night, the gentleman came to me on this floor to say he wanted to help me to have a substitute. And while we were working with the leadership to have this substitute, he came with heavy heart to share with me that we would not have a substitute.

Why, I ask, are Republicans so afraid to allow Democrats to get a chance to vote up or down on an alternative to the lousy bill that they brought to the floor.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I thank my friend for yielding. Let me respond by saying that the gentleman is absolutely correct, that one of the things that we try to do is we try to ensure that the minority, Democrats in this instance, have an opportunity to have their proposals considered.

In 1994 we changed the rules to ensure that an opportunity for a recommital motion would be guaranteed. We also try to add, when we can, an opportunity for a substitute to be offered.

Now, yesterday, as the gentleman is correct, when I approached him, I said, we want to work and see if we can put together a substitute proposal. And I know from the discussions that I had that there was a lot of disagreement on the minority side about exactly what kind of shape it would take.

The proposal that was submitted by my friend was in fact not a substitute. It was simply an amendment. And so we made very clear that a substitute would be what we would consider. Yes, late last night I said I was concerned and was not sure.

□ 1100

I said I was not sure that the Committee on Rules——

Mr. RANGEL. The last thing you said to me was that we would not get a substitute.

Mr. DREIER. No, I did not say that. I did not say that.

Mr. RANGEL. Well, we did not get it; that is the bottom line.

Mr. DREIER. Mr. Speaker, if the gentleman would further yield, what I said was——

Mr. RANGEL. I take back the balance of my time.

The SPEAKER pro tempore (Mr. LaTOURETTE). Both gentlemen will suspend.

Mr. DREIER. I thank my friend for yielding.

The SPEAKER pro tempore. The distinguished Committee on Rules Chairman will suspend. The time is controlled by the gentleman from New York, and if the gentleman from New York chooses to yield to the gentleman from California he may do so.

Mr. RANGEL. Mr. Speaker, we do not have a substitute, and that is the bottom line. I would think that we should not have to beg and scrape and ask them to give us a chance.

Are we asking for a chance to win? No. Do we believe that we have enough sugar and incentives that we can buy votes? No. We do not have that in our bill. We do not turn over the collection of taxes to private sector people. We do not have the ornaments that the gentleman from Washington (Mr. McDERMOTT) will tell my colleagues about. All we have got is a fair bill to create jobs in the United States of America. That is all we have got. We do not buy votes. We just try to sell without their profits.

Mr. DREIER. Mr. Speaker, will the gentleman yield on that point?

Mr. RANGEL. Only if the gentleman promises to tell me through his remarks in response why the Democrats cannot have a substitute to be able to say that we got a better idea.

Mr. DREIER. If the gentleman would yield, I am happy to respond.

Mr. RANGEL. I thank the chairman.

Mr. DREIER. The gentleman did not come and testify before the Committee on Rules this morning and was not there when we had the markup.

The proposal that was offered by the gentleman in the Committee on Rules was, in fact, an amendment, not a substitute, which is what we stated was necessary for us to even consider it. Okay. That was not offered, and so when there was no substitute offered, of course we did not make a substitute in order because it was not even an option for the Committee on Rules.

I thank my friend for yielding.

Mr. RANGEL. You are telling me that the gentleman from California did not tell me close to midnight that we would not get a substitute, that you had tried and you were unsuccessful? Is that what the gentleman is saying?

Mr. DREIER. If gentleman will yield, what I said was I was concerned about the possibility, and I will say that there were other members of your leadership team who indicated to me at that point when we stood right here that, in fact, there was not a substitute that had been put together.

Mr. RANGEL. Mr. Speaker, I am telling my colleagues that we were told last night that we would not get a substitute. I am telling my colleagues we did not get one. I am telling my colleagues they have denied us the opportunity to express the fact that we have a bill that would have brought jobs to the United States and not abroad.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would ask all Members, while recognizing that there are strong views held on both sides of the aisle, to be more orderly in yielding and reclaiming time. The stenographer can only take down one conversation at a time; and the Chair would appreciate the courtesy of the Members.

Mr. REYNOLDS. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. THOMAS), the distinguished Committee on Ways and Means chairman.

Mr. THOMAS. Mr. Speaker, I want my colleagues and those paying attention to what is going on to appreciate what has occurred on the other side of the aisle. The gentleman who is managing the bill for the rule for the minority took some time to discuss the Crane-Rangel bill. Had that been offered, that would have been a substitute. That would have been, under the rules, appropriate; but they did not offer the Crane-Rangel substitute, notwithstanding the fact that what was offered was an amendment; but I want my colleagues to understand this.

In the Committee on Ways and Means on Monday, the gentleman from New York had every opportunity to offer the Crane-Rangel substitute. It was his choice. He did not offer a substitute. He offered an amendment.

Last night, with the option of offering a substitute, he did not offer a substitute. He offered an amendment. Under the rules, it has to be a substitute.

Now why is the Crane-Rangel substitute not before us? Because it did not offer a tax cut to small business, because it did not include the appropriate and necessary elimination of the tobacco subsidy program; because it did not include the assistance to small business, called section 179, expensing; and it did not include the provisions for small S corporations to continue to reform. Those are in the underlying bill, and what the gentleman from New York and his staff did was simply cut and paste various provisions of the underlying bill, and they wanted that to be accepted.

A letter was submitted by the gentleman from New York in which it says in part, "I request that I be allowed to add to the amendment." Additionally, he says, "the additional language . . . would include." At one time we were able to submit material like that without having legislative language and it would be accepted. When we became the majority, there was a thrust by the now-minority to require everything to be in legislative language. That is the rules, and the gentleman wanted not to follow the rules. He wanted the rules bent for him, the very same rules they insisted that we follow.

I want to offer my colleagues three quotes: Beauty is in the eye of the beholder; all politics is local; and patriotism is the last refuge of scoundrels.

My colleagues heard the gentleman from Washington. I have here the 1985 markup document from the then-Democratically controlled Committee on Ways and Means, Chairman Dan Rostenkowski. The position in the House was to remove from the Tax Code the sales tax exemption, the income tax exemption, and the property tax exemption. Fairness.

What happened in the final law was that if you were a renter in a State that raised its revenue by sales tax, you got no relief; but if you paid income tax in a State that used income tax and you were a homeowner, you got relief. That is not equitable. That is not fair. Twenty years ago that occurred. I say it is fairly reasonable to give people 1 day out of 20 years. This is their day.

A provision in this bill will be ridiculed about eliminating the excise tax on arrows for goodness sakes. We are going to hear a lot of crocodile tears hitting the floor about us not helping small business. The technology that is currently controlling the arrows market was invented in the United States; but if you have a foreign arrow coming in, it is on the shelf cheaper than the arrow made in the United States. Why in the world would we let, longer than absolutely necessary, discrimination against an American product? That is in this bill. It is time to eliminate it. They should get a day.

Tackle boxes. If it is pink and it is called a cosmetic box, it does not carry a tax. If it is olivedrab and called a fishing tackle box, it is exactly the same, except for the color, it carries a tax. Whether it is pink or olivedrab or red or black, the color of something should not determine how it is treated. It should be fairly treated if it is the same box.

We have sonar fishing equipment in here. Guess what? If you do not use the latest technology LED screening, you do not get relief from the 3 percent excise tax. Why in the world would we stop technology? Why? Because the law is written that way. They deserve a day.

When my colleagues argue that it is eliminating American democracy to not let somebody not follow the rules, that is not American democracy; that is un-American.

Mr. McGOVERN. Mr. Speaker, I yield myself such time as I may consume.

The distinguished chairman of the Committee on Ways and Means refused to show me or the gentleman from New York (Mr. RANGEL) the same courtesy that the gentleman from New York (Mr. RANGEL) showed the chairman of the Committee on Rules, and he refused to answer the question as to whether or not the Committee on Rules would have made in order the Crane-Rangel alternative, in whatever form it would have been in. The answer is clearly they would not have.

The gentleman mentioned American democracy. Twenty amendments were denied in the Committee on Rules. That is not democracy.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, one of those amendments denied debate was a bipartisan effort by me and the gentleman from Arizona (Mr. FLAKE). Someone in Washington needs to speak up today for conservative principles because this House Republican leadership has lost any pretense of fiscal responsibility.

Today, in this bill, Republicans are awarding $10 billion, this is billion with a B, to tobacco growers. They call it a buyout, but it is really a sellout to the tobacco industry. If this measure is approved, tobacco will get cheaper; more of it can be grown, and all American taxpayers will be the losers.

With the near go-it-alone occupation of Iraq continuously draining funds out the Treasury spigot faster than American taxpayers can pour their hard-earned funds into it, there is nothing conservative about giving away $10 billion to the tobacco industry.

Ten billion dollars would give tens of thousands of young Americans the college education they cannot afford. They could give tens of thousands of American mothers the peace of mind that comes when they know their children have health insurance. Ten billion dollars could also buy a lot of homeland security; but instead, Congress is spending that $10 billion to reward the producers of a lethal product that each year ruins the lives of families with death and disease.

This is not a job-creation bill. It is a disease-creation bill. Eighty percent of registered voters this week across America expressed their opposition to this tobacco bailout by the Congress. Unfortunately, the well-heeled lobbyists of Big Tobacco not the people, are the ones dictating this. Little wonder that this outrageous giveaway never had a public hearing, was never debated in Committee, and is being considered today in a way that denies any amendment to strike it.

If this measure is approved, the tobacco industry will once again make a killing out of this Congress, a Congress that is addicted to nicotine campaign contributions.

Mr. REYNOLDS. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky (Mr. LEWIS).

Mr. LEWIS of Kentucky. Mr. Speaker, I would like to reply to the gentleman that just spoke. I think he referred to this as Big Tobacco. Well, I am from Kentucky, and I can tell my colleagues that we are talking about small tobacco farms and family farms where men and women and their children get out in the fields every summer and try to eke out a living in the tobacco fields by the sweat of their brow.

They have had to purchase a government program, they have had to buy a quota in order to grow tobacco or they could not grow it. They contributed through an assessment fee to pay for a price support program on their own. It was not from taxpayers; and since 1997 that quota program has been cut over half, and now it is pretty difficult for them to maintain that living on that family farm.

It is the last thing that has allowed them to make a profit on their farm, if they made a profit. It was a program that allowed them to put their kids through college or to buy Christmas presents or to buy clothing for their kids. This is about small family farms in about seven to 10 States in this country. It is about an asset that they had to pay for that now is being taken away from them by the government; and we are eliminating something that, it is amazing to me, that for years I have heard we have got to get rid of this program, we have got to get rid of this program. Well, we are getting rid of it in this bill, and we are doing it by being fair with the tobacco farmers and the tobacco States and their families, not Big Tobacco, but that small farmer down in Kentucky and Tennessee and Virginia and Florida and Georgia and North Carolina and all those States that produce tobacco.

Mr. COLLINS. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Kentucky. I yield to the gentleman from Georgia.

Mr. COLLINS. Mr. Speaker, is it not true that one of the reasons that the quota has gone down in recent years is because of the imported tobacco that has come in and the quota is based on domestic amount?

Mr. LEWIS of Kentucky. Absolutely.

Mr. COLLINS. Is that not what is hurting? It is time to end this program. These are small farmers who need help, who are in debt; and the purpose of this program is to buy a quota from the government.

Mr. LEWIS of Kentucky. The gentleman is absolutely right.

Mr. McGOVERN. Mr. Speaker, may I inquire how much time remains on each side.

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. McGOVERN) has 14 minutes remaining and the gentleman from New York (Mr. REYNOLDS) has 11 minutes remaining.

Mr. McGOVERN. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. McDERMOTT), a member of the Committee on Ways and Means.

(Mr. McDERMOTT asked and was given permission to revise and extend his remarks, and include extraneous material.)

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Mr. McDERMOTT. Mr. Speaker, there seems to be a lot of confusion out here. I declare that the rubber stamp session is now in order. We are back here today doing what the Republicans love to do: That is, come out here and rubber stamp this 900-page perfect piece of legislation.

The Democrats have no opportunity to offer a substitute or an amendment. They were denied. They asked for amendments, they were denied. This is a perfect piece of legislation. The fact is we have a rubber-stamp Congress. And why are we doing that? Because Christmas has come on the 17th of June.

Now my Latino friends call this "feliz Navidad," but I call it the fleecing of America. This is a Christmas tree bill that has everything in sight on it. If there is an amendment in this bill, there are 5 votes behind it or 10 votes or 20 votes. They would not accept an amendment unless they voted for the bill. That is how it was put together.

The fact is that the chairman of the committee in November of 2003 lost this piece of legislation on the floor. It got stuck. He could not move it. He went over to a meeting with EU in November and told them he was sorry they had not put sanctions on this country because then he lost his leverage to move this bill. He had to make the American people uncomfortable. In my district, the sanctions went on Weyerhaeuser, on paper products and on construction materials. I do not know what the sanctions did in central California; but when the Committee on Ways and Means is going to the WTO people and saying could you please put some sanctions on the United States so I can get a bill through Congress, there is something really wrong.

This Christmas tree bill is put out here in order to give $150 billion of Christmas presents in June. We are all going home in a week, and we will have a fund-raiser, so Members, bring your rubber stamps.

[From Dow Jones Newswires, June 17, 2004]

SANCTIONS ALTER DYNAMIC ON HOUSE TAX BILL

(By Rob Wells)

WASHINGTON.—The reality of European Union trade sanctions against U.S. exporters is a key dynamic propelling a corporate tax bill through the U.S. House this week.

The House Ways and Means Committee late Monday approved a bill, sponsored by committee chairman Bill Thomas, R-Calif., to end a controversial U.S. export tax break ruled illegal by the World Trade Organization in 2002.

That tax break is called "foreign sales corporation" or the "extraterritorial income exclusion act." The WTO allowed the European Union to impose up to $4 billion a year in trade sanctions until the U.S. repealed the export tax break, which benefits Boeing Co. (BA), General Electric Corp. (GE), Intel Corp. (INTC) and others.

A version of Thomas' bill passed the committee in October. It stalled in the House amid opposition from a bloc of Republicans who said the bill doesn't do enough to benefit U.S. manufacturers.

A frustrated Thomas disagreed, saying his bill helps manufacturers. International tax law changes in his plan would benefit a broad range of companies, including U.S. multinationals, he said.

In November 2003, Thomas' bill was stuck in the House and he lost another piece of leverage. The E.U. postponed the date it would begin sanctions on U.S. companies from Jan. 1 to March 1.

Thomas, in a November 2003 meeting with European Union Trade Commissioner Pascal Lamy, expressed disappointment the E.U. didn't impose sanctions on U.S. companies sooner—on Jan. 1 instead of March 1, according to three people familiar with the conversation.

Thomas said earlier sanctions would have increased leverage needed to push his corporate tax bill through Congress, these people said. One person attended the Thomas-Lamy meeting while the others were briefed by Lamy or other participants.

A House Republican aide said Thomas "made the observation reflecting what members had told to him and concerns they had raised." Thomas had "made similar observations in other meetings," the House aide said.

Thomas' comments were interpreted differently by others.

"It puts you in a position where you want draconian sanctions placed on U..S. companies early," said another House aide who spoke to Lamy after the Thomas meeting.

The account circulated widely for months among lobbyists and lawyers who handle trade and international tax issues; several offered an unflattering view of Thomas' remarks. One U.S. lobbyist recalled that during a visit with Lamy's staff in Brussels, "I heard the same story" that Thomas "has been cheering on retaliation."

A U.S.-based tax professional said his client relayed a similar account after meeting with E.U. trade officials. A Lamy spokeswoman declined to comment on private conns between Lamy and members of Congress.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

I sit here and I listen to some of my colleagues on the other side of the aisle try to rewrite history. It was only 4 hours ago that we were in the Committee on Rules. We took testimony. Some of the Members who are the loudest critics on the floor today were not there.

When I came to this Congress, I had served almost all of my entire career in the minority. I know what it is like to have to cough up a substitute and not be able to do it because of the diversity of the minority party in coming up with it. I did not see a substitute. It was awfully clear there was no substitute for the committee's consideration.

Now there are a number of line-by-line amendments that were brought before the committee by the minority in rollcall votes. They are well recorded. There will be no document that says there was a substitute before the Committee on Rules.

Mr. McGOVERN. Mr. Speaker, will the gentleman yield?

Mr. REYNOLDS. I yield to the gentleman from Massachusetts.

Mr. McGOVERN. Mr. Speaker, I appreciate the gentleman yielding. How many of those amendments were made in order?

Mr. REYNOLDS. None.

Mr. McGOVERN. Mr. Speaker, I thank the gentleman.

Mr. REYNOLDS. The amendments were brought before the committee. Again, there was no substitute.

I did see a Rangel amendment that excluded all parts of the tax cuts and left the tobacco bill.

Today this body, after this rule is passed, is going to have the opportunity to make a decision: Tax cuts and a competitive agenda, or the same old business as usual, drag it out, mess it up.

Today, with H.R. 4520, the American Jobs Creation Act of 2004, my colleagues are going to be able to end sanctions by repealing the FSC-ETI, compensating for lost benefits by permanently cutting corporate tax rates for domestic manufacturers and producers and farmers and small corporations.

It is going to provide a pro-growth tax incentive for manufacturers, small businesses and farmers to help create more American jobs, and it is going to enhance the competitiveness of U.S.-based companies engaging in exporting and/or manufacturing by greatly reducing double taxation. These companies receive more than 90 percent of the FSC-ETI benefits under the current law.

Mr. Speaker, we talked about it a long time. Today we are going to have a vote up or down. America deserves this legislation because it is going to give everyone who wants a job an opportunity to get a job.

Mr. Speaker, I reserve the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LATOURETTE). The Chair would remind Members on both sides of the aisle that the rules governing debate indicate that a Member controlling time may yield time to another Member if he or she chooses. It is not appropriate under the rules of the House to blurt out questions and statements without having been recognized or yielded to.

Mr. McGOVERN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me also say that the Republican leadership made it clear last night that no substitute in any form would have been made in order.

Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. LANTOS).

Mr. LANTOS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the bizarre priorities of my colleagues on the other side of the aisle this morning are shocking. Faced with a choice between taking care of our Nation's citizen soldiers or giving employers incentives to ship jobs overseas, the leadership on the other side of the aisle has chosen outsourcing.

As we all know, the continuing activation of military reservists to serve in Iraq and Afghanistan has imposed a tremendous burden on many of our country's businesses. In fact, the United States Chamber of Commerce estimates that 70 percent of reservists who are sent to active duty work in small and medium-sized companies. When their employees are asked to leave their jobs and serve our Nation, many of these businesses are unable to continue operating successfully and face severe financial difficulties, even bankruptcy. These employers are sacrificing much so that America can be safe.

To address this matter, the gentleman from Massachusetts (Mr. McGOVERN) and I offered an amendment that would have given all American businesses a tax credit to help them continue to pay their employees who are called to active duty, as well as help small businesses temporarily replace reservists who have been called to duty.

Mr. Speaker, this common-sense amendment would have encouraged all employers, but especially small businesses to rebridge the gap between what their employees earn in civilian life and what the military pays when they are on active duty. Those who do so would be eligible to receive a tax credit of up to $15,000 of the wages they pay to members of the Guard and Reserves for as long as they are on active duty status.

Many small employers are having a difficult time hiring temporary workers to replace their employees who have been called up to active duty in the National Guard or the Reserves. The Lantos-McGovern amendment will provide a tax credit of up to $6,000 to help small employers defray the costs of hiring a new worker to replace a guardsman or reservist who has been called up to active duty. Small manufacturers would be eligible for a tax credit of up to $10,000 to assist in hiring temporary workers.

The cost of this amendment was offset by striking a provision, section 311, that we let companies invest their profits anywhere in the world except in the United States. By allowing companies to get the benefits of low tax rates for investments located in high-tax countries, the bill is creating a strong incentive to invest overseas, which will result in the United States losing both capital and jobs.

Instead of providing incentives to send jobs abroad, Congress should take action to help businesses cope with the loss of an employee to active duty and we should protect employees and their families from suffering a pay cut while serving our Nation. We cannot let the cost of that service force businesses into financial ruin and leave reservists and their families to suffer substantial losses in pay.

What kind of values do our actions reflect if we are prepared to send people overseas to fight for our security, leaving their families and employers vulnerable to financial hardship, while giving U.S. businesses ever more rewards for shipping jobs out of the country. This is a topsy-turvy set of priorities which we must reject.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from California (Mr. LANTOS) outlined a couple of things, and the debate on this rule also should bring us back to perspective on this.

I thought I understood from the gentleman that his plan encourages American companies to outsource overseas. The U.S. companies only benefit if they manufacture in the United States. This plan temporarily reduces the tax rate on repatriated income but only if that income is currently reinvested in the United States.

The plan provides for $13 billion in transitional tax relief to manufacturing and production in the United States. It eliminates double taxation on foreign sales corporations and will not allow these businesses to expand their operations hiring Americans.

Finally, any sanctions imposed by the EU and other tariffs imposed on the American products will encourage business expansion, creating jobs right here at home in the United States.

Mr. Speaker, I reserve the balance of my time.

Mr. McGOVERN. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. ETHERIDGE).

Mr. ETHERIDGE. Mr. Speaker, I thank the gentleman for yielding me this time.

On behalf of my North Carolina farm families, I rise today to support H.R. 4520. Since 1997, tobacco quota has been cut by more than 50 percent in tobacco-growing regions. Consequently, farm families have seen their income cut by more than half. Widows and widowers, who use quota rents as their 401(k)s, have likewise seen their income fall.

I ask Members, could they survive if their salary had been permanently cut by 50 percent or more? I think we know the answer to that: It would be very difficult.

The time for action is running out. We need to jump-start the process of reforming the current program, and we need to do it now. H.R. 4520 accomplishes this by including provisions for a tobacco buyout, and this is not a buyout for the companies, it is for the small farmers and the allotment holders across the tobacco-growing regions.

They have finally decided it is time for a change. They have had a hard time getting there, but the consequences they see is if they do not this year, they could face as much as a 30 percent cut this fall because of foreign tobacco flooding into America. This really is about helping people who work every day in the fields of this country making a living.

On the underlying bill, I would have preferred the approach of the Crane-Rangel bill, which I cosponsored, but beggars cannot be choosers. I thank the distinguished gentleman from California, chairman of the Committee on Ways and Means, for including the buyout provision in his bill. But I caution the gentleman, when it goes to conference with the Senate, remember the advice of the ancient Spartan women who gave this advice to their sons before battle, "Come back with your shield, or come back on it."

Mr. Speaker, I would say to the gentleman from California, come back with this buyout or do not come back.

Mr REYNOLDS. Mr. Speaker, I reserve the balance of my time.

Mr. McGOVERN. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

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Mr. BLUMENAUER. Mr. Speaker, I listened a moment ago as my friend from New York talked about: "dragging it out and messing it up." I can think of no better terminology to describe the bill before us today, because it has been "drug out and messed up."

I heard my friend, the chair of the Committee on Ways and Means, somehow assailing our side of the aisle for wanting to "bend the rules" when the rule that we are debating here today allows all points of order against the bill to be waived. So, they bend the rules for things that they want to protect; but if we are seeking an opportunity to have meaningful amendments, a meaningful alternative, somehow that is trying to "bend the rules."

Certified smart people of good faith could have found a way to have allowed a meaningful debate on this floor. We have a serious bipartisan alternative offered up by the gentleman from Illinois (Mr. CRANE), the gentleman from New York (Mr. RANGEL), the gentleman from Illinois (Mr. MANZULLO), people who have a proposal that is paid for, that would not increase the deficit, that would not be all "messed up and drug out." But we are not going to permit that today. We are limiting debate on this proposal to 30 minutes, despite being something that has tied this Congress in knots for months and is a problem that is weighing against small manufacturers across this country.

There are legitimate policy differences. There is a great deal of emotion. There is a great deal of significant policy underlying it. We are not going to have an opportunity to deal with that. There is no good reason to have permitted only 30 minutes of debate on the other side of the aisle.

Maybe they think that is better, because this proposal is moving through this Chamber in a fog of over 700 pages of technical Tax Code and report language that the vast majority of this Chamber has had no access to and certainly has not had a chance to study it even if they had the time. I would suggest that this is a testimony to how far the rhetoric of the majority obscures their action and suggests contempt for people in both parties who disagree with them.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

I know that my colleagues in the Chamber know there is a debate on. I believe those who are watching throughout the offices know there is a debate on. I hope America knows. We are having that debate first on this rule, and we are seeing viewpoints expressed. And then we will have full debate on the Ways and Means chair and ranking member managing the underlying legislation. Let it be clear that there will be 2 full hours of debate that this honorable body will have on this issue. I am sure there will be many different viewpoints that are expressed. At the end, I hope we are successful in passing this legislation so that we can continue to grow jobs in America.

Mr. Speaker, I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas (Mr. STENHOLM).

Mr. REYNOLDS. Mr. Speaker, I yield 30 seconds to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I rise in deep sadness about the way this House is being run. A rule which denies the ranking member of the Committee on Ways and Means an opportunity to offer a serious, responsible amendment on an issue as important as this is should embarrass all of us who care about this House.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, let me just say that there was no substitute submitted to the Committee on Rules. I think it is important for us to note that we would have had an opportunity to consider that if we had had a substitute put together. We had a cut-and-bite amendment, a perfecting amendment provided from the ranking minority member. I thank my friend for yielding.

Mr. STENHOLM. Mr. Speaker, I must respectfully differ with the chairman of the Committee on Rules. The majority has justified the decision of the Committee on Rules to not allow the minority to offer an amendment because it is not a complete substitute. That explanation would be laughable if it were not so sad. The gentleman from New York (Mr. RANGEL) submitted a comprehensive substitute to all of the provisions within the jurisdiction of the Committee on Ways and Means. He did not get into the Committee on Agriculture, which is what we should do around here. I would be perfectly willing as the ranking member of the Committee on Agriculture to work with the Committee on Ways and Means and the Committee on Rules. But for the gentleman from California to stand on the floor and say that he followed the rules of the House is not correct.

I am troubled, also, that this rule waives budget points of order and allows us to pass legislation adding another $34 billion-plus to the deficit. The other body passed a bill that would not add to the deficit. Some of us are making the argument that we ought to go with pay-as-you-go. I believe that. I heard speech after speech after speech last night arguing about a million here and a million there, and today it is billions, and wink and smile and then come to the floor and say, well, we are following the rules.

Anytime this body begins to deny the minority party the opportunity to have a say and to honestly have it applied by the rules of this House, we are in danger of big trouble. This rule should be defeated. The Committee on Rules should go back and draft a fair rule, and I am talking about the rule. The merits of the bill, there are a lot of things in it I want to work with them on. This rule should be defeated by anyone that cares about fiscal responsibility.

Mr. REYNOLDS. Mr. Speaker, this is a fair and customary rule. I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. MEEHAN).

Mr. MEEHAN. I thank the gentleman for yielding me this time.

Mr. Speaker, for 10 years, a bipartisan group of legislators has been fighting to get tobacco regulated by the Food and Drug Administration. The FDA regulates products from Tylenol to bottled water to macaroni and cheese; yet it does not have the authority to regulate tobacco, the only product that will kill you if used specifically as directed.

This year we stand on the verge of a historic compromise to get tobacco regulated by the FDA, but the shameless $10 billion tobacco buyout in this bill threatens the progress that we have made. This sweetheart deal gives billions to Big Tobacco from the pockets of taxpayers with no strings attached. It requires nothing to improve public health in return. This buyout kills our hope for FDA regulation by taking it off the negotiating table.

I urge my colleagues to vote against this rule and against this bill. It is inexcusable and indefensible that this product, macaroni and cheese, is regulated by the FDA; but this product, one of the only products that will kill you if used specifically as directed, we cannot get FDA regulation.

Mr. MCGOVERN. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, the continuing activation of military Reservists to serve in Iraq and the war on terror has imposed a tremendous burden on many of our country's businesses. For too many of these small businesses, the temporary loss of these employees makes it difficult to continue operating successfully, and many are faced with severe financial difficulties, even bankruptcy. Why not help alleviate some of this burden for these employers who are doing the right thing for their employees and their families?

It is ironic that the party that never met a tax cut they did not like and that claims to support small business would deny small businesses a tax credit to help pay their employees who are serving their country in a time of war. I cannot imagine why the Republican leadership denied the full House an opportunity to vote on this amendment. Certainly this is a more important issue than tax relief for Chinese ceiling fan makers.

I urge my colleagues to vote "no" on the previous question and let this House vote on tax fairness for small businesses whose employees are bravely serving their country in the Armed Forces.

Mr. Speaker, I ask unanimous consent that the text of the amendment be printed in the RECORD immediately before the vote on the previous question.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from Massachusetts.

There was no objection.

Mr. MCGOVERN. Mr. Speaker, I yield back the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER), the distinguished chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, let me at the outset talk briefly about this issue of minority rights. I feel very strongly about the rights of the minority, doing everything that we possibly can to ensure that in the Madisonian spirit of minority rights, their ideas are considered. That is why when we went from minority to majority status exactly 10 years ago, we guaranteed something that was often denied to us, and I served for 14 years in the minority, it was often denied to us as members of the minority, and that was an opportunity to offer a motion to recommit the bill, a bite at the apple. It was often denied to us, and we have guaranteed that. I will say that we try whenever we possibly can to make in order a substitute, a substitute measure when it is brought to us in the Committee on Rules.

Mr. Speaker, I have to say that working back and forth with Members of the minority, I tried to last night see if we could, in fact, have a substitute and make it in order. I will admit I said to them that I was not sure that we would be able to, but the opportunity was still there for Members of the minority to give us a chance to consider a substitute measure in the Committee on Rules, and it did not happen.

Having said that, Mr. Speaker, let me say that I believe that we should be here celebrating, celebrating the fact that we are on the verge of passing very important legislation that is going to build on the fact that the measures that we have passed in a bipartisan way dealing with our Tax Code under the leadership of the gentleman from California (Mr. THOMAS), the proposal that initially was submitted to us by the President of the United States, has created in excess of 1 million jobs over the past 3 months.

We are going to be able to have a chance today with this legislation to build on that. That is why I want to say something that has not been raised here at all. I want to thank the European Union and the World Trade Organization for getting us to this point. In 1947 when the General Agreement on Tariffs and Trade was established, the goal was a very clear and simple one. It was to eliminate tariff barriers so that we could have the free flow of goods and services and capital.

What is it that has happened? We have seen the WTO build on that and one of the goals, of course, is the elimination of subsidization. The WTO was right. The FSC/ETI provisions have been subsidies; and what we are doing is we are, in fact, phasing those out. We are phasing those out because they have chosen to, at a rate of 1 percent a month, increase the burden on U.S. products trying to get into their markets.

So what is happening? Rather than simply pointing outside, we are looking at ourselves, realizing that one of the challenges that we face as we try to compete globally is the tax and regulatory burden that exists in the United States of America, impinging on our workers, our manufacturers, our producers the chance to get into new markets worldwide. That is why what we are doing with this policy in bringing about a reduction in that tax burden, it is the right thing to do. It is going to create more jobs right here at home.

How the other side of the aisle can constantly complain that this is going to do nothing but create jobs overseas is beyond me. What we are doing here is we are reducing the burden that exists on job creators, meaning that there will be a greater chance to create even more jobs here in the United States.

Mr. Speaker, it has been a long time in coming. The gentleman from California (Mr. THOMAS) and members of the Committee on Ways and Means and many of the rest of us have been involved working for 2 years on this measure. It has been discussed, it has been debated, there have been hearings; and we now have had an hour of debate on this, and we will now have another hour of debate and an up-or-down vote. It is not perfect legislation. We all know that there is no such thing as perfection emerging from this place; but as we deal with this challenge, it does create a wonderful new opportunity for the workers of the United States of America.

Mr. Speaker, I urge my colleagues to support this rule and support the underlying measure which we are going to be voting on.

The material previously referred to by Mr. MCGOVERN is as follows:

Previous Question for H. Res. 581

H.R. 4520—American Jobs Creation Act of 2004

In the resolution strike "and (2)" and insert the following:

"(2) the amendment printed in Sec. 2 of this resolution if offered by Representative LANTOS of California or Representative MCGOVERN of Massachusetts or a designee, which shall be in order without intervention of any point of order, shall be considered as read, shall not be subject to a demand for a division of the question, and shall be separately debatable for 60 minutes equally divided and controlled by the proponent and an opponent; and (3)"

Sec. 2.

Amendment to H.R. 4520, as Reported

Offered By: Mr. Lantos of California

At the end of subtitle H of title II of the bill, add the following new section (and conform the table of contents accordingly):

SEC. 297. READY RESERVE-NATIONAL GUARD EMPLOYEE CREDIT AND READY RESERVE-NATIONAL GUARD REPLACEMENT EMPLOYEE CREDIT.

(a) Ready Reserve-National Guard Credit.—

(1) In general.—Subpart D of part IV of subchapter A of chapter 1 (relating to business-related credits) is amended by adding at the end the following:

"SEC. 45G. READY RESERVE-NATIONAL GUARD EMPLOYEE CREDIT.

"(a) General Rule.—For purposes of section 38, the Ready Reserve-National Guard employee credit determined under this section for any taxable year with respect to each Ready Reserve-National Guard employee of an employer is an amount equal to 50 percent of the lesser of—

"(1) the actual compensation amount with respect to such employee for such taxable year, or

"(2) $30,000.

"(b) Definition of Actual Compensation Amount.—For purposes of this section, the term 'actual compensation amount' means the amount of compensation paid or incurred by an employer with respect to a Ready Reserve-National Guard employee on any day when the employee was absent from employment for the purpose of performing qualified active duty.

"(c) Limitations.—No credit shall be allowed with respect to any day that a Ready Reserve-National Guard employee who performs qualified active duty was not scheduled to work (for reason other than to participate in qualified active duty).

"(d) Definitions and Special Rules.—For purposes of this section—

"(1) Qualified active duty.—The term 'qualified active duty' means—

"(A) active duty, other than the training duty specified in section 10147 of title 10, United States Code (relating to training requirements for the Ready Reserve), or section 502(a) of title 32, United States Code (relating to required drills and field exercises for the National Guard), in connection with which an employee is entitled to reemployment rights and other benefits or to a leave of absence from employment under chapter 43 of title 38, United States Code, and

"(B) hospitalization incident to such duty.

"(2) Compensation.—The term 'compensation' means any remuneration for employment, whether in cash or in kind, which is paid or incurred by a taxpayer and which is deductible from the taxpayer's gross income under section 162(a)(1).

"(3) Ready reserve-national guard employee.—The term 'Ready Reserve-National Guard employee' means an employee who is a member of the Ready Reserve of a reserve component of an Armed Force of the United States as described in sections 10142 and 10101 of title 10, United States Code.

"(4) Certain rules to apply.—Rules similar to the rules of section 52 shall apply.

"(e) Portion of Credit Refundable.—

"(1) In general.—In the case of an employer of a qualified first responder, the aggregate credits allowed to a taxpayer under subpart C shall be increased by the lesser of—

"(A) the credit which would be allowed under this section without regard to this subsection and the limitation under section 38(c), or

"(B) the amount by which the aggregate amount of credits allowed by this subpart (determined without regard to this subsection) would increase if the limitation imposed by section 38(c) for any taxable year were increased by the amount of employer payroll taxes imposed on the taxpayer during the calendar year in which the taxable year begins.

The amount of the credit allowed under this subsection shall not be treated as a credit allowed under this subpart and shall reduce the amount of the credit otherwise allowable under subsection (a) without regard to section 38(c).

"(2) Employer payroll taxes.—For purposes of this subsection—

"(A) In general.—The term 'employer payroll taxes' means the taxes imposed by—

"(i) section 3111(b), and

"(ii) sections 3211(a) and 3221(a) (determined at a rate equal to the rate under section 3111(b)).

"(B) Special rule.—A rule similar to the rule of section 24(d)(2)(C) shall apply for purposes of subparagraph (A).

"(3) Qualified first responder.—For purposes of this subsection, the term 'qualified first responder' means any person who is—

"(A) employed as a law enforcement official, a firefighter, or a paramedic, and

"(B) a Ready Reserve-National Guard employee.".

(2) Credit to be part of general business credit.—Subsection (b) of section 38 (relating to general business credit) is amended by striking "plus" at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting ", plus", and by adding at the end the following:

"(16) the Ready Reserve-National Guard employee credit determined under section 45G(a).".

(3) Denial of double benefit.—Section 280C(a) (relating to rule for employment credits) is amended by inserting "45G(a)," after "45A(a),".

(4) Conforming amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 45F the following:

"Sec. 45G. Ready Reserve-National Guard employee credit.".

(5) Effective date.—The amendments made by this subsection shall apply to amounts paid or incurred after September 30, 2004, in taxable years ending after such date.

(b) Ready Reserve-National Guard Replacement Employee Credit.—

(1) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by adding after section 30A the following new section:

"SEC. 30B. READY RESERVE-NATIONAL GUARD REPLACEMENT EMPLOYEE CREDIT.

"(a) ALLOWANCE OF CREDIT.—

"(1) IN GENERAL.—In the case of an eligible taxpayer, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year the sum of the employment credits for each qualified replacement employee under this section.

"(2) EMPLOYMENT CREDIT.—The employment credit with respect to a qualified replacement employee of the taxpayer for any taxable year is equal to 50 percent of the lesser of—

"(A) the individual's qualified compensation attributable to service rendered as a qualified replacement employee, or

"(B) $12,000.

"(b) QUALIFIED COMPENSATION.—The term 'qualified compensation' means—

"(1) compensation which is normally contingent on the qualified replacement employee's presence for work and which is deductible from the taxpayer's gross income under section 162(a)(1),

"(2) compensation which is not characterized by the taxpayer as vacation or holiday pay, or as sick leave or pay, or as any other form of pay for a nonspecific leave of absence, and

"(3) group health plan costs (if any) with respect to the qualified replacement employee.

"(c) QUALIFIED REPLACEMENT EMPLOYEE.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified replacement employee' means an individual who is hired to replace a Ready Reserve-National Guard employee or a Ready Reserve-National Guard self-employed taxpayer, but only with respect to the period during which such Ready Reserve-National Guard employee or Ready Reserve-National Guard self-employed taxpayer participates in qualified active duty, including time spent in travel status.

"(2) READY RESERVE-NATIONAL GUARD EMPLOYEE.—The term 'Ready Reserve-National Guard employee' has the meaning given such term by section 45G(d)(3).

"(3) READY RESERVE-NATIONAL GUARD SELF-EMPLOYED TAXPAYER.—The term 'Ready Reserve-National Guard self-employed taxpayer' means a taxpayer who—

"(A) has net earnings from self-employment (as defined in section 1402(a)) for the taxable year, and

"(B) is a member of the Ready Reserve of a reserve component of an Armed Force of the United States as described in section 10142 and 10101 of title 10, United States Code.

"(d) COORDINATION WITH OTHER CREDITS.—The amount of credit otherwise allowable under sections 51(a) and 1396(a) with respect to any employee shall be reduced by the credit allowed by this section with respect to such employee.

"(e) LIMITATIONS.—

"(1) APPLICATION WITH OTHER CREDITS.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess (if any) of—

"(A) the regular tax for the taxable year reduced by the sum of the credits allowable under subpart A and sections 27, 29, and 30, over

"(B) the tentative minimum tax for the taxable year.

"(2) DISALLOWANCE FOR FAILURE TO COMPLY WITH EMPLOYMENT OR REEMPLOYMENT RIGHTS OF MEMBERS OF THE RESERVE COMPONENTS OF THE ARMED FORCES OF THE UNITED STATES.—No credit shall be allowed under subsection (a) to a taxpayer for—

"(A) any taxable year, beginning after the date of the enactment of this section, in which the taxpayer is under a final order, judgment, or other process issued or required by a district court of the United States under section 4323 of title 38 of the United States Code with respect to a violation of chapter 43 of such title, and

"(B) the 2 succeeding taxable years.

"(f) GENERAL DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) ELIGIBLE TAXPAYER.—The term 'eligible taxpayer' means a small business employer or a Ready Reserve-National Guard self-employed taxpayer.

"(2) SMALL BUSINESS EMPLOYER.—

"(A) IN GENERAL.—The term 'small business employer' means, with respect to any taxable year, any employer who employed an average of 50 or fewer employees on business days during such taxable year.

"(B) CONTROLLED GROUPS.—For purposes of subparagraph (A), all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as a single employer.

"(3) QUALIFIED ACTIVE DUTY.—The term 'qualified active duty' has the meaning given such term by section 45G(d)(1).

"(4) SPECIAL RULES FOR CERTAIN MANUFACTURERS.—

"(A) IN GENERAL.—In the case of any qualified manufacturer—

"(i) subsection (a)(2)(B) shall be applied by substituting '$20,000' for '$12,000', and

"(ii) paragraph (2)(A) of this subsection shall be applied by substituting '100' for '50'.

"(B) QUALIFIED MANUFACTURER.—For purposes of this paragraph, the term 'qualified manufacturer' means any person if—

"(i) the primary business of such person is classified in sector 31, 32, or 33 of the North American Industrial Classification System, and

"(ii) all of such person's facilities which are used for production in such business are located in the United States.

"(5) CARRYBACK AND CARRYFORWARD ALLOWED.—

"(A) IN GENERAL.—If the credit allowable under subsection (a) for a taxable year exceeds the amount of the limitation under subsection (e)(1) for such taxable year (in this paragraph referred to as the 'unused credit year'), such excess shall be a credit carryback to each of the 3 taxable years preceding the unused credit year and a credit carryforward to each of the 20 taxable years following the unused credit year.

"(B) RULES.—Rules similar to the rules of section 39 shall apply with respect to the credit carryback and credit carryforward under subparagraph (A).

"(6) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (c), (d), and (e) of section 52 shall apply.".

(2) NO DEDUCTION FOR COMPENSATION TAKEN INTO ACCOUNT FOR CREDIT.—Section 280C(a) (relating to rule for employment credits) is amended—

(A) by inserting "or compensation" after "salaries", and

(B) by inserting "30B," before "45A(a),".

(3) CONFORMING AMENDMENT.—Section 55(c)(2) is amended by inserting "30B(e)(1)," after "30(b)(3),".

(4) CLERICAL AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by adding after the item relating to section 30A the following new item:

"Sec. 30B. Ready Reserve-National Guard replacement employee credit.".

(5) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after September 30, 2004, in taxable years ending after such date.

(c) APPLICATION OF ANNUAL EXCLUSION LIMIT UNDER SECTION 911 TO HOUSING COSTS.—

(1) IN GENERAL.—Section 911(c) (relating to housing cost amount) is amended by adding at the end the following new paragraph:

"(4) LIMIT ON EXCLUSION FOR EMPLOYER PROVIDED HOUSING COSTS.—The housing cost amount for any individual for any taxable year attributable to employer provided amounts shall not exceed the excess (if any) of—

"(A) the product of—

"(i) the exclusion amount determined under subsection (b)(2)(D) for the taxable year, and

"(ii) a fraction equal to the number of days of the taxable year within the applicable period described in subparagraph (A) or (B) of subsection (d)(1) divided by the number of days in the taxable year, over

"(B) the foreign earned income of the individual excluded under subsection (a)(1) for the taxable year."

(2) CONFORMING AMENDMENT.—Section 911(c)(1) is amended by striking "The" and inserting "Except as provided in paragraph (4), the".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after the date of the enactment of this Act.

Strike section 311 of the bill (relating to look-thru treatment of payments between related controlled foreign corporations under foreign personal holding company income rules), redesignate sections 312 through 316 of the bill as sections 311 through 315, respectively, and conform the table of contents accordingly.

Mr. REYNOLDS. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MCGOVERN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of adoption of the resolution.

The vote was taken by electronic device, and there were—yeas 233, nays 193, not voting 7, as follows:

[Roll No. 256]

YEAS—233

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert

Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chandler
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Etheridge
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Marshall
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—193

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berman
Berry
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—7

Conyers
DeMint
Gephardt
Hastings (FL)
Kilpatrick
Quinn
Ruppersberger

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LATOURETTE) (during the vote). Members are advised that there are 2 minutes remaining in this vote.

□ 1209

Mr. MARSHALL changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. McGOVERN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 230, noes 195, not voting 8, as follows:

[Roll No. 257]

AYES—230

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boucher
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Chabot
Chandler
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Etheridge
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Marshall
Matheson
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moore
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—195

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berman
Berry
Bishop (NY)
Blumenauer
Boswell
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Castle
Clay
Clyburn
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)

Hoyer
Inslee
Israel
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Platts
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Shays
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—8

Conyers
DeMint
Gephardt
Hastings (FL)
Kilpatrick
Quinn
Ruppersberger
Waxman

□ 1218

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3308

Mr. BEAUPREZ. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 3308.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from Colorado?

There was no objection.

AMERICAN JOBS CREATION ACT OF 2004

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 681, I call up the bill (H.R. 4520) to amend the Internal Revenue Code of 1986 to remove impediments in such Code and make our manufacturing, service, and high-technology businesses and workers more competitive and productive both at home and abroad, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 681, the bill is considered read for amendment.

The text of H.R. 4520 is as follows:

H.R. 4520

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "American Jobs Creation Act of 2004".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; etc.
TITLE I—END SANCTIONS AND REDUCE CORPORATE TAX RATES FOR DOMESTIC MANUFACTURING AND SMALL CORPORATIONS
Sec. 101. Repeal of exclusion for extraterritorial income.
Sec. 102. Reduced corporate income tax rate for domestic production activities income.
Sec. 103. Reduced corporate income tax rate for small corporations.
TITLE II—JOB CREATION TAX INCENTIVES FOR MANUFACTURERS, SMALL BUSINESSES, AND FARMERS
Subtitle A—Small Business Expensing
Sec. 201. 2-year extension of increased expensing for small business.
Subtitle B—Depreciation
Sec. 211. Recovery period for depreciation of certain leasehold improvements and restaurant property.
Sec. 212. Modification of depreciation allowance for aircraft.
Sec. 213. Modification of placed in service rule for bonus depreciation property.
Subtitle C—S Corporation Reform and Simplification
Sec. 221. Members of family treated as 1 shareholder.
Sec. 222. Increase in number of eligible shareholders to 100.
Sec. 223. Expansion of bank S corporation eligible shareholders to include IRAs.
Sec. 224. Disregard of unexercised powers of appointment in determining potential current beneficiaries of ESBT.
Sec. 225. Transfer of suspended losses incident to divorce, etc.
Sec. 226. Use of passive activity loss and at-risk amounts by qualified subchapter S trust income beneficiaries.
Sec. 227. Exclusion of investment securities income from passive income test for bank S corporations.
Sec. 228. Treatment of bank director shares.
Sec. 229. Relief from inadvertently invalid qualified subchapter S subsidiary elections and terminations.
Sec. 230. Information returns for qualified subchapter S subsidiaries.
Sec. 231. Repayment of loans for qualifying employer securities.
Subtitle D—Alternative Minimum Tax Relief
Sec. 241. Foreign tax credit under alternative minimum tax.
Sec. 242. Expansion of exemption from alternative minimum tax for small corporations.
Sec. 243. Income averaging for farmers not to increase alternative minimum tax.
Subtitle E—Restructuring of Incentives for Alcohol Fuels, Etc.
Sec. 251. Reduced rates of tax on gasohol replaced with excise tax credit; repeal of other alcohol-based fuel incentives; etc.
Sec. 252. Alcohol fuel subsidies borne by general fund.
Subtitle F—Stock Options and Employee Stock Purchase Plan Stock Options
Sec. 261. Exclusion of incentive stock options and employee stock purchase plan stock options from wages.
Subtitle G—Incentives to Reinvest Foreign Earnings in United States
Sec. 271. Incentives to reinvest foreign earnings in United States.
Subtitle H—Other Incentive Provisions
Sec. 281. Special rules for livestock sold on account of weather-related conditions.
Sec. 282. Payment of dividends on stock of cooperatives without reducing patronage dividends.
Sec. 283. Capital gain treatment under section 631(b) to apply to outright sales by landowners.
Sec. 284. Distributions from publicly traded partnerships treated as qualifying income of regulated investment companies.
Sec. 285. Improvements related to real estate investment trusts.
Sec. 286. Treatment of certain dividends of regulated investment companies.
Sec. 287. Taxation of certain settlement funds.
Sec. 288. Expansion of human clinical trials qualifying for orphan drug credit.
Sec. 289. Simplification of excise tax imposed on bows and arrows.
Sec. 290. Repeal of excise tax on fishing tackle boxes.
Sec. 291. Sonar devices suitable for finding fish.
Sec. 292. Income tax credit to distilled spirits wholesalers for cost of carrying Federal excise taxes on bottled distilled spirits.
Sec. 293. Suspension of occupational taxes relating to distilled spirits, wine, and beer.
TITLE III—TAX REFORM AND SIMPLIFICATION FOR UNITED STATES BUSINESSES
Sec. 301. Interest expense allocation rules.
Sec. 302. Recharacterization of overall domestic loss.
Sec. 303. Reduction to 2 foreign tax credit baskets.
Sec. 304. Look-thru rules to apply to dividends from noncontrolled section 902 corporations.
Sec. 305. Attribution of stock ownership through partnerships to apply in determining section 902 and 960 credits.
Sec. 306. Clarification of treatment of certain transfers of intangible property.
Sec. 307. United States property not to include certain assets of controlled foreign corporation.
Sec. 308. Election not to use average exchange rate for foreign tax paid other than in functional currency.

Sec. 309. Repeal of withholding tax on dividends from certain foreign corporations.
Sec. 310. Provide equal treatment for interest paid by foreign partnerships and foreign corporations.
Sec. 311. Look-thru treatment of payments between related controlled foreign corporations under foreign personal holding company income rules.
Sec. 312. Look-thru treatment for sales of partnership interests.
Sec. 313. Repeal of foreign personal holding company rules and foreign investment company rules.
Sec. 314. Determination of foreign personal holding company income with respect to transactions in commodities.
Sec. 315. Modifications to treatment of aircraft leasing and shipping income.
Sec. 316. Modification of exceptions under subpart F for active financing.

TITLE IV—EXTENSION OF CERTAIN EXPIRING PROVISIONS

Sec. 401. Allowance of nonrefundable personal credits against regular and minimum tax liability.
Sec. 402. Extension of research credit.
Sec. 403. Extension of credit for electricity produced from certain renewable resources.
Sec. 404. Indian employment tax credit.
Sec. 405. Work opportunity credit.
Sec. 406. Welfare-to-work credit.
Sec. 407. Certain expenses of elementary and secondary school teachers.
Sec. 408. Extension of accelerated depreciation benefit for property on Indian reservations.
Sec. 409. Charitable contributions of computer technology and equipment used for educational purposes.
Sec. 410. Expensing of environmental remediation costs.
Sec. 411. Availability of medical savings accounts.
Sec. 412. Taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.
Sec. 413. Qualified zone academy bonds.
Sec. 414. District of Columbia.
Sec. 415. Extension of certain New York Liberty Zone bond financing.
Sec. 416. Disclosures relating to terrorist activities.
Sec. 417. Disclosure of return information relating to student loans.
Sec. 418. Cover over of tax on distilled spirits.
Sec. 419. Joint review of strategic plans and budget for the Internal Revenue Service.
Sec. 420. Parity in the application of certain limits to mental health benefits.
Sec. 421. Combined employment tax reporting project.
Sec. 422. Clean-fuel vehicles.

TITLE V—DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES

Sec. 501. Deduction of State and local general sales taxes in lieu of State and local income taxes.

TITLE VI—REVENUE PROVISIONS

Subtitle A—Provisions to Reduce Tax Avoidance Through Individual and Corporate Expatriation

Sec. 601. Tax treatment of expatriated entities and their foreign parents.
Sec. 602. Excise tax on stock compensation of insiders in expatriated corporations.
Sec. 603. Reinsurance of United States risks in foreign jurisdictions.
Sec. 604. Revision of tax rules on expatriation of individuals.
Sec. 605. Reporting of taxable mergers and acquisitions.
Sec. 606. Studies.

Subtitle B—Provisions Relating to Tax Shelters

PART I—TAXPAYER-RELATED PROVISIONS

Sec. 611. Penalty for failing to disclose reportable transactions.
Sec. 612. Accuracy-related penalty for listed transactions, other reportable transactions having a significant tax avoidance purpose, etc.
Sec. 613. Tax shelter exception to confidentiality privileges relating to taxpayer communications.
Sec. 614. Statute of limitations for taxable years for which required listed transactions not reported.
Sec. 615. Disclosure of reportable transactions.
Sec. 616. Failure to furnish information regarding reportable transactions.
Sec. 617. Modification of penalty for failure to maintain lists of investors.
Sec. 618. Penalty on promoters of tax shelters.
Sec. 619. Modifications of substantial understatement penalty for nonreportable transactions.
Sec. 620. Modification of actions to enjoin certain conduct related to tax shelters and reportable transactions.
Sec. 621. Penalty on failure to report interests in foreign financial accounts.
Sec. 622. Regulation of individuals practicing before the Department of the Treasury.

PART II—OTHER PROVISIONS

Sec. 631. Treatment of stripped interests in bond and preferred stock funds, etc.
Sec. 632. Minimum holding period for foreign tax credit on withholding taxes on income other than dividends.
Sec. 633. Disallowance of certain partnership loss transfers.
Sec. 634. No reduction of basis under section 734 in stock held by partnership in corporate partner.
Sec. 635. Repeal of special rules for FASITs.
Sec. 636. Limitation on transfer of built-in losses on REMIC residuals.
Sec. 637. Clarification of banking business for purposes of determining investment of earnings in United States property.
Sec. 638. Alternative tax for certain small insurance companies.
Sec. 639. Denial of deduction for interest on underpayments attributable to nondisclosed reportable transactions.
Sec. 640. Clarification of rules for payment of estimated tax for certain deemed asset sales.
Sec. 641. Recognition of gain from the sale of a principal residence acquired in a like-kind exchange within 5 years of sale.
Sec. 642. Prevention of mismatching of interest and original issue discount deductions and income inclusions in transactions with related foreign persons.
Sec. 643. Exclusion from gross income for interest on overpayments of income tax by individuals.
Sec. 644. Deposits made to suspend running of interest on potential underpayments.
Sec. 645. Partial payment of tax liability in installment agreements.
Sec. 646. Affirmation of consolidated return regulation authority.

PART III—LEASING

Sec. 647. Reform of tax treatment of certain leasing arrangements.
Sec. 648. Limitation on deductions allocable to property used by governments or other tax-exempt entities.
Sec. 649. Effective date.

Subtitle C—Reduction of Fuel Tax Evasion

Sec. 651. Exemption from certain excise taxes for mobile machinery.
Sec. 652. Taxation of aviation-grade kerosene.
Sec. 653. Dye injection equipment.
Sec. 654. Authority to inspect on-site records.
Sec. 655. Registration of pipeline or vessel operators required for exemption of bulk transfers to registered terminals or refineries.
Sec. 656. Display of registration.
Sec. 657. Penalties for failure to register and failure to report.
Sec. 658. Collection from customs bond where importer not registered.
Sec. 659. Modifications of tax on use of certain vehicles.
Sec. 660. Modification of ultimate vendor refund claims with respect to farming.
Sec. 661. Dedication of revenues from certain penalties to the Highway Trust Fund.
Sec. 662. Taxable fuel refunds for certain ultimate vendors.
Sec. 663. Two-party exchanges.
Sec. 664. Simplification of tax on tires.

Subtitle D—Nonqualified Deferred Compensation Plans

Sec. 671. Treatment of nonqualified deferred compensation plans.

Subtitle E—Other Revenue Provisions

Sec. 681. Qualified tax collection contracts.
Sec. 682. Treatment of charitable contributions of patents and similar property.
Sec. 683. Increased reporting for noncash charitable contributions.
Sec. 684. Donations of motor vehicles, boats, and aircraft.
Sec. 685. Extension of amortization of intangibles to sports franchises.
Sec. 686. Modification of continuing levy on payments to Federal venders.
Sec. 687. Modification of straddle rules.
Sec. 688. Addition of vaccines against hepatitis A to list of taxable vaccines.
Sec. 689. Addition of vaccines against influenza to list of taxable vaccines.
Sec. 690. Extension of IRS user fees.
Sec. 691. COBRA fees.
Sec. 692. Safe harbor for churches.

TITLE VII—MARKET REFORM FOR TOBACCO GROWERS

Sec. 701. Short title.
Sec. 702. Effective date.

Subtitle A—Termination of Federal Tobacco Quota and Price Support Programs

Sec. 711. Termination of tobacco quota program and related provisions.
Sec. 712. Termination of tobacco price support program and related provisions.
Sec. 713. Liability.

Subtitle B—Transitional Payments to Tobacco Quota Holders and Active Producers of Tobacco

Sec. 721. Definitions of active tobacco producer and quota holder.
Sec. 722. Payments to tobacco quota holders.
Sec. 723. Transition payments for active producers of quota tobacco.
Sec. 724. Resolution of disputes.
Sec. 725. Source of funds for payments.

TITLE I—END SANCTIONS AND REDUCE CORPORATE TAX RATES FOR DOMESTIC MANUFACTURING AND SMALL CORPORATIONS

SEC. 101. REPEAL OF EXCLUSION FOR EXTRATERRITORIAL INCOME.

(a) IN GENERAL.—Section 114 is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) Subpart E of part III of subchapter N of chapter 1 (relating to qualifying foreign trade income) is hereby repealed.

(2) The table of subparts for such part III is amended by striking the item relating to subpart E.

(3) The table of sections for part III of subchapter B of chapter 1 is amended by striking the item relating to section 114.

(4) The second sentence of section 56(g)(4)(B)(i) is amended by striking "114 or".

(5) Section 275(a) is amended—

(A) by inserting "or" at the end of paragraph (4)(A), by striking "or" at the end of paragraph (4)(B) and inserting a period, and by striking subparagraph (C), and

(B) by striking the last sentence.

(6) Paragraph (3) of section 864(e) is amended—

(A) by striking:

"(3) TAX-EXEMPT ASSETS NOT TAKEN INTO ACCOUNT.—

"(A) IN GENERAL.—For purposes of"; and inserting:

"(3) TAX-EXEMPT ASSETS NOT TAKEN INTO ACCOUNT.—For purposes of", and

(B) by striking subparagraph (B).

(7) Section 903 is amended by striking "114, 164(a)," and inserting "164(a)".

(8) Section 999(c)(1) is amended by striking "941(a)(5),".

(c) EFFECTIVE DATE.—Except as provided in subsection (d), the amendments made by this section shall apply to transactions after December 31, 2004.

(d) TRANSITIONAL RULE FOR 2005 AND 2006.—

(1) IN GENERAL.—In the case of transactions during 2005 or 2006, the amount includible in gross income by reason of the amendments made by this section shall not exceed the applicable percentage of the amount which would have been so included but for this subsection.

(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage shall be as follows:

(A) For 2005, the applicable percentage shall be 20 percent.

(B) For 2006, the applicable percentage shall be 40 percent.

(e) REVOCATION OF ELECTION TO BE TREATED AS DOMESTIC CORPORATION.—If, during the 1-year period beginning on the date of the enactment of this Act, a corporation for which an election is in effect under section 943(e) of the Internal Revenue Code of 1986 revokes such election, no gain or loss shall be recognized with respect to property treated as transferred under clause (ii) of section 943(e)(4)(B) of such Code to the extent such property—

(1) was treated as transferred under clause (i) thereof, or

(2) was acquired during a taxable year to which such election applies and before May 1, 2003, in the ordinary course of its trade or business.

The Secretary of the Treasury (or such Secretary's delegate) may prescribe such regulations as may be necessary to prevent the abuse of the purposes of this subsection.

(f) BINDING CONTRACTS.—The amendments made by this section shall not apply to any transaction in the ordinary course of a trade or business which occurs pursuant to a binding contract—

(1) which is between the taxpayer and a person who is not a related person (as defined in section 943(b)(3) of such Code, as in effect on the day before the date of the enactment of this Act), and

(2) which is in effect on January 14, 2002, and at all times thereafter.

For purposes of this subsection, a binding contract shall include a purchase option, renewal option, or replacement option which is included in such contract and which is enforceable against the seller or lessor.

SEC. 102. REDUCED CORPORATE INCOME TAX RATE FOR DOMESTIC PRODUCTION ACTIVITIES INCOME.

(a) LIMITATION ON TAX ON QUALIFIED PRODUCTION ACTIVITIES INCOME.—Section 11 is amended by redesignating subsections (c) and (d) as subsections (d) and (e), respectively, and by inserting after subsection (b) the following new subsection:

"(c) LIMITATION ON TAX ON QUALIFIED PRODUCTION ACTIVITIES INCOME.—

"(1) IN GENERAL.—If a corporation has qualified production activities income for any taxable year, the tax imposed by this section shall not exceed the sum of—

"(A) a tax computed at the rates and in the manner as if this subsection had not been enacted on the taxable income reduced by the amount of qualified production activities income, plus

"(B) a tax equal to 32 percent (34 percent in the case of taxable years beginning before January 1, 2007) of the qualified production activities income (or, if less, taxable income).

"(2) QUALIFIED PRODUCTION ACTIVITIES INCOME.—

"(A) IN GENERAL.—The term 'qualified production activities income' for any taxable year means an amount equal to the excess (if any) of—

"(i) the taxpayer's domestic production gross receipts for such taxable year, over

"(ii) the sum of—

"(I) the cost of goods sold that are allocable to such receipts,

"(II) other deductions, expenses, or losses directly allocable to such receipts, and

"(III) a ratable portion of other deductions, expenses, and losses that are not directly allocable to such receipts or another class of income.

"(B) ALLOCATION METHOD.—The Secretary shall prescribe rules for the proper allocation of items of income, deduction, expense, and loss for purposes of determining income attributable to domestic production activities.

"(3) DOMESTIC PRODUCTION GROSS RECEIPTS.—For purposes of this subsection, the term 'domestic production gross receipts' means the gross receipts of the taxpayer which are derived from—

"(A) any lease, rental, license, sale, exchange, or other disposition of—

"(i) qualifying production property which was manufactured, produced, grown, or extracted in whole or in significant part by the taxpayer within the United States, or

"(ii) any qualified film produced by the taxpayer, or

"(B) construction, engineering, or architectural services performed in the United States for construction projects in the United States.

"(4) QUALIFYING PRODUCTION PROPERTY.—For purposes of this subsection, the term 'qualifying production property' means—

"(A) tangible personal property,

"(B) any computer software, and

"(C) any property described in section 168(f)(4).

"(5) QUALIFIED FILM.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified film' means any property described in section 168(f)(3) if not less than 50 percent of the total compensation relating to the production of such property is compensation for services performed in the United States by actors, production personnel, directors, and producers.

"(B) EXCEPTION.—Such term does not include property with respect to which records are required to be maintained under section 2257 of title 18, United States Code.

"(6) RELATED PERSONS.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'domestic production gross receipts' shall not include any gross receipts of the taxpayer derived from property leased, licensed, or rented by the taxpayer for use by any related person.

"(B) RELATED PERSON.—For purposes of subparagraph (A), a person shall be treated as related to another person if such persons are treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414, except that determinations under subsections (a) and (b) of section 52 shall be made without regard to section 1563(b).".

(b) SPECIAL RULE RELATING TO ELECTION TO TREAT CUTTING OF TIMBER AS A SALE OR EXCHANGE.—In the case of a corporation, any election under section 631(a) of the Internal Revenue Code of 1986 made for a taxable year ending on or before the date of the enactment of this Act may be revoked by the taxpayer for any taxable year ending after such date. For purposes of determining whether such taxpayer may make a further election under such section, such election (and any revocation under this section) shall not be taken into account.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 103. REDUCED CORPORATE INCOME TAX RATE FOR SMALL CORPORATIONS.

(a) IN GENERAL.—Subsection (b) of section 11 (relating to tax imposed on corporations) is amended by redesignating paragraph (2) as paragraph (6) and by striking paragraph (1) and inserting the following new paragraphs:

"(1) FOR TAXABLE YEARS BEGINNING AFTER 2012.—In the case of taxable years beginning after 2012, the amount of the tax imposed by subsection (a) shall be determined in accordance with the following table:

"If taxable income is:	**The tax is:**
Not over $50,000	15% of taxable income.
Over $50,000 but not over $75,000.	$7,500, plus 25% of the excess over $50,000.
Over $75,000 but not over $20,000,000.	$13,750, plus 32% of the excess over $75,000.

"If taxable income is:	The tax is:
Over $20,000,000	$6,389,750, plus 35% of the excess over $20,000,000.

"(2) FOR TAXABLE YEARS BEGINNING IN 2011 OR 2012.—In the case of taxable years beginning in 2011 or 2012, the amount of the tax imposed by subsection (a) shall be determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $50,000	15% of taxable income.
Over $50,000 but not over $75,000.	$7,500, plus 25% of the excess over $50,000.
Over $75,000 but not over $5,000,000.	$13,750, plus 32% of the excess over $75,000.
Over $5,000,000 but not over $10,000,000.	$1,589,750, plus 34% of the excess over $5,000,000.
Over $10,000,000	$3,289,750, plus 35% of the excess over $10,000,000.

"(3) FOR TAXABLE YEARS BEGINNING IN 2008, 2009, OR 2010.—In the case of taxable years beginning in 2008, 2009, or 2010, the amount of the tax imposed by subsection (a) shall be determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $50,000	15% of taxable income.
Over $50,000 but not over $75,000.	$7,500, plus 25% of the excess over $50,000.
Over $75,000 but not over $1,000,000.	$13,750, plus 32% of the excess over $75,000.
Over $1,000,000 but not over $10,000,000.	$309,750, plus 34% of the excess over $1,000,000.
Over $10,000,000	$3,369,750, plus 35% of the excess over $10,000,000.

"(4) FOR TAXABLE YEARS BEGINNING IN 2005, 2006, OR 2007.—In the case of taxable years beginning in 2005, 2006, or 2007, the amount of the tax imposed by subsection (a) shall be determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $50,000	15% of taxable income.
Over $50,000 but not over $75,000.	$7,500, plus 25% of the excess over $50,000.
Over $75,000 but not over $1,000,000.	$13,750, plus 33% of the excess over $75,000.
Over $1,000,000 but not over $10,000,000.	$319,000, plus 34% of the excess over $1,000,000.
Over $10,000,000	$3,379,000, plus 35% of the excess over $10,000,000.

"(5) PHASEOUT OF LOWER RATES FOR CERTAIN TAXPAYERS.—

"(A) GENERAL RULE FOR YEARS BEFORE 2013.—

"(i) IN GENERAL.—In the case of taxable years beginning before 2013 with respect to a corporation which has taxable income in excess of the applicable amount for any taxable year, the amount of tax determined under paragraph (1), (2), (3) or (4) for such taxable year shall be increased by the lesser of (I) 5 percent of such excess, or (II) the maximum increase amount.

"(ii) MAXIMUM INCREASE AMOUNT.—For purposes of clause (i)—

"In the case of any taxable year beginning during:	The applicable amount is:	The maximum increase amount is:
2005, 2006, or 2007.	$1,000,000	$21,000
2008, 2009, or 2010.	$1,000,000	$30,250
2011 or 2012	$5,000,000	$110,250.

"(B) HIGHER INCOME CORPORATIONS.—In the case of a corporation which has taxable income in excess of $20,000,000 ($15,000,000 in the case of taxable years beginning before 2013), the amount of the tax determined under the foregoing provisions of this subsection shall be increased by an additional amount equal to the lesser of (i) 3 percent of such excess, or (ii) $610,250 ($100,000 in the case of taxable years beginning before 2013).".

(b) CONFORMING AMENDMENTS.—

(1) Section 904(b)(3)(D)(ii) is amended to read as follows:

"(ii) in the case of a corporation, section 1201(a) applies to such taxable year.".

(2) Section 1201(a) is amended by striking "the last 2 sentences of section 11(b)(1)" and inserting "section 11(b)(5)".

(3) Section 1561(a) is amended—

(A) by striking "the last 2 sentences of section 11(b)(1)" and inserting "section 11(b)(5)", and

(B) by striking "such last 2 sentences" and inserting "section 11(b)(5)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

TITLE II—JOB CREATION TAX INCENTIVES FOR MANUFACTURERS, SMALL BUSINESSES, AND FARMERS

Subtitle A—Small Business Expensing

SEC. 201. 2-YEAR EXTENSION OF INCREASED EXPENSING FOR SMALL BUSINESS.

Subsections (b), (c), and (d) of section 179 are each amended by striking "2006" each place it appears and inserting "2008".

Subtitle B—Depreciation

SEC. 211. RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN LEASEHOLD IMPROVEMENTS AND RESTAURANT PROPERTY.

(a) 15-YEAR RECOVERY PERIOD.—Subparagraph (E) of section 168(e)(3) (relating to classification of certain property) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting a comma, and by adding at the end the following new clauses:

"(iv) any qualified leasehold improvement property placed in service before January 1, 2006, and

"(v) any qualified restaurant property placed in service before January 1, 2006."

(b) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—Subsection (e) of section 168 is amended by adding at the end the following new paragraph:

"(6) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—The term 'qualified leasehold improvement property' has the meaning given such term in section 168(k)(3) except that the following special rules shall apply:

"(A) IMPROVEMENTS MADE BY LESSOR.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person.

"(B) EXCEPTION FOR CHANGES IN FORM OF BUSINESS.—Property shall not cease to be qualified leasehold improvement property under subparagraph (A) by reason of—

"(i) death,

"(ii) a transaction to which section 381(a) applies,

"(iii) a mere change in the form of conducting the trade or business so long as the property is retained in such trade or business as qualified leasehold improvement property and the taxpayer retains a substantial interest in such trade or business,

"(iv) the acquisition of such property in an exchange described in section 1031, 1033, or 1038 to the extent that the basis of such property includes an amount representing the adjusted basis of other property owned by the taxpayer or a related person, or

"(v) the acquisition of such property by the taxpayer in a transaction described in section 332, 351, 361, 721, or 731 (or the acquisition of such property by the taxpayer from the transferee or acquiring corporation in a transaction described in such section), to the extent that the basis of the property in the hands of the taxpayer is determined by reference to its basis in the hands of the transferor or distributor.".

(c) QUALIFIED RESTAURANT PROPERTY.—Subsection (e) of section 168 (as amended by subsection (b)) is further amended by adding at the end the following new paragraph:

"(7) QUALIFIED RESTAURANT PROPERTY.—The term 'qualified restaurant property' means any section 1250 property which is an improvement to a building if—

"(A) such improvement is placed in service more than 3 years after the date such building was first placed in service, and

"(B) more than 50 percent of the building's square footage is devoted to preparation of, and seating for on-premises consumption of, prepared meals.".

(d) REQUIREMENT TO USE STRAIGHT LINE METHOD.—

(1) Paragraph (3) of section 168(b) is amended by adding at the end the following new subparagraphs:

"(G) Qualified leasehold improvement property described in subsection (e)(6).

"(H) Qualified restaurant property described in subsection (e)(7).".

(2) Subparagraph (A) of section 168(b)(2) is amended by inserting before the comma "not referred to in paragraph (3)".

(e) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) is amended by adding at the end the following new items:

"(E)(iv)	39
"(E)(v)	39".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 212. MODIFICATION OF DEPRECIATION ALLOWANCE FOR AIRCRAFT.

(a) AIRCRAFT TREATED AS QUALIFIED PROPERTY.—

(1) IN GENERAL.—Paragraph (2) of section 168(k) is amended by redesignating subparagraphs (C) through (F) as subparagraphs (D) through (G), respectively, and by inserting after subparagraph (B) the following new subparagraph:

"(C) CERTAIN AIRCRAFT.—The term 'qualified property' includes property—

"(i) which meets the requirements of clauses (ii) and (iii) of subparagraph (A),

"(ii) which is an aircraft which is not a transportation property (as defined in subparagraph (B)(iii)) other than for agricultural or firefighting purposes,

"(iii) which is purchased and on which such purchaser, at the time of the contract for purchase, has made a nonrefundable deposit of the lesser of—

"(I) 10 percent of the cost, or

"(II) $100,000, and

"(iv) which has—

"(I) an estimated production period exceeding 4 months, and

"(II) a cost exceeding $200,000.".

(2) PLACED IN SERVICE DATE.—Clause (iv) of section 168(k)(2)(A) is amended by striking "subparagraph (B)" and inserting "subparagraphs (B) and (C)".

(b) CONFORMING AMENDMENTS.—

(1) Section 168(k)(2)(B) is amended by adding at the end the following new clause:

"(iv) APPLICATION OF SUBPARAGRAPH.—This subparagraph shall not apply to any property which is described in subparagraph (C).".

(2) Section 168(k)(4)(A)(ii) is amended by striking "paragraph (2)(C)" and inserting "paragraph (2)(D)".

(3) Section 168(k)(4)(B)(iii) is amended by inserting "and paragraph (2)(C)" after "of this paragraph)".

(4) Section 168(k)(4)(C) is amended by striking "subparagraphs (B) and (D)" and inserting "subparagraphs (B), (C), and (E)".

(5) Section 168(k)(4)(D) is amended by striking "Paragraph (2)(E)" and inserting "Paragraph (2)(F)".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 101 of the Job Creation and Worker Assistance Act of 2002.

SEC. 213. MODIFICATION OF PLACED IN SERVICE RULE FOR BONUS DEPRECIATION PROPERTY.

(a) IN GENERAL.—Section 168(k)(2)(D) (relating to special rules) is amended by adding at the end the following new clause:

"(iii) SYNDICATION.—For purposes of subparagraph (A)(ii), if—

"(I) property is originally placed in service after September 10, 2001, by the lessor of such property,

"(II) such property is sold by such lessor or any subsequent purchaser within 3 months after the date so placed in service (or, in the case of multiple units of property subject to the same lease, within 3 months after the date the final unit is placed in service, so long as the period between the time the first unit is placed in service and the time the last unit is placed in service does not exceed 12 months), and

"(III) the user of such property after the last sale during such 3-month period remains the same as when such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date of such last sale, so long as no previous owner of such property elects the application of this subsection with respect to such property.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 101 of the Job Creation and Worker Assistance Act of 2002; except that the parenthetical material in section 168(k)(2)(D)(iii)(II) of the Internal Revenue Code of 1986, as added by this section, shall apply to property sold after June 4, 2004.

Subtitle C—S Corporation Reform and Simplification

SEC. 221. MEMBERS OF FAMILY TREATED AS 1 SHAREHOLDER.

(a) IN GENERAL.—Paragraph (1) of section 1361(c) (relating to special rules for applying subsection (b)) is amended to read as follows:

"(1) MEMBERS OF FAMILY TREATED AS 1 SHAREHOLDER.—

"(A) IN GENERAL.—For purpose of subsection (b)(1)(A)—

"(i) except as provided in clause (ii), a husband and wife (and their estates) shall be treated as 1 shareholder, and

"(ii) in the case of a family with respect to which an election is in effect under subparagraph (D), all members of the family shall be treated as 1 shareholder.

"(B) MEMBERS OF THE FAMILY.—For purpose of subparagraph (A)(ii)—

"(i) IN GENERAL.—The term 'members of the family' means the common ancestor, lineal descendants of the common ancestor, and the spouses (or former spouses) of such lineal descendants or common ancestor.

"(ii) COMMON ANCESTOR.—For purposes of this paragraph, an individual shall not be considered a common ancestor if, as of the later of the effective date of this paragraph or the time the election under section 1362(a) is made, the individual is more than 3 generations removed from the youngest generation of shareholders who would (but for this clause) be members of the family. For purposes of the preceding sentence, a spouse (or former spouse) shall be treated as being of the same generation as the individual to which such spouse is (or was) married.

"(C) EFFECT OF ADOPTION, ETC.—In determining whether any relationship specified in subparagraph (B) exists, the rules of section 152(b)(2) shall apply.

"(D) ELECTION.—An election under subparagraph (A)(ii)—

"(i) may, except as otherwise provided in regulations prescribed by the Secretary, be made by any member of the family, and

"(ii) shall remain in effect until terminated as provided in regulations prescribed by the Secretary.".

(b) RELIEF FROM INADVERTENT INVALID ELECTION OR TERMINATION.—Section 1362(f) (relating to inadvertent invalid elections or terminations), as amended by section 229, is amended—

(1) by inserting "or section 1361(c)(1)(A)(ii)" after "section 1361(b)(3)(B)(ii)," in paragraph (1), and

(2) by inserting "or section 1361(c)(1)(D)(iii)" after "section 1361(b)(3)(C)," in paragraph (1)(B).

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2004.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall apply to elections and terminations made after December 31, 2004.

SEC. 222. INCREASE IN NUMBER OF ELIGIBLE SHAREHOLDERS TO 100.

(a) IN GENERAL.—Section 1361(b)(1)(A) (defining small business corporation) is amended by striking "75" and inserting "100".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 223. EXPANSION OF BANK S CORPORATION ELIGIBLE SHAREHOLDERS TO INCLUDE IRAS.

(a) IN GENERAL.—Section 1361(c)(2)(A) (relating to certain trusts permitted as shareholders) is amended by inserting after clause (v) the following new clause:

"(vi) In the case of a corporation which is a bank (as defined in section 581), a trust which constitutes an individual retirement account under section 408(a), including one designated as a Roth IRA under section 408A, but only to the extent of the stock held by such trust in such bank as of the date of the enactment of this clause.".

(b) TREATMENT AS SHAREHOLDER.—Section 1361(c)(2)(B) (relating to treatment as shareholders) is amended by adding at the end the following new clause:

"(vi) In the case of a trust described in clause (vi) of subparagraph (A), the individual for whose benefit the trust was created shall be treated as a shareholder.".

(c) SALE OF BANK STOCK IN IRA RELATING TO S CORPORATION ELECTION EXEMPT FROM PROHIBITED TRANSACTION RULES.—Section 4975(d) (relating to exemptions) is amended by striking "or" at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting "; or", and by adding at the end the following new paragraph:

"(16) a sale of stock held by a trust which constitutes an individual retirement account under section 408(a) to the individual for whose benefit such account is established if—

"(A) such stock is in a bank (as defined in section 581),

"(B) such stock is held by such trust as of the date of the enactment of this paragraph,

"(C) such sale is pursuant to an election under section 1362(a) by such bank,

"(D) such sale is for fair market value at the time of sale (as established by an independent appraiser) and the terms of the sale are otherwise at least as favorable to such trust as the terms that would apply on a sale to an unrelated party,

"(E) such trust does not pay any commissions, costs, or other expenses in connection with the sale, and

"(F) the stock is sold in a single transaction for cash not later than 120 days after the S corporation election is made.".

(d) CONFORMING AMENDMENT.—Section 512(e)(1) is amended by inserting "1361(c)(2)(A)(vi) or" before "1361(c)(6)".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 224. DISREGARD OF UNEXERCISED POWERS OF APPOINTMENT IN DETERMINING POTENTIAL CURRENT BENEFICIARIES OF ESBT.

(a) IN GENERAL.—Section 1361(e)(2) (defining potential current beneficiary) is amended—

(1) by inserting "(determined without regard to any power of appointment to the extent such power remains unexercised at the end of such period)" after "of the trust" in the first sentence, and

(2) by striking "60-day" in the second sentence and inserting "1-year".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 225. TRANSFER OF SUSPENDED LOSSES INCIDENT TO DIVORCE, ETC.

(a) IN GENERAL.—Section 1366(d)(2) (relating to indefinite carryover of disallowed losses and deductions) is amended to read as follows:

"(2) INDEFINITE CARRYOVER OF DISALLOWED LOSSES AND DEDUCTIONS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), any loss or deduction which is disallowed for any taxable year by reason of paragraph (1) shall be treated as incurred by the corporation in the succeeding taxable year with respect to that shareholder.

"(B) TRANSFERS OF STOCK BETWEEN SPOUSES OR INCIDENT TO DIVORCE.—In the case of any transfer described in section 1041(a) of stock of an S corporation, any loss or deduction described in subparagraph (A) with respect such stock shall be treated as incurred by the corporation in the succeeding taxable year with respect to the transferee."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 226. USE OF PASSIVE ACTIVITY LOSS AND AT-RISK AMOUNTS BY QUALIFIED SUBCHAPTER S TRUST INCOME BENEFICIARIES.

(a) IN GENERAL.—Section 1361(d)(1) (relating to special rule for qualified subchapter S trust) is amended—

(1) by striking "and" at the end of subparagraph (A),

(2) by striking the period at the end of subparagraph (B) and inserting ", and", and

(3) by adding at the end the following new subparagraph:

"(C) for purposes of applying sections 465 and 469 to the beneficiary of the trust, the disposition of the S corporation stock by the trust shall be treated as a disposition by such beneficiary.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers made after December 31, 2004.

SEC. 227. EXCLUSION OF INVESTMENT SECURITIES INCOME FROM PASSIVE INCOME TEST FOR BANK S CORPORATIONS.

(a) IN GENERAL.—Section 1362(d)(3) (relating to where passive investment income exceeds 25 percent of gross receipts for 3 consecutive taxable years and corporation has accumulated earnings and profits) is amended by adding at the end the following new subparagraph:

"(F) EXCEPTION FOR BANKS; ETC.—In the case of a bank (as defined in section 581), a bank holding company (within the meaning of section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a))), or a financial holding company (within the meaning of section 2(p) of such Act), the term 'passive investment income' shall not include—

"(i) interest income earned by such bank or company, or

"(ii) dividends on assets required to be held by such bank or company, including stock in the Federal Reserve Bank, the Federal Home Loan Bank, or the Federal Agricultural Mortgage Bank or participation certificates issued by a Federal Intermediate Credit Bank.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 228. TREATMENT OF BANK DIRECTOR SHARES.

(a) IN GENERAL.—Section 1361 (defining S corporation) is amended by adding at the end the following new subsection:

"(f) RESTRICTED BANK DIRECTOR STOCK.—

"(1) IN GENERAL.—Restricted bank director stock shall not be taken into account as outstanding stock of the S corporation in applying this subchapter (other than section 1368(f)).

"(2) RESTRICTED BANK DIRECTOR STOCK.—For purposes of this subsection, the term 'restricted bank director stock' means stock in a bank (as defined in section 581), a bank holding company (within the meaning of section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a))), or a financial holding company (within the meaning of section 2(p) of such Act), registered with the Federal Reserve System if such stock—

"(A) is required to be held by an individual under applicable Federal or State law in order to permit such individual to serve as a director, and

"(B) is subject to an agreement with such bank or company (or a corporation which controls (within the meaning of section 368(c)) such bank or company) pursuant to which the holder is required to sell back such stock (at the same price as the individual acquired such stock) upon ceasing to hold the office of director.

"(3) CROSS REFERENCE.—

"For treatment of certain distributions with respect to restricted bank director stock, see section 1368(f).".

(b) DISTRIBUTIONS.—Section 1368 (relating to distributions) is amended by adding at the end the following new subsection:

"(f) RESTRICTED BANK DIRECTOR STOCK.—If a director receives a distribution (not in part or full payment in exchange for stock) from an S corporation with respect to any restricted bank director stock (as defined in section 1361(f)), the amount of such distribution—

"(1) shall be includible in gross income of the director, and

"(2) shall be deductible by the corporation for the taxable year of such corporation in which or with which ends the taxable year in which such amount in included in the gross income of the director.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 229. RELIEF FROM INADVERTENTLY INVALID QUALIFIED SUBCHAPTER S SUBSIDIARY ELECTIONS AND TERMINATIONS.

(a) IN GENERAL.—Section 1362(f) (relating to inadvertent invalid elections or terminations) is amended—

(1) by inserting ", section 1361(b)(3)(B)(ii)," after "subsection (a)" in paragraph (1),

(2) by inserting ", section 1361(b)(3)(C)," after "subsection (d)" in paragraph (1)(B),

(3) by amending paragraph (3)(A) to read as follows:

"(A) so that the corporation for which the election was made is a small business corporation or a qualified subchapter S subsidiary, as the case may be, or",

(4) by amending paragraph (4) to read as follows:

"(4) the corporation for which the election was made, and each person who was a shareholder in such corporation at any time during the period specified pursuant to this subsection, agrees to make such adjustments (consistent with the treatment of such corporation as an S corporation or a qualified subchapter S subsidiary, as the case may be) as may be required by the Secretary with respect to such period,", and

(5) by inserting "or a qualified subchapter S subsidiary, as the case may be" after "S corporation" in the matter following paragraph (4).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 230. INFORMATION RETURNS FOR QUALIFIED SUBCHAPTER S SUBSIDIARIES.

(a) IN GENERAL.—Section 1361(b)(3)(A) (relating to treatment of certain wholly owned subsidiaries) is amended by inserting "and in the case of information returns required under part III of subchapter A of chapter 61" after "Secretary".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 231. REPAYMENT OF LOANS FOR QUALIFYING EMPLOYER SECURITIES.

(a) IN GENERAL.—Subsection (f) of section 4975 (relating to other definitions and special rules) is amended by adding at the end the following new paragraph:

"(7) S CORPORATION REPAYMENT OF LOANS FOR QUALIFYING EMPLOYER SECURITIES.—A plan shall not be treated as violating the requirements of section 401 or 409 or subsection (e)(7), or as engaging in a prohibited transaction for purposes of subsection (d)(3), merely by reason of any distribution (as described in section 1368(a)) with respect to S corporation stock that constitutes qualifying employer securities, which in accordance with the plan provisions is used to make payments on a loan described in subsection (d)(3) the proceeds of which were used to acquire such qualifying employer securities (whether or not allocated to participants). The preceding sentence shall not apply in the case of a distribution which is paid with respect to any employer security which is allocated to a participant unless the plan provides that employer securities with a fair market value of not less than the amount of such distribution are allocated to such participant for the year which (but for the preceding sentence) such distribution would have been allocated to such participant.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions with respect to S corporation stock made after December 31, 2004.

Subtitle D—Alternative Minimum Tax Relief

SEC. 241. FOREIGN TAX CREDIT UNDER ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—

(1) Subsection (a) of section 59 is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(2) Section 53(d)(1)(B)(i)(II) is amended by striking "and if section 59(a)(2) did not apply".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 242. EXPANSION OF EXEMPTION FROM ALTERNATIVE MINIMUM TAX FOR SMALL CORPORATIONS.

(a) IN GENERAL.—Subparagraphs (A) and (B) of section 55(e)(1) are each amended by striking "$7,500,000" each place it appears and inserting "$20,000,000".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 243. INCOME AVERAGING FOR FARMERS NOT TO INCREASE ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Subsection (c) of section 55 (defining regular tax) is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

"(2) COORDINATION WITH INCOME AVERAGING FOR FARMERS.—Solely for purposes of this section, section 1301 (relating to averaging of farm income) shall not apply in computing the regular tax liability.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2003.

Subtitle E—Restructuring of Incentives for Alcohol Fuels, Etc.

SEC. 251. REDUCED RATES OF TAX ON GASOHOL REPLACED WITH EXCISE TAX CREDIT; REPEAL OF OTHER ALCOHOL-BASED FUEL INCENTIVES; ETC.

(a) EXCISE TAX CREDIT FOR ALCOHOL FUEL MIXTURES.—

(1) IN GENERAL.—Subsection (f) of section 6427 is amended to read as follows:

"(f) ALCOHOL FUEL MIXTURES.—

"(1) IN GENERAL.—The amount of credit which would (but for section 40(c)) be determined under section 40(a)(1) for any period—

"(A) shall, with respect to taxable events occurring during such period, be treated—

"(i) as a payment of the taxpayer's liability for tax imposed by section 4081, and

"(ii) as received at the time of the taxable event, and

"(B) to the extent such amount of credit exceeds such liability for such period, shall (except as provided in subsection (k)) be paid subject to subsection (i)(3) by the Secretary without interest.

"(2) SPECIAL RULES.—

"(A) ONLY CERTAIN ALCOHOL TAKEN INTO ACCOUNT.—For purposes of paragraph (1), section 40 shall be applied—

"(i) by not taking into account alcohol with a proof of less than 190, and

"(ii) by treating as alcohol the alcohol gallon equivalent of ethyl tertiary butyl ether or other ethers produced from such alcohol.

"(B) TREATMENT OF REFINERS.—For purposes of paragraph (1), in the case of a mixture—

"(i) the alcohol in which is described in subparagraph (A)(ii), and

"(ii) which is produced by any person at a refinery prior to any taxable event,

section 40 shall be applied by treating such person as having sold such mixture at the time of its removal from the refinery (and only at such time) to another person for use as a fuel.

"(3) Mixtures not used as fuel.—Rules similar to the rules of subparagraphs (A) and (D) of section 40(d)(3) shall apply for purposes of this subsection.

"(4) Termination.—This section shall apply only to periods to which section 40 applies, determined by substituting in section 40(e)—

"(A) 'December 31, 2010' for 'December 31, 2007', and

"(B) 'January 1, 2011' for 'January 1, 2008'."

(2) Revision of rules for payment of credit.—Paragraph (3) of section 6427(i) is amended to read as follows:

"(3) Special rule for alcohol mixture credit.—

"(A) In general.—A claim may be filed under subsection (f)(1)(B) by any person for any period—

"(i) for which $200 or more is payable under such subsection (f)(1)(B), and

"(ii) which is not less than 1 week.

In the case of an electronic claim, this subparagraph shall be applied without regard to clause (i).

"(B) Payment of claim.—Notwithstanding subsection (f)(1)(B), if the Secretary has not paid pursuant to a claim filed under this section within 45 days of the date of the filing of such claim (20 days in the case of an electronic claim), the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621.

"(C) Time for filing claim.—No claim filed under this paragraph shall be allowed unless filed on or before the last day of the first quarter following the earliest quarter included in the claim."

(b) Repeal of Other Incentives for Fuel Mixtures.—

(1) Subsection (b) of section 4041 is amended to read as follows:

"(b) Exemption for Off-Highway Business Use.—

"(1) In general.—No tax shall be imposed by subsection (a) or (d)(1) on liquids sold for use or used in an off-highway business use.

"(2) Tax where other use.—If a liquid on which no tax was imposed by reason of paragraph (1) is used otherwise than in an off-highway business use, a tax shall be imposed by paragraph (1)(B), (2)(B), or (3)(A)(ii) of subsection (a) (whichever is appropriate) and by the corresponding provision of subsection (d)(1) (if any).

"(3) Off-highway business use defined.—For purposes of this subsection, the term 'off-highway business use' has the meaning given to such term by section 6421(e)(2); except that such term shall not, for purposes of subsection (a)(1), include use in a diesel-powered train."

(2) Section 4041(k) is hereby repealed.

(3) Section 4081(c) is hereby repealed.

(4) Section 4091(c) is hereby repealed.

(c) Transfers to Highway Trust Fund.—Paragraph (4) of section 9503(b) is amended by adding "or" at the end of subparagraph (B), by striking the comma at the end of subparagraph (C) and inserting a period, and by striking subparagraphs (D), (E), and (F).

(d) Conforming Amendments.—

(1) Subsection (c) of section 40 is amended to read as follows:

"(c) Coordination With Excise Tax Benefits.—The amount of the credit determined under this section with respect to any alcohol shall, under regulations prescribed by the Secretary, be properly reduced to take into account the benefit provided with respect to such alcohol under section 6427(f)."

(2) Subparagraph (B) of section 40(d)(4) is amended by striking "under section 4041(k) or 4081(c)" and inserting "under section 6427(f)".

(e) Effective Dates.—

(1) In general.—Except as provided by paragraph (2), the amendments made by this section shall apply to fuel sold or used after September 30, 2004.

(2) Subsection (c).—The amendments made by subsection (c) shall apply to taxes imposed after September 30, 2003.

SEC. 252. ALCOHOL FUEL SUBSIDIES BORNE BY GENERAL FUND.

(a) Transfers to Fund.—Section 9503(b)(1) is amended by adding at the end the following new flush sentence:

"For purposes of this paragraph, the amount of taxes received under section 4081 shall include any amount treated as a payment under section 6427(f)(1)(A) and shall not be reduced by the amount paid under section 6427(f)(1)(B).".

(b) Transfers From Fund.—Subparagraph (A) of section 9503(c)(2) is amended by adding at the end the following new sentence: "Clauses (i)(III) and (ii) shall not apply to claims under section 6427(f)(1)(B)."

(c) Effective Date.—

(1) Subsection (a).—The amendment made by subsection (a) shall apply to taxes received after September 30, 2004.

(2) Subsection (b).—The amendment made by subsection (b) shall apply to amounts paid after September 30, 2004, and (to the extent related to section 34 of the Internal Revenue Code of 1986) to fuel used after such date.

Subtitle F—Stock Options and Employee Stock Purchase Plan Stock Options

SEC. 261. EXCLUSION OF INCENTIVE STOCK OPTIONS AND EMPLOYEE STOCK PURCHASE PLAN STOCK OPTIONS FROM WAGES.

(a) Exclusion From Employment Taxes.—

(1) Social security taxes.—

(A) Section 3121(a) (relating to definition of wages) is amended by striking "or" at the end of paragraph (20), by striking the period at the end of paragraph (21) and inserting "; or", and by inserting after paragraph (21) the following new paragraph:

"(22) remuneration on account of—

"(A) a transfer of a share of stock to any individual pursuant to an exercise of an incentive stock option (as defined in section 422(b)) or under an employee stock purchase plan (as defined in section 423(b)), or

"(B) any disposition by the individual of such stock.".

(B) Section 209(a) of the Social Security Act is amended by striking "or" at the end of paragraph (17), by striking the period at the end of paragraph (18) and inserting "; or", and by inserting after paragraph (18) the following new paragraph:

"(19) Remuneration on account of—

"(A) a transfer of a share of stock to any individual pursuant to an exercise of an incentive stock option (as defined in section 422(b) of the Internal Revenue Code of 1986) or under an employee stock purchase plan (as defined in section 423(b) of such Code), or

"(B) any disposition by the individual of such stock.".

(2) Railroad retirement taxes.—Subsection (e) of section 3231 is amended by adding at the end the following new paragraph:

"(12) Qualified stock options.—The term 'compensation' shall not include any remuneration on account of—

"(A) a transfer of a share of stock to any individual pursuant to an exercise of an incentive stock option (as defined in section 422(b)) or under an employee stock purchase plan (as defined in section 423(b)), or

"(B) any disposition by the individual of such stock.".

(3) Unemployment taxes.—Section 3306(b) (relating to definition of wages) is amended by striking "or" at the end of paragraph (17), by striking the period at the end of paragraph (18) and inserting "; or", and by inserting after paragraph (18) the following new paragraph:

"(19) remuneration on account of—

"(A) a transfer of a share of stock to any individual pursuant to an exercise of an incentive stock option (as defined in section 422(b)) or under an employee stock purchase plan (as defined in section 423(b)), or

"(B) any disposition by the individual of such stock.".

(b) Wage Withholding Not Required on Disqualifying Dispositions.—Section 421(b) (relating to effect of disqualifying dispositions) is amended by adding at the end the following new sentence: "No amount shall be required to be deducted and withheld under chapter 24 with respect to any increase in income attributable to a disposition described in the preceding sentence.".

(c) Wage Withholding Not Required on Compensation Where Option Price Is Between 85 Percent and 100 Percent of Value of Stock.—Section 423(c) (relating to special rule where option price is between 85 percent and 100 percent of value of stock) is amended by adding at the end the following new sentence: "No amount shall be required to be deducted and withheld under chapter 24 with respect to any amount treated as compensation under this subsection.".

(d) Effective Date.—The amendments made by this section shall apply to stock acquired pursuant to options exercised after the date of the enactment of this Act.

Subtitle G—Incentives To Reinvest Foreign Earnings in United States

SEC. 271. INCENTIVES TO REINVEST FOREIGN EARNINGS IN UNITED STATES.

(a) In General.—Subpart F of part III of subchapter N of chapter 1 (relating to controlled foreign corporations) is amended by adding at the end the following new section:

"SEC. 965. TEMPORARY DIVIDENDS RECEIVED DEDUCTION.

"(a) Deduction.—

"(1) In general.—In the case of a corporation which is a United States shareholder, there shall be allowed as a deduction an amount equal to 85 percent of the dividends which are received by such shareholder from controlled foreign corporations during the election period.

"(2) Dividends paid indirectly from controlled foreign corporations.—If, within the election period, a United States shareholder receives a distribution from a controlled foreign corporation which is excluded from gross income under section 959(a), such distribution shall be treated for purposes of this section as a dividend to the extent of any amount included in income by such United States shareholder under section 951(a)(1)(A) as a result of any dividend paid during the election period to—

"(A) such controlled foreign corporation from another controlled foreign corporation that is in a chain of ownership described in section 958(a), or

"(B) any other controlled foreign corporation in such chain of ownership, but only to the extent of distributions described in section 959(b) which are made during the election period to the controlled foreign corporation from which such United States shareholder received such distribution.

"(b) Limitations.—

"(1) IN GENERAL.—The amount of dividends taken into account under subsection (a) shall not exceed the greater of—

"(A) $500,000,000,

"(B) the amount shown on the applicable financial statement as earnings permanently reinvested outside the United States, or

"(C) in the case of an applicable financial statement which fails to show a specific amount of earnings permanently reinvested outside the United States and which shows a specific amount of tax liability attributable to such earnings, the amount of such earnings determined in such manner as the Secretary may prescribe.

Except as provided in subparagraph (C), if there is no statement or such statement fails to show a specific amount of such earnings or liability, such amount shall be treated as being zero for purposes of this paragraph.

"(2) DIVIDENDS MUST BE EXTRAORDINARY.—The amount of dividends taken into account under subsection (a) shall not exceed the excess (if any) of—

"(A) the dividends received during the taxable year by such shareholder from controlled foreign corporations, over

"(B) the annual average for the base period years of—

"(i) the dividends received during each base period year by such shareholder from such corporations,

"(ii) the amounts includible in such shareholder's gross income for each base period year under section 951(a)(1)(B) with respect to such corporations, and

"(iii) the amounts that would have been included for each base period year but for section 959(a) with respect to such corporations.

The amount taken into account under clause (iii) for any base period year shall not include any amount which is not includible in gross income by reason of an amount described in clause (ii) with respect to a prior taxable year.

"(3) REQUIREMENT TO INVEST IN UNITED STATES.—Subsection (a) shall not apply to any dividend received by a United States shareholder unless the amount of the dividend is invested in the United States pursuant to a plan describing the expenditures to be made with such amount—

"(A) which, before the dividend is received, is approved by the president or chief executive officer of such shareholder, and

"(B) which is approved by the Board of Directors (or management committee) of such shareholder no later than its first meeting on or after the date the dividend is received.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) ELECTION PERIOD.—The term 'election period' means—

"(A) if this section applies to the taxpayer's last taxable year beginning before the date of the enactment of this section, any 6-month or shorter period during such year which is after the date of the enactment of this section and which is selected by the taxpayer, and

"(B) if this section applies to the taxpayer's first taxable year beginning on or after such date, the 1st 6 months of such taxable year.

"(2) APPLICABLE FINANCIAL STATEMENT.—The term 'applicable financial statement' means the most recently audited financial statement (including notes and other documents which accompany such statement)—

"(A) which is certified on or before March 31, 2003, as being prepared in accordance with generally accepted accounting principles, and

"(B) which is used for the purposes of a statement or report—

"(i) to creditors,

"(ii) to shareholders, or

"(iii) for any other substantial nontax purpose.

In the case of a corporation required to file a financial statement with the Securities and Exchange Commission, such term means the most recent such statement filed on or before March 31, 2003.

"(3) BASE PERIOD YEARS.—The base period years are the 3 taxable years—

"(A) which are among the 5 most recent taxable years ending on or before March 31, 2003, and

"(B) which are determined by disregarding—

"(i) 1 taxable year for which the sum of the amounts described in clauses (i), (ii), and (iii) of subsection (b)(2)(B) is the largest, and

"(ii) 1 taxable year for which such sum is the smallest.

Rules similar to the rules of subparagraphs (A) and (B) of section 41(f)(3) shall apply for purposes of this paragraph.

"(4) COORDINATION WITH DIVIDENDS RECEIVED DEDUCTION.—No deduction shall be allowed under section 243 or 245 for any dividend for which a deduction is allowed under this section.

"(d) DENIAL OF FOREIGN TAX CREDIT.—

"(1) IN GENERAL.—No credit shall be allowed under section 901 for any taxes paid or accrued (or treated as paid or accrued) with respect to the deductible portion of any dividend or of any amount described in subsection (a)(2). No deduction shall be allowed under this chapter for any tax for which credit is not allowable by reason of the preceding sentence.

"(2) DEDUCTIBLE PORTION.—For purposes of paragraph (1), unless the taxpayer otherwise specifies, the deductible portion of any dividend is the amount which bears the same ratio to the amount of such dividend as the amount allowed as a deduction under subsection (a) for the taxable year bears to the amount described in subsection (b)(2)(A) for such year.

"(e) INCREASE IN TAX ON INCLUDED AMOUNTS NOT REDUCED BY CREDITS, ETC.—

"(1) IN GENERAL.—Any tax under this chapter by reason of nondeductible CFC dividends shall not be treated as tax imposed by this chapter for purposes of determining—

"(A) the amount of any credit allowable under this chapter, or

"(B) the amount of the tax imposed by section 55.

Subparagraph (A) shall not apply to the credit under section 53 or to the credit under section 27(a) with respect to taxes attributable to such dividends.

"(2) INCLUSIONS MAY NOT BE OFFSET BY NET OPERATING LOSSES.—

"(A) IN GENERAL.—The taxable income of any United States shareholder for any taxable year shall in no event be less than the amount of nondeductible CFC dividends received during such year.

"(B) COORDINATION WITH SECTION 172.—The nondeductible CFC dividends for any taxable year shall not be taken into account—

"(i) in determining under section 172 the amount of any net operating loss for such taxable year, and

"(ii) in determining taxable income for such taxable year for purposes of the 2nd sentence of section 172(b)(2).

"(3) NONDEDUCTIBLE CFC DIVIDENDS.—For purposes of this subsection, the term 'nondeductible CFC dividends' means the excess of the amount of dividends taken into account under subsection (a) over the deduction allowed under subsection (a) for such dividends.

"(f) ELECTION.—This section shall apply for the taxpayer's first taxable year beginning on or after the date of the enactment of this section if the taxpayer elects its application for such taxable year. The taxpayer may elect to apply this section to the taxpayer's last taxable year beginning before the date of the enactment of this section in lieu of such first taxable year."

(b) ALTERNATIVE MINIMUM TAX.—Subparagraph (C) of section 56(g)(4) is amended by adding at the end the following new clause:

"(v) SPECIAL RULE FOR CERTAIN DISTRIBUTIONS FROM CONTROLLED FOREIGN CORPORATIONS.—Clause (i) shall not apply to any deduction allowable under section 965.".

(c) CLERICAL AMENDMENT.—The table of sections for subpart F of part III of subchapter N of chapter 1 is amended by adding at the end the following new item:

"Sec. 965. Temporary dividends received deduction.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after the date of the enactment of this Act.

Subtitle H—Other Incentive Provisions

SEC. 281. SPECIAL RULES FOR LIVESTOCK SOLD ON ACCOUNT OF WEATHER-RELATED CONDITIONS.

(a) RULES FOR REPLACEMENT OF INVOLUNTARILY CONVERTED LIVESTOCK.—Subsection (e) of section 1033 (relating to involuntary conversions) is amended—

(1) by striking "CONDITIONS.—For purposes" and inserting "CONDITIONS.—

"(1) IN GENERAL.—For purposes", and

(2) by adding at the end the following new paragraph:

"(2) EXTENSION OF REPLACEMENT PERIOD.—

"(A) IN GENERAL.—In the case of drought, flood, or other weather-related conditions described in paragraph (1) which result in the area being designated as eligible for assistance by the Federal Government, subsection (a)(2)(B) shall be applied with respect to any converted property by substituting '4 years' for '2 years'.

"(B) FURTHER EXTENSION BY SECRETARY.—The Secretary may extend on a regional basis the period for replacement under this section (after the application of subparagraph (A)) for such additional time as the Secretary determines appropriate if the weather-related conditions which resulted in such application continue for more than 3 years.".

(b) INCOME INCLUSION RULES.—Subsection (e) of section 451 (relating to special rule for proceeds from livestock sold on account of drought, flood, or other weather-related conditions) is amended by adding at the end the following new paragraph:

"(3) SPECIAL ELECTION RULES.—If section 1033(e)(2) applies to a sale or exchange of livestock described in paragraph (1), the election under paragraph (1) shall be deemed valid if made during the replacement period described in such section.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any taxable year with respect to which the due date (without regard to extensions) for the return is after December 31, 2002.

SEC. 282. PAYMENT OF DIVIDENDS ON STOCK OF COOPERATIVES WITHOUT REDUCING PATRONAGE DIVIDENDS.

(a) IN GENERAL.—Subsection (a) of section 1388 (relating to patronage dividend defined) is amended by adding at the end the following: "For purposes of paragraph (3), net earnings shall not be reduced by amounts paid during the year as dividends on capital stock or other proprietary capital interests of the organization to the extent that the articles of incorporation or bylaws of such organization or other contract with patrons provide that such dividends are in addition to amounts otherwise payable to patrons which are derived from business done with or for patrons during the taxable year.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions in taxable years beginning after the date of the enactment of this Act.

SEC. 283. CAPITAL GAIN TREATMENT UNDER SECTION 631(b) TO APPLY TO OUTRIGHT SALES BY LANDOWNERS.

(a) IN GENERAL.—The first sentence of section 631(b) (relating to disposal of timber with a retained economic interest) is amended by striking "retains an economic interest in such timber" and inserting "either retains an economic interest in such timber or makes an outright sale of such timber".

(b) CONFORMING AMENDMENTS.—

(1) The third sentence of section 631(b) is amended by striking "The date of disposal" and inserting "In the case of disposal of timber with a retained economic interest, the date of disposal".

(2) The heading for section 631(b) is amended by striking "WITH A RETAINED ECONOMIC INTEREST".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after December 31, 2004.

SEC. 284. DISTRIBUTIONS FROM PUBLICLY TRADED PARTNERSHIPS TREATED AS QUALIFYING INCOME OF REGULATED INVESTMENT COMPANIES.

(a) IN GENERAL.—Paragraph (2) of section 851(b) (defining regulated investment company) is amended to read as follows:

"(2) at least 90 percent of its gross income is derived from—

"(A) dividends, interest, payments with respect to securities loans (as defined in section 512(a)(5)), and gains from the sale or other disposition of stock or securities (as defined in section 2(a)(36) of the Investment Company Act of 1940, as amended) or foreign currencies, or other income (including but not limited to gains from options, futures or forward contracts) derived with respect to its business of investing in such stock, securities, or currencies, and

"(B) distributions or other income derived from an interest in a qualified publicly traded partnership (as defined in subsection (h)); and".

(b) SOURCE FLOW-THROUGH RULE NOT TO APPLY.—The last sentence of section 851(b) is amended by inserting "(other than a qualified publicly traded partnership as defined in subsection (h))" after "derived from a partnership".

(c) LIMITATION ON OWNERSHIP.—Subsection (c) of section 851 is amended by redesignating paragraph (5) as paragraph (6) and inserting after paragraph (4) the following new paragraph:

"(5) The term 'outstanding voting securities of such issuer' shall include the equity securities of a qualified publicly traded partnership (as defined in subsection (h)).".

(d) DEFINITION OF QUALIFIED PUBLICLY TRADED PARTNERSHIP.—Section 851 is amended by adding at the end the following new subsection:

"(h) QUALIFIED PUBLICLY TRADED PARTNERSHIP.—For purposes of this section, the term 'qualified publicly traded partnership' means a publicly traded partnership described in section 7704(b) other than a partnership which would satisfy the gross income requirements of section 7704(c)(2) if qualifying income included only income described in subsection (b)(2)(A).".

(e) DEFINITION OF QUALIFYING INCOME.—Section 7704(d)(4) is amended by striking "section 851(b)(2)" and inserting "section 851(b)(2)(A)".

(f) LIMITATION ON COMPOSITION OF ASSETS.—Subparagraph (B) of section 851(b)(3) is amended to read as follows:

"(B) not more than 25 percent of the value of its total assets is invested in—

"(i) the securities (other than Government securities or the securities of other regulated investment companies) of any one issuer,

"(ii) the securities (other than the securities of other regulated investment companies) of two or more issuers which the taxpayer controls and which are determined, under regulations prescribed by the Secretary, to be engaged in the same or similar trades or businesses or related trades or businesses, or

"(iii) the securities of one or more qualified publicly traded partnerships (as defined in subsection (h)).".

(g) APPLICATION OF SPECIAL PASSIVE ACTIVITY RULE TO REGULATED INVESTMENT COMPANIES.—Subsection (k) of section 469 (relating to separate application of section in case of publicly traded partnerships) is amended by adding at the end the following new paragraph:

"(4) APPLICATION TO REGULATED INVESTMENT COMPANIES.—For purposes of this section, a regulated investment company (as defined in section 851) holding an interest in a qualified publicly traded partnership (as defined in section 851(h)) shall be treated as a taxpayer described in subsection (a)(2) with respect to items attributable to such interest.".

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 285. IMPROVEMENTS RELATED TO REAL ESTATE INVESTMENT TRUSTS.

(a) EXPANSION OF STRAIGHT DEBT SAFE HARBOR.—Section 856 (defining real estate investment trust) is amended—

(1) in subsection (c) by striking paragraph (7), and

(2) by adding at the end the following new subsection:

"(m) SAFE HARBOR IN APPLYING SUBSECTION (c)(4).—

"(1) IN GENERAL.—In applying subclause (III) of subsection (c)(4)(B)(iii), except as otherwise determined by the Secretary in regulations, the following shall not be considered securities held by the trust:

"(A) Straight debt securities of an issuer which meet the requirements of paragraph (2).

"(B) Any loan to an individual or an estate.

"(C) Any section 467 rental agreement (as defined in section 467(d)), other than with a person described in subsection (d)(2)(B).

"(D) Any obligation to pay rents from real property (as defined in subsection (d)(1)).

"(E) Any security issued by a State or any political subdivision thereof, the District of Columbia, a foreign government or any political subdivision thereof, or the Commonwealth of Puerto Rico, but only if the determination of any payment received or accrued under such security does not depend in whole or in part on the profits of any entity not described in this subparagraph or payments on any obligation issued by such an entity,

"(F) Any security issued by a real estate investment trust.

"(G) Any other arrangement as determined by the Secretary.

"(2) SPECIAL RULES RELATING TO STRAIGHT DEBT SECURITIES.—

"(A) IN GENERAL.—For purposes of paragraph (1)(A), securities meet the requirements of this paragraph if such securities are straight debt, as defined in section 1361(c)(5) (without regard to subparagraph (B)(iii) thereof).

"(B) SPECIAL RULES RELATING TO CERTAIN CONTINGENCIES.—For purposes of subparagraph (A), any interest or principal shall not be treated as failing to satisfy section 1361(c)(5)(B)(i) solely by reason of the fact that—

"(i) the time of payment of such interest or principal is subject to a contingency, but only if—

"(I) any such contingency does not have the effect of changing the effective yield to maturity, as determined under section 1272, other than a change in the annual yield to maturity which does not exceed the greater of ¼ of 1 percent or 5 percent of the annual yield to maturity, or

"(II) neither the aggregate issue price nor the aggregate face amount of the issuer's debt instruments held by the trust exceeds $1,000,000 and not more than 12 months of unaccrued interest can be required to be prepaid thereunder, or

"(ii) the time or amount of payment is subject to a contingency upon a default or the exercise of a prepayment right by the issuer of the debt, but only if such contingency is consistent with customary commercial practice.

"(C) SPECIAL RULES RELATING TO CORPORATE OR PARTNERSHIP ISSUERS.—In the case of an issuer which is a corporation or a partnership, securities that otherwise would be described in paragraph (1)(A) shall be considered not to be so described if the trust holding such securities and any of its controlled taxable REIT subsidiaries (as defined in subsection (d)(8)(A)(iv)) hold any securities of the issuer which—

"(i) are not described in paragraph (1) (prior to the application of this subparagraph), and

"(ii) have an aggregate value greater than 1 percent of the issuer's outstanding securities determined without regard to paragraph (3)(A)(i).

"(3) LOOK-THROUGH RULE FOR PARTNERSHIP SECURITIES.—

"(A) IN GENERAL.—For purposes of applying subclause (III) of subsection (c)(4)(B)(iii)—

"(i) a trust's interest as a partner in a partnership (as defined in section 7701(a)(2)) shall not be considered a security, and

"(ii) the trust shall be deemed to own its proportionate share of each of the assets of the partnership.

"(B) DETERMINATION OF TRUST'S INTEREST IN PARTNERSHIP ASSETS.—For purposes of subparagraph (A), with respect to any taxable year beginning after the date of the enactment of this subparagraph—

"(i) the trust's interest in the partnership assets shall be the trust's proportionate interest in any securities issued by the partnership (determined without regard to subparagraph (A)(i) and paragraph (4), but not including securities described in paragraph (1)), and

"(ii) the value of any debt instrument shall be the adjusted issue price thereof, as defined in section 1272(a)(4).

"(4) CERTAIN PARTNERSHIP DEBT INSTRUMENTS NOT TREATED AS A SECURITY.—For purposes of applying subclause (III) of subsection (c)(4)(B)(iii)—

"(A) any debt instrument issued by a partnership and not described in paragraph (1) shall not be considered a security to the extent of the trust's interest as a partner in the partnership, and

"(B) any debt instrument issued by a partnership and not described in paragraph (1) shall not be considered a security if at least 75 percent of the partnership's gross income (excluding gross income from prohibited transactions) is derived from sources referred to in subsection (c)(3).

"(5) Secretarial guidance.—The Secretary is authorized to provide guidance (including through the issuance of a written determination, as defined in section 6110(b)) that an arrangement shall not be considered a security held by the trust for purposes of applying subclause (III) of subsection (c)(4)(B)(iii) notwithstanding that such arrangement otherwise could be considered a security under subparagraph (F) of subsection (c)(5).".

(b) Clarification of Application of Limited Rental Exception.—Subparagraph (A) of section 856(d)(8) (relating to special rules for taxable REIT subsidiaries) is amended to read as follows:

"(A) Limited rental exception.—

"(i) In general.—The requirements of this subparagraph are met with respect to any property if at least 90 percent of the leased space of the property is rented to persons other than taxable REIT subsidiaries of such trust and other than persons described in paragraph (2)(B).

"(ii) Rents must be substantially comparable.—Clause (i) shall apply only to the extent that the amounts paid to the trust as rents from real property (as defined in paragraph (1) without regard to paragraph (2)(B)) from such property are substantially comparable to such rents paid by the other tenants of the trust's property for comparable space.

"(iii) Times for testing rent comparability.—The substantial comparability requirement of clause (ii) shall be treated as met with respect to a lease to a taxable REIT subsidiary of the trust if such requirement is met under the terms of the lease—

"(I) at the time such lease is entered into,

"(II) at the time of each extension of the lease, including a failure to exercise a right to terminate, and

"(III) at the time of any modification of the lease between the trust and the taxable REIT subsidiary if the rent under such lease is effectively increased pursuant to such modification.

With respect to subclause (III), if the taxable REIT subsidiary of the trust is a controlled taxable REIT subsidiary of the trust, the term 'rents from real property' shall not in any event include rent under such lease to the extent of the increase in such rent on account of such modification.

"(iv) Controlled taxable REIT subsidiary.—For purposes of clause (iii), the term 'controlled taxable REIT subsidiary' means, with respect to any real estate investment trust, any taxable REIT subsidiary of such trust if such trust owns directly or indirectly—

"(I) stock possessing more than 50 percent of the total voting power of the outstanding stock of such subsidiary, or

"(II) stock having a value of more than 50 percent of the total value of the outstanding stock of such subsidiary.

"(v) Continuing qualification based on third party actions.—If the requirements of clause (i) are met at a time referred to in clause (iii), such requirements shall continue to be treated as met so long as there is no increase in the space leased to any taxable REIT subsidiary of such trust or to any person described in paragraph (2)(B).

"(vi) Correction period.—If there is an increase referred to in clause (v) during any calendar quarter with respect to any property, the requirements of clause (iii) shall be treated as met during the quarter and the succeeding quarter if such requirements are met at the close of such succeeding quarter.".

(c) Deletion of Customary Services Exception.—Subparagraph (B) of section 857(b)(7) (relating to redetermined rents) is amended by striking clause (ii) and by redesignating clauses (iii), (iv), (v), (vi), and (vii) as clauses (ii), (iii), (iv), (v), and (vi), respectively.

(d) Conformity With General Hedging Definition.—Subparagraph (G) of section 856(c)(5) (relating to treatment of certain hedging instruments) is amended to read as follows:

"(G) Treatment of certain hedging instruments.—Except to the extent provided by regulations, any income of a real estate investment trust from a hedging transaction (as defined in clause (ii) or (iii) of section 1221(b)(2)(A)) which is clearly identified pursuant to section 1221(a)(7), including gain from the sale or disposition of such a transaction, shall not constitute gross income under paragraph (2) to the extent that the transaction hedges any indebtedness incurred or to be incurred by the trust to acquire or carry real estate assets.".

(e) Conformity With Regulated Investment Company Rules.—Clause (i) of section 857(b)(5)(A) (relating to imposition of tax in case of failure to meet certain requirements) is amended by striking "90 percent" and inserting "95 percent".

(f) Savings Provisions.—

(1) Rules of application for failure to satisfy section 856(c)(4).—Section 856(c) (relating to definition of real estate investment trust) is amended by inserting after paragraph (6) the following new paragraph:

"(7) Rules of application for failure to satisfy paragraph (4).—

"(A) De minimis failure.—A corporation, trust, or association that fails to meet the requirements of paragraph (4)(B)(iii) for a particular quarter shall nevertheless be considered to have satisfied the requirements of such paragraph for such quarter if—

"(i) such failure is due to the ownership of assets the total value of which does not exceed the lesser of—

"(I) 1 percent of the total value of the trust's assets at the end of the quarter for which such measurement is done, and

"(II) $10,000,000, and

"(ii)(I) the corporation, trust, or association, following the identification of such failure, disposes of assets in order to meet the requirements of such paragraph within 6 months after the last day of the quarter in which the corporation, trust or association's identification of the failure to satisfy the requirements of such paragraph occurred or such other time period prescribed by the Secretary and in the manner prescribed by the Secretary, or

"(II) the requirements of such paragraph are otherwise met within the time period specified in subclause (I).

"(B) Failures exceeding de minimis amount.—A corporation, trust, or association that fails to meet the requirements of paragraph (4) for a particular quarter shall nevertheless be considered to have satisfied the requirements of such paragraph for such quarter if—

"(i) such failure involves the ownership of assets the total value of which exceeds the de minimis standard described in subparagraph (A)(i) at the end of the quarter for which such measurement is done,

"(ii) following the corporation, trust, or association's identification of the failure to satisfy the requirements of such paragraph for a particular quarter, a description of each asset that causes the corporation, trust, or association to fail to satisfy the requirements of such paragraph at the close of such quarter of any taxable year is set forth in a schedule for such quarter filed in accordance with regulations prescribed by the Secretary,

"(iii) the failure to meet the requirements of such paragraph for a particular quarter is due to reasonable cause and not due to willful neglect,

"(iv) the corporation, trust, or association pays a tax computed under subparagraph (C), and

"(v)(I) the corporation, trust, or association disposes of the assets set forth on the schedule specified in clause (ii) within 6 months after the last day of the quarter in which the corporation, trust or association's identification of the failure to satisfy the requirements of such paragraph occurred or such other time period prescribed by the Secretary and in the manner prescribed by the Secretary, or

"(II) the requirements of such paragraph are otherwise met within the time period specified in subclause (I).

"(C) Tax.—For purposes of subparagraph (B)(iv)—

"(i) Tax imposed.—If a corporation, trust, or association elects the application of this subparagraph, there is hereby imposed a tax on the failure described in subparagraph (B) of such corporation, trust, or association. Such tax shall be paid by the corporation, trust, or association.

"(ii) Tax computed.—The amount of the tax imposed by clause (i) shall be the greater of—

"(I) $50,000, or

"(II) the amount determined (pursuant to regulations promulgated by the Secretary) by multiplying the net income generated by the assets described in the schedule specified in subparagraph (B)(ii) for the period specified in clause (iii) by the highest rate of tax specified in section 11.

"(iii) Period.—For purposes of clause (ii)(II), the period described in this clause is the period beginning on the first date that the failure to satisfy the requirements of such paragraph (4) occurs as a result of the ownership of such assets and ending on the earlier of the date on which the trust disposes of such assets or the end of the first quarter when there is no longer a failure to satisfy such paragraph (4).

"(iv) Administrative provisions.—For purposes of subtitle F, the taxes imposed by this subparagraph shall be treated as excise taxes with respect to which the deficiency procedures of such subtitle apply.".

(2) Modification of rules of application for failure to satisfy sections 856(c)(2) or 856(c)(3).—Paragraph (6) of section 856(c) (relating to definition of real estate investment trust) is amended by striking subparagraphs (A) and (B), by redesignating subparagraph (C) as subparagraph (B), and by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

"(A) following the corporation, trust, or association's identification of the failure to meet the requirements of paragraph (2) or (3), or of both such paragraphs, for any taxable year, a description of each item of its gross income described in such paragraphs is set forth in a schedule for such taxable year filed in accordance with regulations prescribed by the Secretary, and".

(3) REASONABLE CAUSE EXCEPTION TO LOSS OF REIT STATUS IF FAILURE TO SATISFY REQUIREMENTS.—Subsection (g) of section 856 (relating to termination of election) is amended—

(A) in paragraph (1) by inserting before the period at the end of the first sentence the following: "unless paragraph (5) applies", and

(B) by adding at the end the following new paragraph:

"(5) ENTITIES TO WHICH PARAGRAPH APPLIES.—This paragraph applies to a corporation, trust, or association—

"(A) which is not a real estate investment trust to which the provisions of this part apply for the taxable year due to one or more failures to comply with one or more of the provisions of this part (other than subsection (c)(6) or (c)(7) of section 856),

"(B) such failures are due to reasonable cause and not due to willful neglect, and

"(C) if such corporation, trust, or association pays (as prescribed by the Secretary in regulations and in the same manner as tax) a penalty of $50,000 for each failure to satisfy a provision of this part due to reasonable cause and not willful neglect.".

(4) DEDUCTION OF TAX PAID FROM AMOUNT REQUIRED TO BE DISTRIBUTED.—Subparagraph (E) of section 857(b)(2) is amended by striking "(7)" and inserting "(7) of this subsection, section 856(c)(7)(B)(iii), and section 856(g)(1).".

(5) EXPANSION OF DEFICIENCY DIVIDEND PROCEDURE.—Subsection (e) of section 860 is amended by striking "or" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting "; or", and by adding at the end the following new paragraph:

"(4) a statement by the taxpayer attached to its amendment or supplement to a return of tax for the relevant tax year.".

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2000.

(2) SUBPARAGRAPHS (c) THROUGH (f).—The amendments made by subsections (c), (d), (e), and (f) shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 286. TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.

(a) TREATMENT OF CERTAIN DIVIDENDS.—

(1) NONRESIDENT ALIEN INDIVIDUALS.—Section 871 (relating to tax on nonresident alien individuals) is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

"(k) EXEMPTION FOR CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.—

"(1) INTEREST-RELATED DIVIDENDS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), no tax shall be imposed under paragraph (1)(A) of subsection (a) on any interest-related dividend received from a regulated investment company.

"(B) EXCEPTIONS.—Subparagraph (A) shall not apply—

"(i) to any interest-related dividend received from a regulated investment company by a person to the extent such dividend is attributable to interest (other than interest described in subparagraph (E) (i) or (iii)) received by such company on indebtedness issued by such person or by any corporation or partnership with respect to which such person is a 10-percent shareholder,

"(ii) to any interest-related dividend with respect to stock of a regulated investment company unless the person who would otherwise be required to deduct and withhold tax from such dividend under chapter 3 receives a statement (which meets requirements similar to the requirements of subsection (h)(5)) that the beneficial owner of such stock is not a United States person, and

"(iii) to any interest-related dividend paid to any person within a foreign country (or any interest-related dividend payment addressed to, or for the account of, persons within such foreign country) during any period described in subsection (h)(6) with respect to such country.

Clause (iii) shall not apply to any dividend with respect to any stock which was acquired on or before the date of the publication of the Secretary's determination under subsection (h)(6).

"(C) INTEREST-RELATED DIVIDEND.—For purposes of this paragraph, an interest-related dividend is any dividend (or part thereof) which is designated by the regulated investment company as an interest-related dividend in a written notice mailed to its shareholders not later than 60 days after the close of its taxable year. If the aggregate amount so designated with respect to a taxable year of the company (including amounts so designated with respect to dividends paid after the close of the taxable year described in section 855) is greater than the qualified net interest income of the company for such taxable year, the portion of each distribution which shall be an interest-related dividend shall be only that portion of the amounts so designated which such qualified net interest income bears to the aggregate amount so designated.

"(D) QUALIFIED NET INTEREST INCOME.—For purposes of subparagraph (C), the term 'qualified net interest income' means the qualified interest income of the regulated investment company reduced by the deductions properly allocable to such income.

"(E) QUALIFIED INTEREST INCOME.—For purposes of subparagraph (D), the term 'qualified interest income' means the sum of the following amounts derived by the regulated investment company from sources within the United States:

"(i) Any amount includible in gross income as original issue discount (within the meaning of section 1273) on an obligation payable 183 days or less from the date of original issue (without regard to the period held by the company).

"(ii) Any interest includible in gross income (including amounts recognized as ordinary income in respect of original issue discount or market discount or acquisition discount under part V of subchapter P and such other amounts as regulations may provide) on an obligation which is in registered form; except that this clause shall not apply to—

"(I) any interest on an obligation issued by a corporation or partnership if the regulated investment company is a 10-percent shareholder in such corporation or partnership, and

"(II) any interest which is treated as not being portfolio interest under the rules of subsection (h)(4).

"(iii) Any interest referred to in subsection (i)(2)(A) (without regard to the trade or business of the regulated investment company).

"(iv) Any interest-related dividend includable in gross income with respect to stock of another regulated investment company.

"(F) 10-PERCENT SHAREHOLDER.—For purposes of this paragraph, the term '10-percent shareholder' has the meaning given such term by subsection (h)(3)(B).

"(2) SHORT-TERM CAPITAL GAIN DIVIDENDS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), no tax shall be imposed under paragraph (1)(A) of subsection (a) on any short-term capital gain dividend received from a regulated investment company.

"(B) EXCEPTION FOR ALIENS TAXABLE UNDER SUBSECTION (a)(2).—Subparagraph (A) shall not apply in the case of any nonresident alien individual subject to tax under subsection (a)(2).

"(C) SHORT-TERM CAPITAL GAIN DIVIDEND.—For purposes of this paragraph, a short-term capital gain dividend is any dividend (or part thereof) which is designated by the regulated investment company as a short-term capital gain dividend in a written notice mailed to its shareholders not later than 60 days after the close of its taxable year. If the aggregate amount so designated with respect to a taxable year of the company (including amounts so designated with respect to dividends paid after the close of the taxable year described in section 855) is greater than the qualified short-term gain of the company for such taxable year, the portion of each distribution which shall be a short-term capital gain dividend shall be only that portion of the amounts so designated which such qualified short-term gain bears to the aggregate amount so designated.

"(D) QUALIFIED SHORT-TERM GAIN.—For purposes of subparagraph (C), the term 'qualified short-term gain' means the excess of the net short-term capital gain of the regulated investment company for the taxable year over the net long-term capital loss (if any) of such company for such taxable year. For purposes of this subparagraph—

"(i) the net short-term capital gain of the regulated investment company shall be computed by treating any short-term capital gain dividend includible in gross income with respect to stock of another regulated investment company as a short-term capital gain, and

"(ii) the excess of the net short-term capital gain for a taxable year over the net long-term capital loss for a taxable year (to which an election under section 4982(e)(4) does not apply) shall be determined without regard to any net capital loss or net short-term capital loss attributable to transactions after October 31 of such year, and any such net capital loss or net short-term capital loss shall be treated as arising on the 1st day of the next taxable year.

To the extent provided in regulations, clause (ii) shall apply also for purposes of computing the taxable income of the regulated investment company."

(2) FOREIGN CORPORATIONS.—Section 881 (relating to tax on income of foreign corporations not connected with United States business) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) TAX NOT TO APPLY TO CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.—

"(1) INTEREST-RELATED DIVIDENDS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), no tax shall be imposed under paragraph (1) of subsection (a) on any interest-related dividend (as defined in section 871(k)(1)) received from a regulated investment company.

"(B) Exception.—Subparagraph (A) shall not apply—

"(i) to any dividend referred to in section 871(k)(1)(B), and

"(ii) to any interest-related dividend received by a controlled foreign corporation (within the meaning of section 957(a)) to the extent such dividend is attributable to interest received by the regulated investment company from a person who is a related person (within the meaning of section 864(d)(4)) with respect to such controlled foreign corporation.

"(C) Treatment of dividends received by controlled foreign corporations.—The rules of subsection (c)(5)(A) shall apply to any interest-related dividend received by a controlled foreign corporation (within the meaning of section 957(a)) to the extent such dividend is attributable to interest received by the regulated investment company which is described in clause (ii) of section 871(k)(1)(E) (and not described in clause (i) or (iii) of such section).

"(2) Short-term capital gain dividends.—No tax shall be imposed under paragraph (1) of subsection (a) on any short-term capital gain dividend (as defined in section 871(k)(2)) received from a regulated investment company.".

(3) Withholding taxes.—

(A) Section 1441(c) (relating to exceptions) is amended by adding at the end the following new paragraph:

"(12) Certain dividends received from regulated investment companies.—

"(A) In general.—No tax shall be required to be deducted and withheld under subsection (a) from any amount exempt from the tax imposed by section 871(a)(1)(A) by reason of section 871(k).

"(B) Special rule.—For purposes of subparagraph (A), clause (i) of section 871(k)(1)(B) shall not apply to any dividend unless the regulated investment company knows that such dividend is a dividend referred to in such clause. A similar rule shall apply with respect to the exception contained in section 871(k)(2)(B).".

(B) Section 1442(a) (relating to withholding of tax on foreign corporations) is amended—

(i) by striking "and the reference in section 1441(c)(10)" and inserting "the reference in section 1441(c)(10)", and

(ii) by inserting before the period at the end the following: ", and the references in section 1441(c)(12) to sections 871(a) and 871(k) shall be treated as referring to sections 881(a) and 881(e) (except that for purposes of applying subparagraph (A) of section 1441(c)(12), as so modified, clause (ii) of section 881(e)(1)(B) shall not apply to any dividend unless the regulated investment company knows that such dividend is a dividend referred to in such clause)".

(b) Estate Tax Treatment of Interest in Certain Regulated Investment Companies.—Section 2105 (relating to property without the United States for estate tax purposes) is amended by adding at the end the following new subsection:

"(d) Stock in a RIC.—

"(1) In general.—For purposes of this subchapter, stock in a regulated investment company (as defined in section 851) owned by a nonresident not a citizen of the United States shall not be deemed property within the United States in the proportion that, at the end of the quarter of such investment company's taxable year immediately preceding a decedent's date of death (or at such other time as the Secretary may designate in regulations), the assets of the investment company that were qualifying assets with respect to the decedent bore to the total assets of the investment company.

"(2) Qualifying assets.—For purposes of this subsection, qualifying assets with respect to a decedent are assets that, if owned directly by the decedent, would have been—

"(A) amounts, deposits, or debt obligations described in subsection (b) of this section,

"(B) debt obligations described in the last sentence of section 2104(c), or

"(C) other property not within the United States."

(c) Treatment of Regulated Investment Companies Under Section 897.—

(1) Paragraph (1) of section 897(h) is amended by striking "REIT" each place it appears and inserting "qualified investment entity".

(2) Paragraphs (2) and (3) of section 897(h) are amended to read as follows:

"(2) Sale of stock in domestically controlled entity not taxed.—The term 'United States real property interest' does not include any interest in a domestically controlled qualified investment entity.

"(3) Distributions by domestically controlled qualified investment entities.—In the case of a domestically controlled qualified investment entity, rules similar to the rules of subsection (d) shall apply to the foreign ownership percentage of any gain."

(3) Subparagraphs (A) and (B) of section 897(h)(4) are amended to read as follows:

"(A) Qualified investment entity.—The term 'qualified investment entity' means any real estate investment trust and any regulated investment company.

"(B) Domestically controlled.—The term 'domestically controlled qualified investment entity' means any qualified investment entity in which at all times during the testing period less than 50 percent in value of the stock was held directly or indirectly by foreign persons."

(4) Subparagraphs (C) and (D) of section 897(h)(4) are each amended by striking "REIT" and inserting "qualified investment entity".

(5) The subsection heading for subsection (h) of section 897 is amended by striking "REITS" and inserting "Certain Investment Entities".

(d) Effective Date.—

(1) In general.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to dividends with respect to taxable years of regulated investment companies beginning after December 31, 2004.

(2) Estate tax treatment.—The amendment made by subsection (b) shall apply to estates of decedents dying after December 31, 2004.

(3) Certain other provisions.—The amendments made by subsection (c) (other than paragraph (1) thereof) shall take effect after December 31, 2004.

SEC. 287. TAXATION OF CERTAIN SETTLEMENT FUNDS.

(a) In General.—Subsection (g) of section 468B (relating to clarification of taxation of certain funds) is amended to read as follows:

"(g) Clarification of Taxation of Certain Funds.—

"(1) In general.—Except as provided in paragraph (2), nothing in any provision of law shall be construed as providing that an escrow account, settlement fund, or similar fund is not subject to current income tax. The Secretary shall prescribe regulations providing for the taxation of any such account or fund whether as a grantor trust or otherwise.

"(2) Exemption from tax for certain settlement funds.—An escrow account, settlement fund, or similar fund shall be treated as beneficially owned by the United States and shall be exempt from taxation under this subtitle if—

"(A) it is established pursuant to a consent decree entered by a judge of a United States District Court,

"(B) it is created for the receipt of settlement payments as directed by a government entity for the sole purpose of resolving or satisfying one or more claims asserting liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980,

"(C) the authority and control over the expenditure of funds therein (including the expenditure of contributions thereto and any net earnings thereon) is with such government entity, and

"(D) upon termination, any remaining funds will be disbursed upon instructions by such government entity in accordance with applicable law.

For purposes of this paragraph, the term 'government entity' means the United States, any State or political subdivision thereof, the District of Columbia, any possession of the United States, and any agency or instrumentality of any of the foregoing.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 288. EXPANSION OF HUMAN CLINICAL TRIALS QUALIFYING FOR ORPHAN DRUG CREDIT.

(a) In General.—Paragraph (2) of section 45C(b) (relating to qualified clinical testing expenses) is amended by adding at the end the following new subparagraph:

"(C) Treatment of certain expenses incurred before designation.—For purposes of subparagraph (A)(ii)(I), if a drug is designated under section 526 of the Federal Food, Drug, and Cosmetic Act not later than the due date (including extensions) for filing the return of tax under this subtitle for the taxable year in which the application for such designation of such drug was filed, such drug shall be treated as having been designated on the date that such application was filed.".

(b) Effective Date.—The amendment made by subsection (a) shall apply to expenses incurred after the date of the enactment of this Act.

SEC. 289. SIMPLIFICATION OF EXCISE TAX IMPOSED ON BOWS AND ARROWS.

(a) Bows.—Paragraph (1) of section 4161(b) (relating to bows) is amended to read as follows:

"(1) Bows.—

"(A) In general.—There is hereby imposed on the sale by the manufacturer, producer, or importer of any bow which has a peak draw weight of 30 pounds or more, a tax equal to 11 percent of the price for which so sold.

"(B) Archery equipment.—There is hereby imposed on the sale by the manufacturer, producer, or importer—

"(i) of any part or accessory suitable for inclusion in or attachment to a bow described in subparagraph (A), and

"(ii) of any quiver or broadhead suitable for use with an arrow described in paragraph (2),

a tax equal to 11 percent of the price for which so sold.".

(b) Arrows.—Subsection (b) of section 4161 (relating to bows and arrows, etc.) is amended by redesignating paragraph (3) as paragraph (4) and inserting after paragraph (2) the following:

"(3) Arrows.—

"(A) IN GENERAL.—There is hereby imposed on the sale by the manufacturer, producer, or importer of any arrow, a tax equal to 12 percent of the price for which so sold.

"(B) EXCEPTION.—In the case of any arrow of which the shaft or any other component has been previously taxed under paragraph (1) or (2)—

"(i) section 6416(b)(3) shall not apply, and

"(ii) the tax imposed by subparagraph (A) shall be an amount equal to the excess (if any) of—

"(I) the amount of tax imposed by this paragraph (determined without regard to this subparagraph), over

"(II) the amount of tax paid with respect to the tax imposed under paragraph (1) or (2) on such shaft or component.

"(C) ARROW.—For purposes of this paragraph, the term 'arrow' means any shaft described in paragraph (2) to which additional components are attached.".

(c) CONFORMING AMENDMENTS.—Section 4161(b)(2) is amended—

(1) by inserting "(other than broadheads)" after "point", and

(2) by striking "ARROWS.—" in the heading and inserting "ARROW COMPONENTS.—".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to articles sold by the manufacturer, producer, or importer after December 31, 2004.

SEC. 290. REPEAL OF EXCISE TAX ON FISHING TACKLE BOXES.

(a) REPEAL.—Paragraph (6) of section 4162(a) (defining sport fishing equipment) is amended by striking subparagraph (C) and by redesignating subparagraphs (D) through (J) as subparagraphs (C) through (I), respectively.

(b) EFFECTIVE DATE.—The amendments made this section shall apply to articles sold by the manufacturer, producer, or importer after December 31, 2004.

SEC. 291. SONAR DEVICES SUITABLE FOR FINDING FISH.

(a) NOT TREATED AS SPORT FISHING EQUIPMENT.—Subsection (a) of section 4162 (relating to sport fishing equipment defined) is amended by inserting "and" at the end of paragraph (8), by striking ", and" at the end of paragraph (9) and inserting a period, and by striking paragraph (10).

(b) CONFORMING AMENDMENT.—Section 4162 is amended by striking subsection (b) and by redesignating subsection (c) as subsection (b).

(c) EFFECTIVE DATE.—The amendments made this section shall apply to articles sold by the manufacturer, producer, or importer after December 31, 2004.

SEC. 292. INCOME TAX CREDIT TO DISTILLED SPIRITS WHOLESALERS FOR COST OF CARRYING FEDERAL EXCISE TAXES ON BOTTLED DISTILLED SPIRITS.

(a) IN GENERAL.—Subpart A of part I of subchapter A of chapter 51 (relating to gallonage and occupational taxes) is amended by adding at the end the following new section:

"SEC. 5011. INCOME TAX CREDIT FOR WHOLESALER'S AVERAGE COST OF CARRYING EXCISE TAX.

"(a) IN GENERAL.—For purposes of section 38, in the case of an eligible wholesaler, the amount of the distilled spirits wholesalers credit for any taxable year is the amount equal to the product of—

"(1) the number of cases of bottled distilled spirits—

"(A) which were bottled in the United States, and

"(B) which are purchased by such wholesaler during the taxable year directly from the bottler of such spirits, and

"(2) the average tax-financing cost per case for the most recent calendar year ending before the beginning of such taxable year.

"(b) ELIGIBLE WHOLESALER.—For purposes of this section, the term 'eligible wholesaler' means any person who holds a permit under the Federal Alcohol Administration Act as a wholesaler of distilled spirits.

"(c) AVERAGE TAX-FINANCING COST.—

"(1) IN GENERAL.—For purposes of this section, the average tax-financing cost per case for any calendar year is the amount of interest which would accrue at the deemed financing rate during a 60-day period on an amount equal to the deemed Federal excise per case.

"(2) DEEMED FINANCING RATE.—For purposes of paragraph (1), the deemed financing rate for any calendar year is the average of the corporate overpayment rates under paragraph (1) of section 6621(a) (determined without regard to the last sentence of such paragraph) for calendar quarters of such year.

"(3) DEEMED FEDERAL EXCISE TAX BASED ON CASE.—For purposes of paragraph (1), the deemed Federal excise tax per case of 12 80-proof 750ml bottles is $22.83.

"(4) NUMBER OF CASES IN LOT.—For purposes of this section, the number of cases in any lot of distilled spirits shall be determined by dividing the number of liters in such lot by 9."

(b) CONFORMING AMENDMENTS.—

(1) Subsection (b) of section 38 is amended by striking "plus" at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting ", plus", and by adding at the end the following new paragraph:

"(16) in the case of an eligible wholesaler (as defined in section 5011(b)), the distilled spirits wholesalers credit determined under section 5011(a)."

(2) Subsection (d) of section 39 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following new paragraph:

"(11) NO CARRYBACK OF SECTION 5011 CREDIT BEFORE JANUARY 1, 2005.—No portion of the unused business credit for any taxable year which is attributable to the credit determined under section 5011(a) may be carried back to a taxable year beginning before January 1, 2005.".

(3) The table of sections for subpart A of part I of subchapter A of chapter 51 is amended by adding at the end the following new item:

"Sec. 5011. Income tax credit for wholesaler's average cost of carrying excise tax.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 293. SUSPENSION OF OCCUPATIONAL TAXES RELATING TO DISTILLED SPIRITS, WINE, AND BEER.

(a) IN GENERAL.—Subpart G of part II of subchapter A of chapter 51 is amended by redesignating section 5148 as section 5149 and by inserting after section 5147 the following new section:

"SEC. 5148. SUSPENSION OF OCCUPATIONAL TAX.

"(a) IN GENERAL.—Notwithstanding sections 5081, 5091, 5111, 5121, and 5131, the rate of tax imposed under such sections for the suspension period shall be zero. During such period, persons engaged in or carrying on a trade or business covered by such sections shall register under section 5141 and shall comply with the recordkeeping requirements under this part.

"(b) SUSPENSION PERIOD.—For purposes of subsection (a), the suspension period is the period beginning on July 1, 2004, and ending on June 30, 2007.".

(b) CONFORMING AMENDMENT.—Section 5117 is amended by adding at the end the following new subsection:

"(d) SPECIAL RULE DURING SUSPENSION PERIOD.—Except as provided by the Secretary, during the suspension period (as defined in section 5148) it shall be unlawful for any dealer to purchase distilled spirits for resale from any person other than a wholesale dealer in liquors who is required to keep records under section 5114.".

(c) CLERICAL AMENDMENT.—The table of sections for subpart G of part II of subchapter A of chapter 51 is amended by striking the last item and inserting the following new items:

"Sec. 5148. Suspension of occupational tax.

"Sec. 5149. Cross references.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

TITLE III—TAX REFORM AND SIMPLIFICATION FOR UNITED STATES BUSINESSES

SEC. 301. INTEREST EXPENSE ALLOCATION RULES.

(a) ELECTION TO ALLOCATE ON WORLDWIDE BASIS.—Section 864 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) ELECTION TO ALLOCATE INTEREST, ETC. ON WORLDWIDE BASIS.—For purposes of this subchapter, at the election of the worldwide affiliated group—

"(1) ALLOCATION AND APPORTIONMENT OF INTEREST EXPENSE.—

"(A) IN GENERAL.—The taxable income of each domestic corporation which is a member of a worldwide affiliated group shall be determined by allocating and apportioning interest expense of each member as if all members of such group were a single corporation.

"(B) TREATMENT OF WORLDWIDE AFFILIATED GROUP.—The taxable income of the domestic members of a worldwide affiliated group from sources outside the United States shall be determined by allocating and apportioning the interest expense of such domestic members to such income in an amount equal to the excess (if any) of—

"(i) the total interest expense of the worldwide affiliated group multiplied by the ratio which the foreign assets of the worldwide affiliated group bears to all the assets of the worldwide affiliated group, over

"(ii) the interest expense of all foreign corporations which are members of the worldwide affiliated group to the extent such interest expense of such foreign corporations would have been allocated and apportioned to foreign source income if this subsection were applied to a group consisting of all the foreign corporations in such worldwide affiliated group.

"(C) WORLDWIDE AFFILIATED GROUP.—For purposes of this paragraph, the term 'worldwide affiliated group' means a group consisting of—

"(i) the includible members of an affiliated group (as defined in section 1504(a), determined without regard to paragraphs (2) and (4) of section 1504(b)), and

"(ii) all controlled foreign corporations in which such members in the aggregate meet the ownership requirements of section 1504(a)(2) either directly or indirectly through applying paragraph (2) of section 958(a) or through applying rules similar to the rules of such paragraph to stock owned directly or indirectly by domestic partnerships, trusts, or estates.

"(2) ALLOCATION AND APPORTIONMENT OF OTHER EXPENSES.—Expenses other than interest which are not directly allocable or apportioned to any specific income producing activity shall be allocated and apportioned as if all members of the affiliated group were a single corporation. For purposes of the preceding sentence, the term 'affiliated group' has the meaning given such term by section 1504 (determined without regard to paragraph (4) of section 1504(b)).

"(3) TREATMENT OF TAX-EXEMPT ASSETS; BASIS OF STOCK IN NONAFFILIATED 10-PERCENT OWNED CORPORATIONS.—The rules of paragraphs (3) and (4) of subsection (e) shall apply for purposes of this subsection, except that paragraph (4) shall be applied on a worldwide affiliated group basis.

"(4) TREATMENT OF CERTAIN FINANCIAL INSTITUTIONS.—

"(A) IN GENERAL.—For purposes of paragraph (1), any corporation described in subparagraph (B) shall be treated as an includible corporation for purposes of section 1504 only for purposes of applying this subsection separately to corporations so described.

"(B) DESCRIPTION.—A corporation is described in this subparagraph if—

"(i) such corporation is a financial institution described in section 581 or 591,

"(ii) the business of such financial institution is predominantly with persons other than related persons (within the meaning of subsection (d)(4)) or their customers, and

"(iii) such financial institution is required by State or Federal law to be operated separately from any other entity which is not such an institution.

"(C) TREATMENT OF BANK AND FINANCIAL HOLDING COMPANIES.—To the extent provided in regulations—

"(i) a bank holding company (within the meaning of section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a)),

"(ii) a financial holding company (within the meaning of section 2(p) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(p)), and

"(iii) any subsidiary of a financial institution described in section 581 or 591, or of any such bank or financial holding company, if such subsidiary is predominantly engaged (directly or indirectly) in the active conduct of a banking, financing, or similar business, shall be treated as a corporation described in subparagraph (B).

"(5) ELECTION TO EXPAND FINANCIAL INSTITUTION GROUP OF WORLDWIDE GROUP.—

"(A) IN GENERAL.—If a worldwide affiliated group elects the application of this subsection, all financial corporations which—

"(i) are members of such worldwide affiliated group, but

"(ii) are not corporations described in paragraph (4)(B),

shall be treated as described in paragraph (4)(B) for purposes of applying paragraph (4)(A). This subsection (other than this paragraph) shall apply to any such group in the same manner as this subsection (other than this paragraph) applies to the pre-election worldwide affiliated group of which such group is a part.

"(B) FINANCIAL CORPORATION.—For purposes of this paragraph, the term 'financial corporation' means any corporation if at least 80 percent of its gross income is income described in section 904(d)(2)(C)(ii) and the regulations thereunder which is derived from transactions with persons who are not related (within the meaning of section 267(b) or 707(b)(1)) to the corporation. For purposes of the preceding sentence, there shall be disregarded any item of income or gain from a transaction or series of transactions a principal purpose of which is the qualification of any corporation as a financial corporation.

"(C) ANTIABUSE RULES.—In the case of a corporation which is a member of an electing financial institution group, to the extent that such corporation—

"(i) distributes dividends or makes other distributions with respect to its stock after the date of the enactment of this paragraph to any member of the pre-election worldwide affiliated group (other than to a member of the electing financial institution group) in excess of the greater of—

"(I) its average annual dividend (expressed as a percentage of current earnings and profits) during the 5-taxable-year period ending with the taxable year preceding the taxable year, or

"(II) 25 percent of its average annual earnings and profits for such 5-taxable-year period, or

"(ii) deals with any person in any manner not clearly reflecting the income of the corporation (as determined under principles similar to the principles of section 482),

an amount of indebtedness of the electing financial institution group equal to the excess distribution or the understatement or overstatement of income, as the case may be, shall be recharacterized (for the taxable year and subsequent taxable years) for purposes of this paragraph as indebtedness of the worldwide affiliated group (excluding the electing financial institution group). If a corporation has not been in existence for 5 taxable years, this subparagraph shall be applied with respect to the period it was in existence.

"(D) ELECTION.—An election under this paragraph with respect to any financial institution group may be made only by the common parent of the pre-election worldwide affiliated group and may be made only for the first taxable year beginning after December 31, 2008, in which such affiliated group includes 1 or more financial corporations. Such an election, once made, shall apply to all financial corporations which are members of the electing financial institution group for such taxable year and all subsequent years unless revoked with the consent of the Secretary.

"(E) DEFINITIONS RELATING TO GROUPS.—For purposes of this paragraph—

"(i) PRE-ELECTION WORLDWIDE AFFILIATED GROUP.—The term 'pre-election worldwide affiliated group' means, with respect to a corporation, the worldwide affiliated group of which such corporation would (but for an election under this paragraph) be a member for purposes of applying paragraph (1).

"(ii) ELECTING FINANCIAL INSTITUTION GROUP.—The term 'electing financial institution group' means the group of corporations to which this subsection applies separately by reason of the application of paragraph (4)(A) and which includes financial corporations by reason of an election under subparagraph (A).

"(F) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out this subsection, including regulations—

"(i) providing for the direct allocation of interest expense in other circumstances where such allocation would be appropriate to carry out the purposes of this subsection,

"(ii) preventing assets or interest expense from being taken into account more than once, and

"(iii) dealing with changes in members of any group (through acquisitions or otherwise) treated under this paragraph as an affiliated group for purposes of this subsection.

"(6) ELECTION.—An election to have this subsection apply with respect to any worldwide affiliated group may be made only by the common parent of the domestic affiliated group referred to in paragraph (1)(C) and may be made only for the first taxable year beginning after December 31, 2008, in which a worldwide affiliated group exists which includes such affiliated group and at least 1 foreign corporation. Such an election, once made, shall apply to such common parent and all other corporations which are members of such worldwide affiliated group for such taxable year and all subsequent years unless revoked with the consent of the Secretary.".

(b) EXPANSION OF REGULATORY AUTHORITY.—Paragraph (7) of section 864(e) is amended—

(1) by inserting before the comma at the end of subparagraph (B) "and in other circumstances where such allocation would be appropriate to carry out the purposes of this subsection", and

(2) by striking "and" at the end of subparagraph (E), by redesignating subparagraph (F) as subparagraph (G), and by inserting after subparagraph (E) the following new subparagraph:

"(F) preventing assets or interest expense from being taken into account more than once, and".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

SEC. 302. RECHARACTERIZATION OF OVERALL DOMESTIC LOSS.

(a) GENERAL RULE.—Section 904 is amended by redesignating subsections (g), (h), (i), (j), and (k) as subsections (h), (i), (j), (k), and (l) respectively, and by inserting after subsection (f) the following new subsection:

"(g) RECHARACTERIZATION OF OVERALL DOMESTIC LOSS.—

"(1) GENERAL RULE.—For purposes of this subpart and section 936, in the case of any taxpayer who sustains an overall domestic loss for any taxable year beginning after December 31, 2006, that portion of the taxpayer's taxable income from sources within the United States for each succeeding taxable year which is equal to the lesser of—

"(A) the amount of such loss (to the extent not used under this paragraph in prior taxable years), or

"(B) 50 percent of the taxpayer's taxable income from sources within the United States for such succeeding taxable year,

shall be treated as income from sources without the United States (and not as income from sources within the United States).

"(2) OVERALL DOMESTIC LOSS DEFINED.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'overall domestic loss' means any domestic loss to the extent such loss offsets taxable income from sources without the United States for the taxable year or for any preceding taxable year by reason of a carryback. For purposes of the preceding sentence, the term 'domestic loss' means the amount by which the gross income for the taxable year from sources within the United States is exceeded by the sum of the deductions properly apportioned or allocated thereto (determined without regard to any carryback from a subsequent taxable year).

"(B) TAXPAYER MUST HAVE ELECTED FOREIGN TAX CREDIT FOR YEAR OF LOSS.—The term 'overall domestic loss' shall not include any loss for any taxable year unless the taxpayer chose the benefits of this subpart for such taxable year.

"(3) CHARACTERIZATION OF SUBSEQUENT INCOME.—

"(A) IN GENERAL.—Any income from sources within the United States that is treated as income from sources without the United States under paragraph (1) shall be allocated among and increase the income categories in proportion to the loss from sources within the United States previously allocated to those income categories.

"(B) INCOME CATEGORY.—For purposes of this paragraph, the term 'income category' has the meaning given such term by subsection (f)(5)(E)(i).

"(4) COORDINATION WITH SUBSECTION (f).—The Secretary shall prescribe such regulations as may be necessary to coordinate the provisions of this subsection with the provisions of subsection (f).".

(b) CONFORMING AMENDMENTS.—

(1) Section 535(d)(2) is amended by striking "section 904(g)(6)" and inserting "section 904(h)(6)".

(2) Subparagraph (A) of section 936(a)(2) is amended by striking "section 904(f)" and inserting "subsections (f) and (g) of section 904".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to losses for taxable years beginning after December 31, 2006.

SEC. 303. REDUCTION TO 2 FOREIGN TAX CREDIT BASKETS.

(a) IN GENERAL.—Paragraph (1) of section 904(d) (relating to separate application of section with respect to certain categories of income) is amended to read as follows:

"(1) IN GENERAL.—The provisions of subsections (a), (b), and (c) and sections 902, 907, and 960 shall be applied separately with respect to—

"(A) passive category income, and

"(B) general category income."

(b) CATEGORIES.—Paragraph (2) of section 904(d) is amended by striking subparagraph (B), by redesignating subparagraph (A) as subparagraph (B), and by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

"(A) CATEGORIES.—

"(i) PASSIVE CATEGORY INCOME.—The term 'passive category income' means passive income and specified passive category income.

"(ii) GENERAL CATEGORY INCOME.—The term 'general category income' means income other than passive category income."

(c) SPECIFIED PASSIVE CATEGORY INCOME.—Subparagraph (B) of section 904(d)(2), as so redesignated, is amended by adding at the end the following new clause:

"(v) SPECIFIED PASSIVE CATEGORY INCOME.—The term 'specified passive category income' means—

"(I) dividends from a DISC or former DISC (as defined in section 992(a)) to the extent such dividends are treated as income from sources without the United States,

"(II) taxable income attributable to foreign trade income (within the meaning of section 923(b)), and

"(III) distributions from a FSC (or a former FSC) out of earnings and profits attributable to foreign trade income (within the meaning of section 923(b)) or interest or carrying charges (as defined in section 927(d)(1)) derived from a transaction which results in foreign trade income (as defined in section 923(b))."

(d) TREATMENT OF FINANCIAL SERVICES.—Paragraph (2) of section 904(d) is amended by striking subparagraph (D), by redesignating subparagraph (C) as subparagraph (D), and by inserting before subparagraph (D) (as so redesignated) the following new subparagraph:

"(C) TREATMENT OF FINANCIAL SERVICES INCOME AND COMPANIES.—

"(i) IN GENERAL.—Financial services income shall be treated as general category income in the case of—

"(I) a member of a financial services group, and

"(II) any other person if such person is predominantly engaged in the active conduct of a banking, insurance, financing, or similar business.

"(ii) FINANCIAL SERVICES GROUP.—The term 'financial services group' means any affiliated group (as defined in section 1504(a) without regard to paragraphs (2) and (3) of section 1504(b)) which is predominantly engaged in the active conduct of a banking, insurance, financing, or similar business. In determining whether such a group is so engaged, there shall be taken into account only the income of members of the group that are—

"(I) United States corporations, or

"(II) controlled foreign corporations in which such United States corporations own, directly or indirectly, at least 80 percent of the total voting power and value of the stock.

"(iii) PASS-THRU ENTITIES.—The Secretary shall by regulation specify for purposes of this subparagraph the treatment of financial services income received or accrued by partnerships and by other pass-thru entities which are not members of a financial services group."

(e) CONFORMING AMENDMENTS.—

(1) Clause (iii) of section 904(d)(2)(B) (relating to exceptions from passive income), as so redesignated, is amended by striking subclause (I) and by redesignating subclauses (II) and (III) as subclauses (I) and (II), respectively.

(2) Clause (i) of section 904(d)(2)(D) (defining financial services income), as so redesignated, is amended by adding "or" at the end of subclause (I) and by striking subclauses (II) and (III) and inserting the following new subclause:

"(II) passive income (determined without regard to subparagraph (B)(iii)(II))."

(3) Section 904(d)(2)(D) (defining financial services income), as so redesignated, is amended by striking clause (iii).

(4) Paragraph (3) of section 904(d) is amended to read as follows:

"(3) LOOK-THRU IN CASE OF CONTROLLED FOREIGN CORPORATIONS.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, dividends, interest, rents, and royalties received or accrued by the taxpayer from a controlled foreign corporation in which the taxpayer is a United States shareholder shall not be treated as passive category income.

"(B) SUBPART F INCLUSIONS.—Any amount included in gross income under section 951(a)(1)(A) shall be treated as passive category income to the extent the amount so included is attributable to passive category income.

"(C) INTEREST, RENTS, AND ROYALTIES.—Any interest, rent, or royalty which is received or accrued from a controlled foreign corporation in which the taxpayer is a United States shareholder shall be treated as passive category income to the extent it is properly allocable (under regulations prescribed by the Secretary) to passive category income of the controlled foreign corporation.

"(D) DIVIDENDS.—Any dividend paid out of the earnings and profits of any controlled foreign corporation in which the taxpayer is a United States shareholder shall be treated as passive category income in proportion to the ratio of—

"(i) the portion of the earnings and profits attributable to passive category income, to

"(ii) the total amount of earnings and profits.

"(E) LOOK-THRU APPLIES ONLY WHERE SUBPART F APPLIES.—If a controlled foreign corporation meets the requirements of section 954(b)(3)(A) (relating to de minimis rule) for any taxable year, for purposes of this paragraph, none of its foreign base company income (as defined in section 954(a) without regard to section 954(b)(5)) and none of its gross insurance income (as defined in section 954(b)(3)(C)) for such taxable year shall be treated as passive category income, except that this sentence shall not apply to any income which (without regard to this sentence) would be treated as financial services income. Solely for purposes of applying subparagraph (D), passive income of a controlled foreign corporation shall not be treated as passive category income if the requirements of section 954(b)(4) are met with respect to such income.

"(F) COORDINATION WITH HIGH-TAXED INCOME PROVISIONS.—

"(i) In determining whether any income of a controlled foreign corporation is passive category income, subclause (II) of paragraph (2)(B)(iii) shall not apply.

"(ii) Any income of the taxpayer which is treated as passive category income under this paragraph shall be so treated notwithstanding any provision of paragraph (2); except that the determination of whether any amount is high-taxed income shall be made after the application of this paragraph.

"(G) DIVIDEND.—For purposes of this paragraph, the term 'dividend' includes any amount included in gross income in section 951(a)(1)(B). Any amount included in gross income under section 78 to the extent attributable to amounts included in gross income in section 951(a)(1)(A) shall not be treated as a dividend but shall be treated as included in gross income under section 951(a)(1)(A).

"(H) LOOK-THRU APPLIES TO PASSIVE FOREIGN INVESTMENT COMPANY INCLUSION.—If—

"(i) a passive foreign investment company is a controlled foreign corporation, and

"(ii) the taxpayer is a United States shareholder in such controlled foreign corporation,

any amount included in gross income under section 1293 shall be treated as income in a separate category to the extent such amount is attributable to income in such category."

(5) TREATMENT OF INCOME TAX BASE DIFFERENCES.—Paragraph (2) of section 904(d) is amended by redesignating subparagraphs (H) and (I) as subparagraphs (I) and (J), respectively, and by inserting after subparagraph (G) the following new subparagraph:

"(H) TREATMENT OF INCOME TAX BASE DIFFERENCES.—Tax imposed under the law of a foreign country or possession of the United States on an amount which does not constitute income under United States tax principles shall be treated as imposed on income described in paragraph (1)(B)."

(6) Paragraph (2) of section 904(d) is amended by adding at the end the following new subparagraph:

"(K) TRANSITIONAL RULES FOR 2007 CHANGES.—For purposes of paragraph (1)—

"(i) taxes carried from any taxable year beginning before January 1, 2007, to any taxable year beginning on or after such date, with respect to any item of income, shall be treated as described in the subparagraph of paragraph (1) in which such income would be described were such taxes paid or accrued in a taxable year beginning on or after such date, and “(ii) the Secretary may by regulations provide for the allocation of any carryback of taxes with respect to income to such a taxable year for purposes of allocating such income among the separate categories in effect for such taxable year.”.

(7) Section 904(j)(3)(A)(i) is amended by striking “subsection (d)(2)(A)” and inserting “subsection (d)(2)(B)”.

(f) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 304. LOOK-THRU RULES TO APPLY TO DIVIDENDS FROM NONCONTROLLED SECTION 902 CORPORATIONS.

(a) In General.—Section 904(d)(4) (relating to look-thru rules apply to dividends from noncontrolled section 902 corporations) is amended to read as follows:

“(4) Look-thru applies to dividends from noncontrolled section 902 corporations.—

“(A) In general.—For purposes of this subsection, any dividend from a noncontrolled section 902 corporation with respect to the taxpayer shall be treated as income described in a subparagraph of paragraph (1) in proportion to the ratio of—

“(i) the portion of earnings and profits attributable to income described in such subparagraph, to

“(ii) the total amount of earnings and profits.

“(B) Earnings and profits of controlled foreign corporations.—In the case of any distribution from a controlled foreign corporation to a United States shareholder, rules similar to the rules of subparagraph (A) shall apply in determining the extent to which earnings and profits of the controlled foreign corporation which are attributable to dividends received from a noncontrolled section 902 corporation may be treated as income in a separate category.

“(C) Special rules.—For purposes of this paragraph—

“(i) Earnings and profits.—

“(I) In general.—The rules of section 316 shall apply.

“(II) Regulations.—The Secretary may prescribe regulations regarding the treatment of distributions out of earnings and profits for periods before the taxpayer's acquisition of the stock to which the distributions relate.

“(ii) Inadequate substantiation.—If the Secretary determines that the proper subparagraph of paragraph (1) in which a dividend is described has not been substantiated, such dividend shall be treated as income described in paragraph (1)(A).

“(iii) Coordination with high-taxed income provisions.—Rules similar to the rules of paragraph (3)(F) shall apply for purposes of this paragraph.

“(iv) Look-thru with respect to carryover of credit.—Rules similar to subparagraph (A) also shall apply to any carryforward under subsection (c) from a taxable year beginning before January 1, 2003, of tax allocable to a dividend from a noncontrolled section 902 corporation with respect to the taxpayer. The Secretary may by regulations provide for the allocation of any carryback of tax allocable to a dividend from a noncontrolled section 902 corporation to such a taxable year for purposes of allocating such dividend among the separate categories in effect for such taxable year.”.

(b) Conforming Amendments.—

(1) Subparagraph (E) of section 904(d)(1) is hereby repealed.

(2) Section 904(d)(2)(C)(iii) is amended by adding “and” at the end of subclause (I), by striking subclause (II), and by redesignating subclause (III) as subclause (II).

(3) The last sentence of section 904(d)(2)(D) is amended to read as follows: “Such term does not include any financial services income.”.

(4) Section 904(d)(2)(E) is amended—

(A) by inserting “or (4)” after “paragraph (3)” in clause (i), and

(B) by striking clauses (ii) and (iv) and by redesignating clause (iii) as clause (ii).

(5) Section 904(d)(3)(F) is amended by striking “(D), or (E)” and inserting “or (D)”.

(6) Section 864(d)(5)(A)(i) is amended by striking “(C)(iii)(III)” and inserting “(C)(iii)(II)”.

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

SEC. 305. ATTRIBUTION OF STOCK OWNERSHIP THROUGH PARTNERSHIPS TO APPLY IN DETERMINING SECTION 902 AND 960 CREDITS.

(a) In General.—Subsection (c) of section 902 is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following new paragraph:

“(7) Constructive ownership through partnerships.—Stock owned, directly or indirectly, by or for a partnership shall be considered as being owned proportionately by its partners. Stock considered to be owned by a person by reason of the preceding sentence shall, for purposes of applying such sentence, be treated as actually owned by such person. The Secretary may prescribe such regulations as may be necessary to carry out the purposes of this paragraph, including rules to account for special partnership allocations of dividends, credits, and other incidents of ownership of stock in determining proportionate ownership.”.

(b) Clarification of Comparable Attribution Under Section 901(b)(5).—Paragraph (5) of section 901(b) is amended by striking “any individual” and inserting “any person”.

(c) Effective Date.—The amendments made by this section shall apply to taxes of foreign corporations for taxable years of such corporations beginning after the date of the enactment of this Act.

SEC. 306. CLARIFICATION OF TREATMENT OF CERTAIN TRANSFERS OF INTANGIBLE PROPERTY.

(a) In General.—Subparagraph (C) of section 367(d)(2) is amended by adding at the end the following new sentence: “For purposes of applying section 904(d), any such amount shall be treated in the same manner as if such amount were a royalty.”.

(b) Effective Date.—The amendment made by this section shall apply to amounts treated as received pursuant to section 367(d)(2) of the Internal Revenue Code of 1986 on or after August 5, 1997.

SEC. 307. UNITED STATES PROPERTY NOT TO INCLUDE CERTAIN ASSETS OF CONTROLLED FOREIGN CORPORATION.

(a) In General.—Section 956(c)(2) (relating to exceptions from property treated as United States property) is amended by striking “and” at the end of subparagraph (J), by striking the period at the end of subparagraph (K) and inserting a semicolon, and by adding at the end the following new subparagraphs:

“(L) securities acquired and held by a controlled foreign corporation in the ordinary course of its business as a dealer in securities if—

“(i) the dealer accounts for the securities as securities held primarily for sale to customers in the ordinary course of business, and

“(ii) the dealer disposes of the securities (or such securities mature while held by the dealer) within a period consistent with the holding of securities for sale to customers in the ordinary course of business; and

“(M) an obligation of a United States person which—

“(i) is not a domestic corporation, and

“(ii) is not—

“(I) a United States shareholder (as defined in section 951(b)) of the controlled foreign corporation, or

“(II) a partnership, estate, or trust in which the controlled foreign corporation, or any related person (as defined in section 954(d)(3)), is a partner, beneficiary, or trustee immediately after the acquisition of any obligation of such partnership, estate, or trust by the controlled foreign corporation.”.

(b) Conforming Amendment.—Section 956(c)(2) is amended by striking “and (K)” in the last sentence and inserting “, (K), and (L)”.

(c) Effective Date.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2004, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 308. ELECTION NOT TO USE AVERAGE EXCHANGE RATE FOR FOREIGN TAX PAID OTHER THAN IN FUNCTIONAL CURRENCY.

(a) In General.—Paragraph (1) of section 986(a) (relating to determination of foreign taxes and foreign corporation's earnings and profits) is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

“(D) Elective exception for taxes paid other than in functional currency.—

“(i) In general.—At the election of the taxpayer, subparagraph (A) shall not apply to any foreign income taxes the liability for which is denominated in any currency other than in the taxpayer's functional currency.

“(ii) Application to qualified business units.—An election under this subparagraph may apply to foreign income taxes attributable to a qualified business unit in accordance with regulations prescribed by the Secretary.

“(iii) Election.—Any such election shall apply to the taxable year for which made and all subsequent taxable years unless revoked with the consent of the Secretary.”.

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 309. REPEAL OF WITHHOLDING TAX ON DIVIDENDS FROM CERTAIN FOREIGN CORPORATIONS.

(a) In General.—Paragraph (2) of section 871(i) (relating to tax not to apply to certain interest and dividends) is amended by adding at the end the following new subparagraph:

“(D) Dividends paid by a foreign corporation which are treated under section 861(a)(2)(B) as income from sources within the United States.”.

(b) Effective Date.—The amendment made by this section shall apply to payments made after December 31, 2004.

SEC. 310. PROVIDE EQUAL TREATMENT FOR INTEREST PAID BY FOREIGN PARTNERSHIPS AND FOREIGN CORPORATIONS.

(a) In General.—Paragraph (1) of section 861(a) is amended by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following new subparagraph:

“(C) in the case of a foreign partnership, which is predominantly engaged in the active conduct of a trade or business outside the United States, any interest not paid by a trade or business engaged in by the partnership in the United States and not allocable to income which is effectively connected (or treated as effectively connected) with the conduct of a trade or business in the United States.”.

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

SEC. 311. LOOK-THRU TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER FOREIGN PERSONAL HOLDING COMPANY INCOME RULES.

(a) In General.—Subsection (c) of section 954, as amended by this Act, is amended by adding after paragraph (4) the following new paragraph:

“(5) Look-thru in the case of related controlled foreign corporations.—For purposes of this subsection, dividends, interest, rents, and royalties received or accrued from a controlled foreign corporation which is a related person (as defined in subsection (b)(9)) shall not be treated as foreign personal holding company income to the extent attributable or properly allocable (determined under rules similar to the rules of subparagraphs (C) and (D) of section 904(d)(3)) to income of the related person which is not subpart F income (as defined in section 952). For purposes of this paragraph, interest shall include factoring income which is treated as income equivalent to interest for purposes of paragraph (1)(E). The Secretary shall prescribe such regulations as may be appropriate to prevent the abuse of the purposes of this paragraph.”.

(b) Effective Date.—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2004, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 312. LOOK-THRU TREATMENT FOR SALES OF PARTNERSHIP INTERESTS.

(a) In General.—Section 954(c) (defining foreign personal holding company income), as amended by this Act, is amended by adding after paragraph (5) the following new paragraph:

“(6) Look-thru rule for certain partnership sales.—

“(A) In general.—In the case of any sale by a controlled foreign corporation of an interest in a partnership with respect to which such corporation is a 25-percent owner, such corporation shall be treated for purposes of this subsection as selling the proportionate share of the assets of the partnership attributable to such interest. The Secretary shall prescribe such regulations as may be appropriate to prevent abuse of the purposes of this paragraph, including regulations providing for coordination of this paragraph with the provisions of subchapter K.

“(B) 25-percent owner.—For purposes of this paragraph, the term ‘25-percent owner’ means a controlled foreign corporation which owns directly 25 percent or more of the capital or profits interest in a partnership. For purposes of the preceding sentence, if a controlled foreign corporation is a shareholder or partner of a corporation or partnership, the controlled foreign corporation shall be treated as owning directly its proportionate share of any such capital or profits interest held directly or indirectly by such corporation or partnership”.

(b) Effective Date.—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2004, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 313. REPEAL OF FOREIGN PERSONAL HOLDING COMPANY RULES AND FOREIGN INVESTMENT COMPANY RULES.

(a) General Rule.—The following provisions are hereby repealed:

(1) Part III of subchapter G of chapter 1 (relating to foreign personal holding companies).

(2) Section 1246 (relating to gain on foreign investment company stock).

(3) Section 1247 (relating to election by foreign investment companies to distribute income currently).

(b) Exemption of Foreign Corporations From Personal Holding Company Rules.—

(1) In general.—Subsection (c) of section 542 (relating to exceptions) is amended—

(A) by striking paragraph (5) and inserting the following:

“(5) a foreign corporation,”,

(B) by striking paragraphs (7) and (10) and by redesignating paragraphs (8) and (9) as paragraphs (7) and (8), respectively,

(C) by inserting “and” at the end of paragraph (7) (as so redesignated), and

(D) by striking “; and” at the end of paragraph (8) (as so redesignated) and inserting a period.

(2) Treatment of income from personal service contracts.—Paragraph (1) of section 954(c) is amended by adding at the end the following new subparagraph:

“(I) Personal service contracts.—

“(i) Amounts received under a contract under which the corporation is to furnish personal services if—

“(I) some person other than the corporation has the right to designate (by name or by description) the individual who is to perform the services, or

“(II) the individual who is to perform the services is designated (by name or by description) in the contract, and

“(ii) amounts received from the sale or other disposition of such a contract.

This subparagraph shall apply with respect to amounts received for services under a particular contract only if at some time during the taxable year 25 percent or more in value of the outstanding stock of the corporation is owned, directly or indirectly, by or for the individual who has performed, is to perform, or may be designated (by name or by description) as the one to perform, such services.”.

(c) Conforming Amendments.—

(1) Section 1(h) is amended—

(A) in paragraph (10), by inserting “and” at the end of subparagraph (F), by striking subparagraph (G), and by redesignating subparagraph (H) as subparagraph (G), and

(B) by striking “a foreign personal holding company (as defined in section 552), a foreign investment company (as defined in section 1246(b)), or” in paragraph (11)(C)(iii).

(2) Section 163(e)(3)(B), as amended by section 642(a) of this Act, is amended by striking “which is a foreign personal holding company (as defined in section 552), a controlled foreign corporation (as defined in section 957), or” and inserting “which is a controlled foreign corporation (as defined in section 957) or”.

(3) Paragraph (2) of section 171(c) is amended—

(A) by striking “, or by a foreign personal holding company, as defined in section 552”, and

(B) by striking “, or foreign personal holding company”.

(4) Paragraph (2) of section 245(a) is amended by striking “foreign personal holding company or”.

(5) Section 267(a)(3)(B), as amended by section 642(b) of this Act, is amended by striking “to a foreign personal holding company (as defined in section 552), a controlled foreign corporation (as defined in section 957), or” and inserting “to a controlled foreign corporation (as defined in section 957) or”.

(6) Section 312 is amended by striking subsection (j).

(7) Subsection (m) of section 312 is amended by striking “, a foreign investment company (within the meaning of section 1246(b)), or a foreign personal holding company (within the meaning of section 552)”.

(8) Subsection (e) of section 443 is amended by striking paragraph (3) and by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(9) Subparagraph (B) of section 465(c)(7) is amended by adding “or” at the end of clause (i), by striking clause (ii), and by redesignating clause (iii) as clause (ii).

(10) Paragraph (1) of section 543(b) is amended by inserting “and” at the end of subparagraph (A), by striking “, and” at the end of subparagraph (B) and inserting a period, and by striking subparagraph (C).

(11) Paragraph (1) of section 562(b) is amended by striking “or a foreign personal holding company described in section 552”.

(12) Section 563 is amended—

(A) by striking subsection (c),

(B) by redesignating subsection (d) as subsection (c), and

(C) by striking “subsection (a), (b), or (c)” in subsection (c) (as so redesignated) and inserting “subsection (a) or (b)”.

(13) Subsection (d) of section 751 is amended by adding “and” at the end of paragraph (2), by striking paragraph (3), by redesignating paragraph (4) as paragraph (3), and by striking “paragraph (1), (2), or (3)” in paragraph (3) (as so redesignated) and inserting “paragraph (1) or (2)”.

(14) Paragraph (2) of section 864(d) is amended by striking subparagraph (A) and by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively.

(15)(A) Subparagraph (A) of section 898(b)(1) is amended to read as follows:

“(A) which is treated as a controlled foreign corporation for any purpose under subpart F of part III of this subchapter, and”.

(B) Subparagraph (B) of section 898(b)(2) is amended by striking “and sections 551(f) and 554, whichever are applicable,”.

(C) Paragraph (3) of section 898(b) is amended to read as follows:

“(3) United states shareholder.—The term ‘United States shareholder’ has the meaning given to such term by section 951(b), except that, in the case of a foreign corporation having related person insurance income (as defined in section 953(c)(2)), the Secretary may treat any person as a United States shareholder for purposes of this section if such person is treated as a United States shareholder under section 953(c)(1).”.

(D) Subsection (c) of section 898 is amended to read as follows:

‘(c) Determination of Required Year.—

“(1) In general.—The required year is—

“(A) the majority U.S. shareholder year, or

“(B) if there is no majority U.S. shareholder year, the taxable year prescribed under regulations.

“(2) 1-month deferral allowed.—A specified foreign corporation may elect, in lieu of the taxable year under paragraph (1)(A), a taxable year beginning 1 month earlier than the majority U.S. shareholder year.

“(3) Majority u.s. shareholder year.—

“(A) In general.—For purposes of this subsection, the term ‘majority U.S. shareholder year' means the taxable year (if any) which, on each testing day, constituted the taxable year of—

"(i) each United States shareholder described in subsection (b)(2)(A), and

"(ii) each United States shareholder not described in clause (i) whose stock was treated as owned under subsection (b)(2)(B) by any shareholder described in such clause.

"(B) Testing day.—The testing days shall be—

"(i) the first day of the corporation's taxable year (determined without regard to this section), or

"(ii) the days during such representative period as the Secretary may prescribe.".

(16) Clause (ii) of section 904(d)(2)(A) is amended to read as follows:

"(ii) Certain amounts included.—Except as provided in clause (iii), the term 'passive income' includes, except as provided in subparagraph (E)(iii) or paragraph (3)(I), any amount includible in gross income under section 1293 (relating to certain passive foreign investment companies).".

(17)(A) Subparagraph (A) of section 904(h)(1), as redesignated by section 302, is amended by adding "or" at the end of clause (i), by striking clause (ii), and by redesignating clause (iii) as clause (ii).

(B) The paragraph heading of paragraph (2) of section 904(h), as so redesignated, is amended by striking "FOREIGN PERSONAL HOLDING OR".

(18) Section 951 is amended by striking subsections (c) and (d) and by redesignating subsections (e) and (f) as subsections (c) and (d), respectively.

(19) Paragraph (3) of section 989(b) is amended by striking ", 551(a),".

(20) Paragraph (5) of section 1014(b) is amended by inserting "and before January 1, 2005," after "August 26, 1937,".

(21) Subsection (a) of section 1016 is amended by striking paragraph (13).

(22)(A) Paragraph (3) of section 1212(a) is amended to read as follows:

"(3) Special rules on carrybacks.—A net capital loss of a corporation shall not be carried back under paragraph (1)(A) to a taxable year—

"(A) for which it is a regulated investment company (as defined in section 851), or

"(B) for which it is a real estate investment trust (as defined in section 856).".

(B) The amendment made by subparagraph (A) shall apply to taxable years beginning after December 31, 2004.

(23) Section 1223 is amended by striking paragraph (10) and by redesignating the following paragraphs accordingly.

(24) Subsection (d) of section 1248 is amended by striking paragraph (5) and by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively.

(25) Paragraph (2) of section 1260(c) is amended by striking subparagraphs (H) and (I) and by redesignating subparagraph (J) as subparagraph (H).

(26)(A) Subparagraph (F) of section 1291(b)(3) is amended by striking "551(d), 959(a)," and inserting "959(a)".

(B) Subsection (e) of section 1291 is amended by inserting "(as in effect on the day before the date of the enactment of the American Jobs Creation Act of 2004)" after "section 1246".

(27) Paragraph (2) of section 1294(a) is amended to read as follows:

"(2) Election not permitted where amounts otherwise includible under section 951.—The taxpayer may not make an election under paragraph (1) with respect to the undistributed PFIC earnings tax liability attributable to a qualified electing fund for the taxable year if any amount is includible in the gross income of the taxpayer under section 951 with respect to such fund for such taxable year.".

(28) Section 6035 is hereby repealed.

(29) Subparagraph (D) of section 6103(e)(1) is amended by striking clause (iv) and redesignating clauses (v) and (vi) as clauses (iv) and (v), respectively.

(30) Subparagraph (B) of section 6501(e)(1) is amended to read as follows:

"(B) Constructive dividends.—If the taxpayer omits from gross income an amount properly includible therein under section 951(a), the tax may be assessed, or a proceeding in court for the collection of such tax may be done without assessing, at any time within 6 years after the return was filed.".

(31) Subsection (a) of section 6679 is amended—

(A) by striking "6035, 6046, and 6046A" in paragraph (1) and inserting "6046 and 6046A", and

(B) by striking paragraph (3).

(32) Sections 170(f)(10)(A), 508(d), 4947, and 4948(c)(4) are each amended by striking "556(b)(2)," each place it appears.

(33) The table of parts for subchapter G of chapter 1 is amended by striking the item relating to part III.

(34) The table of sections for part IV of subchapter P of chapter 1 is amended by striking the items relating to sections 1246 and 1247.

(35) The table of sections for subpart A of part III of subchapter A of chapter 61 is amended by striking the item relating to section 6035.

(d) Effective Dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2004, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

(2) Subsection (c)(29).—The amendments made by subsection (c)(29) shall apply to disclosures of return or return information with respect to taxable years beginning after December 31, 2004.

SEC. 314. DETERMINATION OF FOREIGN PERSONAL HOLDING COMPANY INCOME WITH RESPECT TO TRANSACTIONS IN COMMODITIES.

(a) In General.—Clauses (i) and (ii) of section 954(c)(1)(C) (relating to commodity transactions) are amended to read as follows:

"(i) arise out of commodity hedging transactions (as defined in paragraph (4)(A)),

"(ii) are active business gains or losses from the sale of commodities, but only if substantially all of the controlled foreign corporation's commodities are property described in paragraph (1), (2), or (8) of section 1221(a), or".

(b) Definition and Special Rules.—Subsection (c) of section 954 is amended by adding after paragraph (3) the following new paragraph:

"(4) Definition and special rules relating to commodity transactions.—

"(A) Commodity hedging transactions.—For purposes of paragraph (1)(C)(i), the term 'commodity hedging transaction' means any transaction with respect to a commodity if such transaction—

"(i) is a hedging transaction as defined in section 1221(b)(2), determined—

"(I) without regard to subparagraph (A)(ii) thereof,

"(II) by applying subparagraph (A)(i) thereof by substituting 'ordinary property or property described in section 1231(b)' for 'ordinary property', and

"(III) by substituting 'controlled foreign corporation' for 'taxpayer' each place it appears, and

"(ii) is clearly identified as such in accordance with section 1221(a)(7).

"(B) Treatment of dealer activities under paragraph (1)(C).—Commodities with respect to which gains and losses are not taken into account under paragraph (2)(C) in computing a controlled foreign corporation's foreign personal holding company income shall not be taken into account in applying the substantially all test under paragraph (1)(C)(ii) to such corporation.

"(C) Regulations.—The Secretary shall prescribe such regulations as are appropriate to carry out the purposes of paragraph (1)(C) in the case of transactions involving related parties.".

(c) Modification of Exception for Dealers.—Clause (i) of section 954(c)(2)(C) is amended by inserting "and transactions involving physical settlement" after "(including hedging transactions".

(d) Effective Date.—The amendments made by this section shall apply to transactions entered into after December 31, 2004.

SEC. 315. MODIFICATIONS TO TREATMENT OF AIRCRAFT LEASING AND SHIPPING INCOME.

(a) Elimination of Foreign Base Company Shipping Income.—Section 954 (relating to foreign base company income) is amended—

(1) by striking paragraph (4) of subsection (a) (relating to foreign base company shipping income), and

(2) by striking subsection (f) (relating to foreign base company shipping income).

(b) Safe Harbor for Certain Leasing Activities.—Subparagraph (A) of section 954(c)(2) is amended by adding at the end the following new sentence: "For purposes of the preceding sentence, rents derived from leasing an aircraft or vessel in foreign commerce shall not fail to be treated as derived in the active conduct of a trade or business if, as determined under regulations prescribed by the Secretary, the active leasing expenses are not less than 10 percent of the profit on the lease."

(c) Conforming Amendments.—

(1) Section 952(c)(1)(B)(iii) is amended by striking subclause (I) and redesignating subclauses (II) through (VI) as subclauses (I) through (V), respectively.

(2) Subsection (b) of section 954 is amended—

(A) by striking "the foreign base company shipping income," in paragraph (5),

(B) by striking paragraphs (6) and (7), and

(C) by redesignating paragraph (8) as paragraph (6).

(d) Effective Date.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2004, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 316. MODIFICATION OF EXCEPTIONS UNDER SUBPART F FOR ACTIVE FINANCING.

(a) In General.—Section 954(h)(3) is amended by adding at the end the following:

"(E) Direct conduct of activities.—For purposes of subparagraph (A)(ii)(II), an activity shall be treated as conducted directly by an eligible controlled foreign corporation or qualified business unit in its home country if the activity is performed by employees of a related person and—

"(i) the related person is an eligible controlled foreign corporation the home country of which is the same as the home country of the corporation or unit to which subparagraph (A)(ii)(II) is being applied,

"(ii) the activity is performed in the home country of the related person, and

"(iii) the related person is compensated on an arm's-length basis for the performance of the activity by its employees and such compensation is treated as earned by such person in its home country for purposes of the home country's tax laws.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years of such foreign corporations beginning after December 31, 2004, and to taxable years of United States shareholders with or within which such taxable years of such foreign corporations end.

TITLE IV—EXTENSION OF CERTAIN EXPIRING PROVISIONS

SEC. 401. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) In General.—Paragraph (2) of section 26(a) is amended—

(1) by striking "RULE FOR 2000, 2001, 2002, AND 2003.—" and inserting "RULE FOR TAXABLE YEARS 2000 THROUGH 2005.—", and

(2) by striking "or 2003," and inserting "2003, 2004, or 2005,".

(b) Conforming Provisions.—

(1) Section 904(h) is amended by striking "or 2003" and inserting "2003, 2004, or 2005".

(2) The amendments made by sections 201(b), 202(f), and 618(b) of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to taxable years beginning during 2004 or 2005.

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

SEC. 402. EXTENSION OF RESEARCH CREDIT.

(a) Extension.—

(1) In general.—Section 41(h)(1)(B) (relating to termination) is amended by striking "June 30, 2004" and inserting "December 31, 2005".

(2) Conforming amendment.—Section 45C(b)(1)(D) is amended by striking "June 30, 2004" and inserting "December 31, 2005".

(b) Effective Date.—The amendments made by subsection (a) shall apply to amounts paid or incurred after the date of the enactment of this Act.

SEC. 403. EXTENSION OF CREDIT FOR ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES.

(a) In General.—Subparagraphs (A) and (B) of section 45(c)(3) (defining qualified facility) are both amended by striking "2004" and inserting "2006".

(b) Effective Date.—The amendments made by this section shall apply to electricity produced and sold after December 31, 2003.

SEC. 404. INDIAN EMPLOYMENT TAX CREDIT.

Section 45A(f) (relating to termination) is amended by striking "December 31, 2004" and inserting "December 31, 2005".

SEC. 405. WORK OPPORTUNITY CREDIT.

(a) In General.—Subparagraph (B) of section 51(c)(4) is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) Effective Date.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2003.

SEC. 406. WELFARE-TO-WORK CREDIT.

(a) In General.—Subsection (f) of section 51A is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) Effective Date.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2003.

SEC. 407. CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) In General.—Subparagraph (D) of section 62(a)(2) (relating to certain trade and business deductions of employees) is amended by striking "or 2003" and inserting ", 2003, 2004, or 2005".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2003.

SEC. 408. EXTENSION OF ACCELERATED DEPRECIATION BENEFIT FOR PROPERTY ON INDIAN RESERVATIONS.

Paragraph (8) of section 168(j) (relating to termination) is amended by striking "December 31, 2004" and inserting "December 31, 2005".

SEC. 409. CHARITABLE CONTRIBUTIONS OF COMPUTER TECHNOLOGY AND EQUIPMENT USED FOR EDUCATIONAL PURPOSES.

(a) In General.—Subparagraph (G) of section 170(e)(6) (relating to special rule for contributions of computer technology and equipment for educational purposes) is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2003.

SEC. 410. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) In General.—Subsection (h) of section 198 (relating to termination) is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) Effective Date.—The amendments made by subsection (a) shall apply to expenditures paid or incurred after December 31, 2003.

SEC. 411. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) In General.—Paragraphs (2) and (3)(B) of section 220(i) (defining cut-off year) are each amended by striking "2003" each place it appears in the text and headings and inserting "2004".

(b) Conforming Amendments.—

(1) Subparagraph (A) of section 220(j)(4) is amended by striking "and 2002" and inserting "2002, and 2004".

(2) Subparagraph (C) of section 220(j)(2) is amended to read as follows:

"(C) No limitation for 2000 or 2003.—The numerical limitation shall not apply for 2000 or 2003.".

(c) Effective Date.—The amendments made by this section shall take effect on January 1, 2004.

(d) Time for Filing Reports.—The report required by section 220(j)(4) of the Internal Revenue Code of 1986 to be made on August 1, 2004, shall be treated as timely if made before the close of the 90-day period beginning on the date of the enactment of this Act.

SEC. 412. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) In General.—Subparagraph (H) of section 613A(c)(6) is amended by striking "January 1, 2004" and inserting "January 1, 2006".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2003.

SEC. 413. QUALIFIED ZONE ACADEMY BONDS.

(a) In General.—Paragraph (1) of section 1397E(e) is amended by striking "and 2003" and inserting "2003, 2004, and 2005".

(b) Effective Date.—The amendment made by subsection (a) shall apply to obligations issued after the date of the enactment of this Act.

SEC. 414. DISTRICT OF COLUMBIA.

(a) District of Columbia Enterprise Zone.—Subsection (f) of section 1400 is amended by striking "December 31, 2003" both places it appears and inserting "December 31, 2005".

(b) Tax-Exempt Economic Development Bonds.—Subsection (b) of section 1400A is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(c) Zero Percent Capital Gains Rate.—

(1) Section 1400B is amended by striking "January 1, 2004" each place it appears and inserting "January 1, 2006".

(2) Subsections (e)(2) and (g)(2) of section 1400B are each amended by striking "2008" each place it appears in the headings and text and inserting "2010".

(3) Subsection (d) of section 1400F is amended by striking "December 31, 2008" and inserting "December 31, 2010".

(d) First-Time Homebuyer Credit.—Subsection (i) of section 1400C is amended by striking "January 1, 2004" and inserting "January 1, 2006".

(e) Effective Dates.—

(1) In general.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) Tax-exempt economic development bonds.—The amendment made by subsection (b) shall apply to obligations issued after December 31, 2003.

SEC. 415. EXTENSION OF CERTAIN NEW YORK LIBERTY ZONE BOND FINANCING.

Subparagraph (D) of section 1400L(d)(2) is amended by striking "2005" and inserting "2009".

SEC. 416. DISCLOSURES RELATING TO TERRORIST ACTIVITIES.

(a) In General.—Clause (iv) of section 6103(i)(3)(C) and subparagraph (E) of section 6103(i)(7) are both amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) Disclosure of taxpayer identity to law enforcement agencies investigating terrorism.—Subparagraph (A) of section 6103(i)(7) is amended by adding at the end the following new clause:

"(v) Taxpayer identity.—For purposes of this subparagraph, a taxpayer's identity shall not be treated as taxpayer return information.".

(c) Effective Dates.—

(1) In general.—The amendments made by subsection (a) shall apply to disclosures on or after the date of the enactment of this Act.

(2) Subsection (b).—The amendment made by subsection (b) shall take effect as if included in section 201 of the Victims of Terrorism Tax Relief Act of 2001.

SEC. 417. DISCLOSURE OF RETURN INFORMATION RELATING TO STUDENT LOANS.

Section 6103(l)(13)(D) (relating to termination) is amended by striking "December 31, 2004" and inserting "December 31, 2005".

SEC. 418. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) In General.—Paragraph (1) of section 7652(f) is amended by striking "January 1, 2004" and inserting "January 1, 2006".

(b) Effective Date.—The amendment made by subsection (a) shall apply to articles brought into the United States after December 31, 2003.

SEC. 419. JOINT REVIEW OF STRATEGIC PLANS AND BUDGET FOR THE INTERNAL REVENUE SERVICE.

(a) IN GENERAL.—Paragraph (2) of section 8021(f) (relating to joint reviews) is amended by striking ‘‘2004’’ and inserting ‘‘2005’’.

(b) REPORT.—Subparagraph (C) of section 8022(3) (regarding reports) is amended—

(1) by striking ‘‘2004’’ and inserting ‘‘2005’’, and

(2) by striking ‘‘with respect to—’’ and all that follows and inserting ‘‘with respect to the matters addressed in the joint review referred to in section 8021(f)(2).’’.

(c) TIME FOR JOINT REVIEW.—The joint review required by section 8021(f)(2) of the Internal Revenue Code of 1986 to be made before June 1, 2004, shall be treated as timely if made before June 1, 2005.

SEC. 420. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) IN GENERAL.—Subsection (f) of section 9812 is amended by striking ‘‘and’’ at the end of paragraph (1), by striking paragraph (2), and by inserting after paragraph (1) the following new paragraphs:

‘‘(2) on or after January 1, 2004, and before the date of the enactment of American Jobs Creation Act of 2004, and

‘‘(3) after December 31, 2005.’’.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits for services furnished on or after December 31, 2003.

SEC. 421. COMBINED EMPLOYMENT TAX REPORTING PROJECT.

(a) IN GENERAL.—Paragraph (1) of section 976(b) of the Taxpayer Relief Act of 1997 (111 Stat. 898) is amended by striking ‘‘for a period ending with the date which is 5 years after the date of the enactment of this Act’’ and inserting ‘‘during the period ending on December 31, 2005’’.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to disclosures on or after the date of the enactment of this Act.

SEC. 422. CLEAN-FUEL VEHICLES.

(a) CREDIT FOR QUALIFIED ELECTRIC VEHICLES.—Paragraph (2) of section 30(b) (relating to phaseout) is amended to read as follows:

‘‘(2) PHASEOUT.—In the case of any qualified electric vehicle placed in service after December 31, 2005, the credit otherwise allowable under subsection (a) (determined after the application of paragraph (1)) shall be reduced by 75 percent.’’.

(b) DEDUCTION FOR QUALIFIED CLEAN-FUEL VEHICLE PROPERTY.—Subparagraph (B) of section 179A(b)(1) (relating to phaseout) is amended to read as follows:

‘‘(B) PHASEOUT.—In the case of any qualified clean-fuel vehicle property placed in service after December 31, 2005, the limit otherwise applicable under subparagraph (A) shall be reduced by 75 percent.’’.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2003.

TITLE V—DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES

SEC. 501. DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES IN LIEU OF STATE AND LOCAL INCOME TAXES.

(a) IN GENERAL.—Subsection (b) of section 164 (relating to definitions and special rules) is amended by adding at the end the following:

‘‘(5) GENERAL SALES TAXES.—For purposes of subsection (a)—

‘‘(A) ELECTION TO DEDUCT STATE AND LOCAL SALES TAXES IN LIEU OF STATE AND LOCAL INCOME TAXES.—

‘‘(i) IN GENERAL.—At the election of the taxpayer for the taxable year, subsection (a) shall be applied—

‘‘(I) without regard to the reference to State and local income taxes, and

‘‘(II) as if State and local general sales taxes were referred to in a paragraph thereof.

‘‘(B) DEFINITION OF GENERAL SALES TAX.—The term ‘general sales tax’ means a tax imposed at one rate with respect to the sale at retail of a broad range of classes of items.

‘‘(C) SPECIAL RULES FOR FOOD, ETC.—In the case of items of food, clothing, medical supplies, and motor vehicles—

‘‘(i) the fact that the tax does not apply with respect to some or all of such items shall not be taken into account in determining whether the tax applies with respect to a broad range of classes of items, and

‘‘(ii) the fact that the rate of tax applicable with respect to some or all of such items is lower than the general rate of tax shall not be taken into account in determining whether the tax is imposed at one rate.

‘‘(D) ITEMS TAXED AT DIFFERENT RATES.—Except in the case of a lower rate of tax applicable with respect to an item described in subparagraph (C), no deduction shall be allowed under this paragraph for any general sales tax imposed with respect to an item at a rate other than the general rate of tax.

‘‘(E) COMPENSATING USE TAXES.—A compensating use tax with respect to an item shall be treated as a general sales tax. For purposes of the preceding sentence, the term ‘compensating use tax’ means, with respect to any item, a tax which—

‘‘(i) is imposed on the use, storage, or consumption of such item, and

‘‘(ii) is complementary to a general sales tax, but only if a deduction is allowable under this paragraph with respect to items sold at retail in the taxing jurisdiction which are similar to such item.

‘‘(F) SPECIAL RULE FOR MOTOR VEHICLES.—In the case of motor vehicles, if the rate of tax exceeds the general rate, such excess shall be disregarded and the general rate shall be treated as the rate of tax.

‘‘(G) SEPARATELY STATED GENERAL SALES TAXES.—If the amount of any general sales tax is separately stated, then, to the extent that the amount so stated is paid by the consumer (other than in connection with the consumer's trade or business) to the seller, such amount shall be treated as a tax imposed on, and paid by, such consumer.

‘‘(H) AMOUNT OF DEDUCTION TO BE DETERMINED UNDER TABLES.—

‘‘(i) IN GENERAL.—The amount of the deduction allowed under this paragraph shall be determined under tables prescribed by the Secretary.

‘‘(ii) REQUIREMENTS FOR TABLES.—The tables prescribed under clause (i)—

‘‘(I) shall reflect the provisions of this paragraph,

‘‘(II) shall be based on the average consumption by taxpayers on a State-by-State basis, as determined by the Secretary, taking into account filing status, number of dependents, adjusted gross income, and rates of State and local general sales taxation, and

‘‘(III) need only be determined with respect to adjusted gross incomes up to the applicable amount (as determined under section 68(b)).

‘‘(I) APPLICATION OF PARAGRAPH.—This paragraph shall apply to taxable years beginning after December 31, 2003, and before January 1, 2006.’’.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

TITLE VI—REVENUE PROVISIONS

Subtitle A—Provisions to Reduce Tax Avoidance Through Individual and Corporate Expatriation

SEC. 601. TAX TREATMENT OF EXPATRIATED ENTITIES AND THEIR FOREIGN PARENTS.

(a) IN GENERAL.—Subchapter C of chapter 80 (relating to provisions affecting more than one subtitle) is amended by adding at the end the following new section:

‘‘SEC. 7874. RULES RELATING TO EXPATRIATED ENTITIES AND THEIR FOREIGN PARENTS.

‘‘(a) TAX ON INVERSION GAIN OF EXPATRIATED ENTITIES.—

‘‘(1) IN GENERAL.—The taxable income of an expatriated entity for any taxable year which includes any portion of the applicable period shall in no event be less than the inversion gain of the entity for the taxable year.

‘‘(2) EXPATRIATED ENTITY.—For purposes of this subsection—

‘‘(A) IN GENERAL.—The term ‘expatriated entity’ means—

‘‘(i) the domestic corporation or partnership referred to in subparagraph (B)(i) with respect to which a foreign corporation is a surrogate foreign corporation, and

‘‘(ii) any United States person who is related (within the meaning of section 267(b) or 707(b)(1)) to a domestic corporation or partnership described in clause (i).

‘‘(B) SURROGATE FOREIGN CORPORATION.—A foreign corporation shall be treated as a surrogate foreign corporation if, pursuant to a plan (or a series of related transactions)—

‘‘(i) the entity completes after March 4, 2003, the direct or indirect acquisition of substantially all of the properties held directly or indirectly by a domestic corporation or substantially all of the properties constituting a trade or business of a domestic partnership,

‘‘(ii) after the acquisition at least 60 percent of the stock (by vote or value) of the entity is held—

‘‘(I) in the case of an acquisition with respect to a domestic corporation, by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation, or

‘‘(II) in the case of an acquisition with respect to a domestic partnership, by former partners of the domestic partnership by reason of holding a capital or profits interest in the domestic partnership, and

‘‘(iii) after the acquisition the expanded affiliated group which includes the entity does not have substantial business activities in the foreign country in which, or under the law of which, the entity is created or organized, when compared to the total business activities of such expanded affiliated group.

An entity otherwise described in clause (i) with respect to any domestic corporation or partnership trade or business shall be treated as not so described if, on or before March 4, 2003, such entity acquired directly or indirectly more than half of the properties held directly or indirectly by such corporation or more than half of the properties constituting such partnership trade or business, as the case may be.

‘‘(b) DEFINITIONS AND SPECIAL RULES.—

‘‘(1) EXPANDED AFFILIATED GROUP.—The term ‘expanded affiliated group’ means an affiliated group as defined in section 1504(a) but without regard to section 1504(b)(3), except that section 1504(a) shall be applied by substituting ‘more than 50 percent’ for ‘at least 80 percent’ each place it appears.

"(2) Certain stock disregarded.—There shall not be taken into account in determining ownership under subsection (a)(2)(B)(ii)—

"(A) stock held by members of the expanded affiliated group which includes the foreign corporation, or

"(B) stock of such foreign corporation which is sold in a public offering related to the acquisition described in subsection (a)(2)(B)(i).

"(3) Plan deemed in certain cases.—If a foreign corporation acquires directly or indirectly substantially all of the properties of a domestic corporation or partnership during the 4-year period beginning on the date which is 2 years before the ownership requirements of subsection (a)(2)(B)(ii) are met, such actions shall be treated as pursuant to a plan.

"(4) Certain transfers disregarded.—The transfer of properties or liabilities (including by contribution or distribution) shall be disregarded if such transfers are part of a plan a principal purpose of which is to avoid the purposes of this section.

"(5) Special rule for related partnerships.—For purposes of applying subsection (a)(2)(B)(ii) to the acquisition of a trade or business of a domestic partnership, except as provided in regulations, all partnerships which are under common control (within the meaning of section 482) shall be treated as 1 partnership.

"(6) Regulations.—The Secretary shall prescribe such regulations as may be appropriate to determine whether a corporation is a surrogate foreign corporation, including regulations—

"(A) to treat warrants, options, contracts to acquire stock, convertible debt interests, and other similar interests as stock, and

"(B) to treat stock as not stock.

"(c) Other Definitions.—For purposes of this section—

"(1) Applicable period.—The term 'applicable period' means the period—

"(A) beginning on the first date properties are acquired as part of the acquisition described in subsection (a)(2)(B)(i), and

"(B) ending on the date which is 10 years after the last date properties are acquired as part of such acquisition.

"(2) Inversion gain.—The term 'inversion gain' means the income or gain recognized by reason of the transfer during the applicable period of stock or other properties by an expatriated entity, and any income received or accrued during the applicable period by reason of a license of any property by an expatriated entity—

"(A) as part of the acquisition described in subsection (a)(2)(B)(i), or

"(B) after such acquisition if the transfer or license is to a foreign related person.

Subparagraph (B) shall not apply to property described in section 1221(a)(1) in the hands of the expatriated entity.

"(3) Foreign related person.—The term 'foreign related person' means, with respect to any expatriated entity, a foreign person which—

"(A) is related (within the meaning of section 267(b) or 707(b)(1)) to such entity, or

"(B) is under the same common control (within the meaning of section 482) as such entity.

"(d) Special Rules.—

"(1) Credits not allowed against tax on inversion gain.—Credits (other than the credit allowed by section 901) shall be allowed against the tax imposed by this chapter on an expatriated entity for any taxable year described in subsection (a) only to the extent such tax exceeds the product of—

"(A) the amount of the inversion gain for the taxable year, and

"(B) the highest rate of tax specified in section 11(b)(1).

For purposes of determining the credit allowed by section 901, inversion gain shall be treated as from sources within the United States.

"(2) Special rules for partnerships.—In the case of an expatriated entity which is a partnership—

"(A) subsection (a)(1) shall apply at the partner rather than the partnership level,

"(B) the inversion gain of any partner for any taxable year shall be equal to the sum of—

"(i) the partner's distributive share of inversion gain of the partnership for such taxable year, plus

"(ii) gain recognized for the taxable year by the partner by reason of the transfer during the applicable period of any partnership interest of the partner in such partnership to the surrogate foreign corporation, and

"(C) the highest rate of tax specified in the rate schedule applicable to the partner under this chapter shall be substituted for the rate of tax referred to in paragraph (1).

"(3) Coordination with section 172 and minimum tax.—Rules similar to the rules of paragraphs (3) and (4) of section 860E(a) shall apply for purposes of subsection (a).

"(4) Statute of limitations.—

"(A) In general.—The statutory period for the assessment of any deficiency attributable to the inversion gain of any taxpayer for any pre-inversion year shall not expire before the expiration of 3 years from the date the Secretary is notified by the taxpayer (in such manner as the Secretary may prescribe) of the acquisition described in subsection (a)(2)(B)(i) to which such gain relates and such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment.

"(B) Pre-inversion year.—For purposes of subparagraph (A), the term 'pre-inversion year' means any taxable year if—

"(i) any portion of the applicable period is included in such taxable year, and

"(ii) such year ends before the taxable year in which the acquisition described in subsection (a)(2)(B)(i) is completed.

"(e) Special Rule for Treaties.—Nothing in section 894 or 7852(d) or in any other provision of law shall be construed as permitting an exemption, by reason of any treaty obligation of the United States heretofore or hereafter entered into, from the provisions of this section.

"(f) Regulations.—The Secretary shall provide such regulations as are necessary to carry out this section, including regulations providing for such adjustments to the application of this section as are necessary to prevent the avoidance of the purposes of this section, including the avoidance of such purposes through—

"(1) the use of related persons, pass-through or other noncorporate entities, or other intermediaries, or

"(2) transactions designed to have persons cease to be (or not become) members of expanded affiliated groups or related persons.".

(b) Conforming Amendment.—The table of sections for subchapter C of chapter 80 is amended by adding at the end the following new item:

"Sec. 7874. Rules relating to expatriated entities and their foreign parents."

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after March 4, 2003.

SEC. 602. EXCISE TAX ON STOCK COMPENSATION OF INSIDERS IN EXPATRIATED CORPORATIONS.

(a) In General.—Subtitle D is amended by inserting after chapter 44 end the following new chapter:

"CHAPTER 45—PROVISIONS RELATING TO EXPATRIATED ENTITIES

"Sec. 4985. Stock compensation of insiders in expatriated corporations.

"SEC. 4985. STOCK COMPENSATION OF INSIDERS IN EXPATRIATED CORPORATIONS.

"(a) Imposition of Tax.—In the case of an individual who is a disqualified individual with respect to any expatriated corporation, there is hereby imposed on such person a tax equal to 15 percent of the value (determined under subsection (b)) of the specified stock compensation held (directly or indirectly) by or for the benefit of such individual or a member of such individual's family (as defined in section 267) at any time during the 12-month period beginning on the date which is 6 months before the expatriation date.

"(b) Value.—For purposes of subsection (a)—

"(1) In general.—The value of specified stock compensation shall be—

"(A) in the case of a stock option (or other similar right) or a stock appreciation right, the fair value of such option or right, and

"(B) in any other case, the fair market value of such compensation.

"(2) Date for determining value.—The determination of value shall be made—

"(A) in the case of specified stock compensation held on the expatriation date, on such date,

"(B) in the case of such compensation which is canceled during the 6 months before the expatriation date, on the day before such cancellation, and

"(C) in the case of such compensation which is granted after the expatriation date, on the date such compensation is granted.

"(c) Tax To Apply Only if Shareholder Gain Recognized.—Subsection (a) shall apply to any disqualified individual with respect to an expatriated corporation only if gain (if any) on any stock in such corporation is recognized in whole or part by any shareholder by reason of the acquisition referred to in section 7874(a)(2)(B)(i) with respect to such corporation.

"(d) Exception Where Gain Recognized on Compensation.—Subsection (a) shall not apply to—

"(1) any stock option which is exercised on the expatriation date or during the 6-month period before such date and to the stock acquired in such exercise, if income is recognized under section 83 on or before the expatriation date with respect to the stock acquired pursuant to such exercise, and

"(2) any other specified stock compensation which is exercised, sold, exchanged, distributed, cashed-out, or otherwise paid during such period in a transaction in which income, gain, or loss is recognized in full.

"(e) Definitions.—For purposes of this section—

"(1) Disqualified individual.—The term 'disqualified individual' means, with respect to a corporation, any individual who, at any time during the 12-month period beginning on the date which is 6 months before the expatriation date—

"(A) is subject to the requirements of section 16(a) of the Securities Exchange Act of 1934 with respect to such corporation or any member of the expanded affiliated group which includes such corporation, or

"(B) would be subject to such requirements if such corporation or member were an issuer of equity securities referred to in such section.

"(2) EXPATRIATED CORPORATION; EXPATRIATION DATE.—

"(A) EXPATRIATED CORPORATION.—The term 'expatriated corporation' means any corporation which is an expatriated entity (as defined in section 7874(a)(2)). Such term includes any predecessor or successor of such a corporation.

"(B) EXPATRIATION DATE.—The term 'expatriation date' means, with respect to a corporation, the date on which the corporation first becomes an expatriated corporation.

"(3) SPECIFIED STOCK COMPENSATION.—

"(A) IN GENERAL.—The term 'specified stock compensation' means payment (or right to payment) granted by the expatriated corporation (or by any member of the expanded affiliated group which includes such corporation) to any person in connection with the performance of services by a disqualified individual for such corporation or member if the value of such payment or right is based on (or determined by reference to) the value (or change in value) of stock in such corporation (or any such member).

"(B) EXCEPTIONS.—Such term shall not include—

"(i) any option to which part II of subchapter D of chapter 1 applies, or

"(ii) any payment or right to payment from a plan referred to in section 280G(b)(6).

"(4) EXPANDED AFFILIATED GROUP.—The term 'expanded affiliated group' means an affiliated group (as defined in section 1504(a) without regard to section 1504(b)(3)); except that section 1504(a) shall be applied by substituting 'more than 50 percent' for 'at least 80 percent' each place it appears.

"(f) SPECIAL RULES.—For purposes of this section—

"(1) CANCELLATION OF RESTRICTION.—The cancellation of a restriction which by its terms will never lapse shall be treated as a grant.

"(2) PAYMENT OR REIMBURSEMENT OF TAX BY CORPORATION TREATED AS SPECIFIED STOCK COMPENSATION.—Any payment of the tax imposed by this section directly or indirectly by the expatriated corporation or by any member of the expanded affiliated group which includes such corporation—

"(A) shall be treated as specified stock compensation, and

"(B) shall not be allowed as a deduction under any provision of chapter 1.

"(3) CERTAIN RESTRICTIONS IGNORED.—Whether there is specified stock compensation, and the value thereof, shall be determined without regard to any restriction other than a restriction which by its terms will never lapse.

"(4) PROPERTY TRANSFERS.—Any transfer of property shall be treated as a payment and any right to a transfer of property shall be treated as a right to a payment.

"(5) OTHER ADMINISTRATIVE PROVISIONS.—For purposes of subtitle F, any tax imposed by this section shall be treated as a tax imposed by subtitle A.

"(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) DENIAL OF DEDUCTION.—

(1) IN GENERAL.—Paragraph (6) of section 275(a) is amended by inserting "45," before "46,".

(2) $1,000,000 LIMIT ON DEDUCTIBLE COMPENSATION REDUCED BY PAYMENT OF EXCISE TAX ON SPECIFIED STOCK COMPENSATION.—Paragraph (4) of section 162(m) is amended by adding at the end the following new subparagraph:

"(G) COORDINATION WITH EXCISE TAX ON SPECIFIED STOCK COMPENSATION.—The dollar limitation contained in paragraph (1) with respect to any covered employee shall be reduced (but not below zero) by the amount of any payment (with respect to such employee) of the tax imposed by section 4985 directly or indirectly by the expatriated corporation (as defined in such section) or by any member of the expanded affiliated group (as defined in such section) which includes such corporation."

(c) CONFORMING AMENDMENTS.—

(1) The last sentence of section 3121(v)(2)(A) is amended by inserting before the period "or to any specified stock compensation (as defined in section 4985) on which tax is imposed by section 4985".

(2) The table of chapters for subtitle D is amended by inserting after the item relating to chapter 44 the following new item:

"Chapter 45. Provisions relating to expatriated entities."

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on March 4, 2003; except that periods before such date shall not be taken into account in applying the periods in subsections (a) and (e)(1) of section 4985 of the Internal Revenue Code of 1986, as added by this section.

SEC. 603. REINSURANCE OF UNITED STATES RISKS IN FOREIGN JURISDICTIONS.

(a) IN GENERAL.—Section 845(a) (relating to allocation in case of reinsurance agreement involving tax avoidance or evasion) is amended by striking "source and character" and inserting "amount, source, or character".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to any risk reinsured after the date of the enactment of this Act.

SEC. 604. REVISION OF TAX RULES ON EXPATRIATION OF INDIVIDUALS.

(a) EXPATRIATION TO AVOID TAX.—

(1) IN GENERAL.—Subsection (a) of section 877 (relating to treatment of expatriates) is amended to read as follows:

"(a) TREATMENT OF EXPATRIATES.—

"(1) IN GENERAL.—Every nonresident alien individual to whom this section applies and who, within the 10-year period immediately preceding the close of the taxable year, lost United States citizenship shall be taxable for such taxable year in the manner provided in subsection (b) if the tax imposed pursuant to such subsection (after any reduction in such tax under the last sentence of such subsection) exceeds the tax which, without regard to this section, is imposed pursuant to section 871.

"(2) INDIVIDUALS SUBJECT TO THIS SECTION.—This section shall apply to any individual if—

"(A) the average annual net income tax (as defined in section 38(c)(1)) of such individual for the period of 5 taxable years ending before the date of the loss of United States citizenship is greater than $124,000,

"(B) the net worth of the individual as of such date is $2,000,000 or more, or

"(C) such individual fails to certify under penalty of perjury that he has met the requirements of this title for the 5 preceding taxable years or fails to submit such evidence of such compliance as the Secretary may require.

In the case of the loss of United States citizenship in any calendar year after 2004, such $124,000 amount shall be increased by an amount equal to such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting '2003' for '1992' in subparagraph (B) thereof. Any increase under the preceding sentence shall be rounded to the nearest multiple of $1,00C.".

(2) REVISION OF EXCEPTIONS FROM ALTERNATIVE TAX.—Subsection (c) of section 877 (relating to tax avoidance not presumed in certain cases) is amended to read as follows:

"(c) EXCEPTIONS.—

"(1) IN GENERAL.—Subparagraphs (A) and (B) of subsection (a)(2) shall not apply to an individual described in paragraph (2) or (3).

"(2) DUAL CITIZENS.—

"(A) IN GENERAL.—An individual is described in this paragraph if—

"(i) the individual became at birth a citizen of the United States and a citizen of another country and continues to be a citizen of such other country, and

"(ii) the individual has had no substantial contacts with the United States.

"(B) SUBSTANTIAL CONTACTS.—An individual shall be treated as having no substantial contacts with the United States only if the individual—

"(i) was never a resident of the United States (as defined in section 7701(b)),

"(ii) has never held a United States passport, and

"(iii) was not present in the United States for more than 30 days during any calendar year which is 1 of the 10 calendar years preceding the individual's loss of United States citizenship.

"(3) CERTAIN MINORS.—An individual is described in this paragraph if—

"(A) the individual became at birth a citizen of the United States,

"(B) neither parent of such individual was a citizen of the United States at the time of such birth,

"(C) the individual's loss of United States citizenship occurs before such individual attains age 18½, and

"(D) the individual was not present in the United States for more than 30 days during any calendar year which is 1 of the 10 calendar years preceding the individual's loss of United States citizenship.".

(3) CONFORMING AMENDMENT.—Section 2107(a) is amended to read as follows:

"(a) TREATMENT OF EXPATRIATES.—A tax computed in accordance with the table contained in section 2001 is hereby imposed on the transfer of the taxable estate, determined as provided in section 2106, of every decedent nonresident not a citizen of the United States if the date of death occurs during a taxable year with respect to which the decedent is subject to tax under section 877(b).".

(b) SPECIAL RULES FOR DETERMINING WHEN AN INDIVIDUAL IS NO LONGER A UNITED STATES CITIZEN OR LONG-TERM RESIDENT.—Section 7701 (relating to definitions) is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

"(n) SPECIAL RULES FOR DETERMINING WHEN AN INDIVIDUAL IS NO LONGER A UNITED STATES CITIZEN OR LONG-TERM RESIDENT.—An individual who would (but for this subsection) cease to be treated as a citizen or resident of the United States shall continue to be treated as a citizen or resident of the United States, as the case may be, until such individual—

"(1) gives notice of an expatriating act or termination of residency (with the requisite intent to relinquish citizenship or terminate residency) to the Secretary of State or the Secretary of Homeland Security, and

"(2) provides a statement in accordance with section 6039G.".

(c) Physical Presence in the United States for More Than 30 Days.—Section 877 (relating to expatriation to avoid tax) is amended by adding at the end the following new subsection:

"(g) Physical Presence.—

"(1) In general.—This section shall not apply to any individual to whom this section would otherwise apply for any taxable year during the 10-year period referred to in subsection (a) in which such individual is physically present in the United States at any time on more than 30 days in the calendar year ending in such taxable year, and such individual shall be treated for purposes of this title as a citizen or resident of the United States, as the case may be, for such taxable year.

"(2) Exception.—

"(A) In general.—In the case of an individual described in any of the following subparagraphs of this paragraph, a day of physical presence in the United States shall be disregarded if the individual is performing services in the United States on such day for an employer. The preceding sentence shall not apply if—

"(i) such employer is related (within the meaning of section 267 and 707) to such individual, or

"(ii) such employer fails to meet such requirements as the Secretary may prescribe by regulations to prevent the avoidance of the purposes of this paragraph.

Not more than 30 days during any calendar year may be disregarded under this subparagraph.

"(B) Individuals with ties to other countries.—An individual is described in this subparagraph if—

"(i) the individual becomes (not later than the close of a reasonable period after loss of United States citizenship or termination of residency) a citizen or resident of the country in which—

"(I) such individual was born,

"(II) if such individual is married, such individual's spouse was born, or

"(III) either of such individual's parents were born, and

"(ii) the individual becomes fully liable for income tax in such country.

"(C) Minimal prior physical presence in the United States.—An individual is described in this subparagraph if, for each year in the 10-year period ending on the date of loss of United States citizenship or termination of residency, the individual was physically present in the United States for 30 days or less. The rule of section 7701(b)(3)(D)(ii) shall apply for purposes of this subparagraph.".

(d) Transfers Subject to Gift Tax.—

(1) In general.—Subsection (a) of section 2501 (relating to taxable transfers) is amended by striking paragraph (4), by redesignating paragraph (5) as paragraph (4), and by striking paragraph (3) and inserting the following new paragraph:

"(3) Exception.—

"(A) Certain individuals.—Paragraph (2) shall not apply in the case of a donor to whom section 877(b) applies for the taxable year which includes the date of the transfer.

"(B) Credit for foreign gift taxes.—The tax imposed by this section solely by reason of this paragraph shall be credited with the amount of any gift tax actually paid to any foreign country in respect of any gift which is taxable under this section solely by reason of this paragraph."

(2) Transfers of certain stock.—Subsection (a) of section 2501 is amended by adding at the end the following new paragraph:

"(5) Transfers of certain stock.—

"(A) In general.—In the case of a transfer of stock in a foreign corporation described in subparagraph (B) by a donor to whom section 877(b) applies for the taxable year which includes the date of the transfer—

"(i) section 2511(a) shall be applied without regard to whether such stock is situated within the United States, and

"(ii) the value of such stock for purposes of this chapter shall be its U.S.-asset value determined under subparagraph (C).

"(B) Foreign corporation described.—A foreign corporation is described in this subparagraph with respect to a donor if—

"(i) the donor owned (within the meaning of section 958(a)) at the time of such transfer 10 percent or more of the total combined voting power of all classes of stock entitled to vote of the foreign corporation, and

"(ii) such donor owned (within the meaning of section 958(a)), or is considered to have owned (by applying the ownership rules of section 958(b)), at the time of such transfer, more than 50 percent of—

"(I) the total combined voting power of all classes of stock entitled to vote of such corporation, or

"(II) the total value of the stock of such corporation.

"(C) U.S.-asset value.—For purposes of subparagraph (A), the U.S.-asset value of stock shall be the amount which bears the same ratio to the fair market value of such stock at the time of transfer as—

"(i) the fair market value (at such time) of the assets owned by such foreign corporation and situated in the United States, bears to

"(ii) the total fair market value (at such time) of all assets owned by such foreign corporation."

(e) Enhanced Information Reporting From Individuals Losing United States Citizenship.—

(1) In general.—Subsection (a) of section 6039G is amended to read as follows:

"(a) In General.—Notwithstanding any other provision of law, any individual to whom section 877(b) applies for any taxable year shall provide a statement for such taxable year which includes the information described in subsection (b).".

(2) Information to be provided.—Subsection (b) of section 6039G is amended to read as follows:

"(b) Information To Be Provided.—Information required under subsection (a) shall include—

"(1) the taxpayer's TIN,

"(2) the mailing address of such individual's principal foreign residence,

"(3) the foreign country in which such individual is residing,

"(4) the foreign country of which such individual is a citizen,

"(5) information detailing the income, assets, and liabilities of such individual,

"(6) the number of days during any portion of which that the individual was physically present in the United States during the taxable year, and

"(7) such other information as the Secretary may prescribe.".

(3) Increase in penalty.—Subsection (d) of section 6039G is amended to read as follows:

"(d) Penalty.—If—

"(1) an individual is required to file a statement under subsection (a) for any taxable year, and

"(2) fails to file such a statement with the Secretary on or before the date such statement is required to be filed or fails to include all the information required to be shown on the statement or includes incorrect information,

such individual shall pay a penalty of $10,000 unless it is shown that such failure is due to reasonable cause and not to willful neglect.".

(4) Conforming amendment.—Section 6039G is amended by striking subsections (c), (f), and (g) and by redesignating subsections (d) and (e) as subsection (c) and (d), respectively.

(f) Effective Date.—The amendments made by this section shall apply to individuals who expatriate after June 3, 2004.

SEC. 605. REPORTING OF TAXABLE MERGERS AND ACQUISITIONS.

(a) In General.—Subpart B of part III of subchapter A of chapter 61 is amended by inserting after section 6043 the following new section:

"SEC. 6043A. RETURNS RELATING TO TAXABLE MERGERS AND ACQUISITIONS.

"(a) In General.—According to the forms or regulations prescribed by the Secretary, the acquiring corporation in any taxable acquisition shall make a return setting forth—

"(1) a description of the acquisition,

"(2) the name and address of each shareholder of the acquired corporation who is required to recognize gain (if any) as a result of the acquisition,

"(3) the amount of money and the fair market value of other property transferred to each such shareholder as part of such acquisition, and

"(4) such other information as the Secretary may prescribe.

To the extent provided by the Secretary, the requirements of this section applicable to the acquiring corporation shall be applicable to the acquired corporation and not to the acquiring corporation.

"(b) Nominees.—According to the forms or regulations prescribed by the Secretary—

"(1) Reporting.—Any person who holds stock as a nominee for another person shall furnish in the manner prescribed by the Secretary to such other person the information provided by the corporation under subsection (d).

"(2) Reporting to nominees.—In the case of stock held by any person as a nominee, references in this section (other than in subsection (c)) to a shareholder shall be treated as a reference to the nominee.

"(c) Taxable Acquisition.—For purposes of this section, the term 'taxable acquisition' means any acquisition by a corporation of stock in or property of another corporation if any shareholder of the acquired corporation is required to recognize gain (if any) as a result of such acquisition.

"(d) Statements To Be Furnished to Shareholders.—According to the forms or regulations prescribed by the Secretary, every person required to make a return under subsection (a) shall furnish to each shareholder whose name is required to be set forth in such return a written statement showing—

"(1) the name, address, and phone number of the information contact of the person required to make such return,

"(2) the information required to be shown on such return with respect to such shareholder, and

"(3) such other information as the Secretary may prescribe.

The written statement required under the preceding sentence shall be furnished to the shareholder on or before January 31 of the year following the calendar year during which the taxable acquisition occurred."

(b) ASSESSABLE PENALTIES.—

(1) Subparagraph (B) of section 6724(d)(1) (relating to definitions) is amended by redesignating clauses (ii) through (xviii) as clauses (iii) through (xix), respectively, and by inserting after clause (i) the following new clause:

"(ii) section 6043A(a) (relating to returns relating to taxable mergers and acquisitions).".

(2) Paragraph (2) of section 6724(d) is amended by redesignating subparagraphs (F) through (BB) as subparagraphs (G) through (CC), respectively, and by inserting after subparagraph (E) the following new subparagraph:

"(F) subsections (b) and (d) of section 6043A (relating to returns relating to taxable mergers and acquisitions).".

(c) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6043 the following new item:

"Sec. 6043A. Returns relating to taxable mergers and acquisitions.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to acquisitions after the date of the enactment of this Act.

SEC. 606. STUDIES.

(a) TRANSFER PRICING RULES.—The Secretary of the Treasury or the Secretary's delegate shall conduct a study regarding the effectiveness of current transfer pricing rules and compliance efforts in ensuring that cross-border transfers and other related-party transactions, particularly transactions involving intangible assets, service contracts, or leases cannot be used improperly to shift income out of the United States. The study shall include a review of the contemporaneous documentation and penalty rules under section 6662 of the Internal Revenue Code of 1986, a review of the regulatory and administrative guidance implementing the principles of section 482 of such Code to transactions involving intangible property and services and to cost-sharing arrangements, and an examination of whether increased disclosure of cross-border transactions should be required. The study shall set forth specific recommendations to address all abuses identified in the study. Not later than June 30, 2005, such Secretary or delegate shall submit to the Congress a report of such study.

(b) INCOME TAX TREATIES.—The Secretary of the Treasury or the Secretary's delegate shall conduct a study of United States income tax treaties to identify any inappropriate reductions in United States withholding tax that provide opportunities for shifting income out of the United States, and to evaluate whether existing anti-abuse mechanisms are operating properly. The study shall include specific recommendations to address all inappropriate uses of tax treaties. Not later than June 30, 2005, such Secretary or delegate shall submit to the Congress a report of such study.

(c) IMPACT OF CORPORATE EXPATRIATION PROVISIONS.—The Secretary of the Treasury or the Secretary's delegate shall conduct a study of the impact of the provisions of this title on corporate expatriation. The study shall include such recommendations as such Secretary or delegate may have to improve the impact of such provisions in carrying out the purposes of this title. Not later than December 31, 2005, such Secretary or delegate shall submit to the Congress a report of such study.

Subtitle B—Provisions Relating to Tax Shelters

Part I—Taxpayer-Related Provisions

SEC. 611. PENALTY FOR FAILING TO DISCLOSE REPORTABLE TRANSACTIONS.

(a) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6707 the following new section:

"SEC. 6707A. PENALTY FOR FAILURE TO INCLUDE REPORTABLE TRANSACTION INFORMATION WITH RETURN.

"(a) IMPOSITION OF PENALTY.—Any person who fails to include on any return or statement any information with respect to a reportable transaction which is required under section 6011 to be included with such return or statement shall pay a penalty in the amount determined under subsection (b).

"(b) AMOUNT OF PENALTY.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the amount of the penalty under subsection (a) shall be—

"(A) $10,000 in the case of a natural person, and

"(B) $50,000 in any other case.

"(2) LISTED TRANSACTION.—The amount of the penalty under subsection (a) with respect to a listed transaction shall be—

"(A) $100,000 in the case of a natural person, and

"(B) $200,000 in any other case.

"(c) DEFINITIONS.—For purposes of this section—

"(1) REPORTABLE TRANSACTION.—The term 'reportable transaction' means any transaction with respect to which information is required to be included with a return or statement because, as determined under regulations prescribed under section 6011, such transaction is of a type which the Secretary determines as having a potential for tax avoidance or evasion.

"(2) LISTED TRANSACTION.—The term 'listed transaction' means a reportable transaction which is the same as, or substantially similar to, a transaction specifically identified by the Secretary as a tax avoidance transaction for purposes of section 6011.

"(d) AUTHORITY TO RESCIND PENALTY.—

"(1) IN GENERAL.—The Commissioner of Internal Revenue may rescind all or any portion of any penalty imposed by this section with respect to any violation if—

"(A) the violation is with respect to a reportable transaction other than a listed transaction, and

"(B) rescinding the penalty would promote compliance with the requirements of this title and effective tax administration.

"(2) NO JUDICIAL APPEAL.—Notwithstanding any other provision of law, any determination under this subsection may not be reviewed in any judicial proceeding.

"(3) RECORDS.—If a penalty is rescinded under paragraph (1), the Commissioner shall place in the file in the Office of the Commissioner the opinion of the Commissioner or the head of the Office of Tax Shelter Analysis with respect to the determination, including—

"(A) a statement of the facts and circumstances relating to the violation,

"(B) the reasons for the rescission, and

"(C) the amount of the penalty rescinded.

"(e) COORDINATION WITH OTHER PENALTIES.—The penalty imposed by this section shall be in addition to any other penalty imposed by this title."

(b) CONFORMING AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6707 the following:

"Sec. 6707A. Penalty for failure to include reportable transaction information with return."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns and statements the due date for which is after the date of the enactment of this Act.

(d) REPORT.—The Commissioner of Internal Revenue shall annually report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate—

(1) a summary of the total number and aggregate amount of penalties imposed, and rescinded, under section 6707A of the Internal Revenue Code of 1986, and

(2) a description of each penalty rescinded under section 6707(c) of such Code and the reasons therefor.

SEC. 612. ACCURACY-RELATED PENALTY FOR LISTED TRANSACTIONS, OTHER REPORTABLE TRANSACTIONS HAVING A SIGNIFICANT TAX AVOIDANCE PURPOSE, ETC.

(a) IN GENERAL.—Subchapter A of chapter 68 is amended by inserting after section 6662 the following new section:

"SEC. 6662A. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERSTATEMENTS WITH RESPECT TO REPORTABLE TRANSACTIONS.

"(a) IMPOSITION OF PENALTY.—If a taxpayer has a reportable transaction understatement for any taxable year, there shall be added to the tax an amount equal to 20 percent of the amount of such understatement.

"(b) REPORTABLE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

"(1) IN GENERAL.—The term 'reportable transaction understatement' means the sum of—

"(A) the product of—

"(i) the amount of the increase (if any) in taxable income which results from a difference between the proper tax treatment of an item to which this section applies and the taxpayer's treatment of such item (as shown on the taxpayer's return of tax), and

"(ii) the highest rate of tax imposed by section 1 (section 11 in the case of a taxpayer which is a corporation), and

"(B) the amount of the decrease (if any) in the aggregate amount of credits determined under subtitle A which results from a difference between the taxpayer's treatment of an item to which this section applies (as shown on the taxpayer's return of tax) and the proper tax treatment of such item.

For purposes of subparagraph (A), any reduction of the excess of deductions allowed for the taxable year over gross income for such year, and any reduction in the amount of capital losses which would (without regard to section 1211) be allowed for such year, shall be treated as an increase in taxable income.

"(2) ITEMS TO WHICH SECTION APPLIES.—This section shall apply to any item which is attributable to—

"(A) any listed transaction, and

"(B) any reportable transaction (other than a listed transaction) if a significant purpose of such transaction is the avoidance or evasion of Federal income tax.

"(c) HIGHER PENALTY FOR NONDISCLOSED TRANSACTIONS.—Subsection (a) shall be applied by substituting '30 percent' for '20 percent' with respect to the portion of any reportable transaction understatement with respect to which the requirement of section 6664(d)(2)(A) is not met.

"(d) DEFINITIONS OF REPORTABLE AND LISTED TRANSACTIONS.—For purposes of this section, the terms 'reportable transaction' and 'listed transaction' have the respective meanings given to such terms by section 6707A(c).

"(e) Special Rules.—

"(1) Coordination with penalties, etc., on other understatements.—In the case of an understatement (as defined in section 6662(d)(2))—

"(A) the amount of such understatement (determined without regard to this paragraph) shall be increased by the aggregate amount of reportable transaction understatements for purposes of determining whether such understatement is a substantial understatement under section 6662(d)(1), and

"(B) the addition to tax under section 6662(a) shall apply only to the excess of the amount of the substantial understatement (if any) after the application of subparagraph (A) over the aggregate amount of reportable transaction understatements.

"(2) Coordination with other penalties.—

"(A) Application of fraud penalty.—References to an underpayment in section 6663 shall be treated as including references to a reportable transaction understatement.

"(B) No double penalty.—This section shall not apply to any portion of an understatement on which a penalty is imposed under section 6663.

"(3) Special rule for amended returns.—Except as provided in regulations, in no event shall any tax treatment included with an amendment or supplement to a return of tax be taken into account in determining the amount of any reportable transaction understatement if the amendment or supplement is filed after the earlier of the date the taxpayer is first contacted by the Secretary regarding the examination of the return or such other date as is specified by the Secretary."

(b) Determination of Other Understatements.—Subparagraph (A) of section 6662(d)(2) is amended by adding at the end the following flush sentence:

"The excess under the preceding sentence shall be determined without regard to items to which section 6662A applies."

(c) Reasonable Cause Exception.—

(1) In general.—Section 6664 is amended by adding at the end the following new subsection:

"(d) Reasonable Cause Exception for Reportable Transaction Understatements.—

"(1) In general.—No penalty shall be imposed under section 6662A with respect to any portion of a reportable transaction understatement if it is shown that there was a reasonable cause for such portion and that the taxpayer acted in good faith with respect to such portion.

"(2) Special rules.—Paragraph (1) shall not apply to any reportable transaction understatement unless—

"(A) the relevant facts affecting the tax treatment of the item are adequately disclosed in accordance with the regulations prescribed under section 6011,

"(B) there is or was substantial authority for such treatment, and

"(C) the taxpayer reasonably believed that such treatment was more likely than not the proper treatment.

A taxpayer failing to adequately disclose in accordance with section 6011 shall be treated as meeting the requirements of subparagraph (A) if the penalty for such failure was rescinded under section 6707A(d).

"(3) Rules relating to reasonable belief.—For purposes of paragraph (2)(C)—

"(A) In general.—A taxpayer shall be treated as having a reasonable belief with respect to the tax treatment of an item only if such belief—

"(i) is based on the facts and law that exist at the time the return of tax which includes such tax treatment is filed, and

"(ii) relates solely to the taxpayer's chances of success on the merits of such treatment and does not take into account the possibility that a return will not be audited, such treatment will not be raised on audit, or such treatment will be resolved through settlement if it is raised.

"(B) Certain opinions may not be relied upon.—

"(i) In general.—An opinion of a tax advisor may not be relied upon to establish the reasonable belief of a taxpayer if—

"(I) the tax advisor is described in clause (ii), or

"(II) the opinion is described in clause (iii).

"(ii) Disqualified tax advisors.—A tax advisor is described in this clause if the tax advisor—

"(I) is a material advisor (within the meaning of section 6111(b)(1)) and participates in the organization, management, promotion, or sale of the transaction or is related (within the meaning of section 267(b) or 707(b)(1)) to any person who so participates,

"(II) is compensated directly or indirectly by a material advisor with respect to the transaction,

"(III) has a fee arrangement with respect to the transaction which is contingent on all or part of the intended tax benefits from the transaction being sustained, or

"(IV) as determined under regulations prescribed by the Secretary, has a disqualifying financial interest with respect to the transaction.

"(iii) Disqualified opinions.—For purposes of clause (i), an opinion is disqualified if the opinion—

"(I) is based on unreasonable factual or legal assumptions (including assumptions as to future events),

"(II) unreasonably relies on representations, statements, findings, or agreements of the taxpayer or any other person,

"(III) does not identify and consider all relevant facts, or

"(IV) fails to meet any other requirement as the Secretary may prescribe."

(2) Conforming amendments.—

(A) Paragraph (1) of section 6664(c) is amended by striking "this part" and inserting "section 6662 or 6663".

(B) The heading for subsection (c) of section 6664 is amended by inserting "for Underpayments" after "Exception".

(d) Reduction in Penalty for Substantial Understatement of Income Tax Not To Apply to Tax Shelters.—Subparagraph (C) of section 6662(d)(2) (relating to substantial understatement of income tax) is amended to read as follows:

"(C) Reduction not to apply to tax shelters.—

"(i) In general.—Subparagraph (B) shall not apply to any item attributable to a tax shelter.

"(ii) Tax shelter.—For purposes of clause (i), the term 'tax shelter' means—

"(I) a partnership or other entity,

"(II) any investment plan or arrangement, or

"(III) any other plan or arrangement,

if a significant purpose of such partnership, entity, plan, or arrangement is the avoidance or evasion of Federal income tax."

(e) Conforming Amendments.—

(1) Sections 461(i)(3)(C), 1274(b)(3), and 7525(b) are each amended by striking "section 6662(d)(2)(C)(iii)" and inserting "section 6662(d)(2)(C)(ii)".

(2) The heading for section 6662 is amended to read as follows:

"SEC. 6662. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERPAYMENTS."

(3) The table of sections for part II of subchapter A of chapter 68 is amended by striking the item relating to section 6662 and inserting the following new items:

"Sec. 6662. Imposition of accuracy-related penalty on underpayments.

"Sec. 6662A. Imposition of accuracy-related penalty on understatements with respect to reportable transactions."

(f) Effective Date.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 613. TAX SHELTER EXCEPTION TO CONFIDENTIALITY PRIVILEGES RELATING TO TAXPAYER COMMUNICATIONS.

(a) In General.—Section 7525(b) (relating to section not to apply to communications regarding corporate tax shelters) is amended to read as follows:

"(b) Section Not To Apply to Communications Regarding Tax Shelters.—The privilege under subsection (a) shall not apply to any written communication which is—

"(1) between a federally authorized tax practitioner and—

"(A) any person,

"(B) any director, officer, employee, agent, or representative of the person, or

"(C) any other person holding a capital or profits interest in the person, and

"(2) in connection with the promotion of the direct or indirect participation of the person in any tax shelter (as defined in section 6662(d)(2)(C)(ii))."

(b) Effective Date.—The amendment made by this section shall apply to communications made on or after the date of the enactment of this Act.

SEC. 614. STATUTE OF LIMITATIONS FOR TAXABLE YEARS FOR WHICH REQUIRED LISTED TRANSACTIONS NOT REPORTED.

(a) In General.—Section 6501(c) (relating to exceptions) is amended by adding at the end the following new paragraph:

"(10) Listed transactions.—If a taxpayer fails to include on any return or statement for any taxable year any information with respect to a listed transaction (as defined in section 6707A(c)(2)) which is required under section 6011 to be included with such return or statement, the time for assessment of any tax imposed by this title with respect to such transaction shall not expire before the date which is 1 year after the earlier of—

"(A) the date on which the Secretary is furnished the information so required, or

"(B) the date that a material advisor (as defined in section 6111) meets the requirements of section 6112 with respect to a request by the Secretary under section 6112(b) relating to such transaction with respect to such taxpayer."

(b) Effective Date.—The amendment made by this section shall apply to taxable years with respect to which the period for assessing a deficiency did not expire before the date of the enactment of this Act.

SEC. 615. DISCLOSURE OF REPORTABLE TRANSACTIONS.

(a) In General.—Section 6111 (relating to registration of tax shelters) is amended to read as follows:

"SEC. 6111. DISCLOSURE OF REPORTABLE TRANSACTIONS.

"(a) In General.—Each material advisor with respect to any reportable transaction shall make a return (in such form as the Secretary may prescribe) setting forth—

"(1) information identifying and describing the transaction,

"(2) information describing any potential tax benefits expected to result from the transaction, and

"(3) such other information as the Secretary may prescribe.

Such return shall be filed not later than the date specified by the Secretary.

"(b) Definitions.—For purposes of this section—

"(1) Material advisor.—

"(A) In general.—The term 'material advisor' means any person—

"(i) who provides any material aid, assistance, or advice with respect to organizing, managing, promoting, selling, implementing, or carrying out any reportable transaction, and

"(ii) who directly or indirectly derives gross income in excess of the threshold amount (or such other amount as may be prescribed by the Secretary) for such advice or assistance.

"(B) Threshold amount.—For purposes of subparagraph (A), the threshold amount is—

"(i) $50,000 in the case of a reportable transaction substantially all of the tax benefits from which are provided to natural persons, and

"(ii) $250,000 in any other case.

"(2) Reportable transaction.—The term 'reportable transaction' has the meaning given to such term by section 6707A(c).

"(c) Regulations.—The Secretary may prescribe regulations which provide—

"(1) that only 1 person shall be required to meet the requirements of subsection (a) in cases in which 2 or more persons would otherwise be required to meet such requirements,

"(2) exemptions from the requirements of this section, and

"(3) such rules as may be necessary or appropriate to carry out the purposes of this section."

(b) Conforming Amendments.—

(1) The item relating to section 6111 in the table of sections for subchapter B of chapter 61 is amended to read as follows:

"Sec. 6111. Disclosure of reportable transactions."

(2) So much of section 6112 as precedes subsection (c) thereof is amended to read as follows:

"SEC. 6112. MATERIAL ADVISORS OF REPORTABLE TRANSACTIONS MUST KEEP LISTS OF ADVISEES, ETC.

"(a) In General.—Each material advisor (as defined in section 6111) with respect to any reportable transaction (as defined in section 6707A(c)) shall (whether or not required to file a return under section 6111 with respect to such transaction) maintain (in such manner as the Secretary may by regulations prescribe) a list—

"(1) identifying each person with respect to whom such advisor acted as a material advisor with respect to such transaction, and

"(2) containing such other information as the Secretary may by regulations require."

(3) Section 6112 is amended—

(A) by redesignating subsection (c) as subsection (b),

(B) by inserting "written" before "request" in subsection (b)(1) (as so redesignated), and

(C) by striking "shall prescribe" in subsection (b)(2) (as so redesignated) and inserting "may prescribe".

(4) The item relating to section 6112 in the table of sections for subchapter B of chapter 61 is amended to read as follows:

"Sec. 6112. Material advisors of reportable transactions must keep lists of advisees, etc."

(5)(A) The heading for section 6708 is amended to read as follows:

"SEC. 6708. FAILURE TO MAINTAIN LISTS OF ADVISEES WITH RESPECT TO REPORTABLE TRANSACTIONS."

(B) The item relating to section 6708 in the table of sections for part I of subchapter B of chapter 68 is amended to read as follows:

"Sec. 6708. Failure to maintain lists of advisees with respect to reportable transactions."

(c) Required Disclosure Not Subject to Claim of Confidentiality.—Paragraph (1) of section 6112(b), as redesignated by subsection (b), is amended by adding at the end the following new flush sentence:

"For purposes of this section, the identity of any person on such list shall not be privileged.".

(d) Effective Date.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to transactions with respect to which material aid, assistance, or advice referred to in section 6111(b)(1)(A)(i) of the Internal Revenue Code of 1986 (as added by this section) is provided after the date of the enactment of this Act.

(2) No claim of confidentiality against disclosure.—The amendment made by subsection (c) shall take effect as if included in the amendments made by section 142 of the Deficit Reduction Act of 1984.

SEC. 616. FAILURE TO FURNISH INFORMATION REGARDING REPORTABLE TRANSACTIONS.

(a) In General.—Section 6707 (relating to failure to furnish information regarding tax shelters) is amended to read as follows:

"SEC. 6707. FAILURE TO FURNISH INFORMATION REGARDING REPORTABLE TRANSACTIONS.

"(a) In General.—If a person who is required to file a return under section 6111(a) with respect to any reportable transaction—

"(1) fails to file such return on or before the date prescribed therefor, or

"(2) files false or incomplete information with the Secretary with respect to such transaction,

such person shall pay a penalty with respect to such return in the amount determined under subsection (b).

"(b) Amount of Penalty.—

"(1) In general.—Except as provided in paragraph (2), the penalty imposed under subsection (a) with respect to any failure shall be $50,000.

"(2) Listed transactions.—The penalty imposed under subsection (a) with respect to any listed transaction shall be an amount equal to the greater of—

"(A) $200,000, or

"(B) 50 percent of the gross income derived by such person with respect to aid, assistance, or advice which is provided with respect to the listed transaction before the date the return is filed under section 6111.

Subparagraph (B) shall be applied by substituting '75 percent' for '50 percent' in the case of an intentional failure or act described in subsection (a).

"(c) Rescission Authority.—The provisions of section 6707A(d) (relating to authority of Commissioner to rescind penalty) shall apply to any penalty imposed under this section.

"(d) Reportable and Listed Transactions.—For purposes of this section, the terms 'reportable transaction' and 'listed transaction' have the respective meanings given to such terms by section 6707A(c)."

(b) Clerical Amendment.—The item relating to section 6707 in the table of sections for part I of subchapter B of chapter 68 is amended by striking "tax shelters" and inserting "reportable transactions".

(c) Effective Date.—The amendments made by this section shall apply to returns the due date for which is after the date of the enactment of this Act.

SEC. 617. MODIFICATION OF PENALTY FOR FAILURE TO MAINTAIN LISTS OF INVESTORS.

(a) In General.—Subsection (a) of section 6708 is amended to read as follows:

"(a) Imposition of Penalty.—

"(1) In general.—If any person who is required to maintain a list under section 6112(a) fails to make such list available upon written request to the Secretary in accordance with section 6112(b) within 20 business days after the date of such request, such person shall pay a penalty of $10,000 for each day of such failure after such 20th day.

"(2) Reasonable cause exception.—No penalty shall be imposed by paragraph (1) with respect to the failure on any day if such failure is due to reasonable cause.".

(b) Effective Date.—The amendment made by this section shall apply to requests made after the date of the enactment of this Act.

SEC. 618. PENALTY ON PROMOTERS OF TAX SHELTERS.

(a) Penalty on Promoting Abusive Tax Shelters.—Section 6700(a) is amended by adding at the end the following new sentence: "Notwithstanding the first sentence, if an activity with respect to which a penalty imposed under this subsection involves a statement described in paragraph (2)(A), the amount of the penalty shall be equal to 50 percent of the gross income derived (or to be derived) from such activity by the person on which the penalty is imposed."

(b) Effective Date.—The amendment made by this section shall apply to activities after the date of the enactment of this Act.

SEC. 619. MODIFICATIONS OF SUBSTANTIAL UNDERSTATEMENT PENALTY FOR NONREPORTABLE TRANSACTIONS.

(a) Substantial Understatement of Corporations.—Section 6662(d)(1)(B) (relating to special rule for corporations) is amended to read as follows:

"(B) Special rule for corporations.—In the case of a corporation other than an S corporation or a personal holding company (as defined in section 542), there is a substantial understatement of income tax for any taxable year if the amount of the understatement for the taxable year exceeds the lesser of—

"(i) 10 percent of the tax required to be shown on the return for the taxable year (or, if greater, $10,000), or

"(ii) $10,000,000."

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 620. MODIFICATION OF ACTIONS TO ENJOIN CERTAIN CONDUCT RELATED TO TAX SHELTERS AND REPORTABLE TRANSACTIONS.

(a) In General.—Section 7408 (relating to action to enjoin promoters of abusive tax shelters, etc.) is amended by redesignating subsection (c) as subsection (d) and by striking subsections (a) and (b) and inserting the following new subsections:

"(a) AUTHORITY TO SEEK INJUNCTION.—A civil action in the name of the United States to enjoin any person from further engaging in specified conduct may be commenced at the request of the Secretary. Any action under this section shall be brought in the district court of the United States for the district in which such person resides, has his principal place of business, or has engaged in specified conduct. The court may exercise its jurisdiction over such action (as provided in section 7402(a)) separate and apart from any other action brought by the United States against such person.

"(b) ADJUDICATION AND DECREE.—In any action under subsection (a), if the court finds—

"(1) that the person has engaged in any specified conduct, and

"(2) that injunctive relief is appropriate to prevent recurrence of such conduct,

the court may enjoin such person from engaging in such conduct or in any other activity subject to penalty under this title.

"(c) SPECIFIED CONDUCT.—For purposes of this section, the term 'specified conduct' means any action, or failure to take action, subject to penalty under section 6700, 6701, 6707, or 6708."

(b) CONFORMING AMENDMENTS.—

(1) The heading for section 7408 is amended to read as follows:

"SEC. 7408. ACTIONS TO ENJOIN SPECIFIED CONDUCT RELATED TO TAX SHELTERS AND REPORTABLE TRANSACTIONS."

(2) The table of sections for subchapter A of chapter 76 is amended by striking the item relating to section 7408 and inserting the following new item:

"Sec. 7408. Actions to enjoin specified conduct related to tax shelters and reportable transactions."

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on the day after the date of the enactment of this Act.

SEC. 621. PENALTY ON FAILURE TO REPORT INTERESTS IN FOREIGN FINANCIAL ACCOUNTS.

(a) IN GENERAL.—Section 5321(a)(5) of title 31, United States Code, is amended to read as follows:

"(5) FOREIGN FINANCIAL AGENCY TRANSACTION VIOLATION.—

"(A) PENALTY AUTHORIZED.—The Secretary of the Treasury may impose a civil money penalty on any person who violates, or causes any violation of, any provision of section 5314.

"(B) AMOUNT OF PENALTY.—

"(i) IN GENERAL.—Except as provided in subparagraph (C), the amount of any civil penalty imposed under subparagraph (A) shall not exceed $5,000.

"(ii) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under subparagraph (A) with respect to any violation if—

"(I) such violation was due to reasonable cause, and

"(II) the amount of the transaction or the balance in the account at the time of the transaction was properly reported.

"(C) WILLFUL VIOLATIONS.—In the case of any person willfully violating, or willfully causing any violation of, any provision of section 5314—

"(i) the maximum penalty under subparagraph (B)(i) shall be increased to the greater of—

"(I) $25,000, or

"(II) the amount (not exceeding $100,000) determined under subparagraph (D), and

"(ii) subparagraph (B)(ii) shall not apply.

"(D) AMOUNT.—The amount determined under this subparagraph is—

"(i) in the case of a violation involving a transaction, the amount of the transaction, or

"(ii) in the case of a violation involving a failure to report the existence of an account or any identifying information required to be provided with respect to an account, the balance in the account at the time of the violation."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring after the date of the enactment of this Act.

SEC. 622. REGULATION OF INDIVIDUALS PRACTICING BEFORE THE DEPARTMENT OF THE TREASURY.

(a) CENSURE; IMPOSITION OF PENALTY.—

(1) IN GENERAL.—Section 330(b) of title 31, United States Code, is amended—

(A) by inserting ", or censure," after "Department", and

(B) by adding at the end the following new flush sentence:

"The Secretary may impose a monetary penalty on any representative described in the preceding sentence. If the representative was acting on behalf of an employer or any firm or other entity in connection with the conduct giving rise to such penalty, the Secretary may impose a monetary penalty on such employer, firm, or entity if it knew, or reasonably should have known, of such conduct. Such penalty shall not exceed the gross income derived (or to be derived) from the conduct giving rise to the penalty. Any such penalty imposed on an individual may be in addition to, or in lieu of, any suspension, disbarment, or censure of such individual."

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to actions taken after the date of the enactment of this Act.

(b) TAX SHELTER OPINIONS, ETC.—Section 330 of such title 31 is amended by adding at the end the following new subsection:

"(d) Nothing in this section or in any other provision of law shall be construed to limit the authority of the Secretary of the Treasury to impose standards applicable to the rendering of written advice with respect to any entity, transaction plan or arrangement, or other plan or arrangement, which is of a type which the Secretary determines as having a potential for tax avoidance or evasion."

Part II—Other Provisions

SEC. 631. TREATMENT OF STRIPPED INTERESTS IN BOND AND PREFERRED STOCK FUNDS, ETC.

(a) IN GENERAL.—Section 1286 (relating to tax treatment of stripped bonds) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) TREATMENT OF STRIPPED INTERESTS IN BOND AND PREFERRED STOCK FUNDS, ETC.—In the case of an account or entity substantially all of the assets of which consist of bonds, preferred stock, or a combination thereof, the Secretary may by regulations provide that rules similar to the rules of this section and 305(e), as appropriate, shall apply to interests in such account or entity to which (but for this subsection) this section or section 305(e), as the case may be, would not apply."

(b) CROSS REFERENCE.—Subsection (e) of section 305 is amended by adding at the end the following new paragraph:

"(7) CROSS REFERENCE.—

"For treatment of stripped interests in certain accounts or entities holding preferred stock, see section 1286(f)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to purchases and dispositions after the date of the enactment of this Act.

SEC. 632. MINIMUM HOLDING PERIOD FOR FOREIGN TAX CREDIT ON WITHHOLDING TAXES ON INCOME OTHER THAN DIVIDENDS.

(a) IN GENERAL.—Section 901 is amended by redesignating subsection (l) as subsection (m) and by inserting after subsection (k) the following new subsection:

"(l) MINIMUM HOLDING PERIOD FOR WITHHOLDING TAXES ON GAIN AND INCOME OTHER THAN DIVIDENDS ETC.—

"(1) IN GENERAL.—In no event shall a credit be allowed under subsection (a) for any withholding tax (as defined in subsection (k)) on any item of income or gain with respect to any property if—

"(A) such property is held by the recipient of the item for 15 days or less during the 30-day period beginning on the date which is 15 days before the date on which the right to receive payment of such item arises, or

"(B) to the extent that the recipient of the item is under an obligation (whether pursuant to a short sale or otherwise) to make related payments with respect to positions in substantially similar or related property.

This paragraph shall not apply to any dividend to which subsection (k) applies.

"(2) EXCEPTION FOR TAXES PAID BY DEALERS.—

"(A) IN GENERAL.—Paragraph (1) shall not apply to any qualified tax with respect to any property held in the active conduct in a foreign country of a business as a dealer in such property.

"(B) QUALIFIED TAX.—For purposes of subparagraph (A), the term 'qualified tax' means a tax paid to a foreign country (other than the foreign country referred to in subparagraph (A)) if—

"(i) the item to which such tax is attributable is subject to taxation on a net basis by the country referred to in subparagraph (A), and

"(ii) such country allows a credit against its net basis tax for the full amount of the tax paid to such other foreign country.

"(C) DEALER.—For purposes of subparagraph (A), the term 'dealer' means—

"(i) with respect to a security, any person to whom paragraphs (1) and (2) of subsection (k) would not apply by reason of paragraph (4) thereof if such security were stock, and

"(ii) with respect to any other property, any person with respect to whom such property is described in section 1221(a)(1).

"(D) REGULATIONS.—The Secretary may prescribe such regulations as may be appropriate to carry out this paragraph, including regulations to prevent the abuse of the exception provided by this paragraph and to treat other taxes as qualified taxes.

"(3) EXCEPTIONS.—The Secretary may by regulation provide that paragraph (1) shall not apply to property where the Secretary determines that the application of paragraph (1) to such property is not necessary to carry out the purposes of this subsection.

"(4) CERTAIN RULES TO APPLY.—Rules similar to the rules of paragraphs (5), (6), and (7) of subsection (k) shall apply for purposes of this subsection.

"(5) DETERMINATION OF HOLDING PERIOD.—Holding periods shall be determined for purposes of this subsection without regard to section 1235 or any similar rule."

(b) CONFORMING AMENDMENT.—The heading of subsection (k) of section 901 is amended by inserting "ON DIVIDENDS" after "TAXES".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or accrued more than 30 days after the date of the enactment of this Act.

SEC. 633. DISALLOWANCE OF CERTAIN PARTNERSHIP LOSS TRANSFERS.

(a) TREATMENT OF CONTRIBUTED PROPERTY WITH BUILT-IN LOSS.—Paragraph (1) of section 704(c) is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by adding at the end the following:

"(C) if any property so contributed has a built-in loss—

"(i) such built-in loss shall be taken into account only in determining the amount of items allocated to the contributing partner, and

"(ii) except as provided in regulations, in determining the amount of items allocated to other partners, the basis of the contributed property in the hands of the partnership shall be treated as being equal to its fair market value at the time of contribution.

For purposes of subparagraph (C), the term 'built-in loss' means the excess of the adjusted basis of the property (determined without regard to subparagraph (C)(ii)) over its fair market value at the time of contribution."

(b) SPECIAL RULES FOR TRANSFERS OF PARTNERSHIP INTEREST IF THERE IS SUBSTANTIAL BUILT-IN LOSS.—

(1) ADJUSTMENT OF PARTNERSHIP BASIS REQUIRED.—Subsection (a) of section 743 (relating to optional adjustment to basis of partnership property) is amended by inserting before the period "or unless the partnership has a substantial built-in loss immediately after such transfer".

(2) ADJUSTMENT.—Subsection (b) of section 743 is amended by inserting "or with respect to which there is a substantial built-in loss immediately after such transfer" after "section 754 is in effect".

(3) SUBSTANTIAL BUILT-IN LOSS.—Section 743 is amended by adding at the end the following new subsection:

"(d) SUBSTANTIAL BUILT-IN LOSS.—

"(1) IN GENERAL.—For purposes of this section, a partnership has a substantial built-in loss with respect to a transfer of an interest in a partnership if the partnership's adjusted basis in the partnership property exceeds by more than $250,000 the fair market value of such property.

"(2) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out the purposes of paragraph (1) and section 734(d), including regulations aggregating related partnerships and disregarding property acquired by the partnership in an attempt to avoid such purposes."

(4) ALTERNATIVE RULES FOR ELECTING INVESTMENT PARTNERSHIPS.—

(A) IN GENERAL.—Section 743 is amended by adding at the end the following new subsection:

"(e) ALTERNATIVE RULES FOR ELECTING INVESTMENT PARTNERSHIPS.—

"(1) NO ADJUSTMENT OF PARTNERSHIP BASIS.—For purposes of this section, an electing investment partnership shall not be treated as having a substantial built-in loss with respect to any transfer occurring while the election under paragraph (6)(A) is in effect.

"(2) LOSS DEFERRAL FOR TRANSFEREE PARTNER.—In the case of a transfer of an interest in an electing investment partnership, the transferee partner's distributive share of losses (without regard to gains) from the sale or exchange of partnership property shall not be allowed except to the extent that it is established that such losses exceed the loss (if any) recognized by the transferor (or any prior transferor to the extent not fully offset by a prior disallowance under this paragraph) on the transfer of the partnership interest.

"(3) NO REDUCTION IN PARTNERSHIP BASIS.—Losses disallowed under paragraph (2) shall not decrease the transferee partner's basis in the partnership interest.

"(4) EFFECT OF TERMINATION OF PARTNERSHIP.—This subsection shall be applied without regard to any termination of a partnership under section 708(b)(1)(B).

"(5) CERTAIN BASIS REDUCTIONS TREATED AS LOSSES.—In the case of a transferee partner whose basis in property distributed by the partnership is reduced under section 732(a)(2), the amount of the loss recognized by the transferor on the transfer of the partnership interest which is taken into account under paragraph (2) shall be reduced by the amount of such basis reduction.

"(6) ELECTING INVESTMENT PARTNERSHIP.—For purposes of this subsection, the term 'electing investment partnership' means any partnership if—

"(A) the partnership makes an election to have this subsection apply,

"(B) the partnership would be an investment company under section 3(a)(1)(A) of the Investment Company Act of 1940 but for an exemption under paragraph (1) or (7) of section 3(c) of such Act,

"(C) such partnership has never been engaged in a trade or business,

"(D) substantially all of the assets of such partnership are held for investment,

"(E) at least 95 percent of the assets contributed to such partnership consist of money,

"(F) no assets contributed to such partnership had an adjusted basis in excess of fair market value at the time of contribution,

"(G) all partnership interests of such partnership are issued by such partnership pursuant to a private offering and during the 24-month period beginning on the date of the first capital contribution to such partnership,

"(H) the partnership agreement of such partnership has substantive restrictions on each partner's ability to cause a redemption of the partner's interest, and

"(I) the partnership agreement of such partnership provides for a term that is not in excess of 15 years.

The election described in subparagraph (A), once made, shall be irrevocable except with the consent of the Secretary.

"(7) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out the purposes of this subsection, including regulations for applying this subsection to tiered partnerships.".

(B) INFORMATION REPORTING.—Section 6031 is amended by adding at the end the following new subsection:

"(f) ELECTING INVESTMENT PARTNERSHIPS.—In the case of any electing investment partnership (as defined in section 743(e)(6)), the information required under subsection (b) to be furnished to any partner to whom section 743(e)(2) applies shall include such information as is necessary to enable the partner to compute the amount of losses disallowed under section 743(e).".

(5) CLERICAL AMENDMENTS.—

(A) The section heading for section 743 is amended to read as follows:

"SEC. 743. SPECIAL RULES WHERE SECTION 754 ELECTION OR SUBSTANTIAL BUILT-IN LOSS."

(B) The table of sections for subpart C of part II of subchapter K of chapter 1 is amended by striking the item relating to section 743 and inserting the following new item:

"Sec. 743. Special rules where section 754 election or substantial built-in loss."

(c) ADJUSTMENT TO BASIS OF UNDISTRIBUTED PARTNERSHIP PROPERTY IF THERE IS SUBSTANTIAL BASIS REDUCTION.—

(1) ADJUSTMENT REQUIRED.—Subsection (a) of section 734 (relating to optional adjustment to basis of undistributed partnership property) is amended by inserting before the period "or unless there is a substantial basis reduction".

(2) ADJUSTMENT.—Subsection (b) of section 734 is amended by inserting "or unless there is a substantial basis reduction" after "section 754 is in effect".

(3) SUBSTANTIAL BASIS REDUCTION.—Section 734 is amended by adding at the end the following new subsection:

"(d) SUBSTANTIAL BASIS REDUCTION.—

"(1) IN GENERAL.—For purposes of this section, there is a substantial basis reduction with respect to a distribution if the sum of the amounts described in subparagraphs (A) and (B) of subsection (b)(2) exceeds $250,000.

"(2) REGULATIONS.—

"For regulations to carry out this subsection, see section 743(d)(2)."

(4) CLERICAL AMENDMENTS.—

(A) The section heading for section 734 is amended to read as follows:

"SEC. 734. ADJUSTMENT TO BASIS OF UNDISTRIBUTED PARTNERSHIP PROPERTY WHERE SECTION 754 ELECTION OR SUBSTANTIAL BASIS REDUCTION."

(B) The table of sections for subpart B of part II of subchapter K of chapter 1 is amended by striking the item relating to section 734 and inserting the following new item:

"Sec. 734. Adjustment to basis of undistributed partnership property where section 754 election or substantial basis reduction."

(d) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendment made by subsection (a) shall apply to contributions made after the date of the enactment of this Act.

(2) SUBSECTION (b).—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by subsection (b) shall apply to transfers after the date of the enactment of this Act.

(B) TRANSITION RULE.—In the case of an electing investment partnership which is in existence on June 4, 2004, section 743(e)(6)(H) of the Internal Revenue Code of 1986, as added by this section, shall not apply to such partnership and section 743(e)(6)(I) of such Code, as so added, shall be applied by substituting "20 years" for "15 years".

(3) SUBSECTION (c).—The amendments made by subsection (c) shall apply to distributions after the date of the enactment of this Act.

SEC. 634. NO REDUCTION OF BASIS UNDER SECTION 734 IN STOCK HELD BY PARTNERSHIP IN CORPORATE PARTNER.

(a) IN GENERAL.—Section 755 is amended by adding at the end the following new subsection:

"(c) NO ALLOCATION OF BASIS DECREASE TO STOCK OF CORPORATE PARTNER.—In making an allocation under subsection (a) of any decrease in the adjusted basis of partnership property under section 734(b)—

"(1) no allocation may be made to stock in a corporation (or any person related (within the meaning of sections 267(b) and 707(b)(1)) to such corporation) which is a partner in the partnership, and

"(2) any amount not allocable to stock by reason of paragraph (1) shall be allocated under subsection (a) to other partnership property.

Gain shall be recognized to the partnership to the extent that the amount required to be allocated under paragraph (2) to other partnership property exceeds the aggregate adjusted basis of such other property immediately before the allocation required by paragraph (2)."

(b) Effective Date.—The amendment made by this section shall apply to distributions after the date of the enactment of this Act.

SEC. 635. REPEAL OF SPECIAL RULES FOR FASITS.

(a) In General.—Part V of subchapter M of chapter 1 (relating to financial asset securitization investment trusts) is hereby repealed.

(b) Conforming Amendments.—

(1) Paragraph (6) of section 56(g) is amended by striking "REMIC, or FASIT" and inserting "or REMIC".

(2) Clause (ii) of section 382(l)(4)(B) is amended by striking "a REMIC to which part IV of subchapter M applies, or a FASIT to which part V of subchapter M applies," and inserting "or a REMIC to which part IV of subchapter M applies,".

(3) Paragraph (1) of section 582(c) is amended by striking ", and any regular interest in a FASIT,".

(4) Subparagraph (E) of section 856(c)(5) is amended by striking the last sentence.

(5)(A) Section 860G(a)(1) is amended by adding at the end the following new sentence: "An interest shall not fail to qualify as a regular interest solely because the specified principal amount of the regular interest (or the amount of interest accrued on the regular interest) can be reduced as a result of the nonoccurrence of 1 or more contingent payments with respect to any reverse mortgage loan held by the REMIC if, on the startup day for the REMIC, the sponsor reasonably believes that all principal and interest due under the regular interest will be paid at or prior to the liquidation of the REMIC.".

(B) The last sentence of section 860G(a)(3) is amended by inserting ", and any reverse mortgage loan (and each balance increase on such loan meeting the requirements of subparagraph (A)(iii)) shall be treated as an obligation secured by an interest in real property" before the period at the end.

(6) Paragraph (3) of section 860G(a) is amended by adding "and" at the end of subparagraph (B), by striking ", and" at the end of subparagraph (C) and inserting a period, and by striking subparagraph (D).

(7) Section 860G(a)(3), as amended by paragraph (6), is amended by adding at the end the following new sentence: "For purposes of subparagraph (A), if more than 50 percent of the obligations transferred to, or purchased by, the REMIC are originated by the United States or any State (or any political subdivision, agency, or instrumentality of the United States or any State) and are principally secured by an interest in real property, then each obligation transferred to, or purchased by, the REMIC shall be treated as secured by an interest in real property.".

(8)(A) Section 860G(a)(3)(A) is amended by striking "or" at the end of clause (i), by inserting "or" at the end of clause (ii), and by inserting after clause (ii) the following new clause:

"(iii) represents an increase in the principal amount under the original terms of an obligation described in clause (i) or (ii) if such increase—

"(I) is attributable to an advance made to the obligor pursuant to the original terms of the obligation,

"(II) occurs after the startup day, and

"(III) is purchased by the REMIC pursuant to a fixed price contract in effect on the startup day.".

(B) Section 860G(a)(7)(B) is amended to read as follows:

"(B) Qualified reserve fund.—For purposes of subparagraph (A), the term 'qualified reserve fund' means any reasonably required reserve to—

"(i) provide for full payment of expenses of the REMIC or amounts due on regular interests in the event of defaults on qualified mortgages or lower than expected returns on cash flow investments, or

"(ii) provide a source of funds for the purchase of obligations described in clause (ii) or (iii) of paragraph (3)(A).

The aggregate fair market value of the assets held in any such reserve shall not exceed 50 percent of the aggregate fair market value of all of the assets of the REMIC on the startup day, and the amount of any such reserve shall be promptly and appropriately reduced to the extent the amount held in such reserve is no longer reasonably required for purposes specified in clause (i) or (ii) of this subparagraph.".

(9) Subparagraph (C) of section 1202(e)(4) is amended by striking "REMIC, or FASIT" and inserting "or REMIC".

(10) Clause (xi) of section 7701(a)(19)(C) is amended—

(A) by striking "and any regular interest in a FASIT,", and

(B) by striking "or FASIT" each place it appears.

(11) Subparagraph (A) of section 7701(i)(2) is amended by striking "or a FASIT".

(12) The table of parts for subchapter M of chapter 1 is amended by striking the item relating to part V.

(c) Effective Date.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall take effect on January 1, 2005.

(2) Exception for existing fasits.—Paragraph (1) shall not apply to any FASIT in existence on the date of the enactment of this Act to the extent that regular interests issued by the FASIT before such date continue to remain outstanding in accordance with the original terms of issuance.

SEC. 636. LIMITATION ON TRANSFER OF BUILT-IN LOSSES ON REMIC RESIDUALS.

(a) In General.—Section 362 (relating to basis to corporations) is amended by adding at the end the following new subsection:

"(e) Limitation on Transfer of Built-in Losses on REMIC Residuals in Section 351 Transactions.—If—

"(1) a residual interest (as defined in section 860G(a)(2)) in a REMIC is transferred in any transaction which is described in subsection (a), and

"(2) the transferee's adjusted basis in such residual interest would (but for this paragraph) exceed its fair market value immediately after such transaction,

then, notwithstanding subsection (a), the transferee's adjusted basis in such residual interest shall not exceed its fair market value (whether or not greater than zero) immediately after such transaction."

(b) Effective Date.—The amendment made by this section shall apply to transactions after the date of the enactment of this Act.

SEC. 637. CLARIFICATION OF BANKING BUSINESS FOR PURPOSES OF DETERMINING INVESTMENT OF EARNINGS IN UNITED STATES PROPERTY.

(a) In General.—Subparagraph (A) of section 956(c)(2) is amended to read as follows:

"(A) obligations of the United States, money, or deposits with persons described in paragraph (4);".

(b) Eligible Persons.—Section 956(c) (relating to exceptions to definition of United States property) is amended by adding at the end the following new paragraph:

"(4) Financial services providers.—

"(A) In general.—For purposes of paragraph (2)(A), a person is described in this paragraph if at least 80 percent of the person's income is from the active conduct of a banking business which is derived from persons who are not related persons.

"(B) Special rules.—For purposes of subparagraph (A) all related persons shall be treated as 1 person in applying the 80-percent test.

"(C) Related person.—For purposes of this paragraph, a person is a related person to another person if—

"(i) the related person bears a relationship to such person specified in section 267(b) or 707(b)(1), or

"(ii) such persons are members of the same controlled group of corporations (as defined in section 1563(a), except that 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears therein).".

(b) Effective Date.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 638. ALTERNATIVE TAX FOR CERTAIN SMALL INSURANCE COMPANIES.

(a) In General.—Clause (i) of section 831(b)(2)(A) is amended by striking "$1,200,000" and inserting "$1,890,000".

(b) Inflation Adjustment.—Paragraph (2) of section 831(b) is amended by adding at the end the following new subparagraph:

"(C) Inflation adjustment.—In the case of any taxable year beginning in a calendar year after 2004, the $1,890,000 amount in subparagraph (A) shall be increased by an amount equal to—

"(i) $1,890,000, multiplied by

"(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2003' for 'calendar year 1992' in subparagraph (B) thereof.

If the amount as adjusted under the preceding sentence is not a multiple of $1,000, such amount shall be rounded to the next lowest multiple of $1,000.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

SEC. 639. DENIAL OF DEDUCTION FOR INTEREST ON UNDERPAYMENTS ATTRIBUTABLE TO NONDISCLOSED REPORTABLE TRANSACTIONS.

(a) In General.—Section 163 (relating to deduction for interest) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) Interest on Unpaid Taxes Attributable to Nondisclosed Reportable Transactions.—No deduction shall be allowed under this chapter for any interest paid or accrued under section 6601 on any underpayment of tax which is attributable to the portion of any reportable transaction understatement (as defined in section 6662A(b)) with respect to which the requirement of section 6664(d)(2)(A) is not met.".

(b) Effective Date.—The amendments made by this section shall apply to transactions in taxable years beginning after the date of the enactment of this Act.

SEC. 640. CLARIFICATION OF RULES FOR PAYMENT OF ESTIMATED TAX FOR CERTAIN DEEMED ASSET SALES.

(a) In General.—Paragraph (13) of section 338(h) (relating to tax on deemed sale not taken into account for estimated tax purposes) is amended by adding at the end the following: "The preceding sentence shall not apply with respect to a qualified stock purchase for which an election is made under paragraph (10).".

(b) Effective Date.—The amendment made by subsection (a) shall apply to transactions occurring after the date of the enactment of this Act.

SEC. 641. RECOGNITION OF GAIN FROM THE SALE OF A PRINCIPAL RESIDENCE ACQUIRED IN A LIKE-KIND EXCHANGE WITHIN 5 YEARS OF SALE.

(a) In General.—Section 121(d) (relating to special rules for exclusion of gain from sale of principal residence) is amended by adding at the end the following new paragraph:

"(10) Property acquired in like-kind exchange.—If a taxpayer acquired property in an exchange to which section 1031 applied, subsection (a) shall not apply to the sale or exchange of such property if it occurs during the 5-year period beginning with the date of the acquisition of such property.".

(b) Effective Date.—The amendment made by this section shall apply to sales or exchanges after the date of the enactment of this Act.

SEC. 642. PREVENTION OF MISMATCHING OF INTEREST AND ORIGINAL ISSUE DISCOUNT DEDUCTIONS AND INCOME INCLUSIONS IN TRANSACTIONS WITH RELATED FOREIGN PERSONS.

(a) Original Issue Discount.—Section 163(e)(3) (relating to special rule for original issue discount on obligation held by related foreign person) is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

"(B) Special rule for certain foreign entities.—

"(i) In general.—In the case of any debt instrument having original issue discount which is held by a related foreign person which is a foreign personal holding company (as defined in section 552), a controlled foreign corporation (as defined in section 957), or a passive foreign investment company (as defined in section 1297), a deduction shall be allowable to the issuer with respect to such original issue discount for any taxable year before the taxable year in which paid only to the extent such original issue discount (reduced by properly allowable deductions and qualified deficits under section 952(c)(1)(B)) is includible during such prior taxable year in the gross income of a United States person who owns (within the meaning of section 958(a)) stock in such corporation.

"(ii) Secretarial authority.—The Secretary may by regulation exempt transactions from the application of clause (i), including any transaction which is entered into by a payor in the ordinary course of a trade or business in which the payor is predominantly engaged.".

(b) Interest and Other Deductible Amounts.—Section 267(a)(3) is amended—

(1) by striking "The Secretary" and inserting:

"(A) In general.—The Secretary", and

(2) by adding at the end the following new subparagraph:

"(B) Special rule for certain foreign entities.—

"(i) In general.—Notwithstanding subparagraph (A), in the case of any item payable to a foreign personal holding company (as defined in section 552), a controlled foreign corporation (as defined in section 957), or a passive foreign investment company (as defined in section 1297), a deduction shall be allowable to the payor with respect to such amount for any taxable year before the taxable year in which paid only to the extent that an amount attributable to such item (reduced by properly allowable deductions and qualified deficits under section 952(c)(1)(B)) is includible during such prior taxable year in the gross income of a United States person who owns (within the meaning of section 958(a)) stock in such corporation.

"(ii) Secretarial authority.—The Secretary may by regulation exempt transactions from the application of clause (i), including any transaction which is entered into by a payor in the ordinary course of a trade or business in which the payor is predominantly engaged and in which the payment of the accrued amounts occurs within 8½ months after accrual or within such other period as the Secretary may prescribe.".

(c) Effective Date.—The amendments made by this section shall apply to payments accrued on or after the date of the enactment of this Act.

SEC. 643. EXCLUSION FROM GROSS INCOME FOR INTEREST ON OVERPAYMENTS OF INCOME TAX BY INDIVIDUALS.

(a) In General.—Part III of subchapter B of chapter 1 (relating to items specifically excluded from gross income) is amended by inserting after section 139A the following new section:

"SEC. 139B. EXCLUSION FROM GROSS INCOME FOR INTEREST ON OVERPAYMENTS OF INCOME TAX BY INDIVIDUALS.

"(a) In General.—In the case of an individual, gross income shall not include interest paid under section 6611 on any overpayment of tax imposed by this subtitle.

"(b) Exception.—Subsection (a) shall not apply in the case of a failure to claim items resulting in the overpayment on the original return if the Secretary determines that the principal purpose of such failure is to take advantage of subsection (a).

"(c) Special Rule for Determining Modified Adjusted Gross Income.—For purposes of this title, interest not included in gross income under subsection (a) shall not be treated as interest which is exempt from tax for purposes of sections 32(i)(2)(B) and 6012(d) or any computation in which interest exempt from tax under this title is added to adjusted gross income.".

(b) Clerical Amendment.—The table of sections for part III of subchapter B of chapter 1 is amended by inserting after the item relating to section 139A the following new item:

"Sec. 139B. Exclusion from gross income for interest on overpayments of income tax by individuals.".

(c) Effective Date.—The amendments made by this section shall apply to interest received in calendar years beginning after the date of the enactment of this Act.

SEC. 644. DEPOSITS MADE TO SUSPEND RUNNING OF INTEREST ON POTENTIAL UNDERPAYMENTS.

(a) In General.—Subchapter A of chapter 67 (relating to interest on underpayments) is amended by adding at the end the following new section:

"SEC. 6603. DEPOSITS MADE TO SUSPEND RUNNING OF INTEREST ON POTENTIAL UNDERPAYMENTS, ETC.

"(a) Authority To Make Deposits Other Than As Payment of Tax.—A taxpayer may make a cash deposit with the Secretary which may be used by the Secretary to pay any tax imposed under subtitle A or B or chapter 41, 42, 43, or 44 which has not been assessed at the time of the deposit. Such a deposit shall be made in such manner as the Secretary shall prescribe.

"(b) No Interest Imposed.—To the extent that such deposit is used by the Secretary to pay tax, for purposes of section 6601 (relating to interest on underpayments), the tax shall be treated as paid when the deposit is made.

"(c) Return of Deposit.—Except in a case where the Secretary determines that collection of tax is in jeopardy, the Secretary shall return to the taxpayer any amount of the deposit (to the extent not used for a payment of tax) which the taxpayer requests in writing.

"(d) Payment of Interest.—

"(1) In general.—For purposes of section 6611 (relating to interest on overpayments), a deposit which is returned to a taxpayer shall be treated as a payment of tax for any period to the extent (and only to the extent) attributable to a disputable tax for such period. Under regulations prescribed by the Secretary, rules similar to the rules of section 6611(b)(2) shall apply.

"(2) Disputable tax.—

"(A) In general.—For purposes of this section, the term 'disputable tax' means the amount of tax specified at the time of the deposit as the taxpayer's reasonable estimate of the maximum amount of any tax attributable to disputable items.

"(B) Safe harbor based on 30-day letter.—In the case of a taxpayer who has been issued a 30-day letter, the maximum amount of tax under subparagraph (A) shall not be less than the amount of the proposed deficiency specified in such letter.

"(3) Other definitions.—For purposes of paragraph (2)—

"(A) Disputable item.—The term 'disputable item' means any item of income, gain, loss, deduction, or credit if the taxpayer—

"(i) has a reasonable basis for its treatment of such item, and

"(ii) reasonably believes that the Secretary also has a reasonable basis for disallowing the taxpayer's treatment of such item.

"(B) 30-day letter.—The term '30-day letter' means the first letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals.

"(4) Rate of interest.—The rate of interest allowable under this subsection shall be the Federal short-term rate determined under section 6621(b), compounded daily.

"(e) Use of Deposits.—

"(1) Payment of tax.—Except as otherwise provided by the taxpayer, deposits shall be treated as used for the payment of tax in the order deposited.

"(2) Returns of deposits.—Deposits shall be treated as returned to the taxpayer on a last-in, first-out basis.".

(b) Clerical Amendment.—The table of sections for subchapter A of chapter 67 is amended by adding at the end the following new item:

"Sec. 6603. Deposits made to suspend running of interest on potential underpayments, etc.".

(c) Effective Date.—

(1) In general.—The amendments made by this section shall apply to deposits made after the date of the enactment of this Act.

(2) Coordination with deposits made under revenue procedure 84–58.—In the case of an amount held by the Secretary of the Treasury or his delegate on the date of the enactment of this Act as a deposit in the nature of a cash bond deposit pursuant to Revenue Procedure 84–58, the date that the taxpayer identifies such amount as a deposit made pursuant to section 6603 of the Internal Revenue Code (as added by this Act) shall be

treated as the date such amount is deposited for purposes of such section 6603.

SEC. 645. PARTIAL PAYMENT OF TAX LIABILITY IN INSTALLMENT AGREEMENTS.

(a) IN GENERAL.—

(1) Section 6159(a) (relating to authorization of agreements) is amended—

(A) by striking "satisfy liability for payment of" and inserting "make payment on", and

(B) by inserting "full or partial" after "facilitate".

(2) Section 6159(c) (relating to Secretary required to enter into installment agreements in certain cases) is amended in the matter preceding paragraph (1) by inserting "full" before "payment".

(b) REQUIREMENT TO REVIEW PARTIAL PAYMENT AGREEMENTS EVERY TWO YEARS.—Section 6159 is amended by redesignating subsections (d) and (e) as subsections (e) and (f), respectively, and inserting after subsection (c) the following new subsection:

"(d) SECRETARY REQUIRED TO REVIEW INSTALLMENT AGREEMENTS FOR PARTIAL COLLECTION EVERY TWO YEARS.—In the case of an agreement entered into by the Secretary under subsection (a) for partial collection of a tax liability, the Secretary shall review the agreement at least once every 2 years.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to agreements entered into on or after the date of the enactment of this Act.

SEC. 646. AFFIRMATION OF CONSOLIDATED RETURN REGULATION AUTHORITY.

(a) IN GENERAL.—Section 1502 is amended by adding at the end the following new sentence: "In carrying out the preceding sentence, the Secretary may prescribe rules that are different from the provisions of chapter 1 that would apply if such corporations filed separate returns.".

(b) RESULT NOT OVERTURNED.—Notwithstanding the amendment made by subsection (a), the Internal Revenue Code of 1986 shall be construed by treating Treasury Regulation §1.1502-20(c)(1)(iii) (as in effect on January 1, 2001) as being inapplicable to the factual situation in *Rite Aid Corporation and Subsidiary Corporations v. United States*, 255 F.3d 1357 (Fed. Cir. 2001).

(c) EFFECTIVE DATE.—This section, and the amendment made by this section, shall apply to taxable years beginning before, on, or after the date of the enactment of this Act.

Part III—Leasing

SEC. 647. REFORM OF TAX TREATMENT OF CERTAIN LEASING ARRANGEMENTS.

(a) CLARIFICATION OF RECOVERY PERIOD FOR TAX-EXEMPT USE PROPERTY SUBJECT TO LEASE.—Subparagraph (A) of section 168(g)(3) (relating to special rules for determining class life) is amended by inserting "(notwithstanding any other subparagraph of this paragraph)" after "shall".

(b) LIMITATION ON DEPRECIATION PERIOD FOR SOFTWARE LEASED TO TAX-EXEMPT ENTITY.—Paragraph (1) of section 167(f) is amended by adding at the end the following new subparagraph:

"(C) TAX-EXEMPT USE PROPERTY SUBJECT TO LEASE.—In the case of computer software which would be tax-exempt use property as defined in subsection (h) of section 168 if such section applied to computer software, the useful life under subparagraph (A) shall not be less than 125 percent of the lease term (within the meaning of section 168(i)(3)).".

(c) LEASE TERM TO INCLUDE RELATED SERVICE CONTRACTS.—Subparagraph (A) of section 168(i)(3) (relating to lease term) is amended by striking "and" at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

"(ii) the term of a lease shall include the term of any service contract or similar arrangement (whether or not treated as a lease under section 7701(e))—

"(I) which is part of the same transaction (or series of related transactions) which includes the lease, and

"(II) which is with respect to the property subject to the lease or substantially similar property, and".

(d) EXPANSION OF SHORT-TERM LEASE EXEMPTION FOR QUALIFIED TECHNOLOGICAL EQUIPMENT.—Subparagraph (A) of section 168(h)(3) is amended by adding at the end the following new sentence: "Notwithstanding subsection (i)(3)(A)(i), in determining a lease term for purposes of the preceding sentence, there shall not be taken into account any option of the lessee to renew at the fair market value rent determined at the time of renewal; except that the aggregate period not taken into account by reason of this sentence shall not exceed 24 months."

SEC. 648. LIMITATION ON DEDUCTIONS ALLOCABLE TO PROPERTY USED BY GOVERNMENTS OR OTHER TAX-EXEMPT ENTITIES.

(a) IN GENERAL.—Subpart C of part II of subchapter E of chapter 1 (relating to taxable year for which deductions taken) is amended by adding at the end the following new section:

"SEC. 470. LIMITATION ON DEDUCTIONS ALLOCABLE TO PROPERTY USED BY GOVERNMENTS OR OTHER TAX-EXEMPT ENTITIES.

"(a) LIMITATION ON LOSSES.—Except as otherwise provided in this section, a tax-exempt use loss for any taxable year shall not be allowed.

"(b) DISALLOWED LOSS CARRIED TO NEXT YEAR.—Any tax-exempt use loss with respect to any tax-exempt use property which is disallowed under subsection (a) for any taxable year shall be treated as a deduction with respect to such property in the next taxable year.

"(c) DEFINITIONS.—For purposes of this section—

"(1) TAX-EXEMPT USE LOSS.—The term 'tax-exempt use loss' means, with respect to any taxable year, the amount (if any) by which—

"(A) the sum of—

"(i) the aggregate deductions (other than interest) directly allocable to a tax-exempt use property, plus

"(ii) the aggregate deductions for interest properly allocable to such property, exceed

"(B) the aggregate income from such property.

"(2) TAX-EXEMPT USE PROPERTY.—The term 'tax-exempt use property' has the meaning given to such term by section 168(h) (without regard to paragraphs (1)(C) and (3) thereof and determined as if property described in section 167(f)(1)(B) were tangible property). Such term shall not include property which would (but for this sentence) be tax-exempt use property solely by reason of section 168(h)(6) if any credit is allowable under section 42 or 47 with respect to such property.

"(d) EXCEPTION FOR CERTAIN LEASES.—This section shall not apply to any lease of property which meets the requirements of all of the following paragraphs:

"(1) AVAILABILITY OF FUNDS.—

"(A) IN GENERAL.—A lease of property meets the requirements of this paragraph if (at all times during the lease term) not more than an allowable amount of funds are—

"(i) subject to any arrangement referred to in subparagraph (B), or

"(ii) set aside or expected to be set aside, to or for the benefit of the lessor or any lender, or to or for the benefit of the lessee to satisfy the lessee's obligations or options under the lease. For purposes of clause (ii), funds shall be treated as set aside or expected to be set aside only if a reasonable person would conclude, based on the facts and circumstances, that such funds are set aside or expected to be set aside.

"(B) ARRANGEMENTS.—The arrangements referred to in this subparagraph include a defeasance arrangement, a loan by the lessee to the lessor or any lender, a deposit arrangement, a letter of credit collateralized with cash or cash equivalents, a payment undertaking agreement, prepaid rent (within the meaning of the regulations under section 467), a sinking fund arrangement, a guaranteed investment contract, financial guaranty insurance, and any similar arrangement (whether or not such arrangement provides credit support).

"(C) ALLOWABLE AMOUNT.—

"(i) IN GENERAL.—Except as otherwise provided in this subparagraph, the term 'allowable amount' means an amount equal to 20 percent of the lessor's adjusted basis in the property at the time the lease is entered into.

"(ii) HIGHER AMOUNT PERMITTED IN CERTAIN CASES.—To the extent provided in regulations, a higher percentage shall be permitted under clause (i) where necessary because of the credit-worthiness of the lessee. In no event may such regulations permit a percentage of more than 50 percent.

"(iii) OPTION TO PURCHASE OTHER THAN AT FAIR MARKET VALUE.—If under the lease the lessee has the option to purchase the property for a fixed price or for other than the fair market value of the property (determined at the time of exercise), the allowable amount at the time such option may be exercised may not exceed 50 percent of the price at which such option may be exercised.

"(iv) NO ALLOWABLE AMOUNT FOR CERTAIN ARRANGEMENTS.—The allowable amount shall be zero with respect to any arrangement which involves—

"(I) a loan from the lessee to the lessor or a lender,

"(II) any deposit received, letter of credit issued, or payment undertaking agreement entered into by a lender otherwise involved in the transaction, or

"(III) in the case of a transaction which involves a lender, any credit support made available to the lessor in which any such lender does not have a claim that is senior to the lessor.

For purposes of subclause (I), the term 'loan' shall not include any amount treated as a loan under section 467 with respect to a section 467 rental agreement.

"(2) LESSOR MUST MAKE SUBSTANTIAL EQUITY INVESTMENT.—A lease of property meets the requirements of this paragraph if—

"(A) the lessor—

"(i) has at the time the lease is entered into an unconditional at-risk equity investment (as determined by the Secretary) in the property of at least 20 percent of the lessor's adjusted basis in the property as of that time, and

"(ii) maintains such investment throughout the term of the lease, and

"(B) the fair market value of the property at the end of the lease term is reasonably expected to be equal to at least 20 percent of such basis.

Subparagraphs (A)(ii) and (B) shall not apply to any lease with a lease term of 5 years or less. For purposes of subparagraph (B), the fair market value at the end of the lease term shall be reduced to the extent that a person other than the lessor bears a risk of loss in the value of the property.

"(3) Lessee may not bear more than minimal risk of loss.—

"(A) In general.—A lease of property meets the requirements of this paragraph if there is no arrangement under which the lessee bears—

"(i) any portion of the loss that would occur if the fair market value of the leased property were 25 percent less than its reasonably expected fair market value at the time the lease is terminated, or

"(ii) more than 50 percent of the loss that would occur if the fair market value of the leased property at the time the lease is terminated were zero.

"(B) Exception.—The Secretary may by regulations provide that the requirements of this paragraph are not met where the lessee bears more than a minimal risk of loss.

"(C) Paragraph not to apply to short-term leases.—This paragraph shall not apply to any lease with a lease term of 5 years or less.

"(e) Special Rules.—

"(1) Treatment of former tax-exempt use property.—

"(A) In general.—In the case of any former tax-exempt use property—

"(i) any deduction allowable under subsection (b) with respect to such property for any taxable year shall be allowed only to the extent of any net income (without regard to such deduction) from such property for such taxable year, and

"(ii) any portion of such unused deduction remaining after application of clause (i) shall be treated as a deduction allowable under subsection (b) with respect to such property in the next taxable year.

"(B) Former tax-exempt use property.—For purposes of this subsection, the term 'former tax-exempt use property' means any property which—

"(i) is not tax-exempt use property for the taxable year, but

"(ii) was tax-exempt use property for any prior taxable year.

"(2) Disposition of entire interest in property.—If during the taxable year a taxpayer disposes of the taxpayer's entire interest in tax-exempt use property (or former tax-exempt use property), rules similar to the rules of section 469(g) shall apply for purposes of this section.

"(3) Coordination with section 469.—This section shall be applied before the application of section 469.

"(4) Coordination with sections 1031 and 1033.—

"(A) In general.—Sections 1031(a) and 1033(a) shall not apply if—

"(i) the exchanged or converted property is tax-exempt use property subject to a lease which was entered into before March 13, 2004, and which would not have met the requirements of subsection (d) had such requirements been in effect when the lease was entered into, or

"(ii) the replacement property is tax-exempt use property subject to a lease which does not meet the requirements of subsection (d).

"(B) Adjusted basis.—In the case of property acquired by the lessor in a transaction to which section 1031 or 1033 applies, the adjusted basis of such property for purposes of this section shall not exceed the lesser of—

"(i) the fair market value of the property as of the beginning of the lease term, or

"(ii) the amount which would be the lessor's adjusted basis if such sections did not apply to such transaction.

"(f) Other Definitions.—For purposes of this section—

"(1) Related parties.—The terms 'lessor', 'lessee', and 'lender' each include any related party (within the meaning of section 197(f)(9)(C)(i)).

"(2) Lease term.—The term 'lease term' has the meaning given to such term by section 168(i)(3).

"(3) Lender.—The term 'lender' means, with respect to any lease, a person that makes a loan to the lessor which is secured (or economically similar to being secured) by the lease or the leased property.

"(4) Loan.—The term 'loan' includes any similar arrangement.

"(g) Regulations.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the provisions of this section, including regulations which—

"(1) allow in appropriate cases the aggregation of property subject to the same lease, and

"(2) provide for the determination of the allocation of interest expense for purposes of this section.".

(b) Conforming Amendment.—The table of sections for subpart C of part II of subchapter E of chapter 1 is amended by adding at the end the following new item:

"Sec. 470. Limitation on deductions allocable to property used by governments or other tax-exempt entities.".

SEC. 649. EFFECTIVE DATE.

(a) In General.—Except as provided in this section, the amendments made by this part shall apply to leases entered into after March 12, 2004.

(b) Exception.—

(1) In general.—The amendments made by this part shall not apply to qualified transportation property.

(2) Qualified transportation property.—For purposes of paragraph (1), the term "qualified transportation property" means domestic property subject to a lease with respect to which a formal application—

(A) was submitted for approval to the Federal Transit Administration (an agency of the Department of Transportation) after June 30, 2003, and before March 13, 2004,

(B) is approved by the Federal Transit Administration before January 1, 2005, and

(C) includes a description of such property and the value of such property.

(3) Exchanges and conversion of tax-exempt use property.—Section 470(e)(4) of the Internal Revenue Code of 1986, as added by this section, shall apply to property exchanged or converted after the date of the enactment of this Act.

Subtitle C—Reduction of Fuel Tax Evasion

SEC. 651. EXEMPTION FROM CERTAIN EXCISE TAXES FOR MOBILE MACHINERY.

(a) Exemption From Tax on Heavy Trucks and Trailers Sold at Retail.—

(1) In general.—Section 4053 (relating to exemptions) is amended by adding at the end the following new paragraph:

"(8) Mobile machinery.—Any vehicle which consists of a chassis—

"(A) to which there has been permanently mounted (by welding, bolting, riveting, or other means) machinery or equipment to perform a construction, manufacturing, processing, farming, mining, drilling, timbering, or similar operation if the operation of the machinery or equipment is unrelated to transportation on or off the public highways,

"(B) which has been specially designed to serve only as a mobile carriage and mount (and a power source, where applicable) for the particular machinery or equipment involved, whether or not such machinery or equipment is in operation, and

"(C) which, by reason of such special design, could not, without substantial structural modification, be used as a component of a vehicle designed to perform a function of transporting any load other than that particular machinery or equipment or similar machinery or equipment requiring such a specially designed chassis.".

(2) Effective date.—The amendment made by this subsection shall take effect on the day after the date of the enactment of this Act.

(b) Exemption From Tax on Use of Certain Vehicles.—

(1) In general.—Section 4483 (relating to exemptions) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) Exemption for Mobile Machinery.—No tax shall be imposed by section 4481 on the use of any vehicle described in section 4053(8).".

(2) Effective date.—The amendments made by this subsection shall take effect on the day after the date of the enactment of this Act.

(c) Exemption From Tax on Tires.—

(1) In General.—Section 4072(b)(2) is amended by adding at the end the following flush sentence: "Such term shall not include tires of a type used exclusively on vehicles described in section 4053(8).".

(2) Effective date.—The amendment made by this subsection shall take effect on the day after the date of the enactment of this Act.

(d) Refund of Fuel Taxes.—

(1) In general.—Section 6421(e)(2) (defining off-highway business use) is amended by adding at the end the following new subparagraph:

"(C) Uses in mobile machinery.—

"(i) In general.—The term 'off-highway business use' shall include any use in a vehicle which meets the requirements described in clause (ii).

"(ii) Requirements for mobile machinery.—The requirements described in this clause are—

"(I) the design-based test, and

"(II) the use-based test.

"(iii) Design-based test.—For purposes of clause (ii)(I), the design-based test is met if the vehicle consists of a chassis—

"(I) to which there has been permanently mounted (by welding, bolting, riveting, or other means) machinery or equipment to perform a construction, manufacturing, processing, farming, mining, drilling, timbering, or similar operation if the operation of the machinery or equipment is unrelated to transportation on or off the public highways,

"(II) which has been specially designed to serve only as a mobile carriage and mount (and a power source, where applicable) for the particular machinery or equipment involved, whether or not such machinery or equipment is in operation, and

"(III) which, by reason of such special design, could not, without substantial structural modification, be used as a component of a vehicle designed to perform a function of transporting any load other than that particular machinery or equipment or similar machinery or equipment requiring such a specially designed chassis.

"(iv) Use-based test.—For purposes of clause (ii)(II), the use-based test is met if the use of the vehicle on public highways was less than 7,500 miles during the taxpayer's taxable year.".

(2) No tax-free sales.—Subsection (b) of section 4082, as amended by section 652, is amended by inserting before the period at the end "and such term shall not include any use described in section 6421(e)(2)(C)".

(3) Annual refund of tax paid.—Section 6427(i)(2) (relating to exceptions) is amended by adding at the end the following new subparagraph:

"(C) Nonapplication of paragraph.—This paragraph shall not apply to any fuel used solely in any off-highway business use described in section 6421(e)(2)(C).".

(4) Effective date.—The amendments made by this subsection shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 652. TAXATION OF AVIATION-GRADE KEROSENE.

(a) Rate of Tax.—

(1) In general.—Subparagraph (A) of section 4081(a)(2) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end the following new clause:

"(iv) in the case of aviation-grade kerosene, 21.8 cents per gallon.".

(2) Commercial aviation.—Paragraph (2) of section 4081(a) is amended by adding at the end the following new subparagraph:

"(C) Taxes imposed on fuel used in commercial aviation.—In the case of aviation-grade kerosene which is removed from any refinery or terminal directly into the fuel tank of an aircraft for use in commercial aviation, the rate of tax under subparagraph (A)(iv) shall be 4.3 cents per gallon.".

(3) Certain refueler trucks, tankers, and tank wagons treated as terminal.—Subsection (a) of section 4081 is amended by adding at the end the following new paragraph:

"(3) Certain refueler trucks, tankers, and tank wagons treated as terminal.—

"(A) In general.—In the case of aviation-grade kerosene which is removed from any terminal directly into the fuel tank of an aircraft (determined without regard to any refueler truck, tanker, or tank wagon which meets the requirements of subparagraph (B)), a refueler truck, tanker, or tank wagon shall be treated as part of such terminal if—

"(i) such truck, tanker, or wagon meets the requirements of subparagraph (B) with respect to an airport, and

"(ii) except in the case of exigent circumstances identified by the Secretary in regulations, no vehicle registered for highway use is loaded with aviation-grade kerosene at such terminal.

"(B) Requirements.—A refueler truck, tanker, or tank wagon meets the requirements of this subparagraph with respect to an airport if such truck, tanker, or wagon—

"(i) is loaded with aviation-grade kerosene at such terminal located within such airport and delivers such kerosene only into aircraft at such airport,

"(ii) has storage tanks, hose, and coupling equipment designed and used for the purposes of fueling aircraft,

"(iii) is not registered for highway use, and

"(iv) is operated by—

"(I) the terminal operator of such terminal, or

"(II) a person that makes a daily accounting to such terminal operator of each delivery of fuel from such truck, tanker, or wagon.

"(C) Reporting.—The Secretary shall require under section 4101(d) reporting by such terminal operator of—

"(i) any information obtained under subparagraph (B)(iv)(II), and

"(ii) any similar information maintained by such terminal operator with respect to deliveries of fuel made by trucks, tankers, or wagons operated by such terminal operator.".

(4) Liability for tax on aviation-grade kerosene used in commercial aviation.—Subsection (a) of section 4081 is amended by adding at the end the following new paragraph:

"(4) Liability for tax on aviation-grade kerosene used in commercial aviation.—For purposes of paragraph (2)(C), the person who uses the fuel for commercial aviation shall pay the tax imposed under such paragraph. For purposes of the preceding sentence, fuel shall be treated as used when such fuel is removed into the fuel tank.".

(5) Nontaxable uses.—

(A) In general.—Section 4082 is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

"(e) Aviation-Grade Kerosene.—In the case of aviation-grade kerosene which is exempt from the tax imposed by section 4041(c) (other than by reason of a prior imposition of tax) and which is removed from any refinery or terminal directly into the fuel tank of an aircraft, the rate of tax under section 4081(a)(2)(A)(iv) shall be zero.".

(B) Conforming amendments.—

(i) Subsection (b) of section 4082 is amended by adding at the end the following new flush sentence:

"The term 'nontaxable use' does not include the use of aviation-grade kerosene in an aircraft.".

(ii) Section 4082(d) is amended by striking paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(6) Nonaircraft use of aviation-grade kerosene.—

(A) In general.—Subparagraph (B) of section 4041(a)(1) is amended by adding at the end the following new sentence: "This subparagraph shall not apply to aviation-grade kerosene.".

(B) Conforming amendment.—The heading for paragraph (1) of section 4041(a) is amended by inserting "AND KEROSENE" after "DIESEL FUEL".

(b) Commercial Aviation.—Section 4083 is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

"(b) Commercial Aviation.—For purposes of this subpart, the term 'commercial aviation' means any use of an aircraft in a business of transporting persons or property for compensation or hire by air, unless properly allocable to any transportation exempt from the taxes imposed by sections 4261 and 4271 by reason of section 4281 or 4282 or by reason of section 4261(h).".

(c) Refunds.—

(1) In general.—Paragraph (4) of section 6427(l) is amended to read as follows:

"(4) Refunds for aviation-grade kerosene.—

"(A) No refund of certain taxes on fuel used in commercial aviation.—In the case of aviation-grade kerosene used in commercial aviation (as defined in section 4083(b)) (other than supplies for vessels or aircraft within the meaning of section 4221(d)(3)), paragraph (1) shall not apply to so much of the tax imposed by section 4081 as is attributable to—

"(i) the Leaking Underground Storage Tank Trust Fund financing rate imposed by such section, and

"(ii) so much of the rate of tax specified in section 4081(a)(2)(A)(iv) as does not exceed 4.3 cents per gallon.

"(B) Payment to ultimate, registered vendor.—With respect to aviation-grade kerosene, if the ultimate purchaser of such kerosene waives (at such time and in such form and manner as the Secretary shall prescribe) the right to payment under paragraph (1) and assigns such right to the ultimate vendor, then the Secretary shall pay the amount which would be paid under paragraph (1) to such ultimate vendor, but only if such ultimate vendor—

"(i) is registered under section 4101, and

"(ii) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).".

(2) Time for filing claims.—Subparagraph (A) of section 6427(i)(4) is amended—

(A) by striking "subsection (l)(5)" both places it appears and inserting "paragraph (4)(B) or (5) of subsection (l)", and

(B) by striking "the preceding sentence" and inserting "subsection (l)(5)".

(3) Conforming amendment.—Subparagraph (B) of section 6427(l)(2) is amended to read as follows:

"(B) in the case of aviation-grade kerosene—

"(i) any use which is exempt from the tax imposed by section 4041(c) other than by reason of a prior imposition of tax, or

"(ii) any use in commercial aviation (within the meaning of section 4083(b)).".

(d) Repeal of Prior Taxation of Aviation Fuel.—

(1) In general.—Part III of subchapter A of chapter 32 is amended by striking subpart B and by redesignating subpart C as subpart B.

(2) Conforming amendments.—

(A) Section 4041(c) is amended to read as follows:

"(c) Aviation-Grade Kerosene.—

"(1) In general.—There is hereby imposed a tax upon aviation-grade kerosene—

"(A) sold by any person to an owner, lessee, or other operator of an aircraft for use in such aircraft, or

"(B) used by any person in an aircraft unless there was a taxable sale of such fuel under subparagraph (A).

"(2) Exemption for previously taxed fuel.—No tax shall be imposed by this subsection on the sale or use of any aviation-grade kerosene if tax was imposed on such liquid under section 4081 and the tax thereon was not credited or refunded.

"(3) Rate of tax.—The rate of tax imposed by this subsection shall be the rate of tax specified in section 4081(a)(2)(A)(iv) which is in effect at the time of such sale or use.".

(B) Section 4041(d)(2) is amended by striking "section 4091" and inserting "section 4081".

(C) Section 4041 is amended by striking subsection (e).

(D) Section 4041 is amended by striking subsection (i).

(E) Sections 4101(a), 4103, 4221(a), and 6206 are each amended by striking ", 4081, or 4091" and inserting "or 4081".

(F) Section 6416(b)(2) is amended by striking "4091 or".

(G) Section 6416(b)(3) is amended by striking "or 4091" each place it appears.

(H) Section 6416(d) is amended by striking "or to the tax imposed by section 4091 in the case of refunds described in section 4091(d)".

(I) Section 6427(j)(1) is amended by striking ", 4081, and 4091" and inserting "and 4081".

(J)(i) Section 6427(l)(1) is amended to read as follows:

"(1) In general.—Except as otherwise provided in this subsection and in subsection (k), if any diesel fuel or kerosene on which tax has been imposed by section 4041 or 4081 is used by any person in a nontaxable use, the Secretary shall pay (without interest) to the ultimate purchaser of such fuel an amount equal to the aggregate amount of tax imposed on such fuel under section 4041 or 4081, as the case may be, reduced by any payment made to the ultimate vendor under paragraph (4)(B).".

(ii) Paragraph (5)(B) of section 6427(l) is amended by striking "Paragraph (1)(A) shall not apply to kerosene" and inserting "Paragraph (1) shall not apply to kerosene (other than aviation-grade kerosene)".

(K) Subparagraph (B) of section 6724(d)(1) is amended by striking clause (xv) and by redesignating the succeeding clauses accordingly.

(L) Paragraph (2) of section 6724(d) is amended by striking subparagraph (W) and by redesignating the succeeding subparagraphs accordingly.

(M) Paragraph (1) of section 9502(b) is amended by adding "and" at the end of subparagraph (B) and by striking subparagraphs (C) and (D) and inserting the following new subparagraph:

"(C) section 4081 with respect to aviation gasoline and aviation-grade kerosene, and".

(N) The last sentence of section 9502(b) is amended to read as follows:

"There shall not be taken into account under paragraph (1) so much of the taxes imposed by section 4081 as are determined at the rate specified in section 4081(a)(2)(B).".

(O) Subsection (b) of section 9508 is amended by striking paragraph (3) and by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(P) Section 9508(c)(2)(A) is amended by striking "sections 4081 and 4091" and inserting "section 4081".

(Q) The table of subparts for part III of subchapter A of chapter 32 is amended to read as follows:

"Subpart A. Motor and aviation fuels.

"Subpart B. Special provisions applicable to fuels tax.".

(R) The heading for subpart A of part III of subchapter A of chapter 32 is amended to read as follows:

"Subpart A—Motor and Aviation Fuels".

(S) The heading for subpart B of part III of subchapter A of chapter 32, as redesignated by paragraph (1), is amended to read as follows:

"Subpart B—Special Provisions Applicable to Fuels Tax".

(e) Effective Date.—The amendments made by this section shall apply to aviation-grade kerosene removed, entered, or sold after September 30, 2004.

(f) Floor Stocks Tax.—

(1) In general.—There is hereby imposed on aviation-grade kerosene held on October 1, 2004, by any person a tax equal to—

(A) the tax which would have been imposed before such date on such kerosene had the amendments made by this section been in effect at all times before such date, reduced by

(B) the tax imposed before such date under section 4091 of the Internal Revenue Code of 1986, as in effect on the day before the date of the enactment of this Act.

(2) Liability for tax and method of payment.—

(A) Liability for tax.—The person holding the kerosene on October 1, 2004, to which the tax imposed by paragraph (1) applies shall be liable for such tax.

(B) Method and time for payment.—The tax imposed by paragraph (1) shall be paid at such time and in such manner as the Secretary of the Treasury (or the Secretary's delegate) shall prescribe, including the nonapplication of such tax on de minimis amounts of kerosene.

(3) Transfer of floor stock tax revenues to trust funds.—For purposes of determining the amount transferred to any trust fund, the tax imposed by this subsection shall be treated as imposed by section 4081 of the Internal Revenue Code of 1986—

(A) at the Leaking Underground Storage Tank Trust Fund financing rate under such section to the extent of 0.1 cents per gallon, and

(B) at the rate under section 4081(a)(2)(A)(iv) to the extent of the remainder.

(4) Held by a person.—For purposes of this section, kerosene shall be considered as held by a person if title thereto has passed to such person (whether or not delivery to the person has been made).

(5) Other laws applicable.—All provisions of law, including penalties, applicable with respect to the tax imposed by section 4081 of such Code shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply with respect to the floor stock tax imposed by paragraph (1) to the same extent as if such tax were imposed by such section.

SEC. 653. DYE INJECTION EQUIPMENT.

(a) In General.—Section 4082(a)(2) (relating to exemptions for diesel fuel and kerosene) is amended by inserting "by mechanical injection" after "indelibly dyed".

(b) Dye Injector Security.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury shall issue regulations regarding mechanical dye injection systems described in the amendment made by subsection (a), and such regulations shall include standards for making such systems tamper resistant.

(c) Penalty for Tampering With or Failing To Maintain Security Requirements for Mechanical Dye Injection Systems.—

(1) In general.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by adding after section 6715 the following new section:

"SEC. 6715A. TAMPERING WITH OR FAILING TO MAINTAIN SECURITY REQUIREMENTS FOR MECHANICAL DYE INJECTION SYSTEMS.

"(a) Imposition of Penalty—

"(1) Tampering.—If any person tampers with a mechanical dye injection system used to indelibly dye fuel for purposes of section 4082, such person shall pay a penalty in addition to the tax (if any).

"(2) Failure to maintain security requirements.—If any operator of a mechanical dye injection system used to indelibly dye fuel for purposes of section 4082 fails to maintain the security standards for such system as established by the Secretary, then such operator shall pay a penalty in addition to the tax (if any).

"(b) Amount of Penalty.—The amount of the penalty under subsection (a) shall be—

"(1) for each violation described in paragraph (1), the greater of—

"(A) $25,000, or

"(B) $10 for each gallon of fuel involved, and

"(2) for each—

"(A) failure to maintain security standards described in paragraph (2), $1,000, and

"(B) failure to correct a violation described in paragraph (2), $1,000 per day for each day after which such violation was discovered or such person should have reasonably known of such violation.

"(c) Joint and Several Liability.—

"(1) In general.—If a penalty is imposed under this section on any business entity, each officer, employee, or agent of such entity or other contracting party who willfully participated in any act giving rise to such penalty shall be jointly and severally liable with such entity for such penalty.

"(2) Affiliated groups.—If a business entity described in paragraph (1) is part of an affiliated group (as defined in section 1504(a)), the parent corporation of such entity shall be jointly and severally liable with such entity for the penalty imposed under this section.".

(2) Clerical amendment.—The table of sections for part I of subchapter B of chapter 68 is amended by adding after the item related to section 6715 the following new item:

"Sec. 6715A. Tampering with or failing to maintain security requirements for mechanical dye injection systems.".

(d) Effective Date.—The amendments made by subsections (a) and (c) shall take effect on the 180th day after the date on which the Secretary issues the regulations described in subsection (b).

SEC. 654. AUTHORITY TO INSPECT ON-SITE RECORDS.

(a) In General.—Section 4083(d)(1)(A) (relating to administrative authority), as previously amended by this Act, is amended by striking "and" at the end of clause (i) and by inserting after clause (ii) the following new clause:

"(iii) inspecting any books and records and any shipping papers pertaining to such fuel, and".

(b) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 655. REGISTRATION OF PIPELINE OR VESSEL OPERATORS REQUIRED FOR EXEMPTION OF BULK TRANSFERS TO REGISTERED TERMINALS OR REFINERIES.

(a) In General.—Section 4081(a)(1)(B) (relating to exemption for bulk transfers to registered terminals or refineries) is amended—

(1) by inserting "by pipeline or vessel" after "transferred in bulk", and

(2) by inserting ", the operator of such pipeline or vessel," after "the taxable fuel".

(b) Effective Date.—The amendments made by this section shall take effect on October 1, 2004.

(c) Publication of Registered Persons.—Beginning on July 1, 2004, the Secretary of the Treasury (or the Secretary's delegate) shall periodically publish a current list of persons registered under section 4101 of the Internal Revenue Code of 1986 who are required to register under such section.

SEC. 656. DISPLAY OF REGISTRATION.

(a) In General.—Subsection (a) of section 4101 (relating to registration) is amended—

(1) by striking "Every" and inserting the following:

"(1) In general.—Every", and

(2) by adding at the end the following new paragraph:

"(2) Display of registration.—Every operator of a vessel required by the Secretary to register under this section shall display proof of registration through an electronic identification device prescribed by the Secretary on each vessel used by such operator to transport any taxable fuel.".

(b) Civil Penalty for Failure To Display Registration.—

(1) In general.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6716 the following new section:

"SEC. 6717. FAILURE TO DISPLAY TAX REGISTRATION ON VESSELS.

"(a) Failure To Display Registration.—Every operator of a vessel who fails to display proof of registration pursuant to section 4101(a)(2) shall pay a penalty of $500 for each such failure. With respect to any vessel, only one penalty shall be imposed by this section during any calendar month.

"(b) Multiple Violations.—In determining the penalty under subsection (a) on any person, subsection (a) shall be applied by increasing the amount in subsection (a) by the product of such amount and the aggregate number of penalties (if any) imposed with respect to prior months by this section on such person (or a related person or any predecessor of such person or related person).

"(c) Reasonable Cause Exception.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.".

(2) Clerical amendment.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6716 the following new item:

"Sec. 6717. Failure to display tax registration on vessels.".

(c) Effective Dates.—

(1) Subsection (a).—The amendments made by subsection (a) shall take effect on October 1, 2004.

(2) Subsection (b).—The amendments made by subsection (b) shall apply to penalties imposed after September 30, 2004.

SEC. 657. PENALTIES FOR FAILURE TO REGISTER AND FAILURE TO REPORT.

(a) Increased Penalty.—Subsection (a) of section 7272 (relating to penalty for failure to register) is amended by inserting "($10,000 in the case of a failure to register under section 4101)" after "$50".

(b) Increased Criminal Penalty.—Section 7232 (relating to failure to register under section 4101, false representations of registration status, etc.) is amended by striking "$5,000" and inserting "$10,000".

(c) Assessable Penalty for Failure To Register.—

(1) In general.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6717 the following new section:

"SEC. 6718. FAILURE TO REGISTER.

"(a) Failure To Register.—Every person who is required to register under section 4101 and fails to do so shall pay a penalty in addition to the tax (if any).

"(b) Amount of Penalty.—The amount of the penalty under subsection (a) shall be—

"(1) $10,000 for each initial failure to register, and

"(2) $1,000 for each day thereafter such person fails to register.

"(c) Reasonable Cause Exception.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.".

(2) Clerical amendment.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6717 the following new item:

"Sec. 6718. Failure to register.".

(d) Assessable Penalty for Failure To Report.—

(1) In general.—Part II of subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end the following new section:

"SEC. 6725. FAILURE TO REPORT INFORMATION UNDER SECTION 4101.

"(a) In General.—In the case of each failure described in subsection (b) by any person with respect to a vessel or facility, such person shall pay a penalty of $10,000 in addition to the tax (if any).

"(b) Failures Subject to Penalty.—For purposes of subsection (a), the failures described in this subsection are—

"(1) any failure to make a report under section 4101(d) on or before the date prescribed therefor, and

"(2) any failure to include all of the information required to be shown on such report or the inclusion of incorrect information.

"(c) Reasonable Cause Exception.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.".

(2) Clerical amendment.—The table of sections for part II of subchapter B of chapter 68 is amended by adding at the end the following new item:

"Sec. 6725. Failure to report information under section 4101.".

(e) Effective Date.—The amendments made by this section shall apply to penalties imposed after September 30, 2004.

SEC. 658. COLLECTION FROM CUSTOMS BOND WHERE IMPORTER NOT REGISTERED.

(a) Tax at Point of Entry Where Importer Not Registered.—Subpart B of part III of subchapter A of chapter 32, as redesignated by section 652(d), is amended by adding after section 4103 the following new section:

"SEC. 4104. COLLECTION FROM CUSTOMS BOND WHERE IMPORTER NOT REGISTERED.

"(a) In General.—The importer of record shall be jointly and severally liable for the tax imposed by section 4081(a)(1)(A)(iii) if, under regulations prescribed by the Secretary, any other person that is not a person who is registered under section 4101 is liable for such tax.

"(b) Collection From Customs Bond.—If any tax for which any importer of record is liable under subsection (a), or for which any importer of record that is not a person registered under section 4101 is otherwise liable, is not paid on or before the last date prescribed for payment, the Secretary may collect such tax from the Customs bond posted with respect to the importation of the taxable fuel to which the tax relates. For purposes of determining the jurisdiction of any court of the United States or any agency of the United States, any action by the Secretary described in the preceding sentence shall be treated as an action to collect the tax from a bond described in section 4101(b)(1) and not as an action to collect from a bond relating to the importation of merchandise.".

(b) Conforming Amendment.—The table of sections for subpart B of part III of subchapter A of chapter 32, as redesignated by section 652(d), is amended by adding after the item related to section 4103 the following new item:

"Sec. 4104. Collection from Customs bond where importer not registered.".

(c) Effective Date.—The amendments made by this section shall apply with respect to fuel entered after September 30, 2004.

SEC. 659. MODIFICATIONS OF TAX ON USE OF CERTAIN VEHICLES.

(a) Proration of Tax Where Vehicle Sold.—

(1) In general.—Subparagraph (A) of section 4481(c)(2) (relating to where vehicle destroyed or stolen) is amended by striking "destroyed or stolen" both places it appears and inserting "sold, destroyed, or stolen".

(2) Conforming amendment.—The heading for section 4481(c)(2) is amended by striking "DESTROYED OR STOLEN" and inserting "SOLD, DESTROYED, OR STOLEN".

(b) Repeal of Installment Payment.—

(1) Section 6156 (relating to installment payment of tax on use of highway motor vehicles) is repealed.

(2) The table of sections for subchapter A of chapter 62 is amended by striking the item relating to section 6156.

(c) Electronic Filing.—Section 4481 is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) Electronic Filing.—Any taxpayer who files a return under this section with respect to 25 or more vehicles for any taxable period shall file such return electronically.".

(d) Repeal of Reduction in Tax for Certain Trucks.—Section 4483 is amended by striking subsection (f).

(e) Effective Date.—The amendments made by this section shall apply to taxable periods beginning after the date of the enactment of this Act.

SEC. 660. MODIFICATION OF ULTIMATE VENDOR REFUND CLAIMS WITH RESPECT TO FARMING.

(a) In General.—

(1) Refunds.—Section 6427(l) is amended by adding at the end the following new paragraph:

"(6) Registered vendors permitted to administer certain claims for refund of diesel fuel and kerosene sold to farmers.—

"(A) In general.—In the case of diesel fuel or kerosene used on a farm for farming purposes (within the meaning of section 6420(c)), paragraph (1) shall not apply to the aggregate amount of such diesel fuel or kerosene if such amount does not exceed 250 gallons (as determined under subsection (i)(5)(A)(iii)).

"(B) Payment to ultimate vendor.—The amount which would (but for subparagraph (A)) have been paid under paragraph (1) with respect to any fuel shall be paid to the ultimate vendor of such fuel, if such vendor—

"(i) is registered under section 4101, and

"(ii) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).".

(2) Filing of claims.—Section 6427(i) is amended by inserting at the end the following new paragraph:

"(5) Special rule for vendor refunds with respect to farmers.—

"(A) In general.—A claim may be filed under subsection (l)(6) by any person with respect to fuel sold by such person for any period—

"(i) for which $200 or more ($100 or more in the case of kerosene) is payable under subsection (l)(6),

"(ii) which is not less than 1 week, and

"(iii) which is for not more than 250 gallons for each farmer for which there is a claim.

Notwithstanding subsection (l)(1), paragraph (3)(B) shall apply to claims filed under the preceding sentence.

"(B) Time for filing claim.—No claim filed under this paragraph shall be allowed unless filed on or before the last day of the first quarter following the earliest quarter included in the claim.".

(3) Conforming amendments.—

(A) Section 6427(l)(5)(A) is amended to read as follows:

"(A) In general.—Paragraph (1) shall not apply to diesel fuel or kerosene used by a State or local government.".

(B) The heading for section 6427(l)(5) is amended by striking "farmers and".

(b) Effective Date.—The amendment made by this section shall apply to fuels sold for nontaxable use after the date of the enactment of this Act.

SEC. 661. DEDICATION OF REVENUES FROM CERTAIN PENALTIES TO THE HIGHWAY TRUST FUND.

(a) In General.—Subsection (b) of section 9503 (relating to transfer to Highway Trust Fund of amounts equivalent to certain taxes) is amended by redesignating paragraph (5) as paragraph (6) and inserting after paragraph (4) the following new paragraph:

"(5) Certain penalties.—There are hereby appropriated to the Highway Trust Fund amounts equivalent to the penalties paid under sections 6715, 6715A, 6717, 6718, 6725, 7232, and 7272 (but only with regard to penalties under such section related to failure to register under section 4101).".

(b) Conforming Amendments.—

(1) The heading of subsection (b) of section 9503 is amended by inserting "and Penalties" after "Taxes".

(2) The heading of paragraph (1) of section 9503(b) is amended by striking "In general" and inserting "Certain taxes".

(c) Effective Date.—The amendments made by this section shall apply to penalties assessed after October 1, 2004.

SEC. 662. TAXABLE FUEL REFUNDS FOR CERTAIN ULTIMATE VENDORS.

(a) In General.—Paragraph (4) of section 6416(a) (relating to abatements, credits, and refunds) is amended to read as follows:

"(4) Registered ultimate vendor to administer credits and refunds of gasoline tax.—

"(A) In general.—For purposes of this subsection, if an ultimate vendor purchases any gasoline on which tax imposed by section 4081 has been paid and sells such gasoline to an ultimate purchaser described in subparagraph (C) or (D) of subsection (b)(2) (and such gasoline is for a use described in such subparagraph), such ultimate vendor shall be treated as the person (and the only person) who paid such tax, but only if such ultimate vendor is registered under section 4101. For purposes of this subparagraph, if the sale of gasoline is made by means of a credit card, the person extending the credit to the ultimate purchaser shall be deemed to be the ultimate vendor.

"(B) Timing of claims.—The procedure and timing of any claim under subparagraph (A) shall be the same as for claims under section 6427(i)(4), except that the rules of section 6427(i)(3)(B) regarding electronic claims shall not apply unless the ultimate vendor has certified to the Secretary for the most recent quarter of the taxable year that all ultimate purchasers of the vendor covered by such claim are certified and entitled to a refund under subparagraph (C) or (D) of subsection (b)(2).".

(b) Credit Card Purchases of Diesel Fuel or Kerosene by State and Local Governments.—Section 6427(l)(5)(C) (relating to nontaxable uses of diesel fuel, kerosene, and aviation fuel) is amended by adding at the end the following new flush sentence:

"For purposes of this subparagraph, if the sale of diesel fuel or kerosene is made by means of a credit card, the person extending the credit to the ultimate purchaser shall be deemed to be the ultimate vendor.".

(c) Effective Date.—The amendments made by this section shall take effect on October 1, 2004.

SEC. 663. TWO-PARTY EXCHANGES.

(a) In General.—Subpart B of part III of subchapter A of chapter 32, as amended by this Act, is amended by adding after section 4104 the following new section:

"SEC. 4105. TWO-PARTY EXCHANGES.

"(a) In General.—In a two-party exchange, the delivering person shall not be liable for the tax imposed under section 4081(a)(1)(A)(ii).

"(b) Two-Party Exchange.—The term 'two-party exchange' means a transaction, other than a sale, in which taxable fuel is transferred from a delivering person registered under section 4101 as a taxable fuel registrant fuel to a receiving person who is so registered where all of the following occur:

"(1) The transaction includes a transfer from the delivering person, who holds the inventory position for taxable fuel in the terminal as reflected in the records of the terminal operator.

"(2) The exchange transaction occurs before or contemporaneous with completion of removal across the rack from the terminal by the receiving person.

"(3) The terminal operator in its books and records treats the receiving person as the person that removes the taxable fuel across the terminal rack for purposes of reporting the transaction to the Secretary.

"(4) The transaction is the subject of a written contract.".

(b) Conforming Amendment.—The table of sections for subpart B of part III of subchapter A of chapter 32, as amended by this Act, is amended by adding after the item relating to section 4104 the following new item:

"Sec. 4105. Two-party exchanges.".

(c) Effective Date.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 664. SIMPLIFICATION OF TAX ON TIRES.

(a) In General.—Subsection (a) of section 4071 is amended to read as follows:

"(a) Imposition and Rate of Tax.—There is hereby imposed on taxable tires sold by the manufacturer, producer, or importer thereof a tax at the rate of 9.4 cents (4.7 cents in the case of a biasply tire) for each 10 pounds so much of the maximum rated load capacity thereof as exceeds 3,500 pounds."

(b) Taxable Tire.—Section 4072 is amended by redesignating subsections (a) and (b) as subsections (b) and (c), respectively, and by inserting before subsection (b) (as so redesignated) the following new subsection:

"(a) Taxable Tire.—For purposes of this chapter, the term 'taxable tire' means any tire of the type used on highway vehicles if wholly or in part made of rubber and if marked pursuant to Federal regulations for highway use."

(c) Exemption for Tires Sold to Department of Defense.—Section 4073 is amended to read as follows:

"SEC. 4073. EXEMPTIONS.

"The tax imposed by section 4071 shall not apply to tires sold for the exclusive use of the Department of Defense or the Coast Guard."

(d) Conforming Amendments.—

(1) Section 4071 is amended by striking subsection (c) and by moving subsection (e) after subsection (b) and redesignating subsection (e) as subsection (c).

(2) The item relating to section 4073 in the table of sections for part II of subchapter A of chapter 32 is amended to read as follows:

"Sec. 4073. Exemptions.".

(e) Effective Date.—The amendments made by this section shall apply to sales in calendar years beginning more than 30 days after the date of the enactment of this Act.

Subtitle D—Nonqualified Deferred Compensation Plans

SEC. 671. TREATMENT OF NONQUALIFIED DEFERRED COMPENSATION PLANS.

(a) In General.—Subpart A of part I of subchapter D of chapter 1 is amended by adding at the end the following new section:

"SEC. 409A. INCLUSION IN GROSS INCOME OF DEFERRED COMPENSATION UNDER NONQUALIFIED DEFERRED COMPENSATION PLANS.

"(a) Rules Relating to Constructive Receipt.—

"(1) In general.—

"(A) Gross income inclusion.—In the case of a nonqualified deferred compensation plan, all compensation deferred under the plan for all taxable years (to the extent not subject to a substantial risk of forfeiture and not previously included in gross income) shall be includible in gross income for the taxable year unless at all times during the taxable year the plan meets the requirements of paragraphs (2), (3), and (4) and is operated in accordance with such requirements.

"(B) Interest on tax liability payable with respect to previously deferred compensation.—

"(i) In general.—If compensation is required to be included in gross income under subparagraph (A) for a taxable year, the tax imposed by this chapter for such taxable year shall be increased by the amount of interest determined under clause (ii).

"(ii) Interest.—For purposes of clause (i), the interest determined under this clause for any taxable year is the amount of interest at the underpayment rate plus 1 percentage point on the underpayments that would have occurred had the deferred compensation been includible in gross income for the taxable year in which first deferred or, if later, the first taxable year in which such deferred compensation is not subject to a substantial risk of forfeiture.

"(2) Distributions.—

"(A) In general.—The requirements of this paragraph are met if the plan provides that compensation deferred under the plan may not be distributed earlier than—

"(i) separation from service as determined by the Secretary (except as provided in subparagraph (B)(i)),

"(ii) the date the participant becomes disabled (within the meaning of subparagraph (C)),

"(iii) death,

"(iv) a specified time (or pursuant to a fixed schedule) specified under the plan at the date of the deferral of such compensation,

"(v) to the extent provided by the Secretary, a change in the ownership or effective control of the corporation, or in the ownership of a substantial portion of the assets of the corporation, or

"(vi) the occurrence of an unforeseeable emergency.

"(B) Special rules.—

"(i) Specified employees.—In the case of specified employees, the requirement of subparagraph (A)(i) is met only if distributions may not be made earlier than 6 months after the date of separation from service. For purposes of the preceding sentence, a specified employee is a key employee (as defined in section 416(i)) of a corporation the stock in which is publicly traded on an established securities market or otherwise.

"(ii) Unforeseeable emergency.—For purposes of subparagraph (A)(vi)—

"(I) IN GENERAL.—The term 'unforeseeable emergency' means a severe financial hardship to the participant resulting from a sudden and unexpected illness or accident of the participant, the participant's spouse, or a dependent (as defined in section 152(a)) of the participant, loss of the participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant.

"(II) LIMITATION ON DISTRIBUTIONS.—The requirement of subparagraph (A)(vi) is met only if, as determined under regulations of the Secretary, the amounts distributed with respect to an emergency do not exceed the amounts necessary to satisfy such emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship).

"(C) DISABLED.—For purposes of subparagraph (A)(ii), a participant shall be considered disabled if the participant—

"(i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or

"(ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the participant's employer.

"(3) ACCELERATION OF BENEFITS.—The requirements of this paragraph are met if the plan does not permit the acceleration of the time or schedule of any payment under the plan, except as provided in regulations by the Secretary.

"(4) ELECTIONS.—

"(A) IN GENERAL.—The requirements of this paragraph are met if the requirements of subparagraphs (B) and (C) are met.

"(B) INITIAL DEFERRAL DECISION.—The requirements of this subparagraph are met if the plan provides that compensation for services performed during a taxable year may be deferred at the participant's election only if the election to defer such compensation is made not later than the close of the preceding taxable year or at such other time as provided in regulations. In the case of the first year in which a participant becomes eligible to participate in the plan, such election may be made with respect to services to be performed subsequent to the election within 30 days after the date the participant becomes eligible to participate in such plan.

"(C) CHANGES IN TIME AND FORM OF DISTRIBUTION.—The requirements of this subparagraph are met if, in the case of a plan which permits under a subsequent election a delay in a payment or a change in the form of payment—

"(i) the plan requires that such election may not take effect until at least 12 months after the date on which the election is made,

"(ii) in the case an election related to a payment not described in clause (ii), (iii), or (vi) of paragraph (2)(A), the plan requires that the first payment with respect to which such election is made be deferred for a period of not less than 5 years from the date such payment would otherwise have been made, and

"(iii) the plan requires that any election related to a payment described in paragraph (2)(A)(iv) may not be made less than 12 months prior to the date of the first scheduled payment under such paragraph.

"(b) RULES RELATING TO FUNDING.—

"(1) OFFSHORE PROPERTY IN A TRUST.—In the case of assets set aside (directly or indirectly) in a trust (or other arrangement determined by the Secretary) for purposes of paying deferred compensation under a nonqualified deferred compensation plan, for purposes of section 83 such assets shall be treated as property transferred in connection with the performance of services whether or not such assets are available to satisfy claims of general creditors—

"(A) at the time set aside if such assets are located outside of the United States, or

"(B) at the time transferred if such assets are subsequently transferred outside of the United States.

"(2) EMPLOYER'S FINANCIAL HEALTH.—In the case of compensation deferred under a nonqualified deferred compensation plan, there is a transfer of property within the meaning of section 83 with respect to such compensation as of the earlier of—

"(A) the date on which the plan first provides that assets will become restricted to the provision of benefits under the plan in connection with a change in the employer's financial health, or

"(B) the date on which assets are so restricted.

"(3) INCOME INCLUSION FOR OFFSHORE TRUSTS AND EMPLOYER'S FINANCIAL HEALTH.—For each taxable year that assets treated as transferred under this subsection remain set aside in a trust or other arrangement subject to paragraph (1) or (2), any increase in value in, or earnings with respect to, such assets shall be treated as an additional transfer of property under this subsection (to the extent not previously included in income).

"(4) INTEREST ON TAX LIABILITY PAYABLE WITH RESPECT TO TRANSFERRED PROPERTY.—

"(A) IN GENERAL.—If amounts are required to be included in gross income by reason of paragraph (1) or (2) for a taxable year, the tax imposed by this chapter for such taxable year shall be increased by the amount of interest determined under subparagraph (B).

"(B) INTEREST.—The interest determined under this subparagraph for any taxable year is the amount of interest at the underpayment rate plus 1 percentage point on the underpayments that would have occurred had the amounts so required to be included in gross income by paragraph (1) or (2) been includible in gross income for the taxable year in which first deferred or, if later, the first taxable year in which such deferred compensation is not subject to a substantial risk of forfeiture.

"(c) NO INFERENCE ON EARLIER INCOME INCLUSION OR REQUIREMENT OF LATER INCLUSION.—Nothing in this section shall be construed to prevent the inclusion of amounts in gross income under any other provision of this chapter or any other rule of law earlier than the time provided in this section. Any amount included in gross income under this section shall not be required to be included in gross income under any other provision of this chapter or any other rule of law later than the time provided in this section.

"(d) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) NONQUALIFIED DEFERRED COMPENSATION PLAN.—The term 'nonqualified deferred compensation plan' means any plan that provides for the deferral of compensation, other than—

"(A) a qualified employer plan, and

"(B) any bona fide vacation leave, sick leave, compensatory time, disability pay, or death benefit plan.

"(2) QUALIFIED EMPLOYER PLAN.—The term 'qualified employer plan' means—

"(A) any plan, contract, pension, account, or trust described in subparagraph (A) or (B) of section 219(g)(5), and

"(B) any eligible deferred compensation plan (within the meaning of section 457(b)) of an employer described in section 457(e)(1)(A).

"(3) PLAN INCLUDES ARRANGEMENTS, ETC.—The term 'plan' includes any agreement or arrangement, including an agreement or arrangement that includes one person.

"(4) SUBSTANTIAL RISK OF FORFEITURE.—The rights of a person to compensation are subject to a substantial risk of forfeiture if such person's rights to such compensation are conditioned upon the future performance of substantial services by any individual.

"(5) TREATMENT OF EARNINGS.—References to deferred compensation shall be treated as including references to income (whether actual or notional) attributable to such compensation or such income.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations—

"(1) providing for the determination of amounts of deferral in the case of a nonqualified deferred compensation plan which is a defined benefit plan,

"(2) relating to changes in the ownership and control of a corporation or assets of a corporation for purposes of subsection (a)(2)(A)(v),

"(3) exempting arrangements from the application of subsection (b) if such arrangements will not result in an improper deferral of United States tax and will not result in assets being effectively beyond the reach of creditors,

"(4) defining financial health for purposes of subsection (b)(2), and

"(5) disregarding a substantial risk of forfeiture in cases where necessary to carry out the purposes of this section.".

(b) W–2 FORMS.—

(1) IN GENERAL.—Subsection (a) of section 6051 (relating to receipts for employees) is amended by striking "and" at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting ", and", and by inserting after paragraph (12) the following new paragraph:

"(13) the total amount of deferrals under a nonqualified deferred compensation plan (within the meaning of section 409A(d)).".

(2) THRESHOLD.—Subsection (a) of section 6051 is amended by adding at the end the following: "In the case of the amounts required to be shown by paragraph (13), the Secretary (by regulation) may establish a minimum amount of deferrals below which paragraph (13) does not apply and may provide that paragraph (13) does not apply with respect to amounts of deferrals which are not reasonably ascertainable.".

(c) CONFORMING AND CLERICAL AMENDMENTS.—

(1) Section 414(b) is amended by inserting "409A," after "408(p),".

(2) Section 414(c) is amended by inserting "409A," after "408(p),".

(3) The table of sections for such subpart A of part I of subchapter D of chapter 1 is amended by adding at the end the following new item:

"Sec. 409A. Inclusion in gross income of deferred compensation under nonqualified deferred compensation plans.".

(d) Effective Date.—

(1) In general.—The amendments made by this section shall apply to amounts deferred after June 3, 2004.

(2) Certain amounts deferred in 2004 under certain irrevocable elections and binding arrangements.—The amendments made by this section shall not apply to amounts deferred after June 3, 2004, and before January 1, 2005, pursuant to an irrevocable election or binding arrangement made before June 4, 2004.

(3) Earnings attributable to amount previously deferred.—The amendments made by this section shall apply to earnings on deferred compensation only to the extent that such amendments apply to such compensation.

(e) Guidance Relating to Change of Ownership or Control.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Treasury shall issue guidance on what constitutes a change in ownership or effective control for purposes of section 409A of the Internal Revenue Code of 1986, as added by this section.

(f) Guidance Relating to Termination of Certain Existing Arrangements.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Treasury shall issue guidance providing a limited period during which an individual participating in a nonqualified deferred compensation plan adopted before June 4, 2004, may, without violating the requirements of paragraphs (2), (3), and (4) of section 409A(a)(2) of the Internal Revenue Code of 1986 (as added by this section), terminate participation or cancel an outstanding deferral election with regard to amounts earned after June 3, 2004, if such amounts are includible in income as earned.

Subtitle E—Other Revenue Provisions

SEC. 681. QUALIFIED TAX COLLECTION CONTRACTS.

(a) Contract Requirements.—

(1) In general.—Subchapter A of chapter 64 (relating to collection) is amended by adding at the end the following new section:

"SEC. 6306. QUALIFIED TAX COLLECTION CONTRACTS.

"(a) In General.—Nothing in any provision of law shall be construed to prevent the Secretary from entering into a qualified tax collection contract.

"(b) Qualified Tax Collection Contract.—For purposes of this section, the term 'qualified tax collection contract' means any contract which—

"(1) is for the services of any person (other than an officer or employee of the Treasury Department)—

"(A) to locate and contact any taxpayer specified by the Secretary,

"(B) to request full payment from such taxpayer of an amount of Federal tax specified by the Secretary and, if such request cannot be met by the taxpayer, to offer the taxpayer an installment agreement providing for full payment of such amount during a period not to exceed 5 years, and

"(C) to obtain financial information specified by the Secretary with respect to such taxpayer,

"(2) prohibits each person providing such services under such contract from committing any act or omission which employees of the Internal Revenue Service are prohibited from committing in the performance of similar services,

"(3) prohibits subcontractors from—

"(A) having contacts with taxpayers,

"(B) providing quality assurance services, and

"(C) composing debt collection notices, and

"(4) permits subcontractors to perform other services only with the approval of the Secretary.

"(c) Fees.—The Secretary may retain and use an amount not in excess of 25 percent of the amount collected under any qualified tax collection contract for the costs of services performed under such contract. The Secretary shall keep adequate records regarding amounts so retained and used. The amount credited as paid by any taxpayer shall be determined without regard to this subsection.

"(d) No Federal Liability.—The United States shall not be liable for any act or omission of any person performing services under a qualified tax collection contract.

"(e) Application of Fair Debt Collection Practices Act.—The provisions of the Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.) shall apply to any qualified tax collection contract, except to the extent superseded by section 6304, section 7602(c), or by any other provision of this title.

"(f) Cross References.—

"(1) For damages for certain unauthorized collection actions by persons performing services under a qualified tax collection contract, see section 7433A.

"(2) For application of Taxpayer Assistance Orders to persons performing services under a qualified tax collection contract, see section 7811(a)(4).".

(2) Conforming amendments.—

(A) Section 7809(a) is amended by inserting "6306," before "7651".

(B) The table of sections for subchapter A of chapter 64 is amended by adding at the end the following new item:

"Sec. 6306. Qualified Tax Collection Contracts.".

(b) Civil Damages for Certain Unauthorized Collection Actions by Persons Performing Services Under Qualified Tax Collection Contracts.—

(1) In general.—Subchapter B of chapter 76 (relating to proceedings by taxpayers and third parties) is amended by inserting after section 7433 the following new section:

"SEC. 7433A. CIVIL DAMAGES FOR CERTAIN UNAUTHORIZED COLLECTION ACTIONS BY PERSONS PERFORMING SERVICES UNDER QUALIFIED TAX COLLECTION CONTRACTS.

"(a) In General.—Subject to the modifications provided by subsection (b), section 7433 shall apply to the acts and omissions of any person performing services under a qualified tax collection contract (as defined in section 6306(b)) to the same extent and in the same manner as if such person were an employee of the Internal Revenue Service.

"(b) Modifications.—For purposes of subsection (a)—

"(1) Any civil action brought under section 7433 by reason of this section shall be brought against the person who entered into the qualified tax collection contract with the Secretary and shall not be brought against the United States.

"(2) Such person and not the United States shall be liable for any damages and costs determined in such civil action.

"(3) Such civil action shall not be an exclusive remedy with respect to such person.

"(4) Subsections (c), (d)(1), and (e) of section 7433 shall not apply.".

(2) Clerical amendment.—The table of sections for subchapter B of chapter 76 is amended by inserting after the item relating to section 7433 the following new item:

"Sec. 7433A. Civil damages for certain unauthorized collection actions by persons performing services under a qualified tax collection contract.".

(c) Application of Taxpayer Assistance Orders to Persons Performing Services Under a Qualified Tax Collection Contract.—Section 7811 (relating to taxpayer assistance orders) is amended by adding at the end the following new subsection:

"(g) Application to Persons Performing Services Under a Qualified Tax Collection Contract.—Any order issued or action taken by the National Taxpayer Advocate pursuant to this section shall apply to persons performing services under a qualified tax collection contract (as defined in section 6306(b)) to the same extent and in the same manner as such order or action applies to the Secretary.".

(d) Ineligibility of Individuals Who Commit Misconduct to Perform Under Contract.—Section 1203 of the Internal Revenue Service Restructuring Act of 1998 (relating to termination of employment for misconduct) is amended by adding at the end the following new subsection:

"(e) Individuals Performing Services Under a Qualified Tax Collection Contract.—An individual shall cease to be permitted to perform any services under any qualified tax collection contract (as defined in section 6306(b) of the Internal Revenue Code of 1986) if there is a final determination by the Secretary of the Treasury under such contract that such individual committed any act or omission described under subsection (b) in connection with the performance of such services.".

(e) Effective Date.—The amendments made to this section shall take effect on the date of the enactment of this Act.

SEC. 682. TREATMENT OF CHARITABLE CONTRIBUTIONS OF PATENTS AND SIMILAR PROPERTY.

(a) In General.—Subparagraph (B) of section 170(e)(1) is amended by striking "or" at the end of clause (i), by adding "or" at the end of clause (ii), and by inserting after clause (ii) the following new clause:

"(iii) of any patent, copyright (other than a copyright described in section 1221(a)(3) or 1231(b)(1)(C)), trademark, trade name, trade secret, know-how, software (other than software described in section 197(e)(3)(A)(i)), or similar property, or applications or registrations of such property,".

(b) Certain Donee Income From Intellectual Property Treated as an Additional Charitable Contribution.—Section 170 is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) Certain Donee Income From Intellectual Property Treated as an Additional Charitable Contribution.—

"(1) Treatment as additional contribution.—In the case of a taxpayer who makes a qualified intellectual property contribution, the deduction allowed under subsection (a) for each taxable year of the taxpayer ending on or after the date of such contribution shall be increased (subject to the limitations under subsection (b)) by the applicable percentage of qualified donee income with respect to such contribution which is properly allocable to such year under this subsection.

"(2) Reduction in additional deductions to extent of initial deduction.—With respect to any qualified intellectual property contribution, the deduction allowed under subsection (a) shall be increased under paragraph (1) only to the extent that the aggregate amount of such increases with respect to such contribution exceed the amount allowed as a deduction under subsection (a) with respect to such contribution determined without regard to this subsection.

"(3) QUALIFIED DONEE INCOME.—For purposes of this subsection, the term 'qualified donee income' means any net income received by or accrued to the donee which is properly allocable to the qualified intellectual property.

"(4) ALLOCATION OF QUALIFIED DONEE INCOME TO TAXABLE YEARS OF DONOR.—For purposes of this subsection, qualified donee income shall be treated as properly allocable to a taxable year of the donor if such income is received by or accrued to the donee for the taxable year of the donee which ends within or with such taxable year of the donor.

"(5) 10-YEAR LIMITATION.—Income shall not be treated as properly allocable to qualified intellectual property for purposes of this subsection if such income is received by or accrued to the donee after the 10-year period beginning on the date of the contribution of such property.

"(6) BENEFIT LIMITED TO LIFE OF INTELLECTUAL PROPERTY.—Income shall not be treated as properly allocable to qualified intellectual property for purposes of this subsection if such income is received by or accrued to the donee after the expiration of the legal life of such property.

"(7) APPLICABLE PERCENTAGE.—For purposes of this subsection, the term 'applicable percentage' means the percentage determined under the following table which corresponds to a taxable year of the donor ending on or after the date of the qualified intellectual property contribution:

"Taxable Year of Donor Ending on or After Date of Contribution:	Applicable Percentage:
1st	100
2nd	100
3rd	90
4th	80
5th	70
6th	60
7th	50
8th	40
9th	30
10th	20
11th	10
12th	10.

"(8) QUALIFIED INTELLECTUAL PROPERTY CONTRIBUTION.—For purposes of this subsection, the term 'qualified intellectual property contribution' means any charitable contribution of qualified intellectual property—

"(A) the amount of which taken into account under this section is reduced by reason of subsection (e)(1), and

"(B) with respect to which the donor informs the donee at the time of such contribution that the donor intends to treat such contribution as a qualified intellectual property contribution for purposes of this subsection and section 6050L.

"(9) QUALIFIED INTELLECTUAL PROPERTY.—For purposes of this subsection, the term 'qualified intellectual property' means property described in subsection (e)(1)(B)(iii) (other than property contributed to or for the use of an organization described in subsection (e)(1)(B)(ii)).

"(10) OTHER SPECIAL RULES.—

"(A) APPLICATION OF LIMITATIONS ON CHARITABLE CONTRIBUTIONS.—Any increase under this subsection of the deduction provided under subsection (a) shall be treated for purposes of subsection (b) as a deduction which is attributable to a charitable contribution to the donee to which such increase relates.

"(B) NET INCOME DETERMINED BY DONEE.—The net income taken into account under paragraph (3) shall not exceed the amount of such income reported under section 6050L(b)(1).

"(C) DEDUCTION LIMITED TO 12 TAXABLE YEARS.—Except as may be provided under subparagraph (D)(i), this subsection shall not apply with respect to any qualified intellectual property contribution for any taxable year of the donor after the 12th taxable year of the donor which ends on or after the date of such contribution.

"(D) REGULATIONS.—The Secretary may issue regulations or other guidance to carry out the purposes of this subsection, including regulations or guidance—

"(i) modifying the application of this subsection in the case of a donor or donee with a short taxable year, and

"(ii) providing for the determination of an amount to be treated as net income of the donee which is properly allocable to qualified intellectual property in the case of a donee who uses such property to further a purpose or function constituting the basis of the donee's exemption under section 501 (or, in the case of a governmental unit, any purpose described in section 170(c)) and does not possess a right to receive any payment from a third party with respect to such property.".

(c) REPORTING REQUIREMENTS.—

(1) IN GENERAL.—Section 6050L (relating to returns relating to certain dispositions of donated property) is amended to read as follows:

"SEC. 6050L. RETURNS RELATING TO CERTAIN DONATED PROPERTY.

"(a) DISPOSITIONS OF DONATED PROPERTY.—

"(1) IN GENERAL.—If the donee of any charitable deduction property sells, exchanges, or otherwise disposes of such property within 2 years after its receipt, the donee shall make a return (in accordance with forms and regulations prescribed by the Secretary) showing—

"(A) the name, address, and TIN of the donor,

"(B) a description of the property,

"(C) the date of the contribution,

"(D) the amount received on the disposition, and

"(E) the date of such disposition.

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) CHARITABLE DEDUCTION PROPERTY.—The term 'charitable deduction property' means any property (other than publicly traded securities) contributed in a contribution for which a deduction was claimed under section 170 if the claimed value of such property (plus the claimed value of all similar items of property donated by the donor to 1 or more donees) exceeds $5,000.

"(B) PUBLICLY TRADED SECURITIES.—The term 'publicly traded securities' means securities for which (as of the date of the contribution) market quotations are readily available on an established securities market.

"(b) QUALIFIED INTELLECTUAL PROPERTY CONTRIBUTIONS.—

"(1) IN GENERAL.—Each donee with respect to a qualified intellectual property contribution shall make a return (at such time and in such form and manner as the Secretary may by regulations prescribe) with respect to each specified taxable year of the donee showing—

"(A) the name, address, and TIN of the donor,

"(B) a description of the qualified intellectual property contributed,

"(C) the date of the contribution, and

"(D) the amount of net income of the donee for the taxable year which is properly allocable to the qualified intellectual property (determined without regard to paragraph (10)(B) of section 170(m) and with the modifications described in paragraphs (5) and (6) of such section).

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) IN GENERAL.—Terms used in this subsection which are also used in section 170(m) have the respective meanings given such terms in such section.

"(B) SPECIFIED TAXABLE YEAR.—The term 'specified taxable year' means, with respect to any qualified intellectual property contribution, any taxable year of the donee any portion of which is part of the 10-year period beginning on the date of such contribution.

"(c) STATEMENT TO BE FURNISHED TO DONORS.—Every person making a return under subsection (a) or (b) shall furnish a copy of such return to the donor at such time and in such manner as the Secretary may by regulations prescribe.".

(d) COORDINATION WITH APPRAISAL REQUIREMENTS.—Subclause (I) of section 170(f)(11)(A)(ii), as added by section 683, is amended by inserting "subsection (e)(1)(B)(iii) or" before "section 1221(a)(1)".

(e) ANTI-ABUSE RULES.—The Secretary of the Treasury may prescribe such regulations or other guidance as may be necessary or appropriate to prevent the avoidance of the purposes of section 170(e)(1)(B)(iii) of the Internal Revenue Code of 1986 (as added by subsection (a)), including preventing—

(1) the circumvention of the reduction of the charitable deduction by embedding or bundling the patent or similar property as part of a charitable contribution of property that includes the patent or similar property,

(2) the manipulation of the basis of the property to increase the amount of the charitable deduction through the use of related persons, pass-thru entities, or other intermediaries, or through the use of any provision of law or regulation (including the consolidated return regulations), and

(3) a donor from changing the form of the patent or similar property to property of a form for which different deduction rules would apply.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after June 3, 2004.

SEC. 683. INCREASED REPORTING FOR NONCASH CHARITABLE CONTRIBUTIONS.

(a) IN GENERAL.—Subsection (f) of section 170 (relating to disallowance of deduction in certain cases and special rules) is amended by adding after paragraph (10) the following new paragraph:

"(11) QUALIFIED APPRAISAL AND OTHER DOCUMENTATION FOR CERTAIN CONTRIBUTIONS.—

"(A) IN GENERAL.—

"(i) DENIAL OF DEDUCTION.—In the case of an individual, partnership, or corporation, no deduction shall be allowed under subsection (a) for any contribution of property for which a deduction of more than $500 is claimed unless such person meets the requirements of subparagraphs (B), (C), and (D), as the case may be, with respect to such contribution.

"(ii) EXCEPTIONS.—

"(I) READILY VALUED PROPERTY.—Subparagraphs (C) and (D) shall not apply to cash, property described in section 1221(a)(1), and publicly traded securities (as defined in section 6050L(a)(2)(B)).

“(II) REASONABLE CAUSE.—Clause (i) shall not apply if it is shown that the failure to meet such requirements is due to reasonable cause and not to willful neglect.

“(B) PROPERTY DESCRIPTION FOR CONTRIBUTIONS OF MORE THAN $500.—In the case of contributions of property for which a deduction of more than $500 is claimed, the requirements of this subparagraph are met if the individual, partnership or corporation includes with the return for the taxable year in which the contribution is made a description of such property and such other information as the Secretary may require. The requirements of this subparagraph shall not apply to a C corporation which is not a personal service corporation or a closely held C corporation.

“(C) QUALIFIED APPRAISAL FOR CONTRIBUTIONS OF MORE THAN $5,000.—In the case of contributions of property for which a deduction of more than $5,000 is claimed, the requirements of this subparagraph are met if the individual, partnership, or corporation obtains a qualified appraisal of such property and attaches to the return for the taxable year in which such contribution is made such information regarding such property and such appraisal as the Secretary may require.

“(D) SUBSTANTIATION FOR CONTRIBUTIONS OF MORE THAN $500,000.—In the case of contributions of property for which a deduction of more than $500,000 is claimed, the requirements of this subparagraph are met if the individual, partnership, or corporation attaches to the return for the taxable year a qualified appraisal of such property.

“(E) QUALIFIED APPRAISAL.—For purposes of this paragraph, the term ‘qualified appraisal’ means, with respect to any property, an appraisal of such property which is treated for purposes of this paragraph as a qualified appraisal under regulations or other guidance prescribed by the Secretary.

“(F) AGGREGATION OF SIMILAR ITEMS OF PROPERTY.—For purposes of determining thresholds under this paragraph, property and all similar items of property donated to 1 or more donees shall be treated as 1 property.

“(G) SPECIAL RULE FOR PASS-THRU ENTITIES.—In the case of a partnership or S corporation, this paragraph shall be applied at the entity level, except that the deduction shall be denied at the partner or shareholder level.

“(H) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph, including regulations that may provide that some or all of the requirements of this paragraph do not apply in appropriate cases.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after June 3, 2004.

SEC. 684. DONATIONS OF MOTOR VEHICLES, BOATS, AND AIRCRAFT.

(a) IN GENERAL.—Subsection (f) of section 170 (relating to disallowance of deduction in certain cases and special rules) is amended by adding after paragraph (11) the following new paragraph:

“(12) CONTRIBUTIONS OF MOTOR VEHICLES, BOATS, AND AIRCRAFT.—

“(A) IN GENERAL.—Except as provided in regulations or other guidance, in the case of a contribution of a specified vehicle to which paragraph (8) applies, no deduction shall be allowed under subsection (a) for such contribution unless the taxpayer obtains a qualified appraisal of the specified vehicle on or before the date of such contribution.

“(B) EXCEPTION FOR INVENTORY PROPERTY.—Subparagraph (A) shall not apply to property which is described in section 1221(a)(1).

“(C) SPECIFIED VEHICLE.—For purposes of this paragraph, the term ‘specified vehicle’ means any—

“(i) motor vehicle manufactured primarily for use on public streets, roads, and highways,

“(ii) boat, or

“(iii) aircraft.

“(D) QUALIFIED APPRAISAL.—For purposes of this paragraph, the term ‘qualified appraisal’ means any appraisal which is treated for purposes of this paragraph as a qualified appraisal under regulations or other guidance prescribed by the Secretary.

“(E) REGULATIONS OR OTHER GUIDANCE.—The Secretary shall prescribe such regulations or other guidance as may be necessary to carry out the purposes of this paragraph.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to contributions made after June 3, 2004.

SEC. 685. EXTENSION OF AMORTIZATION OF INTANGIBLES TO SPORTS FRANCHISES.

(a) IN GENERAL.—Section 197(e) (relating to exceptions to definition of section 197 intangible) is amended by striking paragraph (6) and by redesignating paragraphs (7) and (8) as paragraphs (6) and (7), respectively.

(b) CONFORMING AMENDMENTS.—

(1)(A) Section 1056 (relating to basis limitation for player contracts transferred in connection with the sale of a franchise) is repealed.

(B) The table of sections for part IV of subchapter O of chapter 1 is amended by striking the item relating to section 1056.

(2) Section 1245(a) (relating to gain from disposition of certain depreciable property) is amended by striking paragraph (4).

(3) Section 1253 (relating to transfers of franchises, trademarks, and trade names) is amended by striking subsection (e).

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to property acquired after the date of the enactment of this Act.

(2) SECTION 1245.—The amendment made by subsection (b)(2) shall apply to franchises acquired after the date of the enactment of this Act.

SEC. 686. MODIFICATION OF CONTINUING LEVY ON PAYMENTS TO FEDERAL VENDERS.

(a) IN GENERAL.—Section 6331(h) (relating to continuing levy on certain payments) is amended by adding at the end the following new paragraph:

“(3) INCREASE IN LEVY FOR CERTAIN PAYMENTS.—Paragraph (1) shall be applied by substituting ‘100 percent’ for ‘15 percent’ in the case of any specified payment due to a vendor of goods or services sold or leased to the Federal Government.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 687. MODIFICATION OF STRADDLE RULES.

(a) RULES RELATING TO IDENTIFIED STRADDLES.—

(1) IN GENERAL.—Subparagraph (A) of section 1092(a)(2) (relating to special rule for identified straddles) is amended to read as follows:

“(A) IN GENERAL.—In the case of any straddle which is an identified straddle—

“(i) paragraph (1) shall not apply with respect to identified positions comprising the identified straddle,

“(ii) if there is any loss with respect to any identified position of the identified straddle, the basis of each of the identified offsetting positions in the identified straddle shall be increased by an amount which bears the same ratio to the loss as the unrecognized gain with respect to such offsetting position bears to the aggregate unrecognized gain with respect to all such offsetting positions, and

“(iii) any loss described in clause (ii) shall not otherwise be taken into account for purposes of this title.”.

(2) IDENTIFIED STRADDLE.—Section 1092(a)(2)(B) (defining identified straddle) is amended—

(A) by striking clause (ii) and inserting the following:

“(ii) to the extent provided by regulations, the value of each position of which (in the hands of the taxpayer immediately before the creation of the straddle) is not less than the basis of such position in the hands of the taxpayer at the time the straddle is created, and”, and

(B) by adding at the end the following new flush sentence:

“The Secretary shall prescribe regulations which specify the proper methods for clearly identifying a straddle as an identified straddle (and the positions comprising such straddle), which specify the rules for the application of this section for a taxpayer which fails to properly identify the positions of an identified straddle, and which specify the ordering rules in cases where a taxpayer disposes of less than an entire position which is part of an identified straddle.”.

(3) UNRECOGNIZED GAIN.—Section 1092(a)(3) (defining unrecognized gain) is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

“(B) SPECIAL RULE FOR IDENTIFIED STRADDLES.—For purposes of paragraph (2)(A)(ii), the unrecognized gain with respect to any identified offsetting position shall be the excess of the fair market value of the position at the time of the determination over the fair market value of the position at the time the taxpayer identified the position as a position in an identified straddle.”.

(4) CONFORMING AMENDMENT.—Section 1092(c)(2) is amended by striking subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(b) PHYSICALLY SETTLED POSITIONS.—Section 1092(d) (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

“(8) SPECIAL RULES FOR PHYSICALLY SETTLED POSITIONS.—For purposes of subsection (a), if a taxpayer settles a position which is part of a straddle by delivering property to which the position relates (and such position, if terminated, would result in a realization of a loss), then such taxpayer shall be treated as if such taxpayer—

“(A) terminated the position for its fair market value immediately before the settlement, and

“(B) sold the property so delivered by the taxpayer at its fair market value.”.

(c) REPEAL OF STOCK EXCEPTION.—

(1) IN GENERAL.—Paragraph (3) of section 1092(d) (relating to definitions and special rules) is amended to read as follows:

“(3) SPECIAL RULES FOR STOCK.—For purposes of paragraph (1)—

“(A) IN GENERAL.—The term ‘personal property’ includes—

"(i) any stock which is a part of a straddle at least 1 of the offsetting positions of which is a position with respect to such stock or substantially similar or related property, or

"(ii) any stock of a corporation formed or availed of to take positions in personal property which offset positions taken by any shareholder.

"(B) RULE FOR APPLICATION.—For purposes of determining whether subsection (e) applies to any transaction with respect to stock described in subparagraph (A)(ii), all includible corporations of an affiliated group (within the meaning of section 1504(a)) shall be treated as 1 taxpayer.".

(2) CONFORMING AMENDMENT.—Section 1258(d)(1) is amended by striking "; except that the term 'personal property' shall include stock".

(d) HOLDING PERIOD FOR DIVIDEND EXCLUSION.—The last sentence of section 246(c) is amended by inserting: ", other than a qualified covered call option to which section 1092(f) applies" before the period at the end.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to positions established on or after the date of the enactment of this Act.

SEC. 688. ADDITION OF VACCINES AGAINST HEPATITIS A TO LIST OF TAXABLE VACCINES.

(a) IN GENERAL.—Paragraph (1) of section 4132(a) (defining taxable vaccine) is amended by redesignating subparagraphs (I), (J), (K), and (L) as subparagraphs (J), (K), (L), and (M), respectively, and by inserting after subparagraph (H) the following new subparagraph:

"(I) Any vaccine against hepatitis A."

(b) EFFECTIVE DATE.—

(1) SALES, ETC.—The amendments made by subsection (a) shall apply to sales and uses on or after the first day of the first month which begins more than 4 weeks after the date of the enactment of this Act.

(2) DELIVERIES.—For purposes of paragraph (1) and section 4131 of the Internal Revenue Code of 1986, in the case of sales on or before the effective date described in such paragraph for which delivery is made after such date, the delivery date shall be considered the sale date.

SEC. 689. ADDITION OF VACCINES AGAINST INFLUENZA TO LIST OF TAXABLE VACCINES.

(a) IN GENERAL.—Section 4132(a)(1) (defining taxable vaccine), as amended by this Act, is amended by adding at the end the following new subparagraph:

"(N) Any trivalent vaccine against influenza.".

(b) EFFECTIVE DATE.—

(1) SALES, ETC.—The amendment made by this section shall apply to sales and uses on or after the later of—

(A) the first day of the first month which begins more than 4 weeks after the date of the enactment of this Act, or

(B) the date on which the Secretary of Health and Human Services lists any vaccine against influenza for purposes of compensation for any vaccine-related injury or death through the Vaccine Injury Compensation Trust Fund.

(2) DELIVERIES.—For purposes of paragraph (1) and section 4131 of the Internal Revenue Code of 1986, in the case of sales on or before the effective date described in such paragraph for which delivery is made after such date, the delivery date shall be considered the sale date.

SEC. 690. EXTENSION OF IRS USER FEES.

(a) IN GENERAL.—Section 7528(c) (relating to termination) is amended by striking "December 31, 2004" and inserting "September 30, 2014".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to requests after the date of the enactment of this Act.

SEC. 691. COBRA FEES.

(a) USE OF MERCHANDISE PROCESSING FEE.—Section 13031(f) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)) is amended—

(1) in paragraph (1), by aligning subparagraph (B) with subparagraph (A); and

(2) in paragraph (2), by striking "commercial operations" and all that follows through "processing." and inserting "customs revenue functions as defined in section 415 of the Homeland Security Act of 2002 (other than functions performed by the Office of International Affairs referred to in section 415(8) of that Act), and for automation (including the Automation Commercial Environment computer system), and for no other purpose. To the extent that funds in the Customs User Fee Account are insufficient to pay the costs of such customs revenue functions, customs duties in an amount equal to the amount of such insufficiency shall be available, to the extent provided for in appropriations Acts, to pay the costs of such customs revenue functions in the amount of such insufficiency, and shall be available for no other purpose. The provisions of the first and second sentences of this paragraph specifying the purposes for which amounts in the Customs User Fee Account may be made available shall not be superseded except by a provision of law which specifically modifies or supersedes such provisions.".

(b) REIMBURSEMENT OF APPROPRIATIONS FROM COBRA FEES.—Section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)(3)) is amended by adding at the end the following:

"(E) Nothing in this paragraph shall be construed to preclude the use of appropriated funds, from sources other than the fees collected under subsection (a), to pay the costs set forth in clauses (i), (ii), and (iii) of subparagraph (A).".

(c) SENSE OF CONGRESS; EFFECTIVE PERIOD FOR COLLECTING FEES; STANDARD FOR SETTING FEES.—

(1) SENSE OF CONGRESS.—The Congress finds that—

(A) the fees set forth in paragraphs (1) through (8) of subsection (a) of section 13031 of the Consolidated Omnibus Budget Reconciliation Act of 1985 have been reasonably related to the costs of providing customs services in connection with the activities or items for which the fees have been charged under such paragraphs; and

(B) the fees collected under such paragraphs have not exceeded, in the aggregate, the amounts paid for the costs described in subsection (f)(3)(A) incurred in providing customs services in connection with the activities or items for which the fees were charged under such paragraphs.

(2) EFFECTIVE PERIOD; STANDARD FOR SETTING FEES.—Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 is amended to read as follows:

"(3)(A) Fees may not be charged under paragraphs (9) and (10) of subsection (a) after September 30, 2014.

"(B)(i) Subject to clause (ii), Fees may not be charged under paragraphs (1) through (8) of subsection (a) after September 30, 2014.

"(ii) In fiscal year 2006 and in each succeeding fiscal year for which fees under paragraphs (1) through (8) of subsection (a) are authorized—

"(I) the Secretary of the Treasury shall charge fees under each such paragraph in amounts that are reasonably related to the costs of providing customs services in connection with the activity or item for which the fee is charged under such paragraph, except that in no case may the fee charged under any such paragraph exceed by more than 10 percent the amount otherwise prescribed by such paragraph;

"(II) the amount of fees collected under such paragraphs may not exceed, in the aggregate, the amounts paid in that fiscal year for the costs described in subsection (f)(3)(A) incurred in providing customs services in connection with the activity or item for which the fees are charged under such paragraphs;

"(III) a fee may not be collected under any such paragraph except to the extent such fee will be expended to pay the costs described in subsection (f)(3)(A) incurred in providing customs services in connection with the activity or item for which the fee is charged under such paragraph; and

"(IV) any fee collected under any such paragraph shall be available for expenditure only to pay the costs described in subsection (f)(3)(A) incurred in providing customs services in connection with the activity or item for which the fee is charged under such paragraph.".

(d) CLERICAL AMENDMENTS.—Section 13031 of the Consolidated Omnibus Budget Reconciliation Act of 1985 is amended—

(1) in subsection (a)(5)(B), by striking "$1.75" and inserting "$1.75.";

(2) in subsection (b)—

(A) in paragraph (1)(A), by aligning clause (iii) with clause (ii);

(B) in paragraph (7), by striking "paragraphs" and inserting "paragraph"; and

(C) in paragraph (9), by aligning subparagraph (B) with subparagraph (A); and

(3) in subsection (e)(2), by aligning subparagraph (B) with subparagraph (A).

(e) STUDY OF ALL FEES COLLECTED BY DEPARTMENT OF HOMELAND SECURITY.—The Secretary of the Treasury shall conduct a study of all the fees collected by the Department of Homeland Security, and shall submit to the Congress, not later than September 30, 2005, a report containing the recommendations of the Secretary on—

(1) what fees should be eliminated;

(2) what the rate of fees retained should be; and

(3) any other recommendations with respect to the fees that the Secretary considers appropriate.

SEC. 692. SAFE HARBOR FOR CHURCHES.

(a) IN GENERAL.—Section 501 is amended by redesignating subsection (q) as subsection (r) and by inserting after subsection (p) the following new subsection:

"(q) SAFE HARBOR FOR CHURCHES.—

"(1) STATEMENTS BY RELIGIOUS LEADERS AS PRIVATE CITIZENS.—An organization described in section 508(c)(1)(A) (relating to churches) shall not fail to be treated as organized and operated exclusively for a religious purpose, or be treated as having participated in, or intervened in any political campaign on behalf of (or in opposition to) any candidate for public office, for purposes of subsection (c)(3), or section 170(c)(2) (relating to charitable contributions), 4955, or 4956 solely by reason of a statement by a religious leader of such organization which is clearly identified as a statement made as a private citizen and not made on behalf of or in representation of such organization. A statement shall not be treated as clearly identified for purposes of this paragraph if such statement is made in an official publication of such organization, at an official function of such organization, or if such statement is paid for in whole or part by such organization.

"(2) UNINTENTIONAL VIOLATIONS.—An organization described in section 508(c)(1)(A) (relating to churches) shall not fail to be treated as organized and operated exclusively for a religious purpose, or be treated as having participated in, or intervened in any political campaign on behalf of (or in opposition to) any candidate for public office, for purposes of subsection (c)(3), or section 170(c)(2) (relating to charitable contributions) unless such organization or any of its religious leaders so participates or intervenes on more than 3 separate occasions during any calendar year. This paragraph shall not apply with respect to any such participation or intervention which constitutes an intentional disregard by such organization or any of its religious leaders of the prohibition of such activity under subsection (c)(3) or section 170(c)(2).

"(3) CROSS REFERENCE.—

"For tax imposed on churches for impermissible activities, see section 4956.".

(b) IMPOSITION OF TAX ON IMPERMISSIBLE ACTIVITIES.—

(1) IN GENERAL.—Subchapter C of chapter 42 is amended by inserting after section 4955 the following new section:

"SEC. 4956. TAX ON IMPERMISSIBLE ACTIVITIES BY CHURCHES.

"(a) IMPOSITION OF TAX.—There is hereby imposed on each organization described in section 508(c)(1)(A) which is an organization exempt from tax under section 501(a) by reason of section 501(q)(2), a tax equal to—

"(1) the highest rate of tax specified by section 11(b), multiplied by

"(2) the gross income of such organization for such calendar year.

The tax imposed by this subsection shall be paid by the organization.

"(b) REDUCTION FOR LESS THAN 3 VIOLATIONS.—In the case of an organization described in subsection (a) which committed not more than 2 acts of participation in, or intervention in a political campaign on behalf of (or in opposition to) any candidate for public office during such calendar year, the amount taken into account under subsection (a)(2) shall be the amount which would have been taken into account under subsection (a)(2) (but for this subsection) divided by—

"(1) 52 in the case of one such act during such calendar year, or

"(2) 2 in the case of 2 such acts during such calendar year.

"(c) COORDINATION WITH SECTION 4955.—The tax imposed under this section with respect to any act shall be reduced by the amount of any tax imposed under section 4955 with respect to such act.".

(2) CLERICAL AMENDMENTS.—

(A) The table of section for subchapter C of chapter 42 is amended by adding at the end the following new item:

"Sec. 4956. Tax on impermissible activities by churches.".

(B) The heading for subchapter C of chapter 42 is amended by striking "EXPENDITURES" and inserting "ACTIVITIES".

(c) REPORTING.—

(1) REQUIREMENT.—Subsection (a) of section 6012 is amended by adding at the end the following new paragraph:

"(10) Every organization described in section 508(c)(1)(A) with respect to which tax is imposed under section 4956.".

(2) FORM AND MANNER.—Section 6033 is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) RETURNS REQUIRED BY CHURCHES PARTICIPATING IN CERTAIN ACTIVITIES.—Any organization on which tax is imposed under section 4956 shall file a return at such time, in such manner, and including such information as the Secretary may prescribe.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to acts occurring after the date of the enactment of this Act.

TITLE VII—MARKET REFORM FOR TOBACCO GROWERS

SEC. 701. SHORT TITLE.

This title may be cited as the "Fair and Equitable Tobacco Reform Act of 2004".

SEC. 702. EFFECTIVE DATE.

This title and the amendments made by this title shall apply beginning with the 2005 marketing year of each kind of tobacco.

Subtitle A—Termination of Federal Tobacco Quota and Price Support Programs

SEC. 711. TERMINATION OF TOBACCO QUOTA PROGRAM AND RELATED PROVISIONS.

(a) MARKETING QUOTAS.—Part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) is repealed.

(b) PROCESSING.—Section 9(b) of the Agricultural Adjustment Act (7 U.S.C. 609(b)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(1) in paragraph (2), by striking "tobacco,"; and

(2) in paragraph (6)(B)(i), by striking ", or, in the case of tobacco, is less than the fair exchange value by not more than 10 per centum,".

(c) DECLARATION OF POLICY.—Section 2 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1282) is amended by striking "tobacco,".

(d) DEFINITIONS.—Section 301(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(b)) is amended—

(1) in paragraph (3)—

(A) by striking subparagraph (C); and

(B) by redesignating subparagraph (D) as subparagraph (C);

(2) in paragraph (6)(A), by striking "tobacco,";

(3) in paragraph (10)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B);

(4) in paragraph (11)(B), by striking "and tobacco";

(5) in paragraph (12), by striking "tobacco,";

(6) in paragraph (14)—

(A) in subparagraph (A), by striking "(A)"; and

(B) by striking subparagraphs (B), (C), and (D);

(7) by striking paragraph (15);

(8) in paragraph (16)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B);

(9) by striking paragraph (17); and

(10) by redesignating paragraph (16) as paragraph (15).

(e) PARITY PAYMENTS.—Section 303 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1303) is amended in the first sentence by striking "rice, or tobacco," and inserting "or rice,".

(f) ADMINISTRATIVE PROVISIONS.—Section 361 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1361) is amended by striking "tobacco,".

(g) ADJUSTMENT OF QUOTAS.—Section 371 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1371) is amended—

(1) in the first sentence of subsection (a), by striking "rice, or tobacco" and inserting "or rice"; and

(2) in the first sentence of subsection (b), by striking "rice, or tobacco" and inserting "or rice".

(h) REGULATIONS.—Section 375 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1375) is amended—

(1) in subsection (a), by striking "peanuts, or tobacco" and inserting "or peanuts"; and

(2) by striking subsection (c).

(i) EMINENT DOMAIN.—Section 378 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1378) is amended—

(1) in the first sentence of subsection (c), by striking "cotton, and tobacco" and inserting "and cotton"; and

(2) by striking subsections (d), (e), and (f).

(j) BURLEY TOBACCO FARM RECONSTITUTION.—Section 379 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1379) is amended—

(1) in subsection (a)—

(A) by striking "(a)"; and

(B) in paragraph (6), by striking ", but this clause (6) shall not be applicable in the case of burley tobacco"; and

(2) by striking subsections (b) and (c).

(k) ACREAGE-POUNDAGE QUOTAS.—Section 4 of the Act of April 16, 1955 (Public Law 89–12; 7 U.S.C. 1314c note), is repealed.

(l) BURLEY TOBACCO ACREAGE ALLOTMENTS.—The Act of July 12, 1952 (7 U.S.C. 1315), is repealed.

(m) TRANSFER OF ALLOTMENTS.—Section 703 of the Food and Agriculture Act of 1965 (7 U.S.C. 1316) is repealed.

(n) ADVANCE RECOURSE LOANS.—Section 13(a)(2)(B) of the Food Security Improvements Act of 1986 (7 U.S.C. 1433c–1(a)(2)(B)) is amended by striking "tobacco and".

(o) TOBACCO FIELD MEASUREMENT.—Section 1112 of the Omnibus Budget Reconciliation Act of 1987 (Public Law 100–203) is amended by striking subsection (c).

SEC. 712. TERMINATION OF TOBACCO PRICE SUPPORT PROGRAM AND RELATED PROVISIONS.

(a) TERMINATION OF TOBACCO PRICE SUPPORT AND NO NET COST PROVISIONS.—Sections 106, 106A, and 106B of the Agricultural Act of 1949 (7 U.S.C. 1445, 1445–1, 1445–2) are repealed.

(b) PARITY PRICE SUPPORT.—Section 101 of the Agricultural Act of 1949 (7 U.S.C. 1441) is amended—

(1) in the first sentence of subsection (a), by striking "tobacco (except as otherwise provided herein), corn," and inserting "corn";

(2) by striking subsections (c), (g), (h), and (i);

(3) in subsection (d)(3)—

(A) by striking ", except tobacco,"; and

(B) by striking "and no price support shall be made available for any crop of tobacco for which marketing quotas have been disapproved by producers;"; and

(4) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(c) DEFINITION OF BASIC AGRICULTURAL COMMODITY.—Section 408(c) of the Agricultural Act of 1949 (7 U.S.C. 1428(c)) is amended by striking "tobacco,".

(d) POWERS OF COMMODITY CREDIT CORPORATION.—Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) is amended by inserting "(other than tobacco)" after "agricultural commodities" each place it appears.

SEC. 713. LIABILITY.

The amendments made by this subtitle shall not affect the liability of any person under any provision of law so amended with respect to any crop of tobacco planted before the effective date of this Act.

Subtitle B—Transitional Payments to Tobacco Quota Holders and Active Producers of Tobacco

SEC. 721. DEFINITIONS OF ACTIVE TOBACCO PRODUCER AND QUOTA HOLDER.

In this subtitle:

(1) ACTIVE TOBACCO PRODUCER.—The term "active tobacco producer" means an owner, operator, landlord, tenant, or sharecropper who—

(A) shared in the risk of producing tobacco on a farm where tobacco was produced or considered planted pursuant to a tobacco farm marketing quota or farm acreage allotment established under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) for the 2004 marketing year; and

(B) was actively engaged on that farm.

(2) CONSIDERED PLANTED.—The term "considered planted" means tobacco that was planted, but failed to be produced as a result of a natural disaster, as determined by the Secretary.

(3) TOBACCO QUOTA HOLDER.—The term "tobacco quota holder" means a person that was an owner of a farm, as of July 1, 2004, for which a basic tobacco farm marketing quota or farm acreage allotment for quota tobacco was established for the 2004 tobacco marketing year.

(4) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

SEC. 722. PAYMENTS TO TOBACCO QUOTA HOLDERS.

(a) PAYMENT REQUIRED.—The Secretary shall make payments to each eligible tobacco quota holder for the termination of tobacco marketing quotas and related price support under subtitle A, which shall constitute full and fair compensation for any losses relating to such termination.

(b) ELIGIBILITY.—To be eligible to receive a payment under this section, a person shall submit to the Secretary an application containing such information as the Secretary may require to demonstrate to the satisfaction of the Secretary that the person satisfies the definition of tobacco quota holder. The application shall be submitted within such time, in such form, and in such manner as the Secretary may require.

(c) INDIVIDUAL BASE QUOTA LEVEL.—

(1) IN GENERAL.—The Secretary shall establish a base quota level applicable to each eligible tobacco quota holder identified under subsection (b).

(2) POUNDAGE QUOTAS.—Subject to adjustment under subsection (d), for each kind of tobacco for which the marketing quota is expressed in pounds, the base quota level for each tobacco quota holder shall be equal to the basic tobacco marketing quota under the Agriculture Adjustment Act of 1938 for the marketing year in effect on the date of the enactment of this Act for quota tobacco on the farm owned by the tobacco quota holder.

(3) MARKETING QUOTAS OTHER THAN POUNDAGE QUOTAS.—Subject to adjustment under subsection (d), for each kind of tobacco for which there is marketing quota or allotment on an acreage basis, the base quota level for each tobacco quota holder shall be the amount equal to the product obtained by multiplying—

(A) the basic tobacco farm marketing quota or allotment for the marketing year in effect on the date of the enactment of this Act, as established by the Secretary for quota tobacco on the farm owned by the tobacco quota holder; by

(B) the average county production yield per acre for the county in which the farm is located for the kind of tobacco for that marketing year.

(d) TREATMENT OF CERTAIN CONTRACTS AND AGREEMENTS.—

(1) EFFECT OF PURCHASE CONTRACT.—If there was an agreement for the purchase of all or part of a farm described in subsection (c) as of the date of the enactment of this Act, and the parties to the sale are unable to agree to the disposition of eligibility for payments under this section, the Secretary, taking into account any transfer of quota that has been agreed to, shall provide for the equitable division of the payments among the parties by adjusting the determination of who is the tobacco quota holder with respect to particular pounds of the quota.

(2) EFFECT OF AGREEMENT FOR PERMANENT QUOTA TRANSFER.—If the Secretary determines that there was in existence, as of the day before the date of the enactment of this Act, an agreement for the permanent transfer of quota, but that the transfer was not completed by that date, the Secretary shall consider the tobacco quota holder to be the party to the agreement that, as of that date, was the owner of the farm to which the quota was to be transferred.

(e) TOTAL PAYMENT AMOUNTS BASED ON 2002 MARKETING YEAR.—

(1) CALCULATION OF ANNUAL PAYMENT AMOUNT.—During fiscal years 2005 through 2009, the Secretary shall make payments to all eligible tobacco quota holders identified under subsection (b) in an annual amount equal to the product obtained by multiplying, for each kind of tobacco—

(A) $1.40 per pound; by

(B) the total national basic marketing quota established under the Agriculture Adjustment Act of 1938 for the 2002 marketing year for that kind of tobacco.

(2) MARKETING QUOTAS OTHER THAN POUNDAGE QUOTAS.—For each kind of tobacco for which there is a marketing quota or allotment on an acreage basis, the Secretary shall convert the tobacco farm marketing quotas or allotments established under the Agriculture Adjustment Act of 1938 for the 2002 marketing year for that kind of tobacco as the Secretary considers appropriate.

(f) INDIVIDUAL PAYMENT AMOUNTS.—The annual payment amount for each eligible tobacco quota holder with respect to a kind of tobacco under this section shall bear the same ratio to the amount determined by the Secretary under subsection (e) with respect to that kind of tobacco as the individual base quota level of that eligible tobacco quota holder under subsection (c) with respect to that kind of tobacco bears to the total base quota levels of all eligible tobacco quota holders with respect to that kind of tobacco.

(g) DEATH OF TOBACCO QUOTA HOLDER.—If a tobacco quota holder who is entitled to payments under this section dies and is survived by a spouse or one or more dependents, the right to receive the payments shall transfer to the surviving spouse or, if there is no surviving spouse, to the estate of the tobacco quota holder.

SEC. 723. TRANSITION PAYMENTS FOR ACTIVE PRODUCERS OF QUOTA TOBACCO.

(a) TRANSITION PAYMENTS REQUIRED.—The Secretary shall make transition payments under this section to eligible active producers of quota tobacco.

(b) ELIGIBILITY.—To be eligible to receive a transition payment under this section, a person shall submit to the Secretary an application containing such information as the Secretary may require to demonstrate to the satisfaction of the Secretary that the person satisfies the definition of active producer of quota tobacco. The application shall be submitted within such time, in such form, and in such manner as the Secretary may require.

(c) CURRENT PRODUCTION BASE.—The Secretary shall establish a production base applicable to each eligible active producer of quota tobacco identified under subsection (b). A producer's production base shall be equal to the quantity, in pounds, of quota tobacco subject to the basic marketing quota marketed or considered planted by the producer under the Agriculture Adjustment Act of 1938 for the marketing year in effect on the date of the enactment of this Act.

(d) TOTAL PAYMENT AMOUNTS BASED ON 2002 MARKETING YEAR.—

(1) CALCULATION OF ANNUAL PAYMENT AMOUNT.—During fiscal years 2005 through 2009, the Secretary shall make payments to all eligible active producers of quota tobacco identified under subsection (b) in an annual amount equal to the product obtained by multiplying, for each kind of tobacco—

(A) $0.60 per pound; by

(B) the total national effective marketing quota established under the Agriculture Adjustment Act of 1938 for the 2002 marketing year for that kind of tobacco.

(2) MARKETING QUOTAS OTHER THAN POUNDAGE QUOTAS.—For each kind of tobacco for which there is a marketing quota or allotment on an acreage basis, the Secretary shall convert the tobacco farm marketing quotas or allotments established under the Agriculture Adjustment Act of 1938 for the 2002 marketing year for that kind of tobacco to a poundage basis before executing the mathematical equation specified in paragraph (1).

(e) INDIVIDUAL PAYMENT AMOUNTS.—The annual payment amount for each eligible active producer of quota tobacco identified under subsection (b) with respect to a kind of tobacco under this section shall bear the same ratio to the amount determined by the Secretary under subsection (d) with respect to that kind of tobacco as the individual production base of that eligible active producer under subsection (c) with respect to that kind of tobacco bears to the total production bases determined under that subsection for all eligible active producers of that kind of tobacco.

(f) DEATH OF TOBACCO PRODUCER.—If a tobacco producer who is entitled to payments under this section dies and is survived by a spouse or one or more dependents, the right to receive the payments shall transfer to the surviving spouse or, if there is no surviving spouse, to the estate of the tobacco producer.

SEC. 724. RESOLUTION OF DISPUTES.

Any dispute regarding the eligibility of a person to receive a payment under this subtitle, or the amount of the payment, shall be resolved by the county committee established under section 8 of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h) for the county or other area in which the farming operation of the person is located.

SEC. 725. SOURCE OF FUNDS FOR PAYMENTS.

There is hereby appropriated to the Secretary, from amounts in the general fund of the Treasury, such amounts as the Secretary needs in order to make the payments required by sections 722 and 723, except that such amounts shall not exceed the lesser of—

(1) amounts received in the Treasury under chapter 52 of the Internal Revenue Code of 1986 (relating to tobacco products and cigarette papers and tubes), or

(2) $9,600,000,000.

The SPEAKER pro tempore. The amendment in the nature of a substitute printed in the bill, modified by the amendment printed in House report 108–549, is adopted.

The text of the amendment in the nature of a substitute, as modified, is as follows:

H.R. 4520

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "American Jobs Creation Act of 2004".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; etc.

TITLE I—END SANCTIONS AND REDUCE CORPORATE TAX RATES FOR DOMESTIC MANUFACTURING AND SMALL CORPORATIONS

Sec. 101. Repeal of exclusion for extraterritorial income.
Sec. 102. Reduced corporate income tax rate for domestic production activities income.
Sec. 103. Reduced corporate income tax rate for small corporations.

TITLE II—JOB CREATION TAX INCENTIVES FOR MANUFACTURERS, SMALL BUSINESSES, AND FARMERS

Subtitle A—Small Business Expensing

Sec. 201. 2-year extension of increased expensing for small business.

Subtitle B—Depreciation

Sec. 211. Recovery period for depreciation of certain leasehold improvements and restaurant property.
Sec. 212. Modification of depreciation allowance for aircraft.
Sec. 213. Modification of placed in service rule for bonus depreciation property.

Subtitle C—S Corporation Reform and Simplification

Sec. 221. Members of family treated as 1 shareholder.
Sec. 222. Increase in number of eligible shareholders to 100.
Sec. 223. Expansion of bank S corporation eligible shareholders to include IRAs.
Sec. 224. Disregard of unexercised powers of appointment in determining potential current beneficiaries of ESBT.
Sec. 225. Transfer of suspended losses incident to divorce, etc.
Sec. 226. Use of passive activity loss and at-risk amounts by qualified subchapter S trust income beneficiaries.
Sec. 227. Exclusion of investment securities income from passive income test for bank S corporations.
Sec. 228. Treatment of bank director shares.
Sec. 229. Relief from inadvertently invalid qualified subchapter S subsidiary elections and terminations.
Sec. 230. Information returns for qualified subchapter S subsidiaries.
Sec. 231. Repayment of loans for qualifying employer securities.

Subtitle D—Alternative Minimum Tax Relief

Sec. 241. Foreign tax credit under alternative minimum tax.
Sec. 242. Expansion of exemption from alternative minimum tax for small corporations.
Sec. 243. Income averaging for farmers not to increase alternative minimum tax.

Subtitle E—Restructuring of Incentives for Alcohol Fuels, Etc.

Sec. 251. Reduced rates of tax on gasohol replaced with excise tax credit; repeal of other alcohol-based fuel incentives; etc.
Sec. 252. Alcohol fuel subsidies borne by general fund.

Subtitle F—Stock Options and Employee Stock Purchase Plan Stock Options

Sec. 261. Exclusion of incentive stock options and employee stock purchase plan stock options from wages.

Subtitle G—Incentives to Reinvest Foreign Earnings in United States

Sec. 271. Incentives to reinvest foreign earnings in United States.

Subtitle H—Other Incentive Provisions

Sec. 281. Special rules for livestock sold on account of weather-related conditions.
Sec. 282. Payment of dividends on stock of cooperatives without reducing patronage dividends.
Sec. 283. Capital gain treatment under section 631(b) to apply to outright sales by landowners.
Sec. 284. Distributions from publicly traded partnerships treated as qualifying income of regulated investment companies.
Sec. 285. Improvements related to real estate investment trusts.
Sec. 286. Treatment of certain dividends of regulated investment companies.
Sec. 287. Taxation of certain settlement funds.
Sec. 288. Expansion of human clinical trials qualifying for orphan drug credit.
Sec. 289. Simplification of excise tax imposed on bows and arrows.
Sec. 290. Repeal of excise tax on fishing tackle boxes.
Sec. 291. Sonar devices suitable for finding fish.
Sec. 292. Income tax credit to distilled spirits wholesalers for cost of carrying Federal excise taxes on bottled distilled spirits.
Sec. 293. Suspension of occupational taxes relating to distilled spirits, wine, and beer.
Sec. 294. Modification of unrelated business income limitation on investment in certain small business investment companies.
Sec. 295. Election to determine taxable income from certain international shipping activities using per ton rate.
Sec. 296. Charitable contribution deduction for certain expenses incurred in support of Native Alaskan subsistence whaling.

TITLE III—TAX REFORM AND SIMPLIFICATION FOR UNITED STATES BUSINESSES

Sec. 301. Interest expense allocation rules.
Sec. 302. Recharacterization of overall domestic loss.
Sec. 303. Reduction to 2 foreign tax credit baskets.
Sec. 304. Look-thru rules to apply to dividends from noncontrolled section 902 corporations.
Sec. 305. Attribution of stock ownership through partnerships to apply in determining section 902 and 960 credits.
Sec. 306. Clarification of treatment of certain transfers of intangible property.
Sec. 307. United States property not to include certain assets of controlled foreign corporation.
Sec. 308. Election not to use average exchange rate for foreign tax paid other than in functional currency.
Sec. 309. Repeal of withholding tax on dividends from certain foreign corporations.
Sec. 310. Provide equal treatment for interest paid by foreign partnerships and foreign corporations.
Sec. 311. Look-thru treatment of payments between related controlled foreign corporations under foreign personal holding company income rules.
Sec. 312. Look-thru treatment for sales of partnership interests.
Sec. 313. Repeal of foreign personal holding company rules and foreign investment company rules.
Sec. 314. Determination of foreign personal holding company income with respect to transactions in commodities.
Sec. 315. Modifications to treatment of aircraft leasing and shipping income.
Sec. 316. Modification of exceptions under subpart F for active financing.

TITLE IV—EXTENSION OF CERTAIN EXPIRING PROVISIONS

Sec. 401. Allowance of nonrefundable personal credits against regular and minimum tax liability.
Sec. 402. Extension of research credit.
Sec. 403. Extension of credit for electricity produced from certain renewable resources.
Sec. 404. Indian employment tax credit.
Sec. 405. Work opportunity credit.
Sec. 406. Welfare-to-work credit.
Sec. 407. Certain expenses of elementary and secondary school teachers.
Sec. 408. Extension of accelerated depreciation benefit for property on Indian reservations.
Sec. 409. Charitable contributions of computer technology and equipment used for educational purposes.
Sec. 410. Expensing of environmental remediation costs.
Sec. 411. Availability of medical savings accounts.
Sec. 412. Taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.
Sec. 413. Qualified zone academy bonds.
Sec. 414. District of Columbia.
Sec. 415. Extension of certain New York Liberty Zone bond financing.
Sec. 416. Disclosures relating to terrorist activities.
Sec. 417. Disclosure of return information relating to student loans.
Sec. 418. Cover over of tax on distilled spirits.
Sec. 419. Joint review of strategic plans and budget for the Internal Revenue Service.
Sec. 420. Parity in the application of certain limits to mental health benefits.
Sec. 421. Combined employment tax reporting project.
Sec. 422. Clean-fuel vehicles.

TITLE V—DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES

Sec. 501. Deduction of State and local general sales taxes in lieu of State and local income taxes.

TITLE VI—REVENUE PROVISIONS

Subtitle A—Provisions to Reduce Tax Avoidance Through Individual and Corporate Expatriation

Sec. 601. Tax treatment of expatriated entities and their foreign parents.

Sec. 602. Excise tax on stock compensation of insiders in expatriated corporations.
Sec. 603. Reinsurance of United States risks in foreign jurisdictions.
Sec. 604. Revision of tax rules on expatriation of individuals.
Sec. 605. Reporting of taxable mergers and acquisitions.
Sec. 606. Studies.

Subtitle B—Provisions Relating to Tax Shelters

PART I—TAXPAYER-RELATED PROVISIONS

Sec. 611. Penalty for failing to disclose reportable transactions.
Sec. 612. Accuracy-related penalty for listed transactions, other reportable transactions having a significant tax avoidance purpose, etc.
Sec. 613. Tax shelter exception to confidentiality privileges relating to taxpayer communications.
Sec. 614. Statute of limitations for taxable years for which required listed transactions not reported.
Sec. 615. Disclosure of reportable transactions.
Sec. 616. Failure to furnish information regarding reportable transactions.
Sec. 617. Modification of penalty for failure to maintain lists of investors.
Sec. 618. Penalty on promoters of tax shelters.
Sec. 619. Modifications of substantial understatement penalty for nonreportable transactions.
Sec. 620. Modification of actions to enjoin certain conduct related to tax shelters and reportable transactions.
Sec. 621. Penalty on failure to report interests in foreign financial accounts.
Sec. 622. Regulation of individuals practicing before the Department of the Treasury.

PART II—OTHER PROVISIONS

Sec. 631. Treatment of stripped interests in bond and preferred stock funds, etc.
Sec. 632. Minimum holding period for foreign tax credit on withholding taxes on income other than dividends.
Sec. 633. Disallowance of certain partnership loss transfers.
Sec. 634. No reduction of basis under section 734 in stock held by partnership in corporate partner.
Sec. 635. Repeal of special rules for FASITs.
Sec. 636. Limitation on transfer of built-in losses on REMIC residuals.
Sec. 637. Clarification of banking business for purposes of determining investment of earnings in United States property.
Sec. 638. Alternative tax for certain small insurance companies.
Sec. 639. Denial of deduction for interest on underpayments attributable to nondisclosed reportable transactions.
Sec. 640. Clarification of rules for payment of estimated tax for certain deemed asset sales.
Sec. 641. Recognition of gain from the sale of a principal residence acquired in a like-kind exchange within 5 years of sale.
Sec. 642. Prevention of mismatching of interest and original issue discount deductions and income inclusions in transactions with related foreign persons.
Sec. 643. Exclusion from gross income for interest on overpayments of income tax by individuals.
Sec. 644. Deposits made to suspend running of interest on potential underpayments.
Sec. 645. Partial payment of tax liability in installment agreements.
Sec. 646. Affirmation of consolidated return regulation authority.

PART III—LEASING

Sec. 647. Reform of tax treatment of certain leasing arrangements.
Sec. 648. Limitation on deductions allocable to property used by governments or other tax-exempt entities.
Sec. 649. Effective date.

Subtitle C—Reduction of Fuel Tax Evasion

Sec. 651. Exemption from certain excise taxes for mobile machinery.
Sec. 652. Taxation of aviation-grade kerosene.
Sec. 653. Dye injection equipment.
Sec. 654. Authority to inspect on-site records.
Sec. 655. Registration of pipeline or vessel operators required for exemption of bulk transfers to registered terminals or refineries.
Sec. 656. Display of registration.
Sec. 657. Penalties for failure to register and failure to report.
Sec. 658. Collection from customs bond where importer not registered.
Sec. 659. Modifications of tax on use of certain vehicles.
Sec. 660. Modification of ultimate vendor refund claims with respect to farming.
Sec. 661. Dedication of revenues from certain penalties to the Highway Trust Fund.
Sec. 662. Taxable fuel refunds for certain ultimate vendors.
Sec. 663. Two-party exchanges.
Sec. 664. Simplification of tax on tires.

Subtitle D—Nonqualified Deferred Compensation Plans

Sec. 671. Treatment of nonqualified deferred compensation plans.

Subtitle E—Other Revenue Provisions

Sec. 681. Qualified tax collection contracts.
Sec. 682. Treatment of charitable contributions of patents and similar property.
Sec. 683. Increased reporting for noncash charitable contributions.
Sec. 684. Donations of motor vehicles, boats, and aircraft.
Sec. 685. Extension of amortization of intangibles to sports franchises.
Sec. 686. Modification of continuing levy on payments to Federal venders.
Sec. 687. Modification of straddle rules.
Sec. 688. Addition of vaccines against hepatitis A to list of taxable vaccines.
Sec. 689. Addition of vaccines against influenza to list of taxable vaccines.
Sec. 690. Extension of IRS user fees.
Sec. 691. COBRA fees.

TITLE VII—MARKET REFORM FOR TOBACCO GROWERS

Sec. 701. Short title.
Sec. 702. Effective date.

Subtitle A—Termination of Federal Tobacco Quota and Price Support Programs

Sec. 711. Termination of tobacco quota program and related provisions.
Sec. 712. Termination of tobacco price support program and related provisions.
Sec. 713. Continuation of Liability and No Net Loss Assessments to Prevent Losses on Price Support Loans.

Subtitle B—Transitional Payments to Tobacco Quota Holders and Active Producers of Tobacco

Sec. 721. Definitions of active tobacco producer and quota holder.
Sec. 722. Payments to tobacco quota holders.
Sec. 723. Transition payments for active producers of quota tobacco.
Sec. 724. Resolution of disputes.
Sec. 725. Source of funds for payments.

TITLE VIII—TRADE PROVISIONS

Sec. 801. Ceiling fans.
Sec. 802. Certain steam generators, and certain reactor vessel heads, used in nuclear facilities.

TITLE I—END SANCTIONS AND REDUCE CORPORATE TAX RATES FOR DOMESTIC MANUFACTURING AND SMALL CORPORATIONS

SEC. 101. REPEAL OF EXCLUSION FOR EXTRATERRITORIAL INCOME.

(a) IN GENERAL.—Section 114 is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) Subpart E of part III of subchapter N of chapter 1 (relating to qualifying foreign trade income) is hereby repealed.

(2) The table of subparts for such part III is amended by striking the item relating to subpart E.

(3) The table of sections for part III of subchapter B of chapter 1 is amended by striking the item relating to section 114.

(4) The second sentence of section 56(g)(4)(B)(i) is amended by striking "114 or".

(5) Section 275(a) is amended—

(A) by inserting "or" at the end of paragraph (4)(A), by striking "or" at the end of paragraph (4)(B) and inserting a period, and by striking subparagraph (C), and

(B) by striking the last sentence.

(6) Paragraph (3) of section 864(e) is amended—

(A) by striking:

"(3) TAX-EXEMPT ASSETS NOT TAKEN INTO ACCOUNT.—

"(A) IN GENERAL.—For purposes of"; and inserting:

"(3) TAX-EXEMPT ASSETS NOT TAKEN INTO ACCOUNT.—For purposes of", and

(B) by striking subparagraph (B).

(7) Section 903 is amended by striking "114, 164(a)," and inserting "164(a)".

(8) Section 999(c)(1) is amended by striking "941(a)(5),".

(c) EFFECTIVE DATE.—Except as provided in subsection (d), the amendments made by this section shall apply to transactions after December 31, 2004.

(d) TRANSITIONAL RULE FOR 2005 AND 2006.—

(1) IN GENERAL.—In the case of transactions during 2005 or 2006, the amount includible in gross income by reason of the amendments made by this section shall not exceed the applicable percentage of the amount which would have been so included but for this subsection.

(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage shall be as follows:

(A) For 2005, the applicable percentage shall be 20 percent.

(B) For 2006, the applicable percentage shall be 40 percent.

(e) REVOCATION OF ELECTION TO BE TREATED AS DOMESTIC CORPORATION.—If, during the 1-year period beginning on the date of the enactment of this Act, a corporation for which an election is in effect under section 943(e) of the Internal Revenue Code of 1986 revokes such election, no gain or loss shall be recognized with respect to property treated as transferred under clause (ii) of section 943(e)(4)(B) of such Code to the extent such property—

(1) was treated as transferred under clause (i) thereof, or

(2) was acquired during a taxable year to which such election applies and before May 1, 2003, in the ordinary course of its trade or business.

The Secretary of the Treasury (or such Secretary's delegate) may prescribe such regulations as may be necessary to prevent the abuse of the purposes of this subsection.

(f) BINDING CONTRACTS.—The amendments made by this section shall not apply to any transaction in the ordinary course of a trade or business which occurs pursuant to a binding contract—

(1) which is between the taxpayer and a person who is not a related person (as defined in section 943(b)(3) of such Code, as in effect on the day before the date of the enactment of this Act), and

(2) which is in effect on January 14, 2002, and at all times thereafter.

For purposes of this subsection, a binding contract shall include a purchase option, renewal option, or replacement option which is included in such contract and which is enforceable against the seller or lessor.

SEC. 102. REDUCED CORPORATE INCOME TAX RATE FOR DOMESTIC PRODUCTION ACTIVITIES INCOME.

(a) LIMITATION ON TAX ON QUALIFIED PRODUCTION ACTIVITIES INCOME.—Section 11 is amended by redesignating subsections (c) and (d) as subsections (d) and (e), respectively, and by inserting after subsection (b) the following new subsection:

"(c) LIMITATION ON TAX ON QUALIFIED PRODUCTION ACTIVITIES INCOME.—

"(1) IN GENERAL.—If a corporation has qualified production activities income for any taxable year, the tax imposed by this section shall not exceed the sum of—

"(A) a tax computed at the rates and in the manner as if this subsection had not been enacted on the taxable income reduced by the amount of qualified production activities income, plus

"(B) a tax equal to 32 percent (34 percent in the case of taxable years beginning before January 1, 2007) of the qualified production activities income (or, if less, taxable income).

"(2) QUALIFIED PRODUCTION ACTIVITIES INCOME.—

"(A) IN GENERAL.—The term 'qualified production activities income' for any taxable year means an amount equal to the excess (if any) of—

"(i) the taxpayer's domestic production gross receipts for such taxable year, over

"(ii) the sum of—

"(I) the cost of goods sold that are allocable to such receipts,

"(II) other deductions, expenses, or losses directly allocable to such receipts, and

"(III) a ratable portion of other deductions, expenses, and losses that are not directly allocable to such receipts or another class of income.

"(B) ALLOCATION METHOD.—The Secretary shall prescribe rules for the proper allocation of items of income, deduction, expense, and loss for purposes of determining income attributable to domestic production activities.

"(3) DOMESTIC PRODUCTION GROSS RECEIPTS.—For purposes of this subsection, the term 'domestic production gross receipts' means the gross receipts of the taxpayer which are derived from—

"(A) any lease, rental, license, sale, exchange, or other disposition of—

"(i) qualifying production property which was manufactured, produced, grown, or extracted in whole or in significant part by the taxpayer within the United States, or

"(ii) any qualified film produced by the taxpayer, or

"(B) construction, engineering, or architectural services performed in the United States for construction projects in the United States.

"(4) QUALIFYING PRODUCTION PROPERTY.—For purposes of this subsection, the term 'qualifying production property' means—

"(A) tangible personal property,

"(B) any computer software, and

"(C) any property described in section 168(f)(4).

"(5) QUALIFIED FILM.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified film' means any property described in section 168(f)(3) if not less than 50 percent of the total compensation relating to the production of such property is compensation for services performed in the United States by actors, production personnel, directors, and producers.

"(B) EXCEPTION.—Such term does not include property with respect to which records are required to be maintained under section 2257 of title 18, United States Code.

"(6) RELATED PERSONS.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'domestic production gross receipts' shall not include any gross receipts of the taxpayer derived from property leased, licensed, or rented by the taxpayer for use by any related person.

"(B) RELATED PERSON.—For purposes of subparagraph (A), a person shall be treated as related to another person if such persons are treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414, except that determinations under subsections (a) and (b) of section 52 shall be made without regard to section 1563(b).".

(b) SPECIAL RULE RELATING TO ELECTION TO TREAT CUTTING OF TIMBER AS A SALE OR EXCHANGE.—In the case of a corporation, any election under section 631(a) of the Internal Revenue Code of 1986 made for a taxable year ending on or before the date of the enactment of this Act may be revoked by the taxpayer for any taxable year ending after such date. For purposes of determining whether such taxpayer may make a further election under such section, such election (and any revocation under this section) shall not be taken into account.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 103. REDUCED CORPORATE INCOME TAX RATE FOR SMALL CORPORATIONS.

(a) IN GENERAL.—Subsection (b) of section 11 (relating to tax imposed on corporations) is amended by redesignating paragraph (2) as paragraph (6) and by striking paragraph (1) and inserting the following new paragraphs:

"(1) FOR TAXABLE YEARS BEGINNING AFTER 2012.—In the case of taxable years beginning after 2012, the amount of the tax imposed by subsection (a) shall be determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $50,000	15% of taxable income.
Over $50,000 but not over $75,000.	$7,500, plus 25% of the excess over $50,000.
Over $75,000 but not over $20,000,000.	$13,750, plus 32% of the excess over $75,000.
Over $20,000,000	$6,389,750, plus 35% of the excess over $20,000,000.

"(2) FOR TAXABLE YEARS BEGINNING IN 2011 OR 2012.—In the case of taxable years beginning in 2011 or 2012, the amount of the tax imposed by subsection (a) shall be determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $50,000	15% of taxable income.
Over $50,000 but not over $75,000.	$7,500, plus 25% of the excess over $50,000.
Over $75,000 but not over $5,000,000.	$13,750, plus 32% of the excess over $75,000.
Over $5,000,000 but not over $10,000,000.	$1,589,750, plus 34% of the excess over $5,000,000.
Over $10,000,000	$3,289,750, plus 35% of the excess over $10,000,000.

"(3) FOR TAXABLE YEARS BEGINNING IN 2008, 2009, OR 2010.—In the case of taxable years beginning in 2008, 2009, or 2010, the amount of the tax imposed by subsection (a) shall be determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $50,000	15% of taxable income.
Over $50,000 but not over $75,000.	$7,500, plus 25% of the excess over $50,000.
Over $75,000 but not over $1,000,000.	$13,750, plus 32% of the excess over $75,000.
Over $1,000,000 but not over $10,000,000.	$309,750, plus 34% of the excess over $1,000,000.
Over $10,000,000	$3,369,750, plus 35% of the excess over $10,000,000.

"(4) FOR TAXABLE YEARS BEGINNING IN 2005, 2006, OR 2007.—In the case of taxable years beginning in 2005, 2006, or 2007, the amount of the tax imposed by subsection (a) shall be determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $50,000	15% of taxable income.
Over $50,000 but not over $75,000.	$7,500, plus 25% of the excess over $50,000.
Over $75,000 but not over $1,000,000.	$13,750, plus 33% of the excess over $75,000.
Over $1,000,000 but not over $10,000,000.	$319,000, plus 34% of the excess over $1,000,000.
Over $10,000,000	$3,379,000, plus 35% of the excess over $10,000,000.

"(5) PHASEOUT OF LOWER RATES FOR CERTAIN TAXPAYERS.—

"(A) GENERAL RULE FOR YEARS BEFORE 2013.—

"(i) IN GENERAL.—In the case of taxable years beginning before 2013 with respect to a corporation which has taxable income in excess of the applicable amount for any taxable year, the amount of tax determined under paragraph (1), (2), (3) or (4) for such taxable year shall be increased by the lesser of (I) 5 percent of such excess, or (II) the maximum increase amount.

"(ii) MAXIMUM INCREASE AMOUNT.—For purposes of clause (i)—

"In the case of any taxable year beginning during:	The applicable amount is:	The maximum increase amount is:
2005, 2006, or 2007	$1,000,000	$21,000
2008, 2009, or 2010	$1,000,000	$30,250
2011 or 2012	$5,000,000	$110,250.

"(B) HIGHER INCOME CORPORATIONS.—In the case of a corporation which has taxable income in excess of $20,000,000 ($15,000,000 in the case of taxable years beginning before 2013), the amount of the tax determined under the foregoing provisions of this subsection shall be increased by an additional amount equal to the lesser of (i) 3 percent of such excess, or (ii) $610,250 ($100,000 in the case of taxable years beginning before 2013).".

(b) CONFORMING AMENDMENTS.—

(1) Section 904(b)(3)(D)(ii) is amended to read as follows:

"(ii) in the case of a corporation, section 1201(a) applies to such taxable year.".

(2) Section 1201(a) is amended by striking "the last 2 sentences of section 11(b)(1)" and inserting "section 11(b)(5)".

(3) Section 1561(a) is amended—

(A) by striking "the last 2 sentences of section 11(b)(1)" and inserting "section 11(b)(5)", and

(B) by striking "such last 2 sentences" and inserting "section 11(b)(5)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

TITLE II—JOB CREATION TAX INCENTIVES FOR MANUFACTURERS, SMALL BUSINESSES, AND FARMERS

Subtitle A—Small Business Expensing

SEC. 201. 2-YEAR EXTENSION OF INCREASED EXPENSING FOR SMALL BUSINESS.

Subsections (b), (c), and (d) of section 179 are each amended by striking "2006" each place it appears and inserting "2008".

Subtitle B—Depreciation

SEC. 211. RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN LEASEHOLD IMPROVEMENTS AND RESTAURANT PROPERTY.

(a) 15-YEAR RECOVERY PERIOD.—Subparagraph (E) of section 168(e)(3) (relating to classification of certain property) is amended by *striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting a comma, and by adding at the end the following new clauses:*

"(iv) any qualified leasehold improvement property placed in service before January 1, 2006, and

"(v) any qualified restaurant property placed in service before January 1, 2006."

(b) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—Subsection (e) of section 168 is amended by adding at the end the following new paragraph:

"(6) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—The term 'qualified leasehold improvement property' has the meaning given such term in section 168(k)(3) except that the following special rules shall apply:

"(A) IMPROVEMENTS MADE BY LESSOR.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person.

"(B) EXCEPTION FOR CHANGES IN FORM OF BUSINESS.—Property shall not cease to be qualified leasehold improvement property under subparagraph (A) by reason of—

"(i) death,

"(ii) a transaction to which section 381(a) applies,

"(iii) a mere change in the form of conducting the trade or business so long as the property is retained in such trade or business as qualified leasehold improvement property and the taxpayer retains a substantial interest in such trade or business,

"(iv) the acquisition of such property in an exchange described in section 1031, 1033, or 1038 to the extent that the basis of such property includes an amount representing the adjusted basis of other property owned by the taxpayer or a related person, or

"(v) the acquisition of such property by the taxpayer in a transaction described in section 332, 351, 361, 721, or 731 (or the acquisition of such property by the taxpayer from the transferee or acquiring corporation in a transaction described in such section), to the extent that the basis of the property in the hands of the taxpayer is determined by reference to its basis in the hands of the transferor or distributor.".

(c) QUALIFIED RESTAURANT PROPERTY.—Subsection (e) of section 168 (as amended by subsection (b)) is further amended by adding at the end the following new paragraph:

"(7) QUALIFIED RESTAURANT PROPERTY.—The term 'qualified restaurant property' means any section 1250 property which is an improvement to a building if—

"(A) such improvement is placed in service more than 3 years after the date such building was first placed in service, and

"(B) more than 50 percent of the building's square footage is devoted to preparation of, and seating for on-premises consumption of, prepared meals.".

(d) REQUIREMENT TO USE STRAIGHT LINE METHOD.—

(1) Paragraph (3) of section 168(b) is amended by adding at the end the following new subparagraphs:

"(G) Qualified leasehold improvement property described in subsection (e)(6).

"(H) Qualified restaurant property described in subsection (e)(7).".

(2) Subparagraph (A) of section 168(b)(2) is amended by inserting before the comma "not referred to in paragraph (3)".

(e) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) is amended by adding at the end the following new items:

"(E)(iv) 39

"(E)(v) .... 39".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 212. MODIFICATION OF DEPRECIATION ALLOWANCE FOR AIRCRAFT.

(a) AIRCRAFT TREATED AS QUALIFIED PROPERTY.—

(1) IN GENERAL.—Paragraph (2) of section 168(k) is amended by redesignating subparagraphs (C) through (F) as subparagraphs (D) through (G), respectively, and by inserting after subparagraph (B) the following new subparagraph:

"(C) CERTAIN AIRCRAFT.—The term 'qualified property' includes property—

"(i) which meets the requirements of clauses (ii) and (iii) of subparagraph (A),

"(ii) which is an aircraft which is not a transportation property (as defined in subparagraph (B)(iii)) other than for agricultural or firefighting purposes,

"(iii) which is purchased and on which such purchaser, at the time of the contract for purchase, has made a nonrefundable deposit of the lesser of—

"(I) 10 percent of the cost, or

"(II) $100,000, and

"(iv) which has—

"(I) an estimated production period exceeding 4 months, and

"(II) a cost exceeding $200,000.".

(2) PLACED IN SERVICE DATE.—Clause (iv) of section 168(k)(2)(A) is amended by striking "subparagraph (B)" and inserting "subparagraphs (B) and (C)".

(b) CONFORMING AMENDMENTS.—

(1) Section 168(k)(2)(B) is amended by adding at the end the following new clause:

"(iv) APPLICATION OF SUBPARAGRAPH.—This subparagraph shall not apply to any property which is described in subparagraph (C).".

(2) Section 168(k)(4)(A)(ii) is amended by striking "paragraph (2)(C)" and inserting "paragraph (2)(D)".

(3) Section 168(k)(4)(B)(iii) is amended by inserting "and paragraph (2)(C)" after "of this paragraph)".

(4) Section 168(k)(4)(C) is amended by striking "subparagraphs (B) and (D)" and inserting "subparagraphs (B), (C), and (E)".

(5) Section 168(k)(4)(D) is amended by striking "Paragraph (2)(E)" and inserting "Paragraph (2)(F)".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 101 of the Job Creation and Worker Assistance Act of 2002.

SEC. 213. MODIFICATION OF PLACED IN SERVICE RULE FOR BONUS DEPRECIATION PROPERTY.

(a) IN GENERAL.—Section 168(k)(2)(D) (relating to special rules) is amended by adding at the end the following new clause:

"(iii) SYNDICATION.—For purposes of subparagraph (A)(ii), if—

"(I) property is originally placed in service after September 10, 2001, by the lessor of such property,

"(II) such property is sold by such lessor or any subsequent purchaser within 3 months after the date so placed in service (or, in the case of multiple units of property subject to the same lease, within 3 months after the date the final unit is placed in service, so long as the period between the time the first unit is placed in service and the time the last unit is placed in service does not exceed 12 months), and

"(III) the user of such property after the last sale during such 3-month period remains the same as when such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date of such last sale, so long as no previous owner of such property elects the application of this subsection with respect to such property.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 101 of the Job Creation and Worker Assistance Act of 2002; except that the parenthetical material in section 168(k)(2)(D)(iii)(II) of the Internal Revenue Code of 1986, as added by this section, shall apply to property sold after June 4, 2004.

Subtitle C—S Corporation Reform and Simplification

SEC. 221. MEMBERS OF FAMILY TREATED AS 1 SHAREHOLDER.

(a) IN GENERAL.—Paragraph (1) of section 1361(c) (relating to special rules for applying subsection (b)) is amended to read as follows:

"(1) MEMBERS OF FAMILY TREATED AS 1 SHAREHOLDER.—

"(A) IN GENERAL.—For purpose of subsection (b)(1)(A)—

"(i) except as provided in clause (ii), a husband and wife (and their estates) shall be treated as 1 shareholder, and

"(ii) in the case of a family with respect to which an election is in effect under subparagraph (D), all members of the family shall be treated as 1 shareholder.

"(B) MEMBERS OF THE FAMILY.—For purpose of subparagraph (A)(ii)—

"(i) IN GENERAL.—The term 'members of the family' means the common ancestor, lineal descendants of the common ancestor, and the spouses (or former spouses) of such lineal descendants or common ancestor.

"(ii) COMMON ANCESTOR.—For purposes of this paragraph, an individual shall not be considered a common ancestor if, as of the later of the effective date of this paragraph or the time the election under section 1362(a) is made, the individual is more than 3 generations removed from the youngest generation of shareholders who would (but for this clause) be members of the family. For purposes of the preceding sentence, a spouse (or former spouse) shall be treated as being of the same generation as the individual to which such spouse is (or was) married.

"(C) EFFECT OF ADOPTION, ETC.—In determining whether any relationship specified in subparagraph (B) exists, the rules of section 152(b)(2) shall apply.

"(D) ELECTION.—An election under subparagraph (A)(ii)—

"(i) may, except as otherwise provided in regulations prescribed by the Secretary, be made by any member of the family, and

"(ii) shall remain in effect until terminated as provided in regulations prescribed by the Secretary.".

(b) RELIEF FROM INADVERTENT INVALID ELECTION OR TERMINATION.—Section 1362(f) (relating to inadvertent invalid elections or terminations), as amended by section 229, is amended—

(1) by inserting "or section 1361(c)(1)(A)(ii)" after "section 1361(b)(3)(B)(ii)," in paragraph (1), and

'(2) by inserting "or section 1361(c)(1)(D)(iii)" after "section 1361(b)(3)(C)," in paragraph (1)(B).

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2004.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall apply to elections and terminations made after December 31, 2004.

SEC. 222. INCREASE IN NUMBER OF ELIGIBLE SHAREHOLDERS TO 100.

(a) IN GENERAL.—Section 1361(b)(1)(A) (defining small business corporation) is amended by striking "75" and inserting "100".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 223. EXPANSION OF BANK S CORPORATION ELIGIBLE SHAREHOLDERS TO INCLUDE IRAS.

(a) IN GENERAL.—Section 1361(c)(2)(A) (relating to certain trusts permitted as shareholders) is amended by inserting after clause (v) the following new clause:

"(vi) In the case of a corporation which is a bank (as defined in section 581), a trust which constitutes an individual retirement account under section 408(a), including one designated as a Roth IRA under section 408A, but only to the extent of the stock held by such trust in such bank as of the date of the enactment of this clause.".

(b) TREATMENT AS SHAREHOLDER.—Section 1361(c)(2)(B) (relating to treatment as shareholders) is amended by adding at the end the following new clause:

"(vi) In the case of a trust described in clause (vi) of subparagraph (A), the individual for whose benefit the trust was created shall be treated as a shareholder.".

(c) SALE OF BANK STOCK IN IRA RELATING TO S CORPORATION ELECTION EXEMPT FROM PROHIBITED TRANSACTION RULES.—Section 4975(d) (relating to exemptions) is amended by striking "or" at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting "; or", and by adding at the end the following new paragraph:

"(16) a sale of stock held by a trust which constitutes an individual retirement account under section 408(a) to the individual for whose benefit such account is established if—

"(A) such stock is in a bank (as defined in section 581),

"(B) such stock is held by such trust as of the date of the enactment of this paragraph,

"(C) such sale is pursuant to an election under section 1362(a) by such bank,

"(D) such sale is for fair market value at the time of sale (as established by an independent appraiser) and the terms of the sale are otherwise at least as favorable to such trust as the terms that would apply on a sale to an unrelated party,

"(E) such trust does not pay any commissions, costs, or other expenses in connection with the sale, and

"(F) the stock is sold in a single transaction for cash not later than 120 days after the S corporation election is made.".

(d) CONFORMING AMENDMENT.—Section 512(e)(1) is amended by inserting "1361(c)(2)(A)(vi) or" before "1361(c)(6)".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 224. DISREGARD OF UNEXERCISED POWERS OF APPOINTMENT IN DETERMINING POTENTIAL CURRENT BENEFICIARIES OF ESBT.

(a) IN GENERAL.—Section 1361(e)(2) (defining potential current beneficiary) is amended—

(1) by inserting "(determined without regard to any power of appointment to the extent such power remains unexercised at the end of such period)" after "of the trust" in the first sentence, and

(2) by striking "60-day" in the second sentence and inserting "1-year".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 225. TRANSFER OF SUSPENDED LOSSES INCIDENT TO DIVORCE, ETC.

(a) IN GENERAL.—Section 1366(d)(2) (relating to indefinite carryover of disallowed losses and deductions) is amended to read as follows:

"(2) INDEFINITE CARRYOVER OF DISALLOWED LOSSES AND DEDUCTIONS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), any loss or deduction which is disallowed for any taxable year by reason of paragraph (1) shall be treated as incurred by the corporation in the succeeding taxable year with respect to that shareholder.

"(B) TRANSFERS OF STOCK BETWEEN SPOUSES OR INCIDENT TO DIVORCE.—In the case of any transfer described in section 1041(a) of stock of an S corporation, any loss or deduction described in subparagraph (A) with respect such stock shall be treated as incurred by the corporation in the succeeding taxable year with respect to the transferee."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 226. USE OF PASSIVE ACTIVITY LOSS AND AT-RISK AMOUNTS BY QUALIFIED SUBCHAPTER S TRUST INCOME BENEFICIARIES.

(a) IN GENERAL.—Section 1361(d)(1) (relating to special rule for qualified subchapter S trust) is amended—

(1) by striking "and" at the end of subparagraph (A),

(2) by striking the period at the end of subparagraph (B) and inserting ", and", and

(3) by adding at the end the following new subparagraph:

"(C) for purposes of applying sections 465 and 469 to the beneficiary of the trust, the disposition of the S corporation stock by the trust shall be treated as a disposition by such beneficiary.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers made after December 31, 2004.

SEC. 227. EXCLUSION OF INVESTMENT SECURITIES INCOME FROM PASSIVE INCOME TEST FOR BANK S CORPORATIONS.

(a) IN GENERAL.—Section 1362(d)(3) (relating to where passive investment income exceeds 25 percent of gross receipts for 3 consecutive taxable years and corporation has accumulated earnings and profits) is amended by adding at the end the following new subparagraph:

"(F) EXCEPTION FOR BANKS; ETC.—In the case of a bank (as defined in section 581), a bank holding company (within the meaning of section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a))), or a financial holding company (within the meaning of section 2(p) of such Act), the term 'passive investment income' shall not include—

"(i) interest income earned by such bank or company, or

"(ii) dividends on assets required to be held by such bank or company, including stock in the Federal Reserve Bank, the Federal Home Loan Bank, or the Federal Agricultural Mortgage Bank or participation certificates issued by a Federal Intermediate Credit Bank.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 228. TREATMENT OF BANK DIRECTOR SHARES.

(a) IN GENERAL.—Section 1361 (defining S corporation) is amended by adding at the end the following new subsection:

"(f) RESTRICTED BANK DIRECTOR STOCK.—

"(1) IN GENERAL.—Restricted bank director stock shall not be taken into account as outstanding stock of the S corporation in applying this subchapter (other than section 1368(f)).

"(2) RESTRICTED BANK DIRECTOR STOCK.—For purposes of this subsection, the term 'restricted bank director stock' means stock in a bank (as defined in section 581), a bank holding company (within the meaning of section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a))), or a financial holding company (within the meaning of section 2(p) of such Act), registered with the Federal Reserve System, if such stock—

"(A) is required to be held by an individual under applicable Federal or State law in order to permit such individual to serve as a director, and

"(B) is subject to an agreement with such bank or company (or a corporation which controls (within the meaning of section 368(c)) such bank or company) pursuant to which the holder is required to sell back such stock (at the same price as the individual acquired such stock) upon ceasing to hold the office of director.

"(3) CROSS REFERENCE.—

"For treatment of certain distributions with respect to restricted bank director stock, see section 1368(f).".

(b) DISTRIBUTIONS.—Section 1368 (relating to distributions) is amended by adding at the end the following new subsection:

"(f) RESTRICTED BANK DIRECTOR STOCK.—If a director receives a distribution (not in part or full payment in exchange for stock) from an S corporation with respect to any restricted bank director stock (as defined in section 1361(f)), the amount of such distribution—

"(1) shall be includible in gross income of the director, and

"(2) shall be deductible by the corporation for the taxable year of such corporation in which or with which ends the taxable year in which such amount is included in the gross income of the director.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 229. RELIEF FROM INADVERTENTLY INVALID QUALIFIED SUBCHAPTER S SUBSIDIARY ELECTIONS AND TERMINATIONS.

(a) IN GENERAL.—Section 1362(f) (relating to inadvertent invalid elections or terminations) is amended—

(1) by inserting ", section 1361(b)(3)(B)(ii)," after "subsection (a)" in paragraph (1),

(2) by inserting ", section 1361(b)(3)(C)," after "subsection (d)" in paragraph (1)(B),

(3) by amending paragraph (3)(A) to read as follows:

"(A) so that the corporation for which the election was made is a small business corporation or a qualified subchapter S subsidiary, as the case may be, or",

(4) by amending paragraph (4) to read as follows:

"(4) the corporation for which the election was made, and each person who was a shareholder in such corporation at any time during the period specified pursuant to this subsection, agrees to make such adjustments (consistent with the treatment of such corporation as an S corporation or a qualified subchapter S subsidiary, as the case may be) as may be required by the Secretary with respect to such period.", and

(5) by inserting "or a qualified subchapter S subsidiary, as the case may be" after "S corporation" in the matter following paragraph (4).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 230. INFORMATION RETURNS FOR QUALIFIED SUBCHAPTER S SUBSIDIARIES.

(a) IN GENERAL.—Section 1361(b)(3)(A) (relating to treatment of certain wholly owned subsidiaries) is amended by inserting "and in the case of information returns required under part III of subchapter A of chapter 61" after "Secretary".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 231. REPAYMENT OF LOANS FOR QUALIFYING EMPLOYER SECURITIES.

(a) IN GENERAL.—Subsection (f) of section 4975 (relating to other definitions and special rules) is amended by adding at the end the following new paragraph:

"(7) S Corporation Repayment of Loans for Qualifying Employer Securities.—A plan shall not be treated as violating the requirements of section 401 or 409 or subsection (e)(7), or as engaging in a prohibited transaction for purposes of subsection (d)(3), merely by reason of any distribution (as described in section 1368(a)) with respect to S corporation stock that constitutes qualifying employer securities, which in accordance with the plan provisions is used to make payments on a loan described in subsection (d)(3) the proceeds of which were used to acquire such qualifying employer securities (whether or not allocated to participants). The preceding sentence shall not apply in the case of a distribution which is paid with respect to any employer security which is allocated to a participant unless the plan provides that employer securities with a fair market value of not less than the amount of such distribution are allocated to such participant for the year which (but for the preceding sentence) such distribution would have been allocated to such participant.".

(b) Effective Date.—The amendment made by this section shall apply to distributions with respect to S corporation stock made after December 31, 2004.

Subtitle D—Alternative Minimum Tax Relief

SEC. 241. FOREIGN TAX CREDIT UNDER ALTERNATIVE MINIMUM TAX.

(a) In General.—

(1) Subsection (a) of section 59 is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(2) Section 53(d)(1)(B)(i)(II) is amended by striking "and if section 59(a)(2) did not apply".

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 242. EXPANSION OF EXEMPTION FROM ALTERNATIVE MINIMUM TAX FOR SMALL CORPORATIONS.

(a) In General.—Subparagraphs (A) and (B) of section 55(e)(1) are each amended by striking "$7,500,000" each place it appears and inserting "$20,000,000".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 243. INCOME AVERAGING FOR FARMERS NOT TO INCREASE ALTERNATIVE MINIMUM TAX.

(a) In General.—Subsection (c) of section 55 (defining regular tax) is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

"(2) Coordination with income averaging for farmers.—Solely for purposes of this section, section 1301 (relating to averaging of farm income) shall not apply in computing the regular tax liability.".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2003.

Subtitle E—Restructuring of Incentives for Alcohol Fuels, Etc.

SEC. 251. REDUCED RATES OF TAX ON GASOHOL REPLACED WITH EXCISE TAX CREDIT; REPEAL OF OTHER ALCOHOL-BASED FUEL INCENTIVES; ETC.

(a) Excise Tax Credit for Alcohol Fuel Mixtures.—

(1) In general.—Subsection (f) of section 6427 is amended to read as follows:

"(f) Alcohol Fuel Mixtures.—

"(1) In general.—The amount of credit which would (but for section 40(c)) be determined under section 40(a)(1) for any period—

"(A) shall, with respect to taxable events occurring during such period, be treated—

"(i) as a payment of the taxpayer's liability for tax imposed by section 4081, and

"(ii) as received at the time of the taxable event, and

"(B) to the extent such amount of credit exceeds such liability for such period, shall (except as provided in subsection (k)) be paid subject to subsection (i)(3) by the Secretary without interest.

"(2) Special rules.—

"(A) Only certain alcohol taken into account.—For purposes of paragraph (1), section 40 shall be applied—

"(i) by not taking into account alcohol with a proof of less than 190, and

"(ii) by treating as alcohol the alcohol gallon equivalent of ethyl tertiary butyl ether or other ethers produced from such alcohol.

"(B) Treatment of refiners.—For purposes of paragraph (1), in the case of a mixture—

"(i) the alcohol in which is described in subparagraph (A)(ii), and

"(ii) which is produced by any person at a refinery prior to any taxable event,

section 40 shall be applied by treating such person as having sold such mixture at the time of its removal from the refinery (and only at such time) to another person for use as a fuel.

"(3) Mixtures not used as fuel.—Rules similar to the rules of subparagraphs (A) and (D) of section 40(d)(3) shall apply for purposes of this subsection.

"(4) Termination.—This section shall apply only to periods to which section 40 applies, determined by substituting in section 40(e)—

"(A) 'December 31, 2010' for 'December 31, 2007', and

"(B) 'January 1, 2011' for 'January 1, 2008'."

(2) Revision of rules for payment of credit.—Paragraph (3) of section 6427(i) is amended to read as follows:

"(3) Special rule for alcohol mixture credit.—

"(A) In general.—A claim may be filed under subsection (f)(1)(B) by any person for any period—

"(i) for which $200 or more is payable under such subsection (f)(1)(B), and

"(ii) which is not less than 1 week.

In the case of an electronic claim, this subparagraph shall be applied without regard to clause (i).

"(B) Payment of claim.—Notwithstanding subsection (f)(1)(B), if the Secretary has not paid pursuant to a claim filed under this section within 45 days of the date of the filing of such claim (20 days in the case of an electronic claim), the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621.

"(C) Time for filing claim.—No claim filed under this paragraph shall be allowed unless filed on or before the last day of the first quarter following the earliest quarter included in the claim."

(b) Repeal of Other Incentives for Fuel Mixtures.—

(1) Subsection (b) of section 4041 is amended to read as follows:

"(b) Exemption for Off-Highway Business Use.—

"(1) In general.—No tax shall be imposed by subsection (a) or (d)(1) on liquids sold for use or used in an off-highway business use.

"(2) Tax where other use.—If a liquid on which no tax was imposed by reason of paragraph (1) is used otherwise than in an off-highway business use, a tax shall be imposed by paragraph (1)(B), (2)(B), or (3)(A)(ii) of subsection (a) (whichever is appropriate) and by the corresponding provision of subsection (d)(1) (if any).

"(3) Off-highway business use defined.—For purposes of this subsection, the term 'off-highway business use' has the meaning given to such term by section 6421(e)(2); except that such term shall not, for purposes of subsection (a)(1), include use in a diesel-powered train."

(2) Section 4041(k) is hereby repealed.

(3) Section 4081(c) is hereby repealed.

(4) Section 4091(c) is hereby repealed.

(c) Transfers to Highway Trust Fund.—(1) Paragraph (4) of section 9503(b) is amended by adding "or" at the end of subparagraph (C), by striking the comma at the end of subparagraph (D) and inserting a period, and by striking subparagraphs (E) and (F).

(2) Subsection (c).—

(A) The amendments made by subsection (c)(1) shall apply to taxes imposed after September 30, 2003.

(B) The amendments made by subsection (c)(2) shall apply to taxes imposed after September 30, 2006.

(d) Conforming Amendments.—

(1) Subsection (c) of section 40 is amended to read as follows:

"(c) Coordination With Excise Tax Benefits.—The amount of the credit determined under this section with respect to any alcohol shall, under regulations prescribed by the Secretary, be properly reduced to take into account the benefit provided with respect to such alcohol under section 6427(f)."

(2) Subparagraph (B) of section 40(d)(4) is amended by striking "under section 4041(k) or 4081(c)" and inserting "under section 6427(f)".

(e) Effective Dates.—

(1) In general.—Except as provided by paragraph (2), the amendments made by this section shall apply to fuel sold or used after September 30, 2004.

(2) Paragraph (4) of section 9503(b), as amended by paragraph (1), is further amended by adding "or" at the end of subparagraph (B), by striking the comma at the end of subparagraph (C) and inserting a period, and by striking subparagraph (D).

SEC. 252. ALCOHOL FUEL SUBSIDIES BORNE BY GENERAL FUND.

(a) Transfers to Fund.—Section 9503(b)(1) is amended by adding at the end the following new flush sentence:

"For purposes of this paragraph, the amount of taxes received under section 4081 shall include any amount treated as a payment under section 6427(f)(1)(A) and shall not be reduced by the amount paid under section 6427(f)(1)(B).".

(b) Transfers From Fund.—Subparagraph (A) of section 9503(c)(2) is amended by adding at the end the following new sentence: "Clauses (i)(III) and (ii) shall not apply to claims under section 6427(f)(1)(B)."

(c) Effective Date.—

(1) Subsection (a).—The amendment made by subsection (a) shall apply to taxes received after September 30, 2004.

(2) Subsection (b).—The amendment made by subsection (b) shall apply to amounts paid after September 30, 2004, and (to the extent related to section 34 of the Internal Revenue Code of 1986) to fuel used after such date.

Subtitle F—Stock Options and Employee Stock Purchase Plan Stock Options

SEC. 261. EXCLUSION OF INCENTIVE STOCK OPTIONS AND EMPLOYEE STOCK PURCHASE PLAN STOCK OPTIONS FROM WAGES.

(a) Exclusion From Employment Taxes.—

(1) Social security taxes.—

(A) Section 3121(a) (relating to definition of wages) is amended by striking "or" at the end of paragraph (20), by striking the period at the end of paragraph (21) and inserting "; or", and by inserting after paragraph (21) the following new paragraph:

"(22) remuneration on account of—

"(A) a transfer of a share of stock to any individual pursuant to an exercise of an incentive stock option (as defined in section 422(b)) or

under an employee stock purchase plan (as defined in section 423(b)), or

"(B) any disposition by the individual of such stock.".

(B) Section 209(a) of the Social Security Act is amended by striking "or" at the end of paragraph (17), by striking the period at the end of paragraph (18) and inserting "; or", and by inserting after paragraph (18) the following new paragraph:

"(19) Remuneration on account of—

"(A) a transfer of a share of stock to any individual pursuant to an exercise of an incentive stock option (as defined in section 422(b) of the Internal Revenue Code of 1986) or under an employee stock purchase plan (as defined in section 423(b) of such Code), or

"(B) any disposition by the individual of such stock.".

(2) RAILROAD RETIREMENT TAXES.—Subsection (e) of section 3231 is amended by adding at the end the following new paragraph:

"(12) QUALIFIED STOCK OPTIONS.—The term 'compensation' shall not include any remuneration on account of—

"(A) a transfer of a share of stock to any individual pursuant to an exercise of an incentive stock option (as defined in section 422(b)) or under an employee stock purchase plan (as defined in section 423(b)), or

"(B) any disposition by the individual of such stock.".

(3) UNEMPLOYMENT TAXES.—Section 3306(b) (relating to definition of wages) is amended by striking "or" at the end of paragraph (17), by striking the period at the end of paragraph (18) and inserting "; or", and by inserting after paragraph (18) the following new paragraph:

"(19) remuneration on account of—

"(A) a transfer of a share of stock to any individual pursuant to an exercise of an incentive stock option (as defined in section 422(b)) or under an employee stock purchase plan (as defined in section 423(b)), or

"(B) any disposition by the individual of such stock.".

(b) WAGE WITHHOLDING NOT REQUIRED ON DISQUALIFYING DISPOSITIONS.—Section 421(b) (relating to effect of disqualifying dispositions) is amended by adding at the end the following new sentence: "No amount shall be required to be deducted and withheld under chapter 24 with respect to any increase in income attributable to a disposition described in the preceding sentence.".

(c) WAGE WITHHOLDING NOT REQUIRED ON COMPENSATION WHERE OPTION PRICE IS BETWEEN 85 PERCENT AND 100 PERCENT OF VALUE OF STOCK.—Section 423(c) (relating to special rule where option price is between 85 percent and 100 percent of value of stock) is amended by adding at the end the following new sentence: "No amount shall be required to be deducted and withheld under chapter 24 with respect to any amount treated as compensation under this subsection.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired pursuant to options exercised after the date of the enactment of this Act.

Subtitle G—Incentives to Reinvest Foreign Earnings in United States

SEC. 271. INCENTIVES TO REINVEST FOREIGN EARNINGS IN UNITED STATES.

(a) IN GENERAL.—Subpart F of part III of subchapter N of chapter 1 (relating to controlled foreign corporations) is amended by adding at the end the following new section:

"SEC. 965. TEMPORARY DIVIDENDS RECEIVED DEDUCTION.

"(a) DEDUCTION.—

"(1) IN GENERAL.—In the case of a corporation which is a United States shareholder, there shall be allowed as a deduction an amount equal to 85 percent of the dividends which are received by such shareholder from controlled foreign corporations during the election period.

"(2) DIVIDENDS PAID INDIRECTLY FROM CONTROLLED FOREIGN CORPORATIONS.—If, within the election period, a United States shareholder receives a distribution from a controlled foreign corporation which is excluded from gross income under section 959(a), such distribution shall be treated for purposes of this section as a dividend to the extent of any amount included in income by such United States shareholder under section 951(a)(1)(A) as a result of any dividend paid during the election period to—

"(A) such controlled foreign corporation from another controlled foreign corporation that is in a chain of ownership described in section 958(a), or

"(B) any other controlled foreign corporation in such chain of ownership, but only to the extent of distributions described in section 959(b) which are made during the election period to the controlled foreign corporation from which such United States shareholder received such distribution.

"(b) LIMITATIONS.—

"(1) IN GENERAL.—The amount of dividends taken into account under subsection (a) shall not exceed the greater of—

"(A) $500,000,000,

"(B) the amount shown on the applicable financial statement as earnings permanently reinvested outside the United States, or

"(C) in the case of an applicable financial statement which fails to show a specific amount of earnings permanently reinvested outside the United States and which shows a specific amount of tax liability attributable to such earnings, the amount of such earnings determined in such manner as the Secretary may prescribe.

Except as provided in subparagraph (C), if there is no statement or such statement fails to show a specific amount of such earnings or liability, such amount shall be treated as being zero for purposes of this paragraph.

"(2) DIVIDENDS MUST BE EXTRAORDINARY.—The amount of dividends taken into account under subsection (a) shall not exceed the excess (if any) of—

"(A) the dividends received during the taxable year by such shareholder from controlled foreign corporations, over

"(B) the annual average for the base period years of—

"(i) the dividends received during each base period year by such shareholder from such corporations,

"(ii) the amounts includible in such shareholder's gross income for each base period year under section 951(a)(1)(B) with respect to such corporations, and

"(iii) the amounts that would have been included for each base period year but for section 959(a) with respect to such corporations.

The amount taken into account under clause (iii) for any base period year shall not include any amount which is not includible in gross income by reason of an amount described in clause (ii) with respect to a prior taxable year.

"(3) REQUIREMENT TO INVEST IN UNITED STATES.—Subsection (a) shall not apply to any dividend received by a United States shareholder unless the amount of the dividend is invested in the United States pursuant to a plan describing the expenditures to be made with such amount—

"(A) which, before the dividend is received, is approved by the president or chief executive officer of such shareholder, and

"(B) which is approved by the Board of Directors (or management committee) of such shareholder no later than its first meeting on or after the date the dividend is received.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) ELECTION PERIOD.—The term 'election period' means—

"(A) if this section applies to the taxpayer's last taxable year beginning before the date of the enactment of this section, any 6-month or shorter period during such year which is after the date of the enactment of this section and which is selected by the taxpayer, and

"(B) if this section applies to the taxpayer's first taxable year beginning on or after such date, the 1st 6 months of such taxable year.

"(2) APPLICABLE FINANCIAL STATEMENT.—The term 'applicable financial statement' means the most recently audited financial statement (including notes and other documents which accompany such statement)—

"(A) which is certified on or before March 31, 2003, as being prepared in accordance with generally accepted accounting principles, and

"(B) which is used for the purposes of a statement or report—

"(i) to creditors,

"(ii) to shareholders, or

"(iii) for any other substantial nontax purpose.

In the case of a corporation required to file a financial statement with the Securities and Exchange Commission, such term means the most recent such statement filed on or before March 31, 2003.

"(3) BASE PERIOD YEARS.—The base period years are the 3 taxable years—

"(A) which are among the 5 most recent taxable years ending on or before March 31, 2003, and

"(B) which are determined by disregarding—

"(i) 1 taxable year for which the sum of the amounts described in clauses (i), (ii), and (iii) of subsection (b)(2)(B) is the largest, and

"(ii) 1 taxable year for which such sum is the smallest.

Rules similar to the rules of subparagraphs (A) and (B) of section 41(f)(3) shall apply for purposes of this paragraph.

"(4) COORDINATION WITH DIVIDENDS RECEIVED DEDUCTION.—No deduction shall be allowed under section 243 or 245 for any dividend for which a deduction is allowed under this section.

"(d) DENIAL OF FOREIGN TAX CREDIT.—

"(1) IN GENERAL.—No credit shall be allowed under section 901 for any taxes paid or accrued (or treated as paid or accrued) with respect to the deductible portion of any dividend or of any amount described in subsection (a)(2). No deduction shall be allowed under this chapter for any tax for which credit is not allowable by reason of the preceding sentence.

"(2) DEDUCTIBLE PORTION.—For purposes of paragraph (1), unless the taxpayer otherwise specifies, the deductible portion of any dividend is the amount which bears the same ratio to the amount of such dividend as the amount allowed as a deduction under subsection (a) for the taxable year bears to the amount described in subsection (b)(2)(A) for such year.

"(e) INCREASE IN TAX ON INCLUDED AMOUNTS NOT REDUCED BY CREDITS, ETC.—

"(1) IN GENERAL.—Any tax under this chapter by reason of nondeductible CFC dividends shall not be treated as tax imposed by this chapter for purposes of determining—

"(A) the amount of any credit allowable under this chapter, or

"(B) the amount of the tax imposed by section 55.

Subparagraph (A) shall not apply to the credit under section 53 or to the credit under section 27(a) with respect to taxes attributable to such dividends.

"(2) INCLUSIONS MAY NOT BE OFFSET BY NET OPERATING LOSSES.—

"(A) IN GENERAL.—The taxable income of any United States shareholder for any taxable year *shall in no event be less than the amount of nondeductible CFC dividends received during such year.*

"(B) COORDINATION WITH SECTION 172.—The nondeductible CFC dividends for any taxable year shall not be taken into account—

"(i) in determining under section 172 the amount of any net operating loss for such taxable year, and

"(ii) in determining taxable income for such taxable year for purposes of the 2nd sentence of section 172(b)(2).

"(3) NONDEDUCTIBLE CFC DIVIDENDS.—For purposes of this subsection, the term 'nondeductible CFC dividends' means the excess of the amount of dividends taken into account under subsection (a) over the deduction allowed under subsection (a) for such dividends.

"(f) ELECTION.—This section shall apply for the taxpayer's first taxable year beginning on or after the date of the enactment of this section if the taxpayer elects its application for such taxable year. The taxpayer may elect to apply this section to the taxpayer's last taxable year beginning before the date of the enactment of this section in lieu of such first taxable year."

(b) ALTERNATIVE MINIMUM TAX.—Subparagraph (C) of section 56(g)(4) is amended by adding at the end the following new clause:

"(v) SPECIAL RULE FOR CERTAIN DISTRIBUTIONS FROM CONTROLLED FOREIGN CORPORATIONS.—Clause (i) shall not apply to any deduction allowable under section 965.".

(c) CLERICAL AMENDMENT.—The table of sections for subpart F of part III of subchapter N of chapter 1 is amended by adding at the end the following new item:

"Sec. 965. Temporary dividends received deduction.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after the date of the enactment of this Act.

Subtitle H—Other Incentive Provisions

SEC. 281. SPECIAL RULES FOR LIVESTOCK SOLD ON ACCOUNT OF WEATHER-RELATED CONDITIONS.

(a) RULES FOR REPLACEMENT OF INVOLUNTARILY CONVERTED LIVESTOCK.—Subsection (e) of section 1033 (relating to involuntary conversions) is amended—

(1) by striking "CONDITIONS.—For purposes" and inserting "CONDITIONS.—

"(1) IN GENERAL.—For purposes", and

(2) by adding at the end the following new paragraph:

"(2) EXTENSION OF REPLACEMENT PERIOD.—

"(A) IN GENERAL.—In the case of drought, flood, or other weather-related conditions described in paragraph (1) which result in the area being designated as eligible for assistance by the Federal Government, subsection (a)(2)(B) shall be applied with respect to any converted property by substituting '4 years' for '2 years'.

"(B) FURTHER EXTENSION BY SECRETARY.—The Secretary may extend on a regional basis the period for replacement under this section (after the application of subparagraph (A)) for such additional time as the Secretary determines appropriate if the weather-related conditions which resulted in such application continue for more than 3 years.".

(b) INCOME INCLUSION RULES.—Subsection (e) of section 451 (relating to special rule for proceeds from livestock sold on account of drought, flood, or other weather-related conditions) is amended by adding at the end the following new paragraph:

"(3) SPECIAL ELECTION RULES.—If section 1033(e)(2) applies to a sale or exchange of livestock described in paragraph (1), the election under paragraph (1) shall be deemed valid if made during the replacement period described in such section.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any taxable year with respect to which the due date (without regard to extensions) for the return is after December 31, 2002.

SEC. 282. PAYMENT OF DIVIDENDS ON STOCK OF COOPERATIVES WITHOUT REDUCING PATRONAGE DIVIDENDS.

(a) IN GENERAL.—Subsection (a) of section 1388 (relating to patronage dividend defined) is amended by adding at the end the following: "For purposes of paragraph (3), net earnings shall not be reduced by amounts paid during the year as dividends on capital stock or other proprietary capital interests of the organization to the extent that the articles of incorporation or bylaws of such organization or other contract with patrons provide that such dividends are in addition to amounts otherwise payable to patrons which are derived from business done with or for patrons during the taxable year.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions in taxable years beginning after the date of the enactment of this Act.

SEC. 283. CAPITAL GAIN TREATMENT UNDER SECTION 631(b) TO APPLY TO OUTRIGHT SALES BY LANDOWNERS.

(a) IN GENERAL.—The first sentence of section 631(b) (relating to disposal of timber with a retained economic interest) is amended by striking "retains an economic interest in such timber" and inserting "either retains an economic interest in such timber or makes an outright sale of such timber".

(b) CONFORMING AMENDMENTS.—

(1) The third sentence of section 631(b) is amended by striking "The date of disposal" and inserting "In the case of disposal of timber with a retained economic interest, the date of disposal".

(2) The heading for section 631(b) is amended by striking "WITH A RETAINED ECONOMIC INTEREST".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after December 31, 2004.

SEC. 284. DISTRIBUTIONS FROM PUBLICLY TRADED PARTNERSHIPS TREATED AS QUALIFYING INCOME OF REGULATED INVESTMENT COMPANIES.

(a) IN GENERAL.—Paragraph (2) of section 851(b) (defining regulated investment company) is amended to read as follows:

"(2) at least 90 percent of its gross income is derived from—

"(A) dividends, interest, payments with respect to securities loans (as defined in section 512(a)(5)), and gains from the sale or other disposition of stock or securities (as defined in section 2(a)(36) of the Investment Company Act of 1940, as amended) or foreign currencies, or other income (including but not limited to gains from options, futures or forward contracts) derived with respect to its business of investing in such stock, securities, or currencies, and

"(B) distributions or other income derived from an interest in a qualified publicly traded partnership (as defined in subsection (h)); and".

(b) SOURCE FLOW-THROUGH RULE NOT TO APPLY.—The last sentence of section 851(b) is amended by inserting "(other than a qualified publicly traded partnership as defined in subsection (h))" after "derived from a partnership".

(c) LIMITATION ON OWNERSHIP.—Subsection (c) of section 851 is amended by redesignating paragraph (5) as paragraph (6) and inserting after paragraph (4) the following new paragraph:

"(5) The term 'outstanding voting securities of such issuer' shall include the equity securities of a qualified publicly traded partnership (as defined in subsection (h)).".

(d) DEFINITION OF QUALIFIED PUBLICLY TRADED PARTNERSHIP.—Section 851 is amended by adding at the end the following new subsection:

"(h) QUALIFIED PUBLICLY TRADED PARTNERSHIP.—For purposes of this section, the term 'qualified publicly traded partnership' means a publicly traded partnership described in section 7704(b) other than a partnership which would satisfy the gross income requirements of section 7704(c)(2) if qualifying income included only income described in subsection (b)(2)(A).".

(e) DEFINITION OF QUALIFYING INCOME.—Section 7704(d)(4) is amended by striking "section 851(b)(2)" and inserting "section 851(b)(2)(A)".

(f) LIMITATION ON COMPOSITION OF ASSETS.—Subparagraph (B) of section 851(b)(3) is amended to read as follows:

"(B) not more than 25 percent of the value of its total assets is invested in—

"(i) the securities (other than Government securities or the securities of other regulated investment companies) of any one issuer,

"(ii) the securities (other than the securities of other regulated investment companies) of two or more issuers which the taxpayer controls and which are determined, under regulations prescribed by the Secretary, to be engaged in the same or similar trades or businesses or related trades or businesses, or

"(iii) the securities of one or more qualified publicly traded partnerships (as defined in subsection (h)).".

(g) APPLICATION OF SPECIAL PASSIVE ACTIVITY RULE TO REGULATED INVESTMENT COMPANIES.—Subsection (k) of section 469 (relating to separate application of section in case of publicly traded partnerships) is amended by adding at the end the following new paragraph:

"(4) APPLICATION TO REGULATED INVESTMENT COMPANIES.—For purposes of this section, a regulated investment company (as defined in section 851) holding an interest in a qualified publicly traded partnership (as defined in section 851(h)) shall be treated as a taxpayer described in subsection (a)(2) with respect to items attributable to such interest.".

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 285. IMPROVEMENTS RELATED TO REAL ESTATE INVESTMENT TRUSTS.

(a) EXPANSION OF STRAIGHT DEBT SAFE HARBOR.—Section 856 (defining real estate investment trust) is amended—

(1) in subsection (c) by striking paragraph (7), and

(2) by adding at the end the following new subsection:

"(m) SAFE HARBOR IN APPLYING SUBSECTION (c)(4).—

"(1) IN GENERAL.—In applying subclause (III) of subsection (c)(4)(B)(iii), except as otherwise determined by the Secretary in regulations, the following shall not be considered securities held by the trust:

"(A) Straight debt securities of an issuer which meet the requirements of paragraph (2).

"(B) Any loan to an individual or an estate.

"(C) Any section 467 rental agreement (as defined in section 467(d)), other than with a person described in subsection (d)(2)(B).

"(D) Any obligation to pay rents from real property (as defined in subsection (d)(1)).

"(E) Any security issued by a State or any political subdivision thereof, the District of Columbia, a foreign government or any political subdivision thereof, or the Commonwealth of Puerto Rico, but only if the determination of any payment received or accrued under such security does not depend in whole or in part on the profits of any entity not described in this subparagraph or payments on any obligation issued by such an entity.

''(F) Any security issued by a real estate investment trust.

''(G) Any other arrangement as determined by the Secretary.

''(2) SPECIAL RULES RELATING TO STRAIGHT DEBT SECURITIES.—

''(A) IN GENERAL.—For purposes of paragraph (1)(A), securities meet the requirements of this paragraph if such securities are straight debt, as defined in section 1361(c)(5) (without regard to subparagraph (B)(iii) thereof).

''(B) SPECIAL RULES RELATING TO CERTAIN CONTINGENCIES.—For purposes of subparagraph (A), any interest or principal shall not be treated as failing to satisfy section 1361(c)(5)(B)(i) solely by reason of the fact that—

''(i) the time of payment of such interest or principal is subject to a contingency, but only if—

''(I) any such contingency does not have the effect of changing the effective yield to maturity, as determined under section 1272, other than a change in the annual yield to maturity which does not exceed the greater of ¼ of 1 percent or 5 percent of the annual yield to maturity, or

''(II) neither the aggregate issue price nor the aggregate face amount of the issuer's debt instruments held by the trust exceeds $1,000,000 and not more than 12 months of unaccrued interest can be required to be prepaid thereunder, or

''(ii) the time or amount of payment is subject to a contingency upon a default or the exercise of a prepayment right by the issuer of the debt, but only if such contingency is consistent with customary commercial practice.

''(C) SPECIAL RULES RELATING TO CORPORATE OR PARTNERSHIP ISSUERS.—In the case of an issuer which is a corporation or a partnership, securities that otherwise would be described in paragraph (1)(A) shall be considered not to be so described if the trust holding such securities and any of its controlled taxable REIT subsidiaries (as defined in subsection (d)(8)(A)(iv)) hold any securities of the issuer which—

''(i) are not described in paragraph (1) (prior to the application of this subparagraph), and

''(ii) have an aggregate value greater than 1 percent of the issuer's outstanding securities determined without regard to paragraph (3)(A)(i).

''(3) LOOK-THROUGH RULE FOR PARTNERSHIP SECURITIES.—

''(A) IN GENERAL.—For purposes of applying subclause (III) of subsection (c)(4)(B)(iii)—

''(i) a trust's interest as a partner in a partnership (as defined in section 7701(a)(2)) shall not be considered a security, and

''(ii) the trust shall be deemed to own its proportionate share of each of the assets of the partnership.

''(B) DETERMINATION OF TRUST'S INTEREST IN PARTNERSHIP ASSETS.—For purposes of subparagraph (A), with respect to any taxable year beginning after the date of the enactment of this subparagraph—

''(i) the trust's interest in the partnership assets shall be the trust's proportionate interest in any securities issued by the partnership (determined without regard to subparagraph (A)(i) and paragraph (4), but not including securities described in paragraph (1)), and

''(ii) the value of any debt instrument shall be the adjusted issue price thereof, as defined in section 1272(a)(4).

''(4) CERTAIN PARTNERSHIP DEBT INSTRUMENTS NOT TREATED AS A SECURITY.—For purposes of applying subclause (III) of subsection (c)(4)(B)(iii)—

''(A) any debt instrument issued by a partnership and not described in paragraph (1) shall not be considered a security to the extent of the trust's interest as a partner in the partnership, and

''(B) any debt instrument issued by a partnership and not described in paragraph (1) shall not be considered a security if at least 75 percent of the partnership's gross income (excluding gross income from prohibited transactions) is derived from sources referred to in subsection (c)(3).

''(5) SECRETARIAL GUIDANCE.—The Secretary is authorized to provide guidance (including through the issuance of a written determination, as defined in section 6110(b)) that an arrangement shall not be considered a security held by the trust for purposes of applying subclause (III) of subsection (c)(4)(B)(iii) notwithstanding that such arrangement otherwise could be considered a security under subparagraph (F) of subsection (c)(5).''.

(b) CLARIFICATION OF APPLICATION OF LIMITED RENTAL EXCEPTION.—Subparagraph (A) of section 856(d)(8) (relating to special rules for taxable REIT subsidiaries) is amended to read as follows:

''(A) LIMITED RENTAL EXCEPTION.—

''(i) IN GENERAL.—The requirements of this subparagraph are met with respect to any property if at least 90 percent of the leased space of the property is rented to persons other than taxable REIT subsidiaries of such trust and other than persons described in paragraph (2)(B).

''(ii) RENTS MUST BE SUBSTANTIALLY COMPARABLE.—Clause (i) shall apply only to the extent that the amounts paid to the trust as rents from real property (as defined in paragraph (1) without regard to paragraph (2)(B)) from such property are substantially comparable to such rents paid by the other tenants of the trust's property for comparable space.

''(iii) TIMES FOR TESTING RENT COMPARABILITY.—The substantial comparability requirement of clause (ii) shall be treated as met with respect to a lease to a taxable REIT subsidiary of the trust if such requirement is met under the terms of the lease—

''(I) at the time such lease is entered into,

''(II) at the time of each extension of the lease, including a failure to exercise a right to terminate, and

''(III) at the time of any modification of the lease between the trust and the taxable REIT subsidiary if the rent under such lease is effectively increased pursuant to such modification. With respect to subclause (III), if the taxable REIT subsidiary of the trust is a controlled taxable REIT subsidiary of the trust, the term 'rents from real property' shall not in any event include rent under such lease to the extent of the increase in such rent on account of such modification.

''(iv) CONTROLLED TAXABLE REIT SUBSIDIARY.—For purposes of clause (iii), the term 'controlled taxable REIT subsidiary' means, with respect to any real estate investment trust, any taxable REIT subsidiary of such trust if such trust owns directly or indirectly—

''(I) stock possessing more than 50 percent of the total voting power of the outstanding stock of such subsidiary, or

''(II) stock having a value of more than 50 percent of the total value of the outstanding stock of such subsidiary.

''(v) CONTINUING QUALIFICATION BASED ON THIRD PARTY ACTIONS.—If the requirements of clause (i) are met at a time referred to in clause (iii), such requirements shall continue to be treated as met so long as there is no increase in the space leased to any taxable REIT subsidiary of such trust or to any person described in paragraph (2)(B).

''(vi) CORRECTION PERIOD.—If there is an increase referred to in clause (v) during any calendar quarter with respect to any property, the requirements of clause (iii) shall be treated as met during the quarter and the succeeding quarter if such requirements are met at the close of such succeeding quarter.''.

(c) DELETION OF CUSTOMARY SERVICES EXCEPTION.—Subparagraph (B) of section 857(b)(7) (relating to redetermined rents) is amended by striking clause (ii) and by redesignating clauses (iii), (iv), (v), (vi), and (vii) as clauses (ii), (iii), (iv), (v), and (vi), respectively.

(d) CONFORMITY WITH GENERAL HEDGING DEFINITION.—Subparagraph (G) of section 856(c)(5) (relating to treatment of certain hedging instruments) is amended to read as follows:

''(G) TREATMENT OF CERTAIN HEDGING INSTRUMENTS.—Except to the extent provided by regulations, any income of a real estate investment trust from a hedging transaction (as defined in clause (ii) or (iii) of section 1221(b)(2)(A)) which is clearly identified pursuant to section 1221(a)(7), including gain from the sale or disposition of such a transaction, shall not constitute gross income under paragraph (2) to the extent that the transaction hedges any indebtedness incurred or to be incurred by the trust to acquire or carry real estate assets.''.

(e) CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES.—Clause (i) of section 857(b)(5)(A) (relating to imposition of tax in case of failure to meet certain requirements) is amended by striking ''90 percent'' and inserting ''95 percent''.

(f) SAVINGS PROVISIONS.—

(1) RULES OF APPLICATION FOR FAILURE TO SATISFY SECTION 856(c)(4).—Section 856(c) (relating to definition of real estate investment trust) is amended by inserting after paragraph (6) the following new paragraph:

''(7) RULES OF APPLICATION FOR FAILURE TO SATISFY PARAGRAPH (4).—

''(A) DE MINIMIS FAILURE.—A corporation, trust, or association that fails to meet the requirements of paragraph (4)(B)(iii) for a particular quarter shall nevertheless be considered to have satisfied the requirements of such paragraph for such quarter if—

''(i) such failure is due to the ownership of assets the total value of which does not exceed the lesser of—

''(I) 1 percent of the total value of the trust's assets at the end of the quarter for which such measurement is done, and

''(II) $10,000,000, and

''(ii)(I) the corporation, trust, or association, following the identification of such failure, disposes of assets in order to meet the requirements of such paragraph within 6 months after the last day of the quarter in which the corporation, trust or association's identification of the failure to satisfy the requirements of such paragraph occurred or such other time period prescribed by the Secretary and in the manner prescribed by the Secretary, or

''(II) the requirements of such paragraph are otherwise met within the time period specified in subclause (I).

''(B) FAILURES EXCEEDING DE MINIMIS AMOUNT.—A corporation, trust, or association that fails to meet the requirements of paragraph (4) for a particular quarter shall nevertheless be considered to have satisfied the requirements of such paragraph for such quarter if—

''(i) such failure involves the ownership of assets the total value of which exceeds the de minimis standard described in subparagraph (A)(i) at the end of the quarter for which such measurement is done,

''(ii) following the corporation, trust, or association's identification of the failure to satisfy the requirements of such paragraph for a particular quarter, a description of each asset that causes the corporation, trust, or association to fail to satisfy the requirements of such paragraph at the close of such quarter of any taxable year is set forth in a schedule for such quarter filed in accordance with regulations prescribed by the Secretary,

''(iii) the failure to meet the requirements of such paragraph for a particular quarter is due

to reasonable cause and not due to willful neglect.

"(iv) the corporation, trust, or association pays a tax computed under subparagraph (C), and

"(v)(I) the corporation, trust, or association disposes of the assets set forth on the schedule specified in clause (ii) within 6 months after the last day of the quarter in which the corporation, trust or association's identification of the failure to satisfy the requirements of such paragraph occurred or such other time period prescribed by the Secretary and in the manner prescribed by the Secretary, or

"(II) the requirements of such paragraph are otherwise met within the time period specified in subclause (I).

"(C) TAX.—For purposes of subparagraph (B)(iv)—

"(i) TAX IMPOSED.—If a corporation, trust, or association elects the application of this subparagraph, there is hereby imposed a tax on the failure described in subparagraph (B) of such corporation, trust, or association. Such tax shall be paid by the corporation, trust, or association.

"(ii) TAX COMPUTED.—The amount of the tax imposed by clause (i) shall be the greater of—

"(I) $50,000, or

"(II) the amount determined (pursuant to regulations promulgated by the Secretary) by multiplying the net income generated by the assets described in the schedule specified in subparagraph (B)(ii) for the period specified in clause (iii) by the highest rate of tax specified in section 11.

"(iii) PERIOD.—For purposes of clause (ii)(II), the period described in this clause is the period beginning on the first date that the failure to satisfy the requirements of such paragraph (4) occurs as a result of the ownership of such assets and ending on the earlier of the date on which the trust disposes of such assets or the end of the first quarter when there is no longer a failure to satisfy such paragraph (4).

"(iv) ADMINISTRATIVE PROVISIONS.—For purposes of subtitle F, the taxes imposed by this subparagraph shall be treated as excise taxes with respect to which the deficiency procedures of such subtitle apply.".

(2) MODIFICATION OF RULES OF APPLICATION FOR FAILURE TO SATISFY SECTIONS 856(c)(2) OR 856(c)(3).—Paragraph (6) of section 856(c) (relating to definition of real estate investment trust) is amended by striking subparagraphs (A) and (B), by redesignating subparagraph (C) as subparagraph (B), and by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

"(A) following the corporation, trust, or association's identification of the failure to meet the requirements of paragraph (2) or (3), or of both such paragraphs, for any taxable year, a description of each item of its gross income described in such paragraphs is set forth in a schedule for such taxable year filed in accordance with regulations prescribed by the Secretary, and".

(3) REASONABLE CAUSE EXCEPTION TO LOSS OF REIT STATUS IF FAILURE TO SATISFY REQUIREMENTS.—Subsection (g) of section 856 (relating to termination of election) is amended—

(A) in paragraph (1) by inserting before the period at the end of the first sentence the following: "unless paragraph (5) applies", and

(B) by adding at the end the following new paragraph:

"(5) ENTITIES TO WHICH PARAGRAPH APPLIES.—This paragraph applies to a corporation, trust, or association—

"(A) which is not a real estate investment trust to which the provisions of this part apply for the taxable year due to one or more failures to comply with one or more of the provisions of this part (other than subsection (c)(6) or (c)(7) of section 856),

"(B) such failures are due to reasonable cause and not due to willful neglect, and

"(C) if such corporation, trust, or association pays (as prescribed by the Secretary in regulations and in the same manner as tax) a penalty of $50,000 for each failure to satisfy a provision of this part due to reasonable cause and not willful neglect.".

(4) DEDUCTION OF TAX PAID FROM AMOUNT REQUIRED TO BE DISTRIBUTED.—Subparagraph (E) of section 857(b)(2) is amended by striking "(7)" and inserting "(7) of this subsection, section 856(c)(7)(B)(iii), and section 856(g)(1).".

(5) EXPANSION OF DEFICIENCY DIVIDEND PROCEDURE.—Subsection (e) of section 860 is amended by striking "or" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting "; or", and by adding at the end the following new paragraph:

"(4) a statement by the taxpayer attached to its amendment or supplement to a return of tax for the relevant tax year.".

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2000.

(2) SUBSECTIONS (c) THROUGH (f).—The amendments made by subsections (c), (d), (e), and (f) shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 286. TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.

(a) TREATMENT OF CERTAIN DIVIDENDS.—

(1) NONRESIDENT ALIEN INDIVIDUALS.—Section 871 (relating to tax on nonresident alien individuals) is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

"(k) EXEMPTION FOR CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.—

"(1) INTEREST-RELATED DIVIDENDS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), no tax shall be imposed under paragraph (1)(A) of subsection (a) on any interest-related dividend received from a regulated investment company.

"(B) EXCEPTIONS.—Subparagraph (A) shall not apply—

"(i) to any interest-related dividend received from a regulated investment company by a person to the extent such dividend is attributable to interest (other than interest described in subparagraph (E) (i) or (iii)) received by such company on indebtedness issued by such person or by any corporation or partnership with respect to which such person is a 10-percent shareholder,

"(ii) to any interest-related dividend with respect to stock of a regulated investment company unless the person who would otherwise be required to deduct and withhold tax from such dividend under chapter 3 receives a statement (which meets requirements similar to the requirements of subsection (h)(5)) that the beneficial owner of such stock is not a United States person, and

"(iii) to any interest-related dividend paid to any person within a foreign country (or any interest-related dividend payment addressed to, or for the account of, persons within such foreign country) during any period described in subsection (h)(6) with respect to such country.

Clause (iii) shall not apply to any dividend with respect to any stock which was acquired on or before the date of the publication of the Secretary's determination under subsection (h)(6).

"(C) INTEREST-RELATED DIVIDEND.—For purposes of this paragraph, an interest-related dividend is any dividend (or part thereof) which is designated by the regulated investment company as an interest-related dividend in a written notice mailed to its shareholders not later than 60 days after the close of its taxable year. If the aggregate amount so designated with respect to a taxable year of the company (including amounts so designated with respect to dividends paid after the close of the taxable year described in section 855) is greater than the qualified net interest income of the company for such taxable year, the portion of each distribution which shall be an interest-related dividend shall be only that portion of the amounts so designated which such qualified net interest income bears to the aggregate amount so designated.

"(D) QUALIFIED NET INTEREST INCOME.—For purposes of subparagraph (C), the term 'qualified net interest income' means the qualified interest income of the regulated investment company reduced by the deductions properly allocable to such income.

"(E) QUALIFIED INTEREST INCOME.—For purposes of subparagraph (D), the term 'qualified interest income' means the sum of the following amounts derived by the regulated investment company from sources within the United States:

"(i) Any amount includible in gross income as original issue discount (within the meaning of section 1273) on an obligation payable 183 days or less from the date of original issue (without regard to the period held by the company).

"(ii) Any interest includible in gross income (including amounts recognized as ordinary income in respect of original issue discount or market discount or acquisition discount under part V of subchapter P and such other amounts as regulations may provide) on an obligation which is in registered form; except that this clause shall not apply to—

"(I) any interest on an obligation issued by a corporation or partnership if the regulated investment company is a 10-percent shareholder in such corporation or partnership, and

"(II) any interest which is treated as not being portfolio interest under the rules of subsection (h)(4).

"(iii) Any interest referred to in subsection (i)(2)(A) (without regard to the trade or business of the regulated investment company).

"(iv) Any interest-related dividend includable in gross income with respect to stock of another regulated investment company.

"(F) 10-PERCENT SHAREHOLDER.—For purposes of this paragraph, the term '10-percent shareholder' has the meaning given such term by subsection (h)(3)(B).

"(2) SHORT-TERM CAPITAL GAIN DIVIDENDS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), no tax shall be imposed under paragraph (1)(A) of subsection (a) on any short-term capital gain dividend received from a regulated investment company.

"(B) EXCEPTION FOR ALIENS TAXABLE UNDER SUBSECTION (a)(2).—Subparagraph (A) shall not apply in the case of any nonresident alien individual subject to tax under subsection (a)(2).

"(C) SHORT-TERM CAPITAL GAIN DIVIDEND.—For purposes of this paragraph, a short-term capital gain dividend is any dividend (or part thereof) which is designated by the regulated investment company as a short-term capital gain dividend in a written notice mailed to its shareholders not later than 60 days after the close of its taxable year. If the aggregate amount so designated with respect to a taxable year of the company (including amounts so designated with respect to dividends paid after the close of the taxable year described in section 855) is greater than the qualified short-term gain of the company for such taxable year, the portion of each distribution which shall be a short-term capital gain dividend shall be only that portion of the amounts so designated which such qualified short-term gain bears to the aggregate amount so designated.

"(D) QUALIFIED SHORT-TERM GAIN.—For purposes of subparagraph (C), the term 'qualified *short-term gain' means the excess of the net short-term capital gain of the regulated investment company for the taxable year over the net long-term capital loss (if any) of such company for such taxable year. For purposes of this subparagraph—*

"(i) the net short-term capital gain of the regulated investment company shall be computed by treating any short-term capital gain dividend includible in gross income with respect to stock of another regulated investment company as a short-term capital gain, and

"(ii) the excess of the net short-term capital gain for a taxable year over the net long-term capital loss for a taxable year (to which an election under section 4982(e)(4) does not apply) shall be determined without regard to any net capital loss or net short-term capital loss attributable to transactions after October 31 of such year, and any such net capital loss or net short-term capital loss shall be treated as arising on the 1st day of the next taxable year.

To the extent provided in regulations, clause (ii) shall apply also for purposes of computing the taxable income of the regulated investment company."

(2) FOREIGN CORPORATIONS.—Section 881 (relating to tax on income of foreign corporations not connected with United States business) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) TAX NOT TO APPLY TO CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.—

"(1) INTEREST-RELATED DIVIDENDS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), no tax shall be imposed under paragraph (1) of subsection (a) on any interest-related dividend (as defined in section 871(k)(1)) received from a regulated investment company.

"(B) EXCEPTION.—Subparagraph (A) shall not apply—

"(i) to any dividend referred to in section 871(k)(1)(B), and

"(ii) to any interest-related dividend received by a controlled foreign corporation (within the meaning of section 957(a)) to the extent such dividend is attributable to interest received by the regulated investment company from a person who is a related person (within the meaning of section 864(d)(4)) with respect to such controlled foreign corporation.

"(C) TREATMENT OF DIVIDENDS RECEIVED BY CONTROLLED FOREIGN CORPORATIONS.—The rules of subsection (c)(5)(A) shall apply to any interest-related dividend received by a controlled foreign corporation (within the meaning of section 957(a)) to the extent such dividend is attributable to interest received by the regulated investment company which is described in clause (ii) of section 871(k)(1)(E) (and not described in clause (i) or (iii) of such section).

"(2) SHORT-TERM CAPITAL GAIN DIVIDENDS.—No tax shall be imposed under paragraph (1) of subsection (a) on any short-term capital gain dividend (as defined in section 871(k)(2)) received from a regulated investment company.".

(3) WITHHOLDING TAXES.—

(A) Section 1441(c) (relating to exceptions) is amended by adding at the end the following new paragraph:

"(12) CERTAIN DIVIDENDS RECEIVED FROM REGULATED INVESTMENT COMPANIES.—

"(A) IN GENERAL.—No tax shall be required to be deducted and withheld under subsection (a) from any amount exempt from the tax imposed by section 871(a)(1)(A) by reason of section 871(k).

"(B) SPECIAL RULE.—For purposes of subparagraph (A), clause (i) of section 871(k)(1)(B) shall not apply to any dividend unless the regulated investment company knows that such dividend is a dividend referred to in such clause. A similar rule shall apply with respect to the exception contained in section 871(k)(2)(B).".

(B) Section 1442(a) (relating to withholding of tax on foreign corporations) is amended—

(i) by striking "and the reference in section 1441(c)(10)" and inserting "the reference in section 1441(c)(10)", and

(ii) by inserting before the period at the end the following: ", and the references in section 1441(c)(12) to sections 871(a) and 871(k) shall be treated as referring to sections 881(a) and 881(e) (except that for purposes of applying subparagraph (A) of section 1441(c)(12), as so modified, clause (ii) of section 881(e)(1)(B) shall not apply to any dividend unless the regulated investment company knows that such dividend is a dividend referred to in such clause)".

(b) ESTATE TAX TREATMENT OF INTEREST IN CERTAIN REGULATED INVESTMENT COMPANIES.—Section 2105 (relating to property without the United States for estate tax purposes) is amended by adding at the end the following new subsection:

"(d) STOCK IN A RIC.—

"(1) IN GENERAL.—For purposes of this subchapter, stock in a regulated investment company (as defined in section 851) owned by a nonresident not a citizen of the United States shall not be deemed property within the United States in the proportion that, at the end of the quarter of such investment company's taxable year immediately preceding a decedent's date of death (or at such other time as the Secretary may designate in regulations), the assets of the investment company that were qualifying assets with respect to the decedent bore to the total assets of the investment company.

"(2) QUALIFYING ASSETS.—For purposes of this subsection, qualifying assets with respect to a decedent are assets that, if owned directly by the decedent, would have been—

"(A) amounts, deposits, or debt obligations described in subsection (b) of this section,

"(B) debt obligations described in the last sentence of section 2104(c), or

"(C) other property not within the United States."

(c) TREATMENT OF REGULATED INVESTMENT COMPANIES UNDER SECTION 897.—

(1) Paragraph (1) of section 897(h) is amended by striking "REIT" each place it appears and inserting "qualified investment entity".

(2) Paragraphs (2) and (3) of section 897(h) are amended to read as follows:

"(2) SALE OF STOCK IN DOMESTICALLY CONTROLLED ENTITY NOT TAXED.—The term 'United States real property interest' does not include any interest in a domestically controlled qualified investment entity.

"(3) DISTRIBUTIONS BY DOMESTICALLY CONTROLLED QUALIFIED INVESTMENT ENTITIES.—In the case of a domestically controlled qualified investment entity, rules similar to the rules of subsection (d) shall apply to the foreign ownership percentage of any gain."

(3) Subparagraphs (A) and (B) of section 897(h)(4) are amended to read as follows:

"(A) QUALIFIED INVESTMENT ENTITY.—The term 'qualified investment entity' means any real estate investment trust and any regulated investment company.

"(B) DOMESTICALLY CONTROLLED.—The term 'domestically controlled qualified investment entity' means any qualified investment entity in which at all times during the testing period less than 50 percent in value of the stock was held directly or indirectly by foreign persons."

(4) Subparagraphs (C) and (D) of section 897(h)(4) are each amended by striking "REIT" and inserting "qualified investment entity".

(5) The subsection heading for subsection (h) of section 897 is amended by striking "REITS" and inserting "CERTAIN INVESTMENT ENTITIES".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to dividends with respect to taxable years of regulated investment companies beginning after December 31, 2004.

(2) ESTATE TAX TREATMENT.—The amendment made by subsection (b) shall apply to estates of decedents dying after December 31, 2004.

(3) CERTAIN OTHER PROVISIONS.—The amendments made by subsection (c) (other than paragraph (1) thereof) shall take effect after December 31, 2004.

SEC. 287. TAXATION OF CERTAIN SETTLEMENT FUNDS.

(a) IN GENERAL.—Subsection (g) of section 468B (relating to clarification of taxation of certain funds) is amended to read as follows:

"(g) CLARIFICATION OF TAXATION OF CERTAIN FUNDS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), nothing in any provision of law shall be construed as providing that an escrow account, settlement fund, or similar fund is not subject to current income tax. The Secretary shall prescribe regulations providing for the taxation of any such account or fund whether as a grantor trust or otherwise.

"(2) EXEMPTION FROM TAX FOR CERTAIN SETTLEMENT FUNDS.—An escrow account, settlement fund, or similar fund shall be treated as beneficially owned by the United States and shall be exempt from taxation under this subtitle if—

"(A) it is established pursuant to a consent decree entered by a judge of a United States District Court,

"(B) it is created for the receipt of settlement payments as directed by a government entity for the sole purpose of resolving or satisfying one or more claims asserting liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980,

"(C) the authority and control over the expenditure of funds therein (including the expenditure of contributions thereto and any net earnings thereon) is with such government entity, and

"(D) upon termination, any remaining funds will be disbursed to such government entity for use in accordance with applicable law.

For purposes of this paragraph, the term 'government entity' means the United States, any State or political subdivision thereof, the District of Columbia, any possession of the United States, and any agency or instrumentality of any of the foregoing.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 288. EXPANSION OF HUMAN CLINICAL TRIALS QUALIFYING FOR ORPHAN DRUG CREDIT.

(a) IN GENERAL.—Paragraph (2) of section 45C(b) (relating to qualified clinical testing expenses) is amended by adding at the end the following new subparagraph:

"(C) TREATMENT OF CERTAIN EXPENSES INCURRED BEFORE DESIGNATION.—For purposes of subparagraph (A)(ii)(I), if a drug is designated under section 526 of the Federal Food, Drug, and Cosmetic Act not later than the due date (including extensions) for filing the return of tax under this subtitle for the taxable year in which the application for such designation of such drug was filed, such drug shall be treated as having been designated on the date that such application was filed.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to expenses incurred after the date of the enactment of this Act.

SEC. 289. SIMPLIFICATION OF EXCISE TAX IMPOSED ON BOWS AND ARROWS.

(a) BOWS.—Paragraph (1) of section 4161(b) (relating to bows) is amended to read as follows:

"(1) BOWS.—

"(A) IN GENERAL.—There is hereby imposed on the sale by the manufacturer, producer, or importer of any bow which has a peak draw weight of 30 pounds or more, a tax equal to 11 percent of the price for which so sold.

"(B) ARCHERY EQUIPMENT.—There is hereby imposed on the sale by the manufacturer, producer, or importer—

"(i) of any part or accessory suitable for inclusion in or attachment to a bow described in subparagraph (A), and

"(ii) of any quiver or broadhead suitable for use with an arrow described in paragraph (2),

a tax equal to 11 percent of the price for which so sold.".

(b) ARROWS.—Subsection (b) of section 4161 (relating to bows and arrows, etc.) is amended by redesignating paragraph (3) as paragraph (4) and inserting after paragraph (2) the following:

"(3) ARROWS.—

"(A) IN GENERAL.—There is hereby imposed on the sale by the manufacturer, producer, or importer of any arrow, a tax equal to 12 percent of the price for which so sold.

"(B) EXCEPTION.—In the case of any arrow of which the shaft or any other component has been previously taxed under paragraph (1) or (2)—

"(i) section 6416(b)(3) shall not apply, and

"(ii) the tax imposed by subparagraph (A) shall be an amount equal to the excess (if any) of—

"(I) the amount of tax imposed by this paragraph (determined without regard to this subparagraph), over

"(II) the amount of tax paid with respect to the tax imposed under paragraph (1) or (2) on such shaft or component.

"(C) ARROW.—For purposes of this paragraph, the term 'arrow' means any shaft described in paragraph (2) to which additional components are attached.".

(c) CONFORMING AMENDMENTS.—Section 4161(b)(2) is amended—

(1) by inserting "(other than broadheads)" after "point", and

(2) by striking "ARROWS.—" in the heading and inserting "ARROW COMPONENTS.—".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to articles sold by the manufacturer, producer, or importer after December 31, 2004.

SEC. 290. REPEAL OF EXCISE TAX ON FISHING TACKLE BOXES.

(a) REPEAL.—Paragraph (6) of section 4162(a) (defining sport fishing equipment) is amended by striking subparagraph (C) and by redesignating subparagraphs (D) through (J) as subparagraphs (C) through (I), respectively.

(b) EFFECTIVE DATE.—The amendments made this section shall apply to articles sold by the manufacturer, producer, or importer after December 31, 2004.

SEC. 291. SONAR DEVICES SUITABLE FOR FINDING FISH.

(a) NOT TREATED AS SPORT FISHING EQUIPMENT.—Subsection (a) of section 4162 (relating to sport fishing equipment defined) is amended by inserting "and" at the end of paragraph (8), by striking ", and" at the end of paragraph (9) and inserting a period, and by striking paragraph (10).

(b) CONFORMING AMENDMENT.—Section 4162 is amended by striking subsection (b) and by redesignating subsection (c) as subsection (b).

(c) EFFECTIVE DATE.—The amendments made this section shall apply to articles sold by the manufacturer, producer, or importer after December 31, 2004.

SEC. 292. INCOME TAX CREDIT TO DISTILLED SPIRITS WHOLESALERS FOR COST OF CARRYING FEDERAL EXCISE TAXES ON BOTTLED DISTILLED SPIRITS.

(a) IN GENERAL.—Subpart A of part I of subchapter A of chapter 51 (relating to gallonage and occupational taxes) is amended by adding at the end the following new section:

"SEC. 5011. INCOME TAX CREDIT FOR WHOLESALER'S AVERAGE COST OF CARRYING EXCISE TAX.

"(a) IN GENERAL.—For purposes of section 38, in the case of an eligible wholesaler, the amount of the distilled spirits wholesalers credit for any taxable year is the amount equal to the product of—

"(1) the number of cases of bottled distilled spirits—

"(A) which were bottled in the United States, and

"(B) which are purchased by such wholesaler during the taxable year directly from the bottler of such spirits, and

"(2) the average tax-financing cost per case for the most recent calendar year ending before the beginning of such taxable year.

"(b) ELIGIBLE WHOLESALER.—For purposes of this section, the term 'eligible wholesaler' means any person who holds a permit under the Federal Alcohol Administration Act as a wholesaler of distilled spirits.

"(c) AVERAGE TAX-FINANCING COST.—

"(1) IN GENERAL.—For purposes of this section, the average tax-financing cost per case for any calendar year is the amount of interest which would accrue at the deemed financing rate during a 60-day period on an amount equal to the deemed Federal excise per case.

"(2) DEEMED FINANCING RATE.—For purposes of paragraph (1), the deemed financing rate for any calendar year is the average of the corporate overpayment rates under paragraph (1) of section 6621(a) (determined without regard to the last sentence of such paragraph) for calendar quarters of such year.

"(3) DEEMED FEDERAL EXCISE TAX BASED ON CASE.—For purposes of paragraph (1), the deemed Federal excise tax per case of 12 80-proof 750ml bottles is $22.83.

"(4) NUMBER OF CASES IN LOT.—For purposes of this section, the number of cases in any lot of distilled spirits shall be determined by dividing the number of liters in such lot by 9."

(b) CONFORMING AMENDMENTS.—

(1) Subsection (b) of section 38 is amended by striking "plus" at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting ", plus", and by adding at the end the following new paragraph:

"(16) in the case of an eligible wholesaler (as defined in section 5011(b)), the distilled spirits wholesalers credit determined under section 5011(a)."

(2) Subsection (d) of section 39 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following new paragraph:

"(11) NO CARRYBACK OF SECTION 5011 CREDIT BEFORE JANUARY 1, 2005.—No portion of the unused business credit for any taxable year which is attributable to the credit determined under section 5011(a) may be carried back to a taxable year beginning before January 1, 2005.".

(3) The table of sections for subpart A of part I of subchapter A of chapter 51 is amended by adding at the end the following new item:

"Sec. 5011. Income tax credit for wholesaler's average cost of carrying excise tax.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 293. SUSPENSION OF OCCUPATIONAL TAXES RELATING TO DISTILLED SPIRITS, WINE, AND BEER.

(a) IN GENERAL.—Subpart G of part II of subchapter A of chapter 51 is amended by redesignating section 5148 as section 5149 and by inserting after section 5147 the following new section:

"SEC. 5148. SUSPENSION OF OCCUPATIONAL TAX.

"(a) IN GENERAL.—Notwithstanding sections 5081, 5091, 5111, 5121, and 5131, the rate of tax imposed under such sections for the suspension period shall be zero. During such period, persons engaged in or carrying on a trade or business covered by such sections shall register under section 5141 and shall comply with the recordkeeping requirements under this part.

"(b) SUSPENSION PERIOD.—For purposes of subsection (a), the suspension period is the period beginning on July 1, 2004, and ending on June 30, 2007.".

(b) CONFORMING AMENDMENT.—Section 5117 is amended by adding at the end the following new subsection:

"(d) SPECIAL RULE DURING SUSPENSION PERIOD.—Except as provided in subsection (b) or by the Secretary, during the suspension period (as defined in section 5148) it shall be unlawful for any dealer to purchase distilled spirits for resale from any person other than a wholesale dealer in liquors who is required to keep records under section 5114.".

(c) CLERICAL AMENDMENT.—The table of sections for subpart G of part II of subchapter A of chapter 51 is amended by striking the last item and inserting the following new items:

"Sec. 5148. Suspension of occupational tax.

"Sec. 5149. Cross references.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 294. MODIFICATION OF UNRELATED BUSINESS INCOME LIMITATION ON INVESTMENT IN CERTAIN SMALL BUSINESS INVESTMENT COMPANIES.

(a) IN GENERAL.—Paragraph (6) of section 514(c) (relating to acquisition indebtedness) is amended to read as follows:

"(6) CERTAIN FEDERAL FINANCING.—

"(A) IN GENERAL.—For purposes of this section, the term 'acquisition indebtedness' does not include—

"(i) an obligation, to the extent that it is insured by the Federal Housing Administration, to finance the purchase, rehabilitation, or construction of housing for low and moderate income persons, or

"(ii) indebtedness incurred by a small business investment company licensed under the Small Business Investment Act of 1958 and formed after the date of the enactment of the American Jobs Creation Act of 2004, if such indebtedness is evidenced by a debenture—

"(I) issued by such company under section 303(a) of such Act, and

"(II) held or guaranteed by the Small Business Administration.

"(B) LIMITATION.—Subparagraph (A)(ii) shall not apply with respect to any small business investment company during any period that—

"(i) any organization which is exempt from tax under this title (other than a governmental unit) owns more than 25 percent of the capital or profits interest in such company, or

"(ii) organizations which are exempt from tax under this title (including governmental units other than any agency or instrumentality of the United States) own, in the aggregate, 50 percent or more of the capital or profits interest in such company.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to indebtedness incurred by small business investment companies formed after the date of the enactment of the American Jobs Creation Act of 2004.

SEC. 295. ELECTION TO DETERMINE TAXABLE INCOME FROM CERTAIN INTERNATIONAL SHIPPING ACTIVITIES USING PER TON RATE.

(a) IN GENERAL.—Chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after subchapter Q the following new subchapter:

"Subchapter R—Election To Determine Taxable Income From Certain International Shipping Activities Using per Ton Rate

"Sec. 1352. Alternative tax on qualifying shipping activities.
"Sec. 1353. Taxable income from qualifying shipping activities.
"Sec. 1354. Qualifying shipping tax election; revocation; termination.
"Sec. 1355. Definitions and special rules.
"Sec. 1356. Qualifying shipping activities.
"Sec. 1357. Items not subject to regular tax; depreciation; interest.
"Sec. 1358. Allocation of credits, income, and deductions.
"Sec. 1359. Disposition of qualifying shipping assets.

"SEC. 1352. ALTERNATIVE TAX ON QUALIFYING SHIPPING ACTIVITIES.

"(a) In General.—The taxable income of an electing corporation from qualifying shipping activities shall be the amount determined under this subchapter, and the corporate percentages of the items of income, gain, loss, deduction, or credit of an electing corporation and of other members of the electing group of such corporation which would otherwise be taken into account by reason of its qualifying shipping activities shall be taken into account to the extent provided in section 1357.

"(b) Alternative Tax.—The taxable income of an electing corporation from qualifying shipping activities, if otherwise taxable under section 11, 55, 882, 887, or 1201(a) shall be subject to tax only under this section at the maximum rate specified in section 11(b). The income of a foreign corporation shall not be subject to tax under this subchapter to the extent its income is excludible from gross income under section 883(a)(1).

"SEC. 1353. TAXABLE INCOME FROM QUALIFYING SHIPPING ACTIVITIES.

"(a) In General.—For purposes of this subchapter, the taxable income of an electing corporation from qualifying shipping activities shall be its corporate income percentage of the sum of the amounts determined under subsection (b) for each qualifying vessel operated by such electing corporation or other electing entity.

"(b) Amounts.—For purposes of subsection (a), the amount of taxable income of an electing entity for each qualifying vessel shall equal the product of—

"(1) the daily notional taxable income from the operation of the qualifying vessel in United States foreign trade, and

"(2) the number of days during the taxable year that the electing entity operated such vessel as a qualifying vessel in United States foreign trade.

"(c) Daily Notional Taxable Income.—For purposes of subsection (b), the daily notional taxable income from the operation of a qualifying vessel is 40 cents for each 100 tons of the net tonnage of the vessel, up to 25,000 net tons., and 20 cents for each 100 tons of the net tonnage of the vessel, in excess of 25,000 net tons.

"(d) Multiple Operators of Vessel.—If 2 or more persons have a joint interest in a qualifying vessel and are treated as operators of that vessel, the taxable income from the operation of such vessel for that time (as determined under this section) shall be allocated among such persons on the basis of their ownership and charter interests in such vessel or on such other basis as the Secretary may prescribe by regulations.

"(e) Noncorporate Percentage.—Notwithstanding any contrary provision of this subchapter, the noncorporate percentage of any item of income, gain, loss, deduction, or credit of any member of an electing group shall be taken into account for all purposes of this subtitle as if this subchapter were not in effect.

"SEC. 1354. QUALIFYING SHIPPING TAX ELECTION; REVOCATION; TERMINATION.

"(a) In General.—Except as provided in subsections (b) and (f), a qualifying shipping tax election may be made in respect of any qualifying entity.

"(b) Condition of Election.—An election may be made by a member of a controlled group under this subsection for any taxable year only if all qualifying entities that are members of the controlled group join in the election.

"(c) When Made.—An election under subsection (a) may be made by a qualifying entity in such form as prescribed by the Secretary. Such election shall be filed with the qualifying entity's return for the first taxable year to which the election shall apply, by the due date for such return (including any applicable extensions).

"(d) Years for Which Effective.—An election under subsection (a) shall be effective for the taxable year of the qualifying entity for which it is made and for all succeeding taxable years of the entity, until such election is terminated under subsection (e).

"(e) Termination.—

"(1) By revocation.—

"(A) In general.—An election under subsection (a) may be terminated by revocation.

"(B) When effective.—Except as provided in subparagraph (C)—

"(i) a revocation made during the taxable year and on or before the 15th day of the 3rd month thereof shall be effective on the 1st day of such taxable year, and

"(ii) a revocation made during the taxable year but after such 15th day shall be effective on the 1st day of the following taxable year.

"(C) Revocation may specify prospective date.—If the revocation specifies a date for revocation which is on or after the day on which the revocation is made, the revocation shall be effective on and after the date so specified.

"(2) By entity ceasing to be qualifying entity.—

"(A) In general.—An election under subsection (a) shall be terminated whenever (at any time on or after the 1st day of the 1st taxable year for which the entity is an electing entity) such entity ceases to be a qualifying entity.

"(B) When effective.—Any termination under this paragraph shall be effective on and after the date of cessation.

"(f) Election After Termination.—If a qualifying entity has made an election under subsection (a) and if such election has been terminated under subsection (e), such entity (and any successor entity) shall not be eligible to make an election under subsection (a) for any taxable year before its 5th taxable year which begins after the 1st taxable year for which such termination is effective, unless the Secretary consents to such election.

"SEC. 1355. DEFINITIONS AND SPECIAL RULES.

"(a) Definitions.—For purposes of this subchapter:

"(1) The term 'controlled group' means any group of trusts and business entities whose members would be treated as a single employer under the rules of section 52(a) (without regard to paragraphs (1) and (2) thereof) and section 52(b)(1).

"(2) The term 'corporate income percentage' means the least aggregate share, expressed as a percentage, of any item of income or gain of an electing corporation or electing group of which such corporation is a member from qualifying shipping activities that would, but for an election in effect under this subchapter, be required to be reported on the Federal income tax return of an electing corporation during any taxable period. In the case of an electing group which includes two or more electing corporations, the corporate income percentage of each such corporation shall be determined on the basis of such corporations' direct and indirect ownership and charter interests in qualifying vessels of the electing group or on such other basis as the Secretary may prescribe by regulations.

"(3) The term 'corporate loss percentage' means the greatest aggregate share, expressed as a percentage, of any item of loss, deduction or credit of an electing corporation or electing group of which such corporation is a member from qualifying shipping activities that would, but for an election in effect under this subchapter, be required to be reported on the Federal income tax return of an electing corporation during any taxable period.

"(4) The term 'corporate percentages' means the corporate income percentage and the corporate loss percentage.

"(5) The term 'electing corporation' means any C corporation that is an electing entity or that would, but for an election in effect under this subchapter, be required to report any item of income, gain, loss, deduction, or credit of an electing entity on its Federal income tax return.

"(6) The term 'electing entity' means any qualifying entity for which an election is in effect under this subchapter.

"(7) The term 'electing group' means a controlled group of which one or more members is an electing entity.

"(8) The term 'noncorporate percentage' means the difference between one hundred percent and the corporate income percentage or corporate loss percentage, as applicable.

"(9) The term 'qualifying entity' means a trust or business entity that—

"(A) operates one or more qualifying vessels, and

"(B) meets the shipping activity requirement in subsection (c).

"(10) The term 'qualifying shipping assets' means any qualifying vessel and other assets which are used in core qualifying activities as described in section 1356(b).

"(11) The term 'qualifying vessel' means a self-propelled (or a combination self-propelled and non-self-propelled) United States flag vessel of not less than 10,000 deadweight tons used in the United States foreign trade.

"(12) The term 'United States domestic trade' means the transportation of goods or passengers between places in the United States.

"(13) The term 'United States flag vessel' means any vessel documented under the laws of the United States.

"(14) The term 'United States foreign trade' means the transportation of goods or passengers between a place in the United States and a foreign place or between foreign places.

"(b) Operating a Vessel.—For purposes of this subchapter:

"(1) Except as provided in paragraph (2), an entity is treated as operating any vessel owned by, or chartered (including a time charter) to, the entity.

"(2) An entity is treated as operating a vessel that it has chartered out on bareboat charter terms only if—

"(A) the vessel is temporarily surplus to the entity's requirements and the term of the charter does not exceed three years; or

"(B) the vessel is bareboat chartered to a member of a controlled group which includes such entity or to an unrelated third party that sub-bareboats or time charters the vessel to a member of such controlled group (including the owner).

"(c) Shipping Activity Requirement.—For purposes of this section, the shipping activity requirement is met for a taxable year only by an entity described in paragraph (1), (2), or (3).

"(1) An entity in the first taxable year of its qualifying shipping tax election if, for the preceding taxable year, the test in paragraph (4) is met.

"(2) An entity in the second or any subsequent taxable year of its qualifying shipping tax election if, for each of the two preceding taxable years, the test in paragraph (4) is met.

"(3) An entity that would be described in paragraph (1) or (2) if the test in paragraph (4) were applied on an aggregate basis to the controlled group of which such entity is a member, and vessel charters between members of the controlled group were disregarded.

"(4) The test in this paragraph is met if on average at least 25 percent of the aggregate tonnage of qualifying vessels operated by the entity were owned by the entity or chartered to the entity on bareboat charter terms. For purposes of the preceding sentence, vessels chartered (including time chartered) to an entity by a member of a controlled group which includes the entity, or by a third party that bareboat charters the vessels from the entity or a member of the entity's controlled group, shall be treated as chartered to the entity on bareboat charter terms.

"(d) EFFECT OF TEMPORARILY CEASING TO OPERATE A QUALIFYING VESSEL.—

"(1) A temporary cessation by an electing entity in operation of a qualifying vessel shall be disregarded for purposes of subsections (b) and (c) if the electing entity gives timely notice to the Secretary stating—

"(A) that it has temporarily ceased to operate the qualifying vessel, and

"(B) its intention to resume operating the qualifying vessel.

"(2) Notice shall be deemed timely if given not later than the due date (including extensions) for the electing entity's tax return (as set forth in section 6072(b)) for the taxable year in which the temporary cessation begins.

"(3) The treatment provided by paragraph (1) shall continue until the earlier of—

"(A) the electing entity abandoning its intention to resume operation of the qualifying vessel, or

"(B) the electing entity resuming operation of the qualifying vessel.

"(e) EFFECT OF TEMPORARILY OPERATING A QUALIFYING VESSEL IN THE UNITED STATES DOMESTIC TRADE.—

"(1) The temporary operation in the United States domestic trade of any qualifying vessel which had been used in the United States foreign trade shall be disregarded for purposes of this subchapter if the electing entity gives timely notice to the Secretary stating—

"(A) that it temporarily operates or has operated in the United States domestic trade a qualifying vessel which had been used in the United States foreign trade, and

"(B) its intention to resume operation of the vessel in the United States foreign trade.

"(2) Notice shall be deemed timely if given not later than the due date (including extensions) for the electing entity's tax return (as set forth in section 6072(b)) for the taxable year in which the temporary cessation begins.

"(3) The treatment provided by paragraph (1) shall continue until the earlier of—

"(A) the electing entity abandoning its intention to resume operations of the vessel in the United States foreign trade, or

"(B) the electing entity resuming operation of the vessel in the United States foreign trade.

"(f) EFFECT OF CHANGE IN USE.—

"(1) Except as provided in subsection (e), a vessel that is used other than for operations in the United States foreign trade on other than a temporary basis ceases to be a qualifying vessel when such use begins.

"(2) For purposes of this subsection, a change in use of a vessel, other than a commencement of operation in the United States domestic trade, is taken to be permanent unless there are circumstances indicating that it is temporary.

"(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.

"SEC. 1356. QUALIFYING SHIPPING ACTIVITIES.

"(a) QUALIFYING SHIPPING ACTIVITIES.—For purposes of this subchapter the 'qualifying shipping activities' of an electing entity consist of—

"(1) core qualifying activities,

"(2) qualifying secondary activities, and

"(3) qualifying incidental activities.

"(b) CORE QUALIFYING ACTIVITIES.—

"(1) The 'core qualifying activities' of an electing entity are—

"(A) its activities in operating qualifying vessels in United States foreign trade, and

"(B) other activities of the electing entity and other members of its electing group that are an integral part of its business of operating qualifying vessels in United States foreign trade, including ownership or operation of barges, containers, chassis, and other equipment that are the complement of, or used in connection with, a qualifying vessel in United States foreign trade, the inland haulage of cargo shipped, or to be shipped, on qualifying vessels in United States foreign trade, and the provision of terminal, maintenance, repair, logistical, or other vessel, container, or cargo-related services that are an integral part of operating qualifying vessels in United States foreign trade.

"(2) 'Core qualifying activities' do not include the provision by an entity of facilities or services to any person, other than—

"(A) another member of such entity's electing group,

"(B) a consignor, consignee, or other customer of such entity's business of operating qualifying vessels in United States foreign trade, or

"(C) a member of an alliance, joint venture, pool, partnership or similar undertaking involving the operation of qualifying vessels in United States foreign trade of which such entity is a member.

"(c) QUALIFYING SECONDARY ACTIVITIES.—For purposes of this subsection—

"(1) the term 'secondary activities' means activities that are not core qualifying activities, and—

"(A) are the active management or operation of vessels in the United States foreign trade,

"(B) the provision of vessel, container, or cargo-related facilities or services to any person, or

"(C) such other activities as may be prescribed by the Secretary pursuant to regulations, and

"(2) the 'qualified secondary activities' of an electing entity are its secondary activities and the secondary activities of other members of its electing group, but only to the extent that, without regard to this subchapter, the aggregate gross income derived by the electing entity and the other members of its electing group from such activities does not exceed 20 percent of the aggregate gross income derived by the electing entity and the other members of its electing group from their core qualifying activities.

"(d) QUALIFYING INCIDENTAL ACTIVITIES.—Shipping-related activities carried on by an electing entity or another member of its electing group are qualified incidental activities of the electing entity if—

"(1) incidental to its core qualifying activities,

"(2) not qualifying secondary activities, and

"(3) without regard to this subchapter, the aggregate gross income derived by the electing entity and other members of its electing group from such activities does not exceed 0.1 percent of such entities' aggregate gross income from their core qualifying activities.

"SEC. 1357. ITEMS NOT SUBJECT TO REGULAR TAX; DEPRECIATION; INTEREST.

"(a) EXCLUSION FROM GROSS INCOME.—Gross income of an electing entity shall not include the corporate income percentage of—

"(1) income from qualifying shipping activities in the United States foreign trade,

"(2) income from money, bank deposits and other temporary investments which are reasonably necessary to meet the working capital requirements of qualifying shipping activities, and

"(3) income from money or other intangible assets accumulated pursuant to a plan to purchase qualifying shipping assets.

"(b) ELECTING GROUP MEMBER.—Gross income of a member of an electing group that is not an electing entity shall not include the corporate income percentage of its income from qualifying shipping activities that are taken into account under this subchapter as qualifying shipping activities of an electing entity.

"(c) DENIAL OF LOSSES, DEDUCTIONS, AND CREDITS.—

"(1) GENERAL RULE.—Subject to paragraph (2), the corporate loss percentage of each item of loss, deduction (other than for interest expense), or credit of any taxpayer with respect to any activity the income from which is excluded from gross income under this section shall be disallowed.

"(2) DEPRECIATION.—Notwithstanding paragraph (1), the deduction for depreciation of a qualifying shipping asset shall be allowed in determining the adjusted basis of such asset for purposes of determining gain from its disposition.

"(A) Except as provided in subparagraph (B), the straight line method of depreciation shall apply to the corporate income percentage of qualifying shipping assets the income from operation of which is excluded from gross income under this section.

"(B) Subparagraph (A) shall not apply to any qualifying shipping asset which is subject to a charter entered into prior to the effective date of this subchapter.

"(3) INTEREST.—The corporate loss percentage of an electing entity's interest expense shall be disallowed in the ratio that the fair market value of its qualifying vessel assets bears to the fair market value of its total assets.

"(d) SECTION INAPPLICABLE TO UNRELATED PERSONS.—This section shall not apply to a taxpayer that is not a member of an electing group.

"SEC. 1358. ALLOCATION OF CREDITS, INCOME, AND DEDUCTIONS.

"(a) QUALIFYING SHIPPING ACTIVITIES.—For purposes of this chapter, the qualifying shipping activities of an electing entity shall be treated as a separate trade or business activity from all other activities conducted by the entity.

"(b) EXCLUSION OF CREDITS OR DEDUCTIONS.—

"(1) No deduction shall be allowed against the taxable income of an electing corporation from qualifying shipping activities, and no credit shall be allowed against the tax imposed by section 1352(b).

"(2) No deduction shall be allowed for any net operating loss attributable to the qualifying shipping activities of a corporation to the extent that such loss is carried forward by the corporation from a taxable year preceding the first taxable year for which such corporation was an electing corporation.

"(c) TRANSACTIONS NOT AT ARM'S LENGTH.—Section 482 shall apply in accordance with this subsection to a transaction or series of transactions—

"(1) as between an electing entity and another person, or

"(2) as between an entity's qualifying shipping activities and other activities carried on by it.

"SEC. 1359. DISPOSITION OF QUALIFYING SHIPPING ASSETS.

"(a) IN GENERAL.—If an electing entity sells or disposes of qualifying shipping assets (as defined in subsection (c)) in an otherwise taxable transaction, at the election of the entity no gain shall be recognized if replacement qualifying shipping assets are acquired during the period specified in subsection (b), except to the extent that the amount realized upon such sale or disposition exceeds the cost of the replacement qualifying shipping assets.

"(b) PERIOD WITHIN WHICH PROPERTY MUST BE REPLACED.—The period referred to in subsection (a) shall be the period beginning one year prior to the disposition of the qualifying shipping assets and ending—

"(1) 3 years after the close of the first taxable year in which the gain is realized, or

"(2) subject to such terms and conditions as may be specified by the Secretary, on such later date as the Secretary may designate on application by the taxpayer. Such application shall be made at such time and in such manner as the Secretary may by regulations prescribe.

"(c) TIME FOR ASSESSMENT OF DEFICIENCY ATTRIBUTABLE TO GAIN.—If an electing entity has made the election provided in subsection (a), then—

"(1) the statutory period for the assessment of any deficiency, for any taxable year in which any part of the gain is realized, attributable to such gain shall not expire prior to the expiration of 3 years from the date the Secretary is notified by the entity (in such manner as the Secretary may by regulations prescribe) of the replacement tonnage tax property or of an intention not to replace, and

"(2) such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of section 6212(c) or the provisions of any other law or rule of law which would otherwise prevent such assessment.

"(d) BASIS OF REPLACEMENT QUALIFYING SHIPPING ASSETS.—In the case of replacement qualifying shipping assets purchased by an electing entity which resulted in the nonrecognition of any part of the gain realized as the result of a sale or other disposition of qualifying shipping assets, the basis shall be the cost of such property decreased in the amount of the gain not so recognized; and if the property purchased consists of more than one piece of property, the basis determined under this sentence shall be allocated to the purchased properties in proportion to their respective costs.

"(e) REPLACEMENT QUALIFYING SHIPPING ASSETS MUST BE ACQUIRED FROM UNRELATED PERSON IN CERTAIN CASES.—

"(1) IN GENERAL.—Subsection (a) shall not apply if the replacement qualifying shipping assets are acquired from a related person except to the extent that the related person acquired the replacement qualifying shipping assets from an unrelated person during the period applicable under subsection (b).

"(2) RELATED PERSON.—For purposes of this subsection, a person is related to another person if the person bears a relationship to the other person described in section 267(b) or 707(b)(1)."

(b) TECHNICAL AND CONFORMING AMENDMENT.—The second sentence of section 56(g)(4)(B)(i), as amended by this Act, is further amended by inserting "or 1357" after "section 139A".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 296. CHARITABLE CONTRIBUTION DEDUCTION FOR CERTAIN EXPENSES INCURRED IN SUPPORT OF NATIVE ALASKAN SUBSISTENCE WHALING.

(a) IN GENERAL.—Section 170 (relating to charitable, etc., contributions and gifts), as amended by this Act, is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

"(n) EXPENSES PAID BY CERTAIN WHALING CAPTAINS IN SUPPORT OF NATIVE ALASKAN SUBSISTENCE WHALING.—

"(1) IN GENERAL.—In the case of an individual who is recognized by the Alaska Eskimo Whaling Commission as a whaling captain charged with the responsibility of maintaining and carrying out sanctioned whaling activities and who engages in such activities during the taxable year, the amount described in paragraph (2) (to the extent such amount does not exceed $10,000 for the taxable year) shall be treated for purposes of this section as a charitable contribution.

"(2) AMOUNT DESCRIBED.—

"(A) IN GENERAL.—The amount described in this paragraph is the aggregate of the reasonable and necessary whaling expenses paid by the taxpayer during the taxable year in carrying out sanctioned whaling activities.

"(B) WHALING EXPENSES.—For purposes of subparagraph (A), the term 'whaling expenses' includes expenses for—

"(i) the acquisition and maintenance of whaling boats, weapons, and gear used in sanctioned whaling activities,

"(ii) the supplying of food for the crew and other provisions for carrying out such activities, and

"(iii) storage and distribution of the catch from such activities.

"(3) SANCTIONED WHALING ACTIVITIES.—For purposes of this subsection, the term 'sanctioned whaling activities' means subsistence bowhead whale hunting activities conducted pursuant to the management plan of the Alaska Eskimo Whaling Commission.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to contributions made after December 31, 2004.

TITLE III—TAX REFORM AND SIMPLIFICATION FOR UNITED STATES BUSINESSES

SEC. 301. INTEREST EXPENSE ALLOCATION RULES.

(a) ELECTION TO ALLOCATE ON WORLDWIDE BASIS.—Section 864 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) ELECTION TO ALLOCATE INTEREST, ETC. ON WORLDWIDE BASIS.—For purposes of this subchapter, at the election of the worldwide affiliated group—

"(1) ALLOCATION AND APPORTIONMENT OF INTEREST EXPENSE.—

"(A) IN GENERAL.—The taxable income of each domestic corporation which is a member of a worldwide affiliated group shall be determined by allocating and apportioning interest expense of each member as if all members of such group were a single corporation.

"(B) TREATMENT OF WORLDWIDE AFFILIATED GROUP.—The taxable income of the domestic members of a worldwide affiliated group from sources outside the United States shall be determined by allocating and apportioning the interest expense of such domestic members to such income in an amount equal to the excess (if any) of—

"(i) the total interest expense of the worldwide affiliated group multiplied by the ratio which the foreign assets of the worldwide affiliated group bears to all the assets of the worldwide affiliated group, over

"(ii) the interest expense of all foreign corporations which are members of the worldwide affiliated group to the extent such interest expense of such foreign corporations would have been allocated and apportioned to foreign source income if this subsection were applied to a group consisting of all the foreign corporations in such worldwide affiliated group.

"(C) WORLDWIDE AFFILIATED GROUP.—For purposes of this paragraph, the term 'worldwide affiliated group' means a group consisting of—

"(i) the includible members of an affiliated group (as defined in section 1504(a), determined without regard to paragraphs (2) and (4) of section 1504(b)), and

"(ii) all controlled foreign corporations in which such members in the aggregate meet the ownership requirements of section 1504(a)(2) either directly or indirectly through applying paragraph (2) of section 958(a) or through applying rules similar to the rules of such paragraph to stock owned directly or indirectly by domestic partnerships, trusts, or estates.

"(2) ALLOCATION AND APPORTIONMENT OF OTHER EXPENSES.—Expenses other than interest which are not directly allocable or apportioned to any specific income producing activity shall be allocated and apportioned as if all members of the affiliated group were a single corporation. For purposes of the preceding sentence, the term 'affiliated group' has the meaning given such term by section 1504 (determined without regard to paragraph (4) of section 1504(b)).

"(3) TREATMENT OF TAX-EXEMPT ASSETS; BASIS OF STOCK IN NONAFFILIATED 10-PERCENT OWNED CORPORATIONS.—The rules of paragraphs (3) and (4) of subsection (e) shall apply for purposes of this subsection, except that paragraph (4) shall be applied on a worldwide affiliated group basis.

"(4) TREATMENT OF CERTAIN FINANCIAL INSTITUTIONS.—

"(A) IN GENERAL.—For purposes of paragraph (1), any corporation described in subparagraph (B) shall be treated as an includible corporation for purposes of section 1504 only for purposes of applying this subsection separately to corporations so described.

"(B) DESCRIPTION.—A corporation is described in this subparagraph if—

"(i) such corporation is a financial institution described in section 581 or 591,

"(ii) the business of such financial institution is predominantly with persons other than related persons (within the meaning of subsection (d)(4)) or their customers, and

"(iii) such financial institution is required by State or Federal law to be operated separately from any other entity which is not such an institution.

"(C) TREATMENT OF BANK AND FINANCIAL HOLDING COMPANIES.—To the extent provided in regulations—

"(i) a bank holding company (within the meaning of section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a)),

"(ii) a financial holding company (within the meaning of section 2(p) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(p)), and

"(iii) any subsidiary of a financial institution described in section 581 or 591, or of any such bank or financial holding company, if such subsidiary is predominantly engaged (directly or indirectly) in the active conduct of a banking, financing, or similar business,

shall be treated as a corporation described in subparagraph (B).

"(5) ELECTION TO EXPAND FINANCIAL INSTITUTION GROUP OF WORLDWIDE GROUP.—

"(A) IN GENERAL.—If a worldwide affiliated group elects the application of this subsection, all financial corporations which—

"(i) are members of such worldwide affiliated group, but

"(ii) are not corporations described in paragraph (4)(B),

shall be treated as described in paragraph (4)(B) for purposes of applying paragraph (4)(A). This subsection (other than this paragraph) shall apply to any such group in the same manner as this subsection (other than this paragraph) applies to the pre-election worldwide affiliated group of which such group is a part.

"(B) FINANCIAL CORPORATION.—For purposes of this paragraph, the term 'financial corporation' means any corporation if at least 80 percent of its gross income is income described in section 904(d)(2)(C)(ii) and the regulations thereunder which is derived from transactions with persons who are not related (within the meaning of section 267(b) or 707(b)(1)) to the corporation. For purposes of the preceding sentence, there shall be disregarded any item of income or gain from a transaction or series of transactions a principal purpose of which is the qualification of any corporation as a financial corporation.

"(C) ANTIABUSE RULES.—In the case of a corporation which is a member of an electing financial institution group, to the extent that such corporation—

"(i) distributes dividends or makes other distributions with respect to its stock after the date of the enactment of this paragraph to any member of the pre-election worldwide affiliated group (other than to a member of the electing financial institution group) in excess of the greater of—

"(I) its average annual dividend (expressed as a percentage of current earnings and profits) during the 5-taxable-year period ending with the taxable year preceding the taxable year, or

"(II) 25 percent of its average annual earnings and profits for such 5-taxable-year period, or

"(ii) deals with any person in any manner not clearly reflecting the income of the corporation (as determined under principles similar to the principles of section 482),

an amount of indebtedness of the electing financial institution group equal to the excess distribution or the understatement or overstatement of income, as the case may be, shall be recharacterized (for the taxable year and subsequent taxable years) for purposes of this paragraph as indebtedness of the worldwide affiliated group (excluding the electing financial institution group). If a corporation has not been in existence for 5 taxable years, this subparagraph shall be applied with respect to the period it was in existence.

"(D) ELECTION.—An election under this paragraph with respect to any financial institution group may be made only by the common parent of the pre-election worldwide affiliated group and may be made only for the first taxable year beginning after December 31, 2008, in which such affiliated group includes 1 or more financial corporations. Such an election, once made, shall apply to all financial corporations which are members of the electing financial institution group for such taxable year and all subsequent years unless revoked with the consent of the Secretary.

"(E) DEFINITIONS RELATING TO GROUPS.—For purposes of this paragraph—

"(i) PRE-ELECTION WORLDWIDE AFFILIATED GROUP.—The term 'pre-election worldwide affiliated group' means, with respect to a corporation, the worldwide affiliated group of which such corporation would (but for an election under this paragraph) be a member for purposes of applying paragraph (1).

"(ii) ELECTING FINANCIAL INSTITUTION GROUP.—The term 'electing financial institution group' means the group of corporations to which this subsection applies separately by reason of the application of paragraph (4)(A) and which includes financial corporations by reason of an election under subparagraph (A).

"(F) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out this subsection, including regulations—

"(i) providing for the direct allocation of interest expense in other circumstances where such allocation would be appropriate to carry out the purposes of this subsection,

"(ii) preventing assets or interest expense from being taken into account more than once, and

"(iii) dealing with changes in members of any group (through acquisitions or otherwise) treated under this paragraph as an affiliated group for purposes of this subsection.

"(6) ELECTION.—An election to have this subsection apply with respect to any worldwide affiliated group may be made only by the common parent of the domestic affiliated group referred to in paragraph (1)(C) and may be made only for the first taxable year beginning after December 31, 2008, in which a worldwide affiliated group exists which includes such affiliated group and at least 1 foreign corporation. Such an election, once made, shall apply to such common parent and all other corporations which are members of such worldwide affiliated group for such taxable year and all subsequent years unless revoked with the consent of the Secretary.".

(b) EXPANSION OF REGULATORY AUTHORITY.—Paragraph (7) of section 864(e) is amended—

(1) by inserting before the comma at the end of subparagraph (B) "and in other circumstances where such allocation would be appropriate to carry out the purposes of this subsection", and

(2) by striking "and" at the end of subparagraph (E), by redesignating subparagraph (F) as subparagraph (G), and by inserting after subparagraph (E) the following new subparagraph:

"(F) preventing assets or interest expense from being taken into account more than once, and".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

SEC. 302. RECHARACTERIZATION OF OVERALL DOMESTIC LOSS.

(a) GENERAL RULE.—Section 904 is amended by redesignating subsections (g), (h), (i), (j), and (k) as subsections (h), (i), (j), (k), and (l) respectively, and by inserting after subsection (f) the following new subsection:

"(g) RECHARACTERIZATION OF OVERALL DOMESTIC LOSS.—

"(1) GENERAL RULE.—For purposes of this subpart and section 936, in the case of any taxpayer who sustains an overall domestic loss for any taxable year beginning after December 31, 2006, that portion of the taxpayer's taxable income from sources within the United States for each succeeding taxable year which is equal to the lesser of—

"(A) the amount of such loss (to the extent not used under this paragraph in prior taxable years), or

"(B) 50 percent of the taxpayer's taxable income from sources within the United States for such succeeding taxable year,

shall be treated as income from sources without the United States (and not as income from sources within the United States).

"(2) OVERALL DOMESTIC LOSS DEFINED.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'overall domestic loss' means any domestic loss to the extent such loss offsets taxable income from sources without the United States for the taxable year or for any preceding taxable year by reason of a carryback. For purposes of the preceding sentence, the term 'domestic loss' means the amount by which the gross income for the taxable year from sources within the United States is exceeded by the sum of the deductions properly apportioned or allocated thereto (determined without regard to any carryback from a subsequent taxable year).

"(B) TAXPAYER MUST HAVE ELECTED FOREIGN TAX CREDIT FOR YEAR OF LOSS.—The term 'overall domestic loss' shall not include any loss for any taxable year unless the taxpayer chose the benefits of this subpart for such taxable year.

"(3) CHARACTERIZATION OF SUBSEQUENT INCOME.—

"(A) IN GENERAL.—Any income from sources within the United States that is treated as income from sources without the United States under paragraph (1) shall be allocated among and increase the income categories in proportion to the loss from sources within the United States previously allocated to those income categories.

"(B) INCOME CATEGORY.—For purposes of this paragraph, the term 'income category' has the meaning given such term by subsection (f)(5)(E)(i).

"(4) COORDINATION WITH SUBSECTION (f).—The Secretary shall prescribe such regulations as may be necessary to coordinate the provisions of this subsection with the provisions of subsection (f).".

(b) CONFORMING AMENDMENTS.—

(1) Section 535(d)(2) is amended by striking "section 904(g)(6)" and inserting "section 904(h)(6)".

(2) Subparagraph (A) of section 936(a)(2) is amended by striking "section 904(f)" and inserting "subsections (f) and (g) of section 904".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to losses for taxable years beginning after December 31, 2006.

SEC. 303. REDUCTION TO 2 FOREIGN TAX CREDIT BASKETS.

(a) IN GENERAL.—Paragraph (1) of section 904(d) (relating to separate application of section with respect to certain categories of income) is amended to read as follows:

"(1) IN GENERAL.—The provisions of subsections (a), (b), and (c) and sections 902, 907, and 960 shall be applied separately with respect to—

"(A) passive category income, and

"(B) general category income."

(b) CATEGORIES.—Paragraph (2) of section 904(d) is amended by striking subparagraph (B), by redesignating subparagraph (A) as subparagraph (B), and by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

"(A) CATEGORIES.—

"(i) PASSIVE CATEGORY INCOME.—The term 'passive category income' means passive income and specified passive category income.

"(ii) GENERAL CATEGORY INCOME.—The term 'general category income' means income other than passive category income."

(c) SPECIFIED PASSIVE CATEGORY INCOME.—Subparagraph (B) of section 904(d)(2), as so redesignated, is amended by adding at the end the following new clause:

"(v) SPECIFIED PASSIVE CATEGORY INCOME.—The term 'specified passive category income' means—

"(I) dividends from a DISC or former DISC (as defined in section 992(a)) to the extent such dividends are treated as income from sources without the United States,

"(II) taxable income attributable to foreign trade income (within the meaning of section 923(b)), and

"(III) distributions from a FSC (or a former FSC) out of earnings and profits attributable to foreign trade income (within the meaning of section 923(b)) or interest or carrying charges (as defined in section 927(d)(1)) derived from a transaction which results in foreign trade income (as defined in section 923(b))."

(d) TREATMENT OF FINANCIAL SERVICES.—Paragraph (2) of section 904(d) is amended by striking subparagraph (D), by redesignating subparagraph (C) as subparagraph (D), and by inserting before subparagraph (D) (as so redesignated) the following new subparagraph:

"(C) TREATMENT OF FINANCIAL SERVICES INCOME AND COMPANIES.—

"(i) IN GENERAL.—Financial services income shall be treated as general category income in the case of—

"(I) a member of a financial services group, and

"(II) any other person if such person is predominantly engaged in the active conduct of a banking, insurance, financing, or similar business.

"(ii) FINANCIAL SERVICES GROUP.—The term 'financial services group' means any affiliated group (as defined in section 1504(a) without regard to paragraphs (2) and (3) of section 1504(b)) which is predominantly engaged in the active conduct of a banking, insurance, financing, or similar business. In determining whether such a group is so engaged, there shall be taken into account only the income of members of the group that are—

"(I) United States corporations, or

"(II) controlled foreign corporations in which such United States corporations own, directly or indirectly, at least 80 percent of the total voting power and value of the stock.

"(iii) PASS-THRU ENTITIES.—The Secretary shall by regulation specify for purposes of this subparagraph the treatment of financial services income received or accrued by partnerships and by other pass-thru entities which are not members of a financial services group."

(e) CONFORMING AMENDMENTS.—

(1) Clause (iii) of section 904(d)(2)(B) (relating to exceptions from passive income), as so redesignated, is amended by striking subclause (I) and by redesignating subclauses (II) and (III) as subclauses (I) and (II), respectively.

(2) Clause (i) of section 904(d)(2)(D) (defining financial services income), as so redesignated, is amended by adding "or" at the end of subclause (I) and by striking subclauses (II) and (III) and inserting the following new subclause:

"(II) passive income (determined without regard to subparagraph (B)(iii)(II))."

(3) Section 904(d)(2)(D) (defining financial services income), as so redesignated, is amended by striking clause (iii).

(4) Paragraph (3) of section 904(d) is amended to read as follows:

"(3) LOOK-THRU IN CASE OF CONTROLLED FOREIGN CORPORATIONS.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, dividends, interest, rents, and royalties received or accrued by the taxpayer from a controlled foreign corporation in which the taxpayer is a United States shareholder shall not be treated as passive category income.

"(B) SUBPART F INCLUSIONS.—Any amount included in gross income under section 951(a)(1)(A) shall be treated as passive category income to the extent the amount so included is attributable to passive category income.

"(C) INTEREST, RENTS, AND ROYALTIES.—Any interest, rent, or royalty which is received or accrued from a controlled foreign corporation in which the taxpayer is a United States shareholder shall be treated as passive category income to the extent it is properly allocable (under regulations prescribed by the Secretary) to passive category income of the controlled foreign corporation.

"(D) DIVIDENDS.—Any dividend paid out of the earnings and profits of any controlled foreign corporation in which the taxpayer is a United States shareholder shall be treated as passive category income in proportion to the ratio of—

"(i) the portion of the earnings and profits attributable to passive category income, to

"(ii) the total amount of earnings and profits.

"(E) LOOK-THRU APPLIES ONLY WHERE SUBPART F APPLIES.—If a controlled foreign corporation meets the requirements of section 954(b)(3)(A) (relating to de minimis rule) for any taxable year, for purposes of this paragraph, none of its foreign base company income (as defined in section 954(a) without regard to section 954(b)(5)) and none of its gross insurance income (as defined in section 954(b)(3)(C)) for such taxable year shall be treated as passive category income, except that this sentence shall not apply to any income which (without regard to this sentence) would be treated as financial services income. Solely for purposes of applying subparagraph (D), passive income of a controlled foreign corporation shall not be treated as passive category income if the requirements of section 954(b)(4) are met with respect to such income.

"(F) COORDINATION WITH HIGH-TAXED INCOME PROVISIONS.—

"(i) In determining whether any income of a controlled foreign corporation is passive category income, subclause (II) of paragraph (2)(B)(iii) shall not apply.

"(ii) Any income of the taxpayer which is treated as passive category income under this paragraph shall be so treated notwithstanding any provision of paragraph (2); except that the determination of whether any amount is high-taxed income shall be made after the application of this paragraph.

"(G) DIVIDEND.—For purposes of this paragraph, the term 'dividend' includes any amount included in gross income in section 951(a)(1)(B). Any amount included in gross income under section 78 to the extent attributable to amounts included in gross income in section 951(a)(1)(A) shall not be treated as a dividend but shall be treated as included in gross income under section 951(a)(1)(A).

"(H) LOOK-THRU APPLIES TO PASSIVE FOREIGN INVESTMENT COMPANY INCLUSION.—If—

"(i) a passive foreign investment company is a controlled foreign corporation, and

"(ii) the taxpayer is a United States shareholder in such controlled foreign corporation,

any amount included in gross income under section 1293 shall be treated as income in a separate category to the extent such amount is attributable to income in such category."

(5) TREATMENT OF INCOME TAX BASE DIFFERENCES.—Paragraph (2) of section 904(d) is amended by redesignating subparagraphs (H) and (I) as subparagraphs (I) and (J), respectively, and by inserting after subparagraph (G) the following new subparagraph:

"(H) TREATMENT OF INCOME TAX BASE DIFFERENCES.—Tax imposed under the law of a foreign country or possession of the United States on an amount which does not constitute income under United States tax principles shall be treated as imposed on income described in paragraph (1)(B)."

(6) Paragraph (2) of section 904(d) is amended by adding at the end the following new subparagraph:

"(K) TRANSITIONAL RULES FOR 2007 CHANGES.—For purposes of paragraph (1)—

"(i) taxes carried from any taxable year beginning before January 1, 2007, to any taxable year beginning on or after such date, with respect to any item of income, shall be treated as described in the subparagraph of paragraph (1) in which such income would be described were such taxes paid or accrued in a taxable year beginning on or after such date, and

"(ii) the Secretary may by regulations provide for the allocation of any carryback of taxes with respect to income to such a taxable year for purposes of allocating such income among the separate categories in effect for such taxable year.".

(7) Section 904(j)(3)(A)(i) is amended by striking "subsection (d)(2)(A)" and inserting "subsection (d)(2)(B)".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 304. LOOK-THRU RULES TO APPLY TO DIVIDENDS FROM NONCONTROLLED SECTION 902 CORPORATIONS.

(a) IN GENERAL.—Section 904(d)(4) (relating to look-thru rules apply to dividends from noncontrolled section 902 corporations) is amended to read as follows:

"(4) LOOK-THRU APPLIES TO DIVIDENDS FROM NONCONTROLLED SECTION 902 CORPORATIONS.—

"(A) IN GENERAL.—For purposes of this subsection, any dividend from a noncontrolled section 902 corporation with respect to the taxpayer shall be treated as income described in a subparagraph of paragraph (1) in proportion to the ratio of—

"(i) the portion of earnings and profits attributable to income described in such subparagraph, to

"(ii) the total amount of earnings and profits.

"(B) EARNINGS AND PROFITS OF CONTROLLED FOREIGN CORPORATIONS.—In the case of any distribution from a controlled foreign corporation to a United States shareholder, rules similar to the rules of subparagraph (A) shall apply in determining the extent to which earnings and profits of the controlled foreign corporation which are attributable to dividends received from a noncontrolled section 902 corporation may be treated as income in a separate category.

"(C) SPECIAL RULES.—For purposes of this paragraph—

"(i) EARNINGS AND PROFITS.—

"(I) IN GENERAL.—The rules of section 316 shall apply.'

"(II) REGULATIONS.—The Secretary may prescribe regulations regarding the treatment of distributions out of earnings and profits for periods before the taxpayer's acquisition of the stock to which the distributions relate.

"(ii) INADEQUATE SUBSTANTIATION.—If the Secretary determines that the proper subparagraph of paragraph (1) in which a dividend is described has not been substantiated, such dividend shall be treated as income described in paragraph (1)(A).

"(iii) COORDINATION WITH HIGH-TAXED INCOME PROVISIONS.—Rules similar to the rules of paragraph (3)(F) shall apply for purposes of this paragraph.

"(iv) LOOK-THRU WITH RESPECT TO CARRYOVER OF CREDIT.—Rules similar to subparagraph (A) also shall apply to any carryforward under subsection (c) from a taxable year beginning before January 1, 2003, of tax allocable to a dividend from a noncontrolled section 902 corporation with respect to the taxpayer. The Secretary may by regulations provide for the allocation of any carryback of tax allocable to a dividend from a noncontrolled section 902 corporation to such a taxable year for purposes of allocating such dividend among the separate categories in effect for such taxable year.".

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (E) of section 904(d)(1) is hereby repealed.

(2) Section 904(d)(2)(C)(iii) is amended by adding "and" at the end of subclause (I), by striking subclause (II), and by redesignating subclause (III) as subclause (II).

(3) The last sentence of section 904(d)(2)(D) is amended to read as follows: "Such term does not include any financial services income.".

(4) Section 904(d)(2)(E) is amended—

(A) by inserting "or (4)" after "paragraph (3)" in clause (i), and

(B) by striking clauses (ii) and (iv) and by redesignating clause (iii) as clause (ii).

(5) Section 904(d)(3)(F) is amended by striking "(D), or (E)" and inserting "or (D)".

(6) Section 864(d)(5)(A)(i) is amended by striking "(C)(iii)(III)" and inserting "(C)(iii)(II)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

SEC. 305. ATTRIBUTION OF STOCK OWNERSHIP THROUGH PARTNERSHIPS TO APPLY IN DETERMINING SECTION 902 AND 960 CREDITS.

(a) In General.—Subsection (c) of section 902 is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following new paragraph:

"(7) Constructive ownership through partnerships.—Stock owned, directly or indirectly, by or for a partnership shall be considered as being owned proportionately by its partners. Stock considered to be owned by a person by reason of the preceding sentence shall, for purposes of applying such sentence, be treated as actually owned by such person. The Secretary may prescribe such regulations as may be necessary to carry out the purposes of this paragraph, including rules to account for special partnership allocations of dividends, credits, and other incidents of ownership of stock in determining proportionate ownership.".

(b) Clarification of Comparable Attribution Under Section 901(b)(5).—Paragraph (5) of section 901(b) is amended by striking "any individual" and inserting "any person".

(c) Effective Date.—The amendments made by this section shall apply to taxes of foreign corporations for taxable years of such corporations beginning after the date of the enactment of this Act.

SEC. 306. CLARIFICATION OF TREATMENT OF CERTAIN TRANSFERS OF INTANGIBLE PROPERTY.

(a) In General.—Subparagraph (C) of section 367(d)(2) is amended by adding at the end the following new sentence: "For purposes of applying section 904(d), any such amount shall be treated in the same manner as if such amount were a royalty.".

(b) Effective Date.—The amendment made by this section shall apply to amounts treated as received pursuant to section 367(d)(2) of the Internal Revenue Code of 1986 on or after August 5, 1997.

SEC. 307. UNITED STATES PROPERTY NOT TO INCLUDE CERTAIN ASSETS OF CONTROLLED FOREIGN CORPORATION.

(a) In General.—Section 956(c)(2) (relating to exceptions from property treated as United States property) is amended by striking "and" at the end of subparagraph (J), by striking the period at the end of subparagraph (K) and inserting a semicolon, and by adding at the end the following new subparagraphs:

"(L) securities acquired and held by a controlled foreign corporation in the ordinary course of its business as a dealer in securities if—

"(i) the dealer accounts for the securities as securities held primarily for sale to customers in the ordinary course of business, and

"(ii) the dealer disposes of the securities (or such securities mature while held by the dealer) within a period consistent with the holding of securities for sale to customers in the ordinary course of business; and

"(M) an obligation of a United States person which—

"(i) is not a domestic corporation, and

"(ii) is not—

"(I) a United States shareholder (as defined in section 951(b)) of the controlled foreign corporation, or

"(II) a partnership, estate, or trust in which the controlled foreign corporation, or any related person (as defined in section 954(d)(3)), is a partner, beneficiary, or trustee immediately after the acquisition of any obligation of such partnership, estate, or trust by the controlled foreign corporation.".

(b) Conforming Amendment.—Section 956(c)(2) is amended by striking "and (K)" in the last sentence and inserting ", (K), and (L)".

(c) Effective Date.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2004, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 308. ELECTION NOT TO USE AVERAGE EXCHANGE RATE FOR FOREIGN TAX PAID OTHER THAN IN FUNCTIONAL CURRENCY.

(a) In General.—Paragraph (1) of section 986(a) (relating to determination of foreign taxes and foreign corporation's earnings and profits) is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

"(D) Elective exception for taxes paid other than in functional currency.—

"(i) In general.—At the election of the taxpayer, subparagraph (A) shall not apply to any foreign income taxes the liability for which is denominated in any currency other than in the taxpayer's functional currency.

"(ii) Application to qualified business units.—An election under this subparagraph may apply to foreign income taxes attributable to a qualified business unit in accordance with regulations prescribed by the Secretary.

"(iii) Election.—Any such election shall apply to the taxable year for which made and all subsequent taxable years unless revoked with the consent of the Secretary.".

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 309. REPEAL OF WITHHOLDING TAX ON DIVIDENDS FROM CERTAIN FOREIGN CORPORATIONS.

(a) In General.—Paragraph (2) of section 871(i) (relating to tax not to apply to certain interest and dividends) is amended by adding at the end the following new subparagraph:

"(D) Dividends paid by a foreign corporation which are treated under section 861(a)(2)(B) as income from sources within the United States.".

(b) Effective Date.—The amendment made by this section shall apply to payments made after December 31, 2004.

SEC. 310. PROVIDE EQUAL TREATMENT FOR INTEREST PAID BY FOREIGN PARTNERSHIPS AND FOREIGN CORPORATIONS.

(a) In General.—Paragraph (1) of section 861(a) is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by adding at the end the following new subparagraph:

"(C) in the case of a foreign partnership, which is predominantly engaged in the active conduct of a trade or business outside the United States, any interest not paid by a trade or business engaged in by the partnership in the United States and not allocable to income which is effectively connected (or treated as effectively connected) with the conduct of a trade or business in the United States.".

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

SEC. 311. LOOK-THRU TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER FOREIGN PERSONAL HOLDING COMPANY INCOME RULES.

(a) In General.—Subsection (c) of section 954, as amended by this Act, is amended by adding after paragraph (4) the following new paragraph:

"(5) Look-thru in the case of related controlled foreign corporations.—For purposes of this subsection, dividends, interest, rents, and royalties received or accrued from a controlled foreign corporation which is a related person (as defined in subsection (b)(9)) shall not be treated as foreign personal holding company income to the extent attributable or properly allocable (determined under rules similar to the rules of subparagraphs (C) and (D) of section 904(d)(3)) to income of the related person which is not subpart F income (as defined in section 952). For purposes of this paragraph, interest shall include factoring income which is treated as income equivalent to interest for purposes of paragraph (1)(E). The Secretary shall prescribe such regulations as may be appropriate to prevent the abuse of the purposes of this paragraph.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2004, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 312. LOOK-THRU TREATMENT FOR SALES OF PARTNERSHIP INTERESTS.

(a) In General.—Section 954(c) (defining foreign personal holding company income), as amended by this Act, is amended by adding after paragraph (5) the following new paragraph:

"(6) Look-thru rule for certain partnership sales.—

"(A) In general.—In the case of any sale by a controlled foreign corporation of an interest in a partnership with respect to which such corporation is a 25-percent owner, such corporation shall be treated for purposes of this subsection as selling the proportionate share of the assets of the partnership attributable to such interest. The Secretary shall prescribe such regulations as may be appropriate to prevent abuse of the purposes of this paragraph, including regulations providing for coordination of this paragraph with the provisions of subchapter K.

"(B) 25-percent owner.—For purposes of this paragraph, the term '25-percent owner' means a controlled foreign corporation which owns directly 25 percent or more of the capital or profits interest in a partnership. For purposes of the preceding sentence, if a controlled foreign corporation is a shareholder or partner of a corporation or partnership, the controlled foreign corporation shall be treated as owning directly its proportionate share of any such capital or profits interest held directly or indirectly by such corporation or partnership.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2004, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 313. REPEAL OF FOREIGN PERSONAL HOLDING COMPANY RULES AND FOREIGN INVESTMENT COMPANY RULES.

(a) General Rule.—The following provisions are hereby repealed:

(1) Part III of subchapter G of chapter 1 (relating to foreign personal holding companies).

(2) Section 1246 (relating to gain on foreign investment company stock).

(3) Section 1247 (relating to election by foreign investment companies to distribute income currently).

(b) Exemption of Foreign Corporations From Personal Holding Company Rules.—

(1) In general.—Subsection (c) of section 542 (relating to exceptions) is amended—

(A) by striking paragraph (5) and inserting the following:

"(5) a foreign corporation,",

(B) by striking paragraphs (7) and (10) and by redesignating paragraphs (8) and (9) as paragraphs (7) and (8), respectively,

(C) by inserting "and" at the end of paragraph (7) (as so redesignated), and

(D) by striking "; and" at the end of paragraph (8) (as so redesignated) and inserting a period.

(2) Treatment of income from personal service contracts.—Paragraph (1) of section

954(c) is amended by adding at the end the following new subparagraph:

"(I) PERSONAL SERVICE CONTRACTS.—

"(i) Amounts received under a contract under which the corporation is to furnish personal services if—

"(I) some person other than the corporation has the right to designate (by name or by description) the individual who is to perform the services, or

"(II) the individual who is to perform the services is designated (by name or by description) in the contract, and

"(ii) amounts received from the sale or other disposition of such a contract.

This subparagraph shall apply with respect to amounts received for services under a particular contract only if at some time during the taxable year 25 percent or more in value of the outstanding stock of the corporation is owned, directly or indirectly, by or for the individual who has performed, is to perform, or may be designated (by name or by description) as the one to perform, such services.".

(c) CONFORMING AMENDMENTS.—

(1) Section 1(h) is amended—

(A) in paragraph (10), by inserting "and" at the end of subparagraph (F), by striking subparagraph (G), and by redesignating subparagraph (H) as subparagraph (G), and

(B) by striking "a foreign personal holding company (as defined in section 552), a foreign investment company (as defined in section 1246(b)), or" in paragraph (11)(C)(iii).

(2) Section 163(e)(3)(B), as amended by section 642(a) of this Act, is amended by striking "which is a foreign personal holding company (as defined in section 552), a controlled foreign corporation (as defined in section 957), or" and inserting "which is a controlled foreign corporation (as defined in section 957) or".

(3) Paragraph (2) of section 171(c) is amended—

(A) by striking ", or by a foreign personal holding company, as defined in section 552", and

(B) by striking ", or foreign personal holding company".

(4) Paragraph (2) of section 245(a) is amended by striking "foreign personal holding company or".

(5) Section 267(a)(3)(B), as amended by section 642(b) of this Act, is amended by striking "to a foreign personal holding company (as defined in section 552), a controlled foreign corporation (as defined in section 957), or" and inserting "to a controlled foreign corporation (as defined in section 957) or".

(6) Section 312 is amended by striking subsection (j).

(7) Subsection (m) of section 312 is amended by striking ", a foreign investment company (within the meaning of section 1246(b)), or a foreign personal holding company (within the meaning of section 552)".

(8) Subsection (e) of section 443 is amended by striking paragraph (3) and by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(9) Subparagraph (B) of section 465(c)(7) is amended by adding "or" at the end of clause (i), by striking clause (ii), and by redesignating clause (iii) as clause (ii).

(10) Paragraph (1) of section 543(b) is amended by inserting "and" at the end of subparagraph (A), by striking ", and" at the end of subparagraph (B) and inserting a period, and by striking subparagraph (C).

(11) Paragraph (1) of section 562(b) is amended by striking "or a foreign personal holding company described in section 552".

(12) Section 563 is amended—

(A) by striking subsection (c),

(B) by redesignating subsection (d) as subsection (c), and

(C) by striking "subsection (a), (b), or (c)" in subsection (c) (as so redesignated) and inserting "subsection (a) or (b)".

(13) Subsection (d) of section 751 is amended by adding "and" at the end of paragraph (2), by striking paragraph (3), by redesignating paragraph (4) as paragraph (3), and by striking "paragraph (1), (2), or (3)" in paragraph (3) (as so redesignated) and inserting "paragraph (1) or (2)".

(14) Paragraph (2) of section 864(d) is amended by striking subparagraph (A) and by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively.

(15)(A) Subparagraph (A) of section 898(b)(1) is amended to read as follows:

"(A) which is treated as a controlled foreign corporation for any purpose under subpart F of part III of this subchapter, and".

(B) Subparagraph (B) of section 898(b)(2) is amended by striking "and sections 551(f) and 554, whichever are applicable,".

(C) Paragraph (3) of section 898(b) is amended to read as follows:

"(3) UNITED STATES SHAREHOLDER.—The term 'United States shareholder' has the meaning given to such term by section 951(b), except that, in the case of a foreign corporation having related person insurance income (as defined in section 953(c)(2)), the Secretary may treat any person as a United States shareholder for purposes of this section if such person is treated as a United States shareholder under section 953(c)(1).".

(D) Subsection (c) of section 898 is amended to read as follows:

"(c) DETERMINATION OF REQUIRED YEAR.—

"(1) IN GENERAL.—The required year is—

"(A) the majority U.S. shareholder year, or

"(B) if there is no majority U.S. shareholder year, the taxable year prescribed under regulations.

"(2) 1-MONTH DEFERRAL ALLOWED.—A specified foreign corporation may elect, in lieu of the taxable year under paragraph (1)(A), a taxable year beginning 1 month earlier than the majority U.S. shareholder year.

"(3) MAJORITY U.S. SHAREHOLDER YEAR.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'majority U.S. shareholder year' means the taxable year (if any) which, on each testing day, constituted the taxable year of—

"(i) each United States shareholder described in subsection (b)(2)(A), and

"(ii) each United States shareholder not described in clause (i) whose stock was treated as owned under subsection (b)(2)(B) by any shareholder described in such clause.

"(B) TESTING DAY.—The testing days shall be—

"(i) the first day of the corporation's taxable year (determined without regard to this section), or

"(ii) the days during such representative period as the Secretary may prescribe.".

(16) Clause (ii) of section 904(d)(2)(A) is amended to read as follows:

"(ii) CERTAIN AMOUNTS INCLUDED.—Except as provided in clause (iii), the term 'passive income' includes, except as provided in subparagraph (E)(iii) or paragraph (3)(I), any amount includible in gross income under section 1293 (relating to certain passive foreign investment companies).".

(17)(A) Subparagraph (A) of section 904(h)(1), as redesignated by section 302, is amended by adding "or" at the end of clause (i), by striking clause (ii), and by redesignating clause (iii) as clause (ii).

(B) The paragraph heading of paragraph (2) of section 904(h), as so redesignated, is amended by striking "FOREIGN PERSONAL HOLDING OR".

(18) Section 951 is amended by striking subsections (c) and (d) and by redesignating subsections (e) and (f) as subsections (c) and (d), respectively.

(19) Paragraph (3) of section 989(b) is amended by striking ", 551(a),".

(20) Paragraph (5) of section 1014(b) is amended by inserting "and before January 1, 2005," after "August 26, 1937,".

(21) Subsection (a) of section 1016 is amended by striking paragraph (13).

(22)(A) Paragraph (3) of section 1212(a) is amended to read as follows:

"(3) SPECIAL RULES ON CARRYBACKS.—A net capital loss of a corporation shall not be carried back under paragraph (1)(A) to a taxable year—

"(A) for which it is a regulated investment company (as defined in section 851), or

"(B) for which it is a real estate investment trust (as defined in section 856).".

(B) The amendment made by subparagraph (A) shall apply to taxable years beginning after December 31, 2004.

(23) Section 1223 is amended by striking paragraph (10) and by redesignating the following paragraphs accordingly.

(24) Subsection (d) of section 1248 is amended by striking paragraph (5) and by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively.

(25) Paragraph (2) of section 1260(c) is amended by striking subparagraphs (H) and (I) and by redesignating subparagraph (J) as subparagraph (H).

(26)(A) Subparagraph (F) of section 1291(b)(3) is amended by striking "551(d), 959(a)," and inserting "959(a)".

(B) Subsection (e) of section 1291 is amended by inserting "(as in effect on the day before the date of the enactment of the American Jobs Creation Act of 2004)" after "section 1246".

(27) Paragraph (2) of section 1294(a) is amended to read as follows:

"(2) ELECTION NOT PERMITTED WHERE AMOUNTS OTHERWISE INCLUDIBLE UNDER SECTION 951.—The taxpayer may not make an election under paragraph (1) with respect to the undistributed PFIC earnings tax liability attributable to a qualified electing fund for the taxable year if any amount is includible in the gross income of the taxpayer under section 951 with respect to such fund for such taxable year.".

(28) Section 6035 is hereby repealed.

(29) Subparagraph (D) of section 6103(e)(1) is amended by striking clause (iv) and redesignating clauses (v) and (vi) as clauses (iv) and (v), respectively.

(30) Subparagraph (B) of section 6501(e)(1) is amended to read as follows:

"(B) CONSTRUCTIVE DIVIDENDS.—If the taxpayer omits from gross income an amount properly includible therein under section 951(a), the tax may be assessed, or a proceeding in court for the collection of such tax may be done without assessing, at any time within 6 years after the return was filed.".

(31) Subsection (a) of section 6679 is amended—

(A) by striking "6035, 6046, and 6046A" in paragraph (1) and inserting "6046 and 6046A", and

(B) by striking paragraph (3).

(32) Sections 170(f)(10)(A), 508(d), 4947, and 4948(c)(4) are each amended by striking "556(b)(2)," each place it appears.

(33) The table of parts for subchapter G of chapter 1 is amended by striking the item relating to part III.

(34) The table of sections for part IV of subchapter P of chapter 1 is amended by striking the items relating to sections 1246 and 1247.

(35) The table of sections for subpart A of part III of subchapter A of chapter 61 is amended by striking the item relating to section 6035.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section

shall apply to taxable years of foreign corporations beginning after December 31, 2004, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

(2) SUBSECTION (C)(29).—The amendments made by subsection (c)(29) shall apply to disclosures of return or return information with respect to taxable years beginning after December 31, 2004.

SEC. 314. DETERMINATION OF FOREIGN PERSONAL HOLDING COMPANY INCOME WITH RESPECT TO TRANSACTIONS IN COMMODITIES.

(a) IN GENERAL.—Clauses (i) and (ii) of section 954(c)(1)(C) (relating to commodity transactions) are amended to read as follows:

"(i) arise out of commodity hedging transactions (as defined in paragraph (4)(A)),

"(ii) are active business gains or losses from the sale of commodities, but only if substantially all of the controlled foreign corporation's commodities are property described in paragraph (1), (2), or (8) of section 1221(a), or".

(b) DEFINITION AND SPECIAL RULES.—Subsection (c) of section 954 is amended by adding after paragraph (3) the following new paragraph:

"(4) DEFINITION AND SPECIAL RULES RELATING TO COMMODITY TRANSACTIONS.—

"(A) COMMODITY HEDGING TRANSACTIONS.—For purposes of paragraph (1)(C)(i), the term 'commodity hedging transaction' means any transaction with respect to a commodity if such transaction—

"(i) is a hedging transaction as defined in section 1221(b)(2), determined—

"(I) without regard to subparagraph (A)(ii) thereof,

"(II) by applying subparagraph (A)(i) thereof by substituting 'ordinary property or property described in section 1231(b)' for 'ordinary property', and

"(III) by substituting 'controlled foreign corporation' for 'taxpayer' each place it appears, and

"(ii) is clearly identified as such in accordance with section 1221(a)(7).

"(B) TREATMENT OF DEALER ACTIVITIES UNDER PARAGRAPH (1)(C).—Commodities with respect to which gains and losses are not taken into account under paragraph (2)(C) in computing a controlled foreign corporation's foreign personal holding company income shall not be taken into account in applying the substantially all test under paragraph (1)(C)(ii) to such corporation.

"(C) REGULATIONS.—The Secretary shall prescribe such regulations as are appropriate to carry out the purposes of paragraph (1)(C) in the case of transactions involving related parties.".

(c) MODIFICATION OF EXCEPTION FOR DEALERS.—Clause (i) of section 954(c)(2)(C) is amended by inserting "and transactions involving physical settlement" after "(including hedging transactions".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after December 31, 2004.

SEC. 315. MODIFICATIONS TO TREATMENT OF AIRCRAFT LEASING AND SHIPPING INCOME.

(a) ELIMINATION OF FOREIGN BASE COMPANY SHIPPING INCOME.—Section 954 (relating to foreign base company income) is amended—

(1) by striking paragraph (4) of subsection (a) (relating to foreign base company shipping income), and

(2) by striking subsection (f) (relating to foreign base company shipping income).

(b) SAFE HARBOR FOR CERTAIN LEASING ACTIVITIES.—Subparagraph (A) of section 954(c)(2) is amended by adding at the end the following new sentence: "For purposes of the preceding sentence, rents derived from leasing an aircraft or vessel in foreign commerce shall not fail to be treated as derived in the active conduct of a trade or business if, as determined under regulations prescribed by the Secretary, the active leasing expenses are not less than 10 percent of the profit on the lease."

(c) CONFORMING AMENDMENTS.—

(1) Section 952(c)(1)(B)(iii) is amended by striking subclause (I) and redesignating subclauses (II) through (VI) as subclauses (I) through (V), respectively.

(2) Subsection (b) of section 954 is amended—

(A) by striking "the foreign base company shipping income," in paragraph (5),

(B) by striking paragraphs (6) and (7), and

(C) by redesignating paragraph (8) as paragraph (6).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2004, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 316. MODIFICATION OF EXCEPTIONS UNDER SUBPART F FOR ACTIVE FINANCING.

(a) IN GENERAL.—Section 954(h)(3) is amended by adding at the end the following:

"(E) DIRECT CONDUCT OF ACTIVITIES.—For purposes of subparagraph (A)(ii)(II), an activity shall be treated as conducted directly by an eligible controlled foreign corporation or qualified business unit in its home country if the activity is performed by employees of a related person and—

"(i) the related person is an eligible controlled foreign corporation the home country of which is the same as the home country of the corporation or unit to which subparagraph (A)(ii)(II) is being applied,

"(ii) the activity is performed in the home country of the related person, and

"(iii) the related person is compensated on an arm's-length basis for the performance of the activity by its employees and such compensation is treated as earned by such person in its home country for purposes of the home country's tax laws.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years of such foreign corporations beginning after December 31, 2004, and to taxable years of United States shareholders with or within which such taxable years of such foreign corporations end.

TITLE IV—EXTENSION OF CERTAIN EXPIRING PROVISIONS

SEC. 401. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) IN GENERAL.—Paragraph (2) of section 26(a) is amended—

(1) by striking "RULE FOR 2000, 2001, 2002, AND 2003.—" and inserting "RULE FOR TAXABLE YEARS 2000 THROUGH 2005.—", and

(2) by striking "or 2003," and inserting "2003, 2004, or 2005,".

(b) CONFORMING PROVISIONS.—

(1) Section 904(h) is amended by striking "or 2003" and inserting "2003, 2004, or 2005".

(2) The amendments made by sections 201(b), 202(f), and 618(b) of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to taxable years beginning during 2004 or 2005.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

SEC. 402. EXTENSION OF RESEARCH CREDIT.

(a) EXTENSION.—

(1) IN GENERAL.—Section 41(h)(1)(B) (relating to termination) is amended by striking "June 30, 2004" and inserting "December 31, 2005".

(2) CONFORMING AMENDMENT.—Section 45C(b)(1)(D) is amended by striking "June 30, 2004" and inserting "December 31, 2005".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to amounts paid or incurred after June 30, 2004.

SEC. 403. EXTENSION OF CREDIT FOR ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES.

(a) IN GENERAL.—Subparagraphs (A) and (B) of section 45(c)(3) (defining qualified facility) are both amended by striking "2004" and inserting "2006".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to facilities placed in service after December 31, 2003.

SEC. 404. INDIAN EMPLOYMENT TAX CREDIT.

Section 45A(f) (relating to termination) is amended by striking "December 31, 2004" and inserting "December 31, 2005".

SEC. 405. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 51(c)(4) is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2003.

SEC. 406. WELFARE-TO-WORK CREDIT.

(a) IN GENERAL.—Subsection (f) of section 51A is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2003.

SEC. 407. CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) (relating to certain trade and business deductions of employees) is amended by striking "or 2003" and inserting ", 2003, 2004, or 2005".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2003.

SEC. 408. EXTENSION OF ACCELERATED DEPRECIATION BENEFIT FOR PROPERTY ON INDIAN RESERVATIONS.

Paragraph (8) of section 168(j) (relating to termination) is amended by striking "December 31, 2004" and inserting "December 31, 2005".

SEC. 409. CHARITABLE CONTRIBUTIONS OF COMPUTER TECHNOLOGY AND EQUIPMENT USED FOR EDUCATIONAL PURPOSES.

(a) IN GENERAL.—Subparagraph (G) of section 170(e)(6) (relating to special rule for contributions of computer technology and equipment for educational purposes) is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2003.

SEC. 410. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) IN GENERAL.—Subsection (h) of section 198 (relating to termination) is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to expenditures paid or incurred after December 31, 2003.

SEC. 411. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) IN GENERAL.—Paragraphs (2) and (3)(B) of section 220(i) (defining cut-off year) are each amended by striking "2003" each place it appears in the text and headings and inserting "2005".

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 220(j) is amended—

(A) in the text by striking "or 2002" each place it appears and inserting "2002, or 2004", and

(B) in the heading by striking "OR 2002" and inserting "2002, OR 2004".

(2) Subparagraph (A) of section 220(j)(4) is amended by striking "and 2002" and inserting "2002, and 2004".

(3) Subparagraph (C) of section 220(j)(2) is amended to read as follows:

"(C) NO LIMITATION FOR 2000 OR 2003.—The numerical limitation shall not apply for 2000 or 2003.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2004.

(d) TIME FOR FILING REPORTS, ETC.—

(1) The report required by section 220(j)(4) of the Internal Revenue Code of 1986 to be made on August 1, 2004, shall be treated as timely if made before the close of the 90-day period beginning on the date of the enactment of this Act.

(2) The determination and publication required by section 220(j)(5) of such Code with respect to calendar year 2004 shall be treated as timely if made before the close of the 120-day period beginning on the date of the enactment of this Act. If the determination under the preceding sentence is that 2004 is a cut-off year under section 220(i) of such Code, the cut-off date under such section 220(i) shall be the last day of such 120-day period.

SEC. 412. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) IN GENERAL.—Subparagraph (H) of section 613A(c)(6) is amended by striking "January 1, 2004" and inserting "January 1, 2006".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2003.

SEC. 413. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Paragraph (1) of section 1397E(e) is amended by striking "and 2003" and inserting "2003, 2004, and 2005".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to obligations issued after the date of the enactment of this Act.

SEC. 414. DISTRICT OF COLUMBIA.

(a) DISTRICT OF COLUMBIA ENTERPRISE ZONE.—Subsection (f) of section 1400 is amended by striking "December 31, 2003" both places it appears and inserting "December 31, 2005".

(b) TAX-EXEMPT ECONOMIC DEVELOPMENT BONDS.—Subsection (b) of section 1400A is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(c) ZERO PERCENT CAPITAL GAINS RATE.—

(1) Section 1400B is amended by striking "January 1, 2004" each place it appears and inserting "January 1, 2006".

(2) Subsections (e)(2) and (g)(2) of section 1400B are each amended by striking "2008" each place it appears in the headings and text and inserting "2010".

(3) Subsection (d) of section 1400F is amended by striking "December 31, 2008" and inserting "December 31, 2010".

(d) FIRST-TIME HOMEBUYER CREDIT.—Subsection (i) of section 1400C is amended by striking "January 1, 2004" and inserting "January 1, 2006".

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) TAX-EXEMPT ECONOMIC DEVELOPMENT BONDS.—The amendment made by subsection (b) shall apply to obligations issued after December 31, 2003.

SEC. 415. EXTENSION OF CERTAIN NEW YORK LIBERTY ZONE BOND FINANCING.

Subparagraph (D) of section 1400L(d)(2) is amended by striking "2005" and inserting "2010".

SEC. 416. DISCLOSURES RELATING TO TERRORIST ACTIVITIES.

(a) IN GENERAL.—Clause (iv) of section 6103(i)(3)(C) and subparagraph (E) of section 6103(i)(7) are both amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) DISCLOSURE OF TAXPAYER IDENTITY TO LAW ENFORCEMENT AGENCIES INVESTIGATING TERRORISM.—Subparagraph (A) of section 6103(i)(7) is amended by adding at the end the following new clause:

"(v) TAXPAYER IDENTITY.—For purposes of this subparagraph, a taxpayer's identity shall not be treated as taxpayer return information.".

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsection (a) shall apply to disclosures on or after the date of the enactment of this Act.

(2) SUBSECTION (b).—The amendment made by subsection (b) shall take effect as if included in section 201 of the Victims of Terrorism Tax Relief Act of 2001.

SEC. 417. DISCLOSURE OF RETURN INFORMATION RELATING TO STUDENT LOANS.

Section 6103(l)(13)(D) (relating to termination) is amended by striking "December 31, 2004" and inserting "December 31, 2005".

SEC. 418. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking "January 1, 2004" and inserting "January 1, 2006".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to articles brought into the United States after December 31, 2003.

SEC. 419. JOINT REVIEW OF STRATEGIC PLANS AND BUDGET FOR THE INTERNAL REVENUE SERVICE.

(a) IN GENERAL.—Paragraph (2) of section 8021(f) (relating to joint reviews) is amended by striking "2004" and inserting "2005".

(b) REPORT.—Subparagraph (C) of section 8022(3) (regarding reports) is amended—

(1) by striking "2004" and inserting "2005", and

(2) by striking "with respect to—" and all that follows and inserting "with respect to the matters addressed in the joint review referred to in section 8021(f)(2).".

(c) TIME FOR JOINT REVIEW.—The joint review required by section 8021(f)(2) of the Internal Revenue Code of 1986 to be made before June 1, 2004, shall be treated as timely if made before June 1, 2005.

SEC. 420. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) IN GENERAL.—Subsection (f) of section 9812 is amended by striking "and" at the end of paragraph (1), by striking paragraph (2), and by inserting after paragraph (1) the following new paragraphs:

"(2) on or after January 1, 2004, and before the date of the enactment of American Jobs Creation Act of 2004, and

"(3) after December 31, 2005.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits for services furnished on or after December 31, 2003.

SEC. 421. COMBINED EMPLOYMENT TAX REPORTING PROJECT.

(a) IN GENERAL.—Paragraph (1) of section 976(b) of the Taxpayer Relief Act of 1997 (111 Stat. 898) is amended by striking "for a period ending with the date which is 5 years after the date of the enactment of this Act" and inserting "during the period ending on December 31, 2005".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to disclosures on or after the date of the enactment of this Act.

SEC. 422. CLEAN-FUEL VEHICLES.

(a) CREDIT FOR QUALIFIED ELECTRIC VEHICLES.—Paragraph (2) of section 30(b) (relating to phaseout) is amended to read as follows:

"(2) PHASEOUT.—In the case of any qualified electric vehicle placed in service after December 31, 2005, the credit otherwise allowable under subsection (a) (determined after the application of paragraph (1)) shall be reduced by 75 percent.".

(b) DEDUCTION FOR QUALIFIED CLEAN-FUEL VEHICLE PROPERTY.—Subparagraph (B) of section 179A(b)(1) (relating to phaseout) is amended to read as follows:

"(B) PHASEOUT.—In the case of any qualified clean-fuel vehicle property placed in service after December 31, 2005, the limit otherwise applicable under subparagraph (A) shall be reduced by 75 percent.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2003.

TITLE V—DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES

SEC. 501. DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES IN LIEU OF STATE AND LOCAL INCOME TAXES.

(a) IN GENERAL.—Subsection (b) of section 164 (relating to definitions and special rules) is amended by adding at the end the following:

"(5) GENERAL SALES TAXES.—For purposes of subsection (a)—

"(A) ELECTION TO DEDUCT STATE AND LOCAL SALES TAXES IN LIEU OF STATE AND LOCAL INCOME TAXES.—

"(i) IN GENERAL.—At the election of the taxpayer for the taxable year, subsection (a) shall be applied—

"(I) without regard to the reference to State and local income taxes, and

"(II) as if State and local general sales taxes were referred to in a paragraph thereof.

"(B) DEFINITION OF GENERAL SALES TAX.—The term 'general sales tax' means a tax imposed at one rate with respect to the sale at retail of a broad range of classes of items.

"(C) SPECIAL RULES FOR FOOD, ETC.—In the case of items of food, clothing, medical supplies, and motor vehicles—

"(i) the fact that the tax does not apply with respect to some or all of such items shall not be taken into account in determining whether the tax applies with respect to a broad range of classes of items, and

"(ii) the fact that the rate of tax applicable with respect to some or all of such items is lower than the general rate of tax shall not be taken into account in determining whether the tax is imposed at one rate.

"(D) ITEMS TAXED AT DIFFERENT RATES.—Except in the case of a lower rate of tax applicable with respect to an item described in subparagraph (C), no deduction shall be allowed under this paragraph for any general sales tax imposed with respect to an item at a rate other than the general rate of tax.

"(E) COMPENSATING USE TAXES.—A compensating use tax with respect to an item shall be treated as a general sales tax. For purposes of the preceding sentence, the term 'compensating use tax' means, with respect to any item, a tax which—

"(i) is imposed on the use, storage, or consumption of such item, and

"(ii) is complementary to a general sales tax, but only if a deduction is allowable under this paragraph with respect to items sold at retail in the taxing jurisdiction which are similar to such item.

"(F) SPECIAL RULE FOR MOTOR VEHICLES.—In the case of motor vehicles, if the rate of tax exceeds the general rate, such excess shall be disregarded and the general rate shall be treated as the rate of tax.

"(G) SEPARATELY STATED GENERAL SALES TAXES.—If the amount of any general sales tax is separately stated, then, to the extent that the amount so stated is paid by the consumer (other than in connection with the consumer's trade or business) to the seller, such amount shall be treated as a tax imposed on, and paid by, such consumer.

"(H) AMOUNT OF DEDUCTION TO BE DETERMINED UNDER TABLES.—

"(i) IN GENERAL.—The amount of the deduction allowed under this paragraph shall be determined under tables prescribed by the Secretary.

"(ii) REQUIREMENTS FOR TABLES.—The tables prescribed under clause (i)—

"(I) shall reflect the provisions of this paragraph,

"(II) shall be based on the average consumption by taxpayers on a State-by-State basis, as determined by the Secretary, taking into account filing status, number of dependents, adjusted gross income, and rates of State and local general sales taxation, and

"(III) need only be determined with respect to adjusted gross incomes up to the applicable amount (as determined under section 68(b)).

"(I) APPLICATION OF PARAGRAPH.—This paragraph shall apply to taxable years beginning after December 31, 2003, and before January 1, 2006.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

TITLE VI—REVENUE PROVISIONS

Subtitle A—Provisions to Reduce Tax Avoidance Through Individual and Corporate Expatriation

SEC. 601. TAX TREATMENT OF EXPATRIATED ENTITIES AND THEIR FOREIGN PARENTS.

(a) IN GENERAL.—Subchapter C of chapter 80 (relating to provisions affecting more than one subtitle) is amended by adding at the end the following new section:

"SEC. 7874. RULES RELATING TO EXPATRIATED ENTITIES AND THEIR FOREIGN PARENTS

"(a) TAX ON INVERSION GAIN OF EXPATRIATED ENTITIES.—

"(1) IN GENERAL.—The taxable income of an expatriated entity for any taxable year which includes any portion of the applicable period shall in no event be less than the inversion gain of the entity for the taxable year.

"(2) EXPATRIATED ENTITY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'expatriated entity' means—

"(i) the domestic corporation or partnership referred to in subparagraph (B)(i) with respect to which a foreign corporation is a surrogate foreign corporation, and

"(ii) any United States person who is related (within the meaning of section 267(b) or 707(b)(1)) to a domestic corporation or partnership described in clause (i).

"(B) SURROGATE FOREIGN CORPORATION.—A foreign corporation shall be treated as a surrogate foreign corporation if, pursuant to a plan (or a series of related transactions)—

"(i) the entity completes after March 4, 2003, the direct or indirect acquisition of substantially all of the properties held directly or indirectly by a domestic corporation or substantially all of the properties constituting a trade or business of a domestic partnership,

"(ii) after the acquisition at least 60 percent of the stock (by vote or value) of the entity is held—

"(I) in the case of an acquisition with respect to a domestic corporation, by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation, or

"(II) in the case of an acquisition with respect to a domestic partnership, by former partners of the domestic partnership by reason of holding a capital or profits interest in the domestic partnership, and

"(iii) after the acquisition the expanded affiliated group which includes the entity does not have substantial business activities in the foreign country in which, or under the law of which, the entity is created or organized, when compared to the total business activities of such expanded affiliated group.

An entity otherwise described in clause (i) with respect to any domestic corporation or partnership trade or business shall be treated as not so described if, on or before March 4, 2003, such entity acquired directly or indirectly more than half of the properties held directly or indirectly by such corporation or more than half of the properties constituting such partnership trade or business, as the case may be.

"(b) DEFINITIONS AND SPECIAL RULES.—

"(1) EXPANDED AFFILIATED GROUP.—The term 'expanded affiliated group' means an affiliated group as defined in section 1504(a) but without regard to section 1504(b)(3), except that section 1504(a) shall be applied by substituting 'more than 50 percent' for 'at least 80 percent' each place it appears.

"(2) CERTAIN STOCK DISREGARDED.—There shall not be taken into account in determining ownership under subsection (a)(2)(B)(ii)—

"(A) stock held by members of the expanded affiliated group which includes the foreign corporation, or

"(B) stock of such foreign corporation which is sold in a public offering related to the acquisition described in subsection (a)(2)(B)(i).

"(3) PLAN DEEMED IN CERTAIN CASES.—If a foreign corporation acquires directly or indirectly substantially all of the properties of a domestic corporation or partnership during the 4-year period beginning on the date which is 2 years before the ownership requirements of subsection (a)(2)(B)(ii) are met, such actions shall be treated as pursuant to a plan.

"(4) CERTAIN TRANSFERS DISREGARDED.—The transfer of properties or liabilities (including by contribution or distribution) shall be disregarded if such transfers are part of a plan a principal purpose of which is to avoid the purposes of this section.

"(5) SPECIAL RULE FOR RELATED PARTNERSHIPS.—For purposes of applying subsection (a)(2)(B)(ii) to the acquisition of a trade or business of a domestic partnership, except as provided in regulations, all partnerships which are under common control (within the meaning of section 482) shall be treated as 1 partnership.

"(6) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to determine whether a corporation is a surrogate foreign corporation, including regulations—

"(A) to treat warrants, options, contracts to acquire stock, convertible debt interests, and other similar interests as stock, and

"(B) to treat stock as not stock.

"(c) OTHER DEFINITIONS.—For purposes of this section—

"(1) APPLICABLE PERIOD.—The term 'applicable period' means the period—

"(A) beginning on the first date properties are acquired as part of the acquisition described in subsection (a)(2)(B)(i), and

"(B) ending on the date which is 10 years after the last date properties are acquired as part of such acquisition.

"(2) INVERSION GAIN.—The term 'inversion gain' means the income or gain recognized by reason of the transfer during the applicable period of stock or other properties by an expatriated entity, and any income received or accrued during the applicable period by reason of a license of any property by an expatriated entity—

"(A) as part of the acquisition described in subsection (a)(2)(B)(i), or

"(B) after such acquisition if the transfer or license is to a foreign related person.

Subparagraph (B) shall not apply to property described in section 1221(a)(1) in the hands of the expatriated entity.

"(3) FOREIGN RELATED PERSON.—The term 'foreign related person' means, with respect to any expatriated entity, a foreign person which—

"(A) is related (within the meaning of section 267(b) or 707(b)(1)) to such entity, or

"(B) is under the same common control (within the meaning of section 482) as such entity.

"(d) SPECIAL RULES.—

"(1) CREDITS NOT ALLOWED AGAINST TAX ON INVERSION GAIN.—Credits (other than the credit allowed by section 901) shall be allowed against the tax imposed by this chapter on an expatriated entity for any taxable year described in subsection (a) only to the extent such tax exceeds the product of—

"(A) the amount of the inversion gain for the taxable year, and

"(B) the highest rate of tax specified in section 11(b)(1).

For purposes of determining the credit allowed by section 901, inversion gain shall be treated as from sources within the United States.

"(2) SPECIAL RULES FOR PARTNERSHIPS.—In the case of an expatriated entity which is a partnership—

"(A) subsection (a)(1) shall apply at the partner rather than the partnership level,

"(B) the inversion gain of any partner for any taxable year shall be equal to the sum of—

"(i) the partner's distributive share of inversion gain of the partnership for such taxable year, plus

"(ii) gain recognized for the taxable year by the partner by reason of the transfer during the applicable period of any partnership interest of the partner in such partnership to the surrogate foreign corporation, and

"(C) the highest rate of tax specified in the rate schedule applicable to the partner under this chapter shall be substituted for the rate of tax referred to in paragraph (1).

"(3) COORDINATION WITH SECTION 172 AND MINIMUM TAX.—Rules similar to the rules of paragraphs (3) and (4) of section 860E(a) shall apply for purposes of subsection (a).

"(4) STATUTE OF LIMITATIONS.—

"(A) IN GENERAL.—The statutory period for the assessment of any deficiency attributable to the inversion gain of any taxpayer for any pre-inversion year shall not expire before the expiration of 3 years from the date the Secretary is notified by the taxpayer (in such manner as the Secretary may prescribe) of the acquisition described in subsection (a)(2)(B)(i) to which such gain relates and such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment.

"(B) PRE-INVERSION YEAR.—For purposes of subparagraph (A), the term 'pre-inversion year' means any taxable year if—

"(i) any portion of the applicable period is included in such taxable year, and

"(ii) such year ends before the taxable year in which the acquisition described in subsection (a)(2)(B)(i) is completed.

"(e) SPECIAL RULE FOR TREATIES.—Nothing in section 894 or 7852(d) or in any other provision of law shall be construed as permitting an exemption, by reason of any treaty obligation of the United States heretofore or hereafter entered into, from the provisions of this section.

"(f) REGULATIONS.—The Secretary shall provide such regulations as are necessary to carry out this section, including regulations providing for such adjustments to the application of this section as are necessary to prevent the avoidance of the purposes of this section, including the avoidance of such purposes through—

"(1) the use of related persons, pass-through or other noncorporate entities, or other intermediaries, or

"(2) transactions designed to have persons cease to be (or not become) members of expanded affiliated groups or related persons.".

(b) Conforming Amendment.—The table of sections for subchapter C of chapter 80 is amended by adding at the end the following new item:

"Sec. 7874. Rules relating to expatriated entities and their foreign parents."

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after March 4, 2003.

SEC. 602. EXCISE TAX ON STOCK COMPENSATION OF INSIDERS IN EXPATRIATED CORPORATIONS.

(a) In General.—Subtitle D is amended by inserting after chapter 44 end the following new chapter:

"CHAPTER 45—PROVISIONS RELATING TO EXPATRIATED ENTITIES

"Sec. 4985. Stock compensation of insiders in expatriated corporations.

"SEC. 4985. STOCK COMPENSATION OF INSIDERS IN EXPATRIATED CORPORATIONS.

"(a) Imposition of Tax.—In the case of an individual who is a disqualified individual with respect to any expatriated corporation, there is hereby imposed on such person a tax equal to 15 percent of the value (determined under subsection (b)) of the specified stock compensation held (directly or indirectly) by or for the benefit of such individual or a member of such individual's family (as defined in section 267) at any time during the 12-month period beginning on the date which is 6 months before the expatriation date.

"(b) Value.—For purposes of subsection (a)—

"(1) In general.—The value of specified stock compensation shall be—

"(A) in the case of a stock option (or other similar right) or a stock appreciation right, the fair value of such option or right, and

"(B) in any other case, the fair market value of such compensation.

"(2) Date for determining value.—The determination of value shall be made—

"(A) in the case of specified stock compensation held on the expatriation date, on such date,

"(B) in the case of such compensation which is canceled during the 6 months before the expatriation date, on the day before such cancellation, and

"(C) in the case of such compensation which is granted after the expatriation date, on the date such compensation is granted.

"(c) Tax To Apply Only if Shareholder Gain Recognized.—Subsection (a) shall apply to any disqualified individual with respect to an expatriated corporation only if gain (if any) on any stock in such corporation is recognized in whole or part by any shareholder by reason of the acquisition referred to in section 7874(a)(2)(B)(i) with respect to such corporation.

"(d) Exception Where Gain Recognized on Compensation.—Subsection (a) shall not apply to—

"(1) any stock option which is exercised on the expatriation date or during the 6-month period before such date and to the stock acquired in such exercise, if income is recognized under section 83 on or before the expatriation date with respect to the stock acquired pursuant to such exercise, and

"(2) any other specified stock compensation which is exercised, sold, exchanged, distributed, cashed-out, or otherwise paid during such period in a transaction in which income, gain, or loss is recognized in full.

"(e) Definitions.—For purposes of this section—

"(1) Disqualified individual.—The term 'disqualified individual' means, with respect to a corporation, any individual who, at any time during the 12-month period beginning on the date which is 6 months before the expatriation date—

"(A) is subject to the requirements of section 16(a) of the Securities Exchange Act of 1934 with respect to such corporation or any member of the expanded affiliated group which includes such corporation, or

"(B) would be subject to such requirements if such corporation or member were an issuer of equity securities referred to in such section.

"(2) Expatriated corporation; expatriation date.—

"(A) Expatriated corporation.—The term 'expatriated corporation' means any corporation which is an expatriated entity (as defined in section 7874(a)(2)). Such term includes any predecessor or successor of such a corporation.

"(B) Expatriation date.—The term 'expatriation date' means, with respect to a corporation, the date on which the corporation first becomes an expatriated corporation.

"(3) Specified stock compensation.—

"(A) In general.—The term 'specified stock compensation' means payment (or right to payment) granted by the expatriated corporation (or by any member of the expanded affiliated group which includes such corporation) to any person in connection with the performance of services by a disqualified individual for such corporation or member if the value of such payment or right is based on (or determined by reference to) the value (or change in value) of stock in such corporation (or any such member).

"(B) Exceptions.—Such term shall not include—

"(i) any option to which part II of subchapter D of chapter 1 applies, or

"(ii) any payment or right to payment from a plan referred to in section 280G(b)(6).

"(4) Expanded affiliated group.—The term 'expanded affiliated group' means an affiliated group (as defined in section 1504(a) without regard to section 1504(b)(3)); except that section 1504(a) shall be applied by substituting 'more than 50 percent' for 'at least 80 percent' each place it appears.

"(f) Special Rules.—For purposes of this section—

"(1) Cancellation of restriction.—The cancellation of a restriction which by its terms will never lapse shall be treated as a grant.

"(2) Payment or reimbursement of tax by corporation treated as specified stock compensation.—Any payment of the tax imposed by this section directly or indirectly by the expatriated corporation or by any member of the expanded affiliated group which includes such corporation—

"(A) shall be treated as specified stock compensation, and

"(B) shall not be allowed as a deduction under any provision of chapter 1.

"(3) Certain restrictions ignored.—Whether there is specified stock compensation, and the value thereof, shall be determined without regard to any restriction other than a restriction which by its terms will never lapse.

"(4) Property transfers.—Any transfer of property shall be treated as a payment and any right to a transfer of property shall be treated as a right to a payment.

"(5) Other administrative provisions.—For purposes of subtitle F, any tax imposed by this section shall be treated as a tax imposed by subtitle A.

"(g) Regulations.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) Denial of Deduction.—

(1) In general.—Paragraph (6) of section 275(a) is amended by inserting "45," before "46,".

(2) $1,000,000 limit on deductible compensation reduced by payment of excise tax on specified stock compensation.—Paragraph (4) of section 162(m) is amended by adding at the end the following new subparagraph:

"(G) Coordination with excise tax on specified stock compensation.—The dollar limitation contained in paragraph (1) with respect to any covered employee shall be reduced (but not below zero) by the amount of any payment (with respect to such employee) of the tax imposed by section 4985 directly or indirectly by the expatriated corporation (as defined in such section) or by any member of the expanded affiliated group (as defined in such section) which includes such corporation."

(c) Conforming Amendments.—

(1) The last sentence of section 3121(v)(2)(A) is amended by inserting before the period "or to any specified stock compensation (as defined in section 4985) on which tax is imposed by section 4985".

(2) The table of chapters for subtitle D is amended by inserting after the item relating to chapter 44 the following new item:

"Chapter 45. Provisions relating to expatriated entities."

(d) Effective Date.—The amendments made by this section shall take effect on March 4, 2003; except that periods before such date shall not be taken into account in applying the periods in subsections (a) and (e)(1) of section 4985 of the Internal Revenue Code of 1986, as added by this section.

SEC. 603. REINSURANCE OF UNITED STATES RISKS IN FOREIGN JURISDICTIONS.

(a) In General.—Section 845(a) (relating to allocation in case of reinsurance agreement involving tax avoidance or evasion) is amended by striking "source and character" and inserting "amount, source, or character".

(b) Effective Date.—The amendments made by this section shall apply to any risk reinsured after the date of the enactment of this Act.

SEC. 604. REVISION OF TAX RULES ON EXPATRIATION OF INDIVIDUALS.

(a) Expatriation To Avoid Tax.—

(1) In general.—Subsection (a) of section 877 (relating to treatment of expatriates) is amended to read as follows:

"(a) Treatment of Expatriates.—

"(1) In general.—Every nonresident alien individual to whom this section applies and who, within the 10-year period immediately preceding the close of the taxable year, lost United States citizenship shall be taxable for such taxable year in the manner provided in subsection (b) if the tax imposed pursuant to such subsection (after any reduction in such tax under the last sentence of such subsection) exceeds the tax which, without regard to this section, is imposed pursuant to section 871.

"(2) Individuals subject to this section.—This section shall apply to any individual if—

"(A) the average annual net income tax (as defined in section 38(c)(1)) of such individual for the period of 5 taxable years ending before the date of the loss of United States citizenship is greater than $124,000,

"(B) the net worth of the individual as of such date is $2,000,000 or more, or

"(C) such individual fails to certify under penalty of perjury that he has met the requirements of this title for the 5 preceding taxable years or fails to submit such evidence of such compliance as the Secretary may require.

In the case of the loss of United States citizenship in any calendar year after 2004, such $124,000 amount shall be increased by an amount equal to such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting '2003' for '1992' in subparagraph (B) thereof. Any increase under the preceding sentence shall be rounded to the nearest multiple of $1,000.".

(2) REVISION OF EXCEPTIONS FROM ALTERNATIVE TAX.—Subsection (c) of section 877 (relating to tax avoidance not presumed in certain cases) is amended to read as follows:

"(c) EXCEPTIONS.—

"(1) IN GENERAL.—Subparagraphs (A) and (B) of subsection (a)(2) shall not apply to an individual described in paragraph (2) or (3).

"(2) DUAL CITIZENS.—

"(A) IN GENERAL.—An individual is described in this paragraph if—

"(i) the individual became at birth a citizen of the United States and a citizen of another country and continues to be a citizen of such other country, and

"(ii) the individual has had no substantial contacts with the United States.

"(B) SUBSTANTIAL CONTACTS.—An individual shall be treated as having no substantial contacts with the United States only if the individual—

"(i) was never a resident of the United States (as defined in section 7701(b)),

"(ii) has never held a United States passport, and

"(iii) was not present in the United States for more than 30 days during any calendar year which is 1 of the 10 calendar years preceding the individual's loss of United States citizenship.

"(3) CERTAIN MINORS.—An individual is described in this paragraph if—

"(A) the individual became at birth a citizen of the United States,

"(B) neither parent of such individual was a citizen of the United States at the time of such birth,

"(C) the individual's loss of United States citizenship occurs before such individual attains age 18½, and

"(D) the individual was not present in the United States for more than 30 days during any calendar year which is 1 of the 10 calendar years preceding the individual's loss of United States citizenship.".

(3) CONFORMING AMENDMENT.—Section 2107(a) is amended to read as follows:

"(a) TREATMENT OF EXPATRIATES.—A tax computed in accordance with the table contained in section 2001 is hereby imposed on the transfer of the taxable estate, determined as provided in section 2106, of every decedent nonresident not a citizen of the United States if the date of death occurs during a taxable year with respect to which the decedent is subject to tax under section 877(b).".

(b) SPECIAL RULES FOR DETERMINING WHEN AN INDIVIDUAL IS NO LONGER A UNITED STATES CITIZEN OR LONG-TERM RESIDENT.—Section 7701 (relating to definitions) is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

"(n) SPECIAL RULES FOR DETERMINING WHEN AN INDIVIDUAL IS NO LONGER A UNITED STATES CITIZEN OR LONG-TERM RESIDENT.—An individual who would (but for this subsection) cease to be treated as a citizen or resident of the United States shall continue to be treated as a citizen or resident of the United States, as the case may be, until such individual—

"(1) gives notice of an expatriating act or termination of residency (with the requisite intent to relinquish citizenship or terminate residency) to the Secretary of State or the Secretary of Homeland Security, and

"(2) provides a statement in accordance with section 6039G.".

(c) PHYSICAL PRESENCE IN THE UNITED STATES FOR MORE THAN 30 DAYS.—Section 877 (relating to expatriation to avoid tax) is amended by adding at the end the following new subsection:

"(g) PHYSICAL PRESENCE.—

"(1) IN GENERAL.—This section shall not apply to any individual to whom this section would otherwise apply for any taxable year during the 10-year period referred to in subsection (a) in which such individual is physically present in the United States at any time on more than 30 days in the calendar year ending in such taxable year, and such individual shall be treated for purposes of this title as a citizen or resident of the United States, as the case may be, for such taxable year.

"(2) EXCEPTION.—

"(A) IN GENERAL.—In the case of an individual described in any of the following subparagraphs of this paragraph, a day of physical presence in the United States shall be disregarded if the individual is performing services in the United States on such day for an employer. The preceding sentence shall not apply if—

"(i) such employer is related (within the meaning of section 267 and 707) to such individual, or

"(ii) such employer fails to meet such requirements as the Secretary may prescribe by regulations to prevent the avoidance of the purposes of this paragraph.

Not more than 30 days during any calendar year may be disregarded under this subparagraph.

"(B) INDIVIDUALS WITH TIES TO OTHER COUNTRIES.—An individual is described in this subparagraph if—

"(i) the individual becomes (not later than the close of a reasonable period after loss of United States citizenship or termination of residency) a citizen or resident of the country in which—

"(I) such individual was born,

"(II) if such individual is married, such individual's spouse was born, or

"(III) either of such individual's parents were born, and

"(ii) the individual becomes fully liable for income tax in such country.

"(C) MINIMAL PRIOR PHYSICAL PRESENCE IN THE UNITED STATES.—An individual is described in this subparagraph if, for each year in the 10-year period ending on the date of loss of United States citizenship or termination of residency, the individual was physically present in the United States for 30 days or less. The rule of section 7701(b)(3)(D)(ii) shall apply for purposes of this subparagraph.".

(d) TRANSFERS SUBJECT TO GIFT TAX.—

(1) IN GENERAL.—Subsection (a) of section 2501 (relating to taxable transfers) is amended by striking paragraph (4), by redesignating paragraph (5) as paragraph (4), and by striking paragraph (3) and inserting the following new paragraph:

"(3) EXCEPTION.—

"(A) CERTAIN INDIVIDUALS.—Paragraph (2) shall not apply in the case of a donor to whom section 877(b) applies for the taxable year which includes the date of the transfer.

"(B) CREDIT FOR FOREIGN GIFT TAXES.—The tax imposed by this section solely by reason of this paragraph shall be credited with the amount of any gift tax actually paid to any foreign country in respect of any gift which is taxable under this section solely by reason of this paragraph."

(2) TRANSFERS OF CERTAIN STOCK.—Subsection (a) of section 2501 is amended by adding at the end the following new paragraph:

"(5) TRANSFERS OF CERTAIN STOCK.—

"(A) IN GENERAL.—In the case of a transfer of stock in a foreign corporation described in subparagraph (B) by a donor to whom section 877(b) applies for the taxable year which includes the date of the transfer—

"(i) section 2511(a) shall be applied without regard to whether such stock is situated within the United States, and

"(ii) the value of such stock for purposes of this chapter shall be its U.S.-asset value determined under subparagraph (C).

"(B) FOREIGN CORPORATION DESCRIBED.—A foreign corporation is described in this subparagraph with respect to a donor if—

"(i) the donor owned (within the meaning of section 958(a)) at the time of such transfer 10 percent or more of the total combined voting power of all classes of stock entitled to vote of the foreign corporation, and

"(ii) such donor owned (within the meaning of section 958(a)), or is considered to have owned (by applying the ownership rules of section 958(b)), at the time of such transfer, more than 50 percent of—

"(I) the total combined voting power of all classes of stock entitled to vote of such corporation, or

"(II) the total value of the stock of such corporation.

"(C) U.S.-ASSET VALUE.—For purposes of subparagraph (A), the U.S.-asset value of stock shall be the amount which bears the same ratio to the fair market value of such stock at the time of transfer as—

"(i) the fair market value (at such time) of the assets owned by such foreign corporation and situated in the United States, bears to

"(ii) the total fair market value (at such time) of all assets owned by such foreign corporation."

(e) ENHANCED INFORMATION REPORTING FROM INDIVIDUALS LOSING UNITED STATES CITIZENSHIP.—

(1) IN GENERAL.—Subsection (a) of section 6039G is amended to read as follows:

"(a) IN GENERAL.—Notwithstanding any other provision of law, any individual to whom section 877(b) applies for any taxable year shall provide a statement for such taxable year which includes the information described in subsection (b).".

(2) INFORMATION TO BE PROVIDED.—Subsection (b) of section 6039G is amended to read as follows:

"(b) INFORMATION TO BE PROVIDED.—Information required under subsection (a) shall include—

"(1) the taxpayer's TIN,

"(2) the mailing address of such individual's principal foreign residence,

"(3) the foreign country in which such individual is residing,

"(4) the foreign country of which such individual is a citizen,

"(5) information detailing the income, assets, and liabilities of such individual,

"(6) the number of days during any portion of which that the individual was physically present in the United States during the taxable year, and

"(7) such other information as the Secretary may prescribe.".

(3) INCREASE IN PENALTY.—Subsection (d) of section 6039G is amended to read as follows:

"(d) PENALTY.—If—

"(1) an individual is required to file a statement under subsection (a) for any taxable year, and

"(2) fails to file such a statement with the Secretary on or before the date such statement is required to be filed or fails to include all the information required to be shown on the statement or includes incorrect information,

such individual shall pay a penalty of $10,000 unless it is shown that such failure is due to reasonable cause and not to willful neglect.".

(4) CONFORMING AMENDMENT.—Section 6039G is amended by striking subsections (c), (f), and (g) and by redesignating subsections (d) and (e) as subsection (c) and (d), respectively.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals who expatriate after June 3, 2004.

SEC. 605. REPORTING OF TAXABLE MERGERS AND ACQUISITIONS.

(a) In General.—Subpart B of part III of subchapter A of chapter 61 is amended by inserting after section 6043 the following new section:

"SEC. 6043A. RETURNS RELATING TO TAXABLE MERGERS AND ACQUISITIONS.

"(a) In General.—According to the forms or regulations prescribed by the Secretary, the acquiring corporation in any taxable acquisition shall make a return setting forth—

"(1) a description of the acquisition,

"(2) the name and address of each shareholder of the acquired corporation who is required to recognize gain (if any) as a result of the acquisition,

"(3) the amount of money and the fair market value of other property transferred to each such shareholder as part of such acquisition, and

"(4) such other information as the Secretary may prescribe.

To the extent provided by the Secretary, the requirements of this section applicable to the acquiring corporation shall be applicable to the acquired corporation and not to the acquiring corporation.

"(b) Nominees.—According to the forms or regulations prescribed by the Secretary—

"(1) Reporting.—Any person who holds stock as a nominee for another person shall furnish in the manner prescribed by the Secretary to such other person the information provided by the corporation under subsection (d).

"(2) Reporting to nominees.—In the case of stock held by any person as a nominee, references in this section (other than in subsection (c)) to a shareholder shall be treated as a reference to the nominee.

"(c) Taxable Acquisition.—For purposes of this section, the term 'taxable acquisition' means any acquisition by a corporation of stock in or property of another corporation if any shareholder of the acquired corporation is required to recognize gain (if any) as a result of such acquisition.

"(d) Statements To Be Furnished to Shareholders.—According to the forms or regulations prescribed by the Secretary, every person required to make a return under subsection (a) shall furnish to each shareholder whose name is required to be set forth in such return a written statement showing—

"(1) the name, address, and phone number of the information contact of the person required to make such return,

"(2) the information required to be shown on such return with respect to such shareholder, and

"(3) such other information as the Secretary may prescribe.

The written statement required under the preceding sentence shall be furnished to the shareholder on or before January 31 of the year following the calendar year during which the taxable acquisition occurred."

(b) Assessable Penalties.—

(1) Subparagraph (B) of section 6724(d)(1) (relating to definitions) is amended by redesignating clauses (ii) through (xviii) as clauses (iii) through (xix), respectively, and by inserting after clause (i) the following new clause:

"(ii) section 6043A(a) (relating to returns relating to taxable mergers and acquisitions),".

(2) Paragraph (2) of section 6724(d) is amended by redesignating subparagraphs (F) through (BB) as subparagraphs (G) through (CC), respectively, and by inserting after subparagraph (E) the following new subparagraph:

"(F) subsections (b) and (d) of section 6043A (relating to returns relating to taxable mergers and acquisitions).".

(c) Clerical Amendment.—The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6043 the following new item:

"Sec. 6043A. Returns relating to taxable mergers and acquisitions.".

(d) Effective Date.—The amendments made by this section shall apply to acquisitions after the date of the enactment of this Act.

SEC. 606. STUDIES.

(a) Transfer Pricing Rules.—The Secretary of the Treasury or the Secretary's delegate shall conduct a study regarding the effectiveness of current transfer pricing rules and compliance efforts in ensuring that cross-border transfers and other related-party transactions, particularly transactions involving intangible assets, service contracts, or leases cannot be used improperly to shift income out of the United States. The study shall include a review of the contemporaneous documentation and penalty rules under section 6662 of the Internal Revenue Code of 1986, a review of the regulatory and administrative guidance implementing the principles of section 482 of such Code to transactions involving intangible property and services and to cost-sharing arrangements, and an examination of whether increased disclosure of cross-border transactions should be required. The study shall set forth specific recommendations to address all abuses identified in the study. Not later than June 30, 2005, such Secretary or delegate shall submit to the Congress a report of such study.

(b) Income Tax Treaties.—The Secretary of the Treasury or the Secretary's delegate shall conduct a study of United States income tax treaties to identify any inappropriate reductions in United States withholding tax that provide opportunities for shifting income out of the United States, and to evaluate whether existing anti-abuse mechanisms are operating properly. The study shall include specific recommendations to address all inappropriate uses of tax treaties. Not later than June 30, 2005, such Secretary or delegate shall submit to the Congress a report of such study.

(c) Impact of Corporate Expatriation Provisions.—The Secretary of the Treasury or the Secretary's delegate shall conduct a study of the impact of the provisions of this title on corporate expatriation. The study shall include such recommendations as such Secretary or delegate may have to improve the impact of such provisions in carrying out the purposes of this title. Not later than December 31, 2005, such Secretary or delegate shall submit to the Congress a report of such study.

Subtitle B—Provisions Relating to Tax Shelters

Part I—Taxpayer-Related Provisions

SEC. 611. PENALTY FOR FAILING TO DISCLOSE REPORTABLE TRANSACTIONS.

(a) In General.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6707 the following new section:

"SEC. 6707A. PENALTY FOR FAILURE TO INCLUDE REPORTABLE TRANSACTION INFORMATION WITH RETURN.

"(a) Imposition of Penalty.—Any person who fails to include on any return or statement any information with respect to a reportable transaction which is required under section 6011 to be included with such return or statement shall pay a penalty in the amount determined under subsection (b).

"(b) Amount of Penalty.—

"(1) In general.—Except as provided in paragraph (2), the amount of the penalty under subsection (a) shall be—

"(A) $10,000 in the case of a natural person, and

"(B) $50,000 in any other case.

"(2) Listed transaction.—The amount of the penalty under subsection (a) with respect to a listed transaction shall be—

"(A) $100,000 in the case of a natural person, and

"(B) $200,000 in any other case.

"(c) Definitions.—For purposes of this section—

"(1) Reportable transaction.—The term 'reportable transaction' means any transaction with respect to which information is required to be included with a return or statement because, as determined under regulations prescribed under section 6011, such transaction is of a type which the Secretary determines as having a potential for tax avoidance or evasion.

"(2) Listed transaction.—The term 'listed transaction' means a reportable transaction which is the same as, or substantially similar to, a transaction specifically identified by the Secretary as a tax avoidance transaction for purposes of section 6011.

"(d) Authority To Rescind Penalty.—

"(1) In general.—The Commissioner of Internal Revenue may rescind all or any portion of any penalty imposed by this section with respect to any violation if—

"(A) the violation is with respect to a reportable transaction other than a listed transaction, and

"(B) rescinding the penalty would promote compliance with the requirements of this title and effective tax administration.

"(2) No judicial appeal.—Notwithstanding any other provision of law, any determination under this subsection may not be reviewed in any judicial proceeding.

"(3) Records.—If a penalty is rescinded under paragraph (1), the Commissioner shall place in the file in the Office of the Commissioner the opinion of the Commissioner or the head of the Office of Tax Shelter Analysis with respect to the determination, including—

"(A) a statement of the facts and circumstances relating to the violation,

"(B) the reasons for the rescission, and

"(C) the amount of the penalty rescinded.

"(e) Coordination With Other Penalties.—The penalty imposed by this section shall be in addition to any other penalty imposed by this title."

(b) Conforming Amendment.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6707 the following:

"Sec. 6707A. Penalty for failure to include reportable transaction information with return.".

(c) Effective Date.—The amendments made by this section shall apply to returns and statements the due date for which is after the date of the enactment of this Act.

(d) Report.—The Commissioner of Internal Revenue shall annually report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate—

(1) a summary of the total number and aggregate amount of penalties imposed, and rescinded, under section 6707A of the Internal Revenue Code of 1986, and

(2) a description of each penalty rescinded under section 6707(c) of such Code and the reasons therefor.

SEC. 612. ACCURACY-RELATED PENALTY FOR LISTED TRANSACTIONS, OTHER REPORTABLE TRANSACTIONS HAVING A SIGNIFICANT TAX AVOIDANCE PURPOSE, ETC.

(a) In General.—Subchapter A of chapter 68 is amended by inserting after section 6662 the following new section:

"SEC. 6662A. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERSTATEMENTS WITH RESPECT TO REPORTABLE TRANSACTIONS.

"(a) IMPOSITION OF PENALTY.—If a taxpayer has a reportable transaction understatement for any taxable year, there shall be added to the tax an amount equal to 20 percent of the amount of such understatement.

"(b) REPORTABLE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

"(1) IN GENERAL.—The term 'reportable transaction understatement' means the sum of—

"(A) the product of—

"(i) the amount of the increase (if any) in taxable income which results from a difference between the proper tax treatment of an item to which this section applies and the taxpayer's treatment of such item (as shown on the taxpayer's return of tax), and

"(ii) the highest rate of tax imposed by section 1 (section 11 in the case of a taxpayer which is a corporation), and

"(B) the amount of the decrease (if any) in the aggregate amount of credits determined under subtitle A which results from a difference between the taxpayer's treatment of an item to which this section applies (as shown on the taxpayer's return of tax) and the proper tax treatment of such item.

For purposes of subparagraph (A), any reduction of the excess of deductions allowed for the taxable year over gross income for such year, and any reduction in the amount of capital losses which would (without regard to section 1211) be allowed for such year, shall be treated as an increase in taxable income.

"(2) ITEMS TO WHICH SECTION APPLIES.—This section shall apply to any item which is attributable to—

"(A) any listed transaction, and

"(B) any reportable transaction (other than a listed transaction) if a significant purpose of such transaction is the avoidance or evasion of Federal income tax.

"(c) HIGHER PENALTY FOR NONDISCLOSED TRANSACTIONS.—Subsection (a) shall be applied by substituting '30 percent' for '20 percent' with respect to the portion of any reportable transaction understatement with respect to which the requirement of section 6664(d)(2)(A) is not met.

"(d) DEFINITIONS OF REPORTABLE AND LISTED TRANSACTIONS.—For purposes of this section, the terms 'reportable transaction' and 'listed transaction' have the respective meanings given to such terms by section 6707A(c).

"(e) SPECIAL RULES.—

"(1) COORDINATION WITH PENALTIES, ETC., ON OTHER UNDERSTATEMENTS.—In the case of an understatement (as defined in section 6662(d)(2))—

"(A) the amount of such understatement (determined without regard to this paragraph) shall be increased by the aggregate amount of reportable transaction understatements for purposes of determining whether such understatement is a substantial understatement under section 6662(d)(1), and

"(B) the addition to tax under section 6662(a) shall apply only to the excess of the amount of the substantial understatement (if any) after the application of subparagraph (A) over the aggregate amount of reportable transaction understatements.

"(2) COORDINATION WITH OTHER PENALTIES.—

"(A) APPLICATION OF FRAUD PENALTY.—References to an underpayment in section 6663 shall be treated as including references to a reportable transaction understatement.

"(B) NO DOUBLE PENALTY.—This section shall not apply to any portion of an understatement on which a penalty is imposed under section 6663.

"(3) SPECIAL RULE FOR AMENDED RETURNS.—Except as provided in regulations, in no event shall any tax treatment included with an amendment or supplement to a return of tax be taken into account in determining the amount of any reportable transaction understatement if the amendment or supplement is filed after the earlier of the date the taxpayer is first contacted by the Secretary regarding the examination of the return or such other date as is specified by the Secretary."

(b) DETERMINATION OF OTHER UNDERSTATEMENTS.—Subparagraph (A) of section 6662(d)(2) is amended by adding at the end the following flush sentence:

"The excess under the preceding sentence shall be determined without regard to items to which section 6662A applies."

(c) REASONABLE CAUSE EXCEPTION.—

(1) IN GENERAL.—Section 6664 is amended by adding at the end the following new subsection:

"(d) REASONABLE CAUSE EXCEPTION FOR REPORTABLE TRANSACTION UNDERSTATEMENTS.—

"(1) IN GENERAL.—No penalty shall be imposed under section 6662A with respect to any portion of a reportable transaction understatement if it is shown that there was a reasonable cause for such portion and that the taxpayer acted in good faith with respect to such portion.

"(2) SPECIAL RULES.—Paragraph (1) shall not apply to any reportable transaction understatement unless—

"(A) the relevant facts affecting the tax treatment of the item are adequately disclosed in accordance with the regulations prescribed under section 6011,

"(B) there is or was substantial authority for such treatment, and

"(C) the taxpayer reasonably believed that such treatment was more likely than not the proper treatment.

A taxpayer failing to adequately disclose in accordance with section 6011 shall be treated as meeting the requirements of subparagraph (A) if the penalty for such failure was rescinded under section 6707A(d).

"(3) RULES RELATING TO REASONABLE BELIEF.—For purposes of paragraph (2)(C)—

"(A) IN GENERAL.—A taxpayer shall be treated as having a reasonable belief with respect to the tax treatment of an item only if such belief—

"(i) is based on the facts and law that exist at the time the return of tax which includes such tax treatment is filed, and

"(ii) relates solely to the taxpayer's chances of success on the merits of such treatment and does not take into account the possibility that a return will not be audited, such treatment will not be raised on audit, or such treatment will be resolved through settlement if it is raised.

"(B) CERTAIN OPINIONS MAY NOT BE RELIED UPON.—

"(i) IN GENERAL.—An opinion of a tax advisor may not be relied upon to establish the reasonable belief of a taxpayer if—

"(I) the tax advisor is described in clause (ii), or

"(II) the opinion is described in clause (iii).

"(ii) DISQUALIFIED TAX ADVISORS.—A tax advisor is described in this clause if the tax advisor—

"(I) is a material advisor (within the meaning of section 6111(b)(1)) and participates in the organization, management, promotion, or sale of the transaction or is related (within the meaning of section 267(b) or 707(b)(1)) to any person who so participates,

"(II) is compensated directly or indirectly by a material advisor with respect to the transaction,

"(III) has a fee arrangement with respect to the transaction which is contingent on all or part of the intended tax benefits from the transaction being sustained, or

"(IV) as determined under regulations prescribed by the Secretary, has a disqualifying financial interest with respect to the transaction.

"(iii) DISQUALIFIED OPINIONS.—For purposes of clause (i), an opinion is disqualified if the opinion—

"(I) is based on unreasonable factual or legal assumptions (including assumptions as to future events),

"(II) unreasonably relies on representations, statements, findings, or agreements of the taxpayer or any other person,

"(III) does not identify and consider all relevant facts, or

"(IV) fails to meet any other requirement as the Secretary may prescribe."

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 6664(c) is amended by striking "this part" and inserting "section 6662 or 6663".

(B) The heading for subsection (c) of section 6664 is amended by inserting "FOR UNDERPAYMENTS" after "EXCEPTION".

(d) REDUCTION IN PENALTY FOR SUBSTANTIAL UNDERSTATEMENT OF INCOME TAX NOT TO APPLY TO TAX SHELTERS.—Subparagraph (C) of section 6662(d)(2) (relating to substantial understatement of income tax) is amended to read as follows:

"(C) REDUCTION NOT TO APPLY TO TAX SHELTERS.—

"(i) IN GENERAL.—Subparagraph (B) shall not apply to any item attributable to a tax shelter.

"(ii) TAX SHELTER.—For purposes of clause (i), the term 'tax shelter' means—

"(I) a partnership or other entity,

"(II) any investment plan or arrangement, or

"(III) any other plan or arrangement,

if a significant purpose of such partnership, entity, plan, or arrangement is the avoidance or evasion of Federal income tax."

(e) CONFORMING AMENDMENTS.—

(1) Sections 461(i)(3)(C), 1274(b)(3), and 7525(b) are each amended by striking "section 6662(d)(2)(C)(iii)" and inserting "section 6662(d)(2)(C)(ii)".

(2) The heading for section 6662 is amended to read as follows:

"SEC. 6662. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERPAYMENTS."

(3) The table of sections for part II of subchapter A of chapter 68 is amended by striking the item relating to section 6662 and inserting the following new items:

"Sec. 6662. Imposition of accuracy-related penalty on underpayments.

"Sec. 6662A. Imposition of accuracy-related penalty on understatements with respect to reportable transactions."

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 613. TAX SHELTER EXCEPTION TO CONFIDENTIALITY PRIVILEGES RELATING TO TAXPAYER COMMUNICATIONS.

(a) IN GENERAL.—Section 7525(b) (relating to section not to apply to communications regarding corporate tax shelters) is amended to read as follows:

"(b) SECTION NOT TO APPLY TO COMMUNICATIONS REGARDING TAX SHELTERS.—The privilege under subsection (a) shall not apply to any written communication which is—

"(1) between a federally authorized tax practitioner and—

"(A) any person,

"(B) any director, officer, employee, agent, or representative of the person, or

"(C) any other person holding a capital or profits interest in the person, and

"(2) in connection with the promotion of the direct or indirect participation of the person in any tax shelter (as defined in section 6662(d)(2)(C)(ii))."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to communications made on or after the date of the enactment of this Act.

SEC. 614. STATUTE OF LIMITATIONS FOR TAXABLE YEARS FOR WHICH REQUIRED LISTED TRANSACTIONS NOT REPORTED.

(a) In General.—Section 6501(c) (relating to exceptions) is amended by adding at the end the following new paragraph:

"(10) Listed Transactions.—If a taxpayer fails to include on any return or statement for any taxable year any information with respect to a listed transaction (as defined in section 6707A(c)(2)) which is required under section 6011 to be included with such return or statement, the time for assessment of any tax imposed by this title with respect to such transaction shall not expire before the date which is 1 year after the earlier of—

"(A) the date on which the Secretary is furnished the information so required, or

"(B) the date that a material advisor (as defined in section 6111) meets the requirements of section 6112 with respect to a request by the Secretary under section 6112(b) relating to such transaction with respect to such taxpayer."

(b) Effective Date.—The amendment made by this section shall apply to taxable years with respect to which the period for assessing a deficiency did not expire before the date of the enactment of this Act.

SEC. 615. DISCLOSURE OF REPORTABLE TRANSACTIONS.

(a) In General.—Section 6111 (relating to registration of tax shelters) is amended to read as follows:

"SEC. 6111. DISCLOSURE OF REPORTABLE TRANSACTIONS.

"(a) In General.—Each material advisor with respect to any reportable transaction shall make a return (in such form as the Secretary may prescribe) setting forth—

"(1) information identifying and describing the transaction,

"(2) information describing any potential tax benefits expected to result from the transaction, and

"(3) such other information as the Secretary may prescribe.

Such return shall be filed not later than the date specified by the Secretary.

"(b) Definitions.—For purposes of this section—

"(1) Material Advisor.—

"(A) In general.—The term 'material advisor' means any person—

"(i) who provides any material aid, assistance, or advice with respect to organizing, managing, promoting, selling, implementing, or carrying out any reportable transaction, and

"(ii) who directly or indirectly derives gross income in excess of the threshold amount (or such other amount as may be prescribed by the Secretary) for such advice or assistance.

"(B) Threshold amount.—For purposes of subparagraph (A), the threshold amount is—

"(i) $50,000 in the case of a reportable transaction substantially all of the tax benefits from which are provided to natural persons, and

"(ii) $250,000 in any other case.

"(2) Reportable transaction.—The term 'reportable transaction' has the meaning given to such term by section 6707A(c).

"(c) Regulations.—The Secretary may prescribe regulations which provide—

"(1) that only 1 person shall be required to meet the requirements of subsection (a) in cases in which 2 or more persons would otherwise be required to meet such requirements,

"(2) exemptions from the requirements of this section, and

"(3) such rules as may be necessary or appropriate to carry out the purposes of this section."

(b) Conforming Amendments.—

(1) The item relating to section 6111 in the table of sections for subchapter B of chapter 61 is amended to read as follows:

"Sec. 6111. Disclosure of reportable transactions."

(2) So much of section 6112 as precedes subsection (c) thereof is amended to read as follows:

"SEC. 6112. MATERIAL ADVISORS OF REPORTABLE TRANSACTIONS MUST KEEP LISTS OF ADVISEES, ETC.

"(a) In General.—Each material advisor (as defined in section 6111) with respect to any reportable transaction (as defined in section 6707A(c)) shall (whether or not required to file a return under section 6111 with respect to such transaction) maintain (in such manner as the Secretary may by regulations prescribe) a list—

"(1) identifying each person with respect to whom such advisor acted as a material advisor with respect to such transaction, and

"(2) containing such other information as the Secretary may by regulations require."

(3) Section 6112 is amended—

(A) by redesignating subsection (c) as subsection (b),

(B) by inserting "written" before "request" in subsection (b)(1) (as so redesignated), and

(C) by striking "shall prescribe" in subsection (b)(2) (as so redesignated) and inserting "may prescribe".

(4) The item relating to section 6112 in the table of sections for subchapter B of chapter 61 is amended to read as follows:

"Sec. 6112. Material advisors of reportable transactions must keep lists of advisees, etc."

(5)(A) The heading for section 6708 is amended to read as follows:

"SEC. 6708. FAILURE TO MAINTAIN LISTS OF ADVISEES WITH RESPECT TO REPORTABLE TRANSACTIONS."

(B) The item relating to section 6708 in the table of sections for part I of subchapter B of chapter 68 is amended to read as follows:

"Sec. 6708. Failure to maintain lists of advisees with respect to reportable transactions."

(c) Effective Date.—The amendments made by this section shall apply to transactions with respect to which material aid, assistance, or advice referred to in section 6111(b)(1)(A)(i) of the Internal Revenue Code of 1986 (as added by this section) is provided after the date of the enactment of this Act.

SEC. 616. FAILURE TO FURNISH INFORMATION REGARDING REPORTABLE TRANSACTIONS.

(a) In General.—Section 6707 (relating to failure to furnish information regarding tax shelters) is amended to read as follows:

"SEC. 6707. FAILURE TO FURNISH INFORMATION REGARDING REPORTABLE TRANSACTIONS.

"(a) In General.—If a person who is required to file a return under section 6111(a) with respect to any reportable transaction—

"(1) fails to file such return on or before the date prescribed therefor, or

"(2) files false or incomplete information with the Secretary with respect to such transaction,

such person shall pay a penalty with respect to such return in the amount determined under subsection (b).

"(b) Amount of Penalty.—

"(1) In general.—Except as provided in paragraph (2), the penalty imposed under subsection (a) with respect to any failure shall be $50,000.

"(2) Listed transactions.—The penalty imposed under subsection (a) with respect to any listed transaction shall be an amount equal to the greater of—

"(A) $200,000, or

"(B) 50 percent of the gross income derived by such person with respect to aid, assistance, or advice which is provided with respect to the listed transaction before the date the return is filed under section 6111.

Subparagraph (B) shall be applied by substituting '75 percent' for '50 percent' in the case of an intentional failure or act described in subsection (a).

"(c) Rescission Authority.—The provisions of section 6707A(d) (relating to authority of Commissioner to rescind penalty) shall apply to any penalty imposed under this section.

"(d) Reportable and Listed Transactions.—For purposes of this section, the terms 'reportable transaction' and 'listed transaction' have the respective meanings given to such terms by section 6707A(c)."

(b) Clerical Amendment.—The item relating to section 6707 in the table of sections for part I of subchapter B of chapter 68 is amended by striking "tax shelters" and inserting "reportable transactions".

(c) Effective Date.—The amendments made by this section shall apply to returns the due date for which is after the date of the enactment of this Act.

SEC. 617. MODIFICATION OF PENALTY FOR FAILURE TO MAINTAIN LISTS OF INVESTORS.

(a) In General.—Subsection (a) of section 6708 is amended to read as follows:

"(a) Imposition of Penalty.—

"(1) In general.—If any person who is required to maintain a list under section 6112(a) fails to make such list available upon written request to the Secretary in accordance with section 6112(b) within 20 business days after the date of such request, such person shall pay a penalty of $10,000 for each day of such failure after such 20th day.

"(2) Reasonable cause exception.—No penalty shall be imposed by paragraph (1) with respect to the failure on any day if such failure is due to reasonable cause.".

(b) Effective Date.—The amendment made by this section shall apply to requests made after the date of the enactment of this Act.

SEC. 618. PENALTY ON PROMOTERS OF TAX SHELTERS.

(a) Penalty on Promoting Abusive Tax Shelters.—Section 6700(a) is amended by adding at the end the following new sentence: "Notwithstanding the first sentence, if an activity with respect to which a penalty imposed under this subsection involves a statement described in paragraph (2)(A), the amount of the penalty shall be equal to 50 percent of the gross income derived (or to be derived) from such activity by the person on which the penalty is imposed."

(b) Effective Date.—The amendment made by this section shall apply to activities after the date of the enactment of this Act.

SEC. 619. MODIFICATIONS OF SUBSTANTIAL UNDERSTATEMENT PENALTY FOR NONREPORTABLE TRANSACTIONS.

(a) Substantial Understatement of Corporations.—Section 6662(d)(1)(B) (relating to special rule for corporations) is amended to read as follows:

"(B) Special rule for corporations.—In the case of a corporation other than an S corporation or a personal holding company (as defined in section 542), there is a substantial understatement of income tax for any taxable year if the amount of the understatement for the taxable year exceeds the lesser of—

"(i) 10 percent of the tax required to be shown on the return for the taxable year (or, if greater, $10,000), or

"(ii) $10,000,000."

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 620. MODIFICATION OF ACTIONS TO ENJOIN CERTAIN CONDUCT RELATED TO TAX SHELTERS AND REPORTABLE TRANSACTIONS.

(a) IN GENERAL.—Section 7408 (relating to action to enjoin promoters of abusive tax shelters, etc.) is amended by redesignating subsection (c) as subsection (d) and by striking subsections (a) and (b) and inserting the following new subsections:

"(a) AUTHORITY TO SEEK INJUNCTION.—A civil action in the name of the United States to enjoin any person from further engaging in specified conduct may be commenced at the request of the Secretary. Any action under this section shall be brought in the district court of the United States for the district in which such person resides, has his principal place of business, or has engaged in specified conduct. The court may exercise its jurisdiction over such action (as provided in section 7402(a)) separate and apart from any other action brought by the United States against such person.

"(b) ADJUDICATION AND DECREE.—In any action under subsection (a), if the court finds—

"(1) that the person has engaged in any specified conduct, and

"(2) that injunctive relief is appropriate to prevent recurrence of such conduct,

the court may enjoin such person from engaging in such conduct or in any other activity subject to penalty under this title.

"(c) SPECIFIED CONDUCT.—For purposes of this section, the term 'specified conduct' means any action, or failure to take action, subject to penalty under section 6700, 6701, 6707, or 6708."

(b) CONFORMING AMENDMENTS.—

(1) The heading for section 7408 is amended to read as follows:

"SEC. 7408. ACTIONS TO ENJOIN SPECIFIED CONDUCT RELATED TO TAX SHELTERS AND REPORTABLE TRANSACTIONS."

(2) The table of sections for subchapter A of chapter 76 is amended by striking the item relating to section 7408 and inserting the following new item:

"Sec. 7408. Actions to enjoin specified conduct related to tax shelters and reportable transactions."

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on the day after the date of the enactment of this Act.

SEC. 621. PENALTY ON FAILURE TO REPORT INTERESTS IN FOREIGN FINANCIAL ACCOUNTS.

(a) IN GENERAL.—Section 5321(a)(5) of title 31, United States Code, is amended to read as follows:

"(5) FOREIGN FINANCIAL AGENCY TRANSACTION VIOLATION.—

"(A) PENALTY AUTHORIZED.—The Secretary of the Treasury may impose a civil money penalty on any person who violates, or causes any violation of, any provision of section 5314.

"(B) AMOUNT OF PENALTY.—

"(i) IN GENERAL.—Except as provided in subparagraph (C), the amount of any civil penalty imposed under subparagraph (A) shall not exceed $5,000.

"(ii) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under subparagraph (A) with respect to any violation if—

"(I) such violation was due to reasonable cause, and

"(II) the amount of the transaction or the balance in the account at the time of the transaction was properly reported.

"(C) WILLFUL VIOLATIONS.—In the case of any person willfully violating, or willfully causing any violation of, any provision of section 5314—

"(i) the maximum penalty under subparagraph (B)(i) shall be increased to the greater of—

"(I) $25,000, or

"(II) the amount (not exceeding $100,000) determined under subparagraph (D), and

"(ii) subparagraph (B)(ii) shall not apply.

"(D) AMOUNT.—The amount determined under this subparagraph is—

"(i) in the case of a violation involving a transaction, the amount of the transaction, or

"(ii) in the case of a violation involving a failure to report the existence of an account or any identifying information required to be provided with respect to an account, the balance in the account at the time of the violation."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring after the date of the enactment of this Act.

SEC. 622. REGULATION OF INDIVIDUALS PRACTICING BEFORE THE DEPARTMENT OF THE TREASURY.

(a) CENSURE; IMPOSITION OF PENALTY.—

(1) IN GENERAL.—Section 330(b) of title 31, United States Code, is amended—

(A) by inserting ", or censure," after "Department", and

(B) by adding at the end the following new flush sentence:

"The Secretary may impose a monetary penalty on any representative described in the preceding sentence. If the representative was acting on behalf of an employer or any firm or other entity in connection with the conduct giving rise to such penalty, the Secretary may impose a monetary penalty on such employer, firm, or entity if it knew, or reasonably should have known, of such conduct. Such penalty shall not exceed the gross income derived (or to be derived) from the conduct giving rise to the penalty. Any such penalty imposed on an individual may be in addition to, or in lieu of, any suspension, disbarment, or censure of such individual."

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to actions taken after the date of the enactment of this Act.

(b) TAX SHELTER OPINIONS, ETC.—Section 330 of such title 31 is amended by adding at the end the following new subsection:

"(d) Nothing in this section or in any other provision of law shall be construed to limit the authority of the Secretary of the Treasury to impose standards applicable to the rendering of written advice with respect to any entity, transaction plan or arrangement, or other plan or arrangement, which is of a type which the Secretary determines as having a potential for tax avoidance or evasion."

Part II—Other Provisions

SEC. 631. TREATMENT OF STRIPPED INTERESTS IN BOND AND PREFERRED STOCK FUNDS, ETC.

(a) IN GENERAL.—Section 1286 (relating to tax treatment of stripped bonds) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) TREATMENT OF STRIPPED INTERESTS IN BOND AND PREFERRED STOCK FUNDS, ETC.—In the case of an account or entity substantially all of the assets of which consist of bonds, preferred stock, or a combination thereof, the Secretary may by regulations provide that rules similar to the rules of this section and 305(e), as appropriate, shall apply to interests in such account or entity to which (but for this subsection) this section or section 305(e), as the case may be, would not apply."

(b) CROSS REFERENCE.—Subsection (e) of section 305 is amended by adding at the end the following new paragraph:

"(7) CROSS REFERENCE.—

"For treatment of stripped interests in certain accounts or entities holding preferred stock, see section 1286(f)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to purchases and dispositions after the date of the enactment of this Act.

SEC. 632. MINIMUM HOLDING PERIOD FOR FOREIGN TAX CREDIT ON WITHHOLDING TAXES ON INCOME OTHER THAN DIVIDENDS.

(a) IN GENERAL.—Section 901 is amended by redesignating subsection (l) as subsection (m) and by inserting after subsection (k) the following new subsection:

"(l) MINIMUM HOLDING PERIOD FOR WITHHOLDING TAXES ON GAIN AND INCOME OTHER THAN DIVIDENDS ETC.—

"(1) IN GENERAL.—In no event shall a credit be allowed under subsection (a) for any withholding tax (as defined in subsection (k)) on any item of income or gain with respect to any property if—

"(A) such property is held by the recipient of the item for 15 days or less during the 30-day period beginning on the date which is 15 days before the date on which the right to receive payment of such item arises, or

"(B) to the extent that the recipient of the item is under an obligation (whether pursuant to a short sale or otherwise) to make related payments with respect to positions in substantially similar or related property.

This paragraph shall not apply to any dividend to which subsection (k) applies.

"(2) EXCEPTION FOR TAXES PAID BY DEALERS.—

"(A) IN GENERAL.—Paragraph (1) shall not apply to any qualified tax with respect to any property held in the active conduct in a foreign country of a business as a dealer in such property.

"(B) QUALIFIED TAX.—For purposes of subparagraph (A), the term 'qualified tax' means a tax paid to a foreign country (other than the foreign country referred to in subparagraph (A)) if—

"(i) the item to which such tax is attributable is subject to taxation on a net basis by the country referred to in subparagraph (A), and

"(ii) such country allows a credit against its net basis tax for the full amount of the tax paid to such other foreign country.

"(C) DEALER.—For purposes of subparagraph (A), the term 'dealer' means—

"(i) with respect to a security, any person to whom paragraphs (1) and (2) of subsection (k) would not apply by reason of paragraph (4) thereof if such security were stock, and

"(ii) with respect to any other property, any person with respect to whom such property is described in section 1221(a)(1).

"(D) REGULATIONS.—The Secretary may prescribe such regulations as may be appropriate to carry out this paragraph, including regulations to prevent the abuse of the exception provided by this paragraph and to treat other taxes as qualified taxes.

"(3) EXCEPTIONS.—The Secretary may by regulation provide that paragraph (1) shall not apply to property where the Secretary determines that the application of paragraph (1) to such property is not necessary to carry out the purposes of this subsection.

"(4) CERTAIN RULES TO APPLY.—Rules similar to the rules of paragraphs (5), (6), and (7) of subsection (k) shall apply for purposes of this subsection.

"(5) DETERMINATION OF HOLDING PERIOD.—Holding periods shall be determined for purposes of this subsection without regard to section 1235 or any similar rule."

(b) CONFORMING AMENDMENT.—The heading of subsection (k) of section 901 is amended by inserting "ON DIVIDENDS" after "TAXES".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or accrued more than 30 days after the date of the enactment of this Act.

SEC. 633. DISALLOWANCE OF CERTAIN PARTNERSHIP LOSS TRANSFERS.

(a) TREATMENT OF CONTRIBUTED PROPERTY WITH BUILT-IN LOSS.—Paragraph (1) of section 704(c) is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by adding at the end the following:

"(C) if any property so contributed has a built-in loss—

"(i) such built-in loss shall be taken into account only in determining the amount of items allocated to the contributing partner, and

"(ii) except as provided in regulations, in determining the amount of items allocated to other partners, the basis of the contributed property in the hands of the partnership shall be treated as being equal to its fair market value at the time of contribution.

For purposes of subparagraph (C), the term 'built-in loss' means the excess of the adjusted basis of the property (determined without regard to subparagraph (C)(ii)) over its fair market value at the time of contribution."

(b) SPECIAL RULES FOR TRANSFERS OF PARTNERSHIP INTEREST IF THERE IS SUBSTANTIAL BUILT-IN LOSS.—

(1) ADJUSTMENT OF PARTNERSHIP BASIS REQUIRED.—Subsection (a) of section 743 (relating to optional adjustment to basis of partnership property) is amended by inserting before the period "or unless the partnership has a substantial built-in loss immediately after such transfer".

(2) ADJUSTMENT.—Subsection (b) of section 743 is amended by inserting "or which has a substantial built-in loss immediately after such transfer" after "section 754 is in effect".

(3) SUBSTANTIAL BUILT-IN LOSS.—Section 743 is amended by adding at the end the following new subsection:

"(d) SUBSTANTIAL BUILT-IN LOSS.—

"(1) IN GENERAL.—For purposes of this section, a partnership has a substantial built-in loss with respect to a transfer of an interest in a partnership if the partnership's adjusted basis in the partnership property exceeds by more than $250,000 the fair market value of such property.

"(2) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out the purposes of paragraph (1) and section 734(d), including regulations aggregating related partnerships and disregarding property acquired by the partnership in an attempt to avoid such purposes."

(4) ALTERNATIVE RULES FOR ELECTING INVESTMENT PARTNERSHIPS.—

(A) IN GENERAL.—Section 743 is amended by adding at the end the following new subsection:

"(e) ALTERNATIVE RULES FOR ELECTING INVESTMENT PARTNERSHIPS.—

"(1) NO ADJUSTMENT OF PARTNERSHIP BASIS.—For purposes of this section, an electing investment partnership shall not be treated as having a substantial built-in loss with respect to any transfer occurring while the election under paragraph (6)(A) is in effect.

"(2) LOSS DEFERRAL FOR TRANSFEREE PARTNER.—In the case of a transfer of an interest in an electing investment partnership, the transferee partner's distributive share of losses (without regard to gains) from the sale or exchange of partnership property shall not be allowed except to the extent that it is established that such losses exceed the loss (if any) recognized by the transferor (or any prior transferor to the extent not fully offset by a prior disallowance under this paragraph) on the transfer of the partnership interest.

"(3) NO REDUCTION IN PARTNERSHIP BASIS.—Losses disallowed under paragraph (2) shall not decrease the transferee partner's basis in the partnership interest.

"(4) EFFECT OF TERMINATION OF PARTNERSHIP.—This subsection shall be applied without regard to any termination of a partnership under section 708(b)(1)(B).

"(5) CERTAIN BASIS REDUCTIONS TREATED AS LOSSES.—In the case of a transferee partner whose basis in property distributed by the partnership is reduced under section 732(a)(2), the amount of the loss recognized by the transferor on the transfer of the partnership interest which is taken into account under paragraph (2) shall be reduced by the amount of such basis reduction.

"(6) ELECTING INVESTMENT PARTNERSHIP.—For purposes of this subsection, the term 'electing investment partnership' means any partnership if—

"(A) the partnership makes an election to have this subsection apply,

"(B) the partnership would be an investment company under section 3(a)(1)(A) of the Investment Company Act of 1940 but for an exemption under paragraph (1) or (7) of section 3(c) of such Act,

"(C) such partnership has never been engaged in a trade or business,

"(D) substantially all of the assets of such partnership are held for investment,

"(E) at least 95 percent of the assets contributed to such partnership consist of money,

"(F) no assets contributed to such partnership had an adjusted basis in excess of fair market value at the time of contribution,

"(G) all partnership interests of such partnership are issued by such partnership pursuant to a private offering and during the 24-month period beginning on the date of the first capital contribution to such partnership,

"(H) the partnership agreement of such partnership has substantive restrictions on each partner's ability to cause a redemption of the partner's interest, and

"(I) the partnership agreement of such partnership provides for a term that is not in excess of 15 years.

The election described in subparagraph (A), once made, shall be irrevocable except with the consent of the Secretary.

"(7) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out the purposes of this subsection, including regulations for applying this subsection to tiered partnerships.".

(B) INFORMATION REPORTING.—Section 6031 is amended by adding at the end the following new subsection:

"(f) ELECTING INVESTMENT PARTNERSHIPS.—In the case of any electing investment partnership (as defined in section 743(e)(6)), the information required under subsection (b) to be furnished to any partner to whom section 743(e)(2) applies shall include such information as is necessary to enable the partner to compute the amount of losses disallowed under section 743(e).".

(5) CLERICAL AMENDMENTS.—

(A) The section heading for section 743 is amended to read as follows:

"SEC. 743. SPECIAL RULES WHERE SECTION 754 ELECTION OR SUBSTANTIAL BUILT-IN LOSS."

(B) The table of sections for subpart C of part II of subchapter K of chapter 1 is amended by striking the item relating to section 743 and inserting the following new item:

"Sec. 743. Special rules where section 754 election or substantial built-in loss."

(c) ADJUSTMENT TO BASIS OF UNDISTRIBUTED PARTNERSHIP PROPERTY IF THERE IS SUBSTANTIAL BASIS REDUCTION.—

(1) ADJUSTMENT REQUIRED.—Subsection (a) of section 734 (relating to optional adjustment to basis of undistributed partnership property) is amended by inserting before the period "or unless there is a substantial basis reduction".

(2) ADJUSTMENT.—Subsection (b) of section 734 is amended by inserting "or unless there is a substantial basis reduction" after "section 754 is in effect".

(3) SUBSTANTIAL BASIS REDUCTION.—Section 734 is amended by adding at the end the following new subsection:

"(d) SUBSTANTIAL BASIS REDUCTION.—

"(1) IN GENERAL.—For purposes of this section, there is a substantial basis reduction with respect to a distribution if the sum of the amounts described in subparagraphs (A) and (B) of subsection (b)(2) exceeds $250.000.

"(2) REGULATIONS.—

"For regulations to carry out this subsection, see section 743(d)(2)."

(4) CLERICAL AMENDMENTS.—

(A) The section heading for section 734 is amended to read as follows:

"SEC. 734. ADJUSTMENT TO BASIS OF UNDISTRIBUTED PARTNERSHIP PROPERTY WHERE SECTION 754 ELECTION OR SUBSTANTIAL BASIS REDUCTION."

(B) The table of sections for subpart B of part II of subchapter K of chapter 1 is amended by striking the item relating to section 734 and inserting the following new item:

"Sec. 734. Adjustment to basis of undistributed partnership property where section 754 election or substantial basis reduction."

(d) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendment made by subsection (a) shall apply to contributions made after the date of the enactment of this Act.

(2) SUBSECTION (b).—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by subsection (b) shall apply to transfers after the date of the enactment of this Act.

(B) TRANSITION RULE.—In the case of an electing investment partnership which is in existence on June 4, 2004, section 743(e)(6)(H) of the Internal Revenue Code of 1986, as added by this section, shall not apply to such partnership and section 743(e)(6)(I) of such Code, as so added, shall be applied by substituting "20 years" for "15 years".

(3) SUBSECTION (c).—The amendments made by subsection (c) shall apply to distributions after the date of the enactment of this Act.

SEC. 634. NO REDUCTION OF BASIS UNDER SECTION 734 IN STOCK HELD BY PARTNERSHIP IN CORPORATE PARTNER.

(a) IN GENERAL.—Section 755 is amended by adding at the end the following new subsection:

"(c) NO ALLOCATION OF BASIS DECREASE TO STOCK OF CORPORATE PARTNER.—In making an allocation under subsection (a) of any decrease in the adjusted basis of partnership property under section 734(b)—

"(1) no allocation may be made to stock in a corporation (or any person related (within the meaning of sections 267(b) and 707(b)(1)) to such corporation) which is a partner in the partnership, and

"(2) any amount not allocable to stock by reason of paragraph (1) shall be allocated under subsection (a) to other partnership property.

Gain shall be recognized to the partnership to the extent that the amount required to be allocated under paragraph (2) to other partnership property exceeds the aggregate adjusted basis of such other property immediately before the allocation required by paragraph (2)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions after the date of the enactment of this Act.

SEC. 635. REPEAL OF SPECIAL RULES FOR FASITS.

(a) IN GENERAL.—Part V of subchapter M of chapter 1 (relating to financial asset securitization investment trusts) is hereby repealed.

(b) Conforming Amendments.—

(1) Paragraph (6) of section 56(g) is amended by striking "REMIC, or FASIT" and inserting "or REMIC".

(2) Clause (ii) of section 382(l)(4)(B) is amended by striking "a REMIC to which part IV of subchapter M applies, or a FASIT to which part V of subchapter M applies," and inserting "or a REMIC to which part IV of subchapter M applies,".

(3) Paragraph (1) of section 582(c) is amended by striking ", and any regular interest in a FASIT,".

(4) Subparagraph (E) of section 856(c)(5) is amended by striking the last sentence.

(5)(A) Section 860G(a)(1) is amended by adding at the end the following new sentence: "An interest shall not fail to qualify as a regular interest solely because the specified principal amount of the regular interest (or the amount of interest accrued on the regular interest) can be reduced as a result of the nonoccurrence of 1 or more contingent payments with respect to any reverse mortgage loan held by the REMIC if, on the startup day for the REMIC, the sponsor reasonably believes that all principal and interest due under the regular interest will be paid at or prior to the liquidation of the REMIC.".

(B) The last sentence of section 860G(a)(3) is amended by inserting ", and any reverse mortgage loan (and each balance increase on such loan meeting the requirements of subparagraph (A)(iii)) shall be treated as an obligation secured by an interest in real property" before the period at the end.

(6) Paragraph (3) of section 860G(a) is amended by adding "and" at the end of subparagraph (B), by striking ", and" at the end of subparagraph (C) and inserting a period, and by striking subparagraph (D).

(7) Section 860G(a)(3), as amended by paragraph (6), is amended by adding at the end the following new sentence: "For purposes of subparagraph (A), if more than 50 percent of the obligations transferred to, or purchased by, the REMIC are originated by the United States or any State (or any political subdivision, agency, or instrumentality of the United States or any State) and are principally secured by an interest in real property, then each obligation transferred to, or purchased by, the REMIC shall be treated as secured by an interest in real property.".

(8)(A) Section 860G(a)(3)(A) is amended by striking "or" at the end of clause (i), by inserting "or" at the end of clause (ii), and by inserting after clause (ii) the following new clause:

"(iii) represents an increase in the principal amount under the original terms of an obligation described in clause (i) or (ii) if such increase—

"(I) is attributable to an advance made to the obligor pursuant to the original terms of the obligation,

"(II) occurs after the startup day, and

"(III) is purchased by the REMIC pursuant to a fixed price contract in effect on the startup day.".

(B) Section 860G(a)(7)(B) is amended to read as follows:

"(B) Qualified reserve fund.—For purposes of subparagraph (A), the term 'qualified reserve fund' means any reasonably required reserve to—

"(i) provide for full payment of expenses of the REMIC or amounts due on regular interests in the event of defaults on qualified mortgages or lower than expected returns on cash flow investments, or

"(ii) provide a source of funds for the purchase of obligations described in clause (ii) or (iii) of paragraph (3)(A).

The aggregate fair market value of the assets held in any such reserve shall not exceed 50 percent of the aggregate fair market value of all of the assets of the REMIC on the startup day, and the amount of any such reserve shall be promptly and appropriately reduced to the extent the amount held in such reserve is no longer reasonably required for purposes specified in clause (i) or (ii) of this subparagraph.".

(9) Subparagraph (C) of section 1202(e)(4) is amended by striking "REMIC, or FASIT" and inserting "or REMIC".

(10) Clause (xi) of section 7701(a)(19)(C) is amended—

(A) by striking "and any regular interest in a FASIT,", and

(B) by striking "or FASIT" each place it appears.

(11) Subparagraph (A) of section 7701(i)(2) is amended by striking "or a FASIT".

(12) The table of parts for subchapter M of chapter 1 is amended by striking the item relating to part V.

(c) Effective Date.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall take effect on January 1, 2005.

(2) Exception for existing FASITs.—Paragraph (1) shall not apply to any FASIT in existence on the date of the enactment of this Act to the extent that regular interests issued by the FASIT before such date continue to remain outstanding in accordance with the original terms of issuance.

SEC. 636. LIMITATION ON TRANSFER OF BUILT-IN LOSSES ON REMIC RESIDUALS.

(a) In General.—Section 362 (relating to basis to corporations) is amended by adding at the end the following new subsection:

"(e) Limitation on Transfer of Built-in Losses on REMIC Residuals in Section 351 Transactions.—If—

"(1) a residual interest (as defined in section 860G(a)(2)) in a REMIC is transferred in any transaction which is described in subsection (a), and

"(2) the transferee's adjusted basis in such residual interest would (but for this paragraph) exceed its fair market value immediately after such transaction,

then, notwithstanding subsection (a), the transferee's adjusted basis in such residual interest shall not exceed its fair market value (whether or not greater than zero) immediately after such transaction."

(b) Effective Date.—The amendment made by this section shall apply to transactions after the date of the enactment of this Act.

SEC. 637. CLARIFICATION OF BANKING BUSINESS FOR PURPOSES OF DETERMINING INVESTMENT OF EARNINGS IN UNITED STATES PROPERTY.

(a) In General.—Subparagraph (A) of section 956(c)(2) is amended to read as follows:

"(A) obligations of the United States, money, or deposits with persons described in paragraph (4);".

(b) Eligible Persons.—Section 956(c) (relating to exceptions to definition of United States property) is amended by adding at the end the following new paragraph:

"(4) Financial services providers.—

"(A) In general.—For purposes of paragraph (2)(A), a person is described in this paragraph if at least 80 percent of the person's income is from the active conduct of a banking business which is derived from persons who are not related persons.

"(B) Special rules.—For purposes of subparagraph (A) all related persons shall be treated as 1 person in applying the 80-percent test.

"(C) Related person.—For purposes of this paragraph, a person is a related person to another person if—

"(i) the related person bears a relationship to such person specified in section 267(b) or 707(b)(1), or

"(ii) such persons are members of the same controlled group of corporations (as defined in section 1563(a), except that 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears therein).".

(b) Effective Date.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 638. ALTERNATIVE TAX FOR CERTAIN SMALL INSURANCE COMPANIES.

(a) In General.—Clause (i) of section 831(b)(2)(A) is amended by striking "$1,200,000" and inserting "$1,890,000".

(b) Inflation Adjustment.—Paragraph (2) of section 831(b) is amended by adding at the end the following new subparagraph:

"(C) Inflation adjustment.—In the case of any taxable year beginning in a calendar year after 2004, the $1,890,000 amount in subparagraph (A) shall be increased by an amount equal to—

"(i) $1,890,000, multiplied by

"(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2003' for 'calendar year 1992' in subparagraph (B) thereof.

If the amount as adjusted under the preceding sentence is not a multiple of $1,000, such amount shall be rounded to the next lowest multiple of $1,000.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

SEC. 639. DENIAL OF DEDUCTION FOR INTEREST ON UNDERPAYMENTS ATTRIBUTABLE TO NONDISCLOSED REPORTABLE TRANSACTIONS.

(a) In General.—Section 163 (relating to deduction for interest) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) Interest on Unpaid Taxes Attributable to Nondisclosed Reportable Transactions.—No deduction shall be allowed under this chapter for any interest paid or accrued under section 6601 on any underpayment of tax which is attributable to the portion of any reportable transaction understatement (as defined in section 6662A(b)) with respect to which the requirement of section 6664(d)(2)(A) is not met.".

(b) Effective Date.—The amendments made by this section shall apply to transactions in taxable years beginning after the date of the enactment of this Act.

SEC. 640. CLARIFICATION OF RULES FOR PAYMENT OF ESTIMATED TAX FOR CERTAIN DEEMED ASSET SALES.

(a) In General.—Paragraph (13) of section 338(h) (relating to tax on deemed sale not taken into account for estimated tax purposes) is amended by adding at the end the following: "The preceding sentence shall not apply with respect to a qualified stock purchase for which an election is made under paragraph (10).".

(b) Effective Date.—The amendment made by subsection (a) shall apply to transactions occurring after the date of the enactment of this Act.

SEC. 641. RECOGNITION OF GAIN FROM THE SALE OF A PRINCIPAL RESIDENCE ACQUIRED IN A LIKE-KIND EXCHANGE WITHIN 5 YEARS OF SALE.

(a) In General.—Section 121(d) (relating to special rules for exclusion of gain from sale of principal residence) is amended by adding at the end the following new paragraph:

"(10) Property acquired in like-kind exchange.—If a taxpayer acquired property in an exchange to which section 1031 applied, subsection (a) shall not apply to the sale or exchange of such property if it occurs during the 5-year period beginning with the date of the acquisition of such property.".

(b) Effective Date.—The amendment made by this section shall apply to sales or exchanges after the date of the enactment of this Act.

SEC. 642. PREVENTION OF MISMATCHING OF INTEREST AND ORIGINAL ISSUE DISCOUNT DEDUCTIONS AND INCOME INCLUSIONS IN TRANSACTIONS WITH RELATED FOREIGN PERSONS.

(a) Original Issue Discount.—Section 163(e)(3) (relating to special rule for original issue discount on obligation held by related foreign person) is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

"(B) Special rule for certain foreign entities.—

"(i) In general.—In the case of any debt instrument having original issue discount which is held by a related foreign person which is a foreign personal holding company (as defined in section 552), a controlled foreign corporation (as defined in section 957), or a passive foreign investment company (as defined in section 1297), a deduction shall be allowable to the issuer with respect to such original issue discount for any taxable year before the taxable year in which paid only to the extent such original issue discount (reduced by properly allowable deductions and qualified deficits under section 952(c)(1)(B)) is includible during such prior taxable year in the gross income of a United States person who owns (within the meaning of section 958(a)) stock in such corporation.

"(ii) Secretarial authority.—The Secretary may by regulation exempt transactions from the application of clause (i), including any transaction which is entered into by a payor in the ordinary course of a trade or business in which the payor is predominantly engaged.".

(b) Interest and Other Deductible Amounts.—Section 267(a)(3) is amended—

(1) by striking "The Secretary" and inserting: "(A) In general.—The Secretary", and

(2) by adding at the end the following new subparagraph:

"(B) Special rule for certain foreign entities.—

"(i) In general.—Notwithstanding subparagraph (A), in the case of any item payable to a foreign personal holding company (as defined in section 552), a controlled foreign corporation (as defined in section 957), or a passive foreign investment company (as defined in section 1297), a deduction shall be allowable to the payor with respect to such amount for any taxable year before the taxable year in which paid only to the extent that an amount attributable to such item (reduced by properly allowable deductions and qualified deficits under section 952(c)(1)(B)) is includible during such prior taxable year in the gross income of a United States person who owns (within the meaning of section 958(a)) stock in such corporation.

"(ii) Secretarial authority.—The Secretary may by regulation exempt transactions from the application of clause (i), including any transaction which is entered into by a payor in the ordinary course of a trade or business in which the payor is predominantly engaged and in which the payment of the accrued amounts occurs within 8½ months after accrual or within such other period as the Secretary may prescribe.".

(c) Effective Date.—The amendments made by this section shall apply to payments accrued on or after the date of the enactment of this Act.

SEC. 643. EXCLUSION FROM GROSS INCOME FOR INTEREST ON OVERPAYMENTS OF INCOME TAX BY INDIVIDUALS.

(a) In General.—Part III of subchapter B of chapter 1 (relating to items specifically excluded from gross income) is amended by inserting after section 139A the following new section:

"SEC. 139B. EXCLUSION FROM GROSS INCOME FOR INTEREST ON OVERPAYMENTS OF INCOME TAX BY INDIVIDUALS.

"(a) In General.—In the case of an individual, gross income shall not include interest paid under section 6611 on any overpayment of tax imposed by this subtitle.

"(b) Exception.—Subsection (a) shall not apply in the case of a failure to claim items resulting in the overpayment on the original return if the Secretary determines that the principal purpose of such failure is to take advantage of subsection (a).

"(c) Special Rule for Determining Modified Adjusted Gross Income.—For purposes of this title, interest not included in gross income under subsection (a) shall not be treated as interest which is exempt from tax for purposes of sections 32(i)(2)(B) and 6012(d) or any computation in which interest exempt from tax under this title is added to adjusted gross income.".

(b) Clerical Amendment.—The table of sections for part III of subchapter B of chapter 1 is amended by inserting after the item relating to section 139A the following new item:

"Sec. 139B. Exclusion from gross income for interest on overpayments of income tax by individuals.".

(c) Effective Date.—The amendments made by this section shall apply to interest received in calendar years beginning after the date of the enactment of this Act.

SEC. 644. DEPOSITS MADE TO SUSPEND RUNNING OF INTEREST ON POTENTIAL UNDERPAYMENTS.

(a) In General.—Subchapter A of chapter 67 (relating to interest on underpayments) is amended by adding at the end the following new section:

"SEC. 6603. DEPOSITS MADE TO SUSPEND RUNNING OF INTEREST ON POTENTIAL UNDERPAYMENTS, ETC.

"(a) Authority To Make Deposits Other Than As Payment of Tax.—A taxpayer may make a cash deposit with the Secretary which may be used by the Secretary to pay any tax imposed under subtitle A or B or chapter 41, 42, 43, or 44 which has not been assessed at the time of the deposit. Such a deposit shall be made in such manner as the Secretary shall prescribe.

"(b) No Interest Imposed.—To the extent that such deposit is used by the Secretary to pay tax, for purposes of section 6601 (relating to interest on underpayments), the tax shall be treated as paid when the deposit is made.

"(c) Return of Deposit.—Except in a case where the Secretary determines that collection of tax is in jeopardy, the Secretary shall return to the taxpayer any amount of the deposit (to the extent not used for a payment of tax) which the taxpayer requests in writing.

"(d) Payment of Interest.—

"(1) In general.—For purposes of section 6611 (relating to interest on overpayments), a deposit which is returned to a taxpayer shall be treated as a payment of tax for any period to the extent (and only to the extent) attributable to a disputable tax for such period. Under regulations prescribed by the Secretary, rules similar to the rules of section 6611(b)(2) shall apply.

"(2) Disputable tax.—

"(A) In general.—For purposes of this section, the term 'disputable tax' means the amount of tax specified at the time of the deposit as the taxpayer's reasonable estimate of the maximum amount of any tax attributable to disputable items.

"(B) Safe harbor based on 30-day letter.—In the case of a taxpayer who has been issued a 30-day letter, the maximum amount of tax under subparagraph (A) shall not be less than the amount of the proposed deficiency specified in such letter.

"(3) Other definitions.—For purposes of paragraph (2)—

"(A) Disputable item.—The term 'disputable item' means any item of income, gain, loss, deduction, or credit if the taxpayer—

"(i) has a reasonable basis for its treatment of such item, and

"(ii) reasonably believes that the Secretary also has a reasonable basis for disallowing the taxpayer's treatment of such item.

"(B) 30-day letter.—The term '30-day letter' means the first letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals.

"(4) Rate of interest.—The rate of interest allowable under this subsection shall be the Federal short-term rate determined under section 6621(b), compounded daily.

"(e) Use of Deposits.—

"(1) Payment of tax.—Except as otherwise provided by the taxpayer, deposits shall be treated as used for the payment of tax in the order deposited.

"(2) Returns of deposits.—Deposits shall be treated as returned to the taxpayer on a last-in, first-out basis.".

(b) Clerical Amendment.—The table of sections for subchapter A of chapter 67 is amended by adding at the end the following new item:

"Sec. 6603. Deposits made to suspend running of interest on potential underpayments, etc.".

(c) Effective Date.—

(1) In general.—The amendments made by this section shall apply to deposits made after the date of the enactment of this Act.

(2) Coordination with deposits made under revenue procedure 84–58.—In the case of an amount held by the Secretary of the Treasury or his delegate on the date of the enactment of this Act as a deposit in the nature of a cash bond deposit pursuant to Revenue Procedure 84–58, the date that the taxpayer identifies such amount as a deposit made pursuant to section 6603 of the Internal Revenue Code (as added by this Act) shall be treated as the date such amount is deposited for purposes of such section 6603.

SEC. 645. PARTIAL PAYMENT OF TAX LIABILITY IN INSTALLMENT AGREEMENTS.

(a) In General.—

(1) Section 6159(a) (relating to authorization of agreements) is amended—

(A) by striking "satisfy liability for payment of" and inserting "make payment on", and

(B) by inserting "full or partial" after "facilitate".

(2) Section 6159(c) (relating to Secretary required to enter into installment agreements in certain cases) is amended in the matter preceding paragraph (1) by inserting "full" before "payment".

(b) Requirement To Review Partial Payment Agreements Every Two Years.—Section 6159 is amended by redesignating subsections (d) and (e) as subsections (e) and (f), respectively, and inserting after subsection (c) the following new subsection:

"(d) Secretary Required To Review Installment Agreements for Partial Collection Every Two Years.—In the case of an agreement entered into by the Secretary under subsection (a) for partial collection of a tax liability, the Secretary shall review the agreement at least once every 2 years.".

(c) Effective Date.—The amendments made by this section shall apply to agreements entered into on or after the date of the enactment of this Act.

SEC. 646. AFFIRMATION OF CONSOLIDATED RETURN REGULATION AUTHORITY.

(a) In General.—Section 1502 is amended by adding at the end the following new sentence: "In carrying out the preceding sentence, the

Secretary may prescribe rules that are different from the provisions of chapter 1 that would apply if such corporations filed separate returns.".

(b) Result Not Overturned.—Notwithstanding the amendment made by subsection (a), the Internal Revenue Code of 1986 shall be construed by treating Treasury Regulation §1.1502-20(c)(1)(iii) (as in effect on January 1, 2001) as being inapplicable to the factual situation in Rite Aid Corporation and Subsidiary Corporations v. United States, 255 F.3d 1357 (Fed. Cir. 2001).

(c) Effective Date.—This section, and the amendment made by this section, shall apply to taxable years beginning before, on, or after the date of the enactment of this Act.

Part III—Leasing

SEC. 647. REFORM OF TAX TREATMENT OF CERTAIN LEASING ARRANGEMENTS.

(a) Clarification of Recovery Period for Tax-Exempt Use Property Subject to Lease.—Subparagraph (A) of section 168(g)(3) (relating to special rules for determining class life) is amended by inserting "(notwithstanding any other subparagraph of this paragraph)" after "shall".

(b) Limitation on Depreciation Period for Software Leased to Tax-Exempt Entity.—Paragraph (1) of section 167(f) is amended by adding at the end the following new subparagraph:

"(C) Tax-exempt use property subject to lease.—In the case of computer software which would be tax-exempt use property as defined in subsection (h) of section 168 if such section applied to computer software, the useful life under subparagraph (A) shall not be less than 125 percent of the lease term (within the meaning of section 168(i)(3)).".

(c) Lease Term To Include Related Service Contracts.—Subparagraph (A) of section 168(i)(3) (relating to lease term) is amended by striking "and" at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

"(ii) the term of a lease shall include the term of any service contract or similar arrangement (whether or not treated as a lease under section 7701(e))—

"(I) which is part of the same transaction (or series of related transactions) which includes the lease, and

"(II) which is with respect to the property subject to the lease or substantially similar property, and".

(d) Expansion of Short-Term Lease Exemption for Qualified Technological Equipment.—Subparagraph (A) of section 168(h)(3) is amended by adding at the end the following new sentence: "Notwithstanding subsection (i)(3)(A)(i), in determining a lease term for purposes of the preceding sentence, there shall not be taken into account any option of the lessee to renew at the fair market value rent determined at the time of renewal; except that the aggregate period not taken into account by reason of this sentence shall not exceed 24 months."

SEC. 648. LIMITATION ON DEDUCTIONS ALLOCABLE TO PROPERTY USED BY GOVERNMENTS OR OTHER TAX-EXEMPT ENTITIES.

(a) In General.—Subpart C of part II of subchapter E of chapter 1 (relating to taxable year for which deductions taken) is amended by adding at the end the following new section:

"SEC. 470. LIMITATION ON DEDUCTIONS ALLOCABLE TO PROPERTY USED BY GOVERNMENTS OR OTHER TAX-EXEMPT ENTITIES.

"(a) Limitation on Losses.—Except as otherwise provided in this section, a tax-exempt use loss for any taxable year shall not be allowed.

"(b) Disallowed Loss Carried to Next Year.—Any tax-exempt use loss with respect to any tax-exempt use property which is disallowed under subsection (a) for any taxable year shall be treated as a deduction with respect to such property in the next taxable year.

"(c) Definitions.—For purposes of this section—

"(1) Tax-exempt use loss.—The term 'tax-exempt use loss' means, with respect to any taxable year, the amount (if any) by which—

"(A) the sum of—

"(i) the aggregate deductions (other than interest) directly allocable to a tax-exempt use property, plus

"(ii) the aggregate deductions for interest properly allocable to such property, exceed

"(B) the aggregate income from such property.

"(2) Tax-exempt use property.—The term 'tax-exempt use property' has the meaning given to such term by section 168(h) (without regard to paragraphs (1)(C) and (3) thereof and determined as if property described in section 167(f)(1)(B) were tangible property). Such term shall not include property which would (but for this sentence) be tax-exempt use property solely by reason of section 168(h)(6) if any credit is allowable under section 42 or 47 with respect to such property.

"(d) Exception for Certain Leases.—This section shall not apply to any lease of property which meets the requirements of all of the following paragraphs:

"(1) Availability of funds.—

"(A) In general.—A lease of property meets the requirements of this paragraph if (at any time during the lease term) not more than an allowable amount of funds are—

"(i) subject to any arrangement referred to in subparagraph (B), or

"(ii) set aside or expected to be set aside,

to or for the benefit of the lessor or any lender, or to or for the benefit of the lessee to satisfy the lessee's obligations or options under the lease. For purposes of clause (ii), funds shall be treated as set aside or expected to be set aside only if a reasonable person would conclude, based on the facts and circumstances, that such funds are set aside or expected to be set aside.

"(B) Arrangements.—The arrangements referred to in this subparagraph include a defeasance arrangement, a loan by the lessee to the lessor or any lender, a deposit arrangement, a letter of credit collateralized with cash or cash equivalents, a payment undertaking agreement, prepaid rent (within the meaning of the regulations under section 467), a sinking fund arrangement, a guaranteed investment contract, financial guaranty insurance, and any similar arrangement (whether or not such arrangement provides credit support).

"(C) Allowable amount.—

"(i) In general.—Except as otherwise provided in this subparagraph, the term 'allowable amount' means an amount equal to 20 percent of the lessor's adjusted basis in the property at the time the lease is entered into.

"(ii) Higher amount permitted in certain cases.—To the extent provided in regulations, a higher percentage shall be permitted under clause (i) where necessary because of the creditworthiness of the lessee. In no event may such regulations permit a percentage of more than 50 percent.

"(iii) Option to purchase other than at fair market value.—If under the lease the lessee has the option to purchase the property for a fixed price or for other than the fair market value of the property (determined at the time of exercise), the allowable amount at the time such option may be exercised may not exceed 50 percent of the price at which such option may be exercised.

"(iv) No allowable amount for certain arrangements.—The allowable amount shall be zero with respect to any arrangement which involves—

"(I) a loan from the lessee to the lessor or a lender,

"(II) any deposit received, letter of credit issued, or payment undertaking agreement entered into by a lender otherwise involved in the transaction, or

"(III) in the case of a transaction which involves a lender, any credit support made available to the lessor in which any such lender does not have a claim that is senior to the lessor.

For purposes of subclause (I), the term 'loan' shall not include any amount treated as a loan under section 467 with respect to a section 467 rental agreement.

"(2) Lessor must make substantial equity investment.—

"(A) In general.—A lease of property meets the requirements of this paragraph if—

"(i) the lessor—

"(I) has at the time the lease is entered into an unconditional at-risk equity investment (as determined by the Secretary) in the property of at least 20 percent of the lessor's adjusted basis in the property as of that time, and

"(II) maintains such investment throughout the term of the lease, and

"(ii) the fair market value of the property at the end of the lease term is reasonably expected to be equal to at least 20 percent of such basis.

"(B) Risk of loss.—For purposes of clause (ii), the fair market value at the end of the lease term shall be reduced to the extent that a person other than the lessor bears a risk of loss in the value of the property.

"(C) Paragraph not to apply to short-term leases.—This paragraph shall not apply to any lease with a lease term of 5 years or less.

"(3) Lessee may not bear more than minimal risk of loss.—

"(A) In general.—A lease of property meets the requirements of this paragraph if there is no arrangement under which the lessee bears—

"(i) any portion of the loss that would occur if the fair market value of the leased property were 25 percent less than its reasonably expected fair market value at the time the lease is terminated, or

"(ii) more than 50 percent of the loss that would occur if the fair market value of the leased property at the time the lease is terminated were zero.

"(B) Exception.—The Secretary may by regulations provide that the requirements of this paragraph are not met where the lessee bears more than a minimal risk of loss.

"(C) Paragraph not to apply to short-term leases.—This paragraph shall not apply to any lease with a lease term of 5 years or less.

"(e) Special Rules.—

"(1) Treatment of former tax-exempt use property.—

"(A) In general.—In the case of any former tax-exempt use property—

"(i) any deduction allowable under subsection (b) with respect to such property for any taxable year shall be allowed only to the extent of any net income (without regard to such deduction) from such property for such taxable year, and

"(ii) any portion of such unused deduction remaining after application of clause (i) shall be treated as a deduction allowable under subsection (b) with respect to such property in the next taxable year.

"(B) Former tax-exempt use property.—For purposes of this subsection, the term 'former tax-exempt use property' means any property which—

"(i) is not tax-exempt use property for the taxable year, but

"(ii) was tax-exempt use property for any prior taxable year.

"(2) Disposition of entire interest in property.—If during the taxable year a taxpayer disposes of the taxpayer's entire interest in tax-

exempt use property (or former tax-exempt use property), rules similar to the rules of section 469(g) shall apply for purposes of this section.

"(3) COORDINATION WITH SECTION 469.—This section shall be applied before the application of section 469.

"(4) COORDINATION WITH SECTIONS 1031 AND 1033.—

"(A) IN GENERAL.—Sections 1031(a) and 1033(a) shall not apply if—

"(i) the exchanged or converted property is tax-exempt use property subject to a lease which was entered into before March 13, 2004, and which would not have met the requirements of subsection (d) had such requirements been in effect when the lease was entered into, or

"(ii) the replacement property is tax-exempt use property subject to a lease which does not meet the requirements of subsection (d).

"(B) ADJUSTED BASIS.—In the case of property acquired by the lessor in a transaction to which section 1031 or 1033 applies, the adjusted basis of such property for purposes of this section shall be equal to the lesser of—

"(i) the fair market value of the property as of the beginning of the lease term, or

"(ii) the amount which would be the lessor's adjusted basis if such sections did not apply to such transaction.

"(f) OTHER DEFINITIONS.—For purposes of this section—

"(1) RELATED PARTIES.—The terms 'lessor', 'lessee', and 'lender' each include any related party (within the meaning of section 197(f)(9)(C)(i)).

"(2) LEASE TERM.—The term 'lease term' has the meaning given to such term by section 168(i)(3).

"(3) LENDER.—The term 'lender' means, with respect to any lease, a person that makes a loan to the lessor which is secured (or economically similar to being secured) by the lease or the leased property.

"(4) LOAN.—The term 'loan' includes any similar arrangement.

"(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the provisions of this section, including regulations which—

"(1) allow in appropriate cases the aggregation of property subject to the same lease, and

"(2) provide for the determination of the allocation of interest expense for purposes of this section.".

(b) CONFORMING AMENDMENT.—The table of sections for subpart C of part II of subchapter E of chapter 1 is amended by adding at the end the following new item:

"Sec. 470. Limitation on deductions allocable to property used by governments or other tax-exempt entities.".

SEC. 649. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in this section, the amendments made by this part shall apply to leases entered into after March 12, 2004.

(b) EXCEPTION.—

(1) IN GENERAL.—The amendments made by this part shall not apply to qualified transportation property.

(2) QUALIFIED TRANSPORTATION PROPERTY.—For purposes of paragraph (1), the term "qualified transportation property" means domestic property subject to a lease with respect to which a formal application—

(A) was submitted for approval to the Federal Transit Administration (an agency of the Department of Transportation) after June 30, 2003, and before March 13, 2004.

(B) is approved by the Federal Transit Administration before January 1, 2005, and

(C) includes a description of such property and the value of such property.

(3) EXCHANGES AND CONVERSION OF TAX-EXEMPT USE PROPERTY.—Section 470(e)(4) of the Internal Revenue Code of 1986, as added by this section, shall apply to property exchanged or converted after the date of the enactment of this Act.

Subtitle C—Reduction of Fuel Tax Evasion

SEC. 651. EXEMPTION FROM CERTAIN EXCISE TAXES FOR MOBILE MACHINERY.

(a) EXEMPTION FROM TAX ON HEAVY TRUCKS AND TRAILERS SOLD AT RETAIL.—

(1) IN GENERAL.—Section 4053 (relating to exemptions) is amended by adding at the end the following new paragraph:

"(8) MOBILE MACHINERY.—Any vehicle which consists of a chassis—

"(A) to which there has been permanently mounted (by welding, bolting, riveting, or other means) machinery or equipment to perform a construction, manufacturing, processing, farming, mining, drilling, timbering, or similar operation if the operation of the machinery or equipment is unrelated to transportation on or off the public highways,

"(B) which has been specially designed to serve only as a mobile carriage and mount (and a power source, where applicable) for the particular machinery or equipment involved, whether or not such machinery or equipment is in operation, and

"(C) which, by reason of such special design, could not, without substantial structural modification, be used as a component of a vehicle designed to perform a function of transporting any load other than that particular machinery or equipment or similar machinery or equipment requiring such a specially designed chassis.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the day after the date of the enactment of this Act.

(b) EXEMPTION FROM TAX ON USE OF CERTAIN VEHICLES.—

(1) IN GENERAL.—Section 4483 (relating to exemptions) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) EXEMPTION FOR MOBILE MACHINERY.—No tax shall be imposed by section 4481 on the use of any vehicle described in section 4053(8).".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the day after the date of the enactment of this Act.

(c) EXEMPTION FROM TAX ON TIRES.—

(1) IN GENERAL.—Section 4072(b)(2) is amended by adding at the end the following flush sentence: "Such term shall not include tires of a type used exclusively on vehicles described in section 4053(8).".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the day after the date of the enactment of this Act.'

(d) REFUND OF FUEL TAXES.—

(1) IN GENERAL.—Section 6421(e)(2) (defining off-highway business use) is amended by adding at the end the following new subparagraph:

"(C) USES IN MOBILE MACHINERY.—

"(i) IN GENERAL.—The term 'off-highway business use' shall include any use in a vehicle which meets the requirements described in clause (ii).

"(ii) REQUIREMENTS FOR MOBILE MACHINERY.—The requirements described in this clause are—

"(I) the design-based test, and

"(II) the use-based test.

"(iii) DESIGN-BASED TEST.—For purposes of clause (ii)(I), the design-based test is met if the vehicle consists of a chassis—

"(I) to which there has been permanently mounted (by welding, bolting, riveting, or other means) machinery or equipment to perform a construction, manufacturing, processing, farming, mining, drilling, timbering, or similar operation if the operation of the machinery or equipment is unrelated to transportation on or off the public highways,

"(II) which has been specially designed to serve only as a mobile carriage and mount (and a power source, where applicable) for the particular machinery or equipment involved, whether or not such machinery or equipment is in operation, and

"(III) which, by reason of such special design, could not, without substantial structural modification, be used as a component of a vehicle designed to perform a function of transporting any load other than that particular machinery or equipment or similar machinery or equipment requiring such a specially designed chassis.

"(iv) USE-BASED TEST.—For purposes of clause (ii)(II), the use-based test is met if the use of the vehicle on public highways was less than 7,500 miles during the taxpayer's taxable year.".

(2) NO TAX-FREE SALES.—Subsection (b) of section 4082, as amended by section 652, is amended by inserting before the period at the end "and such term shall not include any use described in section 6421(e)(2)(C)".

(3) ANNUAL REFUND OF TAX PAID.—Section 6427(i)(2) (relating to exceptions) is amended by adding at the end the following new subparagraph:

"(C) NONAPPLICATION OF PARAGRAPH.—This paragraph shall not apply to any fuel used solely in any off-highway business use described in section 6421(e)(2)(C).".

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 652. TAXATION OF AVIATION-GRADE KEROSENE.

(a) RATE OF TAX.—

(1) IN GENERAL.—Subparagraph (A) of section 4081(a)(2) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end the following new clause:

"(iv) in the case of aviation-grade kerosene, 21.8 cents per gallon.".

(2) COMMERCIAL AVIATION.—Paragraph (2) of section 4081(a) is amended by adding at the end the following new subparagraph:

"(C) TAXES IMPOSED ON FUEL USED IN COMMERCIAL AVIATION.—In the case of aviation-grade kerosene which is removed from any refinery or terminal directly into the fuel tank of an aircraft for use in commercial aviation, the rate of tax under subparagraph (A)(iv) shall be 4.3 cents per gallon.".

(3) CERTAIN REFUELER TRUCKS, TANKERS, AND TANK WAGONS TREATED AS TERMINAL.—Subsection (a) of section 4081 is amended by adding at the end the following new paragraph:

"(3) CERTAIN REFUELER TRUCKS, TANKERS, AND TANK WAGONS TREATED AS TERMINAL.—

"(A) IN GENERAL.—In the case of aviation-grade kerosene which is removed from any terminal directly into the fuel tank of an aircraft (determined without regard to any refueler truck, tanker, or tank wagon which meets the requirements of subparagraph (B)), a refueler truck, tanker, or tank wagon shall be treated as part of such terminal if—

"(i) such truck, tanker, or wagon meets the requirements of subparagraph (B) with respect to an airport, and

"(ii) except in the case of exigent circumstances identified by the Secretary in regulations, no vehicle registered for highway use is loaded with aviation-grade kerosene at such terminal.

"(B) REQUIREMENTS.—A refueler truck, tanker, or tank wagon meets the requirements of this subparagraph with respect to an airport if such truck, tanker, or wagon—

"(i) is loaded with aviation-grade kerosene at such terminal located within such airport and delivers such kerosene only into aircraft at such airport,

"(ii) has storage tanks, hose, and coupling equipment designed and used for the purposes of fueling aircraft,

"(iii) is not registered for highway use, and

"(iv) is operated by—

"(I) the terminal operator of such terminal, or

"(II) a person that makes a daily accounting to such terminal operator of each delivery of fuel from such truck, tanker, or wagon.

"(C) REPORTING.—The Secretary shall require under section 4101(d) reporting by such terminal operator of—

"(i) any information obtained under subparagraph (B)(iv)(II), and

"(ii) any similar information maintained by such terminal operator with respect to deliveries of fuel made by trucks, tankers, or wagons operated by such terminal operator.".

(4) LIABILITY FOR TAX ON AVIATION-GRADE KEROSENE USED IN COMMERCIAL AVIATION.—Subsection (a) of section 4081 is amended by adding at the end the following new paragraph:

"(4) LIABILITY FOR TAX ON AVIATION-GRADE KEROSENE USED IN COMMERCIAL AVIATION.—For purposes of paragraph (2)(C), the person who uses the fuel for commercial aviation shall pay the tax imposed under such paragraph. For purposes of the preceding sentence, fuel shall be treated as used when such fuel is removed into the fuel tank.".

(5) NONTAXABLE USES.—

(A) IN GENERAL.—Section 4082 is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

"(e) AVIATION-GRADE KEROSENE.—In the case of aviation-grade kerosene which is exempt from the tax imposed by section 4041(c) (other than by reason of a prior imposition of tax) and which is removed from any refinery or terminal directly into the fuel tank of an aircraft, the rate of tax under section 4081(a)(2)(A)(iv) shall be zero.".

(B) CONFORMING AMENDMENTS.—

(i) Subsection (b) of section 4082 is amended by adding at the end the following new flush sentence:

"The term 'nontaxable use' does not include the use of aviation-grade kerosene in an aircraft.".

(ii) Section 4082(d) is amended by striking paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(6) NONAIRCRAFT USE OF AVIATION-GRADE KEROSENE.—

(A) IN GENERAL.—Subparagraph (B) of section 4041(a)(1) is amended by adding at the end the following new sentence: "This subparagraph shall not apply to aviation-grade kerosene.".

(B) CONFORMING AMENDMENT.—The heading for paragraph (1) of section 4041(a) is amended by inserting "AND KEROSENE" after "DIESEL FUEL".

(b) COMMERCIAL AVIATION.—Section 4083 is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

"(b) COMMERCIAL AVIATION.—For purposes of this subpart, the term 'commercial aviation' means any use of an aircraft in a business of transporting persons or property for compensation or hire by air, unless properly allocable to any transportation exempt from the taxes imposed by sections 4261 and 4271 by reason of section 4281 or 4282 or by reason of section 4261(h).".

(c) REFUNDS.—

(1) IN GENERAL.—Paragraph (4) of section 6427(l) is amended to read as follows:

"(4) REFUNDS FOR AVIATION-GRADE KEROSENE.—

"(A) NO REFUND OF CERTAIN TAXES ON FUEL USED IN COMMERCIAL AVIATION.—In the case of aviation-grade kerosene used in commercial aviation (as defined in section 4083(b)) (other than supplies for vessels or aircraft within the meaning of section 4221(d)(3)), paragraph (1) shall not apply to so much of the tax imposed by section 4081 as is attributable to—

"(i) the Leaking Underground Storage Tank Trust Fund financing rate imposed by such section, and

"(ii) so much of the rate of tax specified in section 4081(a)(2)(A)(iv) as does not exceed 4.3 cents per gallon.

"(B) PAYMENT TO ULTIMATE, REGISTERED VENDOR.—With respect to aviation-grade kerosene, if the ultimate purchaser of such kerosene waives (at such time and in such form and manner as the Secretary shall prescribe) the right to payment under paragraph (1) and assigns such right to the ultimate vendor, then the Secretary shall pay the amount which would be paid under paragraph (1) to such ultimate vendor, but only if such ultimate vendor—

"(i) is registered under section 4101, and

"(ii) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).".

(2) TIME FOR FILING CLAIMS.—Subparagraph (A) of section 6427(i)(4) is amended—

(A) by striking "subsection (l)(5)" both places it appears and inserting "paragraph (4)(B) or (5) of subsection (l)", and

(B) by striking "the preceding sentence" and inserting "subsection (l)(5)".

(3) CONFORMING AMENDMENT.—Subparagraph (B) of section 6427(l)(2) is amended to read as follows:

"(B) in the case of aviation-grade kerosene—

"(i) any use which is exempt from the tax imposed by section 4041(c) other than by reason of a prior imposition of tax, or

"(ii) any use in commercial aviation (within the meaning of section 4083(b)).".

(d) REPEAL OF PRIOR TAXATION OF AVIATION FUEL.—

(1) IN GENERAL.—Part III of subchapter A of chapter 32 is amended by striking subpart B and by redesignating subpart C as subpart B.

(2) CONFORMING AMENDMENTS.—

(A) Section 4041(c) is amended to read as follows:

"(c) AVIATION-GRADE KEROSENE.—

"(1) IN GENERAL.—There is hereby imposed a tax upon aviation-grade kerosene—

"(A) sold by any person to an owner, lessee, or other operator of an aircraft for use in such aircraft, or

"(B) used by any person in an aircraft unless there was a taxable sale of such fuel under subparagraph (A).

"(2) EXEMPTION FOR PREVIOUSLY TAXED FUEL.—No tax shall be imposed by this subsection on the sale or use of any aviation-grade kerosene if tax was imposed on such liquid under section 4081 and the tax thereon was not credited or refunded.

"(3) RATE OF TAX.—The rate of tax imposed by this subsection shall be the rate of tax specified in section 4081(a)(2)(A)(iv) which is in effect at the time of such sale or use.".

(B) Section 4041(d)(2) is amended by striking "section 4091" and inserting "section 4081".

(C) Section 4041 is amended by striking subsection (e).

(D) Section 4041 is amended by striking subsection (i).

(E) Sections 4101(a), 4103, 4221(a), and 6206 are each amended by striking ", 4081, or 4091" and inserting "or 4081".

(F) Section 6416(b)(2) is amended by striking "4091 or".

(G) Section 6416(b)(3) is amended by striking "or 4091" each place it appears.

(H) Section 6416(d) is amended by striking "or to the tax imposed by section 4091 in the case of refunds described in section 4091(d)".

(I) Section 6427(j)(1) is amended by striking ", 4081, and 4091" and inserting "and 4081".

(J)(i) Section 6427(l)(1) is amended to read as follows:

"(1) IN GENERAL.—Except as otherwise provided in this subsection and in subsection (k), if any diesel fuel or kerosene on which tax has been imposed by section 4041 or 4081 is used by any person in a nontaxable use, the Secretary shall pay (without interest) to the ultimate purchaser of such fuel an amount equal to the aggregate amount of tax imposed on such fuel under section 4041 or 4081, as the case may be, reduced by any payment made to the ultimate vendor under paragraph (4)(B).".

(ii) Paragraph (5)(B) of section 6427(l) is amended by striking "Paragraph (1)(A) shall not apply to kerosene" and inserting "Paragraph (1) shall not apply to kerosene (other than aviation-grade kerosene)".

(K) Subparagraph (B) of section 6724(d)(1) is amended by striking clause (xv) and by redesignating the succeeding clauses accordingly.

(L) Paragraph (2) of section 6724(d) is amended by striking subparagraph (W) and by redesignating the succeeding subparagraphs accordingly.

(M) Paragraph (1) of section 9502(b) is amended by adding "and" at the end of subparagraph (B) and by striking subparagraphs (C) and (D) and inserting the following new subparagraph:

"(C) section 4081 with respect to aviation gasoline and aviation-grade kerosene, and".

(N) The last sentence of section 9502(b) is amended to read as follows:

"There shall not be taken into account under paragraph (1) so much of the taxes imposed by section 4081 as are determined at the rate specified in section 4081(a)(2)(B).".

(O) Subsection (b) of section 9508 is amended by striking paragraph (3) and by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(P) Section 9508(c)(2)(A) is amended by striking "sections 4081 and 4091" and inserting "section 4081".

(Q) The table of subparts for part III of subchapter A of chapter 32 is amended to read as follows:

"Subpart A. Motor and aviation fuels.

"Subpart B. Special provisions applicable to fuels tax.".

(R) The heading for subpart A of part III of subchapter A of chapter 32 is amended to read as follows:

"Subpart A—Motor and Aviation Fuels".

(S) The heading for subpart B of part III of subchapter A of chapter 32, as redesignated by paragraph (1), is amended to read as follows:

"Subpart B—Special Provisions Applicable to Fuels Tax".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to aviation-grade kerosene removed, entered, or sold after September 30, 2004.

(f) FLOOR STOCKS TAX.—

(1) IN GENERAL.—There is hereby imposed on aviation-grade kerosene held on October 1, 2004, by any person a tax equal to—

(A) the tax which would have been imposed before such date on such kerosene had the amendments made by this section been in effect at all times before such date, reduced by

(B) the tax imposed before such date under section 4091 of the Internal Revenue Code of 1986, as in effect on the day before the date of the enactment of this Act.

(2) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(A) LIABILITY FOR TAX.—The person holding the kerosene on October 1, 2004, to which the tax imposed by paragraph (1) applies shall be liable for such tax.

(B) Method and time for payment.—The tax imposed by paragraph (1) shall be paid at such time and in such manner as the Secretary of the Treasury (or the Secretary's delegate) shall prescribe, including the nonapplication of such tax on de minimis amounts of kerosene.

(3) Transfer of floor stock tax revenues to trust funds.—For purposes of determining the amount transferred to any trust fund, the tax imposed by this subsection shall be treated as imposed by section 4081 of the Internal Revenue Code of 1986—

(A) at the Leaking Underground Storage Tank Trust Fund financing rate under such section to the extent of 0.1 cents per gallon, and

(B) at the rate under section 4081(a)(2)(A)(iv) to the extent of the remainder.

(4) Held by a person.—For purposes of this section, kerosene shall be considered as held by a person if title thereto has passed to such person (whether or not delivery to the person has been made).

(5) Other laws applicable.—All provisions of law, including penalties, applicable with respect to the tax imposed by section 4081 of such Code shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply with respect to the floor stock tax imposed by paragraph (1) to the same extent as if such tax were imposed by such section.

SEC. 653. DYE INJECTION EQUIPMENT.

(a) In General.—Section 4082(a)(2) (relating to exemptions for diesel fuel and kerosene) is amended by inserting "by mechanical injection" after "indelibly dyed".

(b) Dye Injector Security.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury shall issue regulations regarding mechanical dye injection systems described in the amendment made by subsection (a), and such regulations shall include standards for making such systems tamper resistant.

(c) Penalty for Tampering With or Failing To Maintain Security Requirements for Mechanical Dye Injection Systems.—

(1) In general.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by adding after section 6715 the following new section:

"SEC. 6715A. TAMPERING WITH OR FAILING TO MAINTAIN SECURITY REQUIREMENTS FOR MECHANICAL DYE INJECTION SYSTEMS.

"(a) Imposition of Penalty—

"(1) Tampering.—If any person tampers with a mechanical dye injection system used to indelibly dye fuel for purposes of section 4082, such person shall pay a penalty in addition to the tax (if any).

"(2) Failure to maintain security requirements.—If any operator of a mechanical dye injection system used to indelibly dye fuel for purposes of section 4082 fails to maintain the security standards for such system as established by the Secretary, then such operator shall pay a penalty in addition to the tax (if any).

"(b) Amount of Penalty.—The amount of the penalty under subsection (a) shall be—

"(1) for each violation described in paragraph (1), the greater of—

"(A) $25,000, or

"(B) $10 for each gallon of fuel involved, and

"(2) for each—

"(A) failure to maintain security standards described in paragraph (2), $1,000, and

"(B) failure to correct a violation described in paragraph (2), $1,000 per day for each day after which such violation was discovered or such person should have reasonably known of such violation.

"(c) Joint and Several Liability.—

"(1) In general.—If a penalty is imposed under this section on any business entity, each officer, employee, or agent of such entity or other contracting party who willfully participated in any act giving rise to such penalty shall be jointly and severally liable with such entity for such penalty.

"(2) Affiliated groups.—If a business entity described in paragraph (1) is part of an affiliated group (as defined in section 1504(a)), the parent corporation of such entity shall be jointly and severally liable with such entity for the penalty imposed under this section.".

(2) Clerical amendment.—The table of sections for part I of subchapter B of chapter 68 is amended by adding after the item related to section 6715 the following new item:

"Sec. 6715A. Tampering with or failing to maintain security requirements for mechanical dye injection systems.".

(d) Effective Date.—The amendments made by subsections (a) and (c) shall take effect on the 180th day after the date on which the Secretary issues the regulations described in subsection (b).

SEC. 654. AUTHORITY TO INSPECT ON-SITE RECORDS.

(a) In General.—Section 4083(d)(1)(A) (relating to administrative authority), as previously amended by this Act, is amended by striking "and" at the end of clause (i) and by inserting after clause (ii) the following new clause:

"(iii) inspecting any books and records and any shipping papers pertaining to such fuel, and".

(b) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 655. REGISTRATION OF PIPELINE OR VESSEL OPERATORS REQUIRED FOR EXEMPTION OF BULK TRANSFERS TO REGISTERED TERMINALS OR REFINERIES.

(a) In General.—Section 4081(a)(1)(B) (relating to exemption for bulk transfers to registered terminals or refineries) is amended—

(1) by inserting "by pipeline or vessel" after "transferred in bulk", and

(2) by inserting ", the operator of such pipeline or vessel," after "the taxable fuel".

(b) Effective Date.—The amendments made by this section shall take effect on October 1, 2004.

(c) Publication of Registered Persons.—Beginning on July 1, 2004, the Secretary of the Treasury (or the Secretary's delegate) shall periodically publish a current list of persons registered under section 4101 of the Internal Revenue Code of 1986 who are required to register under such section.

SEC. 656. DISPLAY OF REGISTRATION.

(a) In General.—Subsection (a) of section 4101 (relating to registration) is amended—

(1) by striking "Every" and inserting the following:

"(1) In general.—Every", and

(2) by adding at the end the following new paragraph:

"(2) Display of registration.—Every operator of a vessel required by the Secretary to register under this section shall display proof of registration through an electronic identification device prescribed by the Secretary on each vessel used by such operator to transport any taxable fuel.".

(b) Civil Penalty for Failure To Display Registration.—

(1) In general.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6716 the following new section:

"SEC. 6717. FAILURE TO DISPLAY TAX REGISTRATION ON VESSELS.

"(a) Failure To Display Registration.—Every operator of a vessel who fails to display proof of registration pursuant to section 4101(a)(2) shall pay a penalty of $500 for each such failure. With respect to any vessel, only one penalty shall be imposed by this section during any calendar month.

"(b) Multiple Violations.—In determining the penalty under subsection (a) on any person, subsection (a) shall be applied by increasing the amount in subsection (a) by the product of such amount and the aggregate number of penalties (if any) imposed with respect to prior months by this section on such person (or a related person or any predecessor of such person or related person).

"(c) Reasonable Cause Exception.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.".

(2) Clerical amendment.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6716 the following new item:

"Sec. 6717. Failure to display tax registration on vessels.".

(c) Effective Dates.—

(1) Subsection (a).—The amendments made by subsection (a) shall take effect on October 1, 2004.

(2) Subsection (b).—The amendments made by subsection (b) shall apply to penalties imposed after September 30, 2004.

SEC. 657. PENALTIES FOR FAILURE TO REGISTER AND FAILURE TO REPORT.

(a) Increased Penalty.—Subsection (a) of section 7272 (relating to penalty for failure to register) is amended by inserting "($10,000 in the case of a failure to register under section 4101)" after "$50".

(b) Increased Criminal Penalty.—Section 7232 (relating to failure to register under section 4101, false representations of registration status, etc.) is amended by striking "$5,000" and inserting "$10,000".

(c) Assessable Penalty for Failure To Register.—

(1) In general.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6717 the following new section:

"SEC. 6718. FAILURE TO REGISTER.

"(a) Failure To Register.—Every person who is required to register under section 4101 and fails to do so shall pay a penalty in addition to the tax (if any).

"(b) Amount of Penalty.—The amount of the penalty under subsection (a) shall be—

"(1) $10,000 for each initial failure to register, and

"(2) $1,000 for each day thereafter such person fails to register.

"(c) Reasonable Cause Exception.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.".

(2) Clerical amendment.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6717 the following new item:

"Sec. 6718. Failure to register.".

(d) Assessable Penalty for Failure To Report.—

(1) In general.—Part II of subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end the following new section:

"SEC. 6725. FAILURE TO REPORT INFORMATION UNDER SECTION 4101.

"(a) In General.—In the case of each failure described in subsection (b) by any person with respect to a vessel or facility, such person shall pay a penalty of $10,000 in addition to the tax (if any).

"(b) Failures Subject to Penalty.—For purposes of subsection (a), the failures described in this subsection are—

"(1) any failure to make a report under section 4101(d) on or before the date prescribed therefor, and

"(2) any failure to include all of the information required to be shown on such report or the inclusion of incorrect information.

"(c) Reasonable Cause Exception.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.".

(2) Clerical amendment.—The table of sections for part II of subchapter B of chapter 68 is amended by adding at the end the following new item:

"Sec. 6725. Failure to report information under section 4101.".

(e) Effective Date.—The amendments made by this section shall apply to penalties imposed after September 30, 2004.

SEC. 658. COLLECTION FROM CUSTOMS BOND WHERE IMPORTER NOT REGISTERED.

(a) Tax at Point of Entry Where Importer Not Registered.—Subpart B of part III of subchapter A of chapter 32, as redesignated by section 652(d), is amended by adding after section 4103 the following new section:

"SEC. 4104. COLLECTION FROM CUSTOMS BOND WHERE IMPORTER NOT REGISTERED.

"(a) In General.—The importer of record shall be jointly and severally liable for the tax imposed by section 4081(a)(1)(A)(iii) if, under regulations prescribed by the Secretary, any other person that is not a person who is registered under section 4101 is liable for such tax.

"(b) Collection From Customs Bond.—If any tax for which any importer of record is liable under subsection (a), or for which any importer of record that is not a person registered under section 4101 is otherwise liable, is not paid on or before the last date prescribed for payment, the Secretary may collect such tax from the Customs bond posted with respect to the importation of the taxable fuel to which the tax relates. For purposes of determining the jurisdiction of any court of the United States or any agency of the United States, any action by the Secretary described in the preceding sentence shall be treated as an action to collect the tax from a bond described in section 4101(b)(1) and not as an action to collect from a bond relating to the importation of merchandise.".

(b) Conforming Amendment.—The table of sections for subpart B of part III of subchapter A of chapter 32, as redesignated by section 652(d), is amended by adding after the item related to section 4103 the following new item:

"Sec. 4104. Collection from Customs bond where importer not registered.".

(c) Effective Date.—The amendments made by this section shall apply with respect to fuel entered after September 30, 2004.

SEC. 659. MODIFICATIONS OF TAX ON USE OF CERTAIN VEHICLES.

(a) Proration of Tax Where Vehicle Sold.—

(1) In general.—Subparagraph (A) of section 4481(c)(2) (relating to where vehicle destroyed or stolen) is amended by striking "destroyed or stolen" both places it appears and inserting "sold, destroyed, or stolen".

(2) Conforming amendment.—The heading for section 4481(c)(2) is amended by striking "DESTROYED OR STOLEN" and inserting "SOLD, DESTROYED, OR STOLEN".

(b) Repeal of Installment Payment.—

(1) Section 6156 (relating to installment payment of tax on use of highway motor vehicles) is repealed.

(2) The table of sections for subchapter A of chapter 62 is amended by striking the item relating to section 6156.

(c) Electronic Filing.—Section 4481 is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) Electronic Filing.—Any taxpayer who files a return under this section with respect to 25 or more vehicles for any taxable period shall file such return electronically.".

(d) Repeal of Reduction in Tax for Certain Trucks.—Section 4483 is amended by striking subsection (f).

(e) Effective Date.—The amendments made by this section shall apply to taxable periods beginning after the date of the enactment of this Act.

SEC. 660. MODIFICATION OF ULTIMATE VENDOR REFUND CLAIMS WITH RESPECT TO FARMING.

(a) In General.—

(1) Refunds.—Section 6427(l) is amended by adding at the end the following new paragraph:

"(6) Registered vendors permitted to administer certain claims for refund of diesel fuel and kerosene sold to farmers.—

"(A) In general.—In the case of diesel fuel or kerosene used on a farm for farming purposes (within the meaning of section 6420(c)), paragraph (1) shall not apply to the aggregate amount of such diesel fuel or kerosene if such amount does not exceed 250 gallons (as determined under subsection (i)(5)(A)(iii)).

"(B) Payment to ultimate vendor.—The amount which would (but for subparagraph (A)) have been paid under paragraph (1) with respect to any fuel shall be paid to the ultimate vendor of such fuel, if such vendor—

"(i) is registered under section 4101, and

"(ii) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).".

(2) Filing of claims.—Section 6427(i) is amended by inserting at the end the following new paragraph:

"(5) Special rule for vendor refunds with respect to farmers.—

"(A) In general.—A claim may be filed under subsection (l)(6) by any person with respect to fuel sold by such person for any period—

"(i) for which $200 or more ($100 or more in the case of kerosene) is payable under subsection (l)(6),

"(ii) which is not less than 1 week, and

"(iii) which is for not more than 250 gallons for each farmer for which there is a claim.

Notwithstanding subsection (l)(1), paragraph (3)(B) shall apply to claims filed under the preceding sentence.

"(B) Time for filing claim.—No claim filed under this paragraph shall be allowed unless filed on or before the last day of the first quarter following the earliest quarter included in the claim.".

(3) Conforming amendments.—

(A) Section 6427(l)(5)(A) is amended to read as follows:

"(A) In general.—Paragraph (1) shall not apply to diesel fuel or kerosene used by a State or local government.".

(B) The heading for section 6427(l)(5) is amended by striking "FARMERS AND".

(b) Effective Date.—The amendment made by this section shall apply to fuels sold for nontaxable use after the date of the enactment of this Act.

SEC. 661. DEDICATION OF REVENUES FROM CERTAIN PENALTIES TO THE HIGHWAY TRUST FUND.

(a) In General.—Subsection (b) of section 9503 (relating to transfer to Highway Trust Fund of amounts equivalent to certain taxes) is amended by redesignating paragraph (5) as paragraph (6) and inserting after paragraph (4) the following new paragraph:

"(5) Certain penalties.—There are hereby appropriated to the Highway Trust Fund amounts equivalent to the penalties paid under sections 6715, 6715A, 6717, 6718, 6725, 7232, and 7272 (but only with regard to penalties under such section related to failure to register under section 4101).".

(b) Conforming Amendments.—

(1) The heading of subsection (b) of section 9503 is amended by inserting "AND PENALTIES" after "TAXES".

(2) The heading of paragraph (1) of section 9503(b) is amended by striking "IN GENERAL" and inserting "CERTAIN TAXES".

(c) Effective Date.—The amendments made by this section shall apply to penalties assessed after October 1, 2004.

SEC. 662. TAXABLE FUEL REFUNDS FOR CERTAIN ULTIMATE VENDORS.

(a) In General.—Paragraph (4) of section 6416(a) (relating to abatements, credits, and refunds) is amended to read as follows:

"(4) Registered ultimate vendor to administer credits and refunds of gasoline tax.—

"(A) In general.—For purposes of this subsection, if an ultimate vendor purchases any gasoline on which tax imposed by section 4081 has been paid and sells such gasoline to an ultimate purchaser described in subparagraph (C) or (D) of subsection (b)(2) (and such gasoline is for a use described in such subparagraph), such ultimate vendor shall be treated as the person (and the only person) who paid such tax, but only if such ultimate vendor is registered under section 4101. For purposes of this subparagraph, if the sale of gasoline is made by means of a credit card, the person extending the credit to the ultimate purchaser shall be deemed to be the ultimate vendor.

"(B) Timing of claims.—The procedure and timing of any claim under subparagraph (A) shall be the same as for claims under section 6427(i)(4), except that the rules of section 6427(i)(3)(B) regarding electronic claims shall not apply unless the ultimate vendor has certified to the Secretary for the most recent quarter of the taxable year that all ultimate purchasers of the vendor covered by such claim are certified and entitled to a refund under subparagraph (C) or (D) of subsection (b)(2).".

(b) Credit Card Purchases of Diesel Fuel or Kerosene by State and Local Governments.—Section 6427(l)(5)(C) (relating to nontaxable uses of diesel fuel, kerosene, and aviation fuel) is amended by adding at the end the following new flush sentence: "For purposes of this subparagraph, if the sale of diesel fuel or kerosene is made by means of a credit card, the person extending the credit to the ultimate purchaser shall be deemed to be the ultimate vendor.".

(c) Effective Date.—The amendments made by this section shall take effect on October 1, 2004.

SEC. 663. TWO-PARTY EXCHANGES.

(a) In General.—Subpart B of part III of subchapter A of chapter 32, as amended by this Act, is amended by adding after section 4104 the following new section:

"SEC. 4105. TWO-PARTY EXCHANGES.

"(a) In General.—In a two-party exchange, the delivering person shall not be liable for the tax imposed under section 4081(a)(1)(A)(ii).

"(b) Two-Party Exchange.—The term 'two-party exchange' means a transaction, other than a sale, in which taxable fuel is transferred from a delivering person registered under section 4101 as a taxable fuel registrant fuel to a receiving person who is so registered where all of the following occur:

"(1) The transaction includes a transfer from the delivering person, who holds the inventory position for taxable fuel in the terminal as reflected in the records of the terminal operator.

"(2) The exchange transaction occurs before or contemporaneous with completion of removal across the rack from the terminal by the receiving person.

"(3) The terminal operator in its books and records treats the receiving person as the person that removes the taxable fuel across the terminal rack for purposes of reporting the transaction to the Secretary.

"(4) The transaction is the subject of a written contract.".

(b) CONFORMING AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 32, as amended by this Act, is amended by adding after the item relating to section 4104 the following new item:

"Sec. 4105. Two-party exchanges.".

(c) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 664. SIMPLIFICATION OF TAX ON TIRES.

(a) IN GENERAL.—Subsection (a) of section 4071 is amended to read as follows:

"(a) IMPOSITION AND RATE OF TAX.—There is hereby imposed on taxable tires sold by the manufacturer, producer, or importer thereof a tax at the rate of 9.4 cents (4.7 cents in the case of a biasply tire) for each 10 pounds so much of the maximum rated load capacity thereof as exceeds 3,500 pounds."

(b) TAXABLE TIRE.—Section 4072 is amended by redesignating subsections (a) and (b) as subsections (b) and (c), respectively, and by inserting before subsection (b) (as so redesignated) the following new subsection:

"(a) TAXABLE TIRE.—For purposes of this chapter, the term 'taxable tire' means any tire of the type used on highway vehicles if wholly or in part made of rubber and if marked pursuant to Federal regulations for highway use."

(c) EXEMPTION FOR TIRES SOLD TO DEPARTMENT OF DEFENSE.—Section 4073 is amended to read as follows:

"SEC. 4073. EXEMPTIONS.

"The tax imposed by section 4071 shall not apply to tires sold for the exclusive use of the Department of Defense or the Coast Guard."

(d) CONFORMING AMENDMENTS.—

(1) Section 4071 is amended by striking subsection (c) and by moving subsection (e) after subsection (b) and redesignating subsection (e) as subsection (c).

(2) The item relating to section 4073 in the table of sections for part II of subchapter A of chapter 32 is amended to read as follows:

"Sec. 4073. Exemptions."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to sales in calendar years beginning more than 30 days after the date of the enactment of this Act.

Subtitle D—Nonqualified Deferred Compensation Plans

SEC. 671. TREATMENT OF NONQUALIFIED DEFERRED COMPENSATION PLANS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 is amended by adding at the end the following new section:

"SEC. 409A. INCLUSION IN GROSS INCOME OF DEFERRED COMPENSATION UNDER NONQUALIFIED DEFERRED COMPENSATION PLANS.

"(a) RULES RELATING TO CONSTRUCTIVE RECEIPT.—

"(1) IN GENERAL.—

"(A) GROSS INCOME INCLUSION.—In the case of a nonqualified deferred compensation plan, all compensation deferred under the plan for all taxable years (to the extent not subject to a substantial risk of forfeiture and not previously included in gross income) shall be includible in gross income for the taxable year unless at all times during the taxable year the plan meets the requirements of paragraphs (2), (3), and (4) and is operated in accordance with such requirements.

"(B) INTEREST ON TAX LIABILITY PAYABLE WITH RESPECT TO PREVIOUSLY DEFERRED COMPENSATION.—

"(i) IN GENERAL.—If compensation is required to be included in gross income under subparagraph (A) for a taxable year, the tax imposed by this chapter for such taxable year shall be increased by the amount of interest determined under clause (ii).

"(ii) INTEREST.—For purposes of clause (i), the interest determined under this clause for any taxable year is the amount of interest at the underpayment rate plus 1 percentage point on the underpayments that would have occurred had the deferred compensation been includible in gross income for the taxable year in which first deferred or, if later, the first taxable year in which such deferred compensation is not subject to a substantial risk of forfeiture.

"(2) DISTRIBUTIONS.—

"(A) IN GENERAL.—The requirements of this paragraph are met if the plan provides that compensation deferred under the plan may not be distributed earlier than—

"(i) separation from service as determined by the Secretary (except as provided in subparagraph (B)(i)),

"(ii) the date the participant becomes disabled (within the meaning of subparagraph (C)),

"(iii) death,

"(iv) a specified time (or pursuant to a fixed schedule) specified under the plan at the date of the deferral of such compensation,

"(v) to the extent provided by the Secretary, a change in the ownership or effective control of the corporation, or in the ownership of a substantial portion of the assets of the corporation, or

"(vi) the occurrence of an unforeseeable emergency.

"(B) SPECIAL RULES.—

"(i) SPECIFIED EMPLOYEES.—In the case of specified employees, the requirement of subparagraph (A)(i) is met only if distributions may not be made earlier than 6 months after the date of separation from service. For purposes of the preceding sentence, a specified employee is a key employee (as defined in section 416(i)) of a corporation the stock in which is publicly traded on an established securities market or otherwise.

"(ii) UNFORESEEABLE EMERGENCY.—For purposes of subparagraph (A)(vi)—

"(I) IN GENERAL.—The term 'unforeseeable emergency' means a severe financial hardship to the participant resulting from a sudden and unexpected illness or accident of the participant, the participant's spouse, or a dependent (as defined in section 152(a)) of the participant, loss of the participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant.

"(II) LIMITATION ON DISTRIBUTIONS.—The requirement of subparagraph (A)(vi) is met only if, as determined under regulations of the Secretary, the amounts distributed with respect to an emergency do not exceed the amounts necessary to satisfy such emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship).

"(C) DISABLED.—For purposes of subparagraph (A)(ii), a participant shall be considered disabled if the participant—

"(i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or

"(ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the participant's employer.

"(3) ACCELERATION OF BENEFITS.—The requirements of this paragraph are met if the plan does not permit the acceleration of the time or schedule of any payment under the plan, except as provided in regulations by the Secretary.

"(4) ELECTIONS.—

"(A) IN GENERAL.—The requirements of this paragraph are met if the requirements of subparagraphs (B) and (C) are met.

"(B) INITIAL DEFERRAL DECISION.—The requirements of this subparagraph are met if the plan provides that compensation for services performed during a taxable year may be deferred at the participant's election only if the election to defer such compensation is made not later than the close of the preceding taxable year or at such other time as provided in regulations. In the case of the first year in which a participant becomes eligible to participate in the plan, such election may be made with respect to services to be performed subsequent to the election within 30 days after the date the participant becomes eligible to participate in such plan.

"(C) CHANGES IN TIME AND FORM OF DISTRIBUTION.—The requirements of this subparagraph are met if, in the case of a plan which permits under a subsequent election a delay in a payment or a change in the form of payment—

"(i) tne plan requires that such election may not take effect until at least 12 months after the date on which the election is made,

"(ii) in the case an election related to a payment not described in clause (ii), (iii), or (vi) of paragraph (2)(A), the plan requires that the first payment with respect to which such election is made be deferred for a period of not less than 5 years from the date such payment would otherwise have been made, and

"(iii) the plan requires that any election related to a payment described in paragraph (2)(A)(iv) may not be made less than 12 months prior to the date of the first scheduled payment under such paragraph.

"(b) RULES RELATING TO FUNDING.—

"(1) OFFSHORE PROPERTY IN A TRUST.—In the case of assets set aside (directly or indirectly) in a trust (or other arrangement determined by the Secretary) for purposes of paying deferred compensation under a nonqualified deferred compensation plan, for purposes of section 83 such assets shall be treated as property transferred in connection with the performance of services whether or not such assets are available to satisfy claims of general creditors—

"(A) at the time set aside if such assets are located outside of the United States, or

"(B) at the time transferred if such assets are subsequently transferred outside of the United States.

"(2) EMPLOYER'S FINANCIAL HEALTH.—In the case of compensation deferred under a nonqualified deferred compensation plan, there is a transfer of property within the meaning of section 83 with respect to such compensation as of the earlier of—

"(A) the date on which the plan first provides that assets will become restricted to the provision of benefits under the plan in connection with a change in the employer's financial health, or

"(B) the date on which assets are so restricted.

"(3) INCOME INCLUSION FOR OFFSHORE TRUSTS AND EMPLOYER'S FINANCIAL HEALTH.—For each taxable year that assets treated as transferred under this subsection remain set aside in a trust or other arrangement subject to paragraph (1) or (2), any increase in value in, or earnings with respect to, such assets shall be treated as an additional transfer of property under this subsection (to the extent not previously included in income).

"(4) INTEREST ON TAX LIABILITY PAYABLE WITH RESPECT TO TRANSFERRED PROPERTY.—

"(A) IN GENERAL.—If amounts are required to be included in gross income by reason of paragraph (1) or (2) for a taxable year, the tax imposed by this chapter for such taxable year shall be increased by the amount of interest determined under subparagraph (B).

"(B) INTEREST.—The interest determined under this subparagraph for any taxable year is the amount of interest at the underpayment rate plus 1 percentage point on the underpayments that would have occurred had the amounts so required to be included in gross income by paragraph (1) or (2) been includible in gross income for the taxable year in which first deferred or, if later, the first taxable year in which such deferred compensation is not subject to a substantial risk of forfeiture.

"(c) NO INFERENCE ON EARLIER INCOME INCLUSION OR REQUIREMENT OF LATER INCLUSION.—Nothing in this section shall be construed to prevent the inclusion of amounts in gross income under any other provision of this chapter or any other rule of law earlier than the time provided in this section. Any amount included in gross income under this section shall not be required to be included in gross income under any other provision of this chapter or any other rule of law later than the time provided in this section.

"(d) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) NONQUALIFIED DEFERRED COMPENSATION PLAN.—The term 'nonqualified deferred compensation plan' means any plan that provides for the deferral of compensation, other than—

"(A) a qualified employer plan, and

"(B) any bona fide vacation leave, sick leave, compensatory time, disability pay, or death benefit plan.

"(2) QUALIFIED EMPLOYER PLAN.—The term 'qualified employer plan' means—

"(A) any plan, contract, pension, account, or trust described in subparagraph (A) or (B) of section 219(g)(5), and

"(B) any eligible deferred compensation plan (within the meaning of section 457(b)) of an employer described in section 457(e)(1)(A).

"(3) PLAN INCLUDES ARRANGEMENTS, ETC.—The term 'plan' includes any agreement or arrangement, including an agreement or arrangement that includes one person.

"(4) SUBSTANTIAL RISK OF FORFEITURE.—The rights of a person to compensation are subject to a substantial risk of forfeiture if such person's rights to such compensation are conditioned upon the future performance of substantial services by any individual.

"(5) TREATMENT OF EARNINGS.—References to deferred compensation shall be treated as including references to income (whether actual or notional) attributable to such compensation or such income.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations—

"(1) providing for the determination of amounts of deferral in the case of a nonqualified deferred compensation plan which is a defined benefit plan,

"(2) relating to changes in the ownership and control of a corporation or assets of a corporation for purposes of subsection (a)(2)(A)(v),

"(3) exempting arrangements from the application of subsection (b) if such arrangements will not result in an improper deferral of United States tax and will not result in assets being effectively beyond the reach of creditors,

"(4) defining financial health for purposes of subsection (b)(2), and

"(5) disregarding a substantial risk of forfeiture in cases where necessary to carry out the purposes of this section.".

(b) W–2 FORMS.—

(1) IN GENERAL.—Subsection (a) of section 6051 (relating to receipts for employees) is amended by striking "and" at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting ", and", and by inserting after paragraph (12) the following new paragraph:

"(13) the total amount of deferrals under a nonqualified deferred compensation plan (within the meaning of section 409A(d)).".

(2) THRESHOLD.—Subsection (a) of section 6051 is amended by adding at the end the following: "In the case of the amounts required to be shown by paragraph (13), the Secretary (by regulation) may establish a minimum amount of deferrals below which paragraph (13) does not apply and may provide that paragraph (13) does not apply with respect to amounts of deferrals which are not reasonably ascertainable.".

(c) CONFORMING AND CLERICAL AMENDMENTS.—

(1) Section 414(b) is amended by inserting "409A," after "408(p),".

(2) Section 414(c) is amended by inserting "409A," after "408(p),".

(3) The table of sections for such subpart A of part I of subchapter D of chapter 1 is amended by adding at the end the following new item:

"Sec. 409A. Inclusion in gross income of deferred compensation under nonqualified deferred compensation plans.".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to amounts deferred after June 3, 2004.

(2) CERTAIN AMOUNTS DEFERRED IN 2004 UNDER CERTAIN IRREVOCABLE ELECTIONS AND BINDING ARRANGEMENTS.—The amendments made by this section shall not apply to amounts deferred after June 3, 2004, and before January 1, 2005, pursuant to an irrevocable election or binding arrangement made before June 4, 2004.

(3) EARNINGS ATTRIBUTABLE TO AMOUNT PREVIOUSLY DEFERRED.—The amendments made by this section shall apply to earnings on deferred compensation only to the extent that such amendments apply to such compensation.

(e) GUIDANCE RELATING TO CHANGE OF OWNERSHIP OR CONTROL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Treasury shall issue guidance on what constitutes a change in ownership or effective control for purposes of section 409A of the Internal Revenue Code of 1986, as added by this section.

(f) GUIDANCE RELATING TO TERMINATION OF CERTAIN EXISTING ARRANGEMENTS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Treasury shall issue guidance providing a limited period during which an individual participating in a nonqualified deferred compensation plan adopted before June 4, 2004, may, without violating the requirements of paragraphs (2), (3), and (4) of section 409A(a)(2) of the Internal Revenue Code of 1986 (as added by this section), terminate participation or cancel an outstanding deferral election with regard to amounts earned after June 3, 2004, if such amounts are includible in income as earned.

Subtitle E—Other Revenue Provisions

SEC. 681. QUALIFIED TAX COLLECTION CONTRACTS.

(a) CONTRACT REQUIREMENTS.—

(1) IN GENERAL.—Subchapter A of chapter 64 (relating to collection) is amended by adding at the end the following new section:

"SEC. 6306. QUALIFIED TAX COLLECTION CONTRACTS.

"(a) IN GENERAL.—Nothing in any provision of law shall be construed to prevent the Secretary from entering into a qualified tax collection contract.

"(b) QUALIFIED TAX COLLECTION CONTRACT.—For purposes of this section, the term 'qualified tax collection contract' means any contract which—

"(1) is for the services of any person (other than an officer or employee of the Treasury Department)—

"(A) to locate and contact any taxpayer specified by the Secretary,

"(B) to request full payment from such taxpayer of an amount of Federal tax specified by the Secretary and, if such request cannot be met by the taxpayer, to offer the taxpayer an installment agreement providing for full payment of such amount during a period not to exceed 5 years, and

"(C) to obtain financial information specified by the Secretary with respect to such taxpayer,

"(2) prohibits each person providing such services under such contract from committing any act or omission which employees of the Internal Revenue Service are prohibited from committing in the performance of similar services,

"(3) prohibits subcontractors from—

"(A) having contacts with taxpayers,

"(B) providing quality assurance services, and

"(C) composing debt collection notices, and

"(4) permits subcontractors to perform other services only with the approval of the Secretary.

"(c) FEES.—The Secretary may retain and use an amount not in excess of 25 percent of the amount collected under any qualified tax collection contract for the costs of services performed under such contract. The Secretary shall keep adequate records regarding amounts so retained and used. The amount credited as paid by any taxpayer shall be determined without regard to this subsection.

"(d) NO FEDERAL LIABILITY.—The United States shall not be liable for any act or omission of any person performing services under a qualified tax collection contract.

"(e) APPLICATION OF FAIR DEBT COLLECTION PRACTICES ACT.—The provisions of the Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.) shall apply to any qualified tax collection contract, except to the extent superseded by section 6304, section 7602(c), or by any other provision of this title.

"(f) CROSS REFERENCES.—

"(1) For damages for certain unauthorized collection actions by persons performing services under a qualified tax collection contract, see section 7433A.

"(2) For application of Taxpayer Assistance Orders to persons performing services under a qualified tax collection contract, see section 7811(a)(4).".

(2) CONFORMING AMENDMENTS.—

(A) Section 7809(a) is amended by inserting "6306," before "7651".

(B) The table of sections for subchapter A of chapter 64 is amended by adding at the end the following new item:

"Sec. 6306. Qualified Tax Collection Contracts.".

(b) CIVIL DAMAGES FOR CERTAIN UNAUTHORIZED COLLECTION ACTIONS BY PERSONS PERFORMING SERVICES UNDER QUALIFIED TAX COLLECTION CONTRACTS.—

(1) In general.—Subchapter B of chapter 76 (relating to proceedings by taxpayers and third parties) is amended by inserting after section 7433 the following new section:

"SEC. 7433A. CIVIL DAMAGES FOR CERTAIN UNAUTHORIZED COLLECTION ACTIONS BY PERSONS PERFORMING SERVICES UNDER QUALIFIED TAX COLLECTION CONTRACTS.

"(a) IN GENERAL.—Subject to the modifications provided by subsection (b), section 7433 shall apply to the acts and omissions of any person performing services under a qualified tax collection contract (as defined in section 6306(b)) to the same extent and in the same manner as if such person were an employee of the Internal Revenue Service.

"(b) MODIFICATIONS.—For purposes of subsection (a)—

"(1) Any civil action brought under section 7433 by reason of this section shall be brought against the person who entered into the qualified tax collection contract with the Secretary and shall not be brought against the United States.

"(2) Such person and not the United States shall be liable for any damages and costs determined in such civil action.

"(3) Such civil action shall not be an exclusive remedy with respect to such person.

"(4) Subsections (c), (d)(1), and (e) of section 7433 shall not apply.".

(2) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 76 is amended by inserting after the item relating to section 7433 the following new item:

"Sec. 7433A. Civil damages for certain unauthorized collection actions by persons performing services under qualified tax collection contracts.".

(c) APPLICATION OF TAXPAYER ASSISTANCE ORDERS TO PERSONS PERFORMING SERVICES UNDER A QUALIFIED TAX COLLECTION CONTRACT.—Section 7811 (relating to taxpayer assistance orders) is amended by adding at the end the following new subsection:

"(g) APPLICATION TO PERSONS PERFORMING SERVICES UNDER A QUALIFIED TAX COLLECTION CONTRACT.—Any order issued or action taken by the National Taxpayer Advocate pursuant to this section shall apply to persons performing services under a qualified tax collection contract (as defined in section 6306(b)) to the same extent and in the same manner as such order or action applies to the Secretary.".

(d) INELIGIBILITY OF INDIVIDUALS WHO COMMIT MISCONDUCT TO PERFORM UNDER CONTRACT.—Section 1203 of the Internal Revenue Service Restructuring Act of 1998 (relating to termination of employment for misconduct) is amended by adding at the end the following new subsection:

"(e) INDIVIDUALS PERFORMING SERVICES UNDER A QUALIFIED TAX COLLECTION CONTRACT.—An individual shall cease to be permitted to perform any services under any qualified tax collection contract (as defined in section 6306(b) of the Internal Revenue Code of 1986) if there is a final determination by the Secretary of the Treasury under such contract that such individual committed any act or omission described under subsection (b) in connection with the performance of such services.".

(e) EFFECTIVE DATE.—The amendments made to this section shall take effect on the date of the enactment of this Act.

SEC. 682. TREATMENT OF CHARITABLE CONTRIBUTIONS OF PATENTS AND SIMILAR PROPERTY.

(a) IN GENERAL.—Subparagraph (B) of section 170(e)(1) is amended by striking "or" at the end of clause (i), by adding "or" at the end of clause (ii), and by inserting after clause (ii) the following new clause:

"(iii) of any patent, copyright (other than a copyright described in section 1221(a)(3) or 1231(b)(1)(C)), trademark, trade name, trade secret, know-how, software (other than software described in section 197(e)(3)(A)(i)), or similar property, or applications or registrations of such property,".

(b) CERTAIN DONEE INCOME FROM INTELLECTUAL PROPERTY TREATED AS AN ADDITIONAL CHARITABLE CONTRIBUTION.—Section 170 is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) CERTAIN DONEE INCOME FROM INTELLECTUAL PROPERTY TREATED AS AN ADDITIONAL CHARITABLE CONTRIBUTION.—

"(1) TREATMENT AS ADDITIONAL CONTRIBUTION.—In the case of a taxpayer who makes a qualified intellectual property contribution the deduction allowed under subsection (a) for each taxable year of the taxpayer ending on or after the date of such contribution shall be increased (subject to the limitations under subsection (b)) by the applicable percentage of qualified donee income with respect to such contribution which is properly allocable to such year under this subsection.

"(2) REDUCTION IN ADDITIONAL DEDUCTIONS TO EXTENT OF INITIAL DEDUCTION.—With respect to any qualified intellectual property contribution, the deduction allowed under subsection (a) shall be increased under paragraph (1) only to the extent that the aggregate amount of such increases with respect to such contribution exceed the amount allowed as a deduction under subsection (a) with respect to such contribution determined without regard to this subsection.

"(3) QUALIFIED DONEE INCOME.—For purposes of this subsection, the term 'qualified donee income' means any net income received by or accrued to the donee which is properly allocable to the qualified intellectual property.

"(4) ALLOCATION OF QUALIFIED DONEE INCOME TO TAXABLE YEARS OF DONOR.—For purposes of this subsection, qualified donee income shall be treated as properly allocable to a taxable year of the donor if such income is received by or accrued to the donee for the taxable year of the donee which ends within or with such taxable year of the donor.

"(5) 10-YEAR LIMITATION.—Income shall not be treated as properly allocable to qualified intellectual property for purposes of this subsection if such income is received by or accrued to the donee after the 10-year period beginning on the date of the contribution of such property.

"(6) BENEFIT LIMITED TO LIFE OF INTELLECTUAL PROPERTY.—Income shall not be treated as properly allocable to qualified intellectual property for purposes of this subsection if such income is received by or accrued to the donee after the expiration of the legal life of such property.

"(7) APPLICABLE PERCENTAGE.—For purposes of this subsection, the term 'applicable percentage' means the percentage determined under the following table which corresponds to a taxable year of the donor ending on or after the date of the qualified intellectual property contribution:

"Taxable Year of Donor Ending on or After Date of Contribution:	Applicable Percentage:
1st	100
2nd	100
3rd	90
4th	80
5th	70
6th	60
7th	50
8th	40
9th	30
10th	20
11th	10
12th	10.

"(8) QUALIFIED INTELLECTUAL PROPERTY CONTRIBUTION.—For purposes of this subsection, the term 'qualified intellectual property contribution' means any charitable contribution of qualified intellectual property—

"(A) the amount of which taken into account under this section is reduced by reason of subsection (e)(1), and

"(B) with respect to which the donor informs the donee at the time of such contribution that the donor intends to treat such contribution as a qualified intellectual property contribution for purposes of this subsection and section 6050L.

"(9) QUALIFIED INTELLECTUAL PROPERTY.—For purposes of this subsection, the term 'qualified intellectual property' means property described in subsection (e)(1)(B)(iii) (other than property contributed to or for the use of an organization described in subsection (e)(1)(B)(ii)).

"(10) OTHER SPECIAL RULES.—

"(A) APPLICATION OF LIMITATIONS ON CHARITABLE CONTRIBUTIONS.—Any increase under this subsection of the deduction provided under subsection (a) shall be treated for purposes of subsection (b) as a deduction which is attributable to a charitable contribution to the donee to which such increase relates.

"(B) NET INCOME DETERMINED BY DONEE.—The net income taken into account under paragraph (3) shall not exceed the amount of such income reported under section 6050L(b)(1).

"(C) DEDUCTION LIMITED TO 12 TAXABLE YEARS.—Except as may be provided under subparagraph (D)(i), this subsection shall not apply with respect to any qualified intellectual property contribution for any taxable year of the donor after the 12th taxable year of the donor which ends on or after the date of such contribution.

"(D) REGULATIONS.—The Secretary may issue regulations or other guidance to carry out the purposes of this subsection, including regulations or guidance—

"(i) modifying the application of this subsection in the case of a donor or donee with a short taxable year, and

"(ii) providing for the determination of an amount to be treated as net income of the donee which is properly allocable to qualified intellectual property in the case of a donee who uses such property to further a purpose or function constituting the basis of the donee's exemption under section 501 (or, in the case of a governmental unit, any purpose described in section 170(c)) and does not possess a right to receive any payment from a third party with respect to such property.".

(c) REPORTING REQUIREMENTS.—

(1) IN GENERAL.—Section 6050L (relating to returns relating to certain dispositions of donated property) is amended to read as follows:

"SEC. 6050L. RETURNS RELATING TO CERTAIN DONATED PROPERTY.

"(a) DISPOSITIONS OF DONATED PROPERTY.—

"(1) IN GENERAL.—If the donee of any charitable deduction property sells, exchanges, or otherwise disposes of such property within 2 years after its receipt, the donee shall make a return (in accordance with forms and regulations prescribed by the Secretary) showing—

"(A) the name, address, and TIN of the donor,

"(B) a description of the property,

"(C) the date of the contribution,

"(D) the amount received on the disposition, and

"(E) the date of such disposition.

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) CHARITABLE DEDUCTION PROPERTY.—The term 'charitable deduction property' means any property (other than publicly traded securities) contributed in a contribution for which a deduction was claimed under section 170 if the claimed value of such property (plus the claimed value of all similar items of property donated by the donor to 1 or more donees) exceeds $5,000.

"(B) PUBLICLY TRADED SECURITIES.—The term 'publicly traded securities' means securities for which (as of the date of the contribution) market quotations are readily available on an established securities market.

"(b) QUALIFIED INTELLECTUAL PROPERTY CONTRIBUTIONS.—

"(1) IN GENERAL.—Each donee with respect to a qualified intellectual property contribution shall make a return (at such time and in such form and manner as the Secretary may by regulations prescribe) with respect to each specified taxable year of the donee showing—

"(A) the name, address, and TIN of the donor,

"(B) a description of the qualified intellectual property contributed,

"(C) the date of the contribution, and

"(D) the amount of net income of the donee for the taxable year which is properly allocable to the qualified intellectual property (determined without regard to paragraph (10)(B) of section 170(m) and with the modifications described in paragraphs (5) and (6) of such section).

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) IN GENERAL.—Terms used in this subsection which are also used in section 170(m) have the respective meanings given such terms in such section.

"(B) SPECIFIED TAXABLE YEAR.—The term 'specified taxable year' means, with respect to any qualified intellectual property contribution, any taxable year of the donee any portion of which is part of the 10-year period beginning on the date of such contribution.

"(c) STATEMENT TO BE FURNISHED TO DONORS.—Every person making a return under subsection (a) or (b) shall furnish a copy of such return to the donor at such time and in such manner as the Secretary may by regulations prescribe.".

(2) CLERICAL AMENDMENT.—The table of sections for subpart A of part II of subchapter A of chapter 61 is amended by striking the item relating to section 6050L and inserting the following new item:

"Sec. 6050L. Returns relating to certain donated property.".

(d) COORDINATION WITH APPRAISAL REQUIREMENTS.—Subclause (I) of section 170(f)(11)(A)(ii), as added by section 683, is amended by inserting "subsection (e)(1)(B)(iii) or" before "section 1221(a)(1)".

(e) ANTI-ABUSE RULES.—The Secretary of the Treasury may prescribe such regulations or other guidance as may be necessary or appropriate to prevent the avoidance of the purposes of section 170(e)(1)(B)(iii) of the Internal Revenue Code of 1986 (as added by subsection (a)), including preventing—

(1) the circumvention of the reduction of the charitable deduction by embedding or bundling the patent or similar property as part of a charitable contribution of property that includes the patent or similar property,

(2) the manipulation of the basis of the property to increase the amount of the charitable deduction through the use of related persons, pass-thru entities, or other intermediaries, or through the use of any provision of law or regulation (including the consolidated return regulations), and

(3) a donor from changing the form of the patent or similar property to property of a form for which different deduction rules would apply.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after June 3, 2004.

SEC. 683. INCREASED REPORTING FOR NONCASH CHARITABLE CONTRIBUTIONS.

(a) IN GENERAL.—Subsection (f) of section 170 (relating to disallowance of deduction in certain cases and special rules) is amended by adding after paragraph (10) the following new paragraph:

"(11) QUALIFIED APPRAISAL AND OTHER DOCUMENTATION FOR CERTAIN CONTRIBUTIONS.—

"(A) IN GENERAL.—

"(i) DENIAL OF DEDUCTION.—In the case of an individual, partnership, or corporation, no deduction shall be allowed under subsection (a) for any contribution of property for which a deduction of more than $500 is claimed unless such person meets the requirements of subparagraphs (B), (C), and (D), as the case may be, with respect to such contribution.

"(ii) EXCEPTIONS.—

"(I) READILY VALUED PROPERTY.—Subparagraphs (C) and (D) shall not apply to cash, property described in section 1221(a)(1), and publicly traded securities (as defined in section 6050L(a)(2)(B)).

"(II) REASONABLE CAUSE.—Clause (i) shall not apply if it is shown that the failure to meet such requirements is due to reasonable cause and not to willful neglect.

"(B) PROPERTY DESCRIPTION FOR CONTRIBUTIONS OF MORE THAN $500.—In the case of contributions of property for which a deduction of more than $500 is claimed, the requirements of this subparagraph are met if the individual, partnership or corporation includes with the return for the taxable year in which the contribution is made a description of such property and such other information as the Secretary may require. The requirements of this subparagraph shall not apply to a C corporation which is not a personal service corporation or a closely held C corporation.

"(C) QUALIFIED APPRAISAL FOR CONTRIBUTIONS OF MORE THAN $5,000.—In the case of contributions of property for which a deduction of more than $5,000 is claimed, the requirements of this subparagraph are met if the individual, partnership, or corporation obtains a qualified appraisal of such property and attaches to the return for the taxable year in which such contribution is made such information regarding such property and such appraisal as the Secretary may require.

"(D) SUBSTANTIATION FOR CONTRIBUTIONS OF MORE THAN $500,000.—In the case of contributions of property for which a deduction of more than $500,000 is claimed, the requirements of this subparagraph are met if the individual, partnership, or corporation attaches to the return for the taxable year a qualified appraisal of such property.

"(E) QUALIFIED APPRAISAL.—For purposes of this paragraph, the term 'qualified appraisal' means, with respect to any property, an appraisal of such property which is treated for purposes of this paragraph as a qualified appraisal under regulations or other guidance prescribed by the Secretary.

"(F) AGGREGATION OF SIMILAR ITEMS OF PROPERTY.—For purposes of determining thresholds under this paragraph, property and all similar items of property donated to 1 or more donees shall be treated as 1 property.

"(G) SPECIAL RULE FOR PASS-THRU ENTITIES.—In the case of a partnership or S corporation, this paragraph shall be applied at the entity level, except that the deduction shall be denied at the partner or shareholder level.

"(H) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph, including regulations that may provide that some or all of the requirements of this paragraph do not apply in appropriate cases.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after June 3, 2004.

SEC. 684. DONATIONS OF MOTOR VEHICLES, BOATS, AND AIRCRAFT.

(a) IN GENERAL.—Subsection (f) of section 170 (relating to disallowance of deduction in certain cases and special rules) is amended by adding after paragraph (11) the following new paragraph:

"(12) CONTRIBUTIONS OF MOTOR VEHICLES, BOATS, AND AIRCRAFT.—

"(A) IN GENERAL.—Except as provided in regulations or other guidance, in the case of a contribution of a specified vehicle to which paragraph (8) applies, no deduction shall be allowed under subsection (a) for such contribution unless the taxpayer obtains a qualified appraisal of the specified vehicle on or before the date of such contribution.

"(B) EXCEPTION FOR INVENTORY PROPERTY.—Subparagraph (A) shall not apply to property which is described in section 1221(a)(1).

"(C) SPECIFIED VEHICLE.—For purposes of this paragraph, the term 'specified vehicle' means any—

"(i) motor vehicle manufactured primarily for use on public streets, roads, and highways,

"(ii) boat, or

"(iii) aircraft.

"(D) QUALIFIED APPRAISAL.—For purposes of this paragraph, the term 'qualified appraisal' means any appraisal which is treated for purposes of this paragraph as a qualified appraisal under regulations or other guidance prescribed by the Secretary.

"(E) REGULATIONS OR OTHER GUIDANCE.—The Secretary shall prescribe such regulations or other guidance as may be necessary to carry out the purposes of this paragraph.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to contributions made after June 3, 2004.

SEC. 685. EXTENSION OF AMORTIZATION OF INTANGIBLES TO SPORTS FRANCHISES.

(a) IN GENERAL.—Section 197(e) (relating to exceptions to definition of section 197 intangible) is amended by striking paragraph (6) and by redesignating paragraphs (7) and (8) as paragraphs (6) and (7), respectively.

(b) CONFORMING AMENDMENTS.—

(1)(A) Section 1056 (relating to basis limitation for player contracts transferred in connection with the sale of a franchise) is repealed.

(B) The table of sections for part IV of subchapter O of chapter 1 is amended by striking the item relating to section 1056.

(2) Section 1245(a) (relating to gain from disposition of certain depreciable property) is amended by striking paragraph (4).

(3) Section 1253 (relating to transfers of franchises, trademarks, and trade names) is amended by striking subsection (e).

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to property acquired after the date of the enactment of this Act.

(2) SECTION 1245.—The amendment made by subsection (b)(2) shall apply to franchises acquired after the date of the enactment of this Act.

SEC. 686. MODIFICATION OF CONTINUING LEVY ON PAYMENTS TO FEDERAL VENDERS.

(a) IN GENERAL.—Section 6331(h) (relating to continuing levy on certain payments) is amended by adding at the end the following new paragraph:

"(3) INCREASE IN LEVY FOR CERTAIN PAYMENTS.—Paragraph (1) shall be applied by substituting '100 percent' for '15 percent' in the case of any specified payment due to a vendor of goods or services sold or leased to the Federal Government.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 687. MODIFICATION OF STRADDLE RULES.

(a) RULES RELATING TO IDENTIFIED STRADDLES.—

(1) IN GENERAL.—Subparagraph (A) of section 1092(a)(2) (relating to special rule for identified straddles) is amended to read as follows:

"(A) IN GENERAL.—In the case of any straddle which is an identified straddle—

"(i) paragraph (1) shall not apply with respect to identified positions comprising the identified straddle,

"(ii) if there is any loss with respect to any identified position of the identified straddle, the basis of each of the identified offsetting positions in the identified straddle shall be increased by an amount which bears the same ratio to the loss as the unrecognized gain with respect to such offsetting position bears to the aggregate unrecognized gain with respect to all such offsetting positions, and

"(iii) any loss described in clause (ii) shall not otherwise be taken into account for purposes of this title.".

(2) IDENTIFIED STRADDLE.—Section 1092(a)(2)(B) (defining identified straddle) is amended—

(A) by striking clause (ii) and inserting the following:

"(ii) to the extent provided by regulations, the value of each position of which (in the hands of the taxpayer immediately before the creation of the straddle) is not less than the basis of such position in the hands of the taxpayer at the time the straddle is created, and", and

(B) by adding at the end the following new flush sentence:

"The Secretary shall prescribe regulations which specify the proper methods for clearly identifying a straddle as an identified straddle (and the positions comprising such straddle), which specify the rules for the application of this section for a taxpayer which fails to properly identify the positions of an identified straddle, and which specify the ordering rules in cases where a taxpayer disposes of less than an entire position which is part of an identified straddle.".

(3) UNRECOGNIZED GAIN.—Section 1092(a)(3) (defining unrecognized gain) is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

"(B) SPECIAL RULE FOR IDENTIFIED STRADDLES.—For purposes of paragraph (2)(A)(ii), the unrecognized gain with respect to any identified offsetting position shall be the excess of the fair market value of the position at the time of the determination over the fair market value of the position at the time the taxpayer identified the position as a position in an identified straddle.".

(4) CONFORMING AMENDMENT.—Section 1092(c)(2) is amended by striking subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(b) PHYSICALLY SETTLED POSITIONS.—Section 1092(d) (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

"(8) SPECIAL RULES FOR PHYSICALLY SETTLED POSITIONS.—For purposes of subsection (a), if a taxpayer settles a position which is part of a straddle by delivering property to which the position relates (and such position, if terminated, would result in a realization of a loss), then such taxpayer shall be treated as if such taxpayer—

"(A) terminated the position for its fair market value immediately before the settlement, and

"(B) sold the property so delivered by the taxpayer at its fair market value.".

(c) REPEAL OF STOCK EXCEPTION.—

(1) IN GENERAL.—Paragraph (3) of section 1092(d) (relating to definitions and special rules) is amended to read as follows:

"(3) SPECIAL RULES FOR STOCK.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'personal property' includes—

"(i) any stock which is a part of a straddle at least 1 of the offsetting positions of which is a position with respect to such stock or substantially similar or related property, or

"(ii) any stock of a corporation formed or availed of to take positions in personal property which offset positions taken by any shareholder.

"(B) RULE FOR APPLICATION.—For purposes of determining whether subsection (e) applies to any transaction with respect to stock described in subparagraph (A)(ii), all includible corporations of an affiliated group (within the meaning of section 1504(a)) shall be treated as 1 taxpayer.".

(2) CONFORMING AMENDMENT.—Section 1258(d)(1) is amended by striking "; except that the term 'personal property' shall include stock".

(d) HOLDING PERIOD FOR DIVIDEND EXCLUSION.—The last sentence of section 246(c) is amended by inserting: ", other than a qualified covered call option to which section 1092(f) applies" before the period at the end.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to positions established on or after the date of the enactment of this Act.

SEC. 688. ADDITION OF VACCINES AGAINST HEPATITIS A TO LIST OF TAXABLE VACCINES.

(a) IN GENERAL.—Paragraph (1) of section 4132(a) (defining taxable vaccine) is amended by redesignating subparagraphs (I), (J), (K), and (L) as subparagraphs (J), (K), (L), and (M), respectively, and by inserting after subparagraph (H) the following new subparagraph:

"(I) Any vaccine against hepatitis A."

(b) EFFECTIVE DATE.—

(1) SALES, ETC.—The amendments made by subsection (a) shall apply to sales and uses on or after the first day of the first month which begins more than 4 weeks after the date of the enactment of this Act.

(2) DELIVERIES.—For purposes of paragraph (1) and section 4131 of the Internal Revenue Code of 1986, in the case of sales on or before the effective date described in such paragraph for which delivery is made after such date, the delivery date shall be considered the sale date.

SEC. 689. ADDITION OF VACCINES AGAINST INFLUENZA TO LIST OF TAXABLE VACCINES.

(a) IN GENERAL.—Section 4132(a)(1) (defining taxable vaccine), as amended by this Act, is amended by adding at the end the following new subparagraph:

"(N) Any trivalent vaccine against influenza.".

(b) EFFECTIVE DATE.—

(1) SALES, ETC.—The amendment made by this section shall apply to sales and uses on or after the later of—

(A) the first day of the first month which begins more than 4 weeks after the date of the enactment of this Act, or

(B) the date on which the Secretary of Health and Human Services lists any vaccine against influenza for purposes of compensation for any vaccine-related injury or death through the Vaccine Injury Compensation Trust Fund.

(2) DELIVERIES.—For purposes of paragraph (1) and section 4131 of the Internal Revenue Code of 1986, in the case of sales on or before the effective date described in such paragraph for which delivery is made after such date, the delivery date shall be considered the sale date.

SEC. 690. EXTENSION OF IRS USER FEES.

(a) IN GENERAL.—Section 7528(c) (relating to termination) is amended by striking "December 31, 2004" and inserting "September 30, 2014".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to requests after the date of the enactment of this Act.

SEC. 691. COBRA FEES.

(a) USE OF MERCHANDISE PROCESSING FEE.—Section 13031(f) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)) is amended—

(1) in paragraph (1), by aligning subparagraph (B) with subparagraph (A); and

(2) in paragraph (2), by striking "commercial operations" and all that follows through "processing." and inserting "customs revenue functions as defined in section 415 of the Homeland Security Act of 2002 (other than functions performed by the Office of International Affairs referred to in section 415(8) of that Act), and for automation (including the Automation Commercial Environment computer system), and for no other purpose. To the extent that funds in the Customs User Fee Account are insufficient to pay the costs of such customs revenue functions, customs duties in an amount equal to the amount of such insufficiency shall be available, to the extent provided for in appropriations Acts, to pay the costs of such customs revenue functions in the amount of such insufficiency, and shall be available for no other purpose. The provisions of the first and second sentences of this paragraph specifying the purposes for which amounts in the Customs User Fee Account may be made available shall not be superseded except by a provision of law which specifically modifies or supersedes such provisions.".

(b) REIMBURSEMENT OF APPROPRIATIONS FROM COBRA FEES.—Section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)(3)) is amended by adding at the end the following:

"(E) Nothing in this paragraph shall be construed to preclude the use of appropriated funds, from sources other than the fees collected under subsection (a), to pay the costs set forth in clauses (i), (ii), and (iii) of subparagraph (A).".

(c) SENSE OF CONGRESS; EFFECTIVE PERIOD FOR COLLECTING FEES; STANDARD FOR SETTING FEES.—

(1) SENSE OF CONGRESS.—The Congress finds that—

(A) the fees set forth in paragraphs (1) through (8) of subsection (a) of section 13031 of the Consolidated Omnibus Budget Reconciliation Act of 1985 have been reasonably related to the costs of providing customs services in connection with the activities or items for which the fees have been charged under such paragraphs; and

(B) the fees collected under such paragraphs have not exceeded, in the aggregate, the amounts paid for the costs described in subsection (f)(3)(A) incurred in providing customs services in connection with the activities or items for which the fees were charged under such paragraphs.

(2) EFFECTIVE PERIOD; STANDARD FOR SETTING FEES.—Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 is amended to read as follows:

"(3)(A) Fees may not be charged under paragraphs (9) and (10) of subsection (a) after September 30, 2014.

"(B)(i) Subject to clause (ii), Fees may not be charged under paragraphs (1) through (8) of subsection (a) after September 30, 2014.

"(ii) In fiscal year 2006 and in each succeeding fiscal year for which fees under paragraphs (1) through (8) of subsection (a) are authorized—

"(I) the Secretary of the Treasury shall charge fees under each such paragraph in amounts that are reasonably related to the costs of providing customs services in connection with the activity or item for which the fee is charged under such paragraph, except that in no case may the fee charged under any such paragraph exceed by more than 10 percent the amount otherwise prescribed by such paragraph;

"(II) the amount of fees collected under such paragraphs may not exceed, in the aggregate, the amounts paid in that fiscal year for the costs described in subsection (f)(3)(A) incurred in providing customs services in connection with the activity or item for which the fees are charged under such paragraphs;

"(III) a fee may not be collected under any such paragraph except to the extent such fee will be expended to pay the costs described in subsection (f)(3)(A) incurred in providing customs services in connection with the activity or item for which the fee is charged under such paragraph; and

"(IV) any fee collected under any such paragraph shall be available for expenditure only to pay the costs described in subsection (f)(3)(A) incurred in providing customs services in connection with the activity or item for which the fee is charged under such paragraph.".

(d) CLERICAL AMENDMENTS.—Section 13031 of the Consolidated Omnibus Budget Reconciliation Act of 1985 is amended—

(1) in subsection (a)(5)(B), by striking "$1.75" and inserting "$1.75.";

(2) in subsection (b)—

(A) in paragraph (1)(A), by aligning clause (iii) with clause (ii);

(B) in paragraph (7), by striking "paragraphs" and inserting "paragraph"; and

(C) in paragraph (9), by aligning subparagraph (B) with subparagraph (A); and

(3) in subsection (e)(2), by aligning subparagraph (B) with subparagraph (A).

(e) STUDY OF ALL FEES COLLECTED BY DEPARTMENT OF HOMELAND SECURITY.—The Secretary of the Treasury shall conduct a study of all the fees collected by the Department of Homeland Security, and shall submit to the Congress, not later than September 30, 2005, a report containing the recommendations of the Secretary on—

(1) what fees should be eliminated;

(2) what the rate of fees retained should be; and

(3) any other recommendations with respect to the fees that the Secretary considers appropriate.

TITLE VII—MARKET REFORM FOR TOBACCO GROWERS

SEC. 701. SHORT TITLE.

This title may be cited as the "Fair and Equitable Tobacco Reform Act of 2004".

SEC. 702. EFFECTIVE DATE.

This title and the amendments made by this title shall apply beginning with the 2005 marketing year of each kind of tobacco.

Subtitle A—Termination of Federal Tobacco Quota and Price Support Programs

SEC. 711. TERMINATION OF TOBACCO QUOTA PROGRAM AND RELATED PROVISIONS.

(a) MARKETING QUOTAS.—Part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) is repealed.

(b) PROCESSING.—Section 9(b) of the Agricultural Adjustment Act (7 U.S.C. 609(b)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(1) in paragraph (2), by striking "tobacco,"; and

(2) in paragraph (6)(B)(i), by striking ", or, in the case of tobacco, is less than the fair exchange value by not more than 10 per centum,".

(c) DECLARATION OF POLICY.—Section 2 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1282) is amended by striking "tobacco,".

(d) DEFINITIONS.—Section 301(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(b)) is amended—

(1) in paragraph (3)—

(A) by striking subparagraph (C); and

(B) by redesignating subparagraph (D) as subparagraph (C);

(2) in paragraph (6)(A), by striking "tobacco,";

(3) in paragraph (10)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B);

(4) in paragraph (11)(B), by striking "and tobacco";

(5) in paragraph (12), by striking "tobacco,";

(6) in paragraph (14)—

(A) in subparagraph (A), by striking "(A)"; and

(B) by striking subparagraphs (B), (C), and (D);

(7) by striking paragraph (15);

(8) in paragraph (16)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B);

(9) by striking paragraph (17); and

(10) by redesignating paragraph (16) as paragraph (15).

(e) PARITY PAYMENTS.—Section 303 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1303) is amended in the first sentence by striking "rice, or tobacco," and inserting "or rice,".

(f) ADMINISTRATIVE PROVISIONS.—Section 361 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1361) is amended by striking "tobacco,".

(g) ADJUSTMENT OF QUOTAS.—Section 371 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1371) is amended—

(1) in the first sentence of subsection (a), by striking "rice, or tobacco" and inserting "or rice"; and

(2) in the first sentence of subsection (b), by striking "rice, or tobacco" and inserting "or rice".

(h) REGULATIONS.—Section 375 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1375) is amended—

(1) in subsection (a), by striking "peanuts, or tobacco" and inserting "or peanuts"; and

(2) by striking subsection (c).

(i) EMINENT DOMAIN.—Section 378 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1378) is amended—

(1) in the first sentence of subsection (c), by striking "cotton, and tobacco" and inserting "and cotton"; and

(2) by striking subsections (d), (e), and (f).

(j) BURLEY TOBACCO FARM RECONSTITUTION.—Section 379 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1379) is amended—

(1) in subsection (a)—

(A) by striking "(a)"; and

(B) in paragraph (6), by striking ", but this clause (6) shall not be applicable in the case of burley tobacco"; and

(2) by striking subsections (b) and (c).

(k) ACREAGE-POUNDAGE QUOTAS.—Section 4 of the Act of April 16, 1955 (Public Law 89–12; 7 U.S.C. 1314c note), is repealed.

(l) BURLEY TOBACCO ACREAGE ALLOTMENTS.—The Act of July 12, 1952 (7 U.S.C. 1315), is repealed.

(m) TRANSFER OF ALLOTMENTS.—Section 703 of the Food and Agriculture Act of 1965 (7 U.S.C. 1316) is repealed.

(n) ADVANCE RECOURSE LOANS.—Section 13(a)(2)(B) of the Food Security Improvements Act of 1986 (7 U.S.C. 1433c–1(a)(2)(B)) is amended by striking "tobacco and".

(o) TOBACCO FIELD MEASUREMENT.—Section 1112 of the Omnibus Budget Reconciliation Act of 1987 (Public Law 100–203) is amended by striking subsection (c).

SEC. 712. TERMINATION OF TOBACCO PRICE SUPPORT PROGRAM AND RELATED PROVISIONS.

(a) TERMINATION OF TOBACCO PRICE SUPPORT AND NO NET COST PROVISIONS.—Sections 106, 106A, and 106B of the Agricultural Act of 1949 (7 U.S.C. 1445, 1445–1, 1445–2) are repealed.

(b) PARITY PRICE SUPPORT.—Section 101 of the Agricultural Act of 1949 (7 U.S.C. 1441) is amended—

(1) in the first sentence of subsection (a), by striking "tobacco (except as otherwise provided herein), corn," and inserting "corn";

(2) by striking subsections (c), (g), (h), and (i);

(3) in subsection (d)(3)—

(A) by striking ", except tobacco,"; and

(B) by striking "and no price support shall be made available for any crop of tobacco for which marketing quotas have been disapproved by producers;"; and

(4) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(c) DEFINITION OF BASIC AGRICULTURAL COMMODITY.—Section 408(c) of the Agricultural Act of 1949 (7 U.S.C. 1428(c)) is amended by striking "tobacco,".

(d) POWERS OF COMMODITY CREDIT CORPORATION.—Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) is amended by inserting "(other than tobacco)" after "agricultural commodities" each place it appears.

SEC. 713. CONTINUATION OF LIABILITY AND NO NET LOSS ASSESSMENTS TO PREVENT LOSSES ON PRICE SUPPORT LOANS.

(a) LIABILITY.—The amendments made by this subtitle shall not affect the liability of any person under any provision of law so amended with respect to any crop of tobacco planted before the effective date applicable to that kind of tobacco under section 702.

(b) ASSESSMENT AUTHORITY.—

(1) ASSESSMENTS TO COVER OUTSTANDING LOAN COSTS.—The Commodity Credit Corporation shall impose and collect an assessment on the sale of 2005 and subsequent crops of each kind of tobacco and on the importation of tobacco in such amounts as may be necessary to obtain funds sufficient to cover any losses incurred by the Corporation with respect to price support loans that—

(A) were made for that kind of tobacco under section 106 of the Agricultural Act of 1949 (7 U.S.C. 1445), before the repeal of such section by section 712 of this Act; and

(B) remain outstanding on or after the date of the enactment of this Act.

(2) ADMINISTRATION.—Assessments under paragraph (1) shall be administered in the manner provided for in section 106B of the Agricultural Act of 1949 (7 U.S.C. 1445–2), as in effect the day before the date of the enactment of this Act. To cover the costs of administering such assessments, the Commodity Credit Corporation shall use funds remaining in the No Net Cost Tobacco Funds and No Net Cost Tobacco Accounts established pursuant to sections 106A and 106B of the Agricultural Act of 1949 (7 U.S.C. 1445–1, 1445–2).

Subtitle B—Transitional Payments to Tobacco Quota Holders and Active Producers of Tobacco

SEC. 721. DEFINITIONS OF ACTIVE TOBACCO PRODUCER AND QUOTA HOLDER.

In this subtitle:

(1) ACTIVE TOBACCO PRODUCER.—The term "active tobacco producer" means an owner, operator, landlord, tenant, or sharecropper who—

(A) shared in the risk of producing tobacco on a farm where tobacco was produced or considered planted pursuant to a tobacco farm marketing quota or farm acreage allotment established under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) for the 2004 marketing year; and

(B) was actively engaged on that farm.

(2) CONSIDERED PLANTED.—The term "considered planted" means tobacco that was planted, but failed to be produced as a result of a natural disaster, as determined by the Secretary.

(3) TOBACCO QUOTA HOLDER.—The term "tobacco quota holder" means a person that was an owner of a farm, as of July 1, 2004, for which a basic tobacco farm marketing quota or farm acreage allotment for quota tobacco was established for the 2004 tobacco marketing year.

(4) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

SEC. 722. PAYMENTS TO TOBACCO QUOTA HOLDERS.

(a) PAYMENT REQUIRED.—The Secretary shall make payments to each eligible tobacco quota holder for the termination of tobacco marketing quotas and related price support under subtitle A, which shall constitute full and fair compensation for any losses relating to such termination.

(b) ELIGIBILITY.—To be eligible to receive a payment under this section, a person shall submit to the Secretary an application containing such information as the Secretary may require to demonstrate to the satisfaction of the Secretary that the person satisfies the definition of tobacco quota holder. The application shall be submitted within such time, in such form, and in such manner as the Secretary may require.

(c) INDIVIDUAL BASE QUOTA LEVEL.—

(1) IN GENERAL.—The Secretary shall establish a base quota level applicable to each eligible tobacco quota holder identified under subsection (b).

(2) POUNDAGE QUOTAS.—Subject to adjustment under subsection (d), for each kind of tobacco for which the marketing quota is expressed in pounds, the base quota level for each tobacco quota holder shall be equal to the basic tobacco marketing quota under the Agriculture Adjustment Act of 1938 for the marketing year in effect on the date of the enactment of this Act for quota tobacco on the farm owned by the tobacco quota holder.

(3) MARKETING QUOTAS OTHER THAN POUNDAGE QUOTAS.—Subject to adjustment under subsection (d), for each kind of tobacco for which there is marketing quota or allotment on an acreage basis, the base quota level for each tobacco quota holder shall be the amount equal to the product obtained by multiplying—

(A) the basic tobacco farm marketing quota or allotment for the marketing year in effect on the date of the enactment of this Act, as established by the Secretary for quota tobacco on the farm owned by the tobacco quota holder; by

(B) the average county production yield per acre for the county in which the farm is located for the kind of tobacco for that marketing year.

(d) TREATMENT OF CERTAIN CONTRACTS AND AGREEMENTS.—

(1) EFFECT OF PURCHASE CONTRACT.—If there was an agreement for the purchase of all or part of a farm described in subsection (c) as of the date of the enactment of this Act, and the parties to the sale are unable to agree to the disposition of eligibility for payments under this section, the Secretary, taking into account any transfer of quota that has been agreed to, shall provide for the equitable division of the payments among the parties by adjusting the determination of who is the tobacco quota holder with respect to particular pounds of the quota.

(2) EFFECT OF AGREEMENT FOR PERMANENT QUOTA TRANSFER.—If the Secretary determines that there was in existence, as of the day before the date of the enactment of this Act, an agreement for the permanent transfer of quota, but that the transfer was not completed by that date, the Secretary shall consider the tobacco quota holder to be the party to the agreement that, as of that date, was the owner of the farm to which the quota was to be transferred.

(e) TOTAL PAYMENT AMOUNTS BASED ON 2002 MARKETING YEAR.—

(1) CALCULATION OF ANNUAL PAYMENT AMOUNT.—During fiscal years 2005 through 2009, the Secretary shall make payments to all eligible tobacco quota holders identified under subsection (b) in an annual amount equal to the product obtained by multiplying, for each kind of tobacco—

(A) $1.40 per pound; by

(B) the total national basic marketing quota established under the Agriculture Adjustment Act of 1938 for the 2002 marketing year for that kind of tobacco.

(2) MARKETING QUOTAS OTHER THAN POUNDAGE QUOTAS.—For each kind of tobacco for which there is a marketing quota or allotment on an acreage basis, the Secretary shall convert the tobacco farm marketing quotas or allotments established under the Agriculture Adjustment Act of 1938 for the 2002 marketing year for that kind of tobacco as the Secretary considers appropriate.

(f) INDIVIDUAL PAYMENT AMOUNTS.—The annual payment amount for each eligible tobacco quota holder with respect to a kind of tobacco under this section shall bear the same ratio to the amount determined by the Secretary under subsection (e) with respect to that kind of tobacco as the individual base quota level of that eligible tobacco quota holder under subsection (c) with respect to that kind of tobacco bears to the total base quota levels of all eligible tobacco quota holders with respect to that kind of tobacco.

(g) DEATH OF TOBACCO QUOTA HOLDER.—If a tobacco quota holder who is entitled to payments under this section dies and is survived by a spouse or one or more dependents, the right to receive the payments shall transfer to the surviving spouse or, if there is no surviving spouse, to the estate of the tobacco quota holder.

SEC. 723. TRANSITION PAYMENTS FOR ACTIVE PRODUCERS OF QUOTA TOBACCO.

(a) TRANSITION PAYMENTS REQUIRED.—The Secretary shall make transition payments under this section to eligible active producers of quota tobacco.

(b) ELIGIBILITY.—To be eligible to receive a transition payment under this section, a person shall submit to the Secretary an application containing such information as the Secretary may require to demonstrate to the satisfaction of the Secretary that the person satisfies the definition of active producer of quota tobacco. The application shall be submitted within such time, in such form, and in such manner as the Secretary may require.

(c) CURRENT PRODUCTION BASE.—The Secretary shall establish a production base applicable to each eligible active producer of quota tobacco identified under subsection (b). A producer's production base shall be equal to the quantity, in pounds, of quota tobacco subject to the basic marketing quota marketed or considered planted by the producer under the Agriculture Adjustment Act of 1938 for the marketing year in effect on the date of the enactment of this Act.

(d) TOTAL PAYMENT AMOUNTS BASED ON 2002 MARKETING YEAR.—

(1) CALCULATION OF ANNUAL PAYMENT AMOUNT.—During fiscal years 2005 through 2009, the Secretary shall make payments to all eligible active producers of quota tobacco identified under subsection (b) in an annual amount equal to the product obtained by multiplying, for each kind of tobacco—

(A) $0.60 per pound; by

(B) the total national effective marketing quota established under the Agriculture Adjustment Act of 1938 for the 2002 marketing year for that kind of tobacco.

(2) MARKETING QUOTAS OTHER THAN POUNDAGE QUOTAS.—For each kind of tobacco for which there is a marketing quota or allotment on an acreage basis, the Secretary shall convert the tobacco farm marketing quotas or allotments established under the Agriculture Adjustment Act of 1938 for the 2002 marketing year for that kind of tobacco to a poundage basis before executing the mathematical equation specified in paragraph (1).

(e) INDIVIDUAL PAYMENT AMOUNTS.—The annual payment amount for each eligible active producer of quota tobacco identified under subsection (b) with respect to a kind of tobacco under this section shall bear the same ratio to the amount determined by the Secretary under subsection (d) with respect to that kind of tobacco as the individual production base of that eligible active producer under subsection (c) with respect to that kind of tobacco bears to the total production bases determined under that subsection for all eligible active producers of that kind of tobacco.

(f) DEATH OF TOBACCO PRODUCER.—If a tobacco producer who is entitled to payments under this section dies and is survived by a spouse or one or more dependents, the right to receive the payments shall transfer to the surviving spouse or, if there is no surviving spouse, to the estate of the tobacco producer.

SEC. 724. RESOLUTION OF DISPUTES.

Any dispute regarding the eligibility of a person to receive a payment under this subtitle, or the amount of the payment, shall be resolved by the county committee established under section 8 of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h) for the county or other area in which the farming operation of the person is located.

SEC. 725. SOURCE OF FUNDS FOR PAYMENTS.

There is hereby appropriated to the Secretary, from amounts in the general fund of the Treasury, such amounts as the Secretary needs in order to make the payments required by sections 722 and 723, except that such amounts shall not exceed the lesser of—

(1) amounts received in the Treasury under chapter 52 of the Internal Revenue Code of 1986 (relating to tobacco products and cigarette papers and tubes) during the period beginning on October 1, 2004, and ending on September 30, 2009, or

(2) $9,600,000,000.

TITLE VIII—TRADE PROVISIONS

SEC. 801. CEILING FANS.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"	*9902.84.14*	*Ceiling fans for permanent installation (provided for in subheading 8414.51.00)*	*Free*	*No change*	*No change*	*On or before 12/31/2006*	".

(b) EFFECTIVE DATE.—The amendment made by this section applies to goods entered, or withdrawn from warehouse, for consumption on or after the 15th day after the date of enactment of this Act.

SEC. 802. CERTAIN STEAM GENERATORS, AND CERTAIN REACTOR VESSEL HEADS, USED IN NUCLEAR FACILITIES.

(a) CERTAIN STEAM GENERATORS.—Heading 9902.84.02 of the Harmonized Tariff Schedule of the United States is amended by striking "12/31/2006" and inserting "12/31/2008".

(b) CERTAIN REACTOR VESSEL HEADS.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"	*9902.84.03*	*Reactor vessel heads for nuclear reactors (provided for in subheading 8401.40.00) ....*	*Free*	*No change*	*No change*	*On or before 12/31/2008*	".

(c) EFFECTIVE DATE.—

(1) SUBSECTION (a).—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

(2) SUBSECTION (b).—The amendment made by subsection (b) shall apply to goods entered, or withdrawn from warehouse, for consumption on or after the 15th day after the date of the enactment of this Act.

The SPEAKER pro tempore. The gentleman from California (Mr. THOMAS) and the gentleman from New York (Mr. RANGEL) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. THOMAS).

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

(Mr. THOMAS asked and was given permission to revise and extend his remarks.)

Mr. THOMAS. Mr. Speaker, we are here today because the United States Tax Code is out of sync with the rest of the world. Among our major trading partners, the United States is alone in the world in not using other forms of taxation other than direct income taxation.

Four times the United States defended our ability to create subsidies and, therefore, produce a more level playing field among our trading partners. We had for years refused to reexamine our code more fundamentally and thought that a subsidy mandate would create a more level playing field. Four times, the World Trade Organization said that under the rules of the World Trade Organization, of which we are a founding member, that that would not be permissible.

We are here today because the core of the bill is to repeal the Foreign Sales Corporation extraterritorial tax structure, and it also affords us an opportunity to examine an out-of-date Tax Code.

For those who say all we should be doing is repealing the subsidy, which has been declared against the rules, is to ignore the reason why we put the rules in place in the first place. The reason we did the subsidy was because we were at a disadvantage. It can certainly be argued we should have fundamentally changed our Tax Code back when we did that, but the simple answer is, we did not.

What we are trying to do is correct the errors of our ways, primarily by omission, but occasionally by commission, of not allowing U.S.-based, U.S. workers to put products and services out in the world on a level playing field with the rest of the world. That is what this bill does.

In addition to that, in examining these areas, we discovered portions of the Tax Code that are just flat out unfair. And this is an opportunity; I believe everybody deserves 1 day every 20 years to have a look at the problems they face in the Tax Code. Why? Because small business in certain industries are faced with a discriminatory U.S. Tax Code that puts U.S. small businesses at a disadvantage to foreign businesses.

We are going to hear there is a provision in here about arrows, there is a provision in here about tackle boxes, there is a provision in here about sonar, fish detecting equipment. The reason it is in here is because our code discriminates against American producers.

So not only are we rewriting our laws to be good trading partners and assisting those people who no longer get the subsidy because we are rewriting the laws, we are providing one day every 20 years to examine those portions of the code that make absolutely no sense.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

This is so interesting. The chairman of the committee stands to tell us what this bill is all about, which is labeled the American Jobs Creation Act and, guess what? This is nothing about jobs. He would have us believe that the reason for this legislation is to reform the Tax Code, to bring it up to date. Well, I have heard this type of Republican talk before: we have to pull it out by the roots. That is when we only had thousands of pages in the Tax Code.

But in the middle of the night, they bring us now a bill that is 400 pages long, and probably nobody in the House has even seen it yet. Do not call this a tax bill and do not say that you are reforming the system, because the fact is, if you wanted to really fix what this bill was supposed to do, and that is to remove the subsidy, all you do is remove the subsidy, and you do not give a tax cut for $150 billion, but you pick up $50 billion, which is the amount of the subsidy.

So you can put lipstick on a pig, but you cannot call it a lady. This is a lousy bill. It has nothing to do with reform.

And about this one day that someone is entitled to get their priorities, well, he is 100 percent correct. They sent the word out that every lobbyist in Washington has one day to get his favorite in this bill. It is just unfortunate that the American people did not get their one day to get jobs in this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

I do not rise to defend the honor of Miss Piggy, as the gentleman from New York indicated, and I am anxiously finding a flashlight because, apparently, the gentleman from New York exists in perpetual darkness since he believes night extends for more than 2 years. This bill has been around a long, long time.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. WALSH) for the purpose of entering into a colloquy with the gentleman from Colorado (Mr. BEAUPREZ).

Mr. WALSH. Mr. Speaker, I thank the gentleman from California (Chairman THOMAS) for his leadership on this important legislation.

I understand the Senate version of the FSC/ETI bill includes the "Green Bonds" proposal. As the gentleman knows, the Green Bonds proposal is intended to spur investment in building design and technologies which reduce energy consumption. They promote alternative energy use and improve environmental quality. The Green Bonds proposal also has tremendous job creation potential, as it includes specific minimum job creation requirements for projects.

While the legislation we are about to approve does not include the language relating to Green Bonds, I hope that the House will be able to accept the Senate-passed Green Bonds proposal in conference.

Mr. Speaker, I yield to the gentleman from Colorado (Mr. BEAUPREZ).

Mr. BEAUPREZ. Mr. Speaker, I thank the gentleman for yielding, and I thank him for raising this question.

This is technology, Mr. Speaker, that I am very familiar with, have been for many, many years, and similar to the gentleman from New York, this technology holds great potential for economic development, job and career development within my own district back in Colorado. I similarly hope that the House can favorably entertain inclusion of this provision when we go to conference.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume to thank the gentlemen from New York and Colorado, because without their active participation, the Green Bonds provision would not have been included in the House Energy Conference Report, H.R. 6, but it was, and this House passed it. Therefore, the opportunity to examine it in this conference is available to us. We did not deliberately exclude that measure from this bill, and I look forward to working with the gentlemen as we deliberate with the Senate on this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. STARK), a senior member of the Committee on Ways and Means and ranking member of the Subcommittee on Health.

Mr. STARK. Mr. Speaker, very seldom do I find myself almost speechless. If it were not for the rule which appears to gag all of the Members from offering any amendments that would perhaps help this bill and correct the problem which we know as FSC, and it is the first time that I have known that when you take away a subsidy that was not any good, that was improper in the first place, that for some reason you owe business the money that you have been improperly paying them all of these years.

As anybody who has ever had a job in private industry would know, this bill does very little for producers or farmers or small business. It is a return to right-wing radical McCarthyism.

The real serious problem, as I have thought about it this morning, my young 8-year-old son is here, and he is going to be paying for this bill for a long time. It is us elderly white, mostly elderly white males who are doing this to help the lobbyists who have contributed so generously to the Republican campaigns who are going to make these youngsters pay for it, and I think that is an obscenity that will stand long after we have left these halls.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind all Members that it is not appropriate under the rules of debate to introduce guests on the House floor.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 3 minutes to the gentleman from Illinois (Mr. CRANE), and to observe that I was worried about a job for the young man, but it is clear that he now has a job being a shield for his father.

Mr. CRANE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I am pleased to offer my strong support for H.R. 4520, the American Jobs Creation Act of 2004. This important legislation will end EU sanctions against our exporters, which is harming U.S. workers, and will deliver much-needed tax relief to the manufacturing sector of our economy.

In April 2003, I introduced bipartisan legislation to repeal ETI and return that money to domestic manufacturers. That legislation lowered the corporate tax rate for domestic manufacturing from 35 to 32 percent, and I am therefore quite pleased that $75 billion in direct relief for U.S. manufacturers has been included in this legislation. Of this, $13 billion is devoted to current ETI beneficiaries through important transition relief, and over $60 billion is devoted to rate cuts for manufacturers. Lowering the cost of doing business for this sector of our economy is critical for keeping the playing field level with our foreign competitors and stimulating U.S. job growth.

I would like to thank the gentleman from California (Chairman THOMAS) for working with me to include these very important provisions in the legislation before us today and, at the same time, I am pleased that the legislation also includes significant international tax reforms.

Contrary to the assertion by some, these provisions do not shift jobs overseas. Rather, they allow our multinationals doing business abroad to become more competitive.

□ 1230

This creates jobs here at home and is critically important to the long-term competitiveness of our multinationals engaged in the global economy.

H.R. 4520 also extends the enhanced section 179 expensing for 2 years, making it easier for small businesses to invest in new equipment and grow their businesses, and includes many tax relief and simplification provisions for smaller, subchapter S corporations. This, coupled with the nearly $200 billion in tax relief for small businesses provided in the Bush cuts of 2001 and 2003, is fundamental for helping small business, the backbone of our economy, continue to thrive.

No legislation is perfect; and I, for one, wish we had the resources available to do more. But this is a great first step, and it comes at an important time. If we do not act, EU sanctions against many U.S. goods will continue to grow until they reach 17 percent, further harming U.S. businesses and workers. And we must not allow that to happen.

Mr. Speaker, we have traveled a long road in bringing this legislation to the floor, and I am glad to be here today in support of a great bill. We have two alternatives. We can vote to end EU sanctions against U.S. manufacturers then ensuring that all sectors of our corporate economy continue to flourish, or we can vote to allow sanctions to continue to grow. I suggest that there is only one responsible choice, and I urge my colleagues to vote for the American Job Creation Act.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. LEVIN), a senior member of Committee on Ways and Means and ranking member on the Subcommittee on Trade.

Mr. LEVIN. Mr. Speaker, this bill is called the American Jobs Creation Act. Because of specific provisions in it under truth-in-packaging, it should be called the Overseas Job Creation Act. I point to three provisions. They are technical. They matter.

One, reducing nine foreign tax credit baskets to two, costing $8 billion. And what it would do is make it more profitable, and I urge you to listen to this, to invest in a tax haven overseas than in the U.S. It was President Reagan who put it this way some years ago: this kind of provision "gives U.S. taxpayers with operations in a high-tax country an incentive to invest in low-tax countries overseas. Low-tax country investments may be more attractive than investments in the United States."

Secondly, the look-through provisions for payments between related corporations, $3½ billion. What it tells the U.S. multinational is invest your overseas profit other than in the United States and get benefits.

Thirdly, the repatriation provision, $5 billion. It says those profits coming back need to be invested in the United States. There is no definition of what an investment is. They could use the money to close down a factory.

Last year, the gentleman from Illinois (Mr. CRANE), the gentleman from New York (Mr. RANGEL), and the gentleman from Illinois (Mr. MANZULLO), and I introduced a bill to replace FSC that related to manufacturing with provisions that related to manufacturing, 40 billion for 40 billion. Instead, we have 150 billion, and monies for so-called manufacturing can be used for entities that process hamburgers. This bill makes mincemeat out of good, sound policy. Reject it.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

In 1986 the reason the basket went from two to nine was for pure revenue to be spent in other areas. And as President Reagan said, it would entice someone to go from a high-tax country to a low-tax country. Shame on us if we are the high-tax country.

Mr. Speaker, I yield 1 minute to the gentlewoman from Washington (Ms. DUNN), a champion in trade around the world.

Ms. DUNN. Mr. Speaker, this is a critically important bill for the constituents I represent. It contains tax relief for domestic manufacturers including producers of software, a provision on which I insisted during committee consideration.

The bill also restores after 18 years a tax deduction for State sales taxes. This relief is long overdue; and it enjoys bipartisan support, very strong here in the House.

The litigation of major provisions goes on and on. It provides a tax rate cut for small business. It updates 40-year-old provisions in the law that overtax U.S. businesses operating overseas. It provides incentives to companies to bring home foreign earnings, invest them here in the United States; and it extends the R&D tax credit, and it provides transition relief for current users of ETI.

I am sure every Member of this Chamber could think of ways he or she would change this bill. But insisting this or that provision and ignoring the larger issue will not bring us into compliance with our international trade obligations under the WTO. And it will not get us closer to providing real tax relief to U.S. workers and businesses.

I urge support of this bill.

Mr. Speaker, I rise in strong support of H.R. 4520 and urge my colleagues on both sides of the aisle to join me in voting for this important legislation.

This bill contains a number of critically important provisions. It brings us into compliance with the WTO and it will remove punitive sanctions on American products that are hurting U.S. sales in Europe and jeopardizing American workers.

Voting against this bill is a sure way to increase foreign tariffs on U.S. products, making it tougher for U.S. workers to compete in the world economy.

The simple fact is this: U.S. workers need this bill. They need the opportunity to compete domestically and internationally.

I urge my colleagues to vote for it.

Mr. Speaker, this is a good bill, a strong bill, a bipartisan bill, and it is a necessary bill.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. McDERMOTT), who will explain how in the Congress we find Christmas in mid-June.

Mr. McDERMOTT. Mr. Speaker, I wanted to bring out the symbol for today.

Like the Queen of England, the Republican Party can declare when Christmas comes. Christmas comes on the 17th of June. We were supposed to fix an international trade practice bill here; but every day we delay, American companies have to pay more, and so they finally got around to the other day putting out this beautiful Christmas tree that we have; but instead of offering a solution to the trades problems, they just had a giveaway for all the special interests.

They raised the taxes on the exporters and lowered the taxes on those people who put the jobs overseas. They intended to give $30 billion to oil, tobacco, drug companies; and to get this bill passed, the Republican leadership bought one special interest after another.

Now, they started out with corporate jets. That is this one up here. And then the collection agents. Do you know that they are going to give your tax record to private collection agencies to collect people's debts to the IRS? And also there is tackle boxes here, and there are bows and arrows and sonar devices. And there are two for tobacco here: one, they reduce their taxes, and then they have a buy out. And they were just practically for anybody.

This one is the pharmaceutical companies. Here is Coke and Pepsi. My goodness, they have just gone on and on and on.

Now, my Latin friends say this is Feliz Navidad, but I say it is fleecing America. They are not taking care of small business people. Every one of those. Yes, I know the bow and arrow makers, they are not very big. They are just a little bauble that gets two votes or one vote. Some of these are two votes, and some of these are 25 votes. There are a whole bunch more that I wanted to put on here.

Maybe we could give unemployment benefits to people who have had long-term unemployment. That would be Christmas for them. But, no, we just got special interests. Do not vote for this bill.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I tell the gentleman, only my friends on the other side of the aisle would have a 6-inch tree and call it Christmas.

Mr. Speaker, I yield 1 minute to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Speaker, I appreciate very much the comments of my friend from Washington State. Apparently, they were not pre-cleared by the ACLU because he referred to a Christmas tree rather than a holiday tree. I am sure he may get phone calls on that.

Be that as it may, rather than focusing on posturing or props or process, let us take a look at results, a little economics 101.

The fact is when you reduce income tax rates, you create economic incentive. You put people back to work. That is the essence of the job bill. One of the biggest taxes, as the chairman pointed out, geopolitically right now as it exists, American manufacturers and farmers are being hit with escalating tariffs. Tariffs is another term for taxes. Right now they are at 8 percent.

Guess what happens because of rising tariffs? The very exports that everyone champions, even those who say they are friends of workers, when you have higher tariffs, you do not have the exports; that costs jobs. Lowering those tariffs will actually create jobs.

We could talk more about the restaurant owners and depreciation and opportunities, but the bottom line is with this bill we create jobs. Vote "yes." Reject the holiday ornamentation and the props and the pandering. Vote "yes" on this bill.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. LEWIS), the conscience of the Congress, a member of the Committee on Ways and Means.

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank the gentleman from New York (Mr. RANGEL) for yielding me time.

Mr. Speaker, I rise in outrage at this irresponsible bill we are voting on today. This bill is so reckless that the majority refused to allow us to vote on a substitute for fear that the debate would show the bill for what it really is. This bill is an overloaded Christmas tree with Christmas gifts for all sorts of special interests, from Chinese ceiling fans, to tackle boxes.

Mr. Speaker, instead of replacing the FSC incentive with much-needed help for United States manufacturers, as the Rangel substitute would have done, this bill provides $5 billion in new tax breaks that actually encourages companies to move their operations offshore. We are bleeding manufacturing jobs, and this bill encourages outsourcing. It is outrageous. It is a disgrace and a shame.

To add insult to injury, this bill will increase our deficit by a minimum of $34 billion over 10 years. But because the gimmicks are designed to hide the true costs, the actual price tag will be much higher.

Perhaps the most outrageous provisions of the bill, though, are the blatant sweeteners and special interest tax breaks designed to buy votes. Not one of them has anything to do with FSC.

These are just a few of the many gifts that have been placed on the tree: a tax break for manufacturers of fish and tackle boxes, a tax break for a maker of sonar devices used in fishing, a tax break for landowners who sell timber from their land, a tax break for makers of bows and arrows, a tax break for whaling, a tax break for alcoholic beverage wholesalers, and a $9 million buyout for tobacco.

Mr. Speaker, the calendar may say June 17; but make no mistake, today is Christmas for specialty interests. I urge my colleagues to do what is right and reject this bill.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just find it amazing that allowing American manufacturers to have a level playing field with foreign manufacturers is called a tax break.

Mr. Speaker, I yield 1½ minutes to the gentleman from Florida (Mr. SHAW), a valuable member of the Committee on Ways and Means.

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding me time to speak in strong favor of this most important bill.

We have heard so much. The gentleman from Georgia (Mr. LEWIS), while very eloquent, was missing the point. The point is this bill does create jobs and the louder one talks does not change that fact.

We have been running corporations offshore in this country because of our tax bills. One has to look no further than Chrysler leaving the United States, one of the Big Three going to Germany because they got a better deal. That is what jobs are: companies and people. Employers create jobs, not the United States Congress. But the

United States Congress for years has been taking jobs away and running jobs offshore because of higher taxes and more regulation and then coming to the floor and complaining about the jobs leaving.

But I want to speak about one other part of this bill which is very important. If you are from Nevada, if you are from Texas, if you are from Florida and some other States, this bill has something that is so long in coming, something that we have been working for for so many years; and that part of this bill is for the first time in about 20 years, the American public is going to be able to deduct its sales tax from its taxable income here in this country.

This is huge. If you are from Florida you better think about this. If you vote against the deductibility of sales tax, you are voting against the taxpayers of Florida, Texas, Nevada, Ohio, and other States. We do not have an income tax in Florida to deduct from taxable income tax. So Florida does not get to deduct anything. This is pure fairness. I am proud that it is part of this bill.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not know why he is so proud of giving these people a break just for 2 years when the Democratic alternative would have made it permanent so they would not have to worry about paying it back in 2 years.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BECERRA), a strong, hard-working member of the Committee on Ways and Means.

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Mr. BECERRA. Mr. Speaker, I thank the gentleman for yielding me time.

There are 8.2 million Americans unemployed today, another 4.7 million Americans who have been so frustrated in their search for a job that they have dropped out of the workforce looking for work, and another 4.7 million Americans who cannot find anything more than part-time employment: Close to 18 million Americans today not satisfied with their opportunities to have a full paying job.

There were 2.7 million manufacturing jobs lost in the last 3 years. The share of the population in America that is working today at 62 percent is the lowest it has ever been since 1994. Payroll remains 5.5 million jobs short of the average that we have seen in most economic recoveries since World War II.

What is the response of this House to those conditions of America's trying to work? Billions of dollars of tax incentives for corporations to invest abroad and ship American jobs with that investment. This is a textbook case of how loopholes seep into our Tax Code. Where else but in the world of catering to special interests would it take $150 billion in tax cuts for corporations to remedy a $4 billion problem?

The dirtiest joke about all of this is that while we are giving tax cuts to corporations to send jobs overseas, there is a provision in this bill that actually would have bounty hunters to go out and try to collect taxes from Americans who actually filed a tax return but have not yet been able to pay the perhaps $500 that they still owe the IRS. So now these bounty hunters will be paid 25 percent of what they collect from you and you and you to do the work that the IRS says it could do at 4 to 5 percent of the cost.

That is what this bill is loaded down with. That is why this bill should not win. Democrats had a bill that would have kept jobs here, given manufacturing corporations in America a chance to pay less in taxes if they kept jobs here. We were not given a chance to put that bill on the floor today. That is what we have today.

Who will win? It will not be the interests of the American public, but there are a lot of special interests that are watching very closely. Vote against this bill.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

The gentleman well knows that no substitute was offered in committee, no substitute was offered in front of the Committee on Rules. You can say it till you are blue in the face, but the Democrats offered no substitute, neither in committee nor in the Committee on Rules.

Mr. Speaker, it is now my pleasure to yield 1½ minutes to the gentlewoman from Connecticut (Mrs. JOHNSON), someone who is extremely interested in American jobs.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the chairman for yielding me the time.

This is plain and simple a jobs bill. If American multinational companies are not competitive, we lose jobs all across this country, in the millions and millions of small businesses that produce parts and products that go abroad, and furthermore, if our multinationals are not strong, we do not produce jobs in America for this reason.

A 10-year study of our multinationals showed that they produced 2.8 million jobs abroad over the last 10 years, but those same parent companies produced 5.5 million new jobs right here in America. Being able to compete internationally is what creates jobs here at home. And it is not just those who export that have to be able to compete internationally; it is everyone because international competition is right down the street at Wal-Mart. So if we are not competitive, we lose jobs.

This bill reforms the structure under which we tax international earnings so we are competitive. That is all it does. We have to repeal one section of our law, so we feed that money back in to level the playing field for our companies so that they can continue to grow more jobs in America than they do abroad and so that they can continue to buy product from the millions of small businesses all across America that supply the goods that go abroad and make us competitive.

This is a jobs bill, and do not forget it for one minute. If we do not pass it, we lose jobs.

Mr. RANGEL. Mr. Speaker, talking about jobs or lack of it, I yield 2 minutes to the gentlewoman from Ohio (Mrs. JONES), who knows that they do not have the jobs. She is a hardworking member of the Committee on Ways and Means.

Mrs. JONES of Ohio. Mr. Speaker, I want to thank my ranking member and my chairman the gentleman from New York (Mr. RANGEL) for his leadership.

I rise against H.R. 4520, and in Ohio it is truly the place where we know about a loss of jobs. Since President Bush took office, in the City of Cleveland alone we have lost 60,000 jobs. In the State of Ohio we have lost more than 200,000 jobs, many of them manufacturing jobs and many of them service workers jobs, and that was why in the Committee on Ways and Means I offered an amendment and subsequently withdrew it that would have provided benefits to service sector workers that have lost their jobs due to international trade.

The irony is that my amendment was ruled nongermane. H.R. 4520 is overloaded with special interest measures, but my amendment which would have dealt with service workers who are left out of the process was denied an opportunity, but more importantly, if H.R. 4520 is such a good bill, why not allow the Democrats to offer a bill so that our colleagues would have an option? I know they keep saying it was not a substitute, but this is a semantical argument that it is not a substitute. The Democrats had a bill that would have allowed us to do many of the things that are offered in H.R. 4520 but made them permanent.

I smile as I stand here and say this this morning to all the people of America, do not be fooled. Do not get fooled. Do not be fooled. This is not a jobs bill. Tell the Republican leadership you want a J-O-B. You want a J-O-B, not benefits for other corporations.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 1 minute to the gentleman from California (Mr. HERGER), a colleague and member of the Committee on Ways and Means.

Mr. HERGER. Mr. Speaker, I rise in strong support of the American Jobs Creation Act. It is critical that we pass this legislation today. Many of our exports to Europe are currently facing an 8 percent tariff, and this tariff will rise to 17 percent if we do not act.

This legislation is also critical because it recognizes that American companies are operating in a global economy, and we need a tax system that allows them to compete and win.

This bill makes necessary reforms, but most importantly, this legislation will be a tremendous benefit to U.S. manufacturers, both large and small.

Some have said this legislation does not do enough for small business; yet this legislation is strongly supported by the largest small business group in America, the National Federation of Independent Business.

I urge my colleagues to support this legislation.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. CARDIN), a hard-working member of the Committee on Ways and Means.

Mr. CARDIN. Mr. Speaker, if Congress was subject to the truth-in-advertising law, we would be held accountable for the title of this bill, American Jobs Creation Act, as misleading the American people. My colleagues can call it what they want, this bill will not create jobs or save jobs in this country. It will cost us jobs, and we know that.

This bill costs $34 billion, according to the Joint Tax Committee, over the next 10 years. It will add to the deficit of the country. That is certainly not going to help our economy, but the truth is it costs a lot more than $34 billion. Because of all the sunsets and the phasing in, this bill costs a lot more than that, hundreds of billions of dollars, which is just going to add to the national debt and cost us jobs.

Mr. Speaker, the tragedy is that we do have a problem with the World Trade Organization that we should correct. Legislation has been offered to do that on a revenue neutral basis, without adding to the deficit and helping U.S. manufacturers so we keep jobs here in America. That has been rejected.

So what do we have? We have a bill that is laden with special interest provisions, hundreds of special interest provisions, that have been given out, that have nothing to do with job creation, have nothing to with the underlying problem with the World Trade Organization and has everything to do with trying to pass a bill to help special interests. Then we have provisions in here that actually harm our country, such as the private contracting of tax collection functions. I cannot think of anything more basic to our government than collection of taxes, and now we want to have private collection agencies dealing with our constituents? I do not want to see that happen.

Mr. Speaker, this bill will not help create jobs. It will hurt us in keeping jobs in America. We should have done better. We should have corrected the problem. Let us go back and do that. I urge my colleagues to reject this bill.

Mr. THOMAS. Mr. Speaker, it is now my pleasure to yield 1 minute to the gentlewoman from Tennessee (Mrs. BLACKBURN), a newer Member of the House but someone who has already made an impact on a portion of this bill.

Mrs. BLACKBURN. Mr. Speaker, I want to thank the chairman for his work on this issue.

As we pass the American Jobs Creation Act today, this is a great day, a great day for the people of Tennessee and Florida and Texas and Washington and Wyoming. There are 55 million people in the U.S. that live in States that do not have a State income tax, that have a State sales tax, and restoring the deductibility of that State sales tax to our Federal income tax filing is important.

It is important in my State. I started working on this issue when I was in the State Senate. This means $1 billion a year to Tennessee's economy, and let me tell my colleagues, Mr. Speaker, that means jobs because Tennessee is a small business State. This will assist us in creating jobs, good, solid, homegrown jobs, that are going to stay right there with us.

I want to thank the gentleman from Texas (Mr. BRADY) and the gentleman from Texas (Mr. DELAY) for their work on this important piece of legislation and especially thank our chairman.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

I would just like to make it clear that if the Democrats had a chance to have an alternative this provision would have not lasted just for 2 years, as Republicans would have it, but would have been made permanent.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT), a hardworking member of the Committee on Ways and Means.

Mr. DOGGETT. Mr. Speaker, I thank the gentleman for the time.

When $4 billion in sanctions are imposed for an unjustified tax break declared illegal in an international forum, this House Republican leadership produces this monstrosity of a bill to expand this $4 billion problem to an outrageous $150 billion chunk of corporate welfare.

The title of a lead column in the Business section of the Washington Post captures the essence of this sorry legislation: "Tax Legislation Only Worthy of the Trash Heap." At least one corporate lobbyist was candid in boasting that this bill has "risen to a new level of sleaze." The latest bit of sleaze was added only in the wee hours of this morning, a provision to obstruct an ongoing investigation by the Internal Revenue Service of corporate tax shelters, denying our IRS even the identity of those who were sold abusive corporate tax products.

Once again, with tax breaks for the private jets of corporate executives, for sonar devices for finding fish, for whale hunters, we can see that the big fish do rather well in this bill, while the American people are told one whopper after another.

This is a jobs bill all right. It is a jobs bill for corporate lobbyists who have done rather well. It is also a jobs bill for people in Bermuda and China. Indeed, I think the taxpayers of Bermuda and China ought to be footing the $150 billion price tag for this bill, not the American taxpayers because they appear to be the ones benefiting from this legislation. To those corporations that will dodge their taxes by planting their corporate flags on the shores of Bermuda, this bill gives them a pat on the back.

The Republicans once said they were opposed to this fleeing of American corporations abroad. Now they help buy them first class airfare at the expense of American taxpayers. Certainly, the most appalling provision of all is the $10 billion given to the producers of nicotine, a lethal product that ruins the lives of so many American families. Under this outrageous section, Big Tobacco will get cheaper tobacco, even more tobacco will be grown, and the American taxpayer will be the loser.

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Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I believe the gentleman from Texas (Judge DOGGETT) needs to know that provision has been ruled by the courts not to provide attorney/client privilege and that there was no new power granted under that language. And the gentleman from Texas (Judge DOGGETT) knows that when the courts rule, we try to be responsible in that regard.

Former Speaker Tip O'Neill said, "All politics is local." I had said that some areas of the code have not been examined in 20 years or more, and people deserve a day at least once every 20 years to try to correct the horrible, horrible condition of many areas of our economy under our current Tax Code.

Mr. Speaker, I yield 2½ minutes to the gentleman from North Carolina (Mr. MCINTYRE) who wants to talk about ending a subsidy to a particular group of Americans, and this is the first time they have had their day in court in almost three-quarters of a century.

Mr. MCINTYRE. Mr. Speaker, I rise in strong support of H.R. 4520, the American Jobs Creation Act. In North Carolina, we have known something about losing jobs and we know what it means to be able to gain jobs back. That is why these WTO penalties that we are concerned about are being discussed today in many areas like textile, agriculture, and high-tech.

But my point today is a concern about tobacco. There are some things that are rather disparaging that are simply not true. This is not a Republican or Democratic issue. This is about helping families and helping gain jobs for those who have suffered enough under the only remaining Depression-era Federal farm program in America.

Members are concerned about American government being involved in tobacco. Well, let us get out of the 1930s. This is not a bail-out; it is a buy-out. And if we continue to do nothing, it will be a wipe-out.

What if Members' income was cut by 50 percent in the last 5 years like our tobacco farmers and you do not have control over it? It is done through a formula set by the Secretary of Agriculture, and this fall you may face another 20 to 30 percent cut in income. How are you going to pay for your kids, their education, their health care, their families? Are we going to take these farmers and put them on welfare?

We have to get the American government out of the tobacco business, and we can do that with this buy-out. We are not just paying off farmers, we are giving back to them what the Federal Government has taken from them. There is a Federal property interest in a tobacco allotment. Farmers can put it in deed, lease it, rent it, and that is controlled through the Federal Government.

This would be an opportunity to help our farmers make a decision: Are they going to continue to farm tobacco or get out? This is an opportunity for us to make a decision for the American taxpayer: Will the American taxpayer continue to subsidize tobacco or will we get out of the tobacco business, which so many people want to do?

This is a logical situation to help the American tobacco farmer and their family to be able to have the interest that the Federal Government has taken from them and now controls their income to be able to buy back that interest and then let them make the decision.

Our farmers in our rural regional and State economies have suffered enough. It is time for this uncertainty to end, not only for these families but for the American government's involvement in tobacco. It is also time to give farmers the freedom of choice and get them out from under a government mandate where they have no control over the amount of income they can make.

Let us do right by our farmers and their families. Let this be a win for the farmer, a win for the taxpayer, and a win for the American government.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is the biggest fraud on farmers, and especially tobacco farmers, that I have seen in my 34 years in Congress. Here we have some help allegedly for the tobacco farmers, and those of us on the Committee on Ways and Means could not even discuss it because it is not in our jurisdiction, yet it is in our bill.

A person does not have to be a politician or Member of Congress to know if we are talking about farming and tobacco, we should be talking about the Committee on Agriculture and not the tax-writing committee. This bill has nothing to do with taxes, nothing to do with international sanctions against us. It has everything to do with trying to pick up votes for those people who know that they are facing economic distress in this area.

The right thing to have done was to have it in the Committee on Agriculture, which has jurisdiction and who understands this issue even better than some of the smartest Members on the Committee on Ways and Means.

Mr. Speaker, I yield 1 minute to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, it is interesting that the sponsor of this bill would mention that all politics is local. I would remind the gentleman that in my State of Mississippi local elected officials are held personally liable for debts they incur while in office. If they spend more money than they can collect in taxes, they are personally liable. I wonder if the sponsor of this bill would be willing to pay his share of the $1,553,114,795,203.56 that his policies have added to the American debt in just the past 3 years?

I wonder how many of the Members who feel so strongly about this bill would be willing to pay their share of the $34 billion it is going to add to our Nation's debt. Do Members really feel that strongly about it? Do Members really think they are doing enough good to stick my kids with their $34 billion bill?

We are at war, and shame on us if we are the first generation of Americans to cut taxes as young Americans are dying on a daily basis. We are at war and we ought to be willing to pay for it and we ought to quit sticking our kids with our bills.

Mr. THOMAS. Mr. Speaker, I yield 2½ minutes to the gentleman from Louisiana (Mr. MCCRERY), the chairman of the Subcommittee on Select Revenue of the Committee on Ways and Means.

Mr. MCCRERY. Mr. Speaker, I thank the gentleman for yielding me this time to talk about what I think is perhaps the most important tax bill we have passed through this House in the last several years.

There has been a lot of talk and rhetoric about how the international tax provisions contained in this bill will ship jobs overseas when in fact just the opposite is the case and just the opposite is supported by the facts, but we do not hear many facts coming from those critics from the bill, we just hear rhetoric. Rhetoric is easy.

Let me give Members some facts. I will start with the fact that 93 percent of all products made overseas by American companies with operations overseas are sold overseas, not made over there and brought back here to be sold in our market to replace part of the market share here in the United States. Those products made overseas by American companies that have affiliates overseas are sold overseas. That should tell Members something. It should tell Members that our American companies who create facilities overseas to make things do so in order to compete in those overseas markets. They want market share over there, and in many cases and in most cases they need those facilities over there to serve those markets.

Another fact, another statistic that is important: 40 percent of all exports by American manufacturers from the United States go to foreign affiliates of those same American manufacturers. In other words, our manufacturers here in the United States are making things here to sell over there to their own foreign affiliates. So if it were not for the fact that American companies had those foreign affiliates overseas, those exports probably would not be sold. Those exports would not be leaving the United States. And all those exports, those products, are made by workers here in the United States.

So those jobs overseas, those plants overseas owned by American manufacturers support jobs here in the United States. Those are the facts. Forget the rhetoric, this bill is about jobs here in the United States. It is the best bill we have had on the floor in a long, long time, and we ought to pass it.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. HOYER), our distinguished minority whip.

Mr. HOYER. Mr. Speaker, the other side can say it over and over and over again, but the facts are correct that this is not about jobs here because if it was about jobs here, we could have passed the Manzullo-Rangel bill 6 months ago. We did not. We did not because we wanted to pass a partisan bill.

The Heritage Foundation says, "There is always a certain amount of grease that is part of getting any tax policy changes through the process," but with this bill the Heritage Foundation says that "the actual policy seems to be secondary to the grease."

This is a sad day in this House. I have served here for 23 years. This is the worst tax bill that I have seen on the floor of this House. It is the most irresponsible bill. I challenge the Members on that side of the aisle to bring me one editorial. Members will not find it in the Wall Street Journal. Members will not find it out of the Heritage Foundation, one editorial that says this bill is worth passing.

We have been involved in an orgy of self-indulgence. That is how great empires fail, so focused on self and corporate and individual embellishment that they forget about the community, they forget about their country, they forget about investing in their people. They forget about investing in jobs in America.

The gentleman from Illinois (Mr. MANZULLO) is not on the floor, he was just a few minutes ago. He and the gentleman from New York (Mr. RANGEL) and the gentleman from Illinois (Mr. CRANE) had a bill that spoke to jobs in America. This bill does not. Defeat this bill. Be responsible, stand up for America, send this bill back to committee.

Mr. THOMAS. Mr. Speaker, I yield 1½ minutes to the gentleman from Kentucky (Mr. LEWIS) who understands all politics are local, and the Chair appreciates the tremendous work the gentleman from Kentucky has put in in perfecting this bill.

Mr. LEWIS of Kentucky. Mr. Speaker, I rise today to voice my support, my strong support for H.R. 4520, the American Jobs Creation Act of 2004, and encourage my colleagues to vote in favor of this important legislation.

There are over 40,000 tobacco farms in Kentucky alone. Tobacco farming is the primary source of livelihood of tens of thousands of Americans supporting local economies in nine U.S. States. Every tobacco dollar is said to turn over 6 to 7 times in its community.

Under current Federal policy, American farmers lose while farmers in countries like Brazil win. American tobacco farmers simply cannot respond to new market pressures and opportunities while beholden to an outdated government-controlled system.

With this bill, farmers can move beyond tobacco. By ending the quota system, economists anticipate as many as two-thirds of current tobacco farmers would exit the business without increasing taxes or the national debt.

Our obligation as Members of Congress is always to our constituents, not to special interest groups. Including a buy-out provision in H.R. 4520 provides long-awaited relief to American farmers, replacing lost jobs and revitalizing thousands of communities across the Nation who depend upon tobacco for their economic stability.

I commend the gentleman from California (Mr. THOMAS) for his leadership and vision on this issue, understanding the plight of American farmers and working with a bipartisan coalition to include this important provision in the Jobs Creation bill. I urge my colleagues to vote in favor of H.R. 4520.

Mr. RANGEL. Mr. Speaker, I yield 10 seconds to the gentleman from Maryland (Mr. HOYER), our distinguished whip.

Mr. HOYER. Mr. Speaker, there will be some Members who will speak on behalf of this bill, but I have not talked to one of them that thought this was a good bill. They think there are provisions in this bill, as the chairman said, that have not been considered for some time, and they are voting for that provision. Not one Member have I talked to on this side of the aisle or that thinks this is a good bill.

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Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. MANZULLO) from the other side of the aisle. He is just as much a Republican as I am a Democrat. One thing we have in common is that when we have a problem with the WTO we do not think it is a Republican or a Democratic issue, but we think in a bipartisan way we should work toward trying to resolve that. We have done that. It has been a pleasure working with him.

Mr. MANZULLO. Mr. Speaker, after 1999 all businesses, from normally large chapter C corporations to nontraditional corporations such as sub S partnerships, limited liability corporations and sole proprietorships, have had a tax break for the items that they export. This is the extraterritorial income exclusion, or ETI. The WTO held this tax break illegal because it gives a preferential tax break to exported items, even though Europe does the very same thing through its VAT tax, which is rebated at the border.

The present House bill replaces the ETI tax with a large tax cut for businesses that manufacture in the U.S., similar to what the other body did, except that in this House bill, only chapter C corporations get the tax cut because the House bill tax cut does not apply to other nonchapter C businesses, such as subchapter S, limited liability and sole proprietorships, normally the little guys.

The present House bill has the same problem as my bill did from early last year. That is why I admitted my mistake and abandoned the original Crane-Rangel-Manzullo bill because it, too, limited relief only to chapter C corporations. My district's 2,000 manufacturing businesses are little guys, mostly sub S like the rest of the Nation. I worked with the other body last summer to include the manufacturing benefit to everybody, which is what that body did. The House bill hurts businesses which are presently exporting and which are nonchapter C corporations by causing a tax increase.

SAS in North Carolina, 100 employees, manufactures software, exports a lot. Because it is a subchapter S business and not a chapter C corporation, SAS will have a massive tax increase. Excel Foundry and Machine in Pekin, Illinois, 100 employees, a third of its revenue coming from exports. They just added three engineers and put on an addition. Because they are a sub S and not a chapter C, their tax benefit will end, and they will have a tax increase. National Machinery of Tiffin, Ohio, the last U.S. manufacturer of cold forming machines, exports most of its product. Because they are an LLC and not a chapter C, they will have a massive tax increase. They make a machine that makes bullets.

There are tax cuts for small businesses and depending on how you total them, somewhere between $2.75 billion and $18 billion; and I want to thank everybody for those tax cuts. We appreciate the sub S reform and expensing extension for 2 years. However, the bill totals about $143 billion in gross tax cuts, meaning the large and multinational corporations get a benefit of about 93 percent of the entire bill.

The class warfare between large and small businesses was not asked for by the large companies. They want the smaller manufacturers to thrive because the little guys are the suppliers for the large companies. The supporters of the bill say the nonchapter C people got their tax break when personal income tax rates were reduced for everybody, but everybody knows it costs a lot more to run a small business. As chairman of the Committee on Small Business, I cannot discriminate against small businesses; and I hope the majority of the House will agree with that.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, now I guess I am a little bit baffled. The gentleman from Illinois, chairman of the Committee on Small Business, was an original cosponsor of H.R. 1769, the Rangel-Manzullo bill. That included a corporate rate cut and specifically limited it to C corps. It did not extend it to S corps and partnerships, and it did not have any of the 11 subchapter S provisions that we include. He is making an appeal for bullets, but he is not supporting bows and arrows.

Mr. Speaker, it is my pleasure to yield 1 minute to the gentleman from Tennessee (Mr. JENKINS).

Mr. JENKINS. I thank the gentleman for yielding me this time.

Mr. Speaker, I strongly support H.R. 4520 for many reasons. Number one, it protects American jobs. In addition, it brings some measure of relief to a segment of our economy that has been under assault for a long period of time. Lawsuits, actions and inactions of our government have put hardworking tobacco farm families in peril and threaten the economic well-being of rural communities in many States. This will help prevent an economic train wreck in those areas that have depended on this crop as a mainstay of their economy longer than we have been a Nation. In addition, it will help, in my honest opinion, to satisfy the mandate of the fifth amendment to our Constitution that no property will be taken without just compensation.

Finally, Mr. Speaker, it will address a great inequity that has existed since 1986. It restores the State sales tax exemption for Federal income tax. I urge my colleagues to support this legislation.

Mr. Speaker. I strongly support H.R. 4520 and I commend the chairman and the Committee on Ways and Means for bringing to the House this legislation to protect American jobs and to bring fairness to a segment of our agricultural economy and a section of our Tax Code.

Assessments totaling billions of dollars are being assessed against exported American goods by the World Trade Organization—threatening tens of thousands of American jobs—unless the Congress responds with remedial measures. This is the remedial action that will provide protection for those jobs for thousands of Americans.

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Finally, Mr. Speaker, it will address a great inequity that has existed since 1986. In that year the ability to claim as a deduction on our Federal income tax an amount that was paid in State sales tax was taken away. Many states rely on sales tax as their principle source of revenue and do not have a State income tax. State income tax is still a valid deduction on a Federal income tax return—but not State sales tax. H.R. 4520 restores sales tax as a deduction. If H.R. 4520 becomes the law of the land it will alleviate the existence of this inequity that many have never been able to understand.

I urge my colleagues to support this legislation.

Mr. RANGEL. Mr. Speaker, I yield 30 seconds to the gentleman from Illinois (Mr. MANZULLO), whom I would like to believe as the chairman of the Committee on Small Business knows more about small businesses than the chairman of the Committee on Ways and Means knows about tobacco.

Mr. MANZULLO. Mr. Speaker, I would like to respond to my colleague, the chairman of the Committee on Ways and Means. I am in favor of a tax cut for all manufacturing entities, from large corporations through to the sole proprietorships. The reason I abandoned my own bill, Manzullo-Rangel-Crane, is the fact that it limited relief only to the large corporations. Only. Only to the large corporations. I cannot support that. What we need is a bill as in the other body that has a manufacturing benefit for everybody who manufactures, not just the large ones.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 1 minute to the gentleman from Texas (Mr. SAM JOHNSON), a valuable member of the Committee on Ways and Means.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I rise today in strong support of this international tax bill. We worked for the better part of 3 years to get to this point. Everyone in here knows we need it. I want to congratulate Chairman THOMAS for leading us. The bill strikes the right tone in the repeal and replacement of FSC/ETI. This section of the bill was debated long and hard, and I am proud of the deal we have reached on this section. I am also glad to see long overdue international competitiveness reforms are still in this bill.

In addition, I want to mention my strong support for the return of the State sales tax deduction. Since 1986, the residents of seven States, including Texas, that rely upon sales taxes rather than income taxes have been unfairly denied this deduction. From every corner of my congressional district, my constituents are thrilled at the prospect of being given this tax deduction. We like to say no taxes in Texas.

I urge my colleagues to vote for this bill.

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I urge my colleagues to vote for this bill.

I want to urge caution however on the revenue raisers that are used to offset some of our tax cuts.

I find the revenue raisers in the House bill to have many flaws—large and small. I have been sharing my reservations with the Chairman and other committee members who are likely to be conferees.

My reservations about the House offsets, however, are magnified into grave concerns when I look at the Senate tax increases. In particular, I cannot accept retroactive tax increases and will not support a conference agreement that includes retroactive tax increases.

I am firmly in the camp of those who believe that tax cuts do not need to be offset with tax increases. This is simply money the Federal Government is not collecting that belongs to individuals or companies that have earned the money.

However, to the extent that we are forced to offset some off our tax cuts, I urge the Chairman and other conferees to pick through these offsets so that the "pay-for" is not worse policy than the items we are trying to fix.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Speaker, I certainly would like to thank the gentleman from New York (Mr. RANGEL) for all the hard work that he has put in on this legislation, and I would like to thank Lou Dobbs at CNN for his constant exposure of the practice of U.S. firms that are outsourcing jobs. These firms are simply exporting American jobs to Third World countries for cheap exploited labor. This bill is a prime example of what Lou Dobbs has been reporting about. This bill is a $140 billion tax boondoggle at a time when U.S. unemployment rates are still too high and at a time when this administration has created historic deficits.

This bill gives $35 billion of the $140 billion tax break that they have created to U.S. firms to invest in jobs overseas, not American jobs, not jobs in your city, not jobs in your hometown, not jobs in your county. The Republicans have become experts at outsourcing jobs. The Republican National Committee and George W. Bush even outsourced their fund-raising solicitation telephone calls to a firm that employs workers in India. This brazen, costly tax giveaway to corporations exporting jobs, 60 percent of whom pay no taxes, is an assault on hardworking Americans who are now collectively paying more taxes than rich corporations. Shame, shame, shame.

The Republicans refused to support targeted U.S. manufacturing credits. These so-called conservative Republicans, who are supposed to be fiscal conservatives, no longer care about the huge United States deficit. They have become the big spenders of the taxpayers' dollars, outsourcing the jobs to foreign countries for cheap labor. These are conservative Republicans piling up this deficit and giving away our American jobs. They no longer care about the joblessness of Americans in their own hometowns.

Shame, shame, shame.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 15 seconds to the gentleman from Ohio (Mr. PORTMAN) who understands the difference between spending and investing.

Mr. PORTMAN. Mr. Speaker, I thank the gentleman from California for putting together a good bill that actually does just the opposite of what my friend from California just talked about. It helps American businesses be able to compete in the global marketplace. That will create jobs in this country. And it enables our businesses to be able to compete in an increasingly competitive global marketplace. That is good for America.

I want to commend Chairman THOMAS for crafting a bill that will create jobs here in America. I am particularly pleased that the American Jobs Creation Act includes important and long-needed reforms to the rules under which U.S. businesses are taxed on their global operations. Those reforms are one of the key reasons I support this legislation.

They are a long time in coming, and I want to particularly thank Mr. HOUGHTON for his leadership and perseverance in this area. He has been a champion of tax simplification, and focused much of his attention on the complicated, archaic and outdated international tax rules. On a bipartisan basis, he initiated a comprehensive package of reforms that have been vetted and fine-tuned over a decade. I am pleased many of those provisions are in this bill. These are critical provisions that will determine whether or not our nation can compete in the global marketplace.

Some have tried to characterize the international tax reforms as provisions that would reward U.S. companies that move jobs offshore. The exact opposite is true. These reforms are critical to U.S. manufacturers that make products in the United States and sell those products in the global marketplace. To access global markets, U.S. exporters must compete directly with non-U.S. companies. The international tax reforms in the American Jobs Creation Act begin to level the playing field between U.S. companies and their foreign competitors. They are necessary to protect and grow U.S. manufacturing jobs in export industries. Ninety-six percent of the world's consumers are outside the United States. Without markets in which to sell their goods, U.S. companies cannot provide U.S. jobs to manufacture those goods. Companies with global operations provide over half of all U.S. manufacturing jobs. Suppliers who depend on those multinational companies to buy their products provide many more U.S. manufacturing jobs.

Mr. Speaker, I want to mention two specific reforms that are included in this bill. The first, dealing with interest allocation, would eliminate a fundamental distortion in the U.S. tax law that results in double taxation of U.S. taxpayers that have operations abroad. Currently, we tax corporations on their worldwide income, but allow a foreign tax credit against the U.S. tax on foreign-source income. The foreign tax credit limitation applies so that foreign tax credits may be used to offset only the U.S. tax on foreign-source income and not on U.S.-source income.

In order to determine the foreign tax credit that can be claimed, expenses must be allocated between U.S.-source income and foreign-source income. These allocation rules cause a disproportionate amount of U.S. interest expense to be allocated to foreign-source income—which in turns reduces the foreign tax credit. This double taxation makes it more difficult for U.S. companies to compete in the global marketplace.

Perhaps the most outrageous aspect is the fact that this double taxation makes it more costly to build factories in the United States. Only our own U.S. companies are facing this distortion. Foreign corporations making an investment in the United States do not suffer double taxation. That is a perverse result. H.R. 4520 would correct this.

Another key international reform is the reduction in the number of foreign tax credit limitation baskets. It is a matter of simplification, fairness and U.S. jobs. The current basket structure is a major source of complexity and inefficiency in the U.S. international tax rules. It requires a U.S. company to divide its business income earned outside the U.S. into at least two, and perhaps many more, baskets. Thus, every company with global operations must characterize and allocate each dollar of its business income—on an item-by-item basis—to one of the nine baskets. The company must then associate every item of expense incurred everywhere in the world to one of the nine baskets. The company must then go through the same exercise for every dollar of tax paid to any foreign government. That does not make sense. No other country in the world requires anything approaching this level of complexity.

Reducing the number of foreign tax credit limitation baskets is also a matter of fairness. Some U.S. global companies do not face the complications caused by the separate baskets simply because they do not engage in any financial services businesses or because they engage in those businesses exclusively. U.S. companies that do both should not be disadvantaged. Finally, it's a matter of U.S. jobs. For many companies, creating one active business basket will rescue the U.S. tax on exports. The export of U.S. manufactured property typically gives rise to foreign-source income that is not highly taxed. If credits attributable to other types of business income can be used to reduce that tax burden further, those exports will be more competitive in the global marketplace. That means more jobs here.

Mr. Speaker, our international tax system needs to be changed to reflect today's economy. It's time to simplify these taxes to make U.S. companies more competitive and to create more jobs here in America.

Mr. RANGEL. Mr. Speaker, it is my pleasure to yield 1 minute to the gentlewoman from California (Ms. PELOSI), the leader of the minority and a person that has been very sensitive to the necessity and the creation of jobs for all Americans.

Ms. PELOSI. Mr. Speaker, I thank the gentleman from New York for yielding me this time.

Mr. Speaker, today our country is at a crossroads, and this debate on the floor clearly defines the choice that we have to make. The gentleman from New York (Mr. RANGEL) at that crossroads offers us a path to expand opportunity in our country and to grow community. The gentleman from New York, as we make this important decision, knows that nothing less is at stake than our technological, industrial, and manufacturing base. The path that the gentleman from New York will take us down is one that will stop the hemorrhaging of U.S. jobs overseas. The gentleman from New York will strengthen our base. That is a decision we have to make. Are we going to strengthen that base, which is so essential to our national security, so essential to job creation in our country? Or are we going to abandon it? The gentleman from New York strengthens it. The Republican proposal abandons it.

But I have to give the Republicans credit. I really have to give them credit, because they are consistent. They are consistently the handmaidens of the special interests at the expense of the public interest and the public good. Every opportunity they get to bring legislation to the floor, we see the difference between the Democrats and the Republicans in that regard. That is most unfortunate. Because people across our country are suffering from job loss, from uncertainty in their lives, from their communities dissolving because businesses are leaving and what that means to America's families and America's communities. That is most unfortunate.

The gentleman from New York on the other hand again takes us to a place which strengthens community and strengthens and expands opportunity. We have to view what the Republicans are doing within the context of their reckless economic policies. Here they come to the floor abandoning the American worker at a time when the Republican reckless policies have produced the worst job loss since Herbert Hoover. No President of the United States since Herbert Hoover has lost jobs in office, but these Republican policies have produced those losses. It has to be viewed within the context of, again, that uncertainty in American life. How sad.

The gentleman from New York's proposal should be viewed in the context of a Democratic proposal to take the initiative on outsourcing, a proposal that says we must have innovation to create the jobs of the future, we must have education to produce the workforce of the future, and we must have job creation using the Tax Code that will reward businesses that stay here, create jobs here, and maintain jobs in the U.S.; and that is the distinct difference between what the Republicans are proposing and what the gentleman from New York is proposing today.

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Unfortunately, because the Republicans are once again afraid of ideas, they would not allow the gentleman from New York's (Mr. RANGEL) proposal to come to the floor. They would not allow a substitute to be brought to the floor so we could have a fair airing of these different visions of America, because they are two different visions of America.

Instead, the gentleman from New York (Mr. RANGEL) is confined to a motion to recommit, a parliamentary instrument that gives him only a few minutes to present his case. But his case is a clearly distinctly different one from the Republicans.

We are talking about two different visions of America. The gentleman from New York's (Mr. RANGEL) is about supporting American values, of expanding opportunity again through innovation, education, using the Tax Code for job creations, rewarding those who keep jobs here in the U.S. It recognizes the reality of the global economy and wants to make the U.S. manufacturers the most competitive in the world with the most productive workers, the U.S. workers, in the world.

So I thank the gentleman from New York (Mr. RANGEL) for his sense of responsibility to the American worker, to the American economy, for his sense of responsibility that we all have to make the future better and not have an erosion of jobs in our country but of an enhancing of opportunity. And I thank him for what he is doing as far as a sense of communities is concerned because that is a strong American value that is being seriously undermined by again the erosion of our manufacturing base and what that does to communities across the country.

So I urge my colleagues as they stand at this crossroad to choose the gentleman from New York's (Mr. RANGEL) vision of America. They can do so by supporting his motion to recommit. They can do so by rejecting the Republicans' ill-conceived legislation and voting "no" on final passage.

Mr. THOMAS. Mr. Speaker, I request respectively that I have the same 1 minute to be able to yield to the gentleman from Florida, a member of the committee.

The SPEAKER pro tempore (Mr. LATOURETTE). With all due respect, the Chair has historically granted the courtesy to the Speaker, the majority leader, and the minority leader to conclude their observations, and the Chair provided the same courtesy to the minority leader.

Mr. THOMAS. Mr. Speaker, I understand 1 minute was yielded, and I just respectfully ask for 1 minute to the gentleman from Florida as was done on the other side. That is all.

The SPEAKER pro tempore. The Chair will recognize the gentleman from Florida (Mr. FOLEY) for 1 minute.

Mr. FOLEY. Mr. Speaker, I never thought I would see the day on this House floor that Democrats would criticize and belittle American workers making tackle boxes and bows and arrows, hard-working citizens. They may not be as elegant as George Soros or as wealthy, but they work hard.

The very simple issue is a tackle box made in America has an excise tax; a tackle box sent from China does not. So I guess their inference is keep jobs in China, do not worry about us.

I never thought I would see the day when the Democrats would criticize a corporation like Tyco that has thousands of American workers, hard-working citizens in our community and they criticize them and call them unpatriotic, but they get up on the floor and start worrying about protecting people that owe the taxpayers money. They are afraid of collecting taxes that are due the United States Treasury. This is a perverse sense of arguments that really is almost laughable.

We have got great provisions in this bill. We have got important provisions in this bill. We have got things that will make the economy work, leasehold improvements, faster, accelerated depreciation. So they can crow all they want about this, but it is a jobs bill.

It is a fair bill, and we urge its adoption.

Mr. RANGEL. Mr. Speaker, I ask how much time is remaining?

The SPEAKER pro tempore. The gentleman from New York (Mr. RANGEL) has 2 minutes, and the gentleman from California (Mr. THOMAS) has 3¼ minutes.

Mr. RANGEL. Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS. Mr. Speaker, I yield 30 seconds to the gentlewoman from Guam (Ms. BORDALLO) for a colloquy.

Ms. BORDALLO. Mr. Speaker, I thank the chairman for yielding me this time.

The Senate has included a provision in their version of this legislation that uses an offset derived from closing a loophole in residency requirements for filing taxes in the U.S. Territories to fund Green Bonds.

Given that this issue has been addressed by the House in other legislation, I hope that the House will take the position that this offset should be used instead to help the U.S. Territories with the unfunded federal mandate of the earned income credit, and I hope he can help us with this provision.

Mr. THOMAS. Mr. Speaker, will the gentlewoman yield?

Ms. BORDALLO. I yield to the gentleman from California.

Mr. THOMAS. Mr. Speaker, I tell the gentlewoman, a Delegate from Guam, and the gentlewoman from the Virgin Islands I would be pleased to work with them in conference to try to solve this problem for the Territories.

Ms. BORDALLO. Mr. Speaker, I thank the gentleman for his response.

Mr. THOMAS. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. RYAN), a very valued member of the committee.

Mr. RYAN of Wisconsin. Mr. Speaker, let us look at what this bill is all about. What we do when our companies go overseas to compete, to sell goods and services, to create jobs here at home and sell overseas, they pay two taxes. Our foreign competitor countries pay one tax. When an American company sells a good and service overseas, they pay the U.S. tax and the foreign country tax at the same time. When our foreign competitors compete against us, they pay one tax. We are double taxing American jobs and American operations overseas.

So in replacing this current tax policy we have which goes to ½ of 1 percent of American manufacturers, we are giving a tax rate reduction for all American manufacturing corporations on what they produce in America, and we are removing this double tax so when we operate overseas by selling goods and services overseas to create jobs here at home, we are not tying one hand behind our backs.

We are pushing jobs overseas with the American Tax Code we have today, and this bill corrects that problem. This protects jobs, and this is a good bill that has to pass because we have to get rid of these tariffs. I urge adoption of this legislation.

Mr. THOMAS. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. BRADY), who has been a champion for something that is extremely important to his constituency.

Mr. BRADY of Texas. Mr. Speaker, I rise in strong support of this measure. My older brother is a computer salesman in Houston, Texas, and when he and his American colleagues try to sell their American products overseas, they find they have an anchor around their neck. It is the American Tax Code. It is so outdated that it really costs us American jobs and American workers.

This bill changes that. It gives us a chance to compete overseas, and we help local manufacturers build and local farmers grow and local companies sell by lowering their tax rates so they can hire new workers, so they can buy new equipment, so they can compete wherever they choose to be sell.

This provision also includes a sales tax deductibility to help families afford clothes and cars and tires, and all that adds up over the years. It allows taxpayers in each State to choose the highest of their State income or their State sales tax. It is a direct economic boost to families to help them afford it. It is very important to States like Texas, which will capture almost, I think, $1 billion for families through this, and it provides a measure of fairness.

We are pushing for permanency. That will come. But this is a major victory for sales tax States.

The SPEAKER pro tempore. The Chair would advise the gentleman from California (Mr. THOMAS) has 3¼ minutes remaining, and the gentleman from New York (Mr. RANGEL) has 2 minutes.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

It is abundantly clear that the majority will succeed in passing this bill not because the bill is good but because they have succeeded in reaching out to other people and giving them gifts to be putting on the tree under this Christmas tree bill. In other words, we call it buying votes.

But I would ask the seller to beware and the buyer to beware because when some of these gifts are opened, they will find the boxes empty. Our beleaguered tobacco farmers will find that there will be a sign there: We do not have the money we promised, go to Appropriations; we do not have the regulations, go to Commerce; we do not have the jurisdiction, go to Agriculture. They will find that when they take a look at this bill and they are looking for jobs, there is going to be a sign there: Take a flight overseas. That is where the jobs are going to be.

So I am suggesting that even though they may be successful in winning this, they are not winning the minds and the hearts of the American people, who know that they have denied the minority an opportunity to say that we have a better idea in order to do these things.

Mr. Speaker, I yield 30 seconds to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Speaker, I thank the gentleman for yielding me this time.

I include my statement in the RECORD, especially in opposition to the giveaway of taxpayers' dollars, the money that is going to go to those who hold quotas for big tobacco.

I am here today to express my strong opposition to a $9.6 billion dollar taxpayer-funded tobacco bailout that has been slipped into unrelated legislation at the 11th hour. This proposal undermines public health, fleeces taxpayers, and embarrasses Congress.

We have learned today that Americans reject this bailout by an eight to one margin. It is no surprise why. The bailout is a massive giveaway to Big Tobacco. The quota program keeps prices of tobacco leaf high. By ending the program, the legislation would cause the price to collapse. The result would be windfall profits for cigarette manufacturers. An Agriculture Department economist has estimated that Big Tobacco would pocket $15 billion dollars in profit over 14 years. This profit could then be used to lower prices and addict more children.

The public health impact of this proposal is reason enough to reject it. But there's more. The proposal is also a shameless raid on the Federal treasury. It is a no-stings-attached $9.6 billion dollar cash transfer from taxpayers to tobacco growers. There is not even a guarantee that anyone will stop growing tobacco.

Other farmers do not get this kind of treatment. Nor do factory workers, service employees, or anyone else that I know. It does not make any sense for the taxpayer to write checks to tobacco growers and not expect anything in return. Even newspapers in tobacco-growing regions have objected to this proposal.

An idea this bad and unpopular could never pass the House in an honest, up-or-down vote. That's why the Republican leadership has refused to permit a vote on the bailout.

Taxpayers deserve not to be fleeced. And parents need our help keeping their kids from becoming addicted to tobacco. But we are doing just the opposite by passing a massive giveaway to Big Tobacco. All we are asking is for the Republican leadership to schedule a vote on this proposal and let democracy take its course.

Mr. RANGEL. Mr. Speaker, I yield myself the balance of my time.

I am suggesting if this bill was as good as some of you are saying that it is, you would not have to come on this side of the aisle and offer promises that you know you cannot fulfill in conference and you know you cannot fulfill because you do not have jurisdiction. There will come a time that we are going to say when you call it a jobs bill, at least it should mean jobs for United States citizens and not jobs for foreigners.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Perhaps the gentleman is not aware that the gentleman from Virginia (Mr. GOODLATTE), chairman of the Committee on Agriculture, and the chairman of the Committee on Ways and Means have exchanged letters on questions of jurisdiction as is often done. Also, I guess the gentleman is expressing clearly the current attitude of the minority, and, sadly, it is different than it used to be. What happened to the can-do attitude that Americans always exhibit?

It seems to me after 20 years, somebody ought to get 1 day to take a look at the fact that when he was in the majority, if one were in a State that had a sales tax and they rented, they got nothing. After 65 years people want an end of subsidy. Why not? Why not allow U.S. aero manufacturers to be treated the same as foreigners? If someone has new technology, why not, not punish them with a different tax system?

Mr. Speaker, I will place in the RECORD the Statement of Administration Policy which says "The administration urges the House to pass H.R. 4520 promptly." And I would urge the House to do the same.

STATEMENT OF ADMINISTRATION POLICY

H.R. 4520—AMERICAN JOBS CREATION ACT OF 2004

The Administration supports foreign sales corporation/extraterritorials income (FSC/ETI) legislation that reforms the tax code, removes the underlying reason for the tariffs that have been imposed on American exports by the European Union (EU), and further advances the competitiveness of American manufacturers and other job creators.

The Administration urges the House to pass H.R. 4520 promptly. If Congress does not act to replace the current FSC/ETI provisions in the tax code, then the tariffs that were imposed by the EU on March 1st will inflict an increasing burden on American exporters, American workers, and the overall economy. To support the continued strengthening of our economy and to create more jobs, Congress should act now to end the threat posed by these tariffs and to promote the competitiveness of American manufacturers and other job-creating sectors of the U.S. economy. The Administration looks forward to working with the conferees on this legislation to move it toward budget neutrality, and to enacting legislation that removes the threat of escalating EU sanctions and encourages economic growth and job creation at home.

Mr. STARK. Mr. Speaker, I rise today in strident opposition to H.R. 4520 the so-called "Jobs Creation Act." This bill is a sham and a disgrace—and everybody knows it. Repealing the extraterritorial income (ETI) regime is absolutely necessary to avoid retaliatory duties imposed by the European Union, but replacing that regime with unnecessary corporate tax cuts, and including extraneous provisions that have no business in a corporate tax bill, is ludicrous.

We have known for years that tax systems benefiting exports are clearly prohibited under our international trade agreements. Now we are faced with growing duties on certain exports, which hurt manufacturers and put American jobs in jeopardy. A bill to put the United States in compliance with World Trade Organization trade laws has been turned into a Christmas tree of special interest give-aways. By reducing from nine to two the number of foreign tax credit baskets, foreign controlled subsidiaries of U.S. corporations will have new tax shelters including domestic companies to move even more jobs overseas. During this jobless economic recovery, we cannot afford to give corporations even more incentive to ship jobs offshore. I'm appalled that such a bill would even be considered on the House floor.

The Republicans have always claimed to be fiscally responsible, but this bill is one of the most fiscally irresponsible pieces of legislation I have ever seen. According to a February GAO report, on average, 61 percent of all U.S. controlled corporations reported no tax liability between 1996 and 2000. When nearly two-thirds of U.S. corporations already have no tax liability, it is preposterous that we would reduce the top corporate tax rate from 35 to 32 percent at an estimated cost of over $63 billion over the next ten years. It would only cost $50 billion to make corporations whole after the loss of the ETI exclusion, but the Republicans are reducing corporate tax revenue by another $29 billion with these new rate reductions.

Fiscal irresponsibility surrounding the ETI exclusion is reason enough to vote against this bill, but H.R. 4520 goes even further, adding a total of $34 billion to the national debt through a litany of unnecessary tax breaks. For example, the bill would allow foreign controlled corporations to move income back to the U.S. with a one time 85 percent deduction for that foreign income. This provision would cost more than $3 billion over ten years, and rewards corporations who have moved jobs overseas in the past. In addition, the reduction of foreign tax credit baskets from nine to two categories will decrease revenue by almost $8 billion during the next 10 years. These provisions and many others mortgage the future of our economy and create an enormous tax burden for our children and grandchildren.

Even if the American Jobs Creation Act merely repealed the ETI exclusion and replaced it with fair tax breaks for domestic production, I could not support this bill. Why? Because it contains so many blatant and shameful provisions that have no business being in a tax bill! The Republican leadership refused to write a bill that could garner bipartisan support, so they tossed in these provisions to buy members votes. This is not democracy. This is a Republican House bowing to the power of corporate America and doing whatever it takes to get this ridiculous piece of legislation passed.

The most egregious portion of this legislation is a dangerous buyout for the tobacco industry that would cost $9.6 billion dollars, most of which would line the pockets of large tobacco manufacturers like Phillip Morris. The tobacco buyout is nothing more than an election year bribe to enlist southern Democrats' votes on a bill they would otherwise be unlikely to support. Just recently the Surgeon General released a report saying that tobacco causes diseases in "nearly every organ of the body." Instead of using this opportunity to allow the FDA to regulate tobacco, Republicans are giving a huge windfall to the tobacco industry while doing nothing to reduce tobacco production and improve public health.

Finally, the Republicans have thwarted the democratic process by refusing to allow the Democrats an amendment in the nature of a substitute for this bill. Are the Republicans afraid that the bipartisan approach that passed with flying colors in the Senate might actually have enough votes to pass in the House? My friend and colleague Mr. RANGEL has been working on a bipartisan approach to solving the FSC/ETI problem for years. But we won't have the opportunity to vote on that proposal today because the Republicans don't want anyone to compare our fair and responsible alternative to their unfair, irresponsible corporate tax break grab bag.

The so-called American Jobs Creation Act does not create jobs. Instead, it creates new incentives for U.S. corporations to send jobs overseas. The fiscal irresponsibility of adding another $34 billion to the national debt over the next 10 years while the economy is trying to recover from recession is inconceivable to me. Finally, the extraneous provisions in this bill are mere gifts to Republican friends. This bill is a disaster for the American people and our tax code. Republicans should be hanging their heads in shame—but Republicans have no shame, as this bill clearly shows. I strongly urge all my colleagues to vote against H.R. 4520.

Mr. HOLT. Mr. Speaker, today I rise to express my disappointment that the American Jobs Creation Act (H.R. 4520) includes a provision that grants the tobacco industry a $10 billion buyout but does not grant the Food and Drug Administration the authority to regulate tobacco products.

The consequences of tobacco use are disturbing. Smoking-related illnesses claim an estimated 430,700 American lives each year. Smoking costs the United States approximately $92.2 billion annually in health-care costs and lost productivity. It is directly responsible for 87 percent of lung cancer cases and causes most cases of emphysema and chronic bronchitis. Spit tobacco and other smokeless tobacco are not safe alternatives. They can lead to tooth decay and loss, gum disease and oral cancer.

Dispite the enormous risks to tobacco—which is the most deadly of all consumer products—the Federal agency that is most responsible for protecting the public health is powerless to effectively regulate this product. In 2000, the Supreme Court explicitly ruled that the FDA does not have the authority to regulate tobacco products and that it is the responsibility of Congress to provide the USDA with this authority. Congress cannot wait any longer to act on this matter.

Many of my colleagues have fought hard to reach a compromise that will give the proper authority to the FDA to regulate tobacco products without needlessly impeding on the tobacco industry's right to produce and sell its product. Unfortunately, the legislation we are considering today squanders an opportunity to couple a tobacco buyout measure with improving public health. Even more disheartening than this missed opportunity is the sad reality that a bargaining tool has been removed from the table and our ability to pass legislation providing the FDA with the regulatory authority it needs has been jeopardized.

I urge my colleagues to vote against this bill and to pass legislation that will allow the FDA to carry out its mission to ensure the safety of products consumed by the public.

Mr. UDALL of Colorado. Mr. Speaker, Congress definitely needs to respond to the retaliatory tariffs imposed on American exports because of the World Trade Organization's rulings addressed by this bill.

But, we do not need to pass the bill as it stands—in fact, we shouldn't.

The bill is unbalanced and excessive. It includes provisions that could provide new incentives for American companies to move overseas. I am concerned that it could allow companies to simultaneously outsource much of the work needed to make a product and at the same time benefit from a tax break for "domestic production."

The bill is unduly tilted toward large companies rather than the small businesses that are the source of most jobs in our country. It also includes billions of dollars worth of new narrow special-interest tax breaks, as well as other provisions that supposedly will raise revenue to offset the corporate tax incentives. Those offsets include provisions for outsourcing IRS debt collection, which I think is a bad idea, and creating additional paperwork for charitable contributions.

Of course, the bill also includes desirable provisions. If they stood alone, or were part of a bill that otherwise was acceptable, I would be happy to vote for the legislation. And I did support the motion to recommit, which would have greatly improved the bill.

If the motion to recommit had been adopted, the result would have been to provide an incentive to manufacturers to keep jobs in the United States by reducing corporate tax rates for domestic production by 3.5 percent.

The motion to recommit also would have removed the provisions that provide incentives to move jobs overseas and the targeted special interest provisions. It would have provided better treatment for small businesses, farming cooperatives, and domestic manufacturers.

At the same time, the motion to recommit would have retained such desirable provisions as those extending small business expensing, the research and development tax credit, and renewable energy credits as well as the same temporary foreign income repatriation provisions as those in the Senate-passed version of this legislation.

Unfortunately, the motion to recommit was not successful, and so I cannot support this bill in its present form.

I expect that a conference committee will be appointed to resolve differences between this bill and corresponding legislation passed by the Senate. I hope that this will result in a revised and improved version that deserves enactment.

Mr. BALDWIN. Mr. Speaker, many months ago, Congress was tasked with replacing a $5 billion-a-year export subsidy for domestic manufacturers that was deemed illegal by the World Trade Organization. At the time, I believed this would be a golden opportunity for Congress to not only replace the subsidy, but also craft a bill that would provide incentives to domestic manufacturers in order to create more jobs and get America back to work. The bill on the floor today, H.R. 4520, is sad evidence that Congress has squandered this opportunity by letting the needs of special interests and lobbyists come before the needs of American families.

Like the rest of America, my home State of Wisconsin has been hit hard by the loss of good paying manufacturing jobs over the last few years. Many of those workers who have found new jobs are typically working longer hours, working for less pay, working for fewer benefits, and working harder than ever to keep their families' budgets afloat. There are thousands of other Wisconsinites who have yet to find a job. By passing H.R. 4520 today, Congress will essentially turn its back on those who are struggling to maintain or find a job.

The so-called American Jobs Creation Act is a 930-page bill that reads like a horror story to me. Simply replacing the export subsidy would have cost $50 billion over 10 years. Instead, House Republicans have brought to the floor a bill, riddled with special-interest provisions and favors, that costs $150 billion over 10 years. Instead of creating jobs, it creates tax cuts for cruise-ship operators, foreign dog-race gamblers, NASCAR track owners, whaling tribes, bow-and-arrow makers, Chinese ceiling fan manufacturers, Oldsmobile dealers, and beer and liquor wholesalers.

It is clear to me that our nation's economy is changing—and not for the better. As you may know, 2.7 million manufacturing jobs have been lost since the beginning of the Bush Administration. Many on the other side of this issue say that the outsourcing of information technology and service industry jobs to other countries like China and India is healthy for our economy even though it is estimated that 3.4 million service industry jobs alone will move offshore by 2015. This is outrageous. Instead of confronting and fixing these serious economic challenges, H.R. 4520 makes them worse.

For example, H.R. 4250 provides Republican plan includes at least $30 billion in additional tax incentives for companies to move overseas. Specifically, it includes a large loophole that allows corporations to outsource almost all of the work needed to make a product and still reap most of the benefits from a tax break for "domestic production." For example, if Microsoft hires foreign computer programmers to produce parts of its software because of lower wage rates overseas, it will receive a rate reduction for the cost savings so long as the final computer program is assembled in the U.S. I find it reprehensible that Republicans would bring a bill to the floor that discourages companies from keeping jobs where they belong—right here in the United States.

As I mentioned earlier, I believe that we need to give American companies the incentives they need to expand their businesses and create more good paying jobs. Unfortunately, tax breaks in H.R. 4250 unfairly discriminate against smaller companies even though these small firms create 75 percent of all new U.S. jobs every year. In fact, 82 percent of all profitable corporations will receive no tax benefit from this bill because they do not have incomes large enough to benefit from reducing the corporate tax rate to 32 from 35 percent. The rate reduction is essentially the core of this bill and I believe it makes no sense that subchapter S corporations, partnerships, farms, and other proprietorships engaged in manufacturing activities will receive no benefit from this reduction even though they are vital to the health of our nation's economy.

I am supporting an alternative bill, H.R. 1769, which was authored by Representative CHARLES RANGEL (D–NY). The bill provides tax incentives for companies to manufacture their products in America and provides no incentives for businesses to move offshore or utilize tax havens. It would also extend tax incentives and tax relief to small firms and farms—not just large corporations. Above any other reason, I support H.R. 1769 rather than the bill on the floor today because it puts our nation's best economic interests before special interests.

In conclusion, the number of gifts and favors in this bill makes it clear that Christmas has indeed come early for many lobbyists in Washington, DC. They have succeeded in taking a bill that could have created thousands of jobs in the U.S. and converting it into a bill that no Member of Congress—and no American worker—should be proud of. I urge the House to reject the American Jobs Creation Act of 2004 and bring to the floor a bill that truly creates American jobs now and well into the future.

Mr. BLUMENAUER. Mr. Speaker, there is no more fitting counterpoint to the Reagan legacy than what we are seeing here today. Ronald Reagan was President during one of Congress's most significant tax accomplishments—The Tax Reform Act of 1986. It truly was tax reform. It made the tax system more fair, less complicated, and reduced governmental distortion of fundamental economic decisions by reducing categories of taxation. There was at least some nod towards maintaining a balance between resources and requirements.

Today's bill, H.R. 4520, is the antithesis of reform, making the tax code more complex while ignoring fiscal realities. Some provisions are just downright cynical. The Republican leadership was forced to withdraw an invitation for churches to break the law and to violate the fundamental principle of separation of church and State three times every election year.

This bill represents a troubling breakdown of the legislative process, illustrating how far the Ways and Means Committee has fallen from its previous reputation for bipartisanship and cooperation in crafting tax policy. This measure is a political grab-bag for lobbyists. Good legislation has been taken hostage by adding on provisions to "buy" votes for passage. We will then roll the political dice and let the chips fall where they may.

At a time of exploding deficits, when there's a battle over adequately funding our Nation's infrastructure which would put tens of thousands of people to work everyday, we're spending at least $34 billion, but realistically up to $180 billion over the next 11 years, if supposedly temporary provisions are extended.

The saddest aspect of this legislation is not a lack of fiscal responsibility or an abnegation of sound tax policy. This bill signals a surrender; not just by the leadership, but by Members of Congress, in the struggle to be meaningful, responsible policy makers. This cannot be foisted off on the inability of one committee chairman to manage the committee inconsistent with its historic role and achievements. It's not merely his failure. It's not just the failure of the majority leadership to be able to have the committee function and have a set of comprehensive objectives that meet the needs of the country. A vote of support on H.R. 4520 is our failure as a Congress.

Mr. MATSUI. Mr. Speaker, I rise today in strong opposition to H.R. 4520. Let me be clear—I support enacting legislation that would bring the United States into compliance with its WTO obligations and lead to the removal of the millions of dollars in sanctions that are hurting farmers and business across America. However, I cannot support a bill that provides over $250 million in corporate tax cuts over 10 years—during a time when our nation is experiencing record deficits.

Mr. Speaker, this year, the United States is expected to incur record deficits of over $450 billion. Over the next 10 years, the nation's debt is expected to grow by more than $2.5 trillion! If there ever was a time when Congress should be promoting fiscal responsibility—now is that time.

Mr. Speaker, the bill before us today would add hundreds of billions of dollars to our nation's deficit over the next ten years. The official cost of this bill is $34 billion. However, this estimate severely underestimates the true, long-term cost of the bill. The legislation includes numerous budget gimmicks—such as phasing in some of the major tax cuts and scheduling other tax cuts to expire after only a few years. In fact, when these budget gimmicks are removed, the true long-term cost of the bill is more than $250 billion!

Mr. Speaker, it is important to consider what the American people are getting for a bill that would add hundreds of billions of dollars to our nation's deficit. Unfortunately, rather than addressing critical national priorities—such as protecting Social Security and Medicare, providing incentives for the creation of U.S. jobs, or promoting affordable and accessible health care—this bill would provide billions of dollars in tax cuts to special interests and corporations.

Mr. Speaker, almost two-thirds of America's corporations paid no federal taxes from 1996 to 2000, according to a study by the General Accounting Office. Given these figures, I cannot understand why we would not take the money raised by repealing our WTO-inconsistent tax provisions and use these funds to address America's critical priorities—such as paying down the national debt to protect Social Security and Medicare, promoting U.S. jobs, or providing for affordable and accessible health care.

Mr. Speaker, we are a nation at war. We have deficits so large that international organizations like the IMF are warning that the continuation of our fiscal policies threaten to hurt not just the U.S. economy, but the global economy. This is no time to be giving special interests and corporations hundreds of billions in tax cuts. Mr. Speaker, the legislation under consideration today is a stark reflection of the differences in priorities and values that many of us have with the current tax and economic agenda of the majority. I strongly encourage my colleagues to vote "no" on this bill.

Mr. SANDLIN. Mr. Speaker, I rise today to claim a victory for Texans, but I remain uncertain that this bill is a victory for Americans or American jobs.

For Texans, I am pleased that after a great many months of work and much discussion, this legislation finally returns some fairness to our nation's tax code that had been missing for almost twenty years. Since 1986, some 54 million American taxpayers—almost 20% of our nation's population—have been denied the ability to deduct the state tax burden they bear from their income solely because the seven states where they live rely only on a retail sales tax to meet their needs.

Mr. Speaker, as a consequence of the reinstatement of the deductibility of sales tax provided in this bill, the taxpayers in my home state of Texas will save almost a billion dollars from their federal income tax burden in this year alone. That works out to around $300 in federal tax savings for every family in Texas, and, Mr. Speaker, that's a good thing. This bill is not.

While I am pleased that this legislation provides 22 million Texans with the ability to deduct their state tax burden from their income, I am disappointed that Chairman THOMAS's provision only allows Texans this benefit for two years. In the Ways and Means Committee on Monday, in the Rules Committee this morning, and in discussions over the past several weeks, I have insisted that Texans and the 42 million other Americans who live in states with a retail sales tax and without a state income tax deserve better than temporary equality. I have insisted that the deductibility of sales tax payments be made permanent.

If the deductibility of sales tax was good tax policy before 1986 and it is good tax policy for the next two years, then it appears clear to me that the ability to deduct sales tax payments is good tax policy on a permanent basis. The citizens of Florida, Nevada, South Dakota, Washington, Wyoming, and Texas have for too long borne a disproportionate share of the federal tax burden. That is not fair. That is not American.

While I wish that the deduction had been made permanent and made more generous, I am pleased that this bill at least rectifies an obvious inequity and reinstates the deductibility of sales tax payments, however temporarily.

However, Mr. Speaker, the good news for Texans is tempered by what is a terribly flawed bill. A wise man once said, "There are two things you never want to see made: legislation and sausage." After witnessing the development of this bill for the past two years, I am convinced that he was right.

Mr. Speaker, the legislation before us today takes a $40 million problem and purports to solve it with $150 billion. In doing so, it passes on at least $34 billion in debt to the American people—to our children and grandchildren. I say that it adds "at least" $34 billion, because the bill is riddled with budget gimmicks such as delayed provisions and sunsets that obscure the true effect of this bill on the national debt. It is estimated that without these gimmicks the true cost of this bill could be as much as $300 billion over ten years—that comes out to $1,000 in corporate tax breaks for every man, woman and child in this country.

As a Blue Dog, Mr. Speaker, the continuing glut of deficit spending that we have witnessed in the past few years is of great concern to me and to my constituents. Potentially adding $300 billion to the national debt to solve a $40 billion problem—a problem that the Senate has proven can be solved without adding a penny to the debt—is a tragic breach of faith with the people who sent us to this House, whose best interests we are supposed to be representing. Adding $1,000 to the "debt tax" owed by every man, woman and child is simply bad tax policy, not to mention bad financial policy for the generations to come who will have to pay for this bill.

Mr. Speaker, this bill has some good provisions. Texans and others need to be treated fairly under our tax code; they need the ability to deduct their state tax burden, just as other Americans have the last 18 years. This bill allows that, and that's a good thing. Mr. Speaker, our nation's corporations thrive on their capacity to innovate. Innovation is driven by their ability to invest in research and development, and this bill extends the very important R&D tax credit that drives the innovation that makes America's corporations the envy of the world. That's a good thing.

Mr. Speaker, this bill fixes the problem for which U.S. companies are being subjected to international trade sanctions. That repair will take a significant burden off the backs of our nation's exporters and once again enable them to compete effectively around the world. Finally, Mr. Speaker, the bill reduces the tax rate for American manufacturers, which frees up necessary capital to continue to build their business and keep American business on its best game. These are good things, to.

However, Mr. Speaker, while those provisions may be good for American business, for American taxpayers, and for American workers, the vast majority of the 450-page bill is so larded with special interest corporate giveaways, that it gives the term "pork barrel" a bad name. I for one have never been whaling, but I am no sure why native Alaskan subsistence whalers need a tax break. But of one thing I am absolutely certain, my children and grandchildren should not have to pay for it.

Mr. PAUL. Mr. Speaker, I will vote for H.R. 4520 today because the tax cuts contained in the bill outweigh the unfortunate but inevitable subsidies also included. I promise my constituents that I will vote for all tax cuts and against all new spending. So when faced with a bill that contains both, my decision is based on whether the bill cuts taxes overall, i.e. whether its ultimate impact will be to reduce or increase federal revenues. This legislation does reduce revenues, and therefore takes a small step towards reducing the size of the federal government. So while I certainly object to some parts of the bill, especially the tobacco bailout, I do support tax cuts.

My biggest concern with the bill, however, is not based on its contents. I object to the process underlying the bill and the political reason for which it was written. This bill is on the floor for one reason and one reason only: the World Trade Organization demanded that we change our domestic tax law. Since America first joined the WTO in 1994, Europe has objected to how we tax American companies on their overseas earnings. The EU took its dispute to the WTO grievance board, which voted in favor of the Europeans. After all, it's not fair for high-tax Europe to compete with relatively low tax America; the only solution is to force the U.S. to tax its companies more. The WTO ruling was clear: Congress must change American tax rules to comply with "international law."

Sadly, Congress chose to comply. We scrambled to change our corporate tax laws in 2001, but failed to appease the Europeans. They again complained to the WTO, which again sided with the EU. So we're back to the drawing board, working overtime to change our domestic laws to satisfy the WTO and the Europeans.

This outrageous affront to our national sovereignty was of course predictable when we joined the WTO. During congressional debates we were assured that entry into the organization posed no threat whatsoever to our sovereignty. But this was nonsense. A Congressional Research Service report was quite clear about the consequences of our membership: "As a member of the WTO, the United States does commit to act in accordance with the rules of the multi-lateral body. It is legally obligated to insure that national laws do not conflict with WTO rules." With the Europeans and the WTO now telling us our laws are illegal and must be changed, it's hard to imagine a more blatant loss of American sovereignty.

The bill does cut taxes overall, and for that reason I will vote in favor of it. Any legislation that results in less money being sent to the black hole that is the federal Treasury is worth supporting. I especially support the provision that allows Texans (and citizens of other states that do not have an income tax) to deduct state sales taxes, and will vote yes accordingly.

Mr. CAMP. Mr. Speaker, I rise today in strong support of H.R. 4520, the American Jobs Creation Act.

Mr. Speaker, the bill before us today is about creating American jobs and making U.S. manufacturers more competitive in the world marketplace. To accomplish these core objectives we need to pass legislation that reduces the high tax rate U.S. manufacturers are forced to pay. Many would be surprised to learn that the U.S. has the second highest corporate tax burden at 40 percent, of any developed nation, just two percentage points below Japan. While the Republican Congress has done much to lower individual tax rates, it is also important to pass legislation that helps American employers better compete with Irish companies that have a 12.5 percent tax rate, Korean businesses that have a 29.7 percent rate, and British companies that incur a 30 percent tax rate. Although the United States leads the world in terms of productivity and efficiency, we need to begin to erase the serious disadvantages our tax code places on our companies.

By passing this bill today, we will be on our way to stopping another tariff increase imposed by the European Union on U.S. exports. On June 1, the EU increased the retaliatory tariff another percentage point to eight percent on American goods. If Congress fails to address this issue, the EU will continue to tack on another tariff each month until we act. Tariffs on American exports could go as high as 17 percent. Every one of our districts will feel the effects of the EU's actions. Products on the wide-ranging EU sanctions list range from agriculture, iron and steel, timber, textiles, to machinery. Imagine a 17 percent tax on U.S. exports! This would amount to a $4 billion bill that the American people would ultimately pay every time they went to the grocery store or mall.

If we do nothing and let the tariffs grow to the full 17 percent, American companies will not be able to hire new workers, expand operations, make new investments, and remain viable in the marketplace. The bill before us today will make the needed adjustments to our international tax laws plus give our U.S. manufacturers overdue tax relief, and lift the onerous tariffs on American products.

I urge my colleagues to vote for this critically important jobs bill. If you want to help the U.S. manufacturing sector grow and our economy to continue to expand, vote for this bill. By doing nothing, we risk crippling our robust new economy and endanger American job creation.

Mr. HOLT. Mr. Speaker, I rise in opposition to this tax bill which is full of giveaways to special interests. I wanted to support this bill. I support an across-the-board corporate rate reduction for income from U.S. manufacturing activities so that more manufacturing jobs can be created here in the United States. I am also a strong supporter of the R&D tax credit because it is an investment in the future and will keep our economy strong over the longterm.

However, this bill is full of items that have nothing to do with job creation or long-term investment in research.

This bill is a tax break for special interests. Do we really need a special tax loophole for manufactures of fishing tackle boxes? Or a tax break to benefit makers of sonar devices used for fishing. As an outdoorsman, I support fishing but we don't need a tax break to do it.

Many of my constituents enjoy target shooting with bow and arrows but do the makers of bow and arrows really need the tax break that this bill provides?

Further, the bill continues the Republicans' attack on the environment. In this bill is a tax break for whaling and a tax break to benefit landowners who sell timber from their property.

Also in this bill is a provision that isn't even tax policy, that is the tobacco "buyout". I can understand helping small tobacco farmers, however this bill only helps big tobacco corporations. The provisions of this bill will line their pockets with billions of dollars.

If the current quota system is eliminated, as proposed in the FSC bill, the price of tobacco will collapse. The minimum drop that can be expected in 50 cents per pound of tobacco—roughly the current amount that goes for rent to quota owners. As the U.S. price drops, foreign producers will lower their prices too. Falling prices will drive small tobacco farmers off of their land, while enriching Big Tobacco.

U.S. tobacco manufacturers intend to purchase 450 million pounds of domestic tobacco this year. At a discount of 50 cents per pound, the immediate savings is $225 million. But this is just a minimum estimate. According to a USDA economist, factoring in prices changes for both domestic and foreign tobacco, the end of the quota is worth $15 billion to the tobacco industry over 14 years.

Cigarette manufacturers can take this entire windfall as profit or use part of it to lower prices, addicting more children and killing more Americans. It is no surprise that leading public health groups consider this proposal an unmitigated disaster.

The list of special interest tax breaks goes on. If that is not bad enough the bill once again hurts the future generations of Americans by adding at least $34 billion in debt that will have to be paid back by our children. The legislation in the other body was at least revenue neutral.

More tax cuts of this sort will not only jeopardize critical public services now, but they will also hurt Americans well into the future. Massive deficits create large debt and will create high interest payments that will crowd out spending on public investments for future generations. Moreover, these deep deficits threaten to increase interest rates in the future—making it harder for Americans to buy homes and afford higher education and making it harder for businesses to raise capital.

The President is pretending that we can have war without sacrifice. Eventually, someone has to pay. I believe Chairman Greenspan's recent comments are appropriate: "Our fiscal prospects are, in my judgment, a significant obstacle to long-term stability because the budget deficit is not readily subject to correction by market forces that stabilize other imbalances. The free lunch has still to be invented."

Mr. Speaker, today we should be passing a revenue neutral bill that helps manufacturing here in the United States, discourages sending jobs overseas and invests in research and development for our future.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to thank the honorable gentleman from California for his hard and patient work in getting the American Jobs Creation Act out of committee and to the floor.

It has been a difficult process I know, but with the passage of this bill we will add to the 1.1 million jobs this economy has created in the last 9 months.

I want to say that again: We have added 1.1 million new jobs in the last 9 months. And still the Democrats are talking about the worst economy since the great Depression.

I call their strategy Snipe and Gripe. Snipe at the heels of the leaders who are making progress and gripe about the economic recovery.

Theirs is a deliberate effort to talk down this economic recovery and slow its growth.

Our economy took a blow 2½ years ago, but Americans are fighting back. Thanks to the policies of this President and this Republican Congress, businesses are putting people back to work and our economy is growing at rates not seen in 20 years.

I want to take a second to thank Chairman THOMAS for cutting the corporate tax rate from 35 percent to 32 percent permanently. With this and other tax changes in the bill, American companies will be more competitive, more able to compete internationally, and, to the dismay of the Democrats, able to add even still more jobs.

As importantly, this bill recognizes the inequity taxpayers of states without income taxes face under current law. Finally, residents of Florida will be allowed to deduct their state sales tax from federal taxable income.

By including the sales tax deductibility, even temporarily, this bill brings fairness and relief to the residents of Florida.

It is only with dogged determination that we have been able to move this legislation and bring a greater measure of fairness to the tax code.

Ms. WATSON. Mr. Speaker, I rise today to voice my strong opposition to the Thomas "American Jobs Exportation Act" that provides billions of new tax breaks for offshore operations at the expense of exacerbating our Nation's deficits.

At the same time, I am extremely disappointed that millions of U.S. producers, farmers, and small business owners will be left behind. In my Los Angeles district, where the entertainment industry is the main driving force of our local economy, hundreds of thousands of workers are hurt by the phenomenon of runaway production, or the practice of filming overseas for pure economic reasons. The Senate JOBS Act has taken a serious look at this issue and included provisions to encourage domestic film production through tax write-offs. I regret that this was stripped out of the House bill, and, with the closed rule we are operating under today, no member could offer an amendment to address this devastating issue.

I support the underlying goals of what we are attempting today, which is to replace FSC/ETI export incentives with help for U.S. manufacturers. But H.R. 4520 has turned into a big corporate gift that keeps on giving, an overstuffed piñata for lobbyists. Millions of workers, such as the creative workforce hit hard by the outsourcing of film production, are altogether ignored.

H.R. 4520 is an outrageous bill not only because it fails to adequately address the plight of U.S. workers, but it helps move U.S. investment and jobs abroad. There is little wonder then that a modest provision to help keep entertainment jobs in the United States was completely discounted. While I strongly urge my colleagues to oppose H.R. 4520, I hope better legislation will be negotiated in conference.

Mr. GRAVES. Mr. Speaker, I rise today in support of the tobacco buyout provision that has been added to H.R. 4520, the American Jobs Creation Act. This provision offers great relief to the hard working tobacco farmers of Missouri and the Nation.

The American tobacco farmer has been financially pressed for decades due to outdated government regulations. This bill provides hope to many tobacco farmers and quota owners nationwide that face the increased challenges to their operations.

This tobacco provision provides $9.6 billion in compensation to quota holders and tobacco growers over 5 years. This ends a depression-era program and introduces free market reforms to tobacco farming.

Many may not realize Missouri's contribution to the tobacco industry, but our state alone in 2000 contributed roughly $2 million in annual sales. While tobacco farmers may be small in numbers, their contribution should not go unnoticed.

I want to commend Chairman THOMAS and House leadership for working to assist Missouri tobacco farmers and farmers across the Nation. I am pleased by my colleagues' efforts to include the tobacco provision in the American Jobs Creation Act and I look forward to supporting this legislation.

Mr. ROGERS of Michigan. Mr. Speaker, over the last 15 years, the Archery products industry has seen a tremendous growth in its sport due to increased deer populations and expanded hunting seasons. Unfortunately, that expansion has reached a plateau and we are seeing decreasing numbers of bow hunters and sportsmen nationwide.

This problem threatens not only our industry but the future of our sport as well. The archery industry tax adopted in the early 1970's has accomplished many of its original goals, but has shown a limitation that keeps the sport from growing in the future.

I believe that it is once again time for the leaders in the archery industry to step forward and reform the archery excise tax to meet the demands of the next century. This reform must protect the archery industry by benefiting the next generation of sportsmen and enhancing our heritage.

The current tax represents an unfair burden shared by only a few manufacturers in the larger archery industry. While you cannot fault the leaders who drafted this legislation in the early 1970's, since then, the sport has created dozens of new industries and products. Unfortunately, the tax has not changed to keep up with the changing market in archery products. Today, only a few of the manufacturers of archery products pay the tax, most products used in archery hunting today have never paid the tax, and with the legislation passing today, that failed legacy will continue. It is time to create a program that will accomplish the goal of expanding the sport and sharing the tax among the broad variety of archery product industries.

When the legislation to tax the archery industry was enacted in the 1970's, one-half of the revenue was to be used for purposes of the regular Federal Aid in Wildlife Restoration Program and one-half could be used for the acquisition and development of public archery ranges and for courses. Unfortunately, budget constraints have limited the amount of money state agencies had been able to expend on development of ranges.

Reform should mandate that 20 percent of the funding be directed to "wildlife heritage, skills and education programs." This would include tremendous programs like "Becoming an Outdoors Woman" and "Archery in Schools."

The current system taxes domestically made arrows, bows and equipment leaving much of the current industry untaxed and making the current structure a heavy burden on the consumers and a few manufacturers.

Reform should clarify the definition of arrows and make several additional changes to the bow and arrow excise tax provisions in current law. Under current law, imported arrows are not taxed. To remedy this, a 3–5 percent excise tax would be imposed on the first sale of a shaft suitable for making an arrow. Since many arrow shaft manufacturers also sell arrows, a 3–5 percent excise tax would be imposed on the first sale of an arrow unless the excise tax has already been collected on the arrow shaft used in making the arrow. In addition, a 3–5 percent tax will be levied on other industry items including: tree stands, releases, quivers, hunting blinds, archery targets, scents and sprays. The list of taxable items, among others, already includes bow handles, bow levels, bow stabilizers, camouflaged bow covers, kisser buttons, and string peeps.

This proposal never received serious consideration from Congress and was dismissed by the proponents of the current proposal as too complicated and too troublesome to consider. Unfortunately, the proposal in H.R. 4520 is a half step that will force the State agencies, wildlife groups, and the archery industry to come back to the Congress for a real reform that will promote the sport of archery, enhance our nation's wildlife resources and protect the archery industry.

Mrs. MALONEY. Mr. Speaker, I rise today in opposition to this legislation. There is no question that Congress must act promptly to repeal the tax breaks for U.S. exporters. The EU sanctions are increasing and are unfairly hurting sectors of the economy that do not benefit from the tax advantage.

But this is the wrong way to do it. This bill—with all the special interest tax breaks that have been loaded onto it—would hurt the economy more than doing nothing. It abolishes the tax subsidies for exporters but replaces them with an array of special interest tax breaks. We have an opportunity here for reform that would help our manufacturing sector while responding to the UE sanctions. We should not affirmatively do harm by passing this bill instead.

I am particularly concerned that this bill substantially increases incentives to move American jobs offshore—by 40 million dollars, according to one estimate. How can we encourage companies to move jobs offshore at a time when the unemployment rate in New York City is at 8.1 percent and the national rate is 5.6 percent? Who are we helping here? Certainly not the American worker.

Unfortunately, the Majority has denied us the opportunity to vote on the Rangel substitute to this misguided legislation. The Rangel alternative would strike provisions that promote shipping jobs overseas, add provisions to create more jobs in the United States by giving tax relief to American manufacturing including small business and farmers, strike narrow special interest provisions, and is fully paid for. And the Rangel substitute would close tax loopholes for corporations and individuals that move abroad to avoid paying taxes. By limiting debate on these critical issues, the Republicans do a disservice to the American people.

I strongly urge my colleagues to vote against this legislation.

Ms. ESHOO. Mr. Speaker, I'm very disappointed that I can't support this legislation because there are parts of the bill that I do support and also because American industry needs to have a resolution to avoid debilitating trade sanctions and tariffs.

I support the bill's extension of the Research and Development tax credit which is set to expire at the end of this month. I also strongly support the inclusion of incentives for corporations to repatriate their overseas profits which would stimulate the investment of hundreds of millions of dollars in our domestic economy. I've been a strong advocate of both of these provisions which were included in the alternative offered by Representative RANGEL. In fact, the alternative includes language on repatriation of overseas profits that would provide even greater benefits than the bill before us.

Unfortunately, with this bill, what began as an opportunity to correct the tax code and avert retaliatory tariffs has turned into a special interest handout for everything from tobacco to tackle boxes. None of the special interest provisions added have anything to do with amending international tax law but are merely an attempt to buy votes for this misguided bill. The bill also discriminates against small businesses, excluding them from many of the tax breaks granted to large corporation.

Not only does this bill not do enough to create American jobs, as the title claims, but it adds $34 billion to our nation's deficit at a time when the Administration and the Majority in Congress are underfunding important priorities such as education, health care, and antiterrorism.

In contract to this bill, Representative RANGEL's alternative is a responsible approach and I'm pleased to vote for it. Instead of a $34 billion price tag, the alternative is revenue neutral; every provision in the bill is offset with other revenue. In addition to the Research and Development tax credit extension and reduced taxes on repatriated profits, the proposal also provides tax relief for domestic manufacturers—including small businesses and farms—to promote job growth here in America and boost our economy.

I'm hopeful that the conference committee will report back to the House a bill that addresses the necessary reform of international tax law without creating special interest loopholes and exacerbating our record national deficits.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 681, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. RANGEL

Mr. RANGEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. RANGEL. Yes, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Rangel moves to recommit the bill H.R. 4520 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendments:

Strike all after the enacting clause other than title VII and insert before title VII the following:

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "American Jobs Creation Act of 2004".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; etc.

TITLE I—ELIMINATE TRADE SANCTIONS AND REDUCE CORPORATE AND NONCORPORATE TAX RATES FOR DOMESTIC PRODUCERS

Sec. 101. Repeal of exclusion for extraterritorial income.
Sec. 102. Deduction relating to income attributable to United States production activities.

TITLE II—ADDITIONAL BUSINESS BENEFITS

Subtitle A—Small Business Expensing

Sec. 201. 2-year extension of increased expensing for small business.

Subtitle B—S Corporation Reform and Simplification

Sec. 211. Members of family treated as 1 shareholder.
Sec. 212. Increase in number of eligible shareholders to 100.
Sec. 213. Expansion of bank S corporation eligible shareholders to include IRAs.
Sec. 214. Disregard of unexercised powers of appointment in determining potential current beneficiaries of ESBT.
Sec. 215. Transfer of suspended losses incident to divorce, etc.
Sec. 216. Use of passive activity loss and at-risk amounts by qualified subchapter S trust income beneficiaries.
Sec. 217. Exclusion of investment securities income from passive income test for bank S corporations.
Sec. 218. Treatment of bank director shares.
Sec. 219. Relief from inadvertently invalid qualified subchapter S subsidiary elections and terminations.
Sec. 220. Information returns for qualified subchapter S subsidiaries.
Sec. 221. Repayment of loans for qualifying employer securities.

Subtitle C—Toll Tax on Excess Qualified Foreign Distribution Amount

Sec. 231. Toll tax on excess qualified foreign distribution amount.

TITLE III—EXTENSION OF EXPIRING PROVISIONS

Sec. 301. Allowance of nonrefundable personal credits against regular and minimum tax liability.
Sec. 302. Extension of research credit.
Sec. 303. Extension of credit for electricity produced from certain renewable resources.
Sec. 304. Indian employment tax credit.
Sec. 305. Work opportunity credit.
Sec. 306. Welfare-to-work credit.
Sec. 307. Certain expenses of elementary and secondary school teachers.
Sec. 308. Extension of accelerated depreciation benefit for property on Indian reservations.
Sec. 309. Charitable contributions of computer technology and equipment used for educational purposes.
Sec. 310. Expensing of environmental remediation costs.
Sec. 311. Availability of medical savings accounts.
Sec. 312. Taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.
Sec. 313. Qualified zone academy bonds.
Sec. 314. District of Columbia.
Sec. 315. Extension of certain New York liberty zone bond financing.
Sec. 316. Disclosures relating to terrorist activities.
Sec. 317. Disclosure of return information relating to student loans.
Sec. 318. Cover over of tax on distilled spirits.
Sec. 319. Joint review of strategic plans and budget for the Internal Revenue Service.
Sec. 320. Parity in the application of certain limits to mental health benefits.
Sec. 321. Combined employment tax reporting project.
Sec. 322. Clean-fuel vehicles.

TITLE IV—PERMANENT DEDUCTION FOR STATE AND LOCAL GENERAL RETAIL SALES TAXES

Sec. 401. Deduction of State and local general sales taxes in lieu of State and local income taxes.

TITLE V—PROVISIONS TO PREVENT TAX AVOIDANCE THROUGH INDIVIDUAL AND CORPORATE EXPATRIATION

Subtitle A—Individual Expatriation

Sec. 501. Imposition of mark-to-market tax on individuals who expatriate.

Subtitle B—Corporate Expatriation

Sec. 511. Prevention of corporate expatriation to avoid United States income tax.

TITLE VI—OTHER REVENUE OFFSETS

Subtitle A—Provisions Designed To Curtail Tax Shelters

Sec. 601. Clarification of economic substance doctrine.
Sec. 602. Penalty for failing to disclose reportable transaction.
Sec. 603. Accuracy-related penalty for listed transactions and other reportable transactions having a significant tax avoidance purpose.
Sec. 604. Penalty for understatements attributable to transactions lacking economic substance, etc.
Sec. 605. Modifications of substantial understatement penalty for nonreportable transactions.
Sec. 606. Tax shelter exception to confidentiality privileges relating to taxpayer communications.
Sec. 607. Disclosure of reportable transactions.
Sec. 608. Modifications to penalty for failure to register tax shelters.
Sec. 609. Modification of penalty for failure to maintain lists of investors.
Sec. 610. Modification of actions to enjoin certain conduct related to tax shelters and reportable transactions.
Sec. 611. Understatement of taxpayer's liability by income tax return preparer.
Sec. 612. Penalty on failure to report interests in foreign financial accounts.
Sec. 613. Frivolous tax submissions.
Sec. 614. Regulation of individuals practicing before the department of treasury.
Sec. 615. Penalty for promoting abusive tax shelters.
Sec. 616. Statute of limitations for taxable years for which required listed transactions not reported.
Sec. 617. Denial of deduction for interest on underpayments attributable to nondisclosed reportable and noneconomic substance transactions.
Sec. 618. Authorization of appropriations for tax law enforcement.
Sec. 619. Penalty for aiding and abetting the understatement of tax liability.
Sec. 620. Study on information sharing among law enforcement agencies.

Subtitle B—Enron-Related Tax Shelter Provisions

Sec. 631. Limitation on transfer or importation of built-in losses.
Sec. 632. No reduction of basis under section 734 in stock held by partnership in corporate partner.
Sec. 633. Repeal of special rules for FASITs.
Sec. 634. Expanded disallowance of deduction for interest on convertible debt.
Sec. 635. Expanded authority to disallow tax benefits under section 269.
Sec. 636. Modification of interaction between subpart F and passive foreign investment company rules.

Subtitle C—Restructuring of Incentives for Alcohol Fuels, Etc.

Sec. 641. Reduced rates of tax on gasohol replaced with excise tax credit; repeal of other alcohol-based fuel incentives; etc.
Sec. 642. Alcohol fuel subsidies borne by general fund.

Subtitle D—Reduction of Fuel Tax Evasion

Sec. 651. Exemption from certain excise taxes for mobile machinery.
Sec. 652. Taxation of aviation-grade kerosene.
Sec. 653. Dye injection equipment.
Sec. 654. Authority to inspect on-site records.
Sec. 655. Registration of pipeline or vessel operators required for exemption of bulk transfers to registered terminals or refineries.
Sec. 656. Display of registration.
Sec. 657. Penalties for failure to register and failure to report.
Sec. 658. Collection from customs bond where importer not registered.
Sec. 659. Modifications of tax on use of certain vehicles.
Sec. 660. Modification of ultimate vendor refund claims with respect to farming.
Sec. 661. Dedication of revenues from certain penalties to the highway trust fund.
Sec. 662. Taxable fuel refunds for certain ultimate vendors.
Sec. 663. Two-party exchanges.
Sec. 664. Simplification of tax on tires.

Subtitle E—Prevention of Tax Avoidance Through Treaty Shopping

Sec. 671. Denial of treaty benefits for certain deductible payments.
Sec. 672. Transfer price reduced by deflected tax haven income.

Subtitle F—Additions to List of Taxable Vaccines

Sec. 681. Addition of vaccines against hepatitis A to list of taxable vaccines.
Sec. 682. Addition of vaccines against influenza to list of taxable vaccines.

Subtitle G—Other Provisions

Sec. 691. IRS user fees made permanent.
Sec. 692. Cobra fees.

TITLE I—ELIMINATE TRADE SANCTIONS AND REDUCE CORPORATE AND NONCORPORATE TAX RATES FOR DOMESTIC PRODUCERS

SEC. 101. REPEAL OF EXCLUSION FOR EXTRATERRITORIAL INCOME.

(a) In General.—Section 114 of the Internal Revenue Code of 1986 is hereby repealed.

(b) Conforming Amendments.—

(1)(A) Subpart E of part III of subchapter N of chapter 1 (relating to qualifying foreign trade income) is hereby repealed.

(B) The table of subparts for such part III is amended by striking the item relating to subpart E.

(2) The table of sections for part III of subchapter B of chapter 1 is amended by striking the item relating to section 114.

(3) The second sentence of section 56(g)(4)(B)(i) is amended by striking "or under section 114".

(4) Section 275(a) is amended—

(A) by inserting "or" at the end of paragraph (4)(A), by striking "or" at the end of paragraph (4)(B) and inserting a period, and by striking subparagraph (C), and

(B) by striking the last sentence.

(5) Paragraph (3) of section 864(e) is amended—

(A) by striking:

"(3) Tax-exempt assets not taken into account.—

"(A) In general.—For purposes of"; and inserting:

"(3) Tax-exempt assets not taken into account.—For purposes of", and

(B) by striking subparagraph (B).

(6) Section 903 is amended by striking "114, 164(a)," and inserting "164(a)".

(7) Section 999(c)(1) is amended by striking "941(a)(5),".

(c) Effective Date.—

(1) In general.—The amendments made by this section shall apply to transactions occurring after December 31, 2004.

(2) Binding contracts.—The amendments made by this section shall not apply to any transaction in the ordinary course of a trade or business which occurs pursuant to a binding contract—

(A) which is between the taxpayer and a person who is not a related person (as defined in section 943(b)(3) of such Code, as in effect on the day before the date of the enactment of this Act), and

(B) which is in effect on September 17, 2003, and at all times thereafter.

(d) Revocation of Section 943(e) Elections.—

(1) In general.—In the case of a corporation that elected to be treated as a domestic corporation under section 943(e) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of this Act)—

(A) the corporation may revoke such election, effective as of the close of December 31, 2004, and

(B) if the corporation does revoke such election—

(i) such corporation shall be treated as a domestic corporation transferring (as of December 31, 2004) all of its property to a foreign corporation in connection with an exchange described in section 354 of the Internal Revenue Code of 1986, and

(ii) no gain or loss shall be recognized on such transfer.

(2) Exception.—Subparagraph (B)(ii) of paragraph (1) shall not apply to gain on any asset held by the revoking corporation if—

(A) the basis of such asset is determined in whole or in part by reference to the basis of such asset in the hands of the person from whom the revoking corporation acquired such asset,

(B) the asset was acquired by transfer (not as a result of the election under section 943(e) of such Code) occurring on or after the 1st day on which its election under section 943(e) of such Code was effective, and

(C) a principal purpose of the acquisition was the reduction or avoidance of tax (other than a reduction in tax under section 114 of such Code, as in effect on the day before the date of the enactment of this Act).

(e) General Transition.—

(1) In general.—In the case of a taxable year ending after the date of the enactment of this Act and beginning before January 1, 2007, for purposes of chapter 1 of such Code, each current FSC/ETI beneficiary shall be allowed a deduction equal to the transition amount determined under this subsection with respect to such beneficiary for such year.

(2) Current FSC/ETI beneficiary.—The term ‘‘current FSC/ETI beneficiary’’ means any corporation which entered into one or more transactions during its taxable year beginning in calendar year 2001 with respect to which FSC/ETI benefits were allowable.

(3) Transition amount.—For purposes of this subsection—

(A) In general.—The transition amount applicable to any current FSC/ETI beneficiary for any taxable year is the phaseout percentage of the base period amount.

(B) Phaseout percentage.—

(i) In general.—In the case of a taxpayer using the calendar year as its taxable year, the phaseout percentage shall be determined under the following table:

“Years:	**The phaseout percentage is:**
2005	80
2006	60
2007 and thereafter	0

(ii) Special rule for fiscal year taxpayers.—In the case of a taxpayer not using the calendar year as its taxable year, the phaseout percentage is the weighted average of the phaseout percentages determined under the preceding provisions of this paragraph with respect to calendar years any portion of which is included in the taxpayer's taxable year. The weighted average shall be determined on the basis of the respective portions of the taxable year in each calendar year.

(4) Base period amount.—For purposes of this subsection, the base period amount is the aggregate FSC/ETI benefits for the taxpayer's taxable year beginning in calendar year 2001.

(5) FSC/ETI benefit.—For purposes of this subsection, the term ‘FSC/ETI benefit’ means—

(A) amounts excludable from gross income under section 114 of such Code, and

(B) the exempt foreign trade income of related foreign sales corporations from property acquired from the taxpayer (determined without regard to section 923(a)(5) of such Code (relating to special rule for military property), as in effect on the day before the date of the enactment of the FSC Repeal and Extraterritorial Income Exclusion Act of 2000).

In determining the FSC/ETI benefit there shall be excluded any amount attributable to a transaction with respect to which the taxpayer is the lessor unless the leased property was manufactured or produced in whole or in significant part by the taxpayer.

(6) Special rule for farm and horticultural cooperatives.—Determinations under this subsection with respect to an organization described in section 943(g)(1) of such Code, as in effect on the day before the date of the enactment of this Act, shall be made at the cooperative level and the purposes of this subsection shall be carried out in a manner similar to section 199(h)(2) of such Code, as added by this Act. Such determinations shall be in accordance with such requirements and procedures as the Secretary may prescribe.

(7) Certain rules to apply.—Rules similar to the rules of section 41(f) of such Code shall apply for purposes of this subsection.

(8) Coordination with binding contract rule.—The deduction determined under paragraph (1) for any taxable year shall be reduced by the phaseout percentage of any FSC/ETI benefit realized for the taxable year by reason of subsection (c)(2) or section 5(c)(1)(B) of the FSC Repeal and Extraterritorial Income Exclusion Act of 2000.

(9) Special rule for certain taxable years which include December 31, 2004.—In the case of a taxable year which is not a calendar year and which includes December 31, 2004, the deduction allowed under this subsection to any current FSC/ETI beneficiary shall in no event exceed—

(A) 100 percent of such beneficiary's base period amount, reduced by

(B) the aggregate FSC/ETI benefits of such beneficiary with respect to transactions occurring during the portion of the taxable year ending on December 31, 2004.

SEC. 102. DEDUCTION RELATING TO INCOME ATTRIBUTABLE TO UNITED STATES PRODUCTION ACTIVITIES.

(a) In General.—Part VII of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by adding at the end the following new section:

“SEC. 199. INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES.

‘‘(a) In General.—There shall be allowed as a deduction an amount equal to 10 percent of the qualified production activities income of the taxpayer for the taxable year.

‘‘(b) Phasein.—In the case of taxable years beginning in 2005, 2006, or 2007, subsection (a) shall be applied by substituting for the percentage contained therein the transition percentage determined under the following table:

“Taxable years beginning in:	**The transition percentage is:**
2005	3
2006	6
2007	9

‘‘(c) Qualified Production Activities Income.—For purposes of this section, the term ‘qualified production activities income’ means the product of—

‘‘(1) the portion of the modified taxable income of the taxpayer which is attributable to domestic production activities, and

‘‘(2) the domestic/worldwide fraction.

‘‘(d) Determination of Income Attributable to Domestic Production Activities.—For purposes of this section—

‘‘(1) In general.—The portion of the modified taxable income which is attributable to domestic production activities is so much of the modified taxable income for the taxable year as does not exceed—

‘‘(A) the taxpayer's domestic production gross receipts for such taxable year, reduced by

‘‘(B) the sum of—

‘‘(i) the costs of goods sold that are allocable to such receipts,

‘‘(ii) other deductions, expenses, or losses directly allocable to such receipts, and

‘‘(iii) a proper share of other deductions, expenses, and losses that are not directly allocable to such receipts or another class of income.

‘‘(2) Allocation method.—The Secretary shall prescribe rules for the proper allocation of items of income, deduction, expense, and loss for purposes of determining income attributable to domestic production activities.

‘‘(3) Special rule for determining costs.—

‘‘(A) For purposes of determining costs under clause (i) of paragraph (1)(B), any item or service brought into the United States shall be treated as acquired by purchase, and its cost shall be treated as not less than its value in the United States, determined immediately after it was brought into the United States. A similar rule shall apply in determining the adjusted basis of leased or rented property where the lease or rental gives rise to domestic production gross receipts.

‘‘(B) In the case of any property described in subparagraph (A) that had been exported by the taxpayer for further manufacture, the increase in cost (or adjusted basis) under subparagraph (A) shall not exceed the difference between the value of the property when exported and the value of the property when brought back into the United States after the further manufacture.

‘‘(4) Modified taxable income.—The term ‘modified taxable income’ means taxable income computed without regard to the deduction allowable under this section.

‘‘(e) Domestic Production Gross Receipts.—For purposes of this section—

‘‘(1) In general.—The term ‘domestic production gross receipts’ means the gross receipts of the taxpayer which are derived from—

‘‘(A) any sale, exchange, or other disposition of, or

‘‘(B) any lease, rental or license of,

qualifying production property which was manufactured, produced, grown, or extracted in whole or in significant part by the taxpayer within the United States.

‘‘(2) Special rules for certain property.—In the case of any qualifying production property described in subsection (f)(1)(C)—

(A) such property shall be treated for purposes of paragraph (1) as produced in significant part by the taxpayer within the United

States if more than 50 percent of the aggregate development and production costs are incurred by the taxpayer within the United States, and

(B) if a taxpayer acquires such property before such property begins to generate substantial gross receipts, any development or production costs incurred before the acquisition shall be treated as incurred by the taxpayer for purposes of subparagraph (A) and paragraph (1).

"(f) Qualifying Production Property.—For purposes of this section—

"(1) In general.—Except as otherwise provided in this subsection, the term 'qualifying production property' means—

"(A) any tangible personal property,

"(B) any computer software, and

"(C) any property described in paragraph (3) or (4) of section 168(f), including any underlying copyright or trademark.

Subparagraph (C) shall not apply to any property with respect to which records are required to be maintained under section 2257 of title 18, United States Code.

"(2) Exclusions from qualifying production property.—The term 'qualifying production property' shall not include—

"(A) consumable property that is sold, leased, or licensed by the taxpayer as an integral part of the provision of services,

"(B) oil or gas (or any primary product thereof),

"(C) electricity,

"(D) water supplied by pipeline to the consumer,

"(E) utility services, or

"(F) any property (not described in paragraph (1)(B)) which is a film, tape, recording, book, magazine, newspaper, or similar property the market for which is primarily topical or otherwise essentially transitory in nature.

"(3) Special rule for noncorporate taxpayers.—In the case of a taxpayer other than a corporation subject to tax under section 11, the term 'qualifying production property' only includes—

"(A) agricultural or horticultural products, including timber, and

"(B) other tangible personal property not described in subparagraph (B) or (C) of paragraph (1) and not described in section 1221(a)(3).

"(g) Domestic/Worldwide Fraction.—For purposes of this section—

"(1) In general.—The term 'domestic/worldwide fraction' means a fraction (not greater than 1)—

"(A) the numerator of which is the value of the domestic production of the taxpayer, and

"(B) the denominator of which is the value of the worldwide production of the taxpayer.

"(2) Value of domestic production.—The value of domestic production is the excess (if any) of—

"(A) the domestic production gross receipts, over

"(B) the cost of purchased inputs allocable to such receipts that are deductible under this chapter for the taxable year.

"(3) Purchased inputs.—

"(A) In general.—Purchased inputs are any of the following items acquired by purchase:

"(i) Services (other than services of employees) used in manufacture, production, growth, or extraction activities.

"(ii) Items consumed in connection with such activities.

"(iii) Items incorporated as part of the property being manufactured, produced, grown, or extracted.

"(B) Special rule.—Rules similar to the rules of subsection (d)(3) shall apply for purposes of this subsection.

"(4) Value of worldwide production.—

"(A) In general.—The value of worldwide production shall be determined under the principles of paragraph (2), except that—

"(i) worldwide production gross receipts shall be taken into account, and

"(ii) paragraph (3)(B) shall not apply.

"(B) Worldwide production gross receipts.—The worldwide production gross receipts is the amount that would be determined under subsection (e) if such subsection were applied without any reference to the United States.

"(h) Definitions and Special Rules.—

"(1) United states.—For purposes of this section, the term 'United States' includes the Commonwealth of Puerto Rico and any other possession of the United States.

"(2) Exclusion for patrons of agricultural and horticultural cooperatives.—

"(A) In general.—If any amount described in paragraph (1) or (3) of section 1385 (a)—

"(i) is received by a person from an organization to which part I of subchapter T applies which is engaged in the marketing of agricultural or horticultural products, and

"(ii) is allocable to the portion of the qualified production activities income of the organization which is deductible under subsection (a) (determined as if the organization were a corporation if it is not) and designated as such by the organization in a written notice mailed to its patrons during the payment period described in section 1382(a),

then such person shall be allowed an exclusion from gross income with respect to such amount. The taxable income of the organization shall not be reduced under section 1382 by the portion of any such amount with respect to which an exclusion is allowable to a person by reason of this paragraph.

"(B) Special rules.—For purposes of applying subparagraph (A), in determining the qualified production activities income of the organization under this section—

"(i) there shall not be taken into account in computing the organization's modified taxable income any deduction allowable under subsection (b) or (c) of section 1382 (relating to patronage dividends, per-unit retain allocations, and nonpatronage distributions), and

"(ii) the organization shall be treated as having manufactured, produced, grown, or extracted in whole or significant part any qualifying production property marketed by the organization which its patrons have so manufactured, produced, grown, or extracted.

"(3) Special rules for partnerships and S corporations.—For purposes of this section, a partner's distributive share of any partnership item shall be taken into account as if directly realized by the partner. A rule similar to the rule of the preceding sentence shall apply in the case of a shareholder in an S Corporation.

"(4) Special rule for affiliated groups.—

"(A) In general.—All members of an expanded affiliated group shall be treated as a single corporation for purposes of this section.

"(B) Expanded affiliated group.—The term 'expanded affiliated group' means an affiliated group as defined in section 1504(a), determined—

"(i) by substituting '50 percent' for '80 percent' each place it appears, and

"(ii) without regard to paragraphs (2) and (4) of section 1504(b).

For purposes of determining the domestic/worldwide fraction under subsection (g), clause (ii) shall be applied by also disregarding paragraphs (3) and (8) of section 1504(b).

"(5) Coordination with minimum tax.—The deduction under this section shall be allowed for purposes of the tax imposed by section 55; except that for purposes of section 55, alternative minimum taxable income shall be taken into account in determining the deduction under this section.

"(6) Ordering rule.—The amount of any other deduction allowable under this chapter shall be determined as if this section had not been enacted.

"(7) Trade or business requirement.—This section shall be applied by only taking into account items which are attributable to the actual conduct of a trade or business.

"(8) Coordination with transition rules.—For purposes of this section—

"(A) domestic production gross receipts shall not include gross receipts from any transaction if the binding contract transition relief of section 101(c)(2) of the American Jobs Creation Act of 2004 applies to such transaction, and

"(B) any deduction allowed under section 101(e) of such Act shall be disregarded in determining the portion of the taxable income which is attributable to domestic production gross receipts.".

(b) Clerical Amendment.—The table of sections for part VII of subchapter B of chapter 1 is amended by adding at the end the following new item:

"Sec. 199. Income attributable to domestic production activities.".

(c) Effective Date.—

(1) In general.—The amendments made by this section shall apply to taxable years ending after December 31, 2004.

(2) Application of section 15.—Section 15 of the Internal Revenue Code of 1986 shall apply to the amendments made by this section as if they were changes in a rate of tax.

TITLE II—ADDITIONAL BUSINESS BENEFITS

Subtitle A—Small Business Expensing

SEC. 201. 2-YEAR EXTENSION OF INCREASED EXPENSING FOR SMALL BUSINESS.

Subsections (b), (c), and (d) of section 179 are each amended by striking "2006" each place it appears and inserting "2008".

Subtitle B—S Corporation Reform and Simplification

SEC. 211. MEMBERS OF FAMILY TREATED AS 1 SHAREHOLDER.

(a) In General.—Paragraph (1) of section 1361(c) (relating to special rules for applying subsection (b)) is amended to read as follows:

"(1) Members of family treated as 1 shareholder.—

"(A) In general.—For purpose of subsection (b)(1)(A)—

"(i) except as provided in clause (ii), a husband and wife (and their estates) shall be treated as 1 shareholder, and

"(ii) in the case of a family with respect to which an election is in effect under subparagraph (D), all members of the family shall be treated as 1 shareholder.

"(B) Members of the family.—For purpose of subparagraph (A)(ii)—

"(i) In general.—The term 'members of the family' means the common ancestor, lineal descendants of the common ancestor, and the spouses (or former spouses) of such lineal descendants or common ancestor.

"(ii) Common Ancestor.—For purposes of this paragraph, an individual shall not be considered a common ancestor if, as of the later of the effective date of this paragraph or the time the election under section 1362(a) is made, the individual is more than 3 generations removed from the youngest generation of shareholders who would (but for this clause) be members of the family. For purposes of the preceding sentence, a spouse (or former spouse) shall be treated as being of the same generation as the individual to which such spouse is (or was) married.

"(C) Effect of adoption, etc.—In determining whether any relationship specified in subparagraph (B) exists, the rules of section 152(b)(2) shall apply.

"(D) Election.—An election under subparagraph (A)(ii)—

"(i) may, except as otherwise provided in regulations prescribed by the Secretary, be made by any member of the family, and

"(ii) shall remain in effect until terminated as provided in regulations prescribed by the Secretary.".

(b) Relief From Inadvertent Invalid Election or Termination.—Section 1362(f) (relating to inadvertent invalid elections or terminations), as amended by section 219, is amended—

(1) by inserting "or section 1361(c)(1)(A)(ii)" after "section 1361(b)(3)(B)(ii)," in paragraph (1), and

(2) by inserting "or section 1361(c)(1)(D)(iii)" after "section 1361(b)(3)(C)," in paragraph (1)(B).

(c) Effective Dates.—

(1) Subsection (a).—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2004.

(2) Subsection (b).—The amendments made by subsection (b) shall apply to elections and terminations made after December 31, 2004.

SEC. 212. INCREASE IN NUMBER OF ELIGIBLE SHAREHOLDERS TO 100.

(a) In General.—Section 1361(b)(1)(A) (defining small business corporation) is amended by striking "75" and inserting "100".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 213. EXPANSION OF BANK S CORPORATION ELIGIBLE SHAREHOLDERS TO INCLUDE IRAS.

(a) In General.—Section 1361(c)(2)(A) (relating to certain trusts permitted as shareholders) is amended by inserting after clause (v) the following new clause:

"(vi) In the case of a corporation which is a bank (as defined in section 581), a trust which constitutes an individual retirement account under section 408(a), including one designated as a Roth IRA under section 408A, but only to the extent of the stock held by such trust in such bank as of the date of the enactment of this clause.".

(b) Treatment as Shareholder.—Section 1361(c)(2)(B) (relating to treatment as shareholders) is amended by adding at the end the following new clause:

"(vi) In the case of a trust described in clause (vi) of subparagraph (A), the individual for whose benefit the trust was created shall be treated as a shareholder.".

(c) Sale of Bank Stock in IRA Relating to S Corporation Election Exempt From Prohibited Transaction Rules.—Section 4975(d) (relating to exemptions) is amended by striking "or" at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting "; or", and by adding at the end the following new paragraph:

"(16) a sale of stock held by a trust which constitutes an individual retirement account under section 408(a) to the individual for whose benefit such account is established if—

"(A) such stock is in a bank (as defined in section 581),

"(B) such stock is held by such trust as of the date of the enactment of this paragraph,

"(C) such sale is pursuant to an election under section 1362(a) by such bank,

"(D) such sale is for fair market value at the time of sale (as established by an independent appraiser) and the terms of the sale are otherwise at least as favorable to such trust as the terms that would apply on a sale to an unrelated party,

"(E) such trust does not pay any commissions, costs, or other expenses in connection with the sale, and

"(F) the stock is sold in a single transaction for cash not later than 120 days after the S corporation election is made.".

(d) Conforming Amendment.—Section 512(e)(1) is amended by inserting "1361(c)(2)(A)(vi) or" before "1361(c)(6)".

(e) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 214. DISREGARD OF UNEXERCISED POWERS OF APPOINTMENT IN DETERMINING POTENTIAL CURRENT BENEFICIARIES OF ESBT.

(a) In General.—Section 1361(e)(2) (defining potential current beneficiary) is amended—

(1) by inserting "(determined without regard to any power of appointment to the extent such power remains unexercised at the end of such period)" after "of the trust" in the first sentence, and

(2) by striking "60-day" in the second sentence and inserting "1-year".

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 215. TRANSFER OF SUSPENDED LOSSES INCIDENT TO DIVORCE, ETC.

(a) In General.—Section 1366(d)(2) (relating to indefinite carryover of disallowed losses and deductions) is amended to read as follows:

"(2) Indefinite carryover of disallowed losses and deductions.—

"(A) In general.—Except as provided in subparagraph (B), any loss or deduction which is disallowed for any taxable year by reason of paragraph (1) shall be treated as incurred by the corporation in the succeeding taxable year with respect to that shareholder.

"(B) Transfers of stock between spouses or incident to divorce.—In the case of any transfer described in section 1041(a) of stock of an S corporation, any loss or deduction described in subparagraph (A) with respect such stock shall be treated as incurred by the corporation in the succeeding taxable year with respect to the transferee."

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 216. USE OF PASSIVE ACTIVITY LOSS AND AT-RISK AMOUNTS BY QUALIFIED SUBCHAPTER S TRUST INCOME BENEFICIARIES.

(a) In General.—Section 1361(d)(1) (relating to special rule for qualified subchapter S trust) is amended—

(1) by striking "and" at the end of subparagraph (A),

(2) by striking the period at the end of subparagraph (B) and inserting ", and", and

(3) by adding at the end the following new subparagraph:

"(C) for purposes of applying sections 465 and 469 to the beneficiary of the trust, the disposition of the S corporation stock by the trust shall be treated as a disposition by such beneficiary.".

(b) Effective Date.—The amendments made by this section shall apply to transfers made after December 31, 2004.

SEC. 217. EXCLUSION OF INVESTMENT SECURITIES INCOME FROM PASSIVE INCOME TEST FOR BANK S CORPORATIONS.

(a) In General.—Section 1362(d)(3) (relating to where passive investment income exceeds 25 percent of gross receipts for 3 consecutive taxable years and corporation has accumulated earnings and profits) is amended by adding at the end the following new subparagraph:

"(F) Exception for banks; etc.—In the case of a bank (as defined in section 581), a bank holding company (within the meaning of section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a))), or a financial holding company (within the meaning of section 2(p) of such Act), the term 'passive investment income' shall not include—

"(i) interest income earned by such bank or company, or

"(ii) dividends on assets required to be held by such bank or company, including stock in the Federal Reserve Bank, the Federal Home Loan Bank, or the Federal Agricultural Mortgage Bank or participation certificates issued by a Federal Intermediate Credit Bank.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 218. TREATMENT OF BANK DIRECTOR SHARES.

(a) In General.—Section 1361 (defining S corporation) is amended by adding at the end the following new subsection:

"(f) Restricted Bank Director Stock.—

"(1) In general.—Restricted bank director stock shall not be taken into account as outstanding stock of the S corporation in applying this subchapter (other than section 1368(f)).

"(2) Restricted bank director stock.—For purposes of this subsection, the term 'restricted bank director stock' means stock in a bank (as defined in section 581), a bank holding company (within the meaning of section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a))), or a financial holding company (within the meaning of section 2(p) of such Act), registered with the Federal Reserve System if such stock—

"(A) is required to be held by an individual under applicable Federal or State law in order to permit such individual to serve as a director, and

"(B) is subject to an agreement with such bank or company (or a corporation which controls (within the meaning of section 368(c)) such bank or company) pursuant to which the holder is required to sell back such stock (at the same price as the individual acquired such stock) upon ceasing to hold the office of director.

"(3) Cross reference.—

"For treatment of certain distributions with respect to restricted bank director stock, see section 1368(f).".

(b) Distributions.—Section 1368 (relating to distributions) is amended by adding at the end the following new subsection:

"(f) Restricted Bank Director Stock.—If a director receives a distribution (not in part or full payment in exchange for stock) from an S corporation with respect to any restricted bank director stock (as defined in section 1361(f)), the amount of such distribution—

"(1) shall be includible in gross income of the director, and

"(2) shall be deductible by the corporation for the taxable year of such corporation in which or with which ends the taxable year in which such amount in included in the gross income of the director.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 219. RELIEF FROM INADVERTENTLY INVALID QUALIFIED SUBCHAPTER S SUBSIDIARY ELECTIONS AND TERMINATIONS.

(a) In General.—Section 1362(f) (relating to inadvertent invalid elections or terminations) is amended—

(1) by inserting ", section 1361(b)(3)(B)(ii)," after "subsection (a)" in paragraph (1),

(2) by inserting ", section 1361(b)(3)(C)," after "subsection (d)" in paragraph (1)(B),

(3) by amending paragraph (3)(A) to read as follows:

"(A) so that the corporation for which the election was made is a small business corporation or a qualified subchapter S subsidiary, as the case may be, or",

(4) by amending paragraph (4) to read as follows:

"(4) the corporation for which the election was made, and each person who was a shareholder in such corporation at any time during the period specified pursuant to this subsection, agrees to make such adjustments (consistent with the treatment of such corporation as an S corporation or a qualified subchapter S subsidiary, as the case may be) as may be required by the Secretary with respect to such period,", and

(5) by inserting "or a qualified subchapter S subsidiary, as the case may be" after "S corporation" in the matter following paragraph (4).

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 220. INFORMATION RETURNS FOR QUALIFIED SUBCHAPTER S SUBSIDIARIES.

(a) In General.—Section 1361(b)(3)(A) (relating to treatment of certain wholly owned subsidiaries) is amended by inserting "and in the case of information returns required under part III of subchapter A of chapter 61" after "Secretary".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

SEC. 221. REPAYMENT OF LOANS FOR QUALIFYING EMPLOYER SECURITIES.

(a) In General.—Subsection (f) of section 4975 (relating to other definitions and special rules) is amended by adding at the end the following new paragraph:

"(7) S corporation repayment of loans for qualifying employer securities.—A plan shall not be treated as violating the requirements of section 401 or 409 or subsection (e)(7), or as engaging in a prohibited transaction for purposes of subsection (d)(3), merely by reason of any distribution (as described in section 1368(a)) with respect to S corporation stock that constitutes qualifying employer securities, which in accordance with the plan provisions is used to make payments on a loan described in subsection (d)(3) the proceeds of which were used to acquire such qualifying employer securities (whether or not allocated to participants). The preceding sentence shall not apply in the case of a distribution which is paid with respect to any employer security which is allocated to a participant unless the plan provides that employer securities with a fair market value of not less than the amount of such distribution are allocated to such participant for the year which (but for the preceding sentence) such distribution would have been allocated to such participant.".

(b) Effective Date.—The amendment made by this section shall apply to distributions with respect to S corporation stock made after December 31, 2004.

Subtitle C—Toll Tax on Excess Qualified Foreign Distribution Amount

SEC. 231. TOLL TAX ON EXCESS QUALIFIED FOREIGN DISTRIBUTION AMOUNT.

(a) In General.—Subpart F of part III of subchapter N of chapter 1 is amended by adding at the end the following new section:

"SEC. 965. TOLL TAX IMPOSED ON EXCESS QUALIFIED FOREIGN DISTRIBUTION AMOUNT.

"(a) Toll Tax Imposed on Excess Qualified Foreign Distribution Amount.—If a corporation elects the application of this section, a tax shall be imposed on the taxpayer in an amount equal to 5.25 percent of—

"(1) the taxpayer's excess qualified foreign distribution amount, and

"(2) the amount determined under section 78 which is attributable to such excess qualified foreign distribution amount.

Such tax shall be imposed in lieu of the tax imposed under section 11 or 55 on the amounts described in paragraphs (1) and (2) for the taxable year.

"(b) Excess Qualified Foreign Distribution Amount.—For purposes of this section—

"(1) In general.—The term 'excess qualified foreign distribution amount' means the excess (if any) of—

"(A) the aggregate dividends received by the taxpayer during the taxable year which are—

"(i) from 1 or more corporations which are controlled foreign corporations in which the taxpayer is a United States shareholder on the date such dividends are paid, and

"(ii) described in a domestic reinvestment plan which—

"(I) is approved by the taxpayer's president, chief executive officer, or comparable official before the payment of such dividends and subsequently approved by the taxpayer's board of directors, management committee, executive committee, or similar body, and

"(II) provides for the reinvestment of such dividends in the United States (other than as payment for executive compensation), including as a source for the funding of worker hiring and training, infrastructure, research and development, capital investments, or the financial stabilization of the corporation for the purposes of job retention or creation, over

"(B) the base dividend amount.

"(2) Base dividend amount.—The term 'base dividend amount' means an amount designated under subsection (c)(7), but not less than the average amount of dividends received during the fixed base period from 1 or more corporations which are controlled foreign corporations in which the taxpayer is a United States shareholder on the date such dividends are paid.

"(3) Fixed base period.—

"(A) In general.—The term 'fixed base period' means each of 3 taxable years which are among the 5 most recent taxable years of the taxpayer ending on or before December 31, 2002, determined by disregarding—

"(i) the 1 taxable year for which the taxpayer had the highest amount of dividends from 1 or more corporations which are controlled foreign corporations relative to the other 4 taxable years, and

"(ii) the 1 taxable year for which the taxpayer had the lowest amount of dividends from such corporations relative to the other 4 taxable years.

"(B) Shorter period.—If the taxpayer has fewer than 5 taxable years ending on or before December 31, 2002, then in lieu of applying subparagraph (A), the fixed base period shall include all the taxable years of the taxpayer ending on or before December 31, 2002.

"(c) Definitions and Special Rules.—For purposes of this section—

"(1) Dividends.—The term 'dividend' has the meaning given such term by section 316, except that the term shall include amounts described in section 951(a)(1)(B), but shall not include amounts described in sections 78 and 959.

"(2) Controlled foreign corporations and United States shareholders.—The term 'controlled foreign corporation' has the meaning given such term by section 957(a) and the term 'United States shareholder' has the meaning given such term by section 951(b).

"(3) Foreign tax credits.—The amount of any income, war, profits, or excess profit taxes paid (or deemed paid under sections 902 and 960) or accrued by the taxpayer with respect to the excess qualified foreign distribution amount for which a credit would be allowable under section 901 in the absence of this section, shall be reduced by 85 percent. No deduction shall be allowed under this chapter for the portion of any tax for which credit is not allowable by reason of the preceding sentence.

"(4) Foreign tax credit limitation.—For purposes of section 904, there shall be disregarded 85 percent of—

"(A) the excess qualified foreign distribution amount,

"(B) the amount determined under section 78 which is attributable to such excess qualified foreign distribution amount, and

"(C) the amounts (including assets, gross income, and other relevant bases of apportionment) which are attributable to the excess qualified foreign distribution amount which would, determined without regard to this section, be used to apportion the expenses, losses, and deductions of the taxpayer under section 861 and 864 in determining its taxable income from sources without the United States.

For purposes of applying subparagraph (C), the principles of section 864(e)(3)(A) shall apply.

"(5) Treatment of acquisitions and dispositions.—Rules similar to the rules of section 41(f)(3) shall apply in the case of acquisitions or dispositions of controlled foreign corporations occurring on or after the first day of the earliest taxable year taken into account in determining the fixed base period.

"(6) Treatment of consolidated groups.—Members of an affiliated group of corporations filing a consolidated return under section 1501 shall be treated as a single taxpayer for purposes of this section.

"(7) Designation of dividends.—Subject to subsection (b)(2), the taxpayer shall designate the particular dividends received during the taxable year from 1 or more corporations which are controlled foreign corporations in which it is a United States shareholder which are dividends excluded from the excess qualified foreign distribution amount. The total amount of such designated dividends shall equal the base dividend amount.

"(8) Treatment of expenses, losses, and deductions.—Any expenses, losses, or deductions of the taxpayer allowable under subchapter B—

"(A) shall not be applied to reduce the amounts described in subsection (a)(1), and

"(B) shall be applied to reduce other income of the taxpayer (determined without regard to the amounts described in subsection (a)(1)).

"(d) Election.—

"(1) In general.—An election under this section shall be made on the taxpayer's timely filed income tax return for the first taxable year (determined by taking extensions into account) ending 120 days or more after the date of the enactment of this section, and, once made, may be revoked only with the consent of the Secretary.

"(2) All controlled foreign corporations.—The election shall apply to all corporations which are controlled foreign corporations in which the taxpayer is a United States shareholder during the taxable year.

"(3) Consolidated groups.—If a taxpayer is a member of an affiliated group of corporations filing a consolidated return under section 1501 for the taxable year, an election under this section shall be made by the common parent of the affiliated group which includes the taxpayer and shall apply to all members of the affiliated group.

"(e) Regulations.—The Secretary shall prescribe such regulations as may be necessary and appropriate to carry out the purposes of this section, including regulations under section 55 and regulations addressing corporations which, during the fixed base period or thereafter, join or leave an affiliated group of corporations filing a consolidated return.".

(b) Conforming Amendment.—The table of sections for subpart F of part III of subchapter N of chapter 1 is amended by adding at the end the following new item:

"Sec. 965. Toll tax imposed on excess qualified foreign distribution amount.".

(c) Effective Date.—The amendments made by this section shall apply only to the first taxable year of the electing taxpayer ending 120 days or more after the date of the enactment of this Act.

TITLE III—EXTENSION OF EXPIRING PROVISIONS

SEC. 301. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) In General.—Paragraph (2) of section 26(a) is amended—

(1) by striking "RULE FOR 2000, 2001, 2002, AND 2003.—" and inserting "RULE FOR TAXABLE YEARS 2000 THROUGH 2005.—", and

(2) by striking "or 2003," and inserting "2003, 2004, or 2005,".

(b) Conforming Provisions.—

(1) Section 904(h) is amended by striking "or 2003" and inserting "2003, 2004, or 2005".

(2) The amendments made by sections 201(b), 202(f), and 618(b) of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to taxable years beginning during 2004 or 2005.

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

SEC. 302. EXTENSION OF RESEARCH CREDIT.

(a) Extension.—

(1) In general.—Section 41(h)(1)(B) (relating to termination) is amended by striking "June 30, 2004" and inserting "December 31, 2005".

(2) Conforming amendment.—Section 45C(b)(1)(D) is amended by striking "June 30, 2004" and inserting "December 31, 2005".

(b) Effective Date.—The amendments made by subsection (a) shall apply to amounts paid or incurred after the date of the enactment of this Act.

SEC. 303. EXTENSION OF CREDIT FOR ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES.

(a) In General.—Subparagraphs (A) and (B) of section 45(c)(3) (defining qualified facility) are both amended by striking "2004" and inserting "2006".

(b) Effective Date.—The amendments made by this section shall apply to electricity produced and sold after December 31, 2003.

SEC. 304. INDIAN EMPLOYMENT TAX CREDIT.

Section 45A(f) (relating to termination) is amended by striking "December 31, 2004" and inserting "December 31, 2005".

SEC. 305. WORK OPPORTUNITY CREDIT.

(a) In General.—Subparagraph (B) of section 51(c)(4) is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) Effective Date.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2003.

SEC. 306. WELFARE-TO-WORK CREDIT.

(a) In General.—Subsection (f) of section 51A is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) Effective Date.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2003.

SEC. 307. CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) In General.—Subparagraph (D) of section 62(a)(2) (relating to certain trade and business deductions of employees) is amended by striking "or 2003" and inserting ", 2003, 2004, or 2005".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2003.

SEC. 308. EXTENSION OF ACCELERATED DEPRECIATION BENEFIT FOR PROPERTY ON INDIAN RESERVATIONS.

Paragraph (8) of section 168(j) (relating to termination) is amended by striking "December 31, 2004" and inserting "December 31, 2005".

SEC. 309. CHARITABLE CONTRIBUTIONS OF COMPUTER TECHNOLOGY AND EQUIPMENT USED FOR EDUCATIONAL PURPOSES.

(a) In General.—Subparagraph (G) of section 170(e)(6) (relating to special rule for contributions of computer technology and equipment for educational purposes) is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2003.

SEC. 310. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) In General.—Subsection (h) of section 198 (relating to termination) is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) Effective Date.—The amendments made by subsection (a) shall apply to expenditures paid or incurred after December 31, 2003.

SEC. 311. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) In General.—Paragraphs (2) and (3)(B) of section 220(i) (defining cut-off year) are each amended by striking "2003" each place it appears in the text and headings and inserting "2004".

(b) Conforming Amendments.—

(1) Subparagraph (A) of section 220(j)(4) is amended by striking "and 2002" and inserting "2002, and 2004".

(2) Subparagraph (C) of section 220(j)(2) is amended to read as follows:

"(C) No limitation for 2000 or 2003.—The numerical limitation shall not apply for 2000 or 2003.".

(c) Effective Date.—The amendments made by this section shall take effect on January 1, 2004.

(d) Time for Filing Reports.—The report required by section 220(j)(4) of the Internal Revenue Code of 1986 to be made on August 1, 2004, shall be treated as timely if made before the close of the 90-day period beginning on the date of the enactment of this Act.

SEC. 312. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) In General.—Subparagraph (H) of section 613A(c)(6) is amended by striking "January 1, 2004" and inserting "January 1, 2006".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2003.

SEC. 313. QUALIFIED ZONE ACADEMY BONDS.

(a) In General.—Paragraph (1) of section 1397E(e) is amended by striking "and 2003" and inserting "2003, 2004, and 2005".

(b) Effective Date.—The amendment made by subsection (a) shall apply to obligations issued after the date of the enactment of this Act.

SEC. 314. DISTRICT OF COLUMBIA.

(a) District of Columbia Enterprise Zone.—Subsection (f) of section 1400 is amended by striking "December 31, 2003" both places it appears and inserting "December 31, 2005".

(b) Tax-Exempt Economic Development Bonds.—Subsection (b) of section 1400A is amended by striking "December 31, 2003" and inserting "December 31, 2005".

(c) Zero Percent Capital Gains Rate.—

(1) Section 1400B is amended by striking "January 1, 2004" each place it appears and inserting "January 1, 2006".

(2) Subsections (e)(2) and (g)(2) of section 1400B are each amended by striking "2008" each place it appears in the headings and text and inserting "2010".

(3) Subsection (d) of section 1400F is amended by striking "December 31, 2008" and inserting "December 31, 2010".

(d) First-Time Homebuyer Credit.—Subsection (i) of section 1400C is amended by striking "January 1, 2004" and inserting "January 1, 2006".

(e) Effective Dates.—

(1) In general.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) Tax-exempt economic development bonds.—The amendment made by subsection (b) shall apply to obligations issued after December 31, 2003.

SEC. 315. EXTENSION OF CERTAIN NEW YORK LIBERTY ZONE BOND FINANCING.

Subparagraph (D) of section 1400L(d)(2) is amended by striking "2005" and inserting "2009".

SEC. 316. DISCLOSURES RELATING TO TERRORIST ACTIVITIES.

(a) In General.—Clause (iv) of section 6103(i)(3)(C) and subparagraph (E) of section 6103(i)(7) are both amended by striking "December 31, 2003" and inserting "December 31, 2005".

(b) Disclosure of Taxpayer Identity to Law Enforcement Agencies Investigating Terrorism.—Subparagraph (A) of section 6103(i)(7) is amended by adding at the end the following new clause:

"(v) Taxpayer identity.—For purposes of this subparagraph, a taxpayer's identity shall not be treated as taxpayer return information.".

(c) Effective Dates.—

(1) In general.—The amendments made by subsection (a) shall apply to disclosures on

or after the date of the enactment of this Act.

(2) Subsection (b).—The amendment made by subsection (b) shall take effect as if included in section 201 of the Victims of Terrorism Tax Relief Act of 2001.

SEC. 317. DISCLOSURE OF RETURN INFORMATION RELATING TO STUDENT LOANS.

Section 6103(l)(13)(D) (relating to termination) is amended by striking "December 31, 2004" and inserting "December 31, 2005".

SEC. 318. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) In General.—Paragraph (1) of section 7652(f) is amended by striking "January 1, 2004" and inserting "January 1, 2006".

(b) Effective Date.—The amendment made by subsection (a) shall apply to articles brought into the United States after December 31, 2003.

SEC. 319. JOINT REVIEW OF STRATEGIC PLANS AND BUDGET FOR THE INTERNAL REVENUE SERVICE.

(a) In General.—Paragraph (2) of section 8021(f) (relating to joint reviews) is amended by striking "2004" and inserting "2005".

(b) Report.—Subparagraph (C) of section 8022(3) (regarding reports) is amended—

(1) by striking "2004" and inserting "2005", and

(2) by striking "with respect to—" and all that follows and inserting "with respect to the matters addressed in the joint review referred to in section 8021(f)(2).".

(c) Time for Joint Review.—The joint review required by section 8021(f)(2) of the Internal Revenue Code of 1986 to be made before June 1, 2004, shall be treated as timely if made before June 1, 2005.

SEC. 320. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) In General.—Subsection (f) of section 9812 is amended—

(1) by striking "and" at the end of paragraph (1), by striking paragraph (2), and by inserting after paragraph (1) the following new paragraphs:

"(2) on or after January 1, 2004, and before the date of the enactment of American Jobs Creation Act of 2004, and

"(3) after December 31, 2005.".

(b) Effective Date.—The amendments made by this section shall apply to benefits for services furnished on or after December 31, 2003.

SEC. 321. COMBINED EMPLOYMENT TAX REPORTING PROJECT.

(a) In General.—Paragraph (1) of section 976(b) of the Taxpayer Relief Act of 1997 (111 Stat. 898) is amended by striking "for a period ending with the date which is 5 years after the date of the enactment of this Act" and inserting "during the period ending on December 31, 2005".

(b) Effective Date.—The amendment made by subsection (a) shall apply to disclosures on or after the date of the enactment of this Act.

SEC. 322. CLEAN-FUEL VEHICLES.

(a) Credit for Qualified Electric Vehicles.—Paragraph (2) of section 30(b) (relating to phaseout) is amended to read as follows:

"(2) Phaseout.—In the case of any qualified electric vehicle placed in service after December 31, 2005, the credit otherwise allowable under subsection (a) (determined after the application of paragraph (1)) shall be reduced by 75 percent.".

(b) Deduction for Qualified Clean-Fuel Vehicle Property.—Subparagraph (B) of section 179A(b)(1) (relating to phaseout) is amended to read as follows:

"(B) Phaseout.—In the case of any qualified clean-fuel vehicle property placed in service after December 31, 2005, the limit otherwise applicable under subparagraph (A) shall be reduced by 75 percent.".

(c) Effective Date.—The amendments made by this section shall apply to property placed in service after December 31, 2003.

TITLE IV—PERMANENT DEDUCTION FOR STATE AND LOCAL GENERAL RETAIL SALES TAXES

SEC. 401. DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES IN LIEU OF STATE AND LOCAL INCOME TAXES.

(a) In General.—Subsection (b) of section 164 (relating to definitions and special rules) is amended by adding at the end the following:

"(5) General Sales Taxes.—For purposes of subsection (a)—

"(A) Election to Deduct State and Local Sales Taxes in Lieu of State and Local Income Taxes.—

"(i) In General.—At the election of the taxpayer for the taxable year, subsection (a) shall be applied—

"(I) without regard to the reference to State and local income taxes, and

"(II) as if State and local general sales taxes were referred to in a paragraph thereof.

"(B) Definition of General Sales Tax.—The term 'general sales tax' means a tax imposed at one rate with respect to the sale at retail of a broad range of classes of items.

"(C) Special Rules for Food, etc.—In the case of items of food, clothing, medical supplies, and motor vehicles—

"(i) the fact that the tax does not apply with respect to some or all of such items shall not be taken into account in determining whether the tax applies with respect to a broad range of classes of items, and

"(ii) the fact that the rate of tax applicable with respect to some or all of such items is lower than the general rate of tax shall not be taken into account in determining whether the tax is imposed at one rate.

"(D) Items Taxed at Different Rates.—Except in the case of a lower rate of tax applicable with respect to an item described in subparagraph (C), no deduction shall be allowed under this paragraph for any general sales tax imposed with respect to an item at a rate other than the general rate of tax.

"(E) Compensating Use Taxes.—A compensating use tax with respect to an item shall be treated as a general sales tax. For purposes of the preceding sentence, the term 'compensating use tax' means, with respect to any item, a tax which—

"(i) is imposed on the use, storage, or consumption of such item, and

"(ii) is complementary to a general sales tax, but only if a deduction is allowable under this paragraph with respect to items sold at retail in the taxing jurisdiction which are similar to such item.

"(F) Special Rule for Motor Vehicles.—In the case of motor vehicles, if the rate of tax exceeds the general rate, such excess shall be disregarded and the general rate shall be treated as the rate of tax.

"(G) Separately Stated General Sales Taxes.—If the amount of any general sales tax is separately stated, then, to the extent that the amount so stated is paid by the consumer (other than in connection with the consumer's trade or business) to the seller, such amount shall be treated as a tax imposed on, and paid by, such consumer.".

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

TITLE V—PROVISIONS TO PREVENT TAX AVOIDANCE THROUGH INDIVIDUAL AND CORPORATE EXPATRIATION

Subtitle A—Individual Expatriation

SEC. 501. IMPOSITION OF MARK-TO-MARKET TAX ON INDIVIDUALS WHO EXPATRIATE.

(a) In General.—Subpart A of part II of subchapter N of chapter 1 is amended by inserting after section 877 the following new section:

"SEC. 877A. TAX RESPONSIBILITIES OF EXPATRIATION.

"(a) General Rules.—For purposes of this subtitle—

"(1) Mark to Market.—Except as provided in subsections (d) and (f), all property of a covered expatriate to whom this section applies shall be treated as sold on the day before the expatriation date for its fair market value.

"(2) Recognition of Gain or Loss.—In the case of any sale under paragraph (1)—

"(A) notwithstanding any other provision of this title, any gain arising from such sale shall be taken into account for the taxable year of the sale, and

"(B) any loss arising from such sale shall be taken into account for the taxable year of the sale to the extent otherwise provided by this title, except that section 1091 shall not apply to any such loss.

Proper adjustment shall be made in the amount of any gain or loss subsequently realized for gain or loss taken into account under the preceding sentence.

"(3) Exclusion for Certain Gain.—

"(A) In General.—The amount which, but for this paragraph, would be includible in the gross income of any individual by reason of this section shall be reduced (but not below zero) by $600,000. For purposes of this paragraph, allocable expatriation gain taken into account under subsection (f)(2) shall be treated in the same manner as an amount required to be includible in gross income.

"(B) Cost-of-Living Adjustment.—

"(i) In General.—In the case of an expatriation date occurring in any calendar year after 2004, the $600,000 amount under subparagraph (A) shall be increased by an amount equal to—

"(I) such dollar amount, multiplied by

"(II) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, determined by substituting 'calendar year 2003' for 'calendar year 1992' in subparagraph (B) thereof.

"(ii) Rounding Rules.—If any amount after adjustment under clause (i) is not a multiple of $1,000, such amount shall be rounded to the next lower multiple of $1,000.

"(4) Election to Continue to Be Taxed as United States Citizen.—

"(A) In General.—If a covered expatriate elects the application of this paragraph—

"(i) this section (other than this paragraph and subsection (i)) shall not apply to the expatriate, but

"(ii) in the case of property to which this section would apply but for such election, the expatriate shall be subject to tax under this title in the same manner as if the individual were a United States citizen.

"(B) Requirements.—Subparagraph (A) shall not apply to an individual unless the individual—

"(i) provides security for payment of tax in such form and manner, and in such amount, as the Secretary may require,

"(ii) consents to the waiver of any right of the individual under any treaty of the United States which would preclude assessment or collection of any tax which may be imposed by reason of this paragraph, and ‘‘(iii) complies with such other requirements as the Secretary may prescribe.

‘‘(C) ELECTION.—An election under subparagraph (A) shall apply to all property to which this section would apply but for the election and, once made, shall be irrevocable. Such election shall also apply to property the basis of which is determined in whole or in part by reference to the property with respect to which the election was made.

‘‘(b) ELECTION TO DEFER TAX.—

‘‘(1) IN GENERAL.—If the taxpayer elects the application of this subsection with respect to any property treated as sold by reason of subsection (a), the payment of the additional tax attributable to such property shall be postponed until the due date of the return for the taxable year in which such property is disposed of (or, in the case of property disposed of in a transaction in which gain is not recognized in whole or in part, until such other date as the Secretary may prescribe).

‘‘(2) DETERMINATION OF TAX WITH RESPECT TO PROPERTY.—For purposes of paragraph (1), the additional tax attributable to any property is an amount which bears the same ratio to the additional tax imposed by this chapter for the taxable year solely by reason of subsection (a) as the gain taken into account under subsection (a) with respect to such property bears to the total gain taken into account under subsection (a) with respect to all property to which subsection (a) applies.

‘‘(3) TERMINATION OF POSTPONEMENT.—No tax may be postponed under this subsection later than the due date for the return of tax imposed by this chapter for the taxable year which includes the date of death of the expatriate (or, if earlier, the time that the security provided with respect to the property fails to meet the requirements of paragraph (4), unless the taxpayer corrects such failure within the time specified by the Secretary).

‘‘(4) SECURITY.—

‘‘(A) IN GENERAL.—No election may be made under paragraph (1) with respect to any property unless adequate security is provided to the Secretary with respect to such property.

‘‘(B) ADEQUATE SECURITY.—For purposes of subparagraph (A), security with respect to any property shall be treated as adequate security if—

‘‘(i) it is a bond in an amount equal to the deferred tax amount under paragraph (2) for the property, or

‘‘(ii) the taxpayer otherwise establishes to the satisfaction of the Secretary that the security is adequate.

‘‘(5) WAIVER OF CERTAIN RIGHTS.—No election may be made under paragraph (1) unless the taxpayer consents to the waiver of any right under any treaty of the United States which would preclude assessment or collection of any tax imposed by reason of this section.

‘‘(6) ELECTIONS.—An election under paragraph (1) shall only apply to property described in the election and, once made, is irrevocable. An election may be made under paragraph (1) with respect to an interest in a trust with respect to which gain is required to be recognized under subsection (f)(1).

‘‘(7) INTEREST.—For purposes of section 6601—

‘‘(A) the last date for the payment of tax shall be determined without regard to the election under this subsection, and

‘‘(B) section 6621(a)(2) shall be applied by substituting ‘5 percentage points’ for ‘3 percentage points’ in subparagraph (B) thereof.

‘‘(c) COVERED EXPATRIATE.—For purposes of this section—

‘‘(1) IN GENERAL.—Except as provided in paragraph (2), the term ‘covered expatriate’ means an expatriate.

‘‘(2) EXCEPTIONS.—An individual shall not be treated as a covered expatriate if—

‘‘(A) the individual—

‘‘(i) became at birth a citizen of the United States and a citizen of another country and, as of the expatriation date, continues to be a citizen of, and is taxed as a resident of, such other country, and

‘‘(ii) has not been a resident of the United States (as defined in section 7701(b)(1)(A)(ii)) during the 5 taxable years ending with the taxable year during which the expatriation date occurs, or

‘‘(B)(i) the individual's relinquishment of United States citizenship occurs before such individual attains age 18½, and

‘‘(ii) the individual has been a resident of the United States (as so defined) for not more than 5 taxable years before the date of relinquishment.

‘‘(d) EXEMPT PROPERTY; SPECIAL RULES FOR PENSION PLANS.—

‘‘(1) EXEMPT PROPERTY.—This section shall not apply to the following:

‘‘(A) UNITED STATES REAL PROPERTY INTERESTS.—Any United States real property interest (as defined in section 897(c)(1)), other than stock of a United States real property holding corporation which does not, on the day before the expatriation date, meet the requirements of section 897(c)(2).

‘‘(B) SPECIFIED PROPERTY.—Any property or interest in property not described in subparagraph (A) which the Secretary specifies in regulations.

‘‘(2) SPECIAL RULES FOR CERTAIN RETIREMENT PLANS.—

‘‘(A) IN GENERAL.—If a covered expatriate holds on the day before the expatriation date any interest in a retirement plan to which this paragraph applies—

‘‘(i) such interest shall not be treated as sold for purposes of subsection (a)(1), but

‘‘(ii) an amount equal to the present value of the expatriate's nonforfeitable accrued benefit shall be treated as having been received by such individual on such date as a distribution under the plan.

‘‘(B) TREATMENT OF SUBSEQUENT DISTRIBUTIONS.—In the case of any distribution on or after the expatriation date to or on behalf of the covered expatriate from a plan from which the expatriate was treated as receiving a distribution under subparagraph (A), the amount otherwise includible in gross income by reason of the subsequent distribution shall be reduced by the excess of the amount includible in gross income under subparagraph (A) over any portion of such amount to which this subparagraph previously applied.

‘‘(C) TREATMENT OF SUBSEQUENT DISTRIBUTIONS BY PLAN.—For purposes of this title, a retirement plan to which this paragraph applies, and any person acting on the plan's behalf, shall treat any subsequent distribution described in subparagraph (B) in the same manner as such distribution would be treated without regard to this paragraph.

‘‘(D) APPLICABLE PLANS.—This paragraph shall apply to—

‘‘(i) any qualified retirement plan (as defined in section 4974(c)),

‘‘(ii) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A), and

‘‘(iii) to the extent provided in regulations, any foreign pension plan or similar retirement arrangements or programs.

‘‘(e) DEFINITIONS.—For purposes of this section—

‘‘(1) EXPATRIATE.—The term ‘expatriate’ means—

‘‘(A) any United States citizen who relinquishes citizenship, and

‘‘(B) any long-term resident of the United States who—

‘‘(i) ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)), or

‘‘(ii) commences to be treated as a resident of a foreign country under the provisions of a tax treaty between the United States and the foreign country and who does not waive the benefits of such treaty applicable to residents of the foreign country.

‘‘(2) EXPATRIATION DATE.—The term ‘expatriation date’ means—

‘‘(A) the date an individual relinquishes United States citizenship, or

‘‘(B) in the case of a long-term resident of the United States, the date of the event described in clause (i) or (ii) of paragraph (1)(B).

‘‘(3) RELINQUISHMENT OF CITIZENSHIP.—A citizen shall be treated as relinquishing United States citizenship on the earliest of—

‘‘(A) the date the individual renounces such individual's United States nationality before a diplomatic or consular officer of the United States pursuant to paragraph (5) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(5)),

‘‘(B) the date the individual furnishes to the United States Department of State a signed statement of voluntary relinquishment of United States nationality confirming the performance of an act of expatriation specified in paragraph (1), (2), (3), or (4) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(1)–(4)),

‘‘(C) the date the United States Department of State issues to the individual a certificate of loss of nationality, or

‘‘(D) the date a court of the United States cancels a naturalized citizen's certificate of naturalization.

Subparagraph (A) or (B) shall not apply to any individual unless the renunciation or voluntary relinquishment is subsequently approved by the issuance to the individual of a certificate of loss of nationality by the United States Department of State.

‘‘(4) LONG-TERM RESIDENT.—The term ‘long-term resident’ has the meaning given to such term by section 877(e)(2).

‘‘(f) SPECIAL RULES APPLICABLE TO BENEFICIARIES' INTERESTS IN TRUST.—

‘‘(1) IN GENERAL.—Except as provided in paragraph (2), if an individual is determined under paragraph (3) to hold an interest in a trust on the day before the expatriation date—

‘‘(A) the individual shall not be treated as having sold such interest,

‘‘(B) such interest shall be treated as a separate share in the trust, and

‘‘(C)(i) such separate share shall be treated as a separate trust consisting of the assets allocable to such share,

‘‘(ii) the separate trust shall be treated as having sold its assets on the day before the expatriation date for their fair market value and as having distributed all of its assets to the individual as of such time, and

‘‘(iii) the individual shall be treated as having recontributed the assets to the separate trust.

Subsection (a)(2) shall apply to any income, gain, or loss of the individual arising from a distribution described in subparagraph (C)(ii). In determining the amount of such distribution, proper adjustments shall be made for liabilities of the trust allocable to an individual's share in the trust.

or after the date of the enactment of this Act.

(2) Subsection (b).—The amendment made by subsection (b) shall take effect as if included in section 201 of the Victims of Terrorism Tax Relief Act of 2001.

SEC. 317. DISCLOSURE OF RETURN INFORMATION RELATING TO STUDENT LOANS.

Section 6103(l)(13)(D) (relating to termination) is amended by striking "December 31, 2004" and inserting "December 31, 2005".

SEC. 318. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) In General.—Paragraph (1) of section 7652(f) is amended by striking "January 1, 2004" and inserting "January 1, 2006".

(b) Effective Date.—The amendment made by subsection (a) shall apply to articles brought into the United States after December 31, 2003.

SEC. 319. JOINT REVIEW OF STRATEGIC PLANS AND BUDGET FOR THE INTERNAL REVENUE SERVICE.

(a) In General.—Paragraph (2) of section 8021(f) (relating to joint reviews) is amended by striking "2004" and inserting "2005".

(b) Report.—Subparagraph (C) of section 8022(3) (regarding reports) is amended—

(1) by striking "2004" and inserting "2005", and

(2) by striking "with respect to—" and all that follows and inserting "with respect to the matters addressed in the joint review referred to in section 8021(f)(2).".

(c) Time for Joint Review.—The joint review required by section 8021(f)(2) of the Internal Revenue Code of 1986 to be made before June 1, 2004, shall be treated as timely if made before June 1, 2005.

SEC. 320. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) In General.—Subsection (f) of section 9812 is amended—

(1) by striking "and" at the end of paragraph (1), by striking paragraph (2), and by inserting after paragraph (1) the following new paragraphs:

"(2) on or after January 1, 2004, and before the date of the enactment of American Jobs Creation Act of 2004, and

"(3) after December 31, 2005.".

(b) Effective Date.—The amendments made by this section shall apply to benefits for services furnished on or after December 31, 2003.

SEC. 321. COMBINED EMPLOYMENT TAX REPORTING PROJECT.

(a) In General.—Paragraph (1) of section 976(b) of the Taxpayer Relief Act of 1997 (111 Stat. 898) is amended by striking "for a period ending with the date which is 5 years after the date of the enactment of this Act" and inserting "during the period ending on December 31, 2005".

(b) Effective Date.—The amendment made by subsection (a) shall apply to disclosures on or after the date of the enactment of this Act.

SEC. 322. CLEAN-FUEL VEHICLES.

(a) Credit for Qualified Electric Vehicles.—Paragraph (2) of section 30(b) (relating to phaseout) is amended to read as follows:

"(2) Phaseout.—In the case of any qualified electric vehicle placed in service after December 31, 2005, the credit otherwise allowable under subsection (a) (determined after the application of paragraph (1)) shall be reduced by 75 percent.".

(b) Deduction for Qualified Clean-Fuel Vehicle Property.—Subparagraph (B) of section 179A(b)(1) (relating to phaseout) is amended to read as follows:

"(B) Phaseout.—In the case of any qualified clean-fuel vehicle property placed in service after December 31, 2005, the limit otherwise applicable under subparagraph (A) shall be reduced by 75 percent.".

(c) Effective Date.—The amendments made by this section shall apply to property placed in service after December 31, 2003.

TITLE IV—PERMANENT DEDUCTION FOR STATE AND LOCAL GENERAL RETAIL SALES TAXES

SEC. 401. DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES IN LIEU OF STATE AND LOCAL INCOME TAXES.

(a) In General.—Subsection (b) of section 164 (relating to definitions and special rules) is amended by adding at the end the following:

"(5) General sales taxes.—For purposes of subsection (a)—

"(A) Election to deduct state and local sales taxes in lieu of state and local income taxes.—

"(i) In general.—At the election of the taxpayer for the taxable year, subsection (a) shall be applied—

"(I) without regard to the reference to State and local income taxes, and

"(II) as if State and local general sales taxes were referred to in a paragraph thereof.

"(B) Definition of general sales tax.—The term 'general sales tax' means a tax imposed at one rate with respect to the sale at retail of a broad range of classes of items.

"(C) Special rules for food, etc.—In the case of items of food, clothing, medical supplies, and motor vehicles—

"(i) the fact that the tax does not apply with respect to some or all of such items shall not be taken into account in determining whether the tax applies with respect to a broad range of classes of items, and

"(ii) the fact that the rate of tax applicable with respect to some or all of such items is lower than the general rate of tax shall not be taken into account in determining whether the tax is imposed at one rate.

"(D) Items taxed at different rates.—Except in the case of a lower rate of tax applicable with respect to an item described in subparagraph (C), no deduction shall be allowed under this paragraph for any general sales tax imposed with respect to an item at a rate other than the general rate of tax.

"(E) Compensating use taxes.—A compensating use tax with respect to an item shall be treated as a general sales tax. For purposes of the preceding sentence, the term 'compensating use tax' means, with respect to any item, a tax which—

"(i) is imposed on the use, storage, or consumption of such item, and

"(ii) is complementary to a general sales tax, but only if a deduction is allowable under this paragraph with respect to items sold at retail in the taxing jurisdiction which are similar to such item.

"(F) Special rule for motor vehicles.—In the case of motor vehicles, if the rate of tax exceeds the general rate, such excess shall be disregarded and the general rate shall be treated as the rate of tax.

"(G) Separately stated general sales taxes.—If the amount of any general sales tax is separately stated, then, to the extent that the amount so stated is paid by the consumer (other than in connection with the consumer's trade or business) to the seller, such amount shall be treated as a tax imposed on, and paid by, such consumer.".

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

TITLE V—PROVISIONS TO PREVENT TAX AVOIDANCE THROUGH INDIVIDUAL AND CORPORATE EXPATRIATION

Subtitle A—Individual Expatriation

SEC. 501. IMPOSITION OF MARK-TO-MARKET TAX ON INDIVIDUALS WHO EXPATRIATE.

(a) In General.—Subpart A of part II of subchapter N of chapter 1 is amended by inserting after section 877 the following new section:

"SEC. 877A. TAX RESPONSIBILITIES OF EXPATRIATION.

"(a) General Rules.—For purposes of this subtitle—

"(1) Mark to market.—Except as provided in subsections (d) and (f), all property of a covered expatriate to whom this section applies shall be treated as sold on the day before the expatriation date for its fair market value.

"(2) Recognition of gain or loss.—In the case of any sale under paragraph (1)—

"(A) notwithstanding any other provision of this title, any gain arising from such sale shall be taken into account for the taxable year of the sale, and

"(B) any loss arising from such sale shall be taken into account for the taxable year of the sale to the extent otherwise provided by this title, except that section 1091 shall not apply to any such loss.

Proper adjustment shall be made in the amount of any gain or loss subsequently realized for gain or loss taken into account under the preceding sentence.

"(3) Exclusion for certain gain.—

"(A) In general.—The amount which, but for this paragraph, would be includible in the gross income of any individual by reason of this section shall be reduced (but not below zero) by $600,000. For purposes of this paragraph, allocable expatriation gain taken into account under subsection (f)(2) shall be treated in the same manner as an amount required to be includible in gross income.

"(B) Cost-of-living adjustment.—

"(i) In general.—In the case of an expatriation date occurring in any calendar year after 2004, the $600,000 amount under subparagraph (A) shall be increased by an amount equal to—

"(I) such dollar amount, multiplied by

"(II) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, determined by substituting 'calendar year 2003' for 'calendar year 1992' in subparagraph (B) thereof.

"(ii) Rounding rules.—If any amount after adjustment under clause (i) is not a multiple of $1,000, such amount shall be rounded to the next lower multiple of $1,000.

"(4) Election to continue to be taxed as United States citizen.—

"(A) In general.—If a covered expatriate elects the application of this paragraph—

"(i) this section (other than this paragraph and subsection (i)) shall not apply to the expatriate, but

"(ii) in the case of property to which this section would apply but for such election, the expatriate shall be subject to tax under this title in the same manner as if the individual were a United States citizen.

"(B) Requirements.—Subparagraph (A) shall not apply to an individual unless the individual—

"(i) provides security for payment of tax in such form and manner, and in such amount, as the Secretary may require,

"(ii) consents to the waiver of any right of the individual under any treaty of the United States which would preclude assessment or collection of any tax which may be imposed by reason of this paragraph, and “(iii) complies with such other requirements as the Secretary may prescribe.

“(C) Election.—An election under subparagraph (A) shall apply to all property to which this section would apply but for the election and, once made, shall be irrevocable. Such election shall also apply to property the basis of which is determined in whole or in part by reference to the property with respect to which the election was made.

“(b) Election To Defer Tax.—

“(1) In general.—If the taxpayer elects the application of this subsection with respect to any property treated as sold by reason of subsection (a), the payment of the additional tax attributable to such property shall be postponed until the due date of the return for the taxable year in which such property is disposed of (or, in the case of property disposed of in a transaction in which gain is not recognized in whole or in part, until such other date as the Secretary may prescribe).

“(2) Determination of tax with respect to property.—For purposes of paragraph (1), the additional tax attributable to any property is an amount which bears the same ratio to the additional tax imposed by this chapter for the taxable year solely by reason of subsection (a) as the gain taken into account under subsection (a) with respect to such property bears to the total gain taken into account under subsection (a) with respect to all property to which subsection (a) applies.

“(3) Termination of postponement.—No tax may be postponed under this subsection later than the due date for the return of tax imposed by this chapter for the taxable year which includes the date of death of the expatriate (or, if earlier, the time that the security provided with respect to the property fails to meet the requirements of paragraph (4), unless the taxpayer corrects such failure within the time specified by the Secretary).

“(4) Security.—

“(A) In general.—No election may be made under paragraph (1) with respect to any property unless adequate security is provided to the Secretary with respect to such property.

“(B) Adequate security.—For purposes of subparagraph (A), security with respect to any property shall be treated as adequate security if—

“(i) it is a bond in an amount equal to the deferred tax amount under paragraph (2) for the property, or

“(ii) the taxpayer otherwise establishes to the satisfaction of the Secretary that the security is adequate.

“(5) Waiver of certain rights.—No election may be made under paragraph (1) unless the taxpayer consents to the waiver of any right under any treaty of the United States which would preclude assessment or collection of any tax imposed by reason of this section.

“(6) Elections.—An election under paragraph (1) shall only apply to property described in the election and, once made, is irrevocable. An election may be made under paragraph (1) with respect to an interest in a trust with respect to which gain is required to be recognized under subsection (f)(1).

“(7) Interest.—For purposes of section 6601—

“(A) the last date for the payment of tax shall be determined without regard to the election under this subsection, and

“(B) section 6621(a)(2) shall be applied by substituting ‘5 percentage points’ for ‘3 percentage points’ in subparagraph (B) thereof.

“(c) Covered Expatriate.—For purposes of this section—

“(1) In general.—Except as provided in paragraph (2), the term ‘covered expatriate’ means an expatriate.

“(2) Exceptions.—An individual shall not be treated as a covered expatriate if—

“(A) the individual—

“(i) became at birth a citizen of the United States and a citizen of another country and, as of the expatriation date, continues to be a citizen of, and is taxed as a resident of, such other country, and

“(ii) has not been a resident of the United States (as defined in section 7701(b)(1)(A)(ii)) during the 5 taxable years ending with the taxable year during which the expatriation date occurs, or

“(B)(i) the individual's relinquishment of United States citizenship occurs before such individual attains age 18½, and

“(ii) the individual has been a resident of the United States (as so defined) for not more than 5 taxable years before the date of relinquishment.

“(d) Exempt Property; Special Rules for Pension Plans.—

“(1) Exempt property.—This section shall not apply to the following:

“(A) United states real property interests.—Any United States real property interest (as defined in section 897(c)(1)), other than stock of a United States real property holding corporation which does not, on the day before the expatriation date, meet the requirements of section 897(c)(2).

“(B) Specified property.—Any property or interest in property not described in subparagraph (A) which the Secretary specifies in regulations.

“(2) Special rules for certain retirement plans.—

“(A) In general.—If a covered expatriate holds on the day before the expatriation date any interest in a retirement plan to which this paragraph applies—

“(i) such interest shall not be treated as sold for purposes of subsection (a)(1), but

“(ii) an amount equal to the present value of the expatriate's nonforfeitable accrued benefit shall be treated as having been received by such individual on such date as a distribution under the plan.

“(B) Treatment of subsequent distributions.—In the case of any distribution on or after the expatriation date to or on behalf of the covered expatriate from a plan from which the expatriate was treated as receiving a distribution under subparagraph (A), the amount otherwise includible in gross income by reason of the subsequent distribution shall be reduced by the excess of the amount includible in gross income under subparagraph (A) over any portion of such amount to which this subparagraph previously applied.

“(C) Treatment of subsequent distributions by plan.—For purposes of this title, a retirement plan to which this paragraph applies, and any person acting on the plan's behalf, shall treat any subsequent distribution described in subparagraph (B) in the same manner as such distribution would be treated without regard to this paragraph.

“(D) Applicable plans.—This paragraph shall apply to—

“(i) any qualified retirement plan (as defined in section 4974(c)),

“(ii) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A), and

“(iii) to the extent provided in regulations, any foreign pension plan or similar retirement arrangements or programs.

“(e) Definitions.—For purposes of this section—

“(1) Expatriate.—The term ‘expatriate’ means—

“(A) any United States citizen who relinquishes citizenship, and

“(B) any long-term resident of the United States who—

“(i) ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)), or

“(ii) commences to be treated as a resident of a foreign country under the provisions of a tax treaty between the United States and the foreign country and who does not waive the benefits of such treaty applicable to residents of the foreign country.

“(2) Expatriation date.—The term ‘expatriation date’ means—

“(A) the date an individual relinquishes United States citizenship, or

“(B) in the case of a long-term resident of the United States, the date of the event described in clause (i) or (ii) of paragraph (1)(B).

“(3) Relinquishment of citizenship.—A citizen shall be treated as relinquishing United States citizenship on the earliest of—

“(A) the date the individual renounces such individual's United States nationality before a diplomatic or consular officer of the United States pursuant to paragraph (5) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(5)),

“(B) the date the individual furnishes to the United States Department of State a signed statement of voluntary relinquishment of United States nationality confirming the performance of an act of expatriation specified in paragraph (1), (2), (3), or (4) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(1)–(4)),

“(C) the date the United States Department of State issues to the individual a certificate of loss of nationality, or

“(D) the date a court of the United States cancels a naturalized citizen's certificate of naturalization.

Subparagraph (A) or (B) shall not apply to any individual unless the renunciation or voluntary relinquishment is subsequently approved by the issuance to the individual of a certificate of loss of nationality by the United States Department of State.

“(4) Long-term resident.—The term ‘long-term resident’ has the meaning given to such term by section 877(e)(2).

“(f) Special Rules Applicable to Beneficiaries' Interests in Trust.—

“(1) In general.—Except as provided in paragraph (2), if an individual is determined under paragraph (3) to hold an interest in a trust on the day before the expatriation date—

“(A) the individual shall not be treated as having sold such interest,

“(B) such interest shall be treated as a separate share in the trust, and

“(C)(i) such separate share shall be treated as a separate trust consisting of the assets allocable to such share,

“(ii) the separate trust shall be treated as having sold its assets on the day before the expatriation date for their fair market value and as having distributed all of its assets to the individual as of such time, and

“(iii) the individual shall be treated as having recontributed the assets to the separate trust.

Subsection (a)(2) shall apply to any income, gain, or loss of the individual arising from a distribution described in subparagraph (C)(ii). In determining the amount of such distribution, proper adjustments shall be made for liabilities of the trust allocable to an individual's share in the trust.

"(2) SPECIAL RULES FOR INTERESTS IN QUALIFIED TRUSTS.—

"(A) IN GENERAL.—If the trust interest described in paragraph (1) is an interest in a qualified trust—

"(i) paragraph (1) and subsection (a) shall not apply, and

"(ii) in addition to any other tax imposed by this title, there is hereby imposed on each distribution with respect to such interest a tax in the amount determined under subparagraph (B).

"(B) AMOUNT OF TAX.—The amount of tax under subparagraph (A)(ii) shall be equal to the lesser of—

"(i) the highest rate of tax imposed by section 1(e) for the taxable year which includes the day before the expatriation date, multiplied by the amount of the distribution, or

"(ii) the balance in the deferred tax account immediately before the distribution determined without regard to any increases under subparagraph (C)(ii) after the 30th day preceding the distribution.

"(C) DEFERRED TAX ACCOUNT.—For purposes of subparagraph (B)(ii)—

"(i) OPENING BALANCE.—The opening balance in a deferred tax account with respect to any trust interest is an amount equal to the tax which would have been imposed on the allocable expatriation gain with respect to the trust interest if such gain had been included in gross income under subsection (a).

"(ii) INCREASE FOR INTEREST.—The balance in the deferred tax account shall be increased by the amount of interest determined (on the balance in the account at the time the interest accrues), for periods after the 90th day after the expatriation date, by using the rates and method applicable under section 6621 for underpayments of tax for such periods, except that section 6621(a)(2) shall be applied by substituting '5 percentage points' for '3 percentage points' in subparagraph (B) thereof.

"(iii) DECREASE FOR TAXES PREVIOUSLY PAID.—The balance in the tax deferred account shall be reduced—

"(I) by the amount of taxes imposed by subparagraph (A) on any distribution to the person holding the trust interest, and

"(II) in the case of a person holding a nonvested interest, to the extent provided in regulations, by the amount of taxes imposed by subparagraph (A) on distributions from the trust with respect to nonvested interests not held by such person.

"(D) ALLOCABLE EXPATRIATION GAIN.—For purposes of this paragraph, the allocable expatriation gain with respect to any beneficiary's interest in a trust is the amount of gain which would be allocable to such beneficiary's vested and nonvested interests in the trust if the beneficiary held directly all assets allocable to such interests.

"(E) TAX DEDUCTED AND WITHHELD.—

"(i) IN GENERAL.—The tax imposed by subparagraph (A)(ii) shall be deducted and withheld by the trustees from the distribution to which it relates.

"(ii) EXCEPTION WHERE FAILURE TO WAIVE TREATY RIGHTS.—If an amount may not be deducted and withheld under clause (i) by reason of the distributee failing to waive any treaty right with respect to such distribution—

"(I) the tax imposed by subparagraph (A)(ii) shall be imposed on the trust and each trustee shall be personally liable for the amount of such tax, and

"(II) any other beneficiary of the trust shall be entitled to recover from the distributee the amount of such tax imposed on the other beneficiary.

"(F) DISPOSITION.—If a trust ceases to be a qualified trust at any time, a covered expatriate disposes of an interest in a qualified trust, or a covered expatriate holding an interest in a qualified trust dies, then, in lieu of the tax imposed by subparagraph (A)(ii), there is hereby imposed a tax equal to the lesser of—

"(i) the tax determined under paragraph (1) as if the day before the expatriation date were the date of such cessation, disposition, or death, whichever is applicable, or

"(ii) the balance in the tax deferred account immediately before such date.

Such tax shall be imposed on the trust and each trustee shall be personally liable for the amount of such tax and any other beneficiary of the trust shall be entitled to recover from the covered expatriate or the estate the amount of such tax imposed on the other beneficiary.

"(G) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

"(i) QUALIFIED TRUST.—The term 'qualified trust' means a trust which is described in section 7701(a)(30)(E).

"(ii) VESTED INTEREST.—The term 'vested interest' means any interest which, as of the day before the expatriation date, is vested in the beneficiary.

"(iii) NONVESTED INTEREST.—The term 'nonvested interest' means, with respect to any beneficiary, any interest in a trust which is not a vested interest. Such interest shall be determined by assuming the maximum exercise of discretion in favor of the beneficiary and the occurrence of all contingencies in favor of the beneficiary.

"(iv) ADJUSTMENTS.—The Secretary may provide for such adjustments to the bases of assets in a trust or a deferred tax account, and the timing of such adjustments, in order to ensure that gain is taxed only once.

"(v) COORDINATION WITH RETIREMENT PLAN RULES.—This subsection shall not apply to an interest in a trust which is part of a retirement plan to which subsection (d)(2) applies.

"(3) DETERMINATION OF BENEFICIARIES' INTEREST IN TRUST.—

"(A) DETERMINATIONS UNDER PARAGRAPH (1).—For purposes of paragraph (1), a beneficiary's interest in a trust shall be based upon all relevant facts and circumstances, including the terms of the trust instrument and any letter of wishes or similar document, historical patterns of trust distributions, and the existence of and functions performed by a trust protector or any similar adviser.

"(B) OTHER DETERMINATIONS.—For purposes of this section—

"(i) CONSTRUCTIVE OWNERSHIP.—If a beneficiary of a trust is a corporation, partnership, trust, or estate, the shareholders, partners, or beneficiaries shall be deemed to be the trust beneficiaries for purposes of this section.

"(ii) TAXPAYER RETURN POSITION.—A taxpayer shall clearly indicate on its income tax return—

"(I) the methodology used to determine that taxpayer's trust interest under this section, and

"(II) if the taxpayer knows (or has reason to know) that any other beneficiary of such trust is using a different methodology to determine such beneficiary's trust interest under this section.

"(g) TERMINATION OF DEFERRALS, ETC.—In the case of any covered expatriate, notwithstanding any other provision of this title—

"(1) any period during which recognition of income or gain is deferred shall terminate on the day before the expatriation date, and

"(2) any extension of time for payment of tax shall cease to apply on the day before the expatriation date and the unpaid portion of such tax shall be due and payable at the time and in the manner prescribed by the Secretary.

"(h) IMPOSITION OF TENTATIVE TAX.—

"(1) IN GENERAL.—If an individual is required to include any amount in gross income under subsection (a) for any taxable year, there is hereby imposed, immediately before the expatriation date, a tax in an amount equal to the amount of tax which would be imposed if the taxable year were a short taxable year ending on the expatriation date.

"(2) DUE DATE.—The due date for any tax imposed by paragraph (1) shall be the 90th day after the expatriation date.

"(3) TREATMENT OF TAX.—Any tax paid under paragraph (1) shall be treated as a payment of the tax imposed by this chapter for the taxable year to which subsection (a) applies.

"(4) DEFERRAL OF TAX.—The provisions of subsection (b) shall apply to the tax imposed by this subsection to the extent attributable to gain includible in gross income by reason of this section.

"(i) SPECIAL LIENS FOR DEFERRED TAX AMOUNTS.—

"(1) IMPOSITION OF LIEN.—

"(A) IN GENERAL.—If a covered expatriate makes an election under subsection (a)(4) or (b) which results in the deferral of any tax imposed by reason of subsection (a), the deferred amount (including any interest, additional amount, addition to tax, assessable penalty, and costs attributable to the deferred amount) shall be a lien in favor of the United States on all property of the expatriate located in the United States (without regard to whether this section applies to the property).

"(B) DEFERRED AMOUNT.—For purposes of this subsection, the deferred amount is the amount of the increase in the covered expatriate's income tax which, but for the election under subsection (a)(4) or (b), would have occurred by reason of this section for the taxable year including the expatriation date.

"(2) PERIOD OF LIEN.—The lien imposed by this subsection shall arise on the expatriation date and continue until—

"(A) the liability for tax by reason of this section is satisfied or has become unenforceable by reason of lapse of time, or

"(B) it is established to the satisfaction of the Secretary that no further tax liability may arise by reason of this section.

"(3) CERTAIN RULES APPLY.—The rules set forth in paragraphs (1), (3), and (4) of section 6324A(d) shall apply with respect to the lien imposed by this subsection as if it were a lien imposed by section 6324A.

"(j) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.".

(b) INCLUSION IN INCOME OF GIFTS AND BEQUESTS RECEIVED BY UNITED STATES CITIZENS AND RESIDENTS FROM EXPATRIATES.—Section 102 (relating to gifts, etc. not included in gross income) is amended by adding at the end the following new subsection:

"(d) GIFTS AND INHERITANCES FROM COVERED EXPATRIATES.—

"(1) IN GENERAL.—Subsection (a) shall not exclude from gross income the value of any property acquired by gift, bequest, devise, or inheritance from a covered expatriate after the expatriation date. For purposes of this subsection, any term used in this subsection which is also used in section 877A shall have the same meaning as when used in section 877A.

"(2) Exceptions for transfers otherwise subject to estate or gift tax.—Paragraph (1) shall not apply to any property if either—

"(A) the gift, bequest, devise, or inheritance is—

"(i) shown on a timely filed return of tax imposed by chapter 12 as a taxable gift by the covered expatriate, or

"(ii) included in the gross estate of the covered expatriate for purposes of chapter 11 and shown on a timely filed return of tax imposed by chapter 11 of the estate of the covered expatriate, or

"(B) no such return was timely filed but no such return would have been required to be filed even if the covered expatriate were a citizen or long-term resident of the United States.".

(c) Definition of Termination of United States Citizenship.—Section 7701(a) is amended by adding at the end the following new paragraph:

"(48) Termination of united states citizenship.—

"(A) In general.—An individual shall not cease to be treated as a United States citizen before the date on which the individual's citizenship is treated as relinquished under section 877A(e)(3).

"(B) Dual citizens.—Under regulations prescribed by the Secretary, subparagraph (A) shall not apply to an individual who became at birth a citizen of the United States and a citizen of another country.".

(d) Conforming Amendments.—

(1) Section 877 is amended by adding at the end the following new subsection:

"(g) Application.—This section shall not apply to an expatriate (as defined in section 877A(e)) whose expatriation date (as so defined) occurs after the date of the enactment of this subsection.".

(2) Section 2107 is amended by adding at the end the following new subsection:

"(f) Application.—This section shall not apply to any expatriate subject to section 877A.".

(3) Section 2501(a)(3) is amended by adding at the end the following new subparagraph:

"(F) Application.—This paragraph shall not apply to any expatriate subject to section 877A.".

(4)(A) Paragraph (1) of section 6039G(d) is amended by inserting "or 877A" after "section 877".

(B) The second sentence of section 6039G(e) is amended by inserting "or who relinquishes United States citizenship (within the meaning of section 877A(e)(3))" after "877(a))".

(C) Section 6039G(f) is amended by inserting "or 877A(e)(2)(B)" after "877(e)(1)".

(e) Clerical Amendment.—The table of sections for subpart A of part II of subchapter N of chapter 1 is amended by inserting after the item relating to section 877 the following new item:

"Sec. 877A. Tax responsibilities of expatriation.".

(f) Effective Date.—

(1) In general.—Except as provided in this subsection, the amendments made by this section shall apply to expatriates (within the meaning of section 877A(e) of the Internal Revenue Code of 1986, as added by this section) whose expatriation date (as so defined) occurs after the date of the enactment of this Act.

(2) Gifts and bequests.—Section 102(d) of the Internal Revenue Code of 1986 (as added by subsection (b)) shall apply to gifts and bequests received after the date of the enactment of this Act, from an individual or the estate of an individual whose expatriation date (as so defined) occurs after such date.

(3) Due date for tentative tax.—The due date under section 877A(h)(2) of the Internal Revenue Code of 1986, as added by this section, shall in no event occur before the 90th day after the date of the enactment of this Act.

Subtitle B—Corporate Expatriation

SEC. 511. PREVENTION OF CORPORATE EXPATRIATION TO AVOID UNITED STATES INCOME TAX.

(a) In General.—Paragraph (4) of section 7701(a) of the Internal Revenue Code of 1986 (defining domestic) is amended to read as follows:

"(4) Domestic.—

"(A) In general.—Except as provided in subparagraph (B), the term 'domestic' when applied to a corporation or partnership means created or organized in the United States or under the law of the United States or of any State unless, in the case of a partnership, the Secretary provides otherwise by regulations.

"(B) Certain corporations treated as domestic.—

"(i) In general.—The acquiring corporation in a corporate expatriation transaction shall be treated as a domestic corporation.

"(ii) Corporate expatriation transaction.—For purposes of this subparagraph, the term 'corporate expatriation transaction' means any transaction if—

"(I) a nominally foreign corporation (referred to in this subparagraph as the 'acquiring corporation') acquires, as a result of such transaction, directly or indirectly substantially all of the properties held directly, or indirectly by a domestic corporation, and

"(II) immediately after the transaction, more than 80 percent of the stock (by vote or value) of the acquiring corporation is held by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation.

"(iii) Lower stock ownership requirement in certain cases.—Subclause (II) of clause (ii) shall be applied by substituting '50 percent' for '80 percent' with respect to any nominally foreign corporation if—

"(I) such corporation does not have substantial business activities (when compared to the total business activities of the expanded affiliated group) in the foreign country in which or under the law of which the corporation is created or organized, and

"(II) the stock of the corporation is publicly traded and the principal market for the public trading of such stock is in the United States.

"(iv) Partnership transactions.—The term 'corporate expatriation transaction' includes any transaction if—

"(I) a nominally foreign corporation (referred to in this subparagraph as the 'acquiring corporation') acquires, as a result of such transaction, directly or indirectly properties constituting a trade or business of a domestic partnership,

"(II) immediately after the transaction, more than 80 percent of the stock (by vote or value) of the acquiring corporation is held by former partners of the domestic partnership or related foreign partnerships (determined without regard to stock of the acquiring corporation which is sold in a public offering related to the transaction), and

"(III) the acquiring corporation meets the requirements of subclauses (I) and (II) of clause (iii).

"(v) Special rules.—For purposes of this subparagraph—

"(I) a series of related transactions shall be treated as 1 transaction, and

"(II) stock held by members of the expanded affiliated group which includes the acquiring corporation shall not be taken into account in determining ownership.

"(vi) Other definitions.—For purposes of this subparagraph—

"(I) Nominally foreign corporation.—The term 'nominally foreign corporation' means any corporation which would (but for this subparagraph) be treated as a foreign corporation.

"(II) Expanded affiliated group.—The term 'expanded affiliated group' means an affiliated group (as defined in section 1504(a) without regard to section 1504(b)).

"(III) Related foreign partnership.—A foreign partnership is related to a domestic partnership if they are under common control (within the meaning of section 482), or they shared the same trademark or tradename."

(b) Effective Dates.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

TITLE VI—OTHER REVENUE OFFSETS

Subtitle A—Provisions Designed To Curtail Tax Shelters

SEC. 601. CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE.

(a) In General.—Section 7701 is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

"(n) Clarification of Economic Substance Doctrine; Etc.—

"(1) General rules.—

"(A) In general.—In any case in which a court determines that the economic substance doctrine is relevant for purposes of this title to a transaction (or series of transactions), such transaction (or series of transactions) shall have economic substance only if the requirements of this paragraph are met.

"(B) Definition of economic substance.—For purposes of subparagraph (A)—

"(i) In general.—A transaction has economic substance only if—

"(I) the transaction changes in a meaningful way (apart from Federal tax effects) the taxpayer's economic position, and

"(II) the taxpayer has a substantial nontax purpose for entering into such transaction and the transaction is a reasonable means of accomplishing such purpose.

In applying subclause (II), a purpose of achieving a financial accounting benefit shall not be taken into account in determining whether a transaction has a substantial nontax purpose if the origin of such financial accounting benefit is a reduction of income tax.

"(ii) Special rule where taxpayer relies on profit potential.—A transaction shall not be treated as having economic substance by reason of having a potential for profit unless—

"(I) the present value of the reasonably expected pre-tax profit from the transaction is substantial in relation to the present value of the expected net tax benefits that would be allowed if the transaction were respected, and

"(II) the reasonably expected pre-tax profit from the transaction exceeds a risk-free rate of return.

"(C) Treatment of fees and foreign taxes.—Fees and other transaction expenses and foreign taxes shall be taken into account as expenses in determining pre-tax profit under subparagraph (B)(ii).

"(2) Special rules for transactions with tax-indifferent parties.—

"(A) Special rules for financing transactions.—The form of a transaction which is in substance the borrowing of money or the acquisition of financial capital directly or indirectly from a tax-indifferent party shall not be respected if the present value of the deductions to be claimed with respect to the transaction is substantially in excess of the present value of the anticipated economic returns of the person lending the money or providing the financial capital. A public offering shall be treated as a borrowing, or an acquisition of financial capital, from a tax-indifferent party if it is reasonably expected that at least 50 percent of the offering will be placed with tax-indifferent parties.

"(B) Artificial income shifting and basis adjustments.—The form of a transaction with a tax-indifferent party shall not be respected if—

"(i) it results in an allocation of income or gain to the tax-indifferent party in excess of such party's economic income or gain, or

"(ii) it results in a basis adjustment or shifting of basis on account of overstating the income or gain of the tax-indifferent party.

"(3) Definitions and special rules.—For purposes of this subsection—

"(A) Economic substance doctrine.—The term 'economic substance doctrine' means the common law doctrine under which tax benefits under subtitle A with respect to a transaction are not allowable if the transaction does not have economic substance or lacks a business purpose.

"(B) Tax-indifferent party.—The term 'tax-indifferent party' means any person or entity not subject to tax imposed by subtitle A. A person shall be treated as a tax-indifferent party with respect to a transaction if the items taken into account with respect to the transaction have no substantial impact on such person's liability under subtitle A.

"(C) Exception for personal transactions of individuals.—In the case of an individual, this subsection shall apply only to transactions entered into in connection with a trade or business or an activity engaged in for the production of income.

"(D) Treatment of lessors.—In applying paragraph (1)(B)(ii) to the lessor of tangible property subject to a lease—

"(i) the expected net tax benefits with respect to the leased property shall not include the benefits of—

"(I) depreciation,

"(II) any tax credit, or

"(III) any other deduction as provided in guidance by the Secretary, and

"(ii) subclause (II) of paragraph (1)(B)(ii) shall be disregarded in determining whether any of such benefits are allowable.

"(4) Other common law doctrines not affected.—Except as specifically provided in this subsection, the provisions of this subsection shall not be construed as altering or supplanting any other rule of law, and the requirements of this subsection shall be construed as being in addition to any such other rule of law.

"(5) Regulations.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection. Such regulations may include exemptions from the application of this subsection.".

(b) Effective Date.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

SEC. 602. PENALTY FOR FAILING TO DISCLOSE REPORTABLE TRANSACTION.

(a) In General.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6707 the following new section:

"SEC. 6707A. PENALTY FOR FAILURE TO INCLUDE REPORTABLE TRANSACTION INFORMATION WITH RETURN OR STATEMENT.

"(a) Imposition of Penalty.—Any person who fails to include on any return or statement any information with respect to a reportable transaction which is required under section 6011 to be included with such return or statement shall pay a penalty in the amount determined under subsection (b).

"(b) Amount of Penalty.—

"(1) In general.—Except as provided in paragraphs (2) and (3), the amount of the penalty under subsection (a) shall be $50,000.

"(2) Listed transaction.—The amount of the penalty under subsection (a) with respect to a listed transaction shall be $100,000.

"(3) Increase in penalty for large entities and high net worth individuals.—

"(A) In general.—In the case of a failure under subsection (a) by—

"(i) a large entity, or

"(ii) a high net worth individual,

the penalty under paragraph (1) or (2) shall be twice the amount determined without regard to this paragraph.

"(B) Large entity.—For purposes of subparagraph (A), the term 'large entity' means, with respect to any taxable year, a person (other than a natural person) with gross receipts in excess of $10,000,000 for the taxable year in which the reportable transaction occurs or the preceding taxable year. Rules similar to the rules of paragraph (2) and subparagraphs (B), (C), and (D) of paragraph (3) of section 448(c) shall apply for purposes of this subparagraph.

"(C) High net worth individual.—For purposes of subparagraph (A), the term 'high net worth individual' means, with respect to a reportable transaction, a natural person whose net worth exceeds $2,000,000 immediately before the transaction.

"(c) Definitions.—For purposes of this section—

"(1) Reportable transaction.—The term 'reportable transaction' means any transaction with respect to which information is required to be included with a return or statement because, as determined under regulations prescribed under section 6011, such transaction is of a type which the Secretary determines as having a potential for tax avoidance or evasion.

"(2) Listed transaction.—Except as provided in regulations, the term 'listed transaction' means a reportable transaction which is the same as, or substantially similar to, a transaction specifically identified by the Secretary as a tax avoidance transaction for purposes of section 6011.

"(d) Authority To Rescind Penalty.—

"(1) In general.—The Commissioner of Internal Revenue may rescind all or any portion of any penalty imposed by this section with respect to any violation if—

"(A) the violation is with respect to a reportable transaction other than a listed transaction,

"(B) the person on whom the penalty is imposed has a history of complying with the requirements of this title,

"(C) it is shown that the violation is due to an unintentional mistake of fact;

"(D) imposing the penalty would be against equity and good conscience, and

"(E) rescinding the penalty would promote compliance with the requirements of this title and effective tax administration.

"(2) Discretion.—The exercise of authority under paragraph (1) shall be at the sole discretion of the Commissioner and may be delegated only to the head of the Office of Tax Shelter Analysis. The Commissioner, in the Commissioner's sole discretion, may establish a procedure to determine if a penalty should be referred to the Commissioner or the head of such Office for a determination under paragraph (1).

"(3) No appeal.—Notwithstanding any other provision of law, any determination under this subsection may not be reviewed in any administrative or judicial proceeding.

"(4) Records.—If a penalty is rescinded under paragraph (1), the Commissioner shall place in the file in the Office of the Commissioner the opinion of the Commissioner or the head of the Office of Tax Shelter Analysis with respect to the determination, including—

"(A) the facts and circumstances of the transaction,

"(B) the reasons for the rescission, and

"(C) the amount of the penalty rescinded.

"(5) Report.—The Commissioner shall each year report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate—

"(A) a summary of the total number and aggregate amount of penalties imposed, and rescinded, under this section, and

"(B) a description of each penalty rescinded under this subsection and the reasons therefor.

"(e) Penalty Reported to SEC.—In the case of a person—

"(1) which is required to file periodic reports under section 13 or 15(d) of the Securities Exchange Act of 1934 or is required to be consolidated with another person for purposes of such reports, and

"(2) which—

"(A) is required to pay a penalty under this section with respect to a listed transaction,

"(B) is required to pay a penalty under section 6662A with respect to any reportable transaction at a rate prescribed under section 6662A(c), or

"(C) is required to pay a penalty under section 6662B with respect to any noneconomic substance transaction,

the requirement to pay such penalty shall be disclosed in such reports filed by such person for such periods as the Secretary shall specify. Failure to make a disclosure in accordance with the preceding sentence shall be treated as a failure to which the penalty under subsection (b)(2) applies.

"(f) Coordination With Other Penalties.—The penalty imposed by this section is in addition to any penalty imposed under this title.".

(b) Disclosure by Secretary.—

(1) In general.—Section 6103 is amended by redesignating subsection (q) as subsection (r) and by inserting after subsection (p) the following new subsection:

"(q) Disclosure Relating to Payments of Certain Penalties.—Notwithstanding any other provision of this section, the Secretary shall make public the name of any person required to pay a penalty described in section 6707A(e)(2) and the amount of the penalty.".

(2) Records.—Section 6103(p)(3)(A) is amended by striking "or (n)" and inserting "(n), or (q)".

(c) Conforming Amendment.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6707 the following:

"Sec. 6707A. Penalty for failure to include reportable transaction information with return or statement.".

(d) Effective Date.—The amendments made by this section shall apply to returns and statements the due date for which is after the date of the enactment of this Act.

SEC. 603. ACCURACY-RELATED PENALTY FOR LISTED TRANSACTIONS AND OTHER REPORTABLE TRANSACTIONS HAVING A SIGNIFICANT TAX AVOIDANCE PURPOSE.

(a) In General.—Subchapter A of chapter 68 is amended by inserting after section 6662 the following new section:

"SEC. 6662A. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERSTATEMENTS WITH RESPECT TO REPORTABLE TRANSACTIONS.

"(a) Imposition of Penalty.—If a taxpayer has a reportable transaction understatement for any taxable year, there shall be added to the tax an amount equal to 20 percent of the amount of such understatement.

"(b) Reportable Transaction Understatement.—For purposes of this section—

"(1) In general.—The term 'reportable transaction understatement' means the sum of—

"(A) the product of—

"(i) the amount of the increase (if any) in taxable income which results from a difference between the proper tax treatment of an item to which this section applies and the taxpayer's treatment of such item (as shown on the taxpayer's return of tax), and

"(ii) the highest rate of tax imposed by section 1 (section 11 in the case of a taxpayer which is a corporation), and

"(B) the amount of the decrease (if any) in the aggregate amount of credits determined under subtitle A which results from a difference between the taxpayer's treatment of an item to which this section applies (as shown on the taxpayer's return of tax) and the proper tax treatment of such item.

For purposes of subparagraph (A), any reduction of the excess of deductions allowed for the taxable year over gross income for such year, and any reduction in the amount of capital losses which would (without regard to section 1211) be allowed for such year, shall be treated as an increase in taxable income.

"(2) Items to which section applies.—This section shall apply to any item which is attributable to—

"(A) any listed transaction, and

"(B) any reportable transaction (other than a listed transaction) if a significant purpose of such transaction is the avoidance or evasion of Federal income tax.

"(c) Higher Penalty for Nondisclosed Listed and Other Avoidance Transactions.—

"(1) In general.—Subsection (a) shall be applied by substituting '30 percent' for '20 percent' with respect to the portion of any reportable transaction understatement with respect to which the requirement of section 6664(d)(2)(A) is not met.

"(2) Rules applicable to assertion and compromise of penalty.—

"(A) In general.—Only upon the approval by the Chief Counsel for the Internal Revenue Service or the Chief Counsel's delegate at the national office of the Internal Revenue Service may a penalty to which paragraph (1) applies be included in a 1st letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals. If such a letter is provided to the taxpayer, only the Commissioner of Internal Revenue may compromise all or any portion of such penalty.

"(B) Applicable rules.—The rules of paragraphs (2), (3), (4), and (5) of section 6707A(d) shall apply for purposes of subparagraph (A).

"(d) Definitions of Reportable and Listed Transactions.—For purposes of this section, the terms 'reportable transaction' and 'listed transaction' have the respective meanings given to such terms by section 6707A(c).

"(e) Special Rules.—

"(1) Coordination with penalties, etc., on other understatements.—In the case of an understatement (as defined in section 6662(d)(2))—

"(A) the amount of such understatement (determined without regard to this paragraph) shall be increased by the aggregate amount of reportable transaction understatements and noneconomic substance transaction understatements for purposes of determining whether such understatement is a substantial understatement under section 6662(d)(1), and

"(B) the addition to tax under section 6662(a) shall apply only to the excess of the amount of the substantial understatement (if any) after the application of subparagraph (A) over the aggregate amount of reportable transaction understatements and noneconomic substance transaction understatements.

"(2) Coordination with other penalties.—

"(A) Application of fraud penalty.—References to an underpayment in section 6663 shall be treated as including references to a reportable transaction understatement and a noneconomic substance transaction understatement.

"(B) No double penalty.—This section shall not apply to any portion of an understatement on which a penalty is imposed under section 6662B or 6663.

"(3) Special rule for amended returns.—Except as provided in regulations, in no event shall any tax treatment included with an amendment or supplement to a return of tax be taken into account in determining the amount of any reportable transaction understatement or noneconomic substance transaction understatement if the amendment or supplement is filed after the earlier of the date the taxpayer is first contacted by the Secretary regarding the examination of the return or such other date as is specified by the Secretary.

"(4) Noneconomic substance transaction understatement.—For purposes of this subsection, the term 'noneconomic substance transaction understatement' has the meaning given such term by section 6662B(c).

"(5) Cross reference.—

"For reporting of section 6662A(c) penalty to the Securities and Exchange Commission, see section 6707A(e).".

(b) Determination of Other Understatements.—Subparagraph (A) of section 6662(d)(2) is amended by adding at the end the following flush sentence:

"The excess under the preceding sentence shall be determined without regard to items to which section 6662A applies and without regard to items with respect to which a penalty is imposed by section 6662B.".

(c) Reasonable Cause Exception.—

(1) In general.—Section 6664 is amended by adding at the end the following new subsection:

"(d) Reasonable Cause Exception for Reportable Transaction Understatements.—

"(1) In general.—No penalty shall be imposed under section 6662A with respect to any portion of a reportable transaction understatement if it is shown that there was a reasonable cause for such portion and that the taxpayer acted in good faith with respect to such portion.

"(2) Special rules.—Paragraph (1) shall not apply to any reportable transaction understatement unless—

"(A) the relevant facts affecting the tax treatment of the item are adequately disclosed in accordance with the regulations prescribed under section 6011,

"(B) there is or was substantial authority for such treatment, and

"(C) the taxpayer reasonably believed that such treatment was more likely than not the proper treatment.

A taxpayer failing to adequately disclose in accordance with section 6011 shall be treated as meeting the requirements of subparagraph (A) if the penalty for such failure was rescinded under section 6707A(d).

"(3) Rules relating to reasonable belief.—For purposes of paragraph (2)(C)—

"(A) In general.—A taxpayer shall be treated as having a reasonable belief with respect to the tax treatment of an item only if such belief—

"(i) is based on the facts and law that exist at the time the return of tax which includes such tax treatment is filed, and

"(ii) relates solely to the taxpayer's chances of success on the merits of such treatment and does not take into account the possibility that a return will not be audited, such treatment will not be raised on audit, or such treatment will be resolved through settlement if it is raised.

"(B) Certain opinions may not be relied upon.—

"(i) In general.—An opinion of a tax advisor may not be relied upon to establish the reasonable belief of a taxpayer if—

"(I) the tax advisor is described in clause (ii), or

"(II) the opinion is described in clause (iii).

"(ii) Disqualified tax advisors.—A tax advisor is described in this clause if the tax advisor—

"(I) is a material advisor (within the meaning of section 6111(b)(1)) who participates in the organization, management, promotion, or sale of the transaction or who is related (within the meaning of section 267(b) or 707(b)(1)) to any person who so participates,

"(II) is compensated directly or indirectly by a material advisor with respect to the transaction,

"(III) has a fee arrangement with respect to the transaction which is contingent on all or part of the intended tax benefits from the transaction being sustained,

"(IV) has an arrangement with respect to the transaction which provides that contractual disputes between the taxpayer and the advisor are to be settled by arbitration or which limits damages by reference to fees paid to the advisor for such transaction, or

"(V) as determined under regulations prescribed by the Secretary, has a disqualifying financial interest with respect to the transaction.

"(iii) Disqualified opinions.—For purposes of clause (i), an opinion is disqualified if the opinion—

"(I) is based on unreasonable factual or legal assumptions (including assumptions as to future events),

"(II) unreasonably relies on representations, statements, findings, or agreements of the taxpayer or any other person,

"(III) does not identify and consider all relevant facts,

"(IV) is not signed by all individuals who are principal authors of the opinion, or

"(V) fails to meet any other requirement as the Secretary may prescribe.".

(2) CONFORMING AMENDMENT.—The heading for subsection (c) of section 6664 is amended by inserting "FOR UNDERPAYMENTS" after "EXCEPTION".

(d) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 461(i)(3) is amended by striking "section 6662(d)(2)(C)(iii)" and inserting "section 1274(b)(3)(C)".

(2) Paragraph (3) of section 1274(b) is amended—

(A) by striking "(as defined in section 6662(d)(2)(C)(iii))" in subparagraph (B)(i), and

(B) by adding at the end the following new subparagraph:

"(C) TAX SHELTER.—For purposes of subparagraph (B), the term 'tax shelter' means—

"(i) a partnership or other entity,

"(ii) any investment plan or arrangement, or

"(iii) any other plan or arrangement,

if a significant purpose of such partnership, entity, plan, or arrangement is the avoidance or evasion of Federal income tax.".

(3) Section 6662(d)(2) is amended by striking subparagraphs (C) and (D).

(4) Section 6664(c)(1) is amended by striking "this part" and inserting "section 6662 or 6663".

(5) Subsection (b) of section 7525 is amended by striking "section 6662(d)(2)(C)(iii)" and inserting "section 1274(b)(3)(C)".

(6)(A) The heading for section 6662 is amended to read as follows:

"SEC. 6662. IMPOSITION OF ACCURACY-RELATED PENALTY ON UNDERPAYMENTS.".

(B) The table of sections for part II of subchapter A of chapter 68 is amended by striking the item relating to section 6662 and inserting the following new items:

"Sec. 6662. Imposition of accuracy-related penalty on underpayments.

"Sec. 6662A. Imposition of accuracy-related penalty on understatements with respect to reportable transactions.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 604. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

(a) IN GENERAL.—Subchapter A of chapter 68 is amended by inserting after section 6662A the following new section:

"SEC. 6662B. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

"(a) IMPOSITION OF PENALTY.—If a taxpayer has an noneconomic substance transaction understatement for any taxable year, there shall be added to the tax an amount equal to 40 percent of the amount of such understatement.

"(b) REDUCTION OF PENALTY FOR DISCLOSED TRANSACTIONS.—Subsection (a) shall be applied by substituting '20 percent' for '40 percent' with respect to the portion of any noneconomic substance transaction understatement with respect to which the relevant facts affecting the tax treatment of the item are adequately disclosed in the return or a statement attached to the return.

"(c) NONECONOMIC SUBSTANCE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

"(1) IN GENERAL.—The term 'noneconomic substance transaction understatement' means any amount which would be an understatement under section 6662A(b)(1) if section 6662A were applied by taking into account items attributable to noneconomic substance transactions rather than items to which section 6662A would apply without regard to this paragraph.

"(2) NONECONOMIC SUBSTANCE TRANSACTION.—The term 'noneconomic substance transaction' means any transaction if—

"(A) there is a lack of economic substance (within the meaning of section 7701(n)(1)) for the transaction giving rise to the claimed benefit or the transaction was not respected under section 7701(n)(2), or

"(B) the transaction fails to meet the requirements of any similar rule of law.

"(d) RULES APPLICABLE TO COMPROMISE OF PENALTY.—

"(1) IN GENERAL.—If the 1st letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals has been sent with respect to a penalty to which this section applies, only the Commissioner of Internal Revenue may compromise all or any portion of such penalty.

"(2) APPLICABLE RULES.—The rules of paragraphs (2), (3), (4), and (5) of section 6707A(d) shall apply for purposes of paragraph (1).

"(e) COORDINATION WITH OTHER PENALTIES.—Except as otherwise provided in this part, the penalty imposed by this section shall be in addition to any other penalty imposed by this title.

"(f) CROSS REFERENCES.—

"(1) For coordination of penalty with understatements under section 6662 and other special rules, see section 6662A(e).

"(2) For reporting of penalty imposed under this section to the Securities and Exchange Commission, see section 6707A(e).".

(b) CLERICAL AMENDMENT.—The table of sections for part II of subchapter A of chapter 68 is amended by inserting after the item relating to section 6662A the following new item:

"Sec. 6662B. Penalty for understatements attributable to transactions lacking economic substance, etc.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

SEC. 605. MODIFICATIONS OF SUBSTANTIAL UNDERSTATEMENT PENALTY FOR NONREPORTABLE TRANSACTIONS.

(a) SUBSTANTIAL UNDERSTATEMENT OF CORPORATIONS.—Section 6662(d)(1)(B) (relating to special rule for corporations) is amended to read as follows:

"(B) SPECIAL RULE FOR CORPORATIONS.—In the case of a corporation other than an S corporation or a personal holding company (as defined in section 542), there is a substantial understatement of income tax for any taxable year if the amount of the understatement for the taxable year exceeds the lesser of—

"(i) 10 percent of the tax required to be shown on the return for the taxable year (or, if greater, $10,000), or

"(ii) $10,000,000.".

(b) REDUCTION FOR UNDERSTATEMENT OF TAXPAYER DUE TO POSITION OF TAXPAYER OR DISCLOSED ITEM.—

(1) IN GENERAL.—Section 6662(d)(2)(B)(i) (relating to substantial authority) is amended to read as follows:

"(i) the tax treatment of any item by the taxpayer if the taxpayer had reasonable belief that the tax treatment was more likely than not the proper treatment, or".

(2) CONFORMING AMENDMENT.—Section 6662(d) is amended by adding at the end the following new paragraph:

"(3) SECRETARIAL LIST.—For purposes of this subsection, section 6664(d)(2), and section 6694(a)(1), the Secretary may prescribe a list of positions for which the Secretary believes there is not substantial authority or there is no reasonable belief that the tax treatment is more likely than not the proper tax treatment. Such list (and any revisions thereof) shall be published in the Federal Register or the Internal Revenue Bulletin.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 606. TAX SHELTER EXCEPTION TO CONFIDENTIALITY PRIVILEGES RELATING TO TAXPAYER COMMUNICATIONS.

(a) IN GENERAL.—Section 7525(b) (relating to section not to apply to communications regarding corporate tax shelters) is amended to read as follows:

"(b) SECTION NOT TO APPLY TO COMMUNICATIONS REGARDING TAX SHELTERS.—The privilege under subsection (a) shall not apply to any written communication which is—

"(1) between a federally authorized tax practitioner and—

"(A) any person,

"(B) any director, officer, employee, agent, or representative of the person, or

"(C) any other person holding a capital or profits interest in the person, and

"(2) in connection with the promotion of the direct or indirect participation of the person in any tax shelter (as defined in section 1274(b)(3)(C)).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to communications made on or after the date of the enactment of this Act.

SEC. 607. DISCLOSURE OF REPORTABLE TRANSACTIONS.

(a) IN GENERAL.—Section 6111 (relating to registration of tax shelters) is amended to read as follows:

"SEC. 6111. DISCLOSURE OF REPORTABLE TRANSACTIONS.

"(a) IN GENERAL.—Each material advisor with respect to any reportable transaction shall make a return (in such form as the Secretary may prescribe) setting forth—

"(1) information identifying and describing the transaction,

"(2) information describing any potential tax benefits expected to result from the transaction, and

"(3) such other information as the Secretary may prescribe.

Such return shall be filed not later than the date specified by the Secretary.

"(b) DEFINITIONS.—For purposes of this section—

"(1) MATERIAL ADVISOR.—

"(A) IN GENERAL.—The term 'material advisor' means any person—

"(i) who provides any material aid, assistance, or advice with respect to organizing, managing, promoting, selling, implementing, insuring, or carrying out any reportable transaction, and

"(ii) who directly or indirectly derives gross income in excess of the threshold amount for such aid, assistance, or advice.

"(B) THRESHOLD AMOUNT.—For purposes of subparagraph (A), the threshold amount is—

"(i) $50,000 in the case of a reportable transaction substantially all of the tax benefits from which are provided to natural persons, and

"(ii) $250,000 in any other case.

"(2) Reportable transaction.—The term 'reportable transaction' has the meaning given to such term by section 6707A(c).

"(c) Regulations.—The Secretary may prescribe regulations which provide—

"(1) that only 1 person shall be required to meet the requirements of subsection (a) in cases in which 2 or more persons would otherwise be required to meet such requirements,

"(2) exemptions from the requirements of this section, and

"(3) such rules as may be necessary or appropriate to carry out the purposes of this section.".

(b) Conforming Amendments.—

(1) The item relating to section 6111 in the table of sections for subchapter B of chapter 61 is amended to read as follows:

"Sec. 6111. Disclosure of reportable transactions.".

(2)(A) So much of section 6112 as precedes subsection (c) thereof is amended to read as follows:

"SEC. 6112. MATERIAL ADVISORS OF REPORTABLE TRANSACTIONS MUST KEEP LISTS OF ADVISEES.

"(a) In General.—Each material advisor (as defined in section 6111) with respect to any reportable transaction (as defined in section 6707A(c)) shall maintain, in such manner as the Secretary may by regulations prescribe, a list—

"(1) identifying each person with respect to whom such advisor acted as such a material advisor with respect to such transaction, and

"(2) containing such other information as the Secretary may by regulations require.

This section shall apply without regard to whether a material advisor is required to file a return under section 6111 with respect to such transaction.".

(B) Section 6112 is amended by redesignating subsection (c) as subsection (b).

(C) Section 6112(b), as redesignated by subparagraph (B), is amended—

(i) by inserting "written" before "request" in paragraph (1)(A), and

(ii) by striking "shall prescribe" in paragraph (2) and inserting "may prescribe".

(D) The item relating to section 6112 in the table of sections for subchapter B of chapter 61 is amended to read as follows:

"Sec. 6112. Material advisors of reportable transactions must keep lists of advisees.".

(3)(A) The heading for section 6708 is amended to read as follows:

"SEC. 6708. FAILURE TO MAINTAIN LISTS OF ADVISEES WITH RESPECT TO REPORTABLE TRANSACTIONS.".

(B) The item relating to section 6708 in the table of sections for part I of subchapter B of chapter 68 is amended to read as follows:

"Sec. 6708. Failure to maintain lists of advisees with respect to reportable transactions.".

(c) Required Disclosure Not Subject to Claim of Confidentiality.—Subparagraph (A) of section 6112(b)(1), as redesignated by subsection (b)(2)(B), is amended by adding at the end the following new flush sentence:

"For purposes of this section, the identity of any person on such list shall not be privileged.".

(d) Effective Date.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to transactions with respect to which material aid, assistance, or advice referred to in section 6111(b)(1)(A)(i) of the Internal Revenue Code of 1986 (as added by this section) is provided after the date of the enactment of this Act.

(2) No claim of confidentiality against disclosure.—The amendment made by subsection (c) shall take effect as if included in the amendments made by section 142 of the Deficit Reduction Act of 1984.

SEC. 608. MODIFICATIONS TO PENALTY FOR FAILURE TO REGISTER TAX SHELTERS.

(a) In General.—Section 6707 (relating to failure to furnish information regarding tax shelters) is amended to read as follows:

"SEC. 6707. FAILURE TO FURNISH INFORMATION REGARDING REPORTABLE TRANSACTIONS.

"(a) In General.—If a person who is required to file a return under section 6111(a) with respect to any reportable transaction—

"(1) fails to file such return on or before the date prescribed therefor, or

"(2) files false or incomplete information with the Secretary with respect to such transaction,

such person shall pay a penalty with respect to such return in the amount determined under subsection (b).

"(b) Amount of Penalty.—

"(1) In general.—Except as provided in paragraph (2), the penalty imposed under subsection (a) with respect to any failure shall be $50,000.

"(2) Listed transactions.—The penalty imposed under subsection (a) with respect to any listed transaction shall be an amount equal to the greater of—

"(A) $200,000, or

"(B) 50 percent of the gross income derived by such person with respect to aid, assistance, or advice which is provided with respect to the listed transaction before the date the return including the transaction is filed under section 6111.

Subparagraph (B) shall be applied by substituting '75 percent' for '50 percent' in the case of an intentional failure or act described in subsection (a).

"(c) Certain Rules To Apply.—The provisions of section 6707A(d) shall apply to any penalty imposed under this section.

"(d) Reportable and Listed Transactions.—The terms 'reportable transaction' and 'listed transaction' have the respective meanings given to such terms by section 6707A(c).".

(b) Clerical Amendment.—The item relating to section 6707 in the table of sections for part I of subchapter B of chapter 68 is amended by striking "tax shelters" and inserting "reportable transactions".

(c) Effective Date.—The amendments made by this section shall apply to returns the due date for which is after the date of the enactment of this Act.

SEC. 609. MODIFICATION OF PENALTY FOR FAILURE TO MAINTAIN LISTS OF INVESTORS.

(a) In General.—Subsection (a) of section 6708 is amended to read as follows:

"(a) Imposition of Penalty.—

"(1) In general.—If any person who is required to maintain a list under section 6112(a) fails to make such list available upon written request to the Secretary in accordance with section 6112(b)(1)(A) within 20 business days after the date of the Secretary's request, such person shall pay a penalty of $10,000 for each day of such failure after such 20th day.

"(2) Reasonable cause exception.—No penalty shall be imposed by paragraph (1) with respect to the failure on any day if such failure is due to reasonable cause.".

(b) Effective Date.—The amendment made by this section shall apply to requests made after the date of the enactment of this Act.

SEC. 610. MODIFICATION OF ACTIONS TO ENJOIN CERTAIN CONDUCT RELATED TO TAX SHELTERS AND REPORTABLE TRANSACTIONS.

(a) In General.—Section 7408 (relating to action to enjoin promoters of abusive tax shelters, etc.) is amended by redesignating subsection (c) as subsection (d) and by striking subsections (a) and (b) and inserting the following new subsections:

"(a) Authority To Seek Injunction.—A civil action in the name of the United States to enjoin any person from further engaging in specified conduct may be commenced at the request of the Secretary. Any action under this section shall be brought in the district court of the United States for the district in which such person resides, has his principal place of business, or has engaged in specified conduct. The court may exercise its jurisdiction over such action (as provided in section 7402(a)) separate and apart from any other action brought by the United States against such person.

"(b) Adjudication and Decree.—In any action under subsection (a), if the court finds—

"(1) that the person has engaged in any specified conduct, and

"(2) that injunctive relief is appropriate to prevent recurrence of such conduct,

the court may enjoin such person from engaging in such conduct or in any other activity subject to penalty under this title.

"(c) Specified Conduct.—For purposes of this section, the term 'specified conduct' means any action, or failure to take action, which is—

"(1) subject to penalty under section 6700, 6701, 6707, or 6708, or

"(2) in violation of any requirement under regulations issued under section 320 of title 31, United States Code.".

(b) Conforming Amendments.—

(1) The heading for section 7408 is amended to read as follows:

"SEC. 7408. ACTIONS TO ENJOIN SPECIFIED CONDUCT RELATED TO TAX SHELTERS AND REPORTABLE TRANSACTIONS.".

(2) The table of sections for subchapter A of chapter 67 is amended by striking the item relating to section 7408 and inserting the following new item:

"Sec. 7408. Actions to enjoin specified conduct related to tax shelters and reportable transactions.".

(c) Effective Date.—The amendment made by this section shall take effect on the day after the date of the enactment of this Act.

SEC. 611. UNDERSTATEMENT OF TAXPAYER'S LIABILITY BY INCOME TAX RETURN PREPARER.

(a) Standards Conformed to Taxpayer Standards.—Section 6694(a) (relating to understatements due to unrealistic positions) is amended—

(1) by striking "realistic possibility of being sustained on its merits" in paragraph (1) and inserting "reasonable belief that the tax treatment in such position was more likely than not the proper treatment",

(2) by striking "or was frivolous" in paragraph (3) and inserting "or there was no reasonable basis for the tax treatment of such position", and

(3) by striking "UNREALISTIC" in the heading and inserting "IMPROPER".

(b) Amount of Penalty.—Section 6694 is amended—

(1) by striking "$250" in subsection (a) and inserting "$1,000", and

(2) by striking "$1,000" in subsection (b) and inserting "$5,000".

(c) Effective Date.—The amendments made by this section shall apply to documents prepared after the date of the enactment of this Act.

SEC. 612. PENALTY ON FAILURE TO REPORT INTERESTS IN FOREIGN FINANCIAL ACCOUNTS.

(a) In General.—Section 5321(a)(5) of title 31, United States Code, is amended to read as follows:

"(5) Foreign financial agency transaction violation.—

"(A) Penalty authorized.—The Secretary of the Treasury may impose a civil money penalty on any person who violates, or causes any violation of, any provision of section 5314.

"(B) Amount of penalty.—

"(i) In general.—Except as provided in subparagraph (C), the amount of any civil penalty imposed under subparagraph (A) shall not exceed $10,000.

"(ii) Reasonable cause exception.—No penalty shall be imposed under subparagraph (A) with respect to any violation if—

"(I) such violation was due to reasonable cause, and

"(II) the amount of the transaction or the balance in the account at the time of the transaction was properly reported.

"(C) Willful violations.—In the case of any person willfully violating, or willfully causing any violation of, any provision of section 5314—

"(i) the maximum penalty under subparagraph (B)(i) shall be increased to the greater of—

"(I) $100,000, or

"(II) 50 percent of the amount determined under subparagraph (D), and

"(ii) subparagraph (B)(ii) shall not apply.

"(D) Amount.—The amount determined under this subparagraph is—

"(i) in the case of a violation involving a transaction, the amount of the transaction, or

"(ii) in the case of a violation involving a failure to report the existence of an account or any identifying information required to be provided with respect to an account, the balance in the account at the time of the violation.".

(b) Effective Date.—The amendment made by this section shall apply to violations occurring after the date of the enactment of this Act.

SEC. 613. FRIVOLOUS TAX SUBMISSIONS.

(a) Civil Penalties.—Section 6702 is amended to read as follows:

"SEC. 6702. FRIVOLOUS TAX SUBMISSIONS.

"(a) Civil Penalty for Frivolous Tax Returns.—A person shall pay a penalty of $5,000 if—

"(1) such person files what purports to be a return of a tax imposed by this title but which—

"(A) does not contain information on which the substantial correctness of the self-assessment may be judged, or

"(B) contains information that on its face indicates that the self-assessment is substantially incorrect; and

"(2) the conduct referred to in paragraph (1)—

"(A) is based on a position which the Secretary has identified as frivolous under subsection (c), or

"(B) reflects a desire to delay or impede the administration of Federal tax laws.

"(b) Civil Penalty for Specified Frivolous Submissions.—

"(1) Imposition of penalty.—Except as provided in paragraph (3), any person who submits a specified frivolous submission shall pay a penalty of $5,000.

"(2) Specified frivolous submission.—For purposes of this section—

"(A) Specified frivolous submission.—The term 'specified frivolous submission' means a specified submission if any portion of such submission—

"(i) is based on a position which the Secretary has identified as frivolous under subsection (c), or

"(ii) reflects a desire to delay or impede the administration of Federal tax laws.

"(B) Specified submission.—The term 'specified submission' means—

"(i) a request for a hearing under—

"(I) section 6320 (relating to notice and opportunity for hearing upon filing of notice of lien), or

"(II) section 6330 (relating to notice and opportunity for hearing before levy), and

"(ii) an application under—

"(I) section 6159 (relating to agreements for payment of tax liability in installments),

"(II) section 7122 (relating to compromises), or

"(III) section 7811 (relating to taxpayer assistance orders).

"(3) Opportunity to withdraw submission.—If the Secretary provides a person with notice that a submission is a specified frivolous submission and such person withdraws such submission within 30 days after such notice, the penalty imposed under paragraph (1) shall not apply with respect to such submission.

"(c) Listing of Frivolous Positions.—The Secretary shall prescribe (and periodically revise) a list of positions which the Secretary has identified as being frivolous for purposes of this subsection. The Secretary shall not include in such list any position that the Secretary determines meets the requirement of section 6662(d)(2)(B)(ii)(II).

"(d) Reduction of Penalty.—The Secretary may reduce the amount of any penalty imposed under this section if the Secretary determines that such reduction would promote compliance with and administration of the Federal tax laws.

"(e) Penalties in Addition to Other Penalties.—The penalties imposed by this section shall be in addition to any other penalty provided by law.".

(b) Treatment of Frivolous Requests for Hearings Before Levy.—

(1) Frivolous requests disregarded.—Section 6330 (relating to notice and opportunity for hearing before levy) is amended by adding at the end the following new subsection:

"(g) Frivolous Requests for Hearing, etc.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of a request for a hearing under this section or section 6320 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.".

(2) Preclusion from raising frivolous issues at hearing.—Section 6330(c)(4) is amended—

(A) by striking "(A)" and inserting "(A)(i)";

(B) by striking "(B)" and inserting "(ii)";

(C) by striking the period at the end of the first sentence and inserting "; or"; and

(D) by inserting after subparagraph (A)(ii) (as so redesignated) the following:

"(B) the issue meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A).".

(3) Statement of grounds.—Section 6330(b)(1) is amended by striking "under subsection (a)(3)(B)" and inserting "in writing under subsection (a)(3)(B) and states the grounds for the requested hearing".

(c) Treatment of Frivolous Requests for Hearings Upon Filing of Notice of Lien.—Section 6320 is amended—

(1) in subsection (b)(1), by striking "under subsection (a)(3)(B)" and inserting "in writing under subsection (a)(3)(B) and states the grounds for the requested hearing", and

(2) in subsection (c), by striking "and (e)" and inserting "(e), and (g)".

(d) Treatment of Frivolous Applications for Offers-in-Compromise and Installment Agreements.—Section 7122 is amended by adding at the end the following new subsection:

"(e) Frivolous Submissions, etc.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of an application for an offer-in-compromise or installment agreement submitted under this section or section 6159 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.".

(e) Clerical Amendment.—The table of sections for part I of subchapter B of chapter 68 is amended by striking the item relating to section 6702 and inserting the following new item:

"Sec. 6702. Frivolous tax submissions.".

(f) Effective Date.—The amendments made by this section shall apply to submissions made and issues raised after the date on which the Secretary first prescribes a list under section 6702(c) of the Internal Revenue Code of 1986, as amended by subsection (a).

SEC. 614. REGULATION OF INDIVIDUALS PRACTICING BEFORE THE DEPARTMENT OF TREASURY.

(a) Censure; Imposition of Penalty.—

(1) In general.—Section 330(b) of title 31, United States Code, is amended—

(A) by inserting ", or censure," after "Department", and

(B) by adding at the end the following new flush sentence:

"The Secretary may impose a monetary penalty on any representative described in the preceding sentence. If the representative was acting on behalf of an employer or any firm or other entity in connection with the conduct giving rise to such penalty, the Secretary may impose a monetary penalty on such employer, firm, or entity if it knew, or reasonably should have known, of such conduct. Such penalty shall not exceed the gross income derived (or to be derived) from the conduct giving rise to the penalty and may be in addition to, or in lieu of, any suspension, disbarment, or censure of the representative.".

(2) Effective date.—The amendments made by this subsection shall apply to actions taken after the date of the enactment of this Act.

(b) Tax Shelter Opinions, etc.—Section 330 of such title 31 is amended by adding at the end the following new subsection:

"(d) Nothing in this section or in any other provision of law shall be construed to limit the authority of the Secretary of the Treasury to impose standards applicable to the rendering of written advice with respect to any entity, transaction plan or arrangement, or other plan or arrangement, which is of a type which the Secretary determines as having a potential for tax avoidance or evasion.".

SEC. 615. PENALTY FOR PROMOTING ABUSIVE TAX SHELTERS.

(a) Penalty for Promoting Abusive Tax Shelters.—Section 6700 (relating to promoting abusive tax shelters, etc.) is amended—

(1) by redesignating subsections (b) and (c) as subsections (d) and (e), respectively,

(2) by striking "a penalty" and all that follows through the period in the first sentence of subsection (a) and inserting "a penalty determined under subsection (b)", and

(3) by inserting after subsection (a) the following new subsections:

"(b) Amount of Penalty; Calculation of Penalty; Liability for Penalty.—

"(1) Amount of penalty.—The amount of the penalty imposed by subsection (a) shall not exceed 100 percent of the gross income derived (or to be derived) from such activity by the person or persons subject to such penalty.

"(2) Calculation of penalty.—The penalty amount determined under paragraph (1) shall be calculated with respect to each instance of an activity described in subsection (a), each instance in which income was derived by the person or persons subject to such penalty, and each person who participated in such an activity.

"(3) Liability for penalty.—If more than 1 person is liable under subsection (a) with respect to such activity, all such persons shall be jointly and severally liable for the penalty under such subsection.

"(c) Penalty Not Deductible.—The payment of any penalty imposed under this section or the payment of any amount to settle or avoid the imposition of such penalty shall not be deductible by the person who is subject to such penalty or who makes such payment.".

(b) Effective Date.—The amendments made by this section shall apply to activities after the date of the enactment of this Act.

SEC. 616. STATUTE OF LIMITATIONS FOR TAXABLE YEARS FOR WHICH REQUIRED LISTED TRANSACTIONS NOT REPORTED.

(a) In General.—Section 6501(c) (relating to exceptions) is amended by adding at the end the following new paragraph:

"(10) Listed transactions.—If a taxpayer fails to include on any return or statement for any taxable year any information with respect to a listed transaction (as defined in section 6707A(c)(2)) which is required under section 6011 to be included with such return or statement, the time for assessment of any tax imposed by this title with respect to such transaction shall not expire before the date which is 1 year after the earlier of—

"(A) the date on which the Secretary is furnished the information so required; or

"(B) the date that a material advisor (as defined in section 6111) meets the requirements of section 6112 with respect to a request by the Secretary under section 6112(b) relating to such transaction with respect to such taxpayer.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years with respect to which the period for assessing a deficiency did not expire before the date of the enactment of this Act.

SEC. 617. DENIAL OF DEDUCTION FOR INTEREST ON UNDERPAYMENTS ATTRIBUTABLE TO NONDISCLOSED REPORTABLE AND NONECONOMIC SUBSTANCE TRANSACTIONS.

(a) In General.—Section 163 (relating to deduction for interest) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) Interest on Unpaid Taxes Attributable To Nondisclosed Reportable Transactions and Noneconomic Substance Transactions.—No deduction shall be allowed under this chapter for any interest paid or accrued under section 6601 on any underpayment of tax which is attributable to—

"(1) the portion of any reportable transaction understatement (as defined in section 6662A(b)) with respect to which the requirement of section 6664(d)(2)(A) is not met, or

"(2) any noneconomic substance transaction understatement (as defined in section 6662B(c)).".

(b) Effective Date.—The amendments made by this section shall apply to transactions in taxable years beginning after the date of the enactment of this Act.

SEC. 618. AUTHORIZATION OF APPROPRIATIONS FOR TAX LAW ENFORCEMENT.

There is authorized to be appropriated $300,000,000 for each fiscal year beginning after September 30, 2003, for the purpose of carrying out tax law enforcement to combat tax avoidance transactions and other tax shelters, including the use of offshore financial accounts to conceal taxable income.

SEC. 619. PENALTY FOR AIDING AND ABETTING THE UNDERSTATEMENT OF TAX LIABILITY.

(a) In General.—Section 6701(a) (relating to imposition of penalty) is amended—

(1) by inserting "the tax liability or" after "respect to," in paragraph (1),

(2) by inserting "aid, assistance, procurement, or advice with respect to such" before "portion" both places it appears in paragraphs (2) and (3), and

(3) by inserting "instance of aid, assistance, procurement, or advice or each such" before "document" in the matter following paragraph (3).

(b) Amount of Penalty.—Subsection (b) of section 6701 (relating to penalties for aiding and abetting understatement of tax liability) is amended to read as follows:

"(b) Amount of Penalty; Calculation of Penalty; Liability for Penalty.—

"(1) Amount of penalty.—The amount of the penalty imposed by subsection (a) shall not exceed 100 percent of the gross income derived (or to be derived) from such aid, assistance, procurement, or advice provided by the person or persons subject to such penalty.

"(2) Calculation of penalty.—The penalty amount determined under paragraph (1) shall be calculated with respect to each instance of aid, assistance, procurement, or advice described in subsection (a), each instance in which income was derived by the person or persons subject to such penalty, and each person who made such an understatement of the liability for tax.

"(3) Liability for penalty.—If more than 1 person is liable under subsection (a) with respect to providing such aid, assistance, procurement, or advice, all such persons shall be jointly and severally liable for the penalty under such subsection.".

(c) Penalty Not Deductible.—Section 6701 is amended by adding at the end the following new subsection:

"(g) Penalty Not Deductible.—The payment of any penalty imposed under this section or the payment of any amount to settle or avoid the imposition of such penalty shall not be deductible by the person who is subject to such penalty or who makes such payment.".

(d) Effective Date.—The amendments made by this section shall apply to activities after the date of the enactment of this Act.

SEC. 620. STUDY ON INFORMATION SHARING AMONG LAW ENFORCEMENT AGENCIES.

(a) Study.—The Secretary of the Treasury shall, jointly with the Attorney General, the Securities and Exchange Commission, and the Commissioner of Internal Revenue, study the effectiveness of, and ways to improve, the sharing of information related to the promotion of prohibited tax shelters or tax avoidance schemes and other potential violations of Federal laws.

(b) Report.—The Secretary shall, not later than 1 year after the date of the enactment of this Act, report to the appropriate committees of the Congress the results of the study under subsection (a), including any recommendations for legislation.

Subtitle B—Enron-Related Tax Shelter Provisions

SEC. 631. LIMITATION ON TRANSFER OR IMPORTATION OF BUILT-IN LOSSES.

(a) In General.—Section 362 (relating to basis to corporations) is amended by adding at the end the following new subsection:

"(e) Limitations on Built-In Losses.—

"(1) Limitation on importation of built-in losses.—

"(A) In general.—If in any transaction described in subsection (a) or (b) there would (but for this subsection) be an importation of a net built-in loss, the basis of each property described in subparagraph (B) which is acquired in such transaction shall (notwithstanding subsections (a) and (b)) be its fair market value immediately after such transaction.

"(B) Property described.—For purposes of subparagraph (A), property is described in this subparagraph if—

"(i) gain or loss with respect to such property is not subject to tax under this subtitle in the hands of the transferor immediately before the transfer, and

"(ii) gain or loss with respect to such property is subject to such tax in the hands of the transferee immediately after such transfer.

In any case in which the transferor is a partnership, the preceding sentence shall be applied by treating each partner in such partnership as holding such partner's proportionate share of the property of such partnership.

"(C) Importation of net built-in loss.—For purposes of subparagraph (A), there is an importation of a net built-in loss in a transaction if the transferee's aggregate adjusted bases of property described in subparagraph (B) which is transferred in such transaction would (but for this paragraph) exceed the fair market value of such property immediately after such transaction.

"(2) Limitation on transfer of built-in losses in section 351 transactions.—

"(A) In general.—If—

"(i) property is transferred by a transferor in any transaction which is described in subsection (a) and which is not described in paragraph (1) of this subsection, and

"(ii) the transferee's aggregate adjusted bases of such property so transferred would (but for this paragraph) exceed the fair market value of such property immediately after such transaction,

then, notwithstanding subsection (a), the transferee's aggregate adjusted bases of the property so transferred shall not exceed the fair market value of such property immediately after such transaction.

"(B) Allocation of basis reduction.—The aggregate reduction in basis by reason of subparagraph (A) shall be allocated among the property so transferred in proportion to their respective built-in losses immediately before the transaction.

"(C) EXCEPTION FOR TRANSFERS WITHIN AFFILIATED GROUP.—Subparagraph (A) shall not apply to any transaction if the transferor owns stock in the transferee meeting the requirements of section 1504(a)(2). In the case of property to which subparagraph (A) does not apply by reason of the preceding sentence, the transferor's basis in the stock received for such property shall not exceed its fair market value immediately after the transfer.".

(b) COMPARABLE TREATMENT WHERE LIQUIDATION.—Paragraph (1) of section 334(b) (relating to liquidation of subsidiary) is amended to read as follows:

"(1) IN GENERAL.—If property is received by a corporate distributee in a distribution in a complete liquidation to which section 332 applies (or in a transfer described in section 337(b)(1)), the basis of such property in the hands of such distributee shall be the same as it would be in the hands of the transferor; except that the basis of such property in the hands of such distributee shall be the fair market value of the property at the time of the distribution—

"(A) in any case in which gain or loss is recognized by the liquidating corporation with respect to such property, or

"(B) in any case in which the liquidating corporation is a foreign corporation, the corporate distributee is a domestic corporation, and the corporate distributee's aggregate adjusted bases of property described in section 362(e)(1)(B) which is distributed in such liquidation would (but for this subparagraph) exceed the fair market value of such property immediately after such liquidation.".

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply to transactions after December 31, 2003.

(2) LIQUIDATIONS.—The amendment made by subsection (b) shall apply to liquidations after December 31, 2003.

SEC. 632. NO REDUCTION OF BASIS UNDER SECTION 734 IN STOCK HELD BY PARTNERSHIP IN CORPORATE PARTNER.

(a) IN GENERAL.—Section 755 is amended by adding at the end the following new subsection:

"(c) NO ALLOCATION OF BASIS DECREASE TO STOCK OF CORPORATE PARTNER.—In making an allocation under subsection (a) of any decrease in the adjusted basis of partnership property under section 734(b)—

"(1) no allocation may be made to stock in a corporation (or any person which is related (within the meaning of section 267(b) or 707(b)(1)) to such corporation) which is a partner in the partnership, and

"(2) any amount not allocable to stock by reason of paragraph (1) shall be allocated under subsection (a) to other partnership property in such manner as the Secretary may prescribe.

Gain shall be recognized to the partnership to the extent that the amount required to be allocated under paragraph (2) to other partnership property exceeds the aggregate adjusted basis of such other property immediately before the allocation required by paragraph (2).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions after February 13, 2003.

SEC. 633. REPEAL OF SPECIAL RULES FOR FASITS.

(a) IN GENERAL.—Part V of subchapter M of chapter 1 (relating to financial asset securitization investment trusts) is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (6) of section 56(g) is amended by striking "REMIC, or FASIT" and inserting "or REMIC".

(2) Clause (ii) of section 382(l)(4)(B) is amended by striking "a REMIC to which part IV of subchapter M applies, or a FASIT to which part V of subchapter M applies," and inserting "or a REMIC to which part IV of subchapter M applies,".

(3) Paragraph (1) of section 582(c) is amended by striking ", and any regular interest in a FASIT,".

(4) Subparagraph (E) of section 856(c)(5) is amended by striking the last sentence.

(5)(A) Section 860G(a)(1) is amended by adding at the end the following new sentence: "An interest shall not fail to qualify as a regular interest solely because the specified principal amount of the regular interest (or the amount of interest accrued on the regular interest) can be reduced as a result of the nonoccurrence of 1 or more contingent payments with respect to any reverse mortgage loan held by the REMIC if, on the startup day for the REMIC, the sponsor reasonably believes that all principal and interest due under the regular interest will be paid at or prior to the liquidation of the REMIC.".

(B) The last sentence of section 860G(a)(3) is amended by inserting ", and any reverse mortgage loan (and each balance increase on such loan meeting the requirements of subparagraph (A)(iii)) shall be treated as an obligation secured by an interest in real property" before the period at the end.

(6) Paragraph (3) of section 860G(a) is amended by adding "and" at the end of subparagraph (B), by striking ", and" at the end of subparagraph (C) and inserting a period, and by striking subparagraph (D).

(7) Section 860G(a)(3), as amended by paragraph (6), is amended by adding at the end the following new sentence: "For purposes of subparagraph (A), if more than 50 percent of the obligations transferred to, or purchased by, the REMIC are originated by the United States or any State (or any political subdivision, agency, or instrumentality of the United States or any State) and are principally secured by an interest in real property, then each obligation transferred to, or purchased by, the REMIC shall be treated as secured by an interest in real property.".

(8)(A) Section 860G(a)(3)(A) is amended by striking "or" at the end of clause (i), by inserting "or" at the end of clause (ii), and by inserting after clause (ii) the following new clause:

"(iii) represents an increase in the principal amount under the original terms of an obligation described in clause (i) or (ii) if such increase—

"(I) is attributable to an advance made to the obligor pursuant to the original terms of the obligation,

"(II) occurs after the startup day, and

"(III) is purchased by the REMIC pursuant to a fixed price contract in effect on the startup day.".

(B) Section 860G(a)(7)(B) is amended to read as follows:

"(B) QUALIFIED RESERVE FUND.—For purposes of subparagraph (A), the term 'qualified reserve fund' means any reasonably required reserve to—

"(i) provide for full payment of expenses of the REMIC or amounts due on regular interests in the event of defaults on qualified mortgages or lower than expected returns on cash flow investments, or

"(ii) provide a source of funds for the purchase of obligations described in clause (ii) or (iii) of paragraph (3)(A).

The aggregate fair market value of the assets held in any such reserve shall not exceed 50 percent of the aggregate fair market value of all of the assets of the REMIC on the startup day, and the amount of any such reserve shall be promptly and appropriately reduced to the extent the amount held in such reserve is no longer reasonably required for purposes specified in clause (i) or (ii) of this subparagraph.".

(9) Subparagraph (C) of section 1202(e)(4) is amended by striking "REMIC, or FASIT" and inserting "or REMIC".

(10) Clause (xi) of section 7701(a)(19)(C) is amended—

(A) by striking "and any regular interest in a FASIT,", and

(B) by striking "or FASIT" each place it appears.

(11) Subparagraph (A) of section 7701(i)(2) is amended by striking "or a FASIT".

(12) The table of parts for subchapter M of chapter 1 is amended by striking the item relating to part V.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on February 14, 2003.

(2) EXCEPTION FOR EXISTING FASITS.—Paragraph (1) shall not apply to any FASIT in existence on the date of the enactment of this Act to the extent that regular interests issued by the FASIT before such date continue to remain outstanding in accordance with the original terms of issuance.

SEC. 634. EXPANDED DISALLOWANCE OF DEDUCTION FOR INTEREST ON CONVERTIBLE DEBT.

(a) IN GENERAL.—Paragraph (2) of section 163(l) is amended by inserting "or equity held by the issuer (or any related party) in any other person" after "or a related party".

(b) CAPITALIZATION ALLOWED WITH RESPECT TO EQUITY OF PERSONS OTHER THAN ISSUER AND RELATED PARTIES.—Section 163(l) is amended by redesignating paragraphs (4) and (5) as paragraphs (5) and (6) and by inserting after paragraph (3) the following new paragraph:

"(4) CAPITALIZATION ALLOWED WITH RESPECT TO EQUITY OF PERSONS OTHER THAN ISSUER AND RELATED PARTIES.—If the disqualified debt instrument of a corporation is payable in equity held by the issuer (or any related party) in any other person (other than a related party), the basis of such equity shall be increased by the amount not allowed as a deduction by reason of paragraph (1) with respect to the instrument.".

(c) EXCEPTION FOR CERTAIN INSTRUMENTS ISSUED BY DEALERS IN SECURITIES.—Section 163(l), as amended by subsection (b), is amended by redesignating paragraphs (5) and (6) as paragraphs (6) and (7) and by inserting after paragraph (4) the following new paragraph:

"(5) EXCEPTION FOR CERTAIN INSTRUMENTS ISSUED BY DEALERS IN SECURITIES.—For purposes of this subsection, the term 'disqualified debt instrument' does not include indebtedness issued by a dealer in securities (or a related party) which is payable in, or by reference to, equity (other than equity of the issuer or a related party) held by such dealer in its capacity as a dealer in securities. For purposes of this paragraph, the term 'dealer in securities' has the meaning given such term by section 475.".

(d) CONFORMING AMENDMENTS.—Paragraph (3) of section 163(l) is amended—

(1) by striking "or a related party" in the material preceding subparagraph (A) and inserting "or any other person", and

(2) by striking "or interest" each place it appears.

(e) Effective Date.—The amendments made by this section shall apply to debt instruments issued after February 13, 2003.

SEC. 635. EXPANDED AUTHORITY TO DISALLOW TAX BENEFITS UNDER SECTION 269.

(a) In General.—Subsection (a) of section 269 (relating to acquisitions made to evade or avoid income tax) is amended to read as follows:

"(a) In General.—If—

"(1)(A) any person or persons acquire, directly or indirectly, control of a corporation, or

"(B) any corporation acquires, directly or indirectly, property of another corporation and the basis of such property, in the hands of the acquiring corporation, is determined by reference to the basis in the hands of the transferor corporation, and

"(2) the principal purpose for which such acquisition was made is evasion or avoidance of Federal income tax,

then the Secretary may disallow such deduction, credit, or other allowance. For purposes of paragraph (1)(A), control means the ownership of stock possessing at least 50 percent of the total combined voting power of all classes of stock entitled to vote or at least 50 percent of the total value of all shares of all classes of stock of the corporation.".

(b) Effective Date.—The amendment made by this section shall apply to stock and property acquired after February 13, 2003.

SEC. 636. MODIFICATION OF INTERACTION BETWEEN SUBPART F AND PASSIVE FOREIGN INVESTMENT COMPANY RULES.

(a) Limitation on Exception From PFIC Rules for United States Shareholders of Controlled Foreign Corporations.—Paragraph (2) of section 1297(e) (relating to passive foreign investment company) is amended by adding at the end the following flush sentence:

"Such term shall not include any period if the earning of subpart F income by such corporation during such period would result in only a remote likelihood of an inclusion in gross income under section 951(a)(1)(A)(i).".

(b) Effective Date.—The amendment made by this section shall apply to taxable years of controlled foreign corporations beginning after February 13, 2003, and to taxable years of United States shareholders with or within which such taxable years of controlled foreign corporations end.

Subtitle C—Restructuring of Incentives for Alcohol Fuels, Etc.

SEC. 641. REDUCED RATES OF TAX ON GASOHOL REPLACED WITH EXCISE TAX CREDIT; REPEAL OF OTHER ALCOHOL-BASED FUEL INCENTIVES; ETC.

(a) Excise Tax Credit for Alcohol Fuel Mixtures.—

(1) In general.—Subsection (f) of section 6427 is amended to read as follows:

"(f) Alcohol Fuel Mixtures.—

"(1) In general.—The amount of credit which would (but for section 40(c)) be determined under section 40(a)(1) for any period—

"(A) shall, with respect to taxable events occurring during such period, be treated—

"(i) as a payment of the taxpayer's liability for tax imposed by section 4081, and

"(ii) as received at the time of the taxable event, and

"(B) to the extent such amount of credit exceeds such liability for such period, shall (except as provided in subsection (k)) be paid subject to subsection (i)(3) by the Secretary without interest.

"(2) Special rules.—

"(A) Only certain alcohol taken into account.—For purposes of paragraph (1), section 40 shall be applied—

"(i) by not taking into account alcohol with a proof of less than 190, and

"(ii) by treating as alcohol the alcohol gallon equivalent of ethyl tertiary butyl ether or other ethers produced from such alcohol.

"(B) Treatment of refiners.—For purposes of paragraph (1), in the case of a mixture—

"(i) the alcohol in which is described in subparagraph (A)(ii), and

"(ii) which is produced by any person at a refinery prior to any taxable event,

section 40 shall be applied by treating such person as having sold such mixture at the time of its removal from the refinery (and only at such time) to another person for use as a fuel.

"(3) Mixtures not used as fuel.—Rules similar to the rules of subparagraphs (A) and (D) of section 40(d)(3) shall apply for purposes of this subsection.

"(4) Termination.—This section shall apply only to periods to which section 40 applies, determined by substituting in section 40(e)—

"(A) 'December 31, 2010' for 'December 31, 2007', and

"(B) 'January 1, 2011' for 'January 1, 2008'."

(2) Revision of rules for payment of credit.—Paragraph (3) of section 6427(i) is amended to read as follows:

"(3) Special rule for alcohol mixture credit.—

"(A) In general.—A claim may be filed under subsection (f)(1)(B) by any person for any period—

"(i) for which $200 or more is payable under such subsection (f)(1)(B), and

"(ii) which is not less than 1 week.

In the case of an electronic claim, this subparagraph shall be applied without regard to clause (i).

"(B) Payment of claim.—Notwithstanding subsection (f)(1)(B), if the Secretary has not paid pursuant to a claim filed under this section within 45 days of the date of the filing of such claim (20 days in the case of an electronic claim), the claim shall be paid with interest from such date determined by using the overpayment rate and method under section 6621.

"(C) Time for filing claim.—No claim filed under this paragraph shall be allowed unless filed on or before the last day of the first quarter following the earliest quarter included in the claim."

(b) Repeal of Other Incentives for Fuel Mixtures.—

(1) Subsection (b) of section 4041 is amended to read as follows:

"(b) Exemption for Off-Highway Business Use.—

"(1) In general.—No tax shall be imposed by subsection (a) or (d)(1) on liquids sold for use or used in an off-highway business use.

"(2) Tax where other use.—If a liquid on which no tax was imposed by reason of paragraph (1) is used otherwise than in an off-highway business use, a tax shall be imposed by paragraph (1)(B), (2)(B), or (3)(A)(ii) of subsection (a) (whichever is appropriate) and by the corresponding provision of subsection (d)(1) (if any).

"(3) Off-highway business use defined.—For purposes of this subsection, the term 'off-highway business use' has the meaning given to such term by section 6421(e)(2); except that such term shall not, for purposes of subsection (a)(1), include use in a diesel-powered train."

(2) Section 4041(k) is hereby repealed.

(3) Section 4081(c) is hereby repealed.

(4) Section 4091(c) is hereby repealed.

(c) Transfers to Highway Trust Fund.—Paragraph (4) of section 9503(b) is amended by adding "or" at the end of subparagraph (B), by striking the comma at the end of subparagraph (C) and inserting a period, and by striking subparagraphs (D), (E), and (F).

(d) Conforming Amendments.—

(1) Subsection (c) of section 40 is amended to read as follows:

"(c) Coordination With Excise Tax Benefits.—The amount of the credit determined under this section with respect to any alcohol shall, under regulations prescribed by the Secretary, be properly reduced to take into account the benefit provided with respect to such alcohol under section 6427(f)."

(2) Subparagraph (B) of section 40(d)(4) is amended by striking "under section 4041(k) or 4081(c)" and inserting "under section 6427(f)".

(e) Effective Dates.—

(1) In general.—Except as provided by paragraph (2), the amendments made by this section shall apply to fuel sold or used after September 30, 2004.

(2) Subsection (c).—The amendments made by subsection (c) shall apply to taxes imposed after September 30, 2003.

SEC. 642. ALCOHOL FUEL SUBSIDIES BORNE BY GENERAL FUND.

(a) Transfers to Fund.—Section 9503(b)(1) is amended by adding at the end the following new flush sentence:

"For purposes of this paragraph, the amount of taxes received under section 4081 shall include any amount treated as a payment under section 6427(f)(1)(A) and shall not be reduced by the amount paid under section 6427(f)(1)(B).".

(b) Transfers From Fund.—Subparagraph (A) of section 9503(c)(2) is amended by adding at the end the following new sentence: "Clauses (i)(III) and (ii) shall not apply to claims under section 6427(f)(1)(B)."

(c) Effective Date.—

(1) Subsection (a).—The amendment made by subsection (a) shall apply to taxes received after September 30, 2004.

(2) Subsection (b).—The amendment made by subsection (b) shall apply to amounts paid after September 30, 2004, and (to the extent related to section 34 of the Internal Revenue Code of 1986) to fuel used after such date.

Subtitle D—Reduction of Fuel Tax Evasion

SEC. 651. EXEMPTION FROM CERTAIN EXCISE TAXES FOR MOBILE MACHINERY.

(a) Exemption From Tax on Heavy Trucks and Trailers Sold at Retail.—

(1) In general.—Section 4053 (relating to exemptions) is amended by adding at the end the following new paragraph:

"(8) Mobile machinery.—Any vehicle which consists of a chassis—

"(A) to which there has been permanently mounted (by welding, bolting, riveting, or other means) machinery or equipment to perform a construction, manufacturing, processing, farming, mining, drilling, timbering, or similar operation if the operation of the machinery or equipment is unrelated to transportation on or off the public highways,

"(B) which has been specially designed to serve only as a mobile carriage and mount (and a power source, where applicable) for the particular machinery or equipment involved, whether or not such machinery or equipment is in operation, and

"(C) which, by reason of such special design, could not, without substantial structural modification, be used as a component of a vehicle designed to perform a function of transporting any load other than that particular machinery or equipment or similar machinery or equipment requiring such a specially designed chassis.".

(2) Effective date.—The amendment made by this subsection shall take effect on the day after the date of the enactment of this Act.

(b) Exemption From Tax on Use of Certain Vehicles.—

(1) In general.—Section 4483 (relating to exemptions) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) Exemption for Mobile Machinery.—No tax shall be imposed by section 4481 on the use of any vehicle described in section 4053(8).".

(2) Effective date.—The amendments made by this subsection shall take effect on the day after the date of the enactment of this Act.

(c) Exemption From Tax on Tires.—

(1) In general.—Section 4072(b)(2) is amended by adding at the end the following flush sentence: "Such term shall not include tires of a type used exclusively on vehicles described in section 4053(8).".

(2) Effective date.—The amendment made by this subsection shall take effect on the day after the date of the enactment of this Act.

(d) Refund of Fuel Taxes.—

(1) In general.—Section 6421(e)(2) (defining off-highway business use) is amended by adding at the end the following new subparagraph:

"(C) Uses in mobile machinery.—

"(i) In general.—The term 'off-highway business use' shall include any use in a vehicle which meets the requirements described in clause (ii).

"(ii) Requirements for mobile machinery.—The requirements described in this clause are—

"(I) the design-based test, and

"(II) the use-based test.

"(iii) Design-based test.—For purposes of clause (ii)(I), the design-based test is met if the vehicle consists of a chassis—

"(I) to which there has been permanently mounted (by welding, bolting, riveting, or other means) machinery or equipment to perform a construction, manufacturing, processing, farming, mining, drilling, timbering, or similar operation if the operation of the machinery or equipment is unrelated to transportation on or off the public highways,

"(II) which has been specially designed to serve only as a mobile carriage and mount (and a power source, where applicable) for the particular machinery or equipment involved, whether or not such machinery or equipment is in operation, and

"(III) which, by reason of such special design, could not, without substantial structural modification, be used as a component of a vehicle designed to perform a function of transporting any load other than that particular machinery or equipment or similar machinery or equipment requiring such a specially designed chassis.

"(iv) Use-based test.—For purposes of clause (ii)(II), the use-based test is met if the use of the vehicle on public highways was less than 7,500 miles during the taxpayer's taxable year.".

(2) No tax-free sales.—Subsection (b) of section 4082, as amended by section 652, is amended by inserting before the period at the end "and such term shall not include any use described in section 6421(e)(2)(C)".

(3) Annual refund of tax paid.—Section 6427(i)(2) (relating to exceptions) is amended by adding at the end the following new subparagraph:

"(C) Nonapplication of paragraph.—This paragraph shall not apply to any fuel used solely in any off-highway business use described in section 6421(e)(2)(C).".

(4) Effective date.—The amendments made by this subsection shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 652. TAXATION OF AVIATION-GRADE KEROSENE.

(a) Rate of Tax.—

(1) In general.—Subparagraph (A) of section 4081(a)(2) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end the following new clause:

"(iv) in the case of aviation-grade kerosene, 21.8 cents per gallon.".

(2) Commercial aviation.—Paragraph (2) of section 4081(a) is amended by adding at the end the following new subparagraph:

"(C) Taxes imposed on fuel used in commercial aviation.—In the case of aviation-grade kerosene which is removed from any refinery or terminal directly into the fuel tank of an aircraft for use in commercial aviation, the rate of tax under subparagraph (A)(iv) shall be 4.3 cents per gallon.".

(3) Certain refueler trucks, tankers, and tank wagons treated as terminal.—Subsection (a) of section 4081 is amended by adding at the end the following new paragraph:

"(3) Certain refueler trucks, tankers, and tank wagons treated as terminal.—

"(A) In general.—In the case of aviation-grade kerosene which is removed from any terminal directly into the fuel tank of an aircraft (determined without regard to any refueler truck, tanker, or tank wagon which meets the requirements of subparagraph (B)), a refueler truck, tanker, or tank wagon shall be treated as part of such terminal if—

"(i) such truck, tanker, or wagon meets the requirements of subparagraph (B) with respect to an airport, and

"(ii) except in the case of exigent circumstances identified by the Secretary in regulations, no vehicle registered for highway use is loaded with aviation-grade kerosene at such terminal.

"(B) Requirements.—A refueler truck, tanker, or tank wagon meets the requirements of this subparagraph with respect to an airport if such truck, tanker, or wagon—

"(i) is loaded with aviation-grade kerosene at such terminal located within such airport and delivers such kerosene only into aircraft at such airport,

"(ii) has storage tanks, hose, and coupling equipment designed and used for the purposes of fueling aircraft,

"(iii) is not registered for highway use, and

"(iv) is operated by—

"(I) the terminal operator of such terminal, or

"(II) a person that makes a daily accounting to such terminal operator of each delivery of fuel from such truck, tanker, or wagon.

"(C) Reporting.—The Secretary shall require under section 4101(d) reporting by such terminal operator of—

"(i) any information obtained under subparagraph (B)(iv)(II), and

"(ii) any similar information maintained by such terminal operator with respect to deliveries of fuel made by trucks, tankers, or wagons operated by such terminal operator.".

(4) Liability for tax on aviation-grade kerosene used in commercial aviation.—Subsection (a) of section 4081 is amended by adding at the end the following new paragraph:

"(4) Liability for tax on aviation-grade kerosene used in commercial aviation.—For purposes of paragraph (2)(C), the person who uses the fuel for commercial aviation shall pay the tax imposed under such paragraph. For purposes of the preceding sentence, fuel shall be treated as used when such fuel is removed into the fuel tank.".

(5) Nontaxable uses.—

(A) In general.—Section 4082 is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

"(e) Aviation-Grade Kerosene.—In the case of aviation-grade kerosene which is exempt from the tax imposed by section 4041(c) (other than by reason of a prior imposition of tax) and which is removed from any refinery or terminal directly into the fuel tank of an aircraft, the rate of tax under section 4081(a)(2)(A)(iv) shall be zero.".

(B) Conforming amendments.—

(i) Subsection (b) of section 4082 is amended by adding at the end the following new flush sentence:

"The term 'nontaxable use' does not include the use of aviation-grade kerosene in an aircraft.".

(ii) Section 4082(d) is amended by striking paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(6) Nonaircraft use of aviation-grade kerosene.—

(A) In general.—Subparagraph (B) of section 4041(a)(1) is amended by adding at the end the following new sentence: "This subparagraph shall not apply to aviation-grade kerosene.".

(B) Conforming amendment.—The heading for paragraph (1) of section 4041(a) is amended by inserting "and kerosene" after "diesel fuel".

(b) Commercial Aviation.—Section 4083 is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

"(b) Commercial Aviation.—For purposes of this subpart, the term 'commercial aviation' means any use of an aircraft in a business of transporting persons or property for compensation or hire by air, unless properly allocable to any transportation exempt from the taxes imposed by sections 4261 and 4271 by reason of section 4281 or 4282 or by reason of section 4261(h).".

(c) Refunds.—

(1) In general.—Paragraph (4) of section 6427(l) is amended to read as follows:

"(4) Refunds for aviation-grade kerosene.—

"(A) No refund of certain taxes on fuel used in commercial aviation.—In the case of aviation-grade kerosene used in commercial aviation (as defined in section 4083(b)) (other than supplies for vessels or aircraft within the meaning of section 4221(d)(3)), paragraph (1) shall not apply to so much of the tax imposed by section 4081 as is attributable to—

"(i) the Leaking Underground Storage Tank Trust Fund financing rate imposed by such section, and

"(ii) so much of the rate of tax specified in section 4081(a)(2)(A)(iv) as does not exceed 4.3 cents per gallon.

"(B) Payment to ultimate, registered vendor.—With respect to aviation-grade kerosene, if the ultimate purchaser of such kerosene waives (at such time and in such form and manner as the Secretary shall prescribe) the right to payment under paragraph (1) and assigns such right to the ultimate vendor, then the Secretary shall pay the amount which would be paid under paragraph (1) to such ultimate vendor, but only if such ultimate vendor—

"(i) is registered under section 4101, and

"(ii) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).".

(2) TIME FOR FILING CLAIMS.—Subparagraph (A) of section 6427(i)(4) is amended—

(A) by striking "subsection (l)(5)" both places it appears and inserting "paragraph (4)(B) or (5) of subsection (l)", and

(B) by striking "the preceding sentence" and inserting "subsection (l)(5)".

(3) CONFORMING AMENDMENT.—Subparagraph (B) of section 6427(l)(2) is amended to read as follows:

"(B) in the case of aviation-grade kerosene—

"(i) any use which is exempt from the tax imposed by section 4041(c) other than by reason of a prior imposition of tax, or

"(ii) any use in commercial aviation (within the meaning of section 4083(b)).".

(d) REPEAL OF PRIOR TAXATION OF AVIATION FUEL.—

(1) IN GENERAL.—Part III of subchapter A of chapter 32 is amended by striking subpart B and by redesignating subpart C as subpart B.

(2) CONFORMING AMENDMENTS.—

(A) Section 4041(c) is amended to read as follows:

"(c) AVIATION-GRADE KEROSENE.—

"(1) IN GENERAL.—There is hereby imposed a tax upon aviation-grade kerosene—

"(A) sold by any person to an owner, lessee, or other operator of an aircraft for use in such aircraft, or

"(B) used by any person in an aircraft unless there was a taxable sale of such fuel under subparagraph (A).

"(2) EXEMPTION FOR PREVIOUSLY TAXED FUEL.—No tax shall be imposed by this subsection on the sale or use of any aviation-grade kerosene if tax was imposed on such liquid under section 4081 and the tax thereon was not credited or refunded.

"(3) RATE OF TAX.—The rate of tax imposed by this subsection shall be the rate of tax specified in section 4081(a)(2)(A)(iv) which is in effect at the time of such sale or use.".

(B) Section 4041(d)(2) is amended by striking "section 4091" and inserting "section 4081".

(C) Section 4041 is amended by striking subsection (e).

(D) Section 4041 is amended by striking subsection (i).

(E) Sections 4101(a), 4103, 4221(a), and 6206 are each amended by striking ", 4081, or 4091" and inserting "or 4081".

(F) Section 6416(b)(2) is amended by striking "4091 or".

(G) Section 6416(b)(3) is amended by striking "or 4091" each place it appears.

(H) Section 6416(d) is amended by striking "or to the tax imposed by section 4091 in the case of refunds described in section 4091(d)".

(I) Section 6427(j)(1) is amended by striking ", 4081, and 4091" and inserting "and 4081".

(J)(i) Section 6427(l)(1) is amended to read as follows:

"(1) IN GENERAL.—Except as otherwise provided in this subsection and in subsection (k), if any diesel fuel or kerosene on which tax has been imposed by section 4041 or 4081 is used by any person in a nontaxable use, the Secretary shall pay (without interest) to the ultimate purchaser of such fuel an amount equal to the aggregate amount of tax imposed on such fuel under section 4041 or 4081, as the case may be, reduced by any payment made to the ultimate vendor under paragraph (4)(B).".

(ii) Paragraph (5)(B) of section 6427(l) is amended by striking "Paragraph (1)(A) shall not apply to kerosene" and inserting "Paragraph (1) shall not apply to kerosene (other than aviation-grade kerosene)".

(K) Subparagraph (B) of section 6724(d)(1) is amended by striking clause (xv) and by redesignating the succeeding clauses accordingly.

(L) Paragraph (2) of section 6724(d) is amended by striking subparagraph (W) and by redesignating the succeeding subparagraphs accordingly.

(M) Paragraph (1) of section 9502(b) is amended by adding "and" at the end of subparagraph (B) and by striking subparagraphs (C) and (D) and inserting the following new subparagraph:

"(C) section 4081 with respect to aviation gasoline and aviation-grade kerosene, and".

(N) The last sentence of section 9502(b) is amended to read as follows:

"There shall not be taken into account under paragraph (1) so much of the taxes imposed by section 4081 as are determined at the rate specified in section 4081(a)(2)(B).".

(O) Subsection (b) of section 9508 is amended by striking paragraph (3) and by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(P) Section 9508(c)(2)(A) is amended by striking "sections 4081 and 4091" and inserting "section 4081".

(Q) The table of subparts for part III of subchapter A of chapter 32 is amended to read as follows:

"Subpart A. Motor and aviation fuels.
"Subpart B. Special provisions applicable to fuels tax.".

(R) The heading for subpart A of part III of subchapter A of chapter 32 is amended to read as follows:

"Subpart A—Motor and Aviation Fuels".

(S) The heading for subpart B of part III of subchapter A of chapter 32, as redesignated by paragraph (1), is amended to read as follows:

"Subpart B—Special Provisions Applicable to Fuels Tax".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to aviation-grade kerosene removed, entered, or sold after September 30, 2004.

(f) FLOOR STOCKS TAX.—

(1) IN GENERAL.—There is hereby imposed on aviation-grade kerosene held on October 1, 2004, by any person a tax equal to—

(A) the tax which would have been imposed before such date on such kerosene had the amendments made by this section been in effect at all times before such date, reduced by

(B) the tax imposed before such date under section 4091 of the Internal Revenue Code of 1986, as in effect on the day before the date of the enactment of this Act.

(2) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(A) LIABILITY FOR TAX.—The person holding the kerosene on October 1, 2004, to which the tax imposed by paragraph (1) applies shall be liable for such tax.

(B) METHOD AND TIME FOR PAYMENT.—The tax imposed by paragraph (1) shall be paid at such time and in such manner as the Secretary of the Treasury (or the Secretary's delegate) shall prescribe, including the nonapplication of such tax on de minimis amounts of kerosene.

(3) TRANSFER OF FLOOR STOCK TAX REVENUES TO TRUST FUNDS.—For purposes of determining the amount transferred to any trust fund, the tax imposed by this subsection shall be treated as imposed by section 4081 of the Internal Revenue Code of 1986—

(A) at the Leaking Underground Storage Tank Trust Fund financing rate under such section to the extent of 0.1 cents per gallon, and

(B) at the rate under section 4081(a)(2)(A)(iv) to the extent of the remainder.

(4) HELD BY A PERSON.—For purposes of this section, kerosene shall be considered as held by a person if title thereto has passed to such person (whether or not delivery to the person has been made).

(5) OTHER LAWS APPLICABLE.—All provisions of law, including penalties, applicable with respect to the tax imposed by section 4081 of such Code shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply with respect to the floor stock tax imposed by paragraph (1) to the same extent as if such tax were imposed by such section.

SEC. 653. DYE INJECTION EQUIPMENT.

(a) IN GENERAL.—Section 4082(a)(2) (relating to exemptions for diesel fuel and kerosene) is amended by inserting "by mechanical injection" after "indelibly dyed".

(b) DYE INJECTOR SECURITY.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury shall issue regulations regarding mechanical dye injection systems described in the amendment made by subsection (a), and such regulations shall include standards for making such systems tamper resistant.

(c) PENALTY FOR TAMPERING WITH OR FAILING TO MAINTAIN SECURITY REQUIREMENTS FOR MECHANICAL DYE INJECTION SYSTEMS.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by adding after section 6715 the following new section:

"SEC. 6715A. TAMPERING WITH OR FAILING TO MAINTAIN SECURITY REQUIREMENTS FOR MECHANICAL DYE INJECTION SYSTEMS.

"(a) IMPOSITION OF PENALTY—

"(1) TAMPERING.—If any person tampers with a mechanical dye injection system used to indelibly dye fuel for purposes of section 4082, such person shall pay a penalty in addition to the tax (if any).

"(2) FAILURE TO MAINTAIN SECURITY REQUIREMENTS.—If any operator of a mechanical dye injection system used to indelibly dye fuel for purposes of section 4082 fails to maintain the security standards for such system as established by the Secretary, then such operator shall pay a penalty in addition to the tax (if any).

"(b) AMOUNT OF PENALTY.—The amount of the penalty under subsection (a) shall be—

"(1) for each violation described in paragraph (1), the greater of—

"(A) $25,000, or

"(B) $10 for each gallon of fuel involved, and

"(2) for each—

"(A) failure to maintain security standards described in paragraph (2), $1,000, and

"(B) failure to correct a violation described in paragraph (2), $1,000 per day for each day after which such violation was discovered or such person should have reasonably known of such violation.

"(c) JOINT AND SEVERAL LIABILITY.—

"(1) IN GENERAL.—If a penalty is imposed under this section on any business entity, each officer, employee, or agent of such entity or other contracting party who willfully participated in any act giving rise to such penalty shall be jointly and severally liable with such entity for such penalty.

"(2) AFFILIATED GROUPS.—If a business entity described in paragraph (1) is part of an affiliated group (as defined in section 1504(a)), the parent corporation of such entity shall be jointly and severally liable with such entity for the penalty imposed under this section.".

(2) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by adding after the item related to section 6715 the following new item:

"Sec. 6715A. Tampering with or failing to maintain security requirements for mechanical dye injection systems.".

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (c) shall take effect on the 180th day after the date on which the Secretary issues the regulations described in subsection (b).

SEC. 654. AUTHORITY TO INSPECT ON-SITE RECORDS.

(a) IN GENERAL.—Section 4083(d)(1)(A) (relating to administrative authority), as previously amended by this Act, is amended by striking "and" at the end of clause (i) and by inserting after clause (ii) the following new clause:

"(iii) inspecting any books and records and any shipping papers pertaining to such fuel, and".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 655. REGISTRATION OF PIPELINE OR VESSEL OPERATORS REQUIRED FOR EXEMPTION OF BULK TRANSFERS TO REGISTERED TERMINALS OR REFINERIES.

(a) IN GENERAL.—Section 4081(a)(1)(B) (relating to exemption for bulk transfers to registered terminals or refineries) is amended—

(1) by inserting "by pipeline or vessel" after "transferred in bulk", and

(2) by inserting ", the operator of such pipeline or vessel," after "the taxable fuel".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2004.

(c) PUBLICATION OF REGISTERED PERSONS.—Beginning on July 1, 2004, the Secretary of the Treasury (or the Secretary's delegate) shall periodically publish a current list of persons registered under section 4101 of the Internal Revenue Code of 1986 who are required to register under such section.

SEC. 656. DISPLAY OF REGISTRATION.

(a) IN GENERAL.—Subsection (a) of section 4101 (relating to registration) is amended—

(1) by striking "Every" and inserting the following:

"(1) IN GENERAL.—Every", and

(2) by adding at the end the following new paragraph:

"(2) DISPLAY OF REGISTRATION.—Every operator of a vessel required by the Secretary to register under this section shall display proof of registration through an electronic identification device prescribed by the Secretary on each vessel used by such operator to transport any taxable fuel.".

(b) CIVIL PENALTY FOR FAILURE TO DISPLAY REGISTRATION.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6716 the following new section:

"SEC. 6717. FAILURE TO DISPLAY TAX REGISTRATION ON VESSELS.

"(a) FAILURE TO DISPLAY REGISTRATION.—Every operator of a vessel who fails to display proof of registration pursuant to section 4101(a)(2) shall pay a penalty of $500 for each such failure. With respect to any vessel, only one penalty shall be imposed by this section during any calendar month.

"(b) MULTIPLE VIOLATIONS.—In determining the penalty under subsection (a) on any person, subsection (a) shall be applied by increasing the amount in subsection (a) by the product of such amount and the aggregate number of penalties (if any) imposed with respect to prior months by this section on such person (or a related person or any predecessor of such person or related person).

"(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.".

(2) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6716 the following new item:

"Sec. 6717. Failure to display tax registration on vessels.".

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendments made by subsection (a) shall take effect on October 1, 2004.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall apply to penalties imposed after September 30, 2004.

SEC. 657. PENALTIES FOR FAILURE TO REGISTER AND FAILURE TO REPORT.

(a) INCREASED PENALTY.—Subsection (a) of section 7272 (relating to penalty for failure to register) is amended by inserting "($10,000 in the case of a failure to register under section 4101)" after "$50".

(b) INCREASED CRIMINAL PENALTY.—Section 7232 (relating to failure to register under section 4101, false representations of registration status, etc.) is amended by striking "$5,000" and inserting "$10,000".

(c) ASSESSABLE PENALTY FOR FAILURE TO REGISTER.—

(1) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by inserting after section 6717 the following new section:

"SEC. 6718. FAILURE TO REGISTER.

"(a) FAILURE TO REGISTER.—Every person who is required to register under section 4101 and fails to do so shall pay a penalty in addition to the tax (if any).

"(b) AMOUNT OF PENALTY.—The amount of the penalty under subsection (a) shall be—

"(1) $10,000 for each initial failure to register, and

"(2) $1,000 for each day thereafter such person fails to register.

"(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.".

(2) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by inserting after the item relating to section 6717 the following new item:

"Sec. 6718. Failure to register.".

(d) ASSESSABLE PENALTY FOR FAILURE TO REPORT.—

(1) IN GENERAL.—Part II of subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end the following new section:

"SEC. 6725. FAILURE TO REPORT INFORMATION UNDER SECTION 4101.

"(a) IN GENERAL.—In the case of each failure described in subsection (b) by any person with respect to a vessel or facility, such person shall pay a penalty of $10,000 in addition to the tax (if any).

"(b) FAILURES SUBJECT TO PENALTY.—For purposes of subsection (a), the failures described in this subsection are—

"(1) any failure to make a report under section 4101(d) on or before the date prescribed therefor, and

"(2) any failure to include all of the information required to be shown on such report or the inclusion of incorrect information.

"(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause.".

(2) CLERICAL AMENDMENT.—The table of sections for part II of subchapter B of chapter 68 is amended by adding at the end the following new item:

"Sec. 6725. Failure to report information under section 4101.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to penalties imposed after September 30, 2004.

SEC. 658. COLLECTION FROM CUSTOMS BOND WHERE IMPORTER NOT REGISTERED.

(a) TAX AT POINT OF ENTRY WHERE IMPORTER NOT REGISTERED.—Subpart B of part III of subchapter A of chapter 32, as redesignated by section 652(d), is amended by adding after section 4103 the following new section:

"SEC. 4104. COLLECTION FROM CUSTOMS BOND WHERE IMPORTER NOT REGISTERED.

"(a) IN GENERAL.—The importer of record shall be jointly and severally liable for the tax imposed by section 4081(a)(1)(A)(iii) if, under regulations prescribed by the Secretary, any other person that is not a person who is registered under section 4101 is liable for such tax.

"(b) COLLECTION FROM CUSTOMS BOND.—If any tax for which any importer of record is liable under subsection (a), or for which any importer of record that is not a person registered under section 4101 is otherwise liable, is not paid on or before the last date prescribed for payment, the Secretary may collect such tax from the Customs bond posted with respect to the importation of the taxable fuel to which the tax relates. For purposes of determining the jurisdiction of any court of the United States or any agency of the United States, any action by the Secretary described in the preceding sentence shall be treated as an action to collect the tax from a bond described in section 4101(b)(1) and not as an action to collect from a bond relating to the importation of merchandise.".

(b) CONFORMING AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 32, as redesignated by section 652(d), is amended by adding after the item related to section 4103 the following new item:

"Sec. 4104. Collection from Customs bond where importer not registered.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to fuel entered after September 30, 2004.

SEC. 659. MODIFICATIONS OF TAX ON USE OF CERTAIN VEHICLES.

(a) PRORATION OF TAX WHERE VEHICLE SOLD.—

(1) IN GENERAL.—Subparagraph (A) of section 4481(c)(2) (relating to where vehicle destroyed or stolen) is amended by striking "destroyed or stolen" both places it appears and inserting "sold, destroyed, or stolen".

(2) CONFORMING AMENDMENT.—The heading for section 4481(c)(2) is amended by striking "DESTROYED OR STOLEN" and inserting "SOLD, DESTROYED, OR STOLEN".

(b) Repeal of Installment Payment.—

(1) Section 6156 (relating to installment payment of tax on use of highway motor vehicles) is repealed.

(2) The table of sections for subchapter A of chapter 62 is amended by striking the item relating to section 6156.

(c) Electronic Filing.—Section 4481 is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) Electronic Filing.—Any taxpayer who files a return under this section with respect to 25 or more vehicles for any taxable period shall file such return electronically.".

(d) Repeal of Reduction in Tax for Certain Trucks.—Section 4483 is amended by striking subsection (f).

(e) Effective Date.—The amendments made by this section shall apply to taxable periods beginning after the date of the enactment of this Act.

SEC. 660. MODIFICATION OF ULTIMATE VENDOR REFUND CLAIMS WITH RESPECT TO FARMING.

(a) In General.—

(1) Refunds.—Section 6427(l) is amended by adding at the end the following new paragraph:

"(6) Registered vendors permitted to administer certain claims for refund of diesel fuel and kerosene sold to farmers.—

"(A) In general.—In the case of diesel fuel or kerosene used on a farm for farming purposes (within the meaning of section 6420(c)), paragraph (1) shall not apply to the aggregate amount of such diesel fuel or kerosene if such amount does not exceed 250 gallons (as determined under subsection (i)(5)(A)(iii)).

"(B) Payment to ultimate vendor.—The amount which would (but for subparagraph (A)) have been paid under paragraph (1) with respect to any fuel shall be paid to the ultimate vendor of such fuel, if such vendor—

"(i) is registered under section 4101, and

"(ii) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).".

(2) Filing of claims.—Section 6427(i) is amended by inserting at the end the following new paragraph:

"(5) Special rule for vendor refunds with respect to farmers.—

"(A) In general.—A claim may be filed under subsection (l)(6) by any person with respect to fuel sold by such person for any period—

"(i) for which $200 or more ($100 or more in the case of kerosene) is payable under subsection (l)(6),

"(ii) which is not less than 1 week, and

"(iii) which is for not more than 250 gallons for each farmer for which there is a claim.

Notwithstanding subsection (l)(1), paragraph (3)(B) shall apply to claims filed under the preceding sentence.

"(B) Time for filing claim.—No claim filed under this paragraph shall be allowed unless filed on or before the last day of the first quarter following the earliest quarter included in the claim.".

(3) Conforming amendments.—

(A) Section 6427(l)(5)(A) is amended to read as follows:

"(A) In general.—Paragraph (1) shall not apply to diesel fuel or kerosene used by a State or local government.".

(B) The heading for section 6427(l)(5) is amended by striking "farmers and".

(b) Effective Date.—The amendment made by this section shall apply to fuels sold for nontaxable use after the date of the enactment of this Act.

SEC. 661. DEDICATION OF REVENUES FROM CERTAIN PENALTIES TO THE HIGHWAY TRUST FUND.

(a) In General.—Subsection (b) of section 9503 (relating to transfer to Highway Trust Fund of amounts equivalent to certain taxes) is amended by redesignating paragraph (5) as paragraph (6) and inserting after paragraph (4) the following new paragraph:

"(5) Certain penalties.—There are hereby appropriated to the Highway Trust Fund amounts equivalent to the penalties paid under sections 6715, 6715A, 6717, 6718, 6725, 7232, and 7272 (but only with regard to penalties under such section related to failure to register under section 4101).".

(b) Conforming Amendments.—

(1) The heading of subsection (b) of section 9503 is amended by inserting "and Penalties" after "Taxes".

(2) The heading of paragraph (1) of section 9503(b) is amended by striking "In general" and inserting "Certain taxes".

(c) Effective Date.—The amendments made by this section shall apply to penalties assessed after October 1, 2004.

SEC. 662. TAXABLE FUEL REFUNDS FOR CERTAIN ULTIMATE VENDORS.

(a) In General.—Paragraph (4) of section 6416(a) (relating to abatements, credits, and refunds) is amended to read as follows:

"(4) Registered ultimate vendor to administer credits and refunds of gasoline tax.—

"(A) In general.—For purposes of this subsection, if an ultimate vendor purchases any gasoline on which tax imposed by section 4081 has been paid and sells such gasoline to an ultimate purchaser described in subparagraph (C) or (D) of subsection (b)(2) (and such gasoline is for a use described in such subparagraph), such ultimate vendor shall be treated as the person (and the only person) who paid such tax, but only if such ultimate vendor is registered under section 4101. For purposes of this subparagraph, if the sale of gasoline is made by means of a credit card, the person extending the credit to the ultimate purchaser shall be deemed to be the ultimate vendor.

"(B) Timing of claims.—The procedure and timing of any claim under subparagraph (A) shall be the same as for claims under section 6427(i)(4), except that the rules of section 6427(i)(3)(B) regarding electronic claims shall not apply unless the ultimate vendor has certified to the Secretary for the most recent quarter of the taxable year that all ultimate purchasers of the vendor covered by such claim are certified and entitled to a refund under subparagraph (C) or (D) of subsection (b)(2).".

(b) Credit Card Purchases of Diesel Fuel or Kerosene by State and Local Governments.—Section 6427(l)(5)(C) (relating to nontaxable uses of diesel fuel, kerosene, and aviation fuel) is amended by adding at the end the following new flush sentence: "For purposes of this subparagraph, if the sale of diesel fuel or kerosene is made by means of a credit card, the person extending the credit to the ultimate purchaser shall be deemed to be the ultimate vendor.".

(c) Effective Date.—The amendments made by this section shall take effect on October 1, 2004.

SEC. 663. TWO-PARTY EXCHANGES.

(a) In General.—Subpart B of part III of subchapter A of chapter 32, as amended by this Act, is amended by adding after section 4104 the following new section:

"SEC. 4105. TWO-PARTY EXCHANGES.

"(a) In General.—In a two-party exchange, the delivering person shall not be liable for the tax imposed under section 4081(a)(1)(A)(ii).

"(b) Two-Party Exchange.—The term 'two-party exchange' means a transaction, other than a sale, in which taxable fuel is transferred from a delivering person registered under section 4101 as a taxable fuel registrant fuel to a receiving person who is so registered where all of the following occur:

"(1) The transaction includes a transfer from the delivering person, who holds the inventory position for taxable fuel in the terminal as reflected in the records of the terminal operator.

"(2) The exchange transaction occurs before or contemporaneous with completion of removal across the rack from the terminal by the receiving person.

"(3) The terminal operator in its books and records treats the receiving person as the person that removes the taxable fuel across the terminal rack for purposes of reporting the transaction to the Secretary.

"(4) The transaction is the subject of a written contract.".

(b) Conforming Amendment.—The table of sections for subpart B of part III of subchapter A of chapter 32, as amended by this Act, is amended by adding after the item relating to section 4104 the following new item:

"Sec. 4105. Two-party exchanges.".

(c) Effective Date.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 664. SIMPLIFICATION OF TAX ON TIRES.

(a) In General.—Subsection (a) of section 4071 is amended to read as follows:

"(a) Imposition and Rate of Tax.—There is hereby imposed on taxable tires sold by the manufacturer, producer, or importer thereof a tax at the rate of 9.4 cents (4.7 cents in the case of a biasply tire) for each 10 pounds so much of the maximum rated load capacity thereof as exceeds 3,500 pounds."

(b) Taxable Tire.—Section 4072 is amended by redesignating subsections (a) and (b) as subsections (b) and (c), respectively, and by inserting before subsection (b) (as so redesignated) the following new subsection:

"(a) Taxable Tire.—For purposes of this chapter, the term 'taxable tire' means any tire of the type used on highway vehicles if wholly or in part made of rubber and if marked pursuant to Federal regulations for highway use."

(c) Exemption for Tires Sold to Department of Defense.—Section 4073 is amended to read as follows:

"SEC. 4073. EXEMPTIONS.

"The tax imposed by section 4071 shall not apply to tires sold for the exclusive use of the Department of Defense or the Coast Guard."

(d) Conforming Amendments.—

(1) Section 4071 is amended by striking subsection (c) and by moving subsection (e) after subsection (b) and redesignating subsection (e) as subsection (c).

(2) The item relating to section 4073 in the table of sections for part II of subchapter A of chapter 32 is amended to read as follows:

"Sec. 4073. Exemptions."

(e) Effective Date.—The amendments made by this section shall apply to sales in calendar years beginning more than 30 days after the date of the enactment of this Act.

Subtitle E—Prevention of Tax Avoidance Through Treaty Shopping

SEC. 671. DENIAL OF TREATY BENEFITS FOR CERTAIN DEDUCTIBLE PAYMENTS.

(a) In General.—Section 894 (relating to income affected by treaty) is amended by adding at the end the following new subsection:

"(d) Denial of Treaty Benefits for Certain Deductible Payments.—

"(1) In general.—A foreign entity shall not be entitled under any income tax treaty of the United States with a foreign country to any reduced rate of any withholding tax imposed by this title on any deductible foreign payment unless such entity is predominantly owned by individuals who are residents of such foreign country.

"(2) Deductible foreign payment.—For purposes of paragraph (1), the term 'deductible foreign payment' means any payment—

"(A) which is made by a domestic entity directly or indirectly to a related person which is a foreign entity, and

"(B) which is allowable as a deduction under this chapter.

"(3) Domestic and foreign entities; related person.—For purposes of this subsection—

"(A) Domestic entity.—The term 'domestic entity' means any domestic corporation or domestic partnership.

"(B) Foreign entity.—The term 'foreign entity' means any foreign corporation or foreign partnership.

"(C) Related person.—The term 'related person' has the meaning given such term by section 954(d)(3) (determined by substituting 'domestic entity' for 'controlled foreign corporation' each place it appears).

"(4) Predominant ownership.—For purposes of this subsection—

"(A) In general.—An entity is predominantly owned by individuals who are residents of a foreign country if—

"(i) in the case of a corporation, more than 50 percent (by value) of the stock of such corporation is owned (within the meaning of section 883(c)(4)) by individuals who are residents of such foreign country, or

"(ii) in the case of a partnership, more than 50 percent (by value) of the beneficial interests in such partnership are so owned.

"(B) Publicly traded corporations.—A foreign corporation also shall be treated as predominantly owned by individuals who are residents of a foreign country if—

"(i)(I) the stock of such corporation is primarily and regularly traded on an established securities market in such foreign country, and

"(II) such corporation has activities within such foreign country which are substantial in relation to the total activities of such corporation and its related persons, or

"(ii) such corporation is wholly owned (directly or indirectly) by another foreign corporation which is described in clause (i).

"(C) Special rule.—

"(i) In general.—A foreign corporation shall be treated as meeting the requirements of subparagraph (A) if—

"(I) such requirements would be met if '30 percent' were substituted for '50 percent' in subparagraph (A)(i),

"(II) the treaty country is a member of a multinational economic association such as the European Union, and

"(III) at least 50 percent of the value of the stock of the corporation is owned (within the meaning of section 883(c)(4)) by individuals who are residents of the treaty country or other qualified foreign countries.

"(ii) Qualified foreign country.—For purposes of this subparagraph, the term 'qualified foreign country' means any foreign country if—

"(I) such foreign country is a member of the multinational economic association of which the treaty country is a member, and

"(II) such foreign country has a tax treaty with the United States providing a withholding tax rate reduction which is not less than the withholding tax rate reduction applicable (without regard to this subsection) to the payment received by such foreign corporation.

"(5) Exception for corporations with substantial business activities in treaty country.—Paragraph (1) shall not apply to a payment received by a foreign corporation if such corporation has substantial business activities in the treaty country and if such corporation establishes to the satisfaction of the Secretary that the payment is subject to an effective rate of income tax imposed by such country greater than 90 percent of the maximum rate of tax specified in section 11.

"(6) Exception for payments received by controlled foreign corporation.—Paragraph (1) shall not apply to any deductible foreign payment made by a corporation if the recipient of the payment is a controlled foreign corporation and the payor is a United States shareholder (as defined in section 951(b)) of such corporation.

"(7) Conduit payments.—Under regulations prescribed by the Secretary, paragraph (1) shall not apply to a payment received by a foreign entity referred to in paragraph (1) if—

"(A) within a reasonable period after such entity receives such payment, such entity makes a comparable payment directly or indirectly to another related person,

"(B) such related person is a resident of a foreign country with which the United States has an income tax treaty,

"(C) such related person is predominantly owned by individuals who are residents of such country, and

"(D) the withholding tax rate applicable under such treaty is equal to or greater than the withholding tax rate applicable (without regard to this paragraph) to the payment received by such foreign entity.

A similar rule shall apply where the payment is includible in the gross income of a related person by reason of a foreign law comparable to subpart F of part III of subchapter N."

(b) Effective Date.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 672. TRANSFER PRICE REDUCED BY DEFLECTED TAX HAVEN INCOME.

(a) In General.—Section 482 (relating to allocation of income and deductions among taxpayers) is amended by inserting "(a) In General.—" before "In the case of two or more" and by adding at the end the following new subsection:

"(b) Special Rule for Related-Party Inbound and Outbound Transactions.—

"(1) In general.—In the case of property or services to which this subsection applies, the transfer price under this section for such property or service shall be the transfer price determined without regard to this subsection—

"(A) in the case of a related-party inbound transaction, reduced by the deflected tax haven income with respect to such property or service, or

"(B) in the case of a related-party outbound transaction, increased by the deflected tax haven income with respect to such property or service.

"(2) Property or services to which subsection applies.—

"(A) In general.—This subsection applies to any property or services if there is a related-party inbound or outbound transaction with respect to such property or services.

"(B) Related-party inbound transaction.—A related-party inbound transaction is any transaction where—

"(i) property is acquired directly or indirectly by a foreign-controlled domestic corporation from a foreign related person, or

"(ii) the services are performed directly or indirectly for a foreign-controlled domestic corporation by a foreign related person.

"(C) Related-party outbound transaction.—A related-party outbound transaction is any transaction where—

"(i) property is sold directly or indirectly by a foreign-controlled domestic corporation to a foreign related person, or

"(ii) services are performed directly or indirectly by a foreign-controlled domestic corporation for a foreign related person.

"(3) Deflected tax haven income.—For purposes of this subsection—

"(A) In general.—The term 'deflected tax haven income' means income (whether in the form of profits, commissions, fees, or otherwise) derived by a foreign related person in connection with any transaction related to property or services to which this subsection applies if such income would be treated as foreign base company sales income (as defined in section 954(d)) or foreign base company services income (as defined in section 954(e)) were such foreign related person treated as a controlled foreign corporation.

"(B) Exception for income subject to foreign taxes.—

"(i) High taxes.—Such term shall not include any item of income with respect to which the requirements of section 954(b)(4) are met.

"(ii) Other taxes.—If the taxpayer establishes to the satisfaction of the Secretary that an item of income was subject to an income tax imposed by a foreign country and the effective rate of such tax (and such effective rate was not greater than 90 percent of the maximum rate of tax specified in section 11), the term 'deflected tax haven income' shall not include the same proportion of such income as such effective rate of tax bears to 90 percent.

"(4) Other definitions.—For purposes of this subsection—

"(A) Foreign related person.—The term 'foreign related person' means any foreign person who is related (within the meaning of subsection (a)) to the foreign-controlled domestic corporation.

"(B) Foreign-controlled domestic corporation.—The term 'foreign-controlled domestic corporation' means any domestic corporation which is 25-percent foreign-owned (as defined in section 6038A(c))."

(b) Effective Date.—The amendment made by this section shall apply to property acquired, and services performed, after the date of the enactment of this Act.

Subtitle F—Additions to List of Taxable Vaccines

SEC. 681. ADDITION OF VACCINES AGAINST HEPATITIS A TO LIST OF TAXABLE VACCINES.

(a) In General.—Paragraph (1) of section 4132(a) (defining taxable vaccine) is amended by redesignating subparagraphs (I), (J), (K), and (L) as subparagraphs (J), (K), (L), and (M), respectively, and by inserting after subparagraph (H) the following new subparagraph:

"(I) Any vaccine against hepatitis A."

(b) Effective Date.—

(1) Sales, etc.—The amendments made by subsection (a) shall apply to sales and uses on or after the first day of the first month which begins more than 4 weeks after the date of the enactment of this Act.

(2) DELIVERIES.—For purposes of paragraph (1) and section 4131 of the Internal Revenue Code of 1986, in the case of sales on or before the effective date described in such paragraph for which delivery is made after such date, the delivery date shall be considered the sale date.

SEC. 682. ADDITION OF VACCINES AGAINST INFLUENZA TO LIST OF TAXABLE VACCINES.

(a) IN GENERAL.—Section 4132(a)(1) (defining taxable vaccine), as amended by this Act, is amended by adding at the end the following new subparagraph:

"(N) Any trivalent vaccine against influenza.".

(b) EFFECTIVE DATE.—

(1) SALES, ETC.—The amendment made by this section shall apply to sales and uses on or after the later of—

(A) the first day of the first month which begins more than 4 weeks after the date of the enactment of this Act, or

(B) the date on which the Secretary of Health and Human Services lists any vaccine against influenza for purposes of compensation for any vaccine-related injury or death through the Vaccine Injury Compensation Trust Fund.

(2) DELIVERIES.—For purposes of paragraph (1) and section 4131 of the Internal Revenue Code of 1986, in the case of sales on or before the effective date described in such paragraph for which delivery is made after such date, the delivery date shall be considered the sale date.

Subtitle G—Other Provisions

SEC. 691. IRS USER FEES MADE PERMANENT.

(a) IN GENERAL.—Section 7528 (relating to Internal Revenue Service user fees) is amended by striking subsection (c).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to requests after the date of the enactment of this Act.

SEC. 692. COBRA FEES.

(a) USE OF MERCHANDISE PROCESSING FEE.—Section 13031(f) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)) is amended—

(1) in paragraph (1), by aligning subparagraph (B) with subparagraph (A); and

(2) in paragraph (2), by striking "commercial operations" and all that follows through "processing." and inserting "customs revenue functions as defined in section 415 of the Homeland Security Act of 2002 (other than functions performed by the Office of International Affairs referred to in section 415(8) of that Act), and for automation (including the Automation Commercial Environment computer system), and for no other purpose. To the extent that funds in the Customs User Fee Account are insufficient to pay the costs of such customs revenue functions, customs duties in an amount equal to the amount of such insufficiency shall be available, to the extent provided for in appropriations Acts, to pay the costs of such customs revenue functions in the amount of such insufficiency, and shall be available for no other purpose. The provisions of the first and second sentences of this paragraph specifying the purposes for which amounts in the Customs User Fee Account may be made available shall not be superseded except by a provision of law which specifically modifies or supersedes such provisions.".

(b) REIMBURSEMENT OF APPROPRIATIONS FROM COBRA FEES.—Section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)(3)) is amended by adding at the end the following:

"(E) Nothing in this paragraph shall be construed to preclude the use of appropriated funds, from sources other than the fees collected under subsection (a), to pay the costs set forth in clauses (i), (ii), and (iii) of subparagraph (A).".

(c) SENSE OF CONGRESS; EFFECTIVE PERIOD FOR COLLECTING FEES; STANDARD FOR SETTING FEES.—

(1) SENSE OF CONGRESS.—The Congress finds that—

(A) the fees set forth in paragraphs (1) through (8) of subsection (a) of section 13031 of the Consolidated Omnibus Budget Reconciliation Act of 1985 have been reasonably related to the costs of providing customs services in connection with the activities or items for which the fees have been charged under such paragraphs; and

(B) the fees collected under such paragraphs have not exceeded, in the aggregate, the amounts paid for the costs described in subsection (f)(3)(A) incurred in providing customs services in connection with the activities or items for which the fees were charged under such paragraphs.

(2) EFFECTIVE PERIOD; STANDARD FOR SETTING FEES.—Section 13031(j) of the Consolidated Omnibus Budget Reconciliation Act of 1985 is amended by striking paragraph (3).

(d) CLERICAL AMENDMENTS.—Section 13031 of the Consolidated Omnibus Budget Reconciliation Act of 1985 is amended—

(1) in subsection (a)(5)(B), by striking "$1.75" and inserting "$1.75.";

(2) in subsection (b)—

(A) in paragraph (1)(A), by aligning clause (iii) with clause (ii);

(B) in paragraph (7), by striking "paragraphs" and inserting "paragraph"; and

(C) in paragraph (9), by aligning subparagraph (B) with subparagraph (A); and

(3) in subsection (e)(2), by aligning subparagraph (B) with subparagraph (A).

(e) STUDY OF ALL FEES COLLECTED BY DEPARTMENT OF HOMELAND SECURITY.—The Secretary of the Treasury shall conduct a study of all the fees collected by the Department of Homeland Security, and shall submit to the Congress, not later than September 30, 2005, a report containing the recommendations of the Secretary on—

(1) what fees should be eliminated;

(2) what the rate of fees retained should be; and

(3) any other recommendations with respect to the fees that the Secretary considers appropriate.

Amend subsection (c) of section 641 of the bill as amended above to read as follows:

(c) TRANSFERS TO HIGHWAY TRUST FUND.—

(1) Paragraph (4) of section 9503(b) is amended by adding "or" at the end of subparagraph (C), by striking the comma at the end of subparagraph (D) and inserting a period, and by striking subparagraphs (E) and (F).

(2) Paragraph (4) of section 9503(b), as amended by paragraph (1), is further amended by adding "or" at the end of subparagraph (B), by striking the comma at the end of subparagraph (C) and inserting a period, and by striking subparagraph (D).

Amend paragraph (2) of section 641(e) of the bill as amended above to read as follows:

(2) SUBSECTION (c).—

(A) The amendments made by subsection (c)(1) shall apply to taxes imposed after September 30, 2003.

(B) The amendments made by subsection (c)(2) shall apply to taxes imposed after September 30, 2006.

Mr. RANGEL (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. RANGEL) is recognized for 5 minutes in support of his motion.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee (Mr. COOPER).

Mr. COOPER. Mr. Speaker, I thank the gentleman from New York for yielding me this time.

Many Members here today are voting for this motion to recommit for a very important reason, because if we care about State tax fairness, if one is from one of those seven States like Florida or Texas or Tennessee or Washington or Nevada or South Dakota that rely primarily on a State sales tax, the best way to give one's citizens relief is through their Rangel motion to recommit because tax relief there is permanent, not temporary. All that is being offered in the majority bill here is 2 years of relief.

What are they going to tell their people back home when they have given them a tax break for 2 years, not the permanent relief that my friend from New York is offering?

So it is very important for folks who are sincere about this issue, who really care about tax relief for their citizens, to vote for the motion to recommit. If one is from one of these seven States and do not vote for the motion to recommit, they are not truly serving their people.

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Mr. RANGEL. Mr. Speaker, this motion to recommit, we have a restricted amount of time, because the majority denied us the opportunity to have a substitute. If the underlying bill is so good, why not allow in the democratic process, with a small "d," the opportunity for someone to say, I have a better idea; and since they are the majority, why do they not believe that they have enough votes and must have confidence in what they are doing, at least to get the majority to vote for it?

So my motion to recommit, what we would have done if we had had the chance, is that we do not provide tax incentives for manufacturers and other people to move their jobs overseas. What we do is grab the essence of the agreement that we had with the gentleman from Illinois (Mr. MANZULLO), with the gentleman from Illinois (Mr. CRANE) when we put together a bipartisan bill to create jobs, not for those overseas, but for those in the United States of America.

We also do not include all of the addition of tax incentives for things that are not related to resolving the problem before us. We have what is indeed called a jobs bill, and that is what we had hoped that we would be able to do.

As was pointed out by the gentleman from Tennessee (Mr. COOPER), we believe that States who do not have income taxes and rely on sales taxes should get relief, but why the majority would restrict this relief to 2 years is far beyond my expectation; and that is why we thought we had a better idea to make it permanent.

When kids look under the Christmas tree, there is going to be a gift for them too. They will be inheriting one of the biggest debts that we have ever seen, because this bill that started out with a plus of $50 billion, they have now provided a $34 billion deficit. And indeed, if you take all of the phasing-outs and take the sunsettings out of it, it is estimated that it would add $300 million to the deficit.

One thing that we do not do, and that is to provide safe harbor for churches, allowing them entry into partisan politics, because we were so pleased to see that they knew that they really had overburdened the purposes of this bill and finally excluded that.

It would seem to me that those people who really are interested in the jobs of the United States will have an opportunity to vote on this motion to recommit, and those people who believe that there is a gift for them under the tree and that that is the only reason that they are voting for a bill that most people who get a chance to read this bill, since it was not made available today to most of the members of the subcommittees in this House, would realize that this bill is bad for American job seekers, it is bad for America, and it is bad for our economy.

So I do hope that perhaps sometime in the future when Republicans think that they have a great idea, that they also should remember in a democracy and in this Congress they should not just attempt continuously to stifle the opposition but to have enough confidence in what they are doing to give us a chance to say, we want a substitute, we want to be heard, we want our bill on the floor for people to evaluate and to be able to vote for.

But each time we do it, they said that if we did not take their tobacco, it was out of the jurisdiction. We have been hampered in the committee, we have been hampered by the Committee on Rules, and we are hampered now by the rules of the House. I think we should stop talking about what happened in the days of Rostenkowski and think what is happening to the American people today and what can we do in a bipartisan way, working together to resolve problems that we have.

It should be embarrassing to everyone in this House that when a foreign group like the World Trade Organization provides sanctions against United States exporters that we believe that we come up with a Republican solution. It should be an American solution, congressional solution, and not an attempt of a partisan solution for partisan purposes.

Mr. THOMAS. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore (Mr. LATOURETTE). The gentleman from California (Mr. THOMAS) is recognized for 5 minutes.

Mr. THOMAS. Mr. Speaker, the minority leader, in discussing the minority position, talked about the vision of the gentleman from New York, the path that he wished to take. We were just handed 3 minutes ago this particular motion to recommit, so if we are looking for a contest of freshness, the gentleman's vision is clearly the most recently pasted-together piece of legislation to be presented us. In fact, the paste is still kind of damp.

So if, in fact, the vision is the path that the gentleman from New York wishes to follow, we would hope it is a shining path. But when you look at this legislation, what you discover, notwithstanding the half an hour of berating on the floor of the House the tobacco proposal, guess what is recently pasted to his vision? You guessed it, the tobacco proposal. Apparently he has had a change of vision.

For more than 20 years, when they were the majority, they did not give a dang about people deducting sales taxes, because they were the ones who removed it from the code. But, guess what? That vision had a bolt of lightning 20 minutes ago, and now we have permanent sales tax removal.

Had Republicans decided to go with permanent sales tax removal, I am quite sure they would have come up with a deduction for your dog. Why? Because no matter what we do, they are going to be better. But better is not copying. Better is starting out with an idea, carrying it through, and presenting it to you.

What their motion to recommit will do is to say if you are a company in the U.S. and you deign to try to make a profit by selling overseas, you will be punished. It says that in our desire to raise revenue, we will examine what you have been doing. Not tomorrow, not the day after tomorrow. We will retroactively go back to what you have been doing for 20 or 30 or 40 years and now say not only can you not do it; you are going to have to pay for doing it, notwithstanding the fact it was legal. Retroactively.

And then bragging about the fact that they removed the international tax provisions, what they are really bragging about is since U.S.-based companies are double taxed today, without these changes, they will continue to be double taxed.

Why are companies going overseas? Because they are double taxed. They want to keep double taxation, and they want to complain about companies going overseas.

It is pretty simple: support H.R. 4520. Companies will stay at home, and that creates jobs.

So I appreciate the gentleman from New York's vision. I just hope the paste lasts through the vote, because, frankly, that is about what it is worth.

PARLIAMENTARY INQUIRY

Mr. RANGEL. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. RANGEL. Mr. Speaker, how does one find out whether or not the former speaker did not tell the truth as it relates to what is in the motion to recommit? How would one be able to find out, when he said that the tobacco proposals are in the motion to recommit, that he did not tell the truth? What procedure does one follow in order to adjust the record and to make certain that truth will prevail over this partisan effort?

The SPEAKER pro tempore. In response to the gentleman's inquiry, the Chair is not able to place remarks in debate in historical context. That is a matter for the Members to debate.

Mr. RANGEL. Mr. Speaker, I am sorry, I did not hear the Speaker.

The SPEAKER pro tempore. The Chair is unable to put the matter into historical context. The gentleman has raised a matter for Members to address by debate.

Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. RANGEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, this 15-minute vote on the motion to recommit will be followed by a 15-minute vote, if ordered, on the passage of H.R. 4520, and then a 5-minute vote, if ordered, on the approval of the Journal.

The vote was taken by electronic device, and there were—yeas 193, nays 235, not voting 5, as follows:

[Roll No. 258]

YEAS—193

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berman
Berry
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)

Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gephardt
Gonzalez
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee

Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Price (NC)
Rahall

Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NAYS—235

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter

Castle
Chabot
Chandler
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Etheridge
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach

Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly

Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Marshall
Matheson
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood

Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg

Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—5

Conyers
DeMint

Hastings (FL)
Kilpatrick

Quinn

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LATOURETTE) (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1418

Mr. TIAHRT, Mr. WALSH and Mr. OSE changed their vote from "yea" to "nay."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LEVIN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 15-minute vote followed by a 5-minute vote on approval of the Journal.

The vote was taken by electronic device, and there were—ayes 251, noes 178, not voting 5, as follows:

[Roll No. 259]

AYES—251

Abercrombie
Aderholt
Akin
Alexander
Bachus
Baker
Ballenger
Barrett (SC)
Barton (TX)

Beauprez
Bereuter
Biggert
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert

Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)

Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Carson (OK)
Carter
Chabot
Chandler
Chocola
Clyburn
Coble
Cole
Collins
Cooper
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (AL)
Davis (FL)
Davis (IL)
Davis (TN)
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Etheridge
Everett
Feeney
Ferguson
Foley
Forbes
Ford
Fossella
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris

Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Herseth
Hobson
Hoekstra
Hooley (OR)
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jefferson
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kline
Knollenberg
Kolbe
LaHood
Lampson
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Majette
Marshall
Matheson
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
Mica
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Moore
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul

Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Ruppersberger
Ryan (WI)
Ryun (KS)
Sandlin
Saxton
Schrock
Scott (GA)
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spratt
Stearns
Stenholm
Sullivan
Sweeney
Tanner
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Turner (TX)
Vitter
Walden (OR)
Walsh
Wamp
Watt
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (SC)
Wu
Young (AK)

NOES—178

Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Bartlett (MD)
Bass
Becerra
Bell
Berkley
Berman
Berry
Bishop (NY)
Blumenauer
Bradley (NH)
Brady (PA)
Brown (OH)

Brown, Corrine
Capito
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Case
Castle
Clay
Costello
Crowley
Cummings
Davis (CA)
Davis, Jo Ann
Davis, Tom
DeFazio
DeGette

Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Emanuel
Engel
Eshoo
Evans
Farr
Fattah
Filner
Flake
Frank (MA)
Gephardt
Gonzalez

Green (TX)
Grijalva
Gutierrez
Harman
Hefley
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kind
Kirk
Kleczka
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Maloney
Manzullo
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller, George
Mollohan
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Northup
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Platts
Pomeroy
Rahall
Rangel
Reyes
Rodriguez
Rohrabacher
Rothman
Roybal-Allard
Royce
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Scott (VA)
Sensenbrenner
Serrano
Shays
Sherman
Skelton
Slaughter
Smith (WA)
Solis
Stark
Strickland
Stupak
Tancredo
Tauscher
Taylor (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Waters
Watson
Waxman
Weiner
Wexler
Wilson (NM)
Wolf
Woolsey
Wynn
Young (FL)

NOT VOTING—5

Conyers
DeMint
Hastings (FL)
Kilpatrick
Quinn

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LATOURETTE) (during the vote). Members are advised 2 minutes remain in this vote.

□ 1437

Ms. MAJETTE changed her vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the pending business is the question of the Speaker's approval of the Journal of the last day's proceedings.

The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ROGERS of Michigan. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 342, noes 67, answered "present" 1, not voting 23, as follows:

[Roll No. 260]

AYES—342

Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boyd
Bradley (NH)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Cardoza
Carson (IN)
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Clyburn
Coble
Cole
Collins
Cox
Cramer
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart, L.
Diaz-Balart, M.
Dingell
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Engel
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Flake
Foley
Forbes
Frank (MA)
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Green (WI)
Greenwood
Grijalva
Gutierrez
Hall
Harman
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Herseth
Hill
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Israel
Issa
Istook
Jackson (IL)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kildee
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
LaHood
Lampson
Langevin
Lantos
Larson (CT)
Latham
LaTourette
Leach
Lee
Lewis (KY)
Linder
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McHugh
McIntyre
McKeon
Meehan
Meek (FL)
Meeks (NY)
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moore
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Obey
Ortiz
Osborne
Ose
Owens
Oxley
Pallone
Pascrell
Paul
Payne
Pearce
Pelosi
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Rangel
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sánchez, Linda T.
Sanders
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Solis
Souder
Spratt
Stearns
Sullivan
Sweeney
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tierney
Toomey
Turner (OH)
Turner (TX)
Upton
Van Hollen
Vitter
Walden (OR)
Walsh
Wamp
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Wexler
Whitfield
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOES—67

Baird
Baldwin
Brady (PA)
Capuano
Cooper
Costello
Crane
DeFazio
Dicks
English
Evans
Filner
Ford
Fossella
Graves
Green (TX)
Gutknecht
Hart
Hefley
Hinchey
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kennedy (MN)
Kennedy (RI)
Kucinich
Larsen (WA)
Levin
Lewis (GA)
LoBiondo
Majette
McDermott
McGovern
McNulty
Menendez
Miller, George
Moran (KS)
Oberstar
Olver
Otter
Pastor
Peterson (MN)
Porter
Ramstad
Sabo
Sanchez, Loretta
Sandlin
Schakowsky
Stark
Stenholm
Strickland
Stupak
Tanner
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tiberi
Towns
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Weller
Wicker
Wu

ANSWERED "PRESENT"—1

Tancredo

NOT VOTING—23

Abercrombie
Boucher
Conyers
DeLay
DeMint
Doggett
Emerson
Gephardt
Harris
Hastings (FL)
Isakson
Kilpatrick
Lewis (CA)
Lipinski
Manzullo
McInnis
Nethercutt
Pombo
Quinn
Ross
Saxton
Slaughter
Smith (WA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1446

So the Journal was approved.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4520.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION TO INSERT EXCHANGE OF LETTERS ON H.R. 4520, AMERICAN JOBS CREATION ACT OF 2004

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that an exchange of letters between the gentleman from Virginia (Mr. GOODLATTE), the chairman of the Committee on Agriculture, and the gentleman from Wisconsin (Mr. SENSENBRENNER), the chairman of the Committee on the Judiciary, be made a part of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, DC, June 10, 2004.

Hon. BILL THOMAS,
Chairman, Committee on Ways and Means,
Washington, DC.

DEAR CHAIRMAN THOMAS: I am writing concerning the markup of H.R. 4520, the "American Jobs Creation Act of 2004," which is scheduled for Monday, June 14, 2004.

As you know, the Committee on Agriculture has jurisdiction over matters concerning reforms to Federal tobacco programs. Title VII of the introduced bill involves an effort to reform the market for tobacco growers and thus falls within the jurisdiction of the Committee on Agriculture.

However, in order to expedite this legislation for floor consideration, the Committee will forgo action on this bill. This is being done with the understanding that it does not in any way prejudice the Committee with respect to the appointment of conferees or its jurisdictional prerogatives on this or similar legislation.

I would appreciate your response to this letter, confirming this understanding with respect to H.R. 4520, and would ask that a copy of our exchange of letters on this matter be included in the Congressional Record during floor consideration.

Best regards,
BOB GOODLATTE,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, DC, June 10, 2004.

BOB GOODLATTE,
Chairman, Committee on Agriculture,
Washington, DC.

DEAR CHAIRMAN GOODLATTE: Thank you for your letter regarding H.R. 4520, the "American Jobs Creation Act of 2004." As you have noted, the Committee has scheduled to hold a markup of H.R. 4520 on Monday, June 14, 2004. I appreciate your agreement to expedite the passage of this legislation although it contains provisions within your Committee's jurisdiction. I acknowledge your decision to forego further action on the bill is based on the understanding that it will not prejudice the Committee on Agriculture with respect to its jurisdictional prerogatives or the appointment of conferees on this or similar legislation.

Our committees have worked closely together on this important initiative, and I am very pleased we are continuing that cooperation. Your leadership on agricultural issues is critical to the success of this bill. I appreciate your helping us to move this legislation quickly to the floor.

Finally, I will include in the Congressional Record a copy of our exchange of letters on this matter. Thank you for your assistance and cooperation. We look forward to working with you in the future.

Best regards,
BILL THOMAS,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, June 14, 2004.

Hon. BILL THOMAS,
Chairman, Committee on Ways and Means,
Washington, DC.

DEAR CHAIRMAN THOMAS: In recognition of the desire to expedite floor consideration of H.R. 4520, the "American Jobs Creation Act of 2004," the Committee on the Judiciary hereby waives consideration of the bill.

Certain sections of H.R. 4520 contain matters within the Committee on the Judiciary's Rule X jurisdiction: Section 416 (extension of provision allowing disclosure of tax information for law enforcement and terrorism investigation purposes); Section 613 (limitation on tax practitioners' privilege that applied in Federal courts); Section 620 (creation of civil action to enjoin tax shelters); Section 657(b) (increased criminal penalty for failure to register); Section 658 (treatment of court jurisdiction for collection on customs bond); Section 681 (creation of civil action against private collection agents); and Section 691 (study of DHS fees to the extent that it covers fees of components over which the Committee on the Judiciary has jurisdiction). Because of the need to expedite this legislation, I will not seek a sequential referral of this legislation.

The Committee on the Judiciary takes this action with the understanding that the Committee's jurisdiction over these provisions is in no way diminished or altered. I would appreciate your including this letter in your Committee's report on H.R. 4520 and the CONGRESSIONAL RECORD during consideration of the legislation on the House floor.

Sincerely,
F. JAMES SENSENBRENNER, Jr.,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, DC, June 15, 2004.

Hon. F. JAMES SENSENBRENNER, Jr.,
Chairman, Committee on the Judiciary,
Washington, DC.

DEAR CHAIRMAN SENSENBRENNER: Thank you for your letter regarding H.R. 4520, the "American Jobs Creation Act of 2004." The Committee on Ways and Means ordered favorably reported, as amended, H.R. 4520, the "American Jobs Creation Act of 2004," on Monday, June 14, 2004. I appreciate your agreement to expedite the passage of this legislation although it contains several judicial and court provisions which are shared with your Committee's jurisdiction. I acknowledge your decision to forego further action on the bill is based on the understanding that it will not prejudice the Committee on the Judiciary with respect to its jurisdictional prerogatives on this or similar legislation.

Our committees have long collaborated on these important initiatives, and I am very pleased we are continuing that cooperation. Your leadership on judicial issues is critical to the success of this bill. I appreciate your helping us to move this legislation quickly to the floor.

Finally, I will include in the CONGRESSIONAL RECORD a copy of our exchange of letters on this matter. Thank you for your assistance and cooperation. We look forward to working with you in the future.

Best regards,
BILL THOMAS,
Chairman.

* * *

□ 1445

GENERAL LEAVE

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill (H.R. 4568) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2005, and for other purposes, and that I may include tabular and other extraneous material.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

* * *

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2005

The SPEAKER pro tempore. Pursuant to House Resolution 674 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4568.

□ 1345

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4568) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2005, and for other purposes, with Mrs. BIGGERT (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Wednesday, June 16, 2004, the amendment by the gentleman from Arizona (Mr. FLAKE) had been disposed of and the bill was open for amendment from page 77, line 9, through page 139, line 22.

Are there further amendments to this portion of the bill?

AMENDMENT NO. 18 OFFERED BY MR. HINCHEY

Mr. HINCHEY. Madam Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 18 offered by Mr. HINCHEY:

At the end of the bill (before the short title), insert the following new section:

TITLE V—ADDITIONAL GENERAL PROVISIONS

SEC. 501. None of the funds made available in this Act may be used to kill, or assist other persons in killing, any bison in the Yellowstone National Park herd.

Mr. HINCHEY. Madam Chairman, first I want to thank my good friend, the gentleman from New Hampshire (Mr. BASS) for cosponsoring this amendment with me. This is an amendment which will protect the Yellowstone bison. The Yellowstone bison are unique, in that they are the last element that traces its genetic strain back to the American bison that roamed the great plains and prairies of America in the early years of our history and of course much before that.

In the 18th century, it is estimated that there were between 20 and 40 million American bison in the Midwest and the West of the United States between the Appalachians and the Rockies.

By the advent of the 20th century that number had dwindled to 25. The American bison was almost extinct, and it almost followed the path of the passenger pigeon, but due to the intervention of conservationists and the efforts of this House, measures were taken to preserve the American bison. As a result of that, their numbers turned around and they began to prosper once again under that protection.

The American bison has become an American icon. It was on one of our coins. It is seen across the country in a variety of ways. It represents the great freedom that was inherent in the vast plains and prairies of America.

But now the American bison, the last genetic strain that traces its history back to those that roamed this country and earlier centuries, is in great danger. It is in great danger as a result of the activities of the Park Service and the harassment of these animals out of Yellowstone National Park, west and northwest of the park and then the capture and slaughter of those animals.

The amendment that the gentleman from New Hampshire (Mr. BASS) and I offer today would restrict funding in this appropriations bill so no money could be used to carry out that capture and slaughtering process for 1 year so we will have an opportunity to look into this situation, examine it closely, see what is being done and understand it better.

Now there are some Members who contend that this slaughter is necessary because bison may transmit brucellosis to cattle on the fringes of Yellowstone. First of all, there are hardly any cattle on the fringes of Yellowstone. And what are there, most of those are trucked in in the summertime when the bison are back in the park. Furthermore, according to the National Academy of Sciences, there has never been one single example of the transmission of brucellosis from bison to cattle. It has never occurred.

Yes, brucellosis can be transmitted from animals in the wild, and it has been shown that brucellosis can be transmitted from elk in Yellowstone and elsewhere to cattle, but there is no program to deal with elk in any way. That causes one to wonder whether brucellosis is really a motivation here at all; I suspect it is not. There is something else going on here, something that we need to get to the bottom of. We need to understand why these animals are being harassed and slaughtered in the way that they are.

Now, this argument comes not just from me and other people who may not be directly involved in this in a material way, it also comes from people who live out there in Montana, people who live up on Horse Butte Peninsula, for example, who have contacted my office and told us how the Park Service and people working with them harass these animals with helicopters and snowmobiles and drive them across the park and across their property and block roads.

The people who live in those communities are tired of it. We were contacted by the Chamber of Commerce in Gardiner, Montana. They told us people come out there in the wintertime to examine the wildlife of Yellowstone in winter conditions. They do not come out there to see the Yellowstone wildlife, particularly the American bison, captured and slaughtered in the way that the Park Service is doing it.

So what we want to do here is stop this outrageous activity from continuing to occur for the extent of this bill over the next year. I hope that the majority of the Members of this House will see the clear inherent benefits and the sensibilities of this and they will join us in supporting this amendment.

Mr. TAYLOR of North Carolina. Madam Chairman, I rise in opposition to the amendment.

None of us are comfortable with this issue, but let me attempt to provide Members with some facts.

The record of decision was signed in December 2000 by then-Secretary of the Interior Bruce Babbitt and then-Secretary of Agriculture Dan Glickman and the Governor of Montana. This document was a long-term plan for bison management in the region. The main objectives were to maintain a free-ranging bison population and manage the risk of transmission of brucellosis from bison to cattle. Both the State and the Park Service have specific responsibilities under this agreement. The plan is effective, and the bison population there has continued to grow to over 4,000 from 2,000 a decade ago.

The real issue arises when bison go outside the park boundary into Montana, a brucellosis-free State. When this occurs, bison are captured, tested and some are shipped to slaughter. On occasion, bison that resist repeated hazing and capture are removed. This spring, there was a dangerous situation of this kind involving one aggressive bull bison. The animal could not be hazed back into the park from private property and had to be lethally removed under the direction of the State officials.

The Park Service had opened the Stevens Creek Capture Facility within park boundaries. This facility was required under the original Babbitt management plan. Captured animals are tested and released if negative and removed if positive. This is a very difficult situation. However, there has been no change to the original record of decision, and the State and the National Park Service are abiding by this agreement.

We have recommendations from the National Wildlife Federation to the gentleman from New York (Mr. HINCHEY) saying, "We positively applaud your commitment and desire to curtail the unnecessary killing of Buffalo. We respectfully submit that your amendment would neither achieve this goal nor advance the cause of Yellowstone buffalo conservation in any meaningful way. In fact, your amendment, if enacted, would lead to slaughter of more animals." Let me read that again. "It will lead to slaughter of more animals than under the current management plan." This is the National Wildlife Federation writing to the gentleman from New York (Mr. HINCHEY).

We also have a similar letter from the InterTribal Bison Cooperative.

Madam Chairman, I certainly agree with the general concept of the gentleman from New York (Mr. HINCHEY) but this will not do it, and I strongly oppose this amendment.

Mr. BASS. Madam Chairman, I move to strike the last word.

Madam Chairman, I rise in support of the amendment offered by the gentleman from New York (Mr. HINCHEY). In response to my friend, the gentleman from North Carolina (Mr. TAYLOR), the basic issue here is it is not necessary to kill American bison. As the gentleman mentioned when he said his opening remarks, the Department of Interior and the National Park Service both prominently display as their logos the American Buffalo. The 42nd Congress in 1872 passed legislation creating Yellowstone National Park, and it required that the Secretary of the Interior "shall provide against the wanton destruction of the fish and game found within said park, and against their capture or destruction for the purpose of merchandise or profit."

In 1999, the Congress spent $13 million to set aside additional Federal lands to ensure that animals in the park could migrate during the winter and summer seasons. This is in addition to the hundreds of millions of dollars which have been wisely spent to provide good stewardship of the land and protection of the wildlife for the public's benefit. Yet the National Park Service also spends millions to harass and shoot the very animals that they are supposed to be protecting. This past winter alone, they captured 482 bison and they killed 277 of them. It is absurd.

This expenditure is a waste of taxpayers' dollars when there are other reasonable methods to manage one of our Nation's premier wildlife icons.

Our amendment would place a 1-year moratorium on Park Service funding that is used for lethal management and would force the agency to redirect its resources toward common-sense wildlife management endeavors more in keeping with its proud record of stewardship. A few common-sense measures to safeguard livestock, fencing, vaccinations, working proactively would be far more productive and less destructive than the system and program we have in place today.

The buffalo and other wildlife are why we have this park in the first place. We allow cattle grazing on it because there is enough room for both resources, but then to use the false fears of cattle ranchers as an excuse to kill these buffalo is absurd. If the ranchers do not want to risk their cattle on these Federal lands, they have many different resources, but the bison do not.

Let us be clear, however. This is an amendment that is designed to halt the wasteful and unnecessary attack on the American bison. It is not about hunting and it would not affect traditional wildlife management tools such as hunting outside the national park. The basic question here is should we kill buffalo from Yellowstone National Park with one dollar while we spend other dollars on the other hand to protect them. To me it is one of these crazy concepts that needs to be stopped. It will be stopped if Members vote in favor of this amendment.

Madam Chairman, I urge the committee to support the pending amendment.

□ 1500

Mr. MORAN of Virginia. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I want to thank the gentleman from New York (Mr. HINCHEY) and the gentleman from New Hampshire (Mr. BASS) for this very responsible, appropriate amendment. It is not just a matter of a waste of taxpayers' money. This is a shameful, disgraceful policy. Here are the facts: there has not been one confirmed incidence of brucellosis transmission in the wild from buffalo to cattle. Not a one. In fact, the risk is so low as to be immeasurable according to the National Academy of Sciences.

Buffalo with brucellosis and cattle have grazed together for over 50 years in the Jackson Hole area south of Yellowstone without any incident of disease transmission. The irony here is that we do know that elk can transmit this disease to cattle. In fact, it did happen in Wyoming. But we do not kill or harass the approximately 13,000 elk that are in Yellowstone. They are allowed unfettered access, as I think they should be; although you could develop a wildlife management plan. But there is no excuse for what we are doing to the buffalo.

Four thousand buffalo have been killed over the last 20 years. In the last year, 480 were caught and most of them were killed. It does not make sense. It is wrong. This, as we understand, is the only pure-bred herd that is allowed to roam where they have always traditionally roamed. Is that not of some value in our Nation? Back at the turn of the 20th century, in the very early 1900s, we sent soldiers and settlers out to create grazing lands, and they slaughtered the buffalo. Thousands you could see dead on the plains allowed to rot because they just wanted to kill them off, whereas the Native Americans had a belief that you do not kill unless you have purpose, unless you need to eat or for clothing.

For thousands of years under the stewardship of our Native Americans the buffalo herd prospered. We came out, almost exterminated the buffalo, and finally they are coming back on the land that has a natural ecosystem. We are told that in fact there is no risk to the ecosystem, that in fact the greater Yellowstone ecosystem is not threatened whatsoever with regard to the ecological carrying capacity for bison in Yellowstone. If you look at all the facts, even the fact that there is one rancher from Idaho that trucks a herd of 150 cows to fenced private pasture in Horse Butte in the summer, the buffalo are already back in the park far away from the cows. So why would you kill 4,000 buffalo to protect a few hundred cows when they are not even nearby? There is something gratuitously destructive about this policy.

Even the people that live near Yellowstone, including the Chamber of Commerce, do not want this policy. People come to see the buffalo, and here we were told just recently by somebody that was there, there are helicopters shooting at them, harassing them. That is not why you go to a national park.

This policy is absolutely wrong. We can find no justification for it. It is shameful. Our stewards that work for the Park Service do not want to be doing this kind of thing. This is unnatural to what they are all about. I do not know what is driving this policy, but it has got to change. I suggest it is because there are some people who want an opportunity to hunt the buffalo—but they are basically cows—where is the sport in that? The buffalo are part of our heritage. We had them on the back of the nickel. It means something to protect a species that is native to this land that was integral to the survival of the Native American peoples.

And so I would very strongly urge this body to pass this amendment. It is a responsible amendment. It is justified. The policy that it overturns is not justified. Madam Chairman, I urge my colleagues to vote for this amendment. Let us rectify this situation. Let us restore the buffalo to their natural habitat and enable Park Service rangers to conduct the kind of professional responsibilities that they want to be doing and not carrying out a policy that they know is ill-advised and destructive of a species that desrves to be protected and preserved.

Mr. GOODLATTE. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in strong opposition to this amendment for a lot of reasons. In December 2000, the National Park Service, the U.S. Department of Agriculture, and the State of Montana finalized a long-term management plan for the Yellowstone bison herd. This plan brought to a close more than 8 years of public rulemaking, court proceedings, and intense negotiations over how the Yellowstone bison herd should be managed.

I am not alone in opposition to this amendment. Yesterday, the National Wildlife Federation sent a letter to the author of this amendment saying, "On behalf of the 4 million members and supporters of the National Wildlife Federation, we are writing to urge you not to offer an amendment to the fiscal year 2005 Interior appropriations bill restricting funding for the National Park Service with respect to Yellowstone bison. In fact, your amendment, if enacted, would lead to the slaughter of more animals than under the current management plan. Your proposed amendment, if similar to the amendment offered in fiscal year 2004, and it is, would effectively block the National Park Service from operating its Stevens Creek facility where more than 100 buffalo are tested for brucellosis, held inside Yellowstone, and ultimately repatriated back in the park if they test negative. It's true that buffalo testing positive for the disease at Stevens Creek are sent to slaughter; but under the terms of your amendment, these animals would be killed when they leave the park, by Montana's Department of Livestock" which this amendment cannot stop.

The InterTribal Bison Cooperative sent a letter yesterday urging the proponents of this amendment to not offer it because it "may hinder the progress that is being made toward the eventual relocation of Yellowstone buffalo to tribal lands in other locations." And the U.S. Sportsmen's Alliance yesterday sent a letter urging opposition to this amendment, saying that this is an anti-management amendment that would supersede the professional judgments of trained wildlife scientists in Federal and State resource agencies.

The greater Yellowstone area is one of the last known reservoirs for brucellosis in the United States. Tests indicate that up to 50 percent of the bison in the park are potentially infected. There have also been scientifically documented cases of bison and elk transmitting brucellosis to cattle under both range and experimental conditions. The bison management plan relies on separation of bison from cattle that graze in areas surrounding the park. As bison leave the park during winter, management zones are used to monitor the movement of the bison and ensure that bison and cattle do not intermingle. The bison are phased back into the park at the beginning of the spring season. Bison outside the park's boundaries past the onset of spring are captured or removed. In addition, cattle are not allowed to graze on public land outside the park until enough time has passed after the bison leave to ensure that the brucellosis bacteria is no longer a threat.

While it is unfortunate that Park Service employees must sometimes remove bison that have left Yellowstone Park, it is important to note that these operations are targeted and only one component of a much larger effort to preserve the health and viability of the entire bison herd. If left unaddressed, the brucellosis situation in the Yellowstone area represents a threat to livestock health in the United States. In 2002, a cattle herd in Idaho was infected with brucellosis which was linked to elk from the greater Yellowstone area. In 2004, Wyoming lost its brucellosis cattle-free status due to the detection of the disease in two cattle herds that were again infected by elk from the greater Yellowstone area.

It is critical that Park Service employees be permitted to carry out their roles under the current management plan. I urge Members to join me: the chairman of the subcommittee; the National Wildlife Federation; the InterTribal Bison Cooperative, which is comprised of dozens of Indian tribes in the western part of the United States; and the U.S. Sportsmen's Alliance in opposing a bad amendment. Bad for bison, bad for Yellowstone National Park, bad for the cattle industry, and bad for the Montana-Wyoming area of this country.

Mr. STENHOLM. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I want to associate myself with the remarks of the gentleman from Virginia (Mr. GOODLATTE) and add a few other points in opposition to the gentleman from New York's amendment. I appreciate all of those who support this amendment for their desire to protect a noble species. However, it seems clear to most people, and we have heard from the National Wildlife Federation, the InterTribal Bison Cooperative and others who live in that area who understand that this is more than an effort to protect a species.

In fact, those who oppose this amendment are the ones that are out to protect the species. Brucellosis when it occurs in a cattle herd or in a dairy herd, a beef cattle or a dairy herd, oftentimes the entire herd is disposed of in order to bring about control of the disease. In a few cases, individual animals are slaughtered in order to bring under control the disease. That is what is attempting to be done now in Yellowstone Park and in other areas of this region. We have a serious disease problem that cannot be controlled by good intentions on this floor.

We have to keep in mind that the continued infected status of these bison is not just a threat to their continued reproduction but it also threatens our beef herd with reinfection from a disease we have spent millions of dollars trying to eradicate. As the steward of American wildlife, the Federal Government has a responsibility to manage all wildlife in a way that minimizes these sorts of negative impacts on private citizens and their property. That is what the policy that is now going on in Yellowstone is not only attempting to do but will do if we just allow it.

Again, I appreciate the author and all of those who speak in favor of this issue today, but I believe that this is another example upon close scrutiny of unintended consequences which often attend efforts in this body. Many well-intentioned efforts at Federal intervention, especially when local stakeholders have already negotiated their own agreements, end up producing worse outcomes for all involved. It seems clear that in this case that those made worse off include the North American bison herd. I encourage all Members to oppose this amendment. The best way to take care of the buffalo is to allow sound science to work with those who live in that area and who truly appreciate it; and the Indian tribes who would like to see more buffalo returning to their tribal lands certainly know more about it than any of us in this body today.

Mr. REHBERG. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, oftentimes I think that maybe Montana creates some of its own problems for itself because we encourage people to come to Montana and make movies like "A River Runs Through It" or "The Horse Whisperer" and do stories on Jeremiah Johnson, but it gives an unnatural opinion or vision to people on the east coast that frankly shocks me.

I just do not understand how anybody that truly loves their park could support an amendment like this. I was Lieutenant Governor before I was a Congressman so I was intimately involved in the negotiations on this process. I am also a land manager. I make my living understanding the mineral cycle and the water cycle, understanding what it is like to overgraze and undergraze and overlog and underlog, that there are various cycles that exist within society. So if I could put it to the sponsors in language that they can understand, maybe I ought to talk like Ranger Rick and suggest to them that when a bull and a cow get together, they have calves. And when you have calves, eventually you overpopulate.

They have used the number 4,000 killed. That is over 20 years. Last year three were shot, because they needed to be. Nobody wants to shoot them. But some of them are uncontrollable. But the problem is 40 percent of the herd in Yellowstone Park are infected with brucellosis. Do you not care enough about your bison to want to have a healthy herd? They abort their calves. They kill their own calves because of a health issue.

The proponents are loving their park to death. Give us the opportunity to use the memorandum of understanding that is in place to manage the herd for the betterment of the park. What are the odds of getting Bruce Babbitt, Glickman, and Mark Racicot in the same room and getting them to sign an agreement?

☐ 1515

It is called the consensus process. In fact, it was so good, we set up a consensus council in Montana to keep people from divvying in the corners and suing their way back out, to find middle ground. They liked it so well, Mr. Glickman and Mr. Racicot, that they have asked me to carry legislation in Congress to create a national consensus council, to bring this kind of a solution to the national level.

There are a number of things I want to talk about real quickly. One is human health. It is called undulate fever. One gets it, and it is a strain of brucellosis, from lifestock, sometimes elk, sometimes bison, sometimes cattle. One gets it, they have it forever. And it shows up in the CDC right next to anthrax in severity. It is a bacteria, not a virus. Brucellosis through humans is called undulate fever, and it is right up there with anthrax.

Herd health: 13,000 elk in Yellowstone Park and the surrounding area have brucellosis. It is another problem we are going to have to address. This is going to get even more expensive to try to solve. We cannot ignore the elk problem that have brucellosis as well.

Cattle: This is strictly a matter of prevention. Is it not interesting we have 93 million head of beef in America today and we had one case of mad cow, one mad cow situation in the State of Washington. And look at all the protocol we are putting in place today to try to keep it from entering into the human food chain and into the livestock food chain, but when we have 50 percent of the herd in Yellowstone Park, it does not seem to be a problem because it is the icon. It certainly is to us as well, but we want a healthy herd.

No degradation to the ecosystem? To my friend from Virginia, maybe his natural resource management skill is mowing his lawn, but he ought to go out and take a look at Yellowstone and see what the over 4,000 head of bison are doing to their riparian area. They are eating the grass down to nothing. They are creating a parking lot along those rivers and streams. They are overpopulated. The reason the National Academy of Science established a figure of between 2,300 and 3,000 head is that there is a finite ecosystem. They cannot overpopulate because if they overpopulate, they destroy their environment.

If we managed federal properties on the Bureau of Land Management properties with cattle the way the National Park Service is ignoring the overpopulation, you would throw us in jail because we are overpopulating and we are destroying the environment.

Mr. DICKS. Madam Chairman, will the gentleman yield?

Mr. REHBERG. I yield to the gentleman from Washington.

Mr. DICKS. Madam Chairman, has the gentleman supported the reintroduction of the wolf as the predator in Montana?

Mr. REHBERG. I have not.

Mr. DICKS. Madam Chairman, would that not be a natural thing to do if they have these animals that are overpopulated?

Mr. REHBERG. Madam Chairman, the gentleman makes my point exactly because if we could tell the wolves to stay behind the fence the same way we are trying to expect the bison to respect the fences of Yellowstone Park, we would not have a problem. Reintroduce the wolves into Yellowstone Park. The problem exists when they get outside of Yellowstone Park and they start decimating domestic herds, taking away the livelihood of Montana families who are just trying to pay for their kids in schools and their college education and their shoes for their families as well.

Mr. BLUMENAUER. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I have been listening to my friend from Montana's presentation, and I noted the reference to mad cow disease. Would that we had the same zeal on the part of the Department of Agriculture to protect American consumers from mad cow disease, a sort of zero tolerance that is being advocated here dealing with the bison. It may well be the reason we have only discovered one case of mad cow disease in the United States is because the American consumer for years has been eating the evidence. We have such a limited, tiny sampling process at present, unfortunately, our not being able to find out in a wide and broad fashion whether or not we have a problem. I note no small amount of irony that we are going to prosecute the poor hapless beef producer in the Midwest who wanted to test all their beef for mad cow so that it could be exported again to Japan.

Listening to the debate here today, the Chair of the Committee on Agriculture is making a compelling case for more aggressive action for elk, but as has been pointed out from my colleague from New Hampshire, my colleague from New York, there has not yet been a documented case dealing with the bison. Never a confirmed incident of brucellosis transmission in the wild from buffalo to cattle. Yet we have got 13,000 Yellowstone elk, some of which are infected after we have documented the problems, that are allowed to wander unfettered to federal land outside the park. It seems at least from a distance that Montana has a different philosophy from Wyoming.

I see my colleague from Wyoming perhaps approaching the well, but it seems that Wyoming does not deem buffalo to be a threat to the cattle because for more than 4 decades buffalo with brucellosis and cattle have grazed together in the Grand Teton National Park evidently without incident.

It would seem to me that what has been proposed in this amendment is a simple common sense approach to just have a 1-year moratorium. It is not seeking to establish in law at this point, a prohibition, but giving an opportunity to array the evidence, having an opportunity to look at less invasive solutions. Maybe we only have killed three by shooting them, but my understanding is that we had 277 that were sent to slaughter. It may be a distinction without a difference if one is a bison whether they are shot or sent away to be slaughtered. I would hope that there would be an opportunity for us to think about how we are upsetting these natural ecosystems. I would hope that we could look in a broader context for wildlife management. I would hope that there would be an opportunity for people to not single out bison for slaughter when it appears, from what we have heard on the floor today, that the problem instead is one of infected elk which are treated differently and will continue to be treated differently.

I would respectfully suggest that we adopt the amendment from the gentleman from New York and the gentleman from New Hampshire, give us a year's breathing room, be able to find ways to solve this problem in the future in ways that deal with a more humane treatment for our American Great Plains icon.

Mrs. CUBIN. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, with all the misinformation that is floating around in this Chamber today, I hardly know where to start. But one place I will start is I would request that the Members on the other side who have supported and offered this amendment ask the Sierra Club or the Natural Resources Defense Council to update the notes that they give them to speak on the floor because there is so much misinformation that is out there. And I will clarify some of that.

It is amazing to me that the people who are offering and supporting this amendment I know for a fact have never attended the Greater Yellowstone Interagency Brucellosis Committee meetings that have been going on for several years. All the stakeholders are involved. The environmentalists are at the table as well as the Park Service and the other stakeholders. Were this a goodwill amendment, they would have more information than what they read in their radical environmentalist journals.

While I understand that some folks do not approve of the management techniques used by the Greater Yellowstone Interagency Brucellosis Committee, this amendment is truly misguided. By the way, to my colleague from Oregon, Wyoming does have a brucellosis problem, and Wyoming is not a brucellosis-free State anymore. That happened early this year because herds of cattle were commingling with elk. And so once again it would be really good if the gentleman could have current, accurate information before he delves into something that is so sensitive.

It has been said, and it is entirely true, that the population of bison in the park is truly degrading the environment because there are too many. As I said, my State of Wyoming lost its brucellosis-free status earlier this spring due to the commingling of brucellosis-infected wildlife in Yellowstone in the ecosystem with domestic cattle herds this year. Some estimates indicate that this has cost the agricultural community in Wyoming $22 million already, and the year is only half over. I think a vote for this amendment will be a vote against those agricultural families.

There is a delicate balancing act for all of the parties involved to address the needs of the environment, the federal and private stakeholders. Bison numbers are at capacity, and that is not an issue that is even up for debate. According to everyone, the bison has reached its total capacity in the Yellowstone ecosystem. We have to actively manage this herd so that we can preserve the ecosystem. To not do so would upset the greater Yellowstone ecosystem.

This amendment would make the decade-long efforts of public and private stakeholders in vain by limiting the use of federal funds to aid in Park Service management efforts that result in the reduction of the bison herd. By taking one of the Park Service's tools out of their tool box in bison and brucellosis management, this amendment reduces our ability to effectively control the bison herd at a time when its numbers are at maximum capacity.

I want the Members to know this amendment will not reduce the reduction of bison leaving Yellowstone and Grand Teton National Parks. They will continue to leave. And what will happen is the surrounding States will take a more active role in reduction activities to protect their livestock industries with or without the aid of the Park Service.

So if my colleagues do not like the way the animals are killed, that is one thing. But the fact is the numbers have to be reduced. This is nothing more than feel good legislation that ignores the facts, all the stakeholders' concerns, and the real world lack of a magic solution bullet to fix this problem. There simply is not one.

This is bad policy. It is bad for the environment. It is bad for the American West.

I do think it is ironic that these easterners, with the exception of my friend from Oregon, offer amendments about a very serious issue of which they have very little knowledge. I noticed the gentleman from New York (Mr. HINCHEY) shaking his head no when the fact was brought forward that three bison were shot last year. That is the case.

I ask my friends to vote against this amendment and suggest that the people who have made the amendment offer their advice to the Buffalo Bills. Maybe then they could beat the Denver Broncos.

The CHAIRMAN pro tempore (Mrs. BIGGERT). The time of the gentlewoman from Wyoming (Mrs. CUBIN) has expired.

(On request of Mr. BLUMENAUER, and by unanimous consent, Mrs. CUBIN was allowed to proceed for 2 additional minutes.)

Mr. BLUMENAUER. Madam Chairman, will the gentlewoman yield?

Mrs. CUBIN. I yield to the gentleman from Oregon.

Mr. BLUMENAUER. Madam Chairman, because, as fellow westerners, I did not want there to be a misunderstanding, what I said when I was on the floor earlier was that there had been four decades of having buffalo grazing in the Grand Teton Park with cattle without incident. Does the gentlewoman have evidence that I misspoke, that there have been problems in the last four decades between the buffalo and the cattle in the Grand Teton National Park?

Mrs. CUBIN. Madam Chairman, actually I cannot answer that specifically for Grand Teton National Park, but I can say that the fact is there is evidence now that brucellosis was spread from elk to cattle. That is a fact, which my colleague said has never happened.

Mr. DICKS. Madam Chairman, will the gentlewoman yield?

Mrs. CUBIN. I yield to the gentleman from Washington.

Mr. DICKS. Madam Chairman, there is no evidence, is that not correct, that even the National Wildlife Federation letter says that this part of the case is overstated, the threat of the buffalo to the cattle has not been established, I mean in terms of brucellosis being picked up by the cattle? Is that not correct?

Mrs. CUBIN. That is correct.

Mr. DICKS. Also, Madam Chairman, I ask the same question to the gentleman from Montana. I ask him the same question. Many of us supported the reintroduction of the gray wolf, which was extremely controversial because it would give them the top predator in the food chain, who would then go in and take down the sick and aging elk and buffalo, and I know that is sensitive, but if my colleague says he wants to reduce the size of the herd, the natural way to do that is with predation.

□ 1530

Mrs. CUBIN. Madam Chairman, reclaiming my time, that is such a huge subject. Once again, that wolf reintroduction program has not created the behaviors in the wolves that were expected at the time they were reintroduced. So this is too big a subject for us to go into right now.

But my friend from Montana made the point perfectly well. You are making our point for us. They do not know where the boundary is, the bison do not and the wolves do not.

The CHAIRMAN pro tempore (Mrs. BIGGERT). The time of the gentlewoman from Wyoming (Mrs. CUBIN) has expired.

(On request of Mr. REHBERG, and by unanimous consent, Mrs. CUBIN was allowed to proceed for 2 additional minutes.)

Mr. REHBERG. Madam Chairman, will the gentlewoman yield?

Mrs. CUBIN. I yield to the gentleman from Montana.

Mr. REHBERG. Madam Chairman, I have all the sympathy in the world for Wyoming losing its brucellosis status, because you know as well as I do it costs millions of dollars to prove to everyone again that you are brucellosis free. So you have got a situation that I do not envy and we do not want to happen.

And that makes the point exactly. Why are we doing what we are doing with mad cow with the one case in Washington? Because of the devastating effect it could have. It is all a matter of preservation and prevention and protection of it occurring.

Now, one of the points that was made is there is no proof. Well, that is part of the difficulty. We want Yellowstone Park to be as natural as possible. You have to actually physically, visually be there to see it occur. So we do not know where it is coming from.

But we do know, through common sense, that it can be transferred from elk to cattle and bison to cattle. So rather than it even occurring, as my colleague from Wyoming clearly understands, you spend the money and you take the time and the effort to see that it does not happen.

How can anybody argue with wanting to have the most healthy herd of bison in Yellowstone Park and ultimately the most healthy herd of elk in the greater Yellowstone area, which is what we are attempting to accomplish?

Mr. KUCINICH. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I had the opportunity to visit Yellowstone a couple of weeks ago and to meet with groups of citizens who are actively involved in trying to protect the wild and free-roaming buffalo of Yellowstone National Park; and it is their position, and having been on the site and seen where buffalo follow migration patterns, it is their position that everything should be done to make sure that these free-roaming buffalo are protected for future generations.

One of the things that has not been brought up in the debate that I would like to add at this time is the importance of protecting these buffalo as a genetically unique herd.

I enter into the record of this discussion here remarks that were made by a Texas A&M professor in the Department of Veterinary Pathobiology, who said "The so-called random shooting at the Montana borders is actually eliminating or depleting entire maternal lineages; therefore, this action will cause an irreversible crippling of the gene pool. Continued removal of genetic lineages will change the genetic makeup of the herd; thus it will not represent the animal of 1910 or earlier. It would be a travesty to have people look back and say we were idiots for not understanding the gene pool."

The so-called random shooting at the Montana borders is actually eliminating or depleting entire maternal lineages, therefore this action will cause irreversible crippling of the gene pool. Continued removal of genetic lineages will change the genetic makeup of the herd, thus it will not represent the animal of 1910 or earlier. It would be a travesty to have people look back and say we were "idiots" for not understanding the gene pool. Bison have developed a natural resistance genetically as long as they have enough to eat, limited stress and are not consumed by other disease. There is no magic bullet in

> wildlife disease, therefore management is important. Vaccines are one management tool and one component, but genetic structure is necessary for future management. Every animal which is removed from the breeding population can no longer contribute to the genetic variability of the herd.

So there are genetic implications to this action as well. We have to understand that what is happening here is that buffalo in the greater Yellowstone ecosystem, according to the Save the Buffalo National Petition, are not protected on traditional winter habitat to the north and west of Yellowstone National Park.

The park does not provide sufficient winter range, except during mild winters, for the resident herds of buffalo; and buffalo leave the park to forage on lower grasses critical for winter survival. That is not because the park is overgrazed, but because forage is unavailable due to winter conditions. Thus the buffalo follow their instinctual migration routes to lower elevation and unwittingly enter a conflict zone where their survival is undermined by politics.

Now, this petition, which is available on the Web, points out that one of the solutions is that the U.S. Government recognize the importance of traditional buffalo grazing and calving lands and migration quarters to the future of wild herds.

The Hinchey petition would protect the status of the free-roaming buffalo.

They also go on to say that the Forest Service should close grazing allotments to settle and reallocate them to the last wild buffalo.

This is something that we need to keep in mind, because on the 7th of June, the Montana Department of Fish and Wildlife and Parks released a draft environmental assessment to analyze the possibility of a sport hunt of buffalo that cross the borders of the Yellowstone National Park into Montana.

We have to see that what is happening here is that buffalo are being hazed with helicopters. Once they go off lands, and sometimes they are on Federal lands, they are subjected to not just hazing but eventual capture and elimination.

I think that we need to see that we have a national obligation here. It is part of our national obligation. This is not about East versus West. This is about who we are as a country.

One of the iconic songs of another generation, "Home on the Range," begins, "Oh, give me a home where the buffalo roam." It did not go on to say, and let us capture them and kill them. It talks about an image of America, which still resides in the hearts of many Americans today.

There are many young people who are working in the area of Yellowstone National Park to save the buffalo, and we ought to be joining their efforts. We ought to be joining it, because this is part of who we are as a Nation, this is a part of America's heritage; and while we need to be concerned about the cattle ranchers, we also need to take into account that according to science there has been no demonstration after transmission of brucellosis from a buffalo herd into cattle.

So we have to go on the facts, but we should also remember who we are as a Nation. Let us protect the buffalo, and let us vote for the Hinchey amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York (Mr. HINCHEY).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. HINCHEY. Madam Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New York (Mr. HINCHEY) will be postponed.

AMENDMENT OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SANDERS:

At the end of the bill, before the short title, insert the following:

TITLE V—ADDITIONAL GENERAL PROVISIONS

SEC. 501. None of the funds made available by this Act shall be used to maintain more than 65,000,000 barrels of crude oil in the Strategic Petroleum Reserve.

MODIFICATION TO AMENDMENT OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I ask unanimous consent that the amendment be modified in the form at the desk.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment offered by Mr. SANDERS:

On line 3, strike 65,000,000 and insert 647,000,000.

The CHAIRMAN pro tempore. Is there objection to the modification offered by the gentleman from Vermont?

There was no objection.

The text of the amendment, as modified, is as follows:

At the end of the bill, before the short title, insert the following:

TITLE V—ADDITIONAL GENERAL PROVISIONS

SEC. 501. None of the funds made available by this Act shall be used to maintain more than 647,000,000 barrels of crude oil in the Strategic Petroleum Reserve.

Mr. SANDERS. Mr. Chairman, I do not have to convince any Member of this body that the American people are outraged by the extremely high prices they are currently paying for gasoline. I am sure that you are getting the same calls that I get in my office in Vermont.

As we all know, these exorbitant prices are a serious drag on our economy. They affect small business and farmers, they affect airlines and the trucking industry, they affect middle-income people who drive to work every day and are seeing their wage increases going into their gas tanks. This is a serious national problem.

Now, I understand that there are differences of opinion in this body about long-term solutions to this crisis. We have debated that over the last couple of days. I personally believe we have to take a hard look at OPEC, the cartel which today functions directly in opposition to international free trade law. I think we have to deal with the increased concentration of ownership in the oil industry, and I think the time is long overdue that we have to break our dependency on fossil fuels and move to sustainable energy.

But whether one agrees with my long-term solutions or not, there should be no debate about the need for us to come together now to provide immediate short-term relief to the American people who are hurting from high gas prices.

The concept I am introducing in this amendment has had support from Democrats and Republicans, people from all political views, and I hope and believe that it will win strongly today.

Specifically, this amendment would suspend oil deliveries to the Strategic Petroleum Reserve and cap the Strategic Petroleum Reserve at 647 million barrels of oil, the level that it was in in March of this year, just a few months ago. In other words, we would immediately stop the purchase of more oil for the reserve and release into the market 15 million barrels of oil. This action would have the very immediate impact of substantially lowering gas prices in America.

Mr. Chairman, the Strategic Petroleum Reserve currently contains approximately 662 million barrels and the administration is pushing to increase that number to some 700 million barrels. My amendment would increase the amount of oil on the market and lead to lower cash prices immediately upon its implementation. It would also keep gas prices down by making sure the government is not competing against consumers in the marketplace at a time that gas prices are so high.

Mr. Chairman, extrapolating from at least three economic studies done by Goldman Sachs; the largest crude oil trader in the world, the Air Transport Association; and petroleum economist Phillip Burleger, the estimate is that this amendment could reduce gasoline prices at the pump by 10 to 25 cents per gallon. It is not going to solve the whole problem, but 10 to 25 cents per gallon is not an insignificant step in helping the American consumer.

Mr. Chairman, even the staff at the Strategic Petroleum Reserve recommended against buying more oil for the SPRO in the spring of 2002. They state, "Commercial inventories are low, retail prices are high, and economic growth is slow. The government should avoid acquiring oil for the reserve under these circumstances."

Mr. Chairman, a lot of people have come up with this idea. This is not just mine. Members may remember that in March of this year, 53 Members of the House, including 39 of our Republican colleagues, wrote to President Bush calling for a halt of oil deliveries into the SPRO. Let me quote from this letter: "Dear Mr. President, we are writing to urge that you suspend shipments of oil to the Strategic Petroleum Reserve and allow more oil to remain on the market and available to consumers when supplies are tight."

I agree with those 39 Republicans and other Democrats who made that request of the President. They are right.

Mr. Chairman, in addition, on March 16 of this year, the Senate passed an amendment by Senators CARL LEVIN and SUSAN COLLINS with a bipartisan majority of 52 to 43 to suspend oil deliveries to the Strategic Petroleum Reserve.

□ 1545

Frankly, there is nothing magical about the 647 million barrels of oil in this bill which this amendment proposes; that is the cap we propose. In conference, that number could be changed. That number simply came about with this amendment because it is where the SPR was in mid-March when the Senate passed its resolution and when the 53 Members of the House, including 39 Republicans, wrote their letter to the President.

Mr. TAYLOR of North Carolina. Mr. Chairman, I rise in opposition to the amendment. Even if the gentleman was correct, it would have to be opposed. We have 661 million barrels as of yesterday. The gentleman wants to cap us at 647 million. We cannot by law sell it; therefore, I assume we will pour it out on the ground and that will be 15 million barrels of a large oil spill.

We are not buying any oil now. We have 700 million barrels as our goal, and that is capacity. As I say, we need only 39 million barrels to fill the Strategic Oil Reserve. Oil will come in in kind; where companies are drilling for oil on government lands, our share will come in the form of oil, but we are not buying any oil, and we do not have any intentions right now.

The management of the program right now is to, in tight markets is to not buy any petroleum, and the 39 million barrels that we have to go for our capacity will come in, as I say, through our royalties.

So we cannot sell it, we cannot honor the gentleman's amendment to hold 647 million with the amendment he has. So I recommend we oppose the amendment.

Mr. KUCINICH. Mr. Chairman, I rise in support of the amendment.

The Sanders amendment is something that I believe that people on both sides of the aisle will be able to support, and let me explain why. If I may quote from something previous that the gentleman from Vermont (Mr. SANDERS) has actually presented to this House, he pointed out that releasing oil from the Strategic Petroleum Reserve in the past under both Democratic and Republican administrations has, in fact, lowered the price, lowered the price of gas and crude oil.

When President Clinton ordered the release of 30 million barrels of crude oil from the Strategic Petroleum Reserve in 2000, the price of gas fell by 14 cents a gallon in just 2 weeks. And, when President George H.W. Bush released 13 million barrels of crude oil from the Strategic Petroleum Reserve in 1991, crude oil prices dropped by over $10 per barrel. So those are Democrats and Republicans out there alike who are getting socked by these high prices for gasoline.

So it is up to us to be able to stand up for both Democrats and Republicans alike who are suffering from high gasoline prices.

The Sanders amendment, which I am proud to cosponsor, is a win-win for consumers and for the Federal Government. It is going to reduce the price of gas. People want to know, Congressman, what will you do to reduce the price of gasoline? The Sanders amendment. It will reduce the price of gas and reduce the deficit at the same time.

Expenditures for gasoline, heating oil, and natural gas in 1999 accounted for about $1,400 per year of total household expenditures. Price increases over the past 4 years for these residential items added about $350 per household per year, meaning that domestic energy price shocks have increased household energy bills by 25 percent.

The driving motivator of these energy price shocks is the monopolistic energy industry. The industry has been concentrated in the hands of a few vertically integrated companies that have shut down refineries, reduced stocks, and exploited markets when they became tight. Since these price increases were about padding the corporate bottom line, not about responding to increased costs, petroleum industry profits have risen to record highs over the period. Domestic petroleum companies have stuck U.S. gasoline and natural gas consumers with about, get this: $250 billion in price hikes since January 2000, resulting in an after-tax windfall profit of $50 billion to $80 billion to the industry.

So the next time someone goes to the pump, they have to understand they are subsidizing windfall profits for the oil companies, and all of these families in America that are suffering from the high cost of gasoline, the Sanders amendment is the solution to do something about it.

Now, this amendment will suspend oil deliveries to the Strategic Petroleum Reserve effective to March of 2004 when several Members of Congress wrote to President Bush calling for a halt of oil deliveries into the Strategic Petroleum Reserve. The amendment would prohibit the use of taxpayer dollars to maintain more than 647 million barrels of oil. We can always swap it out if there is a problem with the numbers.

At the present time, there is 661.4 million barrels of oil in that Strategic Petroleum Reserve, and the Bush administration is to fill the Strategic Petroleum Reserve to its capacity of 700 million barrels, regardless of price, and that is the policy that is keeping the prices higher. At a time when the price of gas still averages about $2 a gallon, it simply does not make any sense to continue to put more oil into that Strategic Petroleum Reserve. This is the policy that keeps gas prices unnecessarily high, and my constituents in Ohio and all across the country, they are paying the price at the pump.

The quickest method to reduce gas prices is to send a clear message to the oil industry that the Federal Government is not going to tolerate further price increases and profiteering. The Sanders amendment will do that.

Further profiteering is only going to hurt our weak economy. It is time for Congress to protect our constituents' pocketbooks and improve the economy. We must prod the oil companies into compliance rather than subsidize them.

This amendment is good for consumers, it is good for this country, it is good to stop the rising inflation that the increased costs of gasoline is contributing to, and it maintains an adequate level of crude oil in Federal stockpiles. It is time for Congress to take action on this, and again, this is a bipartisan amendment. People on both sides of the aisle can support it. I represent Republicans as well as Democrats, and I am proud to say that, and I am proud to say that people, both Democrats and Republicans, I believe, in my district support this amendment.

Mr. TAYLOR of North Carolina. Mr. Chairman, I hate to interrupt such a fine speech with any logic.

The CHAIRMAN pro tempore (Mr. BASS). Does the gentleman seek time in opposition?

Mr. TAYLOR of North Carolina. I do, Mr. Chairman.

The CHAIRMAN pro tempore. Is there objection to the gentleman from North Carolina being recognized for a second time?

Mr. KUCINICH. Mr. Chairman, I have no objection, provided that the gentleman wants to share that time.

The CHAIRMAN pro tempore. Is the gentleman from Ohio reserving the right to object?

Mr. TAYLOR of North Carolina. Mr. Chairman, I withdraw my request.

Mr. DICKS. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from North Carolina (Chairman TAYLOR).

Mr. TAYLOR of North Carolina. Mr. Chairman, there is a lot of hysterical comments on the floor, and I share the gentleman's concern about high gas prices. The unfortunate thing is we are not spending any money now to buy gas. No funds are being expended here. We expect the next 39 million barrels will come in as royalties. We cannot sell the oil with this amendment. This merely says no funds in this act shall be used to maintain more than 647 billion barrels of crude oil in the Strategic Petroleum Reserve.

Now, if it ever gets back down to 647, and that would take a complicated movement to get it back down there, then the gentleman's amendment might apply. But I do not see that it does what he is intending it to do, and certainly it is not going to lower the price of gas.

Mr. DICKS. Mr. Chairman, reclaiming my time, I am delighted to yield to the gentleman from Vermont (Mr. SANDERS), the sponsor of the amendment, to respond to the chairman.

Mr. SANDERS. Mr. Chairman, I thank my friend for yielding, and I am not quite sure I understand the chairman's confusion on this issue.

The gentleman is correct. No money would go to maintain the SPR unless oil was released, and that certainly can be done, as the gentleman from Ohio (Mr. KUCINICH) indicated, through a swap. That is not a difficult process.

What we are saying very clearly is that millions of working people are paying through the nose in high gas prices; it is imperative that this Congress act. We have had Republican presidents, Democratic presidents, Republican Members of the House, Democratic, Independent Members of this House, who have shown sympathy to this idea. It is a simple idea. It could lower the price of gas, and we should go forward on it. It is a totally practical approach.

Mr. DICKS. Mr. Chairman, reclaiming my time, it is my understanding that the Department of Energy does have the authority to do something of this nature. I think Secretary Richardson did this at a previous point in time, and I assume that the theory of the gentleman's amendment is that since we are at 661 million barrels inside the SPR and under his amendment we can only be at 647 million barrels, that they would then have to sell the difference between those two numbers into the market.

Now, I think the Department of Energy has the authority to do this. Maybe it would be best for us to talk to the Secretary of Energy about this and see if we cannot get him to do it. It might be a lot faster and help in a more timely way than a bill that will not probably be enacted until October 1.

Mr. STEARNS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have to tell my colleagues that this is a very interesting amendment and perhaps I would use the word "clever," because it is really a back-door attempt to change our energy policy, to really take it away from the President of the United States and to use it so that we can use the reserves from the Strategic Petroleum Reserve to manipulate crude oil prices for political gain, I think.

I really think the premise of the amendment is false. It says that this amendment can reduce gasoline prices by 10 to 25 cents per gallon. We asked the Department of Energy if they agreed, and they said no. The effect would be between zero and 1 cent per gallon.

Now, all of my colleagues remember when President Clinton did this. What was the effect of what President Clinton did? What, 1 or 2 cents? And I think the people who support this amendment will agree. It is going to have a very negligible effect.

The world is a much more dangerous place than it was previously. Terrorists have attacked oil installations in Saudi Arabia. We have seen that recently. The bulk of Iraq's exports were shut down on Tuesday by terrorist attacks on two oil pipelines in southern Iraq. So, I say to my colleagues, we need to preserve what we have in the Strategic Petroleum Reserve in the event, in the event of a true supply emergency, and I think this is more of a political emergency.

If we want to truly lower gasoline prices, we need to encourage the Senate to pass H.R. 4517, the United States Refinery Revitalization Act of 2004. In this House we passed it by almost 240 votes. When a vote was on the floor to really do something about gasoline prices, the cosponsors of this amendment said no.

No individual should cash in his life insurance policy to pay his reoccurring, reoccurring monthly expenses. Neither should we, I say to my colleagues, the Federal Government cash in its oil insurance policy to make a one-time payment on a reoccurring expense; namely, gasoline prices.

□ 1600

My colleagues, we have seen how turbulent the world has become in just the past few months. We should have the foresight to see how much more so the world could become in the coming months, and we have had threats already presented to us. We need to be sure and to ensure that the Strategic Petroleum Reserve is there in the case of these emergencies. It is simply an emergency policy. We do not want to go and deplete it because of high gasoline prices. We should attack it in a way which is meaningful. The energy bill that we passed out of the House of Representatives, ask the Senate to do it.

Mr. DEFAZIO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we heard this was a back-door attempt to change our energy policy. Well, we have a failing energy policy in the United States with the oil men in the White House, and it would be good to change it; but I would say actually this is a front-door attempt to lower the price of gasoline for American consumers and American business. Every penny costs American consumers a billion dollars at the pump. Every penny costs the aviation industry a billion dollars in profits.

So if it only came down 2 cents, like the gentleman says, well, that is 2 billion bucks for the aviation industry, a couple billion bucks in the pockets of American consumers, but maybe that is chump change around here. I do not think so. That is real money to the American people.

But beyond that, it is kind of interesting to say if George Bush took action and released some oil, it would only drop a penny or two. I guess maybe because he would work with the industry to keep the price up, because when President Clinton ordered the release of 30 million barrels of crude oil from the Strategic Petroleum Reserve in 2000, the price of gas fell by 14 cents. Well, maybe that is just because he is a Democrat. That took 2 weeks.

Well, then, let us go back to President George H.W. Bush. He released 13, only 13 million barrels of crude oil, about what we are talking about here, from the SPRO in 1991, and crude oil prices dropped by $10 per barrel. So there are precedents. This is not insignificant. We are not talking about pennies, but even pennies would bring relief to Americans. The last time I drove to the bagel store near my house in east Springfield, I went by a gas station, and the price changed between the time I went in there to the BuyMart store and went back home. It went up. Let us bring it down. Let us change the direction.

Now, a number of us have asked the President to file a World Trade Organization complaint. We passed legislation that costs $154 billion just before this because of a complaint filed against the United States at the World Trade Organization. Now, I do not support the WTO and I voted against it; but, hey, we are in it, this President loves it, and we are passing legislation to comply with it.

Why will he not file a complaint against the eight member nations of OPEC? Eight of them are in the World Trade Organization. They are violating the World Trade Organization every day. They are colluding to restrict supply and drive up the price of oil, but this President will do nothing. He will not file that complaint. I have written to him twice. They will not file the complaint.

I guess it is too much to ask this administration to take positive action to help bring down the price of oil. If they cannot take positive action, maybe a little bit of inaction. Stop filling the Strategic Petroleum Reserve. I hope I do not get anybody fired, because this administration does not like people to say reasonable things that go against their stubborn beliefs, but the staff at the Strategic Petroleum Reserve recommended 2 years ago that we stop filling the reserve because "Commercial inventories are low, retail prices are high and economic growth is slow. The government should avoid acquiring oil for the reserve under these circumstances."

We are not talking about doing away with the reserve and the insurance policy. We are talking about taking prudent steps at a time when we are paying sky-high prices for oil to show the world that we are going to protect our consumers and stop the price gouging, but I guess that is too much to ask of the oil men down at the White House.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. DEFAZIO. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I just wanted to mention for the record that if this amendment passes, the Strategic Petroleum Reserve would have 93 percent of its capacity, and we could fill it as soon as the oil prices went down. And, again, when people talk about concern about national security, we are all concerned. Let me remind that 53 Members of this House urged the President to do this, including 39 Republicans. The Senate passed a bipartisan resolution.

So as the gentleman from Oregon (Mr. DEFAZIO) has indicated, the issue is will we finally stand up for the American consumer and lower the cost of gasoline.

Mr. DEFAZIO. Mr. Chairman, could the Strategic Petroleum Reserve be an insurance policy? Yes. And in this case, it can ensure a lower price of gasoline for American consumers and American businesses, or the lack of change in this policy and in the administration's current actions will ensure higher prices and higher profits for the industry. This vote will tell us which side of that question people come down on.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it has been interesting to listen to this discussion today and talk about why we have high prices. Someone just talked that we had a failing energy policy. Folks, this Congress has never put an energy policy on any President's desk, and I do not know that any President has asked for one till George Bush. He has begged for one. He has pleaded for one, and this Congress has not put an energy policy on his desk. That is why we are in trouble. Even with an energy policy, it is going to be years before we have much to say about our future.

We are dependent today because we do not have a plan; we do not have a policy on foreign parts of the world who dictate. Think, just a few months ago, one of our supposed friends said when oil was $32 a barrel, they were going to raise the price. No. They were going to reduce how much they were sending. Historically when it got over $30, they put more oil in, and the price would come down a little bit, but at $32 they took oil out, and prices sky-rocketed within a couple of months to $42.

Folks, we are vulnerable to countries who have little long-term interest in us, little long-term commitment to us, and that is why it has never been more important for us to have a stockpile. SPRO was not designed for price control. The strategic oil reserve is for us in case of war, in case of something that would interrupt our supply of oil. We are now 58 percent dependent on imports from unstable parts of the world.

We have never had a time when our oil supply, they are looking on how they can disrupt our oil supply every day, whether it is blow up tankers, whether it is blow up pipelines. Iraq had serious problems just this week. It was going to stop supply, a tremendous amount of supply from Iraq.

We are vulnerable, and if we would have one of these countries taken over by a dissident group, we would have not $40 oil, not $50 oil, but possibly $60 oil, which would crush our economy. We have to look at the big picture here, but all of those pleading for price control, let us talk about an energy policy. I wish you would join us in saying let us put an energy policy on the President's desk so he can sign it so this country can get on a plan of action where we are not dependent on foreign oil.

The natural gas issue right beside us is crushing us economically because we cannot import natural gas like we import oil. We have $6-and-something gas going into the ground right now that is going to be coming out next winter. Last year at this time we put natural gas in the ground at $4.60, and that was a record. This year it is in excess of $6. When you combine those two, greater pressure on oil because of high gas prices. They were related. Last winter, school districts, hospitals who had the ability to divert, diverted from natural gases because of high prices and used more oil, increasing our need to import oil from foreign countries.

We talk about our oil companies control, this country has little control of oil. We do not have it. We are only producing 42 percent of the oil we use. We produce 20 million barrels a day out of the 80 million; and we have China, we have India who are now becoming huge users. The countries that took care of us have lots of people knocking on their door now saying we need oil. They have other people who are going to use huge amounts of oil. There are those who predict China will use more oil than us in 5 years. I do not know that that is correct. I have not researched that, but I have heard that stated.

The most important thing we can do here in this Congress is give the President, quit our bickering and our partisan fighting and get an energy policy on the President's desk that he can sign that will help us wean ourselves off foreign oil, get us out of oil for transportation down the road and other measures to move our vehicles. We have to have a plan of action. We are becoming more dependent every day, and we are dependent on less and less stable parts of the world for oil.

The energy issue, when you combine oil prices and natural gas prices, has the potential to stall the economy of this country. And if we do not protect SPRO and have it in case of an interruption, disruption, $50 and $60 oil will shut the economy down is what we are talking about.

Mr. GEORGE MILLER of California. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, to listen to the other side, you would think that the margin between chaos and a healthy economy is 7 percent in the Strategic Petroleum Reserve. The matter is the gentleman from Vermont (Mr. SANDERS) has a very rational amendment.

You have a time when families are being stretched by high oil prices, much of it I guess because of the war in Iraq, at a time when people when we are trying to get the economy moving again, we are trying to hire people, we have industries under incredible pressure because of high energy prices, the transportation industry and the trucking industry and the airline industry. It has been estimated that of the middle class tax cuts, half of it has been taken back in higher energy prices.

The gentleman from Vermont (Mr. SANDERS) says just take the artificial customer out of the marketplace, which is the Government of the United States. We have filled about 93 percent of the SPRO. We are going to pause right now because there is turmoil in these markets and we are going to give the American economy and American families a break, a breather from $2.50, $2.70 gasoline that we are paying in the San Francisco Bay area. I represent five major oil refineries. Yes, they are working to capacity. But the fact of the matter is, many economists have suggested that if this amendment would pass, people would get a reduction of 10, 15, or 20 cents. Maybe that is not a lot to Members of Congress, but it is an awful lot to people who are driving long distances in northern California to commute to work. The cost of going to work has increased dramatically for families in this country.

This amendment says this is just one of the few things that we can do. There is a lot of discussion that somehow if we had the energy policy that the Republicans were pushing last year and could not get passed, although they controlled the Senate, they controlled the House, they controlled the White House, they could not get it passed. Why could they not get it passed? Because when the day came to pass it finally at the end of the session in the Senate, they realized it was not an energy policy. It was a tax giveaway for a lot of old, tired ideas about the petroleum economy of the past and had very little about the future.

Then they decided, and the majority leader here decided, he was going to protect MTBE, the polluters that are poisoning the wells of small communities all over the country, all over the country. He has decided that those companies are going to be protected from lawsuits from communities that are trying to clean up and recover their domestic drinking water supply, that that was part of the energy bill. Had that not happened, you would have had an energy bill last year, but you thought the MTBE polluters were more important than an energy policy.

It is also interesting when the Senate took a second look at it, they said these $35 billion in tax bills that are paid for by the deficit, we cannot afford it; and they started ripping them out, and they reduced it to 14 billion. And now there is a lot of people on the other side that are upset because they lost their tax cuts in that legislation.

It was never about energy. It was about paying old debts to people that were very supportive in the campaign and had some old, tired ideas that they should not have to pay royalties and they should not have to pay taxes on their earnings in the energy industry. It was not going to produce any new oil. It was not going to produce any new energy.

Yes, we are dependent on foreign oil, and we will continue to be dependent on foreign oil for as far as we can see because we cannot produce our way out of that problem. We simply cannot produce our way out either by natural gas or by oil or even by coal for the needs that we have for that energy.

□ 1615

Now we can change our usage. We can engage in conservation renewables, but that is not what that energy bill was about, and that energy bill did not pass. So we have an option here, to do the one thing that we can do and we can do it immediately, and it is under our control and that is to simply stop filling the SPR, go back to the March levels when these energy prices started running up, and give the American people and businesses a break, and let them recover and to assimilate these costs.

Yes, we would love it that it would drop by 25 cents, but if it only drops 12 cents or 10 cents or 15 cents, that is important. It is certainly important to the business in this country and to the families we have kept our faith with the idea of filling the SPR because we are at the 93 percent level.

So I would urge that people would consider supporting this amendment. I think it is important for our constituents, it is important for their families, it is important for their budgets. We are talking about people in the middle class who are being squeezed.

This is not the only place. It is not only high energy costs. They have seen their deductibles and copayments on health care go up. They have seen their cable rates go up, their utility rates go up, the cost of their kids' college education. This middle class is being squeezed. We can provide some relief here with the Sanders amendment and lower the energy costs to these families in America, and we ought do it.

Mr. HALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, you can use all the figures you want and make all the projections that you want to make and you just cannot shake this down as anything other than an effort to misuse the purposes for which SPR was set up. I think we need to go back many, many years ago when Congress voted it. The President has not declared an emergency as required. President Clinton did declare an emergency. Secretary Richardson did release at Clinton's request. It did little effect. It had very little effect. It had very little help. It was just a blip on the market.

Actually, we are in a situation here where attempts are made to stop putting into SPR, and that is to save maybe a penny a gallon or maybe less than a penny a gallon. It just does not make any sense at all. Yet at a time when we cannot pass ANWR, we cannot pass drilling up there that could have some real consequential effect on whether or not the gas prices go up or down and make a great defense on whether or not youngsters have to cross an ocean to take energy away from someone who has it, when we have none that we can mine, now that does not make any sense. We have a chance to save for this country for this generation to cross oceans and take away energy from people who have and save our children from having to fight a war. Give them the chance to say what profession, what business am I going into rather than what branch of service. We cannot pass ANWR. We cannot pass the Ultra D. We are two votes away, for political reasons, from passing an energy bill.

I just want to say this amendment seeks to suspend deliveries to the Strategic Petroleum Reserve to the 2004 cap and to prohibit the use of taxpayer money to maintain more than 647 million barrels of oil in SPR. That means with 661.4 million barrels in SPR now, there must be a release of 14.4 million barrels out of SPR.

By the time the fiscal year 2005 begins October 1, 2004, the SPR will have over 670 million barrels in SPR. This amendment will force the immediate sell-off of 23 million barrels, causing extreme volatility in the market which could ultimately lead to grave shortages as the markets come to rely on the government to provide supply. Of course, the government only has a limited supply for a country that uses 20 million barrels of crude oil every day.

This amendment is merely a back-door attempt to change the Energy Policy and Conservation Act to make the SPR a means by which the Federal Government can manipulate crude oil supply for political gain instead of using the SPR as an insurance policy, which it was intended to be used for and then only in the event of a "severe energy supply interruption," as set forth in the existing law. That just has not happened.

As the gentleman from Florida (Mr. STEARNS) stated here just a few moments ago, the premise of the amendment is just absolutely bogus and false. It says that this amendment can reduce gasoline prices by 10 to 25 cents per gallon. The Department of Energy says that the effect would be between zero and 1 percent per gallon.

The world is at a more dangerous place than it was back in March of 2004. Terrorists have attacked oil installations in Saudi Arabia. The bulk of Iraq's exports were shut down on just Tuesday of this week by terrorist attacks on two oil pipelines in southern Iraq. We need to preserve what we have in SPR in the event of a true emergency. That is what it was intended for. That is what it was set up for. That is what this Congress based it on, not a political emergency.

If we want to truly lower gasoline prices, we need to encourage the Senate to pass H.R. 4517, the United States Refinery Revitalization Act of 2004 which the House passed by a vote of 239 to 192. When a vote was on the floor to really do something about gasoline prices, cosponsors of this amendment, most of them voted "no."

Now, no individual, as the gentleman from Florida (Mr. STEARNS), should cash in a life insurance policy to pay their recurring monthly expenses. Neither should the Federal Government cash in an oil insurance policy to simply make a one-time payment on a recurring expense, namely, gasoline prices.

Having seen how turbulent the world has become in just the past few months, we should have the foresight to see how much more so the world could become in the coming months. We need to use SPR for what Congress really intended it to be, an insurance policy in the event of a severe energy supply interruption. We have not had that.

Mr. HINCHEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, if I have understood the arguments that have emanated from the other side of the aisle accurately, they seem to suggest that we should not be doing anything; that is, the government of the United States, should not be doing anything to help consumers, taxpayers, at this moment when they are paying record prices for gasoline out in the marketplace.

Well, that does not make any sense. The gentleman from Vermont (Mr. SANDERS) has offered an opportunity to do something which will hold the price of gasoline and drive it down 10, 15, 20 cents a gallon. That makes a lot of sense. Any time a person can save a dollar or two or three on a tank of gas, that means another quart of milk or another loaf of bread for some people who are having a hard time in this country making things work.

The argument that the government should not do anything to try to regulate the price of oil is absurd. Let me just take my colleagues back in history a little bit, not very far, just about a year or so, 15 months.

When the leadership of this House brought a resolution to the floor here authorizing the President of the United States to go to war in Iraq, many of us said that there would be terrible consequences and that among those consequences would be this, that that war would destabilize the Middle East and the destabilization of the Middle East would drive up the price of oil and that the American taxpayer/consumer would have to pay more for gasoline and more for heating oil as a result of that war resolution. What do my colleagues know? That is exactly what has happened. The destabilization of the Middle East has driven up the price of gasoline and the price of heating oil.

Now we are told we should not do anything about it. What are we doing in Iraq now? This government is asking the American taxpayer to subsidize the price of gasoline in Iraq. Iraqis are paying 5 cents a gallon. We are paying $500 million every quarter to subsidize the price of that gasoline at 5 cents a gallon, $2 billion a year. That comes out of the same pocket, the people who are paying record prices for gasoline today. That is a consequence of the policies of this administration and the majority party in this House.

When Halliburton can buy gasoline for 71 cents a gallon and sell it to the Army Corps of Engineers for more than $2.10 a gallon, three times the price they are paying for it, and the government of the United States, the leadership in the administration and here in the Congress, turns a blind eye to it, that drives up the price of gasoline for every American consumer and taxpayer as well. When the administration engages in economic policies which deflate the value of the dollar by 30 percent, that means that everything we buy with that dollar on the international market costs more.

So, as a result of the economic policies of this administration, which have deflated the dollar by almost one-third, the American taxpayer-consumer is paying more for gasoline and fuel oil.

These are things that this administration, the Bush administration and the leadership here in the Congress, have done to regulate the price of oil. Unfortunately, none of that has been to drive down the price of gasoline or the price of heating oil, but every bit of it has been to drive up the price of gasoline and the price of heating oil.

What the gentleman from Vermont (Mr. SANDERS) is trying to do is just reverse that a little bit. Let us support him today.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I heard a moment ago an estimate from the DOE that this amendment would lower the cost of gas by one cent. Well, let me tell my colleagues that Goldman Sachs has studies which suggests that it would be 10 to 25 cents. They are the largest crude oil trader in the world, 10 to 25 cents a gallon.

People say this is a new and radical idea. It is not a new and radical idea. George Bush, the first, did it; Bill Clinton did it; and in both instances, it was successful. It drove down the price of gas that consumers were purchasing.

This is an amendment and a concept supported by Republicans and Democrats.

The CHAIRMAN pro tempore (Mr. BASS). The question is on the amendment, as modified, offered by the gentleman from Vermont (Mr. SANDERS).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to clause 8 of rule XVIII, further proceedings on the amendment offered by the gentleman from Vermont will be postponed.

Mr. FALEOMAVAEGA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I ask the distinguished chairman of our Subcommittee on Interior and Related Agencies appropriations for a colloquy or dialogue, the chairman from North Carolina.

It is my understanding the Office of Insular Affairs of the Department of Interior has proposed a new competitive grant formula for capital improvement grants whereby funding can be increased or reduced depending upon each Territory's performance in meeting proposed criteria for financial management and accountability. Committee report also indicates that the Secretary may use discretion to modify the funding formula to address court-ordered infrastructure projects.

For the chairman's information, my district does not have a court order pending and we also have complied with a separate memorandum of understanding to put a fiscal reform plan in place. Our fiscal reform plan has been submitted and accepted by the Department of the Interior.

To my knowledge, the Office of Insular Affairs has not consulted with the territorial delegates on this matter nor with our territorial governments regarding this proposal.

I express my deepest disappointment in the OIA's failure to consult with the territorial delegates on matters which seriously affect the constituents we represent, and while I can appreciate the territorial governments need to be fiscally responsible, we cannot and must not excuse OIA's disregard for the democratic process. I kind of like to think we are a co-equal branch of government in the way we operate.

Finally, I would like to work sincerely with the chairman and ranking member to include language in the conference report to direct the Office of Insular Affairs to consult with the delegates and the territorial governments for purposes of refining the criteria that will be used before this proposal goes into effect.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. FALEOMAVAEGA. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, I appreciate the gentleman's statement, and I will work with him, and we will try to get the Interior Department's efforts to allocate construction funds based on financial performance, and I will be glad to work with the gentleman.

Mr. FALEOMAVAEGA. I thank the chairman and ranking member for their assistance to resolve this matter.

Ms. BORDALLO. Mr. Chairman, will the gentleman yield?

Mr. FALEOMAVAEGA. I yield to the gentlewoman from Guam.

Ms. BORDALLO. Mr. Chairman, I thank my friend, the gentleman from American Samoa (Mr. FALEOMAVAEGA) for yielding.

As has been stated, the Office of Insular Affairs has proposed a new competitive grant formula for capital improvement grants that derive from a reprogramming of funds authorized under Public Law 94–241. I commend the Department for addressing the capital infrastructure needs of the Territories and in proposing a formula whereby grants can be increased or reduced depending upon each Territory's performance through evaluation on proposed criteria for financial management and improved accountability.

Mr. Chairman, I note that the committee report on this provision indicates the Secretary may use discretion to modify the funding formula to address appropriately court-ordered infrastructure projects in the respective Territories.

□ 1630

In the case of Guam, I would note for the record that the government of Guam is under a consent order for water and wastewater infrastructure improvements in the amount of $200 million to comply with the Clean Water Act and also under a second court order to close the Ordot landfill at a cost of $30 million to remedy additional violations of the Clean Water Act.

Given these circumstances, is it the committee's intent that the Secretary should consider these court orders in determining allocations for the infrastructure grants?

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. FALEOMAVAEGA. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, I thank the gentlewoman from Guam for raising this issue. The committee encourages the Office of Insular Affairs to take into account financial accountability performance. The committee also wants the OIA to consider the capital infrastructure needs mandated by Federal court orders in the Territories. This is important to Guam and to other Territories and to the committee.

Mr. SIMPSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would ask that the gentleman from North Carolina (Chairman TAYLOR) engage me in a colloquy.

Mr. Chairman, I do not have an amendment to offer at this time, but since this bill has provisions dealing with mineral leasing and permits, I want to make an observation about the administration's budget request and the fact that the Office of Management and Budget is increasing the Federal maintenance fees for hardrock mining claims from $100 to $126 per claim based on a cost-of-living adjustment from 1993 to 2004.

While the provision allowing them to do this is in current law, neither the Forest Service nor the Bureau of Land Management, the Federal agencies that oversee and approve mining operations on Federal lands, maintain a tracking system capable of determining how long a mining permit has been pending. This simple data management tool is necessary to more accurately track these permits. These agencies need a system that does more than merely determine on a yearly basis the number of plans and notices that are submitted and approved each year. These agencies need a system that lets the department, Congress, and the public know how long these applications are pending. Such a system should alert these agencies to where additional attention or resources are needed.

Delays in processing mining permits have impacts far beyond any particular mining project. A ripple effect occurs. Delays impact investment, lack of investment results in less exploration, less exploration results in less development of domestic resources, less development of domestic resources leads to greater reliance on foreign sources, greater reliance on foreign sources impacts our economic and national security, not to mention loss of jobs and economic impact on local communities.

The U.S. mining industry is modern, high-tech and environmentally responsible and overall has a solid record of compliance with the world's more rigorous State, local, and Federal laws and regulations. It should not take 4 to 10 years to obtain the permits necessary to commence operations. The government needs to find ways to improve permitting and expediting mining permits before it increases fees for holding the land involved in these permits.

Mr. Chairman, I hope that this issue can be addressed in the near future.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, the gentleman from Idaho (Mr. SIMPSON) is correct in his assessment that a permit tracking system is needed, and we will work with the gentleman on this issue in the future and hope we can succeed.

AMENDMENT NO. 4 OFFERED BY MR. HOLT

Mr. HOLT. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore (Mr. BASS). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. HOLT:

At the end of the bill (before the short title), insert the following new section:

TITLE V—ADDITIONAL GENERAL PROVISIONS

SEC. 501. None of the funds made available in this Act may be used to permit recreational snowmobile use in Yellowstone National Park, the John D. Rockefeller Jr. Memorial Parkway, and Grand Teton National Park.

Mr. HOLT. Mr. Chairman, I am pleased to join with the gentleman from Connecticut (Mr. SHAYS), the gentleman from West Virginia (Mr. RAHALL) and the gentleman from Illinois (Mr. JOHNSON) to offer an amendment to protect the world's first national park and a wonderful American treasure, Yellowstone.

Our amendment completes the phaseout originally implemented by the National Park Service in 2001 of snowmobiles in Yellowstone and Grand Teton National Parks. The phaseout was delayed and then reversed over the course of the past 3 years, only to be reinstated for most of last winter under court order. The original decision to phase out snowmobiles in favor of snowcoaches was not an arbitrary decision or some kind of gratuitous attack on snowmobiles. It was based on 10 years of careful study, after which the National Park Service implemented a rule in January 2001 calling for a 2-year phaseout.

After President Bush entered the White House, the National Park Service delayed implementation of the phaseout and initiated yet another study of winter use in Yellowstone at a cost of $2.4 million to taxpayers. This study, no surprise, completed in February 2003, came to the same conclusion, that phasing out snowmobiles in favor of snowcoaches would be the best thing for Yellowstone Park, for the park, for the visitors, for the employees, for the wildlife.

This is about protecting our natural treasures. It is not primarily about snowmobiles. It is that snowmobiles have been determined to be incompatible with the preservation of Yellowstone Park. In the early days of Yellowstone Park, employees and visitors engaged in all sorts of behavior which was not thought to be harmful at that time, but it jeopardized the ability of future generations to see the natural splendor. Park employees used to throw trash down the geysers or use them for laundry, permanently plugging up the geothermal features. The National Park Service used to encourage visitors to feed the bears, wolves were openly hunted across Yellowstone until they were extinct. Visitors were allowed to chip off chunks of rock from geysers. But it was recognized that this behavior was not compatible with the purpose of the park, the creation of Park Service to preserve these parks for the enjoyment of current and future generations.

As the Park Service learned more about the unique environment of Yellowstone, they ended these destructive practices. Snowmobiling in the park is no different. The Park Service has studied the issue repeatedly and comprehensively and found that continued use of snowmobiles is incompatible with the mission as laid out in the legislation creating the parks, to conserve the scenery and the natural and historic objects, the wildlife in the parks, and to provide for the enjoyment of the same and such manner and by such means as will leave them unimpaired for the enjoyment of future generations.

We are not here to disparage the snowmobile industry or those who ride snowmobiles, I among them. We are trying to make the point that Yellowstone National Park is a unique environment, a precious national treasure that deserves an extra level of protection. In fact, the unique characteristics of Yellowstone's winter environment actually magnify the harmful effects of snowmobiles, making their impact really worse than in other areas of the country.

Sound travels further in winter. Snowmobile noise is audible across many popular sections of the park, as I discovered when I was there in February last year. Even the newer snowmobiles which were supposed to meet strict new noise and emission standards were found to actually emit more because the snowmobile industry has souped them up. They are higher horsepower. So, in fact, even though the four-stroke engine offers some advantages over a two-stroke engine, what is being purchased, sold and used is a more powerful snowmobile that is emitting more.

The simple fact is that snowmobiles that enter Yellowstone and Grand Teton are only a tiny portion of the $7 billion snowmobile industry. As the industry reacts and produces more powerful snowmobiles, it is difficult to make them quieter and cleaner. And in fact, EPA tests found that the 2004 four-stroke models was actually emitting more than the 2002 models.

We have no intention of cutting off motorized access to the parks. The original snowmobile phaseout encouraged the purchase and deployment of snowcoaches.

The CHAIRMAN pro tempore. The time of the gentleman from New Jersey (Mr. HOLT) has expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. HOLT was allowed to proceed for 2 additional minutes.)

Mr. HOLT. Mr. Chairman, there are 400 miles of snowmobile trails immediately adjacent to Yellowstone, thousands of miles of snowmobile trails, some of which I have traveled outside the park in Idaho, Wyoming, Montana, and 130,000 of snowmobile trails across the country. We are talking about phasing out snowmobile use on 250 miles. This is not going to hurt the industry. It is not going to hurt the tourism industry and it is not going to hurt the snowmobile manufacturing industry.

It is true if you are snowmobiling on these trails outside of Yellowstone Park, you will not see Old Faithful, but we are hopeful if we remove the snowmobile smog, others will be able to see Old Faithful when they travel in by snowcoach.

Let me point out that many former National Park officials who worked under both Democratic and Republican administrations have expressed their displeasure. Last month they wrote to Secretary Norton saying to uphold the founding principle of our national parks, stewardship on behalf of all visitors and future generations, the snowmobile should be phased out. This was signed by the Park Service Director who served from 1964–1972; the Assistant Secretary of the Interior who served between 1971 and 1976; the National Park Service Director who served between 1980 and 1985; the National Park Service Deputy Director who served between 1985 and 1989; the Park Service Director who served between 1993 and 1997; the Park Service Director who served between 1997 and 2001; the Yellowstone Park Superintendent who served between 1983 and 1994; and the Yellowstone Park Superintendent who served between 1994 and 2001. They all say proceed with the rule that phases out snowmobile use on these 250 miles of roads in Yellowstone Park. That is what we are asking for today. I ask support for my amendment.

Mr. TAYLOR of North Carolina. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as the gentleman knows, this is a complicated issue. With two Federal courts dueling, one ruling that the National Park Service's 2003 plan was invalid and the other that enjoined the plan of the Clinton administration. Caught in the middle are the local business people that rely on winter use and the visitors who 90 percent prefer the use of snowmobiles to access during the winter in Yellowstone.

Together the courts have found that the environmental studies in place are flawed and must be redone. This will take 2 to 3 years. In the meantime, to ensure snowmobile use this winter, the National Park Service has initiated a temporary winter use plan to allow for their use while the long-term study is being completed. Now there is a whole plethora of rules and regulations, but the committee supports the National Park's efforts to ensure continued winter use that balances visitors in the park and resource protection until the courts can get back to it again.

Mr. PETERSON of Minnesota. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today to oppose this amendment and correct some of the erroneous statements which have already been made regarding this issue.

My district in Minnesota is the home of Arctic Cat and Polaris which produce American-made snowmobiles. I have about 4,000 people in my district which work at these two plants, and there are probably another 2,000 to 3,000 jobs directly related, manufacturing plants which supply pulleys and sprockets and precision equipment. This is a big industry and a big employer in my district.

They have really gone out of their way to improve these machines. Artic Cat, for example, started in 1996 developing the four-stroke machine. These companies spent millions of dollars developing this technology so we could have cleaner and quieter machines operating in different parts of the country.

The gentleman from New Jersey (Mr. HOLT) was saying these machines are actually louder or pollute more than the machines that were developed in 1992. Well, that is absolutely not the case at all. I have a letter here from the National Park Service, Yellowstone Park Director Suzanne Lewis printed on their stationery which commends Polaris and Arctic Cat for the work that they have done in developing these new technologies. They have a number of machines that are now well below the requirements that were placed on these manufacturers and these machines by the National Park Service.

□ 1645

In the area of hydrocarbons, they had to meet less than 15 grams per mile, or hour, I guess it is. The 2002 Arctic Cat was not 15, it was 6.2. That was brought down to 5.62 in 2004. In the case of carbon monoxide, they had a level of 120. The original machines that were certified were 79.95 in 2002. That is now down to 9.2. They have made significant progress in these areas. On the sound emissions, they have a 73 decibel rating and those are also below the amounts that were required by the National Park Service.

If anybody wants to see this, this is information that is put out on the Yellowstone National Park's stationery by the park manager, and these companies have not only met the standards; they have gone well below the standards. If anybody has ever ridden one of these snowmobiles or been around one of them, when you turn it on, you cannot even hear it run. When it is out there operating, if you are riding with somebody else, you can talk back and forth. They are very quiet. They not only improve the situation in Yellowstone Park; they also improve the situation in any other place in the United States where they are operating these machines.

Some people have suggested that we ought to have snowcoaches as an alternative to these snowmobiles. The snowcoaches actually put out more pollution per the number of riders that can go in one of these snowcoaches that would be put out by the equivalent amount of machines that could haul the same number of people using a regular snowmobile. And if you have ever been out to the park and been able to participate in this, it is a wonderful experience. I think it is much better to see the park in the wintertime than it is in the summer because it is a lot more beautiful. But if you are in a snowcoach, it is not that great of an experience. The windows all steam up and really the only time you can see anything is when they stop and let you out. So it really destroys the experience.

People need to understand that these machines are on the same roads that we drive with the cars that we use in the summertime. They have speed limits. They have now limited the amount of machines that can go into the park. This compromise that they have come up with makes sense, and it still allows us to use the parks in the way that we intended and that is for the American people to be able to enjoy the beauty of our national parks. Some of the people that are interested in solving this problem, if they really are concerned about pollution, we should think about eliminating cars in the national parks because they produce a lot more pollution than these machines.

Mrs. CUBIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, Yellowstone was established in 1872 with the dual purpose of protecting the unique resources in that area and providing for the American public to be able to enjoy that area. Both Yellowstone and Grand Teton National Park have been well managed through the years to conserve the land and to provide for the public's use and enjoyment. No damage has ever been done to the parks by snowmobiling.

I have to take exception with my friend from New Jersey's remarks that the EPA stated that the current snowmobiles are more polluting and noisier than the old because they are more powerful. After he told me that yesterday, I contacted the EPA. I have here with me the study that the EPA did. As a matter of fact, the current policy, the Bush policy, allows four-stroke engines to be in the park because their air emissions are 90 percent lower than the two stroke and the noise is 50 percent less than the two stroke. The Bush administration's policy is to allow four-stroke engines and limit the number of snowmobiles that can go into the park.

I want to repeat: snowmobiles have never caused a violation of our current environmental laws, and the air quality will only improve under the Bush administration guidelines. As I said earlier, the new four-stroke engines are cleaner; and as my friend from Minnesota stated, they are quieter as well. By the way, snowmobiles can only go on the roads that are already plowed. I think people have the idea that snow machines are just going all over the park in all directions. That is not true. The only place they go are on the roads, as we see here, that are already plowed.

The new supplemental environmental impact statement, which I just discussed which came to the conclusion that four-stroke engines could be used and to limit the number, grew out of countless hours of input from the National Park Service, from the Environmental Protection Agency, and from all the cooperating agencies and counties and other interest groups. This was a compromise between a ban and unlimited use. It strikes a good balance to provide for continued snowmobile use while still preserving the health of our national parks and the wildlife that live there.

According to the Wyoming Department of State Parks and Cultural Resources, a ban on snowmobiles in the parks could cost Wyoming 938 jobs and $11.8 million in lost labor income a year. That might not mean much to my friend from New Jersey, but it means a lot to us. To put it in perspective, these net job losses in Wyoming would be equivalent to 67,743 lost jobs in California; 37,952 lost jobs in New York; and 12,698 lost jobs in Massachusetts. That really does make a difference.

If we ban snowmobiles, there will be two alternatives: no visitors in the winter, or snowcoaches as was said before. A snowcoach is a modified sport utility vehicle which gets from 2 to 4 miles per gallon. The emissions are much greater than the snowmobiles, even greater than the old two-stroke snowmobiles, and the noise is unbelievable. I know. I have seen them. I want my colleagues to look and see how much people interfacing with wildlife in Yellowstone National Park bothers the wildlife. Banning snowmobiles is the only way to stop this interfacing between animals and people, but obviously the animals are not upset about that and they are not upset by the snowmobiles coming around, either.

Let us be honest in this debate, and let us not pretend that preventing the use of snowmobiles will enhance the environment in Yellowstone. It simply will not. As I said, no environmental law or limit has ever been broken or exceeded by the use of snowmobiles in Yellowstone. Many of the radical environmentalists pushing for this ban would like to put all of the West into a national park. We have had a bill filed that actually does that from a Congressman from New York. I ask my colleagues to use their good sense. I ask them to allow the people of the United States of America to enjoy the resources and the God-given natural beauty that we have.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, those who are here advocating a limitation or banning of snowmobiles from Yellowstone and perhaps from other national parks are operating under what I am convinced is a misguided understanding of snowmobiling. They are probably thinking of snowmobiles as they existed 10, 15, 20 years ago, not the snowmobiles that have been developed in recent years and which meet and even exceed the stringent standards that the National Park Service has established for snowmobile use in our national parks, as in Voyagers National Park in my district and as we are talking about with Yellowstone.

Some years ago, there were 2,000 snowmobiles a day allowed in the park. Today that is 740. Fifteen years ago, they were noisier, perhaps more emissions emitted from such machines. Today it is vastly different. Snowmobile technology has vastly improved. The primary snow machine used in Yellowstone and in Voyagers has emissions 97 percent lower for particulates and 85 percent lower for carbon monoxide than machines used just even 5 years ago.

The U.S. manufacturing sector, Polaris, Arctic Cat, Bombardier, have invested millions, even tens of millions of dollars to improve the quality of their snowmobiles to operate in our national parks and elsewhere throughout the United States. The maximum grams per kilowatt hour allowed in Yellowstone, 120 for carbon monoxide; Arctic Cat emissions, 92; Polaris, 111; bombardier, 92. Technically, just on the science alone, they are well below the standards set by the National Park Service. Hydrocarbon emissions, maximum allowed in Yellowstone per kilowatt hour, 15; for Arctic Cat machines, 5.6; for Polaris, 5.4; for Bombardier, 6.12, two-thirds less than the national standard set by the National Park Service.

Noise is another argument made against snow machines. Run a hair dryer or a hair blower, that is 100 decibels. Run a lawn mower, that is 85 decibels. Run your garbage disposal in your kitchen, that is 80 decibels. Run a vacuum cleaner around your house, that is 80 decibels. Run a snowmobile. The maximum decibel level allowed in Yellowstone is 73 decibels. Arctic Cat is at 70. Polaris is at 73. Bombardier is at 72. They are at or below the level of noise standard set by the National Park Service, and they are getting better. I think that we need some common sense in this matter of access to the national parks.

Before snowmobiles, we did not really have a life in the northern tier of States, but now people are able to get out and enjoy the countryside, to travel distances out into the woods, out on the side roads and the byroads and the tote roads of logging days. In Minnesota, we have got 11 months of winter and 1 month of rough sledding. Without the snowmobile and stretch pants, we would not have a life. So do not take this away. Do not come down with this hard and fast, you cannot use this. Accept the march of technology and sensible use.

Snowmobilers are just good, ordinary citizens. Who are they? In my district, they are the men and women who work in the iron ore mines. They are the men and women who work in the retail grocery stores and in the hardware stores, the men and women who work in the pulp and paper mills. They go out to exercise themselves, to enjoy the winter that they live there for. Do not take this away from them. They are respectful of this environment. That is why they live in that north country.

Defeat this amendment.

Mr. SHERWOOD. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to this amendment which I think makes very little sense. Apparently one day someone was in Yellowstone years ago and following a bunch of two-stroke snowmobiles and the deal on a two-stroke snowmobile, they mix oil with the gasoline for the lubricating process, and it eliminates a little haze. The new machines, the four-strokes as the previous speaker said, are very efficient, they are very quiet, and they do not pollute.

□ 1700

And they do not emit that blue smoke. We are trying to eliminate 65,000 snowmobiles a year from Yellowstone when we allow 1.8 million cars to traverse the same roads. The new snowmobiles have about the same technology as the cars and emit about the same amount of hydrocarbons as the cars. So why would we eliminate 65,000 snowmobiles and allow 1.8 million cars?

We have a certain group of people in this country that seem to want to lock up our national treasures, our national parks, and cherished places and keep the public from enjoying them. Snowmobiling is a great way to enjoy the park. It is now very well controlled, and it is a way for people to get out in the wintertime and see a whole other side of these beautiful parks. Instead of going in the summer and following a travel trailer and wandering through the park and not being able to see anything, one can take their own sled and go through and enjoy the beauty of the park.

There is no reason to legislate against this. We are meddling where the Park Service has decided to make a very good compromise and take advantage of the new science and the better machines to allow something that is a very good and wise use of our natural resource.

This is a great way to enjoy the park. It is nonpolluting, it is controlled. It is not nearly as abusive of the air quality as are the normal things we do in the summer with all the cars. This is great recreation.

If we are so intent on reducing every possible amount of damage to the air, why do we not cancel baseball season or football season or at least football season in the wintertime? Because apparently that is what we are worried about. I do not think this makes a lot of sense, and I think we should rely on the Park Service to implement the regulations that they have in place with the restrictions so that people can enjoy our parks.

Mr. RADANOVICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do have five charts I would like to take. I would like to take the opportunity through the use of these charts to better understand the facts surrounding snowmobile use in Yellowstone National Park which are all based on data supplied by the National Park Service.

Mr. Chairman, my first chart is on bison populations in Yellowstone, which clearly illustrates that since the early 1960s, when snowmobile use began in the park, and to its peak in the early 1990s, the bison population has increased from 819 animals to an estimated population of about 4,200 animals. I think many would agree that this is quite a healthy population, and it would also suggest to my colleagues that cleanly groomed roads and snowmobile use has not been a hindrance to the bison reproduction rate.

My second chart, which I think is perhaps the most interesting, illustrates the number of snowmobiles that entered Yellowstone National Park in 1994, 1998, and 2003, versus the number of motor vehicles that use the park's roads in nonwinter months. Keep in mind that in wintertime the only way to access Yellowstone National Park is through snowmobiles. Vehicles enter it in the nonwinter parts of the years. As my colleagues can see, the number of snowmobiles is totally dwarfed by the number of cars, motorcycles, SUVs, RVs, and other vehicles that enter the park, and I wonder if my colleague from New Jersey wishes to move beyond the banning of the 48,000 plus snowmobile users in the wintertime toward eliminating over 1.8 million summer vacationers from the park in the nonwinter parts of the year. Perhaps we should operate under the presumption that the fewer people accessing the park is better and maybe perhaps cars would be next.

My third chart, Mr. Chairman, is an emissions comparison of the popular West Yellowstone Entrance. The first bar at 150 parts per million of particulate matter is the EPA's National Ambient Air Quality Standard. The next bar of 33.7 parts per million represents the two-stroke snowmobiles emissions. The next two bars, representing 5.4 parts per million each, are for the 2001 Clinton snowmobile ban and the 2003 Bush Rule requiring best available technology. It is interesting how the requirement for best available technology, the use of cleaner and quieter four-stroke snowmobiles is dramatically well below the current EPA standard.

My fourth and next to the last chart, Mr. Chairman, is an emissions comparison for carbon monoxide at the West Yellowstone Entrance. Again, as my colleagues can see, the use of best available technology is well below the EPA standard, as shown on the far two bars there.

And my last chart is a comparison of audible noise and acres in Yellowstone National Park. I think this chart is very important because it shows that of the park's 22 million acres, only 182,540 acres would be affected by using best available technology in snowmobile access. I believe that is less than 10 percent of the park.

So we are here today to eliminate a historic use that affects less than 10 percent of Yellowstone National Park and its other users. For these reasons, and for the reason this is really a discussion of not recreation but access, and coming from the other part of the country that has Yosemite National Park, we deal with restrictive access issues all the time, I really would urge my colleagues to oppose the Holt-Shays-Rahall-Johnson amendment and rely on the current administration's attempt to work out a solution that will allow people access into Yellowstone National Park and still preserve the environment there.

Mr. HOLT. Mr. Chairman, will the gentleman yield?

Mr. RADANOVICH. I yield to the gentleman from New Jersey.

Mr. HOLT. Mr. Chairman, I just wanted to know if snowmobile use was permitted in Yosemite National Park.

Mr. RADANOVICH. Mr. Chairman, people do not use snowmobiles to get into Yosemite National Park as they would in Yellowstone National Park. They do not use snowmobilies to access Yosemite. I mean it is not a way one gets in there because it is not the only way that one can get there in the wintertime.

Mr. HOLT. Mr. Chairman, so it is not a permitted use in Yosemite National Park?

Mr. RADANOVICH. Mr. Chairman, nobody drives a snowmobile to go to Yosemite. We live in the West under 4,000 feet elevation. We do not get much snow in the wintertime. I am sure they could drive one but it would be kind of stupid.

Mr. HOLT. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. GEORGE MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the amendment. This has been an interesting discussion about the difference between two-cycle and four-cycle engines, and that is very important because the industry has made remarkable improvements in snowmobiles, in the skidoos and the watercraft industry and the motorcycle industry and the off-the-road vehicles of all different types because they recognize that people were having a very serious problem with the invasive nature of these vehicles but also recognizing that this is a very large economy. Many, many people use and enjoy, as family recreation, off-the-road biking, off-the-road vehicle travel, snowmobiling, skidooing, and the rest of that. But because we can do that does not mean we can do it everywhere we can do it. There are some places in this country that are in fact very special. And there are places that do not necessarily need to be invaded by a snowmobile whether it is two-cycle or four-cycle. One can use their cell phone almost every place but there are places we would prefer they not do it. They can but we choose to say no.

The gentleman just asked the question about Yosemite. In the wintertime, one could take a snowmobile and go out to the end of Glacier Point. It would be a beautiful, marvelous trip. In a full moon people go out and they travel on skis and they go out. It is one of the great pleasures in Yosemite National Park in the wintertime. Would people want to run a snowmobile out to the end of Glacier Point? It is a paved road. It is covered with snow in the wintertime. It is not plowed. The answer is probably not because it is a very special place, and I do not think one would want to be out there listening to two-cycle or four-cycle engines for that matter.

Yellowstone is one of those very special places, and we should not be taking this very special place and submitting it to this pollution and to the noise factor in this park. Its impact on the people who have to work there, its impact on the wildlife have been well documented in the reports.

Some people say, well, then we should not allow the snowcoaches in. No. The snowcoaches should continue to strive to be better, to improve their efficiencies, their pollution, and the rest of that. I am not for banning people in Yellowstone in the wintertime. But to have 750 people zipping around on snowmobiles recognizing that they are on the paved road, and that has been a big victory to get them out of the back country, to get them out of the nonpaved areas, but the fact of the matter is that this park should not be invaded in that fashion.

I have been to West Yellowstone. I have talked to the snowmobilers. They are having a great time and I understand all of that. But I think there are many miles of trail that they can ride adjacent to the park in the area and across this country. There are tens of thousands, hundreds of thousands of miles of trails that people can use that are official and unofficial trails that they use in the various States and the various regions where they can snowmobile. But we recognize, as the previous Congresses did when they set aside these great natural assets for this country, there are a lot of things we could do in the Grand Canyon but we would not. There are a lot of things we could do in Canyon Lands, but we would not because we recognize the integrity and the struggle that we have to maintain the integrity of these national parks. And in this particular one we are trying to make a decision that snowmobiling will not be allowed.

The gentleman from Minnesota who spoke said we can ride them in Voyagers. That is fine. Maybe that works in Voyagers. But we do not think it works, and it is incompatible with the protection and the use and enjoyment of Yellowstone National Park, and for that reason I would hope that people would support the Holt amendment.

Mr. REHBERG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I oppose this amendment. Oftentimes in Montana I have to try to go back and explain some of the dumb things that Congress does, and I usually explain to them that we are a reflection of society, that there is no literacy test to run for Congress. They usually think that is pretty humorous.

But unfortunately there seems to be no common sense test and sometimes in the courts as well. This is one of those times when I am glad not to be a lawyer, because as I look at the dueling cases that are occurring in the court, I look at the kinds of decisions the judge made in Washington, D.C. And I invited this judge to come to Montana and actually take off his robe, get out from behind the desk and come out and learn something about what he is deciding on, as opposed to other judge who lives out there who understands the problem.

On November 20 of 2003, the district court judge back here in the case involving the limited use of snowmobiles in Yellowstone Park implied that the U.S. Government should consider strapping respirators on the resident bison of the park. Let me just read some of the dialogue that occurred between the judge and a witness.

"What about the animals? How are they protected? I mean how are their breathing abilities protected? If the park rangers are provided respirators," which they did not need them, by the way, that was a gimmick, "what are the animals provided? Is there a safe haven for them somewhere? For the bison.

"Well, has anyone studied that, though?" This is the judge. "I mean in the film I saw, that's part of the evidentiary record. It was a 6-minute film." A film, by the way, that was inaccurately put together by the animal rights people.

"Have you seen that?" he said. "I saw bison being herded by snowmobilers." I hope not because it is illegal and somebody should have done something about that.

"Has anyone conducted any study on the impact of the quality of air they're breathing while being herded by snowmobilers?"

"Shouldn't there have been, though? That's a major concern, that the bison are dying off."

They are not dying off. And in fact, in 1963 there were 400. Now there are 4,000. They have overpopulated themselves.

"Especially if the park rangers have respirators. They don't have respirators, obviously. What do they have?"

If this judge is so impressed by inaccurate films, I would hate to be the one to tell him there is no Yogi Bear and Boo Boo out there either. He ought to get his facts straight before he decides to judge on something so very important.

Listen to what the Court decided in Montana, a new winter access plan. As a result of many, many years of discussion and testimony and compromise and consensus, they came up with the idea that less than 1 percent of the entire park could have snowmobiles on it.

□ 1715

There are 2.2 million acres; and at about 180,000 acres, you can actually hear snowmobiles. You have to be on the snow-covered road, in single file, less than 35 miles an hour, with a guide. When it was unlimited, it got up to a number of 1,100. They have capped it at 780, and they have gone beyond that, and they have said it cannot go into one entrance at the 780 per year, you have to spread them around; and they set the numbers for the four entrances into the park.

It does not bother the wildlife. In fact, as we were looking at the picture, the snowcoach and the bison standing next to each other, a gentleman behind me said perhaps they ought to check that snowcoach for brucellosis, as close as it is. They are not afraid of these machines. Go out there and find out; you will see it for yourself. In 4 decades, not one single violation of clean air standards.

I saw a handout sent, a Dear Colleague, that suggested 250 miles of snowmobile trails. Yes, there are, in Yellowstone Park; 14,000 miles of snowmobile trails in Idaho, Montana, and Wyoming.

Well, see, the sponsors of this amendment do not understand the difference between recreational snowmobiling and sight-seeing and destination points. The 250 miles of trails in the park matter, because they are to places like Old Faithful, Tower Falls, Paintpot, Geyser Basin. They are destinations where people want to go and look at these opportunities.

The final point is, look what you are doing to the communities. Over the years, we encouraged West Yellowstone, the Jackson area, Gardner, Cody to become gateway communities, to set up the infrastructure so they would not have to be built in the park; to create the motels, to create the restaurants, to create the gift shops, to create the recreational opportunities for the sightseeing to become available.

Then what comes along? Somebody that does not want to reasonably consider the fact that they have to pay for their children's clothes, for their children's education, for their retirement. They come in and say we are going to cut you in half. We are taking half of your income away.

Our communities cannot withstand that. I hope someday they understand the kind of devastation they have created for these communities and these families with this kind of legislation. I hope this judge will get out from behind his desk, come out to Montana, accept my invitation, and actually learn something, use some common sense, rather than making the kinds of inquiries that I hope were a joke about putting respirators on bison.

The CHAIRMAN pro tempore (Mr. BASS). The time of the gentleman from Montana (Mr. REHBERG) has expired.

(On request of Mr. OBERSTAR and by unanimous consent, Mr. REHBERG was allowed to proceed for 1 additional minute.)

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. REHBERG. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, the gentleman has made an eloquent appeal and a very compelling appeal. I just want to suggest for those who are concerned about snowmobiles and their effect on the environment, they should take a look at the 1,790,000 vans, buses, automobiles, motorcycles, RVs, SUVs, trucks that are rumbling through Yellowstone.

If they are really concerned, take a look at that impact on the environment and not pick on the snowmobile, which is well in compliance with the air quality and noise requirements of the National Park Service.

Mr. REHBERG. Mr. Chairman, reclaiming my time, I want to point out my statistic, it is less than 1 percent of Yellowstone Park you will be able to hear snowmobiles, it is .082.

I might remind some of my colleagues throughout Congress that there are other parks that have snowmobiling, and they will get you next. North Carolina; Washington has four; Maine; Colorado has four; Oregon; Pennsylvania; North Dakota; Ohio; California; Wisconsin has two; Iowa; Utah has two; and Michigan. Trust me, you are next.

Mr. SHAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to make a few comments.

The previous speaker, the gentleman from Montana, gave a very compelling argument, and it is one that I listened to. This is not an easy amendment for any of us; but it is important we have this debate, and it is important we visit each other's districts.

I happen to view Yellowstone and the Grand Teton National Park as not owned by Montanans, not owned by folks from Wyoming. They are owned by Americans throughout the United States. These parks are precious and they are owned by all of us.

What would have happened if the United States Government had not bought these parks? What would they be? They might be owned by someone in the private sector, and then no one could use them.

So I do not have any reluctance whatsoever in standing up and saying I own these parks, as much as anyone else here does. They happen to be in a place that I do not live, but I own these parks; and I have a right to say that my constituents own these parks. They own Yellowstone and Grand Tetons National Parks as much as anyone from Montana or Wyoming or wherever else; and they are owned by us to be used as we, a country, want to use them.

Our concern is that these two precious places are not being treated the way they need to be treated, and we are saying we would like there not to be snowmobiles in these two parks.

We are being asked by those who live there to allow snowmobile use because there is an economy that depends on their use, and I understand that. But that is the difference in this debate. The difference in this debate is we are saying this is a place that our constituents can go to, as much as yours, and the only difference is they have to travel farther to get there. And when they get there, my constituents are saying, they would like to go there and not have to see or hear snowmobiles.

The studies are pretty clear. They point out snowmobiles are not healthy to these parks.

I was not here for the first part of the debate, and I know my colleague, the gentleman from New Jersey (Mr. HOLT), wants to make some comments.

Mr. HOLT. Mr. Chairman, will the gentleman yield?

Mr. SHAYS. I yield to the gentleman from New Jersey.

Mr. HOLT. Mr. Chairman, the gentleman from Montana (Mr. REHBERG) in response to an earlier amendment today said, "We want Yellowstone park to be as natural as possible."

We are not here to disparage the snowmobile industry. We are simply trying to make the point that Yellowstone National Park is a unique environment, it is particularly fragile in the winter, it is a precious national treasure that deserves an extra level of protection.

Now, my colleagues want to substitute their own judgment for the ones who have taken the measurements, the ones who have the data. We could talk about two-stroke engines and four-stroke engines, and I would be happy to refute all the arguments that have come up.

But the point is, the studies have been done; they have been done repeatedly. The Environmental Protection Agency said that the original National Park Service study was more thorough than anything they had seen on a similar subject; and the conclusion was, even considering the new technology, even considering the four-stroke engines, that the way to protect Yellowstone Park was to phase out snowmobiles, two-stroke engines, four-stroke engines, all of them.

Maybe my colleagues think that these machines, nearly 100,000 of them that go into the park, will not hurt anything. Maybe they want to believe that the experts are wrong and it will not hurt the air and the water and animals, it will not stress these animals during the tough times in the winter. But that is not what the studies show.

So we are simply asking that these 250 miles, this precious park, be set aside. The constituents of the gentleman from Minnesota (Mr. OBERSTAR) can snowmobile all over Minnesota. The constituents of the gentlewoman from Wyoming (Mrs. CUBIN) can snowmobile all over Wyoming. We are talking about America's premier park.

Mrs. CUBIN. Mr. Chairman, will the gentleman yield?

Mr. SHAYS. I yield to the gentlewoman from Wyoming.

Mrs. CUBIN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I want the gentleman to know that I completely agree with him that everybody who lives in the United States owns Yellowstone National Park. I totally agree with the gentleman on that. I do not think it belongs any more to Wyoming, Montana or Idaho than it does to the rest of the country. I will say when it comes time to taking care of Yellowstone and looking at the needs Yellowstone has, nobody does that but me.

I would also say that because we live there, because we work there, we do know the issue; and our knowledge needs to be respected too.

Mr. SHAYS. Mr. Chairman, reclaiming my time, I rise in support of the Holt-Shays-Rahall-Johnson Amendment to protect Yellowstone and Grand Tetons National Parks.

I believe protecting and preserving our environment is one of the most important duties we have as members of Congress. We simply won't have a world to live in if we continue our neglectful ways.

Our predecessors understood the preservation of our natural resources was a moral and patriotic obligation. It was their vision and foresight that led to the establishment of Yellowstone National Park in 1872.

The creation of our first national park was a far-sighted guarantee each new generation would inherit a healthy and vibrant Yellowstone, a park complete with wildlife, majestic vistas and awe-inspiring geysers.

But snowmobiles have put the park's health in jeopardy. When they roar through the park, they generate tremendous noise and pollution, forcing our park rangers to wear respirators to combat the noxious cloud of blue smoke in which they work.

The harm caused by snowmobile use in Yellowstone has been scientifically proven, studied further, and proven yet again. Over the past decade the Park Service, the Environmental Protection Agency, and independent experts have conducted extensive studies and always reached the same conclusion: a phase-out of snowmobiles is necessary to restore Yellowstone's health.

Last winter marked the start of a transition to snowcoaches. Just as the Park Service and EPA predicted, substituting snowcoach access for snowmobile use began to make Yellowstone a safer wintertime destination for the public, especially visitors susceptible to respiratory problems.

Visitors and park rangers breathed less carbon monoxide, formaldehyde, and benzene than in past winter seasons. Yellowstone was also quieter and less hectic for people and wildlife alike.

By a 4-to-1 margin, Americans overwhelmingly support protecting Yellowstone by replacing snowmobile use with park-friendly, people-friendly snowcoaches.

This amendment does not restrict winter access to the Park. Rather, it requires visitors to travel in a manner that protects Yellowstone's precious resources.

There are thousands of miles of snowmobile routes surrounding Yellowstone National Park including 400 miles near West Yellowstone, Montana alone. In Wyoming, Idaho, and Montana, the total is more than 13,000 miles. All of these opportunities will be unaffected by the Yellowstone amendment which involves only 180 miles of routes within Yellowstone National Park.

Let's not waste another minute or another dollar of taxpayer money further studying this issue. Let's put into law a scientifically sound, environmentally safe and fiscally responsible decision that protects our nation's first treasure.

I urge my colleagues to vote their conscience.

Mr. FARR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Holt amendment, and let me tell you why. I know a lot of these things have been said.

But, after all, this is a national park, and I think if you read Megatrends and what is happening in America, that the most increasing sport in America is watchable wildlife. More people watch wildlife than all of the national football games, baseball games, basketball games, golf, everything you see on television. More people are looking at wild animals.

Where do you go to look at wild animals and have the serenity of the wilderness? It is in the wilderness areas. It seems to me that that is the inspiration for thought, the inspiration for connection with nature. And if there is anything that is so obtrusive after you have gone into a park, it is to be interrupted by things that are not natural.

If there is something that is not natural in a national park, it is snowmobiles. It is like having chain saws while we are trying to have this debate here in this Chamber. We could not stand the noise. We would ask that it be stopped.

I represent the United States' largest marine sanctuary. We have outlawed jet skis in the sanctuary. Why? People do not want to go down to the ocean and just hear a bunch of noise from jet skis. They want to see otters, they want to be able to see sea lions, they want to be able to hear them, they want to be able to watch whales, they want to see the coastline in its natural state. That is why we have national parks. That is why it is the highest act of Congress to do it.

It seems to me if a park is a park is a park, then we have to do everything possible to make sure that park is the experience that people want to have in the wilderness. If you want to go out and have sports in the wilderness, fine, go to someplace in a national forest. But do not go to a national park to do it. It is just not right.

You do not allow hunting in the national park, and people could give you all reasons why perhaps you ought to have hunting, limited hunting; but we do not do it, and we ought not to have snowmobiles in any national park.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. FARR. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I want to associate myself with the gentleman's comments. I completely agree with him on this particular issue.

I understand there has been a lot of progress made with four-stroke snowmobiles over two-stroke, but still you wind up with the noise factor. I look at my friend from Minnesota, and I would say we have got the Forest Service lands that surround the national parks, where people can do that kind of recreation. We have the Olympic National Park in the State of Washington; we have Mount Baker Forest. There are areas where you can do these things; and, yes, maybe they will raise these issues.

But the top officials in about the last four administrations who run the Park Service believed that in Yellowstone this should be reconsidered. All the science is on the side of this. In my view, it is just like the jet skis. In certain areas, Lake Crescent within the Olympic National Park in the State of Washington, banned the jet skis because they were noisy. We had one county that did this because the people did not like the noise.

It is something about being out there in a national park where you want to enjoy the wilderness, the moment. This noise level still, in my judgment, is unacceptably high.

Mr. FARR. Mr. Chairman, reclaiming my time, I would like to also associate myself with the gentleman's remarks, and remind this body that only last week with all the construction that is going on, and we are trying to get that construction over with because it is so bothersome, but when we were having the service for former President Reagan in the rotunda, we stopped all the noise outside in the construction area.

It seems to me that we ought to allow the national parks to be places where people do not have to experience unnatural noises, and the noises from snowmobiles are very, very loud.

Mr. BISHOP of Utah. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I know some of my colleagues are tired of me making reference to the fact that 2 years ago I was simply a high school teacher, but I am still amazed sometimes when I think back that indeed I was talking to a bunch of high school kids at that time, giving them brilliant lectures in history and government, and I know they were brilliant lectures because I was listening to them. Sometimes I feel I was perhaps the only one in the room actually listening to them.

None of you actually had the chance to hear them, so it bespeaks the question on can you actually give a brilliant lecture if no one is hearing it. All of you are politicians, and I realize your greatest orations are given in the shower or the bathroom as you are preparing for the day. And it bespeaks the question, Can you actually give a brilliant speech if no one is there to hear it?

National parks, like wilderness designation, is not a land management formula; it is a recreation designation. Brilliance of nature. Can it actually be there if no one has the opportunity of actually seeing it?

That is the purpose of a national park, to see the natural beauty that is there; and to do so there are trade-offs that we make. In the summer, we are willing to make those trade-offs, because they are so traditional. We become used to them.

□ 1730

We allow 3,000 belching automobiles to go through Yellowstone every summer day. We allow 956,000 tourists to go through there in the month of July alone. We put up public toilets and garbage collection areas not because they enhance nature, but because they make it possible for people to go through and experience what a park is supposed to be about.

We allow the noise of human activities at national parks, because that is the purpose of a park, to experience and see it. We need to allow all our parks to fulfill the measure of their creation.

Winter beauty in Yellowstone is evident. It is not going to come out and be seen in the coaches, which are terribly ineffective and inefficient. It is a wonderful experience, I suppose, if you can yell over the noise and actually see through the fogged-up windows, but it is unacceptable, and so we find ourselves in the situation right now where one judge in Washington said there should be no snowmobiles, one in Wyoming said they all should be there, and what we need is what John Adams used to call the delightful of all legislative delicacies, a compromise.

Earlier this year there was a compromise. In August the concept of a compromise to come up with a policy of allowing snowmobiles acceptable in that kind of designation will go forward if this amendment is defeated. If this amendment is passed, it brings to a screeching halt any efforts to come up with a long-term compromise solution so that everyone can feel comfortable with that national park that belongs to everyone.

This amendment of the gentleman from New Jersey (Mr. HOLT) would halt that progress but also hurt people who actually want to experience these parks, and I am going to contend that it hurts the park itself. If Yellowstone Park actually had an assault, this would be an assault on that park as if one were assaulting somebody on the street, because its destiny, its premise and its purpose would be totally destroyed.

Parks are there for people to enjoy and understand. This amendment halts that. The gentleman from Washington (Mr. DICKS) said maybe this park should eliminate this type of activity by definition, and the answer is no, it should not, because by definition if you eliminate this activity, you eliminate the ability of people to experience the purpose of that particular park, and that is why that process should be there.

Mr. Chairman, I had the opportunity of reading an article in the New York Times from back in February by someone who was not a fan of the current administration's environmental policies but was sensitive to the importance of having a sensible compromise in this particular issue. His article talks about, once again, if one is a true environmentalist, the goal should be to have everyone enjoying the opportunity of Yellowstone in winter; the environmentalist movement should try to get more people out into the wild, not restrict them, and that is why as a backpacker, as an outdoor enthusiast, as a cross-country skier, he wanted the Bush administration's compromise to be upheld.

If we pass this amendment, there will be no chance of ever moving forward to reaching that or any other variation of that.

VROOMING INTO YELLOWSTONE

(By Nicholas D. Kristof)

President Bush's policy toward the environment has been to drill, mine and pave it, so it's understandable that environmentalists shriek when he pulls out a whetstone and announces grand plans for Yellowstone National Park.

Yet in the battle over snowmobiling in Yellowstone, it's Mr. Bush who is right. And, to me at least, the dispute raises a larger philosophical question: should we be trying to save nature for its own sake or for human enjoyment? Forgive my anthropocentrism, but I think humans trump the bison and moose.

Yellowstone National Park, a wonderland at any time of year, is particularly dazzling in winter, when the geysers shoot out of snowfields and the elk wear mantles of frost. I took one of my sons to visit last year and I learned two things that I don't believe most environmentalists realize.

First, in winter Yellowstone is virtually inaccessible except by snowmobile. Cars are banned (except for one small part of the park), and Yellowstone is so big that snowshoeing and cross-country skiing offer access only to the hardiest backpackers, who can camp in snow and brutal cold for days at a time.

Second, a new generation of snowmobiles is available with four-stroke engines, not two-stroke. These machines cut hydrocarbon emissions by 90 percent—and noise by 50 percent.

That's why the Bush administration has been pushing for a sensible compromise: snowmobiles would be allowed—but mostly the new four-stroke machines—only on roads and primarily on guided tours. Only 950 would be permitted per day. (In contrast, a busy summer day draws about 3,000 cars.)

Now two Federal judges are hurling thunderbolts at each other over this issue. A judge in Washington imposed tougher rules that would have ultimately banned snowmobiles from the park. Then a judge from Wyoming ordered that more snowmobiles be admitted. No one knows what's going to happen.

Environmentalists point out that one can also visit Yellowstone in snow coaches, which are a bit like buses on treads. But the existing snow coaches may be worse than the snowmobiles in terms of noise and pollution, and they are a dismal experience—you encounter nature only through fogged-up windows.

The central problem with the environmentalists' position is that banning snowmobiles would deny almost everyone the opportunity to enjoy Yellowstone in winter—and that can't be green.

As an avid backpacker who loves the outdoors, I think the environmental movement should be trying to get more people out into the wild. That's why I'd like to see the Bush administration's compromise upheld, so Americans can continue to enjoy Yellowstone in winter. Cross-country skiers and snowshoers would, of course, still have all of backcountry Yellowstone for themselves, with no machines for many miles around.

Granted, snowmobiles are an intrusion. But so are cars. In the summer, we accept a trade-off: we admitted about 965,000 people last July to Yellowstone, with all the noise, garbage, public toilets and disruption that entailed, knowing that the park would be less pristine but that more people would get a chance enjoy it. That seems a fair trade.

The philosophical question is the purpose of conservation: Do we preserve nature for its sake, or ours?

My bias is to put our interests on top. Thus I'm willing to encroach on wilderness to give Americans more of a chance to get into the wild. That's why we build trails, for example—or why we build roads into Yellowstone.

All in all, I'd love to see more effort by environmentalists to get Americans into the wilderness. It would be nice to see a major push to complete the Continental Divide Trail in the Rockies, which runs from Canada to Mexico on maps—but which has never been fully built. Likewise, there is talk about building a hiking trail across America from west to east—it could be called the Colin Fletcher trail, after the man who helped popularize backpacking in America.

Putting human interests first doesn't mean that we should despoil Yellowstone, or that we should drill in the Artic National Wildlife Refuge, or that we should allow global warming. We have a strong human interest in preserving our planet. But we should also allow ourselves to enjoy this natural world around us—including the grandeur of Yellowstone in winter—instead of protecting nature so thoroughly that it can be seen only on television specials.

The CHAIRMAN pro tempore (Mr. BASS). The time of the gentleman from Utah (Mr. BISHOP) has expired.

(On request of Mr. POMBO, and by unanimous consent, Mr. BISHOP of Utah was allowed to proceed for 2 additional minutes.)

Mr. BISHOP of Utah. Mr. Chairman, I yield to the gentleman from California.

Mr. POMBO. Mr. Chairman, I really did enjoy the comments of the gentleman from Utah (Mr. BISHOP), because I think that they hit on something that has been missing in this debate. We have spent a lot of time talking about two-cycle versus four-cycle and what happens with the noise and the pollution levels, and I think that is extremely important in terms of the debate, but one thing that has been missing in this entire debate was brought up by my colleague, the gentleman from Utah (Mr. BISHOP), and that is that all national parks, including Yellowstone, are not managed for their maximum environmental protection. Congress has directed that all parks are managed for two purposes, visitor use and enjoyment and resource protection.

The Park Organic Act of 1916 mandates the agency to balance these purposes, so it is illegal for the Park Service to disregard visitor use.

I heard my colleague a minute ago stating that mixing up a wilderness area and a park and kind of trying to go back and forth between wilderness and park, they are not the same thing. The purpose of a national park also includes visitor enjoyment and the ability of visitors to go there and be part of that park and see what is happening there.

One of the things, one of the disturbing things that has happened with these amendments that have been brought up is they seem to constantly be trying to limit access, the American public to have access to these national parks and not allow them to get inside. That is extremely disturbing.

The gentleman from Connecticut was right. These national parks belong to all of us, but if we cannot get into them, then we do not have the ability to enjoy them. These are not wilderness areas; these are parks, and part of that is building visitors' centers, it is building roads, it is getting people inside to enjoy them.

Mr. Chairman, I urge a no vote on the amendment.

Mr. SCHIFF. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the opportunity to speak, and I wanted to address a few of the points that have been made, including the last point that was just made, that if you cannot get in, you cannot enjoy the resources, and I think this is really quite true. But this goes to the air quality issue.

When we talk about the degrading of the air quality at Yellowstone, we are talking about an access issue. When there are health advisories, when the Park Service says that if you have a respiratory condition, you cannot enjoy the park today, this is an access issue. This is not discretionary. We are saying that this park is simply unavailable for those who cannot breath polluted air.

My colleagues on the other side of the aisle like to cite statistics, that Yellowstone has never violated Clean Air Act standards, but these standards are meant for the entire country. Yellowstone is intended to be a Class 1 airshed, the cleanest, most pristine air in the country. Visitors from across the country do not come to Yellowstone to breath the same air they get at home. I can certainly attest to that, being from Los Angeles. If we want dirty air, we stay home. We have plenty of it in L.A., we do not need to go to Yellowstone to find smog. Instead, we go to a place like Yellowstone because we enjoy the pristine air, the pristine environment, and for those who have respiratory conditions, it is not a question of merely enjoyment, it is a question of access to these precious sites.

It should also be noted that emissions from snowmobiles actually threaten the health of some of the visitors, as well as the park employees. We have seen before the pictures of rangers forced to wear gas masks because of the smoke at entrance gates. These are not the images that we associate with Yellowstone or want to associate with Yellowstone. Doctors and scientists have also warned that people with upper respiratory conditions like asthma, that park pollution in the winter may be a serious threat to their health.

A second issue I wanted to address in addition to the air quality is that of the economy. We have also heard from my colleagues on the other side of the aisle concerned with the economic impact of this amendment. But in fact, many business owners say that protecting Yellowstone's health is the cornerstone of a sound economic strategy for the region. The Rush amendment, the Rush-Holt amendment would protect Yellowstone's health and help diversify the area's winter economy.

Even the Bush administration's own 2-year study concluded that the phasing out of snowmobiles in Yellowstone in favor of snowcoaches would have a short-term impact of less than 1 percent on the economy of the 5 counties surrounding Yellowstone. And certainly, the economic impact of the continuing uncertainty over litigation and reregulation that has occurred over the last several years has a far more significant impact than the certainty that would be provided by this amendment, by the clarity it would provide in the quality of the air, and in the business environment, the continuing attraction of Yellowstone for people around the country and around the world. I have seen very few people cogently argue that degrading the quality of some of our most pristine areas will attract more visitors to the region. It simply will not.

Mr. OTTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is reassuring to hear the gentleman who just spoke from California now willing to use the Bush administration figures on the economy when for weeks, maybe months, I have sat on this very floor on all issues relative to the economy and unemployment and how bad things were, how wrong the Bush administration has been. But now, all of a sudden, we have a report that the gentleman from California is willing to adhere to, and it will only affect the economy of Yellowstone by 1 percent.

I would ask the gentleman from California that if we should come up with a national policy which would only affect the economy of California by 1 percent, would the gentleman from California then be most willing to accept that without any argument?

Mr. SCHIFF. Mr. Chairman, will the gentleman yield?

Mr. OTTER. I yield to the gentleman from California.

Mr. SCHIFF. Mr. Chairman, I thank the gentleman for yielding. As I was mentioning, even the present administration's estimate, which I think generally errs far on the side of saying that any environmental protection would be injurious to business, even this administration's expectation is that it would have less than 1 percent impact. So I am saying that even for this very strongly, unfortunately, antienvironmental administration, even they do not see an impact.

Mr. OTTER. Mr. Chairman, reclaiming my time, it is not unusual, as the gentleman just represented and as the potential leader of the gentleman's party, it is not unusual for him to flip-flop back and forth, depending upon how the argument will fit the present issue.

But getting to the issue that we are debating here on the Yellowstone National Park, not too long ago, perhaps far too long ago for certain people to recall, someone once said, "and they sent hither swarms of agents to harass our people and eat out their substance." And that is precisely what these swarms of people from New Jersey and from other places east of the Mississippi River, and a few other misguided souls that have found their way west, perhaps are doing with this issue.

I want to remind the gentleman from New Jersey that when that report was written there was no such thing as a 4-stroke engine in a snow machine. So how convenient to use that argument when there was no 4-stroke engine. The EPA report dealt only with 2-stroke engines, not 4-stroke engines.

So I would just like to remind all of those who have argued today that let us set the standard right here and now, and that is what we are doing, because I know of at least three potential national monuments, three wilderness areas that are coming up in my State for consideration, and if this is the way my colleagues are going to treat a well-compromised agreement over the course of 10 years and finalized within the last three, that with every new whim and every new Congress and every idea that somebody east of the Mississippi River comes up with wants to come and then change the order in which we agreed to that compromise, then I am going to start voting not only against this amendment, but I will vote against each and every compromise that comes down on anything, many of those which I was willing to at least accept because they were a compromise made in good faith. But if every time we want to change something, we decide well, this is our generation's turn and even though it was compromised out in 1980s on the Frank Church-River of No Return Wilderness Area, now all of a sudden we are wanting to change that compromise. Which other compromise will we change today?

So what we do today, Mr. Chairman, what we do today, I should say will set the order for every compromise that we should ever consider on this floor. Because once these compromises are reached, we thought they were agreements that were made in good faith and not to be changed at the whim of every new environmental organization that may need to raise some funds and, therefore, create a clause appropriate to raising those kinds of funds.

So with that, I would say to the gentleman from New Jersey (Mr. HOLT), if he wants to stop, if he wants to erase all traces of mankind in a national park, he is just a couple of thousand years too late.

Mr. HOLT. Mr. Chairman, will the gentleman yield?

Mr. OTTER. I yield to the gentleman from New Jersey.

□ 1745

Mr. HOLT. The word "compromise" is something of a euphemism here because there was a rule in place that, several years ago with the new administration, was rescinded, so there was not anybody compromising with anybody. They rolled back an existing well-considered rule and substituted another one.

Mr. OTTER. Reclaiming my time, I would remind the gentleman from New Jersey (Mr. HOLT) that it was the agreement in the compromise that they were looking to at the time that caused the snowmobile industry to engage in research on the four-stroke engine.

Mr. BLUMENAUER. Mr. Chairman, I move to strike the requisite number of words.

I am listening to the debate as it has proceeded. I speak with the trepidation of somebody who is even further west than Idaho, but I do not think that gives me any special knowledge or wisdom or right to speak on this any more than my colleague from New Jersey (Mr. HOLT), who I know to have been deeply involved with issues that deal with natural resources, and I know that he was not originally from New Jersey. My colleague from Connecticut (Mr. SHAYS), who has been deeply concerned with issues that relate to national resources and has a wildlife refuge in his district, people do not recognize is in Connecticut.

I just finished a day-long conference with my colleague, the gentleman from Oregon (Mr. WALDEN), about the future of Mt. Hood, which is in my district. There is a national forest. There is a national scenic area. We were aware of the balance, the struggle to try and deal with the issues of urban life, of recreation, of competing demands. But we concluded in our community, as have most Americans, that it is a fallacy to say if you cannot get in and enjoy every square inch any way you want that you are shut out and you cannot enjoy it.

We are not talking about putting a gondola to the top of Mt. Hood. There are areas that are too sensitive to have motorized dirt bikes or even pedal dirt bikes, and we are working with people who deal with that form of recreation to work with them in a way to manage and respect the resources. I have a friend, an Oregonian ex-pat, Mike Finley, who was the superintendent of Yellowstone. I have had conversations with him for years about this issue.

The ban on snowmobile use in this particular area was the result of extensive study, not once but twice by the Park Service. It included the EPA, not once but twice. There was a massive involvement of public input, and this is a decision that was studied and was appropriate for the Yellowstone area that is unique. It is outrageous what is happening in terms of the noise and the air pollution in some of these sensitive areas, and the vast majority of the American public agrees.

I am not opposed to all motorized, mechanized forms of recreation. There is a place for jet skis, for snowmobiles, for mechanized dirt bikes. But for heaven's sake, we have to recognize that there are some areas where they are not appropriate. There are hundreds of miles immediately adjacent to the areas in question where snowmobiles are allowed. This Congress and the Park Service are able to work with the recreation industry, the manufacturers, and the people who practice them to be able to make sure that they are not shut out in the future. That is not the intention.

This is the culmination of over a decade's work. We heard my friend from Idaho talk about changing signals. Well, there are an awful lot of people who have been involved with this for a long time who think that the original proposal reversed by the Bush administration was itself a compromise. It was itself a studied, deliberative action that was thrown in reverse by the Bush administration for ways that I have not been able to understand and I think are inimical to the expectation of the vast majority of the American public.

I hope that this body has the wisdom to approve this amendment; to reinstate the result of a long, careful, thoughtful, deliberate action; to not confuse this with denying access, which it is not, and for heaven's sake not fall into the trap that we have to continue the way we have done it in the past. If anything, we need to avoid further exploitation of sensitive resources to mechanized activities that are in many cases not appropriate.

This is a balanced amendment. It is a studied effort, and I hope that we will approve it when the time comes.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Somebody said I cannot talk, I am too far east. Maybe we ought to have people who have ridden on snowmobiles and understand them, the only ones that can talk. I think it might have changed the debate a little bit today.

Someone talked about a fair process. In 1997 the Park Service began the process of developing an environmental impact statement. The service has prepared research examining winter wildlife, snowmobile emissions and impacts, and visitor use. They released the draft of EIS on September 29, 1999, for public comment. The draft contained seven alternatives. None of them talked about banning snowmobiles.

Just a couple months later in December, the service prepared a substantially revised alternative G, which made it rather than alternative B, the new preferred alternative. These changes include an outright ban on all recreation snowmobile use in the park. None of these changes had been previously shared with the public or the State or the county cooperators.

The cooperating States immediately protested. Then on April 27, the former Secretary, John Barry, issued a memorandum directing the service to prohibit the snowmobile use.

That is the process that was reacted to. That was the process that was considered a compromise, not a compromise.

I was not planning to speak on this issue, but I had three snowmobiles for a long time, when my children were growing up and neighbor kids, and we had some wonderful times there. I was intrigued when the gentleman from California talked about wildlife watching because I have probably spent as much time watching wildlife as anybody in this Congress. As a kid, I grew up in the forest. I camped in the forest. In the summertime, my brothers and I slept in the forest, and I can tell you for hours the wonderful wildlife scenes that I saw.

I want tell you, I will never forget the day my wife and son and several other people saw their first flock of turkeys up close. Yes, we were on a snowmobile, putting down a country lane, a road in the woods, and came down around the hillside and there was 15 or 20 turkeys scratching. They stopped and watched us, scurried off to the side as we went by.

I remember seeing deer; and I taught my son, when we see wildlife, do not stop. Just keep moving slowly. We went by beautiful deer looking over us. And I will never forget the day that this big owl sat there fairly close to us, and I can still see him squinting with one eye, trying to see what we were, watching us put by on our snowmobiles. I have seen fleeting fox. I have seen all kinds of wildlife creatures because they are far less scared of you on a vehicle than they are in person. If I had walked around that bend, I probably would not have seen them because they would have seen me before I saw them. But I have seen more wildlife, wonderful, beautiful scenes; and if you learn not to react to them, they will watch you go right by.

We have seen wildlife up closer where you actually watch their eye activity on a snowmobile. So those who are interested in wildlife watching, snowmobiles are not that big machine that is going to chase wildlife away. They are far less fearful of that vehicle putting down through the woods than they are of any one of us walking.

I have spent thousands of hours out there, and I cannot tell you the stories I have seen of beautiful wildlife scenes on a snowmobile. So that argument, in my view, needs to be turned around.

People will see scenes on a snowmobile they never dreamed of. They will see wildlife up very close. And I think that is an important part that needs to be shared.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in opposition to the base bill H.R. 4568, I offer amendment jackso.004, which proposes to prevent "Land Acquisition and State Assistance" funds to be used to support the conveyance of, development on, or destruction of lands that contain historic grave sites or buildings that contain burial grounds of slaves, ex-slaves or soldiers of the Civil War or otherwise are associated with historic conflicts fought on American soil.

I do not offer this amendment to protect African-American history, solely. Rather, I seek to preserve American history, in which slavery and warfare is embedded. I offer this amendment, Mr. Chairman, to preserve humanity. In addition to the importance of preservation, we must utilize our historic sites as teaching sites, and learn from them. Our American schools must not turn their heads at the thought of our tumultuous past. Rather our schools should embrace occurrences of warfare and enslavement as important components of our history, which has made us the nation we are today.

In my district, a historic cemetery bearing the remains of the famous African-American Buffalo Soldiers and other African-Americans rests beneath a proposed Houston Independent School District construction site. This area of the 4th Ward, formerly known as Freedman's Town, stands as a pillar of the African-American community for almost 150 years, and represents the adaptation of African-Americans to freedom and urban life. And in 1984 Freedmen's Town was described as the largest, and last remaining intact freed slave community in the nation. Already, plans have commenced to destroy the area and rebuild Gregory-Lincoln Education Center and relocate the High School for Performing Visual Arts (HSPVA) on the site. This blatant disregard for the lives and remains of African Americans who fought to preserve American freedom, as we know and envy it, should not be tolerated, ignored or rewarded through the allocation of funding. Therefore, I urge the members of Congress to pass my amendment, which would prevent Congress from aiding in the destruction of American history.

Clearly, I am in support in the improvement and expansion of facilities for youth in my very district. However, I can not support the destruction of our past for this particular endeavor, which could be relocated to another site. I can not support the disrespect of those who fought for our nation, despite the pain and suffering inflicted upon them by the shackles of slavery. I propose that historic landmarks like this one be used to teach children and adults, alike, about the importance of those African-Americans who fought for our freedom, as well as to teach us all about the importance of preserving our American history. I am disheartened to learn that this teachable moment is not being seized and has stirred such a great level of controversy among residents and officials. I will be even more disheartened if the Congress fails to intervene, and prevent this destruction. With this amendment, we will prevent future controversies such as these, and more importantly the federal government will assert its commitment to preserving our American history, which is too often forgotten.

I would also urge you not disregard the spirit of the National Historic Preservation Act of 1966 (16 U.S.C. 470, Public Law 102–575). Failure to pass this amendment would do just that, and the National Historic Preservation Act seeks to protect sites like the Buffalo soldier cemetery.

I ask you, Mr. Chairman, would the federal government fail to preserve historic sites like Arlington National Cemetery? Of course, not; the federal government protects this site and should protect sites like the cemetery of the Buffalo Soldiers. We must govern responsibly by closing potential loopholes and problems in our proposed legislation. In this case, we must protect our American history, which encompasses all races and creeds. It is our job as the federal government to protect historic sites, not leaving our localities up in arms to quarrel. In closing, Mr. Chairman, I urge my colleagues to pass the jackso.004 amendment to H.R. 4568, which prevents the disrespect, denigration and destruction of our past; and educates our future with the truth.

The CHAIRMAN pro tempore (Mr. BASS). The question is on the amendment offered by the gentleman from New Jersey (Mr. HOLT).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. HOLT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New Jersey (Mr. HOLT) will be postponed.

Mr. HERGER. Mr. Chairman, I move to strike the last word for purposes of a colloquy.

Mr. Chairman, I want to thank the gentleman for engaging in this colloquy with me about the need to increase water storage in the Klamath Basin and to seek balanced solutions that will allow everyone to get well together, rather than unfairly targeting agriculture as the problem.

Mr. Chairman, first allow me to clarify some inaccuracies in a colloquy that occurred last night involving my good friend and colleague from Oregon.

Allow me to point out that the gentleman from Oregon who engaged in that colloquy with the chairman last evening, through which he professed concern about the Klamath Basin, does not represent that area. In fact, his district is nearly 300 miles away.

I want to clarify that for the record because I think there was a misunderstanding. In fact, the three Members of Congress who actually do represent the citizens of that area, myself, the gentleman from Oregon (Mr. WALDEN), and the gentleman from California (Mr. DOOLITTLE) do not support the position of my friend, the gentleman from Oregon.

The studies he proposed will not provide solutions for the Klamath Basin. These issues have been studied and restudied. There is no smoking gun. While the proposed "studies" and other past efforts to regulate the lease lands are said to be benign, they are far from that. They were an attempt to undermine farming.

I ask that the committee not support anything that attempts to misconstrue the farming situation on the refuges and wrongly imply that it is a problem or poses a conflict with wildlife.

It simply "is not" and "does not." In fact, quite the contrary. Agriculture and wildlife are thriving on refuges.

Finally, Mr. Chairman, let me clear up one other misconception. The Klamath Basin disaster of 2001 was not about too much demand. It was about an unbalanced regulatory regime and scientific failings that caused water to be needlessly taken from agriculture and from refuges from endangered species. After updating the law and the science, the other important step for us to achieve balance is for Congress and the administration to work to increase water storage.

My concern, Mr. Chairman, is that new water supplies are not being pursued with the vigor and the commitment that they require. Congress authorized the Klamath Basin Water Supply Enhancement Act nearly 5 years ago; however, we have yet to see significant measurable progress towards developing new supplies.

Mr. Chairman, we hope to have your support for encouraging the Secretary of the Interior to put more money and more energy into using this authority to aggressively pursue new storage opportunities such as a Long Lake Reservoir which can provide more water for all interests in the Klamath Basin.

One last thing, Mr. Chairman. If any of my colleagues want to work to find solutions for the Klamath Basin, I want to personally invite them to come to the Committee on Resources' field hearing on July 17. Rather than an uninformed debate here on the House floor, we would talk to the people on the ground and engage in a thorough discussion about the real problems and constructive solutions.

We would talk about what farmers are actually doing for the refuges. We would discuss the scientific shortcomings and how to fix them for the long term. We would talk about how to develop more water supplies to create water supply certainty for all interests.

Mr. Chairman, again, I appreciate your support for honest debate and balanced solutions. I hope that we will have your support to implement expeditiously whatever commonsense balanced solutions might arise from our hearing.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. HERGER. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, I would like to work with the gentleman and the Fish and Wildlife Service to ensure that what ultimately is done is something that will be productive and useful and not further fuel the controversies surrounding the Klamath program. I commend the gentleman for suggesting that and we certainly will work with him.

Mr. HERGER. I thank the gentleman.

□ 1800

Mr. THOMPSON of California. Mr. Chairman, I move to strike the last word.

I would ask that the chairman engage in a colloquy. Mr. Chairman, as we all know and probably too well, water issues in the Klamath Basin have caused a number of conflicts, not only in the upper, mid, and lower basin but also right here in this House in Washington, DC.

But, Mr. Chairman, this afternoon I would like to bring to our attention what I believe to be a very positive step towards bringing some meaningful help to this issue of water throughout the Klamath Basin, a positive step that addresses both the issues that are important to farming and the issues important to fishing.

The land management agencies have pointed out that by repairing two dams in the Marble Mountain Wilderness Area that we could provide extra cool, clean water down one of the Klamath River's most important tributaries. I am working with other members of the California delegation and our colleague from the Oregon delegation who has this Klamath Basin in his district to explore potentially promising alternatives for the Klamath Basin, and I would ask my colleagues to please indulge us and to help us work through this in using the Interior appropriations bill as the vehicle to provide whatever may prove to be necessary to make these good, positive steps to continue so we can get this behind us.

In closing, I also would like to extend an invitation for those who are going to meet in the upper Klamath to discuss resource issues that are important to farming to please note they are welcome to come down to the mid- and the lower basin to hear from fishermen and fishing families so they fully understand what is important to the needs of the entire Klamath Basin.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of California. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, I thank the gentleman for yielding.

I would be happy to work with the gentleman on exploring promising solutions to the Klamath situation and with the California delegation and the Oregon delegation, also; and I commend the gentleman for his work.

Mr. THOMPSON of California. Mr. Chairman, I thank the gentleman very much.

AMENDMENT OFFERED BY MR. WEINER

Mr. WEINER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WEINER:

At the end of the bill (before the short title), add the following new title:

TITLE V—ADDITIONAL GENERAL PROVISIONS

SEC. 501. Not later than July 31st, 2004, the Secretary of the Interior shall provide public access to the Statue of Liberty and its interior that is substantially equivalent to the access provided before September 11th, 2001.

Mr. TAYLOR of North Carolina. Mr. Chairman, I would like to reserve a point of order on the amendment.

The Chairman pro tempore (Mr. BASS). The gentleman from North Carolina (Mr. TAYLOR) has reserved a point of order.

The Chair recognizes the gentleman from New York (Mr. WEINER) for 5 minutes.

Mr. WEINER. Mr. Chairman, I thank the chairman and his terrific staff, Deb Weatherly, and the gentleman from Washington (Mr. DICKS) and Mike Stephens and the gentleman from Pennsylvania (Mr. PETERSON) for their help with this amendment. This is quite simple, and I think it is something we could find broad consensus on in this House.

On September 11, 2 years, 8 months and 6 days ago, all national parks in these affected areas of Washington and New York were closed. Today, all that time later, the Statue of Liberty, the national park that is closest to Ground Zero, the national park that arguably represents all of the things that were attacked on September 11 and represents the values of this country, remains closed today.

What this amendment says is enough is enough, reopen the Statue of Liberty by July 31, 2004. It is not closed for lack of money. This House has allocated $19.6 million for security enhancements, and that is between fiscal year 2002 and fiscal year 2004. There is an additional $10 million or so in this budget for that. The time has come for the Statue of Liberty to be reopened.

It is almost mind-boggling to me that only a matter of weeks after September 11 the Washington Monument was reopened. The Republican National Convention, which by the way we would be welcoming with open arms to New York City, will soon be coming to New York City at least in part to the proximity to that attack on our country; and yet the National Park Service refuses to open the Statue of Liberty.

Recently, they made the announcement that we are going to allow people to go into Lady Liberty and stand next to her toes, that this was some kind of a great victory for the people of the United States, despite all of the money that had been allocated for reopening. If that does not gall my colleagues, take a look at this.

This is a picture of a Web site from something called the Statue of Liberty Foundation. They have raised more than $7 million, which by the way is the amount that was originally said to be the cost for opening Lady Liberty. Folgers sponsors it. If a person sends in a Folgers can, they help contribute to reopening Lady Liberty. American Express has been giving a few dollars. Recently, the Daily News in New York City ran a campaign on their editorial page. People are giving donations of $1, $2, $3 at a time.

Millions of dollars have been raised for what purpose? To open Lady Liberty, not open her feet. Open the crown. Open the part that is most glorious. Open the part that should be symbolic of us getting back on our feet, and yet it has not happened.

It is inexplicable. The Park Service, what have they been doing? Well, we are thinking about it. We are planning to make a plan. We are anticipating maybe coming up with an idea. The National Park Service should be ashamed of their inactions. We in Congress have done our job. We have given them money after money after money for this purpose, to come up with security provisions.

We here in the House of Representatives, we had to figure out security as well. We have come up with some accommodations. People are back here and visiting. This monument is more than simply a national park. It is symbolic of this country. If the National Park Service is expecting us to believe that we are going to leave this closed ad infinitum, they have got another think coming. There is no way they can secure us in this building, they can secure us on airlines, they can secure us in the Washington Monument, they can secure us anywhere in the United States of America. Osama bin Laden is not going to keep the Statue of Liberty closed, and what this amendment says is we are not going to allow it to happen.

Republicans, Democrats, Independents alike have all contributed to help get this open. The taxpayers have contributed enormous amounts to help get this open. We have children doing cake sales all around the country to get the Statue of Liberty open; and what we are being told is, well, maybe someday we will allow people to go in and pat Lady Liberty's toes. That is about as far as we are going to get.

I believe it is outrageous. I believe it is outrageous, and we have to recognize something, that is, if we are going to raise money to reopen it, and allow people to be deceived in that way, the very least we in Congress should do is say, spend the money for what you said it was going to be for; and if by some unimaginable set of circumstances, the National Park Service, United States Armed Services, the NYPD, the United States Congress cannot figure out a way to reopen this monument, I hate to use an overworked cliche, but really, the terrorists have won. If they manage to keep this closed, it would be a shame.

I want to make one other point. I hope that when my colleagues on the Republican side of the aisle come visit New York, they have an opportunity to see the glory of traveling up to the crown of the Statue of Liberty, of seeing that glory, of participating in that. And what my colleagues will see is not only the glory of New York Harbor welcoming waves of new immigrants. They will see Ground Zero. It is a shame that when we stand at Ground Zero, the national park we see is one that is shamefully closed.

POINT OF ORDER

The CHAIRMAN pro tempore. Does the gentleman from North Carolina (Mr. TAYLOR) insist on his point of order?

Mr. TAYLOR of North Carolina. Mr. Chairman, I do.

The CHAIRMAN pro tempore. The gentleman will state his point of order.

Mr. TAYLOR of North Carolina. Mr. Chairman, while I may be sufficiently galled and while I appreciate the gentleman's welcome to New York, I must make a point of order against the amendment because it imposes to change existing law and constitutes legislation in an appropriations bill, and therefore, violates clause 2 of rule XXI.

The rule states in pertinent part: No amendment to a general appropriation bill shall be in order if changing existing law. The amendment gives affirmative direction, in effect.

I ask for a ruling from the Chair.

The CHAIRMAN pro tempore. Does any Member wish to be heard on the point of order?

Mr. WEINER. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN pro tempore. The gentleman from New York is recognized.

Mr. WEINER. Mr. Chairman, first of all, I want to thank the chairman of the committee and the ranking member. They have both allocated a remarkable amount of resources to solve this problem and deserve great praise.

I would argue on the point of order, Mr. Chairman, that this is not a change in existing law; that we, in existing law, have already articulated the will of this House that this monument be reopened; that this be a national park that we have allocated resources to. I would say that this is only a reiteration of existing law.

Now it might not be in this bill, but it is existing law; and I would even argue that given the allocation for security enhancements that it is the intention of this House that steps be taken; and therefore, it is not legislating in an appropriation bill, and if it is, we should do it anyway.

The CHAIRMAN pro tempore. Does any other Member wish to be heard on this point of order? If not, the Chair will rule.

The Chair finds that this amendment includes language imparting direction. The amendment, therefore, constitutes legislation in violation of clause 2 of rule XXI. The point of order is sustained and the amendment is not in order.

AMENDMENT OFFERED BY MR. DICKS

Mr. DICKS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DICKS:

At the end of the bill, before the short title, insert:

SEC. . "The Secretary of the Interior shall submit a report to Congress 30 days after the enactment of this act with a date certain of when and whether the public will have full access to the Statue of Liberty including all areas that were closed after 9/11."

Mr. DICKS. Mr. Chairman, this is an amendment I have offered with the gentleman from Pennsylvania (Mr. PETERSON), and I think the chairman is prepared to accept it.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, we have no objection to the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Washington (Mr. DICKS).

The amendment was agreed to.

AMENDMENT OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. JACKSON-LEE of Texas:

At the end of the bill (before the short title), insert the following:

TITLE V—ADDITIONAL GENERAL PROVISIONS

SEC. 501. None of the funds made available in this Act may be used to eliminate programs funded under Title III of the Healthy Forests Restoration Act.

Ms. JACKSON-LEE of Texas (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

Ms. JACKSON-LEE of Texas. Mr. Chairman, there are times when there are vehicles on the floor of the House that we wish to be more receptive and sensitive to the many myriad of issues that face our communities. The Interior bill is a first stop for this effort to help us recognize that forestation and trees are not only valuable for Yellowstone, or some of our national parks, but they are, in fact, valuable for rural and urban America.

One of the most detrimental aspects of living in asphalt cities is the fact that we do not have green trees. My amendment simply reinforces the idea that in urban settings or in other settings we should make sure that no funds are used to eliminate the funding under the title III of Healthy Forests Restoration Act.

Clearly, I believe that we are threatened by the lack of urban forestation, and so my amendment really does speak to a point of importance that will ensure urban reforestation programs.

Let me applaud the Houston Partnership who spent many hours in Washington trying to convince Members of Congress of the value of increasing the number of trees in Houston. Planting of new trees and proper preservation of existing trees have proven to lead to a cleaner air quality, lowering of temperatures by countering the urban heat island effect, and a reduction of flooding that will benefit both human- and wildlife.

Mr. Chairman, let me tell my colleagues that Houston, Texas, knows firsthand about the heat island, and we certainly know firsthand about flooding. We also know firsthand the value of trees.

As I look at the trees in my own community, some 50, 60, 70, 100 years old, we know that they can be here today but in our community gone tomorrow through some hurricane or tornado, and so this amendment is a commitment to the city of Houston that we will find ways in our legislative agenda and the appropriations process to recognize the value of treeing our urban and rural areas.

I would ask my colleagues to recognize the importance of Members making the point, even on the appropriations bill, to suggest that no funds should be kept from urban reforestation and that national parks, as I applaud and vote for amendments to protect them, should not be the only entity in which funding is secured as it relates to providing for reforestation or providing trees in our areas.

I hope to encourage my community not only to secure funds for reforestation but I encourage our neighborhoods to plant trees so that more trees can grow in our urban areas.

With that, Mr. Chairman, I am prepared at this time to withdraw this amendment, hoping that I have left a point of impact and to look forward to working with other appropriators in actual funding for the reforestation of Harris County, Houston, Texas, the fourth largest city in the Nation, that can really benefit from reforestation and to eliminate the heat island and the environmental effect as well.

Mr. Chairman, I rise today to support my Amendment which states that none of the funds made available in this Act may be used to eliminate or restrict programs that are for the reforestation of urban areas. The Jackson Lee Amendment will ensure that urban reforestation programs, which are in dire need, will not be threatened. When many of us think of issues relating to the Interior we usually imagine rural areas or our National Parks, but it has become increasingly evident that urban areas also need to reap the benefits that reforestation provides. Planting of new trees and proper preservation of existing trees have proven to lead to cleaner air quality, lowering of temperatures by countering the Urban Heat Island Effect, and a reduction of flooding that will benefit both human and wildlife.

This initiative to plant trees is one that every major metropolitan city should undertake for the well-being of its inhabitants. It is a known fact that natural plants, especially trees, help to naturally improve air quality, an issue that is troublesome in many parts of America. The people of America and all future generations deserve to breathe clean air and not be forced to choke on smog-filled skies.

Many of America's largest cities unfortunately also face the consequences of the Urban Heat Island Effect. The Urban Heat Island Effect is caused in areas of low vegetation and large expanses of concrete and asphalt that absorb heat during the day and then release it to create hot-air "domes" over the city. The Urban Heat Island Effect can contribute to the temperature rising up to ten degrees higher; the effects of this increased temperature in the spring and summer months, as you can imagine, are severe. While research into this area is relatively new, science has shown links between the Urban Heat Island Effect and greater levels of bad ozone and a greater frequency of lightning storms as has occurred in my district in Houston. The planting of new trees and proper preservation of existing trees has proven to reduce the results of Urban Heat Island Effect. It is imperative that we undertake these initiatives that can help counter the Urban Heat Island Effect and all of its destructive consequences.

Perhaps the greatest advantage of reforestation initiatives is that it will reduce the likelihood of flooding occurring. As many of you may know, the city of Houston is often faced with the very destructive and harsh effects of flooding. The planting of new trees has shown to be effective in significantly reducing storm water runoff, which often leads to large scale flooding. This is an issue that is the greatest environmental challenge that many large cities in America face.

It is truly important that this body accepts the Jackson Lee Amendment to prohibit funds made available in this Act to be used to eliminate or restrict programs that are for the reforestation of urban areas. The effects of a lack of forestation that concern human beings such as air quality, rising temperatures, and flooding also are of concern to the survival and long-term viability of wildlife in the area. While some may hold the belief that the funds for the Interior are only intended for rural areas or National Parks, it is my belief that people in urban areas must also be able to reap the benefits that come from greater protection of natural resources such as trees. I am asking that this body help to protect these new initiatives on behalf of large cities throughout America that are in need of environmental relief. In the end, I feel that programs to plant and preserve trees in urban areas will make a difference in the type of environment that future generations of Americans will have to face.

□ 1815

The CHAIRMAN pro tempore (Mr. BASS). Without objection, the amendment is withdrawn.

There was no objection.

AMENDMENT OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. JACKSON-LEE of Texas:

At the end of the bill (before the short title), insert the following:

TITLE V—ADDITIONAL GENERAL PROVISIONS

SEC. 501. None of the funds made available in title I for "Land Acquisition and State Assistance" may be used to support the construction of the Gregory Lincoln Education Center located at 1101 Taft Street in the Fourth Ward of Houston, Texas.

Ms. JACKSON-LEE of Texas (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

Ms. JACKSON-LEE of Texas. Mr. Chairman, these are meaningful issues not only for Houston, but I believe this should be the philosophy of this body, and that is the preservation of historic artifacts and historic places.

This amendment goes directly to a very historic community that many people are aware of nationally because it is a site where the Emancipation Proclamation was delivered. It was a site called Freedman's Town where original ex-slaves lived. Now what we are attempting to do, and let me thank Gladyis House, one of my constituents who has never left Fourth Ward, we are trying to protect the grave sites of slaves and ex-slaves and soldiers who fought in the Civil War.

I think all of us would have a soft spot in our heart when it comes to recognizing if a Nation disrespects its history. What does a Nation stand on? Some would say if you forget your history, you are doomed to repeat your past or not benefit from the past.

My amendment would suggest that our American history is valuable and when we offer to construct new sites, we should not disrespect that history. In my district, an historic cemetery bearing the remains of famous African American Buffalo soldiers and other African Americans rests beneath a proposed Houston independent school district construction site. It is the area of Fourth Ward in Freedman's Town, an area almost 150 years old. In 1984, Freedman's Town was described as the largest and last remaining, intact freed slave community in the Nation.

It has great value this new school, and I applaud it. In fact, I support this new school; but what I want to see happen and the reason I am on the floor today is to secure at least the affirmation that under the Interior appropriation we have the sense it is important to preserve and not to destroy. I support the building of this school, but I also believe it is crucial that we respect the burial grounds of the deceased, and particularly the historic nature of this.

I ask my colleagues to join me in working through the conference and working with other appropriators to reinforce the value of historic preservation and the preserving of these artifacts and grave sites in the Fourth Ward in Houston, Texas, a 150-year community.

Mr. DICKS. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, one of the objectives of this bill is in the area of historic preservation through the Park Service and through the Department of Interior. This has been something that I have worked on in my own district.

I completely concur that we must protect our past, and especially when we have these very sensitive sites that are important to the people of that area and the country. I commend the gentlewoman for taking leadership on this issue, and pledge that we will continue to work with the gentlewoman on this matter.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the ranking member, and let me acknowledge the work that the Subcommittee on Interior and Related Agencies has done on this, and let me also thank State Senator Rodney Ellis and the Houston Independent School District for meetings that we are having, but the Federal Government must make this kind of national statement on the floor of the House embedded in the CONGRESSIONAL RECORD and the commitment to work forward, which is that we do have precious sites and they must be preserved.

I am hoping that we can find a way for this language to have some impact on those working in Houston so that no Federal funds will be able to be used to undermine these historic sites.

Mr. Chairman, I ask unanimous consent to withdraw this amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

The CHAIRMAN pro tempore. The amendment is withdrawn.

Mr. DEUTSCH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, there is an amendment at the desk that the gentleman from Florida (Mr. HASTINGS) originally offered. Unfortunately, the mother of the gentleman from Florida (Mr. HASTINGS) is in the hospital, and I know she is in the thoughts and prayers of all of us at this moment in time.

It is an amendment which I support, and I rise today to offer it. It will dedicate $500,000 for outreach and assistance in minority and disadvantaged communities affected by Everglades restoration. When Congress first passed the Comprehensive Everglades Restoration Plan, it affirmed its commitment to clean up Florida's Everglades. That plan included an outreach and assistance component, which is critical to the success of this restoration plan.

As the Department of Interior and Army Corps of Engineer began their outreach, the gentleman from Florida (Mr. HASTINGS) and I and others believed their approach left many in minority and underserved communities in the dark and out of the process.

Many constituents did not understand how the plan benefited their lives and few minority owned small businesses had any knowledge on how to access the contract dollars that are to be spent by the State and Federal Government in their backyard. When the House overwhelmingly passed the Water Resources Development Act last September, it authorized $3 million to be spent on outreach in minority and disadvantaged communities. This legislation, however, never became law, although the House's support for such efforts are clear.

The gentleman from Florida (Mr. HASTINGS) and others have worked tirelessly to encourage Interior and the Army Corps to incorporate issues of environmental justice into their plans, and focus outreach and assistance efforts on minority and disadvantaged communities. To their credit, they have done all they can. And their work, combined with assistance from the office of the gentleman from Florida (Mr. HASTINGS) and others is starting to pay off.

Everglades restoration is the largest environmental cleanup in the history of our Nation. Our responsibility is to not only ensure that the restoration is a success, but also the process by which restoration occurs. The process of restoration and the restoration itself must be inclusive and equally benefit all communities, regardless of race, culture or socioeconomic status.

Our success is often limited by our resources. With $500,000 specifically dedicated to Everglades restoration outreach in disadvantaged communities, the Department of Interior can make a much more significant contribution to our efforts.

Mr. Chairman, I would like to engage both the chairman and the ranking member on this issue which is of crucial importance to the constituents of south Florida.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. DEUTSCH. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, I thank the gentleman for his point of personal privilege and his comments on the commitment to the restoration of the Everglades. He and I have spoken about the importance of ensuring that all communities affected by this restoration project be involved in the decision-making process and understand how the project affects their lives.

I am committed to working with him and with this bill as it goes forward to conference to encourage the Department of Interior and the Army Corps of Engineers to be sensitive to the restoration outreach and assistance in minority and other disadvantaged communities. I thank the gentleman for bringing it to our attention.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. DEUTSCH. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I appreciate the gentleman making this speech, and we all regret the gentleman from Florida (Mr. HASTINGS) is unable to be here today. I know both of you have been very active on the Everglades issue, and we want to see that all parts of the community, the minority and disadvantaged community, are not left out, and we will continue to work with you and the gentleman from Florida (Mr. HASTINGS) to make sure this is accomplished.

Mr. DEUTSCH. Mr. Chairman, I thank the gentleman from North Carolina (Mr. TAYLOR) and the gentleman from Washington (Mr. DICKS) for their kind words and commitment to work with the gentleman from Florida (Mr. HASTINGS) and myself. I believe the little amount for which we are asking will go a long way.

Mr. Chairman, I ask unanimous consent that my amendment be withdrawn and express my desire to work with the chairman and ranking member of the committee when this bill goes to conference.

The CHAIRMAN pro tempore. The gentleman from Florida (Mr. DEUTSCH) did not offer his amendment, so there is no need to have a unanimous consent request to withdraw it.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVII, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 18 offered by the gentleman from New York (Mr. HINCHEY); amendment offered by the gentleman from Vermont (Mr. SANDERS); amendment No. 4 offered by the gentleman from New Jersey (Mr. HOLT).

The first electronic vote will be conducted as a 15-minute vote. The remaining electronic votes will be conducted as 5-minute votes.

AMENDMENT NO. 18 OFFERED BY MR. HINCHEY

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. HINCHEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 202, noes 215, not voting 16, as follows:

[Roll No. 261]

AYES—202

Ackerman
Allen
Andrews
Baird
Baldwin
Bass
Becerra
Bell
Berkley
Biggert
Bishop (NY)
Blumenauer
Boucher
Bradley (NH)
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Carson (IN)
Case
Castle
Chandler
Clay
Clyburn
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Doggett
Doyle
Ehlers
Emanuel
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Ford
Frank (MA)
Frelinghuysen
Gephardt
Gerlach
Gonzalez
Goode
Gordon
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutierrez
Harman
Hill
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (IL)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kind
Kirk
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Platts
Price (NC)
Pryce (OH)
Rahall
Ramstad
Rangel
Rodriguez
Ros-Lehtinen
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Scott (VA)
Sensenbrenner
Serrano
Shaw

Shays
Sherman
Simmons
Skelton
Slaughter
Smith (NJ)
Snyder
Solis
Spratt
Stark
Strickland
Tauscher
Taylor (MS)
Terry
Thompson (CA)
Thompson (MS)
Tiberi
Tierney
Towns
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Wexler
Whitfield
Woolsey
Wu
Wynn

NOES—215

Abercrombie
Aderholt
Akin
Alexander
Baca
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Beauprez
Berry
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boyd
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Cardoza
Carson (OK)
Carter
Chabot
Chocola
Coble
Cole
Collins
Cooper
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dingell
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Edwards
Emerson
Everett
Feeney
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frost
Gallegly
Garrett (NJ)
Gibbons
Gilchrest
Gillmor
Gingrey
Goodlatte
Goss
Granger
Graves
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hyde
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Keller
Kennedy (MN)
King (IA)
King (NY)
Kline
Kolbe
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
Marshall
Matheson
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Osborne
Ose
Otter
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Putnam
Quinn
Radanovich
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ross
Royce
Ryan (WI)
Ryun (KS)
Sandlin
Schrock
Scott (GA)
Sessions
Shadegg
Sherwood
Shimkus
Shuster
Simpson
Smith (TX)
Souder
Stearns
Stenholm
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Toomey
Turner (OH)
Turner (TX)
Vitter
Walden (OR)
Walsh
Weldon (FL)
Weller
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—16

Bereuter
Berman
Conyers
Cox
DeMint
Hastings (FL)
Isakson
Kilpatrick
Kingston
Knollenberg
Lipinski
Nethercutt
Oxley
Reyes
Smith (MI)
Smith (WA)

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. BASS) (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1849

Ms. EDDIE BERNICE JOHNSON of Texas and Messrs. HOEKSTRA, GUTKNECHT, BARTLETT of Maryland, and CHABOT changed their vote from "aye" to "no."

Messrs. SAXTON, JOHNSON of Illinois, WAMP, HINOJOSA, and McDERMOTT changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT, AS MODIFIED, OFFERED BY MR. SANDERS

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment, as modified, offered by the gentleman from Vermont (Mr. SANDERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 152, noes 267, not voting 14, as follows:

[Roll No. 262]

AYES—152

Abercrombie
Ackerman
Andrews
Baca
Baird
Baldwin
Becerra
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Carson (IN)
Chandler
Clay
Clyburn
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
DeFazio
Delahunt
DeLauro
Doggett
Doyle
Emanuel
Engel
English
Eshoo
Evans
Farr
Fattah
Filner
Forbes
Frank (MA)
Gephardt
Goode
Goodlatte
Green (TX)
Greenwood
Grijalva
Gutierrez
Herseth
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Inslee
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kind
Kleczka
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Maloney
Markey
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moran (KS)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Paul
Payne
Pelosi
Peterson (MN)
Rohrabacher
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Scott (VA)
Simmons
Skelton
Slaughter
Solis
Stark
Strickland
Stupak
Tauscher
Taylor (MS)
Terry
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (NM)
Velázquez
Visclosky
Waters
Watson
Watt
Weiner
Wexler
Woolsey
Wu

NOES—267

Aderholt
Akin
Alexander
Allen
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chocola
Coble
Cole
Collins
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (TN)
Davis, Tom
Deal (GA)
DeGette
DeLay
Deutsch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Etheridge
Everett
Feeney
Ferguson
Flake
Foley
Ford
Fossella
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Gordon
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hill
Hobson
Hoekstra
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Israel
Issa
Istook
Jefferson
Jenkins
John
Johnson, Sam
Keller
Kennedy (MN)
King (IA)
King (NY)
Kirk
Kline
Kolbe
LaHood
Lampson
Lantos
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Lynch
Majette
Manzullo
Marshall
Matheson
McCarthy (MO)
McCotter
McCrery
McHugh
McInnis
McKeon
Menendez
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moore
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pastor
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ryan (WI)
Ryun (KS)
Sabo
Sandlin
Saxton
Schiff
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder

Spratt
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Udall (CO)
Upton
Van Hollen
Vitter
Walden (OR)
Walsh
Wamp
Waxman
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—14

Bereuter
Berman
Conyers
DeMint
Hastings (FL)
Isakson
Kilpatrick
Kingston
Knollenberg
Lipinski
Nethercutt
Reyes
Serrano
Smith (WA)

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 1857

Mr. SCHIFF and Mr. DEUTSCH changed their vote from "aye" to "no."

So the amendment, as modified, was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 4 OFFERED BY MR. HOLT

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on amendment No. 4 offered by the gentleman from New Jersey (Mr. HOLT) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 198, noes 224, not voting 11, as follows:

[Roll No. 263]

AYES—198

Abercrombie
Ackerman
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Biggert
Bishop (NY)
Blumenauer
Bono
Boucher
Brady (PA)
Brown (OH)
Brown, Corrine
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Case
Castle
Chabot
Chandler
Clay
Clyburn
Cooper
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Ehlers
Emanuel
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Foley
Ford
Frank (MA)
Frost
Garrett (NJ)
Gephardt
Gilchrest
Gillmor
Gonzalez
Gordon
Goss
Green (TX)
Greenwood
Grijalva
Gutierrez
Harman
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kirk
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Marshall
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Nadler
Napolitano
Neal (MA)
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Price (NC)
Rahall
Rangel
Rodriguez
Rothman
Roybal-Allard
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Shays
Sherman
Simmons
Skelton
Slaughter
Smith (NJ)
Snyder
Solis
Souder
Spratt
Stark
Strickland
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walsh
Watson
Watt
Waxman
Weiner
Wexler
Whitfield
Woolsey
Wu
Wynn

NOES—224

Aderholt
Akin
Alexander
Allen
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Boozman
Boswell
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Cardoza
Carter
Chocola
Coble
Cole
Collins
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Emerson
Everett
Feeney
Filner
Flake
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gingrey
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Issa
Istook
Jenkins
John
Johnson, Sam
Jones (NC)
Keller
Kennedy (MN)
Kind
King (IA)
King (NY)
Kingston
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Manzullo
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller, Gary
Murphy
Murtha
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Ortiz
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Royce
Ruppersberger
Ryan (WI)
Ryun (KS)
Sanchez, Loretta
Sanders
Sandlin
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simpson
Smith (MI)
Smith (TX)
Stearns
Stenholm
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Wamp
Waters
Weldon (FL)
Weldon (PA)
Weller
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—11

Bereuter
Berman
Conyers
DeMint
Hastings (FL)
Isakson
Kilpatrick
Lipinski
Nethercutt
Reyes
Smith (WA)

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. BASS) (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 1905

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. UDALL of Colorado. Mr. Chairman, this bill is important for everyone, because all Americans have a stake in the work of the agencies that if funds. But it is especially important for Coloradans and the residents of the other Western States that have large Native American populations and that are so immediately and directly affected by the management of the Federal lands.

So, I would like to be able to support the bill—but, regretfully, the bill falls too far short of what is needed for me to be able to do so. My opposition to the bill does not reflect any lack of respect of Chairman TAYLOR or for our colleague from Washington, Mr. DICKS, the distinguished and able ranking member of the subcommittee. I think that in general they have done the best they could with the very limited allocation of funds that was made available to them.

In particular, I think they should be commended for their efforts to provide funds for reducing the hazardous fuels that have built up in our forests and for responding to wildfires that threaten so many western communities. However, in many other areas the bill falls far short of what I think should be acceptable. It does not provide enough for the essential operations of the National Park System or the other parts of the Federal lands that provide recreational opportunities for so many people, as well as supplying the fresh water and sound habitats that are essential for fish and wildlife.

And it conspicuously fails to make the necessary investments, including land acquisitions and other steps, needed to respond to the increased stress on open spaces and natural resources from the rapid and ongoing population growth in Colorado and other States. This failure breaks the promises of the Land and Water Conservation Fund Act and flies in the face of the more recent agreement between the appropriations committee and the large

Shays
Sherman
Simmons
Skelton
Slaughter
Smith (NJ)
Snyder
Solis
Spratt
Stark
Strickland
Tauscher
Taylor (MS)
Terry
Thompson (CA)
Thompson (MS)
Tiberi
Tierney
Towns
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Wexler
Whitfield
Woolsey
Wu
Wynn

NOES—215

Abercrombie
Aderholt
Akin
Alexander
Baca
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Beauprez
Berry
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boyd
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Cardoza
Carson (OK)
Carter
Chabot
Chocola
Coble
Cole
Collins
Cooper
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dingell
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Edwards
Emerson
Everett
Feeney
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frost
Gallegly
Garrett (NJ)
Gibbons
Gilchrest
Gillmor
Gingrey
Goodlatte
Goss
Granger
Graves
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hyde
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Keller
Kennedy (MN)
King (IA)
King (NY)
Kline
Kolbe
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
Marshall
Matheson
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Osborne
Ose
Otter
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Putnam
Quinn
Radanovich
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ross
Royce
Ryan (WI)
Ryun (KS)
Sandlin
Schrock
Scott (GA)
Sessions
Shadegg
Sherwood
Shimkus
Shuster
Simpson
Smith (TX)
Souder
Stearns
Stenholm
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Toomey
Turner (OH)
Turner (TX)
Vitter
Walden (OR)
Walsh
Weldon (FL)
Weller
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—16

Bereuter
Berman
Conyers
Cox
DeMint
Hastings (FL)
Isakson
Kilpatrick
Kingston
Knollenberg
Lipinski
Nethercutt
Oxley
Reyes
Smith (MI)
Smith (WA)

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. BASS) (during the vote). Members are advised that 2 minutes remain in this vote.

☐ 1849

Ms. EDDIE BERNICE JOHNSON of Texas and Messrs. HOEKSTRA, GUTKNECHT, BARTLETT of Maryland, and CHABOT changed their vote from "aye" to "no."

Messrs. SAXTON, JOHNSON of Illinois, WAMP, HINOJOSA, and McDERMOTT changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT, AS MODIFIED, OFFERED BY MR. SANDERS

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment, as modified, offered by the gentleman from Vermont (Mr. SANDERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 152, noes 267, not voting 14, as follows:

[Roll No. 262]

AYES—152

Abercrombie
Ackerman
Andrews
Baca
Baird
Baldwin
Becerra
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Carson (IN)
Chandler
Clay
Clyburn
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
DeFazio
Delahunt
DeLauro
Doggett
Doyle
Emanuel
Engel
English
Eshoo
Evans
Farr
Fattah
Filner
Forbes
Frank (MA)
Gephardt
Goode
Goodlatte
Green (TX)
Greenwood
Grijalva
Gutierrez
Herseth
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Inslee
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kind
Kleczka
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Maloney
Markey
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moran (KS)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Paul
Payne
Pelosi
Peterson (MN)
Rohrabacher
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Scott (VA)
Simmons
Skelton
Slaughter
Solis
Stark
Strickland
Stupak
Tauscher
Taylor (MS)
Terry
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (NM)
Velázquez
Visclosky
Waters
Watson
Watt
Weiner
Wexler
Woolsey
Wu

NOES—267

Aderholt
Akin
Alexander
Allen
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chocola
Coble
Cole
Collins
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (TN)
Davis, Tom
Deal (GA)
DeGette
DeLay
Deutsch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Etheridge
Everett
Feeney
Ferguson
Flake
Foley
Ford
Fossella
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Gordon
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hill
Hobson
Hoekstra
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Israel
Issa
Istook
Jefferson
Jenkins
John
Johnson, Sam
Keller
Kennedy (MN)
King (IA)
King (NY)
Kirk
Kline
Kolbe
LaHood
Lampson
Lantos
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Lynch
Majette
Manzullo
Marshall
Matheson
McCarthy (MO)
McCotter
McCrery
McHugh
McInnis
McKeon
Menendez
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moore
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pastor
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ryan (WI)
Ryun (KS)
Sabo
Sandlin
Saxton
Schiff
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder

Spratt
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Udall (CO)
Upton
Van Hollen
Vitter
Walden (OR)
Walsh
Wamp
Waxman
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—14

Bereuter
Berman
Conyers
DeMint
Hastings (FL)
Isakson
Kilpatrick
Kingston
Knollenberg
Lipinski
Nethercutt
Reyes
Serrano
Smith (WA)

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 1857

Mr. SCHIFF and Mr. DEUTSCH changed their vote from "aye" to "no."

So the amendment, as modified, was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 4 OFFERED BY MR. HOLT

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on amendment No. 4 offered by the gentleman from New Jersey (Mr. HOLT) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 198, noes 224, not voting 11, as follows:

[Roll No. 263]

AYES—198

Abercrombie
Ackerman
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Biggert
Bishop (NY)
Blumenauer
Bono
Boucher
Brady (PA)
Brown (OH)
Brown, Corrine
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Case
Castle
Chabot
Chandler
Clay
Clyburn
Cooper
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Ehlers
Emanuel
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Foley
Ford
Frank (MA)
Frost
Garrett (NJ)
Gephardt
Gilchrest
Gillmor
Gonzalez
Gordon
Goss
Green (TX)
Greenwood
Grijalva
Gutierrez
Harman
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kirk
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Marshall
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Nadler
Napolitano
Neal (MA)
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Price (NC)
Rahall
Rangel
Rodriguez
Rothman
Roybal-Allard
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Shays
Sherman
Simmons
Skelton
Slaughter
Smith (NJ)
Snyder
Solis
Souder
Spratt
Stark
Strickland
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walsh
Watson
Watt
Waxman
Weiner
Wexler
Whitfield
Woolsey
Wu
Wynn

NOES—224

Aderholt
Akin
Alexander
Allen
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Boozman
Boswell
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Cardoza
Carter
Chocola
Coble
Cole
Collins
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Emerson
Everett
Feeney
Filner
Flake
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gingrey
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Issa
Istook
Jenkins
John
Johnson, Sam
Jones (NC)
Keller
Kennedy (MN)
Kind
King (IA)
King (NY)
Kingston
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Manzullo
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller, Gary
Murphy
Murtha
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Ortiz
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Royce
Ruppersberger
Ryan (WI)
Ryun (KS)
Sanchez, Loretta
Sanders
Sandlin
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simpson
Smith (MI)
Smith (TX)
Stearns
Stenholm
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Wamp
Waters
Weldon (FL)
Weldon (PA)
Weller
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—11

Bereuter
Berman
Conyers
DeMint
Hastings (FL)
Isakson
Kilpatrick
Lipinski
Nethercutt
Reyes
Smith (WA)

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. BASS) (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 1905

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. UDALL of Colorado. Mr. Chairman, this bill is important for everyone, because all Americans have a stake in the work of the agencies that if funds. But it is especially important for Coloradans and the residents of the other Western States that have large Native American populations and that are so immediately and directly affected by the management of the Federal lands.

So, I would like to be able to support the bill—but, regretfully, the bill falls too far short of what is needed for me to be able to do so. My opposition to the bill does not reflect any lack of respect of Chairman TAYLOR or for our colleague from Washington, Mr. DICKS, the distinguished and able ranking member of the subcommittee. I think that in general they have done the best they could with the very limited allocation of funds that was made available to them.

In particular, I think they should be commended for their efforts to provide funds for reducing the hazardous fuels that have built up in our forests and for responding to wildfires that threaten so many western communities. However, in many other areas the bill falls far short of what I think should be acceptable. It does not provide enough for the essential operations of the National Park System or the other parts of the Federal lands that provide recreational opportunities for so many people, as well as supplying the fresh water and sound habitats that are essential for fish and wildlife.

And it conspicuously fails to make the necessary investments, including land acquisitions and other steps, needed to respond to the increased stress on open spaces and natural resources from the rapid and ongoing population growth in Colorado and other States. This failure breaks the promises of the Land and Water Conservation Fund Act and flies in the face of the more recent agreement between the appropriations committee and the large majority that voted for the Conservation and Reinvestment Act sponsored by our colleague from Alaska, Mr. YOUNG. And, even worse, it also breaks faith with the future and with the future generations that would be the beneficiaries of those investments.

For example, we should be providing funds to complete the acquisition of lands in the Beaver Brook watershed that the city of Golden, Colorado, has agreed to sell for inclusion in the National Forest System. We also should provide funds to complete the acquisition of the lands that are to become part of the Great Sand Dunes National Park and Preserve and to constitute the new Baca National Wildlife Refuge, as well as to complete other needed acquisitions in other parts of Colorado. But, instead, the bill includes no funds at all for these or any other acquisition projects—not only in Colorado but anywhere else. This is not acceptable.

Mr. Chairman, I recognize that today is not the end of the story. The Senate still has to act on this appropriations bill, and I expect that a revised version of the legislation will come before the House at a later date. My hope is that the result of that progress will be a bill that is sufficiently improved that it will deserve the support of the entire body. For the time being, however, I cannot support this bill and will vote against it.

Mr. HONDA. Mr. Chairman, I rise to express my steadfast support for the DeFazio/Turner Amendment, which will allow the Transportation Security Administration to properly staff security operations at airports this summer.

Airline industry experts expect this summer to be the busiest travel period in the last four years. 65 million passengers are projected to travel through U.S. airports each month—a 12 percent increase over last year. Instead of giving TSA the flexibility necessary to accommodate this growth, Congress has imposed a cap on the number of security screeners TSA can deploy. This restriction threatens to delay passengers and compromise security.

As thousands of travelers already know, too few screeners means delays for airport passengers, a problem that will only worsen during the busy summer travel season. In traveling through Mineta San Jose International Airport each week, I regularly witness hour-long waits at both passenger and baggage screening lanes that are understaffed due to GSA personnel shortages. In fact, at San Jose Airport, TSA is currently 60 full time employees below the authorized FTE level of 356. And in a disturbing development, TSA reduced the authorized level this year from 423 to 356—making authorized staffing levels more commensurate with actual staffing levels, but more disproportionate with proper staffing levels. San Jose Airport officials assert that 500 FTEs would more accurately reflect the security needs at the airport.

Airports are not just transportation gateways—they also facilitate economic growth. As this Nation recovers from a devastating recession, the Federal cap limiting TSA staff levels must not threaten our Nation's mobility and economic growth. Let's untie the hand behind TSA's back so it can fight the war on terrorism without undue delay to American travelers or restraints on regional economic growth. I urge my colleagues to support the DeFazio/Turner Amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I am here today to voice my opposition to the 2005 Interior Appropriations bill because I feel this is a right-wing attack on so many of social and environmental programs that desperately need our assistance now.

The bill provides $19.5 billion in discretionary funding for FY 2005. The funds appropriated in the bill are $220 million below President Bush's budget request and $257 million below the levels enacted for FY 2004. Due to the massive GOP tax cuts enacted over the last 3 years, this bill was given an unrealistically low allocation by the House GOP leadership, and therefore numerous key programs are underfunded by the GOP bill—including national parks and conservation programs.

The GOP bill severely underfunds national parks, providing $1.69 billion for the operation of the national parks, which is exactly the Administration's request. Our national park system is in crisis—with the underfunding of the national park system well-documented in several recent studies. Indeed, under the Administration's budget, 241 of the 388 park units in the national park system will actually receive less money in 2005 than they received in 2003—despite the fact that more and more visitors are coming to the national parks. Some of the national parks receiving less funding in 2005 than they received in 2003 include the Grand Canyon, Yosemite, Great Smoky Mountains, Shenandoah, Sequoia, Pinnacles, Zion, Redwood, and Little Bighorn.

The GOP Interior bill breaks a bipartisan conservation funding agreement made in 2000. Like last year's Interior Appropriations bill, this GOP bill completely abandons the historic, bipartisan conservation funding a agreement that was reached in 2000 and included in the FY 2001 Interior Appropriations Act (PL 106–291). This landmark agreement reached in 2000 as a bipartisan commitment for $12 billion in funding for land and water conservation funding over the next six years. This six-year funding commitment was to be used for preserving the great lands and places of America, for saving endangered and threatened species, and for helping States and local communities with their conservation and recreation programs through creative partnerships.

In my district, one program that is going to particularly suffer is Opera in the Heights. This program, which brings music appreciation and education to low income communities, needed only $100,000 to ensure the successful completion of the most critical improvements to Lambert Hall. Opera in the Heights faces a critical time of transition. The company is experiencing phenomenal growth in national reputation and attendance and has, for all practical purposes, outgrown its home. Such success stories as these must be nourished, and not squashed by a partisan bill in which the authors seek to further their own interests.

Right now, Opera in the Heights has a charming structure from 1923, as close to a small European opera house as anything available in this country. The opera is now committed in staying in Lambert Hall and working with the owners of the building to adapt the space for future years of use. Toward that goal, they must address the outdated seating, plumbing, electricity, and ADA accessibility if this great historic building can continue to introduce live classical operas, musical concerts and other theater productions to new audiences.

The main activity occurring in this space is performances provided by small to mid-sized non-profit arts organizations. For eighty years, the venue has been home to Opera in the Heights, its primary tenant, producing four fully staged, traditional operas each season in pursuit of its mission to provide a stage for emerging opera performers and to bring affordable opera to the region.

Performing arts of great national significance, primarily through Opera in the Heights, occurs throughout the year in this historic building on the national register. Just as talented young athletes hone their skills on farm teams, young singers and musicians must have the opportunity to perform major operatic roles in regional companies like Opera in the Heights. Young talented singers from graduate schools across the country come to audition for roles. Singers have come in from as many as 22 States for one audition weekend hoping for the chance to get to learn a lead role; New York, Virginia, Florida, California, Indiana, and New Jersey will be represented in this season's casts. One of the reasons singers choose to come to Opera in the Heights is the reputation of their Maestro, William Weibel, who retired to Houston after 35 years conducting opera at San Francisco, Chicago Lyric, and The Met. Singers love the opportunity to learn from his wealth of personal experience in how a role should be sung.

Without the experiences provided by companies like Opera in the Heights, singers are forced to move to Germany, where many small opera houses offer hundreds of singers each year the chance to learn the lead roles required by the larger US companies. Most people are unaware that US regional opera companies do not allow singers to even audition for a role if they haven't already performed somewhere else. Opera in the Heights is happy to be the "somewhere else."

Helping improve Lambert Hall would contribute to continued preservation of examples of great architecture, as recognized by the National Historic Register. Lambert Hall's fine acoustics and enormous stained glass windows make it a venue of choice for audience members from all over the State, as well as family members who fly in to hear the singers we cast from all over the country. Eight times a year (twice for each opera), Lambert Hall is filled with seniors from assisted living centers and recreation centers, coming to hear the one-hour versions of each opera for just $5. Admission for and length of the program are perfect fits with these groups, many of whom are disabled and can't sit for long periods of time.

It pains me to see that this Interior Appropriations bill strikes out programs such as these; these pillars of our community must be cherished and maintained.

Mr. UDALL of Colorado. Mr. Chairman, I considered offering an amendment dealing with RS 2477 claims that was printed in the RECORD. I will not offer that amendment today, but I do want to briefly explain the problem that it was intended to address.

Last year, the House adopted a similar—not identical, but similar—amendment. Unfortunately, it was dropped in conference. So, the original need for an amendment remains. The need is to protect not just Federal lands but also private property and the public interest. All three are threatened by the plans of the Interior Department to go ahead with back-room land deals that fly in the face of Congressional intent.

The Interior Department would do this by issuing "disclaimers of interest"—documents like deeds that cede land—under new rules that allow the disclaimers to be issued to applicants who wouldn't have been eligible before. And the Interior Department has announced it is ready to give those "disclaimers" to parties seeking them in order to clear the way for building roads under an 1866 law. That law—one of the 19th-century laws to promote settlement in the West—granted rights-of-way "for the construction of highways" on Federal lands.

It later became section 2477 of the Revised Statues—or RS 2477. It was repealed in 1976, but the repeal did not affect existing rights, and did not set a deadline for claiming those rights. So, there is no way of telling how many claims might be made or what lands could be affected.

RS 2477 claims can involve not just Federal lands but also lands that once were Federal but that now belong to other owners. That includes millions of Acres that now are ranches or farms, or residential subdivisions, or single-family homes, or private cabins in the mountains like ones owned by some of my constituents. Also at risk are millions of acres in the National Parks, National Forests, National Wildlife Refuges, National Monuments, Wild and Scenic Rivers, as well as wilderness areas and areas that deserve protection and as wilderness areas.

This problem is not new, but it is very serious. It needs to be resolved—but not the way the Interior Department wants to resolve it.

What the Interior Department wants is to negotiate in secret and then issue the "disclaimers" I described. They started that process with the State of Utah. And other parties—including the current Administration in Colorado—are starting to ask for deals of their own. That is the wrong way to resolve this.

What is needed is for Congress to settle it with new legislation—which is what Congress told the Clinton administration when they tried to handle it administratively. To make sure they got the message, Congress passed a law that says any new RS 2477 rules must be authorized by Congress.

That law is still on the books—and repeating that message would be the purpose of the amendment. The Administration says that message is irrelevant. They say they can go forward, in the face of that law passed by Congress. Others disagree. For starters, a recent GAO opinion says that the Interior Department's agreement with Utah violates that law. The Interior Department says they think GAO is wrong about that.

But whether GAO is right or wrong, one thing is for sure—if the Interior Department goes ahead on its present course, it is headed for nothing but more litigation. The best way to resolve this issue is by enacting new legislation, after public hearings and open debate.

That's why I have introduced a bill—H.R. 1639—to do just that. My bill would set a deadline—four more years—for filing RS 2477 claims. It would establish a fair, open administrative process for handling those claims. And it would set another deadline for any lawsuit challenging the result of that administrative process.

Maybe my bill could be improved, and some of our colleagues may want to propose their own ideas—that is the legislative process. And that is how this issue should be resolved, not by backroom deals or clever maneuvers to try to side-step Congress. Instead of trying to side-step Congress, the Administration should work with the Resources Committee and the Congress.

Mr. Chairman, I am not going to impose on the time of the House by calling for a vote on this amendment today. Still, the problem has not gone away. Congress should address it—and sooner, or later, we will have to address it. For the moment, however, Mr. Chairman, I will continue to seek to have the Resources Committee address the issue.

I yield back any time I have remaining.

Mr. STARK. Mr. Chairman, I rise in opposition to H.R. 4568, the Interior Appropriations bill.

This legislation shortchanges our Nation's environment and ignores the important priority Americans place on protecting our pristine lands, parks and open space. Republicans have broken a basic commitment to conservation. Back in 2000, Democrats and Republicans agreed to provide $12 billion over six years for land and water conservation. These are resources dedicated to preserving lands and wilderness, protecting wetlands and wildlife, and creating parks and open space in local communities.

Unfortunately, this bill breaks that promise. Funding for conservation efforts in this bill is 50 percent below what we agreed upon in 2000. In fact, there is no money provided to acquire and set aside new lands and open space. This is extremely short-sighted considering our growing problems with urban sprawl and Americans' desire to preserve natural areas. Indeed it is downright cynical when you consider Republican efforts to open up natural lands for drilling and other harmful development.

Most tragic of all, this bill ignores the jewels that Americans treasure most: our national parks. For years, the National Park System has been overburdened by a maintenance backlog of decaying infrastructure, trails, and roads. Our parks have been forced to get by with insufficient resources for their operations. As more and more Americans flock to our national parks each year, this will mean diminished public access and less opportunity for recreation at our parks.

This bill's paltry funding does little if nothing to help our parks or stop their decline. California is home to some of the most popular national parks, like Yosemite, Sequoia and the Redwoods. We should be increasing our funding of these national treasures. Yet under this bill, funding will go down. The same is true for the Grand Canyon and close to 250 parks throughout the country.

This is a real shame. Americans love their National Parks and consistently and repeatedly ask their leaders to fully care for these treasures. We owe it to our children and future generations to do just that.

I urge my colleagues to vote down this insufficient and irresponsible bill. The environment—and the American people—deserve better.

Mr. LEWIS of California. Mr. Chairman, it has come to my attention that the Interior Appropriations Subcommittee was unable to include '05 funding for a system of recreational trails surrounding Diamond Valley Lake, as authorized in PL 106–500.

There are many constituents in my District who are counting on being able to enjoy these trails with their families and friends as a significant new recreational facility in one of California's fastest-growing communities.

I would like to ask my friend, the distinguished Chairman of the Interior subcommittee, if he would consider giving this project additional consideration during the conference on this fiscal 2005 legislation, particularly if the Senate is able to include this matter in its bill?

On behalf of the hard-working people of Riverside County, California, I thank the gentlemen for his consideration.

Mr. KENNEDY of Rhode Island. Mr. Chairman, I rise to thank Chairman ROGERS and Ranking Member SABO for their hard work on this legislation. It is an immense challenge to be in charge of the funding of this Nation's homeland security and they have done the best that they can with this bill.

In particular, I want to raise an issue that is of concern to me: The need to address and integrate psychological resiliency into our national readiness plans. Building psychological resilience is one of the most effective counter-terrorism strategies we could have, because it fights terrorism on the real battleground—the psyches of the American people.

The Israelis have learned this and see resilience development as a key component of counter-terrorism. Referring to terrorism, former New York Mayor Rudy Giuliani said: "This is all a question of human psychology. It is all a question of understanding how to manage fear. The most important thing to explain to people about managing fear is that courage is not the absence of fear, it is the management of it."

In Full Committee I offered an amendment to call for a report between the Institutes of Medicine and the Department of Homeland Security on resilience development and how this resiliency can be harmed by the ways in which the media report on terrorism, or can be harmed by the way terrorist threat information is communicated to the public.

Although the Department is funding some University-based grants in this area, only one is specifically geared toward the "behavioral" aspects associated with terrorism. It is my hope that I can work with the Chairman and Ranking Member to address this issue further and to build on the work that they are doing and to expand outside the arena of individual Universities.

The CHAIRMAN pro tempore. The Clerk will read the last two lines of the bill.

The Clerk read as follows:

> This Act may be cited as the "Department of the Interior and Related Agencies Appropriations Act, 2005".

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HASTINGS of Washington) having assumed the chair, Mr. BASS, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4568) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2005, and for other purposes, pursuant to House Resolution 674, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 334, nays 86, not voting 13, as follows:

[Roll No. 264]

YEAS—334

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Baca
Bachus
Baird
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bell
Berkley
Biggert
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Cardin
Cardoza
Carson (IN)
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Clyburn
Coble
Cole
Collins
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeLay
Deutsch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Etheridge
Everett
Fattah
Feeney
Ferguson
Filner
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gephardt
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Herseth
Hill
Hinojosa
Hobson
Hoekstra
Holden
Hooley (OR)
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Issa
Istook
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Maloney
Manzullo
Marshall
Matsui
McCarthy (NY)
McCollum
McCotter
McCrery
McDermott
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Olver
Ortiz
Osborne
Ose
Otter
Oxley
Pastor
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Rangel
Regula
Rehberg
Renzi
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sanchez, Loretta
Sandlin
Saxton
Scott (GA)
Scott (VA)
Serrano
Sessions
Shadegg
Shaw
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spratt
Stenholm
Stupak
Sweeney
Tancredo
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiberi
Towns
Turner (OH)
Turner (TX)
Udall (NM)
Upton
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Watson
Watt
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NAYS—86

Allen
Andrews
Baldwin
Becerra
Berry
Bishop (NY)
Blumenauer
Boswell
Brown (OH)
Capps
Capuano
Cooper
DeGette
Delahunt
DeLauro
Dingell
Emanuel
Eshoo
Evans
Farr
Flake
Frank (MA)
Franks (AZ)
Grijalva
Gutierrez
Hensarling
Hinchey
Hoeffel
Holt
Honda
Hostettler
Israel
Jackson (IL)
Jackson-Lee (TX)
Kind
King (IA)
Kleczka
Kucinich
Larson (CT)
Lee
Lewis (GA)
Lofgren
Lynch
Majette
Markey
Matheson
McCarthy (MO)
McGovern
Menendez
Michaud
Miller (FL)
Miller, George
Nadler
Obey
Owens
Pallone
Pascrell
Paul
Payne
Petri
Rahall
Rohrabacher
Royce
Sánchez, Linda T.
Sanders
Schakowsky
Schiff
Sensenbrenner
Shays
Solis
Stark
Stearns
Strickland
Sullivan
Tanner
Tiahrt
Tierney
Toomey
Udall (CO)
Van Hollen
Velázquez
Waters
Waxman
Weiner
Woolsey
Wu

NOT VOTING—13

Bereuter
Berman
Conyers
DeMint
Hastings (FL)
Isakson
Jones (NC)
Kilpatrick
Lipinski
Nethercutt
Reyes
Schrock
Smith (WA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. HASTINGS of Washington) (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1923

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROGERS of Kentucky. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4567, and that I may include extraneous and tabular material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS ACT, 2005

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Pursuant to House Resolution 675 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4567.

□ 1923

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4567) making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes, with Mr. GILLMOR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Kentucky. (Mr. ROGERS) and the gentleman from Minnesota (Mr. SABO) each will control 30 minutes.

The Chair recognizes the gentleman from Kentucky (Mr. ROGERS).

Mr. ROGERS of Kentucky. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to be here to present to the body the fiscal year 2005 Homeland Security Appropriations bill, the second such bill ever written by the Committee on Appropriations.

The bill before us provides $32 billion for the Department of Homeland Security. That is $1.1 billion above the current year, and $496 million above the President's request.

Mr. Chairman, it is very hard to believe that the Department was created just a year ago. There have been growing pains, but tremendous progress has been made. This is not an easy task to get our arms around, but I think the Department is succeeding, and their success is significant.

In just one year, for example, the Department has inventoried the Nation's critical infrastructure to include more than 33,000 facilities. The Department is identifying and reducing vulnerabilities at chemical facilities, nuclear power plants, national monuments, subway and light rail systems, and commercial sites. The Department has streamlined the process used to get the money out to first responders, setting up a one-stop shop. They continue to work with State and local governments to identify choke points so that money can flow quickly and get where it is needed. The Department regularly communicates threat information with State and local officials. Last year, the Department issued 41 warnings and advisory notices to State and local entities.

The Department established a two-way communications system with State and local homeland security personnel. This system was recently used in Kentucky when there was a smallpox scare in the small rural town of London. The information was quickly passed on to the Department and other Federal officials and appropriate action was immediately taken. The system works.

The Department has increased their presence to more than 38 ports in 18 different countries, prescreening all high-risk cargo before it reaches our shores. The Department has established three Homeland Security Centers of Excellence, created standards for first responder equipment, and installed and operated sensor systems in 30 high-risk cities to detect biohazards. Those are just some things that they are doing.

There is no doubt, Mr. Chairman, that more work needs to be done, but the Department is clearly on the right track, identifying our vulnerabilities, matching them to threats, and putting out specific guidance on ways to protect our homeland.

Fiscal year 2005 will be the second full year of operation for the Department. This bill continues the successes of the past year and includes initiatives to move us closer to our goals of prevention, preparedness, and response.

The bill provides $4.1 billion for our first responders, the first line of defense. These brave men and women are the first on the scene whenever there might be a problem. They are the backbone of our communities.

Since 9/11, this Congress has provided $26.7 billion for these first responders. Those dollars have helped train more than 285,000 police, fire, and emergency medical personnel around the Nation to respond to acts of terrorism, including weapons of mass destruction. No community in America, whether urban or rural, is immune from acts of terrorism. This bill strikes a balance between funding high-risk communities and providing support for States and localities, striving to achieve and maintain minimum levels of preparedness. For 2005 we propose an additional $1.175 billion to improve security in our urban and most populated areas.

The United States is the most open nation in the world. Our borders are the gateway for billions of dollars in commercial trade and millions of visitors. However, these same borders are potential entry points for terrorists and weapons of mass destruction. This 2005 bill provides $9.8 billion for border protection and related activities. This funding will continue our efforts to create smart borders that keep terrorists out of America without stemming the flow of commerce or legitimate travel. Funding will be used to operate and expand the container security initiative. Funding will be used to design and to identify, target, and search high-risk cargo before it enters our ports. We also fund advanced inspection technologies, including personal radiation monitors and detectors.

This legislation fully supports security for all modes of transportation, providing $5.7 billion to the Transportation Security Administration and Federal Air Marshals.

Since September 11, Congress has provided $14.3 billion for aviation security. Funding has been used for a host of purposes, including securing all of the cockpit doors on commercial flights, installing new technically advanced metal detectors at the airports, searching checked bags for explosives, and federalizing the screener workforce. We continue our commitment to aviation security in 2005 and fully fund the baggage and passenger screening efforts, as well as new technology to improve screening procedures at America's airports and giving Federal Air Marshals the funds they need to cover high-threat domestic and international flights.

The bill also includes $118 million for air cargo screening which will support the hiring of 100 new air cargo inspectors, development of new cargo screening technology, and expansion of canine enforcement teams. The bill also requires TSA to double the number of cargo inspections on passenger aircraft.

The bill funds several initiatives for rail security, providing $111 million for grants to high-threat systems, technology to screen passengers and baggage, and furthering intelligence-related activities.

☐ 1930

Security assessments for the 14 subway systems and 278 light rail systems have been completed. And this will continue in 2005.

Additional funds are also provided for radiological, political, chemical and high explosives countermeasures to both rail and transit systems. There is $1.1 billion, Mr. Chairman, for the science and technology directorate. We are targeting funds for research, development, and the discovery of new technologies that can and are being used in our cities and towns today, including environmental sensors to detect biohazards and nuclear detection technology for cargo.

We also continue to fully fund research and development for antimissile devices for commercial aircraft, the so-called "man pads." The bill includes $855 million for information analysis and infrastructure protection. These funds will be used to complete an inventory of critical infrastructure, enhance current communication between Federal, State and local homeland security personnel, and assist local communities as they put protective measures in place. Funds will be used to train State homeland security advisors and local law enforcement on best practices for protecting their critical sites.

Finally, Mr. Chairman, this bill fully supports the traditional missions and operations of agencies that were merged into the Department including the Coast Guard, the Secret Service, and, of course, disaster relief. I believe, Mr. Chairman, we have produced the right mix for this Department. It builds upon the progress of the past year and furthers the protection of our beloved homeland.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, June 15, 2004.

Hon. BILL THOMAS,
Chairman, Committee on Ways and Means,
Washington, DC.

DEAR CHAIRMAN THOMAS: Thank you for your letter regarding H.R. 4567, the Department of Homeland Security Appropriations Act for fiscal year 2005. As you have noted, the bill is scheduled for floor consideration on Wednesday, June 16, 2004. I appreciate your agreement to expedite the passage of this legislation although it contains a provision involving overtime pay that falls within the Committee's jurisdiction. I appreciate your decision to forgo further action on the bill and acknowledge that it will not prejudice the Committee on Ways and Means with respect to its jurisdictional prerogatives on this or similar legislation.

Our committees have worked closely together on this important initiative, and I am very pleased we are continuing that cooperation. I appreciate your helping us to move this legislation quickly to the floor. Finally, I will include in the Congressional Record a copy of our exchange of letters on this matter. Thank you for your assistance and cooperation. We look forward to working with you in the future.

Best regards,

HAROLD ROGERS,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITEEE ON WAYS AND MEANS,
Washington, DC, June 15, 2004.
Hon. HAROLD ROGERS,
Chairman, Subcommittee on Homeland Security, Committee on Appropriations, Washington, DC.

DEAR CHAIRMAN ROGERS: I am writing concerning H.R. 4567, the Department of Homeland Security Appropriations Act for Fiscal Year 2005 which is scheduled for floor consideration on Wednesday, June 16, 2004.

As you know, the Committee on Ways and Means has jurisdiction over matters concerning customs and Title 19, U.S.C. 267(c)(1). There is a provision within the bill which involves overtime pay for U.S. Customs and Border Protection employees and thus falls within the jurisdiction of the Committee on Ways and Means.

However, in order to expedite this legislation for floor consideration, the Committee will forgo action on this bill. This is being done with the understanding that it does not in any way prejudice the Committee with respect to exercising its jurisdictional prerogatives on this or similar legislation.

I would appreciate your response to this letter, confirming this understanding with respect to H.R. 4567 and would ask that a copy of our exchange of letters on this matter be included in the Congressional Record during floor consideration.

Best regards,

BILL THOMAS,
Chairman.

DEPARTEMENT OF HOMELAND SECURITY APPROPRIATIONS BILL, FY 2005 (H.R. 4567)

(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
DEPARTMENT OF HOMELAND SECURITY					
TITLE I - DEPARTMENTAL MANAGEMENT AND OPERATIONS					
Departmental Operations					
Office of the Secretary and Executive Management	80,317	102,623	80,227	-90	-22,396
Office of the Under Secretary for Management	130,210	302,664	179,806	+49,596	-122,858
Office of the Chief Financial Officer	---	---	13,000	+13,000	+13,000
Office of the Chief Procurement Officer	---	---	7,734	+7,734	+7,734
Office of the Chief Information Officer	---	---	60,139	+60,139	+60,139
Total, Departmental operations	210,527	405,287	340,906	+130,379	-64,381
Department-wide technology investments	183,784	226,000	211,000	+27,216	-15,000
Office of Inspector General					
Operating expenses	58,318	82,317	82,317	+23,999	---
(By transfer)	(22,000)	---	---	(-22,000)	---
Total, Office of Inspector General	(80,318)	(82,317)	(82,317)	(+1,999)	---
Total, title I, Departmental Management and Operations:					
New budget (obligational) authority	452,629	713,604	634,223	+181,594	-79,381
(By transfer)	(22,000)	---	---	(-22,000)	---
TITLE II - SECURITY, ENFORCEMENT, AND INVESTIGATIONS					
Office of the Under Secretary for Border and Transportation Security	8,058	10,371	10,371	+2,313	---
U.S. Visitor and Immigrant Status Indicator Technology	328,053	340,000	340,000	+11,947	---
Customs and Border Protection					
Salaries and expenses	4,367,430	4,577,491	4,608,991	+241,561	+31,500
Harbor maintenance fee collection (trust fund)	3,000	3,000	3,000	---	---
Automation modernization	438,520	449,909	449,909	+11,389	---
Construction (border patrol)	89,830	91,718	91,718	+1,888	---
Total, Direct appropriations	4,898,780	5,122,118	5,153,618	+254,838	+31,500
Fee accounts	(1,044,327)	(1,100,551)	(1,100,551)	(+56,224)	---
Total, Customs and border protection	(5,943,107)	(6,222,669)	(6,254,169)	(+311,062)	(+31,500)
Immigration and Customs Enforcement					
Salaries and expenses	2,138,358	2,370,906	2,377,006	+238,648	+6,100
Rescission	-54,000	---	---	+54,000	---
Federal air marshals	622,704	612,900	662,900	+40,196	+50,000
Federal protective service	424,211	478,000	478,000	+53,789	---
Offsetting fee collections	---	-478,000	-478,000	-478,000	---
Automation modernization	39,764	39,605	39,605	-159	---
Air and marine interdiction, operations, maintenance, and procurement	208,960	257,535	257,535	+48,575	---
Construction	26,617	26,179	26,179	-438	---
Total, Direct appropriations	3,406,614	3,307,125	3,363,225	-43,389	+56,100
Fee accounts	(273,000)	(225,375)	(225,375)	(-47,625)	---
Total, Immigration and customs enforcement	(3,679,614)	(3,532,500)	(3,588,600)	(-91,014)	(+56,100)
Transportation Security Administration					
Aviation security	3,724,112	4,238,164	4,270,564	+546,452	+32,400
Maritime and land security	261,449	29,000	65,000	-196,449	+36,000
Credentialing activities	---	67,000	67,000	+67,000	---

DEPARTEMENT OF HOMELAND SECURITY APPROPRIATIONS BILL, FY 2005 (H.R. 4567)
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Intelligence	13,520	14,000	14,000	+480	---
Research and development	154,285	154,000	174,000	+19,715	+20,000
Administration	424,679	539,852	524,852	+100,173	-15,000
Aviation security capital fund	---	(250,000)	(250,000)	(+250,000)	---
Subtotal, Transportation Security Administration (gross)	4,578,045	5,042,016	5,115,416	+537,371	+73,400
Offsetting fee collections:					
Aviation security fees	-2,070,000	-2,223,000	-1,823,000	+247,000	+400,000
Credentialing fees	---	-67,000	-67,000	-67,000	---
Subtotal, offsetting collections	-2,070,000	-2,290,000	-1,890,000	+180,000	+400,000
Total, Transportation Security Administration (net)	2,508,045	2,752,016	3,225,416	+717,371	+473,400
United States Coast Guard					
Operating expenses	4,347,256	4,833,220	3,967,220	-380,036	-866,000
Defense function	337,994	340,000	1,204,000	+866,006	+864,000
Emergency appropriations (P.L. 108-106)	23,183	---	---	-23,183	---
Rescissions	-71,000	---	---	+71,000	---
Subtotal, Operating expenses	4,637,433	5,173,220	5,171,220	+533,787	-2,000
Environmental compliance and restoration	16,900	17,000	17,000	+100	---
Reserve training	94,440	117,000	113,000	+18,560	-4,000
Acquisition, construction, and improvements	961,492	942,550	936,550	-24,942	-6,000
Rescissions	---	---	-33,000	-33,000	-33,000
Subtotal, Acquisition, construction, and improvements	961,492	942,550	903,550	-57,942	-39,000
Alteration of bridges	19,136	---	16,400	-2,736	+16,400
Research, development, test, and evaluation	14,912	---	---	-14,912	---
Subtotal, U.S. Coast Guard discretionary	5,744,313	6,249,770	6,221,170	+476,857	-28,600
Retired pay (mandatory)	1,020,000	1,085,460	1,085,460	+65,460	---
Total, United States Coast Guard	6,764,313	7,335,230	7,306,630	+542,317	-28,600
United States Secret Service					
Salaries and expenses	1,130,570	1,159,125	1,179,125	+48,555	+20,000
Acquisition, construction, improvements, and related expenses	3,558	3,633	3,633	+75	---
Total, United States Secret Service	1,134,128	1,162,758	1,182,758	+48,630	+20,000
Total, title II, Security, Enforcement, and Investigations:					
New budget (obligational) authority	19,047,991	20,029,618	20,582,018	+1,534,027	+552,400
Appropriations	(19,149,808)	(20,029,618)	(20,615,018)	(+1,465,210)	(+585,400)
Emergency appropriations	(23,183)	---	---	(-23,183)	---
Rescissions	(-125,000)	---	(-33,000)	(+92,000)	(-33,000)
TITLE III - PREPAREDNESS AND RECOVERY					
Office for State and Local Government Coordination and Preparedness					
Salaries and expenses	---	---	41,432	+41,432	+41,432
State and local programs	3,287,608	3,061,255	3,423,900	+156,292	+362,645
Firefighter assistance grants	745,575	500,000	600,000	-145,575	+100,000
Total, Office of State and Local Government Coordination and Preparedness	4,013,183	3,561,255	4,065,332	+52,149	+504,077
Counterterrorism fund	9,941	20,000	10,000	+59	-10,000

DEPARTEMENT OF HOMELAND SECURITY APPROPRIATIONS BILL, FY 2005 (H.R. 4567)
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Emergency Preparedness and Response					
Office of the Under Secretary for Emergency Preparedness and Response	3,430	4,211	4,211	+781	---
Operating expenses (rescission)	-3,000	---	---	+3,000	---
Preparedness, mitigation, response, and recovery	223,673	208,499	210,499	-13,174	+2,000
Administrative and regional operations	166,015	146,939	203,939	+37,924	+57,000
Defense function	---	50,000	---	---	-50,000
Subtotal, Administrative and regional operations	166,015	196,939	203,939	+37,924	+7,000
Public health programs	481,144	34,000	34,000	-447,144	---
Biodefense countermeasures	884,749	---	---	-884,749	---
Advance appropriations	4,703,000	---	---	-4,703,000	---
Advance appropriations, FY 2005	---	2,528,000	2,528,000	+2,528,000	---
Subtotal, Biodefense countermeasures	5,587,749	2,528,000	2,528,000	-3,059,749	---
Disaster relief	1,789,380	2,151,000	2,042,380	+253,000	-108,620
(Transfer to Office of the Inspector General)	(-22,000)	---	---	(+22,000)	---
Emergency appropriations (P.L. 108-106)	500,000	---	---	-500,000	---
Emergency rescission (P.L. 108-199)	-225,000	---	---	+225,000	---
Disaster assistance direct loan program account:					
(Limitation on direct loans)	(25,000)	(25,000)	(25,000)	---	---
Administrative expenses	557	567	567	+10	---
Flood map modernization fund	198,820	200,000	150,000	-48,820	-50,000
Radiological emergency preparedness program	---	-1,000	-1,000	-1,000	---
National flood insurance fund:					
Salaries and expenses	32,663	33,336	33,336	+673	---
Flood mitigation	77,809	79,257	79,257	+1,448	---
Offsetting fee collections	---	-112,593	-112,593	-112,593	---
(Transfer to Mitigation grants)	---	(-20,000)	---	---	(+20,000)
(Transfer to National flood mitigation fund)	(-20,000)	---	(-20,000)	---	(-20,000)
Subtotal, National flood insurance fund	110,472	---	---	-110,472	---
National flood mitigation fund (by transfer)	(20,000)	---	(20,000)	---	(+20,000)
National pre-disaster mitigation fund	149,115	---	100,000	-49,115	+100,000
Mitigation grants	---	150,000	---	---	-150,000
(By transfer)	---	(20,000)	---	---	(-20,000)
Subtotal, Mitigation grants	---	(170,000)	---	---	(-170,000)
Emergency management performance grants	178,938	---	---	-178,938	---
Emergency food and shelter	152,097	153,000	153,000	+903	---
Cerro Grande fire claims	37,837	---	---	-37,837	---
Total, Emergency Preparedness and Response	9,351,227	5,625,216	5,425,596	-3,925,631	-199,620
Total, title III, Preparedness and Recovery:					
New budget (obligational) authority	13,374,351	9,206,471	9,500,928	-3,873,423	+294,457
Appropriations	(8,399,351)	(6,678,471)	(6,972,928)	(-1,426,423)	(+294,457)
Emergency appropriations	(500,000)	---	---	(-500,000)	---
Advance appropriations	(4,703,000)	(2,528,000)	(2,528,000)	(-2,175,000)	---
Rescissions	(-3,000)	---	---	(+3,000)	---
Emergency rescissions	(-225,000)	---	---	(+225,000)	---
(Limitation on direct loans)	(25,000)	(25,000)	(25,000)	---	---
(Transfer out)	(-42,000)	(-20,000)	(-20,000)	(+22,000)	---
(By transfer)	(20,000)	(20,000)	(20,000)	---	---

DEPARTEMENT OF HOMELAND SECURITY APPROPRIATIONS BILL, FY 2005 (H.R. 4567)
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE IV - RESEARCH AND DEVELOPMENT, TRAINING, ASSESSMENTS, AND SERVICES					
Citizenship and Immigration Services					
Operating expenses	234,733	140,000	160,000	-74,733	+20,000
Fee accounts	(1,564,000)	(1,571,000)	(1,571,000)	(+7,000)	---
Total, Citizenship and immigration services	(1,798,733)	(1,711,000)	(1,731,000)	(-67,733)	(+20,000)
Federal Law Enforcement Training Center					
Salaries and expenses	154,506	158,440	183,440	+28,934	+25,000
Acquisition, construction, improvements, and related expenses	37,137	37,917	37,917	+780	---
Total, Federal Law Enforcement Training Center	191,643	196,357	221,357	+29,714	+25,000
Information Analysis and Infrastructure Protection					
Management and administration	124,263	162,064	132,064	+7,801	-30,000
Assessments and evaluations	710,084	561,758	722,512	+12,428	+160,754
Defense function	---	140,754	---	---	-140,754
Subtotal, Assessments and evaluations	710,084	702,512	722,512	+12,428	+20,000
Total, Information Analysis and Infrastructure Protection	834,347	864,576	854,576	+20,229	-10,000
Science and Technology					
Management and administration	43,908	52,550	68,586	+24,678	+16,036
Research, development, acquisition, and operations	868,844	579,749	1,063,713	+194,869	+483,964
Defense function	---	407,000	---	---	-407,000
Subtotal, Research, development, acquisition, , and operations	868,844	986,749	1,063,713	+194,869	+76,964
Total, Science and Technology	912,752	1,039,299	1,132,299	+219,547	+93,000
Total, title IV, Research and Development, Training, Assessments, and Services:					
New budget (obligational) authority	2,173,475	2,240,232	2,368,232	+194,757	+128,000
Grand total, Department of Homeland Security:					
New budget (obligational) authority	35,048,446	32,189,925	33,085,401	-1,963,045	+895,476
Appropriations	(30,175,263)	(29,661,925)	(30,590,401)	(+415,138)	(+928,476)
Emergency appropriations	(523,183)	---	---	(-523,183)	---
Advance appropriations	(4,703,000)	(2,528,000)	(2,528,000)	(-2,175,000)	---
Rescissions	(-128,000)	---	(-33,000)	(+95,000)	(-33,000)
Emergency rescissions	(-225,000)	---	---	(+225,000)	---
(Limitation on direct loans)	(25,000)	(25,000)	(25,000)	---	---
(Transfer out)	(-42,000)	(-20,000)	(-20,000)	(+22,000)	---
(By transfer)	(42,000)	(20,000)	(20,000)	(-22,000)	---

Mr. Chairman, I reserve the balance of my time.

Mr. SABO. Mr. Chairman, I yield myself such time as I may consume.

I thank the gentleman from Kentucky (Mr. ROGERS) and his staff for their hard work in producing the legislation we have today. President Bush's 2005 homeland security budget request fell far short; and while this bill is an improvement, and that it is, I am concerned that it does not go far enough to close troubling homeland security gaps.

The committee followed a logical plan in distributing the $32 billion allocation. However, this measure does not provide the resources needed to significantly improve our ability to detect terrorist activities or to respond to an attack. The committee was forced to make trade-offs among programs to improve disaster preparedness and response, immigration services, and programs to stop terrorists. As a result, we have some worrisome gaps.

The first responder funding cuts, this funding cut for local fire, police, and emergency personnel, is one of my biggest concerns. With cuts in fire grants and deep cuts in formula funds to most States, overall the bill provides $327 million less for first responders than was enacted in 2004. While funding to certain high-threat urban areas is increased, the fact is that this increase comes at the expense of the rest of the country. If these cuts hold, next year most States and localities will end up with less homeland security funding than they have today.

This bill comes just weeks after the American people saw live television coverage of the Attorney General and the FBI Director giving us alarming warnings of imminent terrorist attacks. At their press conference, Mr. Ashcroft said that our own intelligence and al Qaeda public statements indicated that it is almost ready to attack the United States and that they intend to hit us hard. This week an alleged al Qaeda operative was indicted for plotting to blow up a shopping mall in Ohio.

If terrorists attack us again, our local police, firefighters, and emergency workers will be the first on the scene. It frustrates me that there is little sense of urgency to ensure that these first responders have the tools that they need to do their jobs. This legislation also fails to address other critical homeland security issues.

Two of my chief concerns are the inadequate inspection of cargo carried on passenger planes and the lax Federal oversight of chemical plant security practices. Unlike passenger baggage, the cargo on passenger aircraft is not rigorously inspected, even though it is carried in the same hold. Furthermore, cargo carried on all cargo aircraft is not inspected at all. I am also troubled that the administration continues to have inadequate chemical plant security policies. For the most part, vulnerability assessments and security plans are left to the plant owners' consciences.

Last, I would like to point out a bill provision concerning the CAPPS2 air passenger prescreening system that TSA is developing and may be testing later this year. This provision updates last year's bill by requiring the Secretary to certify, and the General Accounting Office to review, the certification that all eight security and privacy criteria are met before the passenger profiling system can be deployed. In its first review in February, the GAO found that TSA had met only one of the eight criteria.

The new language also specifically mandates that GAO review the CAPPS2 methodology that is intended to predict whether a passenger could be a terrorist. This element is the most sensitive aspect of CAPPS2 with broad implications for Americans' privacy and civil liberties.

In closing, I am concerned that this bill continues, does not do more to close the troubling homeland security gaps. The American people demand our best efforts to protect the country from those who would do us harm, and the Congress should be more aggressive in challenging the administration where it falls short.

Mr. Chairman, I reserve the balance of my time.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa (Mr. LATHAM), a very hardworking member of this subcommittee.

Mr. LATHAM. Mr. Chairman, I thank the chairman for yielding me time.

Mr. Chairman, I want to rise in strong support of H.R. 4567, and I want to commend the gentleman from Kentucky (Mr. ROGERS) who has shown tremendous leadership on this bill, a very, very difficult bill, and the gentleman from Minnesota (Mr. SABO) and all the staff on both sides of the aisle doing an outstanding job of moving this homeland security appropriations bill to the floor under a very tight fiscal circumstance.

We received a tremendous number of specific requests, and each of us has had to say no many more times than we would have liked to. I know that all Members of this Chamber have specific accounts they believe should have increased funding or areas for which they want to include language. There are particular programs that need more direction and money.

Most, if not all, of our colleagues care deeply about homeland security. We want it done right, and we want tangible results. However, at some point we need to focus on the possible and the reasonable knowing that none of us are going to be fully satisfied. I am not satisfied with the level of funding for the State formula grant, but given all of the factors that must be considered when addressing the various risks in each congressional district, the number for this program is not unreasonable; particularly when one considers that is a half a billion dollars over the administration's request.

We should also remember that there are hundreds of millions of dollars out there in our States that have yet to be obligated for homeland security. I am not satisfied with what I believe is less than adequate attention devoted to the threat of agroterrorism, particularly as it relates to prevention activities and needed work to advance animal vaccines; and I openly criticized the people in the Department who have been shortsighted in this area. I intend to be an advocate for protecting our agriculture economy from terrorism.

The potential cost of agroterrorism to rural economy is hard to imagine, yet alone the cost as far as food safety.

For those who want to score easy political points, this is a great bill for you. I will be one of those first who worry about funding levels. But none of us holds the answers to what truly defines adequate funding for homeland security.

As we debate this appropriations bill, I challenge the critics today to be honest with the American people. This is not an easy bill to write, and the most complex and the most demanding homeland security functions make easy targets for those who claim to be an authority on what is the best way to spend our homeland security dollars.

As the chairman has said, we can all think of more ways to spend money on homeland security, and there is no end to what we could spend. Nobody can argue that. And the issue is how well we shepherd our limited resources. In my view, this is one of the most important spending measures we will consider this year. We all know what the budget situation is; but we have crafted a very, very good bill.

I urge the Members to support this bill, keep the debate honest, and pass it quickly because it is so important to our constituents and to this Nation.

Mr. SABO. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin (Mr. OBEY), the ranking member of the full committee.

Mr. OBEY. Mr. Chairman, I remember being here during the first and second energy crisis in 1973 and again in 1977 under President Ford and then President Carter. And when we realized what a bind we were in on energy, we had a bunch of new actions taken. We took action to support new investments in technology. We supported new investments in energy conservation. We supported new investments in alternative fuels.

And then slowly but surely during the Reagan years and afterwards, the Congress lost its interest, it lost its zeal, so did the administrations. And little by little those initiatives were just sort of slowly drained out of the budget, and we wound up getting in real terms back to about just where we were in terms of making those investments before we were hit by the energy crises.

Unfortunately, I think that is what has happened with respect to the homeland security issues after 9/11. I remember after 9/11 going down to the White House, talking to the President with my good friend, the gentleman from Florida (Mr. YOUNG).

We presented to the President a bipartisan list of initiatives which we had been told by the President's own security people were essential to try to protect us from future attacks. And I remember that instead of being met with a willingness to sit down and listen to what people had to say, the President essentially said, "Folks, if you appropriate one dollar more than I have asked for, I will veto the bill." And there was no receptiveness at all.

Then in the next year, the President vetoed or pocket-vetoed about a billion and a half dollars in additional actions for homeland security. This bill pretty much continues the status quo since that time. We have, it is true, over time increased our investments in homeland security by about two-tenths of 1 percent of our gross national product, but because the majority party has concluded that their number one priority is tax breaks, there is not enough room left for any significant new initiatives on the homeland security front, and I think that is highly dangerous for the country.

As the gentleman from Minnesota (Mr. SABO) has indicated, if you compare the challenges with the resources being applied to those challenges, we are falling woefully short. I do not think the public understands that only a tiny percentage of air cargo on passenger planes is being inspected these days for explosives.

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I do not think they understand that this bill is 8 percent below where we were told by the President initially that we should be in terms of the number of sky marshals.

I do not think the public understands how little is being done to secure our ports against dirty bombs and other weapons of mass destruction.

I do not think the public understands that of the 45 major ports who ship to this country, only 20 of them have a decent customs inspection operation. I do not think the public understands that the inspectors we have in those ports are there on temporary, 6-month duty and, therefore, do not learn the territory well enough to really do their jobs as well as they otherwise could.

I do not think the public understands that on the northern border the PATRIOT Act required us to have 2000 more inspectors than we have today.

I do not think the public understands that only 13 percent of our fire departments are equipped to handle a full-fledged HAZMAT challenge. I do not think the public understands that we have fewer firefighters in our localities today than we had at the time of 9/11.

I do not think the public understands that within the homeland security agency itself, that of the 500 career slots in that agency there are 171 vacancies. The agency itself still does not have a phone directory, and one-quarter of the slots at Homeland Security are filled by political appointees.

So I think we have a long way to go in fixing these home security problems, and while I appreciate everything that the chairman has tried to do, he has not been given the resources with which to do a truly comprehensive job.

Mr. Speaker, that is why I will attempt, despite the adoption of the rule, I will attempt to offer an amendment which adds about $1.5 billion for first responders, which will add $120 million for cargo security, for additional screening and canine detection; $300 million for more explosive detection equipment; $550 million more for strengthening our border and a variety of other initiatives.

I think that if we can provide $25 billion in the Defense bill to defend the country, if we can provide that on an emergency basis, I think we need to do the same thing with respect to defending the homeland close to our own homes. So I would urge that, despite the fact that the rule allows a point of order to be lodged against that amendment, I would urge that no one make that point of order because this country needs investments which this bill does not permit us to make, and we will all be safer, certainly our constituents will be safer, if the amendment passes than they will if it does not.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 3½ minutes to the very distinguished gentleman from New York (Mr. SWEENEY), who has been on the subcommittee and a very valuable Member.

Mr. SWEENEY. Mr. Chairman, I thank the chairman for the time.

Mr. Chairman, I rise in general support. I really want to acknowledge the very difficult and great work by the gentleman from Kentucky (Chairman ROGERS) and the ranking member, and as a member of this subcommittee, as a member of the Select Committee on Homeland Security, this is a tough, tough, tough piece of work to put together, and I rise to acknowledge that. Everybody knows where I come from. I come from the State that absorbed one of the greatest hits in the history of this country. So there are real challenges here that have real life consequences.

The gentleman from Kentucky (Mr. ROGERS) is one who has gotten that, and I wanted to recognize and I think he in this bill has attempted to bring and indeed has brought as balanced an approach as we could expect in this process, and as he said, this is an evolving process, and we may have some honest disagreements among friends, but we are united on the general principles. This bill does do an awful lot of accomplishing some of the things that we need.

I rise for the purpose of engaging in a colloquy with the chairman as well. I want to thank him for participating in that, and I want to address a significant issue related to the Department of Homeland Security. That is the geospatial management issue which is a critical tool in providing homeland security.

Mr. Chairman, I applaud the gentleman's work, the committee's work and the administration in providing due attention to geospatial technologies.

Satellite imagery, aerial photography and other geospatial technologies provide data to quickly visualize activity patterns, map location and provide information to conduct analyses to help prevent or lessen the impact from an emergency situation.

Mr. Chairman, there is no single office in DHS responsible for geospatial management and, therefore, no corresponding budget. In the present structure, the geospatial information officer does not have the authority to compel DHS directorates to cooperate.

Geospatial coordination will help end duplication of geospatial activities.

A geospatial management office needs to be created and codified within DHS under the Chief Information Officer.

I am pleased to see report language stating clear and concise policy direction is needed for geospatial information and technology efforts.

Under the gentleman from Kentucky's (Chairman ROGERS) leadership, this committee supports the Department's request of $5 million to create a Department-wide geographic information system capability under the direction of the Chief Information Officer.

I would like to personally thank the gentleman for that and many other efforts in this bill and for the last several years and for his support and assistance.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SWEENEY. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. Mr. Chairman, I thank the gentleman from New York (Mr. SWEENEY) for bringing this important matter to the attention of the committee and the Congress. As overseers of homeland defense and security, I believe the committee acted responsibly in supporting the Department's request to make certain geospatial information management falls under the direction of the Chief Information Officer.

Mr. SWEENEY. I thank the gentleman from Kentucky (Chairman ROGERS). As this process continues, I hope a geospatial information office is created, with a corresponding budget, at DHS.

Would the gentleman agree to work with me during conference to strengthen report language to direct the Secretary to create the Office of Geospatial Management within the CIO's office to oversee the geospatial activities?

Mr. ROGERS of Kentucky. Mr. Chairman, if the gentleman would continue to yield, I look forward to working with the gentleman as we move forward and will certainly work to strengthen the report language in conference as events dictate.

Mr. SWEENEY. I thank the chairman for all of his work, and let me just say, this is a tough, tough bit of work we have to do, an important debate, and we have one of the best at the helm, leading us in it.

Mr. SABO. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina (Mr. PRICE), a distinguished member of our committee, and friend.

Mr. PRICE of North Carolina. Mr. Chairman, I am grateful to the gentleman from Kentucky and the gentleman from Minnesota for their conscientious and cooperative efforts reflected in this bill.

The bill directs much-needed resources to transportation security, Customs, and border protection, and it funds the BioShield program that will play a vital role in our preparation for bioterrorist attacks.

Given the very limited funds that the gentleman from Kentucky (Mr. ROGERS) and the gentleman from Minnesota (Mr. SABO) were allocated, theirs was not an easy or enviable task, and I fear the final result does reflect the poor hand our subcommittee was dealt.

During recent funding debates, we have often heard Republican leaders say that there are simply no funds available to provide what is needed. I suspect we will hear it again tonight.

What we will not hear them say is that since 9/11 we have spent 22 times as much on tax cuts as we have on protecting the American people from terrorist attacks. That is 22 times as much, for tax cuts mainly aimed at the most privileged people in America.

Look at the numbers. State formula grants, the bread and butter of first responder funding, have been cut by over 25 percent. Fire grants have been cut by 20 percent. Grants to our police and law enforcement have been hit hard, too. These programs were a critical source of funding for first responders long before 9/11. By cutting them, we are in effect deciding that our police and firefighters need less funding in the post-9/11 era, not more.

Listen to how FEMA describes the bleakness of this situation: A new study shows that more than two-thirds of fire departments in this country operate with staffing levels that do not meet the minimum safe staffing levels required by OSHA and the National Fire Protection Association.

Not only are our first responders ill-equipped and understaffed to handle potential attacks, they are also struggling to respond to the everyday disasters of crime and accidents and fires and hurricanes and floods.

It is true, Mr. Chairman, that this bill increases funding for the urban area security initiative. That is terrific news for a handful of big cities, and it does make sense, but first responders in rural and suburban areas and in smaller cities need support, too. Increases for this initiative are no match for the Draconian cuts in overall State grants.

Mr. Chairman, the House leadership and the President have shown incredible willpower and resolve in ramming trillion dollar tax cuts through this Congress. Yet when it comes to protecting our homeland and supporting our first responders, they say their hands are tied. They claim to be tough on terror, but talk is cheap and, unfortunately, so are Congress and this administration when it comes to supporting our first responders.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee (Mr. WAMP), a very hardworking member of the subcommittee.

Mr. WAMP. Mr. Chairman, I thank the chairman for the time. I appreciate not only the gentleman yielding me time but just his extraordinary time over this last year and a half since we began this new subcommittee here in the House.

The gentleman who just spoke is a very thoughtful, well-educated and very energetic member of the subcommittee, and as we have worked through all these issues over the last year and a half he has been very helpful, but what he just said is drivel, drivel.

The fact is tax cuts are one issue that helps the economy. It is a policy matter that was made by the Congress. This is homeland security, where we have spent billions of dollars and done extraordinary work. It is nonsense to bring up the tax issue while we are talking about appropriating the money for homeland security. That is a fact. That is a different debate for a different day, but this is also not cost sharing with local government from the Federal Government. We cannot do everything, and for a lot of people on this side we cannot appropriate enough money. It does not matter what the level is, they will want more, and they will play politics with this issue because they think it can resonate, and this is unfortunate because the best work here is when we get together and we do what is right, and that is what we are trying to do on this side of the aisle.

The chairman and his staff have done an extraordinary job. Now I am not totally happy with the Department of Homeland Security at all, and my colleagues know that at the hearings I have been very hard on the Homeland Security Department, particularly in the Science and Technology Directorate, and they need to hear us long, loud and clear. They need to do a better job, but overall, I have to tell my colleagues, this subcommittee has done extraordinary work.

Our intelligence work is dramatically better than after September 11. We are allocating the money to the best of our ability, but it is not a bottomless pit, and when my colleague talks about reports that show that firefighting organizations around the country do not have everything they want or need, there are 55,000 local law enforcement and firefighting organizations in this country, and the Federal Government cannot fund them all with everything they need. The responsibility still lies at the local and the State level, and this subcommittee has done an extraordinary job, and the Congress has a balanced approach, and this is not a bottomless pit.

I just want to say that we are at a critical juncture going into the next several months in this country with events that are very important, and I think it is important that we pull together. I hope this subcommittee can stay above some of the mindless kinds of rhetoric that comes to the floor when we pass important appropriations bills, and I hate to hear some of the most educated and informed Members dumb this down to a debate over tax cuts versus necessary spending.

This is necessary spending, and we are meeting those needs. I want to applaud the leadership. Our chairman and his staff have done an excellent job. Secretary Ridge is doing an excellent job. We still have miles to go before we get there, but we are on our way.

Mr. SABO. Mr. Chairman, I yield 15 seconds to my friend the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. Mr. Chairman, I regret that the gentleman from Tennessee would not yield for a question, but let me just say a couple of things.

One is that no matter how heated this debate gets I will never call his comments drivel, and if my tongue happened to slip and I used that term, I assure him I would apologize.

Secondly, I want to note that the gentleman's notion that the budget allocation, which is what I was talking about, the budget allocation given the Homeland Security subcommittee, is not related to revenue policy, is a noval concept. You do not have to have a whole lot of education to understand that the size of tax cuts determines how much money there is to allocate.

Mr. SABO. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. OBEY).

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Mr. OBEY. Mr. Chairman, let me simply say that the idea that how much money is allocated to tax cuts is totally unrelated to how much money is left for homeland security or education or health care, the idea that those things are unrelated is absurd and preposterous. The fact is that unless the deficit is totally meaningless, and I do not think it is, then if you put all of your eggs into the tax cut basket, especially if you provide so much of them to people who make over $200,000 a year, then that indeed does have an effect on what is available for port security, what is available for the northern border security, what is available for first responders, and if the gentleman does not understand that, then I think we need to set up a new grade school on Capitol Hill.

Mr. SABO. Mr. Chairman, I yield myself such time as I may consume.

Let me say to the gentleman from Tennessee (Mr. WAMP), I think I know a little bit about budgets, having spent some time doing that, at a time when we passed budgets that reduced the deficit and we had some tough requirements on spending, and raised revenues to make the deficits go down.

The reality is that the most important decision in a budget resolution is the total amount set for discretionary spending. That then governs the decisions we have to make on this bill and the other 12 bills that we have before the Congress. If that budget resolution has an unrealistic number for the total discretionary spending, it limits every option we have.

I think I and others have been clear that this bill represents an improvement over what the President asked for, that it has reasonable choices within the dollar allotment that this committee has given. I think the chairman has done an excellent job. I would not share his enthusiasm for how good the Department is going, but he is also tough on them at many times.

But there is also one other thing that we do, and that is we say there are certain expenditures that are emergencies and go above and beyond the normal budget process. Since 9/11, we have appropriated billions of dollars as emergency expenditures for our friends in New York, for operations in Afghanistan and Iraq, I think with unanimity on the expenditures in Afghanistan, division over our operation in Iraq, but then again significant support for our troops whether we agreed or disagreed with that policy.

Just the other day in appropriations, we appropriated $25 billion more of emergency spending beyond the normal defense appropriation for next year for operations in the Middle East, and we know that number is going to increase. What some of us are saying is that there are significant security gaps that we should deal with in this country and we should have a modest amount as emergency spending.

The gentleman from Wisconsin (Mr. OBEY) asked for $3 billion for rational things to do, disciplined things to do, in comparison to the billions and billions we are spending outside this country. That is legitimate debate. It is legitimate options that we could do, and some are choosing not to do that. If we declared it emergency and appropriated that $3 billion, it could not be spent unless the President decided to spend it.

So what we are talking about here is not irrelevant, it is important and there are distinct differences; and those differences do not diminish our respect for the quality of work done by the chairman and the subcommittee.

I would just suggest do not belittle the opinions of lots of people in this place that there are significant security gaps in domestic security, echoed by all kinds of experts outside this institution that we are not dealing with.

Mr. Chairman, I reserve the balance of my time.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. FOSSELLA).

Mr. FOSSELLA. Mr. Chairman, I thank the chairman and friend from Kentucky for yielding me this time, and commends him and all for crafting an overall good bill.

It was brought up earlier how in this comprehensive bill there is time for honest disagreement, and I think later on this evening we will try to have a good conversation about that honest disagreement, and it relates to essentially how funding goes to what we will call high-threat areas as opposed to minimal guarantees for States and funding that some of us believe could be better spent in areas that can use it more and more effectively, like New York City.

By way of example, if we were to talk about enhancing our national security, and some Member suggested putting an aircraft carrier in the Great Salt Lake, somebody would probably think that is a little ludicrous, and we would say let us put the money where it is needed most.

While we are here trying to advocate more funding, bluntly for places like New York City, because that is where the funding is needed the most, Exhibit A for that clearly was September 11, and the Congress and the President and all united to help New York recover, but it still represents the terrorists' number one threat. The Federal intelligence community has confirmed this fact.

I think the President's budget also recognizes the need to prioritize funding in these areas by calling for $1.4 billion in the urban security initiative, $450 million more than the House bill. September 11 is not unique in New York. The first bombing of the Trade Center occurred in 1993. In between there was a conspiracy to destroy the Holland and Lincoln Tunnels, the George Washington Bridge, the United Nations and the Federal Building in Lower Manhattan, as well as a plot to bomb the subway.

Attacks in high-threat, high-density areas have great national economic impact in those areas as well. A Milken Institute study concluded, "Disaster in New York affects business confidence in every major city," unlike events elsewhere. The study estimates a GDP decline of 1 percent and a loss of 1.6 million jobs nationwide because of the September 11 attacks on New York. For example, the financial service industry lost 96,000 jobs nationwide due to the attacks in New York, home to most the industry's headquarters, but two-thirds of those losses occurred throughout the country.

Our areas require intensive police coverage. New York City has 1,000 police officers dedicated solely to homeland security missions. The police department spent $200 million last year for these efforts. Despite the large sum, the police department alone has identified an additional $261 million in training needs, equipment and supplies directly related to counter-terrorism.

Given the vital needs, we would argue for more funds because that is where it is needed the most. Let me underscore, and this is not to take away from the great work of all people and their considerations, but homeland security, this is one home, not 50 different homes but one, and we are talking about security and we just appreciate a little more funding where it is needed in New York and elsewhere.

Mr. SABO. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. OLVER), a member of the full committee.

Mr. OLVER. Mr. Chairman, it is 33 months past now since 9/11 and it is time for this Congress to coldly examine our progress in reducing the threat of terrorist attack. Even though we are spending a lot more money 33 months after 9/11, only a minimal percentage of cargo on passenger flights are screened for explosives. We do not require chemical plant vulnerability assessment and security plans as we do require for nuclear plants.

We will have 20 percent fewer sky marshals in the air than 2 years ago. Thirteen million Americans use passenger rail systems each day, yet we have not taken appropriate steps to strengthen rail security. We have only hired two-thirds of the people that the PATRIOT Act mandated for protecting the northern border. We have invested only one-tenth of what is needed to protect our ports, and our first responders still lack the valuable tools they need to save lives.

The agencies entrusted with protecting our great Nation seem to be in bureaucratic chaos. Just a couple weeks ago, Attorney General John Ashcroft of the Department of Justice surprised the Department of Homeland Security by announcing that a terrorist attack is likely during the next few months. It turns out they had not communicated with the Department of Homeland Security, and in fact did not have any particular new evidence for such an assertion. Problems like this keep coming up and they will simply not work themselves out.

It is time for this body to determine the most critical security needs based on comprehensive terrorist threat analysis. We must fund those most critical needs properly and put an end to this haphazard, seat-of-the-pants approach to our domestic security policy.

The gentleman from Wisconsin (Mr. OBEY), the ranking member, offered an excellent amendment during markup in the full committee, and he will offer a similar amendment on the floor today to add $1.5 billion to specific, seriously underfunded accounts in this bill. The Obey amendment will move us part way, but only a small part way toward properly funding our homeland security needs. Given what is at stake with this issue, we cannot afford to be funding homeland security on the cheap.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 3 minutes to the gentlewoman from Missouri (Mrs. EMERSON), a very hard-working member of this subcommittee.

Mrs. EMERSON. Mr. Chairman, I rise today in support of this bill, and I really want to thank the chairman for doing an exceptionally good job in putting this bill together, for lots of reasons, but primarily because the basic formula grants have been raised by $550 million, $36.7 million of which goes to the State of Missouri.

Because I represent a very rural district, 28 counties, I have no large cities, the largest city in my district is 33,000 people, it is the premier agricultural district in Missouri. It is one in which, if I was a terrorist, I would want to take advantage of the psychological fear that I could use to impact the entire population of rural America.

We have heard time and again that hundreds of U.S. Department of Agriculture documents have been found in abandoned al Qaeda caves. It is also reported that a significant part of the al Qaeda training manual is devoted to agricultural terrorism. This is a frightening fact when Members recall the purported terrorist interest in crop dusters, and there are probably 150 crop dusters running every single day in my district during this particular season.

Our food supply comes from rural areas and that is one big reason to make sure that our rural areas continue receiving some level of homeland security funding. Nobody is immune from terrorism. While I think it is so very important and critical to protect our high-density urban areas, just remember that the food supply is something that is important for every single person in this country. We rely on that food supply to be safe and secure. It is very easy, it is very much easier to disrupt a food supply than it would be to cause an incident oftentimes in a high-density area.

I think of the Mississippi River. That is my eastern border. We have millions of tons of chemicals and fertilizer moving up and down the river on barges. Not only does that present a clear danger and threat if tampered with, but it is just important. I think that the chairman has put together a very balanced bill, one that recognizes the needs of rural America as well as our urban cities. I ask all of my colleagues to support this bill. I thank the chairman for really treating all of the country fairly.

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Mr. SABO. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. TURNER) who has done an outstanding job as the ranking member of the Select Committee on Homeland Security.

Mr. TURNER of Texas. I thank the ranking member for yielding me this time, and I appreciate the work that the chairman and the ranking member have done on this bill.

Mr. Chairman, all of us in this Chamber know that we have to work together in a bipartisan way to make the homeland as safe as it needs to be from the threat of terrorism. We also know that we are a country at war against al Qaeda and related groups. It is a war that demands we fight the terrorists wherever they exist. It is a war that demands we commit ourselves through our actions abroad to prevent the rise of future terrorists. And it is a war that requires us to ensure that our homeland is fully protected.

This cannot be business as usual. We must act with the same sense of urgency that we all had after September 11. As we look at these appropriations for the next year, our actions will demonstrate to the American people whether we are moving with the degree of speed that we need and the sense of purpose that we must have to protect our country.

The proposed increase for the Department of about $1 billion above the President's request is important and necessary, but we must put that $1 billion in perspective. We spend $1 billion a week in Iraq. We have committed our troops to winning that war. But we must also win the war against terrorism here at home. The cost of failure here at home would far exceed the investments we should be making to ensure that America is as secure as it needs to be.

Annual spending on homeland security still amounts to less than one-half of 1 percent of the gross domestic product. Since 9/11, we have increased the level of annual spending on the agencies that now make up the Department of Homeland Security by about $15 billion. During that same period, the annual increase in our defense budget has been about $100 billion. We must devote the resources we need to win the war on terror abroad, but we must also invest in the homeland security needs we have here at home.

The truth is, Mr. Chairman, the President's request, and this appropriations bill, will not close critical security gaps that we continue to face. For example:

This bill fails to provide the additional $200 million needed to ensure that nuclear materials and dirty bombs can be detected at all of our seaports and border crossings by next year;

It fails to provide sufficient funding—at least $1 billion—to improve the security of our rail and public transit systems;

It fails to provide over $400 million that the Coast Guard says it needs to protect our Nation's ports.

It does not provide sufficient funds for airports across the country to upgrade or install explosive detection systems;

It does not provide the $100 million needed to increase the number of personnel who guard our Nation's northern and southern borders; and

It fails to provide the needed communications, equipment and training for our Nation's first responders.

Later today, we will consider an amendment by Mr. OBEY of the Appropriations Committee that seeks to add $3 billion in additional resources to correct these and other shortfalls. I strongly urge all of my colleagues to support this amendment.

In the war against al Qaeda, we must provide ALL the resources required to protect the homeland. We cannot fail on any front. However, the total amount proposed for the Department of Homeland Security for next fiscal year will not meet our constitutional responsibility to provide for the common defense.

Mr. Chairman, the limitations imposed on our homeland security efforts is a direct function of choices that we make. If we want to take faster and stronger action to close the security gaps we face, we could do so. The American people are watching the choices we make and if the terrorists strike again and we are not ready we will be held accountable.

Mr. SABO. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Chairman, I thank both the chairman of the committee and the ranking member for doing a job that is very tough. I rise tonight to address a problem that is important for first responder training in very urban areas. I represent a district in Houston, in Houston's energy and port complex, a supercritical infrastructure for our Nation's economy.

Houston is currently the only city in America that meets all 15 Federal threat criteria for a terrorist attack, and as such a coordinated public safety effort in the Houston area is critical.

Houston Community College, a Historically Black and Hispanic Serving Institution, has planned a public safety institute that would help in coordinating the training of all our local first responders, both city, county, fire, police, everyone, port security. The public safety institute would do a great deal in providing that uniformity of training from local and regional police and EMTs, private sector, port, trains, even Federal agencies such as the Coast Guard, FBI and Border Patrol.

Houston Community College is hoping some day to have 40 percent Federal funding with a 60 percent State and local and private match. I know there is no construction funding in this bill except for Federal law enforcement centers, but I would hope we would see something like this cooperative effort, particularly in a city in an industrial area like Houston.

Mr. BRADY of Texas. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Texas. I yield to the gentleman from Texas.

Mr. BRADY of Texas. I first want to thank the chairman and ranking member for their leadership on this issue and say that I fully support their efforts to make our Nation more secure. The gentleman from Texas (Mr. GREEN) has been a champion of the public safety institute. I fully support this effort. I hope the chairman will take this great idea into consideration.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. KING).

Mr. KING of New York. Mr. Chairman, there is probably no issue that we will be debating in this session which has more significance to me or the other members of the New York delegation than the entire issue of funding for homeland security. In my district and in adjoining communities, we lost hundreds and hundreds of people on September 11. We have to do all we can to make sure that that never occurs again.

I commend the chairman for the work he has put into this bill; but later this evening, the gentleman from New York (Mr. SWEENEY), the gentleman from New York (Mr. FOSSELLA), and I will be offering the point and making the case why we believe more money should be allocated to high-threat areas such as New York. New York City, the downstate areas, and the entire State are running up well over $1 billion in expenses related entirely and just to homeland security and counterterrorism. This is a threat which must be met, and it is an issue which is going to be discussed later this evening. I look forward to that opportunity. I thank the chairman for giving me the opportunity to raise these points at this time.

Mr. SABO. Mr. Chairman, I yield 1 minute to the gentleman from Oregon (Mr. DEFAZIO), a member of the authorizing committee for a significant part of this bill.

Mr. DEFAZIO. I thank the gentleman for yielding me this time.

Mr. Chairman, in response to the earlier debate, there is a relationship between everything we do here and everybody knows that. We have to make tough choices every day. We have to choose between budgets and priorities. Plain and simple, this administration and the Republicans on that side of the aisle have said that tax cuts for the wealthy are a higher priority than adequate funding for first responders. My first responders are crying out for interoperable communications. What was the response of the Bush administration? Zero. They zeroed it out of the budget this year. I cannot even try and add money back into it because it does not exist anymore in the Federal budget. That is the number one priority of the police and fire in my State.

Who are we going to call? Who are going to be the first people there? Not the Army, not the military, not any Federal agencies. It is going to be our local responders. And they are not even going to be able to communicate among one another, let alone with State or Federal authorities. This bill does not have enough money to meet the homeland security needs of this country.

In addition, there is another choice. We are going to spend twice as much money on the Star Wars fantasy, a weapons system that does not work, as we are going to spend on all the border and port security for the United States of America. There are tough choices, and you are making the wrong decisions.

Mr. SABO. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. I thank the ranking member for the work done and the chairman.

Mr. Chairman, I know this is a hard task. As a member of the authorizing committee, the Select Committee on Homeland Security, I would just simply say that the greatest challenge is to secure the homeland; and in the backdrop of the 9/11 Commission reports, we find out that the FAA did not readily have the ability to contact the United States military when the airplanes were in the air. But I think what is most important is that we secure homelands outside of the Beltway. We need more money for a citizen corps, to establish them in our neighborhoods, which is an amendment that I have. The Houston Community College, which I support, my colleague from Texas wants and needs more money for training of first responders. I think it is imperative that we engage historically black colleges and community colleges that serve Hispanics and African Americans to train them in these issues. And I think it is clearly vital for us to realize that with a number of border initiatives, there needs to be more resources utilized not only for the idea of protecting the border but when you have them under adjudication. And so I believe that we need more money, frankly, and we need more money for threat assessment for these larger communities.

Mr. Chairman, I rise to discuss the Homeland Security Appropriation Act of 2005, H.R. 4567, and express important concerns on this important funding.

It is imperative that this body provide the $16 million necessary for the construction of the Houston Community College Public Safety Institute. I want to take this opportunity to thank Congressman GENE GREEN in particular on taking the lead on this vital issue. It was through his leadership that this request was originally made to the Subcommittee on Homeland Security on the Appropriations Committee.

I also want to commend Subcommittee Chairman HAROLD ROGERS, Ranking Member MARTIN SABO and all the Members of the Subcommittee for the work and effort they put in to make sure that our Homeland Security efforts are properly funded. However, if we are to demonstrate to the American people that after the horrendous attacks of September 11th that the American government is truly taking a comprehensive approach to Homeland Security then initiatives such as the Public Safety Institute (PSI) must be undertaken.

It is vitally important that facilities and services at the local level be properly prepared to deal with emerging Homeland Security needs. In this vein, Community Colleges and HBCUs can serve as perhaps the ultimate ground for protection of local communities. These educational facilities have campuses and the facilities necessary to help train and incorporate first responders, who are crucial in the area of Homeland Security.

While we take many measures on the Federal and State level to ensure Homeland Security, we must also make certain that the security needs at the local level are met. It is with this knowledge in mind that the Houston Community College (HCC) seeks to construct the PSI both for the Homeland Security needs of the city of Houston and as a model for effective vigilance at the local level.

In the city of Houston, one of the largest, most populated, and most active cities in America, there is no doubt that the PSI is necessary. In fact, Houston is the only city in America that meets each of the 15 Federal threat criteria for a terrorist attack. We cannot allow the people of Houston or any major city in America to have their public safety compromised.

In a judiciary markup of the First Responder bill, H.R. 3266, I intended to offer an amendment to better assure that States fulfill their responsibilities to provide Urban Area Security Initiative (UASI) funds to local entities, governments, and first responders in a timely manner.

Based on recent experience with the rounds of UASI funding that has passed through States, many UASI designees have experienced great difficulty in accessing and spending their funding.

For example, the Houston metropolitan area still is awaiting its Round 2 UASI sub-recipient agreement from Texas. Without that State action, the city and counties cannot finalize their bids and execute contracts for equipment and training already identified and approved in their regional strategic plan. That is nearly $20 million being held up in the pipeline for expenditure, Mr. Chairman.

It is ludicrous that H.R. 4567 proposes to appropriate only $1 billion for discretionary grants for use in "high-threat, high-density" urban areas and for rail and transit security.

The PSI will serve a needed function in the city of Houston, which while being ethnically diverse is also very diverse in terms of its geography and makeup. These sets of circumstances require specialized training, the kind of training that only a facility like the PSI can provide. The $16 million Federal appropriation would assist the Houston Community College (HCC) with the development and construction of a training complex to house the PSI, an expanded, technologically sophisticated regional training center. In particular, the PSI will include classrooms, a firing range, a simulated skills village, a burn building, and a hazardous materials center. Additionally, the PSI will include a driving track physical education center command center and dive pond. These facilities will serve local and regional police, fire and EMT departments, the Port of Houston, the city's airports and railroads, Houston's chemical and petroleum industries, as well as Federal agencies including Coast Guard, FBT, Border Patrol, Customs and Disaster Recovery. At this point I would hope that it is abundantly clear the need for the PSI facility in the city of Houston.

Currently, HCC trains over 250 EMTs, 300 fire-fighting cadets and 200 police cadets annually in order to meet Houston's Homeland Security needs. The current HCC facilities are used to train an additional 1,000 police and firefighters, and the PSI would serve an additional 2,000 local police, firefighter and EMT personnel. Let me be clear, the PSI is not an experimental exercise for possible Homeland Security needs. The PSI is in fact the kind of facility that can help public safety officials prevent terrorist attacks both now and in the future. This $40 million, 25-acre complex will represent the cooperative relationship between Federal, State, and local law enforcement that was missing in the time before September 11th. In so much as this is an effort that affects the Federal, State and local levels, HCC has requested support from the city of Houston, Harris County, the State of Texas, as well as private contributors, to fund the $24 million non-Federal share of the project.

Mr. Chairman, I hope everyone in this body will recognize the need for this facility. The people of Houston and indeed the people of the United States deserve to know that all necessary measures are being taken to protect their well being and the future of this Nation.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would like to remind the Members that out of courtesy to our colleagues, we operate under time limits. It is only courteous to make a good-faith effort to adhere to those time limits.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. WELDON), a member of the Select Committee on Homeland Security, the authorizing committee.

Mr. WELDON of Pennsylvania. Mr. Chairman, I rise in strong support of this legislation and praise both parties for their outstanding work on homeland security. The chairman has done an absolutely fantastic job in bringing together the appropriations necessary to fund our homeland security operations, and I appreciate the work of the ranking member as well.

Mr. Chairman, prior to 2000, there was not a dime of Federal money for the Nation's first responders for firefighters. Not a dime. In 2000, 1 year before 9/11, it was this body that began that funding through the Assistance to Firefighter grant program. It was this body who did that. In the past 3 years, this committee has appropriated $2.1 billion to 17,000 out of 32,000 fire and EMS departments nationwide. Large and small, they have applied directly. There is no middle person. There is no agency. They evaluate the grants themselves. There is no politics in it. It is the most successful program that Congress runs today because it works.

In the area of interoperability, it is the number one priority. In this bill, the chairman has money, the Congress, that Chairman Ridge is authorizing so that cities and States across the country are now implementing interoperable plans. It is a priority. There is funding going for that purpose. Every fire department in America, all 32,000, look at the work that has been done by this Congress with pride. Granted we may not have all the money that everyone wants, but no committee in this Congress, especially on the appropriations side, has begun to address local needs the way this subcommittee has. I applaud the chairman for that, and I applaud the ranking member. It has been a bipartisan effort. On behalf of the firefighters of America, I say to all of you, thank you. Keep up the good work.

Mr. SABO. Mr. Chairman, I yield 1½ minutes to the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Chairman, the praise that we heap upon our brave first responders and firefighters is no substitute for adequate funding. That is why I am appalled that after more than 2 years this bill comes to the floor and cuts first responder formula-based grants by $440 million. It also cuts firefighter assistance by $146 million, a 20 percent cut. This is not about some Democratic wish list. The Council on Foreign Relations report indicates that local first responders need about $98 billion to meet our country's needs.

It is my view that as the majority party, the Republicans control the purse strings and set the priorities, and they are responsible for making sure we have adequate funding. The Washington metropolitan area is a key target. My district in the suburbs has first responders that will have to come to the aid of our citizens in the event of an attack. But suburban communities such as Prince George's need millions for radio communications, training for first responders, $15 million for emergency response centers. In Montgomery County, we need funding for urban search and rescue teams, teams that responded on September 11. But this bill cuts $57 million out of urban grants for urban search and rescue teams.

The point is we can do better. This is about homeland security. This should be a major priority. And, yes, tax cuts for the very wealthy do relate back to the fact that we have not put enough money into our homeland security funding. And so what I am here to say is I think both the chairman and, of course, the ranking member are well-intentioned, but we need to put more money in this bill to protect our homeland.

Mr. SABO. Mr. Chairman, I yield the balance of my time to the gentlewoman from California (Ms. WOOLSEY).

The CHAIRMAN. The gentlewoman from California is recognized for 1¼ minutes.

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Ms. WOOLSEY. Mr. Chairman, our first line of defense against terrorist attacks would be our first responders, our police, our fire, our health care workers. They are the first on the scene. They must be prepared for whatever emergency arises, but despite the President's rhetoric supporting first responders, his 2005 budget cuts $800 million from first responder grants, and the bill before us tonight cuts 7 percent of the funding for local emergency personnel. This is going in the wrong direction, and it is because of the tax cuts for the best off in the country. If we were not doing that, we would probably have enough money for those programs.

While we need at least $98 billion to meet the demand for self-contained breathing units or protective clothing or hazardous chemical attacks, the Federal Government is providing less than 15 percent of these critical funds. Who will pay for this? Local governments of course.

Mr. Chairman, funding for first responders is crucial because they need to protect our local communities, because they are the ones that are first in line of defense. We are shortchanging them. They are our brave men and brave women. They are parts of our communities. They protect our communities, and we are shortchanging them while we are cutting taxes for the very best off in this Nation. Shame on us.

Mr. NUSSLE. Mr. Chairman, I rise to speak on the appropriations process for fiscal year 2005 and the Homeland Security appropriations bill in particular. The actual appropriations process commenced on May 19, when the House agreed to a budget resolution that established an overall limit on appropriations for fiscal year 2005 of $821.9 billion, excluding emergencies. This limit was developed in the context of a freeze on non-defense, non-homeland security discretionary spending. The Interior and Homeland Security bills we are considering this week mark the first steps in establishing our priorities in discretionary spending programs within the overall limit established by the budget resolution.

The budget resolution provided a total allocation for discretionary appropriations of $32.0 billion for Homeland Security in fiscal year 2005, demonstrating the high priority that the House is placing on this vital area. This amount includes $2.5 billion in advance appropriations that were previously enacted for Project BioShield.

While there has been much discussion about the other body not achieving an agreement on the budget for the coming year, this House has done its job in adopting the Concurrent Resolution on the Budget for fiscal year 2005, and deeming it to be in effect in the House by a separate vote. Now the appropriations process has begun pursuant to that framework.

Today we consider the second of these appropriations bills, H.R. 4567, the Homeland Security Appropriations Act of 2005. This is only the second time this chamber has considered a separate appropriation bill for the Department of Homeland Security, which consolidates 22 Federal agencies and its 180,000 employees.

The discretionary spending levels in this important measure are consistent with the limits in the budget resolution for fiscal year 2005. The bill provides $32.0 billion in appropriations, an increase of $2.8 billion or 9.4 percent above the previous year's level. Fiscal year 2005 Homeland appropriations in H.R. 4567 are equal to their 302(b) allocation, and the bill is also consistent with the budget resolution.

H.R. 4567 does not contain any emergency-designed BA, which is exempt from budget limits. It rescinds $33 million in previously-appropriated BA.

By increasing Homeland Security funding $1.1 billion above the President's fiscal year 2005 request, this bill demonstrates the House's strong commitment to win the war against terrorism. Consistent with the Budget Resolution, the bill provides resources in areas like Local First Responder funding, Border and Transportation Security, and Science and Technology. This bill will enhance the Nation's ability to secure our borders, protect lives and property, and disrupt terrorist financing.

I am pleased the Appropriations Committee was able to meet a critical need in the fiscally responsible manner outlined in the budget resolution. As we enter the appropriations season, I wish Chairman Young and our colleagues on the Appropriations Committee the best as they strive to meet the needs of the American people within the framework established by the budget resolution.

Mr. ROGERS of Kentucky. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Clerk will read.

The Clerk read as follows:

H.R. 4567

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes, namely:

TITLE I—DEPARTMENTAL MANAGEMENT AND OPERATIONS

OFFICE OF THE SECRETARY AND EXECUTIVE MANAGEMENT

For necessary expenses of the Office of the Secretary of Homeland Security, as authorized by section 102 of the Homeland Security Act of 2002 (6 U.S.C. 112), and executive management of the Department of Homeland Security, as authorized by law, $80,227,000: *Provided*, That not to exceed $45,000 shall be for official reception and representation expenses.

OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT

For necessary expenses of the Office of the Under Secretary for Management, as authorized by sections 701–705 of the Homeland Security Act of 2002 (6 U.S.C. 341–345), $179,806,000: *Provided*, That not to exceed $5,000 shall be for official reception and representation expenses: *Provided further*, That of the total amount provided, $65,081,000 shall remain available until expended for costs necessary to consolidate headquarters operations at the Nebraska Avenue Complex, including tenant improvements and relocation costs.

AMENDMENTS OFFERED BY MR. WELDON OF PENNSYLVANIA

Mr. WELDON of Pennsylvania. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. WELDON of Pennsylvania:

Page 2, line 16, insert after the dollar amount the following: "(reduced by $50,000,000)".

Page 25, line 24, insert after the dollar amount the following: "(increased by $50,000,000, which increase is available for grants under section 34 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2229a))".

Mr. WELDON of Pennsylvania (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WELDON of Pennsylvania. Mr. Chairman, I ask unanimous consent to consider this amendment en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WELDON of Pennsylvania. Mr. Chairman, this amendment has been worked carefully with the distinguished leader, the chairman of this committee, the ranking member, the distinguished gentleman from Maryland.

The CHAIRMAN. The gentleman from Pennsylvania (Mr. WELDON) will suspend.

The gentleman from Minnesota.

Mr. SABO. Mr. Chairman, unrelated to the gentleman from Pennsylvania's amendment, I think the gentleman from Texas (Mr. TURNER) had an amendment right prior to that, and I think he was standing right here.

I ask unanimous consent that the gentleman from Texas (Mr. TURNER) be allowed to offer his amendment after the gentleman from Pennsylvania (Mr. WELDON).

Mr. ROGERS of Kentucky. Mr. Chairman, I ask unanimous consent that we take up the Weldon amendment now, then the Turner amendment and then the regular order.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania (Mr. WELDON) is recognized for 5 minutes on his amendment.

Mr. WELDON of Pennsylvania. Mr. Chairman, this amendment I am offering on behalf of myself and the gentleman from Maryland (Mr. HOYER) and a number of other Members, and I want to thank the distinguished chairman and ranking member for their cooperation and support, both in the subcommittee and the full committee.

This is a very important amendment, Mr. Chairman, that takes $50 million out of the homeland security personnel account and transfers it into the SAFER program, which provides SAFER grants for the 32,000 fire and EMS departments across the country to deal with the issue of staffing.

Mr. Chairman, as I mentioned earlier, it was this subcommittee who did so much to provide over $2.1 billion over the past 3 years to 17,000 fire and EMS departments in America to allow them to purchase needed equipment, firefighter breathing apparatus, interoperable communications, apparatus and trucks and vehicles, safety training, training for the firefighters, a whole host of activities.

This grant program has been so successful, and I know that every Member of Congress understands the impact in their district, because there is no politics in it. The evaluations are done by firefighters themselves, who volunteer to come to Washington and review all the applications.

In the first year of this program, we had over 30,000 applications from 32,000 departments.

Mr. Chairman, this legislation establishes a program to deal with the personnel issues. It allows paid departments to hire additional firefighters and paramedics and allows them to phase out the Federal portion over 4 years and then make a commitment to pick up the cost of that firefighter after that time period, but unlike other programs, like the COPS program, this program is administered and evaluated by their peers. There is no process of agencies. It is done by people involved in the fire service.

Mr. Chairman, why is this so important? Each year in America, we lose 100 firefighters who are killed in the line of duty. There is no occupation in America that has 85 percent of those 100 people who volunteer who die in the course of volunteering to serve America. Our military personnel are paid, our police officers are paid, some of our firefighters are paid, but the bulk of them are volunteers.

This program provides dollars so that volunteer fire departments can recruit more volunteers, so that volunteer departments who need paid drivers can bring in paid drivers, and so that paid fire departments who are woefully understaffed can finally have the beginning of the resources they need to properly protect their cities. This legislation does so much more than just provide protection for the homeland. It allows our emergency responders to deal with fires but also deal with terrorist incidents, HAZMAT incidents, all the typical concerns that we have across America.

I want to thank the distinguished chairman for his cooperation. He is a hero to the fire service of America. I want to thank the ranking member and all of our colleagues, and I would ask that we get the vote not just for this amendment but also hopefully for the entire legislation with broad bipartisan support.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. Mr. Chairman, the gentleman has worked tirelessly on this effort, this amendment, and the SAFER funding, and the committee thinks this is a wise move. Our first responders are in great need, and we depend upon them, and I am happy to accept his amendment.

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank the gentleman for his response.

Mr. HOYER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Pennsylvania (Mr. WELDON) and me.

The gentleman from Pennsylvania (Mr. WELDON) and I have for many years had the great honor of cochairing the Fire Service Caucus, which is the largest caucus in this House. I notice that the gentleman from New Jersey (Mr. PASCRELL), another cochair, is on the floor as well, the gentleman from Michigan (Mr. STUPAK), the gentleman from New Jersey (Mr. ANDREWS), who has been a cochair of the Fire Service Caucus, and others who have been strong supporters of the fire service, the emergency medical response teams, and when I say the fire service, both the paid professionals and the volunteer professionals who do such an extraordinary job in our community.

It has been said that there have been cuts in this bill to fire service assistance, and that is true. I know the chairman and the ranking member have fought very hard because the funds that they have available to them are limited. And I want to thank the chairman, as has the gentleman from Pennsylvania (Mr. WELDON). I want to thank the gentleman from Minnesota (Mr. SABO), ranking member, for agreeing to work with us to offer this $50 million to the SAFER funding, which will provide additional dollars for personnel for both paid and volunteer departments which is so critically needed in the country today.

So without further prolonging the debate, I want to thank the chairman for facilitating the adoption of this amendment.

Mr. SWEENEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to as well applaud and acknowledge the work of the subcommittee chairman on this funding for the SAFER Act. It is something that we worked together with the gentleman from Maryland (Mr. HOYER) and others through the subcommittee process, through the full committee markup. It is an important piece, an important effort. The $50 million is going to go a long way to maintain and preserve some essential services in some of the key and critical areas. And it was not an easy thing to do, and I think it is important. I am strongly in support of this.

Last year Congress enacted a new authorization as part of fiscal year 2004 DOD, an authorization bill known as the SAFER Act. It provided funds to hire up to 75,000 new firefighters. These are people critically needed in important places.

When I spoke earlier, Mr. Chairman, I talked about how balanced this was, how tough this bill was, how there were some really tough decisions in it, and this is a chairman who worked hard to find the right balances and find the right equities, and here is an instance where he did that, and I want to applaud him for that.

Mr. PASCRELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to commend the gentleman from Kentucky (Chairman ROGERS) for his support of this amendment, for all the hard work he has put into bringing this bill to the floor, and likewise I want to publicly acknowledge the gentleman from Pennsylvania (Mr. WELDON) and the gentleman from Maryland (Mr. HOYER) for the exemplary leadership they displayed on behalf of the firefighters and fire community all of these years, as well as for their tireless efforts in navigating the newly established SAFER program through Capitol Hill.

Indeed, this amendment helps us fulfill our promise to the firefighters nationwide. The dangerous crisis of inadequate staffing in our Nation's fire departments must be confronted head on. This amendment does exactly that.

While we all know the statistics, I think they are disturbing enough to warrant further discussion. Two-thirds of all fire departments throughout America operate with inadequate staffing, and we are talking about career and volunteer departments. In communities of at least 50,000 people, 38 percent of the firefighters are regularly part of a response that is not sufficient to safely initiate an interior attack on a structure fire. Twenty-one percent of rural departments are often unable to deliver the four firefighters needed to safely initiate an interior attack. This is not acceptable.

The firefighters whose bravery and valor protect our Nation deserve all that we can present here. The consequences of insufficient personnel levels often lead to tragic heartbreaking results, Mr. Chairman, and it is imperative that Congress addresses this issue.

This amendment, which appropriates $50 million to the SAFER program to provide grants to help hire, recruit, retain career and volunteer firefighters, is vital in this regard.

Again I would like to thank the chairman and all the members of the Fire Caucus for the support shown towards this amendment, and I wish to thank firefighters for everything that they do day in and day out.

Mr. ANDREWS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to add my voice to personally thank the gentleman from Kentucky (Chairman ROGERS) and the gentleman from Minnesota (Mr. SABO), ranking member, for their leadership and hard work on this. I know that the chairman has many competing priorities, and I know that he has done a masterful job in accommodating this very important priority, and I personally thank him for that. I thank the gentleman from Pennsylvania (Mr. WELDON), my friend and neighbor, without whom none of this would have happened, the gentleman from Maryland (Mr. HOYER) for his skillful legislative work in bringing all this together and making this happen, the gentleman from New Jersey (Mr. PASCRELL) for his energy on this issue at all times. I am honored to be part of it.

Let me just make two brief comments. Two things we can be sure of: The first is when the next terrorist attack hits the United States the people who will benefit from this program will be the first ones to show up. They will be the first ones there, and because they are given these additional resources I am confident they will do an even better job than they already do.

The second thing we can be sure of is that we will get every nickel's worth of value out of this $50 million. The paid departments, fully paid departments, are used to stretching every dime, and they will get maximum personal value out of this, and the largely volunteer departments, any small bit of money for people that make money by washing cars and running beef and beers, any bit of money is going to help them expand their ability to protect the community. So I am very grateful to the gentleman from Kentucky (Chairman ROGERS) and the gentleman from Minnesota (Mr. SABO), ranking member; the gentleman from Maryland (Mr. HOYER); the gentleman from Pennsylvania (Mr. WELDON). I ask enthusiastically support the amendment. I ask for a large bipartisan vote.

□ 2045

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

Let me add my appreciation as well, as I did in my earlier remarks, to the chairman and ranking member and as well the gentleman from Pennsylvania (Mr. WELDON) and the gentleman from Maryland (Mr. HOYER), whom I have seen on the first lines of helping first responders and firefighters for all of the time I have been here.

The first group that I met with after 9/11, after being able to get home to Houston, were firefighters, EMS and other first responders. Clearly, not only were they eager to find out how they could help further and establish a concrete way to be really first responders all the way and all the time, but they were committed to their brethren, their fallen brethren in New York and all around, who were then on the frontlines on 9/11. Their sympathy and their concern still is extended to those who lost their lives on that day. But they have never wavered from their commitment to rise to the occasion whenever they are called.

It is clear now with the hearings that we are unfolding and the report of the 9/11 Commission that we will need, more than ever, the attitude and the appropriate resources, the appropriate attitude and resources for this United States Congress to share with our first responders around the Nation.

Firefighters are on the frontline; and this particular legislation, both the authorization and now the funding, ensures, if you will, the continuation of our support for firefighters around this Nation.

I simply wanted to thank the proponents of the amendment for crafting it such that it will pass; and, two, the ranking and chairperson of this appropriations bill for allowing this funding to go forward. Most of all I want to offer my thanks for the local community firefighters that I work with on a daily basis and the fact that they are still working.

If I might add something, I just simply hope that we can look at our hazardous materials teams and reflect on the increasing needs that they have. No matter how much money they get, there is an increasing need.

But my thanks go out to those who have managed to secure this funding on behalf of our firefighters.

Mr. SABO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I support the amendment, and I am ready to vote.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Pennsylvania (Mr. WELDON).

The amendments were agreed to.

AMENDMENT OFFERED BY MR. TURNER OF TEXAS

Mr. TURNER of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TURNER of Texas:

In title I, in the item relating to "OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT", insert after the first dollar amount the following: "(reduced by $450,000)".

In title II, in the item relating to "CUSTOMS AND BORDER PROTECTION—SALARIES AND EXPENSES", insert after the first dollar amount the following: "(increased by $450,000)".

Mr. TURNER of Texas. Mr. Chairman, this amendment which I bring before the committee is one that has been supported by many Members, particularly the gentleman from Texas (Mr. REYES), the gentleman from California (Mr. HUNTER), the distinguished ranking subcommittee member, the gentleman from (Mr. SABO); and I want to especially thank the chairman, the gentleman from Kentucky (Chairman ROGERS), for working with us on this amendment to craft it in a fashion that was acceptable.

We all know that securing our borders while maintaining the flow of people and commerce is one of the central challenges of our new Department of Homeland Security. We are clearly investing in technology to achieve our goals, but we all know that technology alone can never do the job. It takes people.

We know that people inspect packages and cargo coming into our country; people run the new programs, like the U.S. Visit Program, which has recently been awarded by the Department; people patrol the thousands of miles of our southern and northern borders; people detain and apprehend drug dealers and terrorists and criminal aliens.

Since 9/11, the demands upon these border personnel have increased substantially. We know that the new Department of Homeland Security continues to fail to meet the demands of controlling our borders, as evidenced by the 7 to 12 million people that are estimated to be undocumented immigrants in our country and by the continuing reports of our porous southern and northern borders. The amendment we offer today would help address these significant security gaps.

When inspectors from our former Customs Service and the Immigration and Naturalization Service and the agents from the Border Patrol were all merged into the new Department of Homeland Security, each former agency was operating under a pre-9/11 staffing model that reflected the missions of those agencies at that time. Since then, our frontline officers are working longer hours, dealing with new security threats and helping to implement new border security programs. The men and women on our frontlines are working hard to meet this new challenge, and we have an obligation to help them.

This amendment supports our frontline officers by commissioning an independent study to try to answer the central question, how many people do we need on our front lines to secure our Nation's borders while moving people and cargo across our borders in a reasonable amount of time? This study would take into consideration a variety of factors: threat and vulnerability information, the impact of the implementation of new technology, and the wait times that we know exist.

Mr. Chairman, we need to know how many people we need to have on the frontline. The cost of not doing this study would far outweigh the $450,000 set aside in this amendment, transferred from the Bureau of Customs and Border Protection from the Department's Headquarters Management Account.

This amendment has the support of a diverse group, including the National Border Patrol Council, the 18,000 frontline inspectors who make up the National Immigration and Naturalization Service Council, the American Federation of Government Employees, as well as the American Immigration Lawyers Association.

We must do all we can, Mr. Chairman, in this time of war against al Qaeda, to ensure that our borders are as secure as they need to be.

I want to thank the gentleman from Kentucky (Chairman ROGERS) for working with this and supporting us on this amendment, and I appreciate also the language to be included as report language in support of this amendment.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. TURNER of Texas. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. Mr. Chairman, the gentleman has offered what I consider to be a very helpful amendment. I think it is needed, and we are happy to agree to it. The ranking member of the Select Committee on Homeland Security has been very helpful to us.

Mr. SABO. Mr. Chairman, will the gentleman yield?

Mr. TURNER of Texas. I yield to the gentleman from Minnesota.

Mr. SABO. Mr. Chairman, I congratulate the gentleman on a very good amendment. It is a much needed study.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. TURNER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. STUPAK

Mr. STUPAK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STUPAK:

Page 2, line 16, after the dollar amount, insert the following: "(reduced by $500,000)".

Page 22, line 18, after the dollar amount insert "(increased by $500,000)".

Mr. STUPAK (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. STUPAK. Mr. Chairman, this amendment is very straight forward. It would simply provide $500,000 for the Department of Homeland Security to conduct a thorough study on how these first responder grants have been spent over the past 2 fiscal years.

In particular, we need to know how much of the $4.4 billion allocated for Homeland Security grant programs have been spent on upgrading local and State first responder communication systems.

Why is this necessary? Because after 9/11, the Nation finally realized what those of us in law enforcement have known for years, that there is a huge gap in how we respond to natural and terrorist-related disasters. First responder agencies cannot talk to each other.

Last month, the independent 9/11 Commission held hearings to examine the communication gaps between public safety agencies during their response to attacks on the World Trade Center. What the commission learned was that fire chiefs in the World Trade Center lobbies new little of the conditions upstairs. They did not hear anything about what the police in helicopters were seeing as they circled the buildings, that the towers may or would collapse.

As we now know, Federal reports on the 9/11 Federal emergency response concluded that the inability of first responders from different agencies to talk to one another was a key factor in the deaths of at least 121 firefighters.

Since then, the Federal Government has called upon the States and local governments to be even more vigilant and prepared for possible attacks of terrorism. Yet our public safety agencies continue to lack the ability to communicate with each other between agencies and between jurisdictions. Firefighters cannot talk to police, local police cannot talk to state police or emergency personnel, and so on and so on.

Despite the creation of the Department of Homeland Security and grant programs for first responders, program funding for modernizing their communications system has fallen far short of the $6.8 billion that is needed to make the Nation's public safety agencies interoperable, in other words, being able to talk to each other.

In fiscal year 2003, only $100 million was devoted to local public safety communications systems, and no funding at all was available in fiscal year 2004.

The bottom line is there is an awful lot of talk here about interoperability, but no real, reliable resources to make that happen so agencies can talk to each other in times of catastrophic disaster or terrorist attacks. All we have are 2 years of grant programs within DHS, but none specifically for interoperability; and we do not know where that money is going.

So far, neither I nor my staff can find any evidence of oversight on where the billions of dollars have gone after these grants have been sent to the States and local governments. No one can tell me how much of that money has gone to interoperable radio communications. I think we need to know how much money is being spent so we have a better idea on what the priorities are for our Nation's first responders.

I know for a fact that upgrading radio equipment is a priority in my district, which is large, rural, and on the Canadian border, and, at times, unfortunately, porous, where those who do not belong can sneak into the United States.

Again, my amendment takes $500,000 out of the office of the Under Secretary of Management, an account that receives a $50 million increase in this bill over fiscal year 2004. It puts that $500,000 for this needed study under the salaries and expenses account under title III, the preparedness and recovery title.

For 30 years, I have been associated with law enforcement, 12 years as a police officer. For 30 years, I have been hearing that we will have radios so we can talk to each other and to first responders. After 30 years and many deaths, it is time we move forward on making interoperability for all first responders available so we can talk to each other, especially in times of peril.

Mr. ROGERS of Kentucky. Mr. Chairman, I move to strike the last word.

Mr. Chairman, if the gentleman would remain at the desk, I really appreciate the gentleman bringing this issue before us, interoperability of communications amongst our first responders. One of the great lessons we learned, of course, out of 9/11—and the evidence has been ongoing since that time—is to go all out to try to create interoperability. It is a fairly complicated matter, as we now find out, and very expensive.

So the gentleman's amendment that would set aside more money to examine how this can take place really is not necessary, because the Department already has an ongoing operation to collect that data from the States and the communities and the first responder units.

Not all the States, of course, have decided what grant money will be spent on; and, of course, all the data is not yet automated. But the Office for Domestic Preparedness is currently building a master database, it is supposed to be completed in the next few months, to automate all state and local spending details, so we will then have what I think will be a fairly comprehensive inventory of where we are, which is what the gentleman, I think, is seeking in his amendment.

So I would hope, perhaps, that the gentleman might withdraw the amendment, with my assurance that the Department is already involved in exactly what I think he seeks in his amendment.

Mr. STUPAK. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Kentucky. I yield to the gentleman from Michigan.

Mr. STUPAK. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the chairman is right, we have been trying to address this issue. I know, having been involved in law enforcement and worked with an interagency drug task force, we can bring in radio equipment so everyone can talk to each other no matter what frequency they are on. And I know through the leadership of the chairman and the ranking member and many Members who are concerned about this, as we heard from the Fire Caucus earlier, those Members, there is actually mobile equipment that we can bring in and help out.

We have taken a good step forward. I want to make sure we keep moving in that right direction. That is why I wanted this study, as I continue to work in my own committee to try to set up a fund to get this interoperability realistic throughout this country, because it is going to cost $6.8 billion; and I am concerned about my rural committees as well as the big cities.

Mr. Chairman, the chairman has given me those assurances, and his word is always good with me. So I will withdraw my amendment, with those assurances. I look forward to working with the chairman and ranking member. I appreciate the gentleman's continued support on this issue and thank him for the opportunity of raising it.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

□ 2100

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Office of the Chief Financial Officer

For necessary expenses of the Office of the Chief Financial Officer, as authorized by section 103 of the Homeland Security Act of 2002 (6 U.S.C. 113), $13,000,000.

Office of the Chief Procurement Officer

For necessary expenses of the Office of the Chief Procurement Officer, $7,734,000.

Office of the Chief Information Officer

For necessary expenses of the Office of the Chief Information Officer, as authorized by section 103 of the Homeland Security Act of 2002 (6 U.S.C. 113), $60,139,000.

Department-Wide Technology Investments

For development and acquisition of information technology equipment, software, services, and related activities for the Department of Homeland Security, and for the costs of conversion to narrowband communications, including the cost for operation of the land mobile radio legacy systems, $211,000,000, to remain available until expended: *Provided*, That none of the funds appropriated shall be used to support or supplement the appropriations provided for the United States Visitor and Immigrant Status Indicator Technology project or the Automated Commercial Environment.

Office of Inspector General

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978 (5 U.S.C. App.), $82,317,000, of which not to exceed $100,000 may be used for certain confidential operational expenses, including the payment of informants, to be expended at the direction of the Inspector General.

TITLE II—SECURITY, ENFORCEMENT, AND INVESTIGATIONS

Office of the Under Secretary for Border and Transportation Security

SALARIES AND EXPENSES

For necessary expenses of the Office of the Under Secretary for Border and Transportation Security, as authorized by subtitle A of title IV of the Homeland Security Act of 2002 (6 U.S.C. 201 et seq.), $10,371,000.

UNITED STATES VISITOR AND IMMIGRANT STATUS INDICATOR TECHNOLOGY

For necessary expenses for the development of the United States Visitor and Immigrant Status Indicator Technology project, as authorized by section 110 of the Illegal Immigration Reform and Immigration Responsibility Act of 1996 (8 U.S.C. 1221 note), $340,000,000, to remain available until expended: *Provided*, That of the funds appropriated under this heading, $254,000,000 may not be obligated for the United States Visitor and Immigrant Status Indicator Technology project until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure prepared by the Secretary of Homeland Security that: (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A–11, part 3; (2) complies with the Department of Homeland Security enterprise information systems architecture; (3) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government; (4) is reviewed and approved by the Department of Homeland Security and the Office of Management and Budget; and (5) is reviewed by the General Accounting Office.

Customs and Border Protection

SALARIES AND EXPENSES

For necessary expenses for enforcement of laws relating to border security, immigration, customs, and agricultural inspections and regulatory activities related to plant and animal imports; acquisition, lease, maintenance and operation of aircraft; purchase and lease of up to 4,500 (3,935 for replacement only) police-type vehicles; and contracting with individuals for personal services abroad; $4,611,911,000, of which $3,000,000 shall be derived from the Harbor Maintenance Trust Fund for administrative expenses related to the collection of the Harbor Maintenance Fee pursuant to Public Law 103–182 and notwithstanding section 1511(e)(1) of Public Law 107–296; of which not to exceed $40,000 shall be for official reception and representation expenses; of which not to exceed $176,162,000 shall remain available until September 30, 2006, for inspection and surveillance technology, unmanned aerial vehicles, and equipment for the Container Security Initiative; of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)(3)), shall be derived from that account; of which not to exceed $150,000 shall be available for payment for rental space in connection with preclearance operations; of which not to exceed $1,000,000 shall be for awards of compensation to informants, to be accounted for solely under the certificate of the Under Secretary for Border and Transportation Security; and of which not to exceed $5,000,000 shall be available for payments or advances arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to immigration: *Provided*, That for fiscal year 2005, the aggregate overtime limitation prescribed in section 5(c)(1) of the Act of February 13, 1911 (19 U.S.C. 267(c)(1)) shall be $35,000; and notwithstanding any other provision of law, none of the funds appropriated in this Act may be available to compensate any employee of U.S. Customs and Border Protection for aggregate overtime and premium pay, from whatever source, in an amount that exceeds such limitation, except in individual cases determined by the Under Secretary for Border and Transportation Security, or a designee, to be necessary for national security purposes, to prevent excessive costs, or in cases of immigration emergencies: *Provided further*, That none of the funds appropriated in this Act may be obligated to construct permanent Border Patrol checkpoints in the U.S. Customs and Border Protection's Tucson sector: *Provided further*, That the Commissioner, U.S. Customs and Border Protection, is directed to submit to the Committees on Appropriations of the Senate and the House of Representatives a plan for expenditure that includes location, design, costs, and benefits of each proposed Tucson sector permanent checkpoint: *Provided further*, That U.S. Customs and Border Protection shall relocate its tactical checkpoints in the Tucson sector at least an average of once every 14 days in a manner designed to prevent persons subject to inspection from predicting the location of any such checkpoint.

AUTOMATION MODERNIZATION

For expenses for customs and border protection automated systems, $449,909,000, to remain available until expended, of which not less than $321,690,000 shall be for the development of the Automated Commercial Environment: *Provided*, That none of the funds appropriated under this heading may be obligated for the Automated Commercial Environment until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure prepared by the Under Secretary for Border and Transportation Security that: (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A–11, part 3; (2) complies with U.S. Customs and Border Protection's enterprise information systems architecture; (3) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government; (4) is reviewed and approved by the U.S. Customs and Border Protection Investment Review Board, the Department of Homeland Security, and the Office of Management and Budget; and (5) is reviewed by the General Accounting Office.

CONSTRUCTION

For necessary expenses to plan, construct, renovate, equip, and maintain buildings and facilities necessary for the administration and enforcement of laws relating to customs and immigration, $91,718,000, to remain available until expended.

Immigration and Customs Enforcement

SALARIES AND EXPENSES

For necessary expenses for enforcement of immigration and customs laws, detention and removals, and investigations; and purchase and lease of up to 2,300 (2,000 for replacement only) police-type vehicles; $2,377,006,000, of which not to exceed $5,000,000 shall be available until expended for conducting special operations pursuant to section 3131 of the Customs Enforcement Act of 1986 (19 U.S.C. 2081); of which not to exceed $15,000 shall be for official reception and representation expenses; of which not to exceed $1,000,000 shall be for awards of compensation to informants, to be accounted for solely under the certificate of the Under Secretary for Border and Transportation Security; of which not less than $100,000 shall be for promotion of public awareness of the child pornography tipline; of which not less than $200,000 shall be for Project Alert; and of which not to exceed $16,216,000 shall be available to fund or reimburse other Federal agencies for the costs associated with the care, maintenance, and repatriation of smuggled illegal aliens: *Provided*, That none of the funds appropriated shall be available to compensate any employee for overtime in an annual amount in excess of $35,000, except that the Under Secretary for Border and Transportation Security may waive that amount as necessary for national security purposes and in cases of immigration emergencies: *Provided further*, That of the total amount provided, $3,000,000 shall be for activities to enforce laws against forced child labor in fiscal year 2005, of which not to exceed $2,000,000 shall remain available until expended.

FEDERAL AIR MARSHALS

For necessary expenses of the Federal air marshals, $662,900,000, to remain available until expended.

FEDERAL PROTECTIVE SERVICE

The revenues and collections of security fees credited to this account, not to exceed $478,000,000, shall be available until expended for necessary expenses related to the protection of federally-owned and leased buildings and for the operations of the Federal Protective Service.

AUTOMATION MODERNIZATION

For expenses of immigration and customs enforcement automated systems, $39,605,000, to remain available until expended: *Provided*, That none of the funds appropriated under this heading may be obligated for ATLAS until the Committees on Appropriations of the Senate and the House of Representatives receive and approve a plan for expenditure prepared by the Under Secretary for Border and Transportation Security that: (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A–11, part 3; (2) complies with U.S. Immigration and Customs Enforcement's enterprise information systems architecture; (3) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government; (4) is reviewed and approved by the U.S. Immigration and Customs Enforcement's Investment Review Board, the Department of Homeland Security, and the Office of Management and Budget; and (5) is reviewed by the General Accounting Office.

CONSTRUCTION

For necessary expenses to plan, construct, renovate, equip, and maintain buildings and facilities necessary for the administration and enforcement of the laws relating to customs and immigration, $26,179,000, to remain available until expended.

AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

For necessary expenses for the operations, maintenance, and procurement of marine vessels, aircraft, and other related equipment of the air and marine program, including operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction and demand reduction programs, the operations of which include the following: the interdiction of narcotics and other goods; the provision of support to Federal, State, and local agencies in the enforcement or administration of laws enforced by U.S. Customs and Border Protection or U.S. Immigration and Customs Enforcement; and at the discretion of the Under Secretary for Border and Transportation Security, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts, $257,535,000, to remain available until expended: *Provided*, That no aircraft or other related equipment, with the exception of aircraft that are one of a kind and have been identified as excess to U.S. Immigration and Customs Enforcement requirements and aircraft that have been damaged beyond repair, shall be transferred to any other Federal agency, department, or office outside of the Department of Homeland Security during fiscal year 2005 without the prior approval of the Committees on Appropriations of the Senate and the House of Representatives.

TRANSPORTATION SECURITY ADMINISTRATION

AVIATION SECURITY

For necessary expenses of the Transportation Security Administration related to providing civil aviation security services pursuant to the Aviation and Transportation Security Act (Public Law 107–71), $4,270,564,000, to remain available until expended, of which not to exceed $3,000 shall be for official reception and representation expenses: *Provided*, That of the total amount provided under this heading, not to exceed $2,016,814,000 shall be for passenger screening activities; not to exceed $1,406,460,000 shall be for baggage screening activities; and not to exceed $847,290,000 shall be for airport security direction and enforcement: *Provided further*, That security service fees authorized under section 44940 of title 49, United States Code, shall be credited to this appropriation as offsetting collections: *Provided further*, That the sum herein appropriated from the General Fund shall be reduced on a dollar-for-dollar basis as such offsetting collections are received during fiscal year 2005, so as to result in a final fiscal year appropriation from the General Fund estimated at not more than $2,447,564,000: *Provided further*, That any security service fees collected pursuant to section 118 of Public Law 107–71 in excess of the amount appropriated under this heading shall be treated as offsetting collections in fiscal year 2006: *Provided further*, That none of the funds in this Act shall be used to recruit or hire personnel into the Transportation Security Administration which would cause the agency to exceed a staffing level of 45,000 full-time equivalent screeners: *Provided further*, That notwithstanding section 44923 of title 49 United States Code, the Federal Government's share of the cost of a project under any letter of intent shall be 75 percent for any medium or large hub airport and 90 percent for any other airport, and all funding provided by subsection (h) of such section, or from appropriations authorized by subsection (i)(1) of such section, may be distributed in any manner deemed necessary to ensure aviation security and to fulfill the Federal Government's planned cost share under existing letters of intent.

POINT OF ORDER

Mr. MICA. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. MICA. Mr. Chairman, I make a point of order against page 14, line 9, beginning with the words "provided further" through line 19.

This provision violates clause 2 of rule XXI. It changes existing law and, therefore, constitutes legislating on an appropriations bill in violation of House rules.

The CHAIRMAN. Does any Member desire to be heard on the point of order?

If not, the Chair is prepared to rule. The Chair finds that this proviso explicitly supersedes existing law. The proviso, therefore, constitutes legislation in violation of clause 2 of rule XXI.

The point of order is sustained, and the proviso is stricken from the bill.

AMENDMENT NO. 17 OFFERED BY MR. DEFAZIO

Mr. DEFAZIO. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

> Amendment No. 17 offered by Mr. DEFAZIO: Page 14, strike the proviso beginning on line 5.

Mr. DEFAZIO. Mr. Chairman, I do not rise to defend the Transportation Security Administration as a paragon of efficiency, although I have been impressed in recent meetings, hearings, closed and open door, with the acting head, Admiral Stone. And in particular, he seems to be willing to address the enduring problems with the centralized bureaucracy, the fact that hiring, firing, management decisions, scheduling decisions are all being made out of Washington, D.C. instead of at the local level by the local Federal Security Director.

But I want to give him a chance to succeed. I want to make the system work as well as possible. And the cap that has been imposed, I think out of frustration by members of this committee, which is shared by members of the Subcommittee on Aviation and the Select Committee on Homeland Security, about the past problems with management of this agency is not the right solution.

We talk about right sizing the TSA. Well, the way to do that would be to do a bottom-up assessment of what is necessary to meet the mandates of the Transportation Security Act, to screen the baggage, to properly screen the passengers.

It is my understanding that in the near future we may hear that the Transportation Security Administration is going to fill the huge gap where individuals who work in the airport, vendors and others, caterers, would have to go through screening on a daily basis, which will increase the load. Passenger loads are coming back as people return to the air. But because of this arbitrary cap of 45,000, we find out that according to the GAO we are not meeting the mandate on 100 percent electronic baggage screening because of staffing shortages.

The Secretary of Transportation, Secretary Mineta, has abandoned the promise and the contract with the American traveling public that they will wait no more than 15 minutes in line. There have been lines reported at some airports up to 4 and 5 hours; 1 and 2 hours are regularly at other airports. That means the airlines are losing more and more of their business travelers, which is causing the industry tremendous problems.

We need predictability when business travelers and others go to the airport. We need some assurances that they will be able to get through expeditiously and quickly. And even more than that, we need assurances that they will be properly screened and that their baggage will be properly screened. I believe because of this cap we are not meeting any of those charges.

A number of the largest airports in the United States, 22 of the 25 focus airports that the Transportation Security Administration deems to be at high risk of delays this summer; these are 22 of the 25 airports at high risk of travel delays this summer, the Transportation Security Administration, because of the cap, has reduced screener staffing resources by the equivalent of 3,100 full-time screeners over the last year, about 20 percent of those airports. That means that many Americans are going to be waiting in line for half an hour or an hour or more because of these arbitrary caps.

I do not think this is the way to get at the management problems of the TSA. It would be better for the committee to mandate that the agency, prior to the start of the next fiscal year, go through an assessment, and they claim they are doing this, but mandate it perhaps, that they would decide from the ground up, from every position in the agency how many people they need at each airport and set a performance standard, a standard both in terms of security that has to be met and a standard in terms of how long it is going to take people to get through those airports.

It is not fair to the public to say, well, you are paying this additional tax for security and you are paying all of these other taxes, a very large part of the ticket, but we cannot afford enough people to get you through here in less than 3 hours. That is not right.

I know many of my colleagues have experienced this firsthand, and they certainly have received complaints from their constituents, particularly in a number of these 25 focus airports around the country.

I do not do this out of some sort of very parochial need, because my own local airport is doing quite well. But I do it out of a general concern for the industry, the traveling public, safety, security, and convenience, and the proper management of the TSA, and wanting to give the new acting director a chance to make it work right by removing this cap, admitting that there were mistakes made in the past, and we expect that they will not be repeated in the future.

Mr. ROGERS of Kentucky. Mr. Chairman, I rise in opposition to this amendment.

Mr. Chairman, since 2002, we have included language in either the Transportation bill that preceded Homeland Security, and then the Homeland Security bill in 2004, language that limits the number of screeners to no more than 45,000 full-time equivalents. In my judgment, that language is necessary to force TSA to use taxpayer dollars reasonably and efficiently.

When TSA was first organized, it overhired and mismanaged millions of dollars. When they first came to the Congress when it was a part of the Transportation Department, they said we think we can get by with 30,000 screeners. They came back later and said no, we think it is going to be 35,000. Then they came back later and said 40,000, then 45,000, then 50,000, then 55,000. Finally, I said "Time. Let us talk. What is going on here?" And others did the same thing.

And so we went through their needs and we were careful to determine the optimum amount of people that would be necessary to screen our customers at the airports.

During this zealous hiring phase at the outset, many airports, particularly small ones, had TSA employees screening a couple of passengers a day. For example, Clinton County Airport in New York, and I do not want to pick out examples necessarily, but there is no other way to do it; Clinton County Airport in New York had 20 screeners. How many passengers a day did they have? Twelve. Twenty screeners for 12 passengers a day.

Other airports, Massena and Adirondack, both in New York had the same number of screeners as daily passengers. What we had at that time, and people said so, is that TSA was an acronym for Thousands Standing Around, waiting for a passenger that needed to be screened.

Over the last 2 years, this cap has forced TSA to reshape that workforce so that more screeners have now been assigned in high-traffic airports and fewer in small airports, while still maintaining high levels of security. TSA has also begun to hire part-time screeners to work just during the peak hours, and the rest of the day when we do not need them they are not there. TSA recently created a summer plan to mitigate the anticipated effects of a busy travel season, given the size of the screener workforce. They are right sizing even as we speak.

TSA needs to do more. The agency is still too focused on screeners. It is doing a poor job of phasing in new technologies that would reduce our dependence on screeners.

Here are two examples of cost-savings that can result from using technology: Lexington, Kentucky, an airport I fly in and out of each week, invested just $3.5 million to install explosive detection machines in-line, with the conveyor belt, which allowed TSA to use 4 screeners per shift, rather than the 30 that would have been required using explosive trace detection equipment in the lobby. Not only that, people move through quicker.

There are even bigger savings in larger airports. San Francisco predicts that by having a complete in-line explosive detection system, it will require 100 less screeners, saving about $5 million in salaries and compensation each year.

Deleting this cap would be very premature. Instead of forcing TSA to continue to restructure its workforce to handle high-traffic levels at some airports, and to procure new equipment that could greatly reduce our reliance on screeners, this amendment would permit TSA to request an exemption from this cap and return to the days of "thousands standing around."

If we delete this cap, Mr. Chairman, 5 years from now I am convinced we will have 70,000-plus screeners and no new technology in place, and we are back to where we were.

☐ 2115

Mr. PASCRELL. Mr. Chairman, I rise in support of the amendment.

I can agree with the gentleman from Kentucky (Mr. ROGERS) on much of what he has said. Deployment and manpower must work hand in hand. So you have in some airports too few screeners. You have other airports, as the gentleman has described it, too many. However, when you look at the attrition rate, and I would ask the chairman to look at this please, there is so much of a turnover, that that is causing, as the numbers that I have studied, an insufficient amount of screeners many times at many airports. And that is why I support the DeFazio amendment.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. PASCRELL. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. The gentleman makes a very good point. The TSA is still operating under the system where they hire nationally. So that when there is a vacancy in San Francisco or New Jersey or where have you, that has to work its way up to the national headquarters, and it is a very inefficient way for TSA to replace people who have quit their job. We are trying to force the Department to at least regionalize the hiring process, and I would like to see it even localized so that we can replace people quickly, but the gentleman makes a good point.

Mr. PASCRELL. Reclaiming my time, I agree with what the chairman is saying, but many times we put the cart before the horse. We do not have a universal vulnerability and risk assessment, and perhaps we are spending money in the wrong places. This is a problem. A better method would be a bottom-up approach. Security decisions should be made by evaluating what each airport needs, what each airport needs to screen passengers and baggage effectively and efficiently. It would seem that should be our priority.

The reason why I believe the threshold should be taken away and not suggesting another number to take its place is that you have a very difficult period in air travel coming up, Mr. Chairman. The summer travel season gets busier and busier. People are going to wonder why lines are getting longer and longer. I do not know if the TSA is prepared to act accordingly and quickly, to be very honest. Because of the provision that this amendment addresses, the TSA simply does not have the manpower to do the job.

The federalization of airport passenger screeners has been a rocky road, but this cap has only added to the problems. It has hurt the ability of the TSA to manage the problem areas such as the mile-long lines at Atlanta's Hartfield Airport. The Congress has mandated 100 percent electronic screening of checked baggage at several airports this year; the electronic baggage mandate was not met due to a glaring lack of screeners.

Mr. DEFAZIO. Mr. Chairman, will the gentleman yield?

Mr. PASCRELL. I yield to the gentleman from Oregon.

Mr. DEFAZIO. Mr. Chairman, the other point is the chairman talked about the fact that we need to replace the screeners with technology. I agree 100 percent as does the gentleman from Florida (Mr. MICA). Unfortunately, this budget does not contain this money. It is $231 million less than we authorized for that kind of technology.

Mr. PASCRELL. Reclaiming my time, I witnessed the screener cap issue firsthand when there were media reports that Newark International Airport was not meeting the baggage screening mandate. At one point this past year, Newark was dangerously understaffed to the point where the EDS machines, and we know how sensitive they are; we know how much effort we have put into this, thanks to the Committee on Transportation and Infrastructure, thanks to homeland security, they were sitting idle. No one was there to operate them despite high passenger traffic.

The airport is now meeting its mandates, but only with the temporary assignment of an extra 150 screeners to deal with the summer months. Come the fall, we may be short-staffed again. So what is actually needed is clearly more than the arbitrary level set in the bill. That is what I am addressing, Mr. Chairman, through the Chair, and that is, I believe the 45,000 number is arbitrary. And I would ask the gentleman in his capacity as the chairman, and he has looked at this and the sensitivities that exist in all of these amendments and issues, to please look at this, what has happened to these EDS machines that are on-line but there is no one to staff them.

I think that the 45,000 figure, that cap, that threshold is not realistic. I have looked at the data. I have examined the small airports, the large airports. I agree with everything that you have said in terms of the ridiculousness of many screeners standing around all day doing nothing. We know that there needs to be a deployment change. I am simply asking, we should not have this threshold number unless we have the data to support it. And I would ask the gentleman to reconsider that, Mr. Chairman.

Mr. MICA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to also thank the committee Chair, the gentleman from Kentucky (Mr. ROGERS), for his leadership on this issue, the great job he is doing on homeland security. The gentleman from Oregon (Mr. DEFAZIO) and I have the honor and privilege of serving with him as the ranking member of the Subcommittee on Aviation. I understand the frustration of the gentleman. Both the gentleman from Oregon (Mr. DEFAZIO) and me are very frustrated with the operation of TSA. However, I rise in opposition to eliminating the screening cap of 45,000 that the Committee on Appropriations has placed on TSA.

I did not coordinate my remarks with the gentleman from Kentucky (Mr. ROGERS), but ironically he got up and said we were promised in the beginning, it took, they said, maybe 26,000 it would take the private sector to add fewer screeners; and we can debate the merits and or demerits of what they did. And then we were told 30,000; and then we were told 35,000 would do the job; and then 40,000 would do the job. Only give us 50,000; and one day we woke up and there were 60,000 TSA employees.

Now, they did a job that was mandated by Congress, and they put all those folks out there. But at some point it got to be exactly what the chairman described. Thousands standing around. It became a joke. And what we had to do was right-size that agency. We got something in place; and it was, no question, overstaffed.

One of the problems with this is that a defect in the organization of TSA, and this is no offense to TSA, Congress organized it. But we created basically, and I have said this publicly before, a Soviet-style Moscow-centered, in this case Washington-centered, bureaucracy.

The Chair just described the process of hiring a person, a vacancy in San Francisco and then waiting days and weeks. We just waited 6 months for TSA to finalize its most recent screener allocations. They just released them. I am the chairman. I represent Orlando International Airport at one of the busiest tourist destinations in the United States. We needed 124 part-time positions before Christmas. I still do not have the part-time screeners that we need there. They cannot get it right.

Please do not believe that bigger government, just give us 10,000 more, 20,000 more, will solve this. It will not. It has to be decentralized. It has to be localized. And that is what we intend to do.

We do have 14 airports that have automated inline screening systems, and you heard the reduction in personnel, just at one example; and more will come online, so we actually need fewer screeners.

The performance rate of even the screeners we have, I hate to say this, I invite every Member of Congress to receive the classified results. The Inspector General testified before us publicly; we had Federal screening and five demonstration public screening operations compared with all Federal screening operations, and the Inspector General described the results that they performed equally poorly.

I say that TSA is mostly a mirage. We are fortunate that we have secured cockpit doors, that we have armed air marshals, that we in fact have pilots that have been armed. That gives us this protection, not this mirage you see. A bigger mirage is not going to solve it. What is going to solve it is decentralization of the process and then better technology. Go to New Jersey. You do not need an invitation. See our test center. See equipment that will detect weapons, will detect explosives. That is what we need in place.

I will say, no matter how hard they try and how many employees they get, 40, 50, 60,000, they will never get it right from Washington in this bureaucratized, centralized operation. It will never be able to service the needs, the requirements of 440 airports with different schedules.

Think of Dulles out here. They are going to have Independence Air with 300 additional flights. Well, that is not in the allocation that they just took 6 months to get. It will take them months and months to get it right. So we need to vote down this amendment and correct the deficiencies in TSA.

Ms. BERKLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today to strongly support the DeFazio amendment to eliminate the 45,000-person cap on the number of TSA screeners.

When Congress created the Transportation Security Administration and tasked them with protecting our aviation, rail and transit systems, it was expected that Congress would provide the agency with the necessary resources. However, Congress has not done its job.

Last year, a cap of 45,000 was placed on the number of Federal screeners at our Nation's airports. This number is not only an arbitrary figure; it does not give our airports enough personnel necessary to screen passengers. We have an obligation to enable the TSA to hire the number of people needed to ensure the security of the flying public in the safest and most efficient way.

Now, I cannot speak for the airport in Clinton, New York; but I can speak for the airport in Las Vegas, Nevada. Officials at McCarran Airport in Las Vegas have struggled to manage the long lines as a result of inadequate personnel. In January, departing passengers stood in line for up to 4 hours after attending one of our largest conventions. This is absolutely unacceptable for a community that depends on its airport to deliver tens of millions of annual visitors.

Not only does this cause passenger frustration; it poses additional security risks. Thousands of people jammed into a small area could create yet another potential terrorist target.

In our attempts to secure one aspect of our aviation system, we should not expose another flank to potential attack. TSA has worked with the Nevada delegation to temporarily reduce wait times by giving the Federal security director more flexibility and personnel. But McCarran screeners are working over 50 hours a week to meet the demand. We cannot expect them to continue to work these hours. At some point, they are either going to quit their jobs or their efficiency and effectiveness will be compromised, which in turn will impact on passenger safety. We must find a long-term solution.

McCarran International Airport is the life blood of the Las Vegas Valley. Last year, nearly 36 million people came to Las Vegas; 46 percent of them arrived by air. Passenger traffic at McCarran has grown 15 percent just this year alone, and this growth is expected to continue. New airlines have added service and established airlines continue to expand their existing networks to include more flights to southern Nevada.

Officials at McCarran and local FSD have worked tirelessly to improving the screening process for passengers. This summer, seven new checkpoints will be opened by next fall and an inline baggage screening system will be operational. We have at McCarran the latest technology, but it is time for Congress to do our part.

Instead of mandating a cap on a screener workforce, let us give the TSA the resources it needs to secure our skies. Give the TSA the ability to hire the screeners it needs to achieve its mission, keeping the flying public safe.

This is about more than aviation security. This is about national security. We cannot cut corners or attempt to play politics with something as important as the lives of our pilots, our crew members, our passengers, and America's airport personnel.

Mr. SABO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I suppose if it were an ideal world, I would prefer not to have staffing caps and would like to think I could trust an agency to manage the staffing.

□ 2130

There is nothing about TSA that gives me that confidence. I have dealt with endless agencies over the years. I have never dealt with one more frustrating to deal with in all my years of public service than TSA.

There was maybe no option other than top-down development in the agency at the beginning, but it was chaotic. It was hiring people without any thought. It was not managing contracts. It was wasting money all over the place. Today, there is no reason to continue that top-down management. It does not work.

I am impressed by the new director from what he says. Maybe the agency can change; but if we say, have your own way, those pressures will disappear. There are times when we have agencies when they are not working, we have got to force them to make some decisions. They clearly mismanaged personnel, misallocated personnel all over the country. Incredibly bureaucratic, top down, people at the bottom cannot make decisions, cannot hire people. I do not think they can train people, maybe a little bit.

So I understand why my colleagues are frustrated. If I thought that giving them more people would solve their problem in a fashion, then I might be more sympathetic, if not repealing the ceiling or adjusting it; but I have no confidence that they would handle and manage additional people. I think we have to force them to make those judgments, to reallocate those sources.

Speaking a hypothetical, I have no trust that simply adding people to them are going to relieve lines in certain airports. The reality is lifting the cap in this bill does nothing about the staffing and capping limits for this summer. So I think we have no option but keeping this cap until this agency is restructured, we get some real bottom up management, with good people in place at the local level.

Let me just conclude, again, by saying I have never seen an agency so mismanaged from the beginning and totally wasting resources in my life that I think having a cap is the only responsible thing to do; and I think we have to maintain it, and keep their feet to the fire.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

I hope we can put aside the unnecessary and overblown hyperbole that has at times crept into this discussion such as Moscow-style bureaucracy; TSA is a joke. TSA is not a joke. This agency, its personnel are engaged in the very serious business of maintaining security at our Nation's airports, for air travelers, for the airline business in America. They have done an extraordinary job under extremely difficult circumstances, tight timelines, unavailability of space, equipment that was not forthcoming, equipment that was not ready to do the task that was set before them; and I think rather than disparage this agency and these personnel who came in with a very high degree of spirit to do the right job for America, we ought to commend the individual workers for making the effort and continue our focus on redirecting the management and setting performance standards. Performance standards would be far better than an arbitrary limit on the number of personnel.

I have enormous respect for the gentleman from Kentucky. We have worked together on so many issues over many, many years; and I do not think that he came in and just picked an arbitrary number just to show that he is in charge. Out of great frustration, out of very serious concern for getting the right number, as my colleague from Minnesota said, they picked a number and said get down to this level; but that is not the right way to achieve the best out of this agency.

I agree that at the outset, after enactment of the Air Traffic Security Act, that the agency went in and did many things. A new agency was created, did many things at the same time. They rushed in, they hired many more people than we know in hindsight to be necessary for the job; but remember, they did not know electronic detection screening equipment would be available. They had a deadline to meet within a year. We all agreed in this body that that was a timeline we were not going to budge from; we were going to insist that this deadline be met; that if they could not get the EDS equipment in place, they would have to do hand screening, they would have to do screening with canines; that there were going to be huge time requirements and personnel; they would need more people, and they did not know how many were going to be required at various airports.

So they put people in place. They met the goal that we set forth in the authorization law, and then they went about the task of right-sizing. Right-sizing does not necessarily mean downsizing, and removing the cap does not necessarily mean adding more personnel, but just arbitrarily imposing a cap is not going to achieve the goal of better management of standard-based management of this agency. I think under Admiral Loy and his successor as head of TSA, Admiral Stone, that the process is underway of decentralizing the decisionmaking on locating personnel.

For example, in the Minneapolis/St. Paul airport area responsibility, the Federal security director has right-sized that facility by shifting personnel to among the various airports under his jurisdiction. In Duluth, an area that I know very well, the Federal security director has several airports in northern Minnesota under his jurisdiction. He has moved TSA personnel from those airports that were overstaffed and put them to airports where they were understaffed. They have moved to put in place part-time personnel where that fits.

There has to be much more of this kind of decentralization of decision-making on allocation of personnel.

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. OBERSTAR) has expired.

(By unanimous consent, Mr. OBERSTAR was allowed to proceed for 1 additional minute.)

Mr. OBERSTAR. Mr. Chairman, so the answer is right-sizing, not necessarily down-sizing arbitrarily.

This year we are seeing a rebound in air travel. There is going to be a 6.8 percent, 7-plus percent increase in air travelers. That will mean an increase in demand for screeners. To put an arbitrary cap on screeners at a time when air traffic is growing, when the airlines are beginning to rebound, I think is not responsible.

I would hope that the gentleman's amendment would be supported and that we allow a process; and our committee, under the leadership of the gentleman from Florida (Mr. MICA), has been vigorous in this pursuit of oversight on this agency and are keeping their noses to the grindstone through our oversight process. Insisting on right-sizing and decentralization of decisionmaking for allocation of personnel is a far better way to go than just say here is an arbitrary cap that will result in arbitrary results.

Mr. TURNER of Texas. Mr. Chairman, I move to strike the requisite number of words.

I want to thank the gentleman from Oregon (Mr. DEFAZIO) for his leadership on this very critical issue, and I am glad to see that we have good people on all sides of this issue tonight.

I joined with the gentleman from Oregon (Mr. DEFAZIO) in offering this amendment. I do agree with the ranking member that when this screening cap was put in place more than a year ago, we were looking at a TSA that was a bureaucracy out of control. It had hired more than 60,000 screeners, and it was still growing. There was no clear strategy or budget plan. It was unknown how much technology would help in moving people and baggage through screening checkpoints. So at that time, the cap made a lot of sense, and it certainly sent a very strong message to the Department.

Today, however, we have a very different situation. TSA has met, to a large extent, demanding congressional requirements and has its leadership and budget team in place. As a testament to the public's trust in air safety, air traffic has increased dramatically. Yet we have the same screener cap in place, and it is impeding the ability of the Department to manage a growing passenger load.

Many Americans are all too familiar with the long security lines at airports. Many of us travel and see those long lines. I see them regularly at Reagan airport. Many see it at Dulles. I also see them at the Houston airport.

What is less obvious than the long lines is the damage that screener understaffing is doing to aviation security. I have had a chance to talk to some of the airline screeners in Houston who are afraid to openly acknowledge the way their operations are run. When the lines get too long, they simply push people through. That kind of conduct does not build confidence in airport security and certainly is demoralizing to those who work so diligently to protect the public at our airports.

The General Accounting Office has reported that staffing shortfalls have prevented the TSA from checking or sending checked baggage through electronic screening, and we have heard from screeners over and over again that passenger lines get longer, and the pressure that I mentioned is on them to move the passengers through faster. According to many media accounts, even though TSA regulations require four screeners per checkpoint, staffing shortfalls have, in some cases, reduced that to two.

In legislation that I joined the gentleman from Massachusetts (Mr. MARKEY) in introducing recently, we would require TSA to conduct a comprehensive study of its staffing needs so that Congress could provide the appropriate resources. Determining the right mix of full-time and part-time screeners and developing a model to measure the staffing needs at every airport is long overdue.

I understand TSA will have such a study completed shortly. If this study reveals the need for more screeners, we should not tie the Department's hands with an arbitrary cap; and keep in mind, if we do not lift this cap, it is likely to remain in place for at least the next 15 months.

By eliminating the cap now, we are one step closer to making sure that the changes that need to be made in our airports can happen quickly when they are needed.

I urge my colleagues to join with us in supporting this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon (Mr. DEFAZIO).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. DEFAZIO. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Oregon (Mr. DEFAZIO) will be postponed.

The point of no quorum is considered withdrawn.

□ 2145

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

MARITIME AND LAND SECURITY

For necessary expenses of the Transportation Security Administration related to maritime and land transportation security grants and services pursuant to the Aviation and Transportation Security Act (Public Law 107–71), $65,000,000, to remain available until September 30, 2006.

In addition, from fees authorized by section 520 of Public Law 108–90, up to $67,000,000 is available until expended: *Provided*, That in fiscal year 2005, other funds under this heading may be used for initial administrative costs of such credentialing activities.

INTELLIGENCE

For necessary expenses for intelligence activities pursuant to the Aviation and Transportation Security Act (Public Law 107–71), $14,000,000.

RESEARCH AND DEVELOPMENT

For necessary expenses for research and development related to transportation security, $174,000,000, to remain available until expended.

ADMINISTRATION

For necessary expenses for administrative activities of the Transportation Security Administration to carry out the Aviation and Transportation Security Act (Public Law 107–71), $524,852,000, to remain available until September 30, 2006.

UNITED STATES COAST GUARD

OPERATING EXPENSES

For necessary expenses for the operation and maintenance of the Coast Guard not otherwise provided for; purchase or lease of not to exceed 25 passenger motor vehicles for replacement only; payments pursuant to section 156 of Public Law 97–377 (42 U.S.C. 402 note) and section 229(b) of the Social Security Act (42 U.S.C. 429(b)); and recreation and welfare; $5,171,220,000, of which $1,204,000,000 shall be for defense-related activities; of which $24,500,000 shall be derived from the Oil Spill Liability Trust Fund to carry out the purposes of section 1012(a)(5) of the Oil Pollution Act of 1990; and of which not to exceed $3,000 shall be for official reception and representation expenses: *Provided*, That none of the funds appropriated by this or any other Act shall be available for administrative expenses in connection with shipping commissioners in the United States: *Provided further*, That none of the funds provided by this Act shall be available for expenses incurred for yacht documentation under section 12109 of title 46, United States Code, except to the extent fees are collected from yacht owners and credited to this appropriation: *Provided further*, That notwithstanding section 1116(c) of title 10, United States Code, amounts made available under this heading may be used to make payments into the Department of Defense Medicare-Eligible Retiree Health Care Fund for fiscal year 2005 under section 1116(a) of such title.

ENVIRONMENTAL COMPLIANCE AND RESTORATION

For necessary expenses to carry out the Coast Guard's environmental compliance and restoration functions under chapter 19 of title 14, United States Code, $17,000,000, to remain available until expended.

RESERVE TRAINING

For necessary expenses of the Coast Guard Reserve, as authorized by law; operations and maintenance of the reserve program; personnel and training costs; and equipment and services; $113,000,000.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

(INCLUDING RESCISSION OF FUNDS)

For necessary expenses of acquisition, construction, renovation, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto; and maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, $936,550,000, of which $20,000,000 shall be derived from the Oil Spill Liability Trust Fund to carry out the purposes of section 1012(a)(5) of the Oil Pollution Act of 1990; of which $19,750,000 shall be available until September 30, 2009, to acquire, repair, renovate, or improve vessels, small boats, and related equipment; of which $1,800,000 shall be available until September 30, 2009, to increase aviation capability; of which $138,000,000 shall be available until September 30, 2007, for other equipment; of which $5,000,000 shall be available until September 30, 2007, for shore facilities and aids to navigation of which $73,000,000 shall be available until September 30, 2006, for personnel compensation and benefits and related costs; and of which $679,000,000 shall be available until September 30, 2009, for the Integrated Deepwater Systems program: *Provided*, That the Secretary of Homeland Security shall submit to the Congress, in conjunction with the President's fiscal year 2006 budget, a new Deepwater baseline that identifies revised acquisition timelines for each asset contained in the Deepwater program; a timeline and detailed justification for each new asset that is determined to be necessary to fulfill homeland and national security functions or multi-agency procurements as identified by the Joint Requirements Council; a detailed description of the revised mission requirements and their corresponding impact on the Deepwater program's acquisition timeline; and funding levels for each asset, whether new or continuing: *Provided further*, That the Secretary shall annually submit to the Congress, at the time that the President's budget is submitted under section 1105(a) of title 31, a future-years capital investment plan for the Coast Guard that identifies for each capital budget line item—

(1) the proposed appropriation included in that budget;

(2) the total estimated cost of completion;

(3) projected funding levels for each fiscal year for the next five fiscal years or until project completion, whichever is earlier;

(4) an estimated completion date at the projected funding levels; and

(5) changes, if any, in the total estimated cost of completion or estimated completion date from previous future-years capital investment plans submitted to the Congress:

Provided further, That the Secretary shall ensure that amounts specified in the future-years capital investment plan are consistent to the maximum extent practicable with proposed appropriations necessary to support the programs, projects, and activities of the Coast Guard in the President's budget as submitted under section 1105(a) of title 31 for that fiscal year: *Provided further*, That any inconsistencies between the capital investment plan and proposed appropriations shall be identified and justified. In addition, of the funds appropriated under this heading in Public Law 108-90 and Public Law 108-7, $33,000,000 are rescinded.

AMENDMENT NO. 11 OFFERED BY MR. SIMMONS

Mr. SIMMONS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. SIMMONS:

In title II, under the heading "United States Coast Guard acquisition, construction, and improvements", after the first dollar amount insert "(increased by $18,500,000)".

In title IV, under the heading "Science and Technology research, development, acquisition and operations", after the dollar amount insert "(reduced by $18,500,000)".

Mr. SIMMONS. Mr. Chairman, I offer this amendment because we have an obligation to preserve the Coast Guard's research and development dollars, especially as its mission has expanded to meet the challenges of the post-September 11 period.

The Committee on Transportation and Infrastructure, of which I am a member, authorized $18.5 million for research and development activities for fiscal year 2005. This is the fiscal year 2004 enacted level and the level identified by the Coast Guard for its need. Both the House and the Senate Coast Guard authorization bills for fiscal year 2005 authorized this level of funding.

Unfortunately, the bill before us today to fund the Department of Homeland Security does not explicitly protect a single dollar for the Coast Guard's R&D activities. Instead, as I understand the legislation, H.R. 4567 transfers these dollars to the Department of Homeland Security's Science and Technology Directorate.

I remind my colleagues that when we voted to create the Department of Homeland Security we mandated that all authorities, functions and capabilities of the Coast Guard be maintained intact under the authority of the service and that the Coast Guard be maintained as a distinct entity within the Department.

I have serious concerns about asking the Coast Guard to compete with the other science and technology demands of the Department of Homeland Security. Furthermore, the Coast Guard has the experience and knows best how to use its R&D funding to support its core missions. We should not transfer that authority to a new entity.

My amendment to preserve the Coast Guard's R&D funding within the Coast Guard is consistent with current law and honors the commitment of this body to transfer the Coast Guard intact.

I would ask the chairman to work with me on this issue in conference.

Mr. ROGERS of Kentucky. Mr. Chairman, if the gentleman will yield, I appreciate the gentleman bringing this issue forward, and it is an important issue. But the Science and Tech Directorate of Homeland Security has assured us and the Coast Guard that all elements of the Coast Guard's R&D program will remain under the direct management of the Coast Guard.

I recognize the gentleman's concerns. We will work with him on this subject if the authorization bill retains R&D funding within the Coast Guard for fiscal year 2005.

Mr. LoBIONDO. Mr. Chairman, I rise in support of the amendment.

I thank the gentleman from Kentucky (Mr. ROGERS) for his comments, but I rise today in strong support of the Simmons-LoBiondo amendment, and I want to commend the gentleman from Connecticut (Mr. SIMMONS) for his leadership on this particular issue.

The intent of this amendment is pretty clear, that the transfer of the Coast Guard research and development money which was placed under the control of Science and Technology Directorate should go back to the Coast Guard where it belongs.

Earlier this week the Department of Homeland Security's Under Secretary for Science and Technology made a speech to the Brookings Institute in which he said that he would have oversight responsibility for the Coast Guard's research and development center. I strongly believe that this coupled with the funding transfer is in violation of section 888 of the Homeland Security Act.

Section 888 clearly states that all authorities, functions and capabilities of the Coast Guard must be maintained intact under the authority of the service. It further mandates that the Coast Guard has to be maintained as a distinct entity within the Department of Homeland Security. Any transfer of funding and oversight responsibility such as the one proposed and included in this bill not only violates these provisions but jeopardizes the integrity and the functional capabilities of the service.

When we were debating the Homeland Security Act and talking about the Coast Guard being included, it was only after assurances and guarantees that the Coast Guard would in fact be kept intact that we agreed that we would sign off on the transfer. While I do not think any disagree that the Coast Guard's primary mission is homeland security, it is not their only mission. They are responsible for all the initiatives that they had been working on prior to September 11, search and rescue, illegal drug interdiction, fishery law enforcement and environmental concerns. If these homeland security research and development dollars are left to the discretion of Homeland Security, we have no assurance these other programs will receive a single dollar.

As chairman of the Subcommittee on Coast Guard and Maritime Transportation, I take a great deal of interest in protecting the ability of the Coast Guard to continue to administer their own research and development funding.

For several decades the Service R&D Center has led efforts to develop new technologies in support of all its critical missions, not just maritime security.

Mr. Chairman, I think this is an extremely important issue. I want to thank the gentleman from Kentucky (Mr. ROGERS) for his continued understanding of how critically important this is, but I once again want to remind all of my colleagues that the gentleman from Florida (Mr. YOUNG), chairman of the full committee, myself as chairman of the subcommittee, and the ranking members of both the full committee and the subcommittee were in complete agreement only after we received assurance that these R&D dollars would be kept intact with the Coast Guard with all of their other missions.

I respectfully request that this amendment be favorably considered.

Mr. YOUNG of Alaska. Mr. Chairman, I rise in strong support of the Simmons amendment. I thank my friend from Connecticut for bringing this important amendment to the floor.

This amendment will maintain the integrity of the Coast Guard as a distinct entity within the Department of Homeland Security.

Section 888 of the Homeland Security Act states that the Coast Guard shall be maintained intact with all of the service's authorities, functions, and capabilities.

The Coast Guard has submitted a plan for its research, development, test and evaluation activities for fiscal year 2005 which will concentrate on the development of strategies and resources aimed to improve the service's ability to perform its traditional missions.

The Coast Guard's traditional missions include search and rescue, drug and migrant interdiction, marine environmental protection, ice operations and aids to navigation.

It is imperative that we maintain the Coast Guard's ability to perform these important traditional missions in addition to the service's homeland security mission.

I am concerned that the transfer of research and development funds to the Department will be the first step down a slippery slope that will forever change the Coast Guard's abilities to balance its resources and personnel to carry out its many and varied missions.

We must protect the multi-mission nature of the Coast Guard.

We should provide funding for Coast Guard research, development, test and evaluation directly to the service in the same manner that we provide all other Coast Guard funds.

This is what the law demands and this is the right thing to do.

I urge my fellow members to support the Simmons amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. SIMMONS).

The amendment was rejected.

Mr. SIMMONS. Mr. Chairman, it was my intention to withdraw the amendment based on the assurances that I received from the distinguished chairman.

The CHAIRMAN. The amendment cannot be withdrawn. The amendment was defeated.

The Clerk will read.

The Clerk read as follows:

ALTERATION OF BRIDGES

For necessary expenses for alteration or removal of obstructive bridges, $16,400,000, to remain available until expended.

RETIRED PAY

For retired pay, including the payment of obligations otherwise chargeable to lapsed appropriations for this purpose, payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans, payment for career status bonuses under the National Defense Authorization Act, and payments for medical care of retired personnel and their dependents under chapter 55 of title 10, United States Code, $1,085,460,000.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase of not to exceed 610 vehicles for police-type use, which shall be for replacement only, and hire of passenger motor vehicles; purchase of American-made motorcycles; hire of aircraft; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; payment of per diem or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee requires an employee to work 16 hours per day or to remain overnight at his or her post of duty; conduct of and participation in firearms matches; presentation of awards; travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act if approval is obtained in advance from the Committees on Appropriations of the Senate and the House of Representatives; research and development; grants to conduct behavioral research in support of protective research and operations; and payment in advance for commercial accommodations as may be necessary to perform protective functions; $1,179,125,000, of which not to exceed $30,000 shall be for official reception and representation expenses; of which not to exceed $100,000 shall be to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; of which $2,100,000 shall be for forensic and related support of investigations of missing and exploited children; and of which $5,000,000 shall be a grant for activities related to the investigations of exploited children and shall remain available until expended: *Provided*, That up to $18,000,000 provided for protective travel shall remain available until September 30, 2006: *Provided further*, That not less than $10,000,000 for the costs of planning, preparing for, and conducting security operations for National Special Security Events shall be available until September 30, 2006: *Provided further*, That the United States Secret Service is authorized to obligate funds in anticipation of reimbursements from agencies and entities, as defined in section 105 of title 5, United States Code, receiving training sponsored by the James J. Rowley Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available under this heading at the end of the fiscal year.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For necessary expenses for acquisition, construction, repair, alteration, and improvement of facilities, $3,633,000, to remain available until expended.

TITLE III—PREPAREDNESS AND RECOVERY

OFFICE FOR STATE AND LOCAL GOVERNMENT COORDINATION AND PREPAREDNESS

SALARIES AND EXPENSES

For necessary expenses for the Office for State and Local Government Coordination and Preparedness, as authorized by sections 430 and 801 of the Homeland Security Act of 2002 (6 U.S.C. 238 and 361), $41,432,000: *Provided*, That not to exceed $3,000 shall be for official reception and representation expenses.

STATE AND LOCAL PROGRAMS

For grants, contracts, cooperative agreements, and other activities, including grants to State and local governments for terrorism prevention activities, notwithstanding any other provision of law, $3,423,900,000, which shall be allocated as follows:

(1) $1,250,000,000 for formula-based grants and $500,000,000 for law enforcement terrorism prevention grants pursuant to section 1014 of the USA PATRIOT Act of 2001 (42 U.S.C. 3714): *Provided*, That the application for grants shall be made available to States within 45 days after enactment of this Act; that States shall submit applications within 30 days after the grant announcement; and that the Office for State and Local Government Coordination and Preparedness shall act within 15 days after receipt of an application: *Provided further*, That each State shall obligate not less than 80 percent of the total amount of the grant to local governments within 60 days after the grant award;

(2) $1,000,000,000 for discretionary grants for use in high-threat, high-density urban areas and for rail and transit security, as determined by the Secretary of Homeland Security: *Provided*, That not less than 80 percent of any grant to a State shall be made available by the State to local governments within 60 days after their receipt of the funds: *Provided further*, That section 1014(c)(3) of the USA PATRIOT Act of 2001 (42 U.S.C. 3714(c)(3)) shall not apply to these grants: *Provided further*, That of the funds provided, not less than $100,000,000 shall be used for rail and transit security grants;

(3) $170,000,000 for emergency management performance grants pursuant to section 1014 of the USA PATRIOT Act of 2001 (42 U.S.C. 3714), as authorized by the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reductions Act of 1977 (42 U.S.C. 7701 et seq.), and Reorganization Plan No. 3 of 1978 (5 U.S.C. App): *Provided*, That total administrative costs shall not exceed 3 percent of the total appropriation; and

(4) $125,000,000 for port security grants, which shall be distributed under the same

terms and conditions as provided for under Public Law 107–117: *Provided*, That section 1014(c)(3) of the USA PATRIOT Act of 2001 (42 U.S.C. 3714(c)(3)) shall not apply to these grants:

Provided, That except for port security grants under paragraph (4) of this heading, none of the funds appropriated under this heading shall be used for construction or renovation of facilities: *Provided further*, That funds appropriated for law enforcement terrorism prevention grants under paragraph (1) and discretionary grants under paragraph (2) of this heading shall be available for operational costs, to include personnel overtime and overtime associated with Office for State and Local Government Coordination and Preparedness certified training, as needed: *Provided further*, That grantees shall provide reports on their use of funds, as deemed necessary by the Secretary of Homeland Security: *Provided further*, That the Office for State and Local Government Coordination and Preparedness shall complete the development of mission essential tasks by July 31, 2004; the fiscal year 2005 State grant guidance shall include instructions for the completion of State baseline assessments; a Federal response capabilities inventory shall be completed by March 15, 2005; and the Office for State and Local Government Coordination and Preparedness shall provide quarterly reports to the Committees on Appropriations of the Senate and the House of Representatives on the implementation of Homeland Security Presidential Directive-8, beginning October 1, 2004.

POINT OF ORDER

Mr. FOSSELLA. Mr. Chairman, I make a point of order that the words "notwithstanding any other provision of law" under the heading "State and Local Programs" violates clause 2 of rule XXI of the rules of the House of Representatives prohibiting legislation on appropriations bills.

This provision would make over $3.4 billion available for State and local grants in a way that could contradict statutes within the jurisdiction of the Committee on Energy and Commerce and other committees. The reason that we passed those statutes, obviously, is to ensure that money would be spent in a certain way.

In short, this language clearly constitutes legislation on an appropriations bill in violation of clause 2 of rule XXI of the rules of the House because it changes current law.

I therefore insist on my point of order.

The CHAIRMAN. Does any other Member wish to be heard on the point of order by the gentleman from New York (Mr. FOSSELLA)?

If not, the Chair is prepared to rule.

The Chair finds that the language cited explicitly supersedes existing law. The language therefore constitutes legislation in violation of clause 2 of rule XXI.

The point of order is sustained. That portion of the paragraph is stricken from the bill.

AMENDMENT NO. 16 OFFERED BY MR. SWEENEY

Mr. SWEENEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 16 offered by Mr. SWEENEY:

In title III, under the heading "Office for State and Local Government Coordination and Preparedness State and local programs", before the semicolon at the end of paragraph (1) insert ": *Provided further*, That the amount of any grant to a State in excess of any statutorily required minimum amount shall be made on the basis of an assessment of the risk of terrorism with respect to threat, vulnerability, and consequences".

POINT OF ORDER

Mr. ROGERS of Kentucky. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman may state his point of order.

Mr. ROGERS of Kentucky. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriations bill and therefore violates clause 2 of rule XXI which states in pertinent part, "an amendment to a general appropriations bill shall not be in order if changing existing law by imposing additional duties."

I ask for a ruling from the Chair.

The CHAIRMAN. Does any Member wish to be heard on the point of order?

If not, the Chair is prepared to rule.

The Chair finds that this amendment includes language imparting direction. The amendment therefore constitutes legislation in violation of clause 2 of rule XXI.

The point of order is sustained and the amendment is not in order.

AMENDMENT NO. 3 OFFERED BY MR. SWEENEY

Mr. SWEENEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. SWEENEY:

In title III, under the heading "Office for State and Local Government Coordination and Preparedness State and local programs", after the second dollar amount insert "(reduced by $450,000,000)"

In title III, under the heading "Office for State and Local Government Coordination and Preparedness State and local programs", after the fourth dollar amount insert "(increased by $450,000,000)".

Mr. SWEENEY. Mr. Chairman, I had hoped to introduce two amendments tonight that I think go to the core of what is our fundamentally greatest challenge as it relates to protecting the homeland, and that is to provide a proper structure within which the Secretary of the Department of Homeland Security and the Federal Government can properly and appropriately respond to the threats and risks that are presented out there unbiased, focused on the idea that the resources we have have to be directed to the places that are of greatest threat and at greatest risk.

The first amendment that I attempted to offer would have changed the formula, a formula that is pre-September 11, a formula that provides funding to jurisdictions regardless of the risk and the threat that it faces. I will quote one of my colleagues, one of the great members of the committee. The gentleman from Tennessee (Mr. WAMP) said this bill, this funding proposition is not about cost sharing with local and State governments because we cannot meet all of those needs. I agree with him. We cannot meet all of those needs.

But this is about meeting the legitimate, precise and efficient needs of this Nation to protect its citizens. Our enemies, al Qaeda, the terrorist network, have something in common with us: They have finite resources, as do we. But one of the advantages that they have had is they are specifically targeted and are targeting their efforts to maximize the impact on the American people and the threat they present to us.

Therefore, Mr. Chairman, I propose this amendment in which we will transfer back to the President's budget number $446 million to the high threat fund that was established in the fiscal year 2003 supplemental.

□ 2200

The reason we need to do that is because we are actually slipping over the last couple of years in terms of the funds that we are sending out to meet the needs in the communities that are our greatest threat.

I will point to a couple of things. The national average per capita is $7.59; and, yet, jurisdictions like California, Texas, New York, Florida, and Illinois all are below $6, all in the $5 range in terms of what funding they are receiving through the formulation.

Now, we cannot vote on that particular part of activity in this amendment, but we can do something about it to give the Department itself the kind of flexibility and the Secretary the kind of flexibility he would need over the 2005 budget cycle to best protect the people of this Nation, and the Department is asking us to do this.

I will point to the statement of administration policy just released earlier today, and I will quote from it: "The administration believes that the programs funded through the Department of Homeland Security should be better targeted toward terrorism preparedness. The bill does not provide the request to double funding for the risk-based Urban Area Security Initiative, UASI, program, but instead provides funding above the requested level for the basic State and local formula grant program."

Mr. Chairman, there is a lot of work that needs to be done in the next couple of years, certainly in the next year. I think we ought to give Tom Ridge and the Department what they need, what they have requested, what they need in the coming year in order to best ensure that this Nation is indeed protected. The net result of what we have established here in Congress over the last 3 years is a reduction.

For example, I know the gentleman from New York (Mr. FOSSELLA) was on the floor earlier and talked about the needs of New York City. Let me say that New York City spends a billion dollars a year on security in counterterrorism intelligence; and, yes, they have received some money, $300 million to New York State, I think, in 2003; but do you know what they received last year, Mr. Chairman? $50 million, a 70 percent reduction from the year before.

When James Comey came from the U.S. Attorney's office to talk about Jose Padilla the other day, it did not seem to me there was a 73 percent reduction in New York City. It seemed to me they are in the bull's eye, as are other jurisdictions; and we need to make sure that the Secretary and the Department have the appropriate tools to do their job.

The President has asked us to do this. It is enacted in the President's budget. You can look on page 147 of that budget. You can read their statement. Secretary Ridge to the 9/11 commission and repeatedly to the Senate and to the House has asked for that kind of flexibility. We ought to be giving him that kind of flexibility. This Congress ought not to be micromanaging the Department of Homeland Security. I think most of us agree on that, but we ought to be providing them the proper tools and resources with which they can do their job. That is what this amendment proposes. It gives them what they have asked for in their budget, and I ask my fellow Members to support that.

Mr. ROGERS of Kentucky. Mr. Chairman, I rise in opposition.

Mr. Chairman, in this bill we attempted to be fair to everyone. We do not have all the money in the world. If we did, we could do perhaps what New York wants; but we do not, and we have got a whole country to deal with. There are two basic funds of money that we are talking about. One is the so-called formula funding grant program, and the other is specifically for the high-density, high-threat urban area fund. Two funds. The first one the formula grant program, 40 percent of that money goes to all the States; and everyone gets .75 percent, less than 1 percent of a fund that this year is $760 million total.

But 60 percent of even the formula grant program goes to States that are most populated, and I did some research. The money that went in that fund, in this year's bill, is $1.15 billion. Of the money that goes to New York State, in 2004 New York City got over half of the State money, in addition to the urban grant fund.

Now, fair is fair; and I want to be fair about this. New York City is a target. Everyone admits that. Other large urban areas are targets. Everyone admits that, and we want to help prepare. We want to do all that we can to be sure that New York City and the other large cities have all the monies that we can afford to pay for the Federal portion of what the local fire departments and the police departments and the EMT units and all do routinely. A portion of what they do is the counterterrorism effort that we are paying them for. Most of what they do, of course, are city and local and State duties.

But there is a limit to what we can do. Now, what this amendment does, Mr. Chairman, is take monies out of the formula grants that goes to Kansas, Kentucky and Florida and the other States and puts $450 million out of that account into the urban area's account. We already did a lot of that in the bill. We have already reduced the formula grants, already $450 million below last year's level. And the urban area grants in the bill are $280 million above last year's level. We have already robbed Peter to pay Paul, and now Paul wants more at the expense of Peter.

We have got to be sure that the rest of the country is protected as well. Just because you are not a large urban area does not mean that you are not at risk from terrorist attack. Hundreds of U.S. agricultural documents have been found in the al Qaeda caves in Afghanistan and other places. It has been reported that a significant part of al Qaeda's training manual is devoted to agricultural terrorism, a frightening fact when you recall the reported terrorist interest in crop dusters.

No community is immune from terrorism. We were reminded of that on 9/11 when Maine played a major part in the staging of the attack on New York City, little unpopulated Maine. We do not want to ignore Maine again.

In 1984, followers of Bhagwan Shree poisoned salad bars in 10 restaurants in The Dalles in Oregon, population 12,000, the largest germ warfare attack in history.

The terrorists that bombed the World Trade Center in 1993 trained in rural Pennsylvania, 30 miles from Three Mile Island in the months prior to that attack. Timothy McVeigh, who destroyed the Murrah Federal building in Oklahoma City, planned his attack and purchased the materials in Herrington, Kansas, population 2,500. In January 2000, Yousef Karoun was arrested in Blaine, Washington, population 3,600, after authorities determined he was on the FBI's lookout list and found evidence of nitroglycerin on his vehicle. United Airlines Flight 93 crashed into Shanksville, Pennsylvania, population 245, after being hijacked. Local fire departments quickly responded. In the fall of 2001, two people linked to an international terrorist group were arrested in Beecher Falls, Vermont, population 238, after attempting to cross the border.

The CHAIRMAN. The time of the gentleman from Kentucky (Mr. ROGERS) has expired.

(By unanimous consent, Mr. ROGERS of Kentucky was allowed to proceed for 1 additional minute.)

Mr. ROGERS of Kentucky. In September 2002 a suspected terrorist cell was broken up in Lackawanna, New York, a city south of Buffalo, population 20,000. Five convictions. And on and on and on.

Mr. Chairman, we have treated the urban areas in this bill better than we did in the current year, and we cut the formula funding for the rest of the country by a huge amount in this bill. We think we have already treated the urban areas fairly. If we had more money, we could treat them even better; but with what we have, we think we have treated them fairly. I would urge Members to reject this amendment.

PARLIAMENTARY INQUIRY

Mr. SABO. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SABO. I just want to make sure where we are in the bill. Let me describe the problem. I think the last number read was the number on the bottom of page 22. The gentlewoman from Texas (Ms. JACKSON-LEE) had an amendment that would have come after that but before the top of page 23; but I think, in fact, the current amendment is amending the number on the top of page 23.

The CHAIRMAN. The portion of the bill currently open to amendment is the paragraph that spans pages 22 and 25, and it will remain so.

Mr. SABO. After this amendment?

The CHAIRMAN. After this amendment.

Mr. SABO. I thank the Chair.

Mr. KING of New York. Mr. Chairman, I rise in strong support of the Sweeney amendment.

On September 11, 2001, in my district and in the adjoining communities, hundreds and hundreds of innocent Americans were murdered. I made it my vow at that time never to allow that to happen again, do all that I possibly could to prevent that from happening again. We can have all the pages in this bill, all the money. The reality is it is only going to work if the money is going where it is needed. It is not a question of being fair. This is not some egalitarian movement here. This is to send the money to the areas of the country that need it the most. No area needs it more than New York City and New York State.

New York City was attacked in 1993. There were subsequent attacks thwarted in the Lincoln Tunnel, the Holland

Tunnel, Federal buildings in New York, the Brooklyn Bridge; and, of course, there were the terrible attacks of September 11, 2001. The New York City Police Department alone, and this only encompasses 8 million of the 18 million people in the State, New York City alone spends almost $500 million in the NYPD. When you add the fire department and the OEM, it comes to almost $1 billion a year. Yet we are nowhere near being compensated for that. I am not saying this out of any parochial interest because I do not actually represent any area in New York City, but I live close enough to it to see the terrible damage that was done.

Mr. Chairman, right now we have hearings and investigations going on asking how could 9/11 have happened; why were we not better prepared. In many instances, it is unfair to look back in hindsight and say, well, this was wrong and that was wrong. But if it happens again, we have no excuse because we have been told what is going to happen. We know where it is going to happen. And I would ask those who oppose this amendment to say, what will they say if there is another attack and there is another 9/11 commission and asking why did you allow money to be spread all over the country rather than concentrate it on the areas that need it the most?

That is the issue before us tonight. It is not a question of so-called fairness. It is a question of the money being properly spent. If you are a police chief or you are a police commissioner and you are in a town or a village or a city, it is not your job to spread the police all over equitably. It is to assign them where they are needed the most, into the high-crime areas, the areas where the most danger is. The most danger right now, and this is not something that we ask for in New York, but by every account, New York is the prime target. That is where the money should be going. Instead, there is to me a dramatic shortfall in the money.

No, we cannot solve everything. We cannot give all the money that is needed, but it makes no sense at all to be moving back and to have that disparity grow larger and larger each year. We again will have to account to history if something happens again. We are here tonight. We can talk about, again, the various titles, the various sections, and the various allotments; but the gut question is, are we going to base this on a threat analysis? We have an Air Force which can only protect so many cities. Depending on the size, which are the cities most likely to be attacked? We do not send planes everywhere in the country. We put them over the cities where there is the highest threat. That is the way we have to allocate this money. It is not impossible to figure out. Give the Secretary of Homeland Security that discretion.

I realize because the amendment was ruled out of order that we cannot do all that should be done, but certainly the amendment of the gentleman from New York (Mr. SWEENEY) today to just put back in the money the President has asked for, we certainly on this side of the aisle should be those leading the charge supporting what the President of the United States wants to do to defend the country against terrorists coming to our land to destroy our people.

What I am saying in the interest of justice and to, certainly, people on this side of the aisle, stand with the President of the United States in the war against terrorism and remember that history will be our judge. If this amendment is voted down, we will have failed the test of history.

Mrs. LOWEY. Mr. Chairman, I move to strike the last word. I rise today as a strong cosponsor of this crucial amendment. I want to thank my colleagues, Representatives SWEENEY, MALONEY, FOSSELLA, KING and the rest of the delegation for their support and leadership on this issue.

Mr. Chairman, high-threat areas have been at a disadvantage when it comes to securing Federal homeland security funds for nearly 3 years now. As a result, the Urban Areas Security Initiative was created to address the specific needs of these areas. But with insufficient funds and an increase in the number of cities eligible for these grants, even that program has fallen short of the mark.

□ 2215

The issue of how best to allocate homeland security dollars has been debated within the administration, within the Department of Homeland Security, and in at least five committees in this Congress, and many of us have engaged in these debates and believe the time has come for action. And I certainly respect the chairman's hard work on this issue, and we were in the committee together when he said that he is demanding from the Department of Homeland Security some specific guidelines as to this formula. By increasing funding for the Urban Area Security Initiative, this amendment is consistent with the President's budget proposal.

Quite frankly, it amazes me that we have gone this long allocating such a large portion of homeland security funds based on everything but the threat of a terrorist attack to a particular area or region. It is no secret that my home State of New York, where the threat is well established and widely acknowledged, receives less money per person than 49 other States. Frankly this defies logic. So I want to be very clear. None of us are proposing to eliminate funds for any region or area of the country. What we are proposing to do is to ensure that those cities that are facing the greatest threat from terrorist attack have access to the resources they need to face these threats head on. We just simply cannot continue to wait, wait for the Department of Homeland Security to come up with a better formula, wait for another committee to come to a conclusion. We cannot wait. We cannot ignore the very real and urgent threats that loom over so many of our high risk areas.

I will not repeat, Mr. Chairman, the numbers that the gentleman from New York (Mr. SWEENEY) and the gentleman from New York (Mr. KING) presented to this group. We know the numbers. We have met with the New York City Police Department. We understand what they are spending each day, each month, each year to protect this city and to protect the surrounding environment. This is so very important. It is important to all of us. It is important to us as New Yorkers, it is important to us as Americans. And I just want to urge my colleagues to do the right thing, to support this amendment, and I appreciate the chairman's willingness to cooperate and to respond to us.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair announces to the Members that if Members rise simultaneously, the Chair recognize, as first priority, members of the committee.

For what purpose does the gentleman from Tennessee (Mr. WAMP) rise?

Mr. WAMP. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. WAMP. Mr. Chairman, I rise, as a member of the subcommittee, to speak in opposition to the amendment but with the highest respect for the unity from the New York and New Jersey delegations. It certainly transcends party, and I love New York. The older I get, the more I love it. And I especially love the way that they all pulled together after September 11 and continue to stick together on important national priorities such as this.

But I just want to make a couple of points. We had well over 50 hearings at the subcommittee, we have had in the last year and 5 months. Many of these are highly classified or even at the top secret level. And while I am not going to talk about anything that is talked about, we have to assume, we have to assume, that terrorists plotting a future attack may very well commit that attack on several fronts simultaneously and certainly not just in an urban setting.

For instance, in the foothills of east Tennessee after September 11 people felt relatively safe and secure even within days of the attack because they did not live in a highly populated area. We must assume that the terrorists in the future will want every American, regardless of where they live, to be afraid and to live in fear because that is their weapon is fear.

These grants under the formula are heavily weighted towards population. But they are not heavily weighted towards infrastructure targets. And I will give another example. On the west side of the State I live in, Tennessee. Memphis is there, and Memphis qualifies for some of these grants under high density. But I have got to tell the Members that the nuclear weapons are in my district in east Tennessee, but the most populated area is over there but not around the nuclear weapons plant. Frankly, we do not want the nuclear weapons plant to be in the heart of all the people, but it is a target, and so are our nuclear plants and our dams and the infrastructure that is there.

So I think we have to have a balanced approach. I really love it that my colleagues are willing to fight for their people. I really believe that they are doing the right thing. But I think we had better be careful as a subcommittee that we do not get carried away or even send the signal inadvertently to the terrorists that most of the money is going to go into the big cities and the highly populated areas. They need to know that we are covering all of our bases and all of our infrastructure and that we expect them to hit us on multiple fronts simultaneously in the future and that we are spending the money in a comprehensive way around the country and that we are not putting almost all of our eggs in a few baskets, and that their method before, which was primarily to use airplanes as weapons of mass destruction, is probably not the kind of attack they are going to launch in the future. It will be different, and it may be with biological or chemical agents. And I have got to tell the Members those first responders in those communities had better be ready as well. And that is what we are trying to do is make sure that the whole country is covered.

I know the chairman and I are from a more rural area, but please do not believe for a second that we do not want to make sure that all of the highly populated areas are covered, not just satisfactorily but well. And we are going to work with them on this and I think we have done a reasonably good job. And I know they are coming down here tonight to defend the people that they love and we love. But this whole country cares about New York City and New Jersey and all the people that perished, and we are all going to stand together to make sure that we are covered.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. WAMP. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. Mr. Chairman, I appreciate the gentleman's statement very much, and he is exactly correct. We love New York City. I cannot wait to go there for the convention in a few weeks.

But let me just say this: In the High Density Urban Area Grant Program out of which New York will receive a good sum of money, we are almost at the President's recommended level. We are at $1.175 billion, which is almost twice what it is now. We have almost doubled the money in that account.

In addition to that, the State of New York—and New York City will get roughly half of the money that goes to New York State. That kitty is $750 million. It only leaves $500 million for everybody else. Give me a break.

Mr. FRELINGHUYSEN. Mr. Chairman, I move to strike the requisite number of words.

First and foremost, New Jerseyans would like to thank the gentleman from Kentucky (Chairman ROGERS) for his tireless work crafting this bill. In an environment of overwhelming national security needs, he has achieved, I think, a very fair and balanced bill which will give the agencies now under the purview of the Department of Homeland Security the resources they need to keep our communities and Nation safer.

However, Mr. Chairman, this evening I rise in support of the gentleman from New York's (Mr. SWEENEY) amendment to this bill. New Yorkers and New Jerseyans are joined at the hip in this regard. My constituents in New Jersey and those in the New York Metropolitan Area know better than most how vulnerable an open and a free society can be. We have put a very human face on the homeland security issue. Seven hundred New Jerseyans went into Lower Manhattan on that morning never to return home, and thousands of New Yorkers did as well.

The Sweeney amendment seeks to increase the High Density Urban Area Security Initiative from the $1 billion to $1.5 billion. By seeking increased funding of the Urban Area Security Initiative, we recognize, with the passage of this amendment, the unique threat faced by our most densely populated areas with significant critical infrastructure, with national significance.

Each year 212 million vehicles traverse our tunnels, bridges, and ferries. Our three regional airports are some of the busiest in the country. Nearly 60 percent of all containerized cargo handled by North Atlantic ports goes through the Port of New York and New Jersey, and a vast majority of cargo flows through our docks. Our rail tunnels under the Hudson serve our entire East Coast in the Nation, but particularly East Coast rail system, passenger and freight. They are urban security risks that are a critical mass and deserve extra protections. Our area both in New York and New Jersey has some of the largest oil refineries in the Nation and provides for oil for the East Coast and other parts of the country.

This amendment correctly recognizes that we must refocus our efforts on protecting our most vulnerable and likely targets, which are largely urban. The first responder teams who have faced the enormous task of securing these large population centers and their surrounding areas need our support and these extra resources this amendment can provide.

Mr. SABO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, I join everyone else in congratulating the New York/New Jersey delegation on their enthusiasm and their vigor. This Congress has responded. It has promised New York in a rather dramatic fashion post-9/11. But let us be clear about what we are doing today. We are very substantially reducing the funding for local responders, fire, police, emergency personnel all over the country. We are doing that before this amendment and dramatically more if this amendment is adopted. The basic formula grant in 2004 was $1.690 billion. Under this bill it is $1.250 billion, a drop of $440 million. This amendment would reduce it by another $446 million. The Urban Area Security Initiative. $721 million last year, $1 billion, under this bill, already an increase of $279 million plus another $446 million under this amendment for more than a doubling of this program, while the other program would be virtually cut in half, that deals with the balance of the country, most of the rural and moderate size communities in this country and many fairly large size communities.

Another thing that sort of strikes me in all this discussion, I hear about the initial grants in proportion of grantees that happened later on and that some terrible thing happened because the numbers increased. I recall that first grant by the agency. I asked them a question: What were the criteria they used to distribute these funds? I waited and waited and waited for an answer. I talked to a high up official, and they said, We will see you in a week, and I would wait another month or two. I am still waiting. We finally did have a briefing before the second round of grants were awarded, at which point we had some criteria. But this is no great science. I wish we had this total understanding where threats were in this country. Clearly large urban areas like New York, like the District of Columbia, are threats. But so are many other parts of this country. And in many parts of the country, the need for technical assistance, for training, for specialized equipment, it is probably more substantial than it is even in some of our larger urbanized areas. And these formula funds do not flow out willy-nilly sort of around the country. We have to develop a State plan and a regional plan to get these funds.

□ 2230

So it is not a dab here and a dab there. But States have to work at it; local communities have to work at it. They have to have regional approaches. They have to use these funds where they make sense to deal and respond to real projected threats.

So, Mr. Chairman, I wish we had all the money we needed. The fact is the base bill in total has some reduction in funding for local responders. The basic formula grant would be further reduced in a significant fashion by this amendment, while the urban security initiative, which is already receiving an increase, would have a substantial increase.

I do not think that is fair. I think we need to be fair to the totality of our country. In my judgment, the base bill, if anything, is skewed too much in changing money away from the basic formula grant. So I would urge defeat of this amendment.

Mr. WALSH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I thank the chairman of the subcommittee for the hard work and the challenges that he has. This is truly a difficult, difficult bill. The great problem that he has is his resources are finite. He has to choose wisely. But I think that is what this debate is about.

Our subcommittee had a lot to do with shepherding the original $20 billion to New York City to rebuild Lower Manhattan after this attack, and I know that the people of New York are deeply grateful to the Congress and to the President for keeping the commitments that were made to them. That city is thriving again. It is doing well.

I live in Syracuse, New York. The chairman of the full committee mentioned that there are a lot of New Yorkers here. My community will not benefit from this. I live 300 miles from New York City. In fact, I suspect that someone from my community could argue that by taking these funds away from Syracuse, I am not being fair to my home community. But as someone pointed out earlier, it is not really about fairness; it is about taking finite resources and applying them where they will have the most effect.

I believe, based on the activities, and I am not an expert on terrorism by any stretch, but I believe that when they attacked the United States and they attacked New York and Washington, D.C., they thought they could defeat us. I really believe that. They thought we would crumble. We did not. In fact, we came back stronger and hit them harder than they ever imagined it would be.

They will never defeat us. What they will try to do is get symbolic victories. Symbolism is important to them. They have little else. But they will strike, I believe, at centers of media, of financial, of American power, of American culture; and that is where we should place our bet.

Certainly, we need to support the communities around the country, and we do. I remind my colleagues, we provide three-quarters of a billion dollars to fire agencies all across the country in a competitive grant process to help them to prepare not only for homeland security but for the event of disaster and emergency within those communities.

These funds are antiterrorism funds. We need to put them where they will have the most effect. The chairman mentioned that the people who attacked New York City in 1993 trained just 30 miles from Three Mile Island. But when they were trained, when they thought they were ready, they attacked New York City, not the nuclear plant. That is not to say they would not; but they have limited resources, and we have to fight them on the grounds where they need to be fought.

Lastly, New York City, as I understand the figures that I have from the mayor of New York, provided by my colleague, the gentleman from New York (Mr. SWEENEY), who brought this amendment, and I thank him for doing that, he has provided great leadership on this, and he also is an upstate New Yorker. In the old days, New York was upstate versus downstate. That is not the case now. One thing this disaster brought to us was unity in our State. The numbers we have say that New York City received $375 million in 2004 in formula funds and $90 million in high-risk funds. That is not enough.

I urge strong support for this amendment.

Mr. LATHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just rise in strong opposition to this amendment. While everyone fights for money, and that is good, that is natural, it is what we would expect, the fact of the matter is these dollars have to be distributed across this country.

The gentleman talked about threat. Well, the way the dollars are given out through the committee, threat is the third highest priority. It is population, it is presence of vulnerability of critical infrastructure and threat; three times more emphasis put on population than on threat.

When you talk about defining threat, you tell me about what destroying our food supply in this country would mean: agri-terrorism. You talk about destroying the infrastructure that we have in this country outside of the major urban areas. When we start talking about the places of high threat, I think there is no way to calculate the number of places that can be destroyed.

We cannot write off the rest of the country. This bill already recognizes a balance between the urban areas and the rural areas. This bill gives the urban areas over $1.2 billion, directed to urban areas, $280 million more than last year; and now they want to take more away from everybody else in this country.

Every State has a plan in place. We have a lot of community entities, counties, in the State of Iowa that are trying to comply with those plans today; and they need the resources as much as any other place does.

If we are just talking about who has got the most people, that is one thing. When we talk about analyzing how people can respond to a threat throughout this country, that is another thing. Everybody in this House has approximately the same number of people, and we all love them as much as the next guy does. I want to protect my people as much as anyone in New York or New Jersey, but I think it is wrong to have all of these dollars go to one area out of my people's protection. It is simply wrong.

The gentleman talked earlier about we have got to do what the President said. He said we should have this many more dollars as far as urban areas. Well, let us just follow that.

If we follow the President's request, we would have no money in this bill for rail security; we would have cut firefighter grants by $245 million; we would have doubled airline ticket taxes; there would be $43 million less for air cargo security. You might be interested, if you are from New York, we would have no money for metropolitan response teams, for which the committee gave $50 million. There would be $50 million less for radiological detection devices at our seaports and $29 million less for baggage screening at our airports. In fact, if we followed the President's request, there would be $500 million less in this bill to go to your protection.

I think it is a balanced bill as it is; and like the chairman said, is there ever enough anywhere? Well, maybe not. Will one more dollar do it in one place rather than another? I do not know. No one knows that. But the fact of the matter is, there are real threats in rural America; there are real threats in urban America.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. LATHAM. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. Mr. Chairman, I thank the gentleman for his statement.

Now, there is $900 million in the high-threat, high-density urban area grant program. There is also $100 million in the rail and transit security. That would go to the big cities, would it not?

Mr. LATHAM. Yes, it would.

Mr. ROGERS of Kentucky. And is there not $125 million for port security? The last time I checked the ports were in large cities, were they not?

Mr. LATHAM. The gentleman is correct.

Mr. ROGERS of Kentucky. Then we restored the $50 million for the metropolitan medical response system. Metropolitan means large city, does it not?

Mr. LATHAM. That is correct.

Mr. ROGERS of Kentucky. So when you add all of those moneys together, this bill is chock full of money for the big cities; is that not correct?

Mr. LATHAM. Mr. Chairman, reclaiming my time, obviously the chairman is correct.

The fact of the matter is, I honestly believe there is not enough money for the formula grants. As we are pursuing this amendment, I have another amendment where we will transfer $275 million back into the formula grants, because I think it is so important that the entire country be protected, and not just certain areas who cannot define threat and are only basing their premise on how many people live in one area.

Mr. KIRK. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I rise not as a New Yorker, but as a Midwesterner and as someone with 16 years' experience in the intelligence community; and I rise to reluctantly support this amendment because it stands for the principle that our homeland defense dollars should be allocated against the threat and not allocated by State.

Our intelligence against al Qaeda should guide where we deploy these defenses. In point of fact, many States have never been mentioned by al Qaeda or any other major terrorist organizations, but other targets are always mentioned: New York City, the Seattle Space Needle, the Sears Tower, nuclear reactors in the United States, the largest airports, and, of course, the White House, the Capitol and the Pentagon.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. KIRK. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. Mr. Chairman, do they mention Columbus, Ohio?

Mr. KIRK. Reclaiming my time, they did not, but that was not the point of the attack. The point of the attack, as I will go into, is always returning to the same targets, as it has in Kenya, as it has in Sudan, as it has in Tanzania.

Once the U.S. Marines and Army Special Forces overran the al Qaeda offices in Afghanistan at Tarnak Farms, we got a clear picture of what the terrorists target. We all know that Osama bin Laden struck the World Trade Center in 1993 and then struck it again in 2001.

As one political party holds its convention in New York City in 2004, we know it is a target again. We cannot let homeland defense dollars be spent where there is no perceivable threat. We do not have enough funding to fortify the whole country; therefore we must be guided by the intelligence.

If the intelligence showed that al Qaeda consistently targets Wyoming or Mississippi, then that is where the funding should be directed. But it does not show that. It shows that the targets are places consistently mentioned by Osama bin Laden and his lieutenants which are known to him in Afghanistan and Pakistan. These targets, over and over again, are New York, Washington, Chicago, Seattle, and other key sites regularly mentioned by al Qaeda.

If we use the funding in this bill to fortify the wrong parts of this Nation, then we will be weak where we should have been strong. If we fortify the right places of our country, then we will blunt their attack, and we will protect the American people.

I believe the intelligence should guide this funding, and I urge support of the amendment.

Mr. ROGERS of Kentucky. Mr. Chairman, if the gentleman will yield further, I think we are all in agreement on the idea that the moneys eventually should go based on threat and risk assessment. We are all headed in that direction. I am trying to push the Department, certainly by the end of this year, to establish minimum essential requirements for every community so that everyone, based on a graduated size of the community, would have requirements to be prepared, based on the threat that faces that particular community.

That is a really complex undertaking. But it is being undertaken. Hopefully, the 2005 moneys we are appropriating will be spent based on that plan. It is not quite in place yet. That way, we would all be satisfied, rural, big city, medium-sized city, what have you. If you are a city of 5,000 people, there is not much preparation perhaps you need, unless you are near a nuclear power plant or a big dam close by or what have you, which can be modified in that fashion. If you are a large city, a New York, a Washington, a Seattle, obviously you are going to get lots of money. But we are all headed toward the same direction.

I do not want us to get sidetracked, as we seem to be doing with this debate, pitting region against region. That is not right. We are all one country.

Mr. KIRK. Reclaiming my time, I worry that that process will be too slow, and that Osama bin Laden does not see this country as big State versus small State; Osama bin Laden does not see this country as urban versus rural. He knows of a few big targets. From his cave looking at the TV pictures, he has identified those targets; and we need to let our funding be guided to defending those targets so we can blunt the attack.

Mr. ROGERS of Kentucky. If the gentleman will yield further, there are other threats besides Osama bin Laden. As I earlier said, and perhaps the gentleman was not here at the time, there are all sorts of groups out there that have already caused harm, in such places as The Dalles, Oregon, population 12,000.

□ 2245

Timothy McVeigh, who bought his materials in Harrington, Kansas, population 2,500. So there are all sorts of threats out there in cities of all sizes.

Mrs. MALONEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Sweeney amendment and in appreciation to the New York and New Jersey delegations and many from Chicago and other areas that are supporting this important amendment.

Mayor Bloomberg is watching this debate, and his office just sent me a note and asked me to clarify on the floor today that New York City got $90 million last year out of the $3 billion given out for homeland security to State and local governments; $35 million in high-threat money, and $53 million from, the State grant program, bringing the total to $90 million out of $3 billion for New York City. His office asked me to note to this body that last year New York City spent well over $1 billion on homeland security, and I really am urging my colleagues to do the right thing for the security of our Nation and support the Sweeney amendment.

It has been 2½ years since 9/11, and we have heard numerous reports, intelligence reports, as my colleague, the gentleman from Illinois (Mr. KIRK) mentioned, and I support his comments completely; and numerous warnings about terrorist plans for more strikes on America. Alert after alert, Code Orange after Code Orange, we hear that the terrorists have their sights on high-impact targets. In other words, the terrorists continue to want to strike centers of power and population, just as they did on 9/11. Their goal is to kill as many as possible, send as big a message as possible, and disrupt American institutions as much as possible.

Mr. Chairman, despite that knowledge, our homeland security funding since 9/11 has been, in large part, misguided. We continue to push limited resources through a bad formula that sends a disproportionate amount of money to prairies and pastures rather than population centers. We cannot wait out the game being played with that formula, because the terrorists do not plan on waiting for us to be ready.

Mr. Chairman, the Sweeney amendment will bring one measure of immediate assistance to the cities and communities that are squarely in the terrorists' bull's eye. All we are asking is that we do what President Bush wants. After 2 years of misguided homeland security budgets, the President finally called for a doubling of the Urban Area Security Initiative funds in his budget proposal. Sending more assistance to the communities most at risk is the best way to get the money where the threat is, right now.

New York is terrorist target number 1. Everyone says that. And I repeat, we have spent over $1 billion out of our own pocket for security, but we have gotten a mere fraction of that back from the Federal Government. There is no reason that New Yorkers should have to watch New York City close down over six firehouses. We have fewer police and fire today than we had on 9/11. The radios that did not work on 9/11 still do not work. The HAZMAT suits destroyed on 9/11 have not been replaced. Yet, there are press reports across this country about many communities getting money, and they even say to the press we do not know what to do with it. We should not be sending more gas masks to certain areas than there are even police officers, sending more homeland assistance to low-threat communities than they know what to do with while our high-threat communities struggle to keep their heads above water. It is not fair, it is not smart, and it certainly is not secure.

At the very least, this amendment sends the message to the American people that we do, in fact, understand the need to base assistance on where the threat is and, more importantly, it finally sends more assistance to the communities that desperately need it. The Sweeney amendment does exactly what the President's budget requested.

So I request my colleagues to join us in supporting this.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentlewoman yield?

Mrs. MALONEY. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. Mr. Chairman, briefly, since the gentlewoman says the Mayor is listening and says he only got $90 million in 2003, the figures that I have are different.

Mrs. MALONEY. In 2004.

Mr. ROGERS of Kentucky. The city in 2003 received $256 plus million, and I will get back with the gentlewoman on 2004 in a minute.

Mrs. MALONEY. Mr. Chairman, reclaiming my time, a point of clarification. The numbers that I cited came from the Mayor of the City of New York. His office literally called up, they are watching the debate, and said, please clarify, New York City got $90 million out of the $3 billion.

Mrs. EMERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to my good friend, the gentleman from New York's (Mr. SWEENEY) amendment. This is not easy to do, because the tragedy that New Yorkers and so many from the surrounding area felt on 9/11 was our Nation's tragedy and touched every person in every community in America.

But our Nation's urban areas are not the only areas at risk in the United States today. We cannot disregard the many what-ifs facing first responders and others working to secure our rural areas.

What if a catastrophe occurs on a barge carrying fertilizers or other dangerous chemicals through the Upper Mississippi River or its many tributaries? What if a truck carrying a payload of toxic materials is hijacked on the thousands of miles of our Nation's rural highways? What if terrorists seek to operate training grounds with the purpose of planning terrorist attacks in our rural areas?

Clearly, there is an obvious need to equip our Nation's cities with adequate resources to prevent and respond to emergency situations, but it is also not responsible to suggest that urban areas are the sole targets of those individuals who wish to do us harm.

Mr. Chairman, homeland security efforts in our urban areas are funded more than adequately in the underlying legislation, and I, for one, cannot in good conscience tell my neighbors in Cape Girardeau, Missouri or my constituents in Rolla or West Plains, or even those who live near prairies and pastures, that protection of their lives is any less important than those who live in New York City, Los Angeles, or Chicago.

I urge my colleagues to oppose the Sweeney amendment.

Mr. FOSSELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment and, as has been stated repeatedly here and warrants repetition, is why this is the right thing, what we know and why this is right.

What we know is clear and obvious. What we know is that a terrorist seeks an area to destroy not just innocent people, but the morale of an entire Nation. And while it may be a couple of years ago, September 11 is alive and well here in this country.

In Staten Island and Brooklyn alone, almost 300 innocent people lost their life, lost their life. The terrorists knew that. They still do. It was not unique. In 1989 they attempted to blow up the Trade Center. They have conspired to blow up the Holland Tunnel, the Lincoln Tunnel, the George Washington Bridge, and the United Nations as well. It is still real.

What is right is to send the money to where it is needed. If after September 11 we united as we did as a Nation, and we are grateful to the Congress and the President for coming through for New York City and New York State, if after September 11 we decided to go after the terrorists where they were, where the threat was, and Secretary Rumsfeld deployed the 101st Airborne to Switzerland, we would have laughed him out of Washington. Or, if he said, let us put an aircraft carrier in the Great Salt Lake, because we are going to protect the homeland; one home, not 50, one home, we would have laughed him out. If he said, let us get the Air Force deployed and launch a strike against Antarctica, we would have laughed him out.

So this notion that we have to send money everywhere for the sake of sending money everywhere really compromises the second component of what this committee is all about: our homeland, all of us together, and security. Let us not send money somewhere so we can say we cut the check.

The point is that it is not just New York City, it is not just the city residents, and it is not just the residents of New Jersey. It is the residents of Chicago, it is the residents of Los Angeles, it is the residents of Houston, Texas, and it is the millions of people who go to those cities: your families, our friends, our fellow Americans and, yes, people from around the world who come to these cities, New York, for example, who expect a level of security. We want them to visit for a few days and go home peacefully, spending money in the meantime, but let them come and enjoy it.

The fact is clear, I say to my colleagues. The right thing to do is to recognize that the City of New York, on a daily basis, incurs millions of dollars of expense to protect not just the residents of New York City, the people who work there every day and the millions of people who come. We need to reengineer this formula. We need to reengineer and do what is right, not just for the urban areas, but send the money where it is needed the most where the terrorists are looking towards, and they are looking towards New York again. Let us not look back in a year or two as my colleague, the gentleman from New York (Mr. KING) said earlier and the gentleman from New York (Mr. SWEENEY) and others have said so eloquently, let us not look back in a few years and say, well, we should have done something better. We have the opportunity tonight to do just that. I urge my colleagues to support the amendment.

Mr. NADLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this debate seems to be occurring almost in a vacuum, because it seems to ignore the fact that we are at war. There was a very serious war launched upon us by the Jihadists, the Islamists, whenever you want to call them. They want to kill as many Americans as possible. Where you get the biggest bang for the buck is in an urban area, because you can kill a lot of people in a small area. If a plane crashes on a farm, maybe you kill a person or two, but not too many more.

We are not responding properly. We are not taking it seriously enough. We ought to be spending billions and billions of dollars to properly protect all of the threatened areas of this country, all of our cities, all of our nuclear power plants, all of our chemical plants. We ought to do a threat assessment on the whole country. We ought to repeal some of the tax cuts and spend the money to defend ourselves and take it as seriously as we did in 1942, but we are not doing that.

And since we are not doing that, we have to prioritize the money that we do have, the grossly inadequate amounts of money; maybe more than last year, but the grossly inadequate amounts of money to protect ourselves against our enemies. We have to prioritize them where the real threats are. There should not be a grant on the basis of population.

In 1942, when Admiral Nimitz had to decide where to send the fleet, he did not look at where the population was on the West Coast or in Midway or in Hawaii; he said, where is the Japanese fleet likely to attack, and that is where you spend the money and send the aircraft carriers.

We are probably going to be attacked again. Thousands of people may die, and our job is with the money that is made available to spend it in the way most likely to minimize the casualties in this country.

That is what this amendment seeks to do. Is it fair? No, it is not fair. It would be fair if we spent a few billion dollars more to defend our people. That would be more fair.

□ 2300

But we do not have that money. It is a different debate. We should spend the money based on the threat, and the threat we know, as the gentleman from Illinois said before, we know where the enemy, where Osama bin Laden and his friends and confederates, we know what they are looking at. They are looking at our major urban areas. They are looking at the Space Needle in Seattle, the Sears Tower in Chicago and so forth.

Yes, the bill that the committee propounded in some respects is better than the inadequate proposal that the President made, and I commend the committee for it; but this amendment makes it better yet.

The fact of the matter is, we passed a tax bill earlier today that gives great breaks for tobacco farmers. It has a tobacco buyout in it. I did not hear anybody from New York saying, my God, we should not do that. Nobody in New York benefits. Nobody in New York benefits from the wheat subsidy. We do not complain about that because we do not have any wheat farmers in New York. We should not benefit from the wheat subsidy.

The money that is appropriated by this Congress ought to go where the need is for the purpose for which it is appropriated. The money that is appropriated to defend us in a war ought to go where it is going to be maximally efficient in its use in protecting Americans from enemy attack. That is what this amendment does. That is why it ought to be adopted. Everything else is irrelevant.

Mr. FERGUSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I first want to compliment the chairman of the subcommittee for the bill he has put together. This is a very difficult and challenging process. This bill is perhaps, if not the most important, certainly one of the most important pieces of legislation that we will consider all year for the safety and security of our Nation and the people of our communities and our families. The chairman has worked extremely hard to do that.

I do rise in support of the Sweeney amendment because I think this bill can be better. Mr. Chairman, we face a threat from a cunning enemy bent on interrupting and destroying our very way of life in this country.

The past has shown, and intelligence continues to suggest, that terrorists have targeted our Nation's highly populated areas, our seats of power, and our symbols of military and economic might. Now, I represent a district in New Jersey. I do not represent New York, but I represent thousands and thousands of New Jersey citizens who work and play and live in some way or another in New York. They travel into New York City. I lost 81 constituents the day of 9/11 in the World Trade Center.

The fact is that in a more densely populated area you are going to be a bigger target for those who are seeking to do us harm. Now, the current funding proportions set in place to allocate first responder grant funding is inadequate. It places our Nation and our vulnerable urban areas under greater risk. It is vitally important that we address our Nation's homeland security requirements where they are needed most, highly populated and symbolically significant areas of our country, symbolically significant areas of our country.

Mr. SWEENEY. Mr. Chairman, will the gentleman yield?

Mr. FERGUSON. I yield to the gentleman from New York.

Mr. SWEENEY. Mr. Chairman, the gentleman reminded me of two important points that I do not think have been stressed here, and I very briefly want to state them.

One, it has been a misnomer by a number of Members who have come to the floor today pointing out that there is critical infrastructure throughout this Nation that needs to have security dollars addressed and directed towards it. This fund, the UASI fund, the high-threat fund includes all critical infrastructure.

Point number two is that this is not about any region. This is not about New York. This is about the whole Nation. As my friend, the gentleman from New York (Mr. FOSSELLA), said earlier, this is about one family, not 50.

Mr. FERGUSON. Mr. Chairman, I thank my friend from New York, and I appreciate his work on the amendment, and I obviously support the amendment.

Already, many of our States and districts, including mine in New Jersey, have received millions of dollars in important first responder grants. These grants are important for keeping America and our communities safe and strong and free. The distinct and immediate need for separate funds to be dedicated to high-threat urban areas was first recognized during the appropriations process in 2002 with the establishment of the Urban Area Security Initiative.

It is time now that we further our commitment to addressing the needs of our high-risk areas by transferring $450 million to the Urban Area Security Initiative from the formula base grant funding pool. This request, as has been said, matches President Bush's request for the UASI and represents a pragmatic approach to funding homeland security needs.

Mr. Chairman, the terrorist attacks on September 11 left a terrible and lasting mark not only in my district in New Jersey but on our entire Nation. We have to heed the lessons of that day to do our best to secure our Nation's most vulnerable and highly populated areas. Common sense dictates that we must direct money where the threat is felt the most.

Mr. ANDREWS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment put forward by my friend, the gentleman from New York (Mr. SWEENEY). For the record, although I am proud to be a New Jerseyan, I would point out my district is about 80 miles away from New York City. It is really not part of the New York City metropolitan region; but I do not think that is the issue here, because this amendment is not about the New York City metropolitan region or Chicago or Seattle or Los Angeles. It is about the national interest.

It is indisputably true that there is not a village or a hamlet or a town in America that is immune from a terrorist attack. It is indisputably true that the terrorists may choose to strike a rather small, obscure place simply to prove a point, that they can, and to spread the fear that is there.

To address that problem, it is important to have some resources for every part of the country; and the chairman has put together a bill which very wisely does that. And I commend him for it, and I support him for it. But we cannot really legislate based on "what if." We have to legislate based on "what is." And the public record of the intelligence reports, not disclosing anything that is not on that public record, clearly indicates, as the gentleman from Illinois (Mr. KIRK) said, a pattern by the Islamic racialists to focus their efforts on targets that would be known by a person who is on the street in Beirut because they want to make a point that they are striking the infidels. So they strike a symbol so that when it appears on international television, their horror and twisted victory can be understood by the audience to which they are playing.

It is not a coincidence that on September 11 the symbols that were struck and the symbols that were targeted would be symbols that would be known throughout the so-called Arab street. That was the purpose.

The public record of intelligence clearly can lead us to the conclusion that high-visibility, well-perceived targets are the most likely places for this kind of terror to strike. It is the national interest to prioritize the spending of money in these ways, not a parochial interest for people from large cities or from particular large cities.

Very often we have supplemental appropriations bills come to the floor of this House, and they deal with wild fires in California, or they deal with floods in the rural Midwest, or they deal with natural catastrophes that happen throughout the country. It is our tradition and it is to our honor that we stand up and nearly to a man or to a woman vote to support that aid because our neighbors need it, and they need it more than we do.

I have rarely in my time here heard a Member say that they will not support flood relief aid or hurricane relief aid for part of the country because that part of the country is getting too much. Instead, there is an acknowledgment that when one of our areas has a time of greater need, each of us rises to the occasion and vindicates the national interest in that way.

The bill that is before us does not ignore the needs of rural America. It does not ignore the needs of the less populated areas of the country. I do believe that the decision the bill makes disproportionately funds those needs, however. And I do think the right allocation is to reflect the best judgment of the intelligence community and to adopt the amendment that the gentleman from New York (Mr. SWEENEY) has put forth.

The fundamental answer, I agree with the gentleman from New York (Mr. NADLER), is that we have not given enough resources for this problem overall. But we can not legislate based on what if. We have to legislate based on what is. And what is is the credible judgment of the intelligence community that high-population, high-target areas are the most vulnerable and most likely places for us to be assaulted. We should adopt the Sweeney amendment and reflect that good judgement.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I reside in the State of California. We are a bunch of pigs when it comes to money. California and New York City, a bunch of pigs when it comes to money.

Why? Well, let me give you a couple of examples. California, San Diego, where I live, population, one in eight Americans lives in the State of California. We have a nuclear facility just outside San Diego. We have got one of the most expansive borders to cover. We have aircraft carriers in the port along with nuclear ships in San Diego.

□ 2310

We have a multitude of military bases. We have one of the largest biotech facilities in which we use radioactive materials, even though it is not very strong, but we have got to bury it. It could be used for a dirty bomb, and I personally feel the biggest threat we have is New York City and Boston before November. Al Qaeda tends to do what they have been successful at, and when Spain capitulated I think that put all of us at more of a risk.

Mr. Chairman, sometimes some of the delegation in New York have been so liberal, so willing to cut defense, so willing to cut intelligence, so willing to bash a President that provided billions of dollars in a rebuilding of New York. The same President that is going to kill or capture the very people that they are fighting to get extra money for before they kill them and their children. I think that is wrong.

Part of me wants to take every dime away that we have given to New York, but that would be wrong and I will not do that. I will not even try to do that because it would be wrong because my colleagues have got millions of people there that depend on it.

But my colleagues know that recently we had an Ohio shopping center that was going to be bombed. We had a facility in Los Angeles. Would it be the San Francisco Golden Gate that was threatened?

The reason I got up to speak is that there is not enough money in the whole world. The advantage of a terrorist is that they can pick an infinite number of targets, whether it is in St. Louis, whether it is in the snake pit in Oklahoma during a ball game or whatever.

The balance that we should do is what the committee has chosen to do and look to provide local police and first responders the best that they can do, to react regardless of where the terrorists do hit us.

My biggest threat and biggest fear, can my colleagues imagine what smallpox would do in two cities? In 2 weeks we would lose millions of people, and can we respond to that? That is why I think that this important and balanced bill needs to point out not gobs of money for one. I think New York should get a little, probably more than other people because it is a threat. I think Boston, with the upcoming Democratic Convention, should be protected, but I think it should be balanced out around because no one knows what those threats are.

If I was al Qaeda, I would guarantee my colleagues I would find a target that we are not protecting. There is no way we can protect them all, and I think the best thing we can do is provide a little more for those areas that are threatened, not a lot like some of us are asking for, but to spread it out so with much as we can we can protect those sites because I guarantee my colleagues, it may be just a shopping senter in Oshkosh or somewhere else.

Mr. ENGEL. Mr. Chairman, I move to strike the requisite number of words.

All one has to do is look at today's newspapers, look at what the 9/11 Commission has found, and we can clearly see that al Qaeda is looking to strike where they can make the worst hit and that is in the urban areas. I do not mean to denigrate the good work that has been done on this bill. There are a lot of people who have done a lot of good work, and it is very, very hard, and the point has been made that we are not funding homeland security to the extent that we should.

But the American people know the difference between what is necessary and where the threat is, and the difference between that and pork, and quite frankly, we should not be using this bill to spread the wealth around, this pork, so each of us can go back to our districts and say we produced a little bit for our constituents. We should put the money where the threat is.

I really have to vehemently disagree with the idea that States with virtually no threat of a terrorist attack are getting as much as $20 more per capita than New York gets. That is illogical, it is unfair and it makes no sense whatsoever.

I rise in strong support of this amendment. This allocates more money for the Urban Security Initiative which would send more preparedness dollars to high threat areas. It makes sense. Doing so would better prepare first responders where terrorists are most likely to attack.

Our colleagues have mentioned that we know that the terrorists want the biggest bang. We know that New York City and Washington have already been hit. One does not have to be a rocket scientist to understand that this is where the biggest threat is.

New York obviously has taken the brunt of terrorist attacks, yet we get shortchanged on preparedness dollars while States that have little or no risk are raking in millions. Again, that does not seem fair, and it does not seem right.

Hundreds of New York's fire fighters and police officers died responding to the World Trade Center attacks. The September 11 Commission has highlighted a number of areas where New York's first responders needed more resources to respond to a large scale attack that occurred. We can rectify the problems that our heroic fire fighters and police experienced on September 11 if we have the proper resources. Currently, our first responders are underfunded and overworked, as New York continues to remain in a heightened state.

New York remains a prime target, and scarce resources are being diverted to areas that are not really at risk of terrorist attack. We owe it to our firemen and police in New York who will be tasked with responding to a future attack, we owe it to them and the residents of New York to do all we can to prevent and prepare if another 9/11 should happen again.

Now, I understand that all of our colleagues must return home and talk to their constituents about homeland security. I certainly understand that every American is just a little on edge. I understand because when I go home and talk to my constituents they fear that although many terrorist plots have been thwarted over the years, one may eventually be successful, but I want to once again repeat, we are not talking about hypothetical threats in New York. The threat is very real.

So I am asking my colleagues to step back. Please do not make this about funneling money into your State. As we all mentioned before, we are all Americans but not all of us have had our local economies destroyed, our cities bombed and our neighbors murdered. I am asking my colleagues to put the money where it is needed most but also where it would do the most good.

We are an institution representing the entire Nation. We are in charge of making tough decisions about how best to use our scarce Federal tax dollars. Putting more money into the high threat account should not be one of the tough decisions. It is the logical one. It is the right one, and I want to repeat, it makes no sense that States with virtually no threat of a terrorist attack are getting as much as $20 per person more than New York gets.

So I strongly support the Sweeney amendment. Again, it is fair, it is right. We are one Nation. We need to put the money where the threat is. Please support the amendment.

Mr. COX. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this has been an outstanding debate. It is a vital question for our country to decide.

As chairman of the Select Committee on Homeland Security, I cannot help but notice that the September 11 Commission in its findings, issued as part of the final round of its public hearings, has just released details from interviews with 9/11 mastermind Khalid Sheikh Mohammed and Ramzi bin al-Shibh, a key coordinator of the 9/11 plot, indicating that these al Qaeda terrorists had, in addition to the plans that they actually executed, a more elaborate plot to use 10 airplanes to strike large cities on both American coasts, to hit the tallest buildings in California and Washington State.

I also know, as does my colleague the gentleman from Texas (Mr. TURNER), ranking member on the Select Committee on Homeland Security, as a result of our routine briefings from the Terrorist Threat Integration Center, that there is no question that such planning continues.

If we spread our homeland security dollars about the country in a diffuse and diluted fashion, we may not live to regret it.

□ 2320

It is vitally important that we recognize that our urban areas are threatened. At the same time, suburban and rural areas of this country are also threatened. They have chemical plans, pipelines, military bases, energy infrastructure, agricultural fields, transportation corridors, including rivers, barges and so on.

Risk which matches threat against vulnerability applies equally to urban and rural infrastructures and populations. Regrettably, the bill that is before us does not give us an opportunity to vindicate what we know is good policy, and that is to substitute for political formulas an allocation of first responder moneys based upon risk. The gentleman from Kentucky (Mr. ROGERS) said it is very important for us to move there, and I could not agree more.

With this amendment, we have something of a bittersweet opportunity because the amendment would transfer .45 billion dollars from a formula that admittedly is a political formula, not based on risk, to 50 of the most-threatened urban areas in the country and 30 of the most-threatened transit areas to be determined by the Department of Homeland Security, also a political formula. But at least this political formula is based in part on the actual terrorist threat and therefore putting the amount of money into this program that was requested by President Bush and by the Department of Homeland Security and taking it out of a pot that is allocated strictly according to population and strictly according to political formulas is a modest improvement.

The high-threat urban areas program, however, which this amendment would transfer money into, distributes funding only to those cities deemed high risk, meaning that Federal moneys are unavailable to 23 States without cities covered by this formula. It also means that 30 percent of total terrorism preparedness funds are off limits to 23 States. That is an imperfect result.

Mr. Chairman, terrorists have limited resources and focused energies. Congress should allocate first responder funding in a similar manner with money directed toward the places most at risk. The current process in place to allocate first responder grant funding is inadequate. It places our Nation under greater vulnerability.

Cities that apply for high-threat grants are given scores according to three factors: Population, vulnerability and threat. As I said, since this money is coming out of a pot, 60 percent of which is going according to population anyway, it is a modest improvement to send that money which was going to go to high population urban areas in the first place according to a formula that takes threat into account. That is marginally better.

Mr. Chairman, while this amendment is not an ideal vehicle for resolving these issues, it will at least allocate more of the funds in the bill according to threat. Sixty percent of the formula grants from which the .45 billion dollars would be taken are already allocated strictly according to population.

The gentleman from Kentucky (Mr. ROGERS) said it best, we should move to a threat allocation of homeland security dollars. In the meanwhile, the Sweeney amendment is a small step in that direction, and I urge my colleagues to support it.

Mr. WEINER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Sweeney amendment. We have essentially, as we try to figure out the way to do this, made or compounded three fundamental areas in allocating resources. First, I think there is consensus among a lot of law enforcement organizations across the country that have not allocated enough money, we need to do more.

Secondly, when we first began this process, we did it entirely based on population and we had the unusual circumstance that States like Wyoming got much more per capita than States like New York, and we in Congress and this subcommittee acted to respond to that challenge by creating a new high-threat, high-density program.

It was not Congress that then screwed that up, it was the Department of Homeland Security who took that program and expanded it and expanded it and expanded it to more and more cities. We had the unusual and almost surreal experience of having cities lobbying to be considered high density, high threat to the point now that we have some cities on that list of 50 that do not even have minor league baseball teams.

Perhaps this is not the vehicle, but I know the bill of the gentleman from California (Mr. COX) that is moving its way through the House seeks to take that list and limit it more closely to true high-threat, high-density areas.

A third mistake that Homeland Security has made, and the gentleman from California (Mr. COX) just referred to it, is we have this bizarre formula that takes high-threat money and allocates it first by population by a factor of nine, and then infrastructure by a factor of six, and finally threat by a factor of three. Even when we in Congress say let us allocate money based on threat, we are getting it wrong. I understand the gentleman from New York (Mr. SWEENEY) wanted to address that in this bill. It was struck down on a point of order, but we need to figure out a way to fix that problem because even when we are getting money out the door theoretically addressed toward threat, Department of Homeland Security says it is not getting there because of the formulas that they are setting.

I would say, not to reiterate what others have said, is that frankly Members can make the argument that every place in the country is a potential threat. Hypothetical threat is something we can all describe. For some cities, though, it is not hypothetical. It is real. For some cities, there are actual threats.

What I would ask is there any homeland security expert, anyone who has said on the record the way we are allocating funds in this bill makes sense? I can tell Members the people who do not, people like the police commissioner of New York, people like the 9/11 Commission, people like Secretary Ridge, who himself has now said there is no doubt in his mind that the way we are allocating money is simply wrong and needs to be redirected. This is the man who came to that position after months and months on the job, and I am glad he did.

When we talk to intelligence officials and Department of Defense officials about how they do their job, they allocate resources based on real threats, they do not do it based on hypothetical threats.

I would say it is true that the Sweeney amendment does not do everything, and I would also reiterate what so many of the opponents of this amendment have said that I agree with, and that is that this should not be regional fight. This should not be factions inside of factions fighting over this fund.

I have no intention on the agriculture bill to come to this floor and demand that New York City get a piece of that pie. It simply would not be appropriate, and I do not believe it is good policy. In this case, though, when we have real threats to places like New York, I believe the funding should be allocated.

Just to give an idea what a real threat is, I just cite for the RECORD the story of Iyman Faris, a guy who comes to New York, sits by the Brooklyn Bridge, eats lunch at a Pakistani restaurant by City Hall, and then reports back to his handlers it is too hot.

What did he mean by it is too hot? He observed at all four stanchions of the Brooklyn Bridge an NYPD cruiser that is there all day, all night at extraordinary expense to the people of the City of New York. And they decided not to do the operation, which was a plan to blow up the Brooklyn Bridge. That is not hypothetical. It is an actual threat.

I do not think it is unreasonable that a greater portion of the money coming out of this bill goes towards places that have to deal with those threats.

Mr. LaTOURETTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I want to congratulate the gentleman from Kentucky (Mr. ROGERS) and the ranking member, the gentleman from Minnesota (Mr. SABO), for crafting what I think is exactly the right approach.

Their bill recognizes that all of America needs to be protected at least a little bit, and those areas of the country with the greater risk get the lion's share of the money, something like 60 percent. The bill that we had through the Committee on Transportation and Infrastructure was 70 percent, and that is exactly the right thing to do.

□ 2330

Terrorism can be the cause behind a chemical release in Texas, a hijacking in New York, a bombing in Wyoming, or the destruction of a lock on the Mississippi River.

In 1994, Mr. Chairman, I was elected to this Congress with three other freshmen from Ohio, Mr. NEY, Mr. CHABOT and Mr. Cremeans, who is sadly now passed away. There was a headline that said we were the four French guys from Ohio. If you are from a French lineage, you remember the Maginot Line where the French very seriously hardened the Maginot Line and said, Nazi Germany, you can't get us because we're hiding behind the Maginot Line. Do you know what the Nazis did? They marched around the Maginot Line.

The gentleman from Kentucky's bill recognizes that New York, California, Washington, D.C. all have to be hardened because they are the subject of chatter that the terrorists want to strike to cause the biggest splash on our friends and allies in the media, CNN and everywhere else; but the gentleman from Kentucky also recognizes that the people that live in Mr. LATHAM's Iowa, in Pennsylvania, in other parts of the country need to be protected as well. Everybody that testified before our committee says we have to recognize everybody needs to be minimally prepared so that if we have a terrorist attack, we are ready to go. The gentleman from Kentucky has accomplished that vision and I congratulate him.

Mr. LATHAM. Mr. Chairman, will the gentleman yield?

Mr. LaTOURETTE. I yield to the gentleman from Iowa.

Mr. LATHAM. I thank the gentleman for yielding.

First of all, I would like to say that the gentleman from New York said that dollars going to protect my citizens in my State, their safety, their well-being, is pork. I take great offense to that. It is not pork to have people who are safe in their homes. I do not care where they live in this country.

I will also say that when we talk about this formula, talk about threat, the fact of the matter is there are some very, very large threats or potential threats in rural areas, whether you talk about nuclear energy plants, whatever. But just because they do not have people living immediately around them, they are not going to be eligible for any of the funds at all.

I would also like to address one quick point talking about intelligence. The fact of the matter is there were hundreds of U.S. agriculture documents that were found in al Qaeda caves and also a large part of the al Qaeda training manual is devoted to agri-terrorism. If you do not like to eat in New York, apparently, let us just forget about the rest of the country.

Mr. OLVER. Mr. Chairman, I move to strike the requisite number of words.

I notice that two members of the full committee are waiting, or at least one other member besides me, waiting to speak. We happen to have been brought up a few miles from each other in the State of Pennsylvania so I am not sure whether that just means we are both staying until the end.

This debate has been a wonderful debate. It has also brought back nightmares of the debates that I think many of us have taken part in that sound like school aid distribution formula fights that we have fought through in our State legislatures all the time. But in all those instances, the one thing that has been available would be a distribution of how much money was going to go to each of the districts or each of the States versus what was being proposed, a distribution that would show what was going to be going to each of the States under those circumstances. In this case that is very difficult.

What the chairman has done has been to move $450 million roughly out of the basic formula grant and put it into the urban area initiative or into the combination of other formulas. There is a basic formula grant and then there is a series of others which include transit grants, emergency management performance grants, and urban area initiatives. I am not sure whether either any one of those properly takes into account where we may have an enormous dam and a reservoir or whether it takes into account where we have very high-risk possible chemical plants or nuclear power plants. I am just not sure about that. I do not know particularly enough about this.

But I know the chairman, and now I understand why he said in full committee that we do not know what the distribution is going to be next year. All we could see was what it had been in the fiscal year 2004 and what it would be like if you moved the $450 million out of that formula and distributed it proportionately as it was in 2004 into those other categories and then give it back to the same States in that proportionate distribution, into those other States.

During the course of this debate, I have sat with that formula, with that chart that we had in full committee and done a few calculations. What shows up is that the States which have one congressional district, we all know exactly who they are, there are seven of them, they are ending up in the new formula even as it has been changed by the chairman in the work that the chairman and his staff have done, very careful and hard work, that what shows up is that those States end up with about $20 million per congressional district, a little bit under $20 million. About 18, actually, on average. The highest is $17.9 million and the lowest is $16.3 million.

Then there is also a disproportionate amount of money that goes to States which have only two congressional districts. My colleagues know exactly who those are, too. There are five of those. They are getting between $9 million and $10 million per congressional district there. That is what that formula looks like. If you total up all 12 States, coming to 17 congressional districts, the formula as it would be so calculated comes out to be about $220 million that is going into those States.

The same formula shows that Ohio, one State that has 18 congressional districts, is going to get less than half as much money. One State is going to get less than half as much money. My colleagues can compare what Ohio looks like versus what those other 12 States look like that are getting more than twice as much money in total than the State of Ohio. Oddly enough, that calculation also shows that the States, and this, I think, may surprise, that the States that get the least per capita, the least per population, are Michigan and North Carolina of all things.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. OLVER) has expired.

(By unanimous consent, Mr. OLVER was allowed to proceed for 1 additional minute.)

Mr. OLVER. The problem is that we do not know exactly how much will be distributed, and we cannot know because all of these categories are not purely by a distribution, and there is still an inequity because no State should be getting that much more than some other States, and the inequities that show up here are bad; but I do not think that we can be at all certain that moving another $450 million is not going to tip the scales beyond what most of us would then think was going to be fair.

This is a case where what the chairman and the ranking member have been doing is moving in a right direction, it needs to be moved more; but I have not yet seen the formula that would show that what is going to come out of the result of this amendment being proposed would actually be better and whether we may have tipped beyond where it needs to go to be reasonably fair to everyone. So I think we ought to allow the chairman and the ranking member to continue to improve these formulas.

Mr. SHERWOOD. Mr. Chairman, I move to strike the requisite number of words. I rise against the amendment. My district is 150 miles from New York City. I grew up at 16 years old driving trucks across the George Washington Bridge. I understand what the infrastructure is to the East, and I understand also a little bit about the threat. But this formula has been pretty carefully worked out on population and threat. If you are going to take $450 million away from the rest of the country and give it to metropolitan New York, how are you going to do that? You would have to take $35 million away from California. You would have to take $4 million away from the District of Columbia. I think that this is probably one of the high-threat areas. You would have to take $15 million away from Illinois. I think Chicago is probably a pretty high-threat area. You would have to take $14.75 away from my home State of Pennsylvania. On and on and on and on.

□ 2340

This thing has been worked out. I admire the pluck of my friends from New York to try to get the money for what they think they need it but the whole country needs the money. The sheet that shows us where the $450 million will come from will be on the table.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

I think the debate has given the impression to my colleagues that this is an isolated regional question. But I think the reason why the Sweeney amendment has legs and maybe might run across the finish line is because it does comport with good sense and reasonableness, and, frankly, I think the amendment really addresses what most Members would understand as the very defining question of terrorism. Terrorism is threat, is where we are most threatened but it is also where it may ultimately impact the individuals who may be subjected to terrorism.

So, Mr. Chairman, I think it is important to note that as I understand the formula in the amendment, it would allow those cities that can be determined to have the greater threat or areas to be able to apply for those dollars and to receive them based upon that threat analysis.

Might I simply share with my colleagues that the President's budget request requested nearly ½ of $1 billion more for the high threat urban areas than the bill currently funds. In addition, I think it is worthy of noting that the authorizing committee for the Department of Homeland Security, a committee of which I am a member, who happens to have authored in a bipartisan manner H.R. 3266, the Faster and Smarter Funding for First Responders Act of 2003, followed the threat analysis because we found in hearings that that was the most sophisticated but the most balanced way of addressing security in the Nation.

In an article in the Houston Chronicle on April 9, 2003, Houston finds itself as number seven on the vulnerability list. There may be other cities. We happen to be the home of many refineries. Other cities may have other unique and special needs. Seattle was a city on the list because it had been subjected to a terrorist attack around the turn of the century. If we reflect on where we have heard threats in the last 2 years since 2001, we would note that there were incidences in Los Angeles, there is constant chatter and incidences here in Washington, DC, and certainly as noted by my colleagues from New York, there are incidences there. There may be others. But obviously a terrorist desires to not only destroy but to intimidate, and symbols give them a greater leverage of intimidation. The symbols in New York, the oil industry in Houston, the symbols in Los Angeles and other cities similarly situated.

Last November Secretary Ridge said he is willing to base as much as half of the grant money DHS distributes to State and local governments on a formula that includes threat analysis. In testimony before the House Committee on Appropriations, a statement was made: "We at the Department believe that more of the overall funds available to State and local governments need to be distributed using the risks or consequence based formula of population density, presence, and vulnerability of critical infrastructure of national significance and credible threats." That leads us to believe that larger cities are the most vulnerable as it relates to terrorism.

So I would simply suggest that this is not a question of reasonableness and isolationism and pointing to one area over another. This is a comprehensive understanding that we are one America and that when we secure large cities, it is securing rural and villages and smaller cities and other places that may not be the recipient of as large a share of these funds.

Documentation suggests that threat analysis is important, and one of the major issues when we begin to discuss the issues of Department of Homeland Security is whether or not we have done an entire assessment of the needs of this country. I do not believe we have yet completed that task to assess the threat all over the country, but what the intelligence shows us is that these major cities with major symbols are extremely vulnerable. I would hope that my colleagues would look warmly on this amendment and responsibly because frankly I believe that if we ignore intelligence that we are seeking to improve, then we ignore the purpose of homeland security, to secure the homeland where the threat is. The threat is in large cities. Houston happens to be one. This is not a regional question. This is an American question.

Mr. WELDON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the distinguished chairman of the subcommittee.

Mr. ROGERS of Kentucky. Mr. Chairman, I thank the gentleman for yielding to me.

I just want to point out to the gentlewoman from Texas that under this amendment the State of Texas would lose $23.5 million.

Mr. WELDON of Pennsylvania. Mr. Chairman, this debate has been dominated by one side, and I think we need to have everyone have a chance to air their feelings here.

We are arguing over $450 million and who is going to get the bulk of that money. Four hundred and fifty million dollars is not going to protect New York City from another attack. If Members want to put the money into where it is going to do the best good, then put it into our intelligence system because that is where they are going to understand where the next threat is coming from. When we understand where the threat comes from, then we can deal with it. If we want to put the money into a capability, we need that kind of a capability to respond to the kind of threat that we saw on September 11.

Perhaps if we had done back in the 1990s more in this body and not cut the legs off our intelligence community when we stopped the CIA from using those sources that, in fact, were considered to be tied in with corruption, we would have been better able to understand where the emerging threats were coming from.

Mr. Chairman, I think it is unfortunate that we say that this money going to cities will protect them. I was in the Trade Center the day after the disaster occurred and I was down at ground zero. Did I see all of New York's people there? Yes. But I saw urban search and rescue teams from Delaware, from New Jersey, from Pennsylvania. I saw them there from Michigan. I saw them there from Georgia. Twenty-two urban search and rescue teams came from all over America to assist New York because New York could not handle it.

The fact is, Mr. Chairman, as a Nation if we are going to deal with threats, we must deal with them from a national perspective, not based on one city or one particular urban area.

Mr. Chairman, on January 28, 1975, I was the assistant fire chief in a town of 5,000 people. On that night we had the largest incident in America. Two ships collided, killed 29 people, and burned out of control for 3 days, $100 million of property damage. According to this standard, that will never happen in a small area. It will only happen in a big city. For us to try to argue over how we can split up $450 million, and my district borders Philadelphia, by only giving it to the inner-city urban areas I think is wrong.

I think the chairman has done a good job with the ranking member, and I support the chairman's mark and oppose the amendment.

Mr. ROGERS of Kentucky. Mr. Chairman, this debate could go on a long time. I ask unanimous consent that all debate end after 10 minutes, that the time be controlled by the gentleman from Minnesota (Mr. SABO) and this gentleman.

Mr. SABO. Mr. Chairman, those are decisions that are at a higher pay level than mine, and I have to object.

The CHAIRMAN. Objection is heard.

□ 2350

Mr. TURNER of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will be brief. I want to say I think we have all seen the pitfalls tonight of these formula-based funding formulas that divide this House along regional, urban, and rural lines.

I want to mention something that the gentleman from Kentucky (Chairman ROGERS) mentioned early in this debate, and that is that there is a better way to do this, and it is contained in legislation that the gentleman from California (Chairman COX) and I have cosponsored that came out of the Select Committee on Homeland Security unanimously, that went through the Committee on Energy and Commerce, the Committee on Transportation and the Committee on the Judiciary. It also is reaffirmed by the language the gentleman from Kentucky (Chairman ROGERS) placed in this bill. And that is to say that we ought to have one grant fund that is distributed to establish and to fund what we call the essential capabilities that every State, every community, and every region needs to prepare and defend against a terrorist attack.

That process of establishing essential capabilities would end the debate we are having tonight. The essential capabilities would be determined based on the threat and vulnerability information that this Congress already has required in the Homeland Security Act that the Homeland Security Department prepared.

If we did that, we would have a road map. Tonight we are flying by the seat of our pants. We do not know what the real needs are to defend this country.

The establishment of essential capabilities would give us that road map, we would know how much progress we would make, we would know what the measures, the metrics, the standards are we are trying to achieve, and it would end the kind of debate we are having to have tonight.

Mr. Chairman, I urge Members when that bill hopefully comes to the floor that we adopt it, that we agree unanimously that the right way to defend America is to be sure that we develop essential capabilities for every community in America based on the real threats and vulnerabilities that this Nation faces.

Mr. BARTON of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have before me dueling charts about this amendment. If you believe this chart that the gentleman from New York (Mr. SWEENEY) has put out, my State is disadvantaged by the bill before us. If you believe this chart that the distinguished subcommittee chairman of the appropriations subcommittee has put out, my State is disadvantaged by the amendment of the gentleman from New York (Mr. SWEENEY).

Now, both of the gentleman's charts are honorable. So this is a question literally that is a 50/50 question, and they are both right.

The debate that we have had tonight is one of those debates that reminds me of the Founding Fathers' debate when we were putting our Constitution together, because you had the rural States that thought everything should be done on a State basis, the little States; and then you had the urban States that thought everything should be done on a population basis. The result was the Great Compromise, where the House of Representatives is based on population and the Senate is based on each State gets two votes.

Now, earlier tonight one of the members of my committee, the gentleman from New York (Mr. FOSSELLA), rose and made a point of order on part of this bill that had a funding formula that was legislating on an appropriations bill for about $3.4 billion, and that point of order was sustained.

As the gentleman from Texas (Mr. TURNER) has pointed out and the gentleman from California (Mr. COX) has pointed out, the chairman and the ranking member of the Select Committee on Homeland Security, their committee and the committee that I chair, the Committee on Energy and Commerce, have reported a first responder bill that is waiting to come to the floor.

So the vote on this is really a coin flip. But in this case, I think we should go with the subcommittee chairman, the gentleman from Kentucky (Mr. ROGERS), and oppose the Sweeney amendment, knowing that between now and conference with the other body, we are going to have to come up with a formula similar to the one that our Founding Fathers did with the Great Compromise between the big States and the little States, where we have a pool of money that is based on one man-one vote, and then we have another pool that is based on need with some sort of a grant application process. I am going to work on that from the authorization level, and I know many others are willing to.

So I think this is really one of those debates where both sides are going to win, because the ultimate result is going to be a formula that is different than the current formula. But for this vote tonight, I urge a "no" vote on the amendment offered by my good friend, the gentleman from New York (Mr. SWEENEY).

Mr. SABO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, while I objected to a time limit a short time ago, let me suggest that if only those Members that had something unique and new to say chose to speak, we might be able to vote fairly soon.

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that the gentleman from Kentucky (Chairman ROGERS) has struck a pretty darn good balance in this bill.

I oppose the amendment. I am originally from New York, and one of the things that I learned is when New York City gets involved, the rest of the State at that time suffers. According to the chart by the gentleman from Kentucky (Mr. ROGERS), Florida would lose $18.7 million. We cannot afford to lose that because of all the ports that we have, because of the water supply, certainly because of our agricultural interests.

Let me share with you that I represent a district that also has a nuclear power plant. If you do not think that those former New Yorkers who live near that power plant or who want their water supply protected do not deserve the same protection as New Yorkers, I am sorry, that is not what those of us who come from rural areas got elected to represent.

I think that the gentleman from Kentucky (Mr. ROGERS) has struck a great balance here. Obviously, this is something that will be conferenced, and I would urge a "no" vote against my good friend and current New Yorker from a former New Yorker, the gentleman from New York (Mr. SWEENEY).

Mr. ROTHMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am from the Garden State of New Jersey, from which most of the people who came to rescue the people in the burning towers came, from the place where the victims of 9/11 were transported to Liberty Island, to be triaged and cared for, where we have four nuclear power plants, chemical plants, two tunnels to New York City, several bridges to New York City, et cetera.

I would like to commend the subcommittee chairman, the gentleman from Kentucky (Mr. ROGERS), for making extraordinary progress from where we were before this bill was written; and I acknowledge his good faith and sincere effort in moving in the right direction. And I know that it is very difficult to balance the equities and the interests of all concerned.

However, it is 3 years, Mr. Chairman, since 9/11, 3 years, when every State in the Union has gotten some money for their homeland security. The question is, whether now, 3 years later, we have waited long enough for the largest portion of moneys that go out on this homeland security bill, whether they are given to those areas that are most at risk and that are most targeted by the terrorists.

How many years do we have to wait before we get to 100 percent? We are at 90 percent with this bill, 92 percent. Do you think the terrorists are going to wait several years before they arrive at the likely places where they have said they are going to hit and which are underfunded by the present bill?

Finally, let me comment on my distinguished subcommittee chairman's chart, which we had the good fortune of discussing at the Committee on Appropriations markup. I believe that nothing has changed in the finding, and please correct me. The distinguished subcommittee chairman's chart that shows the amount of money per State that a State would lose if this amendment were approved does not tell, with respect, the full story.

□ 0000

It says we are where everyone would begin when the risk assessments would then take place. So, for example, under the distinguished subcommittee chairman's list, the particular dollar figure for your State does not tell you what your State will get after the risk assessment occurs.

Now, if you have a State that has a lot of targets, you have nothing to worry about, because the same folks in this administration who have made the judgments about the nature and the level of the risk will be deciding, with the same criteria, on these extra funds.

I guess if you do not have any significant risks compared to the other States and regions, then you will suffer a loss. But with respect to the gentleman from Kentucky (Chairman ROGERS)'s list, it does not tell you what you are going to end up with after the risk assessment.

Again, I want to congratulate the subcommittee chairman and all of those who worked so hard to move this bill as far as it has come, but it needs to go further. We have waited long enough, and the terrorists are not going to wait 2 or 3 years before we get to 100 percent.

Mr. YOUNG of Alaska. Mr. Chairman, I rise today to oppose the amendments offered by my colleagues from New York.

The amendments that they have offered would significantly increase the likelihood a terrorist incident occurring outside of a major metropolitan area will have disastrous effects.

This funding is not solely intended for security to prevent a terror attack, but also for preparedness, in case an event happens.

Terrorism can happen anywhere. That is why we must be prepared everywhere.

Allocating these funds solely on the risk of terror is just robbing Peter to pay Paul. Large cities and metropolitan areas will be safe and prepared, but nobody else will.

We have heard a parade of members that would benefit from a risk of terrorism only allocation. If this allocation basis is adopted, and a terrorist attacks your community, what will you tell them, I'm sorry we weren't prepared, but it's okay, because a few big cities are?

Providing for a State minimum allocation is the only way to ensure that every community is prepared.

I urge all of my colleagues to think very carefully before supporting these amendments, and to think about what such an allocation would mean if they do not represent a large metropolitan area or have significant critical infrastructure. Most members of this body do not, and therefore most members' districts will not be prepared under this scheme.

The Transportation Committee has put forward a proposal that does not require this false choice, between providing for national preparedness and providing preparedness for a select few.

When this proposal is considered during the normal legislative process, I urge my colleagues to support this alternative, which prepares everyone for terror attacks.

Oppose these amendments that leave most communities unprepared for terror attacks.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. SWEENEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SWEENEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New York (Mr. SWEENEY) will be postponed.

SEQUENTIAL VOTES POSTPONED IN THE COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: Amendment No. 17 offered by Mr. DEFAZIO of Oregon, and Amendment No. 3 offered by Mr. SWEENEY of New York.

The Chair will reduce to 5 minutes the time for the second electronic vote.

AMENDMENT NO. 17 OFFERED BY MR. DEFAZIO

The CHAIRMAN. The pending business is the demand for a recorded vote on Amendment No. 17 offered by the gentleman from Oregon (Mr. DEFAZIO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 180, noes 228, not voting 25, as follows:

[Roll No. 265]

AYES—180

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clyburn
Conyers
Cooper
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Green (TX)
Grijalva
Gutierrez
Hayworth
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moore
Moran (VA)
Nadler
Napolitano
Oberstar
Obey
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Porter
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Snyder
Solis
Spratt
Strickland
Stupak
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Waters
Watson
Watt
Weiner
Wexler
Wilson (NM)
Woolsey
Wu
Wynn

NOES—228

Aderholt
Akin
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Berry
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carson (IN)
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Jones (NC)
Keller
Kennedy (MN)
Kilpatrick
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCollum
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Olver
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pitts
Platts
Pombo
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Sabo
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (SC)
Wolf
Young (FL)

NOT VOTING—25

Ballenger
Bereuter
Berman
Clay
DeMint
Dicks
Dooley (CA)
Gephardt
Gordon
Goss
Harman
Hastings (FL)
Isakson
Johnson, Sam
Lipinski
Murtha
Neal (MA)
Nethercutt
Pickering
Slaughter
Smith (WA)
Stark
Tauzin
Waxman
Young (AK)

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised that there are 2 minutes remaining in this vote.

□ 0025

Mr. NUNES changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 3 OFFERED BY MR. SWEENEY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. SWEENEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 171, noes 237, not voting 25, as follows:

[Roll No. 266]

AYES—171

Ackerman
Akin
Andrews
Baca
Becerra
Bell
Berkley
Bishop (NY)
Blumenauer
Boehlert
Bonilla
Brady (PA)
Brady (TX)
Brown, Corrine
Burgess
Calvert
Cantor
Capuano
Cardin
Carter
Chabot
Conyers
Cooper
Costello
Cox
Crenshaw
Crowley
Culberson
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Tom
Delahunt
DeLay
Deutsch
Diaz-Balart, L.
Diaz-Balart, M.
Dingell
Doolittle
Doyle
Dreier
Emanuel
Engel
Eshoo
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Foley
Ford
Fossella
Frank (MA)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Granger
Green (TX)
Greenwood
Grijalva
Gutierrez
Harris
Hinchey
Hoeffel
Holt
Honda
Houghton
Hoyer
Hyde
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jones (OH)
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kilpatrick
King (NY)
Kirk
Kline
Kolbe
Lampson
Lantos
Lee
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lynch
Maloney
Markey
McCarthy (MO)

McCarthy (NY)
McGovern
McHugh
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, Gary
Miller, George
Moran (VA)
Murphy
Musgrave
Myrick
Nadler
Napolitano
Olver
Owens
Pallone
Pascrell
Payne
Pelosi
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Rangel
Reynolds
Rohrabacher
Ros-Lehtinen
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Sánchez, Linda T.
Sanchez, Loretta
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sessions
Shadegg
Shays
Sherman
Smith (NJ)
Smith (TX)
Solis
Sullivan
Sweeney
Tancredo
Tauscher
Thompson (CA)
Tiberi
Tierney
Towns
Udall (CO)
Van Hollen
Velázquez
Walsh
Watson
Weiner
Wexler
Wolf
Woolsey
Wynn
Souder
Spratt
Stearns
Stenholm
Strickland
Stupak
Tanner
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Toomey
Turner (OH)
Turner (TX)
Udall (NM)
Upton
Visclosky
Vitter
Walden (OR)
Wamp
Waters
Watt
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wu
Young (FL)

NOES—237

Abercrombie
Aderholt
Alexander
Allen
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brown (OH)
Brown (SC)
Brown-Waite, Ginny
Burns
Burr
Burton (IN)
Buyer
Camp
Cannon
Capito
Capps
Cardoza
Carson (IN)
Carson (OK)
Case
Castle
Chandler
Chocola
Clyburn
Coble
Cole
Collins
Cramer
Crane
Cubin
Cunningham
Davis (AL)
Davis (TN)
Davis, Jo Ann
Deal (GA)
DeFazio
DeGette
DeLauro
Doggett
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Etheridge
Evans
Everett
Forbes
Franks (AZ)
Frost
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Graves
Green (WI)
Gutknecht
Hall
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinojosa
Hobson
Hoekstra
Holden
Hooley (OR)
Hostettler
Hulshof
Hunter
Inslee
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Kanjorski
Kaptur
Kildee
Kind
King (IA)
Kingston
Kleczka
Knollenberg
Kucinich
LaHood
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Majette
Manzullo
Marshall
Matheson
Matsui
McCollum
McCotter
McCrery
McDermott
McInnis
McIntyre
McKeon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Mollohan
Moore
Moran (KS)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Ortiz
Osborne
Ose
Otter
Oxley
Pastor
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pitts
Platts
Pomeroy
Price (NC)
Rahall
Regula
Rehberg
Renzi
Reyes
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ross
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sanders
Sandlin
Schrock
Sensenbrenner
Shaw
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (MI)
Snyder

NOT VOTING—25

Ballenger
Bereuter
Berman
Clay
DeMint
Dicks
Dooley (CA)
Gephardt
Gordon
Goss
Harman
Hastings (FL)
Isakson
Johnson, Sam
Lipinski
Murtha
Neal (MA)
Nethercutt
Pickering
Slaughter
Smith (WA)
Stark
Tauzin
Waxman
Young (AK)

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 0033

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. KILPATRICK. Mr. Chairman, personal reasons prevent me from being present for legislative business scheduled for today, Thursday, June 17, 2004. Had I been present, I would have voted "no" on ordering the previous question (rollcall No. 256); "no" on H. Res. 681, a rule providing for consideration of H.R. 4520 (rollcall No. 257); "aye" on the motion offered by Mr. RANGEL to recommit the bill H.R. 4520 (rollcall No. 258); "no" on final passage of H.R. 4520 (rollcall No. 259); "aye" on approving the Journal (rollcall No. 260); "aye" on the amendment to H.R. 4568 offered by Mr. HINCHEY (rollcall No. 261); "aye" on the amendment to H.R. 4568 offered by Mr. SANDERS (rollcall No. 262); "aye" on the amendment to H.R. 4568 offered by Mr. HOLT (rollcall No. 263); and "aye" on final passage of H.R. 4568 (rollcall No. 264).

Mr. ROGERS of Kentucky. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. GARRETT of New Jersey) having assumed the chair, Mr. GILLMOR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4567) making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes, had come to no resolution thereon.

AMERICAN ENERGY NEEDS

(Mr. MURPHY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MURPHY. Mr. Speaker, this summer Americans are facing record-high prices for gasoline. There are some who think we can lower prices by diverting oil from our Strategic Petroleum Reserve. This is shortsighted and wrong. Not only would releasing oil have a short-term, negligible impact on prices, it would wipe out our reserves, leaving us vulnerable to terrorist attacks targeting pipelines and oil transportation.

In 1973, America was 30 percent dependent on foreign oil. Today that number has doubled to an all-time high of nearly 60 percent.

We must develop a three-point plan to stop this dependence and lower fuel prices. We can start with conservation. Fuel-efficient vehicles, decreasing energy use in Federal buildings by 20 percent, and improved incentives for conservation products will help reduce energy demands.

We must diversify our energy sources. Our own coal reserves can provide hundreds of years of energy and clean-coal power plants can alleviate environmental concerns with older plants, and we can make better use of nuclear energy, which currently provides only 20 percent of the Nation's electricity.

We must explore more domestic sources. The resources are here, along with environmentally sound ways to tap into them. There are 16 million acres in ANWR and proposals to drill there would include only an area equivalent to the size of a hand on a football field.

Mr. Speaker, I ask that we move forward on these issues to help with our energy needs in the future.

High fuel prices and a dangerous dependence on foreign oil are a problem for all Americans. It adds costs to fuel and goods. We cannot afford to let this become a partisan issue, nor should we engage in shortsighted solutions that in the end are not solutions at all.

We need to solve the energy problems for the American people. That future must be our priority.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. KILPATRICK (at the request of Ms. PELOSI) for today on account of personal reasons.

Mr. REYES (at the request of Ms. PELOSI) for today after 5:30 p.m. and the balance of the week on account of a family health matter.

Mr. BEREUTER (at the request of Mr. DELAY) for today after 6:00 p.m. on account of personal business.

BILLS PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on June 16, 2004 he presented to the President of the United States, for his approval, the following bills.

H.R. 1822. To designate the facility of the United States Postal Service located at 3751

West 6th Street in Los Angeles, California, as the "Dosan Ahn Chang Ho Post Office".

H.R. 2130. To redesignate the facility of the United States Postal Service located at 121 Kinderkamack Road in River Edge, New Jersey, as the "New Bridge Landing Post Office".

H.R. 2438. To designate the facility of the United States Postal Service located at 115 West Pine Street in Hattiesburg, Mississippi, as the "Major Henry A. Commiskey, Sr. Post Office Building".

H.R. 3029. To designate the facility of the United States Postal Service located at 255 North Main Street in Jonesboro, Georgia, as the "S. Truett Cathy Post Office Building".

H.R. 3059. To designate the facility of the United States Postal Service located at 304 West Michigan Street in Stuttgart, Arkansas, as the "Lloyd L. Burke Post Office".

H.R. 3068. To designate the facility of the United States Postal Service located at 2055 Siesta Drive in Sarasota, Florida, as the "Brigadier General (AUS-Ret.) John H. McLain Post Office".

H.R. 3234. To designate the facility of the United States Postal Service located at 14 Chestnut Street in Liberty, New York, as the "Ben R. Gerow Post Office Building".

H.R. 3300. To designate the facility of the United States Postal Service located at 15500 Pearl Road in Strongsville, Ohio, as the "Walter F. Ehrnfelt, Jr. Post Office Building".

H.R. 3353. To designate the facility of the United States Postal Service located at 525 Main Street in Tarboro, North Carolina, as the "George Henry White Post Office Building".

H.R. 3536. To designate the facility of the United States Postal Service located at 210 Main Street in Malden, Illinois, as the "Army Staff Sgt. Lincoln Hollinsaid Malden Post Office".

H.R. 3537. To designate the facility of the United States Postal Service located at 185 State Street in Manhattan, Illinois, as the "Army Pvt. Shawn Pahnke Manhattan Post Office".

H.R. 3538. To designate the facility of the United States Postal Service located at 201 South Chicago Avenue in Saint Anne, Illinois, as the "Marine Capt. Ryan Beaupre Saint Anne Post Office".

H.R. 3690. To designate the facility of the United States Postal Service located at 2 West Main Street in Batavia, New York, as the "Barber Conable Post Office Building".

H.R. 3733. To designate the facility of the United States Postal Service located at 410 Huston Street in Altamount, Kansas, as the "Myron V. George Post Office Building".

H.R. 3740. To designate the facility of the United States Postal Service located at 223 South Main Street in Roxboro, North Carolina, as the "Oscar Scott Woody Post Office Building".

H.R. 3769. To designate the facility of the United States Postal Service located at 137 East Young High Pike in Knoxville, Tennessee, as the "Ben Atchley Post Office Building".

H.R. 3855. To designate the facility of the United States Postal Service located at 607 Pershing Drive in Laclede, Missouri, as the "General John J. Pershing Post Office Building".

H.R. 3917. To designate the facility of the United States Postal Service located at 695 Marconi Boulevard in Copiague, New York, as the "Maxine S. Postal United States Post Office".

H.R. 3939. To redesignate the facility of the United States Postal Service located at 14-24 Abbott Road in Fair Lawn, New Jersey, as the "Mary Ann Collura Post Office Building".

H.R. 3942. To redesignate the facility of the United States Postal Service located at 7 Commercial Boulevard in Middletown, Rhode Island, as the "Rhode Island Veterans Post Office Building".

H.R. 4037. To designate the facility of the United States Postal Service located at 475 Kell Farm Drive in Cape Girardeau, Missouri, as the "Richard G. Wilson Processing and Distribution Facility".

H.R. 4176. To designate the facility of the United States Postal Service located at 122 West Elwood Avenue in Raeford, North Carolina, as the "Bobby Marshall Gentry Post Office Building".

H.R. 4299. To designate the facility of the United States Postal Service located at 410 South Jackson Road in Edinburg, Texas, as the "Dr. Miguel A. Nevarez Post Office Building".

ADJOURNMENT

Mrs. BONO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 33 minutes a.m.), the House adjourned until today, Friday, June 18, 2004, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8570. A letter from the Register Liaison Officer, Department of Defense, transmitting the Department's final rule — TRICARE Program; Inclusion of Anesthesiologist Assistants as Authorized Providers; Coverage of Cardiac Rehabilitation in Freestanding Cardiac Rehabilitation Facilities. (RIN: 0720-AA76) received May 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8571. A letter from the Register Liaison Officer, Department of Defense, transmitting the Department's final rule — TRICARE Program; Inclusion of Anesthesiologist Assistants as Authorized Providers; Coverage of Cardiac Rehabilitation in Freestanding Cardiac Rehabiliation Facilites. (RIN: 0720-AA76) received May 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8572. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule — Defense Federal Acquisition Regulation Supplement; Multiyear Procurement Authority for Environmental Services for Military Installations [DFARS Case 2003-D004] received May 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8573. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule — Defense Federal Acquisition Regulation Supplement; Berry Amendment Changes [DFARS Case 2003-D099] received May 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8574. A letter from the Under Secretary for Personnel and Readiness, Department of Defense, transmitting a letter on the approved retirement of Lieutenant General Timothy A. Kinnan, United States Air Force, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

8575. A letter from the Principal Deputy Under Secretary for Personnel and Readiness, Department of Defense, transmitting Authorization of the enclosed list of officers of the United States Air Force to wear the insignia of the next higher grade in accordance with title 10, United States Code, section 777; to the Committee on Armed Services.

8576. A letter from the Principal Deputy Under Secretary for Personnel and Readiness, Department of Defense, transmitting Authorization for Major General Roger A. Brady and Brigadier General Michael A. Collings of the United States Air Force to wear the insignia of the next higher grade in accordance with title 10, United States Code, section 777; to the Committee on Armed Services.

8577. A letter from the Attorney Advisor, Maritime Administration, Department of Transportation, transmitting the Department's final rule — Merchant Marine Training [Docket Number: MARAD-2004-17760] (RIN: 2133-AB60) received May 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8578. A letter from the Chief Counsel, Bureau of the Public Debt, Department of the Treasury, transmitting the Department's final rule — Government Securities Act Regulations; Protection of Customer Securities and Balances (RIN: 1505-AA94) received June 7, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8579. A letter from the Acting General Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule — National Flood Insurance Program (NFIP); Assistance to Private Sector Property Insurers; Extension of Term of Arrangement (RIN: 1660-AA29) received May 19, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8580. A letter from the Acting General Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule — Suspension of Community Eligibility [Docket No. FEMA-7829] received May 19, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8581. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule — Organization and Operations of Federal Credit Unions; Description of NCUA — received May 20, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8582. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule — OMB Control Numbers — received May 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8583. A letter from the Assistant Secretary, Securities and Exchange Commission, transmitting the Commission's final rule — Disclosure of Breakpoint Discounts by Mutual Funds [Release Nos. 33-8427; 34-49817; IC-26464l File No. S7-28-03] (RIN: 3235-AI95) received June 8, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8584. A letter from the Assistant Secretary, Securities and Exchange Commission, transmitting the Commission's final rule — Alternative Net Capital Requirements for Broker-Dealers That Are Part of Consolidated Supervised Entities [Release No. 34-49830; File No. S7-21-03] (RIN: 3235-AI96) received June

14, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8585. A letter from the Assistant Secretary, Securities and Exchange Commission, transmitting the Commission's final rule — Supervised Investment Bank Holding Companies [Release No. 34-49831; File No. S7-22-03] (RIN: 3235-AI97) received June 14, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8586. A letter from the Assistant Secretary, Office of Special Education and Rehabilitative Service, Department of Education, transmitting the Department's final rule — National Institute on Disability and Rehabilitation Research — Disability and Rehabilitation Research Projects and Centers Program — Rehabilitation Engineering Research Centers (RIN: 1820-ZA33) received June 7, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8587. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed manufacturing license agreement for the manufacture of significant military equipment abroad with Belgium, Greece, Turkey, Israel, Poland, and the Republic of Korea (Transmittal No. DDTC 024-04), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

8588. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed manufacturing license agreement for the manufacture of significant military equipment abroad with Germany (Transmittal No. DTC 004-04), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

8589. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Sweden (Transmittal No. DDTC 045-04), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8590. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles that are firearms controlled under category I of the United States Munitions List sold commercially under a contract with Japan (Transmittal No. DDTC 053-03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8591. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of major defense equipment sold commercially to South Korea (Transmittal No. DDTC-043-04), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8592. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

8593. A letter from the Chair, Commission on International Religious Freedom, transmitting the Commission's 2004 Annual Report, pursuant to 22 U.S.C. 6412 Public Law 105—292 section 102; to the Committee on International Relations.

8594. A letter from the Director, Defense Security Cooperation Agency, transmitting in accordance with Section 21(c)(2) of the Arms Export Control Act, Executive Order 11598 and Department of Defense Directive 5105.65, a report on the death of an employee of Vinnell Arabia; to the Committee on International Relations.

8595. A letter from the Chairman of the Board, Pension Benefit Guaranty Corporation, transmitting the semiannual report on activities of the Inspector General of the Pension Benefit Guaranty Corporation for the period October 1, 2003 through March 31, 2004, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 8G(h)(2); to the Committee on Government Reform.

8596. A letter from the Assistant Director, Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8597. A letter from the Assistant Director, Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8598. A letter from the White House Liaison, Department of Education, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8599. A letter from the White House Liaison, Department of Education, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8600. A letter from the White House Liaison, Department of Education, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8601. A letter from the White House Liaison, Department of Education, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8602. A letter from the Secretary, Department of Energy, transmitting in response to the annual Competitive Sourcing reporting requirement contained in section 647(b) of Division F of the Consolidated Appropriations Act, for FY 2004, Pub. L. 108-199, a report on the Department's Competitive Sourcing program for FY 2003; to the Committee on Government Reform.

8603. A letter from the Attorney Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8604. A letter from the Chair, Equal Employment Opportunity Commission, transmitting the semiannual report on the activities of the Inspector General and management's report for the period ending March 31, 2004, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8605. A letter from the Chairman, Federal Energy Regulatory Commission, transmitting Pursuant to Section 3(a) of the Government in the Sunshine Act, 5 U.S.C. 552(b)(j), the Commission's annual report for calendar year 2003; to the Committee on Government Reform.

8606. A letter from the Chairman and General Counsel, National Labor Relations Board, transmitting the semiannual report on the activities of the Office of Inspector General of the National Labor Relations Board for the period October 1, 2003 through March 31, 2004, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 8G(h)(2); to the Committee on Government Reform.

8607. A letter from the Acting Director, National Science Foundation, transmitting as required by Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, Pub. L. 108-199, the Foundation's report on its competitive sourcing efforts for FY 2003; to the Committee on Government Reform.

8608. A letter from the Commissioner, Social Security Administration, transmitting the Adminstration's annual inventory as required by Public Law 105-270, the Federal Activites Inventory Reform (FAIR) Act of 1998; to the Committee on Government Reform.

8609. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting a draft bill "To modify the boundary of the Wilson's Creek National Battlefield in the State of Missouri, and for other purposes"; to the Committee on Resources.

8610. A letter from the Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule — Iowa Regulatory Program [IA-013-FOR] received May 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8611. A letter from the Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule — West Virginia Regulatory Program [WV-101-FOR] received June 14, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8612. A letter from the Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule — Maryland Regulatory Program [MD-053-FOR] received June 14, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8613. A letter from the Assistant Secretary, National Park Service, Department of the Interior, transmitting the Department's final rule — Canyonlands National Park — Salt Crrek Canyon (RIN: 1024-AD23) received June 10, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8614. A letter from the Director, National Oceanic and Atmospheric Administration, transmitting the 2003 report on the Status of Fisheries of the United States, pursuant to Section 304 of the Magnuson-Stevens Fishery Conservation and Management Act, as amended by the Sustainable Fisheries Act on October 11, 1996; to the Committee on Resources.

8615. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries Off West Coast States and in the Western Pacific; Highly Migratory Species Fisheries [Docket No. 031125294-4091-02; I.D. 102903C] (RIN: 0648-AP42) received May 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8616. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries Off West Coast States and in the Westerm Pacific; Pacific Coast Groundfish Fishery; Temporary Closure for the Shore-based Whiting Sector [Docket No. 031216314-4118-03; I.D. 052004B] (RIN: 0648-AR54) received June 8, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8617. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries Off West Coast States and in the Western Pacific;

West Coast Salmon Fisheries; 2004 Management Measures [Docket No. 040429135-4135-01; I.D. 042204G] (RIN: 0648-AS03) received May 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8618. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Sea Turtle Conservation: Additional Exception to Sea Turtle Take Prohibitions [Docket No. 040127028-4130-02; I.D. 012104B] (RIN: 0648-AR69) received June 2, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8619. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Designation of the AT1 Group of Transient Killer Whales as a Depleted Stock Under the Marine Mammal Protection Act (MMPA) [Docket No. 031003245-4160-02; I.D. 122702A] (RIN: 0648-AR14) received June 8, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8620. A letter from the Deputy Assistant Administrator for Operations, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Dolphin and Wahoo Fishery off the Atlantic States [Docket No. 031007250-4079-02; I.D. 091503E] (RIN: 0648-AO63) received May 28, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8621. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Rock Sole in the Bering Sea and Aleutian Islands Area [Docket No. 031124287-4060-02; I.D. 051804B] received June 4, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8622. A letter from the Assistant Attorney General for Administration, Department of Justice, transmitting in accordance with the Federal Activities Inventory Reform Act of 1998, the Department's FY 2003 inventory of commercial and inherently governmental activities; to the Committee on the Judiciary.

8623. A letter from the Secretaries, Departments of Defense and Veterans Affairs, transmitting a report for FY 2003 regarding the implementation of the health coordination and sharing activities portion of the National Defense Authorization Act of 2003 (Pub. L. 107-314) and an estimate of the cost to prepare this report, as required by Title 38, Chapter 1, Section 116, pursuant to 38 U.S.C. 8111(f); jointly to the Committees on Armed Services and Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. OXLEY: Committee on Financial Services. H.R. 4471. A bill to clarify the loan guarantee authority under title VI of the Native American Housing Assistance and Self-Determination Act of 1996 (Rept. 108–550). Referred to the Committee of the Whole House on the State of the Union.

Mr. TOM DAVIS of Virginia: Committee on Government Reform. H.R. 3797. A bill to authorize improvements in the operations of the government of the District of Columbia, and for other purposes (Rept. 108–551 Pt. 1).

Mr. TOM DAVIS of Virginia: Committee on Government Reform. H.R. 3751. A bill to require that the Office of Personnel Management study and present options under which dental and vision benefits could be made available to Federal employees and retirees and other appropriate classes of individuals; with amendments (Rept. 108–552). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XII the Committees on Education and the Workforce and Financial Services discharged from further consideration. H.R. 3797 referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 of rule XII the following action was taken by the Speaker:

H.R. 3797. Referral to the Committees on Education and the Workforce and Financial Services extended for a period ending not later than June 17, 2004.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. FILNER:

H.R. 4603. A bill to amend the Internal Revenue Code of 1986 to provide for the nonrecognition of gain on real property held by individuals or small businesses which is involuntarily converted as the result of the exercise of eminent domain, without regard to whether such property is replaced; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska (for himself, Mr. Quinn, and Mr. Porter):

H.R. 4604. A bill to improve railroad security and to authorize railroad security funding, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. GEORGE MILLER of California (for himself, Ms. Pelosi, Mr. Kildee, Mr. Hoyer, Mr. Owens, Mr. Payne, Mr. Andrews, Mr. Clyburn, Mr. Menendez, Ms. Woolsey, Mr. Hinojosa, Mrs. McCarthy of New York, Mr. Tierney, Mr. Kind, Mr. Kucinich, Mr. Wu, Mr. Holt, Mr. Davis of Illinois, Mr. Grijalva, Ms. Majette, Mr. Ryan of Ohio, and Mr. Bishop of New York):

H.R. 4605. A bill to provide for review of determinations on whether schools and local educational agencies made adequate yearly progress for the 2002-2003 school year taking into consideration subsequent regulations and guidance applicable to those determinations, and for other purposes; to the Committee on Education and the Workforce.

By Mr. BACA (for himself, Mrs. Napolitano, Mr. Calvert, Ms. Millender-McDonald, Ms. Linda T. Sánchez of California, and Mr. Gary G. Miller of California):

H.R. 4606. A bill to authorize the Secretary of the Interior, acting through the Bureau of Reclamation and in coordination with other Federal, State, and local government agencies, to participate in the funding and implementation of a balanced, long-term groundwater remediation program in California, and for other purposes; to the Committee on Resources.

By Mr. EHLERS (for himself and Mr. Gilchrest) (both by request):

H.R. 4607. A bill to establish the National Oceanic and Atmospheric Administration (NOAA), to amend the organization and functions of the NOAA Advisory Committee on Oceans and Atmosphere, and for other purposes; to the Committee on Resources, and in addition to the Committee on Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LaHOOD (for himself, Mr. Hastert, Mr. Johnson of Illinois, Mr. Davis of Illinois, Mr. Rush, Mr. Hyde, Mr. Evans, Mr. Manzullo, Mr. Kirk, Mr. Jackson of Illinois, Mr. Lipinski, Mr. Shimkus, Mr. Emanuel, Ms. Schakowsky, Mr. Crane, Mrs. Biggert, Mr. Weller, Mr. Gutierrez, Mr. Costello, Mr. Lewis of California, Mr. Sandlin, Mr. Wolf, Mr. Miller of Florida, Mr. Portman, Mr. Upton, Mr. Frost, Mr. Petri, and Mr. Bilirakis):

H.R. 4608. A bill to name the Department of Veterans Affairs outpatient clinic located in Peoria, Illinois, as the "Bob Michel Department of Veterans Affairs Outpatient Clinic"; to the Committee on Veterans' Affairs.

By Mr. MEEHAN:

H.R. 4609. A bill to amend title 18, United States Code, to modify the definition of the United States for the purposes of the prohibition against torture; to the Committee on the Judiciary.

By Mr. PICKERING (for himself and Ms. Eshoo):

H.R. 4610. A bill to amend the Public Health Service Act to provide for arthritis research and public health, and for other purposes; to the Committee on Energy and Commerce.

By Mr. VITTER:

H.R. 4611. A bill to enable increased gasoline supplies and otherwise ensure lower gasoline prices in the United States; to the Committee on Energy and Commerce, and in addition to the Committees on Resources, Agriculture, Transportation and Infrastructure, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GARRETT of New Jersey:

H. Con. Res. 453. Concurrent resolution celebrating the establishment of democracy in Iraq and urging the people of the United States and of other countries in all communities and congregations to ring bells on June 30, 2004, to commemorate the restoration of freedom to the people of Iraq; to the Committee on International Relations, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. McINNIS:

H. Con. Res. 454. Concurrent resolution commemorating over half a century of adjudication under the McCarran Amendment of rights to the use of water; to the Committee on the Judiciary.

By Mr. PALLONE:

H. Con. Res. 455. Concurrent resolution expressing the sense of the Congress that a commemorative postage stamp should be issued to promote public awareness of, and increased research relating to, Chrohn's Disease; to the Committee on Government Reform.

By Mr. UDALL of Colorado (for himself, Mrs. Christensen, Mr. Grijalva, Mr. Olver, Mr. McNulty, Mr. Acevedo-Vilá, Ms. Bordallo, Ms. Linda T. Sánchez of California, Mr. Stenholm, Ms. Roybal-Allard, and Mr. Gordon):

H. Con. Res. 456. Concurrent resolution recognizing that prevention of suicide is a compelling national priority; to the Committee on Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 99: Mr. Smith of New Jersey, Mr. Gordon, and Mr. Deal of Georgia.

H.R. 111: Mr. Bilirakis.

H.R. 112: Mr. Smith of Texas.

H.R. 290: Mr. Doggett, Ms. Ros-Lehtinen, Mr. Strickland, and Mr. Norwood.

H.R. 716: Mr. Reyes.

H.R. 1083: Mr. Emanuel and Mrs. Jo Ann Davis of Virginia.

H.R. 1359: Mr. Vitter and Mr. Price of North Carolina.

H.R. 1477: Mr. Berman.

H.R. 1639: Mr. Lantos.

H.R. 1684: Mr. Markey and Mr. Rahall.

H.R. 1688: Ms. Eshoo and Mr. Price of North Carolina.

H.R. 1693: Mr. Green of Wisconsin.

H.R. 1716: Mr. Chandler.

H.R. 2023: Mr. Pascrell, Mr. Rangel, Mrs. Bono, and Mr. Payne.

H.R. 2032: Mr. Kanjorski.

H.R. 2037: Mr. Watt.

H.R. 2173: Mr. Rangel and Mr. McNulty.

H.R. 2305: Mr. Grijalva.

H.R. 2491: Mr. Strickland.

H.R. 2505: Mr. Olver.

H.R. 2585: Mr. Kennedy of Rhode Island.

H.R. 2727: Mr. Simmons.

H.R. 2863: Ms. Corrine Brown of Florida and Mr. Shuster.

H.R. 2890: Mr. Otter.

H.R. 2966: Mr. McCotter.

H.R. 3015: Mr. Gonzalez.

H.R. 3069: Mr. Hyde, Mr. Pearce, Mr. Gary G. Miller of California, and Mr. Tiahrt.

H.R. 3085: Mr. McGovern.

H.R. 3111: Mr. Deal of Georgia, Mrs. Capps, Mr. Van Hollen, Mr. Peterson of Minnesota, Mr. Miller of North Carolina, Mr. Cummings, Mr. Greenwood, Mr. Emanuel, Mr. Duncan, Mr. Stenholm, and Mr. Weldon of Florida.

H.R. 3142: Mr. Bereuter, Mr. Stark, and Mr. Gilchrest.

H.R. 3148: Mr. Cooper, Mr. Ruppersberger, Ms. Linda T. Sánchez of California, Mr. Van Hollen, Mr. Tierney, Mr. Kucinich, Mr. Clay, Mr. Lynch, Mrs. Maloney, Ms. McCollum, Ms. Eddie Bernice Johnson of Texas, Ms. Corrine Brown of Florida, Mr. Shimkus, Mr. Wynn, Mr. Scott of Georgia, Mrs. Jones of Ohio, Ms. Kilpatrick, Mr. Thompson of Mississippi, Mr. Stark, Mr. Hill, Mr. Honda, Mr. Emanuel, Ms. Schakowsky, Mr. Clyburn, Mr. Gutierrez, Mr. Watt, Mr. Andrews, Mr. Rothman, Mr. Rush, Mr. Grijalva, Mr. Evans, Mr. Owens, Mr. Baca, Mr. Etheridge, Mr. Boswell, Mrs. Tauscher, Ms. Jackson-Lee of Texas, Mr. Brown of Ohio, Mr. Dingell, Mr. McGovern, Mr. Kennedy of Minnesota, Mr. Renzi, Ms. Carson of Indiana, Mrs. Bono, Mr. Platts, Mr. Fossella, and Mr. Ramstad.

H.R. 3193: Mr. Linder, Mr. Boehner, Mr. Sweeney, Ms. Granger, Mr. Tiberi, Mr. Kanjorski, Mr. Royce, Mr. Crenshaw, Mr. Cardoza, and Mr. Boswell.

H.R. 3242: Mr. Miller of North Carolina.

H.R. 3281: Ms. DeGette, Mr. Holt, and Mr. Stark.

H.R. 3307: Mr. Isakson.

H.R. 3446: Mr. Spratt.

H.R. 3595: Mr. Green of Texas.

H.R. 3602: Mr. Payne, Mr. Owens, Mr. Serrano, and Mr. Reyes.

H.R. 3684: Mr. Allen.

H.R. 3707: Mr. Tierney, Mr. George Miller of California, Mr. Meek of Florida, Mr. Nadler, Mr. Grijalva, Mr. Stupak, and Mr. Synder.

H.R. 3765: Mr. Farr, Mr. McKeon, Mr. Cox, Mr. Lantos, Mr. Gibbons, Mr. Saxton, Mr. Gary G. Miller of California, Mrs. Bono, Mrs. Napolitano, Mr. Baca, and Mr. Snyder.

H.R. 3796: Mr. Carson of Oklahoma.

H.R. 3810: Mr. Hinchey.

H.R. 3820: Mr. Sherman.

H.R. 3847: Mr. Eshoo.

H.R. 3889: Mr. Barrett of South Carolina.

H.R. 3927: Mr. Kirk.

H.R. 4026: Mr. Rogers of Michigan, Mr. Sandlin, Mr. Frost, Mr. Alexander, and Mr. Boswell.

H.R. 4039: Mr. Calvert.

H.R. 4067: Mr. Moran of Virginia, Mrs. Lowey, Mr. Gutierrez, and Mr. Hoeffel.

H.R. 4082: Mr. Snyder and Mr. Stark.

H.R. 4110: Mr. Shays, Mr. Sherman, Ms. Harris, Mr. Ose, Mr. Bereuter, Mr. Rangel, Mr. Owens, and Mr. McDermott.

H.R. 4131: Mr. King of New York.

H.R. 4154: Ms. Berkley.

H.R. 4169: Mr. Walsh.

H.R. 4177: Mr. Miller of North Carolina.

H.R. 4188: Mr. Souder and Mr. Rangel.

H.R. 4214: Mr. Owens.

H.R. 4287: Ms. Schakowsky.

H.R. 4316: Mr. Davis of Tennessee, Ms. Kaptur, Mr. Gordon, Mr. Kucinich, Mr. Hinchey, and Ms. Baldwin.

H.R. 4334: Mr. Wexler.

H.R. 4342: Mr. Green of Texas.

H.R. 4346: Mr. Snyder.

H.R. 4347: Mr. Conyers.

H.R. 4356: Mr. Payne.

H.R. 4358: Mr. McGovern.

H.R. 4370: Mr. Garrett of New Jersey and Mr. Wexler.

H.R. 4377: Mr. Baird.

H.R. 4391: Mr. Bilirakis and Mr. Filner.

H.R. 4399: Mr. Engel.

H.R. 4430: Mr. Otter, Mr. Everett, Mr. Thornberry, and Mr. Turner of Ohio.

H.R. 4440: Mr. Garrett of New Jersey.

H.R. 4530: Mr. Tancredo.

H.R. 4571: Mr. Feeney.

H.R. 4575: Ms. Watson and Mr. Honda.

H.R. 4600: Mr. Ehlers.

H.J. Res. 28: Mr. Gutierrez and Mr. Kennedy of Rhode Island.

H.J. Res. 29: Mr. Gutierrez and Mr. Kennedy of Rhode Island.

H.J. Res. 30: Mr. Gutierrez and Mr. Kennedy of Rhode Island.

H.J. Res. 72: Ms. Solis.

H. Con. Res. 319: Mr. Wolf, Mr. Smith of Washington, Mr. Waxman, Mr. Levin, Mr. Marshall, Mr. Frost, Mr. Gallegly, and Mr. Kirk.

H. Con. Res. 425: Ms. McCarthy of Missouri.

H. Con. Res. 435: Mr. Owens.

H. Con. Res. 442: Mr. McDermott and Mr. Pomeroy.

H. Res. 466: Mr. Conyers.

H. Res. 615: Mrs. Musgrave, Mr. Schiff, Mr. Frank of Massachusetts, Mr. Kennedy of Minnesota, Mr. Wilson of South Carolina, Mr. Souder, Mr. Barrett of South Carolina, Mr. Hoeffel, Mrs. Lowey, Mr. Matsui, Ms. Schakowsky, Mr. Garrett of New Jersey, Mr. Feeney, Mr. Waxman, and Mr. Lincoln Diaz-Balart of Florida.

H. Res. 617: Ms. Schakowsky, Mr. Souder, Mr. Garrett of New Jersey, Mr. Waxman, and Mrs. Musgrave.

H. Res. 667: Mr. Deutsch.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3308: Mr. Beauprez.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 4567

Offered By: Mr. Tancredo

Amendment No. 24: At the end of the bill (before the short title), insert the following:
Section . None of the funds made available in this Act may be used to provide assistance to any State that has enacted a law, subsequent to the passage of this act, authorizing aliens who are not lawfully present in the United States to obtain a driver's license, or other comparable identification document, issued by the State.

H.R. 4567

Offered By: Mr. Weldon of Pennsylvania

Amendment No. 25: Page 2, line 16, insert after the dollar amount the following: "(reduced by $50,000,000)".

Page 25, line 24, insert after the dollar amount the following: "(increased by $50,000,000, which increase is available for grants under section 34 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2229a))"

H.R. 4567

Offered By: Mr. Weldon of Pennsylvania

Amendment No. 26: Page 2, line 16, insert after the dollar amount the following: "(reduced by $50,000,000)".

Page 25, line 24, insert after the dollar amount the following: "(increased by $50,000,000)".

H.R. 4567

Offered By: Mr. King of Iowa

Amendment No. 27: At the end of the bill (before the short title) add the following:

Sec. . Appropriations made in this Act are hereby reduced in the amount of $896,000,000.

H.R. 4567

Offered By: Mr. Weiner

Amendment No. 28: At the end of the bill add the following:

Sec. . In making any threat assessment in conjunction with the Urban Area Security Initiative, the Department of Homeland Security shall weigh credible threat more heavily than population concentration, critical infrastructure, or any other consideration.

H.R. 4568

Offered By: Mr. Weiner

Amendment No. 21: At the end of the bill (before the short title), add the following new title:

TITLE V—ADDITIONAL GENERAL PROVISIONS

SEC. 501. Not later than July 31st, 2004, the Secretary of the Interior shall provide public access to the Statue of Liberty and its interior that is substantially equivalent to the access provided before September 11th, 2001.

SENATE—*Friday, June 18, 2004*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore (Mr. STEVENS).

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Lord, God, we lift our hearts to You. You are the one who is, and was, and always will be. You have taken Your great power and have begun to reign. Teach us to trust in Your love and in Your promises. Make Your grace abound toward us so that we will have sufficiency in all things.

Give knowledge and understanding to our Senators as they work for Your glory. Free them from entanglements that dishonor You. Fill them with gratitude for this opportunity to invest their lives in something that will outlive them. Give them each day an awareness of Your presence, and may they work for Your honor.

Teach us all to trust You, even when the road is difficult to find in life's darkness.

We pray this in Your living name. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning we will immediately resume consideration of the Defense authorization bill. Although I announced no rollcall votes will occur today, we expect a number of Senators to come to the floor of the Senate to offer their amendments throughout the day. It is our expectation that some of those amendments can be fully debated today and Monday, and then we will schedule votes for Monday night.

Last night I stated that we will have our next series of rollcall votes on Monday and those votes to start around 5:30 p.m. We will have a busy day and evening on Monday and throughout Tuesday as we complete the Defense authorization bill. I continue to remind my colleagues we will be scheduling votes on the available judicial nominations each day next week.

Next week is the final week prior to the scheduled Fourth of July recess. It is expected it will be a very busy week. I advise my colleagues in advance to keep their schedules flexible in anticipation of busy floor sessions with votes each day throughout the week.

Also, as a reminder, we will be taking the official photograph of the Senate this Tuesday at 2:15. Members should be seated at their desks promptly at 2:15 to avoid missing this photograph.

I do want to thank all for their attention, and I particularly thank Senators WARNER and LEVIN for being here today managing the bill and for their continuing efforts at finishing this bill. They have been here each evening and early each morning. I appreciate their continued hard work on the bill.

MEETING IRAQI PRESIDENT SHEIK GHAZI AL-YAWR

Mr. FRIST. Mr. President, I want to make a brief statement in leader time on a visit I had last week with the new President of the Iraqi interim government, Sheik Ghazi al-Yawr. The distinguished minority leader, the distinguished President pro tempore, and Senators LEAHY, WARNER, LUGAR, REID, and LEVIN all participated in what was a fascinating luncheon discussion.

Our meeting was a timely one. I traveled about 12 days ago to Baghdad and had the opportunity to spend time with other leaders in Baghdad. To be able to host the President here and have a discussion about his perspective was very useful, very productive.

Two weeks ago, I was in Baghdad with Senators ENSIGN and BENNETT, and while we were there we had the opportunity to meet with the new Iraqi Prime Minister, Dr. Ayad al-Alawi. I mentioned our discussions with him on the Senate floor yesterday morning.

Our meeting this week also came on the heels of the unanimous passage on Tuesday a week ago of the U.N. Security Council resolution that governs the transfer of sovereignty to the Iraqi people as we move from occupiers to a mission presence in Iraq.

President al-Yawr at our meeting last week laid out his vision of a free Iraq. He reminded us that the Iraqi people want a free society that is governed by a rule of law. A rule of law has become a real goal of his as he looks over the next 6 months in terms of the operation of this interim government. The Iraqi people want to do what you would expect, and that is to be able to raise their children in peace and to be able to live their lives in peace. That element of security coupled with preparing for these elections 6 months from now are his dual objectives.

The President did point out and underscored the importance of the date that will occur now in 2 weeks, and that is June 30, which is the formal transfer of sovereignty. He stressed the importance of maintaining a coalition presence posthandover in order to preserve security while the new Iraqi police forces are being built and rebuilt, and the Iraqi Armed Forces are being equipped, appropriately armed, and trained. He rejected those who commit acts of terror against the Iraqi people. No Iraqi wants to return to the days when a single individual ruled that country with fear.

He pledged that Iraq would serve as an example of peace and of freedom—for Iraq, yes, but even more, or equally important, I should say, as an example for the entire region.

The Iraqi people look forward to holding democratic elections and to governing themselves, he told us. But he was quick to say the Iraqi people must have that security in order to rebuild their lives.

It was interesting. When we asked him about the coalition and how broad a coalition, what he said is what the Iraqi people need is not just a broad coalition, but he needs—the Iraqi people need—an effective coalition. It is that effectiveness that ultimately is most important to him as the new President of that country. He needs people who can get the job done for him.

The President was quick to express his thanks on behalf of the Iraqi people and asked us to extend that thanks, that appreciation of the sacrifices Americans have made so the Iraqi people could live in a free country, that they would have that opportunity to live freely and to pursue democracy. He made it clear the full pursuit of democracy will take time. The first step is the election 6 months from now. It may be a series of elections before full-blown democracy, as we generally conceive of democracy, will take hold.

In these difficult times, the President of Iraq stated Iraq would need the full support of the United States of America, both politically, financially, and militarily, as they go through this transition and over the coming months.

He recognized that without a secure and stable environment the U.S. coalition provided, a democratic Iraq simply would not succeed.

President al-Yawr recognized the huge task confronting the new Iraqi

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TITLE V—ADDITIONAL GENERAL PROVISIONS

SEC. 501. Not later than July 31st, 2004, the Secretary of the Interior shall provide public access to the Statue of Liberty and its interior that is substantially equivalent to the access provided before September 11th, 2001.

SENATE—*Friday, June 18, 2004*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore (Mr. STEVENS).

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Lord, God, we lift our hearts to You. You are the one who is, and was, and always will be. You have taken Your great power and have begun to reign. Teach us to trust in Your love and in Your promises. Make Your grace abound toward us so that we will have sufficiency in all things.

Give knowledge and understanding to our Senators as they work for Your glory. Free them from entanglements that dishonor You. Fill them with gratitude for this opportunity to invest their lives in something that will outlive them. Give them each day an awareness of Your presence, and may they work for Your honor.

Teach us all to trust You, even when the road is difficult to find in life's darkness.

We pray this in Your living name. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning we will immediately resume consideration of the Defense authorization bill. Although I announced no rollcall votes will occur today, we expect a number of Senators to come to the floor of the Senate to offer their amendments throughout the day. It is our expectation that some of those amendments can be fully debated today and Monday, and then we will schedule votes for Monday night.

Last night I stated that we will have our next series of rollcall votes on Monday and those votes to start around 5:30 p.m. We will have a busy day and evening on Monday and throughout Tuesday as we complete the Defense authorization bill. I continue to remind my colleagues we will be scheduling votes on the available judicial nominations each day next week.

Next week is the final week prior to the scheduled Fourth of July recess. It is expected it will be a very busy week. I advise my colleagues in advance to keep their schedules flexible in anticipation of busy floor sessions with votes each day throughout the week.

Also, as a reminder, we will be taking the official photograph of the Senate this Tuesday at 2:15. Members should be seated at their desks promptly at 2:15 to avoid missing this photograph.

I do want to thank all for their attention, and I particularly thank Senators WARNER and LEVIN for being here today managing the bill and for their continuing efforts at finishing this bill. They have been here each evening and early each morning. I appreciate their continued hard work on the bill.

MEETING IRAQI PRESIDENT SHEIK GHAZI AL-YAWR

Mr. FRIST. Mr. President, I want to make a brief statement in leader time on a visit I had last week with the new President of the Iraqi interim government, Sheik Ghazi al-Yawr. The distinguished minority leader, the distinguished President pro tempore, and Senators LEAHY, WARNER, LUGAR, REID, and LEVIN all participated in what was a fascinating luncheon discussion.

Our meeting was a timely one. I traveled about 12 days ago to Baghdad and had the opportunity to spend time with other leaders in Baghdad. To be able to host the President here and have a discussion about his perspective was very useful, very productive.

Two weeks ago, I was in Baghdad with Senators ENSIGN and BENNETT, and while we were there we had the opportunity to meet with the new Iraqi Prime Minister, Dr. Ayad al-Alawi. I mentioned our discussions with him on the Senate floor yesterday morning.

Our meeting this week also came on the heels of the unanimous passage on Tuesday a week ago of the U.N. Security Council resolution that governs the transfer of sovereignty to the Iraqi people as we move from occupiers to a mission presence in Iraq.

President al-Yawr at our meeting last week laid out his vision of a free Iraq. He reminded us that the Iraqi people want a free society that is governed by a rule of law. A rule of law has become a real goal of his as he looks over the next 6 months in terms of the operation of this interim government. The Iraqi people want to do what you would expect, and that is to be able to raise their children in peace and to be able to live their lives in peace. That element of security coupled with preparing for these elections 6 months from now are his dual objectives.

The President did point out and underscored the importance of the date that will occur now in 2 weeks, and that is June 30, which is the formal transfer of sovereignty. He stressed the importance of maintaining a coalition presence posthandover in order to preserve security while the new Iraqi police forces are being built and rebuilt, and the Iraqi Armed Forces are being equipped, appropriately armed, and trained. He rejected those who commit acts of terror against the Iraqi people. No Iraqi wants to return to the days when a single individual ruled that country with fear.

He pledged that Iraq would serve as an example of peace and of freedom—for Iraq, yes, but even more, or equally important, I should say, as an example for the entire region.

The Iraqi people look forward to holding democratic elections and to governing themselves, he told us. But he was quick to say the Iraqi people must have that security in order to rebuild their lives.

It was interesting. When we asked him about the coalition and how broad a coalition, what he said is what the Iraqi people need is not just a broad coalition, but he needs—the Iraqi people need—an effective coalition. It is that effectiveness that ultimately is most important to him as the new President of that country. He needs people who can get the job done for him.

The President was quick to express his thanks on behalf of the Iraqi people and asked us to extend that thanks, that appreciation of the sacrifices Americans have made so the Iraqi people could live in a free country, that they would have that opportunity to live freely and to pursue democracy. He made it clear the full pursuit of democracy will take time. The first step is the election 6 months from now. It may be a series of elections before full-blown democracy, as we generally conceive of democracy, will take hold.

In these difficult times, the President of Iraq stated Iraq would need the full support of the United States of America, both politically, financially, and militarily, as they go through this transition and over the coming months.

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President al-Yawr recognized the huge task confronting the new Iraqi

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government, but he was determined. He expressed that determination in every sentence, in every thought he shared with us. He stated he was encouraged by the widespread support of the Iraqi people for the new interim government.

He clearly draws his strength from the aspirations to transform Iraq into a thriving democracy. President al-Yawr made clear that what is called TAL, transitional administrative law, the law of the land during this interim period, would govern their actions in the coming months, and the rights of all would be protected under this transitional administrative law. His immediate focus is to build those professional security forces to establish an independent judiciary that can uphold that rule of law.

As Iraqis rebuild their capacity to maintain security and govern themselves, the President said the world would see an Iraqi face on the war against terrorism in Iraq. Having met the Prime Minister in Baghdad a week and a half ago, and now the President of Iraq here in the Nation's Capital, the impact of having that Iraqi face, telling the Iraqi story, having it not told just by Americans or by an occupying force, will make a huge difference on the world stage. It is for the Iraqi people, it is by the Iraqi people, and it is up to the Iraqi people at this point.

No nation wants to rely on another for its security The President of Iraq expressed that. The Iraqi people want to stand on their own strength. But they need help through this transition period. He also made it clear that to rely upon a coalition while they are rebuilding their police and their army is not a surrender of their sovereignty in any way. Indeed, it is in Iraq's vital national security interests to accept the coalition's help, he stated.

Having now met with Iraq's two most senior leaders over the last 12 days, I am confident these two leaders and this new government is a strong one. They have the vision, they have the fortitude, they clearly have the courage, but they also have the resolve to lead the Iraqi people on this path toward freedom and democracy.

Indeed, Iraq's new leaders have the confidence of our friends in the region. Senator DASCHLE, Senator MCCONNELL, Senator BIDEN, and I all met with King Abdullah of Jordan this week in the Capitol. His Majesty expressed his confidence in and support of the new Iraqi government, as well. That is, again, a perspective from a very important, very significant leader in that part of the world.

It is important to praise President Bush and his team for their vision, for their resolve, and their efforts to get the United Nations and the international community behind this government. That has been a successful endeavor.

We are all concerned about the recent terrorist activity in Iraq. As I have mentioned in the Senate in the last couple of days, an increase in terrorist activity is anticipated. It is expected by the Iraqi leaders and by our civilian and military leaders because the terrorist groups—whether it is the Zarqawi network, whether it is the former regime loyalists, or whether it is the insurgents—will increase activity to derail this transition of sovereignty to the new government. They are not going to be successful. Yet we will see that increased terrorist activity. Indeed, we see the increased activity when we open the news each morning.

The terrorists want to disrupt this handoff. They are simply not going to be successful. They do not want to see the Iraqi people breathe that fresh air of freedom. They will not be successful. Indeed, we will win.

I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order the remainder of the leadership time is reserved.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005

The PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 2400, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 2400) to authorize appropriations for fiscal year 2005 for military activities for the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, so forth and for other purposes.

Pending:

Bond modified amendment No. 3384, to include certain former nuclear weapons program workers in the Special Exposure Cohort under the Energy Employees Occupational Illness compensation Program and to provide for the disposal of certain excess Department of Defense stocks for funds for that purpose.

Brownback amendment No. 3235, to increase the penalties for violations by television and radio broadcasters of the prohibitions against transmission of obscene, indecent, and profane language.

Burns amendment No. 3457 (to amendment No. 3235), to provide for additional factors in indecency penalties issued by the Federal Communications Commission.

Mr. REID. Mr. President, on behalf of the two managers, I am reporting today that we will have two amendments by the Senator from Illinois that will be offered, two amendments by the Senator from New Jersey will be offered, an amendment by the Senator from Rhode Island will be offered, and I will offer an amendment. That is the schedule for today's session.

Of course, as the majority indicated, there will not be any votes. If the managers require votes, and these are not accepted, these votes will be stacked for Monday night in addition to amendments offered Monday that were announced at an earlier time.

The PRESIDENT pro tempore. The Senator from Illinois.

AMENDMENT NO. 3196

Mr. DURBIN. I call up amendment No. 3196.

The PRESIDENT pro tempore. The pending amendment will be set aside.

The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN], for himself, Ms. MIKULSKI, Ms. LANDRIEU, Mrs. MURRAY, Mr. DAYTON, Mr. CORZINE, and Mr. BIDEN, proposes an amendment numbered 3196.

Mr. DURBIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To ensure that a Federal employee who takes leave without pay in order to perform service as a member of the uniformed services or member of the National Guard shall continue to receive pay in an amount which, when taken together with the pay and allowances such individual is receiving for such service, will be no less than the basic pay such individual would then be receiving if no interruption in employment had occurred)

At the appropriate place, insert the following:

SEC. . NONREDUCTION IN PAY WHILE FEDERAL EMPLOYEE IS PERFORMING ACTIVE SERVICE IN THE UNIFORMED SERVICES OR NATIONAL GUARD.

(a) SHORT TITLE.—This section may be cited as the "Reservists Pay Security Act of 2004".

(b) IN GENERAL.—Subchapter IV of chapter 55 of title 5, United States Code, is amended by adding at the end the following:

"§5538. Nonreduction in pay while serving in the uniformed services or National Guard

"(a) An employee who is absent from a position of employment with the Federal Government in order to perform active duty in the uniformed services pursuant to a call or order to active duty under a provision of law referred to in section 101(a)(13)(B) of title 10 shall be entitled, while serving on active duty, to receive, for each pay period described in subsection (b), an amount equal to the amount by which—

"(1) the amount of basic pay which would otherwise have been payable to such employee for such pay period if such employee's civilian employment with the Government had not been interrupted by that service, exceeds (if at all)

"(2) the amount of pay and allowances which (as determined under subsection (d))—

"(A) is payable to such employee for that service; and

"(B) is allocable to such pay period.

"(b)(1) Amounts under this section shall be payable with respect to each pay period (which would otherwise apply if the employee's civilian employment had not been interrupted)—

"(A) during which such employee is entitled to reemployment rights under chapter 43 of title 38 with respect to the position from which such employee is absent (as referred to in subsection (a)); and

"(B) for which such employee does not otherwise receive basic pay (including by taking any annual, military, or other paid leave) to which such employee is entitled by virtue of such employee's civilian employment with the Government.

"(2) For purposes of this section, the period during which an employee is entitled to reemployment rights under chapter 43 of title 38—

"(A) shall be determined disregarding the provisions of section 4312(d) of title 38; and

"(B) shall include any period of time specified in section 4312(e) of title 38 within which an employee may report or apply for employment or reemployment following completion of service on active duty to which called or ordered as described in subsection (a).

"(c) Any amount payable under this section to an employee shall be paid—

"(1) by such employee's employing agency;

"(2) from the appropriation or fund which would be used to pay the employee if such employee were in a pay status; and

"(3) to the extent practicable, at the same time and in the same manner as would basic pay if such employee's civilian employment had not been interrupted.

"(d) The Office of Personnel Management shall, in consultation with Secretary of Defense, prescribe any regulations necessary to carry out the preceding provisions of this section.

"(e)(1) The head of each agency referred to in section 2302(a)(2)(C)(ii) shall, in consultation with the Office, prescribe procedures to ensure that the rights under this section apply to the employees of such agency.

"(2) The Administrator of the Federal Aviation Administration shall, in consultation with the Office, prescribe procedures to ensure that the rights under this section apply to the employees of that agency.

"(f) For purposes of this section—

"(1) the terms 'employee', 'Federal Government', and 'uniformed services' have the same respective meanings as given them in section 4303 of title 38;

"(2) the term 'employing agency', as used with respect to an employee entitled to any payments under this section, means the agency or other entity of the Government (including an agency referred to in section 2302(a)(2)(C)(ii)) with respect to which such employee has reemployment rights under chapter 43 of title 38; and

"(3) the term 'basic pay' includes any amount payable under section 5304.".

(c) CLERICAL AMENDMENT.—The table of sections for chapter 55 of title 5, United States Code, is amended by inserting after the item relating to section 5537 the following:

"5538. Nonreduction in pay while serving in the uniformed services or National Guard.".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to pay periods (as described in section 5538(b) of title 5, United States Code, as amended by this section) beginning on or after the date of enactment of this Act.

(2) CONDITIONAL RETROACTIVE APPLICATION.—

(A) IN GENERAL.—The amendments made by this section shall apply with respect to pay periods (as described in section 5538(b) of title 5, United States Code, as amended by this section) beginning on or after October 11, 2002 through the date of enactment of this Act, subject to the availability of appropriations.

(B) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $100,000,000 for purposes of subparagraph (A).

Mr. DURBIN. This amendment is being offered by myself, Senators MIKULSKI, LANDRIEU, SARBANES, CORZINE, MURRAY, DAYTON, and BIDEN. This is an amendment that will be a familiar amendment to many Members of the Senate. It is an amendment I offered before on an appropriations bill and was adopted with an overwhelming vote in the Senate. Unfortunately, it was stripped out of the bill in conference.

This amendment to the Defense authorization bill addresses the financial burden facing many of the men and women who serve in the military Reserve and National Guard and are forced to take unpaid leave from their Federal jobs when called to active duty. I offered this amendment to the fiscal year 2004 supplemental. It passed by a margin of 96 to 3 before it was removed in conference. The vote recognized the reality that since the end of the cold war, employment of our Reserve forces has shifted profoundly, from being primarily an expansion force to augment active forces during a major war to the situation today, where the Department of Defense admits that no significant operation can be undertaken by the United States of America without Guard and Reserve components.

Think of how often we, as individuals, both elected and unelected, have come forward to congratulate employers who stand behind their employees when activated. We salute them. We say it is a great show of citizenship that when an employee of a company is activated in a Guard or Reserve capacity that the company makes up the difference in their paycheck; continues their health insurance; of course, promises them a job when they return. We salute all these great employers.

This amendment addresses an employer that has turned out to be a deadbeat when it comes to Guard and Reserve. That employer happens to be the Federal Government. Yes, that is right, the United States Federal Government is an employer which does not offer Guard and Reserve activated employees the same benefits being offered by State governments, local governments, and private companies.

One might ask, How many Federal employees are in the Guard and Reserve? Today, there are about 1.2 million members in the National Guard and Reserve. Of that number, 10 percent, 120,000, are Federal employees. More than 43,000 Federal employees have been activated since 9/11. That is more than one-third of those Federal employees who are members of the Guard and Reserve have actually been activated.

Currently, more than 15,000 Federal employees remain activated with Guard and Reserve. They are dedicated. They are loyal. They are serving their country. They have chosen not only to work for our Federal Government but also to volunteer for the Guard and Reserve. But they do it at a price.

While these individuals receive pay for the time they are on active duty, the salary gap many times between military pay and their Government pay and allowances can be considerable.

A Department of Defense survey of 35,000 reservists, including Federal employees, found that 41 percent of all reservists suffer lost income during mobilization and deployment. Of the 41 percent reporting a loss, approximately 70 percent said their annual income was reduced by almost $4,000. Approximately 7 percent, however, reported an annual loss ranging from $37,000 to $50,000.

So imagine this scenario: Someone works for the Department of Transportation of the United States of America. They have signed up for the Army Reserves. They have a job that pays $60,000 a year, being a Federal employee. Now they have been activated and they are being paid $30,000 a year. What about that salary gap?

A lot of State governments and local governments and private companies say: We will make up the difference. We will stand with you. You are serving your country. You are risking your life. We will stand by you—but not the Federal Government. Many companies, State and local governments—companies such as Ford, IBM, Verizon, Safeway; and the State of California, Los Angeles County, Austin, TX—recognize the burden and voluntarily pay the difference between Active-Duty military salary and civilian salary for reservists. Typically, these employers cover their reservists anywhere from 90 days on, with possible extensions of up to 18 months.

In my State of Illinois, Boeing Aerospace, State Farm Insurance, Sears, Roebuck & Company, the State of Illinois, the city of Chicago, and many other Illinois companies and local governments and institutions, cover the pay differential for Reserve and Guard members. The State of Alaska has passed legislation, which Governor Murkowski signed into law, that allows the government to make up the difference in pay and continue some or all health benefits for State employees called to active duty in the Reserves and National Guard. The authority would be discretionary, triggered by an order of the Governor. The bill's effective date is retroactive to September 11, 2001.

In addition to Illinois and Alaska, similar legislation has been enacted in at least 21 other States, including the Commonwealth of Virginia. I know the Senator, who is chairman of this committee, is particularly proud that his State stands behind State employees who have been activated for the Guard and Reserves and makes up the difference in salary.

But what an embarrassment it is for us to stand on the floor of the Senate and say the Federal Government does not do the same thing. That is right: The Government of the United States does not offer the same benefits offered by Illinois, Alaska, Virginia, and many other States across the Nation. These States have gone above and beyond the requirements of law in many circumstances. They stand behind these people. In fact, when you look at the private sector, hundreds of companies provide full salary differential for at least 90 days when the Guard and Reserves are activated.

The Federal Government is the Nation's largest employer. We, in Washington, are the first to stand up and salute our troops, as we should. But instead of just saluting, why don't we give these troops a helping hand? For goodness' sake, these Federal employees—activated time and time again, causing great hardship to their family—deserve the same consideration as those employees of State and local governments and private companies.

My amendment will help alleviate some of the financial burdens faced by these Federal employees who have been mobilized. Federal employees, without hesitation, take time off their jobs, away from their families, to serve our Nation.

On October 11, 2002, I voted against the resolution to give the President authority to go forward with this war. That decision was a tough one. The decision was made by this Congress to go forward anyway.

What has happened since? We have found a war that we hoped would be short in duration has become much longer. We now have some 135,000 to 140,000 troops in the field in Iraq. We hope they will come home soon, but there is no end in sight. Many of my activated Guard and Reserve units have been extended. They are over there for extended periods of time, causing great hardship, really assaulting the morale of many of these units. Yet they continue to serve, and they continue to risk their lives. Some have been mobilized for more than a year. Many have had their tours involuntarily extended. Some are subject to stop-loss orders.

Given the increased commitment of Reserve components—the longer tours, particularly in Iraq and Afghanistan—and concerns over recruiting and retention, this legislation is timely and a vote of support for each and every Federal employee who is also a citizen soldier. We have to provide our reservist employees with financial support so they can leave their civilian lives to serve our country without the added burden of worry about whether their loved ones back home can make a monthly mortgage payment or provide new shoes for the kids. They are doing so much for us, we can do no less for them.

Let me also say, this is an authorization, and it is an authorization with a retroactive date back to October 11, 2002, when the Senate initially enacted my reservist pay security bill. The amendment provides for the authorization of $100 million to cover retroactive payments from October 11, 2002, through the date of enactment. Of course, this $100 million is subject to appropriation.

Prospectively, the funds come from discretionary funds for each agency, so that as Federal employees in each agency are activated into Guard and Reserve units, serving and risking their lives overseas, the agencies will understand they are going to stand by these employees while these employees are standing by our country.

I believe this is a reasonable amendment. I think it is one that the Senate has embraced with an overwhelming bipartisan rollcall vote of 96 to 3. It belongs in this authorization bill so we can say to Federal employees: We respect you no less than all of the others who are serving in the Guard and Reserves. We believe you should be given a helping hand to keep your family together as you volunteer to serve this country.

Mr. President, at this point I would ask that this amendment be set aside and I be given an opportunity to call up another amendment which I have pending at the desk.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I call up amendment No. 3225.

Mr. WARNER. Mr. President, I wonder if we could——

The PRESIDENT pro tempore. Is there objection?

Mr. WARNER. Mr. President, reserving the right to object, could we first discuss this amendment a minute?

Mr. DURBIN. Yes, I would be happy to discuss it. In fact, I did not know the Senator wanted to, but I am anxious to.

The PRESIDENT pro tempore. The Senator from Virginia.

Mr. WARNER. Mr. President, the concern I personally have had—and I think shared by some of our colleagues—is almost less from a fiscal standpoint and more from the fact that when you put a unit together and you bring into that, say, Regular Army unit a guardsman and reservist—the Senator well understands that young people exchange with each other their own pay and background and one thing and another—and suddenly, you have two sergeants, equally competent to operate that tank or artillery piece or Humvee, whatever the case may be, and one is getting this bump up in pay from, again, the Federal Government as opposed to the State and the other is not, it causes a friction. This is the main concern I have. I just wonder to what extent my colleague has thought through that issue.

Mr. DURBIN. Mr. President, I thank the chairman of the committee, and also for his leadership on this bill.

Retired MG Bob McIntosh of the Reserve Officers Association has testified on this same issue. He said he does not believe that people in the military sit around comparing pay stubs. But if they did, I am afraid the Senator's argument would lead us to conclude that we have to stop State and local governments from providing additional pay because that, too, is a differential being provided out of the largess and charity—charity is not the right word; it is really a payment that is made because of a sense of obligation to the family involved. But it is a payment that is made.

In my State of Illinois and your State of Virginia and in the State of Alaska, you have the decision that, when your State employee is activated, the State is going to send them the pay differential. So you will have two sergeants: one in Virginia who might be receiving this pay differential, and one from the Federal Government who does not.

So in my way of thinking, we should be encouraging all of these employers to stand by their people. We are more dependent on the Guard and Reserves now than ever in our history. We want to have good recruitment, good retention. I think if we have more employers standing behind those men and women, it is going to help us keep and attract the very best.

Mr. WARNER. Well, I see that argument very clearly. Of course, you know the Army proudly has this motto: "We are one," which means every soldier can do a variety of things, and whether you are a guard or reservist, you are respected now just as much as that career person.

Do you have that list of 22 States? I think we have it over here on our side. I would like to look at that.

Mr. DURBIN. I would be happy to show you.

Mr. WARNER. Do most of those States do both their National Guard as well as their Reserves or do they just do their Guard?

Mr. DURBIN. I say to the Senator, I am not certain as I stand here. I do not want to mislead him, so I will check into that. But I think they do cover the Guard, and I will find out specifically whether they cover the Reserves as well.

Mr. WARNER. Fine.

Mr. President, I am going to ask that a quorum call be put in while I have an opportunity to take some of the facts which the Senator delivered in his very comprehensive opening statement and check them out.

As I am doing that, would you prefer to go on to your other amendment?

Mr. DURBIN. Yes.

Mr. WARNER. Fine.

The PRESIDING OFFICER (Mr. CHAFEE). Without objection, the pending amendment is set aside so the Senator may offer another amendment.

AMENDMENT NO. 3225

Mr. DURBIN. Mr. President, I call up amendment No. 3225.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 3225.

Mr. DURBIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require certain dietary supplement manufacturers to report certain serious adverse events)

On page 147, after line 21, insert the following:

SEC. 717. REPORTING OF SERIOUS ADVERSE HEALTH EXPERIENCES.

(a) IN GENERAL.—The Secretary of Defense may not permit a dietary supplement containing a stimulant to be sold on a military installation unless the manufacturer of such dietary supplement submits any report of a serious adverse health experience associated with such dietary supplement to the Secretary of Health and Human Services, who shall make such reports available to the Surgeon Generals of the Armed Forces.

(b) EFFECT OF SECTION.—Notwithstanding section 201(ff)(2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(ff)(2)) and paragraph (3) of subsection (c), this section does not apply to a dietary supplement containing caffeine that is intended to be consumed in liquid form.

(c) DEFINITIONS.—In this section—

(1) The term "dietary supplement" has the same meaning given the term in section 201(ff) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(ff)).

(2) The term "serious adverse health experience" means an adverse event that is associated with the use of a dietary supplement in a human, without regard to whether the event is known to be causally related to the dietary supplement, that—

(A) results in—

(i) death;

(ii) a life-threatening condition;

(iii) inpatient hospitalization or prolongation of hospitalization;

(iv) a persistent or significant disability or incapacity; or

(v) a congenital anomaly, birth defect, or other effect regarding pregnancy, including premature labor or low birth weight; or

(B) requires medical or surgical intervention to prevent 1 of the outcomes described in clauses (i) through (v) in subparagraph (A).

(3) The term "stimulant" means a dietary ingredient that has a stimulant effect on the cardiovascular system or the central nervous system of a human by any means, including—

(A) speeding metabolism;

(B) increasing heart rate;

(C) constricting blood vessels; or

(D) causing the body to release adrenaline.

Mr. DURBIN. Mr. President, I offer this amendment to the bill because of a serious health danger which exists in America and one that has been demonstrated clearly on military bases.

Military personnel are under unusual pressure to be physically fit. The conditions under which they work and train are often harsh and demanding, making physical strength and endurance essential. The pressure makes dietary supplements particularly attractive to members of our armed services, especially products marketed for weight loss and performance enhancement.

A 1999 study by the U.S. Army Research Institute for Environmental Medicine found that 85 percent of the more than 2,200 male soldiers surveyed reported using dietary supplements. A military study conducted by the Department of the Navy found that overall 73 percent of personnel reported a history of supplement use, with the numbers as high as 89 percent among marines. When broken down by supplement category, the survey by the Department of the Navy showed that 26 percent of marines took supplements containing stimulants.

Most dietary supplements are safe and provide health benefits to those who take them. This morning I took my vitamins. I don't know if it will make me live longer. I hope it will. I don't think it did me any harm. Millions of Americans take vitamins and minerals every morning believing it is good for them. They are probably right. Medical science proves that.

Within the category of dietary supplements, however, are not just vitamins and minerals but other combinations of chemicals, some naturally occurring, which are not as benign as the vitamins and minerals we take in the morning. There are some supplements, specifically those containing stimulants, which are often marketed for energy promotion, performance enhancement, and weight loss. We know they can cause harm.

Between 1997 and 2001, 30 Active-Duty personnel in America's Armed Forces died after taking dietary supplements containing ephedra. That was a supplement marketed across the United States with names such as Metabolife for weight loss and energy. Eventually that substance was banned by the Federal Government, by my State of Illinois, and others. It had already been banned by the U.S. military, the nation of Canada, banned for use in athletics on the professional level, and by the NCAA, but it has been banned now by the FDA.

A list of adverse events related to dietary supplements released by the Navy includes health events such as death, rapid heart rate, shortness of breath, severe chest pain, and becoming increasingly delusional. These are members of the Armed Forces who are going to base exchanges and buying dietary supplements which are dangerous. They look at what is printed on the bottle. They think they are safe. They buy them with sometimes disastrous results.

Unfortunately, most of the time adverse events such as those I described are not even known to the Food and Drug Administration or to the public because the companies that make the products don't report these bad results. If you walk into a drugstore today, anyplace in America, and you go to the prescription counter with your prescription from the doctor and you get the pills, here is what you know about the pills you are holding. They have been clinically tested for safety so that you can be reasonably sure that if you ingest them you will not die, and that they are likely to achieve the result they are supposed to achieve.

Secondly, if something goes wrong with one of those pills, if you take it and get sick and notify the company, they are bound by law to notify the Food and Drug Administration. If something happens, the Food and Drug Administration says: We may have to remove this from the market to make sure it is still safe. That is the law that applies to prescription drugs.

Now go to the over-the-counter drugs where you don't need a prescription. Have they been tested? The component parts of virtually all over-the-counter drugs have gone through the same testing to make sure they are safe and effective.

Now move over to the section of the drugstore that has the vitamins, minerals, and dietary supplements. None of those rules apply. There has been no testing of that dietary supplement which says it is going to give you energy or help you lose weight, no testing whatsoever.

Let me take that back. The testing is taking place as you buy it. You are the test case, as the consumer. You are ingesting this compound to see what happens. But safety testing of the dietary supplement is not required. What happens if they are dangerous, like ephedra? What if they cause people to have a stroke, heart attack, high blood pressure, or death? Does the company that makes the dietary supplement have any obligation to notify the Government that the product is dangerous? Absolutely not, no requirement whatsoever. That adverse event reporting for prescription drugs does not apply to dietary supplements.

My amendment would require manufacturers of dietary supplements that sell supplements containing stimulants on military installations to turn over to the FDA serious adverse event reports relating to their products. These would include adverse events such as death, life-threatening condition, hospitalization, persistent disability or incapacity, or birth defects. We made a specific exemption in this amendment for supplement beverages containing caffeine, such as tea and sports drinks.

The Office of the Inspector General at the Department of Health and Human Services estimated in 2001 that less than 1 percent of all adverse events associated with dietary supplements are reported to the FDA. The Institute of Medicine issued a report last month recommending that adverse event reporting become mandatory for dietary supplement manufacturers.

They asserted that:

> While spontaneous adverse event reports have recognized limitations, they have considerable strength as potential warning signals of problems requiring attention, making monitoring by the FDA worthwhile.

The Institute of Medicine recommended that Congress amend the 1994 supplement law, DSHEA, and require manufacturers of supplements to report to the FDA in a timely manner any serious adverse event associated with their products.

The men and women in uniform serving this country face enough danger in the field. They should not have to worry about the so-called health products being sold on military bases with the approval of the Federal Government that may, in fact, be dangerous to their health. This is the minimum we should require of companies selling dietary supplements on military bases, that they be forced to notify the FDA if the product they are selling to our soldiers, sailors, airmen, marines, and members of the Coast Guard are, in fact, dangerous and cause serious adverse health events such as death and stroke.

In closing, let me tell you what the dietary supplement industry is doing to lobby against this amendment. This is an outrage. This multibillion-dollar industry that sells dietary supplement products all across America without testing them to make sure they are safe and without reporting to the Federal Government when they become lethal and kill people opposes my amendment which would require that they notify the FDA when people face stroke and adverse events, death and serious health consequences.

This is what they are saying on their e-mail to their customers: The Durbin bill will hold dietary supplements to a higher level of scrutiny than prescription drugs, over-the-counter drugs, and food additives. They are wrong. Supplements face none of the up-front scrutiny that prescription drugs, over-the-counter drugs and food additives face, nor are they required to report adverse events as prescription drugs are.

The standard we are establishing is the same standard. They should live by the same standard. We lost 30 American soldiers to these dietary supplements, which were lethal. At this point in time, as a minimum, we should require these companies to report to the FDA, when their products are killing people. If they will not report, they should not be allowed to sell their product on military bases. The military banned ephedra when they found out it was killing our soldiers.

We should not test-market dietary supplements on our soldiers. That is what my amendment will do. I hope the Senate will adopt it and that we will show concern for the military and their families and protect them as we should protect every American consumer.

At this point, I ask unanimous consent that my amendment be set aside. I ask for the yeas and nays on my amendment.

Mr. WARNER. Mr. President, reserving the right to object, regarding the second amendment we are currently on, I would like to reserve the right to have an amendment in the second degree. I want to make that clear. We will lay this aside, and one of our colleagues, who is as active in this field as the Senator is, wishes to address a certain aspect of this amendment.

For the time being, this amendment will be laid aside until, hopefully, some time Monday when our colleague will have time.

Mr. REID. Senator DURBIN was only asking for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WARNER. Mr. President, regarding the first amendment, during the course of the colloquy with the Senator from New Jersey, if he would like to speak with me, I have some thoughts on that.

Mr. DURBIN. I thank the Senator.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

AMENDMENT NO. 3291

Mr. LAUTENBERG. Mr. President, I call up amendment No. 3291.

The PRESIDING OFFICER. Without objection, the pending amendment is laid aside.

The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from New Jersey [Mr. LAUTENBERG] proposes an amendment numbered 3291.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I rise to offer a fairly straightforward amendment to this bill. The amendment will change the flawed policy that currently prevents media access to the arrival of deceased military personnel from overseas. I include access by the families as well.

On the eve of the Iraq invasion, the Department of Defense issued the following bizarre directive:

> There will be no arrival ceremonies for, or media coverage of, deceased military personnel returning to or departing from Ramstein (Germany) Airbase or Dover (Delaware) base.

With this order, the administration effectively blocked images of flag-draped coffins from appearing in the media coverage of this war. It is very hard to understand that decision. I and my colleague from New Jersey, Senator CORZINE, went to Arlington Cemetery this week to honor the funeral and burial of one of four New Jersey guardsmen who were killed last week. I was struck by the ceremony. I have seen such ceremonies before, but in Arlington it has a special significance. Thousands of our comrades in arms from different wars are at rest there. But in the formal ceremony, it was particularly noteworthy that the flag was handled by the honor guard in such a way that every fold, every edge was perfectly handled by this obviously well-trained honor guard. When the final recipient among the guard was handed the flag, folded in triangular form, he took it, almost reverently, and carried it over to the mother of this young man who was killed. What a touching moment.

Even though there were no direct photographs, it is permanently etched in the minds of those who viewed this ceremony. The symbolism of the American flag covering the coffins of those killed doing their duty has been televised as never before, and journalists are embedded in tanks with combat units. But by the order of the Pentagon, the solemn homecoming of the dead—a time-honored tradition—was forbidden to be photographed or to appear on a television screen. Perhaps—just perhaps—the American people might believe that the reports on the deaths of our soldiers are somehow exaggerated, and this time-honored respect for giving one's life in battle for his country—an honor by having a flag draped over that coffin—was going to be ended. In seeing these coffins, the American public would make it impossible not to share the sorrow of the families who received them. You didn't have to know who was in that coffin, or the family, to know there was another American hero being returned to his country.

Seeing the returning coffins prompted a national sense of shared pain and sacrifice and despair. But during this war, the administration has chosen to fence itself in and ban cameras not only from the central military morgue at Dover Air Force Base but also make it difficult for the press to access the Walter Reed Army Medical Center here in Washington.

I visited Walter Reed this week with Senator CORZINE after we left Arlington Cemetery. We felt it was appropriate to visit with those who were wounded and being treated at Walter Reed from the same contingent, from the Guard company that was attacked so ferociously. We talked to the soldiers who were there with their families. When you see the pain and suffering of those people, you realize how brave and courageous they had been.

I talked to one man, who is now sightless, looking blankly into space. His wife was sitting there with him. He thanked us for visiting. He said he would never again see his 20-month-old daughter. But that would not prevent him from holding her in his arms. He was anxious to get back home to do that. He wanted to return to his fatherly status. He talked of his faith and loyalty to his country. That is a message that ought to go out across America. Why should the press be deprived from an orderly visit, prearranged, to talk to a young man like that, to see the incredible spirit that accompanied this man's faith.

As a result of the current policy at the Pentagon, the over 830 service men and women who died in Iraq passed through a politically imposed void hiding the truth. Even during the Afghanistan war, flag-draped coffins were filmed, and during the Kosovo conflict, President Bill Clinton was on the tarmac to receive U.S. dead.

In 1983, one of the most revered people in American history, President Reagan, personally and publicly received the bodies of 241 marines who were killed by terrorists in Beirut, Lebanon.

I believe the current Pentagon directive is an attempt to manipulate public opinion or make this war pass something that is called the "Dover test," as the Pentagon itself has coined it.

The Dover test dictates that the Pentagon should suppress images of coffins returning from overseas in order to prevent the American people from seeing the real sacrifices that are being made.

The current policy has nothing to do with the privacy of the deceased or their families, as the administration claims. Rather, this policy has everything to do with keeping the country from facing the realities of war, shielding Americans from the high price our young service people are paying.

My amendment is straightforward. It simply instructs the Department of Defense to work out a protocol so that the media can respectfully cover the return to the United States of these heroes who died serving their country.

The amendment specifically states that the new protocol must preserve the dignity of the occasion and protect the privacy of the families. I agree with that statement. The amendment requires the Pentagon to report to Congress on the new protocol within 60 days of enactment of this bill.

The American people deserve to know and see the truth about the cost of the war in Iraq. My amendment will bring an end to this shroud of secrecy cloaking the hard, difficult truth about the war and the sacrifices of our soldiers.

Our soldiers are fighting for democracy, fighting for a free press in Iraq. Yet our Government is censoring the press here. It is not right and is out of line with American values.

My amendment is supported by leading media associations, including the American Society of Newspaper Editors, and in my view, we should embrace a free press in this country and not fear it. There are heroes who have made the ultimate sacrifice in this war for our country. Let's not censor the honor they earn when they return to our shores.

I urge my colleagues to support my amendment. I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I always enjoy debating my good friend from New Jersey. I have fond memories of a recent trip we took to the 60th anniversary of D-day when he told me some of his own personal experiences as a young soldier in the closing moments of World War II, serving with our forces in Germany. He is a modest man and does not talk about it much, but he is one of the few remaining veterans of World War II in the Senate.

I wonder if the Senator might go back to that reference in his statement about the Beirut bombing. Mr. President, would the Senator from New Jersey repeat that because it invoked a memory I have? Did he not talk about how President Reagan went down—I wonder if he will, once again, recite that very important chapter of history.

Mr. LAUTENBERG. Yes. I did say President Reagan made a point of welcoming the bodies back to this country, 241 of those marines who died in Beirut, and I pointed to the fact that this President, to whom we just said goodbye and who was revered by so many in this country, felt in his heart that it was something he should do. It is so contrary to what is happening now. It does not make sense to me.

Mr. WARNER. Mr. President, if my dear friend will indulge me my own recollection, when that tragic incident happened in Beirut, Senator Tower was the leader of the Republican side of our committee, and I was sort of one of the junior members. I remember he came into my office and said: We are leaving for Beirut in 2 hours. If you have time to pack a bag, pack it; otherwise, just bring a toothbrush.

We went over there and saw the tragedy that had befallen our marines. I will never forget it. When we came back on the plane, we talked a little bit, and President Reagan did receive the benefit of our trip. He was deeply moved by that incident.

I cannot recall exactly the days thereafter when we were working with bringing the remains home, but I let it be known to the President that maybe this would be an opportunity to send a strong message of his deep bereavement for the losses and the resolve that he had to challenge those who brought this about and bring to accountability those who perpetrated that crime. We suggested he go down, and sure enough he did go.

I was privileged he asked if I would come down with him. It was a day I will never forget. It was a cold and rainy day. Because of the number of caskets, it was on the outside largely. I recall the schedule, as all Presidential schedules are detailed, and I had a little copy in my pocket.

He went down to speak to some of the families. It was just magnificent the way this President stood in that cold rain and spoke to them. He turned to me and he said: You know, we should stay and speak to every single family member. He did that. We found the time to go down very orderly and speak to every single family member.

The commanding officer of Camp Lejeune was MG Al Gray. Gray is an extraordinary man. He came up through the ranks in the Marine Corps to become a general. He knew the name—I don't recall he even used any notes—of everyone there, and he stood side by side with the President. I was just a few feet to one side going through and talked to the President. If a wife or a loved one wanted to hug the President, the President hugged them. It was remarkable. It was one of the most extraordinary moments in my long career of working with the men and women of the Armed Forces and a series of Presidents over the many years.

I am glad the Senator from New Jersey brought that up because that attack, in a sense, caught this Nation by surprise. We were ill-equipped. I don't know that the Senator from New Jersey would have any reason to remember this, but the guards around the barracks could not even have live ammo in their weapons to try and deter an attack. We were relying on host country security and the like. But that is an incident which I commend the Senator again for bringing up, but we could not, in my judgment, replicate that today because of the regrettable constancy of bringing back our beloved lost ones in the present conflicts, be they Afghanistan or Iraq.

AMENDMENT NO. 3458 TO AMENDMENT NO. 3291

Mr. WARNER. Mr. President, it is for that reason that I send to the desk a second-degree amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Virginia [Mr. WARNER] proposes an amendment numbered 3458 to amendment No. 3291.

Mr. WARNER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To propose a substitute expressing the sense of Congress on media coverage of the return to the United States of the remains of deceased members of the Armed Forces from overseas)

Strike the matter proposed to be inserted, and insert the following:

SEC. 364. MEDIA COVERAGE OF THE RETURN TO THE UNITED STATES OF THE REMAINS OF DECEASED MEMBERS OF THE ARMED FORCES FROM OVERSEAS.

(a) FINDINGS.—Congress makes the following findings:

(1) The Department of Defense, since 1991, has relied on a policy of no media coverage of the transfers of the remains of members Ramstein Air Force Base, Germany, nor at Dover Air Force Base, Delaware, and the Port Mortuary Facility at Dover Air Force Base, nor at interim stops en route to the point of final destination in the transfer of the remains.

(2) The principal focus and purpose of the policy is to protect the wishes and the privacy of families of deceased members of the Armed Forces during their time of great loss and grief and to give families and friends of the dead the privilege to decide whether to allow media coverage at the member's duty or home station, at the interment site, or at or in connection with funeral and memorial services.

(3) In a 1991 legal challenge to the Department of Defense policy, as applied during Operation Desert Storm, the policy was upheld by the United States District Court for the District of Columbia, and on appeal, by the United States Court of Appeals for the District of Columbia in the case of JB Pictures, Inc. v. Department of Defense and Donald B. Rice, Secretary of the Air Force on the basis that denying the media the right to view the return of remains at Dover Air Force Base does not violate the first amendment guarantees of freedom of speech and of the press.

(4) The United States Court of Appeals for the District of Columbia in that case cited the following two key Government interests that are served by the Department of Defense policy:

(A) Reducing the hardship on the families and friends of the war dead, who may feel obligated to travel great distances to attend arrival ceremonies at Dover Air Force Base if such ceremonies were held.

(B) Protecting the privacy of families and friends of the dead, who may not want media coverage of the unloading of caskets at Dover Air Force Base.

(5) The Court also noted, in that case, that the bereaved may be upset at the public display of the caskets of their loved ones and that the policy gives the family the right to grant or deny access to the media at memorial or funeral services at the home base and that the policy is consistent in its concern for families.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Department of Defense policy regarding no media coverage of the transfer of the remains of deceased members of the Armed Forces appropriately protects the privacy of the members' families and friends of and is consistent with United States constitutional guarantees of freedom of speech and freedom of the press.

Mr. WARNER. I share in many ways the objectives of my good friend and colleague from New Jersey. As I said, I respect his own service in the military where both he and I have been along with the loved ones of those who have given their lives in situations, and I am sure both of us, in the course of our long public careers, have attended many funerals with those loved ones.

This substitute is carefully thought through and I hope the Senator will take a look at it. I would like to read it.

> The Department of Defense, since 1991, has relied on a policy of no media coverage of the transfers of the remains of members to Ramstein Air Force Base, Germany, nor at Dover Air Force Base, Delaware, and the Port Mortuary Facility at Dover Air Force Base, nor at interim stops en route to the point of final destination in the transfer of the remains.

Now, that final point is basically where the families of the deceased are located. Continuing:

> The principal focus and purpose of the policy is to protect the wishes and the privacy of families of deceased members of the Armed Forces during their time of great loss and grief and to give families and friends of the dead the privilege to decide whether to allow media coverage at the member's duty or home station—

That refers to the final destination of the transfer of the remains—

> at the interment site, or at or in connection with funeral or memorial services.

Those could be elsewhere selected by the family.

> In a 1991 legal challenge to the Department of Defense policy, as applied during Operation Desert Storm, the policy was upheld by the United States District Court for the District of Columbia, and on appeal, by the United States Court of Appeals for the District of Columbia in the case of JB Pictures, Inc. v. Department of Defense and Donald B. Rice, Secretary of the Air Force [86 Fed. 3rd 236, 1996] on the basis that denying the media the right to view the return of remains at Dover Air Force Base does not violate the first amendment guarantees of freedom of speech and of the press.
>
> The United States Court of Appeals for the District of Columbia in that case cited the following two key Government interests that are served by the Department of Defense policy:
>
> Reducing the hardship on the families and friends of the war dead, who may feel obligated to travel great distances to attend arrival ceremonies at Dover Air Force Base if such ceremonies were held.
>
> Protecting the privacy of families and friends of the dead, who may not want media coverage of the unloading of caskets at Dover Air Force Base.

Especially when their loved one may be among them.

> The Court also noted, in that case, that the bereaved may be upset at the public displays of the caskets of their loved ones and that the policy gives the family the right to grant or deny access to the media at memorial or funeral services at the home base and that the policy is consistent in its concern for families.
>
> It is the sense of Congress that the Department of Defense policy regarding no media coverage of the transfer of the remains of deceased members of the Armed Forces appropriately protects the privacy of the members' families and friends and is consistent with United States constitutional guarantees of freedom of speech and freedom of the press—

As determined by the Federal courts. I would like the Senator's views on that approach.

Mr. LAUTENBERG. I thank my colleague and friend from Virginia. We have shared many experiences. One of them is reaching a particular age when memories go back a long, long time.

The recall that the Senator from Virginia just delivered to us about President Reagan's sensitivity and the part that my friend was able to play, viewing all of that and trying to expedite things, it is a wonderful recall as to what happened with a very sensitive President.

I traveled to Beirut—and that was my freshman year in 1983—and I was there between the killing of the 241 and the killing of 8 more that the Senator recalls a few weeks later. It was a disastrous scene and left an impression that one can never forget of these young people in their sleep taken from us. I never recall hearing one family saying too much exposure resulted from that. I did not hear anybody ever say to the public, my son, in an unidentified casket, should not be honored in a generic way with his comrades who also are fallen in pursuit of an American objective.

As the Senator was recalling his views and offering this amendment, I looked at some information we have, a New York Times/CBS poll from September 2003 that found 62 percent of Americans said the public should be allowed to see pictures of the military Honor Guard receiving the coffins of these soldiers killed in Iraq as they return to the United States. There were 27 percent who said no.

In response to our good friend's concerns about whether families might be inconvenienced if they are called to Dover, DE, or perhaps embarrassed somehow or another, they do not have to go. That is not what my amendment says. It says that media should not be prohibited from going there and taking a picture and saying here is a picture of unknown heroes.

We walked in Normandy together just a week ago, and I saw lots of crosses and Stars of David. I looked at some of the stones and saw a lot of them had a New Jersey home when they left, but I looked at one stone and it just gave me such a shock because it said on this stone, here lies a valued comrade known but to God.

The unknown soldier of a family who lost a brother, a son, a father will never know what happened to them, but they were respected in that piece of turf with their colleagues who had fallen.

I get very emotional when I think about the days that I enlisted in the

Army. I was 18. My father was on his deathbed. 42 years old. My mother was about to become a 36-year-old widow, and what it meant to me to join with all of my other comrades to try to do something. The promise I had from the Army was they would give me until my father's death so I would know that I would be home with my mother.

I went, and although I did not serve in active combat, lots of people I know died. We were attacked by German bombs constantly. Those days meant so much. Then there were the opportunities that were given to us: a college education, an opportunity to serve our country even more forthrightly.

So when I look at veterans and visit the hospital, I see a fellow who has one limb remaining, a prosthetic on his arm, prosthetics on his legs, learning to walk that way. I say, by God, what a price we paid. How dare we not honor them in the most obvious ways.

I hope I can have a talk with my friend and colleague from Virginia—not to cover this issue with anything but a determination to say if someone has died for their country and we take that flag and put it on that casket, they have received the honor of their country, every one of the 280 million citizens we have here. When that flag is placed there it says your country loves you and they are terribly saddened by what happened to you. I believe that practice should be made obvious to the public. It is not the display of the coffin I am looking for: it is a display of our honoring this individual. It is the way to do that.

I hope the good Senator's second-degree amendment can stand alone. Let this first amendment be considered. It is just to say we are not going to hide anything. The public is going to know that in that box lies a young man or a young woman who gave his or her life in pursuit of the country's interests.

Mr. WARNER. Mr. President, there are rare moments in the life of the Senate. I have enjoyed our colloquy. The Senator has raised one of the most important issues that will be considered on this bill. Despite all the billions and billions of dollars, some $420 billion involved in this bill, this is a matter of principle of the greatest concern to every single Member. Therefore, I am going to ask that this amendment be laid aside so the Senator and I can resume this debate on Monday and let each one of our colleagues have the benefit of our thoughts and have the opportunity to do some careful study of the different proposals, the one you have submitted and the one I have submitted.

May I suggest, however, with regard to yours, there may be one technical thing you might wish to reflect on, and that is the use of the word "killed." You limit it to the people who have been killed overseas. There are some who lost their lives overseas other than in situations that would be characterized as "killed." I would broaden that definition, if I were you, to include those who for other reasons might have lost their lives but who deserve, no less, the recognition which my distinguished colleague from New Jersey wishes to accord them.

Mr. LAUTENBERG. Toward the end of my amendment I use the term "died." That is an appropriate correction. I would certainly accept that.

Mr. WARNER. Fine. I think you do refer to that. But to make it clear, you might wish to broaden it.

Mr. President, at this time—unless there is further debate from my distinguished colleague?

Mr. LAUTENBERG. I wonder if the Senator from Virginia would confirm at this point that we will vote on this amendment whether it carries the second degree or it does not?

Mr. WARNER. At this point in time I would like to leave it in the status it is in, assuring you that you have my personal assurance, because of my personal respect for you and the contents of this amendment and its importance, that it will be treated with eminent fairness. No procedural mechanisms will be utilized in any way to deprive the Senator of an opportunity for his debate to be heard and considered.

I thank my friend. I would only conclude: One of the great values in making a trip with a fellow Senator—no matter how long you have served with them and visited with them, there are some things about their life which are fascinating. I hope someday you tell the story about how you were in the Army over there, and both you and I were communicators, and at times in our careers we used to climb up the poles to get the wires that transmitted the signals and orders to those at the front. While you were on top of the pole, a Buzz Bomb—I wonder if even a few realize that weapon was employed by Hitler in the final months of the war, which is a very lethal and dangerous weapon. But that is for another day. The Chamber should hear that story.

Mr. LAUTENBERG. In those days the Germans would knock down the wires and I would put them up, they would knock them down, I would put them up, but somehow we survived.

Mr. WARNER. But to be on top of that pole and to get down in safety from the Buzz Bomb—that was a trip.

I yield the floor.

Mr. LAUTENBERG. I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 3353

Mr. REED. I call up amendment No. 3353.

The PRESIDING OFFICER. Without objection the pending amendment is laid aside. The clerk will report.

Mr. REID. Mr. President, I am wondering if my friend from Rhode Island would yield? He would get the floor as soon as Senator DAYTON takes a minute to introduce a bill as in morning business. Will the Senator allow us to do that? We promised him some time yesterday.

Mr. REED. I have no objections. I understand Senator SESSIONS also——

Mr. REID. But you already have your amendment pending here. Has it been reported?

Mr. REED. It is being reported right now.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. REED], proposes an amendment numbered 3353.

The amendment is as follows:

(Purpose: To limit the obligation and expenditure of funds for the Ground-based Midcourse Defense program pending the submission of a report on operational test and evaluation)

On page 33, after line 25, insert the following:

SEC. 224. LIMITATION ON OBLIGATION AND EXPENDITURE OF FUNDS FOR GROUND-BASED MIDCOURSE DEFENSE PROGRAM PENDING SUBMISSION OF OPERATIONAL TEST REPORT.

Of the amount authorized to be appropriated for fiscal year 2005 by section 201(4) for research, development, test, and evaluation, Defense-wide, and available for the Missile Defense Agency for Ground-based Midcourse interceptors, and long-lead items for such interceptors, $550,500,000 may not be obligated or expended until the occurrence of each of the following:

(1) The Director of Operational Test and Evaluation has approved, in writing, the adequacy of the plans (including the projected level of funding) for operational test and evaluation to be conducted in connection with the Ground-based Midcourse Defense program in accordance with section 2399(b)(1) of title 10, United States Code.

(2) Initial operational test and evaluation of the program is completed in accordance with section 2399(a)(1) of such title.

(3) The Director of Operational Test and Evaluation has submitted to the Secretary of Defense and the congressional defense committees a report stating whether the test and evaluation performed were adequate and whether the results of the test and evaluation confirm that the Ground-based Midcourse Defense system is effective and suitable for combat, in accordance with section 2399(b)(3) of such title.

(4) The congressional defense committees have received the report under paragraph (3).

Mr. REID. I ask unanimous consent the Senator from Minnesota be recognized and be able to speak as in morning business for 5 minutes, and the Senator from Rhode Island then regain the floor to discuss his amendment.

Mr. WARNER. No objection, Mr. President.

Mr. REED. Thank you.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNSHACKLE SENIORS ACT

Mr. DAYTON. I thank the Senator from Rhode Island for making that arrangement. I thank the Senator from

Rhode Island for giving me that opportunity and also the distinguished chairman of the Armed Services Committee for allowing this as well.

I will be introducing my Unshackle Seniors Act, which will allow seniors and others who are on Medicare to purchase their Medicare discount cards as they choose and to cancel their participation with full refunds and other returns whenever the cards are changed in their coverage or their discounts.

As you know, last year Congress passed a prescription drug coverage plan that was far different from the Senate-passed version which I supported. I voted against the final conference report after voting for the Senate bill. I did so for several reasons, but one was the excessive delay until the actual program would begin, which necessitated these drug discount cards being made available until the program begins in January of 2006, which is over 2 years after the bill's passage. Until then, seniors are going to be able to sign up for only one, just one drug discount card and only one for that entire year, even though the care plan providers can change the coverage and the amount of the discount they are choosing.

What kind of deal is that, where seniors are stuck with one card for the entire year, but the plan can be changed at the discretion of the provider, yet seniors can't change theirs accordingly? My bill would unshackle seniors from that restriction and would allow them to purchase as many drug discount cards as they choose and also grant them a full refund whenever the card providers change the coverage or the discount, thereby unshackling seniors from this ridiculous restriction that works to the benefit of providers rather than the patients.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 3353

Mr. REED. Mr. President, I understand my amendment has been reported and we are on the amendment now. Let me endeavor to explain the amendment and do it as quickly as possible.

The amendment I support today would provide a condition on the acquisition of interceptors 21 through 30 of the national missile defense. The condition would be that the operational testing would be completed—or initiated, at least—prior to the acquisition of these missiles.

In a sense, it embraces two issues. The first issue is the unwise acquisition of another 10 missiles beyond the 20 that already have been designed for this initial rudimentary deployment of the national missile defense system. That issue is one. The second issue, again, is the issue of making sure we have realistic operational testing.

Yesterday we engaged in a very vigorous debate. I believe the debate was productive. My legislation, as amended by that of Chairman WARNER, would require realistic testing. In fact, it set a date of October 1, 2005, to complete such testing. But I do believe it is important to once again look at this issue of testing, particularly in the context of the acquisition of these additional missile systems.

Initially, when the administration talked about the rudimentary deployment of a national missile defense system, they conceived of a system with 20 interceptors. Suddenly, this year, they have moved forward and added an additional 10 interceptors, interceptors 21 through 30. More than that, they requested an additional long lead time funding for interceptors 31 through 40.

That is an unwise use of very scarce resources at a time when we are trying to expand the size of the Army, when we are trying to do so many things that are putting huge pressure on the bottom line of the Department of Defense. It is unwise. We are talking about an extremely premature acquisition of missiles before we have "proved out" the system.

I was struck yesterday when Senator ALLARD submitted a letter from Thomas Christie, Director of the Office of Director, Operational Test and Evaluation at the Pentagon. Dr. Christie said:

> The Ground-based Midcourse Defense (GMD) element is currently at a maturity level that requires continued developmental testing with oversight assistance from operational test personnel. Conducting realistic operational testing in the near-term for the GMD element would be premature and not beneficial to the program.

We have the chief testing official in the Department of Defense saying this system is so immature that we cannot even do operational tests. Yet in this proposal, the administration is asking to go ahead and buy additional interceptors that have not yet been adequately proven and adequately tested. Once again, it is a misuse of very scarce resources.

I have no qualm today with acquiring the 20 interceptors initially planned for the system. But to go beyond that is a mistake in terms of using scarce resources for, basically, unproven interceptors.

It is useful to review the situation of this midcourse ground system and where we are in terms of the system. First, as I mentioned yesterday, one of the key elements is a DSP satellite system that will monitor the initial launch of a missile. That is from a cold war legacy system. It is reliable; it is limited. You simply identify the lift-off of the aggression missile.

The second part of the system is the Aegis ships which have been pressed into service. They were originally designed simply to track and to defend against cruise missiles and aircraft. Now they have been given this extra task of trying to monitor the target as it rises out of the North Korean peninsula headed toward—we hope never but at least hypothetically—the United States.

A third element is the Cobra Dane radar, another system of 1970 vintage, designed not for missile defense but for looking at Russian missiles and their missile rangers. It is not even capable, most people concede, of tracking effectively a missile bound for Hawaii. It has been upgraded but still it is not the X-band radar, the big powerful radar originally designed for the system.

Then there is the interceptors element which is the subject of this amendment. Originally, as I indicated, the plan was to have 20. Now the administration is talking about 40. The interceptors have not been tested together with the new "kill" vehicle. In fact, the new kill vehicle, the warhead that sits on top, has not even been flight tested. As a result, we are rushing into this deployment. In fact, the whole system has not been tested. So bits and pieces have been tested. It is premature to go ahead now and ramp up production of these missiles.

If it turns out there is a systematic flaw in the missiles, and they have been acquired and deployed, if they have not been worked on in the silo, they will have to be removed from the silo and transported. It is very expensive.

I beg the obvious question. If we have not tested the system adequately, if we are planning for years now to have a 20-interceptor structure of our missiles, why are we rushing ahead now and buying additional missiles? My amendment says, at least before we get to this point of buying the additional missiles, we should be in the area of planning and carrying out realistic operational testing.

Yesterday, again, we had a very good debate. We were able to make some progress. But I point out again, the amendment proposed by Senator WARNER, and adopted to change my language, moves the responsibility from the Office of Director of Operational Test and Evaluation of the Pentagon to the Secretary of Defense. It takes away that objective independent voice, which is the traditional way in which we evaluate any weapon system, not just the missile defense system.

I hope by the time we get around to making these acquisitions, acquiring interceptors 21 through 30 and 21 through 40, that we would not have the specialized testing regime under the Secretary of Defense, and that we would be back in a situation where we are doing operational testing the way it was designed and carried out.

That is the essence of my amendment. It would not in any way inhibit the deployment of the system. It would not in any way try to shrink the number below 20, which has been the plan for years. It would not decrease funding for missile defense. If this operational testing regime was in place, then these 21 through 30 interceptors could be acquired. It is really designed to first highlight and underscore the fact that we are rushing ahead, not just in terms of deployment but in actually building out this system way beyond what has been proven by testing; and, second, also, to emphasize the need for a thorough testing not beyond, frankly, what was required in yesterday's amendment.

Although I think yesterday's amendment was a good step forward, operational realistic testing by October 1 of 2005 is a very laudable goal. I hope we can follow through and carry it out.

Ultimately, we want to get the whole system back into the situation of practically every other major defense program; that is, before deploying the system, build the system, go to production, and that you have actually done operational testing, independent operational testing, supervised, conducted, monitored by Dr. Christie and his colleagues in the Defense Department Office of Director of Operational Testing and Evaluation.

One other point I make, in the discussion yesterday, there was some mention of how this system was going to protect us from threats around the world, including threats from Iran. This system is exclusively designed to protect from a missile launch from North Korea. It will provide no protection from a missile launch from any other point on the globe, as far as I can tell. It is not a comprehensive system defending the United States. It is a limited system focused on North Korea.

One can fairly ask, if North Korea is such a dangerous threat that requires this very hasty emergency deployment of a missile system, why are we withdrawing troops from North Korea, ground forces that could complement our diplomacy? We are we not taking aggressive diplomatic steps to try and disarm North Korea when they have made it clear they have nuclear material. They very well may have fashioned multiple nuclear weapons in the last year while we have been trying to negotiate but doing so unsuccessfully.

Again, this raises the whole question of how do you deal with these threats through this very expensive, very limited missile defense system or through other means complementing the development of the system. I argue, of course, that we have to be much more aggressive diplomatically with the North Korean situation; that we have to do it from a position of strength. That position is not enhanced when we take out troops.

I also suggest if we did that, we would have the time to develop this system properly, to declare it deployed—not now, but when we have had a test of the entire system, of all the elements, so that we know this system will work and it will work effectively.

An interesting final point I make is that in the discussion yesterday about operational testing, there was an example given about the Patriot system, which is the PAC–3 system. That is a complicated missile system, hit-to-kill technology, the same basic technology that will be employed in this national missile defense system.

We talk about this midcourse system. It did extremely well in all its developmental tests, and then it had operational tests. They had four consecutive operational test failures; that is the PAC–3.

Now, certainly we do not want a situation where the first operational test is the acquisition of an incoming missile from a hostile power, and we don't know if we are going to have the PAC–3 record of four failures in a row or we are going to do much better. I think that, essentially, is where we are today.

So my amendment, in summary, which will be disposed of next week, would condition the acquisition of interceptors 21 through 30—the new requirement that sprung up this year, after years of looking at 20—it would condition it on having operational testing according to the standard procedures that are in place in the Department of Defense.

With that, I yield the floor.

The PRESIDING OFFICER (Mrs. DOLE). The Senator from Alabama.

Mr. SESSIONS. Madam President, I rise in opposition to the Reed amendment, but I would note that Senator REED has certainly done a lot of work on this issue. Yesterday, Senator WARNER proposed a second-degree amendment that incorporated a number of the concerns the Senator had about missile defense. This amendment today would cover much of the same ground that was considered in the amendment offered by Senator REED yesterday. That amendment was adopted by the Senate and modified, as I noted, by Senator WARNER.

The amendment today uses the same approach to testing as the amendment yesterday, but it has the additional disadvantage of imposing a very significant cost to the Missile Defense Program and to our ability to defend the Nation from long-range missile attack. It would prohibit expenditure of fiscal year 2005 funds for ground-based interceptors until initial operational test and evaluation is completed. And that has a technical and important legal definition.

I remind my colleagues, the Warner second-degree amendment, adopted yesterday, requires the Secretary of Defense to establish criteria for realistic testing of ballistic missile defense systems and to conduct a test consistent with those criteria in 2005. The Senate approved this approach, rather than the Reed approach, which would require operational tests and evaluation of each configuration of the BMD system.

Indeed, the Senator's amendment today is much more demanding because unlike the one yesterday, it would restrict the ability to acquire additional missile defense interceptors until such testing is completed.

During the debate yesterday, we noted that the Department of Defense Director of Operational Test and Evaluation believes that operational test and evaluation for ground-based midcourse missile defense elements—the kind of testing the Senator is proposing—is premature and not helpful to that effort. We note the need for flexibility to incorporate developmental goals into missile defense testing so that the missile defense system can continue to evolve and improve over time. These developmental goals are precluded, by law, from operational test and evaluation.

We noted that the Warner amendment provides the flexibility to include developmental goals and avoids the cost delay involved in significant replanning of the test program. All these arguments are relative to the amendment before us today as well.

So I note again that the Warner amendment, adopted by the Senate yesterday, requires a test be conducted in 2005, consistent with the Secretary's criteria for realistic testing. Yet the Reed amendment before us would prohibit the Department from using funds for additional interceptors in 2005, until the approach to testing rejected by the Senate yesterday is not only adopted but completed. So the Senate has spoken on this issue.

Further, the amendment we are considering, if adopted, would do serious harm to the Nation's ability to defend itself from long-range missile threats. While we have no defense today against long-range ballistic missile attack, we are on track to field a missile defense test bed that will provide an early, limited capability to defend against long-range missiles later this year.

Our goal is to have five missiles in place in September that have the capability of knocking down attacking missiles whether they come from any place on the globe, protecting the entire United States by placing them in this geographically perfect spot in Alaska that allows us to protect the whole country.

I think most people need to remember that. People made fun of this. They said it could not be done, a system like this would not work. But it is going to be deployed in September. What this amendment would do is stop the assembly of additional missiles that are now ongoing, block the assembly line that really needs to continue for at least a year, maybe two. I think that is the biggest problem we have with it.

The kind of testing and evaluation and development we are doing today, through a spiral development type concept, is to move forward, to get this system up. As Senator REED's chart showed, we have ships at sea. We have early radar warning systems. We have communications systems.

We have to have command systems as well as the missile and its technical capability to hit an incoming missile. The tests so far have proven that the existing capabilities of the guidance systems that we have enable an American antiballistic missile to knock down an incoming missile with remarkable certainty. It is a remarkable scientific achievement. Someone said recently, it is equivalent almost to putting a man on the Moon.

It has been done. We are there. We do not need to slow this down. But there is no doubt in my mind that as we go forward additional tests will be conducted, that additional scientific and technological advancements will be brought on line. We will continue to improve this system as we go forward with it.

We have had a lot of debate on national missile defense. I know people have different ideas about how it ought to be developed. We have put some real faith in General Kadish and his team at National Missile Defense. I think they have proven worthy of the faith we have put in them. We gave them flexibility. We did not try to micromanage what they were going to do. We challenged them to produce a system that could be deployed this year. We gave them the ability to develop and move forward in a way they thought best. If they believed changes needed to be implemented differently from what they thought when they first started, we gave them flexibility to do that. They are coming forward in a great way.

I am proud of what General Kadish has accomplished and what Admiral Ellis has stated and his confidence in this system. I believe we have been very fortunate to have top-flight people in charge of this program. If not, we would not be nearly as far along as we are. I do not think we ought to constrict them with this amendment.

I respect the Senator's goals. I know he has studied it carefully. He believes this would help. But at this point I think it would do more harm than good, and I oppose the amendment.

Mr. REED. Madam President, will the Senator yield for a question?

Mr. SESSIONS. I am delighted to yield.

Mr. REED. I want to understand and make sure that I am accurate. In reference to the system being deployed this September in Alaska, my understanding, which I stated, is that it would only provide coverage for essentially the North Korean threat. And then I heard you say the system—it might be in the future—but the system would cover all threats. My sense is that this system that will be deployed would cover North Korea.

Mr. SESSIONS. I believe it would cover at least a good bit of the United States against a Middle Eastern threat, and it could be effective against other threats. But, obviously, the main threat at this point—the ultimate goal is to provide a system that can protect us from all threats.

Mr. REED. I understand, as the system is eventually designed to be. But, if you will indulge me, I also understand that other radars have to be put in place beyond Cobra Dane, beyond the Aegis systems that they have not yet put in place. There are other elements that have to be in place for a more comprehensive system.

The other point on which I raise a question is the simple fact reflected in Mr. Christie's letter. This isn't a question of logic as much as technology. He seems to be saying the system is so premature or has a lack of maturity such that you can't do operational testing. I must say, I find it difficult, then, to say we can't do operational testing but we are going to put it in operation. That is the situation we face in September. But that is more of a comment than a question.

I thank the Senator for his kindness.

Mr. SESSIONS. I know the Senator has studied this carefully, and I respect him for that. We have made a commitment to go forward and deploy. We have done a good deal of testing to date. We are going to need to test the whole system. The Senator is right. We may find that some difficulties exist that need to be dealt with. We may find that some things work better than we thought. But until we get the system in the ground, I don't think we can do the kind of realistic testing that we need, testing the command center, the advanced radar, the communications systems, and all of that. I am committed to this spiral development system in which we don't straitjacket ourselves but continue to develop as we test. I think your amendment would limit the development and go back to the more traditional firm testing, step by step. I respect your view on it, but I think we should go the other way.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3297, AS MODIFIED

Mr. REID. Madam President, I ask unanimous consent that the pending amendment be laid aside and that we now call up amendment No. 3297, as modified, which is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 3297, as modified.

Mr. REID. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To repeal the phase-in of concurrent payment of retired pay and veterans' disability compensation for veterans with a service-connected disability rated as 100 percent)

At the end of subtitle D of title VI, add the following:

SEC. 642. REPEAL OF PHASE-IN OF CONCURRENT RECEIPT OF RETIRED PAY AND VETERANS' DISABILITY COMPENSATION FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES RATED AS 100 PERCENT.

Section 1414 of title 10, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by inserting after the first sentence the following new sentence: "During the period beginning on January 1, 2004, and ending on December 31, 2004, payment of retired pay to such a qualified retiree described in subsection (c)(1)(B) is subject to subsection (c)."; and

(B) in the last sentence, by inserting "(other than a qualified retiree covered by the preceding sentence)" after "such a qualified retiree"; and

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (A), by inserting "(other than a retiree described by subparagraph (B))" after "the retiree";

(ii) by redesignating subparagraphs (B) through (F) as subparagraphs (C) through (G), respectively; and

(iii) by inserting after subparagraph (A) the following new subparagraph (B):

"(B) For a month for which the retiree receives veterans' disability compensation for a disability rated as 100 percent, $750.";

(B) by redesignating paragraph (11) as paragraph (12); and

(C) by inserting after paragraph (10) the following new paragraph (11):

"(11) INAPPLICABILITY TO VETERANS WITH DISABILITIES RATED AS 100 PERCENT AFTER CALENDAR YEAR 2004.—This subsection shall not apply to a qualified retiree described by paragraph (1)(B) after calendar year 2004.".

Mr. REID. Mr. President, it seems that every year at this time I come to the floor to offer an amendment on behalf of America's disabled veterans. It is something that I have become accustomed to and something that the veterans expect of me.

The amendment I offer today, and have for many years, deals with concurrent receipt, a subject first brought to my attention many years ago by a disabled veteran. This is also called the veterans tax.

A disabled veteran told me in Nevada many years ago that he wasn't allowed to receive both his retirement pay and disability compensation at the same time. I thought he misunderstood what the law was all about. His retirement pay was being offset dollar for dollar by the amount of disability compensation he received. He said it was a restriction found in U.S. law. I assumed he was wrong because it seemed so unfair.

He was right. It was a law that had been in effect for more than 100 years. The law was on the books and hundreds of thousands of disabled veterans were having their retirement pay wiped out. No other disabled Federal retiree was being subjected to this tax; only those who retired from the U.S. military.

So with the help of my colleagues, especially Senators WARNER and LEVIN, and at a later time Senator MCCAIN, we have been chipping away at this unfair restriction for a number of years. With their help, we have made some progress, I think considerable progress.

At first, it was a tiny bit, and it became bigger and bigger, until last year we took a major step forward. We had been looking for full concurrent receipt, but last year we ended up with a compromise agreement that ends the restriction on current receipt for combat-disabled retirees and those retirees who have a service-connected disability rated at least 50 percent.

Had we had this law changed 20, 30, or 40 years ago, many more people would have been able to apply for it. Sadly, each day of every year more than 1,000 World War II veterans die. Even though we have almost 30,000 people still eligible for these benefits, many who should have received them are now gone. So our step last year was an important step forward, but it was far from perfect.

Many tens of thousands of disabled veterans are still not covered under last year's agreement, and even those who are covered have to wait a full 10 years before their offset in retirement pay is completely eliminated. That is a long time to wait, particularly for the severely disabled and especially for veterans of the Korean conflict and World War II because the average age of those individuals is 83 for a World War II veteran and over 70 for a Korean war veteran.

My amendment that I offer today does a simple thing. It eliminates the 10-year phase-in period for the most severely disabled: that is, those who are rated 100-percent disabled. As I indicated, there are about 30,000 of those 100-percent disabled veterans. Their average age is 59 years old, which takes into consideration the conflicts in Vietnam, the Persian Gulf war, and many other battles we have fought over the years.

Most of these thousands of veterans are disabled from their military service, and they cannot work anymore. Rarely do we find someone 100-percent disabled who can work, but there are some. Typically, these cases include conditions that run the whole spectrum. Some are medical concerns. Some are as a result of actual injuries received. Remember, these are service-connected disabilities. There are some with chronic illnesses who have been diagnosed during active duty and the disease progression prevented a second career.

Madam President, 100 percent is the highest disability rating given by the Department of Veterans Affairs, and it is always associated with decreased life expectancy. So a 10-year phase-in for these veterans to receive full disability and retirement payment will not be realized by many of them. Many will simply not live long enough to reap the benefits of full concurrent receipt.

Let me give an example about the harsh financial impact caused by this long phase-in period. One disabled veteran from Nevada who served 24 years in the Air Force wrote to me recently. She is 100-percent disabled. Under last year's 10-year implementation scheme, she still forfeits $1,571 of earned retired pay every month. Since retiring from the Air Force in 1991, she has forfeited $275,000 of retired pay. If we keep the 10-year phase-in period as is, she will forfeit an additional $80,000. For a person unable to work because of a service-connected disability, every dollar counts and this offset becomes punitive.

This amendment that is now before the Senate pays the most severely disabled now at a fraction of the cost of last year's concurrent receipt bill. We do not create a new benefit. We simply want to pay those most severely disabled now, instead of waiting until they are dead and, therefore, not able to receive it.

This is a compromise. I want every disabled American veteran not to have to give up any part of their pay. This is a compromise. We are not expanding the law in the sense that we are going to include people rated differently than 50 percent, but we are going to allow these people, the 100-percent disabled, to get their money now. I think they deserve this. I think it is so unfair we do not do it.

This is a matter that will be voted on. If the committee decides not to accept it, we will vote on this issue. I feel confident that it will be very difficult for people to return home and look a 100-percent disabled veteran in the face and say: We couldn't afford to pay you now. Wait a while.

I cannot ask for the yeas and nays, but I will at the appropriate time. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3196

Mr. REID. Madam President, I ask that my amendment be set aside and we return to amendment No. 3196.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Madam President, there is no further debate on this amendment. I, therefore, ask that we vitiate the yeas and nays. The amendment has been reported. This is the Durbin amendment that has been debated this morning.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3196.

The amendment (No. 3196) was agreed to.

Mr. REID. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLARD. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3353

Mr. ALLARD. I rise in strong opposition to Reed amendment No. 3353, which fences the funds for ground-based midcourse interceptors pending completion of initial operational test and evaluation.

In effect we have already had that debate, and I find it perplexing that here we are, having that same issue introduced again in the form of another Reed amendment on the floor of the Senate. I think we adequately addressed it yesterday when we had a Reed amendment at that particular time where he put in some requirements for operational testing, and we second-degreed that with the Warner amendment where we talked about modifying that in a way so that we maintain flexibility with the Secretary of the Department of Defense, yet had some accountability.

There was a policy set forward where we could move forward with the missile defense issue and still show the accountability we needed. We had that vote and the Warner amendment was adopted as a second-degree amendment on the Reed amendment. We resolved that issue. But here again we are talking about the same issue.

I certainly don't quarrel with the need to conduct operational realistic testing. We recognized that yesterday. Everyone supports that, so much so that this body voted, as I said, strongly. They didn't just vote for it, they strongly voted in favor of the Warner amendment yesterday, which requires such a test to be conducted next year so we can get that behind us and move on. We address it in terms of realistic testing instead of operational testing, which would be much more restrictive.

But this amendment would cause serious harm to the effort to defend our

Nation from missile attack. It is a delay in our moving forward. In fact, it would disrupt the production lines to a point where it may even put the total program in severe jeopardy. By fencing these funds, the amendment would prevent obligation or expenditure of fiscal year 2005 funds for the next ground-based midcourse missile interceptors until completion of initial operational test and evaluation.

I know some Senators have maintained this is not a cut to the program. To plan, conduct, and assess a formal operational test—just one test—would take the Missile Defense Agency and the Director of Operational Test and Evaluation a year or more.

The fact is, the fiscal year 2005 funds requested could not be executed in fiscal year 2005. That is the problem. In effect, this is a deep cut to a very important effort.

This reduction would cause serious disruption in the effort to acquire additional interceptors. The contractors making the interceptors would have to interrupt their efforts. Subcontractors would be lost. Key personnel would be lost. Valuable manufacturing experience and processes would also be lost.

Requalifying, then, these subcontractors and retraining workers and relearning the manufacturing process takes time and money. The projections are it would delay the program up to 2½ years and cost taxpayers more than $250 million extra.

Ironically, the loss of expertise and experienced personnel, and the effort to retrain and requalify, inevitably involves increased technical risk, exactly the opposite result which I know Senator Reed hopes to achieve.

Let me make several key points. First of all, the GMD effort is threat driven. North Korean ballistic missiles already pose a serious threat to the United States. The justification for the additional 10 interceptor missiles is to defend the country. It is clear for all those who want to look at the evidence. Delay will leave us critically short of assets to defend ourselves.

Second, the Commander of U.S. Strategic Command has expressed concern with efforts to reduce the number of GMD interceptors. He supports the early exploitation of the operational capabilities inherent in the BMD test bed and believes the GMD element provides him with a useful military capability and enhances deterrence.

Third, the Director of Operational Test and Evaluation, the Department's chief tester, as I like to refer to him, wrote in a letter to me that operational testing for a GMD element is premature and would not be helpful to the program. I have introduced that letter into the Record in previous debates. This is in direct contradiction to the direction of this amendment.

The Director, Mr. Christie, has testified that he supports the BMD test program and how it is being conducted, that the testing of the ground-based midcourse element is appropriate, and that he provides operational assessments on a continuing basis.

Fourth, this amendment offers no real benefit to the GMD test program. It is characteristic of a spiral development program such as the ballistic missile defense development effort to incorporate both developmental goals and operational goals and testing. The GMD testing already incorporates operational goals in each of its tests and, as I noted, the Director of OT&E already provides operational assessments based on this testing.

I believe this amendment provides no benefit, absolutely no benefit to the GMD effort and, in fact, will do significant harm to our national defense.

I urge my colleagues to oppose this Reed amendment.

I yield the floor.

Mr. WARNER. Mr. President, I thank our colleague. That leaves the Reed amendment for further discussion on Monday. Am I correct on that?

Mr. ALLARD. That should do it, yes.

Mr. WARNER. Thank you.

Speaking with the distinguished Democratic whip, I believe we are closing in on the final matters on this bill. One end I am going to try to tie down, then it would be my intention, subject to leadership concurrence, to close out today's activities on the bill and go into a period for morning business; is that correct?

Mr. REID. Madam President, that is true. We already have people lined up for Monday for amendments. We have Senators Dayton, Byrd, Bingaman, Levin, and we have a number of people on Tuesday. We are about to finish this piece of legislation.

Mr. WARNER. If I may say, Madam President, I feel we are mutually reaching the goal established by Senator Reid and the majority leader and the distinguished Democratic leader. I think we are getting excellent cooperation from all Senators, and we will be able to conclude this matter.

Mr. REID. We have a couple of votes—maybe as many as three votes—on Monday, if necessary, but we will have to see what happens on Tuesday. There could even be more than that on Tuesday. I have heard the possibility that we could have maybe six or seven amendments on Tuesday. If we are fortunate, we will be able to finish the bill sometime late that night.

Mr. WARNER. I again appreciate the Senator's assistance. We, frankly, have no more amendments on our side that I know of. Possibly one. I appreciate the cooperation which the other side has given to this matter.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Sununu). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3297

Mr. WARNER. Mr. President, I see the distinguished Democratic whip on the floor. He has a pending amendment. We are prepared to accept it on this side.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, it is amendment No. 3297.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment (No. 3297) was agreed to.

Mr. REID. I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, may I add, in the many years I have worked with the distinguished leader from Nevada, this is an issue which he has singlehandedly, in so many instances, taken the role to care for veterans, particularly those who carry the wounds of war or the wounds that have been incurred in the course of their service to the country.

I say to the Senator, this is a further chapter in that long and distinguished history of your personal intervention on their behalf, and I commend you, sir.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the Senator was off the floor when I gave my statement. Senator Sessions was covering the floor. But I was quite effusive in my praise of the chairman and the ranking member. These years we have worked on this issue have been tough years. There have been monetary concerns on what we have to do for the military.

Had it not been for the breaking of new ground by the chairman and ranking member—this law has been in effect for more than 100 years—even though I was the person who was advocating this, but for the understanding of the two people we hold out as being our experts in the area of taking care of our military, it would not have been done.

I am so grateful for the help of Senator Levin and Senator Warner. The veterans around the country know that. They know I was the guy out yelling and screaming. But they know the two individuals who made sure we got something done every year—the first year I introduced this, it was not a shutout. The first year we got a little bit. The second year we got more. We have continued to the point where we now are at 50 percent. Those people who are 100-percent disabled will start receiving their money the minute the President signs this most important bill.

I appreciate the comments of the gentleman from Virginia, because certainly he is that. But, also, I want to pat him on the back because he certainly deserves it.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I say to the Senator, I appreciate your sentiments. Thank you very much. And further I sayeth not, except I want to add, we have had a good day on this bill. We have adopted several amendments. We have laid down others that will be completed on Monday and Tuesday. Again, I thank all colleagues for their cooperation, particularly the leadership.

Mr. BIDEN. Mr. President, in a few months, the administration will announce that a national missile defense has been fielded in Alaska. Nobody in this body will be fooled by that announcement. We know smoke and mirrors when we see them, and that is what the so-called "rudimentary" missile defense will be.

The Bush campaign will say that he kept his promise to defend America against an attack by intercontinental ballistic missiles, but they won't admit that it doesn't work. And they won't mention the price, both in dollars and in the diversion of high-level attention from the truly pressing threats to our national security.

For those reasons, it is absolutely vital that we approve the amendment offered by Senator REED of Rhode Island. No complex weapons system should be deployed with as little evidence as we have today that the system could ever succeed in wartime. It is astounding that the President's desire to field a system by this October takes precedence over the need to ensure that the system will work. The administration's pursuit of missile defense has been anything but smooth.

First, it put on hold the program inherited from President Clinton. Then it decided on a defense remarkably similar to that one, but with a requirement that a so-called "Alaska test bed" be made operational by October 2004. After a test failed in December 2002, the administration actually reduced the number of intercept tests to be conducted before deployment, in order not to delay the deployment date. It has not conducted a single intercept test since then, let alone one using the intended booster, the actual kill vehicle, the planned radar, the space-based infrared satellite that would be vital to the success of this system, or anything approaching a realistic test geometry or target set.

Very little, if any, of this will be accomplished before the administration claims its schedule-driven success. General Kadish has already said that the next test might be delayed until the fall.

Mr. Thomas Christie, Director of the Pentagon's Office of Operational Test and Evaluation, wrote in his most recent annual report:

> Delays in production and testing of the two booster designs have put tremendous pressure on the test schedule immediately prior to fielding. At this point, it is not clear what mission capability will be demonstrated prior to initial defensive operations.

In February, the General Accounting Office wrote:

> No component of the system to be fielded by September 2004 has been flight-tested in its deployed configuration. Significant uncertainties surround the capability to be fielded by September.

Two months ago before the Senate Armed Services Committee, Mr. Christie agreed with Senator REED's statement that:

> At this time, we cannot be sure that the actual system would work against a real North Korean missile threat.

The Union of Concerned Scientists has noted that, given the limited capabilities of the Cobra Dane radar in Alaska and the SPY-1 radar on a ship in the Pacific Ocean, this system would leave Hawaii essentially undefended. In fairness, there is a precedent for the administration's approach. It is a very old and famous precedent. You can find it in Chapter 1 of Don Quixote by Miguel de Cervantes.

Don Quixote checks out his old helmet, which he has been restoring:

> In order to see if it was strong and fit to stand a cut, he drew his sword and gave it a couple of slashes, the first of which undid in an instant what had taken him a week to do. The ease with which he had knocked it to pieces disconcerted him somewhat, and to guard against that danger he set to work again, fixing bars of iron on the inside until he was satisfied with its strength . . .

So far, so good. This is what we do whenever an interceptor fails to hit its target in a flight test. My guess is that this is what the Missile Defense Agency did after the December 2002 test.

But note what Don Quixote does next:

> . . . and then, not caring to try any more experiments with it, he passed it and adopted it as a helmet of the most perfect construction.

Does that sound familiar? The Missile Defense Agency did about the same thing: they decided to do fewer intercept tests, rather than more, and to defer nearly all of those tests until well after this missile defense "helmet" is fielded. So let's give the Pentagon credit where credit is due: they are downright literary. I do wonder, though, whether they ever got beyond Chapter 1. If they had read Chapter 11 of Don Quixote, they would have discovered that his helmet was demolished in its first encounter with an enemy. That is why Don Quixote ended up putting a barber's washbowl on his head.

There is a clear lesson here, and it is a lesson that Cervantes understood fully 400 years ago. Testing is not a one-time exercise. After you make your corrections to the system, you have to test again, and the reason for testing is so as not to field a system that will fail.

The administration will say that it is employing "spiral development," under which weapons are deployed in an initial configuration that is then improved through regular upgrades. That concept assumes, however, that the initial configuration is at least workable. In missile defense, it is not clear that we have even made it to the barber's washbowl.

To declare that a system protects the American people when none of its real components has been tested realistically is really to deceive the American people. The decision to decrease near-term testing in order to maintain a deployment date weeks before the next election demonstrates neither realism nor wisdom.

The administration's fixation on missile defense has also blinded it to the opportunity costs of its pursuit of that goal. As Richard Clarke later reported, the administration was so focused on missile defense and the ABM Treaty in 2001 that it paid too little attention to the growing threat of al Qaeda terrorism.

It also put on hold, throughout 2001, our important nonproliferation programs in the former Soviet Union, which help to keep Russian weapons, materials, and technology out of the hands of rogue states or terrorists.

In the wake of September 11, when the administration was given a choice of spending $1.3 billion on missile defense or on countering terrorism, it still opted to spend the funds on missile defense. The difficult situation in which we find ourselves today regarding North Korea may be yet another result of the administration's missile defense fixation.

The administration inherited a mixed, but hopeful, situation from President Clinton: North Korea's spent nuclear reactor fuel, except for enough to make one or two nuclear weapons, which had been illegally reprocessed in the 1980s, was being safely canned and stored under U.S. and IAEA observation. American access to a suspect underground site had created an inspection precedent that might be enlarged upon in other agreements. Negotiations were proceeding on a deal to end North Korea's long-range missile sales. And while North Korea was engaged in an illegal uranium enrichment program, that was apparently still at an experimental stage.

But the administration refused to build on President Clinton's work. It delayed any engagement with North Korea throughout 2001, insulting South Korea's President and undercutting our own Secretary of State in the process.

There were persistent rumors that administration officials viewed missile defense, rather than negotiations, as the real answer to any North Korean threat. The North Korean threat was, in turn, a widely cited justification for pursuing a national missile defense and withdrawing from the ABM Treaty.

So here we are in 2004, and what do we have? The North Korean missile threat is still uncertain, since there have been no further flight tests of long-range North Korean missiles. But if North Korea ever does field an ICBM, there is a much better chance now that it will carry a nuclear weapon. Four years ago, we guessed that North Korea had one or two nuclear weapons; now we reportedly think they have at least eight, with perhaps more on the way.

Has this administration's policy made us safer? It doesn't look that way to me. What has happened, however, is that the stakes in missile defense have gotten higher. If faulty missile defense were to let a North Korean missile through with a high explosive warhead, or even a chemical weapons warhead, that would be one thing. But if a missile gets through with a nuclear weapon, then say goodbye to Honolulu or Seattle or San Diego.

That gets back to the matter of realistic testing. it is one thing to have "spiral development" of a new bomb, or even a new airplane. The loss of life in the "learning by doing" phase will be tragic, but limited.

It is quite another thing to tell the American people to put their trust in a "rudimentary" missile defense that could well permit the destruction of whole American cities. The Reed amendment won't stop missile defense. All it does is redress the balance, a little, between feckless deployment and desperately needed testing.

Whether we like our missile defense program or not, we should all vote in favor of testing it. If we need a missile defense, then we need one that does more than raise a "Mission Accomplished" banner in Alaska. It is time to stop acting like Don Quixote and start heeding the wisdom of Cervantes.

I urge my colleagues to vote for the Reed amendment.

MORNING BUSINESS

Mr. WARNER. Mr. President, I ask unanimous consent that the bill now be laid aside and the Senate proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. WARNER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FATHER'S DAY

Mr. BYRD. Mr. President, as spring turns to summer, as the calendar rolls from Easter to Memorial Day to the Fourth of July, our workaday schedule is pleasantly interrupted by numerous holidays—days of remembrance, for the most part.

We honor the death and the rebirth of the Lord Jesus Christ, and we honor the fallen heroes of our Nation's wars. We honor our mothers and the flag of our Nation. Graduation ceremonies honoring matriculating students have been taking place every weekend around the country as high schools and colleges conclude their academic years. In West Virginia—how sweet the sound—we honor the anniversary of our statehood this month as well. This Sunday, June 20, 2004, the penultimate day of spring, the Nation honors fathers.

The word "father," how sweet that sounds. Jesus taught us to pray, "Our Father who art in Heaven." The Bible says, "Honor thy father and thy mother."

We can be sure that fathers will be honored this Sunday because it will be the mothers and the daughters who do the planning for this event—not the often inept party planners who call themselves men. Men can plan military campaigns and vacation travels, but somehow our skills frequently fall short at birthdays and holidays.

Fathers do offer other talents, however. Fathers are builders—builders of tree houses, builders of sand castles, of backyard patios, and model volcanoes for third grade science projects. Fathers are mechanics, for the family car as well as bicycles and, in this increasingly technology-laden day, computers, cell phones, and digital recorders and players of many purposes. Fathers are coaches for softball and junior soccer leagues, and fathers are chauffeurs for piano lessons and school dances. Fathers are workers, striving to keep their families fed and clothed and housed. Fathers are bankers, saving for college educations and making loans to start their youngsters off on a new career.

Fathers do traditional things, such as mow lawns, take out the trash, pay the bills, and change the tires. But fathers are also cooks, launderers, and diaper changers.

Fathers are part of the silent cheering section, rooting on their children with their solid presence at the back of recitals and grandstands, always pleased to mutter, "That's my kid," "That's my kid," "That's my kid," to other spectators.

Fathers may not always show the true depth of their emotions, but there can be no father who does not glow inwardly as his child's shining face seeks theirs, seeks the father's, asking the unspoken question: "Did I do well, Pa?" "Did I do well, Dad?" "Did I do well?" "And are you proud of me?" "Are you proud of me, Dad?" As fathers, men are honored and humbled by the seeking of their approval, silently savoring the precious father-child bond.

I was raised by just such a silent man. My uncle, Titus Dalton Byrd, worked hard all of his working life in the coal mines of southern West Virginia. He never had much. I have heard others say: Well, I am the first in my line to have a college education. Or I am the first in my line to have a high school education. I am the first in my line to even go to the second grade.

This was my dad. He was not my biological father, but he was my dad. He was the greatest man I have ever met, and I have met with shahs and kings and princes and princesses, Presidents, Senators, Governors. This was the greatest, the greatest of all.

As I say, he never had much. He did not have much of an education. He did not have vacations. He was a man of few words. He walked to work, carrying his lunch in a pail, and he was grateful to be able to walk home at the end of the day, having worked all day, having toiled in the bowels of the Earth, having earned his bread by the sweat of his brow. Yes, I can see him.

He took me in as an infant, less than 1 year old. He did all that he could for me. He gave me his name. He encouraged me in my school work. He never bought me a cowboy suit or a cap buster. He bought me watercolors with which to paint. He bought me my first violin. In these ways, he gave me gifts that have stayed with me throughout my life.

So when I wanted to seek a job working in the mines to be like him, the man I call my dad discouraged me—discouraged me. He took me back into the mountains, into the bowels, into the depths of the Earth on a mine motor so that I could hear the timbers cracking, so that I could see the water holes in which he and other coal miners plodded their way, often on their knees. Yes, he showed me where he worked. He said the mines were dangerous places to work, and they were in those days especially. He wanted better things for me, and he urged me to get an education, a formal education.

He had the heart of a father. He wanted life to be better for his boy than it was for him. He made whatever sacrifices he had to make in order to make his dream come true. He couldn't give me much, but he gave me the best example. He set the best example that he could each and every day of his life.

He could have complained. He could have been a complainer. He could have whined. But he did neither. He just got up day after day and set out to work, and every day he came home tired. But he would save something sweet from his lunch for me. I used to watch him coming down the railroad tracks from a mile away, that tall man with black hair and red mustache. I saw him coming down the railroad tracks, and I would run to meet him. When I came near, he would stop, take the lid from the dinner pail and reach in and get a cake, a 5-cent cake. In those days, these were 5-cent cupcakes—5 cents. My mom had put into his lunch this cake every day. She knew what he would do with it. He took that cake to work, and then when I came near him, as he came walking on those cross-ties down the Virginian Railroad tracks, there in that coal mining camp in southern West Virginia, that tall man reached into the dinner pail and he pulled out that 5-cent cake, and he gave the cake to me.

From the morning when he arose to toil in the mines, he must have looked forward to the time in the afternoon when he would be giving that cake to me. He always gave the cake to me.

I wonder if I appreciated, as I should have. I wonder if I even understood all of his efforts, all of his sacrifices at the time of their commission. I am sure I did not, but age and fatherhood have given me greater insight into the life of this quiet man, this good dad, my dad.

Yes, I have walked with the greatest of the Earth, the leaders of the world. I sat down, as I said, with kings, princes, shahs, Governors and Presidents, but this was the greatest of them all. He was great because he was good.

This Nation is full of good fathers, fathers who work hard, fathers who come home tired, fathers who take care of their families. Most days they do not get much attention, these armies of good fathers. Headlines are not made by them. Unfortunately, headlines are made by bad fathers, not the good ones.

This Sunday, the good fathers will be fussed over, but they will enjoy every moment of attention. Some men will spend their Father's Day far away from home, serving in Iraq, Afghanistan, or in other dangerous places. Some men will work on Father's Day protecting the Nation at home in police and fire departments. For these men, Father's Day celebrations may be delayed but nonetheless sweeter for the wait.

I am the father of two daughters, mothers now themselves, even grandmothers. I am a great-grandfather, and I can attest that it is indeed great to be a great-grandfather.

As my sweet wife Erma and I celebrated our 67th wedding anniversary 3 weeks ago, I had the very special pleasure of sharing that occasion with most of my family and with friends. I could look around the long table past my wife's beautiful face and see small snatches of her and of myself in the voices, the gestures, the faces of three generations looking back at me. I am so proud of these.

"Yet, in my lineaments they trace, some features of my father's face." So wrote the poet George Gordon Byron, Lord Byron, in his poem. It is at times like these that one can feel the tide of history flowing from the generations before me to the young faces just setting out on the long ride of life.

We strive to be remembered by our loved ones, as my dad strove to be remembered. To all the good fathers out there and in honor of my own dad, who is looking down today from heaven, I close with a few lines that I learned and recited when the days were young.

In those days, children routinely did such things as memorize poetry. And I say to the fine Senator who presides today over this body, it is one of a multitude of poems that were taught to children in order to teach them lessons, and this one is just a few lines titled, "The Little Chap That Follows Me," or in some instances, "A Little Fellow Follows Me." This was written by the Reverend Claude Wisdom White, Sr., and it reminds me of how my dad lived, a noble man whom I never heard once, in all of the years, use God's name in vain. I never heard him tell an off-colored joke. That was the man whom I remember this day. Thank God for a man like Titus Dalton Byrd.

A careful man I ought to be,
A little fellow follows me.
I dare not go astray,
For fear he'll go the self-same way.

I cannot once escape his eyes,
Whatever he see me do, he tries.
Like me, he says, he's going to be,
The little chap who follows me.

He thinks that I am good and fine,
Believes in every word of mine.
The base in me he must not see,
That little fellow who follows me.

I must remember as I go,
Thru summers' sun and winters' snow,
I am building for the years to be,
In the little chap who follows me.

WEST VIRGINIA DAY, 2004

Mr. BYRD. Mr. President, as I mentioned a moment ago, Sunday will be June 20, and it will be West Virginia Day. West Virginia Day.

On this day before West Virginia eve, there are so many things I would like to say about my great and proud and glorious State.

I would like to talk about her rolling hills, how each year scores of thousands of people come to West Virginia to camp in our State and in our parks, to hike the Appalachian Trail, to fish in our mountain streams, or simply to relax and enjoy our majestic mountain scenery. The only thing more beautiful than the Sun setting over the hills of West Virginia is the Sun rising over our beautiful green peaks.

I would like to brag a little. You know, Dizzy Dean said it is all right to brag if you have done it. I would like to brag a little about West Virginia's "firsts." The first patent for a soda fountain was granted to George Dulty, of Wheeling, in 1833. The first bare knuckle world heavyweight championship was held near Colliers on June 1, 1880—Colliers, WV. The first rural free mail delivery was started in Charles Town, just a few miles from here, on October 6, 1896. The first female jockey to win a horse race was Barbara Jo Rubin, at the Charles Town Racetrack on February 22, 1969.

And, of course, I would like to boast, and I shall boast—why not? Why not? Why should I say I would like to boast? I am going to boast.

I want to boast about all of the biggest and the best of West Virginia. The world's largest axe factory was located—where? In Charleston; Charleston, WV. The world's largest clothespin factory was located in Richwood, in Nicholas County, WV.

The world's largest sycamore tree—where? Why, in Webster Springs, WV.

And the town of Weirton, right up there in that northern panhandle, is the only city in the United States that extends from one State to another, one State border to another, the only city in the United States that extends from one State border to the other.

And, of course, I will talk about the people of West Virginia, how they have endured disasters, exploitation, national scoffs—we are called hillbillies, you know. Hillbillies? How blessed the name, hillbillies. Count me in. How they have endured neglect but still they remain among the friendliest, the warmest, the most courageous, and most patriotic people in the United States.

West Virginians are good people who care about each other and care about you, even if you are a stranger. And it has been said that West Virginians "don't just loan someone a socket wrench, we help them fix their cars."

And then I want to talk about the West Virginia coal industry. I could point out how West Virginia coal helped to fuel the Industrial Revolution and for over a century heated American homes. Look about you.

You know the Great Fire in London occurred in 1666 and the great architect who drew the designs for the buildings that replaced those that were swept away with the fires, the great architect of that period was Christopher Wren. As my wife and I walked the halls of Saint Paul's Cathedral in London, we looked upon the floor and there on the floor, inscribed, were these words:

> If you seek my monument, look about you.

That was Christopher Wren, who was the architect for perhaps more than 50 of those cathedrals and great buildings that grew up in the place that had been swept by the disastrous fire.

> If you seek my monument, look about you.

I would point out how West Virginia coal helped to fuel the Industrial Revolution, as I say, and for a century heated American homes and fueled our warships and provided energy for our industries. Yes, these lights we have in the Chamber, where do you think that power is coming from? Not very far away. West Virginia coal made it possible.

But as the great and glorious day known as West Virginia Day approaches, I decided not to do all these things but to discuss another aspect: the West Virginia apple industry. I have to wonder how many people listening to me even realize that West Virginia has a significant apple industry, but it does. In fact, West Virginia ranks ninth in the Nation in apple production. Furthermore, West Virginia is the home of two important—now listen to this. When you go to the store, to the Giant food store tomorrow, with your husband or your wife or your brother or your sister, take a look at those apples as you go by. And just remember this, that two important and very popular and delicious, delectable, tasty apple varieties originated in West Virginia. In 1775, Thomas W. Grimes produced the first Grimes golden apple since Adam and Eve walked together as evening came and enjoyed the apple.

Thomas Grimes produced the first Grimes Golden apple in Wellsburg, WV. The Grimes Golden became a highly esteemed dessert apple.

In the early 1900s, Anderson Mullins discovered on his family property in Clay County, WV, a mysterious tree bearing the Golden Delicious apple.

Did you know that? I am looking at these bright faces that greet me with smiles every day—the wonderful young people who work for Senators and work for their Nation, who perform services for this Nation in this Senate, these wonderful young people—we call them pages. How wonderful they are.

I pause from time to time to talk to these pages and to tell them wholesome stories and talk a little about Nathan Hale, talk with them about this great institution, the Senate of the United States. I talk with them about the Great Compromise that was hammered out in Philadelphia on July 16, 1787.

Look how attentive these pages are. They are listening. They are listening. That smile, that radiant smile that I see on each page's face—Republican on the Republican side, and on the Democratic side—I will carry that smile with me all day, all day long, and it will warm my heart.

> Great it is to believe the dream as we stand in youth by the starry stream, but greater still to live life through and find at the end that the dream is true.

As these young people go tomorrow perhaps to the Giant food or to the Safeway store or the corner grocery, they will look at the apples. When you do, remember that this Golden Delicious apple originated in Clay County, WV.

Clay County is where I attended a Democratic rally one night 50 years ago. Just before I got into my car, I put my fiddle—it is a violin, but some people call it a fiddle—on the trunk of my car. And I began talking with one of the others who was departing late or last from that rally. I forgot about leaving my fiddle on the trunk of my car. When I got into my car and turned the ignition on and backed it up, I heard something. I heard the sound like something was being crunched under the rear wheels of my car. Lo and behold, it was my fiddle case and the fiddle that was in it. That happened in Clay County.

But I like to remember Clay County for that oval-shaped apple with a golden-yellow skin and the juicy, firm flesh and sweet flavor which won wide acclaim. Dr. John Harvey Kellogg, the founder of Kellogg's breakfast food company—have you tried Kellogg's Corn Flakes lately? I had them just this morning. He wrote that he considered "the Golden Delicious, the finest apple I have ever tasted." That is a quotation from Dr. John Harvey Kellogg.

Listen to that again. Here is what he said:

> The Golden Delicious, the finest apple I have ever tasted.

Where does it start? Where was its beginning? Where was its genesis? West Virginia.

The world renowned horticulturist Luther Burbank agreed, as he stated:

> I have no hesitancy in stating that it is the greatest apple in all the world.

How about that? The "greatest apple" in all the world. And it came from where? West Virginia.

Offsprings of the Golden Delicious have now been developed in every area of the United States and on every continent. It is recognized as West Virginia's most famous contribution to horticulture. In 1995, the West Virginia State Senate designated the Golden Delicious apple as the official State fruit.

The apple industry in West Virginia began in a story book fashion. Around the year 1800, a young man by the name of John Chapman traveled the northern regions of what would become the State of West Virginia where mountaineers are always free. John Chapman traveled the northern regions of what would become the State of West Virginia planting apple trees throughout the region.

Chapman was born in 1774, and he spent 50 years of his life planting tiny apple trees throughout the frontiers of the Eastern and Midwestern States. He was a simple man, John Chapman, whose clothes were said to have been made from sacks, and he wore a tin pot for a hat, which he used for cooking—cooking out of your hat. His dream was for a land with blossoming apple trees everywhere and no one was ever hungry.

On the frontier, apples were not only a source of nutritious food, they were also used for the making of cider, vinegar, and apple butter as well.

Have you been to the Apple Butter Festival? We have the Apple Butter Festival over in Berkeley Springs. Where is that? In West Virginia.

Mr. Chapman is known to us today as the legendary Johnny Appleseed.

Many people think of Johnny Appleseed as a fictional character, but he was a real person. I like to think of him, perhaps, as the "Father of the West Virginia Apple Industry."

As the apple nurseries that Johnny Appleseed planted in West Virginia developed, apple trees were distributed throughout the region, and apple production blossomed. It wasn't long until West Virginia apples were being loaded on flat boats and shipped down the Ohio and the Mississippi Rivers to as far south as New Orleans, or loaded on canal boats and shipped to the Capital City of Washington.

By 1889, West Virginia was producing nearly 5 million bushels of apples a year. Apple production in West Virginia peaked in 1931, when the State produced over 12 million bushels of apples.

Today, apple production in West Virginia averages 143 million pounds—3.4 million bushels. Apple production takes place on an average of 9,000 acres, representing 126 commercial fruit growers.

I am sure you have heard of Senator Harry Byrd of Virginia. Harry Byrd owned some great apple orchards. Some of them were in the Eastern Panhandle of West Virginia.

In the autumn, drive through southern Berkeley County, and you will find the strong, sweet smell of apples being processed into sauces, juices, ciders, and jams. On any Saturday, ride through the Eastern Panhandle and see civic groups, church groups, or groups of high school youngsters stirring apple butter in old, cast iron, copper-plated kettles set over the open fire.

Apples have become an important part of the culture as well as the economies of West Virginia communities. In Inwood, for example, in the heart of old apple orchards, is Musselman High School, named after the world renowned maker of apple products, Christian H. Musselman, who started one of his first plants in West Virginia. And the school's mascot is the apple, while the spirited students are known as "Applemen." The school newspaper is the "Cider Press."

Each year, the towns of Martinsburg and Burlington celebrate apple harvest festivals, while the towns of Salem and Berkeley Springs celebrate apple butter festivals. Clay County, the home of the Golden Delicious apple, celebrates with the Golden Delicious festival.

On Sunday, as we mark another glorious West Virginia Day, I suggest that you celebrate by biting into a piece of homemade apple pie, or tangy apple crisp, or savoring a delicious apple dumpling, or a sweet-candied apple and thinking of West Virginia.

West Virginia, how I love you!
Every steamlet, shrub and stone,
Even the clouds that flit above you
Always seem to be my own.

Your steep hillsides clad in grandeur,
Alays rugged, bold and free,
Sing with ever swelling chorus:
Montani. Semper. Liberi!

Always free! The little streamlets,
As they glide and race along,
Join their music to the anthem
And the zephyrs swell the song.

Always free! The mountain torrent
In its haste to reach the sea,
Shouts its challenges to the hillsides
And the echo answers "FREE!"

Always free! Repeats the river
In a deeper, fuller tone
And the West wind in the treetops
Adds a chorus all its own.

Aways Free! The crashing thunder,
Madly flung from hill to hill,
In a wild reverberation
Makes our hearts with rapture fill.

Always free! The Bob White whistles
And the whippoorwill replies,
Always free! The robin twitters
As the sunset gilds the skies.

Perched upon the tallest timber,
Far above the sheltered lea,
There the eagle screams defiance
To a hostile world: "I'm free!"

And two million happy people,
Hearts attuned in holy glee,
Add the hallelujah chorus:
"Mountaineers are always free!"

It is that time of year again.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CORNYN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, my remarks I am going to give now on health care and the health care system in America will not be as filled with rhapsody and melodic utterances as what we have heard from the distinguished Senator from West Virginia.

I noticed all the pages, I say to my friend from West Virginia, listening raptly to the Senator's comments. I can understand why. There is no one who can express himself or herself in such vivid terms, in such a vivid way that brings to life his beloved State of West Virginia, his youth, and his experiences. No one can do it and paint the picture with such clarity and color and meaning as the Senator from West Virginia.

Mr. BYRD. Will the Senator yield?

Mr. HARKIN. I would be delighted to, my mentor and my good friend from West Virginia.

Mr. BYRD. Mr. President, I thank the distinguished Senator. His father, I believe, was a coal miner.

Mr. HARKIN. That is right.

Mr. BYRD. You know, the coal miner is a very special breed of man. He goes into the smokey, hot bowels of the Earth to seek comrades who may be still alive. He risks his life for them. I have a special bond with the distinguished Senator through that coal miner background.

I thank him for his words, which were so well spoken, about these young pages. I thank him for what he does for his State. I thank him for what he does for his country. I hope he will have a happy Father's Day on this coming Sunday. I thank the Senator.

Mr. HARKIN. I thank the Senator from West Virginia for those very kind words. I, too, wish him the happiest of Father's Days this week. I will be privileged to have at least one of my children home, and my wife. The other one will not be there, but I am sure we will be connected by telephone and talking on Father's Day.

The Senator from West Virginia has taken great pride in his family. We have shared in the past some of the tragedies that have happened to the Senator from West Virginia in his own family. I know how deeply the Senator from West Virginia feels about family and what family means to Americans in this country.

Through the example of the Senator from West Virginia, through his example of public service, I say to the young pages, through his example of public service through his entire lifetime, through his service to his State but most importantly to his wife Erma and his family, that is the example we all need to follow. It is a great example.

I thank the Senator.

HELP AMERICA ACT

Mr. HARKIN. Mr. President, for more than a decade I have spoken out about the need to fundamentally reorient our approach to health care in America, to reorient it toward prevention and wellness and self-care.

I don't think too many people would argue with the statement, if you get sick, the best place to get the needed care is here in America. We have the best trained, highest skilled health professionals in the world. In fact, I have one here with me on my staff who is joining me in the Senate today.

We have great health professionals and cutting edge, state-of-the-art technology.

Just a few weeks ago, because of a recurring back problem I have, I had an open MRI. I never liked going into those MRI machines. Now we have one that is open. Great technology. Great technology.

We have world-class health care facilities and research institutions. But when it comes to helping people stay healthy and stay out of the hospital—and prevent illness—we in America fall short.

In the U.S., we spend in excess of $1.8 trillion a year on health care. Fully 75 percent of that total is accounted for by chronic diseases, such as heart disease, cancer, diabetes. What these diseases have in common is that in so many cases they are preventable.

In the United States, we fail to make an upfront investment in prevention, so we end up spending hundreds of billions on hospitalization, treatment, and disability.

Well, this is foolish, and, clearly, it is unsustainable. In fact, I have long said that we do not have a health care system in America, we have a "sick care" system. If you are sick, you get care, but there is nothing there that will give you incentives and promotions to stay healthy in the first place.

This "sick care" system is costing us dearly in terms of health care costs, chronic illness, and premature deaths. Consider the cost of major chronic diseases, diseases, as I have said, that are so often preventable.

I will have a series of charts today. The first one is a chart from the 2001 Surgeon General's report. It points out that obesity cost the United States $117 billion in public health costs in 2000. Obesity—$117 billion in just 1 year. And it is getting worse.

Other things: cardiovascular disease, about a $352 billion cost per year; for diabetes, about $132 billion per year; for smoking, a more than $75 billion cost per year; for mental illness, about $150 billion a year it is costing our society. Indeed, major depression is the leading cause of disability in the United States.

Now, if I bought a new car, and I drove it off the lot, and I never maintained it, I never checked the oil, never checked the transmission fluid, never got it tuned up, you would think I was crazy, not to mention grossly irresponsible. The commonsense principle with an automobile is this: You pay a little now to keep the car maintained or you are going to pay a whole lot later when it breaks down.

Well, it is the same with our national health care system. Right now our health care system is in a downward spiral. We are not paying a little now. We are not doing the preventive maintenance. So we are paying a whole lot later. And guess what. It is breaking down.

For example, we are failing to address the Nation's obesity epidemic. I have some charts that will show just what has happened in the United

States in the last few years. This is a chart that shows what the incidence of obesity was in the United States in 1990. As you will see, some States had less than 10-percent obesity. No State exceeded 15 percent, and most of the States fell between 10 to 14 percent of the population being obese. That was in 1990. So keep that in mind. Nowhere in America did we exceed 15 percent. And some States were less than 10 percent. That was 1990.

Now here we are in 2002. This is the real shocker. By 2002, the majority of our States were over 20 percent. A few States were over 25 percent. One in four of the individuals in these States is obese. No State now is less than 10 to 14 percent. And this all happened in 12 years.

Actually, the story is even worse. The data on these charts is based on—guess what—self-reported weight, which tends to be significantly underestimated. So as catastrophic as this chart looks—and it is—it is even worse because it understates the extent of the obesity epidemic.

If you use recorded data rather than self-reported information, these rates are much higher. In fact, using this more scientific approach, we learn that almost two out of every three Americans are either overweight or obese. Today, 65 percent of our population falls in that category. The Centers for Disease Control and Prevention recently warned that poor nutrition and physical inactivity could soon overtake smoking as the No. 1 cause of death in the United States. So let's make no mistake, this is a major public health crisis.

Now, a lot of times people say: Well, that is all well and good, but these are individuals. That is an individual choice—an individual choice. Well, I understand that, except when these individual choices lead to more hospital utilization—when these individual choices lead to higher insurance costs for the rest of our population, when these individual choices lead to prolonged chronic illnesses—then we have a public health crisis. And if you have a public health crisis, then it is time for those of us in government to look at what we can do to help change this course.

Another contributing factor to our health care crisis is tobacco. We do not hear as much about the dangers of tobacco use today as we used to. There is a perception that we have turned the corner, that we have done all we need to do. But that perception is not accurate. In 2002, 61 million Americans regularly smoked cigarettes. That is 26 percent of our population. What that means is, after decades of education and efforts to stop tobacco use, more than one in four Americans are still addicted to nicotine and smoking.

Mental health is another enormous challenge we are grossly neglecting. Mental health and chronic disease are intertwined, and they can trigger one another. It is about time we stopped separating the mind and the body when we discuss health. Prevention and mental health promotion programs should be integrated into our schools, workplaces, and communities along with physical health screenings and education. Surely, at the outset of the 21st century, it is time to move beyond the lingering shame and stigma that often attends mental health illness.

Fully 70 percent of all of the deaths in the U.S. are now linked to chronic conditions, such as heart disease, cancer, and diabetes. In so many cases, these chronic diseases are caused by poor nutrition, physical inactivity, tobacco use, and untreated mental illness.

Again, this is unacceptable to us as a society. So after many months of meetings, discussions with Iowans, discussions with experts around the Nation, and thanks to the help of my great staff, I will shortly be introducing comprehensive legislation designed to transform America's "sick care" system into a true health care system, one that emphasizes prevention and health promotion.

This bill, which I have here, which is a comprehensive bill, is one that will help promote healthy lifestyles and prevention to help us keep from getting sick in the first place. I will have more to say about that in a couple minutes. But I am calling this bill the HELP America Act—HELP being an acronym for Healthy Lifestyles and Prevention.

The aim of this bill is to give individuals and communities, schools and workplaces, the information and the tools and the incentives they need to take charge of their own health and to prevent illness because if we are serious about getting control of health care costs and health insurance premiums, then we must give people access to preventive care. We must give people the tools they need to stay healthy and stay out of the hospital.

This will take a sustained commitment from government, schools, communities, employers, health officials, insurance companies, and, yes, tobacco and food industries. But a sustained effort can have a huge payoff for individuals and families, for employers, for society, for government budgets, and the economy at large.

As I said, the HELP America Act is comprehensive legislation. It is a multifaceted bill. But this afternoon I would like to outline the bill's major elements. The first title and the first component of the bill addresses healthy kids in schools.

Prevention and the development of healthy habits and lifestyles must begin in the early years with our children. Unfortunately, today, we are heading our kids in the wrong direction. More and more kids all across America are suffering from poor nutrition, physical inactivity, mental health issues, and tobacco use.

For example, just since the 1980s, the rates of obesity have doubled in children and tripled in teens.

Even more alarming is the fact that a growing number of children are experiencing what used to be thought of as primarily adult health problems. What I mean by that is almost two-thirds or 60 percent of overweight children have at least one cardiovascular disease risk factor. We know that the onset of diabetes is happening at even earlier and earlier ages.

Recent studies have shown that increasing weight, greater salt consumption from fast foods, and poor eating habits have contributed to a rise in blood pressure, higher cholesterol levels, and a shockingly rapid increase in adult onset diabetes happening in our kids.

The HELP America Act will more than double funding for the successful PEP program, Physical Education Program, which promotes health and physical education programs in our public schools.

I find it disturbing that more than one-third of youngsters in grades 9 through 12 do not regularly engage in adequate physical activity. More and more of our elementary school kids have no recess. They have no time during the day to engage in any kind of physical activity. This is a shame because studies show that regular physical activity not only improves health but boosts self-esteem.

For example, I heard from a Mr. Rick Schupbach, who is the physical education teacher at Grundy Center High School in Iowa. His school was recognized as a premier model school for physical education by the PE for Life national organization. Just this week I met with Lois Boeyink, the national elementary school PE teacher of the year from Iowa. As they pointed out, there are dozens of innovative programs and activities that can help kids become more physically active, but these programs are languishing for lack of funding and support.

The HELP America Act will also expand the fruit and vegetable program. These are basically the elements of title I of the bill. It promotes physical activity, doubling the PEP grants, getting down into our elementary schools to get kids to be more active, and to get school boards and principals thinking about incorporating into the school day some physical activity for the kids. To me that is just as important as learning a course or spending time studying during the day. They need some time for physical activity.

It also expands the food and vegetable program, which we started a couple of years ago, to provide free fresh fruits and vegetables in public schools.

Right now that is happening in four States, about 100 schools, a couple of Indian reservations. It has been a tremendous success. What we have shown is that if you provide free fresh fruits and vegetables to kids in school, they will eat fresh fruits and vegetables, and they won't be going to the vending machines. They won't be eating potato chips and candy and snack foods. And they are getting healthier. Every place we have had the fresh fruit and vegetable program, it has been a tremendous success. The only problem is, we only have it in 100 schools. We need to expand it. That is what this bill will do.

The bill would also give schools incentives to create healthier environments, including goals for nutrition, education, physical activity, and to give grants to schools to get them to change their settings, to change their curriculum, that type of thing, to give more nutrition and activity in the schools.

Lastly, we would provide a grant program to provide mental health screenings and mental health prevention programs in schools, along with training for school staff to help them recognize children exhibiting early warning signs. It will improve access to mental health services for students and their families.

This is a comprehensive bill. We wanted to address wellness in everything from kids early on, through schools, workplaces, communities, the elderly, through Medicare. This is comprehensive.

The second part is healthier communities and workplaces. For example, the bill aims to create a healthier workforce by providing tax credits to businesses that offer wellness programs and health club memberships. Studies show that on average, every dollar that is invested in workplace wellness returns $3 in savings on health costs, absences from work, and so on.

I note for the record that the present occupant of the chair, the distinguished Senator from Texas, is a strong supporter and sponsor of what we call the WHIP bill. I was glad to join him as a cosponsor of that bill to promote employer wellness incentives. The Senator from Texas is right on the mark because right now there really are not any incentives out there. For example, if you work for a business—let's say it is a small business. They can't really put a wellness center in, but let's say their employees wanted to join a health club, a wellness center. The business could pay for that and have that as an expensable item, deductible, expensable item, and at the same time it would not be a taxable benefit to the employee. That is the WHIP bill. I thank the Senator from Texas for his great leadership. I hope the Senator does not mind that we have also included that in this bill. Whichever way, whether it is standalone or whatever, I say to my friend from Texas, he is right on the mark. I thank him for his leadership in this area.

We had a lot of hearings and field hearings. I heard from Mr. Lynn Olson, CEO of the Ottumwa, Iowa Regional Health Center. This center offers a comprehensive wellness program for its employees, including reduced health insurance premiums for those employees who meet individual health goals. The center has seen tremendous savings from their investment in health promotion.

My bill also goes beyond just the workplace. It creates a grant program for communities to be involved in promoting healthier lifestyles. For example, we want to support efforts such as those going on in two places in Iowa: Webster County and Mason City, where they have mall walking programs, basically for the elderly but, quite frankly, a lot of other people are joining in. Of course in Iowa, where you don't walk too much outside in the wintertime it is so cold, they have mall walking programs, and they have it set out for quarter-mile, one-half-mile, one-mile walks around the malls. The owners of the malls have been very helpful and supportive. But we need to expand it, and we need to expand it into communitywide initiatives to promote wellness.

At the same time our bill also provides new incentives for the construction of bike paths and sidewalks to encourage more physical activity, especially walking. It is shocking to this Senator, who grew up in a small community—sidewalks were a part of life; you always had a sidewalk; I walked to school every day on the sidewalk—new subdivisions and housing developments are being built without sidewalks. Right away that discourages you from walking.

Roughly one-quarter of walking trips today take place on roads without sidewalks or shoulders. Bike lanes are available for only about 5 percent of bike trips. I saw some figures the other day about how fewer kids today ride bikes than they did just 20 years ago. I assume some of that is attributable to video games and surfing the Net, and watching TV. I understand that. But might not some of it also be attributable to the fact that there are really not too many places to ride bikes.

I can tell you that as a father of two daughters who rode bicycles, we were fortunate that we lived on a small cul-de-sac where you would ride around without traffic. We also, fortunately, lived in a neighborhood with sidewalks, so they could ride their bikes on the sidewalks.

If I were a parent with young children riding a bike today and I lived on a street and I didn't have sidewalks, I am not certain I would want my kids riding those bikes out on the streets. So we are discouraging young people from biking and discouraging adults from biking.

Lastly, as many colleagues know, I have been a longstanding advocate for the rights of people with disabilities. So I have given special attention to programs and activities to include people with disabilities. I just mentioned the bills and incentives to create bike lanes and sidewalks. This will make a difference to people with disabilities, who are often forced to travel in streets alongside cars because there are no sidewalks available for people using wheelchairs.

The Centers for Disease Control funded a program called Living Well With a Disability, which has actually decreased secondary conditions among people who have a disability, and it has led to improved health for participants. The program is an eight-session workshop that teaches individuals with disabilities how to change their nutrition and level of physical activity. The program not only increases healthy activities for people with disabilities, but has also led—get this—to a 10-percent decline in the cost for medical services, particularly emergency room care and hospital stays.

In addition, my bill includes a Working Well With a Disability Program, which will build partnerships between employers and vocational rehabilitation offices, with the aim of developing wellness programs in the workplace.

Moving on to the next title of the bill, which is responsible marketing and consumer awareness, basically, that has two major components. It has to do with menu labeling in restaurants and protecting our kids from unfair junk food advertising. Having accurate, readily available information about the nutritional value of the foods we eat is the first step toward improving our overall nutrition. Unfortunately, because of all the gimmicks and hype that marketers use to entice us to buy their products, determining the nutritional value of the foods we buy can be problematic, especially for kids.

I will refer to this chart again. Here we have counting books for kids, by which kids get to learn how to count. We have the Oreo Cookie counting books, where they can count up to 10 Oreo Cookies. This is the Cheerios counting book, the Fruitloops counting book, and the Goldfish counting book. Here is another Goldfish book. This is the M&Ms counting book. So you can teach little kids to count by counting Oreo Cookies, Fruitloops, M&Ms, or Goldfish—all not good nutritional value for our kids.

Why don't we have a peaches and pears counting book? Why don't we have a carrots and broccoli counting book? Why don't we have fruits and vegetables counting books? Why is it always sugar or things that are high in fat, high in sodium? Well, you can see what happens. The kids absorb this as they go along. It is because we don't have incentives for anybody to put out a pear counting book, an apple counting book, or a carrot counting book. These people have incentives: They make money. They get that brand identification out to the kids and parents early on. I can see this little kid doing the M&M counting book, and they learn to count to 10. When they go to the store with mom or dad and go down that aisle and they see that package of M&Ms, that is what they want because they recognize it from their counting book. So we need to get away from the gimmicks and hype. That is what that is.

Now, there is another chart I wanted to show. This is what I am talking about—putting nutrition labeling in restaurant menus. These are called cheese fries. This is actually something you can get in a restaurant not too far from the Capitol. Actually, it is ordered as a side plate. You can order a hamburger or cheeseburger and order cheese fries on the side. One serving of cheese fries has 3,010 calories, which is 1½ days worth of total calories. But you would never know it when you order it. You would have no idea how many calories are there.

A few weeks ago, I suggested that we have a mandate that restaurants—chain restaurants—put on their menu how much fat, transfat, calories, and sodium is in each entree. The National Restaurant Association sort of went into orbit, saying, we cannot do that; it is going to cost too much money; you don't understand, they change menus a lot; you would have to reprint them every time; it would be too burdensome, and on and on.

Well, about 1 week after the National Restaurant Association came out blasting my approach, one chain, called Ruby Tuesday's, decided on their own that they were going to print that exact information for every entree on their menu. You can go to any Ruby Tuesday's right now, pick up the menu, and for every entree, you can see total fat, transfats, calories, and sodium. If Ruby Tuesday's can do it, anybody can do it. People can now look at their menu and decide, armed with that information, if they want to have something that is high in fat. They might say, maybe I ought to cut back a little here. Maybe I don't want to order the cheese fries today. By the way, it is not Ruby Tuesday's that carries the cheese fries. That way, customers can make a more informed choice. That is what we are calling responsible marketing and consumer awareness. It has to do with menus and labeling in restaurants. More and more people are eating out, Mr. President. They really don't have the knowledge.

We also know that advertising to kids is getting worse. It is estimated that junk food marketers alone spent $15 billion in 2002 advertising to kids. As I said, they are not advertising broccoli and apples; they are advertising items that are high in sugar, salt, fat, and calories.

Here is a chart. Look at this on the left of the chart. This is the USDA Food Guide Pyramid. This is what you eat for a healthy lifestyle. Here is bread, cereal, rice and pasta, vegetables, fruits, milk, cheese, yogurt, meat, and beans, and nuts. Last would be fats, oils, and sweets. That is the USDA food chart.

Look at a typical Saturday morning advertising choices for our kids. This is what they get: Fifty percent of every ad they see is for something that has fats, oils, and sweets in it—things they should not be eating. They are advertising only 4.5 percent for milk, cheese, and yogurt; 1.8 percent for eggs, dried beans, poultry, fish, and nuts; and about 43 percent for bread, cereal, rice, and pasta. Usually, they are sugar-laden cereals. There is not one ad for vegetables or fruits—not one. So when kids see these ads, they think that is what they are supposed to eat. When they don't see anything advertising vegetables and fruits, they think that is not to be eaten. So that is why children under 8 years of age don't always have the ability to distinguish fact from fiction.

We know the number of TV ads kids see over the course of their childhood has doubled, from 20,000 to 40,000. The sad fact is and what few people know is that back in the 1970s—1978, if I am not mistaken—the FTC recommended banning TV advertising to kids.

What did Congress do? Why, Congress went into orbit. What? We can't ban TV advertising to kids. So we basically took away their authority to do that. We made it harder for the FTC. Right now it is harder for the Federal Trade Commission to regulate advertising for kids than for adults. You probably think I made a mistake in what I just said. I didn't make a mistake. What I said is, it is harder right now for the Federal Trade Commission to regulate advertising for kids than it is to regulate advertising for adults, and that happened after 1978.

It is time to change that, and my bill will restore the authority of the Federal Trade Commission to regulate marketing to kids, just as they do for adults, and it encourages them to do so.

The fourth component of my bill, the HELP America Act, addresses reimbursements for prevention services. Right now, our medical system is set up to pay doctors to perform a $20,000 gastric bypass instead of offering advice on how to avoid such risky procedures in the beginning.

My bill will reimburse and reward health care professionals for practicing prevention and screenings. It will expand Medicare coverage to pay for counseling on nutrition and physical activity, mental health screenings, and smoking cessation programs for the elderly.

Time and again—and I am sure the present occupant of the chair has seen it in his own State—if you go to, let's say, a senior citizens center where they have an active program for wellness, where they have physical exercise, where they have nutrition counseling, mental health counseling, getting elderly people who have been smoking all their life off tobacco, you will find those elderly people use less hospital care services, they go to the hospital less; they go to the doctor less than elderly people who either do not go to a senior citizens center or go to a senior citizens center where they simply sit around and play cards. We know that. We need to expand Medicare coverage to pay for that kind of physical activity, mental health screenings, and smoking cessation programs.

Does it cost money? You bet. But think of the money we are going to save in the long run. Again, I get back to my car. If you bought a new car and drove it home, and you never changed the oil, you never changed the transmission fluid, you never had it tuned up, and you just drove it until the engine seized up because it ran out of oil, yes, you can go down and put a new engine in it. I think that will cost you a lot more than if you just change the oil periodically and gave it a tuneup periodically. That is what we are talking about here. We are doing the same thing.

Finally, let me point out that the HELP America Act will be funded by creating a new national health promotion trust fund paid for through a penalty on tobacco companies that fail to cut smoking rates among children, and also by ending the taxpayer subsidy of tobacco advertising and closing a few other tax loopholes.

I want to mention the subsidy of tobacco advertising. We see a lot of ads for tobacco. That is a tax-deductible expense for tobacco companies. Billions of dollars every year are spent advertising tobacco. Everything from the Marlboro Man to Kool Lights—we see them all the time; I cannot remember them all—all paid for by a tax deduction.

I am not saying that a tobacco company cannot advertise tobacco. It is still legal to buy it. They have the right to advertise it, but they do not have any constitutional right to get a tax deduction for it.

A lot of people say to me: Senator HARKIN, you want to take away their constitutional right to advertise.

I said: No, I do not. It is free speech. It is a legal product. So far it is legal. They can advertise it, but there is no constitutional right for a tax deduction for them to advertise tobacco, and I think it is time that we remove that and put that savings into a health promotion trust fund.

It is time for the Congress to lead America in a new direction. We need a new health care paradigm, a prevention paradigm.

As I said in the beginning, some will argue avoiding obesity and preventable disease is strictly a matter of personal responsibility. We all agree individuals should act responsibly, and I am all for personal responsibility. But when something reaches the proportions that we have today where it is a public health crisis, where it is impacting every single American and the insurance we have to pay for our own health insurance, where it is clogging up our hospitals with people who are in for chronic illnesses and diseases, where it is costing more and more on Medicare, which we subsidize, or Medicaid, then it is time for the Government to act responsibly.

We have a responsibility, at a minimum, to ensure that people have the information, the tools, the incentives, and the support they need to take charge of their own health. That is what the HELP America Act is all about.

Again, the description I have just given of this quite comprehensive bill is just scratching the surface. I obviously did not go into all the parts of it. I do not want to take any more time here today. But the HELP America Act is a comprehensive bill addressing health promotion, illness prevention, physical activity, everything from early childhood to late adulthood, everything from schools to communities to workplaces to government.

I know it probably will not pass right away, but I hope this becomes a part of our national debate. This is a political year. Fortunately, I am not running. Fortunately, the Senator from Texas is not running. Obviously, there are a lot of people out there running for political office this year, and there will be a lot of talk about health care and how we are going to do Medicare and how we do Medicaid and how we do the health insurance crisis and prescription drugs, and all this is going to be talked about.

It is time for our Presidential candidates on both sides to begin talking about keeping people healthy, preventing illness, and what do we need to do to change this paradigm from a sick care system to a health care system. We need that public debate because I believe the American people want that shift. They want to be healthier. They want to eat better. They want to have a healthier lifestyle. But it just seems as if everything in our country is tilted against that healthier lifestyle.

When you do not have a sidewalk on which to walk, when you do not have a bike path on which to ride your bike, when kids in school have no physical activity whatsoever, when kids in school have junk food shoved at them in vending machines up and down one aisle and another, when kids at the earliest age watch their Saturday morning TV shows and all they see is candy, sugar, and fats pushed at them, when our workplaces have no incentives to provide wellness to their employees, when the elderly get Medicare and if they get sick, right to the hospital, right to a doctor, Medicare pays; thank God for Medicare. But shouldn't Medicare also be trying to keep them healthy in the first place?

People want this. The American public wants this kind of support. They want this paradigm shift to lead healthier lifestyles.

It is time for us to get on with this business of doing so.

In closing, it is time to heed the golden rule of holes, which says, when you are in a hole, stop digging. Well, we have dug one whopper of a hole in our health care system by only addressing illness and by failing to emphasize prevention and wellness. It is time to stop digging that hole. It is time to commit ourselves to healthier lifestyles and changing the incentive structure, changing this paradigm that we have in this country, a paradigm shift from a sick care system to a health care system.

I thank the indulgence of the occupant of the chair for giving me this time on a Friday afternoon.

Mr. HARKIN. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. DOLE). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCONNELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WORLD REFUGEE DAY 2004

Mr. BROWNBACK. Madam President, from the central highlands of Vietnam to the Darfur region of Sudan, and from the Tumen river dividing North Korea and China to the roof of the world in Bhutan and Nepal, nearly 12 million people worldwide are refugees. Sunday, June 20, 2004 is World Refugee Day. This week, at events both in Washington and around the world, policymakers, advocates and concerned individuals will direct our attention to the plight of those who seek safety from persecution in their homelands.

Refugees face the most difficult of circumstances. Their stories of escape from persecution are more dramatic than anything Hollywood could script and often too horrific for most of us to imagine. Stories of unspeakable brutality, long journeys, and family separation are not the exception but the rule. Often, refugees are alive only because of a faith in God and an unshakeable will to survive.

Tragically, however, the plight of a refugee does not end with escape from persecution. Refugees frequently have nothing but their lives to bring into a new country. Most refugees would love to return to their homelands, but this is often impossible. Absent a dramatic change in conditions at home, refugees have few choices.

I am proud that the United States leads the world in one of those choices: refugee resettlement. From its founding, America has been the dream destination for the world's oppressed peoples, and that dream endures today. I want to applaud the determination of the State Department to resettle as many as 50,000 refugees this year—a significant increase over recent annual totals. I look forward to working with the State Department for the rest of this year and into the next, to return our refugee resettlement program to its historical averages and preserve America's commitment to the world's most vulnerable people.

Some might say "Why should we bother?" Some might ask why the United States should play such a role. But such questions are ultimately short-sighted. America's principles are never better upheld than when we assist the oppressed. American's image is nowhere better polished than in the minds of refugees who receive our assistance. And no, the United States cannot solve every refugee problem, so it should be clear that America's interests are well-served by setting an example for the rest of the world to follow.

There is much work to be done. Hundreds of thousands of refugees are fleeing the Darfur region of Sudan. They stream into Chad bringing nothing with them and finding little across the border. Within a few months, the region has become the world's most acute humanitarian crisis. The United States has already directed millions of dollars in emergency funds to this region, and as we find additional ways to respond, I hope the international community will commit itself to assisting these refugees.

In similar fashion, I hope that the international community will not allow discussions of nuclear weapons to obscure the plight of thousands of North Koreans who have fled into northeast China. Not only are they living testimonies to the brutality of the regime of Kim Jong-il, they remind us that sometimes refugees are forced to trade one set of horrors for another. China must stop forcibly repatriating North Koreans and should allow the international community to provide assistance to these people.

In other parts of the world, refugees find safe haven in camps where they await a change of conditions at home or some other long-term resolution of their exiled status. While camps are intended to be way stations, however, they too often become warehouses. Seven million of the world's 12 million refugees have lived in camps or segregated settlements for more than 10 years. Think of that: seven million people who have each forfeited a decade of human potential. The international community never intended that it be this way. The 1951 Convention Relating to the Status of Refugees and its 1967 Protocol—signed by the United States—give refugees the right to be recognized before the law, to move freely, to earn a living, and to own property. But in many cases, these rights are not respected and the loss of human potential endures.

There are no easy solutions to the warehousing problem, but such treatment is unacceptable. I hope that as we respond to the Darfur situation and others around the world, the State Department and other members of the international community will take steps to ensure that refugees who receive our emergency assistance today will gain opportunities for self-sufficiency tomorrow.

Unfortunately, as long as there is conflict, there will be refugees. But strong United States responses to these humanitarian crises mean more than a dollar figure in the budget. When the United States emphasizes refugee assistance and refugees, it demonstrates a commitment for other nations to emulate. Truly global responses to refugee crises begin here with America's strong, compassionate leadership.

As we mark World Refugee Day 2004 this Sunday, I look forward to extending that leadership in the days ahead, and I hope my colleagues will join me in working on this crucial part of our foreign and humanitarian policy.

IN RECOGNITION OF THE JUNETEENTH FESTIVAL CELEBRATION

Mr. LEVIN. Madam President, this week people all across the Nation are engaging in the oldest known celebration of the ending of slavery. It was in June of 1865, that the Union soldiers landed in Galveston, TX with the news that the war had ended and that slavery finally had come to an end in the United States. This was 2½ years after the Emancipation Proclamation, which had become official January 1, 1863. This week and specifically on June 19, we celebrate what is known as "Juneteenth Independence Day." It was on this date, June 19, that slaves in the Southwest finally learned of the end of slavery. Although passage of the Thirteenth Amendment in January 1863, legally abolished slavery, many African Americans remained in servitude due to the slow dissemination of this news across the country.

In recognition of Juneteenth, I would like to call my colleagues' attention the Juneteenth Creative Cultural Center and Museum founded in Saginaw, MI by Lula Briggs Galloway on June 19, 2003. The Juneteenth Creative Cultural Center & Museum will be celebrating its first year anniversary with the Juneteenth Independence Day Celebration on Saturday, June 19, 2004, hosted by its founder and volunteers. They are proud to present the "Tuskegee Airmen" and the "Triple Nickles" who will be performing as part of the Juneteenth Independence Day Celebration.

Many years before "black pride" became a popular slogan, a small group of black soldiers gave life and meaning to those words. This is their story. Born within an army that had traditionally relegated blacks to menial jobs and programmed them for failure, the 555th Parachute Infantry Battalion, or "Triple Nickles" Succeeded in becoming the Nation's first all-black parachute infantry test platoon, company, and battalion.

The Tuskegee Airmen, a black Army Air Force unit, were dedicated, determined young men who enlisted to become America's first black military airmen, at a time when there were many people who thought that black men lacked intelligence, skill, and courage to become pilots. Although the Tuskegee Airmen flew more than 15,000 combat missions, once home, they had to give up their seats on the bus to Nazi prisoners of war who were being transferred to holding camps.

Since that time, men like Chuck Simms Sr., John Weldon, and Toney Muzon, have continued the legacy for the Triple Nickles and the Tuskegee Airmen. This celebration will honor them, and their fellow soldiers and airmen, who have since passed away.

The Triple Nickles' and the Tuskegee Airmen's families can be proud of their dedication to their country, and their great commitment to honor the values and principles of democracy and freedom. We as a nation have benefitted from the extraordinary contributions—and sacrifices—of these veterans who bravely went off to war, despite turmoil and racism at home.

I am sure that my Senate colleagues join me in recognizing and honoring the Juneteenth Creative Cultural Center and Museum's first year anniversary, and the Juneteenth Independence Day Celebration honoring the Triple Nickles and Tuskegee Airmen veterans.

LOCAL LAW ENFORCEMENT ACT OF 2003

Mr. SMITH. Madam President, I rise today to speak about the need for hate crimes legislation. On May 1, 2003, Senator KENNEDY and I introduced the Local Law Enforcement Enhancement Act, a bill that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society.

On January 14, 1999, in El Dorado, CA, Thomas Gary, 38, died after being run over by a truck and shot with a shot gun. The assailant claimed that Gary had made a pass at him.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

NATIONAL DAIRY EQUITY ACT

Ms. SNOWE. Madam President, I support the legislation introduced by my colleagues Senator SPECTER and Senator SCHUMER, the National Dairy Equity Act. I am pleased to be an original cosponsor of this bill. This introduction is well timed as this month we are celebrating National Dairy Month and the positive aspects that eating dairy products have on our health. From calcium to potassium, dairy products contain essential nutrients that help to manage weight, reduce the risk for high blood pressure, osteoporosis and certain cancers, among other health benefits.

In fact, each year 7 billion gallons of fluid milk are marketed in the United States, yielding about $22 billion in annual sales. However, the growing price spread between what the farmer receives and what the retail price is don't equal out. This is a concern to me.

I applaud the sponsors of this legislation, Senators SPECTER and SCHUMER, for their hard work and commitment to the cause of bringing equity into the dairy industry. It should be noted that MILC replaced the very successful Northeast Dairy Compact during the reauthorization of the 2002 Farm bill. I fought very hard to reauthorize the Northeast Dairy Compact at that time because the Northeast Dairy Compact was not structured around payments from the government like the new MILC program. I ultimately voted for MILC because it was the best alternative to the Northeast Dairy Compact. I commend the resolve of Senators SPECTER and SCHUMER to craft a solution that is fair to farmers in all regions of the United States as their efforts have been nothing short of extraordinary.

The National Dairy Equity Act is a win-win proposal that lends dairy farmers a hand, without tapping into the federal treasury. Price volatility in the milk market, coupled with growing production costs, has made it difficult for family dairy farmers to stay in business. The National Dairy Equity Act will work for both the people and the dairy farmers of New England as well as other parts of the United States by providing dairy farmers with a safety net and by helping to maintain a stable price for fluid milk. This legislation will also help to preserve a New England way of life. The legislation gives states the ability to work closely together to price milk in their own areas, giving states the power to determine fair prices. Of the milk sold in New England, a vast majority—more than 85 percent—is produced from herds in the New England area.

The National Dairy Equity Act allows farmers in each of the five Regional Diary Marketing Areas, RDMAs, to establish minimum prices for Class I, fluid, milk based on the federal pricing structure. Under the bill, the Governor of each state, in consultation with producers and dairy industry representatives, nominates three members to the regional board. Participation by farmers and—importantly—participation by consumers is required. This regional approach effectively balances the needs of consumers and producers, while ensuring a healthier dairy industry in the future.

The Regional Dairy Marketing Boards also have the authority to conduct effective supply management for their region, including the use of traditional and creative development and implementation of incentive-based supply management programs. To protect against overproduction, regions in which the growth in milk production is higher than the national average will be required to reimburse the Secretary of the Treasury for the cost of government dairy surplus purchases up to the amount that the region is receiving under the NDEA. This system of checks and balances protects against any overproduction.

While the Northeast, Southern, and Upper Midwest regions are automatically considered as participating states, the National Dairy Equity Act has a mechanism for any State to opt into or out of the program. I consider this to be a strong provision in the bill precisely because it allows states to choose the option that is best for them. States that choose not to participate are eligible to participate in the current federal MILC program through September 2005. Individual farmers in states that opt for the MILC program can choose to continue receiving payments through the MILC contract until that legislation expires in September 2005. This legislation has been constructed to give flexibility and certainty to family dairy farmers.

Further, the costs of operating the Regional Dairy Marketing Boards are borne entirely by those participating in the dairy industry in each of the respective regions, at no expense to the federal government. In addition, the Regional Dairy Marketing Boards provide environmental benefits through preservation of dwindling agricultural land and open spaces that help to combat the growing problem of urban sprawl, particularly near large cities, but which is starting to affect more rural areas as well.

The National Dairy Equity Act provides farmers with the safety net they need to continue providing the resources for the myriad of dairy products we rely on to meet our health needs. I urge my colleagues to take this opportunity, during National Dairy Month to celebrate this creative policy solution presented by Senators SPECTER and SCHUMER that brings equity to dairy industry and could save the Federal treasury billions of dollars. This legislation is supported by the Maine Dairy Industry Association.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAINE DAIRY INDUSTRY ASSOCIATION,
Augusta, ME, June 15, 2004.

Senator OLYMPIA J. SNOWE,
U.S. Senate, Washington, DC.

DEAR SENATOR SNOWE: On behalf of the 392 dairy farmers operating small businesses in Maine, I thank you for your support of the effort to create regionally flexibility in dairy pricing through your sponsorship of the National Dairy Equity Act. You have consistently been a strong advocate for Maine dairy and all of Maine agriculture and we are proud of your steady leadership in Congress.

Dairy farming is a difficult profession. The cows work 365 days a year regardless holidays, weekends or illness. The weather cannot be made to order. And farmers have very little to say about what they will get paid for their milk, regardless of the quality, quantity or freshness. In spite of these challenges, Maine has a strong dairy farming tradition and our farmers are proud to produce over 50 million gallons of milk (605 million pounds) every year to Maine consumers. Milk is a bulky, perishable product. When it is processed it can be made into products that have a longer shelf life. But fresh fluid milk has many more limitations.

The USDA Federal Order system was put in place in the 1930s to stabilize the price of milk and help the farmers get a fair price for their product. Over the years, this program has been tweaked and twisted in directions that no longer achieve its original aim. Over the years the national demographic profile of dairy farms has changed from small family farms with local creameries serving small geographic areas to larger farming operations concentrated by region and shipping milk to a few large corporate processors with multiple plant locations. Milk is priced on the commodity market, responding to shifting trends of supply and demand that are measured on a nationwide scale. The farmers are again the Davids in an industry of Goliaths.

Milk pricing is an incredible complex series of market calculations. Simply, when the ration between supply and demand shifts 1–2 percent one way or the other, the price the Federal order sets for the farmer to get paid can shift 20–30 percent. If you mapped out the prices for a year on a chart, it would look more like a blueprint for a roller coaster ride than government-controlled pricing structure. And dairy farmers are only told what price they will be paid for their milk AFTER they have sent it to market. Can you imagine any other business working under these conditions?

In Maine, we are fortunate that our style of dairy farming has vestiges of the old days. Most of our farms are family owned, many supporting multiple generations. The farmers live on the farm in the "homestead." Most farmers can track their milk to the dairy case in their local store. Visitors from states to our south frequently come to Maine to see our green pastures with grazing cows against the backdrop of a white farmhouse and a red barn not only as tourists, but as prospective homeowners and future Maine residents looking to find a simpler, more traditional way of life. In fact, some of the most valuable land for housing developments is adjacent to working farms.

But the size of our farms and the beauty of the landscape are coupled with innovative production techniques and creative marketing efforts. Many farmers have discovered the value of organic production operations and marketing to the organic food niche market. Most dairy farmers have diversified farm operations to include other agricultural products to supplement the dairy operation, such as selling hay or other silage crops, raising replacement dairy animals or a variety of animals for meat and byproducts. And studies have found that 89 percent of Maine dairy farms are operating at 85 percent of higher rates of efficiency, utilizing new techniques and technology.

However, no amount of diversification can make up for low milk prices. Farmers are just coming back from over 25 straight months of record low prices that resulted in a loss of 68 Maine dairy farms (15 percent of the total). The irony is that Maine has fared better than many other states, including most of those in New England, thanks in part to innovative state and regional solutions to help bolster the price to farmers when the Federal Order Price drops.

Maine has long been a leader in finding new and creative solutions to the challenges in agriculture. In dairy, our legacy is in finding ways to allow regional flexibility in a pricing system that clumps farmers from all 50 States into one big commodity category. In the early 1990s, Maine dairy farmers worked with state leaders to create a Vendor Fee system that supported the milk price paid to farmers when the price fell below the cost of production. This became the model for the Northeast Dairy Compact, which successfully operated in the 6 New England states from 1997 until September 2001.

The Vendor Fee, its successor the Maine Dairy Stabilization Act, and the Northeast Dairy Compact all recognized that not all parts of the country can produce milk for the same amount of money. Farmers in the western U.S. can take advantage of federal water subsidies to turn desert into prime grazing land. Some areas have longer growing seasons than others and some are not suited to growing the types of grain and feeds needed for dairy cattle. These three programs utilized their regional marketplace to support the dairy operations that supplied the consumers in that area. Consumers were willing to pay more to ensure a fresh, quality supply of local milk and dairy products. It was a symbiotic relationship.

The National Dairy Equity Act is an attempt to recognize and build on the simple concept begun in the state of Maine—that regional flexibility is necessary when it comes to milk pricing in order to sustain a consistent supply of fresh milk to all our citizens. Our dairy farms are too valuable to our economy and our way of life to risk losing due to rigid, one-size-fits-all policies that have been mutated to protect the consumer and the processor, but do little for the farmer.

Without the dairy farmer, we would not have fresh milk. A robotic cow operating in a mass production plant is not a solution. We need a vibrant, diversified dairy industry peppered throughout this country. Today, we have one in Maine. Passage of the National Dairy Equity Act could mean that we will continue to enjoy quality Maine milk for generations to come.

Thank you again for your support.

Sincerely,

DALE COLE,
Maine Dairy Industry Association.

ADDITIONAL STATEMENTS

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

NATIONAL PEACE ESSAY CONTEST

• Mr. DASCHLE. Mr. President, I am honored today to present to my colleagues in the Senate an essay by Adam Hofer of Rapid City, SD. Adam is a student at St. Thomas More High School, and he has been awarded first place in the annual National Peace Essay Contest for South Dakota. "Rebuilding Societies After Conflict" examines how postconflict states transition to free elections, develop a national constitution, and incorporate demobilized soldiers into society. By using the case studies of Nicaragua and Mozambique, Adam deftly illustrates the importance of all three factors in a nation's transition to peace following civil war. I commend his essay to my colleagues' attention. I ask consent that Adam Hofer's essay be printed in the RECORD.

The material follows.

REBUILDING SOCIETIES AFTER CONFLICT

(By Adam Hofer)

The Greek philosopher Aristotle noted, "It is more difficult to organize peace than to win a war; but the fruits of victory will be lost if the peace is not organized." This idea of organization as central to lasting peace is as applicable today as it was over 2000 years ago. Yet, the question remains as to the *means* by which peace efforts should be organized. In the twentieth century, post-war countries like Nicaragua and Mozambique strove to organize peaceful, reconstructed nations. An analysis of the post-conflict reconstruction methods used in these countries shows that free elections, a national constitution, and the reintegration of demobilized soldiers are necessary conditions that must be incorporated for a post-conflict reconstruction program to achieve the stability and reconciliation necessary for lasting peace.

In Nicaragua, several developments led to the end of almost a decade of civil war between the Sandinista government of Nicaragua and members of the Nicaraguan Resistance known as the Contras. The initial spark to end the violence was a negotiated stalemate between the two factions that occurred because foreign military support to both sides discontinued. The military stalemate gave Nicaragua the opportunity to sign a regional plan for peace in Central America, known as the Arias Plan, in 1987. Apart from bringing a negotiated cease-fire and national reconciliation, the Arias plan also paved the way for the 1989 free national elections in Nicaragua. The national elections resulted in the Sandinista government's losing to Violeta Barrios de Chamorro, the candidate of the opposition party. Led by a leader committed to a democratic government and national reconciliation, Nicaragua had finally stepped out of the Cold War spotlight and was ready to begin its reconstruction process.

The reconstruction process in Nicaragua that began following the recent civil war is still evident in the country today. Years of conflict in Nicaragua had given the country a need for many elements of reconstruction, one being the country's security. Nicaragua acknowledged that the social reintegration of demobilized soldiers was essential to establishing security and beginning reconstruction. With the help of international organizations such as Network for Peace, many former soldiers were successfully reintegrated and became active models of reconciliation and peace for the Nicaraguan society.

Efforts in rebuilding the governance and economy of Nicaragua continue to be key elements in sustaining peace as well. Organizing Nicaragua's government after peace involved the creation of a constitutional democracy. This type of democracy incorporated representation from both sides of the conflict, ensuring that the decisions of the government did not re-ignite the issues from the past conflict. The new government also created the freedom for Nicaragua's economy to begin development. An economic plan "for regional cooperation in trade, financing, investment, and production," as well as the benefit of ongoing foreign assistance generated economic development in Nicaragua. This reorganization of the government and economy has helped the country become more stable and has inclined its citizens towards reconciliation.

It is not by chance that the conflicts of Nicaragua's civil war have not re-ignited; their reconciliation is a direct result of the organized means of post-conflict reconstruction. Nicaragua obtained a national sense of security by organizing the demobilization and reintegration of many soldiers from both the Contra and Sandinista armies. The government, rooted in a national constitution, achieved stability and gave the country a solid foundation for recovery.

Mozambique's successful transition from a warring country to a peaceful nation is comparable to that of Nicaragua. Like Nicaragua, Mozambique experienced an internal conflict, a civil war that was between the Frelimo Government and the Renamo, or National Resistance Movement in Mozambique. Conflict ended in Mozambique in 1992, and the country's efforts of reconstruction continue today.

The opportunity for peace in Mozambique came in 1983 when the president of the ruling Frelimo government accepted the failure of socialism and recognized the need for reform. The government was unable to control a country that had already suffered about one million deaths from civil war. This acceptance eventually led to the enactment of a national constitution in 1992. The constitution "provided for a multi-party political system, market-based economy, and free elections." These elements provided by the national constitution led to peace negotiations between the two factions and the beginnings of governmental and economical reconstruction in Mozambiue.

The "social fabric" and "economic infrastructure" of Mozambique had been greatly disrupted by the 17 years of civil strife. A sense of security in the country was an important and immediate need. The reconstruction began with a United Nations' program for transitioning destructive soldiers into productive citizens. These efforts of reintegration and demobilization were so successful that the demilitarized soldiers were soon helping remove the approximately one million landmines still present from the country's civil war. During the first 5 years following peace, "more than 6.5 billion in international aid flowed into Mozambique * * * most of which went to demilitarization and demining, infrastructure and capacity strengthening, and poverty reduction." These international efforts to rebuild Mozambique's security set the stage for the rest of the country's post-war reconstruction process.

Reconstruction of Mozambique's economy began as the nation became more secure. Since much of Mozambique was drought-stricken and strewn with landmines, the agriculturally based economy relied greatly on international aid at the onset of peace. Fortunately, a more independent economy was soon underway as many landmines were removed, and good rains resulted in Mozambique's first bountiful harvest in years. This economic stabilization was felt throughout the country and encouraged a more suitable environment for reconciliation to occur.

The unique cultural elements of Mozambique also proved helpful in reorganizing and rebuilding the country. Since Mozambique's people had "little history of religious fundamentalism, warlords, or ethnic conflict," the reconstruction efforts faced less resistance. Also, local healers used traditional rituals to emphasize "social precautions for retaining a well functioning society." In these ways, the naturally existing cultural unity of Mozambique helped the citizens to put the past conflicts aside and to focus on rebuilding their country.

The reconstruction efforts that have taken place in Mozambique have been successful in sustaining this country's peace. One significant reason is that most members of the former Renamo guerrilla army have become responsible citizens. This successful reintegration has caused a peaceful attitude to filter throughout the nation and has brought confidence that violence will not re-ignite. The national constitution and developing economy provided Mozambique with stability and promoted national reconciliation, aiding the transition from war to peace.

Evaluating the successful methods used in the reconstruction of Nicaragua and Mozambique reveals the necessary conditions for successful post-conflict reconstruction in any country. Free national elections secure a legitimate governing body and are an essential condition for a stable society. Such elections ensure that citizens are able to choose a leader who reflects their ideals and who can administer with majority support. A national election and an appropriate transfer of power should be organized almost immediately following any conflict.

Another essential condition of post-conflict reconstruction, aimed at achieving a stable society, is the establishment of a national constitution. Representatives from all of the country's territories should cooperate to develop a constitution that addresses the political, economical, and social needs of the country. This diverse representation will guarantee that these elements are unbiased and endow the citizens with their proper rights and responsibilities. Treated justly, the citizens will be more willing to reconcile former conflicts and unite to maintain peace in their country.

The final condition to achieve stability is reconciliation through the reintegration of ex-combatants. The traumas experienced by the soldiers during the conflict must be treated by local or international agencies at the on-set of peace. The ex-combatants, reconciled from the conflict, can become responsible citizens of their society. Upon successful reintegration, the ex-combatants will serve as examples to their communities and cause a contagious effect of reconciliation to permeate the country. This reconciliation, like that in Nicaragua and Mozambique, will prompt former soldiers and citizens from both sides of the conflict to contribute to a reconstruction process that will lead the country toward stability and lasting peace.

Thus, the means of the post-conflict reconstruction used in Nicaragua and Mozambique can serve as examples for other countries trying to reconcile and stabilize to organize lasting peace. Although some aspects of the reconstruction process will be unique to individual post-conflict countries, it is crucial that a reconstruction program incorporate free elections, a national constitution, and the reintegration of demobilized soldiers for the post-conflict efforts to result in a stable society. These elements, integrated into any country's post-conflict reconstruction program, lead to lasting peace and stability because they provide the citizens with justice through a legitimate governing body and the conditions for social, political, and economical reconciliation.

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MESSAGES FROM THE HOUSE

At 12:48 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4520. An act to amend the Internal Revenue Code of 1986 to remove impediments in such Code and make our manufacturing, service, and high-technology businesses and workers more competitive and productive both at home and abroad.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GRASSLEY, from the Committee on Finance:

Report to accompany S.J. Res. 39, A joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003 (Rept. No. 108–281).

By Mr. HATCH, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 322. A resolution designating August 16, 2004, as "National Airborne Day".

S. Res. 357. A resolution designating the week of August 8 through August 14, 2004, as "National Health Center Week".

S. Res. 370. A resolution designating September 7, 2004, as "National Attention Deficit Disorder Awareness Day".

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. VOINOVICH (for himself and Mr. CRAPO):

S. 2547. A bill to amend the Migratory Bird Treaty Act to exclude non-native migratory bird species from the application of that Act, and for other purposes; to the Committee on Environment and Public Works.

By Mrs. FEINSTEIN:

S. 2548. A bill for the relief of Shigeru Yamada; to the Committee on the Judiciary.

By Mrs. FEINSTEIN:

S. 2549. A bill for the relief of Alfredo Plascencia Lopez and Maria Del Refugio Plascencia; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. NELSON of Florida (for himself and Mr. GRAHAM of Florida):

S. Res. 383. A resolution commending the National Hockey League Tampa Bay Lightning for winning the 2004 Stanley Cup Championship; considered and agreed to.

By Mr. LUGAR (for himself, Mr. VOINOVICH, Mr. ALLEN, Mr. SMITH, and Mr. BIDEN):

S. Res. 384. A resolution expressing the sense of the Senate on the development of self-government in Kosovo; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 178

At the request of Mr. DURBIN, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 178, a bill to amend title XVIII of the Social Security Act to provide adequate coverage for immunosuppressive drugs furnished to beneficiaries under the medicare program that have received an organ transplant.

S. 253

At the request of Mrs. DOLE, her name was added as a cosponsor of S. 253, a bill to amend title 18, United States Code, to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns.

S. 720

At the request of Mr. JEFFORDS, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 720, a bill to amend title IX of the Public Health Service Act to provide for the improvement of patient safety and to reduce the incidence of events that adversely effect patient safety.

S. 1068

At the request of Mr. DODD, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1068, a bill to amend the Public Health Service Act to establish grant programs to provide for education and outreach on newborn screening and coordinated followup care once newborn screening has been conducted, and for other purposes.

S. 1368

At the request of Mr. LEVIN, the names of the Senator from Hawaii (Mr. AKAKA) and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of S. 1368, a bill to authorize the President to award a gold medal on behalf of the Congress to Reverend Doctor Martin Luther King, Jr. (posthumously) and his widow Coretta Scott King in recognition of their contributions to the Nation on behalf of the civil rights movement.

S. 1890

At the request of Mr. ENZI, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1890, a bill to require the mandatory expensing of stock options granted to executive officers, and for other purposes.

S. 1925

At the request of Mr. KENNEDY, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of S. 1925, a bill to amend the National Labor Relations Act to establish an efficient system to enable employees to form, join, or assist labor organizations, to provide for mandatory injunctions for unfair labor practices during organizing efforts, and for other purposes.

S. 2328

At the request of Mr. DORGAN, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 2328, a bill to amend the Federal Food, Drug, and Cosmetic Act with respect to the importation of prescription drugs, and for other purposes.

S. 2461

At the request of Mr. DEWINE, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. 2461, a bill to protect the public health by providing the Food and Drug Administration with certain authority to regulate tobacco products.

S. 2477

At the request of Mr. REED, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2477, a bill to amend the Higher Education Act of 1965 to expand college access and increase college persistence, to simplify the process of applying for student assistance, and for other purposes.

S. 2533

At the request of Ms. MIKULSKI, the names of the Senator from California (Mrs. BOXER) and the Senator from Nevada (Mr. REID) were added as cosponsors of S. 2533, a bill to amend the Public Health Service Act to fund breakthroughs in Alzheimer's disease research while providing more help to caregivers and increasing public education about prevention.

AMENDMENT NO. 3202

At the request of Mr. DASCHLE, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of amendment No. 3202 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3225

At the request of Mr. DURBIN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of amendment No. 3225 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3231

At the request of Mr. NELSON of Florida, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of amendment No. 3234 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3303

At the request of Mr. CORZINE, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of amendment No. 3303 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3355

At the request of Mr. REED, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of amendment No. 3355 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3371

At the request of Mr. DAYTON, his name was added as a cosponsor of amendment No. 3371 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

At the request of Mr. LIEBERMAN, his name was added as a cosponsor of amendment No. 3371 proposed to S. 2400, supra.

AMENDMENT NO. 3410

At the request of Mr. CORZINE, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of amendment No. 3410 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 383—COMMENDING THE NATIONAL HOCKEY LEAGUE TAMPA BAY LIGHTNING FOR WINNING THE 2004 STANLEY CUP CHAMPIONSHIP

Mr. NELSON of Florida (for himself and Mr. GRAHAM of Florida) submitted the following resolution; which was considered and agreed to:

S. RES. 383

Whereas on Monday, June 7, 2004, the National Hockey League Tampa Bay Lightning team won the Stanley Cup, becoming the second team in 30 years to overcome a 3–2 deficit in the National Hockey League finals to win Lord Stanley's Cup;

Whereas the Tampa Bay Lightning entered the Eastern Conference of the National Hockey League in 1992;

Whereas the Tampa Bay Lightning is the 86th National Hockey League team to win the Stanley Cup;

Whereas coach John Tortorella has become the third American-born coach to win the Stanley Cup;

Whereas left wing Dave Andreychuk has played for and won his first career Stanley Cup during a 22-year career after playing a record 1,758 games and 162 playoff games;

Whereas center Brad Richards was awarded the Conn Smythe 2004 National Hockey League Playoff MVP Trophy for finishing the playoffs with 12 goals, including a National Hockey League record of 7 game-winners, and 14 assists in 23 games;

Whereas Brad Richards led the league in playoff scoring with 26 points and scored 2 power-play goals in Game 6 of the finals, making Game 7 necessary;

Whereas left wing Fredrik Modin served to assist in 1 of Brad Richards's 2 goals in Game 6;

Whereas left wing Ruslan Fedotenko suffered a head injury in Game 3, missed Game 4, returned for Game 5, and scored 2 goals in Game 7, including the game-winning goal;

Whereas right wing Martin St. Louis, winner of the Art Ross Trophy, awarded to the player who leads the National Hockey League in scoring points at the end of the regular season, has made significant contributions to the team;

Whereas goalie Nikolai Khabibulin, a 2-time National Hockey League All-Star, has earned the nickname "The Bulin Wall" because of his blockage of countless shots; and

Whereas the Tampa Bay Lightning, in its 12-year history, has overcome great odds, including 3 ownership groups, 5 coaches, 4 general managers, and being last in the league just 3 years ago: Now, therefore, be it

Resolved, That the Senate—

(1) commends the Tampa Bay Lightning National Hockey League team for winning the 2004 Stanley Cup;

(2) recognizes the achievements of all the players, coaches, and support staff who were instrumental in assisting the team to win the Stanley Cup and invites them to the United States Capitol Building to be honored; and

(3) directs the Secretary of the Senate to transmit 1 enrolled copy of this resolution to the owner, and 1 enrolled copy of this resolution to the coach, of the 2004 National Hockey League champions, the Tampa Bay Lightning.

SENATE RESOLUTION 384—EXPRESSING THE SENSE OF THE SENATE ON THE DEVELOPMENT OF SELF-GOVERNMENT IN KOSOVO

Mr. LUGAR (for himself, Mr. VOINOVICH, Mr. ALLEN, Mr. SMITH, and Mr. BIDEN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 384

Whereas United Nations Security Council Resolution 1244 of June 10, 1999, mandates an international civil presence and an international security presence in Kosovo, ending a brutal conflict in Kosovo;

Whereas during and immediately after the conflict, the people of Kosovo suffered from ethnic cleansing, war crimes, and crimes against humanity;

Whereas more than 4 years after the end of the Kosovo conflict, the incidence of ethnic strife in Kosovo remains unacceptably high, and the need for the fundamental work of ethnic reconciliation in Kosovo remains great;

Whereas the ethnic violence that erupted in Kosovo on March 17, 2004, claiming the lives of 19 people, displacing more than 4,000 Kosovo Serbs and other minorities, and resulting in the destruction of more than 500 homes and at least 30 churches belonging to Kosovo minorities, serves as a reminder of serious challenges that remain in Kosovo;

Whereas the United States and the international community strongly condemned the ethnic violence that erupted in Kosovo on March 17, 2004;

Whereas the Senate adopted a resolution on April 8, 2004, urging political leaders to fulfill their commitment to rebuild property that was destroyed in the violence of mid-March 2004 in Kosovo, and to take all possible action to allow the more than 4,000 people displaced during the violence to return quickly and safely to their homes and communities;

Whereas ethnic crimes and violent reprisals against Kosovo citizens of all ethnic groups harm the victims, their families, and their communities, and impair their common future;

Whereas the integration of Kosovo into Europe, and into the international community, depends on the ability of the people of Kosovo to overcome the divisions which have too often marked the past in Kosovo;

Whereas an important goal of the international civil presence in Kosovo established by United Nations Security Council Resolution 1244 is to facilitate a political process to determine the future status of Kosovo, taking into account the Rambouillet accords of 1999;

Whereas "Standards" of democratic self governance and a multiethnic society in Kosovo are embodied in the goals enunciated by the Special Representative of the United Nations Secretary General in April 2002, to include the effective functioning of democratic institutions, the rule of law, the sustainable return of displaced persons, dialogue with Serbia and Montenegro, freedom of movement, a stable free-market economy, property rights, and the further development of the Kosovo Protection Corps;

Whereas the people of Kosovo have made some important progress toward the fulfillment of these goals while continuing to face challenges, particularly on issues of refugee return and freedom of movement of Kosovo minorities;

Whereas the United Nations Security Council, in its Presidential statement of December 12, 2003, endorsed the elaboration by UNMIK (the United Nations Interim Administration in Kosovo) of the "Standards" in the "Standards for Kosovo" document and welcomed the plan to periodically review the progress in Kosovo in implementing the standards;

Whereas UNMIK has drafted a comprehensive "Standards Implementation Plan" to give Kosovo precise guidance on the actions that must be taken to achieve the standards;

Whereas the United States and UNMIK are currently working together with the Provisional Institutions of Self-Government of Kosovo (PISG) to help Kosovo meet the standards with a view to carry out a comprehensive review of the progress in Kosovo "around mid-2005"; and

Whereas considerable further progress toward the realization of the standards remains to be accomplished before the process of determining the future status of Kosovo can begin: Now, therefore, be it

Resolved, That it is the sense of the Senate that the United States should—

(1) intensify its efforts to help Kosovo achieve the "Standards", as set out by the Special Representative of the United Nations Secretary General in Kosovo in October 2002, and as further elaborated in the UNMIK (the United Nations Interim Administration in Kosovo) "Standards For Kosovo" paper of December 10, 2003, to bring about a stable, multiethnic, and democratic society in Kosovo by carrying out the steps called for in the Kosovo Standards Implementation Plan drafted by UNMIK;

(2) further encourage Kosovo to become a factor for stability in the region by having good relations with its neighbors, and in particular, by engaging in dialogue with Belgrade in an effort to secure a peaceful, long-term solution for peace in the region;

(3) encourage Belgrade to support the standards implementation process in Kosovo, including by constructive participation in the direct technical talks launched October 14, 2003;

(4) enhance efforts to provide support to KFOR (the North Atlantic Treaty Organization-led international security force in Kosovo), and to call upon the PISG (Provisional Institutions of Self-Government of Kosovo) to ensure the security and freedom of movement for all the people of Kosovo, and the return of refugees and internally displaced persons;

(5) urge all people in Kosovo to reject the ethnic violence that erupted in Kosovo on March 17, 2004, and work with UNMIK and KFOR to apprehend and prosecute the perpetrators of the violence, to rebuild property destroyed during the violence, and to work to ensure that displaced persons are able to return safely to their homes and communities;

(6) promote steps to foster the development of the Kosovo economy through strengthened cooperation with the South Central Europe region and Euro-Atlantic institutions, without prejudice to its future political status; and

(7) call upon the leaders of the PISG, and upon the leaders of all political parties and communities of Kosovo, to renew and enhance their efforts in cooperation with UNMIK, KFOR, and the international community to achieve the matters describe, in paragraphs (1) through (6).

Mr. LUGAR. Mr. President, today I stand to submit a resolution focused on the development of self-government in Kosovo. I am pleased that Senators VOINOVICH, ALLEN, SMITH, and BIDEN have joined me in co-sponsoring this legislation.

I believe that Kosovo's future lies in building democracy, respecting human rights, and fostering ethnic reconciliation. I am hopeful that the United States will remain involved in Kosovo until it is self-sustaining. I also believe that a successful conclusion to Kosovo's status is crucial to Balkan reintegration into Europe and into Euro-Atlanta institutions.

It has been 5 years since the signing of the United Nations Security Council Resolution 1244 that marked the end of a brutal conflict in Kosovo. Much progress has been made, but it is critical to focus on the work at hand: developing political processes that are inclusive and protect human rights, especially those of minorities. My resolution focuses on the process of getting Kosovo to achieve self-governance before its future status is determined.

The United States Senate must continue to support the efforts of UNMIK (the United Nations Mission in Kosovo) and KFOR (the NATO-led international security forces in Kosovo), and promote steps to foster the development of the Kosovo economy through strengthened cooperation with the South Central Europe region and Euro-Atlantic institutions. I was pleased to co-sponsor a resolution submitted by my colleague, Senator VOINOVICH, that condemned the ethnic violence that erupted in Kosovo last March, and that called upon the people of Kosovo to cooperate with UNMIK, KFOR and the Kosovo Police to identify and bring to justice the perpetrators of the violence.

I strongly support the Administration's new policy initiative for Kosovo, which was launched last November. It foresees periodic review of progress by Kosovo's autonomous institutions of self-government on establishing rule of law, multi-ethnic democracy, market economic reform, and stable relations with neighbors. My resolution calls upon the leaders of the Provisional Institutions of Self-Governance in Kosovo, and upon the leaders of the political parties and communities of Kosovo, to renew their efforts in cooperation with UNMIK, KFOR, and the international community to achieve political and economic stability. A critical step in Kosovo's development is a stable relationship with Belgrade. I urge both sides to engage in direct dialogue.

I believe that it is critical for the U.S. to continue to play a central role in Kosovo and provide strong assistance in achieving the benchmarks, and at an appropriate time, in determining a process leading to final status. I urge my colleagues to lend their support to U.S. policy in the Balkans and ask their support for this resolution.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3458. Mr. WARNER proposed an amendment to amendment SA 3291 proposed by Mr. LAUTENBERG to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

TEXT OF AMENDMENTS—(Corrected Version)

SA 3384. Mr. BOND (for himself, Mr. HARKIN, and Mr. TALENT) proposed an amendment to to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

At the end of subtitle D of title XXXI, insert the following:

SEC. 3146. INCLUSION OF CERTAIN FORMER NUCLEAR WEAPONS PROGRAM WORKERS IN SPECIAL EXPOSURE COHORT UNDER THE ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM.

(a) Findings.—Congress makes the following findings:

(1) Energy workers at the former Mallinkrodt facilities (including the St. Louis downtown facility and the Weldon Springs facility) were exposed to levels of radionuclides and radioactive materials that were much greater than the current maximum allowable Federal standards.

(2) The Mallinkrodt workers at the St. Louis site were exposed to excessive levels of airborne uranium dust relative to the standards in effect during the time, and many workers were exposed to 200 times the preferred levels of exposure.

(3)(A) The chief safety officer for the Atomic Energy Commission during the Mallinkrodt-St. Louis operations described the facility as 1 of the 2 worst plants with respect to worker exposures.

(B) Workers were excreting in excess of a milligram of uranium per day causing kidney damage.

(C) A recent epidemiological study found excess levels of nephritis and kidney cancer from inhalation of uranium dusts.

(4) The Department of Energy has admitted that those Mallinkrodt workers were subjected to risks and had their health endangered as a result of working with these highly radioactive materials.

(5) The Department of Energy reported that workers at the Weldon Springs feed materials plant handled plutonium and recycled uranium, which are highly radioactive.

(6) The National Institute of Occupational Safety and Health admits that—

(A) the operations at the St. Louis downtown site consisted of intense periods of processing extremely high levels of radionuclides; and

(B) the Institute has virtually no personal monitoring data for Mallinkrodt workers prior to 1948.

(7) The National Institute of Occupational Safety and Health has informed claimants and their survivors at those 3 Mallinkrodt sites that if they are not interviewed as a part of the dose reconstruction process, it—

(A) would hinder the ability of the Institute to conduct dose reconstruction for the claimant; and

(B) may result in a dose reconstruction that incompletely or inaccurately estimates the radiation dose to which the energy employee named in the claim had been exposed.

(8) Energy workers at the Iowa Army Ammunition Plant (also known as the Burlington Atomic Energy Commission Plant and the Iowa Ordnance Plant) between 1947 and 1975 were exposed to levels of radionuclides and radioactive material, including enriched uranium, plutonium, tritium, and depleted uranium, in addition to beryllium and photon radiation, that are greater than the current maximum Federal standards for exposure.

(9) According to the National Institute of Occupational Safety and Health—

(A) between 1947 and 1975, no records, including bioassays or air samples, have been located that indicate any monitoring occurred of internal doses of radiation to which workers described in paragraph (8) were exposed;

(B) between 1947 and 1955, no records, including dosimetry badges, have been located to indicate that any monitoring occurred of the external doses of radiation to which such workers were exposed;

(C) between 1955 and 1962, records indicate that only 8 to 23 workers in a workforce of over 1,000 were monitored for external radiation doses; and

(D) between 1970 and 1975, the high point of screening at the Iowa Army Ammunition Plant, only 25 percent of the workforce was screened for exposure to external radiation.

(10) The Department of Health and Human Services published the first notice of proposed rulemaking concerning the Special Exposure Cohort on June 25, 2002, and the final rule published on May 26, 2004.

(11) Many of those former workers have died while waiting for the proposed rule to be finalized, including some claimants who were waiting for dose reconstruction to be completed.

(12) Because of the aforementioned reasons, including the serious lack of records and the death of many potential claimants, it is not feasible to conduct valid dose reconstructions for the Iowa Army Ammunition Plant facility or the Mallinkrodt facilities.

(b) Inclusion of Certain Former Workers in Cohort.—Section 3621(14) of the Energy Employees Occupational Illness Compensation Program Act of 2000 (title XXXVI of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398); 42 U.S.C. 7384*l*(14)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following new subparagraph (C):

"(C) Subject to the provisions of section 3612A and section 3146(e) of the National Defense Authorization Act for Fiscal Year 2005, the employee was so employed for a number of work days aggregating at least 45 workdays at a facility operated under contract to the Department of Energy by Mallinkrodt Incorporated or its successors (including the St. Louis downtown or 'Destrehan' facility during any of calendar years 1942 through 1958 and the Weldon Springs feed materials plant facility during any of calendar years 1958 through 1966), or at a facility operated by the Department of Energy or under contract by Mason & Hangar-Silas Mason Company at the Iowa Army Ammunition Plant (also known as the Burlington Atomic Energy Commission Plant and the Iowa Ordnance Plant) during any of the calendar years 1947 through 1975, and during the employment—

"(i)(I) was monitored through the use of dosimetry badges for exposure at the plant of the external parts of an employee's body to radiation; or

"(II) was monitored through the use of bioassays, in vivo monitoring, or breath samples for exposure at the plant to internal radiation; or

"(ii) worked in a job that had exposures comparable to a job that is monitored, or should have been monitored, under standards of the Department of Energy in effect on the date of enactment of this subparagraph through the use of dosimetry badges for monitoring external radiation exposures, or bioassays, in vivo monitoring, or breath samples for internal radiation exposures, at a facility.".

(c) Funding of Compensation and Benefits.—(1) Such Act is further amended by inserting after section 3612 the following new section:

"SEC. 3612A. FUNDING FOR COMPENSATION AND BENEFITS FOR CERTAIN MEMBERS OF THE SPECIAL EXPOSURE COHORT.

"(a) Authorization of Appropriations.—There is hereby authorized to be appropriated to the Department of Labor for each fiscal year after fiscal year 2004 such sums as may be necessary for the provision of compensation and benefits under the compensation program for members of the Special Exposure Cohort described in section 3621(14)(C) in such fiscal year.

"(b) Prohibition on Use for Administrative Costs.—(1) No amount authorized to be appropriated by subsection (a) may be utilized for purposes of carrying out the compensation program for the members of the Special Exposure Cohort referred to in that subsection or administering the amount authorized to be appropriated by subsection (a).

"(2) Amounts for purposes described in paragraph (1) shall be derived from amounts authorized to be appropriated by section 3614(a).

"(c) Provision of Compensation and Benefits Subject to Appropriations Acts.—The provision of compensation and benefits under the compensation program for members of the Special Exposure Cohort referred to in subsection (a) in any fiscal year shall be subject to the availability of appropriations for that purpose for such fiscal year and to applicable provisions of appropriations Acts.".

(2) Section 3612(d) of such Act (42 U.S.C. 7384e(d)) is amended—

(A) by inserting "(1)" before "Subject"; and

(B) by adding at the end the following new paragraph:

"(2) Amounts for the provision of compensation and benefits under the compensation program for members of the Special Exposure Cohort described in section 3621(14)(C) may be derived from amounts authorized to be appropriated by section 3612A(a).".

(d) Offset.—The total amount authorized to be appropriated under subtitle A of this title is hereby reduced by $61,000,000.

(e) Certification.—Funds shall be available to pay claims approved by the National Institute of Occupational Safety and Health for a facility by reason of section 3621(14)(C) of the Energy Employees Occupational Illness Compensation Program Act of 2000, as amended by subsection (b)(2), if the Director of the National Institute of Occupational Safety and Health certifies with respect to such facility each of the following:

(1) That no atomic weapons work or related work has been conducted at such facility after 1976.

(2) That fewer than 50 percent of the total number of workers engaged in atomic weapons work or related work at such facility were accurately monitored for exposure to internal and external ionizing radiation during the term of their employment.

(3) That individual internal and external exposure records for employees at such facility are not available, or the exposure to radiation of at least 40 percent of the exposed workers at such facility cannot be determined from the individual internal and external exposure records that are available.

TEXT OF AMENDMENTS

SA 3458. Mr. WARNER proposed an amendment to amendment SA 3291 proposed by Mr. Lautenberg to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

Strike the matter proposed to be inserted, and insert the following:

SEC. 364. MEDIA COVERAGE OF THE RETURN TO THE UNITED STATES OF THE REMAINS OF DECEASED MEMBERS OF THE ARMED FORCES FROM OVERSEAS.

(a) FINDINGS.—Congress makes the following findings:

(1) The Department of Defense, since 1991, has relied on a policy of no media coverage of the transfers of the remains of members Ramstein Air Force Base, Germany, nor at Dover Air Force Base, Delaware, and the Port Mortuary Facility at Dover Air Force Base, nor at interim stops en route to the point of final destination in the transfer of the remains.

(2) The principal focus and purpose of the policy is to protect the wishes and the privacy of families of deceased members of the Armed Forces during their time of great loss and grief and to give families and friends of the dead the privilege to decide whether to allow media coverage at the member's duty or home station, at the interment site, or at or in connection with funeral and memorial services.

(3) In a 1991 legal challenge to the Department of Defense policy, as applied during Operation Desert Storm, the policy was upheld by the United States District Court for the District of Columbia, and on appeal, by the United States Court of Appeals for the District of Columbia in the case of JB Pictures, Inc. v. Department of Defense and Donald B. Rice, Secretary of the Air Force on the basis that denying the media the right to view the return of remains at Dover Air Force Base does not violate the first amendment guarantees of freedom of speech and of the press.

(4) The United States Court of Appeals for the District of Columbia in that case cited the following two key Government interests that are served by the Department of Defense policy:

(A) Reducing the hardship on the families and friends of the war dead, who may feel obligated to travel great distances to attend arrival ceremonies at Dover Air Force Base if such ceremonies were held.

(B) Protecting the privacy of families and friends of the dead, who may not want media coverage of the unloading of caskets at Dover Air Force Base.

(5) The Court also noted, in that case, that the bereaved may be upset at the public display of the caskets of their loved ones and that the policy gives the family the right to grant or deny access to the media at memorial or funeral services at the home base and that the policy is consistent in its concern for families.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Department of Defense policy regarding no media coverage of the transfer of the remains of deceased members of the Armed Forces appropriately protects the privacy of the members' families and friends of and is consistent with United States constitutional guarantees of freedom of speech and freedom of the press.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Wednesday, July 14, 2004, at 10 a.m. in Room 485 of the Russell Senate Office Building to conduct an oversight hearing on the American Indian Religious Freedom Act.

Those wishing additional information may contact the Indian Affairs Committee at 224–2251.

PRIVILEGE OF THE FLOOR

Mr. HARKIN. I ask unanimous consent that Jenelle Krishnamoorthy be granted floor privileges during the duration of today's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

MARINE TURTLE CONSERVATION ACT OF 2003

Mr. MCCONNELL. Madam President, I ask unanimous consent that the Senate now proceed to the immediate consideration of H.R. 3378, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3378) to assist in the conservation of marine turtles and the nesting habitats of marine turtles also in foreign countries.

There being no objection, the Senate proceeded to consider the bill.

Mr. MCCONNELL. I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3378) was read the third time and passed.

INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT AMENDMENTS

Mr. MCCONNELL. Madam President, I ask unanimous consent that the Senate now to proceed to the immediate consideration of H.R. 3504, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3504) to amend the Indian Self-Determination and Education Assistance Act to redesignate the American Indian Education Foundation as the National Fund for Excellence in American Indian Education.

There being no objection, the Senate proceeded to consider the bill.

Mr. MCCONNELL. I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3504) was read the third time and passed.

PROTECTING, PROMOTING AND CELEBRATING FATHERHOOD

Mr. MCCONNELL. Madam President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Res. 379 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 379) protecting, promoting and celebrating fatherhood.

There being no objection, the Senate proceeded to consider the resolution.

Mr. MCCONNELL. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 379) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 379

Whereas the third Sunday of June is observed as Father's Day;

Whereas fathers have a unique bond with their children which is often unrecognized;

Whereas the complimentary nature of the roles and contributions of fathers and mothers should be recognized and encouraged;

Whereas fathers have an indispensable role in building and transforming society to build a culture of life;

Whereas fathers, along with their wives, form an emotional template for the future professional and personal relationships of a child;

Whereas the involvement of a father in the life of his child significantly influences economic and educational attainment and delinquency of the child; and

Whereas children who experience a close relationship with their fathers are protected from delinquency and psychological distress: Now, therefore, be it

Resolved, That the Senate recognizes the importance of fathers to a healthy society and calls on all the people of the United States to observe Father's Day by considering how society can better respect and support fatherhood.

COMMENDING NATIONAL HOCKEY LEAGUE TAMPA BAY LIGHTNING

Mr. MCCONNELL. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 383 introduced earlier today by Senators NELSON of Florida and GRAHAM of Florida.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 383) commending the National Hockey League Tampa Bay Lightning for winning the 2004 Stanley Cup Championship.

There being no objection, the Senate proceeded to consider the resolution.

Mr. NELSON of Florida. Madam President, Senator GRAHAM of Florida and myself congratulate the Tampa Bay Lightning for winning the 2004 National Hockey League Stanley Cup Championship.

In only its 12th year as a team, the Tampa Bay Lightning has reached the pinnacle of hockey for the first time in its existence. The past 12 years have been rather difficult for the team and it has undergone turbulent changes. In the history of the Lightning, not only have there been three ownership groups, but there have also been five coaches and four general managers. To top it all off, just 3 years ago the team finished last in the league.

However, due to their determination, resilience, and tenacity the Lightning has accomplished what National Hockey League teams all over the country strive to achieve. While all National Hockey League teams start the season with the Lord Stanley's Cup in mind, only one gets the privilege of gaining such an honor.

As hockey fans looked at this year's National Hockey League Season, it was obvious that the Lightning was the underdog and few people considered the team a contender because of the numerous changes and setbacks. However, the Lightning believed in itself and was full of determination. A wise person once said: Anything the mind can perceive, and the heart can believe, one can achieve. The Lightning has taken this to heart, and it makes me proud to say that Lightning has struck in the Tampa Bay Area.

Under the leadership of head coach John Tortorella, who has just become only the third American-born coach to ever win the Stanley Cup, the Lightning deserves to be commended. Throughout the season, all of the players, coaches, managers, and fans have taught the Nation a valuable lesson, in any equation for success, there are three factors: determination, drive, and tenacity. I offer congratulations to all members of the Tampa Bay Lightning, their families, and their fans throughout the State of Florida.

Mr. MCCONNELL. I ask unanimous consent that the resolution and preamble be agreed to en bloc, the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements related to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 383) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 383

Whereas on Monday, June 7, 2004, the National Hockey League Tampa Bay Lightning team won the Stanley Cup, becoming the second team in 30 years to overcome a 3–2 deficit in the National Hockey League finals to win Lord Stanley's Cup;

Whereas the Tampa Bay Lightning entered the Eastern Conference of the National Hockey League in 1992;

Whereas the Tampa Bay Lightning is the 86th National Hockey League team to win the Stanley Cup;

Whereas coach John Tortorella has become the third American-born coach to win the Stanley Cup;

Whereas left wing Dave Andreychuk has played for and won his first career Stanley Cup during a 22-year career after playing a record 1,758 games and 162 playoff games;

Whereas center Brad Richards was awarded the Conn Smythe 2004 National Hockey League Playoff MVP Trophy for finishing the playoffs with 12 goals, including a National Hockey League record of 7 game-winners, and 14 assists in 23 games;

Whereas Brad Richards led the league in playoff scoring with 26 points and scored 2 power-play goals in Game 6 of the finals, making Game 7 necessary;

Whereas left wing Fredrik Modin served to assist in 1 of Brad Richards's 2 goals in Game 6;

Whereas left wing Ruslan Fedotenko suffered a head injury in Game 3, missed Game 4, returned for Game 5, and scored 2 goals in Game 7, including the game-winning goal;

Whereas right wing Martin St. Louis, winner of the Art Ross Trophy, awarded to the player who leads the National Hockey League in scoring points at the end of the regular season, has made significant contributions to the team;

Whereas goalie Nikolai Khabibulin, a 2-time National Hockey League All-Star, has earned the nickname "The Bulrn Wall" because of his blockage of countless shots; and

Whereas the Tampa Bay Lightning, in its 12-year history, has overcome great odds, including 3 ownership groups, 5 coaches, 4 general managers, and being last in the league just 3 years ago: Now, therefore, be it

Resolved, That the Senate—

(1) commends the Tampa Bay Lightning National Hockey League team for winning the 2004 Stanley Cup;

(2) recognizes the achievements of all the players, coaches, and support staff who were instrumental in assisting the team to win the Stanley Cup and invites them to the United States Capitol Building to be honored; and

(3) directs the Secretary of the Senate to transmit 1 enrolled copy of this resolution to the owner, and 1 enrolled copy of this resolution to the coach, of the 2004 National Hockey League champions, the Tampa Bay Lightning.

ORDERS FOR MONDAY, JUNE 21, 2004

Mr. MCCONNELL. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 1 p.m. on Monday, June 21. I further ask that following the prayer and the pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of Calendar No. 503, S. 2400, the DOD authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MCCONNELL. On Monday, the Senate will resume consideration of the Defense authorization bill. There are currently seven amendments pending to the bill. Additional amendments will be offered and debated on Monday afternoon. Those Senators who still wish to offer amendments should contact the bill managers so they can schedule time for consideration of the amendments, although we are certainly not encouraging any additional amendments. We have quite enough.

Chairman WARNER and Senator LEVIN will be here Monday to work through any remaining amendments. Any votes ordered with respect to defense amendments will be stacked to occur at approximately 5:30 on Monday. The leader expects that we will have more than one vote on Monday evening.

Also, I remind my colleagues that last night the majority leader vitiated the cloture motion with respect to the Defense bill. He did so with the expectation that we will finish this bill on Tuesday of next week. It is our hope that we will continue to work in good faith on Monday to move toward completion of this important Defense bill. Senators can expect a busy week next week as we conclude our business prior to the scheduled recess.

ADJOURNMENT UNTIL 1 P.M. MONDAY, JUNE 21, 2004

Mr. MCCONNELL. If there is no further business to come before the Senate, I ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 2:26 p.m., adjourned until Monday, June 21, 2004, at 1 p.m.

HOUSE OF REPRESENTATIVES—*Friday, June 18, 2004*

The House met at 9 a.m.

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, Father of us all, You feed Your people from the fruit of this land. You protect Your children from war and from disaster both by government and by military. You are ever faithful and always ready to forgive.

Bless all fathers of this assembly and across this Nation. May they prove their strength in their gentleness and understanding of their children. May they teach by example and be God-fearing men who are strong in virtue, and faithful in marriage and in prayer.

Reward them for the sacrifice of their labor and the time offered to the enjoyment of their families.

May they, their children and their children's children come to know Your everlasting love for them both now and for all eternity. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Ohio (Mr. LATOURETTE) come forward and lead the House in the Pledge of Allegiance.

Mr. LATOURETTE led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain up to five 1-minute speeches on each side.

DELTA AIRLINES CELEBRATES 75TH ANNIVERSARY OF FIRST PASSENGER FLIGHT

(Mr. SCOTT of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCOTT of Georgia. Mr. Speaker, I rise this morning on behalf of the entire United States Congress to commend and give special recognition to Delta Airlines on the celebration of its 75th anniversary. Exactly 75 years ago on June 17, 1929 at 8 a.m., Delta's very first passenger flight took off from Dallas Airport in Dallas, Texas, heading for Jackson, Mississippi with intermediate stops in Shreveport and Monroe, Louisiana.

That initial passenger service trip took 5 hours to cover those 471 miles. And today, 75 years later, Delta now has 2,000 flights all across this country and carries a daily load of passengers of 300,000. What a remarkable story of American free enterprise. Delta Airlines, with 75 years of distinguished service, has grown the reputation of being the world's leading airline, but they did not get that way easily. They had to go through many challenges.

Mr. Speaker, to all of the 100,000 individuals that work at Delta, we in the Congress of the United States want to say congratulations on your 75th anniversary.

UNDECLARED DRAFT

(Mr. MCDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCDERMOTT. Mr. Speaker, in all of the confusion of transition in Iraq, it is easy to forget that people are still dying there. Our troops are dying on a daily basis, and this President has instituted an undeclared draft, but he will not tell Members unless he is reelected.

Do Members think they need proof, last month 20,000 U.S. soldiers were told, not asked, they were not going home after a year in Iraq. Mr. Rumsfeld liked something called the stop-loss policy because the military can conscript soldiers to just keep fighting. More soldiers are staying behind because there are not enough in Iraq to begin with.

From the beginning, professionals in the Armed Forces told this President and the civilians that 300,000 soldiers would be needed in Iraq. The President and his civilians denied it, and they fired anyone who dared to disagree. So now the administration calls the draft a stop-loss order, and they are using it because they need more soldiers.

Mr. Speaker, make no mistake, a draft arrives in 2005 if this President remains in office. They just deny, deny, deny, just another day in the Bush administration.

BUSH ADMINISTRATION CONSISTENTLY WRONG

(Mr. EMANUEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EMANUEL. Mr. Speaker, just yesterday President Bush in the cabinet room said, "This administration never said that the 9/11 attacks were orchestrated between Saddam Hussein and al Qaeda." Really?

Let me read what National Security Adviser Condoleezza Rice said in September, 2002, "We clearly know that there were in the past and have been contacts between senior Iraqi officials and members of al Qaeda going back for actually quite a long time."

Mr. Speaker, 1 year later the National Security Adviser in September 2003 said, "We have never claimed that Saddam Hussein had either direction or control on 9/11."

On Monday night, Vice President CHENEY, who has long maintained and repeatedly has asserted that a collaborative relationship existed between Iraq and al Qaeda said he, Saddam Hussein, "was a patron of terrorism" and that he had "long-established ties with al Qaeda." This is the fourth or fifth time he has asserted this relationship, or members of the administration have. There is at least one thing we know about the Vice President: He is consistent, he is wrong, and he has been consistently wrong on this subject.

CELEBRATING JUNETEENTH

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, 139 years ago tomorrow, the sin of human bondage was ended in the United States. It has been said that the Civil War was the last battle of the American Revolution, and so it was. More than 600,000 Americans died in that conflict to save the Union, preserve the democratic ideals of the Founding, and make those ideals a reality for 4 million slaves.

If it is that the Civil War was indeed the last battle of the Revolution, then so it is that Gordon Granger fired its last shot. On his arrival in Galveston, Texas, on June 19, 1865, Granger, a major general in the United States Army, issued General Order No. 3 to the people of Texas informing them of the end of the war and the emancipation of the slaves. "This involves an absolute equality of rights and rights of property between former slaves and masters, and the connection heretofore existing between them becomes that

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

between employer and free laborer," he said, and in an instant the world changed.

The United States, the first Nation in history "conceived in liberty and founded on the proposition that all men are created equal," was, for the first time, seeing to it that liberty and equality were extended to all its citizens.

Juneteeth, then, reminds us of the first principles of our Nation and of our Nation's special commission in the affairs of men. While Texas may be the only State in the Union that celebrates the anniversary of Juneteenth, the entire country, and indeed all of the civilized world, celebrates its legacy.

Man is born to be free. That is not an idea, it is the truth, absolute and without exception. But like all truths, freedom is almost never easy. It took wars to extricate ourselves from Britain, to free the slaves, to rid the world of fascism, and 40 years on the brink of nuclear holocaust to defeat Soviet communism.

So it takes war now to free the civilized world from the threat of international terror. The price of freedom is internal vigilance, and even a cursory survey of American history shows that price is a bargain.

DEEPLY PARTISAN BIAS ON SUPREME COURT

(Mr. FRANK of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRANK of Massachusetts. Mr. Speaker, I am moved this week after the death of President Reagan to quote him, "There they go again."

The "they" in question are the three extremely conservative members of the U.S. Supreme Court who are, of course, entitled to their extreme conservatism, Justices Scalia, Thomas and Rehnquist; but, they are really not entitled to partisanship. Despite that, they have shown it.

The Colorado Supreme Court, acting in accordance with wrong, uncontroversial constitutional doctrine, interpreted the Colorado Constitution to mean that the Colorado legislature could not reopen redistricting for partisan advantage 2 years after they had originally had redistricting in the State. It is a very strongly held doctrine in America that a State Supreme Court is the final arbiter of its own State Constitution.

The Colorado Republicans, looking for the kind of partisan advantage that the Texas counties were able to get, appealed that decision to the U.S. Supreme Court. No one thought it was much of a serious appeal. Fortunately, six members of the Court held true to constitutional doctrine and voted not to take the case so it was not taken. But three members of that Court, defying long-standing constitutional tradition, voted to take the case. It was a case brought by Colorado Republicans to try to gain partisan political advantage; and surprise, surprise, they got the votes of Scalia, Rehnquist and Thomas.

Mr. Speaker, the worst of it is I am not sure they were being consciously partisan. I think the bias, the deeply partisan bias that has crept into those three is so strong that they, in fact, can do this without realizing it.

Once again we have seen from those three justices a hypocritical preference for partisan advantage over the kind of constitutional purity that they claim to follow but rarely do.

Mr. Speaker, I will include for the RECORD in the Extensions of Remarks an editorial from the New York Times on this subject.

GENERAL LEAVE

Mr. ROGERS of Kentucky. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the further consideration of H.R. 4567, and that I may include tabular and extraneous material.

The SPEAKER pro tempore (Mr. MARIO DIAZ-BALART of Florida). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS ACT, 2005

The SPEAKER pro tempore. Pursuant to House Resolution 675 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4567.

□ 0913

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4567) making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes, with Mr. GILLMOR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole House rose on the legislative day of Thursday, June 17, 2004, amendment No. 3 by the gentleman from New York (Mr. SWEENEY) had been disposed of and the bill was open for amendment from page 22, line 22, through page 25, line 20.

Are there further amendments to this portion of the bill?

AMENDMENT OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. JACKSON-LEE of Texas:

Page 22, line 25, after the dollar amount in each place, insert "(increased by $20,000,000)".

Page 29, line 1, after the dollar amount, insert "(reduced by $20,000,000)".

□ 0915

Ms. JACKSON-LEE of Texas. Mr. Chairman, I am proposing an opportunity for really securing the homeland and, that is, my amendment proposes to re-fund the Citizen Corps where H.R. 4568 purported to create a shortfall in the amount of almost $19 million. The President of the United States proposed that that amount would be at least $40 million. In order to account for this proposed shortfall, I have increased this appropriation by $20 million.

The Citizen Corps program was launched by President George W. Bush during the 2002 State of the Union address as part of the USA Freedom Corps Initiative to engage Americans in volunteer service. In only 2 years, nearly 1,000 communities around the country encompassing 40 percent of the U.S. population established Citizen Corps Councils to help inform and train citizens in emergency preparedness and to coordinate and expand opportunities for citizen volunteers to participate in homeland security efforts and to make our communities safe. Fifty-two States and territories also formed state-level Citizen Corps Councils to support local efforts.

I would say, Mr. Chairman, that that is not enough. Supporting the Citizen Corps concept, a recent opinion poll shows that Americans are interested in volunteering to help their local community emergency service providers such as law enforcement, fire, emergency medical services, or with organizations that focus on community safety such as the American Red Cross or Neighborhood Watch. Forty percent of those polled answered that they would be willing to volunteer. In addition, nearly two-thirds of respondents believed it is important for neighborhoods to have a way to work together on emergency preparedness.

Mr. Chairman, in our authorizing committee, the Select Committee on Homeland Security, we have discussed, and I have discussed, and amended several of our legislative initiatives to include reinforcing and expanding our Citizen Corps. If we really want to secure the homeland and if we really believe that the homeland is outside our parameters, going into rural areas, going into villages, going into small communities as well as urban centers, then Citizen Corps is the way to do it. It establishes a base in which to encourage and educate and prepare our citizens for any terrorist act that may occur.

I have heard many individuals say that the way to secure the homeland is to keep the terrorists out, and they are absolutely correct. But no proposition has 100 percent protection and no proposition is 100 percent correct. I certainly agree in securing the homeland by keeping the terrorists out before they even arrive on our shores; but clearly in order to have a truly secure homeland, we must secure our neighbors and neighborhoods. Our families need to be aware of the threats that exist from abroad. Homeland security is a very important issue that we may not think about in our daily lives.

I am reminded of Houston, maybe not unlike many cities in the United States on 9/11, not knowing what might occur, poised for the worst. In the instance of Houston, Texas, for example, there were rumors that planes were headed to the city of Houston because of its refineries. As I called down to the mayor of the city of Houston on that day to find out if the city, in essence, was okay, knowing that my family was there and others of my neighbors and constituents, as other Congress Members were concerned about their neighborhoods and cities and towns, I was told that there was, in essence, confusion as there was in every city, what to do with school children, whether parents should come and get them or not, whether people should stay in place, whether downtown Houston should close down, what should be done in our refinery areas and oil-producing areas.

We need to respect the local needs and what our families need, but we also need to educate our community. I along with fellow Democratic members of the committee worked to introduce a bill entitled Preparing America to Respond Effectively Act of 2003, or the PREPARE Act. This bill was a comprehensive attempt to prepare our local first responders for potential acts of terrorism.

Among the provisions are those that are proposed to improve funding mechanisms, bolster information sharing, enhance threat warnings, communications and equipment interoperability, and to integrate private companies and the public into distinct response plans. The main provisions of the PREPARE Act were incorporated into a larger bill from the entire committee, H.R. 3266, the Faster and Smarter Funding for First Responders Act of 2003, which was reported favorably out of the House select committee and was just reported favorably out of the Committee on the Judiciary today.

Also incorporated in the bill under section 8 is an amendment that I offered that deals with the mobilization and utilization of a Citizen Corps that will allow families to get information and terror threat directives in a timely fashion without having to go through layers of administration. The Houston branch of the Citizen Corps Council is headquartered in Harris County, which is in southeastern Texas. The key element, of course, however, is to ensure that all local communities are safe. My example is due to its close proximity to the Gulf of Mexico; this legislation is needed.

Let me just conclude, Mr. Chairman, by saying that I would hope that we would support securing our citizens by providing these resources for them in this appropriation. I ask my colleagues to support this amendment.

Mr. Chairman, I rise to discuss the base bill, H.R. 4567, and to offer an amendment. I understand that the Department of Homeland Security (DHS), "in an effort to streamline funding and to enhance the coordination and administration" of 3 programs that include the Citizen Corps Program, has conglomerated the State Homeland Security Program (SHSP), the Law Enforcement Terrorism Prevention Program (LETPP), and the Citizen Corps Program into one application.

However, I also understand from the committee reports of this Subcommittee (page 70 of report 108–51) that H.R. 4567 proposes to decrease the Citizen Corps Program by $19,764,000. Therefore, it seems that the "conglomeration" effort by DHS has facilitated the weakening of a lifeline for our local community forces.

The Jackson-Lee Amendment (JACKSO.224) proposes to re-fund the Citizen Corps where H.R. 4567 purported to create a shortfall from the amounts provided in FY 2004 and $30,000,000 below the President's request.

In order to account for this proposed shortfall, the Jackson-Lee amendment increases the State and Local Programs account found in Title III, Preparedness and Recovery (page 22, line 25) by $20,000,000 and decreases the National Pre-Disaster Mitigation Fund, also found in Title III (page 22, line 25) by the same amount.

The Citizen Corps program was launched by President George W. Bush himself, during the 2002 State of the Union address as part of the USA Freedom Corps initiative to engage Americans in volunteer service.

In only 2 years, nearly 1,000 communities around the country, encompassing 40 percent of the U.S. population established Citizen Corps Councils to help inform and train citizens in emergency preparedness and to coordinate and expand opportunities for citizen volunteers to participate in homeland security efforts and make our communities safer. Fifty-two states and territories also formed State level Citizen Corps Councils to support local efforts.

Supporting the Citizen Corps concept, a recent opinion poll shows that Americans are interested in volunteering to help their local community emergency service providers, such as law enforcement, fire, or emergency medical services, or with organizations that focus on community safety, such as the American Red Cross or Neighborhood Watch. Forty percent of those polled answered that they would be willing to volunteer. In addition, nearly two thirds of respondents (63 percent) believe it is important for neighborhoods to have a way to work together on emergency preparedness.

Our families need to be aware of the threats that exist from abroad. Homeland Security is a very important issue that we may not think about in our daily lives.

With respect to our local needs and what our families need to think about in the very immediate future, I have worked in the House Select Committee on Homeland Security to craft legislation that aims at strengthening the first responders. I, along with my fellow Democrat Members of the Committee, worked to introduce a bill entitled the "Preparing America To Respond Effectively Act of 2003," or the "PREPARE Act." This bill was a comprehensive attempt to prepare our local first responders for potential acts of terrorism. Among the provisions are those that propose to improve funding mechanisms, bolster information sharing, enhance threat warnings, communications, and equipment interoperability, and to integrate private companies and the public into distinct response plans.

The main provisions of the PREPARE Act were incorporated into a larger bill from the entire Committee, H.R. 3266, the "Faster and Smarter Funding for First Responders Act of 2003," which reported favorably out of the House Select Committee and just reported favorably out of the Judiciary Committee today. Also incorporated in the bill under section 8 (page 51, as reported by the Select Committee on Homeland Security) is an amendment that I offered that deals with the mobilization and utilization of a "Citizens Corps" that will allow families to get information and terror threat directives in a timely fashion and without having to go through layers of administration.

The Houston branch of the Citizen Corps Council is headquartered in my Congressional District, Harris County, which is in southeastern Texas, comprises 1,779 square miles, and encompasses the city of Houston, 32 additional smaller cities, and is the home for nearly 4,000,000 residents. Harris County is the third most populous county in the United States and one of the most culturally diverse.

Due to its close proximity to the Gulf of Mexico and its topography, Harris County is prone to flooding and ongoing hurricane and tropical storm threats. In June 2001, Harris County was pummeled by tropical storm Allison's tidal surge and the 20 inches of rain she dropped on Harris and neighboring counties. The storm took 22 lives and caused an estimated $5 billion in damage.

Harris County is also home to numerous potential terrorist targets:

The Port of Houston, which ranks first in the United States in foreign waterborne commerce, is the leading domestic and international center for almost every segment of the oil and gas industry and houses almost half of the Nation's petrochemicals manufacturing capacity;

The Texas Medical Center, with 42 member institutions, provides leading medical care to people from all over the world and is the world's largest medical complex serving more than 70,000 daily;

The Johnson Space Center, home of NASA's manned space program;

The fourth largest airport system in the country, with more than 43,000,000 passengers traveling through its three area airports to domestic and international destinations;

Three national sport arenas hosting thousands of fans for popular events; and

A nuclear power plant located approximately 70 miles from the county.

Due to the early attention to defining roles and responsibilities, the Harris County Citizen Corps Council has the full support of the area's first responders and has expanded their coordination of volunteer and first responder services through the Houston-Galveston Area Council, a 13-county regional planning organization.

As a result of this close collaboration, the Harris County Fire Marshall's Office and the Harris County Health Department were able to plan and execute full-scale disaster response drills that tested the skills and preparedness levels of the entire Harris County emergency medical response community.

The Citizen Corps and the Citizen Corps Council clearly serves a vital role for our local communities. Underfunding it in the appropriations process or cutting it out will serve to impede progress that has been made to make our communities safer and more prepared for terrorist attack.

Mr. ROGERS of Kentucky. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is simple. It takes $20 million out of a very important program that cannot afford it and gives it to a program that does not need it. The $20 million the gentlewoman would put in the Citizen Corps comes from the Flood Map Modernization Fund, a program that is critical to our communities and our individuals. These moneys are for a 5-year, $1 billion program to update and modernize the 100,000 aging flood maps nationwide which affects hundreds of thousands of people. It is already underfunded. So we cannot afford to take money out of that.

We include in the bill $20 million for the Citizen Corps. However, Mr. Chairman, they have got $51 million laying around unused which is way more than they need. There is $51 million in the pipeline all the way back to 2003 that has not been used, and so there is plenty of money there, and we do not want to take the money from the Flood Map Modernization Fund that is critical to so many people in this country.

I oppose the amendment and urge Members to oppose it.

Mr. SABO. Mr. Chairman, I move to strike the last word. I rise in opposition to the amendment. The amendment is well-intentioned. However, one of the problems we have in this bill constantly is that while we call it homeland security, it incorporates many pre-existing programs that provide very crucial and important services in this country. One of the things that we have been involved with for a long, long time through FEMA is dealing with floods. The mapping program is already reduced from last year's level, and this would be another $20 million reduction in that very important program. I think while the amendment is well-intentioned, where the money comes from does not make sense to me.

Ms. LORETTA SANCHEZ of California. Mr. Chairman, I move to strike the requisite number of words.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentlewoman yield?

Ms. LORETTA SANCHEZ of California. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. I thank the distinguished gentlewoman for yielding, and I appreciate the comments of the ranking member and the chairman.

Mr. Chairman, let me just note that the money for flood mapping which is coming from Harris County and coming from Houston to my county governments and my city governments, I am fully aware of the importance. That funding is at $151 million. I would just ask my county and my cities who may be concerned about the $20 million to remember that this request goes to Citizen Corps groups and first responders, to help secure their local areas.

These dollars can be utilized in enhancing volunteer fire-fighting departments and other support services that the Citizen Corps might desire in order to enhance the security. An informed public, an organized public, a ready public is a crucial part of securing the homeland. I truly believe that the mapping question is important. Who better than those who are in the flood areas, if you will, like Houston which is 50 feet below sea level understand those questions. Many jurisdictions are working on those issues on their own. I would encourage the county governments and city governments who may be concerned to work with me on this. But I would just say to my colleagues that this is an important initiative for the Citizen Corps effort and to be able to strengthen this commitment for our neighborhoods.

I would ask my colleagues to support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE).

The amendment was rejected.

AMENDMENT OFFERED BY MS. LORETTA SANCHEZ OF CALIFORNIA

Ms. LORETTA SANCHEZ of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. LORETTA SANCHEZ of California:

Page 23, line 14, before the semicolon insert the following: ": *Provided further*, That the Office for State and Local Government Coordination and Preparedness shall ensure that States disburse grant funds obligated to a local government by not later than 15 days after receipt of an invoice for an authorized outlay by the local government".

Mr. ROGERS of Kentucky. Mr. Chairman, I reserve a point of order. We have not seen the amendment. We have no idea what this is.

The CHAIRMAN. The gentleman from Kentucky reserves a point of order.

Ms. LORETTA SANCHEZ of California. Mr. Chairman, I rise today to introduce a very important amendment to H.R. 4567. My amendment would make sure that our firefighters, law enforcement officers, and emergency medical personnel or other first responders are actually receiving the terrorism preparedness grant money that the Department of Homeland Security promises to them. The amendment would require States to distribute the already-approved grant money to those first responders no more than 15 days after the States receive the receipts for equipment, training or the other purchases approved under the grants from the local first responders.

The homeland security appropriations bill in its current form would allocate $1.25 billion for formula-based grants. Yet the bill does not spell out the requirements for making sure that the money gets down to our first responders, to our police officers, to our firefighters, to our hospitals and emergency medical personnel.

As we all know, these first responders are not receiving their promised funds to fulfill their mandate to protect our homeland. In some cases, the State is holding tight onto the money. In other cases the local responders do not understand the very complicated process that has been set up for actually receiving those grant dollars from the States. I believe that we need to have a system to verify that critical homeland security money is making its way through the pipeline. That is the biggest criticism that I have heard, that the money is not getting down to the people who have already spent their own money and are supposed to be reimbursed from the Federal Government. My amendment would make such a system possible.

POINT OF ORDER

The CHAIRMAN. Does the gentleman insist upon his point of order?

Mr. ROGERS of Kentucky. I do, Mr. Chairman.

I make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriation bill in violation of clause 2 of rule XXI which states, in pertinent part: "An amendment to a general appropriation bill shall not be in order if changing existing law by imposing additional duties."

I ask for a ruling from the Chair.

The CHAIRMAN. Does anyone else wish to be heard on the point of order?

Ms. LORETTA SANCHEZ of California. Mr. Chairman, I am willing to withdraw my amendment, but I think this is a very important point. I just held for all of the membership here about 10 days ago a meeting with first responders. The answer is always the same. The money is taking too long to come down into the local hands.

Mr. ROGERS of Kentucky. Regular order, Mr. Chairman.

The CHAIRMAN. Is there objection to the gentlewoman's withdrawing the amendment? Without objection, the amendment is withdrawn.

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FIREFIGHTER ASSISTANCE GRANTS

For necessary expenses for programs authorized by section 33 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2229), $600,000,000, to remain available until September 30, 2006: *Provided*, That not to exceed 5 percent of this amount shall be available for program administration.

COUNTERTERRORISM FUND

For necessary expenses, as determined by the Secretary of Homeland Security, to reimburse any Federal agency for the costs of providing support to counter, investigate, or respond to unexpected threats or acts of terrorism, including payment of rewards in connection with these activities, $10,000,000, to remain available until expended: *Provided*, That the Secretary shall notify the Committees on Appropriations of the Senate and the House of Representatives 15 days prior to the obligation of any amount of these funds in accordance with section 503 of this Act.

EMERGENCY PREPAREDNESS AND RESPONSE

OFFICE OF THE UNDER SECRETARY FOR EMERGENCY PREPAREDNESS AND RESPONSE

For necessary expenses for the Office of the Under Secretary for Emergency Preparedness and Response, as authorized by section 502 of the Homeland Security Act of 2002 (6 U.S.C. 312), $4,211,000.

PREPAREDNESS, MITIGATION, RESPONSE, AND RECOVERY

For necessary expenses for preparedness, mitigation, response, and recovery activities of the Emergency Preparedness and Response Directorate, $210,499,000, including activities authorized by the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.), the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950 (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947 (50 U.S.C. 404, 405, 411), Reorganization Plan No. 3 of 1978 (5 U.S.C. App.), and the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.).

ADMINISTRATIVE AND REGIONAL OPERATIONS

For necessary expenses for administrative and regional operations of the Emergency Preparedness and Response Directorate, $203,939,000, including activities authorized by the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.), the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950 (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947 (50 U.S.C. 404, 405, 411), Reorganization Plan No. 3 of 1978 (5 U.S.C. App.), and the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.): *Provided*, That not to exceed $4,000 shall be for official reception and representation expenses.

PUBLIC HEALTH PROGRAMS

For necessary expenses for countering potential biological, disease, and chemical threats to civilian populations, $34,000,000.

DISASTER RELIEF

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $2,042,380,000, to remain available until expended.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For administrative expenses to carry out the direct loan program, as authorized by section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5162), $567,000: *Provided*, That gross obligations for the principal amount of direct loans shall not exceed $25,000,000: *Provided further*, That the cost of modifying such loans shall be as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a).

FLOOD MAP MODERNIZATION FUND

For necessary expenses pursuant to section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101), $150,000,000, and such additional sums as may be provided by State and local governments or other political subdivisions for cost-shared mapping activities under section 1360(f)(2) of such Act, to remain available until expended: *Provided*, That total administrative costs shall not exceed 3 percent of the total appropriation.

RADIOLOGICAL EMERGENCY PREPAREDNESS PROGRAM

The aggregate charges assessed during fiscal year 2005, as authorized by the Energy and Water Development Appropriations Act, 2001 (as enacted into law by Public Law 106-377), shall not be less than 100 percent of the amounts anticipated by the Department of Homeland Security necessary for its radiological emergency preparedness program for the next fiscal year: *Provided*, That the methodology for assessment and collection of fees shall be fair and equitable and shall reflect costs of providing such services, including administrative costs of collecting such fees: *Provided further*, That fees received under this heading shall be deposited in this account as offsetting collections and will become available for authorized purposes on October 1, 2005, and remain available until expended.

NATIONAL FLOOD INSURANCE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities under the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.), and the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.), not to exceed $33,336,000 for salaries and expenses associated with flood mitigation and flood insurance operations; and not to exceed $79,257,000 for flood hazard mitigation, to remain available until September 30, 2006, including up to $20,000,000 for expenses under section 1366 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c), which amount shall be available for transfer to the National Flood Mitigation Fund until September 30, 2006, and which amount shall be derived from offsetting collections assessed and collected pursuant to section 1307 of that Act (42 U.S.C. 4014), and shall be retained and used for necessary expenses under this heading: *Provided*, That in fiscal year 2005, no funds in excess of: (1) $55,000,000 for operating expenses; (2) $562,881,000 for agents' commissions and taxes; and (3) $30,000,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund.

NATIONAL FLOOD MITIGATION FUND

(INCLUDING TRANSFER OF FUNDS)

Notwithstanding subparagraphs (B) and (C) of subsection (b)(3), and subsection (f), of section 1366 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c), $20,000,000, to remain available until September 30, 2006, for activities designed to reduce the risk of flood damage to structures pursuant to such Act, of which $20,000,000 shall be derived from the National Flood Insurance Fund.

NATIONAL PRE-DISASTER MITIGATION FUND

For a pre-disaster mitigation grant program pursuant to title II of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5131 et seq.), $100,000,000, to remain available until expended: *Provided*, That grants made for pre-disaster mitigation shall be awarded on a competitive basis subject to the criteria in section 203(g) of such Act (42 U.S.C. 5133(g)): *Provided further*, That, notwithstanding section 203(f) of such Act (42 U.S.C. 5133(f)), grant awards shall be made without reference to State allocations, quotas, or other formula-based allocation of funds: *Provided further*, That total administrative costs shall not exceed 3 percent of the total appropriation.

□ 0930

POINT OF ORDER

Mr. LATOURETTE. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. LATOURETTE. Mr. Chairman, I make a point of order against Page 31, Line 11, beginning with the words "provided further" through the word "funds" on Line 15.

This section violates clause 2 of rule XXI. It changes existing law, therefore constitutes legislating on an appropriations bill in violation of the House rules.

The CHAIRMAN. Are there other Members wishing to be heard on the point of order?

If not, the Chair is prepared to rule.

The Chair finds that the proviso explicitly supersedes existing law. The proviso, therefore, constitutes legislation in violation of clause 2 of rule XXI.

The point of order is sustained, and the proviso is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

EMERGENCY FOOD AND SHELTER

To carry out an emergency food and shelter program pursuant to title III of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11331 et seq.), $153,000,000, to remain available until expended: *Provided*, That total administrative costs shall not exceed 3.5 percent of the total appropriation.

TITLE IV—RESEARCH AND DEVELOPMENT, TRAINING, ASSESSMENTS, AND SERVICES

CITIZENSHIP AND IMMIGRATION SERVICES

For necessary expenses for citizenship and immigration services, $160,000,000.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, including materials and support costs of Federal law enforcement basic training; purchase of not to exceed 117 vehicles for police-type use and hire of passenger motor vehicles; expenses for student athletic and related activities; the conduct of and participation in firearms matches and presentation of awards; public awareness and enhancement of community support of law enforcement training; room and board for student interns; a flat monthly reimbursement to employees authorized to use personal cell phones for official duties; and services as authorized by section 3109 of title 5, United States Code, $183,440,000, of which up to $36,174,000 for materials and support costs of Federal law enforcement basic training shall remain available until September 30, 2006; and of which not to exceed $12,000 shall be for official reception and representation expenses: *Provided*, That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training sponsored by the Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For acquisition of necessary additional real property and facilities, construction, and ongoing maintenance, facility improvements, and related expenses of the Federal Law Enforcement Training Center, $37,917,000, to remain available until expended: *Provided*, That the Center is authorized to accept reimbursement to this appropriation from government agencies requesting the construction of special use facilities.

INFORMATION ANALYSIS AND INFRASTRUCTURE PROTECTION

MANAGEMENT AND ADMINISTRATION

For salaries and expenses of the immediate Office of the Under Secretary for Information Analysis and Infrastructure Protection and for management and administration of programs and activities, as authorized by title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.), $132,064,000: *Provided*, That not to exceed $5,000 shall be for official reception and representation expenses.

AMENDMENT OFFERED BY MR. SABO

Mr. SABO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SABO:

Page 33, line 26, insert before the period the following:

: *Provided further*, That of the total amount provided under this heading, $5,000,000 shall be for the Under Secretary to prepare an analysis of requiring key resources and critical infrastructure to provide information related to actual and potential vulnerabilities to ensure that the Department has timely and efficient access to such information, as authorized by section 201(d) of such Act (6 U.S.C. 121(d))

Mr. SABO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SABO. Mr. Chairman, this amendment provides $5 million for the Department of Homeland Security to analyze whether critical infrastructure facilities should be required to provide information about their security vulnerabilities to the Department.

These resources are needed because the Bush administration is not working aggressively enough with the owners of critical infrastructure such as chemical plants to identify and address security issues. This modest amount of money to focus the analysis on vulnerable facilities could save us countless lives and resources in the future.

The Department currently lacks meaningful security information on these facilities and is in no hurry to collect it or require it to be provided. Under its current plan, the Department will take years to gather information for all of the 30,000 entities classified as critical infrastructure. In fact, this year DHS only plans again to gather information on 4,000 such entities.

For one sector of the U.S. critical infrastructure, chemical facilities, the General Accounting Office found that no comprehensive information exists on the industry's security vulnerabilities, and many facilities have neither assessed their vulnerabilities nor improved their security.

This is the state we are in today, despite years of warnings from experts and the FBI having identified chemical facilities as clear terrorist targets. According to GAO, there are 709 chemical facilities in the U.S. where a "worst case" release would affect 100,000 or more Americans.

Members may want to take a close look at this map to see where these facilities are located in their States. There are about 2,300 more facilities where a "worst case" chemical release could affect over 10,000 people and about 15,000 chemical facilities that use or store at least one of 140 hazardous chemicals.

In an appropriations hearing this spring, the Under Secretary responsible for infrastructure protection described what the Department has been doing to address security concerns. He said: "When we visited in the first round, we were first about helping them assess the situation . . . we have returned in personal visits or in a conference call and attempted to start to develop plans, what I call operational plans, to truly improve the security of the facility."

Conference calls to develop security plans? Are we really serious? More than 2½ years after 9/11 the Bush administration still thinks that improved chemical facility and critical infrastructure security can be controlled.

I think that the Department should be reviewing vulnerability assessment, not conducting them. That is the heart of what we are saying here. The Department should be reviewing vulnerability assessments done by the plants, not conducting them. They should be reviewing security plans, not making them. They should be checking on facilities to make sure that the security improvements identified in the plans are made.

Is this something unique, something new? No. The fact is the Federal Government already requires such security measures for ports, water utilities, and, believe it or not, chemical facilities that have water access. So if their chemical plant has water access, the requirements to do vulnerability assessments exists; if they are not on a waterway, then it does not exist. For some reason unknown to me, we do not require them for these other critical infrastructures.

While I prefer to offer an amendment that requires such assessments and security plans to be provided for Department review, it would not be in order. However, at a minimum the Department should seriously evaluate the path it takes in gathering this critical infrastructure information. I urge the Members to support this crucial amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in support of the Sabo amendment.

Coming from an area where chemical plants and facilities are proliferating and are long-time existing, the whole question of analysis and threat assessment is extremely important, and I would ask my colleagues to support the Sabo amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. SABO).

The amendment was agreed to.

AMENDMENT OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. JACKSON-LEE of Texas:

Page 33, line 24, after the dollar amount insert the following: "(reduced by $10,000,000)".

Page 34, line 22, after the dollar amount insert the following: "(increased by $10,000,000)".

Ms. JACKSON-LEE of Texas. Mr. Chairman, I really hope my colleagues will understand that homeland security is rooted in our communities, and this amendment encompasses universities, colleges, and rural communities where local community colleges are placed.

This bill embraces historically black colleges and Hispanic-serving institutions to be able to be on the frontlines of homeland security. This amendment takes simply $10 million from the Information Analysis and Infrastructure Protection, the IAIP. It adds these moneys to allow historically black colleges and Hispanic-serving institutions to be able to assist their rural and local communities in securing the homeland in training first responders, in training those individuals on the frontline.

As a letter coming from our community college system says, the tragic events of 9/11 have placed a tremendous demand on these institutions to train individuals and to do research as it relates to first responder roles and first responder responsibilities. The students aspire to serve in this capacity and help to serve their communities by protecting the homeland. Training those first responders as well as researching the area of the homeland security can be valuable to these older students and these students who may not have an opportunity but yet live in poor communities and rural communities.

A letter from the National Association of Historically Black Colleges, NAFEO, says that the Jackson-Lee amendment provides and can help to serve as the epicenter for their communities, many of which are distressed and underserved, and that is historically black colleges. This amendment "will afford HBCUs, HISs and community colleges an opportunity to play an important and valuable role in the mission to keep America safe."

This would increase the Research, Development, Acquisition and Operations account, as I indicated, by a very mere amount. To offset this proposed increase, this moneys, as I said, would be taken from an account that deals with salaries and expenses. These colleges then would be able to be on the frontline.

Recently Texas A&M University was awarded a $20 million to fund its National Response and Rescue Training Center under the "Centers for Excellence" program. While I believe this is very important, I am also aware that these colleges offer the same opportunity. Research laboratories, training, information technology, publishing and dissemination can be part of the resources utilized for HBCUs and HISs and community college systems to ensure that they too will be able to be a resource for their neighborhoods and their cities and their county government to train and to send students out proficient in the efforts of homeland security.

The community college systems are able to be close to the neighborhoods and close to the cities and close to the population. They can engage in EMT training. They can engage in firefighting training. They can engage in the training for various public health clinics that would then be on the frontlines in case of a smallpox outbreak.

We noticed that older neighborhoods, older communities, poor communities are as vulnerable as would be our large areas. These community colleges and historically black colleges will provide the opportunity in the community to assess threat, to work with our Federal Government on threat assessment and to work with our cities again and our neighborhoods.

In Houston, for example, there are what we call neighborhood organizations that are trying to organize and educate communities about safety. Community colleges placed all over the country would be well placed to train neighborhoods in safety procedures, far more better equipped than doing this in Washington, DC.

So the idea of this amendment is to bring homeland security closer to our communities and ensure that colleges around the Nation, and what we call community colleges, one of the most local systems of education in our Nation, our local community colleges would have the ability to be able to participate in homeland security.

□ 0945

Let me conclude by saying one of the important components to homeland security would be our county officials and our city officials and the officials in our villages and rural areas. This amendment allows those colleges, well-situated throughout the South, for example, throughout the Midwest, to be able to interface with our county and our city officials, helping to devise threat assessment plans, helping to devise training plans, helping to devise research plans and interfacing with our Federal Government, providing more training for our first responders.

This amendment with its small amount puts homeland security on the frontlines with our colleges and our Historically Black Colleges and Hispanic-serving Universities. I ask my colleagues to support the amendment.

Mr. Chairman, I rise to discuss the base bill, H.R. 4567 and to offer an amendment. The Jackson-Lee Amendment would increase the Research, Development, Acquisition and Operations account under Title IV, Research and Development, Training, Assessments, and Services by 10,000,000 to assert the need to give Historically Black Colleges and Universities (HBCU's), Hispanic Serving Institutions (HIS's), and community colleges an opportunity to support and enhance the efforts of the Department of Homeland Security on a more fair scale.

To offset this proposed increase, the Information Analysis and Infrastructure Protection Management and Administration account under the same title (line 24) would be reduced by the same amount.

America's 110 HBCUs, 242 HISs, and 1,166 Nationwide community college systems have a unique and important role in serving our communities, especially in the area of research and development of homeland security-related programs and services.

Recently, Texas A&M University was awarded a $20 million award to fund its National Response and Rescue Training Center under the "Centers for Excellence" program. TAMU is part of the National Domestic Preparedness Consortium which is scheduled to receive $80 million in funding for homeland security programs nationwide under this bill. TAMU will receive one quarter of these total funds!

While I congratulate TAMU on this success, I contrast this with the fact that I have not seen similar awards made to the HBCUs, HISs, and community college systems.

When I visited Doha, Qatar, TAMU opened it's engineering school under the "Education City" umbrella. Unfortunately, no HBCUs, HISs, or community college made it under that umbrella. This amendment today seeks to try to address this problem and to encourage the participation of these schools.

These institutions have unique capabilities designed to serve as local, State and regional centers for the delivery of technical, logical, and support services, including, but not limited to the following:

Training and Conference Facilities—Conference management;

Research Laboratories—Assessment/evaluation, Systems architecture and engineering, Project assessment, Strategic planning;

Information Technology—Wireless connectivity, Software development, Technical, logistical and support services;

Dormitory Facilities—Emergency housing;

Publishing and Dissemination—Materials development, Document preparation.

Regional funding for HBCUs, HISs, and community college systems can ensure equipment compatibility through the development of common standards, provide access to local, State and regional training sites, standardize training material and workshop content, assist with response plan development and updating, create information sharing networks, design or redesign software and related technologies, and assist with the strategic planning process and information dissemination.

In collaboration, with state and local governments, the HBCUs, HISs, and community colleges would establish specific, flexible and measurable terrorism preparedness capabilities. Areas of funding could include examination of the availability and competence of emergency personnel, planning, training and/or equipment.

Example projects could include a rapidly deployable regional wireless pilot system that provides interoperable with existing infrastructures; development of a chain of custody model for our food supply from the grower to the consumer with monitoring technology; and develop a scalable pilot nationwide command control system that can interface with existing public and private infrastructure.

The Houston Community College (HCC) System in Houston, Texas requested $16 million from this Committee to fund the construction of its Houston Community College Public Safety Institute (PSI). That has not been responded to, however this would help with programs at these colleges regarding homeland security. To help meet Houston's Homeland Security needs, HCC currently trains over 250 EMTs, 300 firefighting cadets, and 200 police cadets annually. HCC facilities are currently used to train an additional 1,000 police and firefighters, and the PSI would serve an additional 2,000 local police, firefighter, and EMT personnel. The proposed $40 million, 25-acre complex will represent the cooperative relationship between Federal, State, and local law enforcement needed to ensure the Nation's domestic security.

Houston is currently the only city in America that meets each of the 15 Federal threat criteria for a terrorist attack. Therefore, the model for a coordinated public safety system is extremely important.

In order to further advocate this important cause, I plan to offer a proposal to the Department of Homeland Security (DHS) authorization bill that will put an overall initiative in motion to really utilize the vast resources, skills, energy, and creativity that is to be found in our HBCUs, HISs, and community colleges.

Mr. ROGERS of Kentucky. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am opposed to this amendment. This amendment earmarks $10 million within the Science and Technology account for specific institutions of higher learning.

Mr. Chairman, we have studiously and steadfastly avoided all earmarks in this bill. There are none. This would be an earmark. For that reason, I have to oppose it. The University Centers of Excellence awards are made on a competitive basis and should stay that way.

All universities and colleges in the United States can apply, including Historically Black Colleges and Universities, Hispanic-serving institutions and community colleges. Universities and colleges can apply singly or together as part of a consortium, pooling the talents of several higher-learning institutions. The recent Center of Excellence award on agroterrorism to the University of Minnesota includes Tuskegee University, a Historically Black University, as one of its partners.

The S&T university program has been proactive in reaching out to minorities. S&T encourages the Center of Excellence competitors to partner with minority institutions. They are setting up a program for partnering university minority faculty with national labs for fellowships and internships. A new Center of Excellence award on emergency preparedness and response will be targeted to the urban community, with the intent of reaching more institutions with minority populations. This center will focus on training for emergency preparedness.

The competition element, Mr. Chairman, is critical to bring together the Nation's best experts and focus its most talented researchers on science and technology solutions to combat terrorist threats against this Nation from wherever they come.

It is absolutely critical to the security of the country that the Department of Homeland Security is able to utilize the best science that the Nation has to offer, be it private sector technology, national labs, or our great universities and colleges. The best way to identify that talent is through open competition, not earmarks, which this amendment would do. For that reason, I urge Members to reject the amendment.

Mr. SCOTT of Virginia. Mr. Chairman, I move to strike the last word.

Mr. Chairman, having heard the chairman's explanation, I was wondering if the gentlewoman from Texas could respond.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. SCOTT of Virginia. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the distinguished gentleman from Virginia. I am prepared to respond.

I thank the distinguished chairman, because I know that the ranking member and the chairman have worked very hard. But it is well known that it is very difficult for the Historically Black Colleges and Hispanic-serving colleges to be competitive in the process he just enunciated. This is expanding the pot in a very narrow way. Frankly, what it does is it says we all comprehensively are valued in the homeland security effort.

You will note that Historically Black Colleges, 242 of them, are located in heavily rural areas. The impact that they have is far-reaching. I heard a colleague on the House say not to leave out the rural areas as it relates to homeland security, not to leave out the agricultural chain, if you will, in homeland security.

Many of our Historically Black Colleges, such as the colleges in Mississippi and Alabama and Georgia, are located many times in rural areas and deal as their basis of research and training in the agriculture industry. Their participation in an effort to secure the homeland where they can participate in the fullest manner, I think, is not too much to ask of my colleagues on the floor of the House today.

This also impacts Hispanic-serving institutions. One of the issues that is key in securing the homeland is responding to our diverse population. Hispanic-serving institutions would have the better ability by language to be able to communicate with those individuals by training, by research, by investment, those individuals who may speak at this time a different language.

So I would respectfully suggest that the funding that has been placed in this bill, though it is certainly responsible and respectful, it does not go to those who have had a very difficult time competing in the large sphere against major universities and institutions far larger than them.

I think if we look at the grant assessment or the grant awarding and balance it alongside of the major institutions in many of our communities, we are respectful of many of those institutions in our communities. The large ones we are very knowledgeable about. We call them the multiplex or multinational universities. They are by far able to surpass some of these Historically Black Colleges.

I have a letter of support on this amendment from the national association of organizations dealing with black colleges, NAFEO, that welcomes the opportunity to participate, 118 historically and predominantly black colleges, along with the representatives from the community college sector. What they simply say is, we are the little guy.

Let us help out the little guys. The little guys need help. This is not to say that this is a handout, because we know that homeland security is too serious for that, but in fact because it is needed and because these individual colleges, small colleges, Historically Black, Hispanic-serving, can serve in the community, work on homeland security and really do what we are trying to do on the floor of the House today, which is to ensure that we have a strong Citizen Corps, to ensure that we have the first responder system. This can be worked out of this, giving them greater assistance by helping to secure the homeland, by training first responders right in the neighborhood, and working on research opportunities and training opportunities.

I thank the distinguished gentleman for yielding. I ask my colleagues to support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE).

The question was taken; and the Chairman announced that the noes appeared to have it.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE) will be postponed.

The Clerk will read.

The Clerk read as follows:

ASSESSMENTS AND EVALUATIONS

For necessary expenses for information analysis and infrastructure protection, as authorized by title II of the Homeland Security Act of 2002 (6 U.S.C. 121 et seq.), $722,512,000, to remain available until September 30, 2006.

Science and Technology

MANAGEMENT AND ADMINISTRATION

For salaries and expenses of the immediate Office of the Under Secretary for Science and Technology and for management and administration of programs and activities, as authorized by title III of the Homeland Security Act of 2002 (6 U.S.C. 181 et seq.), $68,586,000: *Provided*, That not to exceed $3,000 shall be for official reception and representation expenses.

RESEARCH, DEVELOPMENT, ACQUISITION AND OPERATIONS

For necessary expenses for science and technology research, including advanced research projects; development; test and evaluation; acquisition; and operations; as authorized by title III of the Homeland Security Act of 2002 (6 U.S.C. 181 et seq.), $1,063,713,000, to remain available until expended.

TITLE V—GENERAL PROVISIONS

(INCLUDING TRANSFERS OF FUNDS)

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. Subject to the requirements of section 503 of this Act, the unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this Act: *Provided*, That balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.

SEC. 503 (a) None of the funds provided by this Act, provided by previous appropriation Acts to the agencies in or transferred to the Department of Homeland Security that remain available for obligation or expenditure in fiscal year 2005, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds that: (1) creates a new program; (2) eliminates a program, project, or activity; (3) increases funds for any program, project, or activity for which funds have been denied or restricted by the Congress; or (4) proposes to use funds directed for a specific activity by either the House or Senate Committees on Appropriations for a different purpose; unless both Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, provided by previous appropriation Acts to the agencies in or transferred to the Department of Homeland Security that remain available for obligation or expenditure in fiscal year 2005, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for programs, projects, or activities through a reprogramming of funds in excess of $5,000,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by the Congress; or (3) results from any general savings from a reduction in personnel that would result in a change in existing programs, projects, or activities as approved by the Congress; unless the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such reprogramming of funds.

(c) Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Homeland Security by this Act or provided by previous appropriation Acts may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by such transfers: *Provided*, That any transfer under this subsection shall be treated as a reprogramming of funds under subsection (b) and shall not be available for obligation unless the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such transfer.

SEC. 504. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2005 from appropriations for salaries and expenses for fiscal year 2005 in this Act shall remain available through September 30, 2006, in the account and for the purposes for which the appropriations were provided: *Provided*, That prior to the obligation of such funds, a request shall be submitted to the Committees on Appropriations of the Senate and the House of Representatives for approval in accordance with section 503 of this Act.

SEC. 505. Funds made available by this Act for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 2005 until the enactment of an Act authorizing intelligence activities for fiscal year 2005.

SEC. 506. The Federal Law Enforcement Training Center shall establish an accrediting body, to include representatives from the Federal law enforcement community and non-Federal accreditation experts involved in law enforcement training, to establish standards for measuring and assessing the quality and effectiveness of Federal law enforcement training programs, facilities, and instructors.

SEC. 507. None of the funds in this Act may be used to make a grant unless the Secretary of Homeland Security notifies the Committees on Appropriations of the Senate and the House of Representatives not less than 3 full business days before any grant allocation, discretionary grant award, or letter of intent totaling $1,000,000 or more is announced by the Department or its directorates from: (1) any discretionary or formula-based grant program of the Office for State and Local Government Coordination and Preparedness; (2) any letter of intent from the Transportation Security Administration; (3) any port security grant; or (4) awards for Homeland Security Centers of Excellence: *Provided*, That no notification shall involve funds that are not available for obligation.

SEC. 508. Notwithstanding any other provision of law, no agency shall purchase, construct, or lease any additional facilities, except within or contiguous to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the Committees on Appropriations of the Senate and the House of Representatives, except that the Federal Law Enforcement Training Center is authorized to obtain the temporary use of additional facilities by lease, contract, or other agreement for training which cannot be accommodated in existing Center facilities.

SEC. 509. The Director of the Federal Law Enforcement Training Center shall ensure that all training facilities under the control of the Center are operated at optimal capacity throughout the fiscal year.

SEC. 510. None of the funds appropriated or otherwise made available by this Act may be used for expenses of any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, has not been approved, except that necessary funds may be expended for each project for required expenses for the development of a proposed prospectus.

SEC. 511. None of the funds appropriated or otherwise made available by this Act shall be used to pursue or adopt guidelines or regulations requiring airport sponsors to provide to the Transportation Security Administration without cost building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings for services relating to aviation security: *Provided*, That the prohibition of funds in this section does not apply to—

(1) negotiations between the agency and airport sponsors to achieve agreement on "below-market" rates for these items; or

(2) space for necessary security checkpoints.

SEC. 512. (a) None of the funds in this Act may be used in contravention of the applicable provisions of the Buy American Act (41 U.S.C. 10a et seq.).

(b) None of the funds in this Act may be used to procure articles, materials, or supplies for public use, or to enter into a contract for the construction, alteration, or repair of a public building or public work, pursuant to an exception set forth in section 2 of section 3 of the Buy American Act (41 U.S.C. 10a et seq.) until—

(1) a notification of the intent to apply such exception is submitted to the Committees on Appropriations of the Senate and the House of Representatives; and

(2) a period of 15 days has expired after the date on which such notification is so submitted.

(c) The Inspector General of the Department of Homeland Security shall conduct audits of contracts entered into by the Department of Homeland Security during a fiscal year for purposes of determining compliance with the Buy American Act (41 U.S.C. 10a et seq.). The Inspector General shall submit to the Committees on Appropriations of the Senate and the House of Representatives an annual report on the results of the audit. The report shall be submitted at the same time the President submits to Congress the budget for a fiscal year and shall cover the same fiscal year. The first report under this subsection shall be submitted with for fiscal year 2006.

SEC. 513. The Secretary of Homeland Security is directed to research, develop, and procure certified systems to inspect and screen air cargo on passenger aircraft at the earliest date possible: *Provided*, That until such technology is procured and installed, the Secretary shall take all possible actions to enhance the known shipper program to prohibit high-risk cargo from being transported on passenger aircraft: *Provided further*, That the Secretary shall amend Security Directives and programs in effect on the date of enactment of this Act to, at a minimum, double the percentage of cargo inspected on passenger aircraft.

SEC. 514. Notwithstanding sections 524, 571, and 572 of title 40, United States Code, the Secretary of Homeland Security may sell the Bolingbrook family housing area in Bolingbrook, Illinois, the Prairie View family housing area in Prairie View, Illinois, the Chapel Hill Rear Range Light in Leonardo, New Jersey, and the Richmond Heights housing complex in Miami, Florida: *Provided*, That to the extent the sale proceeds exceed the 10 year statistical average of proceeds from Coast Guard property sales as determined by the Office of Management and Budget, the sale proceeds in excess of that average shall be credited to an account of the Coast Guard and be available for the Coast Guard.

SEC. 515. (a) ESTABLISHMENT OF CHIEF PROCUREMENT OFFICER.—The Homeland Security Act of 2002 is amended as follows:

(1) In section 103(d) (6 U.S.C. 113(d)), by redesignating paragraph (5) as paragraph (6) and inserting after paragraph (4) the following:

"(5) A Chief Procurement Officer.".

(2) By redesignating sections 705 through 706 (6 U.S.C. 345-346) in order as sections 706 through 707, and by inserting after section 704 the following:

"SEC. 705. CHIEF PROCUREMENT OFFICER.

"The Chief Procurement Officer appointed under section 103(d)(5) shall report to the Secretary.".

(3) In the table of contents in section 1(b), by striking the items relating to sections 705 through 706 and inserting the following:

"Sec. 705. Chief Procurement Officer.
"Sec. 706. Establishment of Officer for Civil Rights and Civil Liberties.
"Sec. 707. Consolidation and co-location of offices.".

(b) Reporting by Chief Financial Officer and Chief Information Officer.—Sections 702 and 703 of the Homeland Security Act of 2002 (6 U.S.C. 342, 343) are amended by striking ", or to another official of the Department, as the Secretary may direct" each place it appears.

Sec. 516. The Commandant of the Coast Guard shall provide to the Congress each year, at the time that the President's budget is submitted under section 1105(a) of title 31, United States Code, a list of approved but unfunded Coast Guard priorities and the funds needed for each such priority in the same manner and with the same contents as the unfunded priorities lists submitted by the chiefs of other Armed Services.

Sec. 517. (a) In General.—Chapter 449 of title 49, United States Code, is amended by inserting after section 44944 the following new section:

"§ 44945. Disposition of unclaimed money

"Notwithstanding section 3302 of title 31, unclaimed money recovered at any airport security checkpoint shall be retained by the Transportation Security Administration and shall remain available until expended for the purpose of providing civil aviation security as required in this chapter.".

(b) Annual Report.—Not later than 180 days after the date of enactment of this Act and annually thereafter, the Administrator of the Transportation Security Administration shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives, the Committee on Appropriations of the House of Representatives, the Committee on Commerce, Science and Transportation of the Senate and the Committee on Appropriations of the Senate, a report that contains a detailed description of the amount of unclaimed money recovered in total and at each individual airport, and specifically how the unclaimed money is being used to provide civil aviation security.

(c) Clerical Amendment.—The analysis for chapter 449 of title 49, United States Code, is amended by adding the following new item after the item relating to section 44944:

"44945. Disposition of unclaimed money.".

Sec. 518. Notwithstanding section 3302 of title 31, United States Code, the Administrator of the Transportation Security Administration may impose a reasonable charge for the lease of real and personal property to Transportation Security Administration employees and for the lease of real and personal property for use by Transportation Security Administration employees and may credit amounts received to the appropriation or fund initially charged for operating and maintaining the property, which amounts shall be available, without fiscal year limitation, for expenditure for property management, operation, protection, construction, repair, alteration, and related activities.

Sec. 519. The acquisition management system of the Transportation Security Administration shall apply to the acquisition of services, as well as equipment, supplies, and materials.

Sec. 520. Notwithstanding any other provision of law, the authority of the Office of Personnel Management to conduct personnel security and suitability background investigations, update investigations, and periodic reinvestigations of applicants for, or appointees in, competitive service positions within the Department of Homeland Security is transferred to the Department of Homeland Security: *Provided*, That on request of the Department of Homeland Security, the Office of Personnel Management shall cooperate with and assist the Department in any investigation or reinvestigation under this section.

Sec. 521. Section 312(g) of the Homeland Security Act of 2002 (6 U.S.C. 192(g)) is amended to read as follows:

"(g) Termination.—The Homeland Security Institute shall terminate 5 years after its establishment.".

Sec. 522. Section 311(c)(2) of the Homeland Security Act of 2002 (6 U.S.C. 191(c)(2)) is amended to read as follows:

"(2) Original appointments.—The original members of the Advisory Committee shall be appointed to three classes. One class of six shall have a term of 1 year, one class of seven a term of 2 years, and one class of seven a term of 3 years.".

Sec. 523. Notwithstanding any other provision of law, funds appropriated under paragraphs (1) and (2) of the State and Local Programs heading under title III of this Act are exempt from section 6503(a) of title 31, United States Code.

Sec. 524. None of the funds in this or previous Appropriations Acts may be obligated for deployment or implementation, on other than a test basis, of the Computer Assisted Passenger Prescreening System (CAPPS II) until the Secretary of Homeland Security has certified that the requirements of paragraphs (1) through (8) of subsection (a), and the requirements of subsection (b), of section 519 of Public Law 108-90 have been met and the General Accounting Office has reviewed such certification: *Provided*, That the Secretarial certification and General Accounting Office review shall explicitly include the efficacy and accuracy of any algorithms contained within CAPPS II to predict the likelihood of a passenger's association with terrorists: *Provided further*, That the Secretarial certification is not delegable.

Sec. 525. None of the funds appropriated in this or any other Act may be used by the Undersecretary for Management, the Chief Financial Officer, or the Office of Management and Budget for the purpose of reviewing or altering any report directed to be submitted to the Committees on Appropriations in this Act and its accompanying report. This section shall only apply to those reports related to the operations, programs, and activities of the Department of Homeland Security.

Mr. ROGERS of Kentucky (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill through page 47, line 22, be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. Are there any points of order to this portion of the bill?

POINT OF ORDER

Mr. MICA. Mr. Chairman, I raise a point of order against section 524.

The CHAIRMAN. The gentleman will state his point of order.

Mr. MICA. Mr. Chairman, I raise a point of order against page 47, line 6, beginning with "and the" through line 13.

This provision violates clause 2 of rule XXI . It changes existing law, and therefore constitutes legislating on an appropriations bill in violation of House rules.

The CHAIRMAN. Are there other Members desiring to be heard on the point of order?

Mr. SABO. Mr. Chairman, this is a provision that fundamentally continues what is existing law that is applied for this. I think it is unfortunate that the point of order is raised. I think this amendment deals with some of the most sensitive privacy issues that are involved with the Department of Homeland Security. On the other hand, I understand that this is legislation in the bill, and, unfortunately, it is being struck.

The CHAIRMAN. Is there further discussion on the point of order?

If not, the Chair is prepared to rule.

The Chair finds that the specified portion of the section imposes new duties and therefore constitutes legislation in violation of clause 2 of rule XXI.

The point of order is sustained, and that portion of the section is stricken from the bill.

POINT OF ORDER

Mr. TOM DAVIS of Virginia. Mr. Chairman, I raise points of order against section 512, subsections (b) and (c), section 514 and section 525 on the grounds that these provisions change existing law in violation of clause 2(b) of House rule XXI and therefore are legislation included in a general appropriation bill.

The CHAIRMAN. Is there further discussion on the points of order?

Mr. ROGERS of Kentucky. Mr. Chairman, I will only make a brief statement in regards to the gentleman from Tennessee (Mr. Wamp), who serves on our subcommittee, who has been so active on this issue. He has been a leader in the whole Congress on Buy-America issues through diligent efforts on his part to make sure that companies that manufacture goods and supplies must comply with the Buy-America Act.

I regret that this provision is being probably stricken from the bill, but the work of the gentleman from Tennessee (Mr. Wamp) on this issue must go as noted, because it certainly has been a labor of love on his part, and a very effective one.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I have discussed this with the gentleman from Tennessee. We are uncomfortable, as the gentleman knows, with the reporting requirements just through appropriations. We would want to include the committee which has jurisdiction over Buy-America, which is ours. We cannot rewrite this, but I pledge to work with the gentleman as we move forward on these issues.

The CHAIRMAN. Is there further discussion on the point of order?

If not, the Chair is prepared to rule.

The Chair finds that sections 512(b) and (c) impose new duties on the Inspector General of the Department of Homeland Security, that section 514 explicitly supersedes existing law, and that section 525 addresses funds in other acts. Therefore, each of the provisions constitutes legislation in violation of clause 2 of rule XXI. The points of order are sustained and the provisions are stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 526. (a) CLARIFICATION OF PROHIBITION ON CONTRACTING WITH FOREIGN INCORPORATED ENTITIES.—Section 835 of the Homeland Security Act of 2002 (Public Law 107-296; 6 U.S.C. 395) is amended—

(1) in subsection (a), by inserting before the period ", or any subsidiary of such an entity";

(2) in subsection (b)(1), by inserting "before, on, or" after the "completes";

(3) in subsection (c)(1)(B), by striking "which is after the date of enactment of this Act and"; and

(4) in subsection (d), by striking "homeland" and inserting "national".

(b) PROHIBITION ON ORDERS UNDER TASK AND DELIVERY ORDER CONTRACTS.—Section 835 of the Homeland Security Act of 2002 (Public Law 107-296; 6 U.S.C. 395) is further amended by adding at the end the following new subsection:

"(e) TASK AND DELIVERY ORDERS.—After the date of the enactment of this subsection, no order may be issued under a task and delivery order contract entered into by the Department of Homeland Security before, on, or after the date of the enactment of this Act if the contractor for such contract is treated as an inverted domestic corporation under subsection (b).".

POINT OF ORDER

Mr. TOM DAVIS of Virginia. Mr. Chairman, I raise a point of order against section 526(b) of H.R. 4567 on the grounds that this provision changes existing law in violation of clause 2(b) of House rule XXI, and therefore is legislation included in a general appropriations bill.

The CHAIRMAN. Is there further discussion on the point of order?

If not, the Chair is prepared to rule.

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Mr. TOM DAVIS of Virginia. Mr. Chairman, it is section 526(b).

The CHAIRMAN. Is there any further discussion on the point of order?

If not, the Chair is prepared to rule.

The Chair finds that the subsection directly amends the Homeland Security Act of 2002. The subsection, therefore, constitutes legislation in violation of clause 2 of rule XXI.

The point of order is sustained, and the subsection is stricken from the bill.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I greatly regret the action that has just taken place. Both political parties are posing for political holy pictures on the issue of exporting jobs, and both parties have done it for quite some time.

This language that was just stricken represents the second attempt over a 2-year period for a number of us on this side of the aisle to try to eliminate rewards that our government provides to corporations who, for tax purposes, decide to claim citizenship of another country, thereby adding to the tax burden of the American citizens who remain in this country.

This language was meant to prevent Accenture from getting a contract from the Homeland Security Department that could be worth up to $10 billion.

Now, I do not think that the American public minds spending any money that we need to appropriate to protect the homeland, but I do think they feel it is particularly absurd in this case, because this contract involves a contract to establish a process by which we track the activities of people as they cross our borders. And it is ironic that the company who will be given that juicy contract is a company that in itself has determined that it would rather locate for tax purposes in Bermuda rather than the United States.

Now, what was stricken, or as a result of the language that was stricken, the prohibition on future contracts remains, as I understand it, but the countermanding of the contract to Accenture is eliminated by the action just taken. I just find that amazing. I recognize that the gentleman had the technical right to do so.

We will hear that oh, Accenture pays a higher rate of taxes than the other companies that were competitive for this contract. But that is measuring only the percentage of taxes that they pay on reported income, and a large portion of that company's income is exempt under the way they have it structured. If we take a look at the filings of that company with the Federal Trade Commission, we will see by their own admission that they decided to locate in Bermuda in order to escape tax burden. Now, by definition, that means they are shoving that tax burden on the remaining taxpayers who stay in this country and do not try to engage in these clever games.

This is the second year in a row that language like this has been eliminated after it was adopted on a bipartisan basis by a 2-to-1 vote in our committee. It seems to me that rather than eliminating this language, this Congress should have taken action to strengthen it across the board. Until we do, with a great many taxpayers, Uncle Sam is going to be known as Uncle Sucker.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I appreciate the action by the gentleman from Virginia, the chairman of the Committee on Government Reform, in raising a point of order against section 514 in which the Coast Guard would have been granted authority to waive certain provisions of the McKinney-Vento Homelessness Act, but I want to make clear, and I think this is the case for all of us who had a jurisdictional problem here, part of that amendment would allow the Coast Guard to keep the proceeds of any sale it is able to make, rather than having it put in the general fund. That is not an authorizing matter, that is an appropriations matter. If that is all it said, I would not have had any objection, and I do not know that anyone else would. What we objected to, I believe, was the provision that would have waived the substantive rules regarding a right of first refusal for groups interested in housing.

So I would just say to my colleagues on the Committee on Appropriations, if in fact this bill comes back from further points in the process with language simply making clear that the Coast Guard can keep the proceeds rather than putting them in the general fund, I certainly would have no objection as the ranking member of the authorizing committee. The important point is to preserve the policy involved in not selling off the property until we first see whether it is available for housing.

Now, it was appropriate to do what the gentleman from Virginia did and strike the whole section, because these were intermingled in the wording, but if it came back simply dealing with what happens to the funding after the properties are sold, I do not think that would be a problem.

Mr. TOM DAVIS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Virginia.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I appreciate the gentleman's remarks, and I agree with them.

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman from Virginia.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I move to strike the last word.

Let me just respond to my friend from Wisconsin who has raised this issue.

I have struck for the second year in a row these so-called corporate inversion amendments. The appropriate time to take this up in my opinion would have been before the procurement moved forward. Several committees of this House held hearings on the US-VISIT contract. I think if this had been part of the initial contract, then we would not have gone through this process, companies would not have spent millions of dollars, and we could have addressed this earlier in the process.

The difficulty now is that we would delay this process up to 2 years further, and I think it is a needed program.

We have kept the language in section (a) under this going forward for future contracts in the spirit of compromise with the gentleman, but I understand his concerns. I have other substantive concerns with what the gentleman has said, but I think in the spirit of compromise we have tried to get an appropriate balance and allow the contract to move forward.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. TOM DAVIS of Virginia. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I greatly respect the gentleman and understand the argument that he makes. I would simply say that this Congress has had a long time. If the Congress had not eliminated the language that we offered last year, that was stricken by a point of order, we would not be in this situation of having to look back.

Mr. TOM DAVIS of Virginia. Mr. Chairman, reclaiming my time, I understand the gentleman's concern. The issue has been addressed in other tax laws, but I understand the gentleman's concerns on this and I look forward to working with him.

Ms. MILLENDER-McDONALD. Mr. Chairman, I ask unanimous consent to offer an amendment to a section that has passed.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT OFFERED BY MS. MILLENDER-MCDONALD

Ms. MILLENDER-McDONALD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. MILLENDER-McDONALD:

At the end of title III add the following:

ALTERATION OF DOLLAR AMOUNTS

The amounts otherwise provided by this title are revised by increasing the amount made available for "Office for State and Local Government Coordination and Preparedness—State and local programs", by increasing the amount allocated under that heading for port security grants, and by reducing the amount made available for "Emergency Preparedness and Response—disaster relief", by $275,000,000, respectively.

Ms. MILLENDER-McDONALD. Mr. Chairman, I rise to offer this amendment that has strong bipartisan support. This amendment will provide more funding for our Nation's seaports. This is a measure that is long overdue.

I will put it simply: my amendment will transfer $275 million from the Disaster Relief program to the Port Security Grant program, which will provide a total of $400 million for fiscal year 2005 funding for our Nation's seaports.

The choices that we have to make in light of this budget are very difficult. Our needs are much greater than our resources. Therefore, transferring funds from the Disaster Relief program seems to be a way of providing more funding for a very critical issue and a national security issue.

This year, the Disaster Relief program is being funded at $2 million, a $242 million increase from the fiscal year 2004 level of $1.8 million. There is $500 million of unexpended funding from last year's Disaster Relief program. Combine the two and we have an excess of $742 million. Subtract $275 million from the $742 million access in Disaster Relief, and the program still has a surplus of $467 million, while the Port Security Grant program will be funded at $400 million, the very minimum that the Coast Guard has recommended to secure our ports.

The question has to be asked, can we use some of this access funding to secure our Nation's ports and address a very important homeland security issue? This additional funding will help secure our Nation's 361 ports and the many, many communities that surround them. Our Nation's coastline is our longest border, which is a 95,000-mile coast that includes the Great Lakes and inland waterways.

Protecting America's seaports is also critical to the Nation's economic growth, vitality, and security. Whether my colleagues have a seaport in their district or not, our Nation's seaports touch communities across this country and fuel our national economy. Seaports handle 95 percent of our Nation's overseas trade by volume, support the mobilization and deployment of U.S. armed forces, and serve as a transit point for millions of cruise and ferry passengers. Maritime industries contribute $742 billion per year to the U.S. Gross National Product.

By supporting this amendment, my colleagues will be providing the minimum amount that the Coast Guard has recommended. For example, the Coast Guard has recommended that the minimum investment in securing our Nation's seaports are $1.1 billion first-year investment, $5.4 billion over the next 10 years, and that is a total of upwards of $6.5 billion. These recommendations were made over 2 years ago. The price will only go up if we wait any longer. To date, only $517 million has been allocated for port security funding.

In contrast, this Congress provided upwards of $11 billion to aviation security after 9/11. We have acted as a unified body in the past in addressing our Nation's overarching security needs. We need to do that again in port security. My amendment will address some of our Nation's most glaring vulnerabilities instead of after the fact.

We have a Coast Guard recommendation. We have the blueprint of how to secure our seaports. Now we must make a concerted effort to get the most out of how we invest the people's money. My amendment does just that.

Finally, we have a precedent of the impact our ports have on our economy if they were to be shut down. As we remember, back in 2002, during the West Coast lockout, our western ports were closed for 10 days. The impact to the national economy was estimated at $1 billion per day. That is a total of $10 billion.

I am passionate about this issue. Today we have an opportunity to provide leadership and guidance for the present and future security of our Nation and our economy. The administration has only put in $47 million. That is underfunding our ports, which are critically vulnerable at this state.

Mr. Chairman, we have an opportunity before us to assure the American people that we as Members of Congress are addressing the security needs of our Nation.

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We have created the Department of Homeland Security to shepherd us into the post-9/11 era. Although Congress and the administration have provided resources, they are too little to address this homeland security threat. This funding is still woefully inadequate. Now we must provide guidance and leadership on this national security issue.

Let us use the tools that we have to focus on a very important national security issue. We owe it to our communities to lead and not react.

Mr. FERGUSON. Mr. Chairman, I rise in strong support of this amendment. I understand that the sponsor has said that she may withdraw this amendment, but it is an important issue to draw attention to. I rise as a co-chair and a co-founder of the Port Security Caucus in this House.

I come from the State of New Jersey, and we have one of the major shipping ports in our Nation just outside the reaches of my congressional district in New Jersey. I had an opportunity to visit there about a month ago, and I spent the day with the Coast Guard traveling around the harbor. I had an opportunity to walk through the screening procedures with the customs agents and others who are charged with the enormous task of screening and making sure that the millions of cargo containers that come in through Port Elizabeth/Port Newark, through that particular port, are safe and are not going to put our families and communities in danger.

It is clear if you travel and are familiar with the ports of our country, like that major port in New Jersey, that our ports are open doors to world commerce. Ports create jobs, they facilitate trade, and they are absolutely vital to our economy. That is why port security is critically important to the security of our Nation and to the overall health of our economy. Port security and economic security are tied together hand in hand. They are one and the same.

The horrific events of 9/11 have shown us how vulnerable we are to terrorists who are bent on disrupting and destroying our way of life in America. Unfortunately, our ports, a gateway to commerce into our country, can also be seen as open doors into our Nation by these terrorists and those who seek to do us harm.

The U.S. Coast Guard estimates that a 1-month closure of a major port in our country will cost our national economy $60 billion. That is why we must fund the Port Security Grants Program to at least the $400 million level prescribed by the American Association of Port Authorities. The Coast Guard estimates that addressing terrorist threats at port facilities will cost $5.4 billion over the course of the next 10 years, with $1.125 billion of that amount required in the first year for purchasing equipment and hiring and training security officers and preparing paperwork.

Without significant Federal support in fiscal year 2005, these new Federal requirements are likely to become unfunded Federal mandates and large financial burdens on our port facilities all across the country. Significant homeland security funds are needed to speed the protection of our open doors of commerce. Even though Congress has provided funding for port security in past appropriation cycles, this year is especially critical because this is the year when the new mandates will go into effect.

The U.S. Coast Guard's first year cost estimate of over a billion dollars is consistent with the amount of need shown in each of the application rounds for the grants. Port facilities have requested nearly a billion dollars in each round for the Port Security Grant Program. Federal funds have been available to pay for only 13 to 17 percent of these needs. We need the Port Security Grants Program to be funded at the $400 million level next year.

While this is significantly higher than last year's appropriations, it represents only 36 percent of the projected cost of facilities improvements. Compared to the billions allocated to airports and first responders and science and technology, this is a modest investment in our Nation's security infrastructure.

Mr. Chairman, the FBI testified earlier this year that ports are a key vulnerability that has attracted interest from terrorist and terrorist organizations. We must do all we can to support securing our Nation's ports. Communities, neighboring ports, as well as the entire Nation depend on the steady and uninterrupted flow of commerce via our ports. It would be a mistake to ignore this threat any longer.

I will close by just reiterating that I serve as the chairman of the Port Security Caucus in this body. We have learned an enormous amount about our vulnerabilities in the post-9/11 world; and clearly, port security is one of the areas where we are still at great risk and at great vulnerability.

I ask the chairman of the subcommittee and the ranking member of the subcommittee as they go to conference to please look to see if there are ways to bump up the level of funding that has been included in the bill, and I certainly appreciate their hard and very dedicated efforts.

As I said last night, this is perhaps one of the most important bills we will pass this year, and I thank the chairman for his great work on this bill.

Mr. NADLER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to support the Millender-McDonald/Ferguson/Pascrell/Nadler amendment to increase funding for port security. This amendment will transfer $275 million from the Disaster Relief Program to the Port Security Grant Program, which will then provide a total of $400 million for our Nation's seaports. Of course, I support increasing funding by much more than this $400 million, but this amendment is an extremely modest approach to begin doing something feasible right now to protect our Nation, and I firmly support the amendment.

The Coast Guard has said the amount in this amendment is the absolute minimum that is needed. Remember, we are at war. It is time to begin acting like it. We all know an attack can come at any time, and we must do all that we can do to stop it. That means investing more money in port security.

Frankly, this is a drop in the ocean. The fact is 2 percent of the containers of the 6 million containers that come into our ports every year are inspected; 98 percent could have an atomic bomb in them, or radiological bomb, or anything else, and we do not know about it. The fact is we should insist, and this amendment does not do it but it is a step in the right direction, and an amendment to do the right thing would be ruled out of order, the right thing would be to insist that no container gets put on a ship bound for the United States in a foreign port until that container is inspected by an American team in the foreign port. It is a little late to be discovering in New York or Los Angeles that there is a nuclear weapon in a container. And if a foreign country does not want an American team in their port, that is fine, they are sovereign, but they do not ship anything to the United States. That ought to be our policy.

We ought to spend the several billion dollars a year. If we are serious about protecting our people, we ought to spend the several billion dollars a year to inspect every container before it is put on a ship in a foreign port. We are at war, and this is serious business.

Last year on this floor I engaged in a colloquy on this subject, and a distinguished gentleman on the other side of the aisle said well, we will inspect the high-risk containers. And I said, so, well, the terrorists will put the weapons in the low-risk containers.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. Mr. Chairman, the gentleman may be referring to another section of the bill. This is about port security, not container or cargo security. It is about the security of the port itself.

Mr. NADLER. Mr. Chairman, reclaiming my time, I am aware of that. And I am aware that if I offered an amendment to do what we ought to do, it would be ruled out of order, as it was last year, so I am using this opportunity to talk about this amendment, to talk about what we really ought to do, which the majority would rule out of order if we attempted to do it.

So the fact is what we really ought to do is inspect every container in a foreign port. We cannot do that because the administration does not take the war being waged against us seriously enough. They think the tax cuts are more important for the American people. They will not let us spend that money; the majority will not let us spend that kind of money, so we are reduced to doing what we are talking about in this amendment, which is a very modest step to increase to $400 million the total for port security because maybe we will catch in our ports here what we elect to put in containers abroad because we did not inspect them when they should be inspected.

So I support the Millender-McDonald amendment as a very modest first step. The vote on this amendment will tell whether the Members voting take the security of the American people seriously or not. I urge Members to take the security of the American people seriously and vote for this amendment as a very modest first step.

Mr. SCOTT of Virginia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. My colleagues, the gentleman from Virginia (Mr. SCHROCK), the gentlewoman from Virginia (Mrs. JO ANN DAVIS), the gentleman from Virginia (Mr. FORBES), the gentleman from Virginia (Mr. CANTOR) and I represent the Richmond and Hampton Roads area of Virginia. Richmond is the home of the Port of Richmond. Hampton Roads is not only the home of the Port of Hampton Roads, but also the home of the world's largest Navy base and other strategic military installations, a nuclear power plant, and an oil refinery. It is considered one of the most target-rich areas of the Nation for terrorist attack. Each year over 2,500 commercial vessels enter the

Port of Hampton Roads alone, so adequate funding for port security is a significant issue for those of us who live in Richmond and Hampton Roads.

To guard against vulnerabilities, such as cargo containers being used to smuggle chemical, biological or nuclear weapons, or the ships themselves being used as weapons, the Coast Guard has estimated it will cost approximately $1.1 billion to properly protect our ports from terrorism.

Congress has taken the lead in supporting port security grants by appropriating a little over $500 million since 9/11. This bill contains another $125 million but still leaves us almost $500 million short of the Coast Guard analysis. The amendment offered by the gentlewoman from California (Ms. MILLENDER-MCDONALD) would close the gap by an additional $275 million. These funds will ensure that ports will be able to pay for adequate security measures to protect all Americans against terrorist attacks from our seaports.

Finally, Mr. Chairman, I want to thank the gentlewoman from California (Ms. MILLENDER-MCDONALD) for her detailed analysis that she has provided us which shows that even after the transfer, FEMA will have more money than it had last year even though it ran a surplus last year of over $500 million.

Furthermore, I want to thank the gentlewoman for pointing out that the $400 million is a small portion of the $16 billion in customs fees generated by the maritime industry. This bipartisan amendment is supported by the American Association of Port Authorities and the Port Security Council of America. I ask that we support the amendment.

Mr. FILNER. Mr. Chairman, will the gentleman yield?

Mr. SCOTT of Virginia. I yield to the gentleman from California.

Mr. FILNER. Mr. Chairman, the gentleman speaks from the East Coast, I would like to add support for the gentleman's remarks from the West Coast. And thank the gentlewoman from California (Ms. MILLENDER-MCDONALD) for her leadership on this amendment.

I represent San Diego, California—a large Navy port. I used to say we are the biggest Navy port in the world, but the gentleman says it is in Virginia, so we will have to fight over that later.

We have three nuclear reactor aircraft carriers sitting in our harbor and a nuclear submarine base right there. I think it is generally acknowledged that port security is the weakest link that we have in our system right now and where the lowest amount of resources relative to need has been put. We simply have got to do a better job.

The gentleman from New York was talking about containers, and the chairman of the subcommittee said we are talking about port security. I would note that in most of the ports of the United States there are millions of empty containers sitting around and we have no idea what is really in them. We call them empties because they supposedly have been unloaded, but according to the experts on this, and that is the dock workers and the longshoremen of America, the potential for these containers to be security risks are very great. It seems to me that we should incorporate the inspection of these into our notion of port security and give the power to do this to our Coast Guard or other port security officials.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SCOTT of Virginia. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. Mr. Speaker, we can talk about container security if Members want, but this amendment is about port security. We have a great container security program. Every high-risk container is searched offshore. We are going to be in 47 foreign ports doing that.

□ 1030

But please, can we talk about port security? If we want to talk about container security, we can do that, but not on this amendment.

Mr. FILNER. I understand what the chairman is saying. I would argue with great respect that the so-called empty containers lying around the ports are part of our port weakness. Container security is port security. Longshoremen have shown that the way that we inspect, for example, "an empty container" is through an optical system that leaves almost one-third of the container completely invisible to the so-called inspection. In addition, most of the inspection techniques do not allow us to really know what is inside.

I was going to do a press conference that would show, after an inspection of an empty container, a longshoreman jumping out with an Uzi and showing that we can actually bring in weapons of mass destruction in these seemingly empty, innocent things.

So we have got to do a better job. The amendment of the gentlewoman from California (Ms. MILLENDER-MCDONALD) ought to be supported, and I appreciate the comments of the gentleman from Virginia.

Mr. ROGERS of Kentucky. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, port security obviously is terribly important, and that is why we have provided in this bill $125 million, which is $79 million more than was requested and more than the 2004 level. So we are putting heavy emphasis on port security in the country.

Is that enough money? Of course not. There is not enough money in the world to perfectly protect everything in America, but we think we have on balance provided plenty of money in the bill for port security.

Number two, I have to oppose this amendment for a second reason, and that is probably the most important one. And that is that this would dangerously deplete the disaster relief fund, which concerns me greatly, and we are just now getting into the heavy part of the disaster season. So if there were another offset, this might be more attractive to me, but to take the money out of disaster relief is just a dangerous thing.

So I oppose the amendment. I would hope the gentlewoman from California (Ms. MILLENDER-MCDONALD) would consider withdrawing the amendment, and we will address this issue, I guarantee in the conference with the Senate, the other body, as we go along during the year. But I appreciate very much the gentlewoman from California (Ms. MILLENDER-MCDONALD), and those who have been speaking with her, in bringing up this very, very important issue, and I assure them it is on my mind and on the mind of the subcommittee.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take the 5 minutes, but I do want to challenge something my friend, the gentleman from Kentucky (Mr. ROGERS) just said. He indicated that every container in foreign ports was inspected. That, as I understand it, is far from the facts.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. I did not say every container. I said every high-risk container.

Mr. OBEY. Let me simply suggest that that gives me no comfort. The fact is that we have two basic problems with container inspection. The idea behind the new system that the administration is talking about is to see to it that cargo is inspected before it ever leaves the foreign port headed for this country. The problem is that of the major ports that are considered potentially dangerous, we are covering only half of those ports right now with our own inspection personnel in any effective program.

And I would point out further that the personnel that we have in these ports are assigned largely on the basis of 6-month temporary duty jobs. That means that just about the time they get to understand the ports that they are working in, they go home. No foreign country is going to waste any time, invest any effort getting to set up a working relationship with people who are going to be gone in 6 months. It would be like us hiring somebody on our staffs and then firing them every 6 months and having to break in a new person. It is a pretty dumb way to do business.

So while I have great misgivings about the source of money of the gentlewoman from California (Ms. MILLENDER-McDONALD) and I agree with the chairman on that point, I do believe that we need to understand there are massive problems associated with port security, and if we do not do a whole lot more than the budget resolution allows us to do, some day we are going to regret it very much.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I recognize the comments of the distinguished chairman, but I appreciate the comments made by the ranking member, the gentleman from Wisconsin (Mr. OBEY).

I would just commend my colleagues to visualizing ports. For those of us who have ports in our communities, and those of us who serve on the Select Committee on Homeland Security had an opportunity to see a number of working ports around the country, the acreage is huge, and I will not upset the chairman. I will not mention containers, because this is a question of securing ports.

The acreage, in and of itself, is massive; and I know that the good work that has been done by many of our ports, along with the Coast Guard, there have been great strides toward homeland security.

I would like to cite the Houston Port Authority for its improvement on securing its acreage.

But the gentleman from Wisconsin (Mr. OBEY) is right. The employees in many instances are temporary. In many instances, they are from many foreign ports. Sometimes they come on shore and are not able to leave the area. We think mostly of ports from the water side, if you will, but in many ways, there is a lot of influx of traffic, trucking traffic that may not be regulated.

This investment is minor compared to the largeness of the question. The gentlewoman takes $400 million from a $2 billion allotment. This, of course, responds to the fact that $500 million were unexpended in disaster relief. I know that you cannot predict a disaster and a disaster may occur at any time. But in viewing ports from very different perspectives and different regions of our country, I can assure my colleagues that there is nothing probably more important and more forgotten even in the good work that the ranking member of this appropriations subcommittee and the chairman have done than seeing what is going on in our ports. We face a situation in our community where the key was not so much the water side of the port; but it was a dry side, if I might, the exit and entry of people coming on the grounds for a variety of reasons. There was a private security company, and there was not the kind of tight security that was necessary. Much havoc can be done on the port on dry land as there is a large degree of unloading and containers remain on the dry side, if you will, for a period of time until they are sent off the grounds. There is a lot of ingress and egress problems.

I would just simply say that the Coast Guard who we asked to rise to the occasion after 9/11 did that without the immediate resources by being in our waterways both in terms of their civilian work and their military work. We just lost our first Coast Guard personnel in the Iraq war just recently, a couple of weeks ago, a couple of months ago maybe; but this amendment, I think, responds to the fact that it is a great challenge to secure these ports. I would ask my colleagues to consider this, but I also would hope that the chairman and ranking member would consider this amendment in conference.

Mr. PASCRELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as a member of the Select Committee on Homeland Security, I am very proud to cosponsor this port security amendment which would more than triple the Federal funding for security enhancements in our ports. I believe that the chairman, I do not say this in a condescending way at all, and the ranking member of the subcommittee have done an outstanding job with insufficient allocation. That is my position. When everything is a priority, nothing is a priority. We have to establish priorities based upon assessment, risk assessment.

Mr. Chairman, we do not have a national assessment of our most vulnerable areas. We have asked for this 2 years ago, we asked for this 1 year ago, because I think this amendment would not be on the floor. Our assessment as laymen indicates that this should be a priority. It is our weakest point. One glaring need in this bill begs for more resources and that is port security. I fear that providing the same level as last year will not suffice. There is a legitimate threat that maritime transportation will be used to smuggle people, to smuggle weapons or other materials into the United States for the purpose of terrorist attacks. We know that. We know that from the intelligence. The FBI testified earlier this year that ports suffer from an acute vulnerability. How could we allow this to continue in a time of heightened risk?

In the wake of 9/11, Congress passed the Maritime Transportation and Security Act. That act required, among other things, the establishment of a maritime security committee and security plans for facilities and vessels. The deadline of July 1 for this mandate is only a few weeks off. I hope everyone in the Chamber understands that in 2 weeks that mandate about our port security must go into effect. Or shall it be like all the other mandates we have had, for instance, dealing with airlines?

To meet these mandates, the MTSA authorized a grant program to help pay for security investments and enhancements. While the committee improved upon the disturbingly insufficient funds requested by this administration, here we go again. Democrats and Republicans from both sides of the aisle are not accepting what the administration has put forth. Thank goodness. We talk about security out of one side of our mouth, and then we provide the proposals that do not meet these priorities. That is a fact of life. The Coast Guard estimates that the first year of cost compliance with the Maritime Transportation Security Act will be $1.2 billion. Demand from the ports is far outweighing the supply of assistance. The Coast Guard, remember that forgotten branch of our service, is now a prominent part of security in America.

In the first 3 rounds of grant awards, and I would ask the gentleman from Kentucky to please heed this, this is a priority, this is serious business, and I know he takes it seriously, the DHS funded less than 20 percent of the submitted applications. How can we stand on the floor of the House and say that this is now sufficient money to deal with what we have all considered to be and deemed such a priority when only 20 percent of the applications have been responded to? Many deserving applications to help install access controls to our ports, surveillance equipment, communications upgrades, really lacking, and physical enhancement at ports around the Nation had to be denied because of a lack of funds.

We are not asking to put more money into this particular part of the budget. We are saying, let us shift some dollars from this part of the budget to that part of the budget. When everything is a priority, nothing is a priority.

The Port of New York and New Jersey, the largest on the east coast, generates 229,000 jobs and $14.6 billion in gross domestic product. It is a major economic driver for the metropolitan area. I would say that we could obviously duplicate this throughout the entire country.

I ask the chairman to please address this. I appreciate all that he and the ranking member have done in this area.

Ms. MILLENDER-McDONALD. Mr. Chairman, I am withdrawing this amendment. I thank the indulgence of the chairman and the ranking member and do urge them to try to find funding for this very critical national security issue.

The CHAIRMAN pro tempore (Mr. SHIMKUS). Without objection, the amendment is withdrawn.

There was no objection.

□ 1045

AMENDMENT OFFERED BY MS. DELAURO

Ms. DELAURO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. DELAURO:

At the end of the bill (before the short title), insert the following new section:

SEC. ___. None of the funds appropriated by this Act may be used to issue an order under a task and delivery order contract to entities not in compliance with section 835 of Public Law 107–296.

Ms. DELAURO. Mr. Chairman, the American people should be outraged by the actions on this floor just a short time ago, actions that would allow the Department of Homeland Security to move forward with a $10 billion contract for a corporate expatriate. A corporate expatriate, a company that goes offshore, Bermuda, Cayman Islands, other places, sets up a shell corporation all for the purpose of diminishing their tax liability; that is, not paying the taxes that they should be paying to the United States of America.

The Republican leadership has finally after 18 months relented on their opposition to closing the loopholes in the ban on Department of Homeland Security contracts to corporate expatriates, but as so often happens with the Republican House leadership, they have said yes on the one hand and no on the other. They agree that it is wrong for the government to contract with companies who go offshore in order to avoid their tax liability, but at the first possible chance they grant an exemption to this ban by allowing the largest Homeland Security contract to date to go to one of the worst offenders, Accenture of Bermuda.

That is why I am offering this amendment with the gentleman from Arkansas (Mr. BERRY), the gentleman from Texas (Mr. DOGGETT), the gentleman from Massachusetts (Mr. NEAL), and the gentlewoman from New York (Ms. SLAUGHTER).

Our amendment will prohibit the Department of Homeland Security from spending any appropriated funds to carry out any contracts with an entity which qualifies as an inverted company or partnership under the law. The underlying bill will close loopholes that allow companies which have already incorporated in Bermuda and their domestic subsidiaries to receive contracts, loopholes that essentially gutted a ban that this House passed in July of 2002 by a vote of 318 to 100. But at the same time, without this amendment we will allow the Department of Homeland Security to move forward on a $10 billion contract to just such a company.

Accenture claims they were never an American company. Let us look at the facts. They were a part of Arthur Andersen until 2000. They incorporated in Bermuda in 2001. Their chief executive officer is based in Dallas, Texas. Their stock is traded on the New York Stock Exchange.

More importantly, let us look at numbers. Even as Accenture reported that its American earnings increased by over $319 million in 2003, its U.S. tax liability decreased by almost $240 million. Simply stated, their revenues are going up; their tax liability is going down. Accenture, this is a company which has set up an elaborate corporate structure ranging from Bermuda to Luxembourg to Switzerland so that they can shift income overseas and reduce their overall U.S. tax burden.

What is the result? Good corporate citizens loyal to the United States, companies that live up to their responsibilities like the two who were underbid in this contract, they are put at a competitive disadvantage. These are other bidders, and it has been said that we would not be able to move quickly. There were two other bidders in this effort. We can move quickly on getting this task done.

Stanley Works is a Connecticut company, which considered incorporated in Bermuda, reconsidered, and they have said: Not only are we disadvantaged against our foreign competitors, but two of our major U.S. competitors have a significant advantage over Stanley Works because they are already incorporated in Bermuda.

Our Tax Code should not reward companies for moving overseas. It should reward them for staying here, for contributing to our economy, for creating good jobs. And by giving lucrative government contracts to companies setting up a post office box in Bermuda, Mr. Chairman, we are making matters worse.

The fact is we are in a time of war. We have troops serving overseas. They are in harm's way every single day to protect this great country. We are struggling to fully equip, as this bill points out, our first responders, ensure the safety of our ports and our air transit. We simply cannot afford to reward companies that accept the benefits of American citizenship without living up to their responsibilities. We are talking about $5 billion in revenues. Such behavior is wrong. It offends our values as Americans.

Very quickly, I might add, some will say that we are going to be wound up in lawsuits if we do not go forward. Not true. It is untrue. All of the legal research has concluded that the government would have little liability beyond the $10 billion contract minimum even if that work has been performed. So do not let them get up and talk about spurious argument. The fact of the matter is this is a company that has gone offshore not to pay its taxes, and they are getting a $10 billion reward. We should level the playing field and help good corporate citizens.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I rise in opposition to the amendment.

The gentlewoman is entitled to her strong opinion but not her own facts. She notes that troops overseas need help. The reality is if her amendment passes, this will have to be recompeted and it will push back protecting our borders another 2 years.

A lot of companies invested money in this. Homeland Security invested money in going through these. This will have to start again. The bids of the losers in this particular case will be made public. Everyone will have a starting place. This pushes the outcome to protect our homeland 2 years. So this does not do anything to protect the homeland, number one.

Number two, Accenture, to my understanding, pays an effective tax rate for fiscal year 2004 of 34.8 percent. The two competitors in this pay, in their recent 10–K filings, 31.3 percent and 28 percent respectively.

I ask the gentlewoman where is the tax advantage if they are paying a higher percentage of their taxes? Does she know?

There is no tax advantage.

Mr. DOGGETT. Mr. Chairman, will the gentleman yield?

Mr. TOM DAVIS of Virginia. I yield to the gentleman from Texas.

Mr. DOGGETT. Mr. Chairman, what the gentleman from Virginia (Mr. TOM DAVIS) is saying is that they pay that effective tax rate on their profits. Right?

Mr. TOM DAVIS of Virginia. Yes.

Mr. DOGGETT. Mr. Chairman, so does the gentleman know how much of their income has been stripped out by their use of this foreign approach of setting up their corporation abroad? In other words, he is just talking about their tax rate on the little bit of income they leave here, not on the $100 million that they shifted out on which they pay practically nothing.

Mr. TOM DAVIS of Virginia. Mr. Chairman, reclaiming my time, obviously it is the usual subterfuge on this. As a primer, they pay taxes on profits. They do not pay taxes on their losses.

But we are talking here about an effective tax rate, not the tax rate itself, which of course would be equal for U.S. income.

All work performed on this contract is performed in the United States. They were awarded this contract and the experts, the career civil servants who looked at this, decided this was the best procurement to protect the homeland. What they would have us do, the author of this would say let us not take the best defense we can get for the homeland, let us take something else. Let us pay a little more, let us get a little bit less because we want to settle the score because the parent company of the U.S.-based company that won this procurement somehow should be punished, even though all the work will be performed in the United States. And Accenture LLP led the SMART Border Alliance, which represents 31 U.S. companies employing 330,000 people in 50 States. Again, the US-VISIT program led the source of selection process here and chose this as the most effective means, not just cost effective but technically effective means, to protect the homeland, and they want to throw that out the window and say we will take second best for some other reason.

The time to address this, frankly, was at the time of the procurement. Congress held hearings on this. We had an opportunity on this procurement before it was let to do something on that in the hearings.

As I noted before, they do not receive a competitive advantage on this. Accenture is not a corporate inversion. This was a global partnership and all of their U.S.-based work of course they pay taxes on in the United States.

The thing I worry about most, though, is retaliation. Right now in information technology we are running an $8 billion trade surplus. This jeopardizes that surplus by inviting retaliation from other countries in the globe where we currently maintain a trade surplus with retaliation against U.S. companies doing business in those different countries, and I think that would be a disaster for the U.S. economy, something that my district in Northern Virginia knows something about, being one of the leaders in this. I do not think we should reduce the safety and security of the U.S. to settle a political score in this particular case.

Why should U.S. taxpayers pay more money and take, in the opinion of the career civil servants, a secondary technical solution to protect our homeland?

I also want to note no jobs are being outsourced. All the work on this contract is being performed in the United States. Accenture I do not even believe has any employees in Bermuda. Every cent of taxes that is earned on this will be paid here. The CEO of Accenture lives in Texas. Their Chief Financial Officer lives in Texas. And the idea that somehow they are not employing Americans or these jobs are going offshore or any intimation of that is patently false.

Let us take a look at the procurement itself because I think it is important. It is creating a nationwide entry and exit tracking system for foreign nationals visiting the United States. This amendment delays that for 2 years. I do not think our homeland needs that. I do not think the security in this country needs that. I urge defeating the amendment.

Mr. LATHAM. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 40 minutes and that the time be equally divided.

The CHAIRMAN pro tempore (Mr. SHIMKUS). Is there objection to the request of the gentleman from Iowa?

Mr. OBEY. Mr. Chairman, reserving the right to object, let me explain to the Members what is happening here.

We have been in negotiations about overall budget issues for the last day and a half trying to reach accommodation between both sides. Until agreement was reached or until it appeared that agreement would be reached, we have been unable to agree to any time limits. Now it appears there is some progress being made, and we would like to facilitate that by trying to take measures which would enable us to finish this bill today so that Members can go home before 10 o'clock tonight. So we checked to find out how many speakers were on each side, and I thought that with this 20 minutes on each side, there would be enough for every speaker who had indicated a desire to speak.

So the gentleman is making a good-faith effort to limit the timetable based on discussions that he has had with us. And unless someone has real heartburn about it, I would appreciate if the gentleman's motion would be agreed to.

Mr. LATHAM. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Iowa.

Mr. LATHAM. Mr. Chairman, I think we could expedite, also, time limits. I think there is a paper that we are waiting for over here, and if we could expedite that, I think we can come to an agreement.

Mr. SABO. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Minnesota.

Mr. SABO. Mr. Chairman, it is clear that 20 minutes would be controlled by the gentlewoman from Connecticut (Ms. DeLAURO) and 20 minutes by someone else on the other side.

Mr. LATHAM. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Iowa.

Mr. LATHAM. Mr. Chairman, the gentleman from Virginia (Mr. TOM DAVIS), yes.

Mr. OBEY. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Let me restate the unanimous consent request by the gentleman from Iowa (Mr. LATHAM). Forty minutes equally divided by a proponent and opponent, divided and controlled, and on this amendment the time will be controlled by the gentlewoman from Connecticut (Ms. DeLAURO) and the gentleman from Virginia (Mr. TOM DAVIS).

Is there objection to the request of the gentleman from Iowa?

Mr. DOGGETT. Mr. Chairman, reserving the right to object, and subject to my reservation, if I could just ask for clarification. This will be 20 minutes per side on this amendment. The gentleman does not envision any other amendments to the amendment being offered? Is that correct?

Mr. LATHAM. Mr. Chairman, will the gentleman yield?

Mr. DOGGETT. I yield to the gentleman from Iowa.

Mr. LATHAM. Mr. Chairman, this unanimous consent would say this amendment and all amendments thereto.

Mr. DOGGETT. Mr. Chairman, further reserving the right to object, does the gentleman anticipate any amendments to this amendment?

Mr. LATHAM. Mr. Chairman, will the gentleman yield?

Mr. DOGGETT. I yield to the gentleman from Iowa.

Mr. LATHAM. No, Mr. Chairman. We do not at this time anticipate any further amendments to this amendment.

Mr. DOGGETT. Mr. Chairman, would the gentleman be willing to modify his 20 minutes to a side then on this amendment, 20 minutes to a side? Because if someone were to come forward with an amendment to this amendment, I am confident it would require additional time on our part.

□ 1100

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. DOGGETT. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I thank the gentleman for yielding. Perhaps we could handle it by simply saying that if after the assurances of the gentleman that no additional amendment would be offered, if one is offered, there will be no further agreements on time limits today.

Mr. DOGGETT. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore (Mr. SHIMKUS). Without objection, the request of the gentleman from Iowa (Mr. LATHAM) is agreed to.

There was no objection.

The CHAIRMAN pro tempore. The Chair recognizes the gentlewoman from Connecticut (Ms. DeLAURO).

Ms. DeLAURO. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Chairman, we can handle this quicker than 20 minutes. Just accept the amendment. Just do a unanimous consent and accept this amendment, and we are out of here.

I cannot believe the discussion I have heard on homeland security funding. Anybody watching this debate would have to conclude that the integrity and the honor and what America stands for throughout the world and throughout history is all about money. That is all that matters. Nothing else matters.

We are talking about giving to a company that has renounced its U.S. citizenship a $10 billion contract and putting them in charge of border security. What a ridiculous idea. A foreign company in charge of our borders, rewarding a company that said, We don't want to be an American company anymore. That is not important to us. What is important to us is money. Give us more money.

This company has a great history of just being interested in money. They have demonstrated throughout the time that they have been in existence all they care about is money. Being an American is not important.

I think this absolutely desecrates the Declaration of Independence and those great men and women, or the great men that signed it, women would have if they had been allowed to, and especially that last sentence that says: "In support of this declaration, we mutually pledge to each other our lives, our fortunes and our sacred honor."

Is the security of this Nation and the future of this country not any more important to those that would vote against this amendment than to say it is about money? Throughout history this country has been willing to pay any price, we have been willing to sacrifice whatever we had, to keep this country great, to keep it strong, to do what was necessary to preserve freedom and liberty and the pursuit of happiness and opportunity for everybody.

Yet, you come to this floor, and I hope I would get to be there for those of you who will vote against this amendment, so you can explain to your children and grandchildren, Son, granddaughter, it is not about being an American, it is not in your heart, it is not about what you have to do to make this place what it is. It is about money. And we failed. We failed because we did not want anybody to have to sacrifice just a little bit. We made it possible for companies to put themselves together, move offshore and cheat good, honest, hard-working taxpayers, and take advantage of them.

How can you face those men and women that are going to come back from the Middle East and that put their lives on the line, and they are going to have to go to work and pay taxes? How are you going to face them when you say, Well, I thought it was a good idea to take care of this bunch of shysters that put this company together and went offshore and cheated you out of a few hundred million dollars. I think that is a great idea, and I wanted to support that.

If you want to support it, that is the thing for you to do. Stand up today and be counted. Say it is not about integrity, it is not about honor, it is not about that great spirit that lives in the hearts of all Americans. It is about money, and we are going to make sure that all of the rich people we can find, we are going to give them all the money they can get.

You are going to keep doing this, and you are going to destroy this great Nation. Anybody that could watch this debate can only conclude that the people that are in charge of this House care about only one thing, making their rich friends richer. And if you can vote for this, God help you.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just say this is about the best technology to defend the borders. I have a letter from the Chamber of Commerce of the United States made up of American companies in opposition to this amendment. I have a letter from the Professional Services Council made up of American companies in opposition to this amendment.

Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Mr. Chairman, I thank the gentleman for yielding me time, and I rise in strong opposition to this amendment offered by the gentlewoman from Connecticut, as I did the other day in the committee.

Let me say, first of all, as the gentleman from Virginia has indicated, this is about a 2-year delay in awarding the contract. So when the gentleman from Arkansas asks how are you going to explain to American soldiers coming back, I am going to tell them it is about their security, it is about getting a contract out there so we can get this program in place. It is about security, and that is what this issue is really about.

The gentleman also talked about honor and integrity. Yes, it is about honor and integrity. We happen to enter into lawful agreements with other countries, it is called the World Trade Organization, they are called trade agreements, and we are the biggest beneficiaries of the government procurement part of those agreements.

The United States has a huge trade surplus in the services sector thanks in part to U.S. firms winning government procurement overseeas.

What the gentlewoman is talking about on this amendment is cutting off our nose to spite ourselves, because, of course, there would be retaliation against U.S. firms and workers who export services overseas.

Is the gentlewoman suggesting that Daimler-Chrysler should not be allowed to bid on any contracts here in the United States? Similarly, should we not want to be able to bid on contracts for building an airport in Paris or in Tokyo or some other place? Of course we want to. We have to abide by our agreements, and you do not just do it by doing it this way.

Let me just say about the issue of Accenture itself, all this talk about the taxes here. Those charges are erroneous. The effective rate of taxation paid by Accenture is 34.8 percent. The other companies that bid on this pay much less taxes. In fact, Lockheed Martin paid 31.3 percent effective tax, and Computer Sciences Corporation, the other bidder on this, paid 28 percent. So this is a company paying its taxes in the United States on the business it does here in the United States.

That is what this really is all about. All the work is being done in this country; all the jobs are going to be here; and all the taxes are going to be paid on the business here.

This is one of those things that comes up on the floor every once in a while, where people want to feel good, beat their breast, go home to their constituents. But it is bad public policy, it is terrible public policy, it violates all of our agreements, it is bad policy; and we ought to defeat this bill.

Mr. TOM DAVIS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Virginia.

Mr. TOM DAVIS of Virginia. Mr. Chairman, there are 330,000 American jobs in the contract that is currently being let to Accenture and its American corporate subsidiaries. But the other side would just delay those jobs at least 2 years and the creation of those jobs as they rebid this contract and recompete this contract and keep our borders less safe.

Mr. KOLBE. Mr. Chairman, reclaiming my time, the gentleman is correct, and that is why we should not delay that.

Ms. DELAURO. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts (Mr. NEAL), who has been battling on this issue for the last several years.

Mr. DOGGETT. Mr. Chairman, will the gentleman yield?

Mr. NEAL of Massachusetts. I yield to the gentleman from Texas.

Mr. DOGGETT. Mr. Chairman, this last bizarre argument that was made that this amendment would somehow violate our world trade obligations, does the gentleman understand that argument to be that we are forced to outsource our national security and our homeland security to China or France, which are WTO members? That seemed to be the logical extension of this bizarre new argument.

Mr. NEAL of Massachusetts. Mr. Chairman, reclaiming my time, there are two things to remember: Bermuda is not part of the WTO; and, secondly, President Bush said he would never check with another country before deciding about American national security.

Mr. Chairman, I want to say something to the gentleman who spoke a moment ago about the "beating on your chest" about this issue. I have brought this issue up now in the Committee on Ways and Means consistently for 3 years. We cannot even get a vote on it. This is not an appropriations issue in the end; this is really a tax issue.

The gentleman from Virginia said a moment ago there are no employees from Accenture in Bermuda. That is the point. That is precisely the point. It is merely a post office box rented for $27,000. Does anybody believe that Tyco is a Bermuda-based company?

Why are we here today debating this issue? Joint Tax has said, and listen to this carefully, $5 billion would come to the American Treasury if we would simply send these folks their tax bill.

I want to ask Members of this body today this question as you vote: What would the IRS do to you next Monday if you renounced your citizenship and said you were really a citizen of Bermuda?

This is not an argument about patriotism. This is an argument about that woman on Wall Street who said, "Maybe it is time that patriotism took a back seat to profits." Tell that to the moms and dads of 134,000 kids in Iraq, 20,000 kids in Afghanistan, troops committed to Haiti and Bosnia as well. And these people do not want to pay their corporate taxes? They are protected by these men and women, these soldiers who serve honorably and with distinction every day.

You know what this argument is about, because the American people know what this argument is about, it is about money. That is all it is about, money.

Then the argument becomes, well, let us give those who left, went to Bermuda, moved money to the Cayman Islands, and Luxembourg, let us give them a permanent advantage competitively over those who have chosen to stay, like Stanley Works in Connecticut, and ask them to compete in a bidding process where one side does not have to worry about corporate taxes.

This is indeed an argument about patriotism, and it is an argument about the fact that these companies do not have, and I repeat, do not have employees in Bermuda. They have instead a post office box. $27,000 is what it costs to open a post office box in Bermuda and avoid millions in U.S. taxes. It is indeed about money.

We ought to have the backbone here to stand up and say, once and for all, very simply, like the American people who send their sons and daughters off to war, either you are in or you are out. That is what this argument is about. It is not about the WTO and the bidding process. Bermuda is not in the WTO.

But I know this: when the sun sets on this argument today, the Committee on Ways and Means still will not take this issue up. And I would say this to the people that are on the other side on this issue, put this question in front of this body in an open, fair vote with an opportunity for all of us to express ourselves, and I will tell you what: I will eat the piece of paper it is on if we do not get 350 votes to end this practice. And you know it, and you stop it from coming to the floor time and again.

You can do something about this today with a small start and then do something about it permanently.

When I hear these folks say this is not about patriotism, tell that to the moms and dads of those kids who are over in Afghanistan and Iraq that these companies do not want to pay their corporate taxes to support them and give them the best equipment they need.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. NEAL of Massachusetts. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, the gentleman has been very eloquent, but let me just say this to him: make it clear, this is not about the people of Bermuda, probably friends of ours, probably people who served with us, working very hard, working in the corporate structure. This is about homeland security.

I serve on the Subcommittee on Immigration. Let me tell you, we have the opportunity to delay this for 2 years, to rebid this for American companies that will create those same 330,000 jobs. I just want the gentleman, if he would, to accede to that point, that we can recreate these jobs by rebidding.

Mr. NEAL of Massachusetts. Mr. Chairman, reclaiming my time, there is no question. This is about the failure of Congress.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me correct a couple of statements made. First of all, this is not a company that ever left America. This is a global partnership at one point that as they looked at the new business model, they looked at a place globally in the partnership that had worked across the world.

Mr. DOGGETT. Mr. Chairman, will the gentleman yield?

Mr. TOM DAVIS of Virginia. I will yield on your time. Do you have the time, or are you just trying to interrupt me so I cannot get a stream of thought? You have ample opportunity to rebut me on the time allotted to you.

So they were never an American company, and this is not a corporate inversion under the current law, and the gentleman knows that, and the author of this amendment knows that.

Secondly, Bermuda is a British territory. Britain is a member of the World Trade Organization. To say they are not is fallacious, and I think we ought to at least keep this on a factual level. We have differing opinions, which I respect on this; but let us at least argue from the same basis of facts.

Mr. Chairman, I am happy to yield 4 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

□ 1115

Mr. BLUMENAUER. Mr. Chairman, I listened to my friends who are advancing this amendment, and there are a number of things that I agree with them on. I would be happy to have a debate on this floor about corporate inversion and about tax policy. I am troubled by some of the outsourcing of our activities in this country. I think that there are a number of valid points that have been raised. I am concerned, though, about how we are mixing them.

First of all, this is not, as has been referenced, a Stanley Works; this is a spin-off. I have been following this for a number of years, because the gentleman that I started in the political process with some 30 years ago founded the Arthur Andersen office in Portland, Oregon. He has been a close friend. He has not been associated with Arthur Andersen for some 20 years, but we have had many discussions about the travail of that once great accounting firm.

Accenture is a result of a spin-off that was brewing between the consulting wing and the accounting wing, and this finally was formalized in 1987.

Accenture has never been a United States corporation, a United States partnership. Never, not once. I have had this conversation with my friend, I have exchanged documents, I have requested information from them, and I have yet to receive, and I will welcome clarification on my colleague's time, anything that suggests what we are saying is not true. Never a United States corporation, not a United States partnership, spun off 15 years ago. I will enter into the RECORD the Notes To Consolidated Financial Statements from Accenture, LTD, that talks about the amount of tax that this entity pays on United States income.

My friend, the gentleman from Arizona, pointed out the effective tax rate was actually higher than that of the competitors that were involved here. We are talking about almost a third of 1 million American jobs, including some in many of our districts. I am troubled that we mix apples and oranges here, that we are having a rhetorical flourish and driving home some important points and mixing it in the only vehicle that is available. I think my friends on the majority side actually invite this sort of debate because we so seldom have a chance to kick it around in an open and honest and direct way, but this is not the vehicle.

Let me give one example in my community where I had to push back with friends on both sides of the aisle. I have the most productive truck manufacturing company in the world, Freightliner, headquartered in Portland, Oregon. There were people who wanted to push back against the purchase of the finest trucks in the world for our troops in Iraq because the ownership of this company that has been headquartered in my community for 50 years, employing union machinists, union teamsters and painters, was purchased by Daimler-Benz, a German company, and the Germans were not our friends in Iraq for a while. Now the Germans are our friends, because people find out we need them. But there was an attempt to punish a foreign corporation by making it impossible for my employees in my district to be able to bid on a contract.

I would suggest the analogy is exactly the same. I pushed back to protect those jobs. I think we err if we mix apples and oranges and try and throw this contract out.

ACCENTURE LTD—NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

[In thousands of U.S. dollars except share and per share amounts or as otherwise disclose]

	2003	2002	2001
Current taxes:	$191,464	$98,193	$300,000
U.S. federal	142,941	241,228	382,690
U.S. state and local	20,420	34,461	66,080
Non-U.S.	322,971	358,055	330,590
Total current tax expense	486,332	633,744	779,360
Deferred taxes:			
U.S. federal	48,523	(143,035)	(85,520)
U.S. state and local	6,932	(20,434)	(19,612)
Non-U.S.	24,312	20,796	(171,612)
Total deferred tax expense (benefit)	79,767	(142,673)	(276,744)
Total	566,099	491,071	502,616

Deferred income tax expenses (benefits) related to the additional minimum pension liability were ($71,920) in fiscal 2003 and were recorded in Accumulated other comprehensive income in the Consolidated Balance Sheet.

Income before taxes from U.S. sources was $566,896 and $247,271 in fiscal 2003 and fiscal 2002, respectively. Income before taxes from non-U.S. sources was $1,045,921 and $820,287 in fiscal 2003 and fiscal 2002, respectively.

A reconciliation of the U.S. federal statutory income tax rate to Accenture's effective income tax rate is set forth below:

[In percent]

	2003	2002	2001
U.S. federal statutory income tax rate	35.0	35.0	35.0
U.S. state and local taxes, net	1.6	1.2	1.0
Non-deductible investment losses		11.7	0.2
Non-U.S. operations	(2.0)	0.4	1.6
Rate benefit for partnership period			(49.0)
Revaluation of deferred tax liabilities[1]			13.6
Cost of transition to a corporate structure			59.6
Other	0.5	(2.3)	1.2
Effective income tax rate	35.1	46.0	63.2

[1] The revaluation of deferred tax liabilities upon change in tax status is a deferred tax expense recognized upon Accenture's change in tax status from partnership to corporate form.

Ms. DELAURO. Mr. Chairman, I yield 5 minutes to the gentlewoman from New York (Ms. SLAUGHTER).

Ms. SLAUGHTER. Mr. Chairman, before I begin, I just want to say I am perplexed by the notion that we should leave this contract in place because Accenture will hire Americans to do the work. My assumption is that the two American companies who stay here and pay taxes would do the very same.

I thank the gentlewoman from Connecticut (Ms. DELAURO) for offering this amendment to stop this $10 billion government contract to Accenture. I do not have to explain to anybody in this room why this practice that we have here I think makes no sense at all. A lot of the American companies have decided to evade their Federal tax responsibilities. If you follow this debate, maybe they should all go. It seems it is trying to give us some idea that that is better for us.

But adding insult to injury, this Federal Government turns around and gives billions of dollars worth of contracts to those very companies who will not pay their share.

Corporate expatriates, as my colleagues know, cost us the $5 billion. And when they got this contract, as a member of the Committee on Homeland Security, I was both outraged and flabbergasted to learn that they were going to be responsible for launching the US-VISIT program at our 50 busiest land borders. One of them is just outside my district, in Buffalo, the Peace Bridge.

What do you think my constituents said to me when they learned the company responsible for securing the border, a company funded by their tax dollars, does not pay taxes itself? That the very company that was going to have the important responsibility of tracking foreign visitors is in itself a foreign visitor?

Not only is the contract an insult, it flew in the face of congressional intent. In July of 2002, the House passed an amendment sponsored by the gentlewoman from Connecticut (Ms. DELAURO) to prohibit the Department from awarding contracts to corporate expatriates. Unfortunately, it could not block the companies already moving to Bermuda, but we have been trying to close those loopholes.

Last year, I offered an amendment to Project BioShield that would have barred expatriate corporations from receiving $5 billion worth of contracts with the Department of Homeland Security, but it was voted down along party lines. But this week we achieve a partial victory.

The House Committee on Rules of which I am a member granted protection to part of the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO) and the gentleman from Arkansas (Mr. BERRY) that would close the loopholes in homeland security contracting ban, and the amendment easily passed the Committee on Appropriations.

As a long-time member of the Committee on Rules, I can tell my colleagues that is no small feat. As many of us joke, we should probably put a sign above the door to the Committee on Rules room like that hung above the gates of hell in "Dante's Inferno" that says, "All hope abandon, ye who enter here!"

It is no secret that the Committee on Rules is used by the Republicans to kill amendments before they can reach the floor for debate and to substantially restrict debate on legislation having a vast impact on this public.

But 2 days ago a miracle occurred, and we were able to protect the loophole provision on the Delauro-Berry amendment, but this fight is not over.

It does not make any sense, and America knows it. What in the world are we doing here? We are reading every day of the giveaway contract, the no-bid contract to Halliburton that is causing us so much harm and delivering no goods in Iraq, and then we sit here in this Congress and protect the giving of a contract to a corporation that has refused to pay its American taxes. Will my colleagues think about that? They bid against two companies staying here, good corporate American citizens who are at a disadvantage because the company who got the contract does not have to pay those taxes.

It is an outrage, and I think that today we will show that this House of Representatives believes that it is an outrage. I agree with what my colleagues said before: if this bill would ever be allowed by the Committee on Rules to come here for a full debate and vote, we would really show America that most people in this Congress do not like what the leadership is foisting on us.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 4 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, I agree in principle with my good friends on the other side of this issue. I agree with my good friend, the gentlewoman from Connecticut (Ms. DELAURO), that it was wrong what Stanley Works did to leave Connecticut, to save some tax money, and to relocate their corporate headquarters in Bermuda, and move much of its production operations overseas. I agree that we ought to amend the Tax Code to punish firms that deliberately relocate to take advantage of foreign tax shelters.

But while I agree in principle with what is driving this discussion, I think we all understand that while we are entitled to our own opinions, we are not entitled to our own set of facts. And I would say to my friends on the other side, it is the facts that get in the way of this debate.

The facts are that Accenture is not a corporate inversion. The General Accounting Office said that. In fact, Accenture is a U.S. business. It is a partnership in Illinois; it employs more than 25,000 people, virtually all of them are Americans. The fact is that this is an American team of companies that we are talking about. It is a good team of major American firms, firms like Raytheon, Dell, AT&T, Sprint. Mr. Chairman, 330,000 U.S. jobs are involved in this team, 35,000 in Texas, 30,000 in California, 16,000 in Virginia, 14,000 in Florida, 13,000 in Massachusetts, I would tell my very good friend from Massachusetts. These are American jobs, and all of the work is going to be done in the United States. All of the profit is going to be subject to Federal income taxes. Thirty-eight percent is going to go to small businesses. The same kind of small businesses that we have been trying to help.

Mr. Chairman, all we are talking about is the executive branch trying to do what we required them to do. We required them by law to go ahead and to find a way to secure the 50 largest border entries by the end of this year, and to secure the ports by the end of next year. And they found that there were three of the very best teams who could accomplish this objective by being willing to hire the best American employees and invest millions of dollars to do it right.

Lockheed and CSC are terrific teams. They are not complaining about this, because they know it was completely legitimate, this competitive bidding process. They are not complaining because they know they lost fair and square. The reason why this team won is because they had the ability to best match what the Congress required them to do. They spent millions, they pulled together the best technical people, and they came up with the most innovative concept, the best price, the best quality, the best likelihood of performance in meeting the Congress' requirements. That is why they got the contract. Steve Pearlstein of the Washington Post described how they legitimately won this contract.

Now, imagine the precedent. DHS awarded this contract completely legitimately, the Congress comes in and says, oh, wait a minute, we are going to pull it back. We are not going to let them get this contract. Obviously we are going to get sued. Obviously it is going to take months in the courts. Obviously, we cannot have a fair bidding process now because the other two competitors now know exactly what the Federal Government was looking for, they know exactly what the cost structure needs to be, they know exactly all the innovative concepts that the company put together.

The fact is, this is good for the United States and its workforce. These are American firms. Now, sure, we live in a global environment, but this is an American business. They are doing good work. If we set this precedent, it will come back to haunt us for generations.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DREIER).

Mr. DREIER. Mr. Chairman, I rise in strong opposition to this amendment.

We have had facts put out by my friend from Virginia, both of my friends from Virginia and others, and I would like to take a moment to look philosophically at this. Building on what the gentleman from Virginia (Mr. MORAN) just said, this really is about the cause of freedom and ensuring that we have access to the best quality product at the lowest possible price. We just this week passed the American Jobs Creation Act. One of the reasons I was so proud of that measure is that rather than constantly pointing the finger outward, it led us to look at ourselves. What is it that encourages the flow of capital and products and services across borders?

The fact of the matter is, we in the United States of America have a tax and a regulatory burden which creates great challenges. I believe that we need to realize that as Americans. The patriotic thing to do, I would say to my friend from Massachusetts (Mr. NEAL), the patriotic thing that we should do is to continue to do everything that we can to encourage greater freedom. That is why this measure which counters, counters completely a decision that was made, hurts the United States of America, hurts the cause of our homeland security by, in fact, saying to the American taxpayer, you cannot have access to the best possible quality at the lowest possible price.

□ 1130

I urge a "no" vote on the DeLauro amendment.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DOOLEY).

Mr. DOOLEY of California. Mr. Chairman, I rise in strong opposition to this amendment, and I want to once again restate some of the facts because I think there has been a lot of false allegations here.

Accenture is a U.S.-based partnership. Accenture was never an inversion corporation that moved from the U.S. to offshore. Accenture will be paying taxes on all the income that is going to be generated by this contract. And, in fact, if you look at recent history at the tax rate, the Federal tax rate that Accenture has paid in the past few years has been greater than that of the other competitors on this. Accenture is a U.S. partnership that employs 25,000 U.S. employees. All those employees that are going to be benefiting in this contract with a team and a partnership that will comprise 330,000 U.S. workers will be paying U.S. income taxes.

I am very concerned about the precedent we will be setting if we adopt an amendment that is being offered today that a company has to be solely incorporated in the United States in order to compete for a government contract. If we adopt that standard and that standard was adopted by the European countries of Germany and France or Japan or China, we would be saying to the workers of IBM in the United States, the workers of Boeing, the workers of Cisco, the workers in Microsoft that you cannot compete for a contract that is being offered by the governments of Japan, Germany, France, Italy, Great Britain. That would be an injustice, and it would ensure that we would be adopting a policy emulated by those other countries which would hurt U.S. companies and would hurt U.S. workers.

This is a precedent that could cause great harm to this country, and I hope we reject it.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 1 minute to the gentleman from Colorado (Mr. TANCREDO).

Mr. TANCREDO. Mr. Chairman, this is a debate on the provision of the Department of Homeland Security. That is what we are supposed to be talking about here, the security of the Nation.

The tax obligations of this company are really irrelevant to whether or not this contract provides for the United States of America some greater degree of security. No one has argued, in fact, that it does not. No one has argued that it is not the best company, Accenture in this case, to provide the service we need and the technology behind it. No one has denied the fact that if we do not do this, if we change the rules at this point in time, that in fact now we will have to go back to the drawing board. It will be another couple of years before we can help secure the borders now, the U.S. VISIT program, and implement it.

So because this is a national security issue debated in the homeland security bill, I urge that this amendment be defeated.

Mr. TOM DAVIS of Virginia. Mr. Chairman, although I am defending the committee's position in this particular case, my understanding is I do not have the right to close because I am not a member of the committee.

The CHAIRMAN pro tempore (Mr. SHIMKUS). The gentlewoman from Connecticut (Ms. DELAURO), because she is a member of committee, has the right to close.

Mr. TOM DAVIS of Virginia. Mr. Chairman, does the gentlewoman have any additional speakers?

Ms. DELAURO. Mr. Chairman, I have one additional speaker to close.

Mr. TOM DAVIS of Virginia. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore. The gentleman from Virginia (Mr. TOM DAVIS) has 3½ minutes remaining.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I think this amendment is unfortunate. First of all, you are picking on only one homeland security contract where there are literally dozens, more than that, that go to companies that are foreign based. They have singled out one. Perhaps there is a bidder in their State that did not get it. But retaliation on Federal contracting is really not a good thing to be doing on the House floor.

Secondly, we need to be aware that this will cost the government additional money in termination costs, and they are likely to go through this, and delay implementation of this procurement for up to 2 years which means that securing our border and getting the U.S. VISIT program up and running will be delayed. This is a homeland security bill. This is an anti-homeland security amendment in that case.

It is important, once again, to note that the winner of the contract is an American corporation, but their parent is a global company that has a headquarters in Bermuda. They were a global partnership prior to doing that. Although the majority of their stock, I understand, is American-owned, certainly the bulk of their employees are here. But they are global in nature as are so many companies in a changing global economic world, a fact of the matter that some of my colleagues do not want to face up to.

Mr. MORAN of Virginia. Mr. Chairman, will the gentleman yield?

Mr. TOM DAVIS of Virginia. I yield to the gentleman from Virginia.

Mr. MORAN of Virginia. Mr. Chairman, may I ask the gentleman, he was a counsel to a contractor at one point in his life. Can he imagine how we would ever rebid this to either of the other two bidders now that they know all of the specifications that the government was looking for?

Mr. TOM DAVIS of Virginia. Well, this throws the procurement basically up in the air and out the window and delays it, I think, at a minimum a couple of years. Worst of all, we know under this contract, Texas gets 35,000 jobs. Those jobs, if this amendment becomes law, are out the window. They may get some back. They may not get any back. We know, for example, in Massachusetts 13,000 jobs come under this. Those jobs are out the windows if this is it. Maybe they will get it under some other bidding, but there is no assurance of that at all.

We know for example in Florida, 14,000 jobs; California, 30,000 jobs; Illinois, 11,000; Arizona, 12,000, on and on; 330,000 jobs at a time when people profess to want job creation. Basically what they are saying is let us put these jobs off 2 years because we do not like the headquarters where the parent company that is putting this together of the winning company, which is an American company, lives. Even though all of the jobs will be performed in the United States, appropriate security clearances will be cleared by American citizens to perform this work.

I would note once again, there are literally dozens, if not hundreds, of companies around the globe that are doing business with the Defense Department, Department of Homeland Security, that are foreign based. If we cut this off, we are indeed, as one speaker noted, cutting off our nose to spite our face. Because, after all, this is a global economy; and after all, in this particular area we are running an $8 billion trade surplus, trade surplus. And what the proponents of this amendment would do is say, we do not care about a trade surplus in this particular area. We want to settle some other scores. We do not like the global economy. We want to use American dollars only to compete with American companies, only to use American companies even if it may be an inferior technology, even if it may cost taxpayers more.

That is what they are saying, and it is very poor precedent, in my opinion, for protecting the homeland.

Mr. MORAN of Virginia. Mr. Chairman, will the gentleman yield?

Mr. TOM DAVIS of Virginia. I yield to the gentleman from Virginia.

Mr. MORAN of Virginia. If, for example, this amendment passed, can the gentleman see any legal way that you can turn around and award the bid to either of the other two competitor companies?

Mr. TOM DAVIS of Virginia. It clearly has to be recompeted, and we will be wrought with protests.

I urge that this amendment be soundly defeated and we send the signal here that we want to protect the homeland first. This is a homeland security bill. It ought to stay that way.

Ms. DELAURO. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore. The gentlewoman from Connecticut (Ms. DELAURO) has 6½ minutes remaining.

Ms. DELAURO. Mr. Chairman, I yield the balance of my time to the gentleman from Texas (Mr. DOGGETT).

Mr. NEAL of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DOGGETT. I yield to the gentleman from Massachusetts.

Mr. NEAL of Massachusetts. Mr. Chairman, the gentleman from Virginia (Mr. MORAN) was the mayor of Alexandria, Virginia. Did the gentleman ever void a contract that had been competitively bid?

Mr. MORAN of Virginia. Not after it was competitively bid when all of the factors were legitimately considered.

Mr. NEAL of Massachusetts. How about when they were not all legitimately considered?

Mr. MORAN of Virginia. There is no question that it was not legitimate. This was a legal bid.

Mr. NEAL of Massachusetts. Across this country every day mayors void contracts.

Mr. DOGGETT. Reclaiming my time, Mr. Chairman, the indifference of the Administration to the outsourcing of American jobs is well known to the American people. But now as incredible as it will seem to most Americans, the Administration and House Republican leadership are intent on actually outsourcing our national security. A foreign-controlled corporation has received a $10 billion contract, billion with a "B", to implement a major element of the Administration's border security initiative. And that is what this debate is about.

As usual, the House Republican leadership has this week blessed this outsourcing of our national security, even though this action is directly in defiance of the will of a strong bipartisan majority of this House. With Accenture, the accent is on tax dodging; and with this Republican leadership, since the first time we offered an amendment to deal with this, the accent has been on protecting and enabling abusive corporate tax dodgers.

Now, the Republican leadership wants to reward those like Accenture. It wants to reward those who flee America to fleece America. Not only saying, do not worry about paying your fair share of taxes, but it is okay to come and get your competitors' share of taxes too. The money hardworking people pay in to the Treasury, their money is going to be taken and given to a corporation that has fled America.

What makes this Republican leadership's actions particularly shameful is their refusal to hold the wealthy tax-dodging few accountable while others sacrifice so very much, sometimes everything that they have.

We know about the young American men and women around the globe who are dying for America. We know of the billions of dollars that American taxpayers must expend when this Administration calls on Americans to do most all the paying for its adventures around the world. The sacrifice that our military is making is measured in blood and the sacrifice of the middle-class taxpayers is measured in dollars. But some corporations have decided that they do not have to pay their fair share of our security.

Through this amendment we now can demand that they pay their fair share. This is a fair-share amendment. When this measure came up under the leadership of the gentlewoman from Connecticut (Ms. DELAURO) in July of 2002, 318 Members of this House voted to impose the same restrictions that we are asking for today. And Accenture began hiring lobbyists right and left to weaken that amendment. So the gentlewoman from Connecticut (Ms. DELAURO) came back with a bipartisan majority 35 to 17 in the Committee on Appropriations to approve this restriction.

Then the Committee on Rules, recognizing that it was violating the will of the House, has approved language in this bill that says Accenture, despite all these wonderful arguments we have heard this morning, is not going to get any more contracts. We are just going to give it a $10 billion contract. We are going to give it the big pie it has already been rewarded, but it will just not get any crumbs down the way. This is an admission that there is strong merit to the arguments in favor of the gentlewoman's amendment.

Let us go through one by one the arguments that have been advanced. It is difficult to do that because they can talk about getting their facts straight, then not get their argument straight. One of those who opposes this amendment has been at this podium declaring that Accenture has never been a U.S. company, followed by another speaker who insists that Accenture is a U.S. company with jobs all over America.

Well, on that I have to yield to Accenture. If you turn to their Web site, you will see that they declare they have never been a U.S. company. The Department of Homeland Security has outsourced this contract to a foreign company. But what of the argument that they did not leave America after they formed here? No, the answer is they got there first and they have set an example for other corporations about incorporating abroad. Indeed, this month's issues of Corporate Executive Magazine has an ad from Accenture: "To accomplish more, sometimes you need to receive less."

And, in fact, in their case, pay less in taxes. And they offer advice on, among other things, outsourcing jobs.

What of the argument that Accenture pays its taxes, everything that is legally due? They claim that they pay a higher tax rate than their American competitors. Well, I guess it all depends on whether you are paying taxes on all your income or part of your income because you are able to send some of your income abroad. Indeed, the name Accenture will be new to many people because it is a new name. The name Accenture did not exist a few years ago. The name Accenture, strangely enough, is owned by a foreign corporation and the U.S. company pays hefty royalties to this foreign company to use that name in the U.S. What Accenture has done is to strip its U.S. earnings out of the country so that it can say, we pay taxes on our earnings more than our competitors. We just do not pay U.S. taxes on about $200 million of our other earnings.

Let me just say that it used to be that, if you cleaned out a bank vault, you would be put on the government's "most wanted" list and imprisoned. But under this Administration, when you drain the Federal Treasury by dodging taxes, you are placed on a "most wanted" list for government contractors.

This is wrong. The American people know it is wrong. It is indefensible, and there is no good argument in favor of doing this. Vote for the DeLauro amendment.

Ms. HARMAN. Mr. Chairman, I rise to explain my "no" vote on the amendment offered by Ms. DELAURO. I support the principle embodied in the amendment: to deny the benefit of large government contracts to U.S. companies that purposefully locate offshore to avoid U.S. taxes.

But in this case, Accenture did not do this. Accenture is a combination of foreign and U.S. companies and claims it chose Bermuda, in 2001, as a neutral location.

The USVISIT contract is with the U.S. subsidiaries of Accenture, and with many other U.S.-located companies, all of whom employ Americans and pay U.S. taxes. We should not interfere with it and disrupt this important program.

□ 1145

The CHAIRMAN pro tempore (Mr. SHIMKUS). All time having expired, the question is on the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Ms. DELAURO. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO) will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT NO. 1 OFFERED BY MS. ROYBAL-ALLARD

Ms. ROYBAL-ALLARD. Mr. Chairman, I offer an amendment.

The Chairman pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Ms. ROYBAL-ALLARD:

At the end of the bill (before the short title), insert the following new section:

SEC.   . None of the funds appropriated by this Act may be used to process or approve a competition under Office of Management and Budget Circular A-76 for services provided as of June 1, 2004, by employees (including employees serving on a temporary or term basis) of the Bureau of Citizenship and Immigration Services of the Department of Homeland Security who are known as of that date as Immigration Information Officers, Contact Representatives, or Investigative Assistants.

Ms. ROYBAL-ALLARD. Mr. Chairman, let me begin by thanking the gentleman from Kentucky (Chairman ROGERS) and the gentleman from Minnesota (Ranking Member SABO) for their hard work on this very important bill.

Mr. Chairman, my amendment would prohibit the Citizenship and Immigration Service under the Department of Homeland Security from needlessly and dangerously contracting out work that is inherently governmental in nature and essential to maintaining our national security. This work is performed by immigration information officers, contact representatives and investigative assistants who are well-trained to understand our country's complex immigration laws and regulations. In the course of performing their duties, they often use highly classified information to prevent immigration fraud and ensure terrorists do not exploit our immigration laws.

The Office of Management and Budget, OMB, will argue that privatizing immigration officers will save taxpayers and the Federal Government money. The General Accounting Office, however, has challenged OMB's estimated savings derived from privatization. The Comptroller General recently stated that GAO cannot verify OMB's claims because government agencies do not have accounting systems to provide reliable tracking of costs and savings, but even if savings could be realized, the fact remains that the bottom line should never take precedent over our national security.

We need to have reliable, well-trained and experienced immigration personnel, employees who are directly accountable to the Department of Homeland Security and not motivated by production quotas set by profit-oriented contract employers with an historically high rate of turnover.

Of greater concern, however, is the Department of Homeland Security's inability to protect sensitive information and maintain quality control of contract workers. This danger is highlighted in a July 2003 GAO report that found that the Immigration Service did not have the basic infrastructure, including the oversight information and workforce, to ensure that its contracting activities were effective.

Furthermore, in a December 2003 report and in a March 2004 follow-up report, the Inspector General of the Department of Homeland Security listed contracting procedures as a major management challenge for the Department.

Of equal concern is information in memos from the Department of Homeland Security that I received from Senator LIEBERMAN's office. These memos contain evidence that Immigration Service management tried for months to discourage Homeland Security leadership from implementing the privatization review.

Let me quote two passages from a document prepared by consultants from Grant Thornton and PEC Solutions for Immigration Service officials. The first passage reads, "Accomplishing the A-76 study under present scope will not achieve the A-76 program's overarching operational efficiency objectives, and also will not address the current extensive customer service problems."

The second passage reads, "Moving forward with an A-76 competition based on business processes limits the agency's ability to implement substantial organizational and operational improvements."

Clearly, Mr. Chairman, contracting out of immigration provisions has every potential of endangering our country's ability to meet our goals of having a Department of Homeland Security that is well-armed to protect our country from those who would do it harm.

In closing, Mr. Chairman, my amendment does not attempt to address the overall issue of contracting out Federal jobs. My amendment is narrowly drafted to ensure that the work of immigration officers, which is inherently governmental in nature and critical to our national security, continues to remain the responsibility of trained and experienced Federal employees directly accountable to the Department of Homeland Security and not to the bottom line of a private company.

I urge my colleagues to support this very important national security amendment.

Mr. ROGERS of Kentucky. Mr. Chairman, I rise in opposition to this amendment. I agree with the gentlewoman from California, who by the way is a very hardworking member of our subcommittee and a very valued member. I agree with her that CIS should meet the highest standards in evaluating petitions for naturalization or immigration benefits, but I do not believe her proposal is justified.

CIS is in the midst of a critical effort to reduce its very large case backlog, while ensuring that it screens applicants for the privilege of living here or acquiring citizenship. Our bill demands a high degree of accountability from this agency, and we will exercise significant oversight into how it achieves the elimination of its backlog.

In the meantime, I believe that the Department deserves some latitude to explore new ways of getting this job done and the backlog reduced, to include privatizing some functions that may be just as easily performed outside of the government, and allows the agency to concentrate internally on its core government functions.

The argument that the positions up for competition are "governmental" begs the question: Immigrants need information and help getting through this system, but such service is not inherently governmental; and, two, the requirement to have specialized subject matter expertise also does not uniquely limit the work to government officials.

So I think the amendment is not necessary. I believe the Department should have some leeway in getting this backlog reduced, and so I, therefore, ask my colleagues to support us in rejecting this amendment.

Mr. ANDREWS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of the amendment offered by my friend from California. One of the most important functions of any sovereign nation is determining who can enter the country and who cannot.

In our country we balance many important values in making this decision. We have always been an open society that has been enriched by new citizens, by visitors and by those who come here to contribute to the great dynamism of the American economy.

At the same time, we cannot be a country that has a welcome mat out for everyone in the world because it would suffocate the very dynamism of that economy. There obviously are security concerns. Most people in the world are very welcome in America because they are people who love peace and contribute. There are a few who are most definitely not welcome in America because they are security risks.

Just as our country has to sort this problem out every day, on individual cases this problem must be sorted out every day. The people who begin the process of sorting this balance out are immigration information officers. I can think of no more public function, no more core public function than exercising the constitutional responsibility of controlling our borders, and the idea that this function would be delegated to someone who works for a for-profit firm strikes me as well beyond the realm of reason.

When someone presents his or her papers to begin the process of getting into the country, all kinds of questions have to be asked. Are the papers true or fraudulent? This is what these officers deal with every day. Are the intentions of the person trying to enter the country munificent or harmful? This is a judgment that these officers have to make every day.

The information people present to gain access to the country is very often private and important only to them, and respecting the privacy of the person who tries to get into the country is an important value that has to be protected every day.

If questions arise about the veracity of someone's application, the officer needs to go to law enforcement or to intelligence agencies to figure out whether the person is whom he or she says they are. Are these functions we want performed by someone who is hired out?

Can we exercise the degree of accountability for control of our borders that we need to exercise if the people who are exercising these functions are here this year but may not be here next year when a new contract is let? Can we be sure that the training that is necessary to balance these many competing concerns is going to be adequately given to officers who are not sworn employees of the United States? I do not think so.

I understand the debate on privatization is over whether something is a core government function or not. I can scarcely think of a function that is more an example of a core governmental function than controlling access to our borders. Frankly, if controlling access to our borders is not a core governmental function, then running the Navy is not a core governmental function or conducting foreign intelligence is not a core governmental function or perhaps we should privatize diplomats, and instead of having ambassadors appointed by the President we should hire diplomatic arbitration services because it seems to me to be equally the case that it is a core governmental function.

One could argue all one wants about efficiency, but there is a higher value here than efficiency, and that value is accountability in the discharge of our constitutional function in controlling our borders. This is not an area where the managers of the Department should have discretion because this is a clear case.

The constitutional responsibility of controlling our borders is a pure public function, and it should be carried out by sworn employees who are men and women who are responsible to the public voters, responsible to this Congress and responsible for the future discharge of their responsibilities.

So I thank my friend from California for offering her amendment. I think it is an excellent idea. I would urge Members from both sides to enthusiastically support the amendment.

Mr. ROGERS of Kentucky. Mr. Chairman, in the interest of attempting to save time and to get us out of here today on this bill, I want to engage my ranking member and ask his and others unanimous consent that all debate on this amendment and all amendments thereto be limited to 40 minutes, the time to be equally divided between myself and the gentleman from Minnesota (Mr. SABO).

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Kentucky?

Mr. KUCINICH. Mr. Chairman, reserving the right to object.

Mr. SABO. Mr. Chairman, I have no problem with that, with the exception that the time on our side should be controlled by the gentlewoman from California (Ms. ROYBAL-ALLARD), who is authoring the amendment.

Mr. ROGERS of Kentucky. I so amend my request.

The CHAIRMAN pro tempore. If the gentlemen will suspend, the gentleman from Ohio (Mr. KUCINICH) raised a point of objection and needs to be heard on his reserving his right to object.

Mr. KUCINICH. Mr. Chairman, reserving the right to object, it seems that there are a number of people on our side here who are prepared to speak to this, and I think that before we agree to a unanimous consent, it would be good to poll to see how many Members we have so we are not going to be denied an opportunity to present our concerns about this and our support for this amendment.

Mr. SABO. Mr. Chairman, will the gentleman yield?

Mr. KUCINICH. I yield to the gentleman from Minnesota.

Mr. SABO. I think that has been done.

□ 1200

Mr. SABO. Mr. Chairman, we have a growing list of Members who want to give speeches, and I ask the gentleman to withdraw the request for 1 minute.

Mr. ROGERS of Kentucky. Mr. Chairman, I would point out there is a growing list of Members who want to get out of here tonight.

Mr. Chairman, I withdraw the unanimous consent request.

The CHAIRMAN pro tempore (Mr. SHIMKUS). The unanimous consent request is withdrawn.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wish we could decipher our commitment to creating jobs from the important responsibility of homeland security. Whenever we see these two goals hitting up against each other, the idea of privatizing and creating jobs in America versus taking jobs away from the government, we would think that job creation has a truly bipartisan premise, but my good friends keep utilizing it in the wrong way.

Homeland security needs accountability. Homeland security clearly dictates, if you will, assuredness, preciseness and oversight. It is very difficult to ever see homeland security being privatized. In this instance many of these employees, although they are dealing with the benefits side of homeland security under the immigration benefits section, they often use highly classified information to prevent immigration fraud and to ensure that terrorists do not exploit the immigration laws.

More importantly, there are people who are standing in line, thousands of them for years, who count on Federal employees with the kind of interest and commitment and integrity to ensure that the process works. Yes, we have a backlog and in fact our committee, the Subcommittee on Immigration and Claims of the Committee on the Judiciary, just heard from the Director of the Bureau of Citizens and Immigration Services that in fact he is presenting the President's plan on decreasing that backlog.

There was nothing in that representation that would suggest that it could not be done without the employees present other than the fact that I raised the question that we might need more resources to add Federal employees who are under oath, who are hired under certain conditions to do the job. I cannot imagine that we would argue to privatize this very serious and very important task of the Department of Homeland Security. It does not make sense. For the Office of Management and Budget whose only responsibility is to crunch the numbers and find where they can allegedly save money and not make the good judgments what is responsible legislation, which is to provide secure employees to do secured work, the General Accounting Office could not even document that what OMB represents to be a saving would be true. The General Accounting Office challenged the OMB's estimated savings derived from privatization, and the Comptroller General recently stated that GAO cannot verify OMB's claims because government agencies do not have those kinds of reliable accounting systems.

I say to the chairman and the ranking member, and I again cite them for their good work, there is no documentation that we can save work, but there is documentation that if we privatize this we have no oversight into the mishaps, confusion and the absolute inability to help us bring down the backlog, at least with adding the resources necessary to those Federal hires, those Federal employees, and I thank the gentlewoman for this excellent amendment, and for pinpointing a weak point, and that is privatization of important services utilized by the Department of Homeland Security.

I would argue vigorously in support of this amendment, but I caution my colleagues to realize that these are important and secure matters: One, on behalf of those who are standing in line to access legalization, which we want them to do; and two, indicating and securing the fact that no one can abuse the service; and lastly, I would say the oversight of this Congress would be undermined by privatizing this very important responsibility. I ask my colleagues to support the amendment.

Mr. ROGERS of Kentucky. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto be limited to 30 minutes, that the time be equally divided between myself and the gentlewoman from California (Ms. ROYBAL-ALLARD).

Mr. BERRY. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. BERRY. Mr. Chairman, I move to strike the requisite number of words.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. BERRY. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. Mr. Chairman, could we not have agreement on the limitation? I think it is agreed to by the ranking member and all parties on the subcommittee of which the gentleman is a member. Could we not have a unanimous consent to limit the debate time?

Mr. BERRY. Mr. Chairman, with all due respect, I do not think there is anything more important than the debate we are having today. I think that those that have something more important to do, I think it is perfectly all right for them to go ahead and do it.

Mr. Chairman, we are having this debate. We are making decisions that are going to affect the future of this country. This is a very serious matter. We have gotten ourselves, this administration has gotten this country in a terrible mess, and one of the things they have done to cause this to happen is to outsource, to take jobs that belong, that should be done by the government and contract them to somebody else.

I am beginning to wonder if we are going to see a resolution on this floor that says all government functions will be contracted to Halliburton with a sole source contract agreement, and to ask this House to approve such a ridiculous thing.

We have a serious problem on our borders. It needs to be handled by serious people. We have gotten in trouble in Iraq because we have hired people to do what should have been a military function or a function of the government and turned it over to something else, to somebody that had no accountability, somebody that does not have to prove that they have done it right. We need to have this debate.

This administration just simply does not understand the difference in getting the job done for the American people and a good excuse when they fail. That is where we are right now. And the generations that come after us are going to have a terrible mess on their hands to deal with. It is all because we have not been responsible in seeing that the job got done, and it is time for this body to uphold its responsibility and hold these people that are running the government accountable. This amendment will make it possible for us to do that.

I urge the Members of this House to take this bill and what it means in this amendment very seriously. We know that when Americans are given the task that they will do the job and do it well. When we start contracting out these responsibilities of our agencies like this amendment prohibits, we do not have any way of knowing what is going to happen. We are going to just turn it out. My goodness alive, I cannot imagine what kind of ridiculous things might pop up after what we have already seen that this administration is willing to do. It is time for this body to exercise oversight that we are responsible for using.

Mr. MORAN of Kansas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not going to take 5 minutes and I trust my colleagues are not going to either, but I do want to express my support for this amendment. It is a very important issue, a principle upon which I could not agree more with the author of the amendment because the functions that are going to be contracted out, if this amendment does not pass, are in fact inherently governmental.

We are talking about approximately 1,400 professionals, experienced people, who have to apply judgment. They need to determine whether law enforcement agencies need to be notified, they need to determine who should come into this country, who should be deported, who should be arrested. This is not something you want to contract out to private firms who may be very well intentioned, but the fact is that ultimately it is a profit incentive that motivates them to compete for this contract.

These are governmental jobs that need to continue to be governmental. If this goes through, it is like contracting out income tax collection. I cannot imagine many more jobs that could be more important that could not be more inherently governmental than this. If this amendment does not pass, it jeopardizes the safety and security of the American people; and certainly it is a slap in the face of the extraordinarily good, professional work that is done by the vast, vast majority of people working for the Customs and Immigration Services.

Please support the Roybal-Allard amendment, and let us do the right thing by a government that we have every reason to be proud of.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to try to ask the indulgence of all Members on both sides. We had extended debate yesterday on the Interior bill, and we have a lot of amendments on this bill. We have been negotiating for 2 days trying to reach an overall understanding between the parties about how we will proceed on all of the remaining appropriation bills between now and August. We are trying to work out an arrangement which will allow those bills to proceed in an orderly civil manner with minimum of ying and yang, leaving full room for Members to offer whatever amendments they want to offer.

To facilitate that, we are trying to help move this bill along. We are getting calls from Members from both sides of the aisle every 10 to 15 minutes asking when they are going to be able to go home today. I do not want to shut off any Member. Every Member has a perfect right to address whatever issue concerns them, but I would ask if we do have offers of unanimous consent to reach time limits on some of these amendments, I would appreciate it if Members would talk to the gentleman from Minnesota (Mr. SABO) or the gentleman from Kentucky (Mr. ROGERS), depending on which party, to at least talk with us so we understand what your concerns are and Members understand what the committee is trying to do because we cannot do opposite things at the same time.

If we are to facilitate Members getting out of here today, we need to have reasonable limits on time. Nobody is trying to be arbitrary. The gentleman from Kentucky (Mr. ROGERS) has been most cooperative, as has been the gentleman from Minnesota (Mr. SABO). I would ask Members to please give us the benefit of the doubt. If we cannot reach reasonable time agreement, there is not a prayer that we will get out of here before 7 or 8 tonight. Knowing the way this place works, some of the very same people who object to time limits at 3:00 will be squawking at us at 7:00 because they have not been able to get out of here. I would ask Members to work with us. We are trying not to surprise people, and we would appreciate the same from other Members.

Mr. CROWLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I thank the gentlewoman from California (Ms. ROYBAL-ALLARD) for offering this amendment.

□ 1215

The amendment prevents the Department of Homeland Security Citizenship and Immigration Services from outsourcing work to contractors. The work performed by immigration information officers and their colleagues is not only a critical responsibility; it is a critical governmental responsibility.

Our Nation depends on CIS to review immigration applications in a timely and judicious manner. Our Nation depends on CIS to discern questionable applications and possible threats to our public safety. Our Nation depends on CIS to protect our immigration process and to be accountable.

In fact, the General Accounting Office has argued that INS does not currently have the infrastructure to contract its work out and still be able to ensure success. INS has such a tremendous backlog that full entitlements through citizenship are being denied to hundreds of thousands of people in this country today because of that backlog. Let us give the INS the resources they need to accomplish their tasks, as opposed to outsourcing their jobs.

This work is too important to our government, to the people of our Nation. It is too important to all of us to not be done well and not to be done properly.

Clearly, such a governmental responsibility must remain with the government. I urge an "aye" vote on this amendment.

Mr. KUCINICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment of the gentlewoman from California (Ms. ROYBAL-ALLARD). The Department of Homeland Security should be prevented from undertaking its privatization review of the investigation and adjudication of applications for immigration rights and benefits. It is simplistic to assume that privatization automatically leads to savings and efficiency. Sometimes it does not, and this case is one that clearly does not. Consider that.

The Department of Homeland Security, that part of the Department of Homeland Security which is formally known as the Immigration and Naturalization Service, does not keep track of its existing contractors, according to the General Accounting Office.

Specifically, GAO said the INS, which is now the Department of Homeland Security Citizenship and Immigration Services, does not have the basic infrastructure, including oversight, information and an acquisition workforce in place to ensure that its contracting activity is effective. INS has not consistently ensured that acquisition personnel are adequately trained to do their jobs, and this is from a GAO report less than a year ago.

Number two, independent parties report that the Department's recent contract for similar, but much simpler, work has had disastrous results. According to dozens of civil rights advocates, recent experience with the national customer service center offers another example of the negative impacts of contracting out immigration functions and the differences that result from using an outside contractor rather than a trained CIS employee. The contrast has been profound, and the resulting problems ranging from the frustrating and time-wasting, to truly damaging errors.

Before the June changeover, existing government personnel readily solved the majority of these problems. Operators who now answer the calls know nothing about the subject of the call and rarely provide assistance. So much for contracting out. These operators who work from scripts frequently cannot even identify which script they should be using and are rarely able to provide meaningful assistance. In fact, they often provide answers that convey a clear misunderstanding of the subject matter with which they are dealing.

Number three, the Department, according to internal documents, has failed to heed warnings from its own staff and consultants that this particular privatization review is ill advised, because it is poorly structured, unlikely to generate efficiencies, and inspired in order to meet a privatization quota that has been prohibited by Congress and repudiated by the administration.

I have some familiarity with an example of privatization through the A-76 process and would like to share it with my colleagues. During 2000, the Defense Finance and Accounting Service conducted an A-76 competition for its Military Retired and Annuitant Pay functions, most of which are performed in my district in Cleveland. A private contractor, ACS Government Solutions Group, was awarded the contract on the basis of a very small cost advantage, over $1.9 million over the entire 10-year contract period.

In March of 2003, the Inspector General of the Department of Defense reviewed this A-76 award. It determined that the award to a private contractor in 2001 was erroneous. According to the IG, an error committed by the private company hired by DFAS to prepare its in-house bid resulted in an erroneous high bid by the government. The error was compounded by the audit division of the DoD IG, which served as the independent review officer and which failed to discover the error. As a result, the higher bidder actually won the competition.

Now, in spite of these findings, DFAS has renewed its contract in each succeeding year with the higher bidder. Now, what is the lesson we should learn?

First, privatization does not necessarily equal efficiency. Second, privatization does not necessarily lead to savings in cost, and third, privatization wastes taxpayers' funds and degrades the performance of government work. Vote "yes" on the amendment of the gentlewoman from California (Ms. ROYBAL-ALLARD) and prevent a waste of taxpayer funds.

Mr. TURNER of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Roybal-Allard amendment to stop the privatization of immigration information officer positions. As the ranking member on the Select Committee on Homeland Security, I have serious concerns about the impact this privatization initiative will have on our Nation's security. Immigration information officers and contact representatives interview immigrants, they review their documents for fraudulent and illegal activities, and they perform criminal background checks.

In order to do their jobs, these employees must acquire a large body of information and knowledge about our ever-changing and incredibly complicated immigration laws. To abandon the years of accumulated expertise of this group of Federal employees places our Nation at risk. In the war on terror, there is no room for error.

At a time when we must be focusing on security at our borders, we should not create the turmoil that is inherent in competition for these security-related jobs. After September 11, this Congress determined that giving the critical task of securing passengers and their baggage at airports should not be awarded to the lowest bidder, and we federalized the TSA screening force. Why would we give an even more critical and complex task of reviewing whether a passenger may be a terrorist to the lowest bidder? I urge adoption of the amendment of the gentlewoman from California.

Mr. BEREUTER. Mr. Chairman, this Member wishes to express his support for the Roybal-Allard Amendment to prevent the A–76 privatization attempt of the Bureau of Citizenship and Immigration Services (BCIS) at the Department of Homeland Security (DHS).

The Department of Homeland Security mission statement reads as follows: "We will lead the unified national effort to secure America. We will prevent and deter terrorist attacks and protect against and respond to threats and hazards to the nation. We will ensure safe and secure borders, welcome lawful immigrants and visitors, and promote the free-flow of commerce."

The outsourcing of the positions of Immigration Information Officers (IIO), Contact Representatives (CR), and Investigative Assistants (IA) is harmful to the DHS mission because these jobs and their functions are inherently governmental and vital to national security. Any job that requires the officer's knowledge and application of U.S. immigration laws and regulations is inherently governmental and crucial in determining who is eligible for immigration benefits, as well as identifying potential terrorists and national security threats. Therefore, these jobs should not be offered to contract providers outside of the Federal Government.

One of my constituents recently wrote to this Member, voicing his opposition to the outsourcing plan. This constituent is an Investigative Assistant within the BCIS. He writes, "Given the current political climate of heightened security among all federal law enforcement agencies, any decision to outsource CIS positions would be detrimental to the country. It is imperative for Americans to have faith in our government's ability to protect our country. Having government workers doing a job of such significance gives the people of this nation the confidence and sense of security that is needed in these volatile times."

He is absolutely right, and this constituent certainly is not alone in his views. In the state of Nebraska, the jobs of 115 full-time employees within the BCIS are at risk. This number is only behind those projected statistics in California and New York. In this Member's district alone, 112 jobs are inappropriately at risk due to the A–76 proposal.

Now, this Member does not in concept or principle oppose A–76 privatization. Indeed, this Member has accepted the legitimacy of applying A–76 for various other Federal employment positions in his District. But obviously this process is badly flawed with suggested applications of this procedure in the kind of job positions addressed by the Amendment of the distinguished gentlewoman from California, Mrs. Roybal-Allard. Its application to described positions in DHS jeopardize national security and the proper accomplishments of the mission of the agency.

In closing, Mr. Chairman this Member encourages his colleagues to support this Amendment.

The CHAIRMAN pro tempore (Mr. SHIMKUS). The question is on the amendment offered by the gentlewoman from California (Ms. ROYBAL-ALLARD).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Ms. ROYBAL-ALLARD. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from California (Ms. ROYBAL-ALLARD) will be postponed.

AMENDMENT NO. 23 OFFERED BY MR. RYUN OF KANSAS

Mr. RYUN of Kansas. Mr. Chairman, I offer an amendment.

The Chairman pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 23 offered by Mr. RYUN of Kansas:

At the end of the bill (before the short title) insert the following new section:

SEC. . None of the funds made available in this Act may be used to amend the oath of allegiance required by section 337 of the Immigration and Nationality Act (8 U.S.C. 1448).

Mr. RYUN of Kansas. Mr. Chairman, the oath of allegiance has served as the gateway to American citizenship for over 200 years. When immigrants speak its forceful words, they pledge their unfettered allegiance to America, to the Constitution, and to our laws. This important symbol of American citizenship is not specified by law, however; and it can be changed on the whim of a government agency. In fact, such a change has recently been attempted and would transform the absolute commitment to our Constitution into a conditional statement, thereby weakening our citizenship.

The proposed changes would eliminate certain forceful words and phrases, substantially weakening the charge to uphold and be faithful to the Constitution and the laws of the United States. Specifically, it eliminates the call to bear true faith and allegiance to the Constitution. In addition, the oath of allegiance currently calls on Americans to renounce and abjure all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty while the proposed oath renounces allegiance only to foreign states.

We should continue to welcome legal immigrants into our country. Yet as we continue to fight the war on terror, we must maintain a forceful and uncompromising oath of allegiance. Many of our terror threats are not from organized geopolitical states, but rather from groups like al Qaeda led by the likes of Osama bin Laden. On March 11 in Madrid, we were reminded of the very real presence of organized, nonstate-sponsored terrorism aimed at the United States and our allies who are committed to eliminating global terrorism.

The threat of terror and the attempts to infiltrate American society have not passed, nor has the need for a strong renunciation against any foreign sovereignty. Now is not the time to water down the words of commitment necessary to becoming a citizen of the United States. That is why I am offering this amendment, which would restrict the U.S. Citizenship and Immigration Services from using funds to change the oath of allegiance.

Throughout our history, our Nation has been strengthened by immigrants who came here to pursue the American dream. Keeping the strong, meaningful text of the oath would remind all Americans that pursuing that dream also requires a full-time commitment to citizenship, a commitment not unlike what Thomas Paine once called the summer soldier and the sunshine patriot, that shrank from the service of his country in times of crisis. The oath should continue to support freedom, democracy, and our constitutional rights. I encourage my colleagues to vote for this amendment.

Mr. Chairman, I would ask the gentleman from Kentucky if he has any reservation about my amendment.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. RYUN of Kansas. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. If there are no further speakers on the amendment, I will agree to it. If there are further speakers, I will oppose it.

I think it is a wonderful amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Kansas (Mr. RYUN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. TANCREDO

Mr. TANCREDO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TANCREDO:

At the end of the bill (before the short title), insert the following:

SEC. . None of the funds made available in this Act may be used in contravention of section 642(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1373(a)).

Mr. SABO. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN pro tempore. A point of order is reserved.

Mr. ROGERS of Kentucky. Mr. Chairman, in the interest of time, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 24 minutes and that the time be equally divided between me and the gentleman from Minnesota (Mr. SABO).

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado (Mr. TANCREDO).

Mr. TANCREDO. I thank the gentleman for yielding me this time.

Mr. Chairman, the purpose of the amendment is to prevent the use of Federal funds by governments who adopt sanctuary policies. These are laws that prohibit State or local government entities or officials from sending to or receiving from the Bureau of Immigration and Customs Enforcement information regarding an individual's citizenship or immigration status.

I assume considering the fact that we have had this amendment on the floor before and I recall the kind of debate that we had, a great amount of that debate will center around the actual law that is on the books and not my amendment. I want to stress the fact that there is a law. It has been on the books for 10 years. It is section 642(a) of the Illegal Immigration Reform and Immigration Responsibility Act of 1996. That law is there.

This amendment does not change the law, it does not repeal the law, it does not add anything to the law. That is the law that is on the books. It says States and local governments essentially cannot impede the flow of information to the Department and/or stop the flow from the Department.

The problem, of course, is that States and localities around the country, a relatively small number but nonetheless a growing number, are disregarding that provision of the law. They do not care. They are, in fact, adopting things that we consider to be certainly problematic and certainly fly in the face of the law. By enacting these misguided and illegal sanctuary policies, a handful of local governments have put the rest of the country at risk.

□ 1230

In addition, the refusal of these governments to share information with Federal immigration authorities inevitably results in a local law enforcement arresting and then releasing criminal aliens who may then move on to commit other crimes in the country rather than being deported. The Washington Times, for example, reported in June of last year that in December there was a rape of a woman in New York, a particularly brutal rape and battery. Four of the five men charged in the case were illegal immigrants, and three had are prior convictions that, in keeping with Federal law, would have allowed their deportation had that information been originally provided to the Federal authorities.

As a result of the great amount of public clamor about this particular incident, the City of New York has, as I understand it, repealed that particular provision of their law so that that is what needs to happen, of course, I think, throughout the country.

In order to prevent these kinds of resolving-door injustices from occurring, we must create a financial disincentive for cities and States that choose to violate the law. Since September 11 Members of both sides of the aisle have bestowed the virtues of intergovernmental cooperation between State, local, and Federal law enforcement authorities to prevent future terrorist attacks. State and local governments should not be able to unilaterally prevent this kind of cooperation by disregarding the Federal law and jeopardizing antiterrorism efforts.

A message that continued subversion of Federal immigration law will not be tolerated must be sent loud and clear, and the prohibition on the expenditure of those funds will prevent this.

We have a very difficult time. The Federal Government has an enormously challenging responsibility in trying to both adopt and enforce immigration policy. It is made even more difficult, the problems are exacerbated a thousand times, when cities and localities and States around the Nation decide to enter into this arena and decide to begin adopting their own immigration policies. We cannot have hundreds of immigration policies developing throughout the country, State by State, city by city.

Once again, I reiterate, my amendment has nothing to do with the law that is presently on the books, and I know that there will be a lot of discussion about the law, and if someone wants to introduce legislation to repeal that law, that is of course their right to do so. But that is not what this is about. This is about essentially trying to provide some sort of disincentive for people who do violate that law.

Mr. SABO. Mr. Chairman, continuing to reserve a point of order against the amendment.

The CHAIRMAN pro tempore (Mr. SHIMKUS). The gentleman is recognized.

Mr. SABO. Mr. Chairman, I am trying to find out whether I should pursue the point of order or not, and I get different interpretations of the gentleman's amendment and what it is intended to do. If it does not do much or anything, then I think the amendment is in order. On the other hand, the rules say we cannot legislate on an appropriation bill, and if it does something, then it seems to me it may not be in order.

Mr. ROGERS of Kentucky. Mr. Chairman, if I could speak on the point of order, as I read the amendment, it says no funds may be used to violate the law, and I am prepared to accept that.

Mr. SABO. Mr. Chairman, so the gentleman's judgment is the amendment does not do anything?

Mr. ROGERS of Kentucky. Mr. Chairman, it says Federal funds cannot be used to violate the law. I agree with that. Does the gentleman not?

Mr. SABO. Mr. Chairman, I know we have Members' concerned and who want to discuss this issue. But the amendment has left me confused. But I do recall a year ago I was confused by an amendment and after some discussion, the House voted the amendment down. And so I am still trying to sort out if it does something or does not do something.

Mr. ROGERS of Kentucky. Mr. Chairman, that amendment last year was altogether different. As I read this amendment, it is fairly simple. It has been modified, obviously, and now just says no funds may be used in contravention of section 642(a) of the Act, and I find it to be innocuous, frankly.

Mr. SABO. Mr. Chairman, would the gentleman from Colorado agree?

Mr. TANCREDO. Mr. Chairman, I would agree with the gentleman from Kentucky's (Chairman ROGERS) definition of an analysis of this amendment.

Mr. SABO. Mr. Chairman, I withdraw my reservation of a point of order and reserve my time.

Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Chairman, as the late Ronald Reagan said, here we go again. The gentleman from Colorado (Mr. TANCREDO) offered this ill-conceived amendment last year, and it was soundly defeated by a vote of 322 to 102 with all Democrats who voted voting against and a majority of the Republican conference also voting against.

And if I were to listen to the gentleman from Colorado (Mr. TANCREDO), he says, well, this does not really do anything to the law. Then why do we need it? The reality is the words may be modified, but the purpose is the same.

Number one, this says none of the funds, no funds, will go to any municipality, any State entity, any governmental entity for any homeland security purpose if they have chosen in a totally legitimate way not to violate the privacy laws, not to give information about someone's citizenship, like mine, or anyone else's, because that is the way the gentleman's amendment originally read. He just scratched it out. And that is in essence what he is seeking to do, and it is in essence what it does.

We all know the gentleman from Colorado's (Mr. TANCREDO) stated intention. He wants all of us who look a certain way, who have certain names and speak a certain way to have Big Brother filter us out.

Secondly, this is a coercive action against any State, municipality, or other entity to say to that State, municipality, or other entity they must do a series of things, including giving information on a person's citizenship status, like my citizenship, which I was born in this country, to the INS.

So much for State rights. So much for the local municipalities know best. So much for all I have listened to in the last decade from my Republican colleagues speaking of State rights, of local rules, of States knowing best. And imagine denying critical dollars to protect all citizens of a State, county, or local government of homeland security funds, funds for police, fire, emergency management and preparedness. Not only would that public entity be directly hurt, but the Nation itself might be hurt if that State, city, or country is a portal, a gateway, into America and having had the funds denied, not being able to protect itself and that portal into the rest of the country.

The gentleman from Colorado's (Mr. TANCREDO) obsession could very well risk the national security of the United States, and this is an unfunded mandate on all of those government entities trying to be make it an extension of what is the INS. This is the real intent, to make every police department, every sheriff, and every law enforcement entity an arm of the INS. They have rejected those views. That is why we keep hearing this as Hispanic outreach. We do not need it. Reject the amendment.

PARLIAMENTARY INQUIRY

Mr. ROHRABACHER. Mr. Chairman, I make a point of order.

I would like to inquire of whether or not if someone makes an allegation against a former Member that race is being taken into consideration by his decisions, whether or not that is, in fact, calling another Member a racist and whether or not that is just what our colleague just did to the gentleman from Colorado (Mr. TANCREDO).

The CHAIRMAN pro tempore. The Chair would respond that it is against the House rules to engage in personality toward other Members.

Mr. ROHRABACHER. Mr. Chairman, so if our colleague just indicated to that the gentleman from Colorado's (Mr. TANCREDO) consideration was because of the way people look and their race, that is a reason to have our colleague's words taken down? Is that right?

The CHAIRMAN pro tempore. The Chair would advise all Members to refrain from impugning the motives of other Members in the debate and discussions on amendments and legislation.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I thank the chairman of the Subcommittee on Homeland Security of the Committee on Appropriations for yielding me this time.

Mr. Chairman, I rise in support of the Tancredo amendment because facts are stubborn things. Allegations, no matter how offensive, no matter how predictable from some in this House, have a way of being displaced by facts. The fact is federalism is dynamic because constitutionally there are responsibilities reserved to the States and localities, but more importantly, there are responsibilities constitutionally delineated to the Congress of the United States.

I would remind my colleagues and specifically the preceding speaker that Congress, not States or cities, has the sole authority to draft and enact immigration policies. By permitting States and localities to flaunt Federal law enacting sanctionary policies, Congress is effectively allowing local governments to set up their own patchwork of individual immigration systems.

Mr. Chairman, national security is synonymous with border security. Congress must act to put an end to these policies that allow this patchwork of different immigration policies based on whatever the whim of a certain locality or a certain State may be. We must do that if we are to maintain an orderly immigration system and to ensure that Federal antiterrorism efforts are successful.

In contrast to those who would come with tiresome and objectionable notions that this is based on race, this is nothing of the sort. This is based on national security and understanding that we must know who comes into the country. Certainly there should be effective, consistent enforcement across the board. That is why I rise in support of this amendment and ask the Members to join me in this support.

Mr. SABO. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. HINOJOSA).

Mr. HINOJOSA. Mr. Chairman, I rise today, as I did a year ago, in strong opposition to the gentleman from Colorado's (Mr. TANCREDO) amendment. I hope that the Tancredo amendment will be ruled nongermane.

I felt obligated as an American to come to the House floor to remind this body of what America stands for as well as to question why anyone in the House of Representatives is offering such an amendment instead of focusing on the immigration reform measures such as "The SOLVE Act," H.R. 4262, the brainchild of the gentleman from Chicago, Illinois (Mr. GUTIERREZ). The SOLVE Act would provide for earned adjustment to reward hard work, reunify families, establish a temporary worker program that protects the United States and foreign workers and strengthens national security under the immigration laws of the United States.

The Gutierrez legislation is constructive while, on the other hand, the gentleman from Colorado's (Mr. TANCREDO) amendment fails to promote improvement or development.

As is inscribed in the Statue of Liberty, we need to remember here in Congress the generous invitation that the United States has always sent to the world. I quote from that inscription.

"Give me your tired, your poor, your huddled masses yearning to breathe free, the wretched refuse of your teeming shore. Send these, the homeless, tempest-tossed to me. I lift my lamp beside the golden door."

□ 1245

It does not ask to shut our doors completely from the outside world and become an insular, protectionist, racist Nation. This amendment, as well as the other one that the gentleman from Colorado (Mr. TANCREDO) might offer, are contrary to American values.

Here we truly have forgotten the all-American dream inscribed on the Statue of Liberty. We need a responsible immigration policy that enhances our security. This Tancredo amendment is decisive and will actually endanger our communities. Law enforcement officials throughout the country oppose it, and I urge my colleagues to also oppose the Tancredo amendment.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Chairman, we have a monstrous threat to our well-being, and it is not just the terrorism that comes in forms of people flying airplanes into buildings. We have millions, millions of people crossing our borders illegally; and if we do not come to grips with this challenge, with this threat to our people, it will dramatically decrease and hurt the standard of living of our own American people. We know that. There is no doubt about it.

We are proud to be a Nation where we allow more legal immigration into our society than all the other nations of the world combined. But illegal immigration in the form of millions of people coming into our society, consuming resources for education and health care, making a mockery of our judicial system and tearing down the police protection that we have got for our own citizens is damaging the well-being of the people of the United States. It is out of control; and unless we do something about it, our people are going to suffer. They are suffering right now in California. Their children are not getting as good an education and health care available.

This amendment simply says that the law needs to be enforced, and that all Americans, all Americans, especially those in law enforcement in local communities and throughout the country, have an obligation to enforce the law.

This has nothing to do with legal immigrants. It has everything to do with people who have broken the law. If people were robbing stores throughout the country and the police were not enforcing the law because local city councils were in league with the criminals, we would say that the local police have to enforce the law.

I will tell you this much: the billions of dollars being drained out of our health care system, the billions of dollars being drained out of our education system to take care of people who have not contributed, not contributed because they come over and in the same year they are on those social benefit programs, this is the same kind of crime; and it is a crime against the people of the United States. All people involved in law enforcement should be enforcing that law.

Mr. Chairman, I support the Tancredo amendment.

Mr. SABO. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. Mr. Chairman, I rise in strong opposition to the amendment being offered by the gentleman from Colorado (Mr. TANCREDO).

These amendments, in my opinion, are not only mean-spirited, but I believe they are also dangerous to America's national security. These amendments, all of them, force State and local police officers into positions of Federal immigration agents. If they do not assume this responsibility, America's cities and towns will lose their anti-terror Federal dollars.

This is an amendment, in my opinion, that would make Osama bin Laden proud. It weakens our national security, further burdens our overworked police departments * * *

Mr. TANCREDO. Mr. Chairman, my colleague has been warned about that kind of language in the past. I ask that my colleague's words be taken down.

Mr. CROWLEY. Mr. Chairman, I am talking about people who may be Irish. I am not talking about people of any race.

Mr. TANCREDO. Mr. Chairman, I request that my colleague's words be taken down.

The CHAIRMAN pro tempore (Mr. SHIMKUS). The Clerk will report the words.

□ 1255

Mr. CROWLEY. Mr. Chairman, I withdraw my words, and I would state for the RECORD it was never my intention to impugn the sponsor of this amendment in any way, shape, or form.

The CHAIRMAN pro tempore (Mr. SHIMKUS). Is there objection?

Without objection, the words are withdrawn.

There was no objection.

The CHAIRMAN pro tempore. The gentleman from New York (Mr. CROWLEY) is now recognized on the remainder of his time, 2 minutes remaining.

Mr. CROWLEY. Mr. Chairman. I would, though, draw the attention to the amendment itself, which does not take into account the fact that many people who are immigrants in this country come in different shapes, sizes, colors, and races, and this bill does not take that into account.

The amendment would take away any State and local government's ability to decide which policies allow them to best serve and protect our communities. Yet, that is precisely what all of us desperately need them to do.

State and local police officers are often our first responders in times of terrorist attacks. Their jobs are already incredibly difficult and incredibly critical. To threaten them with reduced resources is not only offensive to the work that they do, it is also dangerous to the communities that they strive to protect.

I find it interesting that the Republican Party is always out there praising America's police department, especially New York City's Police Department after 9/11. But in a Dear Colleague that was sent around, an example of New York City was used as a place that would lose police funding if this amendment passed. Yes, it is actually advocating slashing Federal dollars for New York City Police Department.

This amendment is not only wrongheaded, I just think it is wrong. First the Republicans try to slam a bill down our throats to make doctors INS agents, now they are doing it with our local police forces.

This amendment is a direct slap at the New York City Police Department, and I believe it is demonstrated in this Dear Colleague. I urge everyone to not only vote against this Draconian amendment that will leave our cities even more vulnerable to al Qaeda and other terrorists, but to actively speak out against this amendment in their constituencies.

I am also told that the GOP is reaching out to Latinos and other groups for political benefits. I say to those Latino communities to examine that the Republicans say one thing, but their mean-spirited legislation speaks louder than any of their words.

Mr. SABO. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Chairman, over a century ago, my great-grandfather came from Sweden to chop sugarcane in Louisiana. He came for the same reason that so many people come to this country from Mexico today—to take on some of our society's most difficult jobs, to create a better life. And when an illegal entry occurs, it is not the result of the policy of the City of Pharr, Roma or McAllen, but they have to cope with the consequences of a Federal policy they do not control. If undocumented workers, who are too often the victims of crime, hesitate to report crime because they fear the police, then our entire community loses.

Austin Assistant Police Chief Rudy Landeros has made the Austin Police Department a leader in building confidence with immigrants and working with them, giving them the respect crime victims deserve, because the Austin Police Department and so many others recognize it is essential to fulfilling the mission of public safety.

The Tancredo amendment would destroy such pragmatic local initiatives and would endanger all of our families. It must be rejected.

Our police departments have a difficult mission, and we do not need congressional interference at this critical time as they fulfill that mission.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT of New Jersey. Mr. Chairman, I rise in support of this amendment. I agree with the position made from the other side of the aisle when they make reference to a statement on the Statue of Liberty that we are a nation of immigrants and we have an obligation to welcome immigrants to this Nation in the past, in the present, and in the future. But this amendment does not change that at all.

I would ask the other side who says that we should not be thwarting municipalities, counties, or State governments with their own decisions and their own prerogatives on these areas when it is under the Constitution the prerogative of Congress to set immigration policy.

Would the other side of the aisle say that we should allow the municipalities to do the reverse? Some municipalities want to set up sanctuaries. Should we allow other municipalities to thwart all immigration into their town altogether? If we are going to let municipalities rule immigration, I guess you would say that they should have that authority.

What rule of law then should we allow municipalities to decide on their own where Congress has the obligation? Should we allow the Civil Rights Act of the 1960s to be decided by the municipalities and be rewarded by the municipalities if they were to thwart those, even though Congress has clearly set down what the delineations of the Civil Rights Act is? I say no.

The Constitution clearly says immigration is the authority of Congress to set forth. We have set forth in the past, and we shall in the future, and the municipalities shall not thwart them.

Mr. SABO. Mr. Chairman, I yield the balance of the time, which I think is 30 seconds, to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the distinguished ranking member. I rise to vigorously oppose this amendment. This would create a torturous relationship between communities, police, and the immigrant community that has often been the key to solving crime problems as well as problems that may impact the security of this Nation. How would you like to live in a community where your local police were charged with the responsibility of raiding your community? We need to let Federal laws impact Federal laws. We need not have local individuals dealing with Federal laws. The laws are right as they are, and we should not deny those who are protecting the community needed resources that they need to have.

Let us oppose this amendment. This is a torturous and destructive relationship for our cities and the people that live there.

Mr. Chairman, I rise in opposition to Representative TOM TANCREDO's amendment to the Homeland Security Appropriations Act, H.R. 4567. The effect of this amendment would be to enact a provision from the CLEAR Act (H.R. 2671) and its Senate counterpart (S. 1906). These bills compel state and local police officers to become federal immigration agents by denying them access to federal funds they are already receiving if they refuse these additional duties. Specifically, the Tancredo amendment would deny funds to any state or local government that limits disclosure of immigration status.

We count on state and local governments and law enforcement authorities as first responders when national security is threatened. Since 9/11, they have taken on significant new duties and are facing dwindling resources. Further cutting their resources is not going to help enhance national security, and, in fact, the Tancredo provision could make our communities less safe.

In immigrant communities, it is particularly difficult for the police to establish the relationships that are the foundations for successful police work. Many immigrants come from countries in which people are afraid of police, who may be corrupt or even violent, and the prospect of being reported to the immigration service would be further reason for distrusting the police.

In some cities, criminals have exploited the fear that immigrant communities have of all law enforcement officials. For instance in Durham, North Carolina, thieves told their victims—in a community of migrant workers and new immigrants—that if they called the police they would be deported. Local police officers have found that people are being robbed multiple times and are not reporting the crimes because of such fear instilled by robbers. These immigrants are left vulnerable to crimes of all sorts, not just robbery.

Many communities find it difficult financially to support a police force with the personnel and equipment necessary to perform regular police work. Having state and local police forces report immigration status to the Bureau of Immigration and Customs Enforcement (ICE) would be a misuse of these limited resources.

ICE also has limited resources. It does not have the resources it needs to deport dangerous criminal aliens, prevent persons from unlawfully entering or remaining in the United States, and enforce immigration laws in the interior of the country. Responding to every state and local police officer's report of someone who appears to be an illegal alien would prevent ICE from properly prioritizing its efforts.

Local police can and should report immigrants to the immigration service in some situations. The decision to contact the immigration service, however, should be a matter of police discretion.

I urge you to vote against this amendment.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield the balance of the time to the sponsor of the amendment, the gentleman from Colorado (Mr. TANCREDO).

Mr. TANCREDO. Mr. Chairman, I thank the gentleman for yielding me this time.

I have oftentimes of course been on this floor in the debate revolving around immigration issues. We have tried desperately to keep that debate focused on the issue itself and away from innuendo and slur. That was the purpose I had in originally asking that the gentleman's words be taken down, to avoid that kind of thing, and I appreciate that the gentleman, in fact, withdrew his remarks. Remarks like those are not only an insult to the people to whom they are made, they are demeaning to the maker.

It is also important to understand that this debate has gone on now and has been centered on the other side on whether or not we should, in fact, uphold the law. Again, what a peculiar thing to be talking about here. It certainly has nothing to do with the Statue of Liberty or anything that is written on it.

The fact is there is a law. It is on the books. It has been there for 10 years. It says that cities must provide information about immigration and they cannot stop the flow of information from the Bureau of Immigration and Customs Enforcement. That is what it says. They are doing it.

Now, if we do not like the law, then, of course, as I said in my opening remarks, introduce a bill to repeal it. But it is there. And to stand on the floor of the House of Representatives and suggest that people should, in fact, disregard it, that cities and localities should ignore it, and that we should even reward them for doing so by providing them Federal dollars does seem, to say the least, peculiar. But that is the debate here. It has nothing to do with immigrants, with people from various countries, with the help that they can provide in various services. We are talking about simply not providing some disincentive for cities and localities who break the law.

I ask my colleagues to please think beyond the rhetoric. All of it is used to obfuscate the issue. It is just about the law. I ask for the adoption of the amendment.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). All time for debate has expired.

The question is on the amendment offered by the gentleman from Colorado (Mr. TANCREDO).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. TANCREDO. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Colorado (Mr. TANCREDO) will be postponed.

Are there further amendments?

AMENDMENT NO. 9 OFFERED BY MRS. MALONEY

Mrs. MALONEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mrs. MALONEY:

At the end of the bill (before the short title) add the following:

SEC.   . None of the funds made available in title III for discretionary grants for use in high-threat, high density urban areas and for rail and transit security, under the heading "Office for State and Local Government Coordination and Preparedness State and local programs", may be used for more than 80 grants.

Mrs. MALONEY. Mr. Chairman, I thank the chairman and the ranking member for all of their hard work on this truly important bill.

The Maloney-Rangel-Weiner amendment would limit the number of grants made under the Urban Area Security Initiative to 80 total grants. This is the same number of grants that were distributed by the Department of Homeland Security this year.

Since the Sweeney amendment was not adopted that would increase funding to the high-threat level the President requested, capping the number of grants to this year's number is the best way to ensure that the same places that are targeted by terrorists are targeted by the aid. This amendment will ensure that high-threat money goes to high-threat communities.

As every terrorist expert will tell us, we need to secure the high-profile areas targeted by terrorists. Yet, it seems that since the program started, we are more concerned with expanding the number of grants than securing the most vulnerable areas.

We first started with 7 grants to cities. We then grew to 30. Now we are at 80 total grants, 50 to cities and 30 to transit authorities. We are in danger of losing our focus on the core mission of most effectively protecting ourselves with the limited resources we have.

Over the first 2 years of the program, we have seen an increase in the number of grants, but we have cut the funding levels from $800 million in 2003 to $725 million in 2004. The result of the rapidly expanding list of entities eligible for high-threat monies was a dramatic cut for some of the highest threat cities.

For example, last year, New York got $150 million of Federal high-threat aid. This year, it shrunk by 69 percent to $47 million. The DC area suffered a reduction of 52 percent of high-threat money. Chicago was cut by 17 percent of their funding. But believe me, DC, Chicago, New York, Houston, Seattle, they have not seen a decrease in their threat levels or a decrease in the amount of money that their local governments are forced to spend on the protection of their people.

One positive step that this bill takes today is a general increase in high-threat money, from $725 million this year to $1 billion. But I am concerned that if this trend continues, the number of grants will continue to increase, and the aid to the areas under the greatest threat will continue to see their aid decrease.

At a time when the administration tells us terrorists are eager to attack, we need to make sure that high-threat grants actually go to where the high threat is. That is what this amendment attempts to do.

This high-threat grant program and list cannot become another pipeline for general spending for other needs. We have to uphold it as one way to actually give the cities at risk the help that they need.

Targeting money to these high-threat areas is not sending money to prevent some hypothetical threat. The cities on the high-threat list either have been the victim of a terrorist attack or, at the very least, have been talked about by the terrorists as a target area.

We know how the al Qaeda thinks: If at first you do not succeed, try, try again. They viewed their first attack on the World Trade Center as a disaster, as a failure, so they came back with a vengeance on September 11.

There have been several other planned attacks in New York City that have been foiled. If we take a look at terrorist attacks or known plots over the last number of years, there is one thing in common: they are all on the list of high-threat cities.

We can point to the millennium plot in Seattle, Washington. Plans to attack the Los Angeles International Airport, the September 11 attacks against New York and Washington, DC, and just this week, the Attorney General told us that there was a plot on a shopping mall in Columbus, Ohio. Seattle, Columbus, LA, New York, DC, they are all on the current list of 80 high-threat entities.

By including 80 entities, we allow the Department of Homeland Security to cast a pretty wide net, while making sure it is not too wide to be effective. We need to target the aid to the terrorist targets in our country. That is the purpose of the high-threat aid formula, and that is what my amendment does.

Mr. ROGERS of Kentucky. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment seeks to cap the number of high-threat, high-density urban area grants and rail and transit security grants to the 80 presently awarded in 2004.

Mr. Chairman, the whole concept of giving monies on top of the regular distribution of funds across the country, to give extra money to certain cities in the country, the whole concept was we need to protect those cities that we know are targets from the threat information we receive from time to time, because they have extra needs.

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And so that was the very concept of the urban area grant program which was added on top of all of the other grant programs. But threats change.

Anyone who is privy to intelligence knows that yesterday it is Columbus, Ohio. It is New York. It is Washington. It is LA. It is Chicago. But then it is Albuquerque, and who knows where. And the Secretary needs to have wide latitude. We do not need to use this pot of money as pork. This needs to go where the needs are. We do not know where the needs are until we hear the intelligence of the moment. And that is why we leave great discretion in this bill with this pot of money as with most of the others with the Secretary and the intelligence community to make these grants based on real intelligence. Not what I think or what some Member of this body thinks, but what are the real facts, what information do we have that we need to respond to. And that is why it needs to be a flexible fund.

Next year there may be 20 cities that are in that list, or it may be 10, or it may be 60. I do not know. But the funds are there for that purpose, to protect the large urban centers of high-density, high-threat urban areas. To restrict this amount, to restrict the number of cities, to say that these are these and no more, we will protect these cities and the rest of you can fend on your own, that is not right, is it?

Are we to say to a certain segment of America, you do not matter. You do not count. I do not think so. I think this Congress should say these monies are to protect Americans wherever the threat is and wherever the risk is. And we should not be monkeying around with this type of thing.

Please do not try to earmark in this bill, and this is an earmark in reverse. I oppose the amendment.

Mr. NADLER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of this amendment. I think that some of the remarks that were made in the last couple of minutes seem to indicate that not everyone understands what this amendment does. This amendment does not limit the discretion of the Department of Homeland Security to say that next year the same 80 cities or 50 cities and 30 transit organizations that have grants now have to get grants again. It simply says that no more than 80 may get grants, that we cannot dilute it further.

Now, the threat may change, as the distinguished chairman as said, in which case, the Department retains the ability, the discretion to change where the grants go. What this amendment does, however, is to say that the threat is not diluted. The threat is not getting wider and wider and wider. We may have more intelligence that this city is a bigger threat as opposed to that city this year, and the Department would retain the full discretion to shift its funding based on that.

What this amendments says is, look, the Urban Area Security Initiative is the one homeland security program specifically designed to assist the cities that need help the most, the ones that are at the highest threat for terrorist attack. Yet last night, some of us said we should take other funds for homeland security and concentrate them more. This body decided otherwise.

We have certain money guaranteed for every State. But this vote says this pot of money goes only to the cities where the threat is highest, which makes sense. But if the threat is highest, in how many cities can the threat be highest? Seven, 30, 80, 200? It makes the designation of the threat being highest meaningless.

Once you have gotten to distributing the money so widely, then nobody gets very much money. Two years ago, in fiscal 2003, New York City received $150 million from this pot of money. No one thinks the threat has diminished from New York City, and yet this year it received $47 million, a cut of 69 percent. The national capital region's share, the cut was 52 percent.

What we are saying is from this pot of money which is directed, intended for highest-threat areas, keep it for the highest-threat areas. It is almost meaningless when you say the 80 highest-threat areas. It probably should be the 10 or 12, but certainly no more than 80.

Why 80? Because that is what they have diluted it to now. We probably should restrict it further. But to say that the pot of money that goes to the highest-threat areas should go to the 80 highest-threat areas, no more. Whichever the Department decides are the highest-threat areas, that discretion remains, is simply a statement of saying this pot of money really is for high-threat areas, not generally to be distributed.

If we are serious again about protecting our people, we should have some money that is directed at the highest-threat areas based on however we decide the Department decides the highest threat is by whatever the intelligence is. That is what this pot of money is intended to do. To dilute it past 80 different entities makes it meaningless. Therefore, I urge the adoption of this amendment.

Mr. RUPPERSBERGER. Mr. Chairman, I rise today in support of this amendment and I thank my colleagues for their diligent efforts to bring this amendment to the floor.

I have always said that governing is about setting priorities. With more needs than resources, leaders must prioritize when it comes to the business of problem solving. This is particularly true in the area of public safety, which has only become more critical since the events of September 11. The federal government is responsible for protecting all Americans from the East Coast to the West Coast and everything in between. That is a vital and daunting mission, and the reality that security has a price tag means we must make thoughtful priority funding decisions based on risk and threat assessments. This amendment recognizes that reality and ensures that the most likely terrorist targets will be given the priority funding they so desperately need.

Federal money is not drawn from a bottomless well. There is a fixed amount available to go around for many needs including homeland security, military/defense, transportation, education and so on. And there is a fixed amount available within each of those needs. Homeland security money is not unlimited and once again—the needs exceed the resources. When the urban area grants were first created, we prioritized the cities with the highest threats and most critical needs. The first seven grant recipients included New York, the National Capital Region, Los Angeles, Seattle, Chicago, San Francisco, and Houston. Given the recent news reports of failed attack plans in the past, we know these priorities were absolutely correct.

Since those first grants, the program has increased to 80 grants for 50 high threat cities and transit systems. Out of the same fixed amount of money, we have gone from 7 grants to 80 and we believe this is appropriate given the current known threats and risks our nation faces. Our concern, however, is that we can not dilute that fixed amount of urban area threat money by increasing the number of grants further. Perhaps we will decide at a later date we will need to do that, but now is simply not the time.

This amendment will limit the number of grants DHS can make under this program to 80, the same number made by the department last year. This amendment will not dictate who receives the 80 grants or how much money each grant recipient gets. It simply acknowledges that we must prioritize how we disperse these limited federal funds.

As the Congressman for the Maryland 2nd Congressional District, this problem is very close to home for me. My district includes the Port of Baltimore, BWI Airport, NSA, Ft. Meade, Aberdeen Proving Grounds, and approximately 90 percent of the chemical facilities in the State of Maryland. That is quite a lot of critical infrastructure. I believe protecting these national assets is both important for my district and for the country as a whole. In addition to the tragedy of human loss in the event of another attack, we must also consider the crippling impact of environmental, commercial, economic, and infrastructure disasters. We must do all we can to protect our people, our nation, and our way of life.

I support this amendment because I believe it is a responsible and common sense approach to tackling these enormous problems.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The question is on the amendment offered by the gentlewoman from New York (Mrs. MALONEY).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mrs. MALONEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from New York (Mrs. MALONEY) will be postponed.

AMENDMENT OFFERED BY MR. SABO

Mr. SABO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SABO:

At the end of the bill (before the short title), insert the following:

SEC.   . For the Privacy Officer of the Department of Homeland Security to conduct privacy impact assessments of proposed rules as authorized by section 222 of the Homeland Security Act of 2002 (6 U.S.C. 142), hereby derived from the amount provided in this Act for "Aviation Security", $2,000,000.

Mr. SABO (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SABO. Mr. Chairman, this was an amendment that I was not planning to offer unless the language we had in the bill relating to CAPPS2 was stricken. And, unfortunately, there was a point of order raised on the CAPPS2 language and some very important language relating to privacy was stricken from the bill.

This is a rather simple amendment. The fact is the Department's privacy office has huge responsibilities and a limited budget. The amendment increases funding for the Department's privacy office by $2 million. The charge of the Department's privacy office has grown far beyond what was originally envisioned in the Department's budget projection.

The Secretary delegated Freedom of Information Act oversight to this office in addition to its privacy duties. The privacy issues at the Department are huge, particularly with the TSA, CAPPS2, and transportation worker identification cards programs, and MATRIX. The privacy office will also be the last point of passenger appeals.

Because we eliminated the Capps language which required GAO to do a review of the Department's efforts to put CAPPS2 in place, and because there are new requirements being issued by the Department and how they are going to put their CAPPS2 list together, again we have a requirement in the Capps amendments that GAO review that process. That was deleted from this bill. Because of this vacuum by what we did because of a point of order, there is increased sensitivity and responsibility for this office to deal with some of what I think are the most crucial privacy issues that are involved in the Department of Transportation security.

So I think they are going to have significant additional, they were going to have significant increase in work load before the elimination of the TSA language. That simply increases their job responsibilities and some sensitivity of what they have to do.

I urge adoption of this amendment. The $2 million comes from aviation security which is a fund of over $4 billion. This clearly is a very important expenditure for aviation security, and I urge adoption of the amendment.

Mr. ROGERS of Kentucky. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, with respect to my colleague, I have to oppose the amendment. The bill provides $2,270,000 for the Office of Privacy in 2005, which is $1.5 million above the level enacted for the current year. And the Department of Homeland Security continues to be slow in hiring. The current vacancy rate in the Office of the Secretary, which includes the Office of Privacy, the vacancy rate is over 30 percent. A lot of that is due to the slow process of clearing people for these jobs. And we do address that in the bill in another section.

So we hope to allow them to hire people and get them on the job quicker. However, the money in the bill already allows the Office of Privacy to hire eight new staff, and I do not think they can get that many hired anyway. This amendment would increase funding even more, and it is just not needed.

So I would hope that the Members would reject this amendment. It is not needed. We have got more money there than we can use.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Minnesota (Mr. SABO).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. SABO. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Minnesota (Mr. SABO) will be postponed.

The point of no quorum is considered withdrawn.

Mr. SABO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we have some Members that have amendments and they are on their way. I know the ranking member of the full committee has an important amendment, and I know there are a couple of others, but we are getting close.

AMENDMENT OFFERED BY MR. FILNER

Mr. FILNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FILNER:

At the end of the bill (before the short title), insert the following:

SEC.   . Section 212(d)(4) of the Immigration and Nationality Act (8 U.S.C. 1182(d)(4)) is amended—

(1) by striking "(4)" and inserting "(4)(A)";

(2) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively; and

(3) by adding at the end the following:

"(B)(i) Upon application by an alien who is citizen or national of Mexico, and who is applying for admission as a visitor under section 101(a)(15)(B) from Mexico, the Department of Homeland Security official in charge at a port of entry may, in the exercise of his or her discretion, on a case-by-case basis, waive either or both of the documentary requirements of section 212(a)(7)(B)(i), if satisfied that the alien is in possession of proper identification, as provided under clause (ii), and—

"(I) is a child coming for a regular medical appointment (as evidenced by proof such as a letter from the medical professional concerned), or is the parent (or other adult chaperone) accompanying such a child, except that the number of adults admitted under this subclause shall not exceed one per child;

"(II) is a child coming with a student group to participate in an educational or cultural event (such as an athletic or academic event, a concert or other artistic performance, or a visit to a recreational, touristic, or historical site) for not more than 1 day (as evidenced by proof such as a letter of invitation issued to the group), or is an adult chaperone, such as a teacher, coach, or parent, accompanying such a group, except that the number of chaperones admitted under this subclause shall not exceed that sufficient to supervise the group involved; or

"(III) is a child coming to participate in a special community event that traditionally has been attended by individuals from both sides of the border (as evidenced by proof such as a public letter of invitation issued by the community concerned), or is a parent or other adult relative accompanying such a child.

"(ii)(I) For purposes of this subparagraph, in the case of a child, proper identification shall include a passport, birth certificate, or other proof of citizenship or nationality.

"(II) In the case of an adult, proper identification shall include a passport, birth certificate, or other proof of citizenship or nationality, and a government-issued driver's license, or similar document issued for the purpose of identification, that contains personal identifying information and a photograph.

"(iii) For purposes of this subparagraph—

"(I) the term 'child' means an unmarried person under 16 years of age; and

"(II) the term 'adult' means any person who is not a child.".

Mr. FILNER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

POINT OF ORDER

Mr. ROGERS of Kentucky. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing laws and constitutes legislation in an appropriations bill and therefore violates clause 2 of rule XXI which states in pertinent part: "An amendment to a general appropriations bill shall not be in order if changing existing law."

This directly amends existing law.

Mr. Chairman, I ask for a ruling.

The CHAIRMAN pro tempore. Does any Member wish to be heard on the point of order?

Mr. FILNER. Mr. Chairman, I would concede the point of order.

The CHAIRMAN pro tempore. The point of order is conceded.

Mr. FILNER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, although this amendment is not in order, and I recognize that, I would just like to tell the chairman that I have proposed it out of frustration with what is going on at the border between California and Mexico.

I represent that total border, and I would say that in our rush after September 11 to secure the border and protect the homeland, we have made very many important steps, many necessary steps; but we also made some wrong decisions, decisions which in fact harm our national security, harm our close relationships with Mexico, and in fact set us back in our attempt to be secure.

I refer specifically today to the practice that has been abolished at the border of giving discretion to port directors to allow children for either medical or humanitarian or cultural reasons to cross the border on a 1-day visa; to grant a waiver to the normal visa requirements, a waiver of normal requirements where we are beyond the reach of many poor people in Mexico.

They cross the border for important reasons. For example, in my district in the city of Calexico, there is a clinic called the Valley Orthopedic Clinic. For over 40 years it has treated poor children for deformities and birth defects, which gives them a future; and, in fact, they have treated over 125,000 low-income children from Mexico.

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The practice had been for decades to allow the port director the discretion to grant this 1-day visa, a 1-day humanitarian waiver to allow that child to get treatment, to correct a cleft palate or a clubbed foot or a pinky that was not there at birth, to give children who could not afford it in their homeland an opportunity for a future.

After September 11, that authority, discretionary authority for humanitarian waivers, was taken away from the port director. And so children in need of medical help, school children who would march with their counterparts in America on Christmas parades, visit the world famous San Diego Zoo, go to other cultural events with American counterparts, that was taken away. That has not helped the security of our Nation.

These children are not terrorists. These children are, in fact, engaging in diplomatic relationships that strengthen our two countries' relationships, strengthen our border and give us more security; and yet we have denied now that authority to the port director under the name of homeland security.

So all my amendment would do, and I am sorry we cannot talk about it today, would have said the port directors at the seven or eight ports of entry in my district, others in Texas, New Mexico and Arizona, would have the authority to grant these humanitarian waivers. The amendment would not make it easier for terrorists that come to the country. The amendment would not affect the number of legal or illegal immigrants living in our country. The amendment would not force immigration officials to offer waivers.

So I hope as we go through our appropriations and our authorization process for homeland security we take a rational approach, we do not go overboard in taking away discretionary authority from our border officials in the name of homeland security, which actually sets us back.

So I hope that this body will take that issue up in the future. I thank the body for giving me a few minutes to talk about what is going on at the border, and I hope that we can do things that really strengthen our security and not weaken it in the future.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OBEY:

At the end of the bill (before the short title), insert the following new title:

TITLE VI—ADDITIONAL APPROPRIATIONS

CONTINGENT EMERGENCY RESERVE

For additional expenses, not otherwise provided for, necessary to support operations to improve the security of our homeland due to the global war on terrorism, $3,000,000,000, to remain available until expended: *Provided*, That such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That the funds made available under this heading shall be available only to the extent that an official budget request for all of the funds is transmitted by the President to the Congress and includes designation of the amount of that request as an emergency and essential to support homeland security activities: *Provided further*, That funds made available under this heading may be available for transfer for the following activities:

(1) up to $1,200,000,000 for "Office for State and Local Government Coordination and Preparedness, State and Local Programs";

(2) up to $200,000,000 for "Office for State and Local Government Coordination and Preparedness, Firefighter Assistance Grants";

(3) up to $450,000,000 for "Transportation Security Administration, Aviation Security";

(4) up to $50,000,000 for "Transportation Security Administration, Maritime and Land Security";

(5) up to $550,000,000 for "Customs and Border Protection, Salaries and Expenses";

(6) up to $100,000,000 for "Immigration and Customs Enforcement, Air and Marine Interdiction, Operations, Maintenance, and Procurement";

(7) up to $50,000,000 for "Immigration and Customs Enforcement, Federal Air Marshals";

(8) up to $100,000,000 for "Immigration and Customs Enforcement, Salaries and Expenses"; and

(9) up to $300,000,000 for bioterrorism preparedness activities throughout the Federal Government:

Provided further, That the Secretary of Homeland Security shall notify the Committees on Appropriations 15 days prior to the transfer of funds made available under the previous proviso: *Provided further*, That the transfer authority provided under this heading is in addition to any other transfer authority available to the Department of Homeland Security.

Mr. OBEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ROGERS of Kentucky. Mr. Chairman, I reserve a point of order.

The CHAIRMAN pro tempore. The gentleman from Kentucky reserves a point of order.

The gentleman from Wisconsin (Mr. OBEY) is recognized for 5 minutes.

Mr. OBEY. Mr. Chairman, I thank the gentleman for reserving.

Mr. Chairman, I have told the House twice now that while I think this bill is an improvement over the budget presented by the President, in fact, it leaves this country seriously exposed to a whole variety of vulnerabilities from terrorist attacks.

This bill attempts to try to close some of those gaps. This amendment would provide $1.4 billion more than the bill contains to address port transit and local first responder needs. It will provide a State formula grant increase of $350 million, urban area grant increase of $500 million, port security grant increase of $100 million, fire grant increase of $200 million, et cetera.

I know that is a lot of money, but the fact is the Hart-Rudman Commission estimated there is a $90 billion need in order to protect our local communities, and so far we have only invested about $15 billion. We cannot buy that kind of security on the cheap.

Secondly, this amendment would provide $550 million more to address aviation security. It would improve the cargo security situation. Right now, there is a huge percentage of cargo that is shipped on passenger airplanes that is not inspected for explosives. It would provide $333 million in additional funding for explosive detection systems at airports. It would increase funding for air marshals by $50 million because right now we are some 8 percent below where the President said we should be.

It would provide $750 million dollars more to address border security. We have 2,000 fewer people patrolling the northern border than the PATRIOT Act indicated that we ought to have.

We provide an additional $86 million for the Container Security Initiative so that we do not have to rely on part-time, short-term employees to inspect those operations; and it provides a variety of other initiatives.

Now, I know that because the Committee on Rules chose not to allow this amendment to be offered that any Member of this House has an opportunity to raise a point of order which will prevent the House from even voting on this proposition. I would simply make one point in urging that Members not exercise that prerogative.

We are going to be providing next week $25 billion in additional funding through the Defense bill to pay for the costs of our war in Iraq. That cost will eventually rise for a full year to over $70 billion. It seems to me, if we are going to spend that much money on an emergency basis, then we can provide $3 billion on a contingent emergency basis to try to solve some of these home security problems. By providing it on a contingency basis, what that means is that the President may eliminate any item he chooses. So if the President thinks it is unessential, he cannot spend the money and the money will not flow.

I think this is an eminently reasonable amendment. If it is true that the number one priority of the House and the number one priority of the President is to defend the homeland, if that is true, then we would not see this amendment stricken on a point of order.

The problem we have, and I know some people resent it when I say so, but the fact of the matter is that because the majority party has chosen to make tax cuts its number one priority, it means that we are squeezed on education; it means we are squeezed on health care; and, yes, it means that we are squeezed on homeland security. And we are prevented from meeting the security needs of the country by funding these activities.

With that, Mr. Chairman, I would urge a "yes" vote on the amendment in the event that the gentleman from Kentucky decides not to offer the point of order.

POINT OF ORDER

The CHAIRMAN pro tempore. Does the gentleman from Kentucky (Mr. ROGERS) insist on his point of order?

Mr. ROGERS of Kentucky. Mr. Chairman, I really hate to disappoint the ranking member, but I do raise a point of order against the amendment under clause 2 of rule XXI.

The provision designates an amount as emergency spending for purposes of the concurrent resolution on the budget. As stated in the House Rules and Manual, such a designation is "fundamentally legislative in character."

Mr. Chairman, I ask for a ruling from the Chair.

The CHAIRMAN pro tempore. Do others wish to be heard on the point of order?

Mr. OBEY. I do, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman from Wisconsin (Mr. OBEY) is recognized.

Mr. OBEY. Mr. Chairman, while I reluctantly concede that under the rule adopted by the House this amendment cannot be offered, so we cannot even get a vote on it, so I reluctantly concede the point of order, this is not in order under the rule, it ought to be.

The CHAIRMAN pro tempore. The gentleman concedes the point or order. Accordingly, the point of order is sustained. The amendment is not in order.

Mr. SABO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, one issue that is partially dealt with in this bill, but not to the degree that I think it should be, is the whole question of the screening of cargo on passenger aircraft.

Last year, the House passed by an overwhelming margin a provision requiring all cargo on passenger planes to be screened. Then that did not survive conference. We continued to do some work in that area. A very limited amount of cargo is being screened. This bill says it should be doubled, but doubling a small number still leaves us very little cargo being screened. I think it is one of the most vulnerable parts of airline security. I think most of the people in this country have no sense that most of the cargo going into the passenger plane that they are flying is not screened. We clearly have the potential and the capability to do more. At times we have gone to heightened security alert in this country, and the screening has gone up substantially. It is an area where we should be moving aggressively and increasing the screening.

I offered a committee amendment that would have called for a fivefold increase in the amount of cargo to be screened. I thought it was doable. Unfortunately, that amendment was defeated.

So I just want to express my concern that this is one area which clearly has been a target of terrorists for a long time, the aviation industry, where we remain very, very vulnerable; and I just think it is urgent that the agency and the Congress pay much more attention to the question of cargo screening on passenger planes than we have done and an area where we need much more aggressive action in the future.

Mr. OLVER. Mr. Chairman, I move to strike the last word.

I am following after two actions, the ranking member having spoken on the question of screening of cargo that is carried on passenger planes, and after the point of order that had been raised by the chairman of the subcommittee in regard to the full committee's ranking member point of order on the contingent reserve.

Mr. Chairman, I think that what has just happened in regards to Mr. OBEY's amendment is deeply regrettable. Mr. OBEY's amendment focused on port and transportation and local first responder needs. It would have addressed the very thing that the ranking member of the subcommittee just spoke about. It would have increased the funding for screening of cargo that is carried on passenger flights by $117 million so that additional cargo could be inspected at a time when it is pretty well understood that we are screening, at most, 10 percent at the present time of the cargo that is being carried by our passenger flights; and I think everybody has a good deal of concern about that. The Chairman's funding for that is increased already, but this funding would allow a more substantial increase than what is provided by the legislation.

The gentleman from Wisconsin's (Mr. OBEY) amendment would have increased port security grants by $100 million, and I remember in the debate here over the last day and a half that several Members have identified the issue of port security as opposed to cargo container port-type work as being an account that is most underfunded in this. Clearly, in this instance, we are funding less than 10 percent of the need that is in the area of port security. If it is not the most underfunded, it is certainly one of the top three most underfunded areas in this legislation.

The Coast Guard itself says that our unmet needs are something like $6 billion to do the kind of port security that is necessary.

The gentleman from Wisconsin's (Mr. OBEY) amendment would have increased the funding for border agents and inspectors by $214 million to plug the leaks in the northern border which have been shown where the attempts at entering into the United States have come, where we at the present time only have about two-thirds of the goal on the part of the Department of Homeland Security of what their goal is for those very borders.

□ 1345

The Obey amendment would have provided $300 million to address bioterrorism preparedness, giving the Department of Homeland Security the power to utilize where it was needed on this contingency fund. Among other things, it would have provided additional money, about $86 million, into the Container Security Initiative to provide for increased staff to cover those very ports which are still risky ports, which the chairman has indicated that we are covering, are largest and most risky, but we have others that are of considerable importance in getting at the screening of cargo at the source before it comes into our own ports from across the ocean.

So all of this funding would have been provided by a contingency reserve that was involved in the Obey amendment.

Mr. Chairman, we should not be putting a price on the security of American citizens as close cut as we are, and yet this leadership has done exactly that by ruling the Obey amendment out of order.

Mr. Chairman, we simply are not going to be able to provide adequate security on the cheap. I think that the amendment of the gentleman from Wisconsin (Mr. OBEY) would have given us a good bit of reserve in this year when we are told there may be other attacks.

Mr. SHAW. Mr. Chairman, I move to strike the last word.

I come to the floor today to speak to the problems that we are having in south Florida with regard to the allocation of the anti-terrorism aid that is supposed to flow into our part of the State of Florida. We are in one area with Palm Beach, Broward, Miami-Dade and Monroe County. The United States Department of Homeland Security put the City of Miami in charge of dividing this money earmarked to help metropolitan areas viewed as the highest risk for attack. Miami was designated a high-risk area because of its downtown, airport, seaport and large population, but it was required under the grant to coordinate how this money is spent over the entire area.

As a result, the City of Miami retained 90 percent of the money and has allowed approximately 10 percent to come to Broward, has given Monroe County nothing, and has given Palm Beach County nothing.

Let us take a look at this. Miami was designated because of the downtown area. Palm Beach, West Palm Beach is a large metropolitan area. So is Fort Lauderdale. Both Broward and Palm Beach County have airports, several airports, and both have seaports. And the Port Everglades, which is in Broward County, supplies all of the petroleum for south Florida, including the Miami airport, including all of the automobiles that run throughout Miami-Dade County and that part of the area, and is very vulnerable. And there is a seaport in Palm Beach County.

Speaking of large populations, the combined population of Broward and Palm Beach County is larger than Miami-Dade County. Something has to be done here.

The Department of Homeland Security has clearly, in my opinion, been betrayed by the City of Miami. So Palm Beach and Broward County are speaking with one voice and asking to separate themselves from Miami-Dade. This could not be done if we are limited to the status quo in the number of metropolitan areas that we presently have as one of the amendments that we will soon be voting on does provide for.

I would ask that we not strap ourselves into that single position. The only response that we get from there, and I am quoting from the Sun Sentinel newspaper, it says, "The politics involved here are directly detracting from putting these Federal dollars to use to reduce the risk, and that is a shame," and that comment was made by a fellow named Joe Fernandez, who is a Miami assistant fire chief in that area. This is not politics, this is an absolute outrage.

So again, Palm Beach County, Broward County, we want to separate ourselves from Miami and Miami-Dade County because of the outrageous manner in which this money has been hoarded and held onto by the City of Miami.

AMENDMENT NO. 22 OFFERED BY MR. TURNER OF TEXAS

Mr. TURNER of Texas. Mr. Chairman, I offer an amendment.

The Chairman pro tempore (Mr. SHIMKUS). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 22 offered by Mr. TURNER of Texas:

At the end of the bill (before the short title), insert the following:

SEC.   . For additional expenses, not otherwise provided for, necessary to procure, install, and operate radiation portal monitoring technology to improve the security of our homeland due to the global war on terrorism, $200,000,000 to remain available until expended: *Provided* that the entire amount is designated an emergency requirement pursuant to section 402(a) of the conference report to accompany S.Con.Res. 95 (108th Congress): *Provided further*, That the funds made available only to the extent that an official budget request for all of the funds is transmitted by the President to the Congress and includes designation of the amount of that request as an emergency and essential to support homeland security activities: *Provided further*, That the funds made available under this heading shall be available for Customs and Border Protection salaries and expenses: *Provided further*, That the Secretary of Homeland Security shall notify the Committees on Appropriations fifteen days prior to the transfer of funds made available under the previous proviso: *Provided further*, That the transfer authority provided under this heading is in addition to any other transfer authority available to the Department of Homeland Security.

POINT OF ORDER

Mr. ROGERS of Kentucky. Mr. Chairman, I raise a point of order against the amendment under clause 2 of rule XXI. The provision designates an amount as emergency spending for purposes of the concurrent resolution on the budget. As stated in the House rules and manual, such a designation is fundamentally legislative in character.

Mr. Chairman, I would reserve raising the point of order and yield 2 minutes to the gentleman from Texas (Mr. TURNER) to explain.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The gentleman may reserve his point of order but not yield time. The gentleman from Texas is recognized for five minutes.

Mr. TURNER of Texas. Mr. Chairman, the amendment that I wanted to offer which is subject to a point of order would try to remedy a problem which I think we all understand exists, and that is we are continuing to be under the threat that some terrorist group will ship into the United States in a cargo container or by truck a nuclear device or a dirty bomb.

I want to commend the gentleman from Kentucky (Mr. ROGERS) and the committee for adding money to this item over and above what the President requested. The committee added $50 million to help purchase radiation portal monitors. But unfortunately, as the committee's own report states, the President's request includes 165 additional radiation portal monitors, and the committee is aware of the need for 1,000.

What I was attempting to do by this amendment is to increase the funding for radiation portal devices so this next fiscal year we could fully deploy radiation portal monitors in all of our ports to be sure that we are prepared to defend against the possibility of a terrorist group putting in a container some nuclear device or dirty bomb. I recognize it is a significant increase, but I believe in light of the urgency that it is the right thing to do rather than continue on what would probably be a 2- to 3-year program to fully deploy.

POINT OF ORDER

The CHAIRMAN pro tempore. Does the gentleman from Kentucky (Mr. ROGERS) insist on his point of order?

Mr. ROGERS of Kentucky. I do, Mr. Chairman.

The CHAIRMAN pro tempore. Does any other Member wish to be heard on the point of order?

If not, the Chair is prepared to rule.

The Chair finds that this amendment includes an emergency designation under section 402 of Senate Concurrent Resolution 95 as made applicable to the House by section 2 of House Resolution 649. The amendment therefore constitutes legislation in violation of clause 2 of rule XXI.

The point of order is sustained and the amendment is not in order.

AMENDMENT NO. 10 OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Chairman, I offer an amendment.

The Chairman pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. MARKEY:

At the end of the bill (before the short title), insert the following:

SEC. . None of the funds made available in this Act may be used to approve, renew, or implement any aviation cargo security plan that permits the transporting of unscreened or uninspected cargo on passenger planes.

Mr. ROGERS of Kentucky. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto be limited to 40 minutes and that the time be equally divided between myself and the gentleman from Massachusetts (Mr. MARKEY).

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Massachusetts (Mr. MARKEY) for 20 minutes.

Mr. MARKEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, every time we fly we wait in security lines. We empty our pockets, we remove our shoes. Sleeping babies are taken out of their baby carriers. We have to walk through metal detectors, we have to have our baggage inspected. Even grandma with her walker needs to be physically inspected at security checkpoints.

We do not complain much as Americans because we all know this is all aimed at improving the security of every single flying passenger in our country. But what people do not realize is that right next to our baggage, right underneath our now-screened shoes, cargo is placed which has not been screened at all.

For example, if a passenger were carrying onto a plane a package this size, it is going to get screened. It is going through the metal detector. It is going to be looked at. But if it is shipped as cargo and it is 16 ounces or less, it automatically does not get screened at all. They think this is not dangerous if it comes as cargo. But if a passenger carries it onto that very same plane, it is going to be checked. The only difference is if you are carrying it, you are on the plane with it. But if someone sends it as cargo, they are not on that plane.

What is dangerous about that? What is dangerous about it is that the Pan Am flight over Lockerbie was brought down by a package this size. That is what is wrong. We should not have passengers on American planes that have this kind of danger that al Qaeda could exploit that could wind up with a catastrophe which shocks the world.

Moreover, cargo which is this size, which is not too much bigger than a lot of people's traveling bags for the summer, this does not get screened except in very rare instances. It goes right into the belly of the plane, the same way that your baggage goes there but without the screening. So that is a loophole, unfortunately, that al Qaeda could exploit and we know that al Qaeda continues to say and our Bush administration security officials confirm that al Qaeda continues to put passenger aircraft at the very top of their terrorist target list.

So the amendment which we are making here today, the gentleman from Connecticut (Mr. SHAYS) and myself, is the same amendment which we made last year to this bill which passed on the House floor 278–146. The reason it passed is obvious, it makes no sense to put all of the families in our country, especially as vacation time is arriving, on planes that have all of these packages that are unscreened even as they, the American families, have been put through the toughest possible screening possible.

So our amendment calls for the screening of this cargo, that it should not go onto the planes unless it is screened. Why should bags in the bay of a passenger plane be screened, that is the bags of the passengers, but the other half not be screened even though the people who put those packages on are not even flying on the plane? This is something that in our opinion makes no sense whatsoever.

We continue to see data on the number of planes. It turns out that al Qaeda was targeting 10 planes for hijacking. We know they are obsessed with them and we know that we are obsessed with the planes that are the passenger planes. Let us not allow our people in our country, our passengers, and yes, yes, we are talking about the American family here. That is what we are talking about. We are talking about the people who are in the galleries today who flew here to Washington. It was on their planes, and as they fly out of Washington today, as they fly anywhere in America today, it is the baggage on their planes that had cargo on it. These people deserve protection.

That is the simple heart of our argument; that it is just plain wrong to put Americans on planes with unscreened cargo, especially since the technology is already there. The vast majority of cargo could be screened with the existing technology that already screens our bags. It is the same size as our bags or smaller. How can they escape being screened?

Mr. Chairman, I ask for Members' support. The gentleman from Connecticut (Mr. SHAYS) and I will make the argument over the next 30 minutes or so and we hope that we once again send a strong message that we want to have all of this baggage screened.

Mr. Chairman, I reserve the balance of my time.

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Mr. ROGERS of Kentucky. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, we agree that 100 percent of all cargo on passenger planes should be screened. We are together on the goal. It is just that we do not have the capability now. We cannot do it this year. It is going to take a little bit longer. The machinery does not exist, contrary to what the gentleman from Massachusetts says. That big box is too big for the machines that we check our bags through that x-rays packages. The machinery does not exist at this time. We have effective means in place at the moment to reduce the risk to acceptable levels without shutting down air cargo and bankrupting airlines, as this amendment would surely do.

We are aggressively tackling this problem of cargo on passenger planes. This bill that we have before you requires at a minimum that the TSA double the percentage of air cargo screened, actually screened. We appropriate $118.5 million for air cargo security, which is $33.5 million above what we put in the bill last year for this and as requested by the President, including $75 million for developing screening technologies, the R&D to develop the machines that would accommodate palletized cargo on airlines and the larger packages; $10.5 million to hire an additional 100 air cargo inspectors; $20 million to make further enhancements to the known-shipper program and implement a new cargo rule; and $3 million to expand the canine teams deployed to inspect air cargo.

We are getting there, and we are a long way there. We cannot get there 100 percent at the moment. However, with this funding, TSA will continue an aggressive R&D program to examine technologies, to improve the capability to screen the high-risk cargo, including new technologies for screening palletized cargo and containerized cargo for explosives. A number of vendors have been tentatively selected for laboratory evaluation of these kinds of products. TSA is enhancing the known-shipper program.

What is the known-shipper program? It means that you cannot ship cargo on a passenger plane unless you have been certified by the Federal Government; and they look at you very, very carefully. You have got to be a certified known shipper before your cargo can be placed on a passenger plane. If you are not a known shipper, you have got to put it on a truck or on an all-cargo plane or what have you, but not a passenger plane. We do not allow it. So you have got to be a known shipper, and you have got to be certified by the Federal Government before you can become a known shipper. Known shippers go through a very rigorous and thorough process to obtain their status: verification of their legitimacy by way of a comprehensive database, random inspections, recertifications on a yearly basis.

This bill includes language requiring at a minimum to double the percentage of air cargo that is currently screened.

That is an incremental approach. We are headed toward 100 percent when we can get there, but we simply cannot get there at this minute.

Screening technologies to inspect air cargo are not ready yet, in spite of what anyone says. The latest information that we have is that there is no machine at this moment in time able to see explosives. You can x-ray a package looking for drugs or contraband, but you cannot see explosives with that kind of a machine. That is the distinction the gentleman from Massachusetts fails to see. We are looking for explosives in passenger planes, not contraband; and the x-ray machines, of course, are designed for contraband.

If this amendment passes and airlines are not allowed to accept air cargo, it means that they will go bankrupt. That is it. You shut off air cargo; you close down the airlines. I am not going to vote for that. The TSA tells me that it would take 9,000 screeners at a cost of over $700 million next year to inspect every cargo at the top 135 airports that handle about 95 percent of all cargo on passenger craft.

The economy of this country relies on just-in-time delivery by airplanes, whether it is fresh produce and meats for grocery stores, mechanical parts for manufacturers, medical supplies for hospitals and clinics and the like. Cargo transported on passenger aircraft typically arrives about 30 minutes before flight time. If you shut off air cargo, you are shutting off just-in-time delivery in this very sensitive area in this country in manufacturing.

In this bill, Mr. Chairman, we are going all out to develop the technology to screen all cargo. We have in place the known-shipper program, canine searches, and other practices; and we will double the percentage of personal inspections in this bill. I urge Members to vote "no" on Markey.

Mr. Chairman, I reserve the balance of my time.

Mr. MARKEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Connecticut (Mr. SHAYS), the cosponsor of my amendment.

Mr. SHAYS. I thank the gentleman for yielding time.

Mr. Chairman, I do not want to take a lot of time in this first pass but just to say, when I hear the presentation of both the gentleman from Massachusetts and our very distinguished chairman, it scares the heck out of me, because the bottom line is we are being told, and it is true, you can get explosives on a passenger airplane; and then we are being told we cannot do anything about it because it is impractical, we do not have the equipment, and so on. I think the story is somewhere in between.

The bottom line is we have people on passenger airplanes who believe that we check the baggage that is in the cargo of those airplanes. I think maybe at a minimum we should at least give them a little notice when they step on that airplane because it is the truth, that would say that when you go on this airplane, all the baggage brought on by passengers is screened, but the cargo that is on this airplane is not screened for explosives.

Mr. ROGERS of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SHAYS. I yield to the gentleman from Kentucky.

Mr. ROGERS of Kentucky. Mr. Chairman, the simple fact is if this amendment passes, there will not be any planes for them to get on in the first place.

Mr. SHAYS. I do not believe that. With all due respect, I do not believe it. I do not believe that the passenger aircraft are dependent on cargo in order to be able to take passengers. I just do not buy it. I at least think, though, that the American people deserve the truth, whatever the truth is. This is a debate we need to have, and frankly it needs to be a debate that is more than 40 minutes. The American people are entitled to the truth, whatever that is.

When we started out talking about the baggage on passenger aircraft, the gentleman from Washington (Mr. INSLEE) came in with an amendment in 2002, and he asked me to cosponsor it. He said, We do not check baggage. We check some, but we do not check all of it. I said, You have got to be kidding me. He said, We do not. And we have no time line.

So we offered an amendment that said by the end of 2004 we would check, and everyone opposed the amendment because they said we could not check by the end of 2004. They said, we do not have the equipment, we do not have the money, it is too costly and the passenger aircraft would just simply not be able to fly. That is what we were told. That is what the record said.

Our amendment passed, and an interesting thing happened. When it came back from the conference committee, instead of the end of 2004 that we would check for baggage, it said the end of 2003. I went up to one of the members and said, How come if we could not do it by the end of 2004, we could do it by the end of 2003? What I was told was, We did not want to put in writing that we could not check until the end of 2004 and we put the end of 2003 and we did not quite make that deadline, we met it sometime a little later in 2004, but we met it before the end of 2004. We did it because it mattered and the American people would not fly if they did not think the baggage was checked.

But what we at least need to say, I will say it as often as I can, 23 percent of what is in the belly of an aircraft is cargo. It for the most part is unchecked. Saying that we check because we have a known shipper is simply to say that we know who shipped it. It does not mean that we check the baggage. It amazes me that somehow we say that that is a protective system.

So for me, it is quite simple. We have got to give them a target. We have got to give them a deadline. We have got to be willing to spend the money. If six planes are blown out of the sky a week from now or 2 weeks from now, are all of us supposed to go back into our district and say, we could not afford to do it? I cannot do that. I cannot look my constituents in the eye and say, we could not afford to do it.

When we vote, I want every Member to know what we are saying. If you vote for the Markey amendment, you are voting to say we have got to have this stuff checked. And when it comes back from the conference committee, maybe we will come back with a deadline or something that you feel is more realistic, but we have got to have something better than what we have now. I feel strongly about that. I feel as strongly about that as I have ever felt about anything. I have had 50 hearings on terrorist issues on my subcommittee, and this of anything that we have looked at scares me the most.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 4 minutes to the gentleman from Florida (Mr. MICA), chairman of the Subcommittee on Aviation of the Committee on Transportation and Infrastructure.

Mr. MICA. Mr. Chairman, I rise in opposition to the amendment. This amendment is simply unnecessary and unworkable. Some of our colleagues have said, and I think wrongly believe, that air cargo is a hole in our aviation security system and that extreme measures must be taken immediately. I am sensitive to those misconceptions, but believe that serious efforts are being made by the Transportation Security Administration and the aviation industry; the airline industry are taking appropriate steps to address cargo security needs. TSA is currently developing new and more comprehensive standards for air cargo security which should be finalized soon, and TSA has also issued air cargo security directives recently.

Let me just respond, also, to a couple of things that have been said here. First, people are speaking without information. We heard the gentleman from Massachusetts say that we are putting our families through the utmost possible screening. That is not true. Some of the Members should take time to see the classified results of what we are putting them through and the holes in the current system. Putting explosives on a plane through cargo is a small risk at this point. Having a passenger walk through 1950 metal detectors is a great risk because those metal detectors do not detect explosives. That is how a plane will be taken down if a plane is taken down.

This amendment actually can do a great deal of damage. In contrast to what the gentleman from Connecticut said, in the Congress we put a provision in that said 2003 instead of 2004. Those bags still are not being screened. We have only done 14 airports inline. That is because the Congress might say something, but they are not funding this.

Look at R&D. I put $50 million in the original TSA bill to fund research and development. One of our friends from the State of Washington in the other body took $30 million of the $50 million for R&D the first year, and that is why we do not have the technology to determine what equipment can be used to effectively detect explosives. And then again we can stand up here and ask the cow to jump over the Moon; but unless you provide the money and the technology and the means to do that, it is not going to happen.

The next year you took the money and you did not fund the money, and we had $75 million for R&D. You all waited 5 months, and the people who are talking now are the people who delayed the appropriations. So TSA took $63 million of $75 million out of their funds for research and development and had to use it for personnel. So the problem is here, and the problem is Congress making these kinds of edicts that do more damage.

I have summed up the problem. I have identified the problem. The problem is here, people talking about things, telling folks that we are putting our families at risk. We must address this on a risk basis, and we must properly fund R&D.

□ 1415

We do not have the technology to do this now. We do not have the technology to address our greatest risk, which is people strapping explosives to themselves and walking through a 1950 metal detector that does not detect explosives.

So we need to address the risks. We need to do this on a logical basis. Not something that grabs headlines but something that is effective, that solves the problem at hand, that truly protects the American public from a terrorist act.

So I urge the Members to defeat this amendment. It could pass 100 times, and it does not mean anything because we are not going to be able to do it. We have $150 million this year for R&D, and that should be spent appropriately, not in haste.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from Rhode Island (Mr. LANGEVIN).

Mr. LANGEVIN. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of the Markey-Shays-Conyers-Turner amendment. Most importantly, I rise in support of increased security for air travelers across this country.

Screening air cargo and passenger planes is a critical element in protecting the public, and there is absolutely no excuse for allowing this glaring loophole to persist. With the summer travel season upon us and air travel nearing pre-9/11 levels, this issue gains urgency every single day.

Every day and at every airport, unscreened cargo is loaded onto passenger planes, placing the traveling public and airline employees and airport workers at great risk.

We have spent billions of dollars and asked the American people to endure long waits and countless inconveniences in order to ensure safe air travel. The failure to inspect cargo and passenger planes flies in the very face of these security investments and threatens to make all of our efforts for naught. But it does not have to be this way.

The technology exists to close this security gap, but apparently the will does not, and I cannot for the life of me understand why. It is long past time to address this issue and stop placing millions of travelers at risk.

Mr. Chairman, I urge my colleagues to give the Markey-Shays-Conyers-Turner amendment the resounding victory that it deserves and give the American people the security that we have promised.

In closing, Mr. Chairman, I want to commend the foresight and the vision and the leadership of Mr. MARKEY, Mr. SHAYS, and others on this issue. It is long overdue and we need to heed the call. I am proud to be a partner with them in this effort, and let us get it done.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 3 minutes to the gentlewoman from Texas (Ms. GRANGER), a very important member of our subcommittee.

Ms. GRANGER. Mr. Chairman, I rise to oppose this amendment.

The Subcommittee on Homeland Security of the Committee on Appropriations has written a sound bill that addresses the security of air cargo shipping in a common sense way and is being honest and realistic with the American people. This amendment threatens that approach.

Right now many companies, like Dell and Texas Instruments, rely on airlines to ship their goods in what is called a just and timely fashion. Their high tech products have to get to customers in a very short time frame. They rely on airlines, not cargo planes, to take the goods to the customer quickly. Airlines only take passengers from known shippers who are registered and certified like FedEx and UPS. Airlines simply do not accept packages from anyone who is not a proven, known shipper.

This "known shipper program" is a good system, and it is getting better every day with shared databases and other upgrades. This is our first backstop against suspicious shipments. Our second backstop is the physical screening that is currently being done on any shipment that raises suspicion.

This bill calls for an increase in the shipments that are physically screened, specifically a doubling of the current screening. This is both reasonable and also attainable.

TSA has said that going to immediate, 100 percent screening right now at the top 135 airports requires about 9,000 screeners and cost over $700 million in the first year alone. And the cargo would still face a huge bottleneck because we do not have efficient screening technologies.

New technologies for screening large amounts of cargo are on the horizon, and this bill supports investment research for that technology. TSA says it will have to shut down cargo shipments altogether on passenger planes if we mandate 100 percent, and there, poof, we will have ruined a $3 billion industry and threatened 27,000 jobs.

The fact is that we all support 100 percent screening and we want to get there as quickly as possible and we want safety for all of our passengers. But we want the right technology to do this in the best possible way.

Let us face it. This talk of immediate physical screening does not come free, but should we not work for a more dependable, more durable technology for American travelers and air shippers? The current bill that we are debating calls for a doubling of the amount of our air cargo that is currently screened and inspected. That is reasonable, that is attainable, that is being honest with the American people, and I support this approach.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. OLVER).

Mr. OLVER. Mr. Chairman, I rise in strong support of the Markey-Shays amendment. We hear of new homeland security threats almost daily. The President and the Attorney General have both warned that terrorists are likely to attack the homeland before the New Year.

Terrorist networks continue to put commercial airplanes very high on their list of targets. And while great progress has been made in aviation security, we are still lagging behind in screening cargo carried on passenger flights. Currently no more than 10 percent of cargo on passenger flights is screened or inspected for explosives or other dangerous materials.

This is a glaring loophole in our aviation security, and the legislation before us today provides too small an increase in screened cargo that is carried on such passenger flights. We need to reach full screening of cargo faster, and this amendment moves us in that direction.

I urge a "yes" vote on the Markey-Shays amendment.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Chairman, I rise in reluctant opposition to the Markey amendment. The screening he wants to impose is not possible at this time, and technology is not developed to screen some of the large pallets. The airlines inspect all packages now, but the current screening technologies or pallets involve x-ray technology and not the explosives detection. And I have watched airlines load those huge pallets into the cargo holds of the planes, and they are much bigger than what the gentleman from Massachusetts (Mr. MARKEY) talked about.

This may be the size of our passenger, but the ones I have watched are the size of the Speaker's desk, and we just do not have the ability to do that.

The fiscal year 2005 Homeland Security Appropriations Act requires 20 percent random cargo inspection for the first time. It is now set at 10 percent; so we are doubling it. But, again, with the research and development funding in here, we will be able to get to where we can screen those large ones. But we are also doing the "known shipper." So much cargo is shipped through known shippers, whether UPS, FedEx, DHL, name it. And they are the ones that are doing it, not unlike we are beginning to do with passengers where they have access for passengers that are known passengers and they go to the head of the line or a separate line. We are doing the same thing with cargo. So there is reasonableness to what we are doing.

The bill also provides 100 new cargo inspectors and $50 million in cargo security R&D funding in addition to the $55 million provided last year. So we are trying to get up to the technology level so we can do it. And I just do not want to make sure we throw the baby out with the bathwater that we require standards not only of the TSA but also of our airlines that they just physically cannot do.

I also represent a seaport, and in all honesty, we have a hard time inspecting 5 percent of containers coming into our ports. I would find it amazing if we could even get the 10 percent of our containers that come in much less the 20 percent for air cargo.

I appreciate the gentleman from Massachusetts' (Mr. MARKEY) dedication and I am glad he keeps pushing us because without that maybe we would not go further. But I know there is an effort by a lot of Members to make sure we do go further every year.

Mr. MARKEY. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. HOLT) for a colloquy.

Mr. HOLT. Mr. Chairman, I would like to enter into a colloquy with the gentleman from Massachusetts (Mr. MARKEY).

This is much needed legislation, and I applaud the gentleman from Massachusetts and the gentleman from Connecticut for putting it forward. It really makes little sense for airport security to screen 100 percent of the carry-on baggage to the point of removing nail clippers and yet not screen all the cargo and baggage that is loaded into the belly of a plane. This amendment is really much needed and should be passed with strong bipartisan support, should also be implemented with strong financial support from the Federal Government.

My question for the gentleman from Massachusetts is, does he believe that down the road we can ensure that cargo loaded onto cargo planes will also be screened?

Mr. MARKEY. Mr. Chairman, will the gentleman yield?

Mr. HOLT. I yield to the gentleman from Massachusetts.

Mr. MARKEY. Mr. Chairman, it is my intention, the gentleman from Connecticut's (Mr. SHAYS) intention, that once we close the loophole on passenger planes that allow for cargo to go on unscreened, then we will move on to the next step, which is the cargo that goes on cargo planes. But I think the first job is to make sure that passengers are protected and then in the next step, as the gentleman said, we will move on to do the same for cargo planes.

Mr. HOLT. Mr. Chairman, that will be safer for the public and the workers of the airline industry, and I thank the gentleman for his answer.

Mr. ROGERS of Kentucky. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. LATOURETTE).

Mr. LATOURETTE. Mr. Chairman, I thank the chairman of the subcommittee for yielding time to me.

I was in my office listening to this debate and came rushing over because I heard a couple of things during the debate that disturbed me. One was from the gentleman from Connecticut, who, in response to an observation by the chairman, said he does not believe that the technology does not exist today to do what their amendment seeks to do. I believe that and I believe that to be true.

The other observation was there was reference made to the folks in the gallery who came here, and the observation was they probably do not know that the cargo that goes into the belly of their passenger plane is not screened. I would venture to say that most people that get on passenger planes do not even know that they are carrying cargo. Most people that get on passenger planes, however, also do not know that it is the cost of the cargo, the money that the airlines make relative to the cargo shipments, that enable them not only to have cheaper fares but also enable them to fly to small areas.

Just citing one airline that is headquartered in Cleveland, Ohio, an area that is near and dear to my heart, if this amendment were to pass, I have been advised 67 jobs would be lost at that one airport by that one airline. For that one airline, $325 million in revenue would have to be made up in higher and additional fares. And service to smaller communities, again the folks in the gallery, if they live in New York or Chicago or Los Angeles, they can get home, but if they live in some of the smaller hubs, they are not getting home because there will be no service to those areas because their fares are subsidized by the revenues made up as a result of cargo shipments.

I have to say, Mr. Chairman, that, again, the chairman has done a good job in this bill. He has doubled the amount of belly cargo that is being inspected. From where we are today, 100 new inspectors are being added, research and development so that pilot programs going on down in Houston and other areas can continue to go. This is a well-intended amendment. I think we all want to get to 100 percent, but it is a wrong-headed amendment because the technology that they seek to impose does not exist today.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. LATOURETTE. I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, just to correct the record also, I would like the gentleman and the other Members to know, it was said in the beginning of this debate, also, that Pan Am 103 was brought down as a result of this situation, explosives in cargo. That is not true. It was explosives in luggage.

Mr. MARKEY. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, I have been listening to this debate trying to understand what kind of contribution I can make and what kind of things we are listening to, and I feel that three of the most respected Members of Congress, I respect for their knowledge on this issue, are saying things that, if true, are more shocking than what I thought was the case. I mean we have a Member of Congress who basically has said that it is foolish to deal with cargo admittedly for the money and the technology, which are valid reasons that I understand, but because we do not even really check the baggage on the belly of aircraft that we say we do but we do not. And I do not know how to process that because I tell my constituents that we are doing that, and I am not aware of any request on this floor by this chairman or anyone else who has said we need this amount of money to fulfill that act. If that is known by some in some committee, then let us debate it on the floor.

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Because it is my understanding that we checked the baggage on the belly of an aircraft for explosives, and if we do not, I think we should say where we do not and how long it is going to take and why we are not conforming to the law: and then all of us need to deal with that. That is fair, but to use that as an argument for then not checking the cargo that goes on the belly of an aircraft on a passenger plane to me is just like a weird argument.

Now, if we cannot check big packages, then let us check small packages. If we cannot do it this year, then let us have in the law that it will be done by this time. Let us not just be so casual about it that we just say, well, we went from 5 percent to 10 percent, and we need more time to do the technology.

So what I was thinking as I was sitting here is that what I would like to do if this amendment does not pass or if it passes and gets lost in conference, I want to come in with an amendment, and it is going to be truth to the passenger, and it is going to spell out to the passenger in plain, simple language what is the risk when they fly.

In other words, I think if a plane has not been checked for explosives in the belly of an aircraft that is baggage, then tell them; and if that has been but we have cargo and 20 percent of this cargo or 30 percent of what is in the belly of the aircraft is cargo and has not been checked, then tell them. I know what I know. I will not fly that aircraft, and then I will like to know, and maybe others will, maybe we will just have to suck it up and be brave, but I think it is not safe. And I am living with the fact that someone in my district found out in the middle of the day that maybe her child was on Pan Am 103, and I was at her home at 11:30 at night when it was confirmed and this was her best friend, her daughter.

Mr. ROGERS of Kentucky. Let me inquire of the gentleman from Massachusetts (Mr. MARKEY), is the gentleman the last speaker?

Mr. MARKEY. I will be the last remaining speaker, yes, sir.

Mr. ROGERS of Kentucky. Mr. Chairman, I will yield myself the balance of our time.

Mr. Chairman, our gentleman friend from Connecticut (Mr. SHAYS) I thought needs an answer to the question he raised. What are we doing about cargo on passenger planes? What are we doing about it, and where are we?

Well, at the moment we physically inspect a certain percent of all cargo on passenger planes. That percentage is a law enforcement-sensitive number, and we cannot talk about it publicly, but it is a percentage that we actually physically inspect.

The rest cannot be put on a plane unless it has been certified by the government to come from somebody we know, a FedEx or UPS or some other known shipper, a Toyota, GM, where we have gone to that shipper and put them through a rigorous examination so that we know whether or not they are reliable and their chain of supply, their security of supply has been checked.

We are developing machinery, however, to be able to take the place of all of that. The machinery is just simply not there yet. It is being developed, and in the bill we appropriate $118.5 million for air cargo security. It is an enormous figure. That is $33.5 million more than we spent this year or that the President requested. We topped everybody in that respect. And $75 million of that is going to develop new technologies.

One of these days we will have machines that will do for cargo on passenger planes what we do for baggage on passenger planes. We simply do not have it yet. We are working on it and working on it very quickly.

But in this bill in the meantime we say, okay, we want to double the number or the percentage of air cargo that is physically checked, double it this year. We provide additional cargo inspectors for that purpose. We provide canine teams to help with the inspection of air cargo, and we provide $20 million more to make further enhancements to the known-shipper program and implement a new cargo rule.

Now, if this amendment passes, I am sad to say I do not think the airlines will make it. If we prohibit all passenger cargo, as the gentleman from Florida (Chairman MICA) has said, we are taking away $3.5 billion in income to the airlines that are barely hanging on now. 27,000 jobs are involved here. We do away with the capability of the Nation's economy to have just-in-time delivery, upon which the country, in fact the world, runs.

So I urge Members to be careful if we want to vote for this amendment. That is the safe thing to do, of course; but the responsible thing is to vote "no." We are doing all we physically can do at the moment, and it will not help any if we shut down the airlines.

Mr. Chairman, I urge a "no" vote on the Markey amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. MARKEY. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, let me begin by saying that Pan Am Flight 103 over Lockerbie did go down, but it went down because a package this size was not screened in the baggage. We now mandate that all baggage be screened. We closed that loophole, but the reason the Pan Am 103 families endorse the Markey-Shays amendment and have sent a letter to Congress endorsing it is because they know that this same package in the cargo is not screened on passenger planes. The Pan Am 103 families endorse this amendment.

Secondly, the technology already exists. The Israelis screen cargo. The United Kingdom screens cargo. The Netherlands screens cargo. Australia, Singapore, Spain, Hong Kong, Italy, they already screen the cargo which goes onto passenger planes; and there are American companies lined up to do the job. American Science and Engineering, Incorporated, L3 Security and Detection Systems, Raytheon Cargo Screen, they all say they are ready to go to deploy the technology today. It is not a question of technology. It is a question of money. The same argument was made right after September 11: we do not have enough money to screen the bags of every passenger going on planes.

Well, we do not have enough money not to do it, because the next plane that goes down is going to cripple the American economy. That is the price of leaving a loophole that could lead to an explosion on a plane. That is the price our country is going to pay, and it is going to look like one cent on a hundred dollars if it happens.

We cannot afford to allow this kind of loophole to exist. This known-shipper program, it is not even certified by the Federal Government. The Federal Government lets the airlines decide who these shippers are, who put these packages on without even screening. It is not even a Federal Government program; it is an airline program. That is no security for the American flying public.

These people who fly into Washington as tourists, people going on vacations, they should not have to be putting their families on planes with cargo this size or this size, that has not been screened, even as they have been forced to take their nail clippers out and have them confiscated. It is wrong.

The Markey-Shays amendment should pass. If you want to see security on the airlines of our country, if you want to avoid another airline disaster in our country that will cause an economic catastrophe, vote "aye" on the Markey-Shays amendment.

Mr. LANGEVIN. Mr. Chairman, I rise in support of the Markey/Shays/Conyers/Turner amendment. More importantly, I rise in support of increased security for air travelers across the country. Screening air cargo on passenger planes is a critical element in protecting the public, and there is no excuse for allowing this glaring loophole to persist.

With the summer travel season upon us and air travel nearing pre-9/11 levels, this issue gains urgency by the day. Every day, and at every airport, unscreened cargo is loaded on to a passenger planes, placing the traveling public, airline employees and airport workers at risk.

We have spent billions of dollars and asked Americans to endure long waits and countless inconveniences in order to ensure safe air travel. The failure to inspect cargo on passenger planes flies in the face of these security investments and threatens to make all our efforts for naught.

But it doesn't have to be this way. The technology exists to close this security gap, but the will apparently does not . . . and I can't for the life of me understand why. It is long past time to address this issue and stop placing millions of travelers at risk.

I urge my colleagues to give the Markey/Shays/Conyers/Turner amendment the resounding victory it deserves, and give the American people the security we have promised.

Mr. RUPPERSBERGER. Mr. Chairman, I rise today in opposition to this amendment. Let me be clear. I do not believe any law maker is against the need to make our homeland safe. However, I have always been and will continue to be a strong advocate for improving the security of our homeland especially at our nation's airports, but I do not believe in creating additional unfunded federal mandates.

I represent the Baltimore-Washington International Airport and I am very familiar with these issues. I believe the security of aviation is a critical component in protecting our homeland and air cargo is a significant concern. I fully support the need to protect our airports, the people who fly in and out of them, the people who work in the airline industry and the goods and services that are transported by planes. Aviation security is key to our way of life, our business and leisure travelers, and our nation's commerce. On that point, I think we can all agree.

We can also agree that air cargo security deserves an equal amount of attention and problem solving to make it a safe way of doing business. We need to ensure that air cargo is safe so business can proceed. The air cargo industry and airports have worked hard since September 11, 2001 to recognize potential risks and threats, and to make air cargo more secure. Have we done enough? Probably not. Do we still need to do more? Absolutely. That is not the debate before us today.

The next question becomes what is the best solution. On this, I do not believe this amendment is the right way to improve air cargo. I commend my colleagues for their hard work to correct risks associated with air cargo, but I am concerned about the creation of further unfunded federal mandates on an industry so vital to the American economy. There are still so many questions about the feasibility and cost of available technology. Each airport has different challenges and there is no one-size-fits-all solution to any homeland security issue, including air cargo.

This amendment would effectively double the amount of air cargo to be screened and inspected without providing any sort of financial relief for equipment, technology, infrastructure or personnel to do so. The aviation industry did not create the problems we face in homeland security and I do not believe they should shoulder the entire burden of correcting it through further unfunded mandates. Throughout my entire political career I have stressed the need for partnerships to solve problems and the federal government must partner with industry to address the needs of homeland security. The Constitution tasks the federal government with protecting Americans and we cannot fulfill that responsibility by simply creating new mandates for the aviation industry to comply with. We need to work together in commitment and resources.

The 2005 Department of Homeland Security Appropriations bill does recognize and address the challenge of air cargo security risks. It substantially increases research and development funding for new technology that will ultimately make comprehensive cargo screening feasible. It is an important and fiscally responsible step in the right direction to tackle an enormously complex issue. All Americans want the safest environment we can create, but we must do it in a logical way that does not unduly burden the aviation industry or impede national commerce.

I believe this amendment is placing the cart before the horse and we should let the R&D money provided for in this bill do its work. I will continually fight to keep the Maryland 2nd Congressional District and this nation more secure. I believe we need to do more with airport security but I do not believe this solution is the right one.

Mr. MARKEY. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. SHIMKUS). The question is on the amendment offered by the gentleman from Massachusetts (Mr. MARKEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SHAYS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Massachusetts (Mr. MARKEY) will be postponed.

AMENDMENT OFFERED BY MR. KING OF IOWA

Mr. KING of Iowa. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KING of Iowa:

At the end of the bill (before the short title) add the following:

SEC. . Appropriations made in this Act are hereby reduced in the amount of $895,476,000.

Mr. KING of Iowa. Mr. Chairman, first of all I want to congratulate the chairman of the committee and all of the committee members for their hard work on this bill and the many improvements that have been put in for homeland security. We are getting better at this. We are just not as good at it as we need to be.

My amendment reduces the appropriation by $895,476,000. That is the President's number, the President's request.

I point out that the President has been our lead warrior on the war on terror. He came out and identified our enemy the first week after September 11, he set forward a path on how to go about addressing al Qaeda and the terrorists around the world, he sent troops into Afghanistan, he sent troops into Iraq. We have over 50 million people that are free today. America is a safer place.

Our question that is before this Congress today is the question of do you spend your resources on the tip of the spear, or do you spend your resources back here at home? Do you spend your resources on ambulances, fire trucks, metal detectors and do you spend them also on training facilities for emergency responders? Or do you put that money in a proactive way and preempt the terrorists attacks that are bound to come. To find that balance is what we are seeking to do.

The waste that is in the budget, I can identify a significant amount of dollars there are tied up in the bureaucratic regions of the Department. It is hard to get to this through a Waste Watchers program. It is hard to identify it and say we are going to ding your budget by $5 billion or $10 billion or $86 million or $895 million, as this amendment does. But the way you do that is you reduce the spending and the bureaucrats have to go and find that.

So the question is, are we going to clean up after the disaster, or are we going to spend the money preventing the disaster? Is it going to be the clean up crew that will be the tip of the spear?

We have seen this budget grow from 2003 to 2004 by 30 percent. Now we see it grow again from 2004 to 2005 by 9.4 percent.

This is the President's budget. The President has been leading us in the war on terror, and I believe we can have confidence that he has the ability to set this budget and provide adequate resources.

Mr. Chairman, having made my statement, I ask unanimous consent to withdraw this amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDMENT NO. 13 OFFERED BY MR. SHERMAN

Mr. SHERMAN. Mr. Chairman, I offer an amendment.

The Chairman pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 offered by Mr. SHERMAN:

At the end of the bill (before the short title), insert the following:

SEC. . None of the funds made available in this Act may be used for processing the importation of any article which is the product of Iran.

Mr. CAMP. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN pro tempore. The gentleman from Michigan reserves a point of order against the amendment.

The gentleman from California is recognized for 5 minutes.

Mr. SHERMAN. Mr. Chairman, this amendment would prohibit Customs and APHIS from expending any funds to process any import from the Islamic Republic of Iran into the United States. The amendment would effectively reverse a decision made in the year 2000 by a Clinton administration order, which partially lifted what was then our total embargo on Iranian imports.

This has created a circumstance where we import from the Islamic Republic of Iran roughly $150 million of goods. We do not import any oil or other petroleum or energy products from Iran. That is prohibited by existing law. Instead, we import caviar and carpets. So the question before us now is whether we wish to put economic and symbolic pressure on the government in Tehran.

Well, let us examine that government's behavior. It is developing nuclear weapons. It is only a couple of years away, perhaps, from having an atomic bomb. Its cooperation with the IAEA was found inadequate by the IAEA Board. Even its so-called reformist leaders have decided to support this nuclear program.

Why? Because they know that they can move forward with their nuclear weapons program without paying any economic cost, and they are able to go in a complex political situation to the people of Iran and say, Don't worry that we are developing nuclear weapons. We will suffer no economic cost.

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We will be part of the world community, and they are able to point to the fact that even the United States imports from Iran as proof that they pay no economic price for their behavior.

In addition, the government in Iran has been identified by the State Department in its Patterns of Global Terrorism Report as the number one state sponsor of terror. Iranian agents are working to kill our people in Iraq. Iran is harboring al Qaeda senior officials, including one of bin Laden's sons. Iranian agents, along with al Qaeda, working in tandem, are responsible for the 1996 Khobar Towers bombings that killed 19 Americans.

What more does the government of Iran have to do? Cooperate with al Qaeda, shelter al Qaeda, kill Americans. It is still not enough for us to stop importing their goods. And what are these goods that are so critical to us? Caviar and carpets.

It is time for us to use the levers we have to put pressure on this regime. It is time to go to the Iranian people that are growing weary of rule by the mullahs and say they are costing you something: your ability to do business with the world is being impaired.

These foreign policy adventures are a domestic issue to the people of Iran because they are foreclosing trade. Only when we cut off imports from Iran will we then be able to turn to our European and Japanese friends and urge them to do the same, at least until the government in Iran changes its behavior in these two critical areas: the development of atomic weapons and terrorism.

Keep in mind that terrorism will continue if we do nothing. Keep in mind, those atomic weapons can be smuggled into our country; they are no larger than a person. And then the government in Iran can make that phone call and tell us that they have an atomic bomb in this apartment building or that one.

Let us do something. This is the only time this year that this Congress will be able to stand and say, we want to put some pressure on the government of Iran. This is the only policy available to the United States short of invasion, which is not in the cards, to say that we want to do what can be done to convince the people and government of Iran that they pay a cost for supporting terrorism and that they pay a cost for their failure to cooperate with the IAEA.

So make your decision: should we continue to have business as usual with a government that is killing us and that is building the devices to kill us by the millions?

POINT OF ORDER

Mr. CAMP. Mr. Chairman, I raise a point of order against the Sherman amendment.

The CHAIRMAN pro tempore (Mr. SHIMKUS). The gentleman will state his point of order.

Mr. CAMP. I raise a point of order against the Sherman amendment to this bill, H.R. 4567, on the grounds that this amendment violates clause 5(a)(2) of House Rule XXI because it is an amendment proposing a limitation on funds in a general appropriation bill for the administration of a tax or tariff. Specifically, this amendment would prohibit the use of funds provided by the act for processing the importation of any articles from Iran. Processing imports is part of administering a tariff. Therefore, this amendment would limit the funds in a general appropriations bill for the administration of a tax or tariff in violation of clause 5(a)(2) of rule XXI.

The CHAIRMAN pro tempore. Are there any other Members wanting to be heard on the point of order?

If not, the Chair will rule.

The gentleman from Michigan raises a point of order against the amendment offered by the gentleman from California on the grounds that it violates clause 5(a) of rule XXI.

In prior Congresses, clause 5(a) of rule XXI provided a point of order against carrying a tax or tariff measure on a bill not reported by a committee having such jurisdiction. At the beginning of the 108th Congress, clause 5(a) was amended to particularize its application to an amendment in the form of a limitation on funds in a general appropriation bill for the administration of a tax or tariff.

The Chair is of the opinion that the change in clause 5(a) affects today's proceedings in one significant way:

The new version of clause 5(a) enables a point of order against limitation amendments addressing the administration of a tariff whether or not the maker of the point of order can demonstrate a necessary and inevitable change in tariff statuses or liabilities or in revenue collection. More on that matter can be found in section 1066 of the House Rules and Manual.

In the present case, the chief impetus for the processing of imports from Iran is tariff law. The Chair therefore holds that the limitation on funds to process imports from Iran is necessarily a limitation on funds for the administration of a tax or tariff within the meaning of clause 5(a) of rule XXI.

The point of order is sustained, and the amendment is not in order.

AMENDMENT OFFERED BY MS. VELÁZQUEZ

Ms. VELÁZQUEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. VELÁZQUEZ:

At the end of the bill insert the following section:

SEC. . PROHIBITION AGAINST USE OF FUNDS TO ENTER INTO STATEWIDE CONTRACTS FOR SECURITY GUARD SERVICES.

None of the funds in this Act may be used by the Federal Protective Service to replace any existing contract for security guard services with statewide contracts for security guard services.

Ms. VELÁZQUEZ. Mr. Chairman, small businesses need opportunities. Repeatedly, small businesses have demonstrated that they can provide the government a superior product at an affordable cost to taxpayers.

Unfortunately, small businesses are seeing their opportunities dwindle as agencies place expediency over job creation in our local communities and what is best for the American taxpayers. The cost of this is the creation of mega contracts that are so big that only big businesses in corporate America can compete. What they are telling American small businesses is that the $285 billion Federal marketplace is not open to them.

When President Bush took office, he promised to change this and to open the Federal marketplace to small businesses. Even 2 years ago, during Small Business Week, he issued a small business agenda and made contract bundling his top priority. Since taking office, not only has he done nothing to change this, but this administration has failed to meet any of the small business goals set up by Congress. This is outrageous.

Today's legislation is a perfect example of that. This Department was created by the President and was supposedly to do things in a new way. What we are seeing here is business as usual. The most recent example is this regional security contract that currently is being done by small business securities firms across the country. Homeland Security is currently in the process of bundling this contract so large that probably three firms, one of them not even an American firm; so now, we are going to turn security over to foreign companies, and none of the small businesses will be able to provide the service. This will result in the loss of thousands of jobs in communities across the country at a time when job creation is still struggling.

My amendment will stop the Homeland Security from bundling contracts that will steal opportunities from small businesses and ensure that small businesses will continue to provide the services that they have done so well.

I urge the adoption of this amendment.

Mr. ROGERS of Kentucky. Mr. Chairman, I reluctantly rise in opposition.

This is the first time we have seen this amendment. It is brand-new to me. We have not had a chance to discuss the matter with the gentlewoman.

Ms. VELÁZQUEZ. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Kentucky. I yield to the gentlewoman from New York.

Ms. VELÁZQUEZ. Mr. Chairman, the problem is that I was just contacted by one of the small business firms that has provided these services who is going to go out of business, and he contacted me yesterday.

Mr. ROGERS of Kentucky. Well, I understand the gentlewoman, and I appreciate the predicament that she is in on this.

It also puts us in a predicament because I do not know the ramifications of the amendment. It could have some very significant national unintended consequences that I have not had time to think about. So I wish we could work with the gentlewoman. Rather than bring this to a vote, perhaps if the gentlewoman would reconsider.

Ms. VELÁZQUEZ. Mr. Chairman, if the gentleman will further yield, I am not prepared to do that at this point, because in the past, like in Homeland Security, I introduced an amendment where 23 percent of any monies spent by DOD in the reconstruction of Iraq will go to small businesses. During conference it was taken out. So time and time again, when we have an opportunity to help small businesses through the legislative process, they are being shut out.

Mr. ROGERS of Kentucky. Well, Mr. Chairman, reclaiming my time, then I have no choice but to oppose the amendment. I want to help the gentlewoman, but if this is the attitude, then we will just have a debate here and let the vote take place, and it will be one way or the other and over with.

So I would hope that the gentlewoman would reconsider that.

But nevertheless, Mr. Chairman, I do not know the ramifications of this amendment. It could be devastating around the Nation for all I know, so I have to at the moment oppose it and oppose it vigorously.

Ms. VELÁZQUEZ. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Kentucky. I yield to the gentlewoman from New York.

Ms. VELÁZQUEZ. Mr. Chairman, it is just simply outrageous that if these securities have been performing these types of services by small businesses, that Homeland Security, despite the goals that have been set up by Congress, and despite the fact that the President made a commitment to small businesses of making contract bundling his top priority, that now Homeland Security is going to bundle this contract, putting so many small businesses out of business.

Mr. ROGERS of Kentucky. Mr. Chairman, reclaiming my time, if the gentlewoman would give me time to work with her on this, I will be happy to do it, but this is the first I have known about it. I do not know the ramifications of the amendment the gentlewoman filed nationally. It could very well be very expensive nationally; it could cost the government a lot of money. It could set a bad precedent to predetermine the most efficient way of contracting. How does it help? How does it hurt? I do not know. So I have to oppose it until we know more about it.

So I would hope the Members would reject the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Ms. VELÁZQUEZ. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from New York will be postponed.

The Clerk will read.

The Clerk read as follows:

This Act may be cited as the "Department of Homeland Security Appropriations Act, 2005".

Mr. ROGERS of Kentucky. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do that because I think we have reached the end of the amendment process here and are about ready to call for the votes on the amendments that have been rolled over. But before we finish, I wanted to take a moment to say some things.

It is a pleasure working with my colleague, the gentleman from Minnesota (Mr. SABO). He works hard. He is smart. He has a good level head. He is a reasonable person, and he is a joy to be around and a great help in constructing this bill. It truly has been a partnership as we built the bill. I want to give him a lot of credit for the work that has been done. Of course, the members of our subcommittee. We have a super bunch of people. All of them contribute. All of them participate in the public hearings and, of course, the closed briefings that are classified.

☐ 1500

They keep those secrets secret. So we have got a wonderful subcommittee to work with. And I could not be more pleased to be a part of this team, as I will call it.

Then a big part of that team too is this staff. They are just wonderful. Michelle and all of the crew and the minority staff work closely together; and they work long, long hours on extremely complicated matters building a brand-new Department, breaking ground on entirely new concepts that we are dealing with in this whole country.

This is the second bill for the whole Department of Homeland Security, a new concept in Americans dealing with themselves and their country and the world. So we are plowing new ground. And this staff has just been wonderful in helping us all understand what it is we are dealing with and trying to come out with a proper result.

I appreciate so very much this staff on both sides of the aisle who have made this day possible.

Mr. Chairman, thank you for presiding over these proceedings as you have. We appreciate it very, very much.

Mr. SABO. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Kentucky. I yield to the gentleman from Minnesota.

Mr. SABO. Mr. Chairman, I thank the gentleman for his kind comments. Let me say he is a pleasure to work with. He is a very knowledgeable, hard-working chairman, and he does an exceptional job as he has in heading two other subcommittees in this House. He is a long-experienced chairman. We do have good subcommittee members and a great staff on both sides of the aisle. It is a pleasure working with the gentleman and the staff and the other members of this subcommittee.

We have our differences, but I think we also have a good product. I thank the gentleman.

Mr. ROGERS of Kentucky. Mr. Chairman, I thank the gentleman.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore (Mr. SHIMKUS). Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: amendment by the gentlewoman from Texas (Ms. JACKSON-LEE); the amendment by the gentlewoman from Connecticut (Ms. DELAURO); amendment No. 1 by the gentlewoman from California (Ms. ROYBAL-ALLARD); the amendment by the gentleman from Colorado (Mr. TANCREDO); amendment No. 9 by the gentlewoman from New York (Mrs. MALONEY); the amendment by the gentleman from Minnesota (Mr. SABO);

amendment No. 10 by the gentleman from Massachusetts (Mr. MARKEY); the amendment by the gentlewoman from New York (Ms. VELÁZQUEZ).

The Chair will reduce to 5 minutes the time for any electronic voting after the first vote in this series.

AMENDMENT OFFERED BY MS. JACKSON-LEE OF TEXAS

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 137, noes 269, not voting 27, as follows:

[Roll No. 267]

AYES—137

Ackerman
Alexander
Andrews
Baca
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Doggett
Edwards
Engel
Etheridge
Evans
Fattah
Filner
Forbes
Ford
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Grijalva
Harman
Hinchey
Hinojosa
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kucinich
Lampson
Lantos
Larson (CT)
Lee
Lowey
Majette
Maloney
Marshall
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McIntyre
McNulty
Meek (FL)
Meeks (NY)
Millender-McDonald
Miller (NC)
Moore
Nadler
Napolitano
Olver
Ortiz
Owens
Pallone
Pastor
Payne
Pelosi
Price (NC)
Rahall
Rangel
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Scott (GA)
Scott (VA)
Serrano
Skelton
Slaughter
Solis
Spratt
Tanner
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson
Watt
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—269

Abercrombie
Aderholt
Akin
Allen
Bachus
Baldwin
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Bonilla
Bonner
Bono
Boozman
Boucher
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Cardoza
Carter
Case
Castle
Chabot
Chocola
Coble
Cole
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Eshoo
Feeney
Ferguson
Flake
Foley
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hyde
Israel
Issa
Istook
Jackson (IL)
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
LaHood
Langevin
Larsen (WA)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Lynch
Manzullo
Markey
Matheson
Matsui
McCollum
McCotter
McCrery
McHugh
McInnis
McKeon
Meehan
Mica
Michaud
Miller (FL)
Miller (MI)
Miller, Gary
Miller, George
Mollohan
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Osborne
Ose
Otter
Oxley
Pascrell
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Sabo
Saxton
Schiff
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Van Hollen
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—27

Baird
Baker
Ballenger
Bereuter
Berman
Boehlert
Boehner
Collins
DeMint
Emanuel
Everett
Farr
Gerlach
Gibbons
Greenwood
Gutierrez
Hastings (FL)
Hoeffel
Isakson
John
Lewis (GA)
Lipinski
Menendez
Quinn
Reyes
Smith (WA)
Waxman

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. SHIMKUS) (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1527

Mrs. TAUSCHER, and Messrs. SULLIVAN, TERRY, MORAN of Kansas, ROGERS of Michigan, NEAL of Massachusetts, VAN HOLLEN and MATSUI changed their vote from "aye" to "no."

Messrs. RANGEL, RAHALL, BLUMENAUER, MOORE of Kansas, and HOYER changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MS. DELAURO

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 182, noes 221, not voting 30, as follows:

[Roll No. 268]

AYES—182

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baldwin
Bass
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Boucher
Bradley (NH)
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Chandler
Clay
Clyburn
Conyers
Costello
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (TN)
Davis, Jo Ann
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dingell
Doggett
Doyle
Duncan
Edwards
Emerson
Engel
Eshoo
Evans
Fattah
Filner
Frank (MA)
Frost
Gephardt
Gonzalez
Goode
Green (TX)
Grijalva
Hayes
Herseth
Hill
Hinchey
Hinojosa
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
LoBiondo
Lowey
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Michaud

Millender-McDonald
Miller, George
Mollohan
Murtha
Nadler
Napolitano
Neal (MA)
Nethercutt
Northup
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Rahall
Rangel
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Sherwood
Simmons
Skelton
Slaughter
Smith (NJ)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tauscher
Taylor (MS)
Thompson (MS)
Tierney
Towns
Van Hollen
Velazquez
Visclosky
Vitter
Wamp
Waters
Watson
Weiner
Wexler
Whitfield
Wilson (NM)
Woolsey
Wu
Wynn

NOES—221

Aderholt
Akin
Bachus
Barrett (SC)
Bartlett (MD)
Barton (TX)
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blumenauer
Blunt
Bonilla
Bonner
Bono
Boozman
Boswell
Boyd
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Cooper
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (FL)
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dooley (CA)
Doolittle
Dreier
Dunn
Ehlers
English
Etheridge
Feeney
Ferguson
Flake
Foley
Forbes
Ford
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gilchrest
Gillmor
Gingrey
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hooley (OR)
Hostettler
Houghton
Hulshof
Hunter
Hyde
Issa
Istook
Jenkins
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lofgren
Lucas (KY)
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Moore
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Simpson
Smith (MI)
Smith (TX)
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Walden (OR)
Walsh
Watt
Weldon (FL)
Weldon (PA)
Weller
Wicker
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—30

Baird
Baker
Ballenger
Bereuter
Berman
Boehlert
Boehner
Buyer
Collins
Crowley
DeMint
Emanuel
Everett
Farr
Gerlach
Gibbons
Goodlatte
Gutierrez
Hastings (FL)
Hoeffel
Isakson
John
Lewis (GA)
Lipinski
Menendez
Pence
Quinn
Reyes
Smith (WA)
Waxman

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. SHIMKUS) (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 1534

Mr. WHITFIELD changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. CROWLEY. Mr. Speaker, during rollcall vote No. 268, I was physically present here in the Chamber. I voted for the bill before and the bill after, but was not recorded on that particular vote. Had I been recorded on that particular vote, after putting my card into the machine and taking it out and pressing the button, it would have been an "aye" vote for 268.

Stated against:

Mr. GOODLATTE. Mr. Chairman, on rollcall No. 268 I was unavoidably detained. Had I been present, I would have voted "no."

AMENDMENT NO. 1 OFFERED BY MS. ROYBAL-ALLARD

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on amendment No. 1 offered by the gentlewoman from California (Ms. ROYBAL-ALLARD) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 242, noes 163, not voting 28, as follows:

[Roll No. 269]

AYES—242

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Baldwin
Barton (TX)
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Burr
Buyer
Capito
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Chandler
Clay
Clyburn
Coble
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart, L.
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Duncan
Edwards
Emerson
Engel
English
Eshoo
Etheridge
Evans
Fattah
Ferguson
Filner
Foley
Forbes
Ford
Frank (MA)
Frost
Gephardt
Gonzalez
Goode
Gordon
Green (TX)
Green (WI)
Grijalva
Harman
Hayworth
Hefley
Herseth
Hill
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hyde
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McDermott
McGovern
McHugh
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Platts
Pomeroy
Price (NC)
Rahall
Rangel
Rodriguez
Rogers (AL)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Shays
Sherman
Shimkus
Simmons
Skelton
Slaughter
Smith (NJ)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Weiner
Weldon (PA)
Wexler
Wolf
Woolsey
Wu
Wynn

NOES—163

Akin
Bachus
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burton (IN)
Calvert
Camp
Cannon
Cantor
Carter
Castle
Chabot
Chocola
Cole
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Deal (GA)
DeLay
Diaz-Balart, M.
Doolittle
Dreier
Dunn
Ehlers
Feeney
Flake
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gilchrest
Gillmor
Gingrey
Goodlatte
Goss
Granger
Graves
Greenwood

Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hunter
Issa
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCrery
McInnis
McKeon
Miller (FL)
Miller (MI)
Miller, Gary
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Ose
Otter
Oxley
Pearce
Pence
Peterson (PA)
Pickering
Pitts
Pombo
Porter
Portman
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shuster
Simpson
Smith (MI)
Smith (TX)
Souder
Stearns
Sullivan
Tauzin
Terry
Thornberry
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Young (AK)
Young (FL)

NOT VOTING—28

Baird
Baker
Ballenger
Bereuter
Berman
Boehlert
Boehner
Collins
DeMint
Emanuel
Everett
Farr
Gerlach
Gibbons
Gutierrez
Hastings (FL)
Hoeffel
Isakson
John
Lipinski
Menendez
Pryce (OH)
Quinn
Reyes
Smith (WA)
Thomas
Waxman
Weldon (FL)

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (during the vote). Members are advised there are two minutes left in this vote.

☐ 1542

Messrs. McCOTTER, TAYLOR of North Carolina and DUNCAN changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. TANCREDO

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Colorado (Mr. TANCREDO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 148, noes 259, not voting 26, as follows:

[Roll No. 270]

AYES—148

Aderholt
Akin
Bachus
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Bilirakis
Bishop (UT)
Blackburn
Bonilla
Bonner
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burton (IN)
Buyer
Camp
Cantor
Carter
Chabot
Coble
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Deal (GA)
DeLay
Doolittle
Dreier
Duncan
Emerson
Feeney
Flake
Foley
Forbes
Franks (AZ)
Gallegly
Garrett (NJ)
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Granger
Graves
Greenwood
Gutknecht
Harris
Hayes
Hayworth
Hefley
Herger
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Issa
Istook
Jenkins
Johnson, Sam
Jones (NC)
Keller
Kelly
King (IA)
Kingston
Kline
Kolbe
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Musgrave
Myrick
Neugebauer
Ney
Norwood
Ose
Otter
Paul
Pence
Peterson (MN)
Peterson (PA)
Pickering
Pitts
Platts
Pombo
Putnam
Radanovich
Ramstad
Rehberg
Renzi
Rogers (AL)
Rogers (KY)
Rohrabacher
Royce
Ryun (KS)
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Simpson
Smith (MI)
Smith (TX)
Souder
Stearns
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Thornberry
Tiahrt
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Wamp
Weldon (FL)
Weldon (PA)
Whitfield
Wicker
Wilson (SC)
Young (AK)
Young (FL)

NOES—259

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baldwin
Barton (TX)
Becerra
Bell
Berkley
Berry
Biggert
Bishop (GA)
Bishop (NY)
Blumenauer
Blunt
Bono
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Burr
Calvert
Cannon
Capito
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Castle
Chandler
Chocola
Clay
Clyburn
Cole
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Dunn
Edwards
Ehlers
Engel
English
Eshoo
Etheridge
Evans
Fattah
Ferguson
Filner
Ford
Fossella
Frank (MA)
Frelinghuysen
Frost
Gephardt
Gonzalez
Gordon
Goss
Green (TX)
Green (WI)
Grijalva
Hall
Harman
Hart
Hastings (WA)
Hensarling
Herseth
Hill
Hinchey
Hinojosa
Hobson
Holden
Holt
Honda
Hooley (OR)
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kirk
Kleczka
Knollenberg
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murphy
Murtha
Nadler
Napolitano
Neal (MA)
Nethercutt
Northup
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Petri
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Rahall
Rangel
Regula
Reynolds
Rodriguez
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Sherwood
Simmons
Skelton
Slaughter
Smith (NJ)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Sullivan
Tanner
Tauscher
Terry
Thompson (CA)
Thompson (MS)
Tiberi
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walsh
Waters
Watson
Watt
Weiner
Weller
Wexler
Wilson (NM)
Wolf
Woolsey
Wu
Wynn

NOT VOTING—26

Baird
Baker
Ballenger
Bereuter
Berman
Boehlert
Boehner
Collins
DeMint
Emanuel
Everett
Farr
Gerlach
Gibbons
Gutierrez
Hastings (FL)
Hoeffel
Isakson
John
Lipinski
Menendez
Quinn
Reyes
Smith (WA)
Thomas
Waxman

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (during the vote). Members are advised 2 minutes remain in this vote.

☐ 1550

Mr. BONILLA, Ms. HARRIS, and Messrs. TURNER of Ohio, GILCHREST and OSE changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 9 OFFERED BY MRS. MALONEY

The CHAIRMAN pro tempore (Mr. SHIMKUS). The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from New York (Mrs. MALONEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 113, noes 292, not voting 28, as follows:

[Roll No. 271]

AYES—113

Ackerman
Alexander
Becerra
Bell
Berkley
Bishop (NY)
Blumenauer
Brady (PA)
Brown, Corrine
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Chabot
Clay
Conyers
Cooper
Crowley
Davis (CA)
Davis (IL)
Davis, Tom
Delahunt
Dooley (CA)
Doyle
Engel
Eshoo
Fattah
Ferguson
Filner
Ford
Fossella
Frank (MA)
Frelinghuysen
Gephardt
Gonzalez
Green (TX)
Crijalva
Harman
Hinchey
Hoekstra
Holt
Houghton
Hoyer
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kelly
Kennedy (MN)
King (NY)
Lantos
Larson (CT)
Lee
Lofgren
Lowey
Lynch
Maloney
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHugh
McNulty
Meehan
Meeks (NY)
Millender-McDonald
Miller, Gary
Miller, George
Moran (VA)
Nadler
Napolitano
Neal (MA)
Owens
Pallone
Pascrell
Payne
Pelosi
Porter
Rangel
Reynolds
Rodriguez
Rohrabacher
Rothman
Roybal-Allard
Ruppersberger
Rush
Sánchez, Linda T.
Sanchez, Loretta
Sandlin
Schiff
Scott (GA)
Serrano
Shays
Sherman
Shimkus
Slaughter
Solis
Stark
Sweeney
Tancredo
Tauscher
Thompson (CA)
Towns
Van Hollen
Velázquez
Watson
Weiner
Woolsey

NOES—292

Abercrombie
Aderholt
Akin
Allen
Andrews
Baca
Bachus
Baldwin
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (TX)
Brown (OH)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Cardoza
Carter
Case
Castle
Chandler
Chocola
Clyburn
Coble
Cole
Costello
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (FL)
Davis (TN)
Davis, Jo Ann
Deal (GA)
DeFazio
DeGette
DeLauro
DeLay
Deutsch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Etheridge
Evans
Feeney
Flake
Foley
Forbes
Franks (AZ)
Frost
Gallegly
Garrett (NJ)
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinojosa
Hobson
Holden
Honda
Hooley (OR)
Hostettler
Hulshof
Hunter
Hyde
Inslee
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Larsen (WA)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Majette
Manzullo
Marshall
Matheson
McCollum
McCotter
McCrery
McInnis
McIntyre
McKeon
Meek (FL)
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Mollohan
Moore
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Oxley
Pastor
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Regula
Rehberg
Renzi
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Royce
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sanders
Saxton
Schrock
Scott (VA)
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shuster
Simmons
Simpson
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spratt
Stearns
Stenholm
Strickland
Stupak
Sullivan
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waters
Watt
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—28

Baird
Baker
Ballenger
Bereuter
Berman
Boehlert
Boehner
Collins
DeMint
Emanuel
Everett
Farr
Gerlach
Gibbons
Gutierrez
Hastings (FL)
Hoeffel
Isakson
John
Lipinski
Menendez
Quinn
Reyes
Schakowsky
Smith (WA)
Thomas
Tierney
Waxman

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (during the vote). Two minutes remain in this vote.

☐ 1558

Mr. ROTHMAN changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SABO

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Minnesota (Mr. SABO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 199, noes 205, not voting 29, as follows:

[Roll No. 272]

AYES—199

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Chabot
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Ehlers
Engel
Eshoo
Etheridge
Evans
Fattah
Filner
Ford
Frank (MA)
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Green (WI)
Grijalva
Harman
Herseth
Hill
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kingston
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—205

Aderholt
Akin
Bachus
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Bonilla
Bonner

Bono
Boozman
Brady (TX)
Brown (SC)
Brown-Waite,
 Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chocola
Coble
Cole
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Emerson
English
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—29

Baird
Baker
Ballenger
Bereuter
Berman
Boehlert
Boehner
Collins
DeMint
Emanuel
Everett
Farr
Gerlach
Gibbons
Gutierrez
Hastings (FL)
Hobson
Hoeffel
Isakson
John
Lipinski
Menendez
Quinn
Reyes
Schakowsky
Smith (WA)
Thomas
Tierney
Waxman

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. SHIMKUS) (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1605

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 10 OFFERED BY MR. MARKEY

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on amendment No. 10 offered by the gentleman from Massachusetts (Mr. MARKEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 191, noes 211, not voting 31, as follows:

[Roll No. 273]

AYES—191

Abercrombie
Ackerman
Aderholt
Alexander
Andrews
Baca
Baldwin
Bass
Becerra
Berry
Bilirakis
Bishop (NY)
Blumenauer
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brown-Waite,
 Ginny
Capito
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Case
Castle
Chabot
Chandler
Conyers
Cooper
Cramer
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Eshoo
Etheridge
Evans
Fattah
Ferguson
Foley
Ford
Fossella
Frank (MA)
Frelinghuysen
Frost
Gephardt
Gordon
Green (WI)
Grijalva
Harman
Hayworth
Hefley
Herseth
Hill
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jefferson
Johnson (IL)
Johnson, E. B.
Jones (NC)
Kanjorski
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kirk
Kleczka
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lynch
Maloney
Markey
Marshall
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Millender-
 McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Nadler
Napolitano
Neal (MA)
Ney
Obey
Olver
Ortiz
Ose
Owens
Pallone
Pascrell
Payne
Pelosi
Pitts
Pomeroy
Porter
Price (NC)
Ramstad
Rangel
Rodriguez
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda
 T.
Sanchez, Loretta
Sanders
Saxton
Schiff
Scott (VA)
Serrano
Shays
Sherman
Shimkus
Simmons
Skelton
Slaughter
Smith (NJ)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Tiberi
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Vitter
Watson
Watt
Weiner
Wexler
Woolsey

NOES—211

Akin
Allen
Bachus
Barrett (SC)
Bartlett (MD)
Barton (TX)
Beauprez
Bell
Berkley
Biggert
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Bonilla
Bonner
Bono
Boozman
Boswell
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Carson (OK)
Carter
Chocola
Clay
Clyburn
Coble
Cole
Costello
Cox
Crane
Crenshaw
Crowley
Cubin
Culberson
Cunningham
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Feeney
Filner
Flake
Forbes
Franks (AZ)
Gallegly
Garrett (NJ)
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Goss
Granger
Graves
Green (TX)
Gutknecht
Hall
Hart
Hastings (WA)
Hayes
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Issa
Istook
Jackson-Lee
 (TX)
Jenkins
Johnson (CT)
Johnson, Sam
Jones (OH)
Keller
Kennedy (MN)
King (IA)
Kingston
Kline
Knollenberg
Kolbe
LaHood
Lampson
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Majette
Manzullo
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Meeks (NY)
Mica
Michaud
Miller (FL)
Miller (MI)
Miller, Gary
Murphy
Murtha
Musgrave
Myrick
Nethercutt
Neugebauer
Northup
Norwood
Nunes
Nussle
Oberstar
Osborne
Otter
Oxley
Pastor
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Platts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Rahall
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ruppersberger
Ryan (OH)
Sandlin
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shuster
Simpson
Smith (MI)
Smith (TX)
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thompson (MS)
Thornberry
Tiahrt
Visclosky
Walden (OR)
Walsh
Wamp
Waters
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—31

Baird
Baker
Ballenger
Bereuter
Berman
Boehlert
Boehner
Collins
DeMint
Emanuel
Everett
Farr
Gerlach
Gibbons
Greenwood
Gutierrez
Harris
Hastings (FL)
Hoeffel
Isakson
John
Kaptur
Lipinski
Menendez
Quinn
Reyes
Schakowsky
Smith (WA)
Thomas
Tierney
Waxman

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1612

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MS. VELÁZQUEZ

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 201, noes 205, not voting 27, as follows:

[Roll No. 274]

AYES—201

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Fattah
Filner
Ford
Frank (MA)
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Grijalva
Harman
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kleczka
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McDermott
McGovern
McHugh
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Rodriguez
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—205

Aderholt
Akin
Bachus
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Blackburn
Blunt
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hostettler
Houghton
Hulshof
Hunter
Hyde
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
McCrery
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Tauzin
Taylor (NC)
Terry
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—27

Baird
Baker
Ballenger
Bereuter
Berman
Boehlert
Boehner
Collins
DeMint
Emanuel
Everett
Farr
Gerlach
Gibbons
Gutierrez
Hastings (FL)
Isakson
John
Lipinski
Menendez
Quinn
Reyes
Schakowsky
Smith (WA)
Thomas
Tierney
Waxman

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. SHIMKUS) (during the vote). Members are advised 2 minutes remain in this vote.

☐ 1619

Mr. TANNER and Mr. KLECZKA changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. DREIER. Mr. Chairman, I rise today in strong support of H.R. 4567, the Homeland Security Appropriations bill for fiscal year 2005. Specifically, Congress continues to provide significant homeland security dollars for State and local governments, which is essential in our ongoing global war on terror. Since September 11, 2001, Congress has provided $26.7 billion to first responders, thus far including training and equipment. While this is undeniably the greatest support our Nation's police, firefighters and other responders have seen, we continue to face challenges in distributing this funding in a fair and appropriate manner.

Chairman HAL ROGERS has accomplished a great deal by taking the helm of this new appropriations subcommittee and all its responsibilities, with the most recent success of streamlining the process of applying and receiving Federal funds for local governments with a "one-stop shop," eliminating choke points and bureaucracy.

But we still have a fundamental challenge to tackle—and that is the disparity between States in receiving the first responder block grant. The bulk of first responder funds is distributed on a per capita basis, leaving the largest, most vulnerable States with the least amount of Federal resources. While we have achieved some balance with the concentration of the high-threat urban area grants, I believe we can and will continue to work toward even greater equity within the formula.

I look forward to working with Chairman ROGERS and all of my colleagues from urban and rural areas to ensure that as Congress continues to provide significant resources to our responder communities, that we do it in an effective and efficient manner.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in respectful opposition to the amendment offered by the distinguished gentleman from Massachusetts, my colleague on the House Select Committee on Homeland Security regarding the most serious issue of cargo security.

I agree with my colleague that we need to address the gaps that exist in the airline cargo screening process. However, at this juncture, because the complete screening of all cargo is an unfeasible undertaking, it is preferable that we continue the screening process as it is and instead set a deadline for airline carriers to devise an efficient and cost-effective plan and to procure adequate equipment to enhance the current process.

It is speculative at best that, under the text of our colleague's amendment, our Transportation Security Administration will actually be able to perform this tremendous undertaking. To impose a requirement to screen every item of air cargo carried on passenger airlines would dramatically increase costs for air cargo and eliminate cargo services to some communities and impose additional time and burden upon our economy and the already flailing industry.

Long term, this amendment would put some 655 jobs at risk at Bush Intercontinental Airport (IAH). These people will have nothing to do if 100 percent cargo screening is required and will be terminated. Service to small cities may be curtailed or even eliminated which would result in other job loss. It would be far more difficult to get goods out of Houston as there is not enough belly space in FedEx and UPS or on rail or by truck to cover it all. FedEx and UPS have been lobbying with us on this issue as they know they do not have enough space. The DHS Appropriations Subcommittee will require 20 percent random inspection of cargo (in the bill). H.R. 4567 provides for 100 new cargo inspectors and increased Research and Development funding.

At IAH Airport in Houston, there has already been implemented a costly demonstration project that involves pulse neutron analysis, so an additional burden would not be welcome at this time.

On May 6th of this year, I joined the distinguished gentleman from Massachusetts, along with the Ranking Member of our committee from Texas, Mr. TURNER, and Mr. ISRAEL from New York, Member of the House Armed Services Committee, in introducing legislation on behalf of House Democrats to improve aviation security throughout the United States—the Safe PLANES Act.

The bill covers areas such as strengthening the screener workforce at the Transportation Security Administration (TSA), installing explosive detection equipment and other technologies across the Nation where needed, and the implementation of a plan to fully inspect all cargo on passenger aircraft, among others. It addresses the serious gaps that we recognize in our current aviation security plan that is currently being administered by TSA. The nature of the vulnerabilities require immediate changes and the implementation of improved plans to fully screen all cargo, even-handedly install equipment and technology in all airports, and increase the number of trained personnel where needed.

I contributed to the crafting of this legislation by drafting paragraph (a)(5) of section 6 entitled "Aviation Security Technologies" and paragraph (b) of section 7 entitled "Inspection of Cargo Carried Aboard Passenger Aircraft." Paragraph (a)(5) of the first section calls for, in connection with a report requirement made to accompany the Department of Homeland Security's (DHS's) fiscal year 2006 budget request, the gathering of information that reveals the Federal and airport security personnel's capability of operating screening equipment and technology—speaking to the question of equipment interoperability and staff competency to operate equipment. Paragraph (b) of the second section requires the Secretary of DHS to transmit to Congress a summary of the system implemented to screen and inspect air cargo in the same manner and degree as that employed to screen and inspect passenger baggage pursuant to section 404 of this provision. The language that I proposed seeks to uncover weaknesses in our airport security personnel as well as to give Congress a blue print with which it can better exercise its oversight duties with respect to the screening and inspection of air cargo.

The Safe PLANES Act, if passed, will give us an added layer of security for air cargo. We should work for its passage and take legislative initiatives one step at a time in order to ensure that we work effectively and without hurting the backbone of our economy—the workers.

For the above reasons, Mr. Chairman, I respectfully oppose this amendment and ask that my colleagues work to improve and pass the Safe PLANES Act.

Mr. REYES. Mr. Chairman, I want to discuss the bill before us today, H.R. 4567, the Department of Homeland Security Appropriations Act for 2005. I particularly want to discuss how certain provisions in this legislation would affect my district of El Paso, Texas, and the entire southwest border region.

While the bill provides an overall funding increase of about 9 percent over last year for all homeland security activities, there are certain areas in the bill where we must do better. For example, H.R. 4567 provides only a little more funding for customs and border protection activities than is necessary to keep pace with inflation, and actually provides less funding than last year for citizenship and immigration services.

A Democratic proposal to add $3 billion to the bill for urgently needed improvements to our homeland security was blocked in the Appropriations Committee. This contingency fund would have given us additional resources to strengthen our border security, provide our first responders additional resources, and better protect against the threat of bioterrorist attacks.

I am very pleased, however, that the amendment offered by my colleague from Texas, Mr. TURNER, was accepted. The amendment would require an independent study to assess staffing needs at the border, giving us reliable data to help determine the required level and allocation of personnel at the border. It is a great step forward in ensuring that our border security needs are adequately addressed and funded.

Mr. Chairman, as we move forward with this legislation, it is my hope that we will increase funding for critical homeland security programs, to ensure that even in a time of fiscal constraints we are doing absolutely everything possible to keep our borders, and all of America, safe and secure.

Mr. LANGEVIN. Mr. Chairman, I rise in support of the Manzullo amendment to apply the Berry amendment to homeland security procurement. This is a common-sense and proven step to create American jobs and reward American companies.

For 30 years, the Berry amendment has protected critical defense-related industries in this country. It has helped to preserve manufacturing, textile and other American jobs, allowed domestic companies to flourish, and provided our Armed Forces with high-quality products that keep our military prepared and equipped to be the best in the world.

Having served America so well for defense procurement, it makes perfect sense that the Berry amendment should now be extended to homeland security. U.S. companies have been instrumental in ongoing efforts to protect airports, equip first responders, deploy cutting-edge technology to hospitals, and so much more. Rewarding their patriotism and hard work with procurement protections is the right thing to do.

I also want to note that the Manzullo amendment would allow waivers of the Berry amendment when needed items cannot be procured domestically and would not place any of our current or future homeland security operations at risk. What it would do is say to American companies and American workers that we appreciate their efforts and welcome their partnership as we work to protect our citizens.

The Berry amendment is a tested means of supporting domestic businesses while they support us. I hope my colleagues will support Congressman MANZULLO's amendment and extend this important provision to homeland security procurement as well.

Ms. HARMAN. Mr. Chairman, although I have reservations about some of the priorities reflected in this Homeland Security funding bill, it is important legislation and I intend to support it. But, Mr. Chairman, I understand that the appropriations process is about priorities. That being the case, I'd like to talk about some of the priorities that, in my view, have been overlooked in this legislation.

Like every parent, the first thought that raced through my mind on 9/11 was of my children. Where were they? Were they safe? How could I reach them, or they me? Given the likelihood that an emergency could occur while our kids are at school and parents are at work, teaching age-appropriate skills about how to respond is critical. Growing up during the Cold War, I remember the drills, and sharing what I learned with my parents and younger brother.

Such training is needed today. And there is a program in California, Mr. Chairman, known as FLASH, which is specifically designed as a public school curriculum to teach students, parents and teachers how to prepare and respond in the event of a terrorist attack or natural disaster.

I am very disappointed that the bill does not include modest funding for implementation of a Federal version of FLASH. Surely, a program of such obvious importance should be able to find a home in the Federal Government. I hope that before the end of this Congress, my colleagues will adjust their priorities and fund a Federal pilot-program that mirrors California's FLASH program, along the lines of H.R.——.

Another priority of America's hometowns is providing our local police, fire and emergency personnel with the tools they need to protect us. One of the most important of those tools is interoperable communications—ensuring the ability of our first responders to communicate with one another. Interoperability is more than a public safety issue. It's a national security issue, and to our first responders it can be an issue of life or death. Thousands of lives are potentially at stake. We have all heard the tragic stories of firefighters who died in the World Trade Center on 9/11 because NYPD helicopters circling overhead could not radio them that the towers were glowing and beginning to collapse.

This bill falls short of meeting America's interoperability needs, providing just $21 million for programs that help facilitate communications for first responders. I urge my colleagues to at least double funding for first responders in conference, and I hope we will soon be bold enough to overcome opposition to make needed emergency spectrum available by 2006, the date it was promised.

Finally, Mr. Chairman, it is imperative to complete the national threat and vulnerability assessment, required by law and central to creating one integrated strategy for homeland defense. With a real understanding of our security needs and vulnerabilities, based upon a comprehensive assessment, funds would naturally flow to those regions and priorities that provide maximum security to the American people. This bill is necessary, but it could be better. In light of the serious threats we face, we must do better.

Ms. McCARTHY of Missouri. Mr. Chairman, I commend the members and staff of the Appropriations Committee for their work on the FY 05 Department of Homeland Security Appropriations Act. Securing the resources we need for this country's long term war on terrorism is a formidable task; one we must accomplish in a bipartisan manner. I support the appropriations bill before us today, but I remain concerned with the inadequate levels of funding for first responders, interoperability and port security. The American people depend on homeland security, and we must find the means to provide the resources needed to protect our communities.

As the Ranking Member of the Intelligence and Counterterrorism Subcommittee of the Select Committee on Homeland Security, I support the funding needed by the Department of Homeland Security (DHS) to provide accurate and timely intelligence assessments. Unfortunately, this bill reduces funding for first responder programs at DHS from the current $4.4 billion funding level to $4.1 billion, a cut of $327 million below the 2004 enacted level.

First responders must have the resources they need to do their jobs. My firefighters, police and emergency workers tell me that they have difficulty communicating with each other because of incompatible equipment. This problem affects first responders throughout the country and it is unacceptable. Adequate funds must be available to adequately equip our Nation's first responders.

Missouri has the seventh largest highway system in the Nation and the second and third largest railroad terminals in the Nation. Port and transportation security is crucial to our Nation's economy. Six million cargo containers enter U.S. ports every year, but only about 5 percent of these containers are ever screened. This appropriations bill fails to adequately fund port security and freezes funding for port security grants at the 2004 level of $124 million.

Mr. OBEY, Ranking Member on the Appropriations Committee, attempted to counter these shortfalls with an amendment to H.R. 4567. Mr. OBEY's amendment would have created a $3 billion contingent emergency fund for homeland security. Even though this emergency funding would be contingent upon the President requesting it, the amendment was rejected by Republicans on the House Rules Committee. The rejection of Mr. OBEY's amendment prevents a more secure America, and seriously weakens the legislation.

Mr. TURNER, my distinguished colleague and Ranking Member on the Select Committee on Homeland Security, has pointed out that our annual spending on homeland security amounts to less than one half of one percent of our Nations Gross National Produce (GNP). He also points out that since 9/11, we increased spending on the agencies which make up the Department of Homeland Security by approximately $15 billion. At the same time, our defense budget has increased by approximately $100 billion. I strongly agree with Mr. TURNER that as we devote resources to winning the war on terror abroad, we must also invest in our homeland security needs here at home.

I urge my colleagues who will reconcile the House Appropriations Act in joint conference with the Senate to agree to adequate funds for our emergency responders nationwide.

Mr. TOWNS. Mr. Chairman, if I might ask the subcommittee leadership a question related to the public health provisions in the bill.

We are all aware of the blood shortages that call our attention to the fact that the United States does not have sufficient blood supplies to meet the country's normal daily blood needs. What is more alarming, however, is that in this new age of terrorism the United States does not have sufficient blood reserves to meet the critical demand that would occur in the event of an emergency or terrorist attack. As the Homeland Security Appropriations legislation moves forward to a House-Senate conference, it is important that we recognize the need to address this pressing national security issue as well. I would ask that the Committee leadership include language in the final measure that would create a National Blood Reserve, based on the recent recommendations of the Interorganizational Task Force on Domestic Disasters and Acts of Terrorism. The recommendations would strengthen our Nation's blood supply and ensure the health and welfare of our citizens.

The CHAIRMAN pro tempore. There being no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. GOODLATTE) having assumed the chair, Mr. SHIMKUS, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4567) making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes, pursuant to House Resolution 675, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Under clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 400, nays 5, not voting 29, as follows:

[Roll No. 275]

YEAS—400

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baldwin
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Berkley
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Cardoza
Carson (IN)
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Clyburn
Coble
Cole
Conyers
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Fattah
Feeney
Ferguson
Filner
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutknecht
Hall
Harman
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha

Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—5

Berry
Capuano
Flake
Paul
Sánchez, Linda T.

NOT VOTING—29

Baird
Baker
Ballenger
Bereuter
Berman
Boehlert
Boehner
Collins
DeMint
Emanuel
Everett
Farr
Gephardt
Gerlach
Gibbons
Gutierrez
Hastings (FL)
Isakson
John
Lipinski
Maloney
Menendez
Quinn
Reyes
Schakowsky
Smith (WA)
Thomas
Tierney
Waxman

□ 1638

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, I want to state that I incorrectly voted "no" on H.R. 4567, the Homeland Security Appropriations Bill. I intended to vote "yes."

PERSONAL EXPLANATION

Mr. BERMAN. Mr. Speaker, I was unavoidably detained and unable to cast a number of rollcall votes. Had I been present, I would have voted "yes" on the Roybal-Allard amendment (rollcall No. 269), "no" on the Tancredo amendment (rollcall No. 270), "yes" on the Maloney/Rangel amendment (rollcall No. 271), "yes" on the Sabo amendment (rollcall No. 272) and "yes" on final passage of the Homeland Security Appropriations bill (rollcall No. 275).

PERSONAL EXPLANATION

Mr. GUTIERREZ. Mr. Speaker, I was unavoidably absent for votes in this Chamber on June 18, 2004. I would like the RECORD to show that, had I been present, I would have voted "yea" on rollcall votes 267, 268, 269, 271, 272, 273, 274, and 275 and "no" on rollcall vote 270.

PERSONAL EXPLANATION

Mr. COLLINS. Mr. Speaker, on Friday, June 18, 2004, I was not present for the following rollcall votes during debate on the Homeland Security Appropriations Act (H.R. 4567).

Had I been present, I would have voted "yea" for rollcall votes, 270—the Tancredo amendment and 275—Final Passage of H.R. 4567.

I would have voted "nay" on rollcall votes 267—the Jackson-Lee Amendment, 268—the DeLauro Amendment, 269—the Roybal-Allard Amendment, 271—the Maloney Amendment, 272—the Sabo Amendment, 273—the Markey Amendment and 274—the Velázquez Amendment.

REPORT ON H.R. 4613, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2005

Mr. LEWIS of California, from the Committee on Appropriations, submitted a privileged report (Rept. No. 108–553) on the bill (H.R. 4613) making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore (Mr. GOODLATTE). Pursuant to clause 1, rule XXI, all points of order are reserved on the bill.

REPORT ON H.R. 4614, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2005

Mr. YOUNG of Florida, from the Committee on Appropriations, submitted a privileged report (Rept. No. 108–554) on the bill (H.R. 4614) making appropriations for energy and water development for the fiscal year ending September 30, 2005, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

The SPEAKER pro tempore. Pursuant to clause 1, rule XXI, all points of order are reserved on the bill.

LEGISLATIVE PROGRAM

(Mr. HOYER asked and was given permission to address the House for 1 minute.)

Mr. HOYER. Mr. Speaker, I take this time for the purposes of requesting of the majority leader information regarding the schedule for the week to come, and I yield to my friend, the gentleman from Texas (Mr. DELAY), the distinguished majority leader, for the purposes of giving us the schedule.

Mr. DELAY. Mr. Speaker, I thank the gentleman from Maryland (Mr. HOYER), the distinguished whip, for yielding to me.

Mr. Speaker, the House will convene on Monday at 12:30 p.m. for morning hour and 2 p.m. for legislative business. We will consider several measures under suspension of the rules. A final list of those bills will be sent to Members' offices by the end of this week. Any votes called on these measures will be rolled until 6:30 p.m.

On Tuesday and the balance of the week, we expect to consider additional legislation under suspension of the rules. We also plan to consider several bills under a rule: The Fiscal Year 2005 Department of Defense appropriations bill; H.R. 4548, the Fiscal Year 2005 Intelligence Authorization Act; H.R. 3973, the Spending Control Act of 2004; and the Fiscal Year 2005 Energy and Water Development appropriations bill.

Finally, Mr. Speaker, I would like to note that we are expecting a very busy week leading into the July 4 district work period. We are likely to work some late nights and possibly late Friday afternoon. I repeat, for the Members listening, possibly late Friday afternoon as we work to resolve these important pieces of legislation.

I thank the gentleman for yielding me this time, and I would be glad to answer any questions.

Mr. HOYER. Mr. Speaker, I thank the majority leader.

Mr. Speaker, the majority leader mentioned two appropriations bills scheduled for next week: Defense and Energy and Water. Can the gentleman tell us on what days he anticipates those bills to be on the floor, and does he anticipate that they will come to the floor under the customary open rules?

I yield to my friend.

Mr. DELAY. Mr. Speaker, I appreciate the gentleman yielding. We have not made a final decision as to when we might suggest that we place them on the schedule. Just as a possibility, we would put Department of Defense on the floor on Tuesday; Energy and Water might be later on, because we are working, trying to work with the Committee on Appropriations to make sure we are not on the floor when the committee is in markup.

Mr. HOYER. Mr. Speaker, I thank the gentleman for that information. The second question was, under traditional open rules, can we expect to consider them under such rules?

Mr. DELAY. Definitely. I would see no reason why we would not traditionally have open rules on these appropriations bills.

Mr. HOYER. Mr. Speaker, I thank the gentleman for that response and I thank the gentleman for that procedure.

With respect to the Intelligence Authorization bill, the gentleman has listed that bill for next week. Under what procedures will this be considered and, specifically, can the gentleman comment on whether the Democratic amendments will be allowed, including amendments in the nature of a substitute?

Mr. DELAY. Mr. Speaker, if the gentleman will yield, I do not want to speak for the committee, but I believe that on the Intelligence Reauthorization Act, I believe the committee will solicit all types of amendments and will have a very lengthy debate. I would anticipate there will be many amendments allowed on that bill.

On the Budget Enforcement Act, did the gentleman ask about that?

Mr. HOYER. The gentleman is anticipating me, and I will ask that. Can I ask one other question on the Intelligence bill first? Does the gentleman know, if we consider Defense on Tuesday, when does the gentleman think we would consider the Intelligence authorization?

Mr. DELAY. Mr. Speaker, if the gentleman will yield, I would anticipate that the Department of Defense appropriations bill would not take very long; it does not usually, and if that is the case, the Intelligence bill would follow right after that. It could be Tuesday if things go well. If they do not, then I would imagine the Intelligence bill would be on Wednesday.

Mr. HOYER. I thank the gentleman.

Now, on the PAYGO bill, or the budget enforcement legislation, we marked up a bill some time ago, the budget itself. On this enforcement act, will Democrats, Mr. Leader, be allowed to substitute on this very important legislation?

I yield to my friend.

Mr. DELAY. Mr. Speaker, I appreciate the gentleman yielding, and as the gentleman can see, the chairman of the Committee on Rules is standing here. I do not want to spoil the surprise of the chairman, his announcement, but I believe that they do plan to solicit all types of amendments and substitutes. I do not want to prejudge their actions, but I do expect them to make in order a number of amendments.

Mr. HOYER. Mr. Speaker, reclaiming my time, would it be appropriate for me to perhaps address the question to the Committee on Rules chairman? I will not do so if the gentleman from Texas (Mr. DELAY) thinks at this point in time that is premature, but I will do so if the gentleman thinks it is appropriate.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I would just say that the majority leader is absolutely right.

Mr. HOYER. About what?

Mr. DREIER. About absolutely everything.

Mr. DELAY. Mr. Speaker, will the gentleman yield?

Mr. HOYER. Mr. Speaker, I really would like to have an answer to the question, if one is available. I yield to the leader.

Mr. DELAY. Well, I will take the gentleman seriously. I was going to make a joke.

Mr. HOYER. Mr. Speaker, the gentleman from Texas can make a joke, and then we will get serious.

Mr. DELAY. Mr. Speaker, if the gentleman will continue to yield, I was waiting for the chairman of the Committee on Rules to say that, or I thought I heard him say that the leader is always right.

Mr. HOYER. That is what he said. That is why I took it jocularly and moved on.

Mr. DELAY. Mr. Speaker, if the gentleman will yield again, I do not want to prejudge the chairman of the Committee on Rules or the Committee on Rules on what they would do, but I think, I think this budget enforcement process bill is a very important piece of legislation. It defines who we are and where we want to take this country, and I am saying, "we" the House and both parties, and I think a free and open debate should be warranted.

Mr. HOYER. Mr. Speaker, reclaiming my time, I very much appreciate the leader's view on that. I think we share that view. There are obviously differences on how to accomplish the objective but, clearly, the objective; that is, of ensuring a responsible management of the fiscal affairs of this country, is obviously of concern to all in this body.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I thank my friend for yielding. Let me say, as the majority leader pointed out, I am here to actually solicit from our colleagues those proposals about which my friend has just referred so that we do have an opportunity in the Committee on Rules to consider a wide range of alternatives, and then we will deliberate and we will make a recommendation to the House as to how we should structure the rule for consideration.

But my friend is absolutely right. We do want to have a chance to address what obviously is a very serious and important issue for us institutionally.

Mr. HOYER. Mr. Speaker, I thank the chairman of the Committee on Rules for his observation. As the gentleman knows, we were disappointed we did not get a substitute to the tax bill that was considered yesterday. With a substitute, we can offer alternatives in a way that we cannot necessarily via amendments.

□ 1645

We would appreciate and think it in the best interest of deliberations, whether one agrees or disagrees with the substance, that that process be followed; and we thank the gentleman for his consideration of that.

Mr. Leader, you have not listed, but I believe we do need to act, the transportation bill. You did not list it in your report, but would I be correct in anticipating that we would extend by some additional period of time the authorization or the existing transportation program? I yield to my friend.

Mr. DELAY. We have a number of extensions that have to be done next week, many we are working on with the other side; and on those, the welfare extension along with the highway extension, the child nutrition act extension, and maybe a couple of others that are really important to do next week. And we hope that in working with the minority that we can come to some sort of agreement on these extensions and put them on the suspension calendar on suspension days.

Mr. HOYER. That would be my question. Your anticipation would be that they would be agreed upon, that they would be on the suspension calendar?

Mr. DELAY. That is correct.

Mr. HOYER. I thank the leader for his information.

ADJOURNMENT TO MONDAY, JUNE 21, 2004

Mr. DELAY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday, June 21, for morning hour debate.

The SPEAKER pro tempore (Mr. GOODLATTE). Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. DELAY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANNOUNCEMENT OF AMENDMENT PROCESS FOR CONSIDERATION OF H.R. 3973, SPENDING CONTROL ACT OF 2004

Mr. DREIER. Mr. Speaker, the Committee on Rules may meet the week of June 21 to grant a rule which could limit the amendment process for floor consideration of H.R. 3973, the Spending Control Act of 2004. The Committee on the Budget ordered the bill reported on March 17 and filed its report with the House on March 19.

Any Member wishing to offer an amendment should submit 55 copies of the amendment and one copy of a brief explanation of the amendment to the Committee on Rules in room H-312 of the Capitol by 6 p.m. Tuesday, June 22. Members should draft their amendments to the text of the bill as reported by the Committee on the Budget.

Members should use the Office of Legislative Counsel to ensure that their amendments are drafted in the most appropriate format. Members are also advised to check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House.

ANNOUNCEMENT OF AMENDMENT PROCESS FOR CONSIDERATION OF H.R. 4548, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2005

Mr. DREIER. Mr. Speaker, the Committee on Rules may meet the week of June 21 to grant a rule which could limit the amendment process for floor consideration of H.R. 4548, the Intelligence Authorization Act for Fiscal Year 2005. The Permanent Select Committee on Intelligence ordered the bill reported on June 16, 2004, and is expected to file the report in the House on Monday, June 21.

Any Member wishing to offer an amendment should submit 55 copies of the amendment and one copy of a brief explanation of the amendment to the Committee on Rules in room H-312 of the Capitol by 10 a.m. Tuesday, June 22.

Members should draft their amendments to the text of the bill as reported by the Permanent Select Committee on Intelligence, which is available for their review on the Web site of both the Permanent Select Committee on Intelligence and the Committee on Rules.

Members should use the Office of Legislative Counsel to make sure their amendments are drafted in the most appropriate format. Members are also advised to check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House.

APPOINTMENT OF MEMBERS TO CANADA-UNITED STATES INTERPARLIAMENTARY GROUP

The SPEAKER pro tempore. Pursuant to 22 U.S.C. 276d, clause 10 of rule I, and the order of the House of December 8, 2003, the Chair announces the Speaker's appointment of the following Members of the House to the United States Delegation of the Canada-United States Interparliamentary Group:

Mr. HOUGHTON, New York, chairman;
Mr. DREIER, California;
Mr. SHAW, Florida;
Mr. STEARNS, Florida;
Mr. MANZULLO, Illinois;
Mr. SMITH, Michigan;
Mr. ENGLISH, Pennsylvania;
Mr. SOUDER, Indiana;
Mr. TANCREDO, Colorado.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. GARRETT of New Jersey). Under the Speaker's announced policy of January 7, 2003, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

SMART SECURITY AND FIRST RESPONDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, today I want to talk about a group of Americans that we do not always take the time to recognize, our Nation's first responders.

This group of brave men and women are our first line of defense against terrorist attacks and disasters. They are our dedicated firefighters, police, emergency technicians, and health care workers who are the first on the scene when disaster strikes.

First responders work around the clock to protect their communities. Unlike most working folks, they are always on call in case of emergency. In fact, many of these dedicated individuals died in the World Trade Center on September 11 because response was so effective they arrived at the scene and were scattered throughout the buildings when the buildings collapsed.

As we know, disaster requires the highest level of cooperation between different agencies, meaning the difference between lives lost and lives saved. Because conditions during major disasters are unpredictable, Mr. Speaker, first responders require the most advanced equipment to ensure that they are well protected: equipment including self-contained breathing units, protective clothing for hazardous situation, interoperable radio units so different groups and communities can communicate during a crisis, thermal imaging units so we can determine if people are stuck in buildings or trapped under falling debris, and trained, available health care workers and technicians adequately supplied with vaccines, medicines and provisions.

One would think that in a post-September 11 world, Congress would fully fund these response efforts; but that is simply not happening. In fact, the homeland security appropriations bill that came before this House today actually reduces funds for first responders.

Despite the majority party's rhetoric, their rhetoric of supporting first responders, most Republicans fully supported President Bush's 2005 budget proposal which would cut $800 million in grants to first responders. Talk about misplaced priorities. We are spending $5 billion every month for the war in Iraq, but cannot find the funds to provide $3 billion this year for our first responders in the homeland security bill; $3 billion is the amount needed to fully fund the programs that are necessary to keep them safe.

These are people who safeguard our most precious landmarks like the Capitol Building and the Golden Gate Bridge. Clearly our budget priorities are way out of whack when we cannot provide for those who selflessly protect their communities every single day. This, I believe, is travesty.

Every year we lose an average of 100 first responders to terrorist incidents and disasters. With better equipment, more detailed interagency coordination, and more frequent practice exercises to prepare first responders for the real thing, many of these deaths could be prevented. But this requires adequate funding.

Mr. Speaker, there has to be a better way, a more intelligent way, a way to prevent the needless deaths of the men and women who are our first line of defense. And there is. I have introduced H. Con. Res. 392, legislation to create a SMART security platform for the 21st century. SMART stand for Sensible Multi-lateral American Response to Terrorism.

Instead of spending billions on new bunker buster nuclear weapons and the President's beloved missile defense system, which would not provide an effective defense against a full frontal missile attack, SMART security calls for stronger and smarter investment abroad in peacekeeping and conflict prevention programs, and at home a homeland security program that provides first responders with the equipment and tools they need to provide security to their community.

SMART security means supplying adequate funds for first responders. We should be providing them with the exact equipment they need, the exact equipment and tools they are requesting. The Bush doctrine of misplaced priorities has been tried, and it has failed miserably. It is time for a new national security strategy.

SMART security defends America by relying on the very best of America, including the brave men and women who offer their time, their bravery, sometimes their very lives, to provide the first line of defense in times of catastrophe. Being smart about our Nation's security means recognizing that real security starts at home with our first responders.

EXCHANGE OF SPECIAL ORDER TIME

Mr. McDERMOTT. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from California (Mr. GEORGE MILLER).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

THE BIG LIE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. McDERMOTT) is recognized for 5 minutes.

Mr. McDERMOTT. Mr. Speaker, this administration is out of control. They have made obeying the law a thing of the past.

They have implemented "the big lie" theory of communications. This theory takes propaganda to a whole new level.

Under the big lie, you fabricate a story and call it the truth. You disseminate the story as widely as possible. You wrap the propaganda in the mantle of national symbols, and you prey upon the fears and emotions of your citizens. You repeat the propaganda every day in every way. You say it over and over and over again, knowing if you say it long enough people will believe it.

Anyone who dares to question the propaganda becomes the enemy. Any evidence to the contrary is hidden, called tainted or dismissed as the work of your enemies.

This is a portrait of America today painted by this administration. In the face of overwhelming evidence presented by members of its own party, the administration keeps reporting the same old false story. They say anything, and they have.

War Secretary Don Rumsfeld first told the American people, we do not have to abide by the Geneva Conventions. Then after Abu Ghraib he said, America supports the Geneva Conventions.

Now the truth emerges. Rumsfeld personally ordered an Iraqi suspect held in solitary confinement at a secret location for 7 months. The inmate was hidden from the International Red Cross and any other human rights organization. Rumsfeld made someone disappear. Rumsfeld personally committed a violation of the Geneva Conventions that is so egregious, it could qualify as a war crime.

Rumsfeld has not had time yet to blame some soldiers and throw them overboard like he continues to do with the soldiers in Abu Ghraib. And the blame game is in full swing over at the White House.

Now even members of the President's own Republican Party are joining me on the enemies list. The bipartisan 9/11 Commission issued a key finding: there is no credible evidence linking Iraq and al Qaeda to attacks on America. It is not there. Saddam was a thug, but not a bin Laden pal. The 9/11 Commission finding proves without any doubt that the President misled the American people about the war in Iraq. Instead of accepting the finding, the President went into full frontal denial today.

Presented with conclusive and compelling evidence, the President simply announced that he knows there was a link, so there is a link. A bipartisan commission of distinguished U.S. leaders whose only mission is to find out the truth on behalf of America is about to be neutered by the administration.

Facts? Forget them. The President knows the truth. He must have seen it in a vision. Evidence? Who needs evidence when you have a President who is all knowing? Undeniable conclusion? Deny it.

Then what do you do when you are this President and this administration? Next, and you can count on this, Republican storm troopers come into the House, will step to the microphone and denounce the commission. The Republican leaders in the House will denounce the members of the 9/11 Commission as partisan, even the Republicans on the commission.

In the big lie theory of communication you never let the facts get in the way of the propaganda.

□ 1700

So less than 4 hours after the 9/11 Commission tells America that there was no link between Iraq and the attacks, the President says otherwise. The charade goes on.

Over a year ago the President misled the American people and the world about Iraq, and he continues to do the same thing today. The President retreated from the war on terror and the hunt for Osama bin Laden to settle an old score against a family enemy in Iraq, but America has lost 800 U.S. soldiers in Iraq. America has seen thousands of U.S. soldiers wounded in Iraq. We have spent $200 billion.

The death, destruction and mayhem never had to happen. There are ways of dealing with Saddam, but the administration wanted blood from an old family nemesis.

The President has made the world more dangerous. The administration has made America look and act like a lawless thug. The War Secretary has made the world shudder with the awful truth seen in prisoner abuse pictures that no amount of rhetoric can deny. The big lie can make people afraid. The big lie cannot stop the truth.

America has seen and now America has heard. The President misled the American people about Iraq. The American people will respond in November. The 2nd of November is coming.

SPINNING 9/11

The SPEAKER pro tempore (Mr. GARRETT of New Jersey). Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, like most of America, we grieve today the loss of Paul Johnson, apparently beheaded by an al Qaeda-linked Saudi militant group. He was found today in the Saudi Arabian capital. He was an American contractor living in Saudi Arabia since 1980, a Floridian who was beheaded by these terrorists: immoral, barbaric, and demonic.

I know most Muslims, Christians and Jews would join me in the feeling that these acts are offensive in the eyes of God. This murder had no purpose except to show that these cowards had one purpose, and that is to take an innocent life. They hid behind hoods and executed a citizen of this country who loved the people of Saudi Arabia, who enjoyed working in that country to help the people of Saudi Arabia, who was an innocent, decent, kind husband and father.

This was not an execution but a barbaric and demonic act of torture. If these sadists believe this type of action will unnerve America and weaken our resolve in our war against terror, they are both stupid, as they are wrong.

I take great exception to the speech by the gentleman from Washington moments ago who tries to conclude from the 9/11 report that there is no connection between al Qaeda and Iraq. It all is of the same vein and nature. The death of Paul Johnson, the death of Nicholas Berg, the retaliation against Saudi officials, the attempt to bomb the Jordanian intelligence service, the murder of hundreds of Spanish citizens peacefully on their way in Spain are all interconnected and intertwined.

He says there is no connection. I urge people to read the Wall Street Journal today and its editorial page because there is a lot of spinning going on. Maybe there have not been enough dots to connect yet so the gentleman comes out here and alleges that the President lied, that there is absolutely no connection. If he spoke any longer, I would have assumed he would have called Saddam Hussein just a sad, old, tired man who really should have been left alone to live in peace.

He killed a million of his own citizens. He said there is no link. A citizen of my county died from anthrax. He worked at National Media, the owner of National Enquirer. It is interesting that Mohammed Atta was living in Palm Beach County, a few miles from the facility in which that citizen died in Palm Beach County.

It is interesting, in the 9/11 Report, "al Qaeda operatives trained in Iran, and al Qaeda helped Iran-backed Hezbollah terrorists obtain explosives."

"Another revelation concerns al Qaeda and anthrax. The 9/11 panel says al Qaeda had an 'ambitious' biological weapons program and "was making advances in its ability to produce anthrax prior to September 11.'" That is in the report, anthrax, prior to September 11.

It is telling, too, that the henchmen for the Iraqi leader agent al-Ani happened to be in Prague for meetings. Oh, lo and behold, cell phone records indicate that phone calls were placed from Florida to Mohammed Atta's cell phone at the same time he was reportedly in Prague. A coincidence, I guess. A sheer coincidence that Mohammed Atta, the leader of the 9/11 hijacking of planes, who was living in Delray Beach, Florida, close to where a citizen was killed by anthrax, meeting with Iraqi officials in Prague, is all coincidental, all coincidental, all sheer fantasy.

Read this editorial in the Wall Street Journal today.

Paul Johnson died at the hands of terrorists, not because we are in Iraq. They are going to kill Americans and other freedom-loving people because they resent our way of life. They resent who we are. For Members to come to this floor and say there is no link and no connection with the terrorists and Iraqis and anthrax and 9/11 have not read the entire report and are simply spinning a tale that they want America to believe.

AUTISM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Florida (Mr. WELDON) is recognized for 60 minutes as the designee of the majority leader.

Mr. WELDON of Florida. Mr. Speaker, I rise this afternoon to address the House regarding the very important issue of autism and the epidemic of autism that we are seeing in this country today, but before I begin my prepared remarks on this subject, I want to extend my condolences to the family of Paul Johnson.

His son lives in Merritt Island, an area in my congressional district, and it is indeed a great tragedy for our Nation and very obviously a great tragedy for his family. As I understand it, he was a great person, a great American, a patriotic American, and it goes to show to all of us that the war on terror continues and that there is a great peril to American contractors, probably anywhere in the Middle East, but particularly in Saudi Arabia and, obviously, as we know, in Iraq.

I do want to salute those contractors that do take the risk and go over there. They perform vital functions. In many ways, they are as important as our military people over there and we need to honor them and respect them.

So my condolences go out to the Johnson family, and certainly I hope that they will be comforted by the good Lord in their time of grief.

I would like to take this time to address what I consider to be a very growing problem, the epidemic of autism and neurodevelopmental disorders that are plaguing our Nation.

In January of this year, the Department of Health and Human Services sent out an autism alarm to the Nation's pediatricians. In this alarm, they stated that one in every 167 children is being diagnosed with an autism spectrum disorder. I will repeat that. One in every 167 children being born in the United States today is being diagnosed with an autistic spectrum disorder.

Furthermore, one in seven children is being diagnosed with either a learning disability or a behavioral disability.

Mr. Speaker, something dreadful is happening to our youngest generation, and we must sound the alarm and figure out what is going on with our children.

I had the pleasure of addressing an autism conference in Chicago last month, and I would like to share today some of the thoughts I shared then with about 1,000 researchers, doctors, nurses, educators and, most importantly, parents who were there to seek answers to this growing problem.

I have said repeatedly that the autism community is the 900-pound gorilla that has not had its voice properly heard on Capitol Hill. This is largely due to the endless demands on the time, effort, emotions and financial resources of the parents of these children who are struggling to meet the unique needs of these kids with autism. There is little time, money, energy left to engage in public debates, let alone engage the Congress when one is trying to raise a child with a disability like autism.

However, I see that changing, and last month's Institute of Medicine report I think has had one positive effect. It has united and reinvigorated parents throughout the country in their efforts to get answers to why children are being diagnosed with autism at such a high rate in the United States.

At the outset of my remarks, I want to make it extremely clear that I support vaccinations. I have a six-year-old son, and he has received all of his vaccinations. Someone in the media recently tried to portray me as a vaccine skeptic. After reviewing my record on this issue and all of my statements in the past, the newspaper printed a retraction. This, however, seems to be part of the pattern, to vilify those who simply ask if our vaccines could be made safer.

I support vaccinations, and indeed, I gave vaccinations to thousands of my patients when I was practicing medicine full-time prior to coming to the U.S. House. However, I believe it is appropriate to acknowledge that like with any other medical intervention, different individuals respond differently. We are all unique. We all have different genetic makeup, and what may cause no harm to the vast majority of people can cause serious side effects in some individuals.

Since we established the National Vaccine Compensation Program in the late 1980s, several thousand individuals have been compensated for vaccine injuries. We know that there are adverse reactions, and I believe it is important that we dedicate resources to better understand why some children have these reactions.

For too long, those who run our national vaccination program have viewed those who have adverse reactions, including those with severe adverse reactions, as the cost of doing business. Furthermore, the vaccine compensation program, which was designed to be a no-fault compensation system, has become so adversarial that only the most obvious cases receive compensation, and too many parents feel that the program is not worth the difficulty of going through it.

The questions I raise are multiple. The number one question has been whether neurologic problems were caused in some children by the high levels of a mercury containing additive that was included in our vaccines in the 1990s. This mercury containing additive is called thimerosol, and in the 1990s, infants and unborn children were exposed to significant amounts of mercury at a most critical point in their development.

Now, this recent Institute of Medicine report, what exactly is wrong with it? What about it has so many people in the autism community upset?

In my 10 years of service in the U.S. Congress, I have never seen a report so badly miss the mark. I have heard some weak arguments here in Washington, D.C., and I can tell my colleagues that the arguments put forward in this IOM report are indeed very weak.

□ 1715

Let us examine this report in some detail. On January 15 of this year, I wrote Dr. Julie Gerberding, the director of CDC, and I asked her to postpone the February 9 Institute of Medicine meeting and this report because of my concern that this was not an exercise in discovering the truth, but was instead a meeting, and I will quote what I said in my letter, "being driven by a desire to shortcircuit important research and draw premature conclusions."

I said, "If the purpose of this meeting is to seriously consider and address these concerns, then this will not be accomplished."

Quoting further from my letter to Dr. Gerberding, I said, "It appears to me, not only as a member of Congress but also as a physician, that some officials within the CDC's National Immunization Program, the NIP, may be more interested in a public relations campaign than getting to the truth about Thimerosal." I said, "Pressing forward with this meeting at this time I believe will further undermine the credibility of the Centers for Disease Control on matters of vaccine safety and do damage to the reputation of the Institute of Medicine. I believe the proposed date of this meeting, which you have the ability to change, is in the best interest of no one who is seeking the truth about a possible association between vaccines and neurodevelopmental disorders, including autism."

Now, I had a follow-up conversation on February 3 of this year with Dr. Gerberding, and she assured me that the Institute of Medicine's February meeting was not an attempt to "draw conclusions," but merely to "update the science," of where we were, basically.

However, it is clear that this report draws conclusions: and what is perhaps the greatest outrage, it goes further to call for the halt of further research.

A public relations campaign, rather than sound science, seems to be the modus operandi of officials at the CDC's National Immunization Program. Why do I say this? Let us look not only at the timing of the IOM meeting in February, the content of the IOM report, but also at studies the IOM used as a basis for their decision.

The Institute of Medicine bases their decision almost entirely on five epidemiologic studies. Epidemiology is essentially the statistical analysis of disease in populations. All of these studies were conducted by researchers with an interest in not finding an association. All of the studies had significant shortcomings, all of which the IOM itself declares would miss the association with autism in a genetically acceptable subset of children.

Not only the timing of the IOM meeting raises suspicions but also the narrowing of the scope of inquiry and the emphasis the IOM placed just on epidemiology.

In 2001 the Institute of Medicine concludes: "Exposure to Thimerosal-containing vaccines could be associated with neurodevelopmental disorders." The IOM also recommended that children not be given mercury-containing vaccines.

What was the response of the CDC? For this most recent report, they narrowed the IOM scope to looking just at autism. Does that sound like an agency interested in understanding whether or not Thimerosal is harmful to some children, or does this response lead one to conclude that they are more interested in designing something to reassure an increasingly skeptical public?

Unlike 2001, this time the IOM was directed by the CDC to only consider the possible relationship between Thimerosal and autism rather than neurodevelopmental disorders as a whole. Anyone familiar with the Verstraeten study, a study published looking at Thimerosal and autism, knows exactly why the IOM scope was narrow, because the 2003 Verstraeten study found associations between Thimerosal and neurodevelopmental disorders in some children with autism may have been misdiagnosed as having speech or language delay. By narrowing the scope, which largely went unnoticed by the media, the CDC has avoided acknowledging that Thimerosal very well may have caused neurodevelopmental disorders in some children.

This latest IOM report is simply part of a PR campaign, in my view. Would we not have had a much more productive report if the CDC had updated the research on possible associations between Thimerosal and neurodevelopmental disorders as a whole? In evaluating Thimerosal's relationship to autism, the IOM relies almost exclusively on these five epidemiologic studies.

The principal authors of all five of these studies have serious conflicts of interest. All five studies were published in 2003, leading up to the IOM's February 2004 meeting. All were conducted while the CDC and the NIH virtually ignored the Institute of Medicine's 2001 biological and clinical research recommendations.

It is critical to note the instructions that the IOM was given, primarily by the CDC, which has been funding the IOM.

Pages 5 and 6 of the IOM report make it clear that epidemiology was to reign supreme. In the absence of epidemiologic evidence to support causality, the IOM was instructed to give biological evidence little consideration and was prohibited from allowing biological evidence to lend evidence towards causality.

Is it any wonder that the CDC has spent the past 2 years dedicating significant funding to epidemiology while starving funding for clinical and biological research? The IOM notes in their report that the epidemiologic studies they examined were not designed to pick up a genetically susceptible population, and this is the very theory of the link between Thimerosal and autism and autism spectrum disorders. One in 167 become autistic. Why do the other 166 not? It is because they do not have the impaired ability to eliminate mercury from their system. We are looking at a genetically susceptible subpopulation. Yet these studies that they base this report on, they admit, were not capable of picking up these subsets in the populations.

Let us look at these studies. The only study done in the United States, the Verstraeten study, was published in the Journal of Pediatrics in November of last year. Much has been written exposing the study's methodological problems, findings, and conclusions. Most importantly, however, is that this study did not compare children who got Thimerosal to those who did not. Instead, its CDC-employed authors focused primarily on what is called a dose response gradient. Those who got less Thimerosal later in life had less autism is the theory behind the study.

In addition to the study itself, it is important to note the public relations spin surrounding this study. On the day the Verstraeten study was released, a top CDC researcher and coauthor of the study was quick to declare to the news media: "The final results of the study show no statistical association between Thimerosal vaccines and harmful health outcomes in children, in particular autism and attention deficit disorder."

Let me repeat that: The final results of the study show no statistical association between Thimerosal vaccines and harmful health outcomes in children, in particular autism and attention deficit disorder. The newspaper headlines of the day read: "Study Clears Vaccine Containing Mercury," the Associated Press and USA Today. "CDC Says Vaccines Are Safe," the Seattle Times. While that was the spin of the day, allow me to quote from the study:

"We found no consistent significant associations between Thimerosal-containing vaccines and neurodevelopmental outcomes. In the first phase of our study, we found an association between exposure to mercury from Thimerosal-containing vaccines and some of the neurodevelopmental outcomes screened. In the second phase, these associations were not replicated for the most common disorders in an independent population. They did find associations, but they changed the study and most of the associations disappeared.

Furthermore, in January 2004, the lead coauthor was forced to admit that many children in the study were too young to have received an autism diagnosis. He went on to admit that the study also likely mislabeled young autistic children as having other disabilities, thus masking the number of children with autism. The message from the CDC to the media was that there is nothing to be concerned about, but the study said something different. The news media to a large degree took the CDC's spin hook, line and sinker. Largely they chose not to read the study itself.

Five months after that study was published in the Journal of Pediatrics and, I might add, after the IOM report was largely written, Dr. Thomas Verstraeten broke his silence in a letter to Pediatrics stating, "The bottom line is and has always been the same, an association between Thimerosal and neurological outcomes could neither be confirmed nor refuted and therefore more study is required," is what Dr. Thomas Verstraeten said. Dr. Verstraeten, the lead author of this study, says that an association between Thimerosal-containing vaccines and neurodevelopmental disorders cannot be refuted based on his study.

Yet the IOM in their assessment of that same study states that it is a basis for concluding, "There is no association between Thimerosal-containing vaccines and autism." The IOM acknowledges that Verstraeten would not have picked up an association in a genetically susceptible population. The IOM also noted that the study was limited in its ability to answer whether Thimerosal in vaccines causes autism because the study tests a dose response gradient, not exposure versus no exposure.

I might also add, Mr. Speaker, that the Verstraeten study cannot be validated. The earlier data sets have been destroyed, and the only data sets the CDC will make available to outside researchers are the ones they have already manipulated. The raw, unaltered data is not available. Additionally, outside researchers are held to a much more restrictive access to information than are the CDC researchers. Only one independent researcher has been granted access to the CDC's VSD database, and the CDC has kicked that researcher out based on ridiculous reasons. They claim their research methods might infringe on privacy, yet they know the database contains no names and it is impossible to locate the patients from this database.

I want to talk briefly about the other four studies that the Institute of Medicine based its conclusions on. The IOM cited the 2003 Hviid study of the Danish population as one of the key studies upon which it based its conclusions. Let us first consider the conflict of interest of the principal author. Dr. Hviid works for the Danish Epidemiology Science Center, which is housed at the Staten Serum Institute, the government-owned Danish vaccine manufacturer. Also, all of his coauthors either work with him at the center or are employed by the SSI.

The SSI, the Staten Serum Institute, makes a considerable profit off the sales of vaccine and vaccine components and the U.S. is a major market for the SSI. SSI has $120 million in annual revenue, and vaccines are the fastest-growing business segment, accounting for 80 percent of its profits. Both the United States and the United Kingdom are important export markets for SSI's vaccines and vaccine components.

Furthermore, if Hviid were to find an association between Thimerosal and autism, SSI, with which he and his center are affiliated, would then face significant lawsuits. These facts are important and are critical when evaluating Dr. Hviid's work. Furthermore, this study looked at autism and not at neurodevelopmental disorders.

The important thing in evaluating this study is that exposure in the Danish population to Thimerosal varied considerably from that in the United States. Danish children received 75 micrograms of mercury in their first 9 weeks of life and then another 50 micrograms at 10 months. By comparison, children in the United States received 187.5 micrograms of mercury by the age of 6 months, nearly 2½ times as much mercury as the Danish population.

Dr. Boyd Haley has said that comparing the exposure of the U.S. children to these children in Denmark is like comparing apples and cows. I think there is a lot of truth to that. Hviid states that the rate of autism went up after they began removing Thimerosal from vaccines in 1992. The numbers in Hviid's study were skewed in that they began to add outpatient autism diagnoses after 1992.

□ 1730

The IOM notes other limitations of the study, including the differences in the dosing schedule and the relative genetic homogeneity of the Danish population; yet even with all these serious limitations, the IOM felt that the study had "strong internal validity." Like the Verstraten study, Hviid would not be able to pick up a group of children who were genetically susceptible to mercury toxicity, principally because they have impaired ability to excrete mercury.

Case in point: Danish autism rates are six in 10,000, where in the United States it is less than one in 200.

I do not believe how they can use a Danish study as a valid conclusion to say that thimerosal did not cause the increase in autism and other autism spectrum disorders and neurodevelopmental disorders in the United States when children in the United States received significantly more mercury exposure.

Another study that the Institute of Medicine relied on was the Madsen study. Madsen et al., once again examined virtually the same population, Danish children, Danish children who received significantly less than they. Let us consider the conflicts of interest in the Madsen study. First of all, two of Madsen's co-authors are employed by the same Staten Serum Institute. The study, like Hviid, added outpatient cases into the number of cases of autism after 1995, a methodological flaw. The authors acknowledged that this addition might have exaggerated the incidence of autism after the removal of autism. The IOM acknowledged this but yet used the data anyway.

Another study that the IOM relied on, the Stehr-Green study, examined, guess what, the Danish population again, along with the Swedish population. I will not repeat the problems with the Danish data, but with regard to Sweden it is important to note that the children there received even less thimerosal than children in Denmark, receiving only 75 micrograms by 2 years of age versus children in the United States receiving 187.5 micrograms by 6 months of age.

Furthermore, the authors included only inpatient autism diagnoses in the Swedish population. The IOM notes that the ecological nature of this data "limits the study's contribution to causality," but they cite it anyway.

The Miller study also included in the IOM report examines the population of children in the United Kingdom. This study is still unpublished, which limits its ability to be examined critically. It is important to note, however, that Dr. Miller has actively campaigned against those who have raised questions about vaccine safety. We have a person here who is actively campaigning, testifying in lawsuits, against the theory that thimerosal is linked to neurodevelopmental disorders and autism, doing a study supposedly showing there is no link.

So what can we conclude about these five epidemiologic studies? We can see clearly why the IOM is on very shaky ground in drawing the conclusion that it did. They based their decision on these five studies, three of them examining genetically homogenous children in Denmark. At least one employee of the Staten Serum Institute serves as a co-author on three of the studies. Only one study examines the U.S. population, and that study did not compare children who had received mercury with those who had not. Four of them are studies of children receiving less than half the amount of mercury that U.S. children received. None of them with any ascertainment of prenatal or postnatal background mercury exposures, none of them considering prenatal exposure which may have been given to the children, none of them have been able to detect a susceptible subgroup in the population, three of them failing to address how the addition of outpatient cases of autism in Denmark might have previously skewed their results. Four of them examined populations with autism rates considerably less than the United States, and one of these studies has never been published. It is impossible to review the data.

Might I also add they are all statistical studies. There have been numerous biological studies suggesting that thimerosal is linked, mercury is linked to autism, specifically mercury studies that show after chelation therapy, children with autism excrete a tremendous amount of mercury in their urine, whereas normal children do not.

And it is important to note that there was a recent report published by

Dr. Emili Garcia-Berthou and Dr. Carlos Alcaraz examining statistical errors in medical publications. They found five volumes of Nature and 11 volumes of the British Medical Journal. They found 11 percent of the computations in Nature and the BMJ were incongruent and at least one statistical error appeared in 38 percent of the papers, despite all the biological evidence suggesting there may be a link with thimerosal and autism here and the obvious knowledge that many of these statistical studies are flawed. The Institute of Medicine concluded, and many people in the press believed it, that there is no link.

Mr. Speaker, something needs to be done. The Institute of Medicine report not only looked at the mercury issue. It as well looked at the issue of the safety of the measles-mumps-rubella vaccine. Many years ago a researcher in England, a Dr. Andrew Wakefield, published a report suggesting that some children with autism have measles virus growing in their intestines causing a condition called inflammatory bowel disease, and, indeed, there have been recent reports in the medical literature that some of these children have measles virus particles in their cerebral spinal fluid and elevations of a protein called myelin basic protein in their cerebral spinal fluid, suggesting they have an active low-grade encephalitis being caused by measles virus.

The IOM was asked to look at this issue. How did they approach this issue? Did they ask for research protocols that attempted to duplicate the Wakefield study? No. What they did was again another epidemiologic study.

I believe that the CDC's conclusion and the Institute of Medicine's conclusion on the MMR is well flawed. I am pleased that finally attempt is underway to duplicate Dr. Wakefield's findings, and hopefully we can get some answers to these questions regarding the safety of the measles-mumps-rubella vaccine.

For the reasons that I have outlined above and other reasons, the Institute of Medicine report I believe is premature, perilously reliant on epidemiology, based on preliminary and incomplete information, and I believe may ultimately be repudiated perhaps in short order. This report will not deter me nor the autism community from our commitment to see that thimerosal and MMR research is properly done. This report will do nothing to put to rest the concerns of parents who believe their children were harmed by mercury-containing vaccines or the MMR vaccine. While this report will lead many clinicians to believe that thimerosal is safe and there are no problems with the MMR, it may contribute further to an erosion of the doctor/patient relationship in the United States.

This report has dragged the Institute of Medicine under a cloud of controversy that has currently engulfed the CDC. Much like the infamous 1989 study by the National Institute of Child and Human Development which missed the link between folic acid deficiencies and neural tube defects like spina bifida, the epidemiologic studies reviewed by the IOM in drawing these findings could easily have missed an association in susceptible populations.

Finally, let us remember that the IOM is not immune to error and has been forced to reverse itself before. Most recently, the IOM reversed a longstanding finding that chronic lymphocytic leukemia was not due to Agent Orange exposure. A similar reversal is very real and possible here.

On April 2 of this year, I introduced, along with the gentlewoman from New York (Mrs. MALONEY), H.R. 4169, the Mercury Free Vaccines Act of 2004. We currently have 22 co-sponsors from across the political spectrum. H.R. 4169 will phase out the use of mercury vaccines over the next 3 years, giving particular attention to completely eliminating mercury from childhood vaccines on an expedited schedule. This bill is a response to the fact that the safety of thimerosal in vaccines is not proven. Mercury is a well established neurotoxin. According to the EPA, one in six newborns is born with a blood mercury level considered unsafe. The FDA and the EPA recently warned pregnant women, nursing mothers, and young children to limit their consumption of certain fish. No one at the NIH or CDC can tell us what happens to mercury once injected into an infant. Where does it go? How much goes to the critical organs, how much to the brain? Can it cause damage to the developing central nervous system? No one has good answers to these questions, and they should have answers to these questions before more infants are exposed to mercury.

The CDC has adopted a policy to reintroduce mercury-containing vaccines to children in the form of the flu vaccine which will be given at 6 months, 7 months, and 23 months of age. Most of the flu vaccine on the market today contains mercury.

I believe we need new legislation. It is critical that we pass the Mercury Free Vaccines Act of 2004. It is also critical, I believe, that we make improvements in how we monitor for and respond to adverse reactions to vaccines. Today there are three government agencies that have responsibilities related to monitoring the safety of vaccines: the FDA, the CDC, and the NIH. The Food and Drug Administration has responsibility primarily to make sure that the vaccines are prepared according to specifications. They do operate the Vaccine Adverse Events Reporting System.

The NIH does not have a concerted effort to fund vaccine safety research. They provide funding for research in a haphazard manner. If one happens to submit a proposal and it passes peer review, the study may get funded. The NIH has funded only a handful of studies over the past 2 years investigating vaccine safety issues. The CDC has the greatest responsibility in this area. Unfortunately, they have the greatest conflict of interest. The CDC's vaccine safety program amounts to a $30 million, million, a year program, and half of it goes to pay HMOs for access to the Vaccine Safety Database. The biggest conflict within the CDC is that they are also responsible for a $1 billion, $1 billion, vaccine promotion program. The CDC largely measures its success by high vaccination rates, and here lies the conflict. Any study raising concerns that there might be adverse reactions to some vaccines in some children has the ability to lower vaccine rates, and lower vaccination rates are in direct conflict with the CDC's top measurement of success. Clearly due to its overwhelming size and the manner in which the agency measures its success, the vaccine promotion program overshadows and influences the CDC's vaccine safety program. In fact, rightly or wrongly, the Vaccine Safety Office within the CDC is largely viewed by outside observers as nothing more than another arm of the vaccine promotion program, giving support to vaccine promotion policies and doing very little to investigate and better understand acute and chronic adverse reactions.

Further complicating the CDC's role in undermining the research is the fact that the vaccine safety studies produced by the CDC are impossible to reproduce. External researchers are not granted the same level of access to the raw data sets that the CDC's internal researchers are granted. The bottom line is that the CDC studies related to vaccine safety cannot be validated by external researchers, a critical component in demonstrating the validity of scientific findings. The CDC's recently convened Blue Ribbon Panel to examine how the CDC might better review vaccine safety is a step in the right direction. However, I do not hold out much hope because the panel is limited in its scope. Much like the IOM was limited in the outcome they were allowed to draw, this panel is limited to deciding where within CDC vaccine safety monitoring should be housed. The NIH recently recognized the importance of moving patient safety monitoring out of the NIH. I believe the same should be done with vaccine monitoring. It should be completely removed from CDC's jurisdiction. The CDC is too conflicted to oversee this function.

□ 1745

Mr. Speaker, I want to touch on one more additional issue, and that is something called the Brighton Collaboration. I am very concerned about the development of the Brighton Collaboration, which began in the year 2000. This is an international group comprised of public health officials from the CDC, Europe, and world health agencies like WHO and vaccine manufacturers.

The first task of the Brighton Collaboration, created several years ago, was to define what constitutes an adverse reaction to a vaccine. They have established committees to work on various adverse reactions to vaccines. Particularly troubling to me is the fact that serving on these panels defining what constitutes an adverse reaction to a vaccine are the vaccine manufacturers. What is even worse is the fact that some of these committees are chaired by vaccine manufacturers.

It is inappropriate for a manufacturer of vaccines to be put in the position of determining what is and what is not an adverse reaction to its product. Do we allow GM, Ford and Chrysler to define the safety of their automobiles? Do we let airlines set the safety standards for their airlines and determine the cause of an airline accident? Do we allow food processors to determine whether or not their food is contaminated or causing harm? Then, I ask, why are we allowing vaccine manufacturers to define what constitutes an adverse reaction to a vaccine?

This collaboration is fraught with pitfalls, and merges regulators and the regulated into an indistinguishable group. It is critical that the American public look at what is going on here and how this entity may further erode the ability for us to fully understand the true relationship between various vaccines and some adverse reactions in some subsets of our population. I plan to devote additional attention to this effort in the future.

Mr. Speaker, I look forward to working with you and others in this body to address the problem that we face today.

As I stated at the outset of my comments this afternoon, autism was once in America a rare and infrequently seen condition. I went through 4 years of medical school, internship, residency, and years of private practice and practice within the military and had not seen one single case. I have seen case after case in my congressional district over the last 7 years, a disease that I had never seen before.

The disease incidence was previously thought to be one in 10,000. It is now thought to be as high as possibly one in 167, an almost 100-fold increase in the incidence.

We need to get answers to these questions. We need to restore public confidence and safety in our vaccine program. Our vaccine program saves millions of lives, it saves millions of kids from a life of disability, and the best way for us to ensure public confidence and make sure that all the kids get vaccinated properly is to get answers to these questions. The way the CDC and the Institute of Medicine and the industry is going about trying to answer these questions is highly flawed.

Mr. Speaker, I encourage my colleagues to begin to look at this issue. I know that many of them are coming to me saying they have parents coming in their offices now with autistic kids, saying something needs to be done. Something needs to be done.

THE PROBLEM WITH U.S. POLICY IN THE MIDDLE EAST

The SPEAKER pro tempore (Mr. GARRETT of New Jersey). Under the Speaker's announced policy of January 7, 2003, the gentleman from Florida (Mr. MEEK) is recognized for 60 minutes as the designee of the minority leader.

Mr. MEEK of Florida. Mr. Speaker, once again, as I always say, it is a pleasure to address the House of Representatives and the American people. Tonight I will be joined by some of my colleagues who will this evening be talking about the issue that is facing not only our military but our future as we start to deal with this effort against terrorism.

First of all, I would like to give my condolences to the family that lost their loved one that was held hostage. Our thoughts and prayers are with you and your family and your local community. Unfortunately, all too often now, violence has played such a very strong role in the way not only Americans live but also how individuals live abroad.

I just would like to make some opening comments. When we start talking about how we entered Iraq, claiming we were better than the dictator Saddam Hussein, which I do believe very strongly we are still, there are some decisions that are being made that are putting into jeopardy how the world feels about the United States of America and also how the world views our moral high ground, or what is left of it as it relates to abuse.

I think it is important for us to remember that Iraqis at the beginning gave us a great deal of credit. They were believing that we would deliver on our promise of providing security, safety and democracy that they could believe in and live under. Now revelations of prisoner mistreatment have really clouded the minds of many Iraqis that had hoped.

Some Iraqis saw us as being a part of holding out the flag of hypocrisy in the region due to the fact of the Abu Ghraib issue. The scandalous impact of opinions, especially of Iraqis and other members of the world, of photographs that have been made public throughout the Muslim world, is deeply repugnant to most Muslims.

I think it is also, Mr. Speaker, important for us to remember that as we start to look at what is taking place in Iraq, at the top of the week we thought it would be a good week for coalition forces as it pertains to the new Iraqi government taking over by June 30. We thought the topic of the week would be Iraqi's soccer team joining the Olympics. But it was overshadowed by tales of a gentleman by the name of al-Dory, a 39-year-old father of three, imprisoned by coalition forces on August 6 of last year and was held until February 17 of this year.

al-Dory was arrested in his office in the oil ministry and initially interrogated at one of Saddam Hussein's palaces in the capital city. Suspected of being a member of an anti-U.S. insurgency, he was battered with the butt of a gun and hung from the ceiling in a way that injured his right arm. Last fall he was moved to Abu Ghraib prison on the outskirts of Baghdad, where humiliation of those in photographs was open and no longer secret.

By that time, he was released without explanation. al-Dory had lost 100 pounds of his 260 pounds. For the coalition forces, the mistreatment of this prisoner also may have transformed places like Abu Ghraib into insurgency recruitment stations.

Coalition forces told the Red Cross that 70 percent to 90 percent of the individuals arrested in the past year were mistakenly jailed, according to the Red Cross report in February. The United States also tried to remedy the issue by releasing several thousand of these young men, many of whom emerged bitter towards Americans in uniform.

This is what al-Dory said: "Based on my experiences in prison, most of the guys who were released will go to join insurgents immediately because of the unjust treatment and the lack of response by the U.S. Government."

But tactics like these, really, Mr. Speaker, do not work towards the safety of troops, and I will tell you that the culture that has been set in the Department of Defense and the blocking of giving information to this Congress to be able to respond to some of these issues are so very, very important.

Veterans that are listening to us now who have served in previous conflicts on behalf of democracy in foreign lands and also on behalf of our country, their honor is at stake. Their honor is at stake making sure that when people look at men and women in uniform, the world and Americans, that they are doing a noble job, which I believe they are, which I know they are.

It is some of the individuals that are making the decisions in the suits and the ties that I am growing more and more concerned about.

I am so glad that tonight I share this session and this floor of the House with two of my colleagues from Ohio. I would like to recognize my good friend, the gentleman from Ohio (Mr. RYAN).

Mr. RYAN of Ohio. Mr. Speaker, I also want to extend my sympathies to the family of the prisoner on behalf of myself and my family and the citizens of the 17th Congressional District in Ohio, and really all Americans. We are reminded, unfortunately, daily about the struggles that we do have here and how real they are, and when you see the kind of torture and the kind of treatment and the kind of abuse and the murdering that go on every day in Iraq, in Afghanistan and, unfortunately, now in Saudi Arabia and many other countries, I think we are all beginning to question more and more and I think at deeper and deeper levels about the policy of our government and its effect on the credibility of this country.

I think ultimately we come to this House floor with a certain amount of humility. President Reagan had his peace through strength, and I think it is easy for the bully to go around and kick people around, and we have had to do that on a number of occasions. We needed to do that in Afghanistan, and we did it in Iraq to a certain extent; but we have now gotten ourselves bogged down in a situation that I believe is making the American people less safe than they were before we went to war in Iraq.

I just want to share some thoughts. We are wrapping this congressional session up here for the week. We are on our way to catch some planes back home. But we wanted to come down here and share some of our thoughts, because there is this growing amount of frustration among many of us, not only those of us who sit on the Committee on Armed Services, those of us who have consistently backed the troops with the defense appropriations bills that I voted for and the gentleman voted for. No one can come to you orally and say you are not supportive of the troops. We put the money where our mouth is, and we are saying we support the troops, and we voted for the defense appropriations. We worked it through committee; we made sure there were the proper modifications after the war already began.

But the question we have here is really of two different strategies. The one strategy was take the $200 billion that you are going to spend in Iraq, and take that money and not only invest it in the United States, but use it like we passed today the Homeland Security bill, use more of that money to secure our ports, to make sure people are looking through the cargo that is coming into the country.

One or two out of 50 ships that actually come into the ports actually get checked. If you ask the American people, would you rather spend $200 billion in Iraq or would you rather spend that money looking through and hiring people to work at our cargo ports, I think the decision is clear.

We put ourselves in this predicament that it is going to be very, very difficult for us to get out of. I am not saying we should cut and run. We have to do the best we can there.

Another point that I want to make is that we had the opportunity. If we wanted to set up an Arab democracy in the Middle East, we could have done it with Afghanistan. Talk about a tragedy, is what we have done in Afghanistan.

We went in there, and now we only have 10,000 to 12,000 troops in Afghanistan, when in fact we have 130,000-some in Iraq. Osama bin Laden was in Afghanistan; the Taliban that was the home of al Qaeda was in Afghanistan. That is where we needed to be.

If you wanted to set up an Arab democracy, we had the opportunity to do that in Afghanistan. As we learned a couple weeks ago in committee with the chairman of the Joint Chiefs of Staff, General Myers, when we began to talk about the drug production in Afghanistan, which is the funding mechanism for al Qaeda, billions of dollars in heroin is grown in Afghanistan, is sold, the money goes to al Qaeda and these different terrorist organizations, and they use that money to fund terrorist attacks all around the world.

□ 1800

So we need to go to the heart of it. We need to cut out their financing. We did that through the special organizations and the nonprofits, and a lot of these that people had here in the United States, but we also needed to go into Afghanistan and we needed to rid them of the poppy and get rid of it. And the answer we got from the Chairman of the Joint Chiefs, when I asked him directly what are we doing about drug sales, drug production in Afghanistan, because it seems like at least at this point that is the only crop that they can grow, and the answer was stunning. I think the American people need to know this. The answer was: they harvested the crop early this year, and so we did not have the opportunity to stop them.

Let me repeat that. The answer from the Chairman of the Joint Chiefs and the policy of the United States in response to a question by a Member of Congress as to what are we doing about getting rid of the drugs in Afghanistan, the answer is: they harvested the crop early.

Mr. MEEK of Florida. Mr. Speaker, I just wanted to let the gentleman know, I just could not believe that the Chairman of the Joint Chiefs of Staff would respond, because I was there, would respond in that manner. I think that he is a man of honor but also, at the same time, we are looking at the way the Taliban is being funded. And they said that they harvested the crop early. That is what he said. I was there. This is once again not the Tim Ryan report, this is what actually took place. It is very serious.

I know that the Pentagon would like to save the lives of many troops, but it is some of the decisions that are being made at the top, not at the bottom, but at the top that is putting American lives at stake.

Mr. RYAN of Ohio. Mr. Speaker, we want to include our good friend, the gentlewoman from Cleveland, Ohio (Mrs. JONES), from the good old Buckeye State, but before I yield to her, I want to say that obviously we do not have enough troops in Afghanistan. So here we are in Iraq doing what we are doing with 130,000 troops, we only have between 10,000 and 15,000, I do not know the exact number, I think it is about 13,000 troops in Afghanistan right now. Now, just imagine if we took some of the money that we are spending in Iraq and we used it for homeland security and we took some of the money and some of the troops that we are using there and we had them in Afghanistan, Afghanistan has natural resources we could be developing, the water infrastructure we could be developing in Afghanistan, and setting up an Arab democracy. Is that not what we want to do? Was that not the goal after hearing about weapons of mass destruction, hearing that al Qaeda is tied to Iraq, and Iraq is tied to 9/11 and they have weapons pointed at us, there is an imminent threat and all of this other nonsense that we heard before the war. But then the story eventually changed, and there is always that undercurrent of: we need an Arab democracy in the Middle East for stability purposes. Why did we not do that in Afghanistan?

We have many, many other points to make here, but I would like to begin to include our good friend here from Cleveland, Ohio into the discussion, and I am happy to yield to the gentlewoman, who is my surrogate mother here in the United States Congress.

Mrs. JONES of Ohio. Mr. Speaker, I want to thank my colleagues, the gentleman from Florida (Mr. MEEK) and the gentleman from Ohio (Mr. RYAN), for inviting me to participate in this Special Order this evening. I am so proud of both of them. I am only 2 minutes older than either one of them, but I am very proud of the work and leadership that both of them are showing in the U.S. Congress. I always remind people that both of them remind me of my man child Mervin, who is very tall and very good looking, and 200-plus pounds, and I see TIM pulling his collar here. But I am so proud of the leadership that both of them are showing.

So I suppose my colleagues want to know, what is a woman my age doing with these two young guys on the floor of the House talking about issues. I am just glad to be in the House with them and glad to be a part of the work that they are doing.

As we are talking about this, first of all, let me express my sympathies to the Johnson family on behalf of my entire family and the people of the 11th Congressional District of Ohio. I can empathize with the wife of Mr. Johnson, having lost my husband only in October of last year. It reminds me of all of the terrible things that are going on across the United States of America. It reminds me also of the need for the United States to be aboveboard and the need for the United States to be able to do things that in 20 years will withstand the light of day.

I am reminded of a meeting that I had at the Pentagon with some of my colleagues and Secretary Rumsfeld. This was around the time of military tribunals and the discussion: what are we going to do with military tribunals and how are they going to be handled? Those of my colleagues who do not know, prior to coming to Congress I was a Cuyahoga County prosecutor or DA and, prior to that I was a judge for 10 years.

So I said to Secretary Rumsfeld, Mr. Secretary, I have concerns about military tribunals. What we need to make sure that we do in the course of these tribunals is to assure that the rules of evidence are complied with if, in fact, we are going to use people who have no experience in hearing law and in hearing cases. But if we are going to use people or judges who have had some experience, then the rules of evidence may not be so important. But what is important is that we have in place rules and regulations that will assure that a trial in Afghanistan or a trial in Iraq or a trial in the United States involving the same offenses will be treated commonly and that there will not be any disparity.

But more importantly I said to him, Mr. Secretary, any of our activity needs to be able to withstand the light of day. And I was reminded of that today when I read this article in the Wall Street Journal saying that Rumsfeld defends hiding prisoners at CIA urging. And what it does is it adds another layer of distrust upon the United States and upon the United States military when he says in the article that he suggested, without elaborating, that often this is done. There are instances where it occurs that they hide prisoners from the Red Cross.

The Red Cross in the international community is supposedly the organization that will come in and say to the world that we did not see any problems there and, therefore, you should not be concerned.

Now, if the United States admits to hiding people from the Red Cross, that is another layer of concern or distrust that is put in place.

So I would again encourage Secretary Rumsfeld to not engage in such conduct. In fact, I said not too long ago that Secretary Rumsfeld ought to do the United States a favor and do the President of the United States a favor and withdraw from his position. He should not wait for someone to put him out; he should be man enough to resign and step away from his conduct.

Mr. RYAN of Ohio. Mr. Speaker, if the gentlewoman would yield, as the gentlewoman brought up, this is the latest with the Red Cross, that we first said that this was just an isolated incident. This is just a few wild folks we have working with us and it is an isolated incident. Now we find out that the Secretary of Defense is the one saying pull him aside over here and put him back here and do not put a number on him.

It is the same with the Halliburton contract. Vice President CHENEY for months and months said, I do not have anything to do with it. My office does not have anything to do with this Halliburton contract. Well, we find out earlier this week, it has been a long week, earlier this week that Scooter Libby, the Chief of Staff of the Vice President of the United States, okayed the contract to Halliburton. It went right through his office. You cannot tell me that the Vice President did not know anything about it.

So when you keep looking, we see the subversion of the Geneva Convention. All of a sudden in the United States of America, we have lawyers saying, well, Mr. President, you do not have to follow the Geneva Convention. Why would you want to follow the Geneva Convention? Some people out there are saying, yes, we would like to get these guys and treat them maybe the way they deserve to be treated. But when we look at what has happened today with the beheading and the murder that happened today in Saudi Arabia, where is the moral high ground in the United States? Where do we come out, and what can we possibly say? I yield to the gentleman.

Mr. MEEK of Florida. Mr. Speaker, I just want to say to my colleagues that how the United States is viewed in the world is important. Some people may discount it. Some people may feel, oh, well, who are they to judge us? Well, let me just say that the United States spearheaded the creation of the United Nations. Let us come together. I want the American people to understand. There are a lot of veterans out there that shed a lot of blood for this country, and I am so appreciative of their service. There are a lot of diplomats that have gone and stood in the eyes of communism, stood in the eyes of what was humane, I mean in trying to promote democracy and treating people in a humane way. And then now, for very few individuals at the top, and I am not talking about the troops. It is very interesting, when we start talking about the Pentagon, they have greater knowledge, especially of men and women in uniform than many Members of Congress have, and for Secretary Rumsfeld to okay an investigation by General Taguba to look at the Iraqi prisoner abuse, knowing all along that he was a 2-star general and he could only look at certain people, the first person that was court-martialed was an enlisted man.

Mr. RYAN of Ohio. Mr. Speaker, I want the gentleman to repeat that, because that is a very important point and we need to share this with the American people. Reiterate that point, about the man doing the investigation.

Mr. MEEK of Florida. General Taguba, who is an honorable man, he was doing what he was told just like many men and women in uniform, he was only able to interview MPs, number 1. Number 2, he was not able to go over his rank of a 2-star general. So this means from the very beginning, the fix was on.

Mr. RYAN of Ohio. So the gentleman is saying that if there was a 3-star or a 4-star or any officer above a 2-star, General Taguba could not investigate?

Mr. MEEK of Florida. No, he could not. I mean that is just the way it is.

Mr. RYAN of Ohio. That is the way the military runs. You cannot have someone low on the chain of command investigating Jack Nicholson, the top dog.

Mr. MEEK of Florida. No, you could not. But we would never, through what the Pentagon has said, we would never know whether the mistakes were made at the top. That is pretty much what I am saying.

So the way the deck, if I can, the way the deck is fixed now, that all of the investigations that are taking place need to be reviewed or what have you, will be done from the 4-star on down.

Now, Secretary Rumsfeld has appointed someone out of his office, a 4-star, that is going to go take over the investigation in Iraq. I can tell my colleagues that this Congress does not have what they need to be able to know what is going on with these investigations. This is actually putting American troops at risk. This is putting contractor lives on the line. And we will continue to see this abuse of prisoners that are taking our Americans that are taken and made examples out of, the first thing that this group said that has connections to al Qaeda has said, we are doing this because of Abu Ghraib, and we are not responding. The American Congress, we are not responding in a way to be taking this thing seriously.

We have the chairman of the Armed Services Committee in the other body who dared to have a couple of hearings and then he was chastised by his colleagues, including our chairman of the Committee on Armed Services.

So I think it is important that it is okay for Members to say how they feel. There is nothing wrong with that. We are doing that now. But I think it is fundamentally wrong when we know that we are becoming an incubator for more individuals to fight against

American troops that will be in Iraq for some time to come.

So I think it is important that we remember that. I just wanted to mention this U.N. thing before I yield real quick.

I mean the gentleman from Ohio mentioned a minute ago of how the world thinks of us. Kofi Annan, Secretary General Kofi Annan of the United Nations, a very honorable man, who has tried his best to be with us as long as he could. But now, we would like to renew our relationship with the Security Council of not having our troops or our military come before an international criminal court. This international criminal court was established by a treaty in 1998, a conference in Rome that would put forth saying prosecuting individuals responsible for most serious crimes, including genocide, war crimes, and crimes against humanity. The treaty was signed by 135 countries and was ratified by 94, including us, and took effect in 2002.

Just today or yesterday, Secretary General Kofi Annan urged the Security Council on Thursday to oppose renewing the resolution that would shield U.S. troops serving in U.N.-approved peacekeeping missions from prosecution before an international court.

□ 1815

He said, Exemption is wrong. This is from The Washington Post today. In light of what took place, the circumstances of abuse that took place, the detainees of Iraq and Afghanistan, I think it is very, very important that we pay very close attention to this.

Then check this out. China, of all people, said that they may veto the security council approving the United States this blanket exemption.

Mr. Speaker, that article is as follows:

[From the Washington Post, June 18, 2004]

ANNAN OPPOSES EXEMPTING U.S. FROM COURT

(By Colum Lynch)

UNITED NATIONS, June 17—U.N. Secretary General Kofi Annan urged the Security Council on Thursday to oppose renewal of a resolution that would shield U.S. troops serving in U.N.-approved peacekeeping missions from prosecution before the International Criminal Court, saying the "exemption is wrong."

Annan noted that the United States is facing international criticism for abuses of detainees in Iraq and Afghanistan. He told reporters: "It would be unwise to press for an exemption, and it would be even more unwise on the part of the Security Council to grant it. It would discredit the council and the United Nations that stands for the rule of law."

The U.N. chief's remarks added momentum to a campaign by supporters of the war crimes court to defeat the U.S.-sponsored initiative. Senior U.N. diplomats said Annan would press his case in a closed-door luncheon Friday with the 15 Security Council members.

"Blanket exemption is wrong," Annan said. "It is of dubious judicial value, and I don't think it should be encouraged by the council."

State Department spokesman Richard Boucher said the United States is well aware of Annan's position but will press the council for renewal. The resolution, first adopted two years ago, applies to "current or former officials" from countries that have not ratified the treaty establishing the court—which includes United States—and exempts them from prosecution before the court for crimes committed in U.N.-authorized operations. The council expressed an "intention" to renew the resolution each year "for as long as may be necessary."

"It should be renewed the way the council said it would," Boucher said. "And so we're still talking to other governments in New York and discussing this with them.

The United States faces fierce resistance within the council as the July 1 deadline for renewal approaches.

China has threatened to veto the resolution, citing concern that it could be used to provide political cover for abuses. U.S. and other Security Council officials say that China—which also has not ratified the court treaty—is confronting the United States because it recently supported Taiwan's bid for observer status in the World Health Assembly. "This could have an impact," said one council ambassador, who spoke anonymously because of the sensitivity of the issue. China is sending a "signal" to Washington that this "will threaten the development of bilateral relations."

U.S. diplomats acknowledge that they are struggling to line up the nine votes required to pass the resolution. Six countries—Russia, Britain, the Philippines, Pakistan, Algeria and Angola—are expected to support the United States, according to council diplomats.

France, Spain, Germany, Brazil, Benin and Chile have indicated they will abstain. Romania's U.N. ambassador, Mihnea Ioan Motoc, said his government will abstain unless its vote is responsible for defeating the U.S. resolution.

The International Criminal Court was established by treaty at a 1998 conference in Rome to prosecute individuals responsible for the most serious crimes, including genocide, war crimes and crimes against humanity. The treaty has been signed by 135 nations and ratified by 97; it took effect in July 2002.

President Bill Clinton signed the treaty in December 2000, but the Bush administration renounced it in May 2002, warning that it could be used to conduct frivolous trials against U.S. troops. The United States subsequently threatened to shut down U.N. peacekeeping missions in Bosnia and East Timor unless the council exempted U.S. personnel from prosecution.

That strategy has fueled resentment against the Bush administration at the United Nations. More than 40 countries have a standing request to discuss the resolution in a public debate. A senior diplomat said most nations will use the event to criticize the resolution, and to draw attention to U.S. abuses of detainees in Iraq and Afghanistan.

"We think the resolution is not compatible with the U.N. charter," one Canadian diplomat said. "It's harmful to international accountability for serious crimes and the rule of law."

China. You mean to tell me that we are at the point now that China gets to say something about the United States and how we treat individuals?

Now, American troops did not put us in this posture. This is the culture from the top of the Pentagon. And I will tell you this, if we want to save American lives, if we want to save the ways Americans think about us, if we really care about what happened in World War II, World War I and all of the wars after that up to this point, about the sacrifice, blood their grandfathers and fathers and mothers have shed, on behalf of how the world thinks that we are the good guys on the face of the Earth, then it is important and we should not allow this kind of leadership that is deeply flawed to continue.

I share with the gentleman, I was with the gentlewoman, I was with many Members of this Congress when I asked Secretary Rumsfeld, maybe you have done all that you can do at this point. Maybe you need to just say, I had a good run. Maybe you need to allow someone else to move on and lead the Pentagon in a way that it should be led, on behalf of saving American troops' lives.

Mrs. JONES of Ohio. As with anything, if you propose to resolve a situation, when you put the person in leadership, that gives credibility to the investigation, to the resolution. And clearly this government, this Secretary knew better than to put a low-level military person in charge of an investigation that would be so very, very important. And it goes back to what would be on your mind. How could you lead and not put in place the people who are needed to give credibility to a situation?

I am just continually reminded as the gentleman talked about the United Nations and China and Kofi Annan being concerned about what the United States is doing, that again, what we do must be able to withstand the light of day, because we are set aside or set out as the country who is trying to move forward and permit or encourage democracy or freedom and trust around the world. And if we are not encouraging freedom and trust right here in our own Nation or in areas where we have control, then who is going to believe us? Who is going to be behind us?

I am with you once again, gentlemen, that this country has to continue to show leadership.

Mr. Speaker, the article I referred to previously is as follows:

[From the Wall Street Journal, Jun. 18, 2004]

RUMSFELD DEFENDS HIDING PRISONER AT CIA URGING

(By Christopher Cooper)

WASHINGTON.—Defense Secretary Donald Rumsfeld defended his decision to hold a prisoner incommunicado in Iraq last year, taking pains yesterday to separate the incident from the unfolding detainee abuse scandal involving U.S. soldiers.

Mr. Rumsfeld said he made his decision to hold a suspected combatant out of the sight of international monitors when he was asked to do so last October by George Tenet, director of the Central Intelligence Agency. He suggested, without elaborating, that concealing detainees from Red Cross monitors is done from time to time, despite international conventions that forbid it. "There are instances where that occurs," Mr. Rumsfeld said.

But the secretary bristled at what he said was an attempt to link the decision he made in the case of the "ghost detainee" with the scandal at Abu Ghraib prison in Iraq, where a handful of low-ranking U.S. soldiers stand accused of abusing prisoners. "The implication that's out there is the United States government is engaging in torture as a matter of policy, and that's not true," Mr. Rumsfeld said, adding he has seen no evidence that senior Pentagon officials were complicit in the abuse at Abu Ghraib or elsewhere.

An Army general assigned to investigate abusers at Abu Gharaib prison, Antonio Taguba, criticized the military for housing what he called "ghost detainees" for the CIA, saying in a report that the practice was "deceptive, contrary to Army Doctrine, and in violation of international law."

Mr. Rumsfeld's comments to the press came a few hours after President Bush told reporters he remained confident in his appointee. Mr. Bush said he hadn't previously known about the detainee who was held incommunicado. "I'm never disappointed in my secretary of defense," Mr. Bush said. "He's doing a fabulous job and America's lucky to have him in the position he's in."

But nearly every day for the past month the Bush administration has found itself on the defensive about treatment of detainees in Iraq or Afghanistan. In Afghanistan, the U.S. Army is investigating several suspicious detainee deaths. Yesterday, a federal grand jury indicted a CIA civilian contractor in one of the cases. David A. Passaro, described by a CIA spokesman as a retired Army special forces officer on contract to the agency, was charged with beating an Afghani to death with a flashlight last summer. The indictment said Mr. Passaro murdered a detainee who had turned himself in to military forces at Asadabad military base.

Investigators have said they are looking into three prisoner deaths in Iraq and Afghanistan that may have come at the hands of CIA agents or their proxies. The CIA said Mr. Passaro's relationship with the agency was a short one. He signed a contract to work for the agency in December 2002 and arrived in Afghanistan in mid-May. The alleged murder occurred the following month.

"We take allegations of wrongdoing very seriously, and it's important to bear in mind that CIA immediately reported this allegation to the [CIA] inspector general," said spokesman Mark Mansfield.

The case of the ghost detainee doesn't involve abuse allegations. CIA and Pentagon officials say the man was captured last June in northern Iraq and spirited out of the country by CIA operatives. When the Justice Department ruled several months later that the man shouldn't have been taken from Iraq, he was returned and placed in the custody of the U.S. Army.

According to two U.S. officials, the CIA asked that the man be held without an identifying serial number because making his arrest public might hinder an ongoing operation. Because his case wasn't recorded in Pentagon prisoner files, however, U.S. officials acknowledged they lost track of him for a time. He resurfaced in May when senior Pentagon officials got wind of his case. Pentagon spokesman Bryan Whitman said the man will soon be issued an identifying number, and placed in the general prison population in Iraq if the CIA voices no objections.

Let me say one more thing. I want to send out kudos to all the veterans across this country, those who are from World War II, from the Korean War. One of my favorite veterans is my father, Andrew Tubbs, who is now 84 years old. But to all the young people serving, the ones that I met when I went over to the United Arab Emirates and when I went to Turkey and when I went to all these places in the military and Kosovo, we are so very proud of you. The reason we are standing here on the floor this evening is not because we are ashamed of your conduct. We are standing on this floor this evening, not because we are patriotic, because we are all patriotic.

We are standing on the floor of the House this evening to say to the world that the United States wants people in leadership who are going to set an example. We want people in leadership who are going to allow our troops to do what they need to, but not have the work of the troops diminished by the conduct of those in leadership.

I thank the gentlemen for the opportunity to be heard.

Mr. RYAN of Ohio. As I begin to wrap up here, I want to make a final statement that maybe next week, to the gentleman from Florida, I have about 6 pages here that a member of my staff put together for me, Dean Thomas who does my military work, that has about 6 pages' worth of claims by the administration, President, Vice President, different Secretaries; and then it has the facts.

Let me suggest that maybe next week the gentleman and I come down here, whether it is with our 30-something hour or maybe another Special Order, and we go through these because it is astonishing to me that in the United States of America we can have a commission put together, a bipartisan commission, the likes of Lee Hamilton and Senator KERRY and the distinguished group that we have with the 9/11 Commission, and the commission issues a report and the report says what we have known for many, many months, and that is that there is absolutely no connection between Iraq, Saddam Hussein, and al Qaeda, Osama bin Laden, two separate entities that did not want to work together.

And to have the administration just come out and just keep repeating the fact that they have a connection is a slap in the face to the American people. And that is not the only claim. We talked about the Halliburton claim that was denied and found out to be true. We found out the claim, it was only a couple of soldiers; now we found out it is more of a systemic problem.

The American people need to know what the facts are, and just because the administration wants to keep repeating what they want the world to be like and what they want the situation to be like, as opposed to what the truth is; and hopefully next week and over the course of the next few weeks and the next few months we can really try to shape the debate here and move the ship back to the truth. Because I get very, very frightened when the majority of the American people think that Saddam Hussein had something to do with 9/11 and Iraq has connections, direct connection, military connections and terrorist connections with al Qaeda, when everyone is saying it is not true, when the experts are saying it is not true, when the CIA is saying it is not true, when the 9/11 Commission says it is not true.

And the administration keeps repeating it just to muck up the waters, just to make it unclear, just because people are working two or three jobs and they are worried about getting their kid a pair of tennis shoes and some health care, and they do not have time to pay attention.

So, hopefully, over the course of the next few months, the gentleman and I and maybe other Members of this Chamber, we can try to establish what the truth is and what the facts are and let the American people make the kind of decision that they want to make it, and they can make it at least in an informed way.

Mr. MEEK of Florida. I will tell the gentleman, we have maybe 10 more minutes. We shared with the majority side that we were going to go about 40 minutes so that their Member can get down here.

So I just want to say very quickly, it is important that we share that information. This is a Special Order that we thought that was important. As members of the Committee on Armed Services, to come to the floor to talk not about politics but to talk about our troops, to talk about the leadership of our troops as it relates to the shirts and ties over at the Pentagon, the folks that are not supplying the information that we need in the Committee on Armed Services for the correct oversight.

I believe there should be more oversight because that is the only way we are going to find out what actually took place, what memo was written so that we do not have to read about it in the newspaper. The thing is that I do not like coming in here and quoting the newspaper. I would much rather have some sort of memorandum or some sort of committee testimony that I can make reference to, saying that General X told me Y, or Secretary X told us this. We do not have that privilege. We have to read about it in the paper. We have to read about it in Time magazine. We have to read about it in Newsweek.

And for us to be 60-something-odd members of the Committee on Armed Services, the largest military on the face of the Earth, the most capable, able, agile, mobile military on the face of the Earth, for us to have to read the newspaper to understand what is going on, and taking from General Myers's testimony when he did come before us and in his 30-plus years of service he has never seen anything like this Abu Ghraib issue. He said that to us. He has never seen it.

So for us to have an event that has not happened in 30-some-odds years, or I do not see anywhere in U.S. history that this has happened, it is documented the way that it is documented, for that to happen and for us to put a two-star, as much respect that we have for him, to investigate the little guys and gals that were a part of this bad behavior, it sets forth a culture that it is okay. If you are in the Pentagon, you are okay. You are a protected class. Do not worry. No one will look into you or no one will call you down to the Hill and ask you some tough questions, because if they do, they will be chastised by members of the Committee on Armed Services. Unfortunately, from the majority.

And it is also unfortunate that we have to come to the floor to be able to share thoughts in a way that we should be able to share thoughts with members of the military. I would love to ask Secretary Rumsfeld questions about why he came before the committee, shared with us what he shared with us at that particular time.

We received the Taguba report 2 weeks after that. I have taken a look at the Taguba report. Many members of the Committee on Armed Services have looked at the Taguba report. But now we just received new information from the Pentagon.

So when are we going to get all the information so that we can represent our constituents in the way that we should and be able to protect and make changes in legislation that is moving through this process now to protect American troops, to save American troops' lives, to be able to carry out all of our missions as we look abroad in what we are trying to do. But if we are not getting the information, then who is? And if they are getting the information and it is continuing to be suppressed, then it is not going to help save the lives of American troops.

Mr. RYAN of Ohio. Then when we get this information through the newspapers or through some other entity where we can get it, and then when we get the information and we try to share the information, people were questioning, why are we doing this? And I think the short answer is with the war and all the preliminaries of the war, with the weapons of mass destruction, and the ties to 9/11 and greeted as liberators and we do not need 200,000 troops, we are going to use the oil as revenue to fund the war, all of these things that have been said and now denial of Halliburton, and then saying it is an isolated incident when in fact it seems like more of a systemic problem that we have, detaining prisoners and keeping them away from the Red Cross.

Why are we bringing this up? Because it is wrong. That is wrong. It is not right that you do that. The way we got into the predicament right now, I just could not disagree more with how this all transpired. And if the original reason was you wanted to go to the Middle East to set up an Arab democracy, tell the American people that and let them answer yes or no with their support for or against it. But do not give us all those reasons that there is going to be a mushroom cloud in Cincinnati when we have a dictator that is writing romance novels, boxed in in the fly zone and the sanctions were working.

So do not mislead the American public with this. This is wrong, and we have to say it is wrong. We have to call a spade a spade here.

Hopefully, over the hours of the next few weeks and months, we can be able to do that.

Mr. MEEK of Florida. In closing, Mr. Speaker, I just wanted to thank the gentleman from Ohio (Mr. RYAN) and the gentlewoman from Ohio (Mrs. JONES) for coming down here this evening.

I also want to share with the gentleman that on the upcoming Tuesday we have the first Democratic hour, and we can share the information that the gentleman has pulled together.

We look forward to seeing that and sharing with the American people. A part of the reason why we came down to the floor was to bring to light some of the issues that needed to be illuminated a bit more and also talk about solutions. Solutions are having the Congress do what it is supposed to do, an oversight of the Department of Defense. Solutions are doing what the junior Senator from Missouri, Senator Truman, who became President Truman, in his committee that he had from 1941 to 1948 during World War II. To say that we do not have time to do this, we are at war, does not reflect on past history.

So I think it is important even if it is the good, bad and ugly, it helps the American troops, our troops be able to get the up-armor that they deserve.

☐ 1830

It will probably have avoided us from having to put in this Armed Services bill reimbursing families for bulletproof vests that they bought. Why should they have to buy them in the first place? If someone is going into harm's way, they should have the equipment that they need. I think that is so very, very important.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. GARRETT of New Jersey) laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, June 18, 2004.

Hon. J. DENNIS HASTERT,
The Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on June 18, 2004 at 3:24 p.m.:

That the Senate passed without amendment H.R. 3378.

That the Senate passed without amendment H.R. 3504.

With best wishes, I am
Sincerely,

JEFF TRANDAHL,
Clerk of the House.

ECONOMIC GROWTH

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from California (Mr. DREIER) is recognized for 60 minutes.

Mr. DREIER. Mr. Speaker, I have some prepared remarks that I would like to offer to our colleagues this evening about economic growth and how important that is, but before that I would like to join, as my colleagues did earlier, in extending condolences and our thoughts and prayers to the family of Paul Marshall Johnson, as we have all seen in the last couple of hours, who was tragically killed in Riyadh, Saudi Arabia, and it clearly has underscored our Nation's resolve and the resolve of the civilized world to deal with this issue.

It is out of this tragedy we have gotten the news that Abdulaziz Muqrin, who has links to al Qaeda, was shot in the gunfire that took place afterward, and he reportedly is responsible for the tragic death of Mr. Johnson, and we hope very much that this will play a role in moving us down towards victory in this global war on terrorism.

My remarks, Mr. Speaker, are on the issue of the economy, and there is, in fact, a direct correlation because a strong, dynamic, growing U.S. economy will do a couple of things.

First, it will help us ensure that we have the revenues necessary to fight the global war on terrorism. A strong, growing U.S. economy clearly will have a ripple effect to other parts of the world, developing Nations in our quest to deal with this war on terrorism as we know many people who have been attracted to terrorist activities have been doing so in part seeking economic opportunity. So economic growth is something that is very important as we tackle and continue to expand on this global war on terrorism.

Mr. Speaker, the word "revolution" gets a lot of talk these days, perhaps even some overuse. A Google search comes up with everything from the yoga revolution to the low-carb revolution to something called a stencil revolution. I had no idea that the art of stenciling even could be revolutionized, but tonight, I am going to talk about a phenomenon that is truly deserving of the label, and that is the productivity revolution.

Large, sustained bursts of productivity growth have fundamentally changed our entire economy in the past, and I believe we are witnessing a new wave of productivity growth that is changing the face of our economy once again. I would like to note that I believe this discussion is particularly timely given the recent onslaught of policy proposals, most notably coming from the presumptive Democratic presidential nominee Mr. KERRY. Those would actually reduce the productivity of American companies.

Currently, productivity is booming in this country. Last year, U.S. nonfinancial businesses increased productivity by 5.7 percent, the largest increase since we began collecting data. Again, that increase was 5.7 percent, the largest since 1959 when the data was first being collected.

Private sector productivity overall grew nearly as much, at a rate of 5.5 percent. Manufacturing productivity jumped 5.1 percent last year which followed a spike of 7.2 percent in the previous year, but these sharp increases over the last several quarters are part of a long-term trend of growing productivity throughout our entire economy.

Nowhere is this revolution more apparent than in manufacturing, where productivity has grown an astonishing 72 percent. That is over the last 20 years, which is nearly double the rate of productivity growth in the economy that we have overall, a 72 percent productivity growth in the manufacturing sector of our economy, nearly twice the overall rate of productivity growth.

American companies that produce goods have been at the front of the line of businesses adopting new technologies and business strategies to be more productive. As a result, the American manufacturing sector today is stronger than ever before, and it is getting even stronger as we speak. They make more from less, and that is vitally good news for the overall economy, but in order to get a full understanding of exactly what I mean by productivity revolution and the fundamental changes to U.S. manufacturing that are taking place as a result, I think we need to take a big step back and take a look at much of our economic history.

By looking at an earlier productivity revolution that also brought about fundamental change, we can get a sense of how things are changing today. We can see what it means for our economy, and even more important, what it means to people who work in manufacturing jobs.

The first major transformation in American economic history was from an agrarian economy to the heavy industrial economy. It was such a major change that it really meant a change in our entire society, from the agrarian society of the late 1700s to the post-World War II America that our Nation experienced.

The American farm did not wither away. American farmers did not become unproductive. In fact, the driving force behind the transformation was just the opposite. American farms became the most productive in the world and are among the most productive today. They produce vastly more than they have at any time in our Nation's history, but if we just look at the jobs side, the number of Americans working on farms, we could think that things went horribly wrong if we just looked at jobs.

In the early years of our country, 95 percent of Americans worked on the farm, but at the start of the 20th century, well into transition from that agrarian to an industrial economy, farm jobs still accounted for 40 percent of all America, going from 95 percent down to 40 percent.

Today, the number of farm jobs in the United States of America is just 3 percent of our economy. So the question is, did we lose millions of farm jobs in America in the 20th century? Think about the fact that 40 percent of American jobs were agriculture jobs. Today, there are 140 million working Americans. Based on the 1900 economy, we should have 56 million farm jobs here in the United States, but instead, as I said, we have 4.2 million farm jobs. Have we really lost over 50 million American farm jobs?

The real question we must ask, Mr. Speaker, is the American farm economy better off than it was at the start of the 20th century? Is the American economy, the farm economy, actually better off than it was 100 years ago, and the answer is an unquestionable yes. American farms produce vastly more than they ever could have produced without modern technology, and they are doing it with a tiny fraction of the human capital that was necessary before the agricultural productivity revolution began, and perhaps most significantly, these productivity gains freed up millions of workers to initiate and advance the industrial revolution, paving the way for our modern economy.

So American farms today produce more food, more cheaply, with fewer people than ever before. Food is so cheap that our biggest emerging health problem is what? Obesity.

Now, what does this have to do with the American manufacturing sector? Just like our agriculture sector over a century ago, productivity in American manufacturing industries is on a long-term upward path.

□ 1845

U.S. manufacturing workers are producing more with less. They are reducing waste. They are harnessing new technologies and making the entire sector more efficient and competitive.

At the same time, wages have been steadily climbing. Technology is a huge part of the equation, with computers and robotics doing what tractors and fertilizers did on the farm over the past 200 years and steam engines did in an earlier generation of factories.

The result is that U.S. manufacturing has grown to be so large, the sector is now bigger than the entire Chinese economy. Again, the U.S. manufacturing sector of our economy is so large that it is larger than the entire economy of the People's Republic of China.

At the same time, employment has fallen for 25 years, while the average wages and productivity of the remaining workers have continued to go up.

And just like the productivity revolution that swept our agrarian economy, huge advances in our manufacturing sector have led to a fundamental transformation of our entire economy, from heavy industry to our high-tech 21st century economy.

As U.S. manufacturers have become increasingly productive and efficient over the past 2 decades, more and more Americans have found jobs in cutting-edge fields in the services sector. They are working as financial advisers and wedding coordinators and software engineers, among other areas.

And just like their counterparts in the manufacturing sector, booming productivity is changing the way that they work too. Technology gains and better business practices, not to mention the lower costs brought about by open trade, have empowered Americans in virtually every part of our economy to become more productive. The tech boom of the 1990s clearly changed the way Americans do business. The Internet and the rapid proliferation of personal computers allowed workers to communicate efficiently and quickly.

Data could be transferred with the click of a mouse. The world became a smaller place, and we all were able to accomplish more in less time and with fewer resources.

But the real story of the productivity revolution is not just greater efficiency. If we look at the impact on the overall economy, the results are even more significant. American consumers now purchase more products and better products for less money. That increase in purchasing power means that our standard of living has gone up and continues to go up, and Americans with the skills and energy to contribute to the economy are able to move into other more productive work, enlarging the overall economic pie.

In fact, Mr. Speaker, productivity growth is so fundamental to both growth in GDP and a rising standard of living that most economists agree it is the single most important economic factor for improving our quality of life.

Now, the economist Paul Krugman, whom I have debated on more than a few occasions and has a tendency to look at the world a little differently than I, writes in his book "The Age of Diminished Expectations": "A country's ability to improve its standard of living over time depends almost entirely on productivity growth."

Now, Princeton economist William Baumol and Susan Blackman with New York University, along with New York University economist Edward Wolff, write in their book entitled "Productivity and American Leadership": "It can be said without exaggeration that in the long run, probably nothing is as important for economic welfare as the rate of productivity growth."

Our Joint Economic Committee's recent productivity primer states that "labor productivity is the most important driver of our standard of living, and its continued rapid growth is great news for the long-run prosperity of the American people."

Mr. Speaker, the report goes on to say that high productivity is a sign of a healthy, growing economy and points out that if productivity had not fallen during the stagflation days of the 1970s and early 1980s, it says, "Our standard of living today would be approximately 50 percent higher, adding an extra $5 trillion to the U.S. economy."

We have an $11 trillion economy today; and had we not seen that productivity slow down during the stagflation period of the 1970s, the economy of the United States would be roughly $16 trillion.

But there has been a lot of anxiety and stress in the American economy caused by this productivity-led long-term transition. This, by the way, was also the case during the height of the Industrial Revolution, when similar long-term economic trends caused great anxiety among the many people impacted by changes in the agrarian society.

Manufacturing workers, in particular, have had to cope with a great deal of anxiety. While productivity growth has steadily reduced employment even as the sector becomes bigger and stronger, recent short-term cycles have made times even tougher.

The 2001 recession led to a sharp drop in business investment, which left U.S. manufacturers struggling. This weak domestic demand was made worse by a worldwide downturn that clearly hurt U.S. exports. This temporary, but very painful, loss of customers, both here at home and abroad, delivered a tough blow to America's manufacturing workers. We all acknowledge that.

But the past couple of months have brought us very good news, Mr. Speaker. Our booming economy has stepped up demand for manufactured goods, particularly high-tech goods. Consumer spending is strong, and business investment is on the rise, causing manufacturing output to increase steadily for a year, and growing markets overseas, like China and India, are importing U.S. products at rapidly growing rates. Our exports to China alone grew by almost 30 percent in the past year.

Let me underscore that again as we got the news today of the current account deficit. Our exports alone last year to the People's Republic of China grew by almost 30 percent.

These strong economic gains have led the turnaround in manufacturing employment. Last month 32,000 manufacturing jobs were created, the fourth straight monthly increase and the strongest employment gains in manufacturing in 45 months. With demand for U.S. goods steadily rising, our manufacturing sector is on track for regaining the jobs that were lost due to the short-term downturn.

But what about the long-term trend of fewer and fewer manufacturing workers and the anxiety that comes with it? The productivity revolution is improving the quality of life for nearly everyone; but just like millions of farm workers, many generations ago, American workers today must increasingly find work outside of the manufacturing sector. Where will these Americans find work? What are the kinds of jobs that are being created? An easy and logical way to find booming job creation is to take a look at the booming consumer demand. What are we spending our money on? What areas of our economy are witnessing big increases in demand?

Mr. Speaker, one of those areas happens to be health care. We have an aging and more health-conscious population. We have had major breakthroughs in pharmaceuticals and biotechnology. Many people believe we are on the cusp of a new wave of biotechnology advancements and investments that will lead to new cures and help Americans live longer, healthier lives.

These factors have led to a greater share of our economy being dedicated to health care. This trend is not just being led by the elderly. I know there is a sense that as we look at the aging population, that all health care costs are focused on the elderly. In fact, while health care spending by the 65-and-older set edged up by only 2.7 percent last year, spending by the under-25 demographic increased by a remarkable 20.8 percent.

Mr. Speaker, as Americans become more and more health conscious, health-related spending across all demographics from the very young to the very old will continue to rise. This strong demand for health-related products and services is driving job creation at the same time. In the past year, physicians' offices hired an additional 45,000 employees, outpatient care centers grew by 9,000 workers, and hospitals added 59,000 people. In just 12 months, the health care industry created nearly a quarter of a million jobs, 225,000 new jobs to be precise.

But this trend in job creation is more than just a year old. Virtually every health-related field has been growing rapidly over the past decade. Physical therapists have grown by 90 percent. Medical assistants have grown by over 70 percent. Home health aides have grown by 138 percent. Rising demand in health care is not just a product, as I said, of an aging population. It is also due to the fact that Americans, particularly younger Americans, are becoming more health conscious. As a result, job creation in more nontraditional forms of health services is growing rapidly as well.

I frequently cite the example of the tremendous increase of massage therapists; and my comments when I talk about that are usually greeted with snickers, but let us keep in mind that massage therapy is a service that more and more Americans are incorporating into their health care regimes. Whether it is for treatment of chronic pain or ailments or simply to promote general well-being, more and more people are relying on massage therapy. And in terms of job quality, this is a profession that pays upwards of $35 an hour, often quite a bit more than that. Furthermore, massage therapists often have the privilege of working independently, which is something that draws a lot of people to that sector. Greater demand for this type of health service has again resulted in greater job creation.

In the past 8 years, the number of massage therapists in this country has more than doubled, growing from 120,000 back in 1996 to nearly 300,000 today. The rapid growth of spa centers across the country indicates that the pace of job creation in this field is going to quicken as well. And with baby boomers set to begin retiring in the near future, the dual trends of increasing demand and increasing job creation in the health care industry overall show no sign whatsoever of slowing down anytime soon.

Mr. Speaker, the Department of Labor's Bureau of Labor Statistics estimates that the health care industry will be one of the largest job creators over the next decade. Home health care services, offices of physicians, outpatient care centers, and hospitals will all increase employment over the next 4 years by over 16 percent. Over the next 8 to 10 years, the BLS, the Bureau of Labor Statistics, predicts that they will grow nearly 50 percent.

Rising consumer spending on health care is obviously spurring a vigorous debate in Congress over how we will ultimately pay for health services and products. It is an important debate and will no doubt be ongoing as the industry continues to evolve. But there is no question that this rapidly increasing demand is fueling robust job growth and will continue to do so for many years to come.

Another broad area of consumer spending that continues on the rise is housing. Today, the homeownership rate is nearly 70 percent, the highest ever in this country. Nearly 70 percent of the American people own homes. Last year, more houses were bought and sold than ever before in our Nation's history and new-home sales increased by 22 percent.

The rate of spending on real estate in 2004 is still very strong. While new-home sales have tapered slightly over the past 2 months, they are still up nearly 13 percent over the past 12 months, an almost unprecedented increase. In addition, second homeownership is growing rapidly as well. Fueled by baby boomers with empty nests, spending on second homes now exceeds $19 billion a year. That is nearly double what it was 10 years ago.

Of course the housing boom spurs growth in sectors like real estate and construction, but a number of related sectors benefit as well, marketing, finance, home improvement and insurance among others. The housing sector directly accounts for about 13 percent of total gross domestic product in any given year. But this figure is expanded by another 6 percent when you include the indirect boost in spending on items like utilities, furniture, and other housing-related expenses. The multiplier effect is 1.4 to 1.6 in real estate, or, in other words, for every $1 spent on housing, GDP increases by $1.40 to $1.60. Because of this, a dramatic increase in homeownership is very good news for our economy.

The increased spending on housing has also had a direct impact on employment in related sectors. In the past year, real estate employment, including brokers and agents, grew by 24,000 jobs. Architectural and engineering services grew by 7,000 jobs, and the BLS predicts 18 percent growth over the next 4 years.

An interesting twist to this homeownership trend is that while more Americans own homes than ever before, people are spending less and less time at home. One effect this is having on consumer spending and in turn job creation is greater reliance on services than goods. For example, homeowners are increasingly likely to hire a lawn specialist rather than purchase new lawn mowers. This, of course, mirrors the overall trend in our labor force in which more and more workers are finding jobs that provide skilled and often individualized services.

Another growing area of our consumer spending can actually be found in the increasingly significant spending habits of teenagers and college students. Spending in these age groups has grown extremely quickly in recent years. While this category generally doubled every 10 years for most of the second half of the 20th century, it tripled during the 1990s.

So what are these consumers spending their money on? One trend among members of Generation X and Generation Y, particularly males, is that they are watching less and less TV and are turning to other forms of entertainment, particularly the Internet, computer gaming and DVDs. While spending on TVs increased by 5 percent last year, spending on other forms of electronic entertainment like video gaming jumped by almost 11 percent. The result has been growing employment in high-tech entertainment industries. For example, companies that create Web content like eBay and Yahoo have created several thousand new jobs in just the last few months.

Growing Internet use has also spurred growth in online advertising and e-commerce. Large employers in these sectors like Amazon.com and Google are also hiring at a rapid rate for the first time in several years. Employment in Internet publishing and broadcasting is on the rise, growing 7 percent in the past year. This trend appears to have staying power, with the BLS predicting growth in these sectors of over 21 percent in the next 4 years. But demand for Internet content and computer gaming and the jobs they help create are obviously just a narrow slice of the much bigger high-tech picture, and demand for high-tech products overall is just a narrow slice of the total impact that the industry has on our economy at large.

As I discussed earlier, the high-tech boom has been the key factor in the emergence of our 21st century economy and the productivity revolution that ushered it in. Experts and analysts agree that our 1990s tech boom was to a great extent made possible by the falling prices of IT hardware. As demand met supply, companies across America incorporated high-tech products and services in their business plans and the results were nothing less than revolutionary. This process resulted in job creation in fields like systems administration and IT product manufacturing.

But looking at the impact of the high-tech boom in terms of job creation in directly related fields is like saying the significance of the invention of the wheel was that it created wheel-producing jobs. The real significance of the information technology revolution is that it went hand in hand with our productivity revolution. It fundamentally changed how business does business and made American workers tremendously more productive. And it unleashed a powerful new wave of innovation and entrepreneurship.

Online advertising and computer gaming are just the very tip of the iceberg. The high-tech boom has, for example, enabled 430,000 Americans, nearly half a million Americans, to make their entire living by selling and buying on eBay. As I said, that is nearly half a million Americans who run their own business by using a service that was not in existence just 10 years ago. Our IT and productivity revolutions are giving more and more Americans the ability to work independently.

□ 1900

And this is incredibly good news. A recent FedEx survey found that while 10 percent of Americans own their own business, two-thirds said they dreamed of owning their own business some day, and an astonishing 55 percent said that they would leave their current job and start a business if they had a chance to do so. Almost half of the respondents, according to that survey, said that the primary reason they would start a business was that they wanted to do something that they loved or enjoyed.

By making opportunities for entrepreneurship cheaper and more accessible, the Internet and our high tech economy are helping millions of Americans realize their dream of being their own boss and doing something that they love. This powerful American drive to innovate and create and work independently is at the crux of our productivity revolution. American innovation led to the creation of new information technologies, but it did not just stop there. IT products do not integrate themselves into the economy. Hard working and creative Americans harnessed technology, incorporated it into nearly every aspect of our lives, and brought about a wave of productivity that is transforming our entire economy.

This productivity revolution about which I have been speaking has been sustained as Americans continue to find new ways of harnessing these technologies. The Internet, for example, instantly changed how we viewed communications. But it takes time for new advancements to be fully implemented. Even today with PCs and millions of businesses, schools, and homes across America, we are only just beginning to understand the ways that technology can facilitate the things we do every day. As with any technological advancement, there are always lag times between invention, marketing, mass production, and full implementation. As creative Americans learn more and more about the technologies they are using, they will continue to drive our productivity revolution.

As I discussed earlier, productivity growth is the single greatest factor in improving our quality of life and economists across the board and observers have come to that same conclusion. The average productivity growth throughout most of the latter half of the 20th century meant that the American standard of living would double every 40 years. But the 1990's productivity revolution has accelerated that rate so much that we are now on track to double our standard of living every 25 years, a generation faster than it was increased before.

This is hugely significant to any working family. For any parent working hard to ensure that their kids have the best education and the best opportunities possible, doubling the standard of living a generation faster makes all the difference in the world. And this is why any economic debate, whether it centers on trade or taxes or regulation, should come down to productivity. As policymakers, the question we should always be asking ourselves is, are we empowering Americans to be more productive or are we hindering them?

Today I believe that we are on the right path. Productivity growth continues to strengthen our economy and the effects can be seen in virtually every economic indicator. Growth in GDP, gross domestic product, as we all know, is very strong, running at over 4 percent for 2004. Consumer confidence, industrial production, and home ownership, as I said, are all on the upward trend, and job creation is booming. The Bureau of Labor Statistics' Household Survey shows the creation of 1.5 million jobs since last August, 1.5 million jobs created since last August. Even the Payroll Survey, which does not count for any of the self-employed workers about whom I have been speaking, workers and independent contractors, that we know are rapidly increasing in number, that survey, the Payroll Survey, shows 1.1 million new jobs created since August and over 800,000 jobs created in the first 4 months of this year alone.

But as Will Rogers once said, "Even if you are on the right track, you will get run over if you just sit there." Today we have a number of opportunities to tear down remaining barriers to innovation and entrepreneurship, our chief engines of the productivity revolution.

American companies face a number of factors that restrain productivity. Factors like frivolous litigation and excessive regulation diminish the ability of U.S. companies to boost their productivity the way they would like, thereby hindering job creation. The National Association of Manufacturers estimates that these barriers from frivolous litigation raise the cost of doing business in this country by as much as 25 percent. Those extra costs can be formidable to any company, especially small businesses, and they are holding Americans back from their full productivity potential. Our pro-growth productivity agenda must focus on our efforts to break down these barriers, and I am very happy that this week out of the House we were able to pass the American Jobs Creation Act of 2004, which is specifically designed to decrease the tax burden for job creators so that we can again have an even greater incentive for job growth.

Unfortunately, there are many politicians, led by our colleague Mr. KERRY, who is, as I said, the presumptive Democratic presidential nominee, they are advocating just the opposite, just the opposite to the things that we have been pushing and, frankly, the policies that have led to the very positive growth about which I have been speaking. They are proposing policies that would actually reduce our productivity, a proposition that should be unthinkable in today's economy.

Remarkably, the Senator from Massachusetts claimed in a recent speech to the Teamsters members in Las Vegas that his policies "will make American businesses more competitive" and give Americans "a chance to get ahead." And yet Senator KERRY has actually proposed raising taxes on companies that have boosted their productivity and competitiveness by investing in growing overseas markets. He wants to renegotiate trade agreements that have made companies more productive by opening up new markets for American exports and reducing costs through inexpensive high-quality imports.

But we know that the key to strengths being our economy and improving the standard of living for Americans is through productivity growth. We also know that tearing down barriers to innovation, not erecting new ones, is the key to increasing our Nation's productivity.

Today we are at an economic crossroads, Mr. Speaker. Our decisions will have far-reaching effects that could impact our ability to grow and create new opportunities for many years to come. The choice is quite simple: Do we allow our productivity revolution to progress and continue to raise the American standard of living more quickly than ever before, or do we change course and adopt policies that slow productivity, stifle innovation, and diminish our ability to improve our quality of life?

Mr. Speaker, I believe the latter choice is really no choice at all, and I have confidence that this Congress will instead choose to continue down the path toward a brighter future for all Americans.

CORRECTION TO THE CONGRESSIONAL RECORD OF THURSDAY, JUNE 17, 2004 AT PAGE H4388

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BEREUTER (at the request of Mr. DELAY) for today after 6:00 p.m. through June 25 on account of personal business.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ISAKSON (at the request of Mr. DELAY) for today on account of addressing the Georgia School Board Association.

Mr. GERLACH (at the request of Mr. DELAY) for today on account of attending his son's high school graduation.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCDERMOTT) to revise and extend their remarks and include extraneous material):

Ms. WOOLSEY, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. MCGOVERN, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Mr. BLUMENAUER, for 5 minutes, today.

Mr. INSLEE, for 5 minutes, today.

Mr. MCDERMOTT, for 5 minutes, today.

(The following Members (at the request of Mr. FOLEY) to revise and extend their remarks and include extraneous material):

Mr. GINGREY, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes, June 21.

Mr. FOLEY, for 5 minutes, today.

ADJOURNMENT

Mr. DREIER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 8 minutes p.m.), under its previous order, the House adjourned until Monday, June 21, 2004, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8624. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Sulfuryl Fluoride; Pesticide Tolerance; Technical Correction [OPP-2003-0373; FRL-7346-1] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8625. A letter from the Deputy Associate Administrator, Environmental Protection

Agency, transmitting the Agency's final rule—Air Quality Designations and Classifications for the 8-Hour National Ambient Air Quality Standards; Deferral of Effective Date [OAR-2003-0083; FRL-7775-5] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8626. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Air Quality Designations and Classifications for the 8-Hour Ozone National Ambient Air Quality Standards; Early Action Compact Areas With Deferred Effective Dates [OAR-2003-0083-1; FRL-7774-8] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8627. A letter from the Deputy Associate Adminiatrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans: Delaware; Update to Materials Incorporated by Reference [DE101-1037; FRL-7668-1] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8628. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans Georgia: Approval of Revisions to the State Implementation Plan [GA-62, GA-64-200418; FRL-7672-4] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8629. A letter from the Deputy Associate Administrator Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Florida Broward County Aviation Department Variance [R04-OAR-2003-FL-0001-200414(f); FRL-7773-8] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8630. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Ohio [OH-159-1a; FRL-7774-7] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8631. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants; National Emission Standards for Emission of Radionuclides Other Than Radon From Department of Energy Facilities; National Emission Standards for Radionuclide Emissions from Federal Facilites Other Than Nuclear Regulatory Commission Licenses and Not Covered by Subpart H; Final Amendment—Correction [FRL-7773-5] (RIN: 2060-AI90) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8632. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Protection of Stratospheric Ozone; Allowance System for Controlling HCFC Production, Import and Export [OAR-2003-0130; FRL-7774-1] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8633. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Transportation Conformity Rule Amendment for the New 8-hour Ozone and PM2.5 National Ambient Air Quality Standards and Miscellaneous Revisions for Existing Areas; Transportation Conformity Rule Amendment: Response to Court Decision and Additional Rule Changes [FRL-7774-6] (RIN: 2060-AL73) (RIN: 2060-AI56) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8634. A letter from the Legal Advisor, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Implementation of Section 25 of the Cable Television Consumer Protection and Competition Act of 1992; Direct Broadcast Satellite Public Interest Obligations; Sua Sponte Reconsideration [MM Docket No. 93-25] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8635. A letter from the Legal Advisor to Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Part 76 of the Commission's Rules to Extend Interference Protection in the Marine and Aeronautical Distress and Safety Frequency 406.025 MHz [MB Docket No. 03-50] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8636. A letter from the Deputy Chief, WCB/PPD, Federal Communications Commission, transmitting the Commission's final rule—Access Charge Reform [CC Docket No. 96-262]; Reform of Access Charges Imposed by Competitive Local Exchange Carriers; Petition of Z-Tel Communications, Inc. For Temporary Waiver of Commission Rule 61.26(d) to Facilitate Deployment of Competitive Service in Certain Metropolitan Statistical Areas [CCB/CPD File No. 01-19] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8637. A letter from the Legal Advisor to the Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations. (Bloomington, Indiana) [MM Docket No. 03-230; RM-10816] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8638. A letter from the Legal Advisor to the Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Braodcast Station. (Ocilla and Ambrose, Georgia) [MB Docket No. 03-246; RM-10830] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8639. A letter from the Legal Advisor to Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations. (Colby, Kansas) [MB Docket No. 04-11; RM-10841] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8640. A letter from the Legal Advisor to Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations. (Jackson, Mississippi) [MM Docket No. 01-43; RM-10041] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8641. A letter from the Deputy Chief, WCB/TAPD, Federal Communications Commission, transmitting the Commission's final rule—Lifeline and Link-Up [WC Docket No. 03-109] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8642. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b) FM Table of Allotments, FM Broadcast Stations. (Vinton, Louisiana, Crystal Beach, Lumbarton, and Winnie, Texas) [MB Docket No. 02-212; RM-10516; RM-10618] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8643. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Post, O'Donnell and Roaring Springs, Texas) [MM Docket No. 01-271; RM-10278; RM-10380] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8644. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Cameron, First Mesa, Flagstaff, Dewey-Humboldt, Parker, Bagdad, Globe, Safford, Grand Canyon Village, Gilbert, and Chino Valley, Arizona) [MM Docket No. 02-73; RM-10356; RM-10551; RM-10553; RM-10554] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8645. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Ashland, Coaling, Cordova, Decartur, Dora, Hackleburg, Hobson City, Holly Pond, Killen, Midfield, Scottsboro, Sylaocauga, and Tuscaloosa, Alabama, Atlanta, Georgia, and Pulaski, Tennessee) [MB Docket No. 03-77; RM-10660; RM-10835] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8646. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations. (Mt. Vernon and Okawville, Illinois) [MB Docket No. 03-196; RM-10626] Reclassification of License of Station KEZK-FM, St. Louis, Missouri—received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8647. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Encinal, Texas) [MB Docket No. 02-349; RM-10600] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8648. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Linden and Marion, Alabama) MB Docket No. 03-162; RM-10723] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8649. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b) FM Table of Allotments, FM Broadcast Stations. (Russellville and Littleville, Alabama) [MB Docket No. 04-12; RM-10834] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8650. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Pakistan (Transmittal No. DDTC 014-04), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8651. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Japan (Transmittal No. DDTC 034-04), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8652. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed manufacturing license agreement for the manufacture of significant military equipment abroad and the export of defense articles or defense services sold commercially under a contract with Japan (Transmittal No. DDTC 036-04), pursuant to 22 U.S.C. 2776(c) 22 U.S.C. 2776(d); to the Committee on International Relations.

8653. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed manufacturing license agreement for the manufacture of significant military equipment abroad and the export of defense articles or defense services under contract with Japan (Transmittal No. DDTC 033-04), pursuant to 22 U.S.C. 2776(c) 22 U.S.C. 2776(d); to the Committee on International Relations.

8654. A letter from the Administrator, National Nuclear Security Administration, Department of Energy, transmitting an amendment to the Agreement Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes, having been negotiated and approved by the President pursuant to the Atomic Energy Act of 1954, as amended; to the Committee on International Relations.

8655. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting as required by Section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1641(c) and section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), the six-month periodic report on the national emergency with respect to the proliferation of weapons of mass destruction that was declared in Executive Order 12938 of November 14, 1994; to the Committee on International Relations.

8656. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to Section 620C(c) of the Foreign Assistance Act of 1961, as amended, and in accordance with section 1(a)(6) of Executive Order 13313, a report prepared by the Department of State and the National Security Council on the progress toward a negotiated solution of the Cyprus question covering the period February 1, 2004 through March 31, 2004; to the Committee on International Relations.

8657. A letter from the Secretary, Department of Education, transmitting the semiannual report of the activities of the Office of Inspector General during the six month period ending March 31, 2004, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8658. A letter from the Director, Office of Personnel Policy, Department of the Interior, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8659. A letter from the Director, Office of Personnel Policy, Department of the Interior, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8660. A letter from the White House Liaison, Department of Education, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8661. A letter from the Chairman, Nuclear Regulatory Commission, transmitting in accordance with Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, Pub. L. 108-199, the Commission's report on FY 2003 Competitive Sourcing Efforts; to the Committee on Government Reform.

8662. A letter from the Director, Office of National Drug Control Policy, transmitting a report on the "Fiscal Year 2003 Accounting of Drug Control Funds," pursuant to 21 U.S.C. 1704(d); to the Committee on Government Reform.

8663. A letter from the Secretary to the Board, Railroad Retirement Board, transmitting in accordance with Division F, Section 647(b) of Pub. L. 108-199, the Board's FY 2003 report on competitive sourcing efforts; to the Committee on Government Reform.

8664. A letter from the Chairman, Tennessee Valley Authority, transmitting the report in compliance with the Government in the Sunshine Act for Calendar Year 2003, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

8665. A letter from the Director, U.S. Trade and Development Agency, transmitting the Agency's report on FY 2003 competitive sourcing efforts as required by Section 647(b) of Division F of the Consolidated Appropriations Act, 2004, Pub. L. 108-199; to the Committee on Government Reform.

8666. A letter from the Staff Director, United States Commission on Civil Rights, transmitting the FY 2003 annual report under the Federal Managers' Financial Integrity Act (FMFIA), pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform.

8667. A letter from the Commissioner, Social Security Administration, transmitting the 2004 Annual Report of the Supplemental Security Income Program, pursuant to Public Law 104—193, section 231 (110 Stat. 2197); to the Committee on Ways and Means.

8668. A letter from the Chairman, U.S. International Trade Commission, transmitting pursuant to Section 2104(f) of the Trade Act of 2002, a report on the Commission's investigation entitled "U.S.-Australia Free Trade Agreement: Potential Economywide and Selected Sectoral Effects, Inv. No. TA 2104-11"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LEWIS of California: Committee on Appropriations. H.R. 4613. A bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes. (Rept. 108-553). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOBSON: Committee on Appropriations. H.R. 4614. A bill making appropriations for energy and water development for the fiscal year ending September 30, 2005, and for other purposes (Rept. 108-554). Referred to the Committee of the Whole House on the State of the Union.

Mr. POMBO: Committee on Resources. H.R. 3706. A bill to adjust the boundary of the John Muir National Historic Site, and for other purposes (Rept. 108-555). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. WALDEN of Oregon (for himself and Mr. Davis of Florida):

H.R. 4612. A bill to amend the Federal Food, Drug, and Cosmetic Act to create a uniform certification standard for Internet pharmacies and to prohibit Internet pharmacies from engaging in certain advertising activities, to prohibit the use of certain bank instruments for purchases associated with illegal Internet pharmacies, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. COBLE (for himself, Mr. Conyers, Mr. Hyde, and Mr. Frank of Massachusetts):

H.R. 4615. A bill to modify the application of the antitrust laws to permit collective development and implementation of a standard contract form for playwrights for the licensing of their plays; to the Committee on the Judiciary.

By Mrs. DAVIS of California (for herself, Mr. Evans, and Mr. Michaud):

H.R. 4616. A bill to amend title 38, United States Code, to extend for four years the operation of the demonstration project of the Secretary of Veterans Affairs to guarantee hybrid adjustable rate mortgages for the construction or purchase of homes by veterans; to the Committee on Veterans' Affairs.

By Mr. DOOLITTLE:

H.R. 4617. A bill to amend the Small Tracts Act to facilitate the exchange of small tracts of land, and for other purposes; to the Committee on Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ENGEL (for himself, Mr. Israel, Mr. Nadler, Mr. McNulty, Mr. Ackerman, Ms. Slaughter, Mrs. McCarthy of New York, Mr. Towns, Mr. Meeks of New York, Mr. Sweeney, Mr. Serrano, Mr. Bishop of New York, Mr. Fossella, Mr. Crowley, Mr. King of New York, Mr. Owens, Mr. Walsh, Mr. Rangel, Mr. Reynolds, Ms. Velázquez, Mrs. Lowey, Mr. Hinchey, Mr. Weiner, Mrs. Maloney, Mr. Houghton, Mrs. Kelly, Mr. Boehlert, Mr. McHugh, and Mr. Quinn):

H.R. 4618. A bill to designate the facility of the United States Postal Service located at 10 West Prospect Street in Nanuet, New York, as the "Anthony I. Lombardi Memorial Post Office Building"; to the Committee on Government Reform.

By Mr. GERLACH:

H.R. 4619. A bill to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of Ukraine; to the Committee on Ways and Means.

By Mr. NETHERCUTT (for himself and Mr. Hastings of Washington):

H.R. 4620. A bill to confirm the authority of the Secretary of Agriculture and the Commodity Credit Corporation to enter into memorandums of understanding with a State regarding the collection of approved State commodity assessments on behalf of the State from the proceeds of marketing assistance loans; to the Committee on Agriculture.

By Mr. RENZI (for himself, Mr. Brown of Ohio, Mr. Strickland, Mr. Flake, Ms. Kaptur, Mr. Kucinich, and Mr. Smith of New Jersey):

H.R. 4621. A bill to amend title 38, United States Code, to provide that an injury or death sustained as a result of participation in a medical research program of the Department of Veterans Affairs shall be treated for purpose of benefits under laws administered by the Secretary of Veterans Affairs in the same manner as if the injury were incurred as a result of military service, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SIMPSON (for himself, Mr. Dingell, Mr. Pallone, Mr. Waxman, Mr. Norwood, Ms. Roybal-Allard, Mr. Cramer, Mr. McNulty, Mr. Blunt, Mr. Linder, Mr. Boucher, Mr. Pastor, Mrs. Christensen, Mr. Towns, Mr. Dicks, Mr. Andrews, Mr. Meehan, Mr. Kennedy of Rhode Island, Mr. Serrano, Mr. McIntyre, Mr. Matsui, Mr. Larsen of Washington, Mr. Engel, Mr. Conyers, Mr. Cunningham, Mrs. McCarthy of New York, Mr. Kildee, Mr. Pascrell, Ms. Bordallo, Mr. Shuster, Mr. Ferguson, Mr. LoBiondo, Mr. Turner of Texas, Mr. Brown of Ohio, Mr. Stupak, Mr. Strickland, Mr. Simmons, and Mr. Allen):

H.R. 4622. A bill to provide disadvantaged children with access to dental services; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. UDALL of New Mexico:

H.R. 4623. A bill to authorize the Secretary of the Interior to provide financial assistance to the Eastern New Mexico Rural Water Authority for the planning, design, and construction of the Eastern New Mexico Rural Water System, and for other purposes; to the Committee on Resources.

By Ms. WATSON:

H.R. 4624. A bill to designate the facility of the United States Postal Service located at 4960 West Washington Boulevard in Los Angeles, California, as the "Ray Charles Post Office Building"; to the Committee on Government Reform.

By Mrs. JO ANN DAVIS of Virginia:

H.J. Res. 98. A joint resolution to acknowledge a long history of official depredations and ill-conceived policies by the United States Government regarding Indian tribes and offer an apology to all Native Peoples on behalf of the United States; to the Committee on Resources.

By Mr. THOMPSON of Mississippi (for himself, Mr. Lewis of Georgia, Mr. Bishop of Georgia, Mr. Clay, Mr. Clyburn, Mr. Cummings, Mr. Davis of Alabama, Mr. Davis of Illinois, Mr. Fattah, Mr. Ford, Mr. Jackson of Illinois, Mr. Jefferson, Mr. Meeks of New York, Ms. Norton, Mr. Owens, Mr. Rangel, Mr. Rush, Mr. Towns, Ms. Waters, Ms. Watson, and Mr. Wynn):

H. Con. Res. 457. Concurrent resolution expressing the sense of Congress with respect to the murders of James E. Chaney, Michael Schwerner, and Andrew Goodman; to the Committee on the Judiciary.

By Mr. UDALL of Colorado:

H. Res. 682. A resolution supporting the goals and ideas of National Time Out Day to promote the adoption of the Joint Commission on Accreditation of Healthcare Organization's universal protocol for preventing errors in the operating room; to the Committee on Energy and Commerce.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

356. The SPEAKER presented a memorial of the Legislature of the State of New Hampshire, relative to House Concurrent Resolution No. 17 memorializing the United States Congress to posthumously promote Colonel Edward Ephraim Cross to brigadier general; to the Committee on Armed Services.

357. Also, a memorial of the Legislature of the State of Louisiana, relative to Senate Concurrent Resolution No. 40 memorializing the United States Congress to provide funding for the Louisiana University of Medical Sciences, Inc., College of Primary Care Medicine; to the Committee on Energy and Commerce.

358. Also, a memorial of the House of Delegates of the Commonwealth of Virginia, relative to House Joint Resolution No. 247 memorializing the United States Congress to enact the State Waste Empowerment and Enforcement Provision Act of 2003 (H.R. 1123); to the Committee on Energy and Commerce.

359. Also, a memorial of the House of Delegates of the Commonwealth of Virginia, relative to House Joint Resolution No. 187 memorializing the United States Congress to propose a constitutional amendment to protect the fundamental institution of marriage as a union between a man and a woman; to the Committee on the Judiciary.

360. Also, a memorial of the House of Delegates of the Commonwealth of Virginia, relative to House Joint Resolution No. 194 rescinding and withdrawing all past resolutions of the General Assembly applying to the Congress of the United States to call a constitutional convention to amend the Constitution of the United States; to the Committee on the Judiciary.

361. Also, a memorial of the Senate of the State of Louisiana, relative to Senate Resolution No. 65 memorializing the United States Congress to oppose the proposed federal funding cuts to maintenance and operation of locks and dams along the Ouachita and Black River navigational system; to the Committee on Transportation and Infrastructure.

362. Also, a memorial of the Senate of the State of Michigan, relative to Senate Resolution No. 234 memorializing the United States Congress to provide funding for the dredging of canals around the city of Gibraltar; to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 58: Mr. Istook.

H.R. 97: Ms. Millender-McDonald.

H.R. 107: Mr. Cox.

H.R. 548: Ms. Herseth.

H.R. 577: Mr. Rodriguez and Mr. Nadler.

H.R. 792: Mr. Green of Texas and Mr. Lampson.

H.R. 1105: Mr. Wu.

H.R. 1359: Mrs. Jones of Ohio.

H.R. 1555: Mr. Berman, Ms. DeGette, and Ms. Majette.

H.R. 1736: Mr. Emanuel and Mr. Etheridge.

H.R. 1811: Mr. Michaud, Mr. Grijalva, and Mr. Ramstad.

H.R. 1823: Mr. McNulty

H.R. 1914: Mr. Calvert.

H.R. 1919: Mr. Serrano.

H.R. 2011: Mr. Markey.

H.R. 2023: Ms. Bordallo.

H.R. 2247: Mr. Emanuel.

H.R. 2442: Ms. Velázquez and Mrs. Kelly.

H.R. 2674: Ms. Watson, Mr. Cummings, and Mr. Rangel.

H.R. 2814: Mr. Bereuter.

H.R. 2929: Mr. Doolittle and Mr. Upton.

H.R. 2959: Mr. Sandlin.

H.R. 2966: Mr. Filner.

H.R. 3148: Ms. Watson, Mr. Green of Texas, Mr. Hastings of Florida, Mr. Greenwood, Mr. Kildee, Mr. McDermott, Mr. Costello, Mr. Sullivan, Mr. Farr, Mr. Green of Wisconsin, Mr. Petri, and Mr. Crane.

H.R. 3193: Mr. Gillmor.

H.R. 3266: Mr. Langevin, Mr. Weiner, Mr. Smith of Texas, Mr. Hunter, Mr. Boehlert, Mr. Holden, Mr. Gallegly, Mr. Nadler, Mrs. Christensen, Mr. Cardin, Mr. Gonzalez, Mr. Dicks, Mr. Feeney, Ms. Harman, Mr. Keller, Mr. Andrews, Mr. Meek of Florida, Mr. Weldon of Florida, Mr. Mario Diaz-Balart of Florida, Mr. Rogers of Michigan, Mr. Goss, Mr. Goodlatte, Mr. Holt, Mr. Lewis of California, and Mr. Becerra.

H.R. 3361: Ms. Norton.

H.R. 3523: Mr. Gonzalez.

H.R. 3634: Mr. Payne.

H.R. 3729: Mr. LoBiondo, Mrs. Lowey, Mr. Brown of South Carolina, Mrs. Blackburn, Mr. Kind, and Mr. Garrett of New Jersey.

H.R. 3764: Mr. Filner.

H.R. 3799: Mr. Herger.

H.R. 3858: Mr. Akin.

H.R. 3886: Mr. Moran of Kansas and Mr. Moore.

H.R. 3921: Mr. Allen.

H.R. 3947: Mr. Bishop of Georgia and Mrs. Lowey.

H.R. 3965: Mr. Tierney.

H.R. 3988: Mr. Bishop of Georgia, Ms. Corrine Brown of Florida, Mr. Conyers, Mr. Lewis of Georgia, Mr. Allen, and Ms. Watson.

H.R. 4046: Mr. Weller, Mr. McDermott, Mr. Bishop of Georgia, Mr. Baca, Mr. Ackerman, Mr. Gonzalez, and Mr. McNulty.

H.R. 4101: Mr. Ehlers and Mr. Saxton.

H.R. 4110: Mr. McKeon, Ms. Schakowsky, Ms. Woolsey, and Mr. Gallegly.

H.R. 4234: Mr. Waxman, Mr. Deutsch, and Mr. Costello.

H.R. 4258: Mr. SANDLIN, Mr. LEWIS of Georgia, Mr. HILL, Ms. HOOLEY of Oregon, Mrs. JONES of Ohio, Mr. GREEN of Texas, Mr. SKELTON, Mr. HASTINGS of Florida, Mr. MOORE, Mrs. CAPPS, Mr. NADLER, Ms. ROYBAL-ALLARD, Mrs. MALONEY, and Ms. KILPATRICK.

H.R. 4276: Mr. LARSEN of Washington.

H.R. 4306: Mr. FORD.

H.R. 4341: Ms. BERKLEY.

H.R. 4365: Mr. BERMAN.

H.R. 4367: Mr. TURNER of Texas, Mr. SCHIFF, and Mr. ORTIZ.

H.R. 4395: Mr. LARSEN of Washington.

H.R. 4420: Mr. FORBES and Mr. BOOZMAN.

H.R. 4423: Mr. PASTOR and Mr. FRANK of Massachusetts.

H.R. 4425: Ms. NORTON, Mr. DOYLE, and Mr. WEXLER.

H.R. 4431: Mr. OWENS, Mr. GREEN of Texas, and Mr. FORD.

H.R. 4472: Mr. PLATTS.

H.R. 4530: Mr. GALLEGLY.

H.R. 4550: Mr. DICKS, Mr. CARDOZA, and Mr. SANDLIN.

H.R. 4561: Mr. OWENS, Mr. MCDERMOTT. Mr. KENNEDY of Rhode Island. Ms. MCCARTHY of Missouri, Mr. MCNULTY, Mr. WAXMAN, Mr. GRIJALVA, Mr. FARR, Mr. PAUL, and Mr. PAYNE.

H.R. 4597: Mr. KING of New York.

H. Con. Res. 332: Mr. CRENSHAW.

H. Con. Res. 344: Mr. CROWLEY.

H. Con. Res. 375: Ms. WATSON, Ms. BERKLEY, and Mr. CALVERT.

H. Con. Res. 377: Mr. SESSIONS.

H. Con. Res. 434: Mr. RANGEL.

H. Con. Res. 436: Mr. EDDIE BERNICE JOHNSON of Texas; Mr. BISHOP of Georgia, Ms. WATSON, Mr. CLAY, and Mr. SCOTT of Virginia.

H. Con. Res. 440: Mr. SOUDER and Mr. FRANKS of Arizona.

H. Con. Res. 442: Mr. KLINE.

H. Con. Res. 449: Mr. NORWOOD, Mr. ISAKSON, Mr. LEWIS of Georgia, Mr. KINGSTON, Mr. MARSHALL, Ms. MAJETTE, Mr. LINDER, Mr. ROSS, Mrs. MCCARTHY of New York, Mr. GRIJALVA, Mr. OTTER, Mr. GONZALEZ, Mr. MCGOVERN, Mr. SHIMKUS, Mr. FORD, Mr. SERRANO, Mr. HAYWORTH, and Mr. RUSH.

H. Res. 629: Mr. STARK

H. Res. 632: Mr. WEXLER.

H. Res. 667: Mr. ROHRABACHER, Mr. KING of Iowa, Mr. ROYCE, Mr. VITTER, Mr. WILSON of South Carolina, Mr. SOUDER, Mr. MCGOVERN, Mr. FRANK of Massachusetts, Mr. SMITH of New Jersey, Mr. HAYWORTH, and Mr. SMITH of Michigan.

EXTENSIONS OF REMARKS

TRIBUTE TO DR. SHAFFDEEN AMUWO, PH.D., MPH, ASSOCIATE DEAN FOR COMMUNITY GOVERNMENT AND ALUMNI AFFAIRS, UNIVERSITY OF ILLINOIS SCHOOL OF PUBLIC HEALTH

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 2004

Mr. DAVIS of Illinois. Mr. Speaker, I take this opportunity to commend and congratulate Dr. Shaffdeen Amuwo on a very meaningful and successful career as he approaches retirement. Teaching to me has always been one of the noblest and most rewarding of all the professions. I take this position because to me, when you teach you give a part of yourself to others who are attempting to move from one level of being to another.

Dr. Shaffdeen Amuwo migrated to this country from his native Nigeria to attend school in an effort to improve his own life and to be in a position to make life better for others,, Never one to shirk responsibility or to miss opportunities, he worked at a number of odd jobs while attending school and eventually earned both Ph.D. and MPH degrees.

Dr. Amuwo understood that education requires more than just activity with the classroom. He took his knowledge and skills out into the community sharing with common and ordinary people. He became a prolific proposal writer and raised substantial sums of money for programs and instructional activities. Through his efforts and as a result of his serious understanding of what public health should really do, Dr. Amuwo helped to open up new vistas of understanding and was indeed a bridge builder between the school and the community as well as between his native African brothers and sisters and the traditional African American community of Chicago.

Although you are retiring in a formal way, we expect to see you at all of the meetings and will continue to make use of your vast knowledge, skill, and commitment. And as you go, in the words of an Irish Proverb, "May the Road rise up to meet you, may the wind always be at your back, may the Sun shine warmly upon your face and until we meet again, may the good Lord hold you in the hollow of his hand."

CONGRATULATIONS CENTRAL CABARRUS HIGH SCHOOL SOFTBALL TEAM

HON. ROBIN HAYES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 2004

Mr. HAYES. Mr. Speaker, it is my honor to rise today to congratulate the Central Cabarrus High School Softball team on their victory at the 4A NCHSAA Softball Tournament on June 6th. This is Cabarrus High School's fourth state championship win. The sensational Lady Vikings captured the state championship title in 1993, 2000, 2001 as 3A members and now in 2004 as 4A members.

Coached by Monte Sherrill, the team had an astounding season with an overall record of 32–1. The Lady Vikings claimed their title by beating Cape Fear with a final score of 1–0. The team is now ranked 7th nationally by USA Today and the National Fast-Pitch Coaches Association. Gina Allen was declared the Most Valuable Player in the tournament due to her outstanding job on the pitcher's mound. Allen tossed a five-hit shutout against Cape Fear to lead the team to the title.

The Lady Vikings have reached this level of success by extreme hard work and dedication. Most of the players stay in shape by continuing to play year-round on competitive traveling teams. Cabarrus County has done an excellent job of creating recreational opportunities beyond the high school seasons.

Participating in individual and team sports can offer tremendous social advantages while challenging a young person physically and fostering honest competition. There is also evidence that sports can increase a student's self-esteem and academic performance. Sports allow teenagers to take on leadership roles, handle adversity, and improve their time management skills.

The Lady Vikings of Cabarrus County have succeeded in pushing themselves to be outstanding athletes and have stood up to the challenges placed in front of them. They have come together as a team and shown their peers that commitment and self-sacrifice can lead to success. I congratulate them and wish them continued success next year. We are all proud of their accomplishments.

TRIBUTE TO RICHARD LEWIS

HON. JAMES P. McGOVERN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 2004

Mr. McGOVERN. Mr. Speaker, I am honored to pay tribute to one of Central Massachusetts' most devoted athletic directors and community members, Richard Lewis, who is retiring from his position as Athletic Director of Wachusetts Regional High School.

After graduating from the University of Massachusetts in 1966, Mr. Lewis went on to receive his Masters in Education from Worcester State College. He began his career in Western Massachusetts, followed by 10 years at the Marlboro Public Schools, before he graced Wachusetts High School with his services in 1978.

Throughout his years at WMS, Mr. Lewis has left an outstanding legacy, not only as the MIAA District E Athletic Chair, but also assisting on several committees such as the MIAA Baseball Committee. Furthermore, he served as the director of both the Softball Tournament in Central Massachusetts as well as MIAA State Softball.

Along with the many committees Mr. Lewis has devoted his time to, his contributions to both the Massachusetts Secondary School Athletic Directors Association as well as the community of Central Massachusetts have earned him well deserved recognition. He has received the National Interscholastic Award of Merit both statewide and nationally, as well as two John E. Young Awards.

Today I, along with the rest of my colleagues would like to pay tribute to this strong community leader and outstanding Athletic Director, Richard Lewis and we wish him and his family all the best in the years to come.

ADJUSTMENT IN NUMBER OF FREE ROAMING HORSES PERMITTED IN CAPE LOOKOUT NATIONAL SEASHORE

SPEECH OF

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 2004

Mr. JONES of North Carolina. Mr. Speaker, I would like to thank the House Leadership for scheduling H.R. 205 for floor consideration. This bill would adjust the number of free roaming horsed permitted on Shackleford Banks in the Cape Lookout National Seashore. Shackleford Banks is a barrier island off the coast of North Carolina that has been home to a herd of wild horses for over three centuries. In fact, experts believe the herd descended from Spanish stallions that were shipwrecked on the island during colonial times.

Over the years, the Shackleford horses have become an integral part of the natural and cultural fabric of Eastern North Carolina. They are treasured by the local community and adored by the many visitors who come from across the country to see them.

To protect these beautiful creatures, in 1997 I introduced the Shackleford Banks Wild Horses Protection Act which the President later signed into law. The Act directed the Department of the Interior to enter an agreement with a non-profit group—the Foundation for Shackleford Horses—to manage the herd. It also required the Department to allow a herd of 100 free-roaming horses in the Seashore, and it set out terms under which horses could be removed, including a prohibition on removal "unless the number of horses . . . exceeds 110."

As the National Park Service and the Foundation began to implement the Act, disagreement erupted over the law's requirements on

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

the size of the herd. The Park Service interpreted the Act to mean that the herd's population should be kept between 100 and 110. However, as the author of the legislation, I can tell you this interpretation was inconsistent with Congressional intent—which was to allow the herd to hover above 110.

The Park Service's interpretation also conflicted with the established scientific consensus on the size of the herd. Studies by world-renowned genetic scientists Dr. Daniel Rubenstein of Princeton University, and Dr. Gus Cothran of the University of Kentucky, confirm that in order to maintain the herd's long-term viability, its optimum size is around 120 animals. The experts also agree that the population should not dip below 110 and that it should be allowed to expand periodically to numbers at or above 130 in order to sustain the proper genetic diversity in the herd. It's important to note that these numbers are well within the island's carrying capacity.

After years of disagreement on the herd size issue, the Park Service met in the fall of 2002 with the Foundation for Shackleford Horses, Dr. Rubenstein, Dr. Cothran and other stakeholders. After two days of meetings, the parties emerged with an agreement that largely mirrors the scientific understanding of how the horses should be managed.

H.R. 2055 seeks to codify this scientific consensus into law. It would allow a herd of "not less than 110 free roaming horses, with a target population of between 120 and 130 free roaming horses." It would also clear up confusion on when horses can be removed from the island by mandating that removal can only occur if "carried out as part of a plan to maintain the viability of the herd."

Mr. Speaker, this legislation is supported by the Park Service, the scientific experts, and the local community. It is a legislative fix based on sound science, and I urge my colleagues to support it.

H.R. 1811—FAMILY OPPORTUNITY ACT OF 2003

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 2004

Mr. DAVIS of Illinois. Mr. Speaker, I rise today in support of and as a cosponsor of H.R. 1811, the Family Opportunity Act. By passing this legislation we are giving the States the opportunity of allowing families of disabled children to purchase Medicaid coverage for them as well as providing treatment of inpatient psychiatric hospital services for individuals under age 21 under waivers allowing for payment of part or all of the cost of home or community-based services.

This is a great first step of fixing the bias of institutional care in Medicaid compared to home or community-based services. Parents will no longer have to drive hours to visit their child but instead opt to have them remain at home or live close by in a community setting and still receive their Medicaid dollars. Another great aspect in this legislation is establishing family-to-family health information centers. Sometimes just talking or listening to another person, another family that actually understands what one family is experiencing can settle nerves and make one feel more comfortable with the future challenges they may face. I commend my colleague from Texas, Mr. SESSIONS for sponsoring this legislation.

I hope we can continue to work together to enforce the Olmstead decision and develop more opportunities for individuals with disabilities over the age of 21 through more accessible systems of cost-effective community-based services. I am proud to have introduced H.R. 2032, the Medicaid Attendant Services and Supports Act also known as MiCASSA with my friend from Illinois, Mr. SHIMKUS. MiCASSA as the Family Opportunity Act would change the system of long-term care as we know it today. Nationally, approximately 70 percent of the Federal and State spending still goes to institutions instead of home or community settings. Our colleagues in the Senate held a hearing on MiCASSA, S. 1394, Money Follows the Person, and the President's New Freedom initiative earlier in the year. I urge my colleagues in the House to hold a similar hearing.

Mr. Speaker, as I have stated, I support H.R. 1811 and believe it is a great step towards Olmstead. But it is wrong to provide such great services to individuals with disabilities that only end once they become adults. I urge my colleagues to support this bill and support continuing services for individuals with disabilities beyond the age of 21.

CONCORD ALL-AMERICA CITY AWARD

HON. ROBIN HAYES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 2004

Mr. HAYES. Mr. Speaker, I rise today to honor the good folks of my hometown of Concord, North Carolina as we have been selected for the 2004 All-America City Award.

It has been my distinct honor to represent the people of Concord since I was first elected to represent the 8th Congressional District of North Carolina. This opportunity is especially dear to me because this is my home town and where much of my family still resides. In fact, my family has called Concord home for centuries, and we have had the privilege of watching our community grow. Concord personifies the term, "Southern Hospitality," and is home to some of the most engaging, welcoming, and civically responsible citizens in the state of North Carolina.

Through the close relationships I have forged with the citizens of Concord, and the pride I have in this community, it is truly an honor for me to highlight this great city today. Because of Concord's hard work, the rest of America is getting to see the positive spirit of accomplishment that I have been fortunate to witness my entire life.

The All-America City Award is a 55-year old program sponsored by the National Civic League that recognizes civic excellence. The Award is given annually to 10 communities that exemplify and display a positive spirit of grassroots involvement and collaborative problem solving in an effort to better their community.

Concord exhibits the American spirit of hard work and cooperation as we seek to identify and meet community-wide challenges. Concord is a community where citizens, businesses, volunteers, and government officials work together to address issues that are vitally important to all our citizens. Concord should take pride in the fact that we have been chosen by this national organization for our hard work and achievement. Truly, Concord is a great example for other communities to emulate.

To qualify for the All-American City Award, Concord representatives first had to submit a detailed application highlighting the city's three most pressing challenges. They are: addressing the medical needs of the uninsured and underinsured, eliminating substandard housing in the community, and extending the mentoring and civic responsibility of the Boys and Girls Club of Concord. Programs such as the Community Care Plan, Cabarrus Housing Partners, and the Boys and Girls Club of America have been designed and implemented to ensure these afore mentioned areas are addressed.

I am proud to represent such a fine community where the citizens come together to solve problems at a local level rather than waiting on someone else to fix things. A wise man once said that there are three types of people in this world: those who watch what happens, those who make things happen, and those who wonder what happened. Rest assured, the people of my home town, Concord, North Carolina are people who make good things happen. It is my honor and privilege to represent these good folks, and I am thrilled that the National Civic League recognized the City of Concord's success by awarding us the All-America City Award.

TRIBUTE TO JEFF LONG

HON. JAMES P. McGOVERN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 2004

Mr. MCGOVERN. Mr. Speaker, today it is my pleasure to honor one of Massachusetts' most outstanding and dedicated Athletic Directors, Jeff Long. After almost 40 years of coaching and directing, Mr. Lewis has certainly deserved his retirement years.

He began his commendable career in 1966, coaching football at Norwich University after having graduated from Norwich that same year. Serving as a Lieutenant in the U.S. Army did not stop him, as he continued to coach football in Germany in 1967.

Mr. Lewis kept on coaching both track and football at Dedham High School until 1973 when he began his run at Marlboro High. Ten years later he was appointed as the School's Athletic Director, and took on an array of other leadership roles. Some of these roles included serving on the Executive Board of the Mass Secondary School Athletic Directors Association to which he was appointed president in 1997–98, as well as being appointed President of the MIAA in 2002.

All of his hard work has paid off over the years as he has been recognized with several awards and nominations—a few of which include Athletic Director of the Year in 1991, the National Football Foundation and Hall of Fame Distinguished Service Award in 1994, and the National Interscholastic Athletic Administrators Association State Award of Merit.

Mr. Speaker, I am pleased to recognize such an outstanding professional, so passionately committed to his work. With the retirement of Jeff Long Marlboro High says goodbye to one it's most effective and talented leaders, and I along with my colleagues wish him and his family all the best in the years to come.

PRECIOUS PATRIOTISM

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 2004

Mr. JONES of North Carolina. Mr. Speaker, I am honored to share an essay with you today, it was written by a young man from the 3rd District of North Carolina which I proudly represent. James Waters, a 10th grade student at West Carteret High School in Morehead City, NC, submitted his essay in a contest held by the Fleet Reserve Association and was chosen as an overall winner. I feel his words embody the spirit of what it means to be an American.

PRECIOUS PATRIOTISM

(By James Waters)

On the morning of April 19, 1775, American colonists fought their first battle with the British redcoats, a prelude to the bloody American Revolution. What incited these average colonists with the heart to stand up to the entire British army? What possessed them to break away from the tyrannical country of Great Britain? The name of this ever-living phenomenon is patriotism.

As people develop a profound pride for their country, patriotism develops simultaneously as a side effect. Patriotism is the heart-willing urge to defend the pillars of justice, opportunity, and equality that our nation symbolizes. Although America is young, she has faced influential conflicts throughout the past centuries. America is continually facing global obstacles at this very moment. Patriotism can be defined as forever standing with America through turmoil and supporting all that is to be asked of America's citizens for the growth of our country. Citizens can illustrate patriotism by striving for individual success. Patriotism is a synonym for staying informed and participating in government as an active citizen. As a zealous patriot of our nation, I will voice my opinion of issues. I will go to the polls to vote, and I will preserve to be a productive citizen.

My patriotism comprises the values of respect. Our country has progressed as it has due to generations of others. Patriotism is vividly evident in our nation's veterans. I will support our veterans who have exemplified their own patriotism and those who have paid the ultimate price of freedom—life. Patriotism is leaving home to fight for just ideas, not knowing if you will return. It is enduring bullets in a battle. It is sleeping on the front lines with the uncertainty of waking up. All veterans deserve the maximum quantity of respect as we continue to live under their previous endeavors.

Patriotism is embedded within the citizens of America. Patriotism shapes the citizens and all-around morale of America. America is a block of ice. Patriotism is the chisel that shapes America into a beautiful sculpture that stands for liberty and justice for all.

THE ENERGY POLICY ACT OF 2004

SPEECH OF

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 2004

Mr. KIND. Mr. Speaker, as ranking member of the Subcommittee on Energy and Minerals Resources of the Committee on Resources, I rise, once again, in disappointed opposition to H.R. 4503/H.R. 6.

The bill before us today is nearly identical to the Conference Report on the Energy Policy Act of 2003—absent of any new ideas that would ensure a more secure energy future for America; but with all of the same fatal flaws that would force "mom-and-pop-taxpayer" to fatten the already sizeable bottom line of some of our Nation's largest oil companies and pay for the clean-up of MTBE contaminated groundwater. I won't spend more of Congress' precious time listing all of my objections to this bill, but will simply include the statements I made last year on H.R. 6 for the record.

But let me just say, Mr. Speaker, that there is no question our Nation needs a comprehensive and balanced energy plan—one that weens us off of our shaky strategic dependence of Middle Eastern oil toward more sustainable, cleaner, and renewable sources. Unfortunately, this bill—like last year's budget-busting behemoth—does not get us there.

There are, however, some worthy provisions in these bills that have wide, bipartisan support. So, instead of political grandstanding, I urge the House leadership to separate and pass these important measures.

One such example is the mandatory reliability standards, which would punish utilities who violate rules designed to limit how much electricity can be sold over the Nation's aging power grid. This measure could be perfected and passed by Congress today if it was allowed to be considered separately. The reliability of our Nation's interconnected power grid is critical to our economy and our security, but has been left at risk. In fact, Energy Secretary Spencer Abraham was recently reported as saying "the U.S. power grid is in better shape than before last August's massive blackout but remains vulnerable this summer."

Another widely supported proposal is the renewable fuels standard provision. This measure would increase the requirement that gasoline sold in the United States contain a specified volume of clean-burning ethanol or biodiesel. Under this measure, the annual average volume of renewable fuel additives would incrementally increase, starting at 3.1 billion gallons in 2005 and reaching 5 billion gallons in 2012—two and a half times the current requirement.

The American Farm Bureau has estimated the renewable fuels standard will have a significant economic stimulus tool for rural America by adding $4.5 billion to net farm income; create the need for $5.3 billion in rural captial investments; and create 216,000 new jobs. Ethanol and biodiesel are just two broad-based, diversified, environmentally friendly energy products American agriculture can produce. I have long stated that empowering U.S. farmers to assume a greater role in producing renewable fuels is a win-win situation deserving congressional support. Unfortunately, even though this provision has the consensus approval of Republicans and Democrats alike, House leadership has steadfastly refused to move it separately.

Mr. Speaker, I urge Members to oppose this bill and immediately move to work bipartisanly to pass these widely supported, and much needed provisions.

HONORING ALICIA WALTER

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 2004

Mr. HYDE. Mr. Speaker, on June 1, 14-year-old Alicia Walter delivered the Valedictorian address for the graduating class at St. Damian's Elementary School in Oak Forest, Illinois. This young lady demonstrates wisdom well beyond her years and I am pleased to share it with my colleagues.

VALEDICTORIAN ADDRESS PRESENTED BY ALICIA WALTER TO THE ST. DAMIAN ELEMENTARY SCHOOL CLASS OF 2004

Father Meany, Father Scanlan, Father Stuglik, Miss Wesolowski, Mrs. Kane, Father McCarthy, Mrs. Nagle, Faculty, Parents, and Fellow Classmates: Welcome. Tonight, we find ourselves sitting in the midst of one of the most bittersweet moments we have yet to endure. Thoughts of worry, sorrow, stress and regret ricochet off the back of our eyelids, yet we are compelled to celebrate. Chaos is persisting its way through our veins, obliged only by our own perplexed hearts. We all have our own emotional struggles tonight, and I hope some of mine that I share relate to some of yours.

I believe that one of the most empowering factors behind our sadness lies in each and every one of our memories from St. Damian. Too many spectacular moments have passed without our realization, and now it is time to finally recognize some of them. Times of substantial happiness and real warmth have come out from within these doors. Picnics, school assemblies, field trips, club meetings, and the comfortable safety of general class time have generated stories we tell over and over, and jokes that never cease to be funny.

As we smile subconsciously about times that made us appreciate the vibrant life that was given to us, we remember the times that were not nearly as convenient as these. Times where day after day we had to pick each other up and carry us over to tomorrow. Times where the only way we could make it right again was to give out genuine hugs and a vacant shoulder. Each of us carries several chapters full of these moments, in our personal book of life. Those chapters have been written in stone, whether or not we would like it to be so, but it is the very same chapters that exemplify the person we are now. How we reacted to our troubles, how we grabbed the hand of a friend temporarily fallen behind, and how we left behind the charred remains of supposed impossibilities extended the extremes of just how much we can bear.

Our friends have provided a huge portion of backing throughout our lives, but we would never be able to live without the unseen but consistent encouragement from God. St. Damian School has instilled a solid belief on basic moralities, real love of humanity, and simply right and wrong in all of its students. Basic religion fundamentals, such as these, as well as faith in the Lord, have raised us up, especially when our friends did not have the strength to. The entire faculty here has demonstrated these Catholic qualities, as they have walked through their own lives practicing what they teach.

St. Damian School has noticeably impacted the mold of what we symbolize, so it is very apparent how much thanks we owe to the school. Behind the school, though, we walk into our homes, to find the other crucial components of our support system. Yes, there we see the family members that are constantly free to relieve us of whatever problems we are facing. Most importantly, we see our parents. The producers. The creators. The people that selected St. Damian School, knowing the kind of education and religious teachings that would come our way here. They chose wisely, and for that we will be in eternal debt, but the first step we make in repayment is a heartfelt "Thank you." Sometimes it may seem like a clear-cut, simple thanks is not enough, but I think even a small compensation represents all of the aspects we do not know how to express, all of the thoughts we are afraid to admit.

In just a short while, we will be holding, in our own hands, the evidence of our completed years here at St. Damian. This evidence will be the trial winner to bring us to our next quest: high school. A valley of chances to recommit to previous promises and resolutions, high school will challenge us in ways we have never even faced before. We will be presented with opportunities we never realized we could have. Each of us will take up our own pick, and slowly begin to etch the rest of our lives into the caves of the Earth's past, present and future. Years from now, who knows how many humans will look back at those caves and be inspired to carry on their own lives in such a respectable manner? To the Class of 2004: As a small portion of every one of your support systems, I encourage you to accept the pandemonium of the present, and to thrust your pick into stone before more disarray throws itself upon us. I am incredibly proud of all of us for absolutely everything we have achieved together, and I am sure you are as well. I know the essential beliefs we all hold will guarantee us a prosperous future, both physically and spiritually. Finally, congratulations to one and all, the distinguished St. Damian Class of 2004!

THE RONALD REAGAN ALZHEIMER'S BREAKTHROUGH ACT OF 2004

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 2004

Mr. MENENDEZ. Mr. Speaker, today I am proud to be joining Senators BOND and MIKULSKI, and my House colleagues, Representatives CHRIS SMITH and ED MARKEY, in introducing the Ronald Reagan Alzheimer's Breakthrough Act of 2004. This legislation will significantly increase our government's investment in Alzheimer's disease research and patient and caregiver support initiatives.

As a son whose mother suffers from Alzheimer's, I know personally the sacrifice—both financially and emotionally—of families caring for a parent with this horrific disease. It is the story of so many Hispanics in this nation—a story of so many Americans. My family fled Cuba to come to find freedom in the United States. My mother worked her entire life as a seamstress in the factories of New Jersey. She spends half of her Social Security check on prescription drugs. If it was not for my sister and me, she would not live with the dignity she deserves.

Because of my personal experience with Alzheimer's, I have always admired Nancy and Ronald Reagan's strength and perseverance throughout the President's battle with this heart-wrenching and devastating illness. By having gone public, Ronald Reagan increased awareness of this debilitating disease, providing hope, comfort, and companionship to 4.5 million Americans living with Alzheimer's today. We feel there is no more fitting tribute to honor President Reagan's memory than to join together in a bipartisan manner and support the Ronald Reagan Alzheimer's Breakthrough Act.

Today, Alzheimer's disease is the most common cause of dementia in older people. One in ten people over 65 and nearly half those over 85, suffer from Alzheimer's disease. And with the aging of our population, we can expect those numbers to increase. In fact, unless scientific research finds a way to prevent or cure the disease, it is estimated that between 11.3 and 16 million people in the U.S. will have Alzheimer's disease by the middle of the 21st century.

Just a few weeks ago, I, along with the Alzheimer's Association, released a report that focuses on the impact of Alzheimer's on Hispanics. The report predicts that, because Hispanics are the fastest growing population in the country and have the greatest life expectancy of any ethnic group, the community will experience a six-fold increase in the disease by 2050. In numbers, this means that 1.3 million Hispanics will have Alzheimer's disease by 2050, compared to fewer than 200,000 currently living with the disease.

The legislation introduced today will increase National Institute of Health funding to $1.4 billion a year so we can continue to advance our ability to one day prevent, treat, and ultimately cure this disease. This increase is necessary if we are going to be serious about reducing both the physical and economic costs of Alzheimer's. According to experts, delaying the onset and progression of Alzheimer's for even 5 years could save as much as $50 billion in annual health care costs. Alzheimer's costs American businesses more than $36.5 billion annually due to lost productivity of employees who are caregivers and the health care costs associated with the disease.

Alzheimer's is a far-reaching disease and a serious strain on families because it not only affects families' lives, jobs, and finances, but also their mental and physical well-being. In response, this legislation provides a tax credit of up to $3,000 to help pay the expenses of families who care for loved ones with long-term care needs.

In addition, this bill increases authorization levels for a series of programs to help families care for their loved ones; increases funding levels for research initiatives focused on prevention and care; and authorizes funding for a public education campaign to inform the public about prevention techniques.

Congress needs to make wise investments on behalf of the American people. Alzheimer's research is one of those important and critical investments we must make now, so that future generations of Americans will have the medical resources and knowledge to cope with the challenge of caring for a parent, family member, or friend living with this disease. By making this investment today, it is my hope that one day soon a cure will be found so Alzheimer's will be a part of medical history instead of a family's reality.

SUPPORTING RESPONSIBLE FATHERHOOD AND ENCOURAGING GREATER INVOLVEMENT OF FATHERS IN THE LIVES OF THEIR CHILDREN

SPEECH OF

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 2004

Mr. DAVIS of Illinois. Madam Speaker, it is startling when one in three children are raised "fatherless", but it is part of our reality. Numerous studies have shown the devastating effects on children when fathers did not play an active role in their child's life. For these reasons, although, it is important to discuss the interactions of mother and child, we cannot forget the interactions of the whole family and the inclusion of fathers.

As the Committee on Education and the Workforce discussed the reauthorization of Head Start, I was able to have A Fatherhood Initiative amendment incorporated into the bill. The initiative is intended to strengthen the role of fathers in families, in their child's life, and allow them to play an interactive role in their child's development and education. By getting fathers involved during their child's early years, we hope it will set the precedent for a lifetime of bonding and positive interaction between the two. Within this initiative and after the general outreach to father, the fathers will be included in home visits and targeted for more participation.

Although we would hope that all fathers would take part in their child's life, it is not always the case. This is why my amendment extends the father initiative to father figures as well to make sure that the male role model is firm in a child's life, whether it is an older brother, uncle, grandfather or step-parent.

Madam Speaker, as we get ready to celebrate Father's Day on Sunday, we hope that more fathers will step up to their important role as a parent. Yet, it is also a day to give great praise, support and to celebrate the fathers in our Nation that never gave up, never backed down and have always been fathers and daddies to their children. Overall, our focus should be on the child—and to fully bring awareness of the best well-being of a child, we must put our efforts on strengthening the whole family.

FAIR OPPORTUNITY FOR THE LITTLE GUY UNDER EMINENT DOMAIN

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. FILNER. Mr Speaker, I rise today to urge support of H.R. 4603, the Eminent Domain Relief for the Little Guy Act. I have introduced this bill to address a current law that makes the hardship of being forced to sell property to the government under eminent domain even more difficult.

The use of eminent domain is authorized in the Constitution and has been used throughout our Nation's history to acquire the property necessary to build roads, schools, military bases, and government buildings. However, that these projects serve the greater good must seem little consolation to an owner whose property comes under threat of eminent domain. Eminent domain can derail a property owner's life plan, erasing years of hard work spent getting a business off of the ground or building a home.

The Constitution makes it clear that a property owner forced to sell under eminent domain is entitled to "just compensation." While it is debatable whether any compensation can be truly just, it seems that, at the very least, the government owes a seller a fair price for their property and the opportunity to rethink their plan and to move on with their life.

Current tax law related to gain on sale of property under eminent domain denies sellers the opportunity to decide how they would like to move on with their life. It mandates that sellers must pay taxes on income from sale under eminent domain unless they reinvest their money in real estate within 3 years. So not only is the government forcing property owners to sell their property, it is also telling them what to do with the money from that sale.

The Eminent Domain Relief for the Little Guy Act will remedy this by removing the current requirement that a seller must reinvest in real estate. This will make sale of all real property by an individual or a small business under eminent domain tax exempt, meaning that the seller can use their income to start a business, invest in the stock market, save for retirement, or, if they choose, reinvest in real estate. Many will indeed choose to buy a new home or to move their business to a new location. But fairness dictates that this should be their decision.

I urge my colleagues to support H.R. 4603 and make sure the little guys and gals who are forced to sell under eminent domain are allowed the flexibility in spending their income that they need and deserve.

TRIBUTE TO CAPTAIN DOUG HUGHES, USN

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. YOUNG of Florida. Mr. Speaker, I rise today to pay tribute to an outstanding Naval Officer, Captain Doug Hughes, and to recognize his dedicated service to our Nation as he prepares to complete his service in the United States Navy. It is a great honor for me to take this opportunity to thank Captain Hughes and his family for his 24 years of distinguished service to our Nation for which he has proudly and selflessly served in the defense of freedom.

It was during his last assignment as director of the Secretary of the Navy's Appropriation's Liaison office, that I first came to know Captain Hughes. In this capacity, he has proved to be an invaluable link between the Secretary and the Chief of Naval Operations to me, my staff, and to the professional staff of the Appropriations Committee. Captain Hughes has escorted me and other Members of Congress on several occasions as we traveled both home and abroad to review military operations and confirm the health and welfare of our troops.

On every occasion, Captain Hughes performed his duties in an exacting and precise manner. But far more important to me and the members of the Appropriations Committee was the insight he shared with us concerning matters of national security and the Department of the Navy. He clearly understands the role of the Navy in providing for our Nation's security and stability, as well as serving as an ambassador for American values throughout the world.

We have always been able to count on Captain Hughes' candor, intelligence, and steadfast devotion to duty mixed in with a flair of humor. He was an invaluable asset to me in Congressional deliberations in all matters regarding our Armed Forces and his perspective on the needs of the Nation with respect to our sea services will be sorely missed.

Mr. Speaker, we all know that behind every service member there stands a strong and supportive family so I also want to recognize the Hughes family: his lovely wife Nancy, and his children, Reggie and Lee. They have been stalwart partners in his service to the United States. We can ill afford to forget that it is the strength of family, and indeed their love and support, that make it possible to honorably serve in uniform. My wife Beverly and I have the highest respect for those families who support and enable their sons, daughters, husbands, and wives to serve in uniform. We appreciate and honor all the men and women who have served, and continue to serve, in defense of freedom.

In closing, my colleagues on the Appropriations Committee and I want to express our thanks and appreciation for the special contribution Captain Doug Hughes has made to the United States Navy. We wish Captain Hughes and his family continued success and the traditional naval wish of "fair winds and following seas" as he closes out his distinguished military career.

TWENTIETH ANNIVERSARY OF GOLDEN TEMPLE ATTACK

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. BURTON of Indiana. Mr. Speaker, this month marks the 20th anniversary of one of the most brutal attacks in history, the Indian government's military attack on the Golden Temple, which is the center and seat of the Sikh religion. Attacking the Golden Temple is the equivalent of attacking the Vatican or Mecca.

The Golden Temple was under siege from June 3 to June 6, 1984, under a Congress Party government led by Indira Gandhi, whose daughter-in-law Sonia Gandhi is now the President of the Congress Party and its floor leader in Parliament.

As you know, the supposedly secular Congress Party was recently swept back into power in India's elections. But for minorities, it doesn't really matter whether the Congress Party or the just-ousted Hindu nationalist Bharatiya Janata Party (BJP) is in power. Either way, the repression continues. Although there is a Sikh Prime Minister in India, he has no real power. He is at the mercy of Mrs. Gandhi. India continues to hold 52,268 Sikh political prisoners without charge, trial, or access to legal counsel, according to the Movement Against State Repression (MASR.) India has murdered over 250,000 Sikhs since June 1984. Another 50,000 have "disappeared." These are not the tactics of a democracy, Mr. Speaker. They are the tactics of a police state. What is India afraid of? Are they scared of a little free speech?

125 other Sikh Gurdwaras were also attacked at the same time. In all, over 20,000 Sikhs were murdered in this brutal attack, known as Operation Bluestar. These included major spokesmen for Sikh freedom such as Sant Jarnail Singh Bhindranwale, General Shabeg Singh, and others. The Sikh holy scriptures, the Guru Granth Sahib, written in the time that the ten Sikh Gurus lived, was shot full of bullet holes by the Indian forces. Young Sikh boys, ages 8 to 13, were taken out in the courtyard and asked whether they supported Khalistan, the independent Sikh state. When they answered with the Sikh religious incantation "Bole So Nihal," they were shot to death.

The Golden Temple attack made it clear that there is no place for Sikhs in supposedly secular and democratic India. As Bhindranwale himself said, "If India attacks the Golden Temple, it will lay the foundation stone for Khalistan." On October 7, 1987, Khalistan formally declared itself independent from India. India claims that there is no support for Khalistan. Then let them test the issue democratically at the ballot box by holding a free and fair plebiscite in Punjab, Khalistan on the subject of independence.

The Sikh Nation had sovereignty before, from 1710 to 1716 and from 1765 to 1849. No Sikh representative has ever signed India's constitution. The Sikhs have a heritage of freedom from their Gurus and they will be free again. Iraq is becoming a free country and will soon have a representative government. In the 21st century, you cannot suppress people for long. The people must determine their own fate. Only a free Khalistan will enable the Sikhs to live in peace, freedom, dignity, and prosperity. This cannot happen as long as their homeland is under Indian control.

If the Sikhs were the only victims of Indian repression, that would be bad enough. They are not. India has killed over 300,000 Christians in Nagaland since 1947. It has killed priests, raped nuns, attacked Christian schools, prayer halls, and festivals, expelled and killed missionaries, and carried out other atrocities against the Christian community. In short, it is not safe to be a Christian in India today. India has killed over 87,000 Muslims in Kashmir since 1988. Between 2,000 and 5,000 Muslims were massacred in Gujarat while the police were ordered to stand aside. Even India's own Human Rights Commission found evidence that the government preplanned the Gujarat massacre. Amnesty International says that tens of thousands of minorities are being held as political prisoners.

This is unacceptable in any country, Mr. Speaker, especially a country that proclaims itself democratic. The Sikhs cannot forget or forgive the brutal Golden Temple attack. Neither can the other minorities forget the brutality that has been done to them. That is why America must act. Not one dollar of U.S. aid should be provided to India until basic human rights are respected. India can start by releasing all its political prisoners. We should also demand that India hold a free and fair plebiscite on the issue of independence for Khalistan, for Kashmir, for Nagaland, and for all the nations seeking their freedom. Multinational states like India are inherently unstable, as the examples of Austria-Hungary and the Soviet Union show. And the essence of democracy is the right to self-determination. It is time for the United States to take a stand for democracy, freedom, and stability.

Mr. Speaker, on June 5, the Council of Khalistan sponsored a demonstration to commemorate the Golden Temple attack. I would like to have the text of the Council of Khalistan's Press Release regarding this event placed into the CONGRESSIONAL RECORD following my statement.

[Press Release from the Council of Khalistan June 5, 2004]

SIKHS COMMEMORATE 20TH ANNIVERSARY OF GOLDEN TEMPLE ATTACK

WASHINGTON, D.C.—Sikhs from Philadelphia, Florida, New Jersey, Maryland, Virginia, and elsewhere on the East Coast came to Washington, D.C. to commemorate the twentieth anniversary of the Indian government's brutal military attack on the Golden Temple, the center and seat of the Sikh religion, and 125 other Sikh Gurdwaras throughout Punjab, in which over 20,000 Sikhs were murdered. They chanted slogans such as "India out of Khalistan", "Khalistan Zindabad", and others.

During the attack, young boys ages 8 to 13 were taken outside and asked if they supported Khalistan, the independent Sikh country. When they answered with the Sikh religious incantation "Bole So Nihal," they were shot. The Guru Granth Sahib, the Sikh holy scriptures, written in the time of the Sikh Gurus, were shot full of bullet holes and burned by the Indian forces.

The Golden Temple attack was a brutal chapter in India's repression of the Sikhs, according to Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, the government pro tempore of Khalistan, which leads the struggle for Khalistan's independence. "This brutal attack clarified that there is no place in India for Sikhs," Dr. Aulakh said. On October 7, 1987, Khalistan declared its independence from India.

"Sant Bhindranwale said that attacking the Golden Temple would lay the foundation stone of Khalistan, and he was right," said Dr. Aulakh. "Instead of crushing the Sikh movement for Khalistan, as India intended, the attack strengthened it," he said. "Just last year, Sardar Atinder Pal Singh, a former Member of Parliament, held a seminar on Khalistan in Punjab. It was well attended and featured outstanding presentations, including one by Professor Gurtej Singh, IAS, Professor of Sikhism," said Dr. Aulakh. "The flame of freedom still burns bright in the hearts of Sikhs despite the deployment of over half a million Indian troops to crush it," he said. "Dal Khalsa, a Sikh political party, held marches through Punjab demanding the establishment of an independent Khalistan."

History shows that multinational states such as India are doomed to failure. Countries like Austria-Hungary, India's longtime friend the Soviet Union, Yugoslavia, Czechoslovakia, and others prove this point. India is not a single country; it is a polyglot like those countries, thrown together for the convenience of the British colonialists. It is doomed to break up as they did.

The Indian government has murdered over 250,000 Sikhs since 1984, more than 300,000 Christians since 1948, over 87,000 Muslims in Kashmir since 1988, and tens of thousands of Tamils, Assamese, Manipuris, Dalits, and others. The Indian Supreme Court called the Indian government's murders of Sikhs "worse than a genocide."

Indian police arrested human-rights activist Jaswant Singh Khalra after he exposed their policy of mass cremation of Sikhs, in which over 50,000 Sikhs have been arrested, tortured, and murdered, then their bodies were declared unidentified and secretly cremated. He was murdered in police custody. His body was not given to his family. The police never released the body of former Jathedar of the Akal Takht Gurdev Singh Kaunke after SSP Swaran Singh Ghotna murdered him. Ghotna has never been brought to trial for the Jathedar Kaunke murder. No one has been brought to justice for the kidnapping and murder of Jaswant Singh Khalra.

According to a report by the Movement Against State Repression (MASR), 52,268 Sikhs are being held as political prisoners in India without charge or trial. Some have been in illegal custody since 1984! "These prisoners never committed any crime but peacefully speaking out for Sikh freedom," said Dr. Aulakh. "What is a democracy doing holding political prisoners?," he asked. "This alone shows that for Sikhs and other minorities, there is no democracy, no freedom of speech."

"As Professor Darshan Singh, a former Jathedar of the Akal Takht, said, 'If a Sikh is not a Khalistani, he is not a Sikh'," Dr. Aulakh noted. "We must continue to pray for and work for our God-given birthright of freedom," he said. "Without political power, religions cannot flourish and nations perish."

TRIBUTE TO THE LEADERSHIP CONFERENCE OF WOMEN RELIGIOUS AND THEIR STATEMENT ON IRAQI PRISONER ABUSE

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Ms. ESHOO. Mr. Speaker, I rise today to place in our Nation's RECORD the statement issued by the Leadership Conference of Women Religious on May 7, 2004, regarding the abuse of Iraqi prisoners at Abu Ghraib Prison.

The Leadership Conference of Women Religious joins its voice with other faith-based organizations and human rights groups in expressing our abhorrence and shame at the abuse perpetrated on Iraqi prisoners by some members of the U.S. military. These inexcusable atrocities violate our common humanity.

We do not accept the explanation of our government leaders that these acts were the behavior of a few individuals. Rather, we see these abusive actions as symptomatic of a deeper, pervasive sickness. All of us share the responsibility and the blame—the soldiers who performed these heinous acts, military officials who have oversight for the treatment of prisoners, U.S. government officials who ignored reports of these abuses, and all of us who have contributed in some way to our culture of violence.

The Leadership Conference of Women Religious, an organization representing 73,000 Catholic women religious in the United States, urges that the following actions be taken to begin to address these serious violations of human dignity and human rights:

Now that President Bush has issued a late and limited apology for the abusive treatment of Iraqi prisoners, that there be a thorough investigation, and that the results be made public

That this investigation include any personnel regardless of rank or office who had knowledge of these atrocities and allowed them to continue with impunity

That any military, intelligence, or privately contracted personnel found to have engaged in or encouraged acts of torture or inhumane treatment be prosecuted

That there be a complete and public Congressional oversight hearing and investigation into the treatment of all detainees held by the U.S. military anywhere in the world, an investigation which will allow Members of Congress to exercise their powers and rights to enable the balance of power to be restored

That all prisoners held by the United States be granted access to international monitoring groups such as the Red Cross, the Red Crescent, Amnesty International, and the United Nations

That U.S. government and military officials make a commitment to protect the human dignity and rights of the Iraqi people.

> As leaders of religious congregations we reach out to our Muslim sisters and brothers. We grieve with you. We share your outrage. We will continue to pray and work for social justice, peace, and respect for human dignity and human rights of all people. As a nation we share in the shame. Together we must work to assure that these abuses never happen again.

Mr. Speaker, I ask my colleagues to join me in honoring the words of the Leadership Conference of Women Religious and all they represent as we work toward human rights for all individuals around the world.

HONORING THE LIFE OF EARL GILLIAM, A TRUE SAN DIEGO HERO

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. FILNER. Mr. Speaker and colleagues, I rise to honor a truly great San Diego leader. Judge Earl B. Gilliam made a positive impact on San Diego as a judge, a teacher, and a community leader. I have introduced a bill (H.R. 4474) that will appropriately honor him by putting his name on a new post office in my district.

Earl Gilliam grew up in southeast San Diego. His parents owned a fish market on Imperial Avenue where he worked when he was not attending San Diego High School. He went on to complete his undergraduate education at San Diego State University before moving on to Hastings Law School.

Shortly after being admitted to the California Bar in 1957, he was appointed Deputy District Attorney in San Diego. He became the first African-American judge appointed to the San Diego bench 6 years later and was named Presiding Judge of the San Diego Municipal Court in 1971. Governor Jerry Brown named him to the California Superior Court in 1975 and President Jimmy Carter appointed him to serve on the United States District Court for the Southern District of California in 1980. He served there for over 20 years, until his passing in 2001.

In his long, distinguished career Judge Gilliam presided over numerous noteworthy trials of regional and national importance: Whether these cases dealt with drug trafficking, fraud, tax evasion, bribery, or civil matters, Judge Gilliam's fair and professional approach to the law laid the foundation for his solid reputation both within and outside the legal community.

In addition to his contributions in the courtroom, Judge Gilliam also made his mark in the classroom. The Thomas Jefferson School of Law recruited Judge Gilliam as an adjunct professor. With his background in business, economics, and civil, criminal, and trial law, he proved to be an inspirational and devoted instructor for the numerous courses he taught there over the next 24 years. So much so that the school's moot courtroom has been dedicated in his honor.

Judge Gilliam gave his time and effort to his community in countless ways. He served on the boards of numerous organizations ranging from the San Diego Urban League to the University of California, San Diego to the Y.M.C.A. The community, in turn, has honored Judge Gilliam repeatedly with an unbelievably long, diverse list of awards that attest to his unrelenting success in making a difference in San Diego.

In 1982, the San Diego African American Lawyer's Organization honored Judge Gilliam by changing its name to the Earl B. Gilliam Bar Association. Today, they carry on his legacy by working within our community to defend the rights of African-Americans, combat racism and poverty, and foster integrity in the legal community.

Judge Gilliam truly was a hero who worked for all of San Diego. I am glad to have the privilege of introducing this legislation to name a post office in his honor and I hope my colleagues will support me in celebrating his many achievements.

ENERGY POLICY ACT OF 2004

SPEECH OF

HON. C.A. DUTCH RUPPERSBERGER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 2004

Mr. RUPPERSBERGER. Mr. Speaker, while I am voting against the Energy Policy Act of 2004, I believe its provisions regarding alternative vehicles and fuels introduce valuable incentives that would help protect our air quality, limit fuel consumption, and reduce our dependence on foreign oil.

These provisions would make the cleanest vehicles available today more affordable by providing a credit for the purchaser of new qualified fuel cell, hybrid, or other alternative fuel motor vehicle, as well as a new credit for qualified biodiesel fuel mixtures. With significant fuel economy and low tailpipe emissions, alternative-fuel and advanced-technology vehicles help to reduce greenhouse gas emissions and cut fuel consumption.

What our country needs is a national energy policy that will promote conservation, and also improve our economy and reduce our growing dependence on foreign oil. We need a plan that safeguards our natural resources, and relies on energy efficiency and renewable energy. Encouraging Americans to drive environmentally friendly vehicles would benefit our economy and protect our environment.

INTRODUCTION OF A CONCURRENT RESOLUTION TO RAISE AWARENESS OF SUICIDE

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. UDALL of Colorado. Mr. Speaker, I rise today to introduce a concurrent resolution which recognizes the importance of suicide prevention and raising awareness of suicide within the nation.

Suicide occurs in our nation at a rate of 30,000 suicides annually and kills youth six nine times more often than homicide. It is also the second fastest growing cause of death among college-age students. However, studies have shown that 95 percent of suicides are preventable. It is a silent epidemic that is preventable and awareness is the key to that prevention.

There are several programs throughout the country which put in hundred of hours, most from volunteers, to provide support services to prevent suicide as well as support to the families and friends who have lost loved ones to suicide. I would like to highlight one of these organizations which is based in my district in Colorado, but works throughout the country and internationally. The Yellow Ribbon International Suicide Prevention Program® provides resources to teachers, parents, and those at the most risk of suicide. They go into schools to raise the level of discussion about suicide and ways to seek help. The more suicide is talked about, the more likely those thinking about suicide will take action and ask for assistance.

Many who are considering suicide do not know where to turn for help, or even how to ask for help. Under the Yellow Ribbon International Suicide Prevention Program, Yellow Ribbon Ask 4 Help cards are made available to schools, teachers, counselors, and parents. These cards provide a simple way for individuals to ask for help, especially for those who cannot utter the words "I need help."

It is also important to remember that suicide does not only affect our youth, but people throughout the phases of life. In fact, the largest number of suicide deaths occurs among men between the ages of 35–44. The National Strategy for Suicide Prevention, within the Department of Health and Human Services recommends and encourages organizations to expand there service to focus on elementary ages as well as the elderly.

My concurrent resolution recognizes the importance of suicide prevention and awareness, as well as reaffirms the commitment to the priorities expressed in H. Res. 212 and S. Res. 84 which were both passed in the 105th Congress. Lastly this bill states that the week of September 19, 2004 should be recognized as Yellow Ribbon Suicide Awareness and Prevention Week.

I urge my colleagues in the House to support this legislation to help prevent suicide and to wear a yellow ribbon the week of September 19, 2004 to raise awareness of this global epidemic.

CONGRATULATING ZARA MARSELIAN

HON. SUSAN A. DAVIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mrs. DAVIS of California. Mr. Speaker, I rise today to recognize Zara Marselian, founder of La Maestra Community Health Centers. Besides providing multicultural health care and social services to immigrants and refugees in inner city San Diego, La Maestra is unique in developing services, and programs in response to demonstrated needs presented by its patient base.

Ms. Marselian is one of ten outstanding individuals from across the country selected this year to receive a Robert Wood Johnson Community Health Leadership award.

The child of immigrant and refugee parents, Marselian saw an unmet need in her native San Diego for medical care for uninsured immigrants with little or no English speaking skills. Although she had no medical background, she started a clinic in her home in 1991, one evening a week with one physician.

Since its modest beginning, La Maestra Community Health Centers has expanded to include adult and pediatric medical services, two dental clinics, a pharmacy, behavioral health services and health education. Marselian has also established a task force to increase access to health care for the uninsured, working poor.

La Maestra's additional services range from job training, placement and referrals to childcare, insurance eligibility assistance, and housing and community development. Staff members, who come from diverse backgrounds and speak 19 languages, provide translation services and culturally sensitive care.

One clinic patient called Marselian "the mother of refugees and immigrants" for her work in providing multicultural health care and social services to San Diego residents who have nowhere else to turn for help.

I wish to congratulate Zara Marselian for her impressive accomplishments at La Maestra Community Health Centers and for her efforts in achieving a 2004 Robert Wood Johnson Community Health Leadership award.

COUNCIL OF KHALISTAN HONORS PRESIDENT REAGAN

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. BURTON of Indiana. Mr. Speaker, all over America, people are honoring the memory of President Ronald Reagan, who passed away on June 5th. Among those who have paid homage to President Reagan's legacy is the Council of Khalistan, led by my friend Dr. Gurmit Singh Aulakh. Dr. Aulakh wrote an excellent letter to President Bush offering condolences to the American people on President Reagan's passing. He took special note of President Reagan's vision and his efforts to extend freedom all over the world.

President Reagan referred to America as "the shining city on a hill," the bright hope for the entire world. It is our job to pick up that torch and continue to promote freedom wherever it is denied. A good start would be to work to extend freedom to all peoples and nations of South Asia. In India, there are 18 official languages. Over 300,000 Christians have been murdered in Nagaland, as well as more than a quarter of a million Sikhs, almost 88,000 Kashmiri Muslims, thousands of Muslims in other parts of the country, and tens of thousands of Assamese, Bodos, Dalits, Manipuris, Tamils, and other minorities. Over 52,000 Sikhs are being held as political prisoners, some as long as 20 years, without charge of trial. According to Amnesty International, tens of thousands of other minorities are also being held as political prisoners. A Sikh named Gurnihal Singh Pirzada was recently arrested for attending a meeting of "dissidents," a meeting he says he didn't attend, while noting that it would not have been illegal for him to have done so. This does not sound like freedom or democracy to me.

Mr. Speaker, we should give serious thought to reconsidering our aid to India until basic human rights are freely exercised by all, and we should support the very basic principle of democracy through a free and fair plebiscite on independence for the Sikhs of Punjab, Khalistan, for predominantly Christian Nagaland, for Kashmir, and for every nation seeking to free itself from the yoke of Indian oppression. That is the way to bring freedom, security, stability, dignity, and prosperity to one of the world's most troubled regions. Perhaps the best memorial we can give to President Reagan is to help the people of South Asia achieve their freedom, just as we did in so many other countries during his Administration.

I would like to have the text of Council of Khalistan's letter to President Bush placed into the CONGRESSIONAL RECORD following my statement.

COUNCIL OF KHALISTAN
Washington, DC, June 15, 2004.

The Honorable GEORGE W. BUSH,
President of the United States,
The White House, Washington, DC.

DEAR PRESIDENT BUSH: On behalf of over 500,000 Sikh Americans and the 25 million strong Sikh Nation, I would like to send our condolences to the people of the United States on the passing of President Ronald Reagan. Although his illness had already taken him from us in many ways, the finality of his death is still a cause for grief.

We appreciated your very classy remarks at President Reagan's state funeral, as well as those of your father, Lady Thatcher, and former Prime Minister Mulroney. All of you gave moving tributes to President Reagan that helped to inspire and uplift a grieving nation.

President Reagan was a great American leader. His rise from humble beginnings in Dixon, Illinois to becoming a sportscaster, a movie star, governor, and President inspires us all to continue trying to achieve the very highest and best that we can.

His Words, "Whatever else history may say about me when I'm gone, I hope it will record that I appealed to your best hopes, not your worst fears; to your confidence rather than your doubts. My dream is that you will travel the road ahead with liberty's lamp guiding your steps and opportunity's arm steadying your way" serve as an inspiration to Americans of all backgrounds today. That is exactly how he will be remembered.

President Reagan believed in the greatness of America and its people and in extending freedom throughout the world. His work in defeating the Soviet Union and in restoring the American economy marked the greatness of President Reagan and of the people of the country he so loved. We must continue to extend freedom in his memory.

One place where freedom needs to be extended is the Indian subcontinent. Today in India, the Indian government has murdered over 250,000 Sikhs since 1984, almost 88,000 Kashmiri Muslims since 1988, over 300,000 Christians in Nagaland, and tens of thousands of other minorities. More than 52,000 Sikhs as well as tens of thousands of other minorities are held as political prisoners without charge or trial, some since 1984. I hope that you will press India to support human rights and self-determination for these oppressed minorities. I am convinced that this would be a great follow-through to President Reagan's vision.

Once again, our condolences to the American people on the loss of President Reagan.

Sincerely,

DR. GURMIT SINGH AULAKH,
President, Council of Khalistan

HONORING ONE HUNDRED FIFTY YEARS OF THE HUMBOLDT MASONIC LODGE NO. 79

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. THOMPSON of California. Mr. Speaker, I rise today in recognition of the 150th anniversary of the formation of Masonic Lodge No. 79 in Humboldt County, California.

On April 25, 1854 the known Masons of Humboldt Bay held a meeting for the purpose of organizing a lodge. Present at the meeting were Elias Harold Howard, James R. Malony, A.H. Shafer, Jacob DeHaven, Robert M. Stokes and A.J. Huestis. These founders were Master Masons from different jurisdictions who took the necessary steps to establish a lodge in Humboldt County and to raise funds to construct a Masonic Hall. Work began on July 15, 1854 in the town of Bucksport and was completed in September of the same year. The lumber used was all first growth redwood from the forests of the surrounding area.

On September 6, 1855, acting Master James R. Malony announced that the Charter had arrived from San Francisco and that the first order of business would be the election of officers. The Charter was dated July 1, 1855 and Humboldt Lodge thereafter progressed and prospered. By 1857 the city of Eureka had become the leading settlement on Humboldt Bay. Eureka was the County Seat of Humboldt County, the center of the lumber industry and home to many members of the Lodge. It was decided that the Masonic Lodge should relocate to Eureka and in 1858 the first meeting in Eureka took place in leased rooms on First Street. In June 1870 Humboldt Lodge purchased a lot on the southwest corner of Second and G Streets where a building was constructed which still stands in that historic part of Eureka.

Membership grew rapidly and other lodges were formed. A new Masonic Temple was needed and the cornerstone for a new building was laid on April 22, 1922 at Fifth and G streets in Eureka.

The Lodge is very proud of its outstanding membership whose devotion to community and country has been a worthy contribution to the betterment of our Nation. Over 1,800 members have been raised to the degree of Master Mason. The Lodge is also very proud of its past Masters who rose to the high office of Grand Master of California.

Mr. Speaker, it is appropriate at this time that we recognize Humboldt Masonic Lodge

No. 79 on the occasion of its 150th anniversary.

INTRODUCING THE ARTHRITIS PREVENTION, CONTROL AND CURE ACT OF 2004

HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. PICKERING. Mr. Speaker, I rise today to introduce the Arthritis Prevention, Control, and Cure Act of 2004.

The prevalence of chronic diseases in the U.S. has become the most significant public health problem of our current day. It is estimated that by the year 2020, 157 million Americans will suffer from some chronic illness. Whether it is asthma, diabetes, heart disease or arthritis, these conditions are costly to our health care system and erode quality of life.

With more than 100 different forms, arthritis is one of the most widespread and devastating conditions in the United States. Nearly 70 million, or one in every three, American adults suffers from arthritis or chronic joint symptoms, and nearly 300,000 children live with the pain, disability and emotional trauma caused by juvenile arthritis. In some cases, the disease causes deformity, blindness and even death. As the number one cause of disability in the United States, arthritis is a painful and debilitating chronic disease affecting men, women and children alike—arthritis has no boundaries. Simple, daily tasks like brushing teeth, pouring a cup of coffee and even just getting out of bed become excruciating obstacles for millions of people with the disease.

The costs associated with arthritis are immense. The disease results in 750,000 hospitalizations, 44 million outpatient visits and 4 million days of hospital care every year. The estimated total costs of arthritis in the U.S., including lost productivity exceeds $86 billion.

Arthritis is an overwhelming and debilitating hardship for countless families. While the current impact of the disease is quite astounding, there is much that can be done to prevent and control arthritis. Despite myths that inaccurately portray this illness as an old persons' disease, some forms of arthritis, such as osteoarthritis, can be prevented with weight control and other precautions. More broadly, the pain and disability accompanying all types of arthritis can be minimized through early diagnosis and appropriate disease management.

The goal of this legislation is to lessen the burden of arthritis and other rheumatic diseases on citizens across our Nation, like my constituent, Alfred Price of Brandon, Mississippi. Mr. Price has suffered from rheumatoid arthritis for more than 49 years and has shown me over the years the damaging effects of the disease to his body.

In recent years, increasing effective research into the prevention and treatment of arthritis has led to measures that successfully reduce pain and improve the quality of life for millions who suffer with this disease. Cooperative efforts at every level have led to the development of a National Arthritis Action Plan, with emphasis on public health strategies to make timely information and medical care much more widely available across the country. This legislation would develop a National Arthritis Education and Outreach Campaign to educate health-care professionals and the public on successful self-management strategies for controlling arthritis.

To ensure greater coordination and intensification of federal research efforts, this legislation would create a National Arthritis and Rheumatic Diseases Summit to look at challenges and opportunities related to arthritis research within all the agencies of the Department of Health and Human Services.

For the 300,000 children who are affected by this disease, this legislation expands and intensifies research for juvenile arthritis at the National Institutes of Health through the creation of planning grants for innovative research. It also creates incentives to encourage health professionals to enter the field of pediatric rheumatology through the establishment of education loan repayment and career development award programs. These incentives would help to address the severe shortage of these specialists in our country, so that all children will have greater access to physicians trained in state-of-the-art care for arthritis.

Mr. Speaker, we need to make the necessary investments in the fight against arthritis—our nation's number one cause of disability. This legislation will improve the quality of life for large numbers of adults and children and avoid thousands of dollars in medical costs for each patient. I urge all my colleagues from both sides of the aisle to support this legislation and enact it in a timely manner so millions of Americans, like Mr. Price, can live life with more hope and less pain.

SUPPORTING RESPONSIBLE FATHERHOOD AND ENCOURAGING GREATER INVOLVEMENT OF FATHERS IN THE LIVES OF THEIR CHILDREN

SPEECH OF

HON. TODD TIAHRT

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 2004

Mr. TIAHRT. Madam Speaker, in the week following the celebration of President Reagan's life and the mourning of his death, I am reminded of the impact his legacy has left on our country and on my job as a Member of the United States House of Representatives. It also makes me think about my role as a father and the legacy I will leave for my family. What will my children say about me when I die? Will I have left a legacy to them worthy of praise and fond memories and strong self-confidence? Will they be better parents themselves because of the father I was to them? This is the legacy that will matter the most—the one I leave my children and future grandchildren.

The National Center for Fathering is based in Shawnee Mission, Kansas, and I am proud of the efforts of Founder and President Dr. Ken Canfield and his vision to equip and support fathers across the country. Thirty-nine percent of all children live in a home without their father. That's 27 million children without a stable male role model in their home. According to Focus on the Family, "Children with married parents consistently do better in every measure of well-being than their peers who have single, cohabiting, divorced or step-parents, and this is a stronger indicator than parental race, economic or educational status, or neighborhood. The literature on this is broad and strong."

The liberal Center for Law and Social Policy, a child advocacy organization, and Child Trends agree that "children do best when raised by their two married biological parents. Young men without married parents are 1.5 times more likely than those with married parents to be out of school and out of work. Young girls without married parents are twice as likely to be idle. A major study published in the Journal of Marriage and the Family found that boys and girls who lived with both biological parents had the lowest risk of becoming sexually active. Teens living with only one biological parent, including those in stepfamilies, were particularly at risk for becoming sexually active at younger ages.

White and black girls growing up in single-parent homes are 111 percent more likely to bear children as teenagers, 164 percent more likely to have a child out of marriage, and—if they do marry—their marriages are 92 percent more likely to dissolve compared to their counterparts with married parents. Where are the fathers? Single mothers have the hardest job in America, and it is past due time when fathers need to take responsibility and be a father to their children.

We celebrate Father's Day June 20th and I applaud my father-in-law and my father for the legacy they left my wife and me. I pray that my legacy to my children will be strong, loving, and proud. May God continue to bless America.

ARTHRITIS PREVENTION, CONTROL AND CURE ACT OF 2004

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Ms. ESHOO. Mr Speaker, I'm pleased to join my colleague Representative PICKERING in introducing the Arthritis Prevention, Control and Cure Act of 2004, which authorizes programs and funding that will allow the Federal Government to better coordinate and increase our investment in efforts to prevent, treat, and care for persons with arthritis and related diseases. The bill represents the most significant Federal effort to address arthritis in a generation. The Arthritis Prevention, Control and Cure Act of 2004 addresses this important issue by:

Enhancing the National Arthritis Action Plan by providing additional support to federal, state, and private efforts to prevent and manage arthritis;

Developing a National Arthritis Education and Outreach Campaign to educate the healthcare profession and the public on successful self-management strategies for controlling arthritis;

Ensuring greater coordination and intensification of federal research efforts by organizing a National Arthritis and Rheumatic Diseases Summit to look at challenges and opportunities related to basic, clinical and translational research and development efforts;

Providing greater attention to the area of juvenile arthritis research through the creation of planning grants for innovative research specific to juvenile arthritis, as well as the prioritization of epidemiological activities focused on better understanding the prevalence, incidence, and outcomes associated with juvenile arthritis; and

Creating incentives to encourage health professionals to enter the field of pediatric rheumatology through the establishment of an education loan repayment and career development award programs.

Arthritis is the leading cause of disability in the U.S. with 70 million Americans living with a form of the disease. With the aging of the baby boomers, the Centers for Disease Control and Prevention (CDC) predicts the number of people over 65 with arthritis or chronic joint symptoms will double by 2030. Nearly 300,000 children in the United States are living with a form of juvenile arthritis. Arthritis is a painful and debilitating chronic disease affecting men, women and children alike.

Currently, the Federal investment in juvenile arthritis research is only $23 per affected child. The CDC estimates that the annual cost of medical care for arthritis is $51 billion, and the annual total costs, including lost productivity, exceed $86 billion. Early diagnosis, treatment, and appropriate management of arthritis are critical in controlling symptoms and improving quality of life.

In 1975, nearly 30 years ago, Senator Alan Cranston of California introduced the last major piece of arthritis legislation. It was signed into law by President Gerald Ford. The bill, the National Arthritis Act, set our Nation on an important path in the fight against arthritis. It led to the creation of an institute at NIH focused on arthritis, and laid the foundation for a national arthritis public health strategy.

However, arthritis is still claiming the lives of millions of Americans and we must reinvigorate our research and education efforts to offer individuals with arthritis a better chance at life and eventually a cure. I believe the Arthritis Prevention, Control and Cure Act of 2004 will do just that.

HONOR THE MEMORY OF U.S. ARMY 2ND LIEUTENANT DONALD AMES O'BRIAN

HON. STEVEN C. LaTOURETTE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. LATOURETTE. Mr. Speaker, I rise today to honor the memory of the late U.S. Army 2nd Lieutenant Donald Ames O'Brian, who served proudly as an Infantry platoon leader with Company G, 2nd Battalion, 21st Infantry Regiment, 24th Infantry Division.

O'Brian was killed in action on June 17, 1945, by an exploding Japanese artillery shell, near Calinan, Mindanao, Philippine Islands.

O'Brian was born on March 20, 1923, in Berwyn, Illinois. He was the son of Harold and Florence O'Brian, and graduated from my alma mater, Cleveland Heights High School, in June 1941. He attended Fenn College (later to become Cleveland State University), and worked at Thompson Products Company (later to become TRW Corporation).

After enlisting in the U.S. Army and completing basic training, O'Brian volunteered for Officer Candidate School. Upon Graduation, he was commissioned as a 2nd Lieutenant in the Anti-Aircraft Artillery branch. O'Brian soon requested a transfer to the Infantry branch so that he could engage in active combat as an Infantry platoon leader in the Pacific theater of operations under the command of General Douglas MacArthur.

O'Brian participated in the liberation of the Philippine Islands with the 21st Infantry Regiment of the 24th Infantry Division, which invaded Mindanao Island, about 600 miles south of Manila. He dedicated himself to leading the men in his platoon, and earned their respect as he led them in combat. The 21st Infantry Regiment was engaged in 63 continuous days of combat against stiff Japanese resistance during the liberation of Mindanao Island.

Sadly, O'Brian was killed on June 17, 1945, a day before final victory was achieved by the 21st Regiment.

Lt. Col. Roy W. Marcy, commanding officer of the 2nd Battalion, wrote a letter to O'Brian's mother that said: "Donald displayed superior courage and bravery as leader of his platoon. The aggressiveness and leadership, which Donald exhibited, gives those of us who remain a wonderful example to follow in future operations against the enemy. Donald was the traditional hard fighting American soldier and he is grievously missed by all his fellow officers and soldiers."

As a tangible expression of the esteem held for O'Brian, the officers and men of the 2nd Battalion named an encampment area "Camp D. A. O'Brian" in his honor. O'Brian's mother received his posthumous Purple Heart medal, and letters of condolence from General MacArthur and Secretary of War Henry Stimson.

Recently, Mrs. Lorraine Sutliff of Aurora, OH, contacted my office to determine if there were any additional medals her brother was entitled to that were authorized by the War Department after the end of World War II.

We determined that O'Brian was entitled to the following awards: the Combat Infantryman's Badge for being an Infantry platoon leader in combat; Bronze Star Medal for his meritorious service in combat; American Campaign Medal for his service in the United States; Asiatic Pacific Campaign Medal for service in the Pacific Theater; and the World War II Victory Medal. He was also eligible for the Philippine Liberation Medal authorized by the Philippine government.

Lawrence Binyon was a British poet who wrote "For the Fallen" to honor all of the soldiers who died defending liberty and freedom during World War I. His words of comfort are timeless to express the precious memories of all those brave soldiers who died to keep this great country free.

They shall not grow old, as we that are left grow old.
Age shall not weary them, nor the years condemn.
At the going down of the sun and in the morning
We will remember them.

Mr. Speaker, a grateful nation honors Lt. O'Brian's heroism and the ultimate sacrifice he paid to achieve victory in the Philippines.

CALIFORNIA ENRON REFUNDS

HON. DIANE E. WATSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Ms. WATSON. Mr. Speaker, I rise today to speak on the recent order for my home state of California to repay over $270 million to Enron and other energy corporations amidst growing evidence of Enron and other energy companies market manipulation.

The recent release of Enron tapes where traders openly discuss the manipulation of California power markets to the tune of one to two million dollars a day is unfair to all residents of California. Providing refunds to a company that used deceptive business practices is just plain backwards.

The United States has fallen victim to gas prices that are at a 23 year high. It has had a drastic effect on all consumers whether they are automobile drivers or not. Despite this, the Administration continues to give billions of dollars in tax breaks to special interest oil, gas, and coal companies that are doing nothing to help lower fuel prices.

Mr. Speaker, I am appalled and disgusted with the Administration's coddling of special interests while leaving taxpayers the task of having to foot the bill for years of wrongdoing by Enron and other corporate scoff laws. The refunds my home state are forced to pay reward market manipulators for predatory pricing activities. As legislators we should punish, not reward, companies who have deceived our citizens.

TRIBUTE TO RABBI ELIMELECH DAVID GOLDBERG

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. KNOLLENBERG. Mr. Speaker, I rise today to recognize Rabbi Elimelech David Goldberg, the founder and National Director of Kids Kicking Cancer. Rabbi Goldberg is one of 10 outstanding individuals from across the country selected this year to receive a Robert Wood Johnson Community Health Leadership award.

Over a decade ago, Rabbi Goldberg experienced the painful loss of his 2-year-old child during a bone marrow transplant for lymphocytic leukemia. Later, when he was approached to run a camp for children with cancer, he at first refused, fearing it would be too painful. On further reflection, he saw the opportunity to help other children in pain as a way to give meaning to the life of his daughter, and he embraced the challenge. Rabbi Goldberg's training as a black belt convinced him that karate could be a powerful aid to pain management and empowerment for young patients, enabling them to heal physically, emotionally, and spiritually.

When Rabbi Goldberg incorporated martial arts therapy into the program of the oncology camp in 1996, the results were dramatic. Children were encouraged to envision themselves not as cancer victims, but as healthy kids with tumors. They learned to control their fear and pain within a community of peer support that mitigated the isolation of illness. Following this success, with the aid of a small grant, he created a pilot program at Children's Hospital of Detroit in March 1998.

When he incorporated the Kids Kicking Cancer organization in 1999, Rabbi Goldberg gave up his rabbinic congregation, active counseling practice, and directorship of the oncology camp. Today, ten social workers and child life specialists who are also martial arts teachers give weekly classes, accompany children to painful clinic visits, and visit them at home. There is also a hospice program for patients whose cancers are not responding to treatment. Kids Kicking Cancer has been working with over 400 children in Michigan, and is now starting Kids Kicking Sickle Cell in Michigan and Brooklyn, NY.

Mr. Speaker, I commend Rabbi Elimelech David Goldberg for his accomplishments as founder of Kids Kicking Cancer and for his efforts put forth in achieving a 2004 Robert Wood Johnson Community Health Leadership Program award.

TRIBUTE TO BOY SCOUTS OF AMERICA TROOP 35, TRAVERSE CITY, MI

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. CAMP. Mr. Speaker, I rise today to pay tribute to Boy Scout Troop 35 in celebration of its 75th Anniversary.

On this day, we look back at the prestigious history of Troop 35. The Troop's dedication to its community is obvious in their planting of trees, in their assisting with snow removal, and in their volunteering to serve refreshments at area events. Even the commitment of the Troop leaders to the Scouts is evident in the Troop's high rate of advancement to the rank of Eagle Scout. For 75 years, Troop 35 has worked tirelessly to positively impact the lives of our youth and better our community.

I am honored today to recognize Boy Scout Troop 35 for its many accomplishments, and to thank the many volunteers, scouts, families, and scoutmasters who have endeavored to make Boy Scout Troop 35 the success it is today.

HAPPY 100TH BIRTHDAY TO MRS. REBECCA BROWN

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. WELDON of Pennsylvania. Mr. Speaker, it is my great honor and pleasure to wish a very happy birthday to Mrs. Rebecca Brown of Media, Pennsylvania on the occasion of her 100th birthday. Mrs. Brown will reach the century mark on June 30 of this year, an incredible milestone.

Mrs. Brown was born in Media/Upper Providence, Pennsylvania and has lived in Delaware County, Pennsylvania all her life. She fell in love and married Theodore Mitchell Brown and they were blessed with one son, Theodore Earl Brown. Her husband passed away in 1957 and she never remarried. Now Mrs. Brown lives with her son and daughter-in-law, Joanne McHugh Brown, in Upper Providence and she enjoys the company of two grandchildren—Kevin Brown and Karen (Brown) Ranieri and six great-grandchildren: Matthew, Daniel and Timothy Brown and Ryan, Tyler and Becca Ranieri. Mrs. Brown is blessed by many years, and all who spend time with her are blessed by her company. Her friends know her to be kind, generous and an inspiration to all.

I know all of Delaware County, Pennsylvania joins me in wishing Rebecca Brown a happy, happy 100th birthday.

HONORING THE WAWONA HOTEL

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. RADANOVICH. Mr. Speaker, I rise today to honor the Wawona Hotel on the occasion of their 125th anniversary. The Wawona Hotel in Yosemite National Park is acclaimed for its nostalgic charm, historic authenticity and picturesque setting.

In 1855, Galen Clark, a miner who worked in the area Gold Camps, passed through the Wawona Valley area with tourists bound for Yosemite. Entranced by the beauty of the place, Clark constructed lodging near the main trail into Yosemite Valley, making it inevitable that travelers would stop along the way. In 1878, a kitchen fire destroyed all of Clark's buildings and the entire establishment was rebuilt in 1879.

Today, The Wawona Hotel is operated by Delaware North Companies Parks & Resorts at Yosemite and remains one of the most respected mountain resorts. Its historic wooden buildings, verandas overlooking sprawling green lawns and Victorian interiors continue to provide visitors with a perfect setting for a relaxing vacation.

The Wawona Hotel is listed on the National Registry of Historic Places, and this year became a member of the National Trust Historic Hotels of America, a collection of hotels selected by the National Trust for Historic Preservation for historic integrity, architectural quality, outstanding preservation efforts, and stewardship.

Mr. Speaker, I rise to pay tribute to the Wawona Hotel on the occasion of their 125th anniversary celebration. I urge my colleagues to join me in honoring the Wawona Hotel and wishing DNC Parks & Resorts at Yosemite many more years of continued success.

DR. DOROTHY LAVINIA BROWN

HON. JIM COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. COOPER. Mr. Speaker, I rise today to pay tribute to the remarkable life of Dr. Dorothy Lavinia Brown, of Nashville, Tennessee. A pioneering force in both medicine and politics, Dr. Brown rose from humble beginnings to become one of our nation's most inspiring figures. Our country lost a great leader when Dr. Brown passed away on Sunday, June 13, at the age of 90.

Dr. Brown led a life of setting "firsts" and was not only the first African-American woman surgeon in the South but the first African-American woman to serve in the Tennessee State legislature. She was also the first woman to head a surgical unit of a major hospital, and the first African-American woman to be made a Fellow of the American College of Surgeons.

Her courage, perseverance and vision are what made her so admirable. Soon after her birth, her mother placed her in an orphanage, where she lived until her mother reclaimed her at the age of 13. By then, she was already determined to become a surgeon, and she pursued that dream despite the difficult circumstances in which she was raised. She was abused by her mother, and at age 14 was pulled out of school to work as a domestic.

Describing her perseverance, Dr. Brown said, "I tried to be not hard, but durable." And indeed she did not give up. She eventually won a 4-year scholarship to Bennett College in Greensboro, North Carolina, from which she graduated in 1941, ranked second in her class. Thereafter, she enrolled at Meharry Medical College, where she also served a 5-year residency in surgery and overcame the doubts of those who said that a woman could not withstand the rigors of surgery. She went on to pursue a brilliant career, and from 1957 to 1983, Dr. Brown served as chief of surgery at Nashville's Riverside Hospital, clinical professor of surgery at Meharry and educational director for the Riverside-Meharry Clinical Rotation Program.

Dr. Brown was not only a brilliant surgeon but a compassionate one. When a young unmarried patient implored Dr. Brown to adopt her newborn daughter, she agreed. And in 1956, Dr. Brown became the first single adoptive parent in Tennessee.

Dr. Dorothy Brown stands as a remarkable visionary and role model, not only for women in medicine, but for all Americans. Her relentless perseverance and indomitable spirit opened doors for her and others to follow. She once said that she wanted to be remembered "not because I have done so much, but to say to young people that it can be done."

On behalf of the fifth district of Tennessee as well as my colleagues in Congress, I send my deepest condolences to Dr. Brown's family and loved ones.

REMEMBERING SGT SHERWOOD BAKER

HON. JOSEPH M. HOEFFEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. HOEFFEL. Mr. Speaker, I rise today to remember Sgt. Sherwood Baker, a member of the Pennsylvania National Guard who was killed in Iraq on April 26, 2004. I would like to share with the American people the words of Dante Zappala, Sgt. Baker's younger brother, who spoke at a peace rally in Los Angeles on June 5:

The tragedy that touches so many people in so many corners of the world; the tragedy of war, the tragedy of violent and sudden death, touched me on April 26th when my brother, Sergeant Sherwood Baker was killed in an explosion in Baghdad. I speak today with my voice, and with the voice of the countless others who have suffered personal loss as a result of this war, those many people with no microphone in front of them, those many people with no one to listen to their pain. As big brothers do, Sherwood protected me, he carried me and he taught me.

With his heart and with his decisions, he taught me about commitment and about determination. When I would get bitter about the injustice brought to this world by the causes of the United States, he taught me that you can love this country and yet not love what people do in its name. He showed me that we can heal, we can learn and we can grow. He taught me, in the end, to be a patriot.

With his silent exit into the desert night, he showed me the difference between empty language and quiet understanding, the difference between baseless political grandstanding and true patriotism. Sherwood had a great intellect and a life commitment to forge responsibility in an irresponsible world. He was a foster kid who knew he could have had a much different life. And it made him strong. As hardships inevitably found him.

Sherwood never had the time or the desire to be angry about his circumstances. Not when he was a young father working three jobs, living in a housing project, trying to make a better life than he had known, and not when the call came to serve in Iraq. And when that call came, he took the most simple path—he went.

He went with the hope of doing the impossible—make something positive happen in the grips of war. To no surprise, he lifted his head and went to work.

Like most of us, he didn't like his boss but it became immaterial when it was time to do his job. He spent his life trying to be kind to people and he saw people in Iraq, and he thought that he could be kind to them. He left behind a son, a wife and a family that adored him for his beliefs.

I feel pride, a pride knowing that my brother had honor even though the person who sent my brother marching to Iraq has no honor. George Bush is wholly un-American because he pimps the one value my brother held so true—devotion. He has sold out the core of America, the people who are this country—the truck drivers, field workers, the day laborers, the dishwashers, the waitresses, the teachers, the country workers, the mechanics, the janitors, the street pavers, the house painters and the housewives, and yes, the soldiers.

All of us had hoped to live simple lives with our simple aspirations. George Bush has sold our futures to pay for his power lust, his greed, and his selfish world plans. He sold away my brother's future to pay for the privilege and favor of his friends. We, the people of this country, all of us, are not his friends. We are not in his circle of favor. We do not benefit from the deaths of our soldiers nor do we benefit from the deaths of the Iraqi people. To honor Sherwood, I have vowed to follow his path—to lift my head and go to work. Our duty is to spread truth, our duty is to combat the lies, the misrepresentations, the fear, the mongering and the people who mean to ruin our belief in this country. I have made a promise to my brother, and that is to do as he would do—to not be angry about my circumstances, to not let bitterness overcome my heart, but to proceed with hope. Today, and in the days ahead, do not let your anger carry you, allow your desire to make change carry you. Allow the compassion towards humanity to carry you. Ride your commitment to peace. Share your soul with your country, share your values with the world. Make it your job.

HONORING MIKE COUCH FOR HIS CONTRIBUTIONS TO THE SANTA BARBARA SCHOOL DISTRICT AND THE ENTIRE SANTA BARBARA COMMUNITY

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mrs. CAPPS. Mr. Speaker, today I rise to pay tribute to a very special person in the Santa Barbara community, Mike Couch, as he retires from the Santa Barbara School District after thirty-seven years. Mike Couch is more than a teacher, an advisor, a Principal or an Assistant Superintendent. He is a pillar of the Santa Barbara education community, a colleague and a friend.

Mike Couch began with the Santa Barbara School District as a social studies teacher at Santa Barbara High School, moving to Assistant Principal in 1989. In fact, while he was at Santa Barbara High, he was my daughter Laura's student government advisor. In talking to her about his retirement, she mentioned how she remembers fondly how "he monitored our elections, taught us parliamentary procedure and allowed us to be involved in the policies which governed the student life and Santa Barbara High School. Most importantly, he took us seriously; he fostered a commitment within me to be an active participant in the way our school was run which resulted in a longstanding engagement in political life beyond high school." Due in part to this mentoring, Laura has served in the White House, worked for a University and now is working on a Presidential campaign.

Mike Couch later moved on to be Principal of Dos Pueblos High School and then to serve as Assistant Superintendent of Secondary Education for the Santa Barbara High School District. He taught for 22 years, first as an economics teacher when 30 students signed up for the newly offered class and there was nobody to teach it. His willingness to step into this assignment as a new teacher is indicative of the type of person that Mike Couch is. He is willing and able to step in and serve the school community and indeed the Santa Barbara community as a whole, in any role that is asked of him.

I am honored to have worked with Mike Couch over the years, and am so pleased by the positive affect that he has had not only on my daughter Laura, but also on so many students whose lives he has touched. I commend Mike Couch for his years and service and wish him well in his much-deserved retirement.

DARFUR: THE CRISIS CONTINUES

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. WOLF. Mr. Speaker, I would like to submit for the RECORD three recent articles regarding the ongoing crisis in Darfur, Sudan. I will continue to submit these accounts until the world takes notice. I will not let the world say "we did not know."

[From the BBC News]

SUDANESE CHILDREN DYING OF HUNGER

Hundreds of children have started to starve to death in Sudan's war-torn western province of Darfur

The BBC's Hilary Andersson saw the burial of two-year-old Ikram and says 400 other children in the same camp in Kalma were unable to keep food down.

Their families have fled attacks by pro-government Arab militias, accused of forcing black Africans off the land.

Last week, a senior aid worker said 300,000 people would starve in Darfur, even if help is sent immediately.

Some 10,000 have died in Darfur, since a rebellion broke out last year and one million have fled their homes.

The rains have already begun to fall, which will soon make Darfur, an area the size of France, virtually impassable, our correspondent says.

'Too little'

Speaking after his return from the area, UK Secretary for International Development Hilary Benn said Darfur was undoubtedly the largest humanitarian crisis in the world and more aid agencies were needed there.

"We are in a race against time in Darfur," he told MPs.

He admitted that the international response to the crisis had been too little, too late but said the UK was committed to doing all that it could.

"I have also been concerned about the adequacy and speed of the UN's response, although this should now change."

Our reporter in Darfur says that while Ikram died, another boy on the same mat, Joseph, could not be coaxed to eat.

His mother could do nothing but watch.

The mother of nine-month-old Adam says that she walked without food for 10 days to reach the camp. "The militias burnt our village . . . They were burning the children," she said.

Our correspondent says village after village in Darfur has been burnt, while food is running out in all the camps, where people have sought refuge.

Air-strikes

"If we get relief in, we could lose a third of a million. If we do not, it could be a million," Andrew Natsios, head of the U.S.

Agency for International Development told a UN donor conference last week.

The figures were based on mortality and malnutrition rates, he said.

The government and two rebel groups have signed a ceasefire but the rebel Justice and Equality Movement (JEM) has accused the army and its militia allies of attacking them near the border with Chad earlier this week.

Jem official Abu Bakr Hamid al-Nur told Reuters news agency that the government had used an Antonov aircraft and helicopters to bomb the rebel positions.

[From the BBC NEWS]

Sudanese Tell of Mass Rape

(By Alexis Masciarelli and Ilona Eveleens Darfur)

The pro-government Janjaweed Arab militia has been accused of using systematic rape, as well as killing and destroying the villages of black Africans, in the conflict in Sudan's western Darfur region.

Behind the closed door of a classroom, in the school compound where she has been living for the last two months, 35 year-old rape-victim Khadija, spoke of her ordeal.

"The Janjaweed arrived one evening in February in our village near Kaileck, they had guns," she says in a quiet voice.

"They followed us when we tried to escape. The group of people I was with was forced back to Kaileck. They had surrounded the whole town."

"They separated men and women. Then the Janjaweed selected the prettiest women."

"Four men raped me for 10 days."

"Every day, women were picked up, taken to the bush where they were raped and brought back to Kaileck. The next day it would start again."

Hostage population

Khadija is one of some 40,000 people to have found shelter in the town of Kass, in the south of Darfur.

In the past 16 months, the conflict opposing the Sudan government and its militia allies to the rebels of the Sudan Liberation Army (SLA) and the Justice and Equality Movement (JEM), has killed at least 10,000 people and displaced more than one million across the large western Sudanese region.

"Rape appears to be a feature of most attacks in Fur, Masalit, and Zaghawa areas of Darfur," says the latest Human Rights Watch report on the Darfur conflict.

"The extent of the rape is difficult to determine since women are reluctant to talk about it and men, although willing to report it, speak only in generalities."

Many witnesses say the population of Kaileck was held hostage by the Janjaweed for two months, despite repeated appeals to the commissioner of Kass.

Men were also picked up daily and killed.

The accounts are difficult to verify, but accord with the findings of human rights workers in recent months.

Kaileck is now an empty desolated town, with every single house and hut burnt or destroyed.

Ethnic choice

"It is very difficult for me as I am a Fur women and these are Arab men", says Khadija, covering herself with an orange scarf.

"These are my only clothes. My sister gave them to me, because the Janjaweed abandoned me naked."

"Now I am three-months pregnant. It will be a child from the Janjaweed. But I won't reject this baby. He will be my baby."

"When he grows up, he will decide whether he wants to be a Fur or an Arab. If he chooses to be an Arab, he could go with them. If he decides to be a Fur, he will be welcome to stay with us."

In the same classroom, a much younger woman listens.

Fifteen-year-old Aziza says she was also raped by the Janjaweed back in February.

"When Kaileck was attacked, I fled towards the mountains, but five horsemen caught me and took me far away in a field," she says.

"All five of them raped me twice. They kept me for 10 days. They whipped me."

"I could not say anything because they were armed. All I could do was to cry."

"They tied up my arms and my legs and would only release me when they raped me. They called me Abeid (slave in Arabic)."

"Eventually they abandoned me. Someone told my mother where I was and she came to take me back. I could not walk by myself."

Pain

But the ordeal did not stop then.

"When I arrived in Kaileck, I learnt that the Janjaweed had killed my father."

"I am still in pain and I can't really control myself. But I have not seen any doctor."

In Kass, like many other towns and camps in Darfur, women are still at the risk of being raped when they go out to gather firewood or fetch water.

Their best protection, they say, does not come from the army or local police force, but by going in large groups which are more able to defend themselves.

[From the Washington Post, Jun. 13, 2004]

U.N.: Sudan Forces, Militias Execute Civilians

(Nima Elbagir)

KHARTOUM, JUNE 13—A senior U.N. official said on Sunday she had "credible information" that Sudanese forces and government-backed militias had carried out summary executions of civilians in west Sudan.

Asma Jahangir, the U.N. special rapporteur on executions, also said after visiting conflict-stricken Darfur that members of the militia, which locals accuse of looting and killing villagers, were being integrated into the armed forces.

Independent rights groups have already accused the government and militia, known as janjaweed, of carrying out mass executions in the region where rebels launched an armed uprising in February 2003.

Fighting in the remote area has affected two million people and driven 158,000 people across the border into Chad, creating what the United Nations has said is one of the world's worst humanitarian crises.

"I received numerous accounts of the extrajudicial and summary executions carried out by government-backed militias and by the security forces themselves," Jahangir told reporters.

"According to credible information, members of the armed forces, the Popular Defense Forces and various groups of government-sponsored militias attacked villagers and summarily executed civilians," she said in Khartoum.

Rights groups have accused the government of arming the Arab janjaweed to drive out African villagers from their homes, in what U.N. officials have said is a campaign of ethnic cleansing. The government calls the janjaweed outlaws and denies any link.

"According to the information I collected, many of the militias are being integrated into the regular armed or the Popular Defence Forces. There is no ambiguity that there is a link between some of the militias and government forces," Jahangir said.

But she said some criminal elements had taken advantage of the conflict.

Jahangir also travelled around other areas of Sudan, including Malakal in the south. The Sudanese government is close to reaching a final peace deal with southern rebels to end a separate 21-year-old conflict in that region.

"In my report, I will forcefully stress the question of accountability as a fundamental principle in addressing violations of human rights . . . The government of the Sudan must make every effort to end the culture of impunity," she said.

PAUL A. THEIS DIES: COMBAT PILOT, AIDE TO PRESIDENT FORD, GOP STALWART, AUTHOR, JOURNALIST AND PATRIOT

HON. SHERWOOD BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. BOEHLERT. Mr. Speaker, I wish to advise my colleagues of the death of Paul A. Theis. He was one of our stalwarts, having served for many years as Director of Public Relations for the Republican Congressional Campaign Committee. President Ford held him in such high regard that he tapped him to become his Executive Editor, heading up the highly important speechwriting operation in the White House. In addition, Paul served in the Agriculture Department as Deputy Undersecretary for Congressional and Public Affairs.

Paul Theis was many things, but above all a patriot and a gentleman as his legion of friends can attest. I count myself among them as we grieve the passing of this man of many parts. He was a novelist and completed "Devil in the House," a story based on the House of Representatives, just a few months before he died. He also coauthored "All About Politics," a non-fiction book published in 1972. Before that he served in the House as Administrative Assistant to the Hon. Oliver Bolton, Republican of Ohio. Earlier he had been a reporter for Newsweek magazine, covering the McCarthy hearings, and Army Times. During World War II he flew combat missions out of Italy as a B–17 bomber pilot earning the Air Medal and six battle stars. As a member of the Air Force Reserve after the war, he ultimately attained the rank of Major. For his military service, Paul was interred with full honors on April 20, 2003 at Arlington National Cemetery.

My condolences have been extended to his wife, Nancy, and his son, Mitchell, as they were by telephone by President Gerald R. Ford and President George W. Bush. He was a wonderful man and I was proud to have known him and to have been associated with him. I and countless others who knew him and loved him will sorely miss him. May he rest in peace.

Mr. Speaker, I enclose herewith the text of the eulogy given by Paul's son, Mitchell, at his funeral mass, and the text of the obituaries from the Washington Times and the Washington Post.

EULOGY FOR PAUL A. THEIS

(BY MITCHELL A. THEIS)

Reverend Fathers, thank you for celebrating this beautiful Mass of Christian Burial for my father, Paul Theis. Thank you for being such good priests and for being such an important part of our family's life.

I thank all of you here who came to honor my dad by your presence. My mother and I are deeply touched by your outpouring of sympathy and words of love for my father.

A couple of nights ago, mom and I were in the kitchen remembering some of our happiest times together with my father and some of his wonderful mannerisms and beliefs. We couldn't stop laughing as we recalled how he believed that three scoops of ice cream was "healthy" if you sprinkled wheat germ over it. Or how he always managed to wear one of his tattered old trench coats from his journalism days even though mom bought him a cashmere coat from Neiman Marcus and I got him one from Saks Fifth Avenue.

We recalled, too, his old Rolodex that he started over 60 years ago. Here it is! It looks like an organizational system used by a small business. It's so filled with cards that you can barely turn it. Believe me, my dad has a card on you or can locate a card that will help him find you within minutes.

He started writing cards on his friends that he grew up with back in the farming community of Carey, Ohio. His mom and dad ran a melon and wheat farm. And after the Depression they bought a furniture store.

His next set of cards was of his friends, like George Barsa, Frank Keenan and Bob Walsh; he had met them at Notre Dame University. Dad always was a Notre Dame Man and has stayed in touch with all of his college buddies. He just attended his 55th alumni reunion.

The next group of names that Dad wrote out for the Rolodex were those of his B–17 crew from World War II. The members of the crew were all barely 20 and they called Jerry Moran, the crew chief, "Pops" because he was 26 years old. If you heard Forrest Tolson tell their war stories, he'd have you believe that it was their crew alone that won the war. Believe me, Paul Theis, the old combat bomber pilot will be watching the WWII Monument dedication on the Mall this coming Memorial Day from a great vantage point! I salute the crew!

After the War, dad finished his BA at Notre Dame and his BS in the School of Foreign Service at Georgetown University. He got a job as a journalist at the Army Times and then at Newsweek covering the McCarthy hearings. These writing skills helped him get a job on Capitol Hill working as an Administrative Assistant for Congressman Oliver Bolton. Gene Cowen was the AA for Ollie's mother, Francis Bolton. They were the only mother-son Congressional team.

This was in the early 50's and many of you here recall the simpler days of handshakes and civility. This was the time that Sid Yudain started Roll Call and dad helped start the Inner Circle, a group of Administrative Assistants that met for background briefings with VIP's of the day. Unfortunately/fortunately, dad's boss had a heart attack and did not run for re-election, so he became the Public Relations Director for the National Republican Congressional Campaign Committee, writing speeches for congressmen and women. This is where he added hundreds of cards to his Rolodex. It was a perfect job for him and he stayed there for 16 years.

It was during this time where he met the woman who would sweet him off his feet. It was the end of him. His bachelor days were over.

It was following that blessed event that President Nixon resigned and President Ford asked him to be his Executive Editor—handling: Speechwriting, Messages, Correspondence and Research. There dad worked closely with Bob Hartman, Bob Orben, Milt Friedman, Jack Calkins and all the members of President Ford's team. On Monday, former President Ford called mom and me. We told him that we were certain a number of his old friends and supporters would be here at the funeral. He wanted everyone to know that he was here in spirit. Dad was always honored to work for such a fine man.

From the White House dad was appointed the Director of Congressional Relations for the Secretary of Agriculture, Jack Knebel. Dad and mom were to travel with Jack and his wife, Zee, to a number of foreign countries for the USDA.

Dad then moved on to the House Agriculture Committee where he and Tom Adams wrote the Ag Bad Newsletter.

In 1981, dad started Headliner Editorial Services and worked for clients from his home office. Mom left school teaching and was working at the White House so I grew up coming home from school and being greeted by my father.

He was always a master listener—calm, cool, collected and funny. One of my favorite examples of his type of humor occurred on the day that we had to put our dog, Badger, to sleep. On the way back home from the vets, dad turned to mom and me and said, "What are we going to tell the cat?"

Over the years, Mom and Dad, AKA "The Cheerleader" and "The Sage," created an extended family that supports and sustains our world. Together, we affirm what is sacred, laugh at life's absurdities and discuss and debate the hot topics of our times. We are blessed beyond belief by such dear, dear family friends.

If you are a member of the Golden Owls, the select group in the National Press Club who have been members for over 50 years, dad has a card on you in his Rolodex.

If you are a member of the old Capitol Hill Club or are "a regular" there then dad has an address card on you.

If you're a writer or staffer on the Bulletin for the Cosmos Club, dad knows how to get in touch with you. The Cosmos Club was a great joy to dad in these past few years. He certainly enjoyed working with the club's members and management.

If you were a member of the Knights of Columbus from St. Thomas Apostle, Dad knew where to find you. By the way, I want to thank the brother Knights for coming today to be part of Dad's funeral.

If you belong to the Hill Investment Club, thanks for making Dad think that he was a Big Investor.

Dad was an active and involved member of the District of Columbia Republican Committee for 25 years plus. He was always eager to see the two party system work here in our hometown.

Dad knew all of his neighbors and was the first to help out on any local project.

To our parish, he was a stead presence.

Simply put—Dad had your number! And I would guess that you had his.

He was a caring and loving husband, a real father in every sense of the word, a quiet, fun-loving friends and neighbor, a dedicated, loyal employee, a constant worker—he even finished his novel, despite the fact that it took him years, a devoted member of his Church and a true renaissance man!

Mom and I will continue to use this clunky Rolodex, to call you and to cherish your friendship.

Today, there is a new card written in God's Heavenly Rolodex. It can be found under the letter T. The name on it is Paul A. Theis.

The peace of Christ be with you Dad.

[From the Washington Post, Mar. 29, 2004]

PAUL A. THEIS; WHITE HOUSE AIDE

Paul A. Theis, 81, an author and former journalist who worked in President Gerald R. Ford's administration as a senior speechwriter and head of the White House editorial department, died March 24 at Washington Hospital Center of complications after heart valve surgery.

Mr. Theis joined the White House staff as executive editor shortly after Ford was sworn into office August 9, 1974. As head of the editorial department, he oversaw speechwriting, presidential messages, research and correspondence.

In 1976, Ford named him deputy undersecretary of agriculture for congressional and public affairs. Mr. Theis left that job after Ford's defeat later that year and worked about four years as a staff consultant to the House Committee on Agriculture and on President-elect Ronald Reagan's Agriculture Department transition team in 1980 and 1981.

In 1981, he started Headliner Editorial Service, a Washington-based firm offering editorial and speechwriting services for business, government and political clients. He headed the firm until his death.

Mr. Theis, a Washington resident, was born in Fort Wayne, Ind. He was a journalism graduate of the University of Notre Dame and received a bachelor's degree from Georgetown University's School of Foreign Service.

During World War II, he served in the Army Air Forces as a B–17 Flying Fortress combat pilot in Italy. His military decorations included the Air Medal.

He also served in the Air Force Reserve, attaining the rank of major.

Mr. Theis worked for Newsweek and Army Times as a Washington correspondent before serving as an executive assistant to Rep. Oliver P. Bolton (R-Ohio) from 1955 to 1957. He served on the inaugural committees of Presidents Dwight D. Eisenhower and Richard M. Nixon.

He was a member of the D.C. Republican Committee for more than 20 years.

He was co-editor of "Who's Who in American Politics" in the late 1960s, co-wrote "All About Politics" (1972) and wrote the novel "Devil in the House" (2004).

His memberships included St. Thomas Apostle Catholic Church in Washington, the Knights of Columbus, National Press Club, the Capitol Hill Club, the Cosmos Club and the Notre Dame and Georgetown alumni associations.

Survivors include his wife of 32 years, Nancy Theis, and their son, Mitchell Theis, both of Washington.

[From the Washington Times, Apr. 8, 2004]

PAUL A. THEIS, 81, JOURNALIST, GOP OFFICIAL

Paul A. Theis, a former journalist and Republican Party official who served in the Ford administration, died of complications from heart surgery March 24 at the Washington Hospital Center. He was 81.

Born in Fort Wayne, Ind., Mr. Theis graduated from the University of Notre Dame with a bachelor's degree in journalism in 1948 and received a bachelor's degree from Georgetown University's School of Foreign Services in 1949.

He also attended American University's Graduate School of Communication from 1949 to 1952.

As a B–17 combat pilot in World War II, he served with the 15th Air Force in Italy, receiving the Air Medal and the European Theater Ribbon with six battle stars. He held the rank of major in the Air Force Reserve.

A former Washington correspondent for Newsweek and other publications, Mr. Theis served as public relations director of the National Republican Congressional Committee from 1960 to 1974.

He joined the White House staff in August 1974, shortly after Gerald Ford was sworn in as president. Mr. Theis led four divisions: speechwriting, presidential messages, research and correspondence. He also was a member of the D.C. Republican Committee for more than 20 years and a delegate to the Republican National Convention in 1984, 1988 and 1992.

His book "Devil in the House," was published in January. He also co-authored the 1972 book "All About Politics" with William Steponkus.

In January 1976, Mr. Theis was named by Mr. Ford as deputy undersecretary of agriculture for congressional and public affairs and served in that capacity during the remainder of the Ford administration. He then joined the House Agriculture Committee, where he served as a staff consultant from 1977 to 1981, and on President Reagan's Agriculture Department transition team from 1980 to 1981.

Mr. Theis in 1981 founded Headliner Editorial Service, a District- based firm offering editorial and speechwriting services for business, government and political clients. He led the firm until his death.

Mr. Theis was a member of the National Press Club for more than 50 years, the Capitol Hill Club, the Cosmos Club, and Notre Dame and Georgetown's alumni associations. He was a member of Our Lady of Victory Council No. 11487 Knights of Columbus and an active member of St. Thomas Apostle parish in the District.

He is survived by his wife of 32 years, Nancy; and a son, Mitchell Theis of the District.

THE HEMOPHILIA ASSOCIATION OF CAPITAL AREA'S 40TH ANNIVERSARY

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. MORAN of Virginia. Mr. Speaker. I rise today to recognize the Hemophilia Association of the Capital Area on their 40th anniversary. The Hemophilia Association of the Capital Area or HACA is a nonprofit organization that provides many needed services to persons with bleeding disorders such as Hemophilia and Von Willebrands Disease and their families. HACA serves Northern Virginia, Washington, DC, and the Maryland counties of Montgomery and Prince Georges. HACA is a chapter of the Hemophilia Federation of America and the National Hemophilia Foundation, the two leading hemophilia patient organizations. HACA's mission is to improve the quality of life for persons with Hemophilia and Von Willebrand's disease and their families, to act as an advocate; to educate, to improve services to its members; to promote research and to raise necessary resources in financial and volunteer terms to fulfill this purpose.

Hemophilia is a blood clotting disorder where certain proteins are missing in the blood plasma, which prevents the body's blood from clotting properly. This can lead to prolonged bleeding episodes, which can result in severe joint damage and in some cases death. However, it is a myth that those with hemophilia can bleed to death from minor injuries or from bleeding out.

Recently, HACA has been under the stewardship of Executive Director Sandi Qualley. Sandi has worked tirelessly to improve services for those with bleeding disorders both nationally and in Virginia. HACA has an integral part of the successful grass roots movement to pass the Ricky Ray Hemophilia Relief Fund Act during the 1990s. Recently HACA has worked with other community members to launch a campaign to educate Congress on women and bleeding disorders.

HACA currently serves over 250 families through the metropolitan Washington, DC area. The organization provides an array of educational programs and services for its members. HACA provides financial assistance to deserving families. HACA also assists other nonprofit organizations that work with the hemophilia community with resources.

The HACA Blood Buddies Program works to match up young boys with hemophilia with older hemophiliacs who serve as mentors. Blood Buddies was established in 1998 to help facilitate an environment where individuals and families affected by bleeding disorders can gather to discuss issues, learn procedures, and build a community of support. The program's focus is to learn about current trends, community events, discuss social issues while building friendships, and mentoring young individuals through support.

I would like to take this opportunity to salute the Hemophilia Association of the Capital Area on their 40 years of service to the hemophilia community throughout the Nation and in the metropolitan Washington, DC area. I wish them many more years of superior work.

COMMEMORATING THE FORTY-YEAR CAREER OF DONALD MASSEY OF NEW MEXICO

HON. TOM UDALL

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. UDALL of New Mexico. Mr. Speaker, I rise today before this august body to commemorate the distinguished career of my constituent, Donald Massey, of Portales, New Mexico. It is an honor not only to represent Mr. Massey, but also to have the opportunity to commend his virtues. Through four decades of service and dedication to the people of New Mexico, Donald Massey brought telephone and wireless communication services to thousands of rural New Mexicans, as well as volunteering his time and energy to the community of Portales. Today, Mr. Massey is the CEO and Executive Vice-President of the Roosevelt County Rural Telephone Cooperative, Inc. (RCRTC), which offers telephone service to rural communities throughout Eastern New Mexico. He has also been the coordinator and spokesman for the State of New Mexico at the National Telecommunications Cooperative Association legislative conferences from the 1980s to the present.

In 1949, President Truman and this body recognized the need to bring telephone service to rural areas of our country, a need that is sometimes a matter of life and death. When Congress saw the need, men like Mr. Massey did the work. Beginning in 1964, he installed and maintained telephone lines in Eastern New Mexico as a lineman for the RCRTC. For the next 40 years, he successfully rose through company ranks to the very top management position. Far from being solely dedicated to his profession, however, Mr. Massey has continually served as a devoted member of his community, setting an example for his fellow citizens.

One instance of his service to his community was in October, 1998. In that year, the local hospital closed, and the residents were left without a medical facility. Donald Massey stepped in, and by helping obtain a grant of $836,000 for the hospital, a new facility was quickly built. He ensured that fiber optic and wireless communications systems were installed in the new facility and even donated his office to the CEO of the hospital until the new building was completed.

In 2003, Donald Massey received the National Telecommunications Cooperative Association Management Life Achievement Award. This award was given to honor his 40 years of high standards and commitment in the rural telecommunications industry.

It is with great honor and pleasure that I present to this body the legacy of a man revered for his accomplishments. Amidst the many troubles and challenges our Nation faces, it is imperative that we are continually reminded of the good in our country and of those citizens who lead productive, honorable lives. Donald Massey is one of those citizens. I respectfully request that my colleagues join me in expressing sincere appreciation to him for his contributions to a better America and for his many years of service to the State of New Mexico. I also wish him the very best in his retirement and for continued success and fulfillment in the next stage of his life.

PAYING TRIBUTE TO THOMAS H. ACKERMAN

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. ROGERS of Michigan. Mr. Speaker, I rise today to pay tribute to Mr. Thomas H. Ackerman, a native of East Lansing, MI and member of the Office of the Inspector General of the United States Department of Agriculture.

Mr. Ackerman boasts a proud history of service in the field of law enforcement. Since 1980 he has served as a Federal Agent, Police Officer, and Training Academy Instructor. He has also published numerous books related to the field and spoken nationally and internationally at law enforcement training facilities and conferences, including the FBI National Academy and the Swedish National Police College.

This month, Mr. Ackerman is being recognized at the Department of Agriculture's Annual Awards Ceremony. His acknowledgments include: interrupting a robbery, protecting the victim from serious injury, participating in the arrest of the suspect, and contributing to the safety of the community. This is the second time that he has been honored by the Department; in 2002 he was acknowledged for his work as part of the Bil Mar Foods, Incorporated, Investigation and Prosecution Team for promoting health by providing access to safe, affordable, and nutritious food.

Mr. Speaker, Thomas H. Ackerman has been a hard-working, committed member of the community. He has dedicated his life to the protection of others, and has used his wealth of experience to help people eager to begin their careers in law enforcement. I would like to ask my colleagues to join me in recognizing Mr. Ackerman for his heroism and thanking him for his service to America.

ASSISTANCE FOR ORPHANS AND OTHER VULNERABLE CHILDREN IN DEVELOPING COUNTRIES ACT OF 2004

SPEECH OF

HON. BETTY McCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 14, 2004

Ms. MCCOLLUM. Mr. Speaker, I rise today in strong support of the Assistance for Orphaned and Vulnerable Children in Developing Countries Act. I want to thank the author, Ms. LEE, for her hard work and leadership in advocating for orphans for vulnerable children affected by the AIDS crisis.

Today, there are more than 110 million orphans throughout the world. Communities heavily affected by AIDS are being robbed of a generation of adults in their most productive years, leaving behind children to be raised by relatives, left on their own in households headed by children, or even worse—living in the streets.

The scope and complexity of the challenges facing children affected by HIV/AIDS cannot be overstated. Children often must take over adult work responsibilities and provide care for sick parents or family members, forcing them to drop out of school and social activities. Children are forced to find any work necessary to support themselves and often their younger siblings.

We have a responsibility today to make a firm commitment to ensure that the funding we promised last year, in the Global HIV/AIDS bill, goes to improve the safety, health, and survival of these children. This important legislation will establish a new office of Orphans and other Vulnerable Children within USAID to adopt a comprehensive approach for assistance and coordinate that assistance provided to orphans and vulnerable children. By passing this legislation today and maintaining our promise for HIV/AIDS funding in the appropriations bill we are preparing to consider this year, we can provide hope and opportunity to the villages and communities where these AIDS orphans live, we can play an important role in educating and investing in future generations to fight this dangerous and deadly disease, and we can preserve the history of their culture for future generations.

I urge my colleagues to support this legislation.

TRIBUTE TO DR. FREDERICK S. CONLIN, JR.

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. NEAL. Mr. Speaker, it is my great honor today to pay tribute to Dr. Frederick S. Conlin, Jr., DDS. Dr. Frederick S. Conlin, Jr., DDS will retire this June from both politics and his practice in dentistry after more than 30 years. Dr. Conlin has had a general practice in dentistry for 38 years in West Springfield, MA, and has been a model citizen in our city. He held many honors in both of these fields, including being elected to the Valley District Dental Society as Vice President for 2 years.

Dr. Conlin graduated from the College of Holy Cross with an A.B. degree in 1953. He later attended the American International College for Post Graduate studies from 1958 to 1959. Frederick Conlin received his DDS from the New Jersey College of Medicine and Dentistry in 1963.

Conlin has also served in the armed forces for his country. From 1954 until 1956 Dr. Conlin proudly served as a 1st Lieutenant in the United States Marine Corps. However, Lieutenant Conlin has also given to his country through his participation in local politics, having held many elected positions in his local community.

Dr. Conlin was elected as a Town Meeting Member for 25 years. He was also elected to the Park and Recreation Commission and the Board of Selectman both for 6 years respectively. He was also chosen to be on the Board of Health for 5 years. Dr. Conlin served as Vice President of the City Council for 3 years.

In addition to being elected to numerous organizations by his peers, Dr. Conlin also has volunteered to donate his time and talents to a plethora of other boards and organizations; including, the Town Government Study committee for 15 years, the American Legion Post 207 for 15 years, the Ramapogue Historical Society for 6 years, and served on the Board of Directors of the Friends of Seniors for 4 years. He also was a co-founder and member of the St. Patrick's Day Parade Committee for 10 years, and served on the West Springfield Veterans Council for 2 years. Always staying involved in politics, Dr. Conlin served 30 years on the Republican Town Committee.

Dr. Conlin is a citizen of Springfield that we are extremely proud of and we wish him nothing but the best in his retirement. Dr. Conlin has been a member of St. Thomas Church for 50 years. He has been blessed with his wife the former Barbara Crowley for 26 years, and has one son, Rick, who currently attends Temple University School of Medicine. We wish you the best of luck and good health, Dr. Conlin.

TRIBUTE TO MS. CONSTANCE SCOTT SOLOMON IN HER RETIREMENT

HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. HEFLEY. Mr. Speaker, I rise today to celebrate and commemorate the career of my good friend and Chief of Staff of 11 years, Constance Scott Solomon, who has recently retired from 20 years of selfless public service to the people of Colorado.

Originally from Kansas, Ms. Solomon earned a Bachelor of Science in Education and a Master of Arts degree in Special Education from the University of Kansas where she was a proud member of the University of Kansas Chapter of Pi Beta Phi Sorority. After moving to Colorado Springs, Colorado, she began working for U.S. Senator William Armstrong. While serving as his Area Director, she so greatly endeared herself to Coloradans by her dedication, that 20 years later, Senator Armstrong is still thanked for and reminded of Ms. Solomon's help and assistance by those she aided in their time of need.

Following Senator Armstrong's retirement, Ms. Solomon continued to stay active in Colorado politics and joined the staff of newly elected Senator Hank Brown. She rose in the ranks and assumed the position of Area Director for southern Colorado. Again her patience and hard work are remembered years later.

In 1993, I was pleased to have Ms. Solomon join my staff and assume the duties of Chief of Staff. She has worked tirelessly for so many years to assist the people of Colorado's 5th Congressional District through both legislation and case work.

Aside from public service, Ms. Solomon has served as Director of Pre-School for Downs Syndrome Children in Teller County, Colorado; Director and Coordinator for Homebound-Hospital Program in Wyandotte County, Kansas; Director of the University of Kansas Medical Center Hospital's Teenage Parents School; and taught first-grade in Kansas City, Missouri.

Ms. Solomon has dedicated her life and professional careers to assisting and improving the lives of others. Her perseverance and commitment to her fellow man is certainly uncommon and I, as well as the people of southern Colorado will surely miss a truly unique and compassionate friend. I wish Ms. Solomon the best in her retirement and thank her for all her years of service.

SOLILOQUY

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. DUNCAN. Mr. Speaker, one of my constituents has written a poem that showcases our Nation's flag in a glorifying manner. Mr. Victor Miller of Madisonville, Tennessee, is the author of a poem titled "Soliloquy." Mr. Miller is the son of Jeanette Miller, who passed this poem along to me. Our country's morale and heritage is strong today because of patriots like Victor Miller. I would like to call "Soliloquy" and its interpretation to the attention of my colleagues and other readers of the RECORD.

INTERPRETATION OF SOLILOQUY

I pray this poetic edification enhances your respect for the flag from Memorial Day through Veterans Day, but more significantly, enamors your appreciations for the risen Son of God. If reverenced as Old Glory, "God Bless America" will enrich all our personal, domestic & international pursuits exceedingly beyond our imaginations in continual abundance if, "In God We Trust." The Lord in the USA is a bipartisan, consuming Spirit of Holiness & Power! In Christ, "Thanks be unto God who always causes us to triumph" (2 Cor. 2:14).

"Imagine as a flag (Christ) on all folks (souls) passing by with edifying waves (love) influencing (redeeming) their lives."

The essence of duty to God & country He epitomized when his ascension secured for all, Independence! In Christ are "opportunities, honor, recognition, patriotism & liberated freedoms." We're told to "stand fast in the liberty in which Christ has made us free" (Gal. 5:1). With Jesus, we're more than winners, we're "conquerors" (Rom. 8:37). The USA thrives prestigiously, powerfully & prosperously because of our humility in embracing the risen Intercessor for all humanity. His triumphant valor extends to whosoever will. "The Glory in your stripes" belongs exclusively to Jesus Christ. May we forever abstain from worshiping entombed doctrines because if we forsake his sovereignty he will abandon his favor upon the USA. He tells us in his word, "No greater sacrifice exists than to give ones' life for a friend" (John 15:13). Emulating this virtue honors our Savior & rewards us blessings. Our allegiance he is worthy of, as too our "tribute" & service. Let's pray America "valiantly" & steadfastly adheres to his "esteemed" righteousness so our liberties are preserved. "The Lord is that Spirit, and where the Spirit of the Lord is, there is liberty" (2 Cor. 3:17). The colonists were wise in understanding & adopting our Constitution upon biblical integrity. Indigenous to our country it is not but we have progressively strengthened since its inception as a nation because of their keen & humble foresight in acknowledging & incorporating in our executive, legislative & judicial structures his preeminence. Soliloquy was penned in Luray, Virginia in April 1999. I worked for the Shenandoah National Park. On this particular morning while walking to the car I heard the vigorous, insistent "waving" of Old Glory in the blustery air. The owners of the Cardinal Inn always flew a large flag from their rock garden. As I turned to "observe" the Holy Spirit spoke:

I am your Leader, your Warrior, your Friend & Victor. You are adopted into the Almighty Army of God."

America owns patriotism as a majority but is loyalty void of Christ efficacious or self-promoting? Most citizens defend the sanctity of their flag tenaciously when affronted by another. Almost universally, it flies proudly from homes, schools, parks, libraries, cemeteries, vehicles, courts, businesses & even dons our clothing. It is a rallying, focal point of inspiration in times of crisis, mourning & festivities: Higher than all other flags, it "reigns!" Holidays confirm our gratitude for the military dives spent & lost defending its cause of unanimous liberation around the globe against oppression & persecution. Membership in our armed forces always begins at conscription with a sworn vow of allegiance. Patriotism isn't predicated on military service but whenever iniquitous aggression asserts itself against integrity. "When our cause is just...'In God is our trust!'" is how Francis Scott Key so zealously in 1814 proclaimed. Honest defense of righteous liberties is not immune to costs but "abiding in the shadow of the Almighty" (Ps.91) secures for all patriots ultimate victory. Jesus is not envious or jealous of anything, except his glory. He is however, deserving & desirous of greater, adulation & duty. May Soliloquy serve all of God's children with victorious knowledge & hope from his Holy Spirit so we continue shining in the world as a beacon of his omnipotent Love, just as a "rushing mighty wind" beautifies Old Glory!

SOLILOQUY

Imagine as a flag
on all folks passing by
with edifying waves
influencing their lives!

A patriotic stance
of opportunities
advocating feedoms
by land, the air & sea.

Esteemed a lofty reign
& honored to belong
all would offer tribules
in oaths, salute or songs!

Recognition could abound
for victories secured
defending liberties
despite many injured.

In each of fifty stars
& elsewhere when observed
the glory in your stripes
would valiantly be served!

IN MEMORY OF BORDER PATROL AGENTS

HON. DARRELL E. ISSA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. ISSA. Mr. Speaker, I rise today in memory of two Border Patrol Agents, Theodore L. Newton, Jr. and George P. Azrak, who were killed in the line of duty.

Theodore Newton and George Azrak were Border Patrol Agents stationed at the interior checkpoint in Temecula, California. On the evening of June 17, 1967, Agents Newton and Azrak were operating a rural checkpoint on Highway 79, approximately 30 miles south of Temecula. Agent Newton, 26 years old and married with two children, had been with the Border Patrol for a little over a year, while Agent Azrak, 21 years old, who was shadowing Agent Newton, hadn't even begun training at the academy. During their shift, they stopped an old military ambulance carrying two men when they discovered a shipment of more than 800 pounds of marijuana. As they were about to arrest the two men, two more men pulled up from behind and held the agents at gunpoint. They were kidnapped and subsequently murdered by these drug-traffickers in an abandoned shack near the checkpoint.

Upon hearing about the kidnapping, nearly 400 law enforcement officers participated in the search for the missing agents in one of the largest manhunts in Southern California. Eventually, the bodies were found, and all four of the men involved in the crime were later arrested. Two of the men convicted of murder were sentenced to life in prison.

In honor of these two agents, the Commissioner of the Border Patrol presents annually the Newton-Azrak Award to the agent that provides services or accomplishments reflecting unusual courage or bravery in the line of duty. This is the highest award for valor and bravery in the Border Patrol.

This country lost two dedicated law enforcement officers 37 years ago. The deaths of Agent Newton and Agent Azrak are a lasting reminder of the perils our law enforcement officers face each and every day while protecting our nation. I am grateful for their service and dedication to this great nation.

I thank the Speaker for the opportunity to honor the anniversary of the passing of Agents Theodore Newton and George Azrak and recognize the loss suffered by their families. I would also like to recognize all the brave men and women of the U.S. Border Patrol and their family members who, like our military families, have loved ones putting their lives at risk for our security.

MOURNING THE LOSS OF MYRON DUKES, LAUREN DUKES, CHRISTOPHER DUKES, AND JAUNTRICE DEADMON

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. RUSH. Mr. Speaker, I rise today with great sorrow and sadness to mourn the loss of Myron Dukes, Lauren Dukes, Christopher Dukes and Jauntrice Deadmon, who died yesterday at the Fort Worth Water Gardens while attending the National Baptist Convention in Fort Worth, Texas. This is a profound loss for the Chicago community.

Mr. Myron Dukes, his 8-yr. old daughter Lauren, his 13-yr. old son Christopher, and 11 yr. old Jauntrice, were all members of the Antioch Baptist Church, located in the Englewood community that I represent, the First Congressional District of Illinois.

Mr. Speaker, Mr. Dukes did what any father would have done: try and save his children from drowning in a deep swirling pool. He made the ultimate sacrifice for his heroic efforts with his life. As we approach Fathers Day, I ask that this Congress and the entire nation join the members of the Antioch Baptist Church in mourning the passing of this loving family. The City of Chicago and the world pray that God will give all the family members strength to endure this horrific tragedy in the coming days, and to know that they lived their lives in the service of our God.

CLEARWATER NEIGHBORHOOD HOUSING SERVICES TURNS BROWNSFIELDS SITE INTO AFFORDABLE HOUSING

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. YOUNG of Florida. Mr. Speaker, I rise to bring to my attention a creative project by the Clearwater, Florida Neighborhood Housing Services which was turned an abandoned and polluted junkyard into an affordable housing site.

This is the type of innovative program that can solve two problems for a local community. First, it cleans up an environmentally dangerous brownfields site and second it provides a source of much needed affordable housing. Through a combined effort between Clearwater Neighborhood Housing Services, the city of Clearwater, and the city's Economic Development Department, an 11-year-old junkyard is now the site of two single-family homes.

Mr. Speaker, following my remarks, I will include a story from the June 15, 2004 edition of The Petersburg Times which provides more details about this project with the hope that other cities around the country will use it as a model to clean up abandoned properties and fulfill the dream of homeownership for some fortunate families.

[From the St. Petersburg Times, June 15, 2004]

VISION, TOIL TURN 'JUNKYARD' INTO NEW HOMES

(By Lorri Helfand)

CLEARWATER.—A rusted bus was parked on the lot. Scrap wood, tires, auto parts and metal drums were heaped all around. Pesticides, waste oil and hazardous chemicals were stockpiled there, too.

It was a far cry from the American dream.

But, over the course of a decade, Clearwater Neighborhood Housing Services, the city and environmental protection agencies cleaned up the junkyard and transformed it into a couple of cozy stucco homes with manicured lawns.

The houses in the North Greenwood neighborhood are the first single-family homes built on a brownfields site in the city of Clearwater. Brownfields sites are basically abandoned properties where environmental contamination or potential contamination complicate redevelopment efforts.

"It was a junkyard. I'm happy we're seeing contamination going out and families coming in," said Isay Gulley, president and chief executive of Clearwater Neighborhood Housing Services, as she prepared to tour one of the new homes for the first time.

Clearwater Neighborhood Housing Services is a nonprofit organization that provides housing and economic development services in Pinellas, Pasco and Hillsborough counties. North and South Greenwood are its two target communities.

One house has been sold already to a 38-year-old single mother. The woman, who works as a nursing assistant, asked that she not be identified. But she said that it's a blessing to be able to progress this far and have a home.

A prospective buyer is interested in the other, which will sell for about $139,000, though nothing has been completed, said Jennifer Smethers, home ownership center manager for Clearwater Neighborhood Housing Services.

The buyer will be eligible for up to $30,000 in down payment assistance from the city, which will not require repayment as long as the owner resides in the home, Smethers said. The buyer also will be eligible for an $8,000 low-interest loan from Clearwater Neighborhood Housing Services.

The three-bedroom, two-bath house is about 1,300 square feet and has a two-car garage. Beige tile lines the foyer and deep sand-colored carpet covers the floors throughout the home. Like all of the projects Clearwater Neighborhood Housing Services develops, both houses have refrigerators, dishwashers and stoves.

Neighbor Rhonda Cole, 55, came by to check out the homes, which were showcased as part of National NeighborWorks Week, an event that mobilizes community awareness of the need for affordable housing and neighborhood revitalization efforts. "I think this is wonderful. I think our neighborhood is finally turning around. It's going to be a place where anybody would want to live," she said.

Problems on the site date back to 1993, when it became a junkyard. The city eventually declared a house and a two-story storage building on the lot as unsafe. The home was demolished in 1996. But when demolition began on the storage facility, workers found a mysterious liquid leaking from beneath the garage door. Petroleum, metals, contaminated soils and an underground storage tank with waste oil had to be removed so demolition could continue.

The city forgave about $38,000 in liens that accumulated with the demolition and efforts to rid the property of hazardous waste on the condition that the owner, Larry Bunting, donate the property to Clearwater Neighborhood Housing Services.

The city's Economic Development Department, through the City Brownfield program, provided about $150,000 in state brownfields monies for environmental assessment and cleanup of the site.

Ground was broken on one of the homes last fall. Construction on the second began a few months later. Both were completed by spring.

Gulley said her nonprofit organization has three goals: housing assistance, economic development and educational opportunities.

The organization has built about 200 affordable houses for low- and moderate-income families within the city since 1991.

"Please know we have accomplished many things but we have a long way to go," Gulley told government officials, business leaders and community members at an event last week to showcase the homes.

Clearwater Neighborhood Housing Services is currently planning a small residential subdivision on Tangerine St. and plans to transform a neighborhood bar into a Head Start day care center, ice cream parlor and professional offices, Gulley said.

SUPPORT OF PASSAGE OF H.R. 4323 AND H. CON. RES. 260

HON. RAHM EMANUEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. EMANUEL. Mr. Speaker, I rise today in strong support of two bills enacted by the House that will go a long way to helping our troops and providing some comfort and peace of mind to their families.

I was pleased to vote for H.R. 4323, which helps the Department of Defense speed up the delivery of critically important equipment like bulletproof vests and armored vehicles to our troops in the field. Our brave men and women in uniform depend on these resources to carry out their mission and minimize loss of life.

I have heard from many deeply concerned families in my district about equipment deficiencies. One of my constituents, Dr. Donald W. Walsh, is the father of a soldier in the 933rd MP Company. Like so many parents, Dr. Walsh is very proud of his son but he is also worried about his son's safety due to the shortage of body armor and armored Humvees.

Given all the strains on the troops and their families as a result of overextended tours and uncertainty, the last thing they need is to worry about their loved ones engaging in hostilities with outdated vehicles and insufficient body armor. I am glad that Dr. Walsh came to me with his concerns. I promised him that I would do all I can to help his son. Supporting this legislation is a step in that direction.

Also, I am pleased to support H. Con. Res. 260, which recognizes and honors the service of non-active duty personnel who participate in funeral honor guards for deceased veterans. In times of war, there are not always enough active duty honor guards available to perform funeral services for our distinguished military personnel. These services are very important to the families of the deceased, and we should honor those who volunteer their time to provide these patriotic services.

In recognition of their contributions, the House recently passed this bill with unanimous support. Our Nation owes a debt of gratitude to these dedicated men and women who bring comfort and honor to our deceased veterans and their families.

RENEWABLE ENERGY PROJECT SITING IMPROVEMENT ACT OF 2004

SPEECH OF

HON. BETTY McCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 2004

Ms. McCOLLUM. Mr. Speaker, I rise in opposition to legislation that would significantly weaken the National Environmental Policy Act, or NEPA.

The bill on the floor today exempts any federal agency from considering alternatives when assessing the environmental impact of renewable energy projects. It eliminates input from local communities, states and the public.

I strongly support wind, solar and other clean, renewable energy projects. They are critical to our clean energy future.

I have cosponsored legislation that permanently extends the wind energy tax credit. This tax credit will spur additional windmill development in Minnesota.

I have cosponsored legislation that increases the use of biodiesel and ethanol. Minnesota is a national leader in producing these renewable fuels.

The Republican leadership, however, isn't allowing these bills to be considered today.

Renewable energy projects can adversely impact our environment and public health if not designed and operated properly. We have rules that ensure that all energy projects on public lands are subject to a full environmental and public health review required by NEPA.

Congress must recognize the renewable energy development is key to our energy future. We must not pass legislation that fails to ensure that environmentally important renewable energy development occurs in a timely manner, in the right locations, is subject to the terms that fully protect the public interest and that there is ample public input.

I urge my colleagues to oppose this bill today.

HONORING ARC-DIVERSIFIED AS THE USDA'S JWOD CONTRACTOR OF THE YEAR

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. GORDON. Mr. Speaker, I rise today to congratulate Arc-Diversified for being named the Department of Agriculture's Javits Wagner O'Day Contractor of the Year. Arc-Diversified is located in Cookeville, Tennessee, which I have the pleasure of representing in Tennessee's Sixth Congressional District.

Arc-Diversified is a truly remarkable organization that specializes in the employment and training of people with disabilities. Currently, Arc-Diversified employs 183 such people. These workers provide a valuable service to the community as they manufacture foods for military feeding programs, the USDA and commercial and prime vendors.

Not only does Arc-Diversified manufacture quality products, but it also provides quality training to its employees. The workers learn valuable industrial skills and have access to a wealth of vocational services such as on the job training, job coaching and supported employment.

The USDA award is a testament to the hard work and dedication of the employees and the administration of Arc-Diversified. They are the sort of people who make Middle Tennessee such a fine place to call home.

SIKHS REMEMBER 20TH ANNIVERSARY OF ATTACK ON GOLDEN TEMPLE—FREEDOM FOR KHALISTAN WILL END THE BRUTALITY

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. TOWNS. Mr. Speaker, Sikhs observe the twentieth anniversary of India's brutal attack on the Golden Temple, the seat of their religion, this month. From June 3 to 6, 1984, the Indian military brutally attacked the Golden Temple and 125 other Sikh Gurdwaras all over Punjab. This brutal and devastating attack, carried out by the Indira Gandhi government, which was always proudly proclaiming its commitment to secularism, killed over 20,000 Sikhs.

This attack made it clear that even when the secular parties are in power, the minorities in India are not safe and they have no real rights, despite what is written in India's constitution. Whether the Hindu nationalist BJP is in power or the secularist Congress Party is in power, the policy of killing the Sikhs and other minorities in the futile effort to preserve what India considers its territorial integrity marches brutally on.

Among those killed in the Golden Temple attack were major Sikh leaders like Sant Jarnail Singh Bhindranwale, Bhai Amrik Singh, General Shabeg Singh, and many others. The Guru Granth Sahib, the Sikh holy scriptures, were shot full of bullets from the guns of the Indian military. Sikh boys were taken outside and asked if they supported Khalistan. Then they were shot to death. Khalistan, of course, is the name of the independent Sikh homeland.

There is no place for Sikhs or other minorities such as Christians and Muslims in India despite its claims of secularism. On October 7, 1987, Khalistan formally declared its independence. If India is the democratic country it claims to be, why not simply decide the issue in a free and fair plebiscite in Punjab, Khalistan on the subject of independence? Isn't that the democratic way? I was under the impression that in democracies, things were decided by votes. The United States allows the people of Puerto Rico to vote on independence every few years. Canada has held democratic plebiscites on the status of Quebec. In 1947, India promised to settle the Kashmir issue by plebiscite, but it has never allowed that vote to be held. Why not simply put the question to a democratic vote? That is self-determination and self-determination is the essence of democracy.

The Sikh Nation was independent from 1765 to 1849. The Sikhs were supposed to receive sovereignty when India became independent. Although the Indian constitution was adopted in 1950, more than half a century ago, to this day no Sikh representative has ever signed it. How can India claim that it holds sovereignty over the Sikh Nation?

Unfortunately, the Sikhs are not the only victims of India's repressive tyranny. More than 300,000 Christians in Nagaland have been killed by the Indian government since 1947. They have seen priests murdered, nuns raped, schools, prayer halls, and festivals attacked—the government even shut down one festival with gunfire—missionaries murdered, beaten, and thrown out of the country, and so many other atrocities carried out against them. Almost 88,000 Kashmiri Muslims have fallen victim to India's brutal tyranny since 1988. Another 2,000 to 5,000 Muslims were massacred in Gujarat with the connivance of the government. And these are just a few of the atrocities committed against minorities by the Indian forces.

Mr. Speaker, we must do something to stop these atrocities. If real democracy and real freedom is going to come to all the people of South Asia, the United States must take a stand. It is good that a Sikh is now Prime Minister. He must know the feeling of India's brutality against his people. Therefore, I call on him to use his office to release all of India's political prisoners and bring the persons who carried out these atrocities to justice. We must stop our aid to India until it shows that it is willing to act like a democracy and protect human rights. We are setting up a democratic government in Iraq with a new President and a new Prime Minister. Isn't it time that real democracy finally came to India?

In addition, it is vital for the Congress to declare its support for a free and fair plebiscite on the issue of independence for Khalistan. There should also be similar plebiscites for Kashmir, Nagaland, and every other nation that seeks its freedom from Indian rule. India says there is no support for these freedom movements. Well, it is time for India to prove its point by holding a free vote on the matter. This is the only way for the people of South Asia to live in freedom, peace, democracy, and stability.

Mr. Speaker, there will be demonstrations around the world this weekend to commemorate the Golden Temple attack. The one in Washington will be led by the Council of Khalistan. I would like to insert their very informative flyer into the RECORD at this time.

TRIBUTE TO ENNIS JAMES McCORVEY, JR.

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Deacon Ennis James (E.J.) McCorvey, Jr., a noted family man and community servant. A native of Tunnel Springs, Alabama, Deacon McCorvey was also a member of the prestigious Tuskegee Airmen crew.

Deacon McCorvey entered into eternal rest earlier this year, but his memory will remain with us because of his substantial commitment to his faith and contributions to his fellow citizens.

Deacon McCorvey attended Tuskegee Institute, leaving when he was drafted into the armed forces. He served his country as a mechanic for the famed Tuskegee Airmen. He subsequently worked as an aircraft mechanic and power collator operator at both Maxwell and Gunter Air Force Bases. After leaving active duty he became a successful entrepreneur in Montgomery, Alabama along with his three brothers. Throughout his business career, he continued to serve the public interest by helping numerous Alabama State College students acquire off campus housing while encouraging them to continue their academic studies.

A leader in all respects, Deacon McCorvey stood out the most while communing among the people of Beulah Baptist Church, where he was a member of the Deacon Board. He developed initiatives that included purchasing junior choir robes and chairs for the Sunday School classes. His selflessness became legendary in his church and throughout his community.

Deacon McCorvey is survived by his wife of 52 years, Mavis Davis McCorvey, his devoted son Ennis and daughter-in-law, Pamela, a loving daughter, Amanda Bowers and four grandchildren.

Mr. Speaker, I ask you and my colleagues to join me in honoring the late Deacon Ennis James McCorvey, Jr., for a lifetime of family commitments and community fellowships. The people of his native Alabama, his family in South Carolina and all those who knew him will always remember him for his passion, integrity, and dedication to God and Country.

CONGRATULATING JOHN H. BRYAN OF CHICAGO

HON. RAHM EMANUEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. EMANUEL. Mr. Speaker, I rise today to congratulate my friend John H. Bryan of Chicago on being presented the Restore America Hero Award by the National Trust for Historic Preservation, Save America's Treasures, and Home & Garden Television at their Second Annual Preservation Gala.

Mr. Bryan epitomizes the principles on which this award is bestowed. His meaningful involvement to maintain America's historic and cultural treasures provides future generations the opportunity to experience American history. Mr. Bryan continues to distinguish himself through his relentless commitment and leadership to the preservation of historic American landmarks.

While Mr. Bryan is a Mississippi native, he has spent much of his time in Chicago, serving as the Chairman and CEO of the Sara Lee Corporation. It was in these positions that he helped instill the value of community involvement into the corporate world. Mr. Bryan, changed the paradigm of Sara Lee, creating the notion that it was in the best interest of the company and society at large for a business to involve itself in the community. The result at Sara Lee is a community of people that enjoy volunteering with civic and social organizations. Sara Lee additionally donates five percent of its net income to charities.

Mr. Bryan also sits on the board of Goldman Sachs, Bank One Corporation, British Petroleum, and General Motors where his vision and leadership are recognized as essential assets to company and community growth.

Mr. Bryan has also donated tremendous amount of time and energy to the arts. He is affiliated with many non-profit organizations and has had the opportunity to serve as a trustee of the University of Chicago and Chairman of the Board of Trustees of the Art Institute of Chicago.

Because of his appreciation and love of Chicago, Mr. Bryan was appointed to the Board of Directors of Millennium Park by Chicago Mayor Richard M. Daley. In this role Mr. Bryan has worked to change the urban landscape of Chicago, by dedicating his time to developing this uniquely Chicago treasure. Under his guidance, $200 million, or one half of the funding needed to erect the park, was raised from Chicago's business community. Mr. Bryan was able to communicate to these two groups that the opportunity to create a lasting legacy in Chicago was in their hands.

Mr. Speaker, on behalf of the people of the Fifth Congressional District of Illinois and indeed all of Chicago, I am privileged to congratulate John H. Bryan, one of Chicago's great benefactors, on receiving the Restore America Hero Award and recognize the National Trust for Historic Preservation, Save America's Treasures, and Home & Garden Television for bestowing this award on such an admirable recipient. I wish him, his wife, and their four children continued happiness and success in the future.

ENERGY POLICY ACT OF 2004

SPEECH OF

HON. BETTY McCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 2004

Ms. MCCOLLUM. Mr. Speaker, the House today is considering legislation that continues to ignore the real needs of our families.

Today's energy bill won't create jobs, won't lower gas prices and weakens our strong environmental standards that protect our nation's health.

America needs a comprehensive energy plan that strengthens our national security, grows our economy and protects our environment.

We need to pass legislation that invests in energy-efficient technologies of the 21st century, expands conservation efforts and builds an infrastructure based on renewable, homegrown fuels.

Democrats have a plan that would appropriate sufficient funds for the development of domestic energy sources. This includes measures to increase the use of renewable energy resources and the use of emerging technologies that could increase energy efficiency and reduce overall energy consumption.

Unfortunately, Republicans won't allow this plan to be considered.

Once again the House is considering pork-laden energy legislation that adds $140 billion to our deficit, benefits the Republicans special interest friends and fails to create twenty-first century jobs without providing energy independence.

The Republican energy plan on the floor today is the same one the House passed last year. Their plan still tilts too far towards oil and natural gas production. I support domestic production of oil and natural gas. It must be done sensibly, however, to not harm our nation's environment.

I also strongly support investing in energy efficient technology and renewable fuels. Minnesota leads the nation in wind power, ethanol and biodiesel. The energy bill we are passing yet again fails to adequately recognize these homegrown fuels.

Instead of passing the balanced energy plan Minnesotans demand, the Republicans have loaded this bill up with giveaways to corporations making record profits.

I will not vote for a pork-filled energy bill that doesn't meet our nation's energy needs for the first century.

I urge my colleagues to vote no today.

HONORING THE 35TH ANNIVERSARY OF THE BIBLE BAPTIST CHURCH

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. GORDON. Mr. Speaker, I rise to recognize the 35th year of existence of the Bible Baptist Church of Hendersonville, Tennessee. The congregation will celebrate the church's 35th anniversary on July 24–25, 2004.

Bible Baptist Church has grown from its original 60 members to more than 500 members today. The church has served the community and its congregation well for the past 35 years, and it continues to benefit the Hendersonville area in innumerable ways.

Over the past 35 years of dedicated service, the church has seen great changes. Beginning with the Phillips Robinson Chapel in 1969, the church constructed a 300-seat auditorium in 1972. It built the fellowship hall in 1989 and a church office complex in 1993. The church plans to move to a 36-acre property on New Shackle Island Road in the near future. Over the years, the dynamic nature of the church's facilities has served as a mirror for its ever-increasing role in the community.

Hendersonville is a better place because of the work of the Bible Baptist Church and its congregation. I am sure the church will continue to make a positive difference in the community for the next 35 years, and I congratulate the congregation and pastor Jim Crockett for all the good work they have done.

HONORING BRIGADIER GENERAL RILEY P. PORTER

HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. BERRY. Mr. Speaker, I rise today to honor a great Arkansan and an outstanding citizen with a long history of service to his country. I am proud to recognize Riley P. Porter and congratulate him on his recent promotion from Colonel to Brigadier General.

Born and raised in Arkansas, Gen. Porter is a native of West Helena, and a 1974 graduate of the University of Arkansas in Fayetteville. Upon completion of his degree in business administration and marketing, Gen. Porter committed to the Air Force Reserve Officer Training Corps and was commissioned as a second lieutenant.

After completing a rigorous pilot training at Vance Air Force Base in Oklahoma, Gen. Porter's commitment to service continued by attending the Strategic Air Command Combat Crew Training in the KC–135 at Castle Air Force Base in California. In 1981, Gen. Porter joined the Arkansas Air National Guard at the Little Rock Air Force Base and is now an accomplished command pilot with more than 5,700 flying hours in training, tanker and airlift aircraft.

Gen. Porter's abilities and leadership are exemplified in the many awards and decorations he has earned, including the Meritorious Service Medal with two oak leaf clusters, the Air Force Commendation Medal with two oak leaf clusters, the Air Force Outstanding Excellence Award with one oak leaf cluster, and the National Defense Service Medal with service star.

Gen. Porter continues to serve his country with distinction as the Chief of Staff for the Arkansas Air National Guard and Joint Force Component Commander. Throughout his career, Brigadier General Riley P. Porter has served his country with honor and dignity. On behalf of the Congress, I would like to extend our gratitude and appreciation for his service and commitment to our great Nation.

HONORING BECCA KERN

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. HYDE. Mr. Speaker, I rise today to commend a young individual from my district who recently won the honor of "Mayor For The Day" of Elmhurst, Illinois. Miss Becca Kern, who is in Sixth Grade at Visitation Catholic School, won this honor by composing the following essay in 50 words or less:

"Good citizenship is important in Elmhurst because. . . .

Citizenship means contributing to the community. In Elmhurst, our town relies on each other. People taking the time to make it a fun, safe, and successful community. I am proud to be a citizen of this town because everyone in Elmhurst makes a contribution to its greatness."

RECOGNIZING FOUNDING FATHERS OF CITY OF JACKSON, MICHIGAN

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. SMITH of Michigan. Mr. Speaker, I rise today to recognize the Founding Festival of the City of Jackson, Michigan. This celebration commemorates the 175th anniversary of the founding of the City of Jackson, Michigan, and the 150th anniversary of the meeting "Under the Oaks," the first convention of the Republican Party.

New Yorker Horace Blackman arrived at what is now Jackson on July 3rd, 1829. On July 4th, he staked out his 160-acre claim along the banks of the Grand River. Named for President Andrew Jackson, the village also known as Jacksonburgh and Jacksonopolis grew quickly, and became a hub of commerce and transportation in southern Michigan. It became the terminus of the Michigan Central Railroad, which helped to spur economic growth in the region, and served as a starting point for pioneers heading west.

Jackson has played an important role in defending our country. It was the first city in Michigan to muster troops for the Civil War, and made significant contributions to the war effort during WW II, manufacturing materiel and supplies.

Jackson was a leader in the automotive industry, with 23 different cars manufactured in the City, including the "Jackson" automobile. Both Buick automobiles and Ritz Crackers were originally manufactured in Jackson. Gilbert's Chocolates, Sparton Electronics, and the All-Star Dairy also call Jackson home.

July 6, 2004 marks the 150th Anniversary of the Under the Oaks meeting in Jackson, MI. On this day in 1854, the name "Republican" was used in affiliation with a political party for the first time in the history of the United States of America. With its seeds sown at meetings in Ripon, Wisconsin; Friendship, NY; and Bangor, Maine, the movement took root at the meeting in Jackson, adopting a platform, nominating candidates, and formally adopting the name "Republican."

Called to the City of Jackson by Charles V. DeLand, editor of the Jackson American Citizen newspaper, thousands of former Whigs, FreeSoilers, disgruntled Democrats, and others assembled in Jackson to consider further anti-slavery actions. The call was taken up by newspapers throughout the state to meet on the 6th of July 1854. The crowd of more than 3,000 quickly filled Bronson Hall to overflowing, and the meeting adjourned to the oak grove on Morgan's Forty, at what is now the corner of Franklin and Second streets. At this meeting "Under the Oaks," the first Republican platform was passed, the first Republican candidates were nominated, and the name "Republican" was formally adopted. It is only fitting that this city, that also played an important role in the Underground Railroad, is where the first political platform calling for the abolition of slavery would be adopted. Thus was born the Grand Old Party.

At the time of year that we celebrate the founding of the United States of America, it is my great honor to recognize the founding of Jackson, Michigan, a truly American city born on the fourth of July, and of that Grand Old Party, the Republicans.

A TRIBUTE TO DR. JOHNNY RAY YOUNGBLOOD

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. TOWNS. Mr. Speaker, I rise in honor of Dr. Johnny Ray Youngblood in recognition of his spiritual leadership and contributions to the community.

Dr. Johnny Ray Youngblood is without a doubt, one of the leading theologians of his time. His commitment to the call of spiritual healing, racial parity, social justice and economic equity for all people has garnered him national recognition as a preacher, national leader, public advocate, motivator, writer and teacher. Now in his 30th year serving as senior pastor of St. Paul Community Baptist church and 3rd year as senior pastor of Mt. Pisgah Baptist Church, both located in Brooklyn, New York, he has completed more than a quarter of a century pastoring to God's people.

In May of 1990, Youngblood received his Doctorate of Ministry degree from United Theological Seminary in Dayton, Ohio, where he studied with an elite group of preachers from across the country as a Samuel D. Proctor Fellow, Dr. Youngblood earned his Masters of Divinity degree from Colgate-Rochester Divinity in Rochester, New York and his bachelor's degree from Dillard University in New Orleans. Dr. Youngblood is now single and a father of three sons, Joel Ray, Jason Royce and Johnny Jenell, and the grandfather of Donny Lynn, Joshua, Jalen and Jordyn.

Dr. Youngblood has earned national recognition because of his work with East Brooklyn Congregations (EBC), an affiliate of the Industrial Areas Foundation. He is credited through EBC with spearheading the Nehemiah Housing project, which to date has constructed approximately 2,850 owner-occupied single family homes in some of the most devastated communities in Brooklyn. He has served as national spokesman for the group and in 1990, was recognized in the Congressional Record for his trailblazing work with the project. Dr. Youngblood is a subject of the Harper Collins book, "Upon This Rock: The Miracles of a Black Church," written by Samuel G Freedman. In 1996, Youngblood and the ministry of St. Paul community were featured in an article titled "Crossing Border" in the premiere of Common Quest magazine. In December of 1995, Dr. Youngblood was also listed in The New Yorker magazine as one of the "ten most influential" New Yorkers. He has been profiled on ABC's 20/20, NBC Nightly News, CBS Sunday Morning News, FOX 5's McCreary Live Report, and the Charlie Rose Show.

In September 1995, Dr. Youngblood launched what has become one of the premier projects on the Church's annual calendar, now known as the commemoration of the Maafa. Dr. Youngblood is spearheading a national effort to promote the Maafa as a spiritual movement aimed at healing this nation around the scars of slavery. Since 1998, the St. Paul Community has toured "The Maafa Suite" production to venues including Dallas, Mississippi, Seattle, Atlanta, Chicago and Connecticut.

In June of 1998, Dr. Youngblood released his own book of poetry titled, "I Honor My Father"; a collection of poems inspired by the illness and loss of his father in the same year.

Mr. Speaker, Dr. Youngblood has dedicated his life to helping people through his spiritual leadership, public advocacy and civic participation. As such, he is more than worthy of receiving our recognition today and I urge my colleagues to join me in honoring this truly remarkable person.

CELEBRATING OLDER AMERICANS

HON. MICHAEL H. MICHAUD

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. MICHAUD. Mr. Speaker, communities around the country and in my district celebrated Older Americans Month this May. The theme for 2004 was "Aging Well, Living Well", a goal I'm sure we all hope to achieve as we enter into our golden years. Every day in our country, some 6,000 people turn age 65 and become eligible for Social Security, Medicare and other age-based entitlements. In less than 7 years, the daily tally of Americans celebrating their 65th birthday will increase by more than 50 percent to 10,000 a day.

It is in the spirit of Older Americans Month and our support for these individuals that I bring to my colleagues' attention the work of the Jackson Laboratory in Bar Harbor, Maine. For more than 75 years, The Jackson Lab has worked tirelessly for the benefit of older Americans and has been at the forefront of discovering cures for human diseases. Their research into the specific diseases of old age as well as the overall mechanisms of aging have helped pave the way to important discoveries that serve to improve quality of life for all older Americans. As we take a moment to honor Older Americans, we should recognize those individuals and institutions that do all they can to enhance the human condition as we grow older.

The good news is that many older Americans see retirement as a time to enjoy the fruits of their earlier labors. A 2002 survey by Peter D. Hart Research Associates found that more that 59 percent of individuals aged 50 and over see retirement as "a time to be active and involved, to start new activities, and to set new goals." Recent studies, such as the MacArthur Foundation's "Study of Aging in America" demonstrate that engaging in life is a key component of successful aging. Americans are pleased and proud that in our country, most people are enjoying the blessings of longer and healthier lives. Meanwhile, we know that scientists searching for answers to the diseases of aging such as cancer and Alzheimer's are likely to succeed in adding even more healthy and vital years to the average life span.

However, for many Americans, the concept of "growing old gracefully" is now, and will always be, unattainable. The combination of reduced income, increased health care needs, and decreased quality of life create more problems than opportunities for too many in our aging population. Over 5 million older Americans live at or near the poverty level. The median level of income is around $19,000 per year. At the same time, most older Americans have at least one chronic condition (such as hypertension or diabetes). These conditions contribute to increased health care costs at precisely the time when their incomes are reduced.

Policymakers have a responsibility to better understand the challenging issues facing our country as we press the boundaries of human aging and health. What level of funding should Congress invest to further extend human longevity? What impact will longer and healthier lives have on the economy and on the costs of health care? It is part of our responsibility as legislators and representatives to stay informed at the crossroads of science and human aging. Sooner than we may expect, Congress may be called upon to render judgments in public policy on these issues. That is why I was so pleased to learn of The Jackson Laboratory's participation in a powerful new on-line forum called SAGE (for "Science of Aging") Crossroads (www.SAGECrossroads.net).

Launched in March, 2003, www.SAGECrossroads combines the high journalistic standards of SCIENCE magazine, with the immediacy and interactivity of the Internet. A particularly exciting centerpiece of the project is a monthly debate that is webcast live to viewers who participate in these timely discussions as they are happening. Through this series of innovative and thought-provoking discussions, SAGE Crossroads invites researchers, policymakers and concerned citizens to interact with respected thought leaders. For example, Dr. David Harrison of the Jackson Lab recently participated in a debate entitled "Are Biomarkers the Key to the Fountain of Youth? " This particular debate considered the issue of whether resources are better spent on seeking to cure the specific causes of various diseases, or whether to work to identify the key biomarkers of aging that might lead us to a better understanding of aging in its entirety. Other debate topics have ranged in recent months from contrasting views of life extending and life enhancing technologies to appropriate uses of information about individual genetic risks to disease. Through this forum, leaders in the aging research community address questions such as whether a person's age should count in rationing limited health care resources or whether public policy considerations impact the scope of scientific research.

The people in my district, as well as people across the country, are very interested in what it will take to maintain health and enjoy a high quality of life as they age. As policymakers, we know that the forward march of the life sciences will raise as many questions as it settles. I urge my colleagues to draw upon the wisdom of some of our most provocative and learned thought leaders by signing on to www.SAGECrossroads.net and registering to participate in future debates.

TRIBUTE TO ROBERT G. WANNAMAKER

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to one of South Carolina's leading executives, Robert G. Wannamaker, General Manager of Tri-County Electric Cooperative. Mr. Wannamaker, who will be retiring at the end of this month, has spent his entire career insuring that rural areas in South Carolina's Sixth Congressional District have access to reliable, affordable electricity.

Throughout his 23 years with the Cooperative, Mr. Wannamaker has led his team to many profound successes, especially in times of crisis. This past January he impressively managed the effects of a natural disaster when one of the most violent ice storms in South Carolina's history tore through the state's Midlands leaving roughly 15,000 Co-op customers without power. Mr. Wannamaker directed a recovery process that had total restoration of power within a week despite extensive damage to more than 250 poles and 200 cross arms.

Mr. Wannamaker began his career with McCall-Thomas Engineering Company of Orangeburg as an Engineering Assistant. He was hired at Tri-County in January of 1972 by the late Dewey Kemmerlin, Jr. as a field designer and staking engineer. He was later promoted to the position of manager of member services, which he held until he left Tri-County Co-op to become the district manager of the Johns Island District of Berkeley Electric Co-op near Charleston. He is a graduate of Spartanburg Methodist College and the University of South Carolina and serves as a member of community development committees and organizations.

Mr. Speaker, I ask you and my colleagues to join me in honoring and congratulating Mr. Wannamaker on a distinguished career of insuring a better quality of life for rural citizens of South Carolina. His work has given thousands of customers the reliability and convenience of having efficient energy services through even the most challenging conditions. And he will be sorely missed.

TRIBUTE TO INTERMEDIATE SCHOOL 201'S ECON BOWL TEAM

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. SERRANO. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to the students of Intermediate School 201 of the South Bronx. IS 201's Econ Bowl team took top prize at the 2004 Econ Bowl.

The Econ Bowl is a citywide contest sponsored by the Federal Reserve Bank of New York and the Daily News to encourage middle school students to learn about economic policy. This year's competition had students consider the possible negative impact of revolutionary technologies. The students of Intermediate School 201 examined the possible effects that fuel cells would have once they come into widespread use.

Led by their teacher, Mr. Finkelstein, IS 201's seventh grade team worked diligently for four months to develop their award-winning presentation; researching and talking with experts such as Undersecretary of Energy David Gordon to get a greater understanding of the subject matter. Their hard work paid off as they were more than prepared to answer tough questions asked by the judges.

These impressive young people explained how fuel cells would help cut back on automobile pollution by generating electricity from hydrogen and having only water as an emission. They also examined the downsides of a fuel cell revolution such as the disruption it would cause in the shipping and auto industry by rendering crude oil obsolete and how it would negatively impact oil producing countries. However, in the end they concluded that the benefits of fuel cell technology far outweigh the negatives.

Mr. Speaker, one student told a Daily News reporter that he learned that fuel cell cars could reduce the pollution that causes his asthma. My congressional district has one of the highest childhood asthma rates in the country. Throughout my career I have worked to fight the environmental injustices in the realm of air quality that have caused this disease to be so prevalent in the South Bronx. To hear the youth of my district discuss ideas for eradicating this disease makes me proud and reassures me that the South Bronx will be left in good hands.

For earning first place in the 2004 Econ Bowl, I ask that my colleagues join me in honoring Intermediate School 201.

PRESIDENT REAGAN'S LEADERSHIP IN THE WAR ON DRUGS

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. BONILLA. Mr. Speaker, I ask to enter the following tribute recognizing President and Mrs. Reagan's involvement in the war on drugs into the CONGRESSIONAL RECORD.

A TRIBUTE: PRESIDENT & MRS. RONALD REAGAN'S LEADERSHIP IN THE WAR ON DRUGS

We, representing countless parents, community volunteers, civic leaders, business leaders, physicians, teachers, church leaders, policy makers, law enforcement officers, media representatives, and youth from across America, want to express our deepest gratitude to President and Mrs. Reagan for their extraordinary leadership in the battle against drugs and for saving the lives of so many children through drug prevention. Together they encouraged and supported a nationwide effort to reduce the demand for drugs by increasing Americans' knowledge and changing the attitudes and behavior. They inspired us with hope, knowledge, and conviction. The result was a dramatic turn around in illicit drug use in America, and thus lives were saved, health care costs were reduced, crime was reduced, and innovative strategies and scientific research were developed to enhance drug abuse treatment, prevent AIDS, and other drug-related social problems. Our nation and the world owe them a tremendous debt. We recommit ourselves to continuing in this noble fight to protect our children from the nightmare of drugs and to carry forward the message of prevention with hope and optimism.

Milestones of the Reagan legacy include: Raising the drinking age throughout the country from 18 to 21. The workplace drug prevention program including federal drug testing and standards. Nancy Reagan's Just Say No campaign that ratified and promoted the Parents' Movement. These programs brought about a dramatic fall in illegal drug abuse throughout the nation after two decades of rising levels with the peak coming in 1978 and the bottom in 1991. President Reagan's leadership was a key in this element in this historic progress.

Robert L. DuPont MD, First Director of National Institute on Drug Abuse, President of the Institute for Behavior and Health, Inc., Maryland.

Joyce Nalepka, Drug Free Kids: America's Challenge, former President of Nancy Reagan's National Federation of Parents for Drug Free Youth, Silver Springs, Maryland.

Edward Jacobs, MD, FAAP, Everett Clinic, Everett, Washington.

Theresa Costello, Philadelphia, Pennsylvania.

Daniel Bent, Fair Mediation, Honolulu, Hawaii.

Sue Rusche, National Families in Action, Atlanta, Georgia.

Eric Voth, M.D. FACP, Chairman, Institute on Global Drug Policy, Topeka, Kansas.

Michelle Voth, Kansas Family Partnership, Topeka, Kansas.

David Evans, Esq., Drug Free Schools Coalition, Flemington, New Jersey.

Calvina Fay, Executive Director, Drug Free America Foundation, Inc., St. Petersburg, Florida.

Peggy Sapp, National Family Partnership, Miami, Florida.

Steven Steiner, DAMMAD, Tioga Center, New York.

Steven Steiner, Barton, New York.

Rebecca Hobson, Richton, Mississippi.

Brenda Truelove, Gainesville, Georgia.

Karen Dewease, Petal, Mississippi.

Julie Steiner, Barton, New York.

Mikki Howard, Austin, Indiana.

Martha McWhirter, Lawrence, Mississippi.

Susie Dugan, PRIDE Omaha, Omaha, Nebraska.

Judy Dinerstein, Naperville, Illinois.

Betty Sembler, Chairman, S.O.S.—Save Our Society From Drugs, St. Petersburg, Florida.

Grainne Kenny, International President, EURAD (Europe Against Drugs).

John English, Springfield, Oregon.

Susan Baum, Loyalhanna, Pennsylvania.

Frank Richardson, Binghamton, New York.

Patsy Parker, Moss Point, Mississippi.

Sharon L. Smith, President—MOMSTELL, Mechanicsburg, Pennsylvania.

Connie Moulton, Committees of Correspondence, Danvers, Massachusetts.

Robert Peterson, Esq., Vice President of International Affairs, PRIDE Youth Programs, Fremont, Michigan.

Jay DeWispleare, Executive Director, PRIDE Youth Programs, Fremont, Michigan.

Lea Cox, Concerned Citizens for Drug Prevention, Norwell, Massachusetts.

Jack Gilligan, Global Drug Prevention Network, Peoria, Illinois.

Malcolm K. Beyer, Jr., Student Drug-Testing Coalition, Jupiter, Florida.

Peter Stoker, Director, National Drug Prevention Alliance, Great Britain.

Carla Lowe, Legal Foundation Against Drugs, Sacramento, California.

Jim Kester, Austin, Texas.

Beverly Barron, Former Executive Director of Texans War on Drugs, Odessa, Texas.

Peggy Goble, Great Meadows, New Jersey.

Karin Kyles, New Canaan, Connecticut.

DeForest Rathbone, Chairman, National Institute of Citizen Anti-drug Policy, Great Falls, Virginia.

Mr. & Mrs. Robert Dey (DEA Retired), Georgetown, Texas.

Ginger Katz, President of the Courage to Speak Foundation, Connecticut.

State Representative Toni Boucher, Assistant Minority Leader District 143, Connecticut.

Geraldine Silverman, New Jersey Federation for Drug Free Communities, Short Hills, New Jersey.

Wevley William Shea, Anchorage, Alaska.

Beverly J. Kinard, President, Christian Drug Education Center, Canon City, Colorado.

Judy Kreamer, Educating Voices, Inc., Naperville, Illinois.

Becky Vance, Executive Director, Drug Free Business Houston—A division of the Council on Alcohol and Drug Abuse, Houston, Texas.

Cathey Brown, Rainbow Days, Inc., Dallas, Texas.

Lynda Adams, Alaskans For Drug Free Youth, Ketchikan, Alaska.

June M. Milam, Former CEO DREAM, Inc., Madison, Mississippi.

Joyce Tobias, Parents' Association to Neutralize Drug & Alcohol Abuse (PANDAA), Annandale, Virginia.

Judy Cushing, President/C.E.O., Oregon Partnership, Portland, Oregon.

Judy Arendsee, Rancho Sante Fe, California.

Stephanie Hayes, Former Board Chairman, Texans War on Drugs, Alpine, Texas.

CONGRATULATING MILTON I. SHADUR OF CHICAGO

HON. RAHM EMANUEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. EMANUEL. Mr. Speaker, I rise today to congratulate the Honorable Milton I. Shadur of Chicago on his career accomplishments as a Senior Federal Judge on the occasion of his 80th birthday.

Judge Shadur's commitment to the judicial process has earned him a tremendous amount of admiration from his colleagues, and I am proud to congratulate him on his continuing commitment to the law, and his service in pursuit of justice.

Judge Shadur graduated from the University of Chicago with both a bachelors of science in mathematics and a graduate degree in law. In between his undergraduate and graduate studies, Judge Shadur served his country with distinction during World War II as a Lieutenant in the Navy as a radar officer stationed on aircraft carriers.

During law school, he served as editor-in-chief of the law review and was elected to the Order of the Coif. This. excellence in education was acknowledged as Judge Shadur graduated, ranked first in his class with the highest scholastic average ever obtained at the University of Chicago Law School.

Even while attending Law School, Judge Shadur's legal skills were recognized by the finest legal minds in the country. Two of his law review notes were cited and quoted by the United States Supreme Court. Additionally, by special leave of the court, Judge Shadur argued his first case before the United States Court of Appeals before being admitted to the bar. One day after his admission to the bar, Judge Shadur argued his first case before the Illinois Supreme Court.

Judge Shadur practiced law in the private sector for 31 years, first joining the law firm headed by former U.S. Supreme Court Justice Arthur Goldberg. During his career in private practice, Judge Shadur established himself as a highly skilled and even-minded lawyer. His dedication to the law extended beyond his law firm as he served terms as director of both the Chicago Bar Foundation and the Legal Assistance Foundation of Chicago. He additionally held many important positions with the Chicago Bar Association.

On May 23, 1980 President Jimmy Carter appointed Judge Shadur to the United States District Court for the Northern District of Illinois, where he still currently serves. In this position, Judge Shadur has ruled on both civil and criminal cases, authoring over 8,000 opinions. In 1992, Judge Shadur was named a Senior Judge, where he maintains a full civil and criminal calendar, as well as sitting by invitation with several Courts of Appeals around the country each year.

Judge Shadur has also been very active as a community leader, serving as a trustee of the village of Glencoe and as vice president of the American Jewish Congress, where he has pledged to defend the rights of minorities in the United States. He has also been very active with the Ravinia music festival, spending many years serving on its Board of Trustees.

Mr. Speaker, on behalf of the people of the Fifth Congressional District of Illinois and indeed all of Chicago, I am privileged to congratulate Milton I. Shadur, on the occasion of his 80th birthday, for his impressive career accomplishments in the law. I join his wife Eleanor, their three children, three grandchildren, and two great-grandsons in wishing him continued happiness and success in the future.

IN RECOGNITION OF RAYMOND FIGUEROA

HON. NYDIA M. VELÁZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Ms. VELÁZQUEZ. Mr. Speaker, I rise today on the floor of the U.S. House of Representatives to recognize the achievements of Raymond Figueroa, an inspiration, and the executive director of Turning Point/Discipleship Outreach Ministries located in Brooklyn, New York.

Raymond has been instrumental in the success of this organization, which provides housing, educational opportunity, substance abuse treatment and AIDS programs to some of Brooklyn's most underprivileged neighborhoods. The program reaches over 2,000 residents a year and reaches 20,000 more through outreach initiatives.

I am pleased to announce that Mr. Figueroa's dedication and work has been recognized by the Robert Wood Johnson Community Health Leadership program, as they have chosen him as one of their 10 annual recipients. Raymond has overcome many challenges to get where he is today—he was born into poverty, and grew up with a troubled childhood. Yet, his commitment to bettering our community is unwavering, and although he did not graduate from high school or receive a formal education, Mr. Figueroa is living proof that one can rise above the circumstances to achieve their goals.

Over the course of his life, Raymond has lost friends and family to violence, addiction, and AIDS. He watched his sister as she endured the stigma of living with AIDS and was victimized by a hospital staff that refused to touch her, despite her absence of tuberculosis or skin abrasions. The reality of his sister's dehumanization strengthened his drive to work in social justice.

Starting as a volunteer at the Turning Point/Discipleship Outreach Ministries in 1990, Raymond moved to a leadership position 12 years later as the only second executive director. He is truly an inspiration to his community, and reminds us that we can overcome barriers.

Therefore, Mr. Speaker, I rise today to honor Raymond Figueroa, and join with my colleagues in the House of Representatives to recognize his extraordinary work in the Brooklyn community.

PRAISE FOR THE PLANNING AND IMPLEMENTATION OF RONALD REAGAN TRIBUTE

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. GALLEGLY. Mr. Speaker, I rise to praise the City of Simi Valley, California, for its role in paying tribute last week to the 40th President of the United States, Ronald Reagan.

Many county, State and Federal agencies, Nancy Reagan and the Ronald Reagan Presidential Library joined in planning and implementing the tribute to and national mourning for President Reagan.

But as the host city, the burden of limiting the impact on the surrounding community, accommodating mourners from throughout the Nation, and ensuring a respectful good-bye to one of America's greatest presidents largely fell on the City of Simi Valley. As a resident of the city for more than 35 years, its former mayor, and a neighbor of the presidential library, I applaud the city for a job well done.

I arrived at the presidential library within 2 hours of the announcement of President Reagan's death. Simi Valley police and Ventura County Sheriff's deputies were already on hand to provide crowd control. A place for people to leave flowers and tributes was already established. At the library, 50 to 60 people were already working in crews to ready the place for the arrival of President Reagan's casket and the more than 100,000 mourners who would file past it in the coming days.

Simi Valley dedicated nearly half its police force specifically to duties associated with the viewing and internment. Volunteers were brought in to answer telephones. Other volunteers were dispatched to the Wood Ranch development with fliers to inform residents on what they could expect and why.

The top-notch planning and execution ensured that the tribute to President Reagan was dignified, secure and smooth from beginning to end. Visitors from across the country and television viewers throughout the world marveled at the peaceful and orderly scenes.

Working closely with Duke Blackwood, director of the Ronald Reagan Presidential Library, Mayor Bill Davis and the entire City Council, City Manager Mike Sedell and Police Chief Mark Layhew displayed to the world the heart and spirit of Reagan country.

Mr. Speaker, I know my colleagues will join me in expressing to Simi Valley's officials that they have the thanks of a grateful Nation.

CONGRATULATING DR. WESLEY E. PITTMAN

HON. JEB HENSARLING

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. HENSARLING. Mr. Speaker, today I want to express my most sincere congratulations to Dr. Wesley E. Pittman who will soon be installed as the President of the American Optometric Association.

A lifelong resident of Mexia, Texas, Dr. Pittman and is a fourth generation optometrist, who has practiced optometry there since 1984. Dr. Pittman has been a leader in his community and in his profession at the state, regional and national levels.

Like his father, the late William D. Pittman, O.D., and grandfather, the late W. Duke Pittman, O.D., he has been a member of the Texas Optometry Board, where he served as Chairman. He has served on the board of the Foundation for Education and Research in Vision, the Southwest Council of Optometry, and is the past president of the Heart of Texas Optometric Association.

Dr. Pittman has also received many prestigious awards including Texas Young Optometrist of the Year, the Texas Optometric Association's President's Award for outstanding contributions to the profession and Texas Optometrist of the Year. In March 2003, he received the University of Houston College of Optometry's William D. "Bill" Pittman Leadership award, named for his father.

An active member of his community, Dr. Pittman has served as a director of the Mexia Industrial Foundation. He is a past president of the Mexia Chamber of Commerce and Rotary Club. Dr. Pittman has served on the Bricks and Mortar Board of the Parkview Regional Hospital and is a consultant to the Mexia State School, a mental health facility.

Later this month, Dr. Pittman will become the 83rd President of the American Optometric Association, a professional association of specialized doctors with more 34,000 members nationwide. I join with Dr. Pittman's friends and neighbors in Mexia in congratulating him on this prestigious achievement and wishing him the very best in all his future endeavors.

INTRODUCTION OF THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION ACT

HON. WAYNE T. GILCHREST

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. GILCHREST. Mr. Speaker, I am pleased to join my colleague, Representative EHLERS, in introducing the National Oceanic and Atmospheric Administration Act at the request of this Administration. Our Subcommittees in the Science and House Resources Committees share jurisdiction over authorization of the National Oceanic and Atmospheric Administration, or NOAA, programs and I'm proud to say we work well together. Our joint introduction of a NOAA organic act is just one step in our commitment to work together to solidify and better support NOAH agency functions.

NOAA performs a number of vital services to the nation, including the monitoring and management or our oceans, monitoring meteorological trends, and making life-saving storm predictions. Its job is to bring together many pieces of complex oceanic and atmospheric systems so that we can best understand and utilize them as good stewards. Our very lives, particularly along the coasts, depend upon many of NOAA's functions and our future, especially as we observe the impacts of atmospheric, surface and ocean warming trends, rests on how well we support this work. NOAA's work emphasizes an ecosystem approach and enables the U.S. to best manage our place in the global environment as well as the impacts of global changes on us. This effort, given its many and diverse pieces and constituents, needs strong and central leadership and coordination, just as steering a ship requires a captain and a plan.

Because NOAA does not have a single organic act that requires the agency budget, as a whole, to be authorized on an annual basis and because many NOAA programs are authorized under different public laws and committees of jurisdiction, NOAA programs may be authorized at different times. NOAA's functions, in the contexts of many laws with varying purposes, are difficult to oversee and for the agency to fulfil under these circumstances. In light of these challenges, NOAA has done well, and by crafting an organic act for the agency, the Administration has taken the first important step toward the leadership we need to strengthen NOAA's role.

As one of the key recommendations of the U.S. Commission on Ocean Policy, this effort is a necessary component to improving our ocean management. I look forward to working with Representative EHLERS and my colleagues on both the Resources and Science Committees and the Administration with this important legislation and on continuing to pursue and create greater central coordination of ocean policy issues.

INTRODUCTION OF AN ACT TO ESTABLISH THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

HON. VERNON J. EHLERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. EHLERS. Mr. Speaker, today I am pleased, along with my colleague from Maryland, Mr. GILCHREST, to introduce the President's bill to establish the National Oceanic and Atmospheric Administration (NOAA). As Chairmen of the House subcommittees with jurisdiction over NOAH, we are introducing this bill as a courtesy to the President.

NOAA was created by Executive Order in 1970. Since that time Congress has not passed a comprehensive law describing the mission of the agency. On April 20, the U.S. Commission on Ocean Policy released its long awaited Preliminary Report with recommendations for a coordinated national ocean policy. One of its key recommendations is that Congress should pass an organic act for NOAA. I have already introduced my bill creating such an organic act (H.R. 4546). This bill Mr. GILCHREST and I are introducing today is the Administration's response to the recommendation.

I look forward to working with Mr. GILCHREST and the Members of the Science Committee and the Resources Committee as we consider comprehensive legislation for NOAA.

HONORING MAYOR LUIS E. MELENDEZ CANO OF VEGA BAJA, PUERTO RICO

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. GUTIERREZ. Mr. Speaker, I rise today to recognize and honor an exemplary public servant from Puerto Rico, the Honorable Luis Melendez Cano, mayor of the City of Vega Baja.

Luisito, as he is popularly known, has been Mayor of the City of Vega Baja since January 1973. Luisito, who also is a pharmacist, earned the rank of Captain in the U.S. Army National Guard and became Mayor at age 33.

Luisito has served the citizens of his fast-growing city with enthusiasm, a strong sense of patriotism and total devotion to the highest ideals of public service. He is known and respected for his honesty and dedication to the best interest of the people he serves.

Mr. Speaker, public service is one of the highest callings an individual can embark on. Please join me in recognizing the stellar record of this dedicated public servant. A man who committed himself to the improvement of the City of Vega Baja and its people.

Luisito, I congratulate you for your many years of selfless public service, and I wish you and the people of your city much success in your future endeavors.

COMMEMORATION OF DELTA AIRLINE'S 75TH ANNIVERSARY

HON. JOHN L. MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. MICA. Mr. Speaker, it is my pleasure to congratulate Delta Airlines on the 75th anniversary of the airline's first passenger flight, June 17th, 1929.

Delta has a long and storied history in aviation development in America. Starting as a small crop-dusting business in Monroe, Louisiana under the name of Huff Daland Dusters in 1923, C.E. Woolman and his associates acquired it in 1928. A company secretary came up with the name Delta after the airline's location near the Mississippi River's outlet to the Gulf of Mexico. By 1929 the company had its first passenger plane. Seventy-five years ago today, a Delta Airlines plane carried passengers for the first time from Monroe to Dallas, Texas.

While competitors faltered during the Great Depression, Delta survived by teaching flying as well as providing maintenance and hangar rentals to other airlines at its Monroe base. Delta won a bid for a federal postal contract in 1934, giving the airline a route from Charleston, South Carolina to Fort Worth, Texas. As the airline grew Delta split the route into two parts—eastbound to Charleston and westbound to Dallas and Fort Worth, later linking them up in Atlanta. With this route and passenger service as reliable sources of income, Delta grasped the opportunity to evolve into one of the most successful airline companies in the United States. Today Delta serves 209 domestic cities in 46 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, as well as 48 international cities in 32 countries. As Chairman of the Subcommittee on Aviation, I am pleased to recognize Delta's great contribution to the transportation industry.

TRIBUTE TO DRURY SHOEMAKER

HON. JOHN J. DUNCAN, JR

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. DUNCAN. Mr. Speaker, as we have just recently reflected on the loss of President Reagan and have also recently remembered those who have given their lives in defense of this great Nation on Memorial Day, I wanted to also pay tribute to the late Drury Shoemaker of my District in Tennessee.

Drury's beloved widow, Hazel, sent me a nice note in remembrance of her late husband, who served in the United States Marine Corps. Drury Shoemaker was a fine Marine, part of the C–1–28–5th Division that participated in the battle of Iwo Jima. He survived the War, but later took ill as a result of exposure to radiation from the Hiroshima nuclear explosion. Drury went to be with the Lord on December 11, 2001.

Known as Papaw to his special grandson Darrian, Drury often spoke of taking his wife and grandson back to Iwo Jima to share with them such an important place in his life. Unfortunately, his health did not allow for that special trip.

During the many services I attended on Memorial Day, I especially remembered the service of Drury W. Shoemaker to our Country and the love he showed for his family and fellow Marines.

Mr. Speaker, this Nation would be a much better place if there were more people here like Drury Shoemaker. His loving widow, Hazel, composed a wonderful prayer, especially timely as we remember those who have paid the ultimate price and at a time when we dedicate a wonderful new memorial to those who served in World War II. I would like to call this special prayer to the attention of my colleagues and other readers of the RECORD.

> Dear Lord and Creator: As America is preparing to dedicate the World War II Memorial in Washington, at a time our Nation is again involved in a war, Lord, my plea to you this day is that through your wisdom and power you will help the people of America truly understand what freedom has cost us.

From Flanders Field to Arlington, from Iwo Jima to Hiroshima, all across Europe (the world really), our loved ones have paid the price in full, Dear Lord, either with their living until death takes them in conditions almost unbearable for them and the ones caring for them. Our veterans are dying by the thousands every day Lord, and the pain and loneliness only you know and understand. Tears, Lord, that seem to have no end. Long days and worse nights, torment that never goes away. Lord, please stand by the widows and the little ones who cannot understand where their Papaw has gone, they just cry themselves to sleep and ask why. God, please help us to endure, because that's all we can do, just endure until we are again with the ones we love.

In your mercy and love please protect my President and the men and women who are truly trying to bring this war to an end. Give them wisdom and courage and strength.

The Memorial is beautiful Lord, but only you can know that the heartbreak the ones left behind endure is not pretty, it's awful and never ending.

God, please, I pray again, stay close by our little ones who just can't understand loss.

Help us, Lord, as a Nation to stand firm and faithful and every day thank you for your Love and Protection.

Thank you Lord for listening. Amen.

MRS. DRURY W. SHOEMAKER.

TRIBUTE TO ERICA BATTLE

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to South Carolina's golfing "phenom" Erica Battle, a young lady who seems to be poised to make a big splash in the golf world in the not-to-distant future.

Just last week, this 19-year-old Irmo, South Carolina native, won the Sonic Women's City of Columbia Championship held at the Forrest Lake Country Club. She stayed focused through a rainy second day at the tournament to break the course record with a score of 4-under par 68. After the 3 day tournament, she emerged with a 2-over-par 218, and bested the second place finisher by five strokes.

Attaining such an accomplishment as a college junior is not unusual for this golf standout. As a high school player, Erica was named South Carolina's Female Athlete of the Year by The State newspaper and won the Beth Daniel Player of the Year award from the South Carolina Junior Golf Association. She qualified for the United States Amateur in 2002, won the 4A State Girl individual title in 2000, and led her Irmo High School golf team to three state championships.

She is also dedicated to help with charitable causes. Last August, Erica participated in the 13th annual Rudolph Canzater Memorial Classic that I host annually in Santee, South Carolina. Last year's tournament contributed $21,000 in college scholarships for 22 needy students, and $25,000 to an Endowment I have established at South Carolina State University in Orangeburg, South Carolina. I played in the foursome with Erica on the first day of that two-day event, and got to see first hand the poise and maturity she has developed in the few years since she was my primary source for Girl Scout cookies.

Mr. Speaker, I ask you and your colleagues to join me in celebrating the most recent success of Erica Battle, and in encouraging her to continue setting goals and records. Her success is a shining example to those who will follow in her footsteps.

IN MEMORY OF DR. LAWRENCE A. DAVIS, SR.

HON. MIKE ROSS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. ROSS. Mr. Speaker, I rise today to honor the life and legacy of a devoted and well-respected Arkansan, Dr. Lawrence A. Davis, Sr. Known as Prexy to close family and friends, Dr. Davis passed away on Saturday, June 5, at the age of 89. His deep devotion to higher education and to the well-being of everyone around him, particularly his students, leaves a legacy that will live on for generations in the lives he touched.

A native of McCroy, Arkansas, Dr. Davis graduated magna cum laude in 1937 from Arkansas AM&N in Pine Bluff. He went on to receive a master's degree in English from the University of Kansas and a doctorate in educational administration from the University of Arkansas.

Dr. Davis spent most of his career at Arkansas AM&N, where he served as an English professor, registrar, dean, and assistant to the president. In 1943, at age 29, Dr. Davis became president of AM&N, making him the youngest college president in the Nation. Thirty years later, he oversaw the merger of Arkansas AM&N with the University of Arkansas education system, creating the University of Arkansas at Pine Bluff, and became the school's first chancellor. His son, Dr. Lawrence A. Davis, Jr., has followed in his father's footsteps and serves as the current UAPB chancellor.

Under Dr. Davis' leadership, the institution experienced substantial growth in enrollment, academic programs, faculty, and expansion of the physical campus. Believing that every person has the right to receive a college education, Dr. Davis inspired and helped countless students who had limited resources to complete their degrees and go on to accomplish great things.

Serving his community and improving the lives of others were life-long commitments of this compassionate and diligent leader. Dr. Davis was a member of numerous community and university committees.

My thoughts and prayers are with Dr. Davis' family, friends, and colleagues, to whom I extend my deepest and sincere sympathies. May his legacy endure in the many lives that he touched and inspired.

THE FOREST LEGACY PROGRAM

HON. THOMAS H. ALLEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. ALLEN. Mr. Speaker, the Forest Legacy Program preserves working forests and protects critical forest resources. Since its inception, the Forest Legacy program has protected 360,000 acres of forested land, while helping to preserve the working forest economies of many States, including Maine.

The FY05 Interior Appropriations bill before the House today drastically cuts this program. The $43 million in the bill for forest conservation projects is $26 million (38 percent) less than last year's level; $57 million less than the President requested in his budget; $107 million (71 percent) less than sought by 92 House Members in a letter to the Interior appropriations committee that I led with Representatives BASS and MARSHALL; and a whopping $193 million below the level of projects proposed by States.

The bill eliminates 10 projects recommended by the President, cuts funding—by as much as 75 percent—for 37 projects in 30 States and territories, and eliminates funds for 6 new States to join the program.

The Forest Legacy Program has strong support from the Administration, which proposed more than a 40-percent increase in this year's budget.

The Forest Legacy Program provides multiple public benefits. The program enables landowners to retain ownership of their land and continue to earn income from it; conserves open space, scenic lands, wildlife habitat, and clean water; and ensures continued opportunities for outdoor recreational activities such as hunting, fishing, and hiking.

Given its record of assisting private landowners, leveraging non-federal funds and ensuring long-term conservation benefits, the Forest Legacy Program is a successful example of a public-private, non-regulatory partnership approach to land conservation. For limited dollars, the program brings multiple public benefits.

We should not be cutting this program.

ENERGY POLICY

HON. TIM MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. MURPHY. Mr. Speaker, I rise today to ask that we develop a clear plan to lower our fuel prices and reduce our dangerous dependence on foreign oil, which decreases our security and weakens our economy.

This summer, Americans are facing record high prices for gasoline. There are some who think we can lower prices by diverting oil from our Strategic Petroleum Reserve. This is shortsighted and wrong. Not only would releasing the oil have a short-term, negligible impact on prices, but also it would wipe out our reserves, leaving us vulnerable to terrorist attacks targeting pipelines and oil transportation.

This could raise oil prices beyond anything we want to imagine.

Further, in 1973, America was 30 percent dependent on foreign oil. Today, that number has doubled to an all-time high of nearly 60 percent. If we continue down this path without new supplies and conservation, we will only increase our vulnerability to foreign manipulation of oil prices. Our only response must be to reduce, not increase, our foreign dependency.

We must develop a three-point plan to reduce this dependence on lower fuel prices—a plan that includes conservation, diversification of energy sources and further exploration of domestic energy.

We can start with conservation—fuel efficient vehicles, decreasing energy use in federal buildings by 20 percent, and improved incentives for conservation products will help to reduce energy demands.

We must diversify our energy sources. Our own coal resources can provide hundreds of years of energy. Clean coal power plants can alleviate environmental concerns with older plants.

And we can make better use of nuclear energy, which currently provides only 20 percent of the Nation's electricity. We must explore more domestic energy sources.

The resources are here, along with environmentally sound ways to tap into them. There are 16 million acres in ANWR and proposals to drill there would include only an area equivalent to the size of a hand on a football field.

High fuel prices and a dangerous dependence on foreign oil are a problem for all Americans.

It adds costs to fuel and goods. We cannot afford to let this become a partisan issue, nor should we engage in shortsighted solutions that in the end are not solutions at all.

A TRIBUTE TO JOSEPH P. AND CAROL A. GIALI ON THEIR 50TH WEDDING ANNIVERSARY

HON. CHRISTOPHER COX

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 18, 2004

Mr. COX. Mr. Speaker, I rise today to celebrate a recent achievement of two Californians who, in celebrating their 50th year of marriage, have provided an inspiring example to all Americans. On May 8, 1954, in Westwood, California, Joseph Peter Giali, first generation American (both his parents were born in Italy), married Carol Amy Johnson (one of her parents was born in Sweden, the other parent was a first generation American from Sweden). With not much more at the beginning to call their own except their marriage, their faith in God and the vast opportunities afforded by this great country, Joe and Carol have come a long way in their 50 years of marriage. Their first child was born a year and a day after their marriage and five more children followed quickly thereafter. All six children are married and productive citizens and Joe and Carol have 12 grandchildren and one great grandchild (with surely more to follow).

Joe served his country in the Marines. After getting married and starting the family, Joe attended Loyola University in Los Angeles on the G.I. Bill and graduated with honors. He worked in the furniture industry for almost 40 years. Carol ran the household and tirelessly provided a loving and nurturing home environment for her husband and kids. Throughout their incredible life together, Joe and Carol have dedicated their lives, their children's lives and their home to God, country and the Golden Rule.

Wherever they have lived, Joe and Carol have been strong and active supporters of their church. They have also strongly supported their country, and so have their kids. And of course this support has been longstanding, as Joe and Carol's marriage has lasted through 10 Presidential administrations from Eisenhower to George W. Bush. Joe and Carol and their family have been truly blessed by the first 50 years of this magical marriage, and here's hoping that the best is yet to come. On behalf of my colleagues, let me join the many friends and admirers in wishing Joe and Carol and their family all good fortune during the next 50 years.

IN RECOGNITION OF FATHER'S DAY

HON. JULIA CARSON

OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 18, 2004

Ms. CARSON of Indiana. Mr. Speaker, Sunday, June 20, is Father's Day in America. In honor of this nationally recognized day I take special privilege to salute Fathers and more importantly fatherhood.

I appreciate the millions of fathers that are active parents and advocates for their children's well-being. When fathers value their children, for their true selves, they give their children the confidence to use their talents in the world.

A father can be one of the two most important people in a child's life. For example, when advertisers spend billions to convince daughters that they must look a certain size and dress a certain way, it is the father who reminds her that she is a whole and unique person that warrants respect, beauty and dignity in her own right.

When society tells our males that success is measured by the car, house and clothes you have, it is the Father's role model that impact the values and integrity of their sons.

Sociologists and psychologists now proclaim what we as human beings already knew—Fatherhood is not always easy.

"Father Knows Best", a popular TV show of the 50s, promoted the image of an intuitive male parent who always knew just the right thing to say and just the right lesson to teach but parenting is not easy.

The benefits of a steady income and the things money buy pale in comparison to the love and emotional support that all children need and deserve to help them develop as whole adults.

Our institutions and government entities at every level should promote public policies that remove barriers to responsible fatherhood.

However, I suspect that we fall short, particularly, in the area of incarcerated fathers, unemployed fathers and fathers outside of the home.

We must encourage fathers in real responsibility, not blame them for who and what they are and enable fathers to lead healthy and productive lives and create positive bonds with their children.

Our laws, institutions and public policies should do much to:

Promote public education concerning the financial and emotional responsibilities of fatherhood;

Assist men in preparation for the legal, financial and emotional responsibilities of fatherhood;

Promote the establishment of paternity at childbirth;

Encourage fathers, regardless of marital status, to foster their emotional connection to and financial support of their children;

Establish support mechanisms for fathers in their relations with their children, regardless of their marital and financial status; and,

Integrate federal, state and local services available for families.

Fathers need the building blocks of community, employment, and parenting skills to be the best Father they can be—because Father doesn't always know best.

Happy Father's Day.

RECOGNIZING MR. JOHN GILBERT

HON. SAM GRAVES

OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Friday, June 18, 2004

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Mr. John Gilbert, a very special young man who exemplifies the finest qualities of citizenship and sportsmanship.

John competed against athletes from across the Nation for a position on the American junior basketball team. He will join his teammates in representing the United States of America at the Australian junior basketball championship in Sydney, Australia.

John's accomplishments are particularly exceptional, given that he is a member of the Nebraska Red Dawgs wheelchair basketball team. His passion for the game is exhibited by weekend travels and many trips around the country. This sort of dedication has earned him the respect both of his community and me. I would like to wish him the best of luck.

Mr. Speaker, I ask you to join me in commending Mr. John Gilbert for his accomplishments and inspiration to the 6th District of Missouri. His stellar leadership qualities, faith, and stamina provide the city of Fairfax, Missouri, with an outstanding roll model. We are fortunate to have a young man representing this nation in competition who sets such high standards for character and integrity.

RECOGNIZING WILLIAM KERR OF PITTSBURGH, PA

HON. TIM MURPHY

OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, June 18, 2004

Mr. MURPHY. Mr. Speaker, as we recognize the founding of Flag Day, I would also like to pay tribute to William Kerr. William Kerr, of Pittsburgh, PA, worked continuously for over 50 years to establish a national Flag Day. Kerr believed that the American flag had symbolized love for country since its adoption on June 14, 1777. He felt it of great importance that this date be celebrated along with Independence Day on July 4.

Kerr was born in 1868 and began his quest to establish a national holiday at the young age of 14. He was a deeply patriotic young man with a talent for speaking in public. After delivering a speech in Chicago in 1882, he started to think about the important symbolism the flag had for the American people. This love of country and flag was especially fitting when one considers that he was born and lived in a state where the American flag was first adopted.

Kerr's belief in the importance of the flag led him to organize the American Flag Association of Western Pennsylvania in 1888. He went on to speak all over the state on behalf of the organization, building momentum by urging other Pennsylvanians to join the charge. Kerr also began his efforts to lobby the United States Government to officially name June 14th a federal holiday.

In 1898, during the Spanish American War, he expanded this scope of his organization to a national level as head of the new American Flag Association. He began to visit the President of the United States on an annual basis, using his powers of persuasion at the highest possible level. At the same time, his association waged an intensive letter writing campaign to elected officials and other persons of influence.

Kerr's efforts and intensity proved successful. In 1916, Woodrow Wilson urged Americans to celebrate Flag Day, effectively making June 14th a holiday, if still an unofficial one. In 1937, Pennsylvania, his home and the birthplace of his efforts, became the first to make June 14th an official state holiday. And finally, in 1949, William Kerr was asked by President Harry Truman to witness the signing of the Bill that marked June 14th as an official federal holiday. He was 81 years old, and had worked almost his entire life for the day in which he stood by and watched as the Flag Day Act was signed into law.

William Kerr worked tirelessly to ensure that "Old Glory" has a special day to commemorate its importance to the American people. His efforts were rewarded then, and they are to be admired and noted today.

A TRIBUTE TO CAPT. JIM FOURNIER FOR 50 YEARS OF PUBLIC SERVICE

HON. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. COX. Mr. Speaker, I rise today to pay tribute to an outstanding official of the U.S. Congress, Capt. James M. Fournier of Fountain Valley, California, who has dedicated almost 50 years of his life in public service to his country.

Twelve years ago, I stood on this same floor to thank Capt. James M. Fournier, upon his retirement as my California Chief of Staff, for his many decades of service to our country. It was the good fortune of the people of southern California that, a few years later, Jim returned to work for the citizens of the 48th Congressional District. Just as Michael Jordan had difficulty staying away from the game that he loved, Jim Fournier has trouble walking away from his personal dedication to public service. In fact, if you ask the people of Orange County, they might say that Jim is the Michael Jordan of public and constituent service: He is a true professional, and has devoted his life to serving his country and his fellow man.

Today, Capt. Jim Fournier is retiring as my California Chief of Staff so that he might spend more time with his family and his beloved wife, Lucille. As he departs, I offer heartfelt thanks for his almost 50 years of service to his country. Jim Fournier has excelled in many fields: As a military officer, a sea captain, an engineer, and a public servant. He is, I am proud to say, a good and loyal friend who has worked with me throughout my congressional career.

As my District Representative and the Chief of Staff in my California office, Jim Fournier has become a beloved figure to the people who work for him and, more importantly, to the thousands of southern Californians whom he has personally helped.

Although it would have been equally well-deserved, Jim did not earn the title of "Captain" by navigating the political waters of Washington, DC, or California. Rather, it was his long and outstanding service in the U.S. Coast Guard that earned him this designation. He began serving our Nation in 1954, when he was commissioned an ensign following graduation from the U.S. Coast Guard Academy. The next 30 years found Jim on Coast Guard cutters sailing to all four corners of the Earth, as well as on the vast network of waterways throughout the United States. Among his varied assignments, Jim captained icebreakers in the Antarctic and in the Arctic Circle; he commanded the Coast Guard's 8th District Field Office in New Orleans; and he managed the Coast Guard's Congressional Liaison Office in Washington, DC.

Jim Fournier's rapid advancement and stellar performance sailing under the flag of the United States earned him several national honors, including one of our Nation's top military service awards, the Legion of Merit. Although he would not be one to mention it, a listing of the other honors awarded to Captain Fournier is nothing short of amazing: two Meritorious Service Medals; two Coast Guard Commendation Medals; two Letters of Commendation; the National Defense Medal, twice; three Antarctic Service Medals; four Arctic Service Medals; and 11 other awards. In between his seagoing assignments, Jim found time to study engineering at the prestigious Rensselaer Polytechnic Institute and to do postgraduate work at John Carroll University.

Jim has often mentioned that the best import ever to sail to the United States from Canada is Lucille, his wife of 40 years. I have had the pleasure of knowing Lucille since 1988, and I agree with Jim completely. Jim and Lucille have three grown children, and now Captain Jim is Grandpa Jim to his beautiful grandkids, Renee and Ryan.

Following his retirement from the Coast Guard and from private business in the field of engineering, Jim came on board with me after my first election in 1988. He set up my Orange County office from scratch, finding office space, hiring the staff, and organizing the workload. He has served Orange County as the first line of assistance for thousands of constituents who have had problems with Federal agencies—from the IRS to the INS, from Orange County to our most distant and far-flung embassies around the world.

I well remember one especially poignant success that Jim achieved. Two years ago, my office was contacted by two California youths who were on the verge of being forcibly resettled to Zimbabwe—a country torn by violence and lawlessness—as the result of an international custody dispute. Despite the fact that the youths were U.S. citizens, the U.S. State Department was on the verge of honoring an unjust ruling by a Zimbabwean court that would have required the youths to return to this violent land. That's when they turned to my office for help. Jim Fournier worked on their problem with passion—spending countless hours over a matter of months to guarantee the safety of these two young Americans. The creative energy that led to this success was typical of Jim Fournier.

Mr. Speaker, as my top California aide and advisor, Jim Fournier has established an enviable record of caring service to the people of Orange County. His stewardship in that role will long be remembered, and should serve as a model for all of us in congressional service for years to come. As he sets his course for new challenges, I ask my colleagues to join me in saluting Jim Fournier, and thanking him for a job well done—for Orange County, for California, and for America.

PERSONAL EXPLANATION

HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Ms. CARSON of Indiana. Mr. Speaker, I was unavoidably delayed in the District and missed recorded votes on Monday, June 14 and Tuesday, June 15. Had I been present I would have voted "yes" on rollcall votes Nos. 232, 233, and 235. I would have voted "no" on rollcall Nos. 234, 236, 237, 238, 239, 241 and 242. I would have voted "yes" on rollcall No. 240.

Should you or your staff need further clarification, please feel free to contact me or my legislative director, Marti Thomas, at 225–4011 or marti.thomas@mail.house.gov.

RECOGNIZING DUANE AND ROWENA JONES BROERMANN

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Duane and Rowena Broermann, natives and life-long residents of my hometown, Tarkio, Missouri. They will be celebrating their Fiftieth Wedding Anniversary on Sunday, June 20, 2004.

Duane and Rowena were married in 1954 at St. John's Lutheran Church in Westboro, Missouri. They both graduated from Tarkio High School, Rowena in 1949 and Duane in 1948. Duane served two years in the United States Army during the Korean War and returned to Tarkio to farm for forty-seven years. He retired from farming in 1997. Rowena worked at the local Hy-Vee Food Store and the Flesher Pharmacy in Tarkio. They are both active in the county 4–H organization, the Atchison County Fair, and the St. John's Lutheran Church.

Duane and Rowena have one son and daughter-in-law, Donald and Mitzi Broermann. They have two grandchildren, Eric and Tyler. Rowena is a housewife and a member of the Red Hat Society. Duane is a member of the St. John's Church Choir and enjoys playing ping-pong and golfing with his friends. Both will tell you their main hobby is their grandchildren.

Mr. Speaker, please join me in commending this exemplary couple for their dedication to community, family, and church. Duane and Rowena are exceptionally fine assets to the Sixth District of Missouri. I am proud of them and wish them well on their Fiftieth Anniversary.

UNITED STATES REFINERY REVITALIZATION ACT OF 2004

SPEECH OF

HON. BETTY McCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 2004

Ms. McCOLLUM. Mr. Speaker, I urge my colleague to join me in opposing a bill that fails to protect human health, our environment and our economy. In the name of reducing gas prices, the House today is debating legislation that will allow the Secretary of Energy to overturn the environmental and health concerns of our federal, state and local leaders.

We need to increase our Nation's refinery capacity. Refineries are running full speed to meet gasoline demand. There are many reasons, however, why the number of domestic refineries has declined since the early 1980s. Congress should examine how consolidation in this industry affects gas prices.

There have been no hearings on today's bill. No record has been established that fully describes the impact of this legislation on gasoline prices, refining capacity, our environment and especially our public health. Instead of finding ways to ensure that our refineries protect the public's health, House Republican leaders want to allow the Secretary of Energy to override clean air, clean water and hazardous waste laws. There was recently a discharge from a local refinery in Newport, Minnesota. My constituents were concerned that their homes and yards were covered with a fine white dust when they woke up a few weeks ago. They didn't know the dust wasn't toxic and dangerous to their health. This bill doesn't protect their public health from future threats.

The Environmental Council of the States, the National Conference of State Legislatures and the Association of Local Air Pollution Control Officials oppose this bill. The House should heed their warnings and reject this bill today.

A TRIBUTE TO AL BURCH

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. WOLF. Mr. Speaker, it is an honor to recognize Al Burch, who has served northern Virginia as an educator for 42 years. Mr. Burch spent 32 years as the principal of Bishop O'Connell High School in Arlington, Virginia. After over four decades of dedicated service to our youths, Mr. Burch announced his retirement earlier this month.

I am proud to call attention to the achievements and dedication of Mr. Burch as he ends his career as an educator and principal. I would also like to share a recent article from The Arlington Catholic Herald which honors Mr. Burch and describes his many accomplishments.

[From the Arlington Catholic Herald, May 20, 2004]

FORTY-TWO-YEAR RUN COMES TO AN END FOR O'CONNELL'S BURCH

(By Mary Frances McCarthy)

In 2001, at the beginning of his 40th year at Bishop O'Connell High School in Arlington, Principal Al Burch told the Herald, "In about two or three years I'll be ready to retire."

Three years later, the O'Connell family is saying goodbye to Burch, a much-loved and respected coach and administrator who has worked at the school for all but four years of its existence. A farewell Mass and party will be held at the school on June 5 at 5 p.m.

When his career began, Burch never imagined he would spend 32 years as an administrator.

After graduating from the University of Corpus Christi in Texas with a bachelor's degree in education, Burch thought that "Everyone would hire me because I was so good at sports." Burch attended the university on a football scholarship.

When coaching jobs didn't fall at his feet as he thought they would, he took a job at Surrattsville Junior High in Clinton, Md., teaching history, science and English.

In 1961, Burch learned of an opening in physical education at O'Connell through Bob Rusevlyan, athletic director. Burch took the job, teaching health and physical education and coaching football, baseball and basketball. Under his leadership, the O'Connell 1963–65 baseball teams were Catholic League champions and gained nationwide recognition in the Baseball Hall of Fame in Cooperstown, NY, for winning 42 consecutive games.

Coinciding with the beginning of co-education at Bishop O'Connell, Burch was named assistant principal under Msgr. McMurtrie in 1972.

"I owe a lot to Msgr. McMurtrie," Burch said. "He saw it was my dream to keep coaching, but he saw something in me that maybe I didn't see."

While Burch was assistant principal, coaching three sports and raising three kids, he went back to school to get a master's degree in education at American University. "And I still haven't slept well since then," Burch said.

His coaching career ended in 1977, when he was named principal of O'Connell by former Arlington Bishop Thomas J. Welsh.

In the first 10 years Burch was at O'Connell, the school grew from 1,000 students to 1,600 students, with a wait list 200 students long. In 1982, Bishop Welsh opened Paul VI Catholic High School to ease the strain on O'Connell.

Now, in a diocese with three diocesan high schools and three private Catholic high schools, Burch said, "The chemistry of O'Connell is what makes it different." With more than 110 teachers, 12 are Sisters of the Immaculate Heart of Mary, 18 are retired military personnel and 28 are O'Connell graduates. Burch said he has prided himself by being able to "put talent where they belong."

"Surrounding myself with great people has been the key to my success," he said. "Sitting back and watching them work has been a joy."

To Burch, O'Connell's teachers are all first draft teachers. He has organized his school much like he would a baseball or football team. Only the best are good enough for him.

"That chemistry, and people who want to be here, I'm proud of that," Burch said. "We've been able to maintain that we are a Catholic school." Burch said O'Connell has had more than 65 alumni who have pursued religious vocations.

Dr. Timothy McNiff, diocesan superintendent of schools, said that Burch's leadership "epitomizes the uniqueness required of those individuals who have been given the task of ensuring our Catholic schools are institutions of both academic success and Christian values."

O'Connell was recognized by the U.S. Department of Education in 1993 as a Blue Ribbon School and Burch was honored by The Washington Post in 1997 when he was named a "Principal of Excellence."

In his retirement, Burch said, he will miss the students above all else. "I enjoy seeing them," he said. "I think O'Connell comes closer to that term, family. People return to O'Connell. They're very happy here."

Burch looks forward to continuing his relationship with Bishop O'Connell High School and working with the alumni. In ongoing renovations at O'Connell, he still hopes to see an Alumni of Distinction hall. "There are people out there doing great things." O'Connell has over 15,000 graduates. "They're really making a positive impact on society. I hear good stuff."

All three of Burch's children—Kenny, Karen and Kristy—are among those graduates. Burch hopes that one day, his five grandchildren, "if they study and work hard," will go to O'Connell too, and become members of the O'Connell family.

"I consider myself blessed and fortunate," Burch said. "It's been a great job. I didn't have to work to make O'Connell classy. It's always been a class act."

TRIBUTE TO DR. FREDERICK S. CONLIN, JR., DDS

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. NEAL. Mr. Speaker, it is my great honor today to pay tribute to Dr. Frederick S. Conlin, Jr., DDS. Dr. Frederick S. Colin, Jr., DDS will retire this June from both politics and his practice in dentistry after more than 30 years. Dr. Conlin has had a general practice in dentistry for 38 years in West Springfield, MA, and has been a model citizen in our city. He held many honors in both of these fields, including being elected to the Valley District Dental Society as Vice President for 2 years.

Dr. Conlin graduated from the College of Holy Cross with an A.B. degree in 1953. He later attended the American International College for Post Graduate studies from 1958 to 1959. Frederick Conlin received his DDS from the New Jersey College of Medicine and Dentistry in 1963.

Conlin has also served in the Armed Forces for his country. From 1954 until 1956 Dr. Conlin proudly served as a 1st Lieutenant in the United States Marine Corps. However, Lieutenant Conlin has also given to his country through his participation in local politics, having held many elected positions in his local community.

Dr. Conlin was elected as a Town Meeting Member for 25 years. He was also elected to the Park and Recreation Commission and the Board of Selectman both for 6 years respectively. He was also chosen to be on the Board of Health for 5 years. Dr. Conlin served as Vice President of the City Council for 3 years.

In addition to being elected to numerous organizations by his peers, Dr. Conlin also has volunteered to donate his time and talents to a plethora of other boards and organizations; including, the Town Government Study committee for 15 years, the American Legion Post 207 for 15 years, the Ramapogue Historical Society for 6 years, and served on the Board of Directors of the Friends of Seniors for 4 years. He also was a co-founder and member of the St. Patrick's Day Parade Committee for 10 years, and served on the West Springfield Veterans Council for 2 years. Always staying involved in politics, Dr. Conlin served 30 years on the Republican Town Committee.

Dr. Conlin is a citizen of Springfield that we are extremely proud of and we wish him nothing but the best in his retirement. Dr. Conlin has been a member of St. Thomas Church for 50 years. He has been blessed with his wife the former Barbara Crowley for 26 years, and has one son, Rick, who currently attends Temple University School of Medicine. We wish you the best of luck and good health, Dr. Conlin.

TRIBUTE TO McKINLEY LANGFORD BURNETT

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. MOORE. Mr. Speaker, our nation recently celebrated the fiftieth anniversary of the landmark Supreme Court decision, Brown v. Board of Education, which struck down the "separate but equal" doctrine, holding that segregated public schools violated the equal protection provisions of our Constitution.

As we honor the many intrepid Americans who fought for racial equality for many years in order to make the Brown decision a reality, I want to bring to your attention the important contribution to this effort made by McKinley Langford Burnett of Topeka, Kansas. The Brown decision was the fulfillment of a long fight over several years to assure equal education for children. McKinley Burnett began the Topeka, Kansas-based arm of this campaign in earnest in 1948, when he became president of the Topeka chapter of the National Association of Colored People [NAACP]. While earlier attempts had been made to challenge segregation in Topeka, by 1948 only Topeka High School was integrated, and that school had separate sports teams for white and black students. As an observer of the situation said of Burnett after the fact: "He faced a school board and superintendent who believed that schools should remain segregated, black teachers afraid of losing their jobs, and many who just didn't want to rock the boat. They all faced McKinley Burnett, a man whose drive and determination kept him working for the day when schools would be open to all."

Born in Oskaloosa, Kansas, in 1897, McKinley Burnett faced discrimination throughout his early life: offered only parts as dancers or butlers in school plays; relegated to working as a supply clerk at the Veterans Administration; and turned down for a job as a route driver with a local bakery because of his race. In 1948, however, he became president of the Topeka chapter of the NAACP, in a community where separate schools for the races had been established in 1927. For 2 years, Burnett held meetings and wrote letters seeking support for school desegregation, without success. According to Charles Baston, a member of the Topeka NAACP chapter, the school board would often extend its meetings by sitting and joking, hoping the NAACP members at the meeting would leave without speaking: "We never left."

In 1950, the NAACP, under Burnett's leadership, recruited 13 black families to challenge segregation by sending their children to enroll in white-only schools. The 20 children, including 7-year-old Linda Brown of Topeka, were denied enrollment, and in February 1951 the NAACP filed suit. Three years later, the Supreme Court issued their landmark decision, in a case that also included suits from South Carolina, Delaware, Virginia and the District of Columbia.

Burnett continued to serve as president of the Topeka NAACP chapter until 1963, dying in 1968. As Roy Wilkins of the NAACP said upon his death, in a telegram to Burnett's widow, Lea: "Throughout the years he was in the vanguard of our fight for full citizenship rights. For more than a quarter century he served as President of the Topeka branch of the NAACP. During that period against seemingly insurmountable odds he was instrumental in initiating the school desegregation case of Linda Brown in Topeka which culminated in the historic Brown vs. Board of Education decision. He could have no better monument than this decision which changed the course of public education in our country."

Mr. Speaker, proclamations honoring the life of McKinley Langford Burnett were issued by the Topeka Board of Education, the Shawnee County, Kansas, Board of Commissioners, and the Governor of the State of Kansas. I include them in the RECORD, along with an Associated Press article summarizing Mr. Burnett's life and good works, and an editorial from the Topeka Capital Journal commending his life.

RESOLUTION 01–06

Whereas, McKinley Langford Burnett was a behind-the-scenes force in the landmark U.S. Supreme Court Brown vs. Board of Education of Topeka case that dismantled the "separate but equal" provisions for the education of African American students in America's public schools; and

Whereas, Mr. Burnett was the Topeka chapter president of the NAACP from 1948–1963, concentrating his efforts on the integration of Topeka Public Schools and with determination, conviction and persistence challenged the Board of Education to end segregated schools; and

Whereas, Mr. Burnett was responsible for recruiting a group of 13 black families to challenge segregation by sending their children to enroll in all-white schools in the fall of 1950 and upon the denial of their enrollment, Mr. Burnett, along with other NAACP officials and attorneys, developed a strategy for a court case and filed suit against the School Board through the local NAACP chapter, on behalf of the families; and

Whereas, three years later the U.S. Supreme Court reviewed the case, which had been joined with four other school desegregation lawsuits from South Carolina, Delaware, Virginia and the District of Columbia, and on May 17, 1954 issued their landmark ruling that said "separate educational facilities are inherently unequal" and that the separate but equal doctrine had "no place" in public education; and

Whereas, 40 years later, the Topeka Public Schools' Board of Education entered into a school desegregation remedy plan in the reopened Brown case, successfully implemented the remedy plan, and four years later, July 27, 1999, District Court Judge Richard Rogers approved the district's motion for unitary status and directed the case be closed; and

Whereas, a committee appointed by the Superintendent of Schools pursuant to Board Policy 2200 has recommended that the unnamed Administrative Center of the Topeka Public Schools be named in honor of Mr. Burnett.

Now therefore, in recognition that Mr. Burnett's vision and passion for educational justice for all children resulted in Brown vs. The Board of Education, and has been felt in Topeka and across the land,

Be it resolved, on this 7th day of June, 2001 that the Topeka Public Schools' Board of Education, to commemorate the progress of educational equity initiated by Mr. Burnett in the 1940's, immortalized by the 1954 Supreme Court, and sustained in recent years by the courts and Topeka Public Schools' Board of Education; and to honor this unsung hero for his untiring efforts until his death in 1968, does hereby name the Topeka Public Schools' Administrative Center, the: "McKinley L. Burnett Administrative Center."

Proclamation

Whereas, the late McKinley L. Burnett would have been 100 years old this year on January 31, 1997; and,

Whereas, the original 1942 charter for the Topeka Branch of the National Association for the Advancement of Colored People will be on display at the Topeka-Shawnee County library between the hours of 4:00 p.m. to 6:00 p.m. on May 17, 1997; and

Whereas, on February 28, 1951 the NAACP led by McKinley Burnett filed a lawsuit which resulted in the Historic Supreme Court decision on May 17, 1954, Brown v. Topeka Board of Education; and,

Whereas, on Saturday, May 17, 1997, the Kansas Committee to Commemorate Brown v. Education and Bias Busters of Kansas will observe the 43rd anniversary of the Historic Supreme Court Decision at the Topeka and Shawnee County Public Library at 4:00 p.m.; and,

Whereas, at the Committee's annual observance, a special ceremony on this day, tribute will be paid to McKinley L. Burnett, president of the Topeka Branch of the National Association for the Advancement of Colored people with a Pictorial Stamp Cancellation; and,

Whereas, Brown v. Topeka Board of Education is recognized as the Civil Rights Case of the Century by overturning Plessy v. Ferguson, and deciding that "Separate is not necessarily equal"; and,

Whereas, this Nation has become a great Nation because of the contributions of many people of different races and nationalities, all giving their best to make our Country what it is today; and,

Whereas, frequently we become so involved in our daily tasks that we neglect to say "Thank You" to those who give their time and energy to benefit others.

Now, therefore, the Board of County Commissioners of the County of Shawnee, Kansas, meeting in regular session on this 15th day of May, 1997, does hereby proclaim May 17, 1997 as McKinley L. Burnett Day in Shawnee County and invite the participation of every section of the population regardless of race, color, creed, or religion.

State of Kansas

Whereas, The late McKinley L. Burnett would have been 100 years old on January 31, 1997; and

Whereas, On May 17, the Kansas Committee to Commemorate Brown v. Topeka Board of Education and Bias Busters of Kansas will observe the 43rd anniversary of the Historic Supreme Court Decision. At the Committee's annual observance, a special tribute will be paid to McKinley L. Burnett with a Pictorial Stamp Cancellation; and

Whereas, The original 1942 charter for the Topeka Branch of the National Association for the Advancement of Colored People will be on display at the Topeka-Shawnee County Library on May 17, 1997; and

Whereas, Brown v. Topeka Board of Education is recognized as the Civil Rights Case of the Century by overturning Plessy v. Ferguson, and deciding that "separate is not necessarily equal"; and

Whereas, This Nation has become a great nation because of the contributions of many people of different races and nationalities, all giving their best to make our country what it is today;

On behalf of the citizens of the State of Kansas, I would like to recognize McKinley L. Burnett and invite the participation of all citizens, regardless of race, color, creed, or religion.

Bill Graves,
Governor.

McKinley Burnett Is Forgotten But Played a Key Role in Brown Case

(By John Hanna)

Topeka.—Most folks know about Linda Brown, the young black girl who was barred from attending a school near her home because of her race. Many also have heard of her father, Oliver Brown.

His name appeared first on one of the U.S. Supreme Court's most famous cases. The May 17, 1954 ruling in Brown vs. Board of Education of Topeka declared school segregation unconstitutional.

But few people have heard of McKinley Burnett. People who do know about him think his anonymity is a shame, because he played a key role in the Brown case.

Burnett served as president of the Topeka chapter of the National Association for the Advancement of Colored People from 1948 to 1963.

And his anger at the local school board's refusal to end segregation in elementary schools helped fuel a small but persistent movement that led to the Brown case in February 1951.

"Quite frankly, McKinley Burnett was one of the primary catalysts," said Cheryl Brown Henderson, a daughter of Oliver Brown, who is now president of the Brown Foundation. "It's very important that people have their rightful place in history."

Local activists scheduled a ceremony for Saturday at Topeka's public library to honor Burnett, marking the 100th year since his birth and the 43rd anniversary of the Brown decision. On display will be family memorabilia, pictures and letters.

Burnett was born in Oskaloosa in January 1897. He became an activist early in life, said a son, Marquis Burnett.

"When they had school plays, the only parts he could get were being a dancer or a butler," Marquis Burnett said.

McKinley Burnett worked in the Santa Fe railroad shops, as well as at the Veterans' Administration hospital as a stock clerk, one of the better jobs available for blacks in those days. People understood that some jobs simply were closed to blacks.

Letters the family displays from its collection show the harshness of discrimination. Some are from McKinley Burnett to various Kansas officials, complaining about the refusal of companies to hire blacks.

In November 1950, he wrote about his conversation with the sales manager of a Topeka bakery, which had an opening for a route man.

"He told me that he could not hire a Negro for such a job and that such had never even been considered, neither had they ever had such a request before," Burnett wrote.

In 1948, Burnett and other NAACP officials began pushing for integration of Topeka's elementary schools. State law allowed segregation in cities as large as Topeka but did not mandate it.

Topeka High School was integrated but had separate sports teams and clubs for whites and blacks.

At the time, the city had 18 all-white elementary schools and four for blacks. The district's superintendent believed in segregation; the school board agreed.

One board member challenged McKinley Burnett to a fight. Charles Baston, another local NAACP member, remembered in a 1992 interview for the Kansas State Historical Society that the board was rude. It forced NAACP members to wait until the early hours of the morning to voice their concerns.

"It was rather disgusting, because a lot of times, a board member would go through their agenda, and then they would sit and laugh or joke about something to try to extend the time," Baston said. "We never left."

By 1950, McKinley Burnett had enough. He and a small group met at the home of Lucinda Todd, the local chapter's secretary, to plot strategy.

"Going to court was their last recourse," said Henderson, the Brown Foundation president.

NAACP officials recruited parents with schoolchildren to be plaintiffs. Legend has it that Oliver Brown's name was listed first because it was first alphabetically, but in fact his daughter suspects it was because he was the only male parent.

In her interview for the state historical society, Mrs. Todd remembered how concerned some blacks were. Black teachers had been told by one school official that integration would end their jobs.

"A lot of people had jobs—they worked for the city—and didn't want to cause trouble," Marquis Burnett said. "It wasn't really popular."

In the fall of 1950, 13 black families tried to enroll their children in white schools across the city. All were turned away. The NAACP had counseled them to have a witness and to document what had happened.

The lawsuit was filed in February 1951. The U.S. Supreme Court consolidated it with four other cases before issuing its historic ruling.

"At that time, he never thought, 'I'm going to do something to make history,'" Marquis Burnett said of his father. "He was just doing what he had to do."

McKinley Burnett greeted the ruling with jubilation, telling reporters in Topeka: "I say, thank God for the Supreme Court."

Burnett battled leukemia throughout his life and retired as NAACP president in 1963. He died five years later, at the age of 71.

May 17 remained a special day for him.

"That became McKinley Burnett's personal holiday, and he would not work for anyone on that day," said Baston, the NAACP board member.

McKinley Burnett—A Civil Rights Hero

In any worthy struggle, there are those who doggedly go about the task at hand without fanfare. McKinley Burnett was just such a man.

The Topekan got his due, albeit late, recognition Saturday at a ceremony and special pictorial postal cancellation at the Topeka and Shawnee County Public Library.

Although Brown and often Scott are the names most often mentioned in the landmark 1954 school desegregation ruling, Burnett had built the foundation on which it was based. His effort started back in the 1930s and focused not just on schools, but also other forms of segregation, including movie theaters, restaurants, court-houses and other facilities.

But Burnett saw the schools as the best place to initiate the changes, and he worked diligently for that cause. When years of effort failed to move the Topeka Board of Education, Burnett in 1950 finally threatened to sue. The march toward Brown vs. Topeka Board of Education began.

Brown refers, of course, to the family that alphabetically headed the list of plaintiffs. Scott is the name of the family of lawyers who argued the case. But make no mistake, Burnett is also an important part of the suit.

Saturday's special cancellation attests to that. Done in recognition of the 43rd anniversary of the U.S. Supreme Court ruling, the cancellation cites the suit filed by the NAACP on Feb. 18, 1951, that led to the ruling. Burnett, who is pictured on the cancellation, was president of the local NAACP at the time and this is the 100th anniversary of his birth. He died in 1968.

It's unfortunate his contributions weren't more highly recognized during his lifetime. By all accounts, however, Burnett valued results more than personal glory. A true hero.

CONGRATULATING MS. GWENDOLYN MASTIN

HON. JESSE L. JACKSON, JR.

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. JACKSON of Illinois. Mr. Speaker, I rise today to recognize Ms. Gwendolyn Mastin, founder and CEO/President of the New Phoenix Assistance Center located in the Second Congressional District of Illinois, which I proudly represent. I would like to congratulate Ms. Mastin on being chosen for the 2004 Robert Wood Johnson Community Health Leadership award. She is one of just ten outstanding individuals who have been honored this year by the foundation for innovatively bringing health care to communities whose needs have been ignored and unmet.

Gwendolyn Mastin founded Chicago's first scattered-site housing program for homeless women infected with HIV or AIDS and their children. Her program also provides housing for homeless pregnant teens and those with children. In addition, Ms. Mastin also developed a pregnancy prevention program that embraces cultural traditions and encourages creation of family support networks. Since its founding in 1991, the program has served more than 5,700 people in the Metropolitan Chicago region.

Presently, Ms. Mastin sits on the Illinois State Advisory Committee on Child Abuse and Prevention. On this committee she continues her service to the community by effectively advocating on behalf of much-needed housing programs and supportive services, as well as family reunification programs for homeless minors.

Mr. Speaker, I proudly ask you to join me in commending Gwendolyn Mastin for her tremendous contribution to our community.

IN RECOGNITION OF BARBARA BOSCH

HON. STEVEN R. ROTHMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. ROTHMAN. Mr. Speaker, America's future is contingent upon the leadership, vision, and commitment of teachers, and a life dedicated to the education of our children is one that should be both acknowledged and praised. Thus, I would like to recognize Ms. Barbara Bosch, an educator in the East Rutherford school district in New Jersey and a member of the New Jersey Education Association, who will be retiring this June after 41 years of teaching.

Ms. Bosch's devotion, creativity, and resourcefulness as an educator helped her to meet the diverse needs of her students in the continually evolving field of education over the past several decades. Her dedication to her students was displayed in part by the many hours spent with them both inside and outside the classroom. Ms. Bosch's dedication and strong character allowed her to fulfill her professional responsibilities at the highest level, and serve as a role model for her students and colleagues. Such achievements in the field of education were so admired and respected by her colleagues, that the East Rutherford Educational Community has proclaimed June 2004 as "Barbara Bosch Month."

Mr. Speaker, I ask my colleagues to join me in recognizing Ms. Barbara Bosch as a person who served our Nation as a distinguished educator of our children for 41 years. We are all deeply indebted to Ms. Bosch and teachers like her for their service to our Nation's schoolchildren. Along with all those students, parents, and other educators in East Rutherford who have come to know Ms. Bosch, I wish Ms. Bosch much happiness in her well-deserved retirement.

PORT OF ENTRY NEEDS

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. GREEN of Texas. Mr. Speaker, aviation security is a top national security priority. This critical sector of interstate commerce must continue for our entire national economy to function.

As the representative of one of our Nation's largest hub airports, Bush Intercontinental Airport in Houston, Texas, I can say that the ability of commercial aviation to function properly is at risk due to the inconsistent performance of security functions by the federal government.

First, I have been pushing for increased Bureau of Customs and Immigration Enforcement personnel coverage for Houston Intercontinental for several years now.

The situation has been improving unevenly, with wait times still reaching 90 minutes during peak times of the year. Why is the wait so bad? Because we only have 59 out of 86 authorized inspectors for Houston, according to the last workforce report.

That in itself is unacceptable, but with a new international terminal set to open in January 2005, we must make sure that the federal government is living up to its responsibility to safely and securely process incoming passengers.

This new facility is going to require a doubling of our international arrival screening capacity, and we will have to resort to legislation if the Bureau cannot do its job properly.

In addition, with Transportation Security Agency cutbacks forced by our budget deficits, Houston Intercontinental is at serious risk of losing its ability to properly process passengers boarding commercial airline flights.

This is not a mere matter of inconvenience to air travelers. These delays have a serious economic impact on the aviation industry which has to extend the times planes sit on the ground, reducing operating margins.

As numerous press and financial reports demonstrate, aviation operating margins are already under a tremendous amount of stress from $40 per barrel oil, international turmoil, and continuing glut of capacity resulting from post-September 11th aviation bankruptcies.

Put simply, hundreds, perhaps thousands of employees are at risk of being laid off, furloughed, or facing salary and benefit freezes and cuts if the federal government does not properly perform its responsibility to provide security for interstate commerce.

Mr. Speaker, I look forward to working with you ensure smooth operation of the Bureau of Customs and Immigration Enforcement at Houston Intercontinental.

RECOGNIZING GARY LEE DICK FOR HIS OUTSTANDING SERVICE AND DEDICATION TO LAKE COUNTY, CALIFORNIA AT THE TIME OF HIS RETIREMENT

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize Gary Lee Dick, who is retiring as Police Captain of Clearlake, California. Gary's outstanding contributions and dedication to our community are truly appreciated.

Gary began his career in law enforcement in Calistoga, California in September 1975. He then went on to work in the Petaluma Police Department until 1981, before moving to the Clearlake Police Department.

Gary not only has an AA degree but also has graduated from the FBI National Academy and has earned several professional certificates. He spent 4 years serving our country as a member of the U.S. Army. Gary and his wife Patty are blessed with three daughters and two sons.

Gary has made many contributions to the community outside his official duties in the police department. He served as President of the Rotary Club of Clearlake between 1999–2000. He also served as Chair and Co-chair of many projects that were completed by the Rotary Club of Clearlake. As a volunteer coach for little league baseball teams, Gary has been able to share his love of baseball with countless others. In his retirement he hopes to visit every major league baseball stadium.

Mr. Speaker, Gary Lee Dick is the standard of dependability, bravery and hard work in our community. His commitment to our community has been shown time and time again. For these reasons and countless others, it is most appropriate that we honor him at the time of his retirement today.

INTRODUCTION FOR A BILL TO AUTHORIZE THE SECRETARY OF THE INTERIOR TO PROVIDE FINANCIAL ASSISTANCE TO THE EASTERN NEW MEXICO RURAL WATER AUTHORITY FOR THE PLANNING, DESIGN, AND CONSTRUCTION OF THE EASTERN NEW MEXICO RURAL WATER SYSTEM, AND FOR OTHER PURPOSES

HON. TOM UDALL

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. UDALL of New Mexico. Mr. Speaker, today I am very pleased to introduce a bill that will authorize the Bureau of Reclamation to help communities in eastern New Mexico develop the Eastern New Mexico Rural Water System (ENMRWS). A companion to this bill, S. 2513, was introduced in the Senate by my colleague Senator BINGAMAN on June 9, 2004. There has long been a recognized need for a reliable and safe supply of potable water for this region. After years of drought and ever increasing population growth, this water supply project is now absolutely critical for the continued economic well-being of Curry, Roosevelt and Quay counties in eastern New Mexico.

The Entrada and the Southern High Plains, or Ogallala, Aquifers currently provide 100 percent of the municipal and industrial water supplies and the vast majority of agricultural water for communities in these east central New Mexico counties. However, both the quantity and quality of these groundwater reserves have declined severely in recent decades. Despite voluntary conservation efforts and improvements in agricultural water-use efficiencies, these groundwater supplies will not sustain current use levels in as little as 12 years and may be funcationally depleted within 25 years.

The water supply project that would be authorized by this legislation builds upon more than 40 years of research, planning, and design. In 1959, after recognizing the water supply problems in eastern New Mexico, the New Mexico Legislature and Interstate Stream passed an Act authorizing the State Engineer to construct a dam on the Canadian River, thus establishing the Ute Resevoir. Since 1966, numerous Congressionally-authorized studies addressed the feasibility of a project that would utilize the Ute Resevoir as a reliable water supply for communities in eastern New Mexico. Finally, in the late 1990s, several communities, concerned about the increasingly urgent need, came together to begin planning for the development of a regional water system.

The Eastern New Mexico Rural Water Supply Authority, consisting of nine communities in the Curry, Roosevelt and Quay counties of eastern New Mexico, was formed in 2001 to oversee the development of the ENMRWS. This Authority has expeditiously and effectively finalized the studies and planning necessary to move forward with this project.

Mr. Speaker, as you can see from this brief history, the citizens of eastern New Mexico have both proven the critical need and completed the necessary steps that must form the basis for a project of this magnitude. This project is not new and the need for water is becoming increasingly more urgent. Without this project, it is clear that this important region will suffer economically. I believe that none of us in this House wants to stand by and watch vibrant communities dissolve into western ghost towns especially when a well-studied, adequate solution exists. I sincerely hope my colleagues will support this legislation and help provide a positive, long-term solution to a pressing water need in the rural West. This legislation represents the important next step toward addressing this issue, and I look forward to working with the entire New Mexico Congressional delegation.

Thank you very much.

RECOGNIZING THE 40TH ANNIVERSARY OF THE CHANEY, GOODMAN, AND SCHWERNER KILLINGS

HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. PICKERING. Mr. Speaker, forty years ago this Sunday, members of the Ku Klux Klan committed a terrible crime against three young men in Neshoba County. It was a crime against them, a crime against equality, and a crime against freedom. As we remember the killings of James Chaney, Andrew Goodman and Michael Schwerner during the 1964 Freedom Summer in Mississippi, I'd like to take the opportunity to share with you the statements of that community today in 2004. These statements represent a call by community leaders; a tri-racial commission of blacks, whites, and Choctaws; and city and county elected officials to seek justice and forgiveness for these crimes of the past. Like the rest of the country, Mississippi still has much work to do concerning racial reconciliation, but I believe we have come further and are more committed to racial harmony than many other states. But I will let this Neshoba County community speak for itself:

First is the Philadelphia Coalition's Resolution for Justice. This tri-racial coalition led by Leroy Clemons and James E. Prince III is leading the call for justice in this community, and organizing the events affiliated with the 40th Anniversary Memorial this weekend.

THE PHILADELPHIA COALITION'S RESOLUTION FOR JUSTICE: STATEMENT ASKING FOR JUSTICE IN THE JUNE 21, 1964 MURDERS OF JAMES CHANEY, ANDREW GOODMAN AND MICHAEL SCHWERNER

Forty years ago, on June 21, 1964, three young men, James Chaney, Andrew Goodman and Michael Schwerner, were murdered in Neshoba County by members of the Ku Klux Klan.

The state of Mississippi has never brought criminal indictments against anyone for these murders—an act of omission of historic significance. There is, for good and obvious reasons, no statute of limitations on murder. This principle of law holds that anyone who takes the life of another person for any reason not provided by law is never immune from prosecution, no matter how remote in time.

With firm resolve and strong belief in the rule of law, we call on the Neshoba County District Attorney, the state Attorney General and the U.S. Department of Justice to make every effort to seek justice in this case. We deplore the possibility that history will record that the state of Mississippi, and this community in particular, did not make a good faith effort to do its duty.

We state candidly and with deep regret that some of our own citizens, including local and state law enforcement officers, were involved in the planning and execution of these murders. We are also cognizant of the shameful involvement and interference of state government, including actions of the State Sovereignty Commission, in thwarting justice in this case.

Finally, we wish to say to the families of James Chaney, Andrew Goodman and Michael Schwerner, that we are profoundly sorry for what was done in this community to your loved ones. And we are mindful of our responsibility as citizens to call on the authorities to make an effort to work for justice in this case. Continued failure to do so will only further compound the wrong.

We, the undersigned, call on those in authority to use every available resource and do all things necessary to bring about a just resolution to this case.

The Philadelphia Coalition.

Next comes the resolution by the Neshoba County Board of Supervisors, the elected leadership of this community on the county level.

NESHOBA COUNTY BOARD OF SUPERVISORS' RESOLUTION

Forty years ago, on June 21, 1964, three young men, James Chaney, Andrew Goodman, and Michael Schwerner, were murdered in Neshoba County.

The State of Mississippi has never brought criminal indictments against anybody for these murders. There is for good and obvious reason, no statute of limitations on murder.

This principal of law holds that anyone who takes the life of another person for any reason not provided by law is never immune from prosecution, no matter how remote the time.

With firm resolve and strong belief in the rule of law, we call on the appropriate authorities to make every effort to seek justice in this case.

We regret that history will record that the authorities did not make a good faith effort to do its duty and we call on the people in authority to make an effort to seek justice in this case.

Finally, we wish to say to the families of James Chaney, Andrew Goodman, and Michael Schwerner that we regret what was done in this community to your loved ones.

We, the undersigned, call on those in authority to use every available resource and do all things necessary to bring about a just resolution to this case.

By: James Young, President, Neshoba County Board of Supervisors.

The leadership of the City of Philadelphia, the county seat and population center of Neshoba County, has also passed a resolution in support of this seeking of justice.

City of Philadelphia's Resolution: Resolution Asking for Justice in the June 21, 1964 Murders of James Chaney, Andrew Goodman and Michael Schwerner

Forty years ago, on June 21, 1964, three young men, James Chaney, Andrew Goodman, and Michael Schwerner, were murdered in Neshoba County.

The State of Mississippi has never brought criminal indictments against anybody for these murders. There is for good and obvious reasons, no statute of limitations on murder. This principal of law holds that anyone who takes the life of another person for any reason not provided by law is never immune from prosecution, no matter how remote the time.

With firm resolve and strong belief in the rule of law, we call on the appropriate authorities to make every effort to seek justice in this case. We regret that history will record that the authorities did not make a good faith effort to do its duty and we call on the people in authority to make an effort to seek justice in this case.

Finally, we wish to say to the families of James Chaney, Andrew Goodman, and Michael Schwerner that we regret what was done in this community to your loved ones.

We, the undersigned, call on those in authority to use every available resource and do all things necessary to bring about a just resolution to this case.

By: Rayburn Waddell, Mayor; Janice Payne, Alderwoman at Large; Joe Tullos, Alderman, Ward I; Roy White, Alderman, Ward 2; Ronnie Jenkins, Alderman, Ward 3; and, Bobbie Jackson, Alderwoman, Ward 4.

The Community Development Partnership is Neshoba County and Philadelphia's chief economic development organization and represents the interests of many businesses, financial institutions and companies in the region.

Community Development Partnership's Resolution

Resolution Asking for Justice in the June 21, 1964 Murders of James Chaney, Andrew Goodman and Michael Schwerner.

Forty years ago, on June 21, 1964, three young men, James Chaney, Andrew Goodman, and Michael Schwerner, were murdered in Neshoba County.

The State of Mississippi has never brought criminal indictments against anybody for these murders. There is, for good and obvious reasons, no statute of limitations on murder. This principle of law holds that anyone who takes the life of another person for any reason not provided by law is never immune from prosecution, no matter how remote the time.

With firm resolve and strong belief in the rule of law, we call on the appropriate authorities to make every effort to seek justice in this case. We regret that history will record that the authorities did not make a good faith effort to do their duty and we call on the people in authority to make an effort to see justice in this case.

Finally, we wish to say to the families of James Chaney, Andrew Goodman, and Michael Schwerner that we regret what was done in this community to your loved ones. We the undersigned, call on those in authority to use every available resource and do all things necessary to bring about a just resolution to this case.

By: Brenda Mills, Chairwoman of the Board; and David Vowell, President.

This Mississippi Band of Choctaw Indians have long represented an integral part of this community and has created a model of economic and community revitalization and development. Today they have moved from poverty to prosperity and are an integrated part of both the community and this call for justice.

Letter From the Tribe of Mississippi Choctaw Indians

Dear Friends and Neighbors: Forty years ago, three communities, white, black, and Choctaw, lived in Neshoba County separated by fear, ignorance, and bigotry.

Although all of us were Neshoba Countians, Mississippians, and Americans, living together in a relatively small geographic region, we lived apart in our separate communities seeking protection and self-preservation among our own kind. Mainly what we knew of one another was to be wary. Being a small community many of us did interact and often positively, but mutual respect, honor, and acceptance were indeed not commonalities shared between us.

Being forced apart, we were often denied the opportunity to learn from one another's differences and to gain from each other's strengths. Forty years ago, three young men who ignored the walls of separation between our communities were sacrificed to the fears and hatreds that long simmered throughout our country. Forever since, Neshoba County has been associated with an act of infamy. However, those three that we lost, live among us today.

While it is right to mourn them, we honor them more when we celebrate their lives for the positive changes they provided to all of us.

Today white, black, and Choctaw still live together in Neshoba County. We also work together, transact business together, learn together, worship together and play together.

While we have not eliminated fear, ignorance, or bigotry, we have surpassed those constraints and are prospering together.

While we continue to maintain our separate communities, we do so now not to, but because we choose to in order to preserve our unique cultural identities.

Now, forty years later, we come together with ease, and as equals not just to remember the trauma of the past, but more importantly, to admire our present, and plan our future together. All of our communities have changed for the better, we have an economy that is flourishing, our people are working and prospering, with the Tribe alone providing more than 9,000 jobs. When we work together and support one another, good things happen.

On behalf of The Mississippi Band of Choctaw Indians, I commend Philadelphia Coalition for its efforts to celebrate our unity.

Sincerely,

PHILLIP MARTIN,
Tribal Chief.

Mr. Speaker, today at the request of this community, federal and state law enforcement officials are actively studying the potential of reopening this case to bring any remaining murderers to justice. The purpose is not to reopen old wounds, but to bring closure and healing to those wounds by providing the remedy of justice.

This weekend, I will participate in events in Neshoba County memorializing the deaths of three men who sought equality, justice and civil rights. We will remember the past, take stock of the present, and work for the future. We are a better Mississippi today, we will be still better tomorrow. I commend this community for showing leadership and embracing justice and look forward to working with all the citizens of Neshoba County as we continue to move forward both socially and economically. Thank you, Mr. Speaker.

INTRODUCTION OF A HOUSE RESOLUTION SUPPORTING THE GOALS AND IDEAS OF NATIONAL TIME OUT DAY

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. UDALL of Colorado. Mr. Speaker, today I am introducing a House resolution supporting the goals and ideas of the National Time Out Day, which the Association of periOperative Registered Nurses (AORN) and over 50 other health care organizations are celebrating on June 23, 2004 to promote the adoption of a new protocol for preventing medical errors in the operating room.

The number of individuals who are affected by medical errors is astounding. In 2000, the Institute of Medicine released a report entitled "To Err is Human: Building a Safer Health System." The report revealed that between 44,000 and 98,000 hospitalized people in the U.S. die each year due to medical errors, and thousands of others suffer injury or illness as a result of preventable errors.

To address this problem, the Joint Commission on Accreditation of Healthcare Organizations has developed a universal protocol which calls for surgical teams to call a "time out" before surgeries begin in order to verify the patient's identity, the procedure to be performed, and the site of the procedure. The Joint Commission is requiring nurses, surgeons and hospitals throughout the country to adopt this protocol beginning July 1, 2004, in order to curb the alarming number of deaths and injuries due to medical errors.

AORN has created an Internet website and distributed 55,000 tool kits to healthcare professionals to help them implement the universal protocol, and they are celebrating National Time Out Day on June 23 to promote the protocol and its adoption.

National Time Out Day has been endorsed by a distinguished group of healthcare organizations, including the American College of Surgeons, the American Society of Anesthesiologists, the American Hospital Association, and the American Society for Healthcare Risk Management.

Mr. Speaker, ultimately, this issue is about health care access and patient safety. Fewer medical errors will result in better outcomes for patients, fewer medical malpractice suits, which in turn will help keep malpractice insurance rates and health care premiums down.

I think it is important for Congress to recognize and congratulate perioperative nurses and representatives of surgical teams for working together to reduce medical errors and to ensure the improved health and safety of surgical patients—and that is the purpose of this resolution.

THE REPUBLIC OF KAZAKHSTAN

HON. CHRIS CANNON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. CANNON. Mr. Speaker, today the United States needs true friends like the Republic of Kazakhstan as never before and we should encourage and welcome their achievements for the simple reason that by strengthening themselves they strengthen us.

I have followed the development of a young Kazakhstan with great interest and I should note that since gaining its independence from the former Soviet Union in 1991, this country has undergone tremendous political and economic transformation. Reforming a former totalitarian society is not an easy task. Of course, there were some mistakes and drawbacks. However, one should acknowledge the fact that Kazakhstan is dynamically moving forward and is moving in the right direction.

We should keep in mind that we are talking about a country which achieved democracy and personal freedoms through tremendous suffering. A great deal of credit for Kazakhstan's coming of age should go to its leader, President Nursultan Nazarbayev. I fully share the position of the leadership of Kazakhstan that any reforms make sense only if they serve the people.

Many have criticized Kazakhstan for initially choosing a course of economic liberalization while putting deep political reforms on the backburner. However, the time has proven this course right. I praise the political foresight of President Nazarbayev, an architect of Kazakhstan's success, who, in spite of criticism, has managed to bring his country into the fold of economically strong nations and has now embarked on an even bolder set of political reforms.

Recently, Kazakhstan's leader has called for a massive transformation of the county's political life and the strengthening of Kazakhstan's leadership by building a democracy. The major step in this direction will be a significant strengthening of the role of the national Parliament. President Nazarbayev has proposed to increase the numbers of deputies in both houses of Parliament and to develop a new system of forming the Government through the mechanism of a Parliamentary majority.

I believe decisions to decentralize state management and pursue aggressive fights against corruption are also crucial. Moreover, according to the President, the judiciary system will undergo serious reforms. Jury trials will be introduced, more power will be given to defense attorneys in criminal litigation.

All this, to me, is a true sign of Kazakhstan's maturity. I agree with President Nazarbayev, that "You can't just declare democracy. You can only build it through hard work." As a nation that has been building its democracy for more than 200 years, we should value the words of a leader of a young democracy.

I would like to wish the people and government of Kazakhstan success in their efforts. Future successes of a democratic and free Republic of Kazakhstan directly benefit the United States, as it will help ensure stability and prosperity of Central Asia, a region extremely important in our fight against international terrorism.

I have no doubt that the United States and Kazakhstan will continue to closely cooperate in ensuring stability and security in the world, and our cooperation, which has tremendous potential, will deepen and bring about fruitful interaction in an international situation that is increasingly complex. The U.S. Congress should play a key role in this endeavor.

Mr. Speaker, I believe we are at an important juncture in the relationship between the United States and Kazakhstan. We have an opportunity to remain engaged in the region. I strongly believe that we should acknowledge Kazakhstan's achievements and support them in their efforts to continue with reforms.

FREEDOM FOR CARMELO AGUSTÍN DÍAZ FERNÁNDEZ

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I rise today to speak about Carmelo Agustín Díaz Fernández, a prisoner of conscience in totalitarian Cuba.

Mr. Díaz Fernández is a pro-democracy activist currently imprisoned in the tyrant's gulag. He is the president of the Independent Union Press Agency, editor of the Cuban Independent Trade Union Press Agency, and a member of the Christian Cuban Workers Union. He is also the correspondent for the Venezuelan magazine Desafios and his articles have appeared on the CubaNet website.

As a leading independent journalist, Christian activist, and prominent member of the independent trade union movement, Mr. Díaz Fernández has been a constant target of the totalitarian regime. According to Amnesty International, he has been harassed and threatened with imprisonment for his pro-democracy activities. Simply because Mr. Díaz Fernández wants freedom for the people of Cuba, he has been persecuted by the dictator's machinery of repression.

On March 19, 2003, as part of the dictator's brutal March 2003 crackdown against peaceful Cuban pro-democracy activists, Mr. Díaz Fernández was arrested because of his work to bring freedom to the people of Cuba. In a sham trial, he was sentenced to 16 years in the wretched, infernal, totalitarian gulag.

According to Reporters Without Borders, while he has been incarcerated in the inhuman gulag simply for his belief in freedom, Mr. Díaz Fernández has developed cardiovascular problems, lymphangitis and high blood pressure. The intolerably grotesque conditions of the deplorable gulag are threatening his life.

Mr. Speaker, Mr. Díaz Fernández is languishing in a totalitarian gulag because he believes in freedom. He believes in freedom of religion, freedom for workers, and human rights for every Cuban citizen currently suffering under the nightmare called the Castro regime. My Colleagues, it is intolerable that heroes like Mr. Díaz Fernández are locked in gulags because they believe in the most fundamental human right, freedom. We must demand the immediate release of Carmelo Agustín Díaz Fernández and every prisoner of conscience in totalitarian Cuba.

AMERICAN JOBS CREATION ACT OF 2004

SPEECH OF

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 18, 2004

Mr. KIND. Mr. Speaker, over the past year, I, along with many other Members of Congress from both sides of the aisle have been pushing for congressional action to fix the international trade dispute over the extraterritorial income (ETI) and Foreign Sales Corporation (FSC) programs. We have a bipartisan, fully paid-for remedy that would reform these tax provisions, put the United States tax code in compliance with the World Trade Organization (WTO), and reduce the tax burden on American manufacturers and farmers. Unfortunately, the Majority leadership ignored this bipartisan approach in favor of a budget-busting, controversial bill that does little for small manufacturers in Wisconsin and includes multiple provisions completely unrelated to the trade problem we need to fix immediately.

Because of the House majority's previous inaction on reforming the FSC–ETI trade dispute, the European Union (EU) continues to ratchet up tariffs on nearly 100 categories of U.S.-produced exports. This costs American businesses and workers by making our products less competitive in the major European market. Unless we reform the FSC–ETI tax provisions, EU tariffs on American products will continue to climb, potentially costing American exporters over $4 billion.

With over 2 million American manufacturing jobs lost since 2001, it is critical that we act to reverse this trend by eliminating incentives for American jobs to be sent overseas and working to end trade barriers that hurt American exports. Anticipating the EU tariffs, Congressmen CRANE, RANGEL, MANZULLO, and LEVIN introduced bipartisan legislation last year to address the FSC–ETI trade dispute. H.R. 1769, the Jobs Protection Act, would have eliminated the American tax breaks found in violation of WTO rules, and reinvested the savings back into American manufacturers by reducing their tax rates. I, along with 175 other Members of Congress, cosponsored this legislation and have pushed for the House to consider this legislation.

Despite this bipartisan compromise, the Majority leadership has brought to the Floor today a piecemeal, fiscally irresponsible bill that is filled with special interest breaks and will increase already record budget deficits. Further, the major provisions of H.R. 4520 provide over $30 billion in tax incentives for large multinational corporations while providing little to no tax relief to small and medium-sized manufacturers, farmers, and unincorporated businesses. The Republican chairman of the House Small Business Committee has expressed his opposition to this legislation because it fails to include smaller non-Chapter C corporations in its manufacturing benefit.

Because of strong bipartisan opposition to H.R. 4520, the majority has attached 400 pages of additional tax reforms, complications, and unrelated add-ons that dilute from our important mission to fix the FSC–ETI trade dispute, add tens of billions of dollars to the budget deficit, and curb potential investment in our manufacturing sector.

Some of the additional provisions included in H.R. 4520 are items that I have consistently supported including a temporary incentive to repatriate overseas profits in the United States, and extensions of important tax benefits such as the research and development tax credit, wind and biomass electricity production credit, Work Opportunity tax credit, and small business expensing rates. I am hopeful that these items can be acted on by the House separately from this unacceptable legislation.

The substitute authored by Congressman RANGEL was based on the bipartisan FSC–ETI reform bill, H.R. 1769, and would have included extensions of the R&D tax credit, renewable energy production credits, increased small business expensing provisions, tax deductions for teachers, and other important tax provisions. Further, the substitute would provide better treatment of small businesses, farming cooperatives, and domestic manufacturers, while not adding to the federal budget deficit. Unfortunately, the Majority leadership did not even allow debate on the Rangel substitute fearing it would gain wide bipartisan support and displace the unrelated provisions included in H.R. 4520.

Mr. Speaker, with 2.7 million American manufacturing jobs lost over the past years, including over 80,000 in my home state of Wisconsin, we should not be playing partisan games on the House floor. We should be considering legislation that will end European tariffs on American exports, helps domestic farmers and manufacturers be more competitive, closes abused corporate tax loopholes, and does not burden our children with huge amounts of debt that they will have to pay off in the future. The Rangel substitute would do all these things. I urge my colleagues to oppose H.R. 4520 in its current form so that Congress can move forward on responsible ETI–FSC legislation.

INTRODUCTION OF THE VETERANS ADJUSTABLE RATE HOME LOAN EXTENSION ACT OF 2004

HON. SUSAN A. DAVIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mrs. DAVIS of California. Mr. Speaker, I am proud to introduce the Veterans Adjustable Rate Home Loan Extension Act because I am committed to strengthening the home loan program that gives thousands of America's veterans the opportunity to achieve home ownership.

When most Americans purchase a home, they have a wide array of home loan options available to them. Through the home loan program administered by the Department of Veterans' Affairs (VA), however, our veterans have limited options. It is my strong belief we should give our veterans the opportunity to select a loan that will meet their needs and make them more competitive—especially in expensive real estate markets.

My legislation would extend a VA pilot program allowing veterans to select adjustable rate mortgages (ARM). Veterans can purchase a home at lower interest rates saving them money. ARM home loans are particularly beneficial for veterans who do not intend to stay in the home over the life of the mortgage. Extending this program will give us an opportunity to determine whether ARM loans are a good choice for veterans and sound policy.

Again, I am committed to giving our veterans the opportunity to own a home and to improve the VA's home loan program. I am honored to introduce legislation today that helps our veterans achieve the American Dream they fought to preserve.

AFRICAN-AMERICAN EMANCIPATION DAY

HON. RODNEY ALEXANDER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. ALEXANDER. Mr. Speaker, I rise today in recognition of one of the oldest and most celebrated holidays in African-American history, June 19th, African-American Emancipation Day.

On tomorrow's date 139 years ago, at the end of the Civil War, Major General Gordon Granger arrived in Galveston, Texas, to enforce the Emancipation Proclamation and ensure that all slaves across the South were set free.

General Granger's order declared that "an absolute equality of rights and rights of property between former masters and slaves, and the connection heretofore existing between them becomes that between employer and free laborer." Upon hearing this news, the celebration began in the streets of Galveston and has spread through the years into a worldwide celebration commemorating African-American freedom.

In 1865, African-Americans began a long struggle to gain equal rights with other citizens. More than 100 years later, courageous men and women were still fighting for the civil rights of African Americans. The celebration of Juneteenth acknowledges the price, history, culture and freedom of part of our American society and helps to unify the Nation as a whole. Africn-Americans have played an important role throughout America's history, and we should all be grateful for their many contributions to our society.

The celebration of Juneteenth that has spread throughout this nation in these 139 years observes the momentous occasions in African-American history and the history of the United States. Each year, the Juneteenth celebration grows bigger and spreads farther than the year before, and I hope these events continue to broaden in the years to come.

Mr. Speaker, as African-Americans gather with family, friends, and neighbors in marking the tradition of Juneteenth, I extend my warmest wishes for a memorable celebration, and I ask all citizens to renew our commitment to a nation of equality and opportunity for all people.

HONORING BENT COUNTY WWII MEMORIAL COMMITTEE

HON. MARILYN N. MUSGRAVE

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mrs. MUSGRAVE. Mr. Speaker, I rise today to honor the Bent County World War II Memorial Committee. Bent County was home to at least 1,200 men and women who served in WWII.

To commemorate their homegrown heroes, several citizens made the decision to gather as much information as possible about Bent County residents who served in the war. The 10 members of the WWII Memorial Committee have created a book to preserve the veterans' stories. On May 29, 2004 the book was displayed at the WWII Recognition Program at the old Bent County High School. The book not only contains personal stories and experiences of these veterans, but it also contains two pictures of each veteran, and information on where each veteran was stationed during the war. Other information that was entered included medals and honors veterans received during their time of service.

The committee has found approximately 400 of the 1,200 veterans, and they have received responses from at least 300. Aside from desperately seeking the information needed from the remainder of the veterans they are also collecting memorabilia including uniforms, military records, and cookbooks. The committee knows that this is an ongoing project, and the book and collection will eventually be displayed in the future John W. Rawlings Museum.

I am proud to serve a constituency that is willing to go to such great lengths to honor "America's Greatest Generation." Thank you to the following members of the Bent County WWII Memorial Committee: Fontella Gardner, Donna Dodson, Bill Lutz, Diane Baublits, Betty Pennington, Tom Pointon, Ron Kiniston, C.P. (Jerry) Bryant, Jr., Vivian Pitts, H.E. (Ed) Blackburn, Jr.

I would also like to extend a debt of gratitude to the individuals and businesses that offered special assistance to make this book and event a success: Ladies Auxiliary VFW Post 2411, Kitty Ann Long, VFW Post 2411, Jace Ratzlaff, Constituent Advocate (Congresswoman MARILYN MUSGRAVE), Walmart, Safeway, Mark MacDonnell.

The Las Animas/Bent County Community is fortunate to have had such brave men and women to serve in WWII, and they are fortunate to have so many citizens that recognize the importance of their service to the United States of America.

SUPREME COURT STAYS OUT OF COLORADO REDISTRICTING

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. FRANK of Massachusetts. Mr. Speaker, I submit to the RECORD the editorial from the New York Times, June 11, to which I referred to in my speech to the House this morning.

[From the New York Times, June 11, 2004]

A TROUBLING DISSENT

The Supreme Court did the right thing this week by staying out of a Colorado redistricting dispute. It properly deferred to the Colorado Supreme Court's ruling resolving the matter. What is troubling, however, is a dissent by Chief Justice William Rehnquist and two of his colleagues that argues for diving into the conflict. Given these justices' eagerness to defer to the states in other matters, the dissent smacks of partisan politics and raises new concerns about the court's neutrality.

After the 2000 census, Colorado redrew its Congressional lines in a way that produced some real contests. One district was divided so evenly that Bob Beauprez, a Republican, won by only 121 votes. But when Republicans won the State Senate last year, they drew new lines that were more favorable to their party. The state's attorney general, a Democrat, challenged them in court.

The Colorado Supreme Court, in a well-reasoned decision, held that the redistricting violated the Colorado Constitution. It said the constitution required that redistricting be done every 10 years, after the census, but no more. The United States Supreme Court has long held that when a state supreme court resolves a case based on the state's constitution, respect for the state's judiciary requires the federal courts to stay out of the matter. A majority did just that this week, when it let the Colorado Supreme Court's ruling stand.

But Chief Justice Rehnquist's dissent, joined by Antonin Scalia and Clarence Thomas, is bluntly dismissive of the Colorado Supreme Court. In the dissenters' view, the court was merely "purporting" to decide the case exclusively according to state law. They would have accepted the case so the United States Supreme Court could have considered reversing the Colorado Supreme Court and reinstating the pro-Republican redistricting plan.

The dissent attracted little notice because it fell one vote short of the four votes needed to review a case. But it is disturbingly reminiscent of the court's ruling in Bush v. Gore, in which five justices who had long been extremely deferential to state power suddenly overruled the Florida Supreme Court's interpretation of Florida election law.

Cases like these quite naturally invite skepticism. As the court learned in 2000, it does grave harm to its reputation if it appears to be deciding election-law cases for partisan advantage. In cases of this sort, the court must make a special effort to show that it is acting on the basis of legal principle, the only basis for a court to act. By departing from his deeply held belief in state autonomy to side with the Republican Party in a redistricting case, Chief Justice Rehnquist has once again invited the public to question this court's motives.

TO COMMEMORATE JUNETEENTH

HON. NICK LAMPSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. LAMPSON. Mr. Speaker, the annual celebration of African American Emancipation Day, also known as Juneteenth, had its origins in my congressional district. This Juneteenth celebration, a 130 year tradition beginning in Galveston, Texas in 1865, has grown into the nation's oldest and most widely celebrated commemoration of the end of slavery.

Today, Juneteenth celebrations are hosted in cities across America and beyond. It is a day, a week, and in some areas a month–long celebration marked with music, festivals, and family gatherings.

Mr. Speaker, the growing popularity of Juneteenth celebrations signifies a level of growth and dignity in America that has been long overdue. People of all races, religions and backgrounds come together in celebration of Juneteenth to acknowledge a dark period of our nation's history that continues to influence our society, and to try and make a significant change for the better.

The festivities in my district include the annual Juneteenth Jubilee Parade and Picnic, as well as the Gospel Explosion in the Park and Gospel by the Sea. In addition to the annual events, the African American Heritage organization will present the exhibit "The Making of an Underground Railroad: From Slavery to Freedom." Let us all take a moment to recognize this important holiday, and to continue moving forward in the spirit of freedom and understanding.

RECOGNIZING REVEREND AL JACKSON

HON. MIKE ROGERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. ROGERS of Alabama. Mr. Speaker, the Reverend Al Jackson, pastor of Lakeview Baptist Church in Auburn, Alabama, celebrates his 25th year in service to the congregation this year. In May, the congregation held a special celebration to commemorate this milestone, and honor a man who has given so much back to our community.

Born on October 26, 1948 in Florala, Alabama, Samuel Alto Jackson, Jr., has lived a long and prolific life in the ministry. In 1971 he graduated from Samford University and went on to earn his Masters of Divinity at Southwestern Baptist Theological Seminary and his Doctorate of Divinity from the Fuller Theological Seminary in 1985.

Reverend Jackson has served many congregations during his lengthy career, including First Baptist Church in Florala; First Baptist Church in Selma; Carolina Baptist Church in Andalusia; Bethel Heights Baptist Church in Gatesville, Texas; and since 1979, Lakeview Baptist Church in Auburn as its Pastor.

Reverend Jackson has also helped train ministerial students, and has served on the board of Samford University. In addition, he has traveled around the world on mission trips, and is widely recognized in the Southern Baptist Convention for his teachings and his accomplishments.

Mr. Speaker, it is an honor to recognize Reverend Al Jackson on this important occasion, and I thank the House for its attention in honoring a man who has lived his life as a shining example for us all.

TRIBUTE TO THE NORTH JERSEY PHILHARMONIC GLEE CLUB

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. PAYNE. Mr. Speaker, I rise today to recognize a cultural treasure in my district, the North Jersey Philharmonic Glee Club, as they celebrate their long and distinguished history on Saturday, June 19, 2004, with their 65th Anniversary Concert, "The Sounds of Broadway."

The North Jersey Philharmonic Glee Club remains dedicated to the preservation of male choral singing in America. Its members are unpaid, drawn to participation through their love of choral music alone.

Formed in 1939, the North Jersey Philharmonic Glee Club is one of the oldest all male singing groups in the Mid-Atlantic States. The group performs a wide variety of music, but maintains a focus on African American and European Classical music for the majority of its repertoire.

The group's performances reach audiences throughout New Jersey in schools, colleges and universities, churches, nursing homes, hospitals, health centers, community centers, and countless other venues where people gather to enjoy the rich culture of our State.

During the Post-World War II era, the Glee Club regularly performed on WNJR radio, and in one of its more memorable performances of that period, the chorus shared the stage with the great Paul Robeson. During the 70s and 80s, the Glee Club's performances paying tribute to African American composers were regularly featured on Suburban Cable (now Comcast) and the New Jersey Network (NJN).

Most recently, the Glee Club has appeared in programs that included Harry Belafonte, Smokey Robinson, Ben Vereen, Savion Glover, and gospel legend Shirley Caesar. They have performed at the White House, Lincoln Center, the New Jersey Performing Arts Center (NJPAC), the Smithsonian Institution, the National Cathedral, Riverside Church, the Schomberg Center in New York City, and the Cathedral Basilica of the Sacred Heart in my home town of Newark.

Mr. Speaker, please join me in extending thanks to the North Jersey Philharmonic Glee Club for their contributions to the cultural life of our community, and I invite my colleagues to join me in sending our congratulations as they celebrate 65 years of musical excellence.

KASHMIR

HON. JOSEPH CROWLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. CROWLEY. Mr. Speaker, I rise today to speak about India and to respond to recent remarks made on this Floor by Congressman Towns concerning the situation in Kashmir.

First, I would like to praise India, a vast country of over 1,000,000,000 people, for its recent successful exercise in democracy. The elections in India that concluded last month yet again demonstrated the strength and endurance of that country's democratic system and culture. India has been for 57 years the world's largest democracy, with a multiparty system in which all political views are freely expressed and respected. India's example of free and fair democratic elections, and respect for the rule of law, is truly an inspiration and model for the region and the world.

India and the United States share a special relationship as the world's two largest democracies. Our countries are natural allies, and we share the fundamental goal of building a peaceful and democratic world free from the scourge of terrorism. I am confident this relationship will continue to grow stronger because of the shared interests between our countries. Next, I would like to respond briefly to remarks made recently by Congressman Towns about Kashmir. I believe his remarks demand a response given his inaccurate and misleading portrayal of the situation.

In his recent remarks, the Congressman referred to a "successful" hearing held recently on Kashmir by the Subcommittee on Wellness and Human Rights of the Committee on Government Reform. On the contrary, that hearing included the testimony of a number of witnesses whose views on Kashmir were so lopsided that I, along with a handful of other Members not serving on the Subcommittee, felt it imperative to be present and lend some balance to the proceedings. It is unfortunate that this hearing was used as a vehicle for propaganda—one witness even described the hearing as an exercise in India-bashing. It is especially disappointing because it compromises and undermines efforts by India and Pakistan to resolve bilaterally all issues between them. I would like to add here that eligible citizens of India, including in Jammu & Kashmir, freely exercised their right to vote in India's recent elections. Despite terrorist attacks that resulted in the killings of and injuries to government ministers, candidates as well as voters, the people of Jammu & Kashmir came out and voted, much as they did in late 2002 while electing representatives to their own State Assembly. This is much more than can be said of some other countries, where the military continues to dominate the political process.

The situation in the state of Jammu and Kashmir is primarily one of cross-border terrorism, sponsored from across the Line of Control and the International Border in the state by Pakistan. Starting in the early 1980s in the state of Punjab and then since 1988 in the state of Jammu and Kashmir, Pakistan has consistently sought to use terrorism as an instrument of state policy in its dealings with India. The involvement of the Pakistani state in recruiting, training, indoctrinating, financing, arming and infiltrating terrorists into Indian territory is a matter of international and public record. In addition to this, the active Pakistani military, political and diplomatic support to the criminal Taliban regime in Afghanistan, which provided refuge to Osama bin Laden, is also well known.

Despite this record, the Government of India has sought reconciliation and repeatedly extended a hand of friendship to Pakistan. The previous Government in India had initiated this process and the new Government that has just taken office has reiterated its desire to build upon it. Indeed, the new Foreign Minister of India has just announced the rescheduled dates for talks on bilateral issues with Pakistan. These include talks on June 19 and 20 on Confidence Building Measures and on June 27 and 28 between the Foreign Secretaries of the two countries. India's approach is one of friendship and cooperation. The Government of Pakistan should respect the seriousness with which India is committed to engaging in this bilateral dialogue and play its part by living up to the commitments it has made to India and the international community, including the United States, most notably to create an atmosphere free from the menace of terrorism and violence in which the dialogue can be advanced.

India is the world's largest democracy and has stuck to its tenets for over half a century. It has institutions and processes in place that afford strong constitutional protections for freedom of speech, expression, religion and assembly. There is no doubt that there have been instances of human rights violations, especially in areas affected by terrorist activity. Security forces in Jammu and Kashmir and some Indian states in the North-East of the country are primarily involved in combating the depredations of terrorists, who have been recorded as having been involved in grave violations of human rights. Wherever there have been allegations of violations by security forces, they have, on all occasions, been thoroughly investigated and, wherever deemed necessary, have resulted in the severest punishments possible. India has a free press and other media, an independent judiciary and vigilant non-governmental organizations, which are watchful of administrative and legislative actions and exercise the required oversight. In addition, it has a statutory National Human Rights Commission, which has proved vigilant at calling attention to the need to redress grievances, wherever they might occur, including where security forces are involved.

I would like to make one final point. Congressman Towns' remarks appear to be based on material supplied by an organization calling itself the "Council of Khalistan". This organization supports a separatist agenda for the Indian state of Punjab. This organization has no standing in India, not even in Punjab. Even overseas, it is considered a fringe organization and its calls for secession for the Sikhs of India finds no resonance. The recent elections have demonstrated, more than anything else, that minorities in India have faith in the country's pluralistic, democratic system. Indeed, this organization has a questionable reputation on the Hill as well. In early 2002, a representative of this organization misled staffers in some offices to obtain signatures on a letter to the President.

A TRIBUTE TO WILLIAM "BO" MATTHEWS

HON. ROBERT E. (BUD) CRAMER, JR.

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. CRAMER. Mr. Speaker, I rise today to recognize Huntsville, Alabama native, William "Bo" Matthews, for his work helping children in our area build a stronger academic foundation.

Bo was an All-State football player at Butler High School. He went on to earn a football scholarship to play for the University of Colorado, and in 1974, after a successful collegiate career, the San Diego Chargers selected Bo as the overall number two pick in the NFL draft. In 1985, after playing with the Chargers, New York Giants, Miami Dolphins, and the Denver Gold of the USFL, Bo retired from professional football and currently resides in Denver, Colorado.

In October of 2001, Bo formed the Bo Matthews Center for Excellence. The Center, which is located in Huntsville, is dedicated to providing academic instruction and support for students from kindergarten through the twelfth grade. Their unique approach brings together some of the best practices in effective teaching and student learning.

Mr. Speaker, the Bo Matthews Center is making a difference in the lives of numerous school children, helping them discover the necessary confidence to be successful in the classroom. In addition, the center is encouraging its students to become lifelong learners and active participants in the community.

On Saturday, June 19th, Bo Matthews will return to North Alabama and will be recognized at the inaugural Community Service Awards Banquet hosted by Conley Chapel Christian Methodist Episcopal Church. Mr. Speaker, I rise today, to welcome Bo back to Huntsville and to thank him for his dedication to our area's children.

TRIBUTE TO SIMON AVARA

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. CARDIN. Mr. Speaker, I rise in tribute to a remarkable man from my district. Simon Avara has dedicated many years of his life to the betterment of the Baltimore community. He is an accomplished businessman and friend, as well as my own long-time barber.

In cities and towns across America, barber shops have come to be recognized as familiar gathering places that help create a sense of community. Following in his father's footsteps as a master barber, at the age of 16, Mr. Avara obtained his master license and opened his own shop.

While still a young man, he put his life's dream on hold to serve our Nation during the Korean War. When he returned to Baltimore, he began opening doors for others seeking to pursue a tonsorial profession. He has founded two schools, training a whole new generation of Baltimore barbers.

Today, I am placing in the CONGRESSIONAL RECORD an April 2004 article from RazorsEdge Magazine tracing Mr. Avara's career. I am pleased to have this opportunity to pay tribute to Simon Avara, a true pillar of our community.

SIMON AVARA: A CUT ABOVE

(By Rebecca Mein)

"I see a man in a $600 or $700 suit dressed real well and he has a bad haircut," says Simon Avara. He pauses and then packs a punch. "It spoils everything!"

After all, that "everything" only costs a man about a six bucks if he visits one of Avara's two Baltimore barber schools for a cut.

This 70-year-old master barber has spent nearly a lifetime communicating that message to clients and customers alike.

He runs the International Academy of Hair Design on Pratt Street in downtown Baltimore and Avara's Academy of Hair Design in Dundalk.

You could say Avara was born into the business. In fact, as a young boy, he never even had to leave his own house to get a sense of what his father did for a living.

Back in the 1930's, he remembers seeing his father's clients show up at he family's front door for a last minute cut.

"The judges would knock on our door on Sunday mornings," he says. They wanted a fresh haircut before heading back to the courtroom on Monday.

Avara's father had his own idea of a barber uniform—a suit, a dress shirt, and a tie.

But back then, Avara had no idea that he would one day follow in his father's footsteps.

Sadly, his father would never live to see his son pick up a pair of shears. The older Avara died tragically in a car accident.

Avara was just 14 years old at the time. Little did he know, that summer, people would start coming to him for a haircut.

It all started when a friend of a friend asked for a trim. Within one year, he went from having no experience and no interest to starting a barber school and landing his first apprenticeship.

Only, his first apprenticeship was not quite the same learning experience that he offers his students today. "In those days, you ran errands," he explains. "They'd let you shave behind the ears. I was persistent. I hung in there."

That persistence paid off after a West Baltimore barber gave him his first break. This is where Avara's story takes an extraordinary turn.

"By the time I was 16, I passed the board and got my master license. I was probably one of the youngest barbers in the state."

At just 16 years old, with one year of high school under his belt and some used equipment in his possession, Avara opened his own shop in a former funeral parlor.

He charged 60 cents for a man's cut and 40 cents for a child. "I was very young when this happened," Avara says. "In everything I've done, I've been blessed."

But then, came another twist of events. During the Korean Conflict, Avara was drafted and had to leave his shop for the service. While in Korea, Avara says he had time to think about what he wanted to do when he returned to Baltimore.

He saw his options as either opening a first class salon or opening a school. "I had trained some people before I went. I felt that then, and I still feel, that if you train them right, a part of you will always live."

When Avara returned to civilian life, he wound up making a third choice. He attended cosmetology school in order to improve his skills when it came to cutting women's hair.

Then, he decided it was time to open his own school. Soon after, came another achievement. He became a member of the Maryland State Board of Barber Examiners at age 26.

While in his early 30's he was elected to be president of the National Barber Examiners.

He also served as secretary treasurer of all union-affiliated barber schools in America. He is currently president and founder of the Maryland Hair Designer's Association.

Avara sees his profession as a way to open doors for people from all walks of life. He believes that with some basic reading and writing skills and people skills, anyone can have a solid future in his field.

"You gotta like people," he says. "If you don't like people, don't even enroll in my school."

Students in his school quickly gain hands-on learning experience. He says by the end of the first week, every student has gotten over the fear of cutting that first head of hair.

As for his students' future job security, Avara has no worries, even as technology continues to take over and take away jobs in other industries.

"We never have to worry that there's a machine that could take our place. You're never going to put your head in a machine and dial the cut."

Today, three of Avara's four adult children are trained in the trade. His youngest son runs his Dundalk School.

Avara makes it a point to tell his students that the leading hair stylists out there are all former barbers. "We really teach them how to cut hair, layer hair, and to do it freehand. If you want to see a good man's haircut, look at Cary Grant," says Avara.

Retirement is nowhere in this barber's immediate plans. He plans to continue to pass on his profession to aspiring barbers. Perhaps that is because Avara's job is not just his profession; it is his life's passion.

It's what he does for recreation and relaxation. "I love it," he says. "I have no hobbies. I have a set of golf clubs in the garage. I'm not saying that I'll work every day like I do now, but I can't sit around and visualize working the boob tube. To be healthy, you have to be active and think young."

For Avara, that translates to continuing to hold a pair of shears in hand. He estimates so far, he's cut a hundred thousand heads of hair or more, and he's not planning to stop anytime soon.

THE VICTORY JUNCTION GANG CAMP

HON. RICHARD BURR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. BURR. Mr. Speaker and colleagues, today I would like to bring to your attention the opening of a wonderful new children's camp in Level Cross, NC.

After years of planning, Kyle Petty, CEO of Petty Enterprises, and his wife Pattie have opened The Victory Junction Gang Camp. This camp is the seventh of the Hole in the Wall Gang Camps network founded by actor Paul Newman. The camp was created to serve as a retreat for critically ill children who deserve the chance to enjoy themselves in a medically safe environment, free of charge.

The Pettys, a family synonymous with generosity, decided to create the camp after the untimely death of their son, Adam, in a tragic race car accident in 2000. After visiting one of the Hole in the Wall Gang Camps in Florida and seeing the joy it brought to the campers, the Pettys felt the children of North Carolina and surrounding states needed such a place of their own. All their hard work—and the hard work of the NASCAR family—paid off this summer. The camp's grand opening was Tuesday, June 15.

Victory Junction is an independent, not-for-profit organization that relies upon the generosity of individuals and corporations. Over the past 2 years, NASCAR has graciously lent its support to Victory Junction through an extensive media campaign and the assistance of NASCAR drivers who have volunteered their time and energy. This summer, the camp will provide much-needed distractions to children afflicted with cancer, asthma, HIV, heart disease, and other diseases.

Much goes into establishing and maintaining a special needs camp. Those that have helped in the planning and building process, and those that are already freely giving their time as medical volunteers, deserve our respect and gratitude. There could be no better tribute to Adam Petty. I commend the Petty family for their dedication to children and public service.

I am so pleased that there is now a local place for some very special children to have an exciting camping experience and well-deserved vacation.

Today, I ask my colleagues and fellow North Carolinians to join me in extending congratulations and support to the Victory Junction Gang Camp. May it enrich the lives of many children in the years to come.

HONORING THE ACHIEVEMENTS OF THE LEADERSHIP TRAINING INSTITUTE OF AMERICA

HON. JOHN BOOZMAN

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday June 18, 2004

Mr. BOOZMAN. Mr. Speaker, I rise today to pay tribute to the Leadership Training Institute of America and their inspiring mission of faith for America's youth.

LTIA originated in my home district of northwest Arkansas and has successfully spread throughout the country and even to places as far away as Russia. Their purpose is to provide America's future leaders with a strong Christian foundation of faith in today's secular society.

The program challenges students to develop a Christian worldview and apply that perspective to global conflicts. The students may attend a weeklong seminar once a year—here in our Nation's Capitol—where they meet with their congressional representatives as well as renowned Christian leaders. At the same, the students are encouraged to pursue careers in influential sectors of society.

I believe this training is vital in preparing our future leaders to take their place in society. All too often, our youth are placed in negative, even hostile, environments where they never develop a moral compass or kind spirit LTIA trains young people to live the Christian faith in an age when such action is not encouraged, and the program gives young people the confidence they need to face a materialistic society.

As the former President Franklin Delano Roosevelt said, "We cannot always build the future for our youth, but we can build our youth for the future." I believe the students involved in the Leadership Training Institute of America are part of our brave future and I applaud their efforts to make America an even greater nation than she is today.

IN RECOGNITION OF THE 20TH ANNIVERSARY OF THE NATIONAL CENTER FOR MISSING AND EXPLOITED CHILDREN

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. SHAW. Mr. Speaker, I rise today to recognize the 20th anniversary of the National Center for Missing and Exploited Children (NCMEC), which was established by the passage of the Missing Children's Assistance Act of 1984. I am proud to have been an original cosponsor of this legislation. It was my honor to act on behalf of my constituents, John and Revé Walsh, who became effective advocates on behalf of missing children's issues after the abduction and murder of their son, Adam, in 1981. John and Revé's hard work and determination helped to create NCMEC, which now serves as the national clearinghouse for information on missing children and the prevention of child victimization.

It was under the strong and distinguished leadership of the late President Ronald Reagan that the NCMEC was established. On June 13, 1984, President Reagan officially opened the NCMEC in a ceremony at the White House. The President challenged the NCMEC to wake up America and attack the crisis of child abduction. At the time, there was little coordination between the 50 states and the 18,000 law-enforcement agencies. President Reagan encouraged the development of the NCMEC as an institution that could combine the benefits of both the public and private sectors to achieve its goals.

The NCMEC has significantly improved and advanced the coordination of investigation efforts to recover abducted children on the national level in a manner that could not have been accomplished in its absence. The clear effectiveness of this program is evidenced by the remarkable recovery rate of children under this program. In 2004, the NCMEC reported that more than 94 percent of the children reported missing in that year were recovered. Furthermore, the highly publicized AMBER alert program serves as a national tool to create public awareness of abductions and possible threats. Such determined efforts serve an invaluable service to our country in staving off some of the most serious and concerning threats to our Nation's children.

Mr. Speaker, it is my sincere belief that the National Center for Missing and Exploited Children cultivates a culture in this country that appreciates the safety of its children and establishes direct means at recovering children who fall victim to the threats of the people who disregard the laws of basic humanity. It was my honor in supporting the creation of this institution; just as it's my honor to continue to support this program that has had such a positive affect on our Nation. As a member of the Congressional Missing and Exploited Children's Caucus, I will continue working to provide and sustain high levels of support for our law-enforcement agencies in their quest to safely retrieve victims of child abduction.

TRIBUTE TO CAPTAIN NOREEN CONSIDINE

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. CALVERT. Mr. Speaker, I rise today to honor and pay tribute to an individual whose dedication and contributions to the community of Riverside, CA, and the U.S. Navy Reserve are exceptional. On June 21, Captain Noreen Considine will retire from the Naval Reserves after 27 years of active and reserve military service. We are fortunate to have dynamic and dedicated military and community leaders who willingly and unselfishly give their time and talent to make their communities and nation a better place to live and work. Captain Considine is one of these individuals.

Over the past 27 years Captain Considine has contributed to the Navy, Marine Corps, and Department of Defense in the areas of medical surveillance, hazardous materials management, preventative medicine, and occupational safety and health matters. She has also trained Navy Hospital Corpsmen in managing hazardous materials and workplace hazards.

Since 1997, Captain Considine has served with the Chief of Naval Operations' Occupational Safety and Health Branch, working with full-time safety experts on pinpointing the causes of mishaps and targeting remedial actions that maximize force protection. She led the establishment of the Navy's 1,001 Safety Success Stories Project, which now serves as a web based showcase of the U.S. Navy's safety accomplishments. Additionally, Captain Considine developed a multimedia presentation of the Navy's occupational safety and health program for safety professionals and Navy Public Affairs. In fact, in March 2003, she was selected to speak on a panel before the Royal Australian Navy regarding military safety. Over the years, Captain Considine has been called up to active duty over a dozen times when her country needed her, including during Desert Storm.

Captain Considine's awards include two U.S. Navy Commendations and the Alaska Humanitarian Services Medal, earned in 1995 as an Officer in charge of a medical detachment to the Northwest Arctic.

Outside of her military accomplishments, Captain Considine is actively involved as an adult literacy program volunteer, a pro-bono technical book reviewer for the American Association for the Advancement of Science, a community advocate for school board accountability and public safety, and much more. As a recent example of her care and service to others, she purchased and shipped several hundred pounds of supplies and personal care items to our military members serving in the War on Terrorism out of her own pocketbook.

Mr. Speaker, Captain Noreen Considine is a woman dedicated to her community and country. Her tireless dedication to the U.S. Navy Reserve and Riverside, CA, has contributed immensely to the betterment of those with whom she comes into contact. For all that Captain Considine has done and given over the years, I am privileged to recognize her accomplishments as she retires from a profession that she gave her heart and soul too, the U.S. Navy Reserve.

PERSONAL EXPLANATION

HON. GEORGE R. NETHERCUTT, JR.

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday June 18, 2004

Mr. NETHERCUTT. Mr. Speaker, on Thursday June 17, I was unavoidably detained due to a prior obligation. Had I been present, I would have voted "yea" on rollcall vote No. 260, approving the Journal; "no" on rollcall vote No. 261, agreeing to the Hinchey amendment to H.R. 4568; "no" on rollcall vote No. 262, agreeing to the Sanders amendment to H.R. 4568; "no" on rollcall vote No. 263, agreeing to the Holt amendment to H.R. 4568; "yea" on rollcall vote No. 264, on passage of H.R. 4568, making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2005; "no" on rollcall vote No. 265, on agreeing to the DeFazio amendment to H.R. 4567; and "no" on rollcall vote No. 266, on agreeing to the Sweeney amendment to H.R. 4567.

HONORING MR. VANCE VAN TASSELL

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. DOOLITTLE. Mr. Speaker, today I wish to honor an outstanding citizen and a great friend, Mr. Vance Van Tassell, of Granite Bay, California.

Vance was born and raised in Illinois to the son of an auctioneer and pig farmer. Following in his father's footsteps, he also became an auctioneer at a young age. In fact, throughout his college career he worked as an insurance sales auctioneer and wildcat oil man. He completed his undergraduate studies at the University of Illinois where he also earned a juris-doctorate degree.

In the early 1960s, Vance moved to Sacramento to take the California Bar Examination. Since founding the firm of Van Tassell, Fornasero & Wagstaffe in 1963, he has practiced law for over 40 years while maintaining a thriving auction practice as well. As a testament to both the quality of the man and his business, Vance's legal staff averages 18 years of service. One staff member has even been with the firm for 35 years. This loyalty and longevity is easy to understand as Vance has always been generous to a fault with his clients, colleagues, political causes, and many charitable organizations.

Mr. Speaker, more important than his professional success is the fact that Vance is the proud father of five children: Denise, Jeff, Valerie, Victoria and Courtney.

As a devoted Christian, Vance has worshipped at the Capital Christian Center for years, being of service as a volunteer and reaching out to many with the word of the Lord. Recently, the church named him Volunteer of the Year. However, due to his great humility, he was very reluctant to accept any type of acknowledgment for his many efforts.

Vance owns his dream ranch in Point Arena, along California's North Coast, where he has a small herd of longhorn cows with a bull named after his idol, Patton. He loves nothing more than entertaining people there or at his Granite Bay home. All who know him find him to be humble, caring, and giving—in short, remarkable.

Mr. Speaker, it is because of good, decent, hard-working citizens like Vance Van Tassell, that America remains a good, decent, hard-working country. Therefore, it is appropriate now to express thanks and appreciation to my good friend, Vance, for his lifetime of bettering the world around him. May our land always be blessed with more men like him.

AMERICAN JOBS CREATION ACT OF 2004

HON. JEB HENSARLING

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Mr. HENSARLING. Mr. Speaker, one of my top priorities in Congress is to help ease the overwhelming tax burden on families and small businesses.

I am also a firm believer in fighting for less government and more freedom, and one of the underlying tenets of this philosophy is promoting free trade. Free trade policies provide consumers—not government—the opportunity to make their own decisions about how to spend their money.

Americans benefit from free trade and open markets every day. Free trade undeniably delivers a greater choice of goods and services at lower prices to Americans. Free trade also boosts local economies and jobs for our trading partners, which in turn, creates jobs, improves wages and the standard of living for American workers and their families here at home.

When trade grows, income flows. Reducing and eliminating barriers to trade both at home and abroad is vital to a robust U.S. economy. Nearly one in ten jobs in the United States is directly related to the export of American goods and services. I believe it is vitally important to the future of our Nation that we continue to expand trade in an effort to promote economic growth, peace and prosperity at home and abroad.

Because of my commitment to promoting unfettered trade and untying the hands of American workers and businesses I voted for the American Jobs Creation Act. This legislation will end the damaging tariffs that the European Union has imposed on a host of American goods that have hampered free trade and hurt American businesses since they were imposed in March of this year. In addition, it will decrease the tax rate for small businesses, farmers, and manufacturers and increase America's competitiveness with our global trade partners.

The United States has the second higher corporate tax burden in the world. The American Jobs Creation Act is a step in the right direction to making American companies more competitive in the world marketplace.

The American Jobs Creation Act will also help Texans and taxpayers in eight other states achieve equity under our tax code by allowing them to deduct state sales taxes from their federal income tax returns. The current system is clearly unjust, as it allows a federal tax deduction for state and local income and property taxes. Millions of people from those states that rely on sales taxes are clearly disadvantaged and overlooked by the current system and this jobs bill removes this inequity. It is estimated that the lack of this deduction robs Texans of over $700 million and 16,000 jobs. However, the House passed version only provides this relief for two years. I strongly support a permanent state sales tax deduction, and am hopeful that Congress will make this provision permanent in the future.

Of course, I would ultimately prefer a simpler, more equitable tax-code that treats taxpayers fairly and stops trying to pick winners and losers. All Americans would be better of if Congress repealed both deductions for state and local income tax and the new state sales tax deduction, and put in their place new lower tax rates for both individuals and corporations—and made them permanent. Many of my colleagues keep forgetting that it is not our money; it's the people's money. I am committed to letting Americans keep more of what they earn, without the government stepping in and creating carve-outs, loop-holes and special interest niches.

While this legislation accomplishes several very important goals such as the elimination of tariffs and providing for state sales tax deductibility, it was not all that I had hoped for. I have serious concerns about several of its provisions, particularly the inclusion of a tobacco bailout. This bill ended a decades old government quota and price support system for tobacco—and that alone is a very good thing. The federal government should not purposefully manipulate markets to try to fix prices. However, I find it highly objectionable that the American taxpayer is asked to foot the bill for buying out tobacco quota owners and tobacco growers. As a former board member of the American Cancer Society in Dallas, I am well aware of the harmful and often fatal affects of tobacco use. While the government has absolutely no business setting up quotas for any product and affecting the market price, I find it abhorrent that Congress would force taxpayers to cough up billions in order to subsidize tobacco. This quota system can and should be ended without the use of taxpayer money.

Unfortunately, rather than decreasing corporate tax rates across the board, this bill also included numerous corporate pork provisions through special tax shelters. Special breaks and exclusions for certain industries, companies and products should not be a policy of the U.S. Congress. This bill includes special treatment for the cruise ship industry, former car dealers, makers of bows and arrows, and others industries. I have nothing against any of these industries, but Congress should not be promoting one product, company or industry over another. All American companies, taxpayers and consumers deserve lower taxes, not a chosen few.

TRIBUTE TO TRI-COUNTY CO-OP WORKERS

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to a group of South Carolina workers who are dedicated to serving all of their customers, even in times of crisis. The 67 employees of Tri-County Electric Cooperative serve 17,000 customers in six counties in rural South Carolina, most of which are in the Sixth Congressional District which I am proud to serve in this body. These committed workers were the true heroes of a crushing ice storm that devastated a number of rural areas in January of this year.

The worst ice storm to hit South Carolina in three decades swept through the Midlands area January 26–30, causing enough destruction for the President to declare 17 counties a major disaster area. At the heart of this devastation were an estimated 15,000 Tri-County Co-op customers, who lost power in the midst of freezing temperatures and impassible roads. Within a few days the co-op, under the leadership of Robert G. Wannamaker, had mobilized a massive team effort to repair 250 broken poles and 200 cross arms restoring power to all but ten houses in their service area. They diligently worked in those remote areas to have full service restored to all their customers within a week.

This achievement of the Tri-County Co-op employees is indicative of their willingness to go beyond the call of duty to provide and maintain a better quality of life for rural communities in South Carolina.

Mr. Speaker, I invite you and my colleagues to join me in thanking the brave and dedicated employees of Tri-County Co-op who jeopardized their own safety to insure their customers made it safely through the terrors of this year's winter storm. Their perseverance and dedication are greatly appreciated.

BOUNTIFUL BIRTHDAY BOX AT BEVERLY FARMS ELEMENTARY SCHOOL

HON. CHRIS VAN HOLLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday June 18, 2004

Mr. VAN HOLLEN. Mr. Speaker, I take this opportunity to recognize my constituents at Beverly Farms Elementary School in Potomac, Maryland.

For two years, teachers and students at Beverly Farms have been participating in the Birthday Box Program which allows children to donate duplicate toys and gifts to homeless shelters and other community schools and organizations in Montgomery County. I am proud to note that another school in my congressional district, DuFief Elementary School in Gaithersburg, initiated the concept of the Birthday Box.

Students, parents, and teachers at Beverly Farms also participate in numerous service projects which include walks for the homeless and volunteering at the Stepping Stones Shelter.

Mr. Speaker, Beverly Farms Elementary School is putting smiles on children's faces and lifting spirits throughout our community. It is my honor to submit for the CONGRESSIONAL RECORD an article published in The Gazette by Amy Reardon on the inspirational work done by the students at Beverly Farms and the great goodwill they are achieving.

GIFT BOX ENSURES THAT MORE CHILDREN HAVE A HAPPY BIRTHDAY

(By Amy Reardon)

Ten-year-old Christine Antonsen has so many toys she hasn't had the chance to play with all of them.

Last year when her mother asked her to clean her room, Antonsen found birthday and holiday gifts, still wrapped in plastic, crammed in her closet and under her bed. She had never opened the stained glass art kit, flower printing kit or sand art kit stashed beneath her clothes and toys, so she decided to donate them to Beverly Farms Elementary School's Bountiful Birthday Box.

Antonsen is one of more than 50 students who have contributed to the birthday box program, which has students deliver duplicate gifts for donation to county shelters, community organizations and Beverly Farms' sister school Maryvale Elementary School in Rockville.

Antonsen's mother, Tracy Toppings, the PTA's community service committee chair, was inspired to start the program by the number of toys her daughter had but did not use. It is a concept the school borrowed from DuFief Elementary School in Gaithersburg.

For the past two years, students at Beverly Farms have chosen to donate duplicate birthday, holiday and bar/bat mitzvah gifts to the school's Bountiful Birthday Box instead of returning the items for more loot.

"If you get a present that you already have on your birthday, Christmas, Hanukkah or any of those holidays, you can return it," said 7-year-old Nicholas Muscarella. "But if you put it in the birthday box, it goes to families that don't have enough money to buy presents."

Each month students are reminded to bring in duplicate gifts instead of returning them. Big presents, such as board games and dolls, go to Stepping Stones Shelter in Rockville and the National Center for Children and Families in Bethesda. Small donations, such as decks of cards, go to Beverly Farm's sister-school Maryvale for its school store.

"If kids don't get any birthday presents they won't feel very happy, so we're donating to them," said 7-year-old Rachel Rabinovitz.

The birthday box allows Stepping Stones Shelter—a 90-day homeless shelter for families in need—to throw birthday parties for children living there, said Tina McKendree, executive director.

"The children in the shelter often don't get new things," McKendree said. "If they can open something that is brand new, it makes it that much more special.

"They also know there are other children out there, who care about them. It helps keep their spirits up during a difficult time."

Toppings said the box is only a small part of the school's community service program. Beverly Farms PTA formed its community service committee three years ago after the Sept. 11, 2001, terrorist attacks and directs most of its service projects to Stepping Stones Shelter and Maryvale Elementary.

The committee's biggest annual event is the Fannie Mae Foundation's Help the Homeless walk, which raises money for Stepping Stones Shelter.

Tying itself to two organizations has made the program easy to maintain and allows the group to address needs as they arise, according to Toppings.

The partnership with Stepping Stones Shelter began when the school first hosted a homeless walk in 2000.

Over the years, the school's service to the shelter has spawned independent volunteerism from the Beverly Farms community. Students have donated their allowances while families and scouting troops have gone to the shelter to volunteer: cooking dinner, reading to children or throwing holiday parties, McKendree said.

"Through the partnership the kids learn more about the homeless and how they can get involved," McKendree said.

The sister-school concept, which links schools through resources and activities, is not unique to Maryvale and Beverly Farms. Compared to the 3 percent of students who receive free and reduced-price meals at Beverly Farms, 40 percent of students at Maryvale participate in the program.

"The idea behind the program is to be aware of differences in the community both ethnically and economically," Toppings said.

Laura Marantz, school guidance counselor at Beverly Farms who collects donations to the birthday box, said the emphasis on community service and donations teaches the children empathy and generosity at a young age.

"[The birthday box program] helps them have perspective and realize how fortunate they are," Marantz said.

SHAN THÉVER

HON. LINDA T. SÁNCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, a person greatly deserving of recognition from my community is Shan K. Théver, an inspiring leader in the South Asian Community and a real advocate for political change among the Asian population. He is not one to stand idly by and let others be the ones to speak out. He has and continues to be a pioneer in his proactive involvement for the improvement of the practice of law, minority business development, and the furtherance of social causes He was recently recognized by the California State Assembly for his outstanding achievements in community leadership, and the lasting impression he has made on those with whom he has been associated.

Among his achievements, he has an outstanding academic record from UCLA, and his first contribution to his community upon receiving his law degree was in providing Legal Aid Services to those most in need throughout the Los Angeles area. He has since established a distinguished private practice in health care and employment law.

In recognition of his strong leadership, President Bill Clinton nominated Shan to serve as the Assistant Director of the Minority Business Development Agency under Secretary of Commerce, Ron Brown.

In addition to his Federal service, Mr. Théver has been an activist at the State level as well, serving on California's medical board and adjudicating disciplinary cases against physicians, as well as chairing the legislative advisory committee for workers' compensation in 1986.

At the local level, Shan Théver served as the Mayor's appointee to the Los Angeles Airport Advisory Committee, which was charged with advising the Airport Commission and the Los Angeles City Council. He was Treasurer of the Municipal Improvement Corporation for Los Angeles, which was responsible for floating the City of Los Angeles bonds and, in 1989, he served on California Attorney General John Van de Kamp's Asian Advisory Council to recommend hate crime legislation.

Among his many other achievements, Shan Théver has served as a member of the UCLA Law Alumni Board of Directors, Steering Committee of the California Minority Counsel Program, Ethnic Advisory Group of the South Coast Air Quality Management District, California State Bar Board of Governors, and Minority Relations Committee, appointed by the State Bar Board of Governors, as well as the Asian Pacific American Bar Association of Los Angeles.

With great respect I commend Shan Théver for showing extraordinary leadership and inspiring others in the South Asian community to become proactive in their neighborhoods, churches, local organizations, the legal field and in government. He encourages everyone to get involved and make a difference. For his outstanding work, I would also like to congratulate Mr. Théver on his selection by the South Asian Bar Association of Southern California as the recipient of the Trailblazer Award. His fine example will lead many others to follow and become an instrumental force for change for the South Asian community.

AMERICAN JOBS CREATION ACT OF 2004

HON. CAROLYN C. KILPATRICK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Ms. KILPATRICK. Mr. Speaker, on June 17, 2003, I was in my congressional district on official business and unable to vote on H.R. 4520. Had I been here I would have cast a "yes" vote on the motion to recommit, and a "no" vote on final passage. My opposition to H.R. 4520 was based on a number of factors.

First, the majority opted to employ a closed-rule which precluded consideration of the Rangel alternative that would have removed the provisions that provide incentives to move jobs overseas. The Rangel alternative included all the extenders that Representative THOMAS added to his bill, such as small business expensing, R&D tax credit, and renewable energy—wind, solar—credits. The Rangel alternative would have provided the same temporary foreign income repatriation provision contained in the Senate Grassley/Baucus bill. The Rangel alternative provided a permanent solution on deductibility of State and local sales taxes, as opposed to the 2-year, limited provision under the Thomas bill. The Rangel alternative did not add to the deficit, and it dropped controversial revenue raisers from H.R. 4520—such as outsourcing tax collections to private debt collectors—and strengthened tax shelter provisions and rules that crack down on corporate expatriates.

In essence Chairman THOMAS cobbled together a variety of corporate tax breaks, extenders, and other sweeteners that have nothing to do with reforming international tax law. Fundamentally, H.R. 4520 pushed tax breaks for overseas investment and jobs abroad. During a time of historic job loss in America, H.R. 4520 retained as its core, $35 billion in incentives to U.S. firms to invest overseas. In my district, there is a need for domestic jobs, not out-sourced jobs. My constituents want American jobs and companies to remain here. Finally, H.R. 4520 will add to the deficit. At a time of historic deficits and without a realistic budget plan, instead of simply solving a $4 billion problem, H.R. 4520 includes nearly $150 billion in gross tax cuts with a net cost of $34 billion over the 10 years.

Mr. Speaker, H.R. 4520 will generate tremendous economic misery on Americans who can least afford it, and will benefit corporations that have shipped desperately needed jobs in America overseas. Had I been here, my "no" vote would have symbolized my conviction that perpetual tax cuts and deficit spending have to stop.

SENATE—*Monday, June 21, 2004*

The Senate met at 1 p.m. and was called to order by the President pro tempore (Mr. STEVENS).

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer.

Let us pray.

O God, who rides the wings of the wind, You are powerful yet patient. You show Your mercy to those who trust You. The clouds are only dust beneath Your feet and Your voice can be heard in life's storms.

Help America to hear You speaking in the storms that challenge our land. Make us a nation true to our best beliefs. Lead Your Senators today, along fresh paths of understanding. May they receive insights that will solve the problems that impede our national progress. Heal our world.

O God, our King, You have won victories everywhere on this Earth. We look to You today to direct and keep us. Lead us this week in an awareness of being Your children as You teach us to do Your will.

We pray this in Your holy Name. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, today the Senate will resume consideration of the Defense authorization bill. There are seven pending amendments at this time, with two of those being second-degree amendments.

As I stated Friday, I expect rollcall votes at 5:30 today on some of the pending amendments, or others that may be offered over the course of the afternoon.

At this time no votes have been set, but I will be consulting with the chairman and ranking member as to which amendments will be ready for rollcall votes this evening. We expect at least a couple of votes today on Defense amendments. As always, we will alert Members as those are set.

This is now the fourth week of consideration of this bill. The Senate began consideration of the Defense authorization on May 17. Since that time, we have had a number of challenges with respect to the schedule, but I think we have had adequate time to debate and consider this very important bill.

I vitiated the scheduled cloture vote last week, given a good-faith effort to complete this bill. Now is the time to work to bring this bill to an end.

Following tonight's votes, I hope we can stack additional votes for Tuesday morning, with a further agreement as to what remains. We will be prepared to stay late tomorrow if necessary in order to finish this bill. I expect Members to be prepared for that event.

Last, I have two scheduling reminders for Senators. The official photograph will be taken tomorrow at 2:15. Senators should be seated promptly at their desks at 2:15 for that photograph.

Second, there is a possibility of a Members only briefing on Iraq for Wednesday at 3 p.m. Once again, we will alert all Senators when this is all confirmed.

RECOGNITION OF THE ASSISTANT MINORITY LEADER

The PRESIDENT pro tempore. The assistant Democratic leader is recognized.

DEFENSE AUTHORIZATION

Mr. REID. If the distinguished majority leader will allow me to offer a few comments, it is my understanding that the distinguished chairman of the committee and Senator LAUTENBERG worked out side-by-side votes on his amendment and your second-degree amendment.

Mr. WARNER. I did not hear the Senator.

Mr. REID. I said it is my understanding for this afternoon we could have a vote on the Lautenberg amendment and also the amendment you offered in the second degree.

The PRESIDENT pro tempore. Senators should put their remarks through the Chair.

Mr. FRIST. I ask the chairman to comment on the schedule.

Mr. WARNER. Mr. President, I talked to Senator LAUTENBERG this morning. He made that request to me. I say this with all due respect. I second-degreed that amendment. The second degree, of course, would be in order for the first vote.

I just wonder. I am perfectly prepared to say yes, but if we begin to sequentially vote every second degree and underlying, we are going to be here for some period of time. Could some evaluation be made by the distinguished Senator from Nevada, after the vote on the second degree, as to whether in fact it merits the time of the Senate to go forward with the second vote?

Mr. REID. Mr. President, I think the distinguished chairman, as usual, makes a lot of sense. If, in fact, the second-degree amendment is agreed to overwhelmingly, of course it would not make a lot of sense to vote on that first amendment. I am sure we can work something out on that. I wanted the majority leader to know that we at least have one vote, perhaps two votes, lined up tonight at 5:30 or whenever the majority leader decides.

We have a number of other issues pending. Senator DURBIN has offered an amendment. It is my understanding Senators HATCH and HARKIN wish to second-degree that amendment. Senator DURBIN is, of course, waiting around to see what that second degree would do.

Senator DAYTON has an amendment. He is willing to offer that. It is a "Buy American." He would agree to a short time period, but the Senator from Arizona said he wanted to be here when that amendment was offered so Senator DAYTON is somewhat hesitant. I am going to talk to Senator DAYTON and tell him he should get his vote out of the way today. If Senator MCCAIN does choose to offer a second degree, we would be that much further ahead.

Senator BINGAMAN has a number of amendments but it appears maybe they can be worked out. Senator BINGAMAN thinks so. Senator BYRD is going to make a decision tonight as to whether he is going to offer his amendment. Senator CORZINE is indisposed today and is unable to offer his two amendments, but they should be on short time agreements. Senator KENNEDY has said he would be ready to offer his first thing in the morning.

So we are moving along. We don't have too much left to do. But there are a few things that will take a little bit of time.

Mr. WARNER. Mr. President, if I could reply, first, I think the distinguished Senator from Nevada has been extremely helpful and is continuing to be that way. Let me point out that we are prepared to take up each and every one of those amendments that he just mentioned right now. In the case of Senator MCCAIN, it could be that I could present on his behalf the second degree, we could engage in part of that debate on DAYTON, and upon the arrival of Senator MCCAIN, I am sure he could move right in and conclude the debate.

Mr. REID. Senator DAYTON is here. He would be willing to do that.

Mr. WARNER. That is one option.

I am not certain as to the time of the arrival of the Senator from Utah, Mr. HATCH. But there again I don't have the knowledge. It is a matter unrelated to the Defense bill. As you know, it relates to dietary supplements. I understand my committee chairman, Senator GREGG, has some views on it. I expect we could begin to engage in some debate on that prior to the arrival of Senator HATCH.

Mr. FRIST. Mr. President, let me interject. The Senator from Utah will be here early afternoon, sometime right after 2:30.

Mr. WARNER. So we could get started on that.

Mr. FRIST. Mr. President, I will allow Senators to finish. I think from the discussion we all just witnessed, we are working very hard with certain limitations with people who are here and the way they want to express themselves.

From a leadership standpoint, because this is the last week before the recess and we have other important legislation, I want to encourage the managers to do exactly what they are doing, and the leadership on both sides of the aisle, to bring this bill to closure tomorrow night. If it means working very hard today and tonight and starting early tomorrow with votes continuing late tomorrow night, I ask them to give every consideration to that so we can move on to very important business before our recess.

Mr. WARNER. Fine. Mr. President, if I heard the distinguished leader properly, the word was "closure" tomorrow night, not "cloture"? I want to make sure of that.

Mr. FRIST. That is correct, Mr. President. We want to proceed in good faith as we have been doing.

Mr. WARNER. As we have been doing.

Mr. FRIST. I vitiated the last cloture vote because I recognize the good faith both sides are working in, but we need to bring the bill to completion tomorrow night if it is at all humanly possible.

Mr. WARNER. I thank my leader.

With respect to the first issue raised by the distinguished Senator from Nevada about the Lautenberg measure, I did not mean in any sense to be negative about his approach. Frankly, it is a bipartisan issue, in my judgment. There will be Senators on both sides who will perhaps look at this amendment, which I believe is an important one in terms of the very critical subject before us today—that is, how this Nation best respects those who lose their lives in the combat operations in far lands today, primarily Afghanistan and Iraq. It is a serious amendment. There will be, I think, some support on both sides for my proposition and perhaps as well for the position of my distinguished friend from New Jersey, Senator LAUTENBERG.

But I wish to raise the subject of sequential votes in the case of second degrees. Each one should be looked at individually rather than just establishing an ironclad policy that we will proceed to have sequential votes every time there are second-degree amendments.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005

The PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 2400, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 2400) to authorize appropriations for fiscal year 2005 for military activities for the Department of Defense for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

Pending:

Brownback amendment No. 3235, to increase the penalties for violations by television and radio broadcasters of the prohibitions against transmission of obscene, indecent, and profane language.

Burns amendment No. 3457 (to amendment No. 3235), to provide for additional factors in indecency penalties issued by the Federal Communications Commission.

Durbin amendment No. 3225, to require certain dietary supplement manufacturers to report certain serious adverse events.

Lautenberg amendment No. 3291, to require a protocol on media coverage of the return to the United States of the remains of members of the Armed Forces who are killed overseas.

Warner amendment No. 3458 (to amendment No. 3291), to propose a substitute expressing the sense of Congress on media coverage of the return to the United States of the remains of deceased members of the Armed Forces from overseas.

Reed amendment No. 3353, to limit the obligation and expenditure of funds for the Ground-Based Midcourse Defense Program pending the submission of a report on operational test and evaluation.

Mr. REID. Mr. President, the reason we have considered these side by side on a number of occasions is the person offering the amendment initially wants a vote on his amendment. The second degree usually wipes out that amendment, which causes that person to reoffer the amendment, which they have a right to do. It has been discovered in the past that we are much better off considering them side by side right off the bat rather than doing the parliamentary skirmishing. Of course, as I said to the distinguished Chair, if there is an overwhelming vote on the second degree, a lot of times the Senator who offers the first degree doesn't want to do that. That is what we will have to see.

Mr. WARNER. Mr. President, I concur in the observation of our distinguished colleague. All I am saying is we should look at each one individually rather than establishing a policy at this point—certainly with regard to this bill because, as the distinguished majority leader said, the Senate has devoted extensive time to this piece of legislation. It is very important. I am optimistic that we can meet the schedule for completion tomorrow night. I hope that optimism is shared on the other side.

At this time, the bill is open to amendment. The managers await the arrival of the first Senator.

Mr. REID. Mr. President, the first Senator we have indicated to speak on an amendment will be here at 2 o'clock. Senator DAYTON will be here on the Buy America amendment. Senator LEVIN has a missile defense amendment with which the distinguished Chair is familiar. He will be here also to offer that amendment shortly. We probably won't have too many other amendments offered today, but we will see. We have placed calls, as you know. We have lined up for today Senators LEVIN, DAYTON, BYRD, and BINGAMAN. But we now understand that Senator BINGAMAN may not want to offer his amendment, Senator BYRD may not want to offer his, and Senator DAYTON's is with the condition, of course, which we have talked about. Senator LEVIN will be here. I assume Senator LEVIN's amendment will take probably an hour between both sides. He usually doesn't talk very long.

We are in a position to move forward.

Mr. WARNER. Mr. President, I hope we can perhaps reach the Byrd amendment today. It is an important amendment. I have shared many debates with my good and valued friend from West Virginia, and we are prepared. I cannot join him in support, but we will have a good, strong debate on it. It will be, I believe, a historic debate to initiate today.

Mr. REID. Mr. President, I spoke earlier today with Senator BYRD. He said he would make a decision tonight as to whether he is going to offer the amendment.

Mr. WARNER. Mr. President, I will be available tonight should the senior Senator from West Virginia desire to take up that debate tonight.

The PRESIDENT pro tempore. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I want to mention in the context of the discussion which has been held between the Senator from Virginia and the Senator from Nevada that I believe the second-degree amendment which I had intended to offer to Senator BROWNBACK's second-degree amendment will be in order. I have been working throughout the weekend. The question with the Parliamentarian was whether it would be relevant. I believe we have now revised that amendment so it will be relevant.

My understanding is Senator BROWNBACK has offered an amendment on indecency to this Defense authorization bill which came out of the Commerce Committee with respect to broadcasting. Senator BURNS of Montana offered a second degree to Senator BROWNBACK's amendment.

I would not offer an amendment that would be extraneous to the Defense authorization bill except that the amendment Senator BROWNBACK offered came out of Commerce Committee on a matter that addressed a related issue—that is, the concentration of broadcast ownership—which I, Senator LOTT, Senator SNOWE, and others added in the Commerce Committee. Senator BROWNBACK offered an amendment on the floor of the Senate excluding that provision. I understand why. I am not being critical of him at all. But I would want to add that back using a second-degree slot as soon as we can find a way in which Senator BURNS' second-degree slot will be resolved.

I say to the Senator from Virginia: I am here and ready any time to offer that amendment. It would not be my intention to hold up the Defense authorization bill. In fact, I wouldn't be offering this amendment were it not for the fact that Senator BROWNBACK's amendment on indecency was offered to the Defense bill when it came out of the Commerce Committee containing the amendment on broadcast ownership which I had previously offered with Senator LOTT.

I wanted to make the Senator from Virginia aware that the second degree I will offer, along with Senator SNOWE and some others, is certainly available, and I would want to find an opportunity to offer that amendment.

Mr. REID. Mr. President, through the Chair to the distinguished Senator from North Dakota, on this side we have been very careful about extraneous amendments being offered. There are a lot of things we would like to talk about. There is minimum wage, just to name one and which we feel is long overdue. There are a lot of amendments regarding Medicare we could offer on this legislation—prescription drugs. But because this is an important Defense bill, we have chosen not to offer any extraneous amendments. We have been very thorough in stacking amendments that would be offered on this side.

Speaking personally, that is why I am somewhat disappointed that an amendment dealing with broadcast indecency would be offered on this bill because there is no question it will hold up things. The Senator from North Dakota has led the effort in the Senate, and that effort has been successful. A limitation on what the administration did was passed by a wide margin. This just opens the door.

Senator DORGAN would be legislatively irresponsible if he didn't offer his amendment sometime during the pendency of this Brownback amendment. I am in support of the Senator from North Dakota in offering this amendment.

I want to underscore and underline that it is too bad this broadcast indecency amendment was offered on this bill because it is going to take a little bit of time.

Mr. WARNER. Mr. President, we are where we are. In the mortal words of someone smarter than I, we have to deal with the cards which have been dealt.

I have a suggestion. We are trying to work out how we could protect the parliamentary situation as it now exists with regard to the Burns second degree such that we could proceed now with the debate on the amendment of the distinguished Senator from North Dakota and at least have the debate in place in the hopes that perhaps we could resolve this dilemma as the day goes on.

Mr. REID. Mr. President, I want it made clear that the reason I said this is we have worked very hard to move this bill along. This is an important bill. We started off with about 300 amendments. Those amendments were defense oriented with rare exception. The majority leader has worked hard and filed a cloture motion. That was withdrawn, and rightfully so. But now we have this measure being offered on the other side of the aisle.

I want the RECORD to be very clear that the extraneous matters on this important Defense bill have not come from this side of the aisle.

Mr. WARNER. Mr. President, I so note that observation.

May I inquire of the Senator from North Dakota: Is the parliamentary situation on his amendment now clear?

Mr. DORGAN. Mr. President, in response, my amendment would be a second-degree amendment offered to Senator BROWNBACK, but that second-degree slot, I believe at this moment, is filled by an amendment previously offered by Senator BURNS. I don't quite know how to resolve that, but at some point Senator BURNS' second-degree amendment will be resolved, that second-degree slot will be open, and I will offer an amendment similar to that which we did in the Commerce Committee.

Mr. WARNER. I presume the Burns matter would require a recorded vote, so at this point in time I don't know whether the Senator is willing to use this available time to explain his amendment, although it will not be a pending matter before the Senate.

We will try to resolve the underlying parliamentary situation with regard to both amendments, the underlying amendment and the Burns second-degree amendment, so the Senator will have his opportunity.

Mr. DORGAN. Mr. President, let me take a moment to consult with some staff on our side with respect to the parliamentary situation.

Let me say again, so the Senator from Virginia is clear, and I think he is, this Defense authorization bill needs to get completed with some dispatch. I sympathize with the challenge he and the Senator from Michigan have had trying to move it along. It is not my intent in any way to delay that.

I feel obligated, as I think do others in the Senate, that when Senator BROWNBACK offered an extraneous amendment, that amendment which previously included broadcast ownership limitation issues dealing with the FCC rules, to add that back to the indecency language.

I will consult with our side in a moment and perhaps I can make some comments about it, and if others wish to make comments, we would find a way to vote as soon as the Burns second-degree amendment is disposed of. Let me do some consultation and perhaps I can speak.

Mr. WARNER. That is a reasonable request, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBERTS). Without objection, it is so ordered.

Mr. WARNER. Mr. President, together with the Senator from Nevada, the Senator from Virginia, in consultation with leadership, presents to the Senate this UC: I ask unanimous consent that at 5:30 today the Senate proceed to a vote in relation to the Warner amendment No. 3458 which is to be drafted as a first degree; to be followed immediately by a vote in relation to the Lautenberg amendment No. 3291; provided that no second degrees be in order to the amendments prior to those votes.

AMENDMENT NO. 3291, AS MODIFIED

Mr. REID. Mr. President, I ask unanimous consent that the distinguished chairman allow me to send a modification for Senator LAUTENBERG to the desk prior to this consent being approved.

Mr. WARNER. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered. The modification will be made.

The amendment (No. 3291), as modified, is as follows:

At the end of subtitle G of title III, add the following:

SEC. 364. PROTOCOL ON MEDIA COVERAGE OF RETURN TO UNITED STATES OF REMAINS OF MEMBERS OF THE ARMED FORCES WHO DIE OVERSEAS.

(a) PROTOCOL REQUIRED.—(1) Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall develop a protocol that permits media coverage of the return to the United States of the coffins containing the remains of members of the Armed Forces who die overseas.

(2) The protocol shall ensure the preservation of the dignity of the occasion of the return to the United States of members of the Armed Forces who die overseas.

(3) The protocol shall ensure the preservation of the confidentiality of the identity of each member of the Armed Forces whose remains are returning to the United States.

(b) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to Congress a copy of the protocol developed under subsection (a).

Mr. REID. Mr. President, there is no objection to the consent request by the Senator from Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, the leadership is working with the managers to see what we can do to resolve the question of one of the amendments which is pending before the Senate with regard to matters relating to the Commerce Committee. We see the Senator from North Dakota prepared to speak to his amendment. As soon as we can work out the parliamentary situation, we will proceed to that point.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, we have been given a consent agreement drafted by the staff that is now being vetted with the majority. We should be in a position to approve that shortly which would allow us to handle the underlying Brownback amendment, the Burns amendment, and the Dorgan amendment, which we will offer on a future occasion not too long from now. That should resolve this totally. In the meantime, I think it would be appropriate if the Senator from North Dakota spoke about his amendment.

Mr. WARNER. It would be a valuable use of the time if we were to do so. We encourage that.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, let me say again this amendment is not related to the subject of the Defense authorization. The only reason I offer it is because the amendment offered by Senator BROWNBACK, which itself is not related to Defense authorization, was offered last Friday. I indicated when he offered that amendment, which I support, that I would second-degree it, because we second-degreed it in the Commerce Committee, and we merged two issues: indecency and the issue of broadcast ownership rules and regulations.

When my colleague from Kansas offers an indecency amendment to the Defense authorization bill, I don't have much choice except to offer the amendment we offered to it in the Commerce Committee. If this bill is stripped of all extraneous amendments, I will understand that and I will not complain. But if this bill is going to proceed with amendments of the type that came from the Commerce Committee, then I insist it also include the issue of broadcast ownership rules and regulations that were adopted by the Federal Communications Commission.

Let me describe what all this is about with respect to broadcast ownership. The Federal Communications Commission did a rulemaking on the issue of broadcast ownership. They had somewhere around three-quarters of a million Americans, unprecedented numbers of Americans, write and e-mail and send concerns and expressions of their interest to the Federal Communications Commission. Almost all of them said to the FCC: Don't change the rules and regulations with respect to broadcast ownership of properties in a way that injures the public interest.

It didn't matter to the FCC. They went ahead and changed the rules. The way the FCC constructed it, the rules say: It is all right if in your community—let's say you live in one of the biggest cities in America—one company owns three television stations, eight radio stations, the cable company, and the dominant newspaper. That is fine.

Well, it is not fine with me—it is not fine with, by far, the majority of the American people—to see fewer and fewer Americans, no more than a handful, who are going to have control over what the rest of the American people see, hear, and read.

Let me say again what the FCC allowed. In the biggest cities of the country, one company can come in and buy up eight radio stations, three television stations, the cable company, and the dominant newspaper—in many cases, the only newspaper. Why is this of concern? Well, it is of concern to me because we license the use of the airwaves. They don't belong to broadcasters or radio stations or television stations. They belong to the people. The airwaves belong to the American people. We license their use to certain companies in exchange for certain obligations.

One of those obligations that has never and will never be old fashioned is localism. That is not an old-fashioned requirement for broadcasters. So the question is, how do you develop or how do you maintain or how do you have localism in broadcast properties when one company owns, in this case, 1,200 radio stations. Yes, that is the case. One company owns 1,200 radio stations.

We did hearings about all these subjects. Let me tell you about something called voice tracking. This is antithetical to localism. Voice tracking is a process by which a company that owns a lot of radio stations will have someone in a basement in Baltimore, MD broadcasting. And he is broadcasting over, for example, a station in Salt Lake City, UT, saying: It is a beautiful morning here in Salt Lake City. The sun is shining over the mountains. What a great day to wake up in our city.

The problem is, that guy was broadcasting from Baltimore. He was using the Internet to find out that the sun is shining in Salt Lake City. It is called voice tracking. It is fooling the consumers into believing that announcer is there. It has nothing to do with localism or responsibilities of localism.

There is another approach used by television stations. It is called central casting. It is trying to make you believe the news team is from your city when, in fact, it is not. Central casting, voice tracking, these are mechanisms by which the large concentrations of broadcasters are trying to convince people there is localism to their broadcasts.

Some of us believe very strongly that this is moving in the wrong direction. I am not opposed to big because something is big. Good for the folks who are successful. If somebody has two radio stations and buys two more, good for them. If they have eight and buy eight more, good for them. If they have 50 and buy 50 more, I am not going to come here and complain about that. But 1,200 radio stations in the hands of one company? Or television broadcasting stations being gobbled up together under one big ownership group? Is that good for our country, especially in an area where, in most cases, you have monopolies or near monopolies and now this FCC rule says, in addition to all of that, with respect to broadcasting properties, we are going to get rid of that pernicious rule that allows cross ownership of broadcast properties with the newspaper?

At the hearing in the Commerce Committee, I held up a letter that was sent out all across the country by an investment banking company. They said: Get ready, because the FCC is fixing to change its rule, and when they do, your newspapers can buy up a bunch of broadcast properties. And so they are already.

The FCC rule, fortunately for us, has not yet gone into effect because it was stayed by a Federal court. This issue is now in the Federal court. So there is a stay order. It may well be lifted soon when the Federal court makes its judgment. But that begs for the Congress to make its own judgment to overturn and rescind the FCC rules.

Senator LOTT, Senator SNOWE, myself, and others brought this issue to the Senate floor with something called a veto of an administrative rule. It is called the Congressional Accountability Act in which we have the opportunity to veto a rule by a Federal

Agency. It has only been used once. We offered that. And by a very significant margin, we won. So the expression of the Senate already has been to say: We don't support the FCC rule. We believe it should be rescinded. And using the Congressional Accountability Act, the Senate, on a bipartisan vote, said: We don't want these rules to go into effect, FCC, start over and do it right. Well, that Senate vote went to the House of Representatives and it is now sitting at the desk in the House of Representatives 10 votes short. They need 218 votes. They have a letter with 208 signatures on it and they are 10 short and they cannot move.

The Speaker of the House and the administration very much oppose this. They have stymied it in the House of Representatives. My feeling is that the only opportunity we have in a circumstance such as this is to offer an amendment on a bill, such as the Brownback bill—and, incidentally, we are faithful to our determination to move this. We offered the same amendment in the Commerce Committee when Senator BROWNBACK brought up his legislation. We prevailed there.

I support the Brownback legislation and the second-degree amendment that Senator BURNS intends to offer to it as well. I hope the Senate will, once again, support my second-degree amendment once the amendment by Senator BURNS is disposed of.

We had testimony before the Senate Commerce Committee, and I don't remember the fellow's name. He testified two or three times. He owns a pretty big broadcasting company in one of the States south of here. He explained the problem with the growth and concentration in broadcasting. He said: I own a good television station, but I cannot tell the folks from Hollywood or New York what I want to show in my viewing area because if they are sending out a program I think is something I don't want to show, I don't have the opportunity to say we will not show that. I will lose my network affiliate status if I do that. I don't have the capability to make any kind of local decision about this.

Look, I happen to think broadcasting, whether it is radio or television, has some of the most breathtaking, wonderful, remarkable programming; some of it is extraordinary. I also think there are programs that are shabby, trashy, and disgusting. You have both sides of it. I don't know, maybe somebody adds to their cultural interests by tuning in on HDTV and seeing someone eating maggots from a bowl in a contest. I don't know. I would expect that very few find much interest in that. I guess it does achieve some ratings from time to time.

But when you have concentrations of broadcast properties, as has been the case, dramatic increases in just the hands of a few people deciding what the rest of the American people are going to see, read, and hear, I think it ought to be of great concern to the Congress. The FCC rule caved in almost instantly to the big economic interests here.

I know those who own newspapers are upset with the position I take. Those who own broadcast properties are upset with the position I take. But the fact is, this is about the public interest, and the public interest is best served when we decide localism is not old-fashioned. I don't object to some big companies. But I object to circumstances when the big companies are given the green light by the FCC to own almost everything in a community with respect to communications—radio station, television stations, the cable company.

Whatever happened to the market system? The market system is where you have robust competition, broad-based economic ownership. I don't see much of that market system in broadcasting these days. All you see are the gobbling up by big interests.

It is interesting, we now have a 35-percent ownership cap on national viewing by the major television networks, in terms of the number of stations they can own, which has now, as a result of last year's omnibus bill, gone to 39 percent. It used to be 25 percent.

In fact, in 1996, when we had a bill on the floor called the Telecommunications Act, we had a prohibition on owning television stations beyond 25 percent of the national audience. That new bill took 35 percent. I came to the Senate floor in 1996 and offered an amendment to take it back to 25 percent—the national ownership cap—with respect to one company. It is interesting, we debated that about 4 o'clock in the afternoon and then we had a vote. It turns out I won the vote. Senator Dole, with a pretty substantial opposition on the floor of the Senate when he wanted to be, was on the other side. So we had a vote on broadcast ownership limitation and I won, I think by three or four votes. I thought that was extraordinary, to win a vote like that. Then I believe Senator D'Amato, as the vote was coming to an end, changed his vote to be on my side, the prevailing side.

I knew something was wrong, but I didn't know what until 4 hours later. What had intervened 4 hours later was dinner. Apparently, there was some epiphany over dinner for four or five Senators, who came back, and there was a motion to reconsider; these Senators who had had some glorious meal, which apparently infused them with a different wisdom, changed their vote and it turned out I had won only for 4 hours. That happens around here. You can win big and long but sometimes not permanently. That was the case in 1996.

I express that to say this is not a new issue with me. I have been concerned about this concentration of broadcast ownership for a long while. What the FCC has done is compounded the problem. Not only are we saying "Katey bar the door," whatever you want to buy, buy it, but we will add to the mix the newspapers. While you are buying each other up and playing these monopoly games, throw in the newspapers as well. We don't care very much. That is the message from the FCC.

Fortunately, the Senate has sent a different message. We already voted on this subject and expressed our interest that the rules crafted by the Federal Communications Commission are completely out of sync with reality and ought to be rescinded. That was a big vote in the Senate. There was no reconsideration. We had to come back and lose that one. Senator LOTT and myself and others spoke in support of overturning those rules. That is stuck in the House because the Speaker will not allow a vote on it. We are going to have to find a way, in whatever expression we can, to advance this issue.

Because Senator BROWNBACK brought to the floor a bill that used to include this amendment when it came out of the Commerce Committee, but is not what he offered on the floor, I am required to offer this amendment to the Brownback amendment. I will offer it in the second degree.

My understanding is, while there is already a second-degree in the form of Senator BURNS' amendment, when I offer this at the end of my presentation, the second-degree I will offer will be able to be disposed of when the amendment of Senator BURNS is disposed.

I support the Brownback amendment and the Burns amendment. If anybody can understand all that, they are perhaps better than I am. I say to the Senator from Virginia, I would like us to finish this Defense authorization bill and deal with these issues. I encourage the Senator to accept all three of these amendments and take them to conference.

If I might get the attention of the Senator from Nevada, Senator REID, I think we will need a unanimous consent request prior to my formally offering a second-degree amendment, since there is already a second-degree amendment in the slot. But having already spoken on this, I don't need to speak further. Perhaps Senators SNOWE, or LOTT, or others wish to speak in favor of the amendment. I will rely on the Senator from Virginia and the Senator from Nevada to offer my amendment at the appropriate time when the consent is agreed to, and then mine would be disposed of following Senator BURNS' second-degree amendment.

Mr. WARNER. Mr. President, I think the Senator's understanding coincides with that of myself and the distinguished Senator from Nevada. In due course, several parties who have an active interest in not only the parliamentary situation but the substance are soon to arrive in the Senate. We have to wait a bit.

Mr. DORGAN. There are some interests, of course, outside of the Chamber that would not want this amendment to the Brownback bill. I want to make sure we have an understanding that I get the opportunity to do this. Otherwise, I have a much longer statement that I would be prepared to make. My preference would be to leave it at this and to simply get this pending as soon as possible.

Mr. WARNER. Mr. President, we understand. A Senator asked for a few minutes of morning business and then I would be prepared to engage with Senator BINGAMAN on his amendment, if that is agreeable.

Mr. REID. Mr. President, will the Senator from Virginia yield?

Mr. WARNER. Yes.

Mr. REID. The Senator from New Mexico is here to offer his amendment. The Senator from Minnesota, Mr. DAYTON, is on his way to offer his amendment. We also have the missile defense amendment to offer, and he indicated he would be happy to do that today. So we have a lot to do.

I was looking at my BlackBerry, which is giving this information, which is the reason we are here today:

Four U.S. servicemembers were killed Monday, shot repeatedly in the head during an ambush while they were on patrol in the Sunni Muslim stronghold of Ramadi. On Sunday, two servicemen were killed and 11 injured in an ambush on the road to the airport.

That is what this is all about today.

We ought to move this bill along, not only as quickly as we can, but with as much quality as we can. This is an important piece of legislation. We certainly understand that in 2 days, six Americans were killed in Iraq. We only know of 11 wounded, but I am sure a lot more than that were wounded. Each person in the Senate understands the importance of this legislation. We are reminded of that every day when we see news such as this.

Mr. WARNER. Mr. President, I thank my colleague for bringing up that point. I, too, am concerned, as is every Member of this body, about the daily, weekly loss of life and limb by our brave men and women in the Armed Forces. As the Senator says, this is their bill. That is what it is. It is their bill, whether they are privates or generals or admirals.

Might we accommodate the Senator from Ohio?

The PRESIDING OFFICER (Mr. CHAMBLISS). The distinguished Senator from Ohio is recognized.

Mr. DEWINE. I thank the Chair, and I thank my colleague from Virginia.

UPDATE ON DARFUR

Mr. DEWINE. Mr. President, several weeks ago, I came to the floor to talk about the crisis in Darfur, Sudan, where it is estimated at least 30,000 people have already been killed and 1 million people—maybe even 2 million—have lost their homes, have been driven from their homes in a government-led campaign of ethnic cleansing. To get a better idea or another way of looking at this, it is estimated that in this government-led campaign of ethnic cleansing, 341 villages have been completely destroyed, and 99 villages have been partially destroyed. It is also estimated these villages are, on average, made up of 4,000 or 5,000 people to a village. I think my colleagues can understand the gravity of this crisis.

Many of these individuals are now homeless. Those who have not been killed have fled, and many of them are in refugee camps. The looming crisis is absolutely unbelievable. This is clearly the world's greatest crisis today.

The Government of Sudan announced this past weekend it intends to disarm the militia responsible for these atrocities and present them to justice. We can only hope and pray what the Government of Sudan says is now correct. The Government of Sudan has made similar statements in the past that have turned out not to be true. The Government of Sudan has made similar statements in the past. For example, it is OK for refugees to return to Darfur, all at the same time their very own government planes were locating villages for the militias to attack. In addition, there are still 1 to 2 million people still in need of humanitarian assistance.

We do not need promises from the Government of Sudan. What we do need, though, is action. That is why I am back on the floor today to outline what we need to see accomplished in Darfur.

First, we need to see that the Government of Sudan is allowing unfettered access to humanitarian aid. This means granting visas and travel permits in a timely manner, not just to U.S. Government agencies, but to all of the groups trying to help deal with the humanitarian crisis that exists today in Darfur.

If one truck or one pallet of supplies is unreasonably delayed, the Government of Sudan must be held accountable. The Government of Sudan must know the world is watching and that we will not accept anything short of their full cooperation.

Second, the recent decision to disarm the militias needs to be accompanied by a plan to prosecute those guilty of ethnic cleansing and genocide. The ranks of the government and military branches in Sudan need to be searched, and those guilty of participating in the ethnic cleansing need to be prosecuted. Competent tribunals need to be established and justice served in Darfur. An unjust peace will provide no peace for Darfur.

Third, the Government of Sudan must prove they have a long-term plan to ensure that these atrocities simply will not continue. That is why it is essential we dedicate the resources necessary to ensure a robust African Union monitoring mission in Darfur. The Darfur region is the size of Texas and, therefore, a handful of monitors simply will not be enough to ensure that the killing and violence has stopped. We must be committed to this in the long haul and the Government of Sudan must be as well.

Until such time as the Government of Sudan accomplishes all of these things, we should not relieve any of the pressure we have put on them, and neither should the international community. The pressure is beginning to work, but it must continue. Therefore, I believe the United Nations Security Council must pass a resolution authorizing peacekeepers for Darfur. If the Government of Sudan is serious about ending this conflict, then they have no reason to object to U.N. troops monitoring the cease-fire and ensuring that the humanitarian aid flows. If the Government of Sudan objects to peacekeepers, we will know their promises were not serious. This is a litmus test and the world will be watching.

We also should expect the U.S. Department of State to move forward in naming names of militia members and Sudanese Government officials involved in the killings and atrocities. We must do everything in our power to ensure that the guilty are punished. For the women who are raped and then branded, for the children who were slaughtered, and for the 30,000 who were killed because of the color of their skin, we must ensure that justice is served.

I closed my speech last time talking about time and about how our window of opportunity was closing. Nothing has changed. We still face the worst humanitarian crisis in the world, and 2 million people are counting on us. If we are serious after the horrible tragedy a decade ago of Rwanda, if we are serious that we will never again allow genocide to go unpunished, if we are serious that we will not allow this to happen again, we cannot lose our focus. The Government of Sudan must know we are still watching, that we will continue to watch, and that nothing short of complete compliance will deter us from helping the people of Darfur.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, it is very important to keep in focus what Senator DEWINE spoke about. There has been much too little focus by all of us on this subject. The leadership of Senator DEWINE in reminding us of what is going on is critically important, and I thank the Senator for it.

For close to two decades, the nation of Sudan has been ravaged by a civil war that has claimed over 2 million lives. This civil war, which is the longest running conflict in Africa, shows few signs of abating as many efforts to negotiate peace agreements or ceasefires have failed. What is particularly troubling is the fact that this conflict has shifted and spread to the Darfur region in Western Sudan.

Historically, this civil war has pitted Northern Sudan, which is largely Muslim, against those in the south who are predominately Christian or animist. The conflict is not only religious in nature; while setting those who would force a program of Islamization upon the entire nation against unwitting supplicants, this conflict also draws upon disputes over oil, water rights, and the future shape and form that Sudan will take as a nation.

Given the nature of this conflict, the recent announcement by the Government of Sudan that it would disarm the Janjaweed—militias supported by the government of Khartoum—is a welcome sign. The ethnic cleansing undertaken by the Janjaweed has claimed tens of thousands of lives and has created over a million internally displaced persons as well as hundreds of thousands of refugees who have fled across the border to Chad.

Furthermore, the United Nations has noted that the conflict in the Darfur has claimed over 30.00 lives. according the International Crisis Group, as many as 350,000 more lives will be claimed in the next 9 months if conditions do not improve. It is imperative for the international community to take clear and decisive steps to halt the violence and to provide humanitarian aid to refugees and displaced persons.

The Government of Sudan has a long history of denying aid to those in need. Their tactics have been developed through decades of practice and have included refusing to allow U.N. chartered planes with relief goods to land in Sudan as well as instituting delays for trucks carrying relief items. Camps that serve as home to over a million Internally Displaced Persons are in woeful condition, and only exacerbate the spread of disease and illness. It is imperative that medical supplies and foodstuffs become available immediately. Further delays only mean that more lives will be lost. Just as there cannot be a delay in the distribution of aid, the international community must take steps to provide the needed funds for this aid. The United Nations initially appealed for over $170 million in aid for Darfur and Chad. Only $50 million, the bulk of which has been provided by the U.S., has been provided while the amount of funds needed has increased to $250 million.

Food and medical aid can save lives immediately, yet steps must be taken to ensure that a lasting a sustainable peace can be reached. To that end, rebels must be disarmed. Given that these rebels operate with the approval and support of the Sudanese Government and military, this is an undertaking that can occur immediately if the political will to do so can be mustered. Disarming the rebels is a good step, but it is not sufficient. The rebel groups cannot be subsumed into the military and police forces. All those involved in the perpetration and support of ethnic cleansing must be prosecuted so that justice can be administered.

None of this will occur without the leadership of the international community. Thus far, for two decades, the world had done too little to address this threat. The United States and the United Nations must take steps to ensure that the international community is empowered to effectively and efficiently ensure that a peace resolution is reached and that it is implemented immediately.

Unfortunately, the cry of "never again" has been used all too frequently when lamenting the propagation of conscious, deliberative, and genocidal actions. It is imperative that decisive action is taken to help bring peace to Sudan.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. I thank the Chair.

(The remarks of Mr. FRIST and Mr. WYDEN pertaining to the introduction of S. 2551 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, we are awaiting, and there is diligence on the other side in every respect, either the amendment of Senator DAYTON or the amendment from. Senator BINGAMAN. We have given them our second degrees in each case, which are now being studied. Until such time as one of the managers on the other side or these Senators appear, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3459

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is laid aside.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 3459.

Mr. BINGAMAN. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require reports on the detainment of foreign nationals by the Department of Defense and on Department of Defense investigations of allegations of violations of the Geneva Convention)

At the end of subtitle C of title X, add the following:

SEC. 1022. REPORTS ON MATTERS RELATING TO DETAINMENT OF PRISONERS BY THE DEPARTMENT OF DEFENSE.

(a) REPORTS REQUIRED.—Not later than 90 days after the date of the enactment of this Act, and every six months thereafter, the Secretary of Defense shall submit to the appropriate committees of Congress a report on the population of persons held by the Department of Defense for more than 30 days and on the facilities in which such persons are held.

(b) REPORT ELEMENTS.—Each report under subsection (a) shall include the following:

(1) General information on the foreign national detainees in the custody of the Department for more than 30 days during the 6-month period ending on the date of such report, including the following:

(A) The total number of such detainees in the custody of the Department at any time during such period.

(B) The countries in which such detainees were detained, and the number of detainees detained in each such country.

(C) The total number of detainees in the custody of the Department as of the date of such report.

(D) The total number of detainees released from the custody of the Department during such period.

(E) The nationalities of the detainees covered by subparagraph (A), including the number of detainees of each such nationality.

(F) The number of detainees covered by subparagraph (A) that were transferred to the jurisdiction of another country during such period.

(2) For each foreign national detained by the Department of Defense during the six-month period ending on the date of such report the following:

(A) The name.

(B) The nationality.

(C) The place at which taken into custody.

(D) The circumstances of being taken into custody.

(E) The place of detention.

(F) The current length of detention or, if released, the duration of detention at the time of release.

(G) A categorization as a military detainee or civilian detainee.

(H) The intentions of the United States Government on such detainee, including whether or not the United States will—

(i) continue to hold such detainee with justification;

(ii) repatriate such detainee; or

(iii) charge such detainee with a crime.

(I) The history, if any, of transfers of such detainee among detention facilities, including whether or not such detainee been detained at other facilities and, if so, at which facilities and in what locations.

(3) Information on the detention facilities and practices of the Department for the six-month period ending on the date of such report, including for each facility of the Department at which detainees were detained by the Department during such period the following:

(A) The name of such facility.

(B) The location of such facility.

(C) The number of detainees detained at such facility over the course of such period and as of the end of such period.

(D) The capacity of such facility.

(E) The number of military personnel assigned to such facility over the course of such period and as of the end of such period.

(F) The number of other employees of the United States Government assigned to such facility over the course of such period and as of the end of such period.

(G) The number of contractor personnel assigned to such facility over the course of such period and as of the end of such period.

(c) FORM OF REPORT.—Each report under subsection (a) shall be submitted in unclassified form, but may include a classified annex.

(d) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term "appropriate committees of Congress" means—

(1) the Committee on Armed Services and the Select Committee on Intelligence of the Senate; and

(2) the Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

Mr. BINGAMAN. Mr. President, this is a very straightforward amendment that would require the Department of Defense to provide to the appropriate committees of the Congress—that is the Armed Services Committee Senator WARNER chairs here in the Senate, the Armed Services Committee in the House, and the two Intelligence Committees of both the House and Senate—a report related to those prisoners they are detaining and that they have had in detention for at least 30 days.

Some could characterize this as the anti-ghost-prisoner amendment. This is an effort to be sure Congress has the basic information it needs to exercise oversight of the Pentagon, of the Department of Defense, with regard to detainees anywhere in the world. The effect of the amendment would be to require that the report advise the committees on who these people are, what is their nationality, where are they being detained—in which facility, that is—and whether the Department of Defense intends to keep them, has justification for intending to keep them in detention, intends to repatriate them to their home country, or intends to charge them with some crime and prosecute them. Those are the obvious choices. If there are others my colleagues could suggest, I would be glad to add those to the language of the amendment.

The idea is the committees of the Congress with jurisdiction in this area should have some knowledge about the extent of the detentions we are engaged in, our Department of Defense is engaged in. The amendment as I have drafted it calls for this report to be made every 6 months so the Congress could exercise a meaningful oversight.

You could say, What has prompted this kind of amendment? There are a lot of accounts in recent days in the news that have prompted it. I think many people have probably noticed some of these news accounts. There was an article in the Financial Times on Saturday. "Guantanamo Prisoners Wrongly Held" is the headline. Then the body of the article says:

> The U.S. released more than two dozen prisoners from Guantanamo Bay earlier this year after Pentagon lawyers determined that some had been detained wrongly for as long as 2 years.

It goes on in another paragraph of the same article:

> But the Financial Times has learned that in January the Pentagon sent a team of lawyers to Guantanamo to examine whether there was sufficient evidence to justify some of the detentions.

Then it goes on and says:

> The Pentagon team's recommendation that in several cases there was insufficient evidence to justify their imprisonment alarmed the White House because of the need to persuade the Supreme Court of the legality of the detentions.

That is one article which obviously raised concerns. Frankly, what raised concerns, at least for me, was the various articles recounting the statements by the Secretary of Defense to the effect that he had directed the appropriate information as to at least one prisoner and perhaps several be withheld from the Red Cross. It is required to be given to the Red Cross under the Geneva Conventions. He had ordered that it not be given to the Red Cross at the request of the head of the CIA. This is the so-called ghost prisoner phenomenon we have been reading about in recent days.

About 10 months ago I offered an amendment here on the Senate floor to try to require a report from the Pentagon, and from the Department of Defense, on that category of prisoners whom the administration has designated as enemy combatants.

Unfortunately, that amendment failed. Many of my colleagues voted against it.

Senator STEVENS made a representation on the Senate floor that the Intelligence Committee has access to information about enemy combatants, including the names of who is being detained. It says the Red Cross is fully engaged in this information.

I tried, frankly, over a period of several weeks to find out if that was the case. My first information was the Senate Intelligence Committee did not have that information. I am now informed they do have the information but that it is classified in such a way that only the chairman and the ranking member of the Intelligence Committee have access to it.

I believe as Members of Congress who have responsibility of oversight of the executive branch it is appropriate that at least the appropriate committees get the same basic information about these detainees that we are required under the Geneva Conventions to give to the Red Cross. I don't know why information should be provided to the Red Cross that the Congress itself shouldn't be entitled to.

I hope my colleagues will agree both that we should provide the information to the Red Cross as the Geneva Conventions commit us to provide since we are signatories to the Geneva Conventions, and second, that Congress should be entitled to the same basic information.

I have asked in my amendment which I have sent to the desk for some additional information—information that the Red Cross is not entitled to under the Geneva Conventions.

The main thing I have asked for, frankly, with regard to the detainees is the Secretary of Defense advise the appropriate committees of the Congress as to what the intention of our Government is with regard to these individuals. Do we intend to maintain them in detention? Do we have justification to do so? Do we intend to repatriate them to another country? Or do we intend to charge them with a crime?

It seems to me that is an appropriate request for us to be making.

I have been embarrassed—as I believe many in the Congress have been—at the revelations about treatment of prisoners. I have also been surprised at the revelations about the extent of the detentions we are engaged in, particularly in Iraq but also in Afghanistan, and the number of people we seem to have in custody.

I think it is entirely appropriate that the Congress try to exercise some type of oversight on an ongoing basis to ensure that basic human rights are respected, and that the standards we have committed to in the Geneva Conventions are, in fact, being adhered to.

I think this is a very straightforward request. It does nothing but require a report every 6 months.

I know my colleague and former chairman, Senator WARNER, has had some concerns about the particular aspects of this amendment and has come up with an alternative which he would like to offer and put before the Senate as well as a second-degree amendment.

I would be happy to engage in some serious discussion about the particular provisions of my amendment as well as the second-degree amendment Senator WARNER has indicated he desires to offer. But, as I say, I think the basic bottom-line position I am taking is there is no reason Congress should be denied information which we are otherwise providing to the Red Cross.

There is certainly no problem if the Department of Defense believes this information needs to be held confidentially in classified form. My amendment provides for that. It is their determination. If they think this has to be classified, they can classify it. They can put portions of this report in a classified annex. But to say Congress should not get the information at all I think is not an appropriate response.

For that reason, I hope my amendment will be agreed to.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

AMENDMENT NO. 3460 TO AMENDMENT NO. 3459

Mr. WARNER. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER] proposes an amendment numbered 3460 to amendment number 3459.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter proposed to be inserted, insert the following:

SEC. 1022. REPORTS ON MATTERS RELATING TO DETAINMENT OF PRISONERS BY THE DEPARTMENT OF DEFENSE.

(a) REPORTS REQUIRED.—Not later than 90 days after the date of the enactment of this Act, and every six months thereafter, the Secretary of Defense shall submit to the appropriate committees of Congress a report on the population of detainees held by the Department of Defense and on the facilities in which such detainees are held. The report may be submitted in classified form.

(b) REPORT ELEMENTS.—Each report under subsection (a) shall include the following:

(1) General information on the foreign national detainees in the custody of the Department during the six-month period ending on the date of such report, including the following:

(A) The total number of detainees in the custody of the Department as of the date of such report.

(B) The countries in which such detainees were detained, and the number of detainees detained in each such country.

(C) The total number of detainees released from the custody of the Department during such period.

(D) The nationalities of the detainees covered by subparagraph (A), including the number of detainees of each such nationality.

(E) The number of detainees covered by subparagraph (A) that were transferred to the jurisdiction of another country during such period, and the identity of each such country.

(2) Information on the detention facilities and practices of the Department for the six-month period ending on the date of such report, including for each facility of the Department at which detainees were detained by the Department during such period the following:

(A) The name of such facility.

(B) The location of such facility.

(C) The number of detainees detained at such facility over the course of such period and as of the end of such period.

(D) The capacity of such facility.

(E) The number of military personnel assigned to such facility over the course of such period and as of the end of such period.

(F) The number of other employees of the United States Government assigned to such facility over the course of such period and as of the end of such period.

(G) The number of contractor personnel assigned to such facility over the course of such period and as of the end of such period.

(c) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term "appropriate committees of Congress" means—

(1) the Committee on Armed Services and the Select Committee on Intelligence of the Senate; and

(2) the Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

Mr. WARNER. Mr. President, let me first say I think our colleague has brought to the attention of the Senate through his amendment a very important subject. It is my hope and expectation that we can eventually have a meeting of the minds. I don't take great joy in putting a second-degree amendment up on important subjects such as this, but I felt it imperative so we can frame for our membership what I perceive as a very conscientious presentation by the Senator of a set of goals in which I concur with two-thirds of the Senator's objectives. But where I ask there be a reservation, those reservations are of such severity that I am compelled to put in the second-degree amendment.

I would like to walk through the amendment which the distinguished Senator put forth page by page.

The first section says:

Reports on matters relating to detainment of prisoners by the Department of Defense.

Ordinarily, a report is something we are happy to grant a colleague. But in this instance, I will point out where my concerns are. First:

Reports required. Not later than 90 days after date of enactment of this Act, and every six months thereafter, the Secretary of Defense shall submit to the appropriate committees of the Congress a report on the population of detainees held by the Department of Defense and on the facilities in which detainees are held.

That is, have been held more than 30 days.

My understanding was originally it didn't have that, and 30 days to me is reasonable. The Senator also added that the report can be submitted now in classified form. Again, that is a very essential improvement.

But we then continue:

(b) Report Elements. Each report under subsection (a) shall include the following:

(1) General information on the foreign national detainees in the custody of the Department during the six-month period ending on the date of such report, including the following:

(A) The total number of detainees in the custody of the Department . . .

I think that is an important fact, and I simply say "as of the date of such report." I think that should be something which would be acceptable to the Senator.

Section (B) we leave standing.

The countries in which such detainees were detained, and the number of detainees detained in each country.

That is acceptable.

Section (C) we take out simply because we modified (A) to state as of date of such report, and I think (C) is cared for by modifying (A) with date of such report.

Then we drop down:

The total number of detainees released from the custody of the Department during such period.

We accept that fully.

(D) The nationality of the detainees covered by subparagraph (A), including the number of detainees of each such nationality.

That, too, seems to us to be fine.

Then section (F)—no objection there. That says, "The number of detainees covered by subparagraph (A) that were transferred from jurisdiction of another country," so you can track them.

The Senator modified the original amendment. I am working from the original to show to date how much we have had meeting of the minds.

The Senator took out section (G). I will not trouble to talk about it.

We take out subsection (2). That is subsection (2) of the first paragraph of the amendment, report elements under (b).

As drafted, we delete for each foreign national detained by the Department of Defense during the 6-month period ending on the date of such report: No. 1, the name of the individual; No. 2, his or her nationality; the place at which they were taken into custody; the circumstances of being taken into custody; the place of detention; the current length of detention, or at least the duration of detention at the time of release. And on it goes.

Here is the problem. That bit of information, even though it were classified, were it ever to leak out—and regrettably, we know things of this nature will happen from time to time—it would be devastating because the enemy would know a great deal about custody and what we are trying to do with those individuals.

It seems to me there is far greater benefit to an enemy in such engagements as we must take prisoners than it would be of benefit to the legislative body to monitor that prisoners are properly being cared for. For example, the Durbin amendment we had the other day goes to potential abuses. That has been accepted. It is a major step forward to codify prohibitions against abuse of prisoners. We are all troubled by that.

To have in the custody of the Congress this type of information, even though it is locked up in S-407, or wherever it may be, potentially there is a document that could do great harm to our ability to conduct military operations during which we obtained detainees.

Then there is the following paragraph:

(3) Information of the detention facilities and practices of the Department for the six-month period ending the date of such report, including for each facility of the Department at which detainees were detained. . . .

That is fine.

(A) The name of such facility.

(B) The location of such facility.

We have no objection to that. In fact, the entire next page of the amendment, we accept. We come to the conclusion of the amendment and no further objections. It simply is to the creation of a document that would have such detailed information that is not essential to the Congress in our oversight of these detention facilities and the practice of detention, and if that document would ever get out, it would be a devastating blow to the intelligence system, to giving the information to the enemy, who we have among their presumably lost and missing persons, and the like.

I urge my colleagues, this is something we should scrutinize carefully. I have framed it in such a way that colleagues will have to decide whether it is a second-degree amendment that prevails or the underlying amendment that prevails.

Therein, with the exception of one other mention just this morning, the committee staff, the majority and the minority, were briefed on this document. It roughly looks to be 30 pages of unclassified material entitled "Department of Defense proposed"—just being proposed at the moment—"administrative review of the detention of enemy combatants at Guantanamo Bay, Cuba."

This is one of our facilities. The Secretary of Defense has established administrative review procedures to determine annually if enemy combatants detained by the Department of Defense at the U.S. Naval Base at Guantanamo Bay should be released, transferred, or continue to be detained, and so forth.

Much of it parallels what the Senator has in mind. I am confident after this morning's briefing the Congress will make several edits. I encourage the distinguished ranking member to engage our colleague, Senator BINGAMAN, a former member of our committee, to look at it also and see how we can improve and strengthen this. So this will soon be in effect.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Would my colleague yield for a question?

Mr. WARNER. I yield.

Mr. BINGAMAN. I appreciate the cooperative approach my colleague has taken. I greatly respect his judgment on many of these matters.

First, on the issue of whether revealing the name and identity of these people is a major security threat, we have obligated ourselves under the Geneva Convention to do exactly that with regard to information we are going to turn over to the Red Cross for every prisoner of war we take into custody.

The specific language in part V of the Geneva Conventions talks with respect to each prisoner of war:

> . . . the information shall include, in so far as available to the Information Bureau, in respect of each prisoner of war, his surname, first names, rank, army, regimental, personal or serial number, place and full date of birth, indication of the Power on which he depends, first name of the father and maiden name of the mother, name and address of the person to be informed and the address to which correspondence for the prisoner may be sent.

That is what the Geneva Conventions requires.

Could we explore the possibility of just saying that the appropriate committees of the Congress should be entitled to the same information that we have committed ourselves to provide to the Red Cross with regard to all detainees?

Mr. WARNER. Mr. President, that is a very good question. I will take a few minutes to answer. It deserves a very considered answer.

I have thought this through. It is interesting, coincidentally over the weekend I dealt with the Department of Defense. I did not have a chance to brief my distinguished ranking member yet on the question of the Red Cross's participation in our situations, both in the Afghanistan detention facilities and the Iraqi detention facilities. I am speaking for myself.

I am very concerned about those problems over there. Our committee had several hearings on it. The issue comes up, as it should. It came up in the Judiciary Committee the other day, about the role of the Red Cross. I have learned a great deal about that role in a short period of time.

I had some familiarity when I was Secretary of the Navy and during the Vietnam conflict. The Secretary of Defense was at that time—I have served under three of them—Secretaries Melvin Laird and Jim Schlesinger. They were very conscientious about working with the Red Cross.

The Red Cross has done a remarkable job in this very difficult area, going into these prisons, monitoring them, and going back to the government host of the prisons and making corrections and trying, in some instances, to benefit the incarceration detainees in terms of their individual personal status.

The success of that program has been dependent on the absolute sanctity of that material and the fact that the observations of the Red Cross have not gotten into the public domain. We are working with the Department of Defense now, such that the Senate can be given the benefit of the Red Cross inspections in our facilities in Afghanistan and in Iraq. It will be my recommendation to the committee that we will have it in a classified briefing. But we are not, hopefully, going to retain any of those documents in the Senate.

Were that material to get out in some manner, we are told by the Red Cross, it would seriously limit their ability to do this magnificent work they do all over the world. If some nations—and only in a classified forum can I give those names—but some nations that now allow the Red Cross in to get information and to hopefully provide corrections to prisoners' treatment, if that had gotten out, that is the last time the Red Cross would get into that country to examine those prisons.

So we come down to the very basic fundamental issue about those detainees, whether they are in the United States or wherever they are in the world in these prisons, the Red Cross is helping in many instances. But they say if the information they write up and send back to the host country of the prisons gets into the public domain, forget it; they will be precluded from going on. So we would face a similar situation.

It is very difficult for me, one who has been privileged to be in this body now my 26th year, to just say I am concerned that some material in classified form in the possession of the Senate could get out. But, regrettably, whether it got out from under the Senate or got out from another source and that source would then blame the Congress for leaking it—I don't know, we have all been through the leak scenario—it leads to a never-never land in this Government of ours.

But I urge that we consider this very detailed information which our colleague is seeking. The amendment in the second degree, which I am perfectly willing to withdraw to the extent we can come to a resolution and make it your first-degree amendment and no second—I believe we have to observe the practices with regard to this detailed information you are seeking.

Mr. LEVIN. I wonder if the Senator will yield.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. This is really a question for the sponsor of the amendment. I say to the Senator, I understand what you have just suggested is that the information which we provide to the Red Cross be shared with Congress, not that the information which the Red Cross gives to us be shared with the Congress; is that correct?

Mr. BINGAMAN. Mr. President, in answer to the question, that is exactly right. It is not my suggestion that the Red Cross reports on conditions in prisons or anything else be provided to us. All I am saying is if our Department of Defense turns over information to the Red Cross—as it is required to do under the Geneva Conventions—we ought to have access to that.

Mr. WARNER. Fine.

Mr. BINGAMAN. Even in classified form, Congress ought to be able to know as much as the Red Cross knows about who we are detaining in our facilities.

Mr. WARNER. Mr. President, I do not disagree in how you frame the issue, but I maintain my stance. Let me parse it very carefully. I say to the Senator, you are saying that what we give the Red Cross—not what the Red Cross comes back and tells us we are doing right or wrong—what we give to the Red Cross can be shared with Congress?

Mr. LEVIN. That is the question by the Senator from New Mexico. It seems to me that makes good sense.

Mr. WARNER. Here is where I respectfully differ. If the information we give to the Red Cross were to leak out, then other nations that are similarly following that practice will see this is now in the public domain and say: We are stopping, Red Cross, because we see it has gotten into the public domain of another country. Therefore, we don't want that to happen.

Mr. LEVIN. If the Senator would yield—and I guess I have the floor, but, in any event, this information the Senator from New Mexico is talking about is information we have which the executive branch has. Now, I believe the fear the Senator from Virginia just expressed is not that the Red Cross would leak it—because they do not——

Mr. WARNER. No.

Mr. LEVIN. They have proven they do not leak the information. They perform—I agree with the good chairman—a very valuable service as to what they do. But what it seems to me the chairman is saying is there is less confidence the legislative branch will protect the classification of this material than the executive branch will protect it. I do not think we can accept a premise that we are more likely to leak classified information here in the Congress than the executive branch is likely to leak it. As a matter of fact, recent history——

Mr. WARNER. Mr. President, I say to the Senator, I concede your point. You need not deliberate further. Fault lies on both sides, both branches of Government. All I am saying is—and I am informed by those who have greater knowledge about the procedures of the Red Cross than I; and I don't know whether it comes out of the executive branch or the Congress—further distribution of this information beyond one branch of Government to another branch of Government does increase the likelihood that somehow it gets out. And it will deal the Red Cross a very serious blow, I am told.

Mr. LEVIN. I wonder if the Senator from Virginia would consider this possibility as we explore ways of bridging the differences; and I, like our good friend, Senator BINGAMAN, very much appreciate, as always, the chairman's willingness to look for common ground. It seems to me the one sensitive area the executive branch has and that is in this amendment has to do with the name of the person.

For instance, it seems to me, if there is a number which is assigned to every prisoner—which I understand is true for every prisoner of war, every enemy combatant, or every civilian, for that matter, who is held in detention—it seems to me, if the number is given rather than the name, the rest of this information is very appropriate and will help in the oversight process.

The failure, it seems to me, to make clear to the world that we are going to abide by international conventions and that we are going to make sure our people are treated properly by our treating other people properly, that failure has cost us greatly. The purpose of the Bingaman amendment is clearly to get us back on track in terms of what our responsibilities are by giving Congress the ability to perform our oversight responsibility.

We do not have that ability now. We do not have this information. Without this information, we cannot perform the essential oversight which has been missing here, and I believe if it had been in place early enough perhaps it would have persuaded the administration to get back on course earlier than it has been persuaded.

But my specific question to the chairman would be—and I have not consulted with the sponsor of the amendment; I don't know whether he would be in an accepting mood—but if the number of the prisoner or the civilian who is being detained were substituted for the name, would that have the same problem?

Mr. WARNER. Mr. President, in other words, rather than the individual's name, that his number is No. 224—whatever it is? I would have to defer until I go to the heart of the experts. All I know is that the name—if we are detaining certain individuals and the enemy does not know whom we have captured, and they, therefore, have to shelve some of their plans, knowing that the persons who are missing from their roster, if they were to talk about the plans, they would make the plans less valuable to the enemy—I mean, I am just working through the obvious scenarios here.

Now, whether a number would suffice, I would like to go back to those who are dealing with this on a daily basis.

Mr. LEVIN. When the chairman does that I would perhaps propose that one other consideration be looked at, and that is, I understand we are obligated to provide the names to the Red Cross now, and those names go back to the families in order that the families can find their loved one, if that loved one is alive, or that brother, or father, or whoever. Now, I may be wrong in that, but it seems to me the purpose of the——

Mr. WARNER. Mr. President, it is interesting, over the weekend I had the opportunity, I say to my distinguished colleague, to visit the Department of Defense, and I was greatly impressed with an individual, who was a Member of the U.S. House of Representatives a decade or so ago, who is in charge of it. I will seek to have him come over right away and provide both sides with the expert to propound these questions. They are good questions. Let's see what we can do to work this thing out.

Mr. LEVIN. I thank the chairman. I believe we ought to try to work this out. This is really moving in an essential direction for our Nation and our troops. I commend the Senator from New Mexico for his leadership and thank the chairman. I think maybe we ought to lay this amendment aside temporarily. I do not know if——

Mr. REID. Mr. President, if the two managers will yield?

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, Senator DAYTON is here to offer his amendment. He is going to take about 20 minutes. It is my understanding Senator MCCAIN or someone on his behalf will second degree this amendment. Following that, Senator HARKIN is here ready to offer a second-degree amendment to the Durbin amendment. That will be offered on behalf of Senators Harkin and Hatch, dealing with supplements.

Mr. WARNER. Yes. Mr. President, I think all that can be accommodated, so I join in the request at this time to lay aside the pending amendment in the second degree and the underlying amendment by our distinguished colleague from New Mexico and to then let the other Senators seeking recognition have the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

AMENDMENT NO. 3197

Mr. DAYTON. Mr. President, I thank the distinguished chairman of the committee and others for setting aside their amendments, and I call up amendment No. 3197.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. DAYTON], for himself and Mr. FEINGOLD, proposes an amendment numbered 3197.

Mr. DAYTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To strike sections 842 and 843)

Beginning on page 172, strike line 11 and all that follows through page 176, line 21.

Mr. DAYTON. Mr. President, my amendment strikes two sections of the bill, sections 842 and 843, which relate to "Buy America" and the Berry amendment, which are features that have been in existing law for quite a number of years to strengthen our national defense and our national economy.

This bill authorizes $422 billion for national defense programs for fiscal year 2005, a sum that doesn't even include the funding for ongoing operations in Iraq and Afghanistan. If you include those additional amounts, our national defense spending for the next fiscal year will be almost $500 billion.

Mr. WARNER. Mr. President, will the Senator yield for the purpose of allowing me to put a second-degree amendment at the desk so our colleagues can then begin to examine both as this very important debate is underway?

Mr. DAYTON. I yield to the chairman.

AMENDMENT NO. 3461 TO AMENDMENT NO. 3197

Mr. WARNER. Mr. President, I send to the desk, on behalf of Senator MCCAIN, an amendment in the second degree.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. MCCAIN, for himself and Mr. WARNER, proposes an amendment numbered 3461 to amendment No. 3197.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To perfect the matter proposed to be stricken)

In lieu of the matter proposed to be stricken, insert the following:

SEC. 842. WAIVER AUTHORITY FOR DOMESTIC SOURCE OR CONTENT REQUIREMENTS.

(a) AUTHORITY.—Subchapter V of chapter 148 of title 10, United States Code, is amended by adding at the end the following new section:

"§2539c. Waiver of domestic source or content requirements

"(a) AUTHORITY.—Except as provided in subsection (f), the Secretary of Defense may waive the application of any domestic source requirement or domestic content requirement referred to in subsection (b) and thereby authorize the procurement of items that are grown, reprocessed, reused, produced, or manufactured—

"(1) in a foreign country that has a Declaration of Principles with the United States;

"(2) in a foreign country that has a Declaration of Principles with the United States substantially from components and materials grown, reprocessed, reused, produced, or manufactured in the United States or any foreign country that has a Declaration of Principles with the United States; or

"(3) in the United States substantially from components and materials grown, reprocessed, reused, produced, or manufactured in the United States or any foreign country that has a Declaration of Principles with the United States.

"(b) COVERED REQUIREMENTS.—For purposes of this section:

"(1) A domestic source requirement is any requirement under law that the Department of Defense satisfy its requirements for an item by procuring an item that is grown, reprocessed, reused, produced, or manufactured in the United States or by a manufacturer that is a part of the national technology and industrial base (as defined in section 2500(1) of this title).

"(2) A domestic content requirement is any requirement under law that the Department of Defense satisfy its requirements for an item by procuring an item produced or manufactured partly or wholly from components and materials grown, reprocessed, reused, produced, or manufactured in the United States.

"(c) APPLICABILITY.—The authority of the Secretary to waive the application of a domestic source or content requirements under subsection (a) applies to the procurement of items for which the Secretary of Defense determines that—

"(1) application of the requirement would impede the reciprocal procurement of defense items under a Declaration of Principles with the United States; and

"(2) such country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.

"(d) LIMITATION ON DELEGATION.—The authority of the Secretary to waive the application of domestic source or content requirements under subsection (a) may not be delegated to any officer or employee other than the Under Secretary of Defense for Acquisition, Technology and Logistics.

"(e) CONSULTATIONS.—The Secretary may grant a waiver of the application of a domestic source or content requirement under subsection (a) only after consultation with the United States Trade Representative, the Secretary of Commerce, and the Secretary of State.

"(f) LAWS NOT WAIVABLE.—The Secretary of Defense may not exercise the authority under subsection (a) to waive any domestic source or content requirement contained in any of the following laws:

"(1) The Small Business Act (15 U.S.C. 631 et seq.).

"(2) The Javits-Wagner-O'Day Act (41 U.S.C. 46 et seq.).

"(3) Sections 7309 and 7310 of this title.

"(4) Section 2533a of this title.

"(g) RELATIONSHIP TO OTHER WAIVER AUTHORITY.—The authority under subsection (a) to waive a domestic source requirement or domestic content requirement is in addition to any other authority to waive such requirement.

"(h) CONSTRUCTION WITH RESPECT TO LATER ENACTED LAWS.—This section may not be construed as being inapplicable to a domestic source requirement or domestic content requirement that is set forth in a law enacted after the enactment of this section solely on the basis of the later enactment.

"(i) DECLARATION OF PRINCIPLES.—(1) In this section, the term 'Declaration of Principles' means a written understanding (including any Statement of Principles) between the Department of Defense and its counterpart in a foreign country signifying a cooperative relationship between the Department and its counterpart to standardize or make interoperable defense equipment used by the armed forces and the armed forces of the foreign country across a broad spectrum of defense activities, including—

"(A) harmonization of military requirements and acquisition processes;

"(B) security of supply;

"(C) export procedures;

"(D) security of information;

"(E) ownership and corporate governance;

"(F) research and development;

"(G) flow of technical information; and

"(H) defense trade.

"(2) A Declaration of Principles is underpinned by a memorandum of understanding or other agreement providing for the reciprocal procurement of defense items between the United States and the foreign country concerned without unfair discrimination in accordance with section 2531 of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 2539b the following new item:

"2539c. Waiver of domestic source or content requirements.".

SEC. 843. CONSISTENCY WITH UNITED STATES OBLIGATIONS UNDER TRADE AGREEMENTS.

No provision of this Act or any amendment made by this Act shall apply to a procurement by or for the Department of Defense to the extent that the Secretary of Defense, in consultation with the Secretary of Commerce, the United States Trade Representative, and the Secretary of State, determines that it is inconsistent with United States obligations under a trade agreement.

Mr. WARNER. I thank my colleague for his courtesy. We now undertake a very important debate on this subject.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DAYTON. Mr. President, we are going to spend, in the next fiscal year, some $500 billion. That is a half trillion dollars, a huge amount of the taxpayers' money; in fact, about one-fourth of all the money the Federal Government will spend for everything next year, including Social Security, Medicare, health care, and education.

The purpose of these expenditures is to strengthen our national security for now and the future. The six priorities that were approved by the Senate Armed Services Committee, of which I am proudly a member, along with the Presiding Officer and others, reported in the bill before us unanimously by the committee, include such measures as combating terrorism and winning the global war against terrorism, supporting our military operations in Iraq and Afghanistan, to sustaining the readiness of our Armed Forces to conduct the full range of military operations against all current and anticipated threats.

It goes on to state: Another object is modernizing and transforming our Armed Forces to successfully counter future threats. So we need to spend this money on the immediate needs and missions of our military and support the phenomenal job they have been doing on our behalf around the globe, but we also need to try to anticipate the future. That is difficult, but it is also important. It requires us to look at the big picture, at the global picture, and into the years and even, if possible, the decades that lie ahead. It means we don't want to do something now that is expedient or briefly beneficial that will have negative consequences for us in the future.

Ideally, we want policies that strengthen our country now and in the future. That has been the compelling reason for the so-called "Buy American" requirements of the Department of Defense, the military branches, and all other Federal agencies for the past 70 years.

"Buy America" came out of the depths of the Great Depression. Buy America to strengthen America is really what it should be called. Buy America to strengthen America—that was the reason, the purpose, and it has been the result for seven decades. However, the law has always provided for exceptions, exceptions that essentially give, as they should, the full authority to the Secretary of Defense to waive domestic purchase requirements whenever necessary to provide our Armed Forces with equipment, weapons, clothing, food, or anything else that is not available in the United States, that could not be produced or provided in this country when it is needed, that lacks the quality or features or advantages, or that is not priced competitively with non-U.S.-made products.

So the law has essentially said: Try to buy American, but if you can't or you shouldn't, then don't. It has worked for almost 70 years, through 11 different administrations—six Democratic, five Republican—until last year this administration and this Senate shredded that bill. That shredding was reduced to a few slices by the strong opposition of the House conferees, led by the House Armed Services Committee chairman.

We in this body are exceedingly fortunate to have the chairman of the Senate Armed Services, who is unparalleled as a leader and public servant. Last July, I traveled to Iraq with the distinguished chairman of the Armed Services Committee, the senior Senator from Virginia, Mr. WARNER. We went through the country with 115-degree temperatures. I struggled to keep up with him as he charged fearlessly into every perilous situation. He is in every respect—leading that committee, here on the floor, or out in the field around the world—one of the most outstanding leaders and pubic servants I have ever met anywhere in my walk of life.

I also greatly admire my colleague and friend, the senior Senator from Arizona, Mr. McCAIN, whose military experience and expertise and whose devotion to his country and his service to it are all remarkable.

However, on that occasion last year regarding "Buy America," I thanked our Founding Fathers for the wisdom of bicameralism. And I must respectfully but strongly again disagree this year with the Senate bill's provisions that would effectively destroy "Buy America" by its exceptions to it.

If we pass the legislation that is before us now with the language in it, the second degree to my amendment that has been put down today, we might as well eliminate the entire "Buy America" statute as it applies to the Department of Defense and the armed services and others that are funded by this bill because that will be the result if this current Senate language if we pass it.

I challenge those in the Bush administration and those in the Senate and those lobbying for the big multinational corporations and for the foreign governments they represent, who truly believe that we will be better off without any "Buy America" requirements, or certainly, in the case of the paid lobbyists, who know that they and their clients will be better off without them, and those who believe that for whatever reason, they should just say so and put the repeal before us in black and white and have us vote on that rather than just creating more exceptions and more loopholes that give more foreign countries and the corporations that operate in them more and more of the money from this bill in the products that they buy and the jobs for which they pay, because under this language that exists in the bill now, those tax dollars, those products, those jobs will go to people in other countries but not to Americans.

There will be no more "Buy America" to strengthen America. It will be buy abroad, because of what? Because it is cheaper? Because it is better? Because it doesn't matter?

Let's have that debate in the Senate. Is it cheaper to buy overseas? After counting all the costs of not only the product prices but also the wages that are gained or lost, the taxes paid by those wage earners in this country or somewhere else, the unemployment costs in this country, the welfare cost, the food stamp cost, not to mention the human cost of people who lose their jobs, is it better to buy these products overseas? Better for whom? Who gains, who loses, when American dollars are spent abroad to buy foreign goods made by foreign workers instead of American goods made by American workers? Does it matter? Evidently not to this President or to this Pentagon leadership. But it sure matters to the American people, who will lose their jobs or won't get new jobs or better jobs. Do they have a say in where their tax dollars are spent? Does it matter to this Senate that there are now 2½ million fewer manufacturing jobs in this country than there were when President Bush took office? Yes, 2½ million manufacturing jobs have been lost in this country in the last 3½ years, despite the so-called recovery and recent job gains in some other sectors of our economy. There are still 2½ million less manufacturing jobs today than there were in January 2001.

Many of those American jobs have been sent overseas and were replaced in other countries by low-wage jobs. Importing all those foreign-manufactured products has now produced a U.S. trade deficit that last month was $48.2 billion. That is another all-time worst trade deficit—$48.2 billion for a single month, and it will probably be broken again next month or soon thereafter. Over the next year, if that continues, it will produce an annual trade deficit of $578 billion—almost $100 billion more than last year's record trade deficit.

We are told we cannot do anything about this massive bleeding of jobs and wages, capital investments, profits, and tax payments out of our country. We are told we should not even try; it is free trade, globalization, and it is good for America. Is 2.5 million lost manufacturing jobs good for America? Over $100 billion in lost wages and benefits every year is good for America? Over $30 billion of lost tax revenues each year for Federal, State, local governments, and school districts is good for America? Our Federal budget deficits, our State and local government deficits, U.S. trade deficit, national debt increasing, all of which are going higher and higher—is that all good for America? Jobs and wages, production of goods and services, capital investment by businesses, allowing people—as consumers buy goods and services, producing tax revenues, individual and corporate, they are the lifeblood of any economy. They are its vitality. Corporate profits, stock prices, dividends, and capital gains are all vitally important as well, but they are not enough.

This country's economic vitality is bleeding away. Our economic strength is weakening. Our economic strength is essential to our military strength. Our economic security is essential to our national security. This legislation, this authorization to spend $500 billion on our national security, had better strengthen, not weaken, our economic security as well.

I am aware of the letter to the chairman from a group calling itself the National Defense Industrial Association. It claims to represent over 1,300 member companies and purports to be the "voice of the industrial base." Who are these companies? Whose industrial base are they speaking for? Many are companies that have moved their production overseas, that are making better profits from paying low wages to foreigners instead of good wages to Americans. We cannot stop them from doing so. But why should we reward them with American tax dollars going to support their foreign production? They can certainly continue that foreign production, and they will. But if they want these U.S. military contracts, they should fill them with American workers, not with foreigners.

They should make those products or provide those services in American communities, not foreign cities. They should pay taxes from those profits to our school districts and local governments, not someone else's. These are American tax dollars that are paying for our national defense, not from their corporate profits from foreign operations—profits on which they will pay taxes to foreign governments, not our own.

Someone has to look out for the best interests of this country, and it sure is not the National Defense Industrial Association. Maybe that is not their responsibility. But the best interests of this country are our responsibility here in the Senate. So they should not tell us or try to make us or the American people believe their interests are America's interests. In their letter, they claim it would negatively impact the ability of the U.S. industrial base to compete in the international marketplace and would therefore negatively impact the Warfighter, and the bill's amendment gutting "Buy American" will represent important steps in the Department of Defense's transformation plans and send positive signs to our allies that the United States is supportive of existing trade agreements. I am deeply offended that American companies, most of which are headed by American citizens, would try to hide their financial self-interests behind pretenses like these. They want defense contracts they can fulfill with their existing foreign operations that provide them with greater profits. They don't want to have to shift that production back to the U.S. and employ fellow American citizens. They want only what is good for themselves, not what is best for America's military strength or our Nation's economic vitality.

In some cases, as the letter discloses, they coddle foreign governments that want to buy American military hardware and then want us to buy the same amount of their foreign-made military products from their countries. We signed, evidently—somebody in the Department of Defense signed these agreements. There are countries where our trade deficits last year totalled over $120 billion for all goods and services. But in this one sector of military goods and services, where we run a trade surplus, we agree to give up our surplus by buying more foreign products, some of which, of course, are made in those countries by—surprise—some of the companies in the National Defense Industrial Association. Those companies win both ways, but the rest of America loses.

These memoranda of understanding are not free trade; they are certainly not fair trade. They are dumb trade. It is amazing to me that somebody would sign them. It is like something out of the movie "Dumb and Dumber," where I give you $20. You are going to give me $10 back, but you say, wait a minute, I am losing my $10. You have a responsibility to make up for my $10 with your $10. So we do that. We agree to that in this memorandum. We are going to match their $10 with ours and even up that part of the deal and leave the $20 that goes to them—leave it out and let it go. That is dumb trade.

We spend more on our defense products, goods, and services than the next 10 countries in the world combined. They need our markets; we don't need theirs. They are cutting back on their military production, so they want these agreements to prop up their industries and provide jobs for their workers at our expense. They are smart enough to look for it, and we are dumb enough to give it to them. It is also dangerous trade. This month's Jane's Intelligence Review, a widely regarded international publication, reports that "Europe Considers Ending Chinese Arms Embargo." The Chinese premier was in some European Union countries last month and he concluded, saying, "I have great confidence that there will be a solution to this problem."

I ask unanimous consent that this article be printed in the Record following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DAYTON. It reads:

> On the European side, the attractions of tapping China's defense market are significant: China is the world's largest importer of defense equipment ($3.6 billion worth in 2002), and . . . France and Germany in particular are pushing to lift the arms embargo; France because the government is under pressure from its defense industry to resume arms sales; and Germany because it wants to maintain its currently good and close relationship with Beijing.
>
> Opponents to lifting the ban include, most vociferously, the USA. . . .
>
> Richard Fisher, from the Jamestown Foundation, told [Janes Intelligence Review]: "The real impact of a deep and wide EU-PLA [People's Liberation Army]—

The army of China, the People's Republic of China—

> military alliance will fall on the USA, in terms of accelerating a military-technical arms race that will burden U.S. taxpayers and place ever greater pressure on the U.S. political/military alliance system in Asia."

Who are these countries protecting or helping in this language I want to strike out of this bill that have these offsetting reciprocal agreements with the United States? They include Belgium, Denmark, Germany, Netherlands, Portugal, Spain, Switzerland—all European Union countries. Others that are also exempt by other features include France, Italy, and Luxembourg—all European Union countries.

We are going to contribute to their building up their defense industries, and then they are going to turn around, most likely, soon and sell those products, that technology, those military advantages to a country in opposition to our foreign policy and against our own military interests, against our own national security interests.

That is just one example of how this kind of expediency and also the corporate pressures that drive some of it are a danger to our national security and to our future economic strength.

In conclusion, for the last 70 years, "Buy America" has worked for America, and it has helped Americans work in America to build a strong national defense, to build a strong national economy, and to build a strong American industrial base until this administration arrived. The Bush administration believes evidently we can have a strong national defense and a strong national economy without a strong American industrial base, without Americans making American products in American communities. They are so indifferent to that need that at a time when the United States has lost over 2.5 million manufacturing jobs held by 2.5 million American workers in the last 3½ years, they support this bill and its language to send more American taxpayers' dollars to pay for foreign products made by foreign workers.

Maybe those who do not care about other Americans' jobs should offer to give up their own job. Practice what they preach and find out for themselves what unemployment is really like. But it is our responsibility, exercising our collective wisdom, to act in the best interests of the United States of America.

I know my colleagues share that desire. We may have our honest differences and disagreements, but I beseech my colleagues in this instance to review this measure and this language and consider the consequences of it for our military strength, for our economic strength, as well as for the jobs of Americans and the quality of products and the security of products provided to the men and women serving courageously around the globe.

I yield the floor.

Exhibit 1

[From Jane's Intelligence Review, June 1, 2004]

Europe Considers Ending Chinese Arms Embargo

(By John Hill)

Chinese Premier Wen Jiabao began his first official visit to Europe on 5 May with the issue of lifting the European Union's (EU) ban on the sale of weapons systems to China high on his agenda.

Beijing had hoped that a decision to end the ban would be made at the meeting of EU foreign ministers on 26 April, but at the annual Asia Europe Meeting (ASEM) held in Dublin a week earlier, Irish Minister for Foreign Affairs Brian Cowen, said that a change in the issue was unlikely during Ireland's EU presidency. Undaunted, in Brussels on 5 May, Wen said: "I have great confidence that there will be a solution to this problem."

For months now it has appeared that the arms embargo, which was imposed following the Tiananmen Square violence in 1989, would be scrapped, and Beijing certainly has many powerful European friends working on its behalf. Javier Solana, the EU's High Representative for Foreign Policy, as well as representatives from both France and Germany have in recent months assured the Chinese publicly that they think the time has come to resume arms sales.

On the European side, the attractions of tapping China's defence market are significant: China is the world's largest importer of defence equipment (US$3.6bn-worth in 2002), and currently Russia is the main beneficiary. According to Jean-Pierre Cabestan of the French National Centre for Scientific Research, France and Germany in particular are pushing to lift the arms embargo: France because the government is under pressure from its defence industry to resume arms sales; and Germany because it wants to maintain its currently good and close relationship with Beijing. Both the European Aeronautic Defence and Space Company (EADS) and the French electronics company Thales told JIR that although they do not currently export military equipment to China, they are monitoring the situation.

Opponents to lifting the ban include, most vociferously, the USA. In January, Richard Boucher, spokeswoman for the US Department of State, said: "Our statutes and regulations prohibit sales of defence items to China. We believe that others should maintain their current arms embargoes as well. We believe that the US and European prohibitions on arms sales are complementary, were imposed for the same reasons, specifically serious human rights abuses, and that those reasons remain valid today." The UK is remaining circumspect; although obviously its defence industry would like to sell to the Chinese market, the government is reportedly upholding the US line on the issue.

There is debate over the consequences that lifting the ban would have. Professor Shen Dingli, an expert in International Relations at Shanghai's Fudan University, told JIR: "[Ending the embargo] won't be significant, as China has its own arms research, development and manufacturing capability, and can access Russia's military aircraft and ship technology. Reportedly, soon China will acquire its own manufacturing capability of more modern military aircraft, and by that time, China will export its own technology."

However, the USA remains worried that the end of the embargo could spark an arms race. US China analyst Richard Fisher, from the Jamestown Foundation, told JIR: "The real impact of a deep and wide EU–PLA [People's Liberation Army] military alliance will fall on the USA, in terms of accelerating a military-technical arms race that will burden US taxpayers and place ever greater pressure on the US political/military alliance system in Asia." Fisher argued that if the ban was lifted, the French would be "first out of the gate" with submarine and satellite technology. He added that the competition would also spur on the Russians, who "are now openly talking about selling advanced SSK [submarine] co-production rights to the PLA to trump the EU".

SALES UNDER THE BAN

The EU embargo is somewhat vague on what is covered, and as a result has been interpreted differently by EU member states. The EU declaration on China, the European Council document issued in the wake of the Tiananmen Square violence, called only for an 'interruption' of military co-operation and an embargo on trade in arms with China. The French and the UK governments have in the interviewing years produced their own interpretations of the extent of the embargo's reach.

In 1995, the British government made explicit that its interpretation of what was banned included: lethal weapons such as machine guns, large calibre weapons, bombs, torpedoes, rockets and missiles; specially designed components of the above, and ammunition; military aircraft and helicopters, vessels of war, armoured fighting vehicles and other such weapons platforms; any equipment which is likely to be used for internal repression.

Under the ban, the UK has exported significant military components, but not entire systems, to China. Most controversially, a license was granted to Rolls-Royce for the export of between 80 and 90 Spey aero-engines for the JH–7 fighter-bomber in 2001, although a license would not be granted (by the UK government's definition of the ban) for a whole military aircraft incorporating such engines. Other major UK sales have involved Racal (now part of Thales), which in 1996 sold airborne early warning radars; and Surrey Satellite Technology (SSTL).

The most recent UK government annual report on strategic export controls, covering 2002, details 177 export licenses for China worth £50m (US$89m), including components for frigates, general military aircraft components, technology for military aero-engines and technology for military aircraft head-up displays. A spokesman for the UK Foreign Office told JIR that there was a very rigorous process for the licensing of the export of weapons components that was equal to that for whole systems.

Other European countries have also sold equipment to the PLA. In 1997, the French pronounced that co-operation with the Chinese would be increased to include "co-operation in the technical, technological and infrastructure fields". They added: "This technological and industrial co-operation will be conducted within the framework of our European and international commitments." Among the items licensed for export were French diesel engines for Chinese 054-class frigates and German-licensed diesel engines for Song-class submarines.

Such 'reinterpretations' have led to accusations that the Europeans have been 'weaselling' around their embargo. For example, Fisher said London's 'reinterpretation' enabled the UK to sell engines, radar, military electronics and small satellite technology to China. "Now British technology is helping China to shoot at US Navy ships, to find them at sea, and potentially to blind the US Navy's first line of defence in space," he wrote in the Washington Times in 2001.

However, the USA is not without its own gray areas in controlling arms exports to China. In 2001, Senator Jon Kyl told the Senate that US regulations had allowed the export to China of $15bn of "strategically sensitive" materials during the 1990s, including equipment that could be used for manufacturing missile and nuclear weapons components. In 1998, Harold Johnson of the General Accounting Office told the US Congress Joint Economic Committee that between 1990 and 1996 US sources provided 6.5 per cent of the $5.3bn-worth of foreign military items delivered to China, compared to the EU's 2.3 per cent.

The embargo is unlikely to prevent China from making its own technological advances and there are arguments that engagement rather than isolation can better serve international security. Sir Martin Sweeting, chief executive of Surrey Satellite Technology (SSTL), told JIR: "China [and other countries] will develop their own space capability irrespective of outside assistance. Refusing to work with them will not prevent them—they have access to all the components we use and are capable people. Rather than relying on an isolation policy that creates an illusory impression of maintaining a capability lead, is it not more advantageous to work with China in a carefully controlled manner so that we are aware of their developments and consequential implications for their capability and further development?" He added: "[While] virtually all satellites have military 'implications' to whatever country, none of the satellites sold by SSTL to China have significant military utility." He thought that lifting the ban could speed up the export licensing process, a development that "would be welcomed by SSTL".

LIFTING THE EMBARGO

The debate on lifting the arms embargo essentially revolves around two issues. The first is that such an embargo is extremely unusual—the only other states subject to such treatment are Sudan, Myanmar and Zimbabwe. In the context of the EU's developing and deepening relationship with Beijing, banning arms sales to China, which is regarded as a responsible and important member of the international community, appears incongruous. The Chinese position is that the ban is an inappropriate holdover from the Cold War.

However, another issue involves continuing concerns about China's human rights record. The ban is of course seen as a way of influencing China, but the underlying problem is more likely to be US pressure to maintain the ban, ostensibly on human rights grounds.

Nicolas Kerleroux, a spokesman for the European Council, stressed that in the end, the decision to continue the embargo was made by the EU. He added that the process that would have to be gone through to lift the embargo is not entirely clear, and would only become clearer closer to the time of any possible change.

Any decision to lift the embargo would need the unanimous agreement of all EU member states. The process itself could take place at the European Council, a meeting of EU heads of state or the monthly meeting of foreign ministers. The statement of the Irish Minister of Foreign Affairs that no change would be made during the Irish presidency of the EU has no official status, but is simply a personal assessment of the situation, according to Kerleroux.

He added that the question is a complex one and must be addressed in an "orderly fashion", which means that it will take time. Asked if any states were particularly against the change, he told JIR: "No one has said 'never'." He pointed out that when EU leaders tasked their ministers to re-examine the issues in December 2003, "no one opposed" the request.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, before I get into the substantive debate in rebuttal to my distinguished colleague—and I say distinguished. We are very proud of his participation on our committee. Indeed, I remember vividly our trip together to Iraq. That was his first trip. It was helpful for all of us. I thank him for his remarks about the old Senator from Virginia. It is kind of nice to hear those after being on this bill now our 15th day. But we are making progress.

First, I think inadvertently—and I say to my friend inadvertently—he made reference in his opening statement that the language of the authorization bill for this year changes the status of the Barry amendment. Did the Senator make mention of that?

Mr. DAYTON. Mr. President, I meant to say that it changes the overall law and which the Barry amendment is part of this general reference to "Buy America."

Mr. WARNER. I wonder if I might bring to the Senator's attention—the bill is at the desk—if he would look at page 175 of the bill. He will see section (f), "Laws Not Waivable":

> The Secretary of Defense may not exercise the authority under subsection (a) to waive any domestic source or content requirement contained in the following laws. . . .

No. 4 is the Barry amendment. We do not touch it. I assure the Senator, section 2533 A(a) of title X is the Barry amendment, and that remains untouched.

Mr. DAYTON. Mr. President, the chairman is correct in that regard.

Mr. WARNER. The Senator is doing his best, and I have lived with these things for so many years.

The other is interesting. No. 1, we do not waive the Small Business Act, 15 U.S.C. 631, which sets aside 23 percent of the dollar volume of all defense contracts must go to small business.

The Javits-Wagner, No. 2, is all products manufactured by the blind and the handicapped. We do not touch that.

No. 3, section 7309, shipbuilding, we do not touch that.

And No. 4 is the Barry amendment, and that covers textile, food, and speciality medicine.

I draw my colleague's attention to those points. He might wish to review it himself and make amendments to his opening statement.

Mr. President, I say to my colleague again, it is fascinating in a sense. He goes on about what we put into this bill, which I think in a very modest way strengthens America's position, in my judgment. For example, his bill goes after one Department, the Department of Defense; am I not correct?

I say to my distinguished colleague, the Department of Defense is among the few Departments of our Government with contracts generating a surplus. The area in which the Senator from Minnesota wants to go to preserve jobs is in other Departments and agencies of the Federal Government. Let me point this out.

We had $63 billion in defense sales in the last year—$63 billion—to nations all over the world. We bought only $5 billion of weapons from other nations. Those nations that sell us the $5 billion are basically the ones that are participating largely in the $63 billion. So there is a mutual trade there. We are selling them, by and large, far more than we are buying from them, and if you were successful, you would begin to bring down significantly the $63 billion, and that translates into hundreds of thousands of jobs in America would be lost because we are saying to those countries: We are not buying anything from you anymore. And they will say: If that is the case, we have had it, we are not going to buy from you, and down goes our $63 billion surplus.

Mr. DAYTON. Will the Senator yield for a question?

Mr. WARNER. Yes.

Mr. DAYTON. Does the Senator say we should apply that same principle to all of our trade agreements and require that the $478 billion we spent last year in deficits, we should require those countries buy the equivalent in U.S.-made products?

Mr. WARNER. Mr. President, I am not going to tread beyond the Department of Defense. Our bill goes strictly to the Department of Defense. If there are other areas in which my distinguished colleague and those who are aligned with him want to go, then other Senators who have the oversight responsibilities for their respective departments are the ones who will have to respond. So I am going to stick to DOD.

We have the largest, as far as I know—maybe in agriculture there may be some segments which are somewhat equally or larger in significance.

At the end of my remarks, I ask unanimous consent to have printed in the RECORD the letters that we have received from a number of nations respecting the pending matter that the distinguished colleague from Minnesota has put before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WARNER. I start off with the Ambassador of the Netherlands:

> Dear Senator, Mindful of the long-standing strong relationship between the United States and the Netherlands, I would like to express support for several very important amendments to the Defense Authorization Bill 2005 that were agreed this week . . .

And he then refers to those sections. Then we have the ambassador from the Embassy of Sweden:

> As you are aware, Sweden is a significant supplier and partner to the United States in several defense technology areas such as anti-tank weapons systems and naval composite technology. With almost 50 percent U.S. content, the Swedish fighter aircraft Gripen is another example of close Swedish-American cooperation. This extensive cooperation is to the benefit of our respective defence industries.

I am only reading just a fraction of these letters. Another one from Mr. David Manning, the Ambassador from the British Embassy in Washington:

> I am writing to express the strong support of the United Kingdom for three amendments to the Senate Armed Services Committee mark up of the 2005 Defense Authorization Bill.

Those are the provisions, Mr. President, that my distinguished colleague seeks to strike. He goes on, "These amendments are contained in section," so and so. He then goes on:

> As you know, the UK and US armed services have a relationship of unparalleled closeness, as our forces fight side by side in Iraq and elsewhere. . . . I therefore hope you will be able to support these amendments . . .

And eventually get them into law.

The Canadian Embassy sent a similar letter. We have a similar letter from the Danish Ambassador. We also have a letter from the Aerospace Industries Association of America. They state:

> The future of U.S. aerospace is in the global marketplace. Our industry exports 40 percent of the products it manufactures in the United States and books the largest export surplus of any sector of our economy.

I say to the Senator from Minnesota, he is facing a serious issue if he prevails. We have a similar statement from the Government Electronic Industries Alliance. We have the National Defense Industrial Association, Strength Through Industry & Technology:

> Dear Mr. Chairman:
>
> NDIA has had a long and productive association with you and the committee. I look forward to discussing these issues . . .

They support the bill, and I could go on, but this is a sample.

I will say in recognition of the issues that the Senator raises, in the second-degree amendment we pair down the list of 21 nations to the 7 that we believe absolutely have to be kept intact and not subjected to the strike that the Senator has in hand. The obvious ones are the United States, Australia, the Netherlands, Italy, Sweden, Canada, and Norway. So I think some advancement has been made in terms of limiting the number of nations that have to deal with this, but at this point in time I say to my colleagues that I think the second-degree amendment from the Senator from Virginia embraces the position that is the most important one that we should take versus the distinguished colleague from Minnesota.

I wonder if I might put in a quorum call for a brief few minutes when I have to absent myself from the floor. Does the Senator from Iowa wish to speak to this issue?

Mr. HARKIN. No. If the chairman would yield, it is this Senator's intention to call for the regular order, which would bring up the Durbin amendment, and I have a second degree to the Durbin amendment. Then I will speak on that. I assume right after I finish, Senator HATCH will speak on it.

Mr. WARNER. I say to my colleague, I think we can accommodate him because this important debate brought by the Senator from Minnesota, to which I have made a reply, will be laid aside because other Senators, hopefully, on both sides of the aisle, will come to support the amendment in the second degree by the Senator from Virginia.

I am anxious to hear from the Senator from Minnesota. Did he want to reply to some of my comments?

Mr. DAYTON. If the Senator will yield for one last question.

Mr. WARNER. Yes, I will yield.

Mr. DAYTON. Then we can conclude this discussion so the Senator can leave the floor. I am glad to see the second degree would reduce the number of countries exempted to seven. I ask if the Senator and Senator McCAIN would consider language in the amendment that would prohibit the consequences that I just outlined of the sale of goods and military products to China, that there be language in this amendment that would preclude these countries that are getting these benefits from, then in turn providing those gains to countries that are outside of our own military and foreign policy.

Mr. WARNER. I thank my colleague. I would be happy to consider that if he wishes to bring that forth to change the documents that are presently before the Senate: that is, the underlying and second-degree amendments. So perhaps at this time we could lay aside this package with the understanding that we will bring it up again today for further debate and in the interim we can consider the measures that the distinguished Senator wishes to address.

Mr. DAYTON. I agree with that.

EXHIBIT 1

THE AMBASSADOR, EMBASSY OF THE KINGDOM OF THE NETHERLANDS,
Washington, May 17, 2004.

DEAR SENATOR: Mindful of the long standing and strong relationship between the United States and the Netherlands I would like to express support for several very important amendments to the Defense Authorization Bill 2005 that were agreed this week in the discussions in the Senate Armed Services Committee.

I refer specifically to the proposals in Title VIII—Acquisition Policy, Acquisition Management and Related Matters, Subtitle D—Industrial Base Matters (Sections 841, 842 and 843).

I consider the Section with regard to a "Commission on the Future of the National Technology and Industrial Base" as a highly constructive proposal. Specifically the balanced tasking of the Committee seems to inherently guarantee certain success. Taking into account the increasingly important subject of interoperability, specifically relevant in the present day environment, I also value the amendment concerning the "Conforming standard for waiver of domestic source or content requirements" as an important building block for a fertile environment for defense trade of which the warfighter of today and of tomorrow will be able to benefit. Also the section that deals with the "Consistency with United States obligations under trade agreements" is seen as a positive and relevant assurance for other countries.

Although not directly related to the above referenced proposals allow me to share with you the idea that in our perception, part of the discussion which is seen by some as the danger posed by foreign dependency can be satisfied by bilateral Security of Supply agreements which can be negotiated as more detailed arrangements under a Declaration of Principles or a reciprocal defense procurement MOU.

In conclusion I would like to assure you of my broad support for the proposals which I mentioned above.

EMBASSY OF SWEDEN,
Washington, May 27, 2004.

Hon. JOHN McCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR: As you are well aware, Sweden is a significant supplier and partner to the United States in several defense technology areas such as anti-tank weapon systems and naval composite technology. With almost 50 percent U.S. content, the Swedish figher aircraft Gripen is another example of close Swedish-American cooperation. This extensive cooperation is to the benefit of our respective defence industries.

Mindful of this long-standing and strong relationship between the United States and Sweden, I would like to express support for several important provisions in the 2004 Defence Authorizations Bill.

The provisions contained in Section 841, 842, and 843 of the proposals for title VIII on Acquisition Policy set a common standard of waiver of domestic source and content requirements. They also call for a Commission on the future of the national technology and industrial base.

I would like to assure you of my country's strong support for these provisions when they come before the Senate.

Sincerely,

JAN ELIASSON,
Ambassador of Sweden to the United States.

BRITISH EMBASSY,
Washington, 17 May 2004.

Hon. JOHN McCAIN,
Washington, DC.

DEAR SENATOR: I am writing to express the strong support of the United Kingdom for three amendments to the Senate Armed Services Committee mark up of the 2005 Defence Authorizations Bill. These amendments are contained in Sections 841, 842, and 843 of the proposals for Title VIII on Acquisition Policy. They set a common standard of waiver of domestic source and content requirements. They also call for a Commission on the future of the national technology and industrial base.

As you know, the UK and US armed services have a relationship of unparalleled closeness, as our forces fight side by side in Iraq and elsewhere. If approved, the measures proposed under Title VIII would be an important step forward towards improving interoperability across the full range of our mutual defence cooperation.

I therefore hope you will be able to support these amendments when they come before the Senate later this week.

Best wishes. Yours sincerely,

DAVID MANNING.

CANADIAN EMBASSY,
Washington, DC, June 16, 2004.

Hon. JOHN WARNER,
Chairman, Armed Services Committee,
U.S. Senate, Washington, DC.

DEAR CHAIRMAN WARNER: I am writing to convey the views of the Government of Canada with respect to the Ronald W. Reagan National Defense Authorization bill (S. 2400) under consideration by the United States Senate.

I want to draw particular attention to Amendment 3311 put forward by Senator CHRISTOPHER DODD (D-CT) that would cause the Secretary of Defense to impose a new scheme of U.S. offsets on foreign suppliers. We strongly believe that Senator DODD's language would undermine existing trade agreements and defense cooperation relationships, notably with U.S. allies whose defense industries are often closely integrated with American suppliers and partners. Furthermore, such a provision would hurt manufacturers and workers in the United States, since they are the overwhelming beneficiaries of U.S. defense exports. These exports have grown dramatically in recent years, thanks to the willingness of U.S. companies to provide for local economic development through offset agreements. This amendment would have the effect of disrupting this export trade in which the United States has come to assume a dominant place. In terms of employment alone, a Department of Commerce report published in July 2003 illustrates the point that offsets have a net beneficial impact on U.S. jobs. Looking at offsets spanning the years 1993–2000, the Department of Commerce found that offsets maintained an average of 41,666 jobs per year while costing only 9,688 in lower tier supplier bases, leaving a net benefit of 31,978 U.S. jobs.

The Governor of Canada supports the Senate bill's original language (sections 841, 842 and 843) with respect to complying with existing trade agreements, protecting the Secretary of Defense's authority to issue waivers for Memorandum of Understanding countries and the proposed establishment of a Commission on the Future of the National Technology and Industrial Base. Regrettably, Amendment 3197 offered by Senator MARK DAYTON (D-MN) would, in our view, send the wrong message to U.S. allies by deleting language that would encourage and support international defense trade cooperation that would ultimately benefit U.S. taxpayers and American troops.

Under your leadership, the Senate Armed Services Committee has adopted a constructive approach to the defense authorization process characterized by openness to U.S. allies, a commitment to liberalized defense trade and export control reform. We encourage you to stay true to this course which has been so beneficial to cooperative defense and U.S. prosperity.

We thank you for taking our concerns into consideration.

Your sincerely,

BERTIN COTE,
Charge d' Affaires, a.i.

DANISH EMBASSY,
Washington, DC, May 18, 2004.

Hon. JOHN WARNER,
Chairman, Committee on Armed Services,
U.S. Senate, Washington, DC.

DEAR SENATOR WARNER: Let me first express our gratitude for your efforts and leadership last year to limit to a minimum the "Buy American" language in the National Defense Authorization Act for fiscal year 2004.

I write to you again in the context of the renewed pressure in Congress to restrict cooperation with foreign defense industry companies, including those from countries that have offset policies or related arrangements. As of now, it is difficult to fully assess the scope of the proposals, including if it would affect the U.S.-Danish trade, but this new development is at any rate worrisome.

As of the strongest and most ardent allies of the U.S., it would be very difficult to understand and explain if Denmark were to face new restrictions in the industrial cooperation with the U.S. Especially in light of our participation in Iraq since the beginning of the military operations and the continues presence of 500 Danish troops—one of the largest contingents in both absolute numbers and certainly in proportion of population.

I therefore strongly hope that the language will not be part of the final act and would like to express my government's strong support for your continued efforts to secure the mutual beneficial international cooperation between the U.S. and its partners in the defense area.

Sincerely,

ULRIK FEDERSPIEL,
Danish ambassador to the U.S.

Mr. WARNER. I ask unanimous consent that this package be laid side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. I ask that so the Senator from Iowa can proceed with the amendment.

The PRESIDING OFFICER. The Senator from Iowa.

AMENDMENT NO. 3225

Mr. HARKIN. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. With respect to which amendment?

Mr. HARKIN. No. 3225.

The PRESIDING OFFICER. The amendment is now pending.

AMENDMENT NO. 3462 TO AMENDMENT NO. 3225

Mr. HARKIN. Mr. President, I have a second-degree amendment. I send it to the desk on behalf of myself and Mr. HATCH. It is a second-degree amendment to amendment No. 3225.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself and Mr. HATCH, proposes an amendment numbered 3462 to amendment No. 3225.

Mr. HARKIN. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To express the sense of the Senate concerning legislation requiring reports of serious adverse events related to dietary supplements and over-the-counter drugs)

In lieu of the matter proposed to be inserted, insert the following:

SEC. 717. SENSE OF THE SENATE CONCERNING SERIOUS ADVERSE EVENT REPORTS.

(a) DEFINITION.—In this section, the term "dietary supplement" has the same meaning given the term in section 201(ff) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(ff)).

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Food and Drug Administration should make it a priority to fully and effectively implement the Dietary Supplement Health and Education Act of 1994 (Public Law 103-417, 21 U.S.C. 321 note), including taking appropriate enforcement action against unsafe dietary supplements;

(2) not more than 180 days after the date of enactment of this section, the Department of Health and Human Services should develop a plan for mandatory reporting of serious adverse events occurring as the result of the ingestion of any dietary supplement or over-the-counter drug and provide that plan for review and consideration by Congress; and

(3) adequate resources should be made available for the effective oversight of dietary supplements and for sound scientific research on dietary supplements.

Mr. HARKIN. Mr. President, I wish to speak to the pending amendment by my colleague from Illinois, Senator DURBIN, and then to outline what this second-degree amendment does.

I have to say I feel somewhat uneasy about this because I so rarely find myself in disagreement with my friend from Illinois. He and I see eye to eye on many issues. On this, while I believe we have some of the same objectives, we disagree on the appropriate approach.

I wanted to set the context for my remarks in somewhat broader terms. For well over a decade, I have spoken out about the need to fundamentally reorient health care in America, reorient it toward prevention and wellness and self-care.

When it comes to helping people stay healthy in the first place, we have very little in the way of help or incentives or information. In fact, I have long said we do not have a health care system here in America, we have a sick care system. It is costing us dearly both in terms of health care costs and premature deaths.

This is not to say we have not made any progress in the recent past. In the last decade, we have taken some steps toward fixing this major flaw. We have expanded coverage of cancer screenings, we have increased childhood immunization rates, we have expanded prenatal care, and we have more aggressively gone after the promotion of tobacco to children.

Another step we took in the last decade toward keeping people healthy in the first place is the passage of the Dietary Supplement Health and Education Act of 1994, otherwise known by its acronym DSHEA.

Over 158 million Americans take dietary supplements to maintain and improve their health, this Senator included, from vitamin C to calcium to glucosamine to beta carotene to ginko biloba. There is a full range of health supplements that are part of the daily lives of people all over this country. Consumer expenditures on these products reached a reported $17.1 billion in 2000, double the amount spent just 6 years earlier.

According to a recent report by the Food and Drug Administration, the use of dietary supplements is likely to grow, due to factors such as the aging of the baby boom generation, increased interest in self-sufficiency, and advances in science that are uncovering new relationships between diet and disease.

In response to efforts by the Food and Drug Administration to inappropriately cut off consumers' access to vitamins, minerals, and supplements, in 1994 the House and Senate unanimously approved the Dietary Supplement Health and Education Act, DSHEA. Both Senator HATCH and I were pleased to have played a role in crafting this important legislation and getting it through the Congress. This law balanced continued consumer access to vitamins, minerals, and other dietary supplements. It has also resulted in nearly $100 million in new rigorous scientific research on the benefits and risks of supplements.

DSHEA provides a number of important consumer protections. First, it requires that claims made on supplement labels, packaging, and accompanying material be, and I quote here from the law, "truthful, nonmisleading and substantiated."

Let me repeat that. The law, DSHEA, requires that anything put on labels, packaging, and accompanying material be "truthful, nonmisleading and substantiated."

In addition, the act prohibits manufacturers from making claims that products are intended to diagnose, treat, cure, or prevent disease.

DSHEA also provides for good manufacturing practice standards setting requirements for potency, cleanliness, and the stability of products. That is in the law.

The FDA was supposed to publish regulations on these good manufacturing practices after the bill was passed in 1994.

Finally, after 10 years of pushing and prodding by Senator HATCH, others, and me, the FDA has finally, this year, proposed good manufacturing practices regulations. They expect to have final regulations out by the end of this year. It took them 10 years, but I point out that the law requires it.

DSHEA also requires that manufacturers submit adequate information as to the safety of any new ingredients contained in dietary supplements before those products can be sold.

Again, I want to repeat that for the RECORD because when I listened to Senator DURBIN last week, you would think someone could put a dietary supplement out there without ever having anything reviewed or looked at or reported to FDA. The law requires that manufacturers submit adequate information as to the safety of any new ingredients contained in dietary supplements before they can be sold.

I might point out that the FDA has rejected over half of the proposals to market new dietary ingredients using existing authority.

To listen to my good friend from Illinois, you would think everyone could put anything they want out there. That is absolutely not true.

DSHEA also provided the Federal Government a number of avenues for the removal of unsafe dietary supplements from the marketplace. If the Secretary of Health and Human Services determines that a product poses an unreasonable risk when taken as directed, the product can be removed from the market. The Secretary utilized this authority earlier in the year to remove products containing ephedra from the market.

DSHEA gives the Secretary yet another tool to protect the public from unsafe supplements. If the Secretary determines that a product poses an imminent hazard to the public health, he can remove the product from sale.

Finally, in order to promote expanded scientific research on the benefits and health effects of dietary supplements, DSHEA mandated the establishment of the Office of Dietary Supplements within the National Institutes of Health. This has resulted in roughly $100 million in new scientific research that is crucial to expanding reliable information to the American people.

Unfortunately, despite some recent improvements, the history of implementation of DSHEA by FDA has been lax.

I want to point out here that I serve on the HELP Committee. That is the committee that gives approval to nominees to be FDA Commissioners. Since DSHEA was passed, I have asked every FDA Commissioner for the record, both under the previous administration and under this administration, whether DSHEA gives the FDA enough authority to remove from the shelves harmful products for public consumption. Everyone who has come before us has said, yes, that DSHEA gives them all the authority they need to remove harmful products from the shelf.

The problem is the FDA has failed to use all of the tools we provided DSHEA. They have failed to carefully review substantiation of claims. For 10 years they failed to put in place good manufacturing practice standards. It has failed to aggressively remove from the market the illegal street drug knockoffs and other products that are in clear violation of DSHEA requirements.

I recently met with the FDA Commissioner and told him about some of the things I have seen in some of the gasoline stations that have these stores attached to them where they have knockoff items which are clearly harmful to people, and yet the FDA is not removing them.

Part of the problem has been resources. The FDA needs adequate resources to implement and enforce DSHEA. Congress last responded by regularly providing funds over the last several years beyond those requested in the Presidents' budgets—both the previous President and this President—reaching $9.7 million in fiscal year 2003. This is to provide oversight of dietary supplements.

Last year, the Senate adopted an amendment that Senator HATCH, Senator DURBIN, and I proposed to increase funding for implementation and enforcement of DSHEA—to increase it by 17.5 percent. It required FDA to spend no less than $11.4 million for this purpose, $1 million more than requested by the administration. This was a substantial and necessary increase. In fact, I would like to see even more devoted to this purpose.

In fact, S. 1538, legislation Senator HATCH and I introduced earlier this session would increase FDA funding to $20 million next year, rising to $65 million per year within 5 years. We will continue to work to gain adoption of this more aggressive approach.

That is sort of the background. What I wanted to point out in my remarks is that we passed DSHEA to give people access to vitamins, minerals, and supplements to keep them healthy in the first place.

We provided in the law all that was necessary for the FDA to take harmful products off the shelf. We provided in the law that any claims have to be truthful, not misleading, and substance indicated. We provided that any new ingredients put into these dietary supplements must be approved by FDA.

I did not hear Mr. DURBIN, the Senator from Illinois, mention any of that in his comments last week.

I want to point out that there are more than adequate safeguards in DSHEA to keep the public safe and informed about dietary supplements, minerals, and vitamins.

Turning to the direct subject of the amendment of the Senator from Illinois, I support what I think is the basic essence of the Senator's amendment—getting good and timely information about safety concerns with anything that Americans consume or use—whether that be drugs over the counter, medical devices, foods, or dietary supplements.

In any of that area, if there are safety concerns, yes, we need good and timely information.

In fact, as I said, Senator HATCH and I have fought to increase the resources that FDA dedicate to implementing an effective adverse events reporting system. Today, we spend about $1.5 million a year for the monitoring of serious adverse events associated with ingesting dietary supplements.

Again, I agree with the Senator from Illinois that a mandatory adverse events reporting system for dietary supplements and over-the-counter drugs is something we should consider. However, the issue has to be dealt with in a more comprehensive fashion to be effective and efficient. We need to make sure we have a reporting system that will provide timely, accurate, and useful information. Senator DURBIN's amendment in its current form is too limited and does not ensure that we will have a workable system. Therefore, while I support the creation of a mandatory national adverse events reporting system that is broader in scope to protect the American people, I cannot support Senator DURBIN's amendment.

First, serious adverse health events resulting from consumption of a dietary supplement is a national issue. Any reporting system for such events needs to be national, not just pertaining to Army bases. And it should apply to all supplements, not just those containing caffeine.

As a matter of fairness and protection of the public health, it should apply to over-the-counter drugs as well.

My colleague from Illinois said on Friday in describing his amendment that over-the-counter drugmakers are required to report serious adverse events associated with their products. I am sorry, that is simply not the case for the vast majority of these over-the-counter drugs. This leads to a number of inconsistencies. I will point out one example that will result from this omission in Senator DURBIN's amendment.

Under his proposed amendment, one could buy a product whose brand name is No-Doz or similar over-the-counter products with a substantial amount of caffeine, yet be blocked from buying a dietary supplement that contained just a fraction of that stimulant. That simply does not make sense. If we are going to require reporting for dietary supplements, the same should be required of over-the-counter medication.

Under Senator DURBIN's amendment, on an Army base you could buy No-Doz, which is packed with caffeine, but could not buy a dietary supplement that might have a third, a half or a tenth as much caffeine in it. It makes no sense.

Senator DURBIN's amendment also excludes drinks that contain stimulants. Again, you could buy Red Bull—this is another brand name product, Red Bull—chock full of caffeine. There is no reporting requirement. But one could not purchase a supplement which had much less caffeine in it. This does not make sense.

Second, while I support a broader system, as I have said, the Defense authorization bill is not the place to work out the details of such an important public health matter. As our experience with mandatory adverse events reporting for drugs and medical devices has shown, implementing a mandatory system involves significant practical, technical, and legal issues that must be carefully worked out.

Third, there are serious shortcomings in the existing adverse event reporting system that need to be reformed before, or at least in tandem with, a mandatory reporting scheme. One need look no further than a recent report by the GAO.

Before we have a mandatory reporting scheme, let's look at the adverse event reporting system. Let's fix it. It is broken. Let's fix that before we have a mandatory scheme that relies upon an adverse reporting system that is totally inadequate. I may have more to say later regarding the GAO study.

These are serious shortcomings that clearly need to be addressed regarding a dietary supplement adverse event reporting system to effectively protect public health.

While I agree with much of what the Senator from Illinois is aiming to do, his approach is not something we should be approving. Therefore, Senator HATCH and I are offering a more comprehensive approach to Mr. DURBIN's amendment.

Our amendment says three things. First, the FDA should make it a priority to fully and effectively implement the Dietary Supplement Health and Education Act of 1994, including taking appropriate enforcement action against unsafe dietary supplements. They have the authority to do that. It is in the law. Every FDA Commissioner has said they have that authority.

Secondly, our amendment says within 180 days of enactment of this provision, the Department of Health and Human Services should develop a plan for mandatory reporting of serious adverse events occurring as a result of the ingestion of any dietary supplement or over-the-counter drug and provide that plan for review and consideration by Congress. That is the logical way to proceed.

Third, our amendment says adequate resources should be made available for the effective oversight of dietary supplements and for sound scientific research on dietary supplements. This is a more important response. It deals with the real and broader issues at hand.

I look forward to working with my colleagues, including the Senator from Illinois, Mr. DURBIN, to assure that consumers continue to benefit from healthful dietary supplements and we have a strong quality assurance system that includes good manufacturing practice standards and an improved serious adverse event reporting system.

I hope our colleagues will join in supporting our amendment which will permit people to have access to vitamins, minerals, and supplements which will tighten up the adverse event reporting system and which will also get adequate resources to the FDA to provide the adequate oversight of dietary supplements.

I see my good friend from Utah, one of the great leaders on this issue. Regarding enactment of DSHEA, I am proud to be a cosponsor with him, working to make sure all of our people get vitamins, minerals, and supplements to keep them healthy.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Utah.

Mr. HATCH. I thank my colleague for his statement about this matter. We worked very hard on the Dietary Supplement Health and Education Act back in 1994. It has served this country very well. There are now almost 150 million Americans who, daily, take dietary supplements much to the betterment of their health.

Amendment No. 3225 offered by our colleague from Illinois, Mr. DURBIN, is a solution in search of a problem. It is neither wise nor necessary. The Harkin-Hatch substitute should be approved in the alternative.

The Durbin amendment is yet again another attack on dietary supplements and it should be rejected.

Instead, I ask colleagues to vote in favor of the second-degree amendment Senator HARKIN and I have drafted, an amendment which will put us firmly on record in favor of enforcing the law we passed—not once but twice—by unanimous consent.

This law gives FDA all the enforcement tools it needs to act against problem supplements, a fact that has been confirmed by the FDA Commissioner in the Clinton administration, Dr. Jane Henney, by the first FDA Commissioner in the Bush administration, Dr. Mark McClellan, and by today's head of the FDA, Dr. Lester Crawford.

The law I reference, the Dietary Supplement Health and Education Act, provides all the tools we need to ensure consumer access to safe dietary supplements and information about their benefits and potential problems.

But for that consumer protection to be a reality, the law must be implemented through regulation and enforced in the courts, and Congress must provide the resources for the agency to do its job.

There is no question that FDA has been slow to act on problem supplements. But it is coming around and is doing a much more vigorous job, taking many more enforcement actions against illegally marketed products in recent months. By the way, they did not have this power before the DSHEA.

I believe this new emphasis on enforcement, albeit under our prodding, is due to both the leadership of Dr. McClellan, who has committed to me and Senator HARKIN that he would compel the agency to implement DSHEA more vigorously, and to our colleagues, Chairman BOB BENNETT, before him Chairman COCHRAN, and Ranking Minority Member HERB KOHL, who have acted to put more funding in the hands of the FDA to enforce the dietary supplement law.

By and large, dietary supplements—vitamins, minerals, herbs and amino acids—are used safely by hundreds of millions of Americans each year in order to help them lead healthy lifestyles. Critics of the industry point to the very few supplements that raise safety or labeling concerns, concerns that I firmly believe the law is adequate to address.

I hope it comes as no surprise to Senators that Senator HARKIN and I have been as critical as Senator DURBIN about the agency's lack of action in enforcing against problem supplements.

We have pressed FDA to remove from the market products which are harming young athletes, products such as androstenedione or "andro." Earlier this year, under the leadership of Dr. McClellan and HHS Secretary Tommy Thompson, andro was removed from the market. I was there. I was there at the announcement. I was one who backed that. It can no longer masquerade as a dietary supplement.

We have also been concerned about ephedra. I have said for a number of years that if the agency believes this product is unsafe, it should remove it from the market under the abundant authority we provided in DSHEA, the Dietary Supplement Health and Education Act. This includes seizure, fines, and injunctive relief against misbranded or adulterated dietary supplements. Again, although belatedly, the agency has acted against ephedra products, although there is litigation over this because there is some body of evidence that indicates properly used ephedra can be beneficial in weight reduction and perhaps in other areas as well. But we backed whatever the FDA did, we, the authors of the dietary supplement act.

As my colleagues are aware, I am one of the original authors of the Dietary Supplement Health and Education Act of 1994. I would like to take a few minutes to talk about the history of DSHEA, which will shed some light on why the Harkin-Hatch language is preferable to the Durbin amendment. This may be helpful for some of our colleagues who were not here when President Clinton signed DSHEA into law. It may also help reassure those who voted for the measure that it is working.

At the outset, it is important for Senators to realize the Dietary Supplement Health and Education Act established a rational, regulatory framework that provides the Food and Drug Administration with the tools it needs to assure the safety of products consumed by the American public, and to provide consumers with access to safe products and information about those products.

Indeed, the DSHEA law allows the more than 150 million Americans who regularly consume dietary supplements to have access to products in order to achieve the health benefits they desire. DSHEA enables Americans to buy relatively inexpensive dietary supplements, including vitamins and minerals, which may achieve a wide array of health improvements.

The passage of the Dietary Supplement Health and Education Act followed decades of Food and Drug Administration antipathy toward dietary supplement products. This animosity, well documented by hearings in the Labor and Human Resources Committee and by the committee's 1993 report, and the lack of clear regulatory structure for supplements, was the basis for our Senate votes.

That is also why a majority of the Senate—two-thirds of our membership—cosponsored the bill. That also helps explain why the bill passed without one dissenting vote in the Senate.

As I believe Senator HARKIN has noted, there is a great need to set the record straight. Dietary supplements are regulated by the Food and Drug Administration. In fact, the FDA has had this authority for a century. What we did in 1994 was to clarify and strengthen FDA's authority. Thus, media reports that supplements are "unregulated" are patently false.

The basic structure of DSHEA allows all products marketed as dietary supplements at the time the bill was enacted to continue to be marketed as dietary supplements unless they are determined to be unsafe or otherwise violate prohibitions in the Federal Food, Drug, and Cosmetic Act with respect to labeling, purity, and manufacturing.

This so-called grandfather provision was enacted into law. In addition, for new dietary ingredients, those not marketed in the United States before the law was enacted, manufacturers must provide evidence of safety to the FDA 75 days in advance of marketing. Again, new dietary ingredients must also comply with the Food, Drug, and Cosmetic Act requirements for safety, purity, and labeling.

Responsible companies have followed the rules. Over 150 times they have notified the FDA, as the law requires. About half of those were rejected because there were safety concerns or because the products were not appropriately marketed as dietary supplements.

The Dietary Supplement Health and Education Act works. The law specifically prohibits supplements that present "significant or unreasonable risk of illness or injury under . . . conditions of use recommended or suggested in labeling." A supplement not meeting that requirement is deemed adulterated, and, thus, illegal. This requirement does not require the agency to prove harm to anyone, rather, to make a determination that a significant or unreasonable risk of illness or injury is present.

In addition, the law prohibits any poisonous or deleterious substances in dietary supplements. A supplement is illegal if it is "unfit for food," a very broad authority which allows the agency to act against a product that is not fit for human consumption, and an authority that was not there before DSHEA.

Under DSHEA, a dietary supplement cannot claim that it will diagnose, cure, mitigate, treat, or prevent a disease. Any labeling to that effect immediately makes the product subject to regulation as a drug and, thus, illegally marketed as a supplement.

Under DSHEA, the labeling for a product must be truthful and informative. If the labeling is "false or misleading" in any way, the product is misbranded, and, thus, illegal.

Senators should be aware there are substantial sanctions for violations of these requirements, sanctions that did not exist before. Violations subject the product to recall, seizure, condemnation, and destruction. Persons committing the violations could be subject to both injunction and criminal prosecution. So the Dietary Supplement Health and Education Act has teeth, teeth that were not there before.

The hallmark of DSHEA is the balance between allowing for beneficial dietary supplements while at the same time maintaining regulatory authority for FDA to remove any supplements that are detrimental to health. Any objective analysis of the law must conclude that it has produced public health benefits of enormous dimensions.

The growth in the dietary supplement market since enactment of DSHEA is astounding. Today, there are hundreds of thousands of safe, well-labeled products on the market offering consumers who want to maintain or improve their health a panoply of options. Many of these products are manufactured in my own home State of Utah.

There also is much greater information available to consumers about these products as a result of DSHEA. Indeed, the provisions of the law clarifying what information could be provided with a supplement are nothing but consumer friendly. Before the law, it was FDA's official position that it was illegal for a store owner to distribute a Centers for Disease Control, or CDC, publication touting the benefits of folic acid use for pregnant mothers.

That is interesting because CDC knew that if mothers would take 400 micrograms of folic acid—I think it is micrograms or milligrams of folic acid—that would help to prevent neurotube defects. Even though they knew that, FDA would not allow that claim to be made, and about 1,250 children a year were born with spina bifida as a result that could have been avoided. We have come a long way since then.

Congress wisely recognized that had to change, and public health authorities believe hundreds of babies have been born without spina bifida because of the now wide use of folic acid—something we knew 11 years before DSHEA of which the FDA was aware but would not allow pregnant women to understand.

Now, are there problems with DSHEA? If there are problems, I believe they lie largely in the fact it has not been enforced vigorously. We certainly have given FDA the power to enforce the law. Both Senator HARKIN and I have complained that up until recently they had not been enforcing the law, almost sitting aside waiting for something to occur that was out of the ordinary. I have to say, since Dr. McClellan took over, and now Dr. Crawford, I believe the law is being enforced, and we have seen some very strong evidence of that.

As many of our colleagues, I have been frustrated with the agency's slowness in implementing certain provisions. For example, the law authorized FDA to develop good manufacturing practice guidelines, or GMPs, specific to supplements. The agency failed to act on this provision until 1999—5 years later—only submitting a proposal to the Office of Management and Budget in the last month of the Clinton administration. Delays and rewrites occurred for 2 years. Finally, the proposal was published earlier this year—almost 10 years after we gave them the power to do this.

Why are GMPs, good manufacturing practices, so important? They are the standards FDA inspects against to make sure the products are manufactured with purity and sanitation, to make sure they are properly labeled. So these are very important rules to have on the books, and this delay has been very troubling, especially to us as authors of the bill giving them the authority to do this.

But that has changed, as I cited earlier, noting the FDA's actions against androstenedione and ephedra, among other products. We have a carefully crafted safety standard in the law, a standard that was agreed to by then-Chairmen KENNEDY, DINGELL, and WAXMAN. When the FDA took action against ephedra-containing products earlier this year, it was the first time in the 10-year history of the law that the safety standard was invoked, even though we have been pushing to have it invoked. It is hard to maintain a law is not working if its powers are not used. I am heartened that the FDA acted to remove andro from the market earlier this year, thus helping to protect young athletes from its numerous adverse health effects, but it should not have taken that long for the agency to act.

We do have tools within the law that give the FDA the authority to act against problem supplements, as I have outlined.

I might add that to assure Chairman DINGELL, we also gave the FDA a very broad safety authority, a tool so broad that I was reluctant to provide it to the FDA given the agency's animosity against supplements. That authority, the ability of the Department of Health and Human Services to declare a product an "imminent hazard" and remove it from the market, no questions asked, has never been invoked either. Some have alleged it has not been invoked because it is ill-defined. On the contrary, it was deliberately crafted to be defined by HHS to meet any safety concerns the agency may raise. So here is another powerful tool the agency can use against a product if it has safety concerns.

Finally, with regard to the safety profile of so-called stimulants, I am aware this is a special concern of Senator DURBIN and Senator KENNEDY. Under the law, as it currently exists, as we enacted it, a dietary supplement—be it what Senator DURBIN considers to be a stimulant or any other product—must be safe. If it is not, the FDA can immediately act against it under the law. It is hard to segregate one type of product or define it, an inherent problem in trying to tailor the law to address stimulants only. Should we include caffeine? Everybody knows that is a stimulant. What about colas? What about chocolate? Why shouldn't they be included? What about over-the-counter stimulant products? Generally, there are no requirements for adverse events reporting for them either. Why the differentiation?

In 2002, estimates are that 182 persons died from taking acetaminophen as directed. Yet this is a broadly sold drug, over-the-counter drug. Why should there not be AER requirements for such over-the-counter products as well, or maybe that is where we are headed with this type of an amendment.

Perhaps we should look at the very notion that an AER system would prevent death or injury. AERs tell us that 55 men died in the first few months Viagra was marketed. What was the response? The FDA did not move to pull the product from the market. Instead it moved to include warnings for those men who may have been at risk due to cardiac disease, which is what you would expect. Believe it or not, Congress didn't have to take any action. It is the same situation here.

It is important for our colleagues to understand this background about the law as it is useful for evaluating the Durbin amendment, which I hope our colleagues on the Senate floor will vote down. I hope it will help my colleagues understand why voting in favor of the Durbin amendment at this time is very premature.

This amendment would amend the DOD reauthorization bill to prohibit military installations from selling stimulant-containing dietary supplements unless the manufacturer agrees to mandatory reporting of any serious adverse events to the FDA related to the use of the product. It may surprise some to know that I am not opposed to better reporting of adverse events connected with supplements; nor, for that matter, am I opposed to better reporting of adverse events for over-the-counter drugs which many erroneously believe are generally subject to adverse event reporting or AERs, as this debate calls them. Indeed, Senator HARKIN and I have been working to improve adverse event reporting for dietary supplements and over-the-counter drugs. Funding has been included in a number of appropriations laws to give FDA resources for adverse event reporting for supplements. If there is a serious problem with an aspirin, a vitamin, an herb, or a cold remedy, should not our policy be the same, that authorities are alerted to that serious problem?

But the Durbin amendment is not the way to go about this. First, it is an extraneous amendment to the Department of Defense bill, especially at a time when our Nation is at war. This is the wrong time and the wrong place for this discussion. I wonder if the families of our service members are bewildered watching us spend so much time talking about what products they can buy at the commissary, especially when the DOD already has the authority to limit any sales. If there is an issue with a dietary supplement or supplements—and in this case, I do not believe there is—it should not be considered only in the context of military installations but, rather, as a matter of overall food and drug policy. Indeed, it is inconsistent with standing food and drug law to establish a policy governing a regulated product sold throughout the Nation and apply that policy only to certain facilities such as military installations.

Surveys have shown that 70 to 90 percent of soldiers are users of dietary supplements. Military personnel and their families, as all other Americans, benefit from the protective effects of supplements and from their positive health benefits. What is the rationale for singling them out for different treatment? I find this particularly peculiar given that the Department of Defense has the ability to decide what is marketed on military bases. In fact, DOD removed ephedra from commissaries long before the FDA banned the product for general use.

If the Department of Defense perceives a problem with these supplements, it can preclude their sale to the military, as the DOD has already done with regard to ephedra. But beyond that, I am not aware of any reported problem relating to the sale of "stimulant" dietary supplements on military bases and, thus, see no reason to place the restrictions contained in the Durbin amendment.

Second, in a similar vein, in view of the FDA's too-long, ridiculously long lag time in coming to grips with the regulation of ephedra, which I can only assume gave rise to this amendment, I recognize that the Durbin amendment has a certain curbside appeal. I urge my colleagues to look beyond that. As a matter of food and drug law, there is no basis for separating one type of dietary supplement from another. I maintain that if there are serious adverse events associated with any legally sold dietary supplement, then there should be a better reporting system so FDA can take appropriate action. I remain ready and willing to work with any or all of my colleagues to create such an adverse event reporting system.

Third, as a matter of food and drug law, it does not make sense to have what amount to interparty agreements between a manufacturer and a defense installation for an FDA-regulated product to be marketed. We have a long history of tradition in this country, grounded in the Federal Food, Drug, and Cosmetic Act, that policies governing FDA-regulated products are national in nature, applying across points of sale, across manufacturers, and across the various States.

Let us say for the sake of argument that a certain dietary supplement is found to cause respiratory problems. Should the FDA only become aware of the problems when the product has been sold in a commissary? As a matter of public health, wouldn't we want to know if that is the case wherever the product is sold and in whatever store and in whatever State so appropriate public health safety measures can be considered?

Fourth, the timing of this amendment is premature. It has not been studied by the committee of jurisdiction, nor has the Food and Drug Administration, the administering agency, taken a position. Surely they should have a hand in the development of any such policy, as I believe should Senator HARKIN and I as the prime Senate authors of the 1994 law governing regulation of supplements.

I am deeply troubled that the Senate HELP Committee, which has jurisdiction over the Federal Food, Drug, and Cosmetic Act, has not even been able to consider this proposal. Since this is such an important matter, I believe it must be considered by the committee of jurisdiction before it is considered by the full Senate. That is the way we usually operate in these very serious Food, Drug, and Cosmetic Act and food supplement areas.

I have learned after many years in the Senate that the most successful legislative proposals are those that are properly considered and debated by and within the committees of jurisdiction. I would like to see consultation with the HELP Committee, with the Food and Drug Administration, and other scientific organizations, with appropriate input from the dietary supplement industry before any proposal is voted upon by the full Senate. That would be the fair and reasonable way to go about this, not just some off-the-cuff amendment that specializes in a particular area—in this case the military commissaries—that has no real backing to it other than that some people think it might be helpful.

The final reason this amendment is unnecessary is the FDA is already investigating products the Senator from Illinois terms "stimulants." The FDA is well aware of issues associated with products Senator DURBIN refers to as stimulants, although there is no such category in food and drug law. FDA is looking closely at products such as ephedra, which it recently banned, and ephedra substitutes such as citrus aurantium or bitter orange. FDA and the National Institutes of Health are studying the safety of citrus aurantium. The proposed amendment singles out supplements that contain stimulants, including those that contain caffeine.

As a point of fact, some military personnel are encouraged to use stimulants. Pilots use them on long flights. I submit that many service members use more caffeine through coffee, tea, and soft drinks such as Coca-Cola, Pepsi, Mountain Dew, and Dr. Pepper than they do in dietary supplements. For all of the concerns of the distinguished Senator from Illinois, I am not aware of many adverse reports that would come from their use, nor am I aware of real serious adverse reports that would come through the use of basic dietary supplements. But if they do, then the FDA should consider those. And they would be important. At least we would have a system that works. I could see groups in this society ginning up adverse event reports for no other reason than to damage some manufacturer. We want to prevent that. That is another reason why we want to look this over.

I got an e-mail from a service member's father this morning about his son who is currently serving in Baghdad. His division commanders have now banned the consumption of Red Bull, the highly-caffeinated energy drink, after reports of several soldiers collapsing and perhaps dying while patrolling in 120-degree heat after consuming this drink.

This shows the defects in the Durbin amendment—since it would not even address high levels of caffeine use—and the fact the system works, since military leaders are taking action to preclude unwise use of this product or any other product, for that matter.

As many in this body are aware, Senator DURBIN has a companion bill, S. 722, which proposes one way to set up an AER system for supplements. The Durbin bill, as with the present Durbin amendment, is very troubling.

One huge concern I have with this bill is it could lead to premarket approval of so-called "stimulants." For this body to impose a premarket approval system on dietary supplements would be a blunder of vast proportions.

If my colleagues contemplate the matter, they will quickly realize it would not be practical for manufacturers to seek marketing approval of dietary supplements, most of which cannot be patented. How would a company underwrite the high costs of FDA approval, costs which can run into hundreds of millions of dollars in the case of pharmaceutical products?

The answer is simple: Companies cannot sustain this cost and consumers will lose their ability to choose the dietary supplement products they will purchase. If the Members of the Senate and Congress want hundreds of thousands of letters and phone calls to come from the users of dietary supplements, if that is what it takes, we will accommodate them because the people out there know these products are helpful to them. They know they are more healthy because of them. They do not want the Senate telling them what to do. They would, I think, prefer the FDA to determine what is and what is not efficacious, only after there has been serious compliance with the Dietary Supplement Health and Education Act which gives FDA the authority to do some of the things that can be done to protect the public.

A premarket approval requirement would be the death knell for the dietary supplement industry. That is one reason why we fought through the Dietary Supplement Health and Education Act. We fought it through because we knew it would kill this very important industry that 150 million people benefit from every day. Beyond that, there is no need for preapproval of dietary supplement products.

Indeed, the grandfather provision in the law was suggested by House Democrats, who no doubt recognized the majority of supplement products on the market pose no safety concerns. That, coupled with strong enforcement authority for the FDA, gives consumers assurance that they are taking safe products.

Back to the amendment at hand.

It is obvious to me the target of this amendment is FDA regulation of certain stimulant-containing dietary supplements, not the health and readiness of our Armed Forces. Let me emphasize that the DOD reauthorization bill is the wrong vehicle to amend the Dietary Supplement Health and Education Act. This amendment will not—I repeat, will not—ensure the health and readiness of the members of the Armed Forces.

For these reasons, I urge my colleagues to vote against the Durbin amendment. The Hatch-Harkin amendment is a much better alternative. It states the sense of the Congress that the FDA should make it a top priority to fully and effectively implement the Dietary Supplement Health and Education Act, including taking appropriate enforcement action against unsafe supplements.

Our amendment urges the Department of Health and Human Services to work with outside scientific organizations and the industry, as appropriate, to develop a proposal for better adverse event reporting both for dietary supplements and for OTC products for the Congress to consider.

Finally, our amendment restates the obvious: that adequate resources must be made available for the effective oversight of dietary supplements and sound, scientific research about their benefits and/or problems.

On April 19, just 2 short months ago, Dr. Crawford, currently running FDA, outlined a science-based plan for dietary supplement enforcement. He said:

> FDA is absolutely committed to protecting consumers from misleading claims and unsafe products.

He noted that in the past 6 months, the agency had inspected 180 domestic supplement manufacturers, sent 119 warning letters to distributors, refused entry to 1,171 foreign shipments of supplements, and seized or supervised voluntary destruction of almost $18 million worth of mislabeled or adulterated products.

"We will continue to aggressively enforce the DSHEA against unsafe and mislabeled products," the Acting FDA Commissioner said. Congress should support him in that effort, and this amendment does not constitute that type of support. That is the aim of the Hatch-Harkin amendment, and I ask our colleagues to join with us in supporting this measure.

Millions of Americans enjoy the daily benefits of dietary supplements. Among them are military families. Let's not act precipitously. Let's not upset an agency that is finally starting to do its job and enforce the law we gave them 8 years ago giving them the powers to do the job. Let us adopt the Hatch-Harkin amendment and guarantee American consumers have continued access to the safe, beneficial products they want.

I am proud of DSHEA. DSHEA has given FDA the authority it never had before. There is no excuse for FDA not to do the job. Since Dr. McClellan took over at FDA and now Dr. Crawford, they are doing the job. It took us almost 10 years to push them to do that, and now all of a sudden, they are doing a great job in this regard, and I do not want to undermine what they are doing. There is plenty of authority within the DSHEA law for them to do the job and do it right.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENT NO. 3463 TO AMENDMENT NO. 3225

Mr. DURBIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 3463 to amendment No. 3225.

Mr. DURBIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> (Purpose: To require certain dietary supplement manufacturers to report certain serious adverse events)
>
> At the end of the amendment, insert the following:
>
> (d) This section becomes effective upon enactment.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, for the edification of my colleagues, we are working on a procedural agreement on how to address these amendments in a timely fashion. I hope we can reach that agreement, and I think we will soon. In the meantime, I will speak to the merits of the issue. Senators HARKIN and HATCH have offered an amendment relative to dietary supplements to the bill before us, the DOD authorization bill.

People are asking, Why would you have a debate over dietary supplements on this bill? Sadly, the fact is dietary supplements have been such a danger to our Armed Forces that between 1997 and 2001, 30 Active-Duty personnel in the U.S. military have died after taking ephedra, a dietary supplement marketed for weight loss and energy and was eventually banned by all branches of the armed services, and ultimately by the FDA.

In fact, the danger of ephedra-containing dietary supplements was first noted by our Armed Forces when they looked at the prevalence of their usage and the dangerous outcomes from these supplements. Before the FDA took this product off the market in America, the U.S. military took it off the market on all of our military bases and warned our soldiers. U.S. Armed Forces Commander, COL Jerald Cross said:

> The bottom line is that dietary supplements are not a safe choice for soldiers or their families.

To argue that the issue of dietary supplements has no place in the Department of Defense authorization bill ignores the obvious. Soldiers serving America have died taking dietary supplements that were sold on military bases. As a result of those deaths and serious outcomes of more than 30 soldiers, the military banned dietary supplements, and particularly those containing ephedra. Now they are watchful of many others.

Recently published in one of the military publications was an article on performance-related supplements, it detailed the product, claim, and fact, so that members of the Armed Forces know the danger of dietary supplements. To suggest that this issue doesn't belong on this DOD bill is wrong. It is an issue which may not rise to the moment of fighting a war in Iraq or a war on terrorism, but it is a life-and-death issue which has claimed the lives of 30 unsuspecting, innocent, patriotic Americans serving in our Armed Forces.

Before us today is an alternative being offered by Senators HARKIN and HATCH. Both of them were involved in the early days in the creation of the bill that regulates dietary supplements in America. It is worth a minute or 2 to describe to those following the debate what this is about. The decision was made in 1994 to create a category of compounds being sold and call them dietary supplements. We originally had, of course, prescription drugs, over-the-counter drugs, and foods; and in 1994 the decision was made to create this new category of dietary supplements. Within that category falls a lot of benign and safe products that many of us take every day. I took my vitamin this morning. I asked Senator HARKIN, and he took his, too. That is good. Maybe it is good for me, maybe it is not. I think it might be good for me to take it and so do millions of other Americans.

The obvious question is, when you go beyond the multivitamins, the vitamin C, fish oil, flax oil—when you go beyond these into new compounds called dietary supplements that are sold with the stated purpose of helping you to have more energy, to lose weight, then you have moved beyond the simple compounds in vitamins and minerals and into new combinations which, frankly, fall into the category of dietary supplements.

So how are these supplements tested? There is one thing Senators HATCH and HARKIN have not mentioned, which should be on the record. Dietary supplements, before they are sold to Americans, are not tested. There is no requirement in the law for dietary supplements to be tested. So when these products come to the shelves of our local vitamin and mineral nutrition store, or the local drugstore, and you walk in and read the label and think you would like to have more energy, so you will take this dietary supplement, understand this: You are a test case. You are testing this product. You are going to decide from your physical reaction whether this product is safe, whether, in fact, it should be sold in America.

Secondly, what if it is not? What if the dietary supplement, created by some company here or overseas, is not safe? What if you take an ephedra product, as a 16-year-old high school student did a few miles from my home—he bought it at a gas station over the counter and washed it down with Mountain Dew because he wanted more energy for his high school football game. He took the product and started feeling poorly and died the next day of a heart attack—a healthy 16-year-old boy—from an ephedra product.

Ask yourself, if his family contacted the company that sold the product and said, what—he bought Yellow Jackets, which is the name of the ephedra product. If they notify the company, what does Senator HATCH's law require the company to do with that information? A 16-year-old boy died from that Yellow Jacket. The answer is, there is nothing, no requirement—none whatsoever—to report a death or heart attack or stroke from a dietary supplement. That is what DSHEA—the Dietary Supplement Health Education Act—is all about. There is no testing in advance to make sure the supplement is safe, no testing to make sure it actually gives you more energy, even if it claims it does on the label, and no requirement of the company making the supplement to notify the Government that people are getting sick and dying from taking the product.

How many Americans know that? How many Americans know that when you walk into that drugstore and grab that bottle of Metabolife, one of the biggest sellers of dietary supplements, that this product, a stimulant that could be dangerous for some people, has never ever been tested? No clinical testing whatsoever. How many people know that the claims that this product, Metabolife, gives you more energy have never been verified? They just state that on the label.

Consumer beware. How many people knew that Metabolife, which sold millions of dollars' worth to consumers all across America, caused significant adverse events when it was combined with ephedra? About 4 years ago, they went to Metabolife and asked: How many people have reported having taken your product and had bad results?

Metabolife said: None, zero.

Then do you know what happened? Lawsuits and investigations showed they lied, they deceived the Government. They had over 16,500 adverse events of Metabolife with ephedra reported. They never told the Government, but because of lawsuits, they were forced to disclose them. Some of them were extremely serious. More than 100 people had died from these ephedra-related products, and there was no requirement under DSHEA whatsoever for that company to report to the Government that, in fact, people had died as a result of taking it.

My amendment says, if you want to sell a dietary supplement containing a stimulant on a military base, you have to report to the Food and Drug Administration if there is a serious adverse health event from the product you are selling. If someone has a stroke, is hospitalized, faces some serious injury, or dies, you have to report it.

Now, is that too much to ask? Is that so radical that this industry is now flooding e-mails across America about this terrible Durbin amendment?

This is what they say about it: The Durbin amendment holds dietary supplements to a higher level of scrutiny than prescription drugs, over-the-counter drugs, and food additives. Partially true. Certainly a higher level than food additives. I do not think people who sell cinnamon, vanilla extract, or salt and pepper should be required to send in adverse event reports to the Food and Drug Administration, but I do believe if someone is selling Metabolife with ephedra or its latest replacement drug, this citrus aurantium, bitter orange, and people die as a result of it, yes, I think it ought to be reported. I would think if someone is buying dietary supplements, at the very minimum they would want that company to report to the Government that someone is dying from their products.

Now we have my colleagues from Iowa and Utah tell us this is an outrageous request, that it goes too far, that what we are asking for in this amendment is entirely unnecessary. At one point, they have called for a study that the Food and Drug Administration would engage in to determine whether these so-called adverse event reports should take place, not just for dietary supplements but for over-the-counter drugs.

There is nothing wrong with a study. In fact, a study is such a good idea that it has already been done, and it was released this year. Who asked for this study on dietary supplements? The Food and Drug Administration. Whom did they turn to ask for it? The Institute of Medicine.

I do not think this Institute has any ax to grind. These are professionals and they were asked to take a look at the dietary supplement regulatory structure.

Do my colleagues know what they found on page 13.5? Here is the recommendation from the Institute of Medicine: Congress should amend DSHEA to require that a manufacturer and distributor report to the FDA in a timely manner any serious adverse event associated with use of its marketed product of which the manufacturer or distributor is aware.

That is exactly what my amendment calls for when it comes to sales on military bases.

The Senator from Utah has said, Why are we not taking this up in a larger context? Why are we not discussing this for all dietary supplements for all Americans? I am for it. Let us hold the hearings.

I have already held three hearings in the Government Affairs Committee on dietary supplements. As a result of the first hearing, we started sending letters to Secretary Tommy Thompson of Health and Human Services, and after over a year of deliberation the Food and Drug Administration joined my State of Illinois and others, the nation of Canada, military bases, as well as major sports organizations, and called for the banning of ephedra. They said that dietary supplement was too dangerous.

Well, we held our hearings. I am certainly open to holding more, but we have a good starting point. It appears everybody agrees and understands the premise that if one is going to sell a product in America, that is supposedly designed to make people healthier, then, at the very minimum, when that product causes a bad health result, a serious adverse health result, it should be required to be reported so we can gather that information. If we find that 5, 10, 15, 20, 100, or 1,000 people are getting sick from this dietary supplement, for goodness' sake, would we not want to take it off the shelf? Do we not owe that to the American consumers?

Some argue, like the industry: Leave us alone. Let us sell whatever we want. Let us make whatever health claims we want. We should not have to test our products. We should not have to even have standards when it comes to what is included in those products.

I say to Senator HATCH, it has been 10 years since he enacted DSHEA and he knows, as I do, that the Food and Drug Administration has yet to promulgate good manufacturing practices for that industry. Do my colleagues know what that means? Ten years after Senator HATCH and Senator HARKIN worked on this law, it means that even the things that are represented on the labels of these dietary supplements are not necessarily true. There is no requirement to list the purity of the ingredients. There is no requirement in terms of standards and contents of these ingredients. Here we are 10 years after this law was enacted and it is the Wild West. It is a product and an industry with, frankly, little or no regulation.

They put one provision in there which is supposed to give us some comfort, and cold comfort it is. The Food and Drug Administration, which, in the opinion of some has lots of resources and lots of time to spend on this thing, can decide that a product for sale in America is dangerous, investigate it, and remove it. The burden is not on the producer, the manufacturer; the burden is on the Government to prove it is dangerous.

So how often do my colleagues think the Food and Drug Administration can comb through the shelves of these nutrition and drug stores and come up with the new combinations and test them to find out that they are safe? That is an impossible responsibility to shift to the Food and Drug Administration. As a result of that——

Mr. HATCH. Will the Senator yield for a question?

Mr. DURBIN. I would be happy to yield for a question.

Mr. HATCH. I have been enjoying listening to the distinguished Senator. Let me ask this: Would the Senator be willing to resolve this problem by working with Senator HARKIN and me to come up with a broad-based law that handles the adverse events reporting matter? Because my objection is that this is a helter-skelter approach to doing it, that will not solve the problems that the distinguished Senator thinks exist. I would be willing to work with the Senator rather than do this in this fashion on this particular bill, because I am not against adverse event reporting.

I am against premarket approval, which is what the Senator seems to be arguing for, which would price vitamins, minerals, and other products off the charts so that the average person, the 150 million people who use them for their health benefit, including, I am sure, the distinguished Senator and myself, would not be able to afford them.

I think it is going to take some very careful workmanship, working with the HELP Committee and with other Senators and Members of the House, to do an appropriate adverse events reporting enactment or statute that makes sense rather than do this on an ad hoc basis without defining how it is done, defining what adverse event reporting is, how they report, what they report on, and what is meaningful. I would be more than happy to work with my friend. I am sure I can speak for Senator HARKIN as well. Our goal is not to allow companies that are not doing appropriate dietary supplements to be in business. If the Senator would withdraw his amendment, I am willing to work very carefully with him in good faith and work hard to try to resolve this problem, because I think the Senator also would—and I would ask him if he would know this as well—know that there are people in this world who do not like anybody and there could be a lot of phony adverse event reporting.

The Senator uses the term "serious." I am not against having serious adverse event reporting but what the Senator is asking for here is not definitive. It would not be accurate. It could be interpreted to place severe burdens on the whole dietary supplement industry, which has been a very health-promoting industry over the years and which is one of the great industries of our country.

Those who are the top people in the industry want the industry to be totally honest in its approach toward everything that is manufactured as a dietary supplement. Certainly I do and certainly Senator HARKIN does, and I acknowledge that the distinguished Senator from Illinois does.

I would be happy to work with the Senator. I do not think this is the way to do it. In fact, I know it is not the way to do it. All we are going to do is get in big arguments without getting anything done.

Mr. DURBIN. I thank the Senator from Utah. In response to his inquiry, the answer is a very strong affirmative. The answer is, yes, I would like to work with the Senator from Utah and the Senator from Iowa.

Mr. HATCH. Then why do you not withdraw the amendment.

Mr. DURBIN. Let me make a suggestion to the Senator from Utah, if I may. First, a serious adverse health event is specifically defined in my amendment to include death, life-threatening conditions, inpatient hospitalizations, disability, and incapacity. So it is very serious.

Mr. HATCH. Those are broad categories.

Mr. DURBIN. I think death is a very narrow category. You stop breathing. If that occurs, I think perhaps your dietary supplement needs to be looked at.

Mr. HATCH. Is the Senator aware the pharmaceutical industry is willing to keep going because of the hoped-for benefits in the dietary supplement industry? There are 100,000 people a year who die from toxicity. Even in the cases the distinguished Senator has quoted, there is a real question whether the deaths occurred from dietary supplements or from other factors. I think it is very difficult. Naturally people want to blame it on dietary supplements, but we have had 100 years or more—actually centuries of dietary supplements without deaths. All of a sudden, every time somebody dies they blame it on a dietary supplement.

We are a far cry from defining what it means to report adverse events. I would be willing to work with the Senator. I believe we could come up with something that really would work, that would be accepted by the industry and accepted by the FDA, and would give the FDA even more teeth than it has perhaps now, although we gave them plenty in DSHEA. I went over that in my remarks on the Senate floor, but I would be happy to do that.

Mr. DURBIN. Let me say to the Senator from Utah, let me make a suggestion if I might. My bill to amend DSHEA has three component parts to it. One of them was to ban steroids sold as dietary supplements. I know the Senator agrees with that position.

Mr. HATCH. I do.

Mr. DURBIN. Because he and Senator BIDEN have introduced a bill to accomplish the same goal. I would like to suggest to the Senator from Utah that we work together to add the adverse reporting requirement into that bill.

Mr. HATCH. If the Senator will withdraw his amendment, I will commit to do exactly that. What I do not want is a Dietary Supplement Health and Education Act adulterated with helter-skelter amendments that do not apply across the board. Frankly, I think the amendment of the distinguished Senator is in that nature, even though I know it is well meaning and sincere. But I am saying if you work together, we will do that.

Mr. DURBIN. My good friend and colleague from Utah is an extraordinarily busy man with responsibility on the Senate Judiciary Committee and responsibility of chairing that important committee. It was important for me to get his attention and the attention of all those in this industry, and now we are in dialog and I would like to suggest to the Senator from Utah the following: If he will agree to work with me and others to amend the bill he has introduced with Senator BIDEN on the steroids used as a dietary supplement to include adverse event reporting, which at least meets the goals we have talked about here, I would be more than happy to work with him, and I will be prepared to withdraw my amendment.

Mr. HATCH. You will withdraw the amendment if I am willing to do that?

Mr. DURBIN. If I have your assurance that we can work on this.

Mr. HATCH. As long as the industry is being consulted and is not just being pushed around. If the industry is consulted.

Mr. DURBIN. Oh, absolutely.

Mr. HATCH. I believe responsible people in the industry—and most all of them are—if they are consulted, I believe they can help us in this area. I believe we can do the consuming public a great service in coming up with an efficient, workable, well-thought-out adverse event reporting system that FDA would appreciate as well. Yes, I am willing to work with the distinguished Senator, and I am willing to work—I can't speak for Senator BIDEN, but I believe he would be willing to work to add that to the ban on steroid use.

Mr. DURBIN. I say to the Senator, if I might through the Chair, I would like to set as a goal doing it this year.

Mr. HATCH. If we could get our leadership to do that on both sides, I would like nothing better than to pass that Hatch-Biden bill. I would like nothing better than for us to come up with an appropriate way of handling adverse event reporting that really makes sense, that helps the industry and yet makes sense for the consuming public as well, and to FDA. But it would have to have consultation with the industry as well.

Mr. DURBIN. I agree with the Senator. I would tell you endorsers of my amendment, the American Medical Association, American Dietetic Association, the American Osteopathic Association, the Center for Science and the Public Interest, the American Society for Clinical Pharmacology—I want them to be in on this conversation, too.

Mr. HATCH. No problem.

Mr. DURBIN. Let's bring them all together. With that understanding, I am prepared to withdraw our amendments which we have pending.

Mr. HATCH. We will withdraw ours if the Senator withdraws his.

AMENDMENTS NOS. 3463, 3462, AND 3225 WITHDRAWN

Mr. DURBIN. I ask unanimous consent to withdraw my perfecting amendment and, after the substitute is withdrawn, to withdraw my underlying amendment.

Mr. HATCH. Under these circumstances I ask unanimous consent to withdraw my substitute amendment as part of that unanimous consent agreement, and you will withdraw the underlying amendment?

Mr. DURBIN. That is correct.

The PRESIDING OFFICER. Without objection, the underlying amendment and the two amendments thereto are withdrawn.

Mr. HATCH. All three amendments.

The PRESIDING OFFICER. The Democratic whip?

Mr. REID. Mr. President, people wonder if debate helps. It does. This is a perfect example of how. This debate has helped resolve a very contentious issue. I congratulate Senators HATCH and DURBIN for their work.

I ask unanimous consent that there be 2 minutes equally divided prior to the vote with respect to the Warner amendment this evening.

The PRESIDING OFFICER (Mr. CORNYN). Without objection, it is so ordered.

Mr. REID. I ask also there be 2 minutes prior to the Lautenberg vote we are going to have this evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, at this time the Senator from Wisconsin——

Mr. HATCH. Will the Senator yield for just a minute?

Mr. REID. I am happy to.

Mr. HATCH. I would like to thank my colleague from Illinois for his willingness to withdraw his amendments. I want to work very closely with him in resolving these problems we have been discussing on the Senate floor. I am grateful to do that, and I think it is important.

Mr. REID. The Senator from Wisconsin has been waiting very patiently all afternoon. He has an important amendment. He can finish the debate prior to 5:30 today when our vote starts. The majority will have to make a decision on what they want to do with his amendment.

I ask the pending amendment be set aside and the Senator from Wisconsin be recognized to offer his amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Wisconsin.

AMENDMENT NO. 3288, AS MODIFIED

Mr. FEINGOLD. I thank the Senator from Nevada for his help making it possible to bring up this amendment.

I call up amendment No. 3288 and ask for unanimous consent to modify my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. I send those modifications to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD], for himself, Mr. BYRD, Mr. LEAHY, Mr. DODD and Mr. WYDEN, proposes an amendment numbered 3288, as modified.

Mr. FEINGOLD. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To rename and modify the authorities relating to the Inspector General of the Coalition Provisional Authority)

At the end of subtitle F of title X, add the following:

SEC. 1055. REDESIGNATION AND MODIFICATION OF AUTHORITIES RELATING TO INSPECTOR GENERAL OF THE COALITION PROVISIONAL AUTHORITY.

(a) REDESIGNATION.—(1) Subsections (b) and (c)(1) of section 3001 of the Emergency Supplemental Appropriations Act for Defense and Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108–106; 117 Stat. 1234; 5 U.S.C. App. 3 section 8G note) are each amended by striking "Office of the Inspector General of the Coalition Provisional Authority" and inserting "Office of the Special Inspector General for Iraq Reconstruction".

(2) Subsection (c)(1) of such section is further amended by striking "Inspector General of the Coalition Provisional Authority" and inserting "Special Inspector General for Iraq Reconstruction (in this section referred to as the 'Inspector General')".

(3)(A) The heading of such section is amended to read as follows:

"SEC. 3001. SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION.".

(B) The heading of title III of such Act is amended to read as follows:

"TITLE III—SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION".

(b) CONTINUATION IN OFFICE.—The individual serving as the Inspector General of the Coalition Provisional Authority as of the date of the enactment of this Act may continue to serve in that position after that date without reappointment under paragraph (1) of section 3001(c) of the Emergency Supplemental Appropriations Act for Defense and Reconstruction of Iraq and Afghanistan, 2004, but remaining subject to removal as specified in paragraph (4) of that section.

(c) PURPOSES.—Subsection (a) of such section is amended—

(1) in paragraph (1), by striking "of the Coalition Provisional Authority (CPA)" and inserting "funded with amounts appropriated or otherwise made available to the Iraq Relief and Reconstruction Fund";

(2) in paragraph (2)(B), by striking "fraud" and inserting "waste, fraud,"; and

(3) in paragraph (3), by striking "the head of the Coalition Provisional Authority" and inserting "the Secretary of State and the Secretary of Defense".

(d) RESPONSIBILITIES OF ASSISTANT INSPECTOR GENERAL FOR AUDITING.—Subsection (d)(1) of such section is amended by striking "of the Coalition Provisional Authority" and inserting "supported by the Iraq Relief and Reconstruction Fund".

(e) SUPERVISION.—Such section is further amended—

(1) in subsection (e)(1), by striking "the head of the Coalition Provisional Authority" and inserting "the Secretary of State and the Secretary of Defense";

(2) in subsection (h)—

(A) in paragraphs (4)(B) and (5), by striking "head of the Coalition Provisional Authority" and inserting "Secretary of State"; and

(B) in paragraph (5), by striking "at the central and field locations of the Coalition Provisional Authority" and inserting "at appropriate locations of the Department of State in Iraq";

(3) in subsection (j)—

(A) in paragraph (1), by striking "the head of the Coalition Provisional Authority" and inserting "the Secretary of State and the Secretary of Defense"; and

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) by striking "the head of the Coalition Provisional Authority" the first place it appears and inserting "the Secretary of State or the Secretary of Defense"; and

(II) by striking "the head of the Coalition Provisional Authority considers" the second place it appears and inserting "the Secretary of State or the Secretary of Defense, as the case may be, consider"; and

(ii) in subparagraph (B), by striking "the head of the Coalition Provisional Authority considers" and inserting "the Secretary of State or the Secretary of Defense, as the case may be, consider"; and

(4) in subsection (k), by striking "the head of the Coalition Provisional Authority shall" each place it appears and inserting "the Secretary of State and the Secretary of Defense shall jointly".

(f) DUTIES.—Subsection (f)(1) of such section is amended by striking "appropriated funds by the Coalition Provisional Authority in Iraq" and inserting "amounts appropriated or otherwise made available to the Iraq Relief and Reconstruction Fund".

(g) COORDINATION WITH INSPECTOR GENERAL OF DEPARTMENT OF STATE.—Subsection (f) of such section is further amended striking paragraphs (4) and (5) and inserting the following new paragraph (4):

"(4) In carrying out the duties, responsibilities, and authorities of the Inspector General under this section, the Inspector General shall coordinate with, and receive the cooperation of, each of the following:

"(A) The Inspector General of the Department of Defense.

"(B) The Inspector General of the United States Agency for International Development.

"(C) The Inspector General of the Department of State.".

(h) POWERS AND AUTHORITIES.—Subsection (g) of such section is amended by inserting before the period the following: ", including the authorities under subsection (e) of such section".

(i) REPORTS.—Subsection (i) of such section is amended—

(1) in paragraph (1)—

(A) in the first sentence, by striking "and every calendar quarter thereafter," and all that follows through "the Coalition Provisional Authority" and inserting "again on July 30, 2004, and every calendar quarter thereafter, the Inspector General shall submit to the appropriate committees of Congress a report summarizing the activities of the Inspector General and the programs and operations funded with amounts appropriated or otherwise made available to the Iraq Relief and Reconstruction Fund";

(B) in subparagraph (B), by striking "the Coalition Provisional Authority" and inserting "the Department of Defense, the Department of State, and the United States Agency for International Development, as applicable,";

(C) in subparagraph (E), by striking "appropriated funds" and inserting "such amounts"; and

(D) in subparagraph (F), by striking "the Coalition Provisional Authority" and inserting "the contracting department or agency";

(2) in paragraph (2), by striking "by the Coalition Provisional Authority" and inserting "by any department or agency of the United States Government that involves the use of amounts appropriated or otherwise made available to the Iraq Relief and Reconstruction Fund";

(3) in paragraph (3), by striking "June 30, 2004" and inserting "July 30, 2004"; and

(4) in paragraph (4), by striking "the Coalition Provisional Authority" and inserting "the Department of State and of the Department of Defense".

(j) TERMINATION.—Subsection (o) of such section is amended to read as follows:

"(o) TERMINATION.—The Office of the Inspector General shall terminate on the date that is 10 months after the date, as determined by the Secretary of State, on which 80 percent of the amounts appropriated or otherwise made available to the Iraq Relief and Reconstruction Fund by chapter 2 of title II of this Act have been obligated.".

Mr. FEINGOLD. I ask unanimous consent Senators BYRD, LEAHY, DODD, and WYDEN be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. Mr. President, last year I offered an amendment to the supplemental bill for Iraq and Afghanistan that established an inspector general for the Coalition Provisional Authority so that there would be one auditing body completely focused on ensuring taxpayer dollars are spent wisely and efficiently, and that this effort is free of waste, fraud, and abuse.

Today the CPA, as we all know, is phasing out, but the reconstruction effort has only just begun. According to the Congressional Research Service, as of May 18, only $4.2 billion of the $18.4 billion Congress appropriated for reconstruction in November had even been obligated. This amendment would ensure that the inspector general's office can continue its important work even after June 30 rather than being compelled to start wrapping up and shutting down while so much important work remains to be done.

It renames the Office of the CPA IG, changing it to Special Inspector General for Iraq Reconstruction. The amendment establishes that this inspector general shall continue operating until the lion's share of the money Congress has appropriated to date for the Iraq relief and reconstruction fund has been obligated.

American taxpayers have been asked to shoulder a tremendous burden when it comes to the reconstruction of Iraq. Over 20 billion taxpayer dollars have been appropriated for the Iraq relief and reconstruction fund. That is more than the entire fiscal year 2004 Foreign Operations annual appropriation. It is more than the entire fiscal year 2004 Foreign Operations annual appropriation. This is a tremendous sum to devote to one country.

We all agreed last year that it required an entity on the ground, exclusively focused on this effort, to ensure adequate funding and oversight. We agreed that we need a qualified, independent watchdog with all the powers and the authorities that accrue to inspectors general under the Inspector General Act of 1978. We agreed that business as usual whereby individual agency IGs attempt to oversee this mammoth effort in addition to everything else the agency does is simply not appropriate in this case. There is nothing ordinary about the nature of the U.S. taxpayer investment in Iraq. Ordinary measures will not suffice.

This amendment modifies the legislation creating this IG to ensure that it does not disappear along with the CPA, but instead continues to operate until the amount of reconstruction spending in Iraq more closely resembles other large bilateral foreign assistance programs, which are overseen by existing agency inspectors general. Specifically, it phases out the special IG after 80 percent of the Iraq Relief and Reconstruction Fund appropriated to date is obligated. If that fund grows substantially in the next calendar, then Congress can consider the wisdom of adjusting this mandate accordingly.

Let there be no confusion—this inspector general is only tasked with overseeing how U.S. taxpayer dollars are spent. It does not have a mandate to oversee Iraqi resources. That is not what this is about. So there is nothing at all in continuing this operation that is inconsistent with the transfer of sovereignty on June 30.

Because the Department of Defense has responsibility for what is happening to some reconstruction dollars and the Department of State will have responsibility going forward, it makes good sense to have a focused IG on the ground who is able to see the entire picture at once—not being completely required to just focus on the State Department position or just focus on the Department of Defense portion. This amendment is in no way hostile to the reconstruction effort. This amendment is about trying to get it right.

Suggesting that a special inspector general's office continues to be in order in Iraq is hardly revolutionary. As I have mentioned, the reconstruction budget for Iraq is bigger than the entire FY04 Foreign Operations Appropriations bill. Yet five different inspectors general—at USAID, at the State Department, at the Defense Department, at the Treasury, and at the Export-Import Bank—are charged with overseeing portions of that account. in fact, currently some 41 Federal establishments and designated Federal entities with annual budgets less than $21 billion have their own, independent, statutorily mandated inspector general, from the Railroad Retirement Board to the Smithsonian Institution. We ask for focused accountability when taxpayer dollars are a stake in these situations. We must demand the same in Iraq.

Obviously, when you are talking about $20 billion just for this Iraq situation, we have to do the same thing. We must demand the same in Iraq.

To date, the inspector general for the Coalition Provisional Authority has made important progress, and has a some 30 active investigations and 19 audits underway. A whistleblower hotline established by the inspector general has received hundreds of calls. This is clearly not the time to pull the plug on his important effort.

I urge my colleagues to support this amendment. This is the critical point: to oppose this amendment is to vote for less oversight of the reconstruction effort in Iraq than we have today. It is a step backward if we don't. We cannot abdicate our oversight responsibility. The stakes are far too high for that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, there is a Senator who has concerns about the amendment now pending offered by the Senator from Wisconsin.

Frankly, I find a lot of appeal in this amendment. I am not able to indicate to the Senator how we will deal with this on this side until I have had an opportunity to consult with that particular Senator.

I suggest this be laid aside with the full understanding that it can be brought up again—maybe this evening or possibly tomorrow morning for such further comments as our side may have.

Mr. FEINGOLD. Mr. President, I appreciate the Senator's remarks and openness on the amendment. I certainly understand that he needs to consult with the chairman of the Appropriations Committee. I am eager to hear what possible concerns there may be.

I ask, once we come back to this, that the yeas and nays be ordered for purposes of a vote at some point.

Mr. WARNER. That is the Senator's prerogative.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LEVIN. Mr. President, I wonder if I might ask the Senator from Wisconsin a question before the amendment is laid aside.

As I understand it, under the Senator's amendment, the CPA's inspector general which now exists will go out of existence on June 30 without the kind of careful oversight which the inspector general provides unless language is provided which continues that kind of careful oversight, which is the purpose of the Senator's amendment. Is that my understanding?

Mr. FEINGOLD. Mr. President, the Senator from Michigan is correct. It would be very unfortunate given the important auditing work that is already underway. It is essential that we act and act quickly to allow those entities to continue in a renamed form.

Mr. LEVIN. Mr. President, I think this is a very vital amendment.

As I understand it, what the Senator from Virginia is saying is there is opposition that he knows of, or there is not.

Mr. WARNER. I will not characterize it as opposition, but a Senator on this side has indicated to me that he wishes to address this amendment before I as manager can speak for the committee. Actually, this is a matter now before our committee. Out of respect for him, I just ask it be laid aside.

Mr. LEVIN. I have no problem with laying that aside.

I have one other additional question so that our record can be clear. Perhaps this has already been stated. As I understand it, under the current state of the law, the situation that the State Department has determined is that when the CPA goes out of existence on the 30th, the inspector general goes out of existence with them. As I understand it, the State Department would like to take the $65 million in appropriated funds remaining in the CPA inspector general's account and apply it to some other purpose in that kind of oversight.

Is that the understanding of the Senator?

Mr. FEINGOLD. I am concerned. What the State Department proposes to do here is, instead of continuing the independent inspector general who would have the ability to report both to the Defense Department and the State Department—what the State Department partly wants to do is simply subsume this function within its normal inspector general and reinventing the wheel, which is not what we should be doing at this point. But I do believe the Senator has characterized correctly what we have been told the State Department would prefer to do here.

Mr. LEVIN. It is also my understanding that the CPA inspector general has about 40 auditors and investigators in Iraq—that the State Department apparently does not have plans to establish an inspector general's office of any size in Iraq. Is that understanding correct as far as the Senator knows?

Mr. FEINGOLD. I do know that the State Department certainly doesn't have people on the ground. It is definitely the case that the inspector general for the CPA has people on the ground—substantial staff working—I believe 80 people.

Let me check that.

Mr. LEVIN. Mr. President, we have provided in the supplemental bill which was enacted last year $18 billion in a special fund for the reconstruction of Iraq, and created an inspector general, giving that inspector general responsibility for auditing the expenditure of these funds. We appropriated money for that inspector general's activities. It seems to me the Senator from Wisconsin, as he so frequently does, put his finger on a very important accountability issue to make sure the taxpayers' funds are properly spent.

This is a huge expenditure of American taxpayers' funds. We have to find a way—and I think the Senator from Wisconsin has identified the path—that we can continue this function in a way to protect the taxpayers' funds.

I congratulate the Senator for this amendment, and I ask to be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. I thank the Senator from Michigan.

I misspoke when I said 80 staff members. There are 60 staff members at this point, including 20 auditors and investigators in Iraq.

The point the Senator from Michigan has already made is that the State Department itself indicates they would have to start from ground zero and staff up for this. We have excellent people already conducting a number of audits, and they are on the ground. It would not make sense to do it.

I am delighted the distinguished Senator from Michigan is a cosponsor. I look forward to further debate.

Mr. LEVIN. I have no objection to the amendment being laid aside for the purpose the chairman has indicated. That is perfectly fine.

Mr. WARNER. I thank my colleague. Now, after the votes now scheduled to start momentarily, it would be our hope—I hope we share this—that you could bring up this very important amendment you have on missile defense and that it could be debated immediately following this vote. Debate might not be concluded tonight, but at least we can cover a significant portion of it. Am I correct?

Mr. LEVIN. The amendment does relate to homeland security needs to fissile material security and to missile defense all in one amendment. I am happy to begin the debate tonight, but I do not want to complete the debate tonight given the fact the vote is tomorrow.

Mr. WARNER. The Senator made that clear. So we begin debate right after that for such period of time as the Members involved debate—of course you, the presenter, I would be in opposition, and I am planning to have one or two others from my side in opposition—and that could consume, would the Senator estimate, maybe an hour, an hour and 20 minutes?

Mr. LEVIN. Depending on how many people are on the other side of the issue, it could be that long.

Mr. WARNER. I thank the Senator.

I am wondering, I will inquire whether or not we could go ahead and start the votes and use that time productively.

Mr. President, I now understand that is not feasible because Members are travelling to the Senate from considerable distances.

Mr. LEVIN. In addition, I believe one of the sponsors of the amendment may be on his way here and perhaps could use the few minutes that have been allocated.

Mr. WARNER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

There are now 2 minutes of debate evenly divided.

Mr. LAUTENBERG. Mr. President, we are going to have a couple of amendments voted on very shortly. Our good friend, the distinguished chairman of the Armed Services Committee, and I have had a private colloquy. He has been very fair in his review of the amendment I originally proposed. He has a different amendment, and he will speak to his amendment.

I would like to amend my amendment. I am going to ask unanimous consent if it is possible to make a modest amendment to the amendment I already have at the desk.

Mr. WARNER. I say to my good friend, it is exactly 1½ minutes before the votes are scheduled. I have to object at this time. This would be an amendment in the first degree. Under the rules, it is not permissible without unanimous consent.

The PRESIDING OFFICER. The objection is heard.

Mr. LAUTENBERG. I hear my colleague and respect his ability to make a decision.

The PRESIDING OFFICER. The time for the Senator is expired.

Mr. LAUTENBERG. Thank you very much.

The PRESIDING OFFICER. The Senator from Virginia.

AMENDMENT NO. 3458

Mr. WARNER. Mr. President, I will divide such time as I have. I believe it is 2 minutes. I will take 1 minute and give the Senator a minute.

We had a very good debate. It involves an extremely sensitive subject, the handling of the remains of those who die or perish one way or another in these theaters of conflict as they are brought to the United States.

The amendment in the second degree is drawn to preserve the most important priority, and that is the privacy of the families. It is, therefore, my position that the better course of action for the Senate is to go with the amendment in the second degree which is before all parties tonight and not open this matter to great scrutiny by the press, as does the underlying amendment in the first degree.

I yield the floor.

Mr. BIDEN. Mr. President, I rise to explain why I cannot support either the Warner or the Lautenberg amendment regarding the return of the remains of military personnel to Dover Air Force Base.

The Warner amendment was an endorsement of the current policy, which prohibits any news coverage. The Lautenberg amendment would allow for news coverage in all cases. I do not believe either approach is correct.

In terms of the Warner amendment, I do not agree with the current policy. It denies the sacrifice made by the brave men and women of our military. Anonymous photographs of flag draped coffins tell a real story about honor, courage, and sacrifice. The current Defense Department policy suppresses that story.

However, when those coffins are individually and respectfully taken from the transport plane to the mortuary, then the families should decide. At the point that caskets are being transported to the mortuary or when they are beginning their journey to their final resting place, each fallen hero is honored individually. In some cases, family members may be present. In most cases, they are not. Either way, the honor being paid to their loved one is for them to share or not. Some families may wish to honor their loved one by having the press present and others may find that same press coverage intrusive. It should be their decision. The families should have a clear veto authority and a clear ability to agree to press coverage of their loved one's transport at and within Dover Air Force Base. Unfortunately, the Lautenberg amendment does not clearly provide that authority.

For me, it is simple. We must not turn away from honoring our war heroes, but we must also recognize that each sailor, soldier, airmen, and marine is somebody's son, daughter, husband, wife, brother, or sister. When they die in the service of this Nation, they have made the ultimate sacrifice and it is the family that must bear the ultimate loss. The least we can do is let the family decide how much of that experience they wish to share.

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to the amendment.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, I ask for the yeas and nays, to inform our colleagues of the need for a record vote.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. WARNER. I thank the Chair. Mr. President, that is on the second-degree as well as the first-degree amendment?

The PRESIDING OFFICER. It is on the amendment of the Senator from Virginia only.

Mr. WARNER. I thank the Chair.

Mr. LAUTENBERG. I have a question, Mr. President, for my colleague. The question is, Was it going to be a second-degree amendment or were these going to be independent, first-degree amendments?

Mr. WARNER. Let's go to the unanimous consent agreement. The Chair advised the Senate with regard to the unanimous consent agreement that was put in early this afternoon.

Mr. President, am I not correct that the vote is now scheduled for 5:30 on the second-degree amendment, and the yeas and nays have been ordered?

The PRESIDING OFFICER. The unanimous consent agreement provided that the amendment of the Senator from Virginia would be redrafted as a first-degree amendment.

Mr. WARNER. The Chair is correct. I accept the ruling. And the yeas and nays have been ordered; am I not correct?

The PRESIDING OFFICER. Yes, they have.

The question is on agreeing to amendment No. 3458, as modified. The yeas and nays have been ordered. The clerk will call the roll.

Mr. McCONNELL. I announce that the Senator from Tennessee (Mr. ALEXANDER), the Senator from Utah (Mr. BENNETT), the Senator from Montana (Mr. BURNS), the Senator from Illinois (Mr. FITZGERALD), the Senator from Oklahoma (Mr. INHOFE), and the Senator from Wyoming (Mr. THOMAS) are necessarily absent.

I further announce that if present and voting the Senator from Tennessee (Mr. ALEXANDER) and the Senator from Oklahoma (Mr. INHOFE) would each vote "yea."

Mr. REID. I announce that the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), the Senator from Massachusetts (Mr. KERRY), and the Senator from Georgia (Mr. MILLER) are necessarily absent.

The PRESIDING OFFICER (Mr. ENSIGN). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 38, as follows:

[Rollcall Vote No. 131 Leg.]

YEAS—52

Allard
Allen
Bayh
Bingaman
Bond
Breaux
Brownback
Bunning
Campbell
Chafee
Chambliss
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Ensign
Enzi
Frist
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hutchison
Kyl
Landrieu
Levin
Lincoln
Lott
Lugar
McCain
McConnell
Murkowski
Nelson (NE)
Nickles
Pryor
Roberts
Santorum
Sessions
Shelby
Snowe
Specter
Stevens
Sununu
Talent
Voinovich
Warner

NAYS—38

Akaka
Baucus
Biden
Boxer
Byrd
Cantwell
Carper
Conrad
Corzine
Daschle
Dayton
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham (FL)
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kohl
Lautenberg
Leahy
Lieberman
Mikulski
Murray
Nelson (FL)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Smith
Stabenow
Wyden

NOT VOTING—10

Alexander
Bennett
Burns
Clinton
Dodd
Fitzgerald
Inhofe
Kerry
Miller
Thomas

The amendment (No. 3458) was agreed to.

Mr. WARNER. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3291, AS MODIFIED

Mr. WARNER. Mr. President, I understand each Senator has 2 minutes; am I correct?

The PRESIDING OFFICER. Each Senator has 1 minute.

Mr. WARNER. Mr. President, we have decided with the vote on the Warner amendment that we are going to leave it to the families to decide what they want to do when the bodies arrive at their final resting place. That has been the policy since 1991, through the gulf war and through operations of our two conflicts in Afghanistan and Iraq. I urge that it remain that way and not open up, as the Lautenberg amendment directs, the Secretary of Defense shall develop a protocol that permits the media to attend the bodies as they arrive in the United States.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, what we have just seen is a vote on the constitutionality question which ought not be the primary point. The question is whether the American people can see pictures of those flag-draped coffins in tribute to those who gave their lives in service to their country.

President Reagan, in 1993, understood it clearly. He publicly received the bodies of 241 marines who were killed, and there were photographs galore. And during the Afghanistan war, during this administration, flag-draped coffins were filmed. And during the Kosovo conflict, President Clinton was on the tarmac to receive those dead. But this requirement, this directive requiring strict censorship issued just as the Iraq war began prevents the American people from seeing the truth about what is happening.

I urge my colleagues to face their constituents back home and tell them it was not appropriate for the media to photograph coffins, flags on top, in tribute in Dover, DE. It is an outrage to permit that to continue.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3291, as modified.

Mr. LAUTENBERG. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Tennessee (Mr. ALEXANDER), the Senator from Utah (Mr. BENNETT), the Senator from Oklahoma (Mr. INHOFE) and the Senator from Wyoming (Mr. THOMAS) are necessarily absent.

I further announce that if present and voting the Senator from Tennessee (Mr. ALEXANDER) and the Senator from Oklahoma (Mr. INHOFE) would each vote "nay."

Mr. REID. I announce that the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), and the Senator from Massachusetts (Mr. KERRY) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 39, nays 54, as follows:

[Rollcall Vote No. 132 Leg.]

YEAS—39

Akaka
Baucus
Bingaman
Boxer
Byrd
Cantwell

Conrad
Corzine
Daschle
Dayton
Dorgan
Durbin
Edwards
Feingold
Feinstein
Fitzgerald
Graham (FL)
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kohl
Lautenberg
Leahy
Lieberman
McCain
Mikulski
Murray
Nelson (FL)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Snowe
Stabenow
Wyden

NAYS—54

Allard
Allen
Bayh
Biden
Bond
Breaux
Brownback
Bunning
Burns
Campbell
Carper
Chafee
Chambliss
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Ensign
Enzi
Frist
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hutchison
Kyl
Landrieu
Levin
Lincoln
Lott
Lugar
McConnell
Miller
Murkowski
Nelson (NE)
Nickles
Pryor
Roberts
Santorum
Sessions
Shelby
Smith
Specter
Stevens
Sununu
Talent
Voinovich
Warner

NOT VOTING—7

Alexander
Bennett
Clinton
Dodd
Inhofe
Kerry
Thomas

The Amendment (No. 3291) was rejected.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, I think the distinguished ranking member is about to bring up his amendment.

Mr. LEVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, I ask unanimous consent the Senator from Louisiana be recognized to call up her amendment, that she be recognized for 5 minutes, and then her amendment be laid aside and I be recognized to offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Louisiana is recognized.

AMENDMENT NO. 3315

(Purpose: To amend title 10, United States Code, to increase the minimum Survivor Benefit Plan basic annuity for surviving spouses age 62 and older, to provide for a one-year open season under that plan, and for other purposes)

Ms. LANDRIEU. I appreciate the cooperation of the chairman and ranking member. I know we are working toward finishing this very important bill. I appreciate them giving me the opportunity to call up this amendment because it is a very important amendment among a list of very important issues we are debating.

The amendment number is 3315, and I ask it be called up.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Ms. LANDRIEU] proposes an amendment numbered 3315.

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Text of Amendments.")

Ms. LANDRIEU. Mr. President, the focus and purpose of this amendment is very simple, it is easy to understand, and it is quite clear. In the 5 minutes I have, I will try to lay out that purpose, its cost, and the reasons it is very important for this Senate to act affirmatively on this amendment.

My amendment will fix and make clear that the Survivor Benefit Plan offered in 1972 to our men and women in uniform, of which they pay more than 80 percent of this benefit for themselves, so it is modestly subsidized by the taxpayer, my amendment will make it clear that the survivors of our veterans—in most cases they are women but, obviously, not in every case—at the age of 62 will be able to retain what they thought they signed up for, which is 55 percent of the benefit, instead of what is occurring today, which is cutting that benefit down to 33 percent.

There are all sorts of reasons people will hold out as to why this is happening, but it is clear it needs to be fixed. It is also clear there is plenty of money in this bill to fix it. We are going to spend over $400 billion this year on the Defense bill. This amendment will only cost about $400 million a year to fix. Somewhere in this bill of hundreds of billions of dollars, I am certain we can find the $400 million to live up to a promise made to our military men and women and to give them the benefit of which actually they are paying 80 percent. This is not a taxpayer giveaway; this is honoring a commitment made when we set up a program. The men and women who serve in the military not only are brave and courageous, they are also usually concerned about setting up the appropriate death benefits for their spouses and their children.

We have a system that will allow retirees to get 55 percent of their pay. The argument against this is that when this program was started by some in the Pentagon, they say it was never publicized that service members would get 55 percent, so why are people complaining today about getting 35 percent.

I ask unanimous consent to have printed in the RECORD a document related to the Survivor Benefit Plan which I believe the chairman and ranking member have read. It is important to the hundreds of organizations that support this amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Section VIII—Monthly Cost and Amount of Survivor Annuity]

Spouse only (no eligible children). Cost of coverage is 2½ percent of the first $300, plus 10 percent of any designated retired pay in excess of $300. If coverage is elected for a dependent child acquired subsequent to retirement, cost of coverage will be increased. The increase in cost is effective the first day of the month following eligibility of such child. (See c below.)

Spouse and eligible children. The cost of coverage will be 2½ percent of the first $300 of the base amount plus 10 percent of the remainder plus a slight additional charge for children's coverage that will vary depending on your age, your wife's age, and the age of your youngest child. The additional charge should generally be about one-half of one percent of the amount of retired pay designated.

If your spouse becomes ineligible through divorce, annulment or death, no cost is due for any month in which there is no beneficiary. If you remarry, the cost will be reinstated the first anniversary of the date of remarriage, unless child is born of that marriage prior to the first anniversary date.

Eligible children only (no spouse). The cost of coverage will very depending on your age and the age of your youngest child but should generally be about 3 percent of the amount of retired pay designated.

Cost reduction—children. When all children cease to be eligible for an annuity, the additional cost for child coverage shall stop. The reduction in cost is effective the first day of the month following that in which the last child ceases to be eligible for an annuity.

Natural interest person. Cost of coverage is 10 percent of full retired pay, plus an additional 5 percent of full retired pay for each full 5 years that your age exceeds that of the natural interest person. The total cost may not exceed 40 percent of retired pay.

Annuity—Spouse and/or eligible children. Full coverage provides an annuity of 55 percent of retired pay. Reduced coverage provides an annuity of 55 percent of reduced amount elected.

Annuity—Natural interest person. The annuity payable is 55 percent of retired pay remaining after cost of coverage has been subtracted.

Ms. LANDRIEU. The front page of this contract says that for the spouses and/or eligible children, full coverage provides an annuity of 55 percent of retired pay.

This is the contract that service personnel sign, in plain English. Full coverage provides an annuity of 55 percent of retired pay.

What is happening now—after people signed up for this, paid into the program, and had some confidence their spouses would receive 55 percent of their retirement—is they are told they can only get 35 percent because we do not have enough money to live up to the terms of this contract.

Right now a sergeant first class, in retirement, would be making about

$771 per month—not a huge sum, by any means. Compare that amount of money to the contribution of this American: 20 years of his life putting his life on the line, putting the uniform on every day, for 20 years. The grand sum for him is $771 a month.

We have money for every tax cut and drive businesses offshore, we can give tax cuts to everybody but we cannot find enough money for the spouse, who has moved every 2 years for 20 years. It is tough to hold down a job when you are moving, no matter how smart you are, no matter how high your grades were in school, or how hard you work. It is hard to keep up a career while moving to a different community, with children most of the time, every 2 years. We want to tell this spouse she is now only entitled to $491 a month, down to $5,000 a year.

Families are filing for bankruptcy.

Let me share some stories of the hardships spouses face because of the widow tax.

Marion Charles is age 78. Marion's husband Ed died in 2002. Her husband was a Navy diver in WWII. He retired in 1966, as a crew member on one of America's first nuclear subs. Mrs. Charles had no idea her first pension payment would be reduced to 35 percent. Her husband joined SBP when it began. She said:

> I was so shocked, I almost fell out of the chair and wondered why God hadn't taken me, too, when he took Ed.

She was left with $21,000 in bills. She said:

> Neither my husband nor I realized there would be an offset—no one ever told us. I find myself under a lot of stress getting over his death and trying to do something with the large bills facing me.

Mrs. Charles nearly lost her home and almost declared bankruptcy.

Miriam Joy Parker is from Huntsville, AL. Her husband served for 32 years. She followed her husband across the world for those 32 years. Mrs. Parker had to tighten her budget to live on the 55 percent pension she received before she turned 62. At age 62, the widow tax cut her annual income by nearly $10,000. She cannot live on the 35 percent rate and Social Security. She has had to begin working in her sixties. She never knew there was an offset.

Betty Wells is from Ocala, FL. The widow tax has cost Ms. Wells $8,400 a year. At age 67, she took a job to make ends meet.

Diane Worth is from Phoenix, AZ. The widow tax cut her annual income by $2,400. She may have to sell her home. The offset has cost her nearly $10,000.

My amendment corrects this grave injustice.

A spouse of a lieutenant colonel would see their pension cut from $1,595 a month, under our new rules, to $1,015 a month, for a grand total of $12,180 a year, after 20 years of service keeping the hearth going when their spouse was putting on that uniform and protecting us.

I think we can do better. That is what my amendment does, and about 15 Senators on both sides of the aisle agree. They are joining me, including Senator DASCHLE, Senator REID, and others. I am joined by Senator SNOWE, who is the lead sponsor of this amendment on the other side.

Mr. President, I ask unanimous consent that a piece in the Washington Times entitled "Survivor Benefit Plan needs reform" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Feb. 23, 2004]

SURVIVOR BENEFIT PLAN NEEDS REFORM

(By John Fales)

DEAR SGT. SHAFT: The Fleet Reserve Association (FRA) is urging all 66 members of the House and Senate budget committees to include funding in the 2005 budget resolution for legislation (S. 1916 and H.R. 3673) that eliminates the drastic reduction in Survivor Benefit Plan (SBP) annuities that now adversely impacts survivors of military personnel who are 62 and older.

The current program provides 55 percent of SBP covered retired pay for younger spouses—however, the amount decreases to 35 percent of retired pay when survivors become eligible for Social Security. Many retirees and their spouses were not fully aware of this reduction when they enrolled in the program in the early 1970s. As a result, many believe they were betrayed by having been asked to sign an irrevocable contract to pay lifetime SBP premiums.

Sen. Mary L. Landrieu, Louisiana Democrat, introduced the Military Survivor Benefits Improvement Act of 2003 (S. 1916), which would eliminate the SBP offset over a 10-year period. Companion legislation (H.R. 3673) to do the same was introduced by Rep. Jeff Miller, Florida Republican, in the House.

The Fleet Reserve Association, the oldest and largest organization dedicated to enhancing pay and benefits for enlisted member of the U.S. Navy, Marine Corps and Coast Guard, was instrumental in the enactment of the military SBP program in 1972, which was designed to improve the Retired Servicemembers Family Protection Plan. Participants were responsible for paying 60 percent of the costs, while the government was to subsidize the remaining 40 percent.

But today's SBP program looks nothing like its FRA predecessor, and its intended value has been greatly diminished by the Social Security offset as well as decreased contributions from the federal government.

Today, military retirees pay for more than 80 percent of SBP costs, while the government picks up only about 19 percent of the costs. By way of comparison, the federal government subsidizes its civilian survivor benefit plans—Federal Employees Retirement System and Civil Service Retirement System—at 33 percent and 48 percent, respectively.

Probably the greatest disparity between the two plans is beneficiaries in the federal civilian programs do not experience the same offset incurred by military SBP beneficiaries when they reach the age of 62. It is unconscionable that the men and women of our armed forces and their families continue to sacrifice at a time when they are in their greatest need.

FRA is grateful to Rep. Miller and Mrs. Landrieu for their leadership in campaigning to restore equity and credibility to this vital program. FRA is again referencing the need for SBP reform in its testimony before Congress this year.

We urge those who wish to help reform this unfair and ebilitating law to visit the association's Action Center at http://www.fra.org/action/index.html, click on "Urge Your Elected Official to Support funding for SBP Reform Legislation" and send a prewritten e-mail to their congressional representatives.

JOE BARNES,
National Executive Secretary,
Fleet Reserve Association.

DEAR JOE: I echo your praise and support of S. 1916 and H.R. 3673. I also commend Mrs. Landrieu and Mr. Miller for spearheading this vital legislation.

DEAR SGT SHAFT: I agree totally that the SBP program is a huge injustice for widows of military retired persons. I had 10 years of active duty plus 14 years in the Reserves, retiring as an O–6. It has been a long time since I have seen a write-up of the actual SBP provisions, so I do not understand how it affects me and my wife. Where can I find a good description?

From the synopses I have seen so far, we would have been better off to take the dollars and put them toward an annuity policy instead of wasting them on the SBP program.

HARRY J. WANDER,
COL, AUS, Retired.

DEAR HENRY: For starters, I suggest that you visit a few of the military organization Web sites, such as the Military Officers Association of America at www.moaa.org, the Non Commissioned Officers Association, www.ncoausa/org, or the Fleet Reserve Association at www.fra.org.

DEAR SGT SHAFT: Isn't it funny: If Congress wants a pay raise, it's processed with no problems. For those of us "who paid the price" for our country (to keep Congress intact), there's always some delay.

MICHAEL G.
Virginia.

DEAR MICHAEL: The Defense Finance and Accounting Service (DFAS) has announced that computer reprogramming has progressed faster than expected and they have made concurrent disability payments (CDP) to about 150,000 eligible retirees on Feb. 1. Those whose CDP will be delayed another month or two include those who divide their retired pay with a former spouse, medical disability retirees who will have their offset only partially eliminated by the new law change, and a few other special situations.

DFAS officials believe that they will be able to provide payment for all these retirees no later than the April 1 paycheck.

Just like concurrent receipt, the widow tax hurts veterans but not Federal employees. A veteran with 20 years of service to the Nation and a disability could not collect both retirement pay and disability pay. However, Federal workers eligible for retirement and job-related disability can collect both. Our Federal workforce is filled with talented and dedicated people. However, it is an injustice that the men and women who put their lives on the line for our Nation's defense are treated as second-class citizens.

Federal civilian spouses don't face the widow tax. They have no offset. Under the civil service retirement system—CSRS—which was the pre-1984 retirement system, surviving spouses receive 55 percent of the deceased spouse's retirement benefits.

Under the current retirement system—the Federal Employees Retirement System of FERS—surviving spouses receive 50 percent of the retirement benefits.

Neither has an offset at any age. Widows under FERS collect 50 percent of their spouse's pensions and they collect Social Security. No Senator's spouse faces an offset. No Senate staffer's spouse faces an offset. I don't think our veterans deserves less, yet under SBP, widowers and widows must offset their pension with Social Security.

Military retirees pay more than Federal civilians and receive less. Not only do military widows receive less than their civilian counterparts, but they pay higher premiums, too. A military retiree will pay an average of $41,000 in premiums. A civilian, under FERS, will pay an average of $32,000 in premiums. It almost seems like a twisted joke: Join the service—pay more and receive less.

The Landrieu-Snowe amendment, a bipartisan amendment, has also been endorsed by the Military Coalition, and simply aims to restore equity and fairness to our military retirees and spouses. It eliminates the widow tax.

Over 950,000 million retirees are enrolled in SBP. The widow tax waits for them as a "thank you" for 20-plus years of service. Mr. President, 250,000 widows are currently receiving SBP benefits. The widow tax has been imposed on them—220,000 of them. Forty percent of retirees refuse to enroll in SBP because of the offset. The Landrieu-Snowe amendment repeals the widow tax by 2008. It gives our surviving spouses the benefits they deserve and parity with other Federal retirees.

As we prepare to celebrate Independence Day, it is hard to imagine Congress ever created the widow tax to negatively impact the families of those who served to guarantee our freedom. Let's join the House in fixing the Survivor Benefits Program. The wars in Afghanistan and Iraq will create hundreds of thousands of new veterans, and more young men and women will be needed to serve. Let's remember George Washington's words:

> The willingness with which our young people are likely to serve in any war [is] directly proportional to how they perceive the Veterans of earlier wars were treated and appreciated by their nation.

Let's fix this injustice to honor our veterans and ensure we can recruit to defend our Nation in the future.

Mr. President, I understand the chairman is going to provide us with a vote tomorrow. But that explains the amendment and what we are attempting to do. I would like to lay it aside until tomorrow at a time to be determined.

The PRESIDING OFFICER. Under the unanimous consent agreement, the amendment is already set aside.

Mr. WARNER. I thank the Senator. We shall address this amendment tomorrow.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. MURKOWSKI). Without objection, it is so ordered.

Mr. WARNER. Madam President, the managers of the bill, in consultation with the leaders on both sides, would now like to propose a unanimous consent request.

I ask unanimous consent that all remaining amendments in order to the Defense authorization bill be offered no later than 6:30 p.m. on Tuesday, June 22; provided further that in the final 10 minutes prior to that time the chairman and ranking member be recognized in order to offer en bloc any further amendments from the filed list; further, I ask unanimous consent that when the Senate resumes consideration of the Defense authorization bill on Tuesday, there be an additional 60 minutes of debate.

Perhaps the Chair would like to rule on paragraph 1 now.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Now to the second part. I ask unanimous consent that when the Senate resumes consideration of the Defense authorization bill on Tuesday, there be an additional 60 minutes of debate equally divided in the usual form in relation to the Levin missile defense amendment. I further ask consent that following the debate, the Senate proceed to a vote in relation to the Levin amendment, with no second degrees in order to the amendment prior to the vote; provided further that following the vote the Senate resume consideration of Brownback amendment No. 3235 and that the Burns second-degree amendment then be agreed to. I further ask that Senator BROWNBACK or his designee be recognized in order to offer a further second degree and that the Senate then proceed immediately to a vote in relation to the Brownback amendment. I further ask consent that following that vote, Senator DORGAN or his designee be recognized to offer a further second-degree amendment on media ownership, and immediately on the reporting of the amendment, the amendment be agreed to, to be followed by Senator HOLLINGS or his designee to offer a children's programming amendment, and then immediately upon the reporting of the amendment the amendment be agreed to.

Finally, I ask consent that the Brownback underlying amendment be agreed to as amended.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Madam President, I ask the distinguished chairman, amend his unanimous consent request to state that Senator HOLLINGS or his designee is to offer a second-degree amendment relating to children's programming.

Mr. WARNER. No objection. I further amend it.

Mr. REID. I further ask following the last word in the proposed unanimous consent agreement, the word "amended," there be added to that, "with no intervening action or debate."

Mr. WARNER. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. I thank the Presiding Officer.

Now, Mr. President, I understand Senator LEVIN will be recognized for the purpose of laying down his amendment. Shortly after his presentation, the distinguished Senator from Arizona will be recognized to present his proposal. The Senator from Virginia will reserve his comments on this very important amendment until tomorrow.

AMENDMENT NO. 3338

Mr. LEVIN. Madam President, I will reserve most of my comments until tomorrow as well because I understand under the unanimous consent agreement we have just adopted there will be an hour equally divided.

Madam President, this amendment will take $515 million of the $1.7 billion which is provided in this bill for interceptors, $515 million of the $3.2 billion which is provided in this bill for national missile defense, take that $515 million and put it into some of the most critically needed requirements that we have in this country, which is to address the threat of terrorism against this country.

Last week, my dear friend, the chairman, pointed out in his debate on the Boxer amendment that this Congress, in a conference report last year, approved 20 ground-based interceptors, and we did that for a 20-test-bed site.

In other words, what the chairman pointed out was accurate. Last year we decided there would be a test bed in Alaska and there would be 20 interceptors in that test bed.

Lo and behold, the budget request comes in this year for 40 interceptors, in a 40-silo test bed. Ten of those were removed in the committee. The issue we have to face as a Senate is whether we want to add missiles 21 through 30 at the cost of $515 million—it was not identified last year for the test bed, not having been operationally tested, not needed for testing—or whether we are going to take that $515 million and address this money to desperately needed measures to go after the fissile material which is throughout this world and to try to secure it; to try to come up with technologies which can address the threat of explosive devices at a distance. We cannot identify explosive devices at a distance. So we face car bombers and we face other kinds of destruction such as the USS *Cole* because we cannot identify explosive devices from a distance.

Most of our ports are not yet secure. Most of the containers coming into this country are still not being identified, still not being looked at to see whether there may be material in there, either biological, chemical, or nuclear material. We still have massive insecurities in this country relative to the real, immediate threats that we face.

We have to take some resources. It seems to me the logical place to take it is where we have not had operational testing of missiles that are part of a missile defense system, which are now being produced at much higher than initial low-rate production, despite a law which says you may not go beyond initial low-rate production into full-rate production without operational testing. That is the law. Yet what we have said is, so far we are going to take this $515 million, and we are going to put this in missiles 21 through 30.

I want to emphasize to my friends, the debate over the first 20 missiles in that test bed is over in this Senate for now. The Boxer amendment was defeated. So there are going to be 20 missiles put into 20 silos. They are going to be deployed. They are going to be produced despite the fact that we have not had independent testing, operational testing, real world testing of these missiles. That debate took place on this floor last week. That is not the subject of my amendment.

My amendment has nothing to do with missiles 1 through 20. It has nothing to do with the 20-silo test bed in Alaska. It has everything to do with whether we go beyond that 20-silo test bed to missiles 21 through 30, decide to produce those missiles despite the fact that we have not had independent operational testing. My amendment would say no. No. We know what the real, most immediate threats are to this country. There may be a North Korean missile threat. For folks who believe that cannot be deterred and whether we can produce a missile that can knock down a North Korean missile, it is worth doing, fine. If that is the belief of a majority of this body, fine. North Korea cannot be deterred and we can produce missiles which can knock down a North Korean missile, so be it, if that is the decision of this body.

That is not my amendment. My amendment says hold off producing 21 through 30. Don't commit in this bill to produce 10 more missiles at a cost of $515 million. And this is just for the advanced procurement. Don't commit to that when you have not had the operational testing, when last year we said we were going to have a 20-silo test bed, when we have such major unmet needs in terms of the real, immediate, short-term threats against this country.

We had the CIA, not too long ago, that made an assessment as to what the greatest threats were against this country.

I want to read the CIA assessment as to where those greatest threats were.

> In December 2001 . . . the CIA released an unclassified document entitled "Foreign Missile Developments and the Ballistic Missile Threat Through 2005."

This is what it said:

> The Intelligence Community judges that U.S. territory is more likely to be attacked with WMD using nonmissile means, primarily because such means: are less expensive than developing and producing ICBMs; can be covertly developed and deployed; the source of the weapon could be masked in an attempt to evade retaliation; probably would be more reliable than ICBMs that have not completed rigorous testing and validation programs; probably would be much more accurate than emerging ICBMs over the next 15 years; probably would be more effective for disseminating biological warfare agents than a ballistic missile; [and] would avoid missile defenses.

Those are the kinds of choices we should face as a Senate.

We have, in the eyes of many, a potential North Korean threat.

We have a test bed which is going to proceed. Whether a majority of us decided we are going to proceed without that independent operational testing, so be it. That is a done deal. That is going to happen.

Now the question is, Do we go into the next 10 missiles, produced in this budget, paid for in the long leap for the next 10—21 through 30—at a cost of $515 million despite the assessment of the CIA that the greatest threat we face is weapons of mass destruction using nonmissile means and all the reasons for which that is true which they laid out? Less expensive, covertly developed unlike missiles, source of the weapon can be masked in order to evade retaliation.

When we get hit by a terrorist, we can't always identify where that terrorist comes from or whether there was a state actor behind it. When a missile is fired at us, we know from where that missile comes. Any state that sends a missile our way knows it it is going to be destroyed in return. That is not true with a terrorist attack.

According to the CIA, nonmissile means are more effective for disseminating biological warfare agents than a ballistic missile and would avoid missile defense. Despite the fact there is much greater likelihood we would be attacked with nonmissile means, here is the situation we are in right now.

According to the head of the U.N.'s International Maritime Organization, fewer than 6 percent of the world's seaports and ships meet rules aimed at preventing terrorism attacks. Six percent of the world's seaports and ships now meet the rules that have been adopted to prevent terrorist attacks.

We have millions of cargo containers that enter this country's ports uninspected. I have one of the biggest ports in my home State of Michigan, by the way. But we have ports on the coast. We have ports on the Great Lakes with millions of containers coming in uninspected. We cannot identify suicide bomber strikes because we cannot identify explosives at a distance. We have to put money into technology in order to do that.

These are the most current, the most imminent, the most immediate, the most likely ways this Nation is going to be attacked. We have to put resources there.

My amendment would transfer some of those extra 10 missiles that were not projected last year. Last year we were told we had a test bed with 20 silos. This year we are asking for these 10—originally 20—extra missiles to be produced. We simply have greater priorities and greater threats.

Let me spend a couple more minutes tonight, and I will expand on this in the morning. Senator FEINSTEIN, Senator DOMENICI, and others proposed that we develop at the DOE an enhanced nuclear security program to accelerate the pace of securing and eliminating nuclear weapons and materials all over the world.

This is what the Secretary of Energy, Secretary Abraham, announced at the International Atomic Energy Agency at the end of May. The Secretary of Energy said the Department of Energy would begin such a new program called the Global Threat Reduction Initiative, and that this initiative would ensure that nuclear and radiological material and equipment did not "fall into the hands of those with evil intentions." How would we do that? In his words, we would secure, relocate, and dispose of these materials and equipment.

This is an expansion of the idea of Nunn-Lugar. But this is based on the belief, which has been stated by so many outside independent groups, that fissile material in the hands of terrorists would be the greatest threat that this Nation could face.

Senator Abraham in making this announcement said, "It has become clear that an even more comprehensive and urgently focused effort is needed to respond to emergency and evolving threats," and that the United States plans to devote $450 million to this effort.

We have an announcement by the Secretary of Energy that we are going to have an effort aimed at reducing the greatest single threat in the eyes of most people to this Nation and to others, which is the fissile material would fall into the hands of terrorists to produce either a nuclear weapon or a dirty bomb. That is the greatest single threat—$450 million the Secretary of Energy says the United States is going to devote to this effort. Yet there is nothing in this budget, no funding for this President.

This is perhaps the greatest of all the terrorist threats. It is real. The fissile material is out there. Yet this new initiative announced by the administration has no funding. Instead, we have funding for missiles—21 through 30—for a test bed that was only supposed to have 21 missiles to begin with, and the additional 10 missiles are not tested by an independent testing agency.

We are not even sure they would work against a threat which may or may not occur. North Korea has never tested a missile which could reach the United States. The last test they had was 6 years ago.

So we have to weigh the threat. We have to make a decision as a Senate as to whether we are going to put some resources into addressing the most real threats, the most real terrorist threats, or whether we are going to put money into advanced procurement for the next 10 missiles—missiles 21 through 30—for a 20-bed test site.

That is the kind of decision we are forced to make. We have resources that have to be allocated. We can't just say, well, we are going to face a missile threat some day, so we are going to need an extra 10 missiles even though they haven't been independently tested. So we are going to put $515 million into that advanced procurement when we have ports that are facing huge numbers of containers which have not been inspected, and when we have fissile material around the world which has not been secured.

That is the choice which this amendment will offer to the Senate tomorrow. I reserve the remainder of my argument for the morning.

I ask that the amendment which I filed at the desk, No. 3338, be called up. I failed to do that when I started. I also ask unanimous consent that Senators JACK REED, LANDRIEU, and FEINGOLD be added as cosponsors to that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for himself, Mr. REED, Ms. LANDRIEU, and Mr. FEINGOLD, proposes an amendment numbered 3338.

Mr. LEVIN. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To reallocate funds for Ground-based Midcourse interceptors to homeland defense and combatting terrorism)

At the end of subtitle E of title X, add the following:

SEC. 1044. REALLOCATION OF FUNDS FOR GROUND-BASED MIDCOURSE DEFENSE PROGRAM INTERCEPTORS TO HOMELAND DEFENSE AND COMBATING TERRORISM.

(a) REDUCTION.—Notwithstanding any other provision of this Act, the total amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide activities, is hereby reduced by $515,500,000, with the amount of the reduction to be allocated to amounts available for the Missile Defense Agency for Ground-based Midcourse interceptors.

(b) ALLOCATION OF INCREASE.—In addition to amounts otherwise authorized to be appropriated in this Act—

(1) the amount authorized to be appropriated by section 3101(a)(2) for the National Nuclear Security Administration for defense nuclear nonproliferation activities is hereby increased by $210,800,000, with the amount of the increase to be allocated to the Global Threat Reduction Initiative;

(2) the amount authorized to be appropriated by section 201(3) for research, development, test, and evaluation for the Air Force is hereby increased by $50,000,000, with the amount of the increase to be allocated to North American Aerospace Defense (NORAD) for low-altitude threat detection and response technology;

(3) the amount authorized to be appropriated by section 301(4) for operation and maintenance for the Air Force is hereby increased by $13,300,000, with the amount of the increase to be allocated to Northern Command consequence management networks to facilitate military support to civil authorities;

(4) the amount authorized to be appropriated by this Act is increased by $130,000,000 for domestic installations Antiterrorism/Force Protection and Antiterrorism/Force Protection exercises and training identified by Northern Command, with authorizations of appropriations to be increased so that—

(A) the amount authorized to be appropriated by section 301(1) for operation and maintenance for the Army is increased by $19,000,000;

(B) the amount authorized to be appropriated by section 301(6) for operation and maintenance for the Army Reserve is increased by $15,000,000; and

(C) the amount authorized to be appropriated by section 301(10) for operation and maintenance for the Army National Guard is increased by $96,000,000;

(5) the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide activities, is hereby increased by $15,000,000, with the amount of the increase to be allocated to the Combating Terrorism Technology Support Working Group for programs to detect explosives at stand-off distances, blast mitigation, and information security; and

(6) the amount authorized to be appropriated by section 3101(a)(2) for the National Nuclear Security Administration for defense nuclear nonproliferation activities is hereby increased by $30,000,000, with the amount of the increase to be allocated to the megaports program;

(7) the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide activities, is hereby increased by $15,000,000, with the amount of the increase to be allocated to the Defense Threat Reduction Agency for Weapons of Mass Destruction Defeat Technologies-Radiation/Nuclear Detection;

(8) the amount authorized to be appropriated by section 3101(a)(2) for the National Nuclear Security Administration for defense nuclear nonproliferation activities is hereby increased by $20,000,000, with the amount of the increase to be allocated to basic research on radiation and other standoff detection devices, and for stand-off explosive detection;

(9) the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide activities, is hereby increased by $10,000,000, with the amount of the increase to be allocated to the Chemical-Biological Defense Program for Chemical Agent Standoff Detection; and

(10) the amount authorized to be appropriated by section 301(2) for operation and maintenance for the Navy is hereby increased by $21,400,000, with the amount of the increase to be allocated to Chemical/Biological Detection Equipment for Explosive Ordnance Disposal detachments and chemical-biological protective equipment for Navy and Marine Corps aircrews.

DEFENDING AGAINST URGENT TERRORIST THREATS

Mr. BIDEN. Madam President, Senator LEVIN'S amendment will shift funds from extra, untested interceptor missiles to programs that will detect and stop the most urgent threat facing our country: the risk posed by terrorists with weapons of mass destruction.

Not only is that the most urgent threat, it is also a much more likely threat than the possibility that a rogue state, such as North Korea, will lob a missile at the United States and risk being annihalated by us.

Who will send a missile with a return address and face sure destruction? Not a nation-state. Terrorist groups, with no return address, from no state against which the United States could retaliate, are not deterred by our massive nuclear arsenal.

Many experts believe that terrorists would be capable of creating a nuclear weapon if they took possession of fissile material. Even the simpler gun-type design, the type of bomb exploded at Hiroshima, could kill up to a million people if detonated in a large city.

Two years ago, I asked the heads of our nuclear laboratories to show us how terrorists could build an atomic weapon with parts available on the open market—other than the fissile material.

A month later, they returned to the Senate and showed us the weapon they had made, minus the fissile material. I cannot go into details, but all of us knew instantly that this was within the capabilities of a sophisticated terrorist group. You don't have to be a great power to cause great damage—if you have the fissile material.

Terrorists are also known to be interested in radiological material for a so-called dirty bomb, also known as a radiological dispersion device. An attack with a dirty bomb would not cause many fatalities, but it could render large areas uninhabitable and cause long-term economic and psychological damage. These weapons could be smuggled in a suitcase, or in a shipping container entering one of our ports.

Clearly, then, the threat of terrorist weapons of mass destruction is urgent.

But where is the sense of urgency in responding to this threat?

We have a bill before us today that proposes to spend $10 billion on missile defense—against the less likely threat.

The amendment by my colleague, Senator LEVIN, redresses the balance by taking just 5 percent of that amount—$515 million that is essentially unnecessary at this time to buy 10 more untested interceptors for the administration's scarecrow ground-based missile defense system—and applying it instead to urgent, unfunded homeland security needs.

Senator LEVIN's amendment will take the money saved and apply it to detecting, intercepting, and stopping the use of weapons or mass destruction by terrorists. It also shifts funds to programs to keep fissile material out of the hands of terrorists.

Just a few weeks ago, the Senate passed amendment to this bill sponsored by our colleague, Senator PETE DOMENICI.

I cosponsored the amendment, which authorizes a program to accelerate U.S. efforts to remove, secure, store, or blend down fissile and radiological material.

Senator DOMENICI's amendment complements the Global Threat Reduction Initative that the Secretary of Energy announced on May 26, to repatriate Russian and American highly enriched uranium or HEU, from research reactors around the world, to repatriate the spend fuel, and to convert those reactors to use low enriched uranium instead. Too often, HEU provided by the Soviet Union or the United States sits at poorly guarded research facilities that are a dangerous temptation to thieves or terrorists.

The Global Threat Reduction Initiative reportedly will cost $450 million. Senator LEVIN's amendment provides $211 million or it.

In addition, the Levin amendment will provide funds for nuclear weapons detectors at major seaports; technology to detect chemical, biological, and radiological materials at a distance; and technology to detect and stop low-flying aircraft, such as crop-dusters, that terrorists might use to disperse weapons of mass destruction across a wide area.

The Levin amendment will help address the most urgent threats to our Nation, but it will not delete funds for the 20 untested interceptor missiles that the administration plans to field in October.

It will simply prevent the Defense Department from spending more money on 10 additional missiles before we know if the first 20 even work.

That is a sensible approach and one that is consistent with "fly before you buy" laws that require operational testing prior to full-rate production, as well as with recommendations of the General Accounting Office.

We need to set our funding priorities to respond to the most urgent threats we face. The Levin amendment is a step in the right direction, and I urge my colleagues to support it.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Madam President, I simply ask my colleague, Is there some thought that he is going to amend this amendment?

Mr. LEVIN. I think it would be easier to not modify it. That is not my plan at the moment. I don't think it will be in the morning. But I would not even seek to modify it in a way which changes its character, nor would I ask for the right to do so.

Mr. WARNER. I thank my colleague.

Madam President, our distinguished colleague from Arizona has waited a very long time. Consequently, I am going to yield the manager's slot here to my good friend who will do an able job.

Mr. LEVIN. If the Senator from Arizona will yield for one inquiry, I have to leave the floor for a couple of moments.

Is it the Senator's understanding that after Senator KYL has completed there are no more speakers? After Senator KYL has completed this statement, there are no more speakers?

Mr. WARNER. That is correct.

Before the Senator leaves, perhaps to acquaint our colleagues about what we hope to achieve tomorrow morning, I hope we could include the Dayton amendment and address it in the morning. Could the Senator consider that?

Mr. LEVIN. The current unanimous consent provides after an hour debate on my amendment we would vote on my amendment with no intervening first-degree or second-degree amendments.

Mr. WARNER. A lot of those will be voice votes.

Mr. LEVIN. Where does the Senator want to include this?

Mr. WARNER. Right after the Brownback.

Mr. LEVIN. I have to check. Offhand, I don't know of a reason, but I have to see if there is a reason I don't know of.

Mr. WARNER. Could I leave that as a pending request?

Mr. LEVIN. I will do my best to clear that.

Mr. WARNER. Senator MCCAIN wishes to be active in that.

Mr. LEVIN. I don't think there is an issue on this side in terms of voting in the morning, but Senator MCCAIN wanted to speak on that.

Mr. WARNER. We will allow him time tomorrow morning to speak.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Madam President, I appreciate the chairman of the committee yielding time for me to respond to the amendment of our colleague, the Senator from Michigan. I will respond directly to some of the last points the Senator made as I get further into my remarks.

I begin by simply describing first of all the essence of this amendment and why it must be opposed. It would cut $515.5 million from the Missile Defense Program. That is over $½ billion. It adds that funding to a variety of other programs, all of which are adequately funded. We have added funding to some of them, and in some cases we could not even spend the money that would be allocated. I will get into those matters later.

Let me begin by discussing the harm that would be done to the Missile Defense Program—which we have all committed to pursuing under the Clinton administration—as a result of the adoption of the Levin amendment.

Specifically, as he described it, the amendment cuts funding for additional ground-based interceptors. These are missiles that go into the ground, primarily into the State of the Presiding Officer. This is the heart of our ground-based missile defense system.

The missile defense opponents contend we are spending too much money on a system that has not yet been proven to work, and they further claim that deployment is premature because, as the Senator from Michigan argued, operationally realistic testing has not been completed, and the administration, he contends, is not complying with U.S. acquisition laws that require such operational testing and evaluation.

We are complying with the law. There is no question about that. It appears that the objective critics want to achieve in demanding the missile defense system be operationally tested before deployment is actually to halt the program altogether. I will explain why.

The bottom line is we need the interceptors that would be eliminated as a result of eliminating this spending. We need them to do the very tests our critics are demanding be done. In other words, it is a Catch-22: You have to do operational testing, but we are not going to give you the money to get the missiles to do the testing. That makes no sense.

Moreover, by adding these missiles to the first 20 that will be purchased, we have an additional capability to actually defend ourselves. I know that is troublesome to some, that we would actually be able to defend ourselves in the event that a nation accidentally launched a missile defense at us—and there are at least three or four countries today that could do that—or, God forbid, a country deliberately launched a missile defense at us.

So these missiles not only are available for testing but also would actually be able to defend the country for the first time since Ronald Reagan in 1983 announced our intention to work on a missile defense system. At that time, he said it could take decades, but I don't think he anticipated that we would research it to death; in other words, that we would be willing to spend more and more and more money but never, as they say in the military, bend metal; in other words, never actually produce the product that would achieve the end result—in this case, a missile to defend ourselves.

Now, let me get to this question about operational testing because that is the essence of the amendment of the Senator from Michigan. The previous Director of Operational Test and Evaluation, Phillip Coyle, was quite critical of the National Missile Defense Program in the late 1990s because the NMD tests, in his opinion, lacked realism, not conducted under operational testing.

In fact, that was true. These tests are always launched from—the target is launched from Vandenberg Air Force Base in California toward the Pacific Ocean and the interceptor from the Reagan test site in the Pacific. I might add, I visited that test site last January. It is an incredible facility. They do their very best to replicate what might happen in a real world war. They are very good. But, they acknowledge, they are notified in advance that there is going to be an offensive missile launched, and, of course, they are quite prepared to launch the missile to intercept it. Naturally, they use the same geometrics. One cannot argue that this test range exactly replicates the exact circumstances under which an attack might come. That is quite obvious.

These tests that have been performed, and the most recent ones have been quite successful and confirm that all of the component parts work and it is possible to intercept a missile with a missile. Therefore, these developmental tests are very important to getting the program to the point where we can operationally test. Obviously, we do not want to deploy and test for the first time, so we go through this phase.

But there comes a time when we have to get the conditions more like they would actually be. We know that the best place to place missiles in the ground to defend against a probable attack is in the home State of the Presiding Officer—Alaska—simply because of its proximity to the locations where an offensive missile might come from and the geometrics of how we would intercept, which direction it would come from, and how we best intercept it.

It is a tad cold in the State of Alaska. In fact, the snow can get kind of high and ice can form over the top of the silos. Obviously, one thing we have to know how to do in the middle of the winter is to make sure we can blow the top off that silo and fire the missile up so it can intercept the offensive missile coming at us. That is just one example, but it makes the point that you do need to test in an operational situation, and that, of course, is precisely why we need to buy these additional missiles.

The Missile Defense Agency determined that we needed more realistic tests. It initiated an effort to develop and field an extensive missile defense test bed that would allow for operationally realistic testing. As the elements of test bed are put into place, they are tested. All of this is sequential. It is an ongoing process. Both the Director of Operational Test and Evaluation and the Commander of STRATCOM recognize the test bed will grow and mature over time as the elements of it are developed, fielded, and tested. This is the very essence of what spiral development is all about.

I have to discuss spiral development just briefly. This is the concept that we are able to evaluate and modify systems as we go along, as technology improves. The technology here is improving so rapidly and the potential enemies' technology so rapidly that it is never possible to wait until we know exactly what the enemy is going to throw at us and then begin work on a system that we can defeat it with. You have to be working right alongside what the enemy is doing and developing your program as you go along, adding the technology as it develops.

I might add, it is not the only program we do this with. The F–16 is a great fighter plane. It is trained at Luke Air Force Base in Arizona. I do not even recall which number of the F–16 we are on now. We started with the A model, and then the B model, and then the C model, and the E, and on and on, and each model improves the airplane. The F–16 flown today is a totally different airplane than the one designed over 20 years ago. As we develop new technology, we add that to the system.

Thus, the same with the missile defense system. You cannot wait until you can develop the perfect system and then begin building it and deploying it. By the time you did that, you would already be way behind the progress your potential enemy is making. So it is very natural, then, to allow this spiral development, especially in a program such as missile defense.

Where are we now? This fall we will field an initial operational missile defense capability at Fort Greeley, AK, and Vandenberg Air Force Base which will include just 20 interceptors. That is all. By the time this system is ready for operational alert, the Missile Defense Agency will have tested the operational configuration of the interceptor, the command, the control, the battle management and communications systems, as well as the interoperability and the performance of the needed sensors. Operational Test and Evaluation personnel from the Office of the Director of Operational Test and Evaluation have been fully engaged in the testing, along with the warfighters who will operate the system. So this is not just contractors going out there and seeing if they can make the system work. We are beyond that. That was done earlier. We are now at the stage of interoperability where Operational Test and Evaluation personnel and actual combat operators will be engaged in the testing.

So what is the alleged problem here? What Missile Defense wanted to do is stop the administration from acquiring the 20 interceptors it needs to complement the first 20 that, as has been noted, have been funded. Specifically, the request for fiscal year 2005 makes a downpayment on additional ground-based interceptors, interceptors Nos. 21 through 40. I would note, however, that the Senate Armed Services Committee-passed Defense authorization bill already cut long-lead procurement funding for interceptors Nos. 31 through 40. So we have already delayed the second 10 of this next 20 and made it more expensive, undoubtedly, to acquire by the action we have taken here.

So it is not as if we have not evaluated this and tried to figure out if we could save some money in the acquisition of these additional interceptors. We have done that. The Armed Services Committee did it, and it should be applauded for doing it.

What would this downpayment on this next 20—of which already the lead time has been cut by half, so we are now talking 10—what would it provide?

The first thing it would provide is additional test articles necessary, in the view of the Department of Defense, to conduct planned future integrated flight tests. So it is not as if we have already bought everything we need to conduct our testing.

Secondly, it would provide an expanded interceptor inventory to address the estimated growth in foreign ballistic missile threats from adversaries, such as North Korea and, perhaps, Iran.

Three, it would maintain a more steady industrial-base production line for the interceptors and the kill vehicles in case an expanded inventory is determined necessary.

And, four, it would provide ground site preparation activities for interceptors 21 through 30.

These things take time. It has been a couple of years since the people have been at work in the State of Alaska preparing these sites to accept the missiles that will be put in the silos, to put the radar and the other equipment up that is necessary to make this whole system work.

The additional cuts or restrictions that have been proposed here would cripple the effective deployment of the initial test bed system. That system, as I said, is absolutely essential if we are to conduct the more realistic testing everyone is calling for.

What does the head of Operational Test and Evaluation today say about this program? The Director, Thomas Christie, recently testified at a Senate Armed Services Committee hearing on missile defense, as the distinguished ranking member knows. Here is what he said:

> . . . I think the issue we're talking about here is the building of missiles that will be put into silos that are part of the test bed, and we will have to have this test bed in order to do some of the testing that will become more realistic engagements, geometries, for example, than we've been able to do before. And some of these attributes of this test bed are in response to criticism that came from my office and my predecessor in previous administrations. . . .

In other words, making the point earlier that: Well, we have not gotten realistic enough in our testing yet. We are trying to respond to that. Yet this amendment would cut the funding for the missiles that are precisely necessary to do that.

The purchase of additional ground-based interceptors, which the critics of the system would like to prevent, will provide a rotatable pool of operational and test assets, and this, in turn, will allow the United States to field the most current interceptor improvements.

Now, the missile defense is a capabilities-based development program. The system under development is a spiral development program, as I described. There is, at this present time, no mature operational capability against which traditional or formal operational test and evaluation can be completed.

This is a key point General Kadish has made over and over. This is not like building another Navy destroyer or another Air Force fighter jet where we already have generations of previous such weapons and all we are doing is now developing the most recent technology. There is no missile defense. I know some Americans may not realize this, but if a missile were fired at us today, we could not stop it. We do not have a ballistic missile defense system—not one missile. So we are doing this for the first time. That is why we want to do it in this spiral development mode I have been describing.

Moreover, fielding a system before operational test and evaluation is not unprecedented. It has been done before in other cases where there was no similar capability as I have just described and also where an urgent need existed.

Let me give you some examples. One that is most recent, probably, is the Joint Surveillance and Target Attack Radar System aircraft. It is called JSTARS. It played an important role in the 1991 Persian Gulf war by providing warning to our forces on the ground when the Iraqi military was on the move.

Now, JSTARS was not an operational system. We did not have any of these aircraft at the time. It was in preproduction. We were just beginning to build the aircraft. We had not even begun the operational test and evaluation. Yet we realized we were in a war in which we needed to know where the enemy was going. I know something about this particular system because parts of it actually were produced by a company in my own State. Our military said: We have a system here. It has not gone through preproduction operational test and evaluation, but we might be able to get it configured and put together quickly enough to bring it over to the gulf and do you some good. And they did, and it did. It was invaluable. It had not gone through all this testing, but we were in an emergency situation, and it did its job. It did very well.

Other examples include the Predator and the Global Hawk unmanned aerial vehicles. Both have been very valuable assets in the war on terrorism. Yet they were deployed—into areas that we cannot discuss—before there had been any operational test and evaluation. These were almost brandnew ideas. In fact, each vehicle was, in effect, a prototype. Yet our commanders figured out: We need some surveillance. Do you have anything that can help us out here? And sure enough, the contractor said: We do, but they're not ready to go. They haven't gone through all the testing.

The commanders in the field said: Bring them over. We need them. And they have done a terrific job.

A third example is the Patriot missile battery. This is an anti-aircraft missile battery. We found ourselves in the middle of the Persian Gulf war, and the Iraqis were firing scud missiles at us. There was no defense against scud missiles. Commanders said: Is there anything we can do?

The answer came: Well, we have these Patriot missiles. They are designed to shoot down aircraft. Maybe we can configure some radar to operate with the system and do some other things and possibly shoot down some of these scud missiles.

Literally, as they were bringing them across from America to Saudi Arabia and Kuwait, they were putting in fixes in the Patriot anti-aircraft system. You know the rest of the story. We began shooting down scud missiles with this system.

It wasn't perfect. It was not designed for this. We were constantly upgrading it. But I think estimates finally concluded we shot down maybe about a third—I have forgotten the exact number—of the Iraqi Scuds being fired against us. We needed it in an emergency. Nobody could have predicted necessarily that we needed that system at that time. You can't wait until you know that you have the threat sometimes. That is the same thing with missile defense.

I sometimes wonder if my colleagues would allow us to use one of these test missiles against—let's just say North Korea accidentally launched a missile at Alaska. Would they say, Sorry, this has not been operationally tested and evaluated? It hasn't gone through all the checks and balances, therefore, you can't use it?

No, of course not. We would use it to defend ourselves. So let's don't get into this argument that somehow you have to check all of these boxes in some certain order before you can even put the missile in the ground, A, to test it, and, B—God forbid if we had to—to use it. There is nothing wrong, there is nothing illegal about this. It has been done before. In fact, it has been proven necessary before.

I said it is in accord with acquisition laws. The Director of the Operational Test and Evaluation Program, Mr. Christie, has already testified that the program is, and this is a direct quote, "living within the law."

The Missile Defense Agency has not sought nor has it received any waiver for any acquisition statutes here. The missile defense authority is conducting tests that are increasingly operationally realistic, appropriate to the maturity of a system that is still under development. So there is nothing wrong with what is being done. But what has been set up is a catch-22. You can't deploy until you test, but the catch-22 is, you can't test without deploying.

Well, we are going to deploy, and hopefully we will buy enough missiles so we have the capability of doing the tests the way they need to be done.

I made the point that it would be nonsensical to argue this theory of operational testing being required to be completed before you could actually deploy a system and noted that no one would deny us the right to use such a system in self-defense if we had to do that. It is, in fact, true that there are countries that have this capability today. It is also true that maybe this isn't today the threat that is most likely to occur, but we know—without getting into a lot of detail—there are countries that have had systems for some time. We are not certain necessarily of the safety and reliability of those systems, the ability for those systems to not be accidentally launched or for somebody else to intentionally launch them notwithstanding the custody and the state in which they are located. If there were such an accident, we would need to have the capability against it.

We face that threat today because, as I said, there are countries in this world that have operational systems that can reach the United States. Some of them are not friendly to the United States either. I repeat, today we have no defense against a ballistic missile attack. That is why President Bush, when he came into office, decided to pursue this spiral development, this notion that we will try to get the best we can out there as quickly as we can.

That will serve three purposes. First, it will enable us to defend ourselves if we had to as quickly as possible. And he set this fall as the target date for that deployment. In fact, we are going to be able to meet that date. I hope the Presiding Officer is able to be in her State because she and the other Senator from the great State of Alaska have been indefatigable in their efforts to make sure the program goes forward. We will actually be able to defend ourselves if there were an accidental or, as I said, an intentional launch against us.

Secondly, it enables us to do this operational testing under realistic conditions.

And there is a third point. This is very important. It is a deterrent. We want other countries to do what Muammar Qadhafi did. We want these other countries to say: It is costing us a lot of money to try to develop this nuclear program. At the end of the day, the United States is probably going to be able to beat us. We might as well not go through the cost and the effort to try to develop it. Deterrence.

Let me read what very recently, just before the Reagan funeral, Genadi Garasimov, spokesman for the former Soviet leader Mikhail Gorbachev, had to say:

> I see President Reagan as a grave digger of the Soviet Union and the spade that he used to prepare this grave was SDI, the Strategic Defense Initiative, so-called Star Wars. The trick was that the Soviet leadership believed that this SDI defense is possible and then, because it is possible, that also we must catch up with the Americans. And this was an invitation to the arms race and the Soviet economy could not really afford it. In this way Reagan really contributed to the demise of the Soviet Union.

It worked. President Reagan was not bluffing. He meant to deploy this system. At Reykjavik, when Gorbachev said: We can make this arms deal we have been talking about, if you will do one more thing. If you will stop development of your SDI program, we have a deal.

President Reagan thought about it overnight, came back the next morning and said: I am sorry. The United States is going to proceed with missile defense.

Gorbachev knew at that moment it was over. They could not compete with us, and it wasn't obviously worth the effort to try to do so because they knew the technology of the United States could produce a defense against the only real weapon that the Soviet Union had that could defeat us, and that was the ballistic missile.

The point of telling the story is that we need to let others like Muammar Qadhafi understand the fact that we are not bluffing. We mean it. We are going to deploy the system and it is going to work and defeat them and they might as well not go through all the time and effort and expense to develop offensive missiles to try to reach the United States because it won't work. We are going to be able to shoot them down. So don't bother to do it.

This is a nonproliferation or antiproliferation program. By moving forward in a robust way with the expenditure of this money and letting them know that we mean business, that we are not bluffing, I believe we will deter countries from continuing the development of their programs or putting more money into their programs. We don't need to get into all of the countries that we might be talking about today. Some are perhaps, if not allies, at least not enemies of the United States today. Others are potential enemies.

The point is, we don't want to encourage anyone to believe that we are not serious about moving forward with this program. With all due respect, this amendment would send that signal. We have cut the money for the long lead funding on the third tranche of missiles. This would say: Let's just totally eliminate the funding, a half a billion dollars, for these 10 missiles. It begins to send the message that we are going to research forever but build never. That is a message we cannot afford to send.

What we are doing is consistent with the 1999 Missile Defense Act which declared, and I quote, that "it is the policy of the United States to deploy as soon as is technologically possible an effective national missile defense system capable of defending the territory of the United States against limited ballistic missile attack."

That is the law. That is what we need to do. If we have the technology to do it, it would be more than negligent; it would be criminal for our government not to do so. If you have the ability to do it, it is the moral thing to do as well.

As Ronald Reagan said many times: I would much rather be able to defeat an enemy missile than to have to rely upon a nuclear deterrent and mutually destroy each other.

It is unthinkable in today's world that we would have to do that when we have the technological option of missile defense. Given the nature of the threat posed, given our technological capability at this point and each year our increasing ability to improve, this is the only responsible course of action.

We have already defeated, in effect, this same amendment before, the Reid amendment, based on the same argument about operational testing. But it only fenced the funding for these missiles. The Levin amendment virtually eliminates the funding and would spend it on other things.

I suggest if we were willing to reject the Reid amendment, which merely fenced the funding, it would logically follow that we would even more likely reject the Levin amendment, which does away with all of the funding. What he has done is to distinguish from the Reid amendment by taking this half billion dollars and spreading it around to some other programs. That is the essential difference. I will turn to that next. His argument is that we need to look at priorities, and that right now it might be easier for some terrorists to bring a weapon of mass destruction into this country than to launch it on a ballistic missile.

In the first place, that is wrong. There are countries today that have the perfect capability of launching a ballistic missile with a nuclear warhead at the United States, and we have no defense against it whatsoever. So the argument is incorrect.

Now, it is true that a terrorist organization may want to do it in a different way. But if it could get hold of a missile, I suggest it would do it. Take the case of Pakistan, which is a very great ally of the U.S. today but a country with ballistic missiles. I hope that country will always have control over those missiles and have a leader of the quality of President Musharraf. But what would happen if it didn't? Terrorists can do things in lots of different ways, that is true, and that is a point the Senator from Michigan made. My subcommittee on terrorism technology held hearings on container security, and it is true that we don't have perfect security at our ports and we need to spend more money and we need to do better at looking at the different ways in which terrorism can strike the United States. That is all very true. The question is whether our priorities are right.

The Defense bill we are debating on the Senate floor tonight spends approximately $420 billion for next year. The Senator from Michigan would almost make it seem as if the only thing we are doing is spending money on missile defense, and that we have to get off of that priority because there are other higher priorities. How much are we spending on that? It is $10 billion. Out of a $420 billion Defense bill, we are spending $10.2 billion on missile defense, and only a half billion of that is on the program we are talking about.

So it is hardly a matter of taking all our defense money and putting it on a program that we should not be spending it on. Out of $420 billion, we are spending a half billion dollars on what the Senator from Michigan would strike. What are the higher priorities?

The Senator says homeland security. Indeed, if you add the money in this bill and the other homeland security money on homeland security that is being authorized for this next year, it is more than $47 billion. That is 15 percent over last year and 130 percent over fiscal year 2002.

If you want to make the argument that as a matter of priority we should be spending more on homeland security than these 10 missiles, well, we are. It is $47 billion-plus versus a half billion dollars. I will repeat it. It is more than $47 billion versus the half billion dollars that the Senator from Michigan would strike from this program.

So I don't think we need to worry about priorities. In fact, I think the money that would be taken from the Missile Defense Program, and could literally cripple it, is already covered; that is to say, each of the programs to which the funding is added are already covered. We have already increased spending on 6 of the 10 programs to which the money would go. The bill has already added to the President's requested levels only the following programs: cruise missile defense, $80 million; blast mitigation R&D, $10 million added; radiation and nuclear detection, $5 million; modeling and simulation efforts to increase capability of fielded chemical-biological standoff detection systems, adding $2 million; nonproliferation verification R&D, $25 million; aircrew masks, a half-million-dollar procurement in the chem-bio defense program.

In all of the other programs and funding areas addressed in the Levin amendment, the committee provided the requested level of funding. So what the administration requested, the committee gave them. So they added to the request in six, and in all of the others they are getting exactly what they had requested. In one area, the NORTHCOM military assistance to civil authorities, NORTHCOM indicates that it has no responsibility in the area.

For two potential adds, the execution of additional funding would be problematic. They probably could not spend the money. One is the Global Threat Reduction Initiative. It is a new NNSA nonproliferation initiative that was announced in May. They expect to fund it out of existing funds from the $87 million in fiscal 2005. An additional $211 million, as proposed in this amendment, would not be executable in fiscal 2005. They could not spend it.

On radiation detection and training in megaports, additional funds cannot be executed until agreements are negotiated with other nations. NNSA doesn't expect that these agreements could be in place in time to use additional funds in fiscal 2005.

The Department of Defense already has the flexibility with the funds requested within the budget to meet the high-priorities needs: antiterrorism/force protection training and exercises for the National Guard. These activities are funded through operation and maintenance, and the Department can already align the requested O&M funds to meet their needs.

The bottom line is that the additional funding taken away from missile defense is not needed. The arguments for taking it away have already been rejected by the Senate in the Reed amendment. This is just another attempt to research missile defense to death and never build it.

I encourage my colleagues to follow the good instinct that they followed with respect to the Reed amendment and reject this notion that we should not have more than the 20 missiles; that we don't need the additional 10 we are talking about here for operational testing because we do need to test against realistic conditions, and that is why we need to obtain the missiles and put them in these silos, and also because they just might be needed.

For once, it would be nice for us to say that on our watch the missile defense that was announced 20 years ago has actually become a reality. It is not a perfect system yet by any means, and that is the whole point of this particular program—to begin the development and deployment and spiral that technology as it continues to evolve. That is a great idea. It is a great protection for the American people. Why would we not want to do it?

With respect to the prioritization argument, I have already made it clear what we are spending on this. I didn't calculate the fraction, but it is a minor fraction of what we are spending on homeland security and on defense generally.

I urge my colleagues, as with the Reed amendment, to reject the argument behind this amendment; reject the Levin amendment and support the committee, which worked very hard to put together a product of which I think the Senate can be proud, that the administration will support, that we can get passed in conference committee and sent to the President for his signature, so we can move forward this year and, for the first time, this fall actually have the beginnings of a missile defense system for the people of this country. They deserve no less. It is our obligation to see to it that it comes to pass.

That is the conclusion of my remarks. I don't know if the Senator from Michigan wants to make further remarks at this time. I am going to want to proffer a unanimous consent request.

At this time, I yield to the Senator from Michigan.

Mr. LEVIN. Madam President, I will be very brief, given the hour. First, as to our friend's comment that this amendment suggests that we never build, only research, this amendment doesn't touch the 20 missiles slated to go into those silos in Alaska. It is my understanding, by the way, that those missiles in the Alaskan silos are not going to be launched as part of a test. I wonder if the Senator from Arizona would disagree with that. He talked about the necessity of those missiles being placed in silos in Alaska in order that they be realistically tested. I am wondering if the Senator from Arizona would agree that the DOD has determined, due to safety considerations, that no tests are currently planned to launch interceptors from the operational missile fields; is that his understanding also?

Mr. KYL. Madam President—

Mr. LEVIN. To launch. There is no decision currently made.

Mr. KYL. Madam President, I have not checked to see what the current plan is with respect to the timing of the tests and with respect to the missiles that are included within the program, which I think the Senator is talking about, which are the first 20 missiles.

Mr. LEVIN. That is correct. It is my understanding there are no tests planned to launch interceptors from those missile fields. If there is any change in that, I think we will find out tomorrow morning.

This amendment does not touch those 20 missiles. I want to reiterate that point. It does not touch the money. It does not cut the missiles. Those missiles will be there. They are not going to be launched from there.

Nonetheless, they are going to be there. How that leads to realistic testing beats me, but nonetheless that debate is passed.

What has not passed is the most unmet emergency threat to the United States. This is according to the Russia task force of the Secretary of Energy advisory:

> The most unmet national security threat to the United States today is that the danger of weapons of mass destruction or weapons usable material in Russia could be stolen and sold to terrorists or hostile nation states and used against American troops abroad or citizens at home.

That task force was cochaired by Senator Baker, our former colleague, and a former White House counsel, Lloyd Cutler. The Baker-Cutler task force also concluded that the limited mandate and funding falls short for what is required to address adequately the threat.

Looking at those nonproliferation programs in the Department of Energy, that task force concluded that the funding falls short of what is required to address adequately the threat.

Then we have the Department of Energy making an announcement that it has become clear, the Secretary of Energy said, that even more comprehensive and urgently focused effort is needed to respond to emerging and evolving threats, referring here to the Russian fissile material, saying the Global Threat Reduction Initiative announced by Secretary Abraham at the International Atomic Energy Agency at the end of May would ensure that nuclear and radiological material and equipment did not "fall into the hands of those with evil intentions" by "securing, relocating, or disposing of these materials or equipment." There is supposed to be $450 million that would go into this effort. There is nothing, or virtually nothing, in the 2005 budget to address that threat.

The Senator from Arizona is correct that we have given the administration what they asked for in their budget request. Despite the words saying this is a major threat to this country, they have asked for nothing. We should correct that deficiency and address the most serious threat we face in terms of terrorism by using some of the money for these extra 10 missiles—not the first 20 but the extra 10 that are now being requested—in order to address the most real, the most dangerous threat we face.

Madam President, I yield the floor. I do not know if that unanimous consent request relates to this matter or not.

Mr. KYL. Let me first correct one thing I had said earlier. There were two Reed amendments, both of which were based on the same proposition with respect to operational testing. One regarding fencing we have not yet voted on, and the other one was rejected. To that extent I misspoke.

Secondly, before I propound the unanimous consent requests, let me make clear to the Senator from Michigan, I am not yet aware of plans, as I answered my colleague. I think the Director of the Ballistic Missile Defense Organization is working on the plans. So I do not think any of us are yet aware of what plans there may be with respect to testing of these missiles. I do not think the plan is completed.

Mr. LEVIN. In terms of launching interceptors from that test bed in Alaska, that would be a stunning change in terms of the safety of the people of Alaska. I am sure if that plan has been made, there is a plan to launch missiles from that test site as part of a test, not in response to some accidental launch—and I could not agree more with the Senator from Arizona, if we had missiles in the ground and if we saw a launch come at us, we would use them in the hope that they might work. I have no doubt about that. I would hope they would work. It would be useful to take the time, expend the energy and the money to make sure they work.

Nevertheless, I have no doubt if we thought they would work 1 in 10, 1 in 1,000, or 1 in 2, we would try.

Mr. KYL. Madam President, I knew if we stood here long enough, the Senator from Michigan and I would find something on which to agree.

Mr. LEVIN. We agree on many things, and that would surely be one of them. I think we would also agree that it would be nice if we could expect they would work. I think the Senator from Arizona would agree with that. The greater likelihood they would work, the greater good it is for our Nation.

Mr. KYL. Madam President, of course that is true. I would like to propound some unanimous consent requests on behalf of the leader, if there is no other Senator wishing to speak to this matter.

MORNING BUSINESS

Mr. KYL. Madam President, I ask unanimous consent that the Senate now proceed to a period for the transaction of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRATULATING TOM LESHENDOK

Mr. REID. Madam President, I rise today to congratulate Mr. Tom Leshendok of Sparks, MV, on his selection by the Department of Interior for the Meritorious Service Award. It is my honor to recognize the contributions of this dedicated public servant.

Mr. Leshendok's career has spanned more than three decades and several Federal agencies, including the U.S. Geological Survey, the Minerals Management Service, the Environmental Protection Agency, and the Bureau of Land Management. In each of these positions, he has contributed tremendously to the effective and responsible management of our public lands and natural resources.

Mr. Leshendok's work as Deputy State Director of Minerals for the Nevada BLM was particularly important to the economy and welfare of my State. Not only does the BLM administer almost 48 million acres of public land in Nevada, it also overseas the production of 72 percent of our Nation's gold and silver.

As the leader of the BLM's largest mining law administration program, Mr. Leshendok was responsible for the leasing and development of geothermal, oil, and gas resources, the Abandoned Mine Lands program, and hazardous material detection and remediation. His ability to craft effective collaborative approaches to these important issues was a hallmark of his leadership at the Nevada BLM.

Please join me in thanking Tom Leshendok for his strong commitment to public service and congratulating him on his selection for the Department of Interior's Meritorious Service Award.

DAVID A. CHRISTIANSEN—NATIONAL DISTINGUISHED PRINCIPAL

Mr. REID. Madam President, I rise today to congratulate David A. Christiansen, the principal at Huffaker Elementary School in Washoe County, who was selected as Nevada's 2004 National Distinguished Principal.

The National Distinguished Principals Program, jointly sponsored by the U.S. Department of Education and the National Association of Elementary School Principals, was established in 1984 to honor exemplary elementary and middle schools from each of the 50 States and the District of Columbia.

This honor highlights the importance of school principals in building excellent schools, and recognizes their accomplishments and leadership in helping children develop a lifelong love of learning.

Mr. Christiansen has been a principal in the Washoe County School District since 1989, and has served at Huffaker Elementary School since July 2001.

His talent and leadership skills speak volumes. For the last 3 years, Huffaker Elementary School has received awards for academic excellence from the Nevada Department of Education. He also has implemented and enhanced programs in art, science, reading, and physical education.

Mr. Christiansen is the third principal from the Washoe County School District to be named a National Distinguished Principal.

I salute David Christiansen for his service and dedication to the children of Washoe County and extend him my best wishes for a successful future.

LOCAL LAW ENFORCEMENT ACT OF 2003

Mr. SMITH. Madam President, I rise today to speak about the need for hate crimes legislation. On May 1, 2003, Senator KENNEDY and I introduced the Local Law Enforcement Enhancement Act, a bill that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society.

On January 25, 1999, Derek Glacken, 27, was convicted of first-degree murder and sentenced to life without the possibility of parole for the fatal 1996 stabbing of a man whom he believed to be gay.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

JUNETEENTH

Mr. PRYOR. Madam President, I rise today to bring attention to the celebration of Juneteenth. Juneteenth is the oldest known celebration commemorating the abolition of slavery in the United States. This day celebrates African American freedom while encouraging self-development and respect for all cultures.

Throughout our history, African Americans have struggled to achieve equality and freedom. They have endured a legacy of slavery and segregation. Through their belief in the American dream, they fought for equal rights and taught the Nation to look past outward appearances and judge a person by their character. Their undying quest to achieve freedom and equality is why I am here today: To honor the day where slaves in some southern States learned of their emancipation.

On June 19, 1865, Major General Gordon Granger went to Texas to proclaim emancipation to Texas slaves. This was the first time that slaves in Texas and other surrounding States found out about their emancipation. He stated, "The people of Texas are informed that in accordance with a Proclamation from the Executive of the United States, all slaves are free. This involves an absolute equality of rights and rights of property between former masters and slaves, and the connection heretofore existing between them becomes that between employer and free laborer."

Following emancipation, ex-slaves entered freedom under the most difficult conditions, penniless and homeless with only the clothes on their back. They began to migrate to the north and to southern States like Arkansas, Louisiana, and Oklahoma in search of better lives and a better future for their families. The descendants of these former slaves passed down a tradition of celebrating the emancipation announcement at the end of June because of it's significance for African Americans. The term "Juneteenth" reflects the inability of history to identify the exact date all slaves became free in this country. However, the importance of the event is memorialized in this celebration and is often observed as a time to remember the past and look to the future.

The first Juneteenth celebrations were political rallies used to teach freedmen about voting. Cakewalks, baseball games, contests and parades would come to be identified as traditional parts of the celebration as well. However, from the very beginning food, family and friends played central roles in these remembrances.

Many African Americans will continue this celebration through various activities in their local communities. I was honored to join Arkansans in celebrating Juneteenth in Little Rock this past weekend, and I challenge all Americans to join me in celebrating the rich history and countless contributions African Americans have made in our country, to remember the struggles for dignity and racial equality in America and to commit to fighting for equality in our schools, workplaces and in our communities.

THE BOSTON CELTICS—THE "HEROES AMONG US" AWARDS

Mr. KENNEDY. Madam President, the Boston Celtics are heroes on the basketball court, and they are heroes off the court as well. In 1997, they established the "Heroes Among Us" Awards to honor outstanding persons in the area who have had an especially significant impact on the lives of others. The award pays tribute to men and women who have made a difference because of their unselfish commitment to their community. Their extraordinary achievements take place in a wide variety of fields, and are made by persons of all ages and in all walks of life.

At each home game during the basketball season, the Celtics and their fans pay tribute to one of the honorees in a special presentation on the basketball court. So far, over 300 persons have received the "Heroes Among Us" award.

All of us in the Kennedy family are proud that one of this year's awards was made to my nephew Tim Shriver. He was honored for his leadership of the Special Olympics, which provides training in sports and opportunities to participate in competitive sports for children and adults with mental retardation in many nations throughout the world. Tim was honored in Boston last December during a Celtics game against the Utah Jazz, and several Special Olympics athletes were part of the ceremony on center court.

Massachusetts is proud of the Celtics and proud of this successful and inspiring awards program, which has become one of the most respected such initiatives in the Nation. I ask unanimous consent to print in the RECORD the names of the honorees for the 2003–2004 season.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Frank Kilroy (Danvers), Karen Butler and Tom Lee (Brockton), Atala Esquilin (Lynn), Karen, Bob and Alex Bean (Shrewsbury), Mary Soo Hoo (Boston), Caitlin Gorski (Hopkinton), Chris Constantino (Plymouth), Nadine Burgeson (Lakeville), Kellie Burgeson Surdis (Lakeville), Joe Lawless (Lynnfield), Dr. Arnold Scheller (Milton), Jackie Jenkins-Scott (Roxbury), Honorable Leslie Harris (Dorchester), Anne Norton (Boston), Lieutenant Paul D. Lucas (Boston), Firefighter Dorian Jenkins (Boston);

Firefighter Vincent Dimino (Boston), Cory Arno (Central Falls, RI), Mel Rubin (Chestnut Hill), Ryan and Hattie Wilkinson (Medfield), Mason Hedberg (North Attleboro), Myra Fox (Newton), Margela Olivier-Galette (Randolph), Lee and Allison Weissman (Springfield), Jesus Gerena (Jamaica Plain), Veryl Anderson (North Andover), Bob Michalczyk (Lowell), George Kouloheras (Lowell), Michael Danziger (Lincoln), Melinda Pellerin-Duck (Springfield), State Trooper Kevin Fogwill (Brookfield), Tony DeBlois (Randolph);

Matt Haymer (Andover), Brian, Calvin and David Owino (Framingham), Debby Sabin Kanzer (Lincoln), Daniel Gonzalez (Cambridge), David Goodfellow (Lakeville), Linda Brooks (Framingham), Greg deZarn-O'Hare (East Kingston, NH), Peter Bruce (South Dartmouth), Brendan McDonough (Dorchester), Ron Bielicki (Waltham), Tim Shriver (Washington, DC), Charity Bell (Jamaica Plain), Alex Cortes (Springfield), George Giddings (Yonkers, NY);

Charles Diggs (Norwood), Harvey Sanford (Boston), Willis Saunders (Boston), Boston Police Sergeant John Danilecki (Boston), Boston Police Officer Adam Gill (Boston), Boston Police Officer Michael Mylett (Boston), Boston Police Officer Michael Doyle (Boston), Massachusetts Bay Transportation Authority Police Officer James St. Croix (Boston), Massachusetts Bay Transportation Authority Police Officer Richard Lum (Boston), Massachusetts Bay Transportation Authority Police Officer Chi Keung (Boston).

ADDITIONAL STATEMENTS

KENTUCKY MOUNTAIN DEVELOPMENT CORPORATION

• Mr. BUNNING. Madam President, I rise to honor and pay tribute to the Kentucky Mountain Development Corporation, KMHDC, for receiving one of the Fannie Mae Foundation's 6 Maxwell Awards for Excellence.

The Maxwell Awards of Excellence program showcases the outstanding work of nonprofit organizations in developing and maintaining housing for low-income Americans. Each year the award is given to only 6 projects nationwide. The Kentucky Mountain Development Corporation is a church-related nonprofit established in 1973, that provides save, decent, affordable homes for low-income families in Southeastern Kentucky. The staff of nearly 30 works with volunteers to build and repair houses for low-income families and provide financing for families with income too low to qualify for any other housing assistance. KMHDC originates and services low-interest loans and provides jobs and promotes economic development through housing production in rural Appalachia.

The Kentucky Mountain Development Corporation is an outstanding example of how Kentuckians use their entrepreneurial talent, drive, and vision to create opportunities not just for themselves, but for others. In the last 30 years, they have provided 600 homes for low-income families and it has completed more than 400 home repairs to substandard owner occupied units.

Southeastern Kentucky is fortunate to have the Kentucky Mountain Development Corporation as a home-based business. I appreciate their loyalty to Kentucky and their community. The company is a shining example of leadership, hard work, and compassion. They are an inspiration to all throughout the Commonwealth.

Congratulations, Kentucky Mountain Development Corporation. You are Kentucky at its finest.•

WEST VIRGINIA DAY

• Mr. ROCKEFELLER. Madam President, I would like to take a moment to recognize the beautiful State which I am proud to call my home, West Virginia. Yesterday, June 20, was truly a day to celebrate our great State. One hundred and forty one years ago, West Virginia became the 35th State to join our Nation.

West Virginia's travel slogan "Wild and Wonderful" captures the essence of West Virginia's terrain. In reference to the spirit of our landscape abundant with roaming rivers and dense forests, the early settlers created the state motto: "Mountaineers are always free." To this day, West Virginia remains known for its breathtaking natural beauty. It is a growing destination for people from around the world interested in hiking, mountain biking, hunting, fishing, white water rafting, skiing, golf, and many other outdoor activities which take advantage of the natural beauty of the West Virginia hills.

Visitors to the State are often impressed by our sweeping vistas, mountainous terrain, and undisturbed wilderness. Much of our beauty is preserved for the ages in several world class National and State Parks.

While the landscape of the Mountain State is inspiring, it is the people of West Virginia who truly encapsulate the majesty and spirit of our State. Over the last 141 years, many different people have called West Virginia home. Native Americans came here for our rich hunting grounds. Civil War soldiers fought many battles on our land, diverse waves of immigrants worked in our thriving industries of glass, coal, steel, wood products, oil and the railroad. We have come so far over the last 141 years, and yet we maintain the same sense of pride in our culture, people, and rolling West Virginia hills.

These historical influences helped to diversify our population and create the vibrant culture we enjoy today. West Virginia culture is famous for its pottery, glass, history, stories, and in particular, its music. This music, including bluegrass, ballads and gospel songs, has a special tie to our culture and our people, telling of our history and our industry. Aside from what we produce, it is who we are that makes West Virginia a place of which to be proud. We are a hard-working people, creative and sincere. The fervent, spirited people of West Virginia invigorate all aspects of the greater American society and culture.

With the world turning to a newer high technology economy, West Virginia remains at the forefront with its strong contributions to biometrics through its growing network of biometrics companies, government agencies and universities. While West Virginia contributes in the global economy, our traditional industries of coal, steel, timber, and chemicals continue proudly as the base of our economy. Some of our finest academic institutions offer strong programs in engineering, physics and medicine, which contribute to our growing success in new fields such as biometrics technology and development. Also, with the ever-expanding broadband internet, more West Virginians are joining the internet community. Particularly in the classroom, the presence of high-speed internet is keeping West Virginian students worldly and capable in this age of technology.

Now, as we stand at the gateway of the 21st Century, I am honored to recognize West Virginia's 141st birthday, and I am enormously proud to be a West Virginian.•

IN RECOGNITION OF ALAN MILBAUER'S RETIREMENT

• Mr. CARPER. Madam President, I pay tribute today to Alan Milbauer upon his retirement as vice president of public affairs for AstraZeneca. His dedication has won him the respect of coworkers and friends alike, along with the gratitude of many in our State. He has been, and remains, a trusted friend.

A native of Brooklyn, NY, Alan was born on August 30, 1943, to Francis and Irving Milbauer. He received his early education in Brooklyn and went on to earn degrees in pharmacy and law at the University of Connecticut in 1965 and 1968, respectively.

Alan has spent most of his career in the pharmaceutical industry, except for a brief experience in the field of consumer marketing research. He began his industry experience as attorney for the Pharmaceuticals Research and Manufacturers of America, PhRMA, before coming to Delaware and joining Zeneca Pharmaceuticals—then Atlas Chemicals—in 1969. In 1976, he was appointed director of regulatory affairs. He became vice president of planning in 1985 and vice president of marketing in 1991. Prior to the merger of Astra and Zeneca, Alan served as vice president of external affairs for Zeneca Pharmaceuticals.

As a member of the U.S. AstraZeneca leadership team, Alan's responsibilities include Federal and State government affairs, corporate external communications, public relations and ally development, corporate and community affairs, and public policy. As a major international healthcare business engaged in the research, development, manufacturing and marketing of pharmaceuticals and healthcare services, Alan has provided strong leadership and served as a role model to many. According to friends, he has been described as the "conscience" for the company. He has long sought to ensure that AstraZeneca was mindful of its corporate responsibility to the community. Alan brought the human side to the corporate world. He also played a role in helping bring AstraZeneca's United States headquarters to Delaware during my years as Governor.

Alan serves as a board director for the Delaware Theatre Company, Delaware Public Policy Institute, and is a trustee of the University of the Sciences in Philadelphia. He is also a member of the board of directors of the Vox Medical Center for Patient Education and Health Literacy, and is a member of the Connecticut Bar. Alan's leisure interests include travel, theater, reading, and playing golf.

Alan and his wife of 37 years, Nancy, live in Wilmington, DE. They have three children, Karen, Stephen and Jennifer, and two grandchildren, twins Jacob and Rachel.

Through Alan's efforts, he has made a real difference in the lives of thousands of individuals and enhanced the quality of life for our State. Upon his retirement, he will leave behind a legacy of commitment to public service for both his children and grandchildren and for others to follow. I thank him for the friendship that we share, and I congratulate him on a remarkable and distinguished career. I wish him and his family only the very best in all that lies ahead for each of them.•

MESSAGES FROM THE HOUSE

At 1:24 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 4567. An act making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes.

H.R. 4568. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2005, and for other purposes.

At 6:15 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, without amendment:

S. 1848. An act to amend the Bend Pine Nursery Land Conveyance Act to direct the Secretary of Agriculture to sell the Bend Pine Nursery Administration Site in the State of Oregon.

S. 2238. An act to amend the National Flood Insurance Act of 1968 to reduce losses to properties for which repetitive flood insurance claim payments have been made.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 458. Concurrent resolution directing the Secretary of the Senate to make technical corrections in the enrollment of the bill S. 2238.

The message further announced that pursuant to 22 U.S.C. 276d, clause 10 of rule I, and the order of the House of December 8, 2003, the Speaker appoints the following Members of the House of Representatives to the United States Delegation of the Canada-United States Interparliamentary Group: Mr. HOUGHTON of New York, Chairman, Mr. DREIER of California, Mr. SHAW of Florida, Mr. STEARNS of Florida, Mr. MANZULLO of Illinois, Mr. SMITH of Michigan, Mr. ENGLISH of Pennsylvania, Mr. SOUDER of Indiana, and Mr. TANCREDO of Colorado.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 4568. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2005, and for other purposes; to the Committee on Appropriations.

MEASURES PLACED ON THE CALENDAR

The following bills were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 4567. An act making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes.

H.R. 4520. An act to amend the Internal Revenue Code of 1986 to remove impediments in such Code and make our manufacturing, service, and high-technology businesses and workers more competitive and productive both at home and abroad.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–8028. A communication from the Chief, Policy and Rules Division, Office of Engineering and Technology, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Review of Part 15 and other Parts of the Commission's Rules" (FCC04–98) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8029. A communication from the Deputy Chief, Wireline Competition Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "In the Matter of Lineline and Link-Up" (FCC04–87) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8030. A communication from the Legal Advisor, International Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "In the Matter of Amendment of the Commission's Space Station Licensing Rules and Policies; 2000 Biennial Regulatory Review—Streamlining and Other Revisions of Part 25 of the Commission's Rules Governing the Licensing of, and Spectrum Usage by, Satellite Network Earth Stations and Space Stations" (FCC04–92) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8031. A communication from the Senior Legal Advisor, International Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "In the Matter of Amendment of the Commission's Space Station Licensing Rules and Policies Mitigation of Oribital Debris" (FCC03–102) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8032. A communication from the Legal Advisor to the Chief, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Part 76 of the Commission's Rules to Extend Interference Protection to the Marine and Aeronautical Distress and Safety Frequency 406.025 MHz" (FCC04–75) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8033. A communication from the Attorney Advisor, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "The Development of Operational, Technical, and Spectrum Requirements for Meeting Federal, State, and Local Public Safety Agency Communication Requirements Through the Year 2010" (FCC03–204) received on June 15, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8034. A communication from the Secretary of Commerce, transmitting, a draft of proposed legislation entitled "National Oceanic and Atmospheric Administration Organic Act of 2004"; to the Committee on Commerce, Science, and Transportation.

EC–8035. A communication from the Senior Attorney, Research and Special Programs Administration, Department of Transportation , transmitting, pursuant to law, the report of a rule entitled "Harmonization with the United Nations Recommendations, International Maritime Dangerous Goods Code, and International Civil Aviation Organization's Technical Instruction; Final Rule, Response to Appeals and Corrections" (RIN2137–AD94) received on June 14, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8036. A communication from the Administrator, Federal Motor Carrier Safety Administration, transmitting, pursuant to law, a report relative to the Large Truck Crash Causation Study; to the Committee on Commerce, Science, and Transportation.

EC–8037. A communication from the Assistant Secretary for Fish, Wildlife, and Parks, Canyonlands National Park, National Park Service, transmitting, pursuant to law, the report of a rule entitled "Canyonlands National Park—Salt Creek Canyon" (RIN1024–AC87) received on June 15, 2004; to the Committee on Energy and Natural Resources.

EC–8038. A communication from the Secretary of the Interior, transmitting, a draft of proposed legislation entitled "Wilson's Creek National Battlefield Boundary Adjustment Act"; to the Committee on Energy and Natural Resources.

EC–8039. A communication from the Director, Office of Surface Mining, Department of the Interior, transmitting, pursuant to law , the report of a rule entitled "Maryland Regulatory Program" (MD–053–FOR) received on June 14, 2004; to the Committee on Energy and Natural Resources.

EC–8040. A communication from the Director, Office of Surface Mining, Department of Interior, transmitting, pursuant to law, the report of a rule entitled "West Virginia Regulatory Program" (WV–101–FOR) received on June 14, 2004; to the Committee on Energy and Natural Resources.

EC–8041. A communication from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Revision of 10 CFR 50.48 to Allow Performance-Based Approaches Using National Fire Protection Association (NFPA) Standard 805 (NFPA 805) "Performance-Based Standard for Fire Protection for Light Water Reactor Electric Generating Plants' 2001 Edition" (RIN3150–AG48) received on June 15, 2004; to the Committee on Environment and Public Works.

EC–8042. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Illinois; Definition of Volatile Organic Material or Volatile Organic Compound" (FRL7661–8) received on June 14, 2004; to the Committee on Environment and Public Works.

EC–8043. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans for Texas; Approval of Section 179B Demonstration of Attainment, Volatile Organic Compounds and Nitrogen Oxides Motor Vehicle Emissions Budgets for Conformity for the El Pao Ozone Nonattainment Area" (FRL#7672–7) received on June 14, 2004; to the Committee on Environment and Public Works.

EC–8044. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans Georgia: Approval and Revisions to the State Implementation Plan" (FRL#7672–4) received on June 14, 2004; to the Committee on Environment and Public Works.

EC–8045. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; State of Iowa" (FRL#7672–3) received on June 14, 2004; to the Committee on Environment and Public Works.

EC–8046. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Underground Storage Tank Program: Approved State Program for Virginia" (FRL#7658–3) received on June 14, 2004; to the Committee on Environment and Public Works.

EC–8047. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Underground Storage Tank Program: Approved State Program for West Virginia" (FRL#7657–4) received on June 14, 2004; to the Committee on Environment and Public Works.

EC–8048. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Guidance on Source of Cross-Border Pension Distributions" (Rev. Proc. 2004–37) received on June 10, 2004; to the Committee on Finance.

EC–8049. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Weighted Average Interest Rate Update Notice—Pension Funding Equity Act of 2004" (Notice 2004–42) received on June 10, 2004; to the Committee on Finance.

EC–8050. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Disability Insurance Proceeds" (Rev. Rul. 2004–55) received on June 10, 2004; to the Committee on Finance.

EC–8051. A communication from the Director, Department of Homeland Security and the Director, Office of Personnel Management, transmitting, pursuant to law, a report relative to a new human resources system for some or all of the organizational units of the Department of Homeland Security; to the Committee on Governmental Affairs.

EC–8052. A communication from the Chairman, Railroad Retirement Board, transmitting, pursuant to law, a report relative to the financial status of the railroad unemployment insurance system; to the Committee on Governmental Affairs.

EC–8053. A communication from the Administrator, General Services Administration, transmitting, a draft of proposed legislation relative to payment for certain travel expenses for Federal employees; to the Committee on Governmental Affairs.

EC–8054. A communication from the Assistant General Counsel for Regulatory Services, Office of Management, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Privacy Act Regulations" received on June 16, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC–8055. A communication from the Assistant General Counsel for Regulatory Services, Office of Innovation and Improvement, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Transition to Teaching—Notice of Final Priorities and Requirements" (RIN1855–ZA06) received on June 16, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC–8056. A communication from the Assistant General Counsel for Regulatory Services, Office of the Chief Financial Officer, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Administration of Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations; Direct Grant Programs; State-Administered Programs; and Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" (RIN1890–AA11) received on June 16, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC–8057. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Transportation Conformity Rule Amendments for the New 8-Hour Ozone and PM 2.5 National Ambient Air Quality Standards and Miscellaneous Revisions for Existing Area; Transportation Conformity Rule Amendments: Response to Court Decision and Additional Rule Changes" (FRL#774–6) received on June 17, 2004; to the Committee on Environment and Public Works.

EC–8058. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Air Quality Designations and Classifications for the 8-hour Ozone: National Ambient Air Quality Standards; Deferral of Effective Date" (FRL7775–5) received on June 17, 2004; to the Committee on Environment and Public Works.

EC–8059. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Air Quality Designations and Classifications for the 8-Hour Ozone National Ambient Air Quality Standards; Early Action Compact Areas With Deferred Effective Dates" (FRL#774–8) received on June 17, 2004; to the Committee on Environment and Public Works.

EC–8060. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Delaware; update to Materials Incorporated by Reference" (FRL#7668–1) received on June 17, 2004; to the Committee on Environment and Public Works.

EC–8061. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; Georgia; Approval of Revisions to the State Implementation Plan" (FRL#7672–4) received on June 17, 2004; to the Committee on Environment and Public Works.

EC–8062. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; Florida; Broward County Aviation Department Variance" (FRL#7773–8) received on June 17, 2004; to the Committee on Environment and Public Works.

EC–8063. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; Ohio" (FRL#7774–7) received on June 17, 2004; to the Committee on Environment and Public Works.

EC–8064. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Emission Standards for Hazardous Air Pollutants; National Emission Standards for Emission of Radionuclides Other That Radon from Department of Energy Facilities; National Emission Standards of Radionuclide Emissions from Federal Facilities Other Than Nuclear Regulatory Commission Licensees and Not Covered by Subpart H; Final Amendment" (FRL#7773–5) received on June 17, 2004; to the Committee on Environment and Public Works.

EC–8065. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Protection of Stratospheric Ozone: Allowance System for Controlling HCFC Production, Import and Export" (FRL#7774–1) received on June 17, 2004; to the Committee on Environment and Public Works.

EC–8066. A communication from the Secretary of Energy, transmitting, pursuant to law, a report relative to the Convention on Supplementary Compensation for Nuclear Damage; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Ms. COLLINS, from the Committee on Governmental Affairs, with amendments:

S. 1292. A bill to establish a servitude and emancipation archival research clearinghouse in the National Archives (Rept. No. 108–282).

By Ms. COLLINS, from the Committee on Governmental Affairs, without amendment:

S. 2322. A bill to amend chapter 90 of title 5, United States Code, to include employees of the District of Columbia courts as participants in long term care insurance for Federal employees (Rept. No. 108–283).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. CRAPO (for himself, Mr. INHOFE, and Ms. MURKOWSKI):

S. 2550. A bill to amend the Federal Water Pollution Control Act and the Safe Drinking Water Act to improve water and wastewater infrastructure in the United States; to the Committee on Environment and Public Works.

By Mr. FRIST (for himself and Mr. WYDEN):

S. 2551. A bill to reduce and prevent childhood obesity by encouraging schools and school districts to develop and implement local, school-based programs designed to reduce and prevent childhood obesity, promote increased physical activity, and improve nutritional choices; to the Committee on Health, Education , Labor, and Pensions.

By Mr. CONRAD:

S. 2552. A bill to provide environmental assistance to non-Federal interests in the State of North Dakota; to the Committee on Environment and Public Works.

By Mr. DASCHLE (for Mr. DODD (for himself and Mr. BUNNING)):

S. 2553. A bill to amend title XVIII of the Social Security Act to provide for coverage of screening ultrasound for abdominal aortic aneurysms under part B of the medicare program; to the Committee on Finance.

By Mr. FRIST (for Mr. INHOFE (for himself, Mr. JEFFORDS, Mr. BOND, and Mr. REID)):

S. 2554. A bill to provide for the consideration and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States and for other purposes; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KENNEDY (for himself, Ms. MIKULSKI, Ms. CANTWELL, Mr. LEVIN, Mr. BINGAMAN, Mr. CORZINE, Mr. LIEBERMAN, Mrs. MURRAY, Mr. FEINGOLD, Mr. DASCHLE, Mr. BYRD, Mr. MILLER, and Mr. DURBIN):

S. Res. 385. A resolution recognizing and honoring the 40th anniversary of congressional passage of the Civil Rights Act of 1964; considered and agreed to.

By Mr. SCHUMER:

S. Res. 386. A resolution recognizing the 40th anniversary of June 21, 1964, the day civil rights organizers Andrew Goodman, James Chaney, and Michael Schwerner gave their lives in the struggle to guarantee the right to vote for every citizen of the United States, and encouraging all Americans to observe the anniversary of the deaths of the 3 men by committing themselves to ensuring equal rights, equal opportunities, and equal justice for all people; considered and agreed to.

ADDITIONAL COSPONSORS

S. 333

At the request of Mr. BREAUX, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 333, a bill to promote elder justice, and for other purposes.

S. 1010

At the request of Mr. HARKIN, the name of the Senator from Nebraska (Mr. NELSON) was added as a cosponsor of S. 1010, a bill to enhance and further research into paralysis and to improve rehabilitation and the quality of life for persons living with paralysis and other physical disabilities.

S. 1129

At the request of Mrs. FEINSTEIN, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 1129, a bill to provide for the protection of unaccompanied alien children, and for other purposes.

S. 1368

At the request of Mr. LEVIN, the names of the Senator from West Virginia (Mr. ROCKEFELLER) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 1368, a bill to authorize the President to award a gold medal on behalf of the Congress to Reverend Doctor Martin Luther King, Jr. (posthumously) and his widow Coretta Scott King in recognition of their contributions to the Nation on behalf of the civil rights movement.

S. 1559

At the request of Mr. KENNEDY, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 1559, a bill to amend the Public Health Service Act with respect to making progress toward the goal of eliminating tuberculosis, and for other purposes.

S. 1700

At the request of Mr. LEAHY, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 1700, a bill to eliminate the substantial backlog of DNA samples collected from crime scenes and convicted offenders, to improve and expand the DNA testing capacity of Federal, State, and local crime laboratories, to increase research and development of new DNA testing technologies, to develop new training programs regarding the collection and use of DNA evidence, to provide post-conviction testing of DNA evidence to exonerate the innocent, to improve the performance of counsel in State capital cases, and for other purposes.

S. 1733

At the request of Mr. KOHL, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 1733, a bill to authorize the Attorney General to award grants to States to develop and implement State court interpreter programs.

S. 1888

At the request of Mr. SPECTER, the names of the Senator from California (Mrs. BOXER) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. 1888, a bill to halt Saudi support for institutions that fund, train, incite, encourage, or in any other way aid and abet terrorism, and to secure full Saudi cooperation in the investigation of terrorist incidents.

S. 1938

At the request of Mr. CORZINE, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 1938, a bill to amend the Forest and Rangeland Renewable Resources Planning Act of 1974 and related laws to strengthen the protection of native biodiversity and ban clearcutting on Federal land, and to designate certain Federal land as Ancient forests, roadless areas, watershed protection areas, and special areas where logging and other intrusive activities are prohibited.

S. 2018

At the request of Mr. BUNNING, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 2018, a bill to amend the National Trails System Act to extend the Lewis and Clark National Historic Trail to include additional sites associated with the preparation or return phase of the expedition, and for other purposes.

S. 2059

At the request of Mr. FITZGERALD, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 2059, a bill to improve the governance and regulation of mutual funds under the securities laws, and for other purposes.

S. 2174

At the request of Mr. BUNNING, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 2174, a bill to amend title XIX of the Social Security Act to include podiatrists as physicians for purposes of covering physicians services under the medicaid program.

S. 2175

At the request of Mr. DODD, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 2175, a bill to amend the Public Health Service Act to support the planning, implementation, and evaluation of organized activities involving statewide youth suicide early intervention and prevention strategies, and for other purposes.

S. 2176

At the request of Mr. BINGAMAN, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 2176, a bill to require the Secretary of Energy to carry out a program of research and development to advance high-end computing.

S. 2199

At the request of Mrs. FEINSTEIN, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 2199, a bill to authorize the Attorney General to make grants to improve the ability of State and local governments to prevent the abduction of children by family members, and for other purposes.

S. 2204

At the request of Mr. HATCH, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 2204, a bill to provide criminal penalties for false information and hoaxes relating to terrorism.

S. 2273

At the request of Mr. MCCAIN, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 2273, a bill to provide increased rail transportation security.

S. 2327

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 2327, a bill to amend title 38, United States Code, to clarify that per diem payments by the Department of Veterans Affairs for the care of veterans in State homes shall not be used to offset or reduce other payments made to assist veterans.

S. 2363

At the request of Mr. HATCH, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 2363, a bill to revise and extend the Boys and Girls Clubs of America.

S. 2414

At the request of Mr. GRAHAM of South Carolina, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 2414, a bill to establish a commission to review Federal inmate work opportunities.

S. 2417

At the request of Mr. COLEMAN, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 2417, a bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to furnish care for newborn children of women veterans receiving maternity care, and for other purposes.

S. 2439

At the request of Mrs. HUTCHISON, the names of the Senator from Wyoming (Mr. THOMAS) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. 2439, a bill to award a congressional gold medal to Michael Ellis DeBakey, M.D.

S. 2468

At the request of Ms. COLLINS, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 2468, a bill to reform the postal laws of the United States.

S. 2486

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 2486, a bill to amend title 38, United States Code, to improve and enhance education, housing, employment, medical, and other benefits for veterans and to improve and extend certain authorities relating to the administration or benefits for veterans, and for other purposes.

S. 2522

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 2522, a bill to amend title 38, United States Code, to increase the maximum amount of home loan guaranty available under the home loan guaranty program of the Department of Veterans Affairs, and for other purposes.

S. 2529

At the request of Mr. GRASSLEY, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of S. 2529, a bill to extend and modify the trade benefits under the African Growth and Opportunity Act.

S. 2534

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 2534, a bill to amend title 38, United States Code, to extend and enhance benefits under the Montgomery GI Bill, to improve housing benefits for veterans, and for other purposes.

S. CON. RES. 8

At the request of Ms. COLLINS, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. Con. Res. 8, a concurrent resolution designating the second week in May each year as "National Visiting Nurse Association Week".

S. CON. RES. 74

At the request of Mrs. CLINTON, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. Con. Res. 74, a concurrent resolution expressing the sense of the Congress that a postage stamp should be issued as a testimonial to the Nation's tireless commitment to reuniting America's missing children with their families, and to honor the memories of those children who were victims of abduction and murder.

S. RES. 357

At the request of Mr. CAMPBELL, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. Res. 357, a resolution designating the week of August 8 through August 14, 2004, as "National Health Center Week".

AMENDMENT NO. 3173

At the request of Mr. ALEXANDER, the names of the Senator from New Hampshire (Mr. GREGG), the Senator from Georgia (Mr. CHAMBLISS), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Wyoming (Mr. ENZI), the Senator from Maine (Ms. COLLINS) and the Senator from Nebraska (Mr. NELSON) were added as cosponsors of amendment No. 3173 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3225

At the request of Mr. DURBIN, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of amendment No. 3225 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3245

At the request of Mr. BOND, the names of the Senator from Indiana (Mr. LUGAR), the Senator from Missouri (Mr. TALENT) and the Senator from South Dakota (Mr. DASCHLE) were added as cosponsors of amendment No. 3245 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3288

At the request of Mr. FEINGOLD, the names of the Senator from West Virginia (Mr. BYRD), the Senator from Vermont (Mr. LEAHY), the Senator from Connecticut (Mr. DODD) and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of amendment No. 3288 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

At the request of Mr. LEVIN, his name was added as a cosponsor of amendment No. 3288 proposed to S. 2400, supra.

AMENDMENT NO. 3338

At the request of Mr. LEVIN, the names of the Senator from Rhode Island (Mr. REED), the Senator from Louisiana (Ms . LANDRIEU) and the Senator from Wisconsin (Mr. FEINGOLD) were added as cosponsors of amendment No. 3338 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3434

At the request of Ms. SNOWE, the names of the Senator from Minnesota (Mr. COLEMAN) and the Senator from Massachusetts (Mr. KERRY) were withdrawn as cosponsors of amendment No. 3434 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3457

At the request of Mr. BURNS, the name of the Senator from Nevada (Mr. ENSIGN) was withdrawn as a cosponsor of amendment No. 3457 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. FRIST (for himself and Mr. WYDEN):

S. 2551. A bill to reduce and prevent childhood obesity by encouraging schools and school districts to develop and implement local, school-based programs designed to reduce and prevent childhood obesity, promote increased physical activity, and improve nutritional choices; to the Committee on Health, Education, Labor, and Pensions.

Mr. FRIST. Madam President, last Thursday, the Centers for Disease Control and Prevention announced that smoking among high school students has dropped to its lowest level in more than a decade. As a heart and lung surgeon, as one who has seen the travesty of smoking and the devastation it causes in people's lungs and on their heart, this is great news. We are making great strides in this battle against smoking, especially in the teenage years.

Fewer students now say they have never tried cigarettes. The CDC gives part of the credit to effective antismoking media campaigns and antismoking education in the classroom. I mention this demonstrated success, because it energizes us in the battle against an issue that is equally important and, in fact, actually growing among young people, and that is childhood obesity.

The CDC report demonstrates that aggressive education can steer kids away from harmful behaviors and toward making healthier choices. While food is not exactly like cigarettes, one cannot just say no. Childhood obesity is a serious public health threat and a threat that is growing. In fact, the CDC reports that obesity is on its way to surpassing smoking as the leading preventable killer in the United States of America, and that is why Senator WYDEN and I today are introducing a bill called the Childhood Obesity Reduction Act.

We believe early intervention with community and school support at the grassroots level is key to preventing lifelong obesity and the obesity-related illnesses that result. Ten percent of American children are clinically obese. More than 30 percent of American children are overweight, and we know that overweight and obese children have a lower quality of life than their healthy peers. They suffer significantly higher rates of type II diabetes and cardiovascular—that is, heart—and blood vessel disease, including heart attack, stroke, and congestive heart failure. Later in life, they are more likely to suffer from lung disease or pulmonary disease complications like sleep apnea, musculoskeletal problems—that is, bone and muscle problems—which include degenerative joint disease and disk disease, and also are more likely to suffer psychosocial problems, including poor self-image, depression, lack of self-esteem, and isolation.

A recent study published in Pediatrics Magazine found that obese boys and girls were two times more likely than normal weight children to be intentionally left out of social activities. After adolescence, overweight kids have a 70-percent chance of becoming overweight or obese adults.

The good news is that we can reverse these trends. We need to reverse these trends, and we can reverse these trends. Our kids simply should not have to suffer from a condition that is preventable and treatable based on what we know today. The best way is to start in those earliest of years.

The bill Senator WYDEN and I are introducing today encourages schools to promote physical activity and to teach children how to make healthy food decisions. It also sets up a public-private partnership foundation to fund innovative projects that improve eating and exercise habits in school.

The Childhood Obesity Reduction Act authorizes $2.2 million for a Congressional council on childhood obesity. The council will seek out model anti-obesity programs in both public and private schools and will award these schools with the Congressional Achievement Award. After 2 years of selecting model programs for other schools to follow, the council will create a public-private partnership called the National Foundation for the Prevention and Reduction of Childhood Obesity. The foundation will give challenge awards to schools that implement those model anti-obesity programs.

In closing, we know that kids need to run, jump, and play. We know that is good for their bodies. We know it is good for their spirits. They need nutritional food that gives them energy, the type of food that really does keep them sharp. They need a school environment that encourages healthy habits, vigor, expenditure of energy, and vitality.

I thank my colleague, Senator WYDEN, for his leadership in this important public health effort. I urge my colleagues to be a part of the solution and am delighted to be able to join with my colleague, Senator WYDEN, in submitting and ultimately passing this legislation, all of which will help Americans keep fit.

I ask unanimous consent that the text of the bill be printed in the RECORD

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2551

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Childhood Obesity Reduction Act".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) According to the Centers for Disease Control and Prevention, obesity may soon overtake tobacco as the leading preventable cause of death.

(2) In 1999, 13 percent of children aged 6 to 11 years and 14 percent of adolescents aged 12 to 19 years in the United States were overweight. This prevalence has nearly tripled for adolescents in the past 2 decades.

(3) Risk factors for heart disease, such as high cholesterol and high blood pressure, occur with increased frequency in overweight children and adolescents compared to children with a healthy weight.

(4) Type 2 diabetes, previously considered an adult disease, has increased dramatically in children and adolescents. Overweight and obesity are closely linked to type 2 diabetes.

(5) Obesity in children and adolescents is generally caused by a lack of physical activity, unhealthy eating patterns, or a combination of the 2, with genetics and lifestyle both playing important roles in determining a child's weight.

(6) Overweight adolescents have a 70 percent chance of becoming overweight or obese adults.

(7) The 2001 report "The Surgeon General's Call to Action to Prevent and Decrease Overweight and Obesity" suggested that obesity and its complications were already costing the United States $117,000,000,000 annually.

(8) Substantial evidence shows that public health risks can be reduced through increased public awareness and community involvement.

(9) Congress needs to challenge students, teachers, school administrators, and local communities to voluntarily participate in the development and implementation of activities to successfully reduce and prevent childhood obesity.

TITLE I—CONGRESSIONAL COUNCIL ON CHILDHOOD OBESITY

SEC. 101. CONGRESSIONAL COUNCIL ON CHILDHOOD OBESITY.

(a) ESTABLISHMENT OF COUNCIL.—There is established a "Congressional Council on Childhood Obesity" (referred to in this title as the "Council").

(b) PURPOSES.—The purposes of the Council shall be—

(1) to encourage every elementary school and middle school in the United States, whether public or private, to develop and implement a plan to reduce and prevent obesity, promote improved nutritional choices, and promote increased physical activity among students; and

(2) to provide information as necessary to secondary schools.

SEC. 102. MEMBERSHIP OF THE COUNCIL.

(a) COMPOSITION OF THE COUNCIL.—The Council shall be composed of 8 members as follows:

(1) The majority leader of the Senate or the designee of the majority leader of the Senate.

(2) The minority leader of the Senate or the designee of the minority leader of the Senate.

(3) The Speaker of the House of Representatives or the designee of the Speaker of the House of Representatives.

(4) The minority leader of the House of Representatives or the designee of the minority leader of the House of Representatives.

(5) 4 citizen members to be appointed in accordance with subsection (b).

(b) APPOINTMENT OF CITIZEN COUNCIL MEMBERS.—

(1) METHOD OF APPOINTMENT.—For the purpose of subsection (a)(5), each of the 4 members described in paragraphs (1) through (4) of subsection (a) shall appoint to the Council a citizen who is an expert on children's health, nutrition, or physical activity.

(2) DATE OF APPOINTMENT.—The appointments made under paragraph (1) shall be made not later than 120 days after the date of enactment of this Act.

(c) VACANCIES.—Any vacancy in the Council shall not affect its powers, but shall be filled in the manner in which the original appointment was made under subsection (a).

(d) CHAIRPERSON.—The members of the Council shall elect, from among the members of the Council, a Chairperson.

(e) INITIAL MEETING.—The Council shall hold its first meeting not later than 120 days after the date of enactment of this Act.

SEC. 103. RESPONSIBILITIES OF THE COUNCIL.

(a) IN GENERAL.—The Council shall engage in the following activities:

(1) Work with outside experts to develop the Congressional Challenge to Reduce and prevent Childhood Obesity, which shall include the development of model plans to reduce and prevent childhood obesity that can

be adopted or adapted by elementary schools or middle schools that participate.

(2) Develop and maintain a website that is updated not less than once a month on best practices in the United States for reducing and preventing childhood obesity.

(3) Assist in helping elementary schools and middle schools in establishing goals for the healthy reduction and prevention of childhood obesity.

(4) Consult and coordinate with the President's Council on Physical Fitness and other Federal Government initiatives conducting activities to reduce and prevent childhood obesity.

(5) Reward elementary schools, middle schools, and local educational agencies promoting innovative, successful strategies in reducing and preventing childhood obesity.

(6) Provide information to secondary schools.

(b) Congressional Challenge Winners.—

(1) In general.—The Council shall—

(A) evaluate plans submitted by elementary schools, middle schools, and local educational agencies under paragraph (2);

(B) designate the plans submitted under paragraph (2) that meet the criteria under paragraph (3) as Congressional Challenge winners; and

(C) post the plans of the Congressional Challenge winners designated under subparagraph (B) on the website of the Council as model plans for reducing and preventing childhood obesity.

(2) Submission of plans.—Each elementary school, middle school, or local educational agency that desires to have the plan to reduce and prevent childhood obesity of such entity designated as a Congressional Challenge winner shall submit to the Council such plan at such time, in such manner, and accompanied by such information as the Council may reasonably require.

(3) Selection criteria.—

(A) In general.—The Council shall evaluate plans submitted by elementary schools, middle schools, and local educational agencies under paragraph (2) and shall designate as Congressional Challenge winners the plans that—

(i) show promise in successfully increasing physical activity, improving nutrition, and reducing and preventing obesity; or

(ii) have maintained efforts in assisting children in increasing physical activity, improving nutrition, and reducing and preventing obesity.

(B) Criteria.—The Council shall make the determination under subparagraph (A) based on the following criteria:

(i) Strategies based on evaluated interventions.

(ii) The number of children in the community in need of assistance in addressing obesity and the potential impact of the proposed plan.

(iii) The involvement in the plan of the community served by the school or local educational agency.

(iv) Other criteria as determined by the Council.

(c) Meetings.—The Council shall hold not less than 1 meeting each year, and all meetings of the Council shall be public meetings, preceded by a publication of notice in the Federal Register.

SEC. 104. ADMINISTRATIVE MATTERS.

(a) Pay and Travel Expenses.—

(1) Prohibition of pay.—Members of the Council shall receive no pay, allowances, or benefits by reason of their service on the Council.

(2) Travel expenses.—

(A) Compensation for travel.—Each member of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Council, to the extent funds are available under subparagraph (B) for such expenses.

(B) Limit on travel expenses.—Travel expenses under subparagraph (A) shall be appropriated from the amounts appropriated to the legislative branch and shall not exceed $1,000,000.

(b) Staff.—The Chairperson of the Council may appoint and terminate, as may be necessary to enable the Council to perform its duties, not more than 5 staff personnel, all of whom shall be considered employees of the Senate.

SEC. 105. TERMINATION OF COUNCIL.

The Council shall terminate on September 30 of the second full fiscal year following the date of enactment of this Act.

SEC. 106. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $2,200,000 for each of fiscal years 2005 and 2006.

TITLE II—NATIONAL FOUNDATION FOR THE PREVENTION AND REDUCTION OF CHILDHOOD OBESITY

SEC. 201. ESTABLISHMENT AND DUTIES OF FOUNDATION.

(a) In General.—There shall be established in accordance with this section a nonprofit private corporation to be known as the National Foundation for the Prevention and Reduction of Childhood Obesity (referred to in this title as the "Foundation"). The Foundation shall not be an agency or instrumentality of the Federal Government, and officers, employees, and members of the board of the Foundation shall not be officers or employees of the Federal Government.

(b) Purpose of Foundation.—The purpose of the Foundation shall be to support and carry out activities for the prevention and reduction of childhood obesity through school-based activities.

(c) Endowment Fund.—

(1) In general.—In carrying out subsection (b), the Foundation shall establish a fund for providing endowments for positions that are associated with the Congressional Council on Childhood Obesity and the Department of Health and Human Services (referred to in this title as the "Department") and dedicated to the purpose described in such subsection. Subject to subsection (g)(1)(B), the fund shall consist of such donations as may be provided by non-Federal entities and such non-Federal assets of the Foundation (including earnings of the Foundation and the fund) as the Foundation may elect to transfer to the fund.

(2) Authorized expenditures of fund.—The provision of endowments under paragraph (1) shall be the exclusive function of the fund established under such paragraph. Such endowments may be expended only for the compensation of individuals holding the positions, for staff, equipment, quarters, travel, and other expenditures that are appropriate in supporting the positions, and for recruiting individuals to hold the positions endowed by the fund.

(d) Certain Activities of Foundation.—In carrying out subsection (b), the Foundation may provide for the following with respect to the purpose described in such subsection:

(1) Evaluate and make known the effectiveness of model plans used by schools to reduce and prevent childhood obesity.

(2) Create a website to assist in the distribution of successful plans, best practices, and other information to assist elementary schools, middle schools, and the public to develop and implement efforts to reduce and prevent childhood obesity.

(3) Participate in meetings, conferences, courses, and training workshops.

(4) Assist in the distribution of data concerning childhood obesity.

(5) Make Challenge awards, pursuant to subsection (e), to elementary schools, middle schools, and local educational agencies for the successful development and implementation of school-based plans.

(6) Other activities to carry out the purpose described in subsection (b).

(e) Challenge Awards.—

(1) Program authorized.—The Foundation may provide Challenge awards to elementary schools, middle schools, and local educational agencies that submit applications under paragraph (2).

(2) Application.—Each elementary school, middle school, or local educational agency that desires to receive a Challenge award under this subsection shall submit an application that includes a plan to reduce and prevent childhood obesity to the Foundation at such time, in such manner, and accompanied by such additional information as the Foundation may reasonably require.

(3) Selection criteria.—In the program authorized under paragraph (1), the Foundation shall provide Challenge awards based on—

(A) the success of the plans of the elementary schools, middle schools, and local educational agencies in meeting the plans' stated goals;

(B) the number of children in the community served by the elementary school, middle school, or local educational agency who are in need of assistance in addressing obesity; and

(C) other criteria as determined by the Foundation.

(f) General Structure of Foundation; Nonprofit Status.—

(1) Board of directors.—The Foundation shall have a board of directors (referred to in this title as the "Board"), which shall be established and conducted in accordance with subsection (g). The Board shall establish the general policies of the Foundation for carrying out subsection (b), including the establishment of the bylaws of the Foundation.

(2) Executive director.—The Foundation shall have an executive director (referred to in this title as the "Director"), who shall be appointed by the Board, who shall serve at the pleasure of the Board, and for whom the Board shall establish the rate of compensation. Subject to compliance with the policies and bylaws established by the Board pursuant to paragraph (1), the Director shall be responsible for the daily operations of the Foundation in carrying out subsection (b).

(3) Nonprofit status.—In carrying out subsection (b), the Board shall establish such policies and bylaws under paragraph (1), and the Director shall carry out such activities under paragraph (2), as may be necessary to ensure that the Foundation maintains status as an organization that—

(A) is described in subsection (c)(3) of section 501 of the Internal Revenue Code of 1986; and

(B) is, under subsection (a) of such section, exempt from taxation.

(g) Board of Directors.—

(1) Certain bylaws.—

(A) Inclusions.—In establishing bylaws under subsection (f)(1), the Board shall ensure that the bylaws of the Foundation include bylaws for the following:

(i) Policies for the selection of the officers, employees, agents, and contractors of the Foundation.

(ii) Policies, including ethical standards, for the acceptance and disposition of donations to the Foundation and for the disposition of the assets of the Foundation.

(iii) Policies for the conduct of the general operations of the Foundation.

(iv) Policies for writing, editing, printing, and publishing of books and other materials, and the acquisition of patents and licenses for devices and procedures developed by the Foundation.

(B) Exclusions.—In establishing bylaws under subsection (f)(1), the Board shall ensure that the bylaws of the Foundation (and activities carried out under the bylaws) do not—

(i) reflect unfavorably upon the ability of the Foundation, or the Department, to carry out its responsibilities or official duties in a fair and objective manner; or

(ii) compromise, or appear to compromise, the integrity of any governmental program or any officer or employee involved in such program.

(2) Composition.—

(A) In general.—Subject to subparagraph (B), the Board shall be composed of 7 individuals, appointed in accordance with paragraph (4), who collectively possess education or experience appropriate for representing the fields of children's health, nutrition, and physical fitness or organizations active in reducing and preventing childhood obesity. Each such individual shall be a voting member of the Board.

(B) Greater number.—The Board may, through amendments to the bylaws of the Foundation, provide that the number of members of the Board shall be a greater number than the number specified in subparagraph (A).

(3) Chairperson.—The Board shall, from among the members of the Board, designate an individual to serve as the Chairperson of the Board (referred to in this subsection as the "Chairperson").

(4) Appointments, vacancies, and terms.—Subject to subsection (k) (regarding the initial membership of the Board), the following shall apply to the Board:

(A) Any vacancy in the membership of the Board shall be filled by appointment by the Board, after consideration of suggestions made by the Chairperson and the Director regarding the appointments. Any such vacancy shall be filled not later than the expiration of the 180-day period beginning on the date on which the vacancy occurs.

(B) The term of office of each member of the Board appointed under subparagraph (A) shall be 5 years. A member of the Board may continue to serve after the expiration of the term of the member until the expiration of the 180-day period beginning on the date on which the term of the member expires.

(C) A vacancy in the membership of the Board shall not affect the power of the Board to carry out the duties of the Board. If a member of the Board does not serve the full term applicable under subparagraph (B), the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

(5) Compensation.—Members of the Board may not receive compensation for service on the Board. The members may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Board.

(h) Certain Responsibilities of Executive Director.—In carrying out subsection (f)(2), the Director shall carry out the following functions:

(1) Hire, promote, compensate, and discharge officers and employees of the Foundation, and define the duties of the officers and employees.

(2) Accept and administer donations to the Foundation, and administer the assets of the Foundation.

(3) Establish a process for the selection of candidates for holding endowed positions under subsection (c).

(4) Enter into such financial agreements as are appropriate in carrying out the activities of the Foundation.

(5) Take such action as may be necessary to acquire patents and licenses for devices and procedures developed by the Foundation and the employees of the Foundation.

(6) Adopt, alter, and use a corporate seal, which shall be judicially noticed.

(7) Commence and respond to judicial proceedings in the name of the Foundation.

(8) Other functions that are appropriate in the determination of the Director.

(i) General Provisions.—

(1) Authority for accepting funds.—The Secretary of Health and Human Services (referred to in this title as the "Secretary") may accept and utilize, on behalf of the Federal Government, any gift, donation, bequest, or devise of real or personal property from the Foundation for the purpose of aiding or facilitating the work of the Department. Funds may be accepted and utilized by the Secretary under the preceding sentence without regard to whether the funds are designated as general-purpose funds or special-purpose funds.

(2) Authority for acceptance of voluntary services.—

(A) In general.—The Secretary may accept, on behalf of the Federal Government, any voluntary services provided to the Department by the Foundation for the purpose of aiding or facilitating the work of the Department. In the case of an individual, the Secretary may accept the services provided under the preceding sentence by the individual for not more than 2 years.

(B) Non-federal government employees.—The limitation established in subparagraph (A) regarding the period of time in which services may be accepted applies to each individual who is not an employee of the Federal Government and who serves in association with the Department pursuant to financial support from the Foundation.

(3) Administrative control.—No officer, employee, or member of the Board may exercise any administrative or managerial control over any Federal employee.

(4) Applicability of certain standards to non-federal employees.—In the case of any individual who is not an employee of the Federal Government and who serves in association with the Department pursuant to financial support from the Foundation, the Foundation shall negotiate a memorandum of understanding with the individual and the Secretary specifying that the individual—

(A) shall be subject to the ethical and procedural standards regulating Federal employment, scientific investigation, and research findings (including publications and patents) that are required of individuals employed by the Department, including standards under this Act, the Ethics in Government Act of 1978 (5 U.S.C. App.), and the Federal Technology Transfer Act of 1986 (Public Law 99–502; 100 Stat. 1785); and

(B) shall be subject to such ethical and procedural standards under chapter 11 of title 18, United States Code (relating to conflicts of interest), as the Secretary determines is appropriate, except such memorandum may not provide that the individual shall be subject to the standards of section 209 of such chapter.

(5) Financial conflicts of interest.—Any individual who is an officer, employee, or member of the Board may not directly or indirectly participate in the consideration or determination by the Foundation of any question affecting—

(A) any direct or indirect financial interest of the individual; or

(B) any direct or indirect financial interest of any business organization or other entity of which the individual is an officer or employee or in which the individual has a direct or indirect financial interest.

(6) Audits; availability of records.—The Foundation shall—

(A) provide for biennial audits of the financial condition of the Foundation; and

(B) make such audits, and all other records, documents, and other papers of the Foundation, available to the Secretary and the Comptroller General of the United States for examination or audit.

(7) Reports.—

(A) In general.—Not later than February 1 of each fiscal year, the Foundation shall publish a report describing the activities of the Foundation during the preceding fiscal year. Each such report shall include for the fiscal year involved a comprehensive statement of the operations, activities, financial condition, and accomplishments of the Foundation.

(B) Inclusions.—With respect to the financial condition of the Foundation, each report under subparagraph (A) shall include the source, and a description, of all gifts to the Foundation of real or personal property, and the source and amount of all gifts to the Foundation of money. Each such report shall include a specification of any restrictions on the purposes for which gifts to the Foundation may be used.

(C) Public inspection.—The Foundation shall make copies of each report submitted under subparagraph (A) available for public inspection, and shall upon request provide a copy of the report to any individual for a charge not exceeding the cost of providing the copy.

(8) Liaisons.—The Secretary shall appoint liaisons to the Foundation from relevant Federal agencies, including the Office of the Surgeon General and the Centers for Disease Control and Prevention. The Secretary of Agriculture shall designate liaisons to the Foundation as appropriate.

(9) Inclusion of the President's council.—The Foundation shall ensure that the President's Council on Physical Fitness is included in the activities of the Foundation.

(j) Federal Funding.—

(1) Authority for annual grants.—

(A) In general.—The Secretary shall—

(i) for fiscal year 2005, make a grant to an entity described in subsection (k)(9) (relating to the establishment of a committee to establish the Foundation);

(ii) for fiscal years 2006 and 2007, make a grant to the committee established under such subsection, or if the Foundation has been established, to the Foundation; and

(iii) for fiscal year 2008 and each subsequent fiscal year, make a grant to the Foundation.

(B) Rules on expenditures.—A grant under subparagraph (A) may be expended—

(i) in the case of an entity receiving the grant under subparagraph (A)(i), only for the purpose of carrying out the duties established in subsection (k)(9) for the entity;

(ii) in the case of the committee established under subsection (k)(9), only for the purpose of carrying out the duties established in subsection (k) for the committee; and

(iii) in the case of the Foundation, only for the purpose of the administrative expenses of the Foundation.

(C) RESTRICTION.—A grant under subparagraph (A) may not be expended to provide amounts for the fund established under subsection (c).

(D) UNOBLIGATED GRANT FUNDS.—For the purposes described in subparagraph (B)—

(i) any portion of the grant made under subparagraph (A)(i) for fiscal year 2005 that remains unobligated after the entity receiving the grant completes the duties established in subsection (k)(9) for the entity shall be available to the committee established under such subsection; and

(ii) any portion of a grant under subparagraph (A) made for fiscal year 2005 or 2006 that remains unobligated after such committee completes the duties established in such subsection for the committee shall be available to the Foundation.

(2) FUNDING FOR GRANTS.—

(A) IN GENERAL.—For the purpose of grants under paragraph (1), there is authorized to be appropriated $2,200,000 for each fiscal year.

(B) PROGRAMS OF THE DEPARTMENT.—For the purpose of grants under paragraph (1), the Secretary may for each fiscal year make available not more than $2,200,000 from the amounts appropriated for the fiscal year for the programs of the Department. Such amounts may be made available without regard to whether amounts have been appropriated under subparagraph (A).

(3) CERTAIN RESTRICTION.—If the Foundation receives Federal funds for the purpose of serving as a fiscal intermediary between Federal agencies, the Foundation may not receive such funds for the indirect costs of carrying out such purpose in an amount exceeding 10 percent of the direct costs of carrying out such purpose. The preceding sentence may not be construed as authorizing the expenditure of any grant under paragraph (1) for such purpose.

(k) COMMITTEE FOR ESTABLISHMENT OF FOUNDATION.—

(1) IN GENERAL.—There shall be established, in accordance with this subsection and subsection (j)(1), a committee to carry out the functions described in paragraph (2) (referred to in this subsection as the "Committee").

(2) FUNCTIONS.—The functions referred to in paragraph (1) for the Committee are as follows:

(A) To carry out such activities as may be necessary to incorporate the Foundation under the laws of the State involved, including serving as incorporators for the Foundation. Such activities shall include ensuring that the articles of incorporation for the Foundation require that the Foundation be established and operated in accordance with the applicable provisions of this title (or any successor to this title), including such provisions as may be in effect pursuant to amendments enacted after the date of enactment of this Act.

(B) To ensure that the Foundation qualifies for and maintains the status described in subsection (f)(3) (regarding taxation).

(C) To establish the general policies and initial bylaws of the Foundation, which bylaws shall include the bylaws described in subsections (f)(3) and (g)(1).

(D) To provide for the initial operation of the Foundation, including providing for quarters, equipment, and staff.

(E) To appoint the initial members of the Board in accordance with the requirements established in subsection (g)(2)(A) for the composition of the Board, and in accordance with such other qualifications as the Committee may determine to be appropriate regarding such composition. Of the members so appointed—

(i) 2 shall be appointed to serve for a term of 3 years;

(ii) 2 shall be appointed to serve for a term of 4 years; and

(iii) 3 shall be appointed to serve for a term of 5 years.

(3) COMPLETION OF FUNCTIONS OF COMMITTEE; INITIAL MEETING OF BOARD.—

(A) COMPLETION OF FUNCTIONS.—The Committee shall complete the functions required in paragraph (1) not later than September 30, 2007. The Committee shall terminate upon the expiration of the 30-day period beginning on the date on which the Secretary determines that the functions have been completed.

(B) INITIAL MEETING.—The initial meeting of the Board shall be held not later than November 1, 2007.

(4) COMPOSITION.—The Committee shall be composed of 5 members, each of whom shall be a voting member. Of the members of the Committee—

(A) no fewer than 2 of the members shall have expertise in children's health, nutrition, and physical activity; and

(B) no fewer than 2 of the members shall have broad, general experience in nonprofit private organizations (without regard to whether the individuals have experience in children's health, nutrition, and physical activity).

(5) CHAIRPERSON.—The Committee shall, from among the members of the Committee, designate an individual to serve as the Chairperson of the Committee.

(6) TERMS; VACANCIES.—The term of members of the Committee shall be for the duration of the Committee. A vacancy in the membership of the Committee shall not affect the power of the Committee to carry out the duties of the Committee. If a member of the Committee does not serve the full term, the individual appointed by the Secretary to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

(7) COMPENSATION.—Members of the Committee may not receive compensation for service on the Committee. Members of the Committee may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Committee.

(8) COMMITTEE SUPPORT.—The Secretary may, from amounts available to the Secretary for the general administration of the Department, provide staff and financial support to assist the Committee with carrying out the functions described in paragraph (2). In providing such staff and support, the Director may both detail employees and contract for assistance.

(9) GRANT FOR ESTABLISHMENT OF COMMITTEE.—

(A) IN GENERAL.—With respect to a grant under paragraph (1)(A)(i) of subsection (j) for fiscal year 2005, an entity described in this paragraph is a private nonprofit entity with significant experience in children's health, nutrition, and physical activity. Not later than 180 days after the date of enactment of this Act, the Secretary shall make the grant to such an entity (subject to the availability of funds under paragraph (2) of such subsection).

(B) CONDITIONS.—The grant referred to in subparagraph (A) may be made to an entity only if the entity agrees that—

(i) the entity will establish a committee that is composed in accordance with paragraph (4); and

(ii) the entity will not select an individual for membership on the Committee unless the individual agrees that the Committee will operate in accordance with each of the provisions of this subsection that relate to the operation of the Committee.

(C) AGREEMENT.—The Secretary may make a grant referred to in subparagraph (A) only if the applicant for the grant makes an agreement that the grant will not be expended for any purpose other than carrying out subparagraph (B). Such a grant may be made only if an application for the grant is submitted to the Secretary containing such agreement, and the application is in such form, is made in such manner, and contains such other agreements and such assurances and information as the Secretary determines to be necessary to carry out this paragraph.

Mr. WYDEN. Madam President, the majority leader has given an excellent statement with respect to this issue, and I want to express my appreciation to him for the chance to make this yet another bipartisan kind of effort.

If ever there were a cause that ought to bring the Senate together, fighting childhood obesity is exactly the kind of thing where we ought to be teaming up. I thank my colleague for his excellent statement and for the chance to work with him.

The majority leader and I believe our legislation will help launch a national mobilization to reduce and prevent the epidemic of childhood obesity and help our kids grow up healthy in America. Today, kids are eating greater quantities of less healthy foods. They are exercising less and less.

Childhood obesity has doubled during the past 30 years. In my home State, it is far and away one of our most serious emerging health problems. Ten percent of the 8th graders and 7 percent of the 11th graders in my State are overweight. So, in my view, what we have is nothing short of an epidemic of kids who are not as healthy as they could be and they need to be and not as healthy as children were in previous generations. These kids today have a host of health problems that promise to worsen if nothing is done to change them.

I was particularly pleased that the majority leader highlighted some of the concerns we want to tackle. The situation with respect to type II diabetes is completely unacceptable. This is an illness that used to be virtually unheard of in children. Yet the increase in this disease is literally on a parallel with the documented track of an increase in childhood obesity. One-quarter of children 5 to 10 years of age show early warning signs for health problems such as elevated cholesterol and high blood pressure. Doctors at the Oregon Health Sciences University Obesity Clinic say that referrals of youngsters as young as 6 are becoming virtually routine.

We are not going to see this change happen by osmosis. It is going to come about because adults working with parents, schools, and communities provide some real leadership, and that is what this bipartisan legislation seeks to do. We recognize in this bill that there is a fair amount of good work going on in our communities already, and we recognize this is an issue that needs to be addressed not from Washington, DC, with a one-size-fits-all approach, but it needs to be addressed in our schools and in our communities.

What we seek to do is to encourage this kind of bottom-up approach, where schools and communities across the country, relying on leaders in their own hometowns, consulting with experts here from the Congress, will get out state-of-the-art information with respect to making sure we are using all the tools that are out there to fight obesity. We are going to be consulting and coordinating this effort with the President's Council on Physical Fitness so that both sides of the equation, nutrition and exercise, are addressed in the fight against childhood obesity.

We have also concluded it is absolutely critical to use state-of-the-art technology to get out this information. We have proposed a Web site be created to link schools to community groups and leaders who are already working to help kids stay healthy. With a few clicks of the "enter" button, it will be possible for kids in Des Moines to find out what the best approaches are for kids, say, in the rural West.

We believe using this kind of technology is going to allow us to use scarce resources, at a time when we are all concerned about the deficit, to better meet the health needs of children in our communities. Whether it is enlisting local organic farmers to make their produce available to schools or helping our kids become more physically active, what we propose in this bipartisan legislation is a wide variety of options for schools and communities to work together.

I am very pleased that an important feature of the legislation, as noted by the majority leader, is the foundation that would allow us to continue the work of our Congressional Council, which would end once the foundation is established.

Finally, it seems to me the point of this legislation is to target the area where we can make the most difference and that is our schools. Schools, of course, are where the children are. It is where they spend a lot of time. It is a place where they eat, and very often several meals a day. If children can learn in school how to balance their choices, wherever they go and whenever they are confronted with a variety of food options, they can make better choices for themselves.

I see the distinguished chair of the Armed Services Committee is back on the floor. He has an extensive schedule, I know. I don't want to hold this up. I want to wrap this up by saying to the majority leader how much I have enjoyed working with him. We have long felt that health care is one of the issues that can bring the Senate together. If ever there was a health cause that requires what I think is appropriately called a national mobilization in our schools and our communities, fighting childhood obesity is it.

By Mr. CONRAD:

S. 2552. A bill to provide environmental assistance to non-Federal interests in the State of North Dakota; to the Committee on Environment and Public works.

Mr. CONRAD. Madam President, I am introducing the Water Infrastructure Revitalization Act, which authorizes $60 million through the U.S. Army Corps of Engineers to assist communities in North Dakota with water supply and treatment projects.

Imagine if you went to turn on your kitchen faucet one day and no water came out. This scenario became true for thousands in the communities of Fort Yates, Cannonball, and Porcupine just days before Thanksgiving last year. The loss of drinking water forced the closure of schools, the hospital and tribal offices for days. About 170 miles upstream, the community of Parshall faces similar water supply challenges as the water level on Lake Sakakawea continues to drop, leaving its intake high and dry. These and other communities in the State have faced significant expenditures in extending their intakes to ensure a continued supply of water. In addition, the city of Mandan faces the prospect of constructing a new horizontal well intake because changes in sediment load and flow as a result of the backwater effects of the Oahe Reservoir have caused significant siltation problems that restrict flow into the intake. These examples barely scratch the surface of the problems faced by many North Dakota communities in maintaining a safe, reliable water supply.

Since 1999, the Corps of Engineers has been authorized to design and construct water-related infrastructure projects in several different States including Wisconsin, Minnesota and Montana. The State of North Dakota confronts water infrastructure challenges that are just as difficult as those in these other States. In fact, many of these challenges are caused directly by the Corps of Engineers' operations of the Missouri River dams. As a result, it is only appropriate that the Corps be part of the solution to North Dakota's water needs.

The Water Infrastructure Revitalization Act would provide important supplemental funding to assist North Dakota communities with water-related infrastructure repairs. Under the Act, communities could use the funding for wastewater treatment, water supply facilities, environmental restoration and surface water resource protection. Projects would be cost shared, with 75 percent Federal funding and 25 percent non-Federal in most instances. However, the bill reduces the financial burden on local communities if necessary to ensure that water rates do not exceed the national affordability criteria developed by the Environmental Protection Agency.

This bill is not intended to compete with or take away funds for the construction of rural water projects under the Dakota Water Resources Act. Instead, it is meant to provide important supplemental funding for communities that are not able to receive funding from the Dakota Water Resources Act. I am pleased that the North Dakota Rural Water Systems Association has recognized the need for additional water project funding and endorsed this bill. It is my hope that this authorization will be included as part of the Water Resources Development Act that will be considered this year.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 385—RECOGNIZING AND HONORING THE 40TH ANNIVERSARY OF CONGRESSIONAL PASSAGE OF THE CIVIL RIGHTS ACT OF 1964

Mr. KENNEDY (for himself, Ms. MIKULSKI, Ms. CANTWELL, Mr. LEVIN, Mr. BINGAMAN, Mr. CORZINE, Mr. LIEBERMAN, Mrs. MURRAY, Mr. FEINGOLD, Mr. DASCHLE, Mr. BYRD, Mr. MILLER, and Mr. DURBIN) submitted the following resolution; which was considered and agreed to:

S. RES. 385

Whereas 2004 marks the 40th anniversary of congressional passage of the Civil Rights Act of 1964 (42 U.S.C. 2000a et seq.);

Whereas the Civil Rights Act of 1964 was the result of decades of struggle and sacrifice of many Americans who fought for equality and justice;

Whereas generations of Americans of every background supported Federal legislation to eliminate discrimination against African-Americans;

Whereas a civil rights movement developed to achieve the goal of equal rights for all Americans;

Whereas President John F. Kennedy, on June 11, 1963, proposed in a nationally televised address that Congress pass civil rights legislation to address the problem of invidious discrimination;

Whereas a broad coalition of civil rights, labor, and religious organizations created national support for civil rights legislation, culminating in a 1963 march on Washington;

Whereas during consideration of the legislation involved, Congress added a historic prohibition against discrimination based on sex;

Whereas Congress passed the Civil Rights Act of 1964, and President Lyndon Johnson signed the Act into law on July 2, 1964;

Whereas the Civil Rights Act of 1964, among other things, prohibited the use of Federal funds in a discriminatory fashion, barred unequal application of voter registration requirements, encouraged the desegregation of public schools and authorized the Attorney General to file suits to force the desegregation, banned discrimination in hotels, motels, restaurants, theaters, and all other places of public accommodation engaged in interstate commerce, and established the Equal Employment Opportunity Commission;

Whereas title VII of the Act not only prohibited discrimination by employers on the basis of race, color, religion, and national origin, but sex as well, thereby recognizing the national problem of sex discrimination in the workplace;

Whereas Congress has amended the Civil Rights Act of 1964 from time to time, with major changes that strengthened the Act;

Whereas the amendments made to the Act by the Equal Employment Opportunity Act of 1972 made changes that, among other things, gave the Equal Employment Opportunity Commission litigation authority, thereby giving the Commission the right to sue nongovernment respondents, made State and local governments subject to title VII of the Civil Rights Act of 1964, made educational institutions subject to title VII of the Act, and made the Federal Government subject to title VII, thereby prohibiting Federal executive agencies from discriminating on the basis of race, color, religion, sex, and national origin;

Whereas the amendments made to the Act and other civil rights legislation amended or added by the Civil Rights Act of 1991 clarified congressional intent regarding the Civil Rights Act of 1964 (in light of several contrary Supreme Court decisions rendered in the late 1980s) and allowed for the recovery of fees and costs in lawsuits in which the plaintiffs prevailed, for jury trials, and for the recovery of compensatory and punitive damages in intentional employment discrimination cases, and also expanded title VII protections to include congressional and high level political appointees; and

Whereas the Civil Rights Act of 1964 is the most comprehensive civil rights legislation in the Nation's history: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes and honors the 40th anniversary of congressional passage of the Civil Rights Act of 1964;

(2) applauds all persons whose support and efforts led to passage of the Civil Rights Act of 1964; and

(3) encourages all Americans to recognize and celebrate the important historical milestone of the congressional passage of the Civil Rights Act of 1964.

SENATE RESOLUTION 386—RECOGNIZING THE 40TH ANNIVERSARY OF JUNE 21, 1964, THE DAY CIVIL RIGHTS ORGANIZERS ANDREW GOODMAN, JAMES CHANEY, AND MICHAEL SCHWERNER GAVE THEIR LIVES IN THE STRUGGLE TO GUARANTEE THE RIGHT TO VOTE FOR EVERY CITIZEN OF THE UNITED STATES, AND ENCOURAGING ALL AMERICANS TO OBSERVE THE ANNIVERSARY OF THE DEATHS OF THE 3 MEN BY COMMITTING THEMSELVES TO ENSURING EQUAL RIGHTS, EQUAL OPPORTUNITIES, AND EQUAL JUSTICE FOR ALL PEOPLE

Mr. SCHUMER submitted the following resolution; which was considered and agreed to:

S. Res. 386

Whereas Andrew Goodman, James Chaney, and Michael Schwerner were civil rights organizers who participated in the Freedom Summer Project organized by the Council of Federated Organizations to register African Americans in the Deep South to vote;

Whereas on June 21, 1964, after leaving the scene of a firebombed church in Longdale, Mississippi, Andrew Goodman, James Chaney, and Michael Schwerner were murdered by members of the Klu Klux Klan who opposed their efforts to establish equal rights for African Americans;

Whereas June 21, 2004, is the 40th anniversary of the day Andrew Goodman, James Chaney, and Michael Schwerner sacrificed their lives in the fight against racial and social injustice while working to guarantee the right to vote for every citizen of the United States;

Whereas the deaths of the 3 men brought attention to the struggle to guarantee equal rights for African Americans, which led to the passage of monumental civil rights legislation, including the Civil Rights Act of 1964 (Public Law 88-352, 78 Stat. 241) and the Voting Rights Act of 1965 (Public Law 89-110, 79 Stat. 437);

Whereas the courage and sacrifice of Andrew Goodman, James Chaney, and Michael Schwerner should encourage all citizens, and especially young people, of the United States to dedicate themselves to the ideals of freedom, justice, and equality; and

Whereas citizens throughout the United States will commemorate the 40th anniversary of the deaths of Andrew Goodman, James Chaney, and Michael Schwerner to honor the contributions they made to the United States: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the 40th anniversary of June 21, 1964, the day civil rights organizers Andrew Goodman, James Chaney, and Michael Schwerner gave their lives; and

(2) encourages all people of the United States to observe the anniversary of the deaths of the 3 men by committing themselves to the fundamental principles of freedom, equality, and democracy.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3459. Mr. BINGAMAN proposed an amendment to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

SA 3460. Mr. WARNER proposed an amendment to amendment SA 3459 proposed by Mr. Bingaman to the bill S. 2400, supra.

SA 3461. Mr. WARNER (for Mr. McCain (for himself and Mr. Warner)) proposed an amendment to amendment SA 3197 proposed by Mr. Dayton (for himself and Mr. Feingold) to the bill S. 2400, supra.

SA 3462. Mr. HARKIN (for himself and Mr. Hatch) proposed an amendment to amendment SA 3225 proposed by Mr. Durbin to the bill S. 2400, supra.

SA 3463. Mr. DURBIN proposed an amendment to amendment SA 3225 proposed by Mr. Durbin to the bill S. 2400, supra.

TEXT OF AMENDMENTS

SA 3459. Mr. BINGAMAN proposed an amendment to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

At the end of subtitle C of title X, add the following:

SEC. 1022. REPORTS ON MATTERS RELATING TO DETAINMENT OF PRISONERS BY THE DEPARTMENT OF DEFENSE.

(a) Reports Required.—Not later than 90 days after the date of the enactment of this Act, and every six months thereafter, the Secretary of Defense shall submit to the appropriate committees of Congress a report on the population of persons held by the Department of Defense for more than 30 days and on the facilities in which such persons are held.

(b) Report Elements.—Each report under subsection (a) shall include the following:

(1) General information on the foreign national detainees in the custody of the Department for more than 30 days during the 6-month period ending on the date of such report, including the following:

(A) The total number of such detainees in the custody of the Department at any time during such period.

(B) The countries in which such detainees were detained, and the number of detainees detained in each such country.

(C) The total number of detainees in the custody of the Department as of the date of such report.

(D) The total number of detainees released from the custody of the Department during such period.

(E) The nationalities of the detainees covered by subparagraph (A), including the number of detainees of each such nationality.

(F) The number of detainees covered by subparagraph (A) that were transferred to the jurisdiction of another country during such period.

(2) For each foreign national detained by the Department of Defense during the six-month period ending on the date of such report the following:

(A) The name.

(B) The nationality.

(C) The place at which taken into custody.

(D) The circumstances of being taken into custody.

(E) The place of detention.

(F) The current length of detention or, if released, the duration of detention at the time of release.

(G) A categorization as a military detainee or civilian detainee.

(H) The intentions of the United States Government on such detainee, including whether or not the United States will—

(i) continue to hold such detainee with justification;

(ii) repatriate such detainee; or

(iii) charge such detainee with a crime.

(I) The history, if any, of transfers of such detainee among detention facilities, including whether or not such detainee been detained at other facilities and, if so, at which facilities and in what locations.

(3) Information on the detention facilities and practices of the Department for the six-month period ending on the date of such report, including for each facility of the Department at which detainees were detained by the Department during such period the following:

(A) The name of such facility.

(B) The location of such facility.

(C) The number of detainees detained at such facility over the course of such period and as of the end of such period.

(D) The capacity of such facility.

(E) The number of military personnel assigned to such facility over the course of such period and as of the end of such period.

(F) The number of other employees of the United States Government assigned to such facility over the course of such period and as of the end of such period.

(G) The number of contractor personnel assigned to such facility over the course of such period and as of the end of such period.

(c) FORM OF REPORT.—Each report under subsection (a) shall be submitted in unclassified form, but may include a classified annex.

(d) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term "appropriate committees of Congress" means—

(1) the Committee on Armed Services and the Select Committee on Intelligence of the Senate; and

(2) the Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

SA 3460. Mr. WARNER proposed an amendment to amendment SA 3459 proposed by Mr. BINGAMAN to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SEC. 1022. REPORTS ON MATTERS RELATING TO DETAINMENT OF PRISONERS BY THE DEPARTMENT OF DEFENSE.

(a) REPORTS REQUIRED.—Not later than 90 days after the date of the enactment of this Act, and every six months thereafter, the Secretary of Defense shall submit to the appropriate committees of Congress a report on the population of detainees held by the Department of Defense and on the facilities in which such detainees are held. The report may be submitted in classified form.

(b) REPORT ELEMENTS.—Each report under subsection (a) shall include the following:

(1) General information on the foreign national detainees in the custody of the Department during the six-month period ending on the date of such report, including the following:

(A) The total number of detainees in the custody of the Department as of the date of such report.

(B) The countries in which such detainees were detained, and the number of detainees detained in each such country.

(C) The total number of detainees released from the custody of the Department during such period.

(D) The nationalities of the detainees covered by subparagraph (A), including the number of detainees of each such nationality.

(E) The number of detainees covered by subparagraph (A) that were transferred to the jurisdiction of another country during such period, and the identity of each such country.

(2) Information on the detention facilities and practices of the Department for the six-month period ending on the date of such report, including for each facility of the Department at which detainees were detained by the Department during such period the following:

(A) The name of such facility.

(B) The location of such facility.

(C) The number of detainees detained at such facility over the course of such period and as of the end of such period.

(D) The capacity of such facility.

(E) The number of military personnel assigned to such facility over the course of such period and as of the end of such period.

(F) The number of other employees of the United States Government assigned to such facility over the course of such period and as of the end of such period.

(G) The number of contractor personnel assigned to such facility over the course of such period and as of the end of such period.

(c) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term "appropriate committees of Congress" means—

(1) the Committee on Armed Services and the Select Committee on Intelligence of the Senate; and

(2) the Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

SA 3461. Mr. WARNER (for Mr. MCCAIN (for himself and Mr. WARNER)) proposed an amendment to amendment SA 3197 proposed by Mr. DAYTON (for himself and Mr. FEINGOLD) to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

In lieu of the matter proposed to be stricken, insert the following:

SEC. 842. WAIVER AUTHORITY FOR DOMESTIC SOURCE OR CONTENT REQUIREMENTS.

(a) AUTHORITY.—Subchapter V of chapter 148 of title 10, United States Code, is amended by adding at the end the following new section:

"§2539c. Waiver of domestic source or content requirements

"(a) AUTHORITY.—Except as provided in subsection (f), the Secretary of Defense may waive the application of any domestic source requirement or domestic content requirement referred to in subsection (b) and thereby authorize the procurement of items that are grown, reprocessed, reused, produced, or manufactured—

"(1) in a foreign country that has a Declaration of Principles with the United States;

"(2) in a foreign country that has a Declaration of Principles with the United States substantially from components and materials grown, reprocessed, reused, produced, or manufactured in the United States or any foreign country that has a Declaration of Principles with the United States; or

"(3) in the United States substantially from components and materials grown, reprocessed, reused, produced, or manufactured in the United States or any foreign country that has a Declaration of Principles with the United States.

"(b) COVERED REQUIREMENTS.—For purposes of this section:

"(1) A domestic source requirement is any requirement under law that the Department of Defense satisfy its requirements for an item by procuring an item that is grown, reprocessed, reused, produced, or manufactured in the United States or by a manufacturer that is a part of the national technology and industrial base (as defined in section 2500(1) of this title).

"(2) A domestic content requirement is any requirement under law that the Department of Defense satisfy its requirements for an item by procuring an item produced or manufactured partly or wholly from components and materials grown, reprocessed, reused, produced, or manufactured in the United States.

"(c) APPLICABILITY.—The authority of the Secretary to waive the application of a domestic source or content requirements under subsection (a) applies to the procurement of items for which the Secretary of Defense determines that—

"(1) application of the requirement would impede the reciprocal procurement of defense items under a Declaration of Principles with the United States; and

"(2) such country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.

"(d) LIMITATION ON DELEGATION.—The authority of the Secretary to waive the application of domestic source or content requirements under subsection (a) may not be delegated to any officer or employee other than the Under Secretary of Defense for Acquisition, Technology and Logistics.

"(e) CONSULTATIONS.—The Secretary may grant a waiver of the application of a domestic source or content requirement under subsection (a) only after consultation with the United States Trade Representative, the Secretary of Commerce, and the Secretary of State.

"(f) LAWS NOT WAIVABLE.—The Secretary of Defense may not exercise the authority under subsection (a) to waive any domestic source or content requirement contained in any of the following laws:

"(1) The Small Business Act (15 U.S.C. 631 et seq.).

"(2) The Javits-Wagner-O'Day Act (41 U.S.C. 46 et seq.).

"(3) Sections 7309 and 7310 of this title.

"(4) Section 2533a of this title.

"(g) RELATIONSHIP TO OTHER WAIVER AUTHORITY.—The authority under subsection (a) to waive a domestic source requirement or domestic content requirement is in addition to any other authority to waive such requirement.

"(h) CONSTRUCTION WITH RESPECT TO LATER ENACTED LAWS.—This section may not be construed as being inapplicable to a domestic source requirement or domestic content requirement that is set forth in a law enacted after the enactment of this section solely on the basis of the later enactment.

"(i) DECLARATION OF PRINCIPLES.—(1) In this section, the term 'Declaration of Principles' means a written understanding (including any Statement of Principles) between the Department of Defense and its counterpart in a foreign country signifying a cooperative relationship between the Department and its counterpart to standardize or make interoperable defense equipment used by the armed forces and the armed forces of the foreign country across a broad spectrum of defense activities, including—

"(A) harmonization of military requirements and acquisition processes;

"(B) security of supply;

"(C) export procedures;

"(D) security of information;

"(E) ownership and corporate governance;

"(F) research and development;

"(G) flow of technical information; and

"(H) defense trade.

"(2) A Declaration of Principles is underpinned by a memorandum of understanding or other agreement providing for the reciprocal procurement of defense items between the United States and the foreign country concerned without unfair discrimination in accordance with section 2531 of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 2539b the following new item:

"2539c. Waiver of domestic source or content requirements.".

SEC. 843. CONSISTENCY WITH UNITED STATES OBLIGATIONS UNDER TRADE AGREEMENTS.

No provision of this Act or any amendment made by this Act shall apply to a procurement by or for the Department of Defense to the extent that the Secretary of Defense, in consultation with the Secretary of Commerce, the United States Trade Representative, and the Secretary of State, determines that it is inconsistent with United States obligations under a trade agreement.

SA 3462. Mr. HARKIN (for himself and Mr. HATCH) proposed an amendment to amendment SA 3225 proposed by Mr. DURBIN to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SEC. 717. SENSE OF THE SENATE CONCERNING SERIOUS ADVERSE EVENT REPORTS.

(a) DEFINITION.—In this section, the term "dietary supplement" has the same meaning given the term in section 201(ff) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(ff)).

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Food and Drug Administration should make it a priority to fully and effectively implement the Dietary Supplement Health and Education Act of 1994 (Public Law 103-417, 21 U.S.C. 321 note), including taking appropriate enforcement action against unsafe dietary supplements;

(2) not more than 180 days after the date of enactment of this section, the Department of Health and Human Services should develop a plan for mandatory reporting of serious adverse events occurring as the result of the ingestion of any dietary supplement or over-the-counter drug and provide that plan for review and consideration by Congress; and

(3) adequate resources should be made available for the effective oversight of dietary supplements and for sound scientific research on dietary supplements.

SA 3463. Mr. DURBIN proposed an amendment to amendment SA 3225 proposed by Mr. DURBIN to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

At the end of the amendment, insert the following:

(d) This section becomes effective upon enactment.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. KYL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Monday, June 21, 2004 at 10:30 a.m. to hold a hearing on Nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. KYL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Monday, June 21, 2004 at 3 p.m. to hold a hearing on Nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. DAYTON. Madam President, I ask unanimous consent that floor privileges for the purposes of discussing my amendment be given to my aide, Walter Zampella.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Madam President, I ask unanimous consent that Eileen Mozinski of my staff be granted the privilege of the floor for the duration of today's debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON of Nebraska. Madam President, I ask unanimous consent that Russell Ponder, a legislative fellow in my office, be granted floor privileges.

The PRESIDING OFFICER. Without objection, it is so ordered.

40TH ANNIVERSARY OF PASSAGE OF THE CIVIL RIGHTS ACT OF 1964

40TH ANNIVERSARY OF JUNE 21, 1964

Mr. KYL. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 385 and S. Res. 386, which were submitted earlier today.

The PRESIDING OFFICER. Without objection, the clerk will report the resolutions by title, en bloc.

The assistant legislative clerk read as follows:

A resolution (S. Res. 385) recognizing and honoring the 40th anniversary of congressional passage of the Civil Rights Act of 1964.

A resolution (S. Res. 386) recognizing the 40th anniversary of June 21, 1964, the day civil rights organizers Andrew Goodman, James Chaney, and Michael Schwerner gave their lives in the struggle to guarantee the right to vote for every citizen of the United States, and encouraging all Americans to observe the anniversary of the deaths of the 3 men by committing themselves to ensuring equal rights, equal opportunities, and equal justice for all people.

There being no objection, the Senate proceeded to consider the resolutions.

Mr. KYL. Madam President, I ask unanimous consent that the resolutions be agreed to, the preambles be agreed to, the motions to reconsider be laid upon the table, all en bloc, and that any statements relating to the resolutions be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolutions (S. Res. 385 and S. Res. 386) were agreed to.

The preambles were agreed to.

The resolutions, with their preambles, read as follows:

S. RES. 385

Whereas 2004 marks the 40th anniversary of congressional passage of the Civil Rights Act of 1964 (42 U.S.C. 2000a et seq.);

Whereas the Civil Rights Act of 1964 was the result of decades of struggle and sacrifice of many Americans who fought for equality and justice;

Whereas generations of Americans of every background supported Federal legislation to eliminate discrimination against African-Americans;

Whereas a civil rights movement developed to achieve the goal of equal rights for all Americans;

Whereas President John F. Kennedy, on June 11, 1963, proposed in a nationally televised address that Congress pass civil rights legislation to address the problem of invidious discrimination;

Whereas a broad coalition of civil rights, labor, and religious organizations created national support for civil rights legislation, culminating in a 1963 march on Washington;

Whereas during consideration of the legislation involved, Congress added a historic prohibition against discrimination based on sex;

Whereas Congress passed the Civil Rights Act of 1964, and President Lyndon Johnson signed the Act into law on July 2, 1964;

Whereas the Civil Rights Act of 1964, among other things, prohibited the use of

Federal funds in a discriminatory fashion, barred unequal application of voter registration requirements, encouraged the desegregation of public schools and authorized the Attorney General to file suits to force the desegregation, banned discrimination in hotels, motels, restaurants, theaters, and all other places of public accommodation engaged in interstate commerce, and established the Equal Employment Opportunity Commission;

Whereas title VII of the Act not only prohibited discrimination by employers on the basis of race, color, religion, and national origin, but sex as well, thereby recognizing the national problem of sex discrimination in the workplace;

Whereas Congress has amended the Civil Rights Act of 1964 from time to time, with major changes that strengthened the Act;

Whereas the amendments made to the Act by the Equal Employment Opportunity Act of 1972 made changes that, among other things, gave the Equal Employment Opportunity Commission litigation authority, thereby giving the Commission the right to sue nongovernment respondents, made State and local governments subject to title VII of the Civil Rights Act of 1964, made educational institutions subject to title VII of the Act, and made the Federal Government subject to title VII, thereby prohibiting Federal executive agencies from discriminating on the basis of race, color, religion, sex, and national origin;

Whereas the amendments made to the Act and other civil rights legislation amended or added by the Civil Rights Act of 1991 clarified congressional intent regarding the Civil Rights Act of 1964 (in light of several contrary Supreme Court decisions rendered in the late 1980s) and allowed for the recovery of fees and costs in lawsuits in which the plaintiffs prevailed, for jury trials, and for the recovery of compensatory and punitive damages in intentional employment discrimination cases, and also expanded title VII protections to include congressional and high level political appointees; and

Whereas the Civil Rights Act of 1964 is the most comprehensive civil rights legislation in the Nation's history: Now, therefore, be it

Resolved, That the Senate—

SECTION 1. SHORT TITLE.

(1) recognizes and honors the 40th anniversary of congressional passage of the Civil Rights Act of 1964;

(2) applauds all persons whose support and efforts led to passage of the Civil Rights Act of 1964; and

(3) encourages all Americans to recognize and celebrate the important historical milestone of the congressional passage of the Civil Rights Act of 1964.

S. RES. 386

Whereas Andrew Goodman, James Chaney, and Michael Schwerner were civil rights organizers who participated in the Freedom Summer Project organized by the Council of Federated Organizations to register African Americans in the Deep South to vote;

Whereas on June 21, 1964, after leaving the scene of a firebombed church in Longdale, Mississippi, Andrew Goodman, James Chaney, and Michael Schwerner were murdered by members of the Klu Klux Klan who opposed their efforts to establish equal rights for African Americans;

Whereas June 21, 2004, is the 40th anniversary of the day Andrew Goodman, James Chaney, and Michael Schwerner sacrificed their lives in the fight against racial and social injustice while working to guarantee the right to vote for every citizen of the United States;

Whereas the deaths of the 3 men brought attention to the struggle to guarantee equal rights for African Americans, which led to the passage of monumental civil rights legislation, including the Civil Rights Act of 1964 (Public Law 88-352, 78 Stat. 241) and the Voting Rights Act of 1965 (Public Law 89-110, 79 Stat. 437);

Whereas the courage and sacrifice of Andrew Goodman, James Chaney, and Michael Schwerner should encourage all citizens, and especially young people, of the United States to dedicate themselves to the ideals of freedom, justice, and equality; and

Whereas citizens throughout the United States will commemorate the 40th anniversary of the deaths of Andrew Goodman, James Chaney, and Michael Schwerner to honor the contributions they made to the United States: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the 40th anniversary of June 21, 1964, the day civil rights organizers Andrew Goodman, James Chaney, and Michael Schwerner gave their lives; and

(2) encourages all people of the United States to observe the anniversary of the deaths of the 3 men by committing themselves to the fundamental principles of freedom, equality, and democracy.

PROVIDING FOR THE TRANSFER OF THE NEBRASKA AVENUE NAVAL COMPLEX

Mr. KYL. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 4322, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H. R. 4322) to provide for the transfer of the Nebraska Avenue Naval Complex in the District of Columbia to facilitate the establishment of the headquarters for the Department of Homeland Security, to provide for the acquisition by the Department of the Navy of suitable replacement facilities, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

HOMELAND SECURITY HEADQUARTERS

Mr. LIEBERMAN. Madam President, I rise in support of H.R. 4322, a bill to transfer the Nebraska Avenue complex property from the Navy to the General Services Administration, GSA, for use by the Department of Homeland Security, DHS, for its headquarters operations. One of the many exigencies surrounding the creation of DHS was the need to quickly find suitable space for the Department's operations. While many of the component agencies could—at least temporarily—remain in their current locations, there had to be new space for the Department's leadership and new programs. The Navy had previously been providing space at the Nebraska Avenue complex to the President's Office of Homeland Security, and the administration subsequently decided that the site should be used as a headquarters for the new Department for the immediate future. DHS already has some of its headquarters operations at the site, and plans to move additional staff to the property once the Navy has finished moving out. It is vital that DHS be able to move ahead with consolidating its headquarters operations and renovating the complex to meet its needs. It is also critical that the Navy be fairly compensated and that its displaced operations be able to move into new facilities. This legislation will allow all this to take place. This legislation formalizes the transfer of the property and provides for a payment mechanism for the Navy's temporary and permanent relocation costs. GSA, in keeping with its traditional responsibilities, will own the property and manage it for DHS, which shall be a tenant there.

There has been a question about precisely how, under this legislation, to provide payment to the Navy, and which parties should bear which costs. Therefore, I am pleased to submit for the RECORD a letter from Joshua Bolten, Director of the Office of Management and Budget, that specifically clarifies this issue. DHS shall provide the Navy with compensation for its initial moving and interim relocation costs for the first year. This amount is already budgeted for fiscal year 2005. Meanwhile, OMB has agreed that GSA is the proper entity to supply funds to compensate the Navy for permanent relocation expenses. This legislation will allow GSA to provide those funds and, as this letter specifically makes clear, OMB pledges that it, on behalf of the Administration, will request adequate funds in the GSA budget after the first year for GSA to do so. This responds to my concern that forcing DHS to pay an undue share of the Navy's relocation expenses would dangerously burden limited resources for critical homeland security programs. I appreciate the OMB's and the Administration's efforts in clarifying its intentions on this matter.

Mr. BYRD. Madam President, I share the Senator's concern that the bill that is before us requires a nondefense agency to pay for the permanent relocation of the Navy. Homeland security dollars are scarce. The Department of Homeland Security should not be forced to use dollars that should be used for securing our ports or for securing our mass transit systems to pay for a new Navy facility. With the Senator's cooperation, we have asked for a commitment from the administration that these costs will be requested through the General Services Administration, which will own the property, rather than the Department of Homeland Security. I am pleased that the Administration has provided this assurance.

Mr. LIEBERMAN. Madam President, I ask unanimous consent that the letter on this matter from Joshua Bolten, Director of the Office of Management and Budget, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, June 17, 2004.

HON. JOSEPH LIEBERMAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR LIEBERMAN: The purpose of this letter is to explain the Administration's plan to transfer administrative jurisdiction of the Nebraska Avenue Complex (NAC) from the Navy to the General Services Administration (GSA) so that the facility can be used to house the consolidated headquarters of the Department of Homeland Security (DHS).

Once the Congress allows GSA to take control of the property, the Navy will relocate its operations from the NAC to other facilities. Based on long-standing Comptroller General opinions, the Department of Homeland Security will reimburse the Navy for its initial move to a replacement facility and the first year of rent at that new location. Combined, the first-year costs are estimated at $26 million. This amount has been requested in the FY 2005 DHS budget and is included in the appropriations bills for the Department of Homeland Security currently under consideration by the House and Senate.

After the Navy's first year of occupancy at its new location, GSA will be responsible to reimburse the Navy for acquisition of an subsequent moves to permanent facilities. Once estimates are developed for these costs, the Administration plans to request the funding in future budgets through the GSA Federal Buildings Fund.

Consolidating the headquarters operations of DHS is necessary to ensure the DHS can efficiently execute its mission to protect the American people from terrorist attack. To that end, the Administration has proposed legislation that would authorize the Navy to transfer the NAC to GSA and authorize the relocation of Navy personnel. H.R. 4322, as passed by the House of Representatives, would accomplish these goals, and we look forward to working with the Senate to enact this legislation as quickly as possible.

Sincerely,
JOSHUA B. BOLTEN,
Director.

Mr. KYL. Madam President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H. R. 4322) was read the third time and passed.

CORRECTIONS IN ENROLLMENT OF S. 2238

Mr. KYL. Madam President, I ask unanimous consent that the Senate now proceed to the immediate consideration of H. Con. Res. 458, which is at the desk.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 458) directing the Secretary of the Senate to make technical corrections in the enrollment of the bill S. 2238.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. KYL. I ask unanimous consent that the resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 458) was agreed to.

ORDERS FOR TUESDAY, JUNE 22, 2004

Mr. KYL. Madam President, on behalf of the leader, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:45 a.m. on Tuesday, June 22. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of Calendar No. 403, S. 2400, the Department of Defense authorization bill, as provided under the previous order; provided further that the previous order be modified so all first-degree amendments be offered by 6:30 with the exception of those amendments cleared by both managers.

I further ask consent that the Senate recess for the weekly party luncheons from 12:30 p.m. until the completion of the official Senate photograph.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. KYL. Tomorrow the Senate will resume consideration of the Defense authorization bill. Under the previous order, when the Senate resumes consideration of the Defense bill, there will be 1 hour of debate on the Levin missile defense amendment prior to a vote in relation to the amendment. Immediately following that vote, the Senate will proceed to a vote on the Brownback decency amendment. Therefore, Senators should expect back-to-back rollcall votes beginning close to 11 a.m.

For the remainder of the day, the Senate will continue to work through amendments to the bill under an agreement reached earlier this evening. All first-degree amendments must be offered by 6:30 p.m. tomorrow. Therefore, Senators who wish to offer an amendment to the Defense bill should contact the bill managers as soon as possible. In addition to votes on amendments, Senators can expect votes on judicial nominations as well. Finally, a late night session is expected as we move toward completion of the bill.

ADJOURNMENT UNTIL 9:45 A.M. TOMORROW

Mr. KYL. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:49 p.m., adjourned until Tuesday, June 22, 2004, at 9:45 a.m.

HOUSE OF REPRESENTATIVES—*Monday, June 21, 2004*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. RENZI).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

THE SPEAKER'S ROOMS,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, June 21, 2004.

I hereby appoint the Honorable RICK RENZI to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 20, 2004, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Oregon (Mr. DEFAZIO) for 5 minutes.

THE FORGOTTEN WAR ON TERRORISM

Mr. DEFAZIO. Mr. Speaker, I think there is substantial agreement that the world, Iraq, the Middle East are better off without Saddam Hussein in power. But the question remains particularly as raised most recently and poignantly by General Zinni about the timing, necessity and the conduct of the Iraq war. No weapons of mass destruction, the push for model democracy and a vibrant capitalist free economy is not going so well, so the Bush administration has fallen back upon the idea that somehow there were substantial links between al Qaeda, 9–11 and Saddam Hussein.

Unfortunately, last week the 9–11 Commission, a truly bipartisan commission, came out with a statement in their most recent report, "We have no credible evidence that Iraq and al Qaeda cooperated on attacks against the United States." Yet, the administration insists on trying to put 9–11, al Qaeda, and Iraq and Saddam Hussein in the same sentence or run-on sentence and paragraph all the time.

Vice President CHENEY has been even more outspoken on this issue. Of course, Vice President CHENEY is the same gentleman who in a closed-door meeting 3 years ago told the Northwest Energy Caucus that there was no collusion, Enron was not manipulating energy markets in the western United States. These were purely market forces. We were just really stupid and we did not understand, but he did.

Well, of course, he was kind of wrong and maybe even this week Ken Lay will be in a criminal indictment as others from Enron have gone to jail, and the appalling tapes that have come out.

Then, of course, Vice President CHENEY also is fond of saying that deficits do not matter. We are just indebting future generations of Americans. Working and wage earning people will pay the bill, while the wealthy and the big corporations skate in the future world that the Bush administration proposes.

So he is not exactly infallible and, unfortunately, I believe the 9–11 Commission is more right than he is, with one exception. There is one really bad guy, Abu Musab Zarqawi. He has now been blamed for more than 700 terrorist killings including U.S. troops in Iraq.

Now, the interesting thing is that the United States of America before the war with Iraq knew exactly where Zarqawi was and they could have taken him out. In fact, the Pentagon asked 3 times. Now, this is the President who was going to go anywhere and everywhere to take out known terrorist threats. This guy was a known terrorist threat. We knew exactly where he was. In fact, when Colin Powell made his famous presentation full of inaccuracies to the United Nations Security Council, the one accurate thing he did point to with a pointer was a terrorist training camp way up in Northern Iraq, inside the U.S. no-fly zone and protected by the Kurdish area, an area, in fact, that Saddam Hussein could not get to, and that is where Zarqawi was. And 3 times, 3 times the Pentagon asked to take him out.

The first time because they had good intelligence. The second time because they had intelligence that he was developing ricin and other chemical weapons. And then the third time they asked was after some of his cohorts were found with ricin in England.

They asked 3 times and 3 times the Bush National Security Council and the Bush administration turned down the Pentagon. This could have saved U.S. troops and lives and prevented a lot of the mayhem going on in Iraq today. But this administration was so distracted from the war on terror to the war against Iraq and Saddam Hussein that they let this guy go. They let him go. That is absolutely outrageous.

We have got to question whether the distraction from the war on terror, from Osama bin Laden, who is still out there plotting and planning and his second-in-command, who is still out there plotting and planning and this guy Zarqawi, who is out there plotting and planning, if we could have gotten them, if we had been focussed on the war on terror and following the principles that the President set out, instead of this obsession and this distraction and diversion into a war in Iraq where we pulled all of the intelligence out of that area and focussed it all on Iraq, they would not take out Zarqawi because they were afraid it might hurt their coalition building. Iceland might not have joined the Coalition of the Willing to take on Iraq, and some of those other major military powers that have been involved with the United States if we had taken out Zarqawi. They were worried that that would disturb that.

We would take out a real threat to our troops, to the region, to terrorism, to go after Saddam Hussein whose own people would have taken care of him some day.

He was surrounded. His military was a shadow of its former self. The sanctions were depleting his energies and the energies of his military day by day; and sooner or later, with encouragement, the Iraqi people would have taken care of that guy. They tried to kill him 13 times. They just were not successful. They might have got him on the 14th try. But this administration was obsessed with the war and dropped the war on terrorism.

CONGRESS MISSING IN ACTION

The SPEAKER pro tempore. Pursuant to the order of the House of January 20, 2004, the gentleman from Oregon (Mr. BLUMENAUER) is recognized during morning hour debates for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, often we take to the floor to speak to the American public. Well, today I would like to speak to my colleagues in the House of Representatives and the men and women who are preparing their work for our floor action this week.

I would call to their attention that according to the Defense Department's own data, the program to clean up unexploded ordnance on formerly used defense sites will take as much as 252 years. That means in the year 2255 that Congress passing spending bills will still be appropriating money to deal with the problem that we could solve today.

Why, if we have technology that has already realized $100 million saving at the former Lowry Bombing Range outside of Denver, Colorado, why are we not moving forward to address this problem?

Despite the fact that this Defense Science Board has proposed 5 recommendations that would allow us to address this problem, 80 percent of it over the next 5 years, why do we do nothing but continue to study it? Worse yet, we have actually decreased the funding that is crippling the Department of Defense. It is burdening other Federal land management agencies and it is endangering the health and safety of the American public.

We have to ask why.

Is it because we need another tragedy to occur like what happened in San Diego when 2 boys were killed when they discovered bombs in their neighborhood that, unknown to the residents, sat on top of a former bombing range? Is it because somehow we do not need 8 million acres of land that we could put in productive use in 5 years instead of 252 years? Is it because we believe somehow this contamination exists only in isolated places when, in fact, it is in every State in the Union and almost every Congressional district? Are we somehow unaware that when wildfires strike our public lands from New York to Colorado to Alaska that many of these lands are former ranges?

Three times since I have been in Congress we had to pull men and women out of the front lines fighting the fires because the extreme heat is exploding bombs around them.

Is it because we are unaware of the plight of a North Carolina couple with 5 children who are risking bankruptcy because they moved out of their home when their young son found an old bomb in their front yard and they feared for the safety of their family? It is now a year-and-a-half later and they are still paying the mortgage on a home they cannot live in. They cannot sell it because the clean up has yet to begin because we underfund these programs.

Are we unaware that in the same area of North Carolina, the former Camp Butner, the Army Corps of Engineers has determined that they need to investigate another 20,000 acres for unexploded ordnance contamination? Yet, developers are buying up land and building homes before clean-up has even begun.

Can we in good conscience risk the health and safety of future residents? Is it because we do not know that other residential and business developments already exist or are being proposed in Texas, South Carolina, California, Colorado, here in Washington, D.C., and Massachusetts? Others will surely follow.

Is it because we are unaware that many of these unexploded bombs and discarded munitions are on tribal lands, thereby posing yet another hazard to the highly at-risk Native American population? Are we somehow unaware that the Federal land managers in the Bureau of Land Management, the Fish and Wildlife system, the National Forest Service, the National Park Service, where many of these former ranges are located, do not have the capacity needed to ensure the public safety?

Or is it despite the fact that the Department of Defense believes that ordnance and munitions on these formerly used sites poses enough of a national security risk to remove critical information about the sites from the public because they are afraid terrorists may find out, but we do not believe these same sites left untouched pose a risk to our citizens? Or is it simply that we hope that we can avert a tragedy in our lifetime and just pass this risk off to further future generations?

Whatever the reason, it is simply unacceptable. It is indeed unconscionable that we continue to turn a blind eye to a responsibility that we should be undertaking now.

After years of working on this issue and seeing Congress still missing in action, I will work this week to make sure that my colleagues have a chance to be heard, to take action that might help protect people at risk in the future.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 43 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. TERRY) at 2 p.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord, Your steadfast love never ceases. Your mercy never comes to an end. They are renewed each day because Your faithfulness is so great.

As the House of Representatives begins this week of legislative business, be present to each Member and bind all together to accomplish great deeds for this Nation.

Because Your faithfulness made this such a great Nation, as a people we have an awesome responsibility. Anything we do has ramifications the world over. Make us strong enough and give us broad vision to embrace boldly what is required of us.

In You we find wisdom, prudence, and the courage to create a hopeful future for ourselves and for others both now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Massachusetts (Mr. CAPUANO) come forward and lead the House in the Pledge of Allegiance.

Mr. CAPUANO led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

DRILLING IN ANWR

(Mr. BURGESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURGESS. Mr. Speaker, energy independence should be a goal of this Congress. Worldwide demand for petroleum has increased during the last decade, and the growth of production has been relatively flat. The inevitable result is higher prices at the gasoline pump, and the reality is that it takes time to go from the oil field to the gasoline station, and we have lost considerable time in this regard.

In 1995, in the 104th Congress, H.R. 2491, which was passed, would have allowed oil exploration in the Alaska National Wildlife Refuge. The Department of Energy has estimated that between 1 and 1.3 million barrels of oil a day could be derived from this source.

Unfortunately, in 1995, that legislation was vetoed by then-President Clinton.

That was nearly 10 years ago; and given a time line of 7 to 14 years for building the pipeline structure, it is time we can scarcely afford.

Mr. Speaker, I have been to ANWR. The vast coastal plain is unsuitable for habitation during the summer months because of its marshy consistency. Any caribou unlucky enough to calve in this region would likely die from exsanguination at the hands of the mosquitoes there.

The people in ANWR are counting on this Congress to do the right thing and allow them, the rightful owners of these mineral rights, to begin developing the resources that are granted to them upon statehood in 1959.

As we say in Texas, "Time's a wasting."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken after 6:30 p.m. today.

COMMUNITY BANKING MONTH

Mr. RENZI. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 591) expressing the gratitude of the House of Representatives for the contributions made by America's community banks to the Nation's economic well-being and prosperity and the sense of the House of Representatives that a month should be designated as "Community Banking Month."

The Clerk read as follows:

H. RES. 591

Whereas, since our Nation's founding, community banks have supported their communities as they prospered and grew, and today more than 8,700 community banks continue the tradition of giving back to their local communities through nearly 40,000 banking offices;

Whereas, with more than $2,275,000,000,000 in assets, community banks know that when money stays in town it becomes a renewable resource, creating an economic cycle that constantly revitalizes and stimulates local communities;

Whereas community banks are working citizens in their communities in every sense of the word with more than 514,000 full-time and part-time employees;

Whereas these banks have made significant contributions to the economic well-being of our Nation through their financial support, their dedication as good neighbors and, above all, their service as financially sound and reliable sources of economic lifeblood in our communities;

Whereas the Nation's community banks focus on the prosperity of individuals and small businesses in their hometowns and have reinvested, on average, 95 percent of their loan portfolio in their own communities through home mortgages and small business, agricultural, and student loans;

Whereas community banks play a significant role in local economic development efforts by financing new businesses and stimulating the economy to produce jobs and new opportunities and, as a group, they contribute an important and strong part of the Nation's economic fabric;

Whereas community banks have made nearly 3,160,000 loans to small businesses, totaling over $275,500,000,000 and nearly 720,500 loans to small farms, totaling nearly $37,500,000,000;

Whereas community banks also enjoy the trust of their customers; indeed, community banks are just neighbors are helping neighbors build their homes, save for higher education, plan for retirement and fulfill other dreams; and

Whereas community banks have long helped in the development of our communities and the Nation as a whole, and are fully prepared to make many more contributions: Now, therefore, be it

Resolved, That—

(1) the House of Representatives expresses its gratitude for the contributions made by America's community banks to the Nation's economic well-being and prosperity; and

(2) it is the sense of the House of Representatives that—

(A) a "Community Banking Month" should be designated to raise public awareness of, and public appreciation for, the contributions of the helpful institutions that are our Nation's community banks; and

(B) the President should issue a proclamation calling on the people of the United States to observe the month with appropriate programs and activities.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. RENZI) and the gentleman from Massachusetts (Mr. CAPUANO) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona (Mr. RENZI).

GENERAL LEAVE

Mr. RENZI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and insert any extraneous materials on the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. RENZI. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, H. Res. 591 expresses the gratitude for the contributions made by America's community banks to the Nation's economic well-being and prosperity and the sense of the House of Representatives that a month should be designated as Community Banking Month. This legislation was introduced by the gentleman from Alabama (Mr. BACHUS) to recognize community banks for their contribution to the very fabric of our community.

Community banks help to shape communities into centers of commerce and entrepreneurship and provide for community and industrial development.

Community bankers are themselves among the leading leaders of our community, engaging in civic and benevolent activities. Nationwide, there are over 8,700 community banks serving their local communities through almost 40,000 banking offices.

Community banks have reinvested on average 95 percent of their loan portfolio in their own communities through home mortgages and small businesses, agricultural, and student loans. This reinvestment plays an important role in local economic development and in efforts to finance new businesses, as well as stimulating the local economy to produce jobs and new opportunities.

Community banks are themselves small businesses, so they understand the needs of small business owners. Their core concern is lending to small businesses and farms. Studies have shown that they are the primary advisors to small businesses.

Community banks have made nearly 3,160,000 loans to small businesses, and over 720,500 loans to small farms.

Mr. Speaker, on behalf of the community banks and in recognition of their great contribution to our local communities and to our small businesses around the country.

Mr. Speaker, I reserve the balance of my time.

Mr. CAPUANO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Res. 591, a resolution recognizing the contributions of community banks to the Nation's economic well-being and prosperity and expressing the sense of the House that a month should be designated as Community Banking Month.

Community banks play a vital role for our country. Of the 7,712 commercial banks in operation today, all but 419 are community banks having assets of less than $1 billion. Community banks are known for being close to their customers and provide the leadership for many civic endeavors. These bankers are able to make loan decisions locally and reinvest local deposits into their local communities.

Community bankers also are active in helping people understand the sometimes complex nature of the banking business. Many community bankers participate in efforts to help consumers know the dangers posed by identity thieves. In Georgia, for example, these bankers made presentations to almost 50,000 of our citizens, giving them tips on how to avoid becoming a victim. These same bankers also helped educate our citizens on how to apply for a business loan, how to choose banking as a career, and how to get a mortgage refinanced.

While the total number of community banks in the United States is decreasing due to consolidation, new community banks are proliferating. In fact, 1999 witnessed the highest number of new community banks formed in nearly a decade, with 268 new charters reported.

Community banks focus attention on the needs of local families, businesses, and farmers. They channel most of their loans in the neighborhoods where their depositors live and work. Community banks offer their customers services at attractive prices. For example, average rates for checking accounts and other depository services on average are 15 percent lower at small banks than at large, multistate institutions, according to the 2001 PIRG report.

They can offer nimble decision-making on business loans, because decisions are made locally. And because community banks are themselves small businesses, they understand the needs of small business owners. Their core concern is lending to small businesses and farms.

What does it mean to be a community bank? Community banking is a devotion to serving community customers and communities. They put people into homes, serve small businesses, and help them grow and prosper. They provide student loans and set up retirement plans for their customers.

Mr. Speaker, community banks and the more than half a million people who work for them truly deserve our recognition for their contributions to the Nation's economy and well-being.

Mr. OXLEY. Mr. Speaker, I rise today in strong support of H. Res. 591, a resolution expressing the gratitude of the House of Representatives for the contributions made by America's community banks to the Nation's economic well-being and prosperity and the sense of the House of Representatives that a month should be designated as "Community Banking Month". Community banks are the lifeblood of our local economies, and this is an appropriate way to recognize their contribution.

Mr. Speaker, I am including for the record correspondence between the gentleman from Virginia (Mr. DAVIS) and myself regarding the jurisdictional interest of the Committee on Government Reform. I appreciate his efforts in permitting this resolution to reach the floor quickly.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, June 21, 2004.
Hon. MICHAEL G. OXLEY,
Chairman, Committee on Financial Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for consulting with the Government Reform Committee regarding H. Res. 591, expressing the gratitude of the House of Representatives for the contributions made by America's community banks to the Nation's economic well-being and prosperity and the sense of the House of Representatives that a month should be designated as "Community Banking Month." As you know, the Committee on Government Reform has jurisdiction over holidays and celebrations.

Because of your willingness to consult with my committee, I will not seek a sequential referral of the resolution to the Committee on Government Reform. By agreeing to not seek sequential referral, the Government Reform Committee does not waive its jurisdiction over H. Res. 591. I respectfully request that you include this letter and your response in the Congressional Record during consideration of this legislation on the House floor. Thank you for your attention to these matters.

Sincerely,

TOM DAVIS,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, June 21, 2004.
Hon. TOM DAVIS,
Chairman, Committee on Government Reform,
Washington, DC.

DEAR CHAIRMAN DAVIS: Thank you for your recent letter regarding your Committee's jurisdictional interest in H. Res. 591, a resolution expressing the gratitude of the House of Representatives for the contributions made by America's community banks to the Nation's economic well-being and prosperity and the sense of the House of Representatives that a month should be designated as "Community Banking Month".

I acknowledge your committee's jurisdictional interest in this legislation and appreciate your cooperation in allowing speedy consideration of the resolution. I agree that your decision to forego further action on the bill will not prejudice the Committee on the Government Reform with respect to its jurisdictional prerogatives on this or similar legislation.

Finally, I will include a copy of your letter and this response in the Congressional Record when the legislation is considered by the House

Thank you again for your assistance.

Sincerely,

MICHAEL G. OXLEY,
Chairman.

Mr. BEAUPREZ. Mr. Speaker, I rise in support of H. Res. 591, and to honor the significant, longstanding contribution of America's Community Banks.

In hometowns all across America, Community Banks have been the anchor for countless generations.

Moms and dads raising families, educating their children, planning for a comfortable retirement; farmers, entrepreneurs and innumerable small businesses that are the cornerstone of our free-market economy; churches, hospitals, schools, civic organizations—indeed the entire fabric of America's culture—all know they have a partner and friend in their hometown Community Bank.

Jimmy Stewart romanticized the legacy of hometown bankers as George Bailey in the Christmastime classic, "It's a Wonderful Life".

Mr. Speaker, while the movie's plot was fictional, in neighborhoods and towns all across America, there are real life George Baileys that work hard and nobly, extend a helping hand, help see families and businesses through difficulties, and make dreams come true on a daily basis.

Like the other small businesses in America's hometowns, Community Banks are typically owned by the folks right there in the community. They know their neighbors, and their neighbors know them. They know a handshake still matters. Their kids go to school together, and they see each other at church.

Community Banks depend on the people in the community for their success, and the community depends on the bank to be there for them—through good times and tough times. It's a partnership that isn't drawn up on any contract, but it is understood and established with a bond far stronger than paper and ink.

So, Mr. Speaker, I proudly support H. Res. 591, and urge all my colleagues in the House to join me in expressing gratitude for the contribution of our Nation's Community Banks, as one of our country's great traditions.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to support H. Res. 591 which recognizes the contributions made by America's community banks to this Nation's economic well-being and prosperity. These community banks are imperative to the success of any local community. Their recognition today is well deserved and I am in support of the effort to designate one month as Community Banking Month.

Community banks, while often overlooked, offer many advantages to the people and areas they serve. Community banks focus attention on the needs of local families, businesses, and farmers. Community banks channel most of their loans to the neighborhoods where their depositors live and work. Community bank officers are typically deeply involved in local community affairs. Many community banks are willing to consider character, family history and discretionary spending in making loans. Finally, because community banks are themselves small businesses, they understand the needs of small business owners. Their core concern is lending to small businesses and farms. Studies show that they are the primary advisers of small businesses. It is fairly evident that community banks are truly built by the community's efforts to serve the community's interests.

I am of the belief that a Community Banking Month will help truly reflect the necessary efforts that community banks make to serve their customers. Not all businesses can be large, not all banks can be national; there will always be a need for these services to be provided on the community level. I want to thank all the community banks in Houston and throughout the United States who on a day like today will help some young couple secure their first home mortgage or allow a young student to go to college by extending a student loan. It is moments like these and the opportunities they provide that truly allow us to realize our own piece of the American Dream.

Mr. CAPUANO. Mr. Speaker, I yield back the balance of my time.

Mr. RENZI. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona (Mr. RENZI) that the House suspend the rules and agree to the resolution, H. Res. 591.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. RENZI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

HOMEOWNERSHIP OPPORTUNITIES FOR NATIVE AMERICANS ACT OF 2004

Mr. RENZI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4471) to clarify the loan guarantee authority under title VI of the

Native American Housing Assistance and Self-Determination Act of 1996.

The Clerk read as follows:

H.R. 4471

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Homeownership Opportunities for Native Americans Act of 2004".

SEC. 2. FEDERAL GUARANTEES FOR FINANCING FOR TRIBAL HOUSING ACTIVITIES.

Section 601 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4191) is amended by adding at the end the following new subsection:

"(d) LIMITATION ON PERCENTAGE.—A guarantee made under this title shall guarantee repayment of 95 percent of the unpaid principal and interest due on the notes or other obligations guaranteed.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona (Mr. RENZI) and the gentleman from Massachusetts (Mr. CAPUANO) each will control 20 minutes.

The Chair recognizes the gentleman from Arizona. (Mr. RENZI).

GENERAL LEAVE

Mr. RENZI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation, and to insert any extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. RENZI. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I am thankful to have on the House floor today H.R. 4471, the Homeownership Opportunities For Native Americans Act, which I introduced earlier this week with my colleague, the gentleman from Utah. (Mr. MATHESON).

This bill simply returns the guarantee level for the title VI program to 95 percent. HUD had been administering guarantees at this level until OMB, for technical statutory reasons, reduced it to 80 percent.

The lower guaranteed level would mean less participation in this program. Private investors are slowly becoming more comfortable investing in Indian country, and it is critical that this relationship remain in a fostered environment. To this point, asking investors to accept a 20 percent risk rather than the 5 percent that they had before will do nothing but impede the much-needed development in these areas.

This past May, the Subcommittee on Housing of the Committee on Financial Services held a hearing on the Navajo Reservation in Tuba City, Arizona. We saw children with asthma living in houses with dirt floors and collapsing ceilings. Decreasing the guarantee rate essentially decreases the chance that these children will be able to move from homes in deplorable conditions into safe and healthy homes.

The title VI loan guarantee assists federally recognized tribes and tribally designated housing entities who want to finance eligible, affordable housing activities, but are unable to secure financing without the assistance of Federal guarantees.

This program is very well collateralized, as tribes must pledge current and future housing block grant guarantee appropriations for the repayment of these guaranteed funds. This program has administered $77 million in guarantees and has not experienced even one single default.

I thank the gentleman from Ohio (Chairman NEY); the gentlewoman from California (Ms. WATERS), the ranking member; and the gentleman from Utah (Mr. MATHESON) for their enthusiasm on this issue and the support behind this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. CAPUANO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today, the House takes up important housing legislation to help Native American communities across America achieve homeownership.

The bill we are taking up today is a direct result of a recent hearing held by the Subcommittee on Housing of the Committee on Financial Services, of which I am a member, in the Navajo Nation. With the leadership of the subcommittee chairman, the gentleman from Ohio (Mr. NEY), and the gentlewoman from California (Ms. WATERS), the ranking member, the subcommittee learned of the significant housing challenges facing our Native American communities. Members who attended the hearing in the Navajo Nation came back to report enormous challenges in housing conditions that resemble those of some Third World nations. This bill is the first legislative result of that important field hearing.

The legislation was introduced by the gentleman from Arizona (Mr. RENZI) and the gentleman from Utah (Mr. MATHESON), both of whom represent the Navajo Nation. I commend the leadership of both my colleagues on this legislation.

□ 1415

Unfortunately, the gentleman from Utah (Mr. MATHESON) was unable to be here today at this time. And I am pleased to be here representing him in his absence on behalf of this important legislation that will, as I stated, help Native Americans achieve home ownership. The gentleman from Utah (Mr. MATHESON) has exercised great leadership, not only in housing issues for Native Americans, but for giving his Navajo Nation constituents a strong voice in Congress.

This bill sets the loan guarantee level at 95 percent for a vital Native American housing program at HUD. This is the level that has been used since its implementation. However, the law is currently silent regarding the loan guarantee level and HUD would be forced by administrative rule to lower that level to 80 percent, unless Congress sets the level at 95 percent, which this bill will accomplish for the purposes that ensure that the very important housing program will continue to be used to help our Native American friends.

Again, I would like it to thank the gentleman from Ohio (Mr. NEY) and the ranking member, the gentlewoman from California (Ms. WATERS) for their leadership in convening the field hearing in the Navaho Nation that led to this important legislation. I commend the leadership of the gentleman from Arizona (Mr. RENZI) on this bill and his efforts on behalf of the Navaho people. I also would like to express appreciation to my esteemed colleague, the gentleman from Utah (Mr. MATHESON), for being a leader on this bill and for being a strong leader and advocate in Congress for all Native American items.

Mr. Speaker, I yield back the balance of my time.

Mr. RENZI. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Speaker, I rise today in support of my colleague, Mr. RENZI's bill, the Homeownership Opportunities for Native Americans Act. I would like to begin by commending the gentleman from Arizona (Mr. RENZI) for the important work he is doing in the area of Native American housing. He is shining a light on the vital need for safe and affordable housing on Indian reservations all across this country, a need that runs deep, a need which our government has all too often failed to address.

I was unable to attend the Housing Subcommittee hearing earlier this year that has been referenced in the district of the gentleman from Arizona (Mr. RENZI), but I have several reservations in my district and my own State, and I know firsthand just how critical the need for housing is.

H.R. 4471 amends the Native American Housing Assistance and Self-Determination Act of 1996 to provide statutory authority for the Title VI program to continue to operate at a 95 percent loan guarantee level. While the program has been operating at this level for some time, a recent decision by OMB to reduce the loan guarantee to 80 percent has put this program into jeopardy.

Mr. Speaker, the Title VI guarantee program has issued over 77 million dollars in loan guarantees. It has never experienced a default. The Federal Government should not be in the business of making it harder for Indian tribes to access assistance in affordable housing. We must reach out to local tribal organizations and leaders and do more to help them meet their many pressing housing challenges.

I urge my colleagues to support this legislation in order to ensure continued affordable housing opportunities for Native Americans all across this country. It is an excellent piece of legislation.

Mr. BACA. Mr. Speaker, I rise in support of H.R. 4471, the Homeownership Opportunities for Native Americans Act.

Under Title VI of the Native American Housing Assistance and Self-Determination Act, HUD guarantees tribal obligations to help finance affordable housing activities. The Title VI loan assists Indian Housing Block Grant borrowers who wish to finance eligible affordable housing activities, but are unable to secure financing without the assistance of a Federal guarantee.

Native Americans deserve decent housing, a suitable living environment, and economic opportunities. Title VI helps make this happen.

During the previous administration, Title VI guaranteed up to 95 percent of a loan. In fact, several loans are currently pending based on the 95 percent loan guarantee level.

Unfortunately, the Office of Management and Budget is now saying that loan guarantees cannot be greater than 80 percent of a loan.

This bill would allow Title VI to continue to guarantee loans up to 95 percent.

I want to thank Congressman RENZI and Congressman MATHESON, the authors of this bill. They understand that all Americans are entitled to the American dream.

For too long our Native American brothers and sisters have been treated like second-class citizens. This bill is a strong step towards putting Native Americans on a fair playing field.

Mr. RENZI. Mr. Speaker, I have no other speakers at this time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TERRY). The question is on the motion offered by the gentleman from Arizona (Mr. RENZI) that the House suspend the rules and pass the bill, H.R. 4471.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

HELPING HANDS FOR HOMEOWNERSHIP ACT OF 2004

Mr. GREEN of Wisconsin. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4363) to facilitate self-help housing homeownership opportunities, as amended.

The Clerk read as follows:

H.R. 4363

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Helping Hands for Homeownership Act of 2004".

SEC. 2. ASSISTANCE FOR SELF-HELP HOUSING PROVIDERS.

Paragraph (1) of section 11(b) of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note) is amended by striking "dwelling" and inserting "dwellings".

SEC. 3. DESIGNATION OF DOUG BEREUTER SECTION 502 SINGLE FAMILY HOUSING LOAN GUARANTEE PROGRAM.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the Cranston-Gonzalez National Affordable Housing Act, enacted November 28, 1990, established the section 502 single family housing loan guarantee program of the Rural Housing Service of the United States Department of Agriculture;

(2) Congressman Doug Bereuter of Nebraska was the legislative author of the single family housing loan guarantee program;

(3) 316,625 single family loans have been guaranteed under the program since its implementation in 1991;

(4) the program facilitates home ownership for low- to moderate-income borrowers in rural areas and nonmetropolitan communities who are unable to obtain conventional home mortgage financing; and

(5) in 2003, the average income of a borrower with a loan guaranteed under the section 502 guarantee program was $34,124.

(b) DESIGNATION.—Subsection (h) of section 502 of the Housing Act of 1949 (42 U.S.C. 1472(h)) is amended—

(1) by redesignating paragraphs (1) through (13) as paragraphs (2) through (14), respectively;

(2) by inserting before paragraph (2) (as so redesignated) the following new paragraph:

"(1) SHORT TITLE.—This subsection may be cited as the 'Doug Bereuter Section 502 Single Family Housing Loan Guarantee Act'."; and

(3) by striking the subsection designation and heading and inserting the following:

"(h) DOUG BEREUTER SECTION 502 SINGLE FAMILY HOUSING LOAN GUARANTEE PROGRAM.—".

(c) CONFORMING AMENDMENTS.—Subsection (h) of section 502 of the Housing Act of 1949 (42 U.S.C. 1472(h)), as amended by section 2 of this Act, is further amended—

(1) in paragraph (5)(A), by striking "paragraph (12)(A)" and inserting "paragraph (13)"; and

(2) in paragraph (14)—

(A) in subparagraph (A), by striking "GENERAL" and inserting "GENERAL"; and

(B) in subparagraph (E)—

(i) by striking "paragraph (1) and paragraphs (2), (5), (6)(A), (7), and (9)" and inserting "paragraph (2) and paragraphs (3), (6), (7)(A), (8), and (10)"; and

(ii) by striking "paragraphs (1) through (12)" and inserting "paragraphs (2) through (13)".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. GREEN) and the gentleman from Massachusetts (Mr. CAPUANO) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. GREEN).

GENERAL LEAVE

Mr. GREEN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GREEN of Wisconsin. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise today in support of H.R. 4363, the Helping Hands for Homeownership Act of 2004. I would like to begin by thanking the financial services chairman, the gentleman from Ohio (Mr. OXLEY), the ranking member, the gentleman from Massachusetts (Mr. FRANK), and the housing subcommittee chairman, the gentleman from Ohio (Mr. NEY) for expeditiously considering this bill and, of course, my co-author, the gentleman from Tennessee (Mr. FORD).

Mr. Speaker, it is very fitting that we are taking this measure up this week for three reasons. First, of course, June is Homeownership Month. A lot of things have changed in American culture over the years, but one thing has not, homeownership remains the cornerstone of the American dream. The chance to own, the chance to enhance and improve your own home to suit your needs and reflect your own values and personality is very much at the heart of the American ideal. But it is more than that. Homeownership can be the foundation of vibrant neighborhoods and communities. People take better care of their neighborhood when they have a direct stake, financially and otherwise in that neighborhood's future.

I think one of the greatest responsibilities we have in Congress is to make it possible for more Americans from all backgrounds and all walks of life to grasp on to the dream of home ownership. In other words, we must work to make that dream come true, very true, and not just for the most affluent among us.

The second reason it is so appropriate for us to take up and pass this measure today is that it re-enforces the role and the need for non profit and private organizations to help meet this challenge. Last year, the most famous of these organizations, Habitat For Humanity, dedicated its fifty-thousandth and fifty-thousand and first homes in the United States. In its 27-plus years of work, work that began in very modest, very humble ways, Habitat has provided affordable housing for some 750,000 people worldwide.

In the U.S. alone, Habitat has more than 1,670 affiliates covering approximately 80 percent of our population. One of the top producing affiliates is in my home State of Wisconsin. The Milwaukee area Habitat For Humanity built 21 new homes in 2002 alone. That means 21 Milwaukee families realized the American dream. And many Milwaukee neighborhoods gained new stakeholders in the push for a brighter future.

Habitat is the model for faith-based initiatives that Congress does and should support. It fulfills its mission not merely by preaching but by example, by putting its compassion to work. As one of its most recent publications states, "Just as Jesus Christ healed the sick, fed the hungry and restored the soul sick one person at a time, Habitat's strength is in its commitment to eliminate substandard housing one family at a time."

Now, most Americans have heard of Habitat for Humanity. They probably have not heard, however, of how Congress has helped Habitat enhance and expand its work. For example, in 1996, Congress created the Self-Help Home Ownership Opportunity program, called the SHOP program for short. This program offers competitive grants for non profit groups like habitat for humanity to help with land and infrastructure experiences, clearly the two big-ticket items that are necessary for home building.

SHOP funds help fund local groups across the country, help them acquire sites for affordable home and community building. These funds help housing advocates leverage their precious resources and make them go much further, reaching more families and lifting more communities.

However, recent legal interpretation of the 1996 law is jeopardizing the chance for some local groups like many of Habitat's affiliates, to participate in SHOP funded bills. In its 2004 notice of funds available, HUD has concluded that H.R. 4363, the SHOP program, the sweat equity hours that must be fulfilled by the benefiting homeowners, must be earned constructing their own home.

The problem for groups like Habitat is that they are often built on a community building mission and model. Their programs allow folks to earn sweat equity hours on their homes but also the homes of others. For instance, many habitat affiliates run blitz builds where they build a house in one day. Clearly, 24 hours will not be enough for a homeowner to meet the sweat equity requirements under the SHOP interpretation. So Habitat allows for them to participate in other builds to gain additional hours.

In fact, by working on other family's homes, the program has an even greater community development value. It helps build a sense of neighborhood.

H.R. 4363, introduced by the gentleman from Tennessee (Mr. FORD), and myself, makes a technical correction to the SHOP Act and restores the original intent of Congress when it created this program. It allows for blitz build and other community building models to continue the access to precious seed money that SHOP offers.

Finally, Mr. Speaker, the timing of today's action is appropriate because this bill also honors one of our most widely respected colleagues in the House. Have had the distinct pleasure of serving with the gentleman from Nebraska (Mr. BEREUTER) on both the Committee on Financial Services and Committee on International Relation. He is, as anyone here will attest, one of the brightest and most genuine individuals serving in Congress.

My colleague from Nebraska has made his mark in many different areas, but perhaps one of his greatest legacies of the creation of the USDA section 502 single family housing loan guarantee program. Thousands of Americans living in rural parts of country have been able to achieve homeownership through this program. I am honored that this bill will rename the section 502 program after its founder, the gentleman from Nebraska (Congressman BEREUTER). I cannot think of a more fitting tribute. I am honored to have had the chance to work with him for the past few years. I wish he and his family nothing but the best.

Mr. Speaker, I urge my colleagues to support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. CAPUANO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today the House takes up important housing legislation to help communities across America achieve homeownership. The bill we are taking up today was recently passed by a voice vote from the Committee on Financial Services.

H.R. 4363, Helping Hands For Homeownership Act of 2004, introduced by the gentleman from Wisconsin (Mr. GREEN) would make a technical correction for the Housing Opportunity Program Extension Act of 1996 to permit families who receive homes from groups such as Habitat for Humanity to fulfill the sweat equity requirements for receiving self-help homeownership opportunity program funds or SHOP funds by helping to build other Habitat homes in the community in addition to their own.

SHOP provides competitive grants for groups such as Habitat to help with land and infrastructure expenses. This change fulfills the original intent of Congress and corrects the U.S. Department of Housing and Urban Development interpretation which create a hurdle to home ownership, the exact opposite of HUD's mission.

In 1996, Congress created the SHOP program to provide grants to non-profit groups like Habitat for Humanity to help with land and infrastructure expenses. However, because of a new interpretation of SHOP by HUD, Habitat's involvement in the program was placed in jeopardy. Under the new interpretation, families are required to contribute sweat equity labor hours towards the construction of their own home. The legislation of the gentleman from Wisconsin (Mr. GREEN) changes this to allow families to accumulate their sweat equity hours by working on both their own homes and other Habitat homes.

These grants are essential in helping groups like Habitat carry out their mission of building stronger communities. By correcting this problem Congress, will remove a major barrier to home ownership for low income families and give them a chance to help other families in their communities.

Habitat for Humanity's headquarters located Georgia provides information, training and a variety of other support services to Habitat affiliates throughout the world. Habitat for Humanity International is a non-profit, ecumenical, Christian housing ministry. They seek to eliminate poverty housing and homelessness from around the world and to make decent shelter a matter of conscience and action. Habitat invites people of all backgrounds, races and religions to build houses together in partnership with families in need.

Habitat has built more than 150,000 houses around the world providing more than 750,000 people in more than 3,000 communities with safe, decent, and affordable shelter. They were founded in 1976 by Millard Fuller, along with his wife Linda.

Mr. Speaker, I ask that this bill be passed.

Mr. Speaker, I reserve the balance of my time.

Mr. GREEN of Wisconsin. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. Mr. Speaker, I would like to, first of all, congratulate the gentleman from Wisconsin (Mr. GREEN) and the gentleman from Tennessee (Mr. FORD) for bringing forth this legislation, and for really identifying the need for a correction in this very impactful portion of our statute.

As the gentleman had said, there was a recent interpretation of a statute which simply makes achieving the dream of home ownership that much more unattainable, and we are here today to try and make that correction so we can continue as the gentlemen from Massachusetts and Wisconsin have said, making the dream of home ownership that much more attainable.

□ 1430

Many of us have worked on houses which have been built under this program. The gentleman mentions Habitat for Humanity. I think all of us have done that.

Recently, 2 weeks ago, I did participate in the construction of a house with Habitat and with the Richmond Association of Realtors; and in that project, I think the house was completed in 4 days. So we can see the problem: if we require an individual to exhort 200 hours, let us say, of his own sweat equity and try and squeeze that into 4 days during the construction period, it is just not going to work.

So a looser or more flexible interpretation of this, which does not take away from the volunteer requirement of the requisite number of hours, I think accomplishes two things. One, it allows an individual to continue to benefit from the SHOP program; but it also encourages volunteerism and makes that volunteerism more workable to be able to fit into that homeowner's work schedule. Many of the homeowners are single parents, obviously with the parental obligations that come with that role as well.

So, Mr. Speaker, I am here to congratulate and endorse this legislation and urge its passage.

Mr. OSBORNE. Mr. Speaker, I rise in support of H.R. 4363, the Helping Hands for Homeownership Act.

I am pleased to be a cosponsor of this very important legislation.

The legislation corrects an interpretation by the Department of Housing and Urban Development (HUD) in Fiscal Year 2004 which prevents families who received Self-Help Homeownership Opportunity Program funds from fulfilling their "sweat equity" requirement by working on other program homes.

The legislation corrects this interpretation by HUD and clarifies Congress' intent to permit organizations like Habitat for Humanity to allow their homeowners to work on other homes to fulfill their sweat equity requirements.

Each Habitat for Humanity Chapter has established its own requirement for sweat equity hours.

The Habitat for Humanity chapter in Grand Island, Nebraska, requires their homeowners to put in 500 hours of sweat equity.

Mr. Speaker, there have been several instances where the homeowners have put most of their sweat equity into other Habitat for Humanity Homes to fulfill the 500 hour requirement.

I would like to give you two examples.

One Habitat family's home was primarily built by a local high school as learning project.

The family did put sweat equity hours into their home, but had to put the additional required hours into other Habitat homes to complete their sweat equity.

Under this interpretation by HUD, the family would not have been allowed to live in this home since they would not have been able to complete the 500 hours of sweat equity that was required.

Another example from the same chapter was of a family who had completed most of their sweat equity hours in other Habitat homes in the community before construction was to begin on their home.

Before construction was to begin on their home, another Habitat home that had been completed earlier became available when a Habitat family moved out of town, allowing this family an opportunity to purchase the home and move in.

Had this interpretation by HUD been in place, the family would not have been allowed to move into this home because they had not put 500 hours of sweat equity into this Habitat home.

Mr. Speaker, I would like to thank Mr. GREEN for introducing this important legislation.

I would also like to thank Chairman OXLEY and Ranking Member FRANK FOR including an amendment to this legislation that will change the name of the USDA Section 502 Single Family Housing Loan Guarantee Program to the DOUG BEREUTER Section 502 Single Family Housing Loan Guarantee Program.

My colleague, Mr. BEREUTER, was the legislative author of this very important program which was enacted on November 28, 1990.

Since 1990, the program has assisted low- to moderate-income borrowers in obtaining over 316,000 single-family home loans in rural and non-metropolitan communities.

Mr. BEREUTER will be retiring from the House at the end of August, 2004, and this is an appropriate way to thank Mr. BEREUTER for all of his hard work on this essential program that has helped thousands of families become homeowners in rural and non-metropolitan areas.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of H.R. 4363: Helping Hands for Homeownership Act of 2004, which amends the housing opportunity program extension act of 1996 to permit a homeowner under the sweat equity model program to perform required construction time on more than one dwelling.

The "Helping Hands for Homeownership Act of 2004" (H.R. 4363) will permit prospective homebuyers to qualify for "sweat equity" credit when they work on multiple houses rather than exclusively on their own home. This important change will enable Americans to gain valuable labor skills, foster stronger communities, and make more Americans homeowners by making home ownership more accessible.

Sweat equity programs allows families and individuals to purchase a home in return for their labor. These programs significantly reduce construction and rehabilitation costs, as well as financial contributions.

As the Housing Opportunity Program Extension Act currently stands, individuals participating in sweat equity programs are permitted to work on only one dwelling to perform required construction time. With this act, we will extend the opportunity for individuals to work on multiple dwellings, which will provide Americans with greater access to home ownership.

In a country where a home valued at more than $170,000.00 is considered affordable, we must take measures to make home ownership more realistic for the average American. What better way to build community than to provide financial incentives to perform required construction time on more than one dwelling?

It is our responsibility to make sure that our children are not exposed to increased risk of diseases like asthma because of the lack of affordable, decent housing. We have the opportunity to extend the opportunity for success, community and home ownership by enabling those participating in sweat equity programs to work on more than one dwelling.

Mr. Speaker, I would like to urge my colleagues to support a H.R. 4363, a bill that actually empowers individuals to become home owners, builds communities, and provides citizens with valuable skill sets. Affordable and decent housing should be a right in this country, and providing citizens with more accessibility to home ownership is our duty.

Mr. CAPUANO. Mr. Speaker, I yield back the balance of my time.

Mr. GREEN of Wisconsin. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TERRY). The question is on the motion offered by the gentleman from Wisconsin (Mr. GREEN) that the House suspend the rules and pass the bill, H.R. 4363, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. GREEN of Wisconsin. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

BUNNING-BEREUTER-BLUMENAUER FLOOD INSURANCE REFORM ACT OF 2004

Mr. GREEN of Wisconsin. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2238) to amend the National Flood Insurance Act of 1968 to reduce losses to properties for which repetitive flood insurance claim payments have been made.

The Clerk read as follows:

S. 2238

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Bunning-Bereuter-Blumenaur Flood Insurance Reform Act of 2004".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Congressional findings.

TITLE I—AMENDMENTS TO FLOOD INSURANCE ACT OF 1968

Sec. 101. Extension of program and consolidation of authorizations.
Sec. 102. Establishment of pilot program for mitigation of severe repetitive loss properties.
Sec. 103. Amendments to existing flood mitigation assistance program.
Sec. 104. FEMA authority to fund mitigation activities for individual repetitive claims properties.
Sec. 105. Amendments to additional coverage for compliance with land use and control measures.
Sec. 106. Actuarial rate properties.
Sec. 107. Geospatial digital flood hazard data.
Sec. 108. Replacement of mobile homes on original sites.
Sec. 109. Reiteration of FEMA responsibility to map mudslides.

TITLE II—MISCELLANEOUS PROVISIONS

Sec. 201. Definitions.
Sec. 202. Supplemental forms.
Sec. 203. Acknowledgement form.
Sec. 204. Flood insurance claims handbook.

Sec. 205. Appeal of decisions relating to flood insurance coverage.
Sec. 206. Study and report on use of cost compliance coverage.
Sec. 207. Minimum training and education requirements.
Sec. 208. GAO study and report..
Sec. 209. Prospective payment of flood insurance premiums.
Sec. 210. Report on changes to fee schedule or fee payment arrangements.

SEC. 2. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) the national flood insurance program—

(A) identifies the flood risk;

(B) provides flood risk information to the public;

(C) encourages State and local governments to make appropriate land use adjustments to constrict the development of land which is exposed to flood damage and minimize damage caused by flood losses; and

(D) makes flood insurance available on a nationwide basis that would otherwise not be available, to accelerate recovery from floods, mitigate future losses, save lives, and reduce the personal and national costs of flood disasters;

(2) the national flood insurance program insures approximately 4,400,000 policyholders;

(3) approximately 48,000 properties currently insured under the program have experienced, within a 10-year period, 2 or more flood losses where each such loss exceeds the amount $1,000;

(4) approximately 10,000 of these repetitive-loss properties have experienced either 2 or 3 losses that cumulatively exceed building value or 4 or more losses, each exceeding $1,000;

(5) repetitive-loss properties constitute a significant drain on the resources of the national flood insurance program, costing about $200,000,000 annually;

(6) repetitive-loss properties comprise approximately 1 percent of currently insured properties but are expected to account for 25 to 30 percent of claims losses;

(7) the vast majority of repetitive-loss properties were built before local community implementation of floodplain management standards under the program and thus are eligible for subsidized flood insurance;

(8) while some property owners take advantage of the program allowing subsidized flood insurance without requiring mitigation action, others are trapped in a vicious cycle of suffering flooding, then repairing flood damage, then suffering flooding, without the means to mitigate losses or move out of harm's way;

(9) mitigation of repetitive-loss properties through buyouts, elevations, relocations, or flood-proofing will produce savings for policyholders under the program and for Federal taxpayers through reduced flood insurance losses and reduced Federal disaster assistance;

(10) a strategy of making mitigation offers aimed at high-priority repetitive-loss properties and shifting more of the burden of recovery costs to property owners who choose to remain vulnerable to repetitive flood damage can encourage property owners to take appropriate actions that reduce loss of life and property damage and benefit the financial soundness of the program;

(11) the method for addressing repetitive-loss properties should be flexible enough to take into consideration legitimate circumstances that may prevent an owner from taking a mitigation action; and

(12) focusing the mitigation and buy-out of repetitive loss properties upon communities and property owners that choose to voluntarily participate in a mitigation and buy-out program will maximize the benefits of such a program, while minimizing any adverse impact on communities and property owners.

TITLE I—AMENDMENTS TO FLOOD INSURANCE ACT OF 1968

SEC. 101. EXTENSION OF PROGRAM AND CONSOLIDATION OF AUTHORIZATIONS.

(a) Borrowing Authority.—The first sentence of section 1309(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4016(a)), is amended by striking "through December" and all that follows through ", and" and inserting "through the date specified in section 1319, and".

(b) Authority for Contracts.—Section 1319 of the National Flood Insurance Act of 1968 (42 U.S.C. 4026), is amended by striking "after" and all that follows and inserting "after September 30, 2008.".

(c) Emergency Implementation.—Section 1336(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4056(a)), is amended by striking "during the period" and all that follows through "in accordance" and inserting "during the period ending on the date specified in section 1319, in accordance".

(d) Authorization of Appropriations for Studies.—Section 1376(c) of the National Flood Insurance Act of 1968 (42 U.S.C. 4127(c)), is amended by striking "through" and all that follows and inserting "through the date specified in section 1319, for studies under this title.".

SEC. 102. ESTABLISHMENT OF PILOT PROGRAM FOR MITIGATION OF SEVERE REPETITIVE LOSS PROPERTIES.

(a) In General.—The National Flood Insurance Act of 1968 is amended by inserting after section 1361 (42 U.S.C. 4102) the following:

"SEC. 1361A. PILOT PROGRAM FOR MITIGATION OF SEVERE REPETITIVE LOSS PROPERTIES.

"(a) Authority.—To the extent amounts are made available for use under this section, the Director may, subject to the limitations of this section, provide financial assistance to States and communities that decide to participate in the pilot program established under this section for taking actions with respect to severe repetitive loss properties (as such term is defined in subsection (b)) to mitigate flood damage to such properties and losses to the National Flood Insurance Fund from such properties.

"(b) Severe Repetitive Loss Property.—For purposes of this section, the term 'severe repetitive loss property' has the following meaning:

"(1) Single-family properties.—In the case of a property consisting of 1 to 4 residences, such term means a property that—

"(A) is covered under a contract for flood insurance made available under this title; and

"(B) has incurred flood-related damage—

"(i) for which 4 or more separate claims payments have been made under flood insurance coverage under this title, with the amount of each such claim exceeding $5,000, and with the cumulative amount of such claims payments exceeding $20,000; or

"(ii) for which at least 2 separate claims payments have been made under such coverage, with the cumulative amount of such claims exceeding the value of the property.

"(2) Multifamily properties.—In the case of a property consisting of 5 or more residences, such term shall have such meaning as the Director shall by regulation provide.

"(c) Eligible Activities.—Amounts provided under this section to a State or community may be used only for the following activities:

"(1) Mitigation activities.—To carry out mitigation activities that reduce flood damages to severe repetitive loss properties, including elevation, relocation, demolition, and floodproofing of structures, and minor physical localized flood control projects, and the demolition and rebuilding of properties to at least Base Flood Elevation or greater, if required by any local ordinance.

"(2) Purchase.—To purchase severe repetitive loss properties, subject to subsection (g).

"(d) Matching Requirement.—

"(1) In general.—Except as provided in paragraph (2), in any fiscal year the Director may not provide assistance under this section to a State or community in an amount exceeding 3 times the amount that the State or community certifies, as the Director shall require, that the State or community will contribute from non-Federal funds for carrying out the eligible activities to be funded with such assistance amounts.

"(2) Reduced community match.—With respect to any 1-year period in which assistance is made available under this section, the Director may adjust the contribution required under paragraph (1) by any State, and for the communities located in that State, to not less than 10 percent of the cost of the activities for each severe repetitive loss property for which grant amounts are provided if, for such year—

"(A) the State has an approved State mitigation plan meeting the requirements for hazard mitigation planning under section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5165) that specifies how the State intends to reduce the number of severe repetitive loss properties; and

"(B) the Director determines, after consultation with the State, that the State has taken actions to reduce the number of such properties.

"(3) Non-federal funds.—For purposes of this subsection, the term 'non-Federal funds' includes State or local agency funds, in-kind contributions, any salary paid to staff to carry out the eligible activities of the recipient, the value of the time and services contributed by volunteers to carry out such activities (at a rate determined by the Director), and the value of any donated material or building and the value of any lease on a building.

"(e) Notice of Mitigation Program.—

"(1) In general.—Upon selecting a State or community to receive assistance under subsection (a) to carry out eligible activities, the Director shall notify the owners of a severe repetitive loss property, in plain language, within that State or community—

"(A) that their property meets the definition of a severe repetitive loss property under this section;

"(B) that they may receive an offer of assistance under this section;

"(C) of the types of assistance potentially available under this section;

"(D) of the implications of declining such offer of assistance under this section; and

"(E) that there is a right to appeal under this section.

"(2) Identification of severe repetitive loss properties.—The Director shall take such steps as are necessary to identify severe repetitive loss properties, and submit that information to the relevant States and communities.

"(f) Standards for Mitigation Offers.—The program under this section for providing assistance for eligible activities for severe repetitive loss properties shall be subject to the following limitations:

"(1) PRIORITY.—In determining the properties for which to provide assistance for eligible activities under subsection (c), the Director shall provide assistance for properties in the order that will result in the greatest amount of savings to the National Flood Insurance Fund in the shortest period of time, in a manner consistent with the allocation formula under paragraph (5).

"(2) OFFERS.—The Director shall provide assistance in a manner that permits States and communities to make offers to owners of severe repetitive loss properties to take eligible activities under subsection (c) as soon as practicable.

"(3) CONSULTATION.—In determining for which eligible activities under subsection (c) to provide assistance with respect to a severe repetitive loss property, the relevant States and communities shall consult, to the extent practicable, with the owner of the property.

"(4) DEFERENCE TO LOCAL MITIGATION DECISIONS.—The Director shall not, by rule, regulation, or order, establish a priority for funding eligible activities under this section that gives preference to one type or category of eligible activity over any other type or category of eligible activity.

"(5) ALLOCATION.—

"(A) IN GENERAL.—Subject to subparagraphs (B) and (C), of the total amount made available for assistance under this section in any fiscal year, the Director shall allocate assistance to a State, and the communities located within that State, based upon the percentage of the total number of severe repetitive loss properties located within that State.

"(B) REDISTRIBUTION.—Any funds allocated to a State, and the communities within the State, under subparagraph (A) that have not been obligated by the end of each fiscal year shall be redistributed by the Director to other States and communities to carry out eligible activities in accordance with this section.

"(C) EXCEPTION.—Of the total amount made available for assistance under this section in any fiscal year, 10 percent shall be made available to communities that—

"(i) contain one or more severe repetitive loss properties; and

"(ii) are located in States that receive little or no assistance, as determined by the Director, under the allocation formula under subparagraph (A).

"(6) NOTICE.—Upon making an offer to provide assistance with respect to a property for any eligible activity under subsection (c), the State or community shall notify each holder of a recorded interest on the property of such offer and activity.

"(g) PURCHASE OFFERS.—A State or community may take action under subsection (c)(2) to purchase a severe repetitive loss property only if the following requirements are met:

"(1) USE OF PROPERTY.—The State or community enters into an agreement with the Director that provides assurances that the property purchased will be used in a manner that is consistent with the requirements of section 404(b)(2)(B) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c(b)(2)(B)) for properties acquired, accepted, or from which a structure will be removed pursuant to a project provided property acquisition and relocation assistance under such section 404(b).

"(2) OFFERS.—The Director shall provide assistance in a manner that permits States and communities to make offers to owners of severe repetitive loss properties and of associated land to engage in eligible activities as soon as possible.

"(3) PURCHASE PRICE.—The amount of purchase offer is not less than the greatest of—

"(A) the amount of the original purchase price of the property, when purchased by the holder of the current policy of flood insurance under this title;

"(B) the total amount owed, at the time the offer to purchase is made, under any loan secured by a recorded interest on the property; and

"(C) an amount equal to the fair market value of the property immediately before the most recent flood event affecting the property, or an amount equal to the current fair market value of the property.

"(4) COMPARABLE HOUSING PAYMENT.—If a purchase offer made under paragraph (2) is less than the cost of the homeowner-occupant to purchase a comparable replacement dwelling outside the flood hazard area in the same community, the Director shall make available an additional relocation payment to the homeowner-occupant to apply to the difference.

"(h) INCREASED PREMIUMS IN CASES OF REFUSAL TO MITIGATE.—

"(1) IN GENERAL.—In any case in which the owner of a severe repetitive loss property refuses an offer to take action under paragraph (1) or (2) of subsection (c) with respect to such property, the Director shall—

"(A) notify each holder of a recorded interest on the property of such refusal; and

"(B) notwithstanding subsections (a) through (c) of section 1308, thereafter the chargeable premium rate with respect to the property shall be the amount equal to 150 percent of the chargeable rate for the property at the time that the offer was made, as adjusted by any other premium adjustments otherwise applicable to the property and any subsequent increases pursuant to paragraph (2) and subject to the limitation under paragraph (3).

"(2) INCREASED PREMIUMS UPON SUBSEQUENT FLOOD DAMAGE.—Notwithstanding subsections (a) through (c) of section 1308, if the owner of a severe repetitive loss property does not accept an offer to take action under paragraph (1) or (2) of subsection (c) with respect to such property and a claim payment exceeding $1,500 is made under flood insurance coverage under this title for damage to the property caused by a flood event occurring after such offer is made, thereafter the chargeable premium rate with respect to the property shall be the amount equal to 150 percent of the chargeable rate for the property at the time of such flood event, as adjusted by any other premium adjustments otherwise applicable to the property and any subsequent increases pursuant to this paragraph and subject to the limitation under paragraph (3).

"(3) LIMITATION ON INCREASED PREMIUMS.—In no case may the chargeable premium rate for a severe repetitive loss property be increased pursuant to this subsection to an amount exceeding the applicable estimated risk premium rate for the area (or subdivision thereof) under section 1307(a)(1).

"(4) TREATMENT OF DEDUCTIBLES.—Any increase in chargeable premium rates required under this subsection for a severe repetitive loss property may be carried out, to the extent appropriate, as determined by the Director, by adjusting any deductible charged in connection with flood insurance coverage under this title for the property.

"(5) NOTICE OF CONTINUED OFFER.—Upon each renewal or modification of any flood insurance coverage under this title for a severe repetitive loss property, the Director shall notify the owner that the offer made pursuant to subsection (c) is still open.

"(6) APPEALS.—

"(A) IN GENERAL.—Any owner of a severe repetitive loss property may appeal a determination of the Director to take action under paragraph (1)(B) or (2) with respect to such property, based only upon the following grounds:

"(i) As a result of such action, the owner of the property will not be able to purchase a replacement primary residence of comparable value and that is functionally equivalent.

"(ii) Based on independent information, such as contractor estimates or appraisals, the property owner believes that the price offered for purchasing the property is not an accurate estimation of the value of the property, or the amount of Federal funds offered for mitigation activities, when combined with funds from non-Federal sources, will not cover the actual cost of mitigation.

"(iii) As a result of such action, the preservation or maintenance of any prehistoric or historic district, site, building, structure, or object included in, or eligible for inclusion in, the National Register of Historic Places will be interfered with, impaired, or disrupted.

"(iv) The flooding that resulted in the flood insurance claims described in subsection (b)(2) for the property resulted from significant actions by a third party in violation of Federal, State, or local law, ordinance, or regulation.

"(v) In purchasing the property, the owner relied upon flood insurance rate maps of the Federal Emergency Management Agency that were current at the time and did not indicate that the property was located in an area having special flood hazards.

"(vi) The owner of the property, based on independent information, such as contractor estimates or other appraisals, demonstrates that an alternative eligible activity under subsection (c) is at least as cost effective as the initial offer of assistance.

"(B) PROCEDURE.—An appeal under this paragraph of a determination of the Director shall be made by filing, with the Director, a request for an appeal within 90 days after receiving notice of such determination. Upon receiving the request, the Director shall select, from a list of independent third parties compiled by the Director for such purpose, a party to hear such appeal. Within 90 days after filing of the request for the appeal, such third party shall review the determination of the Director and shall set aside such determination if the third party determines that the grounds under subparagraph (A) exist. During the pendency of an appeal under this paragraph, the Director shall stay the applicability of the rates established pursuant to paragraph (1)(B) or (2), as applicable.

"(C) EFFECT OF FINAL DETERMINATION.—In an appeal under this paragraph—

"(i) if a final determination is made in favor of the property owner under subparagraph (A) exist, the third party hearing such appeal shall require the Director to reduce the chargeable risk premium rate for flood insurance coverage for the property involved in the appeal from the amount required under paragraph (1)(B) or (2) to the amount paid prior to the offer to take action under paragraph (1) or (2) of subsection (c); and

"(ii) if a final determination is made that the grounds under subparagraph (A) do not exist, the Director shall promptly increase the chargeable risk premium rate for such property to the amount established pursuant to paragraph (1)(B) or (2), as applicable, and shall collect from the property owner the amount necessary to cover the stay of the applicability of such increased rates during the pendency of the appeal.

"(D) Costs.—If the third party hearing an appeal under this paragraph is compensated for such service, the costs of such compensation shall be borne—

"(i) by the owner of the property requesting the appeal, if the final determination in the appeal is that the grounds under subparagraph (A) do not exist; and

"(ii) by the National Flood Insurance Fund, if such final determination is that the grounds under subparagraph (A) do exist.

"(E) Report.—Not later than 6 months after the date of the enactment of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004, the Director shall submit a report describing the rules, procedures, and administration for appeals under this paragraph to—

"(i) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

"(ii) the Committee on Financial Services of the House of Representatives.

"(i) Discretionary Actions in Cases of Fraudulent Claims.—If the Director determines that a fraudulent claim was made under flood insurance coverage under this title for a severe repetitive loss property, the Director may—

"(1) cancel the policy and deny the provision to such policyholder of any new flood insurance coverage under this title for the property; or

"(2) refuse to renew the policy with such policyholder upon expiration and deny the provision of any new flood insurance coverage under this title to such policyholder for the property.

"(j) Rules.—

"(1) In general.—The Director shall, by rule—

"(A) subject to subsection (f)(4), develop procedures for the distribution of funds to States and communities to carry out eligible activities under this section; and

"(B) ensure that the procedures developed under paragraph (1)—

"(i) require the Director to notify States and communities of the availability of funding under this section, and that participation in the pilot program under this section is optional;

"(ii) provide that the Director may assist States and communities in identifying severe repetitive loss properties within States or communities;

"(iii) allow each State and community to select properties to be the subject of eligible activities, and the appropriate eligible activity to be performed with respect to each severe repetitive loss property; and

"(iv) require each State or community to submit a list of severe repetitive loss properties to the Director that the State or community would like to be the subject of eligible activities under this section.

"(2) Consultation.—Not later than 90 days after the date of enactment of this Act, the Director shall consult with State and local officials in carrying out paragraph (1)(A), and provide an opportunity for an oral presentation, on the record, of data and arguments from such officials.

"(k) Funding.—

"(1) In general.—Pursuant to section 1310(a)(8), the Director may use amounts from the National Flood Insurance Fund to provide assistance under this section in each of fiscal years 2005, 2006, 2007, 2008, and 2009, except that the amount so used in each such fiscal year may not exceed $40,000,000 and shall remain available until expended. Notwithstanding any other provision of this title, amounts made available pursuant to this subsection shall not be subject to offsetting collections through premium rates for flood insurance coverage under this title.

"(2) Administrative expenses.—Of the amounts made available under this subsection, the Director may use up to 5 percent for expenses associated with the administration of this section.

"(l) Termination.—The Director may not provide assistance under this section to any State or community after September 30, 2009.".

(b) Availability of National Flood Insurance Fund Amounts.—Section 1310(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4017(a)) is amended—

(1) in paragraph (7), by striking "and" at the end; and

(2) by striking paragraph (8) and inserting the following:

"(8) for financial assistance under section 1361A to States and communities for taking actions under such section with respect to severe repetitive loss properties, but only to the extent provided in section 1361A(i); and".

SEC. 103. AMENDMENTS TO EXISTING FLOOD MITIGATION ASSISTANCE PROGRAM.

(a) Standard for Approval of Mitigation Plans.—Section 1366(e)(3) of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c) is amended by adding at the end the following new sentence: "The Director may approve only mitigation plans that give priority for funding to such properties, or to such subsets of properties, as are in the best interest of the National Flood Insurance Fund.".

(b) Priority for Mitigation Assistance.—Section 1366(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c) is amended by striking paragraph (4) and inserting the following:

"(4) Priority for mitigation assistance.—In providing grants under this subsection for mitigation activities, the Director shall give first priority for funding to such properties, or to such subsets of such properties as the Director may establish, that the Director determines are in the best interests of the National Flood Insurance Fund and for which matching amounts under subsection (f) are available.".

(c) Coordination With States and Communities.—Section 1366 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c) is amended by adding at the end the following:

"(m) Coordination With States and Communities.—The Director shall, in consultation and coordination with States and communities take such actions as are appropriate to encourage and improve participation in the national flood insurance program of owners of properties, including owners of properties that are not located in areas having special flood hazards (the 100-year floodplain), but are located within flood prone areas.".

(d) Funding.—Section 1367 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104d), is amended—

(1) in subsection (b), by striking paragraph (1) and inserting the following:

"(1) in each fiscal year, amounts from the National Flood Insurance Fund not exceeding $40,000,000, to remain available until expended;";

(2) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(3) by inserting after subsection (b) the following:

"(c) Administrative Expenses.—The Director may use not more than 5 percent of amounts made available under subsection (b) to cover salaries, expenses, and other administrative costs incurred by the Director to make grants and provide assistance under sections 1366 and 1323.".

(e) Reduced Community Match.—Section 1366(g) of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c(g)), is amended—

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following:

"(2) Reduced community match.—With respect to any 1-year period in which assistance is made available under this section, the Director may adjust the contribution required under paragraph (1) by any State, and for the communities located in that State, to not less than 10 percent of the cost of the activities for each severe repetitive loss property for which grant amounts are provided if, for such year—

"(A) the State has an approved State mitigation plan meeting the requirements for hazard mitigation planning under section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5165) that specifies how the State intends to reduce the number of severe repetitive loss properties; and

"(B) the Director determines, after consultation with the State, that the State has taken actions to reduce the number of such properties.".

(f) National Flood Mitigation Fund.—Section 1366(b)(2) of the National Flood Insurance Act of 1968 (42 U.S.C. 4104c(b)(2)), is amended by striking "$1,500,000" and inserting "7.5 percent of the available funds under this section".

SEC. 104. FEMA AUTHORITY TO FUND MITIGATION ACTIVITIES FOR INDIVIDUAL REPETITIVE CLAIMS PROPERTIES.

(a) In General.—Chapter I of the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.) is amended by adding at the end the following:

"SEC. 1323. GRANTS FOR REPETITIVE INSURANCE CLAIMS PROPERTIES.

"(a) In General.—The Director may provide funding for mitigation actions that reduce flood damages to individual properties for which 1 or more claim payments for losses have been made under flood insurance coverage under this title, but only if the Director determines that—

"(1) such activities are in the best interest of the National Flood Insurance Fund; and

"(2) such activities cannot be funded under the program under section 1366 because—

"(A) the requirements of section 1366(g) are not being met by the State or community in which the property is located; or

"(B) the State or community does not have the capacity to manage such activities.

"(b) Priority for Worst-Case Properties.—In determining the properties for which funding is to be provided under this section, the Director shall consult with the States in which such properties are located and provide assistance for properties in the order that will result in the greatest amount of savings to the National Flood Insurance Fund in the shortest period of time.".

(b) Availability of National Flood Insurance Fund Amounts.—Section 1310(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4017(a)) is amended by adding at the end the following:

"(9) for funding, not to exceed $10,000,000 in any fiscal year, for mitigation actions under section 1323, except that, notwithstanding any other provision of this title, amounts made available pursuant to this paragraph shall not be subject to offsetting collections through premium rates for flood insurance coverage under this title.".

SEC. 105. AMENDMENTS TO ADDITIONAL COVERAGE FOR COMPLIANCE WITH LAND USE AND CONTROL MEASURES.

(a) Compliance With Land Use and Control Measures.—Section 1304(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4011(b)) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking "compliance" and inserting "implementing measures that are consistent"; and

(B) by inserting "by the community" after "established";

(2) in paragraph (2), by striking "have flood damage in which the cost of repairs equals or exceeds 50 percent of the value of the structure at the time of the flood event; and" and inserting "are substantially damaged structures;"

(3) in paragraph (3), by striking "compliance with land use and control measures." and inserting "the implementation of such measures; and"; and

(4) by inserting after paragraph (3) and before the last undesignated paragraph the following:

"(4) properties for which an offer of mitigation assistance is made under—

"(A) section 1366 (Flood Mitigation Assistance Program);

"(B) section 1368 (Repetitive Loss Priority Program and Individual Priority Property Program);

"(C) the Hazard Mitigation Grant Program authorized under section 404 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C. 5170c);

"(D) the Predisaster Hazard Mitigation Program under section 203 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C. 5133); and

"(E) any programs authorized or for which funds are appropriated to address any unmet needs or for which supplemental funds are made available.".

(b) Definitions.—Section 1370(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4121(a)) is amended—

(1) by striking paragraph (7) and inserting the following:

"(7) the term 'repetitive loss structure' means a structure covered by a contract for flood insurance that—

"(A) has incurred flood-related damage on 2 occasions, in which the cost of repair, on the average, equaled or exceeded 25 percent of the value of the structure at the time of each such flood event; and

"(B) at the time of the second incidence of flood-related damage, the contract for flood insurance contains increased cost of compliance coverage.";

(2) in paragraph (13), by striking "and" at the end;

(3) in paragraph (14), by striking the period and inserting "; and"; and

(4) by adding at the end the following:

"(15) the term 'substantially damaged structure' means a structure covered by a contract for flood insurance that has incurred damage for which the cost of repair exceeds an amount specified in any regulation promulgated by the Director, or by a community ordinance, whichever is lower.".

SEC. 106. ACTUARIAL RATE PROPERTIES.

(a) In General.—Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015) is amended by striking subsection (c) and inserting the following:

"(c) Actuarial Rate Properties.—Subject only to the limitations provided under paragraphs (1) and (2), the chargeable rate shall not be less than the applicable estimated risk premium rate for such area (or subdivision thereof) under section 1307(a)(1) with respect to the following properties:

"(1) Post-firm properties.—Any property the construction or substantial improvement of which the Director determines has been started after December 31, 1974, or started after the effective date of the initial rate map published by the Director under paragraph (2) of section 1360 for the area in which such property is located, whichever is later, except that the chargeable rate for properties under this paragraph shall be subject to the limitation under subsection (e).

"(2) Certain leased coastal and river properties.—Any property leased from the Federal Government (including residential and nonresidential properties) that the Director determines is located on the river-facing side of any dike, levee, or other riverine flood control structure, or seaward of any seawall or other coastal flood control structure.".

(b) Inapplicability of Annual Limitations on Premium Increases.—Section 1308(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4015(e)) is amended by striking "Notwithstanding" and inserting "Except with respect to properties described under paragraph (2) or (3) of subsection (c), and notwithstanding".

SEC. 107. GEOSPATIAL DIGITAL FLOOD HAZARD DATA.

For the purposes of flood insurance and floodplain management activities conducted pursuant to the National Flood Insurance Program under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), geospatial digital flood hazard data distributed by the Federal Emergency Management Agency, or its designee, or the printed products derived from that data, are interchangeable and legally equivalent for the determination of the location of 1 in 100 -year and 1 in 500 year flood planes, provided that all other geospatial data shown on the printed product meets or exceeds any accuracy standard promulgated by the Federal Emergency Management Agency.

SEC. 108. REPLACEMENT OF MOBILE HOMES ON ORIGINAL SITES.

Section 1315 of the National Flood Insurance Act of 1968 (42 U.S.C. 4022) is amended by adding at the end the following:

"(c) Replacement of Mobile Homes on Original Sites.—

"(1) Community participation.—The placement of any mobile home on any site shall not affect the eligibility of any community to participate in the flood insurance program under this title and the Flood Disaster Protection Act of 1973 (notwithstanding that such placement may fail to comply with any elevation or flood damage mitigation requirements), if—

"(A) such mobile home was previously located on such site;

"(B) such mobile home was relocated from such site because of flooding that threatened or affected such site; and

"(C) such replacement is conducted not later than the expiration of the 180-day period that begins upon the subsidence (in the area of such site) of the body of water that flooded to a level considered lower than flood levels.

"(2) Definition.—For purposes of this subsection, the term 'mobile home' has the meaning given such term in the law of the State in which the mobile home is located.".

SEC. 109. REITERATION OF FEMA RESPONSIBILITY TO MAP MUDSLIDES.

As directed in section 1360(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4101(b)), the Director of the Federal Emergency Management Agency is again directed to accelerate the identification of risk zones within flood-prone and mudslide-prone areas, as provided by subsection (a)(2) of such section 1360, in order to make known the degree of hazard within each such zone at the earliest possible date.

TITLE II—MISCELLANEOUS PROVISIONS

SEC. 201. DEFINITIONS.

In this title, the following definitions shall apply:

(1) Director.—The term "Director" means the Director of the Federal Emergency Management Agency.

(2) Flood insurance policy.—The term "flood insurance policy" means a flood insurance policy issued under the National Flood Insurance Act of 1968 (42 U.S.C. et seq.).

(3) Program.—The term "Program" means the National Flood Insurance Program established under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).

SEC. 202. SUPPLEMENTAL FORMS.

(a) In General.—Not later than 6 months after the date of enactment of this Act, the Director shall develop supplemental forms to be issued in conjunction with the issuance of a flood insurance policy that set forth, in simple terms—

(1) the exact coverages being purchased by a policyholder;

(2) any exclusions from coverage that apply to the coverages purchased;

(3) an explanation, including illustrations, of how lost items and damages will be valued under the policy at the time of loss;

(4) the number and dollar value of claims filed under a flood insurance policy over the life of the property, and the effect, under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), of the filing of any further claims under a flood insurance policy with respect to that property; and

(5) any other information that the Director determines will be helpful to policyholders in understanding flood insurance coverage.

(b) Distribution.—The forms developed under subsection (a) shall be given to—

(1) all holders of a flood insurance policy at the time of purchase and renewal; and

(2) insurance companies and agents that are authorized to sell flood insurance policies.

SEC. 203. ACKNOWLEDGEMENT FORM.

(a) In General.—Not later than 6 months after the date of enactment of this Act, the Director shall develop an acknowledgement form to be signed by the purchaser of a flood insurance policy that contains—

(1) an acknowledgement that the purchaser has received a copy of the standard flood insurance policy, and any forms developed under section 202; and

(2) an acknowledgement that the purchaser has been told that the contents of a property or dwelling are not covered under the terms of the standard flood insurance policy, and that the policyholder has the option to purchase additional coverage for such contents.

(b) Distribution.—Copies of an acknowledgement form executed under subsection (a) shall be made available to the purchaser and the Director.

SEC. 204. FLOOD INSURANCE CLAIMS HANDBOOK.

(a) In General.—Not later than 6 months after the date of enactment of this Act, the

Director shall develop a flood insurance claims handbook that contains—

(1) a description of the procedures to be followed to file a claim under the Program, including how to pursue a claim to completion;

(2) how to file supplementary claims, proof of loss, and any other information relating to the filing of claims under the Program; and

(3) detailed information regarding the appeals process established under section 205.

(b) Distribution.—The handbook developed under subsection (a) shall be made available to—

(1) each insurance company and agent authorized to sell flood insurance policies; and

(2) each purchaser, at the time of purchase and renewal, of a flood insurance policy, and at the time of any flood loss sustained by such purchaser.

SEC. 205. APPEAL OF DECISIONS RELATING TO FLOOD INSURANCE COVERAGE.

Not later than 6 months after the date of enactment of this Act, the Director shall, by regulation, establish an appeals process through which holders of a flood insurance policy may appeal the decisions, with respect to claims, proofs of loss, and loss estimates relating to such flood insurance policy, of—

(1) any insurance agent or adjuster, or insurance company; or

(2) any employee or contractor of the Federal Emergency Management Agency.

SEC. 206. STUDY AND REPORT ON USE OF COST COMPLIANCE COVERAGE.

Not later than 1 year after the date of enactment of this Act, the Director of the Federal Emergency Management Agency shall submit to Congress a report that sets forth—

(1) the use of cost of compliance coverage under section 1304(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4011(b)) in connection with flood insurance policies;

(2) any barriers to policyholders using the funds provided by cost of compliance coverage under that section 1304(b) under a flood insurance policy, and recommendations to address those barriers; and

(3) the steps that the Federal Emergency Management Agency has taken to ensure that funds paid for cost of compliance coverage under that section 1304(b) are being used to lessen the burdens on all homeowners and the Program.

SEC. 207. MINIMUM TRAINING AND EDUCATION REQUIREMENTS.

The Director of the Federal Emergency Management Agency shall, in cooperation with the insurance industry, State insurance regulators, and other interested parties—

(1) establish minimum training and education requirements for all insurance agents who sell flood insurance policies; and

(2) not later than 6 months after the date of enactment of this Act, publish these requirements in the Federal Register, and inform insurance companies and agents of the requirements.

SEC. 208. GAO STUDY AND REPORT.

(a) Study.—The Comptroller General of the United States shall conduct a study of—

(1) the adequacy of the scope of coverage provided under flood insurance policies in meeting the intended goal of Congress that flood victims be restored to their pre-flood conditions, and any recommendations to ensure that goal is being met;

(2) the adequacy of payments to flood victims under flood insurance policies; and

(3) the practices of the Federal Emergency Management Agency and insurance adjusters in estimating losses incurred during a flood, and how such practices affect the adequacy of payments to flood victims.

(b) Report.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall submit to Congress a report regarding the results of the study under subsection (a).

SEC. 209. PROSPECTIVE PAYMENT OF FLOOD INSURANCE PREMIUMS.

Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015) is amended by adding at the end the following:

"(f) Adjustment of Premium.—Notwithstanding any other provision of law, if the Director determines that the holder of a flood insurance policy issued under this Act is paying a lower premium than is required under this section due to an error in the flood plain determination, the Director may only prospectively charge the higher premium rate.".

SEC. 210. REPORT ON CHANGES TO FEE SCHEDULE OR FEE PAYMENT ARRANGEMENTS.

Not later than 3 months after the date of enactment of this Act, the Director shall submit a report on any changes or modifications made to the fee schedule or fee payment arrangements between the Federal Emergency Management Agency and insurance adjusters who provide services with respect to flood insurance policies to—

(1) the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(2) the Committee on Financial Services of the House of Representatives.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. GREEN) and the gentleman from Massachusetts (Mr. FRANK) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. GREEN).

GENERAL LEAVE

Mr. GREEN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. 2238.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GREEN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of S. 2238, the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act, legislation to reauthorize and reform the National Flood Insurance Program.

The legislation we are considering here today is a must-do bill. Currently, this program is set to expire on June 30 of this year; and without this program, the ability to close a loan and purchase a new home in literally thousands of communities all across this country will be placed in jeopardy.

The NFIP was established by Congress with the passage of the National Insurance Act of 1968. The NFIP is a Federal program enabling property owners in participating companies to purchase insurance as a protection against flood losses in exchange for State and community floodplain management regulations that reduce future flood damages.

Unfortunately, one of the authors of this important legislation, the gentleman from Nebraska (Mr. BEREUTER), is unable to be with us here today. However, we would be remiss if we did not recognize his tireless efforts on this bill. For over 14 years, the gentleman from Nebraska (Mr. BEREUTER) has worked hard to craft legislation that would reduce the cost of this program to the American taxpayer. Today, repetitive-loss properties cost the NFIP about $200 million each year. These properties account for only 1 percent of the currently insured properties across the country; yet they represent 25 to 30 percent of all claims paid.

Under our current program, repetitive loss properties are eligible for subsidized flood insurance at rates far below the actuarial rate they should be paying. With the passage of this legislation, people living in flood-prone areas will be provided assistance to reduce their risk of flooding. If they choose not to reduce their risk of flooding, they will be required to pay higher premiums.

In addition to reauthorizing the existing Flood Mitigation Assistance program through 2008, the bill establishes a new pilot program aimed at reducing the number of severe repetitive-loss properties and provides $40 million to help reach that goal. It is important to note that this fund will not be subject to a Federal appropriation. Instead, this level of funding will come from money that is transferred from the National Flood Insurance Fund, which is composed of policyholder premiums.

S. 2238 is virtually identical to H.R. 253, the Flood Insurance Reform Act of 2003, authored by the gentleman from Nebraska (Mr. BEREUTER) and passed by this House on November 20, 2003. I want to take this opportunity to commend the gentleman from Nebraska (Mr. BEREUTER) for his hard work on this legislation and for his exemplary service to this body over the years.

I urge my colleagues to support the passage of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I concur in the description given by the gentleman from Wisconsin. I am very proud of the work that on a bipartisan basis we did here in this Congress. The House really generated this. The other body went along with our initiative. The initiative really was due to two Members of the House, one on each side of the aisle, the gentleman from Nebraska, who has already been mentioned; and the gentleman from Oregon (Mr. BLUMENAUER), who worked very well together and provided the leadership that we on the committee were glad to support.

Mr. Speaker, as recognition of that and because of the press of other business, I ask unanimous consent to turn over the management of the remainder of this bill to the gentleman from Oregon (Mr. BLUMENAUER).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GREEN of Wisconsin. Mr. Speaker, I continue to reserve the balance of my time.

Mr. BLUMENAUER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate very much the comments that the gentleman from Wisconsin made and particularly highlighting the long-standing contribution of our friend, the gentleman from Nebraska (Mr. BEREUTER) who I have been privileged to work with the last 6 years on this bill, but I know he has been working on this issue and is a recognized congressional expert, one of the gentleman's many areas of expertise.

I think it is also important to note the cooperation with the gentleman from Ohio (Chairman OXLEY), the gentleman from Massachusetts (Ranking Member FRANK) who worked with us as we were maneuvering with our friends in the Senate. I think this is a better bill for the effort.

We have also had a great deal of back and forth from other Members who are from States that have suffered from repetitive-flood loss; and as a result of their efforts, and the work in the Senate, I think we actually have a bill that provides better and broader protections than when we had first begun this work.

Last but not least, I note on the floor the presence of Kyle Gilster, who has done outstanding work staffing this on behalf of the gentleman from Nebraska (Mr. BEREUTER). I note that we also have Janine Benners who has been doing this in my office.

Mr. Speaker, I would insert at this point in the RECORD the remainder of my comments.

Thank you to Mr. FRANK, Senator BUNNING, Senator SHELBY, and Senator SARBANES.

I also want to thank the staff of Representative BEREUTER, Kyle Gilster, and Representative FRANK, Jeff Riley, for their work on this issue.

The National Flood Insurance Program (NFIP) is crucial and good example of working with local communities to reduce impact of disasters. Benefits economy, environment, and individual property values.

NFIP started in 1968—private insurance companies suffered high losses and stopped offering coverage for flood damage. NFIP helps homeowners deal with flood losses and gives communities tools to prevent future flood damage. Program has already lowered flood damage by 25 percent below the level that would have occurred without the program.

Some problems with the program: in some cases, federal flood control policy encourages floodplain development by financing the construction and repair of levees and underwriting the risk of flooding.

FEMA was concerned about this problem during the Clinton and Bush administrations. Mr. BEREUTER and I worked with former FEMA Administrator James Lee Witt to develop our proposal to fix NFIP problems.

The Office of Management and Budget has pointed out that in too many years the program has expenses greater than its revenue from insurance premiums which prevents building long-term reserves to handle the costs of flood insurance.

Twenty-five percent of the policyholders pay substantially subsidized premiums, with the Federal Treasury and other policyholders paying the difference.

Losers of the NFIP are people who live in areas that require flood insurance, even though they do not have their property flood often, pay dramatically high rates.

The program is currently self supporting from premium income. However, in the 1980s federal taxpayers had to make up a shortfall of $1.2 billion when the income from the low premiums was not enough to cover the flood claims. The chances of this happening again are high.

Repetitively flooded properties are a significant strain on the NFIP.

FEMA reports that just 1 percent of the properties account for 25 percent of NFIP flood loss dollars. Many of these properties have received more in flood insurance claims payments than the building's value.

Subsidizing people to live in repetitively flooded areas does not make sense.

It is bad for the federal taxpayer, bad for the environment, and bad for the families that are continually placed in harm's way.

Property owners are trapped in a dangerous and expensive cycle. We do flood victims no favors by rebuilding their homes in harm's way.

The legislation we are considering today will avoid many of the injuries, deaths, and damages before they occur, and give property owners the option of moving to a less hazardous area.

Our approach helps build disaster resistant communities and safe homes by providing mitigation assistance to communities.

This bill has a number of benefits:

Most importantly, it will move people out of harm's way and discourage newcomers from moving there. This bill will save lives by moving people to higher ground.

Often overlooked, it will save the federal government millions of dollars in avoided flood damages. FEMA reports that mitigation and building standards already in place have resulted in over $1 billion annually in reduced flood losses. Our bill will significantly increase these savings by increasing funding for mitigation.

Savings to ratepayers in the National Flood Insurance Program. Mitigating repetitively flooded properties will reduce the pressure to raise flood insurance rates. The Association of State Floodplain Managers estimates that avoiding just one 10 percent rate increase could save the 4.4 million policyholders $175 million each year.

Finally, this bill will significantly benefit the environment. If property-owners choose to relocate, the land will convert to open-space. Non-structural approaches to flood control, such as voluntary buyouts and restoration of natural floodplains, are often much more effective in controlling floods than structural approaches. Natural floodplains also prevent pollution problems from flooding.

As the bill went through the process in the House and Senate, we worked with Members from coastal areas to make the reforms more sensitive to the plight of their constituents.

I would like to highlight one change we were able to make in the Increased Cost of Compliance (ICC) program. The bill not specifically provides for use of the ICC program funds as local match monies. This program, created in the 1994 Flood Insurance Reform Act, uses a flood insurance premium surcharge to raise money for mitigation—but it hasn't yet functioned well.

Freeing up these funds for use in mitigation of repetitive loss properties will help the affected property owners by dramatically reducing costs to them and will help all policy holders by stemming the drain on the Flood Insurance Fund from repetitive claims.

I respectfully urge passage of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 204. This is one of the best fiscal and environmental opportunities for Congress this year.

We can't stop natural hazards from threatening our communities, but we can try to minimize or stop them from becoming disasters, and that's what this bill does.

Mr. NEY. Mr. Speaker, today, I rise in support of S. 2238, the "Flood Insurance Reform Act of 2004."

The Senate bill, in most respects, is identical to H.R. 253, which passed the House on November 20, 2003. The Senate bill did make some acceptable changes to the House-passed bill, such as a new title which provides new consumer protections for flood insurance policyholders. The Senate bill will extend the authorization of the NFIP through September 30, 2008, and create a temporary pilot program to address severe repetitive loss properties. The authorization of the NFIP is set to expire on June 30, 2004. This legislation, S. 2238, represents a continuation of this chamber's past efforts to reform the National Flood Insurance Program.

Floods have been, and continue to be, one of the most destructive and costly natural hazards to our nation. The National Flood Insurance Program is a valuable tool in addressing the losses incurred throughout this country due to floods. It assures that businesses and families have access to affordable insurance that would not be available on the open market.

The National Flood Insurance Program was established in 1968 with the passage of the National Flood Insurance Act. Prior to that time, insurance companies generally did not offer coverage for flood disasters because of the high risks involved. Today, almost 20,000 communities participate in the national flood insurance program. More than 90 insurance companies sell and service flood policies. There are approximately $4.4 million policies covering a total of $620 billion.

In order to participate in the program, communities must agree to abide by certain hazard mitigation provisions. These provisions include adopting building codes that require new floodplain structures to be protected against flooding or elevated above the 100-year floodplain.

The National Flood Insurance program is administered by the Federal Emergency Management Agency (FEMA). It is worth noting that on November 25, 2002, President Bush signed into law the Homeland Security Act of 2002 which brought FEMA under the new Department of Homeland Security.

As many of you are aware, the NFIP reauthorization expired on December 31, 2002. Unfortunately, Congress adjourned without extending the flood insurance program. This situation was quickly remedied in the 108th Congress and on January 13, 2003, President Bush signed into law a bill to reauthorize the program for one year, retroactively to January 1, 2003. This one-year reauthorization gave us the time necessary to determine how best to go about reforming the existing program.

This is a good day for the National Flood Insurance Program and is a good day for the American tax-payers. I applaud all members from both chambers for reaching an agreement.

I urge my colleagues to support this initiative.

Mr. BEREUTER. Mr. Speaker, this Member rises today to express his support for S. 2238, a bill to reauthorize the National Flood Insurance Program (NFIP). This legislation, the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004, passed the Senate by unanimous consent on June 15, 2004. The Senate bill will extend the authorization of the NFIP through September 30, 2008, and create a temporary pilot program to address severe repetitive loss properties. The authorization of the NFIP is set to expire on June 30, 2004. This legislation, S. 2238, represents a continuation of this Member's past efforts to reform the NFIP.

This Senate bill, in most respects, is identical to H.R. 253, which passed the House on November 20, 2003. This Member introduced H.R. 253 on January 8, 2003, along with my distinguished colleague from Oregon (Mr. BLUMENAUER). The Senate bill did make some acceptable changes to the House-passed bill, such as a new title which provides new consumer protections for flood insurance policyholders. However, this Member continues to adamantly oppose one change by the Senate. The Senate bill allows a policyholder to make an appeal, based on independent information, such as contractor estimates or other appraisals. This Member will discuss his strong opposition to this provision at the appropriate time in this statement.

When it comes to expressions of appreciation, this Member first would like to thank the distinguished gentleman from Oregon (Mr. BLUMENAUER) who was both an original cosponsor of H.R. 253 and a tireless advocate for reform of the NFIP. The distinguished gentleman from Oregon and this Member introduced similar versions of this legislation, in both the 106th and 107th Congresses.

This Member would also like to thank both the distinguished gentleman from Ohio (Mr. OXLEY), the Chairman of the House Financial Services Committee, and the distinguished gentleman from Massachusetts (Mr. FRANK) for their efforts in bringing this Senate measure to the House floor. This Member must also thank the distinguished junior senator from Kentucky (Mr. BUNNING), the chairman of the Senate Banking, Housing and Urban Affairs Subcommittee on Economic Policy, for introducing S. 2238. This Member also appreciates the contributions of the following Senators who are very supportive of this legislation: the distinguished senior senator from Alabama (Mr. SHELBY), the Chairman of the Senate Banking, Housing and Urban Affairs Committee; the distinguished senior senator from Maryland (Mr. SARBANES), and the distinguished senior senator from Nebraska, my friend, (Mr. HAGEL) among others.

This Member would also like to thank the distinguished gentleman from Louisiana (Mr. BAKER) for being a conscientious legislator who offered a number of provisions which ultimately were included in H.R. 253 and which in turn have subsequently been incorporated into S. 2238. The incorporated suggestions by the distinguished gentleman from Louisiana have made the final product a better bill.

Finally, this Member would also like to thank all of the House and Senate Committee staff who have worked on this legislation. Specifically, this Member would like to thank Kyle Gilster, a Nebraskan formerly on my congressional staff who is now a key member of the staff of the House Financial Services, for his efforts with H.R. 253. In addition, this Member also appreciates the very effective work of Janine Benner, who is a legislative staff member for the distinguished gentleman from Oregon (Mr. BLUMENAUER).

Mr. Speaker, today, this Member would like to organize his remaining comments under the following three sections:

1. background on repetitive loss properties;
2. contents of S. 2238; and
3. the changes the Senate made to H.R. 253.

1. BACKGROUND ON REPETITIVE LOSS PROPERTIES

This Member has been actively proposing specific reform provisions for the NFIP for over 14 years. His work on this issue soon became a bipartisan effort with the distinguished gentleman from Massachusetts (Mr. JOSEPH KENNEDY) who is no longer serving in the House. This legislation, S. 2238, is primarily drawn from H.R. 253, which represents a culmination of my legislative efforts to reduce the extraordinary loss of repetitive loss properties.

Currently, repetitive loss properties cost the NFIP about $200 million annually. These properties while comprising approximately one percent of the currently insured properties, are expected to account for 25 to 30 percent of claims paid. For example, one home, valued at $114,480, has received $806,591 in flood insurance claims over an 18-year period.

Today, the vast majority of repetitive-loss properties are eligible for subsidized flood insurance at rates far below the actuarial risk rate they should be paying. This bill, S. 2238, would at last move the NFIP towards a more free-market insurance model by requiring people living in flood prone areas to reduce their risk of flooding or pay higher premiums.

2. CONTENTS OF S. 2238

This legislation, S. 2238, authorizes funds for both the existing Flood Mitigation Assistance (FMA) program and a new pilot program. This approach is identical to the one that was used in H.R. 253.

FMA Program. This bill, S. 2238, uses FEMA's existing FMA program to mitigate repetitive loss properties. This bill authorizes up to an additional $40 million a year to be transferred from the National Flood Insurance Fund into the FMA fund through FY2008.

Pilot Program. Under S. 2238, $40 million a year is authorized to be transferred from the National Flood Insurance Fund into the pilot program. These funds are required to be used to reduce the number of severe repetitive loss properties. Under this legislation, a severe repetitive loss property must at least meet one of the following two definitions:

(i) for which 4 or more separate claims have been made, with the amount of each claim exceeding $5,000, and with the cumulative amount exceeding $20,000; or

(ii) for which at least two claims have been made which exceed the value of the property.

Using this definition, the Federal Emergency Management Agency (FEMA) has estimated that approximately 6,200 properties nationwide would qualify as a severe repetitive loss property.

This trial pilot program, which would expire on September 30, 2009, addresses these properties in a simple, straightforward manner. The owner of a severe repetitive loss property will be charged a rate closer to the actuarial, risk-based rates for their national flood insurance policy if two conditions prevail.

The first condition is that it is by definition a severe repetitive loss property. The second condition is that the owner of the real property must have refused a mitigation measure from a state or locality, such as the elevation of the structure or a buy-out of the property. (It is important to note that this bill preserves state and local decision-making.)

If both of these conditions have been met, rates for severe repetitive loss properties will be increased by 50 percent. Properties will be subject to additional 50 percent increases for each future flood insurance claim exceeding $1500. However, flood insurance rates cannot be increased to a rate higher than the actuarial level.

3. SENATE CHANGES TO H.R. 253

As mentioned earlier, some constructive changes were made in S. 2238. However, this Member continues to strongly oppose one change made by the Senate. The Senate bill adds a new source of appeal which allows a policyholder, based on independent information, such as contractor estimates or other appraisals, to demonstrate either of the following: the purchase price under a buyout is not an accurate estimate of the property; or that there is an alternative eligible mitigation activity. This Member strongly feels that this is a bad provision.

This provision allows a policy holder to appeal an increase in their flood insurance rates if they find one appraiser to make a determination which is favorable to them. This "independent appraiser" provision is a milewide opening—anybody can shop around and find an appraiser which will give them grounds to appeal. This provision will result in an unnecessary number of appeals which will inevitably bog down the appeals process. This Member directs FEMA to pass regulations that will reduce the very wide breadth of this provision—thus, limiting the abuse of this appeal method.

This Member had conveyed to the Senate his opposition to this provision. Nevertheless, they still did not strike this new appeals criteria. Unfortunately, we have run out of time in this legislation to make a change since the authorization of the NFIP expires on June 30, 2004. This Member urges his colleagues in the House to pass a separate bill in the immediate future to strike this new appeals criteria.

The Senate bill, S. 2238, does make certain changes relative to the House bill which are very constructive. For example, a new title was added which creates additional consumer protections for policyholders. This new title was added at the suggestion of the two distinguished Senators from Maryland (Mr. SARBANES and Ms. MIKULSKI). The impetus for this new title was the problems that flood insurance policy holders in Maryland experienced in the aftermath of the most recent hurricane. This Member is in full support of this change.

This new title requires the Director to develop consumer related disclosure/information forms and a flood insurance claims handbook for policyholders. The Director must promulgate regulations outlining an appeals process for policyholders with respect to claims, proofs of loss, and loss estimates related to flood insurance policies. The Director must also establish minimum training and education requirements, in cooperation with the insurance industry, for all insurance agents who sell flood insurance.

Among other changes, the Senate bill modifies the Federal/state cost share for mitigation projects under the existing FMA program and the pilot program. The changes in the Senate bill were made at the request of the FEMA so that it would be easier to implement the pilot program and the FMA program nationwide.

This Member believes that it is important that one final public policy point be made. The bill, S. 2238, would reduce the amount of regional cost-shifting on flood insurance which is occurring among states and within states. The policyholders in non-repetitive loss areas of the country (such as in Nebraska) by their higher than appropriate premiums are subsidizing the policyholders in repetitive loss areas of the country. Flood insurance policyholders in communities along the Platte River across Nebraska are paying significantly more in flood insurance premiums than the risk warrants. For example, property owners in North Platte have paid $1.2 million in flood insurance premiums over the last 25 years, while only $26,000 has been paid out in claims over this time period. The Senate bill, S. 2238, would give FEMA the funds and the tools to mitigate repetitive loss properties which will result in more affordable premiums in the future for policyholders from non-repetitive loss areas of the country, such as in Nebraska.

Mr. Speaker, in conclusion, Congress is finally acting to stop the very expensive treading through the water of repetitive loss after repetitive loss. A very impressive and diverse group of taxpayer, financial, and environmental associations are all in strong support of S. 2238. This Member would encourage the House to pass, S. 2238, the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004, as it is very necessary reform legislation that is long overdue.

Mr. OSBORNE. Mr. Speaker, I rise in support of S. 2238, the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004.

S. 2238 was originally H.R. 253 which was authored by my dear colleague and fellow Nebraskan, Mr. BEREUTER of Nebraska, and cosponsored by Mr. BLUMENAUER of Oregon. Both Members have been strong advocates for reforming the National Flood Insurance program, administered by the Federal Emergency Management Agency, since the 106th Congress. Mr. BEREUTER has been a champion of this legislation for the last 14 years.

The legislation will extend the authorization of the National Flood Insurance Program (NFIP) through September 30, 2008, and create a temporary pilot program to address severe repetitive loss properties (SRLPs).

The authorization of the NFIP is set to expire on June 30, 2004.

I support the temporary pilot program included in this important legislation because it will address the problem of severe repetitive loss properties for which many communities in my district are paying increased premiums.

I have numerous communities in my district paying substantial premiums on properties that have not been affected by flooding since the beginning of the program.

One example is North Platte, Nebraska. The community sits between the North and South Platte Rivers. The North and South Platte Rivers merge east of North Platte. While the National Flood Insurance Program has been in place since 1968, North Platte has paid over $1 million in premiums each year, but has not received more than $26 thousand in flood insurance claims during that time. The community has been working diligently with FEMA and the Nebraska Department of Natural Resources to reduce the cost of the National Flood Insurance premiums, but premiums continue to remain high.

That is why I support S. 2238.

S. 2238 authorizes up to $40 million a year to be transferred from the National Flood Insurance Fund for mitigation assistance to reduce the problem of SRLPs. The money in the National Flood Insurance Fund comes from flood insurance premiums from policyholders and would not need an appropriation.

This pilot program, which would expire on September 30, 2009, addresses these properties in a simple, straightforward manner; the owner of a SRLP will be charged a rate closer to the actuarial, risk-based rates for their national flood insurance policy if two conditions prevail.

The first condition is that it is indeed by definition a SRLP. Under this legislation, a severe repetitive loss property must at least meet one of the following two definitions: Four or more separate claims have been made, with the amount of each claim exceeding $5,000, and with the cumulative amount exceeding $20,000; at least two claims have been made which exceed the value of the property.

The second condition which would cause the applicability of closer to actuarial rates to be applied is that the owner of the real property must have refused a mitigation measure from a state or locality, such as the elevation of the structure or a buy-out of the property. If both of these conditions have been met, rates for SRLPs will be increased by 50 percent.

Properties will be subject to additional 50 percent increases for each subsequent flood event where claims payments exceed $1,500. However, flood insurance rates applied cannot be higher than the actuarial based NFIP rates.

I would again like to thank Mr. BEREUTER and Mr. BLUMENAUER for their tireless determination to improve the National Flood Insurance Program to assist those communities that have not had repetitive losses.

Mr. GREEN of Texas. Mr. Speaker, the National Flood Insurance Program is literally a lifeline to thousands of my constituents, restoring their homes and properties after devastating floods that have become too common for Houston and Harris County, Texas, residents. I support S. 2238 on the suspension calendar today.

There are over 172,000 homes and businesses with National Flood Insurance Program (NFIP) policies in Houston and Harris County, over 37 percent of the 461,000 statewide in Texas. These federally backed NFIP policies are vital to our area because private insurers would not make flood insurance available at any kind of affordable price. H.R. 2238 reassures residents, realtors, insurers, and lending institutions that this Federal backing of the NFIP will be extended by 4 more years until September 2008.

The reform included in this legislation will mean major changes for the Houston area, which has many homes with repeat flood insurance claims. It is important to treat NFIP policy holders fairly because they may now receive FEMA buyout and mitigation offers once they have 4 separate claims of $5,000 each (or 2 claims exceeding the value of the home), and if they refuse, their premiums will increase by 50 percent; and an addition 50 percent after each following claim of $1,500, until the premium equals the "market" premium.

These reform provisions have a noble goal of reducing flood premiums for most policy holders and assisting residents who repeatedly flood. But asking someone to leave their home through a government buyout offer can be a traumatic process, especially if the buyout offer does not allow for a smooth relocation of the flood victim.

After Tropical Storm Allison in Harris County in 2001, we had "fair market" buyout FEMA offers so low that people would have been unable to purchase another home outside of the floodplain. So after Allison, we had to scramble to find additional Federal, State, and local sources of funding to assist these people, since FEMA's policy would not allow for purchase offers greater than "fair market value." That kind of uncertainty for a homeowner facing 50 percent higher insurance premiums for refusing a government buyout is just not fair.

In response to these experiences, I authored a provision included in this bill to require FEMA to offer additional funds if "a purchase offer made under [this law] is less than the cost of the homeowner-occupant to purchase a comparable replacement dwelling outside the flood hazard area in the same community, the Director [of FEMA] shall make available an additional relocation payment to the homeowner-occupant to apply to the difference." [S. 2238 Section 102(g)(4)].

I wish to extend my thanks to my colleagues who assisted me in this effort, Chairman

OXLEY, Ranking Member FRANK, and Congressman BEREUTER. Their willingness to listen to the concerns of my constituents over this legislation is much appreciated. Because of the efforts of Chairman OXLEY, Ranking Member FRANK, and Congressman BEREUTER to ensure that homeowners receive a fair price for their homes, I support this legislation and look forward to working with them on a fair and efficient implementation of a reformed, National Flood Insurance Program.

Mr. BLUMENAUER. Mr. Speaker, I yield back the balance of my time.

Mr. GREEN of Wisconsin. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. GREEN) that the House suspend the rules and pass the Senate bill, S. 2238.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

CORRECTING ENROLLMENT OF S. 2238, BUNNING-BEREUTER-BLUMENAUER FLOOD INSURANCE REFORM ACT OF 2004

Mr. GREEN of Wisconsin. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 458) directing the Secretary of the Senate to make technical corrections in the enrollment of the bill S. 2238, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 458

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (S. 2238) to amend the National Flood Insurance Act of 1968 to reduce losses to properties for which repetitive flood insurance claim payments have been made, the Secretary of the Senate shall strike "Blumenaur" each place such term appears and insert "Blumenauer".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GREEN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Con. Res. 458, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

REQUIRING STUDY FOR DENTAL AND VISION BENEFITS FOR FEDERAL EMPLOYEES

Mrs. MILLER of Michigan. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3751) to require that the Office of Personnel Management study and present options under which dental and vision benefits could be made available to Federal employees and retirees and other appropriate classes of individuals, as amended.

The Clerk read as follows:

H.R. 3751

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPORTING REQUIREMENT.

(a) IN GENERAL.—Not later than 6 months after the date of the enactment of this Act, the Office of Personnel Management shall submit to Congress a report describing and evaluating options whereby additional dental, vision, and hearing benefits could be made available to—

(1) Federal employees and annuitants;

(2) qualified relatives of Federal employees and annuitants; and

(3) other appropriate classes of individuals.

(b) REQUIRED CONTENT.—The report shall include—

(1) a description of the dental, vision, and hearing benefits currently available under the Federal employees health benefits program;

(2) a description of the supplemental dental, vision, and hearing plans currently offered by carriers participating in the Federal employees health benefits program;

(3) a description of specific dental, vision, and hearing benefits that could be offered in addition to those described in paragraphs (1) and (2), including any maximums, limitations, exclusions, and definitions that might be relevant;

(4) a description of the specific classes of individuals (as referred to generally in paragraphs (1) through (3) of subsection (a)) to whom those additional benefits should be made available, including any definitions and other terms or conditions that might be relevant;

(5) a description and assessment of the various contracting arrangements by which the Government could make those additional benefits available, including whether such benefits should be contracted for on a regional or national basis;

(6) the estimated cost of those additional benefits, including an analysis relating to whether any regular Government contributions or allocation for start-up costs might be necessary or appropriate;

(7) a description of how those additional benefits could be made available through—

(A) the Federal employees health benefits program;

(B) one or more plans outside the Federal employees health benefits program, including supplemental plans referred to in paragraph (2);

(C) the program described in subparagraph (A) in combination with one or more of the plans described in subparagraph (B); and

(D) any other dental, vision, and hearing coverage delivery method;

(8) an analysis of the advantages and disadvantages associated with the alternatives described under paragraph (7), including—

(A) the relative cost-effectiveness and efficiency of each;

(B) the likely impact of each alternative on the overall attractiveness of the Federal employees health benefits program to individuals eligible to enroll, particularly Federal employees and annuitants; and

(C) the extent to which each alternative might affect the relative competitiveness of the various carriers and plans currently participating in the Federal employees health benefits program (including as a provider of supplemental benefits);

(9) a recommendation from the Office as to its preferred method or methods for providing those additional benefits; and

(10) any proposed legislation or other measures the Office considers necessary in order to implement any of the foregoing.

(c) SCREENING FOR GLAUCOMA.—For purposes of this Act, the term "vision benefits" includes benefits relating to screening for glaucoma.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Michigan (Mrs. MILLER) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentlewoman from Michigan (Mrs. MILLER).

GENERAL LEAVE

Mrs. MILLER of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3751, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

Mrs. MILLER of Michigan. Mr. Speaker, I yield myself as much time as I might consume.

Mr. Speaker, on behalf of the Committee on Government Reform, I rise in support of H.R. 3751, an important piece of legislation for all Federal employees. This bill requires the Federal Government to analyze available options to provide those who work in the civil service with better dental and vision benefits. These benefits may be provided through the existing structure of the Federal Employees Health Benefits Program or as stand-alone additional coverage.

Specifically, H.R. 3751 requires the Office of Personnel Management to study and to submit a report to Congress on how the government can provide dental and vision benefits to Federal employees.

Mr. Speaker, I want to thank the gentlewoman from Virginia (Mrs. JO ANN DAVIS), the distinguished Chair of the Subcommittee on Civil Service and Agency Organization, for offering H.R. 3751; and I certainly congratulate her today for moving the bill to the floor today. Along with the gentleman from Virginia (Mr. TOM DAVIS), the chairman of the full Committee on Government Reform, as well as my distinguished colleague, the gentleman from

Illinois (Mr. DAVIS), the ranking member of the Subcommittee on Civil Service and Agency Organization, the gentleman from Virginia (Mrs. JO ANN DAVIS) is a leader in the Congress in representing the Nation's integral and steadfast Federal employees.

Every single day, civil servants protect the Nation's streets. They teach our children, they deliver the mail, they treat the sick, the injured. They perform countless other duties that help make America thrive.

H.R. 3751 a terrific step towards providing these individuals with the health benefits that they have earned and deserve. I urge its adoption.

Mr. Speaker, I reserve the balance of my time.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, visual health and oral health are integral to our general health, as the House well knows. Oral and eye diseases are progressive and become more complex over time. Our ability to eat, see, read, learn, and communicate all depend on good visual and oral health.

Periodic eye and dental examinations are an important part of routine preventive health care. Many visual and oral conditions present no obvious symptoms. Therefore, individuals often are unaware that such problems exist.

There are safe and effective measures to prevent the most common eye and dental diseases. That is why early diagnosis and treatment are important for maintaining good visual and oral health and why a vision and dental benefit should be made available to Federal employees and annuitants.

We know that in 1987 the Office of Personnel Management stopped plans in the Federal Health Benefits program from adding new vision and dental packages. OPM did so for various reasons. However, the decision was made over 15 years ago, and it is time to take a fresh look at how we can meet the visual and oral health needs of Federal employees.

In the long run, preventive care, through periodic examinations and doctor visits, will help keep down long-term vision and dental costs due to early detection.

To further improve the bill, during subcommittee consideration of H.R. 3751, the gentleman from Illinois (Mr. DAVIS) offered an amendment requiring OPM to include glaucoma screening and hearing benefits in its study.

The amendment would require OPM to study the feasibility of providing hearing benefits to Federal employees and retirees. Currently, over 28 million Americans suffer hearing loss, half of whom are under the age of 50. Hearing loss is not just a problem affecting adults. Thirty-three children are born every day with some form of hearing loss. With early detection and treatment, these children can be taught in regular classes, saving a school system as much as half a billion dollars during a 12-year education.

Like vision and dental benefits, most insurance plans do not provide hearing benefits, such as coverage for hearing aids. We believe the Federal Government should consider taking a lead in this area.

In addition to hearing benefits, the gentleman from Illinois' (Mr. DAVIS) amendment required OPM to include glaucoma screening in its study. This amendment was offered to better understand H.R. 3268, which was introduced by the gentleman from Maryland (Mr. CUMMINGS).

□ 1445

H.R. 3268 would extend the same glaucoma screening coverage provided by Medicare to Federal employees who are in high-risk populations.

The studies conducted by OPM under H.R. 3751 will go a long way in helping the Federal Government to craft a better dental, vision and hearing benefit for Federal employees.

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I rise today in support of H.R. 3751, a bill to require the Office of Personnel Management to study and recommend options for enhancing the dental, vision and hearing benefits available to Federal employees. As the Federal Government strives to recruit top talent around the Nation, this issue plays a significant strategic role in attracting and retaining the very best to serve our country.

Currently, the dental, vision and hearing offerings available to those covered by the Federal Employees Health Benefits Program (FEHBP) can be described as inadequate at best. The Government's employees are often without proper dental care as part of their health insurance coverage. In fact, most plans in the FEHBP either do not offer dental and vision care, or cover only very minimal, basic procedures. While some plans do offer a supplemental dental package, they come at the cost of a very high premium.

By contract, dental and vision benefits offered to many employees in the private sector are more generous. A 2002 study by the Society for Human Resource Management determined that 96 percent of private sector firms offered dental coverage benefits. Furthermore, the Bureau of Labor Statistics reports that these private plans usually cover 100 percent of routine procedures and 50–80 percent of more expensive procedures.

According to the Office of Personal Management, Federal employees and retirees cite improved dental coverage as their most desired benefit enhancement. With these benefits so widely available in the private sector, the Federal Government cannot afford to ignore this issue, or it will lose the war for talent more often than it will win. The Government depends greatly on its competitive benefits packages to attract well-qualified candidates, and should explore the possibility of enhancing such benefits.

Putting more money into the system is not necessarily the answer, and this bill does not call for that. It simply requires the Federal Government's personnel experts, OPM, to study how to resolve this problem.

Whatever it reveals, the goal of the report is to recommend options for improving the availability of dental, vision and hearing benefits to employees in a way that fits within the current budgetary constraints. I urge all members to support H.R. 3751.

Ms. NORTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. MILLER of Michigan. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TERRY). The question is on the motion offered by the gentlewoman from Michigan (Mrs. MILLER) that the House suspend the rules and pass the bill, H.R. 3751, as amended.

The title of the bill was amended so as to read:

“A bill to require that the Office of Personnel Management study current practices under which dental, vision, and hearing benefits are made available to Federal employees, annuitants, and other classes of individuals, and to require that the Office also present options and recommendations relating to how additional dental, vision, and hearing benefits could be made so available.”.

A motion to reconsider was laid on the table.

2004 DISTRICT OF COLUMBIA OMNIBUS AUTHORIZATION ACT

Mrs. MILLER of Michigan. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3797) to authorize improvements in the operations of the government of the District of Columbia, and for other purposes.

The Clerk read as follows:

H.R. 3797

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “2004 District of Columbia Omnibus Authorization Act”.

SEC. 2. REQUIRING SUBMISSION OF PLAN BY SCHOOL BOARD FOR ALLOCATION OF FUNDS UNDER MAYOR'S PROPOSED BUDGET.

Section 452 of the District of Columbia Home Rule Act (sec. 1–204.52, D.C. Official Code) is amended—

(1) in the first sentence, by striking “With respect to” and inserting “(a) ROLE OF MAYOR AND COUNCIL.—With respect to”;

(2) in the second sentence, by striking “This section” and inserting “This subsection”; and

(3) by adding at the end the following new subsection:

“(b) PLAN FOR ALLOCATION OF FUNDS UNDER PROPOSED BUDGET.—

“(1) SUBMISSION OF PLAN TO COUNCIL.—Not later than March 1 of each year or the date on which the Mayor makes the proposed annual budget for a year available under section 442 (whichever occurs later), the Board of Education shall submit to the Council a plan for the allocation of the Mayor's proposed budget among various object classes and responsibility centers (as defined under regulations of the Board).

"(2) CONTENTS.—The plan submitted under this subsection shall include a detailed presentation of how much money will be allocated to each school, including—

"(A) a specific description of the amount of funds available to the school for which spending decisions are under the control of the school; and

"(B) a specific description of other responsibility center funds which will be spent in a manner directly benefiting the school, including funds which will be spent for personnel, equipment and supplies, property maintenance, and student services.".

SEC. 3. MULTIYEAR CONTRACTING AUTHORITY AND LEASING AGREEMENTS FOR DISTRICT OF COLUMBIA COURTS.

(a) AUTHORITY.—Subchapter III of chapter 17 of title 11, District of Columbia Code, is amended by inserting after section 11-1742 the following new section:

"§ 11-1742a. Multiyear contracting authority and leasing agreements

"(a) SEVERABLE SERVICES CONTRACTS FOR PERIODS CROSSING FISCAL YEARS.—The Executive Officer may enter into a contract for procurement of severable services in the same manner and to the same extent as the head of an executive agency may enter into such a contract under section 303L of title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253l).

"(b) MULTIYEAR LEASING AGREEMENTS.—

"(1) AUTHORITY.—The Executive Officer may enter into a lease agreement for the accommodation of the District of Columbia courts in a building which is in existence or being erected by the lessor to accommodate the District of Columbia courts.

"(2) TERMS.—A lease agreement under this subsection shall be on terms the Executive Officer considers to be in the interest of the Federal Government and the District of Columbia and necessary for the accommodation of the District of Columbia courts. However, the lease agreement may not bind the District of Columbia courts for more than 10 years and the obligation of amounts for a lease under this subsection is limited to the current fiscal year for which payments are due without regard to section 1341(a)(1)(B) of title 31, United States Code.

"(c) MULTIYEAR CONTRACTS.—

"(1) AUTHORITY.—The Executive Officer may enter into a multiyear contract for the acquisition of property or services in the same manner and to the same extent as an executive agency may enter into such a contract under section 304B of title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254c). In applying such authority—

"(A) in section 304B(a)(2)(B)—

"(i) 'the best interests of the District of Columbia and the Federal Government' shall be substituted for 'the best interests of the United States'; and

"(ii) 'the courts' programs' shall be substituted for 'the agency's programs';

"(B) the second sentence of section 304B(b), and subsection (e), shall not apply; and

"(C) in section 304B(c), '$5,000,000' shall be substituted for '$10,000,000'.

"(2) CANCELLATION OR TERMINATION FOR INSUFFICIENT FUNDING AFTER FIRST YEAR.—In the event that funds are not made available for the continuation of a multiyear contract for services into a subsequent fiscal year, the contract shall be canceled or terminated, and the costs of cancellation or termination may be paid from—

"(A) appropriations originally available for the performance of the contract concerned;

"(B) appropriations currently available for procurement of the type of services concerned, and not otherwise obligated; or

"(C) funds appropriated for those payments.".

(b) CLERICAL AMENDMENT.—The table of sections for subchapter III of chapter 17 of title 11, District of Columbia Code, is amended by inserting after the item relating to section 11-1742 the following new item:

"11-1742a. Multiyear contracting authority and leasing agreements.".

SEC. 4. ESTABLISHMENT OF ACADEMIC YEAR AS FISCAL YEAR FOR DISTRICT OF COLUMBIA SCHOOLS.

Section 441 of the District of Columbia Home Rule Act (sec. 1-204.41, D.C. Official Code) is amended—

(1) in the first sentence, by striking "The fiscal year" and inserting "(a) IN GENERAL.—Except as provided in subsection (b), the fiscal year";

(2) by striking the third sentence; and

(3) by adding at the end the following new subsection:

"(b) EXCEPTIONS.—

"(1) ARMORY BOARD.—The fiscal year for the Armory Board shall begin on the first day of January and shall end on the thirty-first day of December of each calendar year.

"(2) SCHOOLS.—Effective with respect to fiscal year 2007 and each succeeding fiscal year, the fiscal year for the District of Columbia Public Schools (including public charter schools) and the University of the District of Columbia shall begin on the first day of July and end on the thirtieth day of June of each calendar year.".

SEC. 5. EXTENSION OF DEADLINE FOR COUNCIL TO ADOPT BUDGET TO ACCOUNT FOR DAYS OF RECESS.

Section 446(a) of the District of Columbia Home Rule Act (sec. 1-204.46(a), D.C. Official Code), as amended by section 101(a), is amended by striking "50 calendar days" and inserting "56 calendar days".

SEC. 6. EXEMPTION OF DISTRICT GOVERNMENT EMPLOYEES ON COMPRESSED SCHEDULE FROM FEDERAL OVERTIME REQUIREMENTS.

(a) IN GENERAL.—Section 7 of the Fair Labor Standards Act (29 U.S.C. 207) shall not apply to the hours of an employee of the District of Columbia government which constitute a compressed schedule.

(b) COMPRESSED SCHEDULE DEFINED.—In this section, the term "compressed schedule" means—

(1) in the case of a full-time employee, an 80-hour biweekly basic work requirement which is scheduled for less than 10 workdays, and

(2) in the case of a part-time employee, a biweekly basic work requirement of less than 80 hours which is scheduled for less than 10 workdays.

(c) EFFECTIVE DATE.—This section shall apply with respect to hours occurring on or after the date of the enactment of this Act.

SEC. 7. AVAILABILITY OF ENFORCED ANNUAL LEAVE OR ENFORCED LEAVE WITHOUT PAY AS DISCIPLINARY ACTION FOR CORPORATION COUNSEL ATTORNEYS.

(a) IN GENERAL.—Section 856(a) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (sec. 1-608.56(a), D.C. Official Code) is amended by striking "or reduction in grade," and inserting "reduction in grade, or the placing of such attorney on enforced annual leave or enforced leave without pay,".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 8. REGULATION OF DISTRICT OF COLUMBIA BANKS BY FEDERAL DEPOSIT INSURANCE CORPORATION.

(a) FEDERAL DEPOSIT INSURANCE ACT.—(1) Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) is amended—

(A) in subsection (a)(1)(A), by striking ", State bank, and District bank" and inserting "and State bank";

(B) in subsection (a), by striking paragraph (4);

(C) in subsection (q)(1), by striking ", any District bank,";

(D) in subsection (q)(2)(A), by striking "(except a District bank)"; and

(E) in subsection (q)(3), by striking "(except a District bank),".

(2) Section 7(a)(1) of such Act (12 U.S.C. 1817(a)(1)) is amended by striking "(except a District bank)".

(3) Section 10(b)(2)(A) of such Act (12 U.S.C. 1820(b)(2)(A)) is amended by striking "(except a District bank)".

(4) Section 11 of such Act (12 U.S.C. 1821) is amended—

(A) in subsection (c)(2)(A)(i), by striking "or District bank";

(B) in subsection (c)(2)(A)(ii)—

(i) by striking "or District bank"; and

(ii) by striking " or the code of law for the District of Columbia"; and

(C) in subsection (c)(3)(A), by striking "(other than a District depository institution)".

(5) Section 18 of such Act (12 U.S.C. 1828) is amended—

(A) in section (c)(2)(A), by striking "or a District bank";

(B) in subsection (c)(2)(B), by striking "(except a District bank)";

(C) in subsection (c)(2)(C), by striking "a District Bank or";

(D) in subsection (d)(1), by striking "(except a District bank)" each place such term appears;

(E) in subsection (f), by striking "or a District bank";

(F) in subsection (i)(1), by striking "(except a District bank)";

(G) in subsection (i)(2), by striking subparagraph (A) and by redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively;

(H) in subsection (i)(2)(A) (as so redesignated by subparagraph (G)), by striking "(except a District bank)"; and

(I) in subsection (i)(2)(B) (as so redesignated by subparagraph (G)), by striking "(except a District bank)".

(b) NATIONAL HOUSING ACT.—Section 203(s)(5) of the National Housing Act (12 U.S.C. 1709(s)(5)) is amended by striking "or District bank".

(c) BANK HOLDING COMPANY ACT.—The Bank Holding Company Act of 1956 is amended—

(1) in section 2(c) (12 U.S.C. 1841(c)), by striking paragraph (3); and

(2) in section 3(b)(1) (12 U.S.C. 1842(b)(1)), by striking "or a District bank".

(d) BANK PROTECTION ACT OF 1968.—Section 2(1) of the Bank Protection Act of 1968 (12 U.S.C. 1881(1)) is amended by striking "and district banks".

(e) DEPOSITORY INSTITUTION MANAGEMENT INTERLOCKS ACT.—The Depository Institution Management Interlocks Act (12 U.S.C. 3201 et seq.) is amended—

(1) in section 207(1), by striking "and banks located in the District of Columbia"; and

(2) in section 209(1), by striking "and banks located in the District of Columbia".

(f) SECURITIES EXCHANGE ACT OF 1934.—The Securities Exchange Act of 1934 is amended—

(1) in section 3(a)(34) (15 U.S.C. 78c(34)), by striking "or a bank operating under the Code

of Law for the District of Columbia" each place such term appears in clause (i) of subparagraphs (A), (B), (C), (D), and (F);

(2) in section 3(a)(34)(G)(i) (15 U.S.C. 78c(34)(G)(i)), by striking ", a bank in the District of Columbia examined by the Comptroller of the Currency,";

(3) in section 3(a)(34)(H)(i) (15 U.S.C. 78c(34)(H)(i)), by striking " or a bank in the District of Columbia examined by the Comptroller of the Currency";

(4) in section 12(i)(1) (15 U.S.C. 78*l*(i)(1)), by striking "and banks operating under the Code of Law for the District of Columbia";

(5) in section 17(f)(4)(A) (15 U.S.C. 78q(f)(4)(A)), by striking "and banks operating under the Code of Law for the District of Columbia"; and

(6) in section 17(f)(4)(B) (15 U.S.C. 78q(f)(4)(B)), by striking "or a bank operating under the Code of Law for the District of Columbia".

(g) NATIONAL BANK RECEIVERSHIP ACT.—The National Bank Receivership Act is amended by striking section 6.

(h) FEDERAL RESERVE ACT.—The last sentence of the 3rd undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 321) is amended by striking "(except within the District of Columbia)".

(i) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 9. EFFECTIVE DATE.

Except as otherwise provided, this Act and the amendments made by this Act shall apply with respect to fiscal year 2005 and each succeeding fiscal year.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Michigan (Mrs. MILLER), and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentlewoman from Michigan, Mrs. MILLER.

GENERAL LEAVE

Mrs. MILLER of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3797, and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

Mrs. MILLER of Michigan. Mr. Speaker, I yield myself such time as I may consume.

H.R. 3797, a bill introduced by the chairman of the Committee on Government Reform, the gentleman from Virginia (Mr. DAVIS), authorizes the operations of the District of Columbia government. The bill, the first of its kind, actually, provides a vehicle to address necessary changes in Federal law pertaining to the District of Columbia. This legislation will give the mayor and the city's leadership necessary autonomy by allowing them to only have to deal with the House Committee of Jurisdiction, the Committee on Government Reform, on changes to Federal laws that affect the District.

Mr. Speaker, I thank the gentleman from Virginia (Mr. DAVIS) and the gentlewoman from the District of Columbia (Ms. NORTON) for ushering H.R. 3797 through the Committee on Government Reform and on to the floor today, and I support its passage.

Mr. Speaker, I reserve the balance of my time.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

Let me begin by thanking my friend and colleague on the Committee on Government Reform, its chairman, the gentleman from Virginia (Mr. DAVIS), for working closely with me in moving H.R. 3797. This legislation institutes a new process that will significantly facilitate D.C. government operations, promote greater efficiency in Congress by conforming the handling of District of Columbia matters to House rules, and improve the efficiency of both the House and the District of Columbia on these matters.

This is the first time that the Committee on Government Reform, the authorizing committee for District of Columbia matters that must come to the Congress, has introduced a bill to enact legislative changes that have been passed by the D.C. council, and are here only because they require affirmative action by Congress to become law because they amend the D.C. Home Rule Act, which can only be amended by the Congress.

Perhaps the most noteworthy provision, in light of recent events, is the change in the fiscal year for D.C. public schools and the University of the District of Columbia's academic year to conform to the school system's new fiscal year. Imagine the difficulties if the fiscal year and the academic year are not in tandem, as they have not been. The proposed change was already in the bill, but its necessity is underlined by the fact that this is one of the changes requested by the top candidate for superintendent of the D.C. public schools, Carl Cohen.

Similarly, as requested by the mayor and city council, H.R. 3795 amends the Home Rule Charter to give the city council and additional 6 days with which to review the mayor's proposed budget, restoring the full 50-day period to the council to allow the D.C. government to use compressed schedules in order to exempt employees from Federal overtime requirements, to allow the D.C. government to offer enforced annual leave, or enforced leave without pay as a disciplinary action for corporation counsel attorneys while an investigation is underway for alleged misconduct, and to allow oversight of D.C. chartered banks to be changed from the U.S. Office of the Comptroller to the Federal Deposit Insurance Corporation in order to bring D.C. banking law into conformity with what occurs in all 50 States, relieving the current regulatory burden that has discouraged the establishment of D.C. charter banks.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. MILLER of Michigan. Mr. Speaker, I yield myself such time as I may consume to urge all Members to support the passage of H.R. 3797, and I also want to thank the chairman of the Committee, the gentleman from Virginia (Mr. DAVIS), for his outstanding leadership on this bill. It is really of vital importance to our Nation's capital, and I know the chairman is always working very hard to address all the challenges and concerns of the people of the District.

Mr. TOM DAVIS of Virginia. Mr. Speaker, please include the attached exchange of letters between Chairman MICHAEL G. OXLEY of the Committee on Financial Services, Chairman JOHN A. BOEHNER of the Committee on Education and the Workforce and myself in the CONGRESSIONAL RECORD at the end of the debate on H.R. 3797 under general leave.

COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, March 9, 2004.

Hon. TOM DAVIS,
Chairman, Committee on Government Reform,
Washington, DC.

DEAR TOM: On February 26, 2004, the Committee on Government Reform ordered reported H.R. 3797, the 2004 District of Columbia Omnibus Authorization Act. As you know, the Committee on Financial Services was granted an additional referral upon the bill's introduction pursuant to the Committee's jurisdiction under Rule X of the Rules of the House of Representatives over banks and banking. Section 8 of the bill addresses the regulation of banks chartered by the District of Columbia by the Federal Deposit Insurance Corporation.

Because of your willingness to consult with my committee regarding this matter, I will waive consideration of the bill by the Financial Services Committee. By agreeing to waive its consideration of the bill, the Financial Services Committee does not waive its jurisdiction over H.R. 3797. In addition, the Committee on Financial Services reserves its authority to seek conferees on any provisions of the bill that are within the Financial Services Committee's jurisdiction during any House-Senate conference that may be convened on this legislation. I ask your commitment to support any request by the Committee on Financial Services for conferees on H.R. 3797 or related legislation.

I request that you include this letter and your response as part of your committee's report on the bill and the Congressional Record during consideration of the legislation on the House floor.

Thank you for your attention to these matters.

Sincerely,

MICHAEL G. OXLEY,
Chairman.

COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, March 9, 2004.

Hon. MICHAEL G. OXLEY,
Chairman, Committee on Financial Services,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your recent letter regarding the Financial Services Committee's jurisdictional interest in H.R. 3797, the 2004 District of Columbia Authorization Act. As you have stated, Section 8 regarding the regulation of banks chartered by the District of Columbia by the Federal Deposit Insurance Corporation is within the jurisdiction of your Committee.

I agree that the Financial Services Committee does not waive its jurisdiction over H.R. 3797 by waiving further consideration of the bill. In addition, I will support your request for conferees from the Financial Services Committee should a House-Senate conference on this or similar legislation be convened.

As you have requested, I will include a copy of your letter and this response as part of the Government Reform Committee's report and the Congressional Record during consideration of the legislation on the House floor. Thank you for your assistance as I work towards the enactment of H.R. 3797.

Sincerely,

TOM DAVIS,
Chairman.

COMMITTEE ON EDUCATION
AND THE WORKFORCE,
Washington, DC, June 17, 2004.

Hon. TOM DAVIS,
Chairman, Committee on Government Reform, Washington, DC.

DEAR CHAIRMAN DAVIS: I am writing to confirm our mutual understanding with respect to consideration of H.R. 3797, the "2004 District of Columbia Authorization Act," which the Committee on Government Reform reported on February 26, 2004. This bill was referred to the Committee on Government Reform, and in addition to the Committees on Education and the Workforce and Financial Services. Section 6, Exemption of District of Columbia Employees on Compressed Schedule from Federal Overtime Requirements, amends the Fair Labor Standards Act and is within the sole jurisdiction of the Committee on Education and the Workforce.

Given the fact that I support the policy contained in Section 6, I do not intend to ask for continued referral of H.R. 3797, nor will I object to the scheduling of this bill for consideration in the House of Representatives. However, I do so only with the understanding that this procedural route should not be construed to prejudice the Committee on Education and the Workforce's jurisdictional interest and prerogatives on these provisions or any other similar legislation and will not be considered as precedent for consideration of matters of jurisdictional interest to my Committee in the future. Furthermore, should these or similar provisions be considered in a conference with the Senate, I would expect Members of the Committee on Education and the Workforce be appointed to the conference committee on those provisions.

Finally, I would ask that you include a copy of our exchange of letters on this matter in your report to accompany this bill. If you have questions regarding this matter, please do not hesitate to call me. I thank you for your consideration.

Sincerely,

JOHN A. BOEHNER,
Chairman.

COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, June 17, 2004.

Hon. JOHN A. BOEHNER,
Chairman, Committee on Education and the Workforce, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your recent letter regarding the Education and the Workforce Committee's jurisdictional interest in H.R. 3797, the 2004 District of Columbia Authorization Act. As you have stated, Section 6 exempting certain District of Columbia employees from overtime regulation under the Fair Labor Standards Act is within the jurisdiction of your Committee.

I agree that the Education and Workforce Committee does not waive its jurisdiction over H.R. 3797 by waiving further consideration of the bill. In addition, I will support your request for conferees from the Government Reform Committee should a House-Senate conference on this or similar legislation be convened.

As you have requested, I will include a copy of your letter and this response as part of the Government Reform Committee's report and the Congressional Record during consideration of the legislation on the House floor. Thank you for your assistance as I work towards the enactment of H.R. 3797.

Sincerely,

TOM DAVIS,
Chairman.

Mrs. MILLER of Michigan. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Michigan (Mrs. MILLER) that the House suspend the rules and pass the bill, H.R. 3797.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

NEWELL GEORGE POST OFFICE BUILDING

Mrs. MILLER of Michigan. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4222) to designate the facility of the United States Postal Service located at 550 Nebraska Avenue in Kansas City, Kansas, as the "Newell George Post Office Building."

The Clerk read as follows:

H.R. 4222

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NEWELL GEORGE POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 550 Nebraska Avenue in Kansas City, Kansas, shall be known and designated as the "Newell George Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the Newell George Post Office Building.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Michigan (Mrs. MILLER) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentlewoman from Michigan (Mrs. MILLER).

GENERAL LEAVE

Mrs. MILLER of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4222, and to include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

Mrs. MILLER of Michigan. Mr. Speaker, I yield myself such time as I may consume, and I rise in support of H.R. 4222, which names the postal facility in Kansas City after former Congressman Newell George.

Congressman George represented the second district of Kansas for one term in this House, from 1959 to 1961. Congressman George was the last resident of the City of Kansas City, actually, to represent the State of Kansas in the Congress. He later served as United States Attorney for the District of Kansas during the 1960s, after being appointed by President John F. Kennedy.

Newell George was a devoted, caring, vigorous public servant, who is highly deserving of this post office naming. It is a pleasure to support this meaningful measure, and I am hopeful and confident the entire House will as well.

Mr. Speaker, I reserve the balance of my time.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a member of the House Committee on Government Reform, I am pleased to join my colleague in the consideration of H.R. 4222, legislation naming a postal facility in Kansas City, Kansas, after Newell George. The measure was introduced by the gentleman from Kansas (Mr. MOORE) on April 27, 2004, unanimously reported by our committee on June 3rd, 2004, and enjoys the support and cosponsorship of the entire Kansas delegation.

Newell A. George had a distinguished career serving the citizens of Kansas. He served as a member of the 86th Congress from 1959 to 1961, representing the second congressional district. This district was later redesignated as the third congressional district following the 1960 congressional reapportionment.

While serving in Congress, Representative George served on the House Committee on Veterans' Affairs. After his defeat, former representative George served as U.S. Attorney for Kansas from 1961 to 1968. After that, he practiced law until his death in 1992.

Newell George was an exceptional public servant and active member of his community. Naming a postal facility after the late representative from Kansas honors his legacy and dedication to public service. I commend my colleague, the gentleman from Kansas (Mr. MOORE), for sponsoring this bill and I urge its passage.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MOORE. Mr. Speaker, as the author of H.R. 4222, I want to thank Chairman DAVIS and Ranking Member WAXMAN of the Government Reform Committee for expediting the floor consideration of this legislation.

In introducing H.R. 4222, I was joined by Representatives TODD TIAHRT, JIM RYUN and JERRY MORAN. This legislation would designate the United States Postal Service facility located at 550 Nebraska Avenue in Kansas City, Kansas, as the "Newell George Post Office Building."

Newell Adolphus George served as a member of the 86th Congress, from 1959–61, representing the Second District of Kansas, which was redesignated as the Third District following the post-1960 congressional reapportionment. He was a member of the House Veterans' Affairs Committee. Born in Kansas City, Missouri, in 1904, he attended Hawthorne Grade School and Wyandotte High School in Kansas City, Kansas, as well as Wentworth Military Academy in Lexington, Missouri, and Park College in Parkville, Missouri.

After studying law at the University of Kansas City School of Law, Newell George obtained employment as a Capitol Hill elevator operator through the patronage of Senator George Mcgill of Kansas and graduated from the George Washington University Law School.

He then was an attorney for the Reconstruction Finance Corporation in Washington, D.C., from 1935–1937, a regional counsel for the War Manpower Commission from 1942–43, and a regional attorney for the Bureau of Employment Security and the Federal Security Agency from 1937–52. After the Democratic Party lost control of the Executive Branch, George served as first assistant Wyandotte County Attorney from 1953–58.

At that point, he began running for Congress, losing to incumbent Republican Errett Scrivner in 1954 and 1956. In 1958, however, a strong anti-Republican tide ran through the farm and western states, resulting in the defeat of numerous incumbent Senators and Representatives, including the defeat of Representative Scrivner by Newell George.

With Republican dominance returned to Kansas in 1960, Representative George was defeated for re-election by Robert Ellsworth of Lawrence, making Newell George the most recent resident of Kansas City to represent Kansas in the U.S. Congress.

After his defeat, however, George was the first U.S. Attorney nominated for appointment by the new Kennedy-Johnson Administration. Newell George served as U.S. Attorney for Kansas from 1961–68. After losing another congressional race in 1968 to Representative Larry Winn, Jr., George practiced law privately in Kansas City, Kansas, and died in 1992.

Married to the former Jean Hannan of Kansas City, Kansas, Newell George was an intrepid public servant and active, concerned citizen. In addition to his political activities, he was a member of Abdallah Shrine, Scottish Rite; a master of the West Gate Masonic Lodge; president of the Kansas City, Kansas, Hi-12 Club; a member of the Kansas State Hi-12 Association; a member of the Breakfast Optimist Club; a member of the Wyandotte County, Kansas and American Bar Associations, the American Judicature Society, Delta Theta Phi law fraternity, the American Academy of Political And Social Science, the Kansas City, Kansas Chamber of Commerce, the Terrace Club, the Top o' the Morning Club, and the First Presbyterian Church of Kansas City, Kansas.

Newell George's other public service included membership on the Kansas Public Disclosure Commission; the Civil Service Commission of Kansas City, Kansas; the Kansas State Government Ethics Commission; and service as a director of the Kansas Multiple Sclerosis Society. Nicknamed "Punk" by his friends, George's other activities included managing a string of boxers, after boxing himself at Wentworth Military Academy; bowling; and adding to a collection of old books—mainly Bibles and McGuffey readers—begun by his father.

In short, Mr. Speaker, Newell A. George was the kind of community oriented, politically active individual who made things happen on the state and local level in so many American cities during the middle third of the twentieth century. With regard to Kansas and Kansas City, he was one of a small but hardy group of Democratic activists who kept two-party government alive in one of our country's most Republican states. It is fitting, therefore, that the House today approves legislation introduced by the bipartisan Kansas House delegation that will designate Kansas City, Kansas', civil center post office in memory of U.S. Representative Newell George.

Mrs. MILLER of Michigan. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Michigan (Mrs. MILLER) that the House suspend the rules and pass the bill, H.R. 4222.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

RECOGNIZING AND ENCOURAGING ALL AMERICANS TO OBSERVE 40TH ANNIVERSARY OF THE DEATHS OF ANDREW GOODMAN, JAMES CHANEY, AND MICHAEL SCHWERNER, CIVIL RIGHTS ORGANIZERS

Mrs. MILLER of Michigan. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 450) recognizing the 40th anniversary of the day civil rights organizers Andrew Goodman, James Chaney, and Michael Schwerner gave their lives in the struggle to guarantee the right to vote for every citizen of the United States and encouraging all Americans to observe the anniversary of the deaths of the 3 men by committing themselves to ensuring equal rights, equal opportunities, and equal justice for all people.

The Clerk read as follows:

H. CON. RES. 450

Whereas Andrew Goodman, James Chaney, and Michael Schwerner were civil rights organizers who participated in the Freedom Summer Project organized by the Council of Federated Organizations to register African Americans in the Deep South to vote;

Whereas on June 21, 1964, after leaving the scene of a firebombed church in Longdale, Mississippi, Andrew Goodman, James Chaney, and Michael Schwerner were murdered by members of the Ku Klux Klan who opposed their efforts to establish equal rights for African Americans;

Whereas June 21, 2004, is the 40th anniversary of the day Andrew Goodman, James Chaney, and Michael Schwerner sacrificed their lives in the fight against racial and social injustice while working to guarantee the right to vote for every citizen of the United States;

Whereas the deaths of the 3 men brought attention to the struggle to guarantee equal rights for African Americans which led to the passage of monumental civil rights legislation, including the Civil Rights Act of 1964 and the Voting Rights Act of 1965;

Whereas the courage and sacrifice of Andrew Goodman, James Chaney, and Michael Schwerner should encourage all citizens of the United States, and especially young people, to dedicate themselves to the ideals of freedom, justice, and equality; and

Whereas citizens throughout the United States will commemorate the 40th anniversary of the deaths of Andrew Goodman, James Chaney, and Michael Schwerner to honor the contributions they made to the Nation: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress—

(1) recognizes the 40th anniversary of the day civil rights organizers Andrew Goodman, James Chaney, and Michael Schwerner gave their lives; and

(2) encourages all Americans to observe the anniversary of the deaths of the 3 men by committing themselves to the fundamental principles of freedom, equality, and democracy.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Michigan (Mrs. MILLER) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentlewoman from Michigan (Mrs. MILLER).

GENERAL LEAVE

Mrs. MILLER of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 450, and to include extraneous material on the concurrent resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

Mrs. MILLER of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Dr. Martin Luther King once said, "Injustice anywhere is a threat to justice everywhere." And during the Freedom Summer of 1964, a great injustice took place outside the small town of Philadelphia, Mississippi.

On June 21 of 1964, members of the Ku Klux Klan attacked and murdered three participants of the Freedom Summer project, an African American voter registration drive. Andrew Goodman, James Chaney, and Michael Schwerner were attacked after driving away from the scene of a firebombed church. The murders drew national attention to the civil rights movement taking place in the deep south.

Today, 40 years to the day after their murders, we remember the contributions to America and to the Civil Rights movement by Andrew Goodman, James Chaney and Michael Schwerner.

Mr. Speaker, four decades ago, poll taxes, overly-complex voting tests, and mental and physical attacks terribly discouraged African Americans from voting in Mississippi during the 1960s. The Freedom Summer project was launched to help combat this reality, and Goodman, Chaney and Schwerner were active organizers of this effort. Sadly, it was not until news coverage of their murders that many Americans became aware of the unbelievable violence that was taking place here in our own country. The brutal murder of these three brave men was indeed a momentous event. In fact, it provided the basis for the 1988 film "Mississippi Burning."

Mr. Speaker, I want to congratulate my distinguished colleague, the gentleman from New York (Mr. OWENS), for his work to bring this solemn anniversary to all of our attention. House Concurrent Resolution 450 is an important reminder of America's volatile past, and it aims to help all Americans work to assure that such atrocities will never happen again.

Mr. Speaker, I strongly urge the resolution's adoption.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. Without objection, and pursuant to unanimous consent, the gentleman from Georgia (Mr. LEWIS) will control the time.

There was no objection.

Mr. LEWIS of Georgia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I had the opportunity yesterday to visit the State of Mississippi and to visit the city of Philadelphia in Neshoba County.

□ 1500

Hundreds of black and white citizens gathered in Neshoba County in the city of Philadelphia. The mayor of the city of Philadelphia, the Governor, former Governor Winters, the former Secretary of State, Dick Molpus, and hundreds and hundreds of other citizens gathered to pay tribute to these three young men.

Forty years ago today, three courageous young Americans, Andy Goodman, James Chaney and Mickey Schwerner, paid the ultimate price for trying to secure voting rights for all of our citizens. These three young men, simply because they were black and white working together to expand democracy, were arrested by the sheriff and his deputy. Later that same evening, they were taken to jail and turned over to the Klan where they were beaten, shot, and killed.

As I said yesterday, and I will say it again today, it is unbelievable, it is unreal, but it did happen. These three young people did not die in Europe, they did not die in Africa, in Vietnam or the Middle East, but right here in our own country, in the heart of the South, in the State of Mississippi. As a Nation and as a people we must never, ever forget the sacrifice they made. Their blood helped to cultivate and grow the seeds of our democracy.

Forty years ago in the State of Mississippi, that State had a black voting age population of more than 450,000, but only about 16,000 blacks were registered to vote. People had to pass a so-called literacy test and interpret some section of the constitution of the State of Mississippi. On one occasion there was a man who had a graduate degree, a Ph.D. degree, and he flunked the so-called literacy test. On another occasion in an adjoining State, the State of Alabama, a man was asked to give the number of bubbles in a bar of soap.

These three brave and courageous citizens, young citizens of America, must be looked upon as the founding fathers of the new America. James Chaney, Mickey Schwerner, and Andy Goodman helped beat down one of the mightiest walls of resistance to equal justice in America. We must never, ever forget their sacrifice for the freedom of us all. They made it possible for many of us to stand here today in this Congress.

Mr. Speaker, it is my great pleasure and my delight to yield such time as she may consume to the gentlewoman from the District of Columbia (Ms. NORTON), who came to Mississippi as a young lawyer, brave, courageous, to work during the summer of 1964 with those of us in the Student Nonviolent Coordinating Committee.

Ms. NORTON. Mr. Speaker, I thank the gentleman from Georgia for yielding me this time.

At the time that I was in Mississippi, the gentleman was Chair of the Student Nonviolent Coordinating Committee. And while in 1964, I guess I had become a lawyer because I had graduated, I first came to Mississippi in 1963 in order to prepare for the summer of 1964 when students would come to the South and help the Student Nonviolent Coordinating Committee to register African Americans to vote in large numbers in the South.

The gentleman from Georgia and our Southern colleagues in the Student Nonviolent Coordinating Committee had, in fact, essentially opened up much of the Southeast and they wanted to tackle Mississippi, the hardest territory in the civil rights struggle. In the summer of 1963, we experimented with freedom schools, which is what we were about doing in 1964. We were going to bring African Americans, the sharecroppers out of the cotton fields, talk about how they should prepare themselves to pass the test, and try to register people.

The summer of 1964 was a summer of both heartbreak and hope because no sooner had the students arrived than we lost three of them in one of the worst atrocities in the entire history of our country in Philadelphia, Mississippi, an unforgettable sacrifice of three young people, one a native of Mississippi, the other two from the North who had simply come to peacefully register people.

We must not forget the summer of 1964, because while it was the summer of great sacrifice, it was also the summer when, in fact, at the Democratic National Convention, we broke the notion that delegations to political conventions could be discriminatory. It was the summer when we were passing the 1964 Civil Rights Act. Indeed, a bill on suspension to commemorate the 40th anniversary of the 1964 Civil Rights Act will be on the floor.

But it is important for us not to forget how we got to these great landmarks, particularly the civil rights legislation. We got to them through a lot of sacrifice, some sacrifice by very young people who helped our country reach one of its greatest aspirations, and that is that everybody should be treated the same way and have the right to vote.

We remember Goodman, Chaney, and Schwerner today for the tragedy, to be sure, but for the way in which their sacrifice reminded people that we could overcome this greatest flaw in our democracy. We are still in the process of overcoming. But we will have a much better chance of achieving a more perfect society with racial discrimination gone if we remember the sacrifices of such Americans as these very young men, Goodman, Chaney, and Schwerner.

Mr. LEWIS of Georgia. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. MILLER of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Let me also say that we certainly honor the gentleman from Georgia as well as the gentlewoman from the District of Columbia. They have earned all the respect of every American. They certainly are some of the greatest civil rights leaders that this Nation will ever have seen. Let me say that we honor them both as well.

Mr. LEWIS of Georgia. Mr. Speaker, I thank the gentlewoman for her kind remarks.

Mr. HASTINGS of Florida. Mr. Speaker, I rise today to honor the 40th anniversary of the devastating murder of three courageous civil rights heroes. We must preserve the memory of James Chaney, Andrew Goodman, and Michael Schwerner, who boldly fought for African American suffrage and helped strengthen the historic alliance between African Americans and Jews. The initial disappearance of these three leaders spurred new efforts to register African Americans to vote. Later on, national indignation over their murders provided the final impetus for the passage of President Johnson's 1964 Civil Rights Act. Together with the Voting Rights Act passed the following year, legally mandated segregation in Mississippi and throughout the South was abolished.

The Congress of Racial Equality, (CORE) called the summer of 1964 "Freedom Summer" and led a massive voter registration and desegregation campaign in Mississippi. This summer was filled with the promise of implementing successful civil rights reforms. On June 21st as part of the Freedom Summer activities, Chaney, Goodman and Schwerner drove to Neshoba County to express sympathy with the congregation of Mt. Zion Church, which had been recently demolished by the Klu Klux Klan. In a conspiracy between elements of the local law enforcement and the Ku Klux Klan, the activists were arrested, and upon their release taken to a remote area, brutally beaten, and shot to death.

James Chaney, an African American civil rights worker from Mississippi, had recently begun to volunteer at the new CORE office in Meridian, Mississippi. Chaney had rapidly become the chief aide, guide, and companion to the CORE director, Matt Suarez. He was only 21 when he was murdered.

Andy Goodman, a white, Jewish, civil rights worker from New York, had arrived earlier that morning in Mississippi to participate as a volunteer in the Mississippi Summer Project. Goodman was known as an intelligent, unassuming, happy, and outgoing youth, and had arrived excited and anxious to improve the rights of African Americans. He was only 20 when he was murdered.

Michael Schwerner, another white, Jewish, civil rights worker from New York, was on a mission in Mississippi to reorganize the community center as well as other programs. Schwerner was the first white civil rights worker to be permanently based outside of Jackson, Mississippi. Although he came under attack, including hate mail, threatening phone calls, and police harassment for his determined efforts to register African Americans to vote, his dedication to fostering tolerance was unwavering. He was only 24 when he was murdered.

Since their tragic murder, the family members of these three activists have continued to preserve both their memory as individuals and their legacy within United States history. To honor the 25th anniversary of the murders, their family members spoke at an African American—Jewish communal relations Seder. James Chaney's brother, Ben, has dedicated his life to ensuring the civil rights of all Americans. This year, as founder of the James Earl Chaney Foundation, he created the Freedom Summer 2004 Ride For Justice. The 20-bus caravan embarked on June 10th and is currently traveling around the country to visit a variety of historically important civil rights memorial sites, including the grave of his brother. Ben is also continuing the mission of voter registration for which the three men were murdered.

These three civil rights workers are among the few of the brave leaders who led our country out of the darkness of intolerance and discrimination, allowing future generations to live without fear. All of us as Americans must take the time today, and every day in the future, to make a firm commitment to honor their memory by fighting even harder to safeguard the ideals for which they stood. We can learn from what they embodied and continue their work to stamp out prejudice forever. It is our duty to remember by guaranteeing that the African American voice be heard through the ballot box. We must preserve the historic ties of oppression that bind the African American and Jewish communities together. For the three who died, we will still continue the struggle for justice.

Mr. Speaker, I urge my colleagues to reflect on the passing of James Chaney, Andrew Goodman, and Michael Schwerner, and to honor them by promoting tolerance and preserving the civil liberties and right to equality to which every American, regardless of their race, gender, ethnicity or religion, is entitled.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in strong support of the bill before us, H. Con. Res. 450, and thank the gentleman from New York, Mr. OWENS, for his hard work in bringing it to the floor for passage. I am an original co-sponsor of this legislation because it calls us to recognize three young men who were in fact civilian soldiers. They knew the grave dangers that faced them and yet they entered a hostile area to ensure that all men and women in our Nation would have equal access and opportunity to exercise the fundamental right to vote. These young men lived lives of peace, but unfortunately their lives were taken away from them through violence. Every young person in this country can take Michael Schwerner, Andrew Goodman, and James Chaney as role models, true examples of self-sacrifice and courage, individuals who not only served others, they in fact changed the course of our Nation through their actions.

The solidarity that these noble men displayed despite the pressures that existed to keep African Americans and Whites divided was unprecedented and evidence of pure leadership. Michael Schwerner, Andrew Goodman, and James Chaney knew that their actions to increase voter rights and the fact that they were a coalition of two White and one African-American men would incite hatred, disgust, and violent reaction. Their deaths ultimately facilitated the passage of one of the Civil Rights bills and showed America that the two races could unite. Therefore, we will always remember them as martyrs of an honorable cause in the same ilk as Dr. Martin Luther King, Jr., and Malcolm X.

I want to take a moment to talk about these three young men as individuals. I hope that through the retelling of their lives we will be able to understand that these three men were normal individuals with families who loved them and hopes for the future, but instead of living a safe life they took an extraordinary chance to fulfill justice and now today they have rightfully assumed the mantle of greatness.

James Chaney was born May 30, 1943 in Meridian, Mississippi to Ben and Fannie Lee Chaney. In 1963, he joined the Congress of Racial Equality (CORE). In 1964, CORE led a massive voter registration and desegregation campaign in Mississippi called Freedom Summer. Chaney had begun volunteer work at the new CORE office in Meridian in October, 1963, his work ranged from constructing bookshelves at the community center to traveling to rural counties to set up meetings. Chaney, being black, was able to go places while CORE members were afraid to go. Chaney was only twenty-one when he died on Rock Cut Road.

Andrew Goodman was only 20 when he died on Rock Cut Road on June 21, 1964, near the end of his first full day in Mississippi. Goodman had arrived in the state early the previous morning after attending a tree-day training session in Ohio for volunteer for the Mississippi Summer Project. Goodman arrived in Mississippi excited and anxious to get to work. Goodman was intelligent, unassuming, happy, and outgoing. While a high school sophomore, Goodman traveled to Washington, DC to participate in the "Youth March for Integrated Schools." Although not seeing himself as a professional reformer, Goodman knew that his life had been somewhat sheltered and thought that the experience would be educational and useful.

Michael Schwerner was the most despised civil rights worker in Mississippi. Klan Imperial Wizard Sam Bowers ordered Schwerner's "elimination" in May, 1964. The Klan finally got their chance to carry out the elimination order on June 21. Because they were with Schwerner, and would know too much if they were not killed, James Chaney and Andy Goodman also had to die. Schwerner had come to Mississippi in January of 1964 with his wife Rita after having been hired as a CORE field worker. In his application for the CORE position, Schwerner, a native of New York City, wrote "I have an emotional need to offer my services in the South." Schwerner added that he hoped to spend "the rest of his life" working for an integrated society. On January 15, 1964, Michael and Rita left New York in their VW Beetle for Mississippi. After talking with civil rights leader Bob Moses in Jackson, Schwerner was sent to Meridian to organize the community center and other programs in the largest city in eastern Mississippi. Schwerner became the first white civil rights worker to be permanently based outside of the capital of Jackson. Once in Meridian, Schwerner quickly earned the hatred of local KKK by organizing a boycott of a variety store until the store, which sold mostly to blacks, hired its first African American. He also came under heavy attack for his determined efforts to register blacks to vote. After a few months in Meridian, despite hate mail and threatening phone calls and police harassment, Schwerner believed he made the right decision in coming to Mississippi. Mississippi, he said, "is the decisive battleground for America. Nowhere in the world is the idea of white supremacy more firmly entrenched, or more cancerous, than in Mississippi." Michael Schwerner was only twenty-four when he was killed in Meridian.

Mr. Speaker, we must work to ensure that Michael Schwerner, Andrew Goodman, and James Chaney did not die in vain. The Civil Rights movement exists only as much as we act and these three young men are the epitome of that idea. I support this legislation and hope that my colleagues will do the same to send the message that the great sacrifices of these heroic individuals will never be forgotten.

Mrs. MILLER of Michigan. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TERRY). The question is on the motion offered by the gentlewoman from Michigan (Mrs. MILLER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 450.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 163

Ms. NORTON. Mr. Speaker, I ask unanimous consent that my name be removed as cosponsor of H.R. 163.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from the District of Columbia?

There was no objection.

CONGRATULATING RANDY JOHNSON OF THE ARIZONA DIAMONDBACKS ON PITCHING A PERFECT GAME

Mrs. MILLER of Michigan. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 660) congratulating Randy Johnson of the Arizona Diamondbacks on pitching a perfect game on May 18, 2004.

The Clerk read as follows:

H. RES. 660

Whereas on May 18, 2004, Randy Johnson of the Arizona Diamondbacks became only the 17th pitcher in Major League Baseball history to throw a perfect game;

Whereas at age 40 Randy Johnson is the oldest pitcher in Major League Baseball history to throw a perfect game;

Whereas Randy Johnson is only the 5th pitcher in Major League Baseball history to throw no-hitters in both the American and National Leagues;

Whereas throughout his 17 years in Major League Baseball, Randy Johnson has won a World Series, been named World Series co-MVP, thrown 2 no-hitters, won Cy Young Awards in both the American and National Leagues, and set multiple strikeout records, trailing only Nolan Ryan, Roger Clemens, and Steve Carlton on the all-time strikeout leaders list;

Whereas by pitching a perfect game Randy Johnson joins an elite class of pitchers that spans the ages and includes some of the all-time baseball greats, including John Ward of the Providence Giants, John Richmond of the Worcester Brown Stockings, Cy Young of the Boston Pilgrims, Addie Joss of the Cleveland Indians, Charlie Robertson of the Chicago White Sox, Don Larsen of the New York Yankees, Jim Bunning of the Philadelphia Phillies, Sandy Koufax of the Los Angeles Dodgers, Catfish Hunter of the Oakland Athletics, Len Barker of the Cleveland Indians, Mike Witt of the California Angels, Tom Browning of the Cincinnati Reds, Dennis Martinez of the Montreal Expos, Kenny Rogers of the Texas Rangers, David Wells of the New York Yankees, and David Cone of the New York Yankees;

Whereas during his perfect game Randy Johnson threw only 117 pitches, 87 of which were strikes, struck out 13 of the 27 hitters he faced, and had his last pitch clocked at 98 miles per hour; and

Whereas Randy Johnson is considered one of the best pitchers in baseball today, and his perfect game only adds to his impressive list of accomplishments and his reputation as one of the dominant pitchers in baseball history: Now, therefore, be it

Resolved, That the House of Representatives—

(1) congratulates Randy Johnson of the Arizona Diamondbacks on pitching a perfect game on May 18, 2004; and

(2) recognizes Randy Johnson for a brilliant career.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Michigan (Mrs. MILLER) and the gentleman from Georgia (Mr. LEWIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Michigan (Mrs. MILLER).

Mrs. MILLER of Michigan. Mr. Speaker, I yield myself such time as I may consume.

May 18, 2004, will go down in history for all fans of the Arizona Diamondbacks and all fans of Major League Baseball because on that night, 40-year-old Randy Johnson became the oldest pitcher in major league history to throw a perfect game. He retired all 27 Atlanta Braves he faced to lead his team, the Arizona Diamondbacks, to a 2–0 victory. It took him 117 pitches to throw the first perfect game, and first no-hitter, in Diamondbacks' history. Johnson became only the 17th pitcher in major league history to pitch a perfect game. On this day in May, Randy Johnson was, indeed, perfect. He recorded 13 strikeouts, and he put out the other 14 Atlanta hitters during his dazzling display of pitching dominance.

Perhaps the neatest thing about Johnson's perfect night was the support he enjoyed from the Atlanta fans. As Johnson neared his momentous accomplishment toward the end of the game, the 20,000-plus fans in Atlanta, keep in mind these are the fans of the opposing team, encouraged him with standing ovations and chanted his name. It was a terrific night for America's favorite pastime and a terrific night for Randy Johnson and the Arizona Diamondbacks.

Mr. Speaker, the House salutes Randy Johnson for pitching a perfect game. The gentleman from Arizona (Mr. SHADEGG) is the sponsor of this resolution and certainly he should be applauded for his eagerness to honor Randy Johnson's historic feat. I certainly encourage all Members, even those who are Braves fans, to support House Resolution 660.

Mr. Speaker, I reserve the balance of my time.

Mr. LEWIS of Georgia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is my pleasure to congratulate Mr. Randy Johnson on his perfect game. Throughout his long career, Mr. Johnson has been a fierce opponent with his vicious change-up and scorching fastball. On May 18, Mr. Johnson achieved perfection. At the age of 40, and after being awarded the Cy Young award in both the American and National Leagues, Randy Johnson threw a perfect game. He is the oldest pitcher to achieve this athletic triumph.

With this achievement, Mr. Johnson joins an elite class of pitchers that spans the history of America's game and include baseball legends Cy Young, Don Larsen, Sandy Koufax, and Catfish Hunter.

Mr. Johnson has been one of the preeminent pitchers in baseball over a career that has spanned 17 years. We congratulate Randy Johnson for pitching a perfect game and recognize him for a brilliant pitching career.

Mr. Speaker, I yield back the balance of my time.

Mrs. MILLER of Michigan. Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Speaker, I rise in support of H.R. 660 and to congratulate and honor Randy Johnson of the Arizona Diamondbacks, more affectionately known to us in Arizona as "The Big Unit." As I think everyone knows, on May 18 of this year in an extraordinary feat against the Atlanta Braves, Randy Johnson became only the 17th pitcher in the history of major league baseball to throw a perfect game. That is right. Twenty-seven Atlanta Brave hitters came to the plate, and 27 Atlanta Brave hitters went down.

Now, many of us strive for perfection in many aspects of our lives, but it is rarely achieved; but not only did Randy Johnson do this on May 18, but he was at the time 40 years old, making him the oldest pitcher in Major League Baseball to throw a perfect game.

Now, prior to that, Cy Young, in whose name a famous award is given each year, at the age of 37 had been the oldest pitcher to throw a perfect game, having done it 100 years ago in 1904.

Randy Johnson is also only the fifth pitcher in major league history to throw no-hitters in both the American and the National Leagues. In fact, Johnson's previous no-hitter came in 1990 while pitching for the Seattle Mariners.

Johnson grew up in Livermore, California, where his father, Bud, was a police officer at Lawrence Livermore National Laboratory. As a young boy, Randy would practice pitching against his garage door, pretending to be in the big leagues. Even at 8 years old, Johnson threw the ball so hard it would pop nails loose from the wood siding. After he was done, his father would proudly come up to him and hand him a hammer and tell him to go put the nails back into the wall.

Standing 6 feet 10 inches and with a 38-inch arm, Johnson is one of the most intimidating pitchers in all of the game of baseball; and it has earned him, as I indicated, the nickname "The Big Unit."

Randy Johnson's perfect game will certainly fit nicely within his already very, very impressive list of accomplishments.

Throughout his 21 years in Major League Baseball, Randy Johnson has won a World Series, beating the New York Yankees in 2001; during his tenure, he has been named World Series co-MVP, along with former Diamondback pitcher Curt Schilling; thrown no-hitters in both the American and National leagues; as I mentioned, won the Cy Young Awards in both the American and National Leagues; and set multiple strikeout records, trailing only Nolan Ryan, Roger Clemens, and Steve Carlton on the all-time strikeout leaders list.

By pitching a perfect game, Randy Johnson joins an elite class of pitchers that spans the ages and includes some of the all-time baseball greatest. In his quest for perfection, Randy Johnson threw only 117 pitches, 87 of which were strikes. He struck out the first 13 of 27 hitters he faced, utilizing his blistering fastball and devastating slider to perfection, and went to a three-ball count on just one Braves hitter.

To understand just how perfect "The Big Unit" was on this night, we need only look at the radar gun on his very last pitch. Randy Johnson's 117th pitch of that night, his final pitch, was clocked at a shocking 98 miles an hour.

Randy Johnson is considered one of the best pitchers in Major League Baseball today and has set a course that will lead him straight to Cooperstown. I am very proud to honor him in this effort.

Mrs. MILLER of Michigan. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Michigan (Mrs. MILLER) that the House suspend the rules and agree to the resolution, H. Res. 660.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mrs. MILLER of Michigan. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mrs. MILLER of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Res. 660, the resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

CONGRATULATING DETROIT PISTONS ON WINNING THE 2004 NATIONAL BASKETBALL ASSOCIATION CHAMPIONSHIP

Mrs. MILLER of Michigan. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 679) congratulating the Detroit Pistons on winning the 2004 National Basketball Association championship.

The Clerk read as follows:

H. Res. 679

Whereas on June 15, 2004, the Detroit Pistons defeated the Los Angeles Lakers to win the 2004 National Basketball Association (NBA) Championship;

Whereas the Pistons defeated the Milwaukee Bucks four games to one in the first round of the playoffs;

Whereas the Pistons defeated the defending Eastern Conference Champion New Jersey Nets four games to three in the hard fought Eastern Conference Semifinals;

Whereas the Pistons defeated the Indiana Pacers, the number one seeded team in the Eastern Conference, four games to two in the Eastern Conference Finals;

Whereas the Pistons defeated the Lakers four games to one in the NBA Finals, winning their first NBA Championship since 1990 and becoming the first Eastern Conference team to win the championship since 1998;

Whereas the gritty offense of the Pistons was lead by Richard Hamilton, who averaged more than 21.5 points and 4.2 per assists per game throughout the NBA playoffs;

Whereas Rasheed Wallace overcame a foot injury to provide 26 points and 13 rebounds in the crucial game four victory;

Whereas Ben Wallace, a two-time NBA defensive player of the year and three-time member of the NBA All-Defensive First Team, brought the working-class mind-set to the Pistons and symbolizes the Pistons stifling defense;

Whereas Tayshaun Prince played tenacious defense and prevented Lakers superstar Kobe Bryant from being an effective scorer against the Pistons;

Whereas Chauncey Billups was voted the Most Valuable Player of the Finals for his outstanding performance throughout the NBA playoffs, averaging 21 points and 5.2 assists while only committing 2.6 turnovers per game;

Whereas Head Coach Larry Brown did an outstanding job preparing the Pistons for victory over an exceptional Lakers team and became the first head coach to win both the NBA and National Collegiate Athletic Association (NCAA) Basketball Championships;

Whereas former Piston and current President of Basketball Operations Joe Dumars, Coach Brown, and assistant coaches John Kuester, Mike Woodson, Dave Hanners, Herb Brown, and Igor Stefan Kokoskov have provided strong leadership and solid coaching, resulting in a basketball team in which teamwork and hard work are the rule and not the exception;

Whereas Pistons fans have shown undying support for their team, leading the league in attendance in a year where attendance records were broken throughout the NBA;

Whereas the Pistons exemplify what can be achieved by a talented group of players working together for a common goal;

Whereas the Pistons have shown that basketball remains a team sport and have reminded fans that the game is still a team game with fundamentals at its heart and soul;

Whereas sportswriter Eric Neel wrote of the Pistons, "Once upon a time, there was a shared ball on offense and a shared responsibility on defense. In their Game 5 victory, as in the previous four games, it was that time all over again. We've got retro jerseys and throwback sneaks, now we've got a world champion from back in the day, to go with them.";

Whereas the success of the Pistons is a result of contributions from the entire roster of players, including Chauncey Billups, Elden Campbell, Darvin Ham, Richard Hamilton, Lindsey Hunter, Mike James, Darko Milicic, Mehmet Okur, Tayshaun Prince, Ben Wallace, Rasheed Wallace, and Corliss Williamson; and

Whereas the Pistons displayed tremendous strength, ability, and perseverance during the 2003–2004 season, attributes that are reflective of the hardworking people of the metropolitan Detroit region and the State of Michigan, and have epitomized the team slogan "Goin' to work. Every night.": Now, therefore, be it

Resolved, That the House of Representatives—

(1) congratulates the Detroit Pistons for winning the 2004 National Basketball Association (NBA) Championship and for their outstanding performance during the entire 2003–2004 season; and

(2) recognizes the achievements of all the players, coaches, and staff of the Pistons, who were instrumental in helping the Pistons win a third NBA Championship.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Michigan (Mrs. MILLER) and the gentleman from Georgia (Mr. LEWIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Michigan (Mrs. MILLER).

GENERAL LEAVE

Mrs. MILLER of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

Mrs. MILLER of Michigan. Mr. Speaker, I yield myself such time as I may consume.

June 15, 2004, is a date to be remembered throughout the metropolitan Detroit area and the entire great State of Michigan. On this Tuesday night, the underdog Detroit Pistons ended a phenomenal season by defeating the Los

Angeles Lakers 100–87 to win the 2004 NBA championship four games to one.

Heading into the series, the Lakers were the overwhelming favorites to defeat the Pistons, but the Pistons possessed one defining characteristic which did not show up on paper: they were a group of dedicated teammates working toward a common goal.

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This team, under the great leadership of Coach Larry Brown, showed unprecedented teamwork and desire. And it was a beautiful thing to watch.

The Pistons are really fitting representatives for the people of Southeast Michigan. They might not be media superstars. They might not have the Hollywood elite watching them from their courtside, but they have a blue-collar work ethic and they thrive on great teamwork. And when everything is working against them and their backs are up against the wall, they rise to the occasion. The Pistons proved that strong defense and selfless play can deliver overwhelming victory.

Mr. Speaker, the "Bad Boys" of Detroit are back; and the people of Michigan are proud to call this team our own. The Pistons motto is "Going to work." Their spirit and their desire is a reflection of Michigan. This attitude is not pretty. It is not flashy. It is gritty. It leads to scraped elbows, bloody noses. But most importantly, it conceives a desire to get the job done.

Team president Joe Dumars, a great champion as a Pistons player himself, took control of the team when a championship was really only a dream. He brought in players who display the same work ethic as he was known for as a player. He hired coaches who understand the role of individuals within a team and who could get these players to perform to their full potential, and despite the critics, the results speak for themselves. Well done Joey D.

Mr. Speaker, prior to the championship series, people around the Nation were not giving the Detroit Pistons a chance. But as the series progressed, it became apparent who was the best team in the NBA.

Finals MVP Chauncey Billups was scoring and passing with the heart of a champion. Rip Hamilton ran circles around defenders. Ben Wallace defended and rebounded like a man possessed. Fear the 'fro, NBA. Rasheed Wallace provided veteran leadership and intimidation like no one else. Tayshaun Prince scored and defended with an elegance that seemed effortless.

And when the Detroit bench was called to duty, the players answered the call. Each and every player knew that as a team, they would be successful, they knew that the work would not be done until the final buzzer.

Mr. Speaker, the entire team showed what teamwork and hard work can do, and Larry Brown was the perfect coach. No coach in sports is more respected than Larry Brown, and I can speak for all Pistons fans in hoping that he will call himself a Detroit Piston for many years to come.

And, finally, Mr. Speaker, we cannot honor the Pistons without mentioning their owner, Bill Davidson. He is a great man who is renowned for his generosity in his charitable works, not just in Michigan or in Southeast Michigan, but throughout our entire Nation and, in fact, the world. His players are a reflection of him, hard working, selfless, and they care about their communities. I congratulate and thank Mr. Davidson.

So, Mr. Speaker, the House solutes the Detroit Pistons for winning the 2004 NBA championship, and after the fireworks have gone off and the parades are over, one team stands above all the rest, the Detroit Pistons.

I encourage all Members to agree to House Resolution 679.

Mr. Speaker, I reserve the balance of my time.

Mr. LEWIS of Georgia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to take the time today to congratulate the Detroit Pistons on their inspiring run through the NBA season and playoffs and on their first NBA as championship since 1990.

Behind the leadership of the legendary Head Coach Larry Brown, the Pistons displayed a sense of purpose and energy often missing in the NBA game today.

On the court a trio of stars and an excellent supporting cast led the team brilliantly. Despite suffering a broken bone in his face, Richard Hamilton led the Pistons offensively all season and played his best basketball of the season in the playoffs, when he averaged 21.5 points per game.

The Pistons' vaunted defense was led all season by two-time NBA defensive player of the year, winner Ben Wallace, who brought a no-nonsense style to the Pistons.

Though one of the league's best teams last year, team finally came into championship form in mid-season this year when a trade brought forward Rasheed Wallace to the team. Mr. Wallace's veteran experience was the final piece needed as the Pistons stormed through the regular season and the playoffs.

In the finals, the Pistons were regarded as the heavy underdog to the Los Angeles Lakers. However, once again, the Pistons bucked these seemingly insurmountable odds and won the championship series in games. This was basketball at its best.

In closing, I join my colleague. I too want to congratulate the Pistons for their spectacular season, and I look forward to watching them bring the same sort of excitement to basketball again next year. It was basketball, good basketball, wonderful basketball.

I have a lot of relatives living in Detroit, and they were rooting for the Pistons, and I was rooting with them for the Pistons. Go Pistons, go.

Mr. Speaker, I yield back the balance of my time.

Mrs. MILLER of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Unfortunately, I missed the last game because we were here voting, but I was at game 4, where I had my thundersticks. Go Pistons.

Mr. CONYERS. Mr. Speaker, it is with great pride that I rise today to congratulate the Detroit Pistons on winning this year's National Basketball Association championship. It has been 14 long years since the Pistons last brought the Larry O'Brien championship trophy home, but their hard won victory of defeating the Lakers is the epitome of the teamwork at its absolute best. If ever a championship fits the personality of a community, this one does.

The Pistons entered this year's NBA tournament as the definitive dark horse. While Detroit's stifling defensive was universally acknowledged, few outside of the Detroit Metro area and the Piston fan diaspora thought the Pistons' gritty offense and stifling defense could beat the defending Eastern Conference Champion New Jersey Nets. However, the Pistons, like they did all year, proved their critics wrong. Demonstrating the strength and determination that would become their hallmark in the series against the Lakers, the Pistons came back to win the series against the Nets after a triple overtime loss in Game 5 as well as a heart breaking loss to the Lakers in game 2 of the Finals. Indeed, the Pistons' ability to rebound after stunning losses have gained the admiration of America.

This team was about true sportsmanship and selflessness. Every Piston could vie for the Most Valuable Player award because each of them played with remarkable fortitude and consistence. Whether Detroit won because of the stepped up play of Richard "Rip" Hamilton (averaging over 21.5 points and 4.2 assists per game throughout the post-season), Ben Wallace's season-long hard nosed defensive leadership (averaging a double-double in points scored, with 10.3 per game, and rebounds, with 14.3 per game), Chauncey Billups's post-season play against the Lakers (averaging 21 points and 5.2 assists for the Pistons despite being guarded by two future Hall of Famers, Gary Payton and Kobe Bryant), or the tremendous Pistons bench. They are a true model of what can be achieved with team work: success.

I am particularly excited that the city of Detroit won this championship at this time. Mr. Speaker, during the past few years the Metro Detroit area has lost tens of thousands of manufacturing jobs, some of which will never come back to this great city. The Detroit Pistons winning this championship has brought back hope and a sense of optimism that Detroit desperately needs. Specifically, the team's motto, "Goin' to work. Every night," exemplifies the strength and tenacity both of the Pistons and of the great citizens of Detroit.

The moral of this championship is that you never know what you can achieve until you try. Go Pistons.

Mr. KNOLLENBERG. Mr. Speaker, I rise to congratulate the Detroit Pistons. Tuesday night, playing at the Palace of Auburn Hills in my district, the Pistons defeated the Los Angeles Lakers to win the 2004 NBA championship.

From top to bottom, the Pistons were a model of teamwork and dedication. Owner Bill Davidson provided the foundation for the Pistons' championship and has been a positive member of the Detroit and southeast Michigan community for years. President of Basketball Operations Joe Dumars built this team and coach Larry Brown molded the Piston players into a cohesive, team-first group.

This has been a very exciting season for the people of Michigan. They have embraced the Pistons, as millions outside of Michigan have. Fans identified with this team. The Pistons represented core American values of hard work, persevering through difficult times, and sharing both success and failures with family and loved ones.

I want to thank the Pistons and everyone in their organization for giving us from Michigan a team to be proud of.

Mr. KILDEE. Mr. Speaker, I am very glad to join my Michigan colleagues in congratulating the Detroit Pistons on winning the 2004 National Basketball Association (NBA) Championship. This is truly a remarkable achievement and the entire city of Detroit and the State of Michigan are very proud. I have had the pleasure of representing the city of Auburn Hills, location of The Palace, home of the Detroit Pistons. I have also been lucky enough to see firsthand the Detroit Pistons in action there.

On June 15, 2004, the Pistons defeated the Los Angeles Lakers to win the title. This amazing accomplishment came from a great team comprised of players Chauncey Billups, Elden Campbell, Darvin Ham, Richard Hamilton, Lindsey Hunter, Mike James, Darko Milicic, Mehmet Okur, Tayshaun Prince, Ben Wallace, Rasheed Wallace, and Corliss Williamson.

I am especially proud of Pistons Forward Darvin Ham who is a Saginaw, Michigan native. His mother is Wilmer Jones-Ham, the mayor of Saginaw. Darvin played high school basketball at and graduated from Saginaw High School. He went on to play college basketball at Texas Tech University where he helped lead the Red Raiders to a 1996 NCAA Sweet 16 appearance. Darvin played an integral role with the team and is highly deserving of the championship ring he will now wear.

Darvin and the rest of the Pistons who many had said could not compete with the Lakers are truly representative of Saginaw and the entire State of Michigan. Their hard work and never-say-die attitude will hopefully bring them more championships in the very near future. Once again, I congratulate the Detroit Pistons for winning the 2004 NBA Championship.

[From the Saginaw (MI) News, June 16, 2004]

"MAMA HAM" CHEERS DARVIN

(By Greg Mancina)

"Mama Ham" was doing a jig early this morning while waiting for her World Champion son, Darvin, to come back out of the Detroit Pistons locker room in The Palace of Auburn Hills.

"I'm trying to keep my composure, but it's hard," admitted Wilmer Jones Ham, called "Mama Ham" by the Pistons players.

"The winning spirit of victory is in the air."

That winning spirit came from a 100–87 shellacking of Shaquille O'Neal's Los Angeles Lakers Tuesday that gave the Pistons their third NBA title and Darvin Ham his first championship ring after what many national pundits are calling the biggest upset in NBA Finals history.

The Pistons were low-down underdogs to the powerful L.A. Lakers, and its star-studded roster, bench and crowd. But something happened on the way to their coronation—a better team showed up, one that included Saginaw's Darvin Ham.

"I'm just trying to soak it all in," said Ham, who finally emerged from the locker room and popped into the team's post-game dinner in an upstairs dining room at the Palace at about 2:30 a.m. "We did it, baby!"

And Darvin Ham knew it all along.

"I knew back in February we had a championship quality ballclub," he said.

Now the rest of the world knows it, too.

"Don't nobody play D like this, never, ever, not for the long periods of time that we keep our defensive pressure consistent at that high of a level," Ham explained. "It is nothing like anything that's come along in the NBA."

"Larry Brown preached defense, rebound, share the ball, defense, rebound, share the ball, defense, rebound, share the ball, and it rings true. That's why he won a championship in college and in the NBA.

"It's not rocket science, it's a simple formula, but I wish I could bottle it up and create a championship wine cellar so I can pop it open whenever I want."

Adding to Ham's championship experience was sharing it with his family, his mother, and the more than 250 extended family members who somehow found a way into the Palace for Game 5.

"God allowed me to give birth to a World Championship basketball player," Wilmer Jones Ham said. "Isn't that something?"

Wilmer Jones Ham, the mayor of Saginaw who Darvin says "has a bigger name than I do," attended her first basketball game in its entirety since a fainting spell during a City Council meeting last month.

The mayor went to Game 4 of the NBA Finals on Sunday, but could only stay until halftime "by doctor's orders."

But Tuesday was different. Tuesday was close-out day for the Pistons and there was no way Ham was going to miss what turned into the title-clinching victory.

"Guess what? I stayed the whole time and I'm wringing with sweat," Wilmer Jones Ham said. "My heart has been beating, it's never stopped fluttering."

"I would sit down and put a cold rag to my head, saying to myself 'exhale, inhale, exhale, inhale.'"

The mayor sat in the first row along the baseline by a basket and near enough to the Pistons' bench that they kept asking "You alright Mama Ham? You alright?"

"She got to see the important (game)," Darvin Ham said. "It's been incredible."

The family atmosphere also permeates the team, said Darvin Ham, who said that in all of his NBA stops he's never experienced anything like the camaraderie he's had with this team.

"Joe Dumars created an environment where it's easy to come to work, and you look forward to seeing your teammates," Darvin Ham said.

And right on cue, the Palace turned into a hug-fest after the victory.

"Everybody is holding onto Darvin, hugging him," Wilmer Jones Ham said.

"This just shows you that hard work pays off," she explained. "They can be an example for all young people—you don't give up, you don't throw in the towel."

Darvin Ham is practically the poster child of not throwing in the towel.

A reserve player on his Saginaw High School basketball team, Ham worked through junior college to latch onto a scholarship at Texas Tech.

Then he turned his reputation as a defender and "banger" into a profession, first playing in one of basketball's minor leagues before signing an NBA free agent contract with the Denver Nuggets.

He played for five more teams before finally landing in Detroit in September of last year.

Darvin Ham came to the Pistons as a defensive specialist and used his work ethic and infectious personality to catch the attention of coach Larry Brown, who also gave Mama Ham a hug after the final horn.

Ham earned extended playing time in early-season games, and two starting assignments, based on his work ethic and defense in practice, an attitude Brown was trying to instill in the rest of his team.

"I earned my minutes and recognition through the practice floor," he said.

"Darv is such a good-hearted person and they told me he is the joy of the team," Mama Ham said. "He's the mover and the shaker, 'Hey, we can do it. We can work through it.'"

In 370 career NBA games, Ham's averaged 3.0 points and 2.5 rebounds in 13.3 minutes per game, and he's had to bang a lot of bodies in practice to earn those minutes. In Detroit this season, he averaged 1.8 points and 1.7 rebounds in 54 games.

"It's just being focused and competing," Darvin Ham said. "Everybody matters. We all pushed . . . Darko (Milicic) pushed our big guys every day in practice. That's stuff not written about in the papers and people don't get to see it. The thing I love the most is they recognize that around here."

The fans will recognize that over the next few days when Ham and his teammates have a slate of parties, parades and rallies planned beginning Thursday morning.

"I'm not sleeping until Labor Day," Darvin Ham said.

Greg Mancina is a sports writer for The Saginaw News. You may contact him at 776–9670.

Ms. KILPATRICK. Mr. Speaker, congratulations to the Detroit Pistons and their Coach, Larry Brown, for winning the 2004 National Basketball Association Championship, defeating the Los Angeles Lakers, four games to one.

Congratulations for Most Valuable Player Chauncey Billups, Richard "Rip" Hamilton who was the high scorer for the Pistons in game five with 21 points, leading rebounder Ben "Fear the Fro" Wallace with 22 rebounds, Tayshaun Prince with his great defense against Kobe Bryant, and Rasheed Wallace who helped neutralize Shaquille O'Neal and scored 11 points.

The Detroit team displayed unstoppable teamwork, determination and perseverance to bring this championship to Detroit. I credit former Detroit "Bad Boy" and President of the

Detroit Pistons' organization, Joe Dumars for assembling this team. He traded Grant Hill for Ben Wallace and acquired Rasheed Wallace in a trade in February. Dumars was on the Detroit Pistons' Championship teams in 1989 and 1990.

The Las Vegas betting lines had the Pistons the 6–1 underdogs going into the finals against the Lakers. I suppose a lot of people lost a lot of money after this team pulled off the biggest upset in NBA finals history.

This is a great year for Pistons' owner Bill Davidson whose Detroit Shock won the WNBA Championship last season, Tampa Bay Lightning won the Stanley Cup this season and now the Detroit Pistons winning the NBA Championship.

This team believed in themselves and the Detroit fans knew they could win it all. Go Pistons—National Basketball Association World Champions 2004.

Mr. DINGELL. Mr. Speaker, I rise today to congratulate the Detroit Pistons on winning the 2004 National Basketball Association Championship. After only five games, the Detroit Pistons won their third NBA title June 15, with a 100–87 victory over the heavily favored Los Angeles Lakers. The Pistons showed great strength under pressure and proved that desire, perseverance and teamwork could triumph over talent, experience and individual play. I applaud their hard work and their championship.

I would like to offer my personal congratulations to Chauncey Billups, Ben Wallace, Mike James, Darvin Ham, Lindsey Hunter, Mehmet Okur, Taysharun Prince, Rasheed Wallace, Darko Milicic, Richard Hamilton, Corliss Williamson and Elden Campbell.

Furthermore, I also want to congratulate Pistons owner William Davidson, team executives Tom Wilson and Joe Dumars and Coach Larry Brown. Their vision has once again returned the Larry O' Brien Trophy home to Detroit where it rightfully belongs.

The Detroit Pistons has made Metro Detroit and the State of Michigan proud. Their teamwork has taught Michiganders that you do not need stars to win a championship, you need unity. Once again, I congratulate the Detroit Pistons and their leaders on winning the 2004 NBA Championship.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H. Res. 679 congratulating the Detroit Pistons on winning the 2004 National Basketball Association championship on June 15, 2004. We must always recognize honor where honor is due. The Pistons' win against the Lakers in the 5th game of the series this year is admirable and therefore, must be honored.

This commemoration will go a long way. In celebrating this win, we congratulate the players. They are more than just athletes, but they are also role models, fathers, brothers, sons, and husbands. Under the leadership of Coach Larry Brown these players came together to form the most outstanding team of 2004.

Indeed, the Pistons are outstanding off the court as well. We must acknowledge the Pistons' work in the Detroit community. From establishing 4 reading and learning centers, holding an essay contest, and running book drives and clothing drives for needy children in the winter, the team shows that it is committed to giving back to the community that gives so much to them.

And certainly the citizens of Detroit must be commended for their support of the Pistons. At Pistons' games, the love of team abounds. Families, friends, and fans pack bleachers at every game and show the Pistons what love is all about. This year the Pistons and the citizens of Detroit are reaping the rewards of hard work. In Texas, we recognize when hard work pays off. Today, we ask that Washington do the same.

Mrs. MILLER of Michigan. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TERRY). The question is on the motion offered by the gentlewoman from Michigan (Mrs. MILLER) that the House suspend the rules and agree to the resolution, H. Res. 679.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

WESTERN SHOSHONE CLAIMS DISTRIBUTION ACT

Mr. GIBBONS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 884) to provide for the use and distribution of the funds awarded to the Western Shoshone identifiable group under Indian Claims Commission Docket Numbers 326–A–1, 326–A–3, and 326–K, and for other purposes, as amended.

The Clerk read as follows:

H.R. 884

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Western Shoshone Claims Distribution Act".

SEC. 2. DEFINITIONS.

In this Act:

(1) COMMITTEE.—The term "Committee" means the administrative committee established under section 4(c)(1).

(2) WESTERN SHOSHONE JOINT JUDGMENT FUNDS.—The term "Western Shoshone joint judgment funds" means—

(A) the funds appropriated in satisfaction of the judgment awards granted to the Western Shoshone Indians in Docket Numbers 326–A–1 and 326–A–3 before the United States Court of Claims; and

(B) all interest earned on those funds.

(3) WESTERN SHOSHONE JUDGMENT FUNDS.—The term "Western Shoshone judgment funds" means—

(A) the funds appropriated in satisfaction of the judgment award granted to the Western Shoshone Indians in Docket Number 326–K before the Indian Claims Commission; and

(B) all interest earned on those funds.

(4) JUDGMENT ROLL.—The term "judgment roll" means the Western Shoshone judgment roll established by the Secretary under section 3(b)(1).

(5) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(6) TRUST FUND.—The term "Trust Fund" means the Western Shoshone Educational Trust Fund established under section 4(b)(1).

(7) WESTERN SHOSHONE MEMBER.—The term "Western Shoshone member" means an individual who—

(A)(i) appears on the judgment roll; or

(ii) is the lineal descendant of an individual appearing on the roll; and

(B)(i) satisfies all eligibility criteria established by the Committee under section 4(c)(4)(D)(iii);

(ii) meets any application requirements established by the Committee; and

(iii) agrees to use funds distributed in accordance with section 4(b)(2)(B) for educational purposes approved by the Committee.

SEC. 3. DISTRIBUTION OF WESTERN SHOSHONE JUDGMENT FUNDS.

(a) IN GENERAL.—The Western Shoshone judgment funds shall be distributed in accordance with this section.

(b) JUDGMENT ROLL.—

(1) IN GENERAL.—The Secretary shall establish a Western Shoshone judgment roll consisting of all individuals who—

(A) have at least ¼ degree of Western Shoshone blood;

(B) are citizens of the United States; and

(C) are living on the date of enactment of this Act.

(2) INELIGIBLE INDIVIDUALS.—Any individual that is certified by the Secretary to be eligible to receive a per capita payment from any other judgment fund based on an aboriginal land claim awarded by the Indian Claims Commission, the United States Claims Court, or the United States Court of Federal Claims, that was appropriated on or before the date of enactment of this Act, shall not be listed on the judgment roll.

(3) REGULATIONS REGARDING JUDGMENT ROLL.—The Secretary shall—

(A) publish in the Federal Register all regulations governing the establishment of the judgment roll; and

(B) use any documents acceptable to the Secretary in establishing proof of eligibility of an individual to—

(i) be listed on the judgment roll; and

(ii) receive a per capita payment under this Act.

(4) FINALITY OF DETERMINATION.—The determination of the Secretary on an application of an individual to be listed on the judgment roll shall be final.

(c) DISTRIBUTION.—

(1) IN GENERAL.—On establishment of the judgment roll, the Secretary shall make a per capita distribution of 100 percent of the Western Shoshone judgment funds, in shares as equal as practicable, to each person listed on the judgment roll.

(2) REQUIREMENTS FOR DISTRIBUTION PAYMENTS.—

(A) LIVING COMPETENT INDIVIDUALS.—The per capita share of a living, competent individual who is 19 years or older on the date of distribution of the Western Shoshone judgment funds under paragraph (1) shall be paid directly to the individual.

(B) LIVING, LEGALLY INCOMPETENT INDIVIDUALS.—The per capita share of a living, legally incompetent individual shall be administered in accordance with regulations promulgated and procedures established by the Secretary under section 3(b)(3) of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1403(b)(3)).

(C) DECEASED INDIVIDUALS.—The per capita share of an individual who is deceased as of the date of distribution of the Western Shoshone judgment funds under paragraph (1) shall be paid to the heirs and legatees of the individual in accordance with regulations promulgated by the Secretary.

(D) INDIVIDUALS UNDER THE AGE OF 19.—The per capita share of an individual who is not yet 19 years of age on the date of distribution of the Western Shoshone judgment funds under paragraph (1) shall be—

(i) held by the Secretary in a supervised individual Indian money account; and

(ii) distributed to the individual—

(I) after the individual has reached the age of 18 years; and

(II) in 4 equal payments (including interest earned on the per capita share), to be made—

(aa) with respect to the first payment, on the eighteenth birthday of the individual (or, if the individual is already 18 years of age, as soon as practicable after the date of establishment of the Indian money account of the individual); and

(bb) with respect to the 3 remaining payments, not later than 90 days after each of the 3 subsequent birthdays of the individual.

(3) APPLICABLE LAW.—Notwithstanding section 7 of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1407), a per capita share (or the availability of that share) paid under this section shall not—

(A) be subject to Federal or State income taxation;

(B) be considered to be income or resources for any purpose; or

(C) be used as a basis for denying or reducing financial assistance or any other benefit to which a household or Western Shoshone member would otherwise be entitled to receive under—

(i) the Social Security Act (42 U.S.C. 301 et seq.); or

(ii) any other Federal or federally-assisted program.

(4) UNPAID FUNDS.—The Secretary shall add to the Western Shoshone joint judgment funds held in the Trust Fund under section 4(b)(1)—

(A) all per capita shares (including interest earned on those shares) of living competent adults listed on the judgment roll that remain unpaid as of the date that is—

(i) 6 years after the date of distribution of the Western Shoshone judgment funds under paragraph (1); or

(ii) in the case of an individual described in paragraph (2)(D), 6 years after the date on which the individual reaches 18 years of age; and

(B) any other residual principal and interest funds remaining after the distribution under paragraph (1) is complete.

SEC. 4. DISTRIBUTION OF WESTERN SHOSHONE JOINT JUDGMENT FUNDS.

(a) IN GENERAL.—The Western Shoshone joint judgment funds shall be distributed in accordance with this section.

(b) WESTERN SHOSHONE EDUCATIONAL TRUST FUND.—

(1) ESTABLISHMENT.—Not later than 120 days after the date of enactment of this Act, the Secretary shall establish in the Treasury of the United States, for the benefit of Western Shoshone members, a trust fund to be known as the "Western Shoshone Educational Trust Fund", consisting of—

(A) the Western Shoshone joint judgment funds; and

(B) the funds added under section 3(b)(4).

(2) AMOUNTS IN TRUST FUND.—With respect to amounts in the Trust fund—

(A) the principal amount—

(i) shall not be expended or disbursed; and

(ii) shall be invested in accordance with section 1 of the Act of June 24, 1938 (25 U.S.C. 162a); and

(B) all interest income earned on the principal amount after the date of establishment of the Trust fund—

(i) shall be distributed by the Committee—

(I) to Western Shoshone members in accordance with this Act, to be used as educational grants or for other forms of educational assistance determined appropriate by the Committee; and

(II) to pay the reasonable and necessary expenses of the Committee (as defined in the written rules and procedures of the Committee); but

(ii) shall not be distributed under this paragraph on a per capita basis.

(c) ADMINISTRATIVE COMMITTEE.—

(1) ESTABLISHMENT.—There is established an administrative committee to oversee the distribution of educational grants and assistance under subsection (b)(2).

(2) MEMBERSHIP.—The Committee shall be composed of 7 members, of which—

(A) 1 member shall represent the Western Shoshone Te-Moak Tribe and be appointed by that Tribe;

(B) 1 member shall represent the Duckwater Shoshone Tribe and be appointed by that Tribe;

(C) 1 member shall represent the Yomba Shoshone Tribe and be appointed by that Tribe;

(D) 1 member shall represent the Ely Shoshone Tribe and be appointed by that Tribe;

(E) 1 member shall represent the Western Shoshone Committee of the Duck Valley Reservation and be appointed by that Committee;

(F) 1 member shall represent the Fallon Band of Western Shoshone and be appointed by that Band; and

(G) 1 member shall represent the general public and be appointed by the Secretary.

(3) TERM.—

(A) IN GENERAL.—Each member of the Committee shall serve a term of 4 years.

(B) VACANCIES.—If a vacancy remains unfilled in the membership of the Committee for a period of more than 60 days—

(i) the Committee shall appoint a temporary replacement from among qualified members of the organization for which the replacement is being made; and

(ii) that member shall serve until such time as the organization (or, in the case of a member described in paragraph (2)(G), the Secretary) designates a permanent replacement.

(4) DUTIES.—The Committee shall—

(A) distribute interest funds from the Trust Fund under subsection (b)(2)(B)(i);

(B) for each fiscal year, compile a list of names of all individuals approved to receive those funds;

(C) ensure that those funds are used in a manner consistent with this Act;

(D) develop written rules and procedures, subject to the approval of the Secretary, that cover such matters as—

(i) operating procedures;

(ii) rules of conduct;

(iii) eligibility criteria for receipt of funds under subsection (b)(2)(B)(i);

(iv) application selection procedures;

(v) procedures for appeals to decisions of the Committee;

(vi) fund disbursement procedures; and

(vii) fund recoupment procedures;

(E) carry out financial management in accordance with paragraph (6); and

(F) in accordance with subsection (b)(2)(C)(ii), use a portion of the interest funds from the Trust Fund to pay the reasonable and necessary expenses of the Committee (including per diem rates for attendance at meetings that are equal to those paid to Federal employees in the same geographic location), except that not more than $100,000 of those funds may be used to develop written rules and procedures described in subparagraph (D).

(5) JURISDICTION OF TRIBAL COURTS.—At the discretion of the Committee and with the approval of the appropriate tribal government, a tribal court, or a court of Indian offenses operated under section 11 of title 25, Code of Federal Regulations (or a successor regulation), shall have jurisdiction to hear an appeal of a decision of the Committee.

(6) FINANCIAL MANAGEMENT.—

(A) FINANCIAL STATEMENT.—The Committee shall employ an independent certified public accountant to prepare a financial statement for each fiscal year that discloses—

(i) the operating expenses of the Committee for the fiscal year; and

(ii) the total amount of funds disbursed under subsection (b)(2)(B)(i) for the fiscal year.

(B) DISTRIBUTION OF INFORMATION.—For each fiscal year, the Committee shall provide to the Secretary, to each organization represented on the Committee, and, on the request of a Western Shoshone member, to the Western Shoshone member, a copy of—

(i) the financial statement prepared under subparagraph (A); and

(ii) the list of names compiled under paragraph (4)(B).

(d) CONSULTATION.—The Secretary shall consult with the Committee on the management and investment of the funds distributed under this section.

SEC. 5. REGULATIONS.

The Secretary may promulgate such regulations as are necessary to carry out this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nevada (Mr. GIBBONS) and the gentleman from West Virginia (Mr. RAHALL) each will control 20 minutes.

The Chair recognizes the gentleman from Nevada (Mr. GIBBONS).

GENERAL LEAVE

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. GIBBONS. Mr. Speaker, I yield myself such time as I may consume.

Today I rise in support of H.R. 884, the Western Shoshone Claims Distribution Act.

Mr. Speaker, in the 1970s the Indian Claims Commission awarded the Western Shoshone Tribe over $26 million in compensation for lands and resources throughout much of the western States, including my home State of Nevada. Funds were appropriated by Congress in 1979. And since that time the money has been left untouched.

For nearly 3 decades, the men and women of the Shoshone Tribe have waited for access to these funds. H.R. 884 is a much-needed piece of legislation that accomplishes a simple yet vital task.

This bill requires the Secretary of Interior to establish a judgment roll consisting of all Western Shoshones, who have at least one quarter degree of Western Shoshone blood, are citizens of the United States, and are living at the date of enactment of this legislation. The Secretary would then distribute and use the funds in two ways.

First, the Secretary would distribute over $145 million from Docket 326–K to each person on the judgment roll through a per-capita share.

Secondly, nearly $1.5 million awarded under Docket Numbers 326–A–1 and 326–A–3 would be used to establish the "Western Shoshone Educational Trust Fund" and an administrative committee to oversee the distribution of accumulated and future interest and income for educational grants.

Simply stated, Mr. Speaker, this bill allows the rightful funds of the Shoshones to be properly distributed. My constituents, the Western Shoshone people, have expressed to me an overwhelming majority, their desire to see these funds distributed. In fact, the Western Shoshone have voted not once, but twice, on this issue. In both instances, over 90 percent of the voters favored the distribution reflected in this legislation.

The vast majority of the Western Shoshone people have formed a cohesive group which operates under a democratic process to express the will of the tribal members. These numbers account for approximately 65 percent of the eligible Shoshone voters.

□ 1530

It is overwhelmingly obvious that the tribe wants these funds distributed. It is important to note that H.R. 884 specifically ensures that the funds distribution is not a waiver of existing treaty rights, nor will it prevent the tribe, band or individual Shoshone Indians from pursuing other rights guaranteed by law.

I want to thank Senator HARRY REID and Senator JOHN ENSIGN of Nevada for introducing this bill in the Senate, and I applaud the Members of the Senate who voted unanimously to pass this measure in October of last year.

I urge my colleagues to support the Western Shoshone people in their endeavor to put this issue to rest once and for all by voting in favor of H.R. 884.

Mr. Speaker, I reserve the balance of my time.

Mr. RAHALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when this legislation was considered by the Committee on Resources, the majority of Democratic Members opposed it after an amendment I sought to offer was not made in order. That amendment would have made two important changes to the bill. First, it would have provided that amounts distributed to the Western Shoshone would not be treated as income and subjected to Federal or State taxes.

Second, it would have directed the Interior Secretary to devise a list in consultation with the Western Shoshone of lands that may be suitable to be held in trust for the tribes.

Today we are considering a modified version of that legislation, which contains the language of the Senate-passed version, S. 618, and I am pleased to note it contains a provision I sought to exempt, the claims distribution from Federal and State income taxes. That is a very important change.

It must be stated that while this legislation would distribute over $130 million to the Western Shoshone, there is not consensus among the tribes on this issue.

While we do not have an exact count, there is a segment of the Western Shoshone who are opposed to this legislation. They believe that if the claims award is distributed, they would then be precluded from expanding the land base of the various Western Shoshone Indian tribes.

The ancestral lands of the Western Shoshone are rich with natural resources and minerals. Some have put mining receipts on these lands in the tens of billions of dollars since 1960s. Yet, there are no Western Shoshone billionaires and, to date, no moves to give back some of these rich lands to the tribes.

In that regard, I would report that the Senate sponsor of the pending legislation has personally advised me that he would pursue legislation to deal with the land issue. Based on that commitment, I find that I am able to vote for the pending measure.

Mr. Speaker, I reserve the balance of my time.

Mr. RAHALL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GIBBONS. Mr. Speaker, I would like to thank my friend and colleague, the gentleman from West Virginia (Mr. RAHALL) for the courtesies and professionalism he has shown with regard to the consideration of the bill now presently before us, ask all Members to vote in the affirmative on this bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nevada (Mr. GIBBONS) that the House suspend the rules and pass the bill, H.R. 884, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

TRIBAL FOREST PROTECTION ACT OF 2004

Mr. GIBBONS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3846) to authorize the Secretary of Agriculture and the Secretary of the Interior to enter into an agreement or contract with Indian Tribes meeting certain criteria to carry out projects to protect Indian forest land, as amended.

The Clerk read as follows:

H.R. 3846

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tribal Forest Protection Act of 2004".

SEC. 2. TRIBAL FOREST ASSETS PROTECTION.

(a) DEFINITIONS.—In this section:

(1) FEDERAL LAND.—The term "Federal land" means—

(A) land of the National Forest System (as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a))) administered by the Secretary of Agriculture, acting through the Chief of the Forest Service; and

(B) public lands (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702)), the surface of which is administered by the Secretary of the Interior, acting through the Director of the Bureau of Land Management.

(2) INDIAN FOREST LAND OR RANGELAND.—The term "Indian forest land or rangeland" means land that—

(A) is held in trust by, or with a restriction against alienation by, the United States for an Indian tribe or a member of an Indian tribe; and

(B)(i)(I) is Indian forest land (as defined in section 304 of the National Indian Forest Resources Management Act (25 U.S.C. 3103)); or

(II) has a cover of grasses, brush, or any similar vegetation; or

(ii) formerly had a forest cover or vegetative cover that is capable of restoration.

(3) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(4) SECRETARY.—The term "Secretary" means—

(A) the Secretary of Agriculture, with respect to land under the jurisdiction of the Forest Service; and

(B) the Secretary of the Interior, with respect to land under the jurisdiction of the Bureau of Land Management.

(b) AUTHORITY TO PROTECT INDIAN FOREST LAND OR RANGELAND.—

(1) IN GENERAL.—Not later than 120 days after the date on which an Indian tribe submits to the Secretary a request to enter into an agreement or contract to carry out a project to protect Indian forest land or rangeland (including a project to restore Federal land that borders on or is adjacent to Indian forest land or rangeland) that meets the criteria described in subsection (c), the Secretary may issue public notice of initiation of any necessary environmental review or of the potential of entering into an agreement or contract with the Indian tribe pursuant to section 347 of the Department of the Interior and Related Agencies Appropriations Act, 1999 (16 U.S.C. 2104 note; Public Law 105–277) (as amended by section 323 of the Department of the Interior and Related Agencies Appropriations Act, 2003 (117 Stat. 275)), or such other authority as appropriate, under which the Indian tribe would carry out activities described in paragraph (3).

(2) ENVIRONMENTAL ANALYSIS.—Following completion of any necessary environmental analysis, the Secretary may enter into an agreement or contract with the Indian tribe as described in paragraph (1).

(3) ACTIVITIES.—Under an agreement or contract entered into under paragraph (2), the Indian tribe may carry out activities to achieve land management goals for Federal land that is—

(A) under the jurisdiction of the Secretary; and

(B) bordering or adjacent to the Indian forest land or rangeland under the jurisdiction of the Indian tribe.

(c) SELECTION CRITERIA.—The criteria referred to in subsection (b), with respect to an Indian tribe, are whether—

(1) the Indian forest land or rangeland under the jurisdiction of the Indian tribe borders on or is adjacent to land under the jurisdiction of the Forest Service or the Bureau of Land Management;

(2) Forest Service or Bureau of Land Management land bordering on or adjacent to the Indian forest land or rangeland under the jurisdiction of the Indian tribe—

(A) poses a fire, disease, or other threat to—

(i) the Indian forest land or rangeland under the jurisdiction of the Indian tribe; or

(ii) a tribal community; or

(B) is in need of land restoration activities;

(3) the agreement or contracting activities applied for by the Indian tribe are not already covered by a stewardship contract or other instrument that would present a conflict on the subject land; and

(4) the Forest Service or Bureau of Land Management land described in the application of the Indian tribe presents or involves a feature or circumstance unique to that Indian tribe (including treaty rights or biological, archaeological, historical, or cultural circumstances).

(d) NOTICE OF DENIAL.—If the Secretary denies a tribal request under subsection (b)(1), the Secretary may issue a notice of denial to the Indian tribe, which—

(1) identifies the specific factors that caused, and explains the reasons that support, the denial;

(2) identifies potential courses of action for overcoming specific issues that led to the denial; and

(3) proposes a schedule of consultation with the Indian tribe for the purpose of developing a strategy for protecting the Indian forest land or rangeland of the Indian tribe and interests of the Indian tribe in Federal land.

(e) PROPOSAL EVALUATION AND DETERMINATION FACTORS.—In entering into an agreement or contract in response to a request of an Indian tribe under subsection (b)(1), the Secretary may—

(1) use a best-value basis; and

(2) give specific consideration to tribally-related factors in the proposal of the Indian tribe, including—

(A) the status of the Indian tribe as an Indian tribe;

(B) the trust status of the Indian forest land or rangeland of the Indian tribe;

(C) the cultural, traditional, and historical affiliation of the Indian tribe with the land subject to the proposal;

(D) the treaty rights or other reserved rights of the Indian tribe relating to the land subject to the proposal;

(E) the indigenous knowledge and skills of members of the Indian tribe;

(F) the features of the landscape of the land subject to the proposal, including watersheds and vegetation types;

(G) the working relationships between the Indian tribe and Federal agencies in coordinating activities affecting the land subject to the proposal; and

(H) the access by members of the Indian tribe to the land subject to the proposal.

(f) NO EFFECT ON EXISTING AUTHORITY.—Nothing in this Act—

(1) prohibits, restricts, or otherwise adversely affects the participation of any Indian tribe in stewardship agreements or contracting under the authority of section 347 of the Department of the Interior and Related Agencies Appropriations Act, 1999 (16 U.S.C. 2104 note; Public Law 105–277) (as amended by section 323 of the Department of the Interior and Related Agencies Appropriations Act, 2003 (117 Stat. 275)) or other authority invoked pursuant to this Act; or

(2) invalidates any agreement or contract under that authority.

(g) REPORT.—Not later than 4 years after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the Indian tribal requests received and agreements or contracts that have been entered into under this Act.

The SPEAKER pro tempore (Mr. TERRY). Pursuant to the rule, the gentleman from Nevada (Mr. GIBBONS) and the gentleman from West Virginia (Mr. RAHALL) each will control 20 minutes.

The Chair recognizes the gentleman from Nevada (Mr. GIBBONS).

GENERAL LEAVE

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3846, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. GIBBONS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3846 would authorize the Secretary of Agriculture and the Secretary of the Interior to enter into an agreement or contract with Indian tribes meeting certain criteria to carry out projects to protect Indian forest land.

Last summer, reservations were invaded by catastrophic fires from adjacent Federal lands. In southern California, 11 reservations were burned, 2 completely, and a number of lives were tragically lost. After witnessing firsthand the horrible aftermath of these fires, the chairman of the Committee on Resources, the gentleman from California (Mr. POMBO), promised to develop and move legislation that would help tribes protect their Land.

To follow through with that pledge, and in the spirit of bipartisan Healthy Forest Restoration Act, Senator FEINSTEIN and the gentleman from California (Chairman POMBO) adopted and introduced the Tribal Forestry Protection Act. This legislation will provide a process whereby tribes can engage in projects on adjacent Forest Service and BLM lands to treat excessive fuels and engage in other restoration activities.

By passing this legislation, Congress will be sending a strong and clear message to the agencies that tribes need to be an integral part of the thoughtful management of our Federal lands, for the betterment and safety of all.

Mr. Speaker, I urge the adoption of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. RAHALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the pending measure has been adequately explained by the gentleman from Nevada. We have no objections to it on our side. In fact, I join in commending the gentleman from California (Chairman POMBO) of the Committee on Resources for his initiative in this matter. We support the legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. GIBBONS. Mr. Speaker, I yield myself such time as I may consume.

I thank my friend the gentleman from West Virginia, Mr. RAHALL, for his support on this legislation and urge all Members to support this measure.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nevada (Mr. GIBBONS) that the House suspend the rules and pass the bill, H.R. 3846, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

AMENDING THE BEND PINE NURSERY LAND CONVEYANCE ACT

Mr. GIBBONS. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1848) to amend the Bend Pine Nursery Land Conveyance Act to direct the Secretary of Agriculture to sell the Bend Pine Nursery Administrative Site in the State of Oregon.

The Clerk read as follows:

S. 1848

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MODIFICATION OF BEND PINE NURSERY LAND CONVEYANCE.

(a) DESIGNATION OF RECIPIENTS AND CONSIDERATION.—Section 3 of the Bend Pine Nursery Land Conveyance Act (Public Law 106–526; 114 Stat. 2512) is amended—

(1) in subsection (a), by striking paragraph (1) and redesignating paragraphs (2) through (7) as paragraphs (1) through (6), respectively;

(2) in subsection (e)—

(A) by striking "this section" both places it appears and inserting "subsection (a)";

(B) in paragraph (1), by striking "Subject to paragraph (3), the" and inserting "The"; and

(C) by striking paragraph (3); and

(3) by adding at the end the following:

"(g) BEND PINE NURSERY CONVEYANCE.—

"(1) CONVEYANCE TO PARK AND RECREATION DISTRICT.—Upon receipt of consideration in the amount of $3,503,676 from the Bend Metro Park and Recreation District in Deschutes County, Oregon, the Secretary shall convey to the Bend Metro Park and Recreation District all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 185 acres and containing the Bend Pine Nursery, as depicted on the site plan map entitled 'Bend Pine Nursery Administrative Site, May 13, 2004'. Subject to paragraph (2), the real property conveyed to the Bend Metro Park and Recreation District shall be used only for public recreation purposes and may be developed for those purposes. If the Secretary determines that the real property subject to this condition is converted, in whole or in part, to a use other than public recreation, the Secretary shall require the Bend Metro Park and Recreation District to pay to the United States an amount equal to the fair market value of the property at the time of conversion, less the consideration paid under this paragraph.

"(2) RECONVEYANCE OF PORTION TO SCHOOL DISTRICT.—As soon as practicable after the receipt by the Bend Metro Park and Recreation District of the real property described in paragraph (1), the Bend Metro Park and Recreation District shall convey to the Administrative School District No. 1, Deschutes County, Oregon, without consideration, a parcel of real property located in the northwest corner of the real property described in paragraph (1) and consisting of approximately 15 acres. The deed of conveyance shall contain a covenant requiring that the real property conveyed to the School District be used only for public education purposes.".

(b) CONFORMING AMENDMENT.—Section 4(a) of such Act is amended by striking "section 3(a)" and inserting "section 3".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nevada (Mr. GIBBONS) and the gentleman from West Virginia (Mr. RAHALL) each will control 20 minutes.

The Chair recognizes the gentleman from Nevada (Mr. GIBBONS).

GENERAL LEAVE

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. 1848.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. GIBBONS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 1848, introduced by Senator RON WYDEN of Oregon, would amend the Bend Pine Nursery Land Conveyance Act to specify the recipients and consideration for conveyance of the Bend Pine Nursery, and for other purposes.

This bill will bring closure to an administrative process that has already taken far too long to complete. Specifically, the bill will convey 170 acres of the Bend Pine Nursery site to the Bend metro Parks and Recreation District and would also convey an additional 15 acres to the Bend-LaPine School District to construct an elementary school. The bill also contains a reference to an updated Forest Service map, at the request of the administration.

Just last month, the House passed the companion to this bill, H.R. 3505, introduced by the gentleman from Oregon (Mr. WALDEN). Unfortunately, the House bill has been held back at the desk of the other body for unrelated political collateral. Recognizing the importance and merits of this legislation, regardless of the bill number, the gentleman from Oregon (Mr. WALDEN) has strongly pushed the movement of the Senate bill. This will end petty partisanship and will instead pass fair-minded legislation benefiting the State of Oregon.

I urge adoption of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. RAHALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Nevada has adequately explained the pending legislation. We have no objection to it on our side. In fact, I commend our colleague on this side of the aisle, the gentleman from Oregon (Mr. DEFAZIO) for his diligence in pursuing consideration of this bill by the House. The gentleman is a valued member of both the Committee on Resources and the other committee upon which I sit, the Committee on Transportation and Infrastructure.

Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. GIBBONS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I also would like to thank my colleague and friend, the gentleman from West Virginia (Mr. RAHALL) for his professionalism on this bill. I would urge an aye vote.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nevada (Mr. GIBBONS) that the House suspend the rules and pass the Senate bill, S. 1848.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

JOHN MUIR NATIONAL HISTORIC SITE BOUNDARY ADJUSTMENT ACT

Mr. GIBBONS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3706) to adjust the boundary of the John Muir National Historic Site, and for other purposes.

The Clerk read as follows:

H.R. 3706

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "John Muir National Historic Site Boundary Adjustment Act".

SEC. 2. BOUNDARY ADJUSTMENT.

(a) BOUNDARY.—The boundary of the John Muir National Historic Site is adjusted to include the lands generally depicted on the map entitled "Boundary Map, John Muir National Historic Site" numbered PWR–OL 426-80,044a and dated August 2001.

(b) LAND ACQUISITION.—The Secretary of the Interior is authorized to acquire the lands and interests in lands identified as the "Boundary Adjustment Area" on the map referred to in subsection (a) by donation, purchase with donated or appropriated funds, exchange, or otherwise.

(c) ADMINISTRATION.—The lands and interests in lands described in subsection (b) shall be administered as part of the John Muir National Historic Site established by the Act of August 31, 1964 (78 Stat. 753; 16 U.S.C. 461 note).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nevada (Mr. GIBBONS) and the gentleman from West Virginia (Mr. RAHALL) each will control 20 minutes.

The Chair recognizes the gentleman from Nevada (Mr. GIBBONS).

GENERAL LEAVE

Mr. GIBBONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3706.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nevada?

There was no objection.

□ 1545

Mr. GIBBONS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3706, introduced by our committee colleague, the gentleman from California (Mr. GEORGE MILLER), would authorize the Secretary of the Interior to adjust the boundaries of the John Muir National Historic Site.

A 1994 National Park Service boundary survey discovered that approximately 9,500 square feet of land donated to the historic site by the city of Martinez, California, was actually not part of the donation, and, in fact, had no clear title holder. Because of this dilemma, the Park Service has been unable to proceed with an important expansion of the parking area.

H.R. 3706 would simply allow for the acquisition of the two-tenths-of-an-acre parcel of land so that the parking facility may be built.

Mr. Speaker, H.R. 3706 is supported by both the majority and minority of the committee and by this administration. I urge adoption of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. RAHALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Nevada (Mr. GIBBONS) has adequately explained H.R. 3706, which was introduced by our good friend and colleague, the gentleman from California (Mr. GEORGE MILLER). I would just note that the boundary adjustment is about as small as anyone can recall, covering about 9,500 square feet, or just two-tenths of an acre. However, this adjustment is necessary to clear up a land title problem and allow the construction of a needed visitor center and facilities for the historic site.

The National Park Service supports this legislation, and there is absolutely no controversy with it. I commend our colleague, the gentleman from California (Mr. GEORGE MILLER) for his work on the bill. I urge passage of H.R. 3706.

Mr. Speaker, I yield back the balance of my time.

Mr. GIBBONS. Mr. Speaker, I congratulate my colleague and friend, the gentleman from West Virginia (Mr. RAHALL), for his courtesies on this bill. We have no further requests for time to speak in favor of this legislation.

Mr. Speaker, I urge my colleagues to vote "aye" on this bill.

Mr. GEORGE MILLER of California. Mr. Speaker, I want to thank the House for considering the John Muir National Historic Site Boundary Adjustment Act today. My district is home to the residence of John Muir, his orchards, and Mt. Wanda, named for his daughter. Without John Muir's efforts, Yosemite National Park would not exist, and as first president of the Sierra Club, he helped sharpen Californians' appreciation for the Sierra Mountains, which he called "The Range of Light."

In addition to its historical significance, the former Muir estate provides valuable open space in the rapidly growing Bay Area. In 1988, we enacted legislation to expand the John Muir Historic Site. Following a survey conducted as part of the development of the General Management Plan, the Park Service discovered that a .2 acre triangle adjacent to the newly acquired parcel did not belong to the City of Martinez. In fact, it did not belong to anyone.

In order to meet the growing needs of site users, the Park Service would greatly benefit from a boundary adjustment to finally put to rest the question of property title to this small triangle of land. This bill will allow the Park Service to either acquire the land if an heir or former owner is identified, or condemn the property if an heir is not found. Once the title to the land is clear, the Park Service would be free to begin construction on a 32 vehicle parking area that would utilize the .2 acre parcel. This will allow greater access for schools, seniors groups, and everyone else interested in wilderness conservation, and the history of modern environmentalism.

This boundary adjustment is supported by Contra Costa County and the City of Martinez. Enactment of this legislation allows the Park Service to enhance public understanding of John Muir's contributions, while also facilitating access to an important recreation area in my district. I thank my colleagues for their support of this legislation.

Mr. GIBBONS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TERRY). The question is on the motion offered by the gentleman from Nevada (Mr. GIBBONS) that the House suspend the rules and pass the bill, H.R. 3706.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 6:30 p.m. today.

Accordingly (at 3 o'clock and 48 minutes p.m.), the House stood in recess until approximately 6:30 p.m.

☐ 1830

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. BLACKBURN) at 6 o'clock and 30 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed. Votes will be taken in the following order:

H. Res. 591, by the yeas and nays;

H.R. 4363, by the yeas and nays;

H. Res. 660, by the yeas and nays.

The first and third electronic votes will be conducted as 15-minute votes. The second vote in this series will be a 5-minute vote.

COMMUNITY BANKING MONTH

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 591.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona (Mr. RENZI) that the House suspend the rules and agree to the resolution, H. Res. 591, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 364, nays 0, not voting 69, as follows:

[Roll No. 276]

YEAS—364

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baldwin
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capuano
Cardin
Cardoza
Carter
Case
Castle
Chandler
Chocola
Clay
Clyburn
Coble
Cole
Conyers
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Eshoo
Etheridge
Evans
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hobson
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hunter
Hyde
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Maloney
Manzullo
Markey
Marshall
Matheson
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McDermott
McHugh
McIntyre
McKeon
McNulty
Meek (FL)
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pence
Peterson (MN)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rohrabacher
Ross
Rothman
Roybal-Allard
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sandlin
Saxton
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Sherman

Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Stenholm
Strickland
Stupak
Sullivan
Tancredo
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Waters
Watson
Watt
Weldon (FL)
Weldon (PA)
Whitfield
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—69

Baker
Ballenger
Becerra
Bereuter
Berman
Boyd
Burr
Capps
Carson (IN)
Carson (OK)
Chabot
Collins
Cummings
Davis (AL)
DeMint
Deutsch
Doggett
Emanuel
Engel
Everett
Frost
Gallegly
Gephardt
Gutierrez
Hastings (FL)
Hinojosa
Hoekstra
Hulshof
Isakson
Jenkins
John
Kennedy (RI)
Lipinski
Majette
Matsui
McGovern
McInnis
Meehan
Meeks (NY)
Menendez
Miller (FL)
Murtha
Owens
Pelosi
Peterson (PA)
Porter
Portman
Putnam
Reyes
Rogers (MI)
Ros-Lehtinen
Royce
Rush
Sanders
Schakowsky
Shays
Stark
Sweeney
Tauzin
Taylor (NC)
Toomey
Turner (OH)
Vitter
Wamp
Waxman
Weiner
Weller
Wexler
Wilson (SC)

☐ 1854

So (two thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. WELLER. Mr. Speaker, on rollcall No. 276 my flight was delayed. Had I been present, I would have voted "yea."

HELPING HANDS FOR HOMEOWNERSHIP ACT OF 2004

The SPEAKER pro tempore (Mrs. BLACKBURN). The pending business is the question of suspending the rules and passing the bill, H.R. 4363, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. GREEN) that the House suspend the rules and pass the bill, H.R. 4363, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 368, nays 0, not voting 65, as follows:

[Roll No. 277]

YEAS—368

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baldwin
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carter
Case
Castle
Chandler
Chocola
Clay
Clyburn
Coble
Cole
Conyers
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Eshoo
Etheridge
Evans
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hobson
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hunter
Hyde
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Maloney
Manzullo
Markey
Marshall
Matheson
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McDermott
McHugh
McIntyre
McKeon
McNulty
Meek (FL)
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pence
Peterson (MN)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rohrabacher
Ross
Rothman
Roybal-Allard
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sandlin
Saxton
Schakowsky
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Stenholm
Strickland
Stupak
Sullivan
Tancredo
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Waters
Watson
Watt
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—65

Baker
Ballenger
Becerra
Bereuter
Berman
Boyd
Burr
Carson (IN)
Carson (OK)
Chabot
Collins
Davis (AL)
DeMint
Deutsch
Doggett
Emanuel
Engel
Everett
Frost
Gallegly
Gephardt
Gutierrez
Hastings (FL)
Hinojosa
Hoekstra
Hulshof
Isakson
Jenkins
John
Kennedy (RI)
Lipinski
Majette
Matsui
McGovern
McInnis
Meehan
Meeks (NY)
Menendez
Miller (FL)
Murtha
Owens
Pelosi
Peterson (PA)
Porter
Portman
Putnam
Reyes
Rogers (MI)
Ros-Lehtinen
Royce
Rush
Sanders
Shays
Stark
Sweeney
Tauzin
Taylor (NC)
Toomey
Turner (OH)
Vitter
Wamp
Waxman
Weiner
Wexler
Wilson (SC)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining.

☐ 1902

So (two thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. KENNEDY of Rhode Island. Mr. Speaker, during rollcall vote Nos. 276 and 277 on 6/21/04 I was unavoidably detained. Had I been present, I would have voted "yea."

CONGRATULATING RANDY JOHNSON OF THE ARIZONA DIAMONDBACKS ON PITCHING A PERFECT GAME

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 660.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Michigan (Mrs. MILLER) that the House suspend the rules and agree to the resolution, H. Res. 660, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 367, nays 0, not voting 66, as follows:

[Roll No. 278]

YEAS—367

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baldwin
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
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Blackburn
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Boswell
Boucher
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Case
Castle
Chandler
Chocola
Clay
Clyburn
Coble
Cole
Conyers
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Dooley (CA)
Doolittle
Doyle
Dreier
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Edwards
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Etheridge
Evans
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Fattah
Feeney
Ferguson
Filner
Flake
Foley
Forbes
Fossella
Frank (MA)
Franks (AZ)
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Garrett (NJ)
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Green (TX)
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Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
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Johnson, E. B.
Johnson, Sam
Jones (NC)
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Kanjorski
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Larsen (WA)
Larson (CT)
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Meek (FL)
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Miller (MI)
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Miller, Gary
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Murphy
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Neal (MA)
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Pallone
Pascrell
Pastor
Paul
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Peterson (MN)
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Price (NC)
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Rogers (AL)
Rogers (KY)
Rohrabacher
Ross
Rothman
Roybal-Allard
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sandlin
Saxton
Schakowsky
Schiff
Schrock
Scott (GA)
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Shadegg
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Simmons
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Smith (MI)
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Smith (TX)
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Taylor (MS)
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Thompson (CA)
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Weller
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Wilson (NM)
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Young (AK)
Young (FL)

NOT VOTING—66

Baker
Ballenger
Becerra
Bereuter
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Boyd
Burr
Carson (IN)
Carson (OK)
Carter
Chabot
Collins
Davis (AL)
DeMint
Deutsch
Doggett
Emanuel
Engel
Everett
Ford
Frost
Gallegly
Gephardt
Gutierrez
Hastings (FL)
Hinojosa
Hoekstra
Hulshof
Isakson
Jenkins
John
Majette
Matsui
McGovern
McInnis
Meehan
Meeks (NY)
Menendez
Miller (FL)
Murtha
Owens
Pelosi
Peterson (PA)
Porter
Portman
Putnam
Reyes
Rogers (MI)
Ros-Lehtinen
Royce
Rush
Sanders
Shays
Stark
Sweeney
Tauzin
Taylor (NC)
Toomey
Turner (OH)
Vitter
Wamp
Waxman
Weiner
Wexler
Wilson (SC)
Wynn

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. BLACKBURN) (during the vote): Members are advised there are 2 minutes remaining in this vote.

□ 1919

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. TURNER of Ohio. Mr. Speaker, today the House of Representatives took recorded votes on H. Res. 591, H.R. 4363, and H. Res. 660. Had I been present, I would have voted "yes" on each of these items.

PERSONAL EXPLANATION

Mr. COLLINS. Mr. Speaker, I was not present for rollcall vote 276, Expressing the gratitude of the House of Representatives for the contributions made by America's community banks and the sense of the House of Representatives that a month should be designated as "Community Banking Month" (H. Res. 591); rollcall vote 277, Helping Hands for Homeownership Act (H.R. 4363); rollcall vote 278, Congratulating Randy Johnson on his perfect game (H. Res. 660).

Had I been present, I would have voted "yea" for rollcall votes 276, 277 and 278.

CELEBRATING JUNETEENTH

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Madam Speaker, 2 days ago, many in the United States celebrated Juneteenth. June 19, 2004, was the celebration of what occurred in 1865 in places like Texas and Louisiana when the announcement finally came that the slaves had been emancipated.

I rise today to congratulate the wonderful celebrations that occurred in Texas, and particularly in Houston, Texas. I congratulate Reverend C. Anderson Davis and Mrs. Davis who have, for many years, founded the Emancipation Association and celebrated and educated young people about what freedom truly means. The parades; the celebration at Herman Park; the gospel celebration; the hip-hop celebration; the Acres Home celebration, a longstanding historic African American community celebrated Juneteenth, sponsored by the Acres Home Citizens Council.

Then, of course, our final celebration, in the evening at Jones Hall honoring Representative Al Edwards, the author of the legislation in 1979 that made the Emancipation Proclamation, Juneteenth Day, a State holiday, 25 years of commemoration.

I believe, Madam Speaker, that it is always important to celebrate freedom. That is the very underpinning of what this Nation stands for: democracy and freedom. June-teenth is just a very defined freedom, the day that many found out that they were free Americans to be part of the American dream.

ECONOMY NEEDS NEW DIRECTION

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Ohio. Madam Speaker, President Bush again was in Ohio today in Cincinnati to again try to justify his economic program and his last 3 years of managing this economy. One out of six manufacturing jobs in Ohio has been lost since George Bush took office. We have lost 190 jobs every single day of the Bush administration.

He has two answers. His first answer is more tax cuts for the most privileged, for the largest corporations, for the wealthiest 5 percent of people in this country, hoping that those tax cuts will trickle down and create jobs. That has failed.

His second answer is more trade agreements like the North American Free Trade Agreement. He wants to extend NAFTA to Central America into South America. Those trade agreements have hemorrhaged jobs; they have shipped jobs overseas. Instead, we need to extend unemployment benefits, reject the Bush plan, and go in a different direction. We need to extend unemployment benefits, pass legislation to reward and incentivize those companies that manufacture in this country, rather than big tax breaks to those companies that outsource jobs and ship jobs overseas.

SPECIAL ORDERS

The SPEAKER pro tempore (Mrs. BLACKBURN). Under the Speaker's announced policy of January 7, 2003, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

REINSTATE ASSAULT WEAPONS BAN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MCCARTHY) is recognized for 5 minutes.

Mrs. MCCARTHY of New York. Madam Speaker, assault weapons go back on to our streets in 84 days. These weapons of war mow down our police officers and destroy families every day.

Just last week, an SKS assault rifle, and this is what it looks like, mowed down three police officers in Alabama and killed them. The SKS can fire up to 35 rounds per minute and pierce police body armor. Montgomery Police Chief John Wilson confirmed that the vests that the officers wore offered almost no protection against this high-powered assault rifle.

Fifty-eight-year-old Carlos Owen, with 26 years on the force and nearing retirement, never had a chance. He and two of his fellow officers died in a hail of bullets.

But that has not stopped the National Rifle Association from engaging in their old dirty tricks. The NRA Web site says data from police experts must be deliberately avoided by those pushing assault weapons bills. Actually, the data is pretty clear on assault weapons. In one of every five police-officer killings, an assault weapon is the choice.

The NRA is so blind to the truth on assault weapons that they are also engaged in a smear campaign against Jim and Sara Brady. The Brady's "error"? Telling the truth about President Reagan's former support for the assault weapons ban in a television interview. The NRA called their interview "shameless" and "deliberate misinformation."

As we continue to remember President Reagan, I would like to set the record straight on his contributions to gun safety. The importation of rapid-fire shot guns was first outlawed under President Reagan.

In 1994, he joined former Presidents Ford and Carter in calling on Congress to pass the assault weapons ban.

During the close vote on the assault weapons ban that year, President Reagan made calls to undecided Members urging for a "yes" vote.

The ban passed by two votes, and at least one Member said Reagan's call prompted him to vote "yes."

President Reagan knew the importance of keeping military-style weapons off our streets and out of our communities.

The assault weapons ban is a commonsense law that almost all Americans, gun owners included, do support. It is unfortunate that the NRA feels more strongly about firing up its membership than telling the truth.

Let me say this: each day that comes closer to having this assault weapons ban expire is each day we come closer to seeing deaths in our communities and on our streets. I have never tried to do anything to take away someone's right to own a gun, but I do know assault weapons do not belong on our streets. That is a responsibility that all Americans, in my opinion, and gun owners should take upon themselves.

The American people can do something about this. They can contact their Congressman, their Senator, and certainly the White House. President Bush has promised to sign the assault weapons ban if it gets on his desk. We know that this Congress has to have the bill up on the floor so we can have a vote on it before it will ever get to the President's desk.

I am asking the President for his help. I am asking him to start calling on the Members of Congress, as President Reagan did, and let us get this assault weapons ban in place. Let us make sure our police officers are not put into more risk than they already have to be in.

When we talk about possible terror cells in this country, do we actually want gangs, drug dealers, possibly terrorists being able to get assault weapons? This is not what America is. Assault weapons belong in the hands of only our military. They are guns that are used to mow down people as fast as possible. Why do we need these guns? Let us not forget the large-capacity clips. Right now, under the ban, clips are only supposed to hold 10 bullets. If this ban goes back to the way it was, we can have 35, we can have 50, we can have 100, whatever the clip will hold. That is not where we want to be.

I strongly urge the American people to get involved in this.

RELIGIOUS FREEDOM OF SPEECH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Madam Speaker, I am again on the floor tonight because in this country, the greatest Nation in the world, our ministers, priests, rabbis, and clerics cannot have the freedom of speech to talk about the policies and political issues of the day.

The history on that is simple. Prior to 1954, any minister, priest, rabbi, or cleric who wanted to speak freely about the politics or the moral or the policy issues of the day, they could do so without any threat from the Federal Government. Well, in 1954 Lyndon Baynes Johnson put an amendment on a revenue bill going through the Senate that basically said that if you are a 501(c)(3), you may not have any type of speech that could be interpreted as being somewhat of a political nature or a moral political nature.

I have problems with this, Madam Speaker, simply because the Constitution of the United States of America, the first amendment says that any individual, church, or any individual has the right to speak freely of whatever should come to their mind that they feel like they should mention to their fellow citizen or to a congregation. Again, if this was 1953, Madam Speaker, I would not be on the floor of the House, because there would be no problem. This whole problem came about in 1954. I do not want to go much into that history as I do want to go into the present.

Let me read the first paragraph of a pastoral letter from Bishop Sheridan, Colorado Springs, a Catholic bishop in Colorado. Three weeks ago he wrote a three-page letter. I just want to read one paragraph:

"Dear brothers and sisters in Christ. This coming November, Americans will participate in one of the most important national elections in recent history. The President, Senators, and Congressmen who are placed in office by our votes will serve at a time in which issues that are critical to the very survival of our civilization will be at the top of the political agenda. As we prepare for these elections, I consider it my duty as your bishop to write to you about these matters so that you might go to the polls this fall with a well-informed conscience."

Madam Speaker, I say that, and I am not going into any more of the letter, it is a three-page letter; but I will tell my colleagues that all this bishop did was to remind the parishioners in his diocese, the teachers of the church, and not only the church, but of Jesus Christ.

□ 1930

And that is all he did. But because he did this, he did not say Democrat or Republican, he did not say liberal or conservative, but he talked about pro-life issues.

Mr. Speaker, because he did that, Barry Lynn of the Americans for the Separation of Church and State, filed a complaint against this Bishop. Where is America going? Where is America going when a minister, a priest, or Rabbi or a cleric can not speak freely, which is a first amendment guarantee by our Constitution.

I am not going to go into the letter by Mr. Lind, but I will tell you that basically what he did is to chastise this Bishop because he spoke about the pro-life issues which are very important to our church. And I happen to be a Roman Catholic. I would say this if this was a minister. I would say this if it was a rabbi, they should have the freedom of speech that was guaranteed until 1954.

In addition to that, I want to also recite from Alex de Tocqueville, who came to America in 1830 and he loved America, this new republic, this freedom that we enjoy, and he talked about the beauty that God had blessed us with, this natural beauty. But what he was really was encouraged with, and I want to read this, "But not until I went to the churches of America and I heard her pulpits flamed with righteousness did I understand the secret of her genius and power. America is great because America is good. And if America ever ceases to be good, America will cease to be great."

Mr. Speaker, there is also another quote that I think goes back to Jeff Jacoby with the Boston Globe that I read back in 1995, my first year in the United States Congress, when he said that religion can survive in the absence of freedom, but freedom without religion becomes dangerous and unstable.

And what I am seeing happening in this country today bothers me greatly. When I think about the young men and women that are dying in Afghanistan and Iraq, they are dying so the Iraqi people can have freedom, and yet in this great Nation known as America, our priests, our preachers, rabbis and clerics cannot have the first amendment rights.

Let me share a quote with you from Floyd Flake. Floyd Flake, Mr. Speaker, was one of the finest Members of this United States House of Representatives. He is a minister in New York City. And I want to read this for you very quickly. It is a letter about the bill I put in to return freedom of speech to our churches and synagogues. He says, "I praise God for the stand that you have taken to defend the first amendment rights of houses of worship. It is unjust that churches and clergymen and women are unfairly targeted when they exercise their rights as American citizens. I am pleased to offer my whole-hearted support with sincere prayer for passage of this important and liberating legislation.

Mr. Speaker, I will close, but I want to say that I hope that the colleagues of mine in this House will join me in returning the first amendment rights to our churches, our synagogues and our mosques.

I close by asking God to please bless our men and women in uniform and their families and my God continue to bless and help save America.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4613, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2005

Mrs. MYRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 108–559) on the resolution (H. Res. 683) providing for consideration of the bill (H.R. 4613) making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes, which was referred to the House Calendar and ordered to be printed.

THE ADMINISTRATION'S FAILURE TO DESTROY A TERRORIST CAMP

The SPEAKER pro tempore (Mr. GERLACH). Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, last week the independent 9/11 Commission said it found "no credible evidence to substantiate the charge that there was a relationship between Saddam Hussein and Iraq and 9/11. We have no credible evidence that Iraq and al Qaeda cooperated on attacks against the United States." Yet, 2 days later, Vice President CHENEY said that, in fact, that was not true, that there were long established ties with al Qaeda.

Now, of course, Vice President CHENEY has quite a distinguished record as Vice President. He was the gentleman of 3 years ago said during the energy crisis in the western United States that those of us who thought there was market manipulation were really pretty stupid, and this was just market forces at work and there was no manipulation of the market. And Enron was a wonderful and upstanding company. Of course, now Enron officials, one after another, are going to jail, and hopefully Ken Lay will be criminally indicted this week. But the Vice President waxed eloquent there as he did here.

He also has said that deficits do not matter despite the fact we will borrow $700 billion against our future and obligate Americans for generations to pay that money back. He says that does not matter perhaps because his tax policy that he and the President envision says that only wage earners and salary earners will repay that and the wealthy and those that you normally associate with and corporations will not pay. But, nonetheless, he said again trying to raise the old saw about this relationship perhaps because although he told us that he knew exactly where the weapons of mass destruction were, he failed to point any of the U.S. troops, the inspectors or anybody who has been in Iraq for the last year and a half to that exact spot where he knew those weapons were located.

So it is a continuing attempt at obfuscation. The one thing they point to does have a kernel of truth, and they point to terrorist Abu Musab Zarqawi. He is a really bad guy. He has been behind more than 700 terrorist killings in Iraq it is estimated, a mastermind.

In June 2002, the United States intelligence service located Mr. Zarqawi and they said he had set up a weapons lab in Kirma, in northern Iraq. He was producing ricin and cyanide. The Pentagon drafted plans and asked the Bush administration to take out Mr. Zarqawi. The Bush administration said no.

Then we went 4 months later, and this is all from a report by Jim Miklaszewski, a correspondent for NBC news. Four months later, Intelligence showed that Zarqawi was planning to use the ricin in attacks in Europe. The Pentagon drew up a second strike plan. The White House again killed it. This is a quote from a former national security member, "People were more obsessed with developing the coalition to overthrow Saddam than to execute the President's policy of preemption against terrorists."

Then finally the threat turned real in January. Mr. Zarqawi's group, a number of them were arrested in London and they had a ricin lab which was directly connected to the lab in northern Iraq. This was a part of the country Saddam Hussein did not control. The Kurds controlled that area undercover of U.S. air power. So Saddam Hussein did not control this area. And, again, the United States flew over it every day. In fact, we might remember that Colin Powell famously pointed to it when he made his presentation to the National Security Council and said there are terrorists in this camp training in an area where we control the air space and we fly over it every day. But we did not take it out.

And because the Bush administration was more obsessed with building its coalition of the willing, worried that countries some of those the new Europe might fall off from our coalition, those who sent five, ten, or 15 troops to the coalition, if we took out this terrorist camp, they did not do it. And

U.S. troops and many others have died because this administration failed to take out that terrorist camp on the three occasions when the Pentagon asked them to do it because they were so obsessed with pursuing a war against Saddam Hussein and his non existent weapons of mass destruction. Now, he was a bad guy in the world and we are well quit of him, hopefully permanently quit of him soon.

But the point is when this administration turned its eyes away from al Qaeda, and turned its eyes away from the terrorists, and refused to take out Zarqawi, they were making a grave error and people have died because of that error.

FAST FACTS ON THE SPENDING ISSUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker and Members, I rise tonight to talk about our budget, the Federal budget and enforcing that budget. Now, I came here with Mr. JONES and others with a fairly large class back in 1995 we were elected to Congress. And I will never forget one of the first meetings we were invited to was held by some of the top economics folks here in Washington and folks from the Congressional Budget Office. And they told us at that meeting that if we did not get serious about balancing the budget, we forget now that back throughout most of the 1980s, we were running deficits exceeding $200 billion, in fact, by today's accounting standards it would have probably approached $300 billion, but, nonetheless, we had this meeting and at the meeting they told us that if we in Congress did not get serious about balancing the Federal books, that by the time my children got to be my age, they could be facing a tax rate at the Federal level of over 80 percent just to pay the interest on the national debt.

Well, the good news is we got serious about balancing the Federal budget. We limited the growth in Federal spending. We allowed the Federal budget to grow at a slower rate than the average family budget. And the net result is we went from $275 billion deficits to $250 billion surpluses. And that happened largely because we controlled Federal spending. From 1995 until 2000, total Federal spending only grew at an average rate of about 3.2 percent.

Now, since 2001, I have to say, Federal spending has grown at more than double that rate, at an average rate of 6.4 percent. You can see that from this chart. In fact, this chart and the 6.4 percent growth in Federal spending assumes that we will actually abide by and live with the very tough budget that this House has passed.

Now, unfortunately, the other body has not passed a budget this year and so we will have to negotiate with some of the folks over there and so the 6.4 percent assumes that we will wind up with the House's very tight numbers in which we freeze large chunks of the Federal budget.

Let me give for the benefit of some of the members and others who may be tuning in, some of the other numbers about the budget. Since 2001, according to the House Committee on the Budget, discretionary spending, that is a way of saying things beyond the entitlements, has gone up an average of 9.7 percent per year. So it is not just about 9/11 and it is not just about the war, it is about a lot of other things we have been spending money on.

Mandatory spending has now increased to a point where mandatory spending, and these are the things which we sometimes call entitlements, Medicare, Social Security, welfare-type benefits, there are a lot of benefits inside the Federal Government that if you qualify for them, you automatically receive them. Mandatory spending or entitlement spending today represents 55 percent of the Federal budget. And this does not include the new entitlement that was created this year under Medicare for prescription drugs which, according to one study, will add over $16½ trillion of unfunded liabilities to the Federal budget long term.

Finally, let me say and that I think this is important in recognizing how big the budget has become. For the first time since World War II, total Federal spending has reached more than $20,000 per household in the United States.

Well, what can we do about all of this? Well, what we need to do is get back to basics. What we did for most of the 1990s we had here in Washington the House and Senate had agreed to what are call spending caps and PAYGO rules. And we need to bring them back. I am not the only one who believes that. Later this week the house is going to vote on some spending caps and PAYGO provisions that I think are long overdue.

Mr. Speaker, I am not the only one who feels that. Let me read what Chairman Alan Greenspan said about PAYGO and spending caps and house Committee on the Budget in July of 2003. I will quote, "I would like to see the restoration of PAYGO and discretionary caps, which essentially will restrain the expansion of the deficit and indeed ultimately contain it." He went on to say, "It did that back in the early 1990s. I thought it was quite surprisingly successful in restraining what had been a budget which had gotten out of kilter. I would like to see those restraints reimposed and, by their very nature, they will bring fiscal responsibility back."

Let me just read what he also said in a Committee on the Budget in 2002 about spending caps and PAYGO. "Restoring fiscal discipline must be a high priority. The progress in the 1990s in reducing budget deficits might have been elusive were it not for the budget rules that had worked far better than many skeptics, myself included," and this is Mr. Greenspan speaking, "myself included had expected."

"Now is not the time to abandon the discipline of the structure that worked so well for so long.

☐ 1945

The framework enacted in the Budget Enforcement Act of 1990 must be preserved.

Well, we allowed those spending caps to expire a few years ago; and it is no coincidence that when we allowed the spending caps to expire, Federal spending began to go up at double the rate it went up for most of the 1990s. We will have an opportunity on Thursday to deal with this. Hopefully, we will have a vote on this thing; and we need to return to some form of spending caps and PAYGO.

We have got a tough budget here in the House. We have got to make certain that it gets enforced. I am not the only one who believes that. Dr. Alan Greenspan was saying this a couple of years ago.

THE ECONOMIC OUTLOOK

The SPEAKER pro tempore (Mr. GERLACH). Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, last week, on the floor of this Chamber, there were two interesting 1-hour presentations. The first hour came from the other side of the aisle, from the Republican side. Members from Texas and Illinois, Members from Arizona and West Virginia, Members from Florida, Indiana, from my State of Ohio all spoke on the floor and talked about the growing economy, how the American economy is back.

They talked about corporate profits being up. They talked about economic prosperity. They said that our economy was in fine, fine shape. In fact, they quoted President Bush's Secretary of Commerce who said, "It is the best economic climate in my lifetime." That was the first hour.

The next hour a group of us from mostly Ohio, the gentleman from Ohio (Mr. RYAN), the gentlewoman from Ohio (Mrs. JONES), the gentleman from Ohio (Mr. STRICKLAND), was joined by the gentlewoman from Illinois (Ms. SCHAKOWSKY). We, instead of sort of cheerleading this economic growth, we talked instead or related stories from people in our districts and letters we had received about people struggling with stagnating wages, with tuition increases. Ohio State's tuition will go up 13 percent this fall. Akron University's tuition went up 16 percent last fall. We talked about gas prices, people's difficulty of dealing with higher gas prices, of diminishing health care benefits, the employers cutting prescription drug benefits, all of that.

In my State of Ohio, we have lost one out of six manufacturing jobs since President Bush took office. Some 228,000 jobs overall have disappeared in my State since the President took the oath of office in 2001. In fact, because we have lost 2.5 million jobs since he took office, President Bush will be the first President since Herbert Hoover to have had a net loss of jobs.

Now, we can talk about how much corporate profits are up, and that is a good thing for sure. We can talk about some economic growth, and this is a good thing; but when we look at the economy and we look at the kinds of job loss and we think about what that job loss means, first of all, a steelworker in Canton, Ohio; an auto worker in Lorain, Ohio; a textile worker in North Carolina that loses a job that pays $10 or $12 or $15 or $20 an hour, depending on the plant and the location, what that means when that family loses that job, if perhaps the members of the family can find another job, that certainly will pay less, if they can find anything else, but think what that means to that family and those children and to the schools in that district where that plant closed down.

The city of Cleveland laid off 600 teachers starting this fall. Classrooms in Cleveland now will average 30 students per classroom. Layoffs in my home city of Lorain, several dozen teachers lost their jobs because we have lost industrial jobs. Police and fire are laid off, which is a greater hardship on those families and greater hardship on the communities that they face, which will then have slower police and fire response time.

The person that owns the diner, the waiters and waitresses in the diner next to the plant that closes down, loses business, may go out of business. The real estate agent is faced with selling a whole bunch of homes that nobody wants to buy. Workers, all kinds of people are affected from this kind of job loss.

Now the White House, they have enlisted cheerleaders, Members of Congress, who come to this House floor and talk about this growing economy, talk about corporate profits going up and talk about how it is the best economy in memory of the Secretary of Commerce. In their play book, the White House apparently does not see this or does not care to see what happens to these families and what happens to these communities. The White House play book says between now and the election you have got to be optimistic, you have got to cheer lead, you have got to say the economy is better, you have got to make Americans think everything's great in this country; that we are going to continue to grow.

I do not question my Republican friends. I think they actually believe that. They believe that because 5 percent of the people in this country have gotten big, big tax cuts, a person making $1 million got $123,000 tax cut from the President Bush, somebody makes a lot less makes almost nothing. The people that Members of Congress hang around with are doing well. They have good jobs. They get tax cuts. They are doing well. Their companies are doing well because they are the CEOs.

But when they are cheerleading about how great the economy is and accusing people like Senator KERRY of being doom and gloom, the fact is we have got to change the policy. We have got to change the direction of this economy. We have got to stop doing it the way we are doing it. We need to give tax relief to those companies that are hiring domestically and not exporting jobs overseas.

HONORING LANCE CORPORAL JASON MURRAY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado (Mrs. MUSGRAVE) is recognized for 5 minutes.

Mrs. MUSGRAVE. Mr. Speaker, I rise today to honor a true American hero, 20-year-old Lance Corporal Jason Murray. Lance Corporal Murray is a United States Marine from the 2nd Battalion, 4th Marine Regiment, 1st Marine Division. Jason's home is in Sterling, Colorado, in the northeast part of our beautiful State.

Jason has wanted to serve in the military since he was a boy. He graduated from Sterling High School in 2002 and enlisted in the Marines in the fall of that year. He became engaged to his high school sweetheart, Kelsi, in the fall of 2003 following boot camp.

Jason is currently recovering from injuries he received in Iraq on March 29. Jason was patrolling near Ar Rahmadi searching for improvised explosive devices. One of the devices detonated 3 feet in front of Jason, killing the Marine in front of him and seriously injuring Jason. Jason received the full force of the explosion, with shrapnel striking him in the face, chest, and arms. He lost his right eye and currently has no vision in his left eye. He lost most of the teeth on the left side of his face and received brain trauma as well.

He spent 10 days in a drug-induced coma at the 31st Combat Support Hospital outside of Baghdad. Numerous surgeries were performed before he was stable enough to be airlifted to Landstuhl, Germany, and then on to Bethesda Naval Hospital in Maryland where his family and fiance joined him. Jason is making a remarkable recovery and has recently been transferred to Craig Medical Center in Denver for rehabilitation.

Because he received wounds while in combat, Lance Corporal Jason Murray was awarded the Purple Heart. Jason also received a flag that had been flown over the Capitol in his honor on March 23, 2004.

Mr. Speaker, we are so fortunate to live in this great country where freedom is something that we rarely have to think about and often take for granted. It is simply a way of life for us, and we are truly blessed to live in a country that honors citizens for their spirit, their ideas, their individuality, and their courage. We can maintain the blessings of our freedoms only because we have citizens like Jason who are willing to fight to defend them for us.

I am proud to honor Jason for his courage and sacrifice on behalf of all Americans. I applaud Jason for his courage and selfless dedication to duty. He has helped protect our democracy and kept our homeland safe by placing his life on the line.

Jason is truly the embodiment of all the values that have molded America into this great Nation that it is today.

May God bless Jason.

SMART SECURITY AND INDIA-PAKISTAN NUCLEAR ISSUES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, the border between India and Pakistan has commonly been called the world's most dangerous nuclear flashpoint. India is thought to have at least 50, maybe as many as 120, nuclear warheads; and Pakistan is thought to have 30 to 70 warheads, but the two countries took a step towards nonproliferation on Sunday when they signed their first confidence-building agreement on nuclear weapons since 1999.

As part of the agreement, both countries will keep open a permanent telephone hotline to warn the other in advance of tests of nuclear-capable missiles. The confidence-building measures also included an agreement to continue the moratorium on testing nuclear warheads and a promise to continue nuclear talks.

While largely symbolic, this agreement is significant because it represents the desire of both India and Pakistan, two countries consistently at odds with each other, to avoid a devastating nuclear exchange that could kill hundreds of thousands of people.

The United States could take some valuable lessons, Mr. Speaker, from this India-Pakistan agreement. At the same time these two countries are seeking to reduce the threat of nuclear weapons, the United States is funding millions of dollars in research on new nuclear weapons.

Specifically, in this year's budget request, President Bush asked for over $100 million for research and testing of new nuclear weapons, including the robust nuclear Earth penetrator and so-called yield nuclear weapon. Fortunately, these funds were initially rejected by the Committee on Appropriations Subcommittee on Energy and Water Development.

When it comes to nuclear weapons, President Bush just does not seem to get it. While countries like India and Pakistan have taken the first step to making the world safer, our President seems to think the only good defense is a good offense.

But how strong does our offense need to be? We already possess 9,000 strategic nuclear warheads. How many of these weapons of last resort do we need before we feel secure? How much money do we need to spend on new nuclear weapons while neglecting important domestic programs before we decide that we have finally spent enough?

Mr. Speaker, there has to be a better way, a more sensible way, a way more rooted in the best American values, and there is.

I have introduced H. Con. Res. 392 to create a SMART security platform for the 21st century. SMART stands for Sensible Multilateral American Response to Terrorism. We need to stop the spread of weapons of mass destruction, and keeping the American people safe must be our highest priority. On that point, the President and I agree; but we must avoid equating our security with aggression and military force.

The United States possesses the world's largest nuclear stockpile, but nuclear weapons are not the answer to our problems because conflicts between nations require a more delicate touch.

Instead, SMART security calls for aggressive diplomacy, a commitment to nuclear nonproliferation, strong regional security arrangements, and vigorous inspection regimes.

The United States must set an example, Mr. Speaker, an example for the rest of the world by renouncing the first use of nuclear weapons and the development of new nuclear weapons.

We must maintain our commitment to existing international treaties like the Nuclear Non-proliferation Treaty, the Comprehensive Test Ban Treaty, the Biological Weapons Convention, and the Chemical Weapons Convention.

We must support and adequately fund programs like the Cooperative Threat Reduction Program, which works with the Russian Federation and the states of the former Soviet Union to dismantle nuclear warheads, reduce nuclear stockpiles and secure nuclear weapons in Russia; and we must replicate this successful program in other troubled countries like North Korea and Iran, because not every country will proactively choose to give up its nuclear program. In the long run, negotiating with other countries will keep us much safer than scaring them into submission.

□ 2000

The Bush doctrine of arrogant nuclear proliferation has been tried and it has failed. It is time for a new national security strategy.

SMART security defends America by relying on the very best of America, not relying on her nuclear capabilities, but our commitment to peace and freedom and our capacity for multilateral leadership. SMART security is tough, SMART security is pragmatic and patriotic. SMART security is smart and it will keep America safe.

CONGRATULATIONS ON RETIREMENT OF REVEREND PATRICK SHANNON

The SPEAKER pro tempore (Mr. GERLACH). Under a previous order of the House, the gentleman from Georgia (Mr. GINGREY) is recognized for 5 minutes.

Mr. GINGREY. Mr. Speaker, I come to the floor tonight congratulating Reverend Patrick Smith Shannon on his retirement from the Ministry after 41 years of service. Reverend Shannon presided over three different churches in the congressional district I represent in western Georgia, including the LaGrange First United Methodist Church in Troup County from 1968 to 1971, the Villa Rica United Methodist Church in Douglas County from 1971 to 1977, and the Smyrna United Methodist Church in Cobb County from 2001 to 2004.

Although Reverend Shannon is retiring from an active Ministry, he will never retire in his unwavering service to God. Blessed with a loving wife, Patricia, two children, Tim and Heidi, and four grandsons, Reverend Shannon's journey through life has yielded countless stories and life experiences which he has used to share the wisdom of Christ and the value of faith.

He went to Young Harris College, to Georgia State University, and obtained a Masters of Divinity from Emory in 1965. Born in Thomasville, Georgia, and raised in East Point, Reverend Shannon is a true Georgian to the very core.

Reverend Shannon is a servant of God, blessed with the gifts of teaching, compassion, and Ministry. He values the unity and fellowship of the traditional community church, where he reaches out to Christians and non-Christians of every age group. I am fortunate to have had the privilege of attending a few of Reverend Shannon's services at the First United Methodist Church in Smyrna, and have always found them to be inspirational. He is a true gift to the city and to the State of Georgia. We will cherish and appreciate him for years to come.

On behalf of the constituents of Georgia's Eleventh Congressional District, I appreciate Pat Shannon's service to our spiritual community, and I wish him many new journeys in his retirement.

MIDDLE CLASS SQUEEZE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. SOLIS) is recognized for 5 minutes.

Ms. SOLIS. Mr. Speaker, tonight I rise to bring attention to how priorities of our hard-working American families are being crushed under this administration's policies.

When President Bush first took office, he had a $236 billion budget surplus, there had been 22 million jobs created in the previous 8 years under President Clinton, and this country was experiencing the biggest drop in child poverty in our history. But what has changed in the past 4 years since Bush took office? Well, today there are 8.2 million Americans who are looking for work, and unemployment rates in many parts of our country are at a higher rate, almost 30 percent higher, than they were 4 years ago. And in my district alone, embarrassingly, some rates are as high as 9 percent. Plus, today's job market has lost economic value and too many positions that are being created are only part-time.

What this administration has not said when it talks about jobs it has created is that 90 percent of these new jobs since August 2003 are in industries that pay an hourly wage that is less than the national average. About 1.3 million of these jobs make an average wage of $15 an hour. That is 40 cents less than the national average. And it is an embarrassment that our own Federal minimum wage has not been increased. Imagine a family trying to survive on making $5.15 an hour, and that wage has not gone up for many years.

Clearly, it is not the struggling middle class families benefiting from the Bush administration's economic policies. Take a look at California. There have been 214,000 people who have lost their jobs in my State, and 346,000 were in manufacturing jobs alone, good paying jobs that left. Plus, the jobs that are being created in California are paying less than the jobs that are being lost and are less likely to even offer health benefits.

At a time when American families are struggling to pay for health care, when they are struggling to send their kids to college and get food on the table, we are sending billions of dollars to the very wealthy, 2 percent of our population.

Let us not also forget that the cost of gasoline has increased by 62 percent under the Bush administration. Californians will spend $2.35 billion more for gas this summer. That means per family $210 just for driving around in the summer. Gas in my district is now being sold at $2.39 a gallon. But instead of doing things to help working families, the Republican-led Congress spent last week debating energy bills that will do nothing to help working families cope with these outrageous energy costs, including trying to negotiate lower gas prices.

This administration even said that because of the bill's passage last week on so-called energy relief, our gasoline prices will actually go up by 3 cents. The administration would rather try to hide its relations with the oil industry than seek real productive ways to help our consumers. In California, gas prices went up faster than the Federal Trade Commission anticipated they could and companies rolled in the dough. Exxon Mobile reported a 125 percent increase in profits for the first 3 months of this year.

When the Bush administration claims they are concerned about the financial pressures of middle-income families, I would ask them, what are they doing to address the fact that the price of gasoline has increased 62 percent under this administration? Across the board, Americans are spending more on food, on health care, on education and gas. President Bush has done nothing to change his economic policies to consider the real needs of the American public.

Let us start fighting for a real plan that is just, that is Democratic.

IRAQ WATCH

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Massachusetts (Mr. DELAHUNT) is recognized for 60 minutes as the designee of the minority leader.

Mr. DELAHUNT. Mr. Speaker, it was approximately a year ago, in fact I think it was better than a year ago now, that myself, a number of my colleagues, the gentleman from Pennsylvania (Mr. HOEFFEL), the gentleman from Washington (Mr. INSLEE), the gentleman from Ohio (Mr. STRICKLAND), and, of course, the gentleman from Hawaii (Mr. ABERCROMBIE) took to the floor to express our concerns about what was transpiring in the Middle East, with a special focus on Iraq. We have done that on a rather regular basis over the course of the past year, and we have come to call this hour the "Iraq Watch," where we have a discussion among ourselves for the benefit of those that are viewing our conversation through C-SPAN.

At the very beginning, we expressed our concern that American credibility was at stake, as well, of course, as providing an opportunity to observe the competence of this White House in terms of its conduct of the war in Iraq. And, tragically, unfortunately, many of our concerns have materialized.

I think every American remembers rather clearly the multiple statements, not just from the President and the Vice President, but from every single official representing the administration, whether from the Department of Defense, the Department of State, clearly from the White House, wherein they articulated the rationale for the military intervention in Iraq based on two particular concerns. One, of course, was expressed by the President and others when he continued to state that Saddam Hussein possessed weapons of mass destruction and that a nuclear weapons program was underway and that at any time we could be faced with the vision of a mushroom cloud somewhere in the world, specifically in the United States.

Well, I think there is a consensus among the American people and among Members of this institution, as well as a number of members of the administration that that particular basis for the military intervention in Iraq, the concern about weapons of mass destruction, did not materialize, and that the intelligence was faulty.

It was the former United Nations' inspector, David Kay, who received plaudits and kudos and respect, and deservedly so, from Members on both sides of the aisle, when he was designated by this administration to travel to Iraq and to develop a cadre of experts to assist him in the discovery of where those weapons of mass destruction were located.

I am sure many Americans remember the Secretary of Defense, Donald Rumsfeld, indicating that we knew where those weapons were; that they were around the Tikrit area and outside of Baghdad. Well, of course, again, that intelligence did not produce the location, and the statement of Mr. Kay later was that Saddam Hussein did not have weapons of mass destruction. In fact, he did not have a nuclear weapons program.

In testimony before the Senate Committee on Foreign Relations, he made a statement that was emblazoned on the front page of Newsweek Magazine, which has been repeated again and again, and that statement was: "We were all wrong." "We were all wrong." There was also a statement from a newspaper published in Great Britain that I think is worth repeating, and it is a statement made by David Kay. "The former chief inspector warned yesterday that the United States is in grave danger of destroying its credibility at home and abroad if it doesn't own up to the mistakes it's made in Iraq."

□ 2015

And while there has been some acknowledgment that the weapons of mass destruction that purportedly existed in Iraq are not there, there never has been a definitive statement coming from the White House that would support the conclusion reached by Mr. Kay.

In fact, the Vice President, Mr. CHENEY, stated that the weapons of mass destruction might still be found in Iraq; and Mr. Kay's response was, "What worries me about Cheney's statement is I think people will hold out for a hail Mary pass, delay the inevitable, looking back at what went wrong and believe we have enough evidence now to say that the intelligence process and the policy process," I repeat that, "the policy process that used that information did not work at the level of effectiveness that we require in the age that we live in."

Well, I think all Americans, or most Americans, know that there are no weapons of mass destruction in Iraq.

Of course the other most prominent rationale for the military intervention in Iraq was a purported relationship between Saddam Hussein and the terrorist organization that we all know so well, al Qaeda.

In fact, in a letter sent to the Speaker of the House and the President of the Senate just prior to the invasion of Iraq and signed by the President, the President puts forth in what I would submit is rather clear and unequivocal terms that, "I determine," this is President Bush, "that reliance on the United States of further diplomatic and other peaceful means alone will neither adequately protect the national security of the United States against the continuing threat posed by Iraq nor likely lead to enforcement of all relevant National Security Council resolutions regarding Iraq, and acting pursuant to the Constitution and the public law," which this Congress passed authorizing that military intervention, "is consistent with the United States and other countries continuing to take the necessary actions against international terrorists and terrorist organizations, including those nations," the clear implication being the nation of Iraq, "organizations or persons who planned, authorized, committed or aided the terrorist attacks that occurred on September 11, 2001, the date of our national tragedy."

Well, recently a report was issued by the so-called 9/11 Commission, which was the subject of much debate and discussion over the course of this past weekend. I think it is important to explore in some detail that report and have a conversation about those allegations that were used by this White House as a rationale for the invasion of Iraq.

Let me read from the pertinent section of the report. The report reviews the activities of Osama bin Laden and al Qaeda, and now I am quoting from the report: "A small group of al Qaeda operatives subsequently traveled to

Iran and Hezbollah camps in Lebanon for training in explosives, intelligence, and security. Bin Laden reportedly showed particular interest in Hezbollah's truck bombing tactics in Lebanon in 1983 that killed 241 United States Marines. We have seen strong, by indirect, evidence that his organization did in fact play some," as yet unknown, "role in the Kobar attack."

Let me repeat that again for emphasis. Osama bin Laden went to Iran, went to Iran and Hezbollah camps in Lebanon, in Lebanon.

Now, again reading from the report, "bin Laden also explored possible cooperation with Iraq during his time in Sudan," in Sudan, "despite his opposition to Hussein's secular regime." Bin Laden in fact at one time sponsored anti-Saddam Islamists in Iraqi Kurdistan.

The Sudanese to protect their own ties with Iraq reportedly persuaded bin Laden to cease the support and arrange for contacts between Iraq and al Qaeda. A senior Iraqi intelligence officer reportedly made three visits to Sudan, finally meeting bin Laden in 1994. This is some 3 years after the first gulf war. Bin Laden is said to have requested space to establish training camps as well as assistance in procuring weapons but Iraq apparently never responded. There have been reports that contacts between Iraq and al Qaeda also occurred after bin Laden had returned to Afghanistan, but they do not appear to have resulted in a collaborative relationship. Two senior bin Laden associates have adamantly denied that any ties existed between al Qaeda and Iraq. We have no credible evidence that Iraq and al Qaeda cooperated on attacks against the United States.

Those two senior Iraqi operatives were captured. One was captured last July. He was a al Anni who reportedly had a meeting with Muhammed Atta in the Czech Republic, in Prague, back in April 2001. Much has been made of that particular encounter. Both the CIA and the FBI concluded that that meeting never occurred. Yet we continue to hear it, particularly from the Vice President. He cannot let go, it would appear.

Mr. BURTON of Indiana. Would my colleague yield for just about a 5-second question?

Mr. DELAHUNT. Of course.

Mr. BURTON of Indiana. I have heard the gentleman's arguments. I hope my good and dear friend from Massachusetts will stick around for my response to what he has said.

Mr. DELAHUNT. Mr. Speaker, I am looking forward to hearing his response. I would be happy to engage.

Mr. BURTON of Indiana. We are good buddies.

Mr. DELAHUNT. We are dear friends.

Mr. BURTON of Indiana. I would like the gentleman to hear my response.

Mr. DELAHUNT. I look forward to that. If I am not here in the Chamber, that does not mean that I am not watching it on C-SPAN. But I can assure the gentleman we will be back here tomorrow night to respond to his response and correct any unintentional mistakes that he makes in the course of his response.

With that, I yield to the gentleman from Pennsylvania.

Mr. HOEFFEL. I thank the gentleman from Massachusetts for yielding. This may be a breakthrough tonight. We have, through the 15 months that we have been handling the Iraq Watch duties on the floor, talked about how we would love to be joined by our Republican colleagues in a good-faith discussion about what is happening in Iraq, to discuss the pros and the cons and to question one another, talk to one another about what is working and what is not working. I do not want to put anybody on the spot, but I would be delighted to have a discussion right now. I am sure the gentleman from Massachusetts would yield and I would yield time to anybody who wanted to ask a question or challenge what we might have said.

Mr. DELAHUNT. We can make it a 2-hour conversation. I think that would be informative and hopefully educational.

Mr. HOEFFEL. This is not a challenge. It is an invitation.

In any event, I thank the gentleman from Massachusetts for talking about the whole question of whether or not the connection exists between al Qaeda and Saddam Hussein, a connection that the Vice President has repeatedly invoked. At one point the President himself tried to straighten out the Vice President and said, wait a minute, there is no evidence that Saddam Hussein was behind 9/11. Yet the Vice President has continued to make this accusation, even in the face of the 9/11 Commission staff report that suggests that there was no working relationship, no collaborative relationship between Saddam Hussein and al Qaeda.

There is no doubt that the inability of the coalition to secure Iraq is a tremendous impediment to everything that we are trying to achieve. I certainly share the goals of President Bush in establishing a peaceful and stable Iraq with a representative government, hopefully a flourishing democracy; but that fine goal and all the yardsticks leading up to it cannot be achieved without security. We are going to have no success with reconstruction, we will not have a legitimate turnover of sovereignty on June 30 without security. We cannot have elections without security.

I wanted to do something I have not done before during Iraq Watch, which we started in, I think it was, April 2003. I wanted to read a few words that were spoken at a rally in Los Angeles on June 5 by a young man named Dante Zappala. Dante's brother, Sergeant Sherwood Baker, a member of the Pennsylvania National Guard, was killed in Iraq on April 26, 2004. I have met with Sherwood's parents, Celeste and Al Zappala. They gave me a copy of their other son's comments regarding Sherwood Baker's death. These are the words of Dante Zappala. I will have them entered into the RECORD. They are way too long to read tonight. I wanted to read the first paragraph and part of the last paragraph of these remarks. On June 5, Dante Zappala said of his brother Sherwood Baker:

"The tragedy that touches so many people in so many corners of the world, the tragedy of war, the tragedy of violence and sudden death, touched me on April 26 when my brother, Sergeant Sherwood Baker, was killed in an explosion in Baghdad. I speak today with my voice and with the voice of the countless others who have suffered personal loss as a result of this war, those many people with no microphone in front of them, those many people with no one to listen to their pain. As big brothers do, Sherwood protected me, he carried me, and he taught me."

Dante went on to express his frustrations with our policy in Iraq and then he ended his statement with the following:

"We do not benefit from the deaths of our soldiers, nor do we benefit from the deaths of the Iraqi people. To honor Sherwood, I have vowed to follow his path, to lift my head and go to work. Our duty is to spread truth. Our duty is to combat the lies, the misrepresentations, the fear, the mongering and the people who mean to ruin our belief in this country. I have made a promise to my brother and that is to do as he would do, to not be angry about my circumstances, to not let bitterness overcome my heart, but to proceed with hope.

□ 2030

"Today and in the days ahead, do not let your anger carry you. Allow your desire to make change carry you. Allow the compassion towards humanity to carry you. Ride your commitment to peace. Share your soul with your country. Share your values with the world. Make it your job."

Mr. Speaker, I find these words remarkable. A family devastated by the loss of a son and brother, and yet this brother, speaking in Los Angeles, calling upon the better sides of our nature, calling upon all of us to put anger and frustration aside and to talk about compassion toward humanity.

The pain that so many American families have suffered as a result of this war is immense. The sacrifices that the armed services have made, the men and women, the loss of life has been tragic. I am sure it is true to say that they were proud to serve and in virtually all cases proud to honor their country, were there because they wanted to be there, and made a magnificent sacrifice to try to bring peace and stability to Iraq. What angers me, and I try to be inspired by Danta Zappala and not resort to anger, but what angers me, though, is the continuous reputations, he referenced them in his statement, the continued attempts to connect the Saddam Hussein regime with 9–11, a connection that is bogus, a connection that the gentleman just said was not made by the CIA, denied by the FBI, and yet the Vice President continues to want to use that nonexistent connection as a justification for taking us to war with half truths and with deceptions.

Mr. DELAHUNT. Mr. Speaker, again, I think it is absolutely critical to understand that there is no one that is unhappy with the removal of Saddam Hussein from power. But the question that we are posing here tonight is the allegation that there was a collaborative relationship between al Qaeda and the Saddam Hussein Iraqi regime. And what we are talking about is the credibility of the White House, the President, and, therefore, the United States.

As I said earlier, we discovered what happened when it came to the issue of weapons of mass destruction, and here we are again, even after the report by the 9–11 Commission, even after a statement by David Kay, not only relating to the issue of weapons of mass destruction, but the relationship between al Qaeda and Saddam Hussein.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. DELAHUNT. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I do not know if my colleague has read anything that Lee Hamilton, the Democrat co-chairman of the 9–11 Commission, had to say on the News Hour with Jim Lehrer on June 16, just last week, 2004. Let me read what Lee Hamilton said: "We have solid reporting of senior-level contacts between Iraq and al Qaeda going back a decade. Credible information indicates that Iraq and al Qaeda discussed safe haven and reciprocal nonaggression. Since "Operation Enduring Freedom," we have solid evidence of the presence in Iraq of al Qaeda members, including some that have been in Baghdad. And then Chairman Kean of the committee, along with Chairman Hamilton, said that there definitely were a number of contacts. Chairman Kean called these contacts shadowy, and the administration agrees with them. These were contacts between a deadly terrorist organization that was seeking support in a country that the administration knew had supported other terrorist operations.

So to say that nothing was going on, I mean they did not meet to have tea and crumpets. They did not meet just to have an ice cream sundae.

Mr. DELAHUNT. Mr. Speaker, I look forward to this continuing conversation this evening. Again, the report refers to contacts that were made back in 1994. If we talk about contacts, it was the Bush administration, the Bush One administration, that had contacts with Saddam Hussein that dated back from 1982 when he was removed from the terrorist list, when there was an embassy installed in Baghdad, when we provided him with intelligence, when we provided him with the ingredients for weapons of mass destruction, when we transferred to him, when we transferred to him, dual-use technologies.

I have a chart behind me that would establish without any doubt whatsoever, it is a CRS report, that in the 1980s, we had multiple contacts, and we should not be surprised that in 1990, it was discovered that he had a nuclear weapons program because it was the then-Bush administration and its predecessor that provided the components to do exactly that. The contacts that the gentleman from Indiana refers to occurred in 1994, and it was as a result of a request from the government of Sudan, where Osama bin Laden was living. The Iraqi official that visited Saddam Hussein heard what he had to say, returned to Iraq, and there was no further contact.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. DELAHUNT. I continue to yield to the gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. Mr. Speaker, since we are going back in history, let me just say that we had the attack on the World Trade Center the first time in 1993; in 1996 we had the Khobar Towers; in 1998, we had embassy attacks in Nairobi; in 2000, we had the USS *Cole*, all during the previous administration. And during that time when Osama bin laden was in the Sudan, there were 13 known-terrorist training camps under his control, and the CIA reported those to the previous administration, and nothing was done about it.

So when we start talking about this administration's being asleep at the switch, the fact is that President Bush, when he took over, decided to do something about it because there were contacts between al Qaeda and Saddam Hussein. Uday Hussein had one of the leaders of al Qaeda just last year in Baghdad for medical treatment. They had a very close relationship.

So my question to my colleagues is this: Why did the previous administration not, when they knew there were 13 terrorist training camps in the Sudan, they knew that Osama bin Laden was there, they knew that the CIA had talked about it and said let us go in and get him, and they did not do a doggone thing after all these attacks on U.S. installations?

Mr. DELAHUNT. Mr. Speaker, I yield to the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Mr. Speaker, I will give the gentleman a nonanswer answer. The nonanswer is we could pose another question, which is why did the first President Bush not go in and eliminate Saddam Hussein when he had that information as well? And that is an interesting historical issue, but it is one that is not pertinent to why I came here tonight, and I would like to address that issue.

I think the issue is that Congress has a responsibility to fulfill now, which is to hold the administration accountable if, in fact, it created a false impression in the American people. And this is an interesting academic issue, whether it was contacts or collaboration or something more, but the bottom line is the President enjoyed some popular support for this war based on two pillars: the first pillar being his assertion that Saddam had weapons of mass destruction, and that has now by and large been shown to be a falsehood; and the second pillar was that Saddam Hussein was responsible for killing over 2,000 Americans on September 11.

And that was the impression that this President created. In fact, in a poll taken in September, 2003, 69 percent of Americans said they believed Saddam Hussein was personally involved in the attacks.

Here is the question I have, and then I will answer it: Where did 69 percent of the American people get the impression that Saddam Hussein was personally involved in the attacks of September 11? Did they get it from just reading The New York Times? I do not think so. Did they get it just watching Dan Rather? I do not think so. Did they get it from reading the penny press at home? I do not think so. They got it from President George Bush, who did everything possible to create the impression that Iraq was associated with the attack, an ally, in the attack of September 11.

Why do I say that? Because that is the language President Bush used. On May 1, 2003, he said: "The liberation of Iraq is a crucial advance in the campaign against terror. We have removed an ally of al Qaeda and cut off a source of terrorist funding."

The interesting thing that I challenge anyone to show me, the September 11 Commission reached what appears to me to be a factual conclusion. It appears to me to be the most rational conclusion I think we can make on the evidence we have. They said: "We have no credible evidence that Iraq and al Qaeda cooperated on attacks against the United States." That is what they said. I believe that is most likely to be true.

When did President George Bush ever say we have no credible evidence that al Qaeda cooperated on attacks against the United States? When the President of the United States was urging another war, a preemptive attack on another country, without significant international assistance, and when he would believe that if a misimpression was created by the American public, it could lead to the wrong conclusion, did this President come forward and say the truth, which was there may have been some contacts, some discussions, between al Qaeda and Saddam Hussein's agents, they were way back in 1994, there was no active collaboration that took place, but I want to make sure the American people understand this one central tenet, because I want to make sure there is no confusion here: As far as we know, Saddam Hussein was not behind the attacks on September 11, and I do not want anybody starting a war based on this false impression.

Did the President of the United States ever level with the American people and say that? No, he did not. This was an impression that he knew he was creating. If the Members would go see the movie the "Flim-Flam Man," starring George C. Scott, it was about a great guy who understood how to create impressions to get people to take action. And there was an impression created that Iraq was responsible for the deaths of over 2,000 Americans. And it is most unfortunate.

The reason we have come here tonight is to talk about the fact that it is unhealthy for a democracy, for a President to create false impressions that end in war, and this President created two massive false impressions. One that this demonic monster, Saddam Hussein, who we all agree on a bipartisan basis is a demonic monster, had weapons of mass destruction and that we were threatened with a mushroom cloud; and the second, he allowed 69 percent of the Americans to believe that Saddam was the one who attacked us, and that is an undemocratic action, and it is wrong, and he ought to be held accountable for it.

Mr. DELAHUNT. Mr. Speaker, if I could, because I want to respond to my friend from Indiana, because I know that he holds in high regard David Kay, who was selected by the administration to go to Iraq and review the various assertions and the concerns that they had about weapons of mass destruction as well as a relationship between Saddam Hussein and al Qaeda, and this is a statement that appeared today in fact in The Boston Globe and it quotes David Kay: "'At various times al Qaeda people came through Baghdad and in some cases resided there,' said David Kay, former head of the CIA's Iraq survey group, which searched for Iraqi weapons of mass destruction and links to terrorism, 'but we simply did not find any evidence of extensive links with al Qaeda or, for that matter, any real links at all.'"

□ 2045

He was referencing the statement by the Vice President. Again, "CHENEY's speech is evidence-free," Kay said. "It is an assertion, but does not say why we should believe this now."

Mr. Speaker, I yield to my friend, the gentleman from Pennsylvania (Mr. HOEFFEL).

Mr. HOEFFEL. Mr. Speaker, I thank the gentleman for yielding.

I wanted to thank our friend from Indiana for jumping into this discussion. We have been looking for some bipartisan debate back and forth; and the gentleman, if nothing else, has the courage of his convictions; and we welcome him here tonight.

I wanted to respond to a couple things the gentleman from Indiana (Mr. BURTON) said. I think he said that we were suggesting George Bush has been asleep at the switch in Iraq. That is not at all what we have been suggesting here. President Bush has been anything but asleep at the switch. He has been very aggressive regarding Iraq.

Mr. DELAHUNT. If I may reclaim my time, the reality is that this administration, a week after the inauguration, according to a very fine Republican by the name of Paul O'Neill, former Secretary of the Treasury, had an extensive discussion about Iraq at the first meeting of the National Security Council and why it should be targeted.

I have a long list of quotes from administration officials and others that were there that can provide firsthand evidence. What I found particularly disturbing, however, according to Paul O'Neill, a good, fine, conservative Republican who was the CEO of a fine American corporation called Alcoa, was that on February 27, months before 9/11, at a National Security Council meeting, there was a map laid out; and there was a discussion among the principals about how the oil fields in Iraq would be divvied up between nations and between various corporations. I commend to my friend, and I know he must have a copy of that book, it is called "The Price of Loyalty."

On page 96, I will not bore him and those who are watching us here tonight with reading it, but I believe somebody owes the American people and this Congress, Republicans and Democrats, an explanation of why months before 9/11, months before 9/11, months before there was any discussion about weapons of mass destruction or links, if you will, between al Qaeda and Saddam Hussein, we are talking about war.

Mr. BURTON of Indiana. If the gentleman will yield briefly, Condoleezza Rice, the Vice President and a whole host of National Security Council members were at that meeting. The gentleman to whom you are referring is sour grapes because he lost his job as Secretary of the Treasury. Their interpretation and their recall of that meeting does not jibe with that at all. That is his singular opinion.

So let me just say that one person's comment at a meeting does not make it so.

Mr. DELAHUNT. I would remind my friend from Indiana of the 11th amendment.

Mr. BURTON of Indiana. What is that?

Mr. DELAHUNT. That Republicans do not criticize Republicans. I will have to defend Paul O'Neill.

Mr. BURTON of Indiana. That is the gentleman's prerogative.

Mr. DELAHUNT. Again, because we have a good discussion going here tonight, I think it is important for all those that are watching, because we will chew right into our friend's time too, I think it is important here tonight that the American people understand that this is good discourse. This is the kind of debate that this institution needs.

Despite the fact that we have disparate views and profound disagreements, the reality is that we do have mutual respect, and in the case of the gentleman from Indiana (Mr. BURTON) we have affection.

Mr. ABERCROMBIE. I think the gentleman from Indiana missed that last comment. You might want to repeat it.

Mr. DELAHUNT. I am not going to repeat the praise I gave to the gentleman from Indiana (Mr. BURTON). Only once he gets the kudos.

While the gentleman might disagree with Paul O'Neill, the former Secretary of the Treasury who was appointed, obviously, by this President, I wonder if he disagrees with an observation or an anecdote that was related by Bob Woodward just recently in the book that is on, I understand, the President's Web site, where, again, I am quoting from the book. I do not want in any way to infer that this is coming from me or any of my Democratic colleagues.

But in response to this desire for war against Iraq, Bob Woodward writes, "Powell thought that CHENEY had the fever. The Vice President and Wolfowitz kept looking for the connection between Hussein and September 11th. It was a separate little government that was out there. Wolfowitz, Libby, Undersecretary of Defense Douglas Feith and Feith's gestapo office, as Powell privately called it. CHENEY now had an unhealthy fixation. Nearly every conversation or reference came back to al Qaeda and trying to nail down the connection with Iraq. He would often have an obscure piece of intelligence. Powell thought that CHENEY," Powell not, not O'Neill, "took intelligence and converted uncertainty and ambiguity into fact. A conversation would suggest something might be happening, and CHENEY would convert that into a we know. Powell," not O'Neill, "Powell concluded we didn't know and no one knew."

Mr. Speaker, I yield to the gentleman from Hawaii (Mr. ABERCROMBIE).

Mr. ABERCROMBIE. Mr. Speaker, I wonder if I could prevail upon my good friend, the gentleman from Indiana (Mr. BURTON), who, I might say this evening is in sartorial splendor, as well as a good friend, if we might prevail upon him to maybe come back at another time when we can have a conversation on this, because it is vital to America's interests.

I know the gentleman from Indiana (Mr. BURTON) has spent his entire congressional career addressing precisely that.

Mr. BURTON of Indiana. If the gentleman will yield further, I will be happy to do that, if you ever give me some macadamia nuts.

Mr. ABERCROMBIE. I will be happy to do that.

Mr. HOEFFEL. Mr. Speaker, if the gentleman will yield, back to the gentleman from Indiana (Mr. BURTON), I just wanted to respond finally to the gentleman's suggestion that the prior administration, the Clinton administration, had not done enough after several acts of terror against this country.

The act of terror on 9/11 did change the thinking of a lot of people. But if you will recall, in August of 1998, President Clinton did order cruise missile strikes in Sudan as a result of some of the acts of terror; and the Republican opponents in the Congress of the President at that time did not accuse him of doing too little; they accused him of doing too much. There was a great partisan uproar that President Clinton was trying to distract the public from his impeachment woes with the use of American military power.

Mr. BURTON of Indiana. Mr. Speaker, if the gentleman will yield, let me just say according to most news reports that was not a factory for weapons of mass destruction, as was anticipated, it was an aspirin factory; and there was no reason for it. There were a lot of people, including the media, that thought it was a "wag the tail" type of attack.

Mr. HOEFFEL. I would say to the gentleman that the fact is the Republican opposition at that time was in full throat, and the criticism was not that he should be doing more; but that he was doing too much, in the view of his critics.

I raise the point in good faith. I was not in the Congress then, and the gentleman may or may not have been involved at that point at that time. It shows you when there is too much partisanship I think that it clouds the judgment. It probably affected President Clinton. He probably did not think he could have congressional support if he took more action at that time. I do not know.

I would suggest that there is a time when the level of partisanship can rise so high that it can cloud the judgment of the government to act in a concerted way. I do not want to see that happen.

There is a lot of frustration about Iraq and a lot of opposition to what many of us think are the deceptions and the half-truths that have been used. The gentleman from Massachusetts (Mr. DELAHUNT) came today to try to talk about that, and I welcome the bipartisan discussion tonight; but we have got to try to get past the bipartisan anger.

Mr. ABERCROMBIE. Mr. Speaker, if the gentleman will continue to yield, I think what is important here then to get across this evening is that calling people to account is what we do. The oversight function of the Congress has a long history. I can go back to the time in which some people wonder how Harry Truman got to be chosen as Vice President of the United States just prior to Franklin Roosevelt's death, before his last campaign. Of course, he had made his reputation on an oversight committee in the Senate looking into war profiteering, is what he had done, trying to hold people to account. That is what this is all about.

If someone wants to take up the position that this is a concentration on President Bush for partisan activity, he is the President. He is making the decisions, and those decisions are subject to scrutiny.

As the gentleman from Indiana (Mr. BURTON) very well knows, back at the time when Mr. Clinton made decisions about Bosnia and Kosovo, I found myself in opposition to him and said so. I think at least as far as this Member is concerned, I do not have to take a back seat to anybody in trying to bring anybody to account in the executive, Democrat or Republican, if I think that is in order.

If I know my friend, the gentleman from Indiana (Mr. BURTON), well, and I think I do, he does not stand for anybody telling him who should be brought to account either. He has stood up on more than one occasion, perhaps even singularly, calling for an accounting on various issues. I think that is his function and our function, and that is what this Iraq Watch is all about, I can guarantee you that. If we think somebody is doing the right thing, we are going to say so; if we think somebody is not acting necessarily in the best interests of the United States, regardless of what their motivation might be, it is up to us to say so and engage in a dialogue to try to illuminate where the interests of the American people are.

I know that the gentleman from Indiana (Mr. BURTON) agrees with that, and I look forward to any discussion we might have in the future along those lines.

Mr. DELAHUNT. Mr. Speaker, reclaiming my time, I think it is important to note that. Again, I am not sure about whether it was an aspirin factory, but I think what is really important is the point that the gentleman from Hawaii (Mr. ABERCROMBIE) just made about oversight.

It is clear that there are no weapons of mass destruction. It is clear that the kind of relationship that has been suggested by the administration, particularly the Vice President and the President, does not exist. It is, I dare say, hurting our credibility.

We come to this as Americans. You know that, I know that, and we all know that. And this information comes from a variety of sources, whether it be from Bob Woodward, who describes a conversation that Secretary Powell has, or whether it is Paul O'Neill.

In the case of Richard Clarke, the terrorist chief, in the aftermath of 9/11, he writes in his book he expected the administration to focus its military response on Osama bin Laden and al Qaeda. He says he was surprised that the talk quickly turned to Iraq. "Rumsfeld was saying that we needed to bomb Iraq," Clark said, "and we all said no, no. Al Qaeda is in Afghanistan. We need to bomb Afghanistan. And Rumsfeld said, there aren't any good targets in Afghanistan, and there are a lot of good targets in Iraq.

"Well, there are a lot of good targets in lots of places, but Iraq had nothing to do with 9/11. Initially I thought when he said there are not enough targets in Afghanistan, I thought he was joking. They wanted to believe there was a connection, but the CIA was sitting at that particular meeting, and the FBI was sitting there, and I was sitting there, and we looked at the issue for years, and we reached a conclusion that there was no connection."

The point is, let it go. To follow the admonition of David Kay, it is time to acknowledge our mistakes as a Nation and to begin to restore some of our credibility internationally.

I yield to the gentleman from Washington (Mr. INSLEE).

□ 2100

Mr. INSLEE. Mr. Speaker, I would like to make a comment. I want to pose a important question to the gentleman from Indiana (Mr. BURTON) if he could help us out.

My comment is on the difference between connection and action and collaboration. I do not think there is any question that there had been some communication between al-Qaeda and some Iraqi officials. I think we all agree on that, and have for a long period of time. The September 11 Commission reported that back in 1994, bin Laden had essentially asked for help from Iraq but Iraq said no deal. We are not going to help you.

And from that, the September 11 Commission concluded, a bipartisan commission concluded there had been no collaboration and there had been no active work between the two. In fact, the two highest bin Laden associates we have in custody have adamantly denied that any ties existed between al-Qaeda and Iraq.

I think an accurate picture that has been stated is that there were some contacts and that bin Laden had asked for help and Iraq had refused to give him help. And yet the President started this war. Now, the question I have is what was the President trying to do in this conversation with the American people? It appears to me that he was trying to create an impression in the American people that Iraq was behind the attack of September 11. Let me give you just one quote that fits into that impression. On September 14, 2003, Vice President CHENEY said "If we are successful in Iraq, then we will have struck a major blow right at the heart of the base, if you will, the geographic base of the terrorists who have had us under assault now for many years, but most especially on 9/11."

That is just one of hundreds of statements made by this administration that to me was responsible for creating an impression in at least 69 percent of the American people that Iraq was behind it and that this was pay-back time. In fact, I remember seeing a tank as it entered Baghdad with it was lettered on the side "pay back time." And I can understand why soldiers felt that way if the President of the United States was creating an impression that Iraq was responsible for September 11.

It was not an impression that led this country to war that bin Laden had asked for help, but Iraq had said no, that is not the salient feature that led to this war. What led to this war was the President succeeding in creating an impression in America that Iraq was behind this venous and evil attack against us on September 11.

So the question to the gentleman from Indiana (Mr. BURTON) if I can ask him, just kind of two questions, does he share my view that probably a majority of Americans had the impression as the result of its Federal Government's dissemination of information, the administration, that Iraq was behind in some fashion, or associated with the attack on September 11?

And if that is true, does he think the President of the United States did enough to be candid with the American people to tell the American people that no, we do not have any evidence of collaboration resulting in the attack of September 11. Sincere question.

Mr. BURTON of Indiana. Mr. Speaker, the fact of the matter is the President went to war with Iraq because of two reasons: One, weapons of mass destruction; and two, the threat to security in the Middle East and the United States of America, and because there were indications of a connection between al-Qaeda and Saddam Hussein. And there is documentation even stated in the 9/11 Commission report or in the 9/11 Commission statement.

Mr. DELAHUNT. Mr. Speaker, reclaiming my time, if one reviews the 9/11 report, they are very clear that there were more connections, more connections between Lebanon, between Iran and al-Qaeda than there ever were between Saddam Hussein and al-Qaeda. Al-Qaeda, in fact, Osama bin Laden, in 1990 right after the invasion of Kuwait, went to Saudi Arabia and met with Prince Sultan, who was the defense minister and said that we have to do something about that secularist. Let us join forces and destroy Saddam Hussein. He considered Saddam Hussein as an apostate, a corrupter of Islam.

The point is, and again, another report that came out today, Chairman Kean, again suggests that the connections between Pakistan, between Iran and Hezbollah, far exceeded the connections between Saddam Hussein and al-Qaeda. There was no collaborative relationship. We continued to hear about al-Qaeda bases in Iraq. They were in northern Iraq under the protection of the no-fly zone.

Mr. ABERCROMBIE. Mr. Speaker, would the gentleman yield?

All this points up to the fact that this is ideologically driven. This has nothing to do with those facts. This is ideologically driven by people who are generally termed neoconservative. I am the conservative here. And my colleague should be the conservative here. He is conservative. It is the conservative position not to get trapped in these foreign conflicts, not to go off charging around the world to try and do these things.

The ideology behind this is that Iraq was the key to being able to move into Syria, being able to move into Iran, that this is somehow a defense of the Likud version of what is in Israel's interest. The so-called neoconservatives that are behind this ideological thrust have wanted this war for years. It is not hidden. It is not a conspiracy. It is not some kind of subterfuge. It is an announced policy and possession philosophically they have had for years.

The sad part is after Mr. Bush became President, was appointed President, they came into the forefront in terms of their appointments in the Defense Department where they were able to bring their philosophy forward. That is what is driving this. That is what the President has to face up to. This is where his difficulty is.

Mr. DELAHUNT. Mr. Speaker, I know we have very limited time left. But I think before we go we should wish a happy birthday to our friend and colleague from Indiana (Mr. BURTON), because it is his 45th birthday today, is that correct?

Mr. BURTON of Indiana. 29.

Mr. DELAHUNT. 29th birthday today, I think this has been a very good discussion. We really do welcome this conversation with my colleague. He knows we have respect.

Mr. BURTON of Indiana. Mr. Speaker, I hope we have more of these.

Mr. DELAHUNT. I hope we do, too. I would issue a challenge to my friend because he and I have traveled together and it is an experience, and it is a very positive experience, but there are people that are in the custody of the executive branch, those so-called senior intelligence Iraqi agents, that continually deny any knowledge whatsoever of Iraq or meeting the gentleman that allegedly met with Mohammed Atta in Prague in the Czech Republic, is in our custody.

Let us challenge together the executive branch and my colleague, myself, and anyone else who wishes to join us, go together and exercise the oversight responsibility and function of this Congress and interview Mr. Al-Ani and make that decision ourselves and come back and report to the American people.

IRAQ

The SPEAKER pro tempore (Mr. GERLACH). Under the Speaker's announced policy of January 7, 2003, the gentleman from Indiana (Mr. BURTON) is recognized for 60 minutes as the designee of the majority leader.

GENERAL LEAVE

Mr. BURTON of Indiana. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks related to this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BURTON of Indiana. Mr. Speaker, let me just pick up where we left off in this last hour. And I appreciate the discussion with my colleagues. And if we have the time, I will be happy to yield to them. It seems like we probably will have the time.

There is no question, none at all, that al-Qaeda and the Saddam Hussein regime and people connected with that have met on numerous occasions. There is no question that in May of 2002, Zarqawi, one of the top lieutenants the senior al-Qaeda with bin Laden was in Baghdad for medical treatment. And Uday Hussein provided that. There have been numerous occasions that they have been together.

Now, the question was Osama bin Laden went to Saudi Arabia and he said we have got to get rid of this guy up there, Saddam Hussein, because he does not follow the hard-core Muslim line. The fact is Winston Churchill, and I hate to go back in history, but he decided to work with Joe Stalin, a communist tyrant who killed 50 million of his own countrymen. They asked Churchill, "Why in the world are you working with Stalin?" He said, "I would go to bed with the devil in order to beat Adolph Hitler."

Osama bin Laden calls us the big devil and I believe Osama bin Laden was willing to work with Saddam Hussein, who is one of the powerhouses in the Middle East, to do everything he could to destroy Western civilization and the United States.

Now, we do not know what went on in all these meetings. But we do know that Osama bin Laden and his minions did talk to and work with Saddam Hussein's people.

Now, do you err on the side of safety or do you not? We knew that Saddam Hussein had weapons of mass destruction. He killed thousands, tens of thousands of Kurds with mustard gas. We found weapons just recently that had sarin gas in them. Just recently our troops found those. He had a nuclear facility that was bombed by the Israelis in 1981. So he was trying to develop a nuclear facility.

Now, for anybody to believe that he just threw that stuff out of the window when he hates the West so much and he was negotiating and talking with Osama bin Laden and al-Qaeda, I think they are just blowing smoke. Now, the President said we have got to go after the terrorists. He did not go after Saddam Hussein first, he went after the Taliban that we knew was working with Osama bin Laden in Afghanistan. And he did a pretty good job of it.

And then he said there is the threat of weapons of mass destruction, they have been used in the past. He had intelligence information that indicated there were weapons of mass destruction and he decided to go after Saddam Hussein. And all of us in this chamber when he did it said that is the right thing to do.

Now, of course, everybody is second guessing.

I think it is important to go back in history a little bit because history is very important, very important. In the 1990s Osama bin Laden in the Sudan had 13 terrorists training camps around Khartoum. Our intelligence agencies talked about that. The President and the NSC knew about that. And at that time, we had an attack on the World Trade Center because Osama bin Laden's minions tried to bring it down. That was in 1993. In 1996, we had the attack that killed a lot of Americans in Khobar Towers. In 1998, we had the attack on the embassies in Athens, Nairobi, Kenya and Dar es Salaam and Tanzania, all of those in 1998 by al-Qaeda connections. And then in 2000, we had the attack that killed a lot of our sailors on the USS *Cole*. We knew that Saddam Hussein was behind that. We knew he was in the Sudan. We knew there were 13 terrorist training camps and the previous administration did nothing.

Now we go to September 11, 2001. And the President had an attack on the World Trade Center, against a second one. We did not do anything about the first one. We did not go after Osama bin Laden then but we waited. Then they brought down the World Trade Center, both towers.

And the President said we are going after the terrorists worldwide, no matter where they are hiding. We are going after them if they are in the Sudan. We are going after them if they are in Afghanistan. We are going after them under every rock they are hiding. And we are going to do it also in Iraq because we believe Saddam Hussein is working with al-Qaeda. He had connections with al-Qaeda. His son worked with al-Qaeda.

And they had weapons of mass destruction because we knew they had used them before and the President was told by intelligence agencies that they were there. Quite frankly, I still believe there were weapons of mass destruction. It is the size of California. And I believe that we will find more. And many of them may have been sent to Syria. Everybody is concerned about that because Syria is a very close ally and was of Saddam Hussein.

But the fact of the matter is do you err on the side of safety? Do you go after the terrorists before they attack or do you wait until they attack and say oh, we need probable cause.

When we passed the PATRIOT Act, this is a side issue, we had a lot of colleagues from the other side of the aisle say oh, my gosh, what about civil rights? What about Constitutional rights? The problem is when one is in a world war against terrorists, one cannot wait until they blow something up and kill 10 or 15,000 people or more. One tries to preempt them.

The PATRIOT Act allowed us to hold people while we investigated whether or not they were going to perpetrate a terrorist attack. If we did that, we might head it off. That is why we created Homeland Security, which my committee wrote a great deal of it, and I think the gentleman, I do not know if he worked on that or not, but we worked on that with the Senate.

But the fact of the matter is this President did not go off half-cocked. He declared war on terrorism. He is continuing that. President Bush is doing a good job.

And I love my colleague from Massachusetts, we have a great deal of fun together. I love my friend from Hawaii.

□ 2115

The fact of the matter is we are trying to politicize something at this time that should not be politicized. We are fighting a war against terrorism. The President is doing the right thing; and this Nation needs to stand behind him, instead of nitpicking and going back and saying this should have been done or that should have been.

If we had this kind of nitpicking prior to the invasion of Normandy, I believe that the media and everybody would have said, oh, my gosh, that is a terrible thing to do; the waves may be too high. They would have alerted Hitler, and we may all be speaking German today.

The fact of the matter is, President Bush, in my opinion, and my colleagues may differ, I think he has been very prudent. He has done things that he thinks that are necessary to protect the American people.

I love my colleagues, I really do; and I do want some Macadamia nuts.

Mr. ABERCROMBIE. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Hawaii.

Mr. ABERCROMBIE. Mr. Speaker, I thank the gentleman from Indiana (Mr. BURTON) very much for yielding.

All of this would be well and good except that it is not working. I know my colleague did not intend to do this hour, and I will not use his time or his colleagues' time but merely to say, and perhaps we can carry this on at greater length, maybe even tomorrow night if it is okay with the gentleman.

I do not want to interfere, but just to say on the points that he raised, if this was the right war and the right place, that would be one thing; but it is not nitpicking to say that we are doing the wrong thing in the wrong place at the wrong time and actually undermining our capacity to be able to take on terrorists, and in fact, creating more terrorists as a result of it, with fewer allies.

I do not bring that up to try and dispute my colleague tonight; but merely to say I think there is an alternative point of view that is worthy of discussion, and perhaps we could do that at another time when our colleagues do not have the time for the topic they want to discuss.

Mr. BURTON of Indiana. Mr. Speaker, I will get together and talk with my colleagues.

Mr. DELAHUNT. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Massachusetts.

Mr. DELAHUNT. Mr. Speaker, I would just simply say that I think we are operating on a totally different understanding of the facts. I feel very comfortable with what we have reported here tonight and what others have said.

I think over the course of time the kind of conversations that we are having will elucidate the facts for the American people; but again, every Member in this House is concerned about what is happening to this country. We do not want to make the mistakes of the past, and I am very concerned that we are; but we will leave that for a later time, and I am sure that it will be a feisty and contentious, but friendly, conversation; and I wish my friend a most happy birthday.

Mr. BURTON of Indiana. Mr. Speaker, I thank my friends, and I have great admiration for the silver fox from Massachusetts.

Mr. ABERCROMBIE. Hau oli la hanau, which means happy birthday.

Take my word for it, it means what my colleague thinks it does.

Mr. WELLER. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Illinois.

Mr. WELLER. Mr. Speaker, I want to thank the gentleman from Indiana for yielding, and I always find it interesting. Monday morning quarterbacks are always right in their minds because they have a chance to look back on tough decisions that have to be made; but as we know, the war on terrorism is progressing to one of those situations where the lessons of the past are important, because when Americans have been impatient, we have lost; and when we recognize that the war on terror is going to take time, al Qaeda and other terrorist elements are in 65 different countries that we know of, thousands of terrorists were trained in the camps in Afghanistan and Sudan and elsewhere, but we are making progress; and we are holding firm on the war on terror.

Clearly, the war on terror is progressing. It is a tough, hard fight; and our effort in Iraq is a key front in the war on terror.

Just less than 2 short weeks history will be made. Today, Saddam Hussein is in jail and an international coalition led by the United States and our 31-country allied coalition will hand over authority over Iraq to a sovereign Iraqi government. Let us review what is going on; and frankly, here is the bottom line.

The goal of the 31-country international coalition, which the United States is part of, has the bottom line goal that Iraq will govern its own internal affairs. The Iraqi interim government will run the day-to-day operations of Iraq's government and ministries. The Iraqi interim government will increase security and prepare the country for national democratic elections.

The President has a five-point plan that is now being implemented and has been implemented over the last several months as we worked not only to win the war on terrorism but to put in place a stable, democratically elected government in Iraq.

The President's five-point plan calls for handing over authority to a sovereign Iraqi government that should be achieved in just 2 short weeks. We want to establish the stability and security in Iraq that democracy requires. We want to continue rebuilding Iraq's infrastructure. We want to continue to build international support beyond the 31 nations already involved, and we want to move towards free national elections that will bring forward new leaders empowered by the Iraqi people themselves.

The past few weeks have proved that the President's Iraqi plan is moving forward; it is working. The international community is coming together to help Iraqis secure their own future.

On June 8, the U.N. Security Council unanimously adopted a resolution which supports free elections and reauthorizes a multinational force to help provide security in Iraq. The international community is now on the record. The coalition will continue to help in every way possible on the economic front, the security front and the political front; and the international coalition will continue in the process of assisting the Iraqi people and taking responsibility for the future of their country.

I am pleased that as a result of the recent summit, the G–8, that we continue to build that international support. In fact, many of us had the opportunity just less than 2 weeks ago to meet with the new, free Iraqi President when he visited Washington, and it was an impressive meeting with an impressive leader.

Iraq is improving and has already taken big steps to keep Iraq on the path to national elections by January 2005, leading the way to representative government by and of the people of Iraq. That interim government is making progress.

Ninety thousand militia members are being transitioned into new occupations. All six of Haditha Dam generating units recently ran at maximum capacity for the first time since 1990. To date, over 10,000 democracy development activities, program activities, have been held in communities across Iraq involving more than 312,000 Iraqi participants. Today, there are now 55,000 Internet subscribers in Baghdad compared to only 3,000 just 2 years ago. Reconstruction of the Baghdad International Airport is expected to be completed by this August; and primary, intermediate, and secondary students are completing their final exam for the school year with minimal disruption; and I would note when we visit Iraqi schools today, we see young girls attending those schools again. That is progress.

Our international coalition has a clear goal, to see the Iraqi people in charge of Iraq for the first time. America worked not only to defeat an enemy but to give strength, freedom and opportunity to our friends, the people of Iraq.

Freedom can and will advance and enhance the lives of those living in the greater Middle East, just as it has been successful in Latin America, Eastern Europe, Asia, South America, and Africa. Today, we are fighting a war on terror. We are making progress. It is a tough, hard fight, but al Qaeda and other terrorist groups want to defeat our effort to bring freedom to the Middle East. With our commitment, we will win.

In the next few weeks we are going to be tested by al Qaeda and other international terrorist organizations. We are going to be tested and have violence that is going to be likely. The terrorists and Hussein loyalists would rather see innocent Iraqis die than let them taste freedom. They honestly think that Americans will cut and run, because they have seen that happen in the past. We are going to be tested in this war on terror, and how we conduct ourselves today and in the weeks ahead will determine whether or not we win the war on terror, whether or not we give the people of the Mideast a taste of real freedom.

They will not succeed and the forces of good, the forces of freedom and the international coalition, which is growing, will win if we remain firm and hang together, because, again, we are being tested. My hope is we will hang tough and continue to fight the war on terror because we would all rather fight the terrorists on the streets of Baghdad than here in Washington and in communities in the south suburbs of Chicago.

Mr. Speaker, in closing I am confident through the will of the Iraqi people and the international community President Bush's plan will be implemented successfully. Iraq will have a free and representative government. The terrorist regimes of the past will be defeated and silenced, and we will prevail. That is because I believe, like I know so many other Americans do, the Iraqi people deserve and know better.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman from Illinois (Mr. WELLER) and appreciate that very much.

Mr. GREEN of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Wisconsin.

Mr. GREEN of Wisconsin. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I watched the debate, discussion that took place in the last hour, as many Americans did; and I could not help but note that lots of questions were raised by our friends on the other side of the aisle. I think the American public needs to be reminded that the vast majority of Members in this body on both sides of the aisle supported the resolution authorizing the use of force. The vast majority of Members on both sides of the aisle supported the supplemental appropriation that continues to support the operations in Iraq, and I think the public needs to ask itself whether debates like the one they just saw are really a serious discussion of policies and principles or whether or not they are more about election-year politics.

Debate is a good thing. We should debate. We should debate often, but I think we also have to remember that the world is watching and our soldiers are watching, and there should be no doubt whatsoever about this Nation's resolve to continue to fight on and to prevail in the war against terrorism.

Mr. Speaker, this is an important time; and even though it is an important time, I think it is useful for us to slow things down a little bit because I think sometimes we can only appreciate the significance of events perhaps after the fact. Sometimes we are too close to events to fully understand how they fit into the larger context, and I think we need to step back for a moment and take a look at where we are right now in Iraq.

I believe that in the months and years ahead, as we take a look at these very important weeks and months that surround the handover of sovereignty to Iraq, I believe that we will look at these as great months and years for this nation. With each passing day, leaders for a new, free Iraq are taking steps forward, just as the terrorists try with their terrible attacks to force these same Iraqi leaders to take steps backward, but I believe that the clarity of hindsight will show us all in the years ahead that the violence and the bloodshed and the senseless destruction that we have seen far too often in that country, that our national media focuses on to the exclusion of all else, it seems is happening not because the coalition efforts are failing or falling short, but instead, because they are succeeding.

They are the result of a growing fear in the terrorist world that decency and democracy will succeed, that they will take hold, that the success will not only inspire more and more Iraqis to embrace self-rule and to invest of themselves in the future of Iraq, but that it will serve as an inspiration to many oppressed peoples in many troubled lands all throughout that region.

Mr. Speaker, it is important to take time to talk about what is going on in Iraq because so much of it is really outside the narrow view of the camera lens. It is important for our soldiers that we tell their story because so many of our brave young men and women have put themselves on the line, have shed sweat, have shed blood for a mission that they believe in, a mission that I also believe in.

Young men and women from all over America have traveled thousands of miles for this cause. One of the units from my own district, the 432nd Civil Affairs Battalion, has as its motto "Order Out of Chaos."

□ 2130

Well, that is just what they, the 432nd and the members of the 395th out of Appleton, and countless other units and soldiers from Wisconsin, and all over America, that is just what they are accomplishing. Some of it I saw myself firsthand when I was in Iraq late last year.

The most recent good news, the good news that you may not have seen, is that President Bush has outlined a clear 5-step plan for Iraqi sovereignty and its implementation is already underway. On June 8, the U.N. Security Council unanimously, unanimously, adopted a resolution supporting free elections in Iraq and reauthorizing the multinational security force. This will provide greater security for Iraqis and for Americans in that country. Already the G–8 has responded favorably, and its members are making new commitments for the long-term rebuilding process.

In Iraq itself, there are key signs that the government and the economy is beginning to mobilize and the economic and civic redevelopment process is underway, the rebuilding is marching on. For example, as my colleague, the previous speaker, has noted, the number of telephone subscribers in Iraq is 45 percent above prewar levels. There are now 55,000 Internet subscribers in Baghdad alone. Less than 2 years ago there were 37,000. Eighty-five percent of Iraqi children have now been immunized. Two hundred forty Iraqi hospitals and 1,200 preventive health care clinics are now operating. Twenty-five hundred schools have been rehabilitated, with another 1,200 to be rehabilitated by year's end. Hundreds of free, local government units have been launched and are up and running.

Now, I cite these numbers, Mr. Speaker, not to gloss over the challenges but, instead, because I am afraid too many of us are guilty of glossing over the successes. These successes have been paid for with the lives of too many Americans. They have been paid for with the lives of countless Iraqis, people who believe in the future, people who are willing to put themselves on the line.

Now, June 30th is not a switch we can simply turn on and have security and prosperity and perfect democracy, but it marks one more step down a clear path from which, for Iraqis, the future will be much brighter. Mr. Speaker, there are challenging times ahead of us, there are dangerous and dark days that we will see all too often. But, clearly, clearly there are good things happening in Iraq. Clearly, many people believe in the future. They have put themselves on the line. And that future is happening quickly and more brightly, I think, than many people expected could possibly occur.

So, Mr. Speaker, debate is a good thing. We should talk about what is going on in Iraq, and we should question our leaders. That is important. But I think we must not let that crowd out what is going on, what is positive, the bright future that lies ahead, the hope that so many of us have. And, more importantly, the clear plan that we are following and that we are proceeding along each and every day; a plan that will bring democracy and decency to that country, a plan that will bring a brighter future to that entire region, a plan that so many Americans have fought for, a plan that all of us can be very, very proud of.

I yield back to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman from Wisconsin (Mr. GREEN) for his very eloquent statement.

Mr. Speaker, I now yield to my good friend, one of the senior members of the Committee on International Relations, the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, I thank my colleague for the leadership he is providing on this very important, I would say, issue, but it is not an issue, it is the question of the day, the question of our time. Will the people of the United States stand tall in this time of crisis? Will we meet our responsibility? Will we overcome those who hate our way of life? Will we remain the last best hope for all of humankind for a better world.

Let us look back and make sure we understand it. The American people have a heavy responsibility, because we do represent every race and every religion. We are a mixture of all the people of the world who have come here to live in freedom and show the world that there is a better way.

That is why groups like the Nazis and the Japanese Imperialists back in the last century knew they had to deal with us. We were attacked at Pearl Harbor because the Japanese knew that we were the only thing that stood in their way to the domination of Asia. The Nazis knew we were the only thing that was going to thwart them from creating a black evil empire over Europe, and much of Asia. Americans of that day stood tall and strong and did what was necessary to make sure that we saved the world from that evil threat.

After the war, after that war, when our fathers and mothers, my father in particular, and I know the fathers of many of the people here in Congress today, fought so hard and risked so much, and saw their loved ones lose their lives, they thought they deserved a break. Instead, what we saw was the rise of another menace, another evil force that would have conquered the world, would have turned the world into a Marxist-Leninist dictatorship, the proletariat. They would have imposed on all of humankind their dream, their proletarian dictatorship, and they would have snuffed out the freedom our people had just fought so hard to maintain.

Yet, during those days of the Cold War, Americans stood firm. And it was difficult to stand firm during the Cold War. In Vietnam and in Korea, we lost well over 100,000 people, together in those two conflicts, not to mention hundreds of thousands who were wounded, but it was also a matter of hundreds of small conflicts that were going on. Yet our people stood firm. It was difficult, but we had the leadership that we needed there at the end.

We just heard last week how Ronald Reagan saved the world from communism. But do not think that that was done without a great cost to him personally. There was no bipartisanship that I saw that helped end the Cold War. Ronald Reagan was ridiculed, he was undermined, he was backbitten, and there was partisan politics played throughout his administration. Because no one predicted that the Cold War would be over and that our enemy would collapse. But Ronald Reagan stuck to his guns. He was tenacious, he was unrelenting, he was strong, he stood for principle, and he reached out to those other people in the world and put them on our side of the battles against communism.

Well, today, we know that communism, yes, collapsed and we thought we were due for a break. There will never be a break for those people who are the champions of liberty and freedom and justice, because there will be evil forces in the future. We face another one today. It is not terror. People say the war on terror. They are trying to be a little bit diplomatic. It is a war with radical Islam which has declared war on the American way of life.

Radical islam believes that we are a sinful group of people because we permit people the freedom to make decisions on their own lives. Radical Islam would make chattel out of our women, out of women everywhere. Radical Islam does not believe in those things that we hold dear in terms of personal freedom. And radical Islam has declared war on us. And let us not make a mistake about it, 3,000 of our people are dead today in those towers in New York and here in the Pentagon because we did not recognize that they were at war with us.

Well, we have recognized that, and there is no escaping it. Today, we have the same challenge as our forefathers and mothers did in the war against the Nazis and the Japanese Imperialists, and as we did in the Cold War against the Communists. We have to win this fight or it will be a far worse world. It will be a dark world of chaos and despotism and fanaticism if we do not. Nowhere is that battle more important today than what is going on in Iraq.

I say, thank God that we have a President who was willing to take this stand. What we are seeing in Iraq is an historic strategic move to outflank the radical Islamists. We are turning a dictatorship in the Muslim world into a democracy. And we are, thus, pointing to this so that the young people of the Muslim world will have an alternative to radical Islam. We are doing what Ronald Reagan did. We are cutting our enemy off from its source of strength. If we do what is right and we stick to this, our enemy will collapse, just as communism collapsed, just as that other evil force collapsed.

Again, we are having to go through the pangs of partisan politics, the back-biting, the nitpicking, the let us cut and run. The people who ask, why should we risk anything; why are we losing these lives, they know if we would leave Iraq as it is today and the radical Islamists, especially the Iranians, then become a dominant force in Iraq, it would be a disaster for the future, not only of that region but for the people of the United States. We would have a future filled with fear, a future of knowing that the radical Islamic creed would have been gathering strength because we had demonstrated weakness.

No, we have a President who is just as unrelenting as Ronald Reagan. We have a President who is a visionary, who is taking a positive approach, trying to establish a positive alternative to radical Islam. We have a President who has courage and is moving forward, but we also have a generation of young people who understand that strength and courage and commitment is the way to a better world.

Those people who are giving their lives for us in Iraq know they are doing it to build a better world. They deserve solid support from this Congress. We support them because they are risking their lives for us. They are building a better world, just like those people who stormed ashore on D-Day over a half century ago. And just like those young men and women throughout the Cold War, who gave their lives, these are the heroes of our age.

We have a President every bit as important to the future of mankind as was FDR when he provided the political leadership necessary to win the Second World War; and Ronald Reagan, who provided the leadership to help us win the struggle against communist tyranny. And now, with President Bush, he is a man who will not retreat, will not cower, will not turn his back and run. We have a man who has drawn the line in the sand and said we are going to win because the whole world depends on us.

This is what is happening in Iraq. There is no option in terms of defeat. Defeat is not an option. If we walk away, it will only mean further bloodshed and further aggression, and not only terrorism here, but attacks on our friends throughout the world if we would retreat from Iraq today. We should never dream of emboldening our worst enemies. We should, instead, stand tall.

That is what this is about tonight. That is what many of us are committed to here in the House. I hope the American people listen and take a look at the long run, take a look at what happened in the past, take a look at what will happen in the long run unless we have that same sense of purpose and courage that those who came before us had in these same type of challenges.

We are building the world of tomorrow and it will be a world where we will be friends with the people of the Muslim faith because we will have helped them defeat the radical Muslims who hate our way of life. We will have a world that does have peace between the religions, whether they are Christians, Jews or Muslims, because we will have a world in which we have not permitted the fanatics of one faith, the Islamic faith, to superimpose their will on the rest of the world by force.

We will not be cowards. We will do our duty. And God bless President Bush for the stand that he has made, and God bless the United States of America and those who defend it.

Mr. BURTON of Indiana. Mr. Speaker, I thank my colleague from California (Mr. ROHRABACHER).

I will now yield to the gentleman from Michigan (Mr. MCCOTTER).

Mr. MCCOTTER. Mr. Speaker, being from Detroit, I am often able to watch CBC, and last night I was privileged to watch Albert Finney's performance as Winston Churchill in a movie called "The Gathering Storm." And perhaps it was his finest hour, the former prime minister's. When Hitler was rearming, he stood in front of the House of Commons and warned his own conservative party's government, led by Stanley Baldwin, that Hitler was indeed more than prepared for war; that he was arming to instigate a new one.

Churchill was thought insane at the time, because no one, coming off the horror of the millions killed in World War I, could believe that a European leader would seek to rekindle that tinderbox, certainly not a corporal of the German army who had been blinded by mustard gas in combat. Yet Churchill was proven right.

And when we apply these lessons to our own time, one of the first things we can realize is that sometimes the forest is so menacing, we choose to stare at the tree which shields us, until it is too late.

□ 2145

Our Nation is in a war on terror. In this war on terror, Iraq is a theatre. It is not a war unto itself, any more than FDR's much-maligned, at the time, strike into north Africa was a diversion from the war against Hitler.

What we have seen in our time is the preemption doctrine applied, and what I have not heard anyone say is that the pillar upon which this administration entered into the Iraqi theatre in the war on terror did not achieve its result. Saddam Hussein desired weapons of mass destruction. Saddam Hussein had contacts without apparent collaboration, but contacts nonetheless, with terrorist groups and was, in fact, shielding terrorists like Abu Nidal in Baghdad.

Since the United States engaged in hostilities against Iraq, we can be sure of two things, the Saddam Hussein regime will never have weapons of mass destruction that can be used against the United States or its troops in the field, and the Saddam Hussein regime will never again have any contacts with any terrorist groups.

In some polls that are cited, we hear about people believing the link between al Qaeda and September 11; but one of the polls that I saw that was interesting was that about 70 percent of the American people realized that Saddam Hussein was a terrorist, and in the war on terror the states which sponsor terrorism are as much our enemies by enabling the terrorists, as the terrorists are our enemies themselves, for terrorist cells cannot exist without state sponsorship, without state succor.

Now, put yourself in President Bush's position at the time post-September 11. You have seen reports from the past administration up through his present administration detailing contacts, "shadowy with terrorists," including bin Laden. You know that Saddam Hussein wants to engage a weapons of mass destruction program for their acquisition, and you say to yourself, what am I going to do?

The President of the United States in applying the preemption doctrine made sure, again, that two things would not happen: the Saddam Hussein regime would not have weapons of mass destruction, ever, and that they would no longer be able to even be considered for succor as a terrorist haven.

Now, there were some important points brought up in the earlier debate, and I would be more than happy to come back tomorrow or at any time to assist to talk about some of those points with our colleagues on the other side of the aisle; but I find it fascinating some of the points.

Now, we are splitting hairs when we say that the contact between Iraq and al Qaeda in hindsight may not have appeared to have formed a collaboration. Yet, we cannot say whether they would or not. Now, to try to destroy that link or denigrate that link, we will hear that these contacts were meetings, but Iraq never responded.

Now, all of us here in the U.S. House have to get elected. Now, as politicians, put yourselves in an interesting position. Consider this: you are sitting around getting ready to run for re-election. An opponent you have defeated in the past is having coffee on a regular basis with the opponent running against you now. Do you say to yourself, well, I am sure they are just having pleasantries and this has absolutely nothing to do with me, and that while they be having contact, there is apparently no collaboration that they are out to get me? I highly doubt many of the people in this room would ascribe to the latter theory. If Saddam Hussein could, he would do anything to hurt the United States.

Now, why would bin Laden and his associates that are in captivity deny any link with al Qaeda? Al Qaeda's premise, on a perverted facade of Islam, is to work with the secular Ba'athist regime under Saddam Hussein, but undermine its very credibility as it goes after Saudi Arabia and other regimes in that region.

Now, the ones in captivity like al-Anni that were referenced before, I would just caution everyone, do not take a terrorist at their word unless they say they are going to kill you, because whether in captivity or not, there is no incentive to prove any member of the United States' present administration was correct, and there is certainly no impetus for these people to undermine the very position, belie the very myth of al Qaeda as an Islamic group trying to liberate its people and lead them to a greater life in Islam. So I would caution against that.

I also would like to just reiterate something that I think is very troubling to me, that we hear many people saying that our ability to preemptively deal with the situation in Iraq has somehow hurt us internationally. I suppose there will always be those people who believe that when the United States has to defend itself that we will be hurting ourselves. This is mistaken.

In fact, many of these same people never credit the good will of the acts of the United States in the immunization of Iraqi children or the education of Iraqi children or the free speech and association that is occurring in Iraq today. I would argue that over the long term, these benefits to the United States are going to outweigh any short-term anger that the terrorist organizations may feel, because we are striking a blow at them in the heart of the terrorist network.

I also have not heard about how the regime change and reconstruction nexus that has been applied in Iraq has also led to the regime conversion and potential rehabilitation of the Libyan regime, which also not only in that regard shows what strength and resolve have done in Iraq.

I think that one of the things that has been missed when Qadhafi admitted he has a weapons program, he invited weapons inspectors in, who were then led to the labs or testing facilities of the Libyan Government. Some of the inspectors pointed out that they would never have found these unless they were shown. Dr. Kay, who I have much respect for, when I met with him in Baghdad did not say that we had weapons of mass destruction, to his credit. But he did say that Saddam Hussein and his regime were actively engaging in re-energizing to try to acquire them, especially chemical and biological, which could have been generated in 2 weeks to 2 months.

If we had trouble finding extant technologies for weapons production in Libya, even with the Libyans' assistance, it should come as no surprise that in Iraq we are having extreme difficulty finding not only the weapons of mass destruction, if they exist themselves, but the labs or the scientists who were trying to accumulate them, because, as Dr. Kay pointed out, the trouble we have in Iraq is that many of the scientists whom we would go to to try to find this information are being killed or are frightened.

I eagerly await to see what the fruits of security once it is firmly established in Iraq will yield to us in terms of intelligence regarding the weapons program and its state; and if there were any weapons, where did they go once the scientists and others in the community that participated in these programs feel that they are free of the threat of assassination or other reprisals to themselves or their family for sharing this information with the United States of America.

In conclusion, I would like to add just one personal point. I will not condemn the Clinton administration for what it did not do prior to September 11, but I would hope that others would be slow to condemn the Bush administration for what it has done since September 11 in defending the interests of the United States. In many ways, I do understand what occurred under the Clinton administration. While I was not one who was swayed at the time, when we defeated European Communism, we saw books from left and right proclaiming to the United States that the end of history was here, that we had peace dividends, that our future was bright, that we could go on to the task of perfecting the American experiment in democracy by addressing internal problems, such as education, race relations, poverty, hunger, injustice; and on September 11 that was taken from us.

What was foisted upon us was an unsought struggle against extremists perverting the tenets of Islam. Our generation and all the generations have to face the fact that once again we are called to our historic duty to defend freedom and civilization from every would-be tyrant bent upon world domination. On September 11, we went from sorrow to anger. But it is fair for us to also feel frustration that a country as great as ours, that has offered the world so much, could be so lowly stricken and have to deal with this type of aggressor yet again. It is unfair, but it is here.

As I said at the beginning, it is a menacing forest; but the trees will not shield us from the truth any longer, and we must accept the fate that we now share and succeed and continue with our resolve in the overarching war on terror to do one thing: it is to kill the terrorists before they kill us, to kill the terrorists before they kill our children; and it is to win the war on terror in our lifetimes.

Mr. BURTON of Indiana. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. BURGESS).

Mr. BURGESS. I thank the gentleman from Indiana for yielding. I will also extend happy birthday to the gentleman from Indiana and thank him for putting together this hour this evening. I think this is extremely helpful.

I, too, listened to the first hour of the debate from the other side, and I will not repeat everything that has been said here so eloquently tonight by the gentleman from California (Mr. ROHRABACHER), the gentleman from Indiana (Mr. BURTON), and the gentleman from Michigan (Mr. MCCOTTER); but I want to go to one word that was spoken on the other side and that word was "misrepresentation," and it was used in the context of the Kay report.

This is an unclassified document. In fact, it is Mr. Kay's testimony before the Senate select committee last October. In that report, Mr. Kay says that Iraq's weapons of mass destruction programs spanned more than 2 decades, involved thousands of people, billions of dollars, and were elaborately shielded by security and deception operations that continued even beyond the end of Operation Iraqi Freedom.

Mr. Kay went on to say, we have discovered dozens of weapons-related program activities and significant amounts of equipment that Iraq has concealed from the United Nations during inspections. A list of these included a clandestine network of laboratories and safe houses within the Iraqi Intelligence Service that contained equipment subject to U.N. monitoring and suitable for conducting chemical and biological weapons research; a prison laboratory complex used in human testing of biological agents; reference strains of biological organisms concealed in a scientist's home, one of which can be used to produce biological weapons; new research on biological weapon applicable agents, Brucella and Congo Crimean Hemorrhagic Fever.

This is a viral illness that is very similar to the e-bola virus. We heard a lot of discussion last year about the smallpox virus, and truly smallpox is a frightening chemical agent because it is so infective. This organism is not only infective but its early detection can be easily confused with other illnesses such as the flu. People put into our midst who are suffering from smallpox would actually quickly become apparent because they look sick and they are covered with sores. Individuals with Congo Crimean Hemorrhagic Fever would look for all the world like someone suffering from a summer cold and could work a good deal of mischief in this country by infecting individuals going about their business.

In addition, they found documents and equipment hidden in scientists' homes that would have been useful in resuming uranium enrichment by centrifuge and electromagnetic isotope separation and a line of unmanned aerial vehicles not fully declared at an undeclared production facility.

Most people do not consider a missile a weapon of mass destruction, but when that missile has a range of 1,000 kilometers, and Iraq was expressly prohibited from having missiles beyond 150 kilometers, depending upon what you put in the warhead of that missile, that, Mr. Speaker, is a weapon of mass destruction and found by the Kay Iraqi survey group.

Finally, I will just sum up, as Dr. Kay himself did, deception and concealment were the watchwords of the Iraqi Government. You do not have those as your national priorities unless you have something to hide. Saddam, at least as judged by those scientists and other insiders who worked in his military-industrial programs, had not given up his aspirations and intentions to continue to acquire weapons of mass destruction.

Another term that we heard over on the other side was whether or not Saddam was involved in September 11. I do not know the answer to that question; but so much was stated as fact from the 9/11 Commission, the commission that is studying the events around 9/11. In today's Washington Times, and anyone is free to pick this up, it only costs a quarter, and read it for themselves: "Iraqi Officer an Al Qaeda Operative, Papers Show."

"There is at least one officer of Saddam's Fedayeen, a lieutenant colonel, who was a very prominent member of al Qaeda," said September 11 commission member and former Navy Secretary John Lehman. Although he stressed that the intelligence "still has to be confirmed," Mr. Lehman told NBC's "Meet the Press" on Sunday that the information came from "captured documents" shown to the panel after the September 11 Commission's staff report had been written.

What we heard quoted tonight was from that staff report; so I would just tell the American people, Mr. Speaker, that the final word has not been written from the 9/11 Commission, and I would caution people about coming to conclusions based on data that is incomplete.

Mr. Speaker, I know that time is somewhat at a premium, so I will wrap up; but President Clinton said in 1998 that Saddam had weapons of mass destruction, he had used them in the past and someday, some way, if you don't take them away from him, I guarantee you he will use them again.

□ 2200

Mr. Speaker, I have been to Iraq a couple of times, and this is not a picture that I took, but this picture was taken by a member of the Corps of Engineers down in my district, Mr. Doug Cox, who was in the town of Kirkuk, Iraq right after Operation Iraqi Freedom started, and actually he was with one of the forward groups. And this picture was on the wall of the airport there in Kirkuk, the military training base, and this picture was in a room where apparently there was some sort of training facility. There were a lot of pictures on the wall, and we one might relate it to some type of training facility we might have seen in this country, but these pictures were obviously used for a purpose in training Iraqi military individuals.

If people cannot see it well on C-SPAN, let me just describe it. It shows an individual here, who has a tank and an airplane and a couple of missiles at his disposal, and he is aiming them at a country, the United States of America, or the USA, as is abbreviated there, and we see an individual standing there in a cowboy hat or a Pilgrim hat, and we see the crosshairs on this individual's chest. It does not take a great deal of imagination to guess what was being taught in that training exercise in this military installation in Kirkuk, Iraq.

And, finally, the gentleman from Indiana (Mr. BURTON) did such an eloquent job of talking about the times in the past that Saddam Hussein had used chemical weapons against his own people, and this was the true threat of Saddam Hussein. Yes, there are other countries that had perhaps helped terrorists in the past. Saddam Hussein was the only world leader who had ever used weapons of mass destruction in an offensive fashion, and that is what made him so dangerous. We have the proof from, as the gentleman pointed out, northern Iraq.

We also have the proof from our poor individuals, our poor soldiers in the first Gulf War who suffered from Gulf War Syndrome, and Gulf War Syndrome was a result of neurologic chemical agents. Individuals who were susceptible, who had a specific enzyme defect, who were exposed to low levels of those neurologic agents, then became susceptible to Gulf War Syndrome.

So it is not a point for discussion that Saddam had weapons of mass destruction. He clearly did. He used them offensively, and he clearly had designs on using them again.

Mr. BURTON of Indiana. Mr. Speaker, I thank my colleague from Texas for that very comprehensive talk.

Mr. Speaker, I yield to the gentleman from Minnesota (Mr. KENNEDY).

Mr. KENNEDY of Minnesota. Mr. Speaker, I thank the gentleman from Indiana for yielding to me.

There are some, both at home and abroad, who would have us believe that

Abu Ghraib is the true face of this war, that the acts of a few troubled individuals represent our cause. I believe there is a dramatically different face, and I would like to describe it to the Members.

In a recent news story, Lt. Riley Sharon, an Army emergency room charge nurse from St. Cloud, Minnesota, a city I am proud to represent, and a fellow alumnus from St. John's University, tells of incidents at the Abu Ghraib prison when it came under attack from mortars fired by insurgents, killing scores of prisoners and wounding hundreds of detainees.

In one 4-hour period, insurgents killed 22 detainees and Lt. Sharbonno's group treated over 100 enemy detainee patients. At the time Sharbonno and his fellow soldiers were fighting to save the lives of those who might have gladly taken theirs, they were under such heavy fire, they had to wear a Kevlar helmet and a bullet-proof vest.

As Lt. Sharbonno said, "I am unaware of any military in the history of war that has built an entire hospital for the exclusive treatment of enemy detainees or POWs. I don't understand the media's insistence on ignoring the atrocities committed by anti-coalition forces or the amazing things that the military has accomplished over here."

The brave work of the likes of Lt. Sharbonno is the real face of this war. This is the courage, compassion, and humanity of the American soldiers who fight for us all in this war on terror. Too little attention has been paid to their noble work and sacrifices. Too little attention has also been paid to recent successes in moving Iraq towards a democratic form of government.

The Iraqi Governing Council has shown some real initiative recently. They selected a president America supposedly did not want and a prime minister the UN did not want. But by showing independence, they now have more credibility amongst Iraqis and the international community. The Security Council approved of a new government by a unanimous 15-to-nothing vote. The new interim government got to work early, integrated the many independent militias so that they are now part of the solution, not a potential problem, and reorganized Iraqi security forces. Al Sadr is now trying to be a political force rather than a leader of a rebellious militia.

There is no doubt that there will be further bumps in the road on the way to an elected government, but there can also be no doubt that significant progress has been made.

And then we look at the actions of our enemies. If there is any remaining doubt that this is truly a war between good and evil, it should be gone. One can have no doubt at the depths of the enemies will or hatred when we are forced to confront the atrocities committed against Nick Berg and Paul Johnson.

The insurgents attack oil pipelines, a source of hope for the Iraqi people. What is the point in this? Since the liberation of Iraq, the wealth of her natural resources is hers again. An Iraqi-led Oil Ministry controls the pipeline with revenues going to the Iraqi treasury. Iraqi officials disburse the profits for the benefit of Iraqis.

With the fall of the dictator's regime, the money no longer goes to encourage hopeless and desperate Palestinian use to kill themselves while they murder innocent. The revenues no longer subsidize a megalomaniac's architectural fantasies in the form of grandiose palaces. It no longer subsidizes the sadistic whims of the dictator's sons.

The revenue from Iraqi oil are a chance for the Iraqi people to use their own natural resources to educate Iraqi children, to build an Iraqi health care system, an infrastructure, and a strong Iraqi economy.

Mr. Speaker, the important question we should ask ourselves is why are the terrorists so desperate? Why are they willing to commit so many inhumane acts not just against Americans, but against the Iraqi people as well? The terrorist leader Zarqawi's memo to Al Qaeda's leader, Osama bin Laden, in that we find the explanation for their desperation.

When pleading for bin Laden's assistance in the Iraqi insurgency, Zarqawi makes clear that his insurgency has failed to engender support within the country. Zarqawi also acknowledges that they have been unable to scare Americans into leaving, having been disabused of the idea that he had earlier professed that Americans were "the biggest cowards that God has created." We have certainly proved him wrong. He believes that the insurgents might be able to win if they are able to kill enough Shiites so that the Shiites will attack the Sunni minority, that by creating such turmoil, there will be a civil war. They clearly understand what is at stake, the terrorists do. I hope we do.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for that eloquent statement.

Let me say that the gentleman from California (Mr. ROHRABACHER) will be going into detail in just a few minutes about the reasons why 9–11 occurred.

And let me say one more thing, Mr. Speaker, and that is if we had had foresight that Winston Churchill had prior to World War II, we would have saved 50 million lives. President Bush has that foresight, and he is doing the right thing right now.

Ms. ROS-LEHTINEN. Mr. Speaker, on June 30th, Iraq will assume control of its own destiny. Iraq will enter the post-Saddam era with the hope of the world resting upon them. No longer will the Iraqi people be subjected to a climate of fear and desperation. Saddam's murderous, thieving cronies have been removed. Uday and Qusay's henchmen likewise, will no longer be free to roam the streets, terrorizing their people.

The challenge now for the Iraqi people and their new government is to set their future on a course for open thought, popular choice of their leaders, and freedom of action in which to conduct their lives and their futures.

The Iraqi people must understand that, with this new-found freedom comes responsibility—a responsibility to remember the interests of all Iraqis. Each and every Iraqi has a stake in that nation's future and now with our transfer of sovereignty to them, that stake can be fully realized.

We are thrilled to have played a role in empowering the Iraqi people and supporting them in their efforts to rebuild their country, after decades of corruption and oppression. They have the opportunity to make their nation a shining light for all to see, not only in the Middle East, but around the world. A nation filled with talent beyond imagination, Iraq can create a climate of freedom and opportunity for others to emulate.

Problems have arisen. Yet, we must all acknowledge that this opportunity could not have happened without the brave men and women of the United States military. Through their courage, commitment and sacrifice, we have managed to free an enslaved people. We have brought down a tyrant who killed as many as one million of his own people.

And thus, history will record that the United States brought a beacon of light and hope to a people who had only known misery, suffering, and brutality under Saddam Hussein. The future will judge us to have done right for the Iraqi people and for our nation.

We are, however, not naive about the challenges that lie ahead. Freedom and democracy take time and hard work. They take vigilance and dedication to truth and a commitment to justice. These are things that come with patience. The terrorists want to deprive the Iraqi people of their future. But Iraq can and will prevail.

Iraq's chance is now. Let us stand by the Iraqi people as they struggle to enjoy those rights and liberties that they denied for so long. Let us be motivated by the knowledge that we have helped make the world a better place for the Iraqi people and for all.

As our beloved former President, Ronald Wilson Reagan, would say: "You and I have a rendezvous with destiny . . . If we fail, at least let our children and our children's children say of us we justified our brief moment here. We did all that could be done."

Mr. SMITH of New Jersey. Mr. Speaker, ten days from today, on Wednesday, June 30, 2004, a historic day will occur in the cradle of civilization: the Coalition Provisional Authority (CPA) will formally transfer power and sovereignty to an Iraqi Interim Government (IIG). We are ten days to sovereignty.

This step will be the most dramatic to date in a series of planned moves towards more democratic and representative government in Iraq. Since the elimination of the brutal Hussein regime, which terrorized and abused the Iraqi people for decades, significant changes have taken place, helping to put the country on a path to democracy, respect for human rights and economic prosperity.

About 33,000 secondary school teachers and 3,000 supervisors have been trained as part of an effort to upgrade the quality of education and level of learning in Iraq. Nearly 2,000 schools have been rehabilitated and an additional 1,200 schools are expected to be completed by the end of the year. New textbooks are also being developed and utilized. No more government mandates for indoctrinating, inciting hatred or demonizing Americans, the West, or Jewish people through the use of school books.

Last month, the first of several planned sewer treatment plants came online, ushering in a new era of sanitation and public health in an area rife with disease. On the technology side, the total number of telephone subscribers in Iraq is now over 1.2 million, which includes 429,000 cell phone subscribers—representing a 45% improvement above pre-war levels.

And, Iraqis want to be the business leaders in their new country. Already, 2,500 microcredit clients have applied and received small business loans to help them build a free economy with robust industry. It is important to note that inflation is dropping, and the New Iraqi Dinar has been stable for the three months since its introduction.

This progress has not come without great cost and sacrifice. Thousands of American families have lost irreplaceable time with their loved ones as they serve the cause of freedom in Iraq. Some American heroes have not and will not return home. We mourn their loss. For those who served, a grateful Nation must ensure those returning get world class healthcare and the compensation to which they are entitled.

After June 30th, other milestones will be marked. Democratically held elections will be conducted in January 2005 to create a National Assembly. This representative body will craft a permanent constitution to strengthen and replace the transitional administrative law (TAL). The Iraqi people will then vote up or down in a national referendum for or against their own constitution. By the end of 2005, if all goes according to plan, the first democratically elected Iraqi government in history will take office.

President Bush put it very succinctly during his speech before the Army War College, when he said: "The rise of a free and self-governing Iraq will deny terrorists a base of operation, discredit their narrow ideology, and give momentum to reformers across the region. This will be a decisive blow to terrorism at the heart of its power, and a victory for the security of America and the civilized world."

The people in Iraq—like people everywhere—want to live free. And among the many reasons why democracy has a chance to succeed in Iraq—although success is not assured—is because the United States is not in Iraq as an imperial power. We do not seek to permanently occupy Iraq. Far from it. Our mission is clear: to liberate Iraq from tyranny. Thus, it is absolutely at the heart of America's interests to see Iraq's new sovereign government succeed in establishing law and order in a just and democratic manner.

Iraqis are a justifiably proud people with an ancient and rich history and culture. Like many other people, they are patriotic and do not like to see their country occupied by any foreign power, no matter how ostensibly helpful they try to be. The Germans and Japanese were undoubtedly relieved when the Allies formally returned sovereignty to their people.

Although U.S. troops remained in each country in large numbers for decades, the former Axis nations truly thrived only after it became clear to the great majority of people that they faced a choice: they could either roll up their sleeves and get to work rebuilding their war-torn nation, or they could look backwards and remain in a miserable state.

Today, Iraqis essentially face the same choice. If they keep focused on the task at hand—rebuilding their shattered country's infrastructure and creating jobs—they too can crate an economic boom similar to that experienced by Japan and Germany.

We must not forget that rebuilding Germany, Japan, Italy after World War II was not easy. Democratic traditions take time to set roots. Italy's political system was not stable throughout almost the entirety of the Cold War. Japan essentially had one-party rule until recently. All three nations faced many upheavals and set backs along the way. But like the three defeated Axis powers, Iraq will also have the benefit of extensive international economic and financial assistance in rebuilding.

Unlike an imperial power, when a nation is militarily liberated by the United States, we are willing to put our resources, technologies and willpower to work for democracy.

Our enemies are well aware that the return of real and meaningful sovereignty to Iraqis will undercut one of their chief recruiting justifications—the occupation. That is why we have seen a decrease in terrorist attacks against U.S. and Coalition troops, and more of a focus against foreign contractor personnel and Iraqis involved in their new government.

The terrorists are increasingly targeting new regime officials, police recruiting stations, and personnel involved in development programs. The terrorists and insurgents understand—perhaps better than the U.S. news media—that if the new Interim Iraqi Government headed by Prime Minister Ayad Allawi and President Sheikh Ghazi Al-Yawar succeeds, the terrorists will be defeated.

If Iraqis establish enough basic security to allow for the systematic rebuilding of Iraq's destroyed infrastructure, and commerce and prosperity return to Iraq, the moral swamps from which disaffected young Iraqi men are recruited by insurgents, will dry up. And as democratic traditions and tolerance begin to take root, and the social and economic status of women are uplifted, the appeal of radical misinterpretations of Islam will also diminish.

It is not an accident that Wahabbism and other forms of militant Islam flourish in conditions of chaos, in failed states, in places of misery and suffering, and in communities where women are seen as less than second class citizens. Our task in Iraq is to make sure these conditions never return, and are instead replaced by prosperity, freedom, and tolerance.

When, over time, democracy takes hold in Iraq, other Muslims throughout the region will be able to use the experience of Iraq to refute the arguments of repressive regimes in the Muslim world who justify their corrupt and brutal regimes by saying that there is no other way.

But there is another way. A better way. We need to stick by the side of those brave Iraqis who want to create a free, open and democratic society in Iraq and are willing to risk their lives in order to do it.

Mr. BURTON of Indiana. Mr. Speaker, I yield back the balance of my time.

THE MIDDLE-CLASS SQUEEZE

The SPEAKER pro tempore (Mr. GERLACH). Under the Speaker's announced policy of January 7, 2003, the gentleman from New Jersey (Mr. PALLONE) is recognized for 55 minutes, which is half the time that remains from now to midnight.

Mr. PALLONE. Mr. Speaker, I do not intend to use all the time, but I did want to spend my time this evening talking about what has been referred to in recent weeks as "the middle-class squeeze," basically an effort to point out how Republican policies, both at the presidential level and the congressional level, have made it more and more difficult for the middle class in the United States to get through the day or get through the year, despite Republican claims that the economy is getting better, that jobs are being created. The reality is that more and more people find it difficult to make ends meet.

Mr. Speaker, when President Bush took office, he inherited a $236 billion budget surplus, an economy that had created 22 million jobs over 8 years, and lowered poverty levels to their lowest rate in 20 years. Four years later, today, 8.2 million Americans are looking for work, unemployment is 30 percent higher, 1.9 million private sector jobs and 2.7 million manufacturing jobs have been lost, and the average household income has decreased by almost $1,500.

However, recent statements by the Bush administration and my Republican colleagues in Congress are beginning to paint an increasingly cheery picture about our economy. Every day my Republican colleagues come to the House floor here touting a number of new jobs that are being created each month. They talk about how the stock market is on the rise and how our economy is beginning to rebound.

But despite this sunny economic forecast from the Bush administration, it seems that the American people simply do not agree. Recent polls show that fewer Americans than at the start of the year are willing to say that our economy is improving. In fact, the President's economic approval numbers are at the lowest level of his presidency.

So what is it that the American people know that the Republicans do not seem to know? And the answer is very simple, and that is that rising job numbers tell only part of the economic story. What the Republicans are not telling the American people is that about 90 percent of the new jobs that they are boasting about pay an average hourly wage that is less than the national average. What they are not telling the American people is that those lower-paying jobs are less likely to include health care coverage.

And what they are not telling the American people is that middle-class Americans are being squeezed by Republican policies that have allowed the price of health care, education, and gas to skyrocket and created record deficits. Essentially what they are not telling the American people is that they are paying the price, the middle class is paying the price, of the Bush administration and Republican policies here in the Congress.

When I talk to people in my district in New Jersey, Mr. Speaker, they are not telling me about how great our economy is doing or rejoicing about the number of new jobs being created. When I talk to these residents of my district, they are more likely to tell me about the explosion of health care and education costs. For those who did not lose their jobs during the economic slump, they are more likely to tell me about how they have watched the wages stagnate over the last few years or about how their son or daughter's college tuition keeps going up or that they are having to rely more on credit cards to make ends meet.

Let me talk a little bit, Mr. Speaker, about wages, and again refute some of the comments that are being made by my Republican colleagues on the other side. When Republicans talk about all the new jobs being created, notice that they are not mentioning what kinds of jobs they are creating or how well those jobs are paying. As I mentioned earlier, 90 percent of the new jobs created since August of 2003, I guess about 10 months ago, are in industries that pay an average hourly wage that is less than the national average. About 1.3 million of the jobs created are in service sector industries with an average wage of $15.42 an hour, 40 cents less than the national average, and 195,000 of these jobs are temporary jobs.

Approximately 580,000 of these jobs were in low-paying domestic industries that could not be outsourced, and I use as examples wait staff in restaurants and bars and retail workers, things that cannot be outsourced to other countries. Over 235,000 of the new jobs created since August of last year pay an average hourly wage that is over 40 percent less than the national average, and more than 148,000 pay 20 percent less. And if I could use my home State of New Jersey as an example, Mr. Speaker, the new jobs being created pay $21,551 less than the jobs recently lost in my home State.

Let me talk a little bit about rising health costs because that is one of the issues that my constituents talk about the most, the cost, the rising cost of health care.

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These new jobs that the Republicans talk about not only pay less than jobs being lost, they are less likely to have health benefits.

In my home State, using New Jersey again as an example, there has been an 11 percent drop in the number of jobs offering health insurance. Nationwide, 43 million Americans have no health insurance, including 1.19 million in New Jersey; and millions more are underinsured. Underinsured means they may have health care part of the year, but not the whole year.

Mr. Speaker, for those workers that do have health insurance, they are watching their health insurance premiums skyrocket. Health care costs increased by 13.9 percent nationwide last year, the third year in a row of double-digit increases and the largest increase since 1990.

Let us go back to my home State of New Jersey again. In New Jersey, health insurance premiums have increased by 52 percent since the beginning of the Bush administration. Nationally, the increase in family health insurance premiums over the last 3 years has tripled the amount of the tax cut that the Bush administration talks about going to middle-income families over 4 years.

I would like to talk a little bit about rising education costs, because after health care, that is the issue that my constituents talk about the most. So far, we have covered wages and health insurance, but that is only half of it. For those families with a son or daughter in college who have to face these rising education costs, the future does not look good, and in the last 4 years have not looked good.

In my home State of New Jersey, the cost of a college education has increased by 36 percent since the beginning of the Bush administration. Nationwide, tuition has increased 30 percent. Crunched State education budgets means that an estimated 250,000 college-qualified students were shut out of higher education in the fall of 2003 due to rising tuition or cutbacks in admissions and course offerings. These kids were simply shut out. They could not even go to school, primarily because of the cost.

Now, Mr. Speaker, as tuition rises, student loan debt continues to soar. Between 1997 and 2002, the typical undergraduate's debt rose 66 percent, to $18,900; and more than one-quarter of today's 14 million undergraduate students will incur more than $25,000 in debt to earn a degree.

Yet if you listen to my Republican colleagues on the other side, they have introduced legislation blocking student borrowers from locking in low fixed interest rates on their loans. That would mean the typical student borrower would pay an additional $5,500 for their college loans, according to the nonpartisan Congressional Research Service. The same Republican bill raises student loan interest rates. As a result, student borrowers will pay hundreds, even thousands, of dollars more for their loans.

Meanwhile, President Bush has failed to live up to a campaign promise to raise the depressed value of the maximum Pell grant to $5,100. This was a promise he made during the campaign. This is the largest student grant program for low income students. He promised to raise it; but his 2005 budget would raise, instead, taxes on students, again, taking out college loans, forcing them to pay an additional $3.8 billion over the next 10 years. So he is making it more difficult for kids to pay for their college education after he promised that he would basically increase the value of Pell grants.

Now let me talk about an issue that everybody is talking about. Again, I have to say that I hear more about health care costs and education than even gas prices, but obviously rising gas prices are a major issue.

Since the start of the Bush administration, the cost of gas has increased 48 percent, a simple statistic. In recent months, gasoline prices have increased rapidly in my home State. Just last week, the state wide average price of a gallon of regular in New Jersey was $2. Compared to the prices at the beginning of the Bush administration, this represents an increase of 65 cents per gallon, a 48 percent increase.

Last week, the House Republicans scheduled votes on a series of energy proposals they marketed as a response to higher gas prices. But why is it that none of the Republican bills address the consolidation of oil companies, something the U.S. Government Accounting Office has identified as one of the most significant factors affecting gas prices?

You see, the top 10 oil refiners control 78 percent of our oil supply. That is 22 percent higher than a decade ago. Coincidentally, some of these companies have reported record profits in the first quarter of this year. If Republicans were really concerned about doing something about gas prices, they would have joined me and 52 of my Democratic colleagues in calling last week for an investigation to determine whether gas companies are purposefully inflating prices at the pump.

I believe, Mr. Speaker, that the American people deserve to know if these record profits are a result of a coordinated effort by the oil and gas companies to inflate prices.

Mr. Speaker, I just wanted to say, I think it all comes down to this: Yes, the economy is beginning to create new jobs, but it is creating the wrong kinds of jobs. The jobs that are being created are lower paying and are less likely to offer health insurance. For those people that have health insurance, premiums and health care costs are skyrocketing.

When you combine all that with rising education costs and gas prices, and take into account that the Bush administration and Congress have passed $1 trillion tax cuts that mostly benefit the wealthy and pursued a variety of policies that hurt workers and their families, together, all of these factors answer the question of why the American people are not feeling very positive about our economy.

What Republicans cannot seem to realize is that when they talk about how the economy is improving, the American people know they are only being told half the story.

Mr. Speaker, I am not going to spend the whole time, but I just wanted to go into four issues again, or four areas, where what is characterized, I use the term middle-class squeeze, and I know a number of my colleagues and some of the media commentators are talking about the problem in the same way, the so-called middle-class squeeze. I wanted to talk about four issues again in a little more detail where you can see this squeeze.

One is paychecks; second is education; third is prices at the pump; and, lastly, is the debt burden, which I think ultimately is going to be the biggest problem that we face, not only as a government but also individuals and their households.

I talked a little bit about paychecks and workers feeling the squeeze. Declining real wages are putting the squeeze on middle-class Americans. Meanwhile, tax policies, Republican tax policies, shower huge benefits on the wealthiest 5 percent of taxpayers, and corporate profits have soared.

Middle-class Americans are noticing their paychecks do not stretch as far as they used to; and yet some economists in the Bush administration insist that the economy is recovering, leaving most Americans to wonder what has happened to the better wages that should have come with this so-called recovery. The short answer is that these wages have essentially, Mr. Speaker, gone to corporate profits, to CEO pay and to tax cuts that reward wealth and not work.

In the last 3 months, average wages in the United States increased at an annual rate of just 2.2 percent, and the last two consecutive quarters have seen the slowest wage growth for any 6-month period on record. Meanwhile, over the last 3 months, the inflation rate was 3.9 percent. So if you think about it, that essentially means during the most recent stage of this so-called economic recovery that the Republicans boast about, most American workers actually took a pay cut.

This pay cut has taken place amid continued gains in worker productivity. So the workers are being more productive. The amount that the workers produce in an hour, obviously, is productivity. If middle-class workers are performing so well and if their hard work is paying off and making the economy grow, then why are their wages falling?

Middle-class Americans are getting squeezed by their employers and by government policies. Since March of 2001, corporate profits skyrocketed by 57.5 percent, while wages and salaries decreased by 1.7 percent. American companies raked in an enviable $1 trillion in profit in the last 3 months of 2003 alone; but even while profits soared, companies froze pay. Now, they were not freezing the pay for the top executives; they were freezing it for the little guy, for the middle-class worker.

Again, these are the Republican policies. We have a Republican President; Republicans are in the majority in both Houses of Congress.

What is essentially happening is the Republican policies are making matters worse, shifting the tax burden from wealth to work; taxes on wages now average almost 24 percent; taxes on income from investments like stocks and bonds average less than 10 percent. That is why the stock market is soaring.

On top of that, President Bush's $1 trillion tax cuts for the wealthiest Americans have helped to create a budget-busting record deficit of over $500 billion, which adds to the burden on middle-class families through future debt repayments, rising interest rates, and a scarcity of Federal funds to help alleviate rising college and health care costs.

Now, I know that the debt issue is not one that a lot of people pay attention to; but, again, as I said, Mr. Speaker, I think ultimately that is going to cause the biggest problem for the middle class and this squeeze when this debt has to be paid off.

I mentioned education before, and I want to talk about that again in the context of the so-called middle-class squeeze.

Families are struggling to pay for the high-quality college education necessary to succeed in the 21st century. Between the weak national economy and shrinking State budgets, students and their families face rising college costs, while the Federal programs to help them are being undermined by Republican policies and the Bush policies here in Washington.

The cost of college is skyrocketing, and families are paying the price. The U.S. Department of Education tells us that tuition at 4-year public colleges has increased by almost 30 percent by 2001. As tuition rises, student loan rates continue to soar. Again, the debt issue.

Between 1997 and 2002, the typical undergraduate's debt rose 66 percent to $18,900, and more than one-quarter of today's 14 million undergraduate students will incur more than $25,000 in debt to earn a degree. Meanwhile, President Bush has failed to live up, as I said, to his promise to increase the Pell grants, and I talked about how his budget would raise taxes on students taking out college loans. I do not want to repeat that.

But clearly, these Republican policies are failing to make college more affordable for middle-class families. Just as they pay for Bush's $1 trillion tax cut for the wealthiest Americans, middle-class families are finding they are being squeezed when it comes to a college education too.

I talked before, Mr. Speaker, about prices at the pump; and now I would like to just elaborate a little bit on the middle-class squeeze as it relates to prices at the pump. I refer to it as the Bush gas tax.

After 3 months of record-high gas prices, middle-class families are feeling squeezed by prices at the pump. Experts agree that high gas prices are the equivalent of a tax on consumers, wiping out any benefits of the Bush tax for middle-class families. That is why we call it the Bush gas tax.

After 3 months of record-high gas prices across the country, the average cost of a gallon of gasoline is now $2.10, the highest average on record in dollar terms. Skyrocketing gas prices are a tax on middle-class families that are taking money out of their pockets each time they fill up at the pump.

According to Fortune magazine, gas price increases since the beginning of the year have cost American consumers $55 billion, much more than the $15 billion to $20 billion middle-class consumers got from the Bush tax cuts this April. Already families are feeling the pinch, the middle-class squeeze.

The summer driving season began a few weeks ago, but has not gotten to its highest pitch; that will be the next week or so over the July 4th weekend. A recent National Retail Federation survey found that nearly 20 percent of families with annual incomes below $50,000 reported that they had to cut back on grocery spending due to higher gas prices. Among families earning over $50,000 a year, more than one-quarter reported that they had to cut back on travel, and 15 percent spent less on clothing for their families.

This is real. Gas prices go up, you do not buy as many groceries, you do not buy as many clothes, certainly you do not travel as much or go on vacation.

Rising gas prices translated into the higher prices on consumer goods and services across the board, further squeezing family budgets by ratcheting up the costs of grocery, travel, and countless manufactured goods.

When he was running for office, President Bush, then when he was running as a candidate, promised in 2000 to jawbone OPEC if elected President to keep oil prices down. But there is no evidence he has fought for lower oil prices, and it is clear he has no plan for lower gas prices. The Bush Republican energy bill, which is stalled in Congress, would only increase gas prices, according to the administration's estimates.

The last thing I want to mention before I conclude, Mr. Speaker, is about the debt burden, because I think that ultimately this is the biggest problem that the middle-class faces and the biggest example of the squeeze.

The debt burden is not only the debt that they incur themselves for their household, but also the debt that Republican policies here in Congress are incurring for the Nation, which ultimately have to be paid, primarily by the middle class, because they pay most of the taxes.

Again, America is awash in debt. Typical household debt in 2003 equaled more than 105 percent of disposable income for the average family. That is incredible. I am going to repeat it. Typical household debt last year equaled more than 105 percent of disposable income for the average family.

The government, as I said, has a debt problem too. President Bush's fiscal policies have racked up the largest budget deficit ever, putting an added debt tax on middle-class families. Keep in mind, that debt has to be paid back; and the average worker is paying it back, not the wealthy guy. With interest rates likely to rise, the debt will put an added squeeze on the middle class.

Let me just talk about the various types of debt that we are facing. Housing debt, first of all. The ratio of debt to home equity is at a record high of 45.4 percent. According to the Center For Economic and Policy Research, it has typically been close to 30 percent.

The ratio of debt payments and other financial obligations, like car lease payments and rent, to disposable income is at a record high of nearly one-third for renters. Ten years ago it was just under one quarter, according to the Center For Economic and Policy Research.

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Education debt, talked about that already, parents and students are also taking on an increasing level of debt to pay exploding costs since 2001.

Then credit card debt, this is the biggest problem. Every month tens of thousands of unemployed workers are exhausting their unemployment benefits nationwide. Millions more work in jobs that do not pay enough to make ends meet or have not seen their earnings keep pace with inflation. Without a decent paycheck or unemployment assistance, many of these workers take on debt like credit cards to meet their basic needs.

Today the average credit card debt among American households is $8,000. Credit cards help families cover the gap in earnings when a family person is out of work, but the slow wage growth and long term unemployment makes it difficult to payoff that debt. Essentially that credit card debt that the average person is taking on is the same thing that the Federal Government is doing when they go into debt.

Republican policies are sending the Federal Government's own budget deficit into the stratosphere. The deficit is now estimated at $5.6 trillion over 10 years, which works out to $4,392 debt tax per family of four this year. That is how much they are paying, the average family of four is paying to the Federal Government in income taxes. It ends up being used just to pay off the Federal debt.

In a particularly vicious circle the deficit will put pressure on interest rates making it even harder for American families to meet many of their debt obligations and, worse yet, future generations must pay for today's irresponsible fiscal policies. I know that a lot of people do not pay attention to it. But ultimately that is what is going to happen.

Right now short term interest rates are low. Over the long term, because of the Federal deficit and the increase in the deficit that has been incurred by Republican policies, interest rates, long-term interest rates will go up. The majority of this is going to be paid back by middle-class households. So over the long term, the burden on the middle-class, the middle class squeeze from the Federal deficit becomes greater and greater with Republican fiscal policies.

I am not going to get into it all, but obviously, the Democrats have been very critical of this. A few years ago, I remember coming down to the floor when I was first elected back in 1988 and most of the people that were getting up and talking about the problems of the Federal deficit were Republicans.

I specifically remember that there were a group of Republicans that would come down every night in the late 1980s and early 1990s with a clock. The pages would bring out this clock on the floor of the House of Representatives. It practically ran the whole width of the platform here. It would show how the Federal deficit was going up.

We finally put an end to that on a bipartisan basis frankly in the mid 1990s when we passed the Balanced Budget Act. But ever since President Bush came into office and the Republicans had the majority here, in the House and in the other body, collectively with the President, their fiscal policies have simply run up the debt again.

I wish I could get some of those Republicans now to come down and talk about the Federal deficit. And maybe I will bring out that clock myself one night just to show how the Federal debt continues to rise. But, again, it is not the debt, per se, that bothers me, but the impact on the middle-class.

The average American is going to have to pay back that debt. They are already being squeezed enough with the higher gas prices health care costs, education costs, without having to worry about the increased costs of the debt they are going to have to pay in the future generations.

Mr. Speaker, I yield back the balance of my time.

9/11 REPRESENTED A DRAMATIC FAILURE OF POLICY AND PEOPLE

The SPEAKER pro tempore (Mr. GERLACH). Under the Speaker's announced policy of January 7, 2003, the gentleman from California (Mr. ROHRABACHER) is recognized for 60 minutes as the designee of the majority leader.

Mr. ROHRABACHER. Mr. Speaker, the American people need to know that the 9/11 terrorist attack on New York and Washington D.C. was not predestined nor was it unavoidable. Unfortunately, the commission investigating 9/11 seems uncomfortable with fixing responsibility, branding such attempts at accountability as the blame game or pointing fingers, or so some of them said, early on in their hearings.

So instead of looking for policies that were dead wrong or people who were incompetent, we have heard about all glitches in the system, about a lack of communication, a lack of a shared database. So expect recommendations from this commission and this task force to be consistent with this thinking. Changes will be suggested in flow charts, organizational restructuring, and, of course, you can expect them to recommend the creation of a new central authority and intelligence czar.

Sorry. 9/11 represented a dramatic failure of policy and people. A number of insane policies led to the creation of the hostile radical Islamic movement we face today. Policies that enabled weird, feudalistic religious zealots to become a major threat to the Western world, and especially to the people of the United States.

Yes, the origins of this frightening reality go back a ways. In the 1980s, for example, the CIA permitted Pakistan to channel America's support to those Afghans who were fighting against the Soviet troops who were occupying their country. Much of that support that we were giving the Afghan freedom fighters ended up in the hands of Pakistan's favorite Muslim fanatics Golbadin Hekmatyar, a fiend who, in his college days, threw acid in the face of young women who refused to cover themselves totally with a burka.

During the war, I hiked into the Afghanistan, that is the war against the Soviet's occupation of Afghanistan, I hiked into Afghanistan with a small mujahadeen infantry unit. On our way to the south of Jalalabad, which was the last major battle in which Soviet troops fought in that war, we came across an encampment of Saudi volunteers. In stark contrast to the spartan living conditions of the Afghan fighters, this camp site was complete with large safari-style tents, cots and even SUVs. I was told not to speak English because the Saudi crazy man who led this bunch would rather kill Americans than Soviet troops. His name, you guessed it, was Osama bin Laden.

So by the end of the 1980s the presence of a potentially dangerous whack element in Afghanistan was well known. And contrary to leftist cliches, the roots of our current terrorist problem lie not in the support that we gave the Afghan people in their gallant fight against Soviet occupation, but in America's willingness to let Pakistan distribute war supplies and our unconscionable decision after the retreat of the Soviet Army to walk away ourselves and to leave the poor and wounded Afghans to live in the rubble and suffering and to leave them there in their own history.

Milton Bearden, a senior CIA officer who oversaw American support, has suggested that his job was beating the Soviets and that he should not have been expected to keep our weapons and our support out of the hands of those who might pose a long-term threat to the United States. Nonsense. Put this man, the head of the CIA operation overseeing our aid to the mujahadeen, put him, the CIA officer, Milton Bearden, on the list of people who helped bring about 9/11.

I can assure you that complaints were made at the highest level about America's support ending up in the hands of these crazies. I personally made such protests while I was working in the Reagan White House.

Furthermore, it was a policy decision that let Pakistan distribute our supplies and it was wrong. To fix responsibility on this one, I look to the list of senior foreign service officers at our embassy in Islamabad in the 1980s and 1990s. Up to this day, there are State Department geniuses who still tow the Pakistani line, who still seem unable to call Pakistan to task for its transgressions of omission and comission. These State Department pros who ran our policy from Islamabad, Pakistan, in the 1980s and 1990s, these are the ones who also helped give us 9/11. Look at the list of the people who worked there.

Furthermore, it was a policy decision to walk away and abandon our Afghan allies even after psychopathic killers like Golbadin Hekmatyar rose up as the Soviets departed. President Bush, father of our current President, has to accept a lion's share of the blame for this cowardly, arrogant, and selfish policy. There would be no Marshall Plan for Afghanistan nor anything else because, like during the war itself, we left post-war reconstruction and assistance up to the Saudis and up to the Pakistanis, which was, again, another indefensible policy decision. These countries predictably had their own agenda which included the creation of a radical Islamic state in Afghanistan.

The Saudis and the Pakistanis were not upset that the violent extremists were so well armed. The Saudis and the Pakistanis supported the arming of these violent extremists. Predictably, what followed was a period of havoc and bloodshed. Hekmatyar Golbadin peppered Kabul with American rockets that were stockpiled during the Soviet occupation. Well, thank you, Mr. Bearden.

There was a way out of this, of course. We did not need to have our support going to the radicals who hate us and hate our way of life. Instead, there was the king of Afghanistan who had been exiled in Rome for many years he was able and willing to return. King Zahir Shah was, and is, the most beloved man in Afghanistan, a pro-Western force for stability, a moderate Muslim.

Instead, our State Department opted to have the creation of a third force, this new force to be made up of religious fanatics educated in the madrases, the so-called schools that were in Pakistan, schools that were financed and built by the Saudis but taught nothing but hatred towards the west.

I pleaded with Saudi intelligence chief Prince Turki to at least give the old King Zahir Shah a chance to lead an interim government. No way. Again, our State Department let the Saudis and the Pakistanis take the lead rather than having us lead them. Rather than go with a pro-Western alternative we ended up supporting the Taliban, the creation of the Taliban as a means to bring stability to Afghanistan. And make no mistake about it, the Taliban's ascent to power as well as their ability to stay in power was a Clinton administration policy decision promoted by professionals in our State Department.

Let me just note that I fought that every step of the way, trying to push to get the king of Afghanistan Zahir Shah recognized as a moderate alternative. Unfortunately, once the Taliban came to power, yes, I gave them the benefit of the doubt for about 2 weeks before it was quite evident that our worst fears would be recognized and would come to reality under the Taliban.

Again, who to put on the list of those who blame for 9/11? The policy of the State Department and the Clinton administration in collusion with the Saudis and the Pakistanis to create and support the Taliban control of Afghanistan, there is a huge cause of 9/11. They obviously did not learn, the Saudis and the Pakistanis and our own people, did not learn a thing from the horror that they created by backing Islamic fanatics like Hekmatyar Golbadin, and instead, went with the Taliban over the moderate alternative of the king.

Of course, our government's support for the Taliban was never publicly acknowledged. But for those of us engaged in that region, and there are darn few of us that were engaged in that region after the Soviets left, it was clear what our policy was.

But what is more poignant is the Afghan system believed the Americans were behind the Taliban. Why should they not? Our aid was channeled disproportionately through the Taliban controlled areas. I remember trying to clear the way for a shipment, private shipment of humanitarian relief for a non-Taliban area in northern Afghanistan only to be blocked by assistant Secretary of State Rick Inderfurth.

If there was any doubt about my suspicions, they were laid to rest and my suspicions were confirmed in 1997 when high level executives from the Clinton administration saved the Taliban from total defeat and extinction. This is long after it was clear what type of regime the Taliban had, the Nazi-like fanatics that they were.

What happened was this: In April of 1997 the Taliban launched a major offensive aimed at taking control over the northern third of Afghanistan, which to that point had remained free and under the control of regional leaders who were commonly referred to as warlords.

□ 2245

One of those regional leaders, General Malick, tricked the Taliban and managed to capture almost all of their frontline troops, along with most of their heavy weaponry. It was an utter disaster for the Taliban. The road to the capital, Kabul, was wide open. The Taliban were totally vulnerable and could have easily been wiped out.

I sent a message to Commander Masood and to others that Kabul should be liberated and that the King should be brought back to oversee a transition government, which then would hopefully evolve into a democratically elected government, perhaps like what happened in Spain where the King returned and it evolved into a democratic government; but before the anti-Taliban forces could strike, Assistant Secretary of State Rick Indefurth and American U.N. Ambassador Bill Richardson flew to northern Afghanistan and convinced the anti-Taliban leadership that this was not the time for an offensive. Instead, they insisted this was the time for a cease-fire and an arms embargo.

This clearly was a statement of U.S. policy. Two top foreign policy leaders in the Clinton administration flew to northern Afghanistan to convince the anti-Taliban forces not to take advantage of their one opportunity to soundly defeat and, thus eliminate, this enemy.

These Clinton appointees saved the Taliban; and let me underscore, by this time the evil nature of these Islamic Nazis was clearly evident. Right after the cease-fire and the release of prisoners brokered by these Clinton administration geniuses, the Pakistanis began a Berlin-like airlift to resupply and re-equip the Taliban, obviously financed with Saudi money. If I knew of this massive resupply effort, certainly the Clinton administration officials who had set up this scenario knew about it.

So why were the anti-Taliban leaders not notified of this situation? Why did we continue an arms embargo on the anti-Taliban forces, even as the Taliban were rearmed and resupplied? Well, the answer is it was U.S. policy.

So add Clinton appointees Assistant Secretary of State Rick Indefurth and United Nations Ambassador Bill Richardson on the 9/11 blame list, and I say that with great hesitation because Bill Richardson is a friend, and I enjoyed serving with him in this House; but this particular action did great damage to the United States of America's security and, as I say, led to 9/11.

To be fair, they were obviously carrying out the policies that were made elsewhere and approved higher up in the administration, but how much higher can we go than the Assistant Secretary of State for the region and our United Nations ambassador? Well, I can tell my colleagues, it goes all the way up.

Last year, the current foreign minister of Pakistan visited California. Furious by my repeated accusations that Pakistan was responsible for the Taliban, the current foreign minister of Pakistan blurted out, and this was a well-attended event, that America was part of the Taliban deal from the first day it was created. I have been trying to prove that. I have been trying to prove the Clinton administration was covertly supporting the Taliban for a long time. Now, at last, I had confirmation by a nationally and internationally respected leader.

As a member of the Committee on International Relations, I have had the responsibility of overseeing such policy. During the last 2 years of the Clinton administration, I made numerous requests with the support of committee chairman Ben Gilman for Taliban-related documents. I wanted to find out what the genesis of our policy toward the Taliban was and try to expose exactly what our policy was. I asked for the cables, for talking points, meeting notes. This was part of my responsibility, as someone who is a senior member of the Committee on International Relations, to oversee the foreign policy of the United States.

Secretary of State Madeleine Albright made a commitment to me in an open congressional hearing to provide my office and Chairman Gilman with all the related documents concerning our policy toward the Taliban. Well, to make a long story short, years went by and we kept asking for them. We were stonewalled. They sent us meaningless documents that included innocuous news clippings. Well, this was about as arrogant as anything I had ever experienced as a Member of Congress, and it still is: unelected State Department careerists dismissing the request of elected officials for security-related information. One wonders if the current independent commission examining 9/11 has asked to see these documents.

Is it not important for us to know if our government policy actually helped create the Taliban and protected the Taliban in power, even as they used Afghanistan as a terrorist base, which eventually was used as a staging area for an attack that cost the lives of 3,000 Americans on 9/11? In some ways, it is hard to characterize the administration's support for the Taliban as covert. Anyone looking closely would have to assume that that is what it was; but over and over again we were told this was not the policy. Yet something stunk.

Covert or overt, it was a disgraceful policy, and that policy led to 9/11 by creating a base of operations for bin Laden and a training base and staging area for al Qaeda. By the way, what we know now is bin Laden is not just some voice in the wilderness. He is from an enormously wealthy Saudi family; and while our petroleum dollars flowed into Saudi Arabia over the years, by the hundreds of billions of dollars, the Saudi establishment not only turned a blind eye but also attempted to buy off this violent, anti-Western, Islamic fringe which included bin Laden. This fringe was in their country. They spent billions of our petrol dollars to try to buy off these radicals. So billions of our petrol dollars now have come back to bite us in a big way. It obviously continues to this very day.

The first Gulf War in 1990 did nothing but expand bin Laden's hatred for us. Our presence in Saudi Arabia, he has piously proclaimed, is an insult to his faith. Well, considering that the mass slaughter of unarmed people is perfectly consistent with his faith, perhaps we should quit taking seriously all of this self-righteous, Islamic rhetoric used by bearded, psychopathic killers. Most people who believe in Islam are total opponents to this type of murderous behavior in the name of their religion. It is our job to reach out to those people, those Muslims, those moderate Muslims, who want to live in freedom and want everyone to respect each other's faith, to reach out to them and to make them part of our coalition, to make sure that the radical Islam, just like Communism and every other ism that attempted to murder tens of thousands and hundred of thousand get their way just as we have defeated them in the past.

In the mid-1990s, bin Laden and his cohorts began to set up a terrorist underground army for a war that he intended to wage on America and on the Western democracies. In the mid-1990s, he operated not out of Afghanistan but out of Sudan. America's official position was that bin Laden was a terrorist, and he was on our Most Wanted List. In fact, CIA Director George Tenet declared him America's and the CIA's number one target.

Inexplicably, while designated as such, the CIA's number one target, the self-aggrandizing monster organized, financed, and implemented attacks that caused tens of billions of dollars in damage and the death of thousands of innocent people, not just in the U.S. on 9/11 but worldwide over several years: the World Trade bombing back in 1993; the Khobar Towers bombing in Saudi Arabia in 1996; embassy attacks in Kenya and Tanzania in 1998; and then an attack on the USS *Cole*. All of these were all organized by bin Laden's monsters and bin Laden's conspirators, a man recognized as the number one target of the CIA. Yet with all of the CIA's money and power and technology and other assets, with a track record like that, knowing what they are capable of, the CIA could not thwart 9/11, nor did they warn us of 9/11.

So, remember, 9/11 was a major operation, planned and carried out by the CIA's number one target, as well as the number one target, as well as hundreds of others, I might add, who had to be involved in this, with millions and millions of dollars being spent on communication over large areas. Yet we were not warned, and it was not thwarted. If this is not incompetence, then what is?

Furthermore, there were mind-boggling missed opportunities to get bin Laden before 9/11. Either intentionally or as a matter of policy or through incompetence, bin Laden was never stopped, even though there were numerous opportunities to stop him. The Government of Sudan, for example, played close attention to bin Laden. That is why he was operating in that country in the early 1990s. I am told they actually cataloged the people to whom he spoke on the phone and the people who came to see him in person.

The former ambassador for the Sudan to the United States, Mahdi Ibrahim Mohamed, told me personally that he had offered our government this terrorist catalog which would have been a silver bullet for the total destruction of bin Laden's terrorist network, al

Qaeda. Vanity Fair reports that the Sudanese Government's offer to provide us this information was abruptly turned down by no one else other than Secretary of State Madeleine Albright. That is right, the Secretary of State. Vanity Fair reports that she instructed that no one look at a copy of the material.

It just reconfirms, I might add, what the Sudanese ambassador has told me personally. So in bold print let us add to the list of those responsible for 9/11 the former Secretary of State Madeleine Albright.

It should be noted that former President Clinton is denying that he turned down such an offer from the Sudan. Just even last night, I understand, he was being interviewed and denied that he had turned down this offer. Well, it is not unreasonable to assume that the wording of this denial has been crafted so we really do not know what is is, and, unfortunately, we have to look at the words very carefully to see if someone's trying to leave us with a false impression without actually telling a lie.

While we are at it, let us add the name Dick Clarke, and look at Dick Clarke. Now, this is a man who got much attention for criticizing George W. Bush when he criticized him before the investigating panel. Clarke was a senior foreign policy official. While all that I have been describing to my colleagues, while all this was taking place, he was a senior policy person in the Clinton administration and even before. He either approved of what was happening, or he did nothing during this period. He either approved it, or he did nothing. Whichever, he is certainly on the 9/11 blame list and has no credibility in blaming President Bush who, as we know, was sworn in as President after the 9/11 plot was well under way, and it was well under way and started and conceived of at a time when Dick Clarke was a senior official in the administration of this previous administration.

So now we have him attacking our President? From the first attack on the World Trade Center in 1993 to the bombing of U.S. military barracks in Saudi Arabia, to the attack on the USS *Cole* and the destruction of our embassies in Africa, the response from the last administration was so tepid, so weak, that the perpetrators thought that we Americans are cowards.

□ 2300

That is why they went ahead with 9-11, which was aimed not just at killing 3,000 Americans. Let us remember this. It is God's gift to us that only 3,000 Americans died at the Pentagon and in those towers in New York. Tens of thousands of people could have died. This we have learned.

And what we have learned is that that plan to kill tens of thousands of Americans moved forward because the response that we had, our government had to these attacks on us before, during the 1990s, made these terrorists think that we were weak and cowardly. And so those we have captured since have told us that it was the weakness of the 1990s that led to the attacks on us and led to the war that we are in today.

By the way, after one attack it is reported that Richard Clarke, who was a White House official at that time, when they were looking for how to retaliate—it is reported that Richard Clarke insisted that the retaliation take the form of a bombing of a pharmaceutical factory in Sudan, an aspirin factory which had nothing to do with terrorism. Yet that was the target that he insisted that we use as a retaliation to the attack upon us.

This while still helping the Taliban stay in power. Meaning the policy of the administration at the same time was letting the Taliban stay in power, even after we had been attacked. So here we are, we are attacked, but we still have not changed our policy of keeping the Taliban in power. We were still not working with those people who were anti-Taliban in Afghanistan. Something stinks about this whole situation.

Then, in an even more personal incident about bin Laden, which again clarifies whether or not we were doing what we needed to do, in April and May of 1999 America had an incredible opportunity to capture bin Laden. I personally was involved in this one. It is, unfortunately, yet another example of incompetence of those we trusted to protect us from an attack like 9-11.

In April 1999, a long-time friend, who had been deeply involved in the Afghan fight against Soviet occupation contacted me. My friend was, and is, an American. He has impeccable credentials, and he was widely known and admired among the Afghan people. My friend called to tip me that bin Laden was outside of Afghanistan and could be easily captured. I told him I would pass this on and pass on his name and phone numbers to the CIA.

The very next day, I was at a CIA briefing and I passed on my friend's name and phone number; explained his credential and told them we could have bin Laden on a platter. A week passed, I called my friend, and the CIA had not contacted him after a week. So I went back to the agency. This time they were adamant they would contact my friend. There was still a chance to get bin Laden.

Another week passed, and the CIA did not call my friend. So this time I went to the gentleman from Florida (Mr. GOSS), chairman of the House Permanent Select Committee on Intelligence. When he heard my story, he immediately went into action and arranged a meeting for me the next day. That next day, at the appointed time, I went to a somewhat secret and heavily guarded part of this Capitol, where there in a secure room I met with not just the CIA but also a representative of the NSA and the FBI.

There they were, the bin Laden task force. I complained about my friend's vital information being ignored, and they took notes and apologized for those dunderheads over at the CIA and promised to get it right this time. A week later my friend still had not been contacted.

When I mentioned this to Chairman GOSS, he was a appalled. The very next day, and I am sure it was based on him reading someone the riot act, a representative from an intelligence agency finally called my friend. The caller's tone of voice, my friend says, suggested that it was an obligatory inquiry.

It did not make any difference, because then the trail was cold. It was all very strange and very disheartening to see that the CIA and our intelligence people, and this was back during the last administration, did not seem to want to know how to get bin Laden. Then we end up bombing an aspirin factory after he commits a terrorist act against us.

Clearly, however, there was something dreadfully wrong at the CIA. And over at the FBI, it was just as bad, if not worse. It is widely known now that 2 months before the September 11 attacks, Phoenix FBI agent, Kenneth Williams, sent a memo to the FBI headquarters in Washington and New York warning that bin Laden disciples might be training at U.S. flight schools, and asking for a review to determine if this was happening in other parts of the country. The Williams memo was ignored by David Frasca, the supervisor special agent in Washington. David Frasca.

One month before 9-11, Minnesota FBI agent Colleen Rowley asked FBI headquarters to issue a warrant allowing agents to search the computer of a would-be terrorist, part of a gang, for information regarding Mr. Massaoui, who we knew was linked to the terrorist groups in the United States. She wanted to make sure we could check his computer. The FBI ignored her warnings. The FBI actually prohibited her from telling anybody else.

When she went to the CIA to try to warn them, she was rebuffed for her efforts. There was something terribly wrong with the culture of the FBI when they were upset that one of their people had gone to the CIA to warn them of a terrorist in the United States.

Clinton appointee, Louis Freeh, headed the Bureau for almost 8 years. The new director, Robert Mueller, took over just 2 days before 9-11. The Bureau, obviously, needed a major overhaul, as became painfully evident shortly thereafter when the World Trade Towers crashed to the ground before a shocked Nation.

The FBI, again like the CIA, had not done its job, for whatever reasons. The troubles in the FBI were not just an organizational mindset but also the restrictions and the mandates that were put upon the Bureau. So individuals there were at fault, the mindset was at fault, but there were also restrictions put on the Bureau, and restrictions that were put on many people who were responsible for protecting us from terrorism. This was put on them by the political powers of the 1990s.

A case in point, Jamie Gorelick, who now passes judgment on the Bush administration as part of the 9–11 investigation. In the 1990s, Gorelick was a Clinton administration official who basically oversaw policies for our domestic terrorist law enforcement and intelligence operations.

□ 2310

In a memo she wrote, while a Clinton lawyer—in that memo it forbade any cooperation between intelligence organizations and law enforcement agencies. Now, get this. A lady now in the committee investigating 9/11 wrote a memo, and that policy was put in place that prevented the cooperation between our intelligence organizations and law enforcement at a time when there were numerous, numerous terrorist attacks going on throughout the world and even after the terrorists had tried to bring down the World Trade Center in 1993.

So right on the 9/11 investigating panel is an example of why we had 9/11. Her presence on the investigating panel represents a massive conflict of interest. This is well known, and she should be removed.

The panel is, again, demonstrating the same inflexibility and aversion to corrective action that it is now investigating. Gorelick's directives reflected a hindsight in the last administration, even in the middle of terrorism restricting our intelligence people, even in the middle of terrorism making sure cooperation could not happen. It was a hindsight reflected even by career high-level intelligence officials.

The Defense Intelligence Agency, for example, is supposed to provide the Pentagon with the detailed information necessary for it to deal with any and every potential threat. With all that is spent on the DIA, the Pentagon, like the rest of the United States Government, I mean, think about it, all this money we spend; but yet, we were caught off guard and the Pentagon was caught off guard and unprepared for 9/11.

The Pentagon's lack of information and analysis had disastrous effects. The counterattack strategy almost implemented after 9/11 would have been to send American military forces to Afghanistan from the southern part of Afghanistan. The goal for that plan was occupying a few major cities after sending in maybe 100,000, 150,000 American troops, but to capture a few cities like Jalalabad and Kabul, leaving the Taliban in charge of the countryside; and then we would negotiate with the Taliban and offer to withdraw our forces when they turned over bin Laden.

The Taliban would have us, thousands, tens of thousands of our troops, surrounded in a few cities in Afghanistan on the other side of the world; but the Taliban would be left in power even if they did not give us bin Laden, which of course they would never have given us bin Laden. That is as insane a policy as you can imagine, but that was a plan that was being seriously proposed. That would be the plan that would rely on our troops being supplied out of the bases on the western Pakistani frontier, which we now know is an anti-American stronghold.

Now, an alternative plan, based on cooperation with the battle-tested troops of the Northern Alliance, took a long time to develop, because the Pentagon did not know who the players were, much less what the anti-Taliban forces in the north could do. So it almost had disastrous consequences, that we did not know exactly what the strength of the anti-Taliban forces was.

My staff ended up providing the Pentagon with the names and strength assessment and the satellite telephone numbers, cell phone numbers of significant Afghan leaders who opposed the Taliban. That the Pentagon was unprepared was no surprise to me, however.

In early 1999, a DIA, that is, Defense Intelligence Agency, analyst came to me for help. She was in the process of being fired, and her story tells us volumes of why 9/11 caught America off guard and ill-prepared. Julie Sirrs was one of a small number of Afghan analysts. She took her job seriously, as she should have. She in fact visited Afghanistan, but only in those areas controlled by the Taliban. After returning, she realized that this was a one-dimensional view of Afghanistan and there were gaping holes in the DOD's understanding of the situation.

She requested to officially go back to northern Afghanistan, especially to the areas controlled by anti-Taliban Commander Masood, and she was turned down. She was denied the permission to go there, but realizing the danger posed by this lack of information, Julie Sirrs took the initiative and took her vacation, paid her own way, organized her own trip to the Panjeer Valley, which was the bastion of Commander Masood, the last Afghan holdout who was resisting the Taliban.

I had met with Masood in one of his mountain strongholds 2 years before. I had dinner with him and strategized with him. He was a friend. He was a hero. He was courageous. But he was not perfect. There is no doubt. All Afghans have made mistakes over their many years of conflict, but he was a wonderful man and a person who would have done great things as a friend of the United States.

But what I did was somewhat risky, to go into the mountains and see him, but what Julie Sirrs did was far more dangerous. What Julie Sirrs did was heroic.

When she got to the Panjir Valley, she found her assumptions were right. Something vital to America's security was happening, something she was not really able to discover when she visited the Taliban-controlled areas before. Commander Masood told her that he was facing a new enemy in Afghanistan. Masood's militia was finding itself in fire fights with some kind of fundamentalist foreign legion. Apparently, bin Laden, who was making Afghanistan into his base of operations, was importing Islamic radicals from all over the world, training them as terrorists and killers and then sending them up against Masood's troops for combat experience.

Masood offered to let Julie or other Americans interrogate the foreign prisoners he had captured. This again was an intelligence bonanza, but a missed opportunity. Julie Sirrs was uncovering the creation and organization and training of bin Laden's terrorist army, al Qaeda. She only had a short time, but she collected enough information for a preliminary report, and she headed home.

The minute she got back, she found herself under severe restrictions at the Defense Intelligence Agency and restricted to whom she could brief or show any of her reports. So her report was kept close hold rather than distributed as it should have been, a report that indicated that a terrorist army was being formed in Afghanistan that could and was threatening the United States of America. The commanding officer of the DIA labeled her as insubordinate, he fired her; and when she fought her dismissal, he set out to destroy her.

Amidst the fight to save her job, the DIA commanding officer told her what really upset him most was her contact with Masood, who, according to the DIA general, was one of the bad guys. This general was sending his people to be briefed by the Taliban, but any contact with Masood was a cause for dismissal. This was a mind set during the Clinton administration. It was a mind set of the man who headed the Defense Intelligence Agency. Something is terribly wrong with this picture. The vitriol and the attack against Sirrs was shockingly harsh. Patently false charges were brought up against her to overwhelm her defense and intimidate her and force her to go quietly, which she did not do.

She was charged, for example, with lying, even though an agency lie detector test, which I have looked at, proved that she was telling the truth. She was charged with misusing equipment, having borrowed an office camera to take with her to Afghanistan. The charge was nonsense. Even her superiors agreed it was a reasonable thing to do; yet they pushed that as if she was stealing, even though she brought the camera back right after the trip with pictures so people would understand what was going on in Afghanistan.

The attacks on this sincere and responsible intelligence analyst were arrogant, nasty, malevolent, and loathsome. The brutal treatment of Sirrs sent a negative message to anyone and everyone in the DIA who had any idea of taking the initiative or thinking creatively. Julie came to me because she had no one else to whom she could turn. I was the one elected official with experience in Afghanistan. I requested a meeting with the general in charge of the DIA and right off the bat he insisted to me when he came to my office that she was insubordinate. I told him from my view she was a hero, risking her life and her job, spending her own money, all to get information that she believed was necessary for our country to be prepared in case something happened in Afghanistan.

After hearing each other out, I recommended to the general that we compromise. He could give her back her job, and she would end up neither a hero nor a scofflaw and I would back off and he could use political pressure from me as an excuse to bring her back. After the general left my office, he not only reaffirmed the firing of Julie Sirrs but he later stripped her of her security clearance as well, thus eliminating her ability to earn a living as an intelligence analyst. He demonstrated how he could destroy anyone who would deviate from his program or the mind-set of the day or defy his directives. Insubordination was the ultimate challenge to his authority; and in reaffirming his authority, he said it was more important to reaffirm that authority than was the security of the United States of America.

A few months later, the general retired. All of this would be a regrettable, but forgotten, incident, except for the resulting 9/11 tragedy, except for how terribly unprepared the Pentagon was for the war in Afghanistan. It is my sad duty tonight to inform my colleagues that the general to whom I am referring is Lieutenant General Patrick Hughes, who is today one of the top officials running the Department of Homeland Security. I am certain that over his long and distinguished career he made many contributions, but his indefensible conduct in the Sirrs case cast serious doubt over his judgment. I have notified Secretary Ridge on this side of General Hughes's character and recommended that he should not hold the high-level position that he holds in the Department of Homeland Security.

When George W. Bush took office in January 2000, the 9/11 terrorist operation, as I said, unbeknownst to any of us in government or in the outside, was already under way; but the threat posed by the radical anti-Western Islamic regime in Afghanistan was well known. An aggressive new policy to counteract this threat was needed. After Bush came in, we expected some changes. But having worked in the Reagan White House, I understood that it took time for a new President to appoint staff and set new policy and to begin to take control of government.

Nevertheless, during that brief interlude, and it was brief, between Bush's inauguration and 9/11, I met with the new national security staff on 3 occasions, including one meeting with Condoleezza Rice to discuss Afghanistan. There were, in fact, signs noted in an overview story in The Washington Post about a month ago that some steps were being made to break away from the previous administration's Afghan policy. And the previous administration's Afghan policy was a pro-Taliban policy, a policy of not supporting the opposition to the Taliban, even as Afghanistan became the base of operations for bin Laden, who was conducting terrorist activities against us.

One thing was certain to me at that time. George W. Bush, unlike his predecessor, would have a bold and unmistakable response to bin Laden's terrorist attacks.

□ 2320

As I stated earlier, we know now that those who planned and financed the 9/11 attack did not believe the United States would act forcefully and as unrelentingly as we have. This calculation resulted from the tepid American response to earlier al Qaeda attacks from Africa to New York City. But here again was an example of a rotten policy where we let these terrorist attacks happen and did not retaliate with our full strength that led to 9/11.

And, yes, had we retaliated more aggressively, had we retaliated more aggressively when our embassies were blown up in Kenya and Tanzania, the terrorists we have captured now tell us had we done that, had we responded more aggressively, they would have had second thoughts about taking this plan to fly their planes into the buildings in New York, they would have had second thoughts and might have pulled back.

I took pride in those days as being one Member of Congress, and this was before 9/11, who maintained an interest in Afghanistan, which I saw even then as a major national security threat to our country. It was an American calamity waiting to happen.

Then just a few days before 9/11, the news came that Commander Masood had been murdered in Afghanistan. I felt as if I had lost a close friend. And as I mourned his loss, I struggled to fully understand the significance of his death. Then it dawned on me. It dawned on me why Masood had been assassinated. America was going to be attacked. It would be so monstrous that bin Laden's gang in Afghanistan wanted to cut us off from a means of counterattacking them in their base of operations in Afghanistan. We would have turned to Masood if we were attacked. That is what we would have done, and they were cutting us off from turning to Masood, but now Masood was dead.

Perhaps his death was a signal to set the planned attack on our country in motion. So on September 10, after I had figured that out a few days before 9/11, on September 10 I tried to alert anyone and everyone who would listen to me. I tried to give my warnings of an imminent terrorist attack. A few people listened as a courtesy, but for most people their eyes simply glazed over as I tried to warn them. The gentleman from Pennsylvania (Mr. GREENWOOD) stood behind me in an elevator and overheard me lamenting that something horrible was about to happen and that I could not get anyone to take my warnings seriously. It was like being in the Twilight Zone, I said. And as I got off the elevator, he lightheartedly patted me on the back and with a smile told me not to be so melodramatic and certainly not to be so apocryphal.

Undeterred, I called the White House and asked for an emergency appointment with Condoleezza Rice in order to warn of an impending terrorist attack, a major attack. Her office apologized that she was incredibly busy that day but she respected my opinion and would see me the next day at 3:00 p.m. The next day was 9/11. The planes began flying into the buildings at 8:48 a.m.

I tell this story for one reason. We must ask how is it that one Member of Congress, with the help of one staff member, was able to analyze the situation and determine that the terrorists based in Afghanistan were about to launch a major terrorist attack on the United States when the CIA and others failed to do so? We spent billions of dollars on our intelligence apparatus. With one staff member, I was able to figure it out. Why were they not?

Yes, George Tenet should have resigned a long time ago, and he is certainly at the top of the list of those who should be held accountable for 9/11, for not thwarting the attack or not even warning us of the attack that was coming.

On 9/11 there was another incident that underscored this about the CIA. Shortly after the attack, I called King Zhir Shah in Rome. He was now America's greatest asset for any action that would be taken against the terrorist forces in Afghanistan. Masood was dead, but the Afghan people would rally behind the king. Well, if I could figure that out, that the king of Afghanistan exiled in Rome was our greatest asset in this war that we were in because thousands of our people had just been killed before our eyes, the Taliban certainly could have figured that out.

So I was shocked to find out that King Zhir Shah in his villa in Rome had no protection. He was totally vulnerable. So I told the king to stay put and went to work. Among others I called the CIA and managed to speak directly to one of Tenet's top lieutenants. I explained the situation, and he acknowledged the importance of the king, assuring me that he would take care of it.

A few hours later, I happened to talk to this gentleman again, and I will never forget the response, his response, when I asked if the king was under protection at that moment. This was 5 hours later. "You don't expect us to act that fast, do you?"

Just like the FBI, there was something wrong with the mindset at the CIA. Yes, we expect them—our people in the CIA—to act at a time when we have long-distance telephone calls and digital communication to act that fast at a time when thousands of Americans are losing their lives and we had no idea how many more would be losing their lives. And that mindset of "you did not expect us to act that fast," that blame must be placed on George Tenet. So his name is to be on that list and underlined.

By the way, late in the day on 9–11, the gentleman from Pennsylvania (Mr. GREENWOOD) came running up to me when he saw me and said, "How did you know? How did you know?" Well, the question is why did any of us not know? Why did we not know? Why did those whom we have hired to protect us not know?

It is time for those who made possible the rise of the Taliban, the rise of bin Laden, and, yes, the tragedy of 9–11 to be held personally accountable and for us to understand the policies and the people that caused 9–11. It was not something that was ordained by God to happen. It could have been stopped had we been responsible and had people done their job.

The list stretches over both Republican and Democratic administrations. Through the failures of the CIA under Ronald Reagan when the CIA fellow in Islamabad channeled our money to fanatics when there were other people fighting the communists, the Soviets, who would have been happy to get those supplies. We could have built their strength up. So from that failure to the blunders of the State Department under George Bush to the incompetence and disingenuous posturing of the diplomats under Bill Clinton, accountability requires that their names be given.

Retired General Patrick Hughes, who as head of the Defense Intelligence Agency, fired Julie Sirrs and today holds a high position in the Department of Homeland Security. He must accept responsibility for something he did that was just demonstrably wrong. Former ambassador and now Governor Bill Richardson, a man who was our ambassador to the United Nations, a good person, a good human being whom I personally like, he, under orders from who knows who, saved the Taliban from defeat when they were vulnerable. He personally did, along with Former Assistant Secretary of State Rick Inderfurth.

Had the Taliban been defeated as they were in a position of being defeated, 9–11 just would not have happened. There would not have been a staging area for bin Laden to operate out of, and, as I say, the former CIA Officer Milton Bearden, who armed the most fanatic of the Afghan forces who struggled against the Soviet occupation.

The former CIA Director George Tenet, whose culpability I have mentioned several times, he resigned. He should have done so long ago. Former Secretary of State Madeleine Albright, she was the point person for the policy of covert support for the Taliban, and she was the one who detailed the opportunity for us to receive information from Sudan that would have permitted us to eliminate bin Laden's terrorist network. Of course it was not the policy. She was doing something that was consistent with the policy of that administration.

□ 2330

Then, of course, Dick Clarke, who has criticized this President for the few months he had in power before 9/11, was, along with a few others, in a high level position to argue against, if not to change, the grotesquely mistaken policies of the eighties and nineties, but he failed to do so. In fact, we know a few of the things that he did were exactly in the wrong direction.

If another 9/11 is to be avoided, we need accountability. We do not need the rearranging of a bureaucratic organizational chart. There is nothing wrong with our system that brought on 9/11, and there is nothing wrong with our system which will not be corrected by having different policies in place and different people in positions of authority.

Let us now, if nothing else, be honest with each other. We have Ms. Gorelick, who is on the panel investigating 9/11, when she herself issued mandates that undercut our ability to fight terrorism back in the 1990s. Let us be honest with each other. Let us have an honest accounting. We can start right there by relieving that person from her responsibilities and looking at that role that she played that undercut the ability of our departments and agencies to do their job.

So, let us be honest with one another, have an honest accounting, and then let us join together and let us commit ourselves to defeating this murderous enemy, this enemy that would destroy our way of life, who hates everything that America stands for, and let us defeat this enemy so completely that no one will ever again miscalculate about the power of the American people or the courage of the American people.

Today, we have a chance to make a better world for tomorrow. We saw where people and policies of a decade ago have left us in this turmoil and this bloodshed that we face today. But if we have courage, and our President has this courage, and he is unrelenting, and if we get behind him, and if the American people are unified in our commitment, this threat, just like the threat of Nazism and Japanese militarism in the 1940s and 1930s, we defeated that threat to mankind, and then we defeated the threat of communism.

But if we are honest with ourselves and we move forward, correcting our mistakes, and there will always be mistakes, there were mistakes in World War II, there were mistakes in the war against communism, but if we correct our mistakes and insist that people be held accountable, we will build a future for our children that is secure, and we will build a country that can live in peace and prosperity and in friendship with others.

More than that, we will live in friendship with all people, especially those moderate Muslims who do not share in the hatred and are appalled by the hatred of bin Laden towards the West. Let us build a world where Christians and Muslims can respect each other's faith. But we need to take the leadership. We cannot depend on the Saudis or the Pakistanis or anyone else to provide the leadership. It is up to the people of the United States and our leaders here to lead the way, and I have every confidence that our President will do and is doing just that.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BECERRA (at the request of Ms. PELOSI) for today on account of personal reasons.

Ms. CARSON of Indiana (at the request of Ms. PELOSI) for today on account of personal reasons.

Mr. EMANUEL (at the request of Ms. PELOSI) for June 18 and today on account of personal reasons.

Mr. FROST (at the request of Ms. PELOSI) for today on account of personal reasons.

Mr. HASTINGS of Florida (at the request of Ms. PELOSI) for today on account of illness in the family.

Mr. REYES (at the request of Ms. PELOSI) for today and June 22 on account of a family health matter.

Mr. MCINNIS (at the request of Mr. DELAY) for today and June 22 and 23 on account of attending a funeral.

Mr. PORTER (at the request of Mr. DELAY) for today on account of official business.

Mr. PUTNAM (at the request of Mr. DELAY) for today on account of official business.

Mr. TAUZIN (at the request of Mr. DELAY) for today and the balance of the week on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mrs. MCCARTHY of New York) to revise and extend their remarks and include extraneous material:

Mrs. MCCARTHY of New York, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. BLUMENAUER, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Ms. SOLIS, for 5 minutes, today.

The following Members (at the request of Mr. JONES of North Carolina) to revise and extend their remarks and include extraneous material:

Mr. GOODLATTE, for 5 minutes, June 22.

Mr. BURTON of Indiana, for 5 minutes, June 22, 23, 24, and 25.

Mr. GUTKNECHT, for 5 minutes, today and June 22.

Mrs. MUSGRAVE, for 5 minutes, today.

Mr. GINGREY, for 5 minutes, today.

ADJOURNMENT

Mr. ROHRABACHER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly under its previous order, the House adjourned (at 11 o'clock and 34 minutes p.m.), until tomorrow, Tuesday, June 22, 2004, at 9 a.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8669. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Air Force's Proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services (Transmittal No. 04-09), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

8670. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

8671. A letter from the Chairman, Consumer Product Safety Commission, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 2003 through March 31, 2004, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8672. A letter from the Secretary, Department of the Agriculture, transmitting the Department's Report to Congress on Fiscal Year 2003 Competitive Sourcing Efforts in accordance with section 647(b) of Division F of the Consolidated Appropriations Act, 2004, Pub. L. 108-199; to the Committee on Government Reform.

8673. A letter from the Secretary, Department of Agriculture, transmitting the Department's competitive sourcing policy and FY 2004 budget for contracting out in accordance with Division A of the Consolidated Appropriations Act, 2004, Pub. L. 108-199; to the Committee on Government Reform.

8674. A letter from the Secretary, Department of Veterans Affairs, transmitting the semiannual report on activities of the Inspector General for the period October 1, 2003, through March 31, 2004, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8675. A letter from the Secretary, Department of Veterans Affairs, transmitting in accordance with Section 647(b) of the Transportation and Treasury Appropriations Act, FY 2004 Pub. L. 108-199 and the Office of Management and Budget Memorandum 04-07, the Department's Report to Congress on FY 2003 Competitive Sourcing Efforts; to the Committee on Government Reform.

8676. A letter from the Director, National Gallery of Art, transmitting in response to OMB Memorandum 04-07, dated February 26, 2004, the National Gallery of Art's FY 2003 Inventory of Commercial and Inherently Governmental Activities Report; to the Committee on Government Reform.

8677. A letter from the Deputy Director for Management, Office of Management and Budget, transmitting the Administration's competitive sourcing initiative for FY 2003, in accordance with Section 647(b) of the Transportation, Treasury, and Independent Agencies Appropriations Act, FY 2004 (Division F of the Consolidated Appropriations Act, Pub. L. 108-199); to the Committee on Government Reform.

8678. A letter from the Regulations Officer, FHA, Department of Transportation, transmitting the Department's final rule — National Standards for Traffic Control Devices; the Manual on Uniform Traffic Control Devices for Streets and Highways; Specific Service and General Service Signing for 24-HOur Pharmacies [Docket No. FHWA-2004-17321] (RIN: 2125-AF02) received May 19, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8679. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Raytheon Aircraft Company Model 1900C Airplanes [Docket No. 2003-CE-27-AD; Amendment 39-13620; AD 2004-09-30] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8680. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Honeywell International Inc. (formerly AlliedSignal Inc., Garrett Turbine Engine Company, and AiResearch Manufacturing Company of Arizona) TPE331-10 and -11 Series Turboprop Engines [Docket No. 2003-NE-02-AD; Amendment 39-13619; AD 2004-09-29] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8681. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Bombardier Model DHC-7-100 Series Airplanes [Docket No. 2003-NM-153-AD; Amendment 39-13612; AD 2000-02-07 R1] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8682. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; General Electric Company CF6-80E1 Model Turbofan Engines [Docket No. 2001-NE-45-AD; Amendment 39-13625; AD 2004-09-34] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8683. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Oshkosh, NE. [Docket No. FAA-2004-17427; Airspace Docket No. 04-ACE-27] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8684. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Superior, NE. [Docket No. FAA-2004-17432; Airspace Docket No. 04-ACE-30] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8685. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Minden, NE. [Docket No. FAA-2004-17426; Airspace Docket No. 04-ACE-26] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8686. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Holdrege, NE. [Docket No. FAA-2004-17425; Airspace Docket No. 04-ACE-25] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8687. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Eurocopter France Model AS332C, L, and L1 Helicopters; Correction [Docket No. 2002-SW-45-AD; Amendment 39-13471; AD 2004-03-27] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8688. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Eurocopter France Model AS355E, F, F1, F2, and N Helicopters [Docket No. 2003-SW-56-AD; Amendment 39-13495; AD 2004-01-51] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8689. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; McDonnell Douglas Model DC-8-70 and -70F Series Airplanes [Docket No. 2001-NM-133-AD; Amendment 39-13532; AD 2004-06-06] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8690. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Engine Components Incorporated (ECi) Reciprocating [Docket No. 2004-NE-07-AD; Amendment 39-13579; AD 2004-08-10] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8691. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Saab Model SF340A and SAAB 340B Series Airplanes [Docket No. 2002-NM-146-AD; Amendment 39-13626; AD 2004-09-35] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8692. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Saab Model SAAB 340B Series Airplanes Equipped with Hamilton Sundstrand Propellers [Docket No. 2002-NM-200-AD; Amendment 39-13630; AD 2004-09-39] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8693. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Saab Model SAAB 2000 Series Airplanes [Docket No. 2002-NM-261-AD; Amendment 39-13610; AD 2004-09-21] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8694. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Saab Model SAAB 2000 Series Airplanes [Docket No. 2002-NM-NM-259-AD; Amendment 39-13615; AD 2004-09-25] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8695. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Gulfstream Aerospace LP Model 1125 Westwind Astra Series Airplanes [Docket No. 2001-NM-402-AD; Amendment 39-13609; AD 2004-09-20] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8696. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Raytheon Model Hawker 800XP Airplanes [Docket No. 2002-NM-277-AD; Amendment 39-13616; AD 2004-09-26] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8697. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Bombardier Model DHC-8-102, -103, -106, -201, -202, -301, -311, and -315 Series Airplanes [Docket No. 2004-NM-38-AD; Amendment 39-13623; AD 2004-03-14 R1] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8698. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747-400 and 747-400D Series Airplanes [Docket No. 2003-NM-93-AD; Amendment 39-13624; AD 2004-09-33] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8699. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Dornier Model 328-300 Series Airplanes [Docket No. 2003-NM-138-AD; Amendment 39-13611; AD 2004-09-22] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8700. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 727 Series Airplanes [Docket No. 2002-NM-273-AD; Amendment 39-13627; AD 2004-09-36] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8701. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Dornier Model 328-300 Series Airplanes [Docket No. 2003-NM-121-AD; Amendment 39-13629; AD 2004-09-38] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8702. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Pratt & Whitney JT9D-3A, -7, -7A, -7AH, -7H, -7F, -7J, -20, and -20J Turbofan Engines [Docket No. 2003-NE-34-AD; Amendment 39-13631; AD 2004-10-01] (RIN: 2120-AA64) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8703. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification to Congress regarding the Incidental Capture of Sea Turtles in Commercial Shrimping Operations, pursuant to Public Law 101—162, section 609(b); jointly to the Committees on Resources and Appropriations.

8704. A letter from the Administrator, Small Business Administration, transmitting a proposed legislative package containing provisions to implement the President's Fiscal Year 2005 Buget, provisions amending the SBA's existing statutory authority and other legislative initiatives relating to SBA programs and services; jointly to the Committees on Small Business, the Judiciary, and Government Reform.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Transportation and Infrastructure. H.R. 3266. A bill to authorize the Secretary of Homeland Security to make grants to first responders, and for other purposes; with amendments (Rept. 108–460, Pt. 3). Ordered to be printed.

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 3266. A bill to authorize the Secretary of Homeland Security to make grants to first responders, and for other purposes; with an amendment (Rept. 108–460, Pt. 4). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Transportation and Infrastructure. H.R. 3742. A bill to designate the United States courthouse and post office building located at 93 Atocha Street in Ponce, Puerto Rico, as the "Luis A. Ferre United States Courthouse and Post Office Building" (Rept. 108–556). Referred to the House Calendar.

Mr. YOUNG of Alaska: Committee on Transportation and Infrastructure. H.R. 3884. A bill to designate the Federal building and United States courthouse located at 615 East Houston Street in San Antonio, Texas, as the "Hipolito F. Garcia Federal Building and United States Courthouse" (Rept. 108–557). Referred to the House Calendar.

Mr. GOSS: Permanent Select Committee on Intelligence. H.R. 4548. A bill to authorize appropriations for fiscal year 2005 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; with an amendment (Rept. 108–558). Referred to the Committee of the Whole House on the State of the Union.

Mrs. MYRICK: Committee on Rules. House Resolution 683. Resolution providing for consideration of the bill (H.R. 4613) making appropriations for the Department of Defense for the fiscal year ending September 30, 2005 (Rept. 108–559). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mrs. CUBIN:

H.R. 4625. A bill to reduce temporarily the royalty required to be paid for sodium produced on Federal lands, and for other purposes; to the Committee on Resources.

By Mr. GREENWOOD (for himself and Mr. GREEN of Texas):

H.R. 4626. A bill to amend title XVIII of the Social Security Act to provide for coverage of screening ultrasound for abdominal aortic aneurysms under part B of the Medicare Program; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. BERKLEY:

H.R. 4627. A bill to redirect the Nuclear Waste Fund established under the Nuclear Waste Policy Act of 1982 into research, development, and utilization of risk-decreasing technologies for the onsite storage and eventual reduction of radiation levels of nuclear waste, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Science, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DINGELL (for himself, Mr. Andrews, Mr. Berry, Mr. Stenholm, Mr. George Miller of California, Mr. Waxman, Mr. Stark, Mr. Rangel, Mr. Brown of Ohio, Ms. Pelosi, Mr. Hoyer, Mr. Menendez, Mr. Frost, Mr. Sandlin, Mr. Edwards, Mr. Davis of Florida, Mr. Meehan, Mr. Lampson, Mr. Holden, Mr. Green of Texas, Mr. Bell, Mr. Moore, Mr. Turner of Texas, Mr. Pallone, Mrs. Capps, Mr. Meeks of New York, Ms. Schakowsky, Mrs. Maloney, Ms. DeLauro, Ms. Waters, Mr. Larson of Connecticut, Mr. Jackson of Illinois, Mr. Kennedy of Rhode Island, Ms. Slaughter, Mr. Serrano, Mr. Lipinski, Mr. Etheridge, Mr. Boswell, Mr. Strickland, Mr. Holt, Ms. Kaptur, Mr. Ackerman, Mr. Hinchey, Mr. McNulty, Mr. Gordon, Ms. DeGette, Ms. Kilpatrick, Mr. Spratt, Mr. Skelton, Mr. Conyers, Mr. Doyle, Mr. Oberstar, Mr. Stupak, Mr. Sherman, Mrs. McCarthy of New York, Ms. Linda T. Sánchez of California, and Mrs. Tauscher):

H.R. 4628. A bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage; to the Committee on Energy and Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GARRETT of New Jersey (for himself, Mr. Feeney, Mr. Chocola, Mr. Wilson of South Carolina, Mr. Shadegg, Mr. Hostettler, Mr. Pence, Mr. Franks of Arizona, Mr. Istook, Mrs. Cubin, Mr. Goode, Mr. Doolittle, Mr. Burton of Indiana, Mr. Kingston, Mr. Norwood, Mrs. Musgrave, Mr. Weldon of Florida, Mr. English, Mr. Paul, Mr. Wolf, Mr. Souder, and Mr. Isakson):

H.R. 4629. A bill to amend the Internal Revenue Code of 1986 to modify the alternative minimum tax on individuals by permitting the deduction for State and local taxes and to adjust the exemption amounts for inflation; to the Committee on Ways and Means.

By Ms. HOOLEY of Oregon:

H.R. 4630. A bill to amend title 10, United States Code, to provide that an officer of the Army or Air Force on the active-duty list may not be promoted to brigadier general unless the officer has had a duty assignment of at least one year involving the administration of the National Guard or Reserves; to the Committee on Armed Services.

By Mr. KUCINICH (for himself and Mr. LaTourette):

H.R. 4631. A bill to fund capital projects of State and local governments, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Financial Services, and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MEEKS of New York (for himself, Mr. Bishop of New York, Mr. Israel, Mr. King of New York, Mrs. McCarthy of New York, Mr. Ackerman, Mr. Crowley, Mr. Nadler, Mr. Weiner, Mr. Towns, Mr. Owens, Ms. Velázquez, Mr. Fossella, Mrs. Maloney, Mr. Rangel, Mr. Serrano, Mr. Engel, Mrs. Lowey, Mrs. Kelly, Mr. Sweeney, Mr. McNulty, Mr. Hinchey, Mr. McHugh, Mr. Boehlert, Mr. Walsh, Mr. Reynolds, Mr. Quinn, Ms. Slaughter, and Mr. Houghton):

H.R. 4632. A bill to designate the facility of the United States Postal Service located at 19504 Linden Boulevard in St. Albans, New York, as the "Archie Spigner Post Office Building"; to the Committee on Government Reform.

By Mr. MATSUI:

H.J. Res. 99. A joint resolution providing for the appointment of Eli Broad as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on House Administration.

By Mr. McCOTTER (for himself and Mr. Dingell):

H.J. Res. 100. A joint resolution recognizing the 100th anniversary year of the founding of the Ford Motor Company, which has been a significant part of the social, economic, and cultural heritage of the United States and many nations and a revolutionary industrial and global institution, and congratulating the Ford Motor Company for its achievements; to the Committee on Energy and Commerce.

By Mr. GREEN of Wisconsin:

H. Con. Res. 458. Concurrent resolution directing the Secretary of the Senate to make technical corrections in the enrollment of the bill S. 2238; considered and agreed to.

By Mrs. CAPITO (for herself and Mr. Kanjorski):

H. Con. Res. 459. Concurrent resolution expressing the sense of the Congress that a postage stamp should be issued to honor coal miners; to the Committee on Government Reform.

By Mr. CHOCOLA:

H. Res. 684. A resolution honoring David Scott Tidmarsh, the 2004 Scripps National Spelling Bee Champion; to the Committee on Government Reform.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

363. The SPEAKER presented a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 13 memorializing the United States Congress to provide sufficient funding for full implementation of the "No Child Left Behind Act" of 2001; to the Committee on Education and the Workforce.

364. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resoultion No. 20 memorializing the United States Congress to support an amendment to the proposed federal budget for Fiscal Year 2005 to fully fund the No Child Left Behind Act of 2001; to the Committee on Education and the Workforce.

365. Also, a memorial of the Legislature of the State of Hawaii, relative to Senate Concurrent Resolutoin No. 18 supporting the courageous leadership of the Unified Buddhist Church of Vietnam and the urgent need for religious freedom and related human rights in the Socialist Republic of Vietnam; to the Committee on International Relations.

366. Also, a memorial of the Legislature of the State of Hawaii, relative to Senate Concurrent Resolution No. 97 memorializing the President and Congress of the United States to support the passage of H.R. 3587 to benefit Filipino World War II veterans and their families; to the Committee on the Judiciary.

367. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 23 memorialzing the United States Congress to take appropriate action to expidite the approval process necessary for foreign teachers to teach in the state's French immersion program; to the Committee on the Judiciary.

368. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 61 memorialzing the United States Congress to appropriate funds for design and construction assistance for water-related environmental infrastructure and resource development and protection projects in Louisiana; to the Committee on Transportation and Infrastructure.

369. Also, a memorial of the Legislature of the State of Hawaii, relative to Senate Concurrent Resolution No. 203 memorializing the United States Congress to support the passage of S. 68, relating to improving benefits for Filipino veterans of World War II; to the Committee on Veterans' Affairs.

370. Also, a memorial of the House of Representatives of the State of Michigan, relative to House Resoultion No. 257 memorializing the United States Congress to implement a 36 percent federal wagering tax on gross receipts at Native American casinos and to redistribute the revenues to the states of origin; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 218: Mr. Blumenauer.

H.R. 303: Mr. Hill.

H.R. 434: Mr. Istook.

H.R. 584: Mr. Bishop of Georgia.

H.R. 1043: Ms. Hooley of Oregon and Ms. DeLauro.

H.R. 1231: Mr. Collins

H.R. 1316: Mr. Lewis of Georgia.

H.R. 1329: Ms. Ros-Lehtinen.

H.R. 1563: Mr. Hinchey.

H.R. 1684: Ms. Woolsey.

H.R. 1863: Mr. Price of North Carolina.

H.R. 2023: Mr. Terry, Mr. Acevedo-Vilá and Mr. Saxton.

H.R. 2125: Mr. Chandler.

H.R. 2291: Mr. Chandler.

H.R. 2505: Mr. Peterson of Minnesota and Mr. Smith of New Jersey.

H.R. 2727: Mr. Doggett.

H.R. 2852: Mr. Ryan of Ohio.

H.R. 2929: Mr. Burns.

H.R. 3113: Mr. Garrett of New Jersey.

H.R. 3180: Mr. Olver.

H.R. 3193: Mr. Knollenberg, Mr. Bilirakis, Mr. Lewis of California, and Mr. Strickland.

H.R. 3266: Mr. Lantos, Mr. Meehan, Mrs. Davis of California, Mr. Smith of New Jersey, Mrs. Maloney, and Mr. Lewis of Georgia.

H.R. 3355: Mr. Holden.

H.R. 3476: Mr. Smith of New Jersey and Mr. LoBiondo.

H.R. 3523: Mr. Gutierrez and Mr. Lewis of Georgia.

H.R. 3579: Mr. Lampson.

H.R. 3619: Mr. Sweeney.

H.R. 3634: Mr. Ramstad.

H.R. 3801: Mr. Gingrey.

H.R. 3831: Mr. Blumenauer.

H.R. 3834: Mr. CALVERT.

H.R. 4016: Mr. TOWNS.

H.R. 4104: Mr. LANGEVIN.

H.R. 4108: Mr. DOYLE, Ms. JACKSON-LEE of Texas, Mr. LATHAM, Mr. MURPHY, Mr. MOORE, Mr. DOGGETT, Mr. WELDON of Florida, and Mr. PALLONE.

H.R. 4155: Mr. GONZALEZ.

H.R. 4202: Mr. SCOTT of Virginia.

H.R. 4206: Mr. WALSH.

H.R. 4212: Ms. LEE, Mrs. TAUSCHER, Mr. CARDOZA, Ms. ESHOO, and Ms. WOOLSEY.

H.R. 4214: Mr. CANTOR and Mr. WEXLER.

H.R. 4256: Mr. CLAY.

H.R. 4257: Mr. MORAN of Kansas.

H.R. 4261: Mr. CARDIN and Mr. THOMPSON of Mississippi.

H.R. 4295: Mr. TERRY.

H.R. 4370: Mr. MATSUI and Mr. RUPPERSBERGER.

H.R. 4391: Mr. EDWARDS.

H.R. 4413: Mr. OTTER, Mr. FROST, and Mr. GONZALEZ.

H.R. 4430: Mr. CALVERT and Mr. UPTON.

H.R. 4440: Mr. GOODLATTE and Mr. ADERHOLT.

H.R. 4499: Mr. CULBERSON.

H.R. 4530: Mr. BUYER and Mr. SAM JOHNSON of Texas.

H.R. 4578: Mr. HALL, Mr. McDERMOTT, Mr. OBERSTAR, Mr. DICKS, Mr. HOBSON, Mr. REGULA, and Mr. GREEN of Texas.

H.R. 4586: Mr. BOUCHER.

H.R. 4595: Mr. WAXMAN, Mr. HOLDEN, Mr. SAXTON, Mrs. McCARTHY of New York, and Mr. OLVER.

H.R. 4600: Mr. ALLEN, Mr. SHAYS, and Mr. MEEKS of New York.

H.R. 4605: Mr. ALLEN, Mr. MICHAUD, Mrs. JONES of Ohio, and Mr. MEEKS of New York.

H. Con. Res. 319: Ms. ESHOO, Mr. McCOTTER, Mr. ACKERMAN, and Mr. SHERMAN.

H. Con. Res. 425: Mr. TURNER of Texas, Mr. MATSUI, Mr. CANTOR, Mr. CROWLEY, and Mr. RENZI.

H. Con. Res. 430: Mr. NEY and Mr. REGULA.

H. Con. Res. 436: Mr. ENGEL, Mrs. McCOLLUM, Mr. TANCREDO, Mr. LEACH, Mr. HOUGHTON, Ms. ROS-LEHTINEN, and Mr. FLAKE.

H. Con. Res. 443: Mr. SIMPSON and Mr. DUNCAN.

H. Con. Res. 449: Mr. ETHERIDGE, Mr. WILSON of South Carolina, Mr. MOORE, Mr. COLLINS, Mr. McCOTTER, and Ms. MILLENDER-McDONALD.

H. Con. Res. 450: Mr. WICKER, Mr. SNYDER, Ms. KAPTUR, Mr. BAIRD, Mr. KILDEE, Mr. ROSS, Mr. RODRIGUEZ, Ms. SCHAKOWSKY, and Mr. McCOTTER.

H. Con. Res. 456: Mr. WAMP.

H. Res. 466: Mr. SNYDER.

H. Res. 550: Mr. WEINER.

H. Res. 567: Mr. SHUSTER and Mr. COLE.

H. Res. 591: Mr. McCOTTER.

H. Res. 604: Mr. RUPPERSBERGER and Mr. ENGEL.

H. Res. 667: Mr. AKIN, Mr. FOLEY, Ms. LORETTA SANCHEZ of California, Mr. CROWLEY, Mr. BLUNT, Mr. BERMAN, Ms. ROS-LEHTINEN, Mr. DeLAY, Mr. BARTON of Texas, and Mr. WELLER.

H. Res. 679: Mr. HOEKSTRA, MR. EHLERS, Mr. CAMP, Mr. SMITH of Michigan, Mrs. MILLER of Michigan, and Mr. McCOTTER.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 163: Ms. NORTON.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

84. The SPEAKER presented a petition of the Township Council of the Township of Mahwah, New Jersey, relative to a resolution petitioning the United States Congress to adopt the appropriate legislation to reduce cable television costs, increase customer satisfaction, encourage competition in the cable and satellite markets and prevent the cable industry from discriminating against potential customers; to the Committee on Energy and Commerce.

85. Also, a petition of the Legislature of Rockland County, New York, relative to Resolution No. 117 of 2004 petitioning the United States Congress to take all steps necessary to ensure that the phrase "under God" remains in the Pledge of Allegiance; to the Committee on the Judiciary.

86. Also, a petition of the Legislature of Rockland County, New York, relative to Resolution No. 154 of 2004 petitioning the United States Congress to pass S. 1684 and H.R. 1886; jointly to the Committees on Energy and Commerce and Education and the Workforce.

87. Also, a petition of the Council of the City of Parma Heights, Ohio, relative to Resolution No. 2004-5 supporting the Breast Cancer Patient Protection Act of 2003; jointly to the Committees on Energy and Commerce and Education and the Workforce.

88. Also, a petition of the citizens of the Town of Leverett, Massachusetts, relative to a resolution petitioning national governments to increase dialogue, work conscientiously to build trust, and maintain and strengthen the Nuclear Non-Proliferation Treaty (NPT); that nuclear-weapon states and de facto nuclear-weapon states, including non-parties to NPT, immediately cease all nuclear development programs, including those intended for space, and bring the Comprehensive Test Ban Treaty into force forwith; and that nations begin to map the road to a nuclear-weapons free world; jointly to the Committees on International Relations and Armed Services.

89. Also, a petition of the Board of Supervisors, La Crosse County, Wisconsin, relative to Resolution No. 3-4104, petitioning the Congress of the United States to authorize funding to construct 1,200-foot locks on the upper Mississippi and Illinois River system; jointly to the Committees on Resources and Transportation and Infrastructure.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

[Omitted from the RECORD *of Friday, June 18, 2004]*

Petition 6, by Mr. TURNER of Texas on House Resolution 523: Raham Emanuel, Artur Davis, Jim Marshall, Hilda L. Solis, Xavier Becerra, Stephanie Tubbs Jones, Gene Taylor, Calvin M. Dooley, Jim Cooper, Stephanie Herseth, Rodney Alexander, Ike Skelton, Brad Miller, James L. Oberstar, Collin C. Peterson, John S. Tanner, Neil Abercrombie, Ron Kind, Bill Pascrell, Jr., Michael M. Honda, Bob Etheridge, Karen McCarthy, Paul E. Kanjorski, Edolphus Towns, Steny H. Hoyer, Joseph Crowley, Jim Davis, Melvin L. Watt, Bernard Sanders, Earl Pomeroy, and George Miller.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 4613

OFFERED BY: MR. BLUMENAUER

AMENDMENT NO. 1: Page 7, line 21, insert after the dollar amount the following: "(increased by $1,400,000,000)".

Page 17, line 21, insert after the dollar amount the following: "(increased by $2,000,000,000)".

Page 33, line 19, insert after the dollar amount the following: "(reduced by $3,500,000,000) (increased by $100,000,000)".

H.R. 4613

OFFERED BY: MR. BLUMENAUER

AMENDMENT NO. 2: Page 7, line 21, insert after the dollar amount the following: "(increased by $60,000,000)".

Page 17, line 21, insert after the dollar amount the following: "(increased by $400,000,000)".

Page 33, line 19, insert after the dollar amount the following: "(reduced by $500,000,000) (increased by $40,000,000)".

H.R. 4613

OFFERED BY: MR. BLUMENAUER

AMENDMENT NO. 3: Page 33, line 19, insert after the dollar amount the following: "(reduced by $5,000,000) (increased by $5,000,000)".

H.R. 4613

OFFERED BY: MR. BLUMENAUER

AMENDMENT NO. 4: Page 7, line 21, insert after the dollar amount the following: "(increased by $140,000,000)".

Page 33, line 19, insert after the dollar amount the following: "(reduced by $200,000,000)".

H.R. 4613

OFFERED BY: MR. BLUMENAUER

AMENDMENT NO. 5: Add at the end of title VIII, the following new section:

SEC. 8 . There shall be an Assistant Deputy Undersecretary of Defense for Military Munitions Response, who shall serve under the Deputy Undersecretary of Defense for Installations and Environment, oversee policy and budgeting issues involving the characterization, remediation, research, and management of military munitions response at former military ranges known or suspected to contain unexploded ordnance or other abandoned military munitions, and be the single point of contact for elements of the military departments with munitions response responsibilities. There shall be a separate account, to be known as "Military Munitions Response Program", through which funds will be provided for the remediation of unexploded ordnance, discarded military munitions, and munitions constituents at Formerly Used Defense Sites.

H.R. 4613

OFFERED BY: MR. BLUMENAUER

AMENDMENT NO. 6: Page 17, line 21, insert after the dollar amount the following: "(increased by $200,000,000)".

Page 33, line 19, insert after the dollar amount the following: "(reduced by $250,000,000) (increased by $50,000,000)".

H.R. 4613

OFFERED BY: MS. VELÁZQUEZ

AMENDMENT NO. 7: At the end of the bill, add the following new title:

TITLE X—ADDITIONAL GENERAL PROVISIONS

SEC. 10001. None of the funds made available in this Act may be used to fund any contract in contravention of section 8(d)(6) of the Small Business Act (15 U.S.C. 637(d)(6)).

H.R. 4613

OFFERED BY: MS. WOOLSEY

AMENDMENT NO. 8: Page 19, line 4, after the dollar amount insert the following: "(increased by $15,000,000)".

Page 33, line 19, after the dollar amount insert the following: "(reduced by $15,000,000)".

EXTENSIONS OF REMARKS

A PROCLAMATION RECOGNIZING ROBERT AND MARY ANN HENDERSHOT

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. NEY. Mr. Speaker:

Whereas, Robert and Mary Ann Hendershot are devoted parishioners of the Antrim United Methodist Church;

Whereas, Robert and Mary Ann have been acknowledged by the Antrim United Methodist Church for 72 years of good attendance;

Whereas, Robert and Mary Ann should be commended for their excellence, for their devotion to God, and for their ongoing dedication to both their Church and their fellow parishioners; and

Therefore, I join with the residents of the entire 18th Congressional District of Ohio in honoring and congratulating Robert and Mary Ann for this outstanding accomplishment.

IN HONOR OF NANCY BASTIDAS

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. CASTLE. Mr. Speaker, it is with great pleasure that I rise today to recognize the achievements of Nancy Bastidas upon her selection as the Girls Inc. "Strong, Smart and Bold Award Winner" in Delaware.

Girls Inc. is a nonprofit youth organization dedicated to inspiring our nation's young women to reach their goals. On this, its 50th Anniversary, I take great pride in honoring Girls Inc. and the wonderful young Delawareans who have achieved success through the guidance of this special program.

Ms. Bastidas is the founder, chairman, and chief executive officer of Delaware Hispanic, LLC. Throughout the years, she has worked to better the lives of young women by focusing on our Hispanic community. She is the founder of Delaware's first Hispanic Internet Magazine and the Delaware Latino Political Action Committee, and she is the publisher of the Delaware Hispanic Yellow Pages and the Delaware Hispanic Guide to Government. In addition, Ms. Bastidas is the owner of a small business and is working to obtaining her college degree, all while serving as wonderful inspiration to young women.

Mr. Speaker, I commend and congratulate Ms. Bastidas and Girls Inc. for their dedication to improving and enhancing the lives of women. Ms. Bastidas' involvement with Girls Inc. and her selflessness serves as an example to us all. She is an inspiring and exemplary Delawarean.

DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS ACT, 2005

SPEECH OF

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4567) making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes:

Mr. BACA. Mr. Chairman, I rise in support of the Roybal-Allard amendment to the Homeland Security Appropriations bill. This amendment stops the privatization of nearly 1,500 employees that are critical to our Nation's security.

The American people depend on these federal employees to process, investigate, and adjudicate applications for immigration rights and benefits in a timely and thorough manner. They also weed out frivolous and fraudulent applications and identify criminals and terrorists attempting to abuse the process. These federal employees perform background checks and search classified databases to investigate people that want to enter our country.

Why do we want an unaccountable and low-bid contractor to have the power to allow another 9–11 by cutting corners or not reading all the background? We cannot allow the profit margin to exist in our commitment to homeland security! Why did we federalize airport security if we are going to fire the federal employees that prevent terrorists from getting into our country?

Another important reason why we need to stop privatization of these employees is because immigrants and their families depend on them to navigate through the complex maze of immigration laws and regulations. Immigration Information Officers, for instance, are the last remaining federal employees that help immigrants with legal advice. The toll free phone line, since it was privatized, has simply become a phone line that reads out internet based information. It would be hypocritical to punish immigrants for minor mistakes in their immigration, but deny them the legal advice necessary to comply with the law.

For the security of our Nation and to ensure immigrants get sound legal assistance, we must prevent the privatization of Immigration Information Officers, Contract Representatives, and Investigative Analysts.

I urge my colleagues to support the Roybal-Allard amendment.

A SALUTE TO MEDAL OF HONOR RECIPIENT WESLEY FOX

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. WOLF. Mr. Speaker, it is my pleasure today to recognize the outstanding service of Colonel Wesley Fox, USMC (retired), of Front Royal, Virginia. Colonel Fox was one of only five Marines to receive the Medal of Honor for their valiant heroism during Operation Dewey Canyon in Vietnam and he was the only one who survived to wear it. A bronze plaque will be placed in the Warren County Courthouse on July 7 honoring Colonel Fox.

Raised in Front Royal with ambitions toward farming, Colonel Fox followed his cousins into the armed services at the onset of the Korean War. At the age of 18 he was thrust into intense fighting after only five months in the U.S. Marine Corps. Just nine months later, he was carried off the field of battle due to wounds that would alter his life plan. He would remain in the Marine Corps and over the following 16 years he worked his way through all the enlisted ranks to first sergeant.

Instead of taking the more conventional path of retirement, Colonel Fox chose to begin the climb through the officers' ranks. His tour of duty took him again to the battlefield of Vietnam as a first lieutenant. In Operation Dewey Canyon he led his 1st Battalion 9th Marines, called the "Walking Dead." Despite losing three quarters of his men and receiving several wounds, Colonel Fox continued to valiantly lead his troops. By the end of the war he would be awarded the Medal of Honor by President Nixon and would rise to the rank of captain.

Forced to retire at age 62 after an unprecedented 43 years of service, Colonel Fox continued to serve his country working with the Corps of Cadets at Virginia Polytechnic Institute. He had the unique distinction of working his way through every rank from private to colonel. Colonel Fox is a member of the United States Marine Corps Hall of Heroes.

Front Royal has the distinction of being the only town in the United States that has produced two Medal of Honor recipients. It is my honor and privilege to salute Colonel Fox and extend gratitude and congratulations to him as our country did 33 years ago with our Nation's highest award for military heroism. We say to him, "Semper Fi!"

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

A PROCLAMATION THANKING SPECIALIST FIRST CLASS LORI ANN PIESTEWA FOR HER SERVICE TO OUR COUNTRY

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. NEY. Mr. Speaker:

Mr. RENZI and myself hereby offer our heartfelt condolences to the family, friends, and community of Specialist First Class Lori Ann Piestewa upon the death of this outstanding soldier; and

Whereas, Specialist First Class Piestewa was a member of the 507th Ordnance Maintenance Company serving her great nation in the country of Iraq. She was a leader in her unit and is to be commended for the honor and bravery that she displayed while serving our nation in this time of war; and

Whereas, Specialist First Class Piestewa will be remembered for her unsurpassed sacrifice of self while protecting others. Her example of strength and fortitude will be remembered by all those who knew her; and

Therefore, we join with the family, friends and the citizens of our great nation in thanking Specialist First Class Lori Ann Piestewa of the United States Army for her service to our country. Your service has made us proud.

◆

IN HONOR OF JOCELYN SAUNDERS

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. CASTLE. Mr. Speaker, it is with great pleasure that I rise today to recognize the achievements of Jocelyn Saunders upon her selection as a Girls Inc. "Strong, Smart and Bold Award Winner" in Delaware.

Girls Inc. is a nonprofit youth organization dedicated to inspiring our nation's young women to reach for the stars. On this, its 50th Anniversary, I take great pride in honoring Girls Inc. and the wonderful young Delawareans who have achieved success through the guidance of this special program.

Ms. Saunders, a former All-American Swimmer, is an IronMan Triathlon and Women's World Championship in Marathon Swimming winner and is the youngest person to swim 32 miles across Lake Ontario. As a girls swim coach, Ms. Saunders uses her expertise in the sport to encourage young women to accomplish their goals. In addition, she has overcome critical injuries suffered in a car accident to serve as an outstanding volunteer and contributor of more than a quarter-million dollars to non-profit organizations.

Mr. Speaker, I commend and congratulate Ms. Saunders and Girls Inc. for their dedication to improving and enhancing the lives of women. Ms. Saunders' involvement with Girls Inc. and her selflessness serves as an example to us all. She is an inspiring and exemplary Delawarean.

DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS ACT, 2005

SPEECH OF

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18, 2004

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4567) making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes:

Mr. BACA. Mr. Chairman, I rise in support of the amendment by Representative JACKSON-LEE. We need to ensure that conferees discuss the issue of Homeland Security funding for minority institutions of higher learning.

Hispanic Serving Institutions and Community Colleges are crucial partners in our country's struggle to protect the homeland.

Mr. Chairman, there are 242 Hispanic Serving Institutions in this country, 79 in California alone.

We cannot ignore the HBCUs, HSIs and the 1,166 nationwide Community College systems in this country.

They have a unique and important role in serving our communities, especially in the area of research and development of homeland security-related programs and services.

Statistically, HSI's and Community Colleges receive significantly less government RFP awards than larger educational institutions.

This amendment would encourage the Appropriations conferees to consider adding language to the bill to ensure that HSI's and Community Colleges receive a fair share of government grants.

Mr. Chairman, this is an important issue to all minority-serving institutions in this country. I urge my colleagues to support this amendment.

◆

A SALUTE TO WILLIAM R. WREN

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. WOLF. Mr. Speaker, it is my pleasure today to recognize my friend and constituent, Mr. William R. Wren, on the occasion of his retirement from active service on the governing body of the City of Manassas Park, Virginia.

Bill's faithful service to the City of Manassas Park on the City Council, Potomac and Rappahannock Transportation Commission, Virginia Railway Express Board and many other organizations has helped guide the city through a time of overwhelming growth. Bill's involvement in the community and dedication to the City of Manassas Park for over 20 years has been invaluable.

However, the case could be made that Bill's most notable contributions have been to his wife Alice Jean Roy Wren of 36 years and their three children—David, Roy and Dean.

Though Bill's contributions will be missed, I know the people of the City of Manassas Park wish him the best as he now has the chance to have more time to spend with his family and especially his grandchildren.

It is my pleasure to honor the achievements of Bill Wren today as we recognize his dedicated public service career. On behalf of the people of Virginia's 10th Congressional District and the residents of the City of Manassas Park, I wish to thank and congratulate Bill for his exceptional contributions to the community.

◆

A PROCLAMATION RECOGNIZING BONITA L. SHEPHERD

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. NEY. Mr. Speaker:

Whereas, Bonita L. Shepherd is a dedicated employee worthy of merit and recognition; and

Whereas, Bonita L. Shepherd has been acknowledged by the United States Government for her thirty years of faithful service; and

Whereas, Bonita L. Shepherd should be commended for her excellence, for her devotion to her work in the United States Capital Building; and

Therefore, I join with the residents of the entire 18th Congressional District of Ohio in honoring and congratulating Bonita L. Shepherd for her outstanding accomplishment.

◆

IN HONOR OF ALICIA CLARK

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. CASTLE. Mr. Speaker, it is with great pleasure that I rise today to recognize the achievements of Alicia Clark upon her selection as a Girls Inc. "Strong, Smart and Bold Award Winner" in Delaware.

Girls Inc. is a nonprofit youth organization dedicated to inspiring our nation's young women to reach their goals. On this, its 50th Anniversary, I take great pride in honoring Girls Inc. and the wonderful young Delawareans who have achieved success through the guidance of this special program.

Ms. Clark is the Vice-President and Interim President of the Metropolitan Wilmington Urban League, where she focuses on economic development and education for African Americans and other minorities. She has been involved in Girls Inc. for many years and was once the director of the Kiwanis Branch and the statewide director of programs and operations. Ms. Clark has done much to improve the lives of her fellow citizens and her hard work, enthusiasm, and commitment is much appreciated.

Mr. Speaker, I commend and congratulate Ms. Clark and Girls Inc. for their dedication to improving and enhancing the lives of women. Ms. Clark's involvement with Girls Inc. and her many years of devoted service to our community is an example to us all. She is an inspiring and exemplary Delawarean.

IN RECOGNITION OF AL JACKSON

HON. MIKE ROGERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. ROGERS of Alabama. Mr. Speaker, the Reverend Al Jackson, pastor of Lakeview Baptist Church in Auburn, Alabama, celebrates his 25th year in service to the congregation this year. On July 4, the congregation will hold a special celebration to commemorate this milestone, and honor a man who has given so much back to our community.

Born on October 26, 1948 in Florala, Alabama, Samuel Alto Jackson, Jr. has lived a long and prolific life in the ministry. In 1971 he graduated from Samford University and went on to earn his Masters of Divinity at Southwestern Baptist Theological Seminary, and his Doctorate of Divinity from the Fuller Theological Seminary in 1985.

Reverend Jackson has served many congregations during his lengthy career, including First Baptist Church in Florala; First Baptist Church in Selma; Carolina Baptist Church in Andalusia; Bethel Heights Baptist Church in Gatesville, Texas; and since 1979, Lakeview Baptist Church in Auburn as its Pastor.

Reverend Jackson has also helped train ministerial students, and has served on the Board of Samford University. In addition, he has traveled around the world on mission trips, and is widely recognized in the Southern Baptist Convention for his teachings and his accomplishments.

Mr. Speaker, it is an honor to recognize Rev. Al Jackson on this important day, and I thank the House for their attention in honoring a man who has lived his life as a shining example for us all.

A PROCLAMATION RECOGNIZING SUSAN FRENO

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. NEY. Mr. Speaker:

Whereas, Susan Freno is an exceptional individual worthy of merit and recognition;

Whereas, Susan Freno has been acknowledged by the Ohio Department of Rehabilitation as the 2004 Corrections Officer of the Year recipient, therefore, receiving the DRC Ronald C. Marshall Award;

Whereas, Susan Freno should be commended for her excellence, for her professionalism and integrity, and for her ongoing efforts to effect others lives in a positive and in a changing way; and

Therefore, I join with the residents of the entire 18th Congressional District of Ohio in honoring and congratulating Susan Freno for her outstanding accomplishment.

IN HONOR OF ANGENAÉ MARIE ZAAHIR-BEY

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. CASTLE. Mr. Speaker, it is with great pleasure that I rise today to recognize the achievements of Angenaé Marie Zaahir-Bey upon her selection as the Girls Inc. "Girl of the Year Award Winner" in Delaware.

Girls Inc. is a nonprofit youth organization dedicated to inspiring our Nation's young women to reach their goals. On this, its 50th anniversary, I take great pride in honoring Girls Inc. and the wonderful young Delawareans who have achieved success through the guidance of this special program.

As this award demonstrates, Ms. Zaahir-Bey is a determined young woman who serves as a role model to all of her peers. She is an outstanding member of Girls Inc. and is always willing to help others—going above and beyond what is expected. Ms. Zaahir-Bey recently graduated from P.S. Dupont Elementary School and received a 3.9 grade point average for the year. In addition, she received the "Young Brandywine Artist Award," high honors, and "Reader of the Month" in the Delaware Tech National M.S. Society Readathon.

Mr. Speaker, I commend and congratulate Ms. Zaahir-Bey and Girls Inc. for their dedication to improving and enhancing the lives of women. Ms. Zaahir-Bey's involvement with Girls Inc. and selflessness serves as an example to us all. She is an exemplary young Delawarean.

TO HONOR THE FALLEN FROM SOUTH FLORIDA

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to honor the heroes who have given their lives in our fight against world terrorism. Every generation of Americans has been asked to leave their farms and towns and cities so that freedom could be spread throughout the world. As a citizen of this great Nation, I honor the sacrifices of the military in Iraq, Afghanistan, and all over the world who have given their lives in the fight against terrorism, and those who before them paid the ultimate price for freedom.

Like their forefathers in World War II, Floridians who have fought in the name of freedom are selfless citizens who answered the call of duty. Among these are my husband Dexter Lehtinen, who served this country bravely in the Vietnam War, and my stepson, Aviator 1st Lieutenant Douglas Hooper Lehtinen, who is currently serving in the Marines. Special mention is due to honor the six soldiers from South Florida who lost their lives in our war against world terrorism. I, and all of the citizens in my district, am thankful for their service.

This Nation can never repay the debt owed to these six men; their honor and service, however, will never be forgotten. In Operation Enduring Freedom, South Florida lost Army Specialist Pedro Lazaro Pena-Suarez, who was 35 when he lost his life in Kuwait on November 7, 2002. During Operation Iraqi Freedom, we lost Marine Corporal Armando Ariel Gonzalez, who was 25 when he gave his life in Iraq on April 14, 2003. Army Private First Class Charles M. Sims was only 18 when he perished in Baghdad on October 3, 2003. Army Sergeant Edmond L. Randle was 26 when he gave his life in the north of Taji on January 17, 2004. Army 1st Lieutenant Christopher J. Kenny was 32 when he fell in Baghad on May 3, 2004, and Army Private First Class Jeremy Ricardo Ewing, who was 22, gave his life in Baghdad on April 29, 2004. Coast Guard Petty Officer 3rd Class Nathan B. Bruckenthal, 24, based in Opa Locka, perished on April 24, 2004 in the Northern Persian Gulf.

These men remind us that freedom is indeed not free. We must forever be vigilant to the rise of tyranny and be willing to fight it wherever it exists. We must never take for granted our democratic government. We must remember that in places like Cuba, North Korea, and Iran, human beings are still oppressed by horrible dictators. Let us fight these regimes until freedom rings in every nation of the world.

God bless all the men and women in our armed forces who have given their lives so that others may live in freedom.

FIFTIETH ANNIVERSARY OF BROWN v. BOARD

HON. WM. LACY CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. CLAY. Mr. Speaker, May 17, 2004 marked the fiftieth anniversary of the landmark "Brown v. Topeka Board of Education" decision ordering the desegregation of U.S. schools. This court ruling effectively denied the legal basis for segregation in Kansas and 20 other States with segregated schools and forever changed race relations in the United States. Brown v. Board laid the precedent for ending all segregation. Very few Supreme Court decisions have impacted our nation's history as much as Brown v. Board.

This important anniversary was celebrated in Topeka, Kansas with the formal opening of a new national park—the Brown v. Board National Historic Site at Topeka's once-segregated Monroe Elementary School. In conjunction with the fiftieth anniversary celebrations, Washburn University hosted an interdisciplinary academic conference, "Telling the Story: Narrating Brown v. Board," May 18–20, 2004, and invited proposals for twenty-minute paper presentations on the full range of themes suggested by the Brown decision. Professor of History, Philip A. Grant, Jr. of Pace University was accepted to deliver his paper entitled "Midwestern Press Reactions to the 1954 'Brown' Decision," at the conference "Telling the Story: Narrating Brown v. Board" at Washburn University in Topeka, Kansas on May 19, 2004.

Since the Supreme Court overturned Plessy v. Ferguson and declared an end to legal segregation, this country has made great progress, especially in the area of racial relations, but there is more work to be done. In order for us to continue to make this country a better place in which to live, we must remember the past. I believe that Professor Grant has brought to light the importance of Brown v. Board as seen by newspapers of the Midwest at the time of the decision. I ask that his entire paper be made a part of the RECORD so that all the American people, not just those who attended the conference last month, may have the benefit of his historical insight. [Paper recited at the "Telling the Story: Narrating Brown v. Board" conference at Washburn University, May 19, 2004]

MIDWESTERN PRESS REACTION TO THE 1954 "BROWN" DECISION

(By Philip A. Grant, Jr.)

On May 17, 1954 the United States Supreme Court issued its historic "Brown v. Board of Education" decision. In a unanimous opinion the nation's highest tribunal decreed segregation in public elementary and secondary schools unconstitutional. By every standard the "Brown" ruling ranked as one of the most significant developments in the long and eventful history of our federal court system. Indeed there is ample evidence to warrant the conclusion that the "Brown" decision generated more controversy than any previous Supreme Court verdict.

The "Brown" decision attracted prime news coverage throughout the Midwest, a twelve state region extending from Lake Erie in northeastern Ohio to the Kansas-Colorado line more than thirteen hundred miles to the West. Morecver, a substantial majority of midwestern newspapers opted to editorialize on the "Brown" ruling.

Among the daily publications printing editorials on the "Brown" decision were the Cleveland Plain Dealer, Cincinnati Enquirer, Detroit Free Press, Indianapolis Star, Chicago Tribune, Milwaukee Journal, Saint Louis Post-Dispatch, Kansas City Star, Des Moines Register, and Minneapolis Tribune. These newspapers circulated in ten of the Midwest's major population centers.

The Plain Dealer asserted that for a number of states "a greater challenge in the form of 'thall shall not' could hardly have been issued than the Supreme Court ruling against Negro segregation in public schools." Convinced that the Supreme Court "could not have ruled otherwise than it did on the basic issue," the Plain Dealer believed that the Negroes had "earned the right to be treated as first-class citizens and earned it the hard way."

Perceiving that the "Brown" decision "probably will prove to be the most important judicial finding in the field of racial relations in our entire national history," the Enquirer ascertained that it would "work profound changes in a substantial part of the United States—not confined to the South by any means." The Cincinnati newspaper concluded: "What the justices have done is simply to act as the conscience of the American nation."

The Free Press, definitely endorsing the thrust of the "Brown" decision, claimed that the people of the country "who cherish the belief that the American system of democracy is a vital, living organic philosophy, steadily but inexorably, advancing toward the ideals of the founders of the Union, will be heartened by the unanimous opinion of the Supreme Court." While conceding that the "Brown" ruling would "not of itself abolish prejudice nor raise all Americans to the exalter status of men created in the image of their maker," the Free Press maintained: "But it does mark a step in that direction, a step toward fulfillment of man's dream that all men are created equal, and that under a more perfect government of laws they can attain to dignity and all its inherent rights."

Extolling the Supreme Court for having upheld "a vital principle of individual equality under the law," the Star argued that segregation was "morally, practically and economically evil" and denied "the brotherhood of man upon which our whole form of constitutional government is based." While concerned that no provision of the Constitution granted the federal courts "the right to establish or control educational systems," the Star contended:

"Morally, we believe the Supreme Court was right in calling for an end to segregation. It is fortunate that this decision was unanimous for the full authority of the court will carry great weight with the Southern states, who now oppose its view. We hope the states opposing this ruling will accept it in good spirit and earnestly try to meet its demands. We hope Federal authorities will give the states time, and sympathetic assistance in making this conversion. And we hope that any demagogue, white or colored, who tries to inflame public opinion by using this explosive issue will be properly rebuffed by the overwhelming majority of the good people in our states."

While admitting that it was doubtful whether the South would abide by the court's decision, the Tribune was optimistic that the unanimous ruling "should help a good deal to discourage resistance to the finding or attempts to evade its plain meaning." The Tribune, commending the Supreme Court for having "struck down segregation in the public schools of the United States," declared:

"The principle established by this decision is not that anybody has to give up any of his prejudices, no matter how desirable it might be that he do so. The principle is the much simpler one that the state governments, north and south, must regard all men as created equal so far as opportunities at the disposal of the state are concerned. The idea may appear dangerously novel to some citizens, but the Supreme Court didn't invent it. Indeed, they can be said to have borrowed it from a distinguished Virginian named Thomas Jefferson."

The Journal, analyzing the "Brown" ruling as the "most far reaching court decision on the racial issue since emancipation," anticipated that the decision would "revolutionize the school set-up in the South and, in effect, the racial relationships there are bound to be felt outside the classrooms." Surmising that the consequences of the "Brown" verdict would impact the entire country, the Journal stated:

". . . It apparently knocked the last legal prop from any official discrimination against Negroes or other minority groups because of color, race or religion. It banishes any legal recognition of second class citizenship for the members of such groups."

Impressed that the "Brown" ruling was unanimous and written in direct and persuasive language, the Milwaukee newspaper was pleased that there "could be no doubt about the intent or the logic and reasoning supporting the decision."

Feeling that there was "no need to say just how important" the "Brown" ruling was, the Post-Dispatch also emphasized that there was "no point in explaining it today as the most momentous since the Dred Scott decision handed down almost a century ago, on the eve of the Civil War." The Post-Dispatch, pointing out that the substance of the "Brown" verdict was of "transcendent importance," predicted that the decision would have its "impact in one way or another on every community, in every city" and "in less time than we are apt to think around the world."

The Star, recognizing that the "Brown" decision "sets the goal" of ending racial segregation in all public schools, stressed that the principle involved in the Supreme Court ruling "now controls for the future" and "is the law of the land." Warning that there "can be no cheating or blocking" the objective proclaimed by the Supreme Court, the Star offered the following appraisal:

"The breakdown in segregation since World War II has come a step at a time and generally without friction. The Supreme Court's ruling basically is no more drastic than the trend of our times that produced it. Now that the principle is established the future calls for more of the good sense and understanding of racial problems that has generally prevailed."

Praising the Supreme Court for having "begun the erasure of one of American democracy's blackest marks," the Register rejoiced that the nation's "basic law on public education has been brought into line with the ringing spirit of freedom and equality in the Declaration of Independence." While gratified that the "Brown" decision decreed that racial segregation constituted a denial of equal educational opportunities, the Register asserted:

"The Supreme Court decision will ease America's conscience. The strong cry of 'hypocrite' from colored folks all over the world has been heard in Des Moines and in Mobile. But America's conscience will not be cleared until her practice measures up to the noble words of the court decision."

The Tribune, sensing that the "Brown" ruling would "be welcomed and embraced by all who believe in the constitutional guarantee of equal rights meaning just that, and nothing less," suspected that the decision would "echo far beyond our borders and may greatly influence our relations with dark-skinned people the world over." Concerned that the "Brown" verdict posed "one troublesome immediate question," the Tribune asked: "What will be done in the southern states where political leaders have been most militant in opposing the end of segregation?" While wondering whether the political spokesmen of the South would "persist in their attitudes," the Minneapolis newspaper was "inclined toward the optimistic view."

There was a consensus within the ranks of the major newspapers of the Midwest that the Supreme Court had acted wisely and responsibly in issuing the historic "Brown" ruling. While newspapers tended to analyze the "Brown" decision from somewhat different perspectives, they all agreed that the objective proposed by the Supreme Court was entirely consistent with the nation's long overdue quest for racial equality. In expressing their attitudes on an issue of overriding importance the daily publications of the Midwest were contributing to a dialogue with their readers and historians of the future.

RECOGNIZING BRIGADIER GENERAL STEPHEN J. CURRY

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. SKELTON. Mr. Speaker, it has come to my attention that Brigadier General Stephen J. Curry will retire from the Army on June 28. BG Curry is currently serving as the Commandant of the United States Army Military Police School at Fort Leonard Wood, Missouri.

BG Curry's first major duty assignment came in October, 1972. He was assigned Tank Platoon Leader, B. Company, 6th Battalion, 32d Armor, 4th Infantry Division, at Fort Carson, Colorado. He stayed at Fort Carson through October, 1974, by which time he had attained the rank of 1st Lieutenant.

In 1978, then-Captain Curry attended the Military Police Officer Advanced Course at Fort McClellan, Alabama. Upon completion of the course he was assigned to Germany as Commander, 615th Military Police Company, 793d Military Police Battalion, VII Corps, United States Army Europe and Seventh Army.

Captain Curry continued his professional military education from August, 1982, through June, 1983, at the United States Army Command and General Staff College at Fort Leavenworth, Kansas. He followed this with a promotion to Major and consecutive duties at Fort Hood, Texas. In 1986, he moved to Washington, DC, to serve as Personnel Staff Officer for the United States Army Military Police Operations Agency. He went on to serve as Military Assistant in the Office of the Assistant Secretary of the Army for Installations and Logistics, during which time he was promoted to Lieutenant Colonel. He than went on to serve in Operation Desert Shield, Operation Desert Storm, and, as a Colonel, Operation Joint Endeavor.

Mr. Speaker, Stephen Curry was promoted to Brigadier General in August, 2000. His retirement ends the career of a recipient of the Legion of Merit, Bronze Star, Meritorious Service Medal, Army Commendation Medal, Army Achievement Medal, and the Army Staff Identification Badge. I know my fellow Members of the House will join me in thanking him for his many years of service to his country and wish him all the best in the years to come.

PERSONAL EXPLANATION

HON. JIM GIBBONS

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. GIBBONS. Mr. Speaker, I would like to offer a personal explanation of the reason I missed rollcall votes Nos. 267–271 on June 18, 2004. These votes were on amendments to H.R. 4567 and on final passage of H.R. 4567, Making Appropriations for the Department of Homeland Security for FY 2005. At the time these votes were called, I was in my Congressional District in Reno, Nevada with President Bush for his speaking engagement. I respectfully request that it be entered into the CONGRESSIONAL RECORD that if present, I would have voted: rollcall Vote No. 267, on the Jackson-Lee Amendment—"No"; rollcall Vote No. 268, on the DeLauro Amendment—"No"; rollcall Vote No. 269, on the Roybal-Allard Amendment—"No"; rollcall Vote No. 270, on the Tancredo Amendment—"Yes"; rollcall Vote No. 271, on the Maloney Amendment—"Yes"; rollcall Vote No. 272, on the Sabo Amendment—"No"; rollcall Vote No. 273, on the Markey Amendment—"No"; rollcall Vote No. 274, on the Velázquez Amendment—"No"; rollcall Vote No. 275, on Final Passage of H.R. 4567—"Yes".

DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS ACT, 2005

SPEECH OF

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4567) making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes:

Mr. MATSUI. Mr. Chairman, yesterday's CONGRESSIONAL RECORD reflects my vote as "Nay" on Rollcall Vote 266, Representative SWEENEY's amendment to Department of Homeland Security Appropriations Act for Fiscal Year 2005. I would like to state for the Record that my vote should have been "Yea."

Representative SWEENEY's amendment would increase funding to Urban Area Security Initiative, which provides discretionary grants to high-threat, high-density urban areas, providing that program with $1.45 billion. This initiative will significantly enhance the ability of urban areas to prevent, deter, and recover from threats and incidents of terrorism. This program is essential for urban cities like Sacramento, California to address its unique security challenges as a large urban area. Right now funds previously directed from this initiative are being used to protect high-risk critical infrastructure facilities and to promote comprehensive regional coordination and planning. I strongly support this amendment that will increase the ability for urban areas to protect against the potential threats they face.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2005

SPEECH OF

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4568) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2005, and for other purposes:

Mr. RANGEL. Mr. Chairman, I rise today to express my disappointment about the rejection of several amendments offered to the Interior Appropriations Bill, which aimed at protecting the flora and fauna of our country. These amendments would at least have undone some of the harm the current administration has done to our environment since it has taken office.

It has always been the priority of this administration to serve special industrial interests and not to preserve the natural beauties of our country. Clean rivers and oceans, healthy forests, fresh air and a diverse wildlife have not been of any concern to this executive and the Bush Presidency has thereby rightly been called the most anti-environmental one in the modern era by several grassroots organizations.

The New York Times, in an editorial published two days ago, called upon the House of Representatives "to partly redeem itself" from its failures to hinder the anti-environmental policies of the President and to endorse stricter environmental policies by passing several amendments to the Interior Appropriations Bill. Unfortunately, the House missed this opportunity for redemption.

A majority of 224 members rejected Representative RUSH HOLT's amendment prohibiting the use of funds to permit recreational snowmobile use in Yellowstone and Grand Teton National Park. Visitors go to our national parks to experience the miracles of nature and to find quietness and relaxation. Snowmobiles not only pollute the environment, but they also disturb humans and wildlife alike. I do not understand why so many Members of the House decided to vote against this amendment, which benefits for our environment and our citizens so heavily outweigh the sacrifice of not being able to ride a snowmobile in these particular parks.

I was also dismayed that a majority of my colleagues decided to vote against an amendment offered by Representative MAURICE HINCHEY to stop the killing of buffalos in Yellowstone National Park. The slaughter of these gracious animals is not only cruel but also expensive for American taxpayers. The National Park Service currently spends $1.2 million a year to kill buffalos only because they do exactly as their instinct tells them: They migrate. They get killed because they do not observe state borders and dare to cross from Wyoming to Montana during the winter. They get killed under the premise that they transmit diseases to cattle—a thesis that has never been confirmed and for some reason is a concern to farmers in Montana, but not to farmers in Wyoming.

Another amendment benefiting the health of our environment was offered by Representative TOM UDALL and again defeated. It would have prohibited the use of funds for the implementation of the Forest's Service new planning regulations. These regulations, which have been proposed by the administration in 2002, will substantially weaken the protection of our nation's wildlife and natural resources and reduce public participation in the environmental decision-making process.

Representative NICK RAHALL made an effort to present the interests of Native Americans in this country by offering an amendment protecting their sacred sites located on federal lands from energy development and other exploitation. The Native Americans in this country have undergone and are still suffering from discrimination and poverty. Representative RAHALL's amendment would at least have ensured that the holiest sites of the tribes are not further destroyed by capitalist interests. NICK RAHALL asked us, the Members of the House, how we would feel if open-pit mining was allowed in Arlington Cemetery or bulldozers leveled down the Wailing Wall in Jerusalem to build a highway. Only imagining these scenarios give me feelings of grief and anger. But just these things have happened to sacred sites of the Native Americans and it is a disgrace that so many members voted against Representative RAHALL's amendment to stop this evil.

But I am happy that at least one strong environmental amendment to the Interior Appropriations Bill was passed by the House of Representatives. This was Representative STEVE CHABOT's amendment to prohibit the use of funds to plan or construct forest development roads in the Tongass National Forest in Alaska. Last year, the Bush administration announced to completely eliminate the Roadless Area Conservation Rule's protection for the Tongass National Forest in Alaska and to severely weaken the rule everywhere else in the National Forest System. The Tongass National Forest is a national heritage. It is the largest forest our nation has and the biggest intact temperate rainforest worldwide. The exemption of "America's Rainforest" from the roadless protection rule was another present of the Bush administration to big industrial interests, in this case timber logging companies and was paid for by the American taxpayers.

Representative CHABOT's amendment will only restrict the construction of roads that are subsidized by American taxpayers and not those paid for by the timber industry. I do not think that this amendment goes far enough to sufficiently protect this pristine forest, but I think it is a step into the right direction.

I sincerely hope, that those Members of the House of Representatives who have voted against the aforementioned amendments will wake up and recognize that an environment once destroyed will not be easy and mostly impossible to restore. I hope that they will remember that there will be future generations who need clean air and water, healthy oceans and forests and a diverse wildlife not only for their enjoyment, but for their survival.

HONORING THE FALLEN SOLDIERS OF SOUTH TEXAS, DISTRICT 28

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. RODRIGUEZ. Mr. Speaker, I am honored to join with my colleagues in this, the People's House, to observe a moment of silence for those who have fallen on the battlefield in Iraq. These brave men and women answered the call to duty, set forth to foreign lands, and died in defense of our basic values. As they gave their lives to promote democracy, let's recommit ourselves here at home, in their memory, to promote liberty for all in this great land of ours and across the globe.

Our hearts go out to the families of those who have fallen, to their parents, children, spouses and friends. They made the ultimate sacrifice. We must never forget that sacrifice and that made by their loved ones.

Today, I recognize three fallen soldiers from my district in South Texas: SPC Jose Amancio Perez, III, U.S. Army, of San Diego, Texas; Lance Corporal Ruben Valdez, Jr., U.S. Marine Corps, of San Diego, Texas and Sergeant Michael Paul Barrera, U.S. Army, of Von Ormy, Texas.

They embodied the fighting spirit of Texas and their commitment to the United States of America will never be forgotten. I thank their families for allowing their sons to serve our great Nation and ask that they and their sons be remembered in thoughts and prayers.

RECOGNIZING PARTICIPANTS IN NATIONAL FORENSIC LEAGUE NATIONAL DEBATE TOURNAMENT

HON. ROB BISHOP

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. BISHOP of Utah. Mr. Speaker, as the final day of competition for the National Forensic League National Debate Tournament concludes, I would like to recognize the students, coaches, and judges who have participated in this year's event. The Beehive Nationals Tournament is the culmination of a year-long effort in preparation, practice, and persistence. Every competitor at the event has already proven his or her superior debate and speech skills by their excellent performances at State and regional qualifying tournaments. Furthermore, while other high school students got an early start on summer jobs, vacationed, or celebrated the break from school, NFL students put in 12-hour days to compete in Student Congress, Lincoln-Douglas, Policy, International Public Forum Debates and other individual speech and drama competitions.

The National Forensic League was founded in 1925. The first national high school speech tournament was held in 1930; 49 schools from 17 States participated. The majority of the rules that governed the tournament in 1930 are still in effect today, providing one of the longest running national competitions for high school students. Approximately one million high school students have been members of the NFL since 1925, and over 30,000 high school students participate in NFL-certified events every year.

As a former high school debate coach, I had the wonderful opportunity to participate in the National Forensic League with my students at several national debate tournaments. Also, I know what a massive undertaking it is to plan and carry out a national debate tournament. In 1981, I was on the host committee under D.L. Smith of East High School, which organized that year's National Tournament in Salt Lake City. I applaud this year's host committee for the time and effort they have given to make this event a success. I also congratulate the efforts of the National Forensics League for providing students with the opportunity to expand their vision of the world through the development of public communication skills. I would also like to congratulate the teachers who often work after-hours, weekends, holidays, and summertime to coach their students. Finally, I would like to thank the students and their parents who have dedicated themselves to the acquisition of such important, beneficial and life-long skills. I encourage students to continue their search to become effective communicators. Good communication is the essence of leadership.

AVIATION COMPETITION IN RURAL AREAS

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. RAHALL. Mr. Speaker, I read in this Saturday's Washington Post Business section an articled entitled, "US Airways Cuts Fares at National, Dulles." The article explains that the airlines are launching a fare war out of the Washington, DC area, which will result in great savings and travel options for air travelers. I naturally read this article with great interest, Mr. Speaker, because US Airways is a very important carrier at airports located in the Congressional District that I represent in Southern West Virginia.

Clearly, Mr. Speaker, the price reductions offered by US Airways and the other airlines are the result of competition. Unfortunately, these price reductions are not available to travelers who need them as much as—and maybe more than—any other air traveler. That is the air traveler in the rural areas and in the small cities. If the airlines had true competition in the rural areas and in the rural areas and in the small cities, ticket prices would be fairer. Instead, as is so often the case, the competition and the resulting discounts and travel options are only available in the large metropolitan areas.

As we recognized at the time of deregulation—and as we should recognize right now—we need to ensure that rural airports can continue to operate and provide much-needed air service and jobs. one primary program aimed at doing this is the Essential Air Service program (EAS). EAS is very important to rural airports, which have seen their air service and ridership fall dramatically over the years.

Recently, 2 airports in my district, Beckley and Bluefield, proved themselves eligible to receive EAS funding for the next 2 years. I can't overstate how badly this funding is needed to foster competition and ensure air service in that part of my State. Ever since we deregulated the airlines, we have been moving the rural areas farther and farther out of the mainstream for air travel. Furthermore, every time Congress appropriates money to the airlines, or establishes assistance such as the Air Transportation Stabilization Board, it is the rural communities that get overlooked.

While small communities in over 25 States rely on this Federal funding to help them manage through this time of economic distress at the State and local levels, the Bush Administration has consistently proposed to cut the EAS program by more than half. Likewise, Republicans want to make many rural and small communities pay a local share to qualify for EAS funding. But, Mr. Speaker, I submit that doing these things would greatly harm many local economies. Rather than further strapping the rural areas and small towns with costs that will further inhibit competition, we need to push policies that will increase air competition and provide cost-savings to travelers.

CELEBRATING THE OPENING OF WALDENBOOKS ON THE SOUTHSIDE OF SAN ANTONIO

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 21, 2004

Mr. RODRIGUEZ. Mr. Speaker, we all stress the value of education and reading, yet we sometimes overlook the challenges some communities face in accessing books and reading materials. The Southside of San Antonio, a largely Hispanic neighborhood, did not have a single bookstore—until today. I am proud to announce that WaldenBooks has arrived on the Southside, changing the face of our community for the better.

For years, community leaders and lay people have worked to attract a bookstore, and for years we received lots of excuses. That has now changed, thanks to the vision of WaldenBooks and the cooperative efforts of the owners of South Park Mall, community leaders, youth in the schools and area residents.

I would especially like to mention Cesar Rodriguez, General Manager of South Park Mall, and Beth Riebschlager, Marketing Manager for South Park Mall, who have been great advocates and have pursued this issue aggressively. Councilman Richard Perez, Councilman Ron Segovia and Cindy Taylor, President of the South San Antonio Chamber of Commerce, have lent unwavering support to this project. Books in the Barrio, the grassroots organization created by Marissa Ramirez, Astro Musquiz, Vickie Grise, Tim Duda and Ed Sonnen, have kept this issue in the front and center of all of our minds by hosting events at South Park Mall, as well as having petition drives and letter writing campaigns. I would especially like to thank Ken Bostic, Regional Director for this new Waldenbooks location, and TJ Jenson, Real Estate Manager for Waldenbooks, without whom none of this would be possible. My thanks also to Cindy Wirz of my staff who worked with the community leaders and organizations to support this great endeavor with me.

For many years the Southside community has struggled to improve access to educational resources for its residents. The residents of the area signed petitions, wrote letters, and brought their case to the media in the hopes of bringing a bookstore to the Southside. Being a resident of the Southside myself, I too have dreamed of the day when I would not have to drive outside of my community to purchase books, and now that day has thankfully arrived.

Waldenbooks, a subsidiary of Borders Group, Inc., has chosen to open a location in South Park Mall. Opened in 1968, South Park Mall has been a premiere shopping spot for South San Antonians. Now 95 percent occupied with both national and regional retailers, this is an ideal location for Waldenbooks, which will occupy 3,000 square feet and will offer over 20,000 books and periodical titles.

Having made the choice to locate to the Southside of San Antonio, Waldenbooks has chosen to invest in the residents of the area and the contiguous counties. Waldenbooks is determined to make an impact on the Southside and to be a good business partner by working directly with South Park Mall to create a children's program and a program for seniors.

Today marks the beginning of what I hope will be a continuing trend in the Southside of San Antonio. Waldenbooks will provide a greater access to books and thereby, a greater access to learning. Waldenbooks has shown their willingness to take a chance on the Southside of San Antonio and I urge all Southsiders to return the favor by being loyal customers.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, June 22, 2004 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 23

9:30 a.m.

Armed Services

To hold hearings to examine the transition to sovereignty in Iraq, focusing on U.S. policy, ongoing military operations, and status of U.S. Armed Forces.

SH–216

Environment and Public Works

Business meeting to consider S. 2495, to strike limitations on funding and extend the period of authorization for certain coastal wetland conservation projects, S. 2350, to establish the Long Island Sound Stewardship System, H.R. 2408, to amend the Fish and Wildlife Act of 1956 to reauthorize volunteer programs and community partnerships for national wildlife refuges, S. 1134, to reauthorize and improve the programs authorized by the Public Works and Economic Development Act of 1965, H.R. 1572, to designate the United States courthouse located at 100 North Palafox Street in Pensacola, Florida, as the "Winston E. Arnow United States Courthouse", S. 2385, to designate the United States courthouse at South Federal Place in Santa Fe, New Mexico, as the "Santiago E. Campos United States Courthouse", S. 2398, to designate the Federal building located at 324 Twenty-Fifth Street in Ogden, Utah, as the James V. Hansen Federal Building, proposed Migratory Bird Treaty Reform Act, proposed legislation to provide for the consideration and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and the proposed Water Infrastructure Financing Act.

SD–406

10 a.m.

Finance

Business meeting to review and make recommendations on proposed legislation implementing the U.S.-Australia Free Trade Agreement.

SD–215

Foreign Relations

To hold hearings to examine the nominations of June Carter Perry, of the District of Columbia, to be Ambassador to the Kingdom of Lesotho, Joyce A. Barr, of Washington, to be Ambassador to the Republic of Namibia, R. Barrie Walkley, of California, to be Ambassador to the Gabonese Republic, and to serve concurrently and without additional compensation as Ambassador to the Democratic Republic of Sao Tome and Principe, James D. McGee, of Florida, to be Ambassador to the Republic of Madagascar, Cynthia G. Efird, of the District of Columbia, to be Ambassador to the Republic of Angola, Jackson McDonald, of Florida, to be Ambassador to the Republic of Guinea, and Christopher William Dell, of New Jersey, to be Ambassador to the Republic of Zimbabwe.

SD–419

Indian Affairs

Business meeting to consider pending calendar business; to be followed by an oversight hearing to examine Indian tribal detention facilities.

SR–485

Judiciary

To hold hearings to examine pending judicial nominations.

SD–226

Agriculture, Nutrition, and Forestry

Production and Price Competitiveness Subcommittee

To hold hearings to examine proposed legislation permitting the Administrator of the Environmental Protection Agency to register Canadian pesticides.

SD–628

11 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings to examine successes in the field of stem cell research.

SR–253

11:30 a.m.
Governmental Affairs
To hold hearings to examine the nomination of David M. Stone, of Virginia, to be an Assistant Secretary of Homeland Security.
SD–342

2 p.m.
Conferees
Meeting of conferees on H.R. 3550, to authorize funds for Federal-aid highways, highway safety programs, and transit programs.
2167, Rayburn Building

2:30 p.m.
Commerce, Science, and Transportation
Competition, Foreign Commerce, and Infrastructure Subcommittee
To hold hearings to examine peer-to-peer networks.
SR–253

Governmental Affairs
Financial Management, the Budget, and International Security Subcommittee
To hold hearings to examine weapons of mass destruction smuggling networks and U.S. programs and initiatives, such as the Proliferation Security Initiative, to counter these proliferation threats.
SD–342

Judiciary
To hold hearings to examine the law of biologic medicine.
SD–226

Energy and Natural Resources
Public Lands and Forests Subcommittee
To hold hearings to examine the grazing programs of the Bureau of Land Management and the Forest Service, including permit renewals, recent and proposed changes to grazing regulations, and the Wild Horse and Burro program, as it relates to grazing, and the Administration's proposal for sagegrouse habitat conservation.
SD–366

3 p.m.
Foreign Relations
To hold a closed briefing to examine the situation in Iraq with regard to the June 30, 2004 transition.
S–407, Capitol

JUNE 24

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to examine security screening options for airports.
SR–253

Agriculture, Nutrition, and Forestry
Forestry, Conservation, and Rural Revitalization Subcommittee
To hold hearings to examine the implementation of the Healthy Forests Restoration Act (P.L. 108–148).
SD–562

Judiciary
Business meeting to consider pending calendar business.
SD–226

10 a.m.
Armed Services
To hold hearings to examine the nomination of General George W. Casey, Jr., USA, for reappointment to the grade of general and to be Commander, Multi-National Force-Iraq.
SR–222

Health, Education, Labor, and Pensions
To hold hearings to examine the reauthorization of the Carl D. Perkins Vocational and Technical Education Act.
SD–430

2:30 p.m.
Energy and Natural Resources
National Parks Subcommittee
To hold hearings to examine S. 2543, to establish a program and criteria for National Heritage Areas in the United States.
SD–366

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings to examine H.R. 2608, to reauthorize the National Earthquake Hazards Reduction Program.
SR–253

Foreign Relations
Western Hemisphere, Peace Corps and Narcotics Affairs Subcommittee
To hold hearings to examine the state of democracy in Venezuela.
SD–419

JULY 14

10 a.m.
Indian Affairs
To hold an oversight hearing on the American Indian Religious Freedom Act of 1978.
Room to be announced

SEPTEMBER 21

10 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentation of the American Legion.
345 CHOB

CANCELLATIONS

JUNE 24

2:30 p.m.
Intelligence
Closed business meeting to consider certain intelligence matters.
SH–219

POSTPONEMENTS

9 a.m.
Governmental Affairs
Investigations Subcommittee
To resume hearings to examine the danger of purchasing pharmaceuticals over the Internet, focusing on the extent to which consumers can purchase pharmaceuticals over the Internet without a medical prescription, the importation of pharmaceuticals into the United States, and whether pharmaceuticals from foreign services are counterfeit, expired, unsafe, or illegitimate.
SD–342

10 a.m.
Foreign Relations
To hold hearings to examine U.S. policy toward Southeast Europe, focusing on unfinished business in the Balkans.
SH–216

HOUSE OF REPRESENTATIVES—*Tuesday, June 22, 2004*

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. BURNS).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 22, 2004.

I hereby appoint the Honorable MAX BURNS to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 20, 2004, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 25 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes, but in no event shall debate extend beyond 9:50 a.m.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 10 a.m. today.

Accordingly (at 9 o'clock and 2 minutes a.m.), the House stood in recess until 10 a.m.

□ 1000

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. HEFLEY) at 10 a.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord of creation, out of chaos You breathed forth the cosmos; out of disorder You arranged an order in nature. You invite leadership in government to continue in this creative act by bringing clarity and consensus to complex issues facing society today. By law and the ways of justice, You bring a settlement to communities across this country and plant seeds of world peace.

As You have acted in and through Your people in the past, so now act in the present. As You can always create anew, so now move and act in our personal lives and in our lives as a Nation. Out of love, You fashion and free us to reach our full potential both now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Pennsylvania (Mr. PITTS) come forward and lead the House in the Pledge of Allegiance.

Mr. PITTS led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H.R. 4322. An act to provide for the transfer of the Nebraska Avenue Naval Complex in the District of Columbia to facilitate the establishment of the headquarters for the Department of Homeland Security, to provide for the acquisition by the Department of the Navy of suitable replacement facilities, and for other purposes.

H. Con. Res. 458. Concurrent resolution directing the Secretary of the Senate to make technical corrections in the enrollment of the bill S. 2238.

The message also announced that pursuant to section 214 of title II, Public Law 107-252, the Chair, on behalf of the Majority Leader, appoints the following individual to serve as a member of the Election Assistance Board of Advisors:

Wesley R. Kliner, Jr. of Tennessee.

The message also announced that pursuant to section 411(b)(1)(B), Public Law 108-176, the Chair, on behalf of the Majority Leader, appoints the following individual to serve as a member of the National Commission on Small Community Air Service:

Philip H. Trenary, of Tennessee.

JOHN KERRY'S MISGUIDED CAMPAIGN TACTIC

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, yesterday, JOHN KERRY joined the growing chorus of those who are just plain confused on stem cell research.

There are two different types of stem cell research: adult and embryonic. Adult stem cell research works. Embryonic stem cells do not.

Look at the science. The private sector knows this. The Juvenile Diabetes Foundation claims that embryo stem cell research is the most promising research. Yet, it devotes only $3 million of its $80 million research and education budget for embryo stem cell research. They spent $15 million on adult stem cell research.

Why do they say embryo stem cell research has the most potential, but they spend five times as much money on adult stem cell research? Adult stem cells have already successfully treated Parkinson's, blindness, Lupus, rheumatoid arthritis, leukemia, non-Hodgkin's lymphomas, multiple sclerosis, and the list goes on. There have been no successful treatments with embryo stem cells. None.

Let the truth prevail on this. Let us fund what works. Let us fund what is saving lives. Let us do the right thing and not play politics.

FINAL DRAFT OF "PATTERNS OF GLOBAL TERRORISM" REFLECTS THE FACTS

(Mr. EMANUEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EMANUEL. Mr. Speaker, finally, today, the State Department will release the complete and authoritative report on the "Patterns of Global Terrorism," a correction requested by our colleague, the gentleman from California (Mr. WAXMAN).

The original report issued by Secretary Powell claimed terrorist incidents hit their lowest level in 34 years; but, in fact, terrorist attacks were at their highest in 20 years. A funny thing happened on the way to the printer.

Unfortunately, this is not the first, second, or even the third time, for that matter, that a Bush Cabinet Secretary is having to rewrite a report from their own department. Time and again, Bush Cabinet Secretaries have been forced to

□This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

abandon their own report after public scrutiny.

Whether it is a State Department report on terrorism, inaccurate reports published by Health and Human Services on racial disparities in health care, the cost of the Medicare prescription drug bill, or the EPA's mercury report, each time one thing in common happens: the first draft reflects the administration's ideology and political objectives, and the rewrite reflects the facts.

The final draft reflects the facts, and as Ronald Reagan used to say, facts are a stubborn thing.

It appears that a pattern exists of either gross incompetence or gross political manipulation, and neither is worthy of a Cabinet Secretary.

Mr. Speaker, today we welcome Secretary Powell's report in coming clean on the true facts on the war on terrorism.

BUSH ADMINISTRATION FALLS SHORT ON PROMISES TO VETERANS

(Ms. BERKLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. BERKLEY. Mr. Speaker, on the 4th of July, families in Las Vegas will celebrate the anniversary of our Nation's independence with great fanfare, including parades, watching the fire works, singing our National Anthem, honoring our veterans. Also on this day, I will join in the local effort to provide meals to the homeless veterans in my community.

Sadly, the Bush administration and many in Congress have fallen short on the promises made to our veterans. President Bush shortchanged our veterans when he proposed to increase the prescription drug copay and create a $250 user fee for veterans who use the VA. Republicans shortchanged our veterans when they underfunded important veterans programs and underfunded veterans health care by $1 billion.

We must not only remember and thank our veterans on holidays like Independence Day; we must send a message to them every day that we as Americans are eternally grateful for their service and sacrifice by meeting our promises, the promises made to our veterans to provide health care and other important benefits.

RULE OF LAW MAY FINALLY RULE IN IRAQ

(Mr. McDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, the rule of law may finally apply to U.S. military and civilian commanders running the President's war in Iraq. The American people may finally learn the truth behind the prisoner abuse scandal at Abu Ghraib.

A U.S. military judge has ruled that lawyers defending low-ranking soldiers can question top U.S. commanders. It is the first step in getting the truth, and it is about time. A lawyer for one soldier summed up a widely held view: "No one can suggest with a straight face that these MPs acted alone." Yet that is exactly what this administration keeps trying to do.

Congress and the American people have heard the tortured logic from the administration and its spin doctors. No rational person is buying it.

Those who flaunted the law, regardless of rank in the military or the administration, must be brought to justice. To rebuild our credibility, the world must know that we are a nation of laws, not of men and their ideas.

WHAT THE REPUBLICANS ARE NOT TELLING US

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE: Mr. Speaker, when President Bush took office, he inherited a $236 billion budget surplus and an economy that had created 22 million jobs over 8 years, and lowered poverty levels to their lowest rate in 20 years. Four years later, 8.2 million Americans are looking for work, unemployment is 30 percent higher, 1.9 million private sector jobs and 2.7 million manufacturing jobs have been lost, and the average household income has decreased by almost $1,500.

However, recent statements by the Bush administration and my Republican colleagues in Congress are beginning to paint an increasingly cheery picture of our economy.

What the Republicans are not telling us is that about 90 percent of the new jobs they are boasting about pay an average hourly wage that is less than the national average. What they are not telling us is that in States like New Jersey, my State, those lower-paying jobs are 11 percent less likely to include health care coverage.

Combine all that with rising education costs: tuition in New Jersey has gone up 36 percent; and rising gas prices: the average price of gas in New Jersey is over $2 a gallon.

Mr. Speaker, middle class Americans are being squeezed by Republican policies that have allowed these prices to skyrocket and create record deficits. What they are not telling us is that middle-class American families are paying the price.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

RECORD votes on postponed questions will be taken later today.

CONGRATULATING KENYON COLLEGE LADIES SWIMMING AND DIVING TEAM FOR WINNING 2004 NCAA DIVISION III WOMEN'S SWIMMING AND DIVING NATIONAL CHAMPIONSHIP

Mr. TIBERI. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 634) congratulating the Kenyon College Ladies swimming and diving team for winning the 2004 National Collegiate Athletic Association Division III Women's Swimming and Diving National Championship.

The Clerk read as follows:

H. RES. 634

Whereas on March 13, 2004, the Kenyon College Ladies swimming and diving team won the National Collegiate Athletic Association (NCAA) Division III Women's Swimming and Diving National Championship for the 20th time with a score of 506 points;

Whereas the Ladies won 10 of the 20 championship events, including all five relay events for the second straight season;

Whereas Head Coach Jim Steen has won 41 NCAA Division III Swimming and Diving National Championships as coach of both the men's and women's swimming and diving teams at Kenyon College;

Whereas the dedication of each swimmer, diver, coach, trainer, and manager of the Ladies allowed the swimming and diving team to reach the pinnacle of team achievement;

Whereas the students, alumni, and faculty of Kenyon College and other supporters of Kenyon College swimming and diving are to be congratulated for their commitment and pride in the Kenyon College swimming and diving program; and

Whereas the 20 national titles won by the Ladies are the most by any women's athletic program in any division of the NCAA and makes the Ladies swimming and diving team the most successful sports program in women's collegiate athletics history: Now, therefore, be it

Resolved, That the House of Representatives—

(1) congratulates the Kenyon College Ladies swimming and diving team for winning the 2004 National Collegiate Athletic Association Division III Women's Swimming and Diving National Championship;

(2) recognizes the achievements of all the swimmers, divers, coaches, trainers, and managers who were instrumental in helping the Kenyon College Ladies win the 2004 NCAA Division III Women's Swimming and Diving National Championship; and

(3) recognizes the 20 NCAA Division III national championships won by the Kenyon College Ladies swimming and diving team as an accomplishment unparalleled in any sport in the history of women's collegiate athletics.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. TIBERI) and the gentlewoman from California (Ms. WOOLSEY) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. TIBERI).

GENERAL LEAVE

Mr. TIBERI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Res. 634.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TIBERI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it gives me great pleasure to rise in support of House Resolution 634. I want to thank my colleague, the gentleman from Ohio (Mr. NEY), for bringing this resolution forward today. This resolution honors Kenyon College Ladies swimming and diving team for winning the 2004 National Collegiate Athletic Association Division III Women's Swimming and Diving National Championship.

Today we recognize this team and the first-class athletic program at Kenyon College. Since its inaugural season in 1975–1976, the Ladies swimming and diving team has developed into a national powerhouse and has been the dominant force in Division III. Dating back to the 1983–1984 season, the Ladies have captured 20 out of 21 NCAA national championships contested. From 1984 through 2000, the Ladies won 17 straight national championships, the second-longest national championship streak in the history of the NCAA, including all sports and all divisions.

This past season, the Ladies nailed down their twentieth national title in St. Peters, Missouri. The women won 10 of the 20 events, set two NCAA records, and posted a winning team total of 507 points. No other women's program, Mr. Speaker, in the history of the NCAA has had as many team titles as the Kenyon College Ladies Swimming and Diving programs.

Mr. Speaker, I reserve the balance of my time.

Ms. WOOLSEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Res. 634, a resolution congratulating the Kenyon College Ladies Swimming and Diving Team for winning the 2004 National Collegiate Athletic Association Division III Women's Swimming and Diving National Championship.

In March, the Kenyon Ladies captured the national championship for a record 20th time in just 21 years. The Ladies' record 20th national championship came a month after placing second to Denison University at the North Coast Athletic Conference, NCAC, championships in mid-February.

I want to extend my congratulations to head coach Jim Steen, who has a remarkable record. Coach Steen has won a combined 41 NCAA titles with both the Lords and Ladies swimming and diving teams at Kenyon over the past 28 years. Seven former Kenyon swimmers are now college head coaches, while nine others are assistants. Since Steen's arrival in 1976, more than 300 Kenyon swimmers and divers have become all-Americans.

I also want to congratulate team standouts Beth Galloway for winning the 100-yard back stroke and setting a new NCAA record in this event and Agnese Ozolina, who captured first place in the 200-yard individual medley. Together, these two seniors hold 23 national titles.

I also want to extend my congratulations, Mr. Speaker, to Denison and Emory universities, who won second and third place in the final overall team standings this year. Winning the championship has cemented Kenyon University's place among collegiate sports dynasties.

Mr. Speaker, I reserve the balance of my time.

Mr. TIBERI. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. NEY), whose district Kenyon is in.

Mr. NEY. Mr. Speaker, I want to thank my colleague, the gentleman from Ohio (Mr. TIBERI), for yielding me this time. He is a neighbor of ours. I have the Knox County area, and we share Licking County. So I want to thank him for carrying this. I also want to thank, obviously, the gentleman from Ohio (Mr. BOEHNER). The gentlewoman from California (Ms. WOOLSEY) who is here today, I want to thank the gentlewoman for helping with this resolution on the floor.

Also, Mr. Speaker, I would like to thank Owen Beetham of our staff, who is a graduate of Kenyon College who happened to prepare this resolution, so it is kind of Kenyon College Day.

But right now, Mr. Speaker, it is with great pride that I introduce this resolution congratulating the Kenyon College Ladies swimming and diving team for claiming the 2004 NCAA Division III swimming and diving national championship. They captured it by scoring an impressive 506 in points.

The win was particularly impressive due to the fact that the team roster was limited this year. In past years, the Ladies swam to the title with a full or nearly full championship roster of 18 swimmers. This year, however, the Kenyon team had a roster of 14 swimmers and still managed to post a winning point total.

□ 1015

Mr. Speaker, we all recognize that winning a national athletics championship is a tremendous accomplishment, but for these young ladies, this year's championship marks something more. It was the 20th time the Kenyon Ladies returned from the NCAA national championship victorious.

I think it is also important to take a moment to recognize Jim Steen, who is in his 28th year as the head coach of the Kenyon Swimming and Diving Program. Coach Steen's consistent and innovative contributions have produced unparalleled results: 300 men and women, All-America swimmers who have together earned nearly 2,500 All-America awards since his arrival on campus in 1976. His teams have won more NCAA events and set more national records than any other school in history.

But Coach Steen is perhaps even more proud of the fact that his swimmers have compiled a record number of athletic postgraduate scholarship awards. In fact, many of the swimmers exemplify something that is often overlooked in college athletics: the importance of being both hard-working athletes and strong academics. At Kenyon, swimming, like academics, is something one does because one wants to do it, not because one has to do it. They like the challenge and enjoy the rewards of their hard work.

I think it is safe to say Kenyon's reputation as one of the top swimming programs in the country nicely complements the fact that it is one of the elite schools of higher education in the United States because of the students and their desire to have an education and acquire an education. That marriage of athletics and academics, of hard work and strong intellect is what makes Kenyon College a remarkable place for swimmers and students alike.

We should all be proud of the accomplishments of the Kenyon Ladies swimming and diving team. The Ladies have shown us the real definition of what it is to be champions. Their hard work, dedication and desire will preserve their place in the history of collegiate athletics as the most successful women's athletics program in any division.

I could not be more pleased to represent the Ladies here today. I could not be more pleased to represent Kenyon College in the Eighteenth District of Ohio.

Ms. WOOLSEY. Mr. Speaker, I yield back the balance of my time.

Mr. TIBERI. Mr. Speaker, I yield myself such time as I may consume.

Again, it is a pleasure for me to be here to honor the Kenyon College Ladies, a distinction earned by the student athletes. The remarkable repeat victories of the team reflect the dedication of each athlete, the leadership of Coach Steen, supportive family and friends and fans.

I extend my congratulations to each of the hard-working competitors on the swimming and diving team, to Coach Steen, and to Kenyon College. I am happy to join with my colleague, the gentleman from Ohio (Mr. NEY), my neighbor in Ohio, and all my colleagues in honoring the accomplishments of this team and wish them continued success.

Once again, I strongly support House Resolution 634 and ask my colleagues to join me in support of this resolution.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HEFLEY). The question is on the motion offered by the gentleman from Ohio (Mr. TIBERI) that the House suspend the rules and agree to the resolution, H. Res. 634.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

CONGRATULATING KENYON COLLEGE LORDS FOR WINNING 2004 NCAA DIVISION III MEN'S SWIMMING AND DIVING NATIONAL CHAMPIONSHIP

Mr. TIBERI. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 635) congratulating the Kenyon College Lords swimming and diving team for winning the 2004 National Collegiate Athletic Association Division III Men's Swimming and Diving National Championship.

The Clerk read as follows:

H. RES. 635

Whereas on March 20, 2004, the Kenyon College Lords men's swimming and diving team won the National Collegiate Athletic Association Division III Men's Swimming and Diving National Championship for the 25th consecutive year with a score of 678.5 points;

Whereas the Lords won 11 of the 20 championship events, including all five relay events for the third consecutive season;

Whereas Head Coach Jim Steen has won 41 NCAA Division III Swimming and Diving National Championships as coach of both the men's and women's swimming and diving teams at Kenyon College;

Whereas the dedication of each swimmer, diver, coach, trainer, and manager of the Lords allowed the swimming and diving team to reach the pinnacle of team achievement;

Whereas the students, alumni, and faculty of Kenyon College and other supporters of Kenyon College swimming and diving are to be congratulated for their commitment and pride in the Kenyon College swimming and diving program; and

Whereas the 25 consecutive national titles won by the Lords is a record unmatched by any team in any sport in any division of the NCAA and makes the Lords swimming and diving team the most successful sports program in collegiate athletics history: Now, therefore, be it

Resolved, That the House of Representatives—

(1) congratulates the Kenyon College Lords swimming and diving team for winning the 2004 National Collegiate Athletic Association Division III Men's Swimming and Diving National Championship;

(2) recognizes the achievements of all the swimmers, divers, coaches, trainers, and managers who were instrumental in helping the Kenyon College Lords win the 2004 NCAA Division III Men's Swimming and Diving National Championship; and

(3) recognizes the 25 consecutive NCAA Division III national championships won by the Kenyon College Lords swimming and diving team as an accomplishment unparalleled in any sport in the history of collegiate athletics.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. TIBERI) and the gentlewoman from California (Ms. WOOLSEY) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. TIBERI).

GENERAL LEAVE

Mr. TIBERI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Resolution 635.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TIBERI. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. NEY).

Mr. NEY. Mr. Speaker, I thank my colleague for yielding me this time.

Mr. Speaker, I am also very proud to have introduced this second resolution congratulating the Kenyon College Lords swimming and diving team for capturing the 2004 NCAA Division III Swimming and Diving National Championship. You can see this is a great day for Kenyon College with both the female swimmers and the male swimmers, and the same coach, I should note, Jim Steen, who has just done a wonderful job.

This year, the Lords follow in the footsteps of those great swimmers who came before them. Like their predecessors, the Lords once again dominated the swimming and competition, scoring and incredible 678.5 points, while capturing their 25th consecutive national championship.

Some have argued that Kenyon Lords swimming is the greatest dynasty in sports. At the least, the Lords have accomplished something unparalleled in the history of collegiate athletics, a record 25 consecutive men's national championship teen titles, the most by any team in the history of NCAA athletics.

So for the past 25 years now, Kenyon has brought the Division III National title home to Gambier, Ohio. In fact, the last time the Lords lost a national championship, Jimmy Carter was President. Since 1980, Kenyon swimmers have had nearly 140 different people score points, while swimming more than 200 individual and 85 relay titles at the NCAA Division III Nationals. Perhaps even more impressive, are the 1,445 All-America honors as well as the 83 academic All-America awards Lords swimmers have accrued. This is an amazing amount of points.

These accomplishments testify to the hard work and the commitment to excellence the Kenyon Lords embody. But this strong work ethic extends far beyond the swimming pool. Kenyon College's tradition of excellence started long before their national championship streak. Since 1824, when the school was founded by Philander Chase, students have enjoyed its reputation as an environment friendly to those willing to work hard and further their intellect. That is why I think it is important to note that many of these athletes did not attend Kenyon for the sole sake of swimming, rather their choice was twofold: Kenyon boasts one of the best swimming programs in the country, but it is also one of the greatest schools of higher education in the United States. The result is by being a member of the Kenyon community, students enjoy the opportunity to become educated not only in the world of academia, but life as well.

The hard work and dedication displayed by the Kenyon Lords reminds us that, whether or not you want their streak to continue, and for Kenyon's sake let us hope that we do, this year the Lords team made it possible for all of us to celebrate the fact that for a quarter of a century now a small liberal arts school in Ohio has established itself as the benchmark for aspiring athletes in athletic programs all over this country.

I cannot be more pleased to celebrate the Lords accomplishments here today. I am very proud of the Lords, I am very proud of Kenyon College, and I think very fortunate to be able to represent Kenyon College in the Eighteenth District in Ohio.

I want to thank again the gentleman from Ohio (Mr. TIBERI) and the gentlewoman from California (Ms. WOOLSEY) for her support.

Ms. WOOLSEY. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H. Res. 635, a resolution congratulating the Kenyon College Men's swimming and diving team for winning the 2004 National Collegiate Athletic Association Division III Men's swimming and diving National Championship. This spring, the Kenyon Lords won a record 25th consecutive NCAA division title, the most titles held by any team in any sport in NCAA competition. Imagine that. My colleagues must be so proud over there.

Since 1980, the Kenyon Lords have won 200 individual and 85 relay titles at NCAA events. I want to congratulate Head Coach Jim Steen, who has been the driving force behind the Lords impressive drive for 25 quests. Not only has Coach Steen won more national NCAA titles than any other coach, but he has also prioritized academics and a strong work ethic for his Lords and Ladies teams.

The Lords have received 1,445 All-America honors, as well as 83 academic All-America awards. They have also won 85 relay team national championships, 54 conference titles, and 13 out of 18 record holders in Division III at NCAA events.

I also want to congratulate Emory and Carnegie Mellon Universities, who finished second and third in the overall team standings.

Mr. Speaker, I yield back the balance of my time.

Mr. TIBERI. Mr. Speaker, I yield myself such time as I may consume, and, in closing, I want to thank again the gentleman from Ohio (Mr. NEY), my colleague from Ohio, for bringing this resolution forward, and the chairman of the full committee, the gentleman from Ohio (Mr. BOEHNER).

I too extend my congratulations to each of the hard-working competitors of the swimming and diving team, to Coach Steen again, and to Kenyon College. I am happy to join with my colleagues in honoring the accomplishments of this team and wish them continued success.

I strongly support House Resolution 635, and ask my colleagues to support it as well.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. TIBERI) that the House suspend the rules and agree to the resolution, H. Res. 635.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

COMMENDING UNIVERSITY OF MINNESOTA GOLDEN GOPHERS FOR WINNING 2003–2004 NCAA DIVISION I NATIONAL COLLEGIATE WOMEN'S ICE HOCKEY CHAMPIONSHIP

Mr. KLINE. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 630) commending the University of Minnesota Golden Gophers for winning the 2003–2004 National Collegiate Athletic Association Division I National Collegiate Women's Ice Hockey Championship.

The Clerk read as follows:

H. RES. 630

Whereas on Sunday, March 28, 2004, the University of Minnesota Golden Gophers defeated Harvard University in the National Collegiate Athletic Association (NCAA) Division I National Collegiate Women's Ice Hockey Championship game by a score of 6 to 2, having defeated Dartmouth College by a score of 5 to 1 in the semifinal;

Whereas during the 2003–2004 season, the Gophers won an outstanding 30 out of 36 games, while losing only 4 and tying 2;

Whereas the University of Minnesota Golden Gophers women's ice hockey team is the only women's team at the University to win an NCAA championship;

Whereas sophomores Krissy Wendell, Natalie Darwitz, and Allie Sanchez and juniors Jody Horak and Kelly Stephens were selected for the 2003–2004 NCAA All-Tournament team, and Krissy Wendell was named the tournament's Most Valuable Player;

Whereas sophomore Krissy Wendell was named to the Jofa Women's University Division Ice Hockey All-American first team, and sophomore Natalie Darwitz was named to the Jofa Women's University Division Ice Hockey All-American second team;

Whereas seniors Kelsey Bills, La Toya Clarke, Melissa Coulombe, and Jerilyn Glenn made tremendous contributions to the University of Minnesota Golden Gophers women's ice hockey program;

Whereas the University of Minnesota Golden Gophers women's ice hockey head coach Laura Halldorson has been named the American Hockey Coaches Association's Division I Women's Coach of the Year for the third time since 1998; and

Whereas all of the team's players showed tremendous dedication throughout the season toward their goal of winning the national championship: Now, therefore, be it

Resolved, That the House of Representatives—

(1) commends the University of Minnesota women's ice hockey team for winning the 2003–2004 National Collegiate Athletic Association Division I Women's Ice Hockey Championship;

(2) recognizes the achievements of all the team's players, coaches, and support staff and invites them to the United States Capitol to be honored; and

(3) directs the Clerk of the House of Representatives to transmit an enrolled copy of this resolution to the President of the University of Minnesota.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota (Mr. KLINE) and the gentlewoman from California (Ms. WOOLSEY) each will control 20 minutes.

The Chair recognizes the gentleman from Minnesota (Mr. KLINE).

GENERAL LEAVE

Mr. KLINE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Resolution 630.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KLINE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker I rise today in support of House Resolution 630, and I thank my colleague, the gentleman from Minnesota (Mr. SABO), for bringing this resolution forward.

Mr. Speaker, this resolution recognizes the achievement of the University of Minnesota women's hockey team, the Minnesota Golden Gophers for their NCAA Division I championship. The Golden Gophers championship win marked a triumphant end to a remarkable season, winning 30 of 36 games and becoming the only women's team from the University of Minnesota to win an NCAA championship. The Golden Gophers defeated Harvard University by a score of 6 to 2 in the championship game, after defeating Dartmouth College by a score of 5 to 1 in the semi-final game.

In addition to their team victory, five players received individual recognition: Named to the 2003–2004 NCAA All-Tournament team. Head Coach Laura Halldorson was also honored as "Division I Women's Coach of the Year," receiving this distinction for the third time since 1998.

I extend my congratulations to all of the hard-working players, Coach Halldorson and her staff, the great Gopher fans, and the University of Minnesota. I am happy to join my colleagues in honoring the accomplishments of this team, and I wish them continued success. I ask my colleagues to support this resolution.

Mr. Speaker, I reserve the balance of my time.

Ms. WOOLSEY. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H. Res. 630, a resolution congratulating the University of Minnesota Golden Gophers for winning the 2004 National Collegiate Athletic Association Division I Women's Ice Hockey National Championship.

In March, the Gophers won their third consecutive national title, defeating the Harvard Crimson 6 to 2. I want to congratulate Shannon Miller, the 2003 American Hockey Coaches Association "Coach of the Year," in leading the Golden Gophers women's ice hockey team to their third national title in just 4 years.

In addition to the titles, Coach Miller holds the top spot among all women's college hockey coaches with a .818 winning percentage.

I also want to congratulate Krissy Wendell, who led the Golden Gophers with a goal and 3 assists and scored a total of 8 points during the national semi-final and championship games. Due to her excellent play, Wendell was named the "outstanding player" of the tournament.

In addition, Wendell's Gopher teammates, Natalie Darwiz, Jody Horak, Allie Sanchez and Kelly Stephens also took home NCAA All-Tournament honors.

□ 1030

I also want to congratulate the Harvard women's hockey team for their strong performance at the Final Four on Ice this year.

Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. SABO), an athlete himself.

Mr. SABO. I thank the gentlewoman from California for yielding me this time.

Mr. Speaker, on March 28, 2004, the State of Hockey made history once again. The University of Minnesota Golden Gopher women's ice hockey team defeated Harvard 6–2 to win the NCAA women's ice hockey championship. This marks the first NCAA championship for any women's sport at the University of Minnesota and was a true Minnesota effort as 12 of the 20 women on the roster are Minnesotans.

Winning the national championship was the crown jewel on an already spectacular season. The Golden Gophers defeated Dartmouth in the national semifinal 5–1 and former national champions the University of Minnesota-Duluth for the Western Collegiate Hockey Association championship. The Golden Gophers' final record for 2003–2004 was a stunning 30 wins, 4 losses and 2 ties.

The Gophers' championship season also yielded a number of individual honors. Coach Laura Halldorson was named the American Hockey Coaches Association's Division I Women's Coach of the Year. Sophomore Krissy Wendell was named tournament MVP. Five Golden Gophers were named to the NCAA all-tournament team: Krissy Wendell, Natalie Darwitz, Allie Sanchez, Jody Horak, and Kelly Stephens. This represents the most national all-tournament honors awarded to any Golden Gophers team in history.

Mr. Speaker, Minnesota is, and will always remain, the State of Hockey. I congratulate the players, coaches, staff, and fans for this wonderful achievement. And with most of the team back next year, we hope to be back here celebrating again.

Ms. WOOLSEY. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Minnesota (Ms. MCCOLLUM).

Ms. MCCOLLUM. Mr. Speaker, I am so pleased to be here to support House Resolution 630, congratulating the University of Minnesota Golden Gophers women's hockey team for their NCAA 2003–2004 women's ice hockey championship. I also want to congratulate head coach Laura Halldorson on being named the American Hockey Coaches Association's Coach of the Year for the third time since 1998.

This women's hockey team is the first women's team at the University of Minnesota to win an NCAA championship. We are all proud of the extraordinary accomplishment of all of these women. The success this team has achieved this year will help to continue to fuel women's hockey, which is exploding in Minnesota and across the country.

The success of the Golden Gophers and the ever-growing opportunities for women in sports remind us of the importance of title IX, the landmark legislation that banned sex discrimination in schools. Since its passage over 30 years ago, title IX has kicked open the door for women and girls in athletics and education; and since the passage of title IX, girls and women have gone from hoping for a team to hoping to make the team, from ringette to ice hockey.

Unfortunately, there are still some who would like to turn back the clock and see this law weakened. But as women continue to make strides toward equal opportunity, title IX must continue to remain strong. We must uphold the progress we have made, and we need to continue to expand the opportunities for our daughters, our granddaughters, our nieces, and for the next generation of young girls. Every girl and young woman must be given a chance one day to become a national champion, just as these Golden Gophers women had the chance.

Once again, I congratulate the University of Minnesota Lady Gophers on their extraordinary year.

Ms. WOOLSEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. KLINE. Mr. Speaker, I yield myself such time as I may consume just to again thank my colleagues for their kind words today and the gentleman from Minnesota (Mr. SABO) for bringing this resolution forward. I am very proud to support it and encourage all of my colleagues to support it.

Mr. RAMSTAD. Mr. Speaker, I rise today to pay tribute to the University of Minnesota women's hockey team, which has added new and indisputable evidence to boost Minnesota's reputation as the State of Hockey.

The Golden Gophers women's hockey team won the NCAA championship in March, beating Harvard 6–2 in the NCAA Frozen Four in Providence, RI.

Mr. Speaker, Minnesota is truly the State of Hockey, and the members of the University of Minnesota women's hockey team are true national champions.

This was the Gophers' first NCAA championship but its second national title in 5 years, as the Gophers won the AWCHA title in 2000 before the NCAA started holding a tournament.

Mr. Speaker, I salute Coach Laura Halldorson, her staff and her great team—including all-tournament players Krissy Wendell, Natalie Darwitz, Jody Horak, Allie Sanchez, and Kelly Stephens—on their national championship and the impressive way the Golden Gophers handled themselves on and off the ice.

Krissy Wendell, of Brooklyn Park in the Third Congressional District, led the Gophers to a 30–4–2 record in this remarkable championship season. She had a goal and 3 assists in the championship game and 8 points during the Frozen Four. Krissy Wendell was named the Most Outstanding Player of the Tournament, and the people of our area are very proud of her and her teammates.

The greatness of the University of Minnesota's 2003–2004 Golden Gopher women's hockey team is now a part of NCAA women's athletics history.

Mr. Speaker, that greatness was recognized at the White House on May 19 when the Golden Gophers women's hockey team was honored by President Bush. As the President said that day: "I was pleased to know the University of Minnesota women's hockey team's slogan this year was 'Get it done, and meet George.' It's my pleasure to meet you."

Mr. Speaker, It is my pleasure to extend heartfelt congratulations to our national champions, the University of Minnesota women's hockey team. Congratulations on your great accomplishment, and many thanks for making the State of Hockey proud.

Mr. KLINE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HEFLEY). The question is on the motion offered by the gentleman from Minnesota (Mr. KLINE) that the House suspend the rules and agree to the resolution, H. Res. 630.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

HONORING THE LIFE AND ACCOMPLISHMENTS OF RAY CHARLES

Mr. BURNS. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 449) honoring the life and accomplishments of Ray Charles, recognizing his contributions to the Nation, and extending condolences to his family on his death.

The Clerk read as follows:

H. CON. RES. 449

Whereas Ray Charles was born Ray Charles Robinson in Albany, Georgia, on September 23, 1930, the first child of Aretha and Baily Robinson;

Whereas Ray Charles and the Robinson family battled grinding poverty, the Depression, segregation, and young Ray's loss of his sight to glaucoma when he was only 6 years old, but they never gave up hoping and working for a better life;

Whereas while attending the St. Augustine School for the Deaf and Blind in St. Augustine, Florida, Ray Charles learned to read Braille and type, and he developed his musical gifts by learning to compose and arrange music by ear;

Whereas Ray Charles began his career as a professional musician without financial resources, in an era of segregation, and he struggled in poverty for years before attaining success;

Whereas out of his struggle and sacrifice Ray Charles gave the world the classic songs, "I Got A Woman", "Born to Lose", "Hit the Road, Jack", "I Can't Stop Loving You", "Crying Time", "Living for the City", "Busted", "Hard Times", "Ruby", "The Right Time", "Let the Good Times Roll", "What'd I Say?", and "Hallelujah, I Love Her So";

Whereas Ray Charles demonstrated a unique ability to perform music in nearly every musical style, whether blues, jazz, gospel, country-western, or rock and roll;

Whereas Ray Charles transformed "Georgia on My Mind", an old Stuart Gorrell and Hoagy Carmichael tune from 1930, into a song which is instantly recognized throughout the world and the official song of his native State of Georgia;

Whereas with his unique style of arrangement, Ray Charles gave new life for a new century to one of America's best-known patriotic songs, "America the Beautiful";

Whereas during his most productive musical years, Ray Charles provided unfailing personal and financial support to Dr. Martin Luther King, Jr., in the struggle to end the practice of racial segregation which had divided the Nation;

Whereas Ray Charles extended his commitment to social reform beyond the United States, publicly opposing apartheid in South Africa and anti-Semitism worldwide;

Whereas Ray Charles was one of the most influential and recognized voices of American music throughout the world, whose influence spanned generations and musical genres; and

Whereas with the death of Ray Charles on June 10, 2004, in Beverly Hills, California, the Nation has lost one of its most prolific and influential musicians: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress—

(1) honors the life and accomplishments of Ray Charles Robinson;

(2) recognizes Ray Charles for his invaluable contributions to the Nation, the State of Georgia, and the American musical heritage; and

(3) extends condolences to the family of Ray Charles on the death of a remarkable man.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Georgia (Mr. BURNS) and the gentlewoman from California (Ms. WOOLSEY) each will control 20 minutes.

The Chair recognizes the gentleman from Georgia (Mr. BURNS).

GENERAL LEAVE

Mr. BURNS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 449.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BURNS. Mr. Speaker, I yield myself such time as I may consume. I rise in strong support of H. Con. Res. 449.

Mr. Speaker, this resolution recognizes the musical genius of one of Georgia's and America's greatest entertainers. It also recognizes the heroic struggle that Ray Charles Robinson began at the age of 7 to overcome the obstacle of blindness and to go on to become an international music superstar. But perhaps more importantly it also places in the CONGRESSIONAL RECORD for posterity his contribution to Dr. Martin Luther King's drive to end segregation, his worldwide campaign against apartheid and against anti-Semitism.

It is particularly significant to me that Ray Charles' greatest recorded public stand against segregation took place in the heart of the 12th District of Georgia. In Augusta, Georgia, Ray Charles' concert had separated black and white fans and suggested that they had to be seated in different areas of the concert hall. Ray refused. He refused to play unless folks were allowed to sit where they wanted. He was sued. He broke his contract and lost a lot of money. But he stood firm. He stood firm for his beliefs, and he stood firm in Georgia. Today we can all sit together in that same theater because of the courage and conviction of Americans like Ray Charles and Martin Luther King and my friend and colleague from Georgia, John Lewis.

For many Americans like me, it is amazing to hear Ray Charles sing "Georgia on My Mind" and "America the Beautiful." He sings it with conviction, affection and style, that no one else ever has and no one else ever will. In spite of the offense of segregation and bigotry, he kept his love of State and of Nation while working to make both of them a better place. Ray Charles had already arrived where the rest of us needed to be.

With this resolution, we recognize not only a great musician and a great entertainer but a great Georgian and a great American.

Mr. Speaker, I reserve the balance of my time.

Ms. WOOLSEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Con. Res. 449 to honor the lifetime achievements of Ray Charles. I join my colleagues in mourning his recent passing, and I thank my lucky stars that I have seen him in concert many times. Ray Charles overcame childhood poverty, the loss of his eyesight at age 6, and the loss of both of his parents by the age of 15 to become a 12-time Grammy award-winning performer.

Ray Charles was a gifted pianist and saxophonist, but his greatest gift was his songs. He sang the blues, country, rock, big band swing, jazz, even classical. Many credit Ray Charles with the beginning of soul music when he combined gospel and rhythm and blues in his first recording, "I Got a Woman."

Ray Charles' version of "Georgia on My Mind" became the official song of his native State of Georgia and his performance of "America the Beautiful" gave new life and a new audience to a patriotic standard that we did not know before. But whatever Ray Charles sang in whatever style, he started from his very roots, the black American music that became the soul of his music.

It is fitting that Members from both sides of the aisle join together to honor Ray Charles, because he was not political. His music was his politics, and it embraced all listeners equally. Ray Charles' music broke down all barriers, and united his audience in appreciation. Ray Charles will be deeply missed. We are fortunate that his music will live on forever and forever.

Mr. Speaker, I reserve the balance of my time.

Mr. BURNS. Mr. Speaker, it gives me great pleasure to yield such time as he may consume to the gentleman from Georgia (Mr. SCOTT), someone who worked diligently to recognize Ray Charles in the State House of Georgia.

Mr. SCOTT of Georgia. Mr. Speaker, what a great day this is for this House of Representatives to set this moment in time aside to honor one of the world's most distinguished citizens. Born into searing, piercing poverty in 1930 at the start of the Great Depression; born when he could fully see, but by the time he was 7 years old he was completely blind; lost his brother at age 5, his mother at age 15, his father absent, Ray Charles, alone in the world.

But he had a genius. He had a gift deep inside of him. And his mother had the good fortune of placing him in the Florida School for the Blind, and there Ray Charles found his way to a piano. And then he learned how to play the guitar, the saxophone, the drums. What a musical genius. The hits came: "Hit the Road, Jack," "That Lucky Old Sun," "I Can't Stop Loving You." All of these great songs were manifested by the arena and the environment in which Ray Charles grew up. He got the gospel from the church. He got the blues from the honky tonks and the juke joints. He got his classical training where he could play Chopin, Strauss, and Beethoven. No musical genre did Ray Charles not capture. The beauty of it all was that Ray Charles transcended racial lines, economic lines, so that no matter where your standing in life, when you heard Ray Charles' voice, you felt it deep in the marrow of your bones.

Mr. Speaker, I am so pleased and so delighted to be here to join with my other colleagues in giving this genuine hero, who survived and achieved in spite of the odds, his due recognition. So many songs he sang, "That Lucky Old Sun" and, of course, "America the Beautiful" which touched everyone; but there was no song that captured Ray Charles as much as "Georgia on My Mind."

I first met Ray Charles as a member of the House of Representatives. We invited him on the floor and he had that piano there because in 1979 when I was in the Georgia House, we passed a resolution not just honoring Ray Charles but making "Georgia on My Mind" our State song. I can see Ray Charles there now at that piano stool, swaying to and fro and saying:

Georgia, Georgia, a song of you
Comes as sweet and clean as moonlight
through the pines.
Other arms reach out to me
Other eyes smile tenderly
Still in peaceful dreams I see
The road leads back to you.
Georgia, Georgia, no peace I find
Just an old sweet song keeps Georgia on my
mind.

Just an old sweet song will forever keep Ray Charles on our minds and in our hearts, for he has left us a rich legacy of music, of culture, of art that will live on forever. It was Frank Sinatra, Old Blue Eyes himself, Chairman of the Board, who said it best about Ray Charles: "Ray Charles is the only genius in our business." No more apt words coming from Frank Sinatra himself.

Mr. Speaker, Ray Charles was not just an American treasure. Ray Charles is and will forever be a world's treasure. We thank God Almighty for blessing us mightily by sending Ray Charles our way. God bless Ray Charles, and we thank Ray Charles.

□ 1045

Ms. WOOLSEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, today I rise in support of H. Con. Res. 449, a bill to celebrate the life of Ray Charles.

Mr. Speaker, I want to thank the gentlewoman from California, my friend, for yielding me this time, the place where Ray Charles spent many wonderful and great years. I also want to thank the gentleman from the State of Georgia, my friend, for bringing this resolution forth.

This native of Georgia, son of America, citizen of the world, was born to sing. He was born to make music. Whether Gospel, blues, country, or rock, he had the rare ability to reach the depth of our souls.

After losing his sight at a very young age, Ray Charles perfected his voice, a voice that transcended race, color, and class. Through songs like "Georgia on My Mind," "America the Beautiful," "Hit the Road Jack," "What I'd Say," "Spirit in the Dark," and "I Can't Stop Loving You," he spoke to the hearts and souls of millions and became a pivotal figure in modern American and world music.

But, Mr. Speaker, Ray Charles's commitment did not just end with music. He was also committed to equality for all, by providing personal and financial support in the fight for civil rights. Ray Charles dedicated his life to uniting a divided America and bringing the world community a little closer. He was very supportive of education. He gave millions of dollars to Morehouse College in Atlanta.

For more than 60 years, Ray Charles blessed us with his music, and, Mr. Speaker, I believe we will never see his likeness again.

I thank Ray Charles. I thank him for his service. I thank him for giving his heart, his soul, his very being for the benefit of all human kind. Our world, our Nation, is a little bit better because Ray Charles passed this way with his music, with his heart, with his soul.

Mr. BURNS. Mr. Speaker, I reserve the balance of my time

Ms. WOOLSEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-MCDONALD. Mr. Speaker, I thank the gentleman from Georgia and the gentlewoman from California for bringing forth this very supportive resolution. And I speak this morning to pay tribute to one of the greatest singers, songwriters, and composers of the 20th and the 21st Century, Ray Charles. I must tell the Georgians that California also claims Ray Charles as a native son.

Ray Charles, born Ray Charles Robinson on September 23, 1930, in Albany, Georgia, started his interest in music at the young age of 3 and eventually learned to read and write music in Braille, as well as play a number of instruments including the trumpet, organ, alto sax and the piano.

He scored his first big hit in 1959 with the song "What I'd Say" and went on to win 12 Grammy Awards, with nine awards between 1960 and 1966.

Of course, Ray Charles would record many hit records during the course of his career, including "Hit the Road Jack"; "I Can't Stop Loving You," "Busted"; "Born to Lose"; "Take These Chains from My Heart; and the State song of Georgia, "Georgia on My Mind."

His version of "America the Beautiful," like most of his songs, will be considered America's classic for generations to come. He won his last Grammy in 1993 for "A Song for You."

Ray Charles was a unique musician, Mr. Speaker, because of his ability to cross musical genres to create a fresh and exciting new sound. Not only did his music and words reach all types of audiences, he also commanded a strong stage presence with his personality and infectious smile warming our hearts.

He was so popular, in fact, that he became a television spokesman for a soft drink company telling viewers they picked the right choice and they picked the right one with the familiar "uh huh" refrain.

Mr. Speaker, Ray Charles was inducted into the Blues Foundation's Hall of Fame in 1982 and was inducted into the Rock and Roll's Hall of Fame in its inaugural year 1986. And I was honored last year to be at the NAACP Gala in Los Angeles when they gave him the highest award, the America's Outstanding Citizen and Entertainer of the Decade Award.

I would like to extend my condolences to the family, friends and fans of Ray Charles. Oh, how beautiful America was with the genius of Ray Charles.

Ray Charles, "I Can't Stop Loving You."

I support this resolution.

Mr. BURNS. Mr. Speaker, I reserve the balance of my time.

Ms. WOOLSEY. Mr. Speaker, I yield back the balance of my time.

Mr. BURNS. Mr. Speaker, I yield myself such time as I may consume.

Ray Charles was a musical genius, a great American, someone who stood for the rights of others. His life and his work will live forever through his music and through his legacy.

I urge my colleagues to support H. Con. Res. 449 honoring the life and service of Ray Charles Robinson.

Mr. LINDER. Mr. Speaker, I rise in support of H. Con. Res. 449 and commend my friend and colleague, Mr. BURNS of Georgia, for bringing this resolution, honoring the life and many accomplishments of the late Ray Charles, to the House floor for consideration today.

Ray Charles was born in Albany, Georgia on September 23, 1930. When he was only seven, he lost his eyesight to glaucoma. As a teenager, his family sent Ray to the St. Augustine School for the Deaf and Blind, where he learned to read and write music in Braille.

At the age of 15, Ray graduated from St. Augustine and went out on the road as a traveling musician. Throughout the 1950s, his young career began taking off, as evidenced by the fact that during this period of his career, he played at Carnegie Hall and the Newport Jazz Festival.

From 1960 to 1966, he won 9 of his 12 Grammy awards, as he forged a unique style, incorporating elements of jazz, blues, country and western, swing, and gospel. In addition he was a very talented pianist, who could also play the saxophone and had a voice that was distinctive in both tone and range.

A few of his major hits include "What'd I Say," "Hit the Road, Jack," "I Can't Stop Loving You," and "Georgia on My Mind," which became the state's official song as he made it one of his signature performances.

Amazingly enough, his popularity continued well into the 1990s, almost 40 years after he started. In 1993, he won his last Grammy for "A Song For You."

Sadly, Ray Charles died earlier this month, at the age of 73 on June 10, 2004 after a lengthy illness.

Ray Charles once stated "I just want to make my mark, leave something musically good behind." It is certain that he left more than something "musically good behind"—he left behind a legacy as one of the finest and greatest American musicians of the late 20th century. He will be sorely missed.

I urge all of my colleagues in the House to join me in approving this measure.

Mr. CUMMINGS. Mr. Speaker, I rise today in support of H. Con. Res. 449, which honors the life and accomplishments of Ray Charles, recognizes his contributions to the Nation, and extends condolences to his family on his death earlier this month on June 10, 2004.

Born in 1930, in Albany, Georgia, Ray Charles (nee Ray Charles Robinson) entered this world handicapped by racial segregation, poverty, and later blindness at age 6. Yet, these crippling circumstances conversely empowered the young Charles as he rose to be one of the most prominent icons in popular culture. Spanning over three decades of success, Ray Charles inspired all Americans, especially those in the African American community, to persist and aspire despite adversity.

Mr. Speaker, Ray Charles revolutionized music through his unique ability to interweave the cultural rhythms of soul music, the harmonies of jazz, and the sentiment of country-western. This exceptional fusion offered the mainstream audience an opportunity to partake in a truly moving musical experience that defied the boundaries of genre specific music. His talent and foresight were justly rewarded with three number one hits, twelve Grammys, a star on the Hollywood Boulevard Walk of Fame, induction into the Rock and Roll Hall of Fame, Jazz Hall of Fame, as well as the Rhythm and Blues Hall of Fame. However, the accolades are merely a superficial indicator of the far-reaching implications of Ray Charles' life.

Mr. Speaker, Ray Charles was an advocate of civil rights for all, not only through his music but also through his political actions. Mr. Charles joined Dr. Martin Luther King Jr. in his fight for civil equality and saw himself "carrying the cross" for all African Americans. In 1962 he became the Honorary Chairman for the National Association for Sickle Cell Disease, and in 1975 was this organization's first, "Man of Distinction". Additionally, around this time, Ray Charles began to expand his sphere of influence as he supported anti-apartheid movements in South Africa, and participated in meetings with leaders like, Prime Minister David Ben-Gurion to discuss the status of Jews in Israel.

These activities show that Ray Charles enriched our lives in ways beyond his memorable songs like "Georgia On My Mind"—one of my favorites, and many recognized his efforts. In fact, in 1983 the NAACP honored him with an induction into their Hall of Fame noting his outstanding contributions to the African American community. He also participated in the historic, "We are the World" recording, which supported funding for the starving children in Africa. In 1986, Mr. Charles was doubly honored, first when he was made the Commander of Fine Arts and Letters by the French Government and second in Washington DC, when he was recognized in the prestigious Kennedy Center Honors ceremony.

Mr. Speaker, in April 1987, Ray Charles expounded upon his advocacy work, with a personal endowment of one million dollars to the Robinson Foundation for Hearing Disorders—a move that solidified his genuine philanthropic interests. In the following years these genuine interests were rewarded with honors such as: The National Medal of Arts from former President Clinton, the Lifetime Achievement Award from the Black Achievement Awards committee, as well as the Helen Keller Achievement Award from the American Foundation for the Blind.

It is with bittersweet emotions that I stand in front of you today. Bitter as I mourn the loss of an American treasure, and send condolences to his family—sweet as I remember the legacy of a man who changed the lives of Americans forever.

I want to thank my esteemed colleague from the state of Georgia, Representative MAX BURNS, for his leadership in sponsoring this important piece of legislation.

Once again, I urge all of my colleagues to support passage of H. Con. Res. 449.

Mr. BURNS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HEFLEY). The question is on the motion offered by the gentleman from Georgia (Mr. BURNS) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 449.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Ms. WOOLSEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

RECOGNIZING THE IMPORTANCE OF BLUES MUSIC

Mr. BURNS. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 13) recognizing the importance of blues music, and for other purposes, as amended.

The Clerk read as follows:

H. CON. RES. 13

Whereas blues music is the most influential form of music indigenous to the United States, providing the roots for contemporary music heard around the world such as rock and roll, jazz, rhythm and blues, and country, and even influencing classical music;

Whereas the blues is a national historic treasure, which needs to be preserved and studied for the benefit of future generations;

Whereas blues music documents twentieth-century United States history, especially during the Great Depression and in the areas of race relations and pop culture;

Whereas the various forms of blues music trace the transformation of the United States from a rural, agricultural society to an urban, industrialized country;

Whereas the blues is an important facet of African-American culture in the twentieth century;

Whereas every year, people in the United States hold hundreds of blues festivals, and millions of new or reissued blues albums are released;

Whereas blues musicians from the United States, whether old or new, male or female, are recognized and revered worldwide as unique and important ambassadors of the United States and its music;

Whereas it is important to educate the young people of the United States so that they understand that the music they listen to today has its roots and traditions in the blues; and

Whereas there are many living legends of blues music in the United States who should be recognized and have their stories captured and preserved for future generations: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) recognizes the importance of blues music with respect to many cultural developments in United States history;

(2) calls on the people of the United States to take the opportunity to study, reflect on, and celebrate the importance of the blues; and

(3) requests that the President issue a proclamation calling on the people of the United States and interested organizations to observe the importance of the blues with appropriate ceremonies, activities, and educational programs.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Georgia (Mr. BURNS) and the gentlewoman from California (Ms. WOOLSEY) each will control 20 minutes.

The Chair recognizes the gentleman from Georgia (Mr. BURNS).

GENERAL LEAVE

Mr. BURNS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 13.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BURNS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 13, which recognizes the importance of blues music. Blues music is one of the most influential forms of music indigenous to the United States and has inspired contemporary music heard around the world including rock and roll, jazz, rhythm and blues, and country.

Blues music documents 20th Century United States history, especially during the Great Depression and in the areas of race relations and pop culture. Various forms of blues music traced the transformation of the United States from a rural, agricultural society to an urban, industrialized country, and the blues is an important facet of the African American culture in the 20th Century.

Accordingly, blues music is considered by many a national historic treasure, which needs to be preserved and studied for the benefit of future generations. Every year people in the United States hold hundreds of blues music festivals, and millions of new or reissued blues albums are released, and blues musicians from the United States, whether old or new, male or female, are recognized and revered worldwide as unique and important ambassadors of the United States and its music.

House Concurrent Resolution 13 is simple and straightforward. It recognizes the importance of blues music with respect to many cultural developments in United States history. It calls on the people of the United States to take the opportunity to study, reflect on, and celebrate the importance of the blues and requests that the President issue a proclamation calling on the people of the United States and interested organizations to observe the importance of the blues with appropriate ceremonies, activities, and educational programs.

I urge my colleagues to support the resolution.

Mr. Speaker, I reserve the balance of my time.

Ms. WOOLSEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Con. Res. 13, which the gentleman from Tennessee (Mr. FORD) introduced to recognize the importance of blues music.

The blues is an entirely American art form. It began with slaves as a way of communicating their experiences, their faith, their pain. The earliest form of the blues is thought to be the field holler, which gave voice to the extreme suffering and oppression in the construction camps of the South. The field our way. God bless Ray Charles, and we thank Ray Charles.

□ 1045

Ms. WOOLSEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, today I rise in support of H. Con. Res. 449, a bill to celebrate the life of Ray Charles.

Mr. Speaker, I want to thank the gentlewoman from California, my friend, for yielding me this time, the place where Ray Charles spent many wonderful and great years. I also want to thank the gentleman from the State of Georgia, my friend, for bringing this resolution forth.

This native of Georgia, son of America, citizen of the world, was born to sing. He was born to make music. Whether Gospel, blues, country, or rock, he had the rare ability to reach the depth of our souls.

After losing his sight at a very young age, Ray Charles perfected his voice, a voice that transcended race, color, and class. Through songs like "Georgia on My Mind," "America the Beautiful," "Hit the Road Jack," "What I'd Say," "Spirit in the Dark," and "I Can't Stop Loving You," he spoke to the hearts and souls of millions and became a pivotal figure in modern American and world music.

But, Mr. Speaker, Ray Charles's commitment did not just end with music. He was also committed to equality for all, by providing personal and financial support in the fight for civil rights. Ray Charles dedicated his life to uniting a divided America and bringing the world community a little closer. He was very supportive of education. He gave millions of dollars to Morehouse College in Atlanta.

For more than 60 years, Ray Charles blessed us with his music, and, Mr. Speaker, I believe we will never see his likeness again.

I thank Ray Charles. I thank him for his service. I thank him for giving his heart, his soul, his very being for the benefit of all human kind. Our world, our Nation, is a little bit better because Ray Charles passed this way with his music, with his heart, with his soul.

Mr. BURNS. Mr. Speaker, I reserve the balance of my time

Ms. WOOLSEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-McDONALD. Mr. Speaker, I thank the gentleman from Georgia and the gentlewoman from California for bringing forth this very supportive resolution. And I speak this morning to pay tribute to one of the greatest singers, songwriters, and composers of the 20th and the 21st Century, Ray Charles. I must tell the Georgians that California also claims Ray Charles as a native son.

Ray Charles, born Ray Charles Robinson on September 23, 1930, in Albany, Georgia, started his interest in music at the young age of 3 and eventually learned to read and write music in Braille, as well as play a number of instruments including the trumpet, organ, alto sax and the piano.

He scored his first big hit in 1959 with the song "What I'd Say" and went on to win 12 Grammy Awards, with nine awards between 1960 and 1966.

Of course, Ray Charles would record many hit records during the course of his career, including "Hit the Road Jack"; "I Can't Stop Loving You," "Busted"; "Born to Lose"; "Take These Chains from My Heart; and the State song of Georgia, "Georgia on My Mind."

His version of "America the Beautiful," like most of his songs, will be considered America's classic for generations to come. He won his last Grammy in 1993 for "A Song for You."

Ray Charles was a unique musician, Mr. Speaker, because of his ability to cross musical genres to create a fresh and exciting new sound. Not only did his music and words reach all types of audiences, he also commanded a strong stage presence with his personality and infectious smile warming our hearts.

He was so popular, in fact, that he became a television spokesman for a soft drink company telling viewers they picked the right choice and they picked the right one with the familiar "uh huh" refrain.

Mr. Speaker, Ray Charles was inducted into the Blues Foundation's Hall of Fame in 1982 and was inducted into the Rock and Roll's Hall of Fame in its inaugural year 1986. And I was honored last year to be at the NAACP Gala in Los Angeles when they gave him the highest award, the America's Outstanding Citizen and Entertainer of the Decade Award.

I would like to extend my condolences to the family, friends and fans of Ray Charles. Oh, how beautiful America was with the genius of Ray Charles.

Ray Charles, "I Can't Stop Loving You."

I support this resolution.

Mr. BURNS. Mr. Speaker, I reserve the balance of my time.

Ms. WOOLSEY. Mr. Speaker, I yield back the balance of my time.

Mr. BURNS. Mr. Speaker, I yield myself such time as I may consume.

Ray Charles was a musical genius, a great American, someone who stood for the rights of others. His life and his work will live forever through his music and through his legacy.

I urge my colleagues to support H. Con. Res. 449 honoring the life and service of Ray Charles Robinson.

Mr. LINDER. Mr. Speaker, I rise in support of H. Con. Res. 449 and commend my friend and colleague, Mr. BURNS of Georgia, for bringing this resolution, honoring the life and many accomplishments of the late Ray Charles, to the House floor for consideration today.

Ray Charles was born in Albany, Georgia on September 23, 1930. When he was only seven, he lost his eyesight to glaucoma. As a teenager, his family sent Ray to the St. Augustine School for the Deaf and Blind, where he learned to read and write music in Braille.

At the age of 15, Ray graduated from St. Augustine and went out on the road as a traveling musician. Throughout the 1950s, his young career began taking off, as evidenced by the fact that during this period of his career, he played at Carnegie Hall and the Newport Jazz Festival.

From 1960 to 1966, he won 9 of his 12 Grammy awards, as he forged a unique style, incorporating elements of jazz, blues, country and western, swing, and gospel. In addition he was a very talented pianist, who could also play the saxophone and had a voice that was distinctive in both tone and range.

A few of his major hits include "What'd I Say," "Hit the Road, Jack," "I Can't Stop Loving You," and "Georgia on My Mind," which became the state's official song as he made it one of his signature performances.

Amazingly enough, his popularity continued well into the 1990s, almost 40 years after he started. In 1993, he won his last Grammy for "A Song For You."

Sadly, Ray Charles died earlier this month, at the age of 73 on June 10, 2004 after a lengthy illness.

Ray Charles once stated "I just want to make my mark, leave something musically good behind." It is certain that he left more than something "musically good behind"—he left behind a legacy as one of the finest and greatest American musicians of the late 20th century. He will be sorely missed.

I urge all of my colleagues in the House to join me in approving this measure.

Mr. CUMMINGS. Mr. Speaker, I rise today in support of H. Con. Res. 449, which honors the life and accomplishments of Ray Charles, recognizes his contributions to the Nation, and extends condolences to his family on his death earlier this month on June 10, 2004.

Born in 1930, in Albany, Georgia, Ray Charles (nee Ray Charles Robinson) entered this world handicapped by racial segregation, poverty, and later blindness at age 6. Yet, these crippling circumstances conversely empowered the young Charles as he rose to be one of the most prominent icons in popular culture. Spanning over three decades of success, Ray Charles inspired all Americans, especially those in the African American community, to persist and aspire despite adversity.

Mr. Speaker, Ray Charles revolutionized music through his unique ability to interweave the cultural rhythms of soul music, the harmonies of jazz, and the sentiment of country-western. This exceptional fusion offered the mainstream audience an opportunity to partake in a truly moving musical experience that defied the boundaries of genre specific music. His talent and foresight were justly rewarded with three number one hits, twelve Grammys, a star on the Hollywood Boulevard Walk of Fame, induction into the Rock and Roll Hall of Fame, Jazz Hall of Fame, as well as the Rhythm and Blues Hall of Fame. However, the accolades are merely a superficial indicator of the far-reaching implications of Ray Charles' life.

Mr. Speaker, Ray Charles was an advocate of civil rights for all, not only through his music but also through his political actions. Mr. Charles joined Dr. Martin Luther King Jr. in his fight for civil equality and saw himself "carrying the cross" for all African Americans. In 1962 he became the Honorary Chairman for the National Association for Sickle Cell Disease, and in 1975 was this organization's first, "Man of Distinction". Additionally, around this time, Ray Charles began to expand his sphere of influence as he supported anti-apartheid movements in South Africa, and participated in meetings with leaders like, Prime Minister David Ben-Gurion to discuss the status of Jews in Israel.

These activities show that Ray Charles enriched our lives in ways beyond his memorable songs like "Georgia On My Mind"—one of my favorites, and many recognized his efforts. In fact, in 1983 the NAACP honored him with an induction into their Hall of Fame noting his outstanding contributions to the African American community. He also participated in the historic, "We are the World" recording, which supported funding for the starving children in Africa. In 1986, Mr. Charles was doubly honored, first when he was made the Commander of Fine Arts and Letters by the French Government and second in Washington DC, when he was recognized in the prestigious Kennedy Center Honors ceremony.

Mr. Speaker, in April 1987, Ray Charles expounded upon his advocacy work, with a personal endowment of one million dollars to the Robinson Foundation for Hearing Disorders—a move that solidified his genuine philanthropic interests. In the following years these genuine interests were rewarded with honors such as: The National Medal of Arts from former President Clinton, the Lifetime Achievement Award from the Black Achievement Awards committee, as well as the Helen Keller Achievement Award from the American Foundation for the Blind.

It is with bittersweet emotions that I stand in front of you today. Bitter as I mourn the loss of an American treasure, and send condolences to his family—sweet as I remember the legacy of a man who changed the lives of Americans forever.

I want to thank my esteemed colleague from the state of Georgia, Representative MAX BURNS, for his leadership in sponsoring this important piece of legislation.

Once again, I urge all of my colleagues to support passage of H. Con. Res. 449.

Mr. BURNS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HEFLEY). The question is on the motion offered by the gentleman from Georgia (Mr. BURNS) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 449.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Ms. WOOLSEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

RECOGNIZING THE IMPORTANCE OF BLUES MUSIC

Mr. BURNS. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 13) recognizing the importance of blues music, and for other purposes, as amended.

The Clerk read as follows:

H. CON. RES. 13

Whereas blues music is the most influential form of music indigenous to the United States, providing the roots for contemporary music heard around the world such as rock and roll, jazz, rhythm and blues, and country, and even influencing classical music;

Whereas the blues is a national historic treasure, which needs to be preserved and studied for the benefit of future generations;

Whereas blues music documents twentieth-century United States history, especially during the Great Depression and in the areas of race relations and pop culture;

Whereas the various forms of blues music trace the transformation of the United States from a rural, agricultural society to an urban, industrialized country;

Whereas the blues is an important facet of African-American culture in the twentieth century;

Whereas every year, people in the United States hold hundreds of blues festivals, and millions of new or reissued blues albums are released;

Whereas blues musicians from the United States, whether old or new, male or female, are recognized and revered worldwide as unique and important ambassadors of the United States and its music;

Whereas it is important to educate the young people of the United States so that they understand that the music they listen to today has its roots and traditions in the blues; and

Whereas there are many living legends of blues music in the United States who should be recognized and have their stories captured and preserved for future generations: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) recognizes the importance of blues music with respect to many cultural developments in United States history;

(2) calls on the people of the United States to take the opportunity to study, reflect on, and celebrate the importance of the blues; and

(3) requests that the President issue a proclamation calling on the people of the United States and interested organizations to observe the importance of the blues with appropriate ceremonies, activities, and educational programs.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Georgia (Mr. BURNS) and the gentlewoman from California (Ms. WOOLSEY) each will control 20 minutes.

The Chair recognizes the gentleman from Georgia (Mr. BURNS).

GENERAL LEAVE

Mr. BURNS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 13.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BURNS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 13, which recognizes the importance of blues music. Blues music is one of the most influential forms of music indigenous to the United States and has inspired contemporary music heard around the world including rock and roll, jazz, rhythm and blues, and country.

Blues music documents 20th Century United States history, especially during the Great Depression and in the areas of race relations and pop culture. Various forms of blues music traced the transformation of the United States from a rural, agricultural society to an urban, industrialized country, and the blues is an important facet of the African American culture in the 20th Century.

Accordingly, blues music is considered by many a national historic treasure, which needs to be preserved and studied for the benefit of future generations. Every year people in the United States hold hundreds of blues music festivals, and millions of new or reissued blues albums are released, and blues musicians from the United States, whether old or new, male or female, are recognized and revered worldwide as unique and important ambassadors of the United States and its music.

House Concurrent Resolution 13 is simple and straightforward. It recognizes the importance of blues music with respect to many cultural developments in United States history. It calls on the people of the United States to take the opportunity to study, reflect on, and celebrate the importance of the blues and requests that the President issue a proclamation calling on the people of the United States and interested organizations to observe the importance of the blues with appropriate ceremonies, activities, and educational programs.

I urge my colleagues to support the resolution.

Mr. Speaker, I reserve the balance of my time.

Ms. WOOLSEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Con. Res. 13, which the gentleman from Tennessee (Mr. FORD) introduced to recognize the importance of blues music.

The blues is an entirely American art form. It began with slaves as a way of communicating their experiences, their faith, their pain. The earliest form of the blues is thought to be the field holler, which gave voice to the extreme suffering and oppression in the construction camps of the South. The field holler grew into the spiritual, which became the basis for the blues.

The blues began as an oral tradition and were not written down until the early 1900s when W.C. Handy began performing and publishing songs that he had heard. Handy's "Memphis Blues" and "St. Louis Blues" are credited with spreading the popularity of the blues among African American audiences.

In the 1920s, the blues became a national craze. Recordings by Bessie Smith and Billie Holiday, leading blues singers, sold in the millions, and the influence of the blues can be seen both in jazz and in pop music today.

Although the blues is deeply rooted in the American black experience, listeners of all backgrounds can identify with the loneliness and the longing of the blues. The blues is truly universal.

Mr. Speaker, I reserve the balance of my time.

Mr. BURNS. Mr. Speaker, I reserve the balance of my time.

Ms. WOOLSEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee (Mr. FORD), the author of this resolution.

Mr. FORD. Mr. Speaker, I thank the gentlewoman from California (Ms. WOOLSEY) and the gentleman from Georgia (Mr. BURNS) and to all my colleagues who played a role in recognizing this important art form.

I join with all of my colleagues in expressing my condolences and appreciation for the enormous contributions over the years that Mr. Charles made to American music. As many of the Members know, and as has been touched on already this morning by the gentleman from Georgia (Mr. LEWIS) and the gentleman from Georgia (Mr. BISHOP) and many others, the contribution that blues music had on Ray Charles and to American music as a whole cannot be understated.

Ray Charles was one of the first artists to combine the blues genre with gospel and country and jazz to perform and really evolve into a genre known as soul music, which has become a staple of the Memphis music scene, which the core and the heart of my congressional district in Tennessee. Ray Charles was inducted into the Blues Foundation Hall of Fame in 1982, another foundation located in Memphis.

The blues is one of America's greatest and original musical treasures. As the gentlewoman from California (Ms. WOOLSEY) has noted, it is a music form that evolved out of African American work songs, field hollers, and spirituals and early string band sounds more than a century ago. As a matter of fact, the blues is the very foundation of so much of what came out of the 20th Century, including rhythm and blues; rock and roll; my generation's favorite, hip hop; and even neoclassical.

Blues music is the most celebrated form of indigenous American music, with hundreds of festivals held and thousands of new or reissued blues albums released each year in the United States and around the world.

Most musical historians agree that popular blues music as we know it today originated somewhere in the Mississippi River delta, a blend of African American spirituals and folk and country music that had moved west from the Appalachian mountains.

On a lonely platform in Tutwiler, Mississippi in 1903, W.C. Handy, widely regarded as the "Father of the Blues," first heard the music that he would imitate in a recording studio in Memphis that would become the first release of blues music for distribution throughout the Nation.

From these initial recordings, a new form of music would move to the forefront of American pop culture, a form of music that reflected the American experience, a story of hardship, determination, and ultimately freedom.

□ 1100

Promulgated and developed by such icons as Muddy Waters, Howlin' Wolf, Etta James, Koko Taylor, and the great B.B. King, blues music remains a living documentary of American history. From the migration from a rural, agricultural society to an urban industrialized nation, to the collective struggle during the Great Depression, to the improvement in race relations, to the development of pop culture, blues music reflects the experience, emotions and lessons of our history.

I want to acknowledge and thank the Blues Foundation again, which helps keep the blues alive and its heritage alive by promoting music educational initiatives, supporting new and existing artists, and recognizing achievements in blues music with the yearly W.C. Handy Awards, which this year celebrated their 25th anniversary, as well as the Keeping the Blues Alive Awards presented each year to nonperformers who have made contributions to the maintenance and expansion of the blues world.

Among the most important initiatives, the Blues Foundation, in partnership with Seattle's Experience Music Project, is the Blues in the Schools program, which helps K through 12 educators integrate the blues into practical classroom learning, something we in this Congress should support more of.

Through unique and exciting programs like Blues in the Schools, today's teachers are finding new ways to involve students and get them interested in learning. I believe that such efforts should be commended, encouraged and replicated; and I thank my colleagues again for bringing this resolution to the floor today.

The blues is as honest a musical form as it is uplifting. The blues is life, with all its ups and downs intact.

I ask my colleagues to support this resolution, so that organizations like the Blues Foundation and the Experience Music Project may receive the recognition they deserve for working not only to promote blues music but to use it as a tool to inspire and teach new generations about America's unique and vibrant history.

Mr. BURNS. Mr. Speaker, I reserve the balance of my time.

Ms. WOOLSEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. SCOTT).

Mr. SCOTT of Georgia. Mr. Speaker, it is indeed a pleasure to stand to recognize the great original music genre, the blues, born in the Delta and having made its way up through Chicago, throughout this Nation and around the world, brought the legacies of such great giants as B.B. King and Muddy Waters, and paved the way for folks like Elvis Presley.

As a matter of fact, Elvis Presley once said, "I wouldn't be Elvis Presley if it weren't for the blues and if it weren't for gospel music."

The great contributions have been unparalleled in terms of American music. Rock and roll, even our jazz components, are based upon our music.

Grown from the pains of the South, of black slaves working on plantations in the hot sun, only a song in their mouths was what kept them going. Blues emanated from the struggles and from the hard lives of African Americans in this country. So, indeed, when we celebrate the blues, we celebrate the overcoming of the African American people, in spite of.

Once when B.B. King was asked what makes the blues, B.B. King said, "You make the blues by singing to make you happy when often times you are sad. When you have trouble in mind and you are blue, you can say I won't be blue always, because the sun is going to shine at my back door some day."

The blues, a great contribution to America. I am proud to join with my colleagues in recognizing this great musical genre.

Mr. BURNS. Mr. Speaker, I continue to reserve my time.

Ms. WOOLSEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, I want to thank the gentlewoman from California for yielding me time.

Mr. Speaker, I rise to celebrate along with my colleagues and recognize the importance of the blues. Some have called the blues the native musical and verse form in America, with a great blend of European and African traditions.

During the 1920s, blues became a national craze. Records by leading blues singers like Bessie Smith and later, in the 1930s, Billie Holiday, sold in the millions. The 1920s also saw the blues become a musical form more widely used by jazz instrumentalists as well as blues singers.

During the decades of the 1930s and 1940s, the blues spread northward with the great migration of many blacks from the South and entered into the repertory of big band jazz. The blues also became electrified with the introduction of the amplified guitar.

In some northern cities, like Chicago and Detroit, during the later 1940s and 1950s, Muddy Waters, Willie Dixon, John Lee Hooker, Howlin Wolf and Elmore James, among others, played what was basically Mississippi Delta blues, backed by bass, drums, piano and occasionally harmonica, and began scoring national hits with blues songs.

Each year the city of Chicago has its Blues Festival, holding the 21st festival this year, with great talent from up and down the Mississippi River to delight thousands of blues fans. I am proud to represent the district where the Blues Fest is held, where many great blues clubs are still singing the blues and be part of one of the greatest cities that is home to some of the greatest blues musicians. Otis Clay, Tyrone Davis, Cicero Blake, Lil' Shorty and Inez Davis are just a few that Chicago holds close to its heart and are the pride of our city's culture.

But Chicago would not be complete without the man known in Chicago and by blues lovers all over the world as the Blues Man, the voice of WVON radio, Pervis Spann, who has distinguished himself as a broadcaster, exposing generations to the blues. Starting to promote the blues in the 1950s, he actually used it to move to the point where he actually owns the radio station, and not only that radio station, but other radio stations throughout America.

So I am pleased to simply be here to pay tribute to not only the blues but to the great individuals who have become business persons, who are civic and community leaders, who not only showcase talent, but also showcase life.

Ms. WOOLSEY. Mr. Speaker, I have no further speakers, and I yield back the balance of my time.

Mr. BURNS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to thank my friend and colleague, the gentleman from Tennessee (Mr. FORD), for his leadership in H. Con. Res. 13, recognizing the importance of blues music. The blues is America's music. The blues celebrates life, it celebrates growth, it celebrates struggles; but I think most of all it celebrates America's progress.

I urge strong, bipartisan support for this resolution.

Mr. CUMMINGS. Mr. Speaker, I rise today in support of H. Con. Res. 13, which recognizes the importance of blues music and requests a Presidential proclamation to observe the importance of the blues with appropriate ceremonies, activities, and educational programs.

Mr. Speaker, the blues is the most influential native form of music in the United States. The origins of blues music are founded in the unique fusion and harmony between African and European music. In the midst of its early stages as a folk music, the blues served as a treasure to history—documenting landmark events of our Nation's past, particularly slavery, segregation and the Great Depression. The evolving forms of blues music trace the transformation of the United States from a rural to an industrialized country, segregated to unsegregated. With unyielding contributions to the past, the blues will undoubtedly remain a staple of American music culture.

Mr. Speaker, I would also like to highlight that the blues was a significant aspect of African American culture in the twentieth century. African American men and women first sang the blues to recount their struggles through song. This pastime developed into an inspiring art form. Timeless artists, such as the great Muddy Waters, John Lee Hooker, Bessie Smith, Ray Charles and a host of others cultivated this pervasive musical genre making the blues a classic art form. Driven by humble beginnings, the blues has created a platform for the traditional and popular music genres of jazz, country, rhythm and blues, rock and roll and classical music. Blues musicians are globally recognized and respected as they share this gift with the world.

Mr. Speaker, it is very fitting that we now acknowledge the contributions of blues with the passing of renowned musician, Ray Charles. The accomplishments of Ray Charles made a considerable impact on the Nation's musical imprint—with his unique abilities to create and transform music that touched our souls with such original compositions of his blues-filled rendition of America the Beautiful. Also, it is equally worth noting that in 2003 America celebrated 100 years of blues influence that began with the first blues piece compiled by W.C. Handy.

Finally, Mr. Speaker, the blues is celebrated throughout the country with hundreds of festivals and a myriad of new and classic album releases each year. Home to one of these many celebrations, is my Congressional district, Baltimore City, which recently hosted its own 10th annual Baltimore Blues Festival in recognition and celebration of this great musical art form.

Mr. Speaker, the blues is a musical art style that deserves historical preservation through many forms, including ceremony, festivities and educational initiatives. I believe it is essential to educate the Nation and the rest of the world, about how heavily rooted contemporary music is in the blues. The blues dovetails with America's struggle to create a society where all people enjoy equal rights. That is why we love the blues and that is why we identify with the blues.

I would like to thank my esteemed colleague from the state of Tennessee, Representative HAROLD FORD, Jr., for his leadership in sponsoring this important piece of legislation. I urge my colleagues to lend their support to its passage.

Mr. BURNS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAVES). The question is on the motion offered by the gentleman from Georgia (Mr. BURNS) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 13, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Ms. WOOLSEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

EXPRESSING SENSE OF CONGRESS REGARDING EXERCISING INCREASED CAUTION FOR DRIVING IN PROXIMITY OF POTENTIALLY VISUALLY IMPAIRED INDIVIDUALS

Mr. LATOURETTE. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 56) expressing the sense of the Congress that States should require candidates for driver's licenses to demonstrate an ability to exercise greatly increased caution when driving in the proximity of a potentially visually impaired individual.

The Clerk read as follows:

Whereas many people in the United States who are blind or otherwise visually impaired have the ability to travel throughout their communities without assistance;

Whereas visually impaired individuals encounter hazards that a pedestrian with average vision could easily avoid, many of which involve crossing streets and roadways;

Whereas the white cane and guide dog should be generally recognized as aids to mobility for visually impaired individuals;

Whereas many States do not require candidates for driver's licenses to associate the use of the white cane or guide dog with potentially visually impaired individuals; and

Whereas visually impaired individuals have had their white canes and guide dogs run over by motor vehicles, have been struck by the side-view mirrors of motor vehicles, and have suffered serious personal injury and death as the result of being hit by motor vehicles: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that each State should require any candidate for a driver's license in such State to demonstrate, as a condition of obtaining a driver's license, an ability to associate the use of the white cane and guide dog with visually impaired individuals and to exercise greatly increased caution when driving in proximity to a potentially visually impaired individual.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. LATOURETTE) and the gentlewoman from California (Ms. MILLENDER-MCDONALD) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. LATOURETTE).

Mr. LATOURETTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H. Con. Res. 56 expresses the sense of Congress that States should require candidates for driver's licenses to demonstrate an ability to exercise greatly increased caution when driving in the proximity of a potentially visually impaired individual.

Hundreds of visually impaired individuals have had their white canes and guide dogs run over by motor vehicles, have been struck by the sideview mirrors of motor vehicles, and have suffered serious personal injury and death as a result of being hit by cars.

Unfortunately, many States do not require candidates for driver's licenses to associate the use of the white cane or guide dog with potentially visually impaired individuals.

With a little education by the States, and some extra attention paid by drivers, we can greatly improve the safety along our surface streets for those individuals who are visually impaired.

Mr. Speaker, I urge the passage of H. Con. Res. 56.

Mr. Speaker, I reserve the balance of my time.

Ms. MILLENDER-McDONALD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Con. Res. 56, which expresses the sense of Congress that States should require candidates who apply for a driver's license to demonstrate an ability to exercise greatly increased caution when driving in the proximity of a potentially visually impaired individual.

More than 1 million individuals are blind in the United States. Many more are visually impaired. They face many obstacles in their daily lives and travels.

Visually impaired people, including the blind, are particularly at risk when they come in close proximity with motor vehicles when they walk along or cross a street. They are often unaware of vehicular traffic nearby that could pose a serious threat to their safety.

Although many of the blind are familiar with ways to reduce the risk and behave accordingly, their safety is still very much dependent upon the driver's ability to recognize their presence and to exercise greater caution in operating their vehicle.

H. Con. Res. 56 is an attempt to raise the driver's awareness to the blind and visually impaired pedestrians. They need to know that the use of a white cane or a guide dog signals a visually impaired individual.

To ensure that all licensed drivers have such knowledge, H. Con. Res. 56 expresses the sense of Congress that each State should require license applicants to demonstrate an ability to associate the use of the white cane or guide dog with visually impaired individuals and to exercise greater caution when driving in their proximity before being granted a driver's license. This is a simple requirement, which will greatly enhance the safety of the visually impaired.

Mr. Speaker, I urge my colleagues to support this resolution.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. EVANS).

Mr. EVANS. Speaker, I rise in full support of H. Con. Res. 56.

There are 1.5 million visually impaired Americans struggling to gain and maintain their independence. Many gain independence through the use of aids to mobility, such as white canes and guide dogs.

Unfortunately, not all licensed drivers recognize the significance of pedestrians using these canes or these dogs. They do not make the connection that the user of these mobility aids may be blind. They do not exercise increased caution while driving in proximity to pedestrians using these mobility aids.

Some blind individuals have had their white canes broken by motorists not exercising caution as they drive in close proximity. Others have suffered serious personal injury caused by careless drivers.

This resolution will make pedestrian travel a little safer for the visually impaired individuals using mobility aids. It is a near-zero-cost motion to encourage States to update their requirements for award of driver's licenses to reflect the need to recognize mobility aids for the blind and the need to increase greatly increase caution while driving near individuals using these aids.

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The resolution has been fully supported by major associations for the blind, principally the American Council for the Blind, the American Foundation of the Blind, and the Blinded Veterans Association. It also has the support of the American Association of Motor Vehicle Administrators.

I urge my colleagues to support this commonsense resolution and make America's crossroads safer for the blind.

Ms. MILLENDER-McDONALD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LATOURETTE. Mr. Speaker, I will yield myself the remainder of our time.

Mr. Speaker, I want to thank the gentleman from Illinois (Mr. EVANS) for drafting this concurrent resolution. It is a good idea. I think it is sound policy and urge our colleagues to support it.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAVES). The question is on the motion offered by the gentleman from Ohio (Mr. LATOURETTE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 56.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

LUIS A. FERRÉ UNITED STATES COURTHOUSE AND POST OFFICE BUILDING

Mr. LATOURETTE. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2017) to designate the United States courthouse and post office building located at 93 Atocha Street in Ponce, Puerto Rico, as the "Luis A. Ferré United States Courthouse and Post Office Building".

The Clerk read as follows:

S. 2017

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LUIS A. FERRÉ UNITED STATES COURTHOUSE AND POST OFFICE BUILDING.

(a) DESIGNATION.—The United States courthouse and post office building located at 93 Atocha Street in Ponce, Puerto Rico, shall be known and designated as the "Luis A. Ferré United States Courthouse and Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper or other record of the United States to the courthouse and post office building referred to in subsection (a) shall be deemed to be a reference to the Luis A. Ferré United States Courthouse and Post Office Building.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. LATOURETTE) and the gentlewoman from California (Ms. MILLENDER-McDONALD) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. LATOURETTE).

Mr. LATOURETTE. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, S. 2017, which is identical to a bill that was introduced by our colleague, the gentleman from Puerto Rico (Mr. ACEVEDO-VILÁ), designates the building located at 93 Atocha Street in Ponce, Puerto Rico, as the Luis A. Ferré United States Courthouse and Post Office Building.

Luis Ferré was born in 1904 in the town of Ponce, Puerto Rico, just after the transition from Spanish to American control. In 1917 at the age of 13, Luis Ferré and the people of Puerto Rico received citizenship from the United States. Leveraging this advantage, Luis Ferré attended the Massachusetts Institute of Technology and graduated with a bachelor's degree in engineering in 1924.

Upon graduation, Luis Ferré returned to his native Puerto Rico to work in his family business, the Puerto

Rican Cement and Iron Works. He eventually took over and built the business into a hugely successful enterprise.

Having made his mark in business, the ever-ambitious Ferré attempted to conquer politics. His first experience was as a mayoral candidate for his home city of Ponce in 1940. However, he quickly set his sights higher. In 1952, the year before Puerto Rico achieved commonwealth status, he won a seat in the Puerto Rican House of Representatives.

Using this new political independence, and driven by his love for Puerto Rico and his experiences in the United States, he began to mobilize his resources in the cause of statehood. In 1967 he founded the New Progressive Party. The next year he ran and won the gubernatorial election, a position he held for one term, from 1969 to 1973. In that position he was a champion for the statehood movement and is still remembered for his efforts.

In addition to his business in political activities, Luis Ferré was an avid supporter of the arts. In 1965, he founded the Museo de Arte de Ponce. The museum houses an impressive collection of art from the medieval times to the present. It has become a major cultural attraction in his home city.

Luis Ferré was a dedicated scholar, entrepreneur, statesman, and humanitarian. He passed away in October 2003 and is buried in his hometown of Ponce. This is a fitting tribute to a dedicated Puerto Rican, and I urge my colleagues to join me in supporting passage of this bill.

Mr. Speaker, I reserve the balance of my time.

Ms. MILLENDER-McDONALD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 2017 is a bill to designate the building located at 93 Atocha Street in Ponce, Puerto Rico, as the Luis A. Ferré U.S. Courthouse and Post Office.

Luis A. Ferré was born in 1904 in Ponce, Puerto Rico. He received his bachelor's degree and master's degree from the Massachusetts Institute of Technology. He was also an accomplished pianist who studied at the New England Conservatory of Music in Boston and recorded albums with the noted Puerto Rican pianist Jesus Maria Sanroma.

In 1925 he began his business career at the Puerto Rico Iron Works. In 1940 he moved to the Puerto Rican Cement Company, and by 1960 he was the vice chairman of the company.

In 1937 he founded the Ponce Public Library, and in 1940 he ran for mayor of Ponce. In 1950 he founded the Luis A. Ferré Foundation, which resulted in the creation of the Ponce Museum of Art, considered to be one of the most important museums in the world. The museum was designed by Edward Durrell Stone, who also designed the John F. Kennedy Center here in Washington, D.C.

In 1968 Luis A. Ferré was elected Governor under the New Progressive Party banner and served until 1972. While Governor, he provided many benefits to workers, including shorter work weeks and maternity leave. He provided ownership of land, strengthened the industrial development program, and made possible the applicability of the food stamp program for Puerto Ricans.

In 1977 until 1980, he served as president of the senate. He also served as State chairman and national committeeman of the Republican Party in Puerto Rico. In 1991 he was awarded the Presidential Medal of Liberty.

Ferré was known as an intellectual, a lover of the arts, a brilliant politician, and generous benefactor. This designation is a most fitting tribute to his illustrious career.

I support S. 2017 and urge its passage.

Mr. ACEVEDO-VILÁ. Mr. Speaker, I rise today in strong support of S. 2017, the Luis A. Ferré United States Courthouse and Post Office Act. I introduced a counterpart bill, H.R. 3742, which was unanimously approved by the House Transportation and Infrastructure Committee. I wholeheartedly thank Senator SANTORUM for introducing S. 2017, and Chairman YOUNG and Congressman OBERSTAR for their leadership in shepherding this bill through their committee.

I ask for my colleagues' support of this bill, which honors the life and legacy of Luis A. Ferré, by designating the U.S. Courthouse and Post Office building located at 93 Atocha Street in his hometown of Ponce, Puerto Rico, as the "Luis A. Ferré United States Courthouse and Post Office Building".

Luis Ferré passed away on October 21, 2003, at the age of 99, after an exemplary life of statesmanship, political leadership, entrepreneurship, advocacy for social justice, and patronage for the arts.

Mr. Ferré was born on February 17, 1904, in Ponce, Puerto Rico, the son of Antonio Ferré Bacallao and Mary Aguayo Casals. He graduated in 1924 with a degree in Engineering from the Massachusetts Institute of Technology, where he was later appointed to the Board of Trustees. He entered his professional life in 1925, working for Puerto Rico Iron Works and, subsequently, for Puerto Rican Cement, both family companies that were part of the Ferré Enterprises.

Mr. Ferré ran for public office for the first time in 1940, as a mayoral candidate for the city of Ponce. He was a member of the Constitutional Convention of the Commonwealth of Puerto Rico. He was elected to the Puerto Rico House of Representatives and ran for Governor of Puerto Rico as the Republican Statehood candidate in 1956, 1960, and 1964. In 1967, he founded the New Progressive Party, and was elected Governor in 1968, a position he held from 1969 to 1972. As Governor, some of his key initiatives were the creation of a Christmas bonus for private and public employees, the construction of Las Americas Highway, the right to vote for all citizens from age 18, and the Food Stamp Program.

He was also President of the Puerto Rico Senate from 1977 to 1980, and continued serving as Senator from 1981 to 1984. Mr. Ferré acted as President of the National Republican Party in Puerto Rico for over 4 decades.

Besides his interest in the industrial development of the Island and his involvement in the public life of Puerto Rico, he was known for his support and dedication to the arts, which led him to open the Ponce Museum of Art, considered as one of the most important museums in Latin America. A Puerto Rico bill presented in 1980 allowed the creation of the Performing Arts Center in San Juan, which now bears his name.

Among his many recognitions and decorations, he received the Presidential Medal of Freedom, the highest distinction awarded to a civilian by the Government of the United States. He has also been honored by numerous institutions in Puerto Rico, New York, Wisconsin, Florida, and several other States, as well as by the Dominican Republic. During his long life, he received around 15 "honoris causa" doctorates from the University of Puerto Rico, the Inter American University of Puerto Rico and the Pontifical Catholic University of Puerto Rico, among others, as well as from the Boston Conservatory of Music, Amherst College, Harvard University, and Florida International University.

He served as a member of the board of directors of several institutions, including the Hospital de Damas de Ponce, the Pontifical Catholic University of Puerto Rico, and the Luis A. Ferré Foundation.

In October 2002, the Smithsonian Institution's Woodrow Wilson International Center in Washington, DC, presented Mr. Ferré with its Award for Public Service.

Mr. Speaker, this designation will serve as a memorial to the exemplary legacy of Luis Ferré. I urge my colleagues to support the Luis A. Ferré United States Courthouse and Post Office Act, and in so doing to honor the life and legacy of Luis A. Ferré.

Ms. MILLENDER-McDONALD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LATOURETTE. Mr. Speaker, I urge passage of this legislation, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. LATOURETTE) that the House suspend the rules and pass the Senate bill, S. 2017.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LATOURETTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on S. 2017 and H. Con. Res. 56, the measures just considered by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CAPE TOWN TREATY IMPLEMENTATION ACT OF 2004

Mr. MICA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4226) to amend title 49, United States Code, to make certain conforming changes to provisions governing the registration of aircraft and the recordation of instruments in order to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, known as the "Cape Town Treaty," as amended.

The Clerk read as follows:

H.R. 4226

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as "Cape Town Treaty Implementation Act of 2004".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) The Cape Town Treaty (as defined in section 44113 of title 49, United States Code) extends modern commercial laws for the sale, finance, and lease of aircraft and aircraft engines to the international arena in a manner consistent with United States law and practice.

(2) The Cape Town Treaty provides for internationally established and recognized financing and leasing rights that will provide greater security and commercial predictability in connection with the financing and leasing of highly mobile assets, such as aircraft and aircraft engines.

(3) The legal and financing framework of the Cape Town Treaty will provide substantial economic benefits to the aviation and aerospace sectors, including the promotion of exports, and will facilitate the acquisition of newer, safer aircraft around the world.

(4) Only technical changes to United States law and regulations are required since the asset-based financing and leasing concepts embodied in the Cape Town Treaty are already reflected in the United States in the Uniform Commercial Code.

(5) The new electronic registry system established under the Cape Town Treaty will work in tandem with current aircraft document recordation systems of the Federal Aviation Administration, which have served United States industry well.

(6) The United States Government was a leader in the development of the Cape Town Treaty.

(b) PURPOSE.—Accordingly, the purpose of this Act is to provide for the implementation of the Cape Town Treaty in the United States by making certain technical amendments to the provisions of chapter 441 of title 49, United States Code, directing the Federal Aviation Administration to complete the necessary rulemaking processes as expeditiously as possible, and clarifying the applicability of the Treaty during the rulemaking process.

SEC. 3. RECORDATION OF SECURITY INSTRUMENTS.

(a) ESTABLISHMENT OF SYSTEM.—Section 44107(a) of title 49, United States Code, is amended—

(1) in paragraph (2)(A) by striking "750" and inserting "550"; and

(2) in paragraph (3) by striking "clause (1) or (2) of this subsection" and inserting "paragraph (1) or (2)".

(b) INTERNATIONAL REGISTRY.—Section 44107 of such title is amended by adding at the end the following:

"(e) INTERNATIONAL REGISTRY.—

"(1) DESIGNATION OF UNITED STATES ENTRY POINT.—As permitted under the Cape Town Treaty, the Federal Aviation Administration Civil Aviation Registry is designated as the United States Entry Point to the International Registry relating to—

"(A) civil aircraft of the United States;

"(B) an aircraft for which a United States identification number has been assigned but only with regard to a notice filed under paragraph (2); and

"(C) aircraft engines.

"(2) SYSTEM FOR FILING NOTICE OF PROSPECTIVE INTERESTS.—

"(A) ESTABLISHMENT.—The Administrator shall establish a system for filing notices of prospective assignments and prospective international interests in, and prospective sales of, aircraft or aircraft engines described in paragraph (1) under the Cape Town Treaty.

"(B) MAINTENANCE OF VALIDITY.—A filing of a notice of prospective assignment, interest, or sale under this paragraph and the registration with the International Registry relating to such assignment, interest, or sale shall not be valid after the 60th day following the date of the filing unless documents eligible for recording under subsection (a) relating to such notice are filed for recordation on or before such 60th day.

"(3) AUTHORIZATION FOR REGISTRATION OF AIRCRAFT.—A registration with the International Registry relating to an aircraft described in paragraph (1) (other than subparagraph (C)) is valid only if (A) the person seeking the registration first files documents eligible for recording under subsection (a) and relating to the registration with the United States Entry Point, and (B) the United States Entry Point authorizes the registration.".

SEC. 4. REGULATIONS.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration shall issue regulations necessary to carry out this Act, including any amendments made by this Act.

(b) CONTENTS OF REGULATIONS.—Regulations to be issued under this Act shall specify, at a minimum, the requirements for—

(1) the registration of aircraft previously registered in a country in which the Cape Town Treaty is in effect; and

(2) the cancellation of registration of a civil aircraft of the United States based on a request made in accordance with the Cape Town Treaty.

(c) EXPEDITED RULEMAKING PROCESS.—

(1) FINAL RULE.—The Administrator shall issue regulations under this section by publishing a final rule by December 31, 2004.

(2) EFFECTIVE DATE.—The final rule shall not be effective before the date the Cape Town Treaty enters into force with respect to the United States.

(3) ECONOMIC ANALYSIS.—The Administrator shall not be required to prepare an economic analysis of the cost and benefits of the final rule.

(d) APPLICABILITY OF TREATY.—Notwithstanding parts 47.37(a)(3)(ii) and 47.47(a)(2) of title 14, of the Code of Federal Regulations, Articles IX(5) and XIII of the Cape Town Treaty shall apply to the matters described in subsection (b) until the earlier of the effective date of the final rule under this section or December 31, 2004.

SEC. 5. LIMITATION ON VALIDITY OF CONVEYANCES, LEASES, AND SECURITY INSTRUMENTS.

Section 44108(c)(2) of title 49, United States Code, is amended by striking the period at the end and inserting "or the Cape Town Treaty, as applicable.".

SEC. 6. DEFINITIONS.

(a) IN GENERAL.—Chapter 441 of title 49, United States Code, is amended by adding at the end the following:

"§44113. Definitions

"In this chapter, the following definitions apply:

"(1) CAPE TOWN TREATY.—The term 'Cape Town Treaty' means the Convention on International Interests in Mobile Equipment, as modified by the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, signed at Rome on May 9, 2003.

"(2) UNITED STATES ENTRY POINT.—The term 'United States Entry Point' means the Federal Aviation Administration Civil Aviation Registry.

"(3) INTERNATIONAL REGISTRY.—The term 'International Registry' means the registry established under the Cape Town Treaty.".

(b) CONFORMING AMENDMENT.—The analysis for such chapter is amended by adding at the end the following:

"44113. Definitions.".

SEC. 7. EFFECTIVE DATE AND PRESERVATION OF PRIOR RIGHTS.

This Act, including any amendments made by this Act, shall take effect on the date the Cape Town Treaty (as defined in section 44113 of title 49, United States Code) enters into force with respect to the United States and shall not apply to any registration or recordation that was made before such effective date under chapter 441 of such title or any legal rights relating to such registration or recordation.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. MICA) and the gentlewoman from California (Ms. MILLENDER-MCDONALD) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. MICA).

Mr. MICA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Cape Town Treaty was signed by the United States on May 9, 2003, and referred to the United States Senate for ratification at the end of that year. The Senate will most likely consider ratification of the treaty in the next month or so.

Now, this action by the House today of course will not approve the Cape Town Treaty. That responsibility does lie with the other body. However, this bill takes an action to conform United States law for proper implementation of that treaty, and that is why this action today is important.

The Cape Town Treaty is vital to international commerce. It will bring the uniformity of modern commercial finance laws, already in place in the United States, to international transactions involving aircraft and also aircraft engines.

This uniformity will both greatly reduce the risks associated with aircraft and engine sales abroad, and it will also help to bring improved and newer aircraft, it will help bring them to many areas of the world that desperately need them.

The job of the Subcommittee on Aviation since I have become chairman and, even more importantly, since September 11, 2001, is to aid this industry that has been ailing. If we look at what happened since September 11, many folks refer to some 3 million jobs lost in this industry, and I can almost stand here with certainty and guarantee that half of those 3 million jobs, 1.5 million were directly related to the aviation industry. This bill is one more step in helping to revitalize that shaky industry that we have seen since September 11.

The Cape Town Treaty seeks to establish an international registry where parties having an interest in aircraft or in aircraft engine can register that interest at an international level to ensure that they remain protected.

The treaty enjoys strong bipartisan support and is also supported by the U.S. aviation industry, as well as our key government Departments, including our State Department, Department of Transportation, and Department of Commerce.

In order to fully implement the treaty and its accompanying protocol, the administration has proposed to allow the Federal Aviation Administration's Civil Aviation Registry to be the United States' so-called "entry point" to the international registry for relevant actions. This is a minor, but important, change in United States law, because it will ensure that upon ratification, the Cape Town Treaty and its aircraft protocol can be fully implemented. That is exactly what H.R. 4226, the Cape Town Treaty Implementation Act, proposes to do.

This is important legislation, again, that will help an industry that is still recovering from the tragic events of September 11.

In closing, I would like to thank Ambassador Ed Stimpson. Ed Stimpson is the ambassador to ICAO, which is the International Civil Aviation Organization. That international headquarters is located in Montreal, and Ed Stimpson does a great job in representing United States aviation interests on that international body. So I wish to thank him for bringing the need to implement this needed legislation before the House of Representatives and also his leadership in trying to help revitalize our industry, both that produces large aircraft and also that produces aircraft engines. So again, I say thank you to Ed Stimpson, our ambassador, for his leadership on this issue.

I also join with the full committee chairman, the gentleman from Alaska (Mr. YOUNG); the ranking member, the gentleman from Minnesota (Mr. OBERSTAR); and the Subcommittee on Aviation ranking member, the gentleman from Oregon (Mr. DEFAZIO), in urging immediate passage of this bipartisan bill.

Mr. Speaker, I reserve the balance of my time.

Ms. MILLENDER-McDONALD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4226, the Cape Town Treaty Implementation Act of 2004.

The Cape Town Convention and related protocol on aircraft equipment known collectively as the Cape Town Treaty will extend modern commercial finance laws already used in the United States to international transactions involving aircraft and aircraft engines.

Lenders have been reluctant or are charging more to extend financing for the sale of aircraft or aircraft engines to foreign entities, particularly in developing countries, because certain countries do not recognize the right of a lender with a priority interest in an asset to repossess or otherwise dispose of it if the owner defaults on a loan. The Cape Town Treaty, when ratified, is expected to lower their financial risks and therefore the costs of such financing and bring certainty to the marketplace, thereby increasing sales in aircraft frames and engines abroad.

Importantly, the Cape Town Treaty creates an international registry in which persons with secured credit or leasing interest in highly mobile assets such as aircraft and engines will be able to put other potential lenders on notice of their interest in a particular asset.

□ 1130

Priority in an asset will be based on a first in time filing with the international registry. The filing of a notice of a security interest in the international registry will also facilitate a secured creditor's ability to repossess, sell, or lease a piece of equipment in the event of a default under the remedies provided by the treaty.

H.R. 4226 makes technical changes to section 44107 of title 49 governing the recordation of security interests with the Federal Aviation Administration, including designating the FAA's civil aircraft registry to be the U.S. entry point to the International Registry. This will enable the FAA to authorize filings with the International Registry related to U.S. registered aircrafts, aircraft engines, and aircraft that have received a U.S. identification number or to prospective interests in such aircraft or engines.

Filings to the International Registry would be valid only if the creditor first files with the FAA full documentation of the security interest as currently required by U.S. law and the FAA authorizes the transmittal of the filing of the notice of the secured interest to the International Registry. Also directing the FAA to immediately proscribe regulations for the registration and deregistration of aircraft and to complete the rulemaking process by December 31, 2004.

H.R. 4226 also provides that, if necessary, the provisions of the Cape Town Treaty shall apply to the registration and deregistration of aircraft until the FAA regulations are effective or by December 31, 2004, whichever occurs earlier.

In addition, H.R. 4226 states that the amendments to Title 49 made by this bill and any related regulations are effective upon the Cape Town Treaty's coming into force and do not apply to any prior registration or recordation.

To put this in a local perspective, Mr. Speaker, in my district we manufacture aircrafts and this bill opens up markets that have historically been problematic. This treaty brings uniformity to bankruptcy and commercial finance laws by extending current U.S. finance laws to international transactions involving aircrafts and aircraft engines. It lowers the risk to financial lenders and manufacturers alike to engage in new markets. To put it simply, passage of the Cape Town Treaty will help American companies compete in foreign markets. It puts manufacturers in the situation to compete for foreign contracts.

For example, the Boeing 717 built in my district of Long Beach, California, would benefit from the leasing requirements negotiated in this treaty. This translates into jobs and economic activity locally. The Boeing 717 plant in Long Beach employs 3,000 men and women and the plant also contracts with 320 suppliers. Currently, the 717 plant produces one plane a month. I have been told, however, that this plant is capable of producing 60 planes a year. If the 717 plant were to double their production to 24 planes a year, that would translate to upwards of 400 jobs created in Long Beach.

I thank the gentleman from Alaska (Mr. YOUNG) and the ranking member, the gentleman from Minnesota, Mr. OBERSTAR for their strong leadership on this issue, the chairman of the subcommittee, the gentleman from Florida (Mr. MICA), and the ranking member the gentleman from Oregon (Mr. DEFAZIO) for their leadership.

I urge all of my colleagues to support this resolution.

Mr. Speaker, I do not have other speakers, and I yield back the balance of my time.

Mr. MICA. Mr. Speaker, I yield myself the balance of my time to close.

Mr. Speaker and my colleagues, again I ask your support in the passage today of H.R. 4226 as amended. As you heard, this is an implementation technical bill that will implement provisions of the Cape Town Treaty. As you heard in my previous comment and the comments of the gentlewoman from California, this legislation will, in fact, aid our aviation industry which has been, again, so hard hit during the past 2½ years.

This will not only create jobs in Long Beach, California, but Washington and dozens of other States that produce major aircraft in the United States and also assist us to sell engines which are produced in the United States, I believe in Ohio, but not only from Ohio will there be a good results from the implementation of this treaty, but across the United States where additional parts are produced. So it aids manufacturing, it aids the job creation.

And we urge also the other body to act expeditiously in the passage of this legislation so that the full benefits in effect of the Cape Town Treaty when fully implemented can be realized.

So, again, I urge adoption of H.R. 4226.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAVES). The question is on the motion offered by the gentleman from Florida (Mr. MICA) that the House suspend the rules and pass the bill, H.R. 4226, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4226, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

WORKING FAMILIES ASSISTANCE ACT OF 2004

Mr. CANTOR. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4372) to amend the Internal Revenue Code of 1986 to provide for the carryforward of $500 of unused benefits in cafeteria plans and flexible spending arrangements for dependent care assistance.

The Clerk read as follows:

H.R. 4372

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Working Families Assistance Act of 2004".

SEC. 2. CARRYFORWARD OF UNUSED BENEFITS IN CAFETERIA PLANS AND FLEXIBLE SPENDING ARRANGEMENTS FOR DEPENDENT CARE ASSISTANCE.

(a) IN GENERAL.—Section 125 of the Internal Revenue Code of 1986 (relating to cafeteria plans) is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

"(h) CARRYFORWARD OF CERTAIN UNUSED BENEFITS FOR DEPENDENT CARE.—

"(1) IN GENERAL.—For purposes of this title, a plan or other arrangement shall not fail to be treated as a cafeteria plan solely because qualified benefits under such plan include a dependent care flexible spending arrangement under which not more than $500 of unused dependent care benefits may be carried forward to the succeeding plan year of such dependent care flexible spending arrangement.

"(2) DEPENDENT CARE FLEXIBLE SPENDING ARRANGEMENT.—For purposes of this subsection, the term 'dependent care flexible spending arrangement' means a flexible spending arrangement (as defined in section 106(c)) that is a qualified benefit and only permits reimbursement for expenses for dependent care assistance which meets the requirements of section 129(d).

"(3) UNUSED DEPENDENT CARE BENEFITS.—For purposes of this subsection, with respect to an employee, the term 'unused dependent care benefits' means the excess of—

"(A) the maximum amount of reimbursement allowable to the employee for a plan year under a dependent care flexible spending arrangement, over

"(B) the actual amount of reimbursement for such year under such arrangement.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2003.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. CANTOR) and the gentleman from Maryland (Mr. CARDIN) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, families today shoulder tremendous financial burdens. The USDA's 2003 report estimates two-parent middle income families spend between $9,000 and $10,000 a year to raise one child. With 61 percent of working families relying on some form of child care, costs add up very quickly especially in families with more than one child. But it is not just child care expenses that families face. Many families have non-child dependents, including disabled parents or spouses living at home.

Dependent care accounts were created to assist families with two working parents to care for the young children or help these families who care for a disabled spouse or parent. These accounts allow up to $5,000 to be withheld pretax to help pay for this important care. Unfortunately, these accounts are not being utilized to their fullest extent. They were created in a use-it-or-lose-it fashion which often causes its users to underestimate the amount of money they need to put away, short-changing the very people it was intended to help.

In 2002, the average contribution to these accounts was $3,024 with a net tax savings of $690, but this average contribution is almost $2,000 below the allowed contribution limit. The result is most families are missing out on almost 40 percent of the benefit.

Mr. Speaker, H.R. 4372, the Working Families Assistance Act, gives families peace of mind by allowing them the flexibility to roll over up to $500 of their money into the next year flexible savings account. So if you overestimated the amount you would spend on dependent care, you will now have a cushion to ensure your flexible spending account investment does not completely disappear.

The Working Families Assistance Act gives families the chance to realize the full tax benefit of this important program.

Mr. Speaker, I reserve the balance of my time.

Mr. CARDIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me thank my friend from Virginia for bringing forward this legislation which I support. I think it is a very important change in the flexible spending arrangements that are permitted under the Internal Revenue Code. And I thank the gentleman from Virginia (Mr. CANTOR) for bringing forward this legislation.

Mr. Speaker, as my friend has indicated, this bill would permit a taxpayer to carry forward up to $500 of unused benefits in a dependent care flexible spending arrangement from one year to the next plan year. The flexible spending arrangements are a way that you can use pretax dollars to pay for expenses that are, according to what the policy makers have determined, areas that we want to encourage our constituents to be able to spend. This is in dependent care expenses, to take care of our children. This is certainly an area where it is becoming more and more difficult for working families to be able to afford dependent care for their children.

The flexible spending arrangements allow them to use pretax dollars in order to offer some help and assistance. The problem with the flexible spending arrangements is that you have to determine at the beginning of the year how much money you are going to spend for dependent care. If you are wrong and you put away too much money, you lose that money. That is certainly a pretty harsh penalty for misjudging the amount of money that you will need for dependent care. And, therefore, this bill would allow a taxpayer to roll over up to $500 from one tax year to another. And it certainly makes sense to make this modification in our Internal Revenue Code.

Mr. Speaker, I might point out though that I am disappointed that we are not doing more, not doing more for dependent care in our society. In the committee that I serve on, the Committee on Ways and Means, we have looked at authorizing additional day care aid to our states. In my own state of Maryland the only way that you can get assistance on dependent care is to go on to cash assistance welfare. That does not make a lot of sense.

Prior to a year ago, we were helping working poor in our state with dependent care from the state government using Federal assistance. Well, we have not increased that Federal assistance. I would urge us to consider increasing the amount of dollars made available for safe, affordable day care for our constituents.

In the meantime, Mr. Speaker, I do support H.R. 4372. It is a step in the right direction. And I would encourage my colleagues to accept this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. CANTOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the remarks of the gentleman from Maryland. I think this, again, is a tremendous step forward in giving working families the ability to project what their dependent care expenses would be for the upcoming year and then to give them some flexibility if they do not quite hit the mark, so to speak. And this provision, this legislation echoes what we have done in the health savings accounts arena a few weeks ago in this House.

Mr. Speaker, I yield 3 minutes to my colleague, the gentleman from Minnesota (Mr. KENNEDY).

Mr. KENNEDY of Minnesota. Mr. Speaker, I rise today in strong support of the Working Families Assistance Act and would like to thank my friend from Virginia for taking the leadership role in this important piece of legislation.

We should be doing everything possible to make it easier for parents to raise their children. The Working Families Assistance Act does just that, by helping to ease the burdens of dependent care for hard working families. Currently, 22 percent of employers offer dependent care flexible savings accounts or FSAs to their employees.

□ 1145

Employees may take $2,500 individually or $5,000 per married couple, put it in that FSA to pay for dependent care. Dependents, for purposes of the FSA, are children under age 13 or individuals such as disabled parents who require full-time care due to physical or mental condition.

Parents can use the money in these accounts to pay for day care, nursery care, or even have an adult relative care for children; but only 14 percent of eligible families participate in these FSAs. Why? One of the big reasons is that, like the health care FSA, employees must forfeit any unused funds back to their employer at the end of the year.

The use-it-or-lose-it provision has made these accounts a bad fit for many families who are trying to create and keep a budget for the year; and for those who use dependent care FSAs, many families are forced to underestimate the amount of money they will need for the year so they do not lose money at the end of the year, essentially defeating the point of the account.

Recently, we passed legislation allowing hardworking families to carry over $500 from health FSAs. That is what we are doing here today for child and dependent care. The Working Family Assistance Act would fix that problem by allowing families to carry over $500 into the next year's FSA. This change will give parents a safety net as they try to predict their family's dependent care costs.

This bill also gives parents more choices and more flexibility in meeting their family's needs. We should be taking every opportunity we can to let families keep and use their own money to raise their children.

I am pleased to be one of the sponsors of this legislation to help working families meet their dependent care needs. I urge my colleagues to support this legislation.

Mr. CANTOR. Mr. Speaker, I thank the gentleman from Minnesota (Mr. KENNEDY) and the gentleman from Maryland (Mr. CARDIN) for their remarks, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAVES). The question is on the motion offered by the gentleman from Virginia (Mr. CANTOR) that the House suspend the rules and pass the bill, H.R. 4372.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

TANF AND RELATED PROGRAMS CONTINUATION ACT OF 2004

Mr. HERGER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4589) to reauthorize the Temporary Assistance for Needy Families block grant program through September 30, 2004, and for other purposes.

The Clerk read as follows:

H.R. 4589

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "TANF and Related Programs Continuation Act of 2004".

SEC. 2. EXTENSION OF THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT PROGRAM THROUGH SEPTEMBER 30, 2004.

(a) IN GENERAL.—Activities authorized by part A of title IV of the Social Security Act, and by sections 510, 1108(b), and 1925 of such Act, shall continue through September 30, 2004, in the manner authorized for fiscal year 2002, notwithstanding section 1902(e)(1)(A) of such Act, and out of any money in the Treasury of the United States not otherwise appropriated, there are hereby appropriated such sums as may be necessary for such purpose. Grants and payments may be made pursuant to this authority through the fourth quarter of fiscal year 2004 at the level provided for such activities through the fourth quarter of fiscal year 2002.

(b) CONFORMING AMENDMENT.—Section 403(a)(3)(H)(ii) of the Social Security Act (42 U.S.C. 603(a)(3)(H)(ii)) is amended by striking "June 30" and inserting "September 30".

SEC. 3. EXTENSION OF THE NATIONAL RANDOM SAMPLE STUDY OF CHILD WELFARE AND CHILD WELFARE WAIVER AUTHORITY THROUGH SEPTEMBER 30, 2004.

Activities authorized by sections 429A and 1130(a) of the Social Security Act shall continue through September 30, 2004, in the manner authorized for fiscal year 2002, and out of any money in the Treasury of the United States not otherwise appropriated, there are hereby appropriated such sums as may be necessary for such purpose. Grants and payments may be made pursuant to this authority through the fourth quarter of fiscal year 2004 at the level provided for such activities through the fourth quarter of fiscal year 2002.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HERGER) and the gentleman from Maryland (Mr. CARDIN) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HERGER).

Mr. HERGER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, well, here we go again, another 3 months, another extension of welfare programs. Today, the House will approve the seventh straight extension of welfare programs since September 2002. Since then, the number of Americans collecting welfare has continued to track downward. Fewer people are dependent on welfare checks, which is good. That follows historic declines in welfare caseloads from 1996 through 2001 as pro-work reforms cut caseloads in half and more than 2 million children left poverty, but we want to do much much more.

We want more welfare recipients to prepare for work, which is the true path off welfare. We want to help more parents marry or stay married, which helps them and helps their children. We want to help more parents get ready for full-time work, which is what it takes to lift families out of poverty. We want to provide more child care so more parents can go to work, knowing their children are cared for and safe.

For the past 2 years, we wanted to do all of those things. In fact, the House passed legislation to do all of that and more, twice. In both 2002 and 2003, the House passed comprehensive welfare bills to strengthen the historic 1996 welfare law for years to come. More low-income families would have gotten more help and more would have left welfare for the workforce; but instead, we have waited and waited and waited some more.

For the past 2 years, we have waited on the other body to pass its version of a real welfare bill. For a time this spring it looked like the other body would pass a bill to make available these additional resources for low-income families. That did not happen, and so we are here waiting some more.

Some in this town apparently think by delaying and obstructing the legislative process they will get their way in the end. I wish them luck. I think they are wrong, and low-income families will continue to pay the price for their obstructionism.

I am a fiscal conservative. I am for less government spending, not more. I think that expands the bounds of freedom and opportunity, but I am also a realist. I have seen how welfare reform has lifted literally millions of families out of dependence.

Welfare reform has saved taxpayers money, but it has not been free. It will not be free in the future. The House-passed welfare bill includes reforms and resources needed to help more low-income parents go to work. The families in need will not get a dime of the additional help we included in the House-passed bill unless we can reach final agreement on a real reform bill.

As time passes, budget pressures will only squeeze tighter and tighter, and the additional help we have offered will become only harder to come by.

Given that fact, and the fact we offer to do so much more, give much more to help needy families, it is a tragedy we are back here today with yet another short-term extension that does not give States the certainty they need to best plan for the future.

Mr. Speaker, I wish the legislation before us today were not needed, but we do need to pass this bill. I urge support for this bill, which buys us another 3 months in the hopes the other body will finally act on a broader welfare reform bill.

Mr. Speaker, I reserve the remainder of my time.

Mr. CARDIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support this legislation to extend the Temporary Assistance for Needy Families, or TANF, program for the next 3 months. The bill will allow our States to continue to provide assistance to struggling families while also providing a variety of services to help people leave welfare for employment.

Additionally, this legislation would extend a number of important related programs, including transitional Medicaid which provides continued health care coverage for people leaving the welfare rolls to go to work.

Like the previous six welfare extensions passed by Congress over the last 2 years, this bill is a simple extension of current law. It does not include any of the controversial policy changes to the underlying program which were incorporated in the legislation that passed this body; and for not including those controversial provisions, I commend my friends on the other side of the aisle.

While I support this temporary extension, I wish we were here today, as the chairman of our subcommittee has said, to pass a long-term bill to help our States plan future efforts to move individuals from welfare to work. I, however, disagree with my subcommittee chairman in that the legislation that passed this body, in my view, and I think in the view of the experts in this area, makes it more difficult for us to accomplish the goal of a long-term extension of the welfare program.

The House-passed welfare bill was denounced by Governors, mayors, State welfare administrators, and poverty experts as an inflexible, unfunded mandate. The divisive debate instigated by the legislation has stymied a goal that should be bipartisan, extending the 1996 welfare reform law.

We are now on the seventh temporary extension of TANF funding. This process leaves the States uncertain about the future Federal funding levels and policy requirements, which in turn makes long-term or even intermediate range planning increasingly difficult for the State welfare programs.

Given this problem and the apparent deadlock on a broad reauthorization bill, the time is coming for Congress to pass a long-term continuation of TANF. For example, after this next extension expires at the end of September, Congress could extend the current law for 5 years. Mr. Speaker, considering how we on both sides of the aisle have hailed the success of the 1996 law, it is surprising to me why it is so difficult for us to at least use that as the building block, rather than as an area to impose new requirements on our States that are not funded by additional resources.

If we did extend the current law for 5 years, we could use that as a steppingstone to debate other proposed reforms separately. At the very least, this step would ensure the continuation of a program that many of us have declared a success.

In the meantime, Mr. Speaker, I support the temporary extension of the welfare-related funding provided by the legislation currently before us. I urge my colleagues to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HERGER. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. SHAW), a member of the Committee on Ways and Means, also the former chairman of the Subcommittee on Human Resources, where this historic legislation originally was enacted in 1996.

Mr. SHAW. Mr. Speaker, I thank the gentleman from California (Mr. HERGER) for yielding me this time this morning.

In 1996, this House embarked, I think, upon a huge social experiment. We, for the first time in decades, had changed the way or moved away, from the policy of rewarding people not to work, to have kids and not to marry. We changed the world; and as a result of that bill, and I remember it so well, we passed it three times out of here and it was vetoed twice by President Clinton, but on the third time, much to his credit, he came on television, right before the vote, I was watching it in the cloak room, and announced that he was going to sign the bill. As a result, we got good bipartisan support, and that was tremendously important; and it was important because it was a situation and it set the record really straight as far as the Congress of what we were trying to do which is to help people out of poverty, to help people take control of their lives, take control of their families, not to be dependent on some huge massive welfare that was suffocating them.

We found there were people living in neighborhoods where nobody in the entire neighborhood worked, and the only people that they would ever see that were making a dollar were out in the street selling drugs. We have changed that.

This social experiment has been, I think, one of the greatest steps forward since I have been in the Congress; and I am very, very proud to have been a part of it.

But the real champion of welfare reform has been the welfare mothers, those that get up in the morning, get their kids dressed and ready for school, see them off to school or take them to school, then go to work and then reverse that process in the afternoon to pick them up from child care and bring them home, take care of them, fix their meals, do their homework, and then start it all over again the next day. These are the champions of welfare.

Yet, in February of 2003, this House, with a heavy Republican vote and 11 Democrats joining with us, put a long-term extension of welfare reform into place.

□ 1200

We are now waiting and waiting and waiting for the Senate to take action on this particular bill, and it is frustrating. We have had now five or six extensions, short-term extensions, and we are not getting to the meat of the nut, and that is that we need to set this in law permanently.

But this is something Congress should be very proud of. Both political parties should be very proud of what we have done and what we have accomplished. We have given these people a life. We have given them a life. And this is tremendously important. There were so many back then, when we passed welfare reform, that said we were going to have kids sleeping on the grates. They are not.

We have taken over 2 million kids out of poverty. We have cut the rolls in half and people are working. For once, these welfare moms are now role models for their kids. They have shown that with our just having a little bit of faith in the human spirit, they can become a family and they can become a role model for their kids. We heard this in testimony before the Subcommittee on Human Resources that I once chaired.

So I certainly support this short-term extension until September. I wish we were here working on a conference report back from the Senate, but that is not to be. And because of their rules, they have got this thing bottled up over there. But I would hope that we could get this thing moving and that we could get it back here on the floor.

We were very, very careful, and have all through this entire debate been very, very careful to be sure that we have child care in place, that we do not take away the Medicaid that is so important to so many of these people, and other benefits that we hold up so that these people do not have to have a fear of coming off of welfare and going to work.

Mr. CARDIN. Mr. Speaker, I yield myself 30 seconds mainly to comment on the comments of my friend, the gentleman from Florida (Mr. SHAW), in that I am one of those Democrats who supported the bill in 1996. It was a bipartisan bill. It was a good bill and it did move us forward. What is surprising to me is why the legislation that passed this body is so radically different, so prescriptive at the Federal level as to what the States must do; taking away the flexibility, putting in more mandates, and not providing the funds necessary in order to carry out the new responsibilities.

I am surprised that we moved in that new direction when we were moving, I think, in the right direction, and all we needed to do was fine-tune the 1996 law.

Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, I rise in support of H.R. 4589 as an interim continuity of assistance to those who need help getting back on their feet. I think you all know I was one of "these" people 30 years ago when, as a young mother with three children, ages 1, 3 and 5, my husband left us. I was working full-time, but to get my children the health care, the child care they needed, even though I was employed, I turned to welfare to make up the difference in my income. Eventually, I worked my way out of poverty, got a college degree, started my own company, and now I am a Member of Congress. I believe others should have the same opportunities that I had.

Mr. Speaker, as Congress continues to debate welfare reauthorization, we have to remember that our goal must be to move women and their families from welfare to self-sufficiency, preventing the ongoing pattern of welfare to poverty. That is why I support making States accountable for helping families become self-sufficient by creating a standard to determine just how much a family needs to survive without public assistance in any particular State. That is why I want mothers to have access to educational opportunities and job training, to give them the skills they need for jobs that pay a livable wage. And that is why I know how important it is to provide quality child care, including care for infants and care for parents who work weekends and evenings.

In my personal situation, my children had 13 different child care situations the first year that I went to work. That was the worst year in our lives. And today, 35 years later, quality accessible, affordable child care, particularly for low-income women reentering the workforce, is almost vacant.

Mr. Speaker, States and families need to know that these welfare extensions are going to last longer than 3 months. States need to plan their budgets and families need to know what they can count on. That is why we need a clean, multiyear extension that ensures continued, accessible welfare services, an extension that would do no harm to our Nation's poorest families while preserving the services that they have now and that they need.

The base bill that the gentleman from California (Mr. HERGER) refers to does not accomplish this, and the other body knows it. Mr. Speaker, nothing is more important than helping our families get out of poverty and to become, on their own, self-sustaining and independent.

So I urge my colleagues to join me today in supporting the temporary relief through H.R. 4589 until the time we can do it right.

Mr. CARDIN. Mr. Speaker, it is now my pleasure to yield 9 minutes to the gentleman from Michigan (Mr. LEVIN), a senior member of the Committee on Ways and Means.

Mr. LEVIN. Mr. Speaker, I favor this legislation. I want, though, the record to be clear as to why we are where we are today.

Way back, it seems like many years ago, we passed welfare reform. It was not an easy journey. There were differences of opinion. President Clinton had urged that we reform welfare. There were differing views as to how to do that. We did work on a bipartisan basis. It was not easy. President Clinton vetoed, in essence, the first two because of inadequate attention to child care and to health care, and that pressured us to continue to find a bipartisan answer.

And I mean bipartisan in the sense that there was strong adequate support from both sides of the aisle, even though there remained some differences. And it became law. And I think the record is that it basically worked. It was a positive step forward. It worked in the sense that many, many millions of people moved off of welfare into work. And that was good for them, it was good for their families, and it was really good for the country.

However, the fact remained, and we do not have all the data, in part because the Congress did not provide enough money to follow this, despite our efforts to do so, but I think the data are pretty clear that while millions moved off of welfare, a very substantial number of them, while working, remained in poverty. So the question became: What next with welfare reform? How do we make it even more effective for the people on welfare who want to move off? How do we make it even more effective for their families?

Here, there was a misstep. And the gentleman from Maryland (Mr. CARDIN) has painted that misstep, and others of us who have joined him in this. There were two problems: Number one, substantively, instead of moving on into the next phase of welfare reform so that people who move from welfare to work would move up the ladder, would move out of poverty, there was, instead, a proposal that did not really help people do that; inadequate attention to child care and really inadequate attention to transitional health care through Medicaid.

There was, instead, as the gentleman from Maryland (Mr. CARDIN) has described, a kind of tying the hands of the States, instead of continuing to give them the flexibility that helped people move from welfare to work. As a result, the majority of the State directors in the welfare field opposed what was being suggested by the majority here.

So I think substantively there was some real problems with it. There also was a second flaw, and that was a failure to try to work this out in a bipartisan way. And that became typical, or was typical of the way the Republican majority in the House looked at matters. It was not only welfare reform, but virtually everything else. Instead of sitting down with those of us who wanted to work with them on the subcommittee and on the full committee, essentially the majority crafted its bill, found a small number of Democrats, very small, to support it, and did not look for the bipartisan basis that was true of the original Act.

And so it went over to the Senate. It got off on the wrong foot here. And so what has the answer been? Blame the Senate, though it is controlled by the same party as controls this House. But there were differing views in the Senate, including among Republicans, some of whom we had worked with when they were in the House before, and some of the Democrats.

Well, anyway, so there has been this stymie of the process and here we are again with a short-term extension. It is better, obviously, than nothing, and I think a short-term extension is better than if the Senate had simply adopted the House bill, which it never was going to do.

So I really want to join with the gentleman from Maryland and with others to say to our colleagues on the Republican side, maybe it is not too late to go back and try to do this together. If you fail to do so, we will have missed the chance to have gone to welfare reform phase two. I cannot emphasize how important it is for us to undertake that effort, because welfare reform did help people move from welfare to work. But as I said, too many of them remain in poverty. People are working, but they have joined the working poor. And we can help them who want to do better. That is our challenge, and that is where the House majority has failed.

So let us be bipartisan as best we can today by supporting the extension, but let us do even better. Go back and see if we can write a bill that can pass this House on a bipartisan basis, go over to the Senate so it can work on a bipartisan basis, and we can have further meaningful welfare reform in our country.

Mr. SHAW. Mr. Speaker, will the gentleman yield?

Mr. LEVIN. I yield to the gentleman from Florida.

Mr. SHAW. Mr. Speaker, I say to the gentleman from Michigan (Mr. LEVIN), that in March, reading from the gentleman's own statement, he says, "You have stonewalled. It is not the Senate. They are now moving ahead."

They are moving ahead? You asked for bipartisan support. You asked for working together. We do not write the bills in the Senate. Let them write the bill, pass a bill, send it back, and we will get it into conference. What is everyone afraid of?

Mr. LEVIN. Reclaiming my time, Mr. Speaker, no one is afraid of anything. Here is the problem. You started on the wrong foot here. You started with a bill that the States opposed. You did not sit down with us and try to work out these issues. And so, essentially, you threw it to the Senate to try to do so.

At some point, I thought that the Senate might be able to overcome the wrong start that was made here. There was no, zero, excuse for the failure to sit down with us, those of us who had worked together in 1995 and 1996 and see how we would shape a welfare reform bill that moved this process ahead. Instead, you got the States into total turmoil. Most of the directors opposed your bill. Governors came in and said that you were tying their hands.

So, Mr. Speaker, I would say to the gentleman from Florida (Mr. SHAW), with due respect, that is the answer. The House has used the process, passed something that is far out and then left it to the Senate.

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Do it right here in the first place.

Mr. SHAW. Mr. Speaker, will the gentleman yield?

Mr. LEVIN. I yield to the gentleman from Florida.

Mr. SHAW. What is it the gentleman has a problem with? And then be very specific. We put $4 billion additional in child care. I know he is for that. We have full TANF funding for the next 5 years. He should be in favor of that. Supplemental grants. Contingency funds for States with increased need.

Mr. LEVIN. Let me take back my time. The gentleman from Maryland (Mr. CARDIN) and the rest of us spelled out the problems with the bill: inadequate child care moneys, and that is a problem over in the Senate; allowing waivers, essentially saying to Washington, you will decree the nature of welfare reform instead of leaving it to the States.

Those were the problems. And also having prescriptive provisions regarding hours of work that the States opposed, preventing States, including my State of Michigan under John Engler, to continue the process that they had started. They would have canceled out that State discretion. That was the trouble.

Mr. HERGER. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. SHAW).

Mr. SHAW. Mr. Speaker, I would have to revise the memory of the other side. We wanted to work with the Democrats all through this process of writing this bill. The gentleman from Michigan was very much involved in that at that time. They chose not to. In committee they voted against the bill, even the one that eventually passed. When it came to the floor, they voted against the bill, even the one that eventually passed. It was not until we got to the conference and the President put his force behind this bill that they came aboard. I do not know where all of this bipartisan stuff came from, but it certainly did not come out of the committee.

I think we need to be straight on history here. The Republicans led the way on welfare reform. Period. Even though the President signed it on August 22, 1996, much to his credit. I will give him credit, also, as being very, very forward looking when he was Governor of the State of Arkansas, but then he retreated under the pressure of the Democrat leadership here in the House; and it was not until right before the election in August that he finally conceded that he would sign the bill, and we sent it to him, and he had a big ceremony and everybody was there and everybody took credit for it.

Mr. CARDIN. Mr. Speaker, I yield 30 seconds to the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Mr. Speaker, the gentleman from Florida misdescribed 1995 and 1996. I do not think it does any credit for him to describe it that way. There was a major effort, there were differences; but we worked together. There were differences. We worked together on a bipartisan basis. He misdescribed President Clinton's position, also, who, before he became President, talked about reform of welfare and who worked as President to make sure it happened in the right way.

Mr. HERGER. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. SHAW).

Mr. SHAW. Mr. Speaker, I would say to the gentleman from Michigan, I did not misstate it. I gave President Clinton full credit. As Governor Clinton he was ahead of his time. But he pulled back as soon as he got here. Something happens to folks when they come here to Washington. We get good Democrat Governors from the South, they come up here and all of a sudden they cave to their majority leaders here in the House of Representatives. It is a fact of life. That is exactly what happened.

But I do give Governor Clinton a lot of credit. And then finally in 1996, August of 1996, I give him credit for having signed the bill. I have been very careful to do that. We looked to the Governors for flexibility. We looked to the Governors for leadership. They were on the front line of welfare reform long before the Federal Government came along. We learned a lot from the Governors throughout this country, Democrat and Republican, including my own Governor Chiles, we worked with him, Engler, a bunch of them. We had some wonderful Governors that we worked with, we talked to, and we went to for advice. It was up to them to run these programs, and we wanted to be sure that we were sending something to them that was quite doable.

Mr. CARDIN. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. I thank the gentleman from Maryland for yielding me this time. I also agree that Governor Clinton, and I grew up in the State of Arkansas, did an outstanding job as Governor of the State of Arkansas. But I really rise to join with all of those who have expressed support for extension of TANF. Like all of those who have spoken before me, I would have hoped that we were not talking about extension, but that we were talking about permanent legislation.

I represent a district that includes more than 80 percent of the public housing in the city of Chicago, and so there is no doubt about the tremendous need for assistance to needy families.

But I also think that assistance has to be strong on child care, that people must know that they have access to opportunity for their children to be cared for them while they are in school or while they are at work.

I hear a great deal about making sure for women. We also have to make sure that there are training opportunities for men. I represent a district that has lost more than 120,000 good-paying manufacturing jobs over the last 40 years. Many of the jobs that men in those communities expected to be able to get no longer exist. In order for them to be able to get off welfare and not participate in what we call the "underground economy," they need job training, they need skills, they need development, they need the opportunity to believe that there are careers waiting for them and available to them.

I would urge that we do come together in a bipartisan way and hammer out a bill that can become permanent so that those individuals who are currently in lurches can know that there are opportunities to move out, to move up, and to move ahead.

Mr. HERGER. Mr. Speaker, I yield 4 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON), a former chairman of the Subcommittee on Human Resources.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in strong support of this legislation. Welfare reform has been simply an extraordinary success. Rarely has this United States Congress taken an action that has meant so much in people's lives, that has produced so much good in people's lives. Under our welfare bill today, we have $51 billion available for services to families. We used to have under the old program $5 billion. That is because we kept the money constant while the number of cases has dropped by half, so all that money is there for services. Now it is needed.

We have fought hard to keep that money flat. Why? Because we not only want the money to pay day care while you are preparing for work, but as you make that transition.

But there are some other statistics that bespeak the extraordinary human success of welfare reform. Black poverty among children living with one parent is at its lowest levels historically. That means there are fewer black children living with single parents in poverty than has happened in decades. I am proud of that. What it tells us is that black women once given the opportunity for training and work are succeeding and they are doing better and their children are doing better.

I support this extension. I am pleased with its parts, particularly the day care dollars, but I do wish that the Senate had taken up the reauthorization that we passed here on the House floor because it goes further. It begins looking at careers. How do we help women, primarily women, (although there are some men who are single parents and on welfare), how do we help those folks who are trapped in that situation as a result of a series of problems, not only think about how to go to work and how to meet the emotional needs of their children but how to go to work on the first rung of a career ladder. Then every year you move up, every year your salary progresses, every year you learn more, do more, take responsibility and get a greater reward in the form of a higher salary. So those, primarily women, can be not only role models for their children but successful economic and emotional parents.

In the new bill that passed this House, we drove the work requirement up from 20 to 24 hours a week. By doing that, we made clear that you needed to work 3 full-time days, but you were accountable for a 40-hour-a-week plan. We counted drug treatment as work under that plan. We counted mental health counseling as work under that plan. States could even count taking care of your children after school as work under that plan because each plan could be individualized.

But the sum and substance of it was that it structured that transition off welfare so that you could go to school 2 days a week, counting that as work, finishing up your degree while you are working 3 days a week, and you could create for yourself truly any future you wanted because mental health, drug treatment, those kinds of problems, if you are addressing them aggressively, could be counted as work, which they are; and education combined with work could be also counted.

We have a next step to take; and if the other body will work on reauthorization, we can move forward. But please vote "yes" on this extension today.

Mr. HERGER. Mr. Speaker, I yield myself such time as I may consume.

We have heard a great deal from the other side indicating that evidently when this bill originally came through, the historic 1996 legislation, that it was bipartisan. Yet we have heard the chairman that was chairman of the committee during that time indicate just the opposite, and I believe that the record certainly indicates that. The other side, the other party, opposed this legislation in committee and opposed it on the floor when it was voted on. It did that three times. It overwhelmingly opposed it. It was not until President Clinton finally said he was going to support it that there was finally, for basically the first time, any support from the other side. I think the record should show that to be the case.

Another point is when all we do is extend this legislation and do not go with H.R. 4, what we are doing is denying an additional $4 billion for child care over the next 5 years. There is no assurance of full TANF funding for the next 5 years. In the area of marriage and families, there will be no additional $1.5 billion targeted to promoting healthy marriages, no added State flexibility to count spending on strengthening families. It goes on and on on what we will be denying ourselves. It also denies the added flexibility to spend an additional $4 billion in unspent prior TANF funds.

Mr. Speaker, I reserve the balance of my time.

Mr. CARDIN. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman from Maryland is recognized for 1½ minutes.

Mr. CARDIN. Mr. Speaker, I think the comparison to how we proceeded in 1996 versus how we have proceeded in the year 2002, 2003, and 2004 is very instructive. In 1996, we had a President who ran for the Presidency saying that he would end welfare as we know it. He established three parameters for a new welfare bill, which were flexibility to our States, accountability, and resources. In 1996 in a bipartisan manner, we passed welfare reform with the support of our national Governors. In 2002 and 2003 and 2004, this body has passed legislation in a very partisan manner, without the support of our national Governors, for good reason.

The three pillars on which welfare reform was built in 1996 which has gotten such praise from both sides of the aisle are severely compromised by the legislation that passed this body.

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First, on flexibility to the States, we take it away in the bill that we passed. We cannot use vocational education as the States would like to do, and I can name example after example.

On accountability, we have make shiftwork rather than real jobs, people moving up the economic ladder in the legislation that passed this body. And in resources we provide $1 billion only in new child care that is mandatory, even though the estimates are that the mandates in this bill will cost our States an additional $11 billion, an unfunded mandate.

So, Mr. Speaker, I urge my colleagues to support this extension because it is clean. It has none of those extraneous issues in it. It extends the 1996 law for 3 additional months. And then I hope we will get back to working together as Democrats and Republicans for a long-term extension that builds on the success of 1996.

Mr. Speaker, I yield back the balance of my time.

Mr. HERGER. Mr. Speaker, I yield myself such time as I may consume.

I wish the legislation before us today were not needed. But we do need to pass this bill. That is the only way we can have any hope of reaching agreement this year on ways to better assist low-income Americans in going to work and supporting their families.

I am pleased that the House has taken action on that important goal and look forward to defending our broader welfare reauthorization bill, H.R. 4, in conference. It is a good bill which promotes stronger families, healthy marriage, and more involvement by fathers in their children's lives, which all would improve child well-being. H.R. 4 also expects and supports more work in exchange for welfare benefits. That is what made the 1996 welfare reform so successful at lifting families off of welfare and out of poverty and dependence.

It is past time for additional commonsense measures to help the 2 million parents that remain on welfare today go to work and better support their families.

Mr. Speaker, during the June 22, 2004 House debate on extending welfare programs, Democrats suggested the process behind the historic 1996 welfare reform law was far more bipartisan than today.

They need to recheck the facts.

The Republic reauthorization bills passed by the House in 2002 and 2003 were more "bipartisan" than two out of three welfare bills considered in the mid-1990s.

During the 1990s, the vast majority of House Democrats OPPOSED welfare reform at every stage in the legislative process. The single exception was on the conference report that became the 1996 welfare reform law, when 50 percent of Democrats voted for welfare reform—but only after then-President Clinton announced he would sign the Republican bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from California (Mr. HERGER) that the House suspend the rules and pass the bill, H.R. 4589.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HERGER. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to revise and extend their remarks and to include extraneous material on the subject of H.R. 4589 and H.R. 4372.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

RECOGNIZING NATIONAL HOMEOWNERSHIP MONTH

Mr. GARY G. MILLER of California. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 658) recognizing National Homeownership Month and the importance of homeownership in the United States.

The Clerk read as follows:

H. RES. 658

Whereas the President of the United States has designated the month of June as National Homeownership Month each of the last two years and will do the same in 2004;

Whereas the national homeownership rate in the United States has reached a record high of 68.6 percent and, for the first time, more than half of all minority families are homeowners;

Whereas the people of the United States are one of the best-housed populations in the world;

Whereas owning a home is a fundamental part of the American dream and is the largest personal investment many families will ever make;

Whereas homeownership provides economic security for homeowners by aiding them in building wealth over time and strengthens communities through a greater stake among homeowners in local schools, civic organizations, and churches;

Whereas improving homeownership opportunities requires the commitment and cooperation of the private, public, and nonprofit sectors, including the Federal Government and State and local governments; and

Whereas the current laws of the United States encourage homeownership and should continue to do so in the future: Now, therefore, be it

Resolved, That the House of Representatives—

(1) fully supports the goals and ideals of National Homeownership Month; and

(2) recognizes the importance of homeownership in building strong communities and families.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. GARY G. MILLER) and the gentleman from Georgia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. GARY G. MILLER).

GENERAL LEAVE

Mr. GARY G. MILLER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and insert extraneous material on this resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GARY G. MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise to celebrate homeownership in America. As part of this homeownership initiative, President Bush is expected to designate June, 2004, as National Homeownership Awareness Month, as he has the past 2 years. To complement this designation, I have introduced House Resolution 658 to recognize National Homeownership Month and the importance of homeownership in the United States.

This resolution expresses a sense of Congress and the U.S. House of Representatives that we, one, fully support the goals and ideals of National Homeownership Month, and, two, recognize the importance of homeownership in building strong communities and families.

Now is a great time to talk about the American dream of homeownership because for the past 3 years the housing industry has been the pillar of our economy. The housing and refinance market helped keep our recently struggling economy moving until the rest of the economy was able to accelerate. National housing generates more than 22 percent of the Gross Domestic Product and accounts for nearly 40 cents of every dollar spent.

America's housing market is the envy of the world. We enjoy the lowest interest rates and the highest homeownership rate of any developed nation. In fact, the national homeownership rate in the United States has reached a record high of 68.6 percent, and for the first time, more than half of all minority families own homes.

Homeownership is the single largest creator of wealth for most Americans. It is a key to promoting long-term economic stability for citizens and nations. For these reasons it is imperative we maintain a strong housing market.

There are many components involved in helping people achieve the dream of homeownership. We need land to build on, developers to prepare the land, architectural plans and building materials, builders and contractors to construct the home, certainty on who owns what and how much it is worth, and available credit. We need to work to make sure that each component can work and that government helps rather than impedes the process.

As many of the Members know, I have been a home developer for over 30 years. I know all too well the impact of regulatory barriers at all levels and the cost of homes. When I came to Congress, I made it my top priority to highlight federal policies that have hindered the availability of housing in this country and to find ways for government to positively impact homeownership in America.

I firmly believe that Congress must help cultivate an environment where more Americans can turn the dream of homeownership into reality. I am pleased that the President, in partnership with Congress, has made it his priority to ensure that government does something positive to foster homeownership. The administration is committed to finding ways to increase homeownership particularly among minorities and has set forth an ambitious agenda for HUD, focused on building on the progress that work and finding innovative ways to reform those in need of improvement.

To focus more attention on the need of regulatory reform, HUD launched in June, 2003, America's Affordable Communities Initiative, a department-wide effort to help communities across America identify and overcome regulatory barriers to affordable housing. I commend HUD for its commitment to work with States and local communities to reduce regulatory and institutional barriers to the development of affordable housing. I look forward to continuing to work with the administration and Congress to address our Nation's housing needs.

I urge my colleagues to support House Resolution 658, which expresses the U.S. House of Representatives' dedication to forming policies that will help ensure every American family realizes the dream of homeownership.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT of Georgia. Mr. Speaker, I yield myself such time as I may consume.

First of all, I want to thank the gentleman from California (Mr. GARY G. MILLER) for his sterling leadership on this issue and for this piece of legislation as we recognize June as National Homeownership Month.

Today the House takes up this important housing resolution to recognize National Homeownership Month and the importance of homeownership in the United States. In addition to the gentleman from California (Mr. GARY G. MILLER), I certainly want to recognize and thank the gentleman from Ohio (Mr. OXLEY), our distinguished chairman of the Committee on Financial Services, for his leadership; the gentleman from Massachusetts (Mr. FRANK), our ranking member; the gentlewoman from California (Ms. WATERS), our ranking member on the Housing and Community Opportunity Subcommittee; and the gentleman from Ohio (Mr. NEY), our chairman on the Housing and Community Opportunity Subcommittee.

Mr. Speaker, homeownership is a dream that millions of Americans strive to achieve every year. Our national homeownership rate has risen dramatically during the past 50 years and now stands as a record 68.8 percent. This is an extraordinary accomplishment that all Americans should be very proud of.

But in the midst of this record housing boom, there are yet millions of American families, particularly low-income families and minority households, who have been left behind and unable to make this dream a reality.

So as we celebrate June as National Homeownership Month, this Congress must seize on opportunities to help more Americans reap the benefits of owning their own home.

I will just enter into the RECORD this article from the front page of my home newspaper, the Atlanta Journal Constitution, yesterday, which is headlined "Black Women Find Places of Their Own," written by Janet Frankston, an Atlanta Journal Constitution staff writer. And it starts with this story that I think is very appropriate as we start this. It says: "The day before she closed on her three-bedroom house, Thommi Odom couldn't eat. 'Even at the day of closing, I was physically sick,' said Odom, a 30-year-old information technology manager originally from Savannah. 'Just the whole process, knowing I'm ultimately responsible, was very scary.'

"Now, more than 5 years later, Odom has tripled her income and is looking for her second house, an upgrade from her 2,036 square foot home in Lithonia. And now she's not even blinking at the finances."

She is building wealth, but it started with the purchase of a home.

America's families and neighborhoods and our national economy all prosper from homeownership. Homeownership enables families to build wealth that transcends generations. Homeownership transforms neighborhoods into centers of civic engagement and community strength, and housing is a vital part of the national economy, accounting for about 14 percent of the gross domestic product. Indeed, it is housing that has played an essential role in the economy and the economic recovery over the last 2 years, creating new jobs and serving as an engine of economic growth.

And there is such great news from my home area of metro Atlanta, which I represent. And I represent 11 counties, and of those 11 counties, eight of them are among the fastest-growing counties in terms of homeownership in this Nation. The number of African American homeowners, for example, has increased by 97 percent in the 1990s; yet there is a lot of work to do with African American homeownership that is fluctuating as we speak.

For Hispanics it increased 258 percent, and for Asians it increased 241 percent. These numbers compare to an increase of 38 percent for white homeowners. From 1997 to 2002, conventional mortgage loans to African American women increased by 114 percent.

Clearly, the homeownership gap is closing, and this Congress should be proud of the work that we are doing. But there is much more work to do. We must pass the Financial Literacy Act, which I introduced, and I am working with the gentleman from Ohio (Chairman OXLEY) and the gentleman from Ohio (Mr. NEY), subcommittee Chair; and the gentleman from Massachusetts (Mr. FRANK) and the gentleman from Pennsylvania (Mr. KANJORSKI).

The House of Representatives can take an important step to expand homeownership opportunities by also passing H.R. 3755, the Zero Downpayment Act of 2004. This legislation, which I introduced with the gentleman from Ohio (Mr. TIBERI), would help thousands of families get into homes by helping them overcome one of the top obstacles of homeownership: assembling the necessary funds for a down payment.

H.R. 3755 enjoys strong bipartisan support and passed by the House Committee on Financial Services by voice vote. By swiftly passing this legislation, the House will be paying fitting tribute to National Homeownership Month by helping thousands join America's ownership roster.

[From the Atlanta Journal-Constitution, June 21, 2004]

(By Janet Frankston)

The day before she closed on her three-bedroom house, Thommi Odom couldn't eat.

"Even at the day of closing, I was physically sick," said Odom, a 30-year-old information technology manager originally from Savannah. "Just the whole process—knowing I'm ultimately responsible—was very scary."

Now, more than five years later, Odom has tripled her income and is looking for her second house, an upgrade from her 2,036-square-foot home in Lithonia. And she's not even blinking at the finances.

"Making the payments is easy," she said, sitting in her living room with a group of black girlfriends who are also homeowners. "The maintenance is difficult."

In 2003, unmarried women were nearly twice as likely to buy homes as unmarried men. Single women make up the second-largest group of homebuyers, according to a nationwide survey by the National Association of Realtors. In metro Atlanta, Odom's demographic, single African-American women represent a particularly fast-growing group.

From 1997 to 2002, conventional mortgage loans to black women increased in 114 percent in metro Atlanta, a draw for middle-class blacks from across the nation. That growth greatly outpaced mortgage loans to white men and white women, which increased in the region by 35 percent and 26 percent, respectively. Mortgage growth in the region was highest among single black men, but they bought fewer homes than single black women.

Women are buying homes as they gain access to more and better-paying jobs. They like the tax advantages and want to start building wealth. And they benefit from a societal shift that accepts their marrying later or not at all. That shift is especially prevalent among black women, 64 percent of whom reported being single in the most recent nationwide census survey.

Mr. Speaker, I reserve the balance of my time.

Mr. GARY G. MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. ISAKSON).

Mr. ISAKSON. Mr. Speaker, I thank the gentleman from California for his leadership on this resolution and the gentleman from Georgia for his support.

America is a great country for a lot of reasons, but amongst the most important is the wide distribution and ownership of real estate in this country. We are a Nation of owners, not of tenants, and that sets America apart. And in the last decade, we have had dramatic change because of dramatic leadership.

I entered the real estate industry in 1968, and then it was hard to buy a home; with the exception of VA loans and FHA loans, almost impossible. But things have changed because of the leadership of this Congress, because of the leadership of this President, and because of the leadership of the financial industry in this country.

Jim Johnson, in his book of a decade ago Showing America a New Way Home, declared through Fannie Mae an ability and a desire to see to it that Americans who could not find homeownership could, in fact, find it. And, boy, did they ever. Through creative financing mechanisms and through targeted programs, today Americans who never dreamed of owning homes do. Through the National Association of Home Builders, easy-living homes were created; where handicapped and disabled Americans now find available, affordable, accessible housing in the competitive marketplace, which 30 years ago was not possible.

☐ 1245

Those who do not own their own automobile now find financial incentives and preferences in financing to locate in housing near Metro centers, bus stations and rapid transit.

In essence, through the National Association of Home Builders, the National Association of Realtors, Fannie Mae, Freddie Mac, the Learning Institutions of America, this Congress and the President of the United States, the American dream of 100 years ago is the American reality for 2 out of every 3 Americans, and in the months and years ahead, as we work forward to improve that, we will only improve the greatness of the United States of America and the distinction that separates us from the rest of the world.

Mr. SCOTT of Georgia. Mr. Speaker, I yield 4 minutes to the gentlewoman from California (Ms. LEE), who has consistently provided sterling leadership to make sure that all Americans have access to home ownership.

Ms. LEE. Mr. Speaker, first let me thank the gentleman from Georgia (Mr. SCOTT) for yielding and for his leadership in a very short time in terms of his leadership on our Financial Services Committee, specifically in the areas of housing and home ownership. So thank you for your leadership and for yielding.

Mr. Speaker, let me just say how delighted I am today to be able to speak in support of this bipartisan bill, with the hope that it will spur a movement toward more aggressive quality affordable housing for all Americans, and I want to thank my colleague, a member whom I had the pleasure to serve with in the California Legislature, the gentleman from California (Mr. MILLER), for bringing forth this bill, H.R. 658, because he certainly understands the critical need for home ownership and the affordability factor in terms of home ownership. So thank you for making sure that this is a bipartisan bill and for your leadership.

Mr. Speaker, we all understand the challenges of home ownership and the need to build more affordable housing and to market products that will help more middle- and low-income individuals and families, more people of color to acquire a home.

The FHA program is a very necessary tool to get these target communities into a home. It uses flexible down payment amounts ranging from 0 to 3 percent of the loans total, and it also helps with closing costs and considerable foreclosure and loss mitigation assistance.

Now, FHA is pioneering in the areas of not only helping people get into their homes and purchase their homes but also helping people keep their homes. This is key to home ownership in our current economy, where bankruptcy and foreclosures have become a reality for far too many people.

FHA is successful, but it, of course, is not perfect. In areas like California, currently, also areas such as Massachusetts and New York, the FHA program is crippled by the expensive housing market, and it, in fact, limits the amount of people who can participate in home ownership solely because of their geography.

FHA uses a market median to calculate their loan amounts and caps loans in high-cost areas to $290,000. Our goal today is to provide a vehicle for Americans to achieve the American dream, which is very quickly, quite frankly, turning into a nightmare.

We all know that it is not the stock market that provides the foundation for the accumulation of wealth for ordinary working Americans. It is the equity in one's home that allows people to, for instance, start a small business or send their children to college or to travel or to do whatever they desire to be part of the American dream, and while I recognize market forces dictate the cost of housing, in no way should we let market forces run away out of control without helping those individuals and families who really do play by the rules.

When I see a dilapidated house in California, just this weekend the average cost of housing in my area, northern California, I think is $509,000. That is for a dilapidated house, quite frankly, a small shack. That is $509,000. So when I see houses going for that, I shudder at the numbers of families who are permanently shut out of homeownership.

When we see a bill today, such as we have before us, that increases this limit to 100 percent of the local median price, I am very excited that finally, finally we have a vehicle now that will allow not only those individuals in California and my district to begin on the path to home ownership, but people throughout our country will see that we are for real in terms of making sure that we do something to allow them to realize the American dream.

In addition, let me just close by saying how important it is to prevent foreclosures and to build more quality affordable housing that establishes through the establishment of what we are calling the National Housing Production Program, using some of the FHA reserves.

So let me just say thank you once again to the gentleman from California (Mr. MILLER). Thank you to the gentleman from Georgia (Mr. SCOTT). I want to thank the gentleman from Massachusetts (Mr. FRANK) and the gentleman from Ohio (Chairman NEY) and the gentlewoman from California (Ms. WATERS) for making sure our subcommittee works in a bipartisan fashion on behalf of the American people.

Mr. GARY MILLER of California. Mr. Speaker, I yield myself as much time as I might consume.

Mr. Speaker, I would like to associate the comments of the gentlewoman from California (Ms. LEE) with myself. I could not agree with you more. There are things we disagree on. This is not one of them. We look at our children and our grandchildren and realize that there is a problem in this country, and we need to effectively address that problem.

Last week I have a bill that was heard in committee on FHA, basically because as she said, you cannot use FHA loans in California and New York, Massachusetts and other States, because the limits are so low, they do not meet the needs of the citizens of these States, and you could not be discriminated against based on where you happen to live.

And nobody should be confused. FHA is not a program where the government is giving anybody anything. The government makes money on FHA loans. They are good for citizens. They have been proven good for government, but we need to really aggressively attack the problems for housing in this country. We deal a lot with section 8 housing, which we all agree there is a need for, but the problem we face when we talk about section 8, we want people to own a home, and we have created such a situation in this country where people cannot afford to move out of section 8 housing because the cost of housing in the next level is so great, that there is no way people can move to that next level.

A lot of those things have occurred over the years because the government has done things that we believe felt good, and States have done things that they believed felt good at the time but they did not work in reality.

I remember 25, 30 years ago I could introduce a tentative track map in California, and in 58 days, the government had to come back and say yes or no to that subdivision application so you could build a home.

Today it goes for 2, 3, 5, 10, 12, 15 years in many cases before a builder actually has a surety that he is going to be able to go build a home or not build a home, and everybody needs to realize when you require a property owner to hold property for 2, 3, 5, 10 years, the cost of carry on that property and the cost of the process is passed on to the homeowner.

So when we look at people who we are trying to provide affordable housing, it is almost impossible, in many cases, because of the problem government has created in and of itself.

The Endangered Species Act, when it was implemented, and nobody argues that we should not do everything we can to preserve the environment. That is necessary, but nobody ever dreamt when that concept was created that we would be preserving rats and flies and snails and stuff like that. My parents were smarter than we were. Our parents used to swat flies and poison rats. Now we set aside habitat for them; and when we do that, some private property owner is impacted by that habitat.

And the question I want to ask all of you, who wants to live next to a rat habitat? I do not know who wants to live next to a rat habitat, and the problem with that is you have a rat in your house, we all respond in the common way. We put a rat trap out there or poison out there. Well, if you trap an endangered rat, you have committed a felony. You can go to jail. I mean, how ridiculous is that? Yet, that is the law in which we have to work with in this Nation to provide housing.

There has to be some regulatory barriers that are removed, where people can get product to the market rapidly and move people into houses. The problem we have at the local level is the Federal Government takes more money, the States take more money, and local community cities are left without revenues. And the first person they look to go to is a builder in town as a cash cow. I am not trying to criticize them for it, but I am saying when you assess a fee that is not associated with a project on a project, the people who buy those homes have to pay those fees.

Nobody argues that if you are impacting traffic and intersections, you should mitigate that through fees. Nobody is arguing that. You have building and you have school fees. But oftentimes you pay all of those, and then we take it far, far beyond that.

In California, we have an unusual problem that many States do not face. There is very, very little attached homes being built, town homes and condominiums. The problem is because litigation is so prevalent. And it is not generally started by the people who own the town homes or condos, it is started by some attorney who sues, goes to the Board of Directors and says you either join in this lawsuit or you can be held personally liable, and then the associations in the lawsuit, that all adds to the cost of providing basic housing for this Nation. Condos and town homes generally are the entry level homes you try to address first, because people need them.

We are trying to do tort reform in the medical industry. We also need tort reform in the housing industry. We need to do everything we can to protect the environment, we need to do everything we can to make sure people are legally protected from people who provide housing below standard, but we also need to be real in this country, realizing that people need homes. Kids many times cannot afford to live in the neighborhoods within which they are raised.

We need to change the laws in this country to fast track housing, and yet assure that the environmental levels will be addressed correctly.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT of Georgia. Mr. Speaker, I yield 30 seconds to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, let me just say to the gentleman from California (Mr. GARY G. MILLER), one point I want to emphasize also as to why this is so important is that in many of our communities that are diverse economically and ethnically, what we are seeing is the resegregation of America because of income disparities. In many communities, such as mine, for instance, you have a diminishing African-American population because the cost of housing has gone up so high and the income level has not been on par with the cost of housing.

So I just want to say this bill has far-reaching implications, because, in fact, we all agree that an integrated America is also the American dream, and we want integrated communities, not communities where one cannot afford to reflect the ethnic diversity of our great country.

Mr. SCOTT of Georgia. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois (Mr. DAVIS), who is a strong voice for working people, to make sure all people have access to housing, and especially those in the lower income and housing projects, of which he represents 80 percent.

Mr. DAVIS of Illinois. Mr. Speaker, I want to thank the gentleman from Georgia (Mr. SCOTT) for yielding me time. I also want to commend the subcommittee of the Committee on Financial Services that is dealing effectively in many ways with the creation and development of instruments that lend themselves to increasing homeownership. So I come to support this resolution.

We have heard how home ownership is a part of the American dream. I think it is commendable that we can boast of 68 percent homeownership in America. But, at the same time, I am reminded of disparities that exist.

For example, in my Congressional district only 38 percent of the people own their homes. Only 28 percent of the African Americans in my Congressional district own their homes. Yet I commend Fannie Mae, Freddie Mac, local mortgage companies, banks, the City of Chicago, for programs that have been established and are working well.

I also commend the Congressional Black Caucus, who recognized that with ownership comes wealth, and has created a national program called WOW, With Ownership Wealth, pointing out to people that you can spend 50 years paying rent, and at the end of 50 years all that you really have to show is a drawer full or a desk full of rent receipts; that you have no ownership, no equity value, nothing that you can pass on to those coming after you.

So we still need additional instruments, because, for many Americans, the dream is still a horrible nightmare, because they feel that there is no way they can purchase a home. They think that you have got to have too much down payment. They think that their credit does not meet the standards or the requirements.

So as we commend ourselves, we also need to continue to look for instruments that can help make the American dream for more of our citizens a reality, so that they too can have that dream of living in the house by the side of the road, watching men and women go by.

So I commend the subcommittee for its progress, I support this resolution, and urge that we continue to find those ways that can include and bring more people into the system.

Mr. SCOTT of Georgia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as has been pointed out in this afternoon's discussion on this very, very important piece of legislation, to own a home is the foundation for wealth building in our country. We are making great progress, but there is yet much more that we have to do, especially when it comes to the minorities, African Americans, and Hispanics, particularly.

But I am so proud to be a part of the Committee on Financial Services and on the Subcommittee on Housing and Community Opportunity, for we are making great progress, and not only making sure that we address the issue of homeownership, but, in addition to that, making sure that we put policies and programs in place that will make sure they maintain those homes and to build on that progress.

□ 1300

A measure that we have in our committee, the Financial Literacy Act, is to make sure that people are not taken advantage of when they do own a home. Very important. A key point of that bill is to set up a toll-free number so that individual homeowners will have access to get information and know where to call to get information before they sign on the dotted line. And it is so important that at the other end of that phone line that there be a human being, not a recorded voice, but a human being answering and responding to that measure. We are very proud of that bill.

Our housing counciling bill under the gentleman from Ohio (Mr. NEY); our zero down payment which eliminates the down payment for those FAA-guaranteed mortgages; and again, an issue that was pointed out by my distinguished friend, the gentleman from California, as well as my ranking member, the gentleman from Massachusetts (Mr. FRANK), and that is we must expand FHA loan limits to include high-cost areas like California and Massachusetts; and we are working on that.

Mr. Speaker, free credit reports, and some financial education creative matters that we are working on that I want to mention very briefly as I close. We have got to get down to the nitty-gritty with our young people and start financial literacy programs in the early grades; and I am proud to work with my distinguished colleague, the gentlewoman from Illinois (Mrs. BIGGERT), in putting forward a piece of legislation that will require financial literacy, age-appropriate, K through 12; and we will get that funded by using the Global Fund of Securities and Exchange Commission. And the gentleman from California (Mr. DREIER) is working to make sure that we set aside monies in the Treasury Department to make people aware of financial literacy programs.

Mr. Speaker, this Congress is doing a wonderful job, and I am so delighted that we are here with this legislation, H.R. 658, to recognize Homeownership Month as the month of June.

Mr. Speaker, I yield back the balance of my time.

Mr. GARY G. MILLER of California. Mr. Speaker, I yield myself such time as I may consume to close.

Mr. Speaker. I would like to commend all of my colleagues on the Committee on Financial Services, on the Democrat side and Republican side, especially the gentleman from Ohio (Chairman OXLEY) and the gentleman from Ohio (Chairman NEY), who have had a real interest in housing, and the gentleman from Massachusetts (Mr. FRANK), who is a good friend of mine. We have probably done more legislation on housing than any two Members that I know of. But he and I are like-minded on the needs of housing for our future.

This is not a Republican, issue nor is it a Democratic issue. It is an issue for our future, for our children, for our grandchildren. Do we want to continue the situation with the shortage of housing in this country, or do we want to change that? In many cases, it is the government's responsibility to look at what we have done, and sometimes we need to step back and change some of that. FHA reform, I applaud my colleague for emphasizing that, again. We are ready for markup on that. It is about time FHA kept pace with the market. It is a good program that works. The gentleman from Massachusetts (Mr. FRANK) and I have introduced legislation to resolve this problem and, hopefully, before this year is over, can have a bill signed into law that will work.

But I would also like to commend the builders in this country, the Realtors, the subcontractors, mortgage brokers, the mortgage bankers, the financial markets, the title companies, the escrow industry, all of those people who work hand in hand, putting together a large puzzle to provide housing in this Nation. They do a wonderful job, they work very hard, and we need to do what we can to assist them.

Mr. Speaker, I urge all of my colleagues to support House Resolution 658. It is a bipartisan bill. It is a good bill. Let us start to continue to look and focus on the housing needs of our country.

Mr. NEY. Mr. Speaker, I rise today in support in H. Res. 658, which recognizes National Homeownership Month and the importance of homeownership in the United States. Offered by my colleague and friend from California, Mr. GARY MILLER, this resolution is a testament to the benefits of a strong and robust housing market in this country.

A home is more than just the symbol of the American Dream; it is the backbone of the American way of life.

Over the past three years, the housing market has driven the national economy, as Americans bought and refinanced homes in record numbers. Many regions were spared the worst of the recent recession due to the strength of some local housing markets.

Today, the housing sector directly accounts for about 14 percent of the country's total Gross Domestic Product. Building a home involves multiple segments of our economy, including builders, bankers, mortgage lenders, realtors, and numerous others. For every 1,000 single-family homes built, we see 2,500 jobs created, $75 million in wages earned, and $37 million in tax revenues generated.

June is National Homeownership Month and so many of our partners celebrate this because in America, every citizen—regardless of race, creed, color, or place of birth—has the opportunity to own a home of their own. And, new homeowners can create wealth for their families for generations to come, while also helping transform neighborhoods and communities.

Right now 68 percent of all families own homes.

However, the homeownership rate for minorities is around 50 percent. This must improve.

Lagging minority homeownership rates are a serious concern. Minority households are expected to account for two-thirds of household growth over the coming decade.

Improving the ability of such households to make the transition to homeownership will be an important test of the nation's capacity to create economic opportunity for minorities and immigrants and to build strong, stable communities.

Last year, the Housing Subcommittee assisted in the successful enactment of 11 housing related bills. Through bipartisan cooperation with Congresswoman KATHERINE HARRIS and Cong. ARTUR DAVIS, Congress and the Administration were able to enact legislation that today is making existing housing programs work better.

Of those enacted last year, the American Dream Downpayment Act and the proposal to raise the FHA multifamily loan limits are helping thousands of individuals and families realize the dream of homeownership. I am especially proud of the American Dream Downpayment Act, which will provide $200 million in grants to help homebuyers with the downpayment and closing costs.

Sponsored by Ms. HARRIS and Mr. DAVIS, this bill will assist 40,000 families annually achieve the dream of homeownership and will make available subsidy assistance averaging $5,000, to help low-income, first-time home buying families.

In an effort to continue the goal the increase minority homeownership, on June 3rd of this year the House Financial Services Committee approved HR 3755, the FHA Zero Down Payment Act. This bill, introduced by Congressmen TIBERI and SCOTT, would provide a program to eliminate the downpayment requirement for certain families and individuals who buy homes with FHA-insured mortgages.

During the enactment of the American Dream Downpayment Act last year, we learned that the biggest obstacle to homeownership for most families is the inability to save enough cash to meet down payment and closing costs. HR 3755 is a good bill that represents another important step forward in helping all Americans achieve the dream of homeownership.

In closing, let me say that the federal government, consumers, and the housing industry are linked by our mutual goal of creating housing opportunities for more Americans.

We have much to achieve together for the American people, and our best hope of being successful is to work in close concert with each other—guided by the same high standards and principles and motivated by the same goals.

In that way, we will continue to open up our communities to new opportunities for growth and prosperity.

Mr. EMANUEL. Mr. Speaker, I rise in strong support of H. Res. 658, which recognizes National Homeownership Month. Owning a home is a central part of the American dream, and I am pleased that this dream is within reach of more families than ever before. Home ownership is now at a record high in the United States, with 68.6 percent of all American families and over half of all minority families owning their own home.

Buying a home is the largest personal investment many families will ever make. Homeownership provides economic security for

American families by helping them build wealth over time. Expanding home ownership also helps strengthen communities, as owners feel a greater stake in their local schools, civic organizations, and churches.

We have a lot to be proud of in the expansion of home ownership throughout our communities, but there is still work to be done. We must recognize and strengthen the working partnerships between the public, private and non-profit sectors in promoting home ownership, and we must provide greater support to FHA and related programs which help provide the means for lower income families to buy their first homes.

Mr. Speaker, owning a home is becoming a reality for more American families, and we must use National Homeownership Month to continue working towards providing this piece of the American dream to all Americans. I thank the gentleman from California for introducing this important resolution and I urge my colleagues to support it.

Mr. GARY G. MILLER of California. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from California (Mr. GARY G. MILLER) that the House suspend the rules and agree to the resolution, H. Res. 658.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SCOTT of Georgia. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

COMMUNICATION FROM DEPUTY DISTRICT DIRECTOR OF HON. DALE E. KILDEE, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Barbara Donnelly, Deputy District Director of the Honorable DALE E. KILDEE, Member of Congress:

DALE E. KILDEE,
HOUSE OF REPRESENTATIVES,
5th District, MI, June 21, 2004.

Hon. J. DENNIS HASTERT,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to notify you formally, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a civil subpoena for documents issued by the United States District Court for the Eastern District of Michigan.

After consultation with the Office of General Counsel, I have determined that compliance with the subpoena is consistent with the precedents and privileges of the House.

Sincerely,

BARBARA DONNELLY,
Deputy District Director.

PROVIDING FOR CONSIDERATION OF H.R. 4613, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2005

Mrs. MYRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 683 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 683

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4613) making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. The amendment printed in the report of the Committee on Rules accompanying this resolution shall be considered as adopted in the House and in the Committee of the Whole. Points of order against provisions in the bill, as amended, for failure to comply with clause 2 of rule XXI are waived. During consideration of the bill for further amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such further amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. Upon the adoption of this resolution it shall be in order, any rule of the House to the contrary notwithstanding, to consider concurrent resolutions providing for adjournment of the House and Senate during the month of July.

The SPEAKER pro tempore. The gentlewoman from North Carolina (Mrs. MYRICK) is recognized for 1 hour.

Mrs. MYRICK. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, yesterday, the Committee on Rules met and granted an open rule for H.R. 4613, the Fiscal Year 2005 Department of Defense Appropriations Act. The rule provides for 1 hour of general debate, equally divided between the chairman and ranking minority member of the Committee on Appropriations. The rule also ensures that the United States Government shall take all steps necessary to guarantee the full faith and credit of the government.

Mr. Speaker, this is a fair and open rule for a very important bill. It cannot get any better than that. The rule allows any Member to offer any amendment to the bill as long as their amendment complies within the normal Rules of the House.

H.R. 4613 comes at a particularly crucial time for our Nation's Armed Forces. The Iraqi conflict and our continuing war on terrorism have brought a renewed and proper focus on national defense. In our global campaign against global terror, our military must have every resource, every tool, every weapon, and every advantage that they need for the missions to come.

This legislation addresses the needs of a Nation at war on multiple fronts. It contains $391.1 billion for the Department of Defense. It also provides an additional $25 billion requested by the President for early fiscal year 2005 costs associated with operations in Iraq and Afghanistan. The primary focus of the legislation is protecting our troops on the battlefield. Our men and women in uniform depend on having the necessary systems and equipment to be successful in accomplishing their mission.

Many of us have been concerned about the lack of armor available for our Humvees and other trucks. This bill addresses that concern by providing $674 million for an additional 2,996 up-armored Humvees, and $198 million for ballistic protection. These improved ballistic Humvees will protect our soldiers from anti-personnel armor-piercing munitions, and improvised explosive devices, or IEDs.

In the near term, the outcome of our war against terror depends on the courage of our personnel on the frontlines.

I am pleased that this bill makes significant improvements in the quality of life of the men and women who serve in the Armed Forces. These improvements include a 3.5 percent military personnel pay raise, and increased levels for basic allowances for housing by eliminating service members' average out-of-pocket expenses from 3.5 percent to zero in 2005. We can never pay our men and women in uniform on a scale that matches the magnitude of their sacrifice, but this bill reflects our respect for their selfless service.

Today, more than ever, we also owe those in uniform the resources they need to maintain a very high state of readiness. Our enemies rely upon surprise and deception. They used to rely upon the fact that they thought we were soft. Well, they have gotten the message that we are not. Our forces must be ready to deploy to any place around the globe on short notice, and this bill provides over $120.6 billion for operation and maintenance. This Nation must have and will have ready forces that can bring victory to our country and safety to our people.

The world's best soldiers, sailors, airmen, and Marines also deserve the world's best weaponry. To ensure this, our Nation must invest in procurement. This defense bill contains $77.3 billion for procurement.

The continued development and procurement of the M-Gator is also made a priority in this year's bill. The U.S. has deployed the M-Gator to the Balkans, Afghanistan, and Iraq, providing our troops with the support and the mobility they need to successfully wage war.

With the continued support and commitment from Congress, researchers will be able to enhance the M-Gator's capabilities with silent operation, precision control, and machine intelligence. These technological enhancements will continue to help make the United States military the most technologically advanced and best prepared force in the world.

This Nation must give our military the weapons it needs to meet future threats. If the war against terror means that we must find terror wherever it exists, pull it out by its roots and bring people to justice, our military must have the means to achieve that objective.

Now, more than any time in our Nation's history, we are relying on the men and women who so faithfully serve our country in the National Guard. H.R. 4613 contains language that will help us continue to provide strong support for our National Guard.

In my State of North Carolina, universities and community organizations are coming together to help develop a comprehensive program to effectively support our citizen soldiers. This bill recognizes the importance of this program and provides language to help integrate the National Program For Citizen Soldiers Support with the Defense Department's ongoing efforts to support our men and women in uniform.

Some of our greatest defense resources are found in the classrooms and the labs of our universities. This bill continues to recognize the important role our universities play in research and development for the Department of Defense. Funding in this year's bill will help researchers at the University of North Carolina at Charlotte study optoelectronics and superlattice nanotechnology, two technologies that are on the cutting edge of defense R&D. To that end, I urge my colleagues to support this rule and support the underlying bill. Now, more than ever, we must improve our national security.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the annual Department of Defense appropriation bill is one that can truly be called bipartisan. It is developed on a bipartisan basis in the Committee on Appropriations, and it usually enjoys bipartisan support on the floor of the House. It is a bipartisan bill because it is of importance to our country.

Providing for our national defense is one of our most important duties as Members of Congress. Providing funding for our troops to ensure their safety and success of the war on terror is our obligation.

□ 1315

This year's bill is no exception. The Committee on Appropriations has put together a good bill, one that that provides vital support for our troops in times of war. This bill gives our troops a much deserved 3.5 percent pay raise. It gives the Department of Defense $25 billion for emergency supplemental funding for the war on terror.

These funds directly and significantly aid our servicemen and women by providing them with the tools they need to fight the war on terror and return home safely. It will provide every soldier with body armor, allow for more armored Humvees, and increase the size of the Army to relieve the burden on our overworked soldiers.

The Department of Defense appropriations bill not only aids our troops overseas, it also helps our communities here at home. The bill before us today funds several defense and weapons programs manufactured in north Texas. Lockheed Martin will receive $4.1 billion for 24 F–22 Air Force fighter aircraft, and $4.4 billion for the Joint Strike Fighter. Just over $200 million is provided for three Global Hawk High Endurance Unmanned Aerial Vehicles, a program supported by Vought Aircraft Industries in Texas. And Bell-Textron will receive over $1.1 billion for 11 V–22 aircraft.

By funding the continued development of these weapons systems, we are not only providing for the long-term support and protection of our troops, we are preserving good jobs for hard working Americans in my part of the country.

Mr. Speaker, I have been a Member of Congress for more than 25 years. And each and every one of these years I voted in favor of the Department of Defense appropriations bill and its rule. But this year, Mr. Speaker, the Republican leadership has snuck a last minute provision to raise the debt limit into the bill.

The so-called "full faith and credit" clause will allow this House to raise the debt limit by nearly $700 billion as part of the conference report on the Department of Defense appropriations bill. $700 billion is almost twice as much as we are spending on the entire Department of Defense under this bill.

Some Members on the other sides of the aisle will tell you that this clause does not mean anything, it is just a procedural item. But I have been here long enough to know when someone is trying to pull the wool over your eyes. And this House leadership is trying to pull the wool over the eyes of the American people.

So this year, Mr. Speaker, although I will vote in favor of the underlying bill, I will vote against the rule. I am incensed at this underhanded move to raise the debt limit, and shortly I will attempt to defeat the previous question by offering a motion to strip this deceptive provision from this important bill. I hope my colleagues on both sides of the aisle will join me.

The defense appropriations bill has always been a bipartisan initiative. Introducing partisanship into the war on terror is absolutely inacceptable. I resent that anyone would use this bill as a political tool to raise the national debt and threaten the possibility of its passage. Shame on all of you.

A vote on the debt limit deserves a separate vote. If consideration of the defense appropriations bill is rejected or delayed because you insisted on playing petty political games, you will be held accountable by the American people and by our troops.

Mr. Speaker, I reserve the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. GRANGER).

Ms. GRANGER. Mr. Speaker, I rise in strong support of this rule. I thank the Committee on Rules for quickly getting the fiscal year 2005 defense appropriations bill to the floor. I strongly support the defense appropriations bill.

I want to commend the chairman, the gentleman from California (Mr. LEWIS), the ranking member the gentleman from Pennsylvania (Mr. MURTHA), and the entire Committee on Appropriations Subcommittee on Defense for their outstanding work during this critical time for America. They had to balance many difficult needs and did a great job.

The last several months have been very difficult for our military. First the actions of a few at Abu Ghraib prison, and then the barbaric murders of Nicholas Berg and Paul Johnson. They have reminded us of the true nature of our enemy and why we must win this war.

Our troops are on the front line fighting this war for each of us, and they deserve our full support and gratitude.

The bill contains $416 billion in discretionary spending for the Department of Defense. It includes many important provisions for our troops and our military operations. More specifically, the bill increases the intelligence budget, supports national missile defenses, provides program increases to support the military transformation process.

The bill also provides $25 billion in supplemental funding to ensure that our men and women fighting in Iraq have all the resources they need.

Finally, it funds many important weapons programs that will ensure our military strength for decades to come. Some of those critical weapons programs are the F-35 Joint Strike Fighter, the V-22 Osprey, and the FA-22 Raptor.

This bill provides funding levels at $4.4 billion for the Joint Strike Fighter, $1.9 billion for the V-22 and $4.6 billion for the FA-22. These programs are critical to military transformation. And I want to thank the gentleman from California (Chairman Lewis), the gentleman from Pennsylvania (Ranking Member MURTHA) and all committee members for supporting these programs.

I want to conclude my remarks by offering sincere appreciation to our armed services for their service and sacrifice to bring freedom to the oppressed and protection for our Nation. For this they deserve the very best we can give them for the quality of life and their protection and their support.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin (Mr. OBEY), the ranking member on the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, the majority is currently planning to include a provision in this rule that will effectively allow an increase in the Nation's debt ceiling. In my view, this procedural gimmick is an abuse of the troops that this bill is meant to support. It abuses the troops in order to hide responsibility. It epitomizes the total lack of shared sacrifice that this administration and the Republican majority have hoisted on the American people.

This administration has taken action in Iraq on the basis of misguided, misinformed, and manipulated intelligence. It has exposed American troops to greater risk than necessary because of poor post-war planning. It has so stretched the Army that it has effectively reinstituted the draft for those in the Guard and Reserve who are now being told that they will have to extend their service in Iraq beyond their original hitch.

While this administration has been asking for so much sacrifice from those servicemen and women, it has asked for virtually no sacrifice from the most well off and the most well connected members of this society. The administration has run up huge additional debts in order to give those people supersized tax cuts averaging over $80,000 for people that make $1 million or more.

The majority is then using the defense appropriations bill as a vehicle to enable them to continue the reckless additions to this debt brought on by those tax cuts. It is a cynical game that should shame even those who run this Congress.

A vote for the previous question on the rule is most certainly a vote to increase the debt ceiling by almost $1 trillion. People ought to vote no. You ought to strip this rule of the extraneous material and allow us to vote up or down on the defense bill if we are indeed trying to accomplish the purposes which the defense bill is presented to us to accomplish.

Mrs. MYRICK. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Speaker, I rise today in support of the rule that will provide consideration for H.R. 4613, the defense appropriations bill. This legislation focuses on force protection and personnel benefits for the soldiers and airmen in my district at Fort Bragg and Pope Air Force Base. The ability to adequately execute the mission for which they are called and to care for their families are the two issues that are second to none.

I believe this legislation makes significant progress in these areas and will enable our men and women in uniform to continue successfully prosecuting the war on terrorism.

My trip to Iraq this past March, the second I made, did nothing but reinforce my admiration and pride in our Nation's warfighters. These brave men and women serve with honor and distinction as they have liberated a Nation.

Troops from the 8th District of North Carolina have been at the very tip of the spear that ended the dark reign of Saddam Hussein and continue to lead the way in post-conflict resolution in Iraq and Afghan span.

This legislation first and foremost takes care of our most vital asset of our military: Our people. It provides every service member with an across the board 3.5 percent pay raise. It also includes $2.3 billion for individual soldier equipment and critical force protection requirements. It also funds and restructures Army brigades which will be rotated into theater.

I would also like to take this opportunity to highlight two very important projects at the University of North Carolina at Charlotte. H.R. 4613 funds the completion of the Optoelectronics Center, a project which will focus on the development of fiberoptic devices and interconnects necessary for chip-to-chip and board-to-board optical connection needs to achieve the high-speed, low-powered devices.

This will enable miniaturization and integration of optical transceivers and sensors. Additionally, H.R. 4613 provides funds for superlattice nanotechnology that will enable a next generation of wide band, high power, and digital systems to become a reality.

I appreciate the committee's recognition of the great work and research that UNCC performs and look forward to bringing these technological advances to the battlefield.

Currently about 3,500 members of North Carolina's National Guard are deployed in support of operation Iraqi freedom. It is the largest deployment in our State's history. And it is vital that we take every measure to care for their families while they are away.

I am happy that this legislation funds efforts designed to help ease some of the hardships of these families. Mr. Speaker, it is a gross injustice and misfortune that it took the tragedy on September 11 to focus the public eye on the needs for a more robust defense budget.

I feel the legislation in front of us today will help our troops accomplish their mission, establishing a clear and strong course of support for our troops and continue to successfully prosecute the war on terror. I encourage my colleagues to send a message loud and clear to our soldiers, sailors, airmen, Marines, coasties and terrorists that we will strongly support our troops and give them the resources necessary to perform the mission at hand. I urge strong support of this legislation.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. HOYER), the whip.

Mr. HOYER. Mr. Speaker, 11 years ago, the majority leader, the gentleman from Texas (Mr. DELAY), stood on this House floor and here is what he said: "Here we are being asked this week to raise the debt ceiling so that this government can go on borrowing money to take care of its spending habits, and I think that is outrageous. I hope Members of the House will vote against raising the debt ceiling." So said the gentleman from Texas (Mr. DELAY) the majority leader.

He went on to say, "And I hope the American people will contact the Members of this House, Mr. Speaker, and urge them to vote against raising the debt ceiling."

Now, the Chair of the conference, Republican conference said this: "You see, certain lawmakers around this place have hopes of hiding a debt limit increase in a jungle of budget resolutions and conference reports. Mr. Speaker," said the gentlewoman from Ohio (Ms. PRYCE) chairman of the Republican conference, "before we give them license to start construction, we must demand a separate vote on increasing the debt limit."

I ask the distinguished lady from the Committee on Rules, are we doing that?

Well, my friends, the Republican leadership, is that your position today? Are you urging Members to vote against raising the debt ceiling for the third time in three years under your watch? Under Bill Clinton's watch in the last 4 years of his Presidency, we raised the debt limit not once. Not once. Under Ronald Reagan we raised it 17 times. In the 4 years of George Bush 1 we raised it 10 times. Under this president, this is the fourth increase and it is going to be probably somewhere in the neighborhood of $2 trillion additional debt that the children of America will be called upon to pay. And we do it without a vote.

This rule is a good rule. It should be passed unanimously. But just as they did last week in trying to pass their awful tax bill, they put things in to try to sweeten the pot. But this time you put it in to try to hide it.

Contrary to what the gentleman from Texas (Mr. DELAY) said, contrary to what the gentlewoman from Ohio (Ms. PRYCE) said, contrary to what the gentleman from Iowa (Mr. NUSSLE) has said, you are going to hide this vote because you do not have the courage to stand up and say I want to increase the debt, I want to undermine Social Security, I want to undermine Medicare. I do not want to be honest with the American public.

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It is called situational ethics. It is not about ethics; it is about the situation. It is about whether we think it works. We ought to reject this rule. It is not right. The gentleman from Texas (Mr. DELAY) said vote "no." The gentlewoman from Ohio (Ms. PRYCE) said no. Let us vote "no."

Mrs. MYRICK. Mr. Speaker, I yield 4 minutes to the gentleman from Kansas (Mr. TIAHRT).

Mr. TIAHRT. Mr. Speaker, I thank the gentlewoman from North Carolina for the time.

Now, there is a lot of concern here about the mechanics of what we are about to do: pass a rule, increase the debt limit, provide for the welfare of our young men and women in uniform. But I think when we are moving forward, mostly through all this rhetoric, we need to step back and look at the history of our economy, see how we got into this position and why it is important that we move forward.

I know a lot of my colleagues remember back in the late 1990s, we had an overheated economy. The Federal Reserve reacted by raising interest rates. Then we had the tech bust of 1999, followed by the beginnings of a recession in November of 2000. Then September 11, 2001, hit. We saw a huge blow to our economy. In my hometown of Wichita, Kansas, we had the highest percentage of jobs lost in the total community compared with any other city in the United States. Our aerospace community, the air capital of the world, saw more layoffs in aerospace than we have seen in a short amount of time since World War II.

During that period of time, the Federal revenue has dropped 14 percent. There have been increased demands on the Federal budget. We have increased homeland security to make our Nation safe. We have increased our spending on defense to fight the worldwide war on terrorism; but when our revenues dropped, nobody down here complaining today about how we are doing business said, well, let us cut Medicare by 14 percent so we do not have to raise the debt. Nobody came down here and said let us cut Social Security by 14 percent so we do not have to raise the debt. Nobody came down here and said let us cut education by 14 percent so we do not have to raise the debt.

Well, let us do the math: decreasing revenue because of the impact of terrorism and a recession that started around the year 2000, increasing demand on the battle to fight terrorism around the world and a higher Federal debt. So if we do not address this problem, if we do not use the most expedient means available, we will not be able to fund Social Security. The threat of not having checks going to seniors in America would become reality. No one wants that.

So where is the grief here? Where is the contrary opinion? Do those who advocate a different solution here want to come down and say let us not raise the debt? I think they know the practicality of what we have to do.

We have to move forward and conduct the business of the United States Government, and that includes addressing an issue that is very difficult for many of us to address. I did not come to Washington to raise the debt. I doubt if anybody came to Washington for the purpose of raising the debt, but we are pragmatic. We are realists. We know that there have been attacks by terrorists against our very culture, using our own technology against us. We know that we are being sabotaged around the world. We know that there is an increased demand on what the Federal Government is trying to protect our Nation.

Now, there has been some implication on the floor that there has been some misleading of Americans that perhaps we are not telling the truth. This is a free and open society. Everything we do is a matter of public record. There is no deceit here on the floor of the House, not when it comes to this issue, this bill, raising the Federal debt limit.

So I do not want to leave anybody with the impression that we are trying to hide a thing. It is all a matter of public record, and I think it is very important that as Americans we acknowledge that we have some tasks that are not easy to handle, but, yet, this is something necessary. The circumstances demand it.

So Mr. Speaker, I say that we should vote for this rule and that we should move forward with this legislation to continue the function of the government.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I appreciate the refreshingly honest statement of the gentleman from Kansas and what he just said because he stated quite clearly this is a vote to increase the debt ceiling.

I want to ask the gentlewoman from North Carolina if she concurs with that statement, that by voting for the previous question and this rule it is a vote to increase the debt ceiling through $8 trillion?

Mrs. MYRICK. Mr. Speaker, will the gentleman yield?

Mr. STENHOLM. I yield to the gentlewoman from North Carolina.

Mrs. MYRICK. Mr. Speaker, this really is a very simple procedure to add language to the bill and that will allow for the possible future consideration of an increase in the national debt limit. That is what this does is allow for that to happen in the future. It is the same language that was done in 2002 in the supplemental.

Mr. STENHOLM. Mr. Speaker, I thank the gentlewoman and I thank the gentleman from Kansas for making it very clear by voting for this rule, by voting for the previous question my colleagues are, in fact, voting to increase the debt ceiling. That is critical because there are those that want to avoid that at all costs.

Now, we should not be using this Defense bill for this purpose because it is an open rule. There is strong bipartisan support for supporting the troops. We should not be mixing politics up in this issue.

My friends on the other side would like folks to believe that the debate we are having today is simply about partisan politics and procedural tactics. That could not be more wrong.

The only thing I disagree with the gentleman from Kansas, if my colleague wants to say all of these things that happened in the past created the deficit and that, therefore, we have to increase the debt ceiling, my colleague could persuade me if we were setting in place a policy that would do something about the deficit next year and the year after that and as we prepare for the baby boomers. But to continue the economic policy that has driven this country to borrowing $2 trillion in a period of 4 years and then to come on and say, well, we are trying to put it in the Defense bill, that is wrong.

It is wrong for those that we prepare to spend the money to back our young men and women who are over in Iraq and Afghanistan today. It is wrong for us to say we want you to win, we pray every day you are going to be safe, but by the way, we are going to keep borrowing $500 billion a year under the economic policy that we have not got the guts to change on this floor and then add it to a Defense appropriation bill.

But it is nice to have somebody to come on this floor and to clearly identify for all 435 of us, if my colleagues vote for this previous question, they are voting to increase the debt ceiling. That is why I will vote "no," and I will encourage all of my colleagues to vote "no."

Separate the two issues. Let us support the troops with a rule that could pass unanimously, but let us deal with the economic policy of this country by having an honest debate on how we are going to do something about these deficits that we are talking about.

I rise in opposition to this rule which will allow Congress to increase our national debt limit to more than $8 trillion without a separate vote on this issue. We should not use a spending bill intended to support our troops to hide a long-term increase in the debt ceiling so we can leave more debt for our troops and other young men and women to repay in the future.

My friends on the other side of the aisle would like folks to believe that the debate we are having today is simply about partisan politics and procedural tactics. They could not be more wrong. This debate is not about politics or procedure. Rather it is about the financial condition of our nation and whether we will continuing piling on more and more debt on our children and grandchildren.

A vote for the rule is a vote for using parliamentary tricks to sneak through an increase in our national debt more than $8 trillion. I would say to my Republican colleagues that if you honestly believe that tax cuts with borrowed money is good economic policy, you should be willing to stand up and vote to borrow the money to pay for their tax cuts instead of relying on undercover parliamentary tricks. While an increase in the debt limit is necessary to avoid a default, it would be irresponsible to provide a blank check for increased borrowing authority without taking action to stem the tide of red ink.

Before Congress votes to approve a substantial increase in the debt limit, the President must work with Congress to put the fiscal house back in order, just as a family facing financial problems must work with the bank to establish a financial plan in order to get approval to refinance their debts.

Congress has an obligation to re-examine our long-term budget policies in light of the dramatic reversal in our nation's fiscal condition before approving a substantial increase in our borrowing authority. At a minimum Congress should restore discipline and accountability in the budget process by reinstating budget enforcement rules which make it harder to pass legislation which would put us further into debt. Adoption of this rule approving an increase in the debt limit will allow the government to continue on the path of deficit spending, borrowing from the Social Security trust fund and a ballooning national debt.

I urge members to vote against the previous question and against this rule.

Mrs. MYRICK. Mr. Speaker, I yield myself such time as I may consume.

I would just remind the gentleman, when we passed the bill through the House recently for the budget, we did put a freeze on discretionary spending for the first time in a long time which is the beginning of paying that down.

Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. TIAHRT).

Mr. TIAHRT. Mr. Speaker, I thank the gentlewoman for the time.

I think it is very interesting that the gentleman from Texas would like us to do something about what is going on. Well, we have done something. It is hard to ignore that when we look at the economy today.

We passed tax relief that did one of three things for Americans, when putting money in their pocket. They either spent it, which was demand for goods and demand for more jobs; or they saved it, which made money available in the form of home mortgages, which drove the home building industry and created more jobs; or they invested it, which has allowed many American corporations to expand.

Right now, in the State of Kansas, unemployment just dropped three-tenths of a percent because we have an expansion in our economy. Well, what happens when we have an expansion in the economy is we have more Federal revenue, and our Federal revenue is going up. We are doing something about Federal revenue, but right here on the floor of the House we also passed a Republican budget that froze domestic spending. The results are that we now have more Americans working than we have ever had in the history of our country. We have the lowest unemployment and lower than average of the 1970s, 1980s and 1990s; and we have one of the fastest growing economies, growing so fast that the Federal Reserve is now considering raising interest rates so they can slow it down a little bit.

We are doing something about this Federal debt. We are very proactive in that, but the gentleman from Texas said he was willing to do anything at any cost. He said at any cost. Is he willing to cut Social Security? Is the gentleman willing to cut even education? Is the gentleman willing to cut Defense? What does "any cost" mean?

I think a vote against this rule is a vote against funding the government and threatening Social Security, veterans benefits, and all of those things that we are doing right to protect our young men and women in uniform.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. HARMAN).

Ms. HARMAN. Mr. Speaker, I agree with my fellow Blue Dog, the gentleman from Texas (Mr. STENHOLM), that votes on the debt ceiling should not be part of the rule and will oppose it; but the underlying legislation, the fiscal year 2005 Defense Department appropriations bill, is worthy of support. Given Congress' constitutional responsibility to provide for the common defense, this is perhaps the most important appropriations legislation we consider each year.

We could not ask for two more capable colleagues to have as managers of the bill. As in previous years, the gentleman from California (Chairman LEWIS) and the gentleman from Pennsylvania (Ranking Member MURTHA) have risen above partisan politics and brought a Defense bill to the House floor that reflects America's defense priorities.

Specifically, I applaud the committee's work in funding the Future Imageries Architecture program, the Arrow Weapon System, and in fully funding the F-15C radar upgrade. I also appreciate the committee's robust support for missile procurement. I am concerned that the bill reduces funding for some important classified satellite programs, but remain hopeful that any issues can be resolved prior to conference with the Senate.

The centerpiece of the Defense appropriations bill is, of course, $25 billion for the war in Iraq. Unfortunately, the administration only requested funds to get us through the first quarter of fiscal year 2005. They say additional funds will be requested after the November election. Nonetheless, the Committee on Appropriations is working on a bipartisan basis to make sure that our soldiers are well-trained and -equipped.

In contrast, the Intelligence authorization bill, which we will consider later this week, significantly underfunds critical counterterrorism programs. We need an authorization bill that fully funds the intelligence community's requirements. The bill voted out of the Permanent Select Committee on Intelligence on a party-line vote last week funds less than one-third of the American counterterrorism needs.

Mr. Speaker, this continuing practice of funding the intelligence community in bits and pieces has been roundly criticized by Members on both sides of the aisle. The intelligence agencies tell us this practice makes it impossible to plan, forcing them to rob Peter to pay Paul until additional funding is available.

Mr. Speaker, in closing, I urge support for the Defense authorization bill and hope that later this week we will do better to build a bipartisan Intelligence authorization bill that fully funds our counterterrorism needs.

Mrs. MYRICK. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina (Mr. SPRATT), the ranking member of the Committee on the Budget.

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I have seen it all. When it comes to the deficit, I have seen this House duck, and I have seen this House dodge; but this rule takes the cake. They pull out at a must-pass bill, Defense appropriations, and deep within the rule they bury some vague language on our national debt. Later, when the doors are shut, the conference is started, the cigars are lit, this language will be transformed into a $690 billion increase in the ceiling of our national debt. No audit trail, no fingerprints, no responsibility.

Our Republican friends cut taxes, they raise spending, they run up the debt; and if that were not bad enough, now they want to escape responsibility for the actions they have taken.

Let me say to our children and grandchildren, when they ask who left us with this mountainous debt, on President Clinton's watch in the years 1998, 1999 and 2000, we ran a surplus in 1998 of $236 billion, a surplus in each of those years and we paid off debt. We paid off $362 billion of debt on his watch.

In 2001, when President Bush came to office, he inherited a budget in surplus; and he predicted that under his policies there would be no need for a debt ceiling increase, that was the President's prediction, until 2008. That was a prediction of what the debt would be in 2008. He also predicted in this book called a "Blueprint For New Beginnings," page 201, Table S–16, that in the year 2011 there would be no statutory debt of the United States left. It would all be paid off.

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Well, here we are in 2004, and the Bush administration has had to raise the debt ceiling two times already. One to go. Three increases in 4 years that total $2.124. Three increases in 4 years that total $2.124 trillion. And if you take the Congressional Budget Office's projection of the President's budget, done last March, you will see this is another in a series of debt ceiling increases; not by any means the last.

In fact, CBO projects that the President's budgets will require the Federal Government to incur, get this, $5.571 trillion of additional debt between now and 2014. As a result, this will bring our total debt, these numbers are too hard to even imagine, to $13.645 trillion. That is the course this administration has put us on.

This is some legacy to leave our children. And it is a cruel irony that it comes to us wrapped in the flag, buried inside a defense bill, to which it has no relation, provided we pass this rule and put it there. And we should not pass this rule. This rule is a travesty. We should not pass it. There is no difference between this rule and the off-balance sheet financing that Enron did to hide its liabilities.

If we want to stand up for the House, stand up for the process, stand up for self-respect in this institution, we should start by voting down this rule. Be on notice, however, if you vote for this rule, this rule, make no mistake about it, will raise the debt ceiling of the United States to $8.074 trillion. Remove the smoke, remove the mirrors, and that is what this rule will do. It will increase the statutory debt ceiling by $690 billion. Vote against the rule.

Mrs. MYRICK. Mr. Speaker, I continue to reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Speaker, I have come to the floor to raise my objections to taking the bill that is supposed to be funding the most honorable and the bravest Americans, buying the weapons they need, paying their salaries, taking care of their families, and being used by the sneakiest and the most cowardly Americans to sneak through a $700 billion increase in our Nation's national debt. At some point, even my most hard core Republican friends have to ask themselves: Is there any shame left? Is there anything that you won't foul, by taking a bill that is meant to see to it that fewer American lives are lost in combat and seeing to it that those people, if they make it home, are straddled with the bill?

Now, I notice the gentleman from Kansas made a point of saying, no, the problem is Social Security. Sir, I beg to differ. In the past few years, this administration, this Congress, of which you are in the majority party, has taken $1.580 trillion out of the Social Security Trust Fund, and what folks back home know already is that Social Security more than pays itself. In fact, some of the tax breaks you have been giving to the wealthiest of Americans have been paid for by excess social security taxes, monies that should have been set aside for future needs but instead have been borrowed and spent.

You have done the same thing with the Federal Employees Retirement System, with $612 billion taken out of the system. If a private sector employer had done that, they would go to jail. The Medicare trust funds, $287 billion of money that was collected should have been set-aside for Medicare, but spent so that you can give your wealthy contributors a tax break.

So I would ask any of the people of the 228 who are probably going to vote for this, tell me it is not cowardly. Tell me it is not sleazy to take what is probably the most important, what is undoubtedly the most important function of this Nation, which is providing for its defense, and using that in a cynical attempt to hide an increase in the national debt.

See, I happen to have watched the speech where the President said he could cut taxes, increase spending and pay down the national debt. I would remind my colleagues that since he made that speech, and since May 9, 2001, when your side passed that budget with those tax decreases, with those spending increases you have added $1,567,995,916,652.32 to the debt.

But that is not enough, because your intention is, obviously, to bankrupt this Nation. There can not be any other purpose for running up this much debt. And someone is going to say, well, we have a war to pay for. That is right, but I would remind you if you took the Revolutionary War, the War of 1812, the Mexican American War, the American Civil War, the Spanish-American War, the first World War, World War II, Korea and Vietnam, the Nation borrowed $1 trillion for all of those wars and everything else that happened in the first 200 years of our Nation. In the past 3 years, you have borrowed $1.5 trillion.

So, again, I ask the question: Have you no shame? Is there nothing that you will stoop to in an effort to hide your sneaky agenda?

Mrs. MYRICK. Mr. Speaker, I yield 4 minutes to the gentleman from Kansas (Mr. TIAHRT).

Mr. TIAHRT. Mr. Speaker, I am a little amazed by the comments made by the gentleman from Mississippi. He said that we were cowardly Americans. Now, I know that words have been taken down for a lot less than that, and I think that that kind of language does not have any place on the floor of the House.

We have a free and open society. Everything we do is a matter of public record. There is nothing cowardly about what we are doing here. To try to turn this into something to be called a cowardly act, I think, is really incredible and it is grounds for taking someone's words down.

Let us talk about this Federal debt a little so we can define what Federal debt is. There are two parts to Federal debt: One is the public instruments held by people, like treasury bonds, like savings bonds. Those are financial instruments with a financial obligation that is hard and fast. It is in writing. It is black and white. The rest of the public debt is projections on the future; about how much we are going to need for my Social Security, for your Social Security, for my children's Social Security, for Medicare for all of us, for Medicaid for all of us that require it in the United States. It is a future projection.

Now, if you wanted to do something about the Federal debt, we could change the law. We could cut the benefits for Social Security. Are any of you suggesting that we should cut the benefits for Social Security to manage the Federal debt? It is just a future obligation. Well I don't hear any of that. In fact, I hear zero solutions.

Mr. TAYLOR of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. TIAHRT. No, I will not yield. I think you referred to me as cowardly, so I do not think I am going to give you any time.

Cowardly Americans. I cannot believe it, Mr. Speaker. I think it was something that should not be tolerated on the floor. And as a warning, if I hear it again, I will ask for the words to be taken down.

Now, another allegation was made that we had cigars lit; that when it was time for the Committee on Rules to meet, that cigars were lit. Well, I was not in the Committee on Rules room. There were people here that were in that room. The last time I was in the Committee on Rules room, it was a no smoking policy. I saw no cigars being lit. In fact, there is a no smoking policy in the Capitol. We have places outside for people to smoke, but there are no cigars lit in here.

I think it is a little misleading to say we are in some dark room in the dark of night lighting cigars and dreaming up ways we can gouge people. Nothing of the sort is going on. We are conducting the business of government. And sometimes it is difficult. There is an old saying about how you do not want to see sausage, or laws being made. Well, this is the part they are talking about. Now. Right now. This is the difficult part.

If we do not address this issue, the rule happens to be the most convenient vehicle, but if we do not address this issue, there will be a shortage of funds in the United States Treasury. Now, what does that mean? The gentleman from Mississippi before me talked about funding the needs of our young men and women in uniform. And he is right, we have to do that. We have to provide them with the bullets and the backup and the vests and the hardened Humvees. All those things we have to provide for them but we cannot if there is nothing in the Treasury.

What we are doing here are the hard cold facts of trying to protect Americans, trying to keep the lights on in this government, trying to make sure that we are safe in our homes, where our kids are going to school, where we shop, where we go to church. And the way we do that is by addressing these tough issues. It is not cowardly. It is the furthest thing from cowardly. It is up front.

People are saying do not vote for the rule because it has this in it. Of all the Members I have heard speak, I do not think any of them have voted for any of the rules this year. It is standard practice for the opposition to vote against the rule. It is standard policy for the majority side to vote for the rule. That is not a reason to call somebody cowardly or to suggest cigars were lit in a dark room. That has not occurred around here.

What has occurred is we have moved forward on carrying out the business of the United States Government.

Mr. FROST. Mr. Speaker, I would inquire about the time remaining on each side.

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman from Texas (Mr. FROST) has 8 minutes remaining, and the gentlewoman from North Carolina (Mrs. MYRICK) has 9 minutes remaining.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee (Mr. TANNER).

Mr. TANNER. Mr. Speaker, I hope that people are paying attention in this country to what is going on here today. Let us review the records of many here. We have collectively in this body borrowed with this bill, or this rule passing, over $2 trillion since July of 2002.

Now, let me say one or two things. When this administration came to town with a Republican House and a Republican Senate, all we heard is less government, lower taxes. And everybody agrees to that. But what have we gotten? We have gotten reduced revenues, more spending, and we are hocking this country to anybody in the world that will buy our debt.

The gentleman a while ago said we have to provide for the troops. You are not providing for the troops. What you are doing is borrowing the money from them and giving them the bill for it with interest when they get home from fighting the wars in Afghanistan and Iraq. We are not providing anything because we do not have the courage to do what every administration and every Congress has done since the War of 1812; and that is when we are in war, we have at least had the courage, we have at least had the honor, we have at least had the decency to ask people that are not risking their lives and dying and having their arms and legs blown off to help pay for it. You will not do that.

You come here, you borrow $450 billion in July of 2002, $980 billion in May of 2003, and today you want to borrow another $690 billion. Two trillion dollars. Interest at 5 percent is a tax increase on the American people of $100 billion a year every year. In the name of cutting taxes, you have increased taxes more than any Congress in the history of this country. One hundred billion dollars a year every year that has to come right off the top, for which we get nothing and for which we are sending checks, interest checks overseas.

Right now, we owe in hard money, not Social Security money, not anything, in hard money, $4-plus trillion. Since you have taken over the economic lifeline of this country, you have increased the debt that we owe foreigners from 31 to 37 percent of that.

You know who is financing the war in Afghanistan, the war in Iraq? It is the Chinese, the Japanese, OPEC themselves, Caribbean banking centers, $70 billion. Just Beijing alone has increased their holdings of American paper, that our taxpayers pay into the Treasury and then we send an interest check to Beijing, over 100 percent in the last 20 months. And you come down here with no plan to get out of it except to cut revenue, increase spending, borrow it all, and put this country in hock to anybody in the world that will buy our paper.

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Mrs. MYRICK. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Mr. Speaker, I appreciate many of the concerns of the previous speaker; but I think everybody should be very aware that for the 8 years under the previous administration, there was not one year that we reduced the debt held by the public as defined by law. Not one year. We have increased spending every year two and three and sometimes almost four times the rate of inflation, so a decision has to be made. Do you want to start cutting down spending, or do you want to increase taxes? If we increase taxes, what we do is we put our business at a greater economic disadvantage, competitive disadvantage with businesses that we are trying to compete with in other countries.

I agree with the previous speaker that there is a danger of going deeper and deeper into debt. In fact, Mr. Speaker, I ask people to guess what percentage of our marketable debt is now held by foreign interests. The answer is 45 percent. I just finished a meeting with the Canadian Parliament. The Canadian Parliament now for the last several years has paid down their total debt, not just paid down part of it but paid down so that their net debt has been decreasing. At the same time over the last 10 years in the United States our debt has been continuing to increase.

Let me just say that the language in this legislation that opens the door in conference committee to increase the debt limit might be acceptable. I would be adamantly against it if it set the debt limit in this bill. It does not set the debt limit in this bill. Sometime we are going to have to face up to our overspending and that means discussing increasing the debt of this country. Today, interest on the debt of this country, what it costs to service this debt, the interest on the debt, is $300 billion plus this year. It represents a little over 14 percent of our total Federal spending.

I think both sides should agree, let us start balancing spending with the revenues coming in. Let us not make promises as far as unfunded mandates and unfunded liabilities in Social Security and Medicaid and Medicare.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. TURNER).

Mr. TURNER of Texas. Mr. Speaker, this House is entitled to have an open debate and an open vote on raising the debt ceiling. Any family or any business or corporation that applies for debt or to be able to borrow money is going to have to apply for the credit and going to have to make the case. This Congress should do the same.

The truth of the matter is our Republican colleagues do not want to have an open debate or an open vote on raising the debt ceiling because it points to the failed fiscal policies of this administration which has placed this country in the worst financial condition that we have been in our history. We are going to pass 13 appropriations bills to fund the government this year. We are going to borrow an amount equal to 60 percent of all of the appropriations that we vote on this year to run our government. We are in a ditch. We need to face up to it. We need to get honest.

It is particularly objectionable to me to try to hide it in the defense appropriations bill because the truth of the matter is we have sent young men and women to fight in Iraq and Afghanistan; and we are telling them that someday when they come home, they will have to pay for the war that they have been sent to fight. That has never happened in the history of this country. We have always paid our bills in time of war. It is time to do the moral thing, the right thing by our troops and pay for this war with current dollars and not pass it on to the next generation.

Mr. FROST. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I will be urging Members to vote "no" on the previous question in order to strike from this rule a provision that the Republican leadership would rather Members did not know about. When the Committee on Rules voted to report this rule last night, they slipped in an unrelated self-executing provision that allows for an increase in the debt ceiling. The gentlewoman from New York (Ms. SLAUGHTER) made a motion in committee to strike this provision, but it was defeated.

So Members of this House should be aware that when they vote for this rule, they will be voting to increase the statutory debt limit by almost $700 billion for the next fiscal year. It is no wonder that they do not want Members to know about this. They would rather not have a separate vote or even a debate on the inescapable fact that their budget raises our national statutory debt limit to the highest level in history, to a staggering $8 trillion, an amount that is almost incomprehensible to most of us.

Mr. Speaker, I recognize that there is an honest disagreement in this House over our Nation's fiscal priorities. Many of us believe that, with record deficits and the high cost of the war on terror, we need to reevaluate our budget priorities and find a better way to match our revenues with our spending needs. It seems as though my Republican colleagues do not think there is a problem. They think it is just fine to continue on with the budgetary policies that have brought us into our current fiscal mess. They seem to think it is fine to keep driving up our national debt and let our children and grandchildren figure out how to pay for it.

If that is how my colleagues on the other side of the aisle want to proceed, they should at least have the political courage to vote up or down on this issue instead of relying on undercover parliamentary tricks. If you truly favor the fiscal policies that are sending the national debt through the ceiling, you should be willing to stand up on the floor of the House and vote for them.

I want to emphasize that a "no" vote will not stop the House from taking up the Defense appropriations bill. I do not oppose that portion of this rule. A "no" vote will simply strip this self-executing smoke screen from the rule so that we do not slip the debt increase through the House with no debate and no separate vote. However, a "yes" vote will allow this record-breaking increase to be enacted without a separate up-or-down vote.

Mr. Speaker, I ask unanimous consent to insert the text of the amendment immediately prior to the vote on the previous question.

The SPEAKER pro tempore (Mr. SIMPSON). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FROST. Again, vote "no" on the previous question.

Mr. Speaker, I yield back the balance of my time.

Mr. SANDLIN. Mr. Speaker, I rise today to express my profound opposition to House Resolution 683, a piece of legislation that should be limited to providing for consideration of the FY 2005 Defense Appropriations Act. However, true to form, the Rules Committee has reported a rule under cover of darkness that goes well beyond the normal procedural provision.

Mr. Speaker, the Republican leadership of this House talks a lot about fiscal discipline. It talks a lot about the success of its economic policy. The chairman of the Budget Committee boasts about the success of his budget, about reining in spending, and about reducing the deficit.

Sadly, Mr. Speaker, as this rule makes clear, all that talk and stated pride is little more than smoke and mirrors, and this rule is a shameful abuse of the prerogatives of the People's House.

I am appalled that the Republican leadership of this House would try to hide its budgetary shortcomings by sneaking an increase in our Nation's debt limit into a bill to provide for our national defense and the needs of our Nation's service men and women. The leadership of this House should not use such an important legislative vehicle to mask its failings, and that is exactly what this rule attempts to do. It's just wrong.

Mr. Speaker, there are few pieces of legislation that the Congress considers each year that are as important as the annual Department of Defense Appropriations Act. This legislation is vital to ensuring that the brave men and women who put their lives on the line for this country have the resources they need to protect our Nation against its enemies at home and abroad and to preserve our Nation's most precious resource—freedom—for posterity.

I heartily support the Defense Department appropriations bill to which this rule applies and will join with the vast majority of my colleagues in voting for it.

Mr. Speaker, if there is one issue about which all of us can agree, it is that we must provide all the resources necessary to a robust national defense. Our national security—and the very security of our families and homes—depend on it. This legislation is almost never—and should never be—a partisan measure. In Congress, despite frequent partisan rancor, we historically stand united behind our nation's armed services. Speaking with one voice on such a critically important matter has extraordinary value for friends and foes alike—at home and abroad. It makes clear that our resolve is firm and our commitment sure.

That is why, Mr. Speaker, it is especially appalling that this legislation, on which we should be united, is being cluttered with a completely unrelated provision increasing our nation's debt limit beyond its already crippling size. This is among the most cynical acts undertaken by the Republican leadership of this House during my time in Congress, and that says a lot.

Of course, Mr. Speaker, it is obvious to anyone observing this debate why the leadership of the House has been forced to do this. The Republican leadership of this House does not want a simple up-or-down vote on increasing the debt limit. They do not want to admit to the budgetary woes that our nation feels as a consequence of their failures to live up to the promises of their press releases.

Mr. Speaker, since coming to Congress, I have advocated an open and honest budget process, an open and honest debate on the economic choices before the country in the light of day. The cynical and covert tactics we are witnessing today fully vindicate my view. And so I say to the supposed fiscal conservatives on the other side of the aisle, "Come out! Come out, wherever you are." You should be disgusted by this rule, by this process, as I am.

Just last year, the Republican leadership pushed through an increase in the debt limit of almost $1 trillion, by far the largest increase in the debt limit in history, without an up or down vote in the House of Representatives. Appallingly, this sneak attack on our children and grandchildren came less than 8 months after we raised the federal debt ceiling by a whopping $450 billion.

Well, Mr. Speaker, once again, the spirit of Yogi Berra appears to be guiding the leadership of the House. "It's déjà vu all over again." Today, we launch another sneak attack on future generations—hiding behind the brave men and women who put their lives on the line to preserve freedom for our children and grandchildren—by slipping through another $700 billion increase in the debt limit without any debate.

The Congressional Budget Office projects that the national debt will exceed $10 trillion in just over 4 years under the budget policies of which the House leadership claims to be so proud. What better way to underline the sacrifice of our Nation's service men and women, than to compromise their and their children's futures with an ever-increasing, staggering "debt tax."

Mr. Speaker, this House should have a full and open debate and vote up or down any increase of our national debt limit. It is a breach of the compact we have with the American people to hide behind parliamentary maneuvers to statutorily increase the debt limit without addressing the grave, structural budgetary problems our nation confronts.

If the Republican leadership honestly believes that tax cuts with borrowed money is a good economic policy, they should be willing to stand up and vote to increase the national debt to pay for their tax cuts instead of relying on undercover parliamentary tricks.

Mr. Speaker, today should have been a day to discuss our national defense priorities and to send a clear signal to the rest of the world that the United States is strong and will not shrink from challenges to its security. However, this rule has cast a cloud over that message, and that is a shame.

I will proudly stand up for our national defense and the brave men and women who risk their lives every day to protect us and our families. I will proudly cast a vote for the Defense Department Appropriations Act because of its critical importance to our national security.

But, Mr. Speaker, I deplore this rule, urge my colleagues to oppose this underhanded abuse of the procedures of this House, and urge the Rules Committee to report a clean rule for the consideration of this vitally important legislation. Our soldiers, sailors, airmen, and Marines deserve better.

Mr. LEVIN. Mr. Speaker, well, here they go again. The Republican Leadership in the House is once again attempting to sneak through a back-door increase in the federal debt limit. Hidden within the resolution before the House is a provision that would allow the debt limit to rise without even requiring Members to have an up-or-down vote on it. This is the same procedural sleight-of-hand the Majority attempted last month in the budget resolution.

Actions have consequences. What it is it about the consequences of their economic policy that members of the Majority Party are afraid to confront? When the Bush Administration took office, the federal government was looking at a projected ten-year budget surplus of $5.6 trillion. In less than four years, the Majority's economic policies have turned that record surplus into a projected deficit of nearly $2.9 trillion. That's a fiscal reversal of over eight trillion dollars.

Instead of gradually paying down the public debt as we were during the Clinton Administration, the policies of the current Administration have resulted in record budget deficits that require Congress to once again raise the limit on the nation's credit card and pass even more red ink along to our children.

To all my colleague who voted to adopt these unsustainable budget-busting policies over the last four years, I would ask why you are so reluctant to face up to the consequences of your actions. You should at least have the courage to hold a separate up-or-down vote to raise the ceiling on the debt you helped create. Instead, you try to sneak the debt increase into the defense budget without a vote. The defense bill should be about protecting our troops on the battlefield, not protecting politicians from the consequences of their votes. This is the height of fiscal irresponsibility and I urge my colleagues to vote down this rule.

The material previously referred to by Mr. FROST is as follows:

PREVIOUS QUESTION FOR H. RES. 683—DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FY05

In the resolution strike the following:

"The amendment printed in the report of the Committee on Rules accompanying this resolution shall be considered as adopted in the House and in the Committee of the Whole."

Mrs. MYRICK. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clauses 8 and 9 of rule XX, this 15-minute vote on ordering the previous question on H. Res. 683, will be followed by 5-minute votes as ordered on adopting H. Res. 683, and on the first two motions to suspend the rules postponed earlier today.

The vote was taken by electronic device, and there were—yeas 220, nays 196, not voting 17, as follows:

[Roll No. 279]

YEAS—220

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—196

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta

Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—17

Bereuter
Berman
Carson (IN)
Collins
DeMint
Deutsch
Dreier
Gephardt
Hastings (FL)
Jones (OH)
McInnis
Miller, George
Mollohan
Rangel
Reyes
Schrock
Tauzin

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Messrs. LARSON of Connecticut, ORTIZ and DOOLEY of California changed their vote from "yea" to "nay."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FROST. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 221, noes 197, not voting 15, as follows:

[Roll No. 280]

AYES—221

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—197

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Bartlett (MD)
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Grijalva
Gutierrez
Harman
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moore
Moran (VA)
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—15

Bereuter
Berman
Carson (IN)
Collins
DeMint
Deutsch
Gephardt
Green (TX)
Hastings (FL)
McInnis
Mollohan
Rangel
Reyes
Schrock
Tauzin

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON) (during the vote). Two minutes remain in this vote.

☐ 1439

Ms. KAPTUR changed her vote from "aye" to "no."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HONORING THE LIFE AND ACCOMPLISHMENTS OF RAY CHARLES

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 449.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Georgia (Mr. BURNS) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 449, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 419, nays 0, not voting 14, as follows:

[Roll No. 281]

YEAS—419

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Clyburn
Coble
Cole
Conyers
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro

DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Foley
Forbes
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—14

Bereuter
Berman
Carson (IN)
Collins
DeMint
Deutsch
Ford
Gephardt
Hastings (FL)
McInnis
Mollohan
Reyes
Schrock
Tauzin

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 1447

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

RECOGNIZING THE IMPORTANCE OF BLUES MUSIC

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 13, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Georgia (Mr. BURNS) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 13, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 410, nays 0, not voting 23, as follows:

[Roll No. 282]

YEAS—410

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Clyburn
Coble
Cole
Conyers
Cooper
Costello
Cox
Cramer
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark

Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—23

Akin
Bereuter
Berman
Blunt
Carson (IN)
Collins
Crane
DeLay
DeMint
Deutsch
Gephardt
Gingrey
Hastings (FL)
Hinojosa
Hunter
McInnis
Mollohan
Oxley
Pickering
Reyes
Schrock
Tauzin
Turner (TX)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON) (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1454

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. COLLINS. Mr. Speaker, I was not present for rollcall vote 279, Previous Question on the Rule; rollcall vote 280, Adoption of the Rule for Defense Appropriations (H. Res. 683); rollcall vote 281, Honoring Ray Charles (H. Con. Res. 449); and rollcall vote 282, Recognizing Blues Music (H. Con. Res. 13).

Had I been present, I would have voted "yea" for rollcall votes 279, 280, 281, and 282.

MAKING IN ORDER AT ANY TIME CONSIDERATION OF HOUSE RESOLUTION 685, REVISING THE CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2005 AS IT APPLIES IN THE HOUSE OF REPRESENTATIVES

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that it be in order at any time to consider in the House House Resolution 685; that the resolution be considered as read for amendment; and that the previous question be considered as ordered on the resolution to final adoption without intervening motion or demand for division of the question except 90 minutes of debate on the resolution equally divided and controlled by the majority leader and minority leader, or their designees.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. OBEY. Mr. Speaker, reserving the right to object, and I will not object, but I simply wanted to make this reservation in order to express my agreement with the motion that is being offered by the gentleman, to say that what this means is that for the first time in 4 years, the minority would have an opportunity to state its first preferences with respect to budget priorities, and having been given that consideration, that should facilitate the handling of the remaining appropriation bills.

We are in the minority. We recognize that. We expect that the majority is going to win these votes. But we feel that we at least have a right to have our first preferences voted upon in a nonprocedural way. And when that happens, it is much easier to facilitate an orderly consideration of the appropriation bills, even though we may differ on the substance.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding. I would like to say, Mr. Speaker, that this procedure is fair. We will have differences when we come to a vote on the procedure and on the resolution, but it is a fair procedure; and I believe that it will, in a constructive way, expedite the business of the House, especially as it relates to budgetary and appropriations issues.

Mr. OBEY. Mr. Speaker, continuing under my reservation, it is my understanding that in accordance with this unanimous consent agreement, that this resolution is expected to be on the floor Thursday, and I think that will greatly facilitate the consideration of other matters.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

GENERAL LEAVE

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill H.R. 4613, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2005

The SPEAKER pro tempore. Pursuant to House Resolution 683 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4613.

□ 1455

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4613) making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes, with Mr. CAMP in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California (Mr. LEWIS) and the gentleman from Pennsylvania (Mr. MURTHA) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I may consume.

It is my privilege today to present to the House the appropriations for National Defense for Fiscal Year 2005. This bill includes a total amount for the Defense Department of $416.1 billion. Within that dollar amount, which is an enormous amount, there also is included approximately $25 billion that is a part of a bridge fund amendment providing funds for operations in Iraq. This recognizes that the Congress may be in recess for an extended period of time, perhaps even adjourn for the year for a period of time, before we have another supplemental coming forward. That additional funding is to make certain that we do not have any of the funds that are very important in terms of meeting our world challenges today run short or run dry.

Indeed, this bill is a package that is designed to meet the country's need in this ever-shrinking and ever-complex world. It is a very, very important bill, that first and foremost is designed to support our troops wherever they may be deployed around the world. Most significantly, in doing that, we are providing the funding that is necessary to carry forward the current effort in Iraq and around Afghanistan as well.

I would like to outline just briefly what the bill does. It supports those operations in Iraq, as I have suggested; but it also supports our troops by making certain that funding is there for their housing, for their training needs, their clothing needs, et cetera. But above and beyond that, it provides for full funding for the 3.5 percent pay increase that is a part of the President's budget.

The bill further increases additional funding for readiness for our troops, providing for the training as well as the equipment of their efforts worldwide.

The bill provides a very significant level of funding for our intelligence efforts, including an increase beyond the

President's original budget. Further than that, within the supplemental package that is here, there is a very significant addition to our Intelligence funding. The bill provides for funding for a number of very important assets across the board, including funding for the Virginia-class submarine, for example, funding for the Joint Strike Fighter, the F–22 fighter, et cetera.

This bill also includes language that is designed to improve or increase the reporting requirements that we provide for the Department of Defense and the various branches to make sure that the Congress is getting the kind of oversight that allows us all the assurance we need that the funding that has been appropriated by the Congress is being spent along those guidelines that the Congress has extended.

At this point, Mr. Chairman, I would like to provide for the RECORD a summary of the funding provided in this bill.

DEPARTMENT OF DEFENSE APPROPRIATIONS - FY 2005 (H.R. 4613)
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I					
MILITARY PERSONNEL					
Military Personnel, Army	28,247,667	29,723,472	29,507,672	+1,260,005	-215,800
Military Personnel, Navy	23,217,298	24,459,957	24,416,157	+1,198,859	-43,800
Military Personnel, Marine Corps	8,971,897	9,595,902	9,591,102	+619,205	-4,800
Military Personnel, Air Force	22,910,868	24,510,811	24,291,411	+1,380,543	-219,400
Reserve Personnel, Army	3,568,725	3,733,590	3,719,990	+151,265	-13,600
Reserve Personnel, Navy	2,002,727	2,171,632	2,108,232	+105,505	-63,400
Reserve Personnel, Marine Corps	571,444	654,973	653,073	+81,629	-1,900
Reserve Personnel, Air Force	1,288,088	1,464,050	1,451,950	+163,862	-12,100
National Guard Personnel, Army	5,500,369	5,950,729	5,915,229	+414,860	-35,500
National Guard Personnel, Air Force	2,174,598	2,546,442	2,536,742	+362,144	-9,700
Total, title I, Military Personnel	98,453,681	104,811,558	104,191,558	+5,737,877	-620,000
TITLE II					
OPERATION AND MAINTENANCE					
Operation and Maintenance, Army 2/	25,029,346	26,133,411	25,820,311	+790,965	-313,100
Operation and Maintenance, Navy	28,146,658	29,789,190	29,570,090	+1,423,432	-219,100
Operation and Maintenance, Marine Corps	3,440,323	3,632,115	3,605,815	+165,492	-26,300
Operation and Maintenance, Air Force	26,904,731	28,471,260	27,994,110	+1,089,379	-477,150
Operation and Maintenance, Defense-Wide	16,226,841	17,494,076	17,346,411	+1,119,570	-147,665
Operation and Maintenance, Army Reserve	1,998,609	2,008,128	1,976,128	-22,481	-32,000
Operation and Maintenance, Navy Reserve	1,172,921	1,240,038	1,233,038	+60,117	-7,000
Operation and Maintenance, Marine Corps Reserve	173,952	188,696	187,196	+13,244	-1,500
Operation and Maintenance, Air Force Reserve	2,179,388	2,239,790	2,227,190	+47,802	-12,600
Operation and Maintenance, Army National Guard 2/	4,340,581	4,440,686	4,376,886	+36,305	-63,800
Operation and Maintenance, Air National Guard	4,431,216	4,422,838	4,438,738	+7,522	+15,900
Overseas Contingency Operations Transfer Account	5,000	30,000	5,000	---	-25,000
United States Court of Appeals for the Armed Forces	10,333	10,825	10,825	+492	---
Environmental Restoration, Army	396,018	400,948	400,948	+4,930	---
Environmental Restoration, Navy	256,153	266,820	266,820	+10,667	---
Environmental Restoration, Air Force	384,307	397,368	397,368	+13,061	---
Environmental Restoration, Defense-Wide	24,081	23,684	26,684	+2,603	+3,000
Environmental Restoration, Formerly Used Defense Sites	284,619	216,516	216,516	-68,103	---
Overseas Humanitarian, Disaster, and Civic Aid	59,000	59,000	59,000	---	---
Former Soviet Union Threat Reduction Account	450,800	409,200	409,200	-41,600	---
Total, title II, Operation and maintenance	115,914,877	121,874,589	120,568,274	+4,653,397	-1,306,315
TITLE III					
PROCUREMENT					
Aircraft Procurement, Army 2/	2,154,035	2,658,241	3,107,941	+953,906	+449,700
Missile Procurement, Army 2/	1,505,462	1,398,321	1,327,000	-178,462	-71,321
Procurement of Weapons and Tracked Combat Vehicles, Army	1,857,054	1,639,695	2,773,695	+916,641	+1,134,000
Procurement of Ammunition, Army 2/	1,387,759	1,556,902	1,608,302	+220,543	+51,400
Other Procurement, Army 2/	4,774,452	4,240,896	4,868,371	+93,919	+627,475
Aircraft Procurement, Navy	9,110,848	8,767,867	8,841,824	-269,024	+73,957
Weapons Procurement, Navy	2,095,784	2,101,529	1,993,754	-102,030	-107,775
Procurement of Ammunition, Navy and Marine Corps	934,905	858,640	885,340	-49,565	+26,700
Shipbuilding and Conversion, Navy	11,467,623	9,962,027	10,189,327	-1,278,296	+227,300
Other Procurement, Navy	4,941,098	4,834,278	4,980,325	+39,227	+146,047
Procurement, Marine Corps	1,165,727	1,190,103	1,462,703	+296,976	+272,600
Aircraft Procurement, Air Force	12,086,201	13,163,174	13,289,984	+1,203,783	+126,810
Missile Procurement, Air Force	4,165,633	4,718,313	4,425,013	+259,380	-293,300
Procurement of Ammunition, Air Force	1,262,725	1,396,457	1,346,557	+83,832	-49,900
Other Procurement, Air Force	11,558,799	13,283,557	13,199,607	+1,640,808	-83,950
Procurement, Defense-Wide	3,709,926	2,883,302	3,028,033	-681,893	+144,731
National Guard and Reserve Equipment	400,000	---	---	-400,000	---
Defense Production Act Purchases	78,016	9,015	27,015	-51,001	+18,000
Total, title III, Procurement	74,656,047	74,662,317	77,354,791	+2,698,744	+2,692,474

DEPARTMENT OF DEFENSE APPROPRIATIONS - FY 2005 (H.R. 4613)
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE IV					
RESEARCH, DEVELOPMENT, TEST AND EVALUATION					
Research, Development, Test and Evaluation, Army 2/	10,363,941	9,266,258	10,220,123	-143,818	+953,865
Research, Development, Test and Evaluation, Navy	15,146,383	16,346,391	16,532,361	+1,385,978	+185,970
Research, Development, Test and Evaluation, Air Force	20,500,984	21,114,667	21,033,622	+532,638	-81,045
Research, Development, Test and Evaluation, Defense-Wide	18,900,715	20,739,837	20,851,271	+1,950,556	+111,434
Operational Test and Evaluation, Defense	305,861	305,135	309,135	+3,274	+4,000
Total, title IV, Research, Development, Test and Evaluation	65,217,884	67,772,288	68,946,512	+3,728,628	+1,174,224
TITLE V					
REVOLVING AND MANAGEMENT FUNDS					
Defense Working Capital Funds	1,641,507	1,685,886	1,174,210	-467,297	-511,676
National Defense Sealift Fund: Ready Reserve Force	1,066,462	1,269,252	1,186,626	+120,164	-82,626
Total, title V, Revolving and Management Funds	2,707,969	2,955,138	2,360,836	-347,133	-594,302
TITLE VI					
OTHER DEPARTMENT OF DEFENSE PROGRAMS					
Defense Health Program:					
Operation and maintenance	14,914,816	17,203,369	17,148,069	+2,233,253	-55,300
Procurement	328,826	364,635	364,635	+35,809	---
Research and development	486,371	72,407	446,482	-39,889	+374,075
Total, Defense Health Program	15,730,013	17,640,411	17,959,186	+2,229,173	+318,775
Chemical Agents & Munitions Destruction, Army:					
Operation and maintenance	1,169,168	1,138,801	1,138,801	-30,367	---
Procurement	79,212	78,980	78,980	-232	---
Research, development, test and evaluation	251,881	154,209	154,209	-97,672	---
Total, Chemical Agents 1/	1,500,261	1,371,990	1,371,990	-128,271	---
Drug Interdiction and Counter-Drug Activities, Defense	835,616	852,697	876,697	+41,081	+24,000
Office of the Inspector General 3/	162,449	244,562	193,562	+31,113	-51,000
Total, title VI, Other Department of Defense Programs	18,228,339	20,109,660	20,401,435	+2,173,096	+291,775

DEPARTMENT OF DEFENSE APPROPRIATIONS - FY 2005 (H.R. 4613)
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE VII					
RELATED AGENCIES					
Central Intelligence Agency Retirement and Disability System Fund	226,400	239,400	239,400	+13,000	---
Intelligence Community Management Account	175,113	304,355	309,644	+134,531	+5,289
Transfer to Department of Justice	(44,300)	(34,911)	(46,100)	(+1,800)	(+11,189)
Payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund	18,430	---	---	-18,430	---
National Security Education Trust Fund	8,000	8,000	8,000	---	---
Total, title VII, Related agencies	427,943	551,755	557,044	+129,101	+5,289
TITLE VIII					
GENERAL PROVISIONS					
Additional transfer authority (Sec. 8005)	(2,100,000)	(4,000,000)	(3,000,000)	(+900,000)	(-1,000,000)
Indian Financing Act incentives (Sec. 8021)	8,000	---	8,000	---	+8,000
FFRDCs (Sec. 8028)	-74,200	---	-40,000	+34,200	-40,000
Disposal & lease of DOD real property (Sec. 8034)	31,000	25,000	25,000	-6,000	---
Overseas Mil Fac Invest Recovery (Sec. 8037)	1,331	1,000	1,000	-331	---
Rescissions (Sec. 8048)	-325,560	---	-399,750	-74,190	-399,750
Travel Cards (Sec. 8079)	44,000	44,000	44,000	---	---
Special needs students	5,500	---	---	-5,500	---
Fisher House (Sec. 8088)	3,800	---	2,000	-1,800	+2,000
CAAS/Contract Growth (Sec. 8089)	-504,500	---	-300,000	+204,500	-300,000
Coast Guard transfer	60,000	---	---	-60,000	---
IT cost growth reduction (Sec. 8096)	-200,000	---	-270,000	-70,000	-270,000
Working Capital Funds Cash Balance (Sec.8098)	-372,000	---	-316,000	+56,000	-316,000
Working Capital Funds Excess Carryover	-44,000	---	---	+44,000	---
Ctr for Mil Recruiting Assessment & Vet Emp(Sec. 8099)	5,500	---	6,000	+500	+6,000
Intrepid Sea-Air-Space Foundation (Sec. 8101)	34,950	---	6,600	-28,350	+6,600
Revised Economic Assumptions (Sec. 8109)	-1,662,000	---	-345,000	+1,317,000	-345,000
Transportation Working Capital Fund (Sec. 8110)	-451,000	---	-967,200	-516,200	-967,200
Fort Irwin education	17,000	---	---	-17,000	---
Iraqi freedom fund (rescission)	-3,490,000	---	---	+3,490,000	---
MCAGCC health demonstration program (Sec. 8115)	---	---	3,000	+3,000	+3,000
Contract offsets (Sec. 8119)	---	---	-100,000	-100,000	-100,000
Budget withholds (Sec. 8120)	---	---	-685,000	-685,000	-685,000
Tanker replacement transfer fund (Sec. 8121)	---	---	100,000	+100,000	+100,000
Total, title VIII, General Provisions	-6,912,179	70,000	-3,227,350	+3,684,829	-3,297,350
TITLE IX - ADDITIONAL APPROPRIATIONS					
CHAPTER 1 - DEPARTMENT OF DEFENSE--MILITARY					
Military Personnel					
Military Personnel, Army (contingent operations)	---	---	2,552,200	+2,552,200	+2,552,200
Military Personnel, Navy (contingent operations)	---	---	232,200	+232,200	+232,200
Military Personnel, Marine Corps (contingent ops)	---	---	273,200	+273,200	+273,200
Military Personnel, Air Force (contingent operations)	---	---	874,400	+874,400	+874,400
Total, Military Personnel	---	---	3,932,000	+3,932,000	+3,932,000
Operation and Maintenance					
Operation & Maintenance, Army (contingent operations)	---	---	11,698,400	+11,698,400	+11,698,400
Operation & Maintenance, Navy (contingent operations)	---	---	303,000	+303,000	+303,000
Operation & Maintenance, Marine Corps (contingent ops)	---	---	1,295,000	+1,295,000	+1,295,000
Operation & Maintenance, Air Force (contingent ops)	---	---	744,000	+744,000	+744,000
Operation & Maintenance, Defense-Wide (contingent ops)	---	---	295,000	+295,000	+295,000
Iraq Freedom Fund:					
(Contingent emergency) (incl. transfer authority)	---	25,000,000	---	---	-25,000,000
(Contingent operations)	---	---	2,978,000	+2,978,000	+2,978,000
Total, Operation and Maintenance	---	25,000,000	17,313,400	+17,313,400	-7,686,600

DEPARTMENT OF DEFENSE APPROPRIATIONS - FY 2005 (H.R. 4613)
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Procurement					
Missile Procurement, Army (contingent operations).....	---	---	42,800	+42,800	+42,800
Procurement of Weapons and Tracked Combat Vehicles, Army (contingent operations)........................	---	---	201,900	+201,900	+201,900
Procurement of Ammunition, Army (contingent operations	---	---	330,000	+330,000	+330,000
Other Procurement, Army (contingent operations).......	---	---	1,151,400	+1,151,400	+1,151,400
Aircraft Procurement, Navy (contingent operations)....	---	---	34,000	+34,000	+34,000
Procurement of Ammunition, Navy and Marine Corps (contingent operations).............................	---	---	112,800	+112,800	+112,800
Procurement, Marine Corps (contingent operations).....	---	---	111,400	+111,400	+111,400
Other Procurement, Air Force (contingent operations)..	---	---	35,300	+35,300	+35,300
Procurement, Defense-Wide (contingent operations).....	---	---	80,000	+80,000	+80,000
National Guard and Reserve Equipment (contingent opera	---	---	100,000	+100,000	+100,000
Total, Procurement............................	---	---	2,199,600	+2,199,600	+2,199,600
Defense Working Capital Funds (contingent operations).	---	---	1,250,000	+1,250,000	+1,250,000
Defense Health Program (contingent operations)........	---	---	305,000	+305,000	+305,000
Additional transfer authority (contingent operations):					
Fiscal year 2005 (Sec. 9003(a))...................	---	---	(2,000,000)	(+2,000,000)	(+2,000,000)
Fiscal year 2004 (Sec. 9003(b))...................	---	---	(900,000)	(+900,000)	(+900,000)
Total, Chapter 1, Department of Defense 4/ 5/...	---	25,000,000	25,000,000	+25,000,000	---
CHAPTER 2 - DEPARTMENT OF STATE					
Administration of Foreign Affairs					
Diplomatic and consular programs (contingent ops).....	---	---	665,300	+665,300	+665,300
Embassy security, construction, and maintenance (contingent operations)............................	---	---	20,000	+20,000	+20,000
Total, Chapter 2, Department of State 5/........	---	---	685,300	+685,300	+685,300
CHAPTER 3 - BILATERAL ECONOMIC ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
United States Agency for International Development					
International disaster and famine assistance (emergency)............................	---	---	70,000	+70,000	+70,000
Department of State					
Migration and refugee assistance (emergency)..........	---	---	25,000	+25,000	+25,000
Total, Chapter 3, Bilateral economic assist. 5/.	---	---	95,000	+95,000	+95,000
Total, Title IX, Additional appropriations 4/ 5/	---	25,000,000	25,780,300	+25,780,300	+780,300
Total for the bill (net) 5/...	368,694,561	417,807,305	416,933,400	+48,238,839	-873,905
OTHER APPROPRIATIONS					
Emergency Supplemental, Defense, Iraq and Afghanistan, 2004 (P.L. 108-106)................................	64,706,554	---	---	-64,706,554	---
Additional transfer authority (sec. 1101) (emerg).	(3,000,000)	---	---	(-3,000,000)	---
Consolidated appropriations (by transfer)(P.L.108-199)	(74,600)	---	---	(-74,600)	---
Additional transfer authority (Sec. 114)..........	(120,000)	---	---	(-120,000)	---
Rescissions.......................................	-1,800,000	---	---	+1,800,000	---
Net grand total (including other appropriations)5/	431,601,115	417,807,305	416,933,400	-14,667,715	-873,905

DEPARTMENT OF DEFENSE APPROPRIATIONS - FY 2005 (H.R. 4613)
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
CONGRESSIONAL BUDGET RECAP					
Scorekeeping adjustments:					
Disabled military retiree payments (mandatory)....	302,000	---	---	-302,000	---
Military personnel accounts (discretionary)...	-302,000	---	---	+302,000	---
Army Venture Capital Funds (Sec. 8105)...........	17,000	17,000	17,000	---	---
O&M, Army transfer to National Park Service:					
Defense function..............................	-2,500	---	-2,500	---	-2,500
Non-defense function..........................	2,500	---	2,500	---	+2,500
Less defense emergency appropriations............	-64,706,554	---	---	+64,706,554	---
Less non-defense emergency appropriations.........	---	---	-95,000	-95,000	-95,000
Less Title IX defense contingent operations.......	---	-25,000,000	-25,000,000	-25,000,000	---
Less Title IX non-defense contingent operations...	---	---	-685,300	-685,300	-685,300
Repeal of FY 2004 rescission (contingent ops).....	---	---	1,800,000	+1,800,000	+1,800,000
Amount charged to fiscal year 2004............	---	---	-1,800,000	-1,800,000	-1,800,000
Total, scorekeeping adjustments..............	-64,689,554	-24,983,000	-25,763,300	+38,926,254	-780,300
Adjusted total (incl scorekeeping adjustments) ..	366,911,561	392,824,305	391,170,100	+24,258,539	-1,654,205
Appropriations..............................	(372,527,121)	(392,824,305)	(391,569,850)	(+19,042,729)	(-1,254,455)
Rescissions.................................	(-5,615,560)	---	(-399,750)	(+5,215,810)	(-399,750)
Total (including scorekeeping adjustments)...........	366,911,561	392,824,305	391,170,100	+24,258,539	-1,654,205
Amount in this bill..............................	(431,601,115)	(417,807,305)	(416,933,400)	(-14,667,715)	(-873,905)
Scorekeeping adjustments.........................	(-64,689,554)	(-24,983,000)	(-25,763,300)	(+38,926,254)	(-780,300)
Total mandatory and discretionary....................	366,911,561	392,824,305	391,170,100	+24,258,539	-1,654,205
Mandatory..	528,400	239,400	239,400	-289,000	---
Discretionary....................................	366,383,161	392,584,905	390,930,700	+24,547,539	-1,654,205
RECAPITULATION					
Title I - Military Personnel.........................	98,453,681	104,811,558	104,191,558	+5,737,877	-620,000
Title II - Operation and Maintenance.................	115,914,877	121,874,589	120,568,274	+4,653,397	-1,306,315
Title III - Procurement..............................	74,656,047	74,662,317	77,354,791	+2,698,744	+2,692,474
Title IV - Research, Development, Test and Evaluation.	65,217,884	67,772,288	68,946,512	+3,728,628	+1,174,224
Title V - Revolving and Management Funds.............	2,707,969	2,955,138	2,360,836	-347,133	-594,302
Title VI - Other Department of Defense Programs.......	18,228,339	20,109,660	20,401,435	+2,173,096	+291,775
Title VII - Related Agencies.........................	427,943	551,755	557,044	+129,101	+5,289
Title VIII - General Provisions (net)................	-6,912,179	70,000	-3,227,350	+3,684,829	-3,297,350
Title IX - Additional Appropriations (net)...........	---	25,000,000	25,780,300	+25,780,300	+780,300
Total, Department of Defense and other appropriations (in this bill)	368,694,561	417,807,305	416,933,400	+48,238,839	-873,905
Other defense appropriations...............	62,906,554	---	---	-62,906,554	---
Total funding available (net)............	431,601,115	417,807,305	416,933,400	-14,667,715	-873,905
Department of Defense	(431,541,115)	(417,807,305)	(416,153,100)	(-15,388,015)	(-1,654,205)
Other Appropriations	(60,000)	---	(780,300)	(+720,300)	(+780,300)
Scorekeeping adjustments.......................	-64,689,554	-24,983,000	-25,763,300	+38,926,254	-780,300

FOOTNOTES:

1/ Included in Budget under Procurement title.

2/ Includes Budget Amendment (H. Doc. 108-170) which realigns $1,217,538,000 for the termination of the Comanche Helicopter program, of which $30,000,000 was reallocated to Mil. Construction, Army National Guard.

3/ Includes Budget Amendment (H. Doc. 108-183) which adds $10,000 to the Office of the Inspector General request for a technical correction.

4/ Includes Budget Amendment (H. Doc. 108-185) which establishes a $25 billion Contingent Emergency Reserve Fund for operations in Iraq and Afghanistan.

5/ If the Bill is enacted before October 1, 2004, $27,580,300,000 (including repeal of $1,800,000,000 rescission) will be considered FY 2004 budget authority.

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Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. YOUNG), the chairman of the full committee.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding me the time.

Under the rules of the majority party in the House, the gentleman from California (Chairman LEWIS) is term limited in his subcommittee chairmanship. And, in fact, this is the last time that he will present this defense appropriations bill to the House.

In the 6 years that he has chaired this subcommittee, and I think he would agree with me that it is probably the best job in the whole Congress, he has done an outstanding job. His leadership has been evident at every step and opportunity.

His partnership with the gentleman from Pennsylvania (Mr. MURTHA) has served this Nation well; has served our security well, and has served well the men and women who serve in the uniform of our armed services well.

So I wanted to take this time to pay tribute to and compliment the gentleman from California (Chairman LEWIS) the outstanding job that he has done. He and his partner, the gentleman from Pennsylvania (Mr. MURTHA), have presented another outstanding defense bill that meets the requirements to the best of our ability during a time of war, a war in Afghanistan, a war in Iraq, and a war against terrorism, wherever it may raise its ugly head.

And other than being able to bring a conference report back to us shortly we hope, this is my colleague's last bill as chairman of this subcommittee. Again, I just want to compliment him and pay tribute to the outstanding job that he has done.

Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I may consume.

I cannot tell my colleague how much I appreciate his remarks and his great support throughout the development of this bill. And to say the least, to suggest that he is a partner in this subcommittee's work would be understating it, for he not only has been chairman of this subcommittee but as full committee chairman, he has been absolutely fantastic.

I would further say the same about my colleague the gentleman from Pennsylvania (Mr. MURTHA). This partnership has produced very positive results over the years and, indeed, it has been my great privilege and honor to work with the gentleman from Pennsylvania (Mr. MURTHA).

Mr. Chairman, I yield 30 seconds to my colleague from California (Mr. CUNNINGHAM), who would probably like to do the same.

Mr. CUNNINGHAM. Mr. Chairman, being his last time at bat on this particular committee, I want the American public to know how my two colleagues have worked together, not just in his tenure but even when the gentleman from Florida (Mr. YOUNG) was there as well.

I would not say this about too many people on the other side of the aisle, but it does not matter who is in the majority if the gentleman from Pennsylvania (Mr. MURTHA) was the chairman of it. I do not necessarily want that, but he has been a friend. And people say, well, you have friendships but you disagree. We have a friendship and we do not disagree on that many issues. I am very proud to know him.

I want the public to know what he has done has saved the military. Just as an example, the F-22 of putting people on notice of the fraud, the waste, and abuse. DOD has fraud, waste, and abuse like anything else. But between the two of them, they have really worked to make sure we get the best bang for the dollar.

Mr. MURTHA. Mr. Chairman, I just want to say we did the best we could do with the amount of money we have available.

Mr. Chairman, I yield back the balance of my time.

Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I might consume for purposes of having a colloquy with the gentleman from Idaho (Mr. SIMPSON).

Mr. Chairman, as chairman of the Committee on Appropriations Subcommittee on Defense, I have the privilege of working closely with the Department of Defense. I see in here firsthand the skill, commitment, and bravery of our men and women serving in Iraq and elsewhere in the world.

We all know of the enormous contributions of our allies as well. And I must say the contribution of the United Kingdom is hard to overstate, but we have had great assistance from other allies, for example, Italy has 2,800 personnel working in Iraq and has donated some $210 million to the process that is here. We have had help from countries like Portugal, New Zealand, the Netherlands, Poland, and Kuwait.

So across the board, I must say that we have been helped greatly by allies who were willing to step up and pay a piece of the price of this very important venture.

I particularly wanted to mention the role played by our friends, the Japanese. For over the years, the Japanese have been very hesitant in the military front since World War II. But in this circumstance, they have really been a great ally. There are presently 1,000 Japanese troops known as the Self-Defense Forces, including some 600 ground troops in Iraq today. They have consistently indicated a willingness to support us in our effort there. I cannot compliment them enough.

Mr. SIMPSON. Mr. Chairman, would the gentleman yield?

Mr. LEWIS of California. I would be happy to yield to my colleague who has similar feelings and wants to have some discussion about this.

Mr. SIMPSON. Mr. Chairman, first let me thank the chairman for his support as he completes his term as chairman of the Committee on Appropriations Subcommittee on Defense. I add my congratulations to those that have already been stated for the great job that he has done for America and for our military.

I appreciate the Chairman's raising the important issue of Japan's contributions in Iraq and join with him in acknowledging their historic role. As he mentioned, this operation is unprecedented and has been severely tested during the recent hostage crisis. However, Tokyo's commitment has not changed. In fact, Japan has just dispatched the 2nd Contingent of its Ground Self-Defense Forces to Iraq.

I also understand the Japanese forces have recently commenced airlift operations between Iraq and Kuwait. Other humanitarian and infrastructure projects include food and medicine and construction or repair of seaports, power plants, hospitals, and schools.

In fact, on May 26, Japan played a leading role as the chair of the second meeting of the Donor's Committee of the International Reconstruction Fund Facility for Iraq at Doha.

Prime Minister Koizumi has been a key ally on the war on terrorism. On June 8, Prime Minister Koizumi and President Bush had a bilateral meeting on the occasion of the Sea Island G-8 Summit meeting. During the meeting, the Prime Minister announced Japan's full support for the U.S. policy on Iraq through the continued dispatch of Self-Defense Forces as well as financial assistance through the government's official development assistance.

We highly value the contribution of Japan and other allies. I hope that all Members will read the Fact Sheet from Japan's assistance that I will insert into the RECORD at this point.

JAPAN'S ASSISTANCE FOR IRAQ

The attached Fact Sheet outlines Japan's very significant, and continuing, efforts in providing critical assistance to Iraq. Following are some of the highlights of the fact sheet:

The total number of Japanese Self-Defense Forces (SDF) participating in the reconstruction of Iraq is approximately 1,000, including nearly 600 ground troops. Several naval vessels and aircraft are also present. This is an historic operation, the first of its kind for SDF since World War II.

Japan has decided to fund both bilateral and multilateral projects as part of the implementation of the $1.5 billion grant out of the $5 billion Japan pledged in Madrid last fall. Such humanitarian and infrastructure projects include food and medical assistance, employment, and construction or repair of key seaports, power plants, hospitals, schools and other facilities.

Japan's Self-Defense Forces have commenced airlift operations between Iraq and

Kuwait, and are now providing humanitarian assistance in Samawah, Iraq.

Japan's commitment was severely tested during the recent hostage crisis. Fortunately, that crisis was resolved favorably. Here is what Prime Minister Junichiro Koizumi said on April 22 on the subject:

"This hostage taking has not undermined Japan's firm resolve to engage in humanitarian and reconstruction assistance in Iraq. It is precisely because the situation in Iraq makes the activities of ordinary individuals impossible that the Self-Defense Forces (SDF) have been dispatched to engage in humanitarian and reconstruction assistance in Iraq."

On April 15, the Embassy of Japan in Baghdad reported that the three Japanese were released in Baghdad and were under secure custody of Embassy officials. The Embassy of Japan would like to extend its sincere gratitude for the efforts of those concerned in Iraq and for the support from all over the world. Foreign Minister Kawaguchi's statement can be found on the following website: http://www.mofa.go.jp/announce/announce/2004/4/0415.html

JAPAN'S ASSISTANCE FOR IRAQ (FACT SHEET)

(Note: All number are approximate.)

1. Humanitarian and Reconstruction Assistance to Iraq (total: $846.35 million).

(A) Assistance in cooperation with international organizations ($91.4 million).

(1) Humanitarian Assistance for Iraq ($29.5 million) (2003 March 20 and April 9).

(a) World Food Programme (WFP): food supply.

(b) United Nations Children's Fund (UNICEF): child protection, education, water/sanitation.

(c) International Committee of the Red Cross (ICRC): medical assistance, provision of food and life supplies, restoration of water supply facility.

(d) United Nations High Commissioner for Refugees (UNHCR): assistance for refugees.

(2) Protection and Preservation of Cultural Heritage, Education ($2 million) (2003 April 23).

(a) Restoration and preservation of cultural heritages ($1 million, in cooperation with UNESCO).

(b) Education ($1 million, in cooperation with UNESCO).

(3) Umm Qasr Port Project ($2.5 million) (2003 April 25).

Activities: carry out an emergency dredging of Umm Qasr Port (In cooperation with UNDP).

Impact: realize effective port operations and smooth delivery of humanitarian assistance.

(4) Humanitarian and Reconstruction Assistance in Iraq ($57.4 million) (2003 May 16, 21, July 4, Oct 17; 2004 Jan 16. Jan 26).

(a) Iraq Reconstruction and Employment Program ($6 million, in cooperation with UNDP).

Activities: employ Iraqis in Baghdad to perform functions such as debris removal, garbage collection and rehabilitation of buildings.

Impact: creation of 35,000 jobs, improvement of the sanitary conditions in Baghdad.

(b) Project for Reactivation of Primary Education in Iraq ($10 million, in cooperation with UNICEF).

Activities: rehabilitate schools and provide school supplies in Baghdad, Mosul, Najaf and the surrounding areas.

Impact: 1 million children in 3 cities and their suburbs will benefit.

(c) Rehabilitation of the National Dispatch Centre ($5.55 million, in cooperation with UNDP).

Activities: rehabilitate the National Dispatch Centre and provide it with necessary equipment and materials.

Impact: improve provision of electricity to the institutions such as hospitals which are essential for humanitarian needs by proper control on the power distribution.

(d) Project for Emergency Rehabilitation of Al-Kadhimiya Teaching Hospital ($3.64 million, in cooperation with UNDP).

Activities: rehabilitate the Al-Kadhimiya Teaching Hospital and provide materials and equipment.

Impact: improve the hospital's medical services and the lives and hygienic conditions of the people.

(e) Project for the Emergency Rehabilitation of the Hartha Power Station ($8 million, in cooperation with UNDP).

Activities: rehabilitate the Hartha Power Station and transmission in Basra region.

Impact: increase electricity supply and improve the life and hygiene of the civilians in Basra region.

(f) School rehabilitation Project ($6.1 million, in cooperation with UN–HABITAT).

Activities: rehabilitate 271 schools in Basra, Samawa, Nashiria and Amarra.

Impact: resume lessons and create job opportunities.

(g) Community Rehabilitation Project ($2.7 million, in cooperation with UN–HABITAT).

Activities: rehabilitate a total of 3,000 damaged houses and/or community facilities in Baghdad, Samawa and Kirkuk. Beneficiaries will be selected from vulnerable groups particularly from households headed by women.

Impact: improve community neighborhood through rehabilitation of infrastructure and create job opportunities.

(h) Iraq Reconstruction and Employment Program ($15.4 million, in cooperation with UNDP).

Activities: hire local Iraqi people for restoration of water/sewage systems, garbage collection, clean-up activities etc.

Impact: hire local Iraqi people etc.

(B) Direct Assistance to Iraq ($227 million).

(a) Provision of 1150 Police vehicles to be deployed in 27 cities. 40 vehicles will be deployed to Samawa. ($29 million) (04 Jan 16).

(b) Provision of 27 mobile substations throughout Iraq ($72 million) (04 Mar 26).

(c) Rehabilitation and provision of equipment to 4 hospitals (Nasiriyah, Najaf, Diwaniyah and Samawah) $51 million) (04 Mar 26).

(d) Provision of 30 compact water treatment units to the city of Baghdad ($55 million) (04 Mar 26).

(e) Provision of 70 firetrucks to Baghdad, Al Basra and Muthanna ($20 million) (04 March 26).

(C) Assistance through funds ($500 million).

(a) International Reconstruction Fund Facility For Iraq ($490 million).

$360 million to the Fund administered by the UN.

$90 million to the Fund administered by the WB.

Additional $40 million will be also available to the Fund administered by the WB after the approval of FY2004 budget.

(b) IFC small business finance facility ($10 million).

(D) Assistance in cooperation with NGOs ($27.9 million).

(1) Assistance for the emergency medical activities of NGOs ($3.3 mil) (2003 March 20).

(a) Japan Platform Joint Team operating in Jordan.

(b) Peace Winds Japan operating in Northern Iraq.

(2) Assistance to the following NGO activities ($21 million) (2003 May 16, 21, Dec 11, 2004 Feb 8, Feb 20 and March 4).

(a) Medical projects and distribution of emergency supplies in Iraq carried out by Japan Platform (Japanese NGOs, 2003 May 21).

(b) Project distributing medical supplies including antibiotics in Iraq run by Hashemite Charity Organization (Jordanian NGO, 2003 May 16).

(c) Project distributing medical equipment such as Infant Intravenous Kits run by CARE International (International NGO, 2003 May 16).

(d) Emergency Rehabilitation of public facilities by Japan Platform (Japanese NGOs, 2003 Dec 11).

(e) Cultural Grassroots Projects to the Iraq Football Association (Iraqi NGO, 2004 Feb 8).

(f) Emergency Aid of Medical Equipment to Samawa Maternity & Children Hospital (Japanese NGO, 2004 Feb 20).

(g) Emergency aid for Iraq to the NGO unit of Japan Platform (Japanese NGOs).

(3) Humanitarian and Recovery Assistance ($3.6 million) (Grassroots Assistance).

(a) The Project for Humanitarian Operation in the Umm Qasr Community $90,000.

(b) The Project for the Equipment Supply for Rashid RF Community Council $73,000.

(c) The Project for Improvement of Schools in the Rashid District $206,000.

(d) The Project for Improving Hibatoallah Institute for Down Syndrome $42,000.

(e) The Project for Reconstruction of Mustakbal Secondary School in Mosul City $375,000.

(f) The Project for Construction of Wastewater Treatment Plants in Mosul City $460,000.

(g) The Project for Rehabilitation of Water Treatment Plants in Nineveh Governorate $230,000.

(h) The Project for Improvement of Medical Transportation in Nineveh Governorate $620,000.

(i) The Project of supplying Water Tankers to the Governorate of Al-Muthanna $800,000 (for 12 water tanks).

(j) The project for Provision of Emergency Medical Supplies to Al Samawaha General Hospital $770,000.

(E) Others.

(a) Assistance for supplying TV program "Oshin" by Japan Foundation (the broadcast started from 2003 Oct 27).

(b) With regard to the friendly football match between the Japanese national team and the Iraqi national team hosted by the Japan Football Association, GOJ provides approximately ¥10 million as the travel expenses of the Iraqi team through the Japan Foundation.

(c) Provision of Judo equipment to the Iraq Judo Foundation and its transportation ($50,000).

(d) Provision of football equipment to the youth and sports department in the governorate of Muthanna ($41,000).

((e) Dispatch of research missions for grant aid projects formulation to Jordan and other surrounding countries (from Jan 2004).

(f) Provision of 240 tents to the Governorate of Al-Muthanna to counter the flooding of the Euphrates River in Al Muthanna.

2. Consolidating broad based solidarity among the International Community.

(a) GOJ believes that an international conference for assisting Iraq should be organized with broad participation of countries and international organizations. To this end, GOJ has urged relevant international organizations such as the UN and others, to take an active role in organizing such a conference. As a result, the International Donors' Conference for the reconstruction of Iraq was held in Madrid, Spain, in 23–24 October. The Conference was able to send a united and strong message of the international community that the international community should actively implement the assistant to Iraq in order not to make Iraq the "failure state."

(b) Former Prime Minister Ryutaro Hashimoto visited France and Germany last December, as Prime Minister Koizumi's special envoy, and emphasized to the leaders of the both countries the importance of broad based solidarity among the international community on assisting reconstruction of Iraq. As a result, France, Germany, and Japan have agreed with pursuit of cooperation among the three countries regarding reconstruction assistance to Iraq. GOJ is consulting with France and Germany through the framework of trilateral consultations on reconstruction assistances to Iraq in such areas as cultural affairs and police personnel training.

3. Cooperation under the Special Measures Law for Humanitarian and Reconstruction Assistance for Iraq.

GOJ dispatched Self Defense Forces to Iraq and surrounding countries and areas to provide humanitarian and reconstruction assistance for people of Iraq.

4. Coordination with CPA.

GOJ extends personnel cooperation through the Coalition Provisional Authority.

5. Cooperation with Arab and neighboring countries.

GOJ will promote such cooperation, for example, by promoting medical assistance through the Hashemite Charity Organization of Jordan, and Japan-Egypt Joint Medical Cooperation. As for the Japan-Egypt Joint Medical Cooperation, it is planned to start training of approximately 100 medical related Iraqi personnel in Egypt.

6. Cooperation under the International Peace Co-operation Law.

(1) In-kind contribution to UNHCR (2003 March 28).

Tents for 1,600 refugees were transported by 2 special government aircraft, and handed over to UNHCR in Jordan.

(2) Transportation cooperation.

Operation of JSDF Aircraft (C–130H) between Brindisi (Italy) and Amman (Jordan) for transportation of humanitarian relief materials (140 tons) of UN from 17 July 2003 till 12 August 2003.

7. Assistance for neighboring countries and others ($322.25 million).

(1) Jordan: grant assistance ($100 million) (2003 March 23).

(2) Palestine: food aid ($4.2 million) (2003 March 23).

(3) Palestine: announcement of a new assistance package ($22.25 million, including the above-mentioned food aid) (2003 April 29).

(4) Egypt: loans and grants (over $200 million) (2003 May 24).

Mr. STARK. Mr. Chairman, I rise in opposition to this Defense Appropriations bill. This bill is flawed for many reasons. It gives money to programs that don't need more money and advances policies that ought to be ended. But most egregious of all, it slips in a provision that has nothing to do with Defense Appropriations: raising the Federal government's debt limit.

Why have the Republicans hidden this provision in the bill? Because they're embarrassed—they're embarrassed that their economic policies require such a huge increase in our national debt. And they're afraid. They're afraid that if the American people hear a debate on raising the debt limit, it will expose their failed policies and damage their chances for re-election. How cynical. How embarrassing indeed.

Republicans have so failed in their economic policies that they have to hide a provision like this in a Defense bill, hoping that our debate on defense policy will overshadow their shenanigans. This is one more debacle to add to the Republicans' long list of governing failures.

Just 4 weeks ago, I voted against the Defense Authorization bill because it called for billions in funding for Star Wars, continued the Pentagon's addiction to wasteful and duplicative projects that pad the pockets of big defense contractors, and authorized $25 billion for Iraq without a clear or articulated exit strategy. This bill provides more of the same.

The bill provides $9.7 billion for missile defense on top of the $130 billion American taxpayers have already shelled out since 1983. Wasting more money on this program is absurd. It has proven to be completely inoperable and the idea that it will ever work is the dream of a mad scientist. This bill also calls for nearly $680 million for procurement and upgrades of the Trident II nuclear missile. These Cold War era weapons do not help us defend against terrorists, they only raise the nuclear ante around the world.

The bill provides $3.6 billion for 24 F–22 Raptors, despite GAO reports showing cost overruns and technical problems. In fact, the cost of these fighters has actually increased from $200 to $300 million per plane. Boneheaded marine general would continue to use a plane that doesn't work. This bill also continues to fund the Osprey, a plane so dangerous and which has led to so many American deaths, it is inconceivable that the Pentagon would continue to use them.

Imagine what we could provide our children—the next generation—if we discontinued these programs. Already, the Nation's public schools have been denied $27 billion dollars promised them when Congress passed No Child Left Behind.

Imagine what you could do for working families. In my district in California, low-income families are being evicted because the Federal government has cut funding for housing subsidies. Others throughout Alameda County face the specter of losing their health care coverage.

Mr. Chairman, our Nation certainly needs to spend money on its defense. But defense means more than just guns and planes. It means defending our children from ignorance through education, defending our sick from disease through health care, and defending our elderly from poverty through Social Security. It is time we incorporate our other vital national priorities into our Defense Budget. I cannot in good conscience vote for a bill that wastes money and threatens to waste the future we owe our children.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise to discuss this important legislation, the Department of Defense Appropriations Act of 2005, especially in light of this country's current situation in Iraq and Afghanistan as well as its relationship with the international community. Because of the very small difference between the amount requested by President Bush in his Budget and that recommended by the Committee in this legislation, that is, $1.6 billion relative to the total amount recommended of $416 billion, my colleagues and I understand that we must grapple with the same fundamental differences that we had with the Administration's proposal when considering this legislation.

Congress has appropriated around $150 billion to date in military and reconstruction funding for the Iraq war. It has been estimated that the total amount expended for this situation will grow to a quarter of a trillion dollars for operations in Iraq and Afghanistan. There are clearly many other urgent initiatives that demand these funds without the trade-off in American lives.

Many thanks go to the Ranking Member of the Appropriations Committee for his leadership and work. He successfully won passage of an amendment that will require a detailed report from the Department of Defense and the White House Office of Management and Budget for their best estimates on long-term war and reconstruction costs of our operations in Iraq and Afghanistan by October 1, 2004. The American people have waited long enough for this information and deserves continued updates on the spending of its money.

It is unfortunate that this bill does not provide appropriations for military housing because homelessness has become a very real crisis among military veterans as well as for families of some who are in active duty.

Unfortunately, about one-third of the adult homeless population has served this country in the Armed Services. As many as 250,000 male and female veterans now live on the streets or in shelters, and about twice as many of those who live on the streets experience homelessness at some point during the course of a year. Many other veterans are considered near homeless or at risk because of their poverty, lack of support from family and friends, and dismal living conditions in cheap hotels or in overcrowded or sub-standard housing.

Currently, the number of homeless male and female Vietnam era veterans is greater than the number of service persons who died during that war. Furthermore, a small number of Desert Storm veterans are also appearing in the homeless population.

Almost all homeless veterans are male (about three percent are women), the vast majority are single, and most come from poor, disadvantaged backgrounds. Similar to the general population of homeless adult males, about 45 percent of homeless veterans suffer from mental illness and slightly more than 70 percent suffer from alcohol or other drug abuse problems. Moreover, roughly 56 percent are African American or Hispanic.

Furthermore, the amount in this bill includes a $25 billion supplement to cover costs of operations in Iraq and Afghanistan. Our policy in these regions is severely misguided, as evidenced by the repeated brutal slayings of American military personnel and civilians. Incidents such as the horrific beheading of the New Jersey-born engineering contractor for Lockheed Martin in Saudi Arabia should give this Administration an added sense of duty and responsibility to ensure that these monies are spent to improve our relations, our reputation, and our efficiency in the region.

The original President's request, prior to the emergency supplemental, did not include funds for Iraq and Afghanistan operations. It also failed to include some of the essential needs of our troops such as additional personnel, protective gear, and repair or replacement of weapons systems that have been damaged in the war to date.

The apparent confused policy evidenced by the miscalculation of what the war would cost, placing some 40,000 of our troops in Iraq without adequate supplies or support, and more recently, on May 28, Attorney General Ashcroft's announcement of new threat alerts unbeknownst to the Secretary of Homeland Security and the Commander in Chief corroborate Ranking Member OBEY'S statement in the Committee Report (108–553, p. 409) that "[t]he Administration and the Pentagon have abused the trust that the Congress and the American people placed in them."

Mr. Chairman, this bill does not adequately address the needs that have arisen as a result of the Administration's hasty actions and commitments. We must now do what is necessary to curtail the death of American troops, civilians, and members of the international community.

Mrs. JO ANN DAVIS of Virginia. Mr. Chairman, I rise today to share my thoughts on this extremely important piece of legislation. H.R. 4613, the Fiscal Year 2005 (FY05) Defense Appropriations Act, provides for our national security interests, as well as for the men and women in uniform who are serving overseas and at home to preserve and protect those interests. I commend my distinguished colleagues from California and Pennsylvania, the Chairman and Ranking Member, respectively, of the Appropriations Subcommittee on Defense, for the outstanding focus and effort they have obviously devoted to this bill. I also commend the Chairman and Ranking Member of the full committee for quickly delivering this necessary legislation to the floor.

I would like to call attention to some aspects of the bill that are particularly noteworthy: H.R. 4613 fully funds the budget request for a 3.5 percent military pay raise. As importantly, it would reduce the average out-of-pocket housing expenses for military members from 3.5 percent to 0 (zero) in FY05; The bill provides $2.3 billion for force protection requirements, including Up-Armored HMMWVs ("Humvees"), that are absolutely vital to our men and women serving in Operations IRAQI FREEDOM and ENDURING FREEDOM; H.R. 4613 also fully funds the Administration's request for operational training, such as flying hours, ship steaming days, and ground forces exercises, that are essential for the readiness of our forces; The bill includes funding for personnel costs related to the Army and Marine Corps end strength increase for FY05 found in H.R. 4200, the House version of the National Defense Authorization Act that passed the full House last month; With respect to combat and tactical vehicles used by the Army and Marine Corps, the bill provides $2.2 billion above the budget request. I am pleased that $330 million of this amount would support Guard and Reserve vehicle needs; H.R. 4613 also provides more than a quarter-billion dollars above the budget request for shipbuilding.

I am pleased that the bill fully funds the Administration's request for *Virginia*-class submarine procurement and CVN–21 aircraft carrier research and development, two programs that must stay on track if our Navy is to maintain its supremacy on and beneath the seas into the 21st Century.

I am also pleased that the bill's support for procurement of an additional Burke-class destroyer (DDG–51) in the FY06–07 window shows the committee's awareness of the perils associated with any production gap between the end of DDG–51 construction and the start of DD(X) construction, which threatens our domestic shipbuilding capability.

I am reassured that the report language confirms the committee's concern with the threat to our national security associated with erosion of our unique shipbuilding skill sets, which are a must-have if we are to ensure that our warships are built at home and not overseas. Furthermore, with respect to the strength of naval force structure, which I hope we all agree is an inimitable part of our national defense today and tomorrow, the observation in the report language that "operational requirements of the Navy necessitate the construction of at least one more DDG–51" is a very positive and welcome sign.

However, I must state my serious concern with the $248 million reduction in development of DD(X), the next-generation, multi-mission destroyer. I am concerned that delaying construction by one year will significantly hurt development of this program, which is a vital requirement for the fleet.

The Chief of Naval Operations commented last month on DD(X): "This program will form the cornerstone of our Nation's future Surface Navy. It provides war fighting capabilities that our Navy needs now, plus it brings important shipbuilding growth and opportunities for our industrial base. . . . I am confident that we are . . . being good stewards of the taxpayer dollar, and producing much needed capabilities that will ensure our Navy/Marine Corps team remains preeminent well into the next century. I ask that you reconsider and fully restore funding for DD(X)."

It is imperative that Congress help the Navy by funding DD(X) sufficiently to keep the program on schedule.

I want to thank the Chairman for his hard work on this bill, and I urge my colleagues to remember the importance of this program to our Navy and to our national security.

Ms. McCOLLUM. Mr. Chairman, I rise to urge my colleagues to support a provision regarding cluster munitions that I have included in the Manager's Amendment to the Fiscal Year 2005 Defense Appropriations bill.

I also want to thank you, Chairman LEWIS, and Ranking Member MURTHA for recognizing the unintended collateral damage and human damage caused by cluster munitions.

The provision would require that the Department of Defense issue to Congress a written report on steps being taken to reduce the dangerous, unintended consequences of cluster munitions and submunitions. In particular, it will help hold the Pentagon accountable to their own policy standards and to the American people by helping ensure cluster munitions have a failure rate, or "dud-rate", of 1 percent or less.

Cluster munitions are large weapons that contain hundreds of smaller submunitions, which upon release spread across a broad footprint and explode. These weapons continue to be used extensively by the U.S. military, even while alternatives and advanced technology exists.

The use of cluster bombs in populated areas has taken a tremendous humanitarian toll. According to USA Today, one Iraqi father, after witnessing a U.S. cluster bomb strike in Iraq that killed his son, said "Regular shells would hit only one spot, not every place just like a rain of death."

Cluster munitions strike without distinction. They rain hundreds of thousands of smaller submunitions. Many of these submunitions have high dud rates—as high as 10 percent to 30 percent in certain instances—which leave large numbers of unexploded submunitions that become de facto landmines that continue to kill and main, even long after the conflict is over.

Extremely hazardous, these unexploded "duds" have been lethal for U.S. soldiers, peacekeepers, and local civilians. Children, especially, are often tempted to pick up these weapons since submunitions are small and can appear to be an intriguing object to play with.

The use of cluster munitions is widespread. In Iraq, for example, Human Rights Watch used Pentagon figures to estimate that the use of cluster munitions in populated areas in Iraq caused more civilian casualties than any other factor in the coalition's conduct of major military operations.

U.S. and British forces used almost thirteen thousand cluster munitions, containing nearly two million submunitions that killed or wounded more than one thousand civilians.

Cluster munitions also take a toll on U.S. service personnel. A tragic example, reported by the Associated Press, involves U.S. Army Sergeant Troy Jenkins.

After seeing an Iraqi child pick up a cluster submunition off the ground. Sergeant Jenkins rushed over to take the cluster submunition from the child. The "bomblet" then exploded and Sergeant Jenkins was killed.

Today, countless U.S. service personnel encounter this unexploded ordnance. It makes their job extremely difficult and much more dangerous than it already is.

The Pentagon has recognized the dangers of cluster munitions and has looked for solutions. In 1999, then-Secretary William Cohen issued a department-wide policy memorandum stating that all submunitions that reach full rate production during the first quarter of Fiscal Year 2005 must meet a failure rate standard of 1 percent or less. I ask unanimous consent to put a copy of Secretary Cohen's memo into the CONGRESSIONAL RECORD to accompany my statement.

Despite this action, the Pentagon continues to produce and procure cluster munitions that have high "dud" rates when other alternatives are available. The Department's budget for the coming fiscal year contains several procurement requests for weapons programs that do not meet the 1 percent or lower standard. This is unacceptable. It is time for the Pentagon to stop buying or using cluster weapons that employ old technology.

Mr. Chairman, our troops in the field, their families and the American people deserve accountability and answers from the Pentagon. It is time for the Pentagon to purge our arsenal of legacy submunitions and move toward the 1 percent dud rate. This report will help in these efforts, but it is not nearly enough.

In the end, I believe we must find a way to ensure cluster munitions are never used in populated areas and we must do more to address the unintended consequences of these weapons. Our troops, their families and the innocent victims living in post-conflict areas deserve our full attention.

Again, I thank Chairman LEWIS and Ranking Member MURTHA for their support of this provision, I urge its passage.

THE SECRETARY OF DEFENSE,
Washington, DC, January 10, 2001.

Memorandum for the Secretaries of the Military Departments.

Subject: DoD Policy on Submunition Reliability (U).

Submunition weapons employment in Southwest Asia and Kosovo, and major theater war modeling, have revealed a significant unexploded ordnance (UXO) concern. The following establishes the Department's policy regarding submunition weapons acquisition. The policy applies to systems delivered by aircraft, cruise missiles, artillery, mortars, missiles, tanks, rocket launchers, or naval guns that are designed to attack land-based targets and that deploy payloads of submunitions that detonate via target acquisition, impact, or altitude, or self-destruct (or a combination thereof). It is the policy of the DoD to reduce overall UXO through a process of improvement in submunition system reliability—the desire is to field future submunitions with a 99% or higher functioning rate. Submunition functioning rates may be lower under operational conditions due to environmental factors such as terrain and weather.

Program Managers shall include the nonrecurring cost of increasing the overall functioning rate: the operational use costs, including the cost of clearing UXO on test and training ranges in accordance with DoD policy and operational requirements; and disposal costs, as part of the life-cycle costs of all future submunition weapons. The Program Manager should establish submunition functioning thresholds and objectives that advance the process of improvement in system reliability, and that take into consideration the benefits from reduced UXO (i.e., a cost-benefit analysis of increasing the functioning rate (cost) and the resulting reduction in UXO (benefit)).

The Services may retain "legacy" submunitions until employed or superseded by replacement systems in accordance with the above policy. The designation "legacy" would apply to submunition weapon acquisition programs reaching Milestone III prior to the First Quarter of Fiscal Year 2005.

The Services shall evaluate "legacy" submunition weapons undergoing reprocurement, product improvement, or block upgrades to determine whether modifications should be made to bring them into compliance with the above policy.

The Services shall design and procure all future submunition weapons in compliance with the above policy. A "future" submunition weapon is one that will reach Milestone III in FY 2005 and beyond. Waivers to this policy for future ACAT I and II submunition weapons programs, shall require approval by the JROC.

This policy applies to all acquisition category submunition weapons programs. Compliance with this policy shall be assessed by the Component or Defense Acquisition Executive, as appropriate.

BILL COHEN.

Mr. NUSSLE. Mr. Chairman, I rise today in support of H.R. 4613, the Defense Appropriations Act for Fiscal Year 2005. This piece of legislation is the most significant component of our wartime budget for America. It is the third bill we are considering pursuant to the 302(b) allocations adopted by the Appropriations Committee. I am pleased to report that it is consistent with the levels established in the conference report to S. Con. Res. 95, the concurrent resolution on the budget for fiscal year 2005, which the House adopted as its fiscal blueprint on May 19th.

The budget resolution set aside $420.8 billion in discretionary budget authority for the national defense function in 2005. In addition, the budget resolution set aside $50 billion for overseas contingency operations. As members recall, the administration's initial budget submission did not provide funding for Iraq and Afghanistan; but in consultation with the membership we decided that providing a mid-range estimate for those operations was the only way to construct a meaningful budget blueprint.

H.R. 4613 funds the bulk of the national defense commitment. The rest is funded in the military construction bill and the energy and water bill.

H.R. 4613 provides $390.9 billion in new discretionary budget authority towards funding the President's February 3rd defense budget request. It also contains $25 billion requested by the President as a fiscal year 2005 Iraq war supplemental, the repeal of $1.8 billion in rescission authority provided to the President in last year's omnibus appropriations bill, $685 million in additional funds for the State Department, and $95 million for international disaster relief and migration assistance. The bill provides that if this spending occurs in fiscal year 2004 it will be designated as an emergency and will not count against the budget limits; if it occurs in 2005 it will be counted against the $50 billion contingency for war-related operations provided for in the budget resolution.

Excluding the overseas reserve portion, the bill's funding shows a 6.6-percent increase from the previous year, and it builds on a 5-year average annual growth rate of 7.2 percent for defense appropriations. The base amount is equal to the 302(b) allocation to the House Appropriations Subcommittee on Defense.

Accordingly, the bill complies with section 302(f) of the Budget Act, which prohibits consideration of bills in excess of an appropriations subcommittee's 302(b) allocation of budget authority and outlays established in the budget resolution.

This bill represents the House's support for the nearly 160,000 U.S. troops performing courageous duty in Iraq and Afghanistan. The bill also contains the largest research and development funding ever, and the largest procurement funding since 1990.

H.R. 4613 does have one aspect that is a potential cause for concern: the bill reduces funding for operations and maintenance in by $1.8 billion from the President's February request. While there is a widespread belief that any potential operations and maintenance shortfall can simply be made up for in a future supplemental, I would raise a caution that Congress ought not to make it a regular practice to budget by supplemental for predictable events.

With that reservation, I express my support for H.R. 4613.

Ms. VELAZQUEZ. Mr. Chairman, I would like to thank Chairman LEWIS and Ranking Member MURTHA for agreeing to include my amendment in the Managers Amendment.

Today, we are considering the $418 billion Department of Defense appropriations bill that is solely funded by American taxpayers. It is estimated that between $200 to $225 billion of this funding will be spent on Federal contracts, and at least $20 billion will be allocated for contracts performed overseas. Unfortunately, there are no requirements to ensure that American small businesses have an opportunity to compete for these overseas contracts.

The amendment I am offering today will give small businesses this chance. It will simply require that large companies submit a subcontracting plan prior to being awarded a DoD contract for work overseas—which they are currently required to do for domestic contracts.

Throughout our Nation's history, small businesses have been systematically shut out of the Federal procurement process. Government agencies continue to fail to meet statutory goals designed to ensure fair and equitable small business participation in the Federal marketplace—costing small firms billions of dollars in lost contracting opportunities.

The size of Federal contracts keeps increasing as small jobs are combined into large procurement packages, where only big corporations are capable of meeting all of the product and service requirements. As a result, small businesses that can provide some of these services cannot compete for the contract, even if they offer greater savings to the American taxpayer.

Nowhere is this more apparent than at the Defense Department, which accounts for 65 percent of the entire Federal procurement market. DoD has substantially increased its contract volume over the last several years, yet the number of small businesses receiving these contracts has significantly declined. In FR 2003, the top ten corporations receiving DoD contracts were awarded nearly half of the agency's entire procurement budget.

Clearly, small companies already face difficult obstacles when trying to do business with the DoD. And now, we are considering a multi-billion spending bill that makes it almost impossible for small businesses to have a shot at winning any part of the billions of dollars in contracts for overseas work.

We have more than 700 overseas military bases in over 40 countries across the globe. Whether providing medical equipment to Ramstein Air Force Base in Germany, office supplies for the Marine Corp's Camp Butler in Japan, designing security technology for new military installations in the Middle East and Central Asia, or planning and constructing possible new bases in West Africa and Eastern Europe—U.S. small businesses have products and services to offer and should have that opportunity.

My amendment gives small businesses access to this expanding market by ensuring that large corporations are subject to the same subcontracting requirements for international contracts, as they are for contracts here at home.

Under current law, large contractors in the U.S. are required to have a plan in place on how they will use small businesses prior to receiving contract awards. In these plans, a contractor must simply identify small business goals and demonstrate that they made every practical effort to offer subcontracts to small companies.

By providing subcontracting opportunities, we ensure that the company that can do the work for the lowest price wins the contract—whether a multinational conglomerate or a small U.S. business.

Small businesses are the backbone of our Nation's economy. They account for 97 percent of all companies, provide three-quarters of all new jobs, and make up half of our GDP. Unlike their corporate counterparts that benefit from cheap foreign labor, we can count on small businesses to create jobs in our communities.

Our small businesses are more than capable of providing services and products in the global market. In fact, 97 percent of U.S. merchandise exporters are small- and medium-sized companies.

Whether domestic projects or overseas work, our Nation's small businesses deserve access to these Federal contracting opportunities. There should be no double standard.

Again, I thank Chairman LEWIS and Ranking Member MURTHA for agreeing to include this critical provision in the Managers Amendment. I look forward to continuing to work with the Committee to ensure that small businesses have the opportunity to grow and expand our national economy.

Mr. KUCINICH. Mr. Chairman, I rise in strong opposition to H.R. 4613, the Defense Appropriations Act of FY 2005. The bill spends $418 billion—including $25 billion for operations in Iraq and Afghanistan. Congress could spend tens of billions less and still easily protect our nation. And continued funding of military operations in Iraq keeps the US in the long running quagmire.

If the administration's request of more than $447 billion, including military construction and energy spending, is approved, overall defense spending, in real terms, would be about 18 percent higher than the average Cold War budget. Moreover, if current long-term administration plans are realized, defense spending would increase by 23 percent from 2004 to 2009, or about 23 percent above average Cold War levels. None of these figures include additional FY 2005 funding expected for operations in Iraq.

The bill provides $9.7 billion for national missile defense programs (NMD); $632 million, 7 percent, more than the current level. The NMD has not completed its development tests, much less its critical operational tests performed under realistic combat conditions. As a result, there is no way of knowing if the system will be successful. Thomas Christie, director of the Pentagon's Office of Operational Test and Evaluation, confirmed in a March 11 hearing that there is no way to determine if the system will work. In an April 2004 report, the GAO stated: "As a result of testing shortfalls and the limited time available to test the BMDS [Ballistic Missile Defense System] being fielded, system effectiveness will be largely unproven when the initial capability goes on alert at the end of September 2004."

NMD provides no defense against the most likely future attacks on U.S., which would not be delivered by missiles. The methods of delivery have already been demonstrated at the World Trade Center in New York, the Federal Building in Oklahoma City, the U.S.S. *Cole*, the U.S. embassies in Africa, the trains in Madrid and the subway in Tokyo. A nuclear weapon is much more likely to be delivered on a truck than a ballistic missile.

The bill wrongly spends $3.6 billion on the controversial 24 F/A–22 Raptor fighter, the most expensive jet fighter every built. The F–22, continues to be plagued by cost over-runs, technical problems, and questions about whether the Air Force should be directing its resources to expensive aircraft when newer strategies might be more effective and less costly. The aircraft also continues to be plagued by technical problems, including a weak horizontal tail, perpetual overheating and overly complex avionics software that has often failed during testing. The F–22 is now 10 years behind schedule and is over four times more expensive than the F–15 and F–16 it is meant to replace. Shifting to the F–22 means a smaller airforce that is paradoxically more expensive to procure and maintain.

The bill permits the Pentagon to proceed with its wrong-headed plan to lease or buy 100 KC–767A refueling tankers for the Air Force. The plan represents an enormous subsidy for Boeing and delivers planes the Air Force does not need. Last month, a report by the Defense Science Board found no "compelling material or financial reason" to buy or lease 100 of the aircraft. The report followed a study released last month by the department's inspector general claiming that alternatives to the current plan should be re-examined.

Among the many other objectionable provisions, the bill funds an increase of 13,000 active-duty Army and Marine Corps personnel. And the measure provides for an average pay hike of 3.5 percent for military personnel, but only 1.5 percent for civilian Defense Department employees.

Mr. ORTIZ. Mr. Chairman, I rise today in support of our small businesses and in favor of my colleague's amendment. If we are going to keep America strong—we must make sure that we keep our small businesses strong. Our current contracting practices will not keep our small businesses solvent.

As many of you know, small businesses employ almost 60 percent of our private, nonfarm work force. They generate more than half of our Nation's private, gross domestic product, and create a major share of our new jobs every year. This is why our continued efforts to bundle more and more contracts for federal services concern me. Of course, it is easier to give more work to a smaller number of contractors. That means there are fewer contracts to work and less time spent in administration, but this is only half of the issue.

While we are making life easier for the contract administrators, we are limiting the number of companies competing for these larger contracts. Small businesses are unable to compete for most of these bundled contracts because the contract amount is too large or because the contract covers too large of a geographic area. In the end, there is a loss of competition and an environment where a few large businesses control the market.

The Federal government should not abandon the competitive and pioneering small business market for more convenient contract administration. This is not good for our small businesses or for our country.

I hope my colleagues will join me in support of this amendment and our small businesses.

Mr. LEWIS of California. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule and the amendment printed in House Report 108–559 is adopted.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the Congressional Record. Those amendments will be considered read.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2005, for military functions administered by the Department of Defense, and for other purposes, namely:

TITLE I

MILITARY PERSONNEL

Military Personnel, Army

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty, (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, $29,507,672,000.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just want to take a few moments to express one concern I have about this bill. I want to make clear I will vote for the bill on passage. But I want to say this before I do: If a Nation is going to be led into war, its leaders owe the public an explanation of our choices and an estimate of the costs of the acts that we are about to incur. We have not been getting that from this administration with respect to Iraq.

The administration's response to every question has been "Trust us! and Oh, by the way, please get out of the way." To wage war, the administration asked first of all that we provide an unfettered lump sum of money. The Congress declined to do that. The administration then provided the Congress with faulty intelligence.

When we asked the administration for an estimate of the cost of the war over the long term, the Secretary of Defense responded by saying, quote, "that is unknowable," despite the fact that the Pentagon has always had their own internal estimates of what long-range costs are supposed to be.

When we asked the military leadership of this country how many troops it would take to pacify Iraq, General Shinseki was honest enough to tell us: "about 200,000." The administration said, "No, no, no. That is not right." And they, in effect, punished the good general for his frankness.

When the State Department prepared long-term plans for post-war Iraq, the DOD brushed aside those plans. They did not know the cost of their own plans but they knew more than everybody else did.

The administration rushed into war with inadequate supplies of body armor, and jammers, they needed for remotely detonated devices, and inadequately armored Humvees. Now there are 800 dead or more. The Army is stretched to the breaking point. We have effectively, for the Guard and Reserve forces who are seeing their tours of duty extended, we have effectively for them reinstituted the draft.

And the country is still wondering where we are going and how we are going to get there.

We spent $150 billion so far on the effort. We now have a $390 billion defense bill before us. At first the administration admitted no need whatsoever for additional funding. Now they are at least "fessing up" to the fact that the first quarter costs will be $25 billion. In fact, the Pentagon's internal estimates indicate that it will cost at least $50 billion more than we are being told.

If this bill fessed up to the full year cost of funding this war, we would be appropriating at least $50 billion more than we are appropriating today. No doubt after the election, the public will be told what the facts are on the installment plan. Then little by little, we will learn what the estimated real costs are.

Now, I understand that the administration cannot give us down to the last jot and tittle what the final cost will be, but they can certainly give us estimates about a range of cost expectations, given their own internal planning. The country has a right to that. And if we were determined to provide the public with full information, that is what we would be doing today. I wish we were but we are not.

Let me simply say I am pleased that the bill does contain language which was accepted by the committee to require the administration to give us their best judgment about what the range of cost will be of this war. Regardless of whether we are for it or against it, regardless of whether the administration was right or wrong, we are there, we need to know what the plans are for dealing with the problem and we need to know what a reasonable expectation of cost is so that we can make realistic judgments about other national priorities, so that we can make realistic judgments about how much in tax cuts the country can afford. Otherwise we are simply going to be adding all of this to the tab and asking our kids to pay it down the line.

So I congratulate the gentleman from Pennsylvania (Mr. MURTHA) and the gentleman from California (Mr. LEWIS) for producing a reasonable bill under the circumstances. But let us not kid ourselves, if the taxpayers want to know what the real cost of this bill will be once the full cost of the war will be factored in, you will have to up it by at least $50 billion. You are going to be looking at a total cost for that war, which is approaching $250 billion, without factoring in what additional costs we will have the next 5 years. It is a huge, huge price to pay for a mistake.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

MILITARY PERSONNEL, NAVY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, $24,416,157,000.

MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere); and for payments pursuant, to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, $9,591,102,000.

MILITARY PERSONNEL, AIR FORCE

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and to the Department of Defense Military Retirement Fund, $24,291,411,000.

Mr. JACKSON of Illinois. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it is my understanding that the $25 billion Iraq supplemental title of this bill includes 95 million for relief in Sudan. $25 million for refugees and 70 million for disaster assistance. In 1994, this country, along with the rest of the world, stood and watched as 800,000 men and women and children were slaughtered in Rwanda. Two months ago, the world community marked the 10-year anniversary of a modern-day genocide in Rwanda and said, "never again."

In Sudan by conservative estimates at least 10,000 people have been killed in the last year in Darfur, the Western region of Sudan, more than 1 million black Sudanese have been forced from their homes by government-backed militias.

□ 1515

Lack of food and water and the approach of the rainy season will surely wreak havoc on the lives of these people. U.S. AID Administrator Natsios has said that even if relief efforts were accelerated, more than 300,000 forced from their homes would die of starvation and disease. If the Sudanese Government and their militias keep blocking aid, or foreign governments hesitate, Natsios said, the "death rates could be dramatically higher, approaching 1 million people."

I want to commend the gentleman from Virginia (Mr. WOLF), the chairman of the Subcommittee on Commerce, Justice, State Judiciary and Related Agencies, for doing so much to bring attention to Sudan. I also want to thank the gentleman from Arizona (Mr. KOLBE), the chairman of the Subcommittee on Foreign Operations, Export Financing and Related Programs, and the gentlewoman from New York (Mrs. LOWEY), the ranking member, and the gentleman from Florida (Mr. YOUNG), the full committee chairman, and the gentleman from California (Chairman Lewis), as well as the gentleman from Pennsylvania (Mr. MURTHA), for including this most vital funding.

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of Illinois. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, the gentleman should take full credit. He is the one who asked and the one that recognized it, and we are certainly glad for the Subcommittee on Foreign Operation, Export Financing and Related Programs; but he is the guy that made sure that this got in there.

Mr. JACKSON of Illinois. Mr. Chairman, I thank the gentleman from Pennsylvania (Mr. MURTHA).

It is a critically important start. I hope, Mr. Chairman, in future bills we can discuss including food aid since the 200,000 Sudanese refugees who have fled to Chad and the 1 million internally displaced have missed the planting season this year.

Again, I thank the chairman and the ranking member, and I want to work with both of them throughout the process to prevent another Rwanda.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RESERVE PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 10211, 10302, and 3038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $3,719,990,000.

RESERVE PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $2,108,232,000.

RESERVE PERSONNEL, MARINE CORPS

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Marine Corps platoon leaders class, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $653,073,000.

Ms. LEE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to engage today in a colloquy with the gentleman from Pennsylvania (Mr. MURTHA), the ranking member of the Subcommittee on Defense appropriations.

First, let me just thank the gentleman for the very hard work that he consistently does for the security of our Nation. I appreciate this opportunity to discuss an issue that is of great importance, that is, ensuring that our Federal defense dollars are not used to support groups or individuals engaged in efforts to overthrow democratically elected governments.

Mr. MURTHA. Mr. Chairman, will the gentlewoman yield?

Ms. LEE. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, I thank the gentlewoman for yielding.

I want to assure the gentlewoman from California I agree with her on the point and appreciate her intention in raising this issue, and I want to assure the gentlewoman that as the bill moves forward we will be mindful of this issue and work with her and her staff to do everything we can to help.

Ms. LEE. Mr. Chairman, let me just thank the gentleman for his attention to this issue and so many issues that are important to our Nation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RESERVE PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 10211, 10305, and 8038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Air Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $1,451,950,000.

Mr. BLUMENAUER. Mr. Chairman, I move to strike the last word.

For the last 230 years, the United States has evolved from a ragtag collection of determined colonials who were able to meet the most powerful military in the world to today being the most powerful Nation. There are many chapters to that story. It was achieved at tremendous cost in human life and sacrifice, many lessons that we have learned, sometimes painfully.

This long, rich, varied history created the power that is the United States today and is, frankly, too little understood. We have tallied and documented the casualties, the missing and the maimed; but it does not tell the full story.

Our Nation's military history has a footprint that extends across the country and across the globe. Our military is the largest user of energy in the world. It is the largest manager of infrastructure, but 250 years of fighting and training around the country and around the world has produced a toxic legacy today.

People have forgotten about the unexploded bombs used in training, the discarded munitions, particularly in times past when our country appeared so large, the installation so remote, and the challenges we faced so dire. The cleanup of our toxic legacy has always been left to the future. It is my hope today that Congress will send a signal that when it comes to the toxic legacy of the past, the future is now; we will no longer avoid our responsibilities and look the other way.

There are many reasons for addressing the cleanup other than just the arguments of the environmentalists. There are clear and conservative, fiscal and military imperatives. These problems do not go away. We have millions of acres that are off limits and potentially contaminated. There are vast challenges from yesterday's legacy. Until these dangers are cleaned up, the longer we wait, the greater the cost to the taxpayer through escalating costs, as munitions decompose, toxins migrate in the groundwater and memories fade as to where the bombs might be. Cleanup delayed inevitably makes cleanup more expensive as the problems get worse and inflation drives the prices higher.

Mr. Chairman, I had an amendment that I was seeking to offer that would do something about it, to be able to enable us to do a better job. The first thing we ought to have done was put one person in charge. My amendment would have established a separate line item for cleanup of UXO in the Defense appropriation bill, entitled "Military Munitions Response Program," separating UXO from the hazardous waste cleanup to provide the focus that the UXO efforts needed.

The amendment would also have established an assistant Deputy Under Secretary of Military Munitions Response to the Deputy Under Secretary for Defense Installations and Environment at the Department of Defense. I have been trying for the last 5 years to be able to help us get a handle on this by having one person in charge and be able to know exactly what the status is. Unfortunately, despite working through both the authorizing and the Committee on Appropriations, we still face the situation today where it is fractured, where no one person is in charge. I hope that our failure to act on this toxic legacy can be reversed.

I will not offer the amendment because I know that it would be ruled out of order, but I wanted to make the point as we are dealing with this massive bill.

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, there is no one who has worked harder on this issue than the gentleman from Oregon (Mr. BLUMENAUER). The committee is very aware of it, and we put report language in to make sure to try and go in the direction the gentleman tried to. We made a slight increase in the amount of money available. We know it is a massive problem. This committee has been in the forefront of trying to address this problem. We appreciate the gentleman's concern. He has brought it to our attention over and over again, and we are doing the best we can.

We know some of the things the gentleman pointed out, we put into the language to say we have got to get it straightened out. So we appreciate the gentleman's hard work and dedication in trying to solve this very difficult problem.

Mr. BLUMENAUER. Mr. Chairman, I appreciate the gentleman's kind words. I appreciate the difficult task that his subcommittee has.

As I think of the challenges that we face, I cannot think of anybody with a more difficult challenge today, and my heart goes out to the difficulty my colleague has in terms of providing for the needs of our constituents that are overseas.

But, as I say, I will not offer this amendment because I think it would be ruled out of order. I want to make the point that nobody in the Department of Defense to this day is in charge. There is no separate account that enables an appropriate accounting; and in the course of the debate this afternoon, I look forward to offering up some alternatives that may, in a small way, help my distinguished friends on this subcommittee who have what I truly believe is a difficult task; but I want Congress to no longer be missing in action on unexploded ordnance and military toxins that pollute millions of acres around this country. In fact, nobody knows how many are polluted.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

NATIONAL GUARD PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 10211, 10302, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $5,915,229,000.

NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under section 10211, 10305, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund, $2,536,742,000.

TITLE II

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed $11,144,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes, $25,820,311,000: *Provided*, That of the funds appropriated in this paragraph, not less than $355,000,000 shall be made available only for conventional ammunition care and maintenance: *Provided further*, That of funds made available under this heading, $2,500,000 shall be available for Fort Baker, in accordance with the terms and conditions as provided under the heading "Operation and Maintenance, Army", in Public Law 107-117.

Mr. SANDERS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentleman from Connecticut (Mr. SHAYS) and I were originally going to offer an amendment, but we are not going to do that. We are withdrawing the amendment; and instead, we look forward to engaging in a colloquy with the chairman and the ranking member.

Mr. Chairman, the issue that we are discussing today is of extraordinary importance. In the midst of Iraq and Afghanistan, let us never forget that 100,000 veterans from the first Gulf War continue to suffer from a yet not fully understood debilitating illness commonly known as Gulf War Illness.

The gentleman from Connecticut (Mr. SHAYS) and I for a number of years have been working together on this issue, and I want to applaud him for his leadership. The fact of the matter is that over the years, while the Congress has appropriated many, many millions of dollars to research and tried to understand Gulf War Illness, in fact, much of that money has not been effective in getting us to better understand this problem.

As many will recall, at the beginning of this discussion, the DOD and the VA were both saying, hey, there is no problem; and then more and more veterans came forward and they said, well, there is a problem, but it is stress related. Finally, after many, many years, I think both the VA and the DOD now understand that we have a very serious physical problem.

Mr. Chairman, I am happy to inform my colleagues that the good news is that real progress is now being made in our understanding of Gulf War Illness. Medical researchers like Dr. Robert Haley of the University of Texas and other researchers can now measure real physical neurological damage in many Gulf War Illness sufferers. These injuries are likely the result of low-level exposure to chemical nerve agents during the first Gulf War. Much of the evidence suggests that exposure to these nerve agents is the direct result of the destruction of a major chemical weapons dump in Iraq by the U.S. military that created a plume of chemicals that may have exposed hundreds of thousands of U.S. military personnel and civilians in the region.

In hearings held by the gentleman from Connecticut (Mr. SHAYS) in the last couple of weeks, we heard from Dr. Haley about the status of his research. Dr. Haley's findings were corroborated at the hearing by Dr. Paul Greengard, a 2000 Nobel Laureate and head of the Laboratory of Molecular and Cellular Neuroscience at the Rockefeller University. He agreed that research into neurological damage caused by low-level nerve agents is the most promising in terms of finding a cause and a treatment for Gulf War Illness.

There has also been a change in attitude in the Pentagon and the VA about this illness. It appears that both now acknowledge that this is a very real physical injury. Secretary of VA Anthony Principi has taken an active interest in supporting Gulf War Illness research and has committed $15 million to continuing the fight.

Mr. Chairman, I would introduce into the RECORD at this point a letter from Jim Binns, who is the chairman of the Research Advisory Committee on Gulf War Veterans Illnesses, who supports this line of research.

VA EASTERN KANSAS
HEALTHCARE SYSTEM,
Topeka, KS, June 22, 2004.

Hon. CHRISTOPHER SHAYS,
Chairman, Subcommittee on National Security, Emerging Threats and International Relations, Committee on Government Reform, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for the opportunity to testify before your subcommittee on June 1. As you could tell from the hearing, we are at a moment of truth on Gulf War illnesses. On the one hand, the science is finally there to show that this is a medical problem, an important component of which is neurological in nature. Furthermore, researchers like Dr. Paul Greengard of Rockefeller University are waiting in the wings with projects that have a real chance of producing a cure. As you know, Dr. Greengard received the Nobel Prize in medicine in 2000 for his work to uncover the brain mechanisms involved in Parkinsons disease and to develop a treatment for that disease, and he testified that the same approach can succeed in Gulf War illnesses. In response to these new scientific findings, research managers at VA and DoD recognize the opportunity to pursue this type of research.

On the other hand, while Secretary Principi is going to increase VA funding to $15 million, DoD, which has historically funded three-quarters of Gulf War illnesses research, is currently funding no new projects in this area because of its internal priorities. In addition to the financial implications, this withdrawal of DoD from Gulf War illnesses research dramatically limits the universe of researchers whose talents can be brought to bear, because VA by law can only fund VA internal research. Unlike DoD or NIH, VA cannot give grants to outside researchers. Thus, researchers like Dr. Greengard and others who have done important, DoD-funded work in the past, cannot be funded with the possible exception of minor sub-contractor roles. Other respected scientists with relevant expertise similarly cannot be engaged unless they work for VA. So just as there is finally something solid to research, and a willingness on the part of the research managers to spend in the right places, funding is dramatically down, and the cadre of potential researchers is dramatically limited.

On behalf of the membership of the Research Advisory Committee on Gulf War Veterans Illnesses, I urgently request you to seek an amendment to the DoD appropriations bill to provide $30 million to the U.S. Army Medical Research and Materiel Command for Gulf War illnesses research in FY 2005. I have been told that Gulf War illnesses formerly was a line item in the DoD budget, in the period when federal spending was at the $45 million annual level (direct and indirect) in 1999–2002.

It would also be constructive to include language requiring that ninety percent of this funding be placed with non-governmental researchers, that DoD develop with VA and NIH (specifically the National Institute of Neurological Disorders and Stroke) a comprehensive federal research plan for Gulf War veterans illnesses, and that DoD seek the input and review of the Research Advisory Committee on Gulf War Veterans Illnesses in the creation of this plan and decisions on which research to fund in pursuit of the plan.

I apologize not to have brought this matter to your attention earlier, but our energies have been focuses on VA. Thank you for your consideration of this request at this critical juncture.

Respectfully,

JAMES H. BINNS,
Chairman, Research Advisory Committee on Gulf War Veterans Illnesses.

Mr. Chairman, I would also enter into the RECORD at this point a letter from Ross Perot, who has been one of the leaders on this issue over the years, who also understands that we are dealing with neurological illness.

PLANO, TX,
June 22, 2004.

Congressmen BERNIE SANDERS and CHRIS SHAYS,
Congress of the United States,
Washington, DC.

DEAR CONGRESSMEN SANDERS AND SHAYS: As you both know, I have long been active in promoting and funding research to find treatments and a cure for Gulf War Illness—which now affects over 100,000 veterans of the first Gulf War.

In recent years, great strides have been made in our understanding of the actual physical harm that these veterans have suffered. Researchers like Dr. Haley and others have been able to detect brain damage that likely resulted from exposure to low levels of sarin nerve agents.

While the advances have been impressive, so much more still needs to be done. That is why I am pleased to support your amendment to the Department of Defense Appropriations bill to provide $30 million in Gulf War Illness research.

Not only will this type of research help victims of Gulf War Illness, but it could provide us with knowledge that would increase our ability to defend soldiers and civilians against future chemical attacks.

This research could also provide clues to other illnesses in both the military and civilian context that may be caused by low level chemical exposure.

Once again, I strongly support this amendment and look forward to working together to end the terrible suffering that so many Gulf War veterans are suffering.

Sincerely,

ROSS PEROT.

Mr. Chairman, I now move into the colloquy between the chairman and the ranking member, if I might.

Am I correct that the gentleman from California (Mr. LEWIS) and the gentleman from Pennsylvania (Mr. MURTHA) are committing to work with the gentleman from Connecticut (Mr. SHAYS) and me to secure additional funding for Gulf War Illness research when the bill goes to conference?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, the gentleman from Vermont and the gentleman from Connecticut have both been very active in the fight for a cure and treatment of Gulf War Illness for many years, and the committee will work with both of them to increase funding for research in this area.

Mr. SANDERS. Does that commitment include the gentleman's willingness to support higher funding for Gulf War Illness research that might be included in the Senate version of the bill?

Mr. LEWIS of California. Yes.

Mr. SANDERS. Mr. Chairman, would the gentlemen be willing to work with the gentleman from Connecticut (Mr. SHAYS) and me to develop conference report language that would indicate the conference's expectation that the Department of Defense make a significant commitment to continue the breakthrough research which has recently indicated that the neurological damage associated with Gulf War Illness is caused by low-level chemical exposure?

Mr. LEWIS of California. Yes.

Mr. SANDERS. Mr. Chairman, I want to thank the chairman and the gentleman from Pennsylvania (Mr. MURTHA) very, very much for their support for this important breakthrough.

Mr. SHAYS. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Connecticut.

Mr. SHAYS. Mr. Chairman, I just take the floor to thank both the chairman and ranking member for their assistance.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OPERATION AND MAINTENANCE, NAVY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed $4,525,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes, $29,570,090,000.

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law, $3,605,815,000.

OPERATION AND MAINTENANCE, AIR FORCE

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed $7,699,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes, $27,994,110,000: *Provided*, That notwithstanding any other provision of law, that of the funds available under this heading, $750,000 shall only be available to the Secretary of the Air Force for a grant to Florida Memorial College for the purpose of funding minority aviation training.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments), as authorized by law, $17,346,411,000, of which not to exceed $25,000,000 may be available for the Combatant Commander Initiative Fund; and of which not to exceed $40,000,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: *Provided*, That notwithstanding any other provision of law, of the funds provided in this Act for Civil Military programs under this heading, $500,000 shall be available for a grant for Outdoor Odyssey, Roaring Run, Pennsylvania, to support the Youth Development and Leadership program and Department of Defense STARBASE program: *Provided further*, That of the funds made available under this heading, $3,000,000 shall be available only for a Washington-based internship and immersion program to allow U.S. Asian-American Pacific Islander undergraduate college and university students from economically disadvantaged backgrounds to participate in academic and educational programs in the Department of Defense and related Federal defense agencies: *Provided further*, That none of the funds appropriated or otherwise made available by this Act may be used to plan or implement the consolidation of a budget or appropriations liaison office of the Office of the Secretary of Defense, the office of the Secretary of a military department, or the service headquarters of one of the Armed Forces into a legislative affairs or legislative liaison office: *Provided further*, That $4,000,000, to remain available until expended, is available only for expenses relating to certain classified activities, and may be transferred as necessary by the Secretary to operation and maintenance appropriations or research, development, test and evaluation appropriations, to be merged with and to be available for the same time period as the appropriations to which transferred: *Provided further*, That any ceiling on the investment item unit cost of items that may be purchased with operation and maintenance funds shall not apply to the funds described in the preceding proviso: *Provided further*, That the transfer authority provided under this heading is in addition to any other transfer authority provided elsewhere in this Act.

☐ 1530

Mr. KENNEDY of Rhode Island. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will just take a minute. I want to thank the chairman and the ranking member for working with me and with other of my colleagues, the gentlewoman from Connecticut (Ms. DELAURO), certainly the gentleman from Washington (Mr. BAIRD). We have been working throughout the last several months on addressing the issue of our veterans from our war, both in Afghanistan and Iraq and other places where they are fighting around the world, and like every other conflict, we have had to learn this lesson over and over again, that in the course of battle, our men and women in uniform are not only injured, their legs are not only injured, their arms are not only injured, their other body parts are not only injured, but their psyche is injured as well.

And one of the things that we are very concerned about is any time you put a human being in the conditions that our young men and women are being called on to serve in, that you really jeopardize their psychological well-being. They come back, and many people would say, well, they do not look like they are injured. We do not see any injury. Then they must not be injured.

Quite frankly, Mr. Chairman, we have seen in the Vietnam War, in World War II, in World War I, it was called shell shock. It has been called post-traumatic stress disorder, and we are worried that in this war we do not learn from the lessons of the past and not put together the best ability in order to address this issue when our veterans are returning home to this country, particularly our Gulf War veterans, who are in the Guard and Reserve, because many of them when they come back, they go right back to civilian life with very little transition between the time they were in active combat and the time that they are back in their regular lives.

And what concerns me, Mr. Chairman, is that we need to do more to make sure that they are reviewed properly before they are released from the military to ensure that any potential wounds that they may have suffered in the course of the battle that they have fought on behalf of this country, that those wounds be tended to just as much as the other wounds they may have suffered throughout the Gulf War.

I thank the Chairman for the time. I look forward to continuing to work with the chairman and ranking member to make sure we address this issue in the coming months.

Ms. MILLENDER-McDONALD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to engage in a colloquy on the coordination of the Defense Department's Family Advocacy Program and the Veteran Administration's Transition Assistance Program.

Last year on the floor, as you may recall, you accepted my amendment to the supplemental bill, H.R. 3289, to put $50 million into the Family Advocacy Program. My intent was to provide resources for families who have loved ones transitioning back into civilian life or military life. The Family Advocacy Program provides support services to families that are transitioning from the front line to the home front. This additional funding enables military families to get personal and marriage counseling, which will work to reduce the incidence of domestic violence and suicide among the military.

As we are all aware, domestic violence occurs within all groups and levels of society. However, the military presents families with particular challenges not normally found in civilian society.

Today I want to take this issue a step further. The Veterans Administration oversees a similar program, the Transition Assistance Program, which provides a variety of transition services for military members and their spouses, including computerized job banks, resume writing assistance and help with the employment interviewing process. These transition services are made available to military spouses and family members without restrictions.

Mr. Chairman, it is well known that one of the leading contributors to domestic violence is financial troubles at home. It is my hope that coordinating these two programs, these two agencies, we can get more out of our resources and provide more comprehensive services and assistance to our men and women who are transitioning back into society. I ask that the Defense Department and the Veterans Administration work jointly in providing a report to Congress that outlines a strategic plan in which these two agencies and programs can better coordinate these very important transition services.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Operation and Maintenance, Army Reserve

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $1,976,128,000.

Operation and Maintenance, Navy Reserve

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $1,233,038,000.

Operation and Maintenance, Marine Corps Reserve

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $187,196,000.

Operation and Maintenance, Air Force Reserve

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications, $2,227,190,000.

Operation and Maintenance, Army National Guard

For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft), $4,376,886,000.

Operation and Maintenance, Air National Guard

For expenses of training, organizing, and administering the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; transportation of things, hire of passenger motor vehicles; supplying and equipping the Air National Guard, as authorized by law; expenses for repair, modification, maintenance, and issue of supplies and equipment, including those furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, for Air National Guard commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau, $4,438,738,000.

Overseas Contingency Operations Transfer Account

(INCLUDING TRANSFER OF FUNDS)

For expenses directly relating to Overseas Contingency Operations by United States military forces, $5,000,000, to remain available until expended: *Provided*, That the Secretary of Defense may transfer these funds only to military personnel accounts; operation and maintenance accounts within this title; the Defense Health Program appropriation; procurement accounts; research, development, test and evaluation accounts; and to working capital funds: *Provided further*, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period, as the appropriation to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further*, That the transfer authority provided in this paragraph is in addition to any other transfer authority contained elsewhere in this Act.

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES

For salaries and expenses necessary for the United States Court of Appeals for the Armed Forces, $10,825,000, of which not to exceed $5,000 may be used for official representation purposes.

ENVIRONMENTAL RESTORATION, ARMY

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Army, $400,948,000, to remain available until transferred: *Provided*, That the Secretary of the Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Army, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

ENVIRONMENTAL RESTORATION, NAVY

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Navy, $266,820,000, to remain available until transferred: *Provided*, That the Secretary of the Navy shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Navy, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Navy, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

ENVIRONMENTAL RESTORATION, AIR FORCE

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Air Force, $397,368,000, to remain available until transferred: *Provided*, That the Secretary of the Air Force shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Air Force, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Air Force, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

ENVIRONMENTAL RESTORATION, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

For the Department of Defense, $26,684,000, to remain available until transferred: *Provided*, That the Secretary of Defense shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of Defense, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of Defense, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Army, $216,516,000, to remain available until transferred: *Provided*, That the Secretary of the Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris at sites formerly used by the Department of Defense, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

Mr. BLUMENAUER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, earlier I had mentioned my concerns about Congress no longer being missing in action when it comes time to clean up unexploded ordnance.

It is astounding to me how little awareness there is on the part of most of my colleagues how dire the situation is and how serious it is around the country. I have here one chart, Mr. Chairman, that speaks to the sites that we have, number of properties in various States and the territories around the country. One can see that it is every State in the union, every territory, and we are having a serious situation now, Mr. Chairman, in terms of losing ground. We have 2,300 sites, and we are still counting. At today's rate, it will take between 75 and 300 years in order to clean these up.

There have been references to our doing the best we can, and I agree. There are lots of efforts that have been undertaken to try and deal with this problem, but how it breaks out in terms of these 2,300 sites around the country, we are dealing here with only $204 million total in proposed budget for 2005. That is less than we had in 2003 by a substantial margin, barely more than we had last year. Even though inflation continues, the costs go up.

If I can put it in perspective, in terms of where we are spending the money, I have a chart here in terms of how much we are spending. We have 52 of these sites where we are spending $.5 million. Basically, it is kind of hold your own. It is kind of a maintenance effort. There are less than 2 dozen sites that are funded for over $1 million. And, Mr. Chairman, if this chart was to scale, the number of sites that we are spending nothing on would go from the bottom all the way to the ceiling, over 1,400 sites.

This is serious business. In Southern California, there were two 8-year-old boys who were injured after discovering a live shell in Terra Sana, a northern San Diego neighborhood. Following the tragedy, the Navy swept 300 acres and discovered 184 shells. This was, sadly, 20 years ago, the tragedy that killed those two boys. When I took to the floor yesterday, I talked about a situation in North Carolina, right now at Fort Butner, where a family is forced to move out of their home when they find a bomb in the front yard, a year and a half later they cannot live in it, they cannot sell it, and they are on the verge of bankruptcy.

There are thousands of acres around there that are now in private hands and are being sold where there will be liability in the future.

Here in Washington, D.C., a 30-minute bicycle ride from where we are standing right now, on the campus of American University, is the site of where we manufactured and tested chemical weapons during World War I. They are still working on it. Three times they thought they were done. They just recently extended the deadline between 2008 and 2010. And you know what, they are stopping work this year because there is not enough money to finish the job. The child care center at American University is still vacant because of the arsenic levels. It has not been fully cleared to be used. And they are working in home after home in some of the most expensive neighborhoods in our Nation's Capital.

I could go on at great length, going over the problems that are here that we are not addressing. I would offer up an amendment that would permit us to move in the direction of being able to have some wide area assessment so that we can go out and at least clear some of these properties so that they will no longer have to be off limits.

I invite you to look at some of the material that is being put out by the Corps of Engineers: Coloring books for children telling them not to pick up unexploded ordnance. Now, I am sorry, Larry the Lizard is a great guy, but he is no substitute for Congress stepping up and putting money behind the cleanup on our public lands.

Three times since I have been in Congress, we have had to pull firefighters out of the forests because the heat has exploded bombs around them. From New York to Arizona to Alaska. I would respectfully suggest the adoption of this amendment so that we can have some opportunity to clear millions of acres so that at least we will not have to have Larry the Lizard telling our children what they have to do when they visit our Nation's parks.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Overseas Humanitarian, Disaster, and Civic Aid

For expenses relating to the Overseas Humanitarian, Disaster, and Civic Aid programs of the Department of Defense (consisting of the programs provided under sections 401, 402, 404, 2557, and 2561 of title 10, United States Code), $59,000,000, to remain available until September 30, 2006.

Former Soviet Union Threat Reduction Account

For assistance to the republics of the former Soviet Union, including assistance provided by contract or by grants, for facilitating the elimination and the safe and secure transportation and storage of nuclear, chemical and other weapons; for establishing programs to prevent the proliferation of weapons, weapons components, and weapon-related technology and expertise; for programs relating to the training and support of defense and military personnel for demilitarization and protection of weapons, weapons components and weapons technology and expertise, and for defense and military contacts, $409,200,000, to remain available until September 30, 2007.

AMENDMENT NO. 8 OFFERED BY MS. WOOLSEY

Ms. WOOLSEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Ms. Woolsey:

Page 19, line 4, after the dollar amount insert the following: "(increased by $15,000,000)".

Page 33, line 19, after the dollar amount insert the following: "(reduced by $15,000,000)".

Ms. WOOLSEY. Mr. Chairman, my amendment to the defense appropriation bill will increase funds by $15 million for the Cooperative Threat Reduction, CTR, program, known here as Nunn-Lugar. This program has succeeded at reducing the number of nuclear weapons in the States of the former Soviet Union. My amendment will take $15 million from the Missile Defense Program, the single largest defense program in our Nation's history, and transfer it to CTR. We are taking funds from a program that has not been proven successful and we are transferring them to a program that has been proven extremely successful.

Mr. Chairman, in November 1991, to address the massive quantity of nuclear material left over in the former Soviet Union, Congress initiated CTR, and as I said, commonly referred to as the Nunn-Lugar program. CTR enlists the Department of Defense with the task of dismantling nuclear warheads, reducing nuclear stockpiles, securing nuclear weapons and materials in the former Soviet Union and elsewhere. The Defense Authorization Act of 2004 specifically authorized $50 million for proliferation threat reduction projects outside the former Soviet Union.

□ 1545

The extra $15 million for CTR could be used to engage Iran and North Korea. It would take the first steps toward working to demolish their nuclear weapons and infrastructure.

Mr. Chairman, in 1991, an estimated 30,000 nuclear weapons existed throughout the former Soviet Union. These conditions raised the serious concern that nuclear materials could be smuggled beyond the borders of the former Soviet Union or that Soviet nuclear scientists might be able to export their expertise or actual nuclear materials to rogue nations or terrorist groups.

Mr. MURTHA. Mr. Chairman, will the gentlewoman yield?

Ms. WOOLSEY. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, we have $409 million in this program. I think it is premature what she asks here. But if the gentlewoman would withdraw her amendment, we will certainly take it into consideration and try to work something out here because there is no question it could be a problem in the future, and I think what she is addressing is a very important issue. But I think it would be premature, and I hate to see her turned down when we have got $409 million there.

If the gentlewoman would withdraw the amendment, I assure her we will do everything we can to work something out in relation to what she is trying to do, which would be to put $15 million into Iran in case it comes up, or Iraq. I do not anticipate it is going to come up on Iraq, but certainly Iran.

Ms. WOOLSEY. And North Korea.

Mr. MURTHA. And North Korea, absolutely.

Ms. WOOLSEY. Mr. Chairman, I will withdraw my amendment and save everybody a lot of time. Is the chairman willing to talk with me on this, too?

Mr. LEWIS of California. If the gentlewoman will yield, I will be very happy to work with the gentlewoman. I appreciate her withdrawing her amendment.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE III

PROCUREMENT

Aircraft Procurement, Army

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $3,107,941,000, to remain available for obligation until September 30, 2007, of which $320,600,000 shall be for the Army National Guard and Army Reserve.

Missile Procurement, Army

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $1,327,000,000, to remain available for obligation until September 30, 2007, of which $29,400,000 shall be for the Army National Guard and Army Reserve.

Procurement of Weapons and Tracked Combat Vehicles, Army

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $2,773,695,000, to remain available for obligation until September 30, 2007, of which $13,700,000 shall be for the Army National Guard and Army Reserve.

Procurement of Ammunition, Army

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $1,608,302,000, to remain available for obligation until September 30, 2007, of which $215,900,000 shall be for the Army National Guard and Army Reserve.

Other Procurement, Army

For construction, procurement, production, and modification of vehicles, including tactical, support, and non-tracked combat vehicles; the purchase of passenger motor vehicles for replacement only; communications and electronic equipment; other support equipment; spare parts, ordnance, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $4,868,371,000, to remain available for obligation until September 30, 2007, of which $900,000,000 shall be for the Army National Guard and Army Reserve.

Aircraft Procurement, Navy

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, $8,841,824,000, to remain available for obligation until September 30, 2007, of which $89,846,000 shall be for the Navy Reserve and Marine Corps Reserve.

Weapons Procurement, Navy

For construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, and related support equipment including spare parts, and accessories therefor; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, $1,993,754,000, to remain available for obligation until September 30, 2007.

Procurement of Ammunition, Navy and Marine Corps

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $885,340,000, to remain available for obligation until September 30, 2007, of which $27,130,000 shall be for the Navy Reserve and Marine Corps Reserve.

Shipbuilding and Conversion, Navy

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, as follows:

Carrier Replacement program (AP), $626,084,000;

NSSN, $1,581,143,000;

NSSN (AP), $871,864,000;

SSGN, $469,226,000;

SSGN (AP), $48,000,000;

CVN Refueling Overhauls (AP), $333,061,000;

SSN Submarine Refueling Overhauls (AP), $19,368,000;

SSBN Submarine Refueling Overhauls, $262,229,000;

SSBN Submarine Refueling Overhauls (AP), $63,971,000;

DDG–51 Destroyer, $3,444,950,000;

DDG–51 Destroyer (AP), $125,000,000;

DDG–51 Modernization, $100,000,000;

LHD–8, $236,018,000;

LPD–17, $966,559,000;

LCU(X), $25,048,000;

Service Craft, $38,599,000;

LCAC Landing Craft Air Cushion SLEP, $90,490,000;

Prior year shipbuilding costs, $484,390,000; and

For outfitting, post delivery, conversions, and first destination transportation, $403,327,000.

In all: $10,189,327,000, to remain available for obligation until September 30, 2009: *Provided*, That additional obligations may be incurred after September 30, 2009, for engineering services, tests, evaluations, and other such budgeted work that must be performed in the final stage of ship construction: *Provided further*, That none of the funds provided under this heading for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign facilities for the construction of major components of such vessel: *Provided further*, That none of the funds provided under this heading shall be used for the construction of any naval vessel in foreign shipyards.

Other Procurement, Navy

For procurement, production, and modernization of support equipment and materials not otherwise provided for, Navy ordnance (except ordnance for new aircraft, new ships, and ships authorized for conversion); the purchase of passenger motor vehicles for replacement only; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, $4,980,325,000, to remain available for obligation until September 30, 2007, of which $37,373,000 shall be for the Navy Reserve and Marine Corps Reserve: *Provided*, That funds available in this appropriation may be used for TRIDENT modifications associated with force protection and security requirements.

Procurement, Marine Corps

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, military equipment, spare parts, and accessories therefor; plant equipment, appliances, and machine tools, and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; vehicles for the Marine Corps, including the purchase of passenger motor vehicles for replacement only; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, $1,462,703,000, to remain available for obligation until September 30, 2007, of which $55,608,000 shall be available for the Marine Corps Reserve.

Aircraft Procurement, Air Force

For construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things, $13,289,984,000, to remain available for obligation until September 30, 2007, of which $303,700,000 shall be available for the Air National Guard and Air Force Reserve: *Provided*, That amounts provided under this heading shall be used for the procurement of 15 C–17 aircraft: *Provided further*, That amounts provided under this heading shall be used for the advance procurement of not less than 15 C–17 aircraft: *Provided further*, That the Secretary of the Air Force shall fully fund the procurement of not less than 15 C–17 aircraft in fiscal year 2006.

Missile Procurement, Air Force

For construction, procurement, and modification of missiles, spacecraft, rockets, and related equipment, including spare parts and accessories therefor, ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things, $4,425,013,000, to remain available for obligation until September 30, 2007.

Procurement of Ammunition, Air Force

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes, $1,346,557,000, to remain available for obligation until September 30, 2007, of which $150,500,000 shall be for the Air National Guard and Air Force Reserve.

Other Procurement, Air Force

For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of passenger motor vehicles for replacement only; lease of passenger motor vehicles; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon, prior to approval of title; reserve plant and Government and contractor-owned equipment layaway, $13,199,607,000, to remain available for obligation until September 30, 2007, of which $198,300,000 shall be for the Air National Guard and Air Force Reserve.

PROCUREMENT, DEFENSE-WIDE

For expenses of activities and agencies of the Department of Defense (other than the military departments) necessary for procurement, production, and modification of equipment, supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of passenger motor vehicles for replacement only; expansion of public and private plants, equipment, and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway, $3,028,033,000, to remain available for obligation until September 30, 2007.

DEFENSE PRODUCTION ACT PURCHASES

For activities by the Department of Defense pursuant to sections 108, 301, 302, and 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2078, 2091, 2092, and 2093), $27,015,000, to remain available until expended.

TITLE IV

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, $10,220,123,000, to remain available for obligation until September 30, 2006: *Provided*, That of the amounts provided under this heading, $10,000,000 for Molecular Genetics and Musculoskeletal Research in program element 0602787A shall remain available until expended.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, $16,532,361,000, to remain available for obligation until September 30, 2006: *Provided*, That funds appropriated in this paragraph which are available for the V–22 may be used to meet unique operational requirements of the Special Operations Forces: *Provided further*, That funds appropriated in this paragraph shall be available for the Cobra Judy program.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, $21,033,622,000, to remain available for obligation until September 30, 2006.

Mr. LEWIS of California (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill through page 33, line 9, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. OLVER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today simply to applaud the gentleman from California (Mr. LEWIS) and the gentleman from Pennsylvania (Mr. MURTHA) for including the appropriation that was added in the supplemental portion of this bill to deal with the humanitarian crisis in the Darfur region of Sudan. By adding $70 million in disaster and famine relief and another $25 million for refugee aid, we are addressing the most immediate and urgent human rights and humanitarian disaster in the world today.

Mr. Chairman, the Janjaweed, a Sudanese Government-backed militia, is committing human rights atrocities on a massive scale in Darfur and the population there is in grave danger. Hundreds of villages have been razed, thousands of women have been raped and branded, and crops have been systematically destroyed. More than 1 million people have been forced to flee their homes and an estimated 30,000 people have been killed. According to the U.N., it will require $250 million to save the lives of the 2 million people that it estimates are now in acute need.

The Sudanese Government has a 15-year record of curbing genocidal activity only when it becomes the source of public condemnation and exposure. By approving these emergency funds today, the House sends a message to the Sudanese regime in Khartoum that it must stop the genocide in Darfur.

I again applaud the chairman and the ranking member for including this funding in this legislation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment, $20,851,271,000, to remain available for obligation until September 30, 2006.

AMENDMENT NO. 3 OFFERED BY MR. BLUMENAUER

Mr. BLUMENAUER. Mr. Chairman, I offer an amendment.

The Chairman. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. BLUMENAUER:

Page 33, line 19, insert after the dollar amount the following: "(reduced by $5,000,000)(increased by $5,000,000)".

Mr. LEWIS of California. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

The CHAIRMAN. A point of order is reserved.

Mr. BLUMENAUER. Mr. Chairman, what I am suggesting in this regard is to redirect a mere $5 million from the research account to be able to deal with the wide area assessment. This is one of the numerous studies. This was done by the Defense Science Board task force on unexploded ordnance. This is for the Department of Defense itself. They have been looking under the direction of the Office of the Under Secretary of Defense, what do you do with the 10 or 15 million acres? Remember a few minutes ago I talked about "Larry the Lizard," the coloring book to try and tell children not to pick up exploded ordnance. There is a way that we can find out where the problems exist and what the unexploded ordnance report for the Defense Science Board concluded was having a wide area assessment.

What they recommended was to do $200 million a year. With $200 million a year over 5 years, we could assess 10 million acres. That would not tell us what type of ordnance is under the acres that are polluted, but what it would do would tell us areas that there is not ordnance. Their estimate is that by doing this simple billion dollars over 5 years, $200 million a year, we could open up 8 million acres that could be used safely. We would not have to be telling kids through Larry the Lizard. Or I have a great one here that tells people when they go to the park in the Jefferson proving area in Indiana that you have to sign a waiver to use the park because of exploded ordnance, and they tell you if you find unexploded ordnance on the trail, do not use your cell phone because it might detonate it, in our Nation's parks.

With all due respect, I would suggest that by starting with a simple assessment, not $200 million but merely $5 million, so my colleagues would actually see that it works, that we can have an opportunity to start eliminating, because $5 million, frankly, is a scandal in my judgment, out of over $400 billion, we can protect our children, we can protect our forest rangers, our firefighters and be able to do an assessment that would take it all.

Mr. Chairman, I would respectfully request the adoption of this amendment to have $5 million for the pilot study on the wide area assessment. But I hope that this minimal initial step is something that will encourage the House of Representatives to start taking this seriously and not consign Larry the Lizard to take care of our children or wait a quarter of a millennium or more to do what we should be doing today.

I urge the adoption of the amendment.

Mr. LEWIS of California. Mr. Chairman, first I withdraw my point of order.

The CHAIRMAN. The point of order is withdrawn.

Mr. LEWIS of California. Mr. Chairman, I move to strike the last word. I am very empathetic to the gentleman's concern as expressed here. We have discussed it on many occasions between the two of us. The fact is that currently the DOD is spending some $200 million a year in this arena. There is $204 million already in the bill. It seems senseless to me to say withdraw $5 million from other accounts and pass it here. It seems to me that this is unnecessary; and because of that, I would oppose the amendment.

Mr. BLUMENAUER. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Oregon.

Mr. BLUMENAUER. Mr. Chairman, the point I was trying to make earlier, with all due respect, is that the couple of hundred million dollars that we have here leaves the vast majority of sites with no expenditure whatsoever. Over 1,400, no expenditure. I just mentioned on the floor that we are having to suspend the work on the campus of American University and in Spring Valley because they are running out of money.

My question is, why should we be continuing to play this sort of shell game when for a reasonable expenditure of funds we could clear 8 million acres or more from having this signage and having this risk?

Mr. LEWIS of California. Mr. Chairman, I am very empathetic to the Member's expression of concern in this arena. There is report language in the bill that says the following that I would bring to his attention:

"The Defense Science Board and the General Accounting Office both express concerns with the efficiency of the Department of Defense plan for remediation of UXO, unexploded ordnance. Therefore, in the fiscal year 2005 DOD appropriations report, we have requested a comprehensive plan and cost estimates from the department on all identified sites by April 1, 2005."

We are attempting, Mr. Chairman, to deal with this problem by dealing with the Department. We recognize that they are not as efficient as we might like.

Mr. BLUMENAUER. If the gentleman will yield further, I have four studies here now from 2001 that detail the deficiencies and inadequacies of the program. I am wondering what the gentleman expects to be accomplished by one more study that has not been already highlighted, documented and discussed with the gentleman and the committee over the course of the last 4 years?

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. I would just say to the gentleman, we are trying to figure out exactly what he wants to do because no one has been more on the forefront of this particular issue than he has. We want to help him. We understand it. We know how serious it is. We have done this in a number of different places. If this will clear 8 million acres, we certainly want to help.

If the gentleman will withdraw his amendment, we will find a way to take care of his 8 million acres.

Mr. BLUMENAUER. The amount of money that is required according to the Defense Science Board to be able to do the 10 million acres which could free up an estimated 8 million is $200 million a year. The $5 million that I was talking about was a pilot study that would maybe demonstrate to people the effectiveness of it. It is not going to solve the problem at all, but it would move us in a direction so that maybe we could demonstrate to people the effectiveness and we could get to the point where we are spending serious money. My colleagues know what serious money is. They spend billions. They spend billions on things that are controversial even within defense experts. I am trying to get a little bit of money, serious money but small in the scheme of things, that would actually make a difference. I do not know if that is responsive.

Mr. MURTHA. I would hope we would be able to work this out. I do not know if we will add to the $204 million, but we certainly can take this $5 million if the gentleman thinks it is this important. He has been involved in this for so long. We will try to work it out. Otherwise, we go to a vote, and whether you win or not, I do not know; but the point is, we will try to work it out.

Mr. BLUMENAUER. I appreciate the gentleman's offer of help.

Mr. LEWIS of California. As we have discussed before, I am always willing to try to help the gentleman.

Mr. MURTHA. Mr. Chairman, I move to strike the requisite number of words, and I yield to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, what I am trying to get at is to not be at the same place next year that we are now. Last year we were trying to get a little money for research, but we were trying to focus some attention so we would do more. Where I see the problem is that we are actually spending less than we did 2 years ago, that we have reasonable proposals from the Department of Defense for doing something about it, and now I am back here hearing that here is $5 million for a pilot project and we will have a study and come back next year.

Mr. MURTHA. Wait a minute. The gentleman says it is a little project. This is a project you are advocating. This is not a little project. It is a project you are advocating. It is $5 million.

Mr. BLUMENAUER. I wanted to explain what I hope to accomplish. My goal is to be in a situation where we can actually make some significant progress for expenditures to solve the problem, not to continue to study it or to do tests.

□ 1600

I appreciate the courtesy that has been offered by the Chair and ranking member to try to help out for 5 million. I am trying to respond to this question about what I am trying to achieve. I do not want to be back here next year and see the funding level going down, the cost going up, needs unmet, and people looking at me like it is hard to understand what I am trying to achieve. That is what I am trying to do.

Mr. MURTHA. We want to help.

Mr. BLUMENAUER. Mr. Chairman, I will seek to work with the committee, but my ironclad commitment is to help make sure that there is a way that we focus on the floor so we are not back here with another study and a pilot project, no increase in funding and a problem that continues to get worse year after year after year.

Mr. CASE. Mr. Chairman, I rise today in support of the amendments offered by my distinguished colleague, the gentleman from Oregon, Mr. BLUMENAUER, relative to unexploded ordnance. I completely agree with the underlying assertion of his amendments that our country is failing its obligation to clean up unexploded ordnance (UXO) throughout our states and in fact, throughout the world.

My own Hawai'i is a classic example. Our military has made extensive use of my state for military training and preparedness for at least a century, and we in Hawai'i accept that use as an obligation that we owe to our country.

However, according to the Department of Defense's FY2002 Defense Environmental Restoration Program Annual Report to Congress, today there remain throughout Hawai'i over fifty Department of Defense-registered locations that have not been cleaned up, presenting ongoing public safety risks. These include 10 separate sites at Lualualei Naval Magazine on the Waianae Coast, one ten acre site at the Pacific Missile Range Facility at Barking Sands on the island of Kaua'i, five sites at Marine Corps Base Hawai'i at Kaneohe Bay, four sites on the island of Lana'i, and many smaller locations throughout the state. I can only believe that there are a number of other states in the same situation.

Let me take the specific example of the military's past use of a large portion of the Island of Hawai'i in and around the current residential communities of Waimea and Waikoloa. During and after World War II, the United States military, primarily the Navy and Marine Corps, utilized an area of approximately 123,000 acres on the western side of the Island of Hawai'i as an artillery range, military training camp, and general military grounds. This former Waikoloa Maneuver/Nansay Combat Range lies in and around the Coast resort area, and remains littered with related debris including UXO. This UXO has already resulted in civilian deaths and injuries and represents a continuing threat to residents and visitors and renders large portions of the area effectively unusable.

In 1992, the United States Army Corps of Engineers determined that the site was eligible for the Defense Environmental Restoration Program for designation as a Formerly Used Defense Site (FUDS). In 2002, the Corps completed an engineering evaluation/cost analysis which designated the entire site for potential ordnance health and safety risk and estimated total cleanup at an excess of $600,000,000.

Of that amount, the Corps analysis estimated cleanup costs for the three highest areas of potential risk, in and immediately adjacent to existing and pending residential communities at $250,000,000. A comprehensive plan for utilization of such funds to those purposes requested by the Senate Armed Services Committee (SASC Report 107–151), completed, and submitted to the Secretary of the Army. Same amounts have been expended and other have been allocated in effectuation of that plan, but much less of the $250,000,000 estimate and far short then the estimated costs of total cleanup in excess of $600,000,000.

On April 12, 2004, I met with officials from the United States Army Corps of Engineers on the Big Island of Hawai'i. At that meeting, I was given an update on the Corps of Engineers' ongoing efforts to clear high priority sites within the Waikoloa Maneuver Area. A small project now underway has begun to clear UXO around Waikoloa Village and Waimea Town—two relatively populated areas on the Big Island. This cleanup project is located in an area that was once used as a military training camp and artillery range.

Both on and off the record, I have heard many excuses about the reasons we cannot fund UXO: the war, the deficit, the President's tax cuts. But, these excuses and past Congressional and Executive mishandling of the UXO issue are no excuse for the country—for this Congress—to ignore a concept espoused by parents, coaches and camp counselors alike: Leave any place you visited cleaner than when you arrived. The Army Corps of Engineers is ready and willing to begin the process of cleanup; it is now up to all of us in Congress to appropriate the funds for this much-needed action.

Mr. Chairman, our military needs places where they can train fully to protect our country, but when they've completed their mission it's only right that they clean up and assure that those of us that come after them can use the land safely. These amendments offered by the gentleman from Oregon are an essential first step towards cleaning up the many communities which are littered with UXO. I urge their adoption by the House.

Mr. BLUMENAUER. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. The Committee will rise informally to receive a message from the President.

The SPEAKER pro tempore (Mr. SIMPSON) assumed the Chair.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Ms. Wanda Evans, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2005

The Committee resumed its sitting.

AMENDMENT OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. JACKSON-LEE of Texas:

Page 33, line 19, after the dollar amount insert the following: "(reduced by $10,000,000)".

Page 35, lines 20 and 21, after the dollar amounts insert the following: "(increased by $10,000,000)".

Ms. JACKSON-LEE of Texas (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

Ms. JACKSON-LEE of Texas. Mr. Chairman, to the chairman of the subcommittee, first of all, let me add my appreciation as well for the years of service that we can count on Members with his kind of commitment to do their very best, and we thank him very much. As usual as well, let me add my appreciation to the gentleman from Pennsylvania (Mr. MURTHA), who has not only been both committed and dedicated with his expertise but has been forthright in some of the very difficult times that we have faced over the last 2 years.

9/11 changed America. It changed the way we wage wars. It changed the way we dealt with conflicts. And as we have seen over the last 2 years, it seemed the number of service personnel that we have utilized in conflicts in Afghanistan and Iraq in particular. Over the last year, we have seen a number of statistics that frighten and concern us. One, the question and debate about whether or not we need more personnel both in Afghanistan and Iraq, continuing debate about whether we should have a draft or continue in the volunteer army as we have, the continuing debate about Reservists and National Guard.

But one thing glares very loudly, and that is the high degree of suicides in the war of Iraq, the terrible tragedies that have occurred in some of our Reservists or returning soldiers who have come home.

Mr. MURTHA. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, we know she has been at the forefront of this issue. We know that so many service people have been affected by the fact they have been overseas, and then they come home, and in the bill last year we said when they come home, each person has to be counseled. We found that they have not been counseled. The gentlewoman from Connecticut (Ms. DELAURO) has some language, which the chairman accepted, in mental health and the same type of thing. What the gentlewoman is trying to do we agree with completely. If the gentlewoman will withdraw her amendment, we will do everything we can to make sure this gets done.

Ms. JACKSON-LEE of Texas. Mr. Chairman, reclaiming my time, let me thank him very much.

As I was saying, the number of suicides and the number of family incidences that have occurred by our Reservists and others indicate, Mr. Chairman, that this need for mental health services is very important. I would only say that representing a veterans hospital, I can assure him that the need for increased dollars there be to treat veterans is important. I would look forward then to working with him on the mental health resources. I appreciate the language that has been put on by the gentlewoman from Connecticut (Ms. DELAURO).

As a Chair of the Children's Caucus, let me say that we have dealt with mental health issues. What greater population is impacted than families? Women and children were impacted by this when returning. Soldiers come home, and might I say women, men, and children because, as we know, men and women come home from the conflict.

I would like to be able to withdraw this amendment with the understanding, of course, and working with the chairman on this idea that mental health is part of defense, mental health for our personnel is part of defense, and I hope that we will be able to work on adding new resources for that.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

AMENDMENT OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. JACKSON-LEE of Texas:

Page 33, line 19, insert after the dollar amount the following: "(reduced by $10,000,000)".

Page 129, line 7, insert after the dollar amount the following: "(increased by $10,000,000)".

Ms. JACKSON-LEE of Texas. Mr. Chairman, this issue speaks particularly to comments made earlier on the floor today, and I again add my appreciation to the chairman of the Defense Subcommittee of the Committee on Appropriations and as well the ranking member, and I add my appreciation to the Foreign Operations, Export Financing and Related Programs Subcommittee. All of them worked very hard on this issue, and that is of course the terrible tragedy that is going on in Darfur in Sudan. We do know that right now there are negotiations and a final peace treaty dealing with the western part of Sudan. There are negotiations and settlement going on in Kenya. But we also recognize those of us who are concerned on human rights and the needs of children around the world of the terrible tragedy and displacement of the black Muslims in the Sudan.

Four hundred thousand moving to Chad; some 30,000 a day dying. We appreciate the $95 million that has been placed in this defense bill, but let me add why I would like to add the extra $10 million.

We know that the Sudan is also where al Qaeda is both lodged and festering. We also know that Sudan is a country that has faced terrorism and has the elements of terrorists engaged or placed in their country. While we try to establish humanitarian needs, I think it is important that when we place humanitarian needs and resources there, we help fight the terrorists. I want to make sure that we have the necessary funds to the very penny to allow for the equipment to come in that is necessary for potable water, for the villages that have been pillaged and burned to be rebuilt, for the security forces to be there.

This is a crisis, and it is interesting to note that while we are settling one aspect, we are in the crises in the eastern part of Sudan. That is what these resources are for, and I would hope that my colleagues will look favorably on an additional increase of dollars that would take from the resources on the missile defense, which is extremely hard and large, to help quell terrorism by going into the homesite of al Qaeda and working with those who are trying to survive and trying to restore their lives.

Mr. MURTHA. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, we certainly appreciate what she is saying. We will take a look at it in conference, and I hope that the gentlewoman would withdraw this amendment, but we will certainly take a look at it.

I see exactly what she is talking about and we have that problem. Sometimes we put humanitarian aid, and we do not have the resources to get it to the people who really need it, and al Qaeda and the terrorists actually use the money to their benefit. So I appreciate what she is saying, and we will certainly take a look at this in conference.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for his response.

Reclaiming my time, as the chairman well knows, Sudan has been a hosting place for terrorists, but we are trying to help solve that problem in Darfur, and I want to make sure that we have all the resources we need.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, we had quite a discussion in the full committee regarding this matter. The problem in Sudan is very real, and we are going to do everything we can to work with the gentlewoman. I appreciate not just her expressing her concern but helping us with this very serious difficulty.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank both the chairman and the ranking member for their comments.

I also want to make mention my greatest appreciation for the Foreign Operations, Export Financing and Related Programs Subcommittee and note that the Members that were already mentioned on the floor of the House have worked on this issue. I add my appreciation with that and being able to work with the conference committee, recognizing that all is not well in Sudan, all is not well with the government, and nothing is perfect, but that if we can be one small measure of fighting against terrorism but helping innocent people, we should do so. With that, and working with the conference committee and the ranking member and the chairman, I will withdraw this amendment.

Mr. Chairman, I rise today to introduce an amendment calling for an extra $10,000,000 in funds to be provided to the "International Disaster and Famine Assistance" Account. I request this increase for one simple reason, I feel we need more funds set aside for potential international catastrophes or famines. Although the current allocation of $70,000,000 is noble, I feel more can and should be done.

We as a nation are blessed with many gifts and attributes. We live in a safe and stable environment where freedom is cherished. We as Americans are immensely fortunate to live where we do. But we must not take for granted all the wonderful things provided for us. We must not forget that there are others in this world that are not as fortunate as we are. There are others in this world that do not live in a society of peace and security. We must be cognizant of those who are less fortunate.

I feel that we, as the most advanced nation in the world, have some sort of obligation to help those around us who have fallen on hard times. At certain times a nation or a region faces such disastrous circumstances that it is unable to provide its citizens the means to survive. In times such as this we have an absolute obligation to lend a helping hand and alleviate the pain and suffering of these peoples. And this is the very obligation that the "International Disaster and Famine Relief" account was set up to fulfill. And I repeat, I do praise this account.

Unfortunately, I feel the current allocation of funding might not be sufficient to accomplish our goal. I fear that if the current crises in Chad and Sudan do not improve, or worsen, the current level of funding might not be able to handle another large scale crisis development. We must increase funding for this account so that we are able to support the crises in Sudan, Chad, and other unforeseen events.

My amendment would pay for this increase by decreasing funds from the Research, Development, Test and Evaluation Defense-Wide account by the equal amount, offsetting all expenses. Opponents of my amendment will argue that I am tapping into our Military's vital Research and Development funds and weakening our future national defense and security. They will argue that we must make every effort to ensure that our military has the newest, most effective technology in the world. And I agree with them in principle.

We as a nation must ensure our survival, through diplomacy, through economic force, and if necessary through military might. But we must also prioritize our spending. My amendment will take $10,000,000 out of the account that funds research as the Star Wars program. It is in my opinion that our money is much better spent alleviating international disaster and famines than research a program such as Star Wars that shows almost no chance of success. We have a choice; help alleviate famine in the world or fund nonsensical research programs that will amount to no more than a waste of money. My amendment would help to ensure that we have plenty of resources to help alleviate international disaster and famines. Please support the Jackson-Lee amendment.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OPERATIONAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, necessary for the independent activities of the Director, Operational Test and Evaluation, in the direction and supervision of operational test and evaluation, including initial operational test and evaluation which is conducted prior to, and in support of, production decisions; joint operational testing and evaluation; and administrative expenses in connection therewith, $309,135,000, to remain available for obligation until September 30, 2006.

TITLE V

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

For the Defense Working Capital Funds, $1,174,210,000.

NATIONAL DEFENSE SEALIFT FUND

For National Defense Sealift Fund programs, projects, and activities, and for expenses of the National Defense Reserve Fleet, as established by section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744), and for the necessary expenses to maintain and preserve a U.S.-flag merchant fleet to serve the national security needs of the United States, $1,186,626,000, to remain available until expended: *Provided*, That none of the funds provided in this paragraph shall be used to award a new contract that provides for the acquisition of any of the following major components unless such components are manufactured in the United States: auxiliary equipment, including pumps, for all shipboard services; propulsion system components (that is; engines, reduction gears, and propellers); shipboard cranes; and spreaders for shipboard cranes: *Provided further*, That the exercise of an option in a contract awarded through the obligation of previously appropriated funds shall not be considered to be the award of a new contract: *Provided further*, That the Secretary of the military department responsible for such procurement may waive the restrictions in the first proviso on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.

TITLE VI

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For expenses, not otherwise provided for, for medical and health care programs of the Department of Defense, as authorized by law, $17,959,186,000, of which $17,148,069,000 shall be for Operation and maintenance, of which not to exceed 2 percent shall remain available until September 30, 2006; of which $364,635,000, to remain available for obligation until September 30, 2007, shall be for Procurement; and of which $446,482,000, to remain available for obligation until September 30, 2006, shall be for Research, development, test and evaluation: *Provided*, That notwithstanding any other provision of law, of the amount made available under this heading for Operation and maintenance, $11,000,000 shall remain available until expended, and shall be available only for deposit into the Army Fisher House Non-Appropriated Fund Instrumentality and shall be used in support and upkeep of existing Fisher Houses managed by the Army: *Provided further*, That notwithstanding any other provision of law, of the amount made available under this heading for Research, development, test and evaluation, not less than $10,000,000 shall be available for HIV prevention educational activities undertaken in connection with U.S. military training, exercises, and humanitarian assistance activities conducted primarily in African nations: *Provided further*, That Title VI of the Department of Defense Appropriations Act, 2004, in the appropriation for the Defense Health Program, is amended by adding before the period a comma and the following: "and of which not less than $4,250,000 shall be available for HIV prevention educational activities undertaken in connection with U.S. military training, exercises, and humanitarian assistance activities conducted primarily in African nations".

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, ARMY

For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of lethal chemical agents and munitions in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), and for the destruction of other chemical warfare materials that are not in the chemical weapon stockpile, $1,371,990,000, of which $1,138,801,000 shall be for Operation and maintenance to remain available until September 30, 2006; $78,980,000 shall be for Procurement to remain available until September 30, 2007; $154,209,000 shall be for Research, development, test and evaluation to remain available until September 30, 2006; and no less than $137,404,000 may be for the Chemical Stockpile Emergency Preparedness Program, of which $44,631,000 shall be for activities on military installations and $92,773,000 shall be to assist State and local governments.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For drug interdiction and counter-drug activities of the Department of Defense, for transfer to appropriations available to the Department of Defense for military personnel of the reserve components serving under the provisions of title 10 and title 32, United States Code; for Operation and maintenance; for Procurement; and for Research, development, test and evaluation, $876,697,000: *Provided*, That the funds appropriated under this heading shall be available for obligation for the same time period and for the same purpose as the appropriation to which transferred: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further*, That the transfer authority provided under this heading is in addition to any other transfer authority contained elsewhere in this Act.

OFFICE OF THE INSPECTOR GENERAL

For expenses and activities of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $193,562,000, of which $191,362,000 shall be for Operation and maintenance, of which not to exceed $700,000 is available for emergencies and extraordinary expenses to be expended on the approval or authority of the Inspector General, and payments may be made on the Inspector General's certificate of necessity for confidential military purposes; and of which $2,100,000, to remain available until September 30, 2007, shall be for Procurement; and of which $100,000, to remain available until September 30, 2006, shall be for Research, development, test and evaluation.

TITLE VII

RELATED AGENCIES

CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND

For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain the proper funding level for continuing the operation of the Central Intelligence Agency Retirement and Disability System, $239,400,000.

INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Intelligence Community Management Account, $309,644,000, of which $26,953,000 for the Advanced Research and Development Committee shall remain available until September 30, 2006: *Provided*, That of the funds appropriated under this heading, $46,100,000 shall be transferred to the Department of Justice for the National Drug Intelligence Center to support the Department of Defense's counter-drug intelligence responsibilities, and of the said amount, $1,500,000 for Procurement shall remain available until September 30, 2007 and $1,000,000 for Research, development, test and evaluation shall remain available until September 30, 2006: *Provided further*, That the National Drug Intelligence Center shall maintain the personnel and technical resources to provide timely support to law enforcement authorities and the intelligence community by conducting document and computer exploitation of materials collected in Federal, State, and local law enforcement activity associated with counter-drug, counter-terrorism, and national security investigations and operations.

NATIONAL SECURITY EDUCATION TRUST FUND

For the purposes of title VIII of Public Law 102–183, $8,000,000, to be derived from the National Security Education Trust Fund, to remain available until expended.

TITLE VIII

GENERAL PROVISIONS

SEC. 8001. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 8002. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense: *Provided*, That salary increases granted to direct and indirect hire foreign national employees of the Department of Defense funded by this Act shall not be at a rate in excess of the percentage increase authorized by law for civilian employees of the Department of Defense whose pay is computed under the provisions of section 5332 of title 5, United States Code, or at a rate in excess of the percentage increase provided by the appropriate host nation to its own employees, whichever is higher: *Provided further*, That this section shall not apply to Department of Defense foreign service national employees serving at United States diplomatic missions whose pay is set by the Department of State under the Foreign Service Act of 1980: *Provided further*, That the limitations of this provision shall not apply to foreign national employees of the Department of Defense in the Republic of Turkey.

SEC. 8003. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.

SEC. 8004. No more than 20 percent of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last 2 months of the fiscal year: *Provided*, That this section shall not apply to obligations for support of active duty training of reserve components or summer camp training of the Reserve Officers' Training Corps.

(TRANSFER OF FUNDS)

SEC. 8005. Upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed $3,000,000,000 of working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided*, That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by the Congress: *Provided further*, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority or any other authority in this Act: *Provided further*, That no part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress: *Provided further*, That a request for multiple reprogrammings of funds using authority provided in this section must be made prior to June 30, 2005: *Provided further*, That transfers among military personnel appropriations shall not be taken into account for purposes of the limitation on the amount of funds that may be transferred under this section.

(TRANSFER OF FUNDS)

SEC. 8006. During the current fiscal year, cash balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: *Provided*, That transfers may be made between such funds: *Provided further*, That transfers may be made between working capital funds and the "Foreign Currency Fluctuations, Defense" appropriation and the "Operation and Maintenance" appropriation accounts in such amounts as may be determined by the Secretary of Defense, with the approval of the Office of Management and Budget, except that such transfers may not be made unless the Secretary of Defense has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be made against a working capital fund to procure or increase the value of war reserve material inventory, unless the Secretary of Defense has notified the Congress prior to any such obligation.

SEC. 8007. Funds appropriated by this Act may not be used to initiate a special access program without prior notification 30 calendar days in session in advance to the congressional defense committees.

SEC. 8008. None of the funds provided in this Act shall be available to initiate: (1) a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any 1 year of the contract or that includes an unfunded contingent liability in excess of $20,000,000; or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any 1 year, unless the congressional defense committees have been notified at least 30 days in advance of the proposed contract award: *Provided*, That no part of any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability: *Provided further*, That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract would exceed $500,000,000 unless specifically provided in this Act: *Provided further*, That no multiyear procurement contract can be terminated without 10-day prior notification to the congressional defense committees: *Provided further*, That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement: *Provided further*, That none of the funds provided in this Act may be used for a multiyear contract executed after the date of the enactment of this Act unless in the case of any such contract—

(1) the Secretary of Defense has submitted to Congress a budget request for full funding of units to be procured through the contract;

(2) cancellation provisions in the contract do not include consideration of recurring manufacturing costs of the contractor associated with the production of unfunded units to be delivered under the contract;

(3) the contract provides that payments to the contractor under the contract shall not be made in advance of incurred costs on funded units; and

(4) the contract does not provide for a price adjustment based on a failure to award a follow-on contract.

Funds appropriated in title III of this Act may be used for a multiyear procurement contract as follows:

Lightweight 155mm Howitzer.

SEC. 8009. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 401 of title 10, United States Code, for humanitarian and civic assistance costs under chapter 20 of title 10, United States Code. Such funds may also be obligated for humanitarian and civic assistance costs incidental to authorized operations and pursuant to authority granted in section 401 of chapter 20 of title 10, United States Code, and these obligations shall be reported as required by section 401(d) of title 10, United States Code: *Provided*, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99–239: *Provided further*, That upon a determination by the Secretary of the Army that such action is beneficial for graduate medical education programs conducted at Army medical facilities located in Hawaii, the Secretary of the Army may authorize the provision of medical services at such facilities and transportation to such facilities, on a nonreimbursable basis, for civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, Palau, and Guam.

SEC. 8010. (a) During fiscal year 2005, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.

(b) The fiscal year 2006 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 2006 Department of Defense budget request shall be prepared and submitted to the Congress as if subsections (a) and (b) of this provision were effective with regard to fiscal year 2006.

(c) Nothing in this section shall be construed to apply to military (civilian) technicians.

SEC. 8011. None of the funds appropriated in this or any other Act may be used to initiate a new installation overseas without 30-day advance notification to the Committees on Appropriations.

SEC. 8012. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.

SEC. 8013. None of the funds appropriated by this Act shall be available for the basic pay and allowances of any member of the Army participating as a full-time student and receiving benefits paid by the Secretary of Veterans Affairs from the Department of Defense Education Benefits Fund when time spent as a full-time student is credited toward completion of a service commitment: *Provided*, That this subsection shall not apply to those members who have reenlisted with this option prior to October 1, 1987: *Provided further*, That this subsection applies only to active components of the Army.

SEC. 8014. (a) LIMITATION ON CONVERSION TO CONTRACTOR PERFORMANCE.—None of the funds appropriated by this Act shall be available to convert to contractor performance an activity or function of the Department of Defense that, on or after the date of the enactment of this Act, is performed by more than 10 Department of Defense civilian employees unless—

(1) the conversion is based on the result of a public-private competition that includes a most efficient and cost effective organization plan developed by such activity or function;

(2) the Competitive Sourcing Official determines that, over all performance periods stated in the solicitation of offers for performance of the activity or function, the cost of performance of the activity or function by a contractor would be less costly to the Department of Defense by an amount that equals or exceeds the lesser of—

(A) 10 percent of the most efficient organization's personnel-related costs for performance of that activity or function by Federal employees; or

(B) $10,000,000; and

(3) the contractor does not receive an advantage for a proposal that would reduce costs for the Department of Defense by—

(A) not making an employer-sponsored health insurance plan available to the workers who are to be employed in the performance of that activity or function under the contract; or

(B) offering to such workers an employer-sponsored health benefits plan that requires the employer to contribute less towards the premium or subscription share than the amount that is paid by the Department of Defense for health benefits for civilian employees under chapter 89 of title 5, United States Code.

(b) EXCEPTIONS.—

(1) This section and subsections (a), (b), and (c) of section 2461 of title 10, United

States Code, shall not apply to a commercial or industrial type function of the Department of Defense that—

(A) is included on the procurement list established pursuant to section 2 of the Javits-Wagner-O'Day Act (41 U.S.C. 47);

(B) is planned to be converted to performance by a qualified nonprofit agency for the blind or by a qualified nonprofit agency for other severely handicapped individuals in accordance with that Act; or

(C) is planned to be converted to performance by a qualified firm under at least 51 percent ownership by an Indian tribe, as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)), or a Native Hawaiian Organization, as defined in section 8(a)(15) of the Small Business Act (15 U.S.C. 637(a)(15)).

(2) This section shall not apply to depot contracts or contracts for depot maintenance as provided in sections 2469 and 2474 of title 10, United States Code.

(c) TREATMENT OF CONVERSION.—The conversion of any activity or function of the Department of Defense under the authority provided by this section shall be credited toward any competitive or outsourcing goal, target, or measurement that may be established by statute, regulation, or policy and is deemed to be awarded under the authority of, and in compliance with, subsection (h) of section 2304 of title 10, United States Code, for the competition or outsourcing of commercial activities.

(TRANSFER OF FUNDS)

SEC. 8015. Funds appropriated in title III of this Act for the Department of Defense Pilot Mentor-Protege Program may be transferred to any other appropriation contained in this Act solely for the purpose of implementing a Mentor-Protege Program developmental assistance agreement pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2302 note), as amended, under the authority of this provision or any other transfer authority contained in this Act.

SEC. 8016. None of the funds in this Act may be available for the purchase by the Department of Defense (and its departments and agencies) of welded shipboard anchor and mooring chain 4 inches in diameter and under unless the anchor and mooring chain are manufactured in the United States from components which are substantially manufactured in the United States: *Provided*, That for the purpose of this section manufactured will include cutting, heat treating, quality control, testing of chain and welding (including the forging and shot blasting process): *Provided further*, That for the purpose of this section substantially all of the components of anchor and mooring chain shall be considered to be produced or manufactured in the United States if the aggregate cost of the components produced or manufactured in the United States exceeds the aggregate cost of the components produced or manufactured outside the United States: *Provided further*, That when adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.

SEC. 8017. None of the funds appropriated by this Act available for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) or TRICARE shall be available for the reimbursement of any health care provider for inpatient mental health service for care received when a patient is referred to a provider of inpatient mental health care or residential treatment care by a medical or health care professional having an economic interest in the facility to which the patient is referred: *Provided*, That this limitation does not apply in the case of inpatient mental health services provided under the program for persons with disabilities under subsection (d) of section 1079 of title 10, United States Code, provided as partial hospital care, or provided pursuant to a waiver authorized by the Secretary of Defense because of medical or psychological circumstances of the patient that are confirmed by a health professional who is not a Federal employee after a review, pursuant to rules prescribed by the Secretary, which takes into account the appropriate level of care for the patient, the intensity of services required by the patient, and the availability of that care.

SEC. 8018. Notwithstanding any other provision of law, during the current fiscal year and hereafter, the Secretary of Defense may, by executive agreement, establish with host nation governments in NATO member states a separate account into which such residual value amounts negotiated in the return of United States military installations in NATO member states may be deposited, in the currency of the host nation, in lieu of direct monetary transfers to the United States Treasury: *Provided*, That such credits may be utilized only for the construction of facilities to support United States military forces in that host nation, or such real property maintenance and base operating costs that are currently executed through monetary transfers to such host nations: *Provided further*, That the Department of Defense's budget submission for subsequent fiscal years shall identify such sums anticipated in residual value settlements, and identify such construction, real property maintenance or base operating costs that shall be funded by the host nation through such credits: *Provided further*, That all military construction projects to be executed from such accounts must be previously approved in a prior Act of Congress: *Provided further*, That each such executive agreement with a NATO member host nation shall be reported to the congressional defense committees, the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate 30 days prior to the conclusion and endorsement of any such agreement established under this provision.

SEC. 8019. None of the funds available to the Department of Defense may be used to demilitarize or dispose of M–1 Carbines, M–1 Garand rifles, M–14 rifles, .22 caliber rifles, .30 caliber rifles, or M–1911 pistols.

SEC. 8020. No more than $500,000 of the funds appropriated or made available in this Act shall be used during a single fiscal year for any single relocation of an organization, unit, activity or function of the Department of Defense into or within the National Capital Region: *Provided*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the congressional defense committees that such a relocation is required in the best interest of the Government.

SEC. 8021. In addition to the funds provided elsewhere in this Act, $8,000,000 is appropriated only for incentive payments authorized by Section 504 of the Indian Financing Act of 1974 (25 U.S.C. 1544): *Provided*, That a prime contractor or a subcontractor at any tier that makes a subcontract award to any subcontractor or supplier as defined in 25 U.S.C. 1544 or a small business owned and controlled by an individual or individuals defined under 25 U.S.C. 4221(9) shall be considered a contractor for the purposes of being allowed additional compensation under section 504 of the Indian Financing Act of 1974 (25 U.S.C. 1544) whenever the prime contract or subcontract amount is over $500,000 and involves the expenditure of funds appropriated by an Act making Appropriations for the Department of Defense with respect to any fiscal year: *Provided further*, That notwithstanding 41 U.S.C. 430, this section shall be applicable to any Department of Defense acquisition of supplies or services, including any contract and any subcontract at any tier for acquisition of commercial items produced or manufactured, in whole or in part by any subcontractor or supplier defined in 25 U.S.C. 1544 or a small business owned and controlled by an individual or individuals defined under 25 U.S.C. 4221(9): *Provided further*, That businesses certified as 8(a) by the Small Business Administration pursuant to section 8(a)(15) of Public Law 85–536, as amended, shall have the same status as other program participants under section 602 of Public Law 100–656, 102 Stat. 3825 (Business Opportunity Development Reform Act of 1988) for purposes of contracting with agencies of the Department of Defense.

SEC. 8022. None of the funds appropriated by this Act shall be available to perform any cost study pursuant to the provisions of OMB Circular A–76 if the study being performed exceeds a period of 24 months after initiation of such study with respect to a single function activity or 30 months after initiation of such study for a multi-function activity.

SEC. 8023. Funds appropriated by this Act for the American Forces Information Service shall not be used for any national or international political or psychological activities.

SEC. 8024. Hereafter, notwithstanding any other provision of law or regulation, the Secretary of Defense may adjust wage rates for civilian employees hired for certain health care occupations as authorized for the Secretary of Veterans Affairs by section 7455 of title 38, United States Code.

SEC. 8025. During the current fiscal year, net receipts pursuant to collections from third party payers pursuant to section 1095 of title 10, United States Code, shall be made available to the local facility of the uniformed services responsible for the collections and shall be over and above the facility's direct budget amount.

SEC. 8026. During the current fiscal year, the Department of Defense is authorized to incur obligations of not to exceed $350,000,000 for purposes specified in section 2350j(c) of title 10, United States Code, in anticipation of receipt of contributions, only from the Government of Kuwait, under that section: *Provided*, That upon receipt, such contributions from the Government of Kuwait shall be credited to the appropriations or fund which incurred such obligations.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8027. (a) Of the funds made available in this Act, not less than $24,822,000 shall be available for the Civil Air Patrol Corporation, of which—

(1) $21,722,000 shall be available from "Operation and Maintenance, Air Force" to support Civil Air Patrol Corporation operation and maintenance, readiness, counterdrug activities, and drug demand reduction activities involving youth programs;

(2) $2,300,000 shall be available from "Aircraft Procurement, Air Force"; and

(3) $800,000 shall be available from "Other Procurement, Air Force" for vehicle procurement.

(b) The Secretary of the Air Force should waive reimbursement for any funds used by the Civil Air Patrol for counter-drug activities in support of Federal, State, and local government agencies.

SEC. 8028. (a) None of the funds appropriated in this Act are available to establish a new Department of Defense (department) federally funded research and development center (FFRDC), either as a new entity, or as a separate entity administrated by an organization managing another FFRDC, or as a nonprofit membership corporation consisting of a consortium of other FFRDCs and other non-profit entities.

(b) No member of a Board of Directors, Trustees, Overseers, Advisory Group, Special Issues Panel, Visiting Committee, or any similar entity of a defense FFRDC, and no paid consultant to any defense FFRDC, except when acting in a technical advisory capacity, may be compensated for his or her services as a member of such entity, or as a paid consultant by more than one FFRDC in a fiscal year: *Provided*, That a member of any such entity referred to previously in this subsection shall be allowed travel expenses and per diem as authorized under the Federal Joint Travel Regulations, when engaged in the performance of membership duties.

(c) Notwithstanding any other provision of law, none of the funds available to the Department from any source during fiscal year 2005 may be used by a defense FFRDC, through a fee or other payment mechanism, for construction of new buildings, for payment of cost sharing for projects funded by Government grants, for absorption of contract overruns, or for certain charitable contributions, not to include employee participation in community service and/or development.

(d) Notwithstanding any other provision of law, of the funds available to the department during fiscal year 2005, not more than 6,600 staff years of technical effort (staff years) may be funded for defense FFRDCs: *Provided*, That this subsection shall not apply to staff years funded in the National Foreign Intelligence Program (NFIP).

(e) The Secretary of Defense shall, with the submission of the department's fiscal year 2006 budget request, submit a report presenting the specific amounts of staff years of technical effort to be allocated for each defense FFRDC during that fiscal year.

(f) Notwithstanding any other provision of this Act, the total amount appropriated in this Act for FFRDCs is hereby reduced by $40,000,000.

SEC. 8029. None of the funds appropriated or made available in this Act shall be used to procure carbon, alloy or armor steel plate for use in any Government-owned facility or property under the control of the Department of Defense which were not melted and rolled in the United States or Canada: *Provided*, That these procurement restrictions shall apply to any and all Federal Supply Class 9515, American Society of Testing and Materials (ASTM) or American Iron and Steel Institute (AISI) specifications of carbon, alloy or armor steel plate: *Provided further*, That the Secretary of the military department responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: *Provided further*, That these restrictions shall not apply to contracts which are in being as of the date of the enactment of this Act.

SEC. 8030. For the purposes of this Act, the term "congressional defense committees" means the Armed Services Committee of the House of Representatives, the Armed Services Committee of the Senate, the Subcommittee on Defense of the Committee on Appropriations of the Senate, and the Subcommittee on Defense of the Committee on Appropriations of the House of Representatives.

SEC. 8031. During the current fiscal year, the Department of Defense may acquire the modification, depot maintenance and repair of aircraft, vehicles and vessels as well as the production of components and other Defense-related articles, through competition between Department of Defense depot maintenance activities and private firms: *Provided*, That the Senior Acquisition Executive of the military department or Defense Agency concerned, with power of delegation, shall certify that successful bids include comparable estimates of all direct and indirect costs for both public and private bids: *Provided further*, That Office of Management and Budget Circular A-76 shall not apply to competitions conducted under this section.

SEC. 8032. (a)(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary's blanket waiver of the Buy American Act with respect to such types of products produced in that foreign country.

(2) An agreement referred to in paragraph (1) is any reciprocal defense procurement memorandum of understanding, between the United States and a foreign country pursuant to which the Secretary of Defense has prospectively waived the Buy American Act for certain products in that country.

(b) The Secretary of Defense shall submit to the Congress a report on the amount of Department of Defense purchases from foreign entities in fiscal year 2005. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in subsection (a)(2), the Trade Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party.

(c) For purposes of this section, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).

SEC. 8033. Appropriations contained in this Act that remain available at the end of the current fiscal year, and at the end of each fiscal year hereafter, as a result of energy cost savings realized by the Department of Defense shall remain available for obligation for the next fiscal year to the extent, and for the purposes, provided in section 2865 of title 10, United States Code.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8034. Amounts deposited during the current fiscal year and hereafter to the special account established under 40 U.S.C. 572(b)(5)(A) and to the special account established under 10 U.S.C. 2667(d)(1) are appropriated and shall be available until transferred by the Secretary of Defense to current applicable appropriations or funds of the Department of Defense under the terms and conditions specified by 40 U.S.C. 572(b)(5)(B) and 10 U.S.C. 2667(d)(1)(B), to be merged with and to be available for the same time period and the same purposes as the appropriation to which transferred.

SEC. 8035. The President shall include with each budget for a fiscal year submitted to the Congress under section 1105 of title 31, United States Code, materials that shall identify clearly and separately the amounts requested in the budget for appropriation for that fiscal year for salaries and expenses related to administrative activities of the Department of Defense, the military departments, and the defense agencies.

SEC. 8036. Notwithstanding any other provision of law, funds available during the current fiscal year and hereafter for "Drug Interdiction and Counter-Drug Activities, Defense" may be obligated for the Young Marines program.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8037. During the current fiscal year, amounts contained in the Department of Defense Overseas Military Facility Investment Recovery Account established by section 2921(c)(1) of the National Defense Authorization Act of 1991 (Public Law 101-510; 10 U.S.C. 2687 note) shall be available until expended for the payments specified by section 2921(c)(2) of that Act.

SEC. 8038. (a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Air Force may convey at no cost to the Air Force, without consideration, to Indian tribes located in the States of North Dakota, South Dakota, Montana, and Minnesota relocatable military housing units located at Grand Forks Air Force Base and Minot Air Force Base that are excess to the needs of the Air Force.

(b) PROCESSING OF REQUESTS.—The Secretary of the Air Force shall convey, at no cost to the Air Force, military housing units under subsection (a) in accordance with the request for such units that are submitted to the Secretary by the Operation Walking Shield Program on behalf of Indian tribes located in the States of North Dakota, South Dakota, Montana, and Minnesota.

(c) RESOLUTION OF HOUSING UNIT CONFLICTS.—The Operation Walking Shield Program shall resolve any conflicts among requests of Indian tribes for housing units under subsection (a) before submitting requests to the Secretary of the Air Force under subsection (b).

(d) INDIAN TRIBE DEFINED.—In this section, the term "Indian tribe" means any recognized Indian tribe included on the current list published by the Secretary of the Interior under section 104 of the Federally Recognized Indian Tribe Act of 1994 (Public Law 103-454; 108 Stat. 4792; 25 U.S.C. 479a-1).

SEC. 8039. During the current fiscal year, appropriations which are available to the Department of Defense for operation and maintenance may be used to purchase items having an investment item unit cost of not more than $250,000.

SEC. 8040. (a) During the current fiscal year, none of the appropriations or funds available to the Department of Defense Working Capital Funds shall be used for the purchase of an investment item for the purpose of acquiring a new inventory item for sale or anticipated sale during the current fiscal year or a subsequent fiscal year to customers of the Department of Defense Working Capital Funds if such an item would not have been chargeable to the Department of Defense Business Operations Fund during fiscal year 1994 and if the purchase of such an investment item would be chargeable during the current fiscal year to appropriations made to the Department of Defense for procurement.

(b) The fiscal year 2006 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 2006 Department of Defense budget shall be prepared and submitted to the Congress on the basis that any equipment which was classified as an end item and funded in a procurement appropriation contained in this Act shall be budgeted for in a proposed fiscal year 2006 procurement appropriation and not in the supply management business area or any other area or category of the Department of Defense Working Capital Funds.

SEC. 8041. None of the funds appropriated by this Act for programs of the Central Intelligence Agency shall remain available for obligation beyond the current fiscal year, except for funds appropriated for the Reserve for Contingencies, which shall remain available until September 30, 2006: *Provided*, That funds appropriated, transferred, or otherwise credited to the Central Intelligence Agency Central Services Working Capital Fund during this or any prior or subsequent fiscal year shall remain available until expended: *Provided further*, That any funds appropriated or transferred to the Central Intelligence Agency for advanced research and development acquisition, for agent operations, and for covert action programs authorized by the President under section 503 of the National Security Act of 1947, as amended, shall remain available until September 30, 2006.

SEC. 8042. Notwithstanding any other provision of law, funds made available in this Act for the Defense Intelligence Agency may be used for the design, development, and deployment of General Defense Intelligence Program intelligence communications and intelligence information systems for the Services, the Unified and Specified Commands, and the component commands.

SEC. 8043. Of the funds appropriated to the Department of Defense under the heading "Operation and Maintenance, Defense-Wide", not less than $10,000,000 shall be made available only for the mitigation of environmental impacts, including training and technical assistance to tribes, related administrative support, the gathering of information, documenting of environmental damage, and developing a system for prioritization of mitigation and cost to complete estimates for mitigation, on Indian lands resulting from Department of Defense activities.

SEC. 8044. (a) None of the funds appropriated in this Act may be expended by an entity of the Department of Defense unless the entity, in expending the funds, complies with the Buy American Act. For purposes of this subsection, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).

(b) If the Secretary of Defense determines that a person has been convicted of intentionally affixing a label bearing a "Made in America" inscription to any product sold in or shipped to the United States that is not made in America, the Secretary shall determine, in accordance with section 2410f of title 10, United States Code, whether the person should be debarred from contracting with the Department of Defense.

(c) In the case of any equipment or products purchased with appropriations provided under this Act, it is the sense of the Congress that any entity of the Department of Defense, in expending the appropriation, purchase only American-made equipment and products, provided that American-made equipment and products are cost-competitive, quality-competitive, and available in a timely fashion.

SEC. 8045. None of the funds appropriated by this Act shall be available for a contract for studies, analysis, or consulting services entered into without competition on the basis of an unsolicited proposal unless the head of the activity responsible for the procurement determines—

(1) as a result of thorough technical evaluation, only one source is found fully qualified to perform the proposed work;

(2) the purpose of the contract is to explore an unsolicited proposal which offers significant scientific or technological promise, represents the product of original thinking, and was submitted in confidence by one source; or

(3) the purpose of the contract is to take advantage of unique and significant industrial accomplishment by a specific concern, or to insure that a new product or idea of a specific concern is given financial support: *Provided*, That this limitation shall not apply to contracts in an amount of less than $25,000, contracts related to improvements of equipment that is in development or production, or contracts as to which a civilian official of the Department of Defense, who has been confirmed by the Senate, determines that the award of such contract is in the interest of the national defense.

SEC. 8046. (a) Except as provided in subsection (b) and (c), none of the funds made available by this Act may be used—

(1) to establish a field operating agency; or

(2) to pay the basic pay of a member of the Armed Forces or civilian employee of the department who is transferred or reassigned from a headquarters activity if the member or employee's place of duty remains at the location of that headquarters.

(b) The Secretary of Defense or Secretary of a military department may waive the limitations in subsection (a), on a case-by-case basis, if the Secretary determines, and certifies to the Committees on Appropriations of the House of Representatives and Senate that the granting of the waiver will reduce the personnel requirements or the financial requirements of the department.

(c) This section does not apply to field operating agencies funded within the National Foreign Intelligence Program.

SEC. 8047. Notwithstanding section 303 of Public Law 96–487 or any other provision of law, the Secretary of the Navy is authorized to lease real and personal property at Naval Air Facility, Adak, Alaska, pursuant to 10 U.S.C. 2667(f), for commercial, industrial or other purposes: *Provided*, That notwithstanding any other provision of law, the Secretary of the Navy may remove hazardous materials from facilities, buildings, and structures at Adak, Alaska, and may demolish or otherwise dispose of such facilities, buildings, and structures.

(RESCISSIONS)

SEC. 8048. Of the funds appropriated in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts and programs in the specified amounts:

"Former Soviet Union Threat Reduction, 2003/2005", $50,000,000;

"Aircraft Procurement, Navy, 2004/2006", $2,900,000;

"Shipbuilding and Conversion, Navy, 2004/2008", $10,300,000;

"Other Procurement, Navy, 2004/2006", $5,200,000;

"Other Procurement, Air Force, 2004/2006", $100,000,000;

"Procurement, Defense-Wide, 2004/2006" $23,400,000;

"Research, Development, Test and Evaluation, Army, 2004/2005", $42,650,000;

"Research, Development, Test and Evaluation, Navy, 2004/2005", $20,000,000;

"Research, Development, Test and Evaluation, Air Force, 2004/2005", $37,000,000; and

"Research, Development, Test and Evaluation, Defense-Wide, 2004/2005", $108,300,000.

SEC. 8049. None of the funds available in this Act may be used to reduce the authorized positions for military (civilian) technicians of the Army National Guard, the Air National Guard, Army Reserve and Air Force Reserve for the purpose of applying any administratively imposed civilian personnel ceiling, freeze, or reduction on military (civilian) technicians, unless such reductions are a direct result of a reduction in military force structure.

SEC. 8050. None of the funds appropriated or otherwise made available in this Act may be obligated or expended for assistance to the Democratic People's Republic of North Korea unless specifically appropriated for that purpose.

SEC. 8051. During the current fiscal year and hereafter, funds appropriated in this Act are available to compensate members of the National Guard for duty performed pursuant to a plan submitted by a Governor of a State and approved by the Secretary of Defense under section 112 of title 32, United States Code: *Provided*, That during the performance of such duty, the members of the National Guard shall be under State command and control: *Provided further*, That such duty shall be treated as full-time National Guard duty for purposes of sections 12602(a)(2) and (b)(2) of title 10, United States Code.

SEC. 8052. Funds appropriated in this Act for operation and maintenance of the Military Departments, Combatant Commands and Defense Agencies shall be available for reimbursement of pay, allowances and other expenses which would otherwise be incurred against appropriations for the National Guard and Reserve when members of the National Guard and Reserve provide intelligence or counterintelligence support to Combatant Commands, Defense Agencies and Joint Intelligence Activities, including the activities and programs included within the National Foreign Intelligence Program (NFIP), the Joint Military Intelligence Program (JMIP), and the Tactical Intelligence and Related Activities (TIARA) aggregate: *Provided*, That nothing in this section authorizes deviation from established Reserve and National Guard personnel and training procedures.

SEC. 8053. During the current fiscal year, none of the funds appropriated in this Act may be used to reduce the civilian medical and medical support personnel assigned to military treatment facilities below the September 30, 2004 level: *Provided*, That the Service Surgeons General may waive this section by certifying to the congressional defense committees that the beneficiary population is declining in some catchment areas and civilian strength reductions may be consistent with responsible resource stewardship and capitation-based budgeting.

SEC. 8054. Notwithstanding any other provision of law, that not more than 35 percent of funds provided in this Act for environmental remediation may be obligated under indefinite delivery/indefinite quantity contracts with a total contract value of $130,000,000 or higher.

SEC. 8055. (a) None of the funds available to the Department of Defense for any fiscal year for drug interdiction or counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

(b) None of the funds available to the Central Intelligence Agency for any fiscal year for drug interdiction and counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

(TRANSFER OF FUNDS)

SEC. 8056. Appropriations available under the heading "Operation and Maintenance, Defense-Wide" for the current fiscal year and hereafter for increasing energy and water efficiency in Federal buildings may, during their period of availability, be transferred to other appropriations or funds of the Department of Defense for projects related to increasing energy and water efficiency, to be merged with and to be available for the same general purposes, and for the same time period, as the appropriation or fund to which transferred.

SEC. 8057. None of the funds appropriated by this Act may be used for the procurement of ball and roller bearings other than those produced by a domestic source and of domestic origin: *Provided*, That the Secretary of the military department responsible for such procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate, that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: *Provided further*, That this restriction shall not apply to the purchase of "commercial items", as defined by section 4(12) of the Office of Federal Procurement Policy Act, except that the restriction shall apply to ball or roller bearings purchased as end items.

SEC. 8058. Notwithstanding any other provision of law, funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to American Samoa, and funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to the Indian Health Service when it is in conjunction with a civil-military project.

SEC. 8059. None of the funds in this Act may be used to purchase any supercomputer which is not manufactured in the United States, unless the Secretary of Defense certifies to the congressional defense committees that such an acquisition must be made in order to acquire capability for national security purposes that is not available from United States manufacturers.

SEC. 8060. Notwithstanding any other provision of law, each contract awarded by the Department of Defense during the current fiscal year for construction or service performed in whole or in part in a State (as defined in section 381(d) of title 10, United States Code) which is not contiguous with another State and has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor, shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in such State that is not contiguous with another State, individuals who are residents of such State and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills: *Provided*, That the Secretary of Defense may waive the requirements of this section, on a case-by-case basis, in the interest of national security.

SEC. 8061. None of the funds made available in this or any other Act may be used to pay the salary of any officer or employee of the Department of Defense who approves or implements the transfer of administrative responsibilities or budgetary resources of any program, project, or activity financed by this Act to the jurisdiction of another Federal agency not financed by this Act without the express authorization of Congress: *Provided*, That this limitation shall not apply to transfers of funds expressly provided for in Defense Appropriations Acts, or provisions of Acts providing supplemental appropriations for the Department of Defense.

SEC. 8062. (a) LIMITATION ON TRANSFER OF DEFENSE ARTICLES AND SERVICES.—Notwithstanding any other provision of law, none of the funds available to the Department of Defense for the current fiscal year may be obligated or expended to transfer to another nation or an international organization any defense articles or services (other than intelligence services) for use in the activities described in subsection (b) unless the congressional defense committees, the Committee on International Relations of the House of Representatives, and the Committee on Foreign Relations of the Senate are notified 15 days in advance of such transfer.

(b) COVERED ACTIVITIES.—This section applies to—

(1) any international peacekeeping or peace-enforcement operation under the authority of chapter VI or chapter VII of the United Nations Charter under the authority of a United Nations Security Council resolution; and

(2) any other international peacekeeping, peace-enforcement, or humanitarian assistance operation.

(c) REQUIRED NOTICE.—A notice under subsection (a) shall include the following:

(1) A description of the equipment, supplies, or services to be transferred.

(2) A statement of the value of the equipment, supplies, or services to be transferred.

(3) In the case of a proposed transfer of equipment or supplies—

(A) a statement of whether the inventory requirements of all elements of the Armed Forces (including the reserve components) for the type of equipment or supplies to be transferred have been met; and

(B) a statement of whether the items proposed to be transferred will have to be replaced and, if so, how the President proposes to provide funds for such replacement.

SEC. 8063. To the extent authorized by subchapter VI of chapter 148 of title 10, United States Code, for the current fiscal year and hereafter the Secretary of Defense may issue loan guarantees in support of United States defense exports not otherwise provided for: *Provided*, That the total contingent liability of the United States for guarantees issued under the authority of this section may not exceed $15,000,000,000: *Provided further*, That the exposure fees charged and collected by the Secretary for each guarantee shall be paid by the country involved and shall not be financed as part of a loan guaranteed by the United States: *Provided further*, That the Secretary shall provide quarterly reports to the Committees on Appropriations, Armed Services, and Foreign Relations of the Senate and the Committees on Appropriations, Armed Services, and International Relations in the House of Representatives on the implementation of this program: *Provided further*, That amounts charged for administrative fees and deposited to the special account provided for under section 2540c(d) of title 10, shall be available for paying the costs of administrative expenses of the Department of Defense that are attributable to the loan guarantee program under subchapter VI of chapter 148 of title 10, United States Code.

SEC. 8064. None of the funds available to the Department of Defense under this Act shall be obligated or expended to pay a contractor under a contract with the Department of Defense for costs of any amount paid by the contractor to an employee when—

(1) such costs are for a bonus or otherwise in excess of the normal salary paid by the contractor to the employee; and

(2) such bonus is part of restructuring costs associated with a business combination.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8065. During the current fiscal year, no more than $30,000,000 of appropriations made in this Act under the heading "Operation and Maintenance, Defense-Wide" may be transferred to appropriations available for the pay of military personnel, to be merged with, and to be available for the same time period as the appropriations to which transferred, to be used in support of such personnel in connection with support and services for eligible organizations and activities outside the Department of Defense pursuant to section 2012 of title 10, United States Code.

SEC. 8066. During the current fiscal year, in the case of an appropriation account of the Department of Defense for which the period of availability for obligation has expired or which has closed under the provisions of section 1552 of title 31, United States Code, and which has a negative unliquidated or unexpended balance, an obligation or an adjustment of an obligation may be charged to any current appropriation account for the same purpose as the expired or closed account if—

(1) the obligation would have been properly chargeable (except as to amount) to the expired or closed account before the end of the period of availability or closing of that account;

(2) the obligation is not otherwise properly chargeable to any current appropriation account of the Department of Defense; and

(3) in the case of an expired account, the obligation is not chargeable to a current appropriation of the Department of Defense under the provisions of section 1405(b)(8) of the National Defense Authorization Act for Fiscal Year 1991, Public Law 101-510, as amended (31 U.S.C. 1551 note): *Provided*, That in the case of an expired account, if subsequent review or investigation discloses that there was not in fact a negative unliquidated or unexpended balance in the account, any charge to a current account under the authority of this section shall be reversed and recorded against the expired account: *Provided further*, That the total amount charged to a current appropriation under this section may not exceed an amount equal to 1 percent of the total appropriation for that account.

SEC. 8067. Hereafter, funds appropriated for Operation and maintenance and for the Defense Health Program in this Act, and in future appropriations acts for the Department of Defense, for supervision and administration costs for facilities maintenance and repair, minor construction, or design projects, or any planning studies, environmental assessments, or similar activities related to installation support functions, may be obligated at the time the reimbursable order is accepted by the performing activity: *Provided*, That for the purpose of this section, supervision and administration costs includes all in-house Government cost.

SEC. 8068. (a) Notwithstanding any other provision of law, the Chief of the National Guard Bureau may permit the use of equipment of the National Guard Distance Learning Project by any person or entity on a space-available, reimbursable basis. The Chief of the National Guard Bureau shall establish the amount of reimbursement for such use on a case-by-case basis.

(b) Amounts collected under subsection (a) shall be credited to funds available for the National Guard Distance Learning Project and be available to defray the costs associated with the use of equipment of the project under that subsection. Such funds shall be available for such purposes without fiscal year limitation.

SEC. 8069. Using funds available by this Act or any other Act, the Secretary of the Air Force, pursuant to a determination under section 2690 of title 10, United States Code, may implement cost-effective agreements for required heating facility modernization in the Kaiserslautern Military Community in the Federal Republic of Germany: *Provided*, That in the City of Kaiserslautern such agreements will include the use of United States anthracite as the base load energy for municipal district heat to the United States Defense installations: *Provided further*, That at Landstuhl Army Regional Medical Center and Ramstein Air Base, furnished heat may be obtained from private, regional or municipal services, if provisions are included for the consideration of United States coal as an energy source.

SEC. 8070. None of the funds appropriated in title IV of this Act may be used to procure end-items for delivery to military forces for operational training, operational use or inventory requirements: *Provided*, That this restriction does not apply to end-items used in development, prototyping, and test activities preceding and leading to acceptance for operational use: *Provided further*, That this restriction does not apply to programs funded within the National Foreign Intelligence Program: *Provided further*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.

SEC. 8071. None of the funds made available in this Act may be used to approve or license the sale of the F-22 advanced tactical fighter to any foreign government.

SEC. 8072. (a) The Secretary of Defense may, on a case-by-case basis, waive with respect to a foreign country each limitation on the procurement of defense items from foreign sources provided in law if the Secretary determines that the application of the limitation with respect to that country would invalidate cooperative programs entered into between the Department of Defense and the foreign country, or would invalidate reciprocal trade agreements for the procurement of defense items entered into under section 2531 of title 10, United States Code, and the country does not discriminate against the same or similar defense items produced in the United States for that country.

(b) Subsection (a) applies with respect to—

(1) contracts and subcontracts entered into on or after the date of the enactment of this Act; and

(2) options for the procurement of items that are exercised after such date under contracts that are entered into before such date if the option prices are adjusted for any reason other than the application of a waiver granted under subsection (a).

(c) Subsection (a) does not apply to a limitation regarding construction of public vessels, ball and roller bearings, food, and clothing or textile materials as defined by section 11 (chapters 50–65) of the Harmonized Tariff Schedule and products classified under headings 4010, 4202, 4203, 6401 through 6406, 6505, 7019, 7218 through 7229, 7304.41 through 7304.49, 7306.40, 7502 through 7508, 8105, 8108, 8109, 8211, 8215, and 9404.

SEC. 8073. (a) PROHIBITION.—None of the funds made available by this Act may be used to support any training program involving a unit of the security forces of a foreign country if the Secretary of Defense has received credible information from the Department of State that the unit has committed a gross violation of human rights, unless all necessary corrective steps have been taken.

(b) MONITORING.—The Secretary of Defense, in consultation with the Secretary of State, shall ensure that prior to a decision to conduct any training program referred to in subsection (a), full consideration is given to all credible information available to the Department of State relating to human rights violations by foreign security forces.

(c) WAIVER.—The Secretary of Defense, after consultation with the Secretary of State, may waive the prohibition in subsection (a) if he determines that such waiver is required by extraordinary circumstances.

(d) REPORT.—Not more than 15 days after the exercise of any waiver under subsection (c), the Secretary of Defense shall submit a report to the congressional defense committees describing the extraordinary circumstances, the purpose and duration of the training program, the United States forces and the foreign security forces involved in the training program, and the information relating to human rights violations that necessitates the waiver.

SEC. 8074. The Secretary of Defense, in coordination with the Secretary of Health and Human Services, may carry out a program to distribute surplus dental equipment of the Department of Defense, at no cost to the Department of Defense, to Indian Health Service facilities and to federally-qualified health centers (within the meaning of section 1905(l)(2)(B) of the Social Security Act (42 U.S.C. 1396d(l)(2)(B))).

SEC. 8075. None of the funds appropriated or made available in this Act to the Department of the Navy shall be used to develop, lease or procure the T-AKE class of ships unless the main propulsion diesel engines and propulsors are manufactured in the United States by a domestically operated entity: *Provided*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes or there exists a significant cost or quality difference.

SEC. 8076. None of the funds appropriated or otherwise made available by this or other Department of Defense Appropriations Acts may be obligated or expended for the purpose of performing repairs or maintenance to military family housing units of the Department of Defense, including areas in such military family housing units that may be used for the purpose of conducting official Department of Defense business.

SEC. 8077. Notwithstanding any other provision of law, funds appropriated in this Act under the heading "Research, Development, Test and Evaluation, Defense-Wide" for any advanced concept technology demonstration project may only be obligated 30 days after a report, including a description of the project, the planned acquisition and transition strategy and its estimated annual and total cost, has been provided in writing to the congressional defense committees: *Provided*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying to the congressional defense committees that it is in the national interest to do so.

SEC. 8078. The Secretary of Defense shall provide a classified quarterly report, beginning December 15, 2004, to the House and Senate Appropriations Committees, Subcommittees on Defense on certain matters as directed in the classified annex accompanying this Act.

SEC. 8079. During the current fiscal year and hereafter, refunds attributable to the use of the Government travel card, refunds attributable to the use of the Government Purchase Card and refunds attributable to official Government travel arranged by Government Contracted Travel Management Centers may be credited to operation and maintenance, and research, development, test and evaluation accounts of the Department of Defense which are current when the refunds are received.

SEC. 8080. (a) REGISTERING FINANCIAL MANAGEMENT INFORMATION TECHNOLOGY SYSTEMS WITH DOD CHIEF INFORMATION OFFICER.—None of the funds appropriated in this Act may be used for a mission critical or mission essential financial management information technology system (including a system funded by the defense working capital fund) that is not registered with the Chief Information Officer of the Department of Defense. A system shall be considered to be registered with that officer upon the furnishing to that officer of notice of the system, together with such information concerning the system as the Secretary of Defense may prescribe. A financial management information technology system shall be considered a mission critical or mission essential information technology system as defined by the Under Secretary of Defense (Comptroller).

(b) CERTIFICATIONS AS TO COMPLIANCE WITH FINANCIAL MANAGEMENT MODERNIZATION PLAN.—

(1) During the current fiscal year, a financial management automated information system, a mixed information system supporting financial and non-financial systems, or a system improvement of more than $1,000,000 may not receive Milestone A approval, Milestone B approval, or full rate production, or their equivalent, within the Department of Defense until the Under Secretary of Defense (Comptroller) certifies, with respect to that milestone, that the system is being developed and managed in accordance with the Department's Financial Management Modernization Plan. The Under Secretary of Defense (Comptroller) may require additional certifications, as appropriate, with respect to any such system.

(2) The Chief Information Officer shall provide the congressional defense committees

timely notification of certifications under paragraph (1).

(c) Certifications as to Compliance With Clinger-Cohen Act.—

(1) During the current fiscal year, a major automated information system may not receive Milestone A approval, Milestone B approval, or full rate production approval, or their equivalent, within the Department of Defense until the Chief Information Officer certifies, with respect to that milestone, that the system is being developed in accordance with the Clinger-Cohen Act of 1996 (40 U.S.C. 1401 et seq.). The Chief Information Officer may require additional certifications, as appropriate, with respect to any such system.

(2) The Chief Information Officer shall provide the congressional defense committees timely notification of certifications under paragraph (1). Each such notification shall include, at a minimum, the funding baseline and milestone schedule for each system covered by such a certification and confirmation that the following steps have been taken with respect to the system:

(A) Business process reengineering.

(B) An analysis of alternatives.

(C) An economic analysis that includes a calculation of the return on investment.

(D) Performance measures.

(E) An information assurance strategy consistent with the Department's Global Information Grid.

(d) Definitions.—For purposes of this section:

(1) The term "Chief Information Officer" means the senior official of the Department of Defense designated by the Secretary of Defense pursuant to section 3506 of title 44, United States Code.

(2) The term "information technology system" has the meaning given the term "information technology" in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

Sec. 8081. During the current fiscal year, none of the funds available to the Department of Defense may be used to provide support to another department or agency of the United States if such department or agency is more than 90 days in arrears in making payment to the Department of Defense for goods or services previously provided to such department or agency on a reimbursable basis: *Provided*, That this restriction shall not apply if the department is authorized by law to provide support to such department or agency on a nonreimbursable basis, and is providing the requested support pursuant to such authority: *Provided further*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.

Sec. 8082. None of the funds provided in this Act may be used to transfer to any nongovernmental entity ammunition held by the Department of Defense that has a center-fire cartridge and a United States military nomenclature designation of "armor penetrator", "armor piercing (AP)", "armor piercing incendiary (API)", or "armor-piercing incendiary-tracer (API-T)", except to an entity performing demilitarization services for the Department of Defense under a contract that requires the entity to demonstrate to the satisfaction of the Department of Defense that armor piercing projectiles are either: (1) rendered incapable of reuse by the demilitarization process; or (2) used to manufacture ammunition pursuant to a contract with the Department of Defense or the manufacture of ammunition for export pursuant to a License for Permanent Export of Unclassified Military Articles issued by the Department of State.

Sec. 8083. Notwithstanding any other provision of law, the Chief of the National Guard Bureau, or his designee, may waive payment of all or part of the consideration that otherwise would be required under 10 U.S.C. 2667, in the case of a lease of personal property for a period not in excess of 1 year to any organization specified in 32 U.S.C. 508(d), or any other youth, social, or fraternal non-profit organization as may be approved by the Chief of the National Guard Bureau, or his designee, on a case-by-case basis.

Sec. 8084. None of the funds appropriated by this Act shall be used for the support of any nonappropriated funds activity of the Department of Defense that procures malt beverages and wine with nonappropriated funds for resale (including such alcoholic beverages sold by the drink) on a military installation located in the United States unless such malt beverages and wine are procured within that State, or in the case of the District of Columbia, within the District of Columbia, in which the military installation is located: *Provided*, That in a case in which the military installation is located in more than one State, purchases may be made in any State in which the installation is located: *Provided further*, That such local procurement requirements for malt beverages and wine shall apply to all alcoholic beverages only for military installations in States which are not contiguous with another State: *Provided further*, That alcoholic beverages other than wine and malt beverages, in contiguous States and the District of Columbia shall be procured from the most competitive source, price and other factors considered.

Sec. 8085. Funds available to the Department of Defense for the Global Positioning System during the current fiscal year may be used to fund civil requirements associated with the satellite and ground control segments of such system's modernization program.

(INCLUDING TRANSFER OF FUNDS)

Sec. 8086. Of the amounts appropriated in this Act under the heading, "Research, Development, Test and Evaluation, Defense-Wide", $60,000,000 shall remain available until expended: *Provided*, That notwithstanding any other provision of law, the Secretary of Defense is authorized to transfer such funds to other activities of the Federal Government.

Sec. 8087. Section 8106 of the Department of Defense Appropriations Act, 1997 (titles I through VIII of the matter under subsection 101(b) of Public Law 104–208; 110 Stat. 3009–111; 10 U.S.C. 113 note) shall continue in effect to apply to disbursements that are made by the Department of Defense in fiscal year 2005.

Sec. 8088. In addition to amounts provided elsewhere in this Act, $2,000,000 is hereby appropriated for "Defense Health Program", to remain available for obligation until expended: *Provided*, That notwithstanding any other provision of law, these funds shall be available only for a grant to the Fisher House Foundation, Inc., only for the construction and furnishing of additional Fisher Houses to meet the needs of military family members when confronted with the illness or hospitalization of an eligible military beneficiary.

Sec. 8089. Amounts appropriated in title II of this Act are hereby reduced by $300,000,000 to reflect savings attributable to efficiencies and management improvements in the funding of miscellaneous or other contracts in the military departments, as follows:

(1) From "Operation and Maintenance, Army", $66,700,000;

(2) From "Operation and Maintenance, Navy", $77,900,000;

(3) From "Operation and Maintenance, Marine Corps", $6,100,000; and

(4) From "Operation and Maintenance, Air Force", $149,300,000.

(INCLUDING TRANSFER OF FUNDS)

Sec. 8090. Of the amounts appropriated in this Act under the heading "Research, Development, Test and Evaluation, Defense-Wide", $87,290,000 shall be available for the Arrow missile defense program, of which $25,000,000 shall be for producing Arrow missile components in the United States and Arrow missile components and missiles in Israel to meet Israel's defense requirements, consistent with each nation's laws, regulations and procedures: *Provided further*, That funds made available under this provision for production of missiles and missile components may be transferred to appropriations available for the procurement of weapons and equipment, to be merged with and to be available for the same time period and the same purposes as the appropriation to which transferred: *Provided further*, That the transfer authority provided under this provision is in addition to any other transfer authority contained in this Act.

Sec. 8091. Notwithstanding any other provision of law, of the amounts provided in this Act and in Public Law 108–87 under the heading "Research, Development, Test and Evaluation, Navy", $1,500,000, and $500,000, respectively, shall be available for a grant (or grants) to the California Central Coast Research Partnership (C3RP) through the California Polytechnic State University Foundation, for costs related to Office of Naval Research agreements: *Provided*, That the Secretary of the Navy shall make said grant (or grants) within 90 days of the enactment of this Act.

(INCLUDING TRANSFER OF FUNDS)

Sec. 8092. Of the amounts appropriated in this Act under the heading "Shipbuilding and Conversion, Navy", $484,390,000 shall be available until September 30, 2005, to fund prior year shipbuilding cost increases: *Provided*, That upon enactment of this Act, the Secretary of Defense shall transfer such funds to the following appropriations in the amount specified: *Provided further*, That the amounts transferred shall be merged with and be available for the same purposes as the appropriations to which transferred:

To:

Under the heading, "Shipbuilding and Conversion, Navy, 1996/05":

LPD–17 Amphibious Transport Dock Ship Program, $55,000,000.

Under the heading, "Shipbuilding and Conversion, Navy, 1999/05":

New SSN, $10,000,000;

LPD–17 Amphibious Transport Dock Ship Program, $38,100,000.

Under the heading, "Shipbuilding and Conversion, Navy, 2000/05":

DDG–51 Destroyer Program, $44,963,000;

LPD–17 Amphibious Transport Dock Ship Program, $171,681,000.

Under the heading, "Shipbuilding and Conversion, Navy, 2001/05":

DDG–51 Destroyer Program, $83,316,000;

New SSN, $67,330,000.

Under the heading, "Shipbuilding and Conversion, Navy, 2002/05":

LCAC SLEP, $2,100,000.

Under the heading, "Shipbuilding and Conversion, Navy, 2003/05":

LCAC SLEP, $11,900,000:

Provided further, That Section 126 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1410; 10 U.S.C. 7291 note) is repealed.

SEC. 8093. The Secretary of the Navy may settle, or compromise, and pay any and all admiralty claims under 10 U.S.C. 7622 arising out of the collision involving the U.S.S. GREENEVILLE and the EHIME MARU, in any amount and without regard to the monetary limitations in subsections (a) and (b) of that section: *Provided*, That such payments shall be made from funds available to the Department of the Navy for operation and maintenance.

SEC. 8094. Notwithstanding any other provision of law or regulation, the Secretary of Defense may hereafter exercise the provisions of 38 U.S.C. 7403(g) for occupations listed in 38 U.S.C. 7403(a)(2) as well as the following:

Pharmacists, Audiologists, and Dental Hygienists.

(A) The requirements of 38 U.S.C. 7403(g)(1)(A) shall apply.

(B) The limitations of 38 U.S.C. 7403(g)(1)(B) shall not apply.

SEC. 8095. Funds appropriated by this Act, or made available by the transfer of funds in this Act, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 2005 until the enactment of the Intelligence Authorization Act for fiscal year 2005.

SEC. 8096. The total amount appropriated in title IV of this Act is hereby reduced by $270,000,000 to reduce cost growth in information technology development and modernization, to be derived as follows:

(1) From "Research, Development, Test and Evaluation, Army", $60,000,000;

(2) From "Research, Development, Test and Evaluation, Navy", $29,000,000;

(3) From "Research, Development, Test and Evaluation, Air Force", $72,000,000; and

(4) From "Research, Development, Test and Evaluation, Defense-Wide", $109,000,000.

SEC. 8097. None of the funds in this Act may be used to initiate a new start program without prior notification to the Office of Secretary of Defense and the congressional defense committees.

SEC. 8098. The amounts appropriated in title II of this Act are hereby reduced by $316,000,000 to reflect cash balance and rate stabilization adjustments in Department of Defense Working Capital Funds, as follows:

(1) From "Operation and Maintenance, Navy", $150,000,000.

(2) From "Operation and Maintenance, Air Force", $166,000,000.

SEC. 8099. (a) In addition to the amounts provided elsewhere in this Act, the amount of $6,000,000 is hereby appropriated to the Department of Defense for "Operation and Maintenance, Army National Guard". Such amount shall be made available to the Secretary of the Army only to make a grant in the amount of $6,000,000 to the entity specified in subsection (b) to facilitate access by veterans to opportunities for skilled employment in the construction industry.

(b) The entity referred to in subsection (a) is the Center for Military Recruitment, Assessment and Veterans Employment, a nonprofit labor-management co-operation committee provided for by section 302(c)(9) of the Labor-Management Relations Act, 1947 (29 U.S.C. 186(c)(9)), for the purposes set forth in section 6(b) of the Labor Management Cooperation Act of 1978 (29 U.S.C. 175a note).

SEC. 8100. FINANCING AND FIELDING OF KEY ARMY CAPABILITIES.—The Department of Defense and the Department of the Army shall make future budgetary and programming plans to fully finance the Non-Line of Sight Future Force cannon and resupply vehicle program (NLOS–C) in order to field this system in fiscal year 2010, consistent with the broader plan to field the Future Combat System (FCS) in fiscal year 2010: *Provided*, That if the Army is precluded from fielding the FCS program by fiscal year 2010, then the Army shall develop the NLOS–C independent of the broader FCS development timeline to achieve fielding by fiscal year 2010. In addition the Army will deliver eight (8) combat operational pre-production NLOS–C systems by the end of calendar year 2008. These systems shall be in addition to those systems necessary for developmental and operational testing: *Provided further*, That the Army shall ensure that budgetary and programmatic plans will provide for no fewer that seven (7) Stryker Brigade Combat Teams to be fielded no later than fiscal year 2009.

SEC. 8101. In addition to the amounts appropriated or otherwise made available elsewhere in this Act, $6,600,000 is hereby appropriated to the Department of Defense, to remain available until September 30, 2005: *Provided*, That the Secretary of Defense shall make grants in the amount of $2,100,000 to the Intrepid Sea-Air-Space Foundation; $2,500,000 to the Presidio Trust only for renovations of the parade field; and $2,000,000 to the Fort Ticonderoga Association.

SEC. 8102. None of the funds appropriated in this Act under the heading "Overseas Contingency Operations Transfer Account" may be transferred or obligated for Department of Defense expenses not directly related to the conduct of overseas contingencies: *Provided*, That the Secretary of Defense shall submit a report no later than 30 days after the end of each fiscal quarter to the Committees on Appropriations of the Senate and House of Representatives that details any transfer of funds from the "Overseas Contingency Operations Transfer Account": *Provided further*, That the report shall explain any transfer for the maintenance of real property, pay of civilian personnel, base operations support, and weapon, vehicle or equipment maintenance.

SEC. 8103. For purposes of section 1553(b) of title 31, United States Code, any subdivision of appropriations made in this Act under the heading "Shipbuilding and Conversion, Navy" shall be considered to be for the same purpose as any subdivision under the heading "Shipbuilding and Conversion, Navy" appropriations in any prior fiscal year, and the 1 percent limitation shall apply to the total amount of the appropriation.

SEC. 8104. The budget of the President for fiscal year 2006 submitted to the Congress pursuant to section 1105 of title 31, United States Code shall include separate budget justification documents for costs of United States Armed Forces' participation in contingency operations for the Military Personnel accounts, the Operation and Maintenance accounts, and the Procurement accounts: *Provided*, That these documents shall include a description of the funding requested for each contingency operation, for each military service, to include all Active and Reserve components, and for each appropriations account: *Provided further*, That these documents shall include estimated costs for each element of expense or object class, a reconciliation of increases and decreases for each contingency operation, and programmatic data including, but not limited to, troop strength for each Active and Reserve component, and estimates of the major weapons systems deployed in support of each contingency: *Provided further*, That these documents shall include budget exhibits OP–5 and OP–32 (as defined in the Department of Defense Financial Management Regulation) for all contingency operations for the budget year and the two preceding fiscal years.

SEC. 8105. None of the funds in this Act may be used for research, development, test, evaluation, procurement or deployment of nuclear armed interceptors of a missile defense system.

SEC. 8106. Of the amounts provided in title II of this Act under the heading, "Operation and Maintenance, Defense-Wide", $20,000,000 is available for the Regional Defense Counter-terrorism Fellowship Program, to fund the education and training of foreign military officers, ministry of defense civilians, and other foreign security officials, to include United States military officers and civilian officials whose participation directly contributes to the education and training of these foreign students.

SEC. 8107. None of the funds appropriated or made available in this Act shall be used to reduce or disestablish the operation of the 53rd Weather Reconnaissance Squadron of the Air Force Reserve, if such action would reduce the WC–130 Weather Reconnaissance mission below the levels funded in this Act: *Provided*, That the Air Force shall allow the 53rd Weather Reconnaissance Squadron to perform other missions in support of national defense requirements during the non-hurricane season.

SEC. 8108. (a) LAND CONVEYANCES, NORTON AIR FORCE BASE, CALIFORNIA.—(1) FOREST SERVICE CONVEYANCE.—Subject to paragraph (2), the Secretary of Agriculture shall convey to the Inland Valley Development Agency all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 3.74 acres designated as parcel D–1 (including the former Air Force S–2 Headquarters Building) on the former Norton Air Force Base, California.

(2) As consideration for the transfer under paragraph (1), the Inland Valley Development Agency shall execute a long-term ground lease with the Secretary of Agriculture, upon terms acceptable to the Federal Aviation Administration, to provide the United States Forest Service with a replacement parcel of land of approximately 7.5 acres at the San Bernardino International Airport adjacent to current facilities of the Forest Service to be used for aeronautical purposes in furtherance of wildfire prevention and containment.

(b) AIR FORCE CONVEYANCE.—(1) Subject to paragraph (2), the Secretary of the Air Force shall convey to the Inland Valley Development Agency all right, title, and interest of the United States in and to certain parcels of real property, including improvements thereon, located on or adjacent to the former Norton Air Force Base, California, that as of the date of the enactment of this Act have been determined through a record of decision to be eligible to be transferred to, or held in trust for, the San Manuel Band of Mission Indians.

(2) The Secretary of the Air Force shall make a conveyance under paragraph (1) with respect to any parcel of real property to

which that paragraph applies only upon delivery to the Secretary of an instrument executed by the San Manuel Band of Mission Indians that releases and extinguishes any real property interest of the San Manuel Band of Mission Indians in that parcel of real property.

SEC. 8109. (a) The total amount appropriated or otherwise made available in titles III and IV of this Act is hereby reduced by $345,000,000 to reflect savings from revised economic assumptions, to be distributed as follows:

"Title III", $189,000,000; and

"Title IV", $156,000,000.

(b) The Secretary of Defense shall allocate this reduction proportionately to each program, project, and activity within each applicable appropriation account.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8110. (a) The amount appropriated in title II for "Operation and Maintenance, Air Force" is hereby reduced by $967,200,000 to reflect cash balance and rate stabilization adjustments in the Department of Defense Transportation Working Capital Fund.

(b) Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall transfer $967,200,000 from the Department of Defense Transportation Working Capital Fund to "Operation and Maintenance, Air Force" to offset the reduction made by subsection (a). The transfer required by this subsection is in addition to any other transfer authority provided to the Department of Defense.

SEC. 8111. None of the funds provided in this Act shall be available for integration of foreign intelligence information unless the information has been lawfully collected and processed during the conduct of authorized foreign intelligence activities: *Provided*, That information pertaining to United States persons shall only be handled in accordance with protections provided in the Fourth Amendment of the United States Constitution as implemented through Executive Order 12333.

SEC. 8112. Section 8149(b) of the Department of Defense Appropriations Act, 2003 (Public Law 107-248; 10 U.S.C. 2784 note), shall remain in effect for fiscal year 2005.

SEC. 8113. Amounts appropriated in this Act may be used by the Department of Defense for the purchase of heavy and light armored vehicles for force protection purposes, notwithstanding price or other limitations applicable to the purchase of passenger carrying vehicles under section 1343 of title 31, United States Code, or any other provision of law: *Provided*, That the Secretary of Defense shall submit a report no later than 30 days after the end of each fiscal quarter notifying the congressional defense committees of any purchase described in this section, including the cost, purposes, and quantities of vehicles purchased.

SEC. 8114. Of the amount appropriated under the heading "Operation and Maintenance, Marine Corps" for the Marine Corps Air-Ground Task Force Training Center, Twenty Nine Palms, California, $4,500,000 shall be available to the Secretary of the Navy to enter into a contract, notwithstanding any other provision of law, for the widening of Adobe Road, which is used by members of the Marine Corps stationed at the installation and their dependents, and for construction of pedestrian and bike lanes for the road, to provide for the safety of the Marines stationed at the installation.

SEC. 8115. In addition to amounts appropriated or otherwise made available in this Act, there is hereby appropriated $3,000,000, for "Operation and Maintenance, Marine Corps": *Provided*, That the Secretary of the Navy shall make a grant in that amount to the "Hi-Desert Memorial Health Care District", Joshua Tree, California, for the purposes of providing a capability for non-invasive assessment, diagnostic testing and treatment in support of service personnel and their families stationed at the Marine Corps Air-Ground Task Force Training Center.

SEC. 8116. (a) LAND CONVEYANCE, ARMY RESERVE TRAINING CENTER, WOOSTER, OHIO.—The Secretary of the Army may convey, without consideration, to the City of Wooster, Ohio, all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 1676 Portage Road, Wooster, Ohio, and contains a former Army Reserve Training Center.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City of Wooster, Ohio.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 8117. (a) At the time members of reserve components of the Armed Forces are called or ordered to active duty under Section 12302(a) of title 10, United States Code, each member shall be notified in writing of the expected period during which the member will be mobilized.

(b) The Secretary of Defense may waive the requirements of subsection (a) in any case in which the Secretary determines that it is necessary to do so to respond to a national security emergency or to meet dire operational requirements of the Armed Forces.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8118. The Secretary of the Navy may transfer funds from any available Department of the Navy appropriation to any available Navy ship construction appropriation for the purpose of liquidating necessary changes resulting from inflation, market fluctuations, or rate adjustments for any ship construction program appropriated in law: *Provided*, That the Secretary may transfer not to exceed $100,000,000 under the authority provided by this section: *Provided further*, That the funding transferred shall be available for the same time period as the appropriation to which transferred: *Provided further*, That the Secretary may not transfer any funds until 30 days after the proposed transfer has been reported to the Committee on Appropriations of the Senate and the House of Representatives, unless sooner notified by the Committees that there is no objection to the proposed transfer: *Provided further*, That the transfer authority provided by this section is in addition to any other transfer authority contained elsewhere in this Act.

SEC. 8119. The amounts appropriated in title II of this Act are hereby reduced by $100,000,000 to reflect savings attributable to the offsetting of payments to contractors for the collection, pursuant to law, of unpaid taxes owed to the United States, as follows:

(1) From "Operation and Maintenance, Army", $22,000,000.

(2) From "Operation and Maintenance, Navy", $26,000,000.

(3) From "Operation and Maintenance, Marine Corps", $2,000,000.

(4) From "Operation and Maintenance, Air Force", $50,000,000.

SEC. 8120. The total amount appropriated in title IV is hereby reduced by $685,000,000 to decrease amounts budgeted in anticipation of the application of non-statutory funding set asides: *Provided*, That this reduction shall be allocated proportionately to each budgeted program, program element, project, and activity: *Provided further*, That funds made available for programs of the National Foreign Intelligence Program (NFIP) are exempt from the application of this provision.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8121. TANKER REPLACEMENT TRANSFER FUND.—In addition to funds made available elsewhere in this Act, there is hereby appropriated $100,000,000, to remain available until transferred: *Provided*, That these funds are appropriated to the "Tanker Replacement Transfer Fund" (referred to as "the Fund" elsewhere in this section), which is hereby established in the Treasury: *Provided further*, That the Secretary of the Air Force may transfer amounts in the Fund to "Operation and Maintenance, Air Force", "Aircraft Procurement, Air Force", and "Research, Development, Test and Evaluation, Air Force", only for the purposes of proceeding with a KC–767 tanker acquisition program: *Provided further*, That these funds may be made available to implement the provisions of section 117 of the House-passed version of H.R. 4200 (108th Congress), the National Defense Authorization Act for Fiscal Year 2005: *Provided further*, That funds transferred shall be merged with and be available for the same purposes and for the same time period as the appropriation or fund to which transferred: *Provided further*, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: *Provided further*, That the Secretary of the Air Force shall, not fewer than 15 days prior to making transfers using funds provided in this section, notify the congressional defense committees in writing of the details of any such transfer: *Provided further*, That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.

SEC. 8122. None of the funds appropriated or otherwise made available by this Act may be used to amend or cancel, or implement any amendment or cancellation of, Department of Defense Directive 1344.7, "Personal Commercial Solicitation on DoD Installations", until after the end of the one-year period beginning on the date on which the report containing the results of the investigation regarding insurance premium allotment processing, which is underway as of the date of the enactment of this Act, is submitted to the congressional defense committees (as defined in section 101(a)(16) of title 10, United States Code), the Committee on Government Reform of the House of Representatives, and the Committee on Governmental Affairs of the Senate.

Mr. LEWIS of California (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill through page 115, line 17 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any amendments to that section of the bill?

AMENDMENTS OFFERED BY MR. LEWIS OF CALIFORNIA

Mr. LEWIS of California. Mr. Chairman, I offer a managers' amendment, and I ask unanimous consent it be considered en bloc.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. LEWIS of California:

On page 115, insert the following new section at the end of title VIII:

"SEC. . The Secretary of Defense shall provide a report to the congressional defense committees not later than July 30, 2004, that addresses how the Department of Defense (DoD) is improving the dud rate of cluster munitions to meet existing DoD policies. This report shall address: (1) the types and quantities of munitions systems that employ cluster munitions presently in DoD's inventory that do and do not meet the 1-percent dud rate policy; (2) DoD efforts to ensure the development of cluster munitions that meet the 1-percent dud rate policy, including a list of programs funded in fiscal year 2005; and (3) a schedule describing the DoD cluster munitions inventory profile from the present until the time this inventory will meet the 1-percent dud rate policy."

On page 118, line 3, strike the comma after "*Provided*" and insert a comma after "*further*".

On page 122, line 10, add a comma after the word "*further*".

On page 134, line 4, insert before "not less" the following:

", the Committee on International Relations of the House of Representatives, and the Committee on Foreign Relations of the Senate".

On page 138, insert the following two new sections at the end of title IX:

"SEC. . From within funds made available in chapter 1 of this title, the Secretary of Defense shall use such funds as necessary to provide to Congress, not later than 4 months after the date of the enactment of this Act, a list of all contracts entered into by the Department of Defense for the provision of security, translation, and interrogation services in Iraq, Afghanistan, or Guantanamo Bay, and the amount of each such contract.

SEC. . None of the funds made available in chapter 1 of this title may be used to fund any contract in contravention of section 8(d)(6) of the Small Business Act (15 U.S.C. 637(d)(6))."

Mr. LEWIS of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the amendments being considered en bloc?

There was no objection.

The CHAIRMAN. The gentleman from California (Mr. LEWIS) is recognized for 5 minutes.

Mr. LEWIS of California. Mr. Chairman, I yield back the balance of my time.

Mr. MURTHA. Mr. Chairman, we have no problem with the amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California (Mr. LEWIS).

The amendments were agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE IX—ADDITIONAL APPROPRIATIONS

CHAPTER I

DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For an additional amount for "Military Personnel, Army", $2,552,200,000: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

MILITARY PERSONNEL, NAVY

For an additional amount for "Military Personnel, Navy", $232,200,000: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

MILITARY PERSONNEL, MARINE CORPS

For an additional amount for "Military Personnel, Marine Corps", $273,200,000: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

MILITARY PERSONNEL, AIR FORCE

For an additional amount for "Military Personnel, Air Force", $874,400,000: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for "Operation and Maintenance, Army", $11,698,400,000: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided, further* That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

OPERATION AND MAINTENANCE, NAVY

For an additional amount for "Operation and Maintenance, Navy", $303,000,000: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

OPERATION AND MAINTENANCE, MARINE CORPS

For an additional amount for "Operation and Maintenance, Marine Corps", $1,295,000,000: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for "Operation and Maintenance, Air Force", $744,000,000: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

For an additional amount for "Operation and Maintenance, Defense-Wide", $295,000,000: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

IRAQ FREEDOM FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Iraq Freedom Fund", $2,978,000,000, to remain available for transfer until September 30, 2006, for the purposes authorized under this heading in Public Law 108–11: *Provided*, That the Secretary of Defense may transfer the funds provided herein to appropriations for military personnel; operation and maintenance; Overseas Humanitarian, Disaster, and Civic Aid; procurement; research, development, test and evaluation; the Defense Health Program; and working capital funds: *Provided further*, That of the amounts provided under this heading, not less than $1,978,000,000 shall be for classified programs, which shall be in addition to amounts provided for elsewhere in this title, and under this heading: *Provided further*, That funds transferred shall be merged with and be available for the same purposes and for the same time period as the appropriation or fund to which transferred: *Provided further*, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further*, That the Secretary of Defense shall, not fewer than 5 days prior to making transfers from this appropriation, notify the congressional defense committees in writing of the details of any such transfer: *Provided further*, That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation: *Provided further*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

PROCUREMENT

MISSILE PROCUREMENT, ARMY

For an additional amount for "Missile Procurement, Army", $42,800,000, to remain available until September 30, 2007: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further* That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For an additional amount for "Procurement of Weapons and Tracked Combat Vehicles, Army", $201,900,000, to remain available until September 30, 2007: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

PROCUREMENT OF AMMUNITION, ARMY

For an additional amount for "Procurement of Ammunition, Army", $330,000,000, to remain available until September 30, 2007: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

OTHER PROCUREMENT, ARMY

For an additional amount for "Other Procurement, Army", $1,151,400,000, to remain available until September 30, 2007: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

AIRCRAFT PROCUREMENT, NAVY

For an additional amount for "Aircraft Procurement, Navy", $34,000,000, to remain available until September 30, 2007: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

For an additional amount for "Procurement of Ammunition, Navy and Marine Corps", $112,800,000, to remain available until September 30, 2007: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

PROCUREMENT, MARINE CORPS

For an additional amount for "Procurement, Marine Corps", $111,400,000, to remain available until September 30, 2007: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

OTHER PROCUREMENT, AIR FORCE

For an additional amount for "Other Procurement, Air Force", $35,300,000, to remain available until September 30, 2007: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

PROCUREMENT, DEFENSE-WIDE

For an additional amount for "Procurement, Defense-Wide", $80,000,000, to remain available until September 30, 2007: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

NATIONAL GUARD AND RESERVE EQUIPMENT

For an additional amount for "National Guard and Reserve Equipment", $100,000,000, to remain available until September 30, 2007: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

For an additional amount for "Defense Working Capital Funds", $1,250,000,000: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For an additional amount for "Defense Health Program", $305,000,000 for Operation and maintenance: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

CHAPTER 2

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

For an additional amount for "Diplomatic and Consular Programs" for costs associated with United States Mission operations, technological support, logistical support, and necessary security costs in Iraq, $665,300,000, to remain available until expended: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th

Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

Embassy Security, Construction, and Maintenance

For an additional amount for "Embassy Security, Construction, and Maintenance" for interim facilities for the United States Mission in Iraq, $20,000,000, to remain available until expended: *Provided*, That, if the enactment of this title occurs during fiscal year 2004, such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress): *Provided further*, That, if the enactment of this title occurs during fiscal year 2005, such amount is designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

CHAPTER 3

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

United States Agency for International Development

International Disaster and Famine Assistance

For an additional amount for "International Disaster and Famine Assistance", $70,000,000, to remain available until September 30, 2005: *Provided*, That funds appropriated by this paragraph shall be available to respond to the humanitarian crisis in the Darfur region of Sudan and in Chad: *Provided further*, That such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress).

Department of State

Migration and Refugee Assistance

For an additional amount for "Migration and Refugee Assistance", $25,000,000, to remain available until September 30, 2005: *Provided*, That funds appropriated by this paragraph shall be available to respond to the humanitarian crisis in the Darfur region of Sudan and in Chad: *Provided further*, That such amount is designated as an emergency requirement pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress).

GENERAL PROVISIONS, TITLE IX

SEC. 9001. Appropriations provided in this title are available for obligation until September 30, 2005, unless otherwise so provided in this title: *Provided*, That notwithstanding any other provision of law or of this Act, funds in this title are available for obligation, and authorities in this title shall apply, upon enactment of this Act.

SEC. 9002. Notwithstanding any other provision of law or of this Act, funds made available in this title are in addition to amounts provided elsewhere in this Act.

(TRANSFER OF FUNDS)

SEC. 9003. (a) Upon his determination that such action is necessary in the national interest, the Secretary of Defense may transfer between appropriations up to $2,000,000,000 of the funds made available to the Department of Defense in this title: *Provided*, That the Secretary shall notify the Congress promptly of each transfer made pursuant to the authority in this section: *Provided further*, That the authority provided in this section is in addition to any other transfer authority available to the Department of Defense and is subject to the same terms and conditions as the authority provided in section 8005 of this Act.

(b) Section 8005 of the Department of Defense Appropriations Act, 2004 (Public Law 108–87; 117 Stat. 1071), is amended—

(1) by striking "$2,100,000,000" and inserting in lieu thereof "$3,000,000,000"; and

(2) by striking all after the third proviso and inserting the following: ": *Provided further*, That transfers among military personnel appropriations shall not be taken into account for purposes of the limitation on the amount of funds that may be transferred under this section.".

(c) Section 168(a) of division H of the Consolidated Appropriations Act, 2004 (Public Law 108–199; 118 Stat. 456), is repealed upon enactment of this Act.

(d)(1) If the enactment of this title occurs during fiscal year 2004, the amounts made available by the transfer of funds in or pursuant to this section are designated as emergency requirements pursuant to section 402 of S. Con. Res. 95 (108th Congress), as made applicable to the House of Representatives by H. Res. 649 (108th Congress).

(2) If the enactment of this title occurs during fiscal year 2005, such amounts are designated as making appropriations for overseas contingency operations pursuant to section 403 of such S. Con. Res. 95.

SEC. 9004. Funds appropriated in this title, or made available by the transfer of funds in or pursuant to this title, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

SEC. 9005. None of the funds provided in this title may be used to finance programs or activities denied by Congress in fiscal year 2005 appropriations to the Department of Defense or to initiate a procurement or research, development, test and evaluation new start program without prior notification to the congressional defense committees.

SEC. 9006. Sections 1318 and 1319 of the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108–11; 117 Stat. 571), shall remain in effect during fiscal year 2005.

SEC. 9007. From October 1, 2004, through September 30, 2005, (a) the rates of pay authorized by section 310(a) of title 37, United States Code, shall be $225; and (b) the rates of pay authorized by section 427(a)(1) of title 37, United States Code, shall be $250.

SEC. 9008. Notwithstanding any other provision of law, from funds made available in this title to the Department of Defense for operation and maintenance, not to exceed $500,000,000 may be used by the Secretary of Defense, with the concurrence of the Secretary of State, to train, equip, and provide related assistance to military or security forces in Iraq and Afghanistan, to enhance their capability to combat terrorism and to support U.S. military operations in Iraq and Afghanistan: *Provided*, That such assistance may include the provision of equipment, supplies, services, training and funding: *Provided further*, That the authority to provide assistance under this section is in addition to any other authority to provide assistance to foreign nations: *Provided further*, That the Secretary of Defense shall notify the congressional defense committees not less than 15 days before providing assistance under the authority of this section.

SEC. 9009. From funds made available in this title to the Department of Defense for operation and maintenance, not to exceed $300,000,000 may be used, notwithstanding any other provision of law, to fund the Commander's Emergency Response Program, for the purpose of enabling military commanders in Iraq to respond to urgent humanitarian relief and reconstruction requirements within their areas of responsibility by carrying out programs that will immediately assist the Iraqi people, and to fund a similar program to assist the people of Afghanistan: *Provided*, That the Secretary of Defense shall provide quarterly reports to the congressional defense committees regarding the source of funds and the allocation and use of funds made available pursuant to the authority provided in this section.

SEC. 9010. Section 202(b) of the Afghanistan Freedom Support Act of 2002 (22 U.S.C. 7532(b)) is amended by striking "$450,000,000" and inserting in lieu thereof "$650,000,000".

SEC. 9011. Funds available to the Department of Defense for operation and maintenance in this title may be used, notwithstanding any other provision of law, to provide supplies, services, transportation, including airlift and sealift, and other logistical support to coalition forces supporting military and stability operations in Iraq and Afghanistan: *Provided*, That the Secretary of Defense shall provide quarterly reports to the congressional defense committees regarding support provided under this section.

SEC. 9012. (a) Not later than April 30 and October 31 of each year, the Secretary of Defense shall submit to Congress a report on the military operations of the Armed Forces and the reconstruction activities of the Department of Defense in Iraq and Afghanistan.

(b) Each report shall include the following information:

(1) For each of Iraq and Afghanistan for the half-fiscal year ending during the month preceding the due date of the report, the amount expended for military operations of the Armed Forces and the amount expended for reconstruction activities, together with the cumulative total amounts expended for such operations and activities.

(2) An assessment of the progress made toward preventing attacks on United States personnel.

(3) An assessment of the effects of the operations and activities in Iraq and Afghanistan on the readiness of the Armed Forces.

(4) An assessment of the effects of the operations and activities in Iraq and Afghanistan on the recruitment and retention of personnel for the Armed Forces.

(5) For the half-fiscal year ending during the month preceding the due date of the report, the costs incurred for repair of Department of Defense equipment used in the operations and activities in Iraq and Afghanistan.

(6) The foreign countries, international organizations, and nongovernmental organizations that are contributing support for the ongoing military operations and reconstruction activities, together with a discussion of the amount and types of support contributed by each during the half-fiscal year ending during the month preceding the due date of the report.

(7) The extent to which, and the schedule on which, the Selected Reserve of the Ready Reserve of the Armed Forces is being involuntarily ordered to active duty under section 12304 of title 10, United States Code.

(8) For each unit of the National Guard of the United States and the other reserve components of the Armed Forces on active duty

pursuant to an order to active duty under section 12304 of title 10, United States Code, the following information:

(A) The unit.

(B) The projected date of return of the unit to its home station.

(C) The extent (by percentage) to which the forces deployed within the United States and outside the United States in support of a contingency operation are composed of reserve component forces.

Sec. 9013. Authorities contained in sections 402, 407, and 605 of division B of Public Law 108–199 shall also apply to amounts provided in this title for the Department of State.

Sec. 9014. Congress, consistent with international and United States law, reaffirms that torture of prisoners of war and detainees is illegal and does not reflect the policies of the United States Government or the values of the people of the United States.

Sec. 9015. The President shall provide to the Congress a report detailing the estimated costs over the period from fiscal year 2006 to 2011 of Operation Iraqi Freedom and Operation Enduring Freedom, or any related military operations in and around Iraq and Afghanistan, and the estimated costs of reconstruction, internal security, and related economic support to Iraq and Afghanistan: *Provided*, That the President may waive the requirement to submit this report only if the President certifies in writing to the Congress that estimates of these future military and economic support costs cannot be provided for purposes of national security: *Provided further*, That the report referenced above shall be submitted no later than October 1, 2004.

Sec. 9016. Section 3101 of title 31, United States Code, is amended by adding at the end the following new subsection:

"(d) The United States Government shall take all steps necessary to guarantee the full faith and credit of the Government."

Mr. LEWIS of California (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill through Page 138, Line 11 be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any amendments to that portion of the bill?

AMENDMENT OFFERED BY MR. INSLEE

Mr. INSLEE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Inslee:

At the end of the bill, add the following new title:

TITLE X—ADDITIONAL GENERAL PROVISIONS

Sec. 10001. None of the funds appropriated by this Act may be used to waive or modify regulations promulgated under chapter 43, 71, 75, or 77 of title 5, United States Code.

Mr. INSLEE. Mr. Chairman, this amendment addresses the clear American values of making sure that the 700,000 men and women who are so ably performing their duties today as part of our war against terrorism as civilian employees at the Department of Defense retain their American rights of collective bargaining, their American rights of due process, their American rights of an appeal if they have been abused on the job, their American rights to be treated based on merit in the performance of their jobs rather than on politics and patronage.

□ 1615

Our amendment, quite simply, assures that no money will be spent in this bill to deprive them of those statutorily guaranteed rights that we have built up on a bipartisan basis over the last several decades. This will assure that that scaffolding that provides those 700,000 Americans with that protection will not be stripped away.

Why is this important? This issue became paramount to me when I welcomed the USS Vincent back from the Afghan theater. The gentleman from Washington (Mr. DICKS) and I helicoptered out to it, it was quite an experience as she came back in the Straits of Juan de Fuca, and we talked to the sailors on board.

The sailors told us they had launched and recovered I think over 10,000 sorties and had not lost a pilot, and that the reason they had done that had been because of the exquisitely professional performance of a lot of people who are of those 700,000 civilian employees of the Department of Defense, and particularly those of the Puget Sound Naval Shipyard. The sailors, the people who were out in harm's way within firing range, told me not to forget the people who were on the defense team in the civilian sector of the Department of Defense.

Unfortunately, unless this amendment passes, those 700,000 patriots stand in the fire line of losing their collective bargaining rights, losing their right to an appeal, losing their right to due process and losing their right to have their performance judged on their merit.

This happened because, unfortunately, during our rush to get the defense authorization bill through, there was a provision in good faith that was inserted that gave largely unfettered discretion to the Department of Defense to go forth and create a new personnel system.

We are always open to reform and new ideas, but, unfortunately, what has transpired at the first cut by the Department of Defense, they have proposed plans that would essentially gut the real basic, fundamental right to collective bargaining in our system, a collective bargaining system that actually has been successful in maintaining the morale of these 700,000 patriots who are instrumental in our defense efforts today.

What we have seen are proposals to essentially gut that by allowing the Department of Defense to unilaterally sort of jam down the throats of those 700,000 people whatever they decide to do without collaboration and without collective bargaining. That would be a mistake. It would be a mistake in not recognizing the American value of collective bargaining, and it would be a mistake to damage the morale of this workforce, and we are urging my colleagues not to allow that.

Secondly, we do not want to allow what I consider to be a real civil right, and that is a right that when you are on the job working for the DOD, if you are going to be sanctioned, if you are going to be fired, if you are going to be sent down to the bilge as punishment, you ought to have some basic due process rights. You ought to have it in writing what you did wrong, you ought to have a right to a written decision on your appeal, even you ought to have a right to have an appeal, if I dare say, where you have a lawyer present when your job is on the line.

Those civil rights are in jeopardy if we do not pass this amendment, and the 700,000 people who care about that know those rights are in jeopardy.

We have already developed a very successful appeals system to handle this issue. Why should we go forth and create a whole new system to be a duplication of our existing system? It is not necessary.

I would like to answer four kind of suggestions why this amendment is necessary. Some of my colleagues have suggested this is not a good idea. They have had four critiques. I would like to answer those during this debate.

First, it has been suggested that the 700,000 employees that are going to be protected by my amendment do not want to be protected by my amendment. Not a well-put argument, when virtually every union that is elected by these employees wholeheartedly supports my amendment, the Association of Government Employees, the Federation of Teachers.

By the way, teachers, it was said they are sort of un-American, they cannot form a union unless my amendment passes. That does not make any sense at all. Teachers ought to be able to form unions. So the employees think this is a good idea.

Second, this will allow consideration of alternatives; it simply will not allow the pulling of the trigger. DOD will be able to aim, they will be able to load up, but they will not be able to pull the trigger on this until we look at this issue.

The CHAIRMAN. The time of the gentleman from Washington (Mr. Inslee) has expired.

(By unanimous consent, Mr. Inslee was allowed to proceed for 2 additional minutes.)

Mr. INSLEE. Mr. Chairman, my point I want to make is this does not stop DOD in their tracks from at least thinking about this issue. They will be allowed to consider this issue, but they will not be able to actually pull the trigger to waive these collective bargaining rights, to waive these appeal rights, to waive these due process rights.

Third: One friend on the other side of the aisle suggested that this amendment is a bad idea, because now we are in the age of faxes and computers and this is a new day and age, so we should give unfettered discretion to the Department of Defense to have a new personnel system without statutory rules.

Well, we can use faxes and computers and e-mail and answering machines, but we need to have a system of law to govern what due process rights the Congress has a role in deciding. These are rights that belong to individuals that are held very dearly by our employees, and we can use computers and faxes, but we need to do in a method that is rules-based.

We got into a little trouble, we got into a little trouble when the Department of Defense decided they could sort of ignore this rules-based Geneva treaty system, because they thought they should just have unilateral discretion in deciding how to handle some of these issues. That was kind of a sort of suggestion that we need rules.

Now, I am not suggesting our employees are going to be tortured, thank goodness that is not going to be the case, but we do need a rules-based employment system, and we cannot allow unilateral decision making by the Department of Defense.

The fourth issue I want to make, this is not going to stop reform. We need to work on it in Congress. I think we have seen the whites of the eyes that this has been a very, very controversial issue that has inflamed the 700,000 people that we need to build morale on.

Mr. LEWIS of California. Mr. Chairman, it is with great reluctance that I rise in opposition to this amendment.

Mr. Chairman, what the gentleman is discussing here is an important policy question which was discussed thoroughly in the authorizing committee last year. The policy was established. If the gentleman had a problem with that policy development, I regret he did not come to talk with us either at our markup process in the subcommittee or beyond that.

But it is clear to anybody who would look at the personnel difficulties within this huge department, the Department of Defense, there are needs for reform and change within this great arena. The authorizing committee did address that question.

The gentleman from Washington (Mr. INSLEE) suggests he does not stop the Department in its tracks, he just stops the money from flowing, which is somewhere close to my track, at any rate.

It seems to me that without the ability to change labor management relations within the Department, the Department will be faced with negotiating all personnel policies with over 1,366 unions, and change is not going to take place under those circumstances.

A new adverse action and appeals system would allow the Department to take more prompt action on employees who are not performing on their jobs or facing disciplinary action based on misconduct. The current appeals system is lengthy and demands an overburden of proof before management can take action. The new system that the authorizing committee has gone forward with would establish a new process, while maintaining employee rights to fair consideration.

The bottom line is that DOD should oppose this amendment, and we oppose it as well.

Mr. Chairman, I appreciate looking forward to working with the gentleman, but I wish we had had a chance to do so before today.

Mr. VAN HOLLEN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am proud to join the gentleman from Washington (Mr. INSLEE) in offering this amendment. As we have heard, last year, tucked into the 2004 defense authorization bill was a provision that gave the Bush administration, and any other future administration, Republican or Democrat, a virtually blank check to rewrite the rules and protections that govern 700,000 civil servants in the Department of Defense. What that provision did was strip Pentagon civilians of the statutory protections we have had on a bipartisan basis for decades.

We in this Congress, we in this House, have an obligation to ensure that those civilian employees of the Defense Department are treated fairly and treated with respect, and we should not surrender that authority and those obligations to any administration, Republican or Democrat. Yet that is what we did last year in the authorization bill.

While the Committee on Armed Services may have considered this issue, the fact of the matter is the full House has never had an opportunity to consider this issue, because the Committee on Rules did not make in order an amendment on exactly this question. So we did not have an opportunity to debate this last year in the House. This is the first time we now have an opportunity to address this issue straight on.

The testimony we have heard from the administration officials over the years, Republican and Democrat, has been clear, that our national security depends on a strong partnership between the military part of the Pentagon and the civilian civil servants. Taking away the basic protections that our civil servants enjoy with the Department of Defense would damage that partnership, it would hurt morale, and it sends a terrible message to the many men and women who we entrust with important national security work.

Why should we give the executive branch the authority to eliminate rules that protect employees from discrimination based on political affiliation? Do we not want people to exercise independent political judgment and not fear political repercussions? Why should we give the Executive Branch the authority to rewrite and eliminate rules of due process that protect employees in certain situations? Why should we give the executive branch the authority to eliminate the requirement that DOD bargain in good faith with their employees?

Now, last year, many in the administration said, "don't worry, we are not going to take advantage of those authorities. Trust us. We will not go that far."

Well, in February we saw the first write of the rules, and the fact of the matter is on both sides of the aisle, many people said, wait a minute. When we signed up for this, we did not think you were going to exercise your authority in this way in terms of taking away certain good faith bargaining rights.

So that is what this amendment is about. As my colleague from Washington said, this does not throw out all the authorities. What we are saying is let us take a year, let us take a time out, and let us adopt the adage that many have shown is good advice, "trust, but verify." Why should we provide a blank check?

Let us give the administration an opportunity now to come before the Congress to show us exactly what rules they want, and we can have an opportunity to take a look at them, rather than giving them a blank check in advance and then being totally at their mercy as to what they put in effect.

So this is a common sense provision. I believe it is a bipartisan decision. Let us let the administration tell us what they plan to do, and, if we think it makes sense, we can move forward on it at that time.

Trust, but verify.

Mr. DICKS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of the Inslee-Van Hollen amendment. Last year, Congress gave the Department of Defense the authority to design a new civilian personnel system for its employees as part of the defense authorization bill. I opposed that part of the bill because it included a blanket waiver for the new system from all of the worker protections which Congress has wisely enacted through the years. Unfortunately, the House was denied a chance to vote directly on these changes in 2004, I must assume because of fear about how the vote would turn out.

Now the Department of Defense is designing the new system, and the initial proposal published by the Department this spring, as mentioned by others, has confirmed every fear voiced by members of the House, such as myself and the gentleman from Washington (Mr. INSLEE) and the gentleman from Maryland (Mr. VAN HOLLEN) about the new system. The initial proposal produced by the Department would have trampled worker rights in a wanton and deliberate fashion.

More recently, Navy Secretary Gordon England has been assigned to work this issue for DOD, and he has pledged to work with DOD unions and employee organizations to design a fairer system. I am strongly encouraged by his involvement, but I also believe that DOD must design a new system which is consistent with strong worker protections. This guarantee is all that the Inslee-Van Hollen amendment would add to the bill before us today.

Furthermore, there is an important monetary reason for supporting this amendment which is appropriate on the bill which deals with the defense budget. DOD has proposed creating within the Department of Defense two massive new bureaucracies which would duplicate the work of the existing Federal labor relations authority and the Merit System Protection Board. I believe that it would be irresponsible in the extreme for this committee to divert funding from badly needed warfighting priorities just so that the Department of Defense can duplicate the functions of independent government agencies under the control of the Secretary of Defense.

This harms national security at the same time that it undermines worker rights.

For all these reasons, Mr. Chairman, I ask that my colleagues support the Inslee-Van Hollen amendment and put the new personnel system at DOD back on the right track.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Maryland, the distinguished Democratic whip.

Mr. HOYER. Mr. Chairman, I thank my friend for yielding. Rather than prolong the debate, I want to adapt that which has been put forward by the gentleman from Washington (Mr. INSLEE) and the gentleman from Maryland (Mr. VAN HOLLEN) in sponsoring this, and adopt the gentleman's remarks as well, and simply say that I think the gentleman from Maryland (Mr. VAN HOLLEN) and the gentleman from Washington (Mr. INSLEE) and the gentleman from Washington (Mr. DICKS) have put their finger on it.

☐ 1630

We abrogated essentially laws, statutes passed by the Congress, signed by the Presidents of the United States, without reviewing the changes that would be put before us and would impact on our Federal employees. That is all I think the sponsors are asking for the opportunity to do, and I would hope that the Members on both sides of the aisle would adopt this amendment, proceed in that fashion over the next year, and have the opportunity to review the changes that are suggested.

I thank the gentleman from Washington State, who has been a giant on behalf of Federal employees during our careers here, and I thank him for yielding.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate the gentleman yielding. I have not had a chance to talk to the gentleman from Pennsylvania (Mr. MURTHA) about this, but I believe that the gentleman from Washington State is still a member of the subcommittee; is he not?

Mr. DICKS. Yes, I am.

Mr. LEWIS of California. Well, I really look forward to discussing this with the gentleman personally before we come to the floor.

Mr. DICKS. Mr. Chairman, reclaiming my time, we did have a proposal in our written document that went to the chairman that laid out a proposal, a different approach to this; and it would have just protected the public shipyards, both on the east coast, the west coast, and Hawaii.

Mr. LEWIS of California. Mr. Chairman, if the gentleman would yield further, I do very much appreciate the opportunity to discuss these matters with my colleague, sometimes privately, sometimes publicly.

Mr. DICKS. And I appreciate the gentleman's willingness to discuss this issue. I know of his concern for government workers, because he has many in his own district; and I know that he will treat them as fairly as he has always treated me.

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, I have to oppose this amendment. It has just come up at the last minute. As technical as it is, and the gentleman talked to me about it and I looked at it, and all of us are trying to do the same thing: make sure that we do some reform, but that we do not go too far. I think Gordon England is the right one to look at this thing. I know the Defense Department is very nervous about the direction they were going at first, and I am afraid this bill will be vetoed if it has this language in it.

Mr. DICKS. Mr. Chairman, reclaiming my time, I just mention this to my friend from Pennsylvania, that the Steel Workers Union of America is strongly in favor of this legislation. They want to see workers protected.

Mr. MURTHA. Mr. Chairman, if the gentleman will further yield, I do not doubt they are, and I appreciate their recommendation; but this is the wrong approach to it. It just goes a little too far. I think we need to work on this kind of thing together. And at the last minute, it just makes it hard for us to accept something like this. So I would hope we defeat this amendment and try to work something out later on.

The CHAIRMAN. The time of the gentleman from Washington (Mr. DICKS) has expired.

(By unanimous consent, Mr. DICKS was allowed to proceed for 30 additional seconds.)

Mr. DICKS. Mr. Chairman, I would just point out one other thing to my distinguished chairman. I had no idea that this amendment would be offered on the floor; but once it was, I felt compelled to speak on behalf of it.

Mr. DAVIS of Illinois. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the Inslee-Van Hollen amendment, and I do so because the basic rights and freedoms that we are attempting to guarantee for these civilian labor forces in DOD are those rights for which our military has fought and continues to fight.

The real reason that we are involved in Iraq and in other places throughout the world is to guarantee rights and freedoms for individuals. We simply want to guarantee those same rights and freedoms for our workforce.

I was heartened to hear the gentleman from California (Mr. LEWIS) suggest that perhaps there is a window of opportunity for continuous discussion, for continuous interaction. I was pleased to hear the ranking member suggest that this is the last minute; and, hopefully, we can have continuous discussions over an extended period of time to make sure that we can guarantee for our civilian workforce those rights and privileges for which our military fights throughout the world.

So I support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. INSLEE).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. INSLEE. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Washington (Mr. INSLEE) will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MR. STRICKLAND

Mr. STRICKLAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STRICKLAND:

At the end of the bill (before the short title), insert the following:

TITLE X—ADDITIONAL GENERAL PROVISIONS

SEC. 10001. None of the funds appropriated or otherwise made available by this Act may be used for any plan for compensation of individuals held in military prisons under the control of the United States in Iraq unless the plan includes a provision to address the injuries suffered by the 17 citizens of the United States who were held as prisoners of war by the regime of Saddam Hussein during the Persian Gulf War in 1991.

Mr. STRICKLAND (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LEWIS of California. Mr. Chairman, I reserve a point of order on the gentleman's amendment.

Mr. STRICKLAND. Mr. Chairman, I thank the gentleman for reserving a point of order.

Mr. Chairman, I intend to withdraw this amendment; but, first of all, I would like to take some moments to speak about it, because I think it is an issue that needs to be brought to the attention of this body.

We all know that during the 1991 Gulf War, Iraq savagely tortured American POWs by inflicting beatings, starvation, electric shock, whippings, mock executions, threatened castration, broken bones, and burst eardrums. These actions were condemned by this Congress on three different resolutions.

In April of 2002, these ex-POWs filed suit against the Iraqi regime under the law that this Congress had passed that allowed torture victims to file suit against terrorist states. If successful in court, these victims are then ensured access to the blocked assets of that terrorist state to obtain payment.

Through their suit, the POWs sought to raise public awareness about POWs, to hold Saddam Hussein and his regime accountable, and to deter the torture of American servicemen and -women in the future, and to obtain compensation for their injuries.

Last year, a Federal judge ruled in favor of the 17 POWs that filed suit. However, the Bush administration has stood in the way of these POWs getting the payments awarded them by claiming that the compensation would hamper the reconstruction of Iraq. The administration even appealed the judgment and spent tax dollars fighting the American POWs in court. Sadly, the administration was recently successful in overturning the judgment that allowed the compensation of these ex-POWs.

Now, at the same time the administration was opposing these American POWs in court, Secretary Rumsfeld testified before the Senate Committee on Armed Services saying, "I am seeking a way to provide appropriate compensation" to the Iraqi detainees at Abu Ghraib prison.

So while compensating Iraqi prisoners may be the right thing to do, we should not do this at the very same time that we are refusing to work with the 17 American POWs who won compensation under a law that many of us voted for.

A newspaper back in Ohio read like this: "It was the United States of America and Saddam Hussein versus American POWs, and the United States and Saddam Hussein won."

My amendment, if it was not objected to, would prohibit the Department of Defense from providing compensation to the Iraqi detainees abused at Abu Ghraib until that compensation plan also addressed the injuries suffered by the 17 Americans held as prisoners of war under the regime of Saddam Hussein during the first Gulf War.

Now, over on the Senate side, over on the Senate side they passed by unanimous consent as a part of the Defense authorization bill language identical to the language I have in this amendment. It was offered by Senator REID, and it was co-sponsored by Senator WARNER and Senator LEVIN.

So, Mr. Chairman, although I am withdrawing this amendment due to the objection, I would hope that this body would recognize the injustice. How can we justify providing compensation to Iraqi POWs and fight the compensation for American POWs who were abused in the same way at the very same prison?

So I look forward to working with my colleagues in the days and weeks to come. I intend to find some vehicle, some mechanism to make sure that this injustice is corrected.

Mr. Chairman, I withdraw my amendment.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

Mr. STENHOLM. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as we all know, and certainly the subcommittee is aware very strongly, the B–1 bomber is an integral part of our bomber fleet. The long-range strike capability of our national defense is enhanced by the superior payload capability, speed, and accuracy of this aircraft.

The Defense authorization and appropriation committees and my good friends, the gentleman from Pennsylvania (Mr. MURTHA), the gentleman from Missouri (Mr. SKELTON), the gentleman from California. (Mr. HUNTER), and the gentleman from California (Chairman LEWIS), have recognized the importance of the B–1 to the Air Force. It performed admirably in Afghanistan and Iraq.

I rise today to discuss provisions in the Defense appropriations and authorization bills that address the reinstatement of B–1s to the fleet. As a strong supporter of the B–1 and having been closely associated with this issue since 1985 when the first B–1 was assigned to Dyess Air Force Base, my support is, and always has been, a commonsense approach that advocates the best for the Air Force.

The B–1 fleet was recently reduced to its current size of 60 aircraft, with assurances that upgrades will be made to the fleet to increase mission capability rates, defensive systems, and lethality. I supported the Air Force decision in its plan to keep fewer, but top-quality, mission-capable B–1s.

The Defense Authorization Act included a provision for $105 million to regenerate an additional 10 B–1s above the Air Force recommendation to reinstate seven. The Subcommittee on Defense Appropriations brings to the floor today a recommendation which follows the Air Force's recommendation to regenerate seven aircraft, and also follows the Air Force confirmation that additional funding is not needed beyond the $17 million appropriated for this purpose in fiscal year 2004.

My concern about the funding for regenerated B–1s is the fact that $17 million may not be enough for the seven aircraft that initially cost $283 million each. Again, I strongly support the B–1, but also strongly support full funding for the entire fleet. If we are going to add seven planes, I would like assurances from the chairman and ranking member today that they do believe that the Air Force is correct that $17 million is sufficient funding to keep 67 planes in the air, flying, with the mission that I know that they support.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, we understand my colleague's concern, and we can tell the gentleman that we believe that there is adequate funding.

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, we will make sure there is enough money to take care of those airplanes.

Mr. STENHOLM. Mr. Chairman, I appreciate that. I hope that the chairman and ranking member understand the concern here.

As I said before, I have always followed the recommendations of the Air Force. We have some concerns, we are standing down the 13th bomb squadron today at Dyess at the same time we got agreement that the fleet will receive seven extra planes. That takes operational money. That takes manpower. There are some recommendations that are going forward that caused this concern, but I do appreciate the reassurances of the chairman and the ranking member, and we look forward to working with my colleagues to see that the full 67 plane force is, in fact, fully funded and operational to do the job that they have been called on to do in Iraq and Afghanistan and, hopefully, if called upon again, will be able to do as good or a better job.

Mr. MORAN of Kansas. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I appreciate the courtesies extended to me by the gentleman from California (Mr. LEWIS), the chairman.

I rise to discuss an amendment that under appropriate circumstances, if the rules allowed, I would offer today concerning the health care services that are being provided to our service men and women.

□ 1645

In 1997 this Congress passed legislation requiring the Department of Defense to conduct predeployment and post-deployment physicals for our servicemen and women, and as a member of the House Committee on Veterans' Affairs and one who chaired the Committee on Veterans' Affairs Subcommittee on Health for a number of years, we looked at this issue, and my goal in examining what was going on or not going on was based on a concern that we did not want our servicemen and women to return to the United States after deployment and incur Persian Gulf War syndrome.

And one of the things we learned from the Persian Gulf War syndrome studies was that we needed a baseline to know what our servicemen and women encountered, what their health condition was before they departed for their deployment and what their physical condition was when they returned.

In 1997, Congress passed legislation requiring the Department of Defense to conduct physical examinations upon those servicemen and women. I have concerns that those physical examinations are not occurring, and in fact, the GAO report that my subcommittee heard about, took testimony from the GAO, indicates that someplace between 38 and 98 percent of the deployed personnel are lacking in one or both of those physical examinations.

Again, this is an issue that I have requested an additional hearing from the Committee on Veterans' Affairs. During my term as subcommittee chairman, we conducted a series of hearings about the health conditions that our servicemen and women were encountering, and believed that it is awfully important for these physicals to take place, and it is uncertain as to whether they are.

In fact, in March of this year, the Committee on Government Reform Subcommittee on National Security, Emerging Threats and International Relations took testimony, and the DOD indicated that servicemen and women who answer yes to certain questions on the questionnaire then have a referral for additional examinations. That implies to me that those who answer no to questions are not receiving those health care physical examinations by health care personnel.

And so the amendment that I am discussing here today would express a sense of Congress that the Department of Defense should fully comply with section 107(f)(b) of Title 10 of the United States Code relating to those predeployment and post-deployment medical examinations.

And, again, I would hope that we could hold the Department of Defense's feet to the fire for purposes of protecting the lives and safety and the health of our servicemen and women now deployed.

Mr. HOYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to rise and thank the chairman and the ranking member for accepting the amendment that I offered in full committee on torture, and I want to speak just for a few minutes on that amendment.

Mr. Chairman, the American people watched with shock and horror, as all of us did, as the photos of physical and psychological abuse being inflicted upon Iraqi detainees at the hands of U.S. military personnel were broadcast for the world to see.

Many Members of the House have subsequently expressed their outrage, frankly, and disgust at the acts of torture that took place at Abu Ghraib prison in Iraq.

Some, Mr. Chairman, believe there has been an overreaction, that we are spending too much time on this issue.

Mr. Chairman, I disagree with that view. We must move beyond the mere expressions of outrage, and we must uncover the facts surrounding the torture that occurred at Abu Ghraib, and perhaps at other places as well.

Why? To undermine our efforts in Afghanistan and Iraq? Absolutely not.

To in any way cast doubt on the integrity, courage and good conduct of the thousands of men and women who wear our uniform? Absolutely not.

But we must do so, Mr. Chairman, to emphatically affirm the values for which we fight. These actions represent a grave breach of decades of international and domestic law, and those involved in allowing or in creating an atmosphere in which such actions may seem to be condoned must be held as accountable as those who perpetrated them.

Does a 20-year-old army private decide to put a dog leash on a nude Iraqi detainee and parade him in front of the others and photograph him? I think not.

Do young military guards decide to release guards on detainees? I hope not and I think not.

Secretary Rumsfeld's recent admission of his own violation of the Geneva Convention ordering the secret detention of an Iraqi prisoner for 7 months raises serious questions about the extent of the coordination of the treatment of prisoners of war and detainees in Iraq, Afghanistan and Guantanamo Bay.

The international reaction to these actions damaged our standing in the world. It has undermined our credibility. It has made the already difficult job of securing a broader coalition of support in Iraq and achieving our objectives in Iraq, which I have consistently supported and support to this day, it makes that more difficult, and it has increased the danger of Americans in Iraq and around the world.

While it is true that torture is a clear violation of American and international law, that is not the reason that the United States of America renounces its use.

While it is true that torture undermines our credibility and increases the danger to any Americans traveling abroad, that is not the reason that we renounce its use.

While it is true that torture produces entirely unreliable information, that is not the reason that we renounce its use.

In fact, in a field manual 3452, a 1992 field manual still in force and serves as a basic primer for students and instructors in the army that outlines the Army's doctrine for conducting interrogations, it in the final analysis says this: Imagine that a technique was being applied to American prisoners of war, and ask yourself if it would be consistent with U.S. law. If a doubt still remains as to the legality of a proposed action, seek a legal opinion from your servicing judge advocate.

In other words, do not do these things if you think they would violate U.S. law.

There is another standard that was set forth in a manual of the Army which I thought made a lot of common sense. And it said to them if you would not want an American detainee or prisoner treated in the way you are treating a prisoner, do not do it.

Mr. Chairman, the United States of America renounces the use of torture and mistreatment of prisoners of war and other detainees because it is contrary to the principles upon which the Nation was founded, contrary to our commitment to human rights, and contrary to the value we place on the dignity of all people.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. HOYER) has expired.

(By unanimous consent, Mr. HOYER was allowed to proceed for 1 additional minute.)

Mr. HOYER. Torture, Mr. Chairman, is quite simply un-American. It is alien to who we are as a people. And where others may seek to rationalize its use, we must not. We must make clear to those who are watching, both friends and foe, that we do not tolerate the behavior that took place, that we will hold accountable all those who are responsible. And that it is not now, nor will it be, the policy of this great and good Nation to sanction the use of torture.

Mr. Chairman, today through language that was included in the fiscal 2005 defense appropriation act for which, again, I thank the chairman and ranking member, we again take an essential step by reaffirming that torture is, in fact, illegal under American and international law, that it is not consistent with American values, and that it is not a policy accepted by the United States of America.

The CHAIRMAN. Are there any further amendments to this portion of the bill?

The Clerk will report the final two lines.

The Clerk read as follows:

This Act may be cited as the "Department of Defense Appropriations Act, 2005".

AMENDMENT OFFERED BY MR. INSLEE

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on the request for a recorded vote on the amendment by the gentleman from Washington (Mr. INSLEE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 202, noes 218, not voting 13, as follows:

[Roll No. 283]

AYES—202

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hill
Hinchey
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moore
Moran (VA)
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Simmons
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Wolf
Woolsey
Wu
Wynn

NOES—218

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Wicker
Wilson (NM)
Wilson (SC)
Young (AK)
Young (FL)

NOT VOTING—13

Bereuter
Berman
Carson (IN)
DeMint
Deutsch
Gephardt
Hastings (FL)
Hinojosa
McInnis
Mollohan
Reyes
Tauzin
Whitfield

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1721

Mr. CHOCOLA and Mr. RENZI changed their vote from "aye" to "no."

Ms. CORRINE BROWN of Florida, Mr. BOSWELL, and Mr. JOHNSON of Illinois changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any further amendments?

If not, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LINDER) having assumed the chair, Mr. CAMP, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4613) making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes, pursuant to House Resolution 683, he reported the bill as amended pursuant to that resolution back to the House with sundry further amendments adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Under clause 10 of rule XX, the yeas and nays are ordered.

Pursuant to clause 8 of rule XX, this 15-minute vote on passage will be followed by a 5-minute vote, as ordered, on a motion to suspend the rules and adopt House Resolution 658.

The vote was taken by electronic device, and there were—yeas 403, nays 17, not voting 13, as follows:

[Roll No. 284]

YEAS—403

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Clyburn
Coble
Cole
Collins
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McGovern
McHugh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pascrell
Pastor
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NAYS—17

Conyers
Honda
Jackson (IL)
Jackson-Lee (TX)
Kucinich
Lee
Lewis (GA)
McDermott
Owens
Paul
Payne
Schakowsky
Stark
Waters
Watson
Watt
Woolsey

NOT VOTING—13

Bereuter
Berman
Carson (IN)
DeMint
Deutsch
Gephardt
Hastings (FL)
Hinojosa
McInnis
Mollohan
Reyes
Tauzin
Whitfield

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LINDER) (during the vote). Two minutes remain in this vote.

□ 1740

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

RECOGNIZING NATIONAL HOMEOWNERSHIP MONTH

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 658.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. GARY G. MILLER) that the House suspend the rules and agree to the resolution, H. Res. 658, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 415, nays 2, not voting 16, as follows:

[Roll No. 285]

YEAS—415

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Clyburn
Coble
Cole
Collins
Conyers
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary

Miller, George
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—2

Flake
Paul

NOT VOTING—16

Bereuter
Berman
Carson (IN)
DeMint
Deutsch
Gephardt
Hastings (FL)
Hinojosa
Lantos
McInnis
Mollohan
Myrick
Reyes
Stark
Tauzin
Whitfield

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

☐ 1748

So (two thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DEUTSCH. Mr. Speaker, I was unavoidably absent from the Chamber today during rollcall votes No. 284 and No. 285.

Had I been present, I would have voted "yea" on rollcall No. 284, and "yea" on rollcall No. 285.

PERSONAL EXPLANATION

Mr. HINOJOSA. Mr. Speaker, on rollcall No. 283, the Inslee amendment—"yes"; rollcall No. 284, Final Passage of H.R. 4613—"yes"; and rollcall No. 285, H. Res. 658—"yes."

APPOINTMENT OF MEMBERS TO ABRAHAM LINCOLN STUDY ABROAD FELLOWSHIP PROGRAM

The SPEAKER pro tempore (Mr. LINDER). Pursuant to section 104(c)(1) of the Consolidated Appropriations Act, 2004, (Public Law 108-199), and the order of the House of December 8, 2003, the Chair announces the Speaker's appointment of the following members on the part of the House to the Commission on the Abraham Lincoln Study Abroad Fellowship Program:

Mr. Mark Kirk, Wilmette, Illinois;
Mr. JOHN C. Peters, DeKalb, Illinois;
Mr. S. Kerry Cooper, College Station, Texas.

COMMUNICATION FROM HONORABLE NANCY PELOSI, DEMOCRATIC LEADER

The SPEAKER pro tempore laid before the House the following communication from the Honorable NANCY PELOSI, Democratic Leader:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, June 22, 2004.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to section 104(c)(1) of the Consolidated Appropriations Act, 2004 (P.L. 108-199), I hereby appoint to the Commission on the Abraham Lincoln Study Abroad Fellowship Program, Representative Louise Slaughter of New York, Dr. Mary M. Dwyer of Lake Forest, Illinois, and Ms. Mora McLean of New York.

Best regards,

NANCY PELOSI.

REPORT REGARDING ICELAND'S WHALING ACTIVITIES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 108–195)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and the Committee on Resources and ordered to be printed:

To the Congress of the United States:

On June 16, 2004, Secretary of Commerce Donald Evans certified under section 8 of the Fisherman's Protective Act of 1967, as amended (the "Pelly Amendment") (22 U.S.C. 1978), that Iceland has conducted whaling activities that diminish the effectiveness of the International Whaling Commission (IWC) conservation program. This message constitutes my report to the Congress consistent with subsection (b) of the Pelly Amendment.

The certification of the Secretary of Commerce is the first against Iceland for its lethal research whaling program. In 2003, Iceland announced that it would begin a lethal research whaling program and planned to take 250 minke, fin, and sei whales for research purposes. The United States expressed strong opposition to Iceland's decision, in keeping with our longstanding policy against lethal research whaling. Iceland's proposal was criticized at the June 2003 IWC Annual Meeting by a majority of members of the IWC Scientific Committee, and the IWC passed a resolution that urged Iceland not to commence this program. In addition, the United States, along with 22 other nations, issued a joint protest asking Iceland to halt the program immediately. The United States believe the Icelandic research whaling program is of questionable scientific validity. Scientific data relevant to the management of whale stocks can be collected by non-lethal techniques. Since Iceland's 2003 announcement, Iceland reduced its proposed take to 38 minke whales and in implementing its lethal research program, killed 36 whales last year. For this year, Iceland has proposed taking 25 minke whales. The United States welcomes this decision to reduce the take and to limit it to minke whales, and we appreciate Iceland's constructive work with the United States at the IWC on a variety of whaling issues. These adjustments, however, do not change our assessment that Iceland's lethal research whaling program is of questionable scientific validity and diminishes the effectiveness of the IWC's conservation program.

In his letter of June 16, 2004, Secretary Evans expressed his concern for these actions, and I share these concerns. I also concur in his recommendation that the use of trade sanctions is not the course of action needed to resolve our current differences with Iceland over research whaling activities. Accordingly, I am not directing the Secretary of the Treasury to impose trade sanctions on Icelandic products for the whaling activities that led to certification by the Secretary of Commerce. However, to ensure that this issue continues to receive the highest level of attention, I am directing U.S. delegations attending future bilateral meetings with Iceland regarding whaling issues to raise our concerns and seek ways to halt these whaling actions. I am also directing the Secretaries of State and Commerce to keep this situation under close review and to continue to work with Iceland to encourage it to cease its lethal scientific research whaling activities. I believe these diplomatic efforts hold the most promise of effecting change in Iceland's research whaling program, and do not believe that imposing import prohibitions would further our objectives.

GEORGE W. BUSH.

THE WHITE HOUSE, *June 22, 2004*.

PRAISE FOR THE PRESIDENT'S JOBS AND GROWTH TAX RELIEF PACKAGE

(Ms. GINNY BROWN-WAITE of Florida asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to praise the President and my colleagues in Congress for passing tax relief that has more Americans working today and taking home even more of their hard-earned money.

The American economy was delivered three very substantial blows with the downturn in the global economy, the corporate scandals, and the attack of 9-11. We are now on the high-speed highway to recovery.

America has a broad, deep economy that is rapidly growing. In fact, the tax relief we passed has added jobs for the past 9 months, creating 1.4 million jobs. My State of Florida has seen almost 300,000 new jobs since December of 2001. And let me tell the Members, Mr. Speaker, I can see the results when I am in my district. There are help wanted signs out once again. What a wonderful sight to see.

The President's Jobs and Growth tax relief package enacted a year ago helped drive the strong improvement in our economy. It raised the level of economic activity and productivity which will result in higher incomes and living standards for all American workers.

I praise the President and this House for engineering that growth.

THE PRESIDENT'S ECONOMIC POLICY

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute.)

Mr. BROWN of Ohio. Mr. Speaker, President Bush again was in Ohio this past week to try to justify his economic program to try to sell it to the residents of my State.

Since President Bush took office, one out of six manufacturing jobs has disappeared from my State. President Bush will be the first President since Herbert Hoover to have a net loss of jobs during his time in office. Ohio has lost 190 jobs every single day of the Bush administration.

His answer is always the same: more tax breaks for large corporations and the wealthiest people in the country which might, he thinks, trickle down to create jobs, and more trade agreements like NAFTA which all serve only to ship jobs overseas.

Mr. Speaker, instead of this disastrous Bush economic policy, we need to change directions, extend unemployment benefits, and give tax incentives to those corporations that do business in the United States rather than using U.S. taxpayer subsidies to reward those companies that go overseas and ship jobs overseas and outsource our middle-class jobs.

COMMENDING THE BUSH ADMINISTRATION FOR A JOB WELL DONE

(Mr. KINGSTON asked and was given permission to address the House for 1 minute.)

Mr. KINGSTON. Mr. Speaker, while there is still a lot of work left to do in Iraq, it is very significant that on June 30, the new government takes over. This is a step that is largely accepted by the international community as a good thing.

Progress is being made, but America is still going to have to stay in there for security reasons to help rebuild the infrastructure and to get the international community to continue to support the new government. We need to stick together on this.

Meanwhile, domestically the economy is picking up. Three hundred thousand jobs were created last month. It bring us to, I believe, something like 900,000 jobs this year. Huge economic growth, lots of opportunities are out there.

For our senior citizens, Medicare cards are now available that give up to a 20 to 25 percent discount on prescription drugs, very helpful for those who are on a fixed income and those who are in retirement.

This administration has taken significant steps to continue to make America strong and free internationally and domestically and while not turning our backs on those who need the most help.

Mr. Speaker, I commend the Bush administration for a job well done.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. GERLACH). Under the Speaker's announced policy of January 7, 2003, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

NATIONAL SECURITY THREAT, FRAUD AND ABUSE ASSOCIATED WITH VISA LOTTERY PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. GOODLATTE) is recognized for 5 minutes.

Mr. GOODLATTE. Mr. Speaker, I rise today to discuss a government program that presents a serious national security threat and is wrought with fraud and abuse, the visa lottery program.

Under the program, each successful applicant is chosen at random and given the status of permanent resident, a green card holder, based on pure luck. A perfect example of the system gone awry is the case of Hesham Mohamed Ali Hedayet, the Egyptian national who killed two and wounded three during a shooting spree at the Los Angeles International Airport in July of 2002. He was allowed to apply for lawful permanent resident status in 1997 because of his wife's status as a visa lottery winner.

The State Department's Inspector General has even weighed in on the national security threat posed by the visa lottery program. In a report issued in September of 2003, the Office of Inspector General stated that the visa lottery program contains "significant threats to national security from entry of hostile intelligence officers, criminals, and terrorists into the United States as permanent residents."

Usually immigrant visas are issued to foreign nationals who have existing connections with family members lawfully residing in the United States. These types of relationships help ensure that immigrants entering our country have a stake in continuing America's success and have needed skills to contribute to our Nation's economy. However, under the visa lottery program, visas are awarded to immigrants at random without meeting such criteria.

In addition, the visa lottery program is unfair to immigrants who comply with the United States' immigration laws. The visa lottery program does not expressly prohibit illegal aliens from applying to receive visas through the program. Thus the program treats foreign nationals that comply with our laws the same as those that blatantly violate our laws. In addition, most family-sponsored immigrants currently face a wait of years to obtain visas. Yet the lottery program pushes 50,000 random immigrants with no particular family ties, job skills, or education ahead of these families and employer-sponsored immigrants each year with relatively no wait. This sends the wrong message to those who wish to enter our great country and to the international community as a whole.

Furthermore, the visa lottery program is wrought with fraud. A recent report released by the Center for Immigration Studies states that it is commonplace for foreign nationals to apply for the lottery program multiple times using many different aliases. In addition, the visa lottery program has spawned a cottage industry featuring sponsors in the U.S. who falsely promise success to applicants in exchange for large sums of money. Ill-informed foreign nationals are willing to pay top dollar for the "guarantee" of lawful permanent resident status in the U.S.

The State Department's Office of Inspector General confirms these allegations of widespread fraud in its September report. Specifically, the report states that the visa lottery program is "subject to widespread abuse" and that "identity fraud is endemic and fraudulent documents are commonplace." Furthermore, the report also reveals that the State Department found that 364,000 duplicate applications were detected in 2003 alone. The only penalty for such abuse is disqualification from that year's lottery.

The visa lottery program represents what is wrong with our country's immigration system. The serious national security threats, fraud and waste that the visa lottery program present beg the question why is this program still in existence?

Last February I introduced H.R. 775, the Security and Fairness Enhancement, or SAFE, for America Act.

□ 1800

This important legislation would eliminate the controversial visa lottery program. Not only will the removal of the visa lottery improve our Nation's security but it will also make the administration of our immigration laws more consistent and fair and help reduce immigration fraud and opportunism.

I urge each of my colleagues to support this important legislation.

INDEPENDENCE AIRLINES/O'HARE DELAYS

The SPEAKER pro tempore (Mr. GERLACH). Under a previous order of the House, the gentleman from Illinois (Mr. LIPINSKI) is recognized for 5 minutes.

Mr. LIPINSKI. Mr. Speaker, I rise today to express my great concern that schedules recently implemented by the new carrier Independence Air will undermine the hard work that the FAA has done for this summer's service to O'Hare International Airport. This is an issue where we should all be concerned, considering that delays at O'Hare not only impact my district but also shake the entire national aviation system.

Beginning this past winter and continuing through spring, the DOT and the FAA worked carefully with the two largest carriers at O'Hare, American Airlines and United Airlines, to reduce schedules during the peak hours for this summer season. Those airlines agreed to reduce their schedules in the busy afternoon and evening hours, first by 5 percent and later by another 2.5 percent. This notable effort was widely announced by the DOT and the airlines as an important step in reducing delays at O'Hare and throughout the entire national airspace system during this peak season.

However, Independence Air, a new airline operating small 50-seat regional jets, has announced they will have 12 new round trips per day from Washington Dulles to O'Hare. This service has at least five round trips in the peak hours and began last week on June 16.

Mr. Speaker, this offering of new service, especially with small regional jets, is not only unfair to those airlines who made the schedule cuts but also undermines the work of the Department of Transportation and adds delays during the busy summer months. The new service adds only 600 seats per day in each direction, but uses 12 round trips' worth of takeoff and landing capacity.

Furthermore, the Chicago-Washington market already has plenty of service, including 10 round trips with full-sized low-fair jets by Southwest between BWI and Midway, ATA Airlines between Reagan National and Midway, and even more service by American and United Airlines from Reagan National to O'Hare. Meanwhile, American and United have had to reduce service in smaller, less-served markets to free up capacity at O'Hare.

The bottom line is that operational restrictions at O'Hare will not solve the delay problem over the long run. The answer to the delay problem is increasing capacity through the O'Hare Modernization Program, OMP. Therefore, I do hope that the completion of the OMP's environmental impact statement, the ESI, will move forward as expeditiously as possible.

In the meantime, I am concerned about Independence Air, because the Department's future ability to work with existing carriers to reduce schedules will be ruined if a schedule agreement can be so quickly and easily undermined.

I hope that this is an issue that we can study more in depth at an aviation subcommittee hearing in the coming months. I ask that the DOT work quickly with Independence Air to shift these planned flights out of the peak periods at O'Hare this summer.

I would also appreciate an explanation as to how future scheduling agreements can be enforced. Without an enforcement mechanism, a voluntary scheduling production process cannot work in the future. Time is of the essence. We must give this issue the attention it needs and deserves and work to prevent the millions of passengers who pass through O'Hare Airport from being delayed.

EXCHANGE OF SPECIAL ORDER TIME

Mr. GINGREY. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Indiana (Mr. BURTON).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CONGRATULATING J. BARNETT WOODRUFF FOR BEING AWARDED THE CLIFF O. LIVINGSTON AWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. GINGREY) is recognized for 5 minutes.

Mr. GINGREY. Mr. Speaker, I make my way to the floor this evening to congratulate a distinguished citizen from Columbus, Georgia, J. Barnett Woodruff, for being the 2004 recipient of the Cliff O. Livingston award. For those not familiar with its significance, the Cliff O. Livingston Award was created in 1984 to honor individuals who excel above and beyond normal standards of generosity and commitment and advance in the Civilian-Military Council. The honor of this award is to recognize outstanding citizen soldiers.

J. Barnett Woodruff was born October 18, 1923, in Columbus, Georgia, where he attended public school prior to his acceptance to Auburn University in 1942. He later joined the Navy and completed officer training at Georgia Tech. He served our country in the Pacific theatre as a minesweeper during World War II and was recalled in 1952 to serve in the Atlantic and Mediterranean.

After his service in the Navy, Mr. Woodruff embarked on his career in the business community, where he pursued family interests in radio, television, timber, and real estate. He has served on the board of directors for the First National Bank of Columbus, director of the Columbus branches of the First Union Bank, director of Lummus Industries in Columbus, and director of the Woodruff Foundation. At age 80, Mr. Woodruff is currently president of Woodcrest Enterprises, Incorporated, where he does not miss a beat despite a busy schedule serving the greater Columbus community.

Mr. Woodruff has served on the national board of the Boys' and Girls' Clubs, on the board of St. Francis Hospital and its foundation. He is a trustee of Presbyterian College, a Phi Delta Theta Trustee at Auburn University and a member of the Navy League.

With such an illustrious record of service, it should be no surprise that the Cliff O. Livingston award is just the most recent of many accolades awarded to J. Barnett Woodruff. It should be noted that he was chosen the Jaycees Young Man of the Year in 1958.

Despite his vast interest in the community, Barnett Woodruff still devotes his life to God and country as an active member of the First Presbyterian Church and the Columbus Naval Museum.

On behalf of the constituents of Georgia's 11th Congressional District, I appreciate Mr. Woodruff's service to our community. I congratulate him on this great honor, and I wish him continued years of happiness in his service to family, friends and neighbors.

DEFENDING AMERICA WITH SMART SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, when the Soviet Union collapsed in the fall of 1991, the chief threat to the United States, the possibility of a massive nuclear exchange, ceased to be. Now the biggest threat posed by the Soviet Union is the massive quantity of nuclear materials that still exists within its former borders.

In 1991, an estimated 30,000 nuclear weapons existed throughout the former Soviet Union. These conditions raised a serious concern that nuclear materials could be smuggled beyond the boarders of the former Soviet Union or the Soviet nuclear scientists might be able to export their expertise or actual nuclear materials to rogue nations or terrorist groups.

Congress responded in November of 1991 by initiating the Nunn-Lugar program, which is commonly referred to as the Cooperative Threat Reduction Program, CTR. CTR enlists the Department of Defense with the task of dismantling nuclear warheads, reducing nuclear stockpiles, and securing nuclear weapons and materials in the former Soviet Union.

Under CTR, more than 20,000 Russian scientists, formerly tasked to create nuclear weapons, are now working to dismantle them. Since 1991, CTR has dismantled nearly 6,000 nuclear warheads, 479 ballistic missiles, 435 ballistic missile silos, 97 bombers, 336 submarine launched missiles, 396 submarine missile launchers, and 24 strategic missile submarines.

This program clearly works. That is why I have introduced the SMART Security Platform for the 21st Century. SMART stands for Sensible Multilateral American Response to Terrorism. Instead of aggressive posturing, SMART security calls for aggressive diplomacy, a commitment to nuclear nonproliferation, strong regional security arrangements, and vigorous inspection regimes.

The Defense Authorization Act for the year 2004 specifically authorized $50 million for proliferation threat reduction projects outside of the former Soviet Union. Along the same lines, SMART security would replicate CTR in possible future nuclear states like Iran and North Korea. SMART security would respond to the threat of a nuclear Iran and North Korea, not with threats of warfare, but rather through a peaceful negotiated program, similar to the one that has been successful in the states of the former Soviet Union, in which the U.S. works with these countries toward the common goal of reducing the world's supply of nuclear weapons.

We need to engage burgeoning nuclear powers on a nation-to-nation level for the purposes of nonproliferation, and we need to take the initial steps towards demolishing their nuclear weapons and infrastructure. In the long run, negotiating with other countries will keep us much safer than scaring them into submission.

If we are going to throw our weight around the world demanding that other nations cease their weapons programs, we must make sure that we are setting an example for the rest of the world by renouncing the first use of nuclear weapons and the development of new nuclear weapons. We must maintain our commitment to existing international treaties, like the Nuclear Nonproliferation Treaty, the Comprehensive Test Ban Treaty, the Biological Weapons Convention, and the Chemical Weapons Convention.

The Bush doctrine of arrogant nuclear proliferation has been tried, and it has failed. It is time for a new national security strategy. SMART security defends America by relying on the very best of America, not our nuclear capabilities, but our commitment to peace and freedom and our capacity for multilateral leadership.

SMART security is tough, SMART security is pragmatic and patriotic; SMART security is smart and will keep America safe.

GETTING SERIOUS ABOUT BALANCING THE FEDERAL BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, first I would like to submit a statement for the RECORD concerning a tremendous accomplishment announced today by the Department of Agriculture. For the first time now in 20 years, all paper food stamps are being replaced with electronic benefits.

Mr. Speaker, today, I joined Secretary Veneman at a ceremony to announce the completion of a decades-old project. Thanks to the commitment of Congress, the U.S. Department of Agriculture's Food and Nutrition Service, financial institutions, retail outlets, and State and local agencies, our Nation's Food Stamp Program now issues benefits completely electronically. Through Electronic Benefits Transfer (EBT), the program moves into the 21st century, allowing over 20 million food stamp recipients to shop at over 145,000 businesses more efficiently than ever.

The Food Stamp Program now runs completely on an electronic-based system. Using the same technology as most debit card systems, recipients carry a plastic card secured with a Personal Identification Number. Service is improved for clients and accountability for purchases is ensured. In addition, it reduces administrative costs allowing more funds to be channeled into food purchases rather than printing, shipping, counting, endorsing, and destroying coupons.

EBT began as a demonstration project in 1984 in Reading, PA. However, it wasn't until the early 90s that the project expanded into Maryland, Ohio, New Mexico, and my home State of Minnesota. Due to high demand by the States, an EBT Task Force was established in 1993 and published an article in 1994 demonstrating the cost-effectiveness of the program modification. This article proved pivotal, and in 1996 Congress passed the Personal Responsibility Work Opportunity Reconciliation Act, which mandated that all States implement EBT by October of 2002.

This month marks a tremendous achievement. As of June 15, every State in the Nation has finally implemented EBT. It took the work of thousands of Federal, State, and local staff along with numerous contractors, financial institutions, retailers, and the advocacy community.

Thanks to the new electronic system, the Food Stamp Program error rate is the lowest in the history of the program. It has already helped to eliminate much of the theft, fraud and abuse related to paper coupons. EBT brings the program into the 21st century with new mainstream technology. Now, eligible recipients can readily patronize authorized stores for nutritional purposes.

None of this could have been done without teamwork and the genuine care of so many individual and organizations. Today our Nation's hungry can more efficiently receive the nutrition assistance. I am proud to recognize and congratulate not only the USDA and Food and Nutrition Service, but all of the people, agencies, and businesses as well that have brought the Food Stamp Program into a new era.

Mr. Speaker, I rise tonight to talk about the Federal budget and what has happened over the last several years in terms of Federal spending.

I know that there are others of my colleagues that are here tonight that came in the election of 1994. When we first came here, we were told by the Congressional Budget Office and others that if we did not get serious about balancing this Federal budget that by the time my children got to be my age, my children could be facing a Federal tax rate of over 80 percent just to pay the interest on the national debt.

I am happy to report that during the first 5 years of the Republican-led Congress, we dramatically reduced the rate of growth of spending here in Washington. From 1995 until the year 2000, overall spending here at the Federal level increased at an average rate of only 3.2 percent. That is at a time when the average family budget was going up about 3.5 percent. So the good news is we literally controlled the Federal budget so it was growing at a slower rate than the average family budget. The net result is we went from roughly $250 billion deficits to $250 billion surpluses.

That is the good news. Starting in about the year 2000, and certainly accelerating in 2001, for a whole lot of reasons, and I will talk about those in a minute, Federal spending began to explode. We started to return to some of the old bad habits. I think in some respects it happened in part because we had the surpluses.

It is much easier to say "no" to new spending when you have a deficit. When you have extra money in the bank, everybody comes in and says, now we can finally afford to pay for this program or to fully fund that program. So spending began to increase.

As I mentioned, from 1995 until 2000, Federal spending grew at a rate of about 3.2 percent. Since 2001, as you can see in this chart, things began to accelerate. Assuming that we can live with the budget numbers that we have passed here in the House with our blueprint, Federal spending between 2001 and today will grow at a rate of 6.4 percent: 3.2 percent, 6.4 percent.

I do not want to bore people with statistics; but in simple terms, we have allowed Federal spending to grow at double the rate it grew through much of the 1990s, and it really is time for us to get serious; to get back on a plan not only to balance the budget, but ultimately to pay down additional parts of that huge Federal debt.

Back in the Midwest, we know that, generally speaking, there is almost an ethic among farmers that you pay off the mortgage and you leave the kids the farm. Well, unfortunately, we are back to the business of selling the farm and leaving our kids the mortgage.

□ 1815

One of the answers is to go back to what we did back in the 1990s, and that is something we call PAYGO and spending caps. A lot of people were skeptical in terms of whether they would work. Even Chairman Alan Greenspan was skeptical in terms of whether or not long-term spending caps and PAYGO would work. But I would like to read some quotes from Chairman Greenspan, the first of which was from the House Committee on the Budget testimony, September of 2002. He said, "Restoring fiscal discipline must be a high priority. The progress of the 1990s in reducing budget deficits might have been elusive were it not for the budget rules that worked far better than many skeptics, myself included, had expected.

"Now is not the time to abandon the discipline and the structure that worked so well for so long. The framework enacted in the Budget Enforcement Act of 1990 must be preserved."

Those are pretty strong words for Chairman Greenspan.

He went on to say even more. In fact, in response to a question that I made in the House Committee on the Budget about spending caps and PAYGO, he said, specifically in July of 2003, "I would like to see the restoration of PAYGO and the discretionary caps which essentially will restrain the expansion of the deficit and, indeed, ultimately contain it. It did that back in the early 1990s, and I thought it was quite surprisingly successful in restraining what had been a budget which had gotten out of kilter. I would like to see those restraints reimposed; and by their very nature, they will bring back fiscal balance."

Mr. Speaker, it is time that we bring back fiscal balance. Chairman Greenspan is exactly right. We thought that we could allow spending caps and PAYGO to expire, and it would have no consequence. We were wrong.

We will get a chance later this week to vote on spending caps and PAYGO. I hope all Members on both sides of the aisle will join me in supporting that measure.

BUSH ADMINISTRATION CONTINUES TO SHORT-CHANGE VETERANS

The SPEAKER pro tempore (Mr. CHOCOLA). Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, as a new generation is being created in Iraq and Afghanistan, Republicans are underfunding programs that are vital to our Nation's veterans.

The Bush administration has tried to increase the cost of health care for veterans which would have forced 1 million veterans from the system. Their budget slashed funding for staff needed to process disability claims and cut funding for prosthetic research and long-term care.

House Republicans passed a budget that underfunds veterans health care by $1 billion, and they rejected efforts by House Democrats to fully fund VA health care.

Their budget cuts do not stop there. The Bush administration, in order to make room for tax cuts for the wealthiest 5 percent in our Nation, their plan for the 2006 budget includes a $900 million cut in funding for veterans health care. That would be catastrophic for the VA and for our Nation's veterans.

Last month, Secretary Principi and President Bush announced they had closed three VA hospitals, one in Mississippi, one in Pittsburgh, and one in my district in northeast Ohio in Brecksville. The Ohio facility serves 48,000 veterans and is a national leader in programs that treat substance abuse and mental illness. The Brecksville VA hospital is critical for ensuring the health and well-being of the thousands of homeless veterans who rely on Brecksville and who now will be forced to find another way and go somewhere else.

For whatever reason, the administration chose the same month in which we honored our war heroes on the anniversary of D-Day and dedicated the World War II Memorial to close those three health care VA facilities.

Ohio is home to more than 1 million veterans. That number obviously is increasing with our commitments abroad. There are 61,000 active Reserve or National Guardsmen and -women from Ohio, 9,000 serving in Iraq and in Afghanistan. When these brave men and women serving our Nation come home to Ohio, they face, as a result of the administration's negligence and policies, they face cuts to health care benefits, cuts to VA hospital closures; and they face, in some cases, loss of their livelihoods.

Not since World War II has the U.S. made such heavy use of part-time soldiers.

Twenty-seven percent of self-employed Reservists said their businesses were irreparably damaged while deployed in Iraq. Other Reservists and Guardsmen and -women have taken pay cuts in order to fight for our Nation in Iraq. When they return home, many of these veterans will have to take out second mortgages to repair their businesses and to get back on their economic feet.

While they struggle to rebuild their source of income and economic support to their communities, they are forced to pay more for prescription drugs, and they are forced to travel further for their health care needs.

How do we look a veteran in the eye and ask a veteran to go to Canada to buy less expensive prescription drugs?

While our brave men and women serve our country, their benefits and their ability to support their families are being threatened by this administration's policies that hurt America's veterans. In only 3½ years, we have seen rising costs for prescription drugs from a $3 copay per drug per month to a $7 copay per drug per month, and now the Bush administration wants a $15 copay per drug per month. Mr. Speaker, 330,000 veterans have unprocessed claims and 100,000 veterans are waiting for appeals decisions. New enrollment fees and increased costs of prescription drugs will cost veterans $2 billion over the next 5 years. All of this has happened since President Bush took office.

The President opposes the renewal of "imminent danger" pay for families of active duty soldiers in Iraq and in Afghanistan.

The President opposes mandatory funding for veterans health care; and maybe most importantly, the President, in his campaign in 2000, told veterans that "help is on the way." Three years later, this administration continues year after year after year to cut veterans benefits. We must do better than that.

EXCHANGE OF SPECIAL ORDER TIME

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Indiana (Mr. CHOCOLA).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

RESTORING FREEDOM OF SPEECH REGARDING MORAL AND POLITICAL ISSUES FOR RELIGIOUS LEADERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, I am back on the floor tonight, because when I think about the sacrifice of our many men and women in uniform from the beginning of America through and including today, I think about the fact that many have fought and died and been injured for freedom. Yet in America today, our churches do not have the freedom to speak about the moral and political issues of the day.

I share that because for the last 4 years, I, along with many others, have been working to try to return that first amendment right that was taken away in 1954. Prior to 1954, any minister, priest, or rabbi or cleric in this great Nation could speak on the policies and the political issues of the day. Many times when they are speaking, it is based on the teachings of their religion; and, therefore, they are very important to maintaining the Judeo-Christian values that have made America the great Nation that it is.

I want to share with my colleagues that 2 or 3 weeks ago, the Bishop of Colorado Springs, Bishop Sheridan, issued what is called a pastoral letter to every member of his diocese in that region of Colorado. In his letter, let me just share this with my colleagues, Mr. Speaker. It goes on to assert, the letter says, "Dear friends in Christ: I exhort you with all my heart to take courage and claim the gospel of life to those who will stand for elected office this fall. It is by your prayers and by your vote that politicians who are unconditionally pro-life and pro-family will serve our country. Conversely, if our voices remain silent, or if, God forbid, we vote contrary to our informed conscience, we will see our country led down a short path to ruin."

Now, let me make this clear. This is the teachings of the Catholic Church. I happen to be a Catholic, and I know for a fact that our church for years and centuries has stood for protecting the unborn and their life.

What really upsets me, Mr. Speaker, is the fact that Bishop Sheridan wrote a pastoral letter reminding the parishioners of the teachings of the church and what the church stands for. Because of that pastoral letter, a letter was written to the Internal Revenue Service by Barry Lynn to complain that the bishop violated the Johnson amendment, which I am trying and would love to have more support to change so that our ministers can speak as they did in 1953 without any restriction. He filed a complaint with the Internal Revenue Service and said that he violated the Johnson amendment.

Now, let me make it clear. He did not violate the Johnson amendment. What he did was, in the rulemaking authority of the Internal Revenue Service, there is a section, not because of the Congress, not because of the Johnson amendment, but they took it upon themselves in the early 1990s to expand the Johnson amendment; and any time a minister might say pro-life or pro-choice, liberal or conservative, Republican or Democrat, then the IRS is saying that they have violated the Johnson amendment.

I think it is so sad. There is a young man who is here tonight that I cannot mention who has returned from Iraq. He lost a limb for this great Nation. Yet last night I was with the Prime Minister of the Ukraine, and I asked him the question, I said, in the Ukraine, can your ministers stand up and talk about the people running for office in your country? He said, yes, sir. They can say anything that they want to say. And I said, Mr. Prime Minister, they could here in this great Nation until 1954. They could say anything and everything that they thought should be shared with their congregation.

I want to share, if I might, as I begin to close, Mr. Speaker, that Rabbi Daniel Lapin, who is one of the finest men in this great Nation, is a strong supporter of this legislation. I cannot find right now the statement that he sent to me, but Rabbi Lapin understands that America's strength is the fact that we continue to support Judeo-Christian principles.

I would like to say that I believe that every minister in this country, every priest, every rabbi, every cleric that would like to speak on the issues of the day should be allowed to do so without the Federal Government intervening in their sermon or their dialectic or whatever it might be, that they should be set free to talk about these issues.

So, Mr. Speaker, I close this way because of our men and women in uniform. America's greatness is dependent on the fact that we remain a country of morality, that we remain a country that remembers the Judeo-Christian foundation of America. So I ask God to please bless our men and women in uniform, to please bless their families, and I ask God to please, please, save America. We are in trouble.

PRESIDENT BUSH'S RECORD ON WOMEN'S ISSUES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Ms. SCHAKOWSKY) is recognized for 5 minutes.

Ms. SCHAKOWSKY. Mr. Speaker, I am joined tonight by several of my colleagues to do a short series of 5-minutes to help shed light on President Bush's record on women. We are very grateful to the National Women's Law Center that produced a report called "Slip-sliding Away: The Erosion of Hard-won Gains For Women Under the Bush Administration," and the National Center For Research on Women that wrote a report called "Missing: Information About Women's Lives." They compiled reports on the actions taken by the Bush administration that have eroded hard-won gains for women. These are rights and guarantees for equality that my colleagues and I, and those who came before us, have worked for years to gain in order that our daughters and our granddaughters would not have to endure inequality, violence, or lack of opportunity.

During the last 3½ years, so many of those gains have been rolled back, chipped away and, in some cases, obliterated all together. My colleagues will elaborate on some of these actions, but let me at least provide my colleagues with a list of the administration's actions. I have only 5 minutes, so this list will be a sample rather than an exhaustive list.

Despite a persistent wage gap and barriers to equal opportunity like sexual harassment and pregnancy discrimination, the Bush administration has advocated policies that make the situation worse for women at work.

The Bush administration has completely eliminated the Equal Pay Matters initiative.

The Department of Justice has weakened enforcement of the laws against job discrimination and abandoned pending sex discrimination suits without notice or explanation.

The Department of Labor repealed regulations that allowed paid family leave to be made available through State unemployment compensation funds.

The Bush administration has proposed new regulations that would deprive millions of women the right to overtime pay.

The Bush administration has been proactive in undermining title IX, a program that promotes equality for girls in education and sports, a landmark piece of legislation that our late dear colleague, Patsy Mink, had so much to do with passing.

The Department of Education "archived" a guidance on sexual harassment in violation of title IX, making this guidance unavailable to victims of harassment, parents, schools, and the public.

□ 1830

The administration has tried to eliminate funding for the Women's Education Equity Act, which provides curricula and materials to help schools comply with Title IX and research on model programs to promote gender equity.

The Justice Department urged the Supreme Court to strike down the use of affirmative action to achieve diversity in higher education, while the Department of Education encouraged colleges and universities to avoid using affirmative action instead of guiding them on ways they can permissibly do so.

The Department of Education has proposed removing existing safeguards that ensure all girl and all boy classes and schools do not perpetuate stereotypes and second-class status for girls.

President Bush's most recent budget proposal would result in 300,000 children losing child care assistance by 2009.

The Bush administration has proposed modifications to the welfare law that would impose harsh new work requirements on mothers in poverty while opposing increases in their child care assistance.

The Bush administration has proposed privatizing Social Security which would hit older women especially hard by siphoning money out of the system, thus reducing benefits for poor women.

The administration has proposed eliminating the savers credit that gives additional tax credits to low and moderate income individuals and families who contribute to retirement accounts. At the same time, the President has proposed weakening the protections for low and moderate income individuals in employer pension plans.

President Bush signed a Medicare bill that prohibits the government from using its bargaining power to get lower costs on prescription drugs hurting the 80 percent of older women who use prescription drugs every day.

The Bush administration has proposed changes in Medicaid that would result in the denial of health care coverage to many poor women who are now eligible for Medicaid.

President Bush, for the first time since Roe versus Wade, was decided in 1973 signed into law a bill that unconstitutionally restricts a women's right to choose and that blatantly disregards any consideration for possible threats to a woman's health.

President Bush has cut millions of dollars in funding for international women's family planning which is used to promote maternal and infant health and reduce unwanted pregnancies and infant death.

Too bad I could not get through the long list which was just a summary in itself of the ways that women's rights have been eroded under this administration.

"W" IS FOR WAR ON WOMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. SLAUGHTER) is recognized for 5 minutes.

Ms. SLAUGHTER. Mr. Speaker, along with my Democrat women colleagues, I want to express my outrage at the Bush administration's way to wage devastating war on women from the first day he took office.

The women in America knew from the past 4 years that "W" is for War on Women, and the two reports that my colleague the gentlewoman from Illinois (Ms. SCHAKOWSKY) discussed highlight this fact.

I would also like to mention another report issued earlier this year by the Union of Concerned Scientists entitled "Scientific Integrity in Policy Making and Investigation Into the Bush Administration's Misuse of Science." This report documents the unprecedented manipulation, suppression, and misrepresentation of science across disciplines ranking from the environment and climate change to military intelligence and public health as well as attacks on issues that specifically affect women.

As a microbiologist, I am particularly concerned with Mr. Bush's blatant disregard for science. As these three reports demonstrate, the President is clearly engaged in a war on women with particularly vicious attacks on women's reproductive rights.

Let me give you a few examples. President Bush is doing everything in his power to restrict and eventually eliminate a women's constitutionally protected right to abortion. The Bush administration supports and is vigorously defending the first Federal law that bans medically necessary abortion procedures since Roe v. Wade, a law that contains no exception to protect a woman's health. It is plainly unconstitutional.

President Bush and his administration have taken multiple actions to imbue embryos and fetuses with the status of personhood in an effort to undermine Roe v. Wade, even at the expense of potentially life-saving medical research and has distorted scientific information to further its anti-abortion and anti-family planning agenda.

President Bush also endorsed unnecessary legislation that establishes a fetus, embryo, and even a fertilized egg as an independent victim of a crime and, thus, a legal person with the same legal rights as live and born individuals, and, particularly, as its mother.

Ironically, at the same time he is attacking a woman's right to choose, he is making every, every effort to inhibit the ability to prevent unintended pregnancies. The Bush administration has consistently proposed inadequate and often even reduced funding for Title X, the family planning programs which provide women with family planning and other health care across the country.

The administration tried to end the requirement that health insurance plans offered to Federal employees which includes the coverage of prescription contraceptives if the plan covers other prescription drugs and devices such as Viagra.

President Bush named to the Reproductive Health Drugs Advisory Committee of the FDA Dr. David Hager, who reportedly has refused to prescribe birth control to unmarried women and has suggested prayer to women who suffer from premenstrual syndrome.

The Centers of Disease Control and Prevention under President Bush replaced a comprehensive online fact sheet about condoms with one lacking crucial information on their use.

On his first day in office President Bush reinstated the global gag rule and extended it to the entire State Department.

For 3 consecutive years, George Bush has withheld funding for the life saving reproductive health services offered through the United Nations Population Fund in over 150 poor countries around the world.

President Bush promotes the unproven abstinence only sex education programs, denying our Nation's young people critical information on ways to prevent pregnancy and sexually transmitted diseases, including HIV/AIDS, even though we know that over 60 percent of 12th graders report having had sexual intercourse.

In fact, recent analysis of abstinence only programs found that such programs can actually reduce the use of condoms when program participants become sexually active, increasing their risk of pregnancy.

In my opinion, the President's "abstinence only" programs should be more accurately labeled "ignorance only," and we are placing the very lives of our youth in danger. This is unconscionable.

When the Nation is in such a severe budget crunch and running skyrocketing deficits, George Bush's decisions to spend millions upon millions of dollars on a program that is not only unproven but potentially harmful is dumbfounding. Moreover, he is also exporting this dangerous ignorance policy to other countries around the world.

Another example is the administration posting information on the National Cancer Institute Web site which misleadingly suggested a link between abortion and breast cancer despite objections from the Centers of Disease Control staff who said that scientific study has long refuted that connection.

Mr. Speaker, at this point I will insert the remainder of my statement into the RECORD.

In fact, the Bush Administration had to pull the false information off the Web site after significant outcry from the scientific community and the American public.

The most recent transgression is a decision by the Bush Administration's Food and Drug Administration to reject Barr Laboratories' application to make its emergency contraception, Plan B, available to women over-the-counter.

In doing so, the Bush Administration once again demonstrated its blatant disregard for the health and well-being of American women.

According to press reports, George Bush's political appointees based this decision on politics instead of science, going against an overwhelming vote by an independent expert advisory committee and his own staff at the FDA.

Such an action is unprecedented.

The FDA's scientific advisory panel and staff overwhelmingly recommended that this drug be made available to American women over-the-counter, because they know what we all know: The scientific facts irrefutably show that this drug is a safe, effective way for women to prevent unintended pregnancy. The scientific data show beyond a shadow of a doubt that Plan B could cut our Nation's unintended pregnancy rate in half and reduce the number of abortions performed in our Nation by hundreds of thousands.

But in an outrageous move, the FDA ignored the expertise of its own scientists and staff—and the will of American women and hundreds of women's, health and doctors' groups—and instead denied this safe contraceptive over-the-counter status.

The FDA threw the facts out the window and instead caved to pressure from right-wing ideologues.

Even FDA officials admitted that this decision was unusual. And last April, two FDA scientists wrote an article in which they openly speculated that political pressure was influencing the FDA's decision on emergency contraception.

We must get to the bottom of how this decision was allowed to happen. We cannot jeopardize future FDA decisions with partisan pandering.

American women trust the FDA to make the best decisions possible with respect to their health.

We absolutely must be able to trust that the federal agency responsible for allowing us access to miraculous drugs will leave politics out of decisions that can so profoundly affect our health.

In my mind, the FDA's decision on Plan B has completely shattered this trust, especially in the leadership of the FDA.

Therefore, my colleague HENRY WAXMAN and I spearheaded a letter along with 28 of our colleagues asking the General Accounting Office to conduct an investigation into the influence of partisan politics upon the FDA, eviscerating its ability to make decisions based upon sound science.

I also believe that FDA Acting Commissioner Lester Crawford and Dr. Steve Galson, acting director of the FDA's Center for Drug Evaluation and Research, need to be held accountable for this outrageous decision that so clearly goes against the scientific data.

Therefore, I have called upon President Bush to request their resignations. Only when partisan politics are no longer allowed to take precedence over science will our trust in the FDA be restored.

There are so many other examples of President Bush and his cronies riding roughshod over science that I do not have time to discuss them all this evening.

However, I would encourage the American public to take a look at all of these reports to find out what the Bush Administration doesn't want you to know.

As I noted a few minutes ago, the President's moniker that "W is for Women" is a joke.

Mr. President, no one is laughing, because the actions you have taken against women are having devastating consequences.

Indeed, you have proven time and again that "W is for WAR on Women."

Mr. President, the women of America know what you are doing, and we will not stand for it!

BUSH'S RECORD ON WOMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. SOLIS) is recognized for 5 minutes.

Ms. SOLIS. Mr. Speaker, tonight I rise to also share with my colleagues two incredibly important studies that greatly impact women all around this country. These reports published by the National Women's Law Center and the National Council of Research on Women clearly demonstrate that women's fundamental rights in this country are under attack by this administration's politics and policies.

Since 2000, the Bush administration has been slowly chipping away at many of the hard won gains for women. This new data demonstrates that since his first few months in office, President Bush has used the power of his Presidency to manipulate, obstruct, and censor information that directly affects women's lives.

Priorities have been changed, funding has been cut, research findings have been distorted and social differences and inequalities have been masked. American women have a fundamental right to seek public information that is clear, easily accessible, and not contaminated by ideology.

And I am particularly concerned about the lack of information regarding violence against women. Violence against women is a serious problem that affects women and families nationwide. An estimated 1.5 million women are physically assaulted or raped by their partners every year.

Women who suffer from violence depend on local services and health care providers to help them through their physical and emotional pain. Nationally battered women's shelters serve more than 300,000 women and their families, even though there is a far greater number who seek this assistance. These shelters and health care services are critical for women, victims of violence.

In the year 2000, the Violence Against Women Act mandated that the Attorney General conduct a national study of discrimination against domestic violence victims when they try to sign up for health insurance. This report would offer new insight into better ways that our Nation can serve domestic violence victims and help us understand the many struggles that women victims face day-to-day. This report, by the way, was due back in October of 2001 and here it is now, June of 2004. Where is the report?

I would also like to bring attention to the fact that the administration's healthy marriage proposal for the welfare reauthorization bill failed to include important protections for battered women in marriage protection programs.

In addition, $1.8 billion in Federal and State funds that were allocated for these healthy marriage programs targeted at low income couples would come out of funds already squeezed from child care, job training, and transportation services. These services are especially critical for low income women.

But this is not the first time low income women's rights have been targeted by this administration. The new reports by women advocates also clearly demonstrate how the Bush administration's tax policy failed women in order to pay for tax cuts for the very wealthy.

The administration's budget proposes over $191 billion in new tax cuts over the next 5 years, primarily for the benefit of the wealthiest in our country. These benefits for the rich come at the mercy of deep cuts in domestic programs.

Just look at the cuts in housing, for example. Affordable housing is essential to ensuring that women have equal opportunity in our society and have stable homes in which to raise their children. Currently 28 percent of women-headed families have critical housing problems. Yet because of the Bush administration's policy, next year 250,000 families, most of whom are headed by women raising children, will lose important housing vouchers. Within 5 years, 800,000 families could lose their housing vouchers.

We also cannot forget that the administration excluded millions of low income working families from the increase in the child tax credit of 2003. Over 7 million families with incomes between $10,500 and $26,500 were denied in the 2003 increase in the child tax credit signed by President Bush. Two-thirds of those parents were hurt by this exclusion, in particular, women, disproportionately single mothers, women of color, and married women who were out of work.

It is clear that the Bush administration does not enforce policies that help women make economic strides. Women deserve better treatment by this administration. After all, we represent well over 50 percent of the population. And it is time that we stand up against these policies and politics that are eroding our rights as women.

DEGRADATION ON THE STATUS OF WOMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) is recognized for 5 minutes.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker and distinguished Members of Congress present, I come before you to celebrate the millions of working American women who are blazing a bright path for young women to successfully contribute to the American economy and, most importantly, to the future of our Nation. Women are the backbone of America's homes and of America's economy. Our presence and career fields such as science, business, and politics, has only brought improvement to these areas where women have traditionally been underrepresented.

Though women have made tremendous gains in closing the gender gap in the workplace in the past, the current status of women in the workplace has become stagnant and on a decline.

Instead of full and equal pay, women are still hitting the glass ceiling. In the year 2002, data from the AFL/CIO stated that women are paid 77 cents for every dollar men received.

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Of course, before that it was 76. Nationwide, working families lose $200 billion of income annually to the wage gap. In addition to loss of wages, working American women have experienced a loss of jobs during the last 3 years. Following the 2001 recession, women workers lost over 300,000 jobs between the start of the recession and March of 2004. The 2001 recession marked the only period of sustained job loss for women in the last 40 years in the United States.

With startling facts like these, I ask, What is this administration doing to ensure equality in the workplace for working American women? Mr. Speaker, I am sorry to report that this administration has taken regressive actions to address the problems facing women in the workplace.

The Bush administration has made 25 publications on the Department of Labor's Women's Bureau Web site unavailable. This administration has disbanded and underfunded government offices that were established to address women, such as the Office of Women's Initiatives and Outreach in the White House and the President's Interagency Council on Women.

Mr. Speaker, these actions are really unacceptable, and Congress should lead the charge for procuring equality for women in the workplace by writing and passing bills that call for equal pay of both men and women employees for equal work, restoring the funding to government offices dedicated to women issues and reinstating the publications that have been removed from the Department of Labor's Web site regarding women in the workplace.

In the future, the majority of the workplace will continue to be female. What is this saying to our young people?

The Bush administration prides itself on being a champion of the economy and an administration that has taken action to stimulate our economy with tax cuts. However, this administration has failed to include women in this process for stimulating the economy. Women are 51 percent of the population in our country and growing, and over half of the working population is not being utilized to contribute to the growth of the American economy.

I urge my colleagues to take a stand against the degradation of the status of women in the workplace of this Bush administration.

EXCHANGE OF SPECIAL ORDER TIME

Mr. STRICKLAND. Mr. Speaker, I ask unanimous consent to claim the time that the gentlewoman from Texas (Ms. JACKSON-LEE).

The SPEAKER pro tempore (Mr. GERLACH). Is there objection to the request of the gentleman from Ohio?

There was no objection.

EX-PRISONERS OF WAR NOT RECEIVING JUST COMPENSATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STRICKLAND) is recognized for 5 minutes.

Mr. STRICKLAND. Mr. Speaker, I rise today to talk about yet one more example of how the Bush administration seems to put the needs of Iraq and Iraqis over the needs of America and Americans.

We all know that during the first Gulf War there were a significant number of American soldiers who were taken prisoner of war. Under the law passed by this House, we have given permission for those who have been tortured to take legal action against a terrorist state that was responsible for that torture. So 17 American prisoners of war, who were prisoner during the time of Saddam Hussein's regime, brought legal action; and the courts determined that they were, in fact, entitled to just compensation and granted them compensation.

Then the Bush administration spent tax dollars to fight that decision, took it to a higher court, and had that decision overturned.

Now, these prisoners of war were not seeking money from America. They were seeking money from the Iraqi regime that had tortured them. What kind of torture did they experience? They described being tortured with electric shocks, being threatened with castration, being threatened with execution, being beaten so severely that their bones were broken and that they were permanently disabled as a result of those beatings.

This country had frozen over $1 billion in Iraqi assets that would have been used to pay these ex-prisoners of war just compensation, but the Bush administration said this money is needed for the reconstruction of Iraq. That is more important than compensating the American POWs; and so the Bush administration has returned that money back to Iraq, and our American ex-POWs have been told that there is nothing for them.

This is even more egregious when we consider what Secretary Rumsfeld has recently said. He said that he believes the Iraqi prisoners who were tortured in the Abu Ghraib prison, the very same prison where the Americans were tortured, Secretary Rumsfeld believes that this country should, in fact, compensate them because they were tortured.

So here is what we have. American POWs having been tortured in Iraq and told by the Bush administration they are entitled to no compensation. The Iraqi prisoners were tortured in this very same prison, and our Secretary of Defense is saying American tax dollars should be used to compensate them.

One of the newspapers in my region had a story that went like this: it was the United States of America and Saddam Hussein versus American ex-POWs, and the United States and Saddam Hussein won.

The Senate had taken action. Unanimously the Senate voted last week to approve an amendment submitted by Senator REID, cosponsored by Senator WARNER and Senator LEVIN, to say that no Iraqi prisoner would be compensated for the abuse they endured unless the American POWs were compensated for the abuse that they endured. It seems to me that if we are going to use resources to compensate the Iraqi prisoners, that the American POWs are entitled to at least similar compensation; and I hope that my colleagues from both sides of the aisle will recognize the injustice of compensating the Iraqi prisoners while we fight the compensation for American prisoners of war.

So during the next weeks and months, I am going to be looking for ways to attach this language to a piece of legislation that will guarantee this fairness and will correct this unjust situation.

WHAT IS THE EXIT STRATEGY FROM IRAQ AND AFGHANISTAN?

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, just a few hours ago, this House engaged in a debate, one I believe that is one of the more important debates that we have in this House, and that is, the appropriations for the defense of this Nation. Clearly, there were so many themes and so many issues that go yet unanswered. I think it is important to elaborate for the American people some of the concerns that needed to be addressed but were not addressed in the fullness of the debate that took place.

I acknowledged when I was on the floor that I respected and appreciated the hard work of the chairman of the full committee, the ranking member of the full committee, as well as the ranking member of the subcommittee and certainly the chairman of the subcommittee.

I also have noted in the past my full commitment for our troops on the frontline and have had the pleasure of interacting with them in my visits to them in Afghanistan, more than once, in Iraq and other places in the Mideast, and will continue to interact with them as my other colleagues do; and I continue to indicate that my door remains open to their concerns and their family members.

That is why I rise today, because when the administration announced a $25 billion supplemental that is necessary for Afghanistan and Iraq, I made the point that I would like to see some strategy, some long-term exit strategy, some way and means of bringing our troops home, some understanding of how many troops we will need, do we have enough troops; and yet in the course of the designing of this appropriations bill, outside of the process of those committees, there has been no known process that I have or known statement to the actual road map that we are going to take out of Iraq and Afghanistan.

There is a due date of June 30 for the transition of power. I frankly believe in al Qaeda assessing the situation that we actually need to have, if you will, a greater understanding as to whether that transition of power will truly work. We do not have that, but yet we have been asked to give $25 billion, $25 billion in order for those dollars to go to Iraq and Afghanistan.

I stand here in full support of increased military personnel pay, of support for families and children of the military personnel, of veterans, in support of an increase in their salaries; and, in fact, Mr. Speaker, I had an amendment that would offer $100 million taken from the missile defense dollars that cost $20 billion to train, equip and provide related assistance to the military security forces.

Had that amendment been accepted, I might have voted for this appropriation; but the reason why I think this point was extremely important, and again, this may have been something that was discussed in the midst of the committee process, but it was not brought to this body, not in a full debate, and that is, in my visits I spoke to Reservists and National Guard who indicated, I was trained as a cook, trained as a carpenter, trained as a driver, and yet I was being utilized as an MP; I have been utilized as a prison guard for Abu Ghraib, for example. In many instances, because of the short-changing of personnel, we have seen those ill-equipped to be in the midst of combat or to be used or be involved or engaged in combat action, not defense action, not meaning I am doing something else and I am being attacked, but to go out offensively and be part of combat.

We are seeing those individuals untrained doing those duties. We have seen tragedies occur. Certainly, we saw the tragedies of soldiers being kidnapped on convoys. We see the tragedies of MPs not really being trained as MPs; and certainly, there is no greater tragedy for the American personnel and for the Iraqis of Abu Ghraib.

So this amendment was to be offered, and unfortunately, because of the unfortunate restraints, or the restraints that we have, that amendment was not accepted.

I would have also offered an amendment to deal specifically with contracting companies because we realize that we had a problem with outside contractors, though many have done very able work; but I believe that if you are a contractor wearing the flag of the United States of America, engaged with the United States military, you must have an impeccable record; and if by chance you have been charged with human rights violations in the last 5 years or beyond, then I would argue that you have no place in having a contract in the United States Government, but particularly in areas of conflict; and I would have offered that amendment had it been received and accepted.

Let me also say that there are two other crises that I think are extremely important. The first one goes back to military personnel. That has to do, Mr. Speaker, with mental health; and I would have offered an amendment on mental health as well as additional resources for the Sudan.

Let me close by saying that all of this would have warranted a better bill, and maybe we would have had a chance to address the needs of women in America, which I would have spoken about or will endeavor to speak about at some other time. In any event, I will submit many of my comments for the RECORD.

REPUBLICANS ACCOMPLISH MEDICARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Florida (Mr. BILIRAKIS) is recognized for 60 minutes as the designee of the majority leader.

GENERAL LEAVE

Mr. BILIRAKIS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of this Special Order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

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Mr. BILIRAKIS. Mr. Speaker, we are here tonight, I guess it is tonight, to talk about the Medicare Modernization Act. I will say that I was proud to be a part of that small conference committee that worked hours, weekends, weeks that produced this landmark bipartisan legislation. I am the first to say, and I have said it oftentimes to many of my colleagues, and certainly members of the staff, that this law is not perfect. It is far from perfect. But it targets an awful lot of money towards the areas where it will do the most good; towards the areas that will do the most good. The poorest and the sickest among us will certainly benefit the most from this new law.

Back in the mid 1960s, Mr. Speaker, the Congress passed the Medicare bill. Since then, there have been very few major changes made to it. The bill today, the law today regarding Medicare would offer Medicare beneficiaries the basic part A and part B coverage. It would offer very, very little preventive care. In fact, until a few years ago, it offered no preventive care at all.

We added a few things in a few years ago. The gentleman from California (Mr. THOMAS) and the gentleman from Maryland (Mr. CARDIN) and I got together and we added some preventive care to the bill. No prescription drug coverage available. Very little choice in plans available. If you live in a rural area, much harder to get access to that Medicare.

Today, we have a plan as a result of what this particular Congress did that adds some form of prescription drugs to those benefits. It also adds in an awful lot of preventive health care by way of what we call "Welcome to Medicare," so that when a person is eligible to get on Medicare, Medicare will cover a physical, which is intended, of course, to pick up things that can get an awful lot worse as time goes on. It certainly will result in a lot of savings of money. But the point of the matter is that, hopefully, it will result in a better quality of life for that particular beneficiary because you are picking up something early.

It also provides for much better access in rural areas. One of the fears that Medicare beneficiaries have, those that have retired or their families are retired from some of the larger companies that have given them tremendous retirement coverage, particularly in health care, there is concern as to whether or not they would lose that particular coverage in spite of the fact that over the last few years, and it has nothing at all to do with this Medicare bill, but something like 40 percent of all coverage has been dropped as the result of the high cost of medical costs. But there is some form of protection in this bill. And an additional preventive health care provision is disease management. And there are other areas in it, but those are the additional things.

So, what are the fears or what are the concerns among the beneficiaries out there? God knows an awful lot of Members of this body are certainly working on those fears and on those concerns. Many are concerned that they will lose their traditional fee-for-service coverage. We keep harping on the fact that the bill does not take away that option from them. They can retain traditional fee-for-service and not do anything at all regarding this piece of legislation. There is nothing mandatory whatsoever about it. They can retain fee-for-service and decide to additionally pick up this legislation. So they have the best of two worlds, if you will, if they are in love with the traditional fee-for-service plan that they now have.

I have already said it is not a mandatory plan. People can keep exactly what they have. We have placed money in there to try to encourage employers to keep from dropping. Something has been happening, like I have already said, something like 40 percent over the past few years have already dropped their plans. But we have put some seed money in here, if you will, if you can call $80 billion seed money, to keep employers from dropping plans, and, of course, better accessibility to rural areas.

Mr. Speaker, the history of, let us say the other party, the Democrats, insofar as prescription drug coverage is concerned, is that back in 1999, during the 106th Congress, my friends from the left introduced a bill for prescription drugs, H.R. 1495, which they called the Access to Prescription Medications Act of 1999. Given this legislation, I am puzzled as to why they are having so much difficulty with the benefits in our bill. Why are they having so much difficulty with those benefits? What did that bill, led by the gentleman from California (Mr. STARK), the gentleman from Michigan (Mr. DINGELL), the gentleman from California (Mr. WAXMAN), the gentleman from Ohio (Mr. BROWN), et al, offer?

It offered a $200 deductible. It offered a 20 percent cost sharing up to $1,700. It offered catastrophic coverage after $3,000 out-of-pocket. I would ask Members of Congress, through you, Mr. Speaker, to relate those particular provisions with what we are doing in this bill. And there was no defined premium. The program would have used PBMs, which is what we call pharmacy benefit managers. They take issue with that in our bill, but this is what they would have done. Now, you may ask how a PBM would have been selected? How? By competitive bidding, no less. Furthermore, the contracts would be awarded on, among other things, shared risk, capitation or performance.

I make these points, Mr. Speaker, to highlight how far we have come and how obvious it is that Democrats simply want to play politics with seniors' medication needs. Now, the bill they had was not perfect, and I have already said, nor is ours. But what I am wondering about is if it was good enough for them in 1999, what is wrong with it in 2003 when this legislation passed?

I would also be remiss not to address the notion that some of the fatal flaws in their legislation back in 1999 is that they would have placed numerous onerous requirements under the winning bidder, which would have likely raised drug prices for seniors.

In 2000, the Democratic budget substitute for fiscal year 2001, offered by the gentleman from South Carolina (Mr. SPRATT) their ranking member on the Committee on the Budget, included $155 billion for a Medicare prescription drug benefit. All of their leading leaders over there supported this figure. Our bill is at $390 billion, $395 billion, depending on what figure you want to believe. They had $155 billion. We are well over twice that.

In 2001, the Democratic budget substitute for fiscal year 2002, offered by the gentleman from South Carolina (Mr. SPRATT), upped the ante and called for a $330 billion reserve fund to help create a Medicare prescription drug benefit. Their leadership all supported that figure.

I wish I could tell you what the Democrats support in 2002 and their fiscal year 2003 substitute, but I cannot, because they did not offer one: Of course, that did not stop them from offering a $1 trillion benefit during committee consideration of H.R. 4954, the Medicare Modernization and Prescription Drug Act of 2002.

The fiscal year 2004 budget resolution offered, Mr. Speaker, by the Democrats this year, does not reference a specific dollar figure regarding Medicare modernization and prescription drugs. It just says that the cumulative effect of Medicare reform and programs for the uninsured cannot increase the deficit by more than $528 billion over a 10-year period. Yet they still busted their own budget by offering a drug bill that CBO estimated would cost, what? $1 trillion.

So I think, Mr. Speaker, the point here is obvious. No matter what Republicans commit to Medicare reform and prescription drugs, the Democrats will always outbid us in an attempt to scare seniors and score political talking points. Unfortunately, for them, the Republican majority, along with President Bush, has put $400 billion on the table to craft a prescription drug benefit that will greatly assist our Nation's seniors. And that is why it was endorsed by AARP and a long list of others that I might read into the record as time goes on.

Mr. Speaker, I will now yield at this point to the gentleman from Pennsylvania (Mr. GREENWOOD), a member of the Subcommittee on Health to supplement and complement my remarks

Mr. GREENWOOD. Mr. Speaker, I thank the chairman for yielding to me, and I thank him for hosting this special order. I worked with the chairman and other members of the Republican conference for years to try to bring this prescription drug benefit into law. And while I did, there were two images that I kept in my mind that drove me as many long hard nights as it took to get this legislation passed.

One of them was a letter I received from an 86-year-old woman that was handwritten several years ago. I do not know if she is still alive, but she described in detail how she has to take six medications. She had no prescription drug benefit whatsoever. She had to pay for those medications out of the little meager Social Security check that she received. And she said to me in this letter that she can barely afford, but she could manage to buy her heart medicine, because that she needed or she would not stay alive. She would die. She could scrape enough money to pay for the medicine that kept the diabetes she was suffering from from killing her.

She was able to get blood pressure medicine that she needed to stay alive, and even pay for the cholesterol-lowering drugs. But she had no money left for the medication that she needed to end her pain from arthritis, and she had no money left to end the emotional pain she suffered from her depression.

So there she was, in a dilemma: Able to pay for the drugs necessary to keep her alive, but not able to pay for important drugs that would make her life worth living.

The other image that I recall vividly is that in one of my offices in the district there is a watchman, a security guard. An elderly gentleman. A wonderful fellow. And every time I walk through the doors, I would go past his desk. And particularly years ago when my daughters were younger, he would always give me two lollipops for my daughters. And he would say, How are you guys in Washington doing on that prescription drug benefit? Because my wife is very ill and she needs so much medication, and we have no benefit. And the reason I have to work at my age is just to make enough money to try to pay for her drugs. And every day

I would say, we are working on it, we are working on it, we are going to get it done. And I would almost be afraid to go in a week later and say we had not succeeded.

In fact, we passed a prescription drug benefit in this House in the year 2000. We did it again; it died in the Senate. We did it again in 2002; died in the Senate. Finally, in 2003, we got the bill passed in the House, as we all know by one vote. The Senate passed it with bipartisan support and the President signed it. And finally, finally, after all of these years, after seniors waiting for nearly 40 years for a prescription benefit, we have created it.

Now, what happens? We are subject to criticism night after night. As I am working in my office, I am looking on the monitor watching C-SPAN and I see some of the Democrats on the other side railing and railing against the prescription drug benefit, which, as the chairman just pointed out, amazingly, amazingly, the most liberal Members of the Democratic party had, not too long ago, introduced a bill that did precisely the same thing; used precisely the same mechanisms.

The problem is, they have a political problem. The political problem they have is that the Democratic party has always said, oh, we are the party that loves the senior citizens. We are the party that will deliver them the benefits under Medicare. But they failed. And they failed for all of the time in which they had control of the Congress. And it kills them that it was a Republican House and a Republican Senate and a Republican President that actually got it enacted in law. It is driving them crazy.

So what do they do? They have no choice but to come and trash the very bill that parallels the bill they introduced and try to scare senior citizens into not taking advantage of it. In my district, we hold meetings to explain the new Medicare drug card so seniors understand it. But in the districts of those who come to the floor and oppose it, there is no one there to even help them. Their Congressperson and staff does not help the seniors to understand and navigate the system.

Fortunately, the Medicare program over at CMS has a wonderfully helpful Web site that seniors can go to. They just go to the Web site, and if they do not have access to a computer, they can go to a library or a senior center and get help there. They put in the drugs they take, and they look at the variety of discount cards and pick the one that is best for them.

But it is when you do something, it is when you actually accomplish something and get it done that you are subject to criticism. It is hard to criticize someone in detail about something they never accomplished. We got the job done, so we suffer the criticism. That is fine. The bottom line is that the seniors and those who are physically disabled in America now have the benefit.

The full benefit could not come overnight. You cannot go from zero to 100 miles an hour overnight. You have to set up a system. So we have this interim period with the drug cards. If you are poor, $600 of free drugs and a discount.

☐ 1915

If you are not poor, you get the discount; and you get a discount tailored to your needs.

In January of 2006, the full benefit becomes available to every Medicare recipient, every elderly person, every disabled person in the country, a historic occasion, a historic occasion for this country. Finally, everyone in America in those categories will have access to a first-rate pharmaceutical program.

I am proud to say that in Pennsylvania my constituents in my State will have the best program in the country, because what we did in Pennsylvania is we made sure that the Pennsylvania Pace Program, which is now spending $400 million a year, dollars derived from our lottery, that $400 million a year is no longer going to be needed to pay for drugs for the poor people in Pennsylvania, because our Medicare program will do that.

So now with that extra money, we are going in Pennsylvania to be able to fill in some of the shortages in coverage, the so-called doughnut hole, and be able to pay some of the shared cost for our recipients. The people in Pennsylvania will have an exquisitely generous program, and people across the country will have a very good program beginning in January 2006.

I am proud to have worked so hard to gain the success. I am proud of the chairman, the gentleman from Florida (Mr. BILIRAKIS), for his work; proud of the President for supporting this bill and signing it; and I think it is high time that instead of fear-mongering for political purposes, every Member of Congress ought to get on with the business of encouraging their seniors back home to take advantage of this program. It is in their interest to do so and explain to them how it is to their benefit to do so. That is public service. Public service is helping the elderly and the disabled in their district get access to a very helpful program. It is not public service to simply malign the program for political purposes.

Mr. BILIRAKIS. Mr. Speaker, I thank the chairman, the gentleman from Pennsylvania (Mr. GREENWOOD). He has worked hard; and he has been a real leader on this subject and, frankly, on all health matters, because I chair the Committee on Energy and Commerce Subcommittee on Health, and he is a very vocal and active member of it.

I would like to say that we have heard all sorts of arguments against what we have done. The doughnut hole, which is a gap in terms of dollars and what benefits can be acquired during that time and before and after that, the Democrats, as I have already said, have in their 1999 bill a $200 deductible and they had a cost sharing up to $1,700 and then catastrophic coverage after $3,000 out of pocket. So they had a doughnut hole from $1,700 to $3,000. We also have a doughnut hole because of the limited dollars that were available.

Our doughnut hole goes from $2,250 to $3,600. So they had a $1,700, as I understand it, as I interpret it, up to $3,000; and we have a doughnut hole from $2,250 up to $3,600. So we learned about the doughnut hole from them.

I would now gladly recognize the gentleman from Texas (Mr. BURGESS) to talk more specifically about the Medicare-endorsed prescription drug card program, because as the gentleman from Pennsylvania (Mr. GREENWOOD) has already shared with us, the prescription drug provisions go into effect in January of 2006. So during that interim period of time, we wanted to be able to afford some help to the potential beneficiaries, and that is where the discount card program came into effect.

Mr. Speaker, I yield to the gentleman from Texas (Mr. BURGESS).

Mr. BURGESS. Mr. Speaker, I thank the gentleman from Florida (Mr. BILIRAKIS) for yielding the time and especially for his leadership in calling this hour this evening, because I do think it is so important that we get the word out, that we get the story out to seniors across the country of what is available.

Mr. Speaker, I sat on the floor of this House in January of 2003 and heard the President deliver the State of the Union message, the first State of the Union message that I had ever heard as a United States Congressperson; and the President said in that State of the Union message that the Medicare prescription drug benefit was so important that it would not wait for another President, and it would not wait for another Congress.

True to his word, he proposed legislation that worked its way through two committees and came to the floor, just about a year ago, the end of June 2003. We voted on the conference report in November, and the President signed it into law in December. And this bill provided what has been the missing link in Medicare for the past 38 or 39 years, and that is a prescription drug benefit.

Now, Mr. Speaker, I was in my former life a simple country doctor, a practicing physician. I was not around when Medicare first came along; but back in those days, if a senior faced a hospitalization or a doctor bill, those would be the primary medical expenses that he could expect to encounter; but nowadays, we can do so much more with prescription drugs.

Back in 1965, it perhaps was not important to have a prescription drug benefit, because there were only two medications, antibiotics and corticosteroids, and they were interchangeable; but now we can do so much more with prescription drugs.

In January 1, 2006, the prescription drug benefit is going to come online; but between now and then, starting the first of this month of June of 2004, until that January 1, 2006 date, the prescription drug discount card is going to become available; and for the first time, for the first time seniors will have available to them complete transparency in the marketplace. They can call 1-800-Medicare. They can log on if they have the Internet or have their grandchildren log on for them to www.medicare.gov.

You need to know a couple of things before you make that telephone call or before you log on. You need to know your ZIP code, and you need to know the medications that you are taking and the dosages that you are taking.

You do need to know the specific medication names. It will not do to say that I have a little white pill in the morning and a little green pill at noon. You have got to know the specific medication names, but that is not that difficult.

If you have those pieces of information, you can log on or call the 1-800 number, and get information that never before has been available to any group of consumers buying drugs in this country. That is, you can get very powerful market-driven transparent information about what the costs of drugs are.

Mr. Speaker, what we have found in the first few weeks of this program is indeed the cost of drugs on those programs has come down as that transparency has worked its magic in the marketplace. I believe it was important to offer this discount prescription drug card as a transitional benefit. The chairman has already correctly pointed out that you cannot just start up with that part B Medicare that is going to be coming online in 18 months, but this is also giving us an opportunity to make sure that benefit when it comes online on January 1, 2006, is going to be the best benefit possible and there is going to be an enormous amount of data that is accumulated during that 18 months' time.

Seniors starting the first of this month, June, so they can already be going onto the Medicare Web site, www.medicare.gov, or call 1-800-MEDICARE and enroll for a prescription drug discount card. They can either be walked through the process on the telephone or take themselves through that process online, but what they will get at the end of that interview or the end of that online session is a printout of what prescription drug cards are available in their market and what the costs of those cards are.

By law it can be no more than $30. Many of those cards cost less than $30, and some are at no charge at all. Then they can comparison price. Do they want to shop at their neighborhood pharmacy, or do they want to use a mail order pharmacy? That pricing information will be available to them on that printout that they received at the end of the online session or calling into the 1-800-MEDICARE number. Mr. Speaker, it is easy. I did it myself. My hope is that as this process goes forward that caregivers, doctors, nurses will help patients with that; if patients are unsure how to negotiate the system, caregivers will help them chart those waters themselves and find out for themselves what the benefits for seniors out there are.

A very important part of this, and the chairman has already alluded to that, it was important to cover the people who were sickest and the people who were poorest. Of those seniors who are at 135 percent of the Federal poverty level, there is going to be a $600 subsidy available this year, right now, on the prescription drug card, and there will be a similar benefit available next year. In fact, since this year is relatively short, what is left with this year, if there is money not used from that $600 benefit, it will roll over into next year. So there is basically a $1,200 benefit for the 18 months between now and the time the prescription drug card comes online.

Again, Mr. Speaker, I would stress, this is a competitive, market-based solution that is available. It is the first time for any group of purchasers of prescription drugs that they are going to have the power of that transparency in the marketplace. I think we are going to find a number of good things come from that. I for one am very proud to have been part of the process. I realize that I came late to the table, but I appreciate very much having been here last year and watching that process through to its fruition.

Mr. BILIRAKIS. Mr. Speaker, day after day we hear a good deal of criticism about many aspects of this new Medicare discount card that the gentleman from Texas was referring to. We hear, of course, criticism about the entire thing, but particularly that. Some will say that the savings are not large enough. To that I would say that the savings available through these cards, and, more importantly, as the gentleman from Texas said, the $600 per individual transitional assistance for the poorest of our seniors, are a heck of a lot better than what many seniors were getting before this Congress and this President acted to provide Medicare beneficiaries with prescription drug coverage. I have always maintained, I have already said it, that since we have limited resources available to us, we should target our resources to those who need help the most, the poorest and the sickest. The transitional assistance available under these cards will provide a lot of help to an awful lot of people.

Mr. Speaker, I am aware that other Members will argue that the high number of drug discount card sponsors will needlessly confuse seniors. We have had a presentation, and there are a large number. Granted there is some confusion there. The system still has a few kinks that need to be worked out. I agree that some beneficiaries will need extra assistance in choosing the card that is right for them. But, Mr. Speaker, I would enter into the RECORD here a 1966 article in The Washington Post that is entitled Medicare Bug, Thousands Fail to Pay Premiums. It goes on to say, Thousands of elderly workers have gotten off to a bad start with Medicare by failing to pay their premiums on time. The Social Security Administration has reported delinquency rates for the $3-a-month payments are running as high as 50 percent in some parts of the South, a spokesman said. Nationally it is about 30 percent. The payments were due July 1. The slow payments, it goes on to say, represent only one of several bugs to appear in the massive machinery of Medicare during its first 6 weeks of operation. It goes on to say, however, the program generally is working better than expected and an official said, he is quoted in here, We think there is some confusion.

There was confusion in the mid-1960s. If the Congress had taken a look at that confusion and all those problems and whatnot and done what so many in this body on the other side of the aisle do, complaining about it and calling it names and trying to discourage the seniors from going into it, we would not have Medicare today.

[From the Washington Post, Aug. 21, 1996]

MEDICARE "BUG," THOUSANDS FAIL TO PAY PREMIUMS

(By Philip Meyer)

Thousands of elderly workers have gotten off to a bad start with Medicare by failing to pay their premiums on time the Social Security Administration has reported.

Delinquency rates for the $3-a-month payments are running as high as 50 percent in some parts of the South, a spokesman said. Nationally, it is about 30 percent. the payments were due July 1.

The slow payments represent only one of several bugs to appear in the massive machinery of Medicare during its first six weeks of operation. However, the program generally is working better than expected.

The problem of delinquent payment affect only the group of 2 million Medicare beneficiaries who are still working. Those who have retired have the monthly $3 checked off their retirement benefits.

Elderly workers who signed up for Plan B, the part of Medicare that covers doctor bills, were billed for $9 to cover the program's first three months. Payments of $3 or $6 also are accepted.

3 MONTHS GRACE PERIOD

No one has yet lost any benefits for failure to pay, a Social Security spokesman said. The grace period is three months.

> Biggest lag in premium payments is in Southern States, where as many as 50 percent of the beneficiaries who are supposed to pay in cash failed to send in the money on time.
>
> "We think there's some confusion," an official said.
>
> The $3 premium is matched by another $3 from the Federal Treasury to support the program. It pays 80 percent of doctor bills after the first $50.
>
> That $50 deductible is also causing some confusion, the official reported.
>
> "Some people thought they had to pay the first $50 charged by each doctor they saw," he said. "Others thought it was a premium they had to pay whether they needed a doctor or not."
>
> As the rule actually works, the $50 deductible must be met only once in each calendar year.
>
> Another problem reported to the Social Security Administration headquarters by district offices is that many people who turn 65 are late in signing up for Plan B.
>
> SHOULD JOIN BEFORE 65
>
> Those who wait for their 65th birthday to enroll miss the first month of eligibility. The proper time for joining is from one to three months before the birthday.
>
> Once enrolled, many persons have caused themselves unnecessary inconvenience by becoming "overly protective" of their Medicare cards.
>
> The wallet-sized cards are issued to identify beneficiaries to doctors and hospitals. Some people are so afraid of losing them, they have rented safe deposit boxes to store them in. Others have sent them to sons or daughters in distant cities for safekeeping.
>
> "The card isn't all that important," the Social Security spokesman said. "It's nice to have, but losing it won't keep you from getting benefits. The worst that can happen is the inconveniences of apply for a new card."

Mr. Speaker, I would also say in that connection, there are companies which have already said that they would offer pharmacy assistance programs around the low-income subsidy for the drug card. So once these poorest seniors among us use up that $600 that they have available, the $600 per individual, $1,200 per couple, these companies have come into the picture and said they would go ahead and not charge them anything extra.

Merck. Under the Merck program, once a beneficiary has exhausted his or her annual $600 traditional assistance allowance, Merck will provide its medicines free to that beneficiary's participating discount card plan.

Johnson & Johnson. After Medicare beneficiaries who are eligible for the government's $600 transitional assistance allowance have exhausted this benefit, they can receive medicines made by Johnson & Johnson-operating companies free of charge.

Eli Lilly will partner with government-approved programs to make the LillyAnswers program available to seniors with incomes below 200 percent, considerably better than just the real low-income, below 200 percent of the Federal poverty level and who do not currently have prescription drug coverage.

Abbott will partner with drug-discount cards approved by the Centers for Medicare and Medicaid Services to offer Synthroid tablets for $5 per monthly prescription. It goes on and on.

Pfizer. The Pfizer Share Card program provides qualified low-income Medicare beneficiaries, those with gross incomes less than $18,000 single and $24,000 couple, with access to up to a 30-day supply of any Pfizer prescription medicine for a flat fee of $15 per prescription.

As a result of what we have done here, we have partnered with an awful lot of the pharmaceutical companies.

Mr. Speaker, I yield to the gentleman from Illinois (Mr. SHIMKUS), another terribly valuable member of our committee.

□ 1930

Mr. SHIMKUS. Mr. Speaker, I thank the chairman for yielding to me, and I appreciate this special order.

I will be brief. I know I have got colleagues here on the floor who also want to address this issue.

Sometimes in this whole Medicare prescription drug debate, we focus on the prescription drug benefit, and I am glad we do because it is the first time we have ever offered real help to seniors, especially the poor, those in need. And I was talking to a group of homecare folks on Saturday morning at their in-service and educating them on the 1–800 number and the www.medicare.gov so that they can help their clients access this needed program.

So that is what we have got to continue to do, and that is what I hope all of my colleagues, whether they were for the bill or against the bill, if they are for their seniors, they ought to be educating them on the benefits of this package.

But, also, before I even go on the Medicare prescription drug debate, I always tell the folks in rural Illinois, and I represent 30 counties south of Springfield down to Indiana and Kentucky, that in this bill is the best rural package for hospitals ever passed.

And that is why we have got a good bipartisan vote by some Democrats who represent rural America and realize that in the debate on funding aspects, there was always the concern, well, if it is rural, it must cost less so we can pay less. But when we talk about buying the needed high-tech fancy equipment that is needed today and they do not have the buying power of a major network, those pieces of equipment come almost more costly than they would if they are buying multiple copies of this equipment.

So for anyone who represents rural America, this bill was a huge victory in making sure that our rural community hospitals can operate and keep their doors open. And I want to thank the leadership of the chairman to make sure that that was part of the package.

The other thing that I am very excited about and I like to talk about it all the time because I want feedback from my constituents. In fact, Bob Ney, who is the mayor of the District of Columbia, he is our mayor, I have asked him countless times to make sure that we get options for health care and insurance packages, do your best to make sure we have a health savings account provision that we ourselves can look at as part of our buying options and your working options for our insurance. The health savings accounts are probably, I think, our last great chance to reform an entitlement system and get individuals back in control of their buying decisions and costs. Making health care decisions based upon quality service, timeliness, people they like, and cost.

What has happened, in my humble opinion, because I am not an expert in this field, is that we do not know what we are paying for health care delivery and services, and we do not know actually who is paying and how much they are paying because there are multiple levels.

I have got a farmer in my district that has moved to a health savings account plan, and he is saving $10,000 a year on his catastrophic plan. And the deductible portion, which, if he does not use or even if he uses a portion of that, that can roll over. Think of the great benefits to young kids getting married now. This health savings account, if it is going to be offered and if they take advantage of that, having that tax-free savings continue to roll over and what it will do in the buying decisions and costs, and they are shopping around for the basic health care services, eyewear, dental visits, things that now are put in this big pool of insurance that some offer and some do not. If they need it, they have got it. If they want the preventative care, go get it. It is going to save money in the long run. And the more money one saves in this health savings account, the more that rolls over in the next years.

So I want to thank the chairman for letting me butt in line, and I want to thank my colleagues for allowing me to do that. I would ask our colleagues, when we talk about the benefits of the Medicare prescription drug bill, spend time on the prescription drug benefit. It is a great benefit and people should take advantage of it. But look at other portions of the bill. For the rural hospitals, we did great. And the future of getting people back in control of their health care costs and decisions on their health care savings accounts, I am hoping that it is everything that it is going to be advertised to be.

And I am asking people to let me know if it is doing what we think it should do because no piece of legislation that we pass here on the floor of the House is perfect. We all know that. We will get another look at it. We will have hearings. We will try to reform and adjust. And we only do that by getting good feedback from our constituents.

Mr. BILIRAKIS. Mr. Speaker, I yield to the gentleman from Georgia (Mr. GINGREY) to continue on this subject.

Mr. GINGREY. Mr. Speaker, I would, first of all, like to thank the chairman of the Health Subcommittee of the Committee on Energy and Commerce and the committee members who are bringing this hour to us tonight on such an important subject.

When we passed this bill in December of 2003, this was a bipartisan bill. This is a bipartisan Medicare plan. There were Members on both sides of the aisle, my colleagues, who usually sit on the right, the Democrats, who usually sit on the left, there were those on the right who opposed who felt that this bill, the $400 billion, or maybe it is $500 billion, was too costly, that we just simply wanted to do it but could not afford it to. And I think some 24 or 25 of my Republican colleagues voted against the bill because they just did not think we could afford it.

On the other side of the aisle, the Democrats, some voted for the bill, but those who opposed it opposed it because they did not think we were doing enough, that we were not spending enough. And they kept talking about the doughnut and the hole in the doughnut and emphasizing, Mr. Speaker, that the hole was too big. And now that the bill has passed, we hear all this what I refer to as "Mediscare" rhetoric, and one of the first and foremost "Mediscare" tactics about that hole in the doughnut.

We see it on television ads. So they are saying to seniors do not eat the doughnut. Do not eat the doughnut. Eat the hole. And I can tell people the hole has no taste, it has no calories, it has nothing because there is nothing there. And I think it really is unconscionable, particularly in regards to this interim program, the Medicare discount prescription card program to suggest to seniors or to advise them not to sign up for the prescription card.

Mr. Speaker, I cannot think of any reason, not one reason, for a senior to not sign up for their prescription discount card. The benefits are tremendous for those who need it the most. And we have heard my colleagues speak about the $600 credit not just one time but 2 years and that can roll over into the next year.

So a senior might have as much as $800 the second year of credit, not to mention the 15 to 20 percent overall discount, not that some discounts may be higher on certain drugs and lower on certain drugs but overall a 15 to 20 percent discount.

And I say this, Mr. Speaker, to my seniors when I when I do town hall meetings in the 11th district of Georgia, South Cobb County and 16 counties of West Georgia, and we talk about this, and I say to them take advantage of this discount card. The most it can cost them, the most it can cost them, is $30; but if they are a low-income senior and they are eligible for the $600 credit, if their income is below 135 percent of the federal poverty level, and there is no assets means testing, it is just strictly based on income, and they are eligible for that, then they get the $600 credit, and they pay nothing for their card, and they get that 15 to 20 percent discount on each and every medication on an average that they purchase. I mean it is an opportunity for anyone. Whether they voted against the bill because they thought that it was too expensive and we could not afford it or whether they voted against it because they thought we were not doing enough, I say that it is unconscionable to advise those seniors not to sign up for the prescription drug discount card.

There are other things, and I do not want to take up too much of the time that the chairman has been so kind to allot to me tonight, and I know there are other speakers that are coming, but that is just one of these "Mediscare" tactics. And the other one, and I will just briefly mention that, is this idea of this Medicare plan, prescription drug plan and Medicare modernization, is nothing but a giveaway to the pharmaceutical industry. We have heard that. I know all my colleagues have heard that, and hopefully people listen and will understand as I explain why that is so fallacious. If that were true, if the new Medicare part D prescription drug plan was nothing but a giveaway to the pharmaceutical industry, then one could certainly say the same thing about part A and part B, going back to 1965, as the chairman did earlier in his remarks.

Part A, of course, one could say was nothing but a giveaway to the hospitals, and one could equally say that part B was nothing but a giveaway to the doctors because after all, they are the ones who provide the services under part A and part B respectively. But talk to any of them, and, believe me, they will say very quickly that it is hard to see Medicare patients and provide that care, and in many instances they are doing it out of the goodness of their heart. The pharmaceutical industry certainly will sell more drugs, but they will sell them cheaper, just like an automobile dealer who sells 100 new cars a month can sell them cheaper than if he just sells 10. And that is what is happening. That is what is going to drive these prices down.

Mr. Speaker, I love to come before my colleagues and talk about this bill. We are in the interim phase now, the prescription drug discount card. Again, I can think of no reason why a senior should not sign up for that and take full advantage of it. In a year and a half, there may be some seniors who will have a better plan. Nobody will be forced out of Medicare as we know it, traditional Medicare. It is a choice. But this is a good bipartisan bill, and it is time to stop all the politicking and the rhetoric against it and let the seniors take advantage of something that this President and this Congress have finally delivered on.

And I thank the chairman so much for giving me the opportunity to be with him tonight.

Mr. BILIRAKIS. Mr. Speaker, I thank the gentleman for his comments.

Mr. Speaker, I very much appreciate particularly the gentleman's emphasizing the discounts because fortunately for America's seniors, and we will not hear this from the other side, the principles of competition that drive this new benefit are already showing real, real results. And CMS found during the first week, and I am talking about the first week in May now, the first week in May, which was really when all this started in terms of posting prescription drug discount card pricing information, et cetera, the CMS found that the discounted prices available through the program had already fallen 11½ percent for brand names and 12½ percent for generics over that first week.

I do not know what the current picture is. I have not looked into that. But the fact of the matter is we can see what will happen here with competition. And these discounted prices are already less, already less, than what seniors without drug coverage are paying for their medications.

And that is why, Mr. Speaker, it is so disappointing that some continue to demagogue this issue. When I learn of a partisan analysis, if you will, of the prescription drug discount card benefit that concludes that the program is a failure, before a single beneficiary uses the card, before a single beneficiary uses the card, it makes us all wonder. But I guess we do not have to wonder too much. Scare tactics are designed to frighten, to confuse seniors. That will only ensure that some beneficiaries would choose, as the gentleman from Georgia (Mr. GINGREY) said, not to access a benefit that could save them hundreds, if not thousands, of dollars annually.

Mr. Speaker, I yield to the gentleman from Oklahoma (Mr. SULLIVAN) to continue on in this conversation. Newly added to the Committee on Energy and Commerce, I am very proud to say.

Mr. SULLIVAN. Mr. Speaker, I thank the gentleman from Florida (Mr. BILIRAKIS) for all his work on this very important measure.

Unfortunately, the chairman is right, how this gets demagogued. I go back to my district, and seniors are excited about this, but unfortunately they get things in the mail and they hear all this misinformation. And this is a great bill. This is a historic measure and something that is very important.

□ 1945

Mr. Speaker, I would like to bring to your attention an often overlooked provision in H.R. 1, the Medicare Prescription Drug and Modernization Act of 2003, that will better the lives of America America's seniors.

As a result of the Medicare reform law, Medicare beneficiaries will receive an expansion of coverage that will help them to prevent and manage many life-threatening diseases, such as cancer, diabetes and cardiovascular disorders, without incurring large medical bills.

For instance, H.R. 1 provides for an extensive initial medical preventative physical examination. This free exam includes measurements of height, weight, blood pressure and an electrocardiogram. Health care professionals will be on hand during these physicals to offer education, counseling and referrals related to other preventative services covered by Medicare. These preventative services include but are not limited to vaccinations, screening, mammography, prostate and colon cancer screening, as well as cardiovascular and diabetes screening.

It is worth noting that cardiovascular and diabetes screening tests do not have deductible copays, so beneficiaries do not have to incur any cost. This is an additional incentive for those with limited resources to go to the doctor and have these vital tests performed so that these diseases can be detected as early as possible.

Many of these diseases, if caught early, can be treated and effectively managed resulting in far fewer serious health consequences. Such conditions as obesity, diabetes and heart disease could be far less severe for millions of Medicare beneficiaries. These are diseases that are impacting millions of Americans every year.

For example, approximately 129 million U.S. adults are overweight or obese. Additionally, an estimated 18 million, or 6.2 percent of the United States population, have diabetes. This is not to mention the fact that heart disease and stroke are the first and third leading causes of death in the United States. In 2003 alone, 1.1 million Americans will have a heart attack.

By providing an initial physical examination for all newly enrolled Medicare beneficiaries, seniors and disabled Americans will have an opportunity to discuss with their physician the importance of preventative care and living a healthy lifestyle. These examinations will not only save lives, but also save the United States Government hundreds of millions of dollars, as catching these diseases early lessens the cost of treatment.

One program that will help many seniors towards the realization of a better quality of life is the Chronic Care Improvement Program, which was announced as a pilot project by CMS in April. It establishes and implements a Chronic Care Improvement Program under fee-for-service Medicare to improve clinical quality and beneficiary satisfaction, while also achieving spending targets for beneficiaries with certain chronic health conditions. This program will help patients manage their diseases in a way that will help improve case outcomes and patient care when they need it most.

As a member of Speaker HASTERT's Prescription Drug Task Force, I have spent many hours meeting with senior citizens and listening to their concerns. I know the Medicare reform law we passed in November is already having a positive effect on many seniors as they are seeing their drug prices fall and their health improve.

We should all be proud of the fact that we delivered our promise to seniors to give them a prescription drug benefit. We should also be proud about giving them an opportunity to live happier and healthier lives in their golden years by expanding their benefit to include the prevention and management of serious diseases.

Thus, it is my sincere hope, Mr. Speaker, that more American senior citizens will take advantage of the prescription drug benefit, as well as the preventative service Medicare offers, as they could truly help prolong millions of people's lives.

Mr. BILIRAKIS. Mr. Speaker, I thank the gentleman.

Before I yield again to Mr. GREENWOOD, I have in my hand four pages worth of supporters of the Medicare conference report. These are all patient groups. I am going to read off just a handful of the long list:

AARP; ALS Association; Alzheimer's Association; American Autoimmune Related Diseases Association; American Diabetes Association; Arthritis Foundation; Coalition to Protect America's Health Care; Coalition to Protect Health Care Access; Cuban-American National Council; Epilepsy Foundation of Florida; Florida Coalition on Hispanic Aging; Hepatitis C Global Foundation; Kidney Cancer Association; Latino Coalition; Mental Health Association of Central Florida; Montel Williams MS Foundation; National Alliance For Hispanic Health; National Alliance For the Mentally Ill; the National Council on the Aging; Polycystic Kidney Disease Foundation; Robbie Vierra-Lambert Spinal Cord Organization; Sickle Cell Disease Foundation of California; 60-plus Association; United Seniors Association; We Are Family Foundation; Women Heart Group.

This is just a handful of the long list here, Mr. Speaker, which I will include for the RECORD.

GROUPS SUPPORTING THE MEDICARE CONFERENCE REPORT

PATIENT GROUPS

AARP
ALS Association
Alzheimer's Association
Alzheimer's Association, Mid South Chapter
American Autoimmune Related Diseases Association
American Diabetes Association
American Sepsis Alliance
Arthritis Foundation
Coalition to Protect America's Health Care
Coalition to Protect Health Care Access
Cuban American National Council
Epilepsy Foundation, Florida
Erin K Flatley Foundation
Florida Coalition for Access to Quality Medicine
Florida Coalition on Hispanic Aging
Florida Drop-In Association
Hepatitis C Global Foundation
International Patient Advocacy Association
Kidney Cancer Association
Larry King Cardiac Foundation
Latino Coalition
Louisiana Community Volunteers Association
Louisiana Progressive Alliance
Louisiana Safe Neighborhood Action Plan
Louisiana Women's Network
Loving Others Together Foundation
Mental Health Association of Central Florida
Montel Williams MS Foundation
National Alliance for Hispanic Health
National Alliance for the Mentally Ill
National Alliance for the Mentally Ill—Kansas
National Alliance for the Mentally Ill, Idaho
National Art Exhibitions By The Mentally Ill, Inc.
The National Council On The Aging
National Right to Life Committee, Inc.
Polycystic Kidney Disease Foundation
Prevent Blindness Ohio
Pueblo Health & Educational Programs
RetireSafe.org
Robbie Vierra-Lambert Spinal Cord Organization
Sacramento Hepatitis C Task Force
Seniors Coalition
Sickle Cell Disease Foundation of California
Sickle Cell Foundation of Florida
60 Plus Association
TMJ Society of California
United Seniors Association
We Are Family Foundation
WomenHeart

HEALTHCARE ORGANIZATIONS

AAHP–HIAA
AdvaMed
Aetna
Alliance for Aging, Florida
Alliance for Quality Nursing Care
Alliance of Specialty Medicine
Alliance to Improve Medicare
American Academy of Dermatology Association
American Academy of Family Physicians
American Academy of Ophthalmology
American Academy of Pharmaceutical Physicians
American Association of University Women, Louisiana
American Association of Clinical Endocrinologists
American Association of Neurological Surgeons

American Association of Nurse Anesthetists
American Association of Orthopedic Surgeons
American College of Cardiology
American College of Cardiology—MI Chapter
American College of Emergency Physicians
American College of Obstetricians and Gynecologists
American College of Physicians
American College of Radiology Association
American College of Surgeons
American Gastroenterological Association
American GI Forum
American Hospital Association
American Medical Association
American Medical Group Association
American Occupational Therapy Association, Inc.
American Osteopathic Association
American Physical Therapy Association
American Society Anesthesiologists
American Society for Therapeutic Radiology and Oncology
American Society of Cataract and Refractive Surgery
American Society of Plastic Surgeons
American Speech Language Hearing Association
Anthem
Association of American Medical Colleges
BayBio
BIOCOM
BioFlorida
Biotechnology Council of New Jersey
Biotechnology Industry Organization
BlueCross BlueShield Association
California Healthcare Association
California Healthcare Institute
California Hep C Task Force
California Medical Association
Cardinal Health
Catholic Health Association
Cigna
Coalition for a Competitive Pharmaceutical Market
Coalition to Ensure Patient Access
College of American Pathologists
Colorado Bioscience Association
Congress of Neurological Surgeons
Disease Management Association of America
eHealth Initiative
Federation of American Hospitals
Florida Academy of Family Physicians
Florida Hospital Association
Florida Osteopathic Medical Association
Generic Pharmaceutical Association
Healthcare Institute of New Jersey
Healthcare Leadership Council
HealthNet
Hep and Vet Action Now Foundation
Highmark, Inc.
Hispanic Health Care Professional Association, Texas Chapter
Hospital & Healthsystem Association of Pennsylvania
Humana
InterAmerican College of Physicians and Surgeons
Iowa Biotechnology Association
Iowa Healthcare Access Network
Iowa Medical Society
Maryland Bioscience Alliance
Massachusetts Biotechnology Council
Massachusetts High Tech Consortium
Mayo Clinic
Medco Health Solutions
Medical Society of New Jersey
Medical Society of the State of New York
Medical Society of Virginia
Memorial Regional Health Systems
Missouri State Medical Association
MNBIO
National Association of Children's Hospitals
National Association of Community Health Centers
National Association of Health Underwriters
National Association of Public Hospitals and Health Systems
National Association of Rehabilitation Providers and Agencies
National Association of Spine Specialists
National Hospice and Palliative Care Organizations
National Medical Association
National Rural Health Association
New York Biotechnology Association
Ohio Advocates for Health Care Access
Ohio Hospital Association
Ohio State Medical Association
Oklahoma State Medical Association
Omeris
PacifiCare
Pennsylvania Biotechnology Association
Pennsylvania Healthcare Technology Network
Pharmaceutical Care Management Association
Premier
Private Practice of the American Physical Therapy Association
Rural Hospital Coalition
Scripps Research Institute
Society of Thoracic Surgeons
South Carolina Biotechnology Association
South Florida Hospital and Health Care Association
Texas Health and Bioscience Institute
United Health Group
University of California Health System
Utah Life Science Association
VHA
Wisconsin Biotechnology Association
Wisconsin Healtcare Access Network

EMPLOYERS

3M Company
American Benefits Council
American Chemistry Council
AT&T
Bank of America
BellSouth Corporation
Bituminous Coal Operators Association
California Hispanic Chambers of Commerce
Cargill, Inc.
Case New Holland, Inc.
Caterpillar, Inc.
Cigna
Coors Brewing Company
Corporate Health Care Coalition
Cox Enterprises
Cummins, Inc.
DaimlerChrysler
Deere & Company
Delphi Corporation
Dow Chemical Company
DuPont Chemical Company
Eastman Kodak Company
EDS
Employer Health Care Alliance Cooperative
Employers' Coalition on Medicare
ERISA Industry Committee
Financial Executives International
Fisher Scientific International, Inc.
Florida Hispanic Chamber of Commerce
Food Marketing Institute
Ford Motor Company
General Dynamics Corporation
General Motors Company
Georgia Pacific Corporation
Hershey Foods Corporation
Hewlett-Packard Company
Honeywell
HR Policy Association
IBM
International Mass Retail
International Paper Company
Jostens
Kellogg Company
Louisiana Versai Management
LPA, the HR Policy Association
Lucent Technologies, Inc.
Monsanto
Michigan Manufacturers Association
Motor & Equipment Manufacturers Assoc.
Motorola
National Association of Manufacturers
National Federation of Independent Businesses
National Mining Association
National Retail Federation
National Rural Electric Cooperative Association
Northrop Grumman Corporation
Peabody Energy Company
Pitney Bowes
Pittsburgh Plate and Glass
PPG Industries, Inc.
Printing Industries of America
PSEG
RAG American Coal Holding, Inc.
Raytheon
Rohm Haas
SBC Communications
Sears, Roebuck and Co.
Southern Company
Southwest Florida Hispanic Chamber of Commerce
Sprint
Texas Instruments
The Aluminum Association
The Boeing Company
The Business Roundtable
The Goodyear Tire & Rubber Company
The Timken Company
U.S. Chamber of Commerce
United States Steel Corporation
UPS
Verizon
Washington Business Group on Health
West Virginia Chamber of Commerce

OTHERS

American Legislative Exchange Council
Archer MSA Coalition
California State Association of Counties
Robert Goldberg, Manhattan Institute
New Orleans Coalition
The National Grange
Women Impacting Public Policy

Mr. BILIRAKIS. Mr. Speaker, I yield to the gentleman from Pennsylvania (Mr. GREENWOOD).

Mr. GREENWOOD. Mr. Speaker, I thank the gentleman from Florida (Chairman BILIRAKIS) for yielding.

Let me say to the chairman, he has had a long and distinguished career in the United States Congress, and I am sure that at the end of that career, the gentleman will look back with pride and say, if he is proud of anything he was able to accomplish in all of the countless 2 o'clock in the morning, 3 o'clock in the morning, 6 o'clock in the morning sessions we have spent here, I would think it would be that you were at the helm when this Congress passed prescription drug benefit for seniors. It is an historic accomplishment, and the gentleman should be proud of it. I know he is.

The other people who are proud of it, interestingly enough, are, as the chairman just said, the AARP, the American Association for Retired Persons, and all of the groups that care and are devoted to the care of patients. So if you are an organization like the AARP, there is no organization more respected by seniors than they, if you are one of the thousands of organizations that are devoted to making sure that people with illnesses get medicine, you are for the bill.

So, how could we imagine that, after 35 years of struggling, nearly 40 years of struggling without success to get a prescription drug benefit, finally the Members of this Congress, the House and the Senate in a bipartisan fashion, with the President of the United States signing the bill, we get it done, we devote half a trillion dollars to these prescription drug benefits, and who in the world would imagine that the reaction would be, from some quarters, let us criticize it. Let us attack it. Let us destroy it.

Let me let you in on a little secret: A Democratic pollster provided some strategic information to the Democratic Party about how to respond to the fact that we had accomplished this great thing as Republicans and they needed a political strategy.

What the pollster said, this is Greenberg Quinlan Rosner Research, Inc., in a Lake, Snell, Perry & Associates memo to the Democratic Party, they said, "A message of fixing the bill reinforces the AARP message that we have made a good start and might continue to improve it. But that would give the message that the law is not all bad," so what she suggested was that we have to "shift the debate in our favor as the straight negative portrayal of the law."

So any sort of sensible approach that says, hey, after all these years, we made a great start, let us keep making it better, let us enrich the benefit over time, you do not win the political debate if you do that. So you have to say the whole darn thing is no good, it was done for the worst of reasons, and let us condemn those who tried to make it happen.

It is pretty astonishing hard to believe, hard to imagine that you would come along and spend half a trillion dollars to take care of the prescription drug benefits and needs of the seniors and the disabled, and the response is so negative.

One of the chief critics of the program is the gentleman from Ohio (Mr. BROWN), the ranking member on the committee of the gentleman from Florida (Mr. BILIRAKIS). The gentleman from Ohio (Mr. BROWN) is a friend of mine and a colleague, but he has a penchant for never being able to have a debate. He says you think this way and I think that way, and that is a philosophical debate. He always has to assume the worst of motives.

One of his criticisms is the way this benefit is delivered it through private pharmaceutical benefit managers. We set up a system so various companies can compete in the marketplace to deliver low cost drugs to seniors. What we know is that they are going to want to be able to make some profit on this, so they will go to the drug manufacturers and negotiate hard. "You want me to cover your arthritis drug, you better give me a darn low price."

That is the way it works in the marketplace, and they get competition going between the various drug manufacturers to see who is going to give the lowest price. That is why we developed the system that way.

Interestingly enough, every Member of Congress who chooses to receive his or her prescription drug benefit through the Federal Government receives their benefits exactly the same way, private companies. We do not have a special agency full of Federal employees that dispense drugs to Members of Congress, or to the 8 million other Federal employees. Eight million Federal employees, it is shocking that there are so many, but 8 million Federal employees who are eligible to purchase a prescription drug benefit through the government program, they buy it using the exact same model that we have provided for the senior citizens, the exact same model.

Every man and woman in the United States military who participates in the military health programs gets their drugs the same way that we set up for the Medicare program.

Now, the gentleman from Ohio (Mr. BROWN) says no, that is not why you did it. You did not do it because it is efficient. You did not do it because you get the best prices. You did not do it because the private sector can instantaneously put a new drug into the plan, while the bureaucratic process would take months and months to add a new product. He says we did it because of contributions from the drug companies.

I am here to say, as one who has never received a contribution from a drug company, I did it because I believe it is the right philosophical thing to do, it is the right way to benefit the seniors of our country.

Again, Mr. Chairman, I am proud of you for your work on this, and thank you for giving me the opportunity to speak this evening.

Mr. BILIRAKIS. Mr. Chairman, I thank the gentleman so much for his contribution tonight and all through the years. I would again remind all of us that the PBM, the pharmacy benefit managers, was an idea, an invention of the other party, and we did learn a few things from it. We learned about the gap, if you will, or the donut. We learned about the PBM and that sort of thing. We took the best, I think, of their ideas and cranked them into this and made some minor changes.

Mr. Speaker, this new prescription drug benefit also functions, and this is something I guess we do not talk about as much as we should, as a sort of insurance program, when you stop to think about it.

Most senior citizens that I represent are very risk adverse. One of their great fears is to fall victim to a debilitating illness that will wipe out their life savings and burden their families.

Since prescription medications are obviously crucial to the treatment of a myriad of conditions, it goes without saying that a long-term chronic illness will most likely result in high spending on prescription drugs.

Under this bill, seniors who elect to join the program will pay around $35 per month for their Part D coverage. This premium buys them two things: First, it buys them the peace of mind that if they suffer from a catastrophic illness, that seniors will pay only 5 percent of their medications after spending $3,600 out of their own pocket; insurance, if you will, for if they really get sick. We all have life insurance and all sort of insurances that, God help us, we will never use. We do not complain about it.

Beneficiaries who qualify for low income assistance will not pay anything once they reach this threshold. The others will pay 5 percent after spending $3,600 out of their pocket.

Second, the premium buys them very good first dollar prescription coverage. After meeting the $250 deductible, their Medicare prescription drug plan will pay 75 percent of the drug costs up to a $2,250 limit. I have already said the Democrat plan had it up to $1,700, so we even go above that. Over half of Medicare beneficiaries spends less than this in a year, so for them, this is really a great deal.

Mr. Speaker, the benefits of the bill are clear: Superior assistance for those on fixed incomes, peace of mind for all seniors that a catastrophic illness will not devastate them financially, and excellent first dollar coverage that will benefit millions of American seniors.

There are a lot of folks who want to see this new bill fail. They will say and do most anything to scare senior citizens in their quest to discredit this program. I think they are going to fail.

SPEAKING OUT AGAINST ADMINISTRATION'S RECORD IN COMBATING VIOLENCE AGAINST WOMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Georgia (Ms. MAJETTE) is recognized for 5 minutes.

Ms. MAJETTE. Mr. Speaker, I rise today to speak out against this administration's deplorable record in combating violence against women. This administration has shown a very disappointing tendency to ignore the plight of mistreated women, both at home and abroad.

Through actions taken by the President's cabinet, such as Attorney General Ashcroft's refusal to grant asylum to a battered Guatemalan woman, and the President's widespread cuts to domestic violence programs, this administration has much to answer for in its neglect of battered women.

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It is, therefore, all the more important for Congress to remain vigilant and to protect our sisters all over the world from those who would mistreat them.

The American Medical Association estimates that over 4 million women are victims of severe assaults by boyfriends and husbands each year, and about one out of every 4 women is likely to be abused by a partner in her lifetime. In 85 percent of reported domestic violence cases, the victim is female.

Domestic violence against women is clearly an issue that our government must address head-on.

It saddens me to think that millions of women continue to be abused each year, while this administration sits idly by, taking no initiative and, in some cases, decreasing resources available to battered women.

It would shock the conscience of this Nation to know that this administration has placed individuals hostile to women's interests on expert advisory committees, including those responsible for providing advice on domestic violence and reproductive health. It simply reveals a disregard for the National Advisory Committee on Violence Against Women to appoint members to this body who represent organizations that have outspokenly criticized the Violence Against Women Act. Yet that is exactly what this administration has done.

In addition, the President has refused to include protections for battered women in the marriage proposal programs that are integral to his welfare proposal, despite the risk that poor women could be pressured to remain in abusive relationships.

Finally, this administration has proposed funding emergency shelters, crisis hotlines, and other domestic violence intervention services at 26 percent below authorized levels. I am upset by all of these disturbing trends, but the last of them hits close to home.

In the district that I represent, in DeKalb County, Georgia, there is a very successful domestic violence intervention center, the Women's Resource Center to End Domestic Violence. The Women's Resource Center's development has truly been a community effort. Established in 1986 by DeKalb County, the center was originally run by one part-time advocate who led support groups. Now, this center runs nine successful programs, including community education and advocacy, providing free legal services, and a 32-person occupancy emergency shelter. So what message is this administration sending to the Women's Resource Center when it refuses to fully fund such an organization and others like it around the country?

As a former judge, I have seen the damage that domestic violence can cause to women and their children, and that is damage to our community and our future.

In Congress, we can and must do more to ensure that local law enforcement can expeditiously deal with domestic violence. This is why I have cosponsored, and I call on my colleagues to support, the Domestic Violence Courts Assistance Act, which would provide the resources necessary for municipal court systems to develop and establish specialized domestic violence courts. I also urge my colleagues to support the Domestic Violence Screening, Treatment, and Prevention Act. This legislation would establish family violence research and education centers to study and disseminate information on family violence. These centers would then act as a critical support for local community domestic violence intervention centers.

When we read the frightening statistics that illuminate the severity of this problem, how can we not be appalled? We are here as representatives of the American people, representatives of these very women; and what have we done as a Congress to help them? We have the opportunity to create better laws to aid them, yet precious little legislation has been past. We hold the purse strings of the Federal Government, yet we have not provided an adequate level of funding to supply the resources they need to escape their abusive relationships and lead safe lives. It is past time for this administration and this Congress to make a dedicated effort to relieve their suffering. It is never too late.

30-SOMETHING WORKING GROUP

The SPEAKER pro tempore (Mr. GERLACH). Under the Speaker's announced policy of January 7, 2003, the gentleman from Florida (Mr. MEEK) is recognized for 60 minutes as the designee of the minority leader.

Mr. MEEK of Florida. Mr. Speaker, it is a pleasure once again to address the U.S. House of Representatives and the American people and also Members of the Congress. I just want to first say that as my colleagues know, every week, the 30-Something Working Group, under the leadership of the gentlewoman from California (Ms. PELOSI), the Democratic leader, we come to the floor to address the House and the American people to share with them what is going on that is good for young people in America, young working people and families, and also what is not going so well, and come with not only constructive ways that we can make things better for Americans throughout this great country of ours, but also make sure that we point out issues that may harm them in the future or that will harm them.

Tonight, we have the gentlewoman from California (Ms. LINDA T. SÁNCHEZ) and also the gentleman from Ohio (Mr. RYAN), who are my partners in this effort. I would be remiss if I did not, number one, say that it is a pleasure being here with the gentleman from Ohio (Mr. RYAN) again. One more week, we made it, another week in America, and also the gentlewoman from California (Ms. LINDA T. SÁNCHEZ), who is from the great State of California and who has so much to contribute to our dialogue.

Mr. RYAN of Ohio. Mr. Speaker, if the gentleman will yield, I think today, with the gentlewoman from California (Ms. LINDA T. SÁNCHEZ), there is a lot more class in this Chamber with her here as opposed to just the gentleman from Florida and me.

Mr. MEEK of Florida. Mr. Speaker, there are a number of Americans who are just holding on to their clicker right now to hear exactly what she has to say and how she says it. I know that the gentlewoman from California has another engagement, and we definitely want to hear from her.

First, I want to just share a few things as an update real quick. We still have the voter suppression issue that is alive and well in America. We have been getting the vote out through the Rock the Vote effort and also a lot of other folks who are out there, making things happen, sharing with young people who are going to be on college campuses this fall, that they can register where they are going to school, whether it be community college or wherever. So we ask them to go do Rock the Vote because we still have a problem with supervisors telling people even in summer terms that they cannot register.

Once again, in 1975, the Supreme Court spoke to that issue saying, you can vote when you go to school so that your voice can be heard in this upcoming election. We have other issues that we will touch on throughout the hour.

Mr. Speaker, I will now yield to the gentlewoman from California (Ms. LINDA T. SÁNCHEZ) to please share with us some of the issues that are important to her. I know the gentlewoman will talk about some news dealing with issues facing young people here in America today.

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, I would join my colleagues a little more often if they were not up here so late at night. I know that the gentleman has already talked about a number of issues that particularly impact young people in this country. I know that I was here when we talked about the tuition increases and the rising costs of student loans, the increasingly bleak job market for recent graduates. I know that the gentleman talked about the voter suppression issue, and tonight I want to talk a little bit about the men and women who are putting their lives on the line in Iraq and in many places around the globe to protect our country.

Mr. Speaker, we are rapidly coming up to the 4th of July, our Independence Day; and I think it is timely to thank the men and women who sacrifice themselves on behalf of our country.

An interesting statistic that I ran across is that 70 percent of the people serving in Iraq are ages 18 to 30, and that is obviously a big group of young Americans. Unfortunately, while people talk a lot about patriotism and about supporting our troops, unfortunately, what we are seeing under the current Bush administration is that many of the support mechanisms for these men and women, once they come home, are being dismantled. So instead of talking and giving just lip service to how we should be supporting our troops, we should be passing legislation that stops the cuts that the President has proposed, especially cuts to VA health care.

It was not too long ago that I visited, and I have been there on several occasions, Walter Reed Medical Center, which is where the wounded soldiers come after they are stabilized from the theater in Iraq; and I had an opportunity to talk with many young men in the amputee ward, some as young as 19, 20, 21, 22, who are going to need ongoing health care for their injuries. They are going to need job retraining because the jobs that they are going back to they cannot hold anymore. And, unfortunately, what we have seen this government do is cut benefits to VA programs, especially the health care programs, at a time when out of the other side of their mouth, they are saying we need to support our troops.

So I find that there is a level of hypocrisy in what the Bush administration says and actually what they are doing. I tell people all the time, the measure of our patriotism is not just about rah, rah, and cheering the troops while they are in war, in theater; but it is how do we treat those same men and women once they come home and they need us. Unfortunately, we are seeing that this administration is bent on cuts to VA services. Veterans who have fought some of their toughest battles for this country on foreign soil then come back to fight the bureaucracy of the VA health care system and face ever-increasing delays to be seen by doctors, closing of facilities and consolidation, which means that they have to travel many, many more miles just to go and get the basic services that they are entitled to.

I just want to note, before I engage my two other colleagues here this evening in discussion, that even VA Secretary Anthony Principi publicly acknowledged that he tried in vain to secure more funding from this administration. So what kind of priorities does this administration have if they cannot meet the funding request of the VA Secretary who was hand-picked by President Bush? Mr. Principi is someone the President picked, but he is also a veteran. So he could not keep quiet about how egregiously low the funding level is for the VA administration.

So I think it is timely that young people know that we are asking them to make a great sacrifice in risking their health and their lives overseas; they are being divided from their families and, again, they are coming back to an administration that is saying they support the troops when, in fact, the services and the follow-up care that they are going to need is being cut while they are away.

I do not know what my colleagues think about that, but I yield.

Mr. RYAN of Ohio. Mr. Speaker, I think it is important that we talk about and put ourselves in the shoes of these veterans who are going to be coming back, and one of the issues that they are going to be dealing with is their veterans benefits, which the gentlewoman has talked about.

Secretary Principi is saying they need another $1.5 billion. The House budget, both Democrats and Republicans, for the most part, on the committee have agreed that we need another 2.5 or $3 billion more for the veterans to meet their needs. And I think it is important to understand that what we hear from the administration is that we have increased funding for veterans, the Veterans Administration by ex-fold or whatever the percentage points they want to cite, and that is great; but the problem is we have thousands and thousands more veterans accessing the system, so although we are putting more money into it, it is not addressing the demand of the people going into the system.

I know in northeast Ohio we have a large concentration of veterans. I think I have 73,000 veterans in my district out of a 700,000-person district; that is almost a sixth of who we represent, and the reason is, the steel mills close down, you lose your pension, you lose your health care, you do not have anywhere to turn, you never utilized the VA system, but because of the drastic downturn in the economy and the weeding out of manufacturing, you are having a lot of these people enter the system.

So the gentlewoman's point is very well taken, and I think it is something that needs to be addressed and it is an issue that, again, it is easy for us to say here, but these veterans save this capitalistic system. These veterans save the democratic system. And there would be no one generating wealth, there would not be CEOs making however many times, 300 times as much as the average worker if the system was not saved by these heroic veterans.

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So I think it is important for us to know that this system that we have that is generating all this wealth would not exist if it were not for the veterans. So I think we have some obligation some responsibility to make sure that we provide them with the health care, the benefits, and everything else that they need.

I yield to the gentleman from Florida.

Mr. MEEK of Florida. Mr. Speaker, I was really appreciating the dialogue here. I know I am not a veteran myself, being from the State of Florida, I can tell that we have a number of veterans, very patriotic veterans that are very concerned from St. Petersburg to the Panhandle, to Miami, Florida, we have a VA hospital where veterans just need to see the ophthalmologist and it takes 6 months for them to see him.

Meanwhile, World War II dedication, remembrance of D-Day, politicians falling all over themselves wearing flags talking about we love you, we love you, trying to get in a photo op with these patriots, even patriots of past wars whether it be Korea, Vietnam, Gulf War I, out there trying to take a picture on these Memorial Days and Veterans Days, but the real issue is this: How do we treat them outside of Veterans Day and Memorial Day? That is the real issue.

The real issue is when the rubber meets the road and the reality after each one of those holidays they still have long lines and they still have inadequate and underfunded VA centers.

So when we look at the credibility of United States and our efforts, I will tell my colleagues for all of us here who care so much about our troops, and the gentleman from Ohio (Mr. RYAN) knows today in the Committee on Armed Services that it is not a question about do we love and appreciate the troops' commitment to the sovereignty and the United States and our friends abroad, that is not a question, I mean, will the troops fight for 20 years? They will fight for 20 years if they have to fight on the behalf of the United States and our reputation. But it is the management of not only the country, but also VA services that we will go into in a minute, and also what is going on in Iraq right now.

And I must say that for every turn this Congress has given this administration credit when credit was not due, but on behalf of the efforts that were in and people that we have in forward areas throughout the world, especially in Iraq and Afghanistan, it is just so very, very important that we bring point to this.

If I can, my colleagues, I always read the paper. I know that there are some people who said they do not read the paper, but I will leave that alone. We know who that individual is. But this is the Dallas Morning News. "Iraq Trust Gap." And this editorial is from this paper. And I must say that the President is from Texas, right?

Mr. RYAN of Ohio. I think so.

Ms. LINDA T. SÁNCHEZ of California. Allegedly.

Mr. MEEK of Florida. Dallas is in Texas. I want to make sure. I am from Florida so I want to make sure I have it right.

They are saying, "You have got a credibility problem, Mr. President." Now, this is the hometown paper in a home State that is saying that there is an issue. It goes on in this editorial.

Mr. RYAN of Ohio. Before we get into this, because we, being on the Committee on Armed Services, we talk about this all the time. This seems to be like every conversation you have on the floor and off the floor somehow gets back to the war, somehow gets back to this administration's march to war.

I just want to be clear with the American people, this is not personal. This is not us trying to demagog an issue for political gain. We have 800 soldiers who have been killed. We have thousands of soldiers who have been wounded. We have had hundreds, if not thousands, of innocent Iraqis killed because of this.

This is a distinction that my colleagues and I have to make because we are elected Members. My colleague represents 700,000, my other colleague represents 700,000 and I represent 700,000 citizens of this country who want to know why we are in the predicament we are in. This is not personal with the President. I am sure we would all say he is an affable man who we all would probably sit down and have a Diet Coke or a cup of coffee with and completely enjoy the time together.

But, we have an obligation, a constitutional obligation because this Chamber, Article 1, section 1 of the Constitution says the people govern, not the administration, not the executive branch. The legislative branch, everything starts here in the House.

This is why we are bringing this up. This is why my colleagues and I are going to have this discussion because we have a responsibility to question the leadership of this country, a constitutional obligation that when we stood here a year and a half ago, we put our hands up and said, "I do," "I will."

So I did not mean to interrupt my colleague, but I think it is important that we lay this out before we have this discussion to say this is not personal. This is about the policies of this administration that we questioned initially, our voices were not heard. The press tried to question early, they were shut out. And now we are in a situation where we have not been given all the facts.

So I am sorry to interrupt my colleague, but I wanted to lay that out before we got moving here.

Mr. MEEK of Florida. Mr. Speaker, I want to say to the gentleman from Ohio (Mr. RYAN) and the gentlewoman from California (Ms. LINDA T. SÁNCHEZ) this is important that the American people understand this is not the Ryan-Meek-Sanchez report, but this is the Dallas Morning News. I do not sit on that editorial board.

What has happened here as it relates to this editorial, it is saying, "Mr. President, we backed you for President of the United States, we backed your decision to do certain things in this country." But I will tell my colleague as it relates to other people in this democracy like the 9/11 Commission, that is made up of Democrats and Republicans, okay, that have said there is no link between al Qaeda and Saddam Hussein, and you are saying yes, there is, as it relates to the war, the preemptive strike that we took in Iraq when we keep changing the reason why we went into Iraq, there is an issue there.

So that is the reason why 76 percent of the American people feel that we were receiving too many casualties in Iraq. I must say to the families to the four Marines that lost their lives within the last 24 hours that my heart goes out to them. And every Member of this Congress, Democrat and Republican, appreciate their service. But it comes down to the management of the war and also the management of the country.

We cannot separate ourselves like a quarterback to a receiver when it comes down to bad news from the war saying, well, whatever they want on the ground we are going to give them, but otherwise you are telling them what they are going to have. Do not separate yourself on those issues coming up.

And I will tell my colleague what is so very, very important as it relates to credibility, as it relates to veterans affairs, as it relates to a real health care plan, as it relates to reducing the deficit, there are a lot of people saying, oh, we are going to take the deficit down but we are having to have action here on Thursday that will separate the boys from the men and the girls from the women when it comes down to the vote of who really cares about the growing deficit in this country.

I pull no punches when it comes down to what happens in the management of this war, how we approach June 30 and beyond. We have a question of command, who is going to be in charge afterwards of American troops and what happens with their safety. It also comes down to the issue of how long we are going to be there? How are we going to bring other world leaders into it? When one has a G–8 summit with the hopes of hopefully someone will say, hey, we are sending more troops and that does not happen, something is wrong.

So it means that 135,000, 137,000 troops in theater right now are going to be in theater for some time to come with really with us saying, well, there will be elections in December. I say to my colleague from California we cannot even have elections in Afghanistan. Okay. I am not belittling Afghanistan, but Iraq and Afghanistan are two different issues.

The war against terror, I will tell you this, if we cannot have elections that we are postponing for the second time, Secretary Wolfowitz of the Secretary of Defense, he said the U.N. was not able to register folks. I wonder why the U.N. is not able to register. It is a safety issue in Afghanistan. There is a safety issue in Iraq.

Mr. RYAN of Ohio. Mr. Speaker, would the gentleman yield? That brings up the whole point that I have been trying to make for months now. And I am going to continue to make it until somebody hears me or maybe we could figure out why we did this the wrong way.

Today in our Committee on Armed Services, Secretary Wolfowitz said we went to Iraq because there was a connection between al-Qaeda and Saddam Hussein. And he said we went because Iraq was harboring terrorists from al-Qaeda. And we went because Iraq was funding terrorists. Connection, harboring terrorists, and funding terrorists were the three reasons throughout the committee, we were there about three hours today, that the Secretary gave.

There was an article today in the Houston Chronicle, it said, verbatim, Pakistan and Saudi Arabia harbored al-Qaeda, funded al-Qaeda, and they were connected to al-Qaeda, more so than Iraq. So the dangerous thing that we need to talk about if this is the standard, if you have been connected, harbored, or funded terrorist organizations, the United States or some other country could now go to war with this country.

So we should be in Pakistan, we should be in Saudi Arabia, we should be in Iran, we should probably be in Sudan where bin Laden met supposedly with the Iraqi official. When does this end? When does this end?

We have pulled our troops out of Afghanistan, we have 130,000 in Iraq. We have 10,000 in Afghanistan. Why cannot we have elections in Afghanistan? We do not have the security. They are all in Iraq.

Why is poppy now half of the GDP in Afghanistan? Because we do not have enough troops on the ground in there. And they said we wanted to set up a democracy in the Middle East? Why did we not do it? We were already in Afghanistan if we wanted to set up a democracy in that area of the world.

And it is very frustrating, and I think the ultimate issue that we have talked about many, many times, I say to my colleague from Florida, is that when we asked this administration what the deal was with the poppy, 70 percent of the worlds's poppy which turns into heroin, is converted into heroin, is from Afghanistan.

And when we asked this administration what they were doing about the drug problem in Afghanistan, the $2½ billion that is coming out of there, that is going right to al-Qaeda, that is going to continue their terrorist acts, direct funding, drugs on the market in the United States and elsewhere, mostly in Europe, to al-Qaeda to fund terrorists, we asked what are you doing about the drugs, the poppy this year? And the answer was, "We missed it." "The harvest came in early and we missed it." I want to repeat that. The harvest of poppy came in early in Afghanistan and we missed it. And so it has already been harvested and it is already on the market being converted into heroin on the market now.

So there will be 365 days worth of funding of al-Qaeda from the drugs that are grown in Afghanistan. And there is one reason why that happened: We do not have enough troops on the ground in Afghanistan. We have 10,000 or 11,000 there. We have 130,000 in Iraq.

Imagine if we would have spent just half of what we spent in Iraq and had half the troops that we have in Iraq in Afghanistan where bin Laden came from, what the situation would be. We would have a democracy in the Middle East, we would have taken care of our drug problem, and we would have elections that would not have to keep getting postponed.

I am sorry to talk so much but that is so frustrating to me. I cannot figure out why we did what we did when we did not have our problems fixed in Afghanistan.

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, I wanted to mention one thing in the hearing, you talk about the testimony in the Committee on Armed Services. It just further illustrates how unfair of a burden we really are delegating to, again, these young men and women who are going overseas with the best of intentions. They want to serve their country well. They want to do the right thing. They are doing their job under very difficult circumstances and to the best of their abilities. But their leadership at the top is failing them.

It is making the situation such that they are going to have to stay for longer and longer periods of time. They will have to endure worsening conditions and continuing instability. And these are folks that are proud Americans that want to serve this country. And, again, their leadership from our President is failing them.

I just think it is such a tragedy because we are asking these young people to take the brunt of the risk. And when they come back stateside and, hopefully, they come back safely, the way that this administration is thanking them for taking that risk is unbelievable.

I want to talk about one brief issue before I have to run, and that is called concurrent receipt. We like to call it the veterans tax or the disabled veterans tax. And what that is is people who have served in the military who have earned a military pension and they are injured in combat and they are receiving disability pay, they have their pension payment deducted by whatever amount they are receiving in disability.

So they are not receiving their disability payment and their pension payment as they should. Because they are meant to do two different things: Disability payments are meant to compensate and help people who have been injured and suffered disabilities from fighting.

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A pension was meant to give them a cushion for retirement. They are actually deducting the disability payment from the pension payment so the person gets one amount of money when they should actually be getting both concurrently; and I know that there are Democrats in this body who have been fighting like hell, and pardon my French, to try to eliminate this disabled veterans tax, and we have met full on resistance from the other side of the aisle and the Bush administration.

I think that doing that to veterans who, again, have sacrificed much, have been honored for their work on the battlefield, is just a hypocrisy, and it is like slamming the door in their face after they have taken the brunt of the risk; and, again, it is a failure of leadership, things like the GI bill that were intended to help veterans come back and reestablish their lives by helping them fund a college education.

Today is actually the 60th anniversary of the GI bill. We have seen the GI bill pretty much gutted to what it initially was so that even with the GI bill help, many kids coming back from theater having served overseas in combat just do not have the kind of benefits they do to pick up their lives and move on with a college education and try to move into other fields.

Again, I just think it is shameful that this administration is failing our young people in such a way.

Mr. MEEK of Florida. Mr. Speaker, the gentlewoman from California (Ms. LINDA T. SÁNCHEZ) is 110 percent right as it relates to what our commitment should be to these men and women that are putting their lives on the line; and after every young person that walks into a recruitment office to offer themselves as patriots to the country, that is the least they deserve is to be able to at least get 80 percent of what they were promised.

Right now, they are not getting that; and what is so very, very unfortunate with the growing deficit that is taking place in this Congress, and this is the reason why I take the opportunity along with you and others like the gentleman from Ohio (Mr. RYAN) to make sure that we give voice to the growing deficit and the lack of commitment to our veterans of what we know will be adequate and strong health care in this country, providing them with that.

We have veterans that are close to 100 years old that are out there who have needs; and we also, from the statistic that the gentlewoman gave earlier, 70 percent of the individuals that are in Iraq right now and Afghanistan, they range from the age 18 to 30. So now we are talking about fathers and mothers with young children that hopefully their commitment to our country will mean that the country that they defended and stood under the flag for, some of these individuals came back without a leg or an arm or years that they can ever pay their families back, the anguish that their families have to go through when they hear about troops that were killed or a roadside bomb that went off, and they have to hold their breath and shudder when the doorbell rings because it could be someone from the armed services to share with them that Mom's not coming home or Dad's not coming home.

The least that we can do is follow up on our commitment; and I think bring that kind of not only tender, loving care but oversight to this Congress, that our Democratic leader, our whip and others, those of us on this side of the aisle, even though we have good Republicans that want to do these things for veterans. As you know, some of the bills that we pass here, it takes some Republican votes, but to be able to bring the kinds of leadership that is going to be ready to attack this issue and say, veterans, you put it on the line for us, we are going to follow through on what we told you, you are going to be respected even when you hang up the uniform, we are going to keep your honor throughout the wars that you fought in the past and the one you just fought and the time that you spent serving this country on our call. We are going to do everything we can to help you.

You know something, that is not Democrat, Republican, Independent, Green Party. It is not really north, south, east, west. If you put it on the line, citizen or noncitizen I must add, if you put it on the line for this country, the least that we can do is do what we said we are going to do for you, and you should not have to worry and should not have to come marching up like the VFW and many others saying, please, please, Congress, do not have us waiting 8 months now, because we are already waiting 6.

Mr. RYAN of Ohio. Mr. Speaker, if the gentleman would yield, there is going to be a great opportunity this week for us in the House of Representatives, and I hope the people at home pay very close attention to this.

The gentleman from Wisconsin (Mr. OBEY), the ranking member on the Committee on Appropriations, great guy, will have an amendment this week that will repeal a portion of the tax cut for millionaires, people who make $1 million a year or more. They will still get a tax cut, but it will be repealed partially. That money will go to fund veterans and will go to fund homeland security, two major issues that we have talked about in this Congress over the last year and a half that are underfunded. The homeland security is very important because we are only checking one or two of all ships that come into ports in this country. We do not have enough first responders in this country, and we do not have enough border patrol. We do not have enough Coast Guard. All underfunded.

So this is going to be a clear message to the American people. Is this Congress going to support people who make over $1 million a year and say they have to have their tax cut regardless of what any of the other challenges are in this country, or are we going to be responsible and we are going to fund local initiatives that are going to help protect people in this country and, in turn, invest in our veterans? I think that is a clear distinction to make, and people who make less than $1 million are not even going to be affected by this.

I would think that, again, the point is that without these veterans, there is no system where you can generate $1 million a year for yourself, and I think it is a clear distinction and it is going to be a great vote; and I think it is going to articulate for the American people the difference between the two parties. I am sure the other side will say, we are raising taxes, and the answer to the American people, yes, we are for people who make over $1 million a year. They will see an increase.

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, excellent point, and I am going to have to leave you gentlemen now, but I just wanted to commend both of you for your excellent work in trying to bring issues to light that impact young adults in America, and I think this topic is so very timely, and I urge you to continue your great work on the issue.

Mr. RYAN of Ohio. We thank you. You are marvelous.

Mr. MEEK of Florida. You are part of that solution, and we thank the fact that you have joined us on several occasions and you are part of us.

I just want to say quickly that we talk about priorities in America. I am so glad on the Democratic side of the aisle, and even some Republicans within this process, that we believe in keeping the deficit down, not increasing the deficit, not playing games about how we are going to decrease it in the future; but this is my credit card and the reason why the numbers have not changed is the fact the Congressional Budget Office, they are going to have a mid-session review in July, and this deficit number is going to change. Unfortunately, it may not change for the better, but this is a big number right here, and this is the U.S. Treasury and down here you have the Republican Congress. That is there.

I want to share with the American people that the Democrats here in this House, we can only do so much to bring the deficit down. We can try to build coalitions and try to come up with resolutions, but the majority of the House is Republican. The majority of the other body of this Congress is Republican. The White House is Republican.

I must go back to say that in the Dallas Morning News, I wanted to read just one segment of this editorial at the beginning so that it is important that we have the kind of diverse thinking. You mentioned this a couple of weeks ago, how important that we have balance in this process to be able to bring about accountability.

"A time comes in most administrations when supporters tell the President he has a problem. Bob Dole told Ronald Reagan he should worry about the deficit. Tip O'Neill," who was one of the great Speakers of this House, "told Jimmy Carter he better improve his icy relationship with Capitol Hill. And George W. Bush told his father that the White House chief of staff John Sununu needed to go."

There comes a time that some of us in this process have to voice our opinion, and that opinion is based on the American people. My colleague is from the State of Ohio, I am from Florida, and the gentlewoman (Ms. LINDA T. SÁNCHEZ) is from California; and I will tell my colleagues that as we look at the security of the country, as we look at the deficit, and I am going to tell you this honestly, I take no pleasure in being a part of the 108th Congress and presiding over the highest deficit in the history of the Republic. The 108th Congress, since we have had 108 Congresses, and we are a part of it, we have the honor or the dishonor to stand over or be in control of the highest deficit in the history of the Republic. I would not be able to sleep at night if I was calling the shots or the Democrats were calling the shots to be able to make the deficit what it is.

This amendment that the gentleman from Wisconsin (Mr. OBEY) has, who is the ranking member on the Committee on Appropriations, coming up on Thursday will set forth the priorities of this country: that we care about our veterans and we care about protecting the homeland, not that we care about millionaires, millionaires getting a tax cut on top of a tax cut that is permanent.

The American people need to understand this is not homeland security for Democrats. This is homeland security for the Republic. It is not veterans benefits for Democrats. This will be veterans benefits for the Republic, for men and women that put it on the line, for VA workers, many who are veterans, who put it on the line in serving other veterans.

So as we look at this time of patriotism that one may say, then it is only appropriate for us to put our money where our mouths are. What Mr. OBEY is trying to do on Thursday in this great House is to vote on trying to do something on behalf of those individuals who have done something for us.

Mr. RYAN of Ohio. And pay for it.

Mr. MEEK of Florida. And pay for it, not increasing this number, not increasing this number, but hopefully having this number go down, so that we do not have to knock on the bank door of China and say, hey, guess what, we need to borrow more money because we need to pay down our deficit.

Mr. RYAN of Ohio. Remember how many years ago when we had the Contract with America, one of the main components of that contract was that we were going to have a balanced budget amendment to the Constitution, which meant that the budget in the United States had to be balanced every year. Everything had to be paid for. You either cut spending or you raised taxes, but you pay your bills, and I think there is some confusion at home, the debt is the mounting of yearly deficits, and it just keeps compounding. So the national debt is about $7 trillion I think, close to it. The annual deficit now for next year is projected to be, I think, $500 billion, close to $500 billion.

So as you have a growing debt caused by annual deficits, you have to go out and borrow money. As the gentleman from Florida said, the country loaning us the most money, number one, is Japan. Number two is China. We are going to Japan and China to borrow money to pay for these deficits that we have so that we can keep giving these tax cuts to millionaires. It makes no sense. We are becoming more dependent on these other countries because we are borrowing money from them and paying interest. So they take the interest that they make on the money that they loan us, and they invest it in the manufacturing and everything else. So that is a whole other issue that they keep taking our money and investing it in that way, too.

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If one wants to go to the home page here, it is www.House.gov/George Miller, who is our ranking member on the Committee on Education and the Workforce.

There is a page on his Web site, Issue No. 14. It is called the debt burden, and it gives a chart that will show how much American families are paying in what we are calling the debt tax. Because we are borrowing so much and having to pay interest, we have got to pay more on taxes to cover our spending habits, or are generating less revenue by giving millionaires tax cuts.

So there is a little chart on there, and in the year 2004 the interest per family of four is $4,392. By 2014, we are going to be paying almost $9,000, $8,934.

So who is raising the taxes now? The facts are the facts, and it makes sense that if one goes out and one borrows money for a car and has to pay interest on it because it was borrowed, that interest is something that one has to pay out of pocket.

What we are trying to say is repeal a portion of that tax cut for millionaires. Increase the child tax credit. Keep the child tax credit. Keep the marriage penalty. Remove it and leave it off for married couples. If one makes under $200,000 or $300,000 a year, none of the benefits that are received under the tax cuts over the last few years would be touched at all. You are safe. You are going to keep it.

What we are saying is people who make a million dollars a year or more should pay their fair share, because it is going to benefit the whole society, and that is why we are here, is it not?

Mr. MEEK of Florida. When we talk about sacrifice and commitment, we have to make some tough decisions here in the Congress, and I will say that we dodge making those tough decisions constantly when it comes down to doing the things that we should be doing. And the good thing about our democracy is that we can tolerate one another's opinion, and being able to share the truth with the American people is important too.

And in this House we have a Democrat and Republican side, with the one independent, and I think it is important that we have the diversity of arguments but at the same time speak to all American people about the issues that are facing us.

We were talking about veterans, talked about the deficit, because it all intertwines with one another. In the past we have talked about 43 million Americans without health insurance that are working, I must add. We have talked about student fees being at the highest rate that they have been in the past history. We have talked about how the banking industry is trying to get students out of having the option to be able to lock in a low interest rate versus sending them back to a veritable interest rate where they will end up paying more in the long run.

But I think it is important for us, and I think this work towards force protection in Iraq, that we talk a little bit about the management from the Pentagon of this effort in Iraq.

Mr. RYAN of Ohio. The guys with the suits.

Mr. MEEK of Florida. I will say that the individuals that are wearing the shirts and ties, just like I shared today with Secretary Wolfowitz, who is the Under Secretary under Donald Rumsfeld, it is something fundamentally wrong when the Department of Defense is not handling the war in the way that it should be handled.

And if we have not only Members of the Congress, but members of the press that say, hey, you know something? Things are not going all that well in Iraq. One may think that everything is good and it is productive. We support our troops. We stand with our troops. That is not the question. The real question is as it relates to Abu Ghraib and other prisoner abuse issues that are out there on how we are managing that issue, how we are managing that issue and how the people at the top are going to be dealt with who set forth the culture.

Now, I am not saying that Secretary Rumsfeld was there at Abu Ghraib. I am saying that there is policies that have come out of this administration that have put a light on interrogation, and it is also mismanagement and also a lack of training in a prison that Saddam Hussein had in Iraq that was known for abuse and torture.

Now, for the administration to say we have dealt with that, it is over, it is done, next subject, we have to move on to winning the war, well, let me say, when it comes down to insurgents and the recruitment of insurgents, our lack of attention to that issue is so very, very important.

The first person to go down in this thing was an enlisted man. That is interesting. The Pentagon appointed a two-star general to oversee the investigation, knowing full well that this two-star general could not go above his rank, define wrongdoing anywhere else as it relates to the Department of Defense or the chain of command.

The four-star general in control, General Sanchez, said, well, maybe you all need to appoint a four-star. Secretary Brown, I would say Secretary Rumsfeld, appointed a four-star. Guess what? Out of the Secretary's office to oversee the ongoing investigation into Abu Ghraib.

I think it is important for the American people to understand, it is not totally how we feel about the handling of the investigation. It is how the world feels, how the handling of the investigation is done, because guess what? We cannot do this on our own, and if we are looking towards force protection or troop protection, it is important that we let the Iraqi people know that we are doing everything we can, no matter where it is. At the top or the bottom, we are going to get to the top and the bottom of the situation.

And it is important that on behalf of those troops, those that have served, Reservists, National Guard that have now returned, in their honor and their respect for our effort in Iraq, we have to make sure that not only enlisted men and women take fault for what took place, but it is important that individuals up the chain of command also takes fault for what has happened. And I will say right now the truth will rise to the top, and since we are talking about 18- to 30-year-olds, 70 percent of the force that is over there, I want to say, we cannot sit by and watch these individuals play the Potomac two-step and go around the responsibility for what has happened.

It has happened under his watch, it has happened under Secretary Rumsfeld's watch, and I have said it before and I will say it again, there comes a point where you, say hey, maybe I have done all that I can do for this effort. Maybe I need to allow someone else to do it. But come this November, Democrat, Republican, independent, they will make the choice if this administration does not make the choice as it relates to new leadership and making sure that we get good information about this war and making sure that we have good management of this war to protect American lives.

People talk about how Iraqis feel. I care about how Americans feel. Seventy some-odd percent of American people feel that we are taking too many casualties in Iraq. Seventy some-odd percent of individuals feel that decisions that are being made on this war are hurting our image throughout the world. We cannot do this on our own.

I know the gentleman from Ohio (Mr. RYAN) knows that. But I am not pleased. I know many Members of this Congress are not pleased with the way things are going. I have said it once before that our troops would fight 20 years if they had to fight on behalf of this country. That is not a question. Do we support them? You are doggone right we do. But we cannot sit here and allow the mismanagement of this war to continue.

Mr. RYAN of Ohio. I think if you ask why there is a lot of frustration here, I think there are a lot of reasons for it. If you look at what was said before the war and you compare that to what is being said now, you will find that nothing of record from what I can tell that was said before the war on our reasons for going has been true. We were told that Saddam Hussein was somehow tied to 9/11. That was not true. We were told that there was an imminent threat from Iraq to the United States and the possibility of a mushroom cloud in Cincinnati is a real threat. That was not true. They had weapons of mass destruction. That was not true. That we would be able to use the oil in Iraq to generate revenue and we would not have to pay for the war because we would just use the oil and sell it and then that would pay the United States back. That has not been true.

We are up to $200 billion that we have spent. Then comes the issue of Halliburton. Was the Vice President, who had strong, strong ties, an officer in the company, did he have anything to do with Halliburton getting an unbid contract? Right, wrong or indifferent. Some may even say, Hey, that is politics. He is the Vice President. He used to work there. Let his former company do it. There aren't a whole lot of companies that do it. The problem is that for months and months and months the Vice President denied, and his office denied, knowing anything or having anything to do with the contract.

We find out last week that Scooter Libby, who is the chief of staff of the Vice President, in essence okayed the contract, knew about the contract, was familiar with the contract, okayed the contract. Why would you lie about that for 6, 8 months when people were trying to figure it out? Then we were told that this Abu Ghraib was just an isolated incident. We find out later that the Secretary of Defense approved of hiding a prisoner from the Red Cross. That seems pretty systemic of a problem to me.

So when we are up here questioning what is going on here, it is not like we do not have any reason to do so. I think we have ample evidence. As I said earlier, I think we have a constitutional obligation to do it. A member of my staff has been saying this, Ryan Keating, no one likes to be the bad parent. No one likes to be the one who comes in and says, You know what, you're grounded. You're not doing this right, to be the enforcer. It would be nice to always be nice but someone has got to question what is going on here because we are losing lives, we are losing people because of these misjudgments. And then this Chalabi who gave us all this information on how great the war was going to be, and that was another one, we were going to be greeted as liberators, not occupiers. We are 800 dead later, most of that happening after we have toppled Saddam and the statue was pulled down.

Now everyone is saying that this Chalabi, well, we never really worked with him. We knew him, we talked to him, but we get advice from everybody. He was sitting up in the Chamber when the President gave his State of the Union address, right behind Mrs. Bush.

I do not like to be the bad parent. I do not have kids. I am not a parent in any sense. But I think the point is well taken that somebody has to say, what is going wrong here, and I think there is a growing frustration among the American people. It is not just Democrats. It is not just Democrats. It is the frustration that I think you see when we see the President's hometown newspaper editorializing against him I think is a pretty good sign that people better start shooting straight. The problem is you cannot put the bullet back in the gun. The bullet is out of gun. We have got to make the best of a bad situation and work with our soldiers to make sure that we do not lose any more of them while they are over there.

Mr. MEEK of Florida. Mr. Speaker, let me correct myself. It is one of the home State newspapers in Dallas. I know that the American people associate the President with Crawford, Texas. Let me just say very quickly that we encourage the e-mails that we have been receiving. The gentleman can give our e-mail address out and then I will give another e-mail address out, but the gentleman from Ohio can go ahead and do that. David Letterman has his Top 10. You have the e-mail. I am going to give out this e-mail address so I do not want to take that away from the gentleman.

Mr. RYAN of Ohio. This is mine. This is my role.

Mr. MEEK of Florida. This is your role.

Mr. RYAN of Ohio. You are not going to take it away from me?

Mr. MEEK of Florida. No, sir.

Mr. RYAN of Ohio. 30 Something Working Group. Send us an e-mail. 30SomethingDems@mail.house.gov. Send us an e-mail. We would love to hear from you. We would love to hear what you have to say. We have to continue to have these discussions. Again, as we started, this is not personal. We need, you and I hopefully in our own little way, to raise the level of debate here to say it is not venomous, it is not malicious, it is not personal. We do not mean to personally attack anybody, but there are some real policy concerns. In a time of war, I think we have even more of a responsibility to do it.

Mr. MEEK of Florida. In closing, I just want to say that our next 30 Something hour will be on Tuesday, July 6. That is after Independence Day which is going to be a festive celebration, I understand, here in Washington, D.C. There will be fireworks on the Mall to celebrate our independence once again. They can check the Web site which is the Democratic Leader Web site, democraticleader.house.gov/30something to get that information. I would also like to commend the WWE which is our wrestling component here, World Wrestling Entertainment, for their voter registration effort of the 18 to 30 demographics.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4548, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2005

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report (Rept. No. 108–561) on the resolution (H. Res. 686) providing for consideration of the bill (H.R. 4548) to authorize appropriations for fiscal year 2005 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, which was referred to the House Calendar and ordered to be printed.

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SANCTUARY CITY POLICIES

The SPEAKER pro tempore (Mr. GERLACH). Under the Speaker's announced policy of January 7, 2003, the gentleman from Colorado (Mr. TANCREDO) is recognized for 60 minutes.

Mr. TANCREDO. Mr. Speaker, we have had an interesting discussion for the last hour on the issue of security of the homeland and whether or not our efforts in Iraq are on track, whether or not we are doing the right thing. It is intriguing to me to listen to this discussion for a variety of reasons because, regardless of whether or not anyone believes that our efforts in Iraq are right and honorable and good, I have yet to meet anyone who believes that the need to defend the homeland from terrorist attack is not greater than it has ever been.

One may disagree entirely with whether the decisions made by the President have been appropriate; but no one says, no one has dared to say that we should do anything but aggressively pursue policies that are designed to make us more secure from terrorists who we know are out there, whether or not they conspired with the Iraqi Government, with Saddam Hussein, or whether or not our efforts in Iraq will lessen that particular threat. The reality is we know we have a threat and we know that we should be doing everything possible to, in fact, defend ourselves against that threat. That is a given. No one argued it.

Now, amazingly, Mr. Speaker, a couple of days ago I brought forward to the floor of the House an amendment to the Homeland Security Appropriations Act, and I have to give just a little bit of background to help explain exactly what the amendment was all about because there are people who are perhaps viewing this tonight who really are not sure. But let me explain that Members of the Congress knew exactly what this was all about.

There are, in fact, a number of cities and States around the country that are pursuing policies that we describe as sanctuary city policies. In the case of a State, the State of Maine is contemplating and actually has proposed that they become a sanctuary State. What does that mean? Sanctuary from what? Sanctuary from investigation by the Bureau of Immigration Control and Enforcement. Because there are cities, there are localities that are saying that they will not allow their police forces, for instance, to, in fact, report the arrest or the detention of anyone who is here illegally. They will not allow their police force to report that to the Bureau of Immigration Control and Enforcement because there is a desire to eliminate the category of illegal immigrant from the whole lexicon. And so this is happening throughout the country.

Why is this significant? In 1994, the Congress of the United States passed a law, and the law said that no city or State could, in fact, impede the flow of information to the Bureau, which then it was INS, or from the INS so that we could be helped, the Federal Government could be aided, in our efforts to try to control illegal immigration. That is on the books. I was not even in the Congress of the United States when that particular proposal was accepted and passed into law. But it is the law. That is the given. We have a law that says that they cannot hide these people, that no State or city can provide sanctuary for people who are living here illegally; but, of course ,the unfortunate aspect of that particular law is that it did not include any penalty provision.

So cities and States are doing it. They are doing it all over the country, and they are doing it to the detriment not just to the security of the United States of America but to the security of their own people in cities and States where these things are in place because we have seen cases where people who are here illegally and who had been arrested in the past for being here illegally, but not turned into the Bureau of Immigration Control and Enforcement, were then allowed to go back on to the streets and commit other crimes, some of them heinous crimes.

In New York, four people raped, brutally raped, a woman. And at least two of the four, perhaps three, were actually people who had been in the past detained, found out to be here illegally, but not given over to the INS and therefore not deported. So there are people being affected by this in the most horrible ways. The story I just told is replicated hundreds, if not thousands, of times across this country.

There was a march in Los Angeles about a month ago. 2,000 people participated. It was a march to protest the policies of the government that have allowed illegal immigrants to come into this country and perpetrate horrendous crimes and then essentially escape punishment.

Not only, as I say, is this practice of sanctuary cities and sanctuary States, not only is it a threat to the peace and security of the people who live in those cities and States; it is also a threat to the security of the United States of America. There are people who have come into this country illegally not just for the purpose of obtaining a job that no one else would take. I guess one could say maybe some of these people came in to do a crime that no American would do because there are plenty of them that are committing crimes.

Four hundred thousand people are here in this country, having come into this country, having actually gone to a court of law, an immigration law court, and been ordered to be deported because of some violation of our law even beyond the fact that they were here illegally. They had done something else. They had murdered, raped, robbed, done some other thing. They have walked out and walked into American society, and we have not the foggiest idea where they are. Four hundred thousand people in that category.

Among those people who come into this country illegally just for the purpose of taking a job that no one else would take, as we hear so often, are people who are coming here for very, very bad things, to do bad things, bad reasons. Some of them are coming in to kill every single person here who does not agree with their perverted view of the world and because their religion tells them that they cannot live in a world in which free people can accept or, in fact, turn down the opportunity to join their religious perspective.

And so, therefore, when we do things like allow sanctuary city policies to exist, we do a lot of bad things. First of all, of course, we create literally hundreds of different immigration policies around the country. So it is not just the United States of America that has a policy about immigration, which, by the way, is one of the few powers given to this Federal Government by the Constitution. We have, of course, usurped many other powers and duties and responsibilities that the Constitution does not provide, but this one is truly a Federal Government responsibility. And we do not do a very good job of enforcing the law or accepting our responsibility. It is true. But we do not need the problems created by cities and States that are captivated by the cult of multiculturalism and who have passed these bizarre laws. We do not need that.

So I proposed an amendment to the Homeland Security appropriations bill, and it simply said that no city or State that does this, that actually puts in place a proposal of this kind, can receive funding from the Homeland Security Act. Again, I have said oftentimes that I often wonder what would happen if we were to actually just put that amendment out, and many others that deal with immigration, but if we were just to put that out to the public and see how they would vote on it. Mr. Speaker, I guarantee the Members that the response would be overwhelmingly supportive. In this Congress, regardless of all the rhetoric we heard from the other side tonight about their intent to support national security, they just disagree with Iraq, regardless of all that rhetoric, the fact is that all but two Democrats in the House of Representatives voted against the amendment. Sixty-eight Republicans voted against it. We had 148 Members voting in support.

This is not a tough issue. It is not complicated. It is very, very upfront. And we had 148 Members. This is, by the way, about 20 Members more than we had last year on the amendment; and we will do this again, by the way, in a short time on the Commerce, Justice, and State bill. I am going to propose a similar amendment, and I will propose an amendment of this nature for as long as I am able to, as long as I am a Member of the House and until it passes. And I will propose a variety of other amendments, and I will propose legislation dealing with immigration and immigration reform regardless of the fact that we are, as I say, facing this cult of multiculturalism and the bloc that it represents that prevent us from doing anything significant in terms of immigration reform.

Of course, that group of people who are here, who are captivated by this concept of radical multiculturalism and refuse to think about the possibility that America's own identity is at stake in this debate over immigration, they are allies of other groups in the Congress, other very powerful interest groups. One, of course, is the Democratic Party that sees massive immigration of legal and illegal aliens into this country as a terrific source of voters, both present and future, because many people who are here illegally go ahead and vote. So the Democratic Party knows that they vote mostly for them; and therefore they will not do anything to restrict the flow of immigration, either legal or illegal, into the country.

On our side, unfortunately, there are too many people who are committed to the allure of cheap labor. So the Republican side listens to the political interest groups that rely on cheap labor, and they say to us, do not stop that flow.

So we put all those things together, the sort of radical multiculturalists, the political opportunists, and the cheap labor lobby; and we realize that we are here essentially unable to do anything significant in terms of immigration reform.

And I want to say that I am so proud of the 148 people that stood with me on this issue and will certainly face the wrath of these particular interest groups.

But it is, again, ironic that we sat here and listened to all this talk about national security and the need to have it, just not to be pursuing the war in Iraq. Okay. Again, whatever side one is on on that policy, that is fine; and we can certainly argue it.

□ 2115

But it is amazing to me that we could find only two Democrats that would actually support a proposal to make our country more secure by simply enforcing the law. Is that not incredible when you think about it? It is a law this body passed. How hypocritical, to have passed this law thinking, hoping, that it would never be enforced, and that any attempt to do so would be a threat to the philosophy of radical multi-culturalism, cheap labor and political opportunity.

But that is the way it is. As the commentator said, that is the way it is here, and it is something we are going to have to deal with. I assure you, I will continue to propose these kinds of measures, to try to put people on record so that constituents can see exactly what happened.

Now, everything can be spun in a variety of ways, and I have seen attempts by people who voted against this amendment to say they were really voting for national security because they wanted the money for their communities, and even if their communities had declared themselves to be sanctuary cities that would not report illegal aliens that they had come in contact with, that that is okay; it is more important to get the money.

Well, do you know what? We should not reward people or cities or States for violating the law. There is not a Member of this House that can I think in good faith can say they believe we should reward people for breaking the law, but that is exactly what we are doing. Every single grant that we hand out, every single tax break that we give, anything that we provide for cities that are in fact violating the Federal law is an advantage to them.

It is amazing. Again, I say, it is amazing, and I surely hope that anyone who is observing this tonight will check and see exactly how their representative voted. If they agree with it, tell them, and if they do not, I hope they do that too, Mr. Speaker.

There will be a number of other proposals that I will put forward in the near future. One will deal with the issue of remittances. Again, this takes a bit of explanation.

Remittances. What are remittances? Well, it turns out that millions and millions of people who are here in this country, most of whom are here illegally, are employed, and they take part of the salary they make at their job, and sometimes I have seen estimates of up to 50 percent of the people who are here illegally are employed off the books. That is to say, we are not getting any tax dollars from them. They are not paying into workman's comp, Social Security or anything else of that nature. But they take the dollars that they are making and they send them home to relatives in other countries.

A report just came out not too long ago saying that about $30 billion a year flows out of the United States just to Latin America in the form of remittances. There are seven or eight countries in the world that have more than 10 percent of their gross domestic product coming to them in the form of remittances from the United States or countries outside their boundaries, but primarily from the United States; $30 billion alone to Latin America.

Where does this money come from? It comes, of course, from the people who work here; who, if they were not sending that money home, they would be investing it in the communities in which they live. But since they are not, those communities are denied the benefits of that multiplier effect. The jobs are not being created, the economy is not being stimulated in these communities, and the money is going primarily south.

So, I have been thinking about this for a while, and when I saw this report I felt that maybe something could be done in the following manner: We every year send billions of dollars overseas to many countries in the form of foreign aid. Much of this money, as everyone knows, ends up in the hands of corrupt dictators or corrupt governments, even if they call themselves democratically-elected, and it oftentimes never, ever, ever gets to the most worthy recipient.

So I am going to propose an amendment to the foreign operations bill that says that every dollar that we send in the form of a remittance to some other country will be deducted from the money we send them in the form of foreign aid.

Now, this will be quite controversial, of course. It should not be controversial to any Member of the Congress of the United States. It will certainly be opposed by the governments of Mexico, Guatemala, Honduras, Jordan and Haiti. All of these countries will be furious at the possibility that their check will be reduced by the amount of money that their nationals are sending back to people in their country.

But, after all, Mr. Speaker, if in fact foreign aid is simply the transfer of wealth from one country to another, then why is a remittance not that same thing? In fact, it is going to people who probably really need it, and it is far more efficient, far more efficient than the check we send to corrupt governments in terms of the usage.

So I am going to propose that. And we have a couple of other things we will be dealing with. Of course, we have a lot of legislation that we think this body ought to consider that will improve our immigration policy dramatically.

There are organizations like NumbersUSA, which people can identify by simply going to that site, NumbersUSA.com, and they are very heavily involved with trying to promote immigration reform efforts. There are people and groups all over the country of this ilk. We hear from them all the time.

When I get done on the floor of the House with these special orders and go back to my office, oftentimes the phones are lit up, or the e-mails are coming in from people all over, and 99.9 percent are quite supportive of our efforts, and I know that most Americans are supportive of our efforts. In fact, if we put any of these issues out there for a debate, for a vote, a national plebiscite, if you will, of course, we do not have that in America, but if we did have such a thing as a national election on issues that could be brought by citizens, all of these things would win overwhelmingly. It is only the stubborn reluctance to allow the people of this country to work their will on this issue that prevents us from doing so in this body.

But things are changing, Mr. Speaker, and are getting a lot better for our side. The momentum is definitely shifting to us. I have been in this Congress now 6 years, and I assure you if anyone had proposed a guest worker plan that included some sort of amnesty provision for people here illegally, if they proposed this a couple of years ago it would have gone through here without much opposition. I would have, of course, opposed it, but I would have been in the very small minority.

Things are changing. There are five or six different bills being proposed by very powerful Members of both the House and the Senate, and these bills all include a provision for amnesty. They are hidden most of the time; they obfuscate, they call it different things, ag-jobs, agricultural jobs. But all of them have that one common theme, except for the bill I have proposed, H.R. 3534; all the rest include some form of amnesty.

I assure you, Mr. Speaker, that any one of those bills would have passed through this body, as I say, a couple of years ago, just like that. But, do you know what? They are not going to make it this year. I do not think they are going to make it to the floor of either House, either body, and I do not think that if they did, they would actually ever become law, because the people are beginning to have their voices heard here, and it is great to see.

It is great to see some of my colleagues, who in the past have come up to me after I have made presentations like this, and said, "You know, Tom, you were right on this, but I could never support you, because I have this political problem in my district."

Now that political problem is becoming a problem for them if they do not support us in our efforts to reform immigration. That is the most amazing thing I can say. It is incredible. People's voices are being heard. The faxes, the e-mails and the calls, they are being heard. It takes time to change this body, to change their perspective point of view, but it is happening, and it is just the greatest thing I have seen in a long, long time.

The fact that few people are willing to pursue this, even the President of the United States after he made his speech in December has been unwilling to aggressively pursue this issue of amnesty and guest worker.

There is no reason to provide amnesty for anyone who has violated the law. There is no reason to do that. It only encourages, of course, more violations of the law. It is pretty logical to understand that. Either we are a Nation that respects the law and will in fact enforce it, or we should repeal it. We should not ignore it. We should not look the other way.

We should not pretend that when you bring an amendment to the floor that says we need to enforce the law against cities and States that are violating the law, we need to enforce it, we should not allow our colleagues to obfuscate the issue by saying things like, well, it is really a bad vote because our community would not get the money if they have the sanctuary city law. That is not a good idea. That is not a good idea, to reward illegal behavior. It is not a good idea to reward cities, it is not a good idea to reward people who violate the law.

I know that many of the people agree, millions of Americans from whom I hear on this issue and who are good enough to write and e-mail. It is just great, Mr. Speaker, I will tell you. You go back to the office and you get all these great e-mails from people in and out of your district, all over America. "I am listening to your immigration speech on C-SPAN. Your ideas are being heard. Keep up the good work. We need more people like you," blah, blah, blah. "Respectfully, Diane Furness from Minnetonka, Minnesota," and Rome, Georgia, and Weathered Rock Road in Jefferson City, Missouri, and Monroe, New York. All over America. These things come in night after night, day after day, and it is wonderful to see them.

It does recharge my battery, certainly, because I stand up here often on the floor of the House often, as I do tonight, by myself, in pursuit of this particular policy change. It is good to know that Americans do in fact watch and do in fact care, and that they will in turn try their best to influence their elected representatives here.

That is what the process is all about. It is a good one. It does work. It does take time, and it sometimes seems so incredibly, incredibly slow, but it is happening, and that is the good news.

There is another bit of good news I wanted to give the people who are listening to this, Mr. Speaker. The Border Patrol and interior enforcement efforts help yield positive results, by the way, also increasing the ire of Mexican diplomats. Here is what is happening.

More than 150 suspected illegal aliens have been arrested by the Border Patrol in a sweep of newly created "interior checkpoints" in several Southern California communities, signaling a change in enforcement strategy. The sweeps, which began last week and are scheduled to continues indefinitely, targeted illegal aliens at public locations in communities as far as 100 miles north of the border. The order followed the August 2 arrest by the Border Patrol of five members of a Mexican family outside the Mexican consulate near downtown San Diego, all of whom were returned to Mexico.

□ 2130

The five who were en route to the consulate to apply for their matricula consular cards. I will explain what that is in a minute. Deputy Consul General Javier Diaz met with Chief Veal to protest the arrests, while Mexican Consul General Rodulfo Figueroa issued a statement saying he was astonished by the arrests because of their proximity to his office. Oh, my goodness. Could it possibly be that people who are here illegally are going to the Mexican consulate to get their matricula card? How can this be? I am shocked, as the line goes in the movie "Casablanca." I am shocked.

Mr. Speaker, it is idiotic to think the people would not be coming. In fact, they come in droves. The lines to the Mexican consulates, Guatemalan consulates and others who are handing out these sort of get-out-of-jail-free cards to their nationals living there, the lines are blocks long. They never were there before the government started handing out these cards and we started saying in cities and localities, they were called sanctuary cities, that we would accept them. What an amazing, amazing thing. Sure, we have people lined up to the Mexican consulate. Sure, they are here illegally. If you are here legally, you do not need the card. This is an ID card that is given to you by a foreign government, and then that foreign government tells us we have to accept it, and many of our cities and States do so as a form of ID.

Now, if you are here legally, Mr. Speaker, you have a form of ID that we gave you. It is called a green card or a visa or a stamp on your passport, something that the United States Government gives you to tell you that you are here legally. The only people who need the matricula consular card are people who are here illegally. And, yes, they are lining up at Mexican consulates throughout the country.

Thank God somebody has decided to do something about it. I actually wrote a letter when this first started about a year ago, I wrote a letter to the Bureau of Immigration Control and Enforcement in my district, in my area, in Denver; and I suggested to them that this would be a perfect location for them to go with a big bus and just round up all of these people who are, in fact, there waiting in line, because 99.999 percent of them are here illegally. They said, well, what about that one-one thousandth of a percent of the number that might be here legally. We better not do it. Well, somehow, some way, they found a way to actually begin the operation of enforcing the law even as far as 100 miles inland, and I say, thank you, thank you, thank you. I say thank you to the Border Patrol, and I say thank you to the American public who have, in fact, forced this.

I assure my colleagues, Mr. Speaker, it would not be happening tonight if it were not for the tremendous pressure being placed on the Congress and on the administration to enforce the law. And it is happening, and there is this shift. Sometimes imperceptible, certainly not fast enough, but it is happening. This is the good news. We are actually arresting people who are here illegally, arresting them in places where they gather.

This has never happened before. In fact, in the past, Border Patrol agents were given a spot on the border, an X, literally, a big X, their car was parked there, they were told they could not move from that spot and that their only purpose was to try and stop people, try and intimidate people from actually coming across the line and walking by their car, by the Border Patrol car. It is idiotic, but that was the rule; and, in fact, many of them are still under that rule. And people said, are you crazy? That is not enforcing the law, that is making a mockery of it. I mean, we had Border Patrol agents who could watch people scurrying across the line and pass them; but they were told they could not leave the mark, the X.

Goofy? Yes. Idiotic? Yes. Frustrating? Enormously. Not just to those of us who care about immigration, but to the Border Patrol themselves. How would you like to have that job, Mr. Speaker? How would you like to be there all day long and told you have to sit on that spot and you cannot even arrest those who are running past you on the sides? You are there just as a sort of deterrent. If somebody looks at you and thinks, gee, I probably should not run right into that car, but if I run to the side of it either way, I am okay. Idiotic.

So now we are beginning to actually enforce the laws behind those spots. Now, it is only in one place, that is true. It is in Southern California. I have great hope. And of course, what is happening? The immigration crowd, the open-borders crowd, the cult of multiculturalists, they are going crazy about this. I heard somebody say here the other day, a Member, I believe it was, that people were afraid to go to school or afraid to go to work or afraid to go to church because they might be rounded up by the Border Patrol. Well, of course, nobody is arresting people for being at church or at school; but I am glad that they are afraid to go, because it is beginning to sound as though we are actually threatening to and even taking steps to enforce the law.

Now, if that law is not a good law, if we should not in fact have such a law on the books, there is a way to handle that in this Republic. It is to, in fact, repeal it. That is the way to do it. Bring a law to the floor saying we should not enforce; well, we will simply repeal any law against people who are here illegally, because we need the cheap labor and we want the votes, and we want this country to be influenced by the cult of multiculturalism; and let us see if we can get it passed. If we get it passed, let us see if we can pass it in the other body, and if so, let us see if we can get the President to sign it. He may do it. Because there are a lot of people in this body and in the other body who believe that borders are, in fact, nothing of consequence, nothing that anybody should pay much attention to.

Well, there are people in this room that feel that way, but relatively few Americans feel that way. And night after night I would stand up here and talk about the fact that there is this huge gap between what the people of this country want and what this government is willing to provide for them in terms of border security. But do my colleagues know what, I say to my colleagues. That gap is narrowing. Again, slowly, but it is narrowing. The momentum is shifting to our side of this debate. These things make the difference. One night of these things, and then night after night after night after night, it does begin to make a difference.

I know that we are making a difference when I see that I and other Members are attacked in publications around the country, conservative, sometimes conservative Republican publications, but publications nonetheless that are committed to the concept of free, or cheap, labor, I should say. It is okay with me to be identified as the culprit here, as the bad guy, the guy who is trying to stop immigration. Well, it is not immigration. It is illegal immigration, and it is my desire to reduce dramatically the number of even legal immigrants because we need to get a handle on this problem.

The problem is enormous. It is bigger, in fact, than just the issue of jobs. It is bigger than the issue of false identification at the voting booth. It is bigger than all of the costs of illegal immigration into the country, which are enormous; far, far greater, by the way, Mr. Speaker, than the "taxes" that these folks pay. Most of the people here are here providing labor that is low-skill and, therefore, low-wage labor. So even those who are paying taxes are paying a very small amount.

However, even those folks have learned how to scam the system. What they do is to claim, many of them, claim four or five or 10 children living in another country. The IRS will give them an ITIN, an Individual Taxpayer Identification Number, for each of those children. They then become dependents on the tax form, and so the person not only ends up paying no taxes because they paid relatively few in to begin with, a few dollars in to begin with, but then they get an earned income tax credit on top of it. So we pay people to come here and work illegally. All they have to do is use a fake Social Security number, turn in the 1040, and get their check.

We spend hundreds of millions, in fact billions, of dollars every single year providing the infrastructure for people who are here illegally. We provided for people whose children we educate in our K through 12 system, we provide it for children of illegals who come in here and send their kids even to higher education; and in many States they are allowed, or else the proposals are there, I should say, to allow them to be subsidized by the State. In many cases the State does not even check to see if anyone is a real legal citizen of this country, if they are here legally; and they will give them tuition, because they will get reimbursed by the State and the taxpayer. So there are billions of dollars going there. There are billions of dollars being spent in pursuit of health care benefits for people who are here illegally.

Not many people realize this, Mr. Speaker, but part of the bill that we passed here not too long ago, the very controversial bill known as the Medicare/prescription drug bill, not only created the biggest entitlement program since the creation of Medicare itself, thanks to your Republican Congress and President, but a part of that bill was a $1 billion payment to hospitals for the treatment of illegal immigrants who are seeking health care. Mr. Speaker, $1 billion in our Medicare bill. This is at a time, of course, when we have about a $700 billion deficit in this country which will be extremely exacerbated by the creation of a new entitlement program and beyond that, $1 billion. And the line item actually said for the care, for the medical care of illegal immigrants in this country, illegal aliens in the country.

We had a colleague here who used to say when he would read things like this or see things like that, "Beam me up, Mr. Speaker." I cannot be on the right planet. I can certainly understand it. Beam me up. You really mean we are going to take $1 billion out of a pot of money which actually does not exist, we are going to have to actually print or go to the bond pool and try to sell government bonds in order to get the money to pay it which, of course, creates a debt for the government; we are going to do that to pay for only $1 billion and, by the way, the hospitals complained about that and said that is not nearly enough, but they are experiencing far, far heavier drains on their reserves to provide health care for illegal aliens. We are doing that, and that is a problem.

It is a problem for our environment. Generally speaking, Mr. Speaker, the growth of this country, 90 percent of the growth is a result of immigration, both legal and illegal, and the progeny of people who come in here illegally; and a lot of people think that is good. That is where all the growth is coming from; that is great; we will have it. Well, there are really some very, very significant downsides to this thing called growth. If my colleagues do not believe that, just ask almost anyone in my neighborhood in Denver who are expatriates of California who have fled from the State of California, fleeing the growth in that State and fleeing all over the country, including Colorado, and, of course, making our problems with growth even more difficult: schools, hospitals, highways, housing. When you are stuck on the highway anywhere in this country, you have to ask yourself, how is it that the country is growing this quickly if we actually have a fairly stable birth rate? There is one reason, it is called immigration, both legal and illegal. That is the source of almost all of the growth in this country.

Along with that growth, of course, as I say, comes some big problems in terms of the environment. People coming into this country illegally have essentially destroyed large chunks of our pristine desert area along the southern border. Millions upon millions of feet going across that border have created thousands of foot paths that will not be something that can be overcome by the natural environment for centuries. They have driven their cars into the desert. They have polluted the water resources in the area. They gather in places called pickup sites where they discard their belongings and their clothes, many times, much of their clothing. A lot of human waste accumulates there while they wait to be picked up by a truck that would bring them farther inland. Sometimes these places are areas where thousands have gathered along the southern border. I have been there. I have gone through them.

□ 2145

And they are creating tremendous environmental problems that, of course, neither the EPA, that is another proposal that we have in the works, Mr. Speaker, is to require an environmental impact statement on immigration. Would not it be fascinating to know how immigration is, in fact, affecting our environment?

Strangely, I have not heard a positive response from the EPA or from the Sierra Club. I am sure that it is forthcoming. I am sure that, any day now, they are going to say to me, Congressman, we are so happy that you are trying to do something about the environment and we are going to even score this, if it ever gets to the floor, we will score it in favor, it is a vote in favor of the environment if we actually require an environmental impact statement on immigration. We have a bill like that. I will not take any bets about how quickly that will be allowed to come to the floor, or even be heard, of course, but I would love to see it.

Because it is just great to point out the hypocrisy of the establishment on this issue. The people that come into our committee, the Committee on Resources on which I sit and talk about the degradation of the land, and they will talk about it as long as one does not bring up what immigration is doing to the land, one does not bring up the hundreds of thousands of acres that have been burned along our southern border by people who have come in illegally they make camp fires, move on in the morning, camp fire, of course, gets out of control, burns hundreds of thousands of acres, Arizona, New Mexico, Texas, California. Nobody says anything about that.

I would venture a guess, Mr. Speaker, that most of the people listening tonight do not know about the environmental degradation of our land as a result of illegal immigration into the country, but it is enormous. It is horrendous.

Now, that is a problem and, of course, national security is a problem when it comes to illegal immigration. The fact that we continue to press for open borders, we continue to say that people should not come into this country, or we continue to say that we will not restrict the flow of illegal immigration, creates huge problems for us in the standpoint of national security.

Over the weekend, I was on the northern border. And about 20 or 30 miles north of Bonner's Ferry, Idaho, we went and talked to the Customs officials there at the port of entry and talked about the problems they face, talked about the fact that we have been able to do a much better job of creating a much more secure border crossing at the ports of entry. But, of course, all that means that all those miles between ports of entry, and there are thousands of miles, are completely open or, at least for the most part, open.

So as you make it more difficult to come into this country illegally through a port of entry, naturally, people will seek the weakest link in your defenses and those are the places between the ports of entry. And they are still coming.

We are still seeing people who are paying upwards of $50,000 to be smuggled into the United States. Now, these are people, almost all of whom are from the Middle East or from Asia. You have to ask yourself, Mr. Speaker, why would anybody pay $50,000 to be smuggled into the United States? It is not to work the local 7–Eleven store. No. It is probably to do something very bad once you get here and you do not want to be known as having come across the border. So you will not go to the port of entry.

It is one of those things that kids would do, when you would say do you think if you want to come into this country illegally you will go through a port of entry and they would go, "Duh? Are you crazy? Of course not. Stupid?" No. One would go around it. That is right. That is what they do. So it is good that we have, in fact, made our ports of entry more secure. It is idiotic that we refuse to make the miles of border in between them more secure.

So people are coming into this country with very bad, very bad things on their mind to do to us. Of course, there is the question. People talk about the illegal immigration being important for the economy. Well, let me tell you what it does to the economy. Massive importation of cheap labor is a very, very, very bad phenomenon and has a negative effect on low skilled, low wage American workers because it depresses their wage rates.

And one can look at any of the information we have, the statistical information we have on this and one will see that low income Americans have not seen an increase in their wages. So people come here to the floor and demand that we artificially increase them by increasing the minimum wage. But, of course, if we allowed the market to work, restricted the flow of cheap labor, you would see an increase, a natural increase in the wage rates of people who are here and who are poor.

Because, of course, if one wants to really and truly be a purist about that kind of economics, one would say that, as the President said, we should allow, for every single person who wants to work, find an employer who wants to employ them.

Well, if one thinks about that, at first it sounds perfectly logical and right and good, but if one thinks about it for a minute, one has to realize that there are, of course, billions of people out there on the other side of the world or on our borders who, in fact, are willing and desirous of a job, a job presently held by an American citizen for X number of dollars, and these people are willing to come here and take it for X minus something.

And then, of course, if one moves a little farther out to other parts of the Third World, there are more people who are willing to come and replace those who just came in at an even lower rate. So naturally, this massive immigration, legal and illegal, has a detrimental effect on low income earners in America.

It also, frankly, when we do things like export high tech jobs or import high tech workers from India or anywhere else on the abuse of the H–1B or L–1 visa, what that does, of course, is to actually also put a damper on the wages for middle income people, higher income people. This does not help us. It helps certain companies, that is true. It does not help America.

And so we look at the economic implications of massive immigration, we look at the environmental implications, we look at the national security implications. One comes to the conclusion, I think, if one looks at all of these things in an objective way, one comes to the conclusion that there is at least the room for debate as to whether or not immigration is all that good, or if we should not control it much more effectively than we do, even if it is good. Should we not know who is coming in, for what purpose, and for how long they are going to be here?

So there are a whole bunch of reasons why we should all be concerned about immigration into this country, especially illegal immigration. But there is one that is even more significant, an issue that I think is overriding all of it. And that is the fact that there is something else happening in America that deserves our attention. We are as a Nation becoming less and less sure of who we are. We are being more and more confused about what the idea of being an American really is. We are being pressured constantly by the cult of multiculturalism.

To suggest that there is nothing good or valuable about Western civilization or that everything that we represent to the world is a negative, and that our efforts have been, generally speaking, unproductive at the best, and, probably, at the worst they have been detrimental to the benefit of humanity, this is what we put in the textbooks. This is what we teach children. This is what our movies show us. This is a phenomena that is absolutely fascinating to watch.

There was a book written in the 1970s, and I read it, it was by a gentleman by the name of Arthur Schlesinger, Jr. He is a liberal. I am a conservative. But I must admit to you this was a captivating book in many ways because of what it said about who we are. And the title of the book that you can still get, I am sure, in fact, I got another one just a couple of months ago, the title of the book is, "The Disuniting of America" by Arthur Schlesinger, Jr.

He is talking about the multiculturalist phenomena that everything where we go and everything we see is designed to split us apart in America instead of pulling us together. That we will become divided into all of these subgroups, these Balkanized ethnic groups or some group victimized in their own minds and divided up so that it becomes harder and harder to understand what America is really all about. In fact, it becomes harder and harder to identify those ideas and ideals that hold us all together as Americans.

He talked about this 30 years ago. There have been books subsequent to that written by people like Samuel Huntington. Mr. Huntington, one of his books in the 1990s was called "The Clash of Civilizations." It talks about this. His most recent book that came out last month is called, "Who Are We?" I recommend it to anyone who has an interest in this issue, anyone who thinks about this issue beyond the most superficial level.

Who are we as Americans? Do we really know? Are we really and truly doing those things that are designed to have everybody who is here, whether they are from Azerbaijan or Zimbabwe, regardless of the country of origin with redoing those things that encourage people who come here as immigrants and people who are born here and in our school systems, are we doing those things that encourage those people to connect with the idea of America? Are we telling them that they should stay separate? Are we telling them that they will teach them in their own language even if that language is not English? Yes, of course, we are.

Are we encouraging them to keep their political affiliations to other countries, not just the United States? Yes, in fact, we are. We now have somewhere near 10 million people it is estimated who live in this country with dual citizenships. We are seeing other countries in the world take advantage of this cult of multiculturalism that permeates our societies.

We are seeing, in fact, the President of Mexico who was here just a few days ago, June 18, this is an article out of the Phoenix paper, Mexico City, "Mexican President Vincente Fox announced Tuesday he planned to send a bill to Congress asking law makers to give Mexicans living abroad the right to vote in their elections in Mexico in 2006." Currently, Mexicans have to return to their home country to vote.

More than 20 million people of Mexican heritage live in the United States, and half of those are Mexican born. Mr. Fox also came here to the United States just a few days ago and was essentially campaigning here in America for votes from the Mexican American community or I should just perhaps say Mexican community, because I do not know what attachment they have to America. But he is telling them that they should not attach to America, that they should retain their political ties to Mexico, vote in Mexican elections.

Now, why is he doing this? I will tell you. There are a couple of reasons. One is that he wants them here in the United States, he wants to encourage more people to come from Mexico to the United States, but he also wants to make sure that when they get here they continue to have an allegiance to Mexico and therefore they will send home remittances, the money I was talking about earlier, the money that is made by people who work here but sent home that now accounts for about $15 billion to the Mexican government and the Mexican economy.

And now it is higher, that is a greater amount than any other foreign investment in the country. It is greater than the amount invested by tourists in Mexico. It is second only in terms of the dollars brought into the country to PEMEX who is their Mexican-owned, government-owned oil company.

So do you now understand why President Fox was here in the United States essentially campaigning for his presidency by asking people here to remain connected to Mexico and complaining, by the way, about their rights that he says are being violated by the United States? And that he says I will take up this issue of your rights here with the President of the United States, the rights of people who have violated the law to come into the country to begin with.

□ 2200

It is true that anybody here certainly has a certain degree of human rights. They have the right to life, but in terms of all the other "rights of citizenship," the right to vote, the right to get driver's licenses, the right to send your children to higher education, all those are supposedly reserved for people who are here legally, whether they came from Mexico or Guatemala or Hungary or Italy or China, wherever they came from. If they came here legally, they have a right to all of those things.

If you come here illegally, the question is what are your rights, and certainly it is not the business of the President of Mexico or any other foreign government to come in here and lecture us about the "rights" we are providing or not providing to citizens from other countries. I would just end by saying, if they are coming here illegally, there is a solution to the problem. They can return. If their rights are being violated, they can return home. They are not doing that.

IRAQ WATCH

The SPEAKER pro tempore (Mr. GERLACH). Under the Speaker's announced policy of January 7, 2003, the gentleman from Washington (Mr. INSLEE) is recognized for 60 minutes.

Mr. INSLEE. Mr. Speaker, we come tonight again, the group that is styled the Iraq Watch, or a group of my colleagues and myself who are committed to continue to bring accountability to this administration's policies in Iraq, to fulfill Congress' oversight responsibility to not allow administration mistakes in Iraq to go unheeded and have no accountability for them; and we are here tonight, and I expect the gentleman from Massachusetts (Mr. DELAHUNT) and others will join me in this discussion.

We have been doing this now for several months; and tonight, as on many nights, I have great sadness walking over here to speak this evening. Just as I was leaving my apartment, I saw on the news that we have lost two more great American warriors in the service of their country in Iraq, and I do not know who these gallant Americans were. I do not know where they are from. I do not know what happened to end their lives in Iraq, but I do know this: those two proud and honorable Americans deserved a President of the United States who told the truth to the American people before he started this war that resulted in the tragedy of these two people losing their lives.

I know that this Congress has a solemn obligation to hold this administration accountable if, in fact, it is true that this administration did not tell the truth, the whole truth and nothing but the truth to the American people before this war started; and tonight, if we seem a bit angry about this situation, it is because on our minds and on our hearts are the death of these two American soldiers and those who have gone before and those who will come after.

Our duty, as we see it tonight, is to discuss the manifold failure of this administration to, one, tell the truth in Iraq; and, two, to pursue a policy that would reduce the danger to our service personnel serving in Iraq, and our discussion will proceed on those lines.

Now, let me start, if I can, on this fundamental question: Did the President of the United States of America fully level with the American people before he started this war? That is the question. If the answer is no, we think that is one of the greatest assaults to democracy that could possibly happen.

There are many things that can go wrong in a democracy, but I would assert that the most serious affront to democratic principles of a representative government is for the elected leadership to start a war based on false information. Nothing, nothing can be a more serious breach of the solemn obligations when one takes the oath of office than to start a war based on falsehood, and we are here tonight to answer the question of whether or not that occurred.

So let me start at the beginning of the Iraq war. The President of the

United States asserted that America should start this war in Iraq based on two fundamental pillars, and his entire rationale for this war was based on these two pillars. He was successful in convincing a large majority of the American people that those two pillars were both factual, and those two pillars were these two:

Number one, the President asserted that Iraq possessed wholesale amounts of weapons of mass destruction which presented a threat to the United States of America and our personal and our family's security. He told the American people that time after time after time. This statement was false. This fundamental pillar of this war was false.

This President told us and stood right behind me and told the American people that we had information, the British had information that, in fact, Iraq had obtained yellow cake to extract uranium from it to build a nuclear weapon. That statement was false; and most importantly, the White House knew it was false. The White House had been told it was false. The White House had sent an emissary to Africa to check the accuracy of this statement, and Ambassador Joe Wilson who served proudly, who the first President Bush described as a hero during the first Persian Gulf War, came back and told the White House this statement was false. Two soldiers died today in Iraq based on a falsehood that was given to the American people that the White House knew was false. This pillar did not stand.

The President of the United States told us that Iraq had drones that could fly across the Atlantic, apparently, and spray Americans with biological and chemical weapons, and this scared the living pants off people in America who heard this, as it should have, and as the White House knew that it would. Unfortunately, now that reports are peeled away, we have found out that even our own Air Force told the White House this statement was false; that they were kind of balsam wood things meant to take pictures of troop movements and the like.

So the first pillar upon which the President of the United States sent soldiers to their death was false. So let us examine the second pillar, if I can, for a moment, and then I will yield to the gentleman from Massachusetts (Mr. DELAHUNT).

The second pillar upon which the President's scaffolding of falsehood was built was a clear assertion that led to a significant majority, seven out of 10 Americans, to believe that Iraq was associated, was behind the attack on this country of September 11, and the President was successful, again, in creating this impression. He was successful in convincing seven out of 10 Americans that Saddam Hussein was behind these heinous, vile, indeed evil, attacks on America of 9/11. But it was not true. It was not true.

Now, we know it was not true because a bipartisan commission has come back and stated categorically there is no credible evidence; and I want to read the quote to make sure I get it right: "We have no credible evidence that Iraq and al Qaeda cooperated on attacks against the United States."

Yet, seven out of 10 Americans were convinced by this White House that Saddam Hussein was behind these attacks on America. Where did Americans get that misimpression? Did they get it from Dan Rather? Did they get it from the New York Times? Did they get it from the Shopping Channel? No. They got it from the President of the United States, who led these people to believe that Iraq was behind this attack and that these folks were in an alliance with Iraq who attacked us.

Let us look at what the President said. The President is saying, well, no, I did not really mean to say that. Golly gee, I did not mean to suggest or lead anybody to believe that Saddam was evil enough to have attacked us actually or that he was an ally. I just sort of suggested they talked to one another at some period of time. Well, look at what the President said in fact.

In fact, the President, while he was on the deck of the aircraft carrier *Abraham Lincoln*, declaring the mission accomplished, several hundred dead Americans ago, he said the defeated Hussein was "an ally of al Qaeda." An ally of al Qaeda. Is the President now to have us believe that he said that Saddam was an ally of al Qaeda, but he did not mean to suggest they actually helped each other? Is that what he expects us to believe? That is very difficult to swallow.

The Secretary of State Colin Powell told the United Nations that al Qaeda was operating inside of Iraq, inside of Iraq. It turns out we find out "inside of Iraq" means they were in the Kurdish-controlled area that was inside our no fly zone. Now, are we supposed to know that?

Mr. DELAHUNT. Mr. Speaker, will the gentleman yield.

Mr. INSLEE. I yield to the gentleman from Massachusetts.

Mr. DELAHUNT. Mr. Speaker, can I interrupt, because I think that is very important because that has been an assertion that I think is extremely misleading to the American people.

My colleague referenced the no fly zone; yet I imagine that there are many of our colleagues on both sides of the aisle and a number of Americans that are watching this conversation tonight that we are having and if you hear it without understanding some of the nuances, you hear al Qaeda was in Iraq, but as that famous radio commentator, I think his name was Paul Harvey, said, there is another half of that story.

Yes, there was a group that had some nebulous link to al Qaeda, and they were in Iraq; but they were not in Iraq in the part that Saddam Hussein had sway over. They were not in the part of Iraq where Saddam Hussein had influence. They were not in the part of Iraq that Saddam Hussein had any control. They were in the part of Iraq, as my colleague mentioned, in the so-called Kurdish area up in these mountains.

There was a group of some 200 or 300, and they were not directly linked to al Qaeda; but, yes, they were a terrorist group and one that we should not in any way countenance. They were a threat, if you will, to people of goodwill all over this world; but they were not a part or had any relationship, collaborative or otherwise, with Saddam Hussein.

□ 2215

And yet again and again, this White House continues to talk about al Qaeda and Iraq, but what they do not say is that it was a group that was in Iraq that was outside of the influence of Saddam Hussein. It was in, as indicated, in the so-called no-fly zone. Saddam Hussein did not dare enter that zone.

Mr. INSLEE. And yet the President of the United States just left out that little fact that they were in the part of Iraq that Saddam did not control when he discussed this issue.

Now, this omission has led many people to be very concerned, even those who have supported President Bush. I note this editorial in the Dallas Morning News of June 22, 2004. This is a newspaper that supported President Bush's election. In fact, they noted that in this editorial, and they have listened to the administration's response to the 9/11 Commission. They have listened to this sort of excuse-making that has come out of the White House to try to excuse this. But look what the Dallas Morning News, a newspaper that has supported President Bush, said.

It said, "U.S. troops have found no Iraqi weapons of mass destruction, and the 9/11 panel says there was no working partnership between al Qaeda and Saddam Hussein. President Bush presented both WMD and the al Qaeda-Hussein link as reasons for striking Iraq before it attacks us.

"The President has a credibility gap here, and he needs to address it right away. Vice President DICK CHENEY tried but failed miserably. He said, in effect, 'we know more than you and you better trust us.'"

And then, I might have to subscribe to the Dallas Morning News, because I think in the next paragraph they hit the nail on the head. "The country did just that when we went to the war in Iraq, but things aren't working as promised. The administration needs to respond with specifics, not like members of a secret society with keys to the kingdom."

But the unfortunate truth is there really is nothing the administration can now say to excuse the fact that they gave us false information to start the war.

Let me note just one other quote. Vice President CHENEY, who is now saying we did not really intend to imply that there was a working relationship between al Qaeda and Iraq, we did not mean to say that, but what did Vice President CHENEY say before the war started? He said on Meet the Press that by attacking Iraq, "We will have struck a major blow right at the heart of the base, if you will, the geographic base of the terrorists who had us under assault now for years, but most especially on 9/11."

Now, obviously the vice president was trying to create an impression that we were going to be striking back at the people who struck us on September 11. That is the obvious implication of his language. I do not think he was simply trying to point out that Iraq is in the Middle East. I do not think it was a geographic lesson he was trying to give us. He was trying to build support for a war that was based on two huge falsehoods, one falsehood about weapons of mass destruction and another about this alleged working relationship between Iraq and al Qaeda.

Now, there are connections between Iraq and al Qaeda. They both have "Q" in their names, but the 9/11 Commission concluded there was no working relationship between these two groups.

Let me mention one thing, and I will yield to the gentleman from Ohio. In fact, what the 9/11 Commission, again, a bipartisan commission, chaired by the former New Jersey governor, Republican governor, bipartisan group, what they concluded was that years back, back in 1994, Osama bin Laden had, in fact, asked Iraq for help but had been rejected.

Now, that may be a contact, but it is not a basis for a war, and it is most unfortunate now that even today this White House will not come clean about their manifest falsehoods that they gave us. And until they do, we will be here blowing the whistle on these falsehoods.

Mr. STRICKLAND. I would just say to my friend from Washington State, why is this important? And the American people may be asking why we stand here and talk about the decisions in the past that led to this war, and I would just simply say it is important, because we have lost somewhere in the vicinity of 850 precious American lives. We have well over 4,000 precious American soldiers who have been terribly wounded. Many of them have lost their arms and their legs and their sight, and they have been damaged for the rest of their lives. That is why it is important.

And it is important, because the same people, the same people who took us into this war based, as was said, on false assumptions and false premises are the same people who are still in charge and who are making decisions for what is happening right now and want to be in power to make decisions about what happens next year and the year after that and the year after that. That is why it is important for the American people to understand what has happened, because we need a change of leadership.

Before I yield to my friend from Massachusetts, just let me say this. There may be people who observe this debate and feel somehow disconnected from this war. They may have no one fighting in Iraq that they love or are related to or even know, but if they have got children, if there are parents watching who have 13, 14, 15, 17-year-old sons and daughters, they ought to pay attention to this debate, because we have stretched our military so thin, and that is why we are extending the months of service for our National Guardspersons and our Reserve persons.

We do not have the capacity, in my judgment, to really respond to something if it happens in Iran, or in North Korea. What are we going to do? I will tell you what we are going to do if this administration gets another term. We are going to have to impose a military draft. If we impose a military draft, the next time there are not going to be the exceptions that many of us had available to us in years past. There will not be exceptions for educational studies, I do not believe, something that I took advantage of and that Vice President DICK CHENEY took advantage of.

So the parents in this country need to be watching this debate. If they have got children and they do not want their sons and daughters to be subject to a military draft, then they ought to be involved and engaged in what is happening in the United States of America today, because our military is stretched thin. We do need more troops in Iraq, as General Shinseki warned us many, many months ago, before he was pushed aside and mocked, and quite frankly, made fun of and ridiculed by the Vice President and others in this administration.

That is why I have constituents, we all have constituents, who have been pulled from their communities, separated from their families, sent to Iraq, expecting to be there for a limited, set period of months. And now what are they being told? They are being told, we have got a stop loss policy in place. You cannot even leave to return home or to leave the service when your contractual obligation is up, because we simply do not have a sufficient number of men and women in our Armed Forces. That is the sad truth that we face as we debate this tonight.

Mr. INSLEE. Let me suggest, and the gentleman brings up a very important point, it has been called a stop loss order, but it really is a start the draft order. This is a silent draft. These people are being drafted into service they did not sign up for. They signed up for a definite term and they are now being drafted. They happen to be in Iraq right now, but we are already seeing the implications of the policy as the gentleman has addressed. It comes back and again the Dallas Morning News called it the Iraq Trust Gap, this is the President and his neocon colleagues who were telling us that this war would be simple, we would be welcomed with rose petals, our people would be home in a reasonable period of time, it would not stress our military, we only needed 100,000 troops, there would not be massive looting after we had this amount, there would not be casualties after a period of time, the mission was accomplished back in May 2003.

All of these things are appropriately creating a trust gap not only for the President, but for the United States.

Mr. STRICKLAND. I want to read another paragraph or two from the Dallas Morning News. This is no left-wing newspaper. This is the Dallas Morning News, a major newspaper in the President's home State. They said at the beginning of their editorial:

> A time comes in most administrations when supporters tell the President he has a problem. Bob Dole told Ronald Reagan that he should worry about the deficit. Tip O'Neill told Jimmy Carter that he had better improve his icy relationship with Capitol Hill. And George W. Bush told his father that White House chief of staff John Sununu needed to go.
>
> The supporters find themselves like skunks at the garden party. They back the President but see a problem. And they decide to speak out.
>
> We find ourselves in that position with President Bush and the war in Iraq. We supported the President when he ran for office. We backed the war in Iraq. But now we wonder, what happened?"

What happened is this, that the American people and this Congress were given information that was false and we were encouraged to believe something that was not true. There is no evidence that Saddam Hussein, as bad as he was, as evil and despicable as he was, had anything to do with the attack upon the United States of America. And the American people needed to know that before our sons and daughters were sent to war in Iraq. It is true that Osama bin Laden was responsible. It is true the Taliban were responsible. That is why every Member of this Chamber, save one, supported our decision to go to war in Afghanistan.

We supported the overthrow of the Taliban. Many of us have been calling for months for an increased effort to find, apprehend or kill Osama bin Laden. He was the one who orchestrated the attack upon this country, and tonight he is roaming free somewhere on the face of this earth planning the next attack. Can we imagine that if we had taken the resources and put the effort into finding Osama bin Laden that we have invested in Iraq, do any of us believe that we would not have found this man and have put him out of business?

I think it is beyond question that if we had put the resources into finding Osama bin Laden and fighting al Qaeda, we would not be worrying tonight about what that man may be planning in terms of the next attack upon our Nation. But we did not do that. We diverted resources to Iraq and consequently the real enemy, the real threat to our country, is roaming free this very night.

Mr. INSLEE. I have got to add just one more thing before I go to the gentleman from Massachusetts. Another thing the administration did in not finding Osama bin Laden, in not cutting off the head of al Qaeda, I got a letter today, because I was trying to investigate, I asked the Department of Treasury, is it true that the administration 2 days after September 11, allowed a chartered jet airplane to fly around America picking up Osama bin Laden's relatives and flying them out of the country before they were fully interrogated and debriefed about the potential relationship with Osama and al Qaeda and over 100 Saudi citizens where now we know the attack emanated from? They answered, yes, that is true. Our administration, when no one else could fly in America, people were stranded here, had to drive across America to get home from Washington, D.C., but while you had to drive home from Washington, D.C., the President of the United States, the administration, told all the Saudi Arabians, we will let you fly, without even talking to the CIA or the Department of Treasury to find out if they were associated with this.

They said, indeed, that was true. I asked them, why is that? They frankly could not give me an answer. That is just one problem we have got.

I yield to the gentleman from Massachusetts.

Mr. DELAHUNT. I would like to submit that the real danger here is because of this diversion which is a military intervention, a war on Iraq that it subverts, detracts from the real war that threatens the American people.

□ 2230

The war by fundamental Islamist terrorists that, because of our intervention in Iraq, are every day spawning new groups and new terrorists. The policy of this administration in terms of the so-called war on terror is creating, I would submit, a situation where if it continues, yes, we have won the war in Iraq, but we will lose the war on terror. It is very important that the American people, those that are watching our conversation here tonight, understand that there is a profound distinction between this adventure in Iraq for reasons that at some point in time we should really get into: Why did we end up going to Iraq? Well, we know this from people within the administration, far in advance of September 11, the day of our national tragedy, plans for war against Iraq were being designed.

Mr. STRICKLAND. Mr. Speaker, will the gentleman yield?

Mr. INSLEE. I yield to the gentleman from Ohio.

Mr. STRICKLAND. Mr. Speaker, former Governor Kean, the Chair of the 9/11 Commission, a Republican, a highly respected Republican ex-Governor, has said, and he said it over the weekend, I heard him, that there were many more reasons to believe there was a connection between al Qaeda and Iran.

Mr. DELAHUNT. Why did we not go into Iran? Why?

Mr. STRICKLAND. Mr. Speaker, that is a question that needs to be explored. And, quite frankly, now we know that Iran apparently is going to pursue their nuclear capabilities. And what are we going to do about it? What are we going to do about it? With 135,000 troops bogged down in Iraq, how can we pose a credible threat to Iran to try to get them not to pursue nuclear capabilities?

I think we have overextended ourselves, we are exhausting our troops, and we are putting ourselves in great jeopardy as a Nation. And our national security is in jeopardy, I believe, because we have overextended ourselves; we have miscalculated in Iraq. And we will find ourselves hard pressed to meet a threat anywhere else on Earth if we were in need of a significant number of troops anywhere else. And I think that is a serious problem that this entire Chamber should be addressing.

Mr. INSLEE. Mr. Speaker, if I may, I would like to attempt to answer the question why we are in Iraq rather than Iran, and the answer is because we have an administration who is willing to follow their ideology rather than the evidence. They are willing to say things as long as it is consistent with their ideological beliefs even if it is inconsistent with the facts as given to them by our intelligence agents.

Let me give an example. The Vice President now for 2 years has just kept spouting this statement that the reason we should invade Iraq is because there was a meeting, one of the reasons, because there was a meeting between Mohammed Atta and an Iraqi intelligence person in Prague.

Mr. DELAHUNT. Mr. Speaker, Mohammed Atta, by the way, for those who are watching us, was the leader of the 19 hijackers that were responsible for our national day of tragedy.

Mr. INSLEE. Mr. Speaker, so he has been saying this over and over again in city and town and "Meet the Press" and who knows where else. And what did the bipartisan commission conclude about this key of his whole argument that Saddam Hussein had a working alliance with al Qaeda? They concluded: "We have examined the allegation that Atta met with an Iraqi intelligence officer in Prague on April 9. Based on the evidence available, including investigations by Czech and U.S. authorities, plus detainee reporting, we do not believe that such a meeting" occurred.

So despite the best intelligence of the United States of America, the Vice President is willing to continue to spout something that is false, according to our best intelligence, in order to back up this ideological fixation of invading Iraq. That is why we are in this war, because we have an administration willing to do that.

Mr. STRICKLAND. Mr. Speaker, let me say this, if I may. Some people think if you repeat something often enough even if it is not true, people will come to believe that it is true.

Mr. DELAHUNT. It is called the big lie theory.

Mr. STRICKLAND. The big lie theory. And the fact is that this is being repeated over and over and over in the face of evidence of this bipartisan commission that it is simply not true. Why would a member of this administration continue to say something to the American people that is not true?

Mr. DELAHUNT. Mr. Speaker, if I can interrupt, and we are joined by the gentleman from Hawaii (Mr. ABERCROMBIE).

We all remember, of course, that it was again this White House that assigned a former United Nations inspector to go and search for the weapons of mass destruction in Iraq. His name is David Kay. He is universally described as someone of great integrity, of great expertise. He does his job, and he comes back and he claims that we were all wrong. That is months ago. This particular cover of Newsweek is dated February of this year. We were all wrong. There were no weapons of mass destruction. There were no links to al Qaeda and Saddam Hussein. And yet he is befuddled and disturbed by the fact that this President and this Vice President will not own up to the fact. He was interviewed by a British newspaper, and his recommendation to President Bush and particularly Vice President CHENEY, because if there is anyone who has pushed this particular adventure, it is the Vice President of the United States, RICHARD CHENEY. Let us just put it out here tonight. And I am quoting him, assigned by this White House, presumably a Republican, a hawk on the war, he says, "It is about confronting and coming clean with the American people, not just slipping a phrase into the State of the Union speech. He should say we were mistaken and I am determined to find out why." And they will not let go. They will not let go.

Mr. INSLEE. Mr. Speaker, I yield to the gentleman from Hawaii (Mr. ABERCROMBIE).

Mr. ABERCROMBIE. Mr. Speaker, I think the hearing that we had in the Committee on Armed Services today makes clear that they have moved from that position to the point that it does not matter. That is essentially the point that Mr. Wolfowitz was taking today, the Deputy Secretary of Defense, Mr. Paul Wolfowitz, who is one of the individuals that has been cited here and has been involved in the decisionmaking based on this false intelligence.

Mr. STRICKLAND. Mr. Speaker, would the gentleman let me say a word about Mr. Wolfowitz, since he brought up his name? He is, in fact, one of the architects of this war, as we know. He is the Deputy Secretary of Defense. And I was appalled a few weeks ago when he was asked how many American soldiers we had lost in Iraq, and this man who pursued this war and who is the Deputy Secretary of Defense did not know. He implied that there may be about 500 who had been killed. At that time there had been 721. Every morning when Mr. Wolfowitz wakes up, he ought to be thinking about the soldiers who have been lost over there. And I am sorry I interrupted my friend.

Mr. INSLEE. Mr. Speaker, I want to make sure the good gentleman from Hawaii can share some wisdom.

Mr. ABERCROMBIE. Mr. Speaker, it is not interference at all, believe me, because this is complementary to what has been said. I can tell the gentleman on April 20 of this year, he is thinking about an army. Here is what he said to the Committee on Armed Services. Mr. Wolfowitz said, on April 20: "There is no question it would be nice right now to have a larger army." These are the same people that were claiming, and reclaimed again today, that General Shinseki was wrong. He did not mention General Shinseki, but he went out of his way to make sure that everybody understood that we did not need a greater Armed Forces even though he said so; it would be nice to have a larger Army but absent that, after all, we can on the 200,000 security forces that he says are now in place.

I have his testimony here before me, a written statement given today before the Committee on Armed Services in which he indicates on Page 3 that we are going to be full partners with the Iraqis. This has to do with the sovereignty issue, that they are going to take the lead, he says elsewhere, that they have 200,000 Iraqis in a security force that is a "work in progress," an interesting way of looking at it, that according to the Prime Minister, as related by Mr. Wolfowitz, they are ready to take charge on July 1. There has been enormous progress.

So I asked him today, well, is there an end in sight? And there is no end in sight. It is schizophrenic. I pointed that out to him today. On the one hand, everything is fine, everything is working according to plan, maybe a little bit behind schedule, but nonetheless working its way right along; and on the other hand, we are going to have to be there forever as some kind of partner. I asked partners, I understand the word "partner" and the phrase "full partner." What does it mean in terms of who is in charge in relation to these young and men as well as some older members of the Guard and Reserves who are being killed and wounded? Who is in charge? I cannot get from General Pace, I cannot get from Secretary Wolfowitz, who is in charge. Who makes the decisions? They are talking about a partnership on all levels, regional, national, and local; a unity of command; a consensus on the way ahead. And it is supposed to be working out of what are called joint operating centers. How these joint operating centers are supposed to make any decisions regionally or locally or nationally is beyond me.

What is clear from the testimony today is all the discussion that has been taking place about the reasons for going to this war have been entirely set aside; and now apparently what the mission of the United States is, is to act as some kind of backup force, according to them: "U.S. forces are there to help out. They are backup." That is the motto, a backup force for whatever is to take place now to achieve some kind of nation-building. That is now what our mission is all about. It has nothing to do with weapons of mass destruction. It has nothing to do with anything else that was used as a reference point for why we are going to war, an immediate threat to the United States in terms of weapons of mass destruction, some kind of military connection to terrorist organizations that are an immediate threat to the United States.

Mr. DELAHUNT. Mr. Speaker, when are they going to go and fight the war on terror and absolutely defeat terrorism?

Mr. ABERCROMBIE. Mr. Speaker, I will answer the gentleman; but according to Mr. Wolfowitz today, terror is now being defined as the insurgency in Iraq. If there was not anything before, we have now created it as a result of the actions that we took based on this false information.

So now the situation has been redefined. The war on terror has been redefined to be the activities of what are termed killers and terrorists and all kinds of anecdotal references as to what that means. We have to go no further than what happened today, an assassination in Mosul of the head of a law school and her husband being beheaded, killed with her and beheaded; another American soldier dying; roadside bombings, all the rest of these kinds of activities taking place so that what was going to happen, in my judgment, on July 1 is that the American military will be set adrift in a desert sea with no compass, with no direction, with nothing except to provide backup under this full partnership in these so-called joint operating centers to make decisions about what we are going to do with the military in Iraq. I was unable to determine today from Mr. Wolfowitz exactly what the role of the Guard and Reserve forces and what the deployment schedule are going to be.

□ 2245

I asked, is there an end in sight? I got Korea, 50 years. I got Germany as an answer. I got Bosnia as an answer. I said, if that is the case, if you are going to cite Bosnia, which he does over and over again, in Bosnia there has been a steady drawdown of troops. Times and schedules are announced. Troops have been drawn down. If we are talking about Korea or Germany, none of the conditions prevail in South Korea or Germany that prevail in Iraq today. So, the analogies are at best totally inaccurate and have nothing to do with what is taking place today in Iraq.

The question remains, if the reasons for going to war have now proven to be at best inadequate, and, at worst, false and misleading, and deliberately so in order to fulfill whatever ideological agenda was then in place in the Bush administration, the fact is now that the mission of the United States military is to somehow provide a backdrop, a foundation or background to this increasingly apparent civil war that is now underway in Iraq.

Mr. DELAHUNT. If the gentleman will yield, can I ask a very brief question? What did he say about the terrorist cells that now exist in Iran, in Syria, in Pakistan, in Sudan, in Indonesia, and I could list a long litany of other terrorist cells that are a threat to the United States? What did he say, if anything; or is he just simply focused on Iraq?

Mr. ABERCROMBIE. Because the question arose in several contexts, including questions and observations made by the gentleman from Pennsylvania (Mr. WELDON) and others on the Republican side of the committee. We try very hard in that committee to work together as Americans to try to come to these conclusions. The gentleman from Pennsylvania (Mr. WELDON) raised the issue of Iran. Other issues were raised with regard to Iran and Syria with the border police.

The best that I can discern out of all of this is that somehow this war was to prevent this from taking place, that is to say, the increased terrorist activities to the degree it can be associated with reference to Syria or Iran, but I was unable to get out of his answers anything that would indicate how could we deal with it.

Mr. DELAHUNT. Have the terrorists left Iran and Syria and Sudan? What is he saying?

Mr. INSLEE. Mr. Speaker, reclaiming my time, let me make a suggestion. There might be a reason the gentleman from Hawaii (Mr. ABERCROMBIE) might have trouble understanding Mr. Wolfowitz.

Mr. ABERCROMBIE. I do not have trouble understanding him.

Mr. INSLEE. Or accepting his explanation, is I suspect the gentleman from Hawaii (Mr. ABERCROMBIE) does not share Mr. Wolfowitz's belief that it does not matter that this war was started, based and started on a falsehood. I suspect the gentleman from Hawaii (Mr. ABERCROMBIE) agrees with me that when you look in the eyes of a young widow, as I have, who lost their husband as a result of this multitude of falsehoods by this administration, it matters a whole heck of a lot. And this administration is now trying to demean and belittle the fact that they started a war based on falsehood, and they think that Americans are just going to forget it, and somehow we are supposed to forget the incompetence, the rank incompetence, the multitude of tactical, logistical, strategic mistakes they made time after time, of total ignorance about the cultural situation in Iraq, about the looting we knew was going to happen, and somehow we are supposed to forgive and forget that.

Mr. ABERCROMBIE. If the gentleman will yield, I will tell you exactly what Mr. Wolfowitz thinks on that subject. In the New York Times Magazine, interviewed by Bill Keller in September of 2002, a year after the 9/11 activity, I will tell you exactly what he said.

"There is an awful lot we don't know, an awful lot we may never know, and we have got to think differently about standards of proof here. In fact, there is no way you can prove that something is going to happen 3 years from now or 6 years from now. But these people have made absolutely clear what their intentions are, and we know a lot about their capabilities. Intentions and capabilities are the way you think about warfare. Proof beyond a reasonable doubt is the way you think about law enforcement. And I think we are much closer to being in a state of war than being in a judicial proceeding."

That should give you a very brief summary of the answer that would be forthcoming to the questions you just raised, namely, it does not matter.

Mr. INSLEE. Reclaiming my time, I may note that the people who are responsible for the mistake of not putting enough troops in Iraq to quell the looting that was sure to occur, the people who made the mistakes about assessing the threat level posed by Iraq, the people who did not provide body armor to our soldiers when they went to war without adequate flak jackets, the people who sent our soldiers into the streets of Baghdad in canvas-lined Humvees instead of armored personnel carriers, who ignored the fact that we were going to need to protect our soldiers against these improvised explosive devices, the people who have made all of these mistakes are still the people in charge of our policy in Iraq. Not one person in the civilian hierarchy of the Bush administration who is responsible for these massive foul-ups that have cost hundreds of lives has lost their job or a day's vacation as a result of these foul-ups.

Mr. STRICKLAND. If the gentleman will yield, I think the reason they have not lost their jobs is because these decisions were made at the very highest levels of this administration. I do not think we can blame the lowly bureaucrats. I think the people in the highest positions of decision making in this administration are responsible. So, are they going to fire themselves? Probably not.

Mr. INSLEE. Of course, I am referring to the Secretary of Defense, who is the primary architect for this, and Mr. Wolfowitz, who is an architect of this. These are the decisionmakers that should be held accountable for these foul-ups. I hope the gentleman from Ohio (Mr. STRICKLAND) agrees with me.

Mr. STRICKLAND. Yes, I agree.

Now, if I can just make an observation: I think the American people would accept from this administration, from the President, a statement that things have not gone just the way they hoped they would go; that perhaps mistakes have been made.

What I think the American people will not accept is a continuation of a failed policy that grows out of an unwillingness or an inability to accept responsibility for mistakes, to admit those mistakes, and to change course.

Quite frankly, I believe it takes strength and courage to admit a mistake. What I see from this administration is a stubbornness and an arrogance that is unwilling to admit even one mistake.

My friend mentions sending our troops into Iraq without body armor. The war started in March of 2003. It was March 2004, March of this year, before all of our troops were provided with body armor. I ask, how many troops were unnecessarily wounded and how many lost their lives simply because of the incompetence of those at the Pentagon who sent them into battle without this protection?

Right tonight, as the gentleman from Hawaii (Mr. ABERCROMBIE), the gentleman from Massachusetts (Mr. DELAHUNT), my friend the gentleman from Washington (Mr. INSLEE) and myself stand here in this Chamber, there are soldiers driving around in Baghdad and in other cities in Iraq who are using Humvees that are not armored Humvees, and many of them are being injured by driving over roadside bombs, and, because those Humvees are not armored, they are being seriously wounded and in some cases losing their lives. Somebody ought to be held accountable for that.

If we are going to send our troops into battle, the very least we can do as a government is to make sure that everything we can do to give them adequate equipment and proper protection is done. For us not to do that is shameful.

Mr. DELAHUNT. That goes back to the issue of competence, and that is where, in addition to the issue of credibility, this administration, this White House, has failed miserably.

Mr. ABERCROMBIE. Can the gentleman yield, so I can tell him what Mr. Wolfowitz would respond, or how he responded today to the questions the gentleman is raising, and particularly what Mr. INSLEE has cited in detail. I quote from page 8 of his written statement given to the Committee on Armed Services today.

"Although the reconstruction plans first envisioned in the summer of 2002 and submitted by the Coalition Provisional Authority to Congress last July have undergone substantial changes, it has been the coalition's ability to adapt to rapidly changing circumstances that has brought us now to the transfer of sovereignty and the beginning of representative government in Iraq."

Mr. DELAHUNT. If the gentleman will yield, can the gentleman tell me and tell those that might be watching our conversation tonight, what has been the cost, not in terms of the lives of our children, but what has been the cost to the American taxpayers for this adventure?

Mr. ABERCROMBIE. The commitment is upwards of $150 billion. That does not include the taxes that are now being imposed, and I use that with quotation marks around it because that is how it is characterized, within the military itself.

The existing military budget is being taxed, money extracted from it for operational purposes. The capacity to expend construction funds of $18 billion-plus are committed, but are not necessarily expended just yet. The plain fact is we are talking between $150 billion and $200 billion.

Mr. DELAHUNT. Already to date it has cost the American taxpayers $200 billion to build roads in Iraq, to provide Iraqis with good health care, to clean up their environment and to stimulate their economy.

Mr. INSLEE. Reclaiming my time, there is an element of this expenditure that is grossly wrong, and that is the most polite sense I can say it. The General Accounting Office, the nonpartisan group that basically looks at the financial system of the country, concludes that the United States misspent, meaning this administration, misspent at least $1 billion in Iraq in the Iraq war to date, and that was as of June 16. They made reference to multiple cases of the Halliburton Corporation misspending millions of dollars of taxpayer money.

Let me give you one very small example of how Halliburton Corporation misspent taxpayer money. Halliburton, of course, is the company that got a sole source provider bid; a company that the vice president just recently has been CEO of, they did not send it out to bid to any other corporations, gave a special deal to Halliburton, and look what Halliburton did with your money.

Before the war, a Kuwaiti firm had the contract to provide meals to troops at four bases in Kuwait. Just before the fighting started, and this is from the General Accounting Office, not some leftist group saying this, just before the fighting started, the Pentagon turned the job over to Halliburton subsidiary KBR, Kellogg Brown and Root. As part of the switch, the costs went up from $3 a meal to $5 a meal, for the cost, from $3 to $5.

So, here is just one small example that happened thousands of times where the American taxpayers got gouged $1 billion, much of which went to the Halliburton company on a sole source contract.

If this does not smell like a mackerel in the moonlight, I do not know what does.

Mr. STRICKLAND. If the gentleman will yield further, can I say something? I know our time is coming to an end, but the gentleman from Massachusetts (Mr. DELAHUNT) talked about building roads and bridges and hospitals and schools in Iraq, neglecting our own domestic needs. If I can quickly share an example of how this administration seems to prefer Iraqis over Americans.

As we all have heard, Secretary Rumsfeld wants to compensate the Iraqi prisoners who were abused in the Abu Ghraib prison. I do not have any problem with that. But I do have a problem with this: Seventeen American POWs that were tortured in that same prison, they were tortured with electricity, they were threatened with castration, they were threatened with suicide, their bones were broken, they went to court and sued Saddam Hussein and the Iraqi regime and a court gave them compensation. This administration appealed that decision, fought the American POWs, and a newspaper in my region read like this. They said it was the United States of America and Saddam Hussein versus American POWs, and the United States and Saddam Hussein won.

What is good for the goose is good for the gander. If Secretary Rumsfeld wants to compensate the Iraqi prisoners, the American ex-POWs deserve equal compensation.

□ 2300

Mr. DELAHUNT. Mr. Speaker, we know, we know what the commander of the VFW, the Veterans of Foreign Wars, a highly-esteemed organization serving veterans in this country, had to say about this administration's submission of a veterans budget to the United States Congress. That commander called it a sham and a fraud. So this is not inconsistent.

If I could just leave my colleagues with one question. We have talked about we could not find the weapons of mass destruction. We cannot find the links, if you will, of the collaborative relationship between Saddam Hussein and al Qaeda.

Has anyone looked for the plans that were crafted by Saddam Hussein that indicated that he was prepared to attack the United States?

Mr. INSLEE. Well, yes. In fact, we have spent millions of dollars of taxpayers' money looking for that, but they apparently do not exist.

Now, let me suggest one thing that the President of the United States could have done to help his fellow Americans when we made a decision whether or not to go to war. He could have leveled with the American people. He could have told the American people that to the best of our knowledge there is no credible evidence that Saddam Hussein was responsible for the heinous, evil attack on America of September 11. He has talked to the American people probably six times a day for the last 2 years, and this President has never said that. This is wrong. We intend to maintain accountability for this administration.

Mr. Speaker, I want to thank my colleagues for joining me tonight for the Iraq Watch, which will continue on other nights.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GERLACH). The Chair will remind all Members that remarks in debate should be addressed to the Chair and not to the viewing audience. Also, Members should not use first names of other Members in debate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. CARSON of Indiana (at the request of Ms. PELOSI) for today on account of personal reasons.

Mr. HASTINGS of Florida (at the request of Ms. PELOSI) for today on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. SOLIS) to revise and extend their remarks and include extraneous material:)

Mr. LIPINSKI, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. EMANUEL, for 5 minutes, today.

Ms. SCHAKOWSKY, for 5 minutes, today.

Ms. SLAUGHTER, for 5 minutes, today.

Ms. SOLIS, for 5 minutes, today.

Ms. EDDIE BERNICE JOHNSON of Texas, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Ms. MAJETTE, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

(The following Members (at the request of Mr. GOODLATTE) to revise and extend their remarks and include extraneous material:)

Mr. CHOCOLA, for 5 minutes, today and June 23 and 24.

Mr. SOUDER, for 5 minutes, today.

Mr. PETERSON of Pennsylvania, for 5 minutes, today.

Mr. GINGREY, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes, today and June 23.

ADJOURNMENT

Mr. ABERCROMBIE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 2 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 23, 2004, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8705. A letter from the Acting Comptroller, Department of Defenese, transmitting a report of a violation of the Antideficiency Act by the Department of the Army, Case Number 00-01, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

8706. A letter from the Secretary, Department of Transportation, transmitting a report of a violation of the Antideficiency Act, pursuant to 31 U.S.C. 1351; to the Committee on Appropriations.

8707. A letter from the Secretary, Department of Health and Human Services, transmitting an inclosure, previously omitted, from the original report to Congress on the Native Hawaiian Revolving Loan Fund (NHRLF) for Fiscal Years 2000 and 2001, pursuant to Section 803A(g)(1) of the Native American Programs Act of 1974, as amended; to the Committee on Education and the Workforce.

8708. A letter from the Assistant Secretary for Policy, Management, and Budget, Department of the Interior, transmitting in accordance with Section 647(b) of the Consolidated Appropriations Act, FY 2004 Pub. L.

108-199, the Department's Report to Congress on FY 2003 Competitive Sourcing Efforts; to the Committee on Government Reform.

8709. A letter from the Assistant Secretary for Administration and Management, Department of Health and Human Services, transmitting in accordance with Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, Pub. L. 108-199, and the Office of Management and Budget Memorandum 04-07, the Department's Report to Congress on FY 2003 Competitive Sourcing Activities; to the Committee on Government Reform.

8710. A letter from the Assistant Attorney General for Administration, Department of Justice, transmitting in accordance with Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, Pub. L. 108-199, and the Office of Management and Budget Memorandum 04-07, the Department's Report to Congress on FY 2003 Competitive Sourcing Efforts; to the Committee on Government Reform.

8711. A letter from the Assistant Secretary for Administration and Management, Competitive Sourcing Offical, Department of Labor, transmitting in accordance with Section 647(b) of Title VI of the Consolidated Appropriations Act, FY 2004, Pub. L. 108-199, the Department's Report to Congress on FY 2003 Competitive Sourcing Efforts; to the Committee on Government Reform.

8712. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting in accordance with Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, Pub. L. 108-199, the Department's Report to Congress on FY 2003 Competitive Sourcing Activities; to the Committee on Government Reform.

8713. A letter from the Attorney Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8714. A letter from the Director, Office of Management, Federal Housing Finance Board, transmitting in accordance with Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, Pub. L. 108-199, the Board's Report to Congress on FY 2003 Competitive Sourcing Efforts; to the Committee on Government Reform.

8715. A letter from the Chairman, Occupational Safety and Health Review Commission, transmitting in accordance with Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, Pub. L. 108-199, the Commission's Report to Congress on FY 2003 Competitive Sourcing Activities; to the Committee on Government Reform.

8716. A letter from the Director, Office of Personnel Management, transmitting in accordance with Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004. Pub. L. 108-199, and the Office of Management and Budget Memorandum 04-07, the Office's Report to Congress on FY 2003 Competitive Sourcing Efforts; to the Committee on Government Reform.

8717. A letter from the Office of the General Counsel, Selective Service System, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8718. A letter from the Commissioner, Social Security Administration, transmitting in accordance with Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, Pub. L. 108-199, and the Office of Management and Budget Memorandum 04-07, the Administration's Report to Congress on FY 2003 Competitive Sourcing Efforts; to the Committee on Government Reform.

8719. A letter from the President, John F. Kennedy Center for the Preforming Arts, transmitting in accordance with Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, Pub. L. 108-199, and the Office of Management and Budget Memorandum 04-07, the Center's Report to Congress on FY 2003 and 2004 Competitive Sourcing Efforts; to the Committee on Government Reform.

8720. A letter from the Secretary, Department of Energy, transmitting proposed legislation to amend Section 161k of the Atomic Energy Act of 1954 to provide executive protection authorities for the Department of Energy (DOE) Federal protective force; jointly to the Committees on Energy and Commerce and the Judiciary.

8721. A letter from the Administrator, National Aeronautics and Space Administration, transmitting proposed legislation "To authorize appropriations to the National Aeronautics and Space Administration for science, aeronautics, and exploration; space flight capabilities; and Inspector General, and for other purposes"; jointly to the Committees on Science, Government Reform, and Small Business.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COBLE: Committee on the Judiciary. H.R. 218. A bill to amend title 18, United States Code, to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns; with an amendment (Rept. 108–560). Referred to the Committee of the Whole House on the State of the Union.

Mrs. MYRICK: Committee on Rules. House Resolution 686. Resolution providing for consideration of the bill (H.R. 4548) to authorize appropriations for fiscal year 2005 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes (Rept. 108–561). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. RANGEL:

H.R. 4633. A bill to award a congressional gold medal to Ray Charles in recognition of his many contributions to the Nation; to the Committee on Financial Services.

By Mr. SESSIONS (for himself, Mr. Baker, Mrs. Kelly, Mr. Cantor, and Ms. Pryce of Ohio):

H.R. 4634. A bill to extend the terrorism insurance program of the Department of the Treasury; to the Committee on Financial Services.

By Mr. YOUNG of Alaska (for himself, Mr. Oberstar, Mr. Petri, and Mr. Lipinski):

H.R. 4635. A bill to provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Ways and Means, Resources, and Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GORDON (for himself, Mr. Calvert, and Mr. Baird):

H.R. 4636. A bill to provide for research on and standards for remediation of closed methamphetamine production laboratories, and for other purposes; to the Committee on Science, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WELLER:

H.R. 4637. A bill to amend title 10, United States Code, to provide for the payment of Combat-Related Special Compensation under that title to members of the Armed Forces retired for disability with less than 20 years of active military service who were awarded the Purple Heart; to the Committee on Armed Services.

By Mrs. JO ANN DAVIS of Virginia:

H.R. 4638. A bill to amend the Federal Water Pollution Control Act to impose limitations on wetlands mitigation activities carried out through the condemnation of private property; to the Committee on Transportation and Infrastructure.

By Ms. DeLAURO (for herself, Mr. Stark, Mr. McDermott, Mr. Cooper, Mr. Conyers, and Ms. Slaughter):

H.R. 4639. A bill to ensure that advertising campaigns paid for by the Federal Government are unbiased, and for other purposes; to the Committee on Government Reform.

By Mr. TOM DAVIS of Virginia (for himself, Mr. Shays, Mr. Cannon, Mr. Bishop of Utah, and Mr. Platts):

H.R. 4640. A bill to establish the District of Columbia as a Congressional district for purposes of representation in the House of Representatives, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ENGLISH (for himself, Mr. Holden, Mr. Van Hollen, Mr. McDermott, Mrs. Maloney, Ms. Hart, Mr. Weldon of Pennsylvania, Mr. McGovern, and Mr. Grijalva):

H.R. 4641. A bill to authorize the President to take certain actions to protect archaeological or ethnological materials of Afghanistan; to the Committee on Ways and Means.

By Mr. FERGUSON:

H.R. 4642. A bill to provide for the extension of the New Jersey Coastal Heritage Trail into the Township of Woodbridge, New Jersey; to the Committee on Resources.

By Mr. FERGUSON:

H.R. 4643. A bill to authorize the Director of the Federal Emergency Management Agency to make grants to fire departments for the acquisition of thermal imaging cameras; to the Committee on Transportation and Infrastructure.

By Mrs. JOHNSON of Connecticut (for herself, Mr. Price of North Carolina, and Mr. Cardoza):

H.R. 4644. A bill to make aliens ineligible to receive visas and exclude aliens from admission into the United States for nonpayment of child support; to the Committee on the Judiciary, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LUCAS of Kentucky:

H.R. 4645. A bill to authorize the Secretary of the Army to provide Federal assistance for environmental infrastructure projects in northern and northeastern Kentucky; to the Committee on Transportation and Infrastructure.

By Mr. MCHUGH:

H.R. 4646. A bill to amend title 18, United States Code, to provide for the holding of Federal district court in Plattsburgh, New York, and for other purposes; to the Committee on the Judiciary.

By Mr. MCKEON:

H.R. 4647. A bill to provide for certain lands to be held in trust for the Utu Utu Gwaitu Paiute Tribe; to the Committee on Resources.

By Mr. NUSSLE:

H.R. 4648. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to establish a pay-as-you-go requirement for mandatory spending; to the Committee on the Budget.

By Mr. NUSSLE:

H.R. 4649. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to extend the discretionary spending limits; to the Committee on the Budget.

By Mr. TIAHRT:

H.R. 4650. A bill to amend the Act entitled "An Act to provide for the construction of the Cheney division, Wichita Federal reclamation project, Kansas, and for other purposes" to authorize the Equus Beds Division of the Wichita Project; to the Committee on Resources.

By Mr. DELAY (for himself, Mr. HOYER, Mr. HYDE, and Mr. LANTOS):

H. Con. Res. 460. Concurrent resolution regarding the security of Israel and the principles of peace in the Middle East; to the Committee on International Relations.

By Mrs. BIGGERT (for herself, Mr. KANJORSKI, Mr. BACHUS, Mr. BAKER, Mr. BOEHLERT, Mr. BURTON of Indiana, Mr. CANTOR, Mrs. CAPITO, Mr. CASTLE, Mr. COBLE, Mr. CRANE, Mr. ENGLISH, Mr. FEENEY, Mr. GERLACH, Mr. GILLMOR, Mr. GREEN of Wisconsin, Ms. HARRIS, Ms. HART, Mr. HENSARLING, Mr. ISAKSON, Mr. JONES of North Carolina, Mr. KELLER, Mrs. KELLY, Mr. KNOLLENBERG, Mr. LATHAM, Mr. LATOURETTE, Mr. LEWIS of Georgia, Mr. LUCAS of Oklahoma, Mr. MANZULLO, Mr. GARY G. MILLER of California, Mr. OSE, Mr. PORTER, Mr. PUTNAM, Mr. REYNOLDS, Mr. SHAYS, Mr. SHUSTER, Mr. SIMMONS, Mr. SOUDER, Mr. TERRY, Mr. TIBERI, Mr. LEACH, Mr. TOOMEY, Mr. GORDON, Mr. CLAY, Mr. CROWLEY, Mr. FRANK of Massachusetts, Mr. HINOJOSA, Mr. HOLDEN, Mr. JOHN, Mrs. MALONEY, Mr. MARSHALL, Mr. MILLER of North Carolina, Mr. POMEROY, Mr. SANDLIN, Mr. SCOTT of Virginia, Mr. PETRI, Mr. BARRETT of South Carolina, and Mr. GARRETT of New Jersey):

H. Con. Res. 461. Concurrent resolution expressing the sense of Congress regarding the importance of life insurance, and recognizing and supporting National Life Insurance Awareness Month; to the Committee on Government Reform.

By Mr. OBEY:

H. Res. 685. A resolution revising the concurrent resolution on the budget for fiscal year 2005 as it applies in the House of Representatives; to the Committee on Rules, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. MCCOLLUM:

H. Res. 687. A resolution recognizing United Nations International Day in Support of Victims of Torture and reaffirming the commitment of the United States to eliminate torture in all countries, and for other purposes; to the Committee on International Relations.

By Mr. NUNES (for himself, Mr. POMBO, and Mr. CARDOZA):

H. Res. 688. A resolution commending the Government of Portugal and the Portuguese people for their long-standing friendship, stalwart leadership, and unwavering support of the United States in the effort to combat international terrorism; to the Committee on International Relations.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

371. The SPEAKER presented a memorial of the House of Representatives of the State of Hawaii, relative to House Resolution No. 42 memorializing the Congress of the United States to amend the No Child Left Behind Act of 2001 to include waivers to help states meet the requirements of this law; to the Committee on Education and the Workforce.

372. Also, a memorial of the House of Representatives of the State of Hawaii, relative to House Resolution No. 191 memorializing the United States Congress to repeal the changes made by the Bush Administration to the Clean Air Act in 2002; to the Committee on Energy and Commerce.

373. Also, a memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to House Resolution No. 718 recognizing the month of May 2004 as "Amyotrophic Lateral Sclerosis Awareness Month" in Pennsylvania and memorializing the President and Congress of the United States to enact legislation to prcvide additional funding for research in order to find a treatment and cure for ALS; to the Committee on Energy and Commerce.

374. Also, a memorial of the Legislature of the State of Hawaii, relative to House Concurrent Resolution No. 153 H.D. 1 memorializing the United Nations to consider establishing in Hawaii a center for the advancement of global health, welfare, education, and peace by and for children, youth, and families; to the Committee on International Relations.

375. Also, a memorial of the House of Delegates of the Commonwealth of Virginia, relative to House Resoultion No. 4 memorializing the Congress of the United States to propose for ratification an amendment to the Constitution of the United States to prohibit federal courts from ordering or instructing any state or local unit of government to levy or increase taxes; to the Committee on the Judiciary.

376. Also, a memorial of the Legislature of the State of Hawaii, relative to House Concurrent Resolution No. 202 memorializing Hawaii's congressional delegation to introduce federal legislation to provide additional resources to expand visa processing capacity in the Consular Section of the United States Embassy in Seoul in the Republic of Korea, and to include the Republic of Korea in the Visa Waiver Program; to the Committee on the Judiciary.

377. Also, a memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to Resolutions memorializing the United States Congress to make the Republic of Poland eligible for the United States Department of State's Visa Waiver Program; to the Committee on the Judiciary.

378. Also, a memorial of the General Assembly of the Commonwealth of Pennsylvania, relative to Senate Concurrent Resolution No. 98 of the 2003-2004 Session of the General Assembly acknowledging the key role of the Clean Water State Revolving Fund Program; to the Committee on Transportation and Infrastructure.

379. Also, a memorial of the Senate of the State of Kansas, relative to Senate Resolution No. 1868 memorializing the United States Congress to enact and fully fund the proposed vision for space exploration to enable the United States to remain a leader in the exploration and development of space; to the Committee on Science.

380. Also, a memorial of the Legislature of the State of Hawaii, relative to House Concurrent Resolution No. 258 memorializing the United States Congress to support the passage of S. 68, relating to improving benefits for Filipino veterans of World War II; to the Committee on Veterans' Affairs.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were aded to public bills and resolutions as follows:

H.R. 107: Mrs. CHRISTENSEN.

H.R. 623: Mr. MATSUI and Mr. MCCOTTER.

H.R. 716: Mr. CAPUANO.

H.R. 717: Mr. OLVER and Mr. MARKEY.

H.R. 962: Ms. CARSON of Indiana.

H.R. 1043: Mrs. WILSON of New Mexico, Mr. CROWLEY, Mr. JACKSON of Illinois, and Mr. MEEKS of New York.

H.R. 1422: Mr. GREENWOOD.

H.R. 1523: Mr. PICKERING.

H.R. 1653: Mr. HAYES.

H.R. 1709: Mr. CAPUANO.

H.R. 1716: Ms. CORRINE BROWN of Florida.

H.R. 1758: Mr. LEACH.

H.R. 1823: Mr. SAXTON.

H.R. 2023: Mr. MENENDEZ.

H.R. 2239: Mr. MARKEY and Mrs. MCCARTHY of New York.

H.R. 2283: Mr. HERGER, Mr. VITTER, and Mr. HOSTETTLER.

H.R. 2426: Ms. BERKLEY.

H.R. 2490: Mr. KIND.

H.R. 2510: Mr. MCKEON, Mr. ISSA, Mr. HERGER, Mr. GARY G. MILLER of California, and Mr. LEWIS of California.

H.R. 2541: Ms. WATSON and Ms. WOOLSEY.

H.R. 2705: Mr. VISCLOSKY.

H.R. 2743: Mr. JONES of North Carolina.

H.R. 2900: Mr. LEWIS of Georgia.

H.R. 2950: Mr. DOYLE.

H.R. 3193: Mr. LINCOLN DIAZ-BALART of Florida, Mr. SHADEGG, and Mr. GALLEGLY.

H.R. 3213: Mr. COX.

H.R. 3299: Mr. GRIJALVA.

H.R. 3307: Mr. GINGREY.

H.R. 3350: Mr. LAMPSON.

H.R. 3352: Mr. NEAL of Massachusetts.

H.R. 3444: Mr. LEWIS of Georgia.

H.R. 3476: Mr. HALL.

H.R. 3484: Mr. RENZI.

H.R. 3563: Mr. FOLEY.

H.R. 3575: Mr. THOMPSON of Mississippi.

H.R. 3602: Mr. PICKERING, Mr. BISHOP of Georgia, and Mr. CUMMINGS.

H.R. 3716: Mr. BARRETT of South Carolina.

H.R. 3755: Mr. TERRY.

H.R. 3779: Mr. MICHAUD.

H.R. 3831: Ms. VELÁZQUEZ, Mr. GUTIERREZ, Mr. SHERMAN, Mrs. MALONEY, Ms. HARMAN, Ms. SCHAKOWSKY, Mr. LARSON of Connecticut, Mr. ENGEL, Mrs. JONES of Ohio, Mr. KENNEDY of Rhode Island, Mr. ABERCROMBIE, Mr. MEEKS of New York, Mr. SERRANO, Mr. WEINER, Mr. ISRAEL, Mrs. LOWEY, Mr. KLECZKA, Ms. JACKSON-LEE of Texas, Ms. DELAURO, Mr. GEORGE MILLER of California, Mr. OLVER, Mr. SCOTT of Virginia, Mr. MCGOVERN, Mr. MEEK of Florida, Mr. WATT, Mr. NADLER, Mr. EMANUEL, Mr. MORAN of Virginia, Ms. MCCOLLUM, Mr. LANTOS, Ms. MILLENDER-MCDONALD, Mr. DEUTSCH, Mr. DOYLE, Mr. CARDIN, Ms. BALDWIN, Mrs. TAUSCHER, Mr. DICKS, Mr. LEVIN, Mr. MILLER of North Carolina, Mr. PASCRELL, Mr. BRADY of Pennsylvania, Ms. DEGETTE, Ms. LINDA T. SÁNCHEZ of California, Ms. LORETTA SANCHEZ of California, Mr. FATTAH, Mr. HOEFFEL, Mr. KUCINICH, Mr. GRIJALVA, Mr. GEPHARDT, Mr. CLAY, Mrs. NAPOLITANO, Mr. STARK, Ms. LOFGREN, Mr. ACKERMAN, Mr. WU, Mr. PAYNE, Ms. KAPTUR, Ms. CORRINE BROWN of Florida, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. NEAL of Massachusetts, Ms. ROYBAL-ALLARD, Ms. SOLIS, Mr. ANDREWS, Mr. TIERNEY, Mr. BISHOP of New York, Ms. MCCARTHY of Missouri, and Mr. DAVIS of Florida.

H.R. 3849: Mrs. WILSON of New Mexico.

H.R. 3881: Mr. NETHERCUTT.

H.R. 3929: Mr. SESSIONS.

H.R. 3972: Mr. ETHERIDGE.

H.R. 3979: Mr. JEFFERSON.

H.R. 4039: Mr. WALDEN of Oregon, Mr. WEXLER, and Mr PICKERING.

H.R. 4053: Mr. KENNEDY of Minnesota.

H.R. 4107: Mr. INSLEE, Mr. ROSS, Mr. PLATTS, Mrs. CAPPS, and Ms. MCCOLLUM.

H.R. 4117: Mr. JACKSON of Illinois.

H.R. 4182: Mr. UDALL of Colorado and Mr. FRANK of Massachusetts.

H.R. 4206: Mrs. DAVIS of California, Mr. ENGLISH, and Mr. MCHUGH.

H.R. 4230: Mr. FRANK of Massachusetts.

H.R. 4255: Ms. ROYBAL-ALLARD and Mr. MCDERMOTT.

H.R. 4305: Mr. PITTS.

H.R. 4306: Ms. LOFGREN and Ms. DUNN.

H.R. 4312: Ms. LEE.

H.R. 4325: Mr. OWENS.

H.R. 4342: Mr. GARRETT of New Jersey.

H.R. 4361: Mrs. CAPPS, Ms. DELAURO, Ms. BERKLEY, and Mr. JACKSON of Illinois.

H.R. 4391: Mr. LEWIS of Kentucky, Mr. SCHIFF, Mr. FROST, and Mr. ENGLISH.

H.R. 4392: Mr. BOUCHER.

H.R. 4415: Mr. MICA.

H.R. 4416: Mr. ENGLISH, Mr. LATOURETTE, and Mr. QUINN.

H.R. 4449: Mr. STARK.

H.R. 4459: Mr. BACA.

H.R. 4472: Mr. MCGOVERN, Mr. SIMMONS, and Mr. VITTER.

H.R. 4528: Mr. DUNCAN, Mr. SENSENBRENNER, Mr. CULBERSON, Mr. TANCREDO, and Mr. RAMSTAD.

H.R. 4530: Mr. GOODE.

H.R. 4533: Mr. GRIJALVA.

H.R. 4553: Mr. OWENS.

H.R. 4571: Mr. CANNON.

H.R. 4595: Mr. GREEN of Wisconsin, Mr. MCNULTY, Mr. VAN HOLLEN, Mr. RAMSTAD, and Mr. HOEFFEL.

H.R. 4608: Mr. SNYDER.

H.R. 4628: Ms. ROYBAL-ALLARD, Mr. KOEFFEL, Ms. MCCOLLUM, Mr. CARDIN, Mr. DOGGETT, Mr. GRIJALVA, Mr. KILDEE, Ms. JACKSON-LEE of Texas, Ms. BERKLEY, Mr. ROSS, Mr. NADLER, Mr. LANGEVIN, Mr. LEVIN, Mr. ENGEL, Mr. TIERNEY, Mr. KIND, Mr. OWENS, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. TOWNS, and Ms. ESHOO.

H. Con. Res. 111: Mr. MEEKS of New York.

H. Con. Res. 319: Mr. SCHIFF, Mr. PITTS, and Mr. WELLER.

H. Con. Res. 356: Mr. UDALL of New Mexico.

H. Con. Res. 418: Ms. WATSON, Ms. LEE, Mr. BURTON of Indiana, Mr. KING of New York, Mr. HOUGHTON, Mrs. NAPOLITANO, Mr. CHANDLER, and Mr. SCHIFF.

H. Con. Res. 442: Mr. SABO, Mr. BLUMENAUER, Mr. PETERSON of Minnesota, Mr. OBERSTAR, Mr. REHBERG, and Mr. KIND.

H. Res. 617: Mr. WELLER.

H. Res. 667: Mr. KIRK, Mr. BROWN of Ohio, Mr. HERGER, Mr. STEARNS, Mr. HUNTER, Mr. WALSH, Mr. ISSA, and Mr. WICKER.

H. Res. 676: Mr. CHABOT, Mr. SMITH of Texas, and Mr. GREENWOOD.

H. Res. 684: Mr. PENCE, Mr. BURTON of Indiana, Mr. HOSTETTLER, Ms. CARSON of Indiana, Mr. VISCLOSKY, Mr. HILL, Mr. BUYER, and Mr. SOUDER.

PETITIONS, ETC.

Under clause 3 of rule XII,

90. The SPEAKER presented a petition of the Bear River Band of Rohnerville Rancheria's Tribal Council, California, relative to Resolution No. 04-64 supporting the BIA/Tribal Budget Advisory Council recommending a new Executive Order requiring the OMB to consult on an annual basis with federally recognized tribes to develop a budget fulfilling the obligation of the United States to American Indians and Alaska Natives; which was referred to the Committee on Resources.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 4613

OFFERED BY: MS. JACKSON-LEE OF TEXAS

AMENDMENT NO. 9: Page 33, line 19, insert after the dollar amount the following: "(reduced by $10,000,000)".

Page 129, line 7, insert after the dollar amount the following: "(increased by $10,000,000)".

SENATE—*Tuesday, June 22, 2004*

The Senate met at 9:47 a.m. and was called to order by the Honorable WAYNE ALLARD, a Senator from the State of Colorado.

The PRESIDING OFFICER. Today's prayer will be offered by guest Chaplain Rabbi Moshe Feller, of Saint Paul, MN.

The guest chaplain offered the following prayer.

PRAYER

Almighty God, Master of the Universe, the Members of the U.S. Senate convene here today to fulfill one of the seven commandments which You first issued to Noah and his family after the great flood, the command to govern by just laws.

As related in the book of Genesis and its sacred commentaries, You issued at that time the following seven laws:

To worship You alone;

Never to blaspheme Your Holy Name;

Not to commit murder;

Not to commit adultery, incest, or any sexual misdeeds;

Not to steal, lie, or cheat;

Not to be cruel to any living creature; and

That every society govern by just laws based on the recognition and acknowledgment of You, O God, as the sovereign ruler of all men and all nations.

Grant, Almighty God, that the Members of the Senate constantly realize that in enacting just laws they are performing your will.

Almighty God, I beseech You today to bless the Senate and the entire Nation in the merit of one of the spiritual giants of our time and of our country, the Lubavitcher Rebbe, Rabbi Menachem Mendel Schneerson of righteous, blessed memory, who passed away 10 years ago today. The Rebbe labored with great love, dedication, and self-sacrifice to make all mankind aware of Your sacred presence.

May his memory be for a blessing, and his merit be for a shield for our Government and our country, which he always referred to as "a country of kindness."

Amen.

PLEDGE OF ALLEGIANCE

The Honorable WAYNE ALLARD led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS).

The legislative clerk read the following letter:

> U.S. SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, DC, June 22, 2004.*
>
> *To the Senate:*
>
> Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable WAYNE ALLARD, a Senator from the State of Colorado, to perform the duties of the Chair.
>
> TED STEVENS,
> *President pro tempore.*

Mr. ALLARD thereupon assumed the Chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning we will again return to the Defense authorization bill. Last night's agreement provides for an additional hour of debate in relation to Senator LEVIN's missile defense amendment. The order also provides for the vote on the Brownback indecency amendment immediately following the Levin vote. Senators can, therefore, expect two consecutive votes at approximately 11 a.m. this morning. We have also reached an agreement to have all first-degree amendments offered by 6:30 this evening. Given this agreement, I anticipate we will have votes throughout the day into the evening. If we are unable to complete the bill this evening, we would then return tomorrow for a series of votes on any remaining amendments and conclusion with final passage. Under this scenario, we should finish the bill either late tonight or tomorrow morning.

There is much more work to do before the Fourth of July recess. Although an earlier agreement allows us to go to class action, we will postpone consideration of that measure in order to begin the Defense appropriations bill in order to provide the vital support, vital monetary support, for our troops who are fighting at this moment in the war on terror overseas.

Once again, I remind my colleagues we will continue to schedule votes on the remaining judicial nominations this week, and I anticipate consideration of several of those today.

I also remind Senators to be in their seats at 2:15 today for the official photograph. This will take just a very few minutes if we have people on time. I ask Senators to be here promptly.

CANCER IN WOMEN

Mr. FRIST. Mr. President, I take a few minutes to speak on a totally unrelated issue on leader time and then we will move to the bill unless there is another comment to be made. It is a very important message. It is an issue most people do not understand and it has to do with an issue of health care and emergency health. It is regarding a fundamental question which most people cannot answer, cancer in women.

I ask people to be thinking what the appropriate answer is, What is the deadliest cancer in women today? What is the leading cause of cancer death among 55 percent of our population today? Most people think breast cancer, cervical cancer, ovarian cancer, or one of the gynecological cancers. It is not. The deadliest cancer is lung cancer.

It is preventable and it does not have to be that way. Therefore, the solution comes with education. I will take 3 or 4 minutes to comment.

The Journal of the American Medical Association this spring published the astonishing finding that lung cancer is the No. 1 cause of cancer deaths in American women. In fact, breast cancer, all the gynecological cancers, add those up and they still do not equal the number of women who die from lung cancer.

The female death rate from lung cancer has risen 600 percent over the last six decades. The last lung cancer operation I performed was about 10 years ago. Since then, the death rate has increased. It is a problem that is getting worse. The death rate continues to grow, even though the rate of smoking among women has begun to taper off since the 1960s. The whole point is that lung cancer can continue to strike even after someone stops smoking.

Lung cancer is the deadliest of all cancers. It tends to spread to the brain. It tends to spread to the bones. It is usually diagnosed very late. The 5-year survival, which is the end point that we in medicine use, is very low. If you take all women who were diagnosed with lung cancer from 1992 to 1999, only 12 percent—1 in 10—survived 5 years. In the Journal of the American Medical Association article, the survival rates, according to the researcher, to use his words, are "dismal."

It is interesting that the disease affects women differently than men. Probably estrogen plays a role in that. We see female smokers suffer a higher result of genetic damage from the smoke and the ingredients in smoke. Females are less able to repair genetic damage from the smoke. It is an epidemic. It is an epidemic in this country with these high death rates, but there are also great smoking increases across the world, so it becomes a pandemic when we look at Asia, or a continent I go to on a regular basis, Africa, where smoking is gaining in popularity. Thus, lung cancer and death will be increasing in decades to come.

The good thing is we can prevent it. Up to 80 percent of lung cancer is caused by one thing: smoking. It is as simple at that. A lot of people try to dance around it but it is as simple as that. It does not matter statistically whether you are smoking light cigarettes or regular, even heavy smokers versus social smokers. There is no such thing as a safe cigarette today.

You can quit and that is tough to do. I have counseled hundreds and hundreds of patients, being a heart surgeon, a lung surgeon, and lung cancer surgeon before. I have counseled hundreds of patients, probably thousands of patients. It is tough to quit smoking. Nevertheless, if you put your mind to it, you can quit, and if you quit you can reduce that risk.

The best thing we can do is have people never start. That means we have an obligation to take the very latest scientific data, what we know today, and educate the American people. I argue, also, we need to educate people in high school today because the easiest thing to do is stop people from smoking up front.

I urge my colleagues, educators, parents, and the media to convey that message loud and clear. We know where smoking leads. It leads to addiction, to cancer, contributes to heart disease, to stroke, blood vessel disease, and cardiovascular disease. We need to educate young women to the consequences of smoking before they have done irreparable damage to their lungs.

Although I know my colleagues will not read the Journal of the American Medical Association, the article itself is factual, very well researched. I believe at least I have an obligation to share this with my colleagues so they can share the current state of the art with their constituents and reverse a growing challenge to women's health.

I yield the floor.

Mr. REID. I suggest the absence of a quorum.

Mr. WARNER. Could we speak for a minute before the quorum call?

Mr. REID. Senator DASCHLE is going to give a speech.

Mr. WARNER. I was going to recommend that our colleague from Alaska, who has commitments early this morning, be able to initiate on this side comments in rebuttal to the distinguished Senator from Wisconsin and the Senator from Michigan can follow and then the Presiding Officer wishes to say something, and I will wrap.

Mr. REID. I am sure that is appropriate.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Democratic leader is recognized.

Mr. DASCHLE. Mr. President, I will use my leader time.

CONGRESSIONAL OVERSIGHT

Mr. DASCHLE. Mr. President, no question more occupied the minds of our Founding Fathers than how to keep American democracy from devolving into despotism.

The delicate and elaborate structure of our Government is designed not merely to represent the will of the American people but to prevent the concentration and abuse of power. To eliminate the prospects that tyranny could take hold, the Framers not only created a separation of equal powers, but they gave each branch authority over its peers.

"Unless these departments be so far connected and blended as to give each a constitutional control over the others," James Madison wrote in The Federalist Papers, "the degree of separation . . . essential to a free government, can never in practice be duly maintained."

For our system to work, no part of Government can be free from scrutiny—not Congress, not the judiciary, and not the White House.

Unfortunately, Congress seems to have abdicated its role in our system of checks and balances. Partisan loyalty is taking precedence over our constitutional responsibilities, and oversight has ground to a halt. There are few clearer examples than Congress' failure to investigate the decision to withhold the cost estimates for its controversial Medicare proposal.

There have been serious allegations that the administration misled Congress about the projected cost of the Medicare legislation, denying access to a study that projected much higher costs than those administration officials, including the President, discussed publicly. These allegations included charges that the former Administrator of the Centers for Medicare & Medicaid Services violated Federal law by threatening to fire Medicare's Chief Actuary if he disclosed the cost information to Members of Congress. Yet the allegations are being ignored in both the House and the Senate. The White House, too, has stonewalled. There have been no hearings, no inquiries, nothing but silence.

These charges are too serious to ignore. There are four crucial questions relating to those facts that urgently need investigation.

First, who in the administration knew about the higher cost estimates? CMS Chief Actuary Richard Foster has said that the HHS cost estimates were shared with White House officials.

To assess whether there was a coordinated effort within HHS and the White House to mislead Congress, we need to know who in the administration knew about the higher cost estimates and when they knew it.

Second, who in the administration participated in the decision to withhold the cost estimates from Congress?

According to the Congressional Research Service, Federal employees have a statutory right to communicate with Congress, as well as certain whistleblower and employment protections. Moreover, HHS is expressly prohibited from using funds to pay the salary of anyone who prevents or attempts to prevent an executive branch employee from providing information to Congress if that information relates to relevant official matters.

CRS has found that the CMS may have violated these laws when the Administrator threatened Mr. Foster. We need to know if others above the Administrator's level participated in or authorized this activity.

Third, were senior leaders in Congress part of the effort to withhold the cost estimates from the rest of Congress?

In a letter to Representative HENRY WAXMAN, the Department of Health and Human Services has asserted that "[Health and Human Services] made conferees aware that HHS expected its final scoring to be higher than CBO's final scoring" and cited Republican conferee NANCY JOHNSON as one of the Members who "knew about these numbers."

If the administration shared the cost estimates with selected Republican leaders, why did these leaders not share the estimates with all conferees and all Members?

Fourth, is the administration seeking to obstruct congressional investigations?

To date, the administration has refused to cooperate with legitimate efforts to investigate its actions. White House Counsel Alberto Gonzales has intervened to prevent officials from testifying before the House Ways and Means Committee about White House involvement. President Bush has failed to respond to a request for information from 12 U.S. Senators. These actions suggest there may be a concerted effort by the administration to block oversight of its actions.

There could be no clearer case demonstrating the need for congressional oversight.

To preserve our system of checks and balances and maintain citizens' trust that the power they have vested in their elected leaders is being exercised responsibly, we must take very seriously allegations that executive branch officials misled Congress in this case. Therefore, along with several of my colleagues, I have requested that the leadership in both the House and the Senate take the following two steps:

First, Congress should ask the administration to provide copies of any documents relevant to this investigation.

Second, Congress should hold hearings at which Mr. Scully; Doug Badger, Special Assistant to the President for Economic Policy; and James Capretta, Associate Director for Human Resource Programs at OMB, be called to testify. Mr. Scully's relevance is self-evident. Mr. Badger and Mr. Capretta received cost estimates from Mr. Foster and are likely to have information about the White House involvement in this matter. Their testimony would, therefore, be critical to establishing key facts about this affair.

These actions are essential if Congress is to fulfill its oversight responsibilities. They are simple and straightforward and will enable Congress to learn why the Medicare cost estimates were withheld and who is actually responsible.

In addition, we are writing President Bush to urge him to clarify what he knew about the Medicare cost estimates, the administration's attempts to suppress them, and the administration's communications with Congress about this issue. The credibility of the White House on all matters of policy is at stake.

These concerns are not limited to the Medicare debacle. As the cost of operations in Iraq have climbed past $200 billion, American taxpayers have been asking questions regarding whether every dollar spent has been necessary.

Of late, those questions have centered on Halliburton. Even before the invasion of Iraq, there were concerns about Halliburton's contracts. Very quickly, these concerns proved to be justified.

Last year, an investigation found that Halliburton charged American taxpayers $2.64 per gallon for gasoline shipped into Iraq, which was double the price other suppliers were charging. That gasoline was then sold to Iraqis for as little as 5 cents per gallon.

Recently, the reports of waste, fraud, and abuse have literally been piling up. This week, we learned Halliburton charged taxpayers $10,000 per day to house its employees in Kuwait's five-star Kempinski Hotel. The same employees could have stayed in air-conditioned tents like those used by American troops for $600 a day. The company purchased embroidered towels that cost three times that of standard towels. One employee discovered that Halliburton was charging for 37,200 cases of soda every month even though they were only providing 37,200 cans. In effect, Halliburton was charging the remarkable price of $45 for each 30-can case of soda for which supermarkets charge about $7. When the employee began making progress in reducing Halliburton's overcharges in this and other areas, she was taken off the accounts.

Most troubling, a former Halliburton truck convoy commander disclosed that Halliburton removed all the spare tires from its brand-new $85,000 trucks. When the tires went flat, the trucks were abandoned or torched. In addition, there seemed to be near total disregard of maintenance on trucks.

"There were absolutely no oil filters or fuel filters for months on end. I begged for filters, but never got any," the convoy commander said. "I was told that oil changes were 'out of the question.'"

The convoy commander also indicated that convoys of empty trucks often were sent out. He said Halliburton "would run trucks empty quite often.

Sometimes they would have five empty trucks, sometimes they would have a dozen. One time we ran 28 trucks, and only one had anything on it."

Well, whatever they are putting on the trucks, one thing is clear: The American taxpayer is being taken for a ride.

When other Halliburton employees reported similar examples of waste, fraud, and abuse, they were told, "Don't worry about it. It's a cost plus contract." "Cost plus," evidently, is jargon for war profiteering.

Despite these abuses, none of the Senate committees controlled by the Republican majority have investigated Halliburton's activities in Iraq or indicated that they intend to look into this matter.

Such scrutiny, we are told, could jeopardize the rebuilding efforts.

This attitude could not be more misguided. The danger in our rebuilding of Iraq is that the American people will lose faith in this effort because they feel it is too expensive or that they are being cheated.

There is one way to guarantee that the American taxpayer is not being cheated: that is, for Congress to step up to its constitutional obligations to oversee the actions of the executive branch of government.

Sunlight, it's been said, is the best disinfectant. But for too long, the administration has been able to keep Congress and the American people in the dark.

Medicare and Halliburton represent only the tip of the iceberg.

Still more major allegations of misconduct, such as the outing of the identity of a covert CIA agent for political gain, have been ignored.

And other serious matters, such as the manipulation of intelligence about Iraq, have received only fitful attention.

This is fundamentally wrong. Our constitutional oversight responsibilities should not be driven by political expediency.

Regardless of the party affiliation of the President, there are some matters that are too important to be ignored.

The American people are looking to us to provide leadership.

If no wrongdoing has been committed, let our investigations reaffirm people's faith in the government's credibility.

But if there has been wrongdoing, the American taxpayer has a right to see that those responsible are held accountable.

Ensuring accountability is one of the roles the Framers set out for us. In a way, it is our most solemn obligation, because in fulfilling our task, we preserve the democratic nature of our government.

Not only is a great deal of money at stake, the continuing faith of the American people in their system of governance is at stake. Safeguarding that democratic system is our responsibility, and it is time we met it.

I yield the floor.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005

The PRESIDING OFFICER (Mr. TALENT). Under the previous order, the Senate will resume consideration of S. 2400, which the clerk will report.

The assistant legislative clerk read as follows:

> A bill (S. 2400) to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

Pending:

> Bond Modified Amendment No. 3384, to include certain former nuclear weapons program workers in the Special Exposure Cohort under the Energy Employees Occupational Illness Compensation Program and to provide for the disposal of certain excess Department of Defense stocks for funds for that purpose.

Brownback Amendment No. 3235, to increase the penalties for violations by television and radio broadcasters of the prohibitions against transmission of obscene, indecent, and profane language.

Burns Amendment No. 3457 (to Amendment No. 3235), to provide for additional factors in indecency penalties issued by the Federal Communications Commission.

Reed Amendment No. 3353, to limit the obligation and expenditure of funds for the Ground-based Midcourse Defense program pending the submission of a report on operational test and evaluation.

Bingaman Amendment No. 3459, to require reports on the detainment of foreign nationals by the Department of Defense and on Department of Defense investigations of allegations of violations of the Geneva Convention.

Warner Amendment No. 3460 (to Amendment No. 3459), in the nature of a substitute.

Dayton/Feingold Amendment No. 3197, to strike sections 842 relative to a conforming standard for waiver of domestic source or content requirement and 843 relative to the consistency with United States obligations under trade agreements.

Warner (for McCAIN) amendment No. 3461 (to the language proposed to be stricken by Amendment No. 3197), in the nature of a substitute.

Feingold Modified Amendment No. 3288, to rename and modify the authorities relating to the Inspector General of the Coalition Provisional Authority.

Landrieu/Snowe Amendment No. 3315, to amend title 10, United States Code, to increase the minimum Survivor Benefit Plan basic annuity for surviving spouses age 62 and older, and to provide for a one-year open season under that plan.

Levin Amendment No. 3338, to reallocate funds for Ground-based Midcourse interceptors to homeland defense and combatting terrorism.

AMENDMENT NO. 3338

The PRESIDING OFFICER. Under the previous order, there will be 60 minutes of debate equally divided in the usual form in relation to the Levin missile defense amendment. Who yields time?

The Senator from Colorado is recognized.

Mr. ALLARD. I yield 8 minutes to the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I come to the floor today to strongly oppose the Levin amendment. This amendment would realign critical funds for the ground-based midcourse interceptors. The consequences of that decision, in my judgment, would be devastating. By reallocating those funds, Congress would effectively cripple the deployment and testing of the interceptors in Alaska. Let me hasten to add, that decision to go to Alaska with these interceptors was not a political decision. It was made by the scientists. But I support that decision, and I believe Alaskans do also.

Ballistic missiles are a serious threat to the United States, and our interests, forces, and allies throughout the world are threatened by them. The missiles our enemies possess are growing in range, reliability, accuracy, and number. A missile carrying nuclear, biological, or chemical weapons could inflict damage that would make the tragedy our country experienced on September 11 pale by comparison.

We cannot afford to ignore this threat. We must confront it, if we want to address the challenges that characterize our Nation's new security environment. The new security challenges of the 21st century require us to think and act differently.

With that in mind, the decision was made to field the ground-based midcourse system in Alaska. Alaska's location gives us a strategic advantage. Interceptors launched from Alaska will be capable of protecting all 50 States. If Congress rejects Senator LEVIN's amendment and remains committed to the ground-based midcourse program, the United States will be able to meet any potential threat from a rogue nation or terrorist group.

The Fort Greely interceptors are the centerpiece of our integrated, layered, national missile defense system. The funding contained in the 2005 budget is a downpayment on additional interceptors that will enable us to conduct additional flight testing and maintain industrial base production lines for key components of the ground-based system. Senator LEVIN's amendment cuts this funding.

The amendment also disregards what years of experience have shown—that it is wise to move into a deployment phase before the testing phase of a program has been completed. I remind Congress of the gulf war, when we fielded a number of systems that were under development at that time, including JSTARS. I personally witnessed that test in the deployment phase, in the testing phase, and early deployment of JSTARS in the gulf war. The Patriot missile was also tested in this way.

Over many years we enhanced the Patriot batteries that first saw action by 1991, by implementing a follow-on enhancement program and replacing the original missile with a completely new interceptor.

Similarly, the B–52 bomber that first flew in 1952 is hardly the same aircraft that dropped the bombs over Afghanistan in the war against terror. The original B–52 gave us early intercontinental bombardment capability, and it was enhanced over time with hardware and software improvements that helped us meet evolving operational challenges. These examples are reminders that a requirement written into a system's development phase can quickly become irrelevant or yield a dead end. That is a lesson we must keep in the forefront of our minds as we confront today's dynamic security environment.

The time to move forward with the deployment of a ground-based midcourse operational capability is now. We must continue to improve the system. It must be allowed to evolve over time and take advantage of the breakthroughs in technology as they occur. Congress should follow the proven wisdom of experience and resist the urge to build to perfection a national security strategy that has never served us well.

That is exactly what this amendment would have us do—turn our backs on the proven wisdom of experience and wait until there is a tragedy to confront the national security threats we know are emerging now.

I urge the Senate to support the ground-based midcourse system and oppose Senator LEVIN's amendment.

Again, this system has been deployed in my State already in the test phase. We should continue that concept.

I yield back any time I have not used.

The PRESIDING OFFICER. The Senator from Colorado has 25 minutes 30 seconds remaining. The Senator from Michigan has 30 minutes remaining. Who yields time?

Mr. LEVIN. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, the amendment which I am offering does not touch the first 20 interceptors. They are fully funded. They are going to be deployed before they are independently tested. The Senate decided that last week in a number of debates and in a vote on an amendment, the Boxer amendment. Whether it was the right decision or the wrong decision, time will tell, but nonetheless it is the decision and was the decision of this Senate that those 20 interceptors be deployed in those silos in Alaska prior to their being independently tested.

The question before us now is whether the added missiles—21 through 30, those interceptors that are paid for in this bill—are going to be provided or whether we will use that money, $515 million, for a much greater need, to address a much more immediate threat, and that is the threat of loose nukes, the threat of nuclear fissile material falling into the hands of terrorists, and also whether we will use at least some of that money to put more into the security of our borders, the security of our ports.

I will start with a CIA assessment that was made not too many years ago. It was made after September 11. There was an unclassified assessment made by the CIA as to what our greatest threat was. They were comparing the missile threat to the nonmissile threat. "Foreign Missile Developments and Ballistic Missile Threats Through 2015," was the title. They were looking at the missile threat. Here is the judgment:

> The Intelligence Community judges that U.S. territories are more likely to be attacked with WMD using non-missile means,

> primarily because such means, 1, are less expensive than developing and producing ICBMs; 2, can be covertly developed and employed; 3, the source of the weapon could be masked in an attempt to evade retaliation; 4, probably would be more reliable than ICBMs that have not completed rigorous testing and validation programs; 5, probably would be much more accurate than emerging ICBMs over the next 15 years; 6, probably would be more effective for disseminating a biological warfare agent than a ballistic missile; 7, would avoid missile defenses. For all of those reasons, we have an assessment that non-missile means of delivery are a more serious threat than a missile means of delivery.

Now, the amendment I offered does not touch those 20 missiles that were part of that test bed announced last year. Last year, the chairman of our committee, Senator WARNER, said this body is authorized in moving ahead on 20 test bed sites, 16 in Alaska and the balance in California. That was the decision that we made last year—a 20-silo test bed site in Alaska and in California.

Now, this year, the administration said they want additional interceptors. It is those additional interceptors on which we are focusing.

My amendment would take $515 million of the $1.7 billion proposed for fiscal year 2005 and say let's put that $515 million into far more needed, immediate purposes; in other words, to try to address this massive fissile material threat, the loose nuke threat, the dirty bomb threat, which everybody says is the most serious terrorist threat we face.

That is what this $515 million should be spent on; also, security of our borders, security of our ports. Most of the containers coming into this country are still uninspected.

We still do not have a means of determining what is an explosive material at a distance. We must, if we are going to stop terrorists from blowing up themselves and us, be able to identify explosive material at a distance. We don't have that technology. My amendment would add money for that technology.

We had the near destruction of the USS *Cole* because a tiny boat was able to get next to it. If we could identify that explosive material at a distance before the explosion of the car bomb or the suicide bomb or the little boat that almost blew up the USS *Cole*, we would be making ourselves far more secure. That is the kind of expenditure my amendment would provide. It leaves, I emphasize, $1.2 billion in funding for interceptors, which is more than we have provided in any prior fiscal year. In 2002, we provided $1.1 billion. In fiscal year 2003, we provided $763 million. In 2004, we provided $1.1 billion for interceptors.

If my amendment is adopted and we use this money to address the loose nuke issue and the other issues I have identified, we would still have $1.2 billion for interceptors. Now, would there be an effect on testing? No, for two reasons. No. 1, there is no effect of this amendment on the funding for interceptors which are dedicated to flight tests. The only interceptors affected by this amendment are the deployed interceptors, 21 through 30. Those interceptors are not planned for flight testing.

We were told last night, many of you folks say you want testing, but then you cut interceptors that are going to be used for testing. Let me emphasize that none of the interceptors that we cut are going to be used for flight testing; they are not going to be launched. They are going to sit in those silos. They will not be launched. We just received that word, again, from the missile defense folks.

We asked them: Is it still your plan not to launch those interceptors from the silos in Alaska?

Their answer is: That is correct. That is not our plan for testing. We are not going to launch those interceptors. The interceptors used for testing will be used somewhere else. They are not going to be part of this test bed. We are not cutting those three test interceptor missiles that are going to be used for testing.

When we are all done, if this amendment is adopted, there would still be more spent on missile defense than on any weapons system in the history of this country in any single year. So the idea that somehow or other this is a devastating blow to missile defense is simply not correct. It is 5 percent of the missile defense budget request for this year. It is less than one-third of the interceptors, and none of the test interceptors. These are the extra missiles that were not asked for last year when we were assured by Senator WARNER that the test bed was for 20 silos in Alaska, mainly, and 4 in California.

Now, we talk about the greatest threats that we face. It seems to me that it is almost a consensus that the greatest threats we face come from the loose nukes. As a matter of fact, this body just adopted a Domenici-Feinstein amendment, and that amendment said we ought to fund what is called the Global Threat Reduction Initiative, which has recently been announced by Secretary Abraham.

Secretary Abraham, with great fanfare, announced the $450 million Global Threat Reduction Initiative on May 26. That is just a month ago—not even a month ago. Speaking to the International Atomic Energy Agency, Secretary Abraham said that this new effort, the $450 million Global Threat Reduction Initiative, aimed at the loose nukes, aimed at this fissile material that is distributed around the world—any few kilograms or pounds of which fell into the hands of a terrorist could blow up a city—this new effort, according to Secretary Abraham will "comprehensively and more thoroughly address the challenges posed by nuclear and radiological materials and related equipment that require attention anywhere in the world, by ensuring that they will not fall into the hands of those with evil intentions."

The PRESIDING OFFICER. The Senator has used 10 minutes.

Mr. LEVIN. I yield myself an additional 5 minutes.

Mr. President, the purpose of the initiative was to secure, consolidate, destroy, or return to the United States and Russia nuclear materials from around the world, concentrating on the least secure and the most dangerous materials first. Secretary Abraham committed the United States to dedicate more than $450 million to this effort. Well, there is no money in the 2005 budget for the effort.

The words are there, the commitment is there, Lord knows the threat is there, but the money is not there. So in our bill, Senators DOMENICI, FEINSTEIN, and others—and I was a cosponsor—offered an amendment which authorized this new initiative about which Senator DOMENICI said the following:

> Many of us have worked very hard to put together a program where we and other nations will go to work at ridding the world of proliferation of nuclear products from the nuclear age. We think it is an exciting approach. Eventually, we have to fund it and Presidents have to implement it. But the Senate would be saying today it is good policy to get the world concerned about getting rid of radioactive material from the nuclear age.

This amendment today does what Senators DOMENICI and FEINSTEIN said and this Senate said when we adopted their amendment, which is to fund the initiative. Not just to talk about it, not just to say words which are important, but to actually put dollars behind the words.

As Senator DOMENICI said in offering the amendment, which we adopted, which added this provision in this bill which authorized the Global Threat Reduction Initiative, this amendment:

> [I]s aimed—

As his amendment was and is—

> at expediting global cleanout of nuclear materials and equipment that could represent proliferation risks.

He went on to say:

> Even though we are making progress, the focus on terrorism over the last few years has substantially amplified the level of our concern. In the process, we have learned more about the complicated routes through which important equipment technologies, such as enrichment capabilities, has moved to unfortunate destinations.
>
> Our focus on Russia was appropriate a decade ago. But it is very clear today that proliferation must be viewed as a global problem. We must broaden our programs so that they have a global impact, not only focused on the former Soviet Union.
>
> The increased threat of terrorism should encourage us to seek new ways to expedite the management, security, and disposition of materials that could be dangerous to our national security if they were to fall into the

> wrong hands. These materials include a range of fissile materials, with highly enriched uranium and plutonium being the ones of greatest concern.

My amendment today would ensure that this real and immediate threat to our security is funded, that the money is there.

The money is being transferred from these extra missiles, missiles which have not been tested. If we decide we are going to proceed to deploy 20 untested missiles, so be it, but 21 through 30, not discussed last year when the test bed of the of 20 was described, but added this year, those additional missiles do not come close to being as important to our security as trying to help get rid of fissile and nuclear material that can fall into the hands of terrorists.

Secretary Abraham said, and the words were good:

> We will take these steps because we must. The circumstances of a dangerous world have thrust this responsibility on the shoulders of the civilized world. We don't have the luxury of sitting back and not taking action.

We do not have that luxury, Mr. President. We do not have the luxury of not addressing that new global initiative that Secretary Abraham and the administration said was so important. We have a responsibility to look at how we allocate resources and to weigh the greater risks with the available resources.

It seems so obvious to me that when we compare what is provided in an additional 10 missiles, not tested and not to be used as part of a test—we do not touch any test missiles. We do not touch the 20 missiles in the test bed in Alaska and California. When we compare the funding of $515 million for those additional 10 missiles, those extra 10 missiles not in the 20 silo test bed, with the critical need to obtain this fissile material and to secure it around the world before it falls into the hands of terrorists, it seems to me that the outcome should be very clear. We should put that $515 million into securing that material, to obtaining that material, to securing our ports, and to doing some of the other homeland defense needs that are provided for in my amendment.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has used the 5 additional minutes. He has 14 minutes.

Mr. LEVIN. I thank the Chair, and I reserve the remainder of that time.

The PRESIDING OFFICER. The Senator from Michigan reserves the remainder of his time. The Senator from Colorado.

Mr. ALLARD. Mr. President, I yield myself 10 minutes.

I rise to strongly oppose the Levin amendment. Senator LEVIN proposes to cut $515 million from missile defense and shift funds to a variety of homeland security and counterterrorism provisions. I urge my colleagues to oppose this amendment on a number of grounds.

First, it makes a false distinction between missile defense and homeland security. Missile defense is quintessentially homeland security. That is right, missile defense is homeland security. It protects our homeland from long-range missiles and the most destructive weapons on the planet.

Second, it makes a false distinction between missile defense and counterterror. Throughout the cold war, we were concerned with the balance of terror. Rogue nations with missiles and weapons of mass destruction will use those missiles and weapons to threaten and terrorize the United States, our allies, and our friends.

Third, it would do serious harm to the Missile Defense Program. The $515 million cut in the Levin amendment is for the next 10 ground-based midcourse defense interceptors. Cutting these funds would break the production line for these missiles. It would cause the loss of key personnel, expertise, subcontractors, and suppliers, and then they would have to start all over again, with lead-in delays and extra costs to the program.

The Missile Defense Agency would have to reconstitute the production, requalify and recertify subcontractors and suppliers, and it would have to restart production. Losing these funds for a year could result in a long delay in fielding the next 10 interceptors—between 2 and 3 years after we would have fielded them, I am told—and result in restart costs of nearly $300 million.

Those who oppose missile defense obviously would like to delay. That is what we have been arguing over the last few days. They would like to add costs and then come back and say how this program is not proceeding the way it should. This is an essential program. We should not have delays. We should do everything we possibly can to cut down unnecessary costs because of time delays.

Fourth, it would do serious harm to the defense of the Nation against long-range missile threats. The Missile Defense Agency's assessment is that delaying the next 10 interceptors would leave us critically short of assets in the 2007 timeframe to defend against known and potential threats.

We cannot talk about all the information that is available that informs Senators and how that judgment comes about, but it is available to all Senators, and if they have any questions about that, I urge them to get that information and review it.

And fifth, this amendment is inconsistent with national policy established in legislation and signed into law by President Clinton. The National Missile Defense Act of 1999 established a national policy to deploy a national missile defense as soon as technologically feasible. It is feasible, and these additional interceptors are important to that effort. The Senate approved that act by a vote of 97 to 3, I remind Members of the Senate.

Furthermore, this amendment would move the funds to accounts that are already well funded. Again, I remind my colleagues in the Senate, this missile defense is homeland security.

I want to talk a little bit about these funds. For example, the President's budget includes $47.4 billion for homeland security activities, not including ballistic missile defense throughout the Government, an increase of $6.1 billion, or 15 percent, compared to last year, a $26.8 billion increase to fiscal year 2002.

Being on the Budget Committee, I had an opportunity to do a comparison. Homeland security is getting far more percentage increase than any other agency the President proposed in his budget. Now we are piling in on top of that.

Funding for the Department's activities to counter terrorism has more than doubled in 3 years to $10.2 billion. Of that amount, the President's budget request included $8 billion in DOD programs for homeland defense. The committee's mark added more than $300 million above the budget request.

All of the programs for which Senator LEVIN proposes to add funds in his amendment were funded either at or above the amount of the President's budget request. Many of the recommendations for increased funding in this measure are simply flawed.

For example, one of the first items recommends an increase of $50 million in Air Force research and development to be allocated to NORAD for low altitude threat detection and response technology. This item appears to be directed at cruise missile defense, but it is not clearly enough defined to know how the proposed funding increase would be used. A $50 million increase for ill-defined purposes would not be executable.

I note that the proposal was apparently justified on the basis that the NORTHCOM integrated priority list includes cruise missile defense. This proposed amendment also reduces one of the highest NORTHCOM priorities on its list—that is ballistic missile defense—by $515 million, again reminding the Members of the Senate that missile defense is homeland security.

Finally, I have a letter that was sent to the chairman of the Armed Services Committee from Admiral Ellis, commander of the Strategic Command at Omaha, NE, the head military integrator for missile defense, who expresses his opposition to any cuts to missile defense funding. I will read this letter for the benefit of my colleagues.

DEAR MR. CHAIRMAN:

> I am writing to express concern about possible efforts to cut funding from the President's FY05 budget request for continued fielding of missile defense capabilities, including additional Ground-based Interceptors. As the operational lead for Global Missile Defense, USSSTRATCOM supports the continued appropriate development of missile defense capabilities that will be incrementally fielded and improved under the evolutionary approach of Concurrent Test and Operations. It is especially important to our early success that we have funding support for the production of ground-based interceptors at a rate and quantity sufficient to sustain the evolutionary developmental approach, testing milestones, and our initial defense operational capabilities.
>
> A reduction of interceptor funding would: (1) limit the capability and capacity of the Ballistic Missile Defense System to defend the U.S. against long-range missile attack, and (2) limit the opportunity to gain operational test experience as it will reduce the number of interceptors available to replace deployed interceptors subsequently used in operational testing.

He goes on to say he further appreciates the chairman's support to both develop and provide the Nation with a rudimentary missile defense capability and indicated that this letter was also forwarded to the ranking member of the Senate Armed Services Committee. So the sponsor of this amendment has seen this letter, which is from an individual whom I have had before my committee and somebody whom I highly respect. So there we have it, somebody who is part of STRATCOM giving us a clear reason for why we need to have those additional missiles.

In response to what the sponsor of the amendment said about whether all the missiles are going to be used, that was addressed in a full committee hearing on March 9 in which Senator LEVIN himself, the sponsor of the amendment, asked General Kadish, after he commented about the fact that the missiles would work: How many of the Fort Greeley ones would be launched?

General Kadish answered—and this is not new evidence or new facts that have been brought before the Armed Services Committee or even before the full Senate. General Kadish said: Eventually, all of them.

That response was further pursued by my colleague on the Armed Services Committee, who asked: They would be moved somewhere else, is that it?

General Kadish said: No. Well, they may—this is part of the ongoing planning. That is why we all get frustrated from time to time when we change our plans.

The current plan is to use all of those out at Fort Greeley.

The PRESIDING OFFICER. The Senator has used 10 minutes of his time.

Mr. ALLARD. I yield myself an additional 3 minutes.

Mr. WARNER. Mr. President, reserving the right to object, and I shall not object, will the Chair advise both sides as to the time remaining?

The PRESIDING OFFICER. There is 14½ minutes remaining now on the side of the Senator from Virginia and 14 minutes remaining on the side of the Senator from Michigan.

Mr. WARNER. I thank the Presiding Officer.

Mr. ALLARD. I will respond to the concerns that were raised by the sponsor of the amendment about what he referred to as "loose nukes," and from that same report which he quoted. I would point out that in the report it says the probability that a weapons of mass destruction armed missile will be used against U.S. forces or interests is higher today than during most of the cold war.

This is a real threat, and we should not be saying we have a higher priority on homeland defense or a higher priority on missiles. The fact is we are vulnerable in all areas. We need to address that, and we have been adequately addressing it with our funding for homeland security. Now we need to take care of missile defense and make sure we have adequately taken care of the threat with weapons of mass destruction through missiles that might be launched.

In response to a hearing we had earlier on the need for a missile defense test bed, I will share with my colleagues some testimony by Admiral Ellis, who is the commander of STRATCOM. I asked Admiral Ellis: Do you support the use of the missile defense test bed to provide limited operational capability, yes or no?

Admiral Ellis replies: Yes, sir. Yes, sir.

Then I asked him a further question: Does such a capability contribute to deterrence?

Admiral Ellis says: Absolutely.

Then I responded back: Does such a capability provide a useful strategic option?

Admiral Ellis says: Yes, it does.

Then I further questioned: Does such a capability raise the nuclear threshold?

Admiral Ellis says: It certainly does.

The fourth point I would like to talk about is the funding of the nonproliferation initiative. The biggest portion of Senator LEVIN's proposal adds $211 million for a new nonproliferation initiative in the Department of Energy, but DOE cannot spend the funding it has already for nonproliferation. Right now, DOE has $735 million in unobligated balances for nonproliferation programs, and Senator LEVIN's amendment would push that total up to nearly a billion dollars.

In summary, we are on the right track. The Armed Services Committee has received testimony both in my subcommittee as well as in the full committee and the testimony indicates we have a real need in missile defense and we are taking care of homeland security. I urge my colleagues to join me in opposing the Levin amendment.

The PRESIDING OFFICER. The Senator yields the floor.

Who yields time?

The Senator from Alabama seeks recognition.

Mr. WARNER. I yield 5 minutes to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 5 minutes.

Mr. SESSIONS. Mr. President, I thank the distinguished chairman of the Armed Services Committee, Senator WARNER, for his leadership. I support his position on this issue that is before us today, as well as that of Senator ALLARD who chairs the Strategic Forces Subcommittee of the Armed Services Committee where this matter is dealt with in depth. Both these Senators have worked on this issue for quite some time and have given it serious consideration. I believe they are correct. Indeed, I believe the Levin amendment runs counter to the policy of this Senate that has been established for some time. It is, I believe, now the fourth amendment of its kind, designed to erode the support and commitment we made to deploying a national missile defense system.

A number of years ago, in 1998 or so, this Senate in a bipartisan way adopted the Cochran-Lieberman amendment that declared it was the policy of the U.S. Congress that we should deploy a national missile defense system as soon as practical—not develop one, not research one, but to deploy it as soon as possible. That passed, I believe, with about 90-plus votes in the Senate and was signed by President Clinton. It represents the policy and commitment of the United States.

Over the years, we have moved toward that goal. We were told it could not be done. We were told a missile could not hit a missile in the air. We were told, yes, there may be a threat out there, but it probably is not very real, and even if it is you can't make the technology work. This is Star Wars. It goes back to some degree to the ridicule that was directed toward former President Reagan for his steadfast belief that this country needed to move from just trying to see how many missiles we can aim at our enemies, see how much threat we can focus on them, to the concept he believed was more peaceful, which would be to develop a system that would allow us to defend ourselves against attack. That is what we voted on, and we voted on it virtually unanimously. I think 90 percent plus of the Senators in this body voted for that amendment.

That is where we are today. Now we have here at the last minute, as this bill moves forward, one more attempt to drawdown money and to spend it on other things. Yes, there are a lot of needs in this country. You can go to education, you can go to health care, you can go to homeland security, you can go to a lot of things we believe we need desperately in America, but we are here to make choices. We made a commitment and a choice to field a national missile defense system.

I will point out that a lot of Americans probably do not know this system is working. The science is being proven day after day. In fact, in September we will be placing in the ground in Alaska a national missile defense system that can help protect us from missile attack—not just from North Korea, but from an accidental launch. They could be effective in protecting this country, and as we go forward we will continue to improve this system.

As you test and develop this system, spiraling as we are doing now, then we may find we can develop a better radar system, we can develop a system that can be deployed on ships more effectively than what we have today. We may be able to develop a local land-based system. We may improve our computer system. We may be able to improve our guidance systems. We may be able to improve our ability to defeat even the most sophisticated attempts to confuse a national missile defense system. But it does not have to be perfect before we put it into place today. I say we are going to continue to do that.

I believe we are committed to going forward with this. It would be a terrible mistake to cut $515 million from a system that is on track now to be effective and to be deployed. This will shut down the assembly lines. This will shut down the production that is ongoing. It is going to cost us much more money in the long run. It is not going to be good for our productive system. It is the kind of on-again, off-again political management of the production and deployment of systems that is not healthy for our Defense Department.

I see my time has expired. I thank the chairman for his leadership. I also oppose the Levin amendment.

The PRESIDING OFFICER. The Senator from Alabama yields the floor.

The Senator from Virginia has 5 minutes 5 seconds remaining.

Mr. WARNER. I thank our distinguished colleague from Alabama. He has been in the forefront of this debate for all the years he has been a member of the Armed Services Committee.

At this time, I think it would be fair we allow the distinguished proponent of the amendment to speak for a bit. Then I will follow, and I presume he would like to do a few minutes' wrap-up; is that correct?

Mr. LEVIN. That will be great. I thank my colleague.

The PRESIDING OFFICER (Mr. ENZI). The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 14 minutes remaining.

Mr. LEVIN. I thank the Chair. I will yield myself 6 minutes.

Mr. President, the threat we are talking about addressing in my amendment is not one of our domestic priorities. As important as those priorities are, it is not transferring money from missile defense to education or health care. It is transferring money from the next 10 missiles, untested, numbers 21 through 30, which were not stated to be part of that 20-silo test bed which was presented to us last year, instead taking that money and using that money not for my project but for the administration's stated project of trying to address the "loose nuke" issue.

This is a program, this $450 million program, the administration announced a few weeks ago in Vienna. With great fanfare, Secretary Abraham said we have to address the loose nuke problem around the world. Agreements were signed to counter a nuclear threat; $450 million to prevent research materials going to terrorists as part of a global cleanup plan.

But there is no money in this program. So the Senate comes along a few days ago, and Senator DOMENICI and Senator FEINSTEIN, with the support, I believe, of most of us—surely mine—say we have to move in this direction. They authorize the program. But still no money. The words are there, but the money is not there.

We are talking about the money for a global program, not cleanup in Russia. That money has already been identified. This is for nuclear material around the world that we and the Russians have to identify and secure. That is what that $450 million is. There is not a penny in this budget to secure that nuclear material.

The Russia task force of the Secretary of Energy said that the most urgent unmet security threat to the United States is the danger that weapons of mass destruction or weapons-usable material could be sold to terrorists and used against us. That was the so-called Baker-Cutler task force. Then they said the funding that is provided in the Department of Energy budget falls short of what is required to adequately address the threat.

We had the Harvard task force come forward and say the facts are that the amount of inadequately secured bomb material in the world today is enough to make thousands of nuclear weapons, that terrorists are actively seeking to get it, and that with such material in hand a capable and well-organized terrorist group plausibly could make, deliver, and detonate at least a crude nuclear bomb capable of incinerating the heart of any major city in the world. Securing the vast stockpiles of nuclear materials and weapons around the world is an essential priority for nonproliferation, for counterterrorism, and for homeland security. That is the issue we have to face. Are we going to fund this kind of program, or are we just going to talk about it?

The hundreds of millions of dollars which were identified by Senator ALLARD have nothing to do with this effort to secure nuclear material around the world. The money he identified has to do with a program to try to secure plutonium between ourselves and Russia, a program which is currently stalemated. That is something which hopefully can be worked out between the Russians and the State Department. But the money we are talking about which was so widely proclaimed by Secretary Abraham as being forthcoming has not been forthcoming. There is no money in the budget for it.

It is the loose nuke material that exists around the world that threatens us more than any other single threat, and we don't have any money for it in here. The question is whether we are going to do it or whether we are going to add another 10 interceptors, numbers 21 through 30, add them to the test bed. That is the issue we face. Which is a higher priority for us? Again, I emphasize this amendment does not touch those 20 interceptors which are part of that test bed. We do not touch that. That debate was last week. That is not this amendment.

Last week, we decided we are going to deploy those interceptors. Even though they have not been independently tested, they will still be deployed. Maybe they will work, maybe they will not work, but they will be deployed. OK, that decision was made.

We are talking now about Nos. 21 through 30 and whether that $550 million is better spent the way it is proposed in this budget, or to address the loose nuke problem around the world, to address our border security, to try to inspect the containers by the tens of thousands that come into this country, to put additional funds into new technologies to address how we can identify explosive material at a distance so we do not face a blowup of a ship like the USS *Cole*, a car bomber, or a suicide bomber. That is the issue, whether we are serious about the effort to address the greatest terrorist threats we face or whether we want to put another $500 million into another 10 interceptors which have not yet been tested.

How much time remains?

The PRESIDING OFFICER. The Senator has used 6 minutes. The time remaining on the Senator's side is 7 minutes 45 seconds.

Mr. LEVIN. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I say to our colleagues, I think the Senator and I can agree on this point that there is no vote on this current 2005 authorization bill of greater significance than the vote we will take momentarily.

I frame this vote as follows: The whole of America watched within the past few days the September 11 Commission, its Chairman, face the cameras and say, in response to the astonishment of the American people about the tragic events of September 11, we didn't foresee it, we didn't plan for it, we didn't fund for it, we didn't train for it, and it happened.

I say respectfully to my colleagues, that is precisely what this vote is all about.

The Senator laid down the priorities of the Central Intelligence Agency. I have them before me. I should repeat this one. They say the possibility that a WMD armed missile will be used against the U.S. forces or interests is higher today than during most of the cold-war period.

Senator LEVIN and I have been partners for 25 years on this committee. We went through the cold-war era together. That is an astonishingly high expectation. True, the CIA put somewhat greater emphasis on a number of the programs that will be funded should the Senator's amendment pass, but the Senator would acknowledge to me, I think, that the administration, in sending forth this budget, covered those 10 programs. Six of those programs receive more money than asked for in the budget, and the remaining four programs were funded at the budget level.

He points out a most recent program raised by the Secretary of Energy. I share his concern, but the Secretary of Energy said that can be financed through reprogramming, which is a procedure we follow regularly.

In summary, we are at the crossroads momentarily of whether the Missile Defense Program that this Nation has been working on for these many years, that has been acted upon by the Congress in successive sessions, will continue.

While the Senator said we are not dislodging what has been done by the past Congress, I ask, why we should even go forward with those expenses if we are going to stop the program and gap it, gap it for an indeterminate period? Should we be able to put it together again after several years, at a minimum, who can assure the technical workforce that put together the first missiles will be there? Who can say the contractor wants to pick up, once again, the burden of trying to restart a program, given the background of the stop/start by the Congress if this Levin amendment is adopted?

This amendment will spread uncertainty into this program. The world will begin to say: America is not serious about missile defense.

Much of the technology of these programs for missile defense could well be used in future years by other nations that will recognize their vulnerability to the missiles. When we say "vulnerability," it is not necessarily limited to an aggressor firing, it could be an accidental firing. That has happened. I need only point out the tragic submarine experience. Both Russia and the United States have experienced errors with those magnificent platforms, causing death and destruction. Accidents happen even with the best of intent with military equipment.

We see China coming on, we see North Korea. I think there is no dispute as to their potential today.

We must look at ourselves and go back to that refrain of Lee Hamilton: We didn't plan, we didn't foresee, we didn't train, and it happened. A future generation of America can look on this Senate at this very moment and would have to see, henceforth, if this Nation ever experiences the type of attack to which the Central Intelligence Agency says we are vulnerable.

I urge Members to stay the course and not send a signal that America has stumbled backward.

I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, we should stay the course. We have to address the threats that we know are the major threats. We are not doing that. The loose nuke threat in this world is the No. 1 threat against us. That is what we all believe.

Yet a $450 million program to address those loose nukes is not funded in this budget. There is not a dollar for that program in this budget. We are told now that the Department of Energy will reprogram $450 million. I would like to see that request come in from the Department of Energy. But we do not have that request, either.

What we do have, what we do know, is that the major threat we face is the loose nuke threat. That is what the experts at the Department of Energy tell us. We surely have to address the less likely threats. I could not agree with that more. We should address threats that are not as likely.

But, my heavens, to put nothing in this budget when we have adopted the Domenici-Feinstein amendment which says we will have this global program—there is no money authorized behind it in this budget. We have adopted the Domenici amendment. Senator DOMENICI is exactly right. This is the greatest threat we face, loose nukes. Loose nukes globally are the greatest threat we face. What he said is someday we have to put the funds behind it. That someday is now. We have to compare that threat which we all believe is the most certain threat against the less likely threat identified by the CIA, which is a missile attack.

Now it has been suggested that maybe we should then totally disband the missile defense we have in Alaska. That is not what this amendment is about. I want to emphasize that because it has been mischaracterized. This does not end missile defense in Alaska. Quite the opposite, it continues the funding for those first 20 missiles.

My dear friend from Virginia said last year that test bed is 20 missiles in Alaska. He asked Senator BOXER a few days ago whether this body last year "authorized moving ahead on 20 test bed sites, 16 in Alaska and the balance in [California]." And Senator BOXER said: "Yes." That is what we decided last year. It would be a 20-silo test bed site.

We do not disturb that in any way. We leave more money in this budget after the $500 million is put into "loose nukes." We leave more money in there for interceptors than has been in any fiscal year budget. Mr. President, $1.2 billion is left in the budget this year after my $500 million subtraction. That is more than was there in 2004, 2003, 2002. Any of those years had less money for interceptors.

So the idea that somehow or other we are destroying a missile defense system—when we leave that test bed in Alaska the way it is, we leave the funding for it exactly the way it is, with 20 silos, the way it was stated to be last year, but what we are saying is: Do not add another 10. Do not add another 10 interceptors, not independently tested. We have been through that argument, but they are not tested missiles.

The money that goes into those 10 missiles can be used for a much greater threat, not just the "loose nuke" threat, but the threats that have been identified by NORAD and by the Northern Command. There are many unfunded needs we have listed from NORAD, including low-altitude threat detection and response technologies.

This is another one from the Navy which we fund. Let me read this because it goes right to the USS *Cole* issue. They have an unfunded program that would procure "mobile and shore Explosive Ordnance Disposal detachments to fill gap in required capability to detect chemical, biological, and explosive hazards during Improvised Explosive Device/Weapons Mass Destruction and Force Protection responses." So the Navy says they have an unfunded program need of $21 million to try to identify explosives at a distance.

We all know—surely the chairman of our committee knows—what happened with the USS *Cole*. If we could have identified those little boats carrying explosives at a distance, we would not have had the damage and loss of life we had on the USS *Cole*.

So we have these real needs we would fund in my amendment. We have to compare that to the extra 10 interceptors, Nos. 21 through 30, that do not touch that 20-silo test bed in Alaska.

Mr. President, I ask unanimous consent that a number of documents be printed in the RECORD. One would be the NORAD statement relative to their shortfalls, some of which are funded in my amendment. Second would be two editorials, one from the Washington Post and one from the Los Angeles Times.

Mr. WARNER. Mr. President, I will not object, but I would state that the Department of Energy, addressing the "loose nuke" issue, says they expect to spend $87 million on it this year, and they can't spend any additional money on it. So I think that should be stated likewise.

Mr. LEVIN. If it is $87 million, despite the $450 million which the Secretary of Energy announced, that $87 million is not provided for in this authorization bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LOW ALTITUDE AIR DEFENSE OF NORTH AMERICA

NORAD is leading the development and employment of capabilities for the air defense of North America. Given the proliferation of advanced technologies and improvised delivery platforms operated by terrorist groups and others, on 13 June 2002 the Joint Requirements Oversight Council directed NORAD to develop the "Low Altitude Air Threat Defense of North America Capstone Requirements Document."

This critical homeland defense effort addresses the increasing gap between the growing danger from low altitude, low observable threats and NORAD's current air defense capabilities.

Such threats include cruise missiles, unmanned aerial vehicles, crop dusters, radio controlled low observable aircraft and ultralights.

Limited capabilities exist for fusing surveillance information and the effective engagement and elimination of these increasingly advanced threats launched from air, land or sea.

Emerging technologies should be examined to enable NORAD to detect, identify, track, engage and assess these threats.

There are two aspects to this NORAD-led multi-year effort, which is supported by U.S. Northern Command and the Joint Theater Air Missile Defense Organization:

a. Develop and write a Capstone Requirements Document. The Capstone Requirements Document will provide the overarching set of "plug and play rules"—called requirements—by which all systems, regardless of Service or interagency origin, are to be developed and/or employed in support of detecting, deterring and defending against low altitude air threats. That is, regardless of agency or Service of origin, the systems necessary for the full-spectrum air defense of North America must be interoperable in order to provide NORAD the actionable information it needs to defend against such low altitude air threats.

b. Complete development and evaluation of a suite of technologies. The following technologies have great potential for the successful detection of and defense against low altitude air threats:

Homeland Defense Battle Management Command and Control architecture—will ensure the requisite interoperability of systems to fuse sensor information and pass actionable information to NORAD command and control centers and defending forces;

Technologies for cruise missile detection and identification, including lightweight radar technologies;

Stratospheric airship;

Maritime surveillance;

Surveillance platforms and other sensors; and

Defensive weapons.

From: Nanette Nadeau.
Sent: Wednesday, May 5, 2004.
To: Evelyn Farkas, (Armed Services).
Subject: Anti-Terrorism/Force Protection.

HELLO EVELYN: Here is the information you requested on Anti-Terrorism/Force Protection (AT/FP). In our earlier conversation, you mentioned the FY05 $209.2M AT/FP shortfall for Army Forces Command. Please be aware that USNORTHCOM's other components have AT/FP shortfalls as well.

ANTI-TERRORISM/FORCE PROTECTION (AT/FP)

U.S. Northern Command (USNORTHCOM) and its Service Components; people, installations, forward/deployed facilities and equipment are at increased risk of attack based on recent and emerging asymmetric threats. The Command should have the capability to deter and/or mitigate the risks of terrorist acts against people and property whether in-place or deployed. This includes a physical security program to provide detection (alarms/guards), hardening of structures, replacement of current explosive material detection and personal protection gear (various detectors, night vision goggles, etc.). The AT/FP program would also include resources to conduct anti-terrorism exercises, perform training and promote AT/FP awareness. FY05 AT/FP funding lines for USNORTHCOM's Service Components follow.

[In millions of dollars]

	Baseline	Shortfall
Army Forces Command	$172.4	$209.2
Marine Forces Atlantic	0.0	26.4
Air Force/Air Combat Command	0.4	14.0
Navy Forces Atlantic	128.7	82.5

Our first action on Thursday morning will be to provide you UNCLASSIFIED information on the FY05 $13.3M shortfall for Consequence Management.

We appreciate all your support.

Thank you,

NANETTE A. NADEAU,
Chief, Legislative Liaison,
Commander's Action Group.

From: Nanette Nadeau.
Sent: Thursday, May 6, 2004.
To: Evelyn Farkas (Armed Services).
Subject: Consequence Management.

HI EVELYN: Here is the information you requested on consequence management.

CONSEQUENCE MANAGEMENT

USNORTHCOM, through its components, needs to be able to communicate with federal, state and local agencies to begin damage control and minimize the effects of actual or suspected chemical, biological, radiological, nuclear or high explosive incidents, civil disturbances and other events, when directed by the President or Secretary of Defense. Currently, the Army National Guard (ARNG) has only limited capability to establish communications to support civil authorities. This degrades alternate site operations, High Frequency radio transmissions and prevents secure communications required during domestic support operations.

The FY05 consequence management funding profile for ARNG command and control networks follows:

ARNG: Baseline—$2.4M; Shortfall—$13.3M.

Hope this helps!

NANETTE A. NADEAU,
Chief, Legislative Liaison,
Commander's Action Group.

DEPARTMENT OF THE NAVY, OFFICE OF THE CHIEF OF NAVAL OPERATIONS,
Washington, DC, March 1, 2004.

Hon. IKE SKELTON,
Ranking Member, Committee on Armed Services,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN SKELTON: In response to your letter of February 9, 2004, I am providing a list of unfunded programs to which additional funding could be applied. While the Navy is grateful for and has benefited from the increased resources recently provided by the President and the Congress, there still remain additional shortfalls that are detailed herein.

The Department's FY 2005 Budget continues to focus on our new defense strategy and emergent challenges of the 21st Century. The resources contained in this budget go far in helping us to maintain heightened readiness in uncertain times, to provide further investment in transformational programs, and to take care of our sailors and their families. However, the Global War on Terrorism and current operations incident to Operation Iraq Freedom continue to stretch our resources in many areas. Additionally, the road to attaining our shipbuilding and aircraft procurement program goals remains exceptionally challenging.

For FY 2005, Naval unfunded programs total $2.5 billion. These unfunded items are listed under Enclosure (1).

As always, if I may be of any further assistance, please let me know. A copy of this letter is also being provided to Chairman Hunter and Warner, and Senator Levin.

Sincerely,

VERN CLARK,
Admiral, U.S. Navy.

Enclosure.

USN FY-05 UNFUNDED PROGRAM LIST (PRIORITY)

30	CH-46 ERIP Inventory Adjustment	APN	5.0	The CH-46 will be in service longer than initially projected due to V-22 program delays. The Engine Reliability Improvement Program is the engine reliability and performance solution to the H-46 #1 issue over the last 5 years. The program delivers an engine with twice the reliability of today's engine, is ahead of schedule and meets engine demand and operational readiness requirements from OIF. This funding provides (7) ERIP modifications.
31	LHD 8	SCN	106.0	Fully fund LHD 8 SCN shortfall as well as Ship Self-Defense System (SSDS), AT/FP, and Expeditionary Fighting Vehicle (EFV) support on ship. Funds IPVT shortfalls in TPX-42 and GCCS-M interfaces with SSDS Mk2; Implementation of USS COLE SRG recommendations; Collective protection system; Expeditionary Fighting Vehicle integration.
32	LHA(R)	SCN	250.0	Provides funding that will deliver a transitional platform fielding transformational capabilities.
33	5"/54 Upgrades on CGs	RDTEN	10.0	As part of the CG Modernization program, upgrades existing 5"54 gun to interface with upgraded fire control system and SPQ-9B radar. Allows use of Task Force Hip Pocket 5" rounds against small boats. Supports Sea Strike and Sea Shield pillars.

USN FY–05 UNFUNDED PROGRAM LIST (PRIORITY)—Continued

34	ARCI/Advanced Process Build Integration	RDTEN	20.0	Additional funds needed to accelerate Acoustic Rapid COTS Insertion (ARCI) upgrades to 13 ships that will not get ARCI upgrades before deployment. Includes Adv. Processor Build (APB) 04 integration which includes High Frequency Tactical Control Sonar, AI&R SPVA sensor and processing, real time reach back analysis and spectral trackers.
35	CHEM/BIO	MULTI	21.4	Procures systems for mobile and shore Explosive Ordnance Disposal (EOD) detachments to fill gap in required capability to detect chemical, biological, and explosive hazards during Improvised Explosive Device/Weapons Mass Destruction and Force Protection responses. Currently the EOD detachments are limited in this capability. Replaces 2800 CBD respirators that have exceeded service life plus 2-year extension. Allows USN/USMC aircrew to operate in CBRN threat environment until Joint Service Aircrew Mask is fielded in FY09.
36	ESSM on Large Decks	MULTI	34.2	Funds completion of Ship Self Defense System (SSDS) MK2 and procurement of one CEC system, one SPQ–9B system, and one complete Re-architectured NATO Seasparrow Missile System (RNSSMS) including a shipset and installation costs for two Mk29 (ORDALT) missile launchers.
37	AV–8B Engine Life Management Program	RDTEN	5.0	The AV–8B Engine Life Management Program (ELMP) improves the F402 engine's safety and reliability to increase the Mean Time Between engine Removal (MTBR) from 275 hours to 800 hours, and to ensure the AV–8B will remain a ready and relevant combat aircraft until transition to the JSF (STOVL). Accelerated Simulated Mission Endurance Testing III (ASMET III) ensures engine test experience remains ahead of Fleet experience. $2.0M will complete the remaining unfunded portion of the ASMET III test scheduled for FY2005. $3.0M is required to reinstate the previously cancelled Engine Monitoring System (EMS) plan in FY 2005.

[From the Washington Post, June 11, 2004]

TOO SLOW ON NUKES

The group of eight industrialized nations took a couple of steps at their summit meeting in Georgia this week to prevent the proliferation of nuclear weapons. Urged on by the Bush administration, the leaders of Europe, Japan, Canada and Russia agreed to a one-year moratorium on supplying equipment for producing fissile material to countries that do not already have it. Mr. Bush seeks a permanent ban, which will be discussed in the coming months. The G–8 also announced seven new participants in its program for funding the securing of nuclear materials in the former Soviet Union and agreed to press more non-nuclear countries to accept expanded inspections by the International Atomic Energy Agency. The various initiatives followed several recent steps by the Bush administration—including a new $450 million program to collect enriched uranium and plutonium from 40 countries around the world—that have added momentum to its efforts to prevent the spread of nukes to nations or terrorist groups.

This program nevertheless looks paltry in comparison with recent developments in the opposite direction. Both North Korea and Iran appear to be continuing with nuclear weapons development, overcoming ineffective containment efforts by the Bush administration and oft-divided groups of its allies. Next week the IAEA board will meet to consider a report that a formal Iranian commitment to freeze work on enriching uranium was never honored. It's not clear that all the nuclear equipment secretly produced and traded by the Pakistan-based network of Abdul Qadeer Khan has been tracked down: Some seems to have disappeared. Evidence has emerged, meanwhile, that North Korea already has exported nuclear technology, to Libya. Though Libya is dismantling its program, there is an obvious danger that North Korea will sell bombs or the technology for them to others. It's easy to fault the ineffective strategies for these threats pursued by the Bush administration or, in the case of Iran, by European governments. But it's also unclear whether any approach, from negotiation to military action, would succeed—though the effort at containment must go on.

What's odd in such circumstances is the relative sluggishness with which the world has attacked the part of the nuclear menace that is relatively easier to deal with, if equally frightening: that of "loose nukes" and the materials needed to make them. All the elements needed to manufacture a nuclear weapon are readily available in global markets, save the fissile core of highly enriched uranium or plutonium—and hundreds of tons of these materials are stored under insecure conditions in the nations of the Soviet Union and other countries. A decade-old U.S. program has safeguarded only 20 percent of the material in Russia and less than that elsewhere. According to a recent report by a team of Harvard University researchers, less fissile material was secured in the two years after Sept. 11, 2001, than in the two years before the attacks.

Though it is working harder at securing the loose nukes, the Bush administration is still giving this effort a fraction of the resources it is spending to deploy a missile defense system against a threat—a rogue state with an intercontinental missile—that does not currently exist. At the current rate of work, it will take 13 years to secure the remaining bomb-grade material in the former Soviet Union and more than a decade to collect it from other countries. Mr. Bush's challenger, Sen. John F. Kerry (D-Mass), has laid out a plan to complete the same job within four years. The president could help his own political cause as well as U.S. security by matching that commitment.

[From the Los Angeles Times, May 30, 2004]

A BIGGER PERIL: DIRTY BOMBS

During the Cold War, the United States, under the Atoms for Peace program, and the Soviet Union actively exported nuclear materials abroad to friendly countries. The justification was that they were helping to promote the peaceful use of nuclear energy. Now the U.S. and Russia are reviving efforts to retrieve uranium before it ends up in a terrorist dirty bomb detonated in a major city.

On Thursday, in a deal that followed a welter of new terror warnings from the Justice Department, Energy Secretary Spencer Abraham signed a $450-million agreement with Russia to retrieve nuclear materials.

Information about contributions to the global nuclear black market by top Pakistani scientist Abdul Qadeer Khan has prompted the administration to revive its lagging non-proliferation efforts. In a Feb. 11 speech, President Bush warned that "terrorists and terror states are in a race for weapons of mass murder, a race they must lost."

Yet, as a new Harvard University study obtained by the Washington Post reports, not enough is being done against such weapons. Less fissile material was put in safekeeping in the two years after Sept. 11 than in the two years preceding it. More than 40 countries could supply materials for an atomic weapon. The U.S. has spent billions since 1992 to secure nuclear materials, but bureaucratic wrangling has stalled many programs inside Russia. According to the General Accounting Office, even rudimentary safety measures to deter the theft of dangerous materials are lacking at many Russian nuclear labs. What's more, the Energy Department's own auditors warned in February that substantial caches of uranium produced here were "out of U.S. control."

Abraham's initiative states that the U.S. will retrieve radiological material it has sent abroad and earmarks $100 million to aid Russian efforts. According to Atomic Energy Minister Alexander Rumyantsev, Moscow will remove uranium from 20 Soviet and Russian-built reactors in 17 countries. Russia also promises not to complete Iran's Bushehr nuclear power plant without a guarantee that spent fuel will be sent to Moscow.

Though Abraham's move is a welcome one, the Bush administration continues to waste far larger sums on a missile defense system intended to defend the country against nuclear missile attacks from rogue states or terrorists. For 2005, the administration's funding request is more than $10 billion, about 22 times the cost of the Energy Department effort. Yet most experts agree that groups such as Al Qaeda are far more likely to produce dirty bombs than nuclear missiles. It makes more sense to invest in preventing nuclear materials from falling into the hands of terrorists than to pour billions into a system that has succeeded only in what amounts to rigged testing.

The Abraham initiative deserves credit as a cost-effective program against an immediate danger. Missile defense, on the other hand, is most effective as a profit center for the defense industry.

Mr. LEVIN. Mr. President, the Washington Post editorial says:

> What's odd in these circumstances is the relative sluggishness with which the world has attacked the part of the nuclear menace that is relatively easier to deal with—

And they are comparing it to the North Korean transfer of technology; and that is the "loose nukes" and the materials that are needed to make them.

The Post editorial says:

> . . . [T]his Bush administration is still giving this effort a fraction of the resources it is spending to deploy a missile defense system against a threat—a rogue state with an intercontinental missile—that does not currently exist. At the current rate of work, it will take 13 years to secure the remaining bomb-grade material in the former Soviet Union and more than a decade to collect it from other countries.

Mr. WARNER. Mr. President, I would make an offer to my distinguished colleague, if he wishes to advance an amendment on the issue of the "loose nukes," to work with him to see whether, in this bill right now, we could take that one change, if you feel it is inadequately funded.

Mr. LEVIN. There is no funding. It is not just inadequate, we do not have funding for that $450 million amount.

The PRESIDING OFFICER. All time on the amendment is expired.

AMENDMENT NO. 3457, AS MODIFIED

Mr. WARNER. Mr. President, I ask unanimous consent that the Burns second-degree amendment be modified with the technical changes at the desk.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 3457), as modified, is as follows:

At the end of the matter proposed to be inserted, add the following:

(c) ADDITIONAL FACTORS IN INDECENCY PENALTIES; EXCEPTION.—Section 503(b)(2) of the Communications Act of 1934 (47 U.S.C. 503(b)(2)), is further amended by adding at the end the following:

"(F) In the case of a violation in which the violator is determined by the Commission under paragraph (1) to have uttered obscene, indecent, or profane material, the Commission shall take into account, in addition to the matters described in subparagraph (E), the following factors with respect to the degree of culpability of the violator:

"(i) Whether the material uttered by the violator was live or recorded, scripted or unscripted.

"(ii) Whether the violator had a reasonable opportunity to review recorded or scripted programming or had a reasonable basis to believe live or unscripted programming would contain obscene, indecent, or profane material.

"(iii) If the violator originated live or unscripted programming, whether a time delay blocking mechanism was implemented for the programming.

"(iv) The size of the viewing or listening audience of the programming.

"(v) Whether the obscene incident or profane language was within live programming not produced by the station licensee or permitee.

"(vi) The size of the market.

"(vii) Whether the violation occurred during a children's television program (as such term is used in the Children's Television Programming Policy referenced in section 73.4050(c) of the Commission's regulations (47 C.F.R. 73.4050(c)) or during a television program rated TVY, TVY7, TVY7FV, or TVG under the TV Parental Guidelines as such ratings were approved by the Commission in implementation of section 551 of the Telecommunications Act of 1996, Video Programming Ratings, Report and Order, CS Docket No. 97-55, 13 F.C.C. Rcd. 8232 (1998)), and, with respect to a radio broadcast station licensee, permittee, or applicant, whether the target audience was primarily comprised of, or should reasonably have been expected to be primarily comprised of, children."

"(G) The Commission may double the amount of any forfeiture penalty (not to exceed $550,000 for the first violation, $750,000 for the second violation, and $1,000,000 for the third or any subsequent violation not to exceed up to $3,000,000 for all violations in a 24-hour time period notwithstanding section 503(b)(2)(C)) if the Commission determines additional factors are present which are aggravating in nature, including—

"(i) whether the material uttered by the violator was recorded or scripted;

"(ii) whether the violator had a reasonable opportunity to review recorded or scripted programming or had a reasonable basis to believe live or unscripted programming would contain obscene, indecent, or profane material;

'(iii) whether the violator failed to block live or unscripted programming;

"(iv) whether the size of the viewing or listening audience of the programming was substantially larger than usual, such as a national or international championship sporting event or awards program; and

"(v) whether the violation occured during a children's television program (as defined in subparagraph (F)(vii)).".

AMENDMENT NO. 3338

Mr. WARNER. Mr. President, I am sure my colleague would want to ask for the yeas and nays on his amendment.

Mr. LEVIN. Mr. President, I thank my good friend.

Mr. WARNER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, prior to the vote going forward, it is my understanding the majority has been consulted, and the distinguished Democratic leader, following these votes, wishes to offer his amendment dealing with veterans health benefits.

Mr. WARNER. Mr. President, I certainly want to accommodate the leadership. But I spoke earlier this morning outlining what I understood was going to be the sequence of events in the morning. We certainly want to accommodate the distinguished Democratic leader, but one of our Members, for very special reasons, has to be absent this afternoon. He is a member of the commission on WMD, and he wished to rebut Senator DAYTON's amendment, which would be a very short period of time this morning.

Mr. REID. How long does the Senator from Arizona wish to speak?

Mr. WARNER. I would say 15 minutes.

Mr. REID. The votes will probably be completed shortly after 11 o'clock. We at least hope that is the case.

Mr. WARNER. The two votes.

Mr. REID. Mr. President, I meant to say 12 o'clock, which does not leave much time for the Democratic leader.

Mr. WARNER. Could the Democratic leader then be recognized immediately after the luncheons?

Mr. REID. We would ask, then, that the Democratic leader be allowed to lay down his amendment, and that he would complete the debate at some subsequent time. And then if Senator McCAIN——

Mr. WARNER. In other words, if I understand the request now, it is simply to come in and be recognized for the purpose of laying down the amendment so it is in the queue, and then we will proceed with the Dayton amendment and those matters we originally scheduled?

Mr. REID. That is right. I do not know about the Dayton matter originally scheduled.

Mr. WARNER. Apparently my leader would like to address this issue. We want to be cooperative and supportive of the procedural aspects of it. Could we proceed at least through the first vote and then, in that interim period, be able to provide an answer?

Mr. REID. That is fine. I will be happy to do that. But I see no prejudice to anyone if he is allowed to lay down his amendment.

Mr. WARNER. I share that, but any manager has to be cognizant of the needs of his respective leader. So we will proceed to the first vote, with an understanding there will be a modest period in between to hopefully resolve this issue.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3338. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 44, nays 56, as follows:

[Rollcall Vote No. 133 Leg.]

YEAS—44

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carper
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham (FL)
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lincoln
Mikulski
Murray
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Wyden

NAYS—56

Alexander
Allard
Allen
Bayh
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee
Chambliss
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Ensign
Enzi
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Kyl
Lieberman
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (FL)
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Sununu
Talent
Thomas
Voinovich
Warner

The amendment (No. 3338) was rejected.

Mr. WARNER. I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I ask that the vote that is about to be taken be deferred in recognition of a need by the distinguished Democratic whip.

AMENDMENT NO. 3409

Mr. REID. Mr. President, I ask unanimous consent that the pending order be set aside and if there is a pending amendment that it be set aside, and I be allowed to offer for Senator DASCHLE amendment No. 3409.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, we return to regular order.

Mr. REID. Mr. President, does that amendment need to be reported?

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. DASCHLE, proposes an amendment numbered 3409.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To assure that funding is provided for veterans health care each fiscal year to cover increases in population and inflation)

At the end of subtitle G of title X, add the following:

SEC. 1068. FUNDING FOR VETERANS HEALTH CARE TO ADDRESS CHANGES IN POPULATION AND INFLATION.

(a) IN GENERAL.—Chapter 3 of title 38, United States Code, is amended by adding at the end the following new section:

"§320. Funding for veterans health care to address changes in population and inflation

"(a) For each fiscal year, the Secretary of the Treasury shall make available to the Secretary of Veterans Affairs the amount determined under subsection (b) with respect to that fiscal year. Each such amount is available, without fiscal year limitation, for the programs, functions, and activities of the Veterans Health Administration, as specified in subsection (c).

"(b)(1) The amount applicable to fiscal year 2005 under this subsection is the amount equal to—

"(A) 130 percent of the amount obligated by the Department during fiscal year 2003 for the purposes specified in subsection (c), minus

"(B) the amount appropriated for those purposes for fiscal year 2004.

"(2) The amount applicable to any fiscal year after fiscal year 2005 under this subsection is the amount equal to the product of the following, minus the amount appropriated for the purposes specified for subsection (c) for fiscal year 2004:

"(A) The sum of—

"(i) the number of veterans enrolled in the Department health care system under section 1705 of this title as of July 1 preceding the beginning of such fiscal year; and

"(ii) the number of persons eligible for health care under chapter 17 of this title who are not covered by clause (i) and who were provided hospital care or medical services under such chapter at any time during the fiscal year preceding such fiscal year.

"(B) The per capita baseline amount, as increased from time to time pursuant to paragraph (3)(B).

"(3)(A) For purposes of paragraph (2)(B), the term 'per capita baseline amount' means the amount equal to—

"(i) the amount obligated by the Department during fiscal year 2004 for the purposes specified in subsection (c), divided by

"(ii) the number of veterans enrolled in the Department health care system under section 1705 of this title as of September 30, 2003.

"(B) With respect to any fiscal year, the Secretary shall provide a percentage increase (rounded to the nearest dollar) in the per capita baseline amount equal to the percentage by which—

"(i) the Consumer Price Index (all Urban Consumers, United States City Average, Hospital and related services, Seasonally Adjusted), published by the Bureau of Labor Statistics of the Department of Labor for the 12-month period ending on the June 30 preceding the beginning of the fiscal year for which the increase is made, exceeds

"(ii) such Consumer Price Index for the 12-month period preceding the 12-month period described in clause (i).

"(c)(1) Except as provided in paragraph (2), the purposes for which amounts made available pursuant to subsection (a) shall be all programs, functions, and activities of the Veterans Health Administration.

"(2) Amounts made available pursuant to subsection (a) are not available for—

"(A) construction, acquisition, or alteration of medical facilities as provided in subchapter I of chapter 81 of this title (other than for such repairs as were provided for before the date of the enactment of this section through the Medical Care appropriation for the Department); or

"(B) grants under subchapter III of chapter 81 of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"320. Funding for veterans health care to address changes in population and inflation.".

Mr. WARNER. Regular order.

AMENDMENTS NOS. 3235 AND 3457

The PRESIDING OFFICER. The Senate will resume consideration of amendment No. 3235.

Under the previous order, the Burns second-degree amendment No. 3457 is agreed to.

The amendment (No. 3457) was agreed to.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that Senator BYRD be added as a cosponsor to amendment No. 3235.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3464 TO AMENDMENT NO. 3235

Mr. BROWNBACK. Mr. President, I call up amendment No. 3464, which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The journal clerk read as follows:

The Senator from Kansas [Mr. BROWNBACK] proposes an amendment numbered 3464.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To increase the penalties for violations by television and radio broadcasters of the prohibitions against transmission of obscene, indecent, and profane language)

Strike page 1 line 2 through page 3 line 3 and insert the following:

SEC. . BROADCAST DECENCY ENFORCEMENT ACT OF 2004.

(a) SHORT TITLE.—This section may be cited as the "Broadcast Decency Enforcement Act of 2004".

(b) INCREASE IN PENALTIES FOR OBSCENE, INDECENT, AND PROFANE BROADCASTS.—Section 503(b)(2) of the Communications Act of 1934 (47 U.S.C. 503(b)(2)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively;

(2) by inserting after subparagraph (B) the following new subparagraph:

"(C) Notwithstanding subparagraph (A), if the violator is—

"(i)(I) a broadcast station licensee or permittee; or

"(II) an applicant for any broadcast license, permit, certificate, or other instrument or authorization issued by the Commission; and

"(ii) determined by the Commission under paragraph (1) to have broadcast obscene, indecent, or profane language, the amount of any forfeiture penalty determined under this subsection shall not exceed $275,000 for each violation or each day of a continuing violation, except that the amount assessed for any continuing violation shall not exceed a total of $3,000,000 for any single act or failure to act."; and

(3) in subparagraph (D), as redesignated by paragraph (1), by striking "subparagraph (A) or (B)" and inserting "subparagraph (A), (B), or (C)".

(c) EFFECTIVE DATE.—This section shall take effect 2 days after the date of enactment of this section.

Mr. BROWNBACK. Mr. President, I ask for the yeas and nays on this amendment. This is the decency amendment that has been widely discussed.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to amendment No. 3464. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 99, nays 1, as follows:

[Rollcall Vote No. 134 Leg.]

YEAS—99

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Cornyn
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Pryor
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Voinovich
Warner
Wyden

NAYS—1

Breaux

The amendment (No. 3464) was agreed to.

Mr. WARNER. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3465 TO AMENDMENT NO. 3235

The PRESIDING OFFICER. Under the previous order, Senator DORGAN is recognized to offer an amendment.

Mr. REID. I send the amendment to the desk on his behalf.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. DORGAN, proposes an amendment numbered 3465 to amendment No. 3235.

The amendment is as follows:

In the amendment, strike all beginning on page 1, line 2, through page 3, line three, and insert the following:

SEC. . BROADCAST DECENCY ENFORCEMENT ACT OF 2004.

(a) SHORT TITLE.—This section may be cited as the "Broadcast Decency Enforcement Act of 2004".

(b) PURPOSE.—The purpose of this section is to increase the FCC's authority to fine for indecent broadcasts and prevent further relaxation of the media ownership rules in order to stem the rise of indecent programming.

(c) FINDINGS.—The Congress makes the following findings:

(1) Since 1996 there has been significant consolidation in the media industry, including:

(A) RADIO.—Clear Channel Communications went from owning 43 radio stations prior to 1996 to over 1,200 as of January 2003; Cumulus Broadcasting, Inc. was established in 1997 and owned 266 stations as of December 2003, making it the second-largest radio ownership company in the country; and Infinity Broadcasting Corporation went from owning 43 radio stations prior to 1996 to over 185 stations as of June 2004;

(B) TELEVISION.—Viacom/CBS's national ownership of television stations increased from 31.53 percent of U.S. television households prior to 1996 to 38.9 percent in 2004; GE/NBC's national ownership of television stations increased from 24.65 percent prior to 1996 to 33.56 percent in 2004; NewsCorp/FOX's national ownership of television stations increased from 22.05 percent prior to 1996 to 37.7 percent in 2004;

(C) MEDIA MERGERS.—In 2000, Viacom merged with CBS and UPN; in 2002, GE/NBC merged with Telemundo Communications, Inc., and in 2004 with Vivendi Universal Entertainment; in 2003 News Corp./Fox acquired a controlling interest in DirecTV; in 2000, Time Warner, Inc., merged with America Online.

(2) Over the same period that there has been significant consolidation in the media industry the number of indecency complaints also has increased dramatically. The largest owners of television and radio broadcast holdings have received the greatest number of indecency complaints and the largest fines, including

(A) Over 80 percent of the fines proposed by the Federal Communications Commission for indecent broadcasts were against stations owned by two of the top three radio companies. The top radio company alone accounts for over two-thirds of the fines proposed by the FCC;

(B) Two of the largest fines proposed by the FCC were against two of the top three radio companies;

(C) In 2004, the FCC received over 500,000 indecency complaints in response to the Superbowl Halftime show aired on CBS and produced by MTV, both of which are owned by Viacom. This is the largest number of complaints ever received by the FCC for a single broadcast;

(D) The number of indecency complaints increased from 111 in 2000 to 240,350 in 2003;

(3) Media conglomerates do not consider or reflect local community standards.

(A) The FCC has no record of a television station owned by one of the big four networks (Viacom/CBS, Disney/ABC, News Corp./Fox or GE/NBC) pre-empting national programming for failing to meet community standards;

(B) FCC records show that non-network owned stations have often rejected national network programming found to be indecent and offensive to local community standards;

(C) A letter from an owned and operated station manager to a viewer stated that programming decisions are made by network headquarters and not the local owned and operated television station management;

(D) The Parents Television Council has found that the "losers" of network ownership "are the local communities whose standards of decency are being ignored;"

(4) The Senate Commerce Committee has found that the current fines do not deter indecent broadcast because they are merely the cost of doing business for large media companies. Therefore, in order to prevent the continued rise of indecency violations, the FCC's authority for indecency fines should be increased and further media consolidation should be prevented.

(d) INCREASE IN PENALTIES FOR OBSCENE, INDECENT, AND PROFANE BROADCASTS.—Section 503(b)(2) of the Communications Act of 1934 (47 U.S.C. 503(b)(2)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively;

(2) by inserting after subparagraph (B) the following new subparagraph:

"(C) Notwithstanding subparagraph (A), if the violator is—

"(i)(I) a broadcast station licensee or permittee; or

"(II) an applicant for any broadcast license, permit, certificate, or other instrument or authorization issued by the Commission; and

"(ii) determined by the Commission under paragraph (1) to have broadcast obscene, indecent, or profane language, the amount of any forfeiture penalty determined under this subsection shall not exceed $275,000 for each violation or each day of a continuing violation, except that the amount assessed for any continuing violation shall not exceed a total of $3,000,000 for any single act or failure to act."; and

(3) in subparagraph (D), as redesignated by paragraph (1), by striking "subparagraph (A) or (B)" and inserting "subparagraph (A), (B), or (C)".

(e) NEW BROADCAST MEDIA OWNERSHIP RULES SUSPENDED.—

(1) SUSPENSION.—Subject to the provisions of paragraphs (d)(2), the broadcast media ownership rules adopted by the Federal Communications Commission on June 2, 2003, pursuant to its proceeding on broadcast media ownership rules, Report and Order FCC03–127, published at 68 FR 46286, August 5, 2003, shall be invalid and without legal effect.

(2) CLARIFICATION.—The provisions of paragraph (1) shall not supersede the amendments made by section 629 of the Miscellaneous Appropriations and Offsets Act, 2004 (Public Law 108–199).

The PRESIDING OFFICER. Under the previous order, the amendment is agreed to.

The amendment (No. 3465) was agreed to.

AMENDMENT NO. 3466 TO AMENDMENT NO. 3235

(Purpose: To protect children from violent programming)

The PRESIDING OFFICER. Under the previous order, Senator HOLLINGS is recognized to offer an amendment.

Mr. REID. I send an amendment to the desk on behalf of Senator HOLLINGS.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. HOLLINGS, proposes an amendment numbered 3466 to amendment No. 3235.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The PRESIDING OFFICER. Under the previous order, the amendment is agreed to.

The amendment (No. 3466) was agreed to.

AMENDMENT NO. 3235

The PRESIDING OFFICER. Under the previous order, the Brownback amendment, as amended, is agreed to.

The amendment (No. 3235) was agreed to.

Mr. WARNER. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. The Burns amendment, likewise.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3457

Mr. BURNS. Mr. President, I am pleased that amendment No. 3457 was accepted by unanimous consent in the Senate today. While I fully support the underlying Brownback legislation, I have offered a second-degree amendment to protect the interests of small broadcasters who should not be punished for events outside of their control. The amendment agreed upon simply calls on the FCC to consider the size of the stations in question as well as whether they had anything to do with producing the offensive content in question.

I applaud the efforts of my colleague from Kansas, Mr. BROWNBACK, for his leadership on the issue of broadcast decency, and I am fully supportive of his legislation. This legislation gives the Federal Communications Commission the tools they need to go after those responsible for exposing our children to indecent material.

With the recent trend of indecent events in the media, it is time to raise the current fine levels in order to prompt stations to more carefully screen their programming. These higher fines are appropriate for most stations. However, if the fines are too high for a local Montana broadcaster, it could well force them to close up shop.

In Montana, we have numerous stations that are so marginally profitable that the only reason they remain on the air is because the good citizens of their communities refuse to let them go dark.

For example, in Scobey, MT, townspeople regularly buy "stock" in KCGM because the community is so small that, in the words of manager Dixie Halvorsen, "there is no reason for anyone to buy advertising in this station. We have but one local market, one drug store, and one feed store. They buy time with us because they want their local news and their local high school sports and the local legion baseball and the local weather . . . "

Plentywood is much the same. KATQ has a local advisory board that oversees the operation of the station. It is made up of members of the business and non-profit community to ensure that their local stations remain on the air.

Nearly two-thirds of the radio stations in Montana are small market "mom and pops." In Libby, MT. Duane and Peggy Williams operate KLCB-AM and KTNY-FM with the help of several part-time stringers and some high school students. Libby has a depressed economy and is a Superfund site. When the EPA held meetings and hearings with all of us in the Congressional delegation, along with the Governor and other State and Federal officials, Duane and Peggy interrupted their entire programming for the day to cover the issue.

It is not at all inconceivable that during these hours of live broadcasts, an upset citizen might utter a word or phrase that could be considered indecent under this provision of the law. An excessive fine would mean the end of Duane and Peggy's stations and dreams and the end of local radio in Libby.

And there are hundreds, perhaps thousands, of people like Duane and Peggy who do not deserve such treatment for simply trying to do what is best by their communities.

Examples such as this are why I introduced the amendment that was agreed to today. This amendment outlines mitigating factors that the Commission shall consider when determining the degree of a fine that will help shield smaller stations from an unnecessarily strong financial blow.

I thank Mr. BROWNBACK for taking the lead on this important piece of legislation, and I am pleased that my colleagues have recognized the importance of the small-market station amendment.

Mr. TALENT. Mr. President, today I rise to make a few remarks about my vote today for Senator BROWNBACK's amendment regarding broadcast indecency. I supported this amendment as modified by the Burns second-degree amendment because it includes protections for small market stations. Combined, the Burns and Brownback amendments would curb the broadcast of indecent material without unjustly penalizing local broadcasters who unknowingly transmit it.

I have spoken with Missouri broadcasters who worry that the stand-alone Brownback legislation would subject them to large fines for merely transmitting a program containing indecent material, like that contained in the Superbowl halftime show, without their knowledge of the indecency. Combined, the Burns-Brownback amendments would not place broadcasters in this situation since it requires the Federal Communications Commission to consider several factors including knowledge in determining whether to levy a fine, and how much that fine should be.

Under current law, local broadcasters are essentially liable for everything that comes across their airwaves, even a Janet Jackson-type incident that they are downstream from and have had no opportunity to review. This quasi-strick liability standard is simply not fair, and that is one reason why I believe the law should be changed.

The Burns amendment in particular corrects this unfairness by requiring the FCC to consider factors in assessing fines including whether the material was scripted or recorded and whether the violator had a reasonable opportunity to review the script or recording, thereby demonstrating that the violator had knowledge that the indecent, obscene or profane material would be aired or, otherwise, had a reasonable basis to believe that live or unscripted programming would contain indecent material. In determining culpability, the FCC would be required to consider mitigating factors including whether the licensee had a reasonable opportunity to review the programming or had reason to believe it may contain obscene, indecent, or profane material. I believe these provisions address local broadcasters' concerns and protect them from arbitrary FCC enforcement.

I support the Burns-Brownback amendments because of these provisions, but I am still concerned about the phenomenon of congressional overreaction to current events. Like many other parents, I feel that this year's Superbowl halftime show contained indecent material and that those responsible should be held accountable. After the Superbowl, hundreds of Missourians contacted my to share similar views. There seems to be a tendency among elected officials to respond to such a strong outpouring of support by not only trying to fix the problem, but by trying to fix it in a way that swings the legislative pendulum too far in other directions, to over-regulate. I do not believe that these amendments as combined go too far, but if they do I want to hear from Missouri broadcasters and work with them to address their concerns.

I thank Senators BURNS and BROWNBACK for their hard work on this legislation, and for addressing my concerns.

Mr. WARNER. We are moving along quite well. All are in agreement with great cooperation on both sides. We are about to proceed to the amendment, the "Buy America" from our colleague on the committee. The Senator from Arizona on this side is ready.

Mr. REID. Will the Senator yield?

Mr. WARNER. Yes.

Mr. REID. Senator DAYTON indicated he wishes to speak for a short period of time. The Senator from Arizona does not usually speak very long. Does the Senator have any idea how long he will talk?

Mr. MCCAIN. No longer than 10 or 15 minutes.

Mr. REID. We can complete all debate on this amendment. Senator DAYTON said he would not speak for more than 5 or 10 minutes following the Senator from Arizona, and that would complete debate on the amendment.

Mr. WARNER. Except the Senator from Virginia would like about 3 minutes to wrap up at the conclusion.

Mr. REID. Totally appropriate.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I ask unanimous consent I be allowed 15 minutes for my substitute, the Senator from Minnesota be given 10 minutes in response, and the Senator from Virginia, 3 minutes, followed by a rollcall vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arizona.

AMENDMENT NO. 3461

Mr. MCCAIN. Yesterday, Senator WARNER called up a substitute amendment. I ask unanimous consent the substitute amendment be called up for its immediate consideration.

The PRESIDING OFFICER. The amendment is pending.

Mr. MCCAIN. My reasons for offering this substitute amendment are simple. It will be very harmful if we allow the Dayton amendment to be adopted in its original form. It is harmful to the Department of Defense, our soldiers in uniform, our domestic defense industry, and, not least, the American taxpayer.

The amendment I am offering in the form of a substitute would grant waiver authority for the application of a domestic source or content requirement with a country that has signed a declaration of principles with the United States. This substitute amendment aims to assure that the Department of Defense, charged with protecting our national security, is not limited in its ability to carry out the functions the American public is depending on it to do.

The Dayton amendment would give preferential treatment to U.S. suppliers and does not accomplish the more important objective, which is to provide our troops with the best product for the best price. It may not sound like much on first consideration, but it would have far-reaching consequences on national security efforts and violate many of our trade agreements with respect to defense procurement.

Despite the good intentions of the proponents of the "Buy America" amendment, if it passed in its current form, it could have consequences to our Nation, impacting jobs and our economic prosperity. Further, it would harm our relationships with our allies and coalition partners and our collective prosecution of the war on terror.

As for the international considerations of the Dayton amendment, it is isolationist and go-it-alone. Currently, the United States enjoys a trade balance in defense exports of 6 to 1 in favor with respect to Europe, and 12 to 1 with respect to the rest of the world. I don't think there is any doubt if we restricted what we would buy from other nations, they would then, in return, respond. If we pass the Dayton amendment without modifications, our allies will retaliate, and the ability to sell U.S. equipment as a means to greater interoperability with NATO and non-NATO allies would be seriously undercut. Critical international programs such as the Joint Strike Fighter Program and the Missile Defense Program would likely be terminated as our allies reassess our defense cooperation.

There are many examples of a trade imbalance that I can point to. I mention one government: The Dutch Government, over a 4-year period, purchased $2.5 billion in defense equipment from U.S. manufacturers, including air refueling planes, Chinook helicopters, Apache helicopters, F-16 fighter equipment, missiles, combat radios, and various equipment. During that same period, the United States purchased only $40 million of defense equipment from the Dutch. So there is a $2.5 billion procurement by the Dutch Government for American equipment and $40 million of equipment of the United States bought by the Dutch. Recently, the Defense Ministers of the United Kingdom and Sweden pointed to similar situations in their country.

In every meeting regarding this subject I am told how difficult it is to buy American defense products because of our protectionist policies and the strong "Buy European" sentiment overseas. The Ambassadors of the United Kingdom, Netherlands, and Denmark, allies that provided forces in Iraq, recently sent letters to the Armed Services Committee expressing their strong support for the underlying title 8 in the Defense Authorization Act.

The letters support the Commission on the Future of the National Technology and Industrial Base, the conforming standard for waiver of domestic source or content requirements, and consistency with U.S. trade obligations under trade agreements.

Over the last few years we have sold 18 variants of aircraft, 19 types of missiles, as well as ground and naval equipment, through the Foreign Military Sales Program. These defense systems were manufactured in 39 States across America. Companies such as Raytheon, Lockheed Martin, Bell, Northrop Grumman, Missile Research Corporation, Sikorsky, Pratt & Whitney, General Dynamics, American General, and American Truck Corporation are contributing to the trade surplus we have in the defense technology market.

I want to point out also that in fiscal years 2003 and 2004 there was $482 million worth of military equipment purchased in the State of Minnesota; $482 million, Lockheed Martin; and Raytheon, 20 Stinger missiles. Lockheed Martin, by the way, sold those weapons systems to Japan, and Raytheon, the Stinger, to Turkey.

I will read from a couple letters we have received from various countries and the U.S. Chamber of Commerce and others on this issue.

There is no one under more assault than the British Prime Minister for his continued unwavering support of our effort in Iraq. The British Ambassador wrote:

> If approved, the measures proposed under Title VII would be an important step forward towards improving interoperability across the full range of our mutual defence cooperation.

The Netherlands Ambassador says:

> Although not directly related to the above referenced proposals, allow me to share with you the idea that in our perception, part of the discussion which is seen by some as the danger posed by foreign dependency can be satisfied by bilateral Security of Supply agreements which can be negotiated as more detailed arrangements under a Declaration of Principles. . . .

As you know, Mr. President, we have Canadian troops fighting alongside Americans in Afghanistan.

> The amendment offered by Senator DAYTON sends the wrong message to U.S. allies by deleting language in the Committee's bill that would encourage and support international defense cooperation and ultimately benefit U.S. taxpayers and American troops.

Every nation that is working with us and fighting alongside the United States is deeply concerned about this issue. It is hard for me to understand why we would want to propose legislation which would put this impediment to our relationship with our allies right now, when we are desperately seeking more cooperation and more effort on behalf of freedom.

The Danish Ambassador says:

> . . . it would be very difficult to understand and explain if Denmark were to face new restrictions in the industrial cooperation with the U.S. Especially in light of our participation in Iraq since the beginning of the military operations and the continued presence of 500 Danish troops—one of the largest contingents in both absolute numbers and certainly in proportion of population.

We are in tough times right now. The last thing we need to do is throw sand in the face of our allies, particularly our European allies who are fighting alongside us in Iraq and Afghanistan, Bosnia, Kosovo, and other parts of the world. I would hope that the substitute would be agreed to, and I would point out again the U.S. Chamber of Commerce, as well as the National Defense Industrial Association and the Aerospace Industries Association, the Secretary of Defense, and others have spoken strongly on this issue.

Let me quote from the U.S. Chamber of Commerce letter:

> On behalf of the U.S. Chamber of Commerce, the world's largest federation, representing more than 3 million businesses, I am writing to express serious concerns for two Buy American-related amendments for consideration during Senate debate on the National Defense Authorization Act. These sections represent important steps in Department of Defense transformation plans as it is filed.

So I would hope we would also understand the Senate needs to go into these negotiations with a strong position, given the position of the House Armed Services Committee authorization. So I hope we will adopt the amendment. I ask for its enactment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

AMENDMENT NO. 3197, AS MODIFIED

Mr. DAYTON. Mr. President, I ask unanimous consent that the amendment be set aside, and I call up my amendment 3197 and ask unanimous consent that my amendment be modified with the changes that are at the desk.

Mr. WARNER. Mr. President, reserving the right to object, the modifications are at the desk. We have examined them, and there is no objection.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. The amendment is modified.

The amendment (No. 3197), as modified, is as follows:

> Beginning on page 172, strike line 11 and all that follows through page 176, line 12.

Mr. DAYTON. Mr. President, I thank the chairman for his concurrence.

Mr. President, I want to say at the outset, as I said yesterday, but in the absence of my colleague from Arizona, I have the utmost respect for him and also for those who take a different position on this issue. But I am a little perplexed at the dire consequences that are being asserted if my amendment were to be adopted, because my amendment simply strikes language that is in the bill before the Senate which is itself modifying current law.

My amendment simply takes us back to current law. My amendment simply takes us back to the principles and the policies and the standards and the law in the Buy American Act, which has been in effect in this country for 70 years. So I am astonished that these dire consequences are being asserted on something that has been in existing law for 70 years, that has benefited companies represented by the U.S. Chamber of Commerce and the National Defense Industrial Association, that may have certain members that have exported jobs and instead set up bases of operation in other countries, including those affected by this amendment.

So there may be those who have that particular financial interest for their own companies involved, but, overall, as the Senator from Arizona pointed out, national defense and military equipment are areas of our trade where we enjoy a surplus. So it seems evident that the policies and the laws of this country affecting both "Buy American"—which provides exemptions for the Secretary of Defense in just the circumstances that the Senator from Arizona cited: if there are not products available that are of the right quality, if there is a delay in obtaining them, if the prices are not competitive, if there are any factors at all that would harm our ability to provide for our national defense or to supply our fighting men and women who serve us so heroically around the globe—if there were anything at all that were an impediment to them getting the best equipment, getting the most advanced equipment, in a timely basis, at a competitive price, then the Secretary of Defense, under the current law, is entitled and has the authority to make a waiver and grant an exception.

But this "Buy American" law has said—for 70 years, under six Democratic administrations and five Republican administrations, until this administration started to object to it—try to buy American because if you buy American, you strengthen America by supporting American companies producing products in the United States of America, employing American citizens, providing jobs in this country.

It is this administration which seemingly has very little concern about that job base. Given that we have lost, since President Bush took office, in the last 3½ years, over 2½ million manufacturing jobs in this country—that is, 2½ million Americans who were holding those jobs when President Bush took office, who are now without those jobs. Maybe some have found lesser paying service sector jobs, but many of them are unemployed and have been for a long time. Under those circumstances, you would think this administration would be unwilling to adopt any violations of the Buy American Act that would have the consequence of costing more American manufacturing jobs or not recovering some that would otherwise be possible to be recovered for the benefit of American citizens, for the benefit of American companies. But evidently that is not a concern.

I appreciate that Senator MCCAIN has, by his proposed substitute amendment—and I would support that if my own were not successful—reduced the number of countries that are going to be given this special treatment, this special advantage under the existing armed services language—section 842 that I propose to strike—and has stated that the countries that will be given this special exemption are those that have signed statements of principle with the United States rather than memoranda of understanding regarding U.S. purchases from those countries.

I am a little perplexed that the Senator from Arizona cited letters in support of his position from the countries of Canada and the Netherlands because, according to the information I have been provided, those two countries do not have statements of principle signed with the United States, so they would not be included. In fact, they would now be excluded by Senator MCCAIN's proposed substitute amendment. As I understand it, the countries that have signed these statements of principle include Australia, Norway, Denmark, the United Kingdom, Sweden, Spain, and Italy. I am pleased that the number of countries then that would be exempted from "Buy America" are only 7, as opposed to 21 before, but those are still 7 countries, frankly, that enjoy, on an overall basis, a sizable trade surplus with the United States.

In other words, this country, if you take all goods and services, imports far more products from those countries, buys more products made in those countries than we export to those countries. One of the few exceptions to that is the sale of military equipment. That is to our advantage. That means we are exporting more than we are importing. That means we have more jobs generated in the United States to produce those goods and products than we are importing in return. But on an overall basis, taking all products—commercial, industrial, agricultural, and services—we are paying more money to import goods and services from those countries than we are exporting.

So why are we willing to sacrifice one of the very few sectors in which we enjoy a trade surplus and give that up by agreeing to buy the same amount of product from them as we sell to them in this one sector and then leaving all others aside? If we want to take that approach, if we believe, as those countries do, that these kind of reciprocal agreements are valuable to them, as they are, because they provide jobs in those countries, why don't we make that requirement for everything we import from those countries? Or better yet, why don't we make that agreement for everything we import all over the world? Because as the latest figures show, we are running a world trade deficit that now exceeds on an annual basis $550 billion a year. That is $550 billion that leaves the United States to buy foreign products. Here we are, in one of the few sectors where we enjoy an export surplus, prepared to give that up on the basis of getting contracts or selling products to those countries.

I can understand why those countries who wrote those letters of support would do so because that kind of agreement benefits them. But we are not making laws—or we should not be—and we are not making trade policies—or we should not be—that benefit Canada, the Netherlands, Denmark—with all due respect, important friends and allies as they are—any more than they pass laws or make trade policies that benefit the United States to their own disadvantage. So if they are not prepared to do so, and they should not, why would we do so when we should not?

My goal is not to change current law; my goal is to stay with current law. It is to strike the language in this bill that would create these additional exceptions, that would allow other companies in other countries to gain contracts that are for goods and services that are now produced in the United States by American companies, employing American workers, paying taxes in American communities that benefit our schools, our local governments, our State and Federal Government, but, most importantly, that provide jobs for American citizens, the same as current law. I am not asking for any more protectionism. I am not asking for any more of anything affecting trade policy or trade agreements than exists under current law. I am simply asking my colleagues not to go further.

I ask my colleagues—at a time when we have lost over 2.5 million manufacturing jobs under President Bush and his administration—not to go further, not to cost us more manufacturing jobs, but to take a stand on behalf of those who are working in American industries today, those who want to return jobs to American industries tomorrow. Let's stick with current law. That is what my amendment does.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia has 3 minutes.

Mr. WARNER. Mr. President, to go directly to the comments the Senator just made, as he and I were in our colloquy the other day, I pointed out that at the present time the United States, in the last fiscal year, sold $63 billion in defense sales and only purchased $5 billion. My point is, the Senator is going after the wrong target, the wrong segment of the industry by this amendment, because it will create greater loss of jobs if we go after that trade surplus that is in defense right now. That is why we plead with our colleagues to leave this sector of trade untouched. I believe it is very important we do that.

The second thing that concerns me, and it is somewhat technical, in drawing up this bill, I gave specific instructions to the staff to preserve the sanctity of that part of "Buy America" which I and I think everybody in this Chamber supports, the Small Business Act, where 23 percent of the dollars for small businesses have to go, the shipbuilding, the blind and the handicapped, and the Berry amendment. Yet when the Senator modified his amendment, this section up here was taken out. That is caught up, and takes it out also.

It seems to me it is important for the Senate to reaffirm the sanctity of those four categories of trade as being purely "Buy America" and let them stay. But the Senator has taken out the work of the committee when we put it in there. That is what troubles me.

Lastly, we have here another communication from the Secretary of Defense of Great Britain, who is so explicit, he says:

> . . . efforts by Administration officials to introduce unnecessarily restrictive language into US/UK cooperative armament and research MOUs are a potentially serious blow to US-UK relations in the defence equipment co-operation field. They would put us under pressure domestically—
>
> That is, before the parliament, their parliament would now begin to examine this tremendous trade surplus that we have with relationship to Great Britain
>
> —to review our own policies and to consider whether we are prepared to continue to place significant defence contracts with US suppliers in the face of what could only be seen as a demonstrably uneven playing field. The mutual operational, technological, and industrial benefits we have enjoyed over years of equipment cooperation could quickly evaporate with both of us being losers, and with obvious political ramifications.

I say to my good friend, I recognize his intention to try and help America save jobs, but his amendment addresses the wrong sector of trade. He could do serious damage to a surplus we are generating with additional jobs in the United States as it currently exists.

I yield the floor.

The PRESIDING OFFICER. All time on the amendment has expired.

VOTE ON AMENDMENT NO. 3461

The question is on agreeing to the amendment.

Mr. WARNER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 46, as follows:

[Rollcall Vote No. 135 Leg.]

YEAS—54

Alexander
Allard
Allen
Bennett
Bingaman
Bond
Brownback
Bunning
Burns
Campbell
Cantwell
Chafee
Chambliss
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Durbin
Ensign
Enzi
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Jeffords
Kyl
Lieberman
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Stevens
Sununu
Talent
Thomas
Warner

NAYS—46

Akaka
Baucus
Bayh
Biden
Boxer
Breaux
Byrd
Carper
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Edwards
Feingold
Feinstein
Graham (FL)
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lincoln
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Snowe
Specter
Stabenow
Voinovich
Wyden

The amendment (No. 3461) was agreed to.

AMENDMENT NO. 3197

The PRESIDING OFFICER. Under Senate precedent, the accompanying Dayton amendment to strike is moot.

Mr. ENSIGN. I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3467 TO AMENDMENT NO. 3315

Mr. ENSIGN. Mr. President, I call for regular order with respect to a Landrieu amendment numbered 3315 and offer a second-degree amendment which is at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nevada [Mr. ENSIGN] proposes an amendment numbered 3467 to amendment No. 3315.

Mr. ENSIGN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide a fiscally responsible open enrollment authority)

On page 9, strike lines 12 through 22, and insert the following:

(8)(A) The Secretary of Defense shall prescribe in regulations premiums which a person electing under this section shall be required to pay for participating in the Survivor Benefit Plan pursuant to the election. The total amount of the premiums to be paid by a person under the regulations shall be equal to the sum of—

(i) the total amount by which the retired pay of the person would have been reduced before the effective date of the election if the person had elected to participate in the Survivor Benefit Plan (for the same base amount specified in the election) at the first opportunity that was afforded the member to participate under chapter 73 of title 10, United States Code;

(ii) interest on the amounts by which the retired pay of the person would have been so reduced, computed from the dates on which the retired pay would have been so reduced at such rate or rates and according to such methodology as the Secretary of Defense determines reasonable; and

(iii) any additional amount that the Secretary determines necessary to protect the actuarial soundness of the Department of Defense Military Retirement Fund against any increased risk for the fund that is associated with the election.

(B) Premiums paid under the regulations shall be credited to the Department of Defense Military Retirement Fund.

(C) In this paragraph, the term "Department of Defense Military Retirement Fund" means the Department of Defense Military Retirement Fund established under section 1461(a) of title 10, United States Code.

Mr. WARNER. Mr. President, if I might, on the resumption of the Senate consideration of this bill, that will be following the taking of the annual picture. At this time, the understanding is Senator DASCHLE will be recognized for the purpose of bringing up his pending amendment. I inform the Senate of that situation.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 1:23 p.m., recessed until 2:41 p.m. and reassembled when called to order by the Presiding Officer (Mr. VOINOVICH).

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005—Continued

The PRESIDING OFFICER. The Democratic leader is recognized.

AMENDMENT NO. 3409

Mr. DASCHLE. Mr. President, I ask for the regular order with respect to amendment No. 3409.

The PRESIDING OFFICER. The Senator has that right. The amendment is now pending.

AMENDMENT NO. 3469 TO AMENDMENT NO. 3409

(Purpose: To assure that funding is provided for veterans health care each fiscal year to cover increases in population and inflation)

Mr. DASCHLE. Mr. President, I send a perfecting amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from South Dakota [Mr. DASCHLE] proposes an amendment numbered 3468 to amendment No. 3409.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Text of Amendments.")

Mr. DASCHLE. Mr. President, in 1898, as the Spanish-American War drew to a close, then-COL Theodore Roosevelt warned his Rough Riders about the reception they would receive once they returned home:

> The world will be kind to you for 10 days. Everything you do will be all right. After that, you will be judged by a stricter code.

We have come a long way in the treatment of our veterans, and our recent commemoration of Memorial Day, our dedication of the World War II Memorial, the observance of the 60th anniversary of D-day, attest to the gratitude our Nation feels toward the men and women who have defended our freedom. Ultimately, the real test of our gratitude, however, is not found in parades or ceremonies. The real test is whether we honor our promises and provide our veterans with the help and benefits they need.

Sadly, we are not meeting that test. In recent years, large numbers of veterans have seen their health care delayed or denied outright. The reason is clear: Our system for funding the VA is broken. The VA's enrolled patient population has grown 134 percent since 1996, while appropriations have risen only one-third as quickly.

The President's task force to improve health care delivery for our Nation's veterans, created by President Bush through Executive Order 13214, reported a significant mismatch in VA between demand and available funding. That mismatch is translated into lengthy waiting lists, forcing hundreds of thousands of veterans to wait for months, even years, to see a doctor, increased out-of-pocket payments resulting in veterans paying six times more for their health care than when this President took office, from $200 million in 2001 to an expected $1.3 billion next year, and new enrollment restrictions.

Last year, Secretary Principi ruled that 200,000 priority 8 veterans could no longer enter the VA health care system. If nothing is done, the Congressional Budget Office now predicts the number denied access through this one policy will grow to 1.5 million by the year 2013. The Bush administration refuses to acknowledge the system is broken and preaches a policy of "demand management."

Let's be clear, demand management means taking any and all steps necessary to restrict the number of veterans treated by the VA, including rationing care, sending the bill collectors after veterans, and blocking enrollments. The principle of demand management says to the veteran: Take your health concerns somewhere else because we cannot help right now.

That is not a policy, that is a disgrace, and it is time we reject that principle that governs the care we offer our veterans today. Veterans have a fundamental right to health care, and we have an obligation to ensure that the VA has the resources to provide them. The answer to the VA health care crisis is simple: We need a new funding system that will allow us to provide health care to every American who served in the Armed Forces of the United States.

My amendment today would spell out that objective in the law. The amendment would remove veterans health care from the annual politics of appropriations cycles. Instead, veterans health care would be funded like other vital programs, including military retirement, Social Security, and Medicare.

Each year, the Veterans Health Administration receives funding from two sources: First, an annual discretionary amount which remains unchanged from year to year locked in at the funding level for fiscal year 2004; second, an annual sum of mandatory funds. This amount would adjust each year to reflect changes in demand from veterans and the rate of health care inflation.

At the end of 2 years, Congress will be required to revisit the decision, and the GAO would study whether this system has functioned according to plan and whether the funding formula should be refined. Congress would then be required to update the law to reflect the lessons learned after 2 years of actual operation.

In effect, we would be creating a 2-year trial and then deciding how to refine the model and move forward. Meanwhile, every veteran who needs health care would receive it. President Bush's own task force recommended such a system saying: "The Federal Government should provide full funding . . . through a mandatory funding system" or other modifications to the current appropriations process.

I reemphasize, that was the President's own task force on this system. The Committee on Veterans Affairs in the House of Representatives offered its own bipartisan endorsement of mandatory funding earlier this year.

A February 25 letter signed by Republican chairman CHRIS SMITH and Democratic ranking member LANE EVANS stated:

> Rather than supporting administration proposals that could reduce demand . . . and shift costs to other parts of the Federal medical system, the committee recommends treating spending on veterans programs the same as spending on Social Security and Medicare.

Leading veterans organizations have also joined in an unprecedented coalition to fight for health care budget reform. The American Legion, AMVETS, the Blinded Veterans, Disabled American Veterans, the Jewish War Veterans, the Military Order of the Purple Heart, Paralyzed Veterans of America, the Veterans of Foreign Wars, Vietnam Veterans of America—they have all banded together to work toward a system that guarantees health care for our veterans.

I believe their coalition, the Partnership for Veterans Health Care Reform, has identified a compelling solution to the VA funding crisis, and I have pledged my support in making it a reality. South Dakota veterans associated with these groups have joined in enthusiastic support.

This is not an abstract debate over numbers for my friends back home. These veterans have sat on waiting lists, these veterans take the phone calls from the VA's new bill collectors, these veterans have friends and neighbors who are prohibited from enrolling in the current VA health system.

Earlier this year, these South Dakota veterans were moved to action. Nearly 500 veterans from nearly 50 communities in every corner of our vast State signed a petition urging us to adopt mandatory funding for the VA.

South Dakota's American Legion CDR Wayne Vetter brought me this powerful statement, and I sent a copy to the White House. I am sorry to report that I have not yet heard a response from the President or anyone in the White House with regard to this statement.

It is time that we recognized that health care for those who return from war is a cost that follows directly from our Nation's military operations.

Ask any veteran. The burden of military service lives long after the parades are over and the medals and ribbons have been stashed in a closet. There are no more fundamental needs for these men and women than access to quality, affordable health care. Our veterans once kept this country safe and strong. Today they need a health care system to keep them strong. We must adequately fund the system that provides that care.

We can eliminate the annual budget problems in Washington and create a system where veterans can rely on the VA to be there when they need it. We have done it for military retirees. We have done it for Social Security recipients. We have done it for Medicare. We ought to do it for veterans.

The debt we owe our veterans must be something that lasts beyond the parade, beyond the ceremonies, beyond the 10 days of gratitude Teddy Roosevelt told his Rough Riders to expect. The debt is unending and our willingness to repay that debt must be unending as well.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I say to my distinguished friend, the Democratic leader, I think the Senate Armed Services Committee, working in conjunction with the Senate Appropriations Committee in a bipartisan way, over a series of years now, has addressed, together with the participation of the Committee on Veterans' Affairs, a number of issues which have substantially improved the ability of the veterans to meet their obligations to their families and to themselves for the balance of their natural lives.

For 2 consecutive years and again this year, the distinguished Senator from Nevada brought forth a provision for concurrent receipts, which is an improvement in the bill on that. Senator LANDRIEU, together with two other colleagues, Senators SNOWE and ENSIGN on this side, have now perfected an amendment which is going to help the widows as they meet—and perhaps those of the male sex who are recipients of the retirement benefits of a female veteran—as a consequence of this bill, each of those will be able to expect to have greater certainty as to the amount of money in terms of their retirement at that juncture in life when Social Security becomes available to the surviving spouse in that situation.

As to the impression that the Senate, and particularly the Armed Services Committee, has not been very forthcoming in fulfilling what each of us believe in our hearts is that tremendous debt of gratitude to veterans and their families, I suggest the record states the Senate has worked its job and, in conjunction with the House, these matters have now become matters of statutory guarantee.

The distinguished Democratic leader has proposed an amendment which requires a combination of discretionary and mandatory funding for veterans health care. The modification includes a requirement for a Comptroller General report by January 31, 2007, on the funding achieved by the amendment, and provides for an expedited review of a joint resolution of Congress to implement the Comptroller General's recommendations.

The modification directs mandatory spending by the U.S. Treasury in the amount of $300 billion over 10 years. I want to repeat that. The modification directs mandatory spending—that is a very significant legislative initiative—by the U.S. Treasury in the amount of $300 billion over the next 10 years.

Every Member of the body joins with Leader DASCHLE in recognizing the need to continue to provide adequate funding for the health care of veterans in this country. I would point out that, to my knowledge, funding for veterans programs has increased significantly in the past 3 years under the cognizance of the Congress. Spending for veterans health care has gone up 34 percent since the year 2001, and I believe my colleagues Senator NICKLES and Senator BOND are both prepared to address the funding of health care for our Nation's veterans when they soon approach the floor to actively debate this amendment.

The Senate budget resolution includes $29.1 billion for veterans health care, an increase of $1.4 billion, or 5 percent, in 2004.

In light of these increases, in this Senator's opinion, any future significant increases for veterans health care warrant careful consideration by the Congress. Such consideration would be limited by this amendment, which mandates funding based on a per capita formula.

For Federal budgeting purposes, the VA health system, as the DOD system, is discretionary, as juxtaposed against mandatory. Now that is what we are talking about, changing the manner in which we have been funding veterans health care these many years. It seems to me the discretionary program has worked well. It has served the veterans' needs and should remain as a matter of law.

The amendment does not create an entitlement to VA health care. It replaces the current system of discretionary funding, which has no ceiling, with a formula-based approach which combines discretionary and mandatory funding.

I have been informed that experts on veterans health care believe the proposed formula is flawed, that it will have the effect of turning the VA health care system into a kind of glorified HMO, with every incentive to enroll the young and healthy and cut corners on the care needed by the old and the sick. These incentives are contrary to the commitment of this Nation to the health care needs of our veterans.

Treating the VA health care budget as mandatory rather than appropriated discretionary funding will hurt the ability of Congress to ensure accountability within the system and consistency of benefits throughout the country.

The modification attempts to control the outcome of the appropriations process by, in effect, establishing a cap in the amount appropriated by Congress in future years equal to the amount appropriated in fiscal year 2004, which is $28.3 billion. It further yields to the Comptroller General the responsibility of determining whether adequate funding for veterans is achieved, and how to fund these programs in future years.

Neither the original amendments, numbered 3408 or 3409, nor the modification proposed by the Senator from South Dakota is relevant to the Defense authorization bill. I hesitate to put that to my colleagues but it is clearly a fact. The only relevance is the unity of spirit is that of each of us in this chamber, and indeed I think the Congress, to share in supporting our veterans nationwide.

These funding proposals contained in this amendment require the careful deliberation of Congress to the appropriate committee of jurisdiction, the Committee on Veterans' Affairs, prior to further action by this body.

I yield the floor so my colleagues can address the subject.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. I rise in strong opposition to the Daschle amendment. I strongly share the Senator's goal of improving health care and benefits for our Nation's veterans. I think for a number of reasons this is a misguided approach and will not achieve the desired goal of assuring access for all veterans.

I speak to this with a good deal of experience. Currently, I am chairman of the Appropriations VA-HUD Subcommittee. This is the committee that funds the VA. Since 1995, I have been in the leadership as either the chairman or the ranking member, and I can assure my colleagues that throughout that timeframe VA medical care has been a top priority on a bipartisan basis for that committee. The VA has received from that committee very strong support for medical care.

Since 1998, VA medical care has increased by $11 billion, and since 2001 it has increased by $7.3 billion, or 34.7 percent. That is a huge increase, and we made those increases because there were needs. Under the appropriations process, we can respond to those needs. That is why I think the Daschle amendment may have some questionable long-term implications.

Under the current system of discretionary appropriations, the Congress has the flexibility to make the necessary funding adjustments on an annual basis to respond to the challenging health care needs of veterans and to ensure proper accountability with the system so that veterans' needs are being adequately addressed.

Under the mandatory system proposed by the Senator from South Dakota, there would be a fixed funding system based solely on enrollment levels and a contrived inflationary index. Further, discretionary appropriations would be capped at the 2004 appropriations level for VA medical care. Let me go back and take a look. Here is something. I am reading from a chart that has been prepared by the Budget Committee. It shows, going back to 1993, that in that year, for example, the Consumer Price Index, CPIU, hospital and related services, was up 8.37 percent. The CPIU medical care was up 5.97 percent. But VA medical care was up 9.1 percent in the appropriated accounts. In other words, if we had been using either of those formulas, we would have gotten less under the formula than we actually got appropriated.

Of the last 10 years, there were 4 years—1996, 1997, 1998, and 1999—when the index would have provided more. But overall, as I said, let's go back to 2002. Then the highest index on medical care was 4.72 percent. The budget was increased 7.6 percent. In 2003, the hospital and related services index went up 7.36 percent, but the VA medical care budget increases in the appropriations bill went up 12.3 percent. That is almost a 5-percent higher rate of increase under the appropriations formula.

I think that shows the flexibility with which the appropriations process works. But there are other things we have to do in the appropriations bill. First, the funding formula creates an artificially fixed level. It doesn't reflect the unique medical care needs of veterans. The VA system was specifically created to respond to the unique needs of veterans who suffered health problems born on the battlefield. VA provides special services for veterans who have been exposed to environmental hazards or toxic substances or suffered spinal cord injuries or loss of limbs. This is especially evident in our veterans returning from Iraq and Afghanistan, many of whom we have met in Walter Reed Hospital to see the care they are getting in the regular military hospitals.

But our veteran population is aging. They are going to need special long-term care services not accounted for under the Daschle funding formula. Veterans in need of nursing home care are expected to increase from some 640,000 to over 1 million by 2012 and remain at that level until 2023.

More importantly, I think the mandatory funding option eliminates the strongest tool of the Congress, the purse strings, to ensure accountability within the VA health care system. We are fortunate that the VA now has a very strong leader who is a great administrator and who is thoroughly committed to the needs of veterans, Secretary Tony Principi. He has made tremendous strides in improving the VA health care system because he demands the VA be accountable and responsive to the needs of veterans. Nevertheless, I have seen years where the VA has not had the same kind of leadership that it has under Secretary Principi. I believe it is necessary and was necessary at previous times that Congress have the ability to ensure the VA system is held accountable and makes the necessary reforms so they can provide timely, quality health care services to our Nation's veterans.

Even the President's task force acknowledges that providing sufficient funding to the VA will not by itself guarantee timely access. Let me give an example. Over 10 years ago, we were able to push successfully for improvements to health care access by forcing the VA to open more community-based outpatient facilities so veterans would not be forced to drive hours to receive medical care. I know how important that is. In my home State of Missouri some veterans would spend a whole day driving to the veterans hospital in Colombia, MO, or St. Louis or Kansas City. We found by adopting a system of community-based health care clinics we could provide the services, the primary care services, the pre-op services, in a setting that was less expensive. We could take them in a hospital that is more accessible and save much time and energy for the veterans, while ensuring they get the health care they need. We have been able to successfully push the VA to develop a comprehensive capital needs assessment, known as CARES, to realign the VA care and medical infrastructure so the system is modernized and located closer to where veterans live.

Many people have fulminated against the CARES process because its purpose is to look at unneeded veterans facilities. I have heard some statements that are totally unwarranted, saying that the CARES project is going to take away needed facilities, needed care for veterans.

To the contrary, the whole concept of CARES was one that we pushed in our Appropriations Committee and that the previous administration, the Clinton administration, adopted. The General Accounting Office had found that the VA is currently wasting $1 million per day on unneeded and empty buildings. That comes right out of the medical care budget. When you have a huge hospital that is 10-percent full, the costs are astronomical for serving that small population.

Under the CARES process, those services will be moved to a more appropriate structure, and the funds will then be used to provide services, whether it is community outpatient services or some other specific kind of service or just putting more money into the medical professionals to make sure the veterans get the health care they deserve.

The GAO had found that more than 25 percent of veterans enrolled in VA health care, over 1.7 million veterans, live over 60 minutes driving time from a VA hospital. Under the Daschle system, Congress would no longer have the ability to force the VA to make the reforms necessary, as outlined under its CARES program, to improve care and access for our veterans. Instead, the system could build in waste and failure to be responsive to the needs of those who are supposed to benefit from the system.

The third problem with the amendment is that the VA cannot spend all of the additional funds contemplated in the Daschle amendment due to infrastructure and hiring concerns. The VA has an outdated and aging infrastructure. That is why we are pushing the CARES program. In many cases, VA does not have the space to accommodate the needs of patients and health care workers. We need to make sure that money is funneled into providing those facilities to meet the current and future needs of veterans rather than the facilities designed to meet the needs of veterans 40 years ago when their needs were very different and their locations were very different.

In some hospitals, patients are forced to wait in hallways because of the lack of waiting area space. As mentioned earlier, CARES will address these infrastructure needs, but it is going to take years to implement fully the CARES restructuring process. Further, many of my colleagues know that there is a severe nursing shortage in this country. In some facilities, the VA is having a difficult time retaining and recruiting qualified nurses. The VA is also seeking physician pay reform legislation because it is currently restricted in what it can pay for doctors, which hurts the VA's ability to recruit and pay doctors. Those are aspects on which we have to continue to work.

Last, the Daschle amendment imposes a set ceiling on VA health funding as opposed to the current system which has no ceiling and allows Congress to provide more funding as necessary.

As I said at the outset, we provided a 34.7-percent increase in VA health care funding since 2001. If the Daschle amendment had been in place using the available indexes, the likelihood would be that there would be at least 10-percent less funding that would be going to the VA as a result of the fixed mandatory funding system.

In closing, I urge my colleagues to oppose the Daschle amendment. Members can oppose the Daschle amendment and be concerned about the needs of veterans and help us work to make sure veterans get the health care they need, continuing to support our efforts in the Senate, in the Appropriations Committee, to get the kind of funding we need. We have done so on a bipartisan basis. I intend to continue to work to do so.

However, we are going to have to have the flexibility to make sure we hold the VA accountable, to make sure they provide the services, and that they make the changes necessary.

Funding is critical. I certainly agree with that. I am proud to say we have succeeded in providing that funding over the past several years. Funding, however, is not the sole antidote for the problems addressing the VA health care needs. We must ensure that the VA system remains responsive and accountable to our veterans.

I fear adoption of an amendment such as this would be an empty promise to our Nation's veterans who have special needs and demand a health care system that is accountable and responsive to their needs. Our system of checks and balances has played a critical role in transforming the VA health care system which is now underway to ensuring that we will be able to meet the health care needs of veterans well into the 21st century.

The Daschle amendment significantly reduces the role of Congress in ensuring improvements in reforms to the VA health care system so it is more accountable to the needs of the veterans. By capping the discretionary amount of appropriations at the 2004 level, our hands would be tied in making adjustments to the funding needs of our veterans. This is especially dangerous considering the hundreds of thousands of troops currently deployed across the globe fighting the war on terror and in Iraq. I strongly believe in putting the needs of veterans first.

Those needs are not best served by these amendments which would, in my opinion, based on my experience working with the system, hurt our ability to meet that goal. That is why I close by urging my colleagues not to support the amendment by the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, we are ready to vote. It is my understanding the leader wanted to have some votes today. We are ready to vote.

It is my further understanding after the next vote in relation to the Defense bill now before the Senate, he wanted some votes on judges. We are ready to do that.

Until Senator WARNER appears, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3414

(Purpose: To provide for fellowships for students to enter Federal service, and for other purposes)

Mr. REID. Mr. President, I ask the pending amendment be laid aside and I ask that amendment 3414, which is at the desk, be reported. I offer the amendment on behalf of Senator AKAKA.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. AKAKA, proposes an amendment numbered 3414.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Text of Amendments.)

Mr. REID. I ask unanimous consent the amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3387

Mr. REID. I ask that amendment 3387 on behalf of Senator LEAHY be reported.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. LEAHY, proposes an amendment numbered 3387.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

TREATMENT OF FOREIGN PRISONERS

SEC. . POLICY.—(a)(1) It is the policy of the United States to treat all foreign persons captured, detained, interned or otherwise held in the custody of the United States (hereinafter "prisoners") humanely and in accordance with standards that the United States would consider legal if perpetrated by the enemy against an American prisoner.

(2) It is the policy of the United States that all officials of the United States are bound both in wartime and in peacetime by the legal prohibition against torture, cruel, inhuman or degrading treatment.

(3) If there is any doubt as to whether prisoners are entitled to the protections afforded by the Geneva Conventions, such prisoners shall enjoy the protections of the Geneva Conventions until such time as their status can be determined pursuant to the procedures authorized by Army Regulation 190–8, Section 1–6.

(4) It is the policy of the United States to expeditiously prosecute cases of terrorism or other criminal acts alleged to have been committed by prisoners in the custody of the United States Armed Forces at Guantanamo Bay, Cuba, in order to avoid the indefinite detention of prisoners, which is contrary to the legal principles and security interests of the United States.

(b) REPORTING.—The Department of Defense shall submit to the appropriate congressional committees:

(1) A quarterly report providing the number of prisoners who were denied Prisoner of War (POW) status under the Geneva Conventions and the basis for denying POW status to each such prisoner.

(2) A report setting forth: (A) the proposed schedule for military commissions to be held at Guantanamo Bay, Cuba; and (B) the number of individuals currently held at Guantanamo Bay, Cuba, the number of such individuals who are unlikely to face a military commission in the next six months, and the reason(s) for not bringing such individuals before a military commission.

(3) All International Committee of the Red Cross reports, completed prior to the enactment of this Act, concerning the treatment of prisoners in United States custody at Guantanamo Bay, Cuba, Iraq, and Afghanistan. Such ICRC reports should be provided, in classified form, not later than 15 days after enactment of this Act.

(4) A report setting forth all prisoner interrogation techniques approved by officials of the United States.

(c) ANNUAL TRAINING REQUIREMENT.—The Department of Defense shall certify that all federal employees and civilian contractors engaged in the handling and/or interrogating of prisoners have fulfilled an annual training requirement on the laws of war, the Geneva Conventions and the obligations of the United States under international humanitarian law.

AMENDMENT NO. 3469

Mr. REID. Mr. President, I send an amendment to the desk in relation to that amendment.

Mr. WARNER. Can I ask, is this a modification to the Leahy amendment?

Mr. REID. Yes.

Mr. WARNER. I have to interpose an objection.

Mr. REID. There is no objection in order.

Mr. WARNER. Fine; I understand.

Mr. REID. Is there?

Mr. WARNER. I suggest the absence of a quorum.

Mr. REID. The amendment has to be reported first.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 3469 to amendment No. 3387.

The amendment is as follows:

(Purpose: To direct the Attorney General to submit to the Committee on the Judiciary of the Senate all documents in the possession of the Department of Justice relating to the treatment and interrogation of individuals held in the custody of the United States)

At the appropriate place, insert the following:

SEC. . REQUEST FOR DOCUMENTS AND RECORDS.

The Attorney General shall submit to the Committee on the Judiciary of the Senate all documents and records produced from January 20, 2001, to the present, and in the possession of the Department of Justice, describing, referring or relating to the treatment or interrogation of prisoners of war, enemy combatants, and individuals held in the custody or under the physical control of the United States Government or an agent of the United States Government in connection with investigations or interrogations by the military, the Central Intelligence Agency, intelligence, antiterrorist or counterterrorist offices in other agencies, or cooperating governments, and the agents or contractors of such agencies or governments.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, we will have a period for consideration of the bill for the purpose of debate only. No amendments will be offered until we clarify how we might resolve our parliamentary situation.

I have to say our distinguished chairman has done an outstanding job in getting us to this point, as has our ranking member. I am very concerned that as close as we are to completion, we have not been able now to move forward. We have only had two votes on this bill so far today. It is now 4 o'clock. I have laid down an amendment. I am willing to do a side-by-side, if necessary. We have other legislation pending.

I was told we cannot have a vote on my amendment because the Senator from Massachusetts, Mr. KERRY, is in town, and we cannot allow him to parachute down and have a vote. I think that is very unfortunate. He is here to vote, and I would think we would accord every Senator the right and opportunity to vote on this amendment and whatever other pending legislation.

We can finish this bill. We have already agreed under unanimous consent to finish this bill for debate purposes by the end of the day. All we have left are whatever amendments are going to be offered between now and 6:30 p.m. We are so close. I only hope we consider the admonition of both of our managers, that we work together as we have for the last many days now to complete our work.

Let's have a vote on the veterans amendment, let's have a vote on the other pending legislation, and let's move forward with these amendments in the same good faith we have demonstrated to date. We could have been far more confrontational with regard to unrelated amendments. We have not done that. At the urging of Democratic leadership, we have withheld many of those amendments. I hope we would show the same good faith as we complete this bill.

Senator KERRY ought to have a chance to vote. There ought to be an opportunity to dispose of these amendments. How ironic it is that we are the ones who appear to want to finish, and certainly our manager wants to finish, but there are those on the other side, for whatever reason, who are unwilling, reluctant to allow us the votes that are pending on the amendments that have now been laid down.

I urge reconsideration of that point of view at this point. It is counterproductive. It says all the wrong things about the desire to complete our work before the end of this week with all we have to do. I urge my colleagues to do that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I must respectfully say to my good friend, the Democratic leader, that I have to take a different view with regard to the situation on Senator KERRY. I listened to, I thought, most of the conversations, and I do not feel that is the situation. I have tried, and I propose trust in our colleagues on the other side.

I say I was negligent in allowing the first-degree amendment to come up and be second degreed. I felt it was another first-degree amendment being offered. It was not announced as a second-degree amendment. I tried to interject, but the parliamentary situation did not allow me to get a quorum call in to ascertain the situation.

What is past is past. But I do not want it to stand that on this side of the aisle I see a lot of attempt to block, whether it is KERRY or anybody else, from making votes here.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I am not sure to which second-degree amendment the distinguished chairman is referring.

Mr. WARNER. It was a Leahy amendment.

Mr. DASCHLE. If we can get a vote, we can certainly accommodate the Senator from Virginia. All we are looking for is a vote. It does not have to be on this particular amendment. If he wants to offer a second-degree amendment, we are certainly willing to look at ways with which to accommodate the majority in that regard. But a vote is important. It is relevant, of course. It ought to be offered.

As to the Kerry matter, I do not know if the distinguished chairman heard—he was standing here—Senator FRIST noted to me as he was standing here that he did not want to accord Senator KERRY the opportunity to vote today, knowing, of course, Senator KERRY was here today.

We can work through these issues if we can demonstrate a little more patience and a little more good will, and we can get the job done.

Mr. REID. Mr. President, will the leader yield for a question?

Mr. DASCHLE. I will be happy to yield.

Mr. REID. In years past, when Senator Dole was running for President, when he was still here, we went out of our way to make sure Senator Dole had the opportunity to do whatever he wanted to do. If he wanted to vote on one, two, three, or four items, we made sure he had that same opportunity. It was the same with Senator MCCAIN when he was running. We went out of our way to make sure when they were here they were protected.

Will the distinguished Democratic leader agree this is somewhat unusual that Senator KERRY, who feels this veterans amendment is important—he is a distinguished, decorated veteran. He feels he should be here to vote on the amendment. Isn't that somewhat unusual?

Mr. DASCHLE. First of all, I share the recollection of the distinguished assistant Democratic leader. Yes, we did accommodate those who had to travel for purposes of national campaigns in past elections. One would think we would do so in this case. We are trying to govern. We have the campaigns to run. One would hope we could keep the campaigns off the Senate floor.

It is ironic that some in the majority who have been pressing to get this legislation done now keep us from getting it done for that reason. We have wasted a couple of hours here. We could have finished this amendment and moved on. I think everybody agrees we need to finish this legislation. No one has worked harder at it than the distinguished chairman. But now we are being told we cannot do that. I did not know it was finished unless it involves giving Senator KERRY a chance to vote. It is not the right thing to do. We know that.

I hope we come to our senses and get on with getting the business of the Senate done.

Mr. WARNER. Mr. President, before this colloquy started—I think we have pretty much completed it, and we have different perspectives—we encouraged those Senators to come up and debate those amendments which are at the desk so we could have debate on them, but no further amendments in the first and second degree would be sent to the desk. I think that is a gentleman's understanding.

The PRESIDING OFFICER. The assistant Democratic leader.

Mr. REID. Mr. President, one of the points I am disappointed in and concerned about is I do not want the Senator from Virginia—he and I have worked together for two decades—I do not want the Senator from Virginia to think in any way that I tricked him or misled him or deceived him. That is why during the time we were here together I said I would be willing to withdraw the second-degree amendment.

The Senator from Virginia must understand that the amendment will come up again because we have a right to offer that amendment, and whether it is offered by me, Senator LEAHY, or by whomever, it will be offered at some subsequent time.

I get the feeling, in talking to the Senators who were representing the majority, that simply because we were going to require a vote on this there would not be any more movement on this bill, and that is not productive. So my point is the offer is still there. The

Senator from Virginia should understand that I would be willing to withdraw the second-degree amendment that is in my name but the Senator should understand that it will recur at some subsequent time.

Under the rules, there is no way it can be stopped, and even though the Senator was not aware of my offering the second-degree amendment, and I told him in privacy why I did this—I did not hide anything about why I did it when I did it, and I have no reservation about having done it—perhaps having disappointed the Senator from Virginia I would be happy to withdraw that, recognizing that at some subsequent time we are going to have a vote on it. The best way to do it would be to acknowledge at this time that there would be a vote on it and have a vote on whatever the Senator might want to do, if he decides to second-degree the Leahy amendment and have the Leahy first degree and second degree voted on, because that is ultimately what will happen if we are ever going to finish this bill, unless cloture is invoked.

So I would like a comment from the distinguished chairman as to whether he would want me to do that.

Mr. WARNER. At this point in time I think we better go back to the original posture of the agreement we reached that we would at this point in time this afternoon just continue debate on matters pending at the desk.

Mr. REID. I want the Record to be clearly spread with the fact that if the Senator from Virginia feels that I misled, deceived, or tricked him in any way that I will withdraw my amendment. So the Senator understands that.

Mr. WARNER. I do not wish to use any of those words. All I recall very clearly when I quickly came on the floor, the Senator had the floor, Senator BOND had yielded the floor to the Senator from Nevada—I thought he was managing—and the Senator from Nevada said he wanted to send up amendments on behalf of Senators AKAKA and LEAHY. I said, fine, that is within the rules, and that the Senator did but he did not indicate that there would be a third amendment in the nature of—

Mr. REID. So all the Senator has to do is say he wants me to withdraw my second-degree amendment and I will be happy to do that, recognizing that if I do not offer it somebody else will at some subsequent time.

Mr. WARNER. I understand clearly the Senator has the same rights as all Senators as it relates to this amendment, but at this point in time our side is trying to deliberate the posture we are in and I am going to have to remain on the floor. Others will come and send for me when I am ready to make my contribution, but at this time I have no other colleagues on the floor so I am just going to remain. I suggest we just go ahead and debate those matters at the desk.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CHAFEE). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, the amendment I offered dealing with a request for documents and records basically says:

> The Attorney General shall submit to the Committee on the Judiciary of the Senate all documents and records produced from January 20, 2001, to the present, and in possession of the Department of Justice, describing, referring or relating to the treatment or interrogation of prisoners of war, enemy combatants, and individuals held in the custody or under the physical control of the United States Government or an agent of the United States Government in connection with investigations or interrogations by the military, the Central Intelligence Agency, intelligence, antiterrorist or counterterrorist offices in other agencies, or cooperating governments, and the agents or contractors of such agencies or governments.

Because of my longstanding work with the Senator from Virginia—I started out as a new Senator on the Environment and Public Works Committee and he was the chairman of the subcommittee there and he always looked after me and extended to me more courtesies than probably he should have, and all my dealings with the Senator from Virginia have been most courteous; I think he is really a gentleman and I know he is too proud to say that he wants me to withdraw this—and because he has not asked me to withdraw it because I think down deep he thinks that I perhaps did something I should not have done, I do not want anything to occur—I am doing this as a personal thing between the Senator from Virginia and the Senator from Nevada, but of course, as I indicated, I or somebody else will offer this at some subsequent time.

AMENDMENT NO. 3469 WITHDRAWN

Mr. REID. I ask unanimous consent that amendment No. 3469 be withdrawn.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Virginia.

Mr. WARNER. I understand there is a general agreement that we will at this point in time not be sending any additional amendments to the desk, but Senators will debate those that are pending and debate those that may be offered at some point during the course of the day.

Am I not correct on that?

Mr. REID. Of course, this agreement would only go until 6:20.

Mr. WARNER. That is understood.

I ask unanimous consent that between now and the hour of 6:20, the Senate proceed to allow Senators to speak for up to, say, 15 minutes with regard to pending amendments or amendments that they may intend to offer.

Mr. LEVIN. Reserving the right to object, I assume that if we can work something out and amendments can be disposed of between now and 6:20, that would then be accomplished.

Mr. WARNER. We will take each one and examine it on its own individual basis.

The PRESIDING OFFICER. Is there an objection? Without objection, it is so ordered.

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I have an amendment that is just listed in the understanding on Iraq. I have talked both with the chairman of the committee and the ranking member of the committee, and I was prepared to offer it and debate it during the course of the afternoon and to indicate a willingness to enter into a time agreement. It is a very important amendment. I will be glad to follow what the arrangements are between the chairman of our committee and the ranking member of the committee as a way to proceed. It is somewhat difficult with an amendment of this kind of importance to have only 15 minutes and others come during that 15 minutes. I guess we will get a chance to develop it further, but I want to speak to the amendment now and then follow the recommendations of the floor managers as to when we will come back and either debate this or work out a suitable time, because it is an important amendment.

I will take a moment of the Senate's time to express, quite frankly, my appreciation to the Senator from Nevada in offering the amendment that he had, which he did a few moments ago as a member of the Judiciary Committee. We know there are four committees which are in one way or another looking at the prisoner abuse scandal and tragedy. We have the Intelligence Committee that is looking at it. They are very much tied up with the 9/11 Commission that has made its report. We had the Foreign Relations Committee that had not had hearings on it. We have the Armed Services Committee under the leadership of Senator WARNER, which has done a first rate job trying to work through this whole dilemma. He is recognized by the members of the committee, and by others, as someone who has worked toward trying to find the facts on this situation. And there is the Judiciary Committee. We have seen in the published reports a number of memoranda were developed by the Justice Department as to the responsibility that the Executive has under these circumstances of recommending, roughly, under his ability as Commander in Chief, that he may very well be immune from any kind of rules, regulations, or orders that he might support in terms of the treatment of prisoners.

That concept runs counter to the view of 500 constitutional lawyers who issued a press release raising very serious constitutional issues and questions.

What the Judiciary Committee has been attempting to do is to review the various recommendations that have been developed by the Justice Department and the other agencies. It has been an interagency effort. This is not just the Justice Department advising the President on a matter of an Executive order. As a matter of fact, it was very clear during the hearing of the Judiciary Committee that the Attorney General did not claim executive privilege. But there was the incident where the Attorney General said that even though he is not claiming executive privilege, and even though he is not quoting a statute that might make him exempt from making these documents available, he still was refusing to make them available.

We had a brief discussion during the course of the committee hearing as to whether that was contempt of Congress. We are not trying to get into that whole situation. We are just trying to find out what these documents said in the interagency agreements that were being developed.

Now we are told this afternoon that approximately 3 of the documents of the 23 that were actually requested are available to the committee. Two of those are already on the Internet.

This is a matter of enormous importance and consequence. The American people see on television and hear on the radio and read in the newspapers about prison policy over there. We have recommendations made by the Justice Department, and there is a refusal to cooperate with the Congress. It is entirely appropriate that this institution have access to that material. That was the purpose of the amendment that was offered by the Senator from Nevada. It was entirely appropriate. I find it very necessary. There are many important matters in this Defense authorization bill. But it certainly seems this is a matter of very important consequence.

I believe the amendment still has great importance and relevance. I think the Senate ought to know what the Senator from Nevada was involved in is not only an honorable position but also a necessary one. But as he pointed out, we are now trying to move the process forward in terms of the Defense authorization bill.

I ask if I can have the full amount of time now to address the substance. Do I understand we have 15 minutes? Could I ask for 15 minutes? I ask consent for that.

The PRESIDING OFFICER. The Senator is entitled to 15 minutes.

AMENDMENT NO. 3377

Mr. KENNEDY. I thank the Chair. Mr. President, at an appropriate time I will call up amendment No. 3377. I ask unanimous consent the Senator from West Virginia, Mr. BYRD, be added as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, on June 30, sovereignty in Iraq will be transferred to the interim government. For the sake of the Iraqi people and our nearly 140,000 troops in Iraq, we all hope that the interim government will succeed, that its appointment begins a new stage in Iraq in which the security situation will improve at long last for our troops, and that we will no longer see a continuation of the administration's flawed policy that has generated so much turmoil in the past year and so many casualties for our forces.

Unfortunately, the violence continues. Twenty-two American soldiers have been killed in the 22 days since the announcement of the interim government. More than 450 American soldiers have been wounded in that period.

Even with the transfer of sovereignty and the recent United Nations resolution on the Iraqi transition, the key question is, when will the violence stop? When will the international community join us in securing and reconstructing Iraq? Or will the bulls-eye remain on the back of every member of our armed forces in Iraq?

The amendment I am offering today with Senators LEVIN, BYRD, LEAHY, DAYTON, and FEINGOLD seeks answers to these questions.

Our amendment requires the President to tell the American people whether or when the administration's policy will bring more international troops, police, and resources to Iraq. That's what we owe to our forces. That's what we owe to their families. And that's what we owe to the American people.

The amendment requires the President to submit a report to Congress on the administration's plan for the security and reconstruction of Iraq no later than 30 days after the date of enactment of the bill.

The report must address whether and when the administration's strategy of working with the United Nations and other nations will bring more international troops, police, and resources to Iraq and provide relief to the men and women of our armed forces. It must assess the administration's strategy for strengthening the Iraqi police and military, its reconstruction efforts, and its progress toward democratic elections. And it must provide an estimate—an estimate—of the number of American troops we anticipate will be in Iraq at the end of next year.

Two subsequent reports will provide updated assessments—one 6 months after the bill becomes law and the other just before the end of 2005.

This week, President Bush will travel to Ireland for a summit between the United States and the member nations of the European Union. He will also attend a NATO summit in Istanbul. We all hope he will succeed in persuading the international community to join us in a more significant way in Iraq.

Unfortunately, the likelihood of that happening—even with the transfer of sovereignty and a new UN resolution—is far from clear. At best, the administration now expects that our allies in Iraq will not withdraw any of their current troops from the coalition.

On June 7, just a day before the UN approved the resolution supporting the interim government in Iraq National Security Advisor Rice said:

> I don't expect that there will be a large infusion of more foreign forces. In fact, I think that what you will see, is that some of the countries that have had particularly difficult situations, some of our coalition partners, will find this resolution makes them capable of staying the course.

On June 10, after the G–8 Summit, President Bush said that he didn't:

> . . . expect more troops from NATO to be offered up. That's an unrealistic expectation, nobody is suggesting that.

Those were his words.

On June 13, Secretary of State Powell said the same thing:

> We're not expecting major additional contributions of troops from our NATO allies beyond the 16 nations that are already involved.

The message from the administration is loud and clear: We'll stay the course, but we don't expect any more international troops. America will continue to be the only major military presence on the ground in Iraq.

American soldiers have been bearing a grossly disproportionate share of the burden for far too long.

> No policy in Iraq can be considered effective if it fails to bring in the international community in a way that reduces the burden on our men and women in uniform, and takes the American face off the military occupation in Iraq.

As General Abizaid told the Armed Services Committee on May 19—there are not enough troops from other nations in Iraq. The "effort needs to be not just American, but it needs to be international."

The administration had a brilliant plan to win the war, but it had no plan to win the peace. That failure has been putting a severe strain on our military and their loved ones left behind in America.

Mr. President, 830 American soldiers have paid the ultimate price in Iraq.

More than 5,130 soldiers have been sounded.

America has nearly 90 percent of the troops on the ground, and more than 95 percent of the killed and wounded have been Americans.

The war is now costing us $4.7 billion every month.

In fact, the burden on U.S. troops has been increasing, since first Spain, then

Honduras, Nicaragua, and El Salvador pulled their troops out of Iraq.

More than a quarter of the current forces in Iraq are reservists, as are nearly half the current forces in Kuwait. Eighteen percent of our active duty Army is serving in Iraq, and 16 of our 33 combat brigades are serving there.

The Army is now under a stop-loss order that prevents troops from leaving active duty while deployed to Iraq, and for another 90 days after returning to their home bases.

The average tour of duty for a reservist recalled to active duty is now 320 days—ten months. According to the Department of Defense, the average tour of duty for a reservist during the first Gulf war was 156 days. In the deployments in Bosnia, and Kosovo, it was 200 days.

An Army brigade commander recently spoke about the exasperation of our soldiers: "A soldier just said to me, 'what happened to the volunteer force? This is a draft.' "

Others in the military leadership have spoken out on the strain on the military.

On January 21, LTG James R. Helmly, head of the Army Reserves, discussed the effect on reservists. He said, "the 205,000 soldier force must guard against a potential crisis in its ability to retain troops." He said that serious problems are being masked temporarily because reservists are barred from leaving the military.

The same day, LTG John Riggs also spoke of the strain. He said, "I have been in the Army 39 years, and I've never seen the Army as stretched in that 39 years as I have today."

On February 5, GEN Peter Schoomaker, the Army Chief of Staff said, "There is no question that the Army is stressed."

On June 2, GEN Franklin L. Hagenbeck, the Army's deputy chief of staff in charge of human resources and personnel, said that the Army is "stretched."

These are the cold, hard facts. They cannot be glossed over. If we continue to go it alone, the mission is impossible. The need is urgent to bring in the international community in Iraq in a major way. It may well be that only a new President in the White House will be able to persuade other nations to trust us enough to participate in the difficult and dangerous mission.

In fact, the need for international participation was abundantly clear before we went to war. As former Secretary of State James Baker wrote on August 25, 2002, "The costs in all areas will be much greater, as will the political risks, both domestic and international, if we end up going it alone, or with only one or two other countries."

Last July, by the unanimous vote of 97–0, the Senate approved an amendment urging the President to consider requesting formally and expeditiously that NATO organize a force for deployment in post-war Iraq similar to the NATO forces in Afghanistan, Bosnia and Kosovo.

We also asked the President to consider calling on the United Nations to urge its member states to provide military forces and civilian police to promote stability and security in Iraq, and provide resources to help rebuild and administer Iraq.

President Bush says that the administration is working with the international community. But what are the results? Are more nations sending troops, police, and resources? When will the American face be taken off the occupying force? When will Iraq be more secure? When will more American soldiers return home? How long, and how heavy will the burden be? Will the President obtain additional foreign commitments for troops and resources at the Summits with the European Union and NATO in the coming days or will he return empty-handed once again?

The American people and our soldiers serving in Iraq deserve to know the results of the administration's efforts to work with the international community.

All we are asking in this amendment is a progress report from the President on the administration's efforts to work with the international community. All we are asking is how many troops we expect to have in Iraq in coming months.

Given the high stakes, the President should provide the information. Our troops deserve it, America deserves it, and the Iraqi people deserve it.

I will mention past precedent for this proposal because we will hear from those opposed to it that we do not really have as much time as we should, 30 days after the bill is passed. We are going to be, hopefully, concluding this bill. It will take the better part of the month prior to the time we recess for the August break to be able to conclude, I expect, the conference. The President may sign that then.

The PRESIDING OFFICER. The Senator has spoken for 15 minutes.

Mr. KENNEDY. Can I get 5 more minutes?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I understand the Senator from Vermont is eager to talk. I will conclude and come back to this, if I can have 4 more minutes to conclude.

I draw the attention of Members to the precedence in 1995; the Defense authorization bill required assessing the implication of the U.S. military readiness, the participation of ground forces in Bosnia. It had to include 11 estimates of the total number of forces required to carry out the operation, estimates of the duration of the operation, estimates of the cost, and how many Reserve units would be necessary for the operation. This was true in 1997; this was true in 1998; it was true in 1999. There are all kinds of precedents for this.

We are entitled to this information. This amendment will make sure we will be able to receive it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I will say that I agree with the second-degree amendment the Senator from Massachusetts has temporarily withdrawn. Obviously it will be reoffered. The reason I agree, Congress not only has done a very poor job of oversight; with some exceptions, the administration has taken advantage of that and made it a practice to deny oversight cooperation to Congress.

The stonewalling in the prison abuse scandal has been building to a crisis point. Today, finally, after huge pressure, the White House has released a small subset of the documents that offer glimpses into the genesis of this scandal. All should have been provided earlier to Congress. We know a lot has been held back, and remains hidden from public view.

While this is a self-serving selection on the part of the administration, it is at least a beginning, a tiny beginning, a tiny baby step. But if we want the Judiciary Committee and the Senate to find the whole truth, we will need much more cooperation and extensive hearings.

The documents released today raise more questions than they answer. I will give some examples, speaking now of the documents released today.

The White House released only 3 of the 23 documents that members of the Senate Judiciary Committee requested and tried to subpoena last week. In having released only 3 of the 23 we asked for, I point out that 2 of the 3 were already available on the Internet. Where are the other 20 documents we asked for? They have given us one that was not already on the Internet. Where are the other 20?

The White House released a Presidential memorandum dated February 7, 2002, directing that al-Qaida and Taliban detainees be treated humanely. Did the President sign any directive regarding the treatment or interrogation of detainees after February 7, 2002, more than 2 years ago? More specifically, did the President sign any directive after the United States invaded Iraq in March of 2003?

The latest document released by the White House is dated April 16th, 2003. Why is that, when many of the worst abuses that we know of occurred months later, in the fall of 2003. Why has the White House stopped with memoranda produced in April 2003?

I live on the side of a mountain in Vermont. I know that water flows downhill, but so does Government policy. Somewhere in the upper reaches of this administration a process was set in motion that seeped forward until it produced a scandal.

All of us want to put the scandal behind us, but to do that we have to know what happened. And we cannot get to the bottom of this until there is a clear picture of what happened at the top. We need to keep the pressure on until we get honesty and answers. So I will support Senator KENNEDY's second-degree amendment when it is offered.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. LEAHY. Yes.

Mr. KENNEDY. Would the Senator agree with me it is time for the administration to level with the American people on this issue?

Mr. LEAHY. Mr. President, I would agree with the Senator from Massachusetts, it is time to level with the American people. We tried to subpoena these records last week. We were rebuffed on a party-line vote, with many on the other side saying: But they are going to be forthcoming. We now get 3 out of 23 documents, 2 of which were already on the Internet.

When are they going to be forthcoming? We want to understand what happened. As I said, if you are going to get to the bottom of what happened, you have to start at the top. President Bush has said he wants to get to the bottom of this. I agree with him, but I think we have to start at the top to find out what happened there. And simply prosecuting some corporals and sergeants and privates does not get to the bottom of what happened.

Mr. KENNEDY. Finally, if the Senator will yield, I remember our ranking member being at that hearing. The Attorney General was asked whether he was asserting executive privilege, and he said no. Then it was pointed out by members that there are times when the Attorney General does not have to respond because it is spelled out in statute that he does not have to respond. But that was not the case. So it is a circumstance that the Attorney General of the United States felt he would not respond to these requests on the basis of his own actions.

Would the Senator not agree with me that there is no one who is above the law in the system of jurisprudence in the United States of America? The continued unwillingness to provide these documents is certainly going to prolong the agony of the administration in terms of its willingness to cooperate with the committee. And would he not agree with me it is better to get that material here and get the instance behind us?

I remember—if the Senator will permit me to continue—I had the good opportunity to meet the new President of Iraq. I asked him about the prison scandal. I asked: What can the United States do in order to deal with this issue? He said: It is very clear. You have to complete the investigation for which your country is noted. You have to complete the review and hold those accountable who are responsible. When that happens, Iraqis will take a new look at this country.

Would the Senator not agree with me that was good guidance and good advice, and that it ought to be followed, and that it is going to be impossible to follow as long as they refuse to cooperate with the committee?

Mr. LEAHY. Mr. President, the Senator from Massachusetts is absolutely right. I also had the good fortune to meet with the new interim President of Iraq. I actually asked him a similar question, and what the Senator from Massachusetts says is absolutely so. He said: Get it all out. He spoke of making it as transparent as possible. He said: The United States has always had a reputation of being honest, of being a democratic nation, of admitting our mistakes, and, of course, of being proud of those things we have accomplished that we can be so proud of. If we want to maintain that credibility, get it all out.

The Senator from Massachusetts said that in our system, nobody is above the law. I thank God that is so, that the Founders of this country were wise enough to set in place a system where nobody—nobody—was above the law. We have demonstrated this over and over again throughout our history as a nation. Anybody who has tried to step above it, the checks and balances stop that.

What the administration can do is so easy: Answer the questions. The Attorney General refused to answer our questions. But he did not do it on the basis of any of the very limited reasons that a question might be refused—either because the information being sought is classified, which requires us to go into closed session, or because the President has asserted executive privilege, which the President did not in this case.

They have sent up 3 of the 23 items we requested. Two of the 3 items were already on the Internet. But at least we are one item forward. Let's get the rest of the information and documents up here, and then let the Senate do what it should do: Let the various committees actually ask questions and seek answers.

Mr. President, I see my good friend from Pennsylvania on the floor seeking recognition, so I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, in the absence of any other Senator seeking recognition on the pending legislation, I ask unanimous consent that I may speak up to 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. SPECTER are printed in today's RECORD under "Morning Business.")

Mr. SPECTER. I thank the Chair and yield the floor.

Mr. WARNER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SCHUMER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHUMER. Mr. President, I ask unanimous consent to address the Senate for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHUMER. Mr. President, I join my colleague and ranking member on the Judiciary Committee, the Senator from Vermont, as well as my colleague, the Senator from Massachusetts, in expressing support for the amendment we will vote upon either tonight or tomorrow, and to express my displeasure that the documents that we have received are so inadequate in terms of what we have requested.

The first point I will make is, don't let anybody think that because this is a thick pile, it really has the nub of the matter. It does not.

The bottom line is that I would say that an ounce of disclosure is going to buy this White House a pound of problems. These documents raise more questions than they answer. The White House is better off coming clean and releasing all relevant and nonclassified documents.

In the Judiciary Committee, we have asked the administration for 23 specific documents as a starting point. Of the 13 the White House released today, only 3 are among those we asked for; 3 out of 23 is not a very good average. It is not even a good batting average, and we are pretty lenient there when we are above a third.

It seems painfully clear that this administration devised a strained—some would say tortured—new definition of torture. Then someone in the administration authorized the use of new "interrogation techniques" that would have run afoul of the old definition of torture but under the new definition were permissible.

Anybody who thinks those line soldiers at Abu Ghraib were acting on their own initiative must have his head in the sand.

It is absolutely unacceptable that the actions of a few in our military and our Government have brought shame on the 99.9 percent of our troops who serve us so honorably and well and are fighting for the freedom of the Iraqi people.

We must not compound that error by letting a few soldiers at the bottom of the line take the fall if authorities higher up gave them the green light.

This matter must be pursued no matter where it leads, no matter how high it goes. If anyone at the Cabinet level or in the White House opened the door to the kind of abuse we saw in those pictures from Abu Ghraib, it is time to own up to it.

The credibility of the administration is on the line and the release of a handful of documents simply doesn't do the job.

I will repeat that it is not enough to release a few inches of documents. The White House should publicly disclose all relevant and nonclassified documents. Relevant classified documents should be provided to the Judiciary Committee and Armed Services Committee so we can get to the bottom of this.

Mr. President, I am aware of the difficulties in these situations. We are in the post-9/11 world, a brave new world. Sometimes things do have to change and be adjusted. We don't know where the balance should be exactly. That is the difficulty. But one thing I know for sure is that there should be debate as to what methods of interrogation should be allowed and used because that deals with the fundamental balance of security and liberty, and that is the balance the Founding Fathers focused on probably more than any other. That is the balance; they wanted open debate.

So the thing I am sure of is not where you draw the line. I think anybody who says that is certainly making a mistake. Rather, the thing I am certain of is, if there is open debate and discussion between the executive and legislative branches, which is what the Founding Fathers most certainly intended, we will almost inevitably end up in these most serious and delicate matters with a very good solution.

The problem, of course, is this: The Justice Department and the Attorney General have a penchant for secrecy. They have avoided at all costs open debate and discussion. The results almost always inevitably boomerang on them, and they end up having to backtrack anyway, but in a way that doesn't do justice and do right for the people they represent and for America and the world.

So the bottom line is this: At the end of the day, if we don't know who authorized what, when it was authorized, and whether it explains why the detainees at Abu Ghraib were treated the way they were, then the job is simply not done.

I thank my colleagues from Vermont, Massachusetts, Wisconsin, and Illinois for their leadership on this issue and encourage my colleagues to support this amendment.

I yield back the remainder of my time, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wisconsin.

AMENDMENT NO. 3400

Mr. FEINGOLD. Mr. President, first, I will call up my amendment, and I ask that it then be set aside.

Mr. WARNER. Mr. President, there is a UC in effect which indicates there will be no more amendments that will be taken up at the desk. The Senator can speak to any amendment that is pending or another matter, but as far as transactions with the Presiding Officer at this time, they are not in order.

Mr. FEINGOLD. Mr. President, I understand, and I wish to speak about an amendment that will be offered later, amendment No. 3400. It is an amendment I am cosponsoring with Senators MURRAY, DAYTON, CORZINE, DURBIN, and LAUTENBERG.

My amendment would bring a small measure of relief to the families of our brave military personnel who are being deployed for the ongoing fight against terrorism, the war in Iraq, and other missions in this country and around the world. It is actually an amendment the Senate adopted unanimously to last year's Iraq supplemental spending bill, and I hope my colleagues will join me in supporting this measure again this year.

The men and women of our Armed Forces undertake enormous sacrifices in their service to our country. They spend time away from home and from their families in different parts of the country and different parts of the world and are placed in harm's way in order to protect the American people and our way of life. We owe them a huge debt of gratitude for their dedicated service.

The ongoing deployments for the fight against terrorism and for the campaign in Iraq are turning upside down the lives of thousands of Active-Duty National Guard and Reserve personnel and their families as they seek to do their duty to their country and honor their commitments to their families, and, in the case of the Reserve components, to their employers as well. Today, there are more than 160,000 National Guard and Reserve personnel on active duty.

Some of my constituents are facing the latest in a series of activations and deployments for family members who serve our country in the military. Others are seeing their loved ones off on their first deployment. All of these families share in the worry and concern about what awaits their relatives and hope, as we do, for their swift and safe return.

Recently, many of those deployed in Iraq have had their tour extended beyond the time they had expected to stay. Sometimes this extension has played havoc with the lives of those deployed and their families. Worried mothers, fathers, spouses, and children expecting their loved ones home after more than a year of service must now wait another 3 or 4 months before their loved ones' much anticipated homecoming. The emotional toll is huge. So is the impact on a family's daily functioning, as bills still need to be paid, children need to get to school events, and sick family members have to be cared for.

Our men and women in uniform face these challenges without complaint, but we should do more to help them and their families with the many things that preparing to be deployed requires.

During the first round of mobilizations for operations in Afghanistan and Iraq, military personnel and their families were given only a couple days' notice that their units would be deployed. As a result, these dedicated men and women had only a very limited amount of time to get their lives in order. For members of the National Guard and Reserve, this included informing their employers of the deployment. I commend the many employers around the country for their understanding and support when their employees were called to active duty.

In preparation for deployment, military families often have to scramble to arrange for childcare, to pay bills, to contact their landlords or mortgage companies, and take care of other things we usually deal with on a daily basis.

The amendment I will be formally offering later today will allow eligible employees whose spouses, parents, sons, or daughters are military personnel who are serving on or called to active duty in support of a contingency operation to be able to use their Family and Medical Leave Act, FMLA, benefits for issues directly relating to or resulting from that deployment. These instances could include preparation for deployment or additional responsibilities that family members take on as a result of a loved one's deployment, such as childcare.

I do not want you to just take my word for it. Here is what the National Military Family Association has to say in a letter:

> The National Military Family Association has heard from many families about the difficulty of balancing families' obligations with job requirements when a close family member is deployed. Suddenly, they are single parents, or, with the grandparents, assuming the new responsibility of caring for grandchildren. The days leading up to a deployment can be filled with predeployment briefings and putting legal affairs in order.

In that same letter, the National Military Family Association states:

> The military families, especially those of deployed servicemembers, are called upon to make extraordinary sacrifices. This amendment offers families some breathing room as they adjust to this time of separation.

Let me make sure there is no confusion now about what this amendment does and does not do. This amendment does not expand eligibility for FMLA to employees not already covered by FMLA. It does not expand FMLA eligibility to Active-duty military personnel. It simply allows those already covered by FMLA to use the benefits they already have in one additional set of circumstances, and that is to deal with issues directly related to or resulting from the deployment of a family member.

I was proud to cosponsor and vote for legislation that created the landmark Family and Medical Leave Act during the early days of my service to the people of Wisconsin as a Member of this body. This important legislation allows eligible workers to take up to 12 weeks of unpaid leave per year for the birth or adoption of a child, the placement of a foster child, to care for a newborn or newly adopted child or newly placed foster child, or to care for their own serious health condition or that of a spouse, a parent, or child. Some employers offer a portion of this time as paid leave in addition to other accrued leave, while others allow workers to use accrued vacation or sick leave for this purpose prior to going on unpaid leave.

Since its enactment in 1993, the FMLA has helped more than 35 million American workers to balance responsibilities to their families and their careers. According to the Congressional Research Service, between 2.2 million and 6.1 million people took advantage of these benefits in 1999 through 2000.

Our military families sacrifice a great deal. Active-duty families often move every couple of years due to transfers and new assignments. The 10 years since FMLA's enactment has also been a time when we as a country have relied more heavily on National Guard and Reserve personnel for more and more deployments of longer and longer duration. The growing burden on these service members' families must be addressed, and I think this amendment is one way to do so.

This legislation has the support of a number of organizations, including the Wisconsin National Guard, the Military Officers Association of America, the Enlisted Association of National Guard of the United States, the National Guard Association of the United States, the Reserve Officers Association, the National Military Family Association, and the National Partnership for Women and Families. The Military Coalition, an umbrella organization of 31 prominent military organizations, specified this legislation as one of five meriting special consideration during the Iraq supplemental debate.

We owe it to our military personnel and their families to do all we can to support them in this difficult time. I hope this amendment will bring a small measure of relief to our military families.

Mr. President, I urge my colleagues to support the amendment when we have the opportunity to vote on it. I yield the floor.

Mr. LEVIN. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ALLEN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I rise to speak about amendment No. 3264, which I have offered. It accomplishes three important goals. First, it recognizes and honors the dedication and sacrifice of American military personnel killed and injured in combat and the heroic efforts of our medical teams through a sense of the Senate.

Secondly, it eases the stress of families who are attempting to follow the whereabouts of loved ones injured in combat by requiring the Secretary of Defense to establish a tracking system for wounded personnel.

Third, it authorizes $10 million to modernize medical combat equipment to support our medics in their fight to save lives.

Supporting my amendment tells the 5,138 military personnel who have been injured in Iraq that we care. It begins to address this harsh reality of war by providing the care soldiers and marines deserve and the resources combat medics need.

I have heard from distraught Arkansas families—I am sure many of my colleagues have heard from families in their States—who felt left in the dark after a loved one's injury because they were not given adequate details of their condition or whereabouts. Congress can alleviate that anxiety by establishing a tracking system to keep families better informed. We can also help save lives and reduce combat injuries by ensuring that our military medical teams have the equipment they need to provide critical frontline treatment. I cannot think of a better investment.

On June 14, 2004, I introduced S. 2516, the Service Act for Care and Relief Initiatives for Forces Injured in Combat Engagements Act of 2004, or, as we call it, SACRIFICE. The RECORD includes a full statement on the provisions of that bill. My amendment is almost identical to the SACRIFICE bill.

Currently, the SACRIFICE amendment has 11 cosponsors. Many Arkansans asked me about the partisan working environment in the Senate. I want to go on record stating that the SACRIFICE amendment has had bipartisan support from Senators SESSIONS, CHAMBLISS, GRAHAM of South Carolina, REED of Rhode Island, NELSON of Nebraska, NELSON of Florida, DOLE, CORNYN, COLLINS, CLINTON, and LINCOLN. The amendment also has the support of the Disabled American Veterans and the Veterans of Foreign Wars. I have been working with the cosponsors and the staff of the Senate Armed Services Committee to refine the language of the amendment.

I am deeply grateful for the support and assistance I have received from Members on both sides of the aisle. I want to specifically thank Rick DeBobes, Arun Seraphin, Gary Leeling, Judy Ansley, Dick Walsh, and Elaine McCusker for the many hours they have spent on this amendment and for their very precious and wise counsel.

I understand there may be an opportunity for the managers to accept my amendment. I appreciate that consideration. I am also hopeful that we can work out an agreement. I thank Chairman WARNER and Senator LEVIN for their consideration of this very important issue. It is an honor for me, as a freshman Senator in my first Congress, to serve under the leadership of Chairman WARNER and Senator LEVIN. Their aid in helping me address a problem my constituents are experiencing firsthand with such productive interaction amongst both parties is truly a testament to the dedication of the members and the staff of the Armed Services Committee. We owe that to their leadership, and I appreciate it very much.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I want to congratulate the Senator from Arkansas. He has added a new dimension to the Senate. He is someone who is thoughtful, and above all he is so concerned about the partisan contentiousness in the Senate, and he has spoken to Senator DASCHLE and me and others about the need to do something about this. I want the Senator from Arkansas to know how much we appreciate his being the good Senator that he is and being concerned about what is going on here on the Senate floor.

We have worked on this bill—I do not know, but I think this is about the 12th day. Some of those days were Mondays and Fridays, so I really do not know how many real days we have had to work on this bill, but it has been a long, tedious process to work through more than 300 amendments. We can see light at the end of the tunnel.

When the majority learned the minority was going to offer an amendment calling for the Attorney General to divulge certain information, as a result action was brought to a standstill. I have some difficulty understanding that, but I believe that on difficult amendments the majority and minority should face it and just vote on them rather than bring legislation to a standstill, but the decision has been made to not do anything on this legislation.

At first glance, I thought I did not agree with what the majority was doing, but they have done this in the past and that is what they want to do, and we just have to live with it. It has been brought to my attention, though, that a bus pulled up in front of the Senate, and now the Republican Senators are at a reception at the White House. I do not know how many of them but enough that there is nothing being done here. We are trying very hard to finish this bill and we are not doing anything because the Republican Senators are at the White House for a reception? If, in fact, we had been told that, we could certainly have had people offering amendments and have no votes during that period of time. We do that on many occasions. But I think this legislation is not turning out as well as I thought it should, which has been handled so well by the two managers of this bill.

The distinguished chairman of the committee thought I should not have offered a second-degree amendment because he thought he should have that right. Perhaps he was right. So I withdrew my amendment and we are in the position where we would be if I had not offered that amendment. That is the status of the Senate today.

But as I have said and others have said, including Senator LEAHY, that is an amendment we will need to vote on before we finish this legislation. At 6:20, the managers are going to offer all amendments that have not even been agreed upon, voted upon, or somehow that are on the list that haven't been offered. The way things are going we could end up with quite a few amendments to vote on because each of those amendments do carry with them the potential of having a second-degree amendment offered to each one of them. If we wind up with 15 amendments that haven't been offered, we could wind up with 30 votes. I hope that is not the case.

We have also been told there is a need to vote on judges. I understand the reason for that. We will have to take that into consideration over here.

My only point is after the reception is over, which should be around 5 to 6, maybe we could get back to working on this most important legislation. I think it has not accomplished what we need to accomplish here by simply bringing the Senate to a standstill this afternoon. Since the Senate picture was taken, we haven't done anything. We might just as well have stayed here and had other poses, I guess.

I hope we can work our way through this little situation we have here. We have some amendments. Senator KENNEDY's amendment, I am sure, will require a little more debate. Most of the amendments have been debated. People have come over, those who are going to offer amendments, and stated their positions.

I recognize the importance of this legislation. As we speak, in Iraq and Afghanistan we have men and women who are actually on the firing lines. I don't know how many in Iraq have been injured or killed today. We know what happens every day. We know in Baghdad there are scores of attacks by these terrorists. Iraqis are being killed every day. This bill is an important piece of legislation. I think we all need to recognize that.

Yesterday, when I was here at my desk, my BlackBerry went off. I looked at it and it was CNN breaking news, to report four American soldiers had been shot. They had been found dead, shot multiple times in the head. There were 2 other soldiers killed and 11 who had been wounded in that same action.

What we do here is extremely important. There is nothing that we do during the year more important than this Defense authorization bill. I hope we can finish it because there is no reason we should not be able to. I hope the majority will not prevent us from completing action on this bill because we have requested a vote on the Leahy amendment.

Let me read again what this amendment says. The purpose is:

> To direct the Attorney General to submit to the Committee on the Judiciary of the Senate all documents in the possession of the Department of Justice relating to the treatment and interrogation of individuals held in the custody of the United States.

That is directly related to this Defense bill.

I read the purpose. The amendment says:

> The Attorney General shall submit to the Committee on the Judiciary of the Senate all documents and records produced from January 20, 2001, to the present, and in the possession of the Department of Justice, describing, referring or relating to the treatment or interrogation of prisoners of war, enemy combatants, and individuals held in the custody or under the physical control of the United States Government or an agent of the United States Government in connection with investigations or interrogations by the military, the Central Intelligence Agency, intelligence, antiterrorist or counterterrorist offices in other agencies, or cooperating governments, and the agents or contractors of such agencies or governments.

This is directly related to what is going on in Iraq, what is going on in Afghanistan, and other trouble spots in the world.

I hope after a very short debate we can bring this before the Senate, vote on it, and complete the other issues on this bill, some of which are contentious, some of which are not. Most of them are not. We could dispose of them in a few minutes.

But it is not as if this has nothing to do with this legislation. We on this side have been very careful. Even though we had a number of Senators who wanted to offer amendments dealing with unemployment compensation, overtime, minimum wage, and things of that nature, we decided not to put them on this bill because of the importance of this bill. But this amendment which Senator LEAHY or someone will offer at a subsequent time is directly related to this legislation.

I hope during this quiet time the staffs are able to clear a lot of amendments. That will save us a significant amount of time. The staffs of this committee are as good as any staffs we have in the Senate. I am sure if it is possible to clear those, they will be cleared.

But I hope in clearing these amendments we will get back to where we were prior to the Senate picture that was taken at 2:15.

The PRESIDING OFFICER. The Senator from Illinois, Mr. DURBIN.

Mr. DURBIN. Mr. President, I rise to speak to the Reid amendment, which I understand has been formally withdrawn at this moment but certainly is the topic of consideration and discussion.

Mr. REID. And will come back.

Mr. DURBIN. It will return, according to the Senator from Nevada, for the consideration of the Senate.

That amendment by Senator REID of Nevada would require Attorney General Ashcroft to provide the Judiciary Committee with all the documents in the Justice Department's possession relating to the treatment and interrogation of detainees.

This is an extremely serious issue for America. Literally, the world is watching us and asking whether the United States will stand behind its treaty obligations in this age of terrorism.

It is clear that our enemies do not respect the rules in their relentless quest to kill Americans. The barbaric treatment of Nicholas Berg and Paul Johnson have reminded us all of that fact.

But this is what distinguishes the United States from the terrorists we fight. There are some lines we in the United States will not cross. Torture is one of them. We have said repeatedly, since the time of President Abraham Lincoln, that torture is inconsistent with the principles of liberty and the rule of law that underpins our democracy.

Two weeks ago, Attorney General Ashcroft appeared before the Senate Judiciary Committee as our Nation's chief law enforcement officer. He said on the record that the administration opposes torture and that torture is not justified or, in his words, productive. But he refused at that time to provide us with the Justice Department memos dealing with coercive interrogation tactics.

I asked him repeatedly: Attorney General Ashcroft, under what legal or constitutional basis would you deny this committee copies of these memos?

I asked him if he was asserting executive privilege on behalf of the President. He said he was not.

I asked him if he could identify any statute by which he would be absolved from his duty to respond favorably and positively to a request by the Senate Judiciary Committee for these memos, and he could not cite any statute.

At one point he said he personally believed that it was not appropriate to produce these memos. I responded by saying that, as interesting as that may be, the Attorney General's personal beliefs are not the law. It is the law which governs us.

Now, at the eleventh hour, today, in an effort to defeat the growing pressure to release these memos, the White House has provided Congress with a number of documents, including one of the Justice Department's torture memos. But a quick review of the documents provided reveals they have given us only a small part of what we have asked for. Just last week the Senate Judiciary Committee considered a request for some 23 documents of the Department of Justice related to interrogation techniques and torture. That request for subpoena was defeated in the Senate Judiciary Committee on a party-line vote, 10 to 9, all Republicans voting against disclosure of the documents, all Democrats voting in favor. We take a look at the documents produced voluntarily by the White House today and find only 3 of the 23 documents subject to the subpoena have actually been produced.

But the Justice Department's torture memo, which has been produced after it was leaked on the Internet for all to read, is a memo which we now know raises very troubling questions and completely contradicts statements made by Attorney General Ashcroft before the Judiciary Committee. It makes it clear if Congress and the Senate are to meet their obligation under the Constitution, we must ask harder questions and we must dig deeper.

In the memo, the Justice Department makes unprecedented assertions about executive power, assertions that I believe violate basic constitutional principles. The Justice Department concludes the torture statute, which makes torture a crime, does not apply to interrogations conducted under the President's Commander in Chief authority.

At the hearing 2 weeks ago before the Senate Judiciary Committee, Attorney General Ashcroft said unequivocally it was not his job to define torture. He went on to say, it is not the job of the administration to define torture. He said that is the job of Congress.

Sadly, as we take a look at this Department of Justice memo produced long before the Attorney General's testimony, we find on page 13 the following statement, and I ask listeners to reach their own conclusion as to whether what I am about to read from Attorney General Ashcroft's memo on interrogation is an attempt to define torture. I quote from the Department of Justice memo dated August 1, 2002:

> The victim must experience intense pain or suffering of the kind that is equivalent to the pain that would be associated with serious physical injury so severe that death, organ failure, or permanent damage resulting in a loss of significant body function would likely result.

How can anyone read those words and reach any other conclusion but that the Department of Justice in August of 2002 issued this memorandum defining torture. That, of course, is something the Attorney General said was not their job. He is right; it was not their job. But it was done, anyway.

They also claim torture must involve "intense pain or suffering of the kind that is equivalent to the pain associated with serious physical injury so severe that death, organ failure, or permanent damage resulting in a loss of significant body function will likely result."

Ask yourself the obvious question: Why did the Department of Justice produce this memo? Who asked for it? Was it the intelligence agencies of the U.S. Government? The White House? We honestly do not know the answer to that.

If this opinion by the Attorney General's office was at the request of some other agency of Government, we should know that. We should know which agency of Government said to the Attorney General, we need an advisory opinion, we need your best guess as to how far we can go in interrogation techniques.

Although the Attorney General said to us repeatedly, the law speaks for itself—when he said that, he was referring to our laws, our Constitution, the treaties we have entered into—in fact, the Attorney General and his Department of Justice decided the law was not enough. They needed to add very graphic and specific definitions such as the one I read.

Now, of course, there is an important and underlying issue here. Under our Constitution, which we have all sworn to uphold—not only Members of Congress but members of the President's Cabinet—the President does not have the authority to choose which laws he will obey or to make his own laws. There is no wartime exception to our Constitution.

Article I, section 1 of the Constitution says all legislative powers are vested in Congress. Article II, section 3 of the Constitution says the President shall take care that the laws be faithfully executed. Article VI provides that laws made by Congress and treaties ratified by the Senate are the supreme law of the land.

Retired RADM John Hutson was a Navy judge advocate for 28 years. From 1997 to the year 2000 he was the judge advocate general, the top lawyer in the Navy. He rejects the Justice Department interpretation of torture law, saying:

> If the president's inherent authority as commander in chief trumps domestic and international law, where is the limit? If every sovereign can ignore the law, then no one is bound by it.

The Supreme Court considered a similar question related to the Justice Department position. President Truman, faced with a steel strike during the Korean war, issued an Executive order to seize and operate the Nation's steel mills. In the historic Youngstown steel case, the Court found the seizure of the steel mills was an unconstitutional infringement on Congress's lawmaking power and that it was not justified in wartime as an exercise of the President's Commander in Chief authority.

Justice Hugo Black, writing for the majority, said:

> The Constitution is neither silent nor equivocal about who shall make laws which the President is to execute . . . The Founders of this Nation entrusted the lawmaking power to the Congress alone in both good and bad times.

It seems clear the Justice Department memo was the basis for a Defense Department memo that makes very similar arguments about torture. For example, the Department of Defense memo argues the statute outlawing torture does not apply to the detention and interrogation of enemy combatants by the President pursuant to the Commander in Chief authority.

The difficult question we have to answer is this: What have these memos produced by the Department of Justice wrought? We know, now, because of the graphic illustration of the abuses at Abu Ghraib prison, that soldiers in the uniform of the United States of America performed some horrible and shameful acts for which no one has made any excuses. Even the President has said that does not represent America. What they did was clearly wrong.

The important and obvious question for all to ask as a follow-on is, Was this an incident involving the conduct of a handful of officers or did it represent a policy promulgated by this Government, supported by memoranda from the Department of Justice and those from the Department of Defense? Therein lies the critical question.

Last week, President Bush was asked about the Justice Department torture memo and he said he did not remember if he had ever seen it; he said he issued an authorization that conformed with U.S. law and treaty obligations, and he would not say whether he would authorize the use of torture but that we should be "comforted" by the "laws on the books."

The President is correct; the law is very clear. The United States is not permitted to engage in torture or cruel, inhumane, or degrading treatment. But I am not comforted because we don't know if the administration followed the Justice Department interpretation which would allow the President to set aside these laws. We have gone too far.

We have to follow the paper trail to determine who requested the memos and what was done in response to them. We need to find out whether the legal arguments contained in these memos were used to justify the use of torture at Guantanamo, at Abu Ghraib, or any other facility controlled by the United States of America. We need to know whether the President or anyone else in this administration authorized the use of torture as defined by the Department of Justice memo.

The Senate has an obligation to the Constitution and the American people to answer these questions. The only way to do that is to obtain all of the relevant documents.

The great challenge of our age in combatting terrorism while remaining true to the principles which our country is based upon is to make certain we respect liberty and the rule of law. We must not sacrifice freedom and the rule of law at the altar of security. We must respect the freedoms protected by the Bill of Rights. Our laws must not fall silent during time of war.

I urge my colleagues to support the Reid amendment. I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts, Mr. KERRY.

Mr. KERRY. Mr. President, I thought I might take advantage of this moment while so many of the Republicans are at a White House reception to share a few thoughts about a bill we are obviously not going to be able to vote on today.

Sixty years ago, Franklin Roosevelt signed the GI bill. He showed us in doing so how to honor our veterans and he launched the greatest expansion of the middle class in our Nation's history. Never before has an act of legislation and the vision of and the investment by one President done so much for so many Americans.

President Roosevelt said that on the day it became law, the signing of this bill "gave emphatic notice to the men and women in our Armed Forces that the American people do not intend to let them down."

Today, throughout the day, the Senate has had an opportunity to make history in the spirit of Roosevelt and his commitment to the Greatest Generation. Senator DASCHLE's amendment, which he tried to bring up earlier, would take an important step toward the full mandatory funding of veterans health care. It would say to the 500,000 veterans closed out of the VA health system in the last 2 years: You are welcome. There is care for you.

In the 10th year of its enactment, it will provide care to 3 million veterans who otherwise will be shut out of the system, and it will end the practice of rationing health care for those who have already given so much to this country and who have had an expectation that health care will be there for them.

Now, last night, in the normal course of business in our Senate, I was informed by the minority leader that his amendment would proceed today and that he would, under the normal procedures of the Senate, bring it up in an effort to have an early vote. I cancelled my events and I returned here hoping to be able to vote on this important issue. There was no request for lengthy debate. There has been—I know the Senator from Virginia will agree with this—no effort to delay this bill. In fact, the minority leader has expressed every good intention to try to move forward as fast as possible on this bill.

Under the normal courtesies of an institution that runs on courtesy, normally, it is absolutely consistent with the rules and traditions of the Senate that time might be made available to a minority leader to offer an amendment and for a vote to be ordered. But, evidently, this is not a normal time for those courtesies in the life of the Senate. I regret that for the Senate and for the country and for veterans. So today we could have acted and have honored 26 million Americans who wore the uniform and provided important funding for them.

More than a decade ago, Senator DASCHLE and I worked to help veterans exposed to Agent Orange receive the recognition, the care, and the benefits they deserved. I am very happy to join him today in supporting this amendment, whenever it will come up, in whatever way I can, whether I am here or not here. I will support this effort in the days, months, and in the years ahead to provide to our veterans the resources they deserve and increasingly have been denied.

Yes, there have been increases in the veterans budget, but the test is not whether you have increased the budget, the test is whether you are meeting the need. And the need is not being met.

I am honored to stand with the veterans who are backing Senator DASCHLE's amendment. The VFW, the American Legion, AMVETS, the Paralyzed Veterans Association, Disabled American Veterans, the Blinded Veterans Association, Jewish War Veterans, the Military Order of the Purple Heart, and Vietnam Veterans of America—all of them would have loved to have seen the Senate do its business today when it could have.

That is a distinguished group of veterans. A lot of courage, a lot of honor, a lot of kindness comes from the men and women who belong to those organizations. They are Americans whose opinions and guidance I trust. And they deserve to be heard.

In this time of great sacrifice, it is even more important that we show our veterans we honor them and respect them. We have to do so with more than words. We have to show them by our actions and our deeds.

During a time of war, a time when tens of thousands of Americans are asked to fight and possibly die for their country, our message ought to be loud and clear: When you come home, your country will take care of you because you took care of us.

This is an important issue to our country, to our veterans, and to the men and women in harm's way in Iraq, Afghanistan, and around the world—today's service members who will be tomorrow's veterans.

I have been around here long enough not to worry about these kinds of things. This day will pass and others will come. But Americans will measure how we do our business, and they will measure the seriousness of purpose and the courtesies we extend to each other. So while this vote may not take place while I am here, my support will never wane and my commitment to veterans will never be diminished. I regret whatever rationale has entered into this decision that we cannot proceed for a very simple vote on a very straightforward issue.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia, Mr. WARNER.

Mr. WARNER. Mr. President, I say to my good friend—and we have been good friends for many years—you made reference to President Roosevelt and the GI bill. With my very humble and modest naval service in the last year of World War II, I was a beneficiary of that.

But I would say to my good friend, I am proud of what our Senate has done over the past several years to assist veterans. This is another matter that is now pending and has yet to be resolved.

I see the distinguished Senator from Nevada, who has been in the forefront with colleagues on my side on the issue of concurrent receipts. Prior to that, I worked with my good friend from Michigan on TRICARE for Life. I could enunciate others.

We are about to have a vote here sometime, perhaps tonight or tomorrow. The Senator from Louisiana and the Senator from Nevada and the Senator from Maine are trying to close that gap when a retiree's widow, in most instances, reaches the eligibility for Social Security. Oftentimes there is a very significant dropoff.

So we have done a lot in this body. I know well of my old friend's career in the Navy. I was Secretary of the Navy, as you well know, and Under Secretary at the time the decorations you earned through your valor and your courage came before the Navy Department for approval. While I do not have specific recollections—I had to deal with many during those difficult days of a very stressful and tough period in American history; and how well both of us remember that—as far as I know, I participated in some way and look with a sense of pride on approving those decorations. Whether I was Under Secretary or Secretary, it was right in that period of time. We chatted about that in years past.

But as to the events of this day, I would say this is my 26th year in the Senate, working with Senator LEVIN, and I would ask the Senator to step back. If you had the totality of the picture, the majority leader was hopeful, and we have not lost that hope, of continuing through the night and tomorrow to get our final vote on this bill. Much remains to be seen at the hour of 6:20, when we will have the opportunity to look at the amendments our colleagues still feel require their attention.

But in that context, it was at the hour of 6:20 when we would have that body of information to give us some clear indication as to what time agreements we could make with the Daschle amendment, time agreements with a number that are pending at the desk. I certainly, speaking for myself—we are not trying to preclude our colleague from his rightful duty to participate today in the affairs of the Senate in any way, but we have to move ahead with not only this bill but the appropriations bill, which is soon to follow. My understanding is, it was to be brought up immediately, assuming this bill were voted on finally tomorrow.

But then there was another impediment, as I understand, regarding debt limit and some other things—which I admit I am unfamiliar with—which then indicated to the majority leader, for whom I have great respect, Senator FRIST, who wants to operate in a sense of fairness: Was he not able, as majority leader, to guide the package of legislation, both authorization and appropriations, which he felt necessary?

So I am not suggesting the Daschle amendment could not perhaps at a later time tonight be brought up and voted on.

I say to the Senator, I recognize the tough schedule you have, but I would not want to say that I feel on this side there is any conspiracy in this area, certainly from my perspective.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. One of my good friends on the other side of the aisle is the senior Senator from Virginia, and I am a good friend with the junior Senator, too. I will say to him that I respect the position he has been put in. I have been here 20 years. I know how this place works and how it negotiates. I know exactly what the conversation was in the well of the Senate earlier.

I have no illusions about where we find ourselves now. I am not complaining. I am just here to make my statement of support. I will continue to do what I am doing because I believe we can do better by veterans in this country. I will continue to take that issue to the country over these next days.

We have an opportunity to make a choice today. If we don't, then we will continue to talk about this issue over the next months, and the American people will make a choice in November.

Mr. WARNER. Would my colleague address what is a major concern with this Senator. I say this with total humility. I am a veteran and possibly could benefit someday by what this package contains. I don't know.

Mr. KERRY. I suspect under the health care and benefit plans the Senate gives itself, the Senator won't need this.

Mr. WARNER. Well, I don't know, Senator. I am just trying to say that the Senate is looking at this in terms of its fiscal impact. This is somewhere between $200 and $300 billion.

Mr. KERRY. Mr. President, not this particular proposal.

Mr. WARNER. Well, I believe it is involved.

Mr. KERRY. Mr. President, that is if you did the full funding. This is a compromise that has been worked out which is a lesser amount of money, recognizing the significant amounts that are available.

Be that as it may, we are talking over 10 years. The last tax cut for people earning more than $200,000 a year was over $1.2 trillion. So it is a question of where the rubber meets the road. You have veterans over here who served their country who have a need for health care, and you have a lot of wealthy Americans over here who don't particularly have a need for a new tax cut. This is a place for choices. All we are asking is for a choice to be made.

I thank the Senator from Virginia and yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, before the distinguished junior Senator from Massachusetts leaves the floor, I wish to say this, from a total Nevada perspective, how proud we are of the campaign he has been running in Nevada. The Senator from Massachusetts has run all positive ads. The people of Nevada recognize that and, as a result of that, all the polls show him ahead at this time.

I compliment the Senator. When he comes to Nevada, he is totally open to the press. Each time he comes he answers any questions that the people have to ask him. The press is there. For example, last time he was there, he not only did a press conference but he was on individual programs, Ed Bernstein's show, for example, John Alston, where he was answering any questions they had to ask him.

I compliment the Senator from Massachusetts from a Nevada perspective for the type of campaign that has been run. Positive campaigning is something that is so necessary. We have far too much negative campaigning. We need to make ourselves available to questions of the press. We should not hide ourselves from the press. Senator KERRY has not done that, which makes us in Nevada feel very good.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I looked at the cost to the American taxpayers for TRICARE for Life, and that is $3.9 billion a year. The concurrent receipts were $22 billion in the 2004 cycle. Through this administration, in veterans funding, there has been a 34-percent increase in funding for health care since 2001. Overall spending for health care has doubled since 1993. So I am not going to take second place to anyone with regard to the achievements we have had in this body by way of trying to care for our veterans. I feel very strongly about that.

My military career is very modest: service in World War II and service in Korea in the Marines. I have served with the courageous ones, the ones who lost life and limb. I am not going to take second place to anybody in my trying to work hard to support proper recognition for them and what they have achieved. I am just one of the lucky ones who had the opportunity to serve alongside these veterans and work with their families. For 5 years as Secretary of the Navy, I worked with families in that stressful period of time in Vietnam.

I feel so strongly to be a supporter of the veterans' causes, not for political reasons. Some vote for me; some don't. That is all right. The important thing is that this Nation takes them to heart, particularly at this time when, at this very moment, who knows which veteran, which service Active-Duty man in Iraq or Afghanistan, where all of us have visited those battlefields, might have his or her life taken, life or limb. I feel ever so strongly about it. Day or night they are in my mind.

I see others desiring to speak so I shall yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I want to make a couple comments on one of the pending amendments, the so-called Daschle amendment dealing with veterans. In many cases, this amendment is more about helping politicians than it is helping veterans. We have done a lot to help veterans—we being the Members of this body, Members of this Congress. I want to go to the facts.

Just look at history. In 1993, we were spending less than $15 billion. If you look throughout the next several years, the year 2000, it still increased only to about $17 billion, $18 billion.

Since then, in the last 4 years, we have gone up from about $18 billion to now we are about $28.5 billion. So we have had a dramatic increase in the last few years, frankly, in large part due to President Bush's requests.

Those are the facts.

If you want to gauge our support for veterans on how much money we are spending, we see a relatively flat, very slow growth during the Clinton years and a very rapid increase under President Bush's last 3 years.

Now we have an amendment that says, we know this is discretionary, as it always has been. Appropriators take care of discretionary items. As alluded to by Senator BOND, we have had big increases because we had some demands, and the appropriators and budgeteers met those demands. Now we have an amendment that says: Let's throw that away, an amendment that will increase spending by $300 billion.

It also increases the deficit by $300 billion. Some of the people who say they are in favor of this say they believe in pay-go. They make speeches: We want pay-go. But they don't pay for this amendment. So this amendment would increase the deficit by $300 billion.

Then I look at the way it is written, and it is one of the worst amendments, as far as putting something together from a fiscal standpoint, that I have ever seen. It says: Let's take the 2004 discretionary figure and freeze it; for the next 10 years we will freeze it. Then we will set up a new entitlement, not based on the number of veterans receiving care but on the number of people who are eligible to receive care. On the eligibility side, we will come up with some type of per capita contribution and figure it all out. CBO estimates over 10 years it will cost $300 billion.

We are spending a little less than $30 billion a year right now, but we are going to multiply that based on the number of people who might be eligible.

Senator WARNER is eligible but my guess is he doesn't receive all of his health care in a veterans hospital. My father-in-law is eligible but he doesn't receive his health care under veterans. A lot of people in the military served with great distinction but they don't receive their health care through the VA health care system.

I don't know who designed this new formula. This kind of amendment belongs on the budget, not on a DOD authorization bill. This is really amending the budget, saying we are going to take a discretionary item and turn it into a mandatory item, and we have decided to grab some kind of fictitious name based on the number of people eligible, not the people who are in the system, not the people who are likely to receive the care, and pluck it out of the air and say: Here is what we are going to do.

And then it also says GAO, after a couple of years, if they don't like it and think it is enough, we will set some other kind of process on automatic pilot to have Congress vote on it in the next 10 days or so. It is just a ridiculous way to fund a department or to take care of veterans.

I am all in favor of taking care of veterans. Senator WARNER alluded to the fact that we have done a lot for veterans in the last few years. You bet we have. Last year, concurrent receipts—I believe there was an amendment agreed to, and the ultimate cost was $22 billion. Senator WARNER agreed to an amendment last week to expand that almost another billion dollars. We did TRICARE for life. We did Service Members Group Life Insurance. We did expanded benefits for former POWs, auto and housing grants, and veterans buying first homes. We increased the VA home loan guarantee up to a maximum mortgage of $240,000. We did the Montgomery GI bill to assist transitioning from military to civilian, and we enacted a 52-percent increase in education benefits. I can go on and on. We have done a lot. It is expensive. So this line will continue to increase.

Then I look at this amendment. It doesn't really say anything about need. It comes up with a very awkward formula, almost like an HMO-type thing, and says, by the number of eligibles, we are going to figure out so much money and multiply it and throw it in. That will not meet veterans needs. In the appropriations process, we have committees that have hearings. What do you need? What is pressing? We vote and appropriate money. We have had a faster rate of increase in veterans care than in almost any other area in the Federal budget.

The amendment we have pending before us has a budget point of order, and appropriately so. It would increase the deficit by $300 billion over and above the budget. Maybe some people don't care about deficits. This Senator does. This amendment is not paid for. It violates pay-go. For those people who voted for pay-go, they should say this is not paid for. They make speeches in their States and say, I believe we should have pay-go. This doesn't meet that test.

At the appropriate time, I will make a budget point of order, and I hope our colleagues will sustain that. I might also note that I am keeping a record of all the budget points of order that have been made and the number of people who vote to waive those points of order. Since last year's budget was adopted, we have had amendments to increase spending and increase the debt by over $1.4 trillion. This amendment will just be a couple hundred billion dollars on top of that. We are keeping a running log.

In the last month, there was an amendment to make IDEA an entitlement. We made a budget point of order and defeated that. That would have increased the debt by $87 billion. A week or so before that, there was an amendment to expand retroactively unemployment compensation that would have increased the deficit by $9 billion. We defeated that. A week before that, there was an amendment on trade adjustment assistance, and it would have cost an additional $6 billion. None of these amendments were paid for, and we defeated them. So in the last month, I think we have had three votes that would have increased spending—i.e., the deficit—by over $100 billion. The amendment we will be voting on will increase the deficit by a couple hundred billion dollars. Again, I hope my colleagues will show a little sanity and say, let's try to really help veterans, let's not try to help politicians. Let's sustain the budget point of order on this amendment.

I yield the floor.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from Delaware.

Mr. BIDEN. Will my colleague yield for a couple questions?

Mr. NICKLES. I am happy to yield.

Mr. BIDEN. Mr. President, I ask my colleague, the chairman of the Budget Committee, how big was the deficit in the budget you brought to the Senate floor, the budget you voted out of committee?

Mr. NICKLES. I would have to look at the figures. The baseline scored by OMB was 521. The baseline scored by CBO was 477. The figure we had before us in the budget resolution, I would want to check. CBO is in the process of revising that. We use CBO scoring. My guess is it would be significantly less than the 521 by OMB, and 477 by CBO, and we now expect, if we stay with the projections—i.e., the spending figures that we had assumed in the budget resolution, 821 on discretionary spending—the debts would probably be in the neighborhood of not 477 but closer to 420, in spite of the fact that I know my friend from Delaware made a speech last week saying he thought it would be 600. It would be closer to 420.

Mr. BIDEN. We are already starting off with the Senator recommending a vote for a budget that has $400 billion-plus.

Mr. NICKLES. I am not sure. I think the Senator from Delaware has the floor. I don't want him stating——

Mr. BIDEN. I ask the Senator if he wants to respond to that comment.

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. NICKLES. Mr. President, I am happy to debate my colleague, or any colleague, on the budget. We spent several days debating the budget. I am more than happy to debate it. I will tell my colleague that we basically have assumed a freeze in nondefense, non-homeland security in the budget resolution. I hope we will be able to enforce that freeze. I have been very vigilant in trying to enforce the budget.

We have made about 80 points of order to contain the growth of spending, most all of which have been sustained. There were very few votes by our colleagues on the Democrat side, with the exception of Senator MILLER, and I thank him and compliment him for that. Since we were successful in sustaining those budget points of order, we have saved Federal spending to the tune of in excess of over $1.3 trillion. I happen to have these votes, and I happen to have a chart that shows the votes, just like this vote. CBO scores this vote—if this amendment were to be adopted—saying it would increase spending by $300 billion. It basically doubles VA. I hope we will be successful. That will be scored on the running chart I am keeping. I mentioned over $100 billion of additional spending. We defeated that in the last month using budget points of order.

I hope we will defeat this amendment, and it will save $300 billion-plus and I think make us a lot more responsive. I happen to believe we are making a serious mistake to put everything into that side of the equation.

I mentioned discretionary spending of $821 billion, which is our budget figure. We are going to be spending $2.4 trillion. Two-thirds of the budget is now entitlements. One-third is discretionary spending. I believe we would have a better control, better oversight if we would keep more in the discretionary side. This is the opposite of that effort.

I yield the floor.

Mr. BIDEN. Mr. President, I say to my friend, I didn't want to debate it. I was trying to get the facts. The facts are that, notwithstanding what he suggested he has saved by budget points of order, he brought a budget to the Senate floor that is in deficit over $400 billion.

Mr. NICKLES. Will the Senator yield?

Mr. BIDEN. Surely.

Mr. NICKLES. To inform my colleague, the budget also would reduce the deficit by half in 3 years. That is not easily done when you have a $400 billion deficit. So please keep that in mind as well.

Mr. BIDEN. Again, I am not here to debate this. The facts are that he brought a budget to the floor of the Senate that is over $430 billion, and some believe it is over $500 billion in deficits. I agree with my friend that we should be careful about putting in entitlements. Entitlements, in a sense, if you think about the effect on the budget—I know the Presiding Officer is a former Governor—there are two types of expenditures: direct expenditures and tax expenditures.

My friend also wants to essentially, in layman's terms, make an entitlement of the tax cuts; in other words, make them permanent. They do not want to make permanent the ability of veterans to have what this amendment calls for. I understand that. It is a logical argument. I do not begrudge that. I think it is an intelligent argument to make.

I want to point out this is about values and priorities. If you want to know what a country values, if you want to know what a company values, if you want to know what a nonprofit values, look at its budget, and you will know. You will know what it values, on what it puts the highest value.

I can understand one can make the argument, and there is truth to the argument, that tax cuts spur the economy, everything gets better, and it works out better. I got all that. Believe it or not, after 30 years here, I figured that out, and there is some truth to it. Really, this is a values debate, not wanting to put something permanently into the law that is an entitlement in the case of what veterans now and in the future would be entitled to. It is not a lot different fundamentally in its effect on the actual budget, the numbers in the budget, than essentially making permanent tax cuts from now infinitum. And they are big numbers.

Again, the disagreement is real, genuine, and intellectually is defensible, but it is a difference of perspective. The reason the Senator from Delaware comes to the floor, very seldom my colleagues will notice, is that in this case, when you think about a budget that I voted against—I do not support the budget, I do not support the priorities within the budget by the Budget Committee—to turn around and say that when I vote not to sustain a point of order that somehow I am the one increasing the budget, it is a little bit like my saying to you: Here is the deal. What we are going to do in the family, we are going to have one car, drive it 22 miles a week, and not drive it any further than that. We are not going to turn the thermostat up over 60 degrees. And, by the way, we are going to build a new swimming pool in the backyard.

If I do not get a vote on that—it seems to me when I come along and say we should be able to drive the car to church more often because the kids are not going to church because the church is 14 miles away, we should have more money for gas in the car, we should not have built the swimming pool—we do not get a chance to do that.

I get a budget, which is legitimate, shoved on me because you guys run the show, the Republicans run the show. I got that. I understand it. I do not complain about that. More people voted for Republican Senators than Democratic Senators. But the idea that somehow when I suggest we should have a different priority and seek to change the budget I am busting the budget when, in fact, what has happened is the priorities that the chairman of the Budget Committee has placed in the budget—and very successfully, and he has led that committee very successfully and he has led it unanimously; there are no diversions on his side from what he proposes—is a little bit disingenuous in terms of the average person listening to this.

It is as if I have to accept we are building a swimming pool instead of providing more gas in the car to get the kids to church. So I want to get more gas in the car to get the kids in church. I do not want to build a swimming pool. I do not want to do that.

The only vehicle I have as a Senator is to vote for changing the budget that I do not want. What these are attached to is we say: What you put down in the budget, these tax cuts and the way they work and you are seeking to make them permanent, all those things, they are not my priorities. So the way I want to pay for that is I do not want to build a swimming pool.

Now, you have built a swimming pool, but what I do not want to do is keep it open because it costs me a lot of money to keep it open. The money I can save by not filling the pool, not having a pool service come, not having to buy the chlorine, not having to buy the equipment is enough money for me to get the gas to get the kids to church on Sunday. That is what I want to do. That is what I am doing here.

The fact is, the difference between 1993 and now is we are at war. My friend will say a lot of veterans who are going to benefit from this proposal are ones who are not at war now. One of the things we are trying to do in an All-Volunteer Army is make it more appealing for people to get into the service, to stay in the service, so that, in fact, when they volunteer to get in this Army, there are benefits that flow from it. They make enough sacrifices already in this Volunteer Army.

We had trouble getting money early for bulletproof vests for these guys. I was just in Iraq, and I met a young man in Kuwait. Our generals introduced him to us. We had dinner, and they said: These are the heroes; these are the kids who drive the transport trucks from Kuwait City all the way up to Baghdad. Do my colleagues know what they are doing because we have not provided them what they need? They have been given the authority to augment their vehicles any way they want. I was joking with them. A lot of them are becoming spot welders. They are literally getting scrap metal and welding it to their vehicles. They are given the authority to do what they want because they are getting shot dead.

We were out there, and these kids were on this incredibly dangerous mission. We said: Do the mission, but we realize you have to improvise.

So they are telling me: I got this piece of steel, and I put it on my side door and welded it on. What I wanted to do was get some underneath so that when the bombs blow up, they don't blow through the seat. It is amazing.

My point is, we are asking these kids to do all this. Right now in category 7 and 8, there are 400,000 veterans seeking VA help who are told: Don't apply. To the best of my knowledge—I do not claim to have a real expertise in this area—but there are 90,000 veterans under the present system waiting for admission to get into veterans hospitals, and there are 40,000 who wait 2 to 6 months just to get a doctor to sign off on them qualifying to get prescriptions from their local VA hospital at the lower price.

Whether or not this proposal that has been put forward is the answer to any of this, I cannot guarantee, but there is something wrong in Denmark. Something is wrong here. Something is not working. If you wonder if I am telling the truth, go home and ask your Democratic- or Republican-registered veterans. Ask them if they are happy with the way things are working right now. Find out how many of those 400,000 people are told do not apply, and 90,000 are trying to get into the hospital.

Again, I acknowledge, based on the fact we decided to build a swimming pool in this budget instead of doing this, this will increase the deficit. I got it. Just like the administration budget initially proposed did not even include money for Iraq. Does anybody think $25 billion is going to get us through next year in Iraq? Raise your hand. Come to the floor and tell me. Anybody. I want you to stand here and go on record and say: I believe that $25 billion is going to cover the nut in Iraq and Afghanistan for next year.

Let's get a little truth in budgeting here. I understand the Senator. I got it. I respect him. He has made a basic value judgment. He believes very strongly—and there is some evidence for his belief—that if, in fact, we have these massive tax cuts, the bulk of which go to the wealthiest, it will, in fact, trickle down. He will argue—and there is some evidence to it—that some of it has already started to happen, and the best way to help veterans, poor folks, IDEA folks, and all those folks is get the economy roaring. That will bring in more revenue. I got it. That is a legitimate argument. But the basic fundamental argument we have is the die are not even cast. The table has been set, and I either sit down and sup at the table when I do not like the menu and refrain from trying to change the menu, or I attempt to change the menu.

So this notion that the VA health care system is in good shape, that we have done so much for veterans—which we have done more—we are creating a whole heck of a lot more veterans now, a whole heck of a lot more, and the need is going to increase more because we are at war and we are likely to be at war for a while.

Again, I do not want to belabor the point. I respect my friend, the chairman of the Budget Committee. I respect the fact he has little choice but to ask us to vote for a budget that is already, by his standards, $435 billion or so out of whack. I respect that.

I respect the fact that he believes, notwithstanding the fact that his own outfit points out a significant portion of that deficit last year and this year relates to the tax cuts, we will earn it all back; we will be able to cut the deficit because of the economic growth and all of that. I have that. But I have also been through this once before. I went through this once before in the Reagan era. It did not work then. Reagan came back and raised taxes. I do not think it is going to work now.

I will yield the floor with one final comment.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BIDEN. Was there a time? There is a time. Well, I respect that, and I thank my friend from Oklahoma. We just have a difference in our priorities and the way in which we value our value system.

I thank the Chair.

The PRESIDING OFFICER. The hour being 6:20, the managers are recognized.

Mr. WARNER. Mr. President, on our side we have taken about 40 amendments from our list, I say to my good friend from Michigan, and of the 40, roughly 19 of them are being prepared to be put in a package for the Senator from Virginia to forward to the desk in accordance with the UC. I say almost all of them, except one or two, we have been working on with the Senator's staff, and we have modified the amendments to conform with what we believe will be acceptable on the Senator's side. So as I send my package to the desk, they will be in a modified form. Logistically, I simply need the time in which to do the modification, and I presume the Senator from Michigan would desire to do pretty much the same thing.

Mr. LEVIN. Before we accept modifications, however, we would have to look at the modifications. They may be fine, by the way, but we need to look at them.

Mr. WARNER. Mr. President, all the modifications are somewhere within the Senator's system. The Senator from Michigan is on notice as to what they are. The corollary situation is we have been notified as to a lot of their modifications. So I say most respectfully to my two colleagues on the other side, if we could put in a quorum call we could quickly resolve the status of the modifications on our side, and to the extent the Senator has knowledge of the status of the modifications on his side, reciprocally what we understand——

Mr. REID. Will the Senator withhold?

Mr. WARNER. Yes.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I say to the distinguished leader, the chairman of the committee, 6:30 is coming. I ask unanimous consent that the quorum call go into effect and that the two managers of the bill still have 10 minutes to offer these amendments when the quorum call is called off.

Mr. NICKLES. Reserving the right to object, I wish to speak for a few minutes. I did not complete my remarks in the last debate.

Mr. WARNER. I say to my colleague, he has the right to object, but we really are trying to structure this.

The PRESIDING OFFICER. The assistant Democratic leader.

Mr. REID. I am wondering if it would be agreeable to the two managers of the bill that the 6:20 time will now become 6:40?

Mr. WARNER. I think that is an excellent idea. We can make it 6:45.

Mr. LEVIN. More than agreeable.

Mr. WARNER. Would the Senator from Oklahoma need 10 minutes to finish his remarks in the intervening period?

Mr. NICKLES. Five minutes will be fine.

Mr. WARNER. At which time the Senator will put in a quorum.

Mr. NICKLES. That would be fine.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I enjoyed having a little colloquy with my very good friend, Senator BIDEN. I just want to put in the RECORD a couple of facts. One, the deficit under the budget resolution we had estimated is $474 billion. I believe it will come in significantly less than that, possibly $420 billion to $440 billion. I am not sure. The budget resolution was for 2005, and that figure is $367 billion, considerably less than what OMB was estimating this year at $521 billion or CBO at $477 billion. So the budget resolution shows over $100 billion in deficit reduction by 2005, and also $255 billion in 2006. So it goes down by over $100 billion in over 2 years. That cannot be done unless there is some constraint on the growth of spending.

That being said, we had significant assumptions for growth in VA. Total spending in 2004 for VA was growing from $61.45 billion in budget authority to $70.8 billion, about a 15-percent increase just in 2004 to 2005 in VA. Now, that is a lot, especially when one assumes or if one knows that we are basically going with a freeze in nondefense spending. That means other things have to be cut to make room for veterans. We have done that in our budget, and we have shown probably a greater percentage increase in veterans care than almost any other section of the budget.

So I wanted to state for the record, when I heard my friend saying—last week I think he said it was $600 billion, and I said I think it is going to be more like $420 billion. In the budget resolution for 2004, we estimated $474 billion. I believe it will be much less than that. For 2005, we were assuming $367 billion. I hope it will be less than that. For 2006, it will be $255 billion, with revenues coming in now greater than anticipated because the economy is working and because the tax cuts we passed did stimulate the economy. The stock market and the NASDAQ are up 40 or 50 percent since the tax bill we passed last year and the tax cuts.

I heard my colleague say it is because we want tax cuts for the wealthy. The only tax cuts we assumed in the budget resolution were extending what I call family friendly tax cuts: the tax credit per child staying at $1,000 per child instead of going to $700; marriage penalty relief, so married couples who have taxable income up to $58,000 will pay a 15-percent rate instead of a 25-percent rate; and an expansion of the 10-percent bracket. Those are all family friendly. A lot of veterans want those tax cuts, too.

There are a lot of allusions to, we really need higher taxes so we can spend more for veterans. Veterans want these tax cuts. A lot of veterans have children. A lot of veterans are married and want to eliminate the marriage penalty, at least if they have incomes up to $58,000. That is where the bulk of the tax cuts we are trying to pass this year are. That is what we assumed in the budget.

So I wanted to make those few points. We hope to get the deficit down. I believe if we pass the budget, or if we adhere to the discipline we recommended in the budget, we will have the deficit down by over $100 billion. We will not if we adopt amendments that call for this program to double or another program to double and call it all an entitlement. That is a great way to have runaway spending.

This amendment is very irresponsible, and I would urge my colleagues to vote to sustain the budget point of order.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WARNER. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 3433, 3179, 3239, 3429, 3220, 3319, 3293, 3198, 3431, 3373, 3403, 3325, 3280, 3441, 3442, 3443, 3444, AND 3445, EN BLOC

Mr. WARNER. I ask unanimous consent to authorize the managers of the bill to offer en bloc amendments from the filed list on my side of the aisle. I send to the desk a list of 22 such amendments out of some 40 that we have designated as being filed by Republican Senators, just slightly over half. I note the unanimous consent provides an exception for the managers' amendment which has to be cleared on both sides.

The PRESIDING OFFICER. The amendments are now pending. The Senator from Michigan.

AMENDMENTS NOS. 3157, 3378, 3367, 3423, 3286, 3204, 3303, 3327, 3328, 3329, 3330, 3203, 3311, 3310, 3400, 3399, 3365, 3300, 3388, 3336, 3337, 3339, 3201, 3377, 3289, 3234, 3264, 3355, 3351, AND 3242, EN BLOC

Mr. LEVIN. In accordance with the terms of the unanimous consent agreement, I call up the amendments contained in the list that I now send to the desk and ask they appear separately in the RECORD, that the reading of the amendments be waived. There are 31 amendments here out of a list of 77.

The PRESIDING OFFICER. The amendments are now pending.

(The amendments are printed in the RECORD under "Text of Amendments.")

Mr. LEVIN. Mr. President, I have been informed that the last item on this list, item No. 3242, may have already been agreed to, which in this case if it has already been agreed to, I ask it be deleted from the list.

The PRESIDING OFFICER. It will be deleted from the list.

Mr. LEVIN. Under that circumstance.

And I ask these be ruled to be pending amendments.

The PRESIDING OFFICER. They are pending amendments.

Mr. WARNER. That is provided for by the unanimous consent request; am I not correct?

The PRESIDING OFFICER. That is correct.

Mr. WARNER. The amendments of the Senator from Virginia are pending at the time the Senator from Michigan sent his list.

The PRESIDING OFFICER. Correct.

Mr. LEVIN. Well, if the Senator from Virginia would yield, the only reason I made reference to that is that the Senator from Virginia had made reference to that fact, or that the Presiding Officer more accurately said the amendments of the Senator from Virginia were now pending. I just wanted the same ruling.

Mr. WARNER. That is fine.

In addressing my colleague from Michigan, I speak to the Senate in its entirety, if you will give the managers of the bill a period of time to look through this, we might be able to quickly advise the Senate as to those we think we can accept. They will require some modification because in the procedure each side has voiced its own suggestions as to how they will be modified and shortly after we indicate to the Senate those amendments which we require would require more debate and possibly a recorded vote.

Mr. LEVIN. Mr. President, if the Senator will yield, I fully agree with his proposed course of action. I am wondering if he might suggest what that period of time might be.

Mr. WARNER. Mr. President, I would like to think a 30-minute time period, so about 7:20. I can ask for a quorum call until such time.

Mr. LEVIN. That would be fine with us.

Mr. WARNER. We will be able to advise the Senate as to the status of it.

The PRESIDING OFFICER. The assistant Democratic leader.

RECESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate stand in recess until 7:20 this evening.

There being no objection, the Senate, at 6:51 p.m., recessed until 7:20 p.m. and reassembled when called to order by the Presiding Officer (Mr. TALENT).

The PRESIDING OFFICER. In my capacity as a Senator from Missouri, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005—Resumed

Mr. WARNER. Mr. President, I realize colleagues are perplexed over the lapse of time here, and I assure you, we are working very hard on this bill. I am going to first thank the staffs on both sides, and indeed our staff before us in the Parliamentary group, for working to make it possible.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

AMENDMENTS NOS. 3329, AS MODIFIED; 3433, AS MODIFIED; 3234, AS MODIFIED; 3471; 3289, AS MODIFIED; 3179, AS MODIFIED; 3351, AS MODIFIED; 3239, AS MODIFIED; 3264; 3157, AS MODIFIED; 3429; 3327, AS MODIFIED; 3431, AS MODIFIED; 3337, AS MODIFIED; 3430; 3367; 3198, AS MODIFIED; 3365, AS MODIFIED; 3293; 3399, AS MODIFIED; 3325, AS MODIFIED; 3204, AS MODIFIED; 3441, AS MODIFIED; 3333, AS MODIFIED; 3319; 3339; EN BLOC

Mr. WARNER. I would like now to send a package of 26 cleared amendments to the desk and ask for their consideration en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Without objection, the amendments are agreed to en bloc.

The amendments were agreed to, as follows:

AMENDMENT NO. 3329, AS MODIFIED

On page 48, between lines 7 and 8, insert the following:

SEC. 326. AMOUNT FOR RESEARCH AND DEVELOPMENT FOR IMPROVED PREVENTION OF LEISHMANIASIS.

(a) INCREASE IN AMOUNT FOR DEFENSE HEALTH PROGRAM.—The amount authorized to be appropriated by section 303(a)(2) for the Defense Health Program for research, development, test, and evaluation is hereby increased by $500,000, with the amount of the increase to be available for purposes relating to Leishmaniasis Diagnostics Laboratory.

(b) INCREASE IN AMOUNT FOR RDT&E, ARMY FOR LEISHMANIASIS TOPICAL TREATMENT.—The amount authorized to be appropriated by section 201(1) for research, development, test, and evaluation, Army, as increased by subsection (b), is hereby further increased by $4,500,000, with the amount of the increase to be available in Program Element PE 0604807A for purposes relating to Leishmaniasis Topical Treatment.

(c) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $5,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

AMENDMENT NO. 3433, AS MODIFIED

On page 311, in the table preceding line 1, insert after the item relating to Hill Air Force Base, Utah, the following new item:

Wyoming	F.E. Warren Air Force Base.	$5,500,000

On page 311, in the table preceding line 1, strike the amount identified as the total in the amount column and insert "$452,023,000".

On page 314, line 3, insert "(a) AUTHORIZATION OF APPROPRIATIONS.—" before "Funds".

On page 314, line 7, strike "$2,487,824,000" and insert "$2,493,324,000".

On page 314, line 10, strike "$446,523,000" and insert "$452,023,000".

On page 315, between lines 3 and 4, insert the following:

(b) OFFSET FOR CERTAIN MILITARY CONSTRUCTION PROJECT.—The amount authorized to be appropriated by section 421 for military personnel is hereby reduced by $5,500,000, with the amount of the reduction to be derived from excess amounts authorized for military personnel of the Air Force.

AMENDMENT NO. 3234, AS MODIFIED

At the end of subtitle B of title III, add the following:

SEC. 313. FAMILY READINESS PROGRAM OF THE NATIONAL GUARD.

(a) AMOUNT FOR PROGRAM.—The amount authorized to be appropriated by section 301(1) for operation and maintenance for the Army is hereby increased by $10,000,000 for the Family Readiness Program of the National Guard.

(b) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $10,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

AMENDMENT NO. 3471

(Purpose: To increase the amount for RDT&E, Defense-Wide, to provide for joint threat warning system maritime variants, and to provide an offset)

On page 30, between lines 14 and 15, insert the following:

SEC. 216. SPIRAL DEVELOPMENT OF JOINT THREAT WARNING SYSTEM MARITIME VARIANTS.

(a) AMOUNT FOR PROGRAM.—The amount authorized to be appropriated by section 201(4) is hereby increased by $2,000,000, with the amount of the increase to be available in the program element PE 1160405BB for joint threat warning system maritime variants.

(b) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $2,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

AMENDMENT NO. 3289, AS MODIFIED

On page 39, between lines 7 and 8, insert the following:

SEC. 304. AMOUNT FOR ONE SOURCE MILITARY COUNSELING AND REFERRAL HOTLINE.

(a) AUTHORIZATION OF APPROPRIATION OF ADDITIONAL AMOUNT.—The amount authorized to be appropriated under section 301(5) is hereby increased by $5,000,000, which shall be available (in addition to other amounts available under this Act for the same purpose) only for the Department of Defense One Source counseling and referral hotline.

(b) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $5,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

AMENDMENT NO. 3179, AS MODIFIED

On page 30, between lines 14 and 15, insert the following:

SEC. 217. ADVANCED FERRITE ANTENNA.

(a) AMOUNT FOR DEVELOPMENT AND TESTING.—Of the amount authorized to be appropriated under section 201(2), $3,000,000 may be available for development and testing of the Advanced Ferrite Antenna.

(b) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $3,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

AMENDMENT NO. 3351, AS MODIFIED

At the end of subtitle B of title II, add the following:

SEC. 217. PROTOTYPE LITTORAL ARRAY SYSTEM FOR OPERATING SUBMARINES.

(a) INCREASE IN AMOUNT FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY.—The amount authorized to be appropriated by section 201(2) for research, development, test, and evaluation for the Navy is hereby increased by $5,000,000.

(b) AVAILABILITY OF AMOUNT.—Of the amount authorized to be appropriated by section 201(2) for research, development, test, and evaluation for the Navy, as increased by subsection (a), $5,000,000 may be available for Program Element PE 0604503N for the design, development, and testing of a prototype littoral array system for operating submarines.

(c) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $5,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

AMENDMENT NO. 3239, AS MODIFIED

On page 19, between lines 19 and 20, insert the following:

SEC. 113. COMMAND-AND-CONTROL VEHICLES OR FIELD ARTILLERY AMMUNITION SUPPORT VEHICLES.

(a) INCREASED AMOUNT FOR PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES.—The amount authorized to be appropriated under section 101(3) is hereby increased by $5,000,000.

(b) AMOUNT FOR COMMAND-AND-CONTROL VEHICLES OR FIELD ARTILLERY AMMUNITION SUPPORT VEHICLES.—Of the amount authorized to be appropriated under section 101(3), $5,000,000 may be used for the procurement of command-and-control vehicles or field artillery ammunition support vehicles.

(c) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $5,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

AMENDMENT NO. 3264

(Purpose: To recognize the sacrifices of the members of the Armed Forces who are injured in combat)

At the end of subtitle G of title III, add the following:

SEC. 364. TRACKING AND CARE OF MEMBERS OF THE ARMED FORCES WHO ARE INJURED IN COMBAT.

(a) FINDINGS.—The Senate makes the following findings:

(1) Members of the Armed Forces of the United States place themselves in harm's way in the defense of democratic values and to keep the United States safe.

(2) This call to duty has resulted in the ultimate SACRIFICE of members of the Armed Forces of the United States who are killed or critically injured while serving the United States.

(b) SENSE OF SENATE.—It is the sense of the Senate—

(1) to honor the SACRIFICE of the members of the Armed Forces who have been killed or critically wounded while serving the United States;

(2) to recognize the heroic efforts of the medical personnel of the Armed Forces in treating wounded military personnel and civilians; and

(3) to support advanced medical technologies that assist the medical personnel of the Armed Forces in saving lives and reducing disability rates for members of the Armed Forces.

(c) PROCEDURES FOR TRACKING OF WOUNDED FROM COMBAT ZONES.—(1) Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe in regulations procedures for the Department of Defense to—

(A) notify the family of each member of the Armed Forces who is injured in a combat zone regarding such injury; and

(B) provide the family of each such member of the Armed Forces with information on any change of status, including health or location, of such member during the transportation of such member to a treatment destination.

(2) The Secretary shall transmit to Congress a copy of the procedures prescribed under paragraph (1).

(d) MEDICAL EQUIPMENT AND COMBAT CASUALTY TECHNOLOGIES.—Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide activities, $10,000,000 of the amount in Program Element PE 0603826D8Z shall be available for medical equipment and combat casualty care technologies.

AMENDMENT NO. 3157, AS MODIFIED

At the end of subtitle B of title II, add the following:

SEC. 217. ADVANCED MANUFACTURING TECHNOLOGIES AND RADIATION CASUALTY RESEARCH.

(a) ADDITIONAL AMOUNT FOR ADVANCED MANUFACTURING STRATEGIES.—Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide activities, the amount available for Advanced Manufacturing Technologies (PE 0708011S) is hereby increased by $2,000,000.

(b) AMOUNT FOR RADIATION CASUALTY RESEARCH.—Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide activities, $3,000,000 may be available for Radiation Casualty Research (PE 0603002D8Z).

(c) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $5,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

AMENDMENT NO. 3429

(Purpose: To provide exceptions to the bilateral agreement requirement for transfers of defense items to the United Kingdom and Australia)

On page 272, between the matter following line 18 and line 19, insert the following:

SEC. 1055. EXCEPTION TO BILATERAL AGREEMENT REQUIREMENTS FOR TRANSFERS OF DEFENSE ITEMS.

(a) FINDINGS.—Congress makes the following findings:

(1) Close defense cooperation between the United States and each of the United Kingdom and Australia requires interoperability among the armed forces of those countries.

(2) The need for interoperability must be balanced with the need for appropriate and effective regulation of trade in defense items.

(3) The Arms Export Control Act (22 U.S.C. 2751 et seq.) authorizes the executive branch to administer arms export policies enacted by Congress in the exercise of its constitutional power to regulate commerce with foreign nations.

(4) The executive branch has exercised its authority under the Arms Export Control Act, in part, through the International Traffic in Arms Regulations.

(5) Agreements to gain exemption from the International Traffic in Arms Regulations must be submitted to Congress for review.

(b) DEFINITIONS.—In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on Foreign Relations and the Committee on Armed Services of the Senate; and

(B) the Committee on International Relations and the Committee on Armed Services of the House of Representatives.

(2) DEFENSE ITEMS.—The term "defense items" has the meaning given the term in section 38 of the Arms Export Control Act (22 U.S.C. 2778).

(3) INTERNATIONAL TRAFFIC IN ARMS REGULATIONS.—The term "International Traffic in Arms Regulations" means the regulations maintained under parts 120 through 130 of title 22, Code of Federal Regulations, and any successor regulations.

(c) EXCEPTIONS FROM BILATERAL AGREEMENT REQUIREMENTS.—

(1) IN GENERAL.—Subsection (j) of section 38 of the Arms Export Control Act (22 U.S.C. 2778) is amended—

(A) by redesignating paragraph (4) as paragraph (5); and

(B) by inserting after paragraph (3) the following new paragraph (4):

"(4) EXCEPTIONS FROM BILATERAL AGREEMENT REQUIREMENTS.—

"(A) AUSTRALIA.—Subject to section 1055 of the National Defense Authorization Act for Fiscal Year 2005, the requirements for a bilateral agreement described in paragraph (2)(A) shall not apply to a bilateral agreement between the United States Government and the Government of Australia with respect to transfers or changes in end use of defense items within Australia that will remain subject to the licensing requirements of this Act after such agreement enters into force.

"(B) UNITED KINGDOM.—Subject to section 1055 of the National Defense Authorization Act for Fiscal Year 2005, the requirements for a bilateral agreement described in paragraphs (1)(A)(ii), (2)(A)(i), and (2)(A)(ii) shall not apply to a bilateral agreement between the United States Government and the Government of the United Kingdom for an exemption from the licensing requirements of this Act.".

(2) CONFORMING AMENDMENT.—Paragraph (2) of such subsection is amended in the matter preceding subparagraph (A) by striking "A bilateral agreement" and inserting "Except as provided in paragraph (4), a bilateral agreement".

(d) CERTIFICATIONS.—Not later than 30 days before authorizing an exemption from the licensing requirements of the International Traffic in Arms Regulations in accordance with any bilateral agreement entered into with the United Kingdom or Australia under section 38(j) of the Arms Export Control Act (22 U.S.C. 2778(j)), as amended by subsection (c), the President shall certify to the appropriate congressional committees that such agreement—

(1) is in the national interest of the United States and will not in any way affect the goals and policy of the United States under section 1 of the Arms Export Control Act (22 U.S.C. 2751);

(2) does not adversely affect the efficacy of the International Traffic in Arms Regulations to provide consistent and adequate controls for licensed exports of United States defense items; and

(3) will not adversely affect the duties or requirements of the Secretary of State under the Arms Export Control Act.

(e) NOTIFICATION OF BILATERAL LICENSING EXEMPTIONS.—Not later than 30 days before authorizing an exemption from the licensing requirements of the International Traffic in Arms Regulations in accordance with any bilateral agreement entered into with the United Kingdom or Australia under section 38(j) of the Arms Export Control Act (22 U.S.C. 2778(j)), as amended by subsection (c), the President shall submit to the appropriate congressional committees the text of the regulations that authorize such a licensing exemption.

(f) REPORT ON CONSULTATION ISSUES.—Not later than one year after the date of the enactment of this Act and annually thereafter for each of the following 5 years, the President shall submit to the appropriate congressional committees a report on issues raised during the previous year in consultations conducted under the terms of any bilateral agreement entered into with Australia under section 38(j) of the Arms Export Control Act, or under the terms of any bilateral agreement entered into with the United Kingdom under such section, for exemption from the licensing requirements of the Arms Export Control Act (22 U.S.C. 2751 et seq.). Each report shall contain—

(1) information on any notifications or consultations between the United States and the United Kingdom under the terms of any agreement with the United Kingdom, or between the United States and Australia under the terms of any agreement with Australia, concerning the modification, deletion, or addition of defense items on the United States Munitions List, the United Kingdom Military List, or the Australian Defense and Strategic Goods List;

(2) a list of all United Kingdom or Australia persons and entities that have been designated as qualified persons eligible to receive United States origin defense items exempt from the licensing requirements of the Arms Export Control Act under the terms of such agreements, and listing any modification, deletion, or addition to such lists, pursuant to the requirements of any agreement with the United Kingdom or any agreement with Australia;

(3) information on consultations or steps taken pursuant to any agreement with the United Kingdom or any agreement with Australia concerning cooperation and consultation with either government on the effectiveness of the defense trade control systems of such government;

(4) information on provisions and procedures undertaken pursuant to—

(A) any agreement with the United Kingdom with respect to the handling of United States origin defense items exempt from the licensing requirements of the Arms Export Control Act by persons and entities qualified to receive such items in the United Kingdom; and

(B) any agreement with Australia with respect to the handling of United States origin defense items exempt from the licensing requirements of the Arms Export Control Act by persons and entities qualified to receive such items in Australia;

(5) information on any new understandings, including the text of such understandings, between the United States and the United Kingdom concerning retransfer of United States origin defense items made pursuant to any agreement with the United Kingdom to gain exemption from the licensing requirements of the Arms Export Control Act;

(6) information on consultations with the Government of the United Kingdom or the Government of Australia concerning the legal enforcement of any such agreements;

(7) information on United States origin defense items with respect to which the United States has provided an exception under the Memorandum of Understanding between the United States and the United Kingdom and any agreement between the United States and Australia from the requirement for United States Government re-export consent that was not provided for under United States laws and regulations in effect on the date of the enactment of this Act; and

(8) information on any significant concerns that have arisen between the Government of Australia or the Government of the United Kingdom and the United States Government concerning any aspect of any bilateral agreement between such country and the United States to gain exemption from the licensing requirements of the Arms Export Control Act.

(g) SPECIAL NOTIFICATIONS.—

(1) REQUIRED NOTIFICATIONS.—The Secretary of State shall notify the appropriate congressional committees not later than 90 days after receiving any credible information regarding an unauthorized end-use or diversion of United States exports of goods or services made pursuant to any agreement with a country to gain exemption from the licensing requirements of the Arms Export Control Act. The notification shall be made in a manner that is consistent with any ongoing efforts to investigate and commence civil actions or criminal investigations or prosecutions regarding such matters and may be made in classified or unclassified form.

(2) CONTENT.—The notification regarding an unauthorized end-use or diversion of

goods or services under paragraph (1) shall include—

(A) a description of the goods or services;

(B) the United States origin of the good or service;

(C) the authorized recipient of the good or service;

(D) a detailed description of the unauthorized end-use or diversion, including any knowledge by the United States exporter of such unauthorized end-use or diversion;

(E) any enforcement action taken by the Government of the United States; and

(F) any enforcement action taken by the government of the recipient nation.

AMENDMENT NO. 3327, AS MODIFIED

On page 247, between lines 13 and 14, insert the following:

SEC. 1022. REPORT ON ESTABLISHING NATIONAL CENTERS OF EXCELLENCE FOR UNMANNED AERIAL AND GROUND VEHICLES.

(a) REPORT REQUIRED.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the need for one or more national centers of excellence for unmanned aerial and ground vehicles.

(b) GOAL OF CENTERS.—The goal of the centers covered by the report is to promote interservice cooperation and coordination in the following areas:

(1) Development of joint doctrine for the organization, training, and use of unmanned aerial and ground vehicles.

(2) Joint research, development, test, and evaluation, and joint procurement of unmanned aerial and ground vehicles.

(3) Identification and coordination, in conjunction with the private sector and academia, of the future development of unmanned aerial and ground vehicles.

(4) Monitoring of the development and utilization of unmanned aerial and ground vehicles in other nations for both military and non-military purposes.

(5) The providing of joint training and professional development opportunities in the use and operation of unmanned aerial and ground vehicles to military personnel of all ranks and levels of responsibility.

(c) REPORT REQUIREMENTS.—The report shall include, at a minimum, the following:

(1) A list of facilities where the Defense Department currently conducts or plans to conduct research, development, and testing activities on unmanned aerial and ground vehicles.

(2) A list of facilities where the Department of Defense currently deploys or has committed to deploying unmanned aerial or ground vehicles.

(3) The extent to which existing facilities described in paragraphs (1) and (2) have sufficient unused capacity and expertise to research, develop, test, and deploy the current and next generations of unmanned aerial and ground vehicles and to provide for the development of doctrine on the use and training of operators of such vehicles.

(4) The extent to which efficiencies on research, development, testing, and deployment of existing or future unmanned aerial and ground vehicles can be achieved through consolidation at one or more national centers of excellence for unmanned aerial and ground vehicles.

(5) A list of potential locations for national centers of excellence.

(d) CONSIDERATIONS.—In determining the potential locations for the national centers of excellence under this section, the Secretary of Defense shall take into consideration existing Air Force facilities that have—

(1) a workforce of skilled personnel;

(2) existing capacity of runways and other facilities to accommodate the research, testing, and deployment of current and future unmanned aerial vehicles; and

(3) minimal restrictions on the research, development, and testing of unmanned aerial vehicles resulting from proximity to large population centers or airspace heavily utilized by commercial flights.

AMENDMENT NO. 3431, AS MODIFIED

On page 243, after the matter following line 18, insert the following:

SEC. 1014. AUTHORITY TO TRANSFER NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) AUTHORITY TO TRANSFER BY GRANT.—The Secretary of the Navy is authorized to transfer vessels to foreign countries on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) as follows:

(1) CHILE.—To the Government of Chile, the SPRUANCE class destroyer O'BANNON (DD 987):

(2) PORTUGAL.—To the Government of Portugal, the OLIVER HAZARD PERRY class guided missile frigate GEORGE PHILIP (FFG 12) and the OLIVER HAZARD PERRY class guided missile frigate USS SIDES (FFG 14).

(b) AUTHORITY TO TRANSFER BY SALE.—The Secretary of the Navy is authorized to transfer vessels to foreign countries on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761) as follows:

(1) TAIWAN.—To the Taipei Economic and Cultural Representative Office in the United States (which is the Taiwan instrumentality designated pursuant to section 10(a) of the Taiwan Relations Act), the ANCHORAGE class dock landing ship ANCHORAGE (LSD 36).

(2) CHILE.—To the Government of Chile, the SPRUANCE class destroyer FLETCHER (DD 992).

(c) GRANTS NOT COUNTED IN ANNUAL TOTAL OF TRANSFERRED EXCESS DEFENSE ARTICLES.—The value of a vessel transferred to another country on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) pursuant to authority provided by subsection (a) shall not be counted for the purposes of subsection (g) of that section in the aggregate value of excess defense articles transferred to countries under that section in any fiscal year.

(d) COSTS OF TRANSFERS.—Any expense incurred by the United States in connection with a transfer authorized by this section shall be charged to the recipient (notwithstanding section 516(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)(1)).

(e) REPAIR AND REFURBISHMENT IN UNITED STATES SHIPYARDS.—To the maximum extent practicable, the President shall require, as a condition of the transfer of a vessel under this section, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a shipyard located in the United States, including a United States Navy shipyard.

(f) EXPIRATION OF AUTHORITY.—The authority to transfer a vessel under this section shall expire at the end of the two-year period beginning on the date of the enactment of this Act.

AMENDMENT NO. 3337, AS MODIFIED

At the end of subtitle C of title X, add the following:

SEC. 1022. REPORT ON POST-MAJOR COMBAT OPERATIONS PHASE OF OPERATION IRAQI FREEDOM.

(a) REPORT REQUIRED.—(1) Not later than March 31, 2005, the Secretary of Defense shall submit to the congressional defense committees a report on the conduct of military operations during the post-major combat operations phase of Operation Iraqi Freedom.

(2) The report shall be prepared in consultation with the Chairman of the Joint Chiefs of Staff, the Commander of the United States Central Command, and such other officials as the Secretary considers appropriate.

(b) CONTENT.—(1) The report shall include a discussion of the matters described in paragraph (2), with a particular emphasis on accomplishments and shortcomings and on near-term and long-term corrective actions to address such shortcomings.

(2) The matters to be discussed in the report are as follows:

(A) The military and political objectives of the international coalition conducting the post-major combat operations phase of Operation Iraqi Freedom, and the military strategy selected to achieve such objectives, together with an assessment of the execution of the military strategy.

(B) The mobilization process for the reserve components of the Armed Forces, including the timeliness of notification, training and certification, and subsequent demobilization.

(C) The use and performance of major items of United States military equipment, weapon systems, and munitions (including non-lethal weapons and munitions, items classified under special access procedures, and items drawn from prepositioned stocks) and any expected effects of the experience with the use and performance of such items on the doctrinal and tactical employment of such items and on plans for continuing the acquisition of such items.

(D) Any additional requirements for military equipment, weapon systems, munitions, force structure, or other capability identified during the post-major combat operations phase of Operation Iraqi Freedom, including changes in type or quantity for future operations.

(E) The effectiveness of joint air operations, together with an assessment of the effectiveness of—

(i) the employment of close air support; and

(ii) attack helicopter operations.

(F) The use of special operations forces, including operational and intelligence uses.

(G) The scope of logistics support, including support to and from other nations and from international organizations and organizations and individuals from the private sector in Iraq.

(H) The incidents of accidental fratricide, including a discussion of the effectiveness of the tracking of friendly forces and the use of the combat identification systems in mitigating friendly fire incidents.

(I) The adequacy of spectrum and bandwidth to transmit information to operational forces and assets, including unmanned aerial vehicles, ground vehicles, and individual soldiers.

(J) The effectiveness of strategic, operational, and tactical information operations, including psychological operations and assets, organization, and doctrine related to civil affairs, in achieving established objectives, together with a description of technological and other restrictions on the use of information operations capabilities.

(K) The readiness of the reserve component forces used in the post-major combat operations phase of Operation Iraqi Freedom, including an assessment of the success of the reserve component forces in accomplishing their missions.

(L) The adequacy of intelligence support during the post-major combat operations phase of Operation Iraqi Freedom, including the adequacy of such support in searches for weapons of mass destruction.

(M) The rapid insertion and integration, if any, of developmental but mission-essential equipment, organizations, or procedures during the post-major combat operations phase of Operation Iraqi Freedom.

(N) A description of the coordination, communication, and unity of effort between the Armed Forces, the Coalition Provisional Authority, other United States government agencies and organizations, nongovernmental organizations, and political, security, and nongovernmental organizations of Iraq, including an assessment of the effectiveness of such efforts.

(O) The adequacy of training for military units once deployed to the United States Central Command, including training for changes in unit mission and continuation training for high-intensity conflict missions.

(P) An estimate of the funding required to return or replace equipment used to date in Operation Iraqi Freedom, including equipment in prepositioned stocks, to mission-ready condition.

(Q) A description of military civil affairs and reconstruction efforts, including through the Commanders Emergency Response Program, and an assessment of the effectiveness of such efforts and programs.

(R) The adequacy of the requirements determination and acquisition processes, acquisition, and distribution of force protection equipment, including personal gear, vehicles, helicopters, and defense devices.

(S) The most critical lessons learned that could lead to long-term doctrinal, organizational, and technological changes, and the probable effects that an implementation of those changes would have on current visions, goals, and plans for transformation of the Armed Forces or the Department of Defense.

(T) The planning for and implementation of morale, welfare, and recreation programs for deployed forces and support to dependents, including rest and recuperation programs and personal communication benefits such as telephone, mail, and email services, including an assessment of the effectiveness of such programs.

(U) An analysis of force rotation plans, including individual personnel and unit rotations, differing deployment lengths, and in-theater equipment repair and leave behinds.

(c) Form of Report.—The report shall be submitted in unclassified form, but may include a classified annex.

(d) Post-Major Combat Operations Phase of Operation Iraqi Freedom Defined.—In this section, the term "post-major combat operations phase of Operation Iraqi Freedom" means the period of Operation Iraqi Freedom beginning on May 2, 2003, and ending on December 31, 2004.

AMENDMENT NO. 3430

(Purpose: To improve authorities under the alternative authority for acquisition and improvement of military housing)

At the end of subtitle A of title XXVIII, add the following:

SEC. 2804. MODIFICATION OF AUTHORITIES UNDER ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

(a) Requirements for Contracts for Leasing of Housing.—Section 2874 of title 10, United States Code, is amended by striking subsection (b) and inserting the following new subsection (b):

"(b) Contract Terms.—Any contract for the lease of housing units under subsection (a) shall include the following provisions:

"(1) That the obligation of the United States to make payments under such contract in any fiscal year shall be subject to appropriations being available for such fiscal year and specifically for the project covered by such contract.

"(2) A commitment to obligate the necessary amount for a fiscal year covered by such contract when and to the extent that funds are appropriated for the project covered by such contract.

"(3) That the commitment described in paragraph (2) does not constitute an obligation of the United States.".

(b) Investments Subject to Availability of Appropriations.—Section 2875(a) of such title is amended by inserting ", subject to the availability of appropriations for such purpose," after "may".

(c) Repeal of Certain Authorities.—

(1) Rental guarantees.—Section 2876 of such title is repealed.

(2) Differential lease payments.—Section 2877 of such title is repealed.

(3) Assignment of members of the armed forces to housing units.—Section 2882 of such title is repealed.

(d) Increase in Amount of Budget Authority for Military Family Housing.—Section 2883(g)(1) of such title is amended by striking "$850,000,000" and inserting "$850,000,001".

(e) Clerical Amendments.—The table of sections at the beginning of subchapter IV of chapter 169 of such title is amended by striking the items relating to sections 2876, 2877, and 2882.

AMENDMENT NO. 3367

(Purpose: To amend title 10, United States Code, to exempt abortions of pregnancies in cases of rape and incest from a limitation on use of Department of Defense funds)

On page 147, after line 21, add the following:

SEC. ___. USE OF DEPARTMENT OF DEFENSE FUNDS FOR ABORTIONS IN CASES OF RAPE AND INCEST.

Section 1093(a) of title 10, United States Code, is amended by inserting before the period at the end the following: " or in a case in which the pregnancy is the result of an act of rape or incest".

AMENDMENT NO. 3198, AS MODIFIED

On page 269, line 20, strike "$150,000,000" and insert "$250,000,000".

AMENDMENT NO. 3365, AS MODIFIED

At the end of subtitle G of title X, add the following:

SEC. 1068. PILOT PROGRAM ON CRYPTOLOGIC SERVICE TRAINING.

(a) Program Authorized.—The Director of the National Security Agency may carry out a pilot program on cryptologic service training for the intelligence community.

(b) Objective of Program.—The objective of the pilot program is to increase the number of qualified entry-level language analysts and intelligence analysts available to the National Security Agency and the other elements of the intelligence community through the directed preparation and recruitment of qualified entry-level language analysts and intelligence analysts who commit to a period of service or a career in the intelligence community.

(c) Program Scope.—The pilot program shall be national in scope.

(d) Program Participants.—(1) Subject to the provisions of this subsection, the Director shall select the participants in the pilot program from among individuals qualified to participate in the pilot program utilizing such procedures as the Director considers appropriate for purposes of the pilot program.

(2) Each individual who receives financial assistance under the pilot program shall perform one year of obligated service with the National Security Agency, or another element of the intelligence community approved by the Director, for each academic year for which such individual receives such financial assistance upon such individual's completion of post-secondary education.

(3) Each individual selected to participate in the pilot program shall be qualified for a security clearance appropriate for the individual under the pilot program.

(4) The total number of participants in the pilot program at any one time may not exceed 400 individuals.

(e) Program Management.—In carrying out the pilot program, the Director shall—

(1) identify individuals interested in working in the intelligence community, and committed to taking college-level courses that will better prepare them for a career in the intelligence community as a language analysts or intelligence analyst;

(2) provide each individual selected for participation in the pilot program—

(A) financial assistance for the pursuit of courses at institutions of higher education selected by the Director in fields of study that will qualify such individual for employment by an element of the intelligence community as a language analyst or intelligence analyst; and

(B) educational counseling on the selection of courses to be so pursued; and

(3) provide each individual so selected information on the opportunities available for employment in the intelligence community.

(f) Duration of Program.—(1) The Director shall terminate the pilot program not later than six years after the date of the enactment of this Act.

(2) The termination of the pilot program under paragraph (1) shall not prevent the Director from continuing to provide assistance, counseling, and information under subsection (e) to individuals who are participating in the pilot program on the date of termination of the pilot program throughout the academic year in progress as of that date.

AMENDMENT NO. 3293

(Purpose: To require a GAO analysis of the potential for using transitional benefit corporations in connection with competitive sourcing of the performance of activities and functions of the Department of Defense)

On page 247, between lines 13 and 14, insert the following:

SEC. 1022. COMPTROLLER GENERAL ANALYSIS OF USE OF TRANSITIONAL BENEFIT CORPORATIONS IN CONNECTION WITH COMPETITIVE SOURCING OF PERFORMANCE OF DEPARTMENT OF DEFENSE ACTIVITIES AND FUNCTIONS.

(a) Requirement for Analysis.—Not later than February 1, 2005, the Comptroller General shall submit to Congress an analysis of the potential for use of transitional benefit corporations in connection with competitive sourcing of the performance of activities and functions of the Department of Defense.

(b) SPECIFIC ISSUES.—The analysis under this section shall—

(1) address the capabilities of transitional benefit corporations—

(A) to preserve human capital and surge capability;

(B) to promote economic development and job creation;

(C) to generate cost savings; and

(D) to generate efficiencies that are comparable to or exceed the efficiencies that result from competitive sourcing carried out by the Department of Defense under the procedures applicable to competitive sourcing by the Department of Defense; and

(2) identify areas within the Department of Defense in which transitional benefit corporations could be used to add value, reduce costs, and provide opportunities for beneficial use of employees and other resources that are displaced by competitive sourcing of the performance of activities and functions of the Department of Defense.

(d) TRANSITIONAL BENEFIT CORPORATION DEFINED.—In this section, the term "transitional benefit corporation" means a corporation that facilitates the transfer of designated (usually underutilized) real estate, equipment, intellectual property, or other assets of the United States to the private sector in a process that enables employees of the United States in positions associated with the use of such assets to retain eligibility for Federal employee benefits and to continue to accrue those benefits.

AMENDMENT NO. 3399, AS MODIFIED

On page 247, between lines 13 and 14, insert the following:

SEC. 1022. COMPTROLLER GENERAL STUDY OF PROGRAMS OF TRANSITION ASSISTANCE FOR PERSONNEL SEPARATING FROM THE ARMED FORCES.

(a) REQUIREMENT FOR STUDY.—The Comptroller General shall carry out a study of the programs of the Department of Defense and other departments and agencies of the Federal Government under which transition assistance is provided to personnel who are separating from active duty service in the Armed Forces.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General shall submit a report on the results of the study to the Committees on Armed Services of the Senate and the House of Representatives. The report shall include the following matters:

(1) Regarding the transition assistance programs under section 1142 and 1144 of title 10, United States Code—

(A) an analysis of the extent to which such programs are meeting the current needs of members of the Armed Forces as such personnel are discharged or released from active duty, including—

(i) a discussion of the original purposes of the programs;

(ii) a discussion of how the programs are currently being administered in relationship to those purposes; and

(iii) an assessment of whether the programs are adequate to meet the current needs of members of the reserve components, including the National Guard; and

(B) any recommendations that the Comptroller General considers appropriate for improving such programs, including any recommendation regarding whether participation by members of the Armed Forces in such programs should be required.

(2) An analysis of the differences, if any, among the Armed Forces and among the commands of military installations of the Armed Forces regarding how transition assistance is being provided under the transition assistance programs, together with any recommendations that the Comptroller General considers appropriate—

(A) to achieve uniformity in the provision of assistance under such programs; and

(B) to ensure that the transition assistance is provided under such programs to members of the Armed Forces who are being separated at medical facilities of the uniformed services or Department of Veterans Affairs medical centers and to Armed Forces personnel on a temporary disability retired list under section 1202 or 1205 of title 10, United States Code.

(3) An analysis of the relationship of Department of Defense transition assistance programs to the transition assistance programs of the Department of Veterans Affairs and the Department of Labor, including the relationship of the benefits delivery at discharge program carried out jointly by the Department of Defense and the Department of Veterans Affairs to the other transition assistance programs.

(4) The rates of participation of Armed Forces personnel in the transition assistance programs, together with any recommendations that the Comptroller General considers appropriate to increase such participation rates, including any revisions of such programs that could result in increased participation.

(5) An assessment of whether the transition assistance information provided to Armed Forces personnel omits transition information that would be beneficial to such personnel, including an assessment of the extent to which information is provided under the transition assistance programs regarding participation in Federal Government procurement opportunities available at prime contract and subcontract levels to veterans with service-connected disabilities and other veterans, together with any recommendations that the Comptroller General considers appropriate regarding additional information that should be provided and any other recommendations that the Comptroller General considers appropriate for enhancing the provision of counseling on such procurement opportunities.

(6) An assessment of the extent to which representatives of military service organizations and veterans' service organizations are afforded opportunities to participate, and do participate, in preseparation briefings under transition assistance programs, together with any recommendations that the Comptroller General considers appropriate regarding how representatives of such organizations could better be used to disseminate transition assistance information and provide preseparation counseling to Armed Forces personnel, including personnel of the reserve components who are being released from active duty for continuation of service in the reserve components.

(7) An analysis of the use of post-deployment and predischarge health screenings, together with any recommendations that the Comptroller General considers appropriate regarding whether and how to integrate the health screening process and the transition assistance programs into a single, coordinated preseparation program for Armed Forces personnel being discharged or released from active duty.

(8) An analysis of the processes of the Armed Forces for conducting physical examinations of members of the Armed Forces in connection with discharge and release from active duty, including—

(A) how post-deployment questionnaires are used;

(B) the extent to which Armed Forces personnel waive the physical examinations; and

(C) how, and the extent to which, Armed Forces personnel are referred for followup health care.

(9) A discussion of the current process by which mental health screenings are conducted, followup mental health care is provided for, and services are provided in cases of post-traumatic stress disorder and related conditions for members of the Armed Forces in connection with discharge and release from active duty, together with—

(A) for each of the Armed Forces, the programs that are in place to identify and treat cases of post-traumatic stress disorder and related conditions; and

(B) for persons returning from deployments in connection with Operation Enduring Freedom and Operation Iraqi Freedom—

(i) the number of persons treated as a result of such screenings; and

(ii) the types of interventions.

(c) ACQUISITION OF SUPPORTING INFORMATION.—In carrying out the study under this section, the Comptroller General shall seek to obtain views from the following persons:

(1) The Secretary of Defense and the Secretaries of the military departments.

(2) The Secretary of Veterans Affairs.

(3) The Secretary of Labor.

(4) Armed Forces personnel who have received transition assistance under the programs covered by the study and Armed Forces personnel who have declined to accept transition assistance offered under such programs.

(5) Representatives of military service organizations and representatives of veterans' service organizations.

(6) Persons having expertise in health care (including mental health care) provided under the Defense Health Program, including Department of Defense personnel, Department of Veterans Affairs personnel, and persons in the private sector.

SEC. 1023. STUDY ON COORDINATION OF JOB TRAINING AND CERTIFICATION STANDARDS.

(a) REQUIREMENT FOR STUDY.—The Secretary of Defense and the Secretary of Labor shall jointly carry out a study to determine ways to coordinate the standards applied by the Armed Forces for the training and certification of members of the Armed Forces in military occupational specialties with the standards that are applied to corresponding civilian occupations by occupational licensing or certification agencies of governments and occupational certification agencies in the private sector.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Labor shall submit a joint report on the results of the study under subsection (a) to Congress.

SEC. 1024. CONTENT OF PRESEPARATION COUNSELING FOR PERSONNEL SEPARATING FROM ACTIVE DUTY SERVICE.

Section 1142 of title 10, United States Code, is amended—

(1) by adding at the end of subsection (b) the following new paragraph:

"(11) Information on participation in Federal Government procurement opportunities that are available at the prime contract level and at subcontract levels to veterans with service-connected disabilities and other veterans."; and

(2) by adding at the end the following new subsection:

"(d) Requirements Relating to Counseling on Procurement Opportunities.—(1) For the counseling under subsection (b)(11), the Secretary concerned may provide for participation of representatives of the Secretary of Veterans Affairs, representatives of the Administrator of the Small Business Administration, representatives of other appropriate executive agencies, and representatives of Veterans' Business Outreach Centers and Small Business Development Centers.

"(2) The Secretary concerned may provide for the counseling under paragraph (11) of subsection (b) to be offered at medical centers of the Department of Veterans Affairs as well as the medical care facilities of the uniformed services and other facilities at which the counseling on the other matters required under such subsection is offered. The access of representatives described in paragraph (1) to a member of the armed forces to provide such counseling shall be subject to the consent of that member.".

AMENDMENT NO. 3325, AS MODIFIED

Strike section 867, and insert the following:

SEC. 867. CONTRACTING WITH EMPLOYERS OF PERSONS WITH DISABILITIES.

(a) Inapplicability of Randolph-Sheppard Act.—The Randolph-Sheppard Act does not apply to any contract described in subsection (b) for so long as the contract is in effect, including for any period for which the contract is extended pursuant to an option provided in the contract.

(b) Javits-Wagner-O'Day Contracts.—Subsection (a) applies to any contract for the operation of a military mess hall, military troop dining facility, or any similar dining facility operated for the purpose of providing meals to members of the Armed Forces that—

(1) was entered into before the date of the enactment of this Act with a nonprofit agency for the blind or an agency for other severely handicapped in compliance with section 3 of the Javits-Wagner-O'Day Act (41 U.S.C. 48); and

(2) either—

(A) is in effect on such date; or

(B) was in effect on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136).

(c) Repeal of Superseded Law.—Section 852 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1556) is repealed.

AMENDMENT NO. 3204, AS MODIFIED

On page 372, after line 17, insert the following:

SEC. 2844. COMPTROLLER GENERAL REPORT ON CLOSURE OF DEPARTMENT OF DEFENSE DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS AND COMMISSARY STORES.

(a) Comptroller General Report.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General of the United States shall submit to the appropriate committees of Congress a report that includes the following:

(1) With respect to Department of Defense dependent elementary and secondary schools—

(A) an assessment by the Comptroller General of the policy of the Department of Defense, and the criteria utilized by the Department, regarding the closure of schools, including whether or not such policy and criteria are consistent with Department policies and procedures on the preservation of the quality of life of members of the Armed Forces; and

(B) an assessment by the Comptroller General of any current or on-going studies or assessments of the Department with respect to any of the schools.

(2) With respect to commissary stores—

(A) an assessment by the Comptroller General of the policy of the Department of Defense, and the criteria utilized by the Department, regarding the closure of commissary stores, including whether or not such policy and criteria are consistent with Department policies and procedures on the preservation of the quality of life of members of the Armed Forces; and

(B) an assessment by the Comptroller General of any current or on-going studies or assessments of the Department with respect to any of the commissary stores.

(b) Appropriate Committees of Congress Defined.—In this section, the term "appropriate committees of Congress" means—

(1) the Committee on Armed Services of the Senate; and

(2) the Committee on Armed Services of the House of Representatives.

AMENDMENT NO. 3441, AS MODIFIED

On page 195, between lines 10 and 11, insert the following:

SEC. 868. ACQUISITION OF AERIAL REFUELING AIRCRAFT FOR THE AIR FORCE.

(a) Compliance With Applicable Requirements.—The Secretary of Defense shall ensure that the Secretary of the Air Force does not proceed with the acquisition of aerial refueling aircraft for the Air Force by lease or other contract, either with full and open competition or under section 135 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1413) until the date that is 60 days after the date on which the Secretary Defense has—

(1) reviewed all documentation for the acquisition, including—

(A) the completed aerial refueling analysis of alternatives (AOA) required by section 134(b) of the National Defense Authorization Act for Fiscal Year 2004, pursuant to "Analysis of Alternatives (AoA) Guidance of KC-135 Recapitalization", dated February 24, 2004;

(B) the completed aerial refueling portion of the Mobility Capabilities Study;

(C) a new validated capabilities document in accordance with the applicable Chairman of Joint Chiefs of Staff Instruction; and

(D) the approval of a Defense Acquisition Board in accordance with Department of Defense regulations; and

(2) submitted to the congressional defense committees a determination in writing that the acquisition is in compliance with all currently applicable laws, Office of Management and Budget circulars, and regulations.

(b) Independent Review.—Not later than 45 days after the Secretary of Defense makes the determination described in paragraph (2) of subsection (a), the Comptroller General and the Inspector General of the Department of Defense shall each review the documentation referred to in paragraph (1) of such subsection and submit to the congressional defense committees a report on the extent to which the acquisition is—

(1) in compliance with the requirements of this section and all currently applicable laws, Office of Management and Budget circulars, and regulations; and

(2) consistent with the analysis of alternatives referred to in subparagraph (A) of subsection (a)(1) and the other documentation referred to in such subsection.

(c) Limitation on Acquisition Beyond Low-Rate Initial Production.—(1) The acquisition by lease or other contract of any aerial refueling aircraft for the Air Force beyond low-rate initial production shall be subject to, and for such acquisition the Secretary of the Air Force shall comply with, the requirements of sections 2366 and 2399 of title 10, United States Code.

(2) For the purposes of this subsection, the term "low-rate initial production", with respect to a lease, shall have the same meaning as applies in the administration of sections 2366 and 2399 of title 10, United States Code, with regard to any other form of acquisition.

(d) Source Selection for Integrated Support of Aerial Refueling Aircraft Fleet.—For the selection of a provider of integrated support for the aerial refueling aircraft fleet in any acquisition by lease or other contract of aerial refueling aircraft for the Air Force, the Secretary of the Air Force shall—

(1) before selecting the provider, perform all analyses required by law of—

(A) the costs and benefits of—

(i) the alternative of using Federal Government personnel to provide such support; and

(ii) the alternative of using contractor personnel to provide such support;

(B) the core logistics requirements;

(C) use of performance-based logistics; and

(D) the length of contract period; and

(2) select the provider on the basis of fairly conducted full and open competition (as defined in section 4(6) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(6))).

(e) Price Information.—Before the Secretary of the Air Force commits to acquiring by lease or other contract any aerial refueling aircraft for the Air Force, the Secretary shall require the manufacturer to provide, with respect to commercial items covered by the lease or contract, appropriate information on the prices at which the same or similar items have previously been sold that is adequate for evaluating the reasonableness of the price for the items.

(f) Audit Services.—The Secretary of the Air Force shall contact the Office of the Inspector General for the Department of Defense for review and approval of any Air Force use of non-Federal audit services for any lease or other contract for the acquisition of aerial refueling aircraft.

AMENDMENT NO. 3333, AS MODIFIED

On page 247, between lines 13 and 14, insert the following:

SEC. 1022. PERIODIC DETAILED ACCOUNTING FOR OPERATIONS OF THE GLOBAL WAR ON TERRORISM.

(a) Quarterly Accounting.—Not later than 45 days after the end of each quarter of a year, the Secretary of Defense shall submit to the Congressional defense committees, for such quarter for each operation described in subsection (b), a full accounting of all costs incurred for such operation during such quarter and all amounts expended during such quarter for such operation, and the purposes for which such costs were incurred and such amounts were expended.

(b) Operations Covered.—The operations referred to in subsection (a) are as follows:

(1) Operation Iraqi Freedom.

(2) Operation Enduring Freedom.

(3) Operation Noble Eagle.

(4) Any other operation that the President designates as being an operation of the Global War on Terrorism.

(c) Requirement for Comprehensiveness.—For the purpose of providing a full and complete accounting of the costs and expenditures under subsection (a) for operations described in subsection (b), the Secretary shall account in the quarterly submission under subsection (a) for all costs and expenditures that are reasonably attributable to such operations, including personnel costs.

AMENDMENT NO. 3319

(Purpose: To repeal certain requirements and limitations relating to the defense industrial base)

At the end of subtitle D of title VIII, add the following:

SEC. 844. REPEAL OF CERTAIN REQUIREMENTS AND LIMITATIONS RELATING TO THE DEFENSE INDUSTRIAL BASE.

(a) ESSENTIAL ITEM IDENTIFICATION AND DOMESTIC PRODUCTION CAPABILITIES IMPROVEMENT.—Sections 812, 813, and 814 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1542, 1543, 1545; 10 U.S.C. 2501 note) are repealed.

(b) ELIMINATION OF UNRELIABLE SOURCE FOR ITEMS AND COMPONENTS.—Section 821 of such Act (117 Stat. 1546; 10 U.S.C. 2534 note) is repealed.

AMENDMENT NO. 3339

(Purpose: To modify the priority afforded applications for national defense tank vessel construction assistance)

At the end of division B, add the following:

TITLE XXXIV—MARITIME ADMINISTRATION

SEC. 3401. MODIFICATION OF PRIORITY AFFORDED APPLICATIONS FOR NATIONAL DEFENSE TANK VESSEL CONSTRUCTION ASSISTANCE.

Section 3542(d) of the Maritime Security Act of 2003 (title XXXV of Public Law 108–136; 117 Stat. 1821; 46 U.S.C. 53101 note) is amended—

(1) in paragraph (1), by striking "and" at the end;

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following new paragraph (2):

"(2) shall give priority consideration to a proposal submitted by an applicant who has been accepted for participation in the Shipboard Technology Evaluation Program as outlined in Navigation and Vessel Inspection Circular 01–04, issued by the Commandant of the United States Coast Guard on January 2, 2004; and".

Mr. LEVIN. We support these amendments, Mr. President. We move to reconsider.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3371, AS MODIFIED

Mr. WARNER. We have two technical matters.

Sessions amendment No. 3371 was agreed to last week without a modification. I send to the desk a modified amendment No. 3371 as a substitute for the original amendment and ask unanimous consent that it be substituted for the version agreed to last week.

The PRESIDING OFFICER. Without objection, the amendment, as modified, is agreed to.

The amendment (No. 3371) was agreed to as follows:

On page 130, between lines 9 and 10, insert the following:

SEC. 642. DEATH BENEFITS ENHANCEMENT.

(a) FINAL ACTIONS ON FISCAL YEAR 2004 DEATH BENEFITS STUDY.—(1) Congress finds that the study of the Federal death benefits for survivors of deceased members of the Armed Forces under section 647 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1520) has given Congress sufficient insight to initiate action to provide for the enhancement of the current set of death benefits that are provided under law for the survivors.

(2) The Secretary of Defense shall expedite the completion and submission of the final report, which was due on March 1, 2004, under section 647 of the National Defense Authorization Act for Fiscal Year 2004.

(3) It is the sense of Congress that the President should promptly submit to Congress any recommendation for legislation, together with a request for appropriations, that the President determines necessary to implement the death benefits enhancements that are recommended in the final report under section 647 of the National Defense Authorization Act for Fiscal Year 2004.

(b) INCREASES OF DEATH GRATUITY CONSISTENT WITH INCREASES OF RATES OF BASIC PAY.—Section 1478 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting "(as adjusted under subsection (c)" before the period at the end of the first sentence; and

(2) by adding at the end the following new subsection:

"(c) Effective on the date on which rates of basic pay under section 204 of this title are increased under section 1009 of title 37 or any other provision of law, the amount of the death gratuity provided under subsection (a) shall be increased by the same overall average percentage of the increase in the rates of basic pay taking effect on that date.".

(c) FISCAL YEAR 2005 ACTIONS.—At the same time that the President submits to Congress the budget for fiscal year 2006 under section 1105(a) of title 31, United States Code, the President shall submit to the appropriate committees of Congress referred to in subsection (g) a draft or drafts of legislation to provide enhanced death benefits for survivors of deceased members of the uniformed services. The draft legislation shall include provisions for the following:

(1) Revision of the Servicemembers' Group Life Insurance program to provide for—

(A) an increase of the maximum benefit provided under Servicemembers' Group Life Insurance to $350,000, together with an increase, each fiscal year, by the same overall average percentage increase that takes effect during such fiscal year in the rates of basic pay under section 204 of title 37, United States Code; and

(B) a minimum benefit of $100,000 at no cost to the insured members of the uniformed services who elect the maximum coverage, together with an increase in such minimum benefit each fiscal year by the same percentage increase as is described in subparagraph (A).

(2) An additional set of death benefits for each member of the uniformed services who dies in the line of duty while on active duty that includes, at a minimum, an additional death gratuity in the amount that—

(A) in the case of a member not described in subparagraph (B), is equal to the sum of—

(i) the total amount of the basic pay to which the deceased member would have been entitled under section 204 of title 37, United States Code, if the member had not died and had continued to serve on active duty for an additional year; and

(ii) the total amount of all allowances and special pays that the member would have been entitled to receive under title 37, United States Code, over the one-year period beginning on the member's date of death if the member had not died and had continued to serve on active duty for an additional year with the unit to which the member was assigned or detailed on such date; and

(B) in the case of a member who dies as a result of an injury caused by or incurred while exposed to hostile action (including any hostile fire or explosion and any hostile action from a terrorist source), is equal to twice the amount calculated under subparagraph (A).

(3) Any other new death benefits or enhancement of existing death benefits that the President recommends.

(4) Retroactive applicability of the benefits referred to in paragraph (2) and, as appropriate, the benefits recommended under paragraph (3) so as to provide the benefits—

(A) for members of the uniformed services who die in line of duty on or after October 7, 2001, of a cause incurred or aggravated while deployed in support of Operation Enduring Freedom; and

(B) for members of the uniformed services who die in line of duty on or after March 19, 2003, of a cause incurred or aggravated while deployed in support of Operation Iraqi Freedom.

(d) CONSULTATION.—The President shall consult with the Secretary of Defense and the Secretary of Veterans Affairs in developing the draft legislation required under subsection (c).

(e) FISCAL YEAR 2006 BUDGET SUBMISSION.—The budget for fiscal year 2006 that is submitted to Congress under section 1105(a) of title 31, United States Code, shall include draft legislation (other than draft appropriations) that includes provisions that, on the basis of the assumption that the draft legislation submitted under subsection (c) would be enacted and would take effect in fiscal year 2006—

(1) would offset fully the increased outlays that would result from enactment of the provisions of the draft legislation submitted under subsection (c), for fiscal year 2006 and each of the ensuing nine fiscal years;

(2) expressly state that they are proposed for the purpose of the offset described in paragraph (1); and

(3) are included in full in the estimates that are made by the Director of the Congressional Budget Office and the Director of the Office of Management and Budget under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)) with respect to the fiscal years referred to in paragraph (1).

(f) EARLY SUBMISSION OF PROPOSAL FOR ADDITIONAL DEATH BENEFITS.—Congress urges the President to submit the draft of legislation for the additional set of death benefits under paragraph (2) of subsection (c) before the time for submission required under that subsection and as soon as is practicable after the date of the enactment of this Act.

(g) APPROPRIATE COMMITTEES OF CONGRESS.—For the purposes of subsection (c), the appropriate committees of Congress are as follows:

(1) The Committees on Armed Services of the Senate and the House of Representatives, with respect to draft legislation that is within the jurisdiction of such committees.

(2) The Committees on Veterans Affairs of the Senate and the House of Representatives, with respect to draft legislation within the jurisdiction of such committees.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3438, AS MODIFIED

Mr. WARNER. Mr. President, on behalf of Senator BUNNING, I send an amendment to the desk which makes a technical change to amendment No. 3438 on the Energy Employee Occupational Illness Compensation Program that had been previously agreed to.

My understanding is the amendment is acceptable on each side.

Mr. LEVIN. The modification has been cleared on this side.

Mr. WARNER. I urge adoption of the amendment.

The PRESIDING OFFICER. Without objection, the previously agreed to amendment is modified.

The amendment (No. 3438), as modified, was agreed to as follows:

In section 3161, as added by Senate Amendment 3438, strike subsection (b).

Mr. LEVIN. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, we have been in consultation with the leadership on both sides. I see the distinguished Democratic whip. I will make this unanimous consent request at this time.

I ask unanimous consent that when the Senate resumes consideration of the Defense authorization bill the Senate consider the following amendments in this order: Corzine amendment No. 3303, 30 minutes equally divided; Byrd amendment No. 3423, 20 minutes equally divided; McConnell, Iraq report and Kennedy amendment No. 3388, a total of 30 minutes equally divided for both amendments.

They will be voted on side by side.

Reed amendment No. 3353, 20 minutes equally divided; provided further that after the conclusion of all of the designated debate time, the Senate proceed to a series of consecutive votes in relation to the amendments mentioned above, in the order listed, with no second degrees in order to the amendments prior to the votes.

Mr. REID. Mr. President, reserving the right to object, will the distinguished chairman tell me again the order that those votes will take place?

Mr. WARNER. I have been informed that the first amendment is Corzine, the second is McConnell-Kennedy, the third is Reed, and the fourth is Byrd.

Mr. REID. Mr. President, reserving the right to object, I ask that the distinguished Senator modify his request, first of all, that after the first vote there be 10 minutes for each vote.

Mr. WARNER. Yes. After the first vote, 10 minutes.

Mr. REID. Second, that there be 2 minutes between each of these amendments. Senator BYRD has always asked that we do that.

Mr. WARNER. That is acceptable.

Mr. REID. Two minutes equally divided. That is fairly standard. The majority leader didn't want any time, as the chairman will recall.

Mr. WARNER. I understand. I have to look at it in the interest of my colleagues—no disrespect to the majority leader.

Mr. REID. Mr. President, this is fine with us. But I want the RECORD to reflect that we would agree to even less time on amendments. As we proceed with the debate on this group of amendments, we could have saved 30 minutes if we did not use all of our time.

We have no objection to the request of the distinguished Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, I accept responsibility for increasing the time. I just feel that these are important issues, and some of my colleagues are very anxious to express their views. I want to make that possible.

Mr. LEVIN. Mr. President, one other issue, because we are trying to push this bill very quickly, we always appreciate and admire the Senator from Virginia for his forthright statements and knowledge. We think it might be possible as we proceed on at least these amendments that some of the time could be yielded. That would be in everybody's interest, if it is possible.

Mr. WARNER. That would be an option with equal division of time.

AMENDMENT NO. 3409

Ms. MIKULSKI. Mr. President, I rise in strong support of the Daschle amendment, and in strong support of our Nation's veterans.

Our men and women serving in Iraq and Afghanistan have my steadfast support. So do those who served before them. Our veterans need to know that America is with them and that we owe them a debt of gratitude. Congress must show that gratitude not just with words, but with deeds. That means making our troops and our veterans a priority in the Federal checkbook.

That is why I am such a strong supporter of the Daschle amendment. The goal of this amendment is simple and straightforward—to guarantee enough funding in the Federal checkbook each year to provide health care to every single veteran enrolled in the VA system.

This amendment does four things to support our Nation's veterans:

First, the amendment sets a minimum level of funding for VA health care each year. This amount is based on the number of veterans enrolled in the VA system. This is important to ensure that VA can provide care for every veteran, without rationing care or charging deductibles, fees, or increased copayments.

Second, the amendment provides an annual adjustment for inflation, so that VA can keep up with the rising costs of medical equipment, supplies, and prescription drugs.

Third, the amendment says that after 2 years, the General Accounting Office, GAO, will provide Congress with a report of whether this funding was adequate to provide care for all of our veterans. The amendment also sets up a process to correct any flaws that GAO identifies.

Fourth, the amendment moves future increases to VA health care funding from the discretionary to the mandatory side of the Federal budget. This is important so that the VA-HUD Subcommittee won't have to have to forage for funds each year, and veterans won't have to compete for funding.

As the ranking member of the VA-HUD Appropriations Subcommittee, my guiding principle for the VA budget is that promises made to our veterans must be promises kept. And each year, the VA-HUD Appropriations Subcommittee makes veterans health care funding the top priority. We do this on a bipartisan basis, because when it comes to caring for our Nation's veterans, we are not members of the Democratic or Republican parties. We are members of the red, white, and blue party.

But each year, we have to forage for funds. Over the last 3 years, we have worked on a bipartisan basis to reject new fees and increased copayments on our Nation's veterans.

In 2003, the administration proposed that Priority 7 and 8 veterans pay a yearly $1,500 deductible just to access VA health care. On a bipartisan basis, Congress rejected this proposal. Instead, we put $1.1 billion more in VA's budget.

In 2004, the administration proposed that Priority 7 and 8 veterans pay a yearly $250 fee to access VA health care. The budget also proposed increases in veterans' copayments—a 50 percent increase in the prescription drug copayment and a 30 percent increase in copayments for doctors visits. Again, on a bipartisan basis, Congress rejected these proposals. Instead, we put $1.3 billion more in the VA's budget.

The administration's 2005 budget again proposes a $250 annual fee and increased prescription drug copayments for veterans. And again this year, Senator BOND and I will fight to find the funding to reject these proposals.

But despite our efforts and these record increases, VA health care funding is just not keeping up with the needs of our Nation's veterans. This mismatch of funding and demand for VA health care has led the administration to ration VA health care. In January 2002, the administration closed enrollment to all new Priority 8 veterans. This is unacceptable. In addition, the VA has already treated 10,000 of our newest veterans returning from Iraq and Afghanistan. Our newest veterans deserve to know that the VA will be there to care for them.

Finally, I want to point out that under this amendment, Congress would keep its oversight authority over how VA health care funding is spent. The Appropriations and Veterans Affairs Committees would still be able to hold VA accountable for how it spends its money, and how it provides health care to veterans. Congress will continue to stand up for our Nation's veterans.

The Task Force To Improve Health Care Delivery For Our Nation's Veterans, a bipartisan task force of experts on health care convened at the request of the President, concluded that there is a definite mismatch between demand and funding for VA health care. The Task Force recommended fixing this mismatch. The Daschle amendment is a bold solution to this problem.

Mr. President, I urge my colleagues to stand up for our Nation's veterans by supporting the Daschle amendment.

I yield the floor.

Mr. JOHNSON. Mr. President, I rise today in support of the Daschle amendment to the National Defense Authorization Act for Fiscal Year 2005.

Mr. President, I introduced the Veterans Health Care Funding Guarantee Act in both the 107th and 108th Congress because I believe the system we use to fund VA health care is broken. Both my legislation and the Daschle amendment would fix this problem and fully fund the Veterans Administration health care system by making VA medical care mandatory, rather than discretionary, spending.

Once again, we face a budget that severely underfunds VA medical care needs. Under the budget submitted to Congress by the President, many veterans will not have access to the VA health care system, will have increased copayments and fees, and will face continuing delays to access the care they were promised. And once again, Congress will be forced to make the difficult choices in finding additional funds for the VA. I am concerned that this yearly struggle to find just enough funding for veterans health care is unsustainable it breaks the promises we made to our veterans and threatens the long-term viability of the entire VA health care system.

This is what makes legislation such as the Veterans Health Care Funding Guarantee Act and the Daschle amendment particularly interesting. The amendment recognizes the need to automatically calculate the effects of inflation and to factor in the number of veterans utilizing the VA health care system in determining the necessary level of medical care funding.

Mr. President, this approach has been endorsed by the Disabled American Veterans, the Veterans of Foreign Wars, and the American Legion. In addition, the President's Task Force to Improve Health Care Delivery for Our Nation's Veterans—a 15-member panel that was assembled to study the health care needs of our Nation's veterans—has weighed in on this issue. This Presidential task force released their recommendations in a report on May 28, 2003. The report stated clearly that the most pressing problem facing the VA health system is that funding is not keeping pace with the need for care.

While the panel encouraged greater cooperation between the VA and the Department of Defense's health care system, they recognized this would not address the fundamental problem. Instead, the panel recommended two solutions to the VA's funding problems: create an independent board which will set the level of VA health care spending each year, or establish a formula to provide a mandatory amount of funding for VA medical care. This second recommendation is the concept contained in the amendment we are debating today. I hope that my colleagues will read the report produced by the President's Task Force to Improve Health Care Delivery for Our Nation's Veterans because I believe it provides a solid basis for supporting the Daschle amendment.

I close by discussing why we are debating this amendment today and on this particular bill. Some have questioned including a veterans health care amendment as a part of the National Defense Authorization Act. However, I can think of no more appropriate bill on which to discuss whether or not we are going to live up to our commitments to our nation's veterans. As the father of a soldier who has served in Iraq, Afghanistan, Kosovo, and Bosnia, I know that poor treatment of our veterans severely impacts our ability to recruit and retain the best and brightest for our military. We simply can not separate the issue of the treatment of our troops and the treatment of our veterans.

Mr. President, I thank Senator DASCHLE for offering this amendment and encourage my colleagues to support our veterans by voting in favor of the pending amendment.

AMENDMENT NO. 3470

Mr. NELSON of Florida. Mr. President, today I submitted an amendment to the fiscal year 2005 National Defense Authorization bill that would eliminate the current offset against annuities paid by the Department of Defense Survivors' Benefits Plan—SBP—for Veterans Administration Dependency and Indemnity Compensation—DIC. I ask for my colleagues' support for this amendment and invite their cosponsorship.

Unfortunately, many of us do not realize that a reduction similar to the current offset rules for military retirement and veterans' disability compensation applies to the survivors of military retirees enrolled in the Survivor Benefit Plan—SBP. Payments for the survivors of our retirees from the military Survivor Benefit Plan—SBP—are reduced by benefits payable from the veterans' Dependency and Indemnity Compensation—DIC—program. Thus, surviving spouses of 100 percent disabled military retirees generally cannot receive benefits through both the retirement system and the veterans' disability system.

Over the last few years we have made a tremendous effort to repeal the law that prohibits concurrent receipt of retired pay and disability compensation for our military retirees. This year we have already adopted a provision in the fiscal year 2005 National Defense Authorization bill that will eliminate the phasing over 10 years of retired pay for retirees with 100 percent disability. I supported this provision. We have to take care of our most deserving retirees, but we should also take care of their survivors.

I have long supported the full implementation of concurrent receipt, but I do not understand why we would leave behind the widows and dependent children of those retirees that have purchased the income protection provided by the Survivors Benefit Plan. I know of no purchased annuity plan that denies its benefit based on the receipt of another benefit. This is wrong and it hurts our most valuable widows—those left behind by combat losses and retirees fully disabled by their service.

It is difficult to justify paying military retired pay and veterans' compensation concurrently to the retiree but not paying benefits from both the SBP and the DIC concurrently to that retiree's widow or surviving children. My amendment ensures consistency in the application of benefits to survivors from the SBP program and DIC. I urge the Senate to adopt this amendment and take care of our military widows.

Mr. WARNER. Mr. President, I do not believe there are further matters in relation to this bill. At this point in time, I will proceed to wrap up on behalf of leadership.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. Mr. President, as the chairman said just a few moments ago on the floor, there has been a lot of hard work on the Defense bill over the course of the last month and over the course of the day. We continued to clear amendments on both sides. And although we have been in a quorum call, off and on, over the course of the night, as the chairman implied, there have been a lot of negotiations, and a lot of progress has been made in addressing the large number of amendments that we, at 6:30, realized we had. We continue to clear amendments on both sides, and we have entered into an agreement for votes on approximately five amendments tomorrow morning.

Unfortunately—and I made it clear to both managers and representatives of our leadership and leadership on the other side of the aisle—it is still unclear as to exactly how we are going to bring this bill to closure, how we will finish this bill. We have had this large number of consultations throughout the evening with colleagues on both sides of the aisle, and I do think it is time we bring the bill to conclusion. I believe it is really past that time.

But, again, everybody is working in good faith. I do respect Members' rights to offer amendments. However, as majority leader, I am charged with ensuring that we finish our work and that we are able to address the other very important work ahead of us. I specifically mentioned, in this case, the appropriations bill which provides the funding to support our troops overseas.

Having said that, I will file a cloture motion so all of our options are preserved. I understand everybody is proceeding in good faith for completion tomorrow. We will continue to find a way to finish the bill tomorrow, but we will have this cloture vote on Thursday if it becomes necessary.

CLOTURE MOTION

Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on calendar No. 503, S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the armed services, and for other purposes.

Bill Frist, Mitch McConnell, John Cornyn, Trent Lott, John W. Warner, Norm Coleman, Lincoln D. Chafee, Gordon Smith, Jon Kyl, John McCain, Peter Fitzgerald, John E. Sununu, Richard G. Lugar, Don Nickles, Mike DeWine, George V. Voinovich, George Allen, Kay Bailey Hutchison.

Mr. FRIST. Mr. President, I ask unanimous consent that the mandatory quorum be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF WALTER D. KELLEY, JR.

Mr. ALLEN. Mr. President, soon we will be voting on the nomination of Walter DeKalb Kelley, Jr., to be a Federal judge for the U.S. District Court for the Eastern District of Virginia. My colleague, Senator WARNER, and I know him as Walt. We very much support his nomination. I have known Walt Kelley for a long time now. He is one who continues to impress me as a gentleman. I have always found him to be even tempered, no matter the situation, no matter how fractious things might be. He always has a good, steady demeanor about him, which I think is an important attribute, especially for a trial judge.

Senator WARNER and I interviewed many outstanding nominees for this judgeship in the Eastern District of Virginia. The things I care about are experience, to the extent you can find somebody who has judicial experience. Also, when you look at their experience and talk about them, whether it is in the courtroom or what their beliefs are, it is important to figure out what their judicial philosophy might be.

On the point of judicial philosophy, as a judge, Walt Kelley will be one who understands the proper role of the judiciary, in particular to adjudicate a case, applying the facts and evidence before the court, applying the law in the proper way, as opposed to a judge who might want to invent new law.

As far as experience is concerned, while Walt Kelley has not served as a judge, he has a tremendous amount of experience in the courtroom, arguing and taking to final adjudication 25 cases in various Federal courts.

He has been endorsed and supported by the Virginia Association of Defense Attorneys and the Virginia State Bar. The American Bar Association has also given Walt Kelley a unanimous opinion of "well qualified." He is rated "AV" by Martindale-Hubbell. In addition, the Virginia Women Attorneys Association supports his nomination.

He is an individual of great character, and he supports important aspects of the community in the Hampton Roads area. He is the chairman or the rector of the Board of Visitors at Old Dominion University in Norfolk. He is a trustee at Norfolk Collegiate School, where he attended, and his three children currently attend school. He is an adjunct professor in antitrust law at Regent University School of Law. He was on the Virginia Attorney General's Task Force on Higher Education, and he is also the director of the Hampton Roads Salvation Army Adult Rehabilitation Center Advisory Board, making sure folks are rehabilitated from being addicted to drugs, or using drugs, so they may become productive citizens.

Walt Kelley is an outstanding individual. He has the experience, the temperament, and the right philosophy to be a judge in the Eastern District of Virginia for many decades to come. I look forward to voting for him and respectfully urge my colleagues to support the nomination of Walter Kelley to the United States District Court for the Eastern District of Virginia.

Mr. President, I yield the floor.

NOMINATION OF JUAN R. SANCHEZ

Mr. SPECTER. Mr. President, I rise in support of the nomination of Chester County Common Pleas Judge Juan Sanchez who is on the docket for confirmation at the present time. Judge Sanchez was born in Puerto Rico, but emigrated to the United States at an early age and has an outstanding academic record from City College of New York, where he had his bachelor's degree cum laude in 1978. He graduated from the University of Pennsylvania Law School with his J.D. degree and has a very impressive background. He served in the Legal Aid Society of Chester County where he was staff attorney for 2 years, and then a partner in a private law firm. He also served the County of Chester in the Public Defender's Office for some 4 years; and for the last 6 years, he has been a judge of the Court of Common Pleas of Chester County.

Mr. Sanchez was nominated by the bipartisan nominating committee which Senator SANTORUM and I have recommended to the President, withstood the rigor of the examinations and has been voted out of committee unanimously. I think he will make an outstanding judge.

I ask unanimous consent that Judge Sanchez's resume be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JUAN R. SANCHEZ, RESUMÉ

Birth: December 22, 1955, Vega Baja, Puerto Rico.

Education: 1974–1978, City College of the City University of New York B.A. degree, cum laude.

1978–1981, University of Pennsylvania Law School, J.D. degree.

Bar Admittance: 1982, Pennsylvania.

Experience: 1981–1983, Legal Aid of Chester County, Staff Attorney.

1983–1990, Nester, Nester & Sanchez Partner.

1983–1997, County of Chester Public Defender's Office, Senior Trial Attorney, 1993–1997, Trial Attorney, 1983-1993.

1990–1997, Sole Proprietor.

1997, MacElree, Harvey, Gallagher, Featherman & Sebastian, Trial Attorney.

1998—present, Chester County Court of Common Pleas, Judge.

ROBERT H. PERRY—NEVADA TRIAL LAWYER OF THE YEAR

Mr. REID. Mr. President, I rise today to congratulate Robert H. Perry, who has been recognized as Nevada Trial Lawyer of the Year by the Nevada Trial Lawyers Association.

Mr. Perry grew up in Topeka, KS, and attended the United States Naval

Academy. Following his graduation, he served in the U.S. Marine Corps. After he completed his military service, Mr. Perry worked in sales in Montana, and then returned to Kansas where he became a mentor for youth who were detained in the justice system. That whetted his interest in the legal system, and he decided to attend law school at the University of Kansas.

After he graduated law school, Mr. Perry moved to Nevada, where he became a successful prosecutor in the Washoe County District Attorney's Office. After several years, he rose to the position of Deputy District Attorney for the Criminal Division.

In 1976, Mr. Perry joined the law firm of Laxalt and Berry, and a few years later he formed a partnership with Richard Davenport. He ventured out on his own in 1991, forming Robert H. Perry, Ltd., and concentrated on civil trial work.

Since then Mr. Perry has dedicated himself to representing average citizens who have been harmed by the wrongful actions of others. Many times the party that did the harm was much more powerful than the victim—but in our legal system, it is possible for ordinary people to get justice, thanks to lawyers like Mr. Perry.

In 2001, Mr. Perry represented a young girl whose medical treatment had been delayed because the treating physician thought she was complaining in order to receive more painkillers. But in fact, she was really sick. When surgery was finally performed on this girl, only three feet of her small intestine remained. Today, and for the rest of her life, she must receive her nourishment intravenously.

Mr. Perry fought for her and she won the largest verdict for medical malpractice in Nevada history.

This is just an example of the kind of battles that Robert Perry wages on behalf of his clients. I salute him for his selection as Trial Lawyer of the Year, and extend my best wishes for success in all his future ventures.

LOCAL LAW ENFORCEMENT ACT OF 2003

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. On May 1, 2003, Senator KENNEDY and I introduced the Local Law Enforcement Enhancement Act, a bill that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society.

In Wichita, KS, on June 29, 2001, a 58-year old openly gay hairdresser, Marcell Eads, was beaten and died from burns and smoke inhalation after the alleged bashers set his home on fire. Zachary Steward, 18, and Brandon Boone, 17, were arrested in connection with the crime. Steward claimed that Eads had made sexual advances toward him, prompting Boone to start beating Eads with a broomstick and later with the end of a table and a rock. The perpetrators accused each other of setting the fire that killed Eads, and both took credit for trying to put out the fire.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

FAITH IN ACTION

Mr. GRASSLEY. Mr. President, in the 21st century, advances in medicine are allowing Americans to live longer than ever before. Today, the average American will live to be over 76 years old. As the collective age of society increases, so does the need for increased help, care, and support, as long-term illnesses and the frailties of age become the rule, not the exception. Faith in Action volunteers play a crucial role in ensuring that help is there for neighbors in need.

Faith in Action is a nationwide, interfaith coalition that works to help people with long-term health needs or disabilities maintain their independence by providing assistance with daily activities. Funded by the Robert Wood Johnson Foundation, Faith in Action boasts 100,000 nationwide volunteers serving over 200,000 care recipients.

Through Faith in Action, Americans of every faith—including Catholics, Protestants, Hindus, Jews and Muslims—work together to improve the lives of their neighbors in need. Faith in Action volunteers help others maintain their independence by doing simple things: watering flowers, shopping for groceries, taking people to the doctor, and simply listening. Sometimes they open doors that people can't open on their own.

In my home State of Iowa, over 2,100 dedicated volunteers work in local programs to contribute approximately 315,000 volunteer hours per year—a service valued at nearly $5.2 million.

But the value of Faith in Action is measured not by dollars and cents. Nor is the value measured by the number of volunteers, or the number of hours donated. The real value of Faith in Action is measured by the warm smiles of gratitude that line the faces of those whose lives have been enriched by the kind touch of a stranger.

Fred Jones is a man who knows firsthand the value of Faith in Action. Fred lives with his wife in the rural farmhouse where he was born, on the outskirts of Parnell, IA. Fred is, by any measure, a big man—standing 6 feet 2 inches tall and weighing over 200 pounds. Twelve years ago, Fred had a major stroke—a stroke that left half of his body paralyzed, and left Fred confined to a wheelchair in a home not built with wheelchairs in mind.

After the stroke, Fred's wife did not want to put him in a care facility and dreaded the thought of leaving the home where he was born. So at 76 years old and without any help, Mrs. Jones assumed the burden of lifting Fred up and down the 6-inch step from the front door of their home to the sidewalk below.

When Faith in Action was notified of the situation, the dedicated staff found resources to pay for the materials and a volunteer to install a wheelchair ramp for the elderly couple. Now Mrs. Jones is able to maneuver her husband in and out of their home with ease. Fred can now go to church, enjoy the sunshine, and watch his grandchildren play.

As an Iowan and a Member of Congress, I greatly appreciate the selfless acts of charity done by Faith in Action volunteers and I look forward to even greater accomplishments in the years to come.

THE CRISIS IN HAITI

Mr. DODD. Mr. President, I rise today to speak about the lamentable situation in Haiti. After suffering political upheaval and widespread violence over the last few months, the Haitian people are now facing even more desperate circumstances.

During the last 2 weeks of May, floods devastated major sections of Haiti and parts of the Dominican Republic. The death toll in Haiti has reached nearly 2,600 people not including the missing and medical personnel expect that number to climb higher as the waters recede and reclamation efforts become possible.

In the immediate aftermath of the catastrophe, aid workers, Haitian officials, and foreign troops—including U.S. soldiers scrambled to prevent the crisis from worsening. They have been delivering emergency supplies of food and water, building temporary housing, and working to prevent the spread of disease.

I am concerned, however, by reports that the efforts are sorely under-funded and risk being overwhelmed by the sheer size of the disaster. Doctors are struggling to combat outbreaks of malaria and dengue, and the New York Times reports that aid workers were using mules for transportation, since the U.S. military is no longer airlifting aid to isolated communities. The U.S. Agency for International Development has pledged $50,000 in emergency aid, but we ought to do much more.

I wish I could say that the devastation was solely an act of nature, but it was not. Had these same rains fallen over Florida, the damage would have been much less severe and the death toll would be in the single digits instead of the thousands.

As my esteemed colleague from Ohio, Senator DEWINE, described in his statement on June 1st, Haiti's economic underdevelopment exacerbated the effects of the flooding. Widespread deforestation of hillsides meant that, when the rains came, there was nothing to hold the soil in place. The subsequent landslides devastated many of the villages. And without roads and emergency services, there was no way to evacuate the Haitians who were caught in the path of the floods.

Yet the devastation is not over. For the tens of thousands of Haitians who were left homeless, whose crops were destroyed, and whose communities were razed by the floodwaters, the next few months will be a struggle between life and death.

It pains me to say that the floods are only the most recent setback for a country already struggling to overcome economic and social crises. Haiti, by most measures, is the poorest country in the hemisphere with nearly 80 percent of its population living in abject poverty. The life expectancy has fallen to 52 years and more than 6 percent of Haitians are infected with the HIV virus.

In recent years Haiti has become a major trans-shipment point for cocaine trafficking. The State Department, in its annual Narcotics Control Strategy Report, describes Haiti as, "a key conduit for drug traffickers transporting cocaine from South America to the United States." Sadly, more than half of all Haitians are unable to participate in the formal economy, and, as a consequence, many of these people turn to the illegal drug trade as a source of income.

This influx of drug money into Haiti has further eroded the rule-of-law. Corruption now seems endemic in even the highest levels of government and private enterprise.

Not all the news from Haiti is bad, however. Recently, I had the opportunity to meet with Prime Minister [Gerard] Latortue while he was visiting Washington. I was impressed by his vision for Haiti, and encouraged by the efforts he has made since his appointment to stabilize the country. During our meeting, Prime Minister Latortue emphasized the need for major improvements in infrastructure, particularly in the power sector. He also stressed to me the urgent need for capacity-building amongst government institutions which cannot carry out their responsibilities without the trained personnel and resources to do so.

Unfortunately the Bush Administration has been extremely slow to respond to Prime Minister Latortue's requests for aid. President Aristide was deposed in late February, but it wasn't until late May—nearly 3 months later—that the Administration finally cobbled together a $160 million aid package for Haiti—$60 million of which was already in the pipeline before the February departure of President Aristide. I'm afraid that the amount they have allotted, about $20 per Haitian, is too little, too late.

This lukewarm response only continues a trend in the Bush administration's policy toward Haiti. Since 2000, the U.S. Government has taken a shameful, hands-off approach to Haiti, turning its back on a growing crisis. After the Bush administration facilitated President Aristide's removal, citing his incompetence as the justification for supporting the involuntary departure of an elected president, one would have hoped that there was some sense of obligation on the part of the administration to do right by the Haitian people. Sadly, that sense of obligation is minimal at best, even in the face of the natural disaster that has recently befallen the Haitian people.

So what should the U.S. response be to the political, economic, and social crises in Haiti? Should we continue the hands-off approach of the Bush administration? Or, should we offer Haiti a hand up? I believe that we have a special obligation to help Haiti, and I'm offering three proposals for how we can do that.

First, we should halt the removal of the 1,900 U.S. troops currently stationed in Haiti. Prime Minister Latortue has asked that we extend the U.S. military presence, fearing that U.S. troops are the only ones capable of dissuading further violence. The original decision to depart upon the arrival of the Brazilian-led UN Peacekeeping force was made before last month's flooding—and before the destabilizing effects of the current humanitarian crisis.

Let me take a moment here to talk about the security situation. Many have speculated about the re-establishment of the Haitian Army. Because this is ultimately a question for the Haitian people to answer—especially in light of the Haitian Army's history of abuses—I believe that the decision should be left for the next elected government to address. Given the scarcity of resources and the absence of a specific national security mission, I for one believe that reestablishing the army is a luxury that Haiti can ill afford. In any event, the current caretaker government should concern itself with establishing domestic stability and security, preparing for elections, and, most critical of all, working to end the current humanitarian crisis.

The Bush administration can help the LaTortue government move forward with its stated agenda by working with the international community and the Haitian National Police to establish the rule of law. Clearly reestablishing security requires that we step up efforts to disarm all the various illegal armed groups. So far less than 200 arms have been rounded up. And the focus seems to be solely on Aristide supporters, not the armed thugs who have perpetrated a reign of terror throughout the countryside for the last nine months.

Next, in accordance with the resolution agreed upon by the Organization of American States, we must undertake to foster full restoration of democracy in Haiti. Our first obligation is to get to the bottom of allegations that the United States participated in the ouster of President Aristide. The OAS has just begun an investigation into the matter, and we should cooperate fully to dispel any myths or redress any errors.

My last proposal is for a $1 billion emergency aid package for Haiti over the next 4 years. If we are willing to devote hundreds of billions of dollars for the endeavors in Afghanistan and Iraq—half a world away—doesn't it make sense for us to devote a fraction of that amount to assist one of our nearest and most impoverished neighbors? Announcing a multiyear aid package, we demonstrate our commitment to the Haitian people and also serve as an example for others in the international community to offer up multiyear assistance packages as well. As UN Secretary General Kofi Annan stated in March, getting it right in Haiti this time, "means keeping international attention and resources engaged for the long haul."

It is long past time for the United States to address the mounting crisis in Haiti. It is time for us to offer the Haitian people a hand up. Toward that end, I believe that this body should give serious consideration to making a down payment on the $1 billion aid proposal for Haiti in the FY 2005 Appropriations process when the Senate deals with this legislation. Only through concrete and meaningful U.S. assistance on a scale commensurate with Haiti's needs can we ever hope to reverse the misery, suffering, and hopelessness that have become commonplace in the lives of close neighbors—8 million of them.

IN MEMORY OF RAY CHARLES

Mrs. BOXER. Mr. President, I take this moment to reflect on the life of Ray Charles. I feel lucky to have grown up with the innovative and passionate sounds of Ray Charles unique mix of gospel and blues. His work took listeners from the depths of his profound sadness to cathartic heights in his love and performance of music. Ray Charles will be deeply missed by fans and fellow musicians alike.

Ray Charles Robinson was born September 23, 1930, in Albany, GA. The child of a mechanic, Bailey Robinson, and a saw-mill worker, Aretha, Ray Charles' life was a lesson in triumph over adversity. A young Charles began losing his sight at infancy and was clinically blind by the age of 7. Two years prior his brother had accidentally drowned, and by age 15, Charles lost both parents and had no immediate family. Alone, sad, and orphaned, Ray Charles went to live with friends of his mother, nearly 200 miles away from home, in Jacksonville, FL.

Charles lived in Jacksonville for a year developing his talent as a musician before moving to Orlando, supporting himself, a 16 year-old orphan, with only his seemingly dauntless optimism to help him along. Work was sparse, and income was never guaranteed. He left Florida, looking for a new city with potential for new challenges, took what little money he had and made a five-day bus trip to Seattle, WA. It was here that Charles formed his first group, a small jazz group called the McSon Trio.

Emulating the vocal styles of his musical idol, Nat King Cole, Ray Charles formed a rhythm and blues group led by vocalist Ruth Brown. The band played night after night in smoky back-alley clubs throughout Seattle's red light district. As Charles reflected in his autobiography, these clubs consisted of little more than a big room with a band in one corner, liquor in the other, and a shoulder to shoulder audience. Playing in Seattle, Ray Charles met Quincy Jones, showing the young future producer how to write and compose music. It was the beginning of a lifelong friendship.

It was on the West Coast that Ray Charles' famous career truly began to develop. Swingtime Records signed Charles in Seattle, giving him his first break in the music business. And in 1950, the company flew him to Los Angeles to record. In 1952 his contract was purchased by Atlantic Records, and by 1954, Charles had formed his own band recording his unique raw and tortured mix of gospel and rhythm n' blues a style that would later be known as soul music—with songs like "I Got A Woman," and the later "Georgia on my Mind," with ABC-Paramount. Ray Charles, the innovator and musical provocateur was being called "The Genius" by contemporaries and playing at such famous venues as Carnegie Hall and the Newport Jazz Festival.

In the 1960s, Ray Charles would truly come to call Los Angeles home. He had his own studio designed and built by long time friend and business manager Joe Adams, and recorded his first album, "Country and Western Meets Rhythm and Blues," at the studio in 1965. Charles would continue his recording career here for nearly 40 years until his death, and once said of the studio, "I love this place. It's the only home I've truly had for most of my professional career, and I would never leave it." Charles would go on to produce numerous hits in his Los Angeles location, continuing an impressive career that would later earn him 12 Grammy Awards between 1960 and 1966, including best R&B recording for three consecutive years. The Ray Charles Studio was designated a Los Angeles historical landmark on April 30, 2004 thanks to the hard work of Councilman Martin Ludlow and City Council President Alex Padilla. Ray Charles made his last public appearance in Los Angeles at his studio as the site was designated a city historic landmark, a living testament to Charles' 40 years living and working in the city of Los Angeles.

The music of Ray Charles was a deep and powerful reflection of the American musical tradition. From troubled origins in the south that would characterize the blues aspect of Charles lyrical style to the gospel influences present in so many of Charles' hits, soul music encapsulates so much of the American story. From racism, to heartache, to loneliness, to redemption, Ray Charles was writing the songs that could only come from an American artist and influencing a generation of musicians. He was at once expert composer, rock and roller, long-sufferer, genius, and poet. He was, to say the least, one of America's greatest artists, and will be deeply missed.

TRIBUTE TO ASSISTANT SECRETARY JESSE ROBERSON

Mr. ALLARD. Mr. President, on Tuesday, June 15, I received some very sad news, that Jessie Roberson had announced her resignation as the Assistant Secretary for Environmental Management at the Department of Energy effective July 15.

I have known Jessie since I was first elected to the Senate in 1996. At the time she was the site manager for the Rocky Flats Environmental Technology site in my State of Colorado. Through our common interest at Rocky Flats, I got to know her quite well. She not only impressed me with her depth of knowledge but here innovation and determination in making sure that Rocky Flats would be one of the first major DOE sites to close. Under her watch from 1996 to 1999, the Rocky Flats closure date went from 2015 to 2006. I know it was her leadership that moved this ambitious plan forward.

When President Bush was elected in 2000, it was that same leadership and determination that convinced me to put her name forward knowing that she would be the best person for the job of Assistant Secretary for Environmental Management at the Department. And I can say, unequivocally, that she has not disappointed.

When I met with her shortly after being confirmed, I told her that the environmental management program was broken and in need of major reforms. I added that this would not be easy and that some people would not like the changes which are necessary to make the program work. She agreed and she promised that she would work hard to effect change. While she later told me that it has not been easy, she kept the course and has transformed the program from one of just motion to true action. The Department has made tremendous progress in getting sites closer to closure. I can honestly say that what some people did not think possible 3 years ago is closer to happening; and that is that sites will be closing. I can only attribute this to the leadership of this extraordinary woman.

During her confirmation hearing before the Senate Energy and Natural Resources Committee on May 16, I inserted into the RECORD a Denver Post editorial entitled "Roberson a Top Flight Pick" and quoted one line from the editorial. It said:

> The Department's environmental management job is in fact one of the toughest positions in the Federal Government. There likely is not a better person around to tackle the task, than Jessie Roberson.

I believed that statement then, and after 3 years on the job, she proved that statement to be true.

She has done a tremendous job not just for President Bush and Secretary Abraham, but for the entire country. She has made our country safer by accelerating the cleanup of some of the world's most dangerous places. She is making sure that our children and grandchildren are not going to have to bear the burden of these contaminated sites.

While I am saddened to see her leave her post at the Department, I know that she has nothing but the brightest future ahead of her. I am proud to call her my friend and I wish Jessie and her daughter Jessica all the best. Thank you, Jessie Roberson, for your service.

60TH ANNIVERSARY OF GI BILL

Ms. CANTWELL. Mr. President, I rise today to commemorate the 60th anniversary of one of the most important bills to ever be passed by this body, the GI bill. Just like the recent remembrance of D-Day and the unveiling of the World War II memorial, the passage of this landmark legislation is another part of the World War II legacy.

Sixty years ago today, President Roosevelt signed into law the "Servicemen's Readjustment Act of 1944." That bill created unprecedented access to education and training for tens of thousands of military members returning home after World War II.

Even before the War ended, Congress and the Administration were preparing for the return of over 15 million men and women serving in the armed services. Without intervention, those 15 million would have no jobs or opportunities when they returned home. To prevent postwar depression caused by mass unemployment, an agency within the Administration, called the National Resource Planning Board, recommended a set of programs to provide education, training and employment for returning soldiers. One of these recommendations became the Servicemen's Readjustment Act of 1944, which was supported by the American Legion and other veteran organizations, and was unanimously passed both chambers of Congress. President Franklin D. Roosevelt signed it into law on June 22, 1944.

This bill became know as GI bill, and it provided a range of benefits to help veterans reintegrate into the workforce and American society. It provided education and training; loan guaranty for a home, farm, or business; unemployment pay for up to a year; job-search assistance; building materials for veterans hospitals; and military review of dishonorable discharges.

Veterans were entitled to one year of full-time education or training, plus a period equal to their time in service, up to four years. This program had a tremendous impact on college enrollment in this country. In fact, in 1947, which was the peak year of the program, veterans accounted for 49 percent of college enrollment.

Out of a veteran population of 15.4 million, just over half—7.8 million—were trained, including 2.23 million in college, 3.48 million in other schools, 1.4 million in on-job training, and 690,000 in farm training.

Millions of veterans, who would have flooded the labor market, instead opted for education, which reduced joblessness during the demobilization period. When they did enter the labor market, most were better prepared to contribute to the support of their families and society.

The GI bill created an initiative called the Local Veterans Employment Representative Program, or LVER. This program hired wartime veterans to work in employment centers across the U.S. to help other veterans secure counseling and employment. For 60 years, the LVER Program has helped veterans find jobs, training, and education. It has become an integral part of employment services and has been instrumental in helping veterans to resume normal lives after returning.

Today, LVER staff in my home State include some of the best-trained worker placement and retraining experts in the country. For Washington, which has one of the largest concentrations of servicemen and women, veterans, and their families, this is very important. Within my state, Pierce County has a particularly high active military and veteran population, and the LVER program there is a terrific example of what is possible.

The Pierce County LVER program ensures that over 25,000 veterans receive the vital re-employment support they deserve. With staff assistance, they write resumes that reflect the breadth of their experience and skills, draft cover letters, and research employment opportunities. Veterans are also provided with leads on specific jobs and employers who seek the unique skills and talents of experienced veterans.

Staff of the Pierce County LVER also set up three major job fairs each year, which attract over more than 6,000 veterans and employers each year. The LVER office coordinates its activities with over 500 local, State, and national employers, giving veterans access to a unique national support network. The LVER staff includes men and women like Sam Mack, Sal Cantu, Tanya Brewster, and Vicki Bishop, all of whom are decorated veterans who are proud to support their fellow servicemen and women.

Sal Cantu, a resident of Pierce County, epitomizes the dedication and commitment of his colleagues. Sal coordinated a national effort to not only celebrate the GI bill, but specifically to recognize the LVER program and its tremendous impact on service members who seek meaningful employment once they return home. More than 25 State governors wrote letters lauding the efforts of the Pierce County LVER staff to recognize the significant impact of their program.

Most importantly, Sal, a 40 percent-disabled Vietnam era veteran, knows how to build trusting and lasting relationships with veterans. For him, helping veterans chart the next stage of their careers is a labor of love. I am extremely proud of the many men and women like Sal who, after serving honorably in the military, have made it their second career to support and help locate jobs for their fellow veterans.

Yet before the Servicemen's Readjustment Act of 1944, the United States did not provide employment or vocational services for veterans upon their completion of military service. Since the first GI bill, there have been five subsequent programs enacted to provide benefits to veterans of other military conflicts—from the Korean conflict to the war in Iraq. The most recent bill, the Montgomery GI bill enacted in 1985, is the largest contemporary program providing education benefits to military personnel. All enlisted soldiers and veterans are eligible for between $7,500 and $35,000 in educational aid. This program has attracted men and women into the armed forces by helping to pay for college. Today, over 90 percent of those who enter the military enroll in the Montgomery GI bill program.

As we reflect on the history and success of the GI bill, we should consider how this program can translate to all Americans. The spirit of the GI bill that in exchange for contributing to society, this country should help individuals invest in themselves also holds true for those who have not served in the military. As the cost of education rises, many low- and middle-income students—whether they have served in the military or not need help covering educational expenses. We need to make the same kind of investment in the human capital, not just of our veterans returning from Iraq and Afghanistan, but for all Americans. We need a GI bill for all Americans.

In the ever-changing global economy, the success of our companies depends on adaptability and innovation. As a result, we must change the way we educate and prepare workers to compete in the global economy. When national leaders were confronted with fundamental changes in the size and nature of the country's workforce following World War II, they stepped up to address the challenge with the GI bill. The economic sea changes we face today demand a similar response.

To maintain our economic competitiveness, we must keep up with the demand for skilled workers across all sectors of the economy. The changing economy has increased the demand for a college degree. In February, the Bureau of Labor Statistics reported that 6 of the 10 fastest-growing occupations in the U.S. economy require an associate's degree or bachelor's degree, and that all ten of these careers will require some type of skills training. By 2010, 40 percent of all job growth will require some form of post-secondary education.

To keep pace in the new, knowledge- and information-based economy, it's imperative that we equip our workforce with the skills to succeed in high-wage jobs. If we fail, those who lack skills will fall further and further behind, imperiling not just their individual futures, but America's ability to compete in the global economy.

It is the responsibility of this body to return to the level of investment in higher education that this country made 60 years ago. We do need a new GI bill for all Americans, and I, for one, intend to fight to make the idea of universal post-secondary education come to fruition.

ADDITIONAL STATEMENTS

TRIBUTE TO TOBY GROSSMAN

• Mr. BINGAMAN. Mr. President, I take this opportunity to share with the Senate the memory of an extraordinary woman. Toby Grossman, of Albuquerque, NM, lost her battle with cancer on May 25, 2004. Her husband, Leonard, and daughter, Jennifer, survive her.

Ms. Grossman was the senior staff attorney at the American Indian Law Center, Inc, the oldest existing Indian-controlled and operated legal and public policy organization in the country, having joined the center in 1971. She also served as the administrator of the Southwest Intertribal Court of Appeals, a voluntary court of appeals available to tribes in Arizona, Colorado, New Mexico, and west Texas.

Ms. Grossman was a graduate of the University of Florida and the University of New Mexico School of Law, and a member of the New Mexico Bar. A lecturer at the UNM School of Law, she regularly taught courses on the Indian Child Welfare Act and tribal government and she co-taught a course on Tribal-State relations. Ms. Grossman was a superb teacher. In class, she was serious, probing and enthusiastic. She set high standards for herself and expected the same from her students. Yet she was also friendly and caring in her relations with students, many of whom she remained close with long after they graduated.

She specialized in child welfare issues including child abuse and neglect, drafting of tribal codes, as well as assisting several tribes in negotiating Tribal-State agreements on the Indian Child Welfare Act and trained social workers and judges on child welfare law. She also led the American Indian Law Center team that developed the first Model Children's Code for tribes, as well as Model Codes for Child Welfare, Adoption, and Prevention of Elder Abuse. In these and other areas, local, State and tribal governments, as well as attorneys, frequently sought her advice and services.

Ms. Grossman's private life was no less exemplary than her public work. She was a good friend and was devoted to her synagogue. Despite the long hours she devoted to her professional and civic activities, she always found time to be a loving wife, mother, and friend.

Toby Grossman was a remarkable person, who significantly influenced the law, her many students, the New Mexico legal community, and all of Indian country. Her work has improved the lives of numerous Indian children, most of whom she never had a chance to meet. She leaves behind an indelible mark on this world.●

CELEBRATING ST. CROIX ISLAND, MAINE

● Ms. SNOWE. Mr. President, today I mark the celebration of the 400th anniversary of the settlement of St. Croix Island, in Calais, ME, one of the earliest European settlements in North America. It is an extraordinary site with a remarkable story to tell—a narrative overflowing with adventure, courage, risk, and a very special friendship between the Native tribes who peopled this region long ago and the pioneers who crossed an ocean in pursuit of opportunity, prosperity, and freedom.

There is an old Sioux proverb: "A People without History is like Wind in the Buffalo Grass." When expedition leader Pierre Dugua and his company of 120 settlers arrived on the shores of what is now the great State of Maine, the First Peoples, the "People of the Early Dawn," or Wabanaki, had already occupied these lands for thousands of years. Nevertheless, they came out of their villages with open hearts and open hands to welcome Dugua and the 120 noblemen, artisans, and soldiers who had sailed with Dugua across the Atlantic from their native France.

At that moment, the European settlers began to craft a new history for this place they called "Acadie." But it is important to remember that the Native Peoples, the Wabanaki, had already authored their own, proud history of North America, although it has taken us, in some cases, all too many years to understand that. That the Native tribes welcomed Dugua and his followers speaks to one of the noblest aspects of human nature—an instinct to reach out to men and women in need, to our human neighbors, whenever we can help, whether they live across the street, or across the world. Certainly, that generous impulse lives on today among the members of the Passamaquoddy Nation.

The historical bond between the Native Peoples is also one to celebrate and remember. The lives and personalities of the people in this region continue to be shaped, generation after generation, by the history, legends, and purpose forever invested in this coastal stone and soil by Pierre Dugua and his companions, one of whom was the great Samuel Champlain, the "Father of Canada." Let us not forget that 23 of the original French settlers remain interred on this island today, making this a sacred, as well as a historical, site.

After four centuries, the settlement of St. Croix remains a powerful lesson, a parable that is not only about a journey of a thousand miles, beginning with a single step, but also about the extraordinary ability of diverse cultures to support and enrich one another, and, in the end, to create new cultures, new peoples who bring unique and singular strengths to the never-ending, universal campaign to build a peaceful and prosperous world.●

TRIBUTE TO REVEREND BOBBY WELCH

● Mr. SESSIONS. Mr. President, I would like to take this opportunity to recognize Reverend Bobby Welch, a native of Fort Payne, AL. Recently, Reverend Welch was elected President of the 16.3 million member Southern Baptist Convention. A 1965 graduate of Jacksonville State University, Reverend Welch entered the Army and was sent to fight in Vietnam, where he demonstrated his bravery and commitment to our great Nation. Reverend Welch was shot by Vietnamese forces and left for dead on the battlefield. This United States paratrooper, Ranger, and Green Beret received a Bronze Star and Purple Heart in recognition of his courage and service.

The achievements of Reverend Welch demonstrate the leadership qualities of Americans. Reverend Welch has upheld the principles of our Founding Fathers through his military service to his country. His courage in harm's way mirrors that of the brave soldiers who now risk their lives daily for the maintenance of democracy.

After his military service, he chose to answer his highest call, the Christian ministry. He has poured himself into that calling with conviction and zeal, and the harvest has been tremendous. He now pastors the 4,000 member First Baptist Church of Daytona Beach, FL. And, now, his Southern Baptist Convention has chosen him as their president.

His leadership of this vibrant and growing denomination will continue its success in touching the lives of millions who are struggling to find meaning in their lives. This denomination every day provides aid, comfort, purpose, and hope to people that are hurting and in need. They help those who are sick and dying, those with marital problems, those in jail, those with alcohol and drug problems. They sanctify marriage, celebrate births, and provide solace at times of death and loss. They further these goals through a worldwide ministry. They provide specific advice and financial help and a vision of an new and better life in Christ. That's what they do—and they do it every day. And they do it without government aid or direction. They do it also with fidelity, as they understand it, to the Word contained in the Holy Scriptures. Faithfulness to righteous living, even in times of corruption and excess, has always been a cornerstone of the Baptist way and it has benefitted our Nation in far more ways than we can list. So, it is appropriate that we pause a moment to recognize Reverend Welch and his life and the many contributions of the Baptist denomination he leads.●

TRIBUTE TO DAVID HENRY, SR. AND DAVID HENRY, JR.

● Mr. SESSIONS. Mr. President, I wish to recount a special discovery made recently in south Georgia by a Birmingham constituent of mine. The discovery was of a letter dated April 8, 1943, that was sent from a 24-year-old Alabama soldier serving in North Africa to his newborn son back home. A world war was raging and the letter's author, David Henry, Sr., of Roanoke, AL, was concerned that he might never get to see his newborn son. It is a special letter, indeed, sent from another continent and reflecting the essential values and life's lessons that Mr. Henry wanted to impart to his 3-month-old son, David Henry, Jr. Among other things, the letter tells young David about the value of choosing work you enjoy, developing a love of reading, finding a hobby, and guarding against greed and selfishness.

Fortunately, Mr. Henry, Sr., survived the war and returned home to his wife and young son. The letter and the penned wisdom, however, has lain dormant for more than 60 years. Mr. Henry, Jr., discovered the letter recently while cleaning out his parents' house in south Georgia. Mr. Henry's dad died this past February. Mr. Henry sent me a copy of his father's letter, urging that it be used in some productive way. I found the lessons and wisdom in the letter profound, and as relevant today as they were in 1943. I forwarded the letter to The Birmingham News, which ran a timely and touching Page 1 story on May 29, 2004, over the Memorial Day weekend.

Written far away from his home and loved ones, Mr. Henry, Sr.'s, letter truly reflects the thoughts of a young man wise beyond his years. I ask consent that the letter and the accompanying newspaper article by Birmingham News reporter Carla Crowder be printed in the RECORD, so that all can benefit from its timeless wisdom.

The material follows:

(North Africa, April 8, 1943)

"My Dear Son:

"This is the first letter your dad has ever written you, and I expect it will be the last until I see you. Today you are almost three months old. Tomorrow will be your birthday, and I can only say 'Happy birthday, son.'

"When you were born I was a long, long way from your mother doing my little part toward preserving the freedom of our country. Had there been no war, nothing could have kept me from being with your mother on January the ninth. There was a war, though, and I am glad that I can say that I had a part toward making our country a safe place so that our mothers can live in peace and comfort.

"There are lots of things I have learned in the past few years, things that I would like for you to know and things that I am sure you will find to be true as you grow older.

"If I were asked to make an eleventh commandment I think I should say, 'Thou shall not be selfish.' You will find as the years roll by that it is very hard to keep from being selfish. In this greedy world of ours we run over each other trying to get, we know not what, but with the idea that we must get it before the other fellow does. We do not know when we have enough. We never want to turn anything loose, even if we do not need it. We always want more if we have no place to put it. I think that the first lesson toward happiness is to learn to share what you have with some one else.

"I should like for my son to know how to work and to enjoy it. I think that the secret toward learning to like to work is to believe that you can do your job just a little better than anyone else. I think that every successful man enjoys hard, strenuous outside work as much or maybe more than the office. Start early, learn to cut wood, learn the art of rolling a wheelbarrow or how to handle a hoe. Take long walks. Like through wooded country and by all means never miss a rabbit hunt.

"Begin early to read. Always have something in your pocket to read while waiting on a bus or while trying to go to sleep. Reading is knowledge and knowledge is success.

"Until you are one hundred years old, never be without a hobby. If you are interested in woodwork, then you shall have a shop before you are 10 years of age. If you are interested in radio, then you shall have any type of equipment to tinker with that you wish. Gather information from every source possible. Gather reading material from every place where you might find it. What you learn from your hobbies goes a long way toward your success in life.

"Learn early to make friends. Always remember that you cannot buy real friendship. Remember that a real friend is one of the most valuable possessions a person may have. Learn new names, new faces, facts about people. Learn to really know people.

"There is quite a bit of difference between saving and being selfish. If a person should throw something away, and you come along and save it until you need it, than that would be saving. If you have something you do not need and you throw it away, even though you know someone else might be able to use it, then you are being selfish. Learn to appraise an article, and if it has a value, then save it. Remember what it is and where it is, so that when you or someone else needs it you will be able to find it. Learn to save money. Put it where it can be used. Do not hide it so that no one else can use it.

"One of the most important things that I want my boy to know is that it always pays to be honest. No matter how small or how insignificant, it always pays to tell the truth. Be honest, do not take that which does not belong to you. Do not bother with other people's things. However deep you get in trouble, go to someone, tell them the truth and you will find the easiest way out.

"Very soon you will make a trip from Birmingham to Roanoke, a distance of about one hundred and twenty miles. That is farther away from home than I was until I was about 19 years old. You will learn as you grow older that a city is a city whether it is in Alabama, Georgia, New York, England or Africa. I want you to travel early, to find out what it took me years to find out, that every country has its hills and dells, its rivers and branches, its oceans and seas. That you can find all sorts of people in any country, city or village. Never-the-less I want you to travel a lot, see the world. See for yourself that all people want a chance for freedom, a chance to worship as they choose, a chance to talk as they choose and a chance to earn their own living.

"Your loving Dad"

DAVID P. HENRY.

[From the Birmingham News, May 29, 2004]

AFTER 61 YEARS, SON GETS LESSONS TO LIVE BY

(By Carla Crowder)

He was only 24 years old, a small-town Alabama man serving in North Africa in World War II. But David Henry Sr. had a lot to say back then as he penned a letter to his newborn son.

"This is the first letter your dad has ever written to you, and I expect it will be the last until I see you. Today you are almost three months old," the letter begins.

It is dated April 8, 1943. Sixty-one years later, David Henry Jr. read his father's words.

For the first time.

His mother apparently forgot to pass the letter along, and he had no idea it existed. "With seven children, and us moving around a lot, a lot of things just got packed up, pictures and letters," he said.

What he uncovered while going through his parents' belongings last fall revealed a young father wise beyond his years.

"It meant so much to me to be able to hear what he thought was important, and the things he mentioned in there contained such wisdom for a young person," said Henry Jr., 61, who works as director of information services for American Cast Iron Pipe Co. "It was so important, I just want to share it with the world."

Henry Jr. was a toddler when his father returned from the war. His parents had grown up in Roanoke in Randolph County, but lived throughout the Southeast while his father was in the military.

The 1943 letter extols the value of honesty, friendship and hard work, as might be expected. But it goes much further.

"You will find as the years roll by that it is very hard to keep from being selfish. In this greedy world of ours, we run over each other trying to get, we know not what, but with the idea that we must get it before the other fellow does . . . I think the first lesson toward happiness is to learn to share what you have with someone else," his father wrote.

This advice was no surprise, Henry Jr. said.

His father once dropped the price of some property he was selling, right at closing time, much to the surprise of the buyer and the lawyers in the room. "I feel like I'm overcharging you," he told the buyer.

After his father retired from the Air Force and the U.S. Postal Service, he began cutting limbs and trees, "big old water oak trees," down in southwest Georgia where he lived. He charged next to nothing. "He probably cut trees for half the widows in Bainbridge," his son said.

There's a bit of that in the letter as well.

"Learn to cut wood, learn the art of rolling a wheelbarrow or how to handle a hoe. Take long walks. Hike through rough wooded country," it reads.

He encouraged his boy to never be without a hobby. Henry Jr. loves photography.

He encouraged travel.

"You will learn as you grow older that a city is a city whether it is in Alabama, Georgia, New York, England or Africa," it says. "See for yourself that all people want a chance for freedom, a chance to worship as they choose, a chance to talk as they choose and a chance to earn their own living."

Henry Jr. took that advice as well. He recently returned from a trip to Morocco, where he tried to seek out places his father might have been during the war.

By the time the letter was discovered, the hopeful young airman was dying from dementia in an assisted living center.

Though the son could not determine how much his father understood, he had to tell him what he'd found.

"But he didn't understand, he couldn't communicate with me about it," Henry Jr. said. "I did talk to him about it, and I thanked him for it."

He read the letter at his father's funeral in February, and everyone in the church told him "that's exactly how dad was."●

PRESIDENT'S REPORT TO CONGRESS CONCERNING THE SECRETARY OF COMMERCE'S CERTIFICATION UNDER SECTION 8 OF THE FISHERMAN'S PROTECTIVE ACT OF 1967, AS AMENDED (THE "PELLY AMENDMENT") (22 U.S.C. 1978) THAT ICELAND HAS CONDUCTED WHALING ACTIVITIES THAT DIMINISH THE EFFECTIVENESS OF THE INTERNATIONAL WHALING COMMISSION (IWC) CONSERVATION PROGRAM—PM 88

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

On June 16, 2004, Secretary of Commerce Donald Evans certified under section 8 of the Fisherman's Protective Act of 1967, as amended (the "Pelly Amendment") (22 U.S.C. 1978), that Iceland has conducted whaling activities that diminish the effectiveness of the International Whaling Commission (IWC) conservation program. This message constitutes my report to the Congress consistent with subsection (b) of the Pelly Amendment.

The certification of the Secretary of Commerce is the first against Iceland for its lethal research whaling program. In 2003, Iceland announced that it would begin a lethal research whaling program and planned to take 250 minke, fin, and sei whales for research purposes. The United States expressed strong opposition to Iceland's decision, in keeping with our longstanding policy against lethal research whaling. Iceland's proposal was criticized at the June 2003 IWC Annual Meeting by a majority of members of the IWC Scientific Committee, and the IWC passed a resolution that urged Iceland not to commence this program. In addition, the United States, along with 22 other nations, issued a joint protest asking Iceland to halt the program immediately. The United States believes the Icelandic research whaling program is of questionable scientific validity. Scientific data relevant to the management of whale stocks can be collected by non-lethal techniques. Since Iceland's 2003 announcement, Iceland reduced its proposed take to 38 minke whales and in implementing its lethal research program, killed 36 whales last year. For this year, Iceland has proposed taking 25 minke whales. The United States welcomes this decision to reduce the take and to limit it to minke whales, and we appreciate Iceland's constructive work with the United States at the IWC on a variety of whaling issues. These adjustments, however, do not change our assessment that Iceland's lethal research whaling program is of questionable scientific validity and diminishes the effectiveness of the IWC's conservation program.

In his letter of June 16, 2004, Secretary Evans expressed his concern for these actions, and I share these concerns. I also concur in his recommendation that the use of trade sanctions is not the course of action needed to resolve our current differences with Iceland over research whaling activities. Accordingly, I am not directing the Secretary of the Treasury to impose trade sanctions on Icelandic products for the whaling activities that led to certification by the Secretary of Commerce. However, to ensure that this issue continues to receive the highest level of attention, I am directing U.S. delegations attending future bilateral meetings with Iceland regarding whaling issues to raise our concerns and seek ways to halt these whaling actions. I am also directing the Secretaries of State and Commerce to keep this situation under close review and to continue to work with Iceland to encourage it to cease its lethal scientific research whaling activities. I believe these diplomatic efforts hold the most promise of effecting change in Iceland's research whaling program, and do not believe that imposing import prohibitions would further our objectives.

GEORGE W. BUSH.
THE WHITE HOUSE, *June 22, 2004.*

MESSAGES FROM THE HOUSE

At 2:53 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 884. An act to provide for the use and distribution of the funds awarded to the Western Shoshone identifiable group under Indian Claims Commission Docket Numbers 326–A–1, 326–A–3, and 326–K, and for other purposes.

H.R. 3706. An act to adjust the boundary of the John Muir National Historic Site, and for other purposes.

H.R. 3751. An act to require that the Office of Personnel Management study current practices under which dental, vision, and hearing benefits are made available to Federal employees, annuitants, and other classes of individuals, and to require that the Office also present options and recommendations relating to how additional dental, vision, and hearing benefits could be made so available.

H.R. 3797. An act to authorize improvements in the operations of the government of the District of Columbia, and for other purposes.

H.R. 3846. An act to authorize the Secretary of Agriculture and the Secretary of the Interior to enter into an agreement or contract with Indian tribes meeting certain criteria to carry out projects to protect Indian forest land.

H.R. 4222. An act to designate the facility of the United States Postal Service located at 550 Nebraska Avenue in Kansas City, Kansas, as the "Newell George Post Office Building".

H.R. 4363. An act to facilitate self-help housing homeownership opportunities.

H.R. 4471. An act to clarify the loan guarantee authority under title VI of the Native American Housing Assistance and Self-Determination Act of 1996.

The message also announced that the House has passed the following bill, without amendment:

S. 2017. An act to designate the United States courthouse and post office building located at 93 Atocha Street in Ponce, Puerto Rico, as the "Luis A. Ferre United States Courthouse and Post Office Building".

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 450. Concurrent resolution recognizing the 40th anniversary of the day civil rights organizers Andrew Goodman, James Chaney, and Michael Schwerner gave their lives in the struggle to guarantee the right to vote for every citizen of the United States and encouraging all Americans to observe the anniversary of the deaths of the 3 men by committing themselves to ensuring equal rights, equal opportunities, and equal justice for all people.

At 4:04 p.m., a message from the House of Representatives, delivered by Mr. Hays, once of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4589. An act to reauthorize the Temporary Assistance for Needy Families block grant program through September 30, 2004, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 3706. An act to adjust the boundary of the John Muir National Historic Site, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 3751. An act to require that the Office of Personnel Management study current practices under which dental, vision, and hearing benefits are made available to Federal employees, annuitants, and other classes of individuals, and to require that the Office also present options and recommendations relating to how additional dental, vision, and hearing benefits could be made so available; to the Committee on Governmental Affairs.

H.R. 3797. An act to authorize improvements in the operations of the government of the District of Columbia, and for other purposes; to the Committee on Governmental affairs.

H.R. 4222. An act to designate the facility of the United States Postal Service located at 550 Nebraska Avenue in Kansas City, Kansas, as the "Newell George Post Office Building"; to the Committee on Governmental Affairs.

H.R. 4363. An act to facilitate self-help housing homeownership opportunities; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 4471. An act to clarify the loan guarantee authority under title VI of the Native American Housing Assistance and Self-Determination Act of 1996; to the Committee on

Indian Affairs with instructions that when the Committee reports, the bill be referred pursuant to the order of May 27, 1988, to the Committee on Banking, Housing, and Urban Affairs for a period not to exceed 60 days.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 450. Concurrent resolution recognizing the 40th anniversary of the day civil rights organizers Andrew Goodman, James Chaney, and Michael Schwerner gave their lives in the struggle to guarantee the right to vote for every citizen of the United States and encouraging all Americans to observe the anniversary of the deaths of the 3 men by committing themselves to ensuring equal rights, equal opportunities, and equal justice for all people; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 884. An act to provide for the use and distribution of the funds awarded to the Western Shoshone identifiable group under Indian Claims Commission Docket Numbers 326–A–1, 326–A–3, and 326–K, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LUGAR for the Committee on Foreign Relations.

*Thomas Fingar, of Virginia, to be an Assistant Secretary of State (Intelligence and Research).

*James R. Kunder, of Virginia, to be an Assistant Administrator of the United States Agency for International Development.

*Edward Brehm, of Minnesota, to be a Member of the Board of Directors of the African Development Foundation for a term expiring November 13, 2007.

*Adam Marc Lindemann, of New York, to be Member of the Advisory Board for Cuba Broadcasting for a term expiring October 27, 2005.

*Ann M. Corkery, of Virginia, to be an Alternate Representative of the United States of America to the Fifty-eighth Session of the General Assembly of the United Nations.

*Benjamin A. Gilman, of New York, to be a Representative of the United States of America to the Fifty-eighth Session of the General Assembly of the United Nations.

*Walid Maalouf, of Virginia, to be an Alternate Representative of the United States of America to the Fifty-eighth Session of the General Assembly of the United Nations.

*Anne W. Patterson, of Virginia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Deputy Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Deputy Representative of the United States of America in the Security Council of the United Nations.

*Anne W. Patterson, of Virginia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be a Representative of the United States of America to the Sessions of the General Assembly of the United Nations during her tenure of service as Deputy Representative of the United States of America to the United Nations.

*John C. Danforth, of Missouri, to be Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as Representative of the United States of America to the United Nations.

*Joseph D. Stafford III, of Florida, a Career Member of the Senior Foreign Service, Class of Career Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of The Gambia.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Joseph Dewey Stafford, III.

Post: U.S. Embassy, Abidjan.

Contributions, amount, date, and donee:

1. Self, none.
2. Spouse, none.
3. Children and spouses: David M. Stafford, none.
4. Parents: Joseph D. Stafford, Jr., none; Barbara S. Stafford (deceased).
5. Grandparents: Joseph D. Stafford (deceased); Lela Stafford (deceased).
6. Brothers and Spouses: Richard M. Stafford (unmarried), none.
7. Sisters and Spouses: Janet E. Stafford (unmarried), none.

*Lewis W. Lucke, of Texas, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: Lewis William Lucke.

Post: Swaziland.

Contributions, amount, date, and donee:

1. Self, $250, 7/99, George W. Bush.
2. Spouse: Joy Lucke, $250, 7/99, George W. Bush.
3. Children and Spouses: Allison Lucke, 0; Lindsay Lucke, 0; Austin Lucke, 0;
4. Parents: Everett Lucke, deceased; Elizabeth K. Lucke, deceased;
5. Grandparents: Elizabeth King, deceased; Hurley H. King, deceased; Everett Lucke, deceased; Leanette D. Lucke, deceased.
6. Brothers and Spouses: NA.
7. Sisters and Spouses: Anne J. Lucke, 0; Don Robertson, 0.

*R. Niels Marquardt, of California, a Career Member of the Senior Foreign Service, Class of Counselor to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cameroon, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Equatorial Guinea.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Contributions, amount, date, and donee:

1. Self, $25, 2002, Mike Clancy.
2. Spouse: Judith Marquardt, none.
3. Children and Spouses: Kaia, Kelsey, Torrin and Yannika (all single), none.
4. Parents: Robert Marquardt (deceased); Helen Marquardt, none.
5. Grandparents: Frank and Gurina Marquardt (both deceased); Charles and Inga Nielsen (both deceased).
6. Brothers and Spouses: no brothers.
7. Sisters and Spouses: Inga (and Jack) Canfield, approximately $10,000 in total contributed over past ten years to Al Gore, Bill Clinton, Louise Capps, the DNC, and John Vasconcelles; Lucinda (and Gene) Scalco, none.

*Charles P. Ries, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Greece.

Nominee: Charles Parker Ries.

Post: Greece.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Contributions, amount, date, and donee:

1. Self, none.
2. Spouse: Marcie B. Ries, none.
3. Children: Alexander B. Ries, none; Meredith B. Ries, none.
4. Parents: Al Ries (father), none; Lois Faison Cope (mother), $200, 2000, Bush for President Committee; $380, 2001, Hawaii Republic Committee; $120, 2003, National Republican Senate Fund; $100, 2003, Republican National Committee.
5. Grandparents, none.
6. Brothers and Spouses, none.
7. Sisters and Spouses: Dorothy Meder (sister) and Stephen Meder (brother in law), none.

Barbara Tien (sister) and Lee Tien (brother in law), $120, 2000, California Peace Action League; $100, 2000, CALPRIG; $100, 2002, Doctors without Borders; $200, 2003, Howard Dean; $115, 2003, Forests Forever; $120, 2003, Environment C.A.; $100, 2003, Doctors without Borders; $35, 2004, Human Rights Campaign; $180, 2004, CA Peace Action League.

Laura Ries (half sister) and Scott Brown (brother in law), $50, 2003, Georgia Republican Party.

*James B. Cunningham, of Pennsylvania, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Representative of the United States of America to the Vienna Office of the United Nations, with the rank of Ambassador.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: James B. Cunningham.

Post: Representative to Vienna Office of the UN.

Contributions, amount, date, and donee:

1. Self, none.
2. Spouse, none.
3. Children: Emma, none; Abigail, none.
4. Parents: Blair, deceased; Julia, deceased.
5. Grandparents: Knowles, deceased; Cunningham, deceased.

6. Brothers and Spouses: Thomas, none; William, estranged, believe none.

7. Sisters and Spouses: Carol, none; Kathleen, deceased.

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*Suzanne Hale, of Virginia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federated States of Micronesia.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: Suzanne Hale.

Post: Federated States of Micronesia.

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse: Hunter D. Hale, none. However, in order to obtain mailings in presidential election years, my husband, who is an independent, has sent small amounts of money (less than $35 each) to both the Republican and Democratic National Committees.

3. Children and Spouses: Hunter A. Hale, none; Mary Catherine Hale, none.

4. Parents: John Kreitner, deceased; Vivian Kreitner, none.

5. Grandparents: Albert and Aline Kreitner, deceased; Glen and Martha Marks, deceased.

6. Brothers and spouses, none.

7. Sisters and spouses: Nancy McIver, none; Joanne Fitzgerald, none; Richard Fitzgerald, none.

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*William R. Brownfield, of Texas, a Career Member of the Senior Foreign sService, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Bolivarian Republic of Venezuela.

(The following is list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse: Kristie A. Kenney, none.

3. Children, none.

4. Parents: Father—Albert R. Brownfield, Jr., $25, 1999, Repub. Party of Texas; $100, 9/99, John McCain Campaign; $50, 10/99, Ronald Reagan Found.; $50, 10/99, RNC; $150, 2000, Repub. Party of Terry County, Texas; $30, 2000, Repub. Party of Texas; $100, 7/00, RNC; $50, 8/00, Ronald Reagan Found.; $100, 10/00, Ronald Reagan Found.; $50, 10/00, RNC; $35, 10/00, Bush Pres. Campaign; $50, 12/00, RNC; $50, 1/01, RNC; $30, 1/01, Ronald Reagan Found.; $30, 4/01, Ronald Reagan Found.; $50, 2001, Repub. Party of Texas; $100, 2002, Repub. Party of Texas; $100, 2002, RNC; $100, 2002, Governor of Texas; $100, 2003, Repub. Party of Texas; $100, 2003, RNC; $100, 2003, George W. Bush.

Mother—Virginia E. Brownfield; Deceased.

5. Grandparents: All deceased for more than 30 years, none.

6. Brothers and spouses: Albert R. Brownfield, III, $150, 1999, Democratic Party, Shenandoah County, Virginia; $150, 2000, Democratic Party, Shenandoah Cnty, VA; $100, 2002, Demo. Party of VA; $100, 2002, Demo. Party of VA; $100, 2003, Demo. Party of VA.

Brother's spouse—Marcia T. Brownfield, none.

7. Sisters and spouses: Barbara B. Rushing and Francis W. Rushing, none; Anne Elizabeth Fay and Christopher W. Fay, none.

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*Ralph Leo Boyce, Jr., of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Thailand.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: Ralph L. Boyce, Jr.

Post: Ambassador to Thailand.

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse: Kathryn S. Boyce, none.

3. Children and Spouses: Matthew S. Boyce, none; Heather Boyce (spouse), none; Erin Boyce, none.

4. Parents: deceased.

5. Grandparents: deceased.

6. Brothers and Spouses: none.

7. Sisters and Spouses: Elizabeth Emory, none; Robert Emory (spouse), none.

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*John Marshall Evans, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Armenia.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: John Marshall Evans.

Post: AEP to Armenia.

Contributions, Amount, Date, Donee:

1. Self, none.

2. Spouse: Donna Evans, none.

3. Children and Spouses: Mr. and Mrs. Alexander Drosin (daughter Jennifer), none.

4. Parents: Margaret M. Evans; Frank B. Evans III (deceased), none.

5. Grandparents: Mr. and Mrs. Harold T. Moore (deceased); Mr. and Mrs. Frank B. Evans, Jr. (deceased), none.

6. Brothers and Spouses: none.

7. Sisters and Spouses: Mr. and Mrs. J. Kennerly Davis (sister Ann Evans Davis): $195, 2003, RNC; $175, 2003, Bush/Cheney/04; $65, 2002, RNC; $20, 2001, RNC; $130, 2000, RNC.

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*John D. Rood, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of The Bahamas.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: John Darrell Rood.

Post: Ambassador to the Bahamas.

Contributions, amount, date, and donee:

1. Self: $1,000.00, 3/9/00, Crenshaw, Ander via Crenshaw for Congress; $5,000.00, 3/15/00, Americans Nationwide Dedicated to Electing Repubnlicans PAC (ANDER); 3/31/00; Gallagher, Tom via Tom Gallagher for U.S. Senate (JDR Note 1); −$1,000.00, 5/10/00, Gallagher, Tom via Tom Gallagher for U.S. Senate (JDR Note 2); $1,000.00, 5/10/00, Gallagher, Tom via Tom Gallagher for U.S. Senate (JDR Note 3); −$1,000.00, 6/16/00, Gallagher, Tom via Tom Gallagher for U.S. Senate (JDR Note 4); $1,000.00; 8/9/00, Republican National Committee; $1,000.00, 8/15/00, Lazio, Rick A. via Lazio 2000, Inc. (New York); $1,000.00, 8/15/00, National Republican Congressional Committee Contributions; $10,000.00, 8/31/00, Republican National Committee; $1,000.00, 9/6/00, Carroll, Jennifer Sandra via Friends of Jennifer Carroll (JDR Note 5); $1,000.00, 9/29/00, McCollum, Bill via Bill McCollum for U.S. Senate; $700.00, 1/8/01, Republican Party of Florida; $250.00, 2/2/01, Republican Party of Florida; $12,252.00, 2/8/01, RNC State Elections Committee; $500.00, 10/10/01, Warner, John William via Senator John Warner Committee (Virginia); $500.00, 10/19/01, Harris, Katherine via Friends of Katherine Harris; $1,000.00, 6/25/02, Brown-Waite, Virginia via Brown-Waite for Congress; $500.00, 9/23/02, National Apartment Association PAC (NAA PAC); $1,000.00, 10/15/02, Alexander, Lamar via Alexander for Senate, Inc. (Tennessee); $5,000.00, 10/18/02, Republican Party of Florida—Federal Campaign Committee; $250.00, 11/5/02, Diaz-Balart, Mario via Mario Diaz-Balart for Congress; $1,000.00, 6/23/03, Crenshaw, Ander via Crenshaw for Congress; $2,000.00, 6/30/03, Bush, George W. via Bush-Cheney '04, Inc.; $1,000.00, 7/28/03, Hunter, Duncan via Committee to Re-Elect Congressman Duncan Hunter (California); $2,000.00, 9/26/03, Byrd, Johnnie B. via Friends of Johnnie Byrd; $2,000.00, 9/30/03, Kilmer, Bev via Bev Kilmer for Congress; $25,000.00, 11/13/03, Republican National Committee—Presidential Trust; $1,000.00, 12/15/03, Byrd, Johnnie B. via Friends of Johnnie Byrd (JDR Note 6); $500.00, 12/15/03, National Apartment Association PAC (NAA PAC); $2,000.00, 1/14/04, Mel Martinez Campaign; $1,000.00, 1/15/04, Weldon, Dave via Dave Weldon Campaign; $25,000.00, 3/25/04, Republican National Committee—Presidential Trust.

JDR Note 1—Contribution for primary election.

JDR Note 2—Primary contribution was subtracted and redesignated for general election.

JDR Note 3—Redesignated funds from primary election.

JDR Note 4—Contribution refund by campaign.

JDR Note 5—Federal records show an additional contribution made by "John D. Rood". However, this contribution was actually made by Jamie A. Rood and incorrectly attributed to John D. Rood. See Jamie Rood, below.

JDR Note 6—Redesignated for general election.

2. Spouse: Jamie A. Rood, $1,000.00, 6/30/00, Crenshaw, Ander via Crenshaw for Congress Campaign; $500.00, 10/2/00, Carroll, Jennifer Sandra via Friends of Jennifer Carroll (JAR Note 1); $1,000.00, 10/29/01, Crenhsaw, Ander via Crenshaw for Congress Campaign; $500.00, 11/15/01, Nelson, Bill via Bill Nelson for U.S. Senate; $1,000.00, 10/15/02, Alexander, Lamar via Alexander for Senate, Inc.; $1,000.00, 6/30/03, Bush, George W. via Bush-Cheny '04, Inc.; $2,000.00, 9/26/03, Byrd, Johnnie B. via Friends of Johnnie Byrd; $1,000.00, 3/25/04, Byrd, Johnnie B. via Friends of Johnnie Byrd (JAR Note 2); $25,000.00, 3/25/04, Republican National Committee—Presidential Trust.

JAR Note 1—This contribution was erroneously attributed to John D. Rood instead of Jamie A. Rood. Check records indicate that Jamie A. Rood signed the contribution check.

JAR Note 2—For general election.

3. Children and spouses: Jennifer A. Rood (daughter), $2.000.00, 9/15/03, George W. Bush via Bush-Cheney '04, Inc.; $2,000.00, 9/26/03 Johnnie B Byrd via Friends of Johnnie Byrd.

Christopher J. Rood (son), $2,000.00, 9/26/03, Johnnie B Byrd via Friends of Johnnie Byrd.

4. Parents: Karol K. Rood (mother), $2,000.00, 6/30/03, George W. Bush via Bush-Cheney '04, Inc.

J. Neil Rood (father), $2,000.00, 6/30/03, George W. Bush via Bush-Cheny '04, Inc.

5. Grandparents: John William Rood (paternal grandfather—deceased); Marie Gertrude Rood (paternal grandmother—deceased); Henry Richard Peterson (maternal grandfather—deceased); Corinne Foley Peterson (maternal grandmother—deceased).

6. Brothers and spouses: none.

7. Sisters and spouses: Sheryl K. Roach (sister), none during reporting period.

Sheila Rae Barnette (sister), none during reporting period.

Jack T. Barnette (spouse of Sheila Rae Barnette), none during reporting period.

Frank A. Roach (spouse of Sheryl K. Roach), none during reporting period.

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*Tom C. Korologos, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belgium.

Nominee: Tom Chris Korologos.

Post: U.S. Ambassador.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Contributions, amount, date, donee:

1. Self: 1/28/2000, $1,000, Friends of Conrad Burns; 2/8/2000, $1,000, Mike Bilirakis for Congress; 2/15/2000, $1,000, Ashcroft for Senate; 3/31/2000, $1,000, McCollum for Senate; 4/4/2000, $1,000, The Bluegrass Committee −$1,000 (Refund); 4/4/2000, $1,000, Fitzgerald for Senate; 4/26/2000, $1,000, Straight Talk America (McCain); −$1,000 (Refund); 6/20/2000, $1,000, Lazio for Senate; 6/27/2000, $1,000, Otter for Idaho (Craig); 10/27/2000, $1,000, RNC.

3/12/2001, $1,000, Ohio's 17 Star PAC (DeWine); 3/30/2001, $1,000, America's Foundation FKA Fight PAC; 3/30/2001, $1,000, Mike Bilirakis for Congress; 4/18/2001, $1,000, Northern Lights PAC (Stevens); 4/25/2001, $1,000, Stevens for Senate (W/N); 4/25/2001, $1,000, Wayne Allard for U.S. Senate (W/N); 4/25/2001, $1,000, Collins for Senator (W/N); 4/25/2001, $1,000, Friends of Sessions Senate Cte (W/N); 4/25/2001, $1,000, Sen John Warner Cte (W/N); 4/25/2001, $1,000, Friends of Jim Inhofe (W/N); 4/25/2001, $1,000, McConnell Senate Cte '02 (W/N); 4/25/2001, $1,000, People for Pete Domenici (W/N); 4/25/2001, $1,000, Friends for Phil Gramm (W/N); 4/25/2001, $1,000, Pat Roberts for Senate (W/N); 4/25/2001, $1,000, Gordon Smith for U.S. Senate (W/N); 5/16/2001, $1,000, Bob Smith for Senate; 6/4/2001, $1,000, Citizens for Cochran; 6/4/2001, $1,000, Coleman for Sen. Explor. Cte.; 6/25/2001, $1,000, Inouye for Senate; 11/6/2001, $1,000, Lindsey Graham for USS; 10/26/2001, $1,000, Senate Majority Fund; 10/9/2001, $1,000, Friends for Phil Gramm −$1,000 (Refund); 10/26/2001, $1,000, Hutchinson for Senate; 2001, $1,000, Natl Republican Sen Dinner; 11/2/2001, $1,000, Dole 2002 Committee (NC); 11/5/2001, $1,000, NRSC; 2/1/2001, $4,000 Republican National Cte; −$4,000 (Refund).

11/20/2002, $1,000, America's Foundation FKA Fight PAC; 1/15/2002, $1,000, Bennett Election Committee.

1/29/2003, $1,000, Shelby for U.S. Senate; 1/29/2003, $1,000, Preserving America's Traditions (PATPAC); 2/19/2003, $1,000, Northern Lights PAC (Stevens); 3/17/2003, $1,000, Northern Lights PAC (Stevens); 3/12/2003, $1,000, America's Foundation FKA Fight PAC; 3/17/2003, $1,000, Hatch Election Committee; 4/22/2003, $1,000, Bennett Election Committee (W/N); 4/22/2003, $1,000, Missourians for Kit Bond (W/N); 4/22/2003, $1,000, Brownback for U.S. Senate (W/N); 4/22/2003, $1,000, Citizens for Bunning (W/N); 4/22/2003, $1,000, Campbell for Colorado (W/N); 4/22/2003, $1,000, Crapo for U.S. Senate (W/N); 4/22/2003, $1,000, Grassley Committee (W/N); 4/22/2003, $1,000, Judd Gregg Committee (W/N); 4/22/2003, $1,000, Lisa Murkowski for Senate (W/N); 4/22/2003, $1,000, Friends of Sen Nickles (W/N); 4/22/2003, $1,000, Citizens for Arlen Specter (W/N); 1/8/2003, $1,500, DC Republican Committee Federal Campaign Committee; 12/5/2003, $5,000, RNC Chairman's Advisory Council.

3.2004, $2,000, Jack Ryan for U.S. Senate.

2. Spouse: Ann McLauglin Korologos: 2000—None.

11/26/2001, $1,000, Stevens for Senate Committee; 7/5/2001, $1,500, DC Republican Committee Federal Campaign Committee; 12/10/2001, $1,000, Santorum 2000; 10/26/2001, $1,000, Senate Majority Fund; 12/10/2001, $1,000, Jim Hansen Committee; 12/12/2001, $1,000, John Thune for South Dakota.

12/6/2002, $1,000, Suzanne Terrell for Senate Campaign; 2/5/2002, $1.500, DC Republican Committee Federal Campaign Committee; 3/19/2002, $1,000, America's Foundation FKA Fight PAC; 5/6/2002, $300, Connie Morella For Congress Committee; 3/8/2002, $1,000, Elizabeth Dole Committee, Inc.; 6/29/2002, $1,000, Oxley for Congress; 5/8/2002, $1,000, McConnell Senate Committee '08 (W/N); 5/8/2002, $1,000, Gordon Smith for U.S. Senate 2002 Inc. (W/N); 5/22/2002, $1,000, Fiesta for John Cornyn (W/N); 3/11/2002, $1,000, Mike Bilirakis for Congress.

5/21/2003, $500, Friends for Jane Harman 2004; 6/18/2003, $1,000, Northern Lights PAC (Stevens); 8/26/2003, $500, Friends of John McCain; 7/25/2003; $500, McCain for Senate '04.

3/2004, $2,000, Jack Ryan for U.S. Senate.

3. Children and Spouses: Philip Korologos (Son): 1/26/2000, $1,000, McCain 2000 Inc.; 11/7/2000, $1,000, Straight Talk America; 2000, $1,000, Senator Ashcroft for Senate; 10/9/2000, $1,000, Abraham Senate 2000; 11/3/2000, $1,000, Bluegrass Committee; 2002, $500, Elizabeth Dole for Senate 2002; 2003, $500, Bush/Cheney.

Lisa Korologos (Daughter-in-law): None.

Dr. Leroy Bazzarone (Son-in-Law): 10/17/2000, $1,000, Abraham Senate 2000.

Ann Bazzarone (daughter): None.

Paula Cale (daughter): None.

4. Parents: Irene C. & Chris T. Korologos, (deceased).

5. Grandparents: Michael & Elaine Kolendrianos, (deceased), Tom & Gregoria Korologos, (deceased).

6. Brothers and Spouses: Mike Korologos (brother): None. Myrlene Korologos (sister-in-law), (deceased)

7. Sisters and Spouses: Gregoria Korologos (sister): 2003, $25, Republican National Committee; 2003, $25, Bush-Cheney.

Elaine Guin (sister): None.

Baird Guin (brother-in-law): None.

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*Charles Graves Untermeyer, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Qatar.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: Charles G. (Chase) Untermeyer.

Post: Ambassador to Qatar.

Contributions, amount, date, and donee:

1. Self: $500, 30 Dec 1999, John Culberson, U.S. House (Texas); $250, 10 Nov 2001, Rob Portman, U.S. House (Ohio); $1,000, 24 Jun 2002, KPAC (Sen. Kay Hutchison of Texas); $200, 3 Jul 2002, Katherine Harris, US House (Florida); $1,000, 16 Jul 2002, Good Government Fund (GOP senators); $500, 13 Aug 2002, Jeb Hensarling, US House (Texas); $250, 19 Aug 2002, Chris Bell, US House (Texas); $250, 30 Aug 2002, Sheila Jackson Lee, US House (Texas); $1,000, 17 Sep 2002, John Cornyn, U.S. senator (Texas); $250, 17 Sep 2002, John Carter, U.S. House (Texas); $250, 19 Feb 2003, Chris Bell, U.S. House (Texas); $250, 20 Feb 2003, John Carter, U.S. House (Texas); $500, 2 Apr 2003, John Culberson, U.S. House (Texas); $250, 18 Apr 2003, Chris Bell, U.S. House (Texas); $500, 3 May 2003, Tom DeLay, U.S. House (Texas); $2,000, 17 Jul 2003, Bush-Cheney '04; $1,000, 3 Dec 2003, John Culberson, U.S. House (Texas); $500, 24 Feb 2004, Kevin Brady, U.S. House (Texas); $1,000, 25 Feb 2004, Chris Bell, U.S. House (Texas).

2. Spouse: Diana C.K. Untermeyer, $75, 14 Feb 2000, Peter Wareing, U.S. House (Texas); $250, 14 Feb 2000, Kay Hutchison, U.S. senator (Texas); $100, 18 March 2000, Peter Wareing, U.S. House (Texas); $250, 19 Nov 2000, Bush-Cheney Recount; $2,000, 24 Feb 2004, Bush-Cheney '04.

3. Children and Spouses: Ellyson Chase Untermeyer (unmarried), None.

4. Parents: Dewitt Edward Untermeyer (died 1979); Marguerite G. Untermeyer, None.

5. Grandparents: Charles S. Untermeyer (died 1923); Florence L. Untermeyer (died 1984); Dr. Alonzo Graves (died 1941); Mattie L. Graves (died 1951).

6. Brothers and Spouses: None.

7. Sisters and Spouses: Margot U. Lingold, None; Dr. John C. Lingold (died 2002), None; Emily F. Untermeyer, None; Bruce Baskett, None.

Note: In addition to the above, I was treasurer of the Compaq Citizenship Fund, a PAC affiliated with Compaq Computer Corporation, from its founding in 1994 until 2000. In this capacity, I wrote numerous checks to candidates at local, state, and federal levels. I shall be happy to produce this list (also available on the FEC website).

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*Douglas L. McElhaney, of Florida, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Bosnia and Herzegovina.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: Douglas L. McElhaney.

Post: Bosnia-Herzegovina Ambassador.

Contributions, amount, date, and donee:

1. Self, 0.

2. Spouse, N/A.

3. Children and Spouses, N/A.

4. Parents: Ordell McElhaney, 0; Clayone McElhaney, 0.

5. Grandparents, N/A.

6. Brothers and Spouses, N/A.

7. Sisters and Spouses: Claudia Leonardi (sister), 0; Leo Leonardi (spouse), $200.00, 1988, Lawton Chiles.

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*Aldona Wos, of North Carolina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Estonia.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: Aldona Z. Wos, M.D.

Post: Ambassador to Estonia.

Contributions, Date, Donee, and Amount:

1. Self: 10/10/2000, North Carolina Victory 2000, 1,000.00; 10/10/2000, Presidential Trust, 10,000.00; 11/13/2001, Dole 2002 Committee, 1,000.00; 11/19/2001, Dole 2002 Committee, 1,000.00; 1/14/2002; RNC, 25.00; 4/29/2002, North Carolina Republican Party, 1,000.00; 7/18/2002, Sixth District GOP; 1,000.00; 3/8/2003, North Carolina Republican Party, 1,000.00; 4/24/2003, The Richard Burr Committee, 2,000.00; 5/31/2003; Bush-Cheney 2004, 2,000,000; 7/31/03, North Carolina Medical Society PAC, 100.00; 11/17/03, North Carolina Medical Society PAC, 250.00; 1/5/2004, Hayes for Congress, 2,000.00; 2/24/2004, NC Bank Pac, 250.00; 3/17/2004, RNC—Presidential Trust, 25,000.00.

2. Spouse: Louis DeJoy: 2/7/2000, George W. Bush, 2,000.00; 9/15/2000, Republican Housing Majority Committee, 1,000.00; 10/10/2000, NC Victory 2000, 1,000.00; 10/10/2000, Presidential Trust, 10,000.00; 3/14/2001, Republican Party, 5,000.00; 11/13/01, Dole 2002 Committee, 1,000.00; 11/9/01, Dole 2002 Committee, 1,000.00; 2/5/2002, Republican Eagles, 15,000.00; 2/25/2002, North Carolina Salute To George Bush, 100,000.00; 3/29/2002, North Carolina Republican Party, 5,000.00; 4/17/2002, Coble For Congress, 1,000.00; 7/18/2002, Dole North Carolina Victory Committee, 25,000.00; 4/1/2003, North Carolina Republican Party, 5,000.00; 4/24/2003, The Committee For Richard Burr, 2,000.00; 5/30/2003, Bush-Cheney 2004, 2,000.00; 1/6/2004, Hayes For Congress, 2,000.00; 3/17/2004, RNC—Presidential Trust, 25,000.00.

3. Children and Spouses: Ania DeJoy—Minor, No Contributions; Andrew DeJoy—Minor, No Contributions.

4. Parents: Mother—Wanda K. Wos: 10/29/01, Elizabeth Dole Committee, Inc., 1000.00; 7/25/02, Dole North Carolina Victory Committee, Inc., 1.000.00; 11/17/03, Bush-Cheney 2004, 2,000.00. Father—Paul Z. Wos: 4/5/00, Keyes 2000, 25.00; 4/10/00, Republic National Committee, 20.00; 6/15/00, Republican Presidential Committee, 25.00; 10/15/00, Republican National Committee, 20.00; 8/8/01, Alan Keyes, 50.00; 10/29/01, Dole 2002 Committee, Inc., 100.00; 11/20/01, Dole 2002 Committee, Inc., 300.00; 5/10/02, 2002 Republican National Committee, 25.00; 7/25/02, Dole North Carolina Victory Committee, 1,000.00; 5/2/03, Republican National Committee, 25.00; 6/17/03, Republican National Committee, 25.00; 10/2/03 Republican National Committee, 25.00; 11/17/03, Bush-Cheney 2004, 2,000.00.

5. Grandparents—Deceased.

6. Brothers and Spouses: Brother—Konrad Wos, 10/29/01, Dole 2002 Committee, Inc., 100.00; 07/25/02, Elizabeth Dole Committee, Inc., 1,000.00. Sister-in-Law—Meggan Wos: 07/25/02, Elizabeth Dole Committee, Inc., 1,000.00.

7. Sisters and spouses—N/A.

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*William T. Monroe, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Bahrain.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: William T. Monroe.

Post: Ambassador—Manama, Bahrain.

Contributions, amount, date, and donee:

1. Self, None.

2. Spouse, None.

3. Children and Spouses: Adrian P. Monroe, None; Stephen L. Monroe, None; Tiphaine J. Monroe, None.

4. Parents: Andrew P. Monroe, $50, 06/2002, Republican National Committee; Mary Elizabeth Monroe, None.

5. Grandparents: Andrew P. Monroe, Deceased; Elizabeth M. Monroe, Deceased; Frederic H. McCoun, Deceased; Celia D. McCoun, Deceased.

6. Brothers and Spouses: Stephen M. Monroe, None; Eleanor B. Meredith, None.

7. Sisters and Spouses: Margaret D. Zellinger, None; David Zellinger, None.

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*John C. Danforth, of Missouri, to be the Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: John C. Danforth.

Post: U.S. Ambassador to the United Nations.

Contributions, date, donee, and amount:

1. Self and spouse: John and Sally Danforth, May 17, 2000, George W. Bush for President, $1,000; June 2, 2000, Lincoln Chafee-U.S. Senate, $2,000; June 8, 2000, Missourians for Todd Graves, $250; June 26, 2000, ROYB (Roy Blunt campaign), $1,000; August 27, 2000, McLean for Senate, $1,000; March 4, 2002, Jim Talent for Senate, $2,000; March 11, 2002, Susan Collins for Senate, $1,000; March 15, 2002, Christy Ferguson for Congress Committee, $1,000; April 29, 2002, Thune for Senate, $1,000; May 7, 2002, Coleman for Senate, $1,000; June 28, 2002, First Senatorial District Committee, $200; October 2, 2002, Dole for Senate, $1,000; January 31, 2003, Missourians for Kit Bond, $2,000; February 14, 2003, Missourians for Matt Blunt, $2,350; March 3, 2003, Missourians for Kit Bond, $4,000; June 17, 2003, Bush-Cheney '04 Inc., $4,000; December 19, 2003, Zane Yates for Congress, $250; February 10, 2004, ROYB (Roy Blunt), $1,000; March 30, 2004, Citizens for Arlen Specter, $2,000.

2. Children and spouses: Eleanor and Allan Ivie (daughter/son-in-law), 2003, Bush-Cheney '04 Inc., $2000; 2003, Missourians for Kit Bond, $4000; 2001, Bob Coleman, $500; 2000, Lincoln Chafee for U.S. Senate, $1000.

Mary and Tom Stillman (daughter/son-in-law), 2004, Missourians for Kit Bond, $4000; 2004, Diane Tebelius (Wash. State), $1000; 2003, Bush-Cheney '04 Inc., $4000; 2000, Lincoln Chafee for Senate, $2,000.00;

Johannes and Dorothy Burlin (son-in-law/daughter)—Statement by Dorothy and Johannes Burlin: To the best of our recollection, we have given financial support to the following people, campaigns, committees, and/or parties since 2000: Christopher Bond—U.S. Senate; George W. Bush—Presidential race; Lincoln Chafee—U.S. Senate race; National Republican party.

Johanna and Tim Root (daughter/son-in-law), July 2003, Bush-Cheney '04, Inc., $4,000; 2000, Gore for President, $500.

Tom Danforth (son), 2004, Missourians for Kit Bond, $2,000.

3. Brothers and Spouses: William and Elizabeth Danforth (brother/sister-in-law), May 15, 2000, Hamilton for Congress, $1,000; July 26, 2000, Ted House for Congress Cmte., $500; July 26, 2000, McNary for Congress, $500; November 8, 2000, Citizens for Clean Water, Safe Parks, $5,000; January 24, 2001, Citizens for Ted House, $200; April 10, 2002, Thune for South Dakota, $2,000; May 10, 2002, Coleman for U.S. Senate, $2,000; June 18, 2002, Citizens for Ted House, $200; April 7, 2003, Citizens for Ted House, $100; May 27, 2003, Senate Majority Fund, $5,000; May 29, 2003, Todd Akin for Congress, $1000; June, 2003, Bush-Cheney '04, Inc., $4000; September 17, 2003, Stoll 2004, $500; October 30, 2003, Citizens for Jack Jackson, $300; December 9, 2003, Todd Akin for Congress, $3000; April 27, 2004, Bennett Election Committee, $1000.

Carolyn Danforth (sister-in-law), 2002, Republican National Cmte., $1000; 2002, Jim Talent for Senate, $1000; 2002, Jim Talent for Senate, $1000; 2002, Republican National Cmte., $1000; 2003, Bush-Cheney '04, Inc., $2000; 2003, Missourians for Kit Bond, $1000.

Donald Danforth, Jr. (brother)—deceased.

4. Sisters and spouses: Dorothy D. Miller (sister), none; Jefferson L. Miller (brother-in-law), none.

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*James B. Cunningham, of Pennsylvania, a Career Member to be Senior Foreign Service, Class of Career Minister, to be Representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: James B. Cunningham.

Poast: Representative to Vienna Office of the UN.

Contributions, amount, date, and donee:

1. Self, None.

2. Spouse, None.

3. Children and Spouses: Emma, None; Abigail, None.

4. Parents: Blair, Deceased; Julia, Deceased.

5. Grandparents: Grandparents Knowles, Deceased; Grandparents Cunningham, Deceased.

6. Brothers and Spouses: Thomas, None; William, estranged, believe none.

7. Sisters and Spouses: Carol, None; Kathleen, Deceased.

Mr. LUGAR. Mr. President, for the Committee on Foreign Relations I report favorably the following nomination list which was printed in the RECORD on the date indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that this nomination lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Foreign Service nominations beginning Robert H. Hanson and ending Donna M. Blair, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 18, 2004.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–8067. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Sulfuryl Fluoride; Pesticide Tolerance; Technical Correction" (FRL#7346–1) received on June 17, 2004; to the Committee on Agriculture, Nutrition, and Forestry.

EC–8068. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Fenylprioximate; Pesticide Tolerance" (FRL#7362–9) received on June 17, 2004; to the Committee on Agriculture, Nutrition, and Forestry.

EC–8069. A communication from the Chairman, Defense Nuclear Facilities Safety Board, transmitting, pursuant to law, the Board's First Annual Report on Plutonium Storage at the Department of Energy's Savannah River Site; to the Committee on Armed Services.

EC–8070. A communication from the Secretary of the Air Force, transmitting, pursuant to law, the report of a Program Acquisition Unit Cost (PAUC) Breach relative to the Space Based Infared System (SBIRS); to the Committee on Armed Services.

EC–8071. A communication from the Office of the General Counsel, Selective Service System, transmitting, pursuant to law, the report of the designation of acting officer and a change in previously submitted reported information for the position of Director, Selective Service System, received on June 21, 2004; to the Committee on Armed Services.

EC–8072. A communication from the Principal Deputy, Office of the Under Secretary of Defense for Personnel and Readiness, transmitting, pursuant to law, the report of the approval of the wearing of the insignia of the grade of general; to the Committee on Armed Services.

EC–8073. A communication from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Contract Period for Task and Delivery Order Contracts" (DFARS Case 2003–D097) received on June 21, 2004; to the Committee on Armed Services.

EC–8074. A communication from the Chief Counsel, Bureau of the Public Debt, Treasury Department, transmitting, pursuant to law, the report of a rule entitled "31 CFR Part 352, Offering of United States Savings Bonds, Series HH" received on June 17, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC–8075. A communication from the Deputy Secretary, Corporation Finance, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Commission Guidance Regarding the Public Company Accounting Oversight Board's Auditing and Related Professional Practice Standard No. 1" (Release 33–8422) received on June 17, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC–8076. A communication from the Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "31 CFR Part 515—Cuban Assets Control Regulations" received on June 15, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC–8077. A communication from the Assistant Secretary, Division of Market Regulation, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Supervised Investment Bank Holding Companies" (RIN3235–AI97) received on June 14, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC–8078. A communication from the Assistant Secretary, Division of Market Regulation, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Alternative Net Capital Requirements for Broker-Dealers That Are Part of Consolidated Supervised Entities" received on June 14, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC–8079. A communication from the Attorney Advisor, Department of Transportation, transmitting, pursuant to law, the report of a nomination for the position of Assistant Secretary for Budget and Programs, Department of Transportation, received on June 21, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8080. A communication from the Director, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, a report on the "Status of Fisheries of the United States"; to the Committee on Commerce, Science, and Transportation.

EC–8081. A communication from the Assistant Secretary for Fish, Wildlife, and Parks, Department of the Interior, transmitting, pursuant to law, a draft of proposed legislation entitled the "Hopewell Culture National Historical Park Boundary Adjustment Act"; to the Committee on Energy and Natural Resources.

EC–8082. A communication from the Assistant Secretary of Fish, Wildlife, and Parks, Department of the Interior, transmitting, a draft of proposed legislation entitled the "Cumberland Island National Seashore Wilderness Revision Act of 2003"; to the Committee on Energy and Natural Resources.

EC–8083. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a proposed license agreement for the manufacture of significant military equipment abroad and the export of defense articles or defense services in the amount of $100,000,000 to Japan; to the Committee on Foreign Relations.

EC–8084. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a proposed license for the export of defense articles or defense services in the amount of $100,000,000 to Japan; to the Committee on Foreign Relations.

EC–8085. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a proposed license agreement for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 to Pakistan; to the Committee on Foreign Relations.

EC–8086. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a proposed license agreement for the manufacture of significant military equipment abroad and the export of defense articles or defense services in the amount of $100,000,000 to Japan; to the Committee on Foreign Relations.

EC–8087. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, the report of Presidential Determination 2004–36 relative to the suspension of limitations under the Jerusalem Embassy Act; to the Committee on Foreign Relations.

EC–8088. A communication from the Regulations Coordinator, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Health Care Fraud and Abuse Data Collection Program; Technical Revisions to Healthcare Integrity and Protection Data Bank Data Collection Activities" (RIN0991–AB31) received on June 21, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC–8089. A communication from the Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, a report relative to the "Prosecuting Remedies and Tools Against the Exploitation of Children (PROTECT) Act of 2003"; to the Committee on the Judiciary.

EC–8090. A communication from the Federal Register Liaison Officer, Alcohol and Tobacco Tax and Trade Bureau, Treasury Department, transmitting, pursuant to law, the report of a rule entitled "Columbia Gorge Viticultural Area" (RIN1513–AC81) received on June 9, 2004; to the Committee on the Judiciary.

EC–8091. A communication from the National Legislative Commission, The American Legion, transmitting, pursuant to law, a report relative to the American Legion's financial condition as of December 31, 2003; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Appropriations, without amendment:

S. 2559. An original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. KYL:

S. 2555. A bill to authorize the use of judicially enforceable subpoenas in terrorism investigations; to the Committee on the Judiciary.

By Mr. BINGAMAN (for himself and Mr. LIEBERMAN):

S. 2556. A bill to amend chapter 7 of title 31, United States Code, to provide for a technology assessment capability within the General Accounting Office, and for other purposes; to the Committee on Governmental Affairs.

By Mr. DURBIN (for himself, Mr. REED, Mr. LAUTENBERG, Mr. KENNEDY, Mrs. FEINSTEIN, Mr. CORZINE, Ms. MIKULSKI, Mr. LEVIN, Mr. SCHUMER, Mrs. CLINTON, and Mrs. BOXER):

S. 2557. A bill to amend the Consolidated Appropriations Act, 2004, to strike the restriction on use of funds that requires a 24-hour time limit for destroying identifying information submitted in relation to a firearm background check; to the Committee on the Judiciary.

By Mr. HARKIN (for himself and Mr. SPECTER):

S. 2558. A bill to improve the health of Americans and reduce health care costs by reorienting the Nation's health care system towards prevention, wellness, and self care; to the Committee on Finance.

By Mr. STEVENS:

S. 2559. An original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. HATCH (for himself, Mr. LEAHY, Mr. FRIST, Mr. DASCHLE, Mr. GRAHAM of South Carolina, and Mrs. BOXER):

S. 2560. A bill to amend chapter 5 of title 17, United States Code, relating to inducement of copyright infringement, and for other purposes; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. FEINGOLD (for himself, Mr. SUNUNU, Mr. HAGEL, Mr. DURBIN, Mrs. BOXER, Mr. MCCAIN, Mrs. MURRAY, Mr. LUGAR, Mr. WARNER, Mr. CHAFEE, Ms. SNOWE, and Ms. COLLINS):

S. Res. 387. A resolution commemorating the 40th Anniversary of the Wilderness Act; to the Committee on Energy and Natural Resources.

By Mr. SANTORUM (for himself and Mr. SPECTER):

S. Res. 388. A resolution commemorating the 150th anniversary of the founding of The Pennsylvania State University; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 453

At the request of Mrs. HUTCHISON, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 453, a bill to authorize the Health Resources and Services Administration and the National Cancer Institute to make grants for model programs to provide to individuals of health disparity populations prevention, early detection, treatment, and appropriate follow-up care services for cancer and chronic diseases, and to make grants regarding patient navigators to assist individuals of health disparity populations in receiving such services.

S. 853

At the request of Mr. KERRY, the names of the Senator from Minnesota (Mr. DAYTON), the Senator from Hawaii (Mr. INOUYE), the Senator from Maryland (Mr. SARBANES) and the Senator from Rhode Island (Mr. REED) were added as cosponsors of S. 853, a bill to amend title XVIII of the Social Security Act to eliminate discriminatory copayment rates for outpatient psychiatric services under the medicare program.

S. 1010

At the request of Mr. HARKIN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 1010, a bill to enhance and further research into paralysis and to improve rehabilitation and the quality of life for persons living with paralysis and other physical disabilities.

S. 1554

At the request of Mrs. MURRAY, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1554, a bill to provide for secondary school reform, and for other purposes.

S. 1684

At the request of Ms. LANDRIEU, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 1684, a bill to amend the Public Health Service Act and Employee Retirement Income Security Act of 1974 to require that group and individual health insurance coverage and group health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissections performed for the treatment of breast cancer.

S. 1945

At the request of Mr. MCCAIN, the names of the Senator from New Jersey (Mr. CORZINE), the Senator from Michigan (Ms. STABENOW) and the Senator from California (Mrs. BOXER) were added as cosponsors of S. 1945, a bill to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage.

S. 1962

At the request of Mr. GRASSLEY, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1962, a bill to amend the Internal Revenue Code of 1986 to provide for excise tax reform and simplification, and for other purposes.

S. 2328

At the request of Mr. DORGAN, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 2328, a bill to amend the Federal Food, Drug, and Cosmetic Act with respect to the importation of prescription drugs, and for other purposes.

S. 2363

At the request of Mr. HATCH, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 2363, a bill to revise and extend the Boys and Girls Clubs of America.

S. 2425

At the request of Mr. COCHRAN, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 2425, a bill to amend the Tariff Act of 1930 to allow for improved administration of new shipper administrative reviews.

S. 2529

At the request of Mr. GRASSLEY, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 2529, a bill to extend and modify the trade benefits under the African Growth and Opportunity Act.

S. 2533

At the request of Ms. MIKULSKI, the names of the Senator from Florida (Mr. NELSON), the Senator from Washington (Ms. CANTWELL), the Senator from Rhode Island (Mr. REED), the Senator from Hawaii (Mr. AKAKA), the Senator from Texas (Mrs. HUTCHISON), the Senator from South Carolina (Mr. GRAHAM) and the Senator from Pennsylvania (Mr. SANTORUM) were added as cosponsors of S. 2533, a bill to amend the Public Health Service Act to fund breakthroughs in Alzheimer's disease research while providing more help to caregivers and increasing public education about prevention.

S. CON. RES. 72

At the request of Mr. DASCHLE, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. Con. Res. 72, a concurrent resolution commemorating the 60th anniversary of the establishment of the United States Cadet Nurse Corps and voicing the appreciation of Congress regarding the service of the members of the United States Cadet Nurse Corps during World War II.

S. CON. RES. 119

At the request of Mr. CAMPBELL, the names of the Senator from Oregon (Mr. WYDEN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Ms. LANDRIEU), the Senator from New Mexico (Mr. DOMENICI) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. Con. Res. 119, a concurrent resolution recognizing that prevention of suicide is a compelling national priority.

S. RES. 311

At the request of Mr. BROWNBACK, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. Res. 311, a resolution calling on the Government of the Socialist Republic of Vietnam to immediately and unconditionally release Father Thadeus Nguyen Van Ly, and for other purposes.

S. RES. 385

At the request of Mr. KENNEDY, the names of the Senator from California (Mrs. FEINSTEIN) and the Senator from North Carolina (Mr. EDWARDS) were added as cosponsors of S. Res. 385, a resolution recognizing and honoring the 40th anniversary of congressional passage of the Civil Rights Act of 1964.

AMENDMENT NO. 3200

At the request of Mr. INHOFE, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of amendment No. 3200 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3235

At the request of Mr. BROWNBACK, the names of the Senator from Alaska (Ms. MURKOWSKI) and the Senator from West Virginia (Mr. BYRD) were added as cosponsors of amendment No. 3235 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3280

At the request of Mr. INHOFE, the names of the Senator from Texas (Mr. CORNYN), the Senator from Montana (Mr. BAUCUS), the Senator from California (Mrs. FEINSTEIN), the Senator from Nevada (Mr. REID), the Senator from Indiana (Mr. BAYH), the Senator from Wisconsin (Mr. FEINGOLD), the Senator from New York (Mrs. CLINTON), the Senator from Oregon (Mr. SMITH), the Senator from Ohio (Mr. DEWINE) , the Senator from Maine (Ms. SNOWE), the Senator from Tennessee (Mr. ALEXANDER) and the Senator from Florida (Mr. GRAHAM) were added as cosponsors of amendment No. 3280 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3315

At the request of Mrs. CLINTON, her name was added as a cosponsor of amendment No. 3315 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

At the request of Ms. LANDRIEU, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of amendment No. 3315 proposed to S. 2400, supra.

AMENDMENT NO. 3327

At the request of Mr. DASCHLE, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of amendment No. 3327 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3328

At the request of Mr. DASCHLE, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of amendment No. 3328 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3331

At the request of Mr. DASCHLE, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of amendment No. 3331 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3333

At the request of Mr. BYRD, his name was added as a cosponsor of amendment No. 3333 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3355

At the request of Mr. REED, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of amendment No. 3355 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3377

At the request of Mr. KENNEDY, the name of the Senator from West Virginia (Mr. BYRD) was added as a cosponsor of amendment No. 3377 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3399

At the request of Mr. FEINGOLD, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of amendment No. 3399 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3409

At the request of Mrs. MURRAY, her name was added as a cosponsor of amendment No. 3409 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3457

At the request of Mr. BURNS, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of amendment No. 3457 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS—Friday, June 18, 2004

By Mrs. FEINSTEIN:

S. 2549. A bill for the relief of Alfredo Plascencia Lopez and Maria Del Refugio Plascencia; to the Committee on the Judiciary.

Mrs. FEINSTEIN. Mr. President, I rise today to offer legislation to provide lawful permanent residence status to Alfredo Plascencia Lopez and his wife, Maria Del Refugio Plascencia, Mexican nationals who live in the San Bruno area of California.

I have decided to offer legislation on their behalf because I believe that, without it, this hardworking couple and their four United States citizen children would endure an immense and unfair hardship. Indeed, without this legislation, this family may not remain a family for much longer.

The Plascencias have worked for years to adjust their status through the appropriate legal channels, only to have their efforts thwarted by inattentive legal counsel. Repeatedly, the Plascencias' lawyer refused to return their calls or otherwise communicate with them in anyway. He also failed to forward crucial immigration documents, or even notify the Plascencias that he had them. Because of the poor representation they received, Mr. and Mrs. Plascencia only became aware that they had been ordered to leave the country 15 days prior to their deportation. Although the family was stunned and devastated by this discovery, they acted quickly to secure legitimate counsel and to file the appropriate paperwork to delay their deportation to determine if any other legal action could be taken.

The Plascencias' current date of removal from the United States is set for June 23rd.

For several reasons, it would be tragic for this family to be removed from the United States.

First, since arriving in the United States in 1988, Mr. and Mrs. Plascencia have proven themselves to be a responsible and civic-minded couple who share our American values of hard work, dedication to family and devotion to community.

Second, Mr. Plascencia has been gainfully employed at Vince's Shellfish for the past 13 years, where his dedication and willingness to learn have propelled him from part-time work to a managerial position. He now oversees the market's entire packaging operation and several employees. The president of the market, in one of the several dozen letters I have received in support of Mr. Plascencia, referred to him as "a valuable and respected employee" who "handles himself in a very professional manner" and serves as "a role model" to other employees. Others who have written to me praising Mr. Plascencia's job performance have referred to him as "gifted," "trusted," "honest," and "reliable."

Third, like her husband, Mrs. Plascencia has distinguished herself as a medical assistant at a Kaiser Permanente hospital in the Bay Area. Not satisfied with working as a maid at a local hotel, Mrs. Plascencia went to school, earned her high school equivalency degree and improved her skills to become a medical assistant. Until her work permit expired last week, Mrs. Plascencia was working in Kaiser Permanente's Oncology Department, where she attended to cancer patients. Those who have written to me in support of Mrs. Plascencia, of which there are several, have described her work as "responsible," "efficient," and "compassionate." In fact, Kaiser Permanente's Director of Internal Medicine, Nurse Rose Carino, wrote to say that Mrs. Plascencia is "an asset to the community and exemplifies the virtues we Americans extol: hardworking, devoted to her family, trustworthy and loyal, [and] involved in her community. She and her family are a solid example of the type of immigrant that America should welcome wholeheartedly." Mrs. Carino went on to write that Mrs. Plascencia is "an excellent employee and role model for her colleagues. She works in a very demanding unit, Oncology, and is valued and depended on by the physicians she works with."

Together, Mr. and Mrs. Plascencia have used their professional successes to realize many of the goals dreamed of by all Americans. They saved up and bought a home. They own a car. They have good health care benefits and they each have begun saving for retirement. They want to send their children to college and give them an even better life.

This legislation is important because it would preserve these achievements and ensure that Mr. and Mrs. Plascencia will be able to make substantive contributions to the community in the future. It is important, also, because of the positive impact it will have on the couple's children, each of whom is a United States citizen and each of whom is well on their way to becoming productive members of the Bay Area community.

Christina, 13, is the Plascencias' oldest child, and an honor student with a 3.0 grade-point average at Parkside Intermediate School in San Bruno.

Erika, 9, and Alfredo, Jr., 7, are enrolled at Belle Air Elementary, where they have worked hard at their studies and received praise and good grades from their teachers. In fact, last year, the principal of Erika's school recognized her as the "Most Artistic" student in her class. Recently, Erika's teacher, Mrs. Nascon, remarked on a report card, "Erika is a bright spot in my classroom."

The Plascencias' youngest child is 2 year-old Daisy.

Removing Mr. and Mrs. Plascencia from the United States would be tragic for their children. Children who were born in the United States and who through no fault of their own have been thrust into a situation that has the potential to dramatically alter their lives.

It would be especially tragic for the Plascencias' older children—Christina, Erika, and Alfredo—to have to leave the United States. They are old enough to understand that they are leaving their schools, their teachers, their friends and their home. They would leave everything that is familiar to them. Their parents would find themselves in Mexico without a job and without a house. The children would have to acclimate to a different culture, language and way of life.

The only other option would be for Mr. and Mrs. Plascencia to leave their children here with relatives. This separation is a choice which no parents should have to make.

Many of the words I have used to describe Mr. and Mrs. Plascencia are not my own. They are the words of the Americans who live and work with the Plascencias day in and day out and who find them to embody the American spirit. I have sponsored this legislation, and asked my colleagues to support it, because I believe that this is a spirit that we must nurture wherever we can find it. Forcing the Plascencias to leave the United States would extinguish that spirit.

I ask unanimous consent that six of more than 50 letters of support my office has received from members of the San Bruno community be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

H&N FOOD INT'L, INC.,
San Francisco, CA, September 30, 2002.

Re Alfredo Plascencia Lopez and/or Maria Plascencia

IMMIGRATION AND NATURALIZATION SERVICE,
San Francisco, CA.

I have known Alfredo Plascencia Lopez for at least nine years. My company sells product to Vince's Shellfish Company where Alfredo is employed. I deal directly with Alfredo regarding the quality of seafood that Vince's Shellfish receives from me.

Working with Alfredo on a daily basis, I have come to know Alfredo as an honest, reliable, and hard working family man. Even though we do a tremendous amount of business, I really consider him a good friend and caring person.

If Alfredo were to be deported, it would be a great loss not only to the fish business, but also importantly to his young and growing family. How hard it would be for them to continue on, or where would they turn?

Sincerely,

BOBBY NGO,
Tuna Purchaser/Salesman.

ST. BRUNO'S CHURCH,
San Bruno, CA, August 30, 2002.

TO WHOM IT MAY CONCERN: the purpose of this letter is to present my observations on Alfredo Plascencia Lopez and Maria Plascencia's character and work ethic. I first came to know them in our church when they came to worship on a Sunday. This happened around January in 1998.

And so for the last 4 years both Alfredo and Maria have been two of our outstanding parishioners at St. Bruno's Church. They come to Sunday Mass and worship, and have been involved in many ministries and services here in our church at St. Bruno's. Alfredo has been especially a minister of hospitality, always welcoming people to church and to participation in the life of the community, helping to provide a spirit of acceptance and concern among our people and providing bread and refreshments for some gatherings. Maria has been especially involved as a teacher, faithfully giving to our children the fundamentals of our Faith, of the Gospel and of a Christian moral life. They have four children all of whom have been baptized at St. Bruno's Church and come to our School of Religion and our church.

Alfredo and Maria have been most generous with their time, their talents and their money, sharing all these with the members of our Church Community. They have also frequently donated food to the church and to the Pastor. I have found them to be really good Christian people, most generous, considerate, kind, honest and reliable. If they would have to leave the United States, it will be most difficult for them and for their children who have been growing in a Christian environment and are doing so well; it would be a tremendous loss. We too here in our church would find it difficult without them. For they are a great asset to this country and to our church and to many people.

We appreciate whatever you can do for them to help them get their legal papers of residence in the United States.

Thank you very much.

Sincerely yours,

REV. RENÉ GÓMEZ,
Pastor of St. Bruno's Church.

KAISER PERMANENTE,
San Francisco, CA, August 29, 2002.

Re Maria Del Refugio Plascencia.

IMMIGRATION AND NATURALIZATION SERVICE,
South San Francisco, CA.

TO WHOM IT MAY CONCERN: I am writing to attest to the character and work ethic of Maria Del Refugio Plascencia. I am the Director of Medicine at Kaiser Permanente, South San Francisco. I have known Maria since she was hired as a medical assistant into my department in July 2000.

Maria is an excellent employee and role model for her colleagues. She is extremely dependable; in the two years she has worked for me she has called in sick only once. She works in a very demanding unit, Oncology, and is valued and depended on by the physicians she works with. Maria is flexible, thorough and proactive. She pays attention to detail and identifies potential problems before they occur. In addition, her bilingual skills enhance the patient care experience for our members who speak Spanish.

In her short tenure here, Maria found time to volunteer with our community outreach programs. She served as a volunteer interpreter for our recent Neighbors in Health event, wherein free health care was provided to uninsured children in our local community.

I can't say enough about Maria and the type of person she is. I feel fortunate to have her in my department. She is an asset to the community and exemplifies the virtues we Americans extol: hardworking, devoted to her family, trustworthy and loyal employee, involved in her community. She and her family are a solid example of the type of immigrant that America should welcome wholeheartedly.

It would be an incredible miscarriage of justice if Maria and Alfredo are deported. They came to this country to pursue a better life and afford their children opportunities that they wouldn't have in Mexico. They have begun to do just that by establishing roots in the community and purchasing a home. They have never taken advantage of the "system" by enrolling on welfare or Medi-Cal, preferring to pay their own way. Deporting Maria and Alfredo would rip their family apart and result in either depriving their children of a loving family or depriving them of their rights as American citizens if they leave the country of their birth with their parents.

I pray that you will allow them the opportunity to live in this country.

Sincerely,

ROSE CARINO, RN,
Director, Department of Medicine.

THE PERMANENTE MEDICAL GROUP, INC.
South San Francisco, September 4, 2002.

IMMIGRATION AND NATURALIZATION SERVICE,
San Francisco, CA.

TO WHOM IT MAY CONCERN:

The purpose of this letter is to present my observations of the character and work ethic of Maria Del-Refugio Plascencia and Alfredo Plascencia Lopez.

I have worked with Ms. Plascencia for two years: I, as an Oncology Nurse Practitioner, Maria as a Medical Assistant. Ms. Plascencia works closely with the oncology patients as an educator, resource person, translator and compassionate member of our oncology team at South San Francisco Kaiser. Ms. Plascencia does an excellent job with the oncology patients. She also is responsible, efficient and a pleasure to work with on a daily basis. Ms. Plascencia is a vital member of the oncology staff. On one occasion I mentioned my concern regarding a 90-year-old cancer patient with limited vision, without family or friends. Ms. Plascencia immediately wanted to know if she and her church group could stop by and read to this woman.

I have met Mr. Plascencia on several occasions. I find him to be a pleasant, responsible, and a devoted family man who works hard to provide for his family.

In conclusion, Maria Del Refugio Plascencia and Alfredo Plascencia Lopez are two people any citizen of the United States would be happy and proud to have as neighbors, employees and friends. If I can be of any further assistance in this matter, please feel free to contact me at 650–742–2929.

Sincerely,

ELISABETH O'MARA SUTTER,
RN/NP M.S.

DOUG GUTTERMAN,
Richmond, CA, September 30, 2002.

IMMIGRATION AND NATURALIZATION SERVICE,
San Francisco, CA.

Re Alfredo Plascencia Lopez and.or Maria Plascencia

TO WHOM IT MAY CONCERN:

I've worked at my present job at Vince's Shellfish for some twelve years. Thru the years I have come to know Alfredo as a gifted, trusted co-worker, and a loyal friend. He truly has been with me thru thick and thin.

Alfredo's presence at work and at home with his family will surely be missed. Please understand a man of his character deserves to stay with us.

Thank you for your attention.

DOUG GUTTERMAN,
Co-Worker & Friend.

VINCE'S SHELLFISH CO., INC.,
San Bruno, CA, September 30, 2002.

IMMIGRATION AND NATURALIZATION SERVICE,
San Francisco, CA.

Re Alfredo Plascencia Lopez and/or Maria Plascencia

Alfredo Plascencia Lopez has been employed here at Vince's Shellfish for the past 11 years. Alfredo started as a part-time employee 01/91 and I was so impressed with his work ethic and loyalty that I was quick to hire him full-time within a year and a half. Alfredo started full-time employment at Vince's Shellfish 07/92. Throughout the past 11 years I have observed Alfredo as a responsible, dependable individual. I can count on him in any type of situation that arises in my day-to-day business. Alfredo always handles himself in a very professional manner.

Alfredo Plascencia Lopez is in charge of my entire packing operation, which consists of managing ten employees. This is an enormous part of my business and Alfredo is accountable and running this operation with no problem. The employees under him have the utmost respect for Alfredo. He is a role model to many. He has learned the fish business throughout his past 15 years with great enthusiasm.

I know how important Alfredo's family is to him. I have seen through the past years how he has worked hard and has always placed his family first. His wife and children are always first and important in his life. He has provided a wonderful life for his family; if Alfredo were to be deported a beautiful happy family would suffer and be broken up.

At this time I would like to close by saying Alfredo is a valuable individual to his immediate family and second, a valuable and respected employee here at Vince's Shellfish.

Sincerely,

CHRISTOPHER N. SVEDISE,
President.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KYL:

S. 2555. A bill to authorize the use of judicially enforceable subpoenas in terrorism investigations; to the Committee on the Judiciary.

Mr. KYL. Mr. President, I rise today to introduce a bill that would authorize the Justice Department to issue judicially enforceable subpoenas in terrorism investigations.

Here is how the JETS Act would work: it would allow the FBI to subpoena documents and records "in any investigation of a Federal crime of terrorism." The bill would require the FBI to go to Federal court to enforce the subpoena in the event that the recipient declines to comply with it. It would also allow the recipient to make the first move and go to court to challenge the subpoena. The JETS Act also would allow the Justice Department to temporarily bar the recipient of a JET subpoena from disclosing to anyone other than his lawyer that he has received it. The FBI could bar such disclosure, however, only if the Attorney General certifies that "otherwise there may result a danger to the national security of the United States." Also, the recipient of the subpoena would have the right to go to court to challenge the nondisclosure order. And finally, the JETS Act would protect the recipient from any civil liability that might otherwise result from his good-faith compliance with a JET subpoena.

At the outset, it bears mention that the FBI already has ways of obtaining a subpoena when it needs one for a terrorism investigation: it simply finds an Assistant U.S. Attorney and asks him to issue a grand-jury subpoena to investigate a potential crime of terrorism. The advantages of the JETS Act—of giving the FBI direct authority to issue subpoenas—are not so much substantive as procedural. These advantages principally are two: 1. A grand-jury subpoena's "return date"—the date by which the recipient of the subpoena is asked to comply—can only be a day on which a grand jury is convened. Therefore, a grand-jury subpoena issued on a Friday evening cannot have a return date that is earlier than the next Monday. The JETS Act would allow the FBI to set an earlier return date, so long as that date allows "a reasonable period of time within which the records or items [to be produced] can be assembled and made available." 2. Only an AUSA can issue a grand-jury subpoena. Therefore, whenever the FBI wants to use a grand-jury subpoena in a terrorism case, it must find an AUSA. This can be difficult and time consuming in remote locations. The JETS Act would allow the FBI to forego this exercise.

The Justice Department recently made its case as to why it should be given JETS authority in its answers to Senator BIDEN's written questions to Christopher Wray, the Assistant Attorney General for the Criminal Division, following Mr. Wray's testimony before the Judiciary Committee on October 21, 2003. Senator BIDEN asked Mr. Wray to cite "instances where your terrorism investigations have been thwarted due to an inability to secure a subpoena from a grand jury in a timely fashion." While Mr. Wray declined to provide the details of those instances when the lack of direct authority has posed a problem, he did offer the "following hypothetical situations, which could well arise, [and which] illustrate the need for this investigative tool:"

"In the first scenario, anti-terrorism investigators learn that members of an Al Qaeda cell recently stayed at a particular hotel. They want to know how the cell members paid for their rooms, in order to discover what credit cards they may have used. When investigators ask the hotel manager to produce the payment records voluntarily, the manager declines to do so, explaining that company policy prohibits him from revealing such information about customers without legal process. If investigators had the authority to issue an administrative subpoena, the hotel manager could disclose the records about the Al Qaeda cell immediately without fear of legal liability. In this situation, where the speed and success of the investigation may be matters of life and death, this disclosure would immediately provide investigators with crucial information—such as the location of the terrorists and the nature of their purchases—with which to disrupt and prevent terrorist activity.

"In the second hypothetical situation, anti-terrorism investigators learn on a Saturday morning that members of an Al Qaeda cell have bought bomb-making materials from a chemical company. They want to obtain records relating to the purchase that may reveal what chemicals the terrorists bought, as well as delivery records that might reveal the terrorists' location. The investigators might seek quickly to contact an Assistant United States Attorney, who might immediately obtain a grand-jury subpoena for the records. However, the third party who holds the records could lawfully refuse to furnish them until the subpoena's 'return date,' which must be on a day the grand jury is sitting. Because the grand jury is not scheduled to meet again until Monday morning, investigators may not be able to obtain the information for two days—during which time the Al Qaeda cell may execute its plot. If investigators had the authority to issue an administrative subpoena, which can set a very short or immediate response deadline for information, they may be able to obtain the records immediately and neutralize the cell."

Mr. Wray concluded his answer by noting that "[g]ranting FBI the use of [JETS authority] would speed those terrorism investigations in which subpoena recipients are not inclined to contest the subpoena in court and are willing to comply. Avoiding delays in these situations would allow agents to track and disrupt terrorist activity more effectively."

To place the JETS Act in context, it bears noting that granting the FBI direct authority to issue subpoenas in terrorism cases would hardly be anomalous. As the Justice Department's Office of Legal Policy recently noted in a published report, "Congress has granted some form of administrative subpoena authority to most federal agencies, with many agencies holding several such authorities." (Report to Congress on the Use of Administrative Subpoena Authorities by Executive Branch Agencies and Entities, Pursuant to Public Law 106-544, Section 7.) The Justice Department "identified approximately 335 existing administrative subpoena authorities held by various executive-branch entities under current law." Ibid.

Among the more frequently employed of existing executive-subpoena authorities is 18 U.S.C. § 3486's permission for the Attorney General to issue subpoenas "[i]n any investigation of a Federal health care offense." According to the Public Law 106-544 Report, in the year 2001 the federal government used § 3486 to issue a total of 2,102 subpoenas in health-care-fraud investigations. These subpoenas uncovered evidence of "fraudulent claims and false statements such as 'upcoding,' which is billing for a higher level of service than that actually provided; double billing for the same visit; billing for services not rendered; and providing unnecessary services."

Executive agencies already have direct subpoena authority for many types of investigations. Thus it would not be exceptional for Congress to grant the same authority to the FBI for terrorism cases. Indeed, as Mr. Wray noted in his above-cited answers to questions, "[b]ecause of the benefits that administrative subpoenas provide in fast-moving investigations, they may be more necessary in terrorism cases than in any other type of investigation." One can hardly contend that although the federal government can use subpoenas to investigate Mohammed Atta if it suspects that he is committing Medicare fraud, it should not be allowed to use the same powers if it suspects that he is plotting to fly airplanes into buildings.

Granting direct subpoena authority to the FBI for terrorism cases first was proposed by the President last year, near the time of the second anniversary of the September 11 attacks. There is one criticism of the President's proposal that was made at that time that I believe needs to be addressed. The New York Times, in a September 14 story, described unnamed "opponents" as denouncing the proposal for "allow[ing] federal agents to issue subpoenas without the approval of a judge or grand jury."

This criticism reflects a misunderstanding of grand-jury subpoenas. The anonymous opponents of the President's proposal appear to be under the impression that the grand jury itself issues a grand-jury subpoena. This is not the case. Instead, a grand-jury subpoena is issued by an individual federal prosecutor, without any prior involvement by a judge or grand jury. As the U.S. Court of Appeals for the District of Columbia has noted, "[i]t is important to realize that a grand jury subpoena gets its name from the intended use of the . . . evidence, not from the source of its issuance." Doe v. DiGenova, 779 F.2d at 80 n. 11 (1985).

Like the grand-jury subpoenas currently used to investigate potential crimes of terrorism, JET subpoenas also would be issued directly by investigators, without pre-approval from a court. It is thus important to keep in mind that a subpoena is merely a request for information—a request that cannot be enforced until its reasonableness has been reviewed by a federal judge. As Mr. Wray noted on behalf of the Justice Department in his answers to Senator BIDEN's questions:

> The FBI could not unilaterally enforce an administrative subpoena issued in a terrorism investigation. As with any other type of subpoena, the recipient of an administrative subpoena issued in a terrorism investigation would be able to challenge that subpoena by filing a motion to quash in the United States District Court for the district in which that person or entity does business or resides. If the court denied the motion to quash, the subpoena recipient could still refuse to comply. The government would then be required to seek another court order compelling compliance with the subpoena.

This system guarantees protection for civil liberties. The courts take very seriously their role in reviewing subpoena-enforcement requests. As the Third Circuit has emphasized, "the district court's role is not that of a mere rubber stamp, but of an independent reviewing authority called upon to insure the integrity of the proceeding." Wearly v. FTC, 616 F.2d at 665 (1980). The prospect of judicial oversight also inevitably restrains even the initial actions of executive agents. As the Public Law 106-544 Report notes, "an agency must consider the strictures of [a motion to quash or a challenge to an enforcement order] before issuing an administrative subpoena." And finally, the system of separated authority to issue and review subpoenas has itself been recognized to guard civil liberties. The federal courts have found that "[b]ifurcation of the power, on the one hand of the agency to issue subpoenas and on the other hand of the courts to enforce them, is an inherent protection against abuse of subpoena power." United States v. Security State Bank and Trust, 473 F.2d at 641 (5th Cir. 1973).

The administrative subpoena is a well-established investigative tool with built-in protections for civil liberties. Its use in antiterrorism investigations should not pose a threat to individual freedom.

Finally, although the constitutionality of a tool so frequently used for so long might safely be assumed, it nevertheless merits describing exactly why subpoena power is consistent with the Fourth Amendment. A thorough explanation recently was provided by Judge Paul Niemeyer of the U.S. Court of Appeals for the Fourth Circuit. As Judge Niemeyer noted, the use a subpoena does not require a showing of probable cause because a subpoena is not a warrant—it does not authorize an immediate physical intrusion of someone's premises in order to conduct a search. Rather, subpoenas are subject only to the Fourth Amendment's general reasonableness requirement—and they are reasonable in large part because of the continuous judicial oversight of their enforcement. As Judge Niemeyer stated in his opinion for the court in In re Subpoena Duces Tecum, 228 F.3d at 347-49 (2000) (citations omitted):

> While the Fourth Amendment protects people "against unreasonable searches and seizures," it imposes a probable cause requirement only on the issuance of warrants. U.S. Const. amend. IV ("and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation," etc.). Thus, unless subpoenas are warrants, they are limited by the general reasonableness standard of the Fourth Amendment (protecting the people against "unreasonable searches and seizures"), not by the probable cause requirement.
>
> "A warrant is a judicial authorization to a law enforcement officer to search or seize persons or things. To preserve advantages of speed and surprise, the order is issued without prior notice and is executed, often by force, with an unannounced and unanticipated physical intrusion. Because this intrusion is both an immediate and substantial invasion of privacy, a warrant may be issued only by a judicial officer upon a demonstration of probable cause—the safeguard required by the Fourth Amendment. See U.S. Const. amend. IV ("no Warrants shall issue, but upon probable cause"). The demonstration of probable cause to a neutral judicial officer places a checkpoint between the Government and the citizen where there otherwise would be no judicial supervision.
>
> "A subpoena, on the other hand, commences an adversary process during which the person served with the subpoena may challenge it in court before complying with its demands. As judicial process is afforded before any intrusion occurs, the proposed intrusion is regulated by, and its justification derives from, that process.
>
> "If [the appellant in this case] were correct in his assertion that investigative subpoenas may be issued only upon probable cause, the result would be the virtual end to any investigatory efforts by governmental agencies, as well as grand juries. This is because the object of many such investigations—to determine whether probable cause exists to prosecute a violation—would become a condition precedent for undertaking the investigation. This unacceptable paradox was noted explicitly in the grand jury context in United States v. R. Enterprises, Inc., where the Supreme Court stated:
>
> "[T]he Government cannot be required to justify the issuance of a grand jury subpoena by presenting evidence sufficient to establish probable cause because the very purpose of requesting the information is to ascertain whether probable cause exists."

The U.S. Supreme Court first upheld the constitutionality of subpoena authority in 1911. United States v. Wilson, 31 S. Ct. at 542, concluded that "there is no unreasonable search and seizure when a writ, suitably specific and properly limited in scope, calls for the production of documents which . . . the party procuring [the writ's] issuance is entitled to have produced."

The Wilson Court also noted that the subpoena power has deep roots in the common-law tradition roots—that stretch at least to Elizabethan times:

> "no doubt can be entertained that there must have been some process similar to the subpoena duces tecum to compel the production of documents, not only before [the] time [of Charles the Second], but even before the statute of the 5th of Elizabeth. Prior to that statute, there must have been a power in the Crown (for it would have been utterly impossible to carry on the administration of justice without such power) to require the attendance in courts of justice of persons capable of giving evidence, and the production of documents material to the cause, though in the possession of a stranger."

The Supreme Court also has explicitly approved the use of subpoenas by executive agencies. In Oklahoma Press Pub. Co. v. Walling, 66 S. Ct. 494 (1946), the Court found that the investigative role of an executive official in issuing a subpoena "is essentially the same as the grand jury's, or the court's in issuing other pretrial orders for the discovery of evidence." Nearly fifty years ago, the U.S. Supreme Court in Walling was able to conclude that Fourth Amendment objections to the use of subpoenas by executive agencies merely "raise[] the ghost of controversy long since settled adversely to [that] claim."

Because granting direct subpoena authority to antiterror investigators would aid them in their important work, and would neither intrude upon civil liberties nor conflict with the Constitution, I propose the following bill, which would authorize judicially enforceable terrorism subpoenas.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2555

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Judicially Enforceable Terrorism Subpoenas Act of 2004".

SEC. 2. ADMINISTRATIVE SUBPOENAS IN TERRORISM INVESTIGATIONS.

(a) IN GENERAL.—Chapter 113B of title 18, United States Code, is amended by inserting after section 2332f the following:

"§ 2332g. Judicially enforceable terrorism subpoenas

"(a) AUTHORIZATION OF USE.—

"(1) IN GENERAL.—In any investigation concerning a Federal crime of terrorism (as defined under section 2332b(g)(5)), the Attorney General may issue in writing and cause to be served a subpoena requiring the production of any records or other materials that the Attorney General finds relevant to the investigation, or requiring testimony by the custodian of the materials to be produced concerning the production and authenticity of those materials.

"(2) CONTENTS.—A subpoena issued under paragraph (1) shall describe the records or items required to be produced and prescribe a return date within a reasonable period of time within which the records or items can be assembled and made available.

"(3) ATTENDANCE OF WITNESSES AND PRODUCTION OF RECORDS.—

"(A) IN GENERAL.—The attendance of witnesses and the production of records may be required from any place in any State, or in any territory or other place subject to the jurisdiction of the United States at any designated place of hearing.

"(B) LIMITATION.—A witness shall not be required to appear at any hearing more than 500 miles distant from the place where he was served with a subpoena.

"(C) REIMBURSEMENT.—Witnesses summoned under this section shall be paid the same fees and mileage that are paid to witnesses in the courts of the United States.

"(b) SERVICE.—

"(1) IN GENERAL.—A subpoena issued under this section may be served by any person designated in the subpoena as the agent of service.

"(2) SERVICE OF SUBPOENA.—

"(A) NATURAL PERSON.—Service of a subpoena upon a natural person may be made by personal delivery of the subpoena to that person, or by certified mail with return receipt requested.

"(B) BUSINESS ENTITIES AND ASSOCIATIONS.—Service of a subpoena may be made upon a domestic or foreign corporation, or upon a partnership or other unincorporated association that is subject to suit under a common name, by delivering the subpoena to an officer, to a managing or general agent, or to any other agent authorized by appointment or by law to receive service of process.

"(C) PROOF OF SERVICE.—The affidavit of the person serving the subpoena entered by that person on a true copy thereof shall be sufficient proof of service.

“(c) ENFORCEMENT.—

“(1) IN GENERAL.—In the case of the contumacy by, or refusal to obey a subpoena issued to, any person, the Attorney General may invoke the aid of any court of the United States within the jurisdiction of which the investigation is carried on, or the subpoenaed person resides, carries on business, or may be found, to compel compliance with the subpoena.

“(2) ORDER.—A court of the United States described under paragraph (1) may issue an order requiring the subpoenaed person, in accordance with the subpoena, to appear, to produce records, or to give testimony touching the matter under investigation. Any failure to obey the order of the court may be punished by the court as contempt thereof.

“(3) SERVICE OF PROCESS.—Any process under this subsection may be served in any judicial district in which the person may be found.

“(d) NONDISCLOSURE REQUIREMENT.—

“(1) IN GENERAL.—If the Attorney General certifies that otherwise there may result a danger to the national security of the United States, no person shall disclose to any other person that a subpoena was received or records were provided pursuant to this section, other than to—

“(A) those persons to whom such disclosure is necessary in order to comply with the subpoena;

“(B) an attorney to obtain legal advice with respect to testimony or the production of records in response to the subpoena; or

“(C) other persons as permitted by the Attorney General.

“(2) NOTICE OF NONDISCLOSURE REQUIREMENT.—The subpoena, or an officer, employee, or agency of the United States in writing, shall notify the person to whom the subpoena is directed of the nondisclosure requirements under paragraph (1).

“(3) FURTHER APPLICABILITY OF NONDISCLOSURE REQUIREMENTS.—Any person who receives a disclosure under this subsection shall be subject to the same prohibitions on disclosure under paragraph (1).

“(4) ENFORCEMENT OF NONDISCLOSURE REQUIREMENT.—Whoever knowingly violates paragraphs (1) or (3) shall be imprisoned for not more than 1 year, and if the violation is committed with the intent to obstruct an investigation or judicial proceeding, shall be imprisoned for not more than 5 years.

“(5) TERMINATION OF NONDISCLOSURE REQUIREMENT.—If the Attorney General concludes that a nondisclosure requirement no longer is justified by a danger to the national security of the United States, an officer, employee, or agency of the United States shall notify the relevant person that the prohibition of disclosure is no longer applicable.

“(e) JUDICIAL REVIEW.—

“(1) IN GENERAL.—At any time before the return date specified in a summons issued under this section, the person or entity summoned may, in the United States district court for the district in which that person or entity does business or resides, petition for an order modifying or setting aside the summons.

“(2) MODIFICATION OF NONDISCLOSURE REQUIREMENT.—Any court described under paragraph (1) may modify or set aside a nondisclosure requirement imposed under subsection (d) at the request of a person to whom a subpoena has been directed, unless there is reason to believe that the nondisclosure requirement is justified because otherwise there may result a danger to the national security of the United States.

“(3) REVIEW OF GOVERNMENT SUBMISSIONS.—In all proceedings under this subsection, the court shall review the submission of the Federal Government, which may include classified information, ex parte and in camera.

“(f) IMMUNITY FROM CIVIL LIABILITY.—Any person, including officers, agents, and employees of a non-natural person, who in good faith produce the records or items requested in a subpoena, shall not be liable in any court of any State or the United States to any customer or other person for such production, or for nondisclosure of that production to the customer or other person.

“(g) GUIDELINES.—The Attorney General shall, by rule, establish such guidelines as are necessary to ensure the effective implementation of this section.”.

(b) AMENDMENT TO TABLE OF SECTIONS.—The table of sections of chapter 113B of title 18, United States Code, is amended by inserting after the item relating to section 2332f the following:

“2332g. Judicially enforceable terrorism subpoenas.”.

By Mr. BINGAMAN (for himself and Mr. LIEBERMAN):

S. 2556. A bill to amend chapter 7 of title 31, United States Code, to provide for a technology assessment capability within the General Accounting Office, and for other purposes; to the Committee on Governmental Affairs.

Mr. BINGAMAN. Mr. President, I rise today with my colleague Senator LIEBERMAN to introduce a bill that would give the Congress a modest capability to assess the impacts of science and technology on the formulation of public policy.

All of us in the Senate are all too aware how science and technology affects almost every aspect of policy we debate.

For instance, advances in science and technology are critical to our homeland defense oversight duties. There are many legislative proposals to deploy biological detection sensors in our cities. Yet, Congress does not get timely, in-depth advice on the policy implications on such issues as how many would be needed in a large city, or how will the data be integrated into a communications network, and would such a large volume of data be accurately analyzed and disseminated in a timely fashion. In another area of homeland defense, we are not confident on what the policy implications are for biometrics applied to border control. What are the costs for applying biometrics to the millions of visas we issue every year? How might these biometrics, which record our physiological features into a single database, invade our notions of privacy?

In the jurisdiction of my committee, Energy and Natural Resources, we would like to know how technology could mitigate the threat of wildfires, especially on urban regions adjacent to our national forests. We know that there are improvements in building materials and construction techniques that can reduce the danger of homes suddenly catching fire and spreading to adjacent homes. However, the effect of such technology improvements on policy matters involving building codes, fire and disaster insurance, and coordination of communications between federal and local emergency response are unknown, yet critical to our law making duties.

There are other areas where technology affects law making and oversight duties. The Congress has supported efforts to integrate technology into one of the most crucial elements of democracy—voting. Nevertheless, questions remain on the accountability of each vote, and the cyber-security of electronic voting systems. These voting technology issues directly affect the public confidence in any law we may write to bring electronic voting into the mainstream.

I could go on and on, but these examples lead me to the bill I am introducing today.

Congress abolished the Office of Technology Assessment (OTA) in 1995. While I disagreed with this decision, the bill I am proposing today seeks to establish a smaller, less costly capability in the General Accounting Office (GAO).

The Congressional Research Service (CRS) and GAO have many technology-competent personnel, but neither assesses the effects of technology on policy-making. The CRS or GAO may study or catalog various technologies, they may assess the merits of one technology versus another, or even its economic benefits and costs, but they do not analyze how the technology can affect policy.

Some may assert the National Academy of Sciences performs such a function. The National Academies independently, through outside advisory committees, evaluates the technological merits of programs that involve technology, usually funded by the executive branch, and not directly by the Congress. The majority of the technology evaluations by the National Academies are not technology assessments, they do not consider what consequences a technology will have on the policies that the Congress considers. Because the Academy maintains a strong independence, the timing of their reports are not, and should not be, linked to the Congressional calendar.

I believe it is possible have an existing legislative branch agency such as the GAO give to neutral, objective technology assessments to the Congress in a timely fashion. I am of the opinion that the GAO can undertake this function without creating a large bureaucracy.

Let me first outline the history of the legislation I am proposing.

Three years ago, with the help of Senator BENNETT, who then chaired the Legislative Branch Subcommittee on Appropriations, I was able to initiate a pilot program at the GAO to perform technology assessments of interest to the Congress. It was Senator BENNETT who first suggested placing this pilot at the GAO, and when contacted, the GAO stepped forward to accept that challenge.

Since that time, the three-year pilot program at the GAO has conducted, or has underway, technology assessments on a wide range of topics, from biometrics for border control, cyber-security, cargo container security, and technology to mitigate the impact of wildfires on urban boundaries. All of these assessments were initiated by bipartisan and bicameral letters to the GAO.

I believe this pilot program to be a success. The first report on biometrics for border control has received good evaluations from industry and congressional staff. The GAO still testifies on the results from the report. The second report on cyber-security has just been released, experts across government and the private sector believe it is of high quality. A technology assessment on cargo container security is underway. A wildfire technology assessment has just been initiated.

In addition, this pilot program has undergone several reviews.

The first review occurred in October of 2002, when the first technology assessment on biometrics ended. A group of distinguished scientists, familiar with the technology assessment process, reviewed the GAO's organizational capability to conduct future technology assessments. While they were impressed with the quality of the GAO's effort, they made positive suggestions on how the GAO could improve the policy analysis phase of the technology assessment, as this crucial feature was new to the GAO. The group of experts reviewed the organizational mix of the GAO, and its ability to absorb the technology assessment process within their traditional audit and quality control structure. These experts found that the GAO's Center for Technology and Engineering, which performed the first biometrics assessment, was a capable organization, as it was accustomed to undertaking a wide range of technology-oriented problems. Finally, the experts commented on how the GAO could utilize nongovernmental entities to perform the data collection, thus reducing the potential to create a new bureaucracy. For the first biometrics report, the experts supported the GAO working with the National Research Council to conduct stakeholder workshops to gather a wide range of data, while the report writing would be by a legislative branch entity—the GAO.

The second review was a workshop held in July of 2003, at the National Academy of Sciences. A wide array of nongovernmental attendees evaluated the pilot program at the GAO in the context of other organization models for technology assessment, from recreating the old OTA to simply using the National Academies. This was the first time many nongovernmental persons were exposed to the GAO pilot and many were surprised that the GAO was willing to undertake such a program, and that its staff quickly adapted to the technology assessment process.

The third review occurred in December of 2003 at the request of the Senate Legislative Branch Appropriations Subcommittee. This review was conducted by the GAO. The subcommittee asked what would be required to conduct this pilot on a sustained basis. The GAO concluded that four full time staff would be required at a cost of $420,000, plus $125,000 for additional expenses to work with outside groups such as the National Research Council to collect data. This request has appeared as part of GAO's Fiscal Year 2005 budget submission. The GAO also requested additional legislative authorities so that the assessments could be part of their annual budget process.

This bill is in response to the December 2003 findings of GAO; it has been fully coordinated with the GAO and their findings. This bill also reflects the comments from the July 2003 National Academies workshop and the first review of the GAO by the expert panel in October of 2002.

Let me now outline several feature of this bill, and then I will comment on what this bill does not have.

First, the bill proposes to modify the GAO's organic act to give it the statutory authority to perform technology assessments as part of its advice to the Congress. In doing so, the GAO is directed make such technology assessments in a timely and objective fashion. One of the major issues with the OTA was that many of its reports were so in-depth that they missed the legislative cycle to make a substantive impact on a bill under consideration by the Congress. In addition to the longer, more in-depth reports, I expect that the GAO will give quick turn-around phone consultations on singular technology assessment questions by staff.

Second, it directs the Comptroller General to ensure that the GAO has the human resources expertise in technology and policy to ensure a high quality product.

Third, it directs the Comptroller General, to the maximum extent practicable, to be apprised of other ongoing efforts that may be providing information to the Congress.

Fourth, it directs the Comptroller to peer review all the technology assessment reports.

Fifth, it directs the Comptroller General to establish an advisory board in consultation with the National Academy of Sciences. This board shall provide external advice on the assessment topics, how they are selected, and methods to their improve timeliness and quality. Many times advisory boards are an extra overhead burden, but in this case, where the GAO is acting as a bridge between the outside technical community and the Congress, I feel it is important that some form of external peer review of the technology assessment process be present.

Sixth, it gives the GAO the necessary authority to enter into contracts with outside groups to obtain the information and technical feedback that does not reside within the GAO, thus avoiding the creation of a bureaucracy within the GAO.

Finally, it requires the GAO to submit an annual report to the Congress on its technology assessment activities from the prior year.

Let me explain what this authorization does not do.

First, it does not create a Technology Assessment Board consisting of members of Congress to help select topics. There was much concern that the OTA became almost beholden to its Technology Assessment Board to the dismay of other members of Congress. I have left the topic selection process to the GAO within their existing authorities, similar to the way they currently schedule and produce reports for members and committees. This process has been refined and tested over many years, and it is flexible enough to accommodate sudden high priority demands. I see no reason why scheduling technology assessments cannot be part of this bigger scheduling process, so that its demands are reflected in the overall scheduling priorities of the GAO.

Second, this legislation does not create a large legislative branch entity. The OTA had upwards of 200 people and a $30 million budget before it was disbanded in 1995. This authorization relies on a core internal group at the GAO that relies on outside entities to provide information where needed and to be a technical sounding board through workshops on a particular technology and its various policy implications.

This legislation strikes an important balance. It establishes some internal legislative branch capability to analyze how technology affects our policy-making duties. It fills a void left when the OTA was abolished by relying on a core team at the GAO using their existing authorities for topic selection. Finally, it provides an important bridge to the many nongovernmental entities and societies that give advice to the executive branch and Congress, while ensuring legislative branch objectivity and quality.

I hope my colleagues join me in supporting this legislation. I hope that it receives a hearing in the Governmental Affairs Committee, so that all sides of the fact finding process can be brought to bear on this bill's strengths and weaknesses, and in so doing, be improved and reported to the floor of the Senate for its full consideration and passage.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2556

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GENERAL ACCOUNTING OFFICE TECHNOLOGY ASSESSMENTS.

(a) FINDINGS AND PURPOSES.—

(1) FINDINGS.—Congress finds that—

(A) it is important for Congress to be better informed regarding the impact of technology on matters of public concern, including implications for economic, national security, social, scientific, and other national policies and programs;

(B) on a pilot basis, the General Accounting Office has demonstrated a capacity to perform independent and objective technology assessments for Congress; and

(C) the development of a cost-effective and efficient capacity for timely and deliberate technology assessments by the General Accounting Office requires the commitment of additional resources and administrative flexibility given the current resource constraints of the General Accounting Office.

(2) PURPOSES.—The purposes of this Act are to—

(A) direct the establishment of a technology assessment capability in the General Accounting Office;

(B) ensure the quality of such technology assessments in order to enhance the ability of Congress to address complex technical issues in a more timely and effective manner; and

(C) condition the development of a technology assessment capability in the General Accounting Office on the provision of adequate additional resources and administrative flexibility.

(b) TECHNOLOGY ASSESSMENTS.—Chapter 7 of title 31, United States Code, is amended by inserting after section 720 the following:

"§ 721. Technology assessments

"(a) The General Accounting Office shall establish a technology assessment capability to coordinate and prepare information for Congress relating to the policy implications of applications of technology.

"(b) The Comptroller General may establish standards and procedures to govern technology assessments performed under this section as the Comptroller General determines necessary.

"(c) Technology assessments performed under this section shall—

"(1) provide Congress with timely and objective information to contribute to legislative consideration of technology applications and their policy implications, including thorough reports, in-depth studies, and short-term consultations;

"(2) be undertaken by the Comptroller General with special attention to the technical expertise and policy analysis skills needed to perform a prospective assessment of technology applications and policy implications;

"(3) be designed, to the extent practicable, to review an application of technology to an issue of public interest, including consideration of benefits, cost, and risks from such technology; and

"(4) include peer review by persons and organizations of appropriate expertise.

"(d) In performing technology assessments, the Comptroller General shall be properly apprised of Federal and non-Federal entities providing information to Congress to—

"(1) enable effective coverage of critical issues; and

"(2) avoid duplication of effort.

"(e) Technology assessments performed under this section may be initiated as provided under section 717(b).

"(f)(1) In consultation with the National Academy of Sciences, the Comptroller General shall establish a technology assessment advisory panel to provide advice on technology assessments performed under this section, methodologies, possible subjects of study, and the means of improving the quality and timeliness of technology assessment services provided to Congress.

"(2) The advisory panel shall consist of 5 members, who by reason of professional background and experience, are specially qualified to advise on technology assessments.

"(3) Terms on the advisory panel shall—

"(A) be for a period of 2 years; and

"(B) begin on January 1, on each year in which a new Congress is convened.

"(4) Notwithstanding section 1342, for the purposes of establishing a technology assessment advisory panel, the Comptroller General may accept and use voluntary and uncompensated services (except for reimbursement of travel expenses). Individuals providing such voluntary and uncompensated services shall not be considered Federal employees, except for purposes of chapter 81 of title 5 and chapter 171 of title 28.

"(g)(1) In order to gain access to technical knowledge, skills, and expertise necessary for a technology assessment performed under this section, the Comptroller General may utilize individuals and enter into contracts or other arrangements to acquire needed expertise with any agency or instrumentality of the United States, with any State, territory, or possession or any political subdivision thereof, or with any person, firm, association, corporation, or educational institution.

"(2) Contracts and other arrangements under this subsection may be entered into—

"(A) with or without reimbursement; and

"(B) without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or section 3324 of this title.

"(h) The Comptroller General shall submit to Congress an annual report on technology assessment activities of the General Accounting Office.

"(i)(1) There are authorized to be appropriated to the General Accounting Office to carry out the activities described in this section, $2,000,000 for each of fiscal years 2004, 2005, and 2006.

"(2) Technology assessments under this section may not be performed during fiscal years 2004, 2005, and 2006, unless a sufficient annual appropriation is provided for such fiscal years.".

(c) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 7 of title 31, United States Code, is amended by inserting after the item relating to section 720 the following:

"721. Technology assessments.".

By Mr. DURBIN (for himself, Mr. REED, Mr. LAUTENBERG, Mr. KENNEDY, Mrs. FEINSTEIN, Mr. CORZINE., Ms. MIKULSKI, Mr. LEVIN, Mr. SCHUMER, Mrs. CLINTON, and Mrs. BOXER):

S. 2557. A bill to amend the Consolidated Appropriations Act, 2004, to strike the restriction on use of funds that requires a 24-hour time limit for destroying identifying information submitted in relation to a firearm background check; to the Committee on the Judiciary.

Mr. DURBIN. Mr. President, today, I am introducing a bill that would repeal a provision in the Consolidated Appropriations Act of 2004, regarding the amount of time that records of approved gun sales can be retained.

This provision, which will be enacted within the next month, was a measure that the House and Senate conferees agreed to drop, but nonetheless was inserted at the last minute into the Conference Report. That provision is opposed by law enforcement and threatens public safety because each year, it would allow hundreds of convicted felons, fugitives, and possibly even terrorists, to have firearms—even though they are prohibited by Federal law from having one.

Under the Brady Handgun Violence Prevention Act, licensed firearms dealers generally are prohibited from transferring firearms to an individual until a search of the National Instant Criminal Background Check System (NICS) determines that the transfer would not violate applicable Federal or State law. For example, these background checks determine if someone is a convicted felon; convicted of a crime of domestic violence or under a domestic violence restraining order; or a fugitive. Current regulations allow the records of approved firearms sales to be retained in a computer database, known as the NICS Audit Log, for up to 90 days, after which the records must be destroyed.

The NICS Audit Log provides many useful and necessary functions. First, it allows examiners to determine if, based on new information, someone who was allowed to receive a firearm is in fact prohibited by federal law from doing so. Second, the NICS Audit Log allows the FBI to search for patterns of fraud and abuse by both gun dealers and purchasers. Finally, it can help determine if gun buyers have submitted false identification in order to thwart the background check system.

The provision that my legislation today would repeal reduced the time these records may be retained from 90 days to 24 hours. This will decrease the effectiveness of the NICS Audit Log and have a dramatic, negative impact on public safety.

In July 2001, the Department of Justice proposed an almost-identical change to the NICS regulations. In response to that proposal, I asked the non-partisan General Accounting Office to conduct a study on its possible effects. The key finding of this study was: "Regarding public safety, the FBI would lose certain abilities to initiate firearm-retrieval actions when new information reveals that individuals who were approved to purchase firearms should not have been. Specifically, during the first 6 months of the current 90-day retention policy, the FBI used retained records to initiate 235 firearm-retrieval actions, of which 228, 97 percent, could not have been initiated under the proposed next-day destruction policy."

Therefore, if this provision is not repealed, each year, more than 450 people who are prohibited by federal law from having a firearm nonetheless will have one.

This number could even be much higher. In the 6 months examined by the GAO, the FBI determined that an additional 179 transactions were initially approved and reversed more than one day later, but did not result in actual firearm sales. In other words, during this six-month period, the background checks yielded a total of 407 mistakes that would not have been caught if the NICS record retention period had been shortened to 24 hours.

Given this negative effect on public safety, many law enforcement agencies and officials have expressed their opposition. For example, the Law Enforcement Steering Committee (LESC), a nonpartisan coalition of organizations representing law enforcement management, labor, and research, is "concerned with provisions included in the omnibus bill addressing firearms purchasing and the reduction of law enforcement oversight." The nine organizations in the LESC are the following: the Federal Law Enforcement Officers Association, the International Brotherhood of Police Officers, the Major Cities Chiefs Association, the Major County Sheriff's Association, the National Association of Police Organizations, the National Organization of Black Law Enforcement Executives, the National Troopers Coalition, the Police Executive Research Forum, and the Police Foundation.

The Federal Bureau of Investigation Agents Association, a non-governmental professional association with a membership of nearly 9,000 current and more than 2,000 retired FBI agents nationwide has written: "The more the retention period is reduced, the more difficult it would become to use the paperwork to investigate or prosecute crimes related to the use of sales of the firearms in question. Any such efforts can only complicate the already difficult task of law enforcement and jeopardize public safety."

Although the FBI Agents Association does not speak for the official FBI, it is worth noting that the FBI's NICS Operations Report in March 2000 recommended extending the retention period from 90 days to one year and noted that the Advisory Policy Board concurred with that recommendation.

Finally, the International Association of Chiefs of Police, the world's oldest and largest association of law enforcement executives, with more than 19,000 members in 90 countries, stands behind its 2001 letter to the FBI, in which the IACP wrote: "We believe that decreasing the amount of time the purchase records are kept will weaken the background check system and allow more criminals to illegally obtain weapons. . . . The IACP believes that the 90-day retention period should not be shortened. Decreasing the retention period of these records to one business day will not provide law enforcement with sufficient time to perform the necessary audits on the NICS system as established by the Brady Act."

In addition to the threat to public safety, this provision will have monetary costs. According to the GAO report, the FBI has determined that when this change in the NICS retention policy is implemented, many of the audits currently conducted on a monthly or quarterly basis would have to be conducted on a real-time basis—either hourly or daily. The FBI has said it would need to add 10 staff members to conduct these real-time audits, which would bring the total number of audit staff to 19.

Especially in this time of increased attention to homeland security, this is not the proper allocation of our limited resources. Unless we repeal this provision, we will be funding ten additional FBI staff members to implement a policy that would allow hundreds of convicted felons and fugitives to keep their firearms. That clearly does not make sense.

The clock is ticking: this provision will go into effect in less than a month, before July 21, 2004. We must act now to keep firearms out of the hands of hundreds of convicted felons, fugitives, and terrorists each year. I urge my colleagues to join me in support of this important, commonsense legislation to promote public safety and to ensure that similar provisions are not enacted in future appropriation legislation.

By Mr. HATCH (for himself, Mr. LEAHY, Mr. FRIST, Mr. DASCHLE, Mr. GRAHAM of South Carolina, and Mrs. BOXER):

S. 2560. A bill to amend chapter 5 of title 17, United States Code, relating to inducement of copyright infringement, and for other purposes; to the Committee on the Judiciary.

Mr. HATCH. Mr. President, I rise with my esteemed colleague and friend, Senator LEAHY, ranking Democrat Member of the Senate Judiciary Committee, to introduce the "Inducing Infringement of Copyrights Act of 2004." This Act will confirm that creative artists can sue corporations that profit by encouraging children, teenagers and others to commit illegal or criminal acts of copyright infringement. Senator LEAHY and I are pleased that Majority Leader FRIST and Minority Leader DASCHLE and Senators GRAHAM and BOXER are co-sponsoring this important bipartisan legislation.

It is illegal and immoral to induce or encourage children to commit crimes. Artists realize that adults who corrupt or exploit the innocence of children are the worst type of villains. In "Oliver Twist", Fagin and Bill Sikes profited by inducing children to steal. In the film "Chitty-Chitty Bang-Bang", the leering "Child-Catcher" lured children into danger with false promises of "free lollipops." Tragically, some corporations now seem to think that they can legally profit by inducing children to steal—that they can legally lure children and others with false promises of "free music."

Such beliefs seem common among distributors of so-called peer-to-peer filesharing ("P2P") software. These programs are used mostly by children and college students—about half of their users are children. Users of these programs routinely violate criminal laws relating to copyright infringement and pornography distribution. Criminal law defines "inducement" as "that which leads or tempts to the commission of crime." Some P2P software appears to be the definition of criminal inducement captured in computer code.

Distributors of some P2P software admit this. The distributors of EarthStation 5 state, "While other peer 2 peer networks like Kazaa or Imesh continue to deny building their programs for illegal file sharing, at ES5 we not only admit why we built ES5, we actually promote P2P, endorse file sharing, and join our users in swapping files!"

Recently, in the Grokster case, a Federal court drew similar conclusions about the intent of other distributors of P2P software. It warned that some P2P distributors "may have intentionally structured their businesses to avoid secondary liability for copyright infringement, while benefiting financially from the illicit draw of their wares." In other words, many P2P distributors may think that they can lawfully profit by inducing children to break the law and commit crimes.

They are dead wrong. America punishes as criminals those who induce others to commit any criminal act, including copyright infringement. The first sentence of our Criminal Code states:

> Whoever commits an offense against the United States or aids, abets, counsels, commands, induces, or procures its commission, is punishable as a principal . . . .

Indeed, it is absurd to think that our law might be otherwise. No civilized country could let sophisticated adults profit by tempting its most vulnerable citizens—its children—to break the law.

I think we must understand how some corporations came to confuse child endangerment with a legal business model. Their confusion seems to arise from court cases misinterpreting a well-intended Supreme Court decision that tried to clarify two critical components of federal law: the law of secondary liability and the law of copyright.

The Supreme Court states that secondary liability is "imposed in virtually all areas of the law." Secondary liability is universal because its logic is compelling. It does not absolve lawbreakers of guilt. But it recognizes that we are all human: We are all more likely to break the law if encouraged or ordered to do so. Secondary liability thus discourages lawlessness by punishing people who manipulate others into doing the "dirty work" of breaking the law. Secondary liability usually targets two types of persons: 1. those who induce others to break the law, and 2. those who control others who break the law.

Though secondary liability is nearly ubiquitous, it has almost always remained as a judge-made, common-law doctrine—and for a good reason. Secondary liability prevents the use of indirect means to achieve illegal ends. Consequently, the scope of secondary liability must be flexible—otherwise, it would just instruct wrong-doers on how to legally encourage or manipulate others into breaking the law. The common-law judicial process is ideally suited to evolve flexible secondary-liability rules from the results of many individual cases.

As a result, Congress rarely codifies secondary liability. It has codified secondary liability to narrow it, as in the Patent Act. Congress has codified secondary liability in the Criminal Code to ensure that the narrow construction given criminal statutes would not foreclose secondary liability. In the Digital Millennium Copyright Act, Congress codified a complex balance between opposed interests that expanded one type of secondary liability and narrowed another.

Congress has always assumed that infringers could readily induce consumers to accept infringing copies of works. It thus created "a potent arsenal of remedies against an infringer . . . ." But secondary liability often arises if a third party can be ordered or induced to make the infringing copies. Consequently, only after copying devices became available to people who might be induced to infringe did questions about secondary liability for infringement become pressing.

In 1984, these questions reached the Supreme Court in Sony Corp. v. Universal City Studios, Inc. Sony held that the makers of the Betamax VCR could not be held secondarily liable in a civil suit brought by copyright holders—even though some consumers would use VCRs to make infringing copies of copyrighted TV broadcasts.

Sony also created a broader limitation on secondary liability by importing a limitation that that Congress had codified only in the Patent Act; this was the substantial-noninfringing-use rule, also called the "staple article of commerce" doctrine. Sony intended this rule to strike, as between creators of works and copying equipment, the same "balance" that it had struck under the Patent Act between the rights of patent holder and makers of staple products.

Under the Patent Act, the substantial-noninfringing-use rule bars secondary liability for selling a "staple" product that has a "substantial noninfringing use"—even if that staple could also be used as a component in an infringing copy of a patented invention. This rule protects makers of staples without changing the nature of secondary liability. In particular, it does not immunize bad actors who intend to distribute "patent-infringement kits." Even in the rare case of a novel invention that consists only of "staple" components, an "infringement kit" must bundle components and include assembly instructions. Neither the bundle nor the instructions will likely have a "substantial noninfringing use."

Sony intended this rule to strike the same admirable "balance" under the Copyright Act. Unfortunately, Sony also proposed that if this rule proved problematic, Congress should alter it on a technology-by-technology basis. This proposal was flawed: In 1976, Congress redrafted the Copyright Act to avoid the need to re-adjust copyrights on a technology-by-technology basis because legislation could no longer keep pace with technological change. Returning to this impractical technology-based approach would create an endless procession of "tech-mandate" laws that discriminate between technologies Congress deems "good" or "bad." But technologies are rarely inherently either "good" or "bad." Most can be used for either purpose; the effect depends on details of implementation impossible to capture—or predict—in prospective legislation.

Of course, the dysfunctional corrective mechanism that Sony proposed would have become problematic only if the Sony limitation was misunderstood or misapplied by lower courts. Unfortunately, that has now happened.

In cases like Napster and Grokster, lower courts misapplied the substantial-non-infringing-use limitation. These courts forgot about "balance" and held that this limitation radically alters secondary liability. In effect, these cases retained secondary liability's control prong but collapsed its inducement prong. The results of these cases prove this point: Napster imposed liability upon a distributor of copying devices who controlled infringing users; Grokster did not impose liability upon distributors who appeared to induce and profit from users' infringement.

A secondary-liability rule that punishes control and immunizes inducement is a public policy disaster. It seems to permit the distribution of "piracy machines" designed to make infringement easy, tempting, and automatic. Even Harvard's Berkman Center for Internet and society suggests that this is happening. The Center warns that "it can be extremely difficult for a non-expert computer user to shut down" the viral redistribution that can otherwise automatically make the user an international distributor of infringing works. The Center notes that the "complexity of KaZaA's installation and disabling functions" may leave many users unaware that they have become a contributor to global, for-profit copyright piracy. Unfortunately, "piracy machines" designed to mislead their users are just one of the perverse effects of a secondary liability rule that punishes control and immunizes inducement.

Perhaps the least perverse of these effects has been years of conflict between the content and technology industries. Content creators sought the tech-mandate "corrections" that Sony proposed. Technology industries opposed such laws because they too easily foreclose innocent or unforeseen applications. P2P software illustrates the problem: Today, most P2P software functions like Earthstation 5's "piracy machine." Yet all agree that non-piracy-adapted implementations of P2P could have legitimate and beneficial uses.

A rule that punishes only control also produces absurd results. Secondary liability should focus on intent to use indirect means to achieve illegal ends. A rule that punishes only control degenerates into inane debate about which indirect means was used. Thus Napster and Grokster are regulated differently—though they function similarly from the perspective of the user, the distributor, or the copyright holder.

A rule that punishes only control also acts as a "tech-mandate" law: It mandates the use of technologies that avoid "control"—regardless of whether they are suited for a particular task. Napster was punished for processing search requests efficiently on a centralized search index that it controlled. Grokster escaped by processing search requests less efficiently on a decentralized search index that it did not control. Rewarding inefficiency makes little sense.

A secondary-liability rule that punishes only control also punishes consumers: It encourages designers to avoid "control" by shifting risks onto consumers. For example, Napster incurred billion-dollar liability because it controlled computers housing a search index that located infringing files. Programs like Kazaa avoid Napster's "control" by moving their search indices onto computers owned by unsuspecting consumers. Consumers were never warned about the risks of housing these indices. As a result, many consumers, universities, and businesses now control computers that house "mini-Napsters"—parts of a search index much like the one that destroyed Napster. These indices could still impose devastating liability upon anyone who "controls" a computer housing them. A secondary-liability rule that punishes only control thus rewards Kazaa for shifting huge risks onto unsuspecting consumers, universities and businesses.

And search indices are just one of the risks that designers of P2P software seem to impose upon their young users to avoid control. For example, the designers of most filesharing software choose to lack the ability to remove or block access to files known to contain viruses, child pornography or pornography mislabeled to be appealing to children. This ability could create "control" and trigger liability. Aiding distributors of viruses and pornography may be just an unfortunate side effect of avoiding control while inducing infringement.

A secondary-liability rule that immunizes inducement also encourages attempts to conceal risks from consumers: It is easier to induce people to take risks if they are unsure whether they are incurring a risk or its severity. The interfaces of most P2P software provide no warnings about the severe consequences of succumbing to the constant temptation of infringement.

Another risk to users of P2P software arises when pornography combines with the "viral redistribution" that thwarts removal of infringing copies of works. Most filesharing networks are awash in pornography, much of it mislabeled, obscene, illegal child pornography, or harmful to minors. Anyone risks criminal prosecution if they distribute pornography accessible to minors over these child-dominated networks. As a result, one P2P distributor who does distribute "adult" content demands that it be protected by access controls. But every adult who uses this distributor's software as intended to download one of millions of unprotected pornographic files automatically makes that pornography available for re-distribution to millions of children. This distributor has sat silently—knowing that its software exposes millions of its users to risks of criminal prosecution that the distributor cannot be paid to endure.

Perhaps the worst effect of punishing control and rewarding inducement is that it achieves precisely what Sony sought to avoid: It leaves copyright holders with an enforcement remedy that is "merely symbolic": It seems real, but it is illusory.

In theory, a rule that immunizes inducement still permits enforcement against those induced to infringe. At first, this remedy seems viable because copyrights have traditionally been enforced in lawsuits against direct infringers who actually make infringing copies of works.

But a fallacy lurks here: The "direct infringers" at issue are not the traditional targets for copyright enforcement. In fact, they are children and consumers: They are the hundreds of millions of Americans—toddlers to seniors—who use and enjoy the creative works that copyrights have helped create.

There is no precedent for shifting copyright enforcement toward the end-users of works. For nearly 200 years, copyright law has been nearly invisible to the millions who used and enjoyed creative works. Copyright law was invisible to consumers because the law gave creators and distributors mutual incentives to negotiate the agreements that ensured that works reached consumers in forms that were safe to use in foreseeable ways. Now, those incentives are collapsing. As a result, artists must now waive their rights or sue consumers—their fans.

Worse yet, artists must sue their fans for the sin of misusing devices designed to be easy and tempting to misuse. That is unfair: When inducement is the disease, infringement can be seen as just a symptom. Yet artists must ignore inducers who profit by chanting, "Hey, kids, infringement is cool, and we will help you get away with it." Instead, artists can only sue kids who succumb to this temptation. They must leave Fagin to his work—and sue Oliver Twist.

This sue-Oliver "remedy" is a debacle. For example, immunizing inducement ensures that artists will have to sue their fans: Inducers will have both the incentive and the means to thwart less extreme measures, like educational campaigns. For example, RIAA tried to avoid lawsuits against filesharers by sending educational instant messages to infringers. Kazaa, for "privacy" reasons, disabled instant messaging by default in the next version of its software. Lawsuits then followed.

And imagine the poor parent who tries to tell a teenager that free downloading of copyrighted music is illegal. The teenager, confused because "everyone is doing it," consults a leading technology-news site promising a "trusted source of information for millions of technology consumers." There, the teenager finds a P2P distributor promoting "Morpheus 4.0, the only American filesharing software ruled legal by a U.S. federal court." This statement is false: Grokster did not rule Morpheus "legal"; in fact, the case only confirmed that downloading copyrighted works is illegal. Below this misinformation, the teenager will find an independent editorial review rating Morpheus 4.0 as a "Recommended" download and "an excellent choice" for those seeking "the latest and greatest." Who will the teenager believe?

Worse yet, if artists must sue only the induced, they just feed the contempt for copyrights that inducers breed. Inducers know that people induced to break a law become that law's enemies: Once you break a law, you must either admit wrongdoing or rationalize your conduct. Rationalization is often so easy. You can blame the law: Copyright is a stupid law needlessly enshrined in the Constitution by naives like James Madison. You can blame the victim: Some rock stars still make money; I do not like the "business model" of the record labels. You can blame the randomness of enforcement: Everyone else was doing it, so why not me? Anyone who has talked to young people about filesharing has heard such rationalizations time and again.

And forcing artists to ignore inducers and sue the induced locks artists into a war of attrition that they are unlikely to win. If you imagine inducement as a bush, this "remedy" forces artists to spend their money to sever each leaf—while the inducer makes money by watering the root. Artists may not be able to sustain this unending battle.

This may let inducers attempt an extortionate form of "outsourcing." Inducers can increase or decrease their devices propensity to encourage piracy. Inducers can thus tell American artists that if the artists pay the inducers to become licensed distributors of their works, perhaps fewer bad things will happen. Implicitly, if artists do not pay, perhaps more bad things will happen. Were artists to succumb to such tactics, jobs and revenues created by the demand for American creative works would go overseas to some unsavory locales.

Worst of all, inducers will inevitably target children. Children would be easily induced to violate complex laws like the Copyright Act. Any child is a terrible enforcement target. And because most adults never induce children to break laws, children induced to infringe copyrights would not even be "bad kids." Indeed, they would probably be smart, mostly law-abiding young people with bright futures. Innocent, mostly law-abiding children make the worst enforcement targets—and thus the best "human shields" to protect an inducer's business model.

This threat to children is real. Today, artists are suing high-volume filesharers who cannot be identified until late in the process. One filesharer sued for violating federal law over 800 times turned out to be a 12-year-old female honor student. This otherwise law-abiding young girl and her family then faced ruin by the girl's favorite artists. The public knew that something was wrong, and it was outraged. So the people who gave that girl an easily misused toy—and profited from her misuse of it—exploited public outrage with crocodile tears about the tactics of "Big Music." And then, I imagine, they laughed all the way to the bank.

The Supreme Court could not have intended to force artists to sue children in order to reduce the profits that adults can derive by encouraging children to break the law. No one would intend that. Yet it seems to be happening.

These are the inevitable results of a secondary-liability rule that immunizes inducement. This "rule" has created the largest global piracy rings in history. These rings now create billions of infringing copies of works, and reap millions in profits for leaders who insulate themselves from direct involvement in crime by inducing children and students to "do the dirty work" of committing illegal or criminal acts. These rings then thwart deterrence and condemn attempts to enforce the law. These rings may now use profits derived from rampant criminality to extort their way into the legal Internet distribution market—a market critical to the future of our artists and children.

This must stop—and stop now. Artists have tried: They targeted for-profit inducers. But artists were thwarted by a court ruling that held, in effect, that although artists can sue exploited children and families into bankruptcy, courts need "additional legislative guidance" to decide whether artists can, instead, sue the corporations that profit by inducing children to break the law. I find this assertion wholly inconsistent with the intent of both Congress and the Supreme Court. But until this fundamentally flawed ruling is overruled by legislation or higher courts, artists cannot hold inducers liable for their actions.

Fortunately, Congress has charged the Department of Justice to enforce the Criminal Code. In the Criminal Code, Congress made it a Federal crime to willfully infringe copyrights or to distribute obscene pornography or child pornography. Congress also made it a crime to induce anyone—child or adult—to commit any Federal crime.

Indeed, Congress codified many forms of criminal secondary liability in the Criminal Code. I have already quoted its first sentence. Here is its second: "Whoever willfully causes an act to be done which if directly performed by him or another would be an offense against the United States, is punishable as a principal." One court has said that this ensures that "[a] crime may be performed through an innocent dupe, with the essential element of criminal intent residing in another person." Not coincidentally, some Federal prosecutors worry that P2P software makes infringement so tempting, easy and automatic that many of its users will lack criminal intent. Perhaps—but their relative innocence will not protect their inducers.

The Criminal Code also codifies other forms of secondary liability, like this one:

> If two or more persons conspire to injure, oppress, threaten any person in any State . . . in the free exercise or enjoyment of any right or privilege secured to him by the Constitution or the laws of the United States, . . . [t]hey shall be fined under this title or imprisoned not more than ten years, or both. . . .

These examples of laws imposing secondary criminal liability have something in common: Congress codified no exceptions for "substantial non-criminal uses." The message is clear: Those who induce others to commit crimes cannot avoid prison by showing that some of them resisted. I will work with my colleagues in Congress to ensure that the Department of Justice enforces the Federal laws that prevent anyone from inducing violations of any Federal law by our citizens, our students, or our children.

Congress, too, must do its part by enacting the Inducing Infringement of Copyrights Act, S. 2560. This bill will protect American artists, children and taxpayers by restoring the privately funded civil remedy crippled by the Grokster ruling. Congress must act: A Federal court has held that artists can only enforce their rights by suing exploited children and students pending "additional legislative guidance" about whether artists can, instead, sue the corporations that profit by inducing children to break laws and commit crimes. Silence could be misinterpreted as support for those who profit by corrupting and endangering others. This bill will restore the tried, privately funded civil enforcement actions long used to enforce copyrights.

This bill will also preserve the Sony ruling without reversing, abrogating or limiting it. The Inducement Act will simply import and adapt the Patent Act's concept of "active inducement" in order to cover cases of intentional inducement that were explicitly not at issue in Sony. The Inducement Act also preserves the Section 512 safe harbors for Internet service providers.

The bill also contains a savings clause to ensure that it provides the "guidance" courts have requested—not an iron-clad rule of decision for all possible future cases. This flexibility is critical because just as infringement cases are fact specific, so should inducement cases center on the facts of a given case, with courts endowed with the flexibility to impose just results. This bill does not purport to resolve or affect existing disagreements about when copies made and used within an individual's home environment are permissible and when they are infringing.

Rather, this bill is about the intentional inducement of global distribution of billions of infringing copies of works at the prodding and instigation of sophisticated corporations that appear to want to profit from piracy, know better than to break the law themselves, and try to shield themselves from secondary liability by inducing others to infringe and then disclaiming control over those individuals.

I also want to thank everyone who has worked with us to craft a bill that addresses this serious threat to children and copyrights without unduly burdening companies that engage in lawful commerce in the wide range of devices and programs that can copy digital files. As Sony illustrates, clear knowledge that a copying device can be used to infringe does not provide evidence of intent to induce infringement. It was critical to find a way to narrowly identify the rare bad actors without implicating the vast majority of companies that serve both consumers and copyright-holders by providing digital copying devices—even though these devices, like all devices, can be misused for unlawful purposes. In particular, I would like to thank the Business Software Alliance for its invaluable assistance in crafting a bill that protects existing legitimate technologies and future innovation in all technologies—including peer-to-peer networking.

Senator LEAHY and I look forward to working with all affected parties to enact this bill and restore the balance and private enforcement that Sony envisioned. But until Congress can enact the Inducing Infringement of Copyrights Act, the duty and authority to stop inducement that targets children and students resides in the Department of Justice that Congress has charged to protect artists, commerce, citizens and children. The Department must act now to clarify some simple facts: America has never legalized the "business model" of Fagin and Bill Sykes. Modern ChildCatchers cannot lawfully profit by luring children into crime with false promises of "free music."

Mr. President, I urge all of my colleagues to support S. 2560, the Inducing Infringement of Copyrights Act.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 2560

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Inducing Infringement of Copyrights Act of 2004".

SEC. 2. INTENTIONAL INDUCEMENT OF COPYRIGHT INFRINGEMENT.

Section 501 of title 17, United States Code, is amended by adding at the end the following:

"(g)(1) In this subsection, the term 'intentionally induces' means intentionally aids, abets, induces, or procures, and intent may be shown by acts from which a reasonable person would find intent to induce infringement based upon all relevant information about such acts then reasonably available to the actor, including whether the activity relies on infringement for its commercial viability.

"(2) Whoever intentionally induces any violation identified in subsection (a) shall be liable as an infringer.

"(3) Nothing in this subsection shall enlarge or diminish the doctrines of vicarious and contributory liability for copyright infringement or require any court to unjustly withhold or impose any secondary liability for copyright infringement.".

Mr. LEAHY. Mr. President, nobody can deny that the digital age has brought many benefits and many challenges to all of us.

In my home state of Vermont, the Internet has revolutionized how we work and how we learn: Distance learning brings the best teaching tools right into rural communities, and new business models let Vermont businesses reach new and far-flung customers. As suppliers who use the Internet, we enjoy access to a range of goods and services unimagined when I was growing up, and the vast panoply of information and entertainment offerings on the World Wide Web are at the fingertips of many Vermonters. Of course, we must work to ensure that everyone can reap the benefits of the digital age, and I am striving both here in Washington and in my state to do what is necessary to bring affordable and reliable Internet access to every household.

I am confident that, with continued focus and perseverance, the day of universal access is coming and we will all take part in the many advantages of the digital age. But there are other problems that require immediate attention, because they threaten the development of the web. We will never be able to make the Internet an entirely trouble-free zone, but we will also never be justified in failing to make efforts to defend and improve it.

One important effort to improve it is the bill that I am proud to introduce today—along with Senators HATCH, DASCHLE, FRIST, BOXER, and GRAHAM of South Carolina—the "Inducing Infringement of Copyright Act of 2004."

The "Inducing Infringement of Copyright Act of 2004" is a straightforward bill. Our legislation treats those who induce others to violate copyrights as infringers themselves. This is not a novel concept: it is the codification of a long-standing principle of intellectual property law: that infringement liability reaches not only direct infringers but also those who intentionally induce illegal infringement. And while the legal principle is an old one, the problems of inducement for copyright are a relatively new byproducts of the digital age—an age in which it is easy, and often profitable, to induce others to violate copyrights through illegal downloading from the Internet.

The principle at the heart of this bill—secondary copyright liability—has long been in the common law. In fact, such secondary liability is provided for by statute in the patent law. The patent code provides liability for inducing infringement and for the sale of material components of patented machines, when the components are not a staple article of commerce suitable for substantial non-infringing use. This is because it has long been relatively simple and economically worthwhile to induce patent infringement. By contrast, until recently the ability to illegally download music, books, software, and films has not existed. Recent developments, however, now make it necessary for Congress to clarify that this principle also applies to copyrights.

What the inducement bill does not do is just as important as what it does: It does not target technology. Useful legislation on this topic must address the copyright issue and not demonize certain software. As a practical matter, if a law is targeted at certain software, the designers will simply design around the law and render it useless. And as a matter of effectiveness, if the law addresses only well-understood present threats, it will necessarily be too narrow to encompass future technologies that may pose the same threat to copyrights. A law that deals simply with the copyrights—and their violation—is far less likely to be circumvented or out-dated before it can do any good. It will be both broad enough and sufficiently flexible to accommodate situations we cannot foresee.

This legislation is also carefully crafted to preserve the doctrine of "fair use." Indeed by targeting the illegal conduct of those who have hijacked promising technologies, we can hope that consumers in the future have more outlets to purchase creative works in a convenient, portable digital format. Similarly, the bill will continue to promote the development of new technologies as it will not impose liability on the manufacturers of copying technology merely because the possibility exists for abuse. Finally, the bill will not affect Internet service providers who comply with the safe harbor provisions of the Digital Millennium Copyright Act.

Copyright law protecting intellectual property is one of the taproots of our economy and of our creativity as a nation. For copyright law to work as the Founders intended, it needs effective enforcement. That means adapting enforcement tools to meet new challenges, in the digital age or in any age. And that is the straightforward purpose of this bill.

I would like to take a moment also to emphasize another important, if obvious, point about this bill that some detractors have ignored. The law only penalizes those who intentionally induce others to infringe copyrights. Thus, the makers of electronic equipment, the software vendors who sell email and other programs, the Internet service providers who facilitate access to the Web—all of these entities have nothing to fear from this bill. So long as they do not conduct their businesses with the intention of inducing others to break the law—and I certainly have not heard from anyone who makes that claim—they should rest easy. The only actors who have anything to fear are those that are already breaking the law: this bill simply clarifies and codifies that long-standing doctrine of secondary liability.

The "Inducing Infringement of Copyright Act of 2004" is a simple fix to a growing problem. The bill protects the rights inherent in creative works, while helping to ensure that those same works can be easily distributed in digital format.

Mr. FRIST. Mr. President, I rise in support of the Inducing Infringement of Copyrights Act of 2004 introduced today by Senators HATCH and LEAHY. I am proud to be an original cosponsor. The Inducement Act addresses the growing problem of online piracy—the illegal downloading of copyrighted music. Piracy is devastating the music community and threatening other forms of copyrighted work. This commonsense, bipartisan legislation takes important steps in protecting our Nation's intellectual property.

When I return home to Nashville and drive down Music Row, my heart sinks as I see the "For Sale" and "For Rent" signs everywhere. The once vibrant music community is being decimated by online piracy. No one is spared. It is hitting artists, writers, record companies, performing rights organizations, and publishers.

Every month 2.6 billion music files are illegally downloaded using peer-to-peer networks, and it is not unusual for albums to show up on the Internet before they make it to the record store. The effect of this theft of intellectual property is disastrous to the creative industry. In the end, rampant piracy dries up income and drives away professional musicians. We get fewer artists and less music.

Online piracy affects more than just the music industry. It affects a broad swath of the creative field, including the movie and software industries. Music, movies, books, and software contribute well over half a trillion dollars to the U.S. economy each year and support 4.7 million workers. When our copyright laws are blatantly ignored or threatened, an enormous sector of our economy and creative culture is threatened.

The intent of the anti-piracy bill being introduced today is simple. It holds liable those who intentionally induce others to commit illegal acts of copyright infringement. In other words, it targets the bad actors who are encouraging others to steal. In addition, the general cause of action in this bill is not new or revolutionary. It is based on the theory of secondary liability that is found squarely in our Nation's laws.

This bill should not and does not threaten in any manner the further advancement of technology. It is not a technology mandate. Only individuals or organizations which profit from intentionally encouraging others to violate our copyright laws should fear this legislation. It has been carefully crafted and will be thoroughly reviewed to ensure that its language accurately reflects its sound intent.

The future of the music community is with advancing technology, and I encourage those in the music field to continue to offer innovative choices to consumers. It is important to recognize, however, that no one in the music industry or any other intellectual property field can survive when his or her work is being stolen. Those who are intentionally and actively encouraging this theft should be held accountable.

I would like to thank Senator HATCH for his hard work on this bill and his dedication to this issue. I would also like to thank Senator LEAHY for his work. This is truly a bipartisan issue, and I look forward to working with Members on both sides of the aisle to ensure that our intellectual property laws are respected and enforced.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 387—COMMEMORATING THE 40TH ANNIVERSARY OF THE WILDERNESS ACT

Mr. FEINGOLD (for himself, Mr. SUNUNU, Mr. HAGEL, Mr. DURBIN, Mrs. BOXER, Mr. MCCAIN, Mrs. MURRAY, Mr. LUGAR, Mr. WARNER, Mr. CHAFEE, Ms. SNOWE, and Ms. COLLINS) submitted the following resolution; which was referred to the Committee on Energy and Natural Resources:

S. RES. 387

Whereas September 3, 2004, will mark the 40th Anniversary of the enactment of the Wilderness Act (16 U.S.C. 1131 et seq.), which gave to the people of the United States an enduring resource of natural heritage as part of the National Wilderness Preservation System;

Whereas great American writers such as Ralph Waldo Emerson, Henry David Thoreau, George Perkins Marsh, and John Muir joined poets like William Cullen Bryant, and painters such as Thomas Cole, Frederic Church, Frederic Remington, Albert Bierstadt, and Thomas Moran to define the United States' distinct cultural value of wild nature and unique concept of wilderness;

Whereas national leaders such as President Theodore Roosevelt reveled in outdoor pursuits and sought diligently to preserve those opportunities for molding individual character, shaping a nation's destiny, striving for balance, and ensuring the wisest use of natural resources, to provide the greatest good for the greatest many;

Whereas luminaries in the conservation movement, such as scientist Aldo Leopold, forester Bob Marshall, writer Howard Zahniser, teacher Sigurd Olson, biologists Olaus and Adolph Murie, and conservationist David Brower believed that the people of the United States could have the boldness to project into the eternity of the future some of the wilderness that has come from the eternity of the past;

Whereas Senator Hubert H. Humphrey, a Democrat from Minnesota, and Representative John Saylor, a Republican from Pennsylvania, originally introduced the legislation with strong bipartisan support in both bodies of Congress;

Whereas with the help of their colleagues, including cosponsors Gaylord Nelson, William Proxmire, and Henry "Scoop" M. Jackson, and other conservation allies, including Secretary of Interior Stewart L. Udall and Representative Morris K. Udall, Senator Humphrey and Representative Saylor toiled 8 years to secure nearly unanimous passage of the legislation, 78 to 8 in the Senate, and 373 to 1 in the House of Representatives;

Whereas critical support in the Senate for the Wilderness Act came from 3 Senators who still serve in the Senate as of 2004: Senator Robert C. Byrd, Senator Daniel Inouye, and Senator Edward M. Kennedy;

Whereas President John F. Kennedy, who came into office in 1961 with enactment of wilderness legislation part of his administration's agenda, was assassinated before he could sign a bill into law;

Whereas 4 wilderness champions, Aldo Leopold, Olaus Murie, Bob Marshall, and Howard Zahniser, sadly, also passed away before seeing the fruits of their labors ratified by Congress and sent to the President;

Whereas President Lyndon B. Johnson signed into law the Wilderness Act in the Rose Garden on September 3, 1964, establishing a system of wilderness heritage as President Kennedy and the conservation community had so ardently envisioned and eloquently articulated;

Whereas now, as a consequence of wide popular support, the people of the United States have a system of places wild and free for the permanent good of the whole people of this great Nation;

Whereas over the past 40 years the system for protecting an enduring resource of wilderness has been built upon by subsequent Presidents, successive leaders of Congress, and experts in the land managing agencies within the Departments of the Interior and Agriculture;

Whereas today that system is 10 times larger than when first established;

Whereas the Wilderness Act instituted an unambiguous national policy to recognize the natural heritage of the United States as a resource of value and to protect that wilderness for future generations to use and enjoy as previous and current generations have had the opportunity to do;

Whereas since 1964, when the first 9,000,000 acres of wilderness were included by Congress, more than 110 additional laws have been passed to build the National Wilderness Preservation System to its current size of 106,000,000 acres;

Whereas wild places protected in perpetuity can currently be found and enjoyed in 44 of the Nation's 50 States;

Whereas this wealth of the heritage of the United States can be seen today from Alaska to Florida in over 650 units, from Fire Island in New York's Long Island South Shore and Ohio's West Sister Island in Lake Erie, to far larger Mojave in eastern California and Idaho's River of No Return;

Whereas President Gerald R. Ford stated that the National Wilderness Preservation System "serves a basic need of all Americans, even those who may never visit a wilderness area—the preservation of a vital element of our natural heritage" and that, "wilderness preservation ensures that a central facet of our Nation can still be realized, not just remembered"; and

Whereas President Gerald R. Ford has joined with President Jimmy Carter and more than 100 other prominent United States citizens as honored members of Americans for Wilderness, a committee formed to celebrate this national achievement: Now, therefore, be it

Resolved, That the Senate—

(1) commemorates the 40th Anniversary of the Wilderness Act (16 U.S.C. 1131 et seq.);

(2) recognizes and applauds the extraordinary work of the individuals and organizations involved in building the National Wilderness Preservation System; and

(3) is grateful for the tremendous asset the United States has been able to pass along as a gift to future people of the United States.

Mr. FEINGOLD. Mr. President, as founder of the Senate Wilderness Caucus, I am submitting a Senate resolution today to commemorate the 40th anniversary of the Wilderness Act of 1964, which was signed into law on September 3, 1964, by President Lyndon B. Johnson. I thank the following colleagues for their support as cosponsors: Senator SUNUNU, Senator HAGEL, Senator DURBIN, Senator BOXER, Senator MCCAIN, Senator MURRAY, Senator LUGAR, Senator WARNER, Senator CHAFEE, Senator SNOWE, and Senator COLLINS.

The Wilderness Act became law seven years after the first wilderness bill was introduced by Senator Hubert H. Humphrey of Minnesota. The final bill, sponsored by Senator CLINTON ANDERSON of New Mexico, passed the Senate by a vote of 73–12 on April 9, 1963, and passed the House of Representatives by a vote of 373–1 on July 30, 1964. The Wilderness Act of 1964 established a National Wilderness Preservation System "to secure for the American people of present and future generations the benefits of an enduring resource of wilderness." The law gives Congress the authority to designate wilderness areas, and directs the Federal land management agencies to review the lands under their responsibility for their wilderness potential.

Under the Wilderness Act, wilderness is defined as "an area of undeveloped Federal land retaining its primeval character and influence which generally appears to have been affected primarily by the forces of nature, with the imprint of man's work substantially unnoticeable." The creation of a national wilderness system marked an innovation in the American conservation movement—wilderness would be a place where our "management strategy" would be to leave lands essentially undeveloped.

The original Wilderness Act established 9.1 million acres of Forest Service land in 54 wilderness areas. Now, after passage of 102 pieces of legislation, the wilderness system is comprised of over 104 million acres in 625 wilderness areas, across 44 States, and administered by four federal agencies: the Forest Service in the U.S. Department of Agriculture, and the Bureau of Land Management, the Fish and Wildlife Service, and the National Park Service in the Department of the Interior.

As we in this body know well, the passage and enactment of the Wilderness Act was a remarkable accomplishment that required steady, bipartisan commitment, institutional support, and strong leadership. The United States Senate was instrumental in shaping this very important law, and this anniversary gives us the opportunity to recognize this role.

As a Senator from Wisconsin, I feel a special bond with this issue. The concept of wilderness is inextricably linked with Wisconsin. Wisconsin has produced great wilderness thinkers and leaders in the wilderness movement such as Senator Gaylord Nelson and the writer and conservationist Aldo Leopold, whose A Sand County Almanac helped to galvanize the environmental movement. Also notable is Sierra Club founder John Muir, whose birthday is the day before Earth Day. Wisconsin also produced Sigurd Olson, one of the founders of the Wilderness Society.

I am privileged to hold the Senate seat held by Gaylord Nelson, a man for whom I have the greatest admiration and respect. Though he is a well-known and widely respected former Senator and former two-term Governor of Wisconsin, and the founder of Earth Day, some may not be aware that he is currently devoting his time to the protection of wilderness by serving as a counselor to the Wilderness Society—an activity which is quite appropriate for someone who was also a co-sponsor, along with former Senator Proxmire, of the bill that became the Wilderness Act.

The testimony at congressional hearings and the discussion of the bill in the press of the day reveals Wisconsin's crucial role in the long and continuing American debate about our wild places, and in the development of the Wilderness Act. The names and ideas of John Muir, Sigurd Olson, and, especially, Aldo Leopold, appear time and time again in the legislative history.

Senator CLINTON ANDERSON of New Mexico, chairman of what was then called the Committee on Interior and Insular Affairs, stated that his support of the wilderness system was the direct result of discussions he had held almost forty years before with Leopold, who was then in the Southwest with the Forest Service. It was Leopold who, while with the Forest Service, advocated the creation of a primitive area in the Gila National Forest in New Mexico in 1923. The Gila Primitive Area formally became part of the wilderness system when the Wilderness Act became law.

In a statement in favor of the Wilderness Act in the New York Times, then-Secretary of the Interior Stewart Udall discussed ecology and what he called "a land ethic" and referred to Leopold as the instigator of the modern wilderness movement. At a Senate hearing in 1961, David Brower of the Sierra Club went so far as to claim that "no man who reads Leopold with an open mind will ever again, with a clear conscience, be able to step up and testify against the wilderness bill." For others, the ideas of Olson and Muir—particularly the idea that preserving wilderness is a way for us to better understand our country's history and the frontier experience—provided a justification for the wilderness system.

In closing, I would like to remind colleagues of the words of Aldo Leopold in his 1949 book, A Sand County Almanac. He said, "The outstanding scientific discovery of the twentieth century is not the television, or radio, but rather the complexity of the land organism. Only those who know the most about it can appreciate how little is known about it." We still have much to learn, but this anniversary of the Wilderness Act reminds us how far we have come and how the commitment to public lands that the Senate and the Congress demonstrated forty years ago continues to benefit all Americans.

Mr. WARNER. Mr. President, I am pleased to join my colleagues in cosponsoring this resolution to honor and celebrate the 40th Anniversary of the Wilderness Act, and the contributions of those who have created a glorious wilderness system throughout the United States for all Americans to enjoy.

This anniversary provides a time for personal reflection on what wild places mean to us as individuals and society as a whole. As I consider the fact that this July 4 our country will celebrate her 228th year of independence, I marvel at the great changes she has seen. America has seen wars, the Industrial Revolution, the Great Depression, the Technology Age, times of prosperity and times of challenge. With all of these changes, much of America's landscape has been transformed.

I also think back to America as I knew her as a child and how she has rapidly grown and changed during my 77 years. I feel indebted to those whose foresight resulted in the Wilderness Act legislation, and whose tireless efforts saw this act signed into law. In addition, I recognize all those who have championed the expansion of the wilderness system which now encompasses 106,000,000 acres nationwide.

During my 26 years in the U.S. Senate, I have worked to pass three Virginia wilderness bills through Congress. In fact, I recently introduced the Virginia Ridge and Valley Wilderness and National Scenic Areas Act of 2004 which, if passed, would create an additional 29,000 acres of wilderness in southwest Virginia. With 177,214 acres of wilderness, Virginia's wild and beautiful landscapes will remain untouched by civilization. Visitors from across America can experience Virginia's wilderness and enjoy great beauty, solitude, primitive recreation, and nature in its true form.

I feel very strongly that the Wilderness Act is a vehicle whereby we can pay tribute to our great country by preserving some of her heritage and history. Though development, growth and change continue, we will have pockets of undisturbed lands for solitude, reflection, and recreation. In these areas we can keep America's natural diversity, wildlife habitats, and vegetation intact. Through the efforts, passion, and vision of many, we will leave a natural legacy of wildlands to future generations of America.

SENATE RESOLUTION 388—COMMEMORATING THE 150TH ANNIVERSARY OF THE FOUNDING OF THE PENNSYLVANIA STATE UNIVERSITY

Mr. SANTORUM (for himself and Mr. SPECTER) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 388

Whereas in 1854, the Farmers' High School was founded in Centre County, Pennsylvania in response to the State Agricultural Society's interest in establishing an educational institution to bring general education and modern farming methods to the farmers of the Commonwealth of Pennsylvania;

Whereas in 1855, the Farmers' High School was granted a permanent charter by the Pennsylvania General Assembly;

Whereas the Morrill Land-Grant Act of 1862 provided for the distribution of grants of public lands owned by the Federal Government to the States for establishing and maintaining institutions of higher learning;

Whereas in 1863, the Commonwealth accepted a grant of land provided through such Act, establishing one of the first two land-grant institutions in the United States, and designated the Farmers' High School, renamed the Agricultural College of Pennsylvania, as the Commonwealth's sole land-grant institution;

Whereas in 1874, the Agricultural College of Pennsylvania was renamed The Pennsylvania State College and in 1953, such was renamed The Pennsylvania State University;

Whereas with a current enrollment of 83,000, The Pennsylvania State University consists of 11 academic schools, 20 additional campuses located throughout the Commonwealth, the College of Medicine, The Dickinson School of Law, and The Pennsylvania College of Technology;

Whereas 1 in every 8 Pennsylvanians with a college degree, 1 in every 720 Americans, 1 in every 50 engineers, and 1 in every 4 meteorologists are alumni of The Pennsylvania State University;

Whereas formed in 1870, The Pennsylvania State University Alumni Association is the largest dues-paying alumni association in the nation;

Whereas The Pennsylvania State University has the largest outreach effort in United States higher education, delivering programs to learners in 87 countries and all 50 States;

Whereas The Pennsylvania State University consistently ranks in the top 3 universities in terms of SAT scores received from high school seniors;

Whereas The Pennsylvania State University annually hosts the largest student-run philanthropic event in the world, which benefits the Four Diamonds Fund for families with children being treated for cancer;

Whereas the missions of instruction, research, outreach and extension continue to be the focus of The Pennsylvania State University;

Whereas The Pennsylvania State University is renown for the following: the rechargeable heart pacemaker design, the heart-assist pump design, 4 astronauts to have flown in space including the first African-American, and the first institution to offer an Agriculture degree; and

Whereas The Pennsylvania State University is one of the most highly regarded research universities in the nation, with an outreach extension program that reaches nearly 1 out of 2 Pennsylvanians a year and an undergraduate school of immense scope and popularity: Now, therefore, be it

Resolved, That the Senate commemorates the 150th anniversary of the founding of The Pennsylvania State University and congratulates its faculty, staff, students, alumni, and friends on the occasion.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3464. Mr. BROWNBACK proposed an amendment to amendment SA 3235 proposed by Mr. Brownback to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

SA 3465. Mr. REID (for Mr. Dorgan (for himself, Ms. Snowe, and Ms. Cantwell)) proposed an amendment to amendment SA 3235 proposed by Mr. Brownback to the bill S. 2400, supra.

SA 3466. Mr. REID (for Mr. Hollings) proposed an amendment to amendment SA 3235 proposed by Mr. Brownback to the bill S. 2400, supra.

SA 3467. Mr. ENSIGN proposed an amendment to amendment SA 3315 proposed by Ms. Landrieu to the bill S. 2400, supra.

SA 3468. Mr. DASCHLE (for himself, Mr. Dorgan, Mrs. Murray, Mr. Nelson, of Florida, Mr. Kerry, Mr. Reid, Mr. Lautenberg, Mr. Rockefeller, Mrs. Boxer, and Mr. Dayton) proposed an amendment to amendment SA 3409 proposed by Mr. Daschle to the bill S. 2400, supra.

SA 3469. Mr. REID proposed an amendment to amendment SA 3387 proposed by Mr. Leahy to the bill S. 2400, supra.

SA 3470. Mr. NELSON of Florida submitted an amendment intended to be proposed to amendment SA 3315 proposed by Ms. Landrieu to the bill S. 2400, supra; which was ordered to lie on the table.

SA 3471. Mr. WARNER proposed an amendment to the bill S. 2400, supra.

SA 3472. Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill S. 2400, supra; which was ordered to lie on the table.

SA 3473. Mr. FRIST (for Mrs. Feinstein) proposed an amendment to the joint resolution S.J. Res. 33, expressing support for freedom in Hong Kong.

TEXT OF AMENDMENTS

SA 3464. Mr. BROWNBACK proposed an amendment to amendment SA 3235 proposed by Mr. Brownback to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

Strike page 1 line 2 through page 3 line 3 and insert the following:

SEC. . BROADCAST DECENCY ENFORCEMENT ACT OF 2004.

(a) Short Title.—This section may be cited as the "Broadcast Decency Enforcement Act of 2004".

(b) Increase in Penalties for Obscene, Indecent, and Profane Broadcasts.—Section 503(b)(2) of the Communications Act of 1934 (47 U.S.C. 503(b)(2)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively;

(2) by inserting after subparagraph (B) the following new subparagraph:

"(C) Notwithstanding subparagraph (A), if the violator is—

"(i)(I) a broadcast station licensee or permittee; or

"(II) an applicant for any broadcast license, permit, certificate, or other instrument or authorization issued by the Commission; and

"(ii) determined by the Commission under paragraph (1) to have broadcast obscene, indecent, or profane language, the amount of any forfeiture penalty determined under this subsection shall not exceed $275,000 for each violation or each day of a continuing violation, except that the amount assessed for any continuing violation shall not exceed a total of $3,000,000 for any single act or failure to act."; and

(3) in subparagraph (D), as redesignated by paragraph (1), by striking "subparagraph (A) or (B)" and inserting "subparagraph (A), (B), or (C)".

(c) Effective Date.—This section shall take effect 2 days after the date of enactment of this section.

SA 3465. Mr. REID (for Mr. Dorgan (for himself, Ms. Snowe, and Ms. Cantwell)) proposed an amendment to amendment SA 3235 proposed by Mr. Brownback to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows;

In the amendment, strike all beginning on page 1, line 2, through page 3, line three, and insert the following:

SEC. . BROADCAST DECENCY ENFORCEMENT ACT OF 2004.

(a) Short Title.—This section may be cited as the "Broadcast Decency Enforcement Act of 2004".

(b) Purpose.—The purpose of this section is to increase the FCC's authority to fine for indecent broadcasts and prevent further relaxation of the media ownership rules in order to stem the rise of indecent programming.

(c) Findings.—The Congress makes the following findings:

(1) Since 1996 there has been significant consolidation in the media industry, including:

(A) Radio.—Clear Channel Communications went from owning 43 radio stations prior to 1996 to over 1200 as of January 2003; Cumulus Broadcasting, Inc. was established in 1997 and owned 266 stations as of December 2003, making it the second-largest radio ownership company in the country; and Infinity Broadcasting Corporation went from owning 43 radio stations prior to 1996 to over 185 stations as of June 2004;

(B) Television.—Viacom/CBS's national ownership of television stations increased from 31.53% of U.S. television households prior to 1996 to 38.9% in 2004; GE/NBC's national ownership of television stations increased from 24.65% prior to 1996 to 33.56% in 2004; NewsCorp/FOX's national ownership of television stations increased from 22.05% prior to 1996 to 37.7% in 2004;

(C) Media mergers.—In 2000, Viacom merged with CBS and UPN; in 2002, GE/NBC merged with Telemundo Communications, Inc. and in 2004 with Vivendi Universal Entertainment; in 2003 News Corp./Fox acquired a controlling interest in DirecTV; in 2000, Time Warner, Inc. merged with America Online.

(2) Over the same period that there has been significant consolidation in the media industry the number of indecency complaints also has increased dramatically. The largest owners of television and radio broadcast holdings have received the greatest number of indecency complaints and the largest fines, including:

(A) Over 80% of the fines proposed by the Federal Communications Commission for indecent broadcasts were against stations owned by two of the top three radio companies. The top radio company alone accounts for over two-thirds of the fines proposed by the FCC;

(B) Two of the largest fines proposed by the FCC were against two of the top three radio companies;

(C) In 2004, the FCC received over 500,000 indecency complaints in response to the Superbowl Halftime show aired on CBS and produced by MTV, both of which are owned by Viacom. This is the largest number of complaints ever received by the FCC for a single broadcast;

(D) The number of indecency complaints increased from 111 in 2000 to 240,350 in 2003;

(3) Media conglomerates do not consider or reflect local community standards.

(A) The FCC has no record of a television station owned by one of the big four networks (Viacom/CBS, Disney/ABC, News Corp./Fox or GE/NBC) pre-empting national programming for failing to meet community standards;

(B) FCC records show that non-network owned stations have often rejected national network programming found to be indecent and offensive to local community standards;

(C) A letter from an owned and operated station manager to a viewer stated that programming decisions are made by network headquarters and not the local owned and operated television station management;

(D) The Parents Television Council has found that the "losers" of network ownership "are the local communities whose standards of decency are being ignored;"

(4) The Senate Commerce Committee has found that the current fines do not deter indecent broadcast because they are merely the cost of doing business for large media companies. Therefore, in order to prevent the continued rise of indecency violations, the FCC's authority for indecency fines should be increased and further media consolidation should be prevented.

(d) INCREASE IN PENALTIES FOR OBSCENE, INDECENT, AND PROFANE BROADCASTS.—section 503(b)(2) of the Communications Act of 1934 (47 U.S.C. 503(b)(2)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively;

(2) by inserting after subparagraph (B) the following new subparagraph:

"(C) Notwithstanding subparagraph (A), if the violator is—

"(i)(I) a broadcast station licensee or permittee; or

"(II) an applicant for any broadcast license, permit, certificate, or other instrument or authorization issued by the Commission; and

"(ii) determined by the Commission under paragraph (1) to have broadcast obscene, indecent, or profane language, the amount of any forfeiture penalty determined under this subsection shall not exceed $275,000 for each violation or each day of a continuing violation, except that the amount assessed for any continuing violation shall not exceed a total of $3,000,000 for any single act or failure to act."; and

(3) in subparagraph (D), as redesignated by paragraph (1), by striking "subparagraph (A) or (B)" and inserting "subparagraph (A), (B), or (C)".

(e) NEW BROADCAST MEDIA OWNERSHIP RULES SUSPENDED. (1) SUSPENSION.—Subject to the provisions of paragrapls (d)(2), the broadcast media ownrship rules adopted by the Federal Communications Commission on June 2, 2003, pursuant to its proceeding on broadcast media ownership rules, Report and Order FCC03-127, published at 68 FR 46286, August 5, 2003, shall be invalid and without legal effect.

(2) CLARIFICATION.—The provisions of paragraph (1) shall not supersede the amendments made by section 629 of the Miscellaneous Appropriations and Offsets Act, 2004 (Public Law 108-199).

SA. 3466. Mr. REID (for Mr. HOLLINGS) proposed an amendment to amendment SA 3235 proposed by Mr. BROWNBACK to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

SEC. 201. SHORT TITLE.

This title may be cited as the "Children's Protection from Violent Programming Act".

SEC. 202. FINDINGS.

The Congress makes the following findings:

(1) Television influences children's perception of the values and behavior that are common and acceptable in society.

(2) Broadcast television, cable television, and video programming are—

(A) uniquely pervasive presences in the lives of all American children; and

(B) readily accessible to all American children.

(3) Violent video programming influences children, as does indecent programming.

(4) There is empirical evidence that children exposed to violent, video programming at a young age have a higher tendency to engage in violent and aggressive behavior later in life than those children not so exposed.

(5) There is empirical evidence that children exposed to violent video programming have a greater tendency to assume that acts of violence are acceptable behavior and therefore to imitate such behavior.

(6) There is empirical evidence that children exposed to violent video programming have an increased fear of becoming a victim of violence, resulting in increased self-protective behaviors and increased mistrust of others.

(7) There is a compelling governmental interest in limiting the negative influences of violent video programming on children.

(8) There is a compelling governmental interest in channeling programming with violent content to periods of the day when children are not likely to comprise a substantial portion of the television audience.

(9) A significant amount of violent programming that is readily accessible to minors remains unrated specifically for violence and therefore cannot be blocked solely on the basis of its violent content.

(10) Age-based ratings that do not include content rating for violence do not allow parents to block programming based solely on violent content thereby rendering ineffective any technology-based blocking mechanism designed to limit violent video programming.

(11) The most recent study of the television ratings system by the Kaiser Family Foundation concludes that 79 percent of violent programming is not specifically rated for violence.

(12) Technology-based solutions, such as the V-chip, may be helpful in protecting some children, but cannot achieve the compelling governmental interest in protecting all children from violent programming when parents are only able to block programming that has, in fact, been rated for violence.

(13) Restricting the hours when violent programming can be shown protects the interests of children whose parents are unavailable, unable to supervise their children's viewing behavior, do not have the benefit of technology-based solutions, are unable to afford the costs of technology-based solutions, or are unable to determine the content of those shows that are only subject to age-based ratings.

(14) After further study, pursuant to a rule making, the Federal Communications Commission may conclude that content-based ratings and blocking technology do not effectively protect children from the harm of violent video programming.

(15) If the Federal Communications Commission reaches the conclusion described in paragraph (14), the channeling of violent video programming will be the least restrictive means of limiting the exposure of children to the harmful influences of violent video programming.

SEC. 203. ASSESSMENT OF EFFECTIVENESS OF CURRENT RATING SYSTEM FOR VIOLENCE AND EFFECTIVENESS OF V-CHIP IN BLOCKING VIOLENT PROGRAMMING.

(a) REPORT.—The Federal Communications Commission shall—

(1) assess the effectiveness of measures to require television broadcasters and multichannel video programming distributors (as defined in section 602(13) of the Communications Act of 1934 (47 U.S.C. 522(13)) to rate and encode programming that could be blocked by parents using the V-chip undertaken under section 715 of the Communications Act of 1934 (47 U.S.C. 715) and under subsections (w) and (x) of section 303 of that Act (47 U.S.C. 303(w) and (x)) in accomplishing the purposes for which they were enacted; and

(2) report its findings to the Committee on Commerce, Science, and Transportation of the United States Senate and the Committee on Energy and Commerce of the United States House of Representatives, within 12 months after the date of enactment of this Act, and annually thereafter.

(b) ACTION.—If the Commission finds at any time, as a result of its ongoing assessment under subsection (a), that the measures referred to in subsection (a)(1) are insufficiently effective, then the Commission shall complete a rulemaking within 270 days after the date on which the Commission makes that finding to prohibit the distribution of violent video programming during the hours when children are reasonably likely to comprise a substantial portion of the audience.

(c) DEFINITIONS.—Any term used in this section 2 that is defined in section 715 of the Communications Act of 1934 (47 U.S.C. 715), or in regulations under that section, has the same meaning as when used in that section or in those regulations.

SEC. 204. UNLAWFUL DISTRIBUTION OF VIOLENT VIDEO PROGRAMMING THAT IS NOT SPECIFICALLY RATED FOR VIOLENCE AND THEREFORE IS NOT BLOCKABLE.

Title VII of the Communications Act of 1934 (47 U.S.C. 701 et seq.) is amended by adding at the end the following:

"SEC. 715. UNLAWFUL DISTRIBUTION OF VIOLENT VIDEO PROGRAMMING NOT SPECIFICALLY BLOCKABLE BY ELECTRONIC MEANS.

"(a) UNLAWFUL DISTRIBUTION.—It shall be unlawful for any person to distribute to the public any violent video programming not blockable by electronic means specifically on the basis of its violent content during hours when children are reasonably likely to comprise a substantial portion of the audience.

"(b) RULEMAKING PROCEEDING.—The Commission shall conduct a rulemaking proceeding to implement the provisions of this section and shall promulgate final regulations pursuant to that proceeding not later than 9 months after the date of enactment of the Children's Protection from Violent Programming Act. As part of that proceeding, the Commission—

"(1) may exempt from the prohibition under subsection (a) programming (including news progams and sporting events) whose distribution does not conflict with the objective of protecting children from the negative influences of violent video programming, as that objective is reflected in the findings in section 551(a) of the Telecommunications Act of 1996;

"(2) shall exempt premium and pay-per-view cable programming and premium and pay-per-view direct-to-home satellite programming; and

"(3) shall define the term 'hours when children are reasonably likely to comprise a substantial portion of the audience' and the term 'violent video programming'.

"(c) ENFORCEMENT.—

"(1) FORFEITURE PENALTY.—The forfeiture penalties established by section 503(b) for violations of section 1464 of title 18, United States Code, shall apply to a violation of this section, or any regulation promulgated under it in the same manner as if a violation of this section, or such a regulation, were a violation of law subject to a forfeiture penalty under that section.

"(2) LICENSE REVOCATION.—If a person repeatedly violates this section or any regulation promulgated under this section, the Commission shall, after notice and opportunity for hearing, revoke any license issued to that person under this Act.

"(3) LICENSE RENEWALS.—The Commission shall consider, among the elements in its review of an application for renewal of a license under this Act, whether the licensee has complied with this section and the regulations promulgated under this section.

"(d) DEFINITIONS.—For purposes of this section—

"(1) BLOCKABLE BY ELECTRONIC MEANS.—The term 'blockable by electronic means' means blockable by the feature described in section 303(x).

"(2) DISTRIBUTE.—The term 'distribute' means to send, transmit, retransmit, telecast, broadcast, or cablecast, including by wire, microwave, or satellite, but it does not include the transmission, retransmission, or receipt of any voice, data, graphics, or video telecommunications accessed through an interactive computer service as defined in section 230(f)(2) of the Communications Act of 1934 (47 U.S.C. 230(f)(2)), which is not originated or transmitted in the ordinary course of business by a television broadcast station or multichannel video programming distributor as defined in section 602(13) of that Act (47 U.S.C. 522(13)).

"(3) VIOLENT VIDEO PROGRAMMING.—The term 'violent video programming' as defined by the Commission may include matter that is excessive or gratuitous violence within the meaning of the 1992 Broadcast Standards for the Depiction of Violence in Television Programs, December 1992.".

SEC 205. SEPARABILITY.

If any provision of this title, or any provision of an amendment made by this title, or the application thereof to particular persons or circumstances, is found to be unconstitutional, the remainder of this title or that amendment, or the application thereof to other persons or circumstances shall not be affected.

SEC. 206. EFFECTIVE DATE.

The prohibition contained in section 715 of the Communications Act of 1934 (as added by section 204 of this title) and the regulations promulgated thereunder shall take effect 1 year after the regulations are adopted by the Commission.

SA. 3467. Mr. ENSIGN proposed an amendment to amendment SA 3315 proposed by Ms. LANDRIEU to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

On page 9, strike lines 12 through 22, and insert the following:

(8)(A) The Secretary of Defense shall prescribe in regulations premiums which a person electing under this section shall be required to pay for participating in the Survivor Benefit Plan pursuant to the election. The total amount of the premiums to be paid by a person under the regulations shall be equal to the sum of—

(i) the total amount by which the retired pay of the person would have been reduced before the effective date of the election if the person had elected to participate in the Survivor Benefit Plan (for the same base amount specified in the election) at the first opportunity that was afforded the member to participate under chapter 73 of title 10, United States Code;

(ii) interest on the amounts by which the retired pay of the person would have been so reduced, computed from the dates on which the retired pay would have been so reduced at such rate or rates and according to such methodology as the Secretary of Defense determines reasonable; and

(iii) any additional amount that the Secretary determines necessary to protect the actuarial soundness of the Department of Defense Military Retirement Fund against any increased risk for the fund that is associated with the election.

(B) Premiums paid under the regulations shall be credited to the Department of Defense Military Retirement Fund.

(C) In this paragraph, the term "Department of Defense Military Retirement Fund" means the Department of Defense Military Retirement Fund established under section 1461(a) of title 10, United States Code.

SA. 3468. Mr. DASCHLE (for himself, Mr. DORGAN, Mrs. MURRAY, Mr. NELSON of Florida, Mr. KERRY, Mr. REID, Mr. LAUTENBERG, Mr. ROCKFELLER, Mrs. BOXER, and Mr. DAYTON) proposed an amendment to amendment SA 3409 proposed by Mr. DASCHLE to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

In the amendment strike all after Sec. in line 2 and insert the following:

FUNDING FOR VETERANS HEALTH CARE TO ADDRESS CHANGES IN POPULATION AND INFLATION.

(a) FUNDING TO ADDRESS CHANGES IN POPULATIONS AND INFLATION.—(1) Chapter 3 of title 38, United States Code, is amended by adding at the end the following new section:

"§320. Funding for veterans health care to address changes in population and inflation

"(a) By the enactment of this section, Congress and the President intend to ensure access to health care for all veterans. Upon the enactment of this section, funding for the programs, functions, and activities of the Veterans Health Administration specified in subsection (d) to accomplish this objective shall be provided through a combination of discretionary and mandatory funds. The discretionary amount should be equal to the fiscal year 2004 discretionary funding for such programs, functions, and activities, and should remain unchanged each fiscal year thereafter. The annual level of mandatory amount shall be adjusted according to the formula specified in subsection (c). While this section does not purport to control the outcome of the annual appropriations process, it anticipates cooperation from Congress and the President in sustaining discretionary funding for such programs, functions, and activities in future fiscal years at the level of discretionary funding for such programs, functions, and activities for fiscal year 2004. The success of that arrangement, as well as of the funding formula, are to be reviewed after two years.

"(b) On the first day of each fiscal year, the Secretary of the Treasury shall make available to the Secretary of Veterans Affairs the amount determined under subsection (c) with respect to that fiscal year. Each such amount is available, without fiscal year limitation, for the programs, functions, and activities of the Veterans Health Administration, as specified in subsection (d). There is hereby appropriated, out of any sums in the Treasury not otherwise appropriated, amounts necessary to implement this section.

"(c)(1) The amount applicable to fiscal year 2005 under this subsection is the amount equal to—

"(A) 130 percent of the amount obligated by the Department during fiscal year 2003 for the purposes specified in subsection (d), minus

"(B) the amount appropriated for those purposes for fiscal year 2004.

"(2) The amount applicable to any fiscal year after fiscal year 2005 under this subsection is the amount equal to the product of the following, minus the amount appropriated for the purposes specified for subsection (d) for fiscal year 2004:

"(A) The sum of—

"(i) the number of veterans enrolled in the Department health care system under section 1705 of this title as of July 1 preceding the beginning of such fiscal year; and

"(ii) the number of persons eligible for health care under chapter 17 of this title who are not covered by clause (i) and who were provided hospital care or medical services under such chapter at any time during the fiscal year preceding such fiscal year.

"(B) The per capita baseline amount, as increased from time to time pursuant to paragraph (3)(B).

"(3)(A) For purposes of paragraph (2)(B), the term 'per capita baseline amount' means the amount equal to—

"(i) the amount obligated by the Department during fiscal year 2004 for the purposes specified in subsection (d), divided by

"(ii) the number of veterans enrolled in the Department health care system under section 1705 of this title as of September 30, 2003.

"(B) With respect to any fiscal year, the Secretary shall provide a percentage increase (rounded to the nearest dollar) in the per capita baseline amount equal to the percentage by which—

"(i) the Consumer Price Index (all Urban Consumers, United States City Average, Hospital and related services, Seasonally Adjusted), published by the Bureau of Labor Statistics of the Department of Labor for the 12-month period ending on the June 30 preceding the beginning of the fiscal year for which the increase is made, exceeds

"(ii) such Consumer Price Index for the 12-month period preceding the 12-month period described in clause (i).

"(d)(1) Except as provided in paragraph (2), the purposes for which amounts made available pursuant to subsection (b) shall be all programs, functions, and activities of the Veterans Health Administration.

"(2) Amounts made available pursuant to subsection (b) are not available for—

"(A) construction, acquisition, or alteration of medical facilities as provided in subchapter I of chapter 81 of this title (other than for such repairs as were provided for before the date of the enactment of this section through the Medical Care appropriation for the Department); or

"(B) grants under subchapter III of chapter 81 of this title.

"(e) Nothing in this section shall be construed to prevent or limit the authority of Congress to reauthorize provisions relating to veterans health care.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"320. Funding for veterans health care to address changes in population and inflation.".

(b) COMPTROLLER GENERAL REPORT.—(1) Not later than January 31, 2007, the Comptroller General of the United States shall submit to Congress a report on the extent to which section 320 of title 38, United States Code (as added by subsection (a)), has achieved the purpose set forth in subsection (a) of such section 320 during fiscal years 2005 and 2006.

(2) The report under paragraph (1) shall set forth the following:

(A) The amount appropriated for fiscal year 2004 for the programs, functions, and activities of the Veterans Health Administration specified in subsection (d) of section 320 of title 38, United States Code.

(B) The amount appropriated by annual appropriations Acts for each of fiscal years 2005 and 2006 for such programs, functions, and activities.

(C) The amount provided by section 320 of title 38, United States Code, for each of fiscal years 2005 and 2006 for such programs, functions, and activities.

(D) An assessment whether the amount described in subparagraph (C) for each of fiscal years 2005 and 2006 was appropriate to address the changes in costs to the Veterans Health Administration for such programs, functions, and activities that were attributable to changes in population and in inflation over the course of such fiscal years.

(E) An assessment whether the amount provided by section 320 of title 38, United States Code, in each of fiscal years 2005 and 2006, when combined with amounts appropriated by annual appropriations Acts for each of such fiscal years for such programs, functions, and activities, provided adequate funding of such programs, functions, and activities in each such fiscal year.

(F) Such recommendations as the Comptroller General considers appropriate regarding modifications of the formula under subsection (c) of section 320 of title 38, United States Code, or any other modifications of law, to better ensure adequate funding of such programs, functions, and activities.

(c) CONGRESSIONAL CONSIDERATION OF COMPTROLLER GENERAL RECOMMENDATIONS.—

(1) JOINT RESOLUTION.—For purposes of this subsection, the term "joint resolution" means only a joint resolution which is introduced (in the House of Representatives by the Speaker of the House of Representatives (or the Speaker's designee) or the Minority Leader (or the Minority Leader's designee) and in the Senate by the Majority Leader (or the Majority Leader's designee) or the Minority Leader (or the Minority Leader's designee)) within the 10-day period beginning on the date on which Congress receives the report of the Comptroller General of the United States under subsection (b), and—

(A) which does not have a preamble;

(B) the matter after the resolving clause of which consists of amendments of title 38, United States Code, or other amendments or modifications of laws under the jurisdiction of the Secretary of Veterans Affairs to implement the recommendations of the Comptroller General in the report under subsection (b)(2)(F); and

(C) the title of which is as follows: "Joint resolution to ensure adequate funding of health care for veterans.".

(2) REFERRAL.—A resolution described in paragraph (1) that is introduced in the House of Representatives shall be referred to the Committee on Veterans' Affairs of the House of Representatives. A resolution described in paragraph (1) introduced in the Senate shall be referred to the Committee on Veterans' Affairs of the Senate.

(3) DISCHARGE.—If the committee to which a resolution described in paragraph (1) is referred has not reported such resolution (or an identical resolution) by the end of the 20-day period beginning on the date on which the Comptroller General submits to Congress the report under subsection (b), such committee shall be, at the end of such period, discharged from further consideration of such resolution, and such resolution shall be placed on the appropriate calendar of the House involved.

(4) CONSIDERATION.—(A) On or after the third day after the date on which the committee to which such a resolution is referred has reported, or has been discharged (under paragraph (3)) from further consideration of, such a resolution, it is in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution (but only on the day after the calendar day on which such Member announces to the House concerned the Member's intention to do so). The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the respective House shall immediately proceed to consideration of the joint resolution without intervening motion, order, or other business, and the resolution shall remain the unfinished business of the respective House until disposed of.

(B) Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 2 hours, which shall be divided equally between those favoring and those opposing the resolution. An amendment to the resolution is not in order. A motion further to limit debate is in order and not debatable. A motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(C) Immediately following the conclusion of the debate on a resolution described in paragraph (1) and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(D) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in paragraph (1) shall be decided without debate.

(5) CONSIDERATION BY OTHER HOUSE.—(A) If, before the passage by one House of a resolution of that House described in paragraph (1), that House receives from the other House a resolution described in paragraph (1), then the following procedures shall apply:

(i) The resolution of the other House shall not be referred to a committee and may not be considered in the House receiving it except in the case of final passage as provided in clause (ii)(II).

(ii) With respect to a resolution described in paragraph (1) of the House receiving the resolution—

(I) the procedure in that House shall be the same as if no resolution had been received from the other House; but

(II) the vote on final passage shall be on the resolution of the other House.

(B) Upon disposition of the resolution received from the other House, it shall no longer be in order to consider the resolution that originated in the receiving House.

(6) RULES OF SENATE AND HOUSE.—This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in paragraph (1), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

SA 3469. Mr. REID proposed an amendment to amendment SA 3387 proposed by Mr. LEAHY to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . REQUEST FOR DOCUMENTS AND RECORDS.

The Attorney General shall submit to the Committee on the Judiciary of the Senate all documents and records produced from January 20, 2001, to the present, and in the possession of the Department of Justice, describing, referring or relating to the treatment or interrogation of prisoners of war, enemy combatants, and individuals held in the custody or under the physical control of the United States Government or an agent of the United States Government in connection with investigations or interrogations by the military, the Central Intelligence Agency, intelligence, antiterrorist or counterterrorist offices in other agencies, or cooperating governments, and the agents or contractors of such agencies or governments.

SA 3470. Mr. NELSON of Florida submitted an amendment intended to be proposed to amendment SA 3315 proposed by Ms. LANDRIEU to the bill S.

2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; which was ordered to lie on the table; as follows:

Add at the end the following:

SEC. 643. REPEAL OF REQUIREMENT OF REDUCTION OF SBP SURVIVOR ANNUITIES BY DEPENDENCY AND INDEMNITY COMPENSATION.

(a) REPEAL.—Section 1451(c) of title 10, United States Code, is amended by striking paragraph (2).

(b) PROHIBITION ON RETROACTIVE BENEFITS.—No benefits may be paid to any person for any period before the effective date specified in subsection (c) by reason of the amendment made by subsection (a).

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on—

(1) the first day of the first month that begins after the date of the enactment of this Act; or

(2) the first day of the fiscal year that begins in the calendar year in which this Act is enacted, if later than the date specified in paragraph (1).

SA 3471. Mr. WARNER proposed an amendment to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

On page 30, between lines 14 and 15, insert the following:

SEC. 216. SPIRAL DEVELOPMENT OF JOINT THREAT WARNING SYSTEM MARITIME VARIANTS.

(a) AMOUNT FOR PROGRAM.—The amount authorized to be appropriated by section 201(4) is hereby increased by $2,000,000, with the amount of the increase to be available in the program element PE 1160405BB for joint threat warning system maritime variants.

(b) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $2,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

SA 3472. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; which was ordered to lie on the table; as follows:

On page 247, between lines 13 and 14, insert the following:

SEC. 1022. REPORT ON THE STABILIZATION OF IRAQ.

Not later than 120 days after the date of the enactment of this Act, the President shall submit to the congressional defense committees an unclassified report (with classified annex, if necessary) on the strategy of the United States and coalition forces for stabilizing Iraq. The report shall contain a detailed explanation of the strategy, together with the following information:

(1) A description of the efforts of the President to work with the United Nations to provide support for, and assistance to, the transitional government in Iraq, and, in particular, the efforts of the President to negotiate and secure adoption by the United Nations Security Council of Resolution 1546.

(2) A description of the efforts of the President to continue to work with North Atlantic Treaty Organization (NATO) member states and non-NATO member states to provide support for and augment coalition forces, including efforts, as determined by the United States combatant commander, in consultation with coalition forces, to evaluate the—

(A) the current military forces of the NATO and non-NATO member countries deployed to Iraq;

(B) the current police forces of NATO and non-NATO member countries deployed to Iraq; and

(C) the current financial resources of NATO and non-NATO member countries provided for the stabilization and reconstruction of Iraq.

(3) As a result of the efforts described in paragraph (2)—

(A) a list of the NATO and non-NATO member countries that have deployed and will have agreed to deploy military and police forces; and

(B) with respect to each such country, the schedule and level of such deployments.

(4) A description of the efforts of the United States and coalition forces to develop the domestic security forces of Iraq for the internal security and external defense of Iraq, including a description of United States plans to recruit, train, equip, and deploy domestic security forces of Iraq.

(5) As a result of the efforts described in paragraph (4)—

(A) the number of members of the security forces of Iraq that have been recruited;

(B) the number of members of the security forces of Iraq that have been trained; and

(C) the number of members of the security forces of Iraq that have been deployed.

(6) A description of the efforts of the United States and coalition forces to assist in the reconstruction of essential infrastructure of Iraq, including the oil industry, electricity generation, roads, schools, and hospitals.

(7) A description of the efforts of the United States, coalition partners, and relevant international agencies to assist in the development of political institutions and prepare for democratic elections in Iraq.

(8) A description of the obstacles, including financial, technical, logistic, personnel, political, and other obstacles, faced by NATO in generating and deploying military forces out of theater to locations such as Iraq.

SA 3473. Mr. FRIST (for Mrs. FEINSTEIN) proposed an amendment to the joint resolution S.J. Res. 33, expressing support for freedom in Hong Kong; as follows:

On page 5, line 6, strike "all".

On page 5, line 8, strike "a fully" and insert "universal suffrage and a".

On page 5, beginning on line 11, strike all through line 23, and insert the following:

(B) declare that the lack of movement towards universal suffrage and a democratically elected legislature in Hong Kong is contrary to the vision of democracy set forth in the Basic Law of the Hong Kong Special Administrative Region and in the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China on the Question of Hong Kong, done at Beijing, December 19, 1984 (the Sino-British Joint Declaration of 1984); and

(C) call upon the Standing Committee of the National People's Congress to guarantee that the Hong Kong Government develop and implement a plan and timetable to achieve universal suffrage and the democratic election of the legislature and chief executive of Hong Kong as provided for in the Basic Law of the Hong Kong Special Administrative Region, promulgated on July 1, 1997.

* * *

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Wednesday, June 23, 2004, at 10 a.m. in Room 485 of the Russell Senate Office Building to conduct a business meeting on pending committee matters, to be followed immediately by an oversight hearing on Indian Tribal Detention Facilities.

* * *

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. SPECTER. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, June 22, 2004, at 10 a.m. to conduct a hearing on "Consideration of Regulatory Reform Proposals."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. SPECTER. Mr. President, I ask unanimous consent that the Committee on Commerce, Science and Transportation be authorized to meet on Tuesday, June 22, 2004, at 9:30 a.m. on Aviation Security.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. SPECTER. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session on Tuesday, June 22, 2004, at 10 a.m., in G50 Dirksen Senate Office Building, to hear testimony on Charity Oversight and Reform: Keeping Bad Things from Happening to Good Charities.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. SPECTER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 22, 2004, at 9:30 a.m., to hold a hearing on the Peace Corps Security.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. SPECTER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 22, 2004, to hold a business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. SPECTER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Tuesday, June 22, 2004 at 10 a.m. on "Preserving Traditional Marriage: A View From The States" in the Dirksen Senate Office Building Room 226.

Witness List:

Panel I: The Honorable Mitt Romney, Governor of Massachusetts.

Panel II: The Honorable MARILYN MUSGRAVE, United States Representative [R-CO], Washington, DC; The Honorable Bob Barr, former United States Representative [R-GA], 21st Century Liberties Chair for Freedom and Privacy, American Conservative Union, Smyrna, GA.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr SPECTER. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Tuesday, June 22, 2004, for a hearing to consider pending legislation. The hearing will take place in room 418 of the Russell Senate Office Building at 2:45 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Agenda:

S. 50, the "Veterans Health Care Funding Guarantee Act;"

S. 1014, requiring VA to place certain low-income veterans in a higher health care priority category;

S. 1153, the "Veterans Prescription Drugs Assistance Act;"

S. 1509, the "Eric and Brian Simon Act of 2003;"

S. 1745, the "Prisoner of War/Missing in Action National Memorial Act;"

S. 2063, proposed demonstration project on priorities in the scheduling of appointments for veterans health care;

S. 2099, relating to educational assistance benefits for certain members of the Selected Reserve;

S. 2133, to name the Department of Veterans Affairs medical center in the Bronx, New York, as the James J. Peters Department of Veterans Affairs Medical Center;

S. 2296, relating to the conveyance, lease or disposal of the Louisville VA Medical Center;

S. 2327, the proposed coordination of VA per diem and Medicaid payments for care of veterans in State homes;

S. 2417, care for newborn children of veterans receiving maternity care;

S. 2483, the "Veterans Compensation Cost-of-Living Adjustment Act of 2004;"

S. 2484, the "Department of Veterans Affairs Health Care Personnel Enhancement Act of 2003;"

S. 2485, the "Department of Veterans Affairs Real Property and Facilities Management Improvement Act of 2004;"

S. 2486, the "Veterans Benefits Improvements Act of 2004;"

S. 2522, to increase the maximum amount of home loan guaranty available under the home loan guaranty program of the Department of Veterans Affairs;

S. 2524, relating to Blast Injury Research and Clinical Care Centers (BIRECCs); and

S. 2534, relating to various education and home loan benefits program improvements.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. SPECTER. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet Tuesday, June 22, 2004 from 10 a.m.–12 p.m, in Dirksen 628 for the purpose of conducting a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY

Mr. SPECTER. Mr. President, I ask unanimous consent that the Subcommittee on Energy of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, June 22 at 2:30 p.m., to receive testimony regarding High performance Computing: Regaining U.S. Leadership. The purpose of the hearings is to examine the DOE's HPC R&D activities in both the National Nuclear Security Administration and the Office of Science, and to consider S. 2176, the High End Computing Revitalization Act of 2004, which would authorize the secretary to carry out a program of R&D to advance high-end computing through the Office of Science.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, TECHNOLOGY, AND HOMELAND SECURITY

Mr. SPECTER. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Terrorism, Technology and Homeland Security be authorized to meet to conduct a hearing on "Tools to Fight Terrorism: Subpoena Authority and Pretrial Detention of Terrorists" on Tuesday, June 22, 2004 at 2:30 p.m. in Dirksen 226.

Witness List:

Panel I—Rachel Brand, Principal Deputy Assistant Attorney General, U.S. Department of Justice, Office of Legal Policy, Washington, DC; Michael A. Battle, United States Attorney, Western District of New York, Buffalo, NY; and James K. Robinson, former Assistant Attorney General, U.S. Department of Justice Criminal Division, 1998–2001, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

TANF AND RELATED PROGRAMS CONTINUATION ACT OF 2004

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 4589, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 4589) to reauthorize the Temporary Assistance for Needy Families block grant program through September 30, 2004, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 4589) was read the third time and passed.

FREEDOM IN HONG KONG

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 494, S.J. Res. 33.

The PRESIDING OFFICER. The clerk will report the joint resolution by title.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 33) expressing support for freedom in Hong Kong.

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Foreign Relations with an amendment and an amendment to the preamble.

[Strike the parts shown in black brackets and insert parts shown in italic.]

S.J. RES. 33

[Whereas according to the April 1, 2004, "U.S.-Hong Kong Policy Act Report" by the Department of State, "The United States has strong interests in the protection of human rights and the promotion of democratic institutions throughout the world. The Hong Kong people share many values and interests with Americans and have worked to make Hong Kong a model of what can be achieved in a society based on the rule of law and respect for civil liberties";

[Whereas according to section 103(3) of the United States-Hong Kong Policy Act of 1992 (22 U.S.C. 5713(3)), "The United States should continue to treat Hong Kong as a territory which is fully autonomous from the United Kingdom and, after June 30, 1997, should treat Hong Kong as a territory which is fully autonomous from the People's Republic of China with respect to economic and trade matters";

[Whereas the Government of the Hong Kong Special Administrative Region (SAR) and the People's Republic of China have frustrated the gradual and orderly process toward universal suffrage and the democratic election of the legislature and chief executive in Hong Kong as envisioned by the Basic Law of the Hong Kong SAR; and

[Whereas the Standing Committee of the National People's Congress of the People's Republic of China on April 6, 2004, declared itself, as opposed to the people of Hong Kong, the final arbiter of democratic reform: Now, therefore, be it]

Whereas according to the April 1, 2004, report by the Department of State entitled U.S.-Hong Kong Policy Act Report, "The United States has strong interests in the protection of human rights and the promotion of democratic institutions throughout the world. The Hong Kong people share many values and interests with Americans and have worked to make Hong Kong a model of what can be achieved in a society based on the rule of law and respect for civil liberties";

Whereas according to section 103(3) of the United States-Hong Kong Policy Act of 1992 (22 U.S.C. 5713(3)), "The United States should continue to treat Hong Kong as a territory which is fully autonomous from the United Kingdom and, after June 30, 1997, should treat Hong Kong as a territory which is fully autonomous from the People's Republic of China with respect to economic and trade matters";

Whereas the People's Republic of China has frustrated the gradual and orderly process toward universal suffrage and the democratic election of the legislature and chief executive in Hong Kong as envisioned by the Basic Law of the Hong Kong SAR; and

Whereas on April 6, 2004, the Standing Committee of the National People's Congress of the People's Republic of China declared itself, as opposed to the people of Hong Kong, the final arbiter of democratic reform and, on April 26, 2004, declared that universal suffrage would not apply to the election of the third Chief Executive in 2007 or to the election of all members of the fourth Legislative Council in 2008: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, [That Congress—

[(1) declares that the people of Hong Kong should be free to determine the pace and scope of constitutional developments; and

[(2) calls upon the President of the United States to—

[(A) call upon the People's Republic of China, the National People's Congress, and any groups appointed by the Government of the People's Republic of China to guarantee that all revisions of Hong Kong law are made according to the wishes of the people of Hong Kong as expressed through a fully democratically elected legislature and chief executive;

[(B) declare that the continued lack of a fully democratically elected legislature in Hong Kong constitutes a violation of the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China on the Question of Hong Kong, done at Bejing December 19, 1984 (the Sino-British Joint Declaration of 1984); and

[(C) call upon the Government of the People's Republic of China to honor its treaty obligations under the Sino-British Joint Declaration of 1984.]

That Congress—

(1) declares that the people of Hong Kong should be free to determine the pace and scope of constitutional developments; and

(2) calls upon the President of the United States to—

(A) call upon the People's Republic of China, the National People's Congress, and any groups appointed by the Government of the People's Republic of China to guarantee that all revisions of Hong Kong law reflect the wishes of the people of Hong Kong as expressed through a fully democratically elected legislature and chief executive;

(B) declare that the continued lack of a fully democratically elected legislature in Hong Kong is contrary to the vision of democracy set forth in the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China on the Question of Hong Kong, done at Bejing December 19, 1984 (the Sino-British Joint Declaration of 1984); and

(C) call upon the Government of the People's Republic of China to honor its treaty obligations under the Sino-British Joint Declaration of 1984.

Mr. FRIST. Mr. President, I ask unanimous consent that the Feinstein amendment at the desk be agreed to, the committee amendment, as amended, be agreed to, the resolution, as amended, be read three times and passed, the preamble, as amended, be agreed to, the motions to reconsider be laid upon the table en bloc, and any statements relating to the joint resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3473) was agreed to, as follows:

(Purpose: To express support for democratic activity in Hong Kong)

On page 5, line 6, strike "all".

On page 5, line 8, strike "a fully" and insert "universal suffrage and a".

On page 5, beginning on line 11, strike all through line 23, and insert the following:

(B) declare that the lack of movement towards universal suffrage and a democratically elected legislature in Hong Kong is contrary to the vision of democracy set forth in the Basic Law of the Hong Kong Special Administrative Region and in the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China on the Question of Hong Kong, done at Beijing, December 19, 1984 (the Sino-British Joint Declaration of 1984); and

(C) call upon the Standing Committee of the National People's Congress to guarantee that the Hong Kong Government develop and implement a plan and timetable to achieve universal suffrage and the democratic election of the legislature and chief executive of Hong Kong as provided for in the Basic Law of the Hong Kong Special Administrative Region, promulgated on July 1, 1997.

The committee amendment, as amended, was agreed to.

The joint resolution (S.J. Res. 33), as amended, was read the third time and passed.

The preamble, as amended, was agreed to.

The joint resolution, with its preamble, reads as follows:

S.J. RES. 33

Whereas according to the April 1, 2004, report by the Department of State entitled U.S.-Hong Kong Policy Act Report, "The United States has strong interests in the protection of human rights and the promotion of democratic institutions throughout the world. The Hong Kong people share many values and interests with Americans and have worked to make Hong Kong a model of what can be achieved in a society based on the rule of law and respect for civil liberties";

Whereas according to section 103(3) of the United States-Hong Kong Policy Act of 1992 (22 U.S.C. 5713(3)), "The United States should continue to treat Hong Kong as a territory which is fully autonomous from the United Kingdom and, after June 30, 1997, should treat Hong Kong as a territory which is fully autonomous from the People's Republic of China with respect to economic and trade matters";

Whereas the People's Republic of China has frustrated the gradual and orderly process toward universal suffrage and the democratic election of the legislature and chief executive in Hong Kong as envisioned by the Basic Law of the Hong Kong SAR; and

Whereas on April 6, 2004, the Standing Committee of the National People's Congress of the People's Republic of China declared itself, as opposed to the people of Hong Kong, the final arbiter of democratic reform and, on April 26, 2004, declared that universal suffrage would not apply to the election of the third Chief Executive in 2007 or to the election of all members of the fourth Legislative Council in 2008: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress—

(1) declares that the people of Hong Kong should be free to determine the pace and scope of constitutional developments; and

(2) calls upon the President of the United States to—

(A) call upon the People's Republic of China, the National People's Congress, and any groups appointed by the Government of the People's Republic of China to guarantee that revisions of Hong Kong law reflect the wishes of the people of Hong Kong as expressed through universal suffrage and a democratically elected legislature and chief executive;

(B) declare that the lack of movement towards universal suffrage and a democratically elected legislature in Hong Kong is contrary to the vision of democracy set forth in the Basic Law of the Hong Kong Special Administrative Region and in the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China on the Question of Hong Kong, done at Beijing, December 19, 1984 (the Sino-British Joint Declaration of 1984); and

(C) call upon the Standing Committee of the National People's Congress to guarantee that the Hong Kong Government develop and implement a plan and timetable to achieve universal suffrage and the democratic election of the legislature and chief executive of Hong Kong as provided for in the Basic Law of the Hong Kong Special Administrative Region, promulgated on July 1, 1997.

ORDERS FOR WEDNESDAY, JUNE 23, 2004

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today, it recess until 9:30 a.m. on Wednesday, June 23; I further ask that following the prayer and the pledge, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of Calendar No. 503, S. 2400, the Department of Defense authorization bill, as provided under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Nevada.

Mr. REID. Mr. President, this has been a very contentious day on occasion. I would like to add what I hope will be a moment of pleasantness to what we do here, and that is talk about the Presiding Officer who has the patience of—I don't know if it is a Job at this stage, but a lot of patience because he has sat through the longest quorum call we have had in a long time which the Presiding Officer called himself. So on behalf of the Senate, the junior Senator from Missouri deserves our applause and congratulations for his patience.

Mr. FRIST. Mr. President, I second the commendation of the Presiding Officer. At times, I wish I had been in his chair instead of my chair, as we went through these negotiations.

PROGRAM

Mr. FRIST. Tomorrow the Senate will resume consideration of the Defense authorization bill under the previous order. When the Senate resumes consideration of the Defense bill, there will be a total of 100 minutes of debate in relation to five separate amendments. At approximately 11:15 tomorrow, the Senate will proceed to up to five stacked rollcall votes on amendments to the Defense bill. Following those votes, the Senate will continue working through amendments. The chairman and ranking member were able to dispose of a number of amendments tonight, but over 30 remain pending. Votes are expected throughout the afternoon tomorrow as the Senate moves toward passage of the bill. In addition to votes in relation to the amendments, the Senate will also vote on several judicial nominations during tomorrow's session. As I just stated, if we are unable to finish the bill tomorrow, a cloture vote will occur on Thursday to bring this bill to a close.

Finally, I would add that the Appropriations Committee finished their work on the Defense Appropriations bill. It is important that we address this bill as well prior to the week's close.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent the Senate stand in recess under the previous order.

There being no objection, the Senate, at 9:58 p.m., recessed until Wednesday, June 23, 2004, at 9:30 a.m.

EXTENSIONS OF REMARKS

TRIBUTE TO DR. JOHNNY RAY YOUNGBLOOD

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. TOWNS. Mr. Speaker, I rise in honor of Dr. Johnny Ray Youngblood in recognition of his spiritual leadership and contributions to the community. Dr. Johnny Ray Youngblood is without a doubt, one of the leading theologians of his time. His commitment to the call of spiritual healing, racial parity, social justice and economic equity for all people has garnered him national recognition as a preacher, national leader, public advocate, motivator, writer and teacher. Now in his 30th year serving as senior pastor of St. Paul Community Baptist Church and 3rd year as senior pastor of Mt. Pisgah Baptist Church, both located in Brooklyn, New York, he has completed more than a quarter of a century pastoring to God's people.

In May of 1990, Youngblood received his Doctorate of Ministry degree from United Theological Seminary in Dayton, Ohio, where he studied with an elite group of preachers from across the country as a Samuel D. Proctor Fellow. Dr. Youngblood earned his Masters of Divinity degree from Colgate-Rochester Divinity School in Rochester, New York, and his bachelor's degree from Dillard University in New Orleans. Dr. Youngblood is now single and a father of three sons, Joel Ray, Jason Royce and Johnny Jenell, and the grandfather of Donny Lynn, Joshua, Jalen and Jordyn.

Dr. Youngblood has earned national recognition because of his work with East Brooklyn Congregations (EBC), an affiliate of the Industrial Areas Foundation. He is credited through EBC with spearheading the Nehemiah Housing project, which to date has constructed approximately 2,850 owner-occupied single family homes in some of the most devastated communities in Brooklyn. He has served as national spokesman for the group and in 1990, was recognized in the CONGRESSIONAL RECORD for his trailblazing work with the project. Dr. Youngblood is a subject of the Harper Collins book, "Upon This Rock: The Miracles of a Black Church," written by Samuel G. Freedman. In 1996, Youngblood and the ministry of the St. Paul Community were featured in an article entitled "Crossing Border" in the premiere edition of Common Quest magazine. In December of 1995, Dr. Youngblood was also listed in The New Yorker magazine as one of the "ten most influential" New Yorkers. He has been profiled on ABC's 20/20, NBC Nightly News, CBS Sunday Morning News, FOX 5's McCreary Live Report, and the Charlie Rose Show.

In September 1995, Dr. Youngblood launched what has become one of the premier projects on the Church's annual calendar, now known as the commemoration of the Maafa. Dr. Youngblood is spearheading a national effort to promote the Maafa as a spiritual movement aimed at healing this Nation around the scars of slavery. Since 1998, the St. Paul Community has toured "The Maafa Suite" production to venues including Dallas, Mississippi, Seattle, Atlanta, Chicago and Connecticut.

In June of 1998, Dr. Youngblood released his own book of poetry entitled, "I Honor My Father"; a collection of poems inspired by the illness and loss of his father in the same year.

Mr. Speaker, Dr. Youngblood has dedicated his life to helping people through his spiritual leadership, public advocacy and civic participation. As such, he is more than worthy of receiving our recognition today and I urge my colleagues to join me in honoring this truly remarkable person.

TRIBUTE TO CMSGT EDDIE E. CHITWOOD

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. SKELTON. Mr. Speaker, let me take this opportunity to pay tribute to retiring Chief Master Sergeant Eddie E. Chitwood, the Chief Enlisted Manager of the 509th Maintenance Operations Squadron at Whiteman Air Force Base, for his service to our Nation.

CMSgt Chitwood's time in the USAF has been marked with many accomplishments through the years. He has excelled both in his 16 years as an Aircraft Maintenance Technician and in his 11 years in the field of Airlift Aerospace Maintenance. He attended both the Airman Leadership School at Luke Air Force Base and the Tactical Airlift Command NCO Academy, earning the title of Distinguished Graduate from each. During his time at Whiteman Air Force Base he received many other distinctions including: the Operations Group Warfighter Award, a 509th Bomb Wing SNCO of the Quarter, and the 509th Bomb Wing 1999 Lance P. Sijan Award for Leadership. His popularity and leadership have been clearly reflected by his election to the post of Whiteman Top Three Enlisted Organization president in 2001 and Whiteman Chief's Group Vice-President.

As CMSgt Chitwood and his wife Elizabeth prepare to spend more time volunteering and serving on various community organizations, I know the Members of the House will join me in expressing appreciation for his dedication and service to our great Nation.

PERSONAL EXPLANATION

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. MILLER of Florida. Mr. Speaker, I would like to offer a personal explanation of the reason I missed rollcall votes Nos. 276–278 on June 22, 2004. These were suspension votes H. Res. 591—expressing the sense that a month should be designated Community Banking Month, H.R. 4363—Helping Hands for Homeownership Act of 2004, and H. Res. 660—Congratulating Randy Johnson on his perfect game. At the time these votes were called, my flight from my Congressional District to Washington, DC was diverted due to weather and I was thereby delayed en route to Washington, DC.

I respectfully request that it be entered into the CONGRESSIONAL RECORD that if present, I would have voted rollcall vote No. 276, expressing the sense that a month should be designated Community Banking Month, —"aye"; rollcall vote No. 277, on Prostate Cancer Awareness, "aye"; rollcall vote No. 277, on Helping Hands for Homeownership Act of 2004, "aye"; and rollcall vote No. 278, Congratulating Randy Johnson on his perfect game, "aye."

PERSONAL EXPLANATION

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. ROGERS of Michigan. Mr. Speaker, on the legislative day of Monday, June 21, 2004, the House had votes on H. Res. 591, H.R. 4363, H. Res. 660. On House rollcall votes Nos. 276, 277 and 278, I was out of the country. Had I been present, I would have voted "yea" on each.

PAYING TRIBUTE TO CWO4 JACKIE L. KARSTEN

HON. THOMAS G. TANCREDO

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. TANCREDO. Mr. Speaker, those who serve in our armed forces show great dedication to and pride in our country. These people often make personal sacrifices during their service to perform their duties. Therefore, it is with great pride that I rise today to recognize the service of Chief Warrant Officer–4, Jackie Karsten.

Chief Warrant Officer Karsten retired on May 1st after 30 years of service. She later celebrated her retirement at a formal ceremony the 22nd of May.

Mr. Speaker, people who show allegiance and devotion to our country through military service are remarkable individuals. Jackie is one of those individuals. I commend her for her 30 year career with the U.S. Navy and wish her all the best in all her future endeavors, and throughout her retirement.

TRIBUTE TO KATHERINE CORBETT

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. TOWNS. Mr. Speaker, I rise in honor of Katherine Corbett in recognition of her dedication to educating our children and improving the quality of our educational system as well as her spiritual leadership in her community.

Katherine Corbett is a native of Brooklyn, New York who has been married to a seventh grade friend Eddie Corbett for 34 years. She is the mother of four children; Kandice, Eddie Jr., Inez, and Frank. She is the grandmother of Diondre, Keilah, Joshua, and Sheraya.

Katherine is honored to be the principal of the Ronald Edmonds Learning Center-Middle School 113 in Brooklyn. During her 12 years as the educational leader, MS 113, she has earned numerous awards, grants and citations. Of her many outstanding achievements, the school remains the only middle school in the United States that has met the criteria to be a National Alliance of Black School Educators Demonstration school since the program began in 1997. In 1998, MS 113 was one of six schools in the United States, out of 54,000, to be designated by the United States Secretary of Education to be a Title One Distinguished School. In the same year, Katherine was recognized by the New York State Department of Education as a Title One Distinguished Educator. Yale University awarded Katherine with the Patrick Daly Award for Excellence in educational leadership.

In addition to her service to Middle School 113, Katherine has served the New York State Department of Education and Harvard University as a mentor for principals and low performing schools. In December 2000, Katherine was recruited to serve as one of the members of the Distinguished Faculty for New York City Department of Education's Principals Institute. Throughout the 2002–2003 school year, Katherine served as a mentoring principal for New Leaders for New Schools, a national graduate program for aspiring educational leaders.

In addition to her work in the educational community, Katherine serves as the senior pastor of New Life Ministries in West Hempstead, New York. The church serves the community with a number of programs that are designed to build the spirit and soul. Katherine is most grateful to be called, appointed, and chosen to serve humanity as she serves her God.

Mr. Speaker, Katherine Corbett has committed herself to educating our children through her work as a principal and as a mentor to other educators. She has also served her community through her work as a pastor. As such, he is more than worthy of receiving our recognition today and I urge my colleagues to join me in honoring this truly remarkable person.

RECOGNIZING LIEUTENANT GENERAL ROBERT B. FLOWERS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. SKELTON. Mr. Speaker, it has come to my attention that Lieutenant General Robert B. Flowers, Chief of Engineers and Commanding General, U.S. Army Corps of Engineers, will retire on July 1 after 35 years of dedicated and meritorious service to our nation.

LTG Flowers followed his father into the Army after being commissioned from the Virginia Military Institute in 1969. Since that time he has led at every level of command, culminating in his current role as Chief of Engineers and Commanding General of the United States Army Corps of Engineers. Prior to his selection as Chief of Engineers in October 2000, he served as Commanding General of the Maneuver Support Center at Fort Leonard Wood in Missouri, home to the Army's engineer school. In this post, General Flowers helped produce and train our nation's engineer soldiers, units and leaders.

Throughout his career, General Flowers effectively trained and led engineer soldiers around the globe. During Operations Desert Shield and Desert Storm he commanded an expanded, ten battalion brigade and led more than 7,700 soldiers into battle in Iraq. Among his many other distinguished assignments include Assistant Division Commander of the 2nd Infantry Division in Korea; Commander of the Army Corps of Engineers 12-state Mississippi Valley Division; Deputy Chief of Staff for Engineering U.S. Army Europe in Bosnia and President of the Mississippi River Commission, which develops and implements plans to improve navigation and safety, prevent floods, and promote and facilitate commerce and trade on the river.

In his current role as Chief of Engineers and Commanding General of the U.S. Army Corps of Engineers, he is the Army Chief of Staff's senior advisor on engineer issues. Simultaneously, he leads the U.S. Army Corps of Engineers and its more than 35,000 soldiers and civilians. During a critical time in America's history, General Flowers led the Army Corps of Engineers' support to the Nation. Following the terrorist attacks on September 11, 2001, General Flowers ensured the immediate and significant support given to recovery operations at the Pentagon and in New York City.

Mr. Speaker, under the leadership of General Flowers, the Corps of Engineers continues to play a vital role in the War on Terror and support reconstruction efforts in Iraq and Afghanistan. His efforts have resulted in lasting and significant impacts to our nation and the Armed Forces. I know my fellow Members of the House will join me in thanking him for his years of dedication and selfless service and wishing him all the best in the years to come.

PERSONAL EXPLANATION

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. MILLER of Florida. Mr. Speaker, I would like to offer a personal explanation of the reason I missed rollcall votes Nos. 232–235 on June 14, 2004. These were suspension votes on H.J. Res. 97—Renewal of import restrictions on Burma, H. Res. 669—Prostate cancer awareness, H.R. 4323—Rapid Acquisition Authority for Combat Emergencies and H. Res. 653—Recognizing 80th Birthday of President George H.W. Bush. At the time these votes were called, I was in my congressional district in Pensacola, FL with Vice-President CHENEY for his speaking engagement.

I respectfully request that it be entered into the CONGRESSIONAL RECORD that if present, I would have voted rollcall vote No. 232, Renewal of import restrictions on Burma—"aye"; rollcall vote No. 233, on Prostate cancer awareness, "aye"; rollcall vote No. 234, on Rapid Acquisition Authority for Combat Emergencies, "aye"; and rollcall vote No. 235, on Recognizing 80th Birthday of President George H.W. Bush, "aye."

PAYING TRIBUTE TO SHIRLEY GRIEVE, INGHAM COUNTY COMMUNITY NEWS 2004 VOLUNTEER OF YEAR

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. ROGERS of Michigan. Mr. Speaker, I rise to honor the accomplishments of Shirley Grieve who is described as "a one-woman champion of causes" in Ingham County, MI. Shirley Grieve's contributions are best described in an article in the Ingham County Community News, written by Editor Rachel Taylor:

> MASON, MI.—Shirley Grieve is a one-woman champion of causes.
>
> To find out which one she's campaigning for on any given day, just take a look around her Mason home, where the 67-year-old resident spends time raising money for worthwhile efforts.
>
> Addresses, letters, leaflets and various "thank you" notes litter Grieve's dining room table. The mother of six takes volunteering seriously, committing to fundraising goals and these days, surpassing most of them.
>
> This June, Grieve will be recognized for her commitment, as the Ingham County Community News' 2004 Agnes Corner Volunteer of the Year recipient. The award, now in its fifth year, is given to a member of the community that has made significant volunteer contributions locally.
>
> Grieve fits the bill perfectly. This year alone the list of her efforts includes: Raising $6,000 for the Capital Area Community Services' (CACS) Walk for Warmth in February, which helps pay heating and electric bills for people in dire need of financial assistance; collecting hundreds of items to send to U.S. troops stationed overseas; organizing a spaghetti dinner to benefit the Mason Kiwanis

Golden K Club; and raising over $7,000 to help fund Angel House in a matter of weeks. The project is headed up by Capital Area Child & Family Services to build mid-Michigan's first emergency shelter and advocacy center for abused children.

I always said, "I'm going to get out and make something of myself," explained Grieve, who grew up in West Virginia as the daughter of a coal miner. "Now, I didn't make something of myself by working but I made something of myself by volunteering."

Grieve said her volunteer efforts started 32 years ago after moving to Mason from Lansing with her husband Richard. She said the rural life style was a shock in many ways and made her desperate to make friends in the community.

"The only thing I had was a dog in the back yard," remembered Grieve. "Then the kids would go to school and I would just have the baby."

In an effort to meet people, Grieve said she started volunteering in the schools, where her children were attending. Through Girl Scouts and the PTO Grieve said she began feeling more at home.

Soon Grieve began volunteering at St. James Catholic Church, where her family still attends services. Other projects followed. Throughout all of it, Grieve said she remembered to follow in her mother's footsteps—a woman who made her own mark with church fundraisers and bake sales in West Virginia.

The most important rule her mother taught her? "You always send a thank you note and people will respond with your next fundraiser," she said.

CACS Center Coordinator Deb Biehler said Grieve, who has been volunteering with the agency for five years, is a force of positive energy.

"She can work circles around people," said Biehler.

Grieve raises at least three-quarters of the funds raised during Walk for Warmth each year. "We wouldn't have raised the money without her," said Biehler. "She's helped hundreds of people."

And then there are the little things, said Biehler, like volunteering to collect food bank donations every Sunday at St. James and picking up bread for the food bank at local stores when no one else can go.

Members of the Mason Kiwanis Golden K Club say Grieve is an asset to the community. The club's president-elect, Jim Day stated, "She has that rare gift for causing other people to share their time and funds with a minimum of resistance and a maximum of positive results. I am in awe at hearing about her achievements and of the wonderful good that she generates. People who possess her awesome ability and dynamic energy in motivating people in supporting worthwhile causes are very rare individuals."

Mason resident Don Jacot said Grieve's volunteer efforts are felt throughout the Mason community. "She is a trustee for the Fair City Golden K Kiwanis Club. She volunteers for the Signal Corps Operation Up Link for service men and women. She volunteers for the Book Buddies and Head Start. What energy."

Grieve said she is happy to help further good causes. "I know in my heart it makes me feel good," she said. "I get so much out of it. I think if people did it once they'd do it again too."

The staff of the Ingham County Community News is planning a luncheon ceremony in Grieve's honor on Tuesday, June 29 in Mason.

Mr. Speaker, we wish to extend congratulations to Shirley Grieve for her commitment to serving her community. We are honored to support her efforts and ask that our colleagues in the U.S. House of Representatives join us in recognizing their very worthy achievements.

PAYING TRIBUTE TO MR. SIMING YANG

HON. THOMAS G. TANCREDO

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. TANCREDO. Mr. Speaker, I rise today to recognize the accomplishments of an outstanding student from my district, Mr. Siming Yang. Mr. Yang has the distinction of being honored as one of the more than 140 national winners of the 2004 Presidential Scholar Award.

The award honors graduating seniors that excel in their community, both in and out of the classroom. Each year, the White House Commission on Presidential Scholars selects the winners based on Academic and artistic success, leadership, and involvement in school and community.

Mr. Yang is invited to be honored in Washington during the upcoming Presidential Scholars National Recognition Week, which runs from June 19 through the 22. Mr. Yang and his family plan to travel to the Nation's Capital at that time, along with his most influential teacher, Mr. Ron C. Carda of Dakota Ridge High School.

Mr. Speaker, Siming Yang has demonstrated, through his academic accomplishments, his willingness to lead his peers, his community achievements, and his dedication, that he is worthy of receiving this honor. So once again, I recognize this young man's achievements before this House today, and I wish him all the best in his bright future.

CHILDREN'S DENTAL HEALTH IMPROVEMENT ACT

HON. MICHAEL K. SIMPSON

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. SIMPSON. Mr. Speaker, I rise today to introduce legislation that would improve access to dental coverage for our Nation's most precious commodity, children. As a former practicing dentist in my home state of Idaho, I have long been concerned about access to dental coverage for our most vulnerable citizens. While most Americans have access to the best oral health care in the world, low-income children suffer disproportionately from oral disease. Even as our Nation's health has progressed, dental caries or tooth decay remains the most prevalent chronic childhood disease. Millions of Americans, adults and children, lack access to dental care. In many parts of Idaho, as in many rural States, there simply aren't enough dentists within reasonable distance of some communities.

For people who don't have access to dental care, oral disease is almost 100 percent inevitable—albeit 100 percent preventable. This is particularly heartbreaking when it affects children. Recent demonstration projects have shown that with some Federal support, a little funding can go a long way toward ensuring that low-income children have access to good oral health care. My legislation, H.R. 4622, cosponsored by Congressman JOHN DINGELL, would assist States in doing just that.

H.R. 4622 would not issue Federal mandates, but rather would provide support to States as they determine how best to improve access to dental care in their communities. I believe that States are the best arbiters of how to enhance access to care for their residents, with the understanding that for any such effort to succeed, it must begin by reimbursing dentists who participate in Medicaid and SCHIP at market rates.

H.R. 4622 would: Provide financial incentives and planning grants to help States improve their Medicaid programs. States must first create a comprehensive plan for improving the delivery of dental services, and they must also adequately reimburse dentists for children's dental services; Offer grants to expand the availability of dental services in health professional shortage areas. Grants would be made available to dentists who practice in federally designated dental shortage areas if at least 25 percent of their patient-base receives assistance under Medicaid or SCHIP. Grants would also be available to qualifying community health centers, State public health departments, Indian tribes/tribal organizations and accredited dental education programs; Ensure that States provide some level of dental benefits through SCHIP; Offer States the option to use their SCHIP funding to provide dental coverage to children in families who have medical but not dental coverage and meet SCHIP income-eligibility requirements; Expand School-Linked Dental Sealant Programs to include eligible school-linked public or non-profit organizations and Indian tribes that are under contract with an elementary or secondary school to provide dental services to school-aged children.

Mr. Speaker, this legislation is but a small step forward toward the goal of ensuring that every child in America has good oral health, but it is a necessary first step. I ask all my colleagues to join with me in supporting H.R. 4622.

PERSONAL EXPLANATION

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. PORTMAN. Mr. Speaker, yesterday I was absent attending meetings in my Congressional District in Ohio and missed the votes on rollcall No. 276, on H. Res. 591, designating Community Banking Month; rollcall No. 277, on H.R. 4363, the Helping Hands for Homeownership Act; and rollcall No. 278, on H. Res. 660, Congratulating Randy Johnson with the Arizona Diamondbacks on pitching a perfect game.

Had I been present, I would have voted "yes" on rollcall No. 276, "yes" on rollcall No. 277, and "yes" on rollcall No. 278.

PERSONAL EXPLANATION

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mrs. CAPPS. Mr. Speaker, on rollcall No. 276, had I been present, I would have voted "yes."

20TH ANNIVERSARY OF GEORGE C. MARSHALL INSTITUTE

HON. DARRELL E. ISSA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. ISSA. Mr. Speaker, I would like to take this opportunity to congratulate the George C. Marshall Institute here in Washington, DC on their 20th anniversary this June.

For the past 2 decades, the Marshall Institute has tirelessly promoted the use of sound science in making public policy and has provided Congress and the public with valuable assessments of recent scientific advances and trends. By stressing fact-based assessments of science, the Marshall Institute has helped policy makers make wise decisions in contentious areas such as climate change, defense, bioterrorism, and civic environmentalism. I ask that all of my colleagues in the House of Representatives join me in honoring this institution, which has provided an invaluable service to the policy-making community for the past 20 years, and in wishing them all success in the future.

TRIBUTE TO VIC JENSEN

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. CALVERT. Mr. Speaker, I rise today to honor and pay tribute to an individual whose dedication and contributions to the community of Riverside County, CA, are exceptional. We have been fortunate to have dynamic and dedicated community leaders who willingly and unselfishly give their time and talent and make their communities a better place to live and work. Vic Jensen is one of these individuals.

Vic Jensen will retire after 34 years of service as office manager of the Department of Motor Vehicles' Winnetka, Hemet, Corona, and Norco field offices on June 26, 2004.

Vic Jensen was born in Sacramento, California, on January 27, 1937. He and his wife, Isabel, have been married for 40 years and have one daughter, Julie Kim. Vic served in the United States Navy for 4 years, before moving to Norco in 1981 and quickly becoming involved in a variety of community activities, including: Board Member and President of the Norco Chamber of Commerce for 9 years; Commissioner of the Norco Streets and Trails Commission for 7 years; Numerous positions—President, Secretary, Zone Chairman, and Regional Chairman—over 14 years with the Norco Lions Club; Chairman of the Sight and Hearing Board for the Norco/Corona Unified School District; and Member of the Citizen's Advisory Committee for the California Rehabilitation Center.

Recognition of Vic's contributions include the Riverside County Board of Supervisors, Assemblyman Ted Weggeland, State Senator Raymond Haynes, and former California Governor Pete Wilson, for his work as President of the Norco Chamber of Commerce in 1996. Additionally, he has received the Abdul Award for his work with Canine Companions, the Lyda Smiley Award for his work with the Norco/Corona Unified School District in obtaining glasses for children in need, and the Melvin Jones Fellowship Award in 1997 for all of his accomplishments as a member of the Norco Lions Club.

Vic also spends countless hours in perfecting his passion for golf, golf, and more golf. Whenever a chance arrives he is fine-tuning his game.

Mr. Speaker, Vic's tireless passion for community service has contributed immensely to the betterment of the community of Norco, California. He has been the heart and soul of many community organizations and events and I am proud to call him a fellow community member, American, and friend. I know that many community members are grateful for his service and salute him as he retires from professional service, but not from community service.

IN RECOGNITION OF MARION BROADHEAD OF THE AMERICAN LEGION AUXILIARY

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. SHAW. Mr. Speaker, I rise today to recognize Ms. Marion Broadhead and her work as a member of the Sterling McClellan Post 142 of the American Legion Auxiliary. This organization, which is dedicated to humanitarian programs for veterans, young people, and the community, has a strong team of women working together for the betterment of citizens lives.

Recently the Sterling McClellan Post 142 of Pompano Beach, Florida, honored Ms. Broadhead as their five-time president, and current chaplain with the Unit Member of the Year Award. Ms. Broadhead was honored at an annual Memorial Day Parade and Picnic in Pompano Beach. Former U.S. Attorney General Janet Reno, along with members of the community and some surviving veterans, joined in this celebration.

Ms. Broadhead has led in the effort of community service by volunteering weekly in South Florida. Broadhead, who is a breast cancer survivor, spends her days visiting North Broward Medical Center, Trinity Community Church, St. Lawrence Chapel, and the Veterans Hospital in Miami.

Mr. Speaker, the benevolent and generous spirit that Ms. Marion Broadhead, in combination with the Sterling McClellan Post 142, has shown to the communities of South Florida is one that I would like to celebrate. Individuals like Ms. Broadhead help in building unified and strong communities in America.

PRESIDENT RONALD REAGAN

HON. STEPHANIE TUBBS JONES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mrs. JONES of Ohio. Mr. Speaker, I was not able to speak on the floor Wednesday, June 9, 2004, regarding the passing of former President Ronald Reagan. However, I would like to submit to the RECORD an article from Cleveland Plain Dealer written by local columnist Sam Fullwood on Tuesday, June 8, 2004.

PRESIDENT REAGAN: A BAD LEADING MAN

I never liked Ronald Reagan.

I didn't like him as a B- movie star in eyewash like "Bedtime for Bonzo," a 1951 movie in which the future president of the United States was upstaged by a chimpanzee.

I didn't respect him for turning away from President Franklin D. Roosevelt, whose New Deal policies helped lift Reagan's own family out of the depths of the Great Depression.

He was a hypocrite who started out as a Democrat and proud union man but turned Republican after he became rich and famous in Hollywood by pretending to be a common man.

But it was as president that I disliked Reagan most. Actually, the way he announced his decision to run ruined any chance of redemption.

On Aug. 3, 1980, the former California governor went to Philadelphia, Miss. Of all the places in this great nation, Reagan chose the infamous town where the bodies of three murdered heroes of the civil rights movement—Michael Schwerner, Andrew Goodman and James Chaney—had been found in 1964. He never mentioned them or civil rights in his announcement speech.

Instead, on that hot, summer day in Mississippi, he stole a line from Strom Thurmond's 1948 segregationist campaign.

"I believe in states' rights," Reagan said.

I haven't been able to stomach him ever since.

Of course, a great many people loved Reagan for his optimism and never-say-die confidence in this nation. I tip my hat to him for that.

But judging from the accolades following news of Reagan's death, at 93, last weekend, many people only note the best about the 40th president.

I remember the downside, too.

Much of the bad that has happened in America's public life started with the Reagan Revolution. Racial polarization widened during his two terms in the White House.

Reaganism let loose a sense of entitlement and lawlessness among corporate executives, spawning that famous line by actor Michael Douglas in his 1987 movie, "Wall Street." Said Gordon Gekko, "Greed is good."

Before Reagan, the national GOP contained moderates and conservatives in equal measure. After his rise to power, the relatively liberal Rockefeller wing of the party was clipped, leaving only the red-meat conservatives and intolerant Christian fundamentalists.

And that wasn't the worst of it. Reagan and his powerful allies poisoned the nation against government. Out of misguided populism, he threatened to starve the federal government out of existence.

Such a notion was impossible. But it didn't prevent Reagan from overseeing record deficits, rampant unemployment, desperate homelessness and rising poverty. Meanwhile, he spent liberally on military hardware, which helped end the Cold War.

Little is said about how he waged war on this nation's poor people. Reagan loved to tell stories, and he invented whoppers about "welfare queens" and "people on welfare driving Cadillacs to cash food stamps."

Reagan understood the power of an exaggerated metaphor. He used his movie-honed skills to inspire affluent Americans and to scapegoat poor ones.

It was mostly smoke and mirrors, honed from a life and career lived in La-La Land. I am saddened by his passing, but I can't indulge in the fiction that he represented the best of our national character. He didn't.

First and everlasting, Reagan was a bad actor.

PERSONAL EXPLANATION

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mrs. MALONEY. Mr. Speaker, on June 18, 2004, I missed rollcall Vote No. 275. Rollcall Vote No. 275 was on final passage of a bill Making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes.

Had I been present, I would have voted "yea" on rollcall Vote No. 275.

COMMENDING THE SERVICE AND SPIRIT OF SISTER JEANNE O'LAUGHLIN UPON HER RETIREMENT FROM THE PRESIDENCY OF BARRY UNIVERSITY

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. HASTINGS of Florida. Mr. Speaker, I rise today to commend the long and dedicated service of Sister Jeanne O'Laughlin, who will step down as president of Barry University on June 30, 2004.

Mr. Speaker, Sister Jeanne has been an exemplary leader at Barry University since taking office 23 years ago, in 1981. A tireless and enthusiastic promoter, she has helped to raise more than $200 million for her school, sometimes through humorous means, such as competitive ballroom dancing and singing at a fundraiser aboard a yacht.

Sister Jeanne has made an enormously positive impact on the academic environment at Barry University. At the time of her inauguration, Barry University had 1,750 students. It now boasts 9,042, the fourth largest private university in Florida. Sister Jeanne has presided over an increase in the number of academic schools from five to ten, and the construction of 38 additional buildings on campus.

Her multiple awards, achievements and honorary degrees, too many to list here, testify to her boundless energy, her spirit of goodwill, and her commitment to excellence in education. Her work on behalf of women's rights, the homeless, safe and drug-free school communities, hurricane reconstruction efforts, children, and numerous other organizations has had a lasting impact in South Florida. Simply put, her efforts have touched hundreds of thousands of lives.

Mr. Speaker, Sister Jeanne more than deserves our admiration and respect for her dedicated and compassionate public service. She is an example to educators everywhere, and, really, to us all as individuals, that superior results arise when you put your heart and soul into something you believe in. As Sister Jeanne has said, what she is "most proud of in my 23 years at Barry University are the experiences that I've had with the people who have been in my life."

I wish to congratulate and thank Sister Jeanne O'Laughlin, and I wish her the best of luck in all of her future endeavors.

TENTH YEAR OF NATIONAL HIV TESTING DAY

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I rise today to join the AIDS Services Foundation of Orange County, California in recognizing the tenth year of National HIV Testing Day, a life saving effort organized by the National Association of People with AIDS. This year's theme is "Take the test, and take control" of your life.

Each year, an estimated 40,000 new HIV infections occur in the United States, and as many as one-third of those new cases do not know they are infected. This growing and tragic epidemic has undeniably affected families and friends of every community. National HIV Testing Day emphasizes the importance of early detection of the virus through testing, counseling and HIV status awareness.

Latino populations continue to be disproportionately affected by HIV/AIDS. While Latino teens represent 15 percent of the U.S. population, they account for 21 percent of new AIDS cases. And statistics show HIV infections may be on the rise among the Latino population.

I am privileged to promote National HIV Testing Day by urging minority communities to take the test, and to take control of their lives. The reality is minority communities now represent the majority of new AIDS cases. Considering this fact, we must encourage testing. Since 1995, treatment advances have led to dramatic declines of approximately 70 percent in HIV-related deaths.

Mr. Speaker, I commend the AIDS Services Foundation of Orange County for the very important contributions and services they provide to those affected by HIV and AIDS. As Members of Congress, let's do our part to protect our constituents and to promote National HIV Testing Day.

HONORING ISABELLE WADSWORTH OF PETALUMA, CA ON HER 90TH BIRTHDAY

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Ms. WOOLSEY. Mr. Speaker, I rise today to honor Isabelle Wadsworth of Petaluma, California, on the occasion of her 90th birthday. A good friend, a wise woman, and a great mind, Isabelle's active life is a model for all of us who value community leadership and visionary spirit.

Born in Phoenix, Arizona, in 1914, Isabelle earned a BA at the University of Arizona and an MA at Northwestern University. In Arizona, she met her future husband, John Wadsworth. They married in 1937 and headed for California shortly thereafter. Initially, John managed a paint store in Santa Barbara and then served in the U.S. Army Air Corps until 1946. During the War, Isabelle moved to Sonoma County where John joined her later. Their daughter Sandra was born in 1948. The couple enjoyed a 63-year marriage. John passed away in 2000.

In 1943, Isabelle began work as an office manager at Sonoma Title Guaranty, eventually joining the Board of Directors from which she retired in the 1960s. Her concern for her community resulted in the creation of Petaluma People's Services, which she helped launch in 1963. Today the organization successfully offers a broad range of services such as counseling, housing, employment assistance, senior services, and other programs.

As a director at Sonoma County Mental Health Services, Isabelle was instrumental in the establishment of Oakcrest, a county mental health facility. She also served on the Sonoma County Grand Jury and was active in the League of Women Voters. She remains politically involved today, following the news closely and commenting freely on the issues.

Daughter Sandi describes Isabelle as "an inspiration and a mentor to me. She taught me the value of being a well-rounded person, exposing yourself to as much as you can and learning about everything."

Mr. Speaker, Isabelle Wadsworth is an inspiration to many of us, especially women who share her passion to make a difference. Her community leadership shows what caring people can accomplish. Happy Birthday, Isabelle.

PERSONAL EXPLANATION

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. GUTIERREZ. Mr. Speaker, I was unavoidably absent for votes in this Chamber on June 21, 2004. I would like the RECORD to show that, had I been present, I would have voted "yea" on rollcall votes 276, 277, and 278.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2005

SPEECH OF

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

The House in Committee of the Whole House on the State of Union has under consideration the bill. (H.R. 4568) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2005, and for other purposes.

Mr. KIND. Mr. Chairman, I rise in opposition to the amendment offered by my friend and colleague, Congressman RUSH HOLT.

Yellowstone National Park is the flagship of the National Park Service and is a favorite to millions of visitors each year. Since the first explorers began documenting their discoveries to modern day, the features of Yellowstone National Park have virtually remained the same. The scenic beauty, the thermal features, the volcanic mysteries, the free roaming wildlife are all a throwback to bygone days that continues to captivate the hearts and minds to all who are fortunate enough to witness them.

Mr. Chairman, this wonderful experience should remain available to those who responsibly use a snowmobile to enjoy all that Yellowstone has to offer.

Snowmobiling is a very important recreational activity for many Wisconsin families each winter. In fact, there are over 210,000 registered snowmobiles in my state, and I am concerned this amendment would unnecessarily curtail a popular method of enjoying Yellowstone and negatively impact on the industries snowmobiling supports.

The manufacturers of snowmobiles have successfully labored to build quieter, cleaner machines. The four-stroke engines found in new generation snowmobiles emit far less hydrocarbons and carbon monoxides than the older, two-stroke models. In addition, they operate at a decibel level that is quieter than many vacuum cleaners.

The sixty-five thousand snowmobiles that enter the parks each winter on a limited road system is part of a new Winter-Use Plan that allows all Americans to enjoy the majestic beauty of Yellowstone, while still preserving the health of the Park and the wildlife that live there. In fact, the environmental impact of these machines on this national treasure is likely far less than that of the nearly two million cars and trucks that enter in the summer months.

Mr. Chairman, responsible snowmobiling has its place in the American outdoors, especially in national forests designed for multiple-use. I urge my colleagues to oppose this amendment.

IN HONOR OF FRANCIS A. PETERLIN

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. MORAN of Virginia. Mr. Speaker, it is with great pleasure that I rise today to recognize and honor the service and career of Mr. Francis A. Peterlin as he prepares to retire after forty-four years of distinguished service in support of our Nation. Throughout his career, Mr. Peterlin has epitomized the Navy's core values of honor, courage and commitment and has displayed exceptional leadership in the advancement of the Navy's military construction requirements within the Department of Defense and the Congress.

In July 1960, Mr. Peterlin began serving his nation at the Department of Interior. In 1962, he chose a different path and entered the military in the Navy Reserves as a Civil Engineer Corps officer. While serving in June 1965 as Officer-in-Charge of SEABEE Technical Assistance Team 1104 in Dong Xoai, Vietnam, his unit was overrun by Republic of Vietnam Army forces. For his bravery and leadership during this encounter, Mr. Peterlin was awarded the Silver Star and Purple Heart medals along with the Navy Unit Commendation Medal for SEABEE Team 1104.

Upon discharge from the hospital and military service in 1966, Mr. Peterlin began his 38-year association with the Naval Facilities Engineering Command as a Civil Engineer for the Resident Officer of Construction, Pacific in San Bruno, California. During this tour ROICCPAC was awarded a Meritorious Unit Commendation for its support of construction efforts in Southeast Asia.

In 1969, he adopted the Commonwealth of Virginia as his home when he transferred to the Headquarters of the Naval Facilities Engineering Command located at the time in Alexandria, Virginia. In a succession of positions of increased responsibility Mr. Peterlin brought to this Command keen insight, attention to detail and a calm demeanor that fostered thoughtful and effective solutions. From 1969–1979, he was a civil engineer in the Interagency Construction Division providing project management for projects from various defense and federal agencies. In 1979, he became a Supervisory General Engineer in the Officer in Charge of Construction, Trident, Program supporting the construction of new homeports for Trident class submarines in Bangor, Washington, and Kings Bay, Georgia. From 1981–1991, he served as the Command's Congressional Advisor, providing professional advice to senior Navy officials testifying at Congressional hearings and dedicated and trusted support to the staffs of the Armed Service and the Military Construction Appropriation committees of both the House and Senate. He then served as a Division Head from 1991–1997, Deputy Director 1997–2002, and Director 2002 to the present of the Military Construction Directorate.

His steadfast leadership and superb performance have won him numerous awards, including the Department of the Navy's Superior Civilian Service Award in 1988 and the Distinguished Civilian Service Award in 1991. Mr. Peterlin completes his distinguished and honorable career in public service as Director of Military Construction, Naval Facilities Engineering Command responsible for the programming, budgeting, and construction of all Navy ashore facilities worldwide. He leaves behind a cadre of proteges that he has mentored into positions of leadership to carry on his legacy.

I am pleased to recognize and thank Frank Peterlin for his long and dedicated service to this country and join with his friends and colleagues in wishing him "Fair Winds and Following Seas" as he and his wife Elena begin a well-earned retirement.

PERSONAL EXPLANATION

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. BECERRA. Mr. Speaker, on Monday, June 21, 2004, I was unable to cast my floor vote on rollcall Nos. 276, 277, and 278. The votes I missed include rollcall vote 276 on the Motion to Suspend the Rules and Agree to H. Res. 591, Expressing the Gratitude of the House of Representatives for the Contributions made by America's Community Banks; rollcall vote 277 on the Motion to Suspend the Rules and Pass, as Amended H.R. 4363, the Helping Hands for Homeownership; and rollcall vote 278 on the Motion to Suspend the Rules and Agree to H. Res. 660, Congratulating Randy Johnson of the Arizona Diamondbacks on pitching a perfect game on May 18, 2004.

Had I been present for the votes, I would have voted "aye" on rollcall votes 276, 277, and 278.

PERSONAL EXPLANATION

HON. JOHNNY ISAKSON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. ISAKSON. Mr. Speaker, I was not able to be present for rollcall votes 260 through 278 on Thursday, June 17, 2004, Friday, June 18, 2004, and Monday, June 21, 2004 due to a requested and approved leave of absence. Had I been present, the record would reflect that I would have voted:

"Yea" on rollcall 260, on approving the journal;

"No" on rollcall 261 on the Hinchey amendment numbered 18 printed in the CONGRESSIONAL RECORD to prohibit the use of funds to kill bison, or assist in the killing of bison, in the Yellowstone National Park herd;

"No" on rollcall 262 on the Sanders amendment to prohibit the use of funds to maintain more than 65 million barrels of oil in the Strategic Petroleum Reserve;

"No" on rollcall 263 on the Holt amendment numbered 4 printed in the CONGRESSIONAL RECORD to prohibit the use of funds to permit recreational snowmobile use in Yellowstone

National Park, Grand Teton Park and the John D. Rockefeller, Jr. Memorial Parkway, which connects the two parks;

"Yes" on rollcall 264 making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2005, and for other purposes;

"No" on rollcall 265 on the DeFazio amendment numbered 17 printed in the CONGRESSIONAL RECORD to strike the proviso beginning on line 5;

"No" on rollcall 266 on the Sweeney amendment numbered 3 printed in the CONGRESSIONAL RECORD to increase by $450,000,000 the Office for State and Local Government Coordination and Preparedness;

"No" on rollcall 267 on the Jackson-Lee amendment to increase research, development, acquisition and operations by $10,000,000;

"No" on rollcall 268 on the DeLauro amendment which sought to insert a new section at the end of the bill to require that none of the funds appropriated by this Act may be used to issue an order under a task and delivery order contract to entities not in compliance with section 835 of Public Law 107–296;

"No" on rollcall 269 on the Roybal-Allard amendment numbered 1 printed in the CONGRESSIONAL RECORD to prohibit the use of funds to process or approve a review of options for privatizing of contracting out services provided as of June 1, by employees or temporary employees of the Bureau of Citizenship and Immigration Services who serve as immigration information officers, contract representatives or investigative assistants;

"Yes" on rollcall 270 on the Tancredo amendment to prohibit the use of funds to provide assistance to any state or local government entity or official that prohibits or restricts the sharing of an individual's citizenship or immigration status with the Bureau of Immigration and Customs Enforcement;

"No" on rollcall 271 on the Maloney amendment numbered 9 printed in the CONGRESSIONAL RECORD to limit to 80 the total number of grants available under the Urban Area Security Initiative, which provides discretionary grants to high-threat, high-density urban areas;

"No" on rollcall 272 on the Sabo amendment to insert a new section at the end of the bill for the Privacy Officer of the Department of Homeland Security to conduct privacy impact assessments of proposed rules as authorized by section 222 of the Homeland Security Act of 2002 (6 U.S.C. 142), hereby derived from the amount provided in this Act for "Aviation Security";

"No" on rollcall 273 on the Markey amendment numbered 10 printed in the CONGRESSIONAL RECORD to prohibit the use of funds in the bill to approve, renew or implement any aviation cargo security plan that permits the transportation of unscreened or uninspected cargo on passenger planes;

"No" on rollcall 274 on the Velazquez amendment which sought to prohibit the use of funds from being used by the Federal Protective Service to replace any existing contract for security guard services with statewide contracts for security guard services;

"Yes" on rollcall 275 making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes;

"Yes" on rollcall 276 expressing the gratitude of the House of Representatives for the contributions made by America's community banks to the Nation's economic well-being and prosperity and the sense of the House of Representatives that a month should be designated as "Community Banking Month";

"Yes" on rollcall 277 passing the Helping Hands for Homeownership Act;

"Yes" on rollcall 278 Congratulating Randy Johnson of the Arizona Diamondbacks on pitching a perfect game on May 18, 2004.

COMMENDING LEXINGTON POLICE CHIEF MIKE ROTH

HON. JOE WILSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. WILSON of South Carolina. Mr. Speaker, I would like to commend a public servant of 31 years, Chief William M. (Mike) Roth of the Lexington, South Carolina Police Department. Under his leadership, the Lexington Police Department grew from a force of ten to thirty-one officers that currently serve a population of 16,000 citizens. His innovative approaches to criminal justice issues have resulted in the establishment of a full-time traffic unit, an Emergency Service (SWAT) Team, and the institution of Community-Oriented Policing.

Chief Roth was also personally responsible for the establishment of the Department's Investigative Division that includes a Child and Elder Abuse Investigator and a full-time Victims Advocate. Additionally, he was instrumental in the creation of such local school-based programming as School Resource Officers and DARE classes for elementary and middle school students.

Under Chief Roth's leadership, the Department received many awards and recognitions, developed and implemented the "Adopt-a-Cop" development, and contributed to the establishment of the Lexington Keeping Every Youth Safe (KEYS) after-school program.

His hands-on approach to law enforcement management and dedication to the community serves as an example for other police departments to follow.

In conclusion, may God bless our troops and we will never forget September 11th.

RECOGNIZING TOMMY PILIOURAS AND THE MARGARITA GRILL

HON. GINNY BROWN-WAITE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Ms. GINNY BROWN-WAITE of Florida. I rise today to recognize a patriotic small business owner in my district that I had the pleasure of meeting last week.

Tommy Piliouras of Citrus County owns and operates the Margarita Grill in Homosassa, Florida. I arrived at his restaurant to find a line of eager people happy to wait as long as necessary for a table in his restaurant. All customers receive an American flag, and patriotic music plays throughout the restaurant which is decorated in red, white, and blue.

Mr. Pilouras runs the Margarita Grill along with his son, Sammy. The two of them chat and interact with customers at their tables and lead the crowd in singing patriotic songs while everyone waves the American flag. For patrons unwilling to wave the American flag, the restaurant plays "Hit the Road Jack" long enough for them to take their business elsewhere.

Tommy Piliouras came to America in 1958 from his native country of Greece and is proud to be an American. He appreciates the American way of life that many take for granted. His sense of family, community, and hard work truly exemplify the American spirit. It is refreshing and comforting to see such grateful, proud Americans.

I am pleased to have such loyal, appreciative Americans living in the communities of my district, and I am honored to recognize Tommy Piliouras and the Margarita Grill on the floor of this House today.

HONORING RICHARD S. AGNEW

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. SAM JOHNSON of Texas. Mr. Speaker, the stories of our veterans should be preserved for future generations. These accounts will serve as a valuable record of the price of freedom.

Richard S. ("Dick") Agnew, of Plano, Texas is a shining example of the American veteran. He's dedicated fifty-seven years of patriotic service to our nation and his fellow veterans . . . all without much fanfare or tribute.

Well, today that's about to change as the country and the Congress say, 'Thank you.'

In 1947, Mr. Agnew enlisted in the U.S. Army and served proudly with Airborne Infantry units. He rose through the ranks and was commissioned through Officer Candidate School as a Second Lieutenant in 1952. He served in combat in Korea with the 40th Infantry Division in what was dubbed the bloody Heartbreak Ridge sector.

On the night of July 19, 1953, Lieutenant Agnew engaged in hand-to-hand combat with enemy soldiers deep behind enemy lines. For his extraordinary heroism in that engagement, he was awarded the U.S. Army's Distinguished Service Cross, our nation's second highest award for valor, and the Purple Heart medal for the wounds he sustained in that life-and-death struggle. Dick Agnew endured what people today only watch in movies.

Promoted to Captain while on active duty, Agnew later attained the rank of Major in the U.S. Army Reserve. After he left active duty, Mr. Agnew attended Suffolk University in Boston, MA, from 1961–1964. He graduated Cum Laude in the top 3% of his class with a Bachelor of Science degree in Business Administration. A successful career in business ended with his retirement in 1996.

Mr. Agnew has devoted his life to promoting patriotism and improving the quality of life of his fellow veterans. He is the North Texas Commander of the Legion of Valor, a national organization chartered by Congress, whose members were awarded the Medal of Honor; also the Distinguished Service Cross, Navy Cross, and Air Force Cross.

It is a tremendous honor to recognize an unsung hero like Dick Agnew. You know, there was an inscription on the wall where I was held captive as a Prisoner of War in Vietnam—and I think it sums up Dick Agnew's experience. It read—Freedom has a taste to those who fight and almost die for it that the protected will never know. Dick Agnew knows about freedom. Dick Agnew loves that freedom. And Dick Agnew loves America.

God bless him and God bless America.

I'd like to insert his medal citation into the CONGRESSIONAL RECORD.

AWARD OF THE DISTINGUISHED-SERVICE CROSS

By direction of the President, under the provisions of the Act of Congress approved 9 July 1918 (WD Bul 43, 1913), and pursuant to authority in AR 600-45, the Distinguished-Service Cross for extraordinary heroism in action is awarded in the name of the Commander-in-Chief, Far East, to:

First Lieutenant RICHARD S. AGNEW, 01925377, Infantry, United States Army. Lieutenant AGNEW, a member of an infantry company, distinguished himself by extraordinary heroism in action against the enemy in the vicinity of Mundung-ni, Korea. On the night of 19 July 1953, Lieutenant AGNEW, was serving as the leader of a combat patrol operating far ahead of the United Nations main line of resistance when he and the assistant patrol leader fell from a cliff. Although his ankle was painfully injured and he was in enemy territory, Lieutenant AGNEW ordered the patrol to return to friendly lines and establish plans to rejoin allied forces the following evening. The following night, Lieutenant AGNEW and his comrade scaled the cliff and proceeded toward United Nations territory. When challenged by an enemy soldier, Lieutenant AGNEW fearlessly hurled a hand grenade. He was wounded and separated from his companion when the enemy retaliated with a hail of small arms and grenade fire. Confronted by an enemy soldier armed with a knife, Lieutenant AGNEW ignored his weakened condition, engaged him in hand to hand combat and killed him with his own weapon. Hearing other enemy forces advancing, Lieutenant AGNEW then pulled the pin on his remaining hand grenade and tied it to his hand before falling to the ground in exhaustion. He was later found in a semi-conscious condition by a United Nations patrol. The extraordinary heroism exhibited by Lieutenant AGNEW on this occasion reflects great credit on himself and is in keeping with the finest traditions of the military service. Entered the Federal service from Massachusetts.

IN HONOR OF GIRLS INC.

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. CASTLE. Mr. Speaker, it is with great pleasure that I rise today to honor the achievements of Girls Inc. on the celebration of its 50th Anniversary.

Girls Inc. is a nonprofit youth organization dedicated to providing important educational programs to young women, particularly those in high-risk, underserved areas. Throughout the years, Girls Inc. has been a key influence in the lives of millions of Americans and it has helped many wonderful young Delawareans achieve their hopes and dreams.

The programs of Girls Inc. work to improve math and science education, drug abuse prevention, media literacy, economic literacy, adolescent health, violence prevention, and sports participation. In addition, Girls Inc. promotes health and safety initiatives through programs such as "Will Power/Won't Power," which addresses teen pregnancy and "Action for Safety," which teaches teens to become advocates for issues affecting young women. It also hosts outreach programs that are designed for young women who live in public housing.

During the past 50 years, Girls Inc. has done much to address critical issues facing young women across the nation. In Delaware, the important work of Girls Inc. should not go unnoticed. Mr. Speaker, I commend and congratulate Girls Inc. for their dedication to improving and enhancing the lives of women. Its contribution in Delaware should serve as an example to us all.

PERSONAL EXPLANATION

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. OWENS. Mr. Speaker, because of an emergency in my district, I missed rollcall vote Nos. 276, 277, and 278. If present I would have voted "yea" on rollcall vote Nos. 276, 277, and 278.

ATTORNEY GENERAL ASHCROFT POLITICIZES THE WAR ON TERRORISM

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. CONYERS. Mr. Speaker, I would like to enter into the CONGRESSIONAL RECORD the attached column by Paul Krugman in today's New York Times. Mr. Krugman describes how the Attorney General has politicized the war on terrorism.

[From the New York Times, June 22, 2004]

NOONDAY IN THE SHADE

(By Paul Krugman)

In April 2003, John Ashcroft's Justice Department disrupted what appears to have been a horrifying terrorist plot. In the small town of Noonday, Tex., F.B.I. agents discovered a weapons cache containing fully automatic machine guns, remote-controlled explosive devices disguised as briefcases, 60 pipe bombs and a chemical weapon—a cyanide bomb—big enough to kill everyone in a 30,000-square-foot building.

Strangely, though, the attorney general didn't call a press conference to announce the discovery of the weapons cache, or the arrest of William Krar, its owner. He didn't even issue a press release. This was, to say the least, out of character. Jose Padilla, the accused "dirty bomber," didn't have any bomb-making material or even a plausible way to acquire such material, yet Mr. Ashcroft put him on front pages around the world. Mr. Krar was caught with an actual chemical bomb, yet Mr. Ashcroft acted as if nothing had happened.

Incidentally, if Mr. Ashcroft's intention was to keep the case low-profile, the media have been highly cooperative. To this day, the Noonday conspiracy has received little national coverage.

At this point, I have the usual problem. Writing about John Ashcroft poses the same difficulties as writing about the Bush administration in general, only more so: the truth about his malfeasance is so extreme that it's hard to avoid sounding shrill.

In this case, it sounds over the top to accuse Mr. Ashcroft of trying to bury news about terrorists who don't fit his preferred story line. Yet it's hard to believe that William Krar wouldn't have become a household name if he had been a Muslim, or even a leftist. Was Mr. Ashcroft, who once gave an interview with Southern Partisan magazine in which he praised "Southern patriots" like Jefferson Davis, reluctant to publicize the case of a terrorist who happened to be a white supremacist?

More important, is Mr. Ashcroft neglecting real threats to the public because of his ideological biases?

Mr. Krar's arrest was the result not of a determined law enforcement effort against domestic terrorists, but of a fluke: when he sent a package containing counterfeit U.N. and Defense Intelligence Agency credentials to an associate in New Jersey, it was delivered to the wrong address. Luckily, the recipient opened the package and contacted the F.B.I. But for that fluke, we might well have found ourselves facing another Oklahoma City-type atrocity.

The discovery of the Texas cyanide bomb should have served as a wake-up call: 9/11 has focused our attention on the threat from Islamic radicals, but murderous right-wing fanatics are still out there. The concerns of the Justice Department, however, appear to lie elsewhere. Two weeks ago a representative of the F.B.I. appealed to an industry group for help in combating what, he told the audience, the F.B.I. regards as the country's leading domestic terrorist threat: ecological and animal rights extremists.

Even in the fight against foreign terrorists, Mr. Ashcroft's political leanings have distorted policy. Mr. Ashcroft is very close to the gun lobby—and these ties evidently trump public protection. After 9/11, he ordered that all government lists—including voter registration, immigration and driver's license lists—be checked for links to terrorists. All government lists, that is, except one: he specifically prohibited the F.B.I from examining background checks on gun purchasers.

Mr. Ashcroft told Congress that the law prohibits the use of those background checks for other purposes—but he didn't tell Congress that his own staff had concluded that no such prohibition exists. Mr. Ashcroft issued a directive, later put into law requiring that records of background checks on gun buyers be destroyed after only one business day.

And we needn't imagine that Mr. Ashcroft was deeply concerned about protecting the public's privacy. After all, a few months ago he took the unprecedented step of subpoenaing the hospital records of women who have had late-term abortions.

After my last piece on Mr. Ashcroft, some readers questioned whether he is really the worst attorney general ever. It's true that he has some stiff competition from the likes of John Mitchell, who served under Richard Nixon. But once the full record of his misdeeds in office is revealed, I think Mr. Ashcroft will stand head and shoulders below the rest.

LET'S MAKE AMERICA'S INFRASTRUCTURE A PRIORITY BEFORE IRAQ'S

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. RAHALL. Mr. Speaker, clean water is again flowing into the Tigris River thanks to the U.S. Taxpayer and the good people from my home State of West Virginia. How grand, how good, how generous the Cheney-Bush bunch can be, until it comes to investing between America's shores.

Yes, health and welfare is on the mend from Baghdad to Kirkuk, but for our communities in Southern West Virginia, this Administration has no money.

I recommend to my colleagues a story on the front page of the New York Times this past Saturday by James Glanz. According to the article this project has been cloaked in secret for security reasons. I agree, it's for security alright, to secure the Cheney-Bush reelection. They don't want the American people to know that they build in Baghdad while we weep in Appalachia for clean streams, a healthy environment, and a safe harbor for our children.

Last week, another decision was made to deny the people of West Virginia, and of Appalachia, clean water, better health and education, as the House Appropriations Committee voted to cut the Appalachian Regional Commission's (ARC) funding by 40 percent following on the heels of an effort by the Cheney-Bush boys last year to cut it by 50 percent.

Apparently the Cheney-Bush bunch, including their cronies in Congress, don't think twice about sending $4 billion to Iraq for their water infrastructure needs, but are unwilling to provide the ARC less than 1/100th of that amount for services that do the same and more for West Virginia.

I can name a few better places to spend our taxpayers money.

In Raleigh County, just one of our wastewater projects is going to cost $22.5 million to serve 1200 new customers in the Glen Daniel/Fairdale area. This is a matter of public health, of bringing in new jobs, fueling the economy. Where is the money for that program?

Greenbrier Valley Airport in Lewisburg is 35 years old, and in need of a new terminal. The upgrade is expected to cost $15 million. Where is the money for Lewisburg?

Greenbrier Valley Airport's parking apron used for housing aircrafts, also needs a $10 million upgrade. Due to lack of funding availability, this project has already been broken into six phases in the hope of completing it. But where are funds for these phases?

In Wyoming County, $1 million is needed for a water project to serve 200 customers in the Crouch Farm area who presently have no water service at all. Where is their money?

The Cheney-Bush bunch wants to rebuild the oilfields of Iraq and expect the coalfields of West Virginia to pay for it. West Virginians are told by this Administration and this Congress that we can't afford to meet our wastewater needs, not when we're investing in other countries rather than our own.

What in the dickens is going on here, Mr. Speaker? I recall our not too distant history, when this Nation was able to fight and win a world war, rebuild the western European continent, and Japan to boot, and college educate a generation of Americans who fueled the greatest economic boon to which the world had never laid witness.

Now the Cheney-Bush bunch and the House leadership tell us again and again, there is no room for investment in America, and that the American people must take a back seat to the citizens of Baghdad.

I say no more. This Administration continues to show indifference to our Nation's infrastructure needs, including threatening to veto a highway bill that will bring over $2 billion to my home State of West Virginia, money we need to build roads in a mountainous terrain.

Mr. Speaker, I recall—shortly after the bombs fell in Baghdad and the President pledging that America would rebuild Iraq—on a trip back home, folks in an economically hard hit county in West Virginia, in all seriousness, asked me to tell the President to send the bombers to them, so then they could apply for help from America.

It was a sad moment for me, Mr. Speaker, even sadder for America.

COMMEMORATING DR. DAVID WERNER'S LONG CAREER IN EDUCATION

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. SHIMKUS. Mr. Speaker, I rise today to recognize Dr. David Werner's 36 years of service to students and colleagues at Southern Illinois University at Edwardsville.

David Werner first came to SIUE as a faculty member in the School of Business. He would go on to serve as Dean of the School of Business, and eventually, Provost and Vice Chancellor for Academic Affairs. Effective September 1, 1997, Dr. Werner was named Chancellor of SIDE.

In addition to his position at SIUE, Dr. Werner serves as an advisor and board member for groups such as the Southwestern Illinois Higher Education Consortium and the Board of Governors of the Illinois Council on Economic Education.

On June 30 of this year, Dr. Werner will retire as Chancellor of SIUE, bringing an end to nearly four decades of devotion to higher education in southern Illinois. As an educator, I share the same passion for teaching and nurturing the next generation, and I wish to not only commend Dr. Werner for his dedication, but to thank him for his commitment to excellence through education.

RECOGNITION OF MICHAEL J. ATTARDI IN APPRECIATION FOR A LIFETIME OF DEDICATION AND FRIENDSHIP TO THE COMMUNITY OF LONG BRANCH

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. PALLONE. Mr. Speaker, I rise today in recognition of the late Michael J. Attardi, a dear friend to the sixth district of New Jersey. Mr. Attardi, a resident of Long Branch, was a well-known figure throughout his community. He will be sorely missed by family, friends, and neighbors.

Michael Attardi was a truly remarkable neighbor for Long Branch. While he was born in Neptune, he lived within the neighborhood of Long Branch for the past sixty-eight years. Throughout his lifetime, Mr. Attardi was well regarded for his prowess on the football field. His greatest high school success was to lead the "Green Wave" of Long Branch High School to a state football championship. Known as "Iron Mike" to his close friends and family, Mr. Attardi was named to the first team All-State and All-County football teams quite an honor for any athlete.

Not only was Mr. Attardi triumphant on the field during high school, he also was a star football player at the Valley Forge Military Academy. His attendance at this academy allowed him to be named to the All-American Football team in 1954. After years had passed, the City of Long Branch and the State of New Jersey honored Mr. Attardi by electing him to the Long Branch Athletic Hall of Fame for his star abilities on the football field.

Aside from being an accomplished athlete, Mr. Attardi honorably served his country in the United States Army. He was well decorated in his eight years of service and received four medals as a Military Police officer. Perhaps his greatest accomplishments were his family, his marriage of forty-five years to Frances Tortoretti, their three children, and two grandchildren.

Mr. Speaker, once again, I am proud to acknowledge a truly great man for his dedication to family, community, and country. I ask that my colleagues join me in extending our sincerest condolences to the family of Mr. Michael J. Attardi. He will sorely be missed by everyone whose lives he touched.

A PROCLAMATION RECOGNIZING ANTHONY CHUNG-YI HO

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. NEY. Mr. Speaker:

Whereas, Anthony Chung-Yi Ho has provided outstanding service and contributions while serving as the Senior Officer with the Taipei Economic Council and Cultural Representative and Senior Assistant to the Honorable C.J. Chen, Taiwan's chief representative in the United States; and

Whereas, Anthony Chung-Yi Ho graduated from the National Taiwan University and joined Taiwan's foreign service in 1994; and

Whereas, Anthony Chung-Yi Ho has worked diligently during his time in Washington, D.C., to improve the understanding of Taiwanese-American relations held by Members of the United States Congress and their staff; and

Whereas, Anthony Chung-Yi Ho's service has served his country loyally and worked to establish a lasting friendship between officials in the Taiwanese and United States government; and

Whereas, Anthony Chung-Yi Ho will be greatly missed once he returns to Taiwan with his family next month;

Therefore, I join with members of Congress and their staff in recognizing Anthony Chung-Yi Ho for his exceptional work and immense contributions, and wish him the very best in his future endeavors.

RECOGNITION OF DR. MARY JO OLDHAM

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. SHIMKUS. Mr. Speaker, I rise today to honor a distinguished educator from Southern Illinois on the occasion of her retirement. Dr. Mary Jo Oldham served the residents of Southeastern Illinois for 40 years, as an instructor, a division chair, a vice president and then President of Southeastern Illinois College in Harrisburg.

Dr. Oldham began her career as an instructor at North Gallatin Community Unit High School in 1964. She moved on to Harrisburg High School, before taking a job at Southeastern Illinois College. Dr. Oldham has been deeply committed to the philosophy of the comprehensive community college, and has always been a strong advocate for the Illinois community college system. She has worked with a variety of grant projects, most of which were focused on curriculum development and the use of alternative delivery systems at SIC. In 2000, she became the fourth President of Southeastern Illinois College.

Dr. Mary Jo Oldham is a native of Shawneetown, Illinois. She resides in Shawneetown with her husband, Larry Morgan, a farmer. It is an honor to pay tribute to Dr. Oldham for her years of service to the people of Southeastern Illinois. She will be missed, but I want to wish her and her family a very happy and well-earned retirement. Dr. Oldham's career will serve as a model for community college administrators for years to come.

RECOGNITION OF CONTINENTAL SOCIETIES INCORPORATED AND THE CELEBRATION OF THEIR 49TH ANNUAL CONCLAVE

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. PALLONE. Mr. Speaker, I rise today to praise the accomplishments of Continental Societies Incorporated as they are on the eve of their 49th Annual Conclave. This national organization of women has provided distinguished service to children for nearly half a century.

Started in 1956, Continental Societies began with a vision of providing resources for and supporting the welfare of children with special needs. As a result of engaged and avant-garde leadership, the organization blossomed and was able to spread its message across the nation. Today, Continental Societies has approximately 1,000 dedicated and noble women who serve its 49 chapters.

Among their many successes, perhaps the most noteworthy is their 1972 campaign titled "Operation Awareness: HEER" (Health, Education, Employment, Recreation). Having recognized these four areas as essential to young people, Continental Societies initiated a variety of programs to combat deficiencies in these four segments of youth life. In 1977, they added Arts and Humanities as another aspect of their endeavor.

To this day, Continental Societies remains steadfast in its commitment to improving the quality of life for children across the United States. As National President Tonya Greenwood—a fellow New Jerseyan—gavels in another chapter in their history, I once again, ask that my colleagues join me in congratulating and thanking this illustrious organization for their many years of service.

CONGRATULATIONS TO THE 2004 ELLIS ISLAND MEDALS OF HONOR RECIPIENTS

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. BURTON of Indiana. Mr. Speaker, I rise today to congratulate the 2004 Ellis Island Medals of Honor recipients. The Ellis Island Medal of Honor commemorates and recognizes Americans of different ethnic backgrounds who have made a significant contribution to our society. These medals have been aptly named for Ellis Island, an endearing symbol of the immigrant roots and diversity that characterizes our great Nation.

When the immigrant station at Ellis Island, New York, opened on January 1, 1892, it admitted 700 immigrants into the United States in just its first day of operation. By the time the center closed in 1954, 17 Million immigrants had passed through its doors. The Ellis Island administration and staff, on average, processed up to 5,000 people per day. Many of these newcomers had little to no knowledge of English, hardly any money, and many arrived with only the clothes on their backs. They arrived risking their lives in exchange for freedom and a better way of life.

America has always been a haven for immigrants from all over the world who have come to our shores with a common desire to forge a new life in a land of opportunity, liberty, and freedom—freedom from religious, economic, political or ethnic persecution. The Ellis Island Medal of Honor was created in 1986 to honor those individuals who through their own perseverance, sacrifice and success, helped build our great Country. By honoring these outstanding individuals, we honor all who share their origins and we acknowledge the contributions they and other groups have made to America. Six American Presidents, several Senators, Congressmen, Nobel Prize winners, distinguished athletes, artists, clergy, military leaders, and others from all walks of life have been past recipients of this distinguished award.

Presented annually by the National Ethnic Coalition of Organizations (NECO), an umbrella group of more than 250 organizations that spans the spectrum of ethnic heritages, cultures and religions, the 2004 Ellis Island Medal of Honor recipients are once again a remarkable collection of individuals who have distinguished themselves as outstanding human beings and citizens of the United States. I once again commend NECO and its Chairman of the Board, my good friend William Denis Fugazy, for honoring these outstanding individuals, and for their tireless efforts to foster dialogue and build bridges between different ethnic groups, as well as promote unity and a sense of common purpose in our Nation.

Mr. Speaker, I hope that all of my colleagues will join me in recognizing the good works of NECO, and congratulate all of the 2004 Ellis Island Medals of Honor recipients. I would like to have the text of NECO's press release on the May 15th award ceremony, and the names of this year's recipients, placed into the CONGRESSIONAL RECORD following my statement.

ELLIS ISLAND MEDALS OF HONOR AWARDS CEREMONY

ELLIS ISLAND MEDALS OF HONOR AWARDS CEREMONY—NECO CHAIRMAN WILLIAM DENIS FUGAZY LEADS DRAMATIC CEREMONY

ELLIS ISLAND, NY, May 15—Standing on the hallowed grounds of Ellis Island—the portal through which 17 million immigrants entered the United States—a cast of ethnic Americans who have made significant contributions to the life of this nation were presented with the coveted Ellis Island Medal of Honor at an emotionally uplifting Ceremony.

This year's event, whose date coincided with Armed Forces Day, was dedicated to the men and women of our armed forces. We would like to pay special tribute to the individuals serving in the U.S. armed forces both here and abroad. Several of the Medalists also serve in the armed forces; many more are honored veterans.

NECO's annual medal ceremony and reception on Ellis Island in New York Harbor is the Nation's largest celebration of ethnic pride. Representing a rainbow of ethnic origins, the recipients received their awards in the shadow of the historic Great Hall, where the first footsteps towards a new life were taken by the millions of immigrants who entered the U.S. in the latter part of the nineteenth century.

"Today we honor great Americans who, through their achievements and contributions, and in the spirit of their ethnic origins, have enriched this country and have become role models for future generations," said NECO Chairman William Denis Fugazy. "In addition, we honor the immigrant experience—those who passed through this Great Hall decades ago, and the new immigrants who arrive on American soil seeking opportunity."

Established in 1986 by NECO, the Ellis Island Medals of Honor pay tribute to the ancestry groups that comprise America's unique cultural mosaic. To date, approximately 2000 American citizens have received medals.

NECO is the largest organization of its kind in the U.S., serving an umbrella group of over 250 ethnic organizations. Its mandate is to preserve ethnic diversity; promote ethnic and religious equality, tolerance and harmony; and to combat injustice, hatred and bigotry. NECO has an additional humanitarian mission: saving the lives of children with life-threatening medical conditions. NECO has founded The Forum's Children Foundation, which brings children in need of life-saving surgery from developing nations to the United States for treatment.

Ellis Island Medals of Honor recipients are selected each year through a national nomination process. Screening committees from NECO's member organizations select the final nominees, who are then considered by the Board of Directors.

Past Ellis Island Medal of Honor recipients include six presidents, entertainers, athletes, entrepreneurs, artists, members of the clergy, business executives, Nobel Prize winners and military leaders. Muhammed Ali, Frank Sinatra, Coretta Scott King, Generals Norman Schwarzkopf and Colin Powell, Dr. Michael DeBakey, Bob Hope and Elie Wiesel are some of the distinguished citizens who have received the Ellis Island Medal of Honor.

CONGRATULATIONS TO THE 2004 ELLIS ISLAND MEDALS OF HONOR RECIPIENTS.

Naji N.Abumrad, M.D. FACS., Chairman—Dept. of Surgery, Vanderbilt University Lebanese; Reem Acra, Fashion Designer, Lebanese; Arthur C. Anton, Chairman, Anton's Cleaners, Inc., Hellenic; Hon. Armand Arabian, Attorney, Arms Providers, Inc., Armenian; Lee Archer, Lt. Col. (Ret), Tuskegee Airmen/WWII, African; Garo H. Armen, Ph.D., Chairman & CEO, Antigenics, Armenian; Alfred S. Austin, CEO, A.S. Austin Company, Inc., English/German; Endre Alexander Balazs, Chairman, Matrix Biology Institute, Hungarian/Swedish; Dr. Mark L. Barbasch, Physician/Humanitarian, Polish/Israeli; John Berberian, President, Jon's Market Place, Armenian; Nicholas Peter Bissias, President & CEO, Conrad's/Cable's Corporations, Hellenic; Ernest Borgnine, Oscar Winning Actor, Italian; Doug Brooks, President & CEO, Brinker International, Ger/Eng/Ire/Scot; Wayne H. Brunetti, Chairman & CEO, Xcel Energy Inc., Italian; John P. Cahill, Secretary to the Gov, NYS Executive Chamber, Irish; Dr. George Peter Canellos, Prof. Of Medicine, Harvard Medical School/Dana-Farber Cancer Inst., Hellenic; Arcadio Casillas, President & CEO, Preferred Compensation Corp., Cuban; Anthony N. Charaf, Senior Vice President, Delta Airlines, Lebanese; Nicholas E. Chimicles, Senior Partner, Chimicles & Tikellis LLP, Hellenic; Henry L. Chung, Former President, Chinese Consolidated Benevolent Association, Chinese; RADM Vivien S. Crea, Commander, U.S. First Coast Guard District, German/Eng/Scottish; Haig R. Dadourian, President, Dadourian Export Corp, Armenian; Mario Daniele, Vice President, Robert Shulman Institute, Italian; John A. Daskalakis, Managing General Partner, JonCin & Sons, Ltd., Hellenic; His Eminence Archbishop Demetrios, Primate, Greek Orthodox Church of Amer., Hellenic; Charles Duval, President, Data Industries Ltd., African/French; Fawaz El Khoury, President, CMRK, Inc., Lebanese; Spyros Enotiades, Vice President, Clive Christian Dallas/Creative Design Cos., Hellenic/Cypriot; Jeronimo M. Esteve, President, Headquarter Toyota, Cuban; Thomas P. Fahey, Asst. Chief, NYC Police Department, Irish; Richard D. Fain, Chairman & CEO, Royal Caribbean Cruise Ltd., Lithuanian; Joseph R. Ficalora, President & CEO, New York Community Bank, Italian; Michael Ryan Flatley, "Lord of the Dance," Irish; Kenneth Frangadakis, DDS, Cupertino Dental Group, Hellenic; Charles Patrick Gallagher, Chairman & CEO, Gallagher Enterprises, LLC, Irish/German; Major Gen. Jon A. Gallinetti, Commander, AA, Marie Corps Air Bases Western Area, German/Italian; William (Josh) Gaspero, Writer/Publisher, Italian/English; Francesco Giambelli, Restauranteur, Italian; Robert Giannelli, Assistant Chief, Chief of Detective's Office—NYPD, Italian; Edmund Giegerich M.D., Exec. V.P. Medical Affairs, Long Island College Hospital, German/Italian; Sidney A. Goodman, Partner, The Goodman Group, Russ/Romanian/Lithuanian; Steven H. Grapstein, CFO, Kuo Investment Co., Polish/Russian; Dr. Michael Grasso III, Chairman, Dept of Urology, St. Vincent's Medical Center, Italian; Richard Greco, Acting Dir. Private Sector Dev., Coalition Provisional Authority, Italian; Pierson M. Grieve, Chairman & CEO, Ecolab, Inc., Scottish/Eng/French; J. Barry Griswell, Chairman, President & CEO, Principal Financial Group, Inc., English/German; Edward Grzedzinski, CEO, Nova Information Systems, Polish/Italian; George E. Hall, President, Clinton Group, Inc., Irish/Scottish; William D. Harris, CEO, 2004 Republican Nat'l Convention, English/Welsh; Thomas L. Harrison, Chairman & CEO, Diversified Agency Services Div., German/Irish; Roberto R. Herencia, President, Banco Popular North America, Puerto Rican; A. Barry Hirschfeld, President, A.B. Hirschfeld Press, Russian; Arlene Hirschfeld, Community Volunteer/Leader, Hung/Palestinian/Russ; Carole S.Hochman, Chairman & President, Carole Hochman Designs Inc., Russian/Latvian; Diarmuid M. Hogan, President & CEO, Global Excess Partners LLC, Irish; Stanley S. Hubbard, Chairman, Hubbard Broadcasting Inc., English/Norwegian; Lt. Gen. Charles L. Johnson, II, Commander, Electronics Systems Center, Irish/Italo/English; Barbara McNeill Jordan, Chairman, Claneil Enterprises Inc., Scottish/English; Nicholas P. Koutsomitis, President, Koutsomitis Architects PC, Hellenic; Charles LaGanga, Managing Director, Direct Access Partners, LLC, Italian; Margaret K. Lam, President & CEO, Prosperity Resources Inter., Chinese; Richard John Lanigan, Secretary-Treasurer, Office & Prof Employees IU, Irish; Lawrence P. Lataif, Esq., President, Lataif & Associates, Lebanese; Frederick S. Lee, Chairman, Global Institute of Finance & Banking, Korean; Patrick J. Lynch, President, Patrolmen's Benevolent Assoc., Irish; Dr. Muhammed Majeed, Founder & CEO, Sabinsa Corporation, Asian Indian; Sam Maloof, President, Sam Maloof Woodworker Inc., Lebanese; Steve A. Manta, Manta Industrial, Inc., Hellenic; Sandra March, Trustee, United Federation of Teachers, Romanian/Russian; Sal Marchiano, Sportscaster, WPIX–TV, Italian; Joseph A. Martinez, President, Dynaric Inc., Cuban; Patrick McDonough, Managing Director, Morgan Stanley, Irish/German; Jimmy Meng, President, Queens Lumber Co., Chinese; Frank Mercado-Valdes, President & CEO, Strategic Off Heritage Networks, Cuban/Puerto Rican/Jam; Michael J. Merlo, Sr. Vice President & Chief Credit Officer, Signature Bank, Italian; Steven Mintz, Chairman, Unifood Group of Companies, Russian/Polish; William M. Mooney, Jr., Senior Vice President, Independence Community Bank, Irish; Sam Z. Moore, Chairman & CEO, Thomas Nelson, Inc., Lebanese; Joseph M. Murphy, Chairman, Country Bank, Irish; LeRoy Neiman, Artist, Swedish; Mike North, Broadcaster, WSCR—670AM (The Score), Italian/Irish; Roger V.Ohanesian, MD, President & CEO, The Armenian EyeCare Project, Armenian; George Pappas, President, MCS Advertising Ltd., Hellenic; Thomas Passios, President & CEO, Pinnacle Associates, Hellenic; Thomas H. Patchell, General Secretary Treasurer, United Association of Plumbers & Pipefitters, Irish; Muriel Petioni, MD, President & CEO, Friends of Harlem Hospital Center, Caribbrean; Edward Pinkowski, President & Founder, Pinkowski Institute, Polish; Joe Piscopo, Actor/Entertainer, Italian; Charles Louis Poulos, Entrepreneur/Civic Leader, Hellenic; Hon. Anthony J. Principi, Secretary of Veterans Affairs, Department of Veterans Affairs, Argentine/Italian; John Psarouthakis, Ph.D., Founder & President, J.P. International, LLC, Hellenic; Dr. Kristjan T. Ragnarsson, Dept. of Rehabilitation Medicine, Mount Sinai School of Medicine, Icelandic; Carmine F. Ragucci, Chairman, Worldwide Group, LLC, Italian; Gopal Raju, Chairman, Indian American Center for Political Awareness, Asian Indian; Maria Fiorini Ramirez, President/CEO, MFR, Inc., Italian; Lillian Roberts, Executive Director, District Council 37—AFSCME, AFL–CIO, African; Peter J.M. Romary, CEO, Tanner & Romary, PA, English/French; Dr. Horst Kurt Saalbach, Chairman, FESTO Corporation, German; John Salamone, Exec. Dir. & Chief Admin. Officer, NIAF, Italian/German; Edward P. Salzano, Executive VP/COO, LiDestri Foods, Italian; Stanley Selengut, President, Maho Bay Camps, Inc., Harmony, Concordia, Russian/Austrian; Joseph F. Seminara, Attorney, Kurzman, Karelson & Frank, Italian; Nancy A. Shamow, Ph.D, Executive Director, Ascent School, Russian; Woongkil Song, President, Fed. Korean Amer Assoc. Greater NY, Korean; Gus Stavropoulos, President, Wolverine Carbide Die Co., Hellenic; Carole Keeton Strayhorn, Texas Comptroller, State of Texas, Irish/Scottish; Garrett A. Sullivan, Ret. President & Vice Chair, Applied Digital Solutions, Irish; Stanley R. Szemborski VADM USN, Principal Deputy Director, Office Of The Secretary Of Defense, Polish; Hon. William B. Taylor Jr., Afghanistan Coordinator, US Department of State, Scottish/English; Sami E. Totah, President, Oxbridge Group, Syrian/Lebanese/Israeli; Sava S. Tshontikidis, President, Laurel Dodge, Inc., Turkish/Hellenic; Kaya Tuncer, Chairman & CEO, ESBAS Aegean Free Zone, Dev. & Oper. Co.—Turkey, Turkish; Col. Tom L. Tyrrell USMC (Ret), Exec. Director & CEO, Scottish/Native Amer.; Charles J. Urstadt, Chairman & CEO, Urstadt Biddle Properties Inc., German/Irish; Ronald L. Vaughn, PhD, President, The University Of Tampa, Irish/German; James G. Veras, Exec. VP Emeritus, World Environment Center, Hellenic; Raghavendra R. Vijayanagar, MD, Director, Heart Institute Regional Medical Center, Asian Indian; John P.Volandes, Co-Founder & Director, Volmar Construction, Inc., Hellenic; Gus M. Vratsinas, Chairman & CEO, VCC, Hellenic; John P. Walsh, Chairman & CEO, Irish American Cultural Institute, Irish; Gerri Warren-Merrick, Vice Pres. Corp. Community Relations, Time Warner, African; Col. Kewyn L. Williams, Commander, US Army Garrison, African; Rev. Canon Frederick Boyd Williams, Rector, Episcopal Church of the Intercession, African/Native Amer. (Cherokee) Eng/Scottish; Warner Wolf, TV Sports Broadcaster, Polish/English; Allen Wu Esq., Chairman, Wu & Kao, P.L.L.C., Chinese; Jay S. Yadav, M.D., Director, Vascular Intervention, Cleveland Clinic Foundation, Asian Indian; Jon H. Yeung, Chairman & CEO, Youngtech, Inc., Chinese; Dae Kun Yoo, President & CEO, Y.S. Farm Country, Korean; Kiyoon Yoon M.D., Physician/Community Leader, Korean; Mike S. Zafirovski, President & COO, Motorola, Inc., Macedonian; Barry L. Zaret, M.D., Chief Cardiovascular Medicine, Yale University School Of Medicine, Russian/Austrian; Frederick A. Zito, Aerospace Engineer (Ret.), NASA, Italian.

WESTERVELT CENTENNIAL RECOGNITION

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. SHIMKUS. Mr. Speaker, I rise today to pay special tribute to the village of Westervelt, as she celebrates her centennial. Established in 1904, the people of Westervelt have given much to the United States of America.

The village of Westervelt was named after Dr. J.C. Westervelt, who provided advice to many citizens on how to live happy and healthy lives. Since the founding of the village, many citizens have been blessed to call Westervelt home. This is true as well for Dr. Westervelt, who lived there until 1955, when he passed away at the age of 100.

I am proud to represent the people of the village of Westervelt and to share in this special occasion with them. I thank them for all they give to this great Nation and wish them continued success in years to come. Congratulations.

RECOGNIZING THE 150TH ANNIVERSARY OF THE CITY OF ANNA, ILLINOIS

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. COSTELLO. Mr. Speaker, today I'd like my colleagues to join me in honoring the sesquicentennial of one of the oldest communities in southern Illinois, Anna.

The city of Anna, Illinois, was platted as a community in 1853 by Winstead Davie. Anna was named for Mr. Davie's wife, who was one of the children of Mrs. Nancy Willard, an early settler of Jonesboro, Illinois. Anna was planned with the coming Illinois Central Railroad line in the area.

In 1857, business and commerce came to Anna with the Anna Quarry, which has produced crushed rock, lime and building stone ever since. The stone produced in the quarry was used to build the Stinson Memorial Library and the First Presbyterian Church in Anna. The library was designed by Walter Burley Griffin who was a student of famed architect, Frank Lloyd Wright. During the Civil War, Anna hosted Camp Dubois and was a major staging point for union activities in the western theatre of the war. During the famous Lincoln-Douglas Debates held in the fall of 1858 in Jonesboro at the Union County Fairgrounds, Abraham Lincoln stayed in a house on Main Street in Anna, Illinois

In 1873, the Anna Mental Health Center opened providing employment for many residents throughout the region. The business section of Anna, which had been building up for two decades since the city's founding, suffered two major fires, one in 1876 and the other in 1879.

The Anna Fair was organized in December of 1879 and has come to be known as one of the top county fairs in Illinois. Held in August, the fair features horse racing, produce exhibits, livestock shows and other events.

Walter Willard and Rev. William Faris were responsible for opening the Union Academy, a private school, in 1883. For nearly 35 years the Union Academy served as an educational institution for many leaders in the area. In 1916, the Academy closed and the property came into the ownership of the high school.

Early Anna industries include Anna Pottery, known for its high quality work and the Flora Temple Mills, where flour was produced. Anna Pottery started operations in 1859 by C & W. W. Kirkpatrick, two Ohio brothers who migrated to the area. Clay found in area soils, together with the skill of the potters, brought fame and prestige to Anna Pottery. The brothers produced crocks, jugs and sewer tiles.

While the pottery facility closed in 1900, the one-of-a-kind items that were produced are considered folk art and fetch very high prices at auctions. Anna or Kirkpatrick Brothers pottery is one of the most sought after ceramics today.

Tobacco was processed in Anna from 1862 to 1870. Fruit and vegetables have also been important to the Anna economy since 1860. Apples and peaches are the chief commodities of the region and these fruits are marketed and sold to major metropolitan area markets. Anna was also home to a large Farmer's Market, built in 1934 to accommodate these products, the Anna City Hall now sits where the market once stood.

Anna is only a mile away from its sister city, Jonesboro, the seat of Union County, Illinois. Anna is a community rich in tradition and continues to serve as a major agricultural center for southern Illinois.

Mr. Speaker, I ask my colleagues to join me in honoring the founding of the community and the people of Anna, Illinois on the occasion of its 150th Anniversary.

PERSONAL EXPLANATION

HON. DENISE L. MAJETTE

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Ms. MAJETTE. Mr. Speaker, on June 21, 2004 I was not able to be here for three rollcall votes.

On rollcall No. 276 regarding H. Res. 591 expressing the gratitude of the House of Representatives for the contributions made by America's community banks to the Nation's economic well-being and prosperity and the sense of the House of Representatives that a month should be designated as "Community Banking Month," I would have voted "yea."

On rollcall No. 277 regarding H.R. 4363, to facilitate self-help housing homeownership opportunities, I would have voted "yea."

On rollcall No. 278, regarding H. Res. 660, congratulating Randy Johnson of the Arizona Diamondbacks on pitching a perfect game on May 18, 2004, I would have voted "yea."

PERSONAL EXPLANATION

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. MENENDEZ. Mr. Speaker, I was absent from votes in the House on Friday, June 18th, and Monday, June 21st, due to an unavoidable commitment. Had I been present, I would have voted the following way:

On rollcall vote 267, the Jackson-Lee amendment to H.R. 4567, "aye";

On rollcall vote 268, the DeLauro amendment to H.R. 4567, "aye";

On rollcall vote 269, the Roybal-Allard amendment to H.R. 4567, "aye";

On rollcall vote 270, the Tancredo amendment to H.R. 4567, "no";

On rollcall vote 271, the Maloney amendment to H.R. 4567, "aye";

On rollcall vote 272, the Sabo amendment to H.R. 4567, "aye";

On rollcall vote 274, the Velázquez amendment to H.R. 4567, "aye";

On rollcall vote 275, H.R. 4567, the FY05 Homeland Security Appropriations bill, "aye";

On rollcall vote 276, H. Res. 591, expressing the gratitude of the House for the contributions made by America's community banks, "aye";

On rollcall vote 277, H.R. 4363, the Helping Hands for Homeownership Act, "aye"; and

On rollcall vote 278, H. Res. 660, congratulating Randy Johnson, "aye."

TRIBUTE TO LIEUTENANT COLONEL GEFFREY L. COOPER

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to Lieutenant Colonel Geffrey L.

Cooper, the Commanding Officer of the 2nd Battalion, 23rd Marines, for his extraordinary leadership and bravery in action against enemy forces. He has shown strength and courage throughout his many years of heroic service with the United States Marine Corps.

A native of Aurora, Illinois, Lt. Col. Geffrey L. Cooper is married to June Madsen, and is the father of three daughters, Jennifer, Jessica and Jacalyn. He graduated from the Marine Corps Recruit Depot in San Diego in November, 1973 and has since had a long and successful military career. In 1980, Lt. Col. Cooper was commissioned as Second Lieutenant upon his graduation from St. Cloud State University in Minnesota. In 1980, he was also assigned to 2nd Battalion, 7th Marine Regiment and served as an infantry platoon commander. He was appointed to Infantry Training School at Camp Pendleton, and served as Assistant Officer in Charge from 1983–1986. In 1986, he was assigned as Commanding Officer of Company B, 3rd Light Armored Vehicle Battalion.

Lt. Col. Cooper proved to be a strong leader as the Operations Officer for Headquarters Battalion, 3rd Marine Division, and as Commanding Officer, Headquarters Company, 4th Marine Regiment, Okinawa, Japan. After leaving active duty in 1992, he joined the Individual Mobilization Detachment, Tactical Training Evaluation Control Group (IMADET). He served as the head IMADET representative for more than 75 combined arms exercises. In 2003, he was again activated and assumed command of 2nd Battalion, 23rd Marines Regiment in support of Operation Noble Eagle at Camp Pendleton.

Lt. Col. Cooper, along with the entire 2nd Battalion, 23rd Marines, was activated on February 23, 2002 and was deployed in February 2003. Nine hundred members of this Marine Forces Reserve Unit, combined with the I Marine Expeditionary Force (MEF), conducted the longest series of synchronized combined arms and overland attacks in the history of the Marine Corps. The 800 kilometer advance, which began at the border between Kuwait and Iraq, experienced heavy combat with continued hostilities to the North of Baghdad. The combined combat force successfully destroyed nine Iraqi Divisions.

The battlefield swiftness of the I MEF during its campaign was unmatched by any force to date. The success of the operation was due to valiant efforts of men and women such as Lt. Col. Cooper. Lt. Col. Cooper's many accomplishments are indicated by his many decorations, which include: Navy Marine Corps Medal, Meritorious Service Medal, Navy Achievement Medal with gold star in lieu of second award, Combat Action Ribbon and the Good Conduct Medal.

Mr. Speaker and distinguished colleagues, please join me in saluting Lt. Col. Cooper's exceptional leadership in the 2nd Battalion, 23rd Marine Regiment. Also, I ask you to join me in wishing future success to Lt. Col. Geffrey L. Cooper at his new Command, the 1st Marine Division, Camp Pendleton.

RECOGNIZING SEPTEMBER 2004 AS NATIONAL LIFE INSURANCE AWARENESS MONTH

HON. JUDY BIGGERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mrs. BIGGERT. Mr. Speaker, I rise today to introduce a resolution that will designate September 2004 as "National Life Insurance Awareness Month." I want to thank my friend PAUL KANJORSKI, the Ranking Member of the Financial Service Committee, for introducing this resolution with me and for his support on this important issue.

Today only four in ten adult Americans own an individual life insurance policy. And among those who do have life insurance, the amount often is too small to safeguard the financial future of their loved ones. As a result of insufficient coverage, family members often are forced to work extra jobs or longer hours, borrow money, or move to less desirable housing. These outcomes attest to the "crisis of underinsurance" that exists in our nation today.

Losing a family member is painful enough without it being compounded by financial difficulties. The goal of "Life Insurance Awareness Month" is to educate Americans about the importance of life insurance to a sound financial plan. It is my hope that it will motivate Americans to seek out information about the benefits of life insurance, so that if the premature death of a loved one does occur, they will be spared the economic hardships that often accompany tragedy.

I ask my colleagues to join me in support of designating September 2004 as "Life Insurance Awareness Month," and I yield back the balance of my time.

PERSONAL EXPLANATION

HON. RAHM EMANUEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mr. EMANUEL. Mr. Speaker, due to a family commitment, I was not present in the chamber on Friday, June 18 to cast my votes on rollcalls 267 through 275. Had I been present, I would have voted "yea" on rollcall 267; "nay" on rollcall 268; "yea" on rollcall 269; "nay" rollcall 270; "yea" on rollcall 271; "yea" on rollcall 272; "yea" on rollcall 273; "yea" on rollcall 274; and "yea" on rollcall 275.

Due to unavoidable travel delays, I was not present in the chamber earlier today to cast my votes on rollcalls 276 through 278. Had I been present, I would have voted "yea" on each measure.

AMERICANS HAVE A RIGHT TO LIVE THEIR LIVES AND MAKE DECISIONS BEST FOR THEM

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Ms. JACKSON-LEE of Texas. Mr. Speaker, I want to welcome all of my sharp, diverse female colleagues who are here tonight to speak on issues that affect women.

Right now, there are a myriad of anti choice legal efforts designed to undermine the basic tenets of Roe v. Wade. Never in my time in Congress have I seen so much misleading legislation geared towards women, court cases that refuse to vindicate our right to privacy, and so many blatant anti choice judicial nominees.

Americans have the right to live their lives and make decisions that are the best for them and their children. We are falling down a slippery slope of having the government dictate our moral, ethical, and private decisions. There is a small, fundamentalist, religious group which is overexerting their influence on the way our government is being run, and we must immediately put a stop to it.

Marian Wright Edelman, the President and Founder of the Children's Defense Fund, said "Justice is not cheap. Justice is not quick. It is not ever finally achieved." Looking out at this room of hopeful faces, I know that Justice can be achieved in our "battle for reproductive freedom" within our lifetime.

I am proud to be at the forefront of this battle, and I want to share some of my insight and strategy aimed at protecting a woman's right to choose.

I joined over a million people who believe that it is time to stand up for women's rights and demand a change in our administration on April 25, 2004 at the March for Women's Lives.

We marched because there is an attempt by our administration to undermine our fundamental rights. Women's health care includes reproductive services, access to contraception, and informed decisions made by individuals about their body, not their government.

My predecessor and longtime role model, Barbara Jordan, once said, "We want to be in control of our lives. Whether we are jungle fighters, craftsmen, company men, gamesmen, we want to be in control. And when the government erodes that control, we are not comfortable." The government is trying to erode that control, and this is something we must come together to prevent.

Right now we have an Administration that actively seeks to undermine a woman's right to choose. They falsely claim to be doing this in the interest of women and children, citing both the mother and child's well being as justifications for their actions. This same Administration has frozen the Title X family-planning program in each budget for the last three years. They have also cut domestic-violence prevention programs and frozen important programs for women and children, including the Maternal and Child Health Block Grant, Head Start, and child-nutrition services.

By contrast, they have proposed more than doubling funding for unproven, dangerous "abstinence-only" programs that censor health information from young people—and instead of supporting programs that help women who face violence, they have resorted instead to exploiting the issue for an anti-abortion political base. President Bush signed the so-called "Unborn Victims of Violence Act" with a false claim of being in a woman's best interest. This legislation would, for the first time in federal law, recognize an embryo or fetus as a separate "person" with rights separate from, and equal to, a pregnant woman.

Raising awareness must be a high priority, younger and older generations in America must begin to take this threat very seriously. Our right to chose is at its most precarious point since over 31 years ago, when Roe vs. Wade was decided. Our message will be clear: we will not tolerate the persistent government attacks on women's health and reproductive rights.

I am pleased that for the first time in its 95-year history, the National Association for the Advancement of Colored People (NAACP) board of directors unanimously endorsed a pro choice march. The Black Women's Health Imperative has also signed on. These organizations are part of a growing majority that believe contraceptive education and abortion rights for black and minority women must be a priority. Unintended pregnancy rates for African-American women is almost three times the rate of Caucasian women, maternal mortality is 4 times higher for African-American women than Caucasians. One out of 4 African-American women had less involvement than they would like in decisions effecting their health care, with only 73 percent of African-American women receiving first trimester prenatal care.

By making abortion illegal, we are going to harm those who turn to back alleys and home remedies to "fix" their situation, a scenario faced disproportionately by minorities and the underprivileged. We cannot make abortion inaccessible, illegal, or shameful. We must stand up for women's rights and let them make informed choices.

After the March for Women's Lives, I thought we had begun to get our message across. It seems to have fallen on deaf ears. Last month, the Food and Drug Administration denied the application to make Plan B (emergency contraception) available for sale over-the-counter. This is an unprecedented intrusion of politics into science. Never has an administration so politicized an over the counter application, nor set aside the overwhelming recommendation of its panel of experts. Our administration would rather appeal to the far right than work to reduce the number of abortions. If over-the-counter availability of EC could prevent even ten percent of unintended pregnancies annually, it would result in 150,000 fewer abortions per year.

This decision stands in direct opposition to the administration's stated goal of reducing the number of abortions. Emergency Contraception is not an abortion. It is simply concentrated doses of the regular birth-control pill, taken soon after sex in order to prevent pregnancy. Emergency Contraception is not the same as RU 486, which terminates an already-established pregnancy. EC is safe and effective, and is not harmful if taken after a pregnancy has been established.

Over-the-counter sales would be particularly beneficial for sexual assault victims. According to scientific studies, approximately 25,000 women per year in the United States become pregnant as a result of rape. An estimated 22,00 of these pregnancies—or 88 percent—could be prevented if sexual assault victims had timely access to emergency contraception.

I hope that all of you are willing to take the step and be the voice to fight against this slippery slope. The battle for reproductive freedom is far from over. I want to close with a quote from one of our truly great female leaders, Susan B. Anthony, "Men, their rights, and nothing more; women, their rights, and nothing less."

SENATE—*Wednesday, June 23, 2004*

(Legislative day of Tuesday, June 22, 2004)

The Senate met at 9:30 a.m. on the expiration of the recess, and was called to order by the President pro tempore (Mr. STEVENS).

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray:

Wondrous Sovereign of the sea, land, and air, at Your command, oceans and rivers flow and flowers blossom. Mountains and hills tremble in Your presence. Be exalted, O God, among the nations.

Bless America. Illuminate its path through the night with Your divine light. Bless these gifted Senators to whom You have delegated the challenging responsibility of governmental service. May they exercise their authority responsibly. Help them to be faithful stewards of Your blessings. Remind them that they possess nothing of value that they have not received, for every good gift comes from You. Protect all who put their trust in You, particularly the members of our military. Help those whom You have set upon the sure foundation of Your loving-kindness.

We pray this in the Name of the One who lives and reigns with You now and forever.

Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning we resume consideration of the Defense authorization bill. The agreement last night provides for debate on five amendments prior to the votes in relation to those amendments. Those amendments are the Corzine amendment on Reserve retirement, the McConnell amendment and Kennedy amendment on an Iraq report, the Reed amendment on missile defense, and the Byrd amendment on troop cap.

If all debate time on these amendments is used, we will proceed to a series of votes at approximately 11:15 this morning. I had originally hoped and expected we would be voting on final passage of the Defense bill this morning. Unfortunately, we have not been able to reach an agreement providing for the Senate to complete the bill. Therefore, last night I filed a cloture motion in the event we don't complete the bill. Our intention is to complete the bill this afternoon.

If we are unable to complete the Defense bill, that cloture vote would occur tomorrow. This is the fourth week of consideration of the Defense authorization, and it is time for us to finish the bill. I think we are proceeding along those lines.

I remind my colleagues that if a cloture vote occurs and the Senate votes cloture, germane amendments will still be in order in addition to an additional 30 hours of debate. It is vitally important that we consider the Defense appropriations bill this week, which will ensure our troops have the appropriate resources available to them. We need to begin this appropriations process, and I will be seeking an agreement on the Defense appropriations bill this week before the recess.

I add we will have additional judicial nominations today and into the evening, if necessary. We need to have those votes. We still have nine nominees who are to be considered on the floor and voted upon. These unanimous votes clearly will consume valuable Senate time and it may be necessary to have these votes into the evening to ensure we process these judicial nominations.

Finally, we have an additional 23 ambassadorships and U.N. Representatives which are now available on the calendar. Included on this list is the nomination of one of our former colleagues, Jack Danforth, to be our Ambassador to the U.N. These are vitally important nominations to act on. We need to do that expeditiously. We have had a blanket objection to executive nominations, but I believe these diplomatic nominations should not be held up for unrelated issues.

I have heard there may be debate necessary on the Danforth nomination. I hope we can look at a reasonable amount of time, or we will be here late at night, or we will have to delay the start of the recess in order to vote on these important nominations.

I yield the floor.

Mr. KENNEDY. Will the leader yield for a question?

Mr. FRIST. Yes.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDENT pro tempore. First, the Senator from Nevada is recognized.

FINISHING DOD AUTHORIZATION

Mr. REID. Mr. President, we on this side want to finish this bill. In fact, last night, as we indicated, we agreed to shorten the time to the five amendments that are pending. We want to move forward. We feel we can finish this bill. One of the suggestions—and I have not had a chance to talk to the managers—but rather than having the votes after this stack, we can have another series of amendments when we finish debate on these, so we would not be interrupted continually with votes.

We are going to do everything within our power to complete this bill as quickly today as possible. There has been this contentious issue raised dealing with delaying amendments. This is not going to hold up this bill. We believe we can dispose of these amendments in a relatively short period of time and go to final passage. The Leahy amendment should not hold up this bill. We have cooperated, we feel, immeasurably. We started out with about 300 amendments, and we have completed work on these. We are waiting to go. We hope the time is shortened, and we will move forward and do the best we can.

I apologize to my friend from Massachusetts. He has a question to ask.

The PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Yes. One of the amendments we were considering yesterday was the Reid amendment, offered on behalf of the Senator from Vermont, myself, and other members of the Judiciary Committee, about getting certain reports we have not been able to receive yet. I am wondering, since it is still in order, whether we are going to have an opportunity to address that issue in a short time discussion or debate, or is it the position of the majority leader that we are not going to have an opportunity to have that amendment offered and considered and voted on and disposed of?

Mr. FRIST. Mr. President, in response, through the Chair, that discussion continued last night with the managers as to how that particular amendment is handled. What we did do last night, so we can continue business,

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● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

is agree upon the five we laid out. No commitments have been made, at least from the leadership level, in terms of particular amendments that are out there.

So I suggest right now, or after you complete your remarks, getting together with the managers of the bill. Right now the only agreement is we will continue straight ahead with these five amendments and keep the ball rolling.

Mr. KENNEDY. Mr. President, I thank the majority leader for his willingness to move ahead. There are a number of us who are going to insist we at least have an opportunity to offer that amendment and address it at some time. I know I can speak for the Senator from Vermont, and he would be willing to enter into a short time agreement. It is a matter of enormous importance and consequence involving, we believe, the security of American troops because that is what the Geneva Conventions are all about: protecting American troops.

It is important on an issue of this importance and consequence that we move toward final conclusion, that we have a resolution of that issue. As a matter of fact, it is, I believe, imperative.

I thank the majority leader. We will find how we can deal with this issue over the course of the day. I thank our leader as well.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005

The PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 2400, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 2400) to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Service, and other purposes.

Pending:

Bond modified amendment No. 3384, to include certain former nuclear weapons program workers in the Special Exposure Cohort under the Energy employees Occupational Illness Compensation Program and to provide for the disposal of certain excess Department of Defense stocks for funds for that purpose.

Reed amendment No. 3353, to limit the obligation and expenditure of funds for the Ground-based Midcourse Defense program pending the submission of a report on operational test and evaluation.

Bingaman Amendment No. 3459, to require reports on the detainment of foreign nationals by the Department of Defense and on Department of Defense investigations of allegations of violations of the Geneva Convention.

Warner amendment No. 3460 (to amendment No. 3459), in the nature of a substitute.

Feingold modified amendment No. 3288, to rename and modify the authorities relating to the Inspector General of the Coalition Provisional Authority.

Landrieu/Snowe amendment No. 3315, to amend title 10, United States Code, to increase the minimum Survivor Benefit Plan basic annuity for surviving spouses age 62 and older, and to provide for a one-year open season under that plan.

Reid (for Daschle) amendment No. 3409, to assure that funding is provided for veterans health care each fiscal year to cover increases in population and inflation.

Ensign amendment No. 3467 (to amendment No. 3315), to provide a fiscally responsible open enrollment authority.

Daschle amendment No. 3468 (to amendment No. 3409), to assure that funding is provided for veterans health care each fiscal year to cover increases in population and inflation.

Reid (for Akaka) amendment No. 3414, to provide for fellowships for students to enter Federal service.

Reid (for Leahy) amendment No. 3387, relative to the treatment of foreign prisoners.

Warner (for Lott) amendment No. 3220, to repeal the authority of the Secretary of Defense to recommend that installations be placed in inactive status as part of the recommendations of the Secretary during the 2005 round of defense base closure and realignment.

Warner (for Bennett/Hatch) amendment No. 3373, to provide for the protection of the Utah Test and Training Range.

Warner (for Bennett) amendment No. 3403, to prohibit a full-scale underground nuclear test of the Robust Nuclear Earth Penetrator weapon without a specific authorization of Congress.

Warner (for Inhofe) amendment No. 3280, to reauthorize energy saving performance contracts.

Warner (for McCain) amendment No. 3442, to impose requirements for the leasing of aerial refueling aircraft for the Air Force.

Warner (for McCain) Amendment No. 3443, to impose requirements for the aerial refueling aircraft program of the Air Force.

Warner (for McCain) amendment No. 3444, to restrict leasing of aerial refueling aircraft by the Air Force.

Warner (for McCain) amendment No. 3445, to prohibit the leasing of Boeing 767 aircraft by the Air Force.

Levin (for Biden/Lugar) amendment No. 3378, to provide certain authorities, requirements, and limitations on foreign assistance and arms exports.

Levin (for Byrd) amendment No. 3423, to modify the number of military personnel and civilians who may be assigned or retained in connection with Plan Colombia.

Levin (for Byrd) amendment No. 3286, to restrict acceptance of compensation for contractor employment of certain executive branch policymakers after termination of service in the positions to which appointed.

Levin (for Corzine) amendment No. 3303, to amend title 10, United States Code, to reduce the age for receipt of military retired pay for nonregular service from 60 to 55.

Levin (for Daschle) amendment No. 3328, to require the Secretary of the Air Force to maintain 3 additional B–1 bomber aircraft, in addition to the current fleet of 67 B–1 bomber aircraft, as an attrition reserve for the B–1 bomber aircraft fleet.

Levin (for Daschle) amendment No. 3330, to authorize the provision to Indian tribes of excess nonlethal supplies of the Department of Defense.

Levin (for Dayton) amendment No. 3203, to require a periodic detailed accounting of costs and expenditures for Operation Iraqi Freedom, Operation Enduring Freedom, and all other operations relating to the Global War on Terrorism.

Levin (for Dodd) amendment No. 3311, relating to the imposition by the Department of Defense of offsets against certain contractors.

Levin (for Dodd) amendment No. 3310, to amend the Federal Law Enforcement Pay Reform Act of 1990 to adjust the percentage differentials payable to the Federal law enforcement officers in certain high-cost areas.

Levin (for Feingold) amendment No. 3400, to enable military family members to take leave to attend to deployment-related business and tasks.

Levin (for Graham (FL)) amendment No. 3300, to amend the Haitian Refugee Immigration Fairness Act of 1998.

Levin (for Leahy) amendment No. 3388, to obtain a full accounting of the programs and activities of the Iraqi National Congress.

Levin amendment No. 3336, to authorize the demolition of facilities and improvements on certain military installations approved for closure under the defense base closure and realignment process.

Levin (for Kennedy) amendment No. 3201, to assist school districts serving large numbers or percentages of military dependent children affected by the war in Iraq or Afghanistan, or by other Department of Defense personnel decisions.

Levin (for Kennedy) amendment No. 3377, to require reports on the efforts of the President to stabilize Iraq and relieve the burden on members of the Armed Forces of the United States deployed in Iraq and the Persian Gulf region.

Levin (for Reed/Kohl) amendment No. 3355, to ensure the soundness of defense supply chains through the support of Manufacturing Extension Partnership centers that improve the productivity and competitiveness of small manufacturers; and to clarify the fiscal year 2004 funding level for a National Institute of Standards and Technology account.

The PRESIDENT pro tempore. The Senator from Virginia.

Mr. WARNER. I thank the Chair.

Mr. President, I see the proponent of the first amendment on the floor, and we are prepared to engage. So at this time, I yield the floor.

The PRESIDENT pro tempore. The Senator from New Jersey.

AMENDMENT NO. 3303

Mr. CORZINE. Mr. President, I call up amendment No. 3303 and ask for its immediate consideration.

The PRESIDENT pro tempore. The amendment is pending. The Senator is recognized.

Mr. CORZINE. Mr. President, I ask unanimous consent that Senator MURRAY from Washington be added as a cosponsor.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CORZINE. Mr. President, this amendment is very simple, but very important for those who serve us so well and so ably across the globe. It is an amendment that will lower the retirement age for National Guard and

Reserve troops from 60 to 55. During this critical time when so many members of the Guard and Reserve are serving bravely in Iraq, Afghanistan, and elsewhere, I think this is the least we can do.

We are moving the retirement age to match up with the civilian retirement age in the country. The current retirement age was established 50 years ago at a time when it neared civil service retirement age. In the intermediate time, we have lowered civil service retirement age to 55, but we left Guard and Reserves at 60. It does not make sense that we are treating civilian Federal employees differently than we are treating reservists, particularly, I will point out, in a changed security situation.

Because the world has changed so dramatically since the cold war, our Guard and Reserves have a very different role today than they did during that time period. I have a chart that shows in stark terms what has actually happened with deployment of our Guard and Reserve members. This is the number of major contingencies and operations with Reserve participation. From 1953 to 1990, there were 11 callups. From 1991 to 2001, there were 50. I think all of us know how seriously our Guard and Reserve are involved in Iraq and Afghanistan.

They truly have become an integral part and contributor of our Nation's defense on the front lines. Not coming into the Reserve training centers once a month, 2 weeks on a summer's day, but they are on the front lines defending America day in and day out, and I think it is time we recognize that and made some adjustments to 50-year-old policies.

Considering the demands we are placing on our ready Reserve right now, not only do they make up 46 percent of our uniformed Armed Forces personnel, they are especially important in areas of expertise most pertinent to the stabilization and nation-building missions in Iraq and Afghanistan. Guard and Reserves count for 97 percent of military civil affairs units—think of what we are using them for in Afghanistan—and 70 percent of engineering units. Think of what we are trying to do with regard to reconstruction in both Afghanistan and Iraq. And 66 percent of our military police.

As a matter of fact, they just called up a National Guard unit in my home State of New Jersey. They sent out about 100 folks to Guantanamo. It is incredible how we are using over and over our Guard and reservists for the very functions we need in the new world we are facing.

As we all know, mobilization is up dramatically. More than 160,000 Reserve personnel are now on active duty. Last year, the number of Reserves was more than 400 percent what it had been 4 years earlier—a 400-percent increase in the number of reservists on duty relative to 4 years ago. Again, the number of deployments is exploding, whether it is in Haiti, Afghanistan, Bosnia, or Kosovo. Name it, that is where we are using these folks day in and day out.

Reservists are serving longer durations as well. Last year the average duration was 319 days for the reservists and guardsmen. That, by the way, only included those who completed their assignments. That is looking at the folks who had been sent back home. That does not take into account the extended time many of those on call are serving.

With some 140,000 troops currently serving in Iraq and 40 percent of Guard and Reserves, it is clear we are relying more and more on these brave Americans, more than at any time in the recent past.

The next chart I have demonstrates one component of our Reserve forces, the Army National Guard. By the way, in New Jersey, we have about 7,000 of the 9,000 National Guard folks on call, just as a backdrop—7,000 out of the 9,000. Until the end of 2002, the number of mobilized personnel was relatively stable at 20,000, which is what we see on this chart. After that, it exploded upward. It was about 70,000 when I last brought up this proposal when we were discussing the Iraq supplemental last year, and it is up 20,000 which, by the way, was in the October period, and now it has gone up another 24,000, to almost 95,000 National Guard personnel mobilized in the service of the Nation.

It is clear our Reserve forces are no longer a part-time force. This is not sideline work. We have entered a new era where a larger number of troops will be deployed for long periods of time, and our policies need to change. We have a 50-year-old policy, one that does not even match up with our civilian retirement age. I think our National Guard and Reserve units have made an unbelievably important contribution, and we need to reflect that in our policies as we go forward.

That is what this amendment is about. I know the problems facing the Guard and Reserve because I have talked with a lot of these folks myself. There are 303 Guard and Reserve members from my State of New Jersey who are over the age of 55, fifty-five of whom have already been deployed. Additionally, there is a large swath of folks in that 45-to-55 age bracket. These people would like to have responses.

To make this a little more personal, 2 weeks ago Saturday, we lost Guard folks in Iraq. One was 51, and one was 46. These were people who had made long-term commitments to serve our Nation. They were wonderful people with great life stories about how they participated in the community.

I went out to Walter Reed, and there were seven of New Jersey Guard folks who were injured in the same firefight. You do not meet braver people, and they are performing and sacrificing the same way our other troops are. They have a contingent risk, and they have all kinds of interference in their lives. Why are we not addressing some of the fundamental needs these individuals have that are at least the same as our civilian employees? I feel passionately that we need to respond to what has changed in how we operate our military forces as we go forward.

I understand the budgetary considerations. I know there are reasons that push this back, but we need to put faces to these individuals and understand it. By the way, there are good personnel management policies and if there are these earlier retirements people are not staying around longer than they would otherwise so that they could get the benefits they want to have and there could be a greater flow and help recruiting; lots of good reasons that are independent of the change in policy in activation and use of our Reserve Forces. It is something I have a hard time understanding.

I have some other things in here. We can talk about stop-loss orders and how that has impacted the lives of so many of the military folks who are extending their terms of duty. I think there are about 16,000 reservists who are under this new policy because of our needs as a nation, and those are perfectly reasonable. We are not arguing about whether that was the right or wrong thing to do. It needed to be done. It had to be done. It was an exigency that needed to be done, but we ought to reflect that in our policies. We need to change policies when circumstances have changed.

Finally, this is one of those things that the people who represent our military men and women in the Reserves and Guard are absolutely almost 100 percent behind. The military coalition, including the Reserve Officers Association, Veterans of Foreign Wars, Air Force Sergeants Association, the Air Force Association, Retired Enlistment Association, Fleet Reserve, Naval Reserve Association, National Guard Association, all of these people feel strongly that this is one of their top priorities.

There are others. We can talk about health care, the demonstrations of it and a number of issues. But why are we staying with a 50-year-old policy that is not even as reflective of retirement needs of people who are risking their lives to protect Americans as we are with our civilian employees? I am not criticizing what our policy is for our civilian employees in the Federal Government. We ought to reflect the fact that we are using these folks on a regular basis. The deployments are up. The numbers are up and they are serving at great risk for us.

I think this is one of those things we can do to actually change the lives of their families and reflect those sacrifices they are making for us, and that is why I am asking for the support of the Senate with regard to changing the retirement age.

Mr. NELSON of Florida. Mr. President, will the Senator yield?

Mr. CORZINE. Yes.

Mr. NELSON of Florida. Mr. President, how much time does the Senator have remaining?

The PRESIDENT pro tempore. There is 4 minutes.

Mr. NELSON of Florida. Mr. President, if the Senator will yield, I say to the Senator that I think he is right on. In my State of Florida, we have the same experience and the very same statistics that he has pointed out with regard to New Jersey. This is not what was originally contemplated for the Guard and the Reserves, and because of their specialties, because there is not enough of the Active-Duty Force, they have become, in effect, a full-time active-duty force.

The good news is they are professionally trained warriors, as much as the Active-Duty force. The bad news is, this is not what they bargained for in the Reserves and the National Guard, because they have their own civilian lives. So I appreciate the Senator offering this amendment. I support it.

If the Senator is finished with his comments, I will take 30 seconds and point out one of the differences between the Senate bill and the House bill on something we tried to address in 2001, after the debacle we had in the 2000 Presidential election in Florida, where there was an inconsistency of the application of State laws on to the counting of military overseas ballots in the Presidential election.

One of the things we did was start a pilot study for Internet voting of overseas military. There was some concern that fraud could be injected into Internet voting. So what we have done in the Senate bill is still have a process but have it delayed to the 2006 and 2008 elections. The House bill on Defense authorization has done exactly the opposite and instead has cut out any kind of pilot study on Internet voting for overseas military.

I hope when we get to conference that we will insist on the Senate provision.

I thank the Senator for yielding.

The PRESIDENT pro tempore. The Senator yields for a question. The Senator from New Jersey has the floor.

Mr. CORZINE. I yield the floor.

The PRESIDENT pro tempore. The Senator has 2 minutes remaining.

Mr. WARNER. Mr. President, if I might just speak personally, I served in the Reserves some 12, 14 years and we knew what we had as our obligation when we signed up. That is the way it has been throughout our contemporary military history.

I share with the Senator how the Reserves and the Guard with their families have borne the brunt of battle in the same way as the regular forces, but bear in mind that the regular forces, which are given an option for early retirement, have to put in a minimum of 20 full years of obligated service. If we continue to narrow the differences between the pay and benefits for the Reserves and Guard and the Regulars, pretty soon people will say, let's opt for the Reserve or the Guard rather than spend 20 years of our lives to gain those benefits that Congress accords our people.

For that reason, I intend to raise a budgetary point of order with respect to Senator CORZINE's amendment on that very point. The amendment would allow eligible reservists to be able to collect retirement pay at age 55 instead of age 60. That would be an extremely costly change to implement. CBO has estimated it would increase mandatory spending in 2005 by $1.7 billion. It would cost $8.2 billion in mandatory spending over the coming 5 years and $16 billion over the coming decade. Those are very major costs.

I bring to the attention of my colleagues that already in this bill we have added, by way of amendments, an additional $1 billion in direct spending, and discretionary spending is at $10 billion. So this bill goes up and up and up, and it is going to the point where it might well become so top heavy we cannot persuade our colleagues to support it and/or the administration as they look at the overall budgetary aspects of our financial projections for defense.

Keep in mind there are additional costs that are incurred—I did not hear the Senator address these—regarding health care for retired reservists that would be caused by this amendment. The amendment would have the effect of lowering to 55 the age at which a reservist retiree or his or her dependents would become eligible for medical coverage under TRICARE.

The Department of Defense estimates that the added costs to the defense health care program could be as high as $427 million in the first year should this matter be enacted, and $6.8 billion over the coming 10 years. So both the retirement costs as well as the health care costs have to be added in if the Senate wants to look at the total financial impact of the initiative by my friend from New Jersey.

The Senate considered this identical amendment less than a year ago. Senator CORZINE once before introduced it during debate on the Emergency Supplemental Appropriations Act for Iraq and Afghanistan in October of 2003. The amendment fell on a budgetary point of order failing to achieve even 50 votes.

The Department of Defense has voiced strong objection to the amendment, citing studies and experience showing that lowering the Reserve retirement age to 55 would not help the services meet recruiting, retention, or force management objectives. DOD advises that, in fact, 80 percent of those who would benefit from this amendment have already retired.

Let me be clear that my opposition to this amendment does not reflect any implied criticism of the patriotic service being rendered by the Reserve and the Guard. Once again, however, we are seeing a proposal to change a well-established condition of military service, one all of those who go into the Reserves fully understand at the time they commit to service. Should this amendment be passed, we are incurring an enormous financial impact on this bill and the outyear budget of the Department of Defense.

In response to the claim that the greater reliance on the Reserve component calls for increased rewards, please keep in mind the enhanced health care benefits included in this legislation already as a result of the work of Senator GRAHAM of South Carolina. Consider also Senator HARRY REID's amendment on current receipt and Senator LANDRIEU's pending amendment, should that be adopted, that would enhance the Survivor Benefit Program. That is a broad range of benefits going to the Reserve and Guard and others. These amendments equally benefit the Guard and Reserve retiree population, the same individuals who would benefit from the pending amendment of the Senator from New Jersey.

As I say, we currently added over $10 billion in discretionary spending to this legislation on top of benefits we also increased in the underlying bill itself in committee.

In response to the assertions that the role of the Guard and Reserve is changing and the enhanced retirement benefits are needed, let me point out there is in the underlying bill a requirement for a commission on the National Guard and Reserve that would have the responsibility of examining the roles and missions of the Guard and Reserve, and specifically to "assess the adequacy and appropriateness of the compensation and benefits currently provided for the members of the National Guard and reserve components" and "to assess the effects of proposed changes in compensation and benefits on military careers in both regular and reserve components."

I anticipate that this commission will provide important insights to the Congress in the continuing debate over these issues.

In summary, the Department of Defense simply cannot continue to absorb mandatory spending directives that drive the cost of military personnel, both Active and Reserve, to levels we simply cannot support at the same time we are trying to modernize, and also the operational costs of the military today.

I urge you to reject this amendment on the point of order.

At this point in time, the pending amendment offered by Senator CORZINE increases mandatory spending and, if adopted, would cause the underlying bill to exceed the Armed Services Committee's section 302 allocation. Therefore, I raise a point of order against the amendment pursuant to section 302(f) of the Congressional Budget Act of 1974.

The PRESIDING OFFICER (Mr. ENZI). The point of order is not timely until all time has expired.

Mr. WARNER. I realize that. I thought all time had expired on the other side. I was about to yield back my time. Is that not correct?

The PRESIDING OFFICER. The Senator from New Jersey has 1 minute 51 seconds remaining.

Mr. CORZINE. I will yield back my time, but pursuant to section 904 of the Congressional Budget Act of 1974. I move to waive the applicable sections of the act for purposes of the pending amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. WARNER. The pending amendment offered by the Senator increases mandatory spending if adopted and would cause the underlying bill to exceed section 302. Therefore, I once again raise the point of order against the amendment, pursuant to section 302(f) of the Congressional Budget Act.

I yield back my time and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

The PRESIDING OFFICER. The vote will occur at the appropriate time. The Senator from Michigan.

Mr. LEVIN. The vote will then occur on the waiver?

Mr. WARNER. That is correct. And the votes, again, for colleagues who might not have followed the majority leader and Democratic whip's comments, are to be stacked at approximately 11:30, at which time we will proceed to all votes.

Will the Chair advise the Senate with regard to the next amendment in order and the time allocated to each side?

The PRESIDING OFFICER. The Senate will now consider a McConnell amendment and a Kennedy amendment, No. 3377, concurrently, for a total of 30 minutes equally divided.

Mr. WARNER. Mr. President, I did not hear. I was unable to hear the Presiding Officer. Will he repeat it.

The PRESIDING OFFICER. We now go to the McConnell and Kennedy amendments, concurrently, with 30 minutes equally divided.

Mr. WARNER. I thank the Chair.

AMENDMENT NO. 3472

The PRESIDING OFFICER. The clerk will now report the McConnell amendment which has not yet been reported.

The legislative clerk read as follows:

The Senator from Virginia (Mr. WARNER), for Mr. MCCONNELL, proposes an amendment numbered 3472.

The amendment is as follows:

On page 247, between lines 13 and 14, insert the following:

SEC. 1022. REPORT ON THE STABILIZATION OF IRAQ.

Not later than 120 days after the date of the enactment of this Act, the President shall submit to the congressional defense committees an unclassified report (with classified annex, if necessary) on the strategy of the United States and coalition forces for stabilizing Iraq. The report shall contain a detailed explanation of the strategy, together with the following information:

(1) A description of the efforts of the President to work with the United Nations to provide support for, and assistance to, the transitional government in Iraq, and, in particular, the efforts of the President to negotiate and secure adoption by the United Nations Security Council of Resolution 1546.

(2) A description of the efforts of the President to continue to work with North Atlantic Treaty Organization (NATO) member states and non-NATO member states to provide support for and augment coalition forces, including efforts, as determined by the United States combatant commander, in consultation with coalition forces, to evaluate the—

(A) the current military forces of the NATO and non-NATO member countries deployed to Iraq;

(B) the current police forces of NATO and non-NATO member countries deployed to Iraq; and

(C) the current financial resources of NATO and non-NATO member countries provided for the stabilization and reconstruction of Iraq.

(3) As a result of the efforts described in paragraph (2)—

(A) a list of the NATO and non-NATO member countries that have deployed and will have agreed to deploy military and police forces; and

(B) with respect to each such country, the schedule and level of such deployments.

(4) A description of the efforts of the United States and coalition forces to develop the domestic security forces of Iraq for the internal security and external defense of Iraq, including a description of United States plans to recruit, train, equip, and deploy domestic security forces of Iraq.

(5) As a result of the efforts described in paragraph (4)—

(A) the number of members of the security forces of Iraq that have been recruited;

(B) the number of members of the security forces of Iraq that have been trained; and

(C) the number of members of the security forces of Iraq that have been deployed.

(6) A description of the efforts of the United States and coalition forces to assist in the reconstruction of essential infrastructure of Iraq, including the oil industry, electricity generation, roads, schools, and hospitals.

(7) A description of the efforts of the United States, coalition partners, and relevant international agencies to assist in the development of political institutions and prepare for democratic elections in Iraq.

(8) A description of the obstacles, including financial, technical, logistic, personnel, political, and other obstacles, faced by NATO in generating and deploying military forces out of theater to locations such as Iraq.

The PRESIDING OFFICER. Who yields time? The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as I understand the floor managers, we have a half hour, and that time is divided between the Senator from Kentucky and myself. We have two different amendments. At some time at the leadership's discretion we will have an opportunity to vote on those. The asking for the yeas and nays still is yet to be done, but it is certainly my intention to do so.

Mr. President, I yield myself now 5 minutes.

I want to address an issue that came up yesterday just prior to making the comments on my amendment because I do think it is of importance, as we are reaching the final hours in the deliberation of the Defense authorization bill, to make a comment on a particular amendment. This is effectively the Leahy amendment which is supported by a number of the members of the Senate Judiciary Committee.

I understand there is a reluctance on the other side of the aisle among Republican leadership—not necessarily the chairman of our Armed Services Committee but of the Republican leadership—voting on it.

I want to mention very briefly as we are coming into the final hours of the consideration of the legislation, the importance of the consideration of that particular proposal. I am very concerned that our Senate Republican friends are effectively stonewalling the release of the Justice Department memorandum on the torture of prisoners, and specifically the majority leader has filed cloture on the Defense bill in hopes of preventing a vote on an amendment that would require the release of the Justice Department documents.

The administration released a handful of documents yesterday, but the materials are far from complete. This is not a partisan issue; it is a constitutional issue.

It is required by our oath of office to preserve, protect, and defend the Constitution of the United States. The administration has shown a stunning disregard for the law and the usual rights of oversight, resorting time and time again to saying that we are at war.

We are not under martial law in this country. The laws and the Constitution are not suspended because we are at war. The actions of the administration and questionable advice by the Justice Department contradict the founding principles of this country. Our country is not above the law. The President is not above the law. The Attorney General is not above the law. The Justice Department is not above the law. The Bush administration cannot continue to refuse to reveal memoranda because we are at war and because he does not want to. This is a precedent that could dangerously undermine our system of laws and government as we know them.

I believe the Senate itself is on trial. We have a constitutional and an oath of office responsibility to prevent this stonewalling of required accountability. If we look the other way and refuse to take action, then we are complicit in the gross violation and abuse of all that makes this country great.

America's Constitution is not a document of convenience to be followed only when we feel like it. It represents our best ideals as a democracy and protects our freedoms. I hope the Senate will uphold the Constitution and demand accountability for the prison abuses that are so contrary to all we stand for as a nation. I will have more to say on that later in the day.

The amendment which I offer on behalf of myself, the Senator from West Virginia, Mr. BYRD, the Senator from Michigan, Mr. LEVIN, Mr. LEAHY, and Mr. FEINGOLD, is a very simple amendment. Effectively, we understand that the President now is going to the EU and then to NATO. During that period of time, he will be asking our international allies and friends to participate and help offload some of the very heavy burden that Americans are bearing in Iraq, the most notable being the loss of life which exceeds 95 percent of the lives that are lost, and over 96 percent in terms of the casualties and the extraordinary expenditure of American taxpayers' funds, what I think will come out well in excess of $4 billion a month.

We also ought to know the scheduling in some detail for the development of internal security—primarily police—and what is being done inside the country and outside the country, and what is being done in terms of other countries around the world in helping, assisting, and offloading the burden on American service men and women who are caught in the bull's eye over in Iraq.

Many, including myself, find it is going to be extremely difficult to remove the concept of occupation as long as we are the only ones who are involved in the security issues in Iraq.

This amendment is the result of efforts by the President. We are asking for a list of countries that are committed to deploying military and police forces. With respect to each country and the level of such deployment, we are asking for the scheduling of providing such assistance—that would be economic aid—and effectively when that assistance will come.

As a result of the President's efforts, we want to know the number of police and military forces in Iraq that have been recruited for policing and for the military—the numbers of members of the police and military forces that have been trained. We want a description of the anticipated U.S. military force posture in the region during the next year, including the estimate—I underline the word "estimate"—of the numbers of members of the Armed Forces that will be required to serve in Iraq during the next year. That is what we are asking for, effectively.

We are talking about planning, which the military does. Every year they have to submit a 5-year plan in terms of troops for the military. They have the Quadrennial Defense Review where they talk about the planning in terms of the troops and the needs in terms of the troops.

What we are trying to find out is what is the best estimate. We are asking for the estimate, and we are asking for that estimate 30 days after the bill becomes law. We hope this bill is going to come to a conclusion in the next 2 days. It then will go to conference. All of us are very hopeful and expect it will be concluded prior to the time of the summer recess. Then the administration will have 30 more days in order to make this kind of estimate and report. We will certainly know, since the President will return in the next several days, we will be able to make that kind of estimate.

Then we are asking: All right. Give us that information in 30 days, and level with the American people. Let the American people know. People ask: Why should we do this? It is because we have 140,000 American reasons to do it. That represents the American troops over there. That is the reason to do it. The American people are entitled to an estimate within 30 days, and then the follow-on and update of that in 6 months.

Americans who have members of their families serving over there are entitled to this information. The American people are entitled to this information.

There is ample precedents where we have required similar information in the Defense authorization—before going into the Balkans.

This is a matter of estimates. It is a matter of information. It is a matter of giving the American people the best information we have.

We have heard all kinds of estimates over all periods of time. We heard estimates yesterday by Mr. Wolfowitz talking about the American forces may be in there for years.

The American people are entitled to know what exactly this administration and this Defense Department, to the best of their information, can provide and should provide for the American people.

It is a simple amendment. It helps establish some benchmark for which we can measure the kind of progress we are making in terms of help and assistance from other countries around the world—not only in terms of getting support for troops and financial support but also help in assisting and getting information to the American people with regard to the development of police forces and the training of those forces.

Those are essential elements in terms of Iraqi policy. The American people are entitled to this.

I withhold the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from Kentucky.

Mr. McCONNELL. Mr. President, the Kennedy amendment is little more than an effort to undermine the President and further the myth that our efforts to bring stability and democracy to Iraq are somehow unilateralist.

It is past time for some Senators to stop pretending that we are "going it alone" in Iraq. Neither the liberation of Iraq nor our efforts today could be characterized by anyone with a rudimentary understanding of mathematics as unilateral.

To begin with, the United States was merely a part of a coalition of 19 countries that toppled Saddam Hussein and liberated Iraq. In contrast, the United States joined only 16 other nations during World War II.

Nineteen is more than one. It is more than a couple. It is more than a few. It is a lot. Nineteen countries are more than most Americans will visit during their lifetimes.

The liberation of Iraq was less unilateral than the French opposition to it.

Since liberation, the administration has worked to bring more nations into Iraq to help stabilize and reconstruct that country. Currently, 34 nations are providing military and security forces to assist the Iraqis in defending their newly free country from the insurgents and terrorists.

The international commitment to Iraq has grown. Today the South Korean President announced that his country will push ahead with the deployment of 3,000 soldiers, despite the savage beheading of a South Korean citizen in Iraq this very week.

Although the junior and senior Senators from Massachusetts have both diminished the role that NATO countries are playing in Iraq, it is worth noting that 17 of these countries are members of NATO. NATO is involved in Iraq. It is also involved in Afghanistan. Both efforts are integral to our global war against terrorism.

Currently, 6,000 NATO troops from 25 nations are participating in the International Security Assistance Force in Afghanistan. There are over 8,000 foreign troops there, representing over half of the 15,000 non-Afghan forces in Afghanistan.

Now, the President's critics argue that NATO should be more involved, that the international community should be more involved. We all wish we had more help in Iraq. I wish we had more help in Afghanistan. I applaud the President's recent efforts to secure passage of a new Security Council resolution that endorses the new Iraqi government's democratic transition and to encourage NATO to provide greater assistance. Predictably, Jacques Chirac opposed a NATO greater role. Given that NATO operates on the basis of consensus, Chirac's unilateral opposition will likely block NATO authorized deployments.

There are two principle barriers to greater international participation. It is important to focus on this. First, a number of countries, frankly, did not want democracy to take hold in Iraq. They do not like the idea that Iraq may become a democracy. Some nations are threatened by the march of freedom.

Mr. WARNER. Mr. President, I am going to ask the Senator to yield momentarily to the managers for the purpose of a unanimous consent request, which is concurred in by the leadership, without charging the time against the debate of this amendment.

Mr. President, on behalf of the leadership, I submit the following request: Currently, we are debating five votes with the understanding that at the conclusion of those votes, and possibly yielding back some time, a sequence of five votes will commence. I am now asking unanimous consent that sequence of five votes be delayed until 1:45 and that at the conclusion of the debate on the five scheduled votes, pursuant to regular order, we return to the first pending amendment at the desk, which is the Bond amendment, and proceed to debate that amendment.

Mr. REID. Mr. President, reserving the right to object, we on this side express our appreciation to the two managers for this arrangement. It will be most helpful to everyone, and it will help us see the end of this bill. We will have other amendments after we finish the Bond amendment.

No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kentucky.

Mr. McCONNELL. Let me start by saying there are two principle barriers to greater international participation. First, there are a lot of countries that did not want democracy to take hold in Iraq. They are not democratic themselves, and they do not want any democracies in the neighborhood.

Second, some nations are threatened by the march of freedom. Others had financial interests in the former Saddam Hussein regime. Some nations would not contribute troops unless we were to cede control in Iraq to the U.N., a prospect most Americans recognize as a dangerous fantasy. At such a price, their assistance is not worth the tremendous risk placing American security and Iraqi democracy in the hands of the U.N. entails.

Second, many countries that want to help simply lack the resources to help. As appreciative as we are of NATO's contributions, we are also cognizant of its limitations. European nations spend on average about 2 percent of their gross domestic production on defense. Of that money, a majority is spent on personnel costs and benefits. Relatively little is spent to modernize or sustain the equipment, weapon systems, and logistic capabilities of NATO militaries.

Many NATO countries cannot generate sufficient forces or sustain their deployment outside of the European theater. They lack the weapons, the aircraft, the logistics, transportation, and supply capabilities the United States has. Because of these limitations, many nations have decided to contribute to Iraq's future by providing economic, humanitarian, or other forms of assistance to the liberated Iraqis. According to the Department of the Treasury, the 10 largest donors to Iraq have offered nearly $8 billion in assistance. In addition, 29 donors have offered hundreds of millions more in financial aid, and 16 more have offered in-kind assistance.

Even if significantly more international troops could be deployed to Iraq, their deployment would not be a substitute for the long-term security needs of that country. These needs can only be met by Iraqi security forces.

There are clearly problems and challenges. The Iraqi security forces need training, they need equipment, and we will be providing it. We will be recruiting, training, and equipping Iraqis to defend Iraq from external attack and from internal subversion. These Iraqis, far more than foreign troops, will determine the future of that country.

The long-term solution to Iraqi security does not lie with the U.S. military. It does not lie with the U.N. or with NATO. It lies with the Iraqi people. We must be committed to supporting them and their efforts to bring stability and security to their own country.

I commend the soldiers of the U.S. military and those 32 other nations currently serving in Iraq for their brave efforts to bring peace to a troubled land.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, we are all grateful for the participation of other countries around the world in Iraq. But the facts remain, when all is said and done, the estimate by the Defense Department is that 96.9 percent of the casualties are U.S. forces and 97 percent of nonhostile casualties are U.S. forces. We are grateful for the other countries, but the burden is on the U.S. forces.

I will mention what the difference is between the amendment of the Senator from Kentucky and my amendment, our amendment. There are only two basic differences. One is the number of reports. We have three reports. He has one report. And the timing of that report. The other difference, the major difference, is we are asking for estimates of the number of American troops that are going to be there. The American families are entitled to that information. The families who have service men and women over there, whether they are in the Regular Army, Reserves, or Guard, are entitled to an estimate. They ought to be able to get an estimate. It is amazing that the Senator from Kentucky will not even include an estimate about the number of American troops that are going to be there. Not even an estimate.

Mr. Wolfowitz stated yesterday, when he testified in the House, in response to Mr. SKELTON, that, No, we are not stuck. The U.S. strategy in Iraq is clearly to develop Iraqi forces.

The Senator from Kentucky and I agree, we are asking for progress and estimating the progress in developing the security force and the police force. We agree with that. But he said the U.S. strategy in Iraq clearly is to develop an Iraq that can take over security from U.S. and allied troops. That is the policy.

What is wrong with asking the estimated time? What in the world is wrong with asking how long will it take, and get us a report 30 days after this bill? If that will not be accurate, give it to us 6 months after that. If that does not help, give us 6 months after that. Why in the world is there a reluctance to level with the American people about the amount of forces we are going to have over there?

The Senator from Kentucky includes reporting on the amounts of resources that will come from other countries. He includes in his amendment the training of the personnel, the security personnel, the police force. He gets a report on that. Why in the world do we prohibit the families who are serving over there, and the American people, from having an estimate about the amount of troops going over there?

Now we had that. We did that before. This is not something that is enormously new. In the 1995 Defense authorization bill, Congress required a report that had to include 11 elements, including: estimates of the total number of forces required to carry out the operation, estimates on the expected duration of the operation, an estimate of the cost of the operation, and an assessment of how many Reserve units would be necessary for the operation.

That was passed here. I do not know whether the Senator from Kentucky voted against that. I do not hear him saying: We had that in 1995, and I voted "no" because we can't do that sort of thing here.

We have done that before in Bosnia. Is Iraq less important than Bosnia? We were prepared to do that in Bosnia, and it got the virtual unanimous support of the Members of this body at that time. And we are not prepared to do it in Iraq? I am confused. I do not understand.

What possibly is the justification for not leveling with the American people on the best estimate this administration has on the number of troops we are going to have over there? We are not saying: Give us a number, and then withdraw our troops; give us a number and then come back to Congress and tell us if you are going to need more troops. We are not asking that. Estimates, estimates, estimates.

We have the President who is going over to meet with NATO, with allies abroad. He is going to obviously, hopefully, ask others to participate because they clearly have an interest. They clearly have some responsibility. They have not recognized it. I wish they would. But clearly they have to understand they have an interest in the security of that part of the world, and they ought to be participating.

We know the French were all too interested in finding out and participating in the oil issues, and it was obviously indicated to American representatives at the U.N. that they did not think we were transferring sovereignty unless we were going to transfer over to the Iraqi ministers the ability to have independent European oil participation in the development of the oil resources over there.

We want them to be in there with regard to offloading the burden on American troops and helping and assisting in terms of developing the security and the police. We ought to know, and the American people ought to know, whether they are willing to do that.

The President is headed over there. All we are asking for is estimates. It is amazing to me, given the past precedents, that we are unwilling to share that kind of information with the American people. I think the American people are entitled to it.

That is what our amendment does. It is the principal difference with the McConnell amendment. When you come right down to it, that is the principal reason we have an alternative out here, because the opposition refuses to share with the American people estimates, estimates, estimates on the number of troops. I think the American people are entitled to it.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

If neither side uses time, time will be yielded from both sides equally.

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has a minute and a half.

Mr. KENNEDY. Mr. President, I yield myself the minute and a half.

I would mention, in his May 24 speech on Iraq, President Bush said:

> [W]e'll maintain our troop level at the current 138,000 as long as necessary.

On May 4, General Swartz, of J-3 Operations, said: "the current plan" and "what we're working toward" is to keep the current level of deployments "through '05."

General Abizaid, on May 19, before the Senate Armed Services Committee, said:

> [T]he force levels will stay about what they are, I think, until after the elections in Iraq.

Those elections are scheduled in Iraq for December or January.

We have had estimates by individuals. Why not share and give official estimates to the American people? That is the principal difference. I am still stunned by the unwillingness to share that kind of information with the American people.

I reserve any time I have.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I once again wish to emphasize to our colleagues, in the past the Committee of the Armed Services most particularly, and I think the Congress in general, has refrained from requiring the Department of Defense to provide detailed planning, manpower, or cost estimates for future military operations.

The very nature of any military operation is such that the planners do their very best. They establish parameters. There are some great quotes, which I cannot bring to mind, but in war is the unexpected. You never can know for certain what your requirements will be. Certainly in trying to project that into the future, much less the immediate days or weeks or months ahead—force level projections and cost projections or estimates based on assumptions—conditions can change so quickly, for better or worse, rendering such estimates of very little value.

So the Senator has put forth an amendment. In the course of our deliberations with the committee staff and this manager, and with the Senator and others, much of it is very useful and beneficial. There was a lot of thought given. We wanted to accept the amendment with slight modifications.

We have now, for example, at 3 o'clock this afternoon the Secretary of State coming up to brief the Senate. That is consistent with how the executive branch is trying to be very forthcoming, and the Department of Defense, the Department of State, and others, in providing information in briefings about the stabilization and reconstruction efforts in Iraq over the past year, providing numerous updates in a variety of areas, at least on a weekly basis. General Abizaid has been very clear about his force requirements for the next 6 months, reducing the need for what we call a sort of quick-fix report as proposed by the amendment by the Senator from Massachusetts.

The McConnell amendment requires a comprehensive, balanced report within an appropriate and feasible time period that enables the Congress to perform its oversight responsibilities. Therefore, I think this is a question of reasonableness, and that reasonableness is predicated on forthcoming estimates and forthcoming briefings by the administration on a broad range of issues that relate to the operations our military forces are courageously performing worldwide.

Therefore, I strongly urge our colleagues to support the McConnell amendment.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield the remaining time to the Senator.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, how much time is remaining?

The PRESIDING OFFICER. There is 30 seconds.

Mr. LEVIN. Mr. President, in the fiscal year 1995 Defense Authorization Act, we did precisely the same thing Senator KENNEDY is asking. I am going to quote section 2(B)A. This is relative to Bosnia at that time.

> The report must include an estimate—

"an estimate"—

> of the total number of forces required to carry out such an operation, including forces required for rotation base.

There is good precedent for precisely what Senator KENNEDY is doing in terms of requiring an estimate. The troops deserve it. The Nation deserves that estimate.

Mr. WARNER. Mr. President, how much time is remaining on our side?

The PRESIDING OFFICER. There is 3 minutes.

Mr. WARNER. Mr. President, I simply say to my colleague from Michigan, how well you, and having been privileged to serve these many years together, recognize that the Balkan situation was one that had a measure of predictability that in no way parallels the complexity of the mission we are carrying out in the Central Command AOR. There are stark differences between those military operations.

So, Mr. President, at this time I urge colleagues to vote for the McConnell amendment, which we think is very reasonable. It could be viewed as a reinforcing of the Senator's desire to get the information we share with him in many respects—important to the Senate.

I yield back the time and ask the Chair to move to the next amendment.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Do the Senators wish to order the yeas and nays on both pending amendments?

Mr. WARNER. That is correct.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. WARNER. By arrangement of the managers, there will be side-to-side votes. The McConnell amendment first, followed by the Kennedy underlying.

The PRESIDING OFFICER. The yeas and nays are now ordered on both amendments.

AMENDMENT NO. 3353

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. I believe Senator REED controls the time on his side.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Mr. President, I yield myself 8 minutes.

My amendment would condition the acquisition of interceptors 21 through 30 for the ground-based midcourse national missile defense system on the implementation of operational evaluation and testing under the auspices of the director of testing in the Pentagon.

I will try to give a brief explanation of where we are with this system that is to be deployed. It is a combination of existing elements and some brandnew technology. The existing elements, first, the defense support system, a satellite system, is a cold war system designed to pick up the initial lift-off of missiles. That is in place. Then there is a group of Aegis ships that are out around the potential threat area of North Korea. That is a relatively new application of these ships. They were designed to intercept and detect cruise missiles and aircraft. Now we are attempting to expand that to track, at least partially, the flight path of an ICBM coming from a threat, specifically North Korea. Then there is the Cobra Dane radar, an older radar system. It is not particularly well adapted at discriminating, so it is therefore not the best radar we could have. The administration has canceled the X-band radar system, which is better. Then there are the interceptors with the kill vehicles on top.

The subject of this amendment is the interceptors. For many years, this ground-based system was designed to deploy 20 interceptors. Today, we are taking five for this deployment. But 20 was a rather significant number for technology that has not yet been proven. What the administration did this year is say, well, we want to go beyond that 20; we want 40. We want to buy 10 more, 21 through 30, and have long lead-time acquisition funds for 31 through 40. Well, the Congress in its wisdom already terminated the long lead time for 21 through 40, but we still have to budget this money for 21 through 30.

I don't propose to take that money away. I want to simply fence it, make as a condition to spend that money that this system will begin testing and evaluation. We had a vigorous debate about imposing this operational testing scheme. The result was now the Secretary of Defense is required to promulgate some criteria for operational testing and conduct these tests by October of 2005.

My amendment differs, and I think significantly so. It says we cannot depend upon the Defense Secretary's criteria and evaluation—a self-evaluation by the Missile Defense Agency. We need to get this program back into the traditional system of operational testing and evaluation, which is conducted by an independent agency in the Pentagon which designs, supervises the tests, and makes sure the tests will do what we want to do: deliver to the field a system that actually works. I don't think it is unreasonable. In fact, I think it is entirely appropriate to say that before we buy these additional interceptors—10 more—we are at least in a situation where this rudimentary system has been entered into operational testing.

Let me specifically highlight the issue of the interceptors. The operation of the interceptor and kill vehicle is brand new. Neither has been tested in an interceptor test. We have not tried to fly them with a kill vehicle even against a target. Yet we are buying 10 more of them. It would be prudent to say let's wait and at least do a few tests with these new interceptors and kill vehicles. The new version of the kill vehicle, by the way, where the warhead would actually impact the incoming enemy missile, has never even been flight tested. We don't know what it will look like. In fact, problems with the kill vehicle have delayed the scheduled flight test from March until July 31 of this year; and, frankly, we are weeks away from that and it is entirely plausible that this would be delayed even further. So we are deploying a system in which we have not yet even tested in flight one of the most critical aspects of the system, let alone the fact that the rest of the system has been cobbled together by existing pieces of technology being used in new ways.

That is a strong argument, in my mind, to say how serious are we about saying this is deployment. But it is more compelling, in my mind, to say at some point we have to get operational testing and evaluation—not some improvised form by the Secretary of Defense being implemented by the Missile Defense Agency but a traditional system where the director of test and evaluation at the Pentagon does evaluation and testing. This amendment would do that. It would take no money away. It would simply say we cannot spend the money on the next 10 interceptors—21 through 30—until we have entered the traditional mode of operational test and evaluation. This amendment makes a great deal of sense. There are examples of how useful operational testing is.

The Patriot PAC-3 system—probably the closest analogy to this, even though it is a theater missile system—is designed to go against targets that are not as fast and don't leave the atmosphere. But it is the same hit-to-kill technology. In fact, I was bemused years ago when they would show the film clips of how successful we are in this new technology, and they would use PAC-3 film clips about the hit-to-kill technology.

The PAC-3 system was being tested developmentally. Then it went into operational testing and it failed four consecutive operational tests against a realistic target, one in which you try to simulate the conditions of battlefield use. Even though it was successful in the developmental tests, it failed four consecutive operational tests.

Why are we buying missiles today that have the potential of duplicating the PAC-3 experience? Frankly, we could be in the unenviable position where the first time we try to fly this against a potentially real target, it fails. We have to have operational testing and the PAC-3 is a very good example. These operational tests are extremely useful in finally coming up with a system that is much more reliable.

So, as a result, I urge my amendment strongly. It doesn't take the money away. It simply lays out as a condition that we not spend it until we at least have operational testing. By the way, we are already buying 20 missiles.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. SUNUNU). The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I must say I am fortunate to serve on the Armed Services Committee with Senator REED and Senator LEVIN. Throughout the many years we have served together, we have had our honest differences of opinion. I don't mind sharing them. I enjoy our debates. It is constructive for the Senate. There is a process by which we go about it.

At some point, there has to be finality reached with regard to issues. I say, most respectfully, to my good friend from Rhode Island, the Senate has voted not once but twice, basically on the same issue raised by this amendment. I am reminded of Winston Churchill, one time in the depths of World War II, the early part of it in the Battle of Britain, when he went back to his old prep school and gave the famous speech saying, "Never, never, never give in."

Well, at some point, the Senate has to get on with its business. I think we have more than adequately debated the issues raised by this amendment. Nevertheless, I will take the time of my colleagues to carefully review it.

The Senate has already spoken on every single issue raised by this amendment. First, the testing. The Senate adopted the Warner amendment to require ballistic missile defense testing in 2005. That is the first Reed amendment. It rejected the testing approach which the Reed amendment puts before the Senate once again, an approach. I remind my colleagues, that the Pentagon's own chief testing official described as premature and not helpful to the program.

If the Reed amendment is adopted, it is just another prohibition in the program, possibly a gap in the production line, and all of those things end up in costly bills for the American taxpayers and disruption. We all know what happens when you break down and develop a system whereby you cannot predict with certainty as to how and when the units would be completed on production lines.

It comes down again to, Do you want to deploy a missile defense system or don't you? If you do, I suggest most respectfully to colleagues, let's accept the judgments that you have rendered and get on and not come back and back again and again on these same issues.

The Senate already rejected the Boxer amendment which would have halted the development. Do we want to halt production of missile interceptors for an extended period of time, a path that would increase costs, technical risks, and leave us vulnerable again to this threat where America stands defenseless to protect itself from an accidental or an intentional firing of a ballistic missile on to our territorial 50 States? That is the issue.

The Senate yesterday, after very thorough and, I thought, one of the better debates on this bill, presented by my distinguished colleague, the ranking member, Mr. LEVIN, rejected the Levin amendment which would have done basically the same thing as the Reed amendment. It would have resulted in a disjointed, disrupted program.

I suggest the Senate should not now adopt an amendment that would fence 2005 funds for additional missile defense interceptors until a testing requirement is completed, when it has already imposed a realistic testing requirement in 2005, explicitly rejected the kind of testing proposed in this amendment, and explicitly rejected the delays, costs, and disruptions that would result from withholding the funding needed to proceed with the testing and fielding of missile defense interceptors.

I most respectfully urge my colleagues to sustain the decisions that have been debated and voted on within the past few days by this Chamber.

I reserve the remainder of my time.

Mr. SESSIONS. Mr. President, I rise in opposition to the Reed amendment.

The amendment before us covers ground that was considered and already rejected by the Senate in the three missile defense amendments offered by Senators BOXER, REED, and LEVIN.

The amendment Senator REED offers today uses the same approach to testing proposed in his amendment that we considered last Thursday and that the Senate rejected. But his amendment today has the additional disadvantage of imposing a very significant cost—to the missile defense program and to our ability to defend the Nation from long-range missile attack. These costs are identical to those that the Senate rejected yesterday when we defeated the amendment proposed by Senator LEVIN.

Senatore REED's amendment would prohibit expenditure of fiscal year 2005 funds for ground-based interceptors until initial operational test and evaluation is completed.

I would remind my colleagues that the Senate has already voted in favor of a Warner amendment to require realistic testing of the ballistic missile defense system in 2005. Yet Senator REED is proposing, again, an approach which would require operational test and evaluation of the BMD system and prohibit the use of fiscal year 2005 funds to acquire additional missile defense interceptors until such testing is completed. This is precisely the approach that the Senate has already rejected and precisely the approach that even the pentagon's own chief testing official believes is premature and unhelpful. The Senate has already spoken on the testing issue.

Furthermore, the amendment we are considering, if adopted, would do serious harm to the Nation's ability to defend itself from long-range missile threats. Just as with the Levin amendment yesterday, the Reed amendment would cause a break in production line for missile defense interceptors and unacceptable delays in the effort to defend our Nation from known and serious long-range missile threats.

Planning and conducting operational testing and completing the evaluation of such testing would take at least a year. During that year, no funding for the next 10 interceptors could be spent. Key manufacturing personnel would be lost, subcontractors would be lost, and knowledge of manufacturing processes would be lost. When a production line is broken, it has to be restarted. Rehiring and retraining workers, requalifying subcontractors, and reestablishing manufacturing processes would take additional time and a great deal of money. A production break would also increase technical risk to this program, since quality depends in significant measure on well-trained and experienced workers and well-qualified subcontractors and stable manufacturing processes.

Loss of these funds for just a year could result in a delay in fielding these interceptors of nearly 3 years and a 4- to 5-year gap between fielding the 20th interceptor and 30th interceptor. Restarting the production line would incur a cost to the taxpayer of more than $250 million. Some Senators may argue that fencing funds is not a cut, but I would suggest that if the funds are lost for at least a year, there is not much difference between this fence and a substantial budget cut.

The threat more than justifies the need for additional GMD interceptors. That threat is here today. It was confirmed last year by the Director of Central Intelligence, in testimony before the Armed Services Committee, when he testified that the North Korea has a missile that can reach the United States.

The need for additional interceptors is based on the threat and all the evidence I have seen fully and clearly justifies the acquisition of the 10 interceptors in the budget request. Any significant slowdown in this effort would leave the ground-based midcourse defense element with a severely reduced inventory of interceptors by 2007 and would leave our Nation vulnerable to North Korean and, potentially, Middle Eastern threats. Unfortunately, Senator REED's amendment, if adopted, will cause just such a serious slowdown.

Mr. President, the Senate has spoken already on all the issues raised in this amendment. I strongly urge my colleagues to be consistent and to oppose this amendment.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

The Senator from Michigan.

Mr. LEVIN. Mr. President, I wonder if the Senator from Rhode Island will yield 2 minutes to me.

Mr. REED. I yield 2 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, first, I wish to ask the Senator from Rhode Island a question. The Patriot PAC-3 experience he described where I believe there were four failures, did that not, in fact, lead to changes in that system?

The PRESIDING OFFICER. Without objection, the Senator from Rhode Island is recognized to respond.

Mr. LEVIN. I thank the Presiding Officer.

Mr. REED. Mr. President, it actually did lead to changes in the operational use of the system, and those changes were very valuable once deployed in a combat situation.

Mr. LEVIN. Mr. President, the question again is whether this Defense Department is going to obey the law or do they believe they are above the law. The law is very specific. It reads:

> The Secretary of Defense shall provide that a major defense acquisition program may not proceed beyond low-rate initial production until initial operational test and evaluation of the program is completed.

That is the law. This Defense Department too often has decided it is above the law; it is beyond the law; it is not going to abide by the law. We have written a law for a purpose. Operational test and evaluation is required by law, not by the Secretary of Defense, but by the independent office that was created to do this testing.

That is the definition of initial operational test and evaluation. No exception has been made for that. We deployed some UAVs, but we did not exempt them from independent test and evaluation. We deployed airplanes, but we have not exempted them from this requirement. This would be the first system that would be allowed to proceed beyond low-rate initial production without that evaluation.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LEVIN. Mr. President, I ask for 1 additional minute.

The PRESIDING OFFICER. The Senator's time has expired. Twenty minutes was allocated and equally divided.

Mr. WARNER. Mr. President, we grant 1 additional minute over and above the time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. One final point in this minute. According to the agency's own papers, disclosures, the production rate capacity of these interceptors is one per month. That is the capacity. They are there. This is full-rate production. They are not at low-rate initial production anymore. The capacity is one per month. That is what they are doing now. That is their plan. Their plan is for one per month. The law says they cannot go beyond low-rate initial production without this independent evaluation.

That is what this amendment is about. It provides the money but says abide by the law, obey this law, there is a purpose for it—to make sure our weapons systems work.

I commend the Senator from Rhode Island for this amendment. It is quite different from any amendment that has been voted on before.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. ALLARD. Mr. President, how much time is remaining on this side?

The PRESIDING OFFICER. The majority controls an additional 5 minutes 20 seconds.

Mr. ALLARD. Mr. President, I request 3 minutes.

The PRESIDING OFFICER. Is there objection to 3 minutes being yielded from the majority? Without objection, it is so ordered. The Senator from Colorado is recognized.

Mr. ALLARD. Mr. President, I have to agree with my colleague from Virginia, the chairman of the Armed Services Committee. We have had this issue before us not only this year a number of times but last year a number of times, and even the year before that to one degree or another.

Whether it is intentional, the net effect of these types of amendments is it delays the programs and it adds to extra costs.

We have had a lot of debate on all these issues that have been in this particular amendment. I think it is time for the Senate to move forward.

I will point out in response to the question that was raised by my colleague from Michigan that we had testimony in the full committee from the chief tester who says he believes we are in full compliance with the law. I do not think anything else needs to be said. We have that testimony. It is on the record in the committee.

I urge my colleagues again to join both Senator WARNER and myself in opposing this particular amendment.

We do have some different testing procedures. That is because this is a different program, unlike the many other programs we have had. So we have to deal with it a different way.

The bottom line again is the chief tester is happy with the way it is progressing. He has had access to the program that has been unprecedented. He is satisfied with the cooperation between the program office and the test community. I have a letter, again, that I submitted for the RECORD in the past that indicates he is fully satisfied. I will read specifically from the letter. It says:

> My office has unprecedented access to GMD, and I am satisfied with the cooperation between the program office and the test community. I will continue to advise the Secretary of Defense and the Director of MDA on the BMDS test program. I will also provide my characterization of system capabilities and my assessment of test program adequacy handling as required by Congress.

In my view, it is time we move on. In effect, when we go for the formal testing that is being advocated in this particular amendment, we add an extra year of delay. It breaks up the manufacturing lines.

We have had this discussion at a previous date. The net effect is subcontractors have to be requalified, workers need to be retrained, and then the manufacturing process has to be relearned. It takes time, up to 2½ years, and money—some have estimated as much as adding $250 million to the cost.

So I ask my colleagues to join me and Senator WARNER in opposing this Reed amendment. It has the net effect of adding costs to the program, delaying the program unnecessarily, and we do have adequate testing now.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

The Senator from Virginia controls the remainder of the time of 1 minute 45 seconds.

Mr. REED. Mr. President, I ask unanimous consent for 1 minute.

The PRESIDING OFFICER. The Senator from Virginia has been recognized.

Mr. WARNER. I will accommodate the Senator from Rhode Island.

Mr. REED. I ask unanimous consent for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Rhode Island.

Mr. REED. I respect the chairman and the chairman of the subcommittee who have engaged in this debate. The question to me is: Will this system work? We really do not know if it will work. If we do not know it is going to work, why are we buying 10 additional interceptors at a price of about $500 million?

So this is not the same amendment, the amendment written over and over again. This is an amendment about scarce resources—will we devote them to these interceptors that are untested or will we devote them to other issues?

I point out that there is nothing in this amendment that slows up the program. There is nothing in this amendment that would take away funds. It simply says, let us get into an operational testing mode before we buy these additional systems.

Final point. This system has been plagued by delays, but they are technological delays. The reason we are not having a test—we did not have one in March, and we are having it in July—is because this kill vehicle is not ready for such testing. There is nothing about our amendment or about our procedures. This is a hard technology, but let us make sure it works.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. I thank the indulgence of the Presiding Officer. The time remaining on this side is?

The PRESIDING OFFICER. The time remaining is 1½ minutes.

Mr. WARNER. Fine. I believe our case has been made very clearly to our colleagues that these issues raised by the Senator from Rhode Island have been passed upon by the Senate in the preceding 3 or 4 days after very careful, conscientious, and deliberate debate. The issues are settled. We must come to resolution, no matter how strong our differences may be, and accept the judgment collectively rendered by the Senate in these votes.

I yield back the remainder of my time.

Mr. REED. I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. WARNER. Mr. President, we will now proceed to the next amendment which Senator LEVIN will offer on behalf of a colleague, but I would like to ask for a brief quorum call so I can consult with the majority leader because we are making considerable progress in beginning to define what remains to be done and a course by which this bill can be completed today.

The PRESIDING OFFICER. Under the previous order, all time on the previous amendment has expired.

AMENDMENT NO. 3423

Amendment No. 3423 is now pending, and under the previous order 20 minutes has been allocated, 10 minutes on each side.

Mr. LEVIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, we have on the floor now our distinguished and esteemed colleague, the former President pro tempore of the Senate, Mr. BYRD of West Virginia. My first request would be a unanimous consent to extend the time of this amendment from the current, as I understand it, 20 minutes?

The PRESIDING OFFICER. The Senator is correct.

Mr. WARNER. That we extend that to 40 minutes, equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Thank you very much. I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from West Virginia.

The PRESIDING OFFICER (Mr. ENZI). Who yields time?

The Senator from West Virginia.

Mr. BYRD. Mr. President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator is recognized.

Mr. BYRD. I thank the Chair.

Mr. President, it is no secret that America's military forces are stretched thin across the globe. The relentless fighting in Iraq has exacted a heavy toll on the U.S. military, forcing thousands of American troops to face extended tours in a dangerous war zone. Stop-loss orders have prevented thousands more from leaving the military when their obligations have been fulfilled. America's men and women in uniform have gone far beyond the call of duty to meet the increasing demands that have been placed on them, and we owe them a great debt of gratitude.

In the face of such hardship facing America's military personnel, this is hardly a propitious time to arbitrarily expand U.S. military obligations overseas, and yet that is exactly what the bill in front of us does. In an effort to help the Government of Colombia launch a new offensive in its civil war against guerrilla insurgents and the drug trafficking that funds them, the Defense authorization bill substantially increases the number of U.S. military and civilian personnel authorized to support the operations of Plan Colombia in Colombia.

Plan Colombia is a 6-year antinarcotics initiative authorized by Congress in fiscal year 2000 to combat cocaine production and trafficking in Colombia. From the outset, many Members of Congress worry that United States intervention in Colombia's drug wars—even noncombat intervention—could serve to draw the United States into the thick of Colombia's longrunning civil war. In an effort to preserve congressional oversight and prevent mission creep in Colombia, Congress placed a cap on the number of U.S. personnel who could participate in Plan Colombia. Current law limits the number of U.S. personnel in Colombia in support of Plan Colombia to 400 military troops and 400 civilian contractors, for a total of 800.

This is a part of my statement. I believe it was in the year 2000 that we placed a limitation. Originally, the 800 was divided into 500 military and 300 contractors, making a total of 800. That limitation on the number is current. This bill, however, would double the number of military personnel authorized to participate in Plan Colombia, raising the troop cap from 400 to 800.

That troop cap is being doubled. The cap on civilian contractors would be increased by 50 percent, climbing from 400 to 600. This bill says let us put in a little more. Let us lift the number.

The increases reflect the number of military and civilian personnel requested by the administration to carry out a 2-year training and support operation in relation to an aggressive new counterinsurgency offensive being undertaken by the Government of Colombia called Plan Patriota. With the stroke of a pen, just like that—just a stroke of the pen—this bill would increase the number of U.S. civilian and military personnel authorized to be in Colombia to support Plan Colombia from 800 to 1400.

So we are just inching along, just inching along. That may seem like an insignificant increase to some, but I expect it looms large in the minds of U.S. forces who have seen their tours in Iraq extended or who have been prevented from leaving the military when their obligations have been fulfilled. The 800 military personnel who could be sent to Colombia under the proposal are 800 military personnel who would not be eligible to relieve American troops in Iraq, Afghanistan, or elsewhere. Before signing off on such a measure, the Senate should consider very carefully the ultimate goals of Plan Colombia and the amount of oversight Congress should maintain on the program.

I am offering an amendment. The amendment I am offering is an effort to address these considerations. My amendment provides a reasonable and sustainable level of support to continue Plan Colombia and to support Plan Patriota, but it limits the support to immediate needs, not presumed needs a year or two from now. Under my amendment, the cap on both U.S. military and civilian personnel would increase from 400 to 500 each, for a total limit of 1,000.

My amendment conforms with the House-passed version of the Defense authorization bill. The House bill caps the number of military personnel in Colombia at 500. The House bill does not address the civilian caps, but the State Department has determined it needs fewer than 100 additional contractors next year to support Plan Patriota.

Plan Colombia remains a volatile and dangerous mission. Three American civilian contractors operating in support of Plan Colombia have been held captive in the jungle by Colombian insurgents for more than a year. Five other U.S. civilians were killed as a result of aircraft crashes. Additional cocaine fumigation flights have been fired on, and since August 2003, two planes have been downed by hostile fire.

This is not the time, colleagues, and Colombia is not the place for the United States to ramp up its military commitment so sharply. Although the numbers may be relatively small, the mission in Colombia has been constantly increasing.

That is the problem. The mission in Colombia has been constantly increasing, evolving from a strictly antinarcotics campaign into an operation encompassing antiterrorism, pipeline protection, and an air-bridge denial program to intercept drug trafficking flights in Colombia.

A major infusion of additional U.S. personnel into Colombia will place more American personnel at risk and will increase the prospects of the United States being drawn ever deeper into Colombia's civil war.

The State Department has confirmed that it needs fewer than 100 additional personnel next year to accomplish its goals. The Defense Department has estimated that it needs no more than 158 additional personnel to support the second phase of Plan Patriota next year. Defense Department officials have also said they do not need a total of 800 personnel and do not anticipate a time when 800 military personnel would be in Colombia in support of the initiative. The Department is asking

Congress to provide broad flexibility through an unnecessarily large troop commitment at a time when both human and financial military resources are severely limited.

I think Congress should take a more conservative approach to Plan Colombia and particularly to the involvement of U.S. forces in Plan Patriota. I am willing to authorize a modest increase in the number of military and civilian personnel for next year, but I believe Congress should review the progress that has been made a year from now before determining what the final number should be.

If the Pentagon cannot tell Congress how many troops it will need in Iraq a year from now, how can it say with such certainty how many forces it will need in Colombia 2 years from now?

The United States has spent the past 4 years training and equipping Colombian troops and flying cocaine crop eradication missions for the Government of Colombia. According to the Congressional Research Service, U.S. funding for Plan Colombia, since fiscal year 2000, totals approximately 3.7 billion bucks.

The administration has characterized the next 2 years as a "window of opportunity" to assist Colombia with its war against the insurgents. Now, that may or it may not prove to be true, but the burden of securing that window has fallen on—guess who?—Uncle Sam. That is where it lies, in the lap of Uncle Sam.

If the Government of Colombia is as committed to eradicating the drug crops and defeating the guerillas as the administration contends, then the Government of Colombia should take the lead in seizing this opportunity. Four years and $3.7 billion into Plan Colombia, the United States should be on the verge of tapering down its commitment to Colombia, not sharply increasing it. Where are we going here? When is this going to come to an end?

Plan Colombia has ample flexibility built into it to allow the military to surge, if needed, to respond to emergencies such as search and rescue or evacuation of operation.

In addition, at the request of the administration, Congress has agreed to broaden routine exemptions to personnel-counting procedures, giving the Defense and State Department even greater flexibility in managing the number of personnel in Colombia.

Routine exceptions now include such activities as port calls, DOD civilian visits, certain military exercises, aircrew overnights as needed for weather, maintenance, or crew rest overlapped during deployment location, headquarter staff visits, and traditional commander's activities, just to name a few.

Instead of the United States committing more troops and more civilian contractors to Colombia than are actually needed, the Government of Colombia should increase the resources it is committing to Plan Patriota to mitigate the burden on the United States.

My amendment increases U.S. support for Plan Colombia, but it does so at a prudent level that allows the Defense and State Departments to commit the minimum number of additional U.S. personnel needed to assist the Government of Colombia in prosecuting Plan Patriota while maintaining necessary congressional oversight on Plan Colombia.

In recognition of the current sacrifices this Nation is demanding of its men and women in uniform, I urge my colleagues to support this amendment and to resist unwarranted and excessive increases in a level of military and civilian personnel that may be deployed in Colombia.

I yield the floor.

Mr. WARNER. Mr. President, my understanding is the Senator from Virginia has, under his control or his designee, 20 minutes; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. WARNER. I will take a minute or two and ask unanimous consent that the Senator from Alaska be recognized for such time as he may wish, followed by the Senator from Alabama, and then the distinguished Senator, Mr. COLEMAN, chairman of the Western Hemisphere Subcommittee of the Senate Foreign Relations Committee, who will manage the remainder of the time.

Mr. SESSIONS. If the Senator will yield, I will yield to Senator COLEMAN ahead of me.

Mr. WARNER. Very well. But I wish to speak for a few minutes.

I must oppose the Byrd amendment and urge my colleagues to do the same.

The provision in the underlying bill to raise the troop cap in Colombia from the current limitation of 400 military personnel and 400 contractors to 800 military personnel and 600 contractor personnel was recommended by GEN Hill, Commander, U.S. Southern Command, with the endorsement of the Department of Defense, Department of State and the National Security Council. This provision was unanimously approved during markup by the Committee with no dissenting discussion.

The United States has been assisting the government of Colombia—through Plan Colombia—for several years as Colombia continues its struggle against narcoterrorists.

During the course of this assistance, we have asked the Colombians to develop a comprehensive strategic plan for taking back their country. They have developed and begun implementing this plan, with our help.

During the course of this assistance, we have urged the Colombians to modernize their armed forces and become more decisive in their pursuit of the drug-financed insurgents who have terrorized their country for decades. The Colombian armed forces have gained confidence and stature and are forcefully and decisively carrying out increasingly sophisticated military operations with successful results.

Over the years, we have asked the Colombians to invest more of their own national treasure in defense, reduce drug cultivation, respect the human rights of their people. They have done so with very promising results. The Colombian armed forces are now the second most respected institution in Colombia, behind the Catholic Church, according to recent polling.

During the course of our assistance, we have asked the Colombians to be forthright about their future plans, requirements, and needs for additional assistance—they have been and that is why our regional commander and the administration asked for a modest increase in the troop cap, at the request of the Colombian government.

The regional commander has developed a prudent plan to provide additional planning and training assistance that will enable the Colombian armed forces to carry out the sophisticated, coordinated military operations that will allow them to successfully defeat the terrorists and end decades of terror and violence in Colombia.

Troop strength will not automatically double in Colombia, it will ebb and flow depending on progress in Colombia's overall strategy and the availability of U.S. troops to provide assistance.

U.S. troops will not be involved in combat operations. They will continue to work from secure sites, help train additional Colombian military units and help them plan and coordinate military operations.

We have a clear window of opportunity to help President Uribe and the people of Colombia help themselves and end this conflict, but we need this slight increase in assistance to help them realize this goal. Colombia has made great progress, by all measures, and deserves our support.

The Byrd amendment would limit our ability to provide the assistance Colombia has requested and our military commanders have recommended. A modest increase in troops and assistance now does not foreshadow an endless commitment of troops, money and sacrifice—quite the opposite—it offers the opportunity to help Colombia end this conflict in the near future. Defeating the narcoterrorists in Colombia, as quickly as possible, is clearly in the national security interests of our Nation.

The Byrd amendment will complicate the ability of our military commanders and our diplomats to help Colombia end this terrorist insurgency as soon as possible.

I urge my colleagues to vote no on this amendment.

I assure my colleagues that the discussion by the Armed Services Committee to raise these caps was one we did not take lightly. We considered it with very deliberate care. We feel we did so consistent with General Hill, commander of the southern command, who came up and specifically briefed the committee on the needs.

The bottom line is the nation Colombia has come a long way in the past few years to reestablish itself as a pillar of strength in that Central American band of nations where there is such fragility in the stability of these governments. It stands out as the courage of a government overcoming the insurgents in their countries, beginning to have success. For a very modest increase in our military presence and contractor presence, we can ensure the forward momentum of this success.

It is an enormous force multiplier of benefit to the United States of America. Were this nation to slip back into a situation which enabled more and more exporting of drugs from that region, possibly through Colombia, the consequence would be a weakening of that government, and there would be multiple degrees of negative impact on our economy, much less crime and death associated with drugs. So for a small number of additional military personnel which the military carefully crafted, the United States benefits greatly.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I support the Armed Services Committee recommendation. It was also the administration's position that this cap on military personnel in Colombia be increased to 1,400. Senator BYRD's amendment reduces that to 500.

There has been dramatic success in the war on drugs in Colombia. I have spent a great deal of time trying to keep up with this. The President of Colombia, Mr. Uribe, deserves a great deal of credit. We should support his continued efforts. His efforts have caused terrorist organizations to come to the peace table.

If we were to reduce our support now, they would have no reason to stay at the peace table. More U.S. personnel will only move the process forward.

I do not think we should go back to limiting our assistance to the Government of Colombia, as suggested by my good friend from West Virginia. I personally spent time with the commander of the U.S. Southern Command, GEN James Hill, as did the chairman of the Armed Services Committee. We were briefed, as were other members of the subcommittee, on the situation there. He has strongly urged us to support the administration's request to raise this cap.

It is my hope, depending on the circumstances here in the Senate, that a group of us can travel to Colombia this year and examine firsthand what is going on down there.

This country could be a beacon now against terrorism in South America. It is something we should support. We should not retreat from the war on terrorism. The increase to 1,400 is necessary to support this Colombian President, who has done so well, particularly against narcoterrorism.

I urge the Senate to support the request as it is stated in the Armed Services Committee bill, which is also the request of the administration. It certainly is the request of this Senator, who spent a great deal of time considering the problems in Colombia.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. COLEMAN. Mr. President, I rise in strong opposition to the amendment offered by the esteemed and greatly respected Senator from West Virginia concerning military and civilian personnel strength in Colombia.

I have been to Colombia, I have been to Bogota, and I have had a chance to personally visit with some of our troops that are doing training, and to visit with President Uribe on a number of occasions.

As chairman of the Foreign Relations Subcommittee on the Western Hemisphere, I believe the situation in Colombia is of paramount importance to the entire region. I must state very clearly this is not a civil war in Colombia. Colombia is not engaged in a civil war. Colombia, today, is engaged in a fight against narcoterrorists. That is what this is about. It is not about ideology anymore. It is about money. It is about drugs that are being used to fuel the insurgency. But this is not a civil war. I think that is important to understand.

If you reflect a little bit on the history of what has happened in Colombia, President Pastrana did everything in his power to try to negotiate a settlement. He even set aside a parcel of land, known as a "despeje," as a token of good faith, but it was to no avail. You see, the narcoterrorists had no interest in negotiating a political solution because, again, it is not a civil war. Their objectives were and remain to intimidate the public and to make money through criminal means.

Let me be perfectly clear, all three of the groups—the FARC, the ELN, and the paramilitary AUC—are all terrorist organizations in the eyes of the United States and must continue to be treated as such by the Government of Colombia.

During my last visit to Colombia, I was speaking to the Ambassador from one of the Scandinavian countries who has been involved in trying to create some opportunities for peaceful negotiation. I said to him: Historically, in the past, there may have been a civil war here. There may have been those in some of these organizations who were carrying some ideological belief and fervor that somehow they could change the system of government in Colombia. But today you have a democratically elected President with overwhelmingly high approval ratings, I think around 80 percent. Anybody in this body would like to have those kinds of approval ratings. You have a very active opposition party, a very active democracy in Colombia.

Speaking to this Ambassador, he admitted: Yes, today it is about drugs, and it is about money.

That is what we are dealing with today. That is the passion. That is the common link of those who are engaged in a battle with the government. The top fundraising enterprise of all three of these organizations is drug trafficking. They also are involved in extortion, kidnapping, and intimidation. There are few, if any, legitimate political objectives. They are narcoterrorists.

In fact, this Senate has voted to treat the guerrillas as such. Expanded authorities passed by this Congress allow the U.S. to support the Colombians in their efforts against the insurgents, not just for the purpose of fighting drug trafficking, but also for opposing the terrorist insurgent threat. All three of these groups appear on the State Department's list of terrorist organizations.

As I said before, President Uribe, who enjoys a great deal of popularity in Colombia, was elected with a clear mandate—that the narcoterrorists can be dealt with only from a position of strength. They must be weakened militarily to the point where they abandon their enterprise.

Under the leadership of President Uribe, the tide has begun to turn. Kidnappings are down. Murders are down. The terrorists in many instances are laying down their weapons. Coca eradication has reached record levels. But the task is not yet finished.

It is important. It is not a matter of: Well, we have put resources into Colombia; when are we going to get it done? As we well know, in this country the battle about drugs and narcotics is an ongoing battle. It is something where what we have to do is maintain the pressure, maintain the commitment, maintain the consistency, and not send a signal that somehow we are putting a cap on it.

Again, the numbers we are talking about here are very minimal, whether it is the Armed Services Committee recommendation of increasing the military cap from 400 to 800 and the civilian cap from 400 to 600, with a total increase of 600, versus the distinguished Senator from West Virginia talking about 500. But the message is not minimal.

The understanding of this body of the importance of what we are doing in Colombia, and continuing to build upon success, is important. That is not minimal. What we do here will be heard in Colombia. It will be heard around the world. We have to do the right thing.

Under the Colombian Constitution, President Uribe is limited to one term in office. What this means is during the final 20 months of President Uribe's term, there is a limited window of opportunity to seriously weaken these groups and to move beyond this conflict that has devastated the Colombian people for decades.

That is why I believe the time is right to increase the cap, again slightly increase the cap, on the number of United States military and civilian personnel in Colombia who are assisting the Colombians. We are not talking about lifting the cap entirely. We are talking about increasing the number of military personnel who can be in Colombia at any one time to 800 and civilians to 600. I applaud the chairman for including this necessary provision in the underlying bill.

This is not a blank check. Human rights protections are still very much in place. The United States Government works only with Colombian security forces who have been thoroughly vetted. I am a strong believer in human rights, and in each and every one of my meetings with Colombian officials I raise the human rights issue. I talk about the importance that human rights has in this country and has for our support of what is going on in Colombia. Human rights protections must remain essential to our involvement in Colombia, and the Colombians understand that. President Uribe understands that.

Moreover, the activities of U.S. troops are limited. They are there to train the Colombians. Our troops will continue to operate from secure sites only and will not be exposed to combat.

United States activities in Colombia and the region will continue to deal with the nonmilitary facets of Colombia's crisis as well. We are supporting programs for internally displaced people. We are encouraging alternative crops so farmers are not growing coca and they can make a living for themselves and their families. We are supporting human rights and rule-of-law efforts across the board.

For anyone familiar with the situation in Colombia, it is clear President Uribe is bringing security, stability, and law and order to a country that so desperately needs it. Plan Colombia is a Colombian strategy to retake the country from the grip of narcoterrorists. United States support for Plan Colombia is predicated on a mutual understanding of what is at stake in Colombia, and a belief that the United States and Colombians can work together to address the crisis. We have a critical window of opportunity here to make a major push against narcoterrorists in our own hemisphere during these final 20 months of President Uribe's term.

When President Uribe was elected and sworn in, there were mortar attacks on his life. I think there have been about 10 to 15 attempts on his life. He is an extraordinarily brave individual. So often we look around the world and say: America will be there to support you, but you have stand up for yourselves. Colombians are standing up. They are saying they want to win this battle against narcoterrorism.

Ninety percent of the cocaine in this country comes from Colombia. We Americans—our kids, our families—have a stake in the success of what happens in Colombia. Again, this is the time. This is the place to send a strong signal that we will strengthen our efforts against narcoterrorism.

The risk is the risk of doing nothing, the risk of sending a signal that somehow we are going to cap this and limit our effort, that somehow this battle against narcoterrorism is a short-term, we-are-in-it-this-week and we-are-out-next-week approach. This is not about that. Again, we are not talking about a civil war. We are talking about working hand in hand with a government that is deeply committed, that has put its own troops on the frontline, that personally has made the commitment not just of fighting narcoterrorism but to economic reform, pension reform, a commitment to human rights, to the rule of law.

The right thing to do is to support the Armed Services Committee recommendation. The right thing to do is to reject the amendment of the distinguished Senator from West Virginia.

I yield the floor.

Mr. GRASSLEY. Mr. President, I rise today to express my opposition to Senator BYRD's amendment to Section 1052 which would cap the number of U.S. military personnel and civilian contractors operating in Colombia at 500 and 500, respectively. I support the current committee language that increases the caps to 800 and 600, respectively, because it will enhance our efforts to help the Uribe administration stop the flow of drugs from their country and into ours.

The situation in Colombia is at a critical point. We must ensure that it continues to move in the right direction. Colombia is a strong ally and major trading partner of the United States and is critical to the stability of the Western Hemisphere. It is also the home of three major terrorist organizations that derive about 70 percent of their funding from the production and distribution of cocaine, nearly half of which ends up on our streets. Their violent activities are a result of the need to maintain their narcotics trade, which has resulted in the social and economic instability of the country and the region.

President Uribe has shown a strong commitment to ending the drug trade in Colombia by the end of his administration in 2006. I am extremely encouraged by his successes in drug eradication and his efforts to strengthen democracy and the rule of law. In 2003, coca production was down 21 percent and opium poppy was down 10 percent from the previous year. So far this year, the number of hectares of coca eradicated and the number of drug seizures are up from last year. We must continue this success that is needed to maintain domestic and international support for the eradication program.

In Colombia, narcotics trafficking and terrorist acts have made it one of the most dangerous places in the world. Last year, Vice President Francisco Santos-Calderon testified before the Senate Drug Caucus that more than 8,000 acts of terror were committed against the Colombian people over the previous 5 years, including over 30,000 violent deaths during each of those years. However, since the vice president's testimony, there have been significant reductions in the numbers of homicides, assassinations, kidnappings and other terrorist acts. I am encouraged by these numbers and know that these changes are very encouraging to the people of Colombia.

Our counter-narcotics efforts in Colombia include military funding for equipment, training and education programs for Colombian military personnel. Raising the existing personnel caps will allow additional U.S. personnel to be made available to train Colombian personnel, and will enhance their ability to conduct their counternarcotics missions. We have a window of opportunity here that we need to take advantage of. The United States must be willing to help the Colombian government reach this goal. I strongly urge my colleagues to oppose this amendment and ensure an adequate number of U.S. personnel available in Colombia.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. I wonder if the Senator from West Virginia would yield me 4 minutes.

The PRESIDING OFFICER. The Senator has 3½ minutes remaining.

Mr. LEVIN. I wonder if he would yield me 2 minutes.

Mr. BYRD. Mr. President, I yield the full 3½ minutes to my friend from Michigan.

Mr. LEVIN. Mr. President, I thank Senator BYRD.

The Byrd amendment allows for increases. That is the most important single point to make. There has been a suggestion that somehow or other if the Byrd amendment is adopted, that would reflect some kind of a decrease in support for what we are doing in Colombia. The Byrd amendment provides for an increase from the current level both on the military side and on the civilian side. The current military level is 400. The Byrd amendment allows for an increase to 500.

On the civilian side, the current level in law is 400. The Byrd amendment provides for an increase to 500. So both on the military and the civilian personnel, the cap is raised by the Byrd amendment—not as far as the bill before us raises it. The committee raised it by more than that. But the question is by how much will we raise the cap, not whether we are going to raise the cap.

The Byrd amendment is a more modest increase. It is a more gradual increase. It is appropriate in terms of the circumstances in the world today. We have our troops spread all over. There are great needs, including in Colombia. I happen to agree with my good friend from Minnesota that we have successes in Colombia. I have been there, too. I have witnessed some of these successes. I support our efforts in Colombia. But given the kind of commitments that we have around the world, given the kind of demands on our troops around the world, it seems to me that a modest increase is called for at this time.

Again, we are not talking about reductions, we are talking about increases. The House of Representatives did not allow for an increase on the civilian side at all. They would retain the current cap of 400. The Byrd amendment would allow for that to go up to 500.

An increase, yes; an endorsement of what is going on in terms of the efforts in Colombia, yes, because if we raise the cap, that does reflect an endorsement of those activities. But given the requirements for our troops around the world, the demands upon us, this kind of a modest increase is appropriate.

Finally, it is unlikely that they will be able to use this many additional forces in any event. According to the State Department, the dates for increases in personnel are not just going to depend on our approval but also on program developments, personnel availability, and circumstances that exist on the ground.

The Byrd amendment represents a very proper, cautious, modest increase in flexibility for our Defense Department and State Department. It is appropriate that there be an increase but not as large as is currently in the bill.

I support the Byrd amendment.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. COLEMAN. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. There is 5½ minutes on your side.

Mr. COLEMAN. Mr. President, the recommendation of the Armed Services Committee is a proper, cautious, moderate increase. That is what we are talking about. The numbers are not that great, but the message is significant. The message is significant. What we have is a recommendation, developed by General Hill from SOUTHCOM, saying this is what we need to make sure we are living up to our commitment and to modestly strengthen our commitment, that we have seen success. Let's reward success. Again, in a proper, cautious way.

I agree with my distinguished colleague from Michigan. That is the kind of increase we need. But we are seeing success with murder down, kidnapping down. We are seeing great courage from President Uribe. We see Colombians step to the plate. We have to maintain the pressure. We are not talking about civil war. We are talking about a battle against terrorist organizations. Winning this battle will have a direct impact on the lives of Americans. It will have a direct impact on slowing the flow of cocaine and narcotics into this country.

On both sides of the aisle our colleagues are seeking the same outcome; that is, to have a proper, cautious, moderate increase in strength. But it would be wrong to send a signal to reject the recommendation, the thoughtful, reasoned, rational, proper, cautious recommendation of the Armed Services Committee on this issue. Let us send the right message and let us do the right thing by upholding the judgment of the Armed Services Committee, by not stepping back, not by placing the caps that this amendment would place.

Let's reaffirm our commitment to Colombia, to the world, about fighting narcoterrorism and winning this battle.

I reserve the remainder of our time.

The PRESIDING OFFICER. The Senator from West Virginia has 19 seconds.

Mr. BYRD. Mr. President, have the yeas and nays been ordered on this amendment?

The PRESIDING OFFICER. They have not.

Mr. BYRD. I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays have been ordered.

Mr. BYRD. I yield back the remainder of my time.

The PRESIDING OFFICER. Time is yielded back.

AMENDMENT NO. 3384, AS FURTHER MODIFIED

The PRESIDING OFFICER. Under the previous order, the pending amendment is Bond amendment No. 3384 on which there is no time limit.

The Senator from Missouri.

Mr. BOND. Mr. President, I call up amendment No. 3384 and ask unanimous consent to incorporate the modifications that are at the desk.

The PRESIDING OFFICER. Is there objection to modifying the amendment?

Without objection, it is so ordered.

The amendment, as further modified, is as follows:

At the end of subtitle D of title XXXI, insert the following:

SEC. 3146. INCLUSION OF CERTAIN FORMER NUCLEAR WEAPONS PROGRAM WORKERS IN SPECIAL EXPOSURE COHORT UNDER THE ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM.

(a) FINDINGS.—Congress makes the following findings:

(1) Energy workers at the former Mallinkrodt facilities (including the St. Louis downtown facility and the Weldon Springs facility) were exposed to levels of radionuclides and radioactive materials that were much greater than the current maximum allowable Federal standards.

(2) The Mallinkrodt workers at the St. Louis site were exposed to excessive levels of airborne uranium dust relative to the standards in effect during the time, and many workers were exposed to 200 times the preferred levels of exposure.

(3)(A) The chief safety officer for the Atomic Energy Commission during the Mallinkrodt-St. Louis operations described the facility as 1 of the 2 worst plants with respect to worker exposures.

(B) Workers were excreting in excess of a milligram of uranium per day causing kidney damage.

(C) A recent epidemiological study found excess levels of nephritis and kidney cancer from inhalation of uranium dusts.

(4) The Department of Energy has admitted that those Mallinkrodt workers were subjected to risks and had their health endangered as a result of working with these highly radioactive materials.

(5) The Department of Energy reported that workers at the Weldon Springs feed materials plant handled plutonium and recycled uranium, which are highly radioactive.

(6) The National Institute of Occupational Safety and Health admits that—

(A) the operations at the St. Louis downtown site consisted of intense periods of processing extremely high levels of radionuclides; and

(B) the Institute has virtually no personal monitoring data for Mallinkrodt workers prior to 1948.

(7) The National Institute of Occupational Safety and Health has informed claimants and their survivors at those 3 Mallinkrodt sites that if they are not interviewed as a part of the dose reconstruction process, it—

(A) would hinder the ability of the Institute to conduct dose reconstruction for the claimant; and

(B) may result in a dose reconstruction that incompletely or inaccurately estimates the radiation dose to which the energy employee named in the claim had been exposed.

(8) Energy workers at the Iowa Army Ammunition Plant (also known as the Burlington Atomic Energy Commission Plant and the Iowa Ordnance Plant) between 1947 and 1975 were exposed to levels of radionuclides and radioactive material, including enriched uranium, plutonium, tritium, and depleted uranium, in addition to beryllium and photon radiation, that are greater than the current maximum Federal standards for exposure.

(9) According to the National Institute of Occupational Safety and Health—

(A) between 1947 and 1975, no records, including bioassays or air samples, have been located that indicate any monitoring occurred of internal doses of radiation to which workers described in paragraph (8) were exposed;

(B) between 1947 and 1955, no records, including dosimetry badges, have been located to indicate that any monitoring occurred of the external doses of radiation to which such workers were exposed;

(C) between 1955 and 1962, records indicate that only 8 to 23 workers in a workforce of over 1,000 were monitored for external radiation doses; and

(D) between 1970 and 1975, the high point of screening at the Iowa Army Ammunition Plant, only 25 percent of the workforce was screened for exposure to external radiation.

(10) The Department of Health and Human Services published the first notice of proposed rulemaking concerning the Special Exposure Cohort on June 25, 2002, and the final rule published on May 26, 2004.

(11) Many of those former workers have died while waiting for the proposed rule to be finalized, including some claimants who were waiting for dose reconstruction to be completed.

(12) Because of the aforementioned reasons, including the serious lack of records and the death of many potential claimants, it is not feasible to conduct valid dose reconstructions for the Iowa Army Ammunition Plant facility or the Mallinkrodt facilities.

(b) INCLUSION OF CERTAIN FORMER WORKERS IN COHORT.—Section 3621(14) of the Energy Employees Occupational Illness Compensation Program Act of 2000 (title XXXVI of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398); 42 U.S.C. 7384l(14)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following new subparagraph (C):

“(C) Subject to the provisions of section 3612A and section 3146(e) of the National Defense Authorization Act for Fiscal Year 2005, the employee was so employed for a number of work days aggregating at least 45 workdays at a facility operated under contract to the Department of Energy by Mallinkrodt Incorporated or its successors (including the St. Louis downtown or ‘Destrehan’ facility during any of calendar years 1942 through 1958 and the Weldon Springs feed materials plant facility during any of calendar years 1958 through 1966), or at a facility operated by the Department of Energy or under contract by Mason & Hangar-Silas Mason Company at the Iowa Army Ammunition Plant (also known as the Burlington Atomic Energy Commission Plant and the Iowa Ordnance Plant) during any of the calendar years 1947 through 1975, and during the employment—

“(i)(I) was monitored through the use of dosimetry badges for exposure at the plant of the external parts of an employee's body to radiation; or

“(II) was monitored through the use of bioassays, in vivo monitoring, or breath samples for exposure at the plant to internal radiation; or

“(ii) worked in a job that had exposures comparable to a job that is monitored, or should have been monitored, under standards of the Department of Energy in effect on the date of enactment of this subparagraph through the use of dosimetry badges for monitoring external radiation exposures, or bioassays, in vivo monitoring, or breath samples for internal radiation exposures, at a facility.”.

(c) FUNDING OF COMPENSATION AND BENEFITS.—(1) Such Act is further amended by inserting after section 3612 the following new section:

“SEC. 3612A. FUNDING FOR COMPENSATION AND BENEFITS FOR CERTAIN MEMBERS OF THE SPECIAL EXPOSURE COHORT.

“(a) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated to the Department of Labor for each fiscal year after fiscal year 2004 such sums as may be necessary for the provision of compensation and benefits under the compensation program for members of the Special Exposure Cohort described in section 3621(14)(C) in such fiscal year.

“(b) PROHIBITION ON USE FOR ADMINISTRATIVE COSTS.—(1) No amount authorized to be appropriated by subsection (a) may be utilized for purposes of carrying out the compensation program for the members of the Special Exposure Cohort referred to in that subsection or administering the amount authorized to be appropriated by subsection (a).

“(2) Amounts for purposes described in paragraph (1) shall be derived from amounts authorized to be appropriated by section 3614(a).

“(c) PROVISION OF COMPENSATION AND BENEFITS SUBJECT TO APPROPRIATIONS ACTS.—The provision of compensation and benefits under the compensation program for members of the Special Exposure Cohort referred to in subsection (a) in any fiscal year shall be subject to the availability of appropriations for that purpose for such fiscal year and to applicable provisions of appropriations Acts.”.

(2) Section 3612(d) of such Act (42 U.S.C. 7384e(d)) is amended—

(A) by inserting “(1)” before “Subject”; and

(B) by adding at the end the following new paragraph:

“(2) Amounts for the provision of compensation and benefits under the compensation program for members of the Special Exposure Cohort described in section 3621(14)(C) may be derived from amounts authorized to be appropriated by section 3612A(a).”.

(d) OFFSET.—The total amount authorized to be appropriated under subtitle A of this title is hereby reduced by $61,000,000.

(e) CERTIFICATION.—Funds shall be available to pay claims approved by the National Institute of Occupational Safety and Health for a facility by reason of section 3621(14)(C) of the Energy Employees Occupational Illness Compensation Program Act of 2000, as amended by subsection (b)(2), if the Director of the National Institute of Occupational Safety and Health certifies with respect to such facility each of the following:

(1) That no atomic weapons work or related work has been conducted at such facility after 1976.

(2) That fewer than 50 percent of the total number of workers engaged in atomic weapons work or related work at such facility were accurately monitored for exposure to internal and external ionizing radiation during the term of their employment.

(3) That individual internal and external exposure records for employees at such facility are not available, or the exposure to radiation of at least 40 percent of the exposed workers at such facility cannot be determined from the individual internal and external exposure records that are available.

(f) It is the sense of the Senate that all employees who are eligible to apply for benefits under the compensation program established by the Energy Employees Occupational Illness Compensation Act should be treated fairly and equitably with regard to inclusion under the special exposure cohort provisions of this Act.

Mr. BOND. Mr. President, we are not going to take much time, although I see my colleague from Iowa is here. This is a measure designed to compensate the former energy workers at the Mallinkrodt site in the St. Louis, MO, area and the Iowa atomic energy workers at what was known as the Burlington Atomic Energy Commission plant and the Iowa ordinance plant.

We have gone through many iterations trying to work it out to make sure that all sides are comfortable. I appreciate the courtesies of the New York Senators who have issues. We look forward to working with them on solving their issues. There has been a great deal of work put into this. Some people may think it is small, when it is less than a couple hundred million dollars, but let me tell you, this is huge to the former workers and their families who are directly affected.

I went back to Missouri last Friday, after we had talked about this on the Senate floor. I met with some of the workers and some of their families. The young woman who has been the leader in this effort, Denise Brock, was there. She told me how much this meant to her mother, who lost her husband several years ago as a result of the cancers brought on by excessive radiation. She also told me that when I spoke last Thursday about Jim Mitalski, a former Mallinkrodt worker who had gone into the hospital and slipped into a coma—he lost a foot, had multiple cancers—she said she made a recording of the floor remarks I made, took it down and played it next to Mitalski's bedside where he seemed to be in a deep sleep. She said as she played it and we mentioned his name, she saw a smile come over his face, and she believed that he did know that we were going to do something. Unfortunately, Mr. Mitalksi has since died.

That is happening to workers in Iowa, in Missouri, and all across the country. Yes, they were on the forefront. They were the atomic warriors, and they made what nobody knew at that time were great sacrifices of their health so we could win World War II.

Mr. President, I thank the Chair and I thank all of the people who worked on this issue.

I thank all parties for their assistance. I urge adoption of this after the appropriate comments are made.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator from Iowa is recognized.

Mr. HARKIN. Madam President, my colleague from Missouri, Senator BOND, and I have been working very hard on this amendment to address the very serious situation faced by former Department of Energy workers in Iowa and Missouri. I thank Senator BOND for his leadership on this issue, and for working very closely to address this very problematic situation. We have also worked very closely with the chairman and the ranking member in reaching an agreement enabling us to get this amendment done. I thank both Senator WARNER and Senator LEVIN and their respective staffs for all of their help in reaching this agreement.

This amendment authorizes adding workers who were employed in nuclear weapons facilities in Missouri and Iowa who are suffering from serious cancers to the group of workers who are already eligible for automatic compensation. The groups of workers eligible for automatic compensation, a "special exposure cohort, as it is called", already exists for workers from Kentucky, Ohio, Alaska, and Tennessee.

But since this original legislation was passed in 2000, we have learned a great deal more about the facilities in Iowa and Missouri that makes it necessary to include the Iowa and Missouri workers in the special exposure cohort as well.

In Iowa, over the last 4 years, we have discovered there are virtually no documents that exist that show what workers at the Iowa Army Ammunition Plant were exposed to between 1947 and 1975. This makes it almost impossible to estimate radiation doses received by the workers, a required step before they can be compensated.

Almost 4 years into this program, only 38 Iowans have received compensation. Of the people who worked at these plants assembling nuclear weapons, working with very highly radioactive materials, some are still alive and are elderly, but they are ill and they are dying.

My friend from Missouri spoke about visiting some of his workers in Missouri. I, too, have had that experience over the last several years—visiting my fellow Iowans who worked at the Iowa Army Ammunition Plant during those years after World War II, up until about 1975. They are ill and they are dying and far too many of them are suffering from very painful cancers.

In fact, it is most poignant that this is happening right now because the individual who first brought this to my attention several years ago, Bob Anderson, is once again ill himself. In 1997, Bob wrote me a letter and said that he and some of the former workers at the Iowa Army Ammunition Plant had contracted cancers. Many were dying and he knew they had been exposed to radiation, and he asked was there anything I could do about it because they were not getting any medical help whatsoever.

I, then, wrote a letter to the Department of the Army to inquire about this. I received a reply from the Department of the Army that said basically there were no nuclear weapons ever assembled there. Well, we just took the answer from the Army and sent it back out to Bob Anderson. This upset him greatly. He came back into my office in Iowa and said: Wait a minute. They are wrong; we assembled nuclear weapons there for almost 30 years.

So we started looking at it further, and we found that the Department of the Army was wrong. We had gotten misinformation from the Department of the Army. We finally dug back through the DOE and the old Atomic Energy files and found out that, in fact, they had assembled nuclear weapons at IAAP for close to 30 years. This was all very confusing. We finally got it straightened out. These workers were exposed to radiation, they weren't told what they were being exposed to and they were told at the time this was top secret that they could not discuss it with anyone, that they could receive prison terms if they were to talk about this with anyone.

Many of these people became sick and many died without ever having breathed a word that they had worked assembling nuclear weapons because they were loyal, patriotic citizens. They had taken an oath and were sworn to secrecy that they would not talk about it. Even today some still will not speak about the work they did.

Well, for those who are left, we finally got it cleared that they could talk about it openly with their doctors, their health care practitioners. But Bob Anderson is the one person singularly responsible for highlighting and bringing to the public attention what happened at the Iowa Army Ammunition Plant, the person who started the ball rolling, so to speak, to get us to understand that there were all these workers who had been exposed but who are unaccounted for.

Bob Anderson is the one who was responsible for us and for the Department of Energy now looking at the Department of the Army trying to find the records, and now understanding that there are no records. There are no dosage records for these people.

Several years ago, when he first contacted my office about this, he had been diagnosed with lymphoma. He has struggled with it ever since. As we speak today, Bob Anderson is in a hospital. He had his thyroid taken out. I spoke with his wife the other day on the phone while he was undergoing surgery. Later on, after he had gotten out, the doctor told her that his cancerous thyroid was the largest swollen thyroid he had ever seen in his life.

We are now waiting for the biopsies. We are hoping it has not spread. But as we stand here today, Bob Anderson lies in a hospital bed waiting to find out if he now has a second kind of cancer, thyroid cancer, on top of his lymphoma. Bob Anderson who side by side with other IAAP workers spent many years assembling nuclear weapons, who had been exposed to radiation, who had not been told what he was exposed to, and who did not wear dosage badges. All Bob Anderson is asking for is fair treatment, and that is what we are accomplishing today. That is what the managers of the bill have agreed to.

So I would like to extend a big thank you to Senator WARNER and Senator LEVIN and their staffs for helping us get this through. These are people who are suffering, they are dying. They need help, and they have no place to turn other than us in the U.S. Congress.

As I said, some people were put into that cohort in 2000. We recognized then that there would be people out there for whom there were no records, and for whom fairness would require that they should be put into that special cohort. That is what this amendment does. This amendment is an important step in that direction: to get these people put into that special cohort to provide them automatic compensation.

Again, I thank my colleague from Missouri for his leadership and help on this issue. I also again thank Senator WARNER and Senator LEVIN and their respective staffs for helping us work this out. I thank Bob Anderson for his courageous stand, for over the last several years never giving up, for his advocacy, not just on his own behalf but for thousands of his fellow workers in Iowa and, I daresay, in Missouri and other places. Even as he lies in the hospital, I want him to know we are doing everything we can to right this wrong and to get compensation to those former nuclear weapons workers.

Madam President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to amendment No. 3384, as further modified. Is there further debate? The Senator from Missouri.

Mr. TALENT. Madam President, I appreciate the chance to offer a word or two on the amendment. My friend from Missouri and my friend from Iowa have covered the ground very well. In part, I rise to compliment them on their dogged tenacity on behalf of these workers who deserve this compensation and now have a chance of receiving it because of their hard work.

I also compliment the managers of the bill who, even though in their States they do not have people directly involved in this, have seen the plight of our Missouri workers and Iowa workers and have worked with us to get this amendment adopted.

It simply means workers in Iowa and Missouri are going to have the same opportunity to get this compensation under expedited rules and procedures that already exist in other States so they will actually have some recourse and some compensation for the illnesses they have suffered because of this overexposure, and they will get it before they pass away because of the cancers that have resulted.

There have been many tragic instances where people have fought for this compensation, have waited for what the law says they are entitled to, and have never gotten it. This amendment holds out hope now that we will be able to do justice in these cases.

I compliment my friend from Iowa and my colleague from Missouri for their very hard work, and I join them in offering and supporting the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Madam President, I commend the Senators who have been involved in again bringing this issue to the forefront, fighting the hard fight that was necessary for this to be accomplished.

As far as I know, there are no other Senators at this point who wish to talk about this modified amendment. As far as we are concerned, it can be adopted.

Mr. SCHUMER. Mr. President, I would like to acknowledge Senator WARNER and Senator LEVIN for their efforts on this legislation, which is vital to the men and women of our military and our national security. At this time, I, along with my colleague Senator CLINTON, would like to engage Senators WARNER and LEVIN in a colloquy regarding the needs of employees who worked in Department of Energy, DOE, and DOE-contractor facilities on atomic weapons-related production in New York and throughout the United States.

Mrs. CLINTON. I also wish to recognize the efforts of my friends from Virginia and Michigan on this bill and their willingness to engage in this colloquy in order to discuss the needs of New York's former nuclear workers and the necessity of providing them with prompt access to the compensation they have earned through service to this country.

Mr. WARNER. I thank the Senators from New York for their remarks, and would be happy to engage them in a colloquy.

Mr. LEVIN. I am also happy to engage in this colloquy with the Senators form New York.

Mr. SCHUMER. I thank my esteemed colleagues, Mr. WARNER and Mr. LEVIN, for recognizing the common plight among sick workers throughout our great Nation. In my home State of New York, thousands of nuclear workers labored for decades during the cold war in hazardous conditions at DOE and contractor facilities unaware of the health risks. These workers helped to create the huge nuclear arsenal that served as a deterrent to the Soviet Union during the cold war, but many paid a high price in terms of their health. It is now our obligation to assist them in all possible ways, so that their sacrifices do not go unrecognized.

Mrs. CLINTON. I wholeheartedly agree with the senior Senator from New York. Our State's contribution to America's security throughout the cold war was large and important. New York is home to 36 former atomic weapons employer sites and DOE facilities—more than any other State in the Nation. Fourteen of these facilities are located in the western New York region alone.

Under the Energy Employees Occupational Illness Compensation Act of 2000, Congress made a promise to the people who worked at these sites and others like them across the country that they would receive uniform, timely compensation under the act under certain conditions. But to date, NIOSH has completed just one of the many needed site profiles in New York that are needed to administer the program.

One of the provisions of that act provides for what is known as a special exposure cohort. The act named facilities in four States that would be added to the special cohort, which in essence results in prompt payment of benefits under the act without the need to go through a dose reconstruction process.

The Bond-Harkin amendment would, under certain conditions, add several facilities in Missouri and Iowa to this special exposure cohort. I am very sympathetic to the plight of these workers, but I am even more concerned about the workers that I represent. Many of the New York workers are in very similar plights as the workers in Missouri and Iowa who might be helped by the Bond-Harkin amendment.

I am encouraged that the amendment recognizes this fact, in that it includes a sense of the Senate declaring that all eligible employees deserve fair and equitable consideration under the act's special exposure cohort provisions.

Mr. SCHUMER. I agree, and hope that when the Bond-Harkin amendment is discussed in conference, the Senators from Virginia and Michigan will take into consideration the workers in New York and throughout the country who share a similar set of circumstances to those workers in Iowa and Missouri. In particular, I would ask that they look at how the special exposure cohort issue can be addressed in the most equitable way possible, and contemplate options that would provide for equitable access to the special exposure cohort for New York's workers.

Mrs. CLINTON. I echo the request of my colleague from New York. I would also ask whether the Senators from Virginia and Michigan share our understanding that the Bond-Harkin amendment to the National Defense Authorization Act of 2004 does not in any way reflect the view that New York's workers or those of any other State are less deserving of access to special cohorts than those named in the amendment.

Mr. WARNER. Mr. President, I thank my esteemed colleagues from New York for their dedication to this cause. We indeed recognize the sacrifice workers made throughout our country in the nuclear arms buildup of the cold war and will endeavor to take into account the similar situations that exist for nuclear workers throughout our great Nation. I agree with their assessments of the Bond-Harkin amendment and assure the Senators from New York that I will take their concerns into consideration when conferencing the House and Senate bills.

Mr. LEVIN. I join my friend from Virginia in recognizing the commitment of the Senators from New York to finding a solution to this critical problem. I share their understanding regarding the scope and intent of the Bond-Harkin amendment, and will do our best to address their concerns when conferencing the House and Senate bills.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3384, as further modified.

The amendment (No. 3384), as further modified, was agreed to.

Mr. LEVIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COCHRAN. Madam President, I ask unanimous consent that the calling of the quorum be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—S. 2507

Mr. COCHRAN. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 580, S. 2507; that the Cochran amendment at the desk be agreed to, the bill, as amended, be read the third time and passed, the motion to reconsider be laid upon the table, and any statements be printed in the RECORD.

Mr. REID. Madam President, reserving the right to object, I have spoken with the distinguished junior Senator from Michigan, Ms. STABENOW. She has some problems with the way this piece of legislation is written. She thinks there should be more attention focused on fruits and vegetables. She would like to have further discussion with the distinguished senior Senator from Mississippi.

As a result of that, I hope something can be worked out on this. I reluctantly note my objection on behalf of my friend from Michigan.

The PRESIDING OFFICER. The objection is heard.

Mr. COCHRAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Madam President, the managers of the bill, in consultation with the leadership, are making progress, I assure colleagues.

MORNING BUSINESS

Mr. WARNER. At this point in time, I ask unanimous consent that the Senate go into a period of morning business, with Senators allowed to speak for up to 8 minutes each, with the right to petition for other time if there is no objection by others waiting, and the Senate resume consideration of the authorization bill at the hour of 1:40.

Mr. ENSIGN. If we could modify the unanimous consent that I be recognized at 1:05 to speak for 8 minutes.

Mr. WARNER. I have no objection to that.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER (Mr. HAGEL). The Senator from Nevada.

OIL-FOR-FOOD PROGRAM

Mr. ENSIGN. Mr. President, I rise to speak about the Oil-for-Food scandal. I do so because I have been told that high ranking officials at the State Department and Paul Volcker, who is heading up the U.N. investigation, believe Senators are not personally committed to gaining access to all relevant documents, including U.N. audits. That is not true.

A bipartisan group of Senators, including ranking members from the Armed Services and Foreign Relations Committees, wrote to Mr. Bremer in Iraq asking him to secure the Oil-for-Food documents.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 9, 2004.

Hon. L. PAUL BREMER, III,
Administrator, Coalition Provisional Authority, Baghdad, Iraq.

DEAR MR. BREMER: We are writing to inquire about the status of documents relating to the United Nations "Oil-for-Food" Program (OFF Program), and express our concerns about recent developments that could jeopardize American interests with respect to those documents.

The Section 2007 report submitted to Congress in April states that you have ordered "all relevant records in Iraq ministries be inventoried and protected so that they can be made available" for certain investigations into the OFF Program. We also understand that the Coalition Provisional Authority (CPA) has recently entered into a Memorandum of Understanding with the Independent Inquiry Committee (IIC) regarding the sharing of documents and information relating to the OFF Program.

Our concern is that all documents related to the OFF Program be secured not only for the IIC and the Iraqi Board of Supreme Audit (BSA), but also for investigations conducted by Congressional committees. Accordingly, we request that the CPA work with the Inspector General's Office of the Department of Defense (DoD IG) to secure a copy of all documents that are being gathered for the BSA and the IIC investigations. Once such documents are secured, a complete set of documents relevant to the OFF Program should be delivered within sixty (60) days or no later than August 31, 2004, to the General Accounting Office for further delivery, upon request, to any Congressional committee of competent jurisdiction. Please identify by no later than June 11, 2004, a person at the CPA and at DoD IG responsible for securing the documents in response to this request.

We are sure you will agree that these documents should be secured for all investigations into the OFF Program, whether in Iraq or the United States. In light of the recent dissolution of the Iraqi Governing Council, the formation of a new Iraqi government ahead of schedule, and the rapidly-approaching June 30th turnover date, we are concerned that American access to such documents will be jeopardized. Accordingly, we believe that the documents should be secured, duplicated, and delivered to DoD IG prior to June 30, 2004.

Sincerely,

NORM COLEMAN,
CARL LEVIN,
SAXBY CHAMBLISS,
JOSEPH R. BIDEN, Jr.,
LINDSEY GRAHAM,
JOHN ENSIGN.

Mr. ENSIGN. Congressional investigators have an interest in making sure those documents are available and accessible. A subpoena has been served on BNP by the Permanent Subcommittee on Investigations. Chairman COLEMAN and the ranking Democrat, Senator LEVIN, have also sent letters seeking Oil-for-Food documents to the State Department and the General Accounting Office.

An amendment to the Defense bill, which would help Congress to conduct its own inquiries into the Oil-for-Food Program was passed unanimously. We want access to those documents. We wish the Volcker panel well; however, we are not going to abandon the duty of this Congress to conduct proper oversight or subcontract that role to an international body. The stakes are much too high.

We now believe that Saddam Hussein, corrupt U.N. officials, and corrupt well-connected countries were the real benefactors for the Oil-for-Food Program. They profited from illegal oil shipments, financial transactions, kickbacks, and surcharges, and allowed Saddam Hussein to build up his armed forces and live in the lap of luxury.

The evidence in this far-reaching scandal tells an unbelievable story. Our own U.S. General Accounting Office estimates that Saddam Hussein siphoned off $4.4 billion through oil sale surcharges. Saddam Hussein also demanded kickbacks on the humanitarian relief side from suppliers which amounted to 10 to 20 percent on many contracts. Saddam used this revenue to rebuild Iraq's military capabilities, to maintain lavish palaces, buy loyalty, oppress his people, and perhaps financially support terrorism.

And as Claude Haknes-Drielsma, an IGC consultant investigating the scandal, testified, the secret payments . . . "provided Saddam Hussein and his corrupt regime with a convenient vehicle through which he bought support, internationally by bribing political parties, companies, and journalists . . . This secured the cooperation and support of countries that included members of the Security Council of the United Nations."

The United Nations should be embarrassed. What resulted from the goodwill gesture was international scandal, corruption at the highest levels, and suffering Iraqi citizens—not exactly a model U.N. program.

Tasked by the international community to deny Saddam Hussein the ability to rebuild his military apparatus while providing humanitarian needs, the United Nations allowed the corrupt to become richer and innocent Iraqis to be oppressed. Today we have a chance to rectify that injustice. We must demand that the United Nations cooperate completely with efforts to extrapolate the truth from this scandal and punish the guilty.

Unfortunately, that does not appear to be happening, as William Safire notes in a recent column entitled "Tear Down This UN Stonewall." He talks about how Paul Volcker's first choices for staffing the U.N.'s own Oil-for-Food—

> . . . were turned off not just by the lack of subpoena or oath-requiring power . . . but by an inadequate budget to dig into the largest financial rip-off in history. As a result, after nearly three months, a foot-dragging bureaucracy has successfully frustrated the independent committee dependent on it.

We know that officials acting on behalf of Benon Sevan, the executive director of the Oil-for-Food Program for the United Nations, who is personally implicated in the scandal, are asking contractors not to release documents relating to the program to congressional investigators without first getting U.N. authorization. We know the U.S. has asked for copies of the U.N. internal audit reports on this program, and the U.N. denied our request. I will include an exchange of letters to that effect in the RECORD.

It was reported recently that the head of the U.N.'s own inspector general's office himself is now being investigated by the United Nations. The U.N. should be more interested in bringing the truth to light than trying to protect its tattered reputation and its corrupt officials. I hope the Volcker panel gets the tools it needs from the U.N. to do a thorough investigation of the Oil-for-Food Program. The Volcker panel work does not obviate the need for the U.S. Congress to conduct its own investigation.

My amendment ensures that the Oil-for-Food documents in Iraq are secured before the June 30 handover and that copies are brought to the United States. Right now it is unclear what will happen to those documents following the June 30 handover. The amendment also requires U.S. agencies to provide relevant congressional committees access to Oil-for-Food documents. Additionally, it calls on the U.S. to use its voice and vote to get access to U.N. Oil-for-Food audits and core documents.

Lastly, it mandates a GAO review of the Oil-for-Food Program. Under the Helms-Biden U.N. reform legislation which was signed into law, as this amendment makes clear, we believe the GAO should have access to U.S. documents relating to the Oil-for-Food Program.

We in the Congress have a choice to make. We could do nothing and allow the word "humanitarianism" to be the new code word for corruption and scandal from here on out, or we can stand up and make the United Nations rightfully accountable for the corruption that has harmed innocent Iraqis.

The answer is clear: We must act.

The U.N. is broken. If the Security Council is to function, there cannot be questions as to whether members are more interested in lining their pockets than preserving security. We have to make sure Iraqi government officials get a clear message that the corruption and kickbacks of the Saddam Hussein regime—potentially aided and abetted by U.N. officials—will no longer be tolerated.

I thank my colleagues for helping to craft this amendment. LINDSEY GRAHAM took the lead in achieving this consensus. Senators CHAMBLISS, COLEMAN, LUGAR, KYL, ENZI, and the majority leader all made important contributions, as did the minority, in finalizing the language. This was truly a collaborative process.

I ask unanimous consent that the letters I mentioned earlier be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED STATES REPRESENTATIVE FOR UNITED NATIONS MANAGEMENT AND REFORM,
New York, NY, May 10, 2004.

Mr. DILEEP NAIR,
Office for Internal Oversight Services, the United Nations, New York, NY.

DEAR MR. NAIR: The U.S. Mission requests the following documentation/information regarding the Oil-for-Food Programme:

—The 55 OIOS internal reviews, or audits, of aspects of the OFF program;

—All bank statements for the OFF escrow account at BNP-Paribas;

—All Oil Overseer reports previous to October 2001;

—Copies of all Customs Reports from the UN's Office of Iraq Programme (OIP) to the 661 Committee that contain pricing reviews with notes of concern about possible overpricing.

Please provide these documents by 14 May 2004. If this is not possible, please provide a written explanation, including when we might expect to receive such documentation.

Thank you for your assistance.

Sincerely,

PATRICK KENNEDY.

UNITED NATIONS
INTERNAL OVERSIGHT SERVICES,
New York, NY, May 12, 2004.

Reference: OUSG-04-370

Ambassador PATRICK F. KENNEDY,
Representative for United Nations Management, United States Mission to the United Nations, New York, NY.

DEAR AMBASSADOR KENNEDY: I refer to your letter to me of 10 May, as well as your previous letters of 20 April and 4 May, seeking documents relating to the Oil-for-Food Programme.

As you know, the Secretary-General has established an independent inquiry into allegations relating to the Programme, chaired by Mr. Paul Volcker. You would also be aware that Mr. Volcker has asked the Secretary-General to ensure that all relevant documents are secured solely for the Inquiry's use, and that, on 6 May, Mr. Volcker issued a statement saying that the Inquiry Committee believes non-public documents related to the Programme should not be released during the current preliminary stage of the Inquiry—though it will "consider appropriate disclosure" at a later stage, as the investigation proceeds.

As the internal reviews and audits of the Programme carried out by this Office, bank statements of the escrow account and letters sent to contractors, come in the category of "non-public" documents, these cannot be disclosed at the moment. On the other hand, the reports of the Oil Overseers and of the Customs Reports have already been provided to the United States government in its capacity as a member of the 661 Committee.

Yours sincerely,

DILEEP NAIR,
Under-Secretary General.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that I may proceed for no more than 3 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

250TH ANNIVERSARY OF THE FRENCH AND INDIAN WAR

Mr. BYRD. Mr. President, our Nation launches a 6-year commemoration of the 250th anniversary of the French and Indian war. That commemoration is this year. As part of the celebration, Members of the Senate and their staffs are invited to a special viewing of a handwritten autobiographical manuscript of George Washington, which conveys unique insights of the war and young Washington's personal reflections on his experiences. Washington's "Remarks" will be on display in S–127 in the Capitol on Wednesday, today, from 12 noon until 3 p.m.

George Washington is most commonly remembered as our Nation's first President and a Revolutionary War commander. Americans are far less aware of his activities during the French and Indian war. Washington never wrote a memoir, but "Remarks" provides a firsthand account of his early life, including his experiences in the French and Indian war.

So I hope Senators will take the opportunity to view this important manuscript and learn more about George Washington through this story penned in his own hand.

Mr. President, in closing, I thank the honorable Ned Rose of Charleston, WV, for his thoughtfulness and his efforts in regard to having this displayed in S–127 of the Capitol today, from 12 noon until 3 o'clock.

WHY WE ARE IN IRAQ

Mr. HOLLINGS. Mr. President, I submitted a column on how we got into the mess in Iraq, which appeared this morning in The State newspaper in Columbia, SC. I ask unanimous consent it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Peoples the world around have a history of culture and religion. In the Mideast, the religion is predominantly Muslim and the culture tribal. The Muslim religion is strong, i.e., those that don't conform are considered infidels; those of a tribal culture look for tribal leadership, not democracy. We liberated Kuwait, but it immediately rejected democracy.

2. In 1996, a task force was formed in Jerusalem including Richard Perle, Douglas Feith and David Wurmser. They submitted a plan for Israel to incoming Prime Minister Benjamin Netanyahu called Clean Break. It proposed that negotiations with the Palestinians be cut off and, instead, the Mideast be made friendly to Israel by democratizing it. First Lebanon would be bombed, then Syria invaded on the pretext of weapons of mass destruction. Afterward, Saddam Hussein was to be removed in Iraq and replaced with a Hashemite ruler favorable to Israel.

The plan was rejected by Netanyahu, so Perle started working for a similar approach to the Mideast for the United States. Taking on the support of Dick Cheney, Paul Wolfowitz, Stephen Cambone, Scooter Libby, Donald Rumsfeld, et al., he enlisted the support of the Project for the New American Century.

The plan hit paydirt with the election of George W. Bush. Perle took on the Defense Policy Board. Rumsfeld, Wolfowitz and Feith became one, two and three at the Defense Department, and Cheney as vice president took Scooter Libby and David Wurmser as his deputies. Clean Break was streamlined to go directly into Iraq.

Iraq, as a threat to the United States, was all contrived. Richard Clarke stated in his book, Against All Enemies, with John McLaughlin of the CIA confirming, that there was no evidence or intelligence of "Iraqi support for terrorism against the United States" from 1993 until 2003 when we invaded. The State Department on 9/11 had a list of 45 countries wherein al Qaeda was operating. While the United States was listed, it didn't list the country of Iraq.

President Bush must have known that there were no weapons of mass destruction in Iraq. We have no al Qaeda, no weapons of mass destruction and no terrorism from Iraq; we were intentionally misled by the Bush administration.

Which explains why President-elect Bush sought a briefing on Iraq from Defense Secretary William Cohen in January before taking the oath of office and why Iraq was the principal concern at his first National Security Council meeting—all before 9/11. When 9/11 occurred, we knew immediately that it was caused by Osama bin Laden in Afghanistan. Within days we were not only going into Afghanistan, but President Bush was asking for a plan to invade Iraq—even though Iraq had no involvement.

After 15 months, Iraq has yet to be secured. Its borders were left open after "mission accomplished," allowing terrorists throughout the Mideast to come join with the insurgents to wreak havoc. As a result, our troops are hunkered down, going out to trouble spots and escorting convoys.

In the war against terrorism, we've given the terrorists a cause and created more terrorism. Even though Saddam is gone, the majority of the Iraqi people want us gone. We have proven ourselves "infidels." With more than 800 GIs killed, 5,000 maimed for life and a cost of $200 billion, come now the generals in command, both Richard Myers and John Abizaid, saying we can't win. Back home the cover of The New Republic magazine asks, "Were We Wrong?"

Walking guard duty tonight in Baghdad, a G.I. wonders why he should lose his life when his commander says he can't win and the people back home can't make up their mind. Unfortunately, the peoples of the world haven't changed their minds. They are still against us. Heretofore, the world looked to the United States to do the right thing. No more. The United States has lost its moral authority.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. FRIST. Mr. President, as in executive session, I ask unanimous consent that immediately following the next votes, the Senate proceed to executive session and votes on the following nominations on today's Executive Calendar: Calendar Nos. 592 and 609. I further ask consent that following the votes, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session, with no intervening action or debate.

Finally, I ask unanimous consent that there be 4 minutes of debate equally divided prior to each of the votes.

The PRESIDING OFFICER. Is there objection?

The Senator from Nevada.

Mr. REID. Could we have these votes, as are the votes preceding this, 10-minute votes?

Mr. FRIST. We have no objection on our side to 10-minute votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005—Continued

The PRESIDING OFFICER. The Senate will continue the consideration of S. 2400.

AMENDMENT NO. 3303

There are now 2 minutes of debate equally divided related to the Corzine amendment.

The Senator from Nevada.

Mr. REID. We yield back our time.

Mr. FRIST. We yield back the remainder of our time.

The PRESIDING OFFICER. The question is now on agreeing to the motion to waive the Budget Act with respect to the Corzine amendment.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Kansas (Mr. BROWNBACK) is necessarily absent.

I further announce that if present and voting the Senator from Kansas (Mr. BROWNBACK) would vote "no."

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER (Mr. SUNUNU). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 49, nays 49, as follows:

[Rollcall Vote No. 136 Leg.]

YEAS—49

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carper
Clinton
Collins
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham (FL)
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Snowe
Specter
Stabenow
Wyden

NAYS—49

Alexander
Allard
Allen
Bennett
Bond
Bunning
Burns
Campbell
Chafee
Chambliss
Cochran
Coleman
Conrad
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Ensign
Enzi
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Kyl
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Stevens
Sununu
Talent
Thomas
Voinovich
Warner

NOT VOTING—2

Brownback
Kerry

The PRESIDING OFFICER. On this question, the ayes are 49, the nays are 49. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. WARNER. I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Chair sustains the point of order and the amendment falls.

AMENDMENT NO. 3472

The PRESIDING OFFICER. Under the previous order, the next vote is on the McConnell amendment numbered 3472 on which the yeas and nays have been ordered.

Under the previous order, there will be 2 minutes of debate evenly divided.

Mr. REID. Mr. President, this is a 10-minute vote, is that right?

The PRESIDING OFFICER. The Senator is correct. Under the previous order, subsequent votes will be 10 minutes in length.

Mr. KENNEDY. Parliamentary inquiry: I understand under the previous agreement we are going to have two votes. The first vote will be on the McConnell amendment and the second vote on the Kennedy amendment?

The PRESIDING OFFICER. Under the previous order there are several pending votes. The next vote after the McConnell amendment will be on the Kennedy amendment.

Who yields time?

Mr. McCONNELL. Mr. President, let me describe why the McConnell amendment is preferable to the Kennedy amendment. My colleagues will be given an opportunity in the next few minutes to vote on two approaches to administration reporting on Iraq. The Kennedy troop estimate requirement is entirely too burdensome. We cannot predict troop levels 5 years in advance. No one is that good. Political developments in Iraq will drive security estimates so we cannot determine now what our needs are going to be years in advance.

KENNEDY's 30-day requirement would not give the Department of Defense enough time to staff a report, much less complete one.

I recommend voting for the McConnell alternative which is a reasonable reporting requirement from the Defense Department related to Iraq.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Massachusetts is recognized for 1 minute.

Mr. KENNEDY. Mr. President, this is for 1 year. June 30th, sovereignty is transferred to the Iraqis. American families are entitled to know how long their sons and daughters are going to serve in Iraq. This is asking for an estimate of how long their sons and daughters are going to be there. They will make that judgment 30 days after this bill is passed into law, then 6 months, and then a year. American families who have sons and daughters serving in Iraq need to have some estimate about how long they are going to be there. The American people are entitled to that, too.

Finally, we have followed this similar kind of reporting with regard to Bosnia in the past. This is an appropriate request. American families and the American people are entitled to it and the Iraqi people are entitled to it, as well.

The PRESIDING OFFICER. The Senator's time has expired. Under the previous order, the vote occurs on agreeing to the McConnell amendment.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Kansas (Mr. BROWNBACK) is necessarily absent.

I further announce that if present and voting the Senator from Kansas (Mr. BROWNBACK) would vote "yes."

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 71, nays 27, as follows:

[Rollcall Vote No. 137 Leg.]

YEAS—71

Alexander
Allard
Allen
Bayh
Bennett
Bond
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Dorgan
Edwards
Ensign
Enzi
Feinstein
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Kohl
Kyl
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Roberts
Rockefeller
Santorum
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Voinovich
Warner
Wyden

NAYS—27

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Corzine
Daschle
Dayton
Dodd
Durbin
Feingold
Graham (FL)
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Landrieu
Lautenberg
Leahy
Levin
Pryor
Reed
Reid
Sarbanes

NOT VOTING—2

Brownback
Kerry

The amendment (No. 3472) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3377

The PRESIDING OFFICER. Under the previous order, the vote will now occur on agreeing to Kennedy amendment No. 3377. This will be preceded by 2 minutes of debate evenly divided.

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, if you liked the McConnell amendment, you have to love the Kennedy amendment because the McConnell amendment took our initial amendment and eliminated estimating the numbers of American troops that are going to be necessary after Iraq reaches sovereignty. That is the principal difference.

It does seem to me that after Iraq gets sovereignty on June 30, every American family, whether it is those who have sons or daughters serving in Iraq, is entitled to the best judgment—and this is an estimate—the best judgment on the number of troops we are going to have serve in Iraq. That is clear and simple. It is an estimate. There are clear examples where we have done that in the past. We are talking about estimating the number of American troops that will serve in Iraq. We have done that time in and time out. That is what the Kennedy amendment would do, embracing the best parts of the McConnell amendment. You can have it all this afternoon in the U.S. Senate.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, the argument remains the same as it was a few moments ago. The question is whether we can require the Defense Department to predict that which cannot be known. No one knows what the future troop estimate is going to be. We can't predict troop levels 5 years in advance. The Senator from Massachusetts is trying to require the Defense Department to report something that no Defense Department could possibly report. Therefore, the Kennedy amendment ought to be opposed.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to amendment No. 3377.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Kansas (Mr. BROWNBACK) is necessarily absent.

I further announce that if present and voting the Senator from Kansas (Mr. BROWNBACK) would vote "nay."

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 48, nays 50, as follows:

[Rollcall Vote No. 138 Leg.]

YEAS—48

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carper
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham (FL)
Hagel
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lincoln
McCain
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Wyden

NAYS—50

Alexander
Allard
Allen
Bennett
Bond
Bunning
Burns
Campbell
Chafee
Chambliss
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Ensign
Enzi
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hatch
Hutchison
Inhofe
Kyl
Lieberman
Lott
Lugar
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Sununu
Talent
Thomas
Voinovich
Warner

NOT VOTING—2

Brownback
Kerry

The amendment (No. 3377) was rejected.

Mr. WARNER. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3353

The PRESIDING OFFICER. Under the previous order, a vote will now occur on the Reed amendment to be preceded by 2 minutes of debate equally divided.

The Senator from Rhode Island.

Mr. REED. Mr. President, I ask unanimous consent that Senator CORZINE be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, for years, the plan for missile defense, which is placed in Alaska, provided for 20 interceptors. Suddenly, this year the administration asked for 10 additional interceptors. My amendment will simply fence the acquisition of these interceptors pending operational testing. These interceptors and their warheads have never been used in interceptor tests. They are virtually untested.

The underlying amendment would allow for the acquisition but would condition that on operational testing. I think we will learn a lot from operational testing. I think we should have operational testing. The question is, Why do we want to buy 10 additional interceptors until we learn what we must before we commit to this $500 million acquisition?

I hope my colleagues will support me in this effort.

The PRESIDING OFFICER. The Senator's time has expired.

Who seeks time in opposition?

The Senator from Virginia is recognized for 1 minute.

Mr. WARNER. Mr. President, I say to colleagues, in all candor, this is the third vote on the same issue. They have addressed the issues in this amendment on two occasions, and by significant margin we have decided to reject in any way taking the Missile Defense Program and changing it at this time. They voted on the Levin amendment and rejected it. They voted on my amendment, which was to an earlier Reed amendment on much the same principle, and rejected the amendment of the Senator from Rhode Island.

I say to my colleagues we have to have some consistency. Regrettably, we are asked for a third vote on the same issue. I strongly urge my colleagues to reject this amendment.

The PRESIDING OFFICER. The Senator's time has expired.

The question is on agreeing to amendment No. 3353. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Kansas (Mr. BROWNBACK) is necessarily absent.

I further announce that if present and voting the Senator from Kansas (Mr. BROWNBACK) would vote "nay."

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 45, nays 53, as follows:

[Rollcall Vote No. 139 Leg.]

YEAS—45

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carper
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham (FL)
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lincoln
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Wyden

NAYS—53

Alexander
Allard
Allen
Bayh
Bennett
Bond
Bunning
Burns
Campbell
Chafee
Chambliss
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Ensign
Enzi
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Kyl
Lieberman
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Sununu
Talent
Thomas
Voinovich
Warner

NOT VOTING—2

Brownback
Kerry

The amendment (No. 3353) was rejected.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3423

The PRESIDING OFFICER. Under the previous order, the vote will now occur on the Byrd amendment to be preceded by 2 minutes of debate equally divided. The Senate will come to order.

The Senator from West Virginia is recognized to speak for 1 minute on his amendment.

Mr. BYRD. Mr. President, this amendment increases U.S. support for Plan Colombia. My amendment raises the cap on the number of U.S. military and civilian personnel who can participate in Plan Colombia. My amendment fully supports Colombia's war against drug trafficking and narcoterrorists.

The difference between this amendment and the administration proposal contained in the bill is that my amendment is intended to meet immediate requirements whereas the administration is projecting future requirements. My amendment increases the military and civilian caps from 400 to 500 each. The administration's proposal doubles the troop cap from 400 to 800 and increases the civilian cap from 400 to 600. By their own admission, that is far more than either the State or Defense Department need in Colombia next year.

The administration wants flexibility. I believe Congress should insist on accountability and oversight. U.S. military forces are already stretched to the breaking point across the globe. U.S. troops in Iraq are being forced to extend their tours as a result of stop-loss orders. Prospects remain strong that thousands upon thousands of American troops will be needed to quell the violence in Iraq for years to come.

This is not the time, Colombia is not the place, for yet another large increase in the deployment of U.S. forces overseas. My amendment is a responsible approach to support the worthy goals of Plan Colombia while maintaining congressional oversight on what is an increasingly complex and dangerous mission. I urge my colleagues to support the amendment.

The PRESIDING OFFICER. The time of the Senator has expired. Who seeks time in opposition?

The Senator from Virginia.

Mr. WARNER. Mr. President, I urge colleagues to give the most careful consideration to this amendment. How well each of us knows the fragility of the Central American band of countries. Colombia has shown the fortitude, the courage, the strength, the sacrifice to take on adversity and they have met with success. This is a very modest number increase in troops, essential at this time to keep that forward momentum going. I strongly urge that you vote against the Byrd amendment.

The PRESIDING OFFICER. All time having been yielded back, under the previous order, the question occurs on agreeing to the Byrd amendment on which the yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Kansas (Mr. BROWNBACK) is necessarily absent.

I further announce that if present and voting the Senator from Kansas (Mr. BROWNBACK) would vote "nay."

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 40, nays 58, as follows:

[Rollcall Vote No. 140 Leg.]

YEAS—40

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carper
Conrad
Corzine
Daschle
Dayton
Dorgan
Durbin
Edwards
Feingold
Fitzgerald
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lincoln
Mikulski
Murray
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Wyden

NAYS—58

Alexander
Allard
Allen
Bayh
Bennett
Bond
Bunning
Burns
Campbell
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
DeWine
Dodd
Dole
Domenici
Ensign
Enzi
Feinstein
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Kyl
Lieberman
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (FL)
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Sununu
Talent
Thomas
Voinovich
Warner

NOT VOTING—2

Brownback Kerry

The amendment (No. 3423) was rejected.

Mr. WARNER. I move to reconsider the vote.

Mr. SANTORUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

NOMINATION OF JUAN R. SANCHEZ TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA

The PRESIDING OFFICER. Under the previous order, the Senate will now move to executive session.

The clerk will report.

The legislative clerk read the nomination of Juan R. Sanchez, of Pennsylvania, to be United States District Judge for the Eastern District of Pennsylvania.

The PRESIDING OFFICER. Under the previous order, there will now be 4 minutes of debate on the nomination equally divided.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, the first nomination is Juan Sanchez. He was born in Puerto Rico. He immigrated to the United States. This is a great Horatio Alger's success story. He was educated at City College of New York, bachelor's degree with cum laude. He is a graduate of the University of Pennsylvania Law School. He has been in the private practice of law and has performed community service in the Legal Aid Society for the last 5 years. He has been a common pleas judge in Chester County, PA.

He brings outstanding credentials and is a product of the nominating panel organized by my distinguished colleague, Senator SANTORUM, and myself.

I yield to my colleague.

The PRESIDING OFFICER. The junior Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I am pleased to support the confirmation of Judge Juan R. Sanchez to the U.S. District Court, Eastern District of Pennsylvania. I thank the President for his nomination of this excellent candidate and to congratulate Judge Sanchez and his family.

Judge Sanchez is a cum laude graduate of the City College of the City University of New York. He received his law degree from the University of Pennsylvania Law School in 1981. Since 1998, he has served as a judge on the Court of Common Pleas, 15th Judicial District of Pennsylvania in West Chester, PA.

Judge Sanchez brings to the bench wide-ranging legal experience. He served as a staff attorney for Legal Aid of Chester County in West Chester, PA, from 1981 to 1983. He had a general legal practice and was a partner with Nester, Nester & Sanchez from 1983 to 1990. He as a sole practitioner from 1990 to 1997. Judge Sanchez also served as a senior trial attorney at MacElree, Harvey, Gallagher, Featherman & Sebastian. Judge Sanchez serves as an adjunct professor at West Chester University, Immaculata University, and Villanova University School of Law.

Judge Sanchez has served his community in numerous ways. He has served on the board of Centro Guayacan, a multicultural educational community center, Riverside Care of Chester County, Chester County Hospital, the YMCA of Central Chester County and the YMCA of Brandywine Valley, the Volunteer English Program in Chester County, and Community Volunteers in Medicine. He has also served as a commissioner for the Housing Authority of Chester County and as an advisor to the United Way of Chester County. He has received several awards for his service as a judge and his service to the community.

Again, I express my strong support for his nomination. I thank Judge Sanchez for his willingness to serve Pennsylvania on the Federal bench. I look forward to his approval by the Senate and urge my colleagues to support his confirmation.

In addition to what Senator SPECTER said, this man has made a tremendous contribution to the Hispanic community in Chester County and has done a lot in the strengthening and building of that community. He has great legal talent to go along with it. He is truly an extraordinary person, will be an extraordinary judge, and has been an extraordinary judge in Chester County.

Mr. LEAHY. Mr. President, I note by this vote that 20 of the 44 active Federal circuit court district judges from Pennsylvania will be made up of nominees of President Bush. I mention this because some think that somehow he has not been able to get a lot of nominations through. This is a sharp contrast to the way vacancies in Pennsylvania were left unfilled during Republican control of the Senate when President Clinton was in the White House. Republicans denied votes to nine districts and one circuit court nominee of President Clinton in Pennsylvania. That was notwithstanding the very honest due diligence of the senior Senator from Pennsylvania, Mr. SPECTER, who tried to get them confirmed. Others in his party blocked a vote. I do not want to see that happen again in Pennsylvania.

Today the Senate considers the nomination of Juan Ramon Sanchez to be a United States District Judge for the Eastern District of Pennsylvania. I am glad that the Republican majority has finally decided to proceed to this well-qualified Hispanic nominee, since they departed from the order of the Executive Calendar last week and did not schedule a confirmation vote for Mr. Sanchez, despite the fact that he would have received unanimous Democrat support.

Judge Sanchez has served as a judge on the Court of Common Pleas in Chester County, PA since 1998. Prior to that, he worked for Legal Aid of Chester County, in private practice, and as a senior trial attorney with the Chester County Public Defender's Office. Judge Sanchez has devoted a substantial amount of time to pro bono work in his community and, in particular, to assisting Latino individuals and groups in various legal matters, including housing, employment, and immigration. He has also served on the Pennsylvania Supreme Court's Committee on Racial and Gender Bias in the Justice System and the Racial Ethnic Bias Implementation Committee of the Judicial Council.

While some people have accused Democrats of being anti-Hispanic, our record of confirming Hispanic nominees is excellent. Judge Sanchez is the 18th Latino confirmed to the Federal courts in the past three years. With the exception of Mr. Estrada, who failed to answer many questions and provide the Senate with his writings and views, we have pressed forward to confirm all of the other Latinos whose nominations have been reported to the floor. Democrats have supported the swift confirmation of 18 of President Bush's 22 Latino nominees.

While President Clinton nominated 11 Latino nominees to Circuit Court positions, three of those 11 were blocked by the Republican Senate and never given a vote. President Bush has only nominated four Latino nominees to Circuit Court positions, three of whom have been confirmed with Democratic support. President Bush's 22 Latino nominees constitute less than 10 percent of his nominees, even though Latinos make up a larger percentage of the U.S. population.

It is revealing that this President has nominated more people associated with the Federalist Society than Hispanics, African Americans and Asian Americans, combined. While President Clinton cared deeply about diversity on the Federal bench, this President is more interested in narrow and slanted judicial ideology. Forty-five of President Bush's nominees to the Federal courts have been actively involved, either as members or speakers, in the Federalist Society.

The Federalist Society is sometimes mischaracterized as a mere debating society, but according to its own statement of purpose, it is a group with a point of view: "The Federalist Society for Law and Public Policy Studies is a group of conservatives and libertarians interested in the current state of the legal order." One of the goals of the Federalist Society is the "reordering of priorities within the legal system."

The administration wants to have it both ways. They want to take credit with the Federalist Society and hard-right conservatives when they nominate ideological nominees, but they want to pretend that ideology does not matter. If ideology does not matter to the President, why has he nominated more members of the Federalist Society than he has members of minority groups? The President has shown that he is steadfastly committed to packing the courts with individuals who will shape the bench according to his ideological goals rather than creating courts that are fair, balanced, independent, and reflective of the diversity within our country.

A look at the Federal judiciary in Pennsylvania demonstrates yet again that President Bush's nominees have been treated far better than President Clinton's and shows dramatically how Democrats have worked in a bipartisan way to fill vacancies, despite the fact that Republicans blocked more than 60 of President Clinton's judicial nominees. With this confirmation, 20 of President Bush's nominees to the Federal courts in Pennsylvania will have been confirmed, more than for any other state.

With this confirmation, President Bush's nominees will make up 20 of the 44 active Federal circuit and district court judges for Pennsylvania—that is more than 40 percent of the Pennsylvania Federal bench. On the Pennsylvania district courts alone, President Bush's influence is even stronger, as his nominees will now hold 17 of the 36 active seats. In other words, nearly half of the district court seats in Pennsylvania will be held by President Bush's appointees. Republican appointees will outnumber Democratic appointees by nearly two to one.

This is in sharp contrast to the way vacancies in Pennsylvania were left unfilled during Republican control of the Senate when President Clinton was in the White House. Republicans denied votes to nine district and one circuit court nominees of President Clinton in Pennsylvania alone. Despite the efforts and diligence of the senior Senator from Pennsylvania, Senator SPECTER, to secure the confirmation of all of the judicial nominees from every part of his home state there were 10 nominees by President Clinton to Pennsylvania vacancies who never got a vote. Despite records that showed these to be well-qualified nominees, many of their nominations sat pending before the Senate for more than a year without being considered. Such obstruction provided President Bush with a significant opportunity to shape the bench according to his partisan and ideological goals.

New articles in Pennsylvania have highlighted the way that President Bush has been able to reshape the Federal bench in Pennsylvania. For example, The Philadelphia Inquirer, observed that the significant number of vacancies on the Pennsylvania courts "present Republicans with an opportunity to shape the judicial makeup of the court for years to come."

Like other nominees of President Bush, Judge Sanchez has been very involved in the Republican party. He has assured me that he will be fair to all those who come before him. I hope that he will follow the law and treat all who appear before him fairly regardless of their ideology or party affiliation.

I congratulate Mr. Sanchez and his family today on his confirmation.

Mr. HATCH. Mr. President, I am pleased today to speak in support of Juan Sanchez, who has been nominated to be a United States District Judge for the Eastern District of Pennsylvania.

Judge Sanchez is exceptionally qualified for the Federal bench. He presently serves on the Court of Common Pleas in the 15th Judicial District of Pennsylvania, having been elected to that position in 1997.

Upon graduating from the University of Pennsylvania Law School in 1981, he became a staff attorney for Legal Aid of Chester County. Two years later, he joined the Chester County Public Defender's Office as a senior trial attorney—a position that he retained until 1997. During that period, Judge Sanchez also worked for two law firms and as a sole practitioner, representing Spanish-speaking individuals in a wide variety of legal areas.

Judge Sanchez has dedicated his career to serving the disadvantaged in Chester County, PA, and his impressive credentials are reflected in his unanimous "Well Qualified" rating by the American Bar Association.

Judge Sanchez is an extremely well-qualified nominee. I am confident that he will be a fine addition to the bench and urge my colleagues to join me in supporting his confirmation.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. CORNYN). Is there a sufficient second? There is a sufficient second.

The question is, will the Senate advise and consent to the nomination of Juan R. Sanchez, of Pennsylvania, to be United States District Judge for the Eastern District of Pennsylvania.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

Mr. McCONNELL. I announce that the Senator from Kansas (Mr. BROWNBACK) is necessarily absent.

I further announce that if present and voting the Senator from Kansas (Mr. BROWNBACK) would vote "yea".

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 141 Ex.]

YEAS—98

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Cornyn
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Pryor
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Voinovich
Warner
Wyden

NOT VOTING—2

Brownback
Kerry

The nomination was confirmed.

NOMINATION OF WALTER D. KELLEY, JR. TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF VIRGINIA

The PRESIDING OFFICER. The clerk will state the nomination.

The assistant legislative clerk read the nomination of Walter D. Kelley, of Virginia to be United States District Judge for the Eastern District of Virginia.

Mr. WARNER. Mr. President, the chairman of the Judiciary Committee is here. Senator ALLEN and I need to have a few minutes together.

There is no greater responsibility as a Senator than selecting for recommendation to a President our nominees to the Federal judiciary. I have known Mr. Kelley for many years. He graduated cum laude from my alma mater, Washington and Lee University. After working for a year as a press secretary to a member of the U.S. House of Representatives, he returned to Washington and Lee and earned his law degree magna cum laude.

Subsequent to law school, Mr. Kelley served as a law clerk to a judge on the U.S. Court of Appeals for the Second Circuit in New York City. We are fortunate that when he completed his clerkship, Mr. Kelley returned home to Norfolk, VA, where he practiced law with great distinction.

Article II, Section 2 of the Constitution provides the President with the authority to nominate, with the "Advice and Consent of the Senate," individuals to serve as judges on the Federal courts. Thus, the Constitution provides a role for both the President and the Senate in this process. The President has the power to nominate, and the Senate has the power to render "Advice and Consent" on the nomination.

In fulfillment of this constitutional responsibility, after Judge Morgan of the Eastern District of Virginia bench took senior status, Senator ALLEN and I had the honor of recommending Walter Kelley to President Bush to fill that vacancy. After reviewing our recommendations, President Bush nominated Mr. Kelley.

Mr. Kelley's nomination was subsequently received by the Senate, and in a timely fashion, the Senate Judiciary Committee provided its unanimous approval of this nominee. I am grateful to Chairman HATCH and Senator LEAHY for their hard work in moving this nomination forward. And, I am grateful to the leadership on both sides of the aisle for bringing Mr. Kelley's nomination before the full Senate.

When Senator ALLEN and I first learned of the vacancy on the Eastern District of Virginia bench, we began our search to find the most qualified and well-respected individual to fill that vacancy. During that process, one name repeatedly was brought up. That name was Walt Kelley.

Walt Kelley graduated with his bachelor's degree, cum laude, in 1977 from my alma mater, Washington & Lee University. Then, after working for a year as a Press Secretary to a member of the United States House of Representatives, he returned to Washington & Lee and earned his law degree, magna cum laude.

Subsequent to law school, Mr. Kelley served as a law clerk to a judge on the United States Court of Appeals for the Second Circuit, in New York City. We are fortunate in Virginia that after he completed his clerkship, Mr. Kelley returned to his home town of Norfolk, VA to practice law.

Since then, for the past 22 years, Walt Kelley has practiced law for two of Virginia's best law firms, Wilcox & Savage PC, and Troutman Sanders LLP. During these two decades plus of his legal career, his practice has focused primarily on complex business litigation before the Federal courts.

Moreover, during these 22 years, Mr. Kelley has earned a reputation for not only being one of the best lawyers in Virginia, but also being one of the best lawyers in America. Each year, since 1997, he has been listed in The Best Lawyers in America for business litigation. This is a publication that lists the "best" lawyers in America based on the recommendations of other lawyers all across America.

But, not only is Mr. Kelley dedicated to his family and to his legal career, he also has taken the time to give back to his community. In addition to other community activities, he is a member and the former rector of the Old Dominion University Board of Visitors in Norfolk, VA, and he is a member of the Virginia Business Higher Education Council.

Mr. President, Walt Kelley has my strong support and the strong support of Senator ALLEN. In addition, he has the support of Virginia's legal community. The Virginia State Bar; Virginia Bar Association; the Virginia Association of Defense Attorneys; and the Norfolk & Portsmouth Bar Association all support Mr. Kelley's nomination. Furthermore, the American Bar Association has unanimously rated Mr. Kelley as "well qualified" for this judgeship.

I know that Walt Kelley is a fine nominee. If confirmed, he will serve on the bench in Virginia with distinction.

I urge my colleagues to support his nomination.

The PRESIDING OFFICER. The junior Senator from Virginia is recognized.

Mr. ALLEN. Mr. President, I join my colleague and friend, Senator WARNER, in endorsing Walt Kelley for this judgeship for the U.S. District Court for the Eastern District of Virginia. I have known him for many decades. He is a patient man and an outstanding lawyer.

Senator WARNER and I interviewed many highly qualified candidates for that judgeship in the Eastern District of Virginia. Walt Kelley has extensive trial experience and, most importantly, has the right philosophy as a judge and will not invent the law but interpret it according to the facts.

I hope my colleagues will support his nomination.

Mr. HATCH. Mr. President, I rise today to express my strong support for the confirmation of Walter D. Kelley Jr. to serve as a judge for the United States District Court for the Eastern District of Virginia.

Mr. Kelley received both his undergraduate and his law degree, magna cum laude, from Washington and Lee University. Upon graduation from law school, he clerked for Judge Ellsworth Van Graafeiland on the Second Circuit.

In 1982, he joined the Norfolk, VA, law firm of Wilcox and Savage. Since 2001, he has been a partner at Troutman Sanders in Norfolk, where he practices in the area of business litigation with an emphasis on intellectual property and antitrust law.

Aside from his private practice, Mr. Kelley has devoted significant time to improving the legal community as a leader in bar activities. He has served as a mentor to younger attorneys, a quasi-judge of the Norfolk Circuit Court, and as a law professor. He also served on the Virginia Attorney General's Task Force on Higher Education; as rector and a member of Old Dominion University Board of Visitors; as a chairman and director of the Hampton Roads Board of the Salvation Army; and as a trustee of the Norfolk Collegiate School.

Walter Kelley is an extremely well-qualified nominee with a significant amount of litigation experience. The American Bar Association unanimously bestowed on him its highest rating of "Well Qualified," in recognition of his outstanding legal skills and reputation. He will make an excellent addition to the Federal bench and I urge my colleagues to join me in supporting his confirmation.

Mr. LEAHY. Mr. President, today we are asked to consider the nomination of Walter Kelley, Jr. to the Eastern District of Virginia. Mr. Kelley is currently a partner with the Norfolk office of the Troutman Sanders law firm. He has significant civil litigation experience. The ABA unanimously found Mr. Kelley to be well-qualified to be a district court judge. He also has the support of both of his home-State Senators.

It should be noted that Mr. Kelley has been very active in Republican politics over the past several decades. Mr. Kelley recently served as the Chairman of the Republican Party of Norfolk for four years. He is currently involved in a Republican political action committee and serves as Director of the Downtown Republican Club. A few years ago, upon being elected Rector of the Old Dominion University Board of Visitors, Mr. Kelley was asked about the political nature of the position and politics in general, when he answered, "[i]f you really believe strongly in how it is you think Government should act with the citizenry . . . you can't sit on the sidelines and not be in the game. You're either in there trying to make happen that which you believe in, or you're ceding the whole debate to the other side."

I trust that Mr. Kelley will not believe that he can continue this advocacy as a judge. By taking his oath of office he will be expected to assume a position of impartiality and discard his previous partisan advocacy. Certainly, we can all agree that the Federal bench is not the place to advocate any agenda other than fairness.

I congratulate Mr. Kelley and his family on his confirmation today.

Mr. President, again, he had the highest ABA rating and is strongly supported by the two Senators from Virginia. I hope everybody on this side of the aisle will vote for him.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is, Shall the Senate advise and consent to the nomination of

Walter D. Kelley, Jr., of Virginia, to be United States District Judge for the Eastern District of Virginia?

The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Kansas (Mr. BROWNBACK), the Senator from Utah (Mr. BENNETT), the Senator from Idaho (Mr. CRAPO), the Senator from Utah (Mr. HATCH), and the Senator from Oregon (Mr. SMITH) are necessarily absent.

I further announce that if present and voting the Senator from Kansas (Mr. BROWNBACK) would vote "yea."

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 94, nays 0, as follows:

[Rollcall Vote No. 142 Ex.]

YEAS—94

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Biden
Bingaman
Bond
Boxer
Breaux
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Cornyn
Corzine
Craig
Daschle
Dayton
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Harkin
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Pryor
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Voinovich
Warner
Wyden

NOT VOTING—6

Bennett
Brownback
Crapo
Hatch
Kerry
Smith

The nomination was confirmed.

The PRESIDING OFFICER. The President will be notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

COSPONSORSHIP—S. 1246

Mr. ROBERTS. I ask unanimous consent that Senator JOHN BREAUX be added as a cosponsor to a bill I introduced on June 12, 2003, S. 1246, to permit charitable and educational organizations to make collegiate housing and infrastructure grants and continue to be treated as tax-exempt organizations.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—S. 2062

Mr. FRIST. Mr. President, briefly I have a consent regarding the class action legislation which has been cleared on both sides. Before proceeding, I remind everyone that an earlier order provided we would proceed to the class action legislation following completion of Defense authorization, which I expect we will be able to complete today. However, we now have a Defense appropriations bill available and it is vitally important for us to proceed with that bill to ensure no disruption in funds to our troops. Having said that, this agreement will allow us to proceed to the class action legislation without any procedural hurdles following the Defense appropriations bill.

Therefore, I now ask unanimous consent that the previous order with respect to Calendar No. 430, S. 2062, the class action bill, be vitiated and further that the Senate proceed to its consideration following the disposition of the Defense appropriations bill.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Reserving the right to object, I want to make sure I understand. The majority leader is proposing that we go to class action immediately following the completion of our work on the Defense appropriations bill; is that correct?

Mr. FRIST. Mr. President, that is correct. The clarification I made was that initially we would follow the Defense authorization with class action. Now in effect what we are doing is we are going to finish the Defense authorization today, go to Defense appropriations, to be followed by class action.

Mr. DASCHLE. Mr. President, I appreciate that. I have made it clear I am not a supporter of the class action bill, but I have made a commitment to many of the colleagues in my caucus with regard to the assurances we have provided to them in the past that they would have a chance to have this legislation brought before the Senate and offer the appropriate amendments. They have been very patient. We have asked them to delay consideration of this bill now on several occasions, but with the assurances given by the majority leader, I have no objection.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Reserving the right to object, I will not object. I express my thanks to both leaders for that colloquy and this brief discussion we have had. As both leaders know, the movement of this legislation is a priority for a number of us, certainly for me, and I am gratified that once we have disposed of the Defense appropriations bill, the next bill we will turn to is class action. I express my thanks to the majority leader for making that clear, and to the Democratic leader, Senator DASCHLE, for his steadfast position, realizing this is not legislation that is at the top of his list of priorities.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO MATTHEW "MATTIE" JOSEPH THADEUS STEPANEK

Ms. MIKULSKI. Mr. President, I rise to inform my colleagues and all who are watching that a wonderful American passed away yesterday. He was a 13-year-old boy who lost his life to muscular dystrophy. He was known to the world because of his many appearances on radio and TV reading his poetry. His name was Matthew Joseph Thadeus Stepanek. The world knew him as "Mattie."

Though this young man's death is a great tragedy, his life was a triumph. At age 13, he was a gifted author. He was even a noted peacemaker. He took a personal challenge and turned it into a life of inspiration for all of us.

Mattie Stepanek once said, "I want my message to live beyond me," and it certainly will. His message of peace and hope has reached millions.

He was born in 1990 in Upper Marlboro, MD, and doctors did not expect him to live more than 24 hours. He suffered from a rare form of muscular dystrophy. He had two brothers and a sister, all who died before the age of 4. His own mom also has muscular dystrophy.

Though the disease would eventually render him unable to walk or breathe on his own, he was more than a survivor. He began writing poetry at the age of 3; poems about hope, peace, love. His life philosophy was, "Remember to play after every storm." And he did.

Mattie believed wishes could come true. Once when he was near death, he said he had three wishes. He wanted to talk to Jimmy Carter; he wanted to have his book of poems published; and he wanted to see his poetry read on Oprah.

Guess what. All three happened. President Carter did call him and talk to him several times. He wrote several volumes of poetry. I have one with me today called "Heartsongs." This book reached the best seller's list because it reached the hearts of so many people. As soon as Oprah heard it, she had not only read his poetry but had Mattie on the show.

He was so sick at times the doctors were afraid he wouldn't make it, but through hope and prayer his life was saved, one miracle at a time.

After the chaos and confusion and heartbreak of September 11 and the terrible anthrax attack on the Capitol, I was pretty grief stricken. One night watching C-SPAN, like so many Americans at the end of the day, I saw this wonderful young boy reading poetry. I found his words so inspirational, so touching, that I immediately contacted him through his hospital, the wonderful Children's Hospital here in Washington.

Through the hospital, I arranged a visit to him at his home in Upper Marlboro, Maryland. I visited with Mattie and his mom, in their apartment especially arranged for people who live a life in wheelchairs but refuse to be handicapped. We had a great time, talking about life. Mattie was so lively, so witty. He was so filled with enthusiasm. He was filled with energy.

I brought the book that I wrote and he had his. I did a little reading from mine and he read his poems. It was a great afternoon with this special boy, there he was in a special motorized wheelchair with a special apparatus that enabled him to breathe.

Later on, I went to the Children's Hospital to give him the Children's Hope Medal of Honor. This medal is given to young heroes who have shown valiant effort and courage in facing life's daily challenges when they have a chronic or life-threatening illness. If anyone deserved it, Mattie deserved it.

I want the world to know who this little boy is. I want to tell you first of all what he said about himself and then what he said to us in what then proved to be a farewell. This is the poem.

I am Mattie J.T. Stepanek.
My body has light skin,
Red blood, blue eyes, and blond hair.
Since I have mitochondrial myopathy,
I even have a trach, a ventilator, and oxygen.
Very poetic, I am, and very smart, too.
I am always brainstorming ideas and stories.
I am a survivor, but some day, I will see
My two brothers and one sister in Heaven.
When I grow up, I plan to become
A daddy, a writer, a public speaker,
And most of all, a peacemaker.
Whoever I am, and whatever happens,
I will always love my body and mind,
Even if it has different abilities
Than other peoples' bodies and minds.
I will always be happy, because
I will always be me.

Isn't that great? But the last page in his book is "The Daily Gift."

You know what?
Tomorrow is a new day.
And today is a new day.
Actually,
Every day is a new day.
Thank you, God,
For all of these
Special and new days.

Mr. President, thank God for Mattie Stepanek and thank God for a loving, wonderful mother, Jeni Stepanek. Our hearts go out to express our condolences and our sympathy to her for all of the heartache she has had to endure. But we thank her for giving us this very special gift, Mattie Stepanek, who truly sang from his heart and was a peacemaker.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. I thank the distinguished Senator from Maryland for what she had to say. My wife and I got to know Mattie. My wife invited him to speak at the spouses dinner, the First Lady's luncheon. She told me I had to come down and meet this young man. I remember coming in there and talking with him. I also talked with him again by phone. I sort of hung back because I was not a Senate spouse. I sort of hung back in the corner and listened when he spoke. What an inspirational little boy.

I know the tug I felt when I turned on the news this morning and heard what we all knew was going to happen had happened. He is no longer with us.

Somebody in the news said he probably had more life in that short span than most people have. The Senator from Maryland said similar things. In this case, it is true. He really had.

I thank her for her statement. I know Marcelle and I had our hearts enriched by having met him.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005—Continued

Mr. LEAHY. Mr. President, I have the floor, though I see the distinguished Senator from Virginia and, of course, I will yield to him if he is seeking the floor.

Mr. WARNER. Yes, Mr. President, I am seeking the floor at this point in time.

We have reached a juncture in the bill where the majority leader and the distinguished minority leader, together with the two managers, are trying to resolve what further business may occur on this bill. At this point in time I can only suggest to colleagues we are very close, hopefully, to resolving this matter. But until such time as we get an indication on my side of the aisle of the ability with regard to the other side to reach constructive resolution of this matter, I am going to have to ask that a quorum be put in.

Mr. LEAHY. Mr. President, if the Senator——

Mr. WARNER. Reserving the right to the floor, I yield for a question from my colleague.

Mr. LEAHY. I wanted to accommodate the distinguished chairman, of course. I thought he was about to bring something up. I hope he would not put in a quorum call. I would like to speak about some of the matters that may be coming up later. I have been talking with him and Senator REID and Senator LEVIN. If it becomes ripe to make that agreement, naturally I would yield the floor immediately as I did for the chairman. But I find in the joys of allergies, my voice is fast disappearing and I would like to speak now while I know I can so speak.

Mr. WARNER. Mr. President, my good friend and I have done many things together. At this point in time, I think, in good faith, the leadership of the Senate, together with the two managers, has developed a construct. Until such time as that construct is put in place, I must say with due respect I will have to maintain the quorum call.

Mr. LEAHY. If the Senator will yield again before he did that? I note, as the Senator knows, I could be speaking now if I wanted to because I already had the floor and I could have refused to yield to him. I did not.

Mr. WARNER. I think you yielded to me.

Mr. LEAHY. I yielded to him, and had I not done that, of course I would have retained the floor and would have gone forth.

Yesterday we had hours upon hours of quorum calls. All I am suggesting is that I be allowed to continue, and at such point as the Senator reaches an agreement, I would, of course, yield to whomever wishes to make the unanimous consent request. Being unable to do that, I believe my courtesy in giving up the position I had has not been returned. But, of course, the Senator has the parliamentary right to do whatever he wants because he has the floor.

Mr. WARNER. Mr. President, I hope this is not a matter of courtesy. It is a matter of pure management of the bill. There has been a clear understanding between both sides, and I am abiding by the understanding on this side. I think this side has, in good faith, lived up to its commitments. From all I know, the manager on this side and the leadership on that side is doing everything to live up to their commitments.

Until that time, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. WARNER. Mr. President, I believe good progress is being made. I think there could be a proper utilization of the time. Given the structure of the understanding at the leadership level, which the Senator from Michigan and I are trying to maintain and will maintain, I would suggest that the Senate now go into a period of morning business with Senators to speak up to 15 minutes.

Mr. LEAHY. Twenty minutes.

Mr. WARNER. Let us say 15 minutes with the exception of the Senator from Vermont, who desires 20 minutes, and hopefully Senators who might wish to address issues relating to the bill can avail themselves of that opportunity. Would that be correct?

Mr. LEVIN. Reserving the right to object, I surely will not, it is our intent I believe at the end of this first period to have our structure put back in place—that we would immediately return to the bill and resolve it.

Mr. WARNER. That is correct.

Mr. President, at this point in time, is my unanimous consent request granted?

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. WARNER. Mr. President, I thank the distinguished Senator from Vermont for his usual courtesy.

Mr. LEAHY. Mr. President, I thank my friend from Virginia. For over a quarter of a century we have been accommodating each other. I refer to the distinguished senior Senator from Virginia as "my Senator" when I am away from home. I have had the privilege of living part time during the year in his beautiful State, and we have tried to accommodate each other. I think this is the easiest way out of it. Otherwise, we would be in a quorum call. I do thank him.

PRISONER ABUSE

Mr. LEAHY. Mr. President, I understand that at the time the Leahy amendment comes up, there is likely to be a tabling motion. It would be, in effect, a second-degree amendment offered by others on the Judiciary Committee.

The amendment would require the Attorney General to produce documents that the Judiciary Committee needs in order to conduct oversight of the Department of Justice.

The Judiciary Committee has to get to the bottom of the prisoner abuse scandal. Aspects of this scandal are within the jurisdiction of the Judiciary Committee. To get to the bottom of it, we require documents from the Attorney General.

What happens if we are blocked from that? I say to my friends that if they vote to block us from getting the documents we seek, what they are doing, whether intentionally or otherwise, is contributing to a coverup.

Let me explain why this amendment is so important. There has been much debate over the last several days and weeks about the abuse of foreign prisoners, and the guidance provided by the President's lawyers with regard to torture. This debate will continue for some time throughout our country, particularly as more courts-martial are held, with the facts emerging slowly, and as the White House releases only some of the documents that are needed to fully understand the origins of the scandal.

In the meantime, the Senate, the body that is supposed to be the conscience of the Nation, should act. There are some very basic things we can do to clarify U.S. policy regarding the treatment of foreign prisoners. We can bring greater transparency to this issue. That is what my amendment does. It is very straightforward, with three basic sections.

First, it lays out U.S. policy with regard to the treatment of prisoners. Second, it establishes basic reporting requirements to which the Congress and the American people are entitled. Finally, it sets out a training requirement for civilian contractors who come into contact with foreign prisoners.

With regard to the policy, my amendment is very forthright. It states that the United States must treat all foreign prisoners humanely and in a manner that the United States would consider legal if perpetrated by the enemy against an American prisoner. That is a restatement of many decades of U.S. policy and the Army's own regulations.

My amendment also reaffirms the obligation of the United States to abide by the legal prohibitions against torture. That is the law of the land.

The memos authored by the Justice Department apparently reveal another view: that torture can be ordered by the President despite clear laws in the United States against it. Even President Bush now says he disagrees with that view.

We should reaffirm that torture is not allowed under any circumstances.

The amendment also codifies the longstanding Army regulation governing the treatment of foreign prisoners. That regulation states that where there is doubt about the legal status of a foreign prisoner, then the prisoner is entitled to the protection of the Geneva Convention, at least until a status can be appropriately determined by a "competent tribunal." The procedures for the tribunal are specified in regulation.

Unfortunately, our government has ignored this regulation during the course of the war on terrorism and the war in Afghanistan. No such screenings have been conducted in Afghanistan. The administration simply designates someone as a terrorist and that is enough to land them in prison indefinitely.

We have not had one trial by military commission yet. And certainly we determined that some of these people we called terrorists, who could be held indefinitely, were not terrorists, because we let some people go. I suspect some more people will be let go.

We are in this bind because the administration failed to follow the Army's own guidance. The military lawyers knew there would be situations when the legal status of a foreign person captured by our troops was not clear, so they devised a very careful, very basic screening process. By conducting these status hearings, we would then know what rights and what legal protections the individual is entitled to. That is the military policy. It is certainly the policy our U.S. military wants other countries to follow, and the one we said we will follow.

My amendment further states that it is in the interest of the United States to expeditiously prosecute the cases of those held at Guantanamo Bay. We have given the administration wide latitude in how it operates in Guantanamo. Congress understands we are fighting a new kind of war, one where civilians are at great risk, where intelligence is critical, and where the country has to be tough against its enemy.

Having said that, after all the months and years we held prisoners in Guantanamo, not a single case has been prosecuted. Not five, not four, not three, not two, not one. Not a single prosecution. One would think that with the thousands of lawyers in our military and our Justice Department, we could act with some greater dispatch. One would think that of all the people locked up indefinitely, we could have found one, just one, in all those prisoners that we could have prosecuted. But that is not the case.

For the bad actors, the murders, the terrorists at Guantanamo, we need to bring charges against them so that the victims of their crimes can have justice and so that those accused, if found guilty, can finally have their fate determined. These indefinite detentions, where nobody is prosecuted, where no actions are taken, are contrary to our legal system and contrary to the security interests of the United States.

In the reporting section of my amendment, I ask for four basic pieces of information: One, a quarterly report providing the number of prisoners who were denied prisoner of war status and the basis for denying that status; two, the proposed plan for holding military commissions at Guantanamo Bay; third, previous Red Cross reports provided to the military regarding the treatment of prisoners—the ICRC reports can be submitted in classified form as the ICRC has requested; and four, a report setting forth prisoner interrogation techniques that have been approved by the administration.

Much of this information has dribbled out in press reports and through leaks. Why don't we set the record straight and let the American people have access to this information?

The administration ought to have a more orderly process in place for disclosing this information. It will require some structured reporting that is long overdue.

Finally, we know that many prison abuses were carried out by civilian contractors. We do not know who these people are, where they came from, or what they were trained to do. At a minimum, we should require these contractors, just as we require of our military personnel, to be trained in the laws of war and international humanitarian law. It is imperative they understand what the law requires when it comes to the treatment of foreign prisoners.

There is nothing complicated about this amendment. It simply sets out a more coherent framework with regard to how we treat foreign prisoners.

Now, let me turn to the portion of the amendment that I suspect will be subject to a tabling motion—the second-degree amendment.

There is a popular expression used when a group of people mean to work together to protect against possible harm or danger. It is called "circling the wagons," and it comes from American pioneers, who used to form their wagons into a circle to better defend against an attack.

If a move is made to table this amendment, I would say that we are seeing a circling of the wagons by Republicans on behalf of the administration so that none of the information we seek can come out. I find that regrettable, but it is not surprising. It is an election year.

Americans are becoming increasingly concerned about the administration's handling of the war in Iraq: no weapons of mass destruction, the disingenuous link to the September 11 attacks, the leak of a CIA operative's name, the months of continued violence against Coalition soldiers after the President had proclaimed victory, and then the photographs out of Abu Ghraib. The American public is sick and tired of being lied to. They are sick of the secrecy. They want answers, but the wagons continue to circle.

This amendment requires the administration to cooperate with a thorough congressional investigation, by Republicans and Democrats alike, into the abuse of prisoners in U.S. custody. It requires the release of all documents relative to the scandal. All documents—not just a few selected by the administration when the pressure is on.

I would say this: Those who want to keep these documents hidden should know that at some point the day of reckoning is going to come. We are now at a crisis point. Is the Senate of the United States content to serve as an arm of the Executive Branch? Water flows downhill, and so does Government policy. Somewhere in the upper reaches of this administration a process was set in motion that seeped forward until it produced this scandal. To put this scandal behind us, first we have to understand what happened. And we cannot get to the bottom of this until there is a clear picture of what happened at the top.

For many months, the Attorney General and other senior administration officials have refused to answer letter requests for documents relating to the interrogations of detainees abroad.

Earlier this month, the Attorney General appeared before the Judiciary Committee for the very first time since the war in Iraq began, but he refused to answer direct questions posed by Senators and refused to give us the documents we requested regarding the treatment and interrogation of prisoners. And not only that, he offered no legal challenge for his refusal, and practically challenged the Judiciary Committee to subpoena him.

When the Judiciary Committee met last week, I proposed a subpoena. Our Republican colleagues said it was too broad. We narrowed it down to 23 specific documents. When the chairman said it was premature, Senator FEINSTEIN proposed that we amend the subpoena to give the Attorney General more time to produce the documents voluntarily. Even then, it was voted down.

Yesterday, in a small gesture in response to public pressure, the White House released a tiny subset of the materials we sought. All of these should have been produced earlier. Much more remains hidden. Of the 23 we requested, we got 3, and of those 3, 2 had already been posted on the Internet. So, in effect, the administration gave us one voluntarily. Though this is a self-serving selection of documents, it is a beginning. I give the administration credit for that. But for the Judiciary Committee and the Senate to find the whole truth, we will need much more cooperation.

The documents released yesterday raised more questions than they answered. The White House released a January 2002 memo signed by President Bush calling for the humane treatment of detainees. But did the President sign any orders or directives after January 2002? Did he sign any with regard to prisoners in Iraq? Why won't the President's counsel comment on what the President said or ordered?

Why did Secretary Rumsfeld issue and later rescind tough interrogation techniques? How did these interrogation techniques come to be used in Iraq, where the administration maintains that it has followed the Geneva Conventions?

Where is the remaining 95 percent of the material requested by members of the Senate Judiciary Committee? Why is the White House withholding relevant documents that were produced after April 2003?

When are we going to stop sitting on our hands, becoming a rubberstamp for an administration cloaked in secrecy?

We have the legal right, the constitutional obligation, and the moral authority to ask questions and demand answers today. We have to keep the pressure on until we get honesty and answers. I hope we will stand up and say that we are an independent body in the Senate and that we are willing to ask questions.

More and more, the American people can see that when you ask for 23 documents, and you only get 3, 2 of which have already been released by the press, that is not cooperation. It is not openness or cooperation when there is an arbitrary cutoff of documents after April 2003. It is not cooperation when we cannot find out why there is a difference between the advice that comes from Attorney General Ashcroft's office and what the President says he is going to do. And it is certainly not cooperation when we cannot get to the root of this terrible disconnect between stated policy and the photographs of the torture at Abu Ghraib.

I must say, I am suspicious because I asked about prisoner abuse months before the pictures came out. I have asked about Afghanistan. I was told that the U.S. was complying with the Torture Convention. But we now find that some prisoners died at the hands of some of the jailers.

I have asked the same questions about Guantanamo, including questions like why do we have hundreds and hundreds and hundreds of detainees, but we cannot find a single one—not even one—we feel confident enough to bring charges against before a military commission? It should be one of the easiest places in the world, if there is any evidence, to get a conviction. Not one trial out of those hundreds and hundreds and hundreds of prisoners?

Do we wonder why the rest of the world asks whether America has lost its moral compass? As an American, I do not think we have. I believe very strongly in the morality of our country. But I worry very much about what some of our leaders are holding back. I wish we would get all these matters out. I believe we would be better off if we did. We would look better in the eyes of the rest of the world. The United States is not a country that can and should condone torture. We are a country that expects to play by the highest rules because we ask others to, even when our enemies do not. Even during the two world wars, we treated our prisoners humanely.

This is a question we should ask: Why this sudden change in our policies?

I will close by reminding my colleagues that I think it was about a year ago the Secretary of Defense said: We will know if we are winning the war on terrorism if we are capturing or killing or stopping more terrorists than the madrasas are recruiting and churning out.

After Abu Ghraib, I asked the Secretary of Defense: By that definition, are we winning or not? He said he did not know. Obviously, we are not winning. There are recruiting posters all over the Middle East, and even into Turkey, with photographs from Abu Ghraib.

If the administration will not come forward on its own, if the administration will not tell us what is happening, we—at least the men and women in the Senate—should have the courage to demand answers.

In the weeks since a courageous soldier-whistleblower and a probing journalist revealed to the world the abuses at Abu Ghraib prison, evidence has continued to seep out almost daily of similar mistreatment of prisoners in other U.S. military detention centers in Iraq, Afghanistan, and Guantanamo. White House officials and the political appointees in the Department of Defense have tried to deflect their own responsibility by singling out a few "bad apples" for punishment.

But bit by bit, the press is uncovering new information, and it all points toward those higher up in the chain of command.

On May 15 of this year, President Bush said, "The cruelty of a few has brought discredit to their uniform and embarrassment to our country." That statement, it now turns out, was only partly true. Since then, we have learned a great deal about what was discussed and debated at the highest levels of our government.

While the President insists that he wants to get to the bottom of this, high-level White House and Pentagon officials refuse to answer questions or to disclose the relevant documents requested by the Congress.

They deny any pattern of illegality in the interrogation and treatment of prisoners, while it becomes clearer by the day that this scandal was set in motion by the actions of senior officials.

We learned that in October 2003, General Sanchez ordered the "harmonization" of military policing and intelligence in Iraq, placing military intelligence in control of key cellblocks at Abu Ghraib prison.

We learned from the Washington Post that, over the past 18 months, the Army has opened investigations into at least 91 cases of possible misconduct by soldiers against detainees in Iraq and Afghanistan. And the President talks about a few bad apples. The President's comments have become harder and harder to swallow.

We learned on June 7 from the Wall Street Journal about a March 2003 Pentagon report contending that the President was not bound by laws prohibiting torture. This report went so far as to say that Government agents who tortured prisoners at the President's direction cannot be prosecuted by the Justice Department.

The very next day, the Washington Post reported that in August 2002 the Justice Department advised the White House that torturing al-Qaida terrorists in captivity abroad "may be justified." The memo argued that the President has absolute authority in the "war against terrorism" and that international treaties against torture, which the United States ratified, "may be unconstitutional." And, this report continued, Congress is completely powerless when the President acts as Commander in Chief.

That same day, the Attorney General made his first appearance before the Judiciary Committee in 15 months. He refused to give a copy of the Justice Department memo to members of the committee even though he was unable to say on what legal authority he based his refusal.

A week later, Republicans on the Judiciary Committee blocked a subpoena seeking these documents. Some called it a "fishing expedition," even though we asked for a grand total of 23 documents.

The committee of jurisdiction had the opportunity and the responsibility to get us closer to the truth about why these abuses occurred, but the Republicans chose to circle the wagons instead of doing what is right for the country.

The stonewalling in the prison abuse scandal has been building to a crisis point. Yesterday, responding to public pressure, the White House has released a small subset of the documents that offers a glimpse into the genesis of this scandal. There are many items missing from this release, however, including all but three of the 23 items Judiciary Committee Democrats requested in the subpoena that was voted down by Republicans last week. Where are the 20 remaining documents? Perhaps the most ominous omission is the lack of any documents reflecting White House involvement in this issue since military action began in Iraq last year. The released documents do not include a single reference to the treatment or interrogation of detainees in Iraq, despite the heinous abuses at Abu Ghraib that we have all seen with our own eyes.

The White House released a Presidential memorandum dated February 7, 2002, directing that al-Qaida and Taliban detainees be treated humanely. But, did the President sign any directive regarding the treatment or interrogation of detainees after February 7, 2002? More specifically, did the President sign any directive after the United States invaded Iraq on March 19, 2003? These questions remain unanswered.

Last week we learned that Secretary Rumsfeld personally approved plans to hide some of the prisoners in Iraq so that they could not be visited by the International Committee of the Red Cross. They became nameless, faceless, and numberless. This is not only Kafkaesque, it was a direct violation of the Geneva Conventions. In a press conference last Thursday, Secretary Rumsfeld acknowledged his role in hiding these "ghost prisoners," including one "high value" prisoner who was lost in custody for 7 months.

Yet in the same breath, Secretary Rumsfeld said, "I have not seen anything that suggests that a senior civilian or military official of the United States of America . . . could be characterized as ordering or authorizing or permitting torture or acts that are inconsistent with our international treaty obligations or our laws or our values as a country."

Secretary Rumsfeld should read the memos written by the Department of Justice and by his own legal staff at the Pentagon. The leaked and released documents reveal plenty to suggest that legal arguments were made and orders were signed in violation of our laws and treaty obligations. The few documents released by the White House yesterday serve to confirm earlier press reports and postings.

A year ago, after learning that the United States might be using techniques that pushed the limits of the Torture Convention, I wrote to the White House looking for assurances that the administration was complying with U.S. and international law. I received a letter that stated clearly and unequivocally that it was and would continue to do so.

In fact, we now know that the White House and the Pentagon were actively working to circumvent the law. Guidelines for interrogating prisoners were applied routinely in multiple locations in ways that were illegal. It is also clear that U.S. officials knew the law was being violated and for months, possibly years, did virtually nothing about it.

Instead, they detailed their lawyers to find legal loopholes and interpretations that would redefine torture and devise innocuous sounding labels for their interrogation techniques, such as "sensory deprivation" or "stress and duress."

I wrote to the White House, the Pentagon and the CIA last June, a year ago, about the reported torture of Afghan prisoners by U.S. interrogators in December 2003. Two of those prisoners, both of young age, had died during interrogation. Others described being forced to stand naked in a cold room for days without interruption, with their arms raised and chained to the ceiling and their swollen ankles shackled. They said they were denied sleep and forced to wear hoods that cut off the supply of oxygen.

My letter, and subsequent letters, were either ignored or received responses which, in retrospect, bore no resemblance to the facts. Sixteen months later, the investigations of those deaths, ruled homicides, remain incomplete.

Just last week, in a case we had not known of previously, a CIA contractor was indicted for beating an Afghan detainee with a large flashlight. The Afghan, who had surrendered himself at the gates of a U.S. military base, died in custody on June 21, 2003, just days before I received a letter from the Bush administration saying that our Government was in full compliance with the Torture Convention.

Prisoners who are suspected of having killed or attempted to kill Americans do not deserve comforts. But the use of torture undermines our global efforts against terrorism and is beneath a great Nation.

It is illegal whether U.S. personnel engage in such conduct themselves or they hand over prisoners to the government agents of another country where torture is commonly used. That happened in 2002, when U.S. agents sent a Canadian citizen to Syria, letting others do the dirty work. Yet the White House will not provide us with the documents in which they concoct theories to justify turning over detainees to foreign nations that conduct torture.

There are many victims of this policy. First are the Iraqis, Afghans, and other detainees, some of them innocent of any crime, who were tortured or subjected to cruel and degrading treatment. The International Committee of the Red Cross reported that it was told by the U.S.-run Coalition Provisional Authority in Iraq that 70 to 90 percent of those in detention were innocent civilians who had been swept up in raids.

That was information that U.S. officials gave to the ICRC. It came from our own Government. It is no wonder that after the horrific images were broadcast around the world, the Pentagon started to clean out Abu Ghraib, releasing thousands of prisoners who apparently never should have been there.

We now know that many other Iraqis and Afghans died in U.S. custody, in conditions so abhorrent they conjure up images reminiscent of a Charles Dickens novel. Many of those deaths were never investigated.

The other victims of this policy are our own soldiers, who overwhelmingly perform their duties with honor and courage, and who now have been unfairly tarnished and endangered by these images and this scandal.

Our troops have also been tarnished by profiteering companies, none more brazen than Halliburton, which have reaped huge profits while our soldiers are risking their lives and losing their lives. Yet Republicans blocked Senate action to make war profiteering a crime and hold these people accountable.

Countless people around the world, especially in the Middle East, suspected that President Bush's decision to invade Iraq had a lot more to do with Iraqi oil than with any of the other reasons he gave that have since been proven false.

I do not share that view, but what better evidence to fuel those charges than Halliburton's noncompetitive contracts and waste. It is fraud and abuse on a scale that would shock the conscience of anyone except perhaps an Enron executive. Halliburton seems to regard the U.S. Treasury as its own personal bank account. With "cost plus" contracts, what do they care how much they overcharge the taxpayers? They are guaranteed their profits regardless. It is the antithesis of patriotism.

And then there is America itself. Our Bill of Rights was the model for the Universal Declaration of Human Rights. Generations of Americans have tried to live up to its promise and to set an example for the world. The damage this administration has caused to our credibility and reputation as a nation of laws and of decency will take years to repair. Just as they have squandered so much of the world's respect and support for our country after September 11, so now have they squandered much of the human rights leadership that has taken so many years to painstakingly build. This is a travesty of monumental proportions.

The individuals who committed those acts are being punished, as they must be. But what of those who gave the orders or set the tone or looked the other way? What of the White House and Pentagon lawyers who tried to justify the use of torture in their legal arguments? These lawyers have twisted the law, advising the President that for an abuse to rise to the level of torture it must go on for months or even years, and be so severe as to generate the type of pain that would result from organ failure or even death.

Think about that, and you begin to realize how destructive and outrageous this is.

And what of the President? Last March, referring to the capture of U.S. soldiers by Iraqi forces, President Bush said, "We expect them to be treated humanely, just like we'll treat any prisoner of theirs that we capture humanely. If not, the people who mistreat the prisoners will be treated as war criminals."

At the same time, the President's own lawyer, ignoring the Torture Convention altogether, called the Geneva Conventions "quaint" and "obsolete." Today, soldiers who have spoken out about the crimes they witnessed and the involvement of their superiors have been threatened and punished by the Defense Department they have honorably served.

One need only review history to understand why the law makes no exception for torture. The torture of criminal suspects flagrantly violates the presumption of innocence on which our criminal jurisprudence is based, and confessions extracted through torture are notoriously unreliable.

Once exceptions are made for torture it is impossible to draw the line, and more troubling is who would be in charge of drawing it. If torture is justified in Afghanistan, why is it not justified in China, or Syria, or Argentina, or Miami?

If torture is justified to obtain information from a suspected terrorist, why not from his wife or children, or from his friends or acquaintances who might know of his activities or his whereabouts? This has happened in many countries, and decades later those societies are still trying to recover.

The United States cannot become the model of justice our forefathers envisioned if we continue to tolerate the twisted logic that has been given currency with increasing regularity in U.S. military prisons and in the White House since 9/11. Some argue it is a new world since those terrible attacks on our country 3 years ago. And to some degree, they are right, which is why we have reacted with tougher laws and better tools to fight this war. But do we really want to usher in a new world that justifies inhumane, immoral and cruel treatment as any means to an end?

As a nation of laws, and as the world's oldest democracy and champion of human rights, we must categorically reject the dangerous notion that is now in our midst, seeking our assent, or our silence, that torture can be legally justified and normalized.

President Bush has said he wants the whole truth, but he and his administration have been stonewalling from the top. The President must order all relevant agencies to release the memos from which these policies were devised.

He must clearly and unequivocally order all of his subordinates and every member of our armed services to adhere to our international treaty obligations including the Geneva Conventions, the Torture Convention, and all applicable U.S. laws. And finally, there needs to be a thorough, independent investigation of the actions of those involved, from the people who committed abuses, to the officials who set these policies in motion.

Only when these actions are taken will we begin to heal the damage that has been done.

The PRESIDING OFFICER (Ms. COLLINS). The Senator from Texas.

INVESTIGATION INTO TREATMENT OF IRAQI PRISONERS

Mr. CORNYN. Madam President, I want to take a few minutes to respond to some of the comments made by the Senator from Vermont because I do think the characterization he gave to some of what has gone on is at least incomplete. I disagree with some of his conclusions, and I want to point out why because I believe the Members of this body deserve to have a complete picture and at least have the benefit of considering alternative conclusions from those drawn by the Senator from Vermont.

I have the high honor of serving on both the Senate Armed Services Committee and the Judiciary Committee. Certainly, the Senator from Vermont is the ranking member of the Judiciary Committee, but I would remind this body that the Senate Armed Services Committee, under the leadership of our chairman, has been investigating the Abu Ghraib prison situation and the interrogation practices and policies of the U.S. Government since at least May 11. We have had a series of hearings there which have been very helpful in understanding both the nature of the problem and the nature of the investigation that is ongoing, ultimately, hopefully, leading up to a conclusion as to who did what, whether there were, indeed, as there appears to be, some violations of American policy with regard to the interrogation of detainees, and, of course, to hold the guilty accountable.

That is what we are: We are a nation of laws. We believe in the rule of law. We believe the law applies equally to everyone, no matter how high up in the chain of command you are or how low you are in the chain of command. And I believe we will be true to our ideals in that regard. But I would say that much of what the Senator from Vermont has suggested needs to be produced is sort of in a vacuum of sorts, without the benefit of a lot of what the Senate Armed Services Committee has already done, to find out what happened, what the policies were, what the circumstances were, whether this represents an aberration or whether it represents something worse.

To date I would say it is pretty clear that what we saw, as a result of a handful of actions on behalf of American soldiers, was an aberration. And thank goodness. There is no question, though, that these soldiers lacked the proper training and, indeed, the proper leadership. Those are chain of command problems and ought to be taken as high as they go as a result of the investigation.

But as the Presiding Officer knows, there are at least six different investigations into the circumstances at the Abu Ghraib prison. We need to let that process run its course to find out what the facts and circumstances are. As I recall, we are awaiting the report of General Fay and perhaps others. We ought to get to the facts and not succumb to the temptation during an election year to overly politicize what is going on.

While we have always respected the rights and the civil liberties of every American, we also need to be concerned about the rights and the health and the welfare of our young men and women who are serving our Nation so nobly in the battlefield. That requires the ability to get good, actionable intelligence.

The present occupant of the Chair was there at the Senate Armed Services Committee hearing. General Jeffrey Miller testified on May 19. I asked him at that hearing:

> In your opinion, General Miller, is the military intelligence that you've been able to gain from those who have recruited, financed, and carried out terrorist activities against the United States or our military, has that intelligence you gained saved American lives?

General Miller said:

> Senator, absolutely.

Then I asked General Abizaid, the CENTCOM commander:

> And would you confirm for us, General Abizaid, that that's also true within the Central Command?

And General Abizaid—who I think all of us, as we have come to know more about him, have come to admire him and his leadership capacity—said forthrightly:

> Senator, I agree, that's true. I would also like to add that some of these people that we are dealing with are some of the most despicable characters you could ever imagine. They spend every waking moment trying to figure out how to deliver a weapon of mass destruction into the middle of our country. And we should not kid ourselves about what they are capable of doing to us. And we have to deal with them.

It is very important to keep in proper context what is going on and the fact that we are at war, a war not of our choosing—of course, we were attacked—but a war that we must and we will finish.

I want to point out another thing that is important to the overall context of what the Leahy amendment seeks to get. That is, we have two cases currently pending at the U.S. Supreme Court in the Hamdi and the Padilla cases, where the U.S. Supreme Court will tell all of us in America what the law requires with regard to the treatment of unlawful combatants, including one who happens to be an American citizen, Jose Padilla, but who joined arms with the enemy, with the terrorists who seek to attack and to kill Americans on our own soil. And that advice, that direction is forthcoming. It could literally come down, of course, any day now, since the Supreme Court's term is about to expire.

The characterization my colleague from Vermont gave to these memoranda is not accurate. As a matter of fact, as the Senator may recall—and maybe he said this; I didn't hear it—the Senate Judiciary Committee voted against issuing a subpoena but then authorized the chairman and perhaps the ranking member to engage in discussions with both Alberto Gonzales, White House counsel, and Attorney General Ashcroft to determine what legal memoranda they might be willing to voluntarily provide the committee. So we voted against issuance of the subpoena.

But whether it is the Bybee memo that has been discussed and covered by so much of the press, that is 50 pages long, or whether it is any of the other memos the Department of Defense and Department of Justice released yesterday, they reveal not a coverup but a careful, deliberate, and scholarly approach to determining what, in fact, the law requires.

If, in fact, as the folks who are suggesting there is some sort of coverup or some sort of policy of abuse—either one of direction or in terms of creating an atmosphere where it should happen—these memos that have been released completely refute that idea of lawlessness that they are seeking to spin.

I am deeply disturbed by the increasingly politicized nature of the debate on the war on terror. We are at war against a people who will stop at nothing to kill innocent Americans. We paid the price for not aggressively pursuing those terrorists and this information in the past, at least since 1993, with the bombing of the World Trade Center. But after 9/11, our Nation found itself at war with a new kind of enemy from whom we need information, actionable intelligence, that can mean the difference between life and death for our troops and our citizens.

As I said a moment ago, there have been many baseless allegations that the Department of Defense has used torture during interrogations as a matter of policy. But what happened at Abu Ghraib was not an administration policy, not DOD policy, not CENTCOM policy, or any other official policy. It was completely beyond the pale of acceptable behavior, and those responsible will be held to account and will be punished.

As recently as yesterday, President Bush made the following comments:

> We do not condone torture. I have never ordered torture. I will never order torture. The values of this country are such that torture is not a part of our soul and our being.

Yet despite these unequivocal comments from the Commander in Chief, political opponents of this administration continue to allege, without foundation, that our Nation's leaders somehow support the use of torture. It is important to remind some of our colleagues that, again, the purpose of these interrogations is to gather intelligence consistent with our values, which means no torture and humane treatment of all detainees. The interrogations we have conducted in Iraq and at Guantanamo Bay have saved American lives. I believe it is critical that we continue to aggressively, within the limits of the law and humane treatment, seek actionable intelligence and continue to save American lives.

Unfortunately, it seems there is an irresistible impulse to score cheap political points by criticizing the careful, deliberative process the administration undertook to ensure that those very important interrogations were conducted within the law. The techniques of our Armed Forces, including those used in Iraq or at Guantanamo Bay, can hardly be described as torture.

I, like a number of other Members, have traveled to Guantanamo Bay to observe for myself, because I was concerned. I was interested. I wanted to learn how we are handling these people who have recruited, trained, and financed terrorist activity against the United States and, if given the opportunity to do so, would do so again.

For some reason, there are certain Members, and indeed certain elements of the press, who are trying to convince the American public that making a suspected terrorist stand for 4 hours, or giving them only 4 hours of sleep constitutes torture. They want them to believe that poking someone in the chest with a finger or changing their sleep patterns or meal selection is cruel or inhumane.

Let me read quickly some of the approved methods of interrogation which some of the critics claim is torture: Asking straightforward questions; incentive/removal of incentive; emotional love, which is playing on the love a detainee has for an individual or group; playing on the hatred an individual has for a individual or group; something called fear up harsh; fear up mild; reduced fear; pride up and ego up; pride and ego down; futility, which is invoking the feeling of futility of a detainee; the we-know-all technique, convincing the detainee that the interrogator knows the answers to the questions he is asking the detainee; establish your identity, or convincing the detainee the interrogator has mistaken the detainee for someone else; repetition approach; file and dossier, or convincing the detainee the interrogator has a damning and inaccurate file, which must be fixed; rapid fire questions; silence; change of scenery down; dietary manipulation.

For example, it says in this approved memorandum, a change from hot rations to MREs. That is hardly something that could be said to constitute torture.

Next is environmental manipulation, or adjusting the environment to create moderate discomfort; sleep adjustment; false flag; and isolation.

These are not torture under anybody's definition. These are legal and humane methods of extracting information from terrorists.

It is an affront to our men and women in uniform to accuse them of torturing terrorists when the reality is our policy calls for all detainees to be treated humanely. The time has come to ask at what point does this largely partisan and media-driven witch hunt so damage and detract from the mission of our troops in the field that it irreparably harms U.S. interests, including our ability to collect life-saving intelligence?

Because of the onslaught by some on Capitol Hill—a fact not lost upon our enemy—agencies have been forced to disclose procedures al-Qaida and other terrorists now train and use to defend against, which is creating a roadmap.

Plain and simple, interrogations save lives. The interrogations we have conducted over the past 2½ years have saved lives of soldiers in the field and innocent civilians at home. It is high time we get our priorities straight.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Madam President, I am happy to respond to my colleague from Texas about an issue which is in this morning's paper and on the minds of many Americans and people around the world. In today's Washington Post, there are two major front-page stories related in an unusual way. Here is the photo of the parents of the South Korean who was beheaded in Iraq—another heinous, barbaric crime committed by terrorist extremists. Next to it, we have an article entitled "Memo on Interrogation Tactics Is Disavowed."

In this article about the interrogation tactics we learn President Bush's White House is now disavowing an opinion from the Department of Justice issued in August of 2002 relative to interrogation tactics that could be used by the U.S. Armed Forces. It appears now that this memo has become public, the White House has found it necessary to publicly disavow this statement by the Department of Justice and Attorney General Ashcroft. Why?

Well, I think it is obvious.

For a lengthy period of time the Bush administration and the Department of Justice of Attorney General Ashcroft have been involved in a fierce, protracted debate about acceptable interrogation techniques and the definition of torture, a debate which relates to issues resolved over a hundred years ago, in many cases, by the Government of the United States of America when we made it our express policy to disavow torture. When we later entered into a Geneva convention after the Nazi war crimes, when we later had a convention on torture, brought to Congress by President Ronald Reagan, this series of treaties enacted by the United States making them the law of the land said we as a Nation stood with civilized nations around the world in condemning and prohibiting torture, cruel and inhumane and degrading treatment of prisoners. Our statements were unequivocal. We stated that for the world.

Why? Frankly, because we believed the United States of America and the values we represent on the floor of the Senate are different than some. There may be some in this country who will argue we should answer the beheading of innocent people, like this South Korean, with similar violence. Thank God, their voices are few and ignored by most. We have said from the beginning we will not stoop to this level.

If there is anybody who believes that is acceptable conduct, it is not the United States of America. That is a statement of values and principles, made first by President Abraham Lincoln during the bloody Civil War, and by Presidents of both political parties for decades thereafter. We know, however, that this administration, once engaged in the war on terror, decided to engage in a new debate on the definition of torture.

Two weeks ago, the Attorney General of the United States came to the Senate Judiciary Committee and said to us unequivocally twice that it was not his job, nor the job of this administration, to define torture. He said that on the record. It was broadcast across America and around the world. The very moment he said that, major news organizations were releasing a memo from Attorney General Ashcroft's Department of Justice, which defied his statement to the Senate Judiciary Committee, this memo of August 1, 2002, by Assistant Attorney General Bybee, a memorandum sent to Alberto Gonzales, counsel to President George W. Bush. According to Attorney General Ashcroft, this memo should not exist. He told us in open session it was not his job or the job of this administration to define torture. He said Congress has done that, and the laws do that.

Look at this memo of August 1, 2002. Turn to this infamous page 13 and read what Attorney General Ashcroft's Department of Justice said about torture:

> The victim must experience intense pain or suffering of the kind that is equivalent to the pain that would be associated with serious physical injury so severe that death, organ failure, or permanent damage resulting in a loss of significant body function will likely result.

You will not find these words in any treaty the United States has entered into, certainly not in our Constitution, nor in the laws of the land. You will find this in the memo from Attorney General Ashcroft's Justice Department. It is their definition of torture, sent to the President of the United States General Counsel, Mr. Gonzales.

For the Attorney General to tell us he is not in the business of defining torture, frankly, doesn't square with the reality of this official memo from his own Department. If that were the only thing in this memo, it would be bad enough. But there is more. Because in this memo, you will find a rationalization to suggest that the President, as Commander in Chief, is not bound by the laws of the land. That is a statement to which most people will say, I am sure they didn't say that. Let me read to you from a section about Section 2340A, the statute that makes torture a crime:

> Any effort to apply Section 2340A in a manner that interferes with the President's

> direction of such core war matters as the detention and interrogation of enemy combatants thus would be unconstitutional.

Sadly, it went further. I read from the same memo:

> Section 2340A must be construed as not applying to interrogations undertaken pursuant to his Commander in Chief authority.

In other words, this memo from the Ashcroft Department of Justice to Mr. Gonzales and the White House went beyond the definition of torture. It created an escape hatch for this President to say, as Commander in Chief: I am not bound by the laws of the land when it comes to torture and the interrogation of witnesses.

There are some who come to the floor and wonder why we are raising this issue.

What is the importance of this issue? The importance of this issue will be obvious to anyone who reads this memorandum now available on the Internet. This administration engaged in a fierce and protracted debate about whether they could redefine torture for the war on terrorism and whether this President, as Commander in Chief, was above the law.

For those of us in this Chamber who have sworn to uphold the Constitution of the United States, a solemn oath which each of us, including the President, must take, this is, indeed, an extremely serious situation: That this administration would think this President and those acting under his authority as Commander in Chief would not be bound by treaties, by the Constitution, or by the laws of the land.

Can any inquiry be more serious when the question, which must be asked by this Chamber of the Chief Executive of the United States, is whether he has gone too far, violating the law of the land?

So what will come before us in a short time is an effort to say to Attorney General Ashcroft: It is not enough that we have to rely on leaked memos released on the Internet. We demand of you the disclosure of relevant documents which will give us a better picture and a better understanding of this debate within the Bush administration about torture because, in the context of where we are today, this is not an academic issue. Because of Abu Ghraib and the shameless conduct of the men and women in that prison, which has been captured in photographs released around the world, the United States is being tested. We are being asked not only within our own borders, but around the world, whether in the war on terrorism, we have abandoned a commitment of over a century that says we will not engage in torture, that we are committed to the humane treatment of prisoners.

It is, unfortunately, a timely and legitimate question which we cannot duck; we cannot avoid. In order to answer that question, we understand we have to be open and transparent. We have to not only say to the world that we are the same country we were before 9/11. After Abu Ghraib, we have to show them proof, and the proof will be in the documents which the Attorney General has refused to disclose.

The Attorney General and the President have several legal options when Congress legitimately asks for documents. The President can assert his executive privilege. That was done by President Nixon during the Watergate scandal. It was contested in court all the way to the Supreme Court, but it is something a President can assert. Only the Court can ultimately resolve the dispute then between Congress and the President. President Bush has not asserted executive privilege when it comes to these memos of Attorney General Ashcroft. Or the Attorney General can say: There is a statutory privilege that allows me to withhold these documents.

The request for information that we are going to put in amendment form allows classified material to be treated separately so it would not in any way endanger the troops who are defending this country and defending themselves in Iraq and Afghanistan.

When asked point-blank by myself and others in the Senate Judiciary Committee, Attorney General Ashcroft said: I cannot give you a legal authority for the reason I am not going to release these documents. He said: I just personally believe it is not the right thing to do.

I reminded the Attorney General—and it is worth repeating now—as important as his personal beliefs may be, they are not the law. If this Department of Justice and this Attorney General and this President cannot produce a legal reason for failing to disclose these documents, then they are asking to be above the law. No President, no Attorney General, no Senator, none of us serving this country or in this Congress are above the law and certainly not on an issue of this magnitude.

Some critics have come to the floor and said this request by Members of the Senate of the Attorney General to produce these important documents is the product of "an irresistible impulse to score cheap political points." I quote a colleague of mine who said those words just moments ago, "cheap political points."

I remind my colleagues and all others, this White House, just yesterday, decided this memorandum from Attorney General Ashcroft is so bad, so wrong that they are now disavowing the very memo which was sent to the chief counsel at the White House almost 2 years ago.

This is not about some political exercise. This is about truth and transparency and a disclosure which is needed to restore the confidence in the core values of America not only for the American people but for people around the world.

Yesterday, in a transparent effort to stop the pressure for full disclosure, the administration provided Congress with a two-inch stack of documents. But a cursory review of these documents reveals that the administration is withholding a lot of crucial information.

If anything, the documents that were released yesterday make it even more clear that we need complete disclosure from the administration. As the Chicago Tribune reported today:

> The memos left unanswered at least as many questions as they answered. White House officials acknowledged that the documents provided only a partial record of the administration's actions concerning treatment of prisoners.

What do the documents that were released show? We now know that the Justice Department memo sent to Mr. Gonzales was the basis for the Defense Department's decision to approve the use of coercive interrogation techniques at Guantanamo Bay.

The Department of Defense and the Department of Justice were asking questions which are almost impossible for me to articulate on the floor of the Senate, but I must. They asked: How far can our interrogators go before they may be charged with a war crime? How far can they go before they might face a war crime tribunal?

That is the serious nature of this internal debate within the Department of Defense and the Department of Justice. That debate went on before Abu Ghraib. That debate went on before those horrendous photographs became part of the history of our occupation of Iraq.

Is it any wonder that Members of the Senate are coming to the floor today and saying we have an obligation to require this administration to completely disclose all of the documents and be open and honest about the dialogue which went on between the White House and the agencies of our Government?

To do less, sadly, is to create a question, an unanswered question, about whether the United States has changed.

Let me tell you for a moment some of the issues at hand. One of my colleagues came to the floor and dismissed some of the criticism of interrogation tactics as he said, frankly, tying the hands of interrogators who are only trying to protect us. We have learned something about interrogation tactics. We have learned that if you use torture—physical and mental torture—the person being interrogated will say almost anything, truthful or not, to make it stop.

The PRESIDING OFFICER. The Senator's 15 minutes in morning business has expired.

Mr. DURBIN. I ask for 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. We know torture and the types of treatment, techniques, and interrogation tactics which have been prohibited by law in this country for many years are counterproductive. The Attorney General said as much before us. Torture does not work. People will lie for the pain to stop, and that is one of the reasons we do not engage in torture.

Secondly, my colleague, Senator BIDEN of Delaware, made a point and made it clearly. He said, in his words: The reason the United States does not engage in torture is to protect Senator BIDEN's son, who is a member of the military, and other members of the military from being subjected to torture.

We establish standards of humane and civilized conduct not only for ourselves but to demand them of the rest of the world. Will there be terrorists who ignore them? Of course. But who will argue with 140,000 American lives on the line in Iraq that we should somehow stoop to inhumane and barbaric conduct in this war against terrorism, subjecting all of our soldiers and many other innocent Americans to the same possibility? We have rejected that, and we should continue to reject that.

I close by saying this is a very serious issue for our Nation. The world is indeed watching us. They are asking us whether the United States will stand behind its treaties in the age of terrorism. The Senate has an obligation to the Constitution and to the American people to answer these questions. Those who vote to table this amendment want to keep this conversation muted and these memoranda hidden from the American people. That is wrong. That is wrong for this government or any government. The American people have the right to know in what their government is involved. Transparency is critically important.

I urge my colleagues, and I hope a few of my Republican colleagues will join those of us on this side of the aisle, to stand up for the rule of law, a rule of law which has guided Presidents from Abraham Lincoln's time in the Civil War through President Reagan, through every President. There is no reason this President should be treated differently.

When it is offered, I urge my colleagues to support the Leahy amendment.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I ask unanimous consent that I be permitted to speak for up to 10 minutes, the Senator from New York be permitted to speak for 10 minutes, and then the distinguished Senator from Alabama.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Utah.

Mr. HATCH. I have been listening to my dear colleague from Illinois, and I have to say what happened at Abu Ghraib was absolutely wrong. Everybody knows that. What happened there has to be decried. We all have to speak out about it. But the minute they found out about it, they started the process of prosecuting the people who did this. It appeared to be a small cadre of people, all of whom will likely receive either severe reprimands or actual prosecution. In other words, the system is working.

It should never have happened. We decry it. It was wrong. All the screaming in the world by either side on this floor is not going to make any difference. It happened, and we are all ashamed of it.

Having said that, if we listen to the arguments of the other side, transparency is absolutely critical in all the things we do. Well, then that means we ought to do away with the Intelligence Committee because there are a lot of things that are not transparent to the American people, especially when it involves national security, especially when it involves our young people's lives while overseas, especially when it involves all kinds of matters that are better left non-transparent.

I went on the Internet and I read every one of these documents that was on the Internet. Most all of them were legal opinions. Now, one might differ with legal opinions. I do not know any two lawyers who agree on everything anyway, but if one reads those opinions they do make sense. For somebody to say carte blanche that the Geneva Conventions apply and should apply to everything, that flies in the face of not only international law, it flies in the face of what is happening in this situation.

This is not a normal situation. We are not fighting autonomous countries right now. We are not fighting against organized enemies who wear uniforms and fight conventional battles. We are not fighting the normal course of battles that we have had through the years where we have had to, as gentlemen, recognize the civil way of doing things. We are fighting absolute terrorists who would destroy this country and destroy every person involved in our overseas operations if they had a chance, and they would do it by any means possible: biological, chemical, weapons of mass destruction, nuclear, if necessary, if they had the capacity to do it.

If we are so transparent that we tell them everything that is on our minds, then we are putting our young people at risk.

Yes, my colleagues can find fault with the legal opinions. People do. I might even agree or disagree on some of these legal opinions. But they were well-reasoned opinions. I know some of the people who actually rendered them. They are top notch authorities in these areas. My colleagues might disagree with them, but they cannot necessarily refute them.

I was in Guantanamo a few weeks ago. I went completely through that camp. I was shown everything I wanted to see, and that meant just about everything. I have read article after article about how terrible it is at Guantanamo, how much they violated the law, all because of conjecture. I have seen our colleagues on the other side, and I have seen the media excoriate this administration because of all of these bad things that have happened at Guantanamo.

Well, I went through Guantanamo, and it is a well-run camp with incentives. Now, some of our colleagues do not even like incentives. They will even criticize that because it is the Bush administration, after all. Of course, I know our colleagues are not making this kind of criticism because they want to find fault with the Bush administration or cast blame on the Bush administration or make the Bush administration look as if maybe it is not doing everything it should. I know that could not possibly be in their minds. Or that they are politicizing this because of the election that is going on. I know they would not do a thing like that. I just know it. I just know it deep within my soul.

My colleagues can differ with the legal opinions and they can certainly condemn what happened at Abu Ghraib. But these things are not happening at Guantanamo Bay. They did happen in Afghanistan, but in those cases there are investigations and prosecutions on their way. I do not think we have to be transparent about everything around here. Transparency hurts our young men and women, too. It subjects them to all kinds of ridiculous problems.

It is important for us to get to the bottom of these things. I think it is important for us to have an overview, but I also think it is important for us to be fair and not just try to score, yes, cheap political points. Unfortunately, there is too much of that around here. It has happened on both sides from time to time, but it has really been happening this year. Every time it happens, I suggest we ought to stop and think about our young men and women overseas, whether we are helping them or hurting them. Some of these arguments are hurting them.

When I went to Guantanamo, I watched two interrogations, one with a terrorist who was very uncooperative and another one who at first was very uncooperative but because of work by some very effective people, using very effective interrogation techniques—not torture, by the way, not even close to torture—they have been able to obtain information that has saved our boys' and girls' lives.

Interrogations have to go on and they are not patty-cake games. There is no excuse for anything that even comes close to torture. And I believe that other than isolated incidents—which are going to happen in times of war, especially when we are fighting these type of terrorists—I suggest that our people have abided by the Geneva Conventions even though it is correct to say that in this type of a situation the Geneva Conventions may not apply.

Personally, I believe we ought to apply them to everything because there is a wide variety of interrogation techniques that are permissible under the Geneva Conventions. I won't go through all of those because I don't want to be transparent. Nor do I want some techniques that are acceptable to be criticized by any colleagues from any side to score cheap political points.

Frankly, I am getting a little tired of this desire to undermine everything that is going on over in Iraq and Afghanistan. I think it is time for us to get together and work in unison to try to help our young men and women. Transparency sometimes happens to be the worst thing we can do.

That doesn't mean we should not get to the bottom of these awful things that have happened at Abu Ghraib. That doesn't mean we should tolerate that type of irresponsible and criminal conduct. Of course we should not. There is nobody in this body who disagrees on that, to my knowledge; nobody. But to try to imply that the President of the United States is responsible for these aberrational activities by a few is, I think, irresponsible in and of itself and I think it is just too much of this political world that we are in right now.

Madam President, I went through the camp itself down at Guantanamo. It was well run. There were people there who never were fed so well in their lives. There were arrows, so they could pray in the correct direction. There were Korans in every cell as far as I could see.

I saw many chessboards and checkerboards. I saw outdoor areas where they could exercise. I saw a lot of things that were being done right. I saw interrogations that were not staged for me, and I have to tell you it was run right. Anybody who thinks these are patty-cake games, that we must really hold and pet their hands, just isn't living in the real world.

I agree and I concede and I hope our colleagues—everybody on both sides agree there are certain things you can do within the parameters of the Geneva Conventions and there are certain things you can't do. But I guarantee if you went through everything that can be done in the Geneva Conventions there would be some people who would be very upset that those types of interrogation techniques could be used. I am not going to go through them all because I know the more stressful ones were not being used with the authority of our people. I think to imply that they were is wrong.

Before I close, let me just take a moment to comment briefly on statements made by my Democratic colleagues, attacking the President and the administration for not being forthcoming in releasing documents, notwithstanding the fact that they just declassified and released approximately 260 pages of legal memoranda.

They attack the Attorney General for refusing to hand over three documents when he testified before the Committee, but since then, we have received those documents from the White House.

Now, even though they lost on this issue before the Judiciary Committee, they are now trying to bring it up as an amendment on the floor.

In fact, they want us to vote on a subpoena before the time set to comply with the document request has passed. It is simply premature to issue any subpoena at this time.

I urge my colleagues to vote against this amendment if the Senator from Nevada decides to reintroduce it.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from New York is recognized for 10 minutes.

Mr. SCHUMER. Madam President, I thank my colleagues for this debate. The bottom line here to me is simple. That is, I must disagree with my good friend from Utah. I think transparency is to be preferred. Maybe it should not be in all instances but that ought to be the presumption and there ought to be strong argument before any transparency is not done.

Why is transparency important? I will tell you why: Because it makes better law. It makes better rules. The whole foundation of our Government has been based on openness—open debate, open discussion. When that happens, we end up with better laws. Time and time again throughout the over 200-year history of this Republic, when things are done in secret, it leads to trouble.

This is a very delicate issue. There is no question about it. Obviously, we are in a new world, in a new situation. I don't think absolutes always govern in these kinds of situations. That is for sure. I am not sure exactly where the line is to be drawn. I don't think anyone is. But I am certain of one thing and that is you will draw the line a lot better when there is open debate and open discussion. After all, we are talking about the place where liberty and security clash.

The beauty of our system of government is that it is able to handle clashing values such as this in an extremely successful way, and has been almost certainly or almost universally for all the years of the Republic. Particularly the Founding Fathers, who debated these issues over and over again, wanted transparency when they were debating. That is why there is separation of powers. That is one of the reasons the whole system was set up with a legislative body and an executive branch. If, indeed, the Founding Fathers thought this all should be done in the executive branch behind closed doors, we would have had a totally different system.

Yet what we have found in this Justice Department all too often, in this administration all too often, when the vital issues of liberty versus security should be decided, there is an aversion to debate. There is a preference for doing this in secret, in the dark, behind closed doors. On issue after issue after issue, when that has been done, a bad result occurred.

My colleague from Utah seems quite certain what happened at Abu Ghraib and other places. He may be the only one in this Chamber who is. I don't know how far the chain of command went. I don't know which memos exist and don't exist and what they say and which were dispositive. I have real doubts that it was the noncommissioned officers at the bottom of the chain who were the only ones who had anything to do with this, but who knows? Who knows? We are not going to know anything until we get these memos.

If they have things that should be classified, let those be redacted. If there are certain things that would damage the security of our soldiers, of our country, let those be redacted.

But I doubt even my colleague from Utah, who stated that no one in this Chamber feels we should not have transparency and debate—I think we mistake two things. There are the difficulties and practicalities of living in this real world, this post-9/11 world, and I have spoken about that at the hearing and everywhere else. There is the leap in logic, the incorrect logic, that says because those issues are difficult they should be decided in the dark, in secret. The two don't follow. In fact, I would argue the opposite follows. The more difficult the issue, the more dangerous it is to either liberty or security or to both, as in this case it may be, the more we need openness, the more we need discussion.

Again, if this were the first time that this Justice Department had decided to deal with terribly sensitive and difficult issues in secret I don't think there would be such a brouhaha in this Chamber or in the country. But it is a pattern that happens over and over and over again. Our Attorney General has come to testify before our Judiciary Committee twice since his ascension to that high office. When we ask questions, we routinely get no answer, or answers that do not deal with the questions. There is almost a mistrust of open debate, a mistrust of the legislative body, a mistrust that the American people ultimately in their wisdom will come to the right conclusion.

It is almost a sort of "We know best we can't trust you to know anything" type attitude. I am surprised to see so many of my colleagues defending that attitude.

Again, let's not mistake where we come down on the substance of this issue, where there will be variation—my colleague from Illinois and my colleague from Utah had different views—with the need for openness, the need for transparency, the need for debate, and the faith that certainly George Washington and Thomas Jefferson and James Madison and Alexander Hamilton had, that we should have as well, and that is that open debate will lead to the right conclusion. That is democracy. It is faith in the people and ultimately their ability to make the right decisions after open, fair debate, after both sides are presented.

That faith has been sadly lacking by the Attorney General and, I regret to say, in good part by this administration. So we come tonight, trying to force the issue. We believe we are living up to our constitutional responsibilities. We believe that if the Founding Fathers were looking down on this Chamber they would say: You are doing the right thing to get these documents and make them public, to have an open debate.

I hope and pray some of my colleagues on the other side of the aisle will see this.

When Attorney General Ashcroft came before our committee and didn't claim executive privilege and didn't claim what he was talking about was classified, but said he would refuse to answer the committee anyway, that is not what this Chamber is all about, or these hearings are all about, or this Government is all about. That is why when that has happened in the past, there have been discussions of contempt of Congress. We wish to avoid those kinds of confrontations. We want to come to an honest discussion.

Everyone will admit there were problems. My colleague from Utah said that. Well, do you think those problems were sui generis? I would argue those problems could well have resulted because of a tendency for secrecy, or because of the aversion to open debate. For all we know, there were contradictory memos floating around the Department of Justice and floating around the Department of Defense. For all we know, majors, captains, and colonels who had to interpret these things on the ground were totally confused. We should find out all of this.

Again, to my colleagues, I hope we will agree to the Leahy amendment; I hope we will agree to the Reid amendment to the Leahy amendment; we will get to the bottom of this and come up with a policy in this difficult world and difficult position that is satisfactory, or at least the best solution where there may be no solution that satisfies everybody.

I yield the floor.

The PRESIDING OFFICER (Mr. ALEXANDER). Under the previous order, the Senator from Alabama is recognized for 10 minutes.

Mr. SESSIONS. Thank you, Mr. President.

I would like to comment on some of the things that have been said.

First of all, I believe there are things our country has every right to maintain secrecy on. I think the administration has been open about producing memorandum to us in a way that I don't know they are required to do. I was a Federal attorney in the Department of Justice and a U.S. attorney for 12 years. I have some appreciation for the way the Government works. The President has a right to receive legal advice on all the options he may have from his Attorney General or staff attorneys. In fact, a lot of reference has been made here, and as far as I can tell, Attorney General Ashcroft's memoranda are memoranda written only by lower level attorneys, detailing the legal options available in a time of war.

Certainly we want to encourage attorneys to consider these ideas and these issues on what is appropriate in terms of interrogating prisoners who are bent upon the destruction of the United States of America and as many of its citizens in this country as they can possibly kill. That is fact, and we know it. The rules of law and of war are a joke to the terrorists that we have captured and others still bent on attacking Americans. They care nothing about it. They make television movies of beheading people. That is what they think of the rules of law.

So what we need to do is decide what is appropriate and what laws we are bound by, and we ought to set a good policy there.

I would say this: The Senator from New York is a good lawyer. He has said in his own view that torture sometimes may be necessary. That is what Senator SCHUMER said.

I think any Attorney General should properly advise any President of the United States in time of war on absolutely what the limits of his powers are. Those are things that maybe ought not be bandied around the world. It is hypothetical. You don't know what the precise circumstances are.

But the question that started all of this is abuses in prison in Iraq. The memos at the center of this debate have absolutely no connection—there is no connection—between what went on in Iraq and these memos, because our soldiers were operating under established policies of the military and internal discussions between the President and various lawyers, or memoranda they may have received from various lawyers.

I want to say this about Attorney General Ashcroft. I was at the Judiciary Committee hearing when he testified. I saw him subjected to unfair abuse by former colleagues on that committee which was embarrassing to the committee. I don't think I have ever seen in my experience in this Congress the kind of disingenuous and unfair treatment of a former Member of this body. It was not right. The ranking member was using the whole time to make a litany of distortions and charges against the Attorney General where he had no opportunity to answer them. He knew there was no way he could. It was not right. It was wrong. I said that then, and I say it now. He had no opportunity to respond to the ranking Member. Senator LEAHY knew it, and said these things one right after another: You did this, you did that. They continued in that vein.

The question here was, Oh, he wouldn't define torture, yet he had a memorandum defining torture.

That is not what Attorney General Ashcroft said. Go back and read the transcript. I saw what he said. Attorney General Ashcroft is a smart man, an honest man, and he answered the question directly. He said, Senator, the Congress defined torture. It is not for me to define torture. You define torture. The Attorney General doesn't define torture. I am not defining torture. The Congress has already defined it.

There is a statute. I have a copy of it here in which we defined it under certain circumstances. We set out an antitorture statute. That is what the Attorney General was referring to.

Then somebody with great demand said, We want these memos; you are going to give them right now. Are you giving them or not? The Attorney General sat there in a nice, direct, soft way, and said, No, Senator, I am not giving you these right now. Are you claiming executive privilege? He said, No, I am not claiming executive privilege.

These are memorandum submitted to the President of the United States. It is the memorandum of his client. It is the President's memorandum. It is not his to give. He can't go around giving out the confidential information he sent to the President of the United States about what he can do during the conduct of a war. That is not right. He didn't do it. And he didn't back down on it. One of the Senators said, Well, this is important because I have a son in uniform. The Attorney General said, My son has been in Iraq. He just got home, and he is going back to Iraq. He is in uniform, too. I care about this issue.

I don't think what has been said is fair.

With regard to the amendment that is pending, I reject it. We need to vote it down. It is political. It is designed to embarrass this administration politically, and it hurts us around the world. We are asked to cast a vote suggesting that this administration has not conducted itself in a proper way. The evidence does not show that.

I am on the Armed Services Committee as well as the Judiciary Committee. We have had, I think, four hearings in Armed Services. We brought back the top general. We had the Secretary of Defense, Secretary Rumsfeld. We had Secretary Wolfowitz, the Deputy Secretary. We had General Abizaid and General Sanchez. We had General Taguba who went over there and conducted the investigation and issued the report on it.

I heard all of that evidence. None of them said, Well, we got a memorandum from the Attorney General that the President of the United States signed off and said we are supposed to torture prisoners, we are supposed to carry them around, move them around and put hoods over their heads, and otherwise abuse them.

There is no evidence that was so. In fact, the military had a pretty good series of policies about how to treat prisoners. Some said, some of them went too far. If some of them went too far, let's hear exactly what they say went too far and what was wrong. If we need to change that policy, I am willing to discuss that. In fact, we are discussing that at this very moment.

A number of the things that were so objectionable, none of the things that happened in that prison, were in any way remotely connected to the memorandums and directives and regulations issued by General Sanchez and the commanders in Iraq. In fact, all the memorandum said they should follow Geneva Conventions in how they handle prisoners.

Some say we did not train them about the Geneva Conventions. Every American soldier is trained about the Geneva Conventions. I was in the Army Reserve for 10 years. I was a lawyer and U.S. attorney for some of that time, and for a short period of time I was a JAG officer. I taught a course on the Geneva Conventions. You had to sign a document saying you briefed your soldiers every year on the Geneva Conventions.

Everyone knows you cannot torture prisoners, you cannot display them in sexual ways. Everyone knows that. Every private is taught that. Everyone up to the generals is taught that. It is not the way we are supposed to treat people. Certainly it was not justified and not the policy of the military. It never was the policy of the military. I don't appreciate the suggestion that this was the policy of the military and that somehow the internal memorandums up in the Department of Justice in Washington about hypotheticals and what powers the President might have somehow were carried out in the prisons. They had established policies.

I saw in the Washington Times today, quoting one of these memos, a memo entitled "Humane Treatment." That ought to make some people around here happy. It actually says "Humane Treatment of Al-qaida and Taliban Detainees." That is a pretty good title for a memorandum. They are complaining about some military memorandum they did not like the title of, saying the title suggested something bad and within the memorandum there were commands to preserve and protect the prisoners.

This title is a good title. President Bush says he accepts "the legal conclusion of the Attorney General and the Department of Justice that I have the authority under the Constitution to suspend Geneva as between the United States and Afghanistan, but I decline to exercise that authority." Of course, our values as a Nation call for us to treat detainees humanely, including those who are not legally entitled to such treatment.

Now, what is all this about? Senator HATCH mentioned, as I believe Senator CORNYN did, and several years ago in the Judiciary Committee we had a number of hearings right after September 11 on what the authority of the United States is with regard to treatment of prisoners and the application of the Geneva Conventions. The Geneva Conventions do not apply to unlawful combatants. It is that simple.

What is an unlawful combatant? It is a person who does not wear a uniform, who enters a country surreptitiously, who attacks civilians, and does not comply with the rules of war. Our enemies are supposed to comply with the rules of war also. Unlawful combatants do not comply with the rules of war. Al-Qaida does not. Most of the people in Afghanistan were not complying with the rules of war and the people who are bombing and killing in Iraq right now are not complying with the rules of war. All of them are unlawful combatants.

One of the reasons for the Geneva Conventions is to give protections to prisoners of war who were lawful combatants, to encourage people to be lawful combatants and not to be unlawful combatants, not to be terrorists who sneak around and bomb people.

Has this ever been dealt with in America? Are we making this up? Is this some idea the Senator from Alabama thinks is an idea that has never been dealt with before? No. In the Judiciary Committee we had a hearing on it and discussed these issues in some detail not long after September 11. We had testimony and read and debated the Ex parte Quirin case. In Ex parte Quirin, the Nazis sent saboteurs into the United States to bomb and kill and dismantle our civilian structure. That was their plan. They were Nazi saboteurs. They were not wearing German uniforms. They were not acting in a way consistent with the regular Army. Their plan of attack was terrorist in nature. They were apprehended.

The President of the United States, certainly a greatly respected President for our Democratic colleagues who are pushing this legislation, President Franklin Roosevelt, was highly offended. He said we are not going to give them a trial in Federal court. We are not going to try them with a jury in the United States of America. These people are setting about to destroy our country, to kill our people, and to sabotage our civil infrastructure. They are going to be tried, as I have the power to do so, by a military commission. He so ordered it.

They were tried in the U.S. Department of Justice right down the street by a military commission. They did not have public trials. After completely trying the case and building a record and making findings of guilt, most of them were executed within weeks of their arrest. The validity of these trials were challenged and the case went to the Supreme Court of the United States. The Supreme Court affirmed the views of the President. Some of these enemy combatants were given probation and some of them who were tried that way were American citizens.

Crimes were committed in the United States by American citizens, but they were participating as unlawful combatants. They were tried by a military tribunal. They were convicted. Most of them were executed. Some of them got lesser times and one or two who cooperated got out of jail before too long. But all served a considerable amount of time and the Supreme Court said that was appropriate. That was right.

The history of the military commission is strong. That is justice. Military commissions do justice. Military officers are people. They do not want to convict innocent people, send innocent people to jail, or do things that are wrong. They are empowered in combat to use deadly weapons on a whole host of people that could kill them.

President Truman, who followed President Roosevelt, dropped an atom bomb on two cities in Japan. The President of the United States does have powers in wartime that are different from that kind of situation when somebody robs a bank down the street.

Fundamentally, what we are dealing with is how to deal with prisoners under these circumstances. Some people say, a lot of people in this country say, they don't respect us, they don't respect law, they bomb innocent civilians, women, men, children. They cut off people's heads and make a video of it and brag about it. But they are not entitled to any rights. They are not entitled to any rights. We just ought to go at them and kill them, the sooner the better.

We have some in this body who say these terrorists are entitled to more rights than the laws themselves give. In fact, they have insisted on it. This resolution actually calls on the Government to give these terrorists and unlawful combatants more rights than they are entitled to under the law.

President Bush has said: I am going to comply with the Geneva Conventions. We are going to treat these people humanely. That is the right position, I believe, and that is what he has done. We have given them fair treatment.

I visited Guantanamo and saw how it was done down there early on. I believe they were treated very well. The reports that come out of there continue to show that.

We know we had a terrible problem in Abu Ghraib prison where, on a midnight shift, a group of soldiers were out of control. Now we have a desperate attempt by Members of this Senate to go around and say the abuses that occurred on that night were somehow the responsibility of the Secretary of Defense, General Sanchez, General Abizaid, President Bush, and John Ashcroft.

That is not true. It is wrong. It undermines our ability to lead in the world. It does, I believe, place greater risk on our soldiers who, at this moment, are on the battlefield in Iraq because we sent them there. We should not do that.

If you have legitimate complaints, let's have them, let's hear them in the Senate. But I do not believe we need to be suggesting there is a policy of this Government to mistreat people as was done in Abu Ghraib prison in Iraq.

We had a distinguished senior Senator who said we had traded Saddam Hussein's prisons for American prisons. What he meant by that was we were treating prisoners just as Saddam Hussein did. That is wrong. It is a slander on the soldiers of the United States. It should not have been said. When that was said, it got headlines in the terrorist camps all over the world. It should not have been said. It is false.

Not long ago I had the opportunity to meet seven Iraqi individuals who had had their hands chopped off in Saddam Hussein's prisons, with Saddam Hussein justice. We know of the thousands he had killed there—without trial, without any benefit of being able to put on a defense, and how he used, as a policy of his government, terror.

These kinds of dictators use random violence to terrorize a population to keep power. He did it systematically. This was one of the most brutal dictators in the history of the world. He killed hundreds of thousands of people. There are maybe 300,000 graves in that country of people who were killed.

So it is wrong to say that. Why we keep pushing this, I do not know. I will just say this: The Armed Services Committee—we have this bill on the floor right now, and it has taken us too long, and it has caused us to not be able to have the hearings we probably would have had—but we are going to have more hearings on what happened in Abu Ghraib prison. Already people are being tried and convicted and sentenced for misbehavior there. We are going to keep on, and the higher up it goes, they are going to be followed.

I was a former prosecutor for some time, and I will ask anybody in this body to tell me: If a soldier is charged with committing an abuse on a prisoner, and he was ordered to do so, or there was some written document he was relying on to do this abuse, do you think he is not going to produce it? Do you think he is not going to say that in his defense? Certainly, he will. So if there are any higher-ups involved in this, it is going to come out.

But, frankly, I do not see the evidence that any higher-ups in the higher echelons of the Government ever issued any orders in any way that would have justified this. It did not happen at any time except on a midnight shift by a few people, who videoed themselves, videoed themselves in circumstances that would be very embarrassing to their mamas and daddies if they had seen it, I can tell you that, on their own behavior, much less what they were doing to the prisoners.

So I do not think it was a pattern. I do not think it was a policy. In fact, all the evidence we have seen so far shows it was not. Within 2 days of this information coming forward to the commanders in that region, General Sanchez ordered an investigation. He suspended people. The military announced publicly, in a public briefing in Iraq, that they were conducting an investigation of abuses at Abu Ghraib prison.

They have continued those investigations. A number of people have been charged criminally by the military. A number of them have had their cases end with punishments being imposed, and others will have them as time goes by. I would say, what more can you ask them to do? They are cracking down. I do not appreciate resolutions such as this that suggest it was a policy of the United States that this occurred, that suggest that our American soldiers are the same as Saddam Hussein's soldiers and prison guards—the way they treated their prisoners. It is not right. It is wrong. It should not be said, and it undermines the confidence that we ask the world and the Iraqis to have in our soldiers.

We believe they are going to do good work. We believe they are doing good work. We know, when you have 100,000, 200,000 soldiers over there, some of them will make mistakes. Just like any city in America that has 200,000 citizens, 130,000 citizens, some of them are going to commit crimes and make errors and do things wrong. They ought to be disciplined. They ought to be held accountable. But we do not need to fire the mayor because somebody commits a crime on the streets of the city.

Mr. President, I see the Senator from Arizona is in the Chamber, and I know he may well have comments to make on this or other issues.

I will conclude by saying this is not a good resolution. It has no business here. It is contrary to what we ought to be doing.

We ought to be spending our time on how to help our military get a handle on this problem in Abu Ghraib, and we ought to be spending our time mostly on trying to help them be effective in dealing with, capturing, and killing the terrorists who reject all rules of law, who reject all Geneva Conventions, who believe they have a legitimate right to advance their personal power agenda by killing innocent people whenever and wherever they can.

I am most grateful that we have American soldiers this very moment following the vote of this Congress and executing the policy we ask them to execute in Iraq to further freedom and liberty around the world.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

EXEMPTIONS TO BILATERAL TRADE AGREEMENTS

Mr. KYL. Mr. President, I am going to talk about an amendment which I would have offered to the Defense authorization bill, but in the interest of time and to ensure that we can move the bill forward and complete work on that bill this evening, I am not going to do so.

But I would like to discuss the general subject of the amendment, and begin by complimenting the chairman of the Armed Services Committee, the Senator from Virginia, on recognizing the very important necessity of changing our law to help work very closely with two of our greatest allies, the United Kingdom and Australia.

We transfer a lot of technology back and forth between these two important allies. It is important that we have the capability of doing that. One of the amendments I believe will be adopted as part of this Defense authorization bill is a proposal of the distinguished chairman that would provide an exemption from U.S. law which requires that a bilateral agreement covering a specified set of issues be negotiated in order for a country to obtain an export control waiver. The bilateral agreements between the United States and the United Kingdom and Australia don't quite meet the standard set by U.S. law, so Congress needs to grant an exemption for this. The chairman's amendment is very important in creating this possibility. I strongly associate myself with that amendment.

Just a note or two about this relationship between the United Kingdom and Australia and the United States which illustrates why it is so important for us to have this kind of cooperation. I think everybody knows the United Kingdom is our strongest ally in the war on terror. In addition to the over 8,000 personnel they have provided for the military operation, they support food aid. They have contributed a tremendous amount of money for reconstruction. Everyone is aware of their contribution. Perhaps less well known is the contribution that the Australian defense force has made. They contributed about 2,000 of their personnel, including a squadron of FA-18s and special forces elements, two navy frigates. They have a full variety of operations that I won't get into here. They have also been cooperative with us in a lot of other areas such as missile defense programs, and so on.

It is for this reason that the chairman offered his proposal, which I am sure will become part of the Defense bill, that will make it easier for us to transfer equipment that is important to defense between the United States and Great Britain and Australia.

The amendment I was going to offer simply added or would have added another element to that. We won't do it in this bill. Perhaps in conference with the House or at some other point, we could do that.

It is an amendment that would make sure that in the transfer of important munitions between the United States and a country such as Great Britain, they would never get into the wrong hands. That is to say, they wouldn't be exported to a country that might potentially use them against the United States. The reason it is a problem is that some countries in Europe, for example, are talking about lifting the arms embargo that currently exists between those countries, the United States, and China.

We do not send China our most sophisticated military equipment. There is a good reason for that. China has announced plans that it is developing military equipment that could directly compete with the United States in military conflict. So, obviously, we don't want to have a law on the books that would make it easy for a country such as China to acquire military equipment that we share freely with our allies, such as Australia and the United Kingdom, but which we would not want to go to a country such as China.

That is the reason for my concern about this retransfer issue. The news reports have indicated, for example, that the United Kingdom might agree to support the lifting of the European Union's arms embargo against China. That would be an important event. What my amendment would have done is simply said if the European Union were to lift its arms embargo against China, then no U.S. military equipment could be transferred to entities in the European Union unless the President certified to Congress that there are binding assurances from those entities that our military equipment would not be transferred to China. That is a pretty reasonable proposition.

The State Department strongly opposes the European Union's lifting of the arms embargo. Secretary of State Colin Powell said the following on March 1:

> Regarding arms sales to China, I expressed concern that the European Union might lift its arms embargo. We and the European Union imposed prohibitions for the same reasons, most especially China's serious human rights abuses, and we believe that those reasons remain valid today.

It is this government's policy that the arms embargo remain in effect. We are talking about military arms now, not trade. We have a huge amount of trade with China. We are not talking about that. We are talking about limiting certain kinds of militarily useful equipment.

At a February hearing of the U.S.-China Economic Security Review Commission, the Deputy Assistant Secretary in the State Department for East Asian and Pacific Affairs, Randy Shriver, also expressed U.S. opposition to the European Union's lifting of the embargo for three key reasons: the human rights reason, China's lax export control policies, and China's military buildup against Taiwan. Similar concerns have been put forth by Department of Defense officials.

While we don't like to talk about it, there has been a change in the direction of the buildup of the Chinese military. They have changed their doctrine to a doctrine which explicitly is designed to be able to defeat U.S. military assets. They are proliferating dangerous weapons and technologies to some of our potential adversaries—North Korea, as one example.

The intelligence community produces a semiannual report on proliferation. The most recent report stated the following with respect to China:

> We cannot rule out . . . some continued contacts [related to assistance to unsafeguarded nuclear facilities] subsequent to the pledge between Chinese entities and entities associated with Pakistan's nuclear weapons program.
>
> . . . Chinese entities continued to work with Pakistan and Iran on ballistic missile-related projects during the first half of 2003 . . . Chinese-entity ballistic missile assistance helped Iran move toward its goal of becoming self-sufficient in the production of ballistic missiles. In addition, firms in China provided dual-use missile-related items, raw materials, and/or assistance to several other countries of proliferation concern—such as Iran, Libya, and North Korea.
>
> During the first half of 2003, China remained a primary supplier of advanced and conventional weapons to both Pakistan and Iran. Islamabad also continued to negotiate with Beijing for China to build up to four frigates for Pakistan's navy and develop FC-1 fighter aircraft.

China also continues to threaten democratic Taiwan and to prepare militarily for a conflict against not only Taiwan, but also against the United States, were U.S. military forces to come to the assistance of Taiwan directly.

According to one recent Washington Post article, the Chinese Government warned Taiwan's President Chen Shui-bian to pull back what he called "a dangerous lurch toward independence or face destruction."

The Defense Department's annual report to Congress on the military power of the People's Republic of China warned

> . . . the focus of China's short and medium term conventional modernization efforts has been to prepare for military contingencies in the Taiwan Strait, to include scenarios involving U.S. intervention.

According to a previous report, the U.S.-China Security Review Commission, now the U.S.-China Economic and Security Review Commission, China's military was directed to have viable options to retake Taiwan by 2005 to 2007. Let me repeat: China's military was told to be prepared for conflict with Taiwan by next year.

The DOD report further comments on the impact of the EU lifting its arms embargo stating:

> Efforts under way to lift the European Union embargo on China will provide additional opportunities to acquire specific technologies from Western suppliers.

That is precisely the problem I think we have to come to grips with at some point. I am extraordinarily supportive of efforts to show political support for and, in fact, enhanced military cooperation with our allies, as the Warner amendment certainly does. But I also think we have to look at the export control policies which might, were the European Union to lift the arms embargo, allow material weapons implications to reach a country such as China. We obviously cooperate with China on matters of trade, for example. And it plays an important role in the international community. But it is a country with 20 nuclear-tipped missiles capable of reaching the United States, and the Pentagon projects that number will reach 30 by next year.

It is a country that has an announced policy that would be very dangerous if implemented with respect to Taiwan. So if the EU lifts its arms embargo, European countries will have the capacity to willingly pass military technology, and U.S. military technology, if we don't have the proper transfer or retransfer protections in place to a country that presents a potential military threat to the United States.

My amendment would have prevented that from happening by simply saying that no U.S. military equipment could be provided to countries in the European Union unless there is a Presidential certification that there are binding assurances from such country that those goods won't be transferred to China.

I don't think that is too much to ask. I think at some point we are going to have to include that within our law. The chairman of the committee has been very gracious in talking to me about working toward that end. As I said, I think in view of the great importance of moving this bill forward, completing action on it so we can provide the authority for the Defense Department and the other forces necessary for the next year, I am not going to offer my amendment. I certainly hope at an appropriate time we will be able to include the concept of what I am talking about in this Defense authorization bill.

I compliment the chairman for the work he has done, and I express my hope we can conclude this bill soon. We have been on it now for almost a month, or half a month with respect to legislative days. I think it is time to come to an agreement on how to end debate and get it done. After all, we are in a war. We have to protect the American people and provide for the men and women we have put into harm's way for that purpose.

Mr. WARNER. Mr. President, I thank our distinguished colleague from Arizona. He has been part of the team that has worked almost every day for agreements on the floor, and in consultation on how to deal with the various challenges we have had. He has been one of many who has made it possible. I think we are making steady progress here. I thank the Senator for the reference to the ITAR amendment, which I put in. I consulted with him, Senator BIDEN, and a great many Senators who worked with me in making this amendment possible, which is currently a part of the managers' package and, I anticipate, will become part of the final bill. It is long overdue, as the Senator points out. But this amendment is sort of a keystone. I thank the Senator for adding that very important piece of legislative history to what I hope will be a statutory provision that reflects the goals we both had in mind.

At this time, I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I don't know the situation regarding this bill.

The PRESIDING OFFICER. The Senate is in morning business.

Mr. WARNER. The bill is still actively being considered. There is a possibility we can achieve completion of the bill tonight. I remain of that view.

Mr. STEVENS. Mr. President, are we in morning business?

The PRESIDING OFFICER. Yes, we are in morning business.

DEFENSE APPROPRIATIONS

Mr. STEVENS. Mr. President, I have come to the floor because I am worried about the Defense appropriations bill. This bill that has been prepared by primarily Sid Ashworth and Charlie Houy of our Defense Subcommittee, under the direction of my cochairman Dan Inouye and myself, was considered by the Subcommittee on Defense Appropriations and reported to the full committee in 17 minutes. We took it to the full committee and we had a debate on that bill. It was reported to the floor in 25 minutes.

The reason for that is, as we all know, there is in this bill an amount of $25 billion requested by the President for a reserve for Iraq and Afghanistan and the war on terror. We know if there is a development in Iraq, in particular, which will give rise to a need for money, this bill must become law before we leave for the conventions in August, or really late July, before the August recess.

Some of us in this body have served overseas, particularly in wartime. It was my privilege to do that in World War II. I was thinking just now about what is going on here on the floor, and how I used to feel as a young man when we were told our supplies had not come over the hump into China, that we were going to have to reduce our rations, maybe live a little more on local food than on the food we brought into China from a long distance from our country. I thought about the time Colin Powell, as a young assistant to the then-head of the National Security Council, came before a Senate subcommittee on appropriations, and he told us at the time, when he was a young captain in Cambodia, he had the duty to take out a whole Vietnamese battalion, and the U.S. troops along with him had to go into Cambodia on a drop mission. They parachuted in. They were given a 2-week supply of food. He told us when you get up on that 14th day and open up the last bit of your rations, that is when you start thinking about the people who are in Washington that you trust. That is when you start thinking about whether the people who run the Government know what they are doing when they send you into foreign countries, like Cambodia, in wartime.

As I speak now, there are men and women in the armed services in our U.S. uniform in 120 countries. Managing the Department of Defense is an overwhelming job right now. The money we are spending is enormous, but the cause we are on is just. Whether you feel it is just or not, the problem is, we now know that when we leave for the conventions, there is a great possibility the Department of Defense and Commander in Chief will have to have more money available than is currently available in fiscal year 2004. Our committee, the Defense Appropriations Subcommittee, and the Appropriations Committee, has worked long hours to bring this bill before the Senate so we can pass it before we leave on this recess for the Fourth of July, and be able to come back and be ready to conference it, because staff conferences during the recess, and bring it back to the floor so both the House and the Senate can pass the bill and get it to the President and have it become law before we leave before the end of July.

I hear a lot of comments from people about the problem of the debt ceiling. I have checked and, in all probability, we will reach the debt ceiling in August. There is a debate on how to handle that. The House has decided to put it in the Appropriations bill, and I have been asked, as manager of the bill, to commit that I will not bring this bill back from conference with a debt ceiling in it. I can make no such commitment. Neither the Senator from Hawaii nor I can make that commitment. We are committed to doing our job as Senators, carrying out our oath to support and defend the Constitution and the people who support the Constitution.

I, for one, am getting a little impatient about getting this bill done. The current bill, I was told, would be done last night, and we would be on our bill now. We are not on the Defense bill now. We should be on the Defense appropriations bill now.

I hope and pray every Senator in this body will search his soul about delaying this bill, because I mean what I say: there is no possibility of getting this bill to the President, in my judgment, in a matter of 10 days after we get back unless we pass it now, and the President has time to go through the bill to determine if he is going to sign it.

I implore the Senate to finish this bill. Either the Senator from Hawaii or I have been chairman of the Defense Subcommittee since 1981. We have never found a situation where we would even consider cloture on the Defense appropriations bill.

I cannot imagine a Member of this Senate voting against cloture on an appropriations bill for defense when there is a war going on.

I say to the Senate, it is time to come to our senses and get this authorization bill done tonight so we can get on the appropriations bill tonight and finish it tomorrow or, at the latest, Friday morning. If we can get this bill through the subcommittee in 17 minutes and 25 minutes in the full committee, this Senate can get through this bill in 36 hours.

I guarantee, if there is any thought of delay, we will stay in session 36 hours because I am going to see to it this bill is passed and goes to the President this week. Some people say it is not going to happen, but if I have to embarrass every Member of the Senate to get it done, I am going to do it. This bill must be passed. We are at war. We are at war.

I yield the floor.

Mr. SESSIONS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CRAPO. Mr. President, I ask unanimous consent that the order for the quorum all be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHILD NUTRITION AND WIC REAUTHORIZATION ACT OF 2004

Mr. CRAPO. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 580, S. 2507.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

> A bill (S. 2507) to amend the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to reauthorize child nutrition programs, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. COCHRAN. Mr. President, I am pleased to present to the Senate S. 2507, legislation to reauthorize the child nutrition programs administered by the U.S. Department of Agriculture for the next 5 years. Over the past year and a half, the Committee on Agriculture, Nutrition, and Forestry has held hearings and received suggestions from a wide range of interests for improvements in the programs that are authorized in this bill. The committee worked diligently to draft a consensus bill that will ensure the continuation of proven Federal Government support for meeting the nutritional needs of school children and others who will benefit from these programs. I would like to thank especially the distinguished ranking member of the committee, the Senator from Iowa, Mr. HARKIN, for his assistance and for continuing the longstanding tradition of a bipartisan approach to the development of child nutrition bills in our committee.

The committee met on May 19, 2004, and reported the bill unanimously. This bill reflects the commitment of the committee to ensure that our Nation's children have access to the nutrition they need to lead a healthy life. All of the worthwhile and important initiatives contained in this bill will play a significant part in ensuring that our children have access to good nutrition.

The programs authorized in this bill touch the lives of one out of every five people in this country, including over 37 million children and nearly 2 million lower income pregnant and postpartum women. According to the Congressional Research Service, total fiscal year 2004 spending for these programs will be an estimated $16.4 billion, and the administration's fiscal year 2005 budget anticipates spending $16.85 billion. The Budget Committees of both the Senate and House have seen fit to include new mandatory money that will enable us to continue otherwise expiring provisions contained in current law. Even though we had no money for new initiatives, we believe the committee has put together an overall package that improves these programs while protecting the interests of the participants.

Important components of the bill are: Protection of the integrity of school meal program benefits, participation of for-profit child care centers in the Child and Adult Care Food Program, protection of school meal benefits for military families, expansion of the Summer Food Service Program Lugar Pilots, expansion of the Fruit and Vegetable Pilot Program, and improvements to the WIC Program.

I would also like to clarify section 203(e)(10) of the bill, which is designed to contain costs in the WIC program in order to ensure that all eligible participants can receive benefits through the program. Given the new provisions in the law, it is important that States publish their allowable reimbursement levels for WIC program vouchers. Also, because of changes contained in the bill, it would be important for USDA to review and modify risk profiles used when examining retail food stores for compliance with program rules. There is a related provision in our bill that prohibits certain vendors from providing incentive items to entice program participants to come to their stores unless the free merchandise is food or of nominal value. The Secretary is given the authority to define merchandise of nominal value. A reasonable interpretation of this provision would permit the Secretary to prohibit stores from giving away lottery tickets. Given the extremely small chance of winning a large amount of money as advertised by the lottery, the actual ticket is probably of very little value. However, some observers' perceived value of a ticket is greater than the actual value. A reasonable interpretation of this provision would give the Secretary the authority to prohibit lottery tickets under this provision.

We have worked hard to craft a bipartisan, consensus-based bill, as evidenced by the letters of support we have received from organizations including the American Dietetic Association, the American School Food Service Association, America's Second Harvest, the Food Research and Action Center, National Council of La Raza, Bread for the World, the National Milk Producers Federation, the International Dairy Foods Association, and the National Food Processors Association. I urge my colleagues to support the bill.

ADDITION OF NEW STATES TO THE FRUIT AND VEGETABLE PROGRAM

Mr. HARKIN. Mr. President, I hope to clarify our intent on one provision of the Child Nutrition and WIC Reauthorization Act of 2004—the provision pertaining to the Fruit and Vegetable Program.

When the Fruit and Vegetable Program was first enacted as part of the 2002 farm bill, the legislative language did not specify which States were to be participants in the program, but the States were specified in the conference report. The Department of Agriculture followed the conference recommendations.

Because we are passing this bill with a somewhat unusual process that will not involve a conference report, I would like to clarify which States are intended to be added to the program. Committee staff discussions have intended that the additional States to participate in the Fruit and Vegetable Program are Mississippi, North Dakota, and South Dakota, and this was our understanding as we finalized this bill. I am in agreement with these discussions, and it is on this basis that we are completing this bill.

Mr. COCHRAN. I do not disagree with the Senator from Iowa.

INCENTIVE CRITERIA FOR REDUCTION OF NONRESPONSE RATES AND SUBSTITUTION

Mr. HARKIN. Mr. President, I hope to clarify the operation of certain provisions in the bill. As the chairman knows, the section of the bill titled, "Household Applications," provides school districts with an incentive to reduce the nonresponse rate during the income verification process. I would like to offer an example of the operation of 10-percent improvement criteria in nonresponse rates, so that the committee's intent is not misinterpreted. A district with a non-response rate of 40 percent, for example, would have to reduce its nonresponse rate to 36 percent, in order to meet the 10-percent improvement criteria and be entitled to maintain existing verification procedures under current law.

Mr. COCHRAN. The Senator is, indeed, correct in his calculations. The provision calling for a 10-percent improvement in S. 2507 would operate in precisely the manner that the Senator from Iowa described.

Mr. HARKIN. I thank the chairman. I would also like to discuss the new substitution provision in the bill. In some school districts in my State and across the country, there are children whose household income is extremely difficult to verify, no matter how vigorous the effort put forth by school officials. The applications I am referring to are for children whose parents regularly do not respond to other school communications or are from a community that is suspicious of questions from governmental entities, including school districts. The families of these children may no longer be residing at the address of record, are not reachable by phone, or may exhibit other such barriers to verification. Am I correct that these are the type of applications envisioned in the bill's subparagraph titled "Individual Review"?

Mr. COCHRAN. The Senator is once again correct. This bill recognizes that there are certain situations when it may be nearly impossible for a school district to get in touch with the families of children who are eligible for this program. In situations such as those the Senator described, and other similar ones, the school district may decline to verify up to 5 percent of the approved applications selected for verification and replace those applications with other approved applications.

Mr. HARKIN. I thank the chairman.

IMPORTANCE OF BREAKFAST

Mr. CHAMBLISS. Mr. President, I appreciate the chairman giving me this opportunity to emphasize the importance of breakfast and the positive effects breakfast has on student performance and behavior. Research shows that children who eat breakfast perform better on standardized achievement tests and have fewer behavior problems in school. Breakfast improves a child's physical endurance and motor performance. It has been found that children have more energy to get through the school day.

The Department of Agriculture's Center for Nutrition Policy and Promotion has shown that children who eat breakfast have more healthy overall diets. Given the Nation's attention to childhood obesity, breakfast can also play a positive role in ensuring that our children are healthy. Not only is eating breakfast important for student performance, breakfast is also an effective tool to manage and control weight. Breakfast consumption can play a key role in maintaining healthy eating habits and weight loss while Congress looks at ways to combat childhood obesity.

In a major study, regular breakfast consumption was associated with the ability to maintain a significant weight loss. One study showed that out of 2,900 individuals that had maintained a 30-percent weight loss for at least a year, 78 percent reported eating breakfast everyday. Breakfast skipping has been reported to be more prevalent in obese children and is particularly high in obese girls. More than a dozen studies from around the world have reported that eating a ready-to-eat, RTE, breakfast cereal provides many nutritional benefits, including consumption of less total fat, less saturated fat, less cholesterol, more dietary fiber, and more vitamins and minerals. This result is independent of age and geography as studies have been conducted in children, adults and the elderly in over six different countries.

This compromise bill contains provisions which will, hopefully, result in more children eating more breakfast. The Child Nutrition and WIC Reauthorization Act of 2004 includes three provisions that the committee hopes will result in more children eating breakfast. First, it provides increased assistance to schools with a high proportion of poor children. Second, it expands the eligibility for schools that need additional assistance—severe need assistance—for breakfast programs. In relation to these provisions a Review of Best Practices in the Breakfast Program, also contained in this bill, will allow for a study of State and local barriers that keep more schools from offering breakfast. The Secretary will make recommendations and describe model breakfast programs that will help schools to overcome these obstacles and disseminate the results of this study to school districts, to the Senate Committee on Agriculture, and to the House Committee on Education and the Workforce. As a result, schools will be encouraged to develop innovative strategies to make time for student breakfasts, such as breakfast on the bus or breakfast in the classroom, a practice that has been shown to be very effective in schools across the country. Breakfast on the bus or in the classroom does not require the use of a cafeteria or additional time in the school day and are easy and efficient ways to provide a nutritious meal to children.

Mr. President, I ask the chairman if he agrees with my statements?

Mr. COCHRAN. Mr. President, I agree with the distinguished Senator from Georgia on the importance of breakfast to our children's education.

Mr. CHAMBLISS. Mr. President, I thank the chairman for his comments.

WOMEN, INFANTS, AND CHILDREN PROGRAM

Ms. MURKOWSKI. Mr. President, I wish to address a provision that Senator COCHRAN has added to the Child Nutrition and WIC reauthorization bill on my behalf.

Mr. COCHRAN. Mr. President, this provision is being added as a part of the floor consideration of this legislation. Therefore, there is no accompanying report language which explains its effect. We appreciate the contribution the Senator from Alaska has made to the Senate's consideration of this legislation. Will the Senator please share her views on this provision?

Ms. MURKOWSKI. Mr. President, the provision in question requires the Secretary of Agriculture to conduct a periodic scientific review of the supplemental foods available in the Women, Infants, and Children Program, which is also known as the WIC Program. The Secretary shall undertake such a review as frequently as necessary to reflect the most recent scientific knowledge. Following such a review, the Secretary shall amend the list of supplemental foods in order to reflect nutrition, science, public health concerns, and cultural eating patterns.

Mr. COCHRAN. Mr. President, I would like Senator MURKOWSKI to explain her rationale for offering this provision.

Ms. MURKOWSKI. In October 2000, the American Heart Association, AHA, published updated guidelines for reducing the risk of heart disease. These guidelines noted that fatty fish, such as salmon, are high in omega-3 fatty acids. Such acids help in the prevention of heart disease in a variety of ways. The acids diminish the likelihood of sudden death, as well as abnormal heart rhythms that play a role in sudden death. The oils of fatty fish also decrease blood triglycerides, as well as blood clotting.

The Food and Drug Administration has also previously suggested that there are health benefits to regularly consuming up to 3 grams of omega-3 fatty acids per day. To illustrate a practical example, a piece of salmon that is a little over 3 ounces in weight includes about 1 gram of such fatty acids. Therefore, it would be very easy to comply with this suggestion. I understand that later this year, the Food and Drug Administration is likely to make an official determination that the consumption of omega-3 fatty acids will reduce the risk of coronary heart disease. The provision in the WIC reauthorization bill will require the Secretary to conduct a periodic review of the list of supplemental foods and take into account the most recent scientific knowledge, such as the expected FDA determination regarding omega-3 fatty acids, when recommending any additions to the list of supplemental foods. Should salmon be included in the list of supplemental foods, it would then allow all States to include salmon as an acceptable food for their respective WIC recipients.

Mr. COCHRAN. Mr. President, I appreciate the Senator's explanation.

Ms. MURKOWSKI. Mr. President, I thank Senator COCHRAN for including this provision in this important bill.

MEDICAID DIRECT VERIFICATION AUTHORITIES

Mr. HARKIN. Mr. President, The Child Nutrition and WIC Reauthorization Act of 2004 includes several provisions intended to improve program integrity and to provide local educational agencies with new tools with which to improve the administration of the school lunch and school breakfast programs. One of the steps that we have taken in this bill is to allow various Federal programs to share information that they may have about a child's income or participation status with local educational agencies so as to enable the local educational agency, using that information, to verify a child's eligibility status for free or reduced-price school lunches or school breakfasts.

In most cases, this bill has not amended any laws outside of the jurisdiction of the Senate Committee on Agriculture, Nutrition, and Forestry in order to accomplish this goal—with one exception. The bill does amend section 1902(a)(7) of the Social Security Act, a section pertaining to the Medicaid program. This change to Medicaid law allows, at the option of a State, the sharing of Medicaid information with local educational agencies for the purpose of verifying the certification of children for free or reduced price lunches or breakfasts under Federal child nutrition programs.

The Senate Finance Committee, which has jurisdiction over the Social Security Act and Medicaid law, has very graciously allowed us to make this change for the purposes of this bill. I thank the Finance Committee for working with our committee to strengthen Federal child nutrition programs.

It is my understanding that Medicaid eligibility can be based on a number of factors, some of which may be related to disability or other matters that have nothing to do with verifying income in the School Lunch Program. I want to clarify that the intent of the amendment to Medicaid law contained within the Child Nutrition and WIC Reauthorization Act of 2004 is solely for the purpose of verifying income and participation information for School Lunch and Breakfast Programs. It is not the intent of this legislation to allow any other information to be shared.

I do not believe that the amendment can be interpreted to allow the sharing of Medicaid information that goes beyond the scope of verifying eligibility for school lunch or school breakfast benefits, but in the interest of being completely crystal clear, I would like to state that, under the amendment to section 1902(a)(7) of the Social Security Act contained in the Child Nutrition and WIC Reauthorization Act of 2004, no Medicaid information, except that which is necessary to verify income and eligibility for school lunch or school breakfast participation, may be shared by a State with a local educational agency.

Mr. COCHRAN. The explanation that Senator HARKIN has offered with regard to this provision of the Child Nutrition and WIC Reauthorization Act of 2004 is absolutely correct and is consistent with the committee's intent. In including the amendment to Medicaid law, it was certainly not our goal or intent to allow all Medicaid information to be shared with local educational agencies. We intended to allow States to share only such limited Medicaid information that was necessary to verify eligibility in the School Lunch or School Breakfast Programs. Any interpretation to the contrary is inconsistent with the intent of the Senate Committee on Agriculture, Nutrition, and Forestry.

Mr. BAUCUS. As a member of the Senate Committee on Agriculture, Nutrition, and Forestry, but also as the ranking Democrat on the Senate Finance Committee, I would like to thank Agriculture Committee Chairman COCHRAN and Ranking Member HARKIN for their clarification on this point.

The Senate Finance Committee has long grappled with the challenges of allowing sensitive program information to be shared. While there are many cases where it is in the public good to share limited amounts of information, such as in this case, it is important that we take such steps carefully and that we not inadvertently or unintentionally allow more information to be shared than is absolutely necessary to accomplish our goals.

The amendment to the Social Security Act that is under consideration ensures that only certain Medicaid information can be shared with local educational authorities for the purpose of verifying eligibility and income with respect to the School Lunch and School Breakfast Programs. Information about a child's health or disability status or medical expenses would not be relevant to verifying eligibility for school breakfast and lunch programs, which is based only on the child's family income. Accordingly, information about a child's health or disability status or medical expenses could not be shared with local educational agencies under the authority of this Medicaid amendment. I thank the chairman and the ranking member for clarifying the narrow goals of the amendment and look forward to its implementation in a manner that is consistent with the committee intent.

Mr. GRASSLEY. I appreciate that my colleagues on the Senate Agriculture Committee have worked collaboratively on the Medicaid provision, which is under the jurisdiction of the Senate Finance Committee. I am pleased that we were able to work out a provision which may help more children who are eligible receive free or reduced price breakfasts and lunches. I commend my colleagues for their good work on this important legislation.

I agree with my colleagues, Senators COCHRAN, HARKIN, and BAUCUS, that this Medicaid amendment will not authorize States to share Medicaid information other than that which is necessary to verify a child's participation in Medicaid or his or her family income.

USDA INTERPRETATION OF SECTION 32 FUNDING IN THE 2002 FARM BILL

Ms. STABENOW. Mr. President I rise to clarify an important issue with the distinguished chairman of the Agriculture Committee.

First, I thank the chairman for his leadership in getting this child nutrition bill to the floor. He has worked hard and has produced a good, bipartisan bill which I supported in the Committee.

For over 2 years, a bipartisan group of Senators and I have been concerned about USDA disregarding language included in the 2002 farm bill. The 2002 farm bill, section 10603, states that at least $200 million must be spent annually on the purchase of specialty crops. However additional language included in the 2002 farm bill conference report states:

> [t]he Managers intend that the funds made available under this section are to be used for additional purchases of fruits and vegetables, over and above the purchases made under current law or that might otherwise be made without this authority. The Managers expect the $200 million to be a minimum amount for fruit and vegetable purchases under section 32 funds; it is not intended to interfere with or decrease from Agricultural Marketing Service's historical purchases of fruit and vegetables [e.g. $243 million in 2001; $232 million in 2000] or to decrease or displace other commodity purchases.

Does the chairman agree that this language is clear and that the intent of Congress is $200 million in new purchases on top of existing commodity purchases?

Mr. COCHRAN. I agree that the Senator from Michigan has correctly cited the conference report of the 2002 farm bill, and I appreciate all of her hard work on this issue.

Ms. STABENOW. This was a great victory for our children because they need more and more fruits and vegetables in their school lunches. We all know about the problem we have with kids eating too much junk food for lunch and this program would have put more nutritious foods on our children's lunch trays. Instead of eating candy, they could be eating nutritious foods like apples, pears and carrots.

Unfortunately, the USDA is not complying with this provision. Instead of adding the $200 million on top of baseline spending, USDA has eliminated the baseline spending, so there is no guarantee that there will be any new spending on fruits and vegetables for our children. In fact in 2002, USDA did not even meet the minimum purchase requirement. In 2002, only $181 million in fresh fruits and vegetables were purchased under section 32.

Does the chairman agree that the USDA is misinterpreting the farm bill with regards to section 32, fresh fruit and vegetable purchases?

Mr. COCHRAN. I agree that the USDA has not followed the language from the 2002 farm bill conference report. I suggest that the Senator from Michigan and I work with USDA to try to facilitate greater purchases of fruits and vegetables in the nutrition programs.

Mr. HARKIN. I am proud of our bipartisan work on the Child Nutrition and WIC Reauthorization Act of 2004 and want to thank the chairman for his efforts and leadership. This is a bill that deserves to pass overwhelmingly with tremendous bipartisan support, as it did in the Senate Committee on Agriculture, Nutrition, and Forestry. That it can gain the unanimous support of the entire Senate, as I believe that it will, is to me, a hopeful sign of broad support for initiatives in the interest of our Nation's children.

In addition to Chairman COCHRAN, I thank the staff who have worked on this bill. They may never receive the full credit that they truly deserve, but without them this bill would not have come to fruition. On Senator COCHRAN's staff, I would like to thank Hunt Shipman, Eric Steiner, Graham Harper, and especially Dave Johnson, who has been with the Senate Committee on Agriculture, Nutrition, and Forestry for fifteen years. During that time, he has played a key role in strengthening our country's child nutrition and food assistance programs. On my own staff, I would like to single out for thanks the great work of Derek Miller and Susan Keith as well as the Democratic Staff Director, Mark Halverson, who has served me ably for many years.

Given the budget constraints that our committee faced in crafting the legislation, I believe that this bill is a very positive step forward in allocating resources wisely.

In the United States, we face an unfortunate paradox. On the one hand, the specter of malnutrition and hunger continues to haunt millions of Americans, especially children. At the same time, we are confronted with a grave public health threat in the form of obesity and overweight which are quickly becoming a major threat not just to individuals but to our Nation as a whole. The reauthorization of child nutrition programs affords us an opportunity to tackle both of these issues. This bill does so, although not always to the full extent that I would have preferred.

This bill makes many positive changes to fight childhood hunger and deliver federal child nutrition benefits to more children.

First, this bill ensures that children who are receiving food stamps will automatically receive school lunches and breakfasts as well. Though States and schools already have the authority and discretion to do this now, not all of them take advantage of this option. The bill before us today clearly makes those children eligible for free school meals—a step that, according to USDA, will help 200,000 additional children have healthy school meals by 2009 and which will also reduce paperwork in local schools and improve program integrity.

Parents of preschool-age children face a big challenge of finding safe, affordable day care. This is especially so for low-income families. This bill extends and makes permanent meal assistance to day care centers in which at least 25 percent of enrolled children are low-income. USDA estimates that on an average day approximately 90,000 children will benefit from this meal assistance.

The bill also includes a number of important changes in the process to certify students as eligible for free or reduced-price school meals and to verify the accuracy of a small percentage of the applications for free and reduced-price school meals. These changes are designed to make sure that more certifications are completed correctly at the start of the school year. Improving program integrity has always been a duty that this committee has carried out on a bipartisan basis. Maintaining and improving program integrity is critical both to ensuring sound stewardship of taxpayer dollars and to guaranteeing that children who most need child nutrition benefits actually receive them.

One of the bill's program integrity measures allows schools to strengthen and simplify the verification process under which the income level of a sample of households must be documented. For example, for the first time, school districts will be able to use Medicaid data to verify household income so school districts won't have to duplicate verification efforts already undertaken in the Medicaid program, and families won't have to document income multiple times. I urge the Secretary, State agencies, and local educational agencies to take full advantage of this new option.

In addition, once a student is certified for free or reduced-price meals, that certification will be effective for a full year. Those families that are selected for verification will be able to provide documentation for any point in time between the month prior to application and the time the income documentation is provided. Though the bill itself does not specify an exact time, the Secretary should not narrow the period and should issue guidance instructing local educational authorities to accept as income verification documentation any information pertaining to any point in time within the interval between the month prior to when the school meals application was completed and when the income documentation is provided.

The supplemental nutrition program for Women, Infants and Children, WIC, provides vouchers to eligible low-income families for specified food items. Recipients redeem these vouchers at local vendors. In recent years, a specialized type of vendor, known as WIC-only stores or supplemental foods vendors, has developed that accepts only WIC vouchers. These vendors do not compete for business on the basis of price, but rather on the service they provide their WIC clientele. This bill includes several important measures designed to contain WIC food costs. The committee report on this bill contains a good deal of information on WIC-only stores and on the provisions intended to address them. However, the bill language on WIC-only cost containment has changed somewhat, and additional clarification may be helpful here.

Although the legislative language offers States latitude to design vendor peer groups, competitive price criteria, and maximum reimbursement levels, each State must meet two important cost-containment goals unless exempted by the Secretary. First, each State must ensure that its aggregate WIC food costs are no higher if WIC participants choose to shop at WIC-only stores than if they shop at regular competitive stores. Second, each State must ensure that average prices, referred to as "average payments per voucher", in WIC-only stores are no higher than average prices in comparable competitive stores.

The bill allows the Secretary to exempt a State from carrying out requirements regarding the peer groups, competitive price criteria, and maximum reimbursement levels if the State does not authorize WIC-only stores or if the WIC-only stores in the State account for less than 5 percent of the State's total WIC food sales. If a State is exempt because the WIC-only stores in the State account for less than 5 percent of the State's total WIC food sales, the State is nonetheless required to ensure that its aggregate food costs are no higher if WIC participants choose to shop at WIC-only stores rather than at regular competitive stores.

Because WIC-only stores do not market items outside of the WIC program, the stores' earnings necessarily flow from the WIC program. To ensure that WIC dollars are not spent on non-WIC items, the bill prohibits giveaways of incentive items or other free merchandise by WIC-only stores unless the store can demonstrate that the items or merchandise were obtained at no cost. Although an exemption for food or merchandise of nominal value has been added since the committee approved this bill, the intent of the bill remains to ban giveaways of the kind of items that are currently given away, such as diapers, strollers, bicycles, small kitchen appliances, other household products, and two-for-one offers on WIC food items. Food or merchandise of nominal value is meant to include items of lesser value than these items. In issuing guidance or regulations on this matter, the Secretary must ensure that even offering items of nominal value does not unnecessarily drive up costs in the WIC program.

This bill also includes important provisions on infant formula cost containment competitive bidding which will, I believe, ensure that the WIC program continues to benefit from the strength of the competitive marketplace and the infant formula rebates that enable so many children to participate in the WIC program.

I am pleased that this bill takes positive steps to enhance child nutrition and to address the epidemic of overweight and obesity in this country as well. Let there be no mistake, poor nutrition early in life lays the foundation for chronic disease and premature death later in life. According to the CDC, poor diet and physical inactivity will soon overtake smoking as the Nation's leading cause of death. In 2000, 400,000 deaths were associated with poor diet and physical inactivity.

This fiscal year the Federal Government will invest over $8.3 billion in the school lunch and school breakfast programs, and this bill is a 5-year extension of this investment. The food served in these Federal school food programs meets Federal guidelines and provides balanced nutrition for the children who eat school meals. But in a majority of high schools and middle schools and an alarming number of elementary schools these school food programs and our taxpayer investment in them are undermined by an array of less nutritious food choices.

These foods that are sold in competition with the school meals are often high in fat, sugar and sodium. When kids choose these foods, they choose not to eat taxpayer supported, nutritionally balanced meals provided through the School Lunch and School Breakfast Programs. Not surprisingly, studies show that when kids get their lunches through vending machines at school their diets aren't nearly as healthy as when they obtain their meals through the school meal programs. In fact, among school-aged children only 2 percent meet the dietary recommendations for all food groups.

Research shows that a la carte items and vending machines displace student consumption of more nutritious foods. In one study, students from schools that did not offer a la carte foods consumed half a serving more of fruit and a whole serving more of vegetables per day than did children in schools that did have a la carte programs. In another study, when kids gained access to foods other than through the School Lunch Program, they consumed 33 percent less fruit, 42 percent less vegetables, and 35 percent less milk.

Not surprisingly, poor diets contribute to childhood obesity and overweight children, with significant negative effects. Compared to regular-weight children, overweight children are more likely to have high levels of cholesterol, high blood pressure, high levels of insulin, and exhibit generally higher numbers of risk factors for cardiovascular disease. Between 50 and 80 percent of diabetes cases are associated with diet and sedentary lifestyles.

And it is not just about obesity. The lack of fruits, vegetables, and milk in our children's diets has tremendous ramifications for the health of kids and adults. Poor eating habits early in life lay the foundation for chronic disease and premature death at a later age. Cancer, heart disease, and osteoporosis are just a few of the many diseases associated with poor diet.

Because schools receive substantial revenue from the sale of junk food at school, some folks are concerned that schools will suffer financially if they replace junk food with healthier choices. I understand this concern, but I disagree with the premise. Many schools have stocked their vending machines and snack bars with healthy food, with no negative impact on revenue. Wide-open sales of unhealthy foods in schools hasn't always been the norm. Back in the 1970s, Congress gave the Secretary of Agriculture the authority to set nutrition guidelines to make sure our child nutrition programs work. Congress intended for that authority to extend to all food sales throughout the school and for the entire school day. And this is what the regulations put forth by USDA did.

However, the courts subsequently struck that authority down—wrongly, in my opinion. As a result, USDA regulations only apply to foods sold in the school cafeteria and during mealtime rather than to the entire school and school day. This has left us with this crazy situation in which, rather than getting a decent meal in the school cafeteria at lunch, kids can instead just go to the vending machines in the hall for a soft drink and junk food.

I believe that Congress should reinstate the Secretary of Agriculture's authority to set nutritional standards for foods available anywhere on school grounds at any time of the day. The Secretary would then determine, after public comment, how to use that authority.

This bill takes a different approach, but one that I believe holds great promise for improving the dietary quality of foods sold in our Nation's schools.

First, it extends and expands the Fresh Fruit and Vegetable Program. Two years ago in the farm bill, we created a pilot program to provide free fresh and dried fruits and vegetables to children. The pilot covered 25 schools in each of 4 states and 7 schools on an Indian reservation. This program has been remarkably popular with the schools, but more importantly, with the students.

In a world in which grocery clerks may not know a radish from a rutabaga, it is encouraging to see elementary, middle school and high school students eating fruits and vegetables that they have never seen before and loving them.

This bill continues the fruit and vegetable program in the current states and expands it to 4 additional states and additional schools on Indian reservations. I would like to do more, but this is strong progress toward getting more fruits and vegetables in all schools across the Nation.

This bill also requires schools that participate in the National School Lunch or School Breakfast Programs to craft, with broad input from parents and others, plans that include goals for nutrition education, physical activity, and other activities to promote student wellness. The plans must also include nutrition guidelines for all foods sold in school.

This is not an attack on any particular type of food. Rather, school wellness policies, as required by this bill, pertain to healthy lifestyles more broadly and look at all foods in school, not just those in vending machines and snack bars. It does not mandate what foods can be offered or stipulate their content, but it does ask local schools to set standards that they believe are appropriate.

The bill also provides USDA with mandatory funds to help schools to establish their own local wellness policies. I wish that it provided more or this technical assistance, but it is a positive first step.

In my mind, these local wellness policies are a potentially revolutionary step towards improving our children's health. They provide real empowerment at the local school level. I look forward to seeing how schools endeavor to craft these policies and the effect that they have on school nutrition environments and children's health.

I also hope that, as schools work to craft their own wellness policies, they provide fertile ground for innovation and creative thinking. It is past time that all sectors of our society focus less on treating sickness, and focus more on promoting health and preventing obesity and chronic disease. This bill, in several ways, moves toward that goal and harnesses a potent force, our schools, in the efforts to be healthier as a country.

I thank my colleagues for their assistance and input on this important bill as well as for their support.

Mr. CRAPO. Mr. President, I ask unanimous consent that the Cochran amendment which is at the desk be agreed to, that the bill, as amended, be read a third time and passed, that the motions to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3474) was agreed to.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The bill (S. 2507) was read the third time and passed, as follows:

S. 2507

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Child Nutrition and WIC Reauthorization Act of 2004".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; Table of contents.

TITLE I—AMENDMENTS TO RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT

Sec. 101. Nutrition promotion.
Sec. 102. Nutrition requirements.
Sec. 103. Provision of information.
Sec. 104. Direct certification.
Sec. 105. Household applications.
Sec. 106. Duration of eligibility for free or reduced price meals.
Sec. 107. Runaway, homeless, and migrant youth.
Sec. 108. Certification by local educational agencies.
Sec. 109. Exclusion of military housing allowances.
Sec. 110. Waiver of requirement for weighted averages for nutrient analysis.
Sec. 111. Food safety.
Sec. 112. Purchases of locally produced foods.
Sec. 113. Special assistance.
Sec. 114. Food and nutrition projects integrated with elementary school curricula.
Sec. 115. Procurement training.
Sec. 116. Summer food service program for children.
Sec. 117. Commodity distribution program.
Sec. 118. Notice of irradiated food products.
Sec. 119. Child and adult care food program.
Sec. 120. Fresh fruit and vegetable program.
Sec. 121. Summer food service residential camp eligibility.
Sec. 122. Access to local foods and school gardens.
Sec. 123. Year-round services for eligible entities.
Sec. 124. Free lunch and breakfast eligibility.
Sec. 125. Training, technical assistance, and food service management institute.
Sec. 126. Administrative error reduction.
Sec. 127. Compliance and accountability.
Sec. 128. Information clearinghouse.
Sec. 129. Program evaluation.

TITLE II—AMENDMENTS TO CHILD NUTRITION ACT OF 1966

Sec. 201. Severe need assistance.
Sec. 202. State administrative expenses.
Sec. 203. Special supplemental nutrition program for women, infants, and children.
Sec. 204. Local wellness policy.
Sec. 205. Team nutrition network.
Sec. 206. Review of best practices in the breakfast program.

TITLE III—COMMODITY DISTRIBUTION PROGRAMS

Sec. 301. Commodity distribution programs.

TITLE IV—MISCELLANEOUS

Sec. 401. Sense of Congress regarding efforts to prevent and reduce childhood obesity.

TITLE V—IMPLEMENTATION

Sec. 501. Guidance and regulations.
Sec. 502. Effective dates.

TITLE I—AMENDMENTS TO RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT

SEC. 101. NUTRITION PROMOTION.

The Richard B. Russell National School Lunch Act is amended by inserting after section 4 (42 U.S.C. 1753) the following:

"SEC. 5. NUTRITION PROMOTION.

"(a) IN GENERAL.—Subject to the availability of funds made available under subsection (g), the Secretary shall make payments to State agencies for each fiscal year, in accordance with this section, to promote nutrition in food service programs under this Act and the school breakfast program established under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(b) TOTAL AMOUNT FOR EACH FISCAL YEAR.—The total amount of funds available for a fiscal year for payments under this section shall equal not more than the product obtained by multiplying—

"(1) ½ cent; by

"(2) the number of lunches reimbursed through food service programs under this Act during the second preceding fiscal year in schools, institutions, and service institutions that participate in the food service programs.

"(c) PAYMENTS TO STATES.—

"(1) ALLOCATION.—Subject to paragraph (2), from the amount of funds available under subsection (g) for a fiscal year, the Secretary shall allocate to each State agency an amount equal to the greater of—

"(A) a uniform base amount established by the Secretary; or

"(B) an amount determined by the Secretary, based on the ratio that—

"(i) the number of lunches reimbursed through food service programs under this Act in schools, institutions, and service institutions in the State that participate in the food service programs; bears to

"(ii) the number of lunches reimbursed through the food service programs in schools, institutions, and service institutions in all States that participate in the food service programs.

"(2) REDUCTIONS.—The Secretary shall reduce allocations to State agencies qualifying for an allocation under paragraph (1)(B), in a manner determined by the Secretary, to the extent necessary to ensure that the total amount of funds allocated under paragraph (1) is not greater than the amount appropriated under subsection (g).

"(d) USE OF PAYMENTS.—

"(1) USE BY STATE AGENCIES.—A State agency may reserve, to support dissemination and use of nutrition messages and material developed by the Secretary, up to—

"(A) 5 percent of the payment received by the State for a fiscal year under subsection (c); or

"(B) in the case of a small State (as determined by the Secretary), a higher percentage (as determined by the Secretary) of the payment.

"(2) DISBURSEMENT TO SCHOOLS AND INSTITUTIONS.—Subject to paragraph (3), the State agency shall disburse any remaining amount of the payment to school food authorities and institutions participating in food service programs described in subsection (a) to disseminate and use nutrition messages and material developed by the Secretary.

"(3) SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.—In addition to any amounts reserved under paragraph (1), in the case of the summer food service program for children established under section 13, the State agency may—

"(A) retain a portion of the funds made available under subsection (c) (as determined by the Secretary); and

"(B) use the funds, in connection with the program, to disseminate and use nutrition messages and material developed by the Secretary.

"(e) DOCUMENTATION.—A State agency, school food authority, and institution receiving funds under this section shall maintain documentation of nutrition promotion activities conducted under this section.

"(f) REALLOCATION.—The Secretary may reallocate, to carry out this section, any amounts made available to carry out this section that are not obligated or expended, as determined by the Secretary.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section, to remain available until expended.".

SEC. 102. NUTRITION REQUIREMENTS.

Section 9(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(a)) is amended by striking paragraph (2) and inserting the following:

"(2) FLUID MILK.—

"(A) IN GENERAL.—Lunches served by schools participating in the school lunch program under this Act—

"(i) shall offer students fluid milk in a variety of fat contents;

"(ii) may offer students flavored and unflavored fluid milk and lactose-free fluid milk; and

"(iii) shall provide a substitute for fluid milk for students whose disability restricts their diet, on receipt of a written statement from a licensed physician that identifies the disability that restricts the student's diet and that specifies the substitute for fluid milk.

"(B) SUBSTITUTES.—

"(i) STANDARDS FOR SUBSTITUTION.—A school may substitute for the fluid milk provided under subparagraph (A), a nondairy beverage that is nutritionally equivalent to fluid milk and meets nutritional standards established by the Secretary (which shall, among other requirements to be determined by the Secretary, include fortification of calcium, protein, vitamin A, and vitamin D to levels found in cow's milk) for students who cannot consume fluid milk because of a medical or other special dietary need other than a disability described in subparagraph (A)(iii).

"(ii) NOTICE.—The substitutions may be made if the school notifies the State agency that the school is implementing a variation allowed under this subparagraph, and if the substitution is requested by written statement of a medical authority or by a student's parent or legal guardian that identifies the medical or other special dietary need that restricts the student's diet, except that the school shall not be required to provide beverages other than beverages the school has identified as acceptable substitutes.

"(iii) EXCESS EXPENSES BORNE BY SCHOOL FOOD AUTHORITY.—Expenses incurred in providing substitutions under this subparagraph that are in excess of expenses covered by reimbursements under this Act shall be paid by the school food authority.

"(C) RESTRICTIONS ON SALE OF MILK PROHIBITED.—A school that participates in the school lunch program under this Act shall not directly or indirectly restrict the sale or marketing of fluid milk products by the school (or by a person approved by the school) at any time or any place—

"(i) on the school premises; or

"(ii) at any school-sponsored event.".

SEC. 103. PROVISION OF INFORMATION.

Section 9(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(a)) is amended by adding at the end the following:

“(4) PROVISION OF INFORMATION.—

“(A) GUIDANCE.—Prior to the beginning of the school year beginning July 2004, the Secretary shall issue guidance to States and school food authorities to increase the consumption of foods and food ingredients that are recommended for increased serving consumption in the most recent Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341).

“(B) RULES.—Not later than 2 years after the date of enactment of this paragraph, the Secretary shall promulgate rules, based on the most recent Dietary Guidelines for Americans, that reflect specific recommendations, expressed in serving recommendations, for increased consumption of foods and food ingredients offered in school nutrition programs under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).”.

SEC. 104. DIRECT CERTIFICATION.

(a) IN GENERAL.—Section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) is amended—

(1) by redesignating paragraphs (3) through (7) as paragraphs (9) through (13), respectively; and

(2) in paragraph (2)—

(A) in subparagraph (B)—

(i) by striking “(B) Applications” and inserting the following:

“(B) APPLICATIONS AND DESCRIPTIVE MATERIAL.—

“(i) IN GENERAL.—Applications”;

(ii) in the second sentence, by striking “Such forms and descriptive material” and inserting the following:

“(ii) INCOME ELIGIBILITY GUIDELINES.—Forms and descriptive material distributed in accordance with clause (i)”; and

(iii) by adding at the end the following:

“(iii) CONTENTS OF DESCRIPTIVE MATERIAL.—

“(I) IN GENERAL.—Descriptive material distributed in accordance with clause (i) shall contain a notification that—

“(aa) participants in the programs listed in subclause (II) may be eligible for free or reduced price meals; and

“(bb) documentation may be requested for verification of eligibility for free or reduced price meals.

“(II) PROGRAMS.—The programs referred to in subclause (I)(aa) are—

“(aa) the special supplemental nutrition program for women, infants, and children established by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

“(bb) the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

“(cc) the food distribution program on Indian reservations established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)); and

“(dd) a State program funded under the program of block grants to States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).”;

(B) by striking “(C)(i)” and inserting “(3)”; and

(C) by striking clause (ii) of subparagraph (C) (as it existed before the amendment made by subparagraph (B)) and all that follows through the end of subparagraph (D) and inserting the following:

“(4) DIRECT CERTIFICATION FOR CHILDREN IN FOOD STAMP HOUSEHOLDS.—

“(A) IN GENERAL.—Subject to subparagraph (D), each State agency shall enter into an agreement with the State agency conducting eligibility determinations for the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

“(B) PROCEDURES.—Subject to paragraph (6), the agreement shall establish procedures under which a child who is a member of a household receiving assistance under the food stamp program shall be certified as eligible for free lunches under this Act and free breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), without further application.

“(C) CERTIFICATION.—Subject to paragraph (6), under the agreement, the local educational agency conducting eligibility determinations for a school lunch program under this Act and a school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall certify a child who is a member of a household receiving assistance under the food stamp program as eligible for free lunches under this Act and free breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), without further application.

“(D) APPLICABILITY.—This paragraph applies to—

“(i) in the case of the school year beginning July 2006, a school district that had an enrollment of 25,000 students or more in the preceding school year;

“(ii) in the case of the school year beginning July 2007, a school district that had an enrollment of 10,000 students or more in the preceding school year; and

“(iii) in the case of the school year beginning July 2008 and each subsequent school year, each local educational agency.”.

(b) ADMINISTRATION.—

(1) IN GENERAL.—Section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) (as amended by subsection (a)) is amended by inserting after paragraph (4) the following:

“(5) DISCRETIONARY CERTIFICATION.—

“(A) IN GENERAL.—Subject to paragraph (6), any local educational agency may certify any child as eligible for free lunches or breakfasts, without further application, by directly communicating with the appropriate State or local agency to obtain documentation of the status of the child as—

“(i) a member of a family that is receiving assistance under the temporary assistance for needy families program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995;

“(ii) a homeless child or youth (defined as 1 of the individuals described in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2));

“(iii) served by the runaway and homeless youth grant program established under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.); or

“(iv) a migratory child (as defined in section 1309 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6399)).”.

“(B) CHILDREN OF HOUSEHOLDS RECEIVING FOOD STAMPS.—Subject to paragraph (6), any local educational agency may certify any child as eligible for free lunches or breakfasts, without further application, by directly communicating with the appropriate State or local agency to obtain documentation of the status of the child as a member of a household that is receiving food stamps under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

“(6) USE OR DISCLOSURE OF INFORMATION.—

“(A) IN GENERAL.—The use or disclosure of any information obtained from an application for free or reduced price meals, or from a State or local agency referred to in paragraph (3)(F), (4), or (5), shall be limited to—

“(i) a person directly connected with the administration or enforcement of this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) (including a regulation promulgated under either Act);

“(ii) a person directly connected with the administration or enforcement of—

“(I) a Federal education program;

“(II) a State health or education program administered by the State or local educational agency (other than a program carried out under title XIX or XXI of the Social Security Act (42 U.S.C. 1396 et seq.; 42 U.S.C. 1397aa et seq.)); or

“(III) a Federal, State, or local means-tested nutrition program with eligibility standards comparable to the school lunch program under this Act;

“(iii)(I) the Comptroller General of the United States for audit and examination authorized by any other provision of law; and

“(II) notwithstanding any other provision of law, a Federal, State, or local law enforcement official for the purpose of investigating an alleged violation of any program covered by this paragraph or paragraph (3)(F), (4), or (5);

“(iv) a person directly connected with the administration of the State medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) or the State children's health insurance program under title XXI of that Act (42 U.S.C. 1397aa et seq.) solely for the purposes of—

“(I) identifying children eligible for benefits under, and enrolling children in, those programs, except that this subclause shall apply only to the extent that the State and the local educational agency or school food authority so elect; and

“(II) verifying the eligibility of children for programs under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); and

“(v) a third party contractor described in paragraph (3)(G)(iv).

“(B) LIMITATION ON INFORMATION PROVIDED.—Information provided under clause (ii) or (v) of subparagraph (A) shall be limited to the income eligibility status of the child for whom application for free or reduced price meal benefits is made or for whom eligibility information is provided under paragraph (3)(F), (4), or (5), unless the consent of the parent or guardian of the child for whom application for benefits was made is obtained.

“(C) CRIMINAL PENALTY.—A person described in subparagraph (A) who publishes, divulges, discloses, or makes known in any manner, or to any extent not authorized by Federal law (including a regulation), any information obtained under this subsection shall be fined not more than $1,000 or imprisoned not more than 1 year, or both.

“(D) REQUIREMENTS FOR WAIVER OF CONFIDENTIALITY.—A State that elects to exercise the option described in subparagraph (A)(iv)(I) shall ensure that any local educational agency or school food authority acting in accordance with that option—

“(i) has a written agreement with 1 or more State or local agencies administering health programs for children under titles XIX and XXI of the Social Security Act (42 U.S.C. 1396 et seq. and 1397aa et seq.) that requires the health agencies to use the information obtained under subparagraph (A) to seek to enroll children in those health programs; and "(ii)(I) notifies each household, the information of which shall be disclosed under subparagraph (A), that the information disclosed will be used only to enroll children in health programs referred to in subparagraph (A)(iv); and

"(II) provides each parent or guardian of a child in the household with an opportunity to elect not to have the information disclosed.

"(E) Use of disclosed information.—A person to which information is disclosed under subparagraph (A)(iv)(I) shall use or disclose the information only as necessary for the purpose of enrolling children in health programs referred to in subparagraph (A)(iv).

"(7) Free and reduced price policy statement.—

"(A) In general.—After the initial submission, a local educational agency shall not be required to submit a free and reduced price policy statement to a State educational agency under this Act unless there is a substantive change in the free and reduced price policy of the local educational agency.

"(B) Routine change.—A routine change in the policy of a local educational agency (such as an annual adjustment of the income eligibility guidelines for free and reduced price meals) shall not be sufficient cause for requiring the local educational agency to submit a policy statement.

"(8) Communications.—

"(A) In general.—Any communication with a household under this subsection or subsection (d) shall be in an understandable and uniform format and, to the maximum extent practicable, in a language that parents and legal guardians can understand.

"(B) Electronic availability.—In addition to the distribution of applications and descriptive material in paper form as provided for in this paragraph, the applications and material may be made available electronically via the Internet.".

(2) Agreement for direct certification and cooperation.—Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) is amended by adding at the end the following:

"(u) Agreement for Direct Certification and Cooperation.—

"(1) In general.—Each State agency shall enter into an agreement with the State agency administering the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

"(2) Contents.—The agreement shall establish procedures that ensure that—

"(A) any child receiving benefits under this Act shall be certified as eligible for free lunches under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and free breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), without further application; and

"(B) each State agency shall cooperate in carrying out paragraphs (3)(F) and (4) of section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)).".

(c) Funding.—

(1) In general.—On October 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to assist States in carrying out the amendments contained in this section and the provisions of section 9(b)(3) of the Richard B. Russell National School Lunch Act (as amended by section 105(a)) $9,000,000, to remain available until expended.

(2) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to assist States in carrying out the amendments made by this section and the provisions of section 9(b)(3) of the Richard B. Russell National School Lunch Act (as amended by section 105(a)) the funds transferred under paragraph (1), without further appropriation.

(d) Conforming Amendments.—

(1) Effective July 1, 2008, paragraph (5) of section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) (as added by subsection (b)(1)) is amended—

(A) by striking subparagraph (B);

(B) by striking "CERTIFICATION.—" and all that follows through "IN GENERAL.—" and inserting "CERTIFICATION.—"; and

(C) by redesignating clauses (i) through (iv) as subparagraphs (A) through (D), respectively, and indenting appropriately.

(2) Section 9 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758) (as amended by subsection (a)(1)) is amended—

(A) in subsection (b)(12)(B), by striking "paragraph (2)(C)" and inserting "this subsection"; and

(B) in the second sentence of subsection (d)(1), by striking "subsection (b)(2)(C)" and inserting "subsection (b)(3)(G)".

(3) Section 11(e) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(e)) is amended in the first sentence by striking "section 9(b)(3)" and inserting "section 9(b)(9)".

SEC. 105. HOUSEHOLD APPLICATIONS.

(a) In General.—Section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) (as amended by section 104(a)(2)(B)) is amended by striking paragraph (3) and inserting the following:

"(3) Household applications.—

"(A) Definition of household application.—In this paragraph, the term 'household application' means an application for a child of a household to receive free or reduced price school lunches under this Act, or free or reduced price school breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), for which an eligibility determination is made other than under paragraph (4) or (5).

"(B) Eligibility determination.—

"(i) In general.—An eligibility determination shall be made on the basis of a complete household application executed by an adult member of the household or in accordance with guidance issued by the Secretary.

"(ii) Electronic signatures and applications.—A household application may be executed using an electronic signature if—

"(I) the application is submitted electronically; and

"(II) the electronic application filing system meets confidentiality standards established by the Secretary.

"(C) Children in household.—

"(i) In general.—The household application shall identify the names of each child in the household for whom meal benefits are requested.

"(ii) Separate applications.—A State educational agency or local educational agency may not request a separate application for each child in the household that attends schools under the same local educational agency.

"(D) Verification of sample.—

"(i) Definitions.—In this subparagraph:

"(I) Error prone application.—The term 'error prone application' means an approved household application that—

"(aa) indicates monthly income that is within $100, or an annual income that is within $1,200, of the income eligibility limitation for free or reduced price meals; or

"(bb) in lieu of the criteria established under item (aa), meets criteria established by the Secretary.

"(II) Non-response rate.—The term 'non-response rate' means (in accordance with guidelines established by the Secretary) the percentage of approved household applications for which verification information has not been obtained by a local educational agency after attempted verification under subparagraphs (F) and (G).

"(ii) Verification of sample.—Each school year, a local educational agency shall verify eligibility of the children in a sample of household applications approved for the school year by the local educational agency, as determined by the Secretary in accordance with this subsection.

"(iii) Sample size.—Except as otherwise provided in this paragraph, the sample for a local educational agency for a school year shall equal the lesser of—

"(I) 3 percent of all applications approved by the local educational agency for the school year, as of October 1 of the school year, selected from error prone applications; or

"(II) 3,000 error prone applications approved by the local educational agency for the school year, as of October 1 of the school year.

"(iv) Alternative sample size.—

"(I) In general.—If the conditions described in subclause (IV) are met, the verification sample size for a local educational agency shall be the sample size described in subclause (II) or (III), as determined by the local educational agency.

"(II) 3,000/3 percent option.—The sample size described in this subclause shall be the lesser of 3,000, or 3 percent of, applications selected at random from applications approved by the local educational agency for the school year, as of October 1 of the school year.

"(III) 1,000/1 percent plus option.—

"(aa) In general.—The sample size described in this subclause shall be the sum of—

"(AA) the lesser of 1,000, or 1 percent of, all applications approved by the local educational agency for the school year, as of October 1 of the school year, selected from error prone applications; and

"(BB) the lesser of 500, or ½ of 1 percent of, applications approved by the local educational agency for the school year, as of October 1 of the school year, that provide a case number (in lieu of income information) showing participation in a program described in item (bb) selected from those approved applications that provide a case number (in lieu of income information) verifying the participation.

"(bb) Programs.—The programs described in this item are—

"(AA) the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

"(BB) the food distribution program on Indian reservations established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)); and

"(CC) a State program funded under the program of block grants to States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995.

“(IV) Conditions.—The conditions referred to in subclause (I) shall be met for a local educational agency for a school year if—

“(aa) the nonresponse rate for the local educational agency for the preceding school year is less than 20 percent; or

“(bb) the local educational agency has more than 20,000 children approved by application by the local educational agency as eligible for free or reduced price meals for the school year, as of October 1 of the school year, and—

“(AA) the nonresponse rate for the preceding school year is at least 10 percent below the nonresponse rate for the second preceding school year; or

“(BB) in the case of the school year beginning July 2005, the local educational agency attempts to verify all approved household applications selected for verification through use of public agency records from at least 2 of the programs or sources of information described in subparagraph (F)(i).

“(v) Additional selected applications.—A sample for a local educational agency for a school year under clauses (iii) and (iv)(III)(AA) shall include the number of additional randomly selected approved household applications that are required to comply with the sample size requirements in those clauses.

“(E) Preliminary review.—

“(i) Review for accuracy.—

“(I) In general.—Prior to conducting any other verification activity for approved household applications selected for verification, the local educational agency shall ensure that the initial eligibility determination for each approved household application is reviewed for accuracy by an individual other than the individual making the initial eligibility determination, unless otherwise determined by the Secretary.

“(II) Waiver.—The requirements of subclause (I) shall be waived for a local educational agency if the local educational agency is using a technology-based solution that demonstrates a high level of accuracy, to the satisfaction of the Secretary, in processing an initial eligibility determination in accordance with the income eligibility guidelines of the school lunch program.

“(ii) Correct eligibility determination.—If the review indicates that the initial eligibility determination is correct, the local educational agency shall verify the approved household application.

“(iii) Incorrect eligibility determination.—If the review indicates that the initial eligibility determination is incorrect, the local educational agency shall (as determined by the Secretary)—

“(I) correct the eligibility status of the household;

“(II) notify the household of the change;

“(III) in any case in which the review indicates that the household is not eligible for free or reduced-price meals, notify the household of the reason for the ineligibility and that the household may reapply with income documentation for free or reduced-price meals; and

“(IV) in any case in which the review indicates that the household is eligible for free or reduced-price meals, verify the approved household application.

“(F) Direct verification.—

“(i) In general.—Subject to clauses (ii) and (iii), to verify eligibility for free or reduced price meals for approved household applications selected for verification, the local educational agency may (in accordance with criteria established by the Secretary) first obtain and use income and program participation information from a public agency administering—

“(I) the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

“(II) the food distribution program on Indian reservations established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b));

“(III) the temporary assistance for needy families program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

“(IV) the State medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.); or

“(V) a similar income-tested program or other source of information, as determined by the Secretary.

“(ii) Free meals.—Public agency records that may be obtained and used under clause (i) to verify eligibility for free meals for approved household applications selected for verification shall include the most recent available information (other than information reflecting program participation or income before the 180-day period ending on the date of application for free meals) that is relied on to administer—

“(I) a program or source of information described in clause (i) (other than clause (i)(IV)); or

“(II) the State plan for medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) in—

“(aa) a State in which the income eligibility limit applied under section 1902(l)(2)(C) of that Act (42 U.S.C. 1396a(l)(2)(C)) is not more than 133 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(l)(2)(A)); or

“(bb) a State that otherwise identifies households that have income that is not more than 133 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(l)(2)(A)).

“(iii) Reduced price meals.—Public agency records that may be obtained and used under clause (i) to verify eligibility for reduced price meals for approved household applications selected for verification shall include the most recent available information (other than information reflecting program participation or income before the 180-day period ending on the date of application for reduced price meals) that is relied on to administer—

“(I) a program or source of information described in clause (i) (other than clause (i)(IV)); or

“(II) the State plan for medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) in—

“(aa) a State in which the income eligibility limit applied under section 1902(l)(2)(C) of that Act (42 U.S.C. 1396a(l)(2)(C)) is not more than 185 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(l)(2)(A)); or

“(bb) a State that otherwise identifies households that have income that is not more than 185 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(l)(2)(A)).

“(iv) Evaluation.—Not later than 3 years after the date of enactment of this subparagraph, the Secretary shall complete an evaluation of—

“(I) the effectiveness of direct verification carried out under this subparagraph in decreasing the portion of the verification sample that must be verified under subparagraph (G) while ensuring that adequate verification information is obtained; and

“(II) the feasibility of direct verification by State agencies and local educational agencies.

“(v) Expanded use of direct verification.—If the Secretary determines that direct verification significantly decreases the portion of the verification sample that must be verified under subparagraph (G), while ensuring that adequate verification information is obtained, and can be conducted by most State agencies and local educational agencies, the Secretary may require a State agency or local educational agency to implement direct verification through 1 or more of the programs described in clause (i), as determined by the Secretary, unless the State agency or local educational agency demonstrates (under criteria established by the Secretary) that the State agency or local educational agency lacks the capacity to conduct, or is unable to implement, direct verification.

“(G) Household verification.—

“(i) In general.—If an approved household application is not verified through the use of public agency records, a local educational agency shall provide to the household written notice that—

“(I) the approved household application has been selected for verification; and

“(II) the household is required to submit verification information to confirm eligibility for free or reduced price meals.

“(ii) Phone number.—The written notice in clause (i) shall include a toll-free phone number that parents and legal guardians in households selected for verification can call for assistance with the verification process.

“(iii) Followup activities.—If a household does not respond to a verification request, a local educational agency shall make at least 1 attempt to obtain the necessary verification from the household in accordance with guidelines and regulations promulgated by the Secretary.

“(iv) Contract authority for school food authorities.—A local educational agency may contract (under standards established by the Secretary) with a third party to assist the local educational agency in carrying out clause (iii).

“(H) Verification deadline.—

“(i) General deadline.—

“(I) In general.—Subject to subclause (II), not later than November 15 of each school year, a local educational agency shall complete the verification activities required for the school year (including followup activities).

“(II) Extension.—Under criteria established by the Secretary, a State may extend the deadline established under subclause (I) for a school year for a local educational agency to December 15 of the school year.

“(ii) Eligibility changes.—Based on the verification activities, the local educational agency shall make appropriate modifications to the eligibility determinations made for household applications in accordance with criteria established by the Secretary.

“(I) Local conditions.—In the case of a natural disaster, civil disorder, strike, or other local condition (as determined by the Secretary), the Secretary may substitute alternatives for—

“(i) the sample size and sample selection criteria established under subparagraph (D); and

“(ii) the verification deadline established under subparagraph (H).

“(J) Individual review.—In accordance with criteria established by the Secretary, the local educational agency may, on individual review—

"(i) decline to verify no more than 5 percent of approved household applications selected under subparagraph (D); and

"(ii) replace the approved household applications with other approved household applications to be verified.

"(K) FEASIBILITY STUDY.—

"(i) IN GENERAL.—The Secretary shall conduct a study of the feasibility of using computer technology (including data mining) to reduce—

"(I) overcertification errors in the school lunch program under this Act;

"(II) waste, fraud, and abuse in connection with this paragraph; and

"(III) errors, waste, fraud, and abuse in other nutrition programs, as determined to be appropriate by the Secretary.

"(ii) REPORT.—Not later than 180 days after the date of enactment of this paragraph, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing—

"(I) the results of the feasibility study conducted under this subsection;

"(II) how a computer system using technology described in clause (i) could be implemented;

"(III) a plan for implementation; and

"(IV) proposed legislation, if necessary, to implement the system.".

(b) CONFORMING AMENDMENTS.—Section 1902(a)(7) of the Social Security Act (42 U.S.C. 1396a(a)(7)) is amended—

(1) by striking "connected with the" and inserting "connected with—

"(A) the";

(2) by adding "and" after the semicolon; and

(3) by adding at the end the following:

"(B) at State option, the exchange of information necessary to verify the certification of eligibility of children for free or reduced price breakfasts under the Child Nutrition Act of 1966 and free or reduced price lunches under the Richard B. Russell National School Lunch Act, in accordance with section 9(b) of that Act, using data standards and formats established by the State agency;".

(c) EVALUATION FUNDING.—

(1) IN GENERAL.—On October 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to conduct the evaluation required by section 9(b)(3)(F)(iv) of the Richard B. Russell National School Lunch Act (as amended by subsection (a)) $2,000,000, to remain available until expended.

(2) RECEIPT AND ACCEPTANCE.—The Secretary of Agriculture shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under paragraph (1), without further appropriation.

SEC. 106. DURATION OF ELIGIBILITY FOR FREE OR REDUCED PRICE MEALS.

Paragraph (9) of section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C.1758(b)) (as redesignated by section 104(a)(1)) is amended—

(1) by striking "(9) Any" and inserting the following:

"(9) ELIGIBILITY FOR FREE AND REDUCED PRICE LUNCHES.—

"(A) FREE LUNCHES.—Any";

(2) by striking "Any" in the second sentence and inserting the following:

"(B) REDUCED PRICE LUNCHES.—

"(i) IN GENERAL.—Any";

(3) by striking "The" in the last sentence and inserting the following:

"(ii) MAXIMUM PRICE.—The"; and

(4) by adding at the end the following:

"(C) DURATION.—Except as otherwise specified in paragraph (3)(E), (3)(H)(ii), and section 11(a), eligibility for free or reduced price meals for any school year shall remain in effect—

"(i) beginning on the date of eligibility approval for the current school year; and

"(ii) ending on a date during the subsequent school year determined by the Secretary.".

SEC. 107. RUNAWAY, HOMELESS, AND MIGRANT YOUTH.

(a) CATEGORICAL ELIGIBILITY FOR FREE LUNCHES AND BREAKFASTS.—Section 9(b)(12)(A) of the Richard B. Russell National School Lunch Act (as redesignated by section 104(a)(1) of this Act) is amended—

(1) in clause (ii), by striking "or" at the end;

(2) in clause (iii), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(iv) a homeless child or youth (defined as 1 of the individuals described in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2));

"(v) served by the runaway and homeless youth grant program established under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.); or

"(vi) a migratory child (as defined in section 1309 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6399)).".

(b) DOCUMENTATION.—Section 9(d)(2) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(d)(2)) is amended—

(1) in subparagraph (B), by striking "or";

(2) in subparagraph (C), by striking the period at the end and inserting a semicolon; and

(3) by inserting after subparagraph (C) the following:

"(D) documentation has been provided to the appropriate local educational agency showing that the child meets the criteria specified in clauses (iv) or (v) of subsection (b)(12)(A); or

"(E) documentation has been provided to the appropriate local educational agency showing the status of the child as a migratory child (as defined in section 1309 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6399)).".

SEC. 108. CERTIFICATION BY LOCAL EDUCATIONAL AGENCIES.

(a) CERTIFICATION BY LOCAL EDUCATIONAL AGENCY.—Section 9 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758) is amended—

(1) in the second sentence of subsection (b)(11) (as redesignated by section 104(a)(1)), by striking "Local school authorities" and inserting "Local educational agencies"; and

(2) in subsection (d)(2)—

(A) by striking "local school food authority" each place it appears and inserting "local educational agency"; and

(B) in subparagraph (A), by striking "such authority" and inserting "the local educational agency".

(b) DEFINITION OF LOCAL EDUCATIONAL AGENCY.—Section 12(d) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760(d)) is amended—

(1) by redesignating paragraph (8) as paragraph (3) and moving the paragraph to appear after paragraph (2);

(2) by redesignating paragraphs (3) through (7) (as those paragraphs existed before the amendment made by paragraph (1)) as paragraphs (5) through (9), respectively; and

(3) by inserting after paragraph (3) (as redesignated by paragraph (1)) the following:

"(4) LOCAL EDUCATIONAL AGENCY.—

"(A) IN GENERAL.—The term 'local educational agency' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(B) INCLUSION.—The term 'local educational agency' includes, in the case of a private nonprofit school, an appropriate entity determined by the Secretary.".

(c) SCHOOL BREAKFAST PROGRAM.—Section 4(b)(1)(E)) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)(E)) is amended by striking "school food authority" each place it appears and inserting "local educational agency".

SEC. 109. EXCLUSION OF MILITARY HOUSING ALLOWANCES.

Section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) (as amended by section 104(a)(1)) is amended in paragraph (13) by striking "For each of fiscal years 2002 and 2003 and through June 30, 2004, the" and inserting "The".

SEC. 110. WAIVER OF REQUIREMENT FOR WEIGHTED AVERAGES FOR NUTRIENT ANALYSIS.

Section 9(f)(5) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(f)(5)) is amended by striking "September 30, 2003" and inserting "September 30, 2009".

SEC. 111. FOOD SAFETY.

Section 9(h) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(h)) is amended—

(1) in the subsection heading, by striking "INSPECTIONS";

(2) in paragraph (1)—

(A) by striking "Except as provided in paragraph (2), a" and inserting "A";

(B) by striking "shall, at least once" and inserting: "shall—

"(A) at least twice";

(C) by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

"(B) post in a publicly visible location a report on the most recent inspection conducted under subparagraph (A); and

"(C) on request, provide a copy of the report to a member of the public."; and

(3) by striking paragraph (2) and inserting the following:

"(2) STATE AND LOCAL GOVERNMENT INSPECTIONS.—Nothing in paragraph (1) prevents any State or local government from adopting or enforcing any requirement for more frequent food safety inspections of schools.

"(3) AUDITS AND REPORTS BY STATES.—For each of fiscal years 2006 through 2009, each State shall annually—

"(A) audit food safety inspections of schools conducted under paragraphs (1) and (2); and

"(B) submit to the Secretary a report of the results of the audit.

"(4) AUDIT BY THE SECRETARY.—For each of fiscal years 2006 through 2009, the Secretary shall annually audit State reports of food safety inspections of schools submitted under paragraph (3).

"(5) SCHOOL FOOD SAFETY PROGRAM.—Each school food authority shall implement a school food safety program, in the preparation and service of each meal served to children, that complies with any hazard analysis and critical control point system established by the Secretary.".

SEC. 112. PURCHASES OF LOCALLY PRODUCED FOODS.

Section 9(j)(2)(A) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(j)(2)(A)) is amended by striking "2007" and inserting "2009".

SEC. 113. SPECIAL ASSISTANCE.

Section 11(a)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(a)(1)) is amended by inserting "or school district" after "school" each place it appears in subparagraphs (C) through (E) (other than as part of "school year", "school years", "school lunch", "school breakfast", and "4-school-year period").

SEC. 114. FOOD AND NUTRITION PROJECTS INTEGRATED WITH ELEMENTARY SCHOOL CURRICULA.

Section 12 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760) is amended by striking subsection (m).

SEC. 115. PROCUREMENT TRAINING.

Section 12 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760) (as amended by section 114) is amended by inserting after subsection (l) the following:

"(m) Procurement Training.—

"(1) In general.—Subject to the availability of funds made available under paragraph (4), the Secretary shall provide technical assistance and training to States, State agencies, schools, and school food authorities in the procurement of goods and services for programs under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) (other than section 17 of that Act (42 U.S.C. 1786)).

"(2) Buy American training.—Activities carried out under paragraph (1) shall include technical assistance and training to ensure compliance with subsection (n).

"(3) Procuring safe foods.—Activities carried out under paragraph (1) shall include technical assistance and training on procuring safe foods, including the use of model specifications for procuring safe foods.

"(4) Authorization of appropriations.—There is authorized to be appropriated to carry out this subsection $1,000,000 for each of fiscal years 2005 through 2009, to remain available until expended.".

SEC. 116. SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.

(a) Seamless Summer Option.—Section 13(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(a)) is amended by adding at the end the following:

"(8) Seamless summer option.—Except as otherwise determined by the Secretary, a service institution that is a public or private nonprofit school food authority may provide summer or school vacation food service in accordance with applicable provisions of law governing the school lunch program established under this Act or the school breakfast program established under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).".

(b) Seamless Summer Reimbursements.—Section 13(b)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(b)(1)) is amended by adding at the end the following:

"(D) Seamless summer reimbursements.—A service institution described in subsection (a)(8) shall be reimbursed for meals and meal supplements in accordance with the applicable provisions under this Act (other than subparagraphs (A), (B), and (C) of this paragraph and paragraph (4)) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), as determined by the Secretary.".

(c) Summer Food Service Eligibility Criteria.—Section 13(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(a)) (as amended by subsection (a)) is amended by adding at the end the following—

"(9) Exemption.—

"(A) In general.—For each of calendar years 2005 and 2006 in rural areas of the State of Pennsylvania (as determined by the Secretary), the threshold for determining 'areas in which poor economic conditions exist' under paragraph (1)(C) shall be 40 percent.

"(B) Evaluation.—

"(i) In general.—The Secretary, acting through the Administrator of the Food and Nutrition Service, shall evaluate the impact of the eligibility criteria described in subparagraph (A) as compared to the eligibility criteria described in paragraph (1)(C).

"(ii) Impact.—The evaluation shall assess the impact of the threshold in subparagraph (A) on—

"(I) the number of sponsors offering meals through the summer food service program;

"(II) the number of sites offering meals through the summer food service program;

"(III) the geographic location of the sites;

"(IV) services provided to eligible children; and

"(V) other factors determined by the Secretary.

"(iii) Report.—Not later than January 1, 2008, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the evaluation under this subparagraph.

"(iv) Funding.—

"(I) In general.—On January 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subparagraph $400,000, to remain available until expended.

"(II) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subparagraph the funds transferred under subclause (I), without further appropriation.".

(d) Summer Food Service Rural Transportation.—Section 13(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(a)) (as amended by subsection (c)) is amended by adding at the end the following:

"(10) Summer food service rural transportation.—

"(A) In general.—The Secretary shall provide grants, through not more than 5 eligible State agencies selected by the Secretary, to not more than 60 eligible service institutions selected by the Secretary to increase participation at congregate feeding sites in the summer food service program for children authorized by this section through innovative approaches to limited transportation in rural areas.

"(B) Eligibility.—To be eligible to receive a grant under this paragraph—

"(i) a State agency shall submit an application to the Secretary, in such manner as the Secretary shall establish, and meet criteria established by the Secretary; and

"(ii) a service institution shall agree to the terms and conditions of the grant, as established by the Secretary.

"(C) Duration.—A service institution that receives a grant under this paragraph may use the grant funds during the 3-fiscal year period beginning in fiscal year 2005.

"(D) Reports.—The Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate—

"(i) not later than January 1, 2007, an interim report that describes—

"(I) the use of funds made available under this paragraph; and

"(II) any progress made by using funds from each grant provided under this paragraph; and

"(ii) not later than January 1, 2008, a final report that describes—

"(I) the use of funds made available under this paragraph;

"(II) any progress made by using funds from each grant provided under this paragraph;

"(III) the impact of this paragraph on participation in the summer food service program for children authorized by this section; and

"(IV) any recommendations by the Secretary concerning the activities of the service institutions receiving grants under this paragraph.

"(E) Funding.—

"(i) In general.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this paragraph—

"(I) on October 1, 2005, $2,000,000; and

"(II) on October 1, 2006, and October 1, 2007, $1,000,000.

"(ii) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this paragraph the funds transferred under clause (i), without further appropriation.

"(iii) Availability of funds.—Funds transferred under clause (i) shall remain available until expended.

"(iv) Reallocation.—The Secretary may reallocate any amounts made available to carry out this paragraph that are not obligated or expended, as determined by the Secretary.".

(e) Reauthorization.—Section 13(q) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(q)) is amended by striking "June 30, 2004" and inserting "September 30, 2009".

(f) Simplified Summer Food Programs.—

(1) Definition of eligible state.—Section 18(f) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)) is amended by striking paragraph (1) and inserting the following:

"(1) Definition of eligible state.—In this subsection, the term 'eligible State' means—

"(A) a State participating in the program under this subsection as of May 1, 2004; and

"(B) a State in which (based on data available in April 2004)—

"(i) the percentage obtained by dividing—

"(I) the sum of—

"(aa) the average daily number of children attending the summer food service program in the State in July 2003; and

"(bb) the average daily number of children receiving free or reduced price meals under the school lunch program in the State in July 2003; by

"(II) the average daily number of children receiving free or reduced price meals under the school lunch program in the State in March 2003; is less than

"(ii) 66.67 percent of the percentage obtained by dividing—

"(I) the sum of—

"(aa) the average daily number of children attending the summer food service program in all States in July 2003; and

"(bb) the average daily number of children receiving free or reduced price meals under the school lunch program in all States in July 2003; by

"(II) the average daily number of children receiving free or reduced price meals under the school lunch program in all States in March 2003.".

(2) Duration.—Section 18(f)(2) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)(2)) is amended by striking

"During the period beginning October 1, 2000, and ending June 30, 2004, the" and inserting "The".

(3) PRIVATE NONPROFIT ORGANIZATIONS.—Section 18(f)(3) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)(3)) is amended in subparagraphs (A) and (B) by striking "(other than a service institution described in section 13(a)(7))" both places it appears.

(4) REPORT.—Section 18(f) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)) is amended by striking paragraph (6) and inserting the following:

"(6) REPORT.—Not later than April 30, 2007, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that includes—

"(A) the evaluations completed by the Secretary under paragraph (5); and

"(B) any recommendations of the Secretary concerning the programs.".

(5) CONFORMING AMENDMENTS.—Section 18(f) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)) is amended—

(A) by striking the subsection heading and inserting the following:

"(f) SIMPLIFIED SUMMER FOOD PROGRAMS.—";

(B) in paragraph (2)—

(i) by striking the paragraph heading and inserting the following:

"(2) PROGRAMS.—"; and

(ii) by striking "pilot project" and inserting "program";

(C) in subparagraph (A) and (B) of paragraph (3), by striking "pilot project" both places it appears and inserting "program"; and

(D) in paragraph (5)—

(i) in the paragraph heading by striking "PILOT PROJECTS" and inserting "PROGRAMS"; and

(ii) by striking "pilot project" each place it appears and inserting "program".

SEC. 117. COMMODITY DISTRIBUTION PROGRAM.

Section 14(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1762a(a)) is amended by striking ", during the period beginning July 1, 1974, and ending June 30, 2004,".

SEC. 118. NOTICE OF IRRADIATED FOOD PRODUCTS.

Section 14 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1762a) is amended by adding at the end the following:

"(h) NOTICE OF IRRADIATED FOOD PRODUCTS.—

"(1) IN GENERAL.—The Secretary shall develop a policy and establish procedures for the purchase and distribution of irradiated food products in school meals programs under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(2) MINIMUM REQUIREMENTS.—The policy and procedures shall ensure, at a minimum, that—

"(A) irradiated food products are made available only at the request of States and school food authorities;

"(B) reimbursements to schools for irradiated food products are equal to reimbursements to schools for food products that are not irradiated;

"(C) States and school food authorities are provided factual information on the science and evidence regarding irradiation technology, including—

"(i) notice that irradiation is not a substitute for safe food handling techniques; and

"(ii) any other similar information determined by the Secretary to be necessary to promote food safety in school meals programs;

"(D) States and school food authorities are provided model procedures for providing to school food authorities, parents, and students—

"(i) factual information on the science and evidence regarding irradiation technology; and

"(ii) any other similar information determined by the Secretary to be necessary to promote food safety in school meals;

"(E) irradiated food products distributed to the Federal school meals program under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) are labeled with a symbol or other printed notice that—

"(i) indicates that the product was irradiated; and

"(ii) is prominently displayed in a clear and understandable format on the container;

"(F) irradiated food products are not commingled in containers with food products that are not irradiated; and

"(G) schools that offer irradiated food products are encouraged to offer alternatives to irradiated food products as part of the meal plan used by the schools.".

SEC. 119. CHILD AND ADULT CARE FOOD PROGRAM.

(a) DEFINITION OF INSTITUTION.—

(1) IN GENERAL.—Section 17(a)(2)(B)(i) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(a)(2)(B)(i)) is amended by striking "during" and all that follows through "2004,".

(2) CONFORMING AMENDMENT.—Section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) is amended by striking subsection (p).

(b) DURATION OF DETERMINATION AS TIER I FAMILY OR GROUP DAY CARE HOME.—Section 17(f)(3)(E)(iii) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(f)(3)(E)(iii)) is amended by striking "3 years" and inserting "5 years".

(c) AUDITS.—Section 17(i) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(i)) is amended by striking "(i) The" and inserting the following:

"(i) AUDITS.—

"(1) DISREGARDS.—

"(A) IN GENERAL.—Subject to subparagraph (B), in conducting management evaluations, reviews, or audits under this section, the Secretary or a State agency may disregard any overpayment to an institution for a fiscal year if the total overpayment to the institution for the fiscal year does not exceed an amount that is consistent with the disregards allowed in other programs under this Act and recognizes the cost of collecting small claims, as determined by the Secretary.

"(B) CRIMINAL OR FRAUD VIOLATIONS.—In carrying out this paragraph, the Secretary and a State agency shall not disregard any overpayment for which there is evidence of a violation of a criminal law or civil fraud law.

"(2) FUNDING.—The".

(d) DURATION OF AGREEMENTS.—Section 17(j) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(j)) is amended—

(1) by striking "(j) The" and inserting the following:

"(j) AGREEMENTS.—

"(1) IN GENERAL.—The"; and

(2) by adding at the end the following:

"(2) DURATION.—An agreement under paragraph (1) shall remain in effect until terminated by either party to the agreement.".

(e) RURAL AREA ELIGIBILITY DETERMINATION FOR DAY CARE HOMES.—Section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) (as amended by subsection (a)(2)) is amended by inserting after subsection (o) the following:

"(p) RURAL AREA ELIGIBILITY DETERMINATION FOR DAY CARE HOMES.—

"(1) DEFINITION OF SELECTED TIER I FAMILY OR GROUP DAY CARE HOME.—In this subsection, the term 'selected tier I family or group day care home' means a family or group day home that meets the definition of tier I family or group day care home under subclause (I) of subsection (f)(3)(A)(ii) except that items (aa) and (bb) of that subclause shall be applied by substituting '40 percent' for '50 percent'.

"(2) ELIGIBILITY.—For each of fiscal years 2006 and 2007, in rural areas of the State of Nebraska (as determined by the Secretary), the Secretary shall provide reimbursement to selected tier I family or group day care homes (as defined in paragraph (1)) under subsection (f)(3) in the same manner as tier I family or group day care homes (as defined in subsection (f)(3)(A)(ii)(I)).

"(3) EVALUATION.—

"(A) IN GENERAL.—The Secretary, acting through the Administrator of the Food and Nutrition Service, shall evaluate the impact of the eligibility criteria described in paragraph (2) as compared to the eligibility criteria described in subsection (f)(3)(A)(ii)(I).

"(B) IMPACT.—The evaluation shall assess the impact of the change in eligibility requirements on—

"(i) the number of family or group day care homes offering meals under this section;

"(ii) the number of family or group day care homes offering meals under this section that are defined as tier I family or group day care homes as a result of paragraph (1) that otherwise would be defined as tier II family or group day care homes under subsection (f)(3)(A)(iii);

"(iii) the geographic location of the family or group day care homes;

"(iv) services provided to eligible children; and

"(v) other factors determined by the Secretary.

"(C) REPORT.—Not later than March 31, 2008, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the evaluation under this subsection.

"(D) FUNDING.—

"(i) IN GENERAL.—On October 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this paragraph $400,000, to remain available until expended.

"(ii) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this paragraph the funds transferred under clause (i), without further appropriation.".

(f) MANAGEMENT SUPPORT.—Section 17(q)(3) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(q)(3)) is amended by striking "1999 through 2003" and inserting "2005 and 2006".

(g) AGE LIMITS.—Section 17(t)(5)(A)(i) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(t)(5)(A)(i) is amended—

(1) in subclause (I)—

(A) by striking "12" and inserting "18"; and

(B) by inserting "or" after the semicolon;

(2) by striking subclause (II); and

(3) by redesignating subclause (III) as subclause (II).

(h) Technical Amendments.—Section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) is amended—

(1) in subsection (a)(6)(B), by inserting "and adult" after "child"; and

(2) in subsection (t)(3), by striking "subsection (a)(1)" and inserting "subsection (a)(5)".

(i) Paperwork Reduction.—The Secretary of Agriculture, in conjunction with States and participating institutions, shall examine the feasibility of reducing paperwork resulting from regulations and recordkeeping requirements for State agencies, family child care homes, child care centers, and sponsoring organizations participating in the child and adult care food program established under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766).

(j) Early Child Nutrition Education.—

(1) In general.—Subject to the availability of funds made available under paragraph (6), for a period of 4 successive years, the Secretary of Agriculture shall award to 1 or more entities with expertise in designing and implementing health education programs for limited-English-proficient individuals 1 or more grants to enhance obesity prevention activities for child care centers and sponsoring organizations providing services to limited-English-proficient individuals through the child and adult care food program under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) in each of 4 States selected by the Secretary in accordance with paragraph (2).

(2) States.—The Secretary shall provide grants under this subsection in States that have experienced a growth in the limited-English-proficient population of the States of at least 100 percent between the years 1990 and 2000, as measured by the census.

(3) Required activities.—Activities carried out under paragraph (1) shall include—

(A) developing an interactive and comprehensive tool kit for use by lay health educators and training activities;

(B) conducting training and providing ongoing technical assistance for lay health educators; and

(C) establishing collaborations with child care centers and sponsoring organizations participating in the child and adult care food program under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) to—

(i) identify limited-English-proficient children and families; and

(ii) enhance the capacity of the child care centers and sponsoring organizations to use appropriate obesity prevention strategies.

(4) Evaluation.—Each grant recipient shall identify an institution of higher education to conduct an independent evaluation of the effectiveness of the grant.

(5) Report.—The Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Health, Education, Labor, and Pensions, of the Senate a report that includes—

(A) the evaluation completed by the institution of higher education under paragraph (4);

(B) the effectiveness of lay health educators in reducing childhood obesity; and

(C) any recommendations of the Secretary concerning the grants.

(6) Authorization of appropriations.—There are authorized to be appropriated to carry out this subsection $250,000 for each of fiscal years 2005 through 2009.

SEC. 120. FRESH FRUIT AND VEGETABLE PROGRAM.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) is amended by striking subsection (g) and inserting the following:

"(g) Fresh Fruit and Vegetable Program.—

"(1) In general.—For the school year beginning July 2004 and each subsequent school year, the Secretary shall carry out a program to make free fresh fruits and vegetables available, to the maximum extent practicable, to—

"(A) 25 elementary or secondary schools in each of the 4 States authorized to participate in the program under this subsection on May 1, 2004;

"(B) 25 elementary or secondary schools (as selected by the Secretary in accordance with paragraph (3)) in each of 4 States (including a State for which funds were allocated under the program described in paragraph (3)(B)(ii)) that are not participating in the program under this subsection on May 1, 2004; and

"(C) 25 elementary or secondary schools operated on 3 Indian reservations (including the reservation authorized to participate in the program under this subsection on May 1, 2004), as selected by the Secretary.

"(2) Program.—A school participating in the program shall make free fresh fruits and vegetables available to students throughout the school day in 1 or more areas designated by the school.

"(3) Selection of schools.—

"(A) In general.—Except as provided in subparagraph (B), in selecting additional schools to participate in the program under paragraph (1)(B), the Secretary shall—

"(i) to the maximum extent practicable, ensure that the majority of schools selected are those in which not less than 50 percent of students are eligible for free or reduced price meals under this Act;

"(ii) solicit applications from interested schools that include—

"(I) information pertaining to the percentage of students enrolled in the school submitting the application who are eligible for free or reduced price school lunches under this Act;

"(II) a certification of support for participation in the program signed by the school food manager, the school principal, and the district superintendent (or equivalent positions, as determined by the school); and

"(III) such other information as may be requested by the Secretary;

"(iii) for each application received, determine whether the application is from a school in which not less than 50 percent of students are eligible for free or reduced price meals under this Act; and

"(iv) give priority to schools that submit a plan for implementation of the program that includes a partnership with 1 or more entities that provide non-Federal resources (including entities representing the fruit and vegetable industry) for—

"(I) the acquisition, handling, promotion, or distribution of fresh and dried fruits and fresh vegetables; or

"(II) other support that contributes to the purposes of the program.

"(B) Nonapplicability to existing participants.—Subparagraph (A) shall not apply to a school, State, or Indian reservation authorized—

"(i) to participate in the program on May 1, 2004; or

"(ii) to receive funding for free fruits and vegetables under funds provided for public health improvement under the heading 'Disease Control, Research, and Training' under the heading 'Centers for Disease Control and Prevention' in title II of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2004 (Division E of Public Law 108-199; 118 Stat. 238).

"(4) Notice of availability.—To be eligible to participate in the program under this subsection, a school shall widely publicize within the school the availability of free fresh fruits and vegetables under the program.

"(5) Reports.—

"(A) Interim reports.—Not later than September 30 of each of fiscal years 2005 through 2008, the Secretary, acting through the Administrator of the Food and Nutrition Service, shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an interim report that describes the activities carried out under this subsection during the fiscal year covered by the report.

"(B) Final report.—Not later than December 31, 2008, the Secretary, acting through the Administrator of the Food and Nutrition Service, shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a final report that describes the results of the program under this subsection.

"(6) Funding.—

"(A) Existing funds.—The Secretary shall use to carry out this subsection any funds that remain under this subsection on the day before the date of enactment of this subparagraph.

"(B) Mandatory funds.—

"(i) In general.—On October 1, 2004, and on each October 1 thereafter, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection $9,000,000, to remain available until expended.

"(ii) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds made available under this subparagraph, without further appropriation.

"(C) Authorization of appropriations.—In addition to any amounts made available under subparagraphs (A) and (B), there are authorized to be appropriated such sums as are necessary to expand the program carried out under this subsection.

"(D) Reallocation.—The Secretary may reallocate any amounts made available to carry out this subsection that are not obligated or expended, as determined by the Secretary.".

SEC. 121. SUMMER FOOD SERVICE RESIDENTIAL CAMP ELIGIBILITY.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) is amended by adding at the end the following:

"(h) Summer Food Service Residential Camp Eligibility.—

"(1) In general.—During the month after the date of enactment of this subsection through September, 2004, and the months of May through September, 2005, the Secretary shall modify eligibility criteria, at not more than 1 private nonprofit residential camp in each of not more than 2 States, as determined by the Secretary, for the purpose of identifying and evaluating alternative methods of determining the eligibility of residential private nonprofit camps to participate in the summer food service program for children established under section 13.

"(2) ELIGIBILITY.—To be eligible for the criteria modified under paragraph (1), a residential camp—

"(A) shall be a service institution (as defined in section 13(a)(1));

"(B) may not charge a fee to any child in residence at the camp; and

"(C) shall serve children who reside in an area in which poor economic conditions exist (as defined in section 13(a)(1)).

"(3) PAYMENTS.—

"(A) IN GENERAL.—Under this subsection, the Secretary shall provide reimbursement for meals served to all children at a residential camp at the payment rates specified in section 13(b)(1).

"(B) REIMBURSABLE MEALS.—A residential camp selected by the Secretary may receive reimbursement for not more than 3 meals, or 2 meals and 1 supplement, during each day of operation.

"(4) EVALUATION.—

"(A) INFORMATION FROM RESIDENTIAL CAMPS.—Not later than December 31, 2005, a residential camp selected under paragraph (1) shall report to the Secretary such information as is required by the Secretary concerning the requirements of this subsection.

"(B) REPORT TO CONGRESS.—Not later than March 31, 2006, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that evaluates the effect of this subsection on program participation and other factors, as determined by the Secretary.".

SEC. 122. ACCESS TO LOCAL FOODS AND SCHOOL GARDENS.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) (as amended by section 121) is amended by adding at the end the following:

"(i) ACCESS TO LOCAL FOODS AND SCHOOL GARDENS.—

"(1) IN GENERAL.—The Secretary may provide assistance, through competitive matching grants and technical assistance, to schools and nonprofit entities for projects that—

"(A) improve access to local foods in schools and institutions participating in programs under this Act and section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) through farm-to-cafeteria activities, including school gardens, that may include the acquisition of food and appropriate equipment and the provision of training and education;

"(B) are, at a minimum, designed to—

"(i) procure local foods from small- and medium-sized farms for school meals; and

"(ii) support school garden programs;

"(C) support nutrition education activities or curriculum planning that incorporates the participation of school children in farm-based agricultural education activities, that may include school gardens;

"(D) develop a sustained commitment to farm-to-cafeteria projects in the community by linking schools, State departments of agriculture, agricultural producers, parents, and other community stakeholders;

"(E) require $100,000 or less in Federal contributions;

"(F) require a Federal share of costs not to exceed 75 percent;

"(G) provide matching support in the form of cash or in-kind contributions (including facilities, equipment, or services provided by State and local governments and private sources); and

"(H) cooperate in an evaluation carried out by the Secretary.

"(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subsection for each of fiscal years 2004 through 2009.".

SEC. 123. YEAR-ROUND SERVICES FOR ELIGIBLE ENTITIES.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) (as amended by section 122) is amended by adding at the end the following:

"(j) YEAR-ROUND SERVICES FOR ELIGIBLE ENTITIES.—

"(1) IN GENERAL.—A service institution that is described in section 13(a)(6) (excluding a public school), or a private nonprofit organization described in section 13(a)(7), and that is located in the State of California may be reimbursed—

"(A) for up to 2 meals during each day of operation served—

"(i) during the months of May through September;

"(ii) in the case of a service institution that operates a food service program for children on school vacation, at anytime under a continuous school calendar; and

"(iii) in the case of a service institution that provides meal service at a nonschool site to children who are not in school for a period during the school year due to a natural disaster, building repair, court order, or similar case, at anytime during such a period; and

"(B) for a snack served during each day of operation after school hours, weekends, and school holidays during the regular school calendar.

"(2) PAYMENTS.—The service institution shall be reimbursed consistent with section 13(b)(1).

"(3) ADMINISTRATION.—To receive reimbursement under this subsection, a service institution shall comply with section 13, other than subsections (b)(2) and (c)(1) of that section.

"(4) EVALUATION.—Not later than September 30, 2007, the State agency shall submit to the Secretary a report on the effect of this subsection on participation in the summer food service program for children established under section 13.

"(5) FUNDING.—The Secretary shall provide to the State of California such sums as are necessary to carry out this subsection for each of fiscal years 2005 through 2009.".

SEC. 124. FREE LUNCH AND BREAKFAST ELIGIBILITY.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) (as amended by section 123) is amended by adding at the end the following:

"(k) FREE LUNCH AND BREAKFAST ELIGIBILITY.—

"(1) IN GENERAL.—Subject to the availability of funds under paragraph (4), the Secretary shall expand the service of free lunches and breakfasts provided at schools participating in the school lunch program under this Act or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) in all or part of 5 States selected by the Secretary (of which at least 1 shall be a largely rural State with a significant Native American population).

"(2) INCOME ELIGIBILITY.—The income guidelines for determining eligibility for free lunches or breakfasts under this subsection shall be 185 percent of the applicable family size income levels contained in the nonfarm income poverty guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with section 9(b)(1)(B).

"(3) EVALUATION.—

"(A) IN GENERAL.—Not later than 3 years after the implementation of this subsection, the Secretary shall conduct an evaluation to assess the impact of the changed income eligibility guidelines by comparing the school food authorities operating under this subsection to school food authorities not operating under this subsection.

"(B) IMPACT ASSESSMENT.—

"(i) CHILDREN.—The evaluation shall assess the impact of this subsection separately on—

"(I) children in households with incomes less than 130 percent of the applicable family income levels contained in the nonfarm poverty income guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with section 9(b)(1)(B); and

"(II) children in households with incomes greater than 130 percent and not greater than 185 percent of the applicable family income levels contained in the nonfarm poverty income guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with section 9(b)(1)(B).

"(ii) FACTORS.—The evaluation shall assess the impact of this subsection on—

"(I) certification and participation rates in the school lunch and breakfast programs;

"(II) rates of lunch- and breakfast-skipping;

"(III) academic achievement;

"(IV) the allocation of funds authorized in title I of the Elementary and Secondary Education Act (20 U.S.C. 6301) to local educational agencies and public schools; and

"(V) other factors determined by the Secretary.

"(C) COST ASSESSMENT.—The evaluation shall assess the increased costs associated with providing additional free, reduced price, or paid meals in the school food authorities operating under this subsection.

"(D) REPORT.—On completion of the evaluation, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the evaluation under this paragraph.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subsection, to remain available until expended.".

SEC. 125. TRAINING, TECHNICAL ASSISTANCE, AND FOOD SERVICE MANAGEMENT INSTITUTE.

(a) IN GENERAL.—Section 21(a)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b–1(a)(1)) is amended by striking "activities and" and all that follows and inserting "activities and provide—

"(A) training and technical assistance to improve the skills of individuals employed in—

"(i) food service programs carried out with assistance under this Act and, to the maximum extent practicable, using individuals who administer exemplary local food service programs in the State;

"(ii) school breakfast programs carried out with assistance under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773); and

"(iii) as appropriate, other federally assisted feeding programs; and

"(B) assistance, on a competitive basis, to State agencies for the purpose of aiding schools and school food authorities with at least 50 percent of enrolled children certified to receive free or reduced price meals (and, if there are any remaining funds, other schools and school food authorities) in meeting the cost of acquiring or upgrading technology and information management systems for use in food service programs carried out under this Act and section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), if the school or school food authority submits to the State agency an infrastructure development plan that—

"(i) addresses the cost savings and improvements in program integrity and operations that would result from the use of new or upgraded technology;

"(ii) ensures that there is not any overt identification of any child by special tokens or tickets, announced or published list of names, or by any other means;

"(iii) provides for processing and verifying applications for free and reduced price school meals;

"(iv) integrates menu planning, production, and serving data to monitor compliance with section 9(f)(1); and

"(v) establishes compatibility with statewide reporting systems;

"(C) assistance, on a competitive basis, to State agencies with low proportions of schools or students that—

"(i) participate in the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773); and

"(ii) demonstrate the greatest need, for the purpose of aiding schools in meeting costs associated with initiating or expanding a school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), including outreach and informational activities; and".

(b) Duties of Food Service Management Institute.—Section 21(c)(2)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b–1(c)(2)(B)) is amended—

(1) by striking clauses (vi) and (vii) and inserting the following:

"(vi) safety, including food handling, hazard analysis and critical control point plan implementation, emergency readiness, responding to a food recall, and food biosecurity training;"; and

(2) by redesignating clauses (viii) through (x) as clauses (vii) through (ix), respectively.

(c) Authorization of Appropriations.—

(1) Training activities and technical assistance.—Section 21(e)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b–1(e)(1)) is amended by striking "2003" and inserting "2009".

(2) Food service management institute.—Section 21(e)(2)(A) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b–1(e)(2)(A) is amended in the first sentence—

(A) by striking "provide to the Secretary" and all that follows through "1998, and" and inserting "provide to the Secretary"; and

(B) by striking "1999 and" and inserting "2004 and $4,000,000 for fiscal year 2005".

SEC. 126. ADMINISTRATIVE ERROR REDUCTION.

(a) Federal Support for Training and Technical Assistance.—Section 21 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b–1) is amended by adding at the end the following:

"(f) Administrative Training and Technical Assistance Material.—In collaboration with State educational agencies, local educational agencies, and school food authorities of varying sizes, the Secretary shall develop and distribute training and technical assistance material relating to the administration of school meals programs that are representative of the best management and administrative practices.

"(g) Federal Administrative Support.—

"(1) Funding.—

"(A) In general.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection—

"(i) on October 1, 2004, and October 1, 2005, $3,000,000; and

"(ii) on October 1, 2006, October 1, 2007, and October 1, 2008, $2,000,000.

"(B) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

"(C) Availability of funds.—Funds transferred under subparagraph (A) shall remain available until expended.

"(2) Use of funds.—The Secretary may use funds provided under this subsection—

"(A) to provide training and technical assistance and material related to improving program integrity and administrative accuracy in school meals programs; and

"(B) to assist State educational agencies in reviewing the administrative practices of local educational agencies, to the extent determined by the Secretary.".

(b) Selected Administrative Reviews.—

(1) In general.—Section 22(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c(b)) is amended by adding at the end the following:

"(3) Additional review requirement for selected local educational agencies.—

"(A) Definition of selected local educational agencies.—In this paragraph, the term 'selected local educational agency' means a local educational agency that has a demonstrated high level of, or a high risk for, administrative error, as determined by the Secretary.

"(B) Additional administrative review.—In addition to any review required by subsection (a) or paragraph (1), each State educational agency shall conduct an administrative review of each selected local educational agency during the review cycle established under subsection (a).

"(C) Scope of review.—In carrying out a review under subparagraph (B), a State educational agency shall only review the administrative processes of a selected local educational agency, including application, certification, verification, meal counting, and meal claiming procedures.

"(D) Results of review.—If the State educational agency determines (on the basis of a review conducted under subparagraph (B)) that a selected local educational agency fails to meet performance criteria established by the Secretary, the State educational agency shall—

"(i) require the selected local educational agency to develop and carry out an approved plan of corrective action;

"(ii) except to the extent technical assistance is provided directly by the Secretary, provide technical assistance to assist the selected local educational agency in carrying out the corrective action plan; and

"(iii) conduct a followup review of the selected local educational agency under standards established by the Secretary.

"(4) Retaining funds after administrative reviews.—

"(A) In general.—Subject to subparagraphs (B) and (C), if the local educational agency fails to meet administrative performance criteria established by the Secretary in both an initial review and a followup review under paragraph (1) or (3) or subsection (a), the Secretary may require the State educational agency to retain funds that would otherwise be paid to the local educational agency for school meals programs under procedures prescribed by the Secretary.

"(B) Amount.—The amount of funds retained under subparagraph (A) shall equal the value of any overpayment made to the local educational agency or school food authority as a result of an erroneous claim during the time period described in subparagraph (C).

"(C) Time period.—The period for determining the value of any overpayment under subparagraph (B) shall be the period—

"(i) beginning on the date the erroneous claim was made; and

"(ii) ending on the earlier of the date the erroneous claim is corrected or—

"(I) in the case of the first followup review conducted by the State educational agency of the local educational agency under this section after July 1, 2005, the date that is 60 days after the beginning of the period under clause (i); or

"(II) in the case of any subsequent followup review conducted by the State educational agency of the local educational agency under this section, the date that is 90 days after the beginning of the period under clause (i).

"(5) Use of retained funds.—

"(A) In general.—Subject to subparagraph (B), funds retained under paragraph (4) shall—

"(i) be returned to the Secretary, and may be used—

"(I) to provide training and technical assistance related to administrative practices designed to improve program integrity and administrative accuracy in school meals programs to State educational agencies and, to the extent determined by the Secretary, to local educational agencies and school food authorities;

"(II) to assist State educational agencies in reviewing the administrative practices of local educational agencies in carrying out school meals programs; and

"(III) to carry out section 21(f); or

"(ii) be credited to the child nutrition programs appropriation account.

"(B) State share.—A State educational agency may retain not more than 25 percent of an amount recovered under paragraph (4), to carry out school meals program integrity initiatives to assist local educational agencies and school food authorities that have repeatedly failed, as determined by the Secretary, to meet administrative performance criteria.

"(C) Requirement.—To be eligible to retain funds under subparagraph (B), a State educational agency shall—

"(i) submit to the Secretary a plan describing how the State educational agency will use the funds to improve school meals program integrity, including measures to give priority to local educational agencies from which funds were retained under paragraph (4);

"(ii) consider using individuals who administer exemplary local food service programs in the provision of training and technical assistance; and

"(iii) obtain the approval of the Secretary for the plan.".

(2) Interpretation.—Nothing in the amendment made by paragraph (1) affects the requirements for fiscal actions as described in the regulations issued pursuant to section 22(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c(a)).

(c) Training and Technical Assistance.—Section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) is amended—

(1) in subsection (e)—

(A) by striking "(e) Each" and inserting the following:

"(e) Plans for Use of Administrative Expense Funds.—

"(1) In general.—Each"; and

(B) by striking "After submitting" and all that follows through "change in the plan." and inserting the following:

"(2) Updates and information management systems.—

"(A) In general.—After submitting the initial plan, a State shall be required to submit to the Secretary for approval only a substantive change in the plan.

"(B) Plan contents.—Each State plan shall, at a minimum, include a description of how technology and information management systems will be used to improve program integrity by—

"(i) monitoring the nutrient content of meals served;

"(ii) training local educational agencies, school food authorities, and schools in how to use technology and information management systems (including verifying eligibility for free or reduced price meals using program participation or income data gathered by State or local agencies); and

"(iii) using electronic data to establish benchmarks to compare and monitor program integrity, program participation, and financial data.

"(3) Training and technical assistance.—Each State shall submit to the Secretary for approval a plan describing the manner in which the State intends to implement subsection (g) and section 22(b)(3) of the Richard B. Russell National School Lunch Act.";

(2) by redesignating subsection (g) as subsection (j); and

(3) by inserting after subsection (f) the following:

"(g) State Training.—

"(1) In general.—At least annually, each State shall provide training in administrative practices (including training in application, certification, verification, meal counting, and meal claiming procedures) to local educational agency and school food authority administrative personnel and other appropriate personnel, with emphasis on the requirements established by the Child Nutrition and WIC Reauthorization Act of 2004 and the amendments made by that Act.

"(2) Federal role.—The Secretary shall—

"(A) provide training and technical assistance to a State; or

"(B) at the option of the Secretary, directly provide training and technical assistance described in paragraph (1).

"(3) Required participation.—In accordance with procedures established by the Secretary, each local educational agency or school food authority shall ensure that an individual conducting or overseeing administrative procedures described in paragraph (1) receives training at least annually, unless determined otherwise by the Secretary.

"(h) Funding for Training and Administrative Reviews.—

"(1) Funding.—

"(A) In general.—On October 1, 2004, and on each October 1 thereafter, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection $4,000,000, to remain available until expended.

"(B) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

"(2) Use of funds.—

"(A) In general.—Except as provided in subparagraph (B), the Secretary shall use funds provided under this subsection to assist States in carrying out subsection (g) and administrative reviews of selected local educational agencies carried out under section 22 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c).

"(B) Exception.—The Secretary may retain a portion of the amount provided to cover costs of activities carried out by the Secretary in lieu of the State.

"(3) Allocation.—The Secretary shall allocate funds provided under this subsection to States based on the number of local educational agencies that have demonstrated a high level of, or a high risk for, administrative error, as determined by the Secretary, taking into account the requirements established by the Child Nutrition and WIC Reauthorization Act of 2004 and the amendments made by that Act.

"(4) Reallocation.—The Secretary may reallocate, to carry out this section, any amounts made available to carry out this subsection that are not obligated or expended, as determined by the Secretary.".

SEC. 127. COMPLIANCE AND ACCOUNTABILITY.

Section 22(d) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c(d)) is amended by striking "$3,000,000 for each of the fiscal years 1994 through 2003" and inserting "$6,000,000 for each of fiscal years 2004 through 2009".

SEC. 128. INFORMATION CLEARINGHOUSE.

Section 26(d) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769g(d)) is amended in the first sentence—

(1) by striking "1998, and" and inserting "1998,"; and

(2) by striking "through 2003" and inserting "through 2004, and $250,000 for each of fiscal years 2005 through 2009".

SEC. 129. PROGRAM EVALUATION.

The Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) is amended by adding at the end the following:

"SEC. 28. PROGRAM EVALUATION.

"(a) Performance Assessments.—

"(1) In general.—Subject to the availability of funds made available under paragraph (3), the Secretary, acting through the Administrator of the Food and Nutrition Service, may conduct annual national performance assessments of the meal programs under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(2) Components.—In conducting an assessment, the Secretary may assess—

"(A) the cost of producing meals and meal supplements under the programs described in paragraph (1); and

"(B) the nutrient profile of meals, and status of menu planning practices, under the programs.

"(3) Authorization of appropriations.—There is authorized to be appropriated to carry out this subsection $5,000,000 for fiscal year 2004 and each subsequent fiscal year.

"(b) Certification Improvements.—

"(1) In general.—Subject to the availability of funds made available under paragraph (5), the Secretary, acting through the Administrator of the Food and Nutrition Service, shall conduct a study of the feasibility of improving the certification process used for the school lunch program established under this Act.

"(2) Pilot projects.—In carrying out this subsection, the Secretary may conduct pilot projects to improve the certification process used for the school lunch program.

"(3) Components.—In carrying out this subsection, the Secretary shall examine the use of—

"(A) other income reporting systems;

"(B) an integrated benefit eligibility determination process managed by a single agency;

"(C) income or program participation data gathered by State or local agencies; and

"(D) other options determined by the Secretary.

"(4) Waivers.—

"(A) In general.—Subject to subparagraph (B), the Secretary may waive such provisions of this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) as are necessary to carry out this subsection.

"(B) Provisions.—The protections of section 9(b)(6) shall apply to any study or pilot project carried out under this subsection.

"(5) Authorization of appropriations.—There is authorized to be appropriated to carry out this subsection such sums as are necessary.".

TITLE II—AMENDMENTS TO CHILD NUTRITION ACT OF 1966

SEC. 201. SEVERE NEED ASSISTANCE.

Section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) is amended by striking subsection (d) and inserting the following:

"(d) Severe Need Assistance.—

"(1) In general.—Each State educational agency shall provide additional assistance to schools in severe need, which shall include only those schools (having a breakfast program or desiring to initiate a breakfast program) in which—

"(A) during the most recent second preceding school year for which lunches were served, 40 percent or more of the lunches served to students at the school were served free or at a reduced price; or

"(B) in the case of a school in which lunches were not served during the most recent second preceding school year, the Secretary otherwise determines that the requirements of subparagraph (A) would have been met.

"(2) Additional assistance.—A school, on the submission of appropriate documentation about the need circumstances in that school and the eligibility of the school for additional assistance, shall be entitled to receive the meal reimbursement rate specified in subsection (b)(2).".

SEC. 202. STATE ADMINISTRATIVE EXPENSES.

(a) Minimum State Administrative Expense Grants.—Section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) is amended—

(1) by striking the section heading and all that follows through "(a)(1) Each" and inserting the following:

"SEC. 7. STATE ADMINISTRATIVE EXPENSES.

"(a) Amount and Allocation of Funds.—

"(1) Amount available.—

"(A) In general.—Except as provided in subparagraph (B), each";

(2) in subsection (a)—

(A) in paragraph (1)—

(i) by inserting after the first sentence the following:

"(B) Minimum amount.—In the case of each of fiscal years 2005 through 2007, the Secretary shall make available to each State for administrative costs not less than the initial allocation made to the State under this subsection for fiscal year 2004.";

(ii) by striking "The Secretary" and inserting the following:

"(C) Allocation.—The Secretary"; and

(iii) by striking the last sentence; and

(B) in paragraph (2)—

(i) by striking "(2) The" and inserting the following:

"(2) EXPENSE GRANTS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the";

(ii) in the second sentence—

(I) by striking "In no case" and inserting the following:

"(B) MINIMUM AMOUNT.—

"(i) IN GENERAL.—In no case";

(II) by striking "this subsection" and inserting "this paragraph"; and

(III) by striking "$100,000" and inserting "$200,000 (as adjusted under clause (ii)"; and

(iii) by adding at the end the following:

"(ii) ADJUSTMENT.—On October 1, 2008, and each October 1 thereafter, the minimum dollar amount for a fiscal year specified in clause (i) shall be adjusted to reflect the percentage change between—

"(I) the value of the index for State and local government purchases, as published by the Bureau of Economic Analysis of the Department of Commerce, for the 12-month period ending June 30 of the second preceding fiscal year; and

"(II) the value of that index for the 12-month period ending June 30 of the preceding fiscal year.".

(b) TECHNOLOGY INFRASTRUCTURE IMPROVEMENT.—Section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) is amended by inserting after subsection (h) (as added by section 126(c)(3)) the following:

"(i) TECHNOLOGY INFRASTRUCTURE IMPROVEMENT.—

"(1) IN GENERAL.—Each State shall submit to the Secretary, for approval by the Secretary, an amendment to the plan required by subsection (e) that describes the manner in which funds provided under this section will be used for technology and information management systems.

"(2) REQUIREMENTS.—The amendment shall, at a minimum, describe the manner in which the State will improve program integrity by—

"(A) monitoring the nutrient content of meals served;

"(B) providing training to local educational agencies, school food authorities, and schools on the use of technology and information management systems for activities including—

"(i) menu planning;

"(ii) collection of point-of-sale data; and

"(iii) the processing of applications for free and reduced price meals; and

"(C) using electronic data to establish benchmarks to compare and monitor program integrity, program participation, and financial data across schools and school food authorities.

"(3) TECHNOLOGY INFRASTRUCTURE GRANTS.—

"(A) IN GENERAL.—Subject to the availability of funds made available under paragraph (4) to carry out this paragraph, the Secretary shall, on a competitive basis, provide funds to States to be used to provide grants to local educational agencies, school food authorities, and schools to defray the cost of purchasing or upgrading technology and information management systems for use in programs authorized by this Act (other than section 17) and the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

"(B) INFRASTRUCTURE DEVELOPMENT PLAN.—To be eligible to receive a grant under this paragraph, a school or school food authority shall submit to the State a plan to purchase or upgrade technology and information management systems that addresses potential cost savings and methods to improve program integrity, including—

"(i) processing and verification of applications for free and reduced price meals;

"(ii) integration of menu planning, production, and serving data to monitor compliance with section 9(f)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(f)(1)); and

"(iii) compatibility with statewide reporting systems.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2005 through 2009, to remain available until expended.".

(c) REAUTHORIZATION.—Subsection (j) of section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) (as redesignated by section 126(c)(2)) is amended by striking "2003" and inserting "2009".

SEC. 203. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN.

(a) DEFINITIONS.—

(1) NUTRITION EDUCATION.—Section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) is amended by striking paragraph (7) and inserting the following:

"(7) NUTRITION EDUCATION.—The term 'nutrition education' means individual and group sessions and the provision of material that are designed to improve health status and achieve positive change in dietary and physical activity habits, and that emphasize the relationship between nutrition, physical activity, and health, all in keeping with the personal and cultural preferences of the individual.".

(2) SUPPLEMENTAL FOODS.—Section 17(b)(14) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(14)) is amended in the first sentence by inserting after "children" the following: "and foods that promote the health of the population served by the program authorized by this section, as indicated by relevant nutrition science, public health concerns, and cultural eating patterns".

(3) OTHER TERMS.—Section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) is amended by adding at the end the following:

"(22) PRIMARY CONTRACT INFANT FORMULA.—The term 'primary contract infant formula' means the specific infant formula for which manufacturers submit a bid to a State agency in response to a rebate solicitation under this section and for which a contract is awarded by the State agency as a result of that bid.

"(23) STATE ALLIANCE.—The term 'State alliance' means 2 or more State agencies that join together for the purpose of procuring infant formula under the program by soliciting competitive bids for infant formula.".

(b) ELIGIBILITY.—

(1) CERTIFICATION PERIOD.—Section 17(d)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(3)) is amended—

(A) by striking "(3)(A) Persons" and inserting the following:

"(3) CERTIFICATION.—

"(A) PROCEDURES.—

"(i) IN GENERAL.—Subject to clause (ii), a person"; and

(B) by adding at the end of subparagraph (A) the following:

"(ii) BREASTFEEDING WOMEN.—A State may elect to certify a breastfeeding woman for a period of 1 year postpartum or until a woman discontinues breastfeeding, whichever is earlier.".

(2) PHYSICAL PRESENCE.—Section 17(d)(3)(C)(ii) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(3)(C)(ii)) is amended—

(A) in subclause (I)(bb), by striking "from a provider other than the local agency; or" and inserting a semicolon;

(B) in subclause (II), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(III) an infant under 8 weeks of age—

"(aa) who cannot be present at certification for a reason determined appropriate by the local agency; and

"(bb) for whom all necessary certification information is provided.".

(c) ADMINISTRATION.—

(1) PROCESSING VENDOR APPLICATIONS; PARTICIPANT ACCESS.—Section 17(f)(1)(C) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(1)(C)) is amended—

(A) in clause (i) by inserting "at any of the authorized retail stores under the program" after "the program";

(B) by redesignating clauses (ii) through (x) as clauses (iii) through (xi), respectively; and

(C) by inserting after clause (i) the following:

"(ii) procedures for accepting and processing vendor applications outside of the established timeframes if the State agency determines there will be inadequate access to the program, including in a case in which a previously authorized vendor sells a store under circumstances that do not permit timely notification to the State agency of the change in ownership;".

(2) ALLOWABLE USE OF FUNDS.—

(A) IN GENERAL.—Section 17(f)(11) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(11) is amended—

(i) by striking "(11) The Secretary" and inserting the following:

"(11) SUPPLEMENTAL FOODS.—

"(A) IN GENERAL.—The Secretary";

(ii) in the second sentence, by striking "To the degree" and inserting the following:

"(B) APPROPRIATE CONTENT.—To the degree"; and

(iii) by adding at the end the following:

"(C) ALLOWABLE USE OF FUNDS.—Subject to the availability of funds, the Secretary shall award grants to not more than 10 local sites determined by the Secretary to be geographically and culturally representative of State, local, and Indian agencies, to evaluate the feasibility of including fresh, frozen, or canned fruits and vegetables (to be made available through private funds) as an addition to the supplemental foods prescribed under this section.

"(D) REVIEW OF AVAILABLE SUPPLEMENTAL FOODS.—As frequently as determined by the Secretary to be necessary to reflect the most recent scientific knowledge, the Secretary shall—

"(i) conduct a scientific review of the supplemental foods available under the program; and

"(ii) amend the supplemental foods available, as necessary, to reflect nutrition science, public health concerns, and cultural eating patterns.".

(B) RULEMAKING.—Not later than 18 months after the date of receiving the review initiated by the National Academy of Sciences, Institute of Medicine in September 2003 of the supplemental foods available for the special supplemental nutrition program for women, infants, and children authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), the Secretary shall promulgate a final rule updating the prescribed supplemental foods available through the program.

(3) USE OF CLAIMS FROM LOCAL AGENCIES.—Section 17(f)(21) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(21)) is amended—

(A) in the paragraph heading, by striking "VENDORS" and inserting "LOCAL AGENCIES, VENDORS,"; and

(B) by striking "vendors" and inserting "local agencies, vendors,".

(4) INFANT FORMULA BENEFITS.—

(A) IN GENERAL.—Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) is amended by adding at the end the following:

"(25) INFANT FORMULA BENEFITS.—A State agency may round up to the next whole can of infant formula to allow all participants under the program to receive the full-authorized nutritional benefit specified by regulation.".

(B) APPLICABILITY.—The amendment made by subparagraph (A) applies to infant formula provided under a contract resulting from a bid solicitation issued on or after October 1, 2004.

(5) NOTIFICATION OF VIOLATIONS.—Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) (as amended by paragraph (4)) is amended by adding at the end the following:

"(26) NOTIFICATION OF VIOLATIONS.—If a State agency finds that a vendor has committed a violation that requires a pattern of occurrences in order to impose a penalty or sanction, the State agency shall notify the vendor of the initial violation in writing prior to documentation of another violation, unless the State agency determines that notifying the vendor would compromise an investigation.".

(d) REAUTHORIZATION OF WIC PROGRAM.—Section 17(g) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(g)) is amended by striking "(g)(1)" and all that follows through "As authorized" in paragraph (1) and inserting the following:

"(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—

"(A) AUTHORIZATION.—There are authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2004 through 2009.

"(B) ADVANCE APPROPRIATIONS; AVAILABILITY.—As authorized".

(e) NUTRITION SERVICES AND ADMINISTRATION FUNDS; COMPETITIVE BIDDING; RETAILERS.—

(1) IN GENERAL.—Section 17(h)(2)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(2)(A)) is amended by striking "For each of the fiscal years 1995 through 2003, the" and inserting "The".

(2) HEALTHY PEOPLE 2010 INITIATIVE.—Section 17(h)(4) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(4)) is amended—

(A) in subparagraph (D), by striking "; and" and inserting a semicolon;

(B) in subparagraph (E), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(F) partner with communities, State and local agencies, employers, health care professionals, and other entities in the private sector to build a supportive breastfeeding environment for women participating in the program under this section to support the breastfeeding goals of the Healthy People 2010 initiative.".

(3) SIZE OF STATE ALLIANCES.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) is amended by adding at the end the following:

"(iv) SIZE OF STATE ALLIANCES.—

"(I) IN GENERAL.—Except as provided in subclauses (II) through (IV), no State alliance may exist among States if the total number of infants served by States participating in the alliance as of October 1, 2003, or such subsequent date determined by the Secretary for which data is available, would exceed 100,000.

"(II) ADDITION OF INFANT PARTICIPANTS.—In the case of a State alliance that exists on the date of enactment of this clause, the alliance may continue and may expand to serve more than 100,000 infants but, except as provided in subclause (III), may not expand to include any additional State agency.

"(III) ADDITION OF SMALL STATE AGENCIES AND INDIAN STATE AGENCIES.—Any State alliance may expand to include any State agency that served less than 5,000 infant participants as of October 1, 2003, or such subsequent date determined by the Secretary for which data is available, or any Indian State agency, if the State agency or Indian State agency requests to join the State alliance.

"(IV) SECRETARIAL WAIVER.—The Secretary may waive the requirements of this clause not earlier than 30 days after submitting to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a written report that describes the cost-containment and competitive benefits of the proposed waiver.".

(4) PRIMARY CONTRACT INFANT FORMULA.—

(A) IN GENERAL.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(8)(A)) (as amended by paragraph (3)) is amended—

(i) in clause (ii)(I), by striking "contract brand of" and inserting "primary contract";

(ii) in clause (iii), by inserting "for a specific infant formula for which manufacturers submit a bid" after "lowest net price"; and

(iii) by adding at the end the following:

"(v) FIRST CHOICE OF ISSUANCE.—The State agency shall use the primary contract infant formula as the first choice of issuance (by formula type), with all other infant formulas issued as an alternative to the primary contract infant formula.".

(B) APPLICABILITY.—The amendments made by subparagraph (A) apply to a contract resulting from a bid solicitation issued on or after October 1, 2004.

(5) REBATE INVOICES.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as amended by paragraph (4)(A)(iii)) is amended by adding at the end the following:

"(vi) REBATE INVOICES.—Each State agency shall have a system to ensure that infant formula rebate invoices, under competitive bidding, provide a reasonable estimate or an actual count of the number of units sold to participants in the program under this section.".

(6) UNCOUPLING MILK AND SOY BIDS.—

(A) IN GENERAL.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as amended by paragraph (5)) is amended by adding at the end the following:

"(vii) SEPARATE SOLICITATIONS.—In soliciting bids for infant formula under a competitive bidding system, any State agency, or State alliance, that served under the program a monthly average of more than 100,000 infants during the preceding 12-month period shall solicit bids from infant formula manufacturers under procedures that require that bids for rebates or discounts are solicited for milk-based and soy-based infant formula separately.".

(B) APPLICABILITY.—The amendment made by this paragraph applies to a bid solicitation issued on or after October 1, 2004.

(7) CENT-FOR-CENT ADJUSTMENTS.—

(A) IN GENERAL.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as amended by paragraph (6)(A)) is amended by adding at the end the following:

"(viii) CENT-FOR-CENT ADJUSTMENTS.—A bid solicitation for infant formula under the program shall require the manufacturer to adjust for price changes subsequent to the opening of the bidding process in a manner that requires—

"(I) a cent-for-cent increase in the rebate amounts if there is an increase in the lowest national wholesale price for a full truckload of the particular infant formula; and

"(II) a cent-for-cent decrease in the rebate amounts if there is a decrease in the lowest national wholesale price for a full truckload of the particular infant formula.".

(B) CONFORMING AMENDMENT.—Section 17(h)(8)(A)(ii) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)(ii)) is amended by striking "rise" and inserting "change".

(C) APPLICABILITY.—The amendments made by this paragraph apply to a bid solicitation issued on or after October 1, 2004.

(8) LIST OF INFANT FORMULA WHOLESALERS, DISTRIBUTORS, RETAILERS, AND MANUFACTURERS.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as amended by paragraph (7)(A)) is amended by adding at the end the following:

"(ix) LIST OF INFANT FORMULA WHOLESALERS, DISTRIBUTORS, RETAILERS, AND MANUFACTURERS.—The State agency shall maintain a list of—

"(I) infant formula wholesalers, distributors, and retailers licensed in the State in accordance with State law (including regulations); and

"(II) infant formula manufacturers registered with the Food and Drug Administration that provide infant formula.

"(x) PURCHASE REQUIREMENT.—A vendor authorized to participate in the program under this section shall only purchase infant formula from the list described in clause (ix).".

(9) FUNDS FOR INFRASTRUCTURE, MANAGEMENT INFORMATION SYSTEMS, AND SPECIAL NUTRITION EDUCATION.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended by striking paragraph (10) and inserting the following:

"(10) FUNDS FOR INFRASTRUCTURE, MANAGEMENT INFORMATION SYSTEMS, AND SPECIAL NUTRITION EDUCATION.—

"(A) IN GENERAL.—For each of fiscal years 2006 through 2009, the Secretary shall use for the purposes specified in subparagraph (B), $64,000,000 or the amount of nutrition services and administration funds and supplemental food funds for the prior fiscal year that have not been obligated, whichever is less.

"(B) PURPOSES.—Of the amount made available under subparagraph (A) for a fiscal year, not more than—

"(i) $14,000,000 shall be used for—

"(I) infrastructure for the program under this section;

"(II) special projects to promote breastfeeding, including projects to assess the effectiveness of particular breastfeeding promotion strategies; and

"(III) special State projects of regional or national significance to improve the services of the program;

"(ii) $30,000,000 shall be used to establish, improve, or administer management information systems for the program, including changes necessary to meet new legislative or regulatory requirements of the program; and

"(iii) $20,000,000 shall be used for special nutrition education such as breast feeding peer counselors and other related activities.

"(C) PROPORTIONAL DISTRIBUTION.—In a case in which less than $64,000,000 is available to carry out this paragraph, the Secretary shall make a proportional distribution of funds allocated under subparagraph (B).".

(10) VENDOR COST CONTAINMENT.—

(A) Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended by striking paragraph (11) and inserting the following:

"(11) VENDOR COST CONTAINMENT.—

"(A) PEER GROUPS.—

"(i) IN GENERAL.—The State agency shall—

"(I) establish a vendor peer group system;

"(II) in accordance with subparagraphs (B) and (C), establish competitive price criteria and allowable reimbursement levels for each vendor peer group; and

"(III) if the State agency elects to authorize any types of vendors described in subparagraph (D)(ii)(I)—

"(aa) distinguish between vendors described in subparagraph (D)(ii)(I) and other vendors by establishing—

"(AA) separate peer groups for vendors described in subparagraph (D)(ii)(I);or

"(BB) distinct competitive price criteria and allowable reimbursement levels for vendors described in subparagraph (D)(ii)(I) within a peer group that contains both vendors described in subparagraph (D)(ii)(I) and other vendors; and

"(bb) establish competitive price criteria and allowable reimbursement levels that comply with subparagraphs (B) and (C), respectively, and that do not result in higher food costs if program participants redeem supplemental food vouchers at vendors described in subparagraph (D)(ii)(I) rather than at vendors other than vendors described in subparagraph (D)(ii)(I).

Nothing in this paragraph shall be construed to compel a State agency to achieve lower food costs if program participants redeem supplemental food vouchers at vendors described in subparagraph (D)(ii)(I) rather than at vendors other than vendors described in subparagraph (D)(ii)(I).

"(ii) EXEMPTIONS.—The Secretary may exempt from the requirements of clause (i)—

"(I) a State agency that elects not to authorize any types of vendors described in subparagraph (D)(ii)(I) and that demonstrates to the Secretary that—

"(aa) compliance with clause (i) would be inconsistent with efficient and effective operation of the program administered by the State under this section; or

"(bb) an alternative cost-containment system would be as effective as a vendor peer group system; or

"(II) a State agency—

"(aa) in which the sale of supplemental foods that are obtained with food instruments from vendors described in subparagraph (D)(ii)(I) constituted less than 5 percent of total sales of supplemental foods that were obtained with food instruments in the State in the year preceding a year in which the exemption is effective; and

"(bb) that demonstrates to the Secretary that an alternative cost-containment system would be as effective as the vendor peer group system and would not result in higher food costs if program participants redeem supplemental food vouchers at vendors described in subparagraph (D)(ii)(I) rather than at vendors other than vendors described in subparagraph (D)(ii)(I).

"(B) COMPETITIVE PRICING.—

"(i) IN GENERAL.—The State agency shall establish competitive price criteria for each peer group for the selection of vendors for participation in the program that—

"(I) ensure that the retail prices charged by vendor applicants for the program are competitive with the prices charged by other vendors; and

"(II) consider—

"(aa) the shelf prices of the vendor for all buyers; or

"(bb) the prices that the vendor bid for supplemental foods, which shall not exceed the shelf prices of the vendor for all buyers.

"(ii) PARTICIPANT ACCESS.—In establishing competitive price criteria, the State agency shall consider participant access by geographic area.

"(iii) SUBSEQUENT PRICE INCREASES.—The State agency shall establish procedures to ensure that a retail store selected for participation in the program does not, subsequent to selection, increase prices to levels that would make the store ineligible for selection to participate in the program.

"(C) ALLOWABLE REIMBURSEMENT LEVELS.—

"(i) IN GENERAL.—The State agency shall establish allowable reimbursement levels for supplemental foods for each vendor peer group that ensure—

"(I) that payments to vendors in the vendor peer group reflect competitive retail prices; and

"(II) that the State agency does not reimburse a vendor for supplemental foods at a level that would make the vendor ineligible for authorization under the criteria established under subparagraph (B).

"(ii) PRICE FLUCTUATIONS.—The allowable reimbursement levels may include a factor to reflect fluctuations in wholesale prices.

"(iii) PARTICIPANT ACCESS.—In establishing allowable reimbursement levels, the State agency shall consider participant access in a geographic area.

"(D) EXEMPTIONS.—The State agency may exempt from competitive price criteria and allowable reimbursement levels established under this paragraph—

"(i) pharmacy vendors that supply only exempt infant formula or medical foods that are eligible under the program; and

"(ii) vendors—

"(I)(aa) for which more than 50 percent of the annual revenue of the vendor from the sale of food items consists of revenue from the sale of supplemental foods that are obtained with food instruments; or

"(bb) who are new applicants likely to meet the criteria of item (aa) under criteria approved by the Secretary; and

"(II) that are nonprofit.

"(E) COST CONTAINMENT.—If a State agency elects to authorize any types of vendors described in subparagraph (D)(ii)(I), the State agency shall demonstrate to the Secretary, and the Secretary shall certify, that the competitive price criteria and allowable reimbursement levels established under this paragraph for vendors described in subparagraph (D)(ii)(I) do not result in average payments per voucher to vendors described in subparagraph (D)(ii)(I) that are higher than average payments per voucher to comparable vendors other than vendors described in subparagraph (D)(ii)(I).

"(F) LIMITATION ON PRIVATE RIGHTS OF ACTION.—Nothing in this paragraph may be construed as creating a private right of action.

"(G) IMPLEMENTATION.—A State agency shall comply with this paragraph not later than 18 months after the date of enactment of this paragraph.".

(B) CONFORMING AMENDMENT.—Section 17(f)(1)(C)(i) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(1)(C)(i)) is amended by inserting before the semicolon the following: ", including a description of the State agency's vendor peer group system, competitive price criteria, and allowable reimbursement levels that demonstrate that the State is in compliance with the cost-containment provisions in subsection (h)(11).".

(11) IMPOSITION OF COSTS ON RETAIL STORES.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended by striking paragraph (12) and inserting the following:

"(12) IMPOSITION OF COSTS ON RETAIL STORES.—The Secretary may not impose, or allow a State agency to impose, the costs of any equipment, system, or processing required for electronic benefit transfers on any retail store authorized to transact food instruments, as a condition for authorization or participation in the program.".

(12) UNIVERSAL PRODUCT CODES DATABASE.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) (as amended by paragraph (11)) is amended by adding at the end the following:

"(13) UNIVERSAL PRODUCT CODES DATABASE.—The Secretary shall—

"(A) establish a national universal product code database for use by all State agencies in carrying out the program; and

"(B) make available from appropriated funds such sums as are required for hosting, hardware and software configuration, and support of the database.".

(13) INCENTIVE ITEMS.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) (as amended by paragraph (12)) is amended by adding at the end the following:

"(14) INCENTIVE ITEMS.—A State agency shall not authorize or make payments to a vendor described in paragraph (11)(D)(ii)(I) that provides incentive items or other free merchandise, except food or merchandise of nominal value (as determined by the Secretary), to program participants unless the vendor provides to the State agency proof that the vendor obtained the incentive items or merchandise at no cost.".

(f) SPEND FORWARD AUTHORITY.—Section 17(i)(3)(A)(ii)(I) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(i)(3)(A)(ii)(I)) is amended by striking "1 percent" and inserting "3 percent".

(g) MIGRANT AND COMMUNITY HEALTH CENTERS INITIATIVE.—Section 17(j) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(j)) is amended—

(1) by striking paragraph (4); and

(2) by redesignating paragraph (5) as paragraph (4).

(h) FARMERS' MARKET NUTRITION PROGRAM.—

(1) ROADSIDE STANDS.—Section 17(m)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(1)) is amended by inserting "and (at the option of a State) roadside stands" after "farmers' markets".

(2) MATCHING FUNDS.—Section 17(m)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(3)) is amended by striking "total" both places it appears and inserting "administrative".

(3) BENEFIT VALUE.—Section 17(m)(5)(C)(ii) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(5)(C)(ii)) is amended by striking "$20" and inserting "$30".

(4) REAUTHORIZATION.—Section 17(m)(9)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(9)(A)) is amended by striking clause (i) and inserting the following:

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2004 through 2009.”.

(i) DEMONSTRATION PROJECT RELATING TO USE OF WIC PROGRAM FOR IDENTIFICATION AND ENROLLMENT OF CHILDREN IN CERTAIN HEALTH PROGRAMS.—

(1) IN GENERAL.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by striking subsection (r).

(2) CONFORMING AMENDMENT.—Section 12 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760) is amended by striking subsection (p).

SEC. 204. LOCAL WELLNESS POLICY.

(a) IN GENERAL.—Not later than the first day of the school year beginning after June 30, 2006, each local educational agency participating in a program authorized by the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall establish a local school wellness policy for schools under the local educational agency that, at a minimum—

(1) includes goals for nutrition education, physical activity, and other school-based activities that are designed to promote student wellness in a manner that the local educational agency determines is appropriate;

(2) includes nutrition guidelines selected by the local educational agency for all foods available on each school campus under the local educational agency during the school day with the objectives of promoting student health and reducing childhood obesity;

(3) provides an assurance that guidelines for reimbursable school meals shall not be less restrictive than regulations and guidance issued by the Secretary of Agriculture pursuant to subsections (a) and (b) of section 10 of the Child Nutrition Act (42 U.S.C. 1779) and sections 9(f)(1) and 17(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(f)(1), 1766(a)), as those regulations and guidance apply to schools;

(4) establishes a plan for measuring implementation of the local wellness policy, including designation of 1 or more persons within the local educational agency or at each school, as appropriate, charged with operational responsibility for ensuring that the school meets the local wellness policy; and

(5) involves parents, students, representatives of the school food authority, the school board, school administrators, and the public in the development of the school wellness policy.

(b) TECHNICAL ASSISTANCE AND BEST PRACTICES.—

(1) IN GENERAL.—The Secretary, in coordination with the Secretary of Education and in consultation with the Secretary of Health and Human Services, acting through the Centers for Disease Control and Prevention, shall make available to local educational agencies, school food authorities, and State educational agencies, on request, information and technical assistance for use in—

(A) establishing healthy school nutrition environments;

(B) reducing childhood obesity; and

(C) preventing diet-related chronic diseases.

(2) CONTENT.—Technical assistance provided by the Secretary under this subsection shall—

(A) include relevant and applicable examples of schools and local educational agencies that have taken steps to offer healthy options for foods sold or served in schools;

(B) include such other technical assistance as is required to carry out the goals of promoting sound nutrition and establishing healthy school nutrition environments that are consistent with this section;

(C) be provided in such a manner as to be consistent with the specific needs and requirements of local educational agencies; and

(D) be for guidance purposes only and not be construed as binding or as a mandate to schools, local educational agencies, school food authorities, or State educational agencies.

(3) FUNDING.—

(A) IN GENERAL.—On July 1, 2006, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection $4,000,000, to remain available until September 30, 2009.

(B) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

SEC. 205. TEAM NUTRITION NETWORK.

(a) TEAM NUTRITION NETWORK.—Section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1788) is amended to read as follows:

“SEC. 19. TEAM NUTRITION NETWORK.

“(a) PURPOSES.—The purposes of the team nutrition network are—

“(1) to establish State systems to promote the nutritional health of school children of the United States through nutrition education and the use of team nutrition messages and material developed by the Secretary, and to encourage regular physical activity and other activities that support healthy lifestyles for children, including those based on the most recent Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341);

“(2) to provide assistance to States for the development of comprehensive and integrated nutrition education and active living programs in schools and facilities that participate in child nutrition programs;

“(3) to provide training and technical assistance and disseminate team nutrition messages to States, school and community nutrition programs, and child nutrition food service professionals;

“(4) to coordinate and collaborate with other nutrition education and active living programs that share similar goals and purposes; and

“(5) to identify and share innovative programs with demonstrated effectiveness in helping children to maintain a healthy weight by enhancing student understanding of healthful eating patterns and the importance of regular physical activity.

“(b) DEFINITION OF TEAM NUTRITION NETWORK.—In this section, the term ‘team nutrition network’ means a statewide multidisciplinary program for children to promote healthy eating and physical activity based on scientifically valid information and sound educational, social, and marketing principles.

“(c) GRANTS.—

“(1) IN GENERAL.—Subject to the availability of funds for use in carrying out this section, in addition to any other funds made available to the Secretary for team nutrition purposes, the Secretary, in consultation with the Secretary of Education, may make grants to State agencies for each fiscal year, in accordance with this section, to establish team nutrition networks to promote nutrition education through—

“(A) the use of team nutrition network messages and other scientifically based information; and

“(B) the promotion of active lifestyles.

“(2) FORM.—A portion of the grants provided under this subsection may be in the form of competitive grants.

“(3) FUNDS FROM NONGOVERNMENTAL SOURCES.—In carrying out this subsection, the Secretary may accept cash contributions from nongovernmental organizations made expressly to further the purposes of this section, to be managed by the Food and Nutrition Service, for use by the Secretary and the States in carrying out this section.

“(d) ALLOCATION.—Subject to the availability of funds for use in carrying out this section, the total amount of funds made available for a fiscal year for grants under this section shall equal not more than the sum of—

“(1) the product obtained by multiplying ½ cent by the number of lunches reimbursed through food service programs under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) during the second preceding fiscal year in schools, institutions, and service institutions that participate in the food service programs; and

“(2) the total value of funds received by the Secretary in support of this section from nongovernmental sources.

“(e) REQUIREMENTS FOR STATE PARTICIPATION.—To be eligible to receive a grant under this section, a State agency shall submit to the Secretary a plan that—

“(1) is subject to approval by the Secretary; and

“(2) is submitted at such time and in such manner, and that contains such information, as the Secretary may require, including—

“(A) a description of the goals and proposed State plan for addressing the health and other consequences of children who are at risk of becoming overweight or obese;

“(B) an analysis of the means by which the State agency will use and disseminate the team nutrition messages and material developed by the Secretary;

“(C) an explanation of the ways in which the State agency will use the funds from the grant to work toward the goals required under subparagraph (A), and to promote healthy eating and physical activity and fitness in schools throughout the State;

“(D) a description of the ways in which the State team nutrition network messages and activities will be coordinated at the State level with other health promotion and education activities;

“(E) a description of the consultative process that the State agency employed in the development of the model nutrition and physical activity programs, including consultations with individuals and organizations with expertise in promoting public health, nutrition, or physical activity;

“(F) a description of how the State agency will evaluate the effectiveness of each program developed by the State agency;

“(G) an annual summary of the team nutrition network activities;

“(H) a description of the ways in which the total school environment will support healthy eating and physical activity; and

“(I) a description of how all communications to parents and legal guardians of students who are members of a household receiving or applying for assistance under the program shall be in an understandable and uniform format and, to the maximum extent practicable, in a language that parents and legal guardians can understand.

“(f) STATE COORDINATOR.—Each State that receives a grant under this section shall appoint a team nutrition network coordinator who shall—

"(1) administer and coordinate the team nutrition network within and across schools, school food authorities, and other child nutrition program providers in the State; and

"(2) coordinate activities of the Secretary, acting through the Food and Nutrition Service, and State agencies responsible for other children's health, education, and wellness programs to implement a comprehensive, coordinated team nutrition network program.

"(g) AUTHORIZED ACTIVITIES.—A State agency that receives a grant under this section may use funds from the grant—

"(1)(A) to collect, analyze, and disseminate data regarding the extent to which children and youths in the State are overweight, physically inactive, or otherwise suffering from nutrition-related deficiencies or disease conditions; and

"(B) to identify the programs and services available to meet those needs;

"(2) to implement model elementary and secondary education curricula using team nutrition network messages and material developed by the Secretary to create a comprehensive, coordinated nutrition and physical fitness awareness and obesity prevention program;

"(3) to implement pilot projects in schools to promote physical activity and to enhance the nutritional status of students;

"(4) to improve access to local foods through farm-to-cafeteria activities that may include the acquisition of food and the provision of training and education;

"(5) to implement State guidelines in health (including nutrition education and physical education guidelines) and to emphasize regular physical activity during school hours;

"(6) to establish healthy eating and lifestyle policies in schools;

"(7) to provide training and technical assistance to teachers and school food service professionals consistent with the purposes of this section;

"(8) to collaborate with public and private organizations, including community-based organizations, State medical associations, and public health groups, to develop and implement nutrition and physical education programs targeting lower income children, ethnic minorities, and youth at a greater risk for obesity.

"(h) LOCAL NUTRITION AND PHYSICAL ACTIVITY GRANTS.—

"(1) IN GENERAL.—Subject to the availability of funds to carry out this subsection, the Secretary, in consultation with the Secretary of Education, shall provide assistance to selected local educational agencies to create healthy school nutrition environments, promote healthy eating habits, and increase physical activity, consistent with the Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341), among elementary and secondary education students.

"(2) SELECTION OF SCHOOLS.—In selecting local educational agencies for grants under this subsection, the Secretary shall—

"(A) provide for the equitable distribution of grants among—

"(i) urban, suburban, and rural schools; and

"(ii) schools with varying family income levels;

"(B) consider factors that affect need, including local educational agencies with significant minority or low-income student populations; and

"(C) establish a process that allows the Secretary to conduct an evaluation of how funds were used.

"(3) REQUIREMENT FOR PARTICIPATION.—To be eligible to receive assistance under this subsection, a local educational agency shall, in consultation with individuals who possess education or experience appropriate for representing the general field of public health, including nutrition and fitness professionals, submit to the Secretary an application that shall include—

"(A) a description of the need of the local educational agency for a nutrition and physical activity program, including an assessment of the nutritional environment of the school;

"(B) a description of how the proposed project will improve health and nutrition through education and increased access to physical activity;

"(C) a description of how the proposed project will be aligned with the local wellness policy required under section 204 of the Child Nutrition and WIC Reauthorization Act of 2004;

"(D) a description of how funds under this subsection will be coordinated with other programs under this Act, the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.), or other Acts, as appropriate, to improve student health and nutrition;

"(E) a statement of the measurable goals of the local educational agency for nutrition and physical education programs and promotion;

"(F) a description of the procedures the agency will use to assess and publicly report progress toward meeting those goals; and

"(G) a description of how communications to parents and guardians of participating students regarding the activities under this subsection shall be in an understandable and uniform format, and, to the extent maximum practicable, in a language that parents can understand.

"(4) DURATION.—Subject to the availability of funds made available to carry out this subsection, a local educational agency receiving assistance under this subsection shall conduct the project during a period of 3 successive school years beginning with the initial fiscal year for which the local educational agency receives funds.

"(5) AUTHORIZED ACTIVITIES.—An eligible applicant that receives assistance under this subsection—

"(A) shall use funds provided to—

"(i) promote healthy eating through the development and implementation of nutrition education programs and curricula based on the Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341); and

"(ii) increase opportunities for physical activity through after school programs, athletics, intramural activities, and recess; and

"(B) may use funds provided to—

"(i) educate parents and students about the relationship of a poor diet and inactivity to obesity and other health problems;

"(ii) develop and implement physical education programs that promote fitness and lifelong activity;

"(iii) provide training and technical assistance to food service professionals to develop more appealing, nutritious menus and recipes;

"(iv) incorporate nutrition education into physical education, health education, and after school programs, including athletics;

"(v) involve parents, nutrition professionals, food service staff, educators, community leaders, and other interested parties in assessing the food options in the school environment and developing and implementing an action plan to promote a balanced and healthy diet;

"(vi) provide nutrient content or nutrition information on meals served through the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the school breakfast program established by section 4 of this Act and items sold a la carte during meal times;

"(vii) encourage the increased consumption of a variety of healthy foods, including fruits, vegetables, whole grains, and low-fat dairy products, through new initiatives to creatively market healthful foods, such as salad bars and fruit bars;

"(viii) offer healthy food choices outside program meals, including by making low-fat and nutrient dense options available in vending machines, school stores, and other venues; and

"(ix) provide nutrition education, including sports nutrition education, for teachers, coaches, food service staff, athletic trainers, and school nurses.

"(6) REPORT.—Not later than 18 months after completion of the projects and evaluations under this subsection, the Secretary shall—

"(A) submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Agriculture, Nutrition and Forestry of the Senate a report describing the results of the evaluation under this subsection; and

"(B) make the report available to the public, including through the Internet.

"(i) NUTRITION EDUCATION SUPPORT.—In carrying out the purpose of this section to support nutrition education, the Secretary may provide for technical assistance and grants to improve the quality of school meals and access to local foods in schools and institutions.

"(j) LIMITATION.—Material prepared under this section regarding agricultural commodities, food, or beverages, must be factual and without bias.

"(k) TEAM NUTRITION NETWORK INDEPENDENT EVALUATION.—

"(1) IN GENERAL.—Subject to the availability of funds to carry out this subsection, the Secretary shall offer to enter into an agreement with an independent, nonpartisan, science-based research organization—

"(A) to conduct a comprehensive independent evaluation of the effectiveness of the team nutrition initiative and the team nutrition network under this section; and

"(B) to identify best practices by schools in—

"(i) improving student understanding of healthful eating patterns;

"(ii) engaging students in regular physical activity and improving physical fitness;

"(iii) reducing diabetes and obesity rates in school children;

"(iv) improving student nutrition behaviors on the school campus, including by increasing healthier meal choices by students, as evidenced by greater inclusion of fruits, vegetables, whole grains, and lean dairy and protein in meal and snack selections;

"(v) providing training and technical assistance for food service professionals resulting in the availability of healthy meals that appeal to ethnic and cultural taste preferences;

"(vi) linking meals programs to nutrition education activities;

"(vii) successfully involving parents, school administrators, the private sector, public health agencies, nonprofit organizations, and other community partners;

"(viii) ensuring the adequacy of time to eat during school meal periods; and

"(ix) successfully generating revenue through the sale of food items, while providing healthy options to students through vending, student stores, and other venues.

"(2) REPORT.—Not later than 3 years after funds are made available to carry out this subsection, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives, the Committee on Health, Education, Labor, and Pensions and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the findings of the independent evaluation.

"(l) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.".

(b) CONFORMING AMENDMENT.—Section 21(c)(2)(E) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b-1(c)(2)(E)) is amended by striking ", including" and all that follows through "1966".

SEC. 206. REVIEW OF BEST PRACTICES IN THE BREAKFAST PROGRAM.

(a) REVIEW.—

(1) IN GENERAL.—Subject to the availability of funds under subsection (c), the Secretary of Agriculture shall enter into an agreement with a research organization to collect and disseminate a review of best practices to assist school food authorities in addressing existing impediments at the State and local level that hinder the growth of the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).

(2) RECOMMENDATIONS.—The review shall describe model breakfast programs and offer recommendations for schools to overcome obstacles, including—

(A) the length of the school day;

(B) bus schedules; and

(C) potential increases in costs at the State and local level.

(b) DISSEMINATION.—Not later than 1 year after the date of enactment of this Act, the Secretary shall—

(1) make the review required under subsection (a) available to school food authorities via the Internet, including recommendations to improve participation in the school breakfast program; and

(2) transmit to Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a copy of the review.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

TITLE III—COMMODITY DISTRIBUTION PROGRAMS

SEC. 301. COMMODITY DISTRIBUTION PROGRAMS.

Section 15 of the Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note; Public Law 100-237) is amended by striking subsection (e).

TITLE IV—MISCELLANEOUS

SEC. 401. SENSE OF CONGRESS REGARDING EFFORTS TO PREVENT AND REDUCE CHILDHOOD OBESITY.

(a) FINDINGS.—Congress finds that—

(1) childhood obesity in the United States has reached critical proportions;

(2) childhood obesity is associated with numerous health risks and the incidence of chronic disease later in life;

(3) the prevention of obesity among children yields significant benefits in terms of preventing disease and the health care costs associated with such diseases;

(4) further scientific and medical data on the prevalence of childhood obesity is necessary in order to inform efforts to fight childhood obesity; and

(5) the State of Arkansas—

(A) is the first State in the United States to have a comprehensive statewide initiative to combat and prevent childhood obesity by—

(i) annually measuring the body mass index of public school children in the State from kindergarten through 12th grade; and

(ii) providing that information to the parents of each child with associated information about the health implications of the body mass index of the child;

(B) maintains, analyzes, and reports on annual and longitudinal body mass index data for the public school children in the State; and

(C) develops and implements appropriate interventions at the community and school level to address obesity, the risk of obesity, and the condition of being overweight, including efforts to encourage healthy eating habits and increased physical activity.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the State of Arkansas, in partnership with the University of Arkansas for Medical Sciences and the Arkansas Center for Health Improvement, should be commended for its leadership in combating childhood obesity; and

(2) the efforts of the State of Arkansas to implement a statewide initiative to combat and prevent childhood obesity are exemplary and could serve as a model for States across the United States.

TITLE V—IMPLEMENTATION

SEC. 501. GUIDANCE AND REGULATIONS.

(a) GUIDANCE.—As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture shall issue guidance to implement the amendments made by sections 102, 103, 104, 105, 106, 107, 111, 116, 119(c), 119(g), 120, 126(b), 126(c), 201, 203(a)(3), 203(b), 203(c)(5), 203(e)(3), 203(e)(4), 203(e)(5), 203(e)(6), 203(e)(7), 203(e)(10), and 203(h)(1).

(b) INTERIM FINAL REGULATIONS.—The Secretary may promulgate interim final regulations to implement the amendments described in subsection (a).

(c) REGULATIONS.—Not later than 2 years after the date of enactment of this Act, the Secretary shall promulgate final regulations to implement the amendments described in subsection (a).

SEC. 502. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act take effect on the date of enactment of this Act.

(b) SPECIAL EFFECTIVE DATES.—

(1) JULY 1, 2004.—The amendments made by sections 106, 107, 126(c), and 201 take effect on July 1, 2004.

(2) OCTOBER 1, 2004.—The amendments made by sections 119(c), 119(g), 202(a), 203(a), 203(b), 203(c)(1), 203(c)(5), 203(e)(5), 203(e)(8), 203(e)(10), 203(e)(13), 203(f), 203(h)(1), and 203(h)(2) take effect on October 1, 2004.

(3) JANUARY 1, 2005.—The amendments made by sections 116(f)(1) and 116(f)(3) take effect on January 1, 2005.

(4) JULY 1, 2005.—The amendments made by sections 102, 104, 105, 111, and 126(b) take effect on July 1, 2005.

(5) OCTOBER 1, 2005.—The amendments made by sections 116(d) and 203(e)(9) take effect on October 1, 2005.

Mr. CRAPO. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005—Continued

Mr. WARNER. In consultation with the majority leader, the distinguished Democratic leader, and the Democratic whip, Senator LEVIN and I have worked out a series of steps we are going to begin to take in seriatim at this time. The first step is that I yield the floor such that the Chair can recognize the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

AMENDMENT NO. 3400

Mr. FEINGOLD. I ask for regular order with regard to amendment No. 3400.

The PRESIDING OFFICER. The amendment is now pending.

Mr. FEINGOLD. Mr. President, I understand there will be a second-degree amendment offered to my amendment which is to bring a small measure of relief to military families by allowing the FMLA-eligible family members of deployed personnel to be able to use the FMLA benefits for issues directly related to or resulting from their loved one's deployment. This has been accepted by the body previously and put into other legislation. It was certainly my hope that we would be able to move forward with this. It is something our military families desperately need. However, it is my understanding that this second-degree amendment would require protracted debate. It is in our interest to move this important Department of Defense authorization bill forward.

Mr. WARNER. If the Senator would withhold.

Mr. FEINGOLD. I yield to the Senator.

AMENDMENT NO. 3475 TO AMENDMENT NO. 3400

(Purpose: To enable military family members to take time off to attend to deployment-related business, tasks, and other family issues.)

Mr. WARNER. There is at the desk a second-degree amendment which I submit on behalf of Senator GREGG and myself.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

> The Senator from Virginia [Mr. WARNER], for Mr. GREGG, for himself and Mr. WARNER, proposes an amendment 3475 to amendment 3400.

(The amendment is printed in today's RECORD under "Text of Amendments.")

Mr. GREGG. Mr. President, Senator FEINGOLD has offered an amendment intended to help military families who have a family member activated in support of a contingency operation. First of all, I make it clear that all of us want to assist families placed in the difficult position of operating with one family member called to duty.

That is why the underlying bill contains provisions such as permanently increasing the Family Separation Allowance, FSA, payable to deployed servicemen and women with dependents up to $250 a month.

But the proposal made by Senator FEINGOLD to expand the Family Medical Leave Act is not the right approach. I rise to offer an alternative proposal as a second-degree amendment. The amendment I am offering today presents military families a much better method for obtaining the flexibility they may need to prepare for activation and to keep the family running while a family member is called to duty.

The Feingold amendment would offer some employees unpaid leave. My amendment will offer paid leave. While the Feingold amendment applies only to those military family members that work for employers with 50 or more employees, and offers no assistance at all to individuals who work for smaller employers, my amendment will apply to all military family employees subject to the Fair Labor Standards Act.

The Feingold amendment will also create uncertainty and animosity in the workplace by giving employees the vaguely defined right to take intermittent leave with minimal notice for any "issue relating to "the family member's service"—a phrase which can be interpreted to cover just about any activity.

My amendment, on the other hand offers a clear method for earning and using paid leave time.

The Feingold amendment is a mandate in search of a problem—no need has been demonstrated for it and in fact, in a recent survey of activated Armed Service members' spouses, 80 percent stated that their employers were supportive of their need to complete pre-activation tasks.

In light of this existing support by employers, my amendment creates a voluntary system of adding flextime to the work schedule. Therefore, employers who already have programs in place to accommodate military families will have the option of maintaining those programs or adopting a flextime initiative, they will not be forced to add another complicated layer onto the already confusing Family and Medical Leave law.

I also point out that the Feingold amendment has never been the subject of a single House or Senate hearing. I am sure that many of my colleagues, like me, have heard from businesses concerned about the difficulties they will face in interpreting and implementing the Feingold amendment.

Flextime proposals, however, have been vetted in no fewer than 8 hearings in the Senate and the U.S. House of Representatives. There is also concerns that the Feingold amendment may threaten the operation of military bases. According to the Department of Defense, "If a major military unit were deployed from a single base, this policy could effectively shut down the installation depending upon the number of family member employees covered."

My amendment would not present such a threat to military installations because it does not apply to public employees.

Finally, Mr. President, I recognize that all of us want to do what we can to ease the burden on families who have a family member—be it a spouse, parent or child—serving to protect our nation. The sacrifice they are willing to make is nothing short of remarkable. I believe the approach I am offering here today is the best way to help these families. I urge my colleagues to support my amendment.

Mr. KENNEDY. Mr. President, the Feingold amendment builds on a time tested law, the Family Medical Leave Act, to allow family members flexibility to prepare to send their loved ones to Iraq, Afghanistan, and elsewhere abroad to fight on behalf of their Nation. The Family Medical Leave Act has helped more than 35 million Americans over the last 10 years. It will help even more under the Feingold amendment. The amendment will allow family members to take the time off they need to meet child care needs, care for elderly parents, and otherwise balance their family responsibilities as their loved ones prepare for active duty.

The reason this laudable Feingold amendment is being withdrawn is because our colleagues on the other side of the aisle want to give our military families a pay cut.

Corporate profits are growing, while worker wages are not. Yet Republicans keep trying to implement more policies that are bad for workers. First, Republicans took away overtime protections from millions of Americans. Now, they want to give employers additional power to decide how workers are to be compensated for their overtime work.

The Fair Labor Standards Act, FLSA, currently requires employers to pay workers time-and-a-half for hours worked in excess of 40 per week. When workers put in overtime hours now, they have a right to time and half pay, and they have total control over how or when to use that pay.

The Gregg amendment would allow employers to pay workers nothing for overtime work at the time the work is performed, in exchange for a promise of a new schedule. Under current law, employers are free to offer more flexible schedules. The only difference is that they have to pay workers for their overtime hours.

For those who work overtime, overtime pay constitutes 25 percent of their pay. Middle class families, already squeezed in today's economy, rely on these added earnings for their children's college tuition, their own retirement, or even to meet their monthly bills. In fact, millions of workers depend on cash overtime to make ends meet and pay their housing, food and healthcare bills.

The Gregg proposal has insufficient enforcement provisions to ensure that employees will not be forced to change their schedules instead of getting overtime pay. This will mean a pay cut for millions of Americans. Workers deserve a pay raise, not a pay cut.

Mr. LEAHY. Mr. President, I rise today to express my strong support for the amendment offered by Senator FEINGOLD.

Senator FEINGOLD's amendment, which I am proud to cosponsor, would allow the work of the Inspector General of the Coalition Provisional Authority, CPA-IG, to continue its work uninterrupted after the June 30 handover.

This is critical. Congress provided more than $18 billion to rebuild Iraq, roughly the same amount that we spend on the rest of the world combined. Congress jammed through the Iraq supplemental appropriations bill in an extremely short time, without a sufficient number of hearings, into a very chaotic environment without the usual financial controls.

Recognizing this reality, Congress created a strong, independent inspector general to help police these funds.

In the months that followed passage of the Iraq supplemental, we heard numerous reports of waste, fraud, and abuse. If anything, this should have sent a clear signal to the administration and Congress that we need more—not less—oversight of these funds.

It defies logic then that the State Department is now proposing to weaken the one entity that Congress specifically tasked with keeping track of these tax dollars.

The State Department's plan could undermine the independence of this inspector general and disrupt this important work, reducing Congress's ability to account for these funds. It is unlocking the vault to those who want to cheat us.

The State Department also has told the Appropriations Committee that it will have to create 25 new positions to handle the work in Iraq.

Let me get this straight. We want to close down an IG that has about 60 people in place, which are actively conducting audits and rooting out waste, fraud, and abuse.

After the administration is finished closing down that office, they will turn around and hire 25 new people to do the same work—only through at a lower level office at the State Department.

Why on Earth would we want to do this? At a time when we are hearing weekly reports of abuse by Halliburton and others, why would we want to reinvent the wheel? Why would we downgrade the status of the CPA-IG and undermine its independence? It just does not make any sense.

This is why the amendment offered by the Senator from Wisconsin is so important.

This is why I support his amendment.

Last year Senator FEINGOLD and I offered an amendment to the supplemental bill for Iraq and Afghanistan that established an inspector general for the Coalition Provisional Authority so that there would be one auditing body completely focused on ensuring taxpayer dollars are spent wisely and efficiently, and that this effort is free of waste, fraud, and abuse.

Today the CPA, as we all know, is phasing out, but the reconstruction effort has only just begun. According to the Congressional Research Service, as of May 18, only $4.2 billion of the $18.4 billion Congress appropriated for reconstruction in November had even been obligated. This amendment would ensure that the inspector general's office can continue its important work even after June 30 rather than being compelled to start wrapping up and shutting down while so much important work remains to be done.

It renames the Office of the CPA IG, changing it to Special Inspector General for Iraq Reconstruction. The amendment establishes that this inspector general shall continue operating until the lion's share of the money Congress has appropriated to date for the Iraq relief and reconstruction fund has been obligated.

American taxpayers have been asked to shoulder a tremendous burden when it comes to the reconstruction of Iraq. Over 20 billion taxpayer dollars have been appropriated for the Iraq relief and reconstruction fund. That is more than the entire fiscal year 2004 Foreign Operations annual appropriation. It is more than the entire fiscal year 2004 Foreign Operations annual appropriation. This is a tremendous sum to devote to one country.

We all agreed last year that it required an entity on the ground, exclusively focused on this effort, to ensure adequate funding and oversight. We agreed that we need a qualified, independent watchdog with all the powers and the authorities that accrue to inspectors general under the Inspector General Act of 1978. We agreed that business as usual whereby individual agency IG's attempt to oversee this mammoth effort in addition to everything else the agency does it simply not appropriate in this case.

There is nothing ordinary about the nature of the U.S. taxpayer investment in Iraq. Ordinary measures will not suffice.

This amendment modifies the legislation creating this IG to ensure that it does not disappear along with the CPA, but instead continues to operate until the amount of reconstruction spending in Iraq more closely resembles other large bilateral foreign assistance programs, which are overseen by existing agency inspectors general. Specifically, to phases out the special IG after 80 percent of the Iraq Relief and Reconstruction Fund appropriated to date is obligated. If that fund grows substantially in the next calendar, then Congress can consider the wisdom of adjusting this mandate accordingly.

Let there be no confusion, this inspector general is only tasked with overseeing how U.S. taxpayer dollars are spent. It does not have a mandate to oversee Iraqi resources. That is not what this is about. So there is nothing at all in continuing this operation that is inconsistent with the transfer of sovereignty on June 30.

Because the Department of Defense has responsibility for what is happening to some reconstruction dollars and the Department of State will have responsibility going forward, it makes good sense to have a focused IG on the ground who is able to see the entire picture at once—not being completely required to just focus on the State Department position or just focus on the Department of Defense portion. This amendment is in no way hostile to the reconstruction effort. This amendment is about trying to get it right.

Suggesting that a special inspector general's office continues to be in order in Iraq is hardly revolutionary. As I have mentioned, the reconstruction budget for Iraq is bigger than the entire fiscal year 2004 Foreign Operations Appropriations bill. Yet five different inspectors general—at USAID, at the State Department, at the Defense Department, at the Treasury, and at the Export-Import Bank—are charged with overseeing portions of that account. In fact, currently some 41 Federal establishments and designated Federal entities with annual budgets less than $21 billion have their own, independent, statutorily mandated inspector general, from the Railroad Retirement Board to the Smithsonian Institution. We ask for focused accountability when taxpayer dollars are a stake in these situations. We must demand the same in Iraq.

Obviously, when you are talking about $20 billion just for this Iraq situation, we have to do the same thing. We must demand the same in Iraq.

To date, the Inspector General for the Coalition Provisional Authority has made important progress, and has some 30 active investigations and 19 audits underway. A whistleblower hotline established by the inspector general has received hundreds of calls. This is clearly not the time to pull the plug on his important effort.

I urge my colleagues to support this amendment. This is the critical point: To oppose this amendment is to vote for less oversight of the reconstruction effort in Iraq than we have today. It is a step backward if we don't. We cannot abdicate our oversight responsibility. The stakes are far too high for that.

AMENDMENT NO. 3400 WITHDRAWN

Mr. FEINGOLD. In light of the offering of the second-degree amendment, I am about to ask unanimous consent to withdraw my amendment, but I first indicate how important it is we provide this FMLA benefit to these families. Obviously, this issue will return, but in the spirit of trying to resolve this issue and move the bill forward, I now ask unanimous consent to withdraw my amendment No. 3400.

Mr. WARNER. No objection.

The PRESIDING OFFICER. The amendment is withdrawn.

AMENDMENT NO. 3475 WITHDRAWN

Mr. WARNER. And the second-degree amendment likewise is withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Nevada.

Mr. REID. Before the Senator from Wisconsin leaves the Senate, I want the record to indicate he has worked hard on issues relating to veterans. This is no exception.

I know the Senator, when he travels home to Wisconsin, will meet with American Legion, Veterans of Foreign Wars, and other such assembled groups. By looking at this record, they should understand what the Senator from Wisconsin has tried to do for the veterans of this country. I applaud and commend the Senator from Wisconsin for his tenacity. And he will be back, knowing the Senator from Wisconsin, to fight another day.

The PRESIDING OFFICER. The Senator from Wisconsin.

AMENDMENT NO. 3288

Mr. FEINGOLD. Mr. President, I now ask for the regular order with regard to amendment No. 3288.

The PRESIDING OFFICER. The amendment is pending.

Mr. FEINGOLD. Mr. President, for this amendment, which I offered earlier and had the yeas and nays ordered on, I now ask unanimous consent that the yeas and nays be vitiated.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FEINGOLD. Mr. President, I thank the chairman of the committee for his cooperation and for his support on this important amendment, which I understand will be accepted. This amendment allows the important work of the Inspector General of the CPA in Iraq to continue after the June 30 transition.

We are talking here about $20 billion of American taxpayers' dollars. Only about $4.5 billion has already been contracted for. So the remainder is still going to be expended. There are a great deal of audits and other efforts being made on the ground. That should continue. This has to do with protecting the American taxpayers.

I am delighted both the chairman and ranking member have expressed support for this amendment. I am confident, with their assurances, that this amendment will make it all the way through the process and become the law of the land so this fine work of this inspector general can continue.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, the matter has been discussed between myself, Senator LEVIN, Senator HARRY REID, and the distinguished Senator from Wisconsin. The concept of the inspector general is a proven concept. It is a valuable concept in the administration of our expenditures to have accountability.

We shall work on it to see that from that conference evolves, hopefully, an amendment that is a part of the statute to be incorporated eventually from the conference report that reflects the goals the Senator has set out. That is correct.

Mr. FEINGOLD. Mr. President, as to the amendment as we have crafted it, which was carefully and specifically crafted, I take the chairman's comment to indicate the approach we have taken in the Senate is the approach he will be advocating in conference.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I thank and congratulate the Senator from Wisconsin for this amendment. He has been an absolute bulldog when it comes to protecting taxpayers' dollars, just as he has been a fighter for veterans, as in his previous discussion.

I want to tell him I know we will be fighting with all of our energy in conference to retain this provision. It is vitally important there be this kind of an inspector general review and an inspector general who has the kind of independent power the Senator from Wisconsin has always fought for. We intend to do exactly that, to carry out, to wage his battle in conference to retain this provision.

Mr. WARNER. Mr. President, I join in thanking the Senator for his cooperation.

I draw the attention of the ranking member to suggest at this point in time we clear a package of managers' amendments.

Mr. LEVIN. We need to pass this amendment first.

Mr. WARNER. Yes, please.

The PRESIDING OFFICER. The Feingold amendment is still the pending question.

Mr. FEINGOLD. Mr. President, I urge that the amendment be adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3288) was agreed to.

Mr. WARNER. I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, I rise today to speak about a very simple amendment that everyone should support. This amendment requires the Inspector General of the Department of Defense (DOD-IG), in consultation with the Inspectors General of the State Department and the CIA, to conduct a comprehensive investigation into the programs and activities of the Iraqi National Congress.

Over the last 10 years, we have seen funds from the U.S. Government spent in highly questionable, if not fraudulent ways, including money spent on oil paintings and health club memberships.

But this is only the tip of the iceberg. A number of serious questions remain unanswered concerning the INC. Here are a couple of examples:

First, the INC spent millions in setting up offices around the world, including London, Prague, Damacus, and Tehran. The State Department's internal documents indicated that they really had no idea of what was happening in some of these offices—especially Tehran. In light of the recent press reports about INC intelligence sharing with Iran, I think the DOD-IG should take a look at this issue and see what was happening in the Tehran office. We need to get to the bottom of this.

Second, the INC spent millions to set up radio and television broadcasting inside Iraq. The radio program seemed redundant as the U.S. Government was, at the time, funding Radio Free Iraq. A New York Times article questioned the effectiveness of the TV broadcasting program. Kurdish officials indicated that, despite repeated attempts, they could never pickup the INC's TV broadcast inside Iraq. This, again, raises questions about how this money is being spent. The IG should examine this issue. We need to get to the bottom of this.

Third the INC's Informaiton Collection Program—funded initially by the State Department and later by the Defense Department—continues to be a source of controversy and mystery. I have a memo here, written by the INC to Appropriations Committee staff, detailing the INC's Information Collection Program. In this memo, the INC claims to have written numerous reports to senior Administration officials, who are listed in this memo, on topics including WMD proliferation. The Administration disputes this claim. Again, we need to get to the botton of this.

I could go on and on. However, in the interests of time, I will simply say that there are many, serious unanswered questions about the INC's activities.

What was the INC doing with U.S. taxpayer dollars? What was going on in the Tehran office? Did the Information Collection Program contribute to intelligence failures in Iraq? Were the broadcasting programs at all effective in gathering support for U.S. efforts in Iraq?

To be sure, there have been a few investigations into INC. However, these have been incomplete, offering only a glimpse of what occurred.

A few years ago, the State Department Inspector General issued two reports on the INC. But these reports only covered $4.3 million and examined only the Washington and London Offices. The State Department IG informed my office yesterday that these are the only two audits they conducted and have no plans to conduct audits on this issue.

A GAO report, published earlier this year, summarized the different grant agreements that the State Department entered into with the INC, but this report did not attempt to answer the myriad questions that remain about the INC.

Another GAO report is underway, but this looks only at the narrow question of whether the INC violated U.S. laws concerning the use of taxpayer funds to pay for public propaganda.

Finally, according to press reports, the Intelligence Committee is looking to a few issues related to the INC.

My amendment is consistent with these investigations. The DOD-IG does not have to reinvent the wheel. It can build off this existing body of work to answer questions that will remain long after these investigation have been completed.

Mr. President, my amendment is about transparency. My amendment is about accountability. My amendment is about getting to the bottom of one of the most mismanaged programs in recent history.

Most importantly, my amendment is about learning from our mistakes so we do not repeat them in the future. I urge my colleague to support my amendment.

The PRESIDING OFFICER. The Senator from Nevada.

AMENDMENT NO. 3315, AS MODIFIED

Mr. REID. Mr. President, there is an amendment pending by Senator LANDRIEU; is that true?

The PRESIDING OFFICER. That is correct.

Mr. REID. The number of that amendment?

The PRESIDING OFFICER. Amendment No. 3315.

Mr. REID. Mr. President, I ask unanimous consent that there be a modification to the amendment offered by

Senators LANDRIEU, SNOWE, ENSIGN, and MIKULSKI.

The PRESIDING OFFICER. Is there objection to the modification?

Mr. WARNER. Mr. President, there is no objection. The matter has been carefully worked through the course of the evening, and it is ready for action by the Chair.

The PRESIDING OFFICER. Without objection, the amendment is modified.

The amendment (No. 3315), as modified, is as follows:

On page 130, after line 9, insert the following:

SEC. 642. FULL SBP SURVIVOR BENEFITS FOR SURVIVING SPOUSES OVER AGE 62.

(a) PHASED INCREASE IN BASIC ANNUITY.—

(1) INCREASE TO 55 PERCENT.—Subsection (a)(1)(B)(i) of section 1451 of title 10, United States Code, is amended by striking "35 percent of the base amount." and inserting "the product of the base amount and the percent applicable for the month. The percent applicable for a month is 35 percent for months beginning before October 2005, 40 percent for months beginning after September 2005 and before October 2008, 45 percent for months beginning after September 2008, and 55 percent for months beginning after September 2014.".

(2) RESERVE-COMPONENT ANNUITY.—Subsection (a)(2)(B)(i)(I) of such section is amended by striking "35 percent" and inserting "the percent specified under paragraph (1)(B)(i) as being applicable for the month".

(3) SPECIAL-ELIGIBILITY ANNUITY.—Subsection (c)(1)(B)(i) of such section is amended—

(A) by striking "35 percent" and inserting "the applicable percent"; and

(B) by adding at the end the following: "The percent applicable for a month under the preceding sentence is the percent specified under subsection (a)(1)(B)(i) as being applicable for the month.".

(4) CONFORMING AMENDMENT.—The heading for subsection (d)(2)(A) of such section is amended to read as follows: "COMPUTATION OF ANNUITY.—".

(b) PHASED ELIMINATION OF SUPPLEMENTAL ANNUITY.—

(1) DECREASING PERCENTAGES.—Section 1457(b) of title 10, United States Code, is amended—

(A) by striking "5, 10, 15, or 20 percent" and inserting "the applicable percent"; and

(B) by inserting after the first sentence the following: "The percent used for the computation shall be an even multiple of 5 percent and, whatever the percent specified in the election, may not exceed 20 percent for months beginning before October 2005, 15 percent for months beginning after September 2005 and before October 2008, and 10 percent for months beginning after September 2008.".

(2) REPEAL OF PROGRAM IN 2014.—Effective on October 1, 2014, chapter 73 of such title is amended—

(A) by striking subchapter III; and

(B) by striking the item relating to subchapter III in the table of subchapters at the beginning of that chapter.

(c) RECOMPUTATION OF ANNUITIES.—

(1) REQUIREMENT FOR RECOMPUTATION.—Effective on the first day of each month referred to in paragraph (2)—

(A) each annuity under section 1450 of title 10, United States Code, that commenced before that month, is computed under a provision of section 1451 of that title amended by subsection (a), and is payable for that month shall be recomputed so as to be equal to the amount that would be in effect if the percent applicable for that month under that provision, as so amended, had been used for the initial computation of the annuity; and

(B) each supplemental survivor annuity under section 1457 of such title that commenced before that month and is payable for that month shall be recomputed so as to be equal to the amount that would be in effect if the percent applicable for that month under that section, as amended by this section, had been used for the initial computation of the supplemental survivor annuity.

(2) TIMES FOR RECOMPUTATION.—The requirements for recomputation of annuities under paragraph (1) apply with respect to the following months:

(A) October 2005.

(B) October 2008.

(C) October 2014.

(d) RECOMPUTATION OF RETIRED PAY REDUCTIONS FOR SUPPLEMENTAL SURVIVOR ANNUITIES.—The Secretary of Defense shall take such actions as are necessitated by the amendments made by subsection (b) and the requirements of subsection (c)(1)(B) to ensure that the reductions in retired pay under section 1460 of title 10, United States Code, are adjusted to achieve the objectives set forth in subsection (b) of that section.

SEC. 643. OPEN ENROLLMENT PERIOD FOR SURVIVOR BENEFIT PLAN COMMENCING OCTOBER 1, 2005.

(a) PERSONS NOT CURRENTLY PARTICIPATING IN SURVIVOR BENEFIT PLAN.—

(1) ELECTION OF SBP COVERAGE.—An eligible retired or former member may elect to participate in the Survivor Benefit Plan under subchapter II of chapter 73 of title 10, United States Code, during the open enrollment period specified in subsection (f).

(2) ELECTION OF SUPPLEMENTAL ANNUITY COVERAGE.—An eligible retired or former member who elects under paragraph (1) to participate in the Survivor Benefit Plan at the maximum level may also elect during the open enrollment period to participate in the Supplemental Survivor Benefit Plan established under subchapter III of chapter 73 of title 10, United States Code.

(3) ELIGIBLE RETIRED OR FORMER MEMBER.—For purposes of paragraphs (1) and (2), an eligible retired or former member is a member or former member of the uniformed services who on the day before the first day of the open enrollment period is not a participant in the Survivor Benefit Plan and—

(A) is entitled to retired pay; or

(B) would be entitled to retired pay under chapter 1223 of title 10, United States Code, but for the fact that such member or former member is under 60 years of age.

(4) STATUS UNDER SBP OF PERSONS MAKING ELECTIONS.—

(A) STANDARD ANNUITY.—A person making an election under paragraph (1) by reason of eligibility under paragraph (3)(A) shall be treated for all purposes as providing a standard annuity under the Survivor Benefit Plan.

(B) RESERVE-COMPONENT ANNUITY.—A person making an election under paragraph (1) by reason of eligibility under paragraph (3)(B) shall be treated for all purposes as providing a reserve-component annuity under the Survivor Benefit Plan.

(b) ELECTION TO INCREASE COVERAGE UNDER SBP.—A person who on the day before the first day of the open enrollment period is a participant in the Survivor Benefit Plan but is not participating at the maximum base amount or is providing coverage under the Plan for a dependent child and not for the person's spouse or former spouse may, during the open enrollment period, elect to—

(1) participate in the Plan at a higher base amount (not in excess of the participant's retired pay); or

(2) provide annuity coverage under the Plan for the person's spouse or former spouse at a base amount not less than the base amount provided for the dependent child.

(c) ELECTION FOR CURRENT SBP PARTICIPANTS TO PARTICIPATE IN SUPPLEMENTAL SBP.—

(1) ELECTION.—A person who is eligible to make an election under this paragraph may elect during the open enrollment period to participate in the Supplemental Survivor Benefit Plan established under subchapter III of chapter 73 of title 10, United States Code.

(2) PERSONS ELIGIBLE.—Except as provided in paragraph (3), a person is eligible to make an election under paragraph (1) if on the day before the first day of the open enrollment period the person is a participant in the Survivor Benefit Plan at the maximum level, or during the open enrollment period the person increases the level of such participation to the maximum level under subsection (b) of this section, and under that Plan is providing annuity coverage for the person's spouse or a former spouse.

(3) LIMITATION ON ELIGIBILITY FOR CERTAIN SBP PARTICIPANTS NOT AFFECTED BY TWO-TIER ANNUITY COMPUTATION.—A person is not eligible to make an election under paragraph (1) if (as determined by the Secretary concerned) the annuity of a spouse or former spouse beneficiary of that person under the Survivor Benefit Plan is to be computed under section 1451(e) of title 10, United States Code. However, such a person may during the open enrollment period waive the right to have that annuity computed under such section 1451(e). Any such election is irrevocable. A person making such a waiver may make an election under paragraph (1) as in the case of any other participant in the Survivor Benefit Plan.

(d) MANNER OF MAKING ELECTIONS.—An election under this section shall be made in writing, signed by the person making the election, and received by the Secretary concerned before the end of the open enrollment period. Any such election shall be made subject to the same conditions, and with the same opportunities for designation of beneficiaries and specification of base amount, that apply under the Survivor Benefit Plan or the Supplemental Survivor Benefit Plan, as the case may be. A person making an election under subsection (a) to provide a reserve-component annuity shall make a designation described in section 1448(e) of title 10, United States Code.

(e) EFFECTIVE DATE FOR ELECTIONS.—Any such election shall be effective as of the first day of the first calendar month following the month in which the election is received by the Secretary concerned.

(f) OPEN ENROLLMENT PERIOD.—The open enrollment period under this section shall be the one-year period beginning on October 1, 2005.

(g) EFFECT OF DEATH OF PERSON MAKING ELECTION WITHIN TWO YEARS OF MAKING ELECTION.—If a person making an election under this section dies before the end of the two-year period beginning on the effective date of the election, the election is void and the amount of any reduction in retired pay of the person that is attributable to the election shall be paid in a lump sum to the person who would have been the deceased person's beneficiary under the voided election if the deceased person had died after the end of such two-year period.

(h) APPLICABILITY OF CERTAIN PROVISIONS OF LAW.—The provisions of sections 1449, 1453, and 1454 of title 10, United States Code, are applicable to a person making an election, and to an election, under this section in the same manner as if the election were made under the Survivor Benefit Plan or the Supplemental Survivor Benefit Plan, as the case may be.

(i) ADDITIONAL PREMIUM.—The Secretary of Defense shall prescribe in regulations premiums which a person electing under this section shall be required to pay for participating in the Survivor Benefit Plan pursuant to the election. The total amount of the premiums to be paid by a person under the regulations shall be equal to the sum of—

(i) the total amount by which the retired pay of the person would have been reduced before the effective date of the election if the person had elected to participate in the Survivor Benefit Plan (for the same base amount specified in the election) at the first opportunity that was afforded the member to participate under chapter 73 of title 10, United States Code;

(ii) interest on the amounts by which the retired pay of the person would have been so reduced, computed from the dates on which the retired pay would have been so reduced at such rate or rates and according to such methodology as the Secretary of Defense determines reasonable; and

(iii) any additional amount that the Secretary determines necessary to protect the actuarial soundness of the Department of Defense Military Retirement Fund against any increased risk for the fund that is associated with the election.

(B) Premiums paid under the regulations shall be credited to the Department of Defense Military Retirement Fund.

(C) In this paragraph, the term "Department of Defense Military Retirement Fund" means the Department of Defense Military Retirement Fund established under section 1461(a) of title 10, United States Code.

AMENDMENT NO. 3467

The PRESIDING OFFICER. The question is on agreeing to the second-degree amendment, No. 3467, offered by the Senator from Nevada.

Mr. WARNER. Mr. President, I urge adoption of the second-degree amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3467) was agreed to.

AMENDMENT NO. 3315, AS MODIFIED

The PRESIDING OFFICER. The question now is on agreeing to the first-degree amendment.

Mr. WARNER. No objection.

The PRESIDING OFFICER. Without objection, the first-degree amendment, as modified, is agreed to.

The amendment (No. 3315) was agreed to.

Mr. REID. I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, we have worked with the Senator from Louisiana for many hours today on this amendment. There was an article written, and I joke with the Senator from Louisiana. She was the feature of a veterans publication. They had a picture of her with her sleeves rolled up, muscles showing: "Military Mary."

MARY LANDRIEU is someone who looks out for the military. And I call her, joke with her, and ask her: How is "Military Mary" doing? She is very proud of this name she has picked up. Tonight is an indication of why she deserves that name. She has been outstanding in her advocacy for American veterans. This agreement we have here tonight indicates she is not only a good advocate for the military but a very fine Senator.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, just one word, now that we have adopted the Landrieu amendment. Chairman WARNER and I used to have the privilege of having Senator LANDRIEU on the Armed Services Committee. We saw firsthand what a tigress she is and was relative to military matters. She is no longer on our committee, and we do miss her, indeed. But she brings and displays that fervor here on the floor frequently. We thank her for her tenacity. Talk about tenacity, she has a full supply of it. We commend and congratulate her.

Mr. WARNER. Mr. President, reference was made to the hard work Senator LANDRIEU performed on this amendment. Indeed, I was witness to that. But it did bring back a fond memory to me. In the period during the war in Vietnam, there was a very colorful and strong chairman in the House Armed Services Committee named Eddie Hebert from New Orleans, LA, and a gentleman who worked very closely with him, named Moon Landrieu. They were quite a team. They did a great deal working together for the men and women of the U.S. military.

When reference was made to Senator LANDRIEU's accomplishments, I am sure she would agree with me that the teachings of her distinguished father and the former chairman of the House Armed Services Committee have vested in her a lot of wisdom about military matters.

I also recognize the work done by Senators ENSIGN and SNOWE. I have been working with both of them over a period of time. Senator ENSIGN and Senator SNOWE each have put in previous pieces of legislation which basically covered this same subject. In the course of the past 48 hours, those two Senators have been working in collaboration with Senator LANDRIEU in an effort to get the Senate to take the action that we just took on that amendment. So I thank the Senator from Maine and the Senator from Nevada for their work.

As veterans look to the action taken by the Senate, they can decide for themselves on the work done by these Senators, and all Senators, because there was a unanimous vote on this amendment. I think we fulfilled our obligation to that very important class of individuals, the veterans; and particularly in this case, this provides benefits for the widows primarily—there are a few remaining spouses—but basically the widows who are at a critical time in their life and there is need for special consideration as it relates to personal finances. So I thank the Presiding Officer and I yield the floor.

Ms. SNOWE. Mr. President, I rise today in support of the Landrieu-Snowe amendment because it corrects an injustice being visited upon the survivors of our servicemembers killed in action and military retirees under the current military Survivor Benefit Plan, or SBP.

As the program currently operates, the widows or widowers of those who have "borne the battle" receive an annuity equal to 55 percent of the servicemember's retirement pay. That is, until they turn 62. At that time, under current law, a surviving spouse's SBP benefits must be reduced either by a Social Security offset, or a reduction in payments to 35 percent of retired pay—a drop of almost 40 percent—simply because they have reached the age of 62.

For example, let's take the widow of a Navy chief petty officer or E-7 who had served 20 years before retiring. Before she reaches 62, this widow will receive $786 per month, but on her 62nd birthday, that benefit drops to only $500 per month—a loss of $2,432 per year.

For a retired O-5, say a Marine Corps lieutenant colonel, the widow's benefit would drop by $6,960 a year as soon as she turns 62. That is quite a birthday gift.

But the inequities don't stop there. For example, the military Survivor Benefit Plan does not measure up to the federal Survivor Benefit Plan in terms of benefits paid to survivors. Survivors of federal civilian retirees under the original Civil Service Retirement System receive 55 percent of their spouse's retired pay for life—with no drop in benefits at age 62. Under the newer Federal Employee Retirement System, survivors still receive 50 percent of retired pay for life, again with no drop at age 62.

Mr. President, yet another reason that we should adopt this legislation is that members of the military pay more than their share of Survivor Benefit Plan program costs, as compared to their federal civilian counterparts.

Originally, the Congress intended the government to subsidize 40 percent of the cost of military Survivor Benefit Plan premiums—similar to the government's contribution to the federal civilian plan. Over the last several decades, however, there has been a significant decline in the government's cost share, and Department of Defense actuaries advise that the government subsidy is now down to less than 20 percent. This means that military retirees are now paying more than 80 percent of program costs from their retired pay versus the intended 60 percent.

Contrast this to the federal civilian SBP, which has a 52 percent cost share for those under the Civil Service Retirement System and a 67 percent cost share for those employees, including many of our own staff, under the Federal Employees Retirement System. While it is true that there are differences between the civilian and military premium costs, with federal civilians paying more, it is also true that military retirees generally retire earlier than their federal civilian counterparts, and as a result, pay premiums for many more years.

This amendment will raise, over a 3½-year period, the percentage of the retirement annuity received by the survivor from 35 percent to 55 percent after age 62. During the first year, fiscal year 2005, an open enrollment period will be held to allow new enrollees to sign up for the program in order to reduce retired pay outlays by increasing deductions of SBP premiums from retired pay, thus offsetting part of the cost of the survivor benefit increase.

Beginning on Oct. 1, 2005, the age-62 SBP annuity would increase to 40 percent of retired pay, followed by additional increases to 45 percent on April 1, 2006, 50 percent on April 1, 2007 and 55 percent on April 1, 2008 after which all survivors would receive the 55 percent of the annuity.

Once again, I ask my colleagues to support our Nation's military widows and widowers. In the National Defense Authorization Act of 2001, we included a Sense of the Congress on increasing the military SBP annuity. This year, we have a chance to carry out this intent by enacting this important measure, and I ask my colleagues to join with me in support of this legislation.

Mr. WARNER. Mr. President, I think we are ready to do a package of amendments, if I could get the attention of the ranking member.

AMENDMENTS NOS. 3414, AS MODIFIED; 3280, AS MODIFIED; 3355, AS MODIFIED; 3220; 3373, AS MODIFIED; 3459, AS MODIFIED; 3311, AS MODIFIED; 3476; 3477; 3478; 3479; 3480; 3481; 3342, AS MODIFIED; 3482; 3483; AND 3484

Mr. President, I send a series of amendments to the desk which have been cleared by myself and the ranking member. Therefore, I ask unanimous consent that the Senate consider those amendments en bloc, the amendments be agreed to, and the motions to reconsider be laid upon the table. Finally, I ask unanimous consent that any statements relating to any of these individual amendments be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. LEVIN. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments were agreed to, as follows:

AMENDMENT NO. 3414, AS MODIFIED

At the end of title XI, insert the following:

SEC. 1107. REPORT ON HOW TO RECRUIT AND RETAIN INDIVIDUALS WITH FOREIGN LANGUAGE SKILLS.

(a) FINDINGS.—Congress makes the following findings:

(1) The Federal Government has a requirement to ensure that the employees of its departments and agencies with national security responsibilities are prepared to meet the challenges of this evolving international environment.

(2) According to a 2002 General Accounting Office report, Federal agencies have shortages in translators and interpreters and an overall shortfall in the language proficiency levels needed to carry out their missions which has adversely affected agency operations and hindered United States military, law enforcement, intelligence, counterterrorism, and diplomatic efforts.

(3) Foreign language skills and area expertise are integral to, or directly support, every foreign intelligence discipline and are essential factors in national security readiness, information superiority, and coalition peacekeeping or warfighting missions.

(4) Communicating in languages other than English and understanding and accepting cultural and societal differences are vital to the success of peacetime and wartime military and intelligence activities.

(5) Proficiency levels required for foreign language support to national security functions have been raised, and what was once considered proficiency is no longer the case. The ability to comprehend and articulate technical and complex information in foreign languages has become critical.

(6) According to the Joint Intelligence Committee Inquiry into the 9/11 Terrorist Attacks, the Intelligence Community had insufficient linguists prior to September 11, 2001, to handle the challenge it faced in translating the volumes of foreign language counterterrorism intelligence it collected. Agencies within the Intelligence Community experienced backlogs in material awaiting translation, a shortage of language specialists and language-qualified field officers, and a readiness level of only 30 percent in the most critical terrorism-related languages that are used by terrorists.

(7) Because of this shortage, the Federal Government has had to enter into private contracts to procure linguist and translator services, including in some positions that would be more appropriately filled by permanent Federal employees or members of the United States Armed Forces.

(b) REPORT.—In its fiscal year 2006 budget request, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives and the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives, a plan for expanding and improving the national security foreign language workforce of the Department of Defense as appropriate to improve recruitment and retention to meet the requirements of the Department for its foreign language workforce on a short-term basis and on a long-term basis.

AMENDMENT NO. 3280

At the appropriate place, insert the following:

SEC. . ENERGY SAVINGS PERFORMANCE CONTRACTS.

(a) IN GENERAL.—Section 801(c) of the NationalEnergy Conservation Policy Act (42 U.S.C. 8287(c)) is amended by striking "2003" and inserting "2005".

(b) PAYMENT OF COSTS.—Section 802 of the National Energy Conservation Policy Act (42 U.S.C. 8287a) is amended by inserting ", water, or wastewater treatment" after "payment of energy".

(c) ENERGY SAVINGS.—Section 804(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(2)) is amended to read as follows:

"(2) The term 'energy savings' means a reduction in the cost of energy, water, or wastewater treatment, from a base cost established through a methodology set forth in the contract, used in an existing federally owned building or buildings or other federally owned facilities as a result of—

"(A) the lease or purchase of operating equipment, improvements, altered operation and maintenance, or technical services;

"(B) the increased efficient use of existing energy sources by cogeneration or heat recovery, excluding any cogeneration process for other than a federally owned building or buildings or other federally owned facilities; or

"(C) the increased efficient use of existing water sources in either interior or exterior applications.".

(d) ENERGY SAVINGS CONTRACT.—Section 804(3) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(3)) is amended to read as follows:

"(3) The terms 'energy savings contract' and 'energy savings performance contract' mean a contract that provides for the performance of services for the design, acquisition, installation, testing, and, where appropriate, operation, maintenance, and repair, of an identified energy or water conservation measure or series of measures at 1 or more locations. Such contracts shall, with respect to an agency facility that is a public building (as such term is defined in section 3301 of title 40, United States Code), be in compliance with the prospectus requirements and procedures of section 3307 of title 40, United States Code.".

(e) ENERGY OR WATER CONSERVATION MEASURE.—Section 804(4) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(4)) is amended to read as follows:

"(4) The term 'energy or water conservation measure' means—

"(A) an energy conservation measure, as defined in section 551; or

"(B) a water conservation measure that improves the efficiency of water use, is life-cycle cost-effective, and involves water conservation, water recycling or reuse, more efficient treatment of wastewater or stormwater, improvements in operation or maintenance efficiencies, retrofit activities, or other related activities, not at a Federal hydroelectric facility.".

(f) REVIEW.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Energy shall complete a review of the Energy Savings Performance Contract program to identify statutory, regulatory, and administrative obstacles that prevent Federal agencies from fully utilizing the program. In addition, this review shall identify all areas for increasing program flexibility and effectiveness, including audit and measurement verification requirements, accounting for energy use in determining savings, contracting requirements, including the identification of additional qualified contractors, and energy efficiency services covered. The Secretary shall report these findings to Congress and shall implement identified administrative and regulatory changes to increase program flexibility and effectiveness to the extent that such changes are consistent with statutory authority.

(g) EXTENSION OF AUTHORITY.—Any energy savings performance contract entered into under section 801 of the National Energy Conservation Policy Act (42 U.S.C. 8287) after October 1, 2003, and before the date of enactment of this Act, shall be deemed to have been entered into pursuant to such section 801 as amended by subsection (a) of this section.

AMENDMENT NO. 3355, AS MODIFIED

On page 280, after line 22, insert the following:

SEC. 1068. CLARIFICATION OF FISCAL YEAR 2004 FUNDING LEVEL FOR A NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY ACCOUNT.

For the purposes of applying sections 204 and 605 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2004 (division B of Public Law 108–199) to matters in title II of such Act under the heading "NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY" (118 Stat.69), in the account under the heading "INDUSTRIAL TECHNOLOGY SERVICES", the Secretary of Commerce shall make all determinations based on the Industrial Technology Services funding level of $218,782,000 for reprogramming and transferring of funds for the Manufacturing Extension Partnership program and shall submit such a reprogramming or transfer, as the case may be, to the appropriate committees within 30 days after the date of the enactment of this Act.

AMENDMENT NO. 3220

(Purpose: To repeal the authority of the Secretary of Defense to recommend that installations be placed in inactive status as part of the recommendations of the Secretary during the 2005 round of defense base closure and realignment)

At the end of subtitle B of title XXVIII, add the following:

SEC. 2814. REPEAL OF AUTHORITY OF SECRETARY OF DEFENSE TO RECOMMEND THAT INSTALLATIONS BE PLACED IN INACTIVE STATUS DURING 2005 ROUND OF DEFENSE BASE CLOSURE AND REALIGNMENT.

Section 2914 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended by striking subsection (c).

AMENDMENT NO. 3373, AS MODIFIED

At the end of subtitle C of title III, add the following:

SEC. 326. REPORT REGARDING ENCROACHMENT ISSUES AFFECTING UTAH TEST AND TRAINING RANGE, UTAH.

(a) REPORT REQUIRED.—(1) The Secretary of the Air Force shall prepare a report that outlines current and anticipated encroachments on the use and utility of the special use airspace of the Utah Test and Training Range in the State of Utah, including encroachments brought about through actions of other Federal agencies. The Secretary shall include such recommendations as the Secretary considers appropriate regarding any legislative initiatives necessary to address encroachment problems identified by the Secretary in the report.

(2) It is the sense of the Senate that such recommendations should be carefully considered for future legislative action.

(b) SUBMISSION OF REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit the report to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate.

(c) PROHIBITION ON GROUND MILITARY OPERATIONS.—Nothing in this section shall be construed to permit a military operation to be conducted on the ground in a covered wilderness study area in the Utah Test and Training Range.

(e) COMMUNICATIONS AND TRACKING SYSTEMS.—Nothing in this section shall be construed to prevent any required maintenance of existing communications, instrumentation, or electronic tracking systems (or the infrastructure supporting such systems) necessary for effective testing and training to meet military requirements in the Utah Test and Training Range.

AMENDMENT NO. 3459, AS MODIFIED

At the end of subtitle C of title X, add the following:

SEC. 1022. REPORTS ON MATTERS RELATING TO DETAINMENT OF PRISONERS BY THE DEPARTMENT OF DEFENSE.

(a) REPORTS REQUIRED.—Not later than 90 days after the date of the enactment of this Act, and annually thereafter, the Secretary of Defense shall submit to the appropriate committees of Congress a report on the population of persons held by the Department of Defense for more than 45 days and on the facilities in which such persons are held.

(b) REPORT ELEMENTS.—Each report under subsection (a) shall include the following:

(1) General information on the foreign national detainees in the custody of the Department on the date of such report, including the following:

(A) The best estimate of the Department of the total number of detainees in the custody of the Department as of the date of such report.

(B) The countries in which such detainees were detained, and the number of detainees detained in each such country.

(C) The best estimate of the Department of the total number of detainees released from the custody of the Department during the one-year period ending on the date of such report.

(2) For each foreign national detained and registered with the National Detainee Reporting Center by the Department on the date of such report the following:

(A) The Internment Serial Number or other appropriate identification number.

(B) The nationality, if available.

(C) The place at which taken into custody, if available.

(D) The circumstances of being taken into custody, if available

(E) The place of detention.

(F) The current length of detention.

(G) A categorization as a civilian detainee, enemy prisoner of war/prisoner of war, or enemy combatant.

(H) Information as to transfer to the jurisdiction of another country, including the identity of such country.

(3) Information on the detention facilities and practices of the Department for the one-year period ending on the date of such report, including for each facility of the Department at which detainees were detained by the Department during such period the following:

(A) The name of such facility.

(B) The location of such facility.

(C) The number of detainees detained at such facility as of the end of such period.

(D) The capacity of such facility.

(E) The number of military personnel assigned to such facility as of the end of such period.

(F) The number of other employees of the United States Government assigned to such facility as of the end of such period.

(G) The number of contractor personnel assigned to such facility as of the end of such period.

(c) FORM OF REPORT.—Each report under subsection (a) shall be submitted in unclassified form, but may include a classified annex.

(d) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term "appropriate committees of Congress" means—

(1) the Committee on Armed Services and the Select Committee on Intelligence of the Senate; and

(2) the Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

AMENDMENT NO. 3311, AS MODIFIED

In lieu of the matter proposed to be inserted, insert the following:

SEC. . REPORT ON OFFSET REQUIREMENTS UNDER CERTAIN CONTRACTS.

Section 8138(b) of the Department of Defense Appropriations Act, 2004 (Public Law 108–87; 117 Stat. 1106; 10 U.S.C. 2532 note) is amended by adding at the end the following new paragraph:

"(4) The extent to which any foreign country imposes, whether by law or practice, offsets in excess of 100 percent on United States suppliers of goods or services, and the impact of such offsets with respect to employment in the United States, sales revenue relative to the value of such offsets, technology transfer of goods that are critical to the national security of the United States, and global market share of United States companies.".

AMENDMENT NO. 3476

(Purpose: To provide for appropriate coordination in the preparation of the management plan for contractor security personnel)

On page 188, beginning on line 17, strike "Congress" and all that follows through line 20, and insert "the congressional defense committees, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives a plan for the management and oversight of contractor security personnel by Federal Government personnel in areas where the Armed Forces are engaged in military operations. In the preparation of such plan, the Secretary shall coordinate, as appropriate, with the heads of other departments and agencies of the Federal Government that would be affected by the implementation of the plan.".

AMENDMENT NO. 3477

(Purpose: To provide for appropriate coordination in the preparation of the report on contractor performance of security, intelligence, law enforcement, and criminal justice functions, and to add other congressional committee recipients for the report)

On page 192, after line 22, insert the following:

(c) COORDINATION.—In the preparation of the report under this section, the Secretary of Defense shall coordinate, as appropriate, with the heads of any departments and agencies of the Federal Government that are involved in the procurement of services for the performance of functions described in subsection (a).

(d) ADDITIONAL CONGRESSIONAL RECIPIENTS.—In addition to submitting the report under this section to the congressional defense committees, the Secretary of Defense shall also submit the report to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

AMENDMENT NO. 3478

(Purpose: To provide for appropriate coordination in the preparation of the report on contractor security in Iraq, and to add other congressional committee recipients for the report)

On page 246, between lines 7 and 8, insert the following:

(d) COORDINATION.—In the preparation of the report under this section, the Secretary of Defense shall coordinate with the heads of any other departments and agencies of the Federal Government that are affected by the performance of Federal Government contracts by contractor personnel in Iraq.

(e) ADDITIONAL CONGRESSIONAL RECIPIENTS.—In addition to submitting the report on contractor security under this section to the congressional defense committees, the Secretary of Defense shall also submit the report to any other committees of Congress that the Secretary determines appropriate to receive such report taking into consideration the requirements of the Federal Government that contractor personnel in Iraq are engaged in satisfying.

AMENDMENT NO. 3479

(Purpose: To provide for the space posture review to be a joint undertaking of the Secretary of Defense and the Director of Central Intelligence)

On page 249, line 16, strike "(d)" and insert the following:

(4) The reports under this subsection shall also be submitted to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

(d) JOINT UNDERTAKING WITH THE DIRECTOR OF CENTRAL INTELLIGENCE.—The Secretary of Defense shall conduct the review under this section, and submit the reports under subsection (c), jointly with the Director of Central Intelligence.

(e) * * *

AMENDMENT NO. 3480

(Purpose: To add the Select Committee on Intelligence and the Permanent Select Committee on Intelligence of the House of Representatives as recipients of the report of the panel on the future of military space launch)

On page 252, beginning on line 10, strike "and the congressional defense committees" and insert ", the congressional defense committees, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives".

AMENDMENT NO. 3481

(Purpose: To add the Director of Central Intelligence as an approving official for Department of Defense assistance to Iraq and Afghanistan military and security forces in certain cases)

On page 269, line 16, before the period at the end insert "and, in any case in which section 104(e) of the National Security Act of 1947 (50 U.S.C. 403-4(e)) applies, the Director of Central Intelligence".

AMENDMENT NO. 3342, AS MODIFIED

(Purpose: To require a plan on the implementation and utilization of flexible personnel management authorities in Department of Defense laboratories)

At the end of title XI add the following:

SEC. 1107. PLAN ON IMPLEMENTATION AND UTILIZATION OF FLEXIBLE PERSONNEL MANAGEMENT AUTHORITIES IN DEPARTMENT OF DEFENSE LABORATORIES.

(a) PLAN REQUIRED.—The Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense for Personnel and Readiness shall jointly develop a plan for the effective utilization of the personnel management authorities referred to in subsection (b) in order to increase the mission responsiveness, efficiency, and effectiveness of Department of Defense laboratories.

(b) COVERED AUTHORITIES.—The personnel management authorities referred to in this subsection are the personnel management authorities granted to the Secretary of Defense by the provisions of law as follows:

(1) Section 342(b) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2721), as amended by section 1114 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106-398 (114 Stat. 1654A-315)).

(2) Section 1101 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105-261; 5 U.S.C. 3104 note).

(3) Such other provisions of law as the Under Secretaries jointly consider appropriate for purposes of this section.

(c) PLAN ELEMENTS.—The plan under subsection (a) shall—

(1) include such elements as the Under Secretaries jointly consider appropriate to provide for the effective utilization of the personnel management authorities referred to in subsection (b) as described in subsection (a), including the recommendations of the Under Secretaries for such additional authorities, including authorities for demonstration programs or projects, as are necessary to achieve the effective utilization of such personnel management authorities; and

(2) include procedures, including a schedule for review and decisions, on proposals to modify current demonstration programs or projects, or to initiate new demonstration programs or projects, on flexible personnel management at Department laboratories

(d) SUBMITTAL TO CONGRESS.—The Under Secretaries shall jointly submit to Congress the plan under subsection (a) not later than February 1, 2006.

AMENDMENT NO. 3482

(Purpose: To express the sense of the Senate regarding the return of members of the Armed Forces to active service upon rehabilitation from service-related injuries)

On page 112, between the matter following line 5 and line 6, insert the following:

SEC. 574. SENSE OF THE SENATE REGARDING RETURN OF MEMBERS TO ACTIVE DUTY SERVICE UPON REHABILITATION FROM SERVICE-RELATED INJURIES.

(a) FINDINGS.—Congress makes the following findings:

(1) The generation of young men and women currently serving on active duty in the Armed Forces, which history will record as being among the greatest, has shown in remarkable numbers an individual resolve to recover from injuries incurred in such service and to return to active service in the Armed Forces.

(2) Since September 11, 2001, numerous brave soldiers, sailors, airmen, and Marines have incurred serious combat injuries, including (as of June 2004) approximately 100 members of the Armed Forces who have been fitted with artificial limbs as a result of devastating injuries sustained in combat overseas.

(3) In cases involving combat-related injuries and other service-related injuries it is possible, as a result of advances in technology and extensive rehabilitative services, to restore to members of the Armed Forces sustaining such injuries the capability to resume the performance of active military service, including, in a few cases, the capability to participate directly in the performance of combat missions.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) members of the Armed Forces who on their own initiative are highly motivated to return to active duty service following rehabilitation from injuries incurred in their service in the Armed Forces, after appropriate medical review should be given the opportunity to present their cases for continuing to serve on active duty in varied military capacities;

(2) other than appropriate medical review, there should be no barrier in policy or law to such a member having the option to return to military service on active duty; and

(3) the Secretary of Defense should develop specific protocols that expand options for such members to return to active duty service and to be retrained to perform military missions for which they are fully capable.

AMENDMENT NO. 3483

(Purpose: To authorize, and authorize the appropriation of, $18,140,000 for military construction at Navy Weapons Station, Charleston, South Carolina, for the construction of a consolidated electronic integration and support facility to house the command and control systems engineering and design work of the Space and Naval Warfare Systems Center, Charleston, and to provide offsets, including the elimination of the authorization of appropriations of $10,358,000 for military construction at Charleston, South Carolina, for the construction of a readiness center for the Army National Guard)

On page 305, in the table preceding line 1, insert after the item relating to Naval Station Newport, Rhode Island, the following new item:

South Carolina.	Naval Weapons Station, Charleston.	$18,140,000

On page 305, in the table preceding line 1, strike the amount identified as the total in the amount column and insert "$833,718,000".

On page 307, line 8, strike "$1,825,576,000" and insert "$1,843,716,000".

On page 307, line 11, strike "$676,198,000" and insert "$694,338,000".

On page 314, line 7, strike "$2,493,324,000", as previously amended, and insert "$2,485,542,000".

On page 315, line 3, strike "$863,896,000" and insert "$856,114,000".

On page 322, line 15, strike "$371,430,000" and insert "$361,072,000".

AMENDMENT NO. 3484

(Purpose: To add an amount for a bed-down initiative to enable the C-130 aircraft of the Idaho Air National Guard to be the permanent carrier of the SENIOR SCOUT mission shelters of the 169th Intelligence Squadron of the Utah Air National Guard)

On page 24, between lines 9 and 10, insert the following:

SEC. 133. SENIOR SCOUT MISSION BED-DOWN INITIATIVE.

(a) Amount for Program.—The amount authorized to be appropriated by section 103(1) is hereby increased by $2,000,000, with the amount of the increase to be available for a bed-down initiative to enable the C-130 aircraft of the Idaho Air National Guard to be the permanent carrier of the SENIOR SCOUT mission shelters of the 169th Intelligence Squadron of the Utah Air National Guard.

(b) Offset.—The amount authorized to be appropriated by section 421 is hereby reduced by $2,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

Mr. WARNER. I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3280

Mr. BINGAMAN. Mr. President, I am pleased to support this amendment, which I have cosponsored with the Senator from Oklahoma, to extend the Energy Savings Performance Contract program through the end of fiscal year 2005.

Our amendment is urgently needed to stem the damage being done to a very successful program that brings private sector expertise, and private sector financing, to efficiency projects that reduce the Federal Government's energy use, and energy costs.

Since the 1970's Federal Government agencies have been setting an example for the Nation on how to reduce energy waste and save money by improving their energy efficiency—spending $2.3 billion less for energy in FY2000 than in FY1985. One of the reasons for this success is the availability of Energy Savings Performance contracts, ESPCs. These contracts offer a way to make energy savings improvements at Federal facilities at no cost to the Government, by leveraging private capital. The Department of Defense has been a leader in the use of Energy Savings Performance contracts.

Under the ESPC authority enacted in 1992, private sector companies enter into contracts with Federal agencies to install energy savings equipment and make operational and maintenance changes to improve building efficiency. The company pays all of the up-front costs for making the energy efficiency improvements and guarantees the agency savings through the term of contract. The energy service company then recovers its investment, over time, by receiving a portion of the agency's energy cost savings.

Since 1992, this program has brought nearly $1.1 billion in private sector investments to Federal agencies, resulting in hundreds of millions of dollars in permanent savings to the taxpayers. The ESPC program has the support of a broad and diverse coalition of businesses, environmental groups and labor—including the U.S. Chamber of Commerce, U.S. PIRG, and the Teamsters.

Unfortunately, the statutory authority for the ESPC program expired at the end of FY2003. As a result of the program lapse, over $300 million in energy efficiency projects have been halted nationwide. Pending contacts are in limbo along with over 3,000 new jobs associated with these projects. Although I and others have made several efforts to extend the program, these efforts have been unsuccessful, primarily because the Congressional Budget Office assigns a cost to the program, unlike the Office of Management and Budget which considers the program to be budget neutral.

While the debate over proper scoring of the program goes on, the loss of new business and experienced personnel has put this program into crisis. With each passing week, the benefits and potential of ESPCs are bleeding away. At a time of high energy costs, high deficits, and high unemployment, Congress should act as soon as possible to extend ESPC authority.

I thank the managers of the bill for accepting this short-term extension amendment. I also pledge to continue working with Senator INHOFE and other supporters of the ESPC program to enact a permanent extension of this valuable efficiency program.

I ask unanimous consent that a letter from Secretary Abraham expressing administration support for the ESPC Program be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

The Secretary of Energy,
Washington, DC, April 8, 2004.

Hon. Pete Domenici,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Administration strongly supports enactment, as soon as possible, of legislation to extend the authority for Federal agencies to enter into Energy Savings Performance Contracts (ESPCs).

Congress established the ESPC program in 1992 as an innovative way to improve the Government's energy efficiency by harnessing private-sector resources to fund necessary energy-efficient improvements. However, authority to enter into new ESPC contracts expired on October 1, 2003. A short-term, one-year reauthorization would allow Federal agencies to continue making investments in energy efficiency that save energy and money and help agencies meet Federal energy conservation goals.

The Administration continues to support long-term reauthorization of the ESPC program as part of the comprehensive energy legislation currently under consideration in Congress. The legislation itself extending ESPC authority is considered budget neutral and does not require additional resources, as the Office of Management and Budget classifies all budget authority and outlays for ESPCs as absorbing discretionary resources. However, ESPCs actually save the government money, because the upfront costs of ESPC efficiency improvements are recovered through the energy savings that result. Moreover, payments to the contractors are contingent upon realizing a guaranteed stream of future cost savings.

Improved energy efficiency and conservation of Federal facilities is an important component of this Administration's commitment to the cost-effective use of public dollars and protection of the environment. The Administration urges Congress to act quickly to extend the authorization of this important program.

Sincerely,

Spencer Abraham.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I am prepared to enter into a unanimous consent agreement with the distinguished Senator from Nevada.

Mr. President, I ask unanimous consent that all pending amendments be withdrawn, with the exception of the following: Daschle, No. 3409, as amended; Leahy, No. 3387, which will have a second degree by Senator LEAHY or designee; and a series of amendments which have been cleared by both managers; I further ask consent that at 9:30 tonight the Senate proceed to a vote in relation to the Daschle amendment No. 3409, with no second degrees in order to the amendment prior to the vote; provided further that following the disposition of the Daschle amendment, the Senate vote in relation to the Leahy amendment No. 3387. I further ask consent that following the disposition of the Leahy amendment, and the disposition of the cleared amendments, the bill be read a third time and the Senate proceed to a vote on passage of the bill, with no intervening action or debate.

Before the Chair rules, I ask unanimous consent that the votes occur in reverse order than listed above.

The PRESIDING OFFICER. Is there objection?

The Senator from Nevada.

Mr. REID. Mr. President, it is my understanding that, first of all, it will be the Daschle amendment No. 3409, as amended.

Mr. WARNER. That is correct. If I failed to read it, it is as amended.

Mr. REID. And that the Leahy amendment No. 3387—we all know Senator LEAHY is going to offer a second-degree amendment to the underlying amendment.

Mr. WARNER. That is correct. It is in the script.

Mr. REID. And also, I say to the Senator, I want to make sure we would have the Daschle vote second and the Leahy vote first.

Mr. WARNER. If that is the preference, so granted.

Mr. REID. That would be for the convenience of the Democratic leader. I would also think it would be appropriate to have 2 minutes evenly divided prior to each vote. I would ask unanimous consent that the distinguished chairman of the committee allow the modification of his unanimous consent request as I have outlined it.

Mr. WARNER. I concur in the modification.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. I thank the Chair.

Mr. LEAHY. Mr. President, will the Senator yield, not to speak on my amendment but to call it up and offer the second degree now?

The PRESIDING OFFICER. Without objection, the Daschle second degree No. 3468 is agreed to.

The amendment (No. 3468) was agreed to.

AMENDMENT NO. 3485 TO AMENDMENT NO. 3387

Mr. LEAHY. Mr. President, I ask that amendment No. 3387 be called up, and I send to the desk a second-degree amendment on behalf of myself and Mr. CORZINE.

The PRESIDING OFFICER. The clerk will report the second-degree amendment.

The legislative clerk read as follows:

> The Senator from Vermont [Mr. LEAHY], for himself and Mr. CORZINE, proposes an amendment numbered 3485 to amendment No. 3387.

Mr. LEAHY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> (Purpose: To direct the Attorney General to submit to the Committee on the Judiciary of the Senate all documents in the possession of the Department of Justice relating to the treatment and interrogation of individuals held in the custody of the United States)
>
> At the appropriate place, insert the following:
>
> **SEC. . REQUEST FOR DOCUMENTS AND RECORDS.**
>
> The Attorney General shall submit to the Committee on the Judiciary of the Senate all documents and records produced from January 20, 2001, to the present, and in the possession of the Department of Justice, describing, referring or relating to the treatment or interrogation of prisoners of war, enemy combatants, and individuals held in the custody or under the physical control of the United States Government or an agent of the United States Government in connection with investigations or interrogations by the military, the Central Intelligence Agency, intelligence, antiterrorist or counterterrorist offices in other agencies, or cooperating governments, and the agents or contractors of such agencies or governments.

Mr. LEAHY. I thank the distinguished manager and yield the floor.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENNETT. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. Mr. President, as the debate on the Defense authorization bill began, I announced my intention to offer an amendment to that bill with respect to the nuclear penetrator, or, as it is known around here, the RNEP. I have been dissuaded from offering that amendment by the arguments of some of my friends who insist it is unnecessary because it would be simply a statement of existing law. I wanted to be sure that was the case, and therefore I sought assurances from both the Department of Energy and the Department of Defense. I have handed the letters from those two Departments to my friend from Michigan. I ask if I could reclaim those letters so I might quote from them.

Mr. LEVIN. That is a fair request.

Mr. BENNETT. Linton F. Brooks, who is the Administrator of the National Nuclear Security Administration, wrote me on June 15, and he says the following things:

> . . . let me state unequivocally this Administration has no current plans or requirements to conduct an underground nuclear test.

That is important to understand, that the administration has no plans to conduct an underground nuclear test of any kind.

With respect to RNEP, he says:

> . . . I know you are concerned that the ongoing RNEP study could lead to the resumption of underground nuclear testing. The RNEP study will not require an underground nuclear test.

That is a very firm, unequivocal statement.

He goes on to talk about possibilities, and he says:

> Should the President support, and the Congress approve, full-scale engineering development of RNEP, the Administration does not intend to conduct a nuclear test. From the beginning, we have operated under the assumption that resuming testing to certify RNEP is not an option. . . .

Those are firm assurances from the Department of Energy. But I wanted to be sure this was not just Ambassador Linton Brooks' attitude, so I had a conversation with Paul Wolfowitz at the Department of Defense. Dated June 23, he sent me a letter reaffirming what Administrator Brooks had said and makes it clear that the Department of Defense agrees there will be no nuclear test with respect to RNEP under the current administration.

So I am heartened by these assurances I have received from the Department of Defense and the Department of Energy that there is no plan or requirement to conduct an underground nuclear explosive test of any kind, and I accept these assurances. But here in the Congress I have those to whom I look for guidance on these matters. I want to be sure that should some future administration decide to change the policy that has been outlined by the Bush administration, that the present law would hinder future administrations from conducting these same tests without there being a vote of Congress; particularly with respect to RNEP, that there would be no underground nuclear test without a congressional vote.

I have asked the Senator from Arizona, who is an expert on these matters, if he would agree. I also discussed it with the Senator from Michigan, who is the ranking member on the Armed Services Committee.

If I may, Mr. President, I ask the Senator from Arizona, Mr. KYL, if he agrees that under current law, a vote from Congress would have to occur before a test could be conducted on RNEP?

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I answer the Senator from Utah, yes, I agree Congress would have to vote before a test could be conducted.

Mr. BENNETT. I thank the Senator from Arizona, Mr. President.

I would now like to address the same question to the Senator from Michigan, with his great background in the area of law concerning this.

Does the Senator from Michigan agree that under current law, a vote from Congress would have to occur before a test could be conducted for RNEP?

Mr. LEVIN. Yes. I, too, agree that Congress would have to vote before a test could be conducted.

Mr. BENNETT. I thank the Senator from Michigan. I thank the Senator from Arizona.

On the basis of their assurances, along with the written assurances I have received from this administration—two Departments speaking—I will not offer my amendment.

Mr. President, I now ask unanimous consent those two letters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF ENERGY, NATIONAL NUCLEAR SECURITY ADMINISTRATION,
Washington, DC, June 15, 2004.

Hon. ROBERT BENNETT,
U.S. Senate,
Washington, DC.

DEAR SENATOR BENNETT: Thank you for taking the time to meet with me on June 3, 2004, to discuss your concerns regarding the Robust Nuclear Earth Penetrator (RNEP) study and underground nuclear testing at the Nevada Test Site (NTS). I appreciate your concerns and I hope to address them in this letter.

First, let me state unequivocally this Administration has no current plans or requirements to conduct an underground nuclear test. The Stockpile Stewardship Program is working today to ensure that America's nuclear deterrent is safe, secure and reliable. Currently there are no issues of sufficient concern to warrant a nuclear test. I certainly understand the concerns you and your constituents in Utah have with nuclear testing at the Nevada Test Site. However, I believe it is critical to maintain a readiness capability at the NTS to conduct such a test in the future if called for by the President of the United States, in order to ensure the safety and/or reliability of a weapon system. Therefore, I believe it is important for us to work together to ensure that the NNSA test readiness program continues to make safety a top priority.

Furthermore, I know you are concerned that the ongoing RNEP study could lead to the resumption of underground nuclear testing. The RNEP study will not require an underground nuclear test. Should the President support, and Congress approve, full-scale engineering development of RNEP, the Administration does not intend to conduct a nuclear test. From the beginning, we have operated under the assumption that resuming testing to certify RNEP is not an option and for that reason, more than any other, the RNEP study is only looking at two existing weapon systems, the B-61 and the B-83. Both are well-proven systems with an extensive test pedigree from the 1970s and 80s. I would be happy to work with you and the Senate Armed Services Committee to address your concerns on this sensitive matter.

If you have any further questions or concerns, please do not hesitate to contact me or C. Anson Franklin, Director, Office of Congressional, Intergovernmental and Public Affairs at (202) 586-8343.

Sincerely,

LINTON F. BROOKS,
Administrator.

DEPUTY SECRETARY OF DEFENSE,
Washington, DC, June 23, 2004.

Hon. ROBERT BENNETT,
U.S. Senate, Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR BENNETT: I understand that you have concerns about the Department's plans to study options for a Robust Nuclear Earth Penetrator (RNEP) that would give the United States the capability to threaten hardened, deeply buried targets in hostile nations. Specifically, you have raised concerns that the development of such a system could require the resumption of underground nuclear testing.

I want to assure you that the Administration has no plans to conduct an underground nuclear test associated with the development of RNEP. As National Nuclear Security Administration Administrator Linton Brooks recently wrote to you, "the RNEP study is only looking at two existing weapon systems, the B-61 and B-83. Both are well-proven systems with an extensive test pedigree from the 1970s and 80s."

If RNEP were to move from its current study phase to development, such plans would be part of the Administration's annual budget request to Congress. The Administration's intentions concerning underground nuclear testing during RNEP development, if different from our current intentions, would be explicit in that request. Congress would have the opportunity at that time to debate and pass judgment on those plans.

Thank you for the opportunity to address your concerns about the Department's development of RNEP. If I can be of further assistance, I hope you will let me know.

Sincerely,

PAUL WOLFOWITZ.

Mrs. DOLE. Mr. President, I wonder if I might engage the distinguished Chairman in a brief colloquy.

Mr. WARNER. Certainly.

Mrs. DOLE. I thank my colleagues. Mr. President, as a member of the Personnel Subcommittee, I am acutely sensitive to the enormous challenges confronting our National Guard and Reserve forces, and their families, as they are called upon to defend our Nation in the war on terrorism. North Carolina is at the forefront of National Guard and Reserve mobilizations, with 31 percent of our State's 23,300 National Guard and Reserve members currently mobilized.

The University of North Carolina, in partnership with a wide range of universities and community organizations, is developing a National Demonstration Program for Citizen-Soldier Support to augment, strengthen, and refine the existing framework of support for National Guard and Reserve personnel, and their families. The objectives of the demonstration program are to strengthen communication and information dissemination; strengthen community support systems; strengthen support systems for children and adolescents; strengthen health and mental health care systems; strengthen employment support networks; and address proactively emerging issues of importance to our personnel and their families. This National Demonstration Program of Citizen-Soldier Support has been presented to a wide variety of civilian and military leaders, and has been uniformly supported as timely, substantive, and highly promising as an adjunct to existing Department of Defense programs and services.

Unfortunately, as a relatively new initiative, this National Demonstration Program for Citizen-Soldier Support was not included as part of the President's budget request and was not authorized within the bill now before the Senate. It is my understanding that the decision to not include the National Demonstration Program for Citizen-Soldier Support in the FY05 Defense Authorization bill was not made with prejudice to the program but, rather, was based on the emerging nature of the structure and deliverables associated with this program—a program that is focusing on how to best assist our Reservists and their families in their newly emerging roles in the war on terror.

Mr. WARNER. Mr. President, the Senator from North Carolina is correct. At the time that the Armed Services Committee was preparing its mark, there was not sufficient data available concerning the specific elements of the proposed program, and its interrelationship with other existing and emerging programs within the Department, to fully assess the merits of the National Demonstration Program for Citizen-Soldier Support. The absence of this proposed program in the bill should not be interpreted as a negative assessment.

Mrs. DOLE. I thank the Chairman. I might also ask the Chairman if he would agree with me that our Nation's security depends on the mission-readiness and retention of our citizen-soldiers, and that for the total force to function effectively, we must make certain that these men and women, their families, and employers have needed support while they prepare for, carry out, and eventually return from active military service.

Mr. WARNER. I would agree wholeheartedly with the Senator from North Carolina's statement. At at time when we are relying more and more on our National Guard and Reserve forces to defend our national security, we must continue to provide direct and substantive support to these personnel and their families.

Mrs. DOLE. I thank the distinguished Chairman. Given this concurrence on the importance of ensuring necessary and effective support for our National Guard and Reserve families, I ask the Chairman if he would be willing to support my effort to bring this proposed Demonstration Program for Citizen-Soldier Support to the attention of the appropriate Department of Defense offices. This effort will require modifying elements of the proposed program, where appropriate, to maximize synergies with ongoing Department of Defense initiatives and exploring options within the defense budget for funding implementation of the program.

Mr. WARNER. I commend the distinguished Senator from North Carolina for her steadfast advocacy for our men and women in uniform, and their families, and I would be pleased to work with her on this important issue.

Mrs. DOLE. I thank the distinguished Chairman for his courtesy.

Mr. ALLEN. Mr. President, I wonder if I might take just a minute to ask the Chairman whether I am correct that developing a reliable, automated three-dimensional facial recognition capability has significant implications for our fight against terrorism and would be of great interest to the defense, intelligence and transportation security agencies.

Mr. WARNER. Yes, that is certainly my understanding.

Mr. ALLEN. I also understand that one very promising approach would be to use laser radar to acquire such a three-dimensional image. This technology is highly accurate, and is already used in industrial applications to measure such things as minute imperfections in airplane wings. Unlike more traditional photography, it also would work in a greater variety of lighting conditions and at a much greater distance. It also has the advantage of avoiding allegations of racial profiling because it makes no use of skin color, instead measuring facial features.

Mr. WARNER. I understand that accuracy has been a problem with some systems developed to date so new approaches would be welcomed.

Mr. ALLEN. Does the Chairman agree it would be worthwhile to explore taking existing industrial technology and applying it to the problem of quickly and reliably identifying at a distance moving individuals at such locations as airports and border crossings?

Mr. WARNER. Yes, I think that if there were funding for such a development project it offers the prospect of significant security benefits.

AFRTS

Mr. WARNER. In discussions with my good friend and colleague, Senator INHOFE, I have been made aware of the fact that questions have arisen about the intent of amendment 3316 regarding the American Forces Radio and Television Service, or AFRTS, submitted by Senator HARKIN. That amendment to the pending legislation was accepted on June 14, 2004.

Mr. INHOFE. That is correct. Numerous concerns have been expressed from my home State, and, I believe, many other States, about this amendment. There is a belief that this amendment is intended to be critical of the AFRTS and the manner in which it makes current programming decisions regarding radio and television shows featuring political commentary.

Mr. WARNER. Thank you for offering me the opportunity to clarify this point. In my view, the intent of this amendment was not to call into question the performance of the AFRTS. Indeed, as my staff and I examined the proposed amendment originally submitted by Senator HARKIN, we saw that it called for the establishment of a Presidential Advisory Board to examine the manner in which AFRTS carries out its mission and to submit recommendations on how the AFRTS should carry out programming. As we looked at the manner in which the Office of the Secretary of Defense for Public Affairs and AFRTS perform its mission, however, it became clear that the case had not been made that changes were necessary or that such an Advisory Board was needed.

Mr. INHOFE. Is it correct to say, then, that this Harkin amendment expressing the sense of the Senate was actually intended to be an expression of support for the current approach of the Department of Defense to the AFRTS which provides programming representing a cross-section of popular American radio and television offerings and emulating stateside programming seen and heard in the United States?

Mr. WARNER. Absolutely. The amendment cites word for word relevant portions of the current Department of Defense Directive concerning AFRTS, including a statement of the mission to be accomplished and the key principles that should be followed in order to provide a free flow of political programming from U.S. commercial and public networks. The amendment specifically states that the mission statement is appropriate. Recognizing that there are several hundred satellite stations or "outlets" around the globe at which programming decisions are made on a daily basis, the amendment goes on to recommend that the Secretary of Defense ensure that these important principles, which can be summarized as fairness and balance in presenting shows on various topics, including political commentary, are being accomplished.

Mr. INHOFE. Is it correct to say that those who make the programming decision for AFRTS have an obligation to consider the popularity and desirability of radio and television programming? In other words, should the AFRTS take note of national commercial ratings as well as local and worldwide formal audience surveys as to what their audience desires to see and hear on their AFRTS programming?

Mr. WARNER. Yes. That would clearly be one factor among several that should be considered, consistent with the goal of providing the same type and quality of American radio and television news, information, and entertainment that would be available to military personnel and their families if they were in the continental United States. Other factors should also be considered in achieving the AFRTS goals of fairness and balance in presenting all sides of important public questions, and the amendment was intended to underscore the importance of those goals.

Mr. INHOFE. I thank the chairman for that clarification.

AIR NATIONAL GUARD

Mr. BIDEN. I would like to take a moment to engage the Senator from Michigan in a discussion about information operations in the Air National Guard. Before we begin, I would also like to thank my colleague for his willingness to have this discussion on an issue of great importance to national security and to many of the Air National Guard personnel in my State.

Let me start by saying that I think most of my colleagues understand that while the world today has changed, some things have stayed the same. When you are trying to stop terrorists, just like organized crime, you have to follow the money. These days, in order to follow the money, you have to have the very best in information operations skills. You have to understand the computerized financial networks and security systems used by financial institutions. In addition, you have to be able to protect your own information. This is a critical aspect of the war on terrorism and one where the Government needs more capability.

Last year, the Defense Authorization Conference Report provided 30 additional Air Guard personnel that we had hoped would be used to stand up a new unit in Delaware to do this mission. This year, Senator CARPER and I had hoped to finish that work by providing a total of 60 personnel for that unit. Unfortunately, we are not able to do that because the Department of Defense has not evaluated this proposal to determine whether it is a mission that should be assigned to the Air National Guard.

We understand that the Department of Defense has an established process for assigning missions and determining the manning necessary to support those missions. Expanding the information operations capability of a unit or units within the Air National Guard has not been considered through this process.

Mr. LEVIN. My colleague from Delaware is correct. The Department of Defense has a rigorous process for determining whether a new mission should be assumed as a military mission and that expansion of the information operations capability of the Air National Guard has not been considered by this process. Additionally, the Department of Defense is conducting a complete review of the Guard's roles and missions right now.

Mr. BIDEN. I hope that we can agree that the Department's review should include an examination of using the Air National Guard for emerging missions like information operations.

Mr. LEVIN. I can commit to the Senator from Delaware that I will do all that I can to ensure that this area is included in the Department's review and given full consideration.

Mr. BIDEN. I also hope that we will have their input regarding the mission and its suitability for the Air Guard before we take up next year's Defense Authorization bill. I would also like to make sure that the consideration of this particular mission takes into account the unique skills present in the Delaware Air National Guard and the work that they have already done in this area.

Mr. LEVIN. Again, I commit to my colleague that we will work with him and the Department of Defense to get that thorough and timely consideration.

Mr. BIDEN. I thank my colleague for those assurances and look forward to working with him over the next year to make sure our information operations needs are met.

Now, let me explain why I think it is so important to stand this unit up in Delaware.

Delaware is uniquely situated to provide the skills needed for information assurance and financial tracking. Delaware is host to 7 of the top 10 banking institutions in the U.S. Delaware also has the highest amount of computer networking per capita of any State. In addition, major research companies like DuPont and Astra-Zeneca make their headquarters in Delaware. Last, Delaware has the highest number of scientists and engineers per capita in the U.S.

All of those statistics mean that many members of Delaware's Air National Guard have civilian employment in banks or other institutions. They understand what is required to protect financial information and to track it. They are on the cutting-edge of information protection today.

Their skills cannot be used by the Government, however, because banks and financial institutions are very sensitive about the employees of other banks reviewing their financial transactions. To do this type of work, a person must be a Government employee. One of the best ways to provide the benefit of these private sector skills to Government agencies fighting terror is through the National Guard. Guard personnel stay on the cutting edge of these skills because of their private sector jobs. They can then provide that knowledge to the Government, something that a civilian government employee cannot do.

In 2003, the National Security Agency and the Air Intelligence Agency recognized their shortfalls in information assurance and tracking skills and started asking some of these Delaware Guardsmen and women to help them meet their requirements. NSA will have spent $945,000 between 2003 and 2004 to make use of the Delaware Air Guard's expertise. They would like to spend an additional $900,000 in 2005. AIA is spending $150,000 in 2004 on these missions. They are spending this money because a real need exists.

Last year, the Senate, and then the full Congress, agreed that this mission needed support and a full-time unit. Thirty personnel were added to the Air National Guard's end-strength to create this new information operations unit. This year, we had hoped to finish the job by providing the full complement of 60 personnel needed for the mission and the $3.997 million needed to fully fund this unit. That is $2.75 million for personnel costs and $1.247 million for operations and maintenance. Unfortunately that will not be possible.

Some may wonder why we sought an amendment to add the personnel and funding needed. The reason is simple. The Delaware Air National Guard is too small to move people to this mission and still do their primary tactical airlift mission. The 166th tactical airlift wing has had its C-130s fully tasked to support operations in Afghanistan and Iraq. When I wrote Lieutenant General James at the Guard Bureau about standing up this new unit, he replied that he thought Delaware's Guard was well-postured for the mission, but his "end strength cap makes it challenging to resource new initiatives." Our amendment would have taken care of that challenge.

Up to now, the personnel who have been working with NSA and AIA so far have been working three jobs. Let me say that again, three jobs. It is simply not sustainable. They cannot continue to do their regular Air Guard mission in the 166th tactical airlift wing, their civilian job, and the third job of helping NSA and AIA. With a new unit, we can provide the critical information operations skills needed to fight terrorism without harming the on-going tactical airlift mission that is supporting troops in Afghanistan and Iraq.

I know end strength increases are controversial, but we need to look at the big picture. Remember, Congress agreed that a new unit was needed to do these missions last year. The facts on the ground have not changed. This is exactly the type of new mission the Air Guard should be doing. Only with the Guard can you get the commercial expertise and cutting edge knowledge needed to protect information systems and to track financial transactions. I look forward to hearing the Pentagon's thoughts about this new mission.

Again, I think it's important to stress that information assurance and financial information operations are critical to the war on terrorism and to a transformed military. This is a growing area, not a shrinking one. We have looked carefully at all of our opportunities to provide the needed highly-skilled personnel to the fight. It is my belief that we can only do this if we create a unit to take advantage of the experienced and knowledgeable personnel available. No matter how patriotic people are, they cannot continue to work three jobs for years on end. Creating the new 166th information operations unit in the Delaware Air National Guard will enhance national security. It was the right thing to do last year and it's still the right thing to do. I hope that the Air Force will recognize that as we move forward in the war on terrorism.

JOINTSTARS

Mr. CHAMBLISS. Mr. President, I rise today to discuss the heavily tasked, high value asset of the E-8C JointSTARS fleet, which provides real-time surveillance and targeting for our armed forces. This critical asset, operated by an integrated wing located in my home State of Georgia, has world-wide commitments and is essential to the effective execution of the combined air-land strategy and tactics for our forces. However, the current engines do not provide sufficient power for the E-8C JointSTARS fleet to meet all of its operational requirements.

Mr. WARNER. The Senator from Georgia is quite correct in his observation and assessment and our committee has urged the Department to move forward with its economic analysis of engine alternatives for this critical fleet of aircraft. The Senator from Georgia should be proud of the 116th wing of the Georgia Air National Guard, as the work that this integrated wing performs on a daily basis is responsible for saving many soldiers' lives. As he stated, the E-8C JointSTARS fleet provides critical airborne battle management command and control.

Mr. CHAMBLISS. As the chairman has mentioned, the conference report on the fiscal year 2004 National Defense Authorization Act required the Secretary of Defense to submit a report to the congressional defense committees providing an economic analysis comparing the options of maintaining the current engines on the E-8C JointSTARS aircraft, purchasing and installing new engines, and leasing and installing new engines. This report was to have been submitted by February 13, 2004, but has yet to be received.

The engines that currently power the E-8C JointSTARS aircraft fleet are the same engines we have gone to great lengths to replace over the last decade in the Air Force's tanker fleet. The engines are old, provide marginal power to support the E-8C's taskings, and are expensive to operate and maintain compared to new engines currently available in the commercial market. These are not just my observations. Let me quote from a recent memorandum from the Vice Commander of Air Combat Command to the Air Force Vice Chief of Staff:

> This letter provides a brief update on our efforts to re-engine JSTARS, which continues to be one of our top initiatives for the E-8. The current TF-33-102C engines do not satisfy desired safety margins or meet operational needs. An Air Force Flight Standards Agency critical field length waiver is required to support takeoffs with current engines. Additionally, Operations ALLIED FORCE, ENDURING FREEDOM, AND IRAQI FREEDOM highlighted significant JSTARS engine performance shortfalls. A lack of thrust and fuel efficiency combined to reduce mission operating altitudes and on-station times. The current TF33 engines are the number one driver of the Non-Mission Capable for Maintenance rate and are the leading cause of sortie aborts and code-3 landings. It is projected that re-engining will reduce the NMCM rate by 10 percent and positively increase the overall system Mission Capable rates by four percent. E-8C crews have also experienced several instances of engine over temps on takeoffs, which have mandated reduced thrust takeoffs. Re-engining JSTARS makes sense operationally and from a sustainability perspective.

We have included language in the report accompanying this bill that states should the Secretary of Defense recommend in his report that a re-engining program be pursued for the E-8C, the committee encourages the Air Force to initiate this program, taking into account the recommendations of the Secretary's report on how best to implement it. I am optimistic that the Air Force report will be delivered to the committee in the near term. I am hopeful that as our bill moves from floor consideration and to conference with the House, we can work to ensure that this re-engine initiative is given every consideration based on the data and analysis provided for our consideration.

There are many aspects to consider in taking care of our soldiers, sailors, airmen and marines who are sent into harm's way. In times like these, preserving the assets that help to ensure the well-being of our men and women in uniform should be given the investment necessary to see that the equipment is the best that we can provide and at the best value for our armed forces.

Mr. WARNER. I thank the Senator from Georgia for his leadership on this issue, and I look forward to working with him on this important issue.

Mr. CHAMBLISS. We owe it to the men and women who crew the E-8C JointSTARS to ensure that these aircraft are powered by engines that provide desired safety margins and on-station operating times that accomplish the aircraft's mission without degradation. At the same time we owe it to the taxpayers of this Nation to ensure that these aircraft are powered by engines that are fuel efficient and supportable for our armed forces.

COMPETITIVE SOURCING

Mr. THOMAS. Mr. President, I would like to take a moment to engage with the distinguished Senator from Virginia regarding some of the measures included in this very important bill. First, I want to commend the Senator from Virginia for his tireless efforts in managing this bill. He is always very fair and considerate, and his outstanding leadership is appreciated.

Mr. President, I am concerned that some amendments adopted by Unanimous Consent may have a negative impact on the President's Competitive Sourcing Initiative, and ultimately adversely impact the President's ability to administer the bureaucracy of the Department of Defense. As a longtime supporter of a more accountable and responsible federal government, I strongly support President Bush's competitive sourcing initiative which seeks to improve the way federal agencies operate. However, I recognize how critical it is in these times of war that we move this bill quickly and not allow it to be held up further by partisan politics. So I do not object to accepting these measures in the larger interest of getting a Defense bill through the Senate.

Every president for the last 50 years, Republican and Democrat alike, has endorsed the elimination of commercial functions in the federal workforce, but their plans were not vigorously implemented or enforced. As a result, nearly half of today's civilian federal workforce is doing work that could be done more efficiently by the private sector.

Mr. WARNER. I believe we looked to remedy this with the FAIR Act in 1998. Am I not correct in stating that this law basically says that federal agencies should inventory government services that are commercial in nature, and then review whether these activities should continue to be performed in the public sector?

Mr. THOMAS. That's correct. The Clinton Administration did the first inventory and found that more than 850,000 Federal employees out of 1.8 million were in jobs that were commercial in nature. The federal government was paying individuals to do jobs that could also be found in the Yellow Pages. Unfortunately, the Clinton Administration did not follow up. These positions should have been reviewed and solutions explored to return these jobs to where they belonged—the private sector. Unfortunately, there were no follow up reviews. It was only when George W. Bush was elected that a program was implemented to actually do the reviews of these 850,000 positions. Competitive sourcing could then be employed to see if it would be more effective and accountable to have these activities performed by the private sector.

Contrary to misinformation by some of our colleagues and labor unions, competitive sourcing is not about eliminating or privatizing federal workers. Simply put, competitive sourcing, which relies on the A–76 Circular for public-private competitions, is a useful tool that allows federal agencies to evaluate whether or not commercial functions should be performed in the future by federal employees or the private sector. As it is now, many federal employees who work in commercial functions are stuck in inefficient bureaucracies performing activities that are non-inherently governmental.

The competitive sourcing process is good government. As numerous independent reports to Congress have shown, competitive sourcing saves taxpayers between 10 to 40 percent—regardless of who wins. The record is that every position reviewed by competitive sourcing shows savings regardless of whether that position stays in-house or gets contracted. Federal employees win an overwhelming majority of the competitions. But clearly, the taxpayer is the real winner in this process. Inefficient monopolies that waste taxpayer dollars and divert much-needed federal resources from our government's most pressing programs should always be examined. There are activities which are inherently governmental, and should be performed by the government. No one would argue this. However, government should not be engaged in activities which are already offered in the private sector. As we look for ways to reduce its size, cost and scope, we need always remember that government should be the provider of last resort with the free enterprise system being the provider of the first choice. To do otherwise is a disservice to the American taxpayer. Would the Senator from Virginia agree with us?

Mr. WARNER. Mr. President, I certainly agree with my friend from Wyoming that we should continue to evaluate the way the federal government operates. Competitive sourcing is an important tool available to the government to ensure that high quality governmental services are acquired at the lowest cost to the taxpayer.

I believe the Senator wanted to share some of his concerns with an amendment offered by the Senator from Massachusetts and the Senator from Georgia.

Mr. THOMAS. I do. The amendment offered by Senators KENNEDY and CHAMBLISS would all but eliminate use of the streamlined process contemplated under the revised Office of Management and Budget Circular A–76. This process applies to competitions of 65 or fewer full-time equivalents. By making the use of A–76 competitions arbitrary, as opposed to strategic, the Department of Defense's necessary flexibility in procurement is removed. The amendment also includes provisions designed to give in-house employees unfair advantages over the private sector in the competitive sourcing process and makes it difficult for small businesses to be competitive in job contests.

Unfortunately, with the country at war, I'm afraid that these measures would be very counterproductive, costly, and present unnecessary hurdles for the Department in this very crucial period of time. In fact, the Administration, in a statement of administration policy issued by OMB, has declared its opposition to any final defense measure that limits DOD's competitive sourcing flexibility. The White House has, in fact, threatened to veto this bill if it contained these provisions. I am sure the distinguished Senator from Virginia is well aware of the importance the President places on this issue.

Mr. WARNER. Yes, I am. I certainly understand the Senator's concerns, and I can tell him that I am hopeful that as we move forward and reconcile this very important bill with that of the House in conference, we will take a very careful look at these measures and work out acceptable language that will not burden the DOD or hamper the President in his role as administrator of the federal bureaucracy in these critical times.

Mr. THOMAS. I think it is very important that we revisit these proposals. In the interest of moving this defense bill in a time of war, we have forgone an important debate. So I thank the Chairman for his attention to this matter and again say to him that I appreciate his strong leadership.

MANUFACTURING EXTENSION PARTNERSHIP

Mr. KOHL. Mr. President, Senator REED and I filed an amendment to ensure the soundness of our Nation's defense supply chains through the support of the Manufacturing Extension Partnership, MEP, Centers. We would like to thank our colleagues, Senators WARNER, LEVIN, GREGG, HOLLINGS and MCCAIN for accepting the modified amendment. Senator REED and my amendment clarifies that the Department of Commerce has the ability to transfer and reprogram $21.8 million to the MEP Program in fiscal year 2004.

The vitality and viability of our Nation's small manufacturers has tremendous consequences for our Nation. Without a strong manufacturing base, we risk losing wealth for our Nation, we risk good jobs for our citizens, and we risk irreparably harming our Nation's defense supply base at a critical time.

The MEP assists America's small manufacturers and helps boost productivity, sales, investment in modernization, and employment. I have a very simple, but vital, message to deliver—manufacturing matters—MEP matters. But I am worried that President Bush does not understand this simple message. This fiscal year 2004, the administration's budget slashed the MEP Program by 88 percent. Due to the efforts of Senators GREGG and HOLLINGS, the Senate fiscal 2004 appropriations bill restored funding for the program to $106 million. However, the Omnibus Appropriations Act for fiscal year 2004 reduced that level to only $39.6 million.

As a Federal-State-private partnership, MEP is a network of over 60 centers with 400 locations across the country and Puerto Rico providing technical assistance and business support services to small manufacturers. These not-for-profit centers employ more than 2,000 professionals who work with manufacturers to help them adopt and use the latest and most efficient technologies, processes, and business practices. As a result, our small manufacturers are better able to compete with low wage countries, maintain jobs in America, and continue driving a higher standard of living in the U.S. In fiscal year 2002, MEP's clients reported sales of $2.8 billion, 35,000 new or retained workers, $681 million in cost savings, and $941 million invested in new plant and equipment as a direct result of their MEP projects.

However, funding constraints and budget cuts have forced every MEP Center in the country to downsize. According to a recent Modernization Forum survey, MEP Centers have closed 58 regional offices and reduced staffing by 15 percent, which will leave small manufacturers across the country without the invaluable technical and business assistance that helps them remain competitive edge in the global marketplace.

Senator REED's and my amendment will help address this issue by clarifying that the Secretary of Commerce can reprogram $21.8 million to the MEP Program this year. Fifty-five Senators requested that the Secretary reprogram funding to the MEP Centers this year. Unfortunately, the Department refused this request; leaving the MEP Centers and small manufacturers without the resources they need. In a response to the Senate request for reprogramming, Secretary Evans implied that the Department of Commerce does not consider it worthwhile to reprogram funding to the MEP program because the appropriations act would only allow the transfer and reprogramming of $3.9 million. In discussions with the Appropriations Committee and the Congressional Research Service, however, this appears to be a very narrow reading of the statute by the Department of Commerce. The appropriate level of funding that can, and should, be transferred and reprogrammed is $21.8 million. This amendment clarifies that level of funding for transfer and reprogramming.

The administration needs to make resources available to help our Nation's small manufacturers. That is why I, along with my colleague Senator REED, continue to call on the administration to reprogram $21.8 million to support the MEP Centers this year. And we call on the administration to send a Budget Amendment to Congress to support $106.9M for the MEP Program in fiscal 2005.

Mr. REED. Mr. President, I thank my colleagues Senators WARNER, LEVIN, GREGG, HOLLINGS and MCCAIN for working with Senator KOHL and I on this important amendment preserving the Manufacturing Extension Partnership, MEP, Program. I particularly want to thank Senators HOLLINGS and GREGG for their strong support of the MEP Program and their efforts to restore funding to a program that is vital to our Nation's small manufacturers. I look forward to working with them this year to ensure funding is restored in fiscal year 2005.

Senator KOHL and my amendment clarifies that the Secretary of Commerce has the ability to transfer and reprogram $21.8 million to the MEP Program this fiscal year in order to assist our nation's small manufacturers. Senator GREGG, HOLLINGS, KOHL and I believe that the Secretary already has the ability to transfer and reprogram this funding; however, rather than honor the request of 55 Senators and work with the Senate and Congress to help reprogram funds, the Department of Commerce has chosen to hide behind a legal interpretation that it lacks such authority.

Small manufacturers have a direct impact on national security. Small manufacturers are the backbone of our defense production capacities. Firms with fewer than 500 employees comprise more than 80 percent of the defense supply chains. Small businesses are responsible for a significant share of defense contracting. They receive 21 percent of prime contracts and 41 percent of the subcontracts awarded to businesses by, or on behalf of, the Department of Defense.

The National Coalition for Advanced Manufacturing in a 2002 report identified five key challenges that confront the defense industrial base. First, the loss of small and medium-sized firms that participate in the defense supply chain is taking its toll on our Nation's defense readiness as many makers of components and spare parts for the larger defense contractors have left the marketplace or are ill-prepared to respond to swift increases in orders. There is no known source of supply for over 11,000 products used by the Department of Defense. Second, our Nation needs to maintain sufficient surge production capacity to meet unanticipated national defense needs. The production of platform systems, components and munitions is constrained by the surge capacity of prime contractors and the capabilities of the supplier base. Being able to provide for these defense needs is vital to our military. Third, outdated and aging manufacturing systems and processes are involved in the production of major weapon systems. The need for quality and technology improvements along with increased productivity and cost reduction makes the shortage of capable small manufacturers more problematic. Fourth, large defense companies often have the knowledge and resources to make investments in productivity and efficiency improvements; however, small manufacturers frequently lack the necessary technical knowledge, staff and resources to take advantage of new techniques and technology. Lastly, to increase participation in defense production, small manufacturers need assistance adapting commercial production practices and techniques to the needs of the defense industrial base.

The MEP program can help our Nation address these challenges. MEP Centers have a strong track record of solving supply management issues. MEP helps preserve and strengthen domestic production of unique defense technologies and provides a strong strategic edge over threats to national security. MEP is active within U.S. defense supply chains assisting small subtier suppliers to cut costs, boost productivity, integrate technology and accelerate delivery times. Officials from Boeing, General Dynamics, Lockheed Martin, Northrop Grumman, and Raytheon expressed their reliance on MEP for cost and quality improvements at small manufacturing firms on which they rely for component parts and assemblies.

To date, the actions of the Department of Commerce have been unacceptable. The administration needs to make resources available to help our Nation's small manufacturers. The administration should immediately reprogram $21.8 million to support the MEP Centers this year as directed by Senator KOHL and my amendment. Given the broad bipartisan and national support for this program, the administration should send a Budget Amendment to Congress to support $106.9M for the MEP program in fiscal 2005.

FUEL CELL PROGRAM

Mr. AKAKA. Mr. President, I wonder if I might discuss an important matter with the Chairman of the Armed Services Committee regarding the program to advance fuel cell technology for support of armed forces.

Mr. WARNER. Mr. President, I would be happy to discuss this issue with the Senator from Hawaii.

Mr. AKAKA. Mr. President, the Senate report accompanying National Defense Authorization Act for Fiscal Year 2005 included language on a program to demonstrate proton exchange membrane (PEM) fuel cell designs at Department of the Navy installations. In particular, the language referred to an uninterruptible substation using fuel cells based on proton exchange membrane technology. This was a program that the Congress supported last year.

I believe that the program the Committee intended to support this year was somewhat more narrowly focused on the developing technology to improve the membranes for those fuel cells that might be used in the substation program that was the subject of discussion last year or for other important Defense Department applications.

Mr. WARNER. Mr. President, I agree with the Senator from Hawaii that improving the membrane technology for fuel cells was the program for which the Committee recommended an addition to the Defense authorization this year.

Mr. AKAKA. Mr. President, I thank the chairman of the Committee for clarifying this situation.

Mr. BENNETT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The DOD authorization.

Mr. HATCH. Thank you, Mr. President. That is what I want to talk about today, in part.

I rise today to respond to a few of the comments made yesterday by several of my Democratic colleagues. They have attacked the President and the administration for not being forthcoming in releasing documents notwithstanding the fact that the White House just declassified and released approximately 260 pages of legal memoranda that they sent to Senator LEAHY and myself.

Let me take a moment to review the history.

On June 8, 2004, the Judiciary Committee held an oversight hearing of the Department of Justice. During the course of the hearing, Senator KENNEDY asked the Attorney General for any legal memoranda that had been leaked to the public. Contrary to the suggestions of some, the Attorney General at no time refused to answer any question posed by Senators on the committee. He just gave answers with which my Democratic Colleagues did not agree.

Specifically, the Attorney General declined to agree—on the spot—to produce internal executive branch legal memoranda citing the President's right to have confidential advice from his staff. The Attorney General believed he did not have authority to release these documents. He believed that only the President could release them.

Instead, that same day after the hearing, the Department of Justice wrote a detailed letter responding to the inquiries of the ranking Democratic member of the Judiciary Committee on legal issues related to wartime decisions. The letter summarizes the Justice Department's legal opinion on whether various statutes and treaties apply on this war on terror, including the Uniform Code of Military Justice, the Special Maritime and Territorial Jurisdiction, the Military Extraterritorial Jurisdiction Act, the torture statute, Geneva Conventions, and the War Crimes Act.

These topics are precisely the subject matter of the documents at issue in the hearing. The Attorney General is not trying to cover up anything. There can be no question that the Justice Department wanted to be responsive to the committee but it was not in a position to release the documents without further consultation within the administration, including the White House and the Defense Department. That is only fair. It is prudent during time of war when some of the documents reveal potential interrogation techniques.

Yet they made the Attorney General of the United States a punching bag, which they have done consistently day in, day out in the Judiciary Committee on various markup days and hearings as well.

It is as though they literally hate the Attorney General of the United States. A man who I think is doing a bang-up, tremendous job. In fact, last week the Attorney General and the White House counsel both assured me that they would work with me to fairly resolve the matter. I represented that to the committee members and that wasn't enough. I was sarcastically challenged on that by more than one member of the committee on the Democratic side. I just calmly said: Give them a little time. They said they would work with us, and they will. And Mr. President, they did.

Last Tuesday, the Democratic members of the Judiciary Committee submitted a letter to the Attorney General, not just seeking the three documents mentioned at the hearing that Senator KENNEDY made an issue of in the hearing, but seeking a total of 23 legal memoranda.

In addition to that, they provided a laundry list of document requests so broad that it could take a year to search the files of the entire Federal Government to comply with such a request. We would have to go all the way back to the Spanish-American War to give every document that has ever been brought forth, if you followed the kind of reasoning that they had.

Let me give you some examples. They asked for "any other memoranda or documents from Alberto Gonzales, William Haynes, William Howard Taft, IV, or any senior administration, and in the possession of the Department of Justice, regarding the treatment or interrogation of individuals held in the custody of the U.S. Government."

Any other senior administration official? That involves hundreds, if not thousands, of people. Come on.

For each of the 23 requested memos, the Democratic Senators wanted to know what has been redacted and why. They want an explanation for each classification status, and they want an indication of to whom each was circulated with copies of all cover letters and transmittal sheets.

When is it going to end? That kind of stuff is way out of bounds. It was an incredibly imprudent request. It was so broad that nobody in his or her right mind would try to fulfill it—and certainly not a White House that is responsible.

In addition to the 23 requested memos, this request includes 19 other broadly worded questions that require lengthy investigation and responses. They want all of this by June 30. That is in just 15 days, as if they were entitled to all of that.

This document request appears to be an old-fashioned fishing expedition of the lowest order. Any objective observer would have to conclude that this is not a legitimate exercise of our oversight function. They just want to use the typical go-to-the mattresses, scorched earth, litigation-like tactics to bury the Attorney General with a request so broad that no one could possibly comply with it.

Last Wednesday, before the ink was dry on the document request letter submitted last Tuesday, the ranking minority member circulated a proposed resolution to formally subpoena documents from the Department of Justice.

The Democrats did not even give the Attorney General the courtesy of a few days to respond to the original document request.

Yet, while the Democrats were engaging in this conspiracy, I was working with the White House and the Department of Justice. I told the entire committee of all my efforts last week. In fact, it is because of my efforts and the efforts of the President and the Department of Defense and the Justice Department that these documents have been declassified and disseminated so quickly.

Significantly, the three documents originally at issue in the Attorney General's hearing have been produced—that is, the actual documents that they called for in the hearing where you heard so much bad-mouthing of the Attorney General.

I got the cooperation of both the Attorney General and Alberto Gonzales himself last week.

I have put up with continual complaints by our friends on the other side of the aisle on the Judiciary Committee as to how poorly the committee is being run. I am sick and tired of it.

It is about time we got rid of some of these snotty, ridiculous, demeaning, and below-the-belt type of tactics and start respecting the President of the United States, the Attorney General, the Secretary of Defense, our young men and women overseas, and quit undermining what they are doing. We gave them the three documents they asked for and now there are all kinds of requests for more. We will never satisfy these types of voracious, problem-seeking people.

Of course, it is not good enough for some of my colleagues to just give them the documents they asked for. The administration could have sent 1,000 memos and some of my Democratic colleagues would still not have been satisfied. Talk about transparency, their strategy is transparent. No matter what is sent, some will no doubt scream and complain it is not good enough, and they will get on this floor, with their holier-than-thou language, and say we must have transparency because that is the way we in the United States are.

If that is true, we do not need the CIA, we do not need the 15 intelligence agencies, and we do not need to protect our young men and women overseas anymore. We just have to have transparency. That is so ridiculous it is hard for me to believe how the American people can even give any kind of consideration to that kind of talk. Yet we are getting that kind of nonsense on the Senate floor almost constantly from people on the other side of the aisle.

This lack of good faith suggests this is more about trying to attack the Attorney General and the administration than about obtaining documents necessary for legitimate exercise of oversight. It is clear they want to subpoena to build a case to hold the Attorney General in contempt of Congress. Why they hate this former Member of Congress, this former Member of the Senate, I will never understand. There is not a more decent, honorable, religious, kind person I know than John Ashcroft, but he is being treated like dirt. This threatens to rapidly devolve into a political witch hunt of the worst order.

It is sad to see this blatant political posturing. It is particularly sad to see this uncalled-for partisan wrangling over an issue of national security in an election year. I don't think they are fooling anybody by their histrionics, and we sure had a lot of them over the last number of days—even the last couple of weeks. Really, you can go back in time, ever since President George Bush was elected.

The amendment offered yesterday by the Senator from Nevada and the amendment offered here is not limited to the three documents that were at issue in the hearing. Those documents have already been produced. It has not been limited to the 23 documents listed in the first part of their document request. It is a broadly worded subpoena that would encompass all documents and records on this subject since January 20, 2001, regardless of whether the documents were written by someone at the Department of Justice.

Talk about a fishing expedition, we are talking here about deep sea fishing—and the worst type. Do you know how many people work at the Department of Justice? It would take forever just to ask each of the 112,000 individuals at the Justice Department if they possessed any relevant documents. That is how ridiculous the request is.

Moreover, the Justice Department subpoena is poorly written, as I have been saying. It requests all documents and records "describing, referring, or relating to the treatment or interrogation of prisoners of war, enemy combatants, and individuals held in the custody or physical control of the United States Government . . . in connection with the investigation of terrorist activity." And the subpoena is not limited to Justice Department records but also records possessed by the Department of Justice, written by other agencies, including the CIA or any military branch. This is simply too broad and they know it.

In addition, the subpoena requires records relating to the treatment of prisoners. That broad term would appear to include all the interrogation or treatment records and all of the medical records of Zacarias Moussaoui and any other individual DOJ has prosecuted or is prosecuting on terror-related charges subsequent to 2001. This could include any interrogation, medical records shared between the Department of Defense and the FBI relating to detainees held at Guantanamo Bay or in Iraq, Afghanistan, or elsewhere. This information request can involve hundreds, if not thousands, of POW and other enemy combatants and hundreds of thousands of pages of records.

That is the type of base political activity that is going on in this body right now. It demeans, insults, and undermines our young men and women overseas fighting for us and risking their lives every day. I, for one, am sick and tired of it. I hope the American people wake up to this type of foolish conduct all in the interest of Presidential politics or just politics in general.

I don't see the practical utility of providing all of these records pertaining to individual detainees to the Judiciary Committee. Under the proposed subpoena, this information could conceivably include prosecution strategy memos. Can you imagine? Surveillance materials. Can you imagine? Information provided by and the identities of confidential informants. Can you imagine that? As well as FISA, that is, the Foreign Intelligence Surveillance Act materials. We normally do not get these types of documents in either Democrat or Republican administrations. And there is a good reason. Because this place is a sieve. You can't keep anything secret up here. It is easy to see why administrations do not like to give confidential, secret, or top secret or covert information, you name it, classified information, to people up here.

Their language is simply too broad. I am also troubled by the way in which the language appears to stray far away from general policy questions concerning the legal status of certain classes of detainees such as suspected al-Qaida members into matters affecting ongoing intelligence gathering and the prosecution of individual terrorist subjects.

Give me a break. Let's give our country a break. Let's give our President a break. Let's give our Attorney General a break. Above all, let's give our young men and women overseas a break from these types of partisan, political activities.

Let me say when the shoe was on the other foot, the Democrats have advocated just as I have. Four years ago, when President Clinton was in office, my colleague from Vermont, advocated the following practice:

> Our standard practice should be to issue subpoenas only when attempts to obtain documents by other means have failed. At a minimum, we should at least request documents in writing before attempting to compel their production. . . . As part of this

> duty, the Committee should take every reasonable effort to see whether subpoenas are actually necessary before publicly requesting them.

That is the distinguished ranking member of the Judiciary Committee from Vermont speaking. Let's go through that one more time. When the shoe was on the other foot, and our side was asking for some documents, the quote was:

> Our standard practice should be to issue subpoenas only when attempts to obtain documents by other means have failed.

That is a quote.

The fact is, they didn't even give the Attorney General time to even think about it before they were slapping a subpoena down in last week's markup, just a few days after. And then, four years ago my colleague from Vermont continued:

> At a minimum, we should at least request documents in writing before attempting to compel their production.

I guess 2 days in writing is more than an ample request in their eyes now that they are in the minority and now that John Ashcroft is Attorney General.

> As part of his duty, the committee should take every reasonable effort to see whether subpoenas are actually necessary before publicly requesting them.

No, they pursued a subpoena. We had to vote on it. It was a party-line vote. I guess they thought they could get at least one Republican to allow their nefarious scheme to go forward. They did not try to use every reasonable effort to see whether subpoenas were actually necessary. And I am sure the reason, they will say, is because John Ashcroft has not appeared before the committee in a long time.

My gosh, the man almost died this year. And I don't blame anybody for not wanting to come up in front of this bunch when all you do is get demeaned, with implications that you are a liar, that you are not cooperative, that you are not doing a good job, and many other implications, as well, that are derogatory in nature.

When are we going to start treating administration people with respect and dignity? Here the Democrats are not making any reasonable effort to attempt to obtain any of the documents by other means. They did not even give the Justice Department a day to respond to their written questions before drafting a subpoena. What kind of bullying tactic is that? We know what the Democrats are up to because the Senator from Vermont told us what the purpose of a subpoena was just 4 years ago.

He said:

> [I]ssuing subpoenas may make for a good show of partisan force by the majority but certainly continues the erosion of civil discourse that has marked this Congress. Why is that true then but not now? Let me suggest that my Democratic colleagues are trying to take this one step further, as well. The minority is attempting to make a show of partisan force by distorting the facts for the American public.

Especially where the administration has indicated its willingness to be cooperative, issuing a subpoena would not merely continue the erosion of civil discourse; it would accelerate it by exponential proportions.

To suggest that the Senate issue a subpoena before the deadline to comply with a document request has even passed irreparably debilitates the credibility of my colleagues and shows they are merely grandstanding and not pursuing a legitimate oversight function, in spite of the holier-than-thou approach that some of them use.

Now, we have seen holier-than-thou approaches on both sides, I suppose, but I have never seen it worse than it is right now.

Yesterday, the President released not only the three documents at issue in the DOJ oversight hearing but 260 pages of documents, at my request—something I said I thought I could get them to do, after having talked with the Attorney General of the United States and Judge Gonzales. That was not good enough at the time. They were moaning and picking and groaning at me, saying they would never do it. But they did.

Thus far, the administration has released 13 lengthy memoranda relating to the treatment or interrogation of detainees, including relevant documents that were not specifically requested by the committee.

Come on. This administration has bent over backwards, and they will never satisfy these naysayers on the other side who want to make political points and who want to damage the Attorney General of the United States, the Secretary of Defense, and, above all, the President of the United States. I have to say, they are really good at playing this political game. They have a lot of help in our media in this country that seems to just go right along with it.

This may not be the end of the document production by the Departments of Justice and Defense, et cetera. The Department of Justice has until June 30, 2004, to respond to the Democrats' document request. It may well be that after June 30, 2004, there may be additional documents that we will need to see. But to seek such a broadly worded subpoena prematurely makes absolutely no sense. It flies in the face of reasonableness.

But let me say that it appears from what we know now—and I will expect the administration to correct me if I am wrong on this point—we have already gotten the most important documents. But I guess they just have not given the Democrats enough fodder with which they can attack the Attorney General and the President and others in this administration. After all, most of them were legal documents, legal opinions, where you can differ, and in most cases where they say, well, this is what the law is, but there is another side to it that could be argued, and the courts might find something to it. That is what you expect in a legal opinion. But they not only ask for the legal opinions; they ask for the preparatory documents that were leading up to the legal opinions.

I heard my colleague from Vermont mention, repeatedly: Like water, government policy flows downhill. I must say that I agree with him. Clearly, the most important document of those released by the White House is the one that the President of the United States signed on February 7, 2002. You do not get any higher than the President in this country, from a political standpoint.

In that memo, the President acknowledged that even though he was advised that he was not legally obligated to provide the protections of the Geneva Conventions to the Taliban or to the detainees at Guantanamo Bay, Cuba, that he intended to do so anyway.

But that is not enough for them. Here is the now unclassified White House memorandum for the Vice President, the Secretary of State, the Secretary of Defense, the Attorney General, the chief of staff to the President, the Director of Central Intelligence, the assistant to the President for National Security Affairs, the Chairman of the Joint Chiefs of Staff.

These are documents that are usually never given up by Presidents, by the way.

The subject: "Humane Treatment of al Qaeda and Taliban Detainees." The part shown at the bottom on this page of the letter is in yellow. Let me read the paragraph just above that. Let me read No. 2:

> Pursuant to my authority as Commander in Chief and Chief Executive of the United States, and relying on the opinion of the Department of Justice dated January 22, 2002, and on the legal opinion rendered by the Attorney General in his letter of February 1, 2002, I hereby determine as follows:

Now, this is a finding, by the way:

> a. I accept the legal conclusion of the Department of Justice and determine that none of the provisions of Geneva apply to our conflict with al Qaeda in Afghanistan or elsewhere throughout the world because, among other reasons, al Qaeda is not a High Contracting Party to Geneva.

I think that sounds pretty logical to a logical person. But look at this:

> b. I accept the legal conclusion of the Attorney General and the Department of Justice that I have the authority under the Constitution to suspend Geneva as between the United States and Afghanistan, but I decline to exercise that authority at this time. Accordingly, I determine that the provisions of Geneva will apply to our present conflict with the Taliban. I reserve the right to exercise this authority in this or future conflicts.

There is good reason why he reserved the right to exercise this authority—a very good reason—and that is, we are not fighting a conventional war; we are fighting a war in the most unconventional way, against people who do not wear uniforms, who do not represent a particular country, who are helter-skelter all over the world, who are vicious, brutal killers and murderers and terrorists, who have more than shown us how vicious they are. They do not deserve, in the eyes of many legal minds, the type of protections that Geneva would provide. But he is going to provide it to them anyway.

But that is not good enough over here. They have to find something, in some documents, in these hundreds of pages of documents, that can help to bring down this President.

Well, look, go to No. 3:

> Of course, our values as a nation, values that we share with many nations in the world, call for us to treat detainees humanely, including those who are not legally entitled to such treatment.

Our Nation has been, and will continue to be, a strong supporter of Geneva and its principles. As a matter of policy, the U.S. Armed Forces shall continue to treat detainees humanely and, to the extent appropriate and consistent with military necessity, in a manner consistent with the principles of Geneva.

I do not know how you say it much more clearly than that. But you have read all the newspapers condemning the President. Yet the President is following Geneva. But he did. To hear the other side, you would think that he did not.

Look at No. 5:

> I hereby reaffirm the order previously issued by the Secretary of Defense—

"[P]reviously issued by the Secretary of Defense"—

> to the United States Armed Forces requiring that the detainees be treated humanely and, to the extent appropriate and consistent with military necessity, in a manner consistent with the principles of Geneva.

I do not know what my colleagues need further, but that is what the President signed. My gosh, there is the President's signature right at the bottom of this letter.

> I hereby direct the Secretary of State to communicate my determinations in an appropriate manner to our allies, and other countries and international organizations cooperating in the war against terrorism of global reach.

My gosh, what is this all about? I will tell you what it is all about. It is about politics, pure and simple. They cannot win fairly, so they do it by distorting what is going on.

If they could win by distorting, that would be great, hunky-dory for them, I suppose. Well, it is not for me.

Paragraph 2b:

> I accept the legal conclusion of the Attorney General . . .

This is the fellow they are maligning all the time. This awful Attorney General, John Ashcroft. But he says:

> I accept the legal conclusion of the Attorney General and the Department of Justice that I have the authority under the Constitution to suspend Geneva as between the United States and Afghanistan, but I decline to exercise that authority at this time.

He determines that the provisions of the Geneva will apply.

> Of course, our values as a Nation, values that we share with the other nations in the world, call for us to treat detainees humanely . . .

The fact is some of our knuckleheads—darn few of them—have treated detainees inhumanely. You would think the President himself went over there and did those awful things, or that Donald Rumsfeld, who has done a fantastic job in helping to change the whole military structure in many ways in this country for the better, had gone over there and done this, or General Abizaid.

That letter blows away these types of phony arguments.

After hundreds of pages of analysis, after months of research and writing, the most severe punishment the Secretary of Defense authorized is the "use of mild, noninjurious physical contact such as grabbing, poking in the chest with the finger and light pushing."

I could tell you, having studied it, there is a whole panoply of acceptable Geneva interrogation techniques. I can tell you not all of them were used. The top level of very stressful ones were not authorized to be used.

Everything I have seen says that. Why this body would want to issue a subpoena that, one, failed in committee—they couldn't get it through committee because everybody there recognized it was a political exercise, brought very prematurely, without giving the administration a chance to comply, in disregard of the committee chairman's, my, offer to bring about a release of documents, and with a release of documents that is, by any measure, impressive—and two, is not ripe since the deadline to respond to the document request has not even come and gone. Why they would do that is beyond me.

I said earlier today I am one of the few people who has gone to and gone completely through Guantanamo. I can only speak for the time I was at Guantanamo and that was a few weeks ago. But I went and witnessed their interrogation techniques. I saw two interrogations that were not staged for me—one with a very uncooperative al-Qaida member they would occasionally get something from and another with another one who has been very cooperative because of the techniques that have been used, that have been fair and reasonable, within the Geneva Conventions rules and techniques. I saw how they handled the prisoners. I saw the incentive systems to get the detainees to try to cooperate.

I saw the assault record of some of these vicious detainees who I think some on the other side would like to coddle right to bed every night. Dozens of assaults made against our soldiers, including, since these are open wire cells, on a number of occasions throwing urine and feces all over the soldiers who have to walk up and down the halls.

I don't know about you, but if somebody did that to me, I wouldn't be very happy. If I recall correctly, there have only been three times where they have had to discipline soldiers because the rest of them stood and took it, even though that is one of the most offensive things that could be done to somebody, three times. One was acquitted, the other two suffered severe punishment.

In other words, we have punished our soldiers for getting mad because somebody threw feces and urine on them. I would be mad. I am for our soldiers. I wish—I am not going to second-guess the military courts, but I wish they had not been punished other than maybe reprimanded. There are some down there who are so vicious they would kill our soldiers if they had a chance. And they have done things like this repeatedly. Dozens and dozens of assaults on our young men and women down there.

What bothers me, almost more than anything else, is I have described one of the Presidential findings, and there are others that are being read on the sides of mountains by Zarqawi and by Osama bin Laden, top secret documents that have been given up because of these types of shenanigans. These types of things put our young men and women at risk. These political games are putting young men and women at risk. To disclose anything about interrogations puts our young men and women at risk. That does not mean we should not prosecute those who have violated the President's order of humane treatment. But interestingly enough, in the Abu Ghraib prison situation, the minute it became known these types of activities were going on, investigations started and prosecutions have resulted. But that is not good enough because there is a demand that they have to go right up to the top which means even the President, as if he were over there in Abu Ghraib himself, or Rumsfeld was over in Abu Ghraib or General Abizaid, they should be punished, or there should at least be some responsibility on their part for this aberration of conduct by so few in the Abu Ghraib prison.

Let me tell you, I am getting sick of it. I am getting sick of this partisan activity. I don't have much of a voice right now because I am so doggone sick of it. Frankly, it is beneath the dignity of the Senate. I think there might come a time for subpoenas, if there had been no cooperation, if there had been plenty of honorable time given to the administration to comply, if there had been no compliance, if there hadn't been any effort by the chairman to try and obtain these documents, if there had been no response by the White House counsel or the White House itself, or if there had been no desire on the part of the Attorney General to cooperate. They now have all the documents they asked for at that hearing. And now we get a request, a broad request for so many more that would tie up all of these important people to such a degree that I think it damages our young men and women not only in Iraq but Afghanistan as well.

Why? Why is it? Why do we hear these holier than thou rantings? Because we have to make sure this administration does its job because we don't trust them, I guess. At least that seems to be the tenor of the argument, and that this administration must be doing something wrong because it had legal memoranda and legal opinions that indicated maybe the Geneva Conventions don't apply in this unconventional war, with unconventional, murderous, and vicious terrorists.

Well, let me say. I am disappointed they ignore these types of documents. I am disappointed we get all these documents and they are not satisfactory. I am disappointed there is a call for transparency of all these things. I guess Osama bin Laden can read these things as well, or even Zarqawi, and know everything we are thinking, everything we do. He ought to be able to cut off a lot of heads with the knowledge we are giving him.

The fact is, almost any time anything is released here, it shows up in the liberal media. It shows up to the disadvantage of our country, to the disadvantage of our young men and women over there. I don't think anybody on this side is saying we should not be transparent in the ways we should be transparent, but to use that transparent argument and push it to its ultimate extreme means we should not have 15 intelligence agencies where we have classified information to protect our country. If you push it to the extreme, that is what you are saying. I believe it has been pushed to exactly that extreme.

I believe the demands have been extreme. They are unconscionable in some ways—not all of them. That is why the documents are being given to them. It was important to meet the reasonable requests for those three documents. They have been given. I don't see anything wrong with that.

I also believe we ought to respect the need to keep some matters from transparency in the best interests of our young men and women. I have to say I know that not all of our servants act appropriately. Everybody makes mistakes. Certainly, the things that happened in Abu Ghraib and in Afghanistan should never have happened. They need to be investigated, and, where appropriate, prosecutions have to take place. Nobody should be spared who participated in those wrongful, illegal activities that fly in the face of what the President approved and what the Secretary of Defense approved. I stand with my colleagues on the other side with regard to that. There is no doubt in my mind about that.

But when it comes to just playing crass politics and demanding more and more so it can be released to the public so "transparency" can be had over documents that should not be released to the public, then I have to call it what it is. It is crass political activity that flies in the face of what is right. I think directly and indirectly it hurts our young men and women overseas.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, the chairman of the Judiciary Committee, my friend, has spoken for about 55 minutes, which leaves little time for the ranking member of the Judiciary Committee, the person going to offer the amendment. I will not offer a unanimous consent agreement until such time as the manager of the bill or someone from the majority is able to respond, but I am going to ask unanimous consent that the Senator from Vermont be allowed to speak until the hour of 9:45.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the order be extended to allow the Senator from Vermont to speak for 15 minutes, and that following his speech, we vote on the pending amendment.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. Mr. President, we want to accommodate the Senator. Whatever happened, happened. We are glad to, in an equitable way, offer him this time. I will try to take the floor in the area of 9:40, if that is convenient.

Mr. LEAHY. How about 9:45?

Mr. WARNER. OK. Thank you.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I appreciate the continuing courtesy of my dear friend, the senior Senator from Virginia. I said earlier on the floor of the Senate that he and I have been friends for over a quarter of a century. I have aged in that time, but he has not. I do appreciate his continuing courtesies.

Mr. WARNER. I thank my colleague. We have served together these 26 years now in this body.

Mr. LEAHY. Mr. President, I have listened to some of the debate in the last 30 or 40 minutes, and it is sort of like a tempest in a teapot—a great deal of shouting and carrying on, but not really hitting the central point.

I spent years as a prosecutor. It was one of the best jobs I ever had. I had the great opportunity to try a lot of cases. I was in the courtroom several days every week in Burlington, VT. We had a saying there, as we do in many States, that if you have the facts on your side, you pound the facts. If you have the law on your side, you pound the law. Of course, if you have neither on your side, you pound the table. We have heard a lot of table pounding tonight.

The fact is that every American, Republican or Democrat, knows that some terrible things happened at Abu Ghraib prison. Some apparently happened in Afghanistan and some in Guantanamo. These are acts that are beneath a great and wonderful country such as the United States, a country blessed with a Constitution and laws and values that serve as a shining beacon for much of the rest of the world.

This did not happen here, and it is not answered by going out and cashiering a couple of corporals or a couple of privates and saying: There, look what we have done.

We all know that the 140,000 American men and women serving in Iraq and in Afghanistan and Guantanamo are obeying the laws, and upholding the best ideals of the United States. And many of our soldiers have been told they are going to serve much longer than their Government originally told them they would have to.

There are some, however, who did the same wrong things in Iraq as they did in Afghanistan and as they did in Guantanamo. Who gave them the green light? Don't tell me it is just a handful of bad actors. If so, those few bad actors must have a wonderful frequent flyer program to be able to show up in Abu Ghraib one day, Afghanistan the next, and Guantanamo the next. Somewhere there was some core permission given. It went to those who were willing to follow a wrong order.

My colleagues can table my amendment, but it will aid the coverup of what has become an international prisoner abuse scandal. If this amendment is tabled, as it may be, it says that the Republican Senators have decided to join the Republican administration in circling the wagons of the unfolding prisoner abuse scandal.

The American public—Republicans, Democrats, and Independents—are sick and tired of being lied to. They are sick of the secrecy. They are demanding answers all over this Nation, but the wagons continue to circle.

My amendment would require the administration to cooperate with a thorough congressional investigation into the abuse of prisoners in U.S. custody by releasing all documents relevant to the scandal. We call for the release of all relevant documents, not a tiny subset of documents selected by the administration when the political heat was on.

The question for us as Senators is, Are we content to see the Senate serve as an arm of the executive branch, or are there some of us—at least a majority of us—who actually read the Constitution and realize we are an independent branch of Government? The distinguished senior Senator from West Virginia has reminded us that we do not serve under Presidents, we serve with Presidents. He has reminded us that there are three branches of Government, each independent of the other. Nonetheless, we hear arguments on the floor that we can't ask for these documents because the executive branch does not want to show them to us. But, we are independent Senators, all 100 of us.

Somewhere in the upper reaches of this administration, a process was set in motion that seeped forward until it produced this awful scandal. So to put the scandal behind us—which all of us want to do—we have to understand what happened.

The President of the United States has said they want to get to the bottom of this. So do I, but you cannot get to the bottom of this until you have a clear picture of what is on the top. We have heard the party line on this scandal. The Senator from Alabama argued that the whole thing boils down to just a few people on the midnight shift in Abu Ghraib prison who got out of control. He said that a few people came in at midnight and somehow they got out of control. That line has become harder and harder to swallow as every day new evidence surfaces that the abuses were widespread.

The photographs may be limited to a small group of soldiers at Abu Ghraib, but the abuses were not. It is not right for any of us to claim this was just a small thing when every one of us has seen how extensive the photographs are, those that have been revealed to the public and those that have not.

I question the idea that it was only in Abu Ghraib. As I said, somebody must be getting frequent flyer miles because the same thing was happening at Abu Ghraib prison, Afghanistan, and Guantanamo. Just last week, a Federal grand jury indicted a CIA contractor for brutally beating a prisoner in Afghanistan in June of last year. Why did they indict him? Because the prisoner died the day after he was beaten.

The Army has opened a criminal investigation into injuries suffered by a U.S. soldier who was posing as an uncooperative detainee during training with military police at Guantanamo Bay. That soldier suffered traumatic brain injury. This was a brave American soldier who went into a training program. Suddenly, apparently, the rules changed. He used a code word to stop it. He said: I am an American soldier. They kept on doing what somebody higher up had given them the order to do, and he suffered traumatic brain injury.

I could go on and on about this. My point is, it is not just a few bad apples in Abu Ghraib. These things have happened in Afghanistan, Iraq, and Guantanamo. Does anybody seriously think that the American public is going to fall for a lie that it is a coincidence that a bunch of MPs in Iraq were abusing prisoners with the very same tactics that were being debated at the highest levels of Government, such as the use of hoods, the use of dogs, the removal of clothing? Do we think these people are somehow telepathic, that they can read the minds of those at the White House or the Pentagon?

Yesterday, the White House released a tiny subset of the materials we sought. This was not all the material we requested. It was a tiny subset. All of those documents should have been provided earlier to Congress. Much more remains held back from public view.

The documents that were released raised more questions than they answered.

After January 2002, did the President sign any other orders or directives? Did he sign any with regard to prisoners in Iraq? Why did Secretary Rumsfeld issue and later rescind interrogation techniques?

How did these interrogation techniques come to be used in Iraq even though the administration has maintained it followed the Geneva Conventions there?

Why is the White House withholding relevant documents produced after April 2003?

Where is the remaining 95 percent of the materials requested by members of the Senate Judiciary Committee?

We have heard on the floor there was a broad-brush request made for the documents. But it was actually a request for 23 specific documents. The White House gave 3 of the 23 and said that it had complied. Incidentally, of those three, two had already appeared on the Internet. The press had found them out before the White House gave them to us.

So even though they gave only one that had not been made public before, I will give them credit for all three. Where are the other 20?

When are we, as Senators, going to stop sitting on our hands, becoming a rubberstamp for an administration cloaked in secrecy?

We have the legal right, we have the constitutional obligation, and I remind Senators we have the moral authority to ask questions and demand answers today.

We have been blessed in this country with a great and wonderful country, but that is a blessing that comes with some responsibilities. We are not maintaining that responsibility unless we keep the pressure on, until we get honesty and we get answers.

So I urge my colleagues, vote down the motion to table. Let us show the Senate is willing to stand up. Let us do what Senators have done in the past. We did it during the Watergate era. We have done it at other times. Let us stand up and ask the questions the American public wants us to ask.

The press seems to be doing it for us. After extensive investigation, the Guardian uncovered widespread evidence of violent abuse and sexual humiliation of prisoners at Baghram and other U.S. detention centers around Afghanistan. We should have found that out, and we should have stopped it. As I said before, a Federal grand jury indicted a CIA contractor for brutally assaulting a detainee in Afghanistan June 2003. We should have found that out. Instead, we turned a blind eye.

Defense Secretary Rumsfeld admitted in November 2003 that he ordered a prisoner be held incommunicado, off the prison rolls, and out of the sight of the Red Cross. This ghost detainee got lost in the system for 7 months. Despite his high intelligence value, this ghost detainee received only a cursory initial interview while in detention.

Major General Taguba later criticized the practice of keeping ghost detainees as deceptive, contrary to Army doctrine, and in violation of international law.

The New York Times reported that military lawyers and some colonels received memos citing complaints of abuse at Abu Ghraib in November 2003, 2 months before photographic evidence of abuse prompted the military to launch an investigation. At the same time, the letters I had written to the Department of Defense and others about what we had heard were not answered.

In fact, it turns out now that the majority of detainees at Guantanamo Bay are not the worst of the worst, as the administration asserted, but rather low-level recruits or even innocent men swept up in the chaos of war. This is why, after years, not a single one has been brought before a military tribunal. This is not the mark of a great country. This is not the mark of a moral country.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LEAHY. I ask unanimous consent that materials provided under the amendment be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The materials provided under the amendment should include, at a minimum, the following:

(A) Memorandum for Timothy E. Flannigan, Deputy Counsel to the President, from John Yoo, Deputy Assistant Attorney General, Office of Legal Counsel, Re: The President's constitutional authority to conduct military operations against terrorists and nations supporting them (Sept. 25, 2001);

(B) Memorandum for Alberto Gonzales, Counsel to the President, from Patrick F. Philbin, Deputy Assistant Attorney General, Office of Legal Counsel, Re: Legality of the use of military commissions to try terrorists (Nov. 6, 2001);

(C) Memorandum for William J. Haynes, General Counsel, Department of Defense, from John Yoo, Deputy Assistant Attorney General, and Patrick F. Philbin, Deputy Assistant Attorney General, Re: Possible habeas jurisdiction over aliens held in Guantanamo Bay (Dec. 28, 2001);

(D) Draft Memorandum for William J. Haynes, General Counsel, Department of Defense, from John Yoo, Deputy Assistant Attorney General, and Robert J. Delahunty, Special Counsel, Office of Legal Counsel, Re: Application of treaties and laws to al Qaeda and Taliban detainees (Jan. 9, 2002), and any final version of this Draft Memorandum;

(E) Memorandum from William Howard Taft IV, Department of State Office of Legal Advisor, Re: Response to the January 9 Yoo/Delahaunty memo (Jan. 11, 2002);

(F) Draft Memorandum for the President from Alberto Gonzales, Counsel to the President, Re: Decision re application of the Geneva Convention on Prisoners of War to the conflict with al Qaeda and the Taliban (Jan. 25, 2002), and any final version of this Draft Memorandum;

(G) Memorandum for Alberto Gonzales, Counsel to the President, from Secretary of State Colin Powell, Re: Response to the Gonzales draft memo of January 25, 2002 (Jan. 26, 2002);

(H) Memorandum for John Yoo, Deputy Assistant Attorney General, Office of Legal Counsel, from James C. Ho, Attorney-Advisor, Office of Legal Counsel, Re: Possible interpretations of Common Article 3 of the 1949 Geneva Convention Relative to the Treatment of Prisoners of War (Feb. 1, 2002);

(I) Memorandum for Alberto Gonzales, Counsel to the President, from William Howard Taft IV, Department of State Office of Legal Advisor, Re: Comments on your paper on the Geneva Convention (Feb. 2, 2002);

(J) Memorandum for William J. Haynes, II, General Counsel, Department of Defense, from Jay S. Bybee, Assistant Attorney General, Office of Legal Counsel, Re: The President's power as Commander in Chief to transfer captured terrorists to the control and custody of foreign nations (Mar. 13, 2002);

(K) Memorandum for Daniel J. Bryant, Assistant Attorney General, Office of Legal Counsel, from Patrick F. Philbin, Deputy Assistant Attorney General, Office of Legal Counsel, Re: Swift Justice Authorization Act (Apr. 8, 2002);

(L) Memorandum for General James T. Hill from Defense Secretary Rumsfeld, Re: Coercive interrogation techniques that can be used with approval of the Defense Secretary (Apr. 2003);

(M) Memorandum from CJTF–7, Re: Applicability of Army Field Manual 34–52 and sensory deprivation (Sept. 10, 2003);

(N) Directive of Lt. General Ricardo Sanchez entitled "Interrogation and Counter-Resistance Policy" (Sept. 12, 2003);

(O) Memorandum from CJTF–7 on interrogations (Sept. 28, 2003);

(P) Memorandum for MI personnel at Abu Ghraib, Re: Interrogation rules of engagement (Oct. 9, 2003);

(Q) Memorandum for Commander of MI Brigade from Lt. General Ricardo Sanchez, Re: Order giving military intelligence control over almost every aspect of prison conditions at Abu Ghraib with the explicit aim of manipulating the detainees' "emotions and weaknesses" (Oct. 12, 2003);

(R) Memorandum for Review and Appeal Board at Abu Ghraib from Detainee Assessment Branch (Nov. 1, 2003 through Jan. 31, 2004);

(S) Memorandum for MP and MI personnel at Abu Ghraib from Colonel Mac Warren, the top legal adviser to Lt. General Ricardo Sanchez, Re: New plan to restrict Red Cross access to Abu Ghraib (Jan. 2, 2004);

(T) Memorandum for Superiors from Maj. General Antonio Taguba, Re: Results of investigation into the 800th MP Brigade's actions in Abu Ghraib (Mar. 12, 2004);

(U) Memorandum from the Department of Justice, Re: Liability of interrogators under the Convention Against Torture and the Anti-Torture Act when a prisoner is not in U.S. custody.

(V) Review, study, or investigation report by LTC Chamberlain, Re: State of prisons in Iraq (addressing the high proportion of innocent people in the prisons and the lack of release procedures for detained Iraqis).

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. The distinguished Senator from Utah will address the Senate. We are ready to go to votes.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I move to table the underlying Leahy amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion.

The clerk will now call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Kansas (Mr. BROWNBACK) and the Senator from New Hampshire (Mr. SUNUNU) are necessarily absent.

I further announce that if present and voting the Senator from Kansas (Mr. BROWNBACK) would vote "yes."

Mr. REID. I announce that the Senator from New Mexico (Mr. BINGAMAN), the Senator from South Carolina (Mr. HOLLINGS) and the Senator from Massachusetts (Mr. KERRY) are necessarily absent.

The PRESIDING OFFICER (Mr. COLEMAN). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 45, nays 50, as follows:

[Rollcall Vote No. 143 Leg.]

YEAS—45

Alexander
Allard
Allen
Bennett
Bond
Bunning
Burns
Campbell
Chafee
Chambliss
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
Dole
Domenici
Ensign
Enzi
Fitzgerald
Frist
Grassley
Gregg
Hatch
Hutchison
Inhofe
Kyl
Lott
Lugar
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Stevens
Talent
Thomas
Voinovich
Warner

NAYS—50

Akaka
Baucus
Bayh
Biden
Boxer
Breaux
Byrd
Cantwell
Carper
Clinton
Conrad
Corzine
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham (FL)
Graham (SC)
Hagel
Harkin
Inouye
Jeffords
Johnson
Kennedy
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
McCain
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Specter
Stabenow
Wyden

NOT VOTING—5

Bingaman
Brownback
Hollings
Kerry
Sununu

The motion was rejected.

AMENDMENT NO. 3485

Mrs. FEINSTEIN. Mr. President, I rise this evening in support of Senator LEAHY's second-degree amendment which seeks to compel, by law, the Executive Branch to provide certain important documents to Congress.

I wish to focus on one particular issue that has been raised by those who oppose this effort—that provision of these documents will endanger our national security by informing our enemies of the details of our interrogation tactics.

I believe this objection is misplaced and the danger of compromising national security can be easily and simply eliminated.

I am a member of the Select Committee on Intelligence, and as my colleagues know, that committee regularly receives information of the highest classification involving our Intelligence community. Similarly, the Armed Services Committee receives information about the most sensitive of our military secrets. The Judiciary Committee receives information about extremely sensitive law enforcement matters. In short, the Congress and its committees are regularly provided the most sensitive of our Nation's secrets.

In the present case I accept that some of the documents we have sought from the Department of Justice and Department of Defense about the law, policy and procedures governing interrogations may be properly classified. In other words, I quote from the governing executive order, Executive Order 12958, which describes "top secret" as being information "the unauthorized disclosure of which reasonably could be expected to cause exceptionally grave damage to the national security."

But the question of classification is unrelated to the question of whether the Congress should have access to information which is needed. We have procedures, administered by the Office of Senate Security, which ensures that such information is handled properly, safely, and securely. simply put, providing information to the Congress is not the same as making it public, or providing it to terrorists.

As some of my colleagues know, I asked the Attorney General directly whether any of the material which he was refusing to provide to the Congress was classified. He did not answer my question, but if the answer is yes, then the Congress has the ability to receive such information.

It is important to focus on the issue at hand, which is what information should, and must, be provided to Congress so it can perform its constitutional role to legislate and conduct oversight. The issue is not what information to provide to the terrorists.

Mr. DURBIN. Mr. President, I rise today in support of the Leahy second-degree amendment. I am proud to cosponsor the Leahy second-degree amendment. The Leahy amendment would require the administration to provide the Senate with all documents in the Justice Department's possession relating to the treatment and interrogation of detainees.

Since the world learned about the horrible abuses at Abu Ghraib prison, there has been mounting evidence that high-ranking members of this administration authorized the use of interrogation tactics that violate our longstanding treaty obligations. There is increasing pressure on the administration to come clean and provide the Congress with all documents related to the use of torture.

Yesterday, in a transparent effort to stop the pressure for full disclosure, the administration provided Congress with a 2-inch stack of documents. But a cursory review of these documents reveals that the administration is withholding a lot of crucial information. If anything, the documents that were released yesterday make it even more clear that we need complete disclosure from the administration. As the Chicago Tribune reported today:

> The memos left unanswered at least as many questions as they answered. White House officials acknowledged that the documents provided only a partial record of the administration's actions concerning treatment of prisoners.

What do the documents that were released show? In a January 2002 memo, the President concluded that "new thinking in the law of war" was needed. Under our Constitution, it is Congress's job to make the laws. If the President wants to change the law of war, which has served our country well since the time of President Abraham Lincoln, he must come to the Congress and ask us, the people's representatives, to change the law. He cannot change the law by executive fiat. The memo from the President was stamped for declassification in 2012, so clearly this administration had no intention to consult with Congress or the American people about their plans to change the law of war.

In response to the President's mandate, in August 2002, the Justice Department sent a memo to the White House on the use of torture. It makes unprecedented claims about the President's power that violate basic constitutional principles. The Justice Department concludes that the torture statute, which makes torture a crime, does not apply to interrogations conducted under the President's Commander in Chief authority. They also adopt a new, very restrictive definition of torture. They state that torture involves:

> . . . intense pain or suffering of the kind that is equivalent to the pain that would be associated with serious physical injury so severe that death, organ failure, or permanent damage resulting in a loss of significant body function will likely result.

This contradicts what Attorney General John Ashcroft told the Judiciary Committee just 2 weeks ago. He said that it is Congress's job to define torture and that the administration had not adopted a new definition of torture.

The Defense Department, relying on the Justice Department's work, also responded to the President's call for new thinking about the law of war. In a November 2002 memo, Defense Secretary Rumsfeld approved the use of coercive interrogation techniques at Gauantanamo Bay. These included "removal of clothing," using dogs to intimidate detainees, sensory deprivation, and placing detainees in stress positions, including forced standing for up to 4 hours. Rumsfeld's only comment on these procedures was a personal note at the bottom of the approval memo, "I stand for 8–10 hours a day. Why is standing limited to four hours?"

Let me answer that question.

In the 1930s, Stalin's secret police forced dissidents to stand for prolonged periods to coerce confessions for show trials. In 1956, experts commissioned by the CIA documented the effects of forced standing. They found that ankles and feet swell to twice their normal size, the heart rate increases, some people faint, and the kidneys eventually shut down.

After military officers raised moral and legal concerns about the tactics Rumsfeld has approved, he rescinded his approval while the Pentagon conducted an internal review.

In an April 2003 memo, Rumsfeld issued revised rules. These allowed for interrogation tactics with truly Orwellian names. These included:

"Sleep adjustment," which the DOD claims is not the same as sleep deprivation;

"Dietary manipulation," which DOD claims is not the same as food deprivation; and

"Environmental manipulation," which DOD acknowledges "some nations" may view as "inhumane."

White House Counsel Alberto Gonzales said these memos show that the administration engaged in a "thorough and deliberative process" on interrogation practices.

There is just one problem: Congress was not involved in the process. Article I of the Constitution says that it is Congress that makes the laws, not the President. The President cannot change the law of war or the definition of torture. Only Congress can.

The memos that were released yesterday leave many questions unanswered. They include directives related to Defense Department interrogations of detainees at Guantanamo Bay. But they do not tell us what interrogation techniques were approved for use by the CIA or other government agencies. They do not tell us what interrogation techniques were approved for use in Iraq. Yesterday, White House Counsel Gonzales said, "We categorically reject any connection" between the Administration's torture memos and abuses at Abu Ghraib.

But how can the administration reject these connections when the techniques that Rumsfeld approved for use in Guantanamo were also used in Abu Ghraib prison? And what about the Justice Department torture memo? According to press reports today, the administration is now disavowing the memo.

But what does that mean? The memo was apparently vetted by the Justice Department, sent to the White House, and was the basis for the Defense Department's memos on torture.

Who requested the Justice Department memo and what was done in response to the memo? Were the legal arguments contained in the memo used to justify the use of torture?

Yesterday, the President said, "We do not condone torture. I have never ordered torture. I will never order torture."

What definition of torture is the President using? Is it the one that the Justice Department created? What about other forms of cruel treatment that are prohibited by the Constitution, treaties and laws of the United States?

This is a very serious issue for our Nation. The world is watching us. They are asking whether the United States will stand behind its treaty obligations in the age of terrorism.

The Senate has an obligation to the Constitution and the American people to answer these questions The only way to do that is to obtain all of the relevant documents from the administration.

The great challenge of our age is combating terrorism while remaining true to the principles upon which our country was founded—liberty and the rule of law. Our laws must not fall silent during time of war.

I urge my colleagues to support the Leahy amendment.

The PRESIDING OFFICER. The Senator from Virginia.

AMENDMENT NO. 3485

Mr. WARNER. Mr. President, the Senate now turns to the second-degree amendment and an up-or-down vote.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to Amendment No. 3485.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Massachusetts (Mr. KERRY) are necessarily absent.

Mr. McCONNELL. I announce that the Senator from Kansas (Mr. BROWNBACK) and the Senator from New Hampshire (Mr. SUNUNU) are necessarily absent.

I further announce that, if present and voting, the Senator from Kansas (Mr. BROWNBACK) would vote "no."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 50, as follows:

[Rollcall Vote No. 144 Leg.]

YEAS—46

Akaka
Baucus
Bayh
Biden
Boxer
Breaux
Byrd
Cantwell
Carper
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham (FL)
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Wyden

NAYS—50

Alexander
Allard
Allen
Bennett
Bond
Bunning
Burns
Campbell
Chafee
Chambliss
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Ensign
Enzi
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Kyl
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Talent
Thomas
Voinovich
Warner

NOT VOTING—4

Bingaman
Brownback
Kerry
Sununu

The amendment (No. 3485) was rejected.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. DASCHLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3387

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3387.

The amendment (No. 3387) was agreed to.

AMENDMENT NO. 3468

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I believe the veterans health care amendment is next; is that correct?

The PRESIDING OFFICER. There are 2 minutes of debate evenly divided.

Mr. DASCHLE. Mr. President, one of the surprising aspects of the debate about the amendment now pending has been the testimonials from some colleagues who say they like the current VA funding system.

If you believe you can look veterans in the eye and tell them they are well served by the current VA health care system, then my amendment is not for you.

If you are satisfied with telling 500,000 veterans they cannot enroll at the VA, then this amendment is not for you.

If you think the system is performing well that results in hundreds of thousands of veterans waiting months, sometimes years, to see a doctor to get prescription drugs, then vote no on this amendment.

If you feel good about voting to ask veterans to contribute more than a billion dollars out of pocket for their health care costs and send out the bill collectors to hunt them down and make sure it works, this amendment is not for you.

Lastly, if you think it is appropriate to ask hundreds of thousands of men and women to sacrifice everything for their country and not ensure that they can get access to health care when they return, my amendment is not for you.

Those considering opposing my amendment should take a look around. President Bush's own veterans health care task force, as well as the chairman and ranking member of the House Committee on Veterans Affairs, believe the current system is broken and that it urgently needs fixing and have endorsed the concept underlying this amendment. Every single veterans group in the country has done so as well.

If you believe we have an obligation to our troops, I urge you to back it up with action by voting for this amendment.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I urge my colleagues to vote against this amendment. This amendment creates a new entitlement program, set up by a formula designed to add benefits based on eligible people. My father-in-law is eligible, but he doesn't receive VA benefits. Now we are going to set that up as an entitlement that would cost $300 billion—three-fourths of the cost of the Medicare bill expansion last year? We have a lot of people saying we believe in paying for these. This was not paid for. This would increase the deficit by $300 billion.

We are doing a lot for veterans right now. If you look at it, we didn't do a lot during the Clinton administration, but we have done a lot under the Bush administration—up 50 percent in the last few years. We are going from 2004, $61 billion, to $70 billion in 2005, a 15-percent increase. Yet some people say that is still not enough.

I think this amendment is not so much about helping veterans. I think it is trying to help politicians. I urge my colleagues to sustain the budget point of order.

The pending amendment offered by the Senator from South Dakota, Mr. DASCHLE, increases mandatory spending and, if adopted, would cause the underlying bill to exceed the committee's allocation section 302(a) allocation. Therefore, I raise a point of order against the amendment pursuant to 302(f) of the Congressional Budget Act of 1974.

Mr. DASCHLE. Mr. President, I move to waive the relevant sections of the Budget Act for my amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Kansas (Mr. BROWNBACK) and the Senator from New Hampshire (Mr. SUNUNU) are necessarily absent.

I further announce that if present and voting the Senator from Kansas (Mr. BROWNBACK) would vote "nay."

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 49, nays 48, as follows:

[Rollcall Vote No. 145 Leg.]

YEAS—49

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carper
Clinton
Collins
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Graham (FL)
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Pryor
Reed
Reid
Rockefeller

Sarbanes
Schumer
Snowe
Specter
Stabenow
Wyden

NAYS—48

Alexander
Allard
Allen
Bennett
Bond
Bunning
Burns
Campbell
Chafee
Chambliss
Cochran
Coleman
Cornyn
Craig
Crapo
DeWine
Dole
Domenici
Ensign
Enzi
Feinstein
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Kyl
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Stevens
Talent
Thomas
Voinovich
Warner

NOT VOTING—3

Brownback
Kerry
Sununu

The PRESIDING OFFICER. On this vote, the yeas are 49, the nays are 48. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the amendment falls.

The Senator from Virginia.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Virginia.

AMENDMENT NO. 3467 WITHDRAWN

Mr. WARNER. Mr. President, I ask unanimous consent to vitiate the action on the Ensign second-degree amendment No. 3467 and withdraw it. That is a technical requirement.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3121

Mr. ALEXANDER. Mr. President, I have submitted an amendment that makes sure that military families don't lose eligibility for Head Start, the School Breakfast and Lunch Programs, Child Care and Development Block Grants, and the Low Income Energy Assistance Program when a parent is sent off to war.

Currntly, military families living on the margin, who qualify for Federal benefits, are at risk of losing those benefits if the service member in the family qualifies for special pay. If, for example, an active duty parent is deployed to a combat zone, and begins to receive additional combat pay, the temporary increase in income may result in his or her family losing eligibility for vital social services. My amendment would preclude additional military pay, specifically combat pay and the family separation allowance, from being counted as income for purpose of determining eligibility for certain federal benefits.

The Federal programs that are affected are those that are available to all Americans and where Federal law determines eligibility and generally provide food, child care, educational, and energy assistance to needy families. More specifically, the programs that would be affected are: The School Breakfast and Lunch Programs, Child Care and Development Block Grants, Head Start, and the Low Income Energy Assistance Program.

The Subcommittee on Children and Families, which I chair, in cooperation with the Armed Services Subcommittee on Personnel, chaired by the Senator from Georgia, Mr. CHAMBLISS, has put a special focus on helping military parents raising children. Together we have held six hearings since June of last year—five in the field, and one here in Washington. A number of issues have come to the attention of Senators through these hearings. This amendment addresses one of them.

Among the many military personnel I have head from during this process are Sergeant First Class Luis Rodriguez, his wife Lilliam, and their two young daughters. Sgt. Rodriguez, with the 101st Airborne, stationed out of Fort Campbell, and his family line in Clarksville, TN. When Sgt. Rodriguez and his family moved to Fort Campbell, they tried to get one of their daughters, who was 4 years old at the time, enrolled in their local Head Start program before Sgt. Rodriguez was shipped out to Iraq. However, the Rodriguezes were informed that they couldn't access Head Start because they were over-income because of receiving the special pay. Sgt. Rodriguez left for Iraq and in November the truck he was driving in Mosul hit an improvised explosive device, and he lost most of his right leg. Currently, he is recovering down the road at Walter Reed Medical Center, and Lilliam is spending her time among traveling up here to see her husband, tending to her girls in Tennessee, and trying to help provide for her family. I am sure if you went to Walter Reed and talked to Lilliam or Luis, they would tell you that there is something wrong when those who wear our country's uniform and their families can no longer benefit from Head Start, the School Lunch Program, or some other federal program because they've become ineligible due to the additional special pay received when they're off in harm's way protecting our country.

I thank the distinguished chairman of the Armed Services Committee for his assistance in crafting this amendment. I look forward to continuing to work with the chairman on the issue of military families, and how best to help them shoulder the burdens they face.

We rely on our servicemen and women to defend our freedom and America's interests overseas, but at times, we forget that our soldiers have a support structure of their own: their families. We should do all we can to support our service members and their families in these tough times.

AMENDMENT NO. 3441

Mr. MCCAIN. Mr. President, why is this amendment needed? Congressional guidance is needed where the Air Force's conduct on its Tanker Lease Program has, to date, been unacceptable.

First, the Air Force has provided Congress inaccurate information in an attempt to justify its original proposal to lease 100 Boeing KC–767As. For example, Air Force Secretary Jim Roche has repeatedly advised Congress that, in the existing KC–135 fleet, "corrosion is significant, pervasive, and represents an unacceptable risk." Secretary Roche has also emphasized to Congress increased operating costs in the current fleet as a basis for entering into the tanker lease. Air Force leadership has indicated that these elements create an "urgent" need to recapitalize the fleet. However, a Defense Science Board, DSB, task force found that the Air Force's claims of unmanageable corrosion problems and cost growth were overstated.

Remarkably, the task force recommended that corrosion not be cited as a justification for tanker recapitalization. As such, the task force concluded that "[t]here is no compelling material or financial reason to initiate a replacement program prior to the completion of the [Analysis of Alternatives (AoA)] and the [Mobility Capabilities Study (MCS)]." Thus, the task force jettisoned the "dominant reason" Secretary Roche first cited in his July 10, 2003, report to Congress as the basis for having taxpayers pay billions of dollars more for leasing tankers than they would for buying them. The Air Force's representations on this issue remains a matter of continuing investigative concern.

In another example, to comply with the original authorizing statute, the Air Force misrepresented to Congress that its proposal to lease 100 Boeing KC–767 tankers was merely an operating lease. This would have obviated the requirement that the White House obtain advance budget authority for the whole lease proposal. But, the DOD-Office of the Inspector General, OIG, and Program Analysis and Evaluation, PA&E, as well as the Congressional Budget Office, CBO, and the General Accounting Office, GAO, found that the procurement of these tankers is, in fact, a lease-purchase. In addition, facts surrounding the original lease proposal made it clear that the transaction was a lease-purchase: under the original proposal, the Air Force conceded that the DOD is "committed to earmark[ing] an additional $2B in fiscal year 2008 and fiscal year 2009 for the purchase of aircraft covered by the multiyear program under the terms of the proposed contract" to head off a funding spike over the Future-Years Defense Program.

Second, the DOD–OIG and the National Defense University, NDU, concluded that the Air Force's commercial item procurement strategy "prevented any visibility into Boeing's costs and required the Air Force to use a fixed-price type contract . . . The strategy also exempted [Boeing] from the requirement to submit cost or pricing data. The strategy places the Department at high risk for paying excessive prices and precludes good fiduciary responsibility for DOD funds." The NDU similarly concluded that "[i]n a sole source, monopoly commercial environment, the government is not served well with limited price data" and suggested that the Air Force neglected its fiduciary/stewardship responsibilities.

Third, the DOD–OIG and the NDU also concluded that the operational requirements document, ORD, for tankers was not tailored, as it should have been, to the requirements of the warfighter, but rather to closely correlate to the Boeing KC–767A. The DOD–OIG found that senior Air Force staff directed that the ORD closely correlate to the Boeing KC–767A that was being developed for a foreign government, in anticipation of the authorizing legislation. This is particularly troubling where, according to an internal Boeing document regarding the ORD, Boeing planned to "[e]stablish clearly defined requirements in ORD for the USAF Tanker configuration that results in an affordable solution that meets the USAF mission needs and will prevent an AOA from being conducted." Under the current proposal, the first 100 tankers produced will not be capable of, among other things, interoperability with Navy, Marine, or coalition assets, or simultaneously refueling more than one receiver aircraft. Rear Adm. Mark P. Fitzgerald recently suggested that in theater, such a limitation restricts the Navy's long-range striking capability and fosters a needlessly risky aerial refueling environment.

Finally, documents suggest that the Air Force allowed Boeing to modify the requirements in the ORD while it was being developed. Documents also reflect that the Air Force induced the Joint Requirements Oversight Council, JROC, into approving and validating the corrupted ORD by falsely representing that it was not tailored to a specific aircraft. This is of continuing investigative interest to the Committee.

As I've described, the history of the Air Force's attempt to recapitalize its tanker fleet has been riddled with corporate scandal, public corruption and political controversy.

This amendment attempts to make sure that any effort by the Air Force to replace its fleet of tankers is done responsibly. The amendment achieves this by doing six things.

First, the amendment seeks to have the Secretary of Defense ensure that the Air Force Secretary not acquire any aerial refueling aircraft for the Air Force, by lease or contract, either with full or open competition, until at least 60 days after the Secretary of Defense has reviewed all documentation for the acquisition, including the completed AoA, the completed aerial refueling portion of the MCS, a new, validated capabilities document and the approval of a Defense Acquisition Board. And until the Secretary of Defense has submitted to the congressional defense committees a written determination that the acquisition is in compliance with all currently applicable laws and regulations.

Among the authorities with which the acquisition decision must comply is OMB Circular A–11, revised for 2003. In other words, without substantial private-party participation, any third-party financing arrangement, particularly those structured around a "special purpose entity," will be deemed to be a transaction of the government. So, under OMB Circular A–11, the transaction must be reflected in the President's budget the year that obligations arising from it are incurred. The DOD–OIG, the Congressional Budget Office, the Congressional Research Service, and others have concluded that the proposed lease of tankers is a lease-purchase—for which renegotiation of the current contract or independent authorization may be required. Therefore, under OMB Circular A–11, budget authority would be needed for the entire obligation in the first year of the lease term.

Second, not less than 45 days after the Secretary of Defense submits this determination, the Comptroller General and the DOD–OIG shall submit to the congressional defense committees a report on whether the acquisition complies with all currently applicable laws and regulations, as well as the requirements of the amendment itself, and is consistent with the AoA and the other documentation referred to in this amendment.

Third, the acquisition by lease or contract of any aerial refueling aircraft for the Air Force beyond low-rate initial production shall be subject to (and the Secretary of Defense will comply with) the requirements of sections 2366 and 2399 of title 10, United States Code.

Fourth, before selecting the provider of integrated support for the tanker fleet, the Secretary of Defense shall perform all analysis required by law of the costs and benefits of the alternative of using Federal Government personnel and contractor personnel to provide such support. The amendment also requires the Secretary to conduct all analysis required by law of the core logistics requirements, the use of performance-based logistics and the length of the contract period. The Secretary of Defense shall then select the provider on the basis of fair, full and open competition as defined by the Office of Federal Procurement Policy Act.

Fifth, before the Secretary of Defense commits to any acquisition of aerial refueling aircraft, the Secretary shall require the manufacturer to provide, with respect to commercial items covered by the lease or contract, information on the prices at which the same or similar items have been sold that is adequate for evaluating the reasonableness of the price for those, and other commercial, items.

Finally, the Secretary of the Air Force shall contact the DOD–OIG for the review and approval of any Air Force use of non-Federal audit services for any acquisition of aerial refueling aircraft.

A few notes about the amendment.

First, this amendment opens the process to oversight by getting the DOD–OIG, the DOD–Comptroller General, and the Defense Acquisition Board, DAB, actively involved in the process. Indeed, everyone who has independently looked into how the original proposal went through had major problems with the lack of transparency. For example, DAB was completely cut out of the process. As the NDU noted, if allowed to participate, the DAB would have exercised responsibility over the selection of a preferred system alternative, acceptance of the overall acquisition strategy, and compliance with applicable policies and statutes. This amendment deals the DAB back in the process to discharge its vital function in providing comprehensive senior management review.

As another example, under this amendment, the DOD–OIG will determine, among other things, whether the data provided by the aircraft and engine manufacturer is sufficient to determine the reasonableness of the price of those items. Coupled with the amendment's requirement that the DOD–OIG approve the Air Force's use of an outside auditor, the taxpayers' interests will be protected. Furthermore, I believe that the DOD–OIG's, the NDU's, and Institute for Defense Analyses' recommendations that the Air Force Secretary negotiate the price of the engines for the tankers with the engine manufacturers need to be implemented.

The bottom line here is this. The amendment does much to inject much needed sunlight in a program whose development has been largely insulated from public scrutiny. In so doing, the amendment allows us to discharge our oversight obligations the next time around on this multi-billion dollar procurement proposal, responsibly and effectively.

Second, the amendment gives the Secretary of Defense sufficient flexibility to pursue a lease only after, among other things, an AoA is completed. The Secretary has already committed to not going forward on replacing the current fleet until an AoA (and a MCS) are completed. While giving the Secretary appropriate flexibility, the amendment requires that the Air Force go through certain hoops to make sure that any acquisition of tankers in the future, is done the right way. These hoops were loosely drawn from the recommendations of the DOD–OIG, the DSB, and the NDU, whose input the Secretary specifically asked for. I will have printed a list of findings, conclusions, and recommendations by each at the end of this statement. They must all be fully considered before any decision to recapitalize the tanker fleet is made.

Third, it generally requires the DOD and the Air Force to do nothing more than comply with currently applicable statutes, regulations and OMB Circulars. Those who looked into the Air Force's conduct regarding the original proposal agreed that the Air Force did not comply extant statutory requirements. This amendment forces the Air Force to do that.

I ask unanimous consent that the list to which I referred be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE INSPECTOR GENERAL'S ACQUISITION OF THE BOEING KC–767A TANKER AIRCRAFT

RECOMMENDATIONS

Fully develop system engineering requirements to convert the commercial non-developmental aircraft into an integrated military configuration. Without fully developed system engineering requirements the Boeing KC–767A Tanker aircraft may not meet operational requirements for a 40-year service life as well as command, control, communications computers, and intelligence (C4I) support plan requirements, etc.

Tailor the first spiral or increment of the Operational Requirements Document (ORD) to warfighter requirements in the mission needs statement (MNS) for future aerial refueling aircraft not a specific aircraft. As a result, the first 100 KC–767A Tankers will not meet the operational requirement for interoperability and will not meet the mission capabilities in the Operational Requirements Document to conduct secondary missions, such as cargo/passenger, aeromedical evacuation mission, etc.

The Tanker Lease Program must comply with Sections 2366 and 2399 of title 10, United States Code for determining the operational effectiveness, suitability, and survivability of the Boeing 767A tanker aircraft before proceeding beyond low-rate initial production (LRIP). By not complying with the statutory provisions in Sections 2366 and 2399, the Boeing KC–767A tanker aircraft delivered to the warfighter may not be operationally effective, suitable, and survivable.

Discontinue the commercial item procurement strategy for the Boeing KC–767A Tanker Lease Program and replace fixed-price contracts for initial development, modification, and integrated fleet support with cost or fixed-price incentive type contracts that would require Boeing to provide cost or pricing data as appropriate.

Require that Boeing provide cost or pricing data for the Boeing 767–200ER aircraft, and require DOD to negotiate prices for aircraft engines directly with the engine manufacturers.

Require that the Air Force contact the Office of the Inspector General for the Department of Defense for review and approval of non-federal audit services in any lease or other contract.

Reduce the negotiated price calculated for integrated fleet support by $465 million for the misapplication of KC–10 support costs and "performance aircraft availability."

Perform statutory analyses of the costs and benefits of organic or contractor support, core logistics requirements, performance based logistics, and contract length before selecting a provider for integrated fleet support.

Not enter into the proposed lease for 20 Boeing KC–767A Tanker aircraft until after either obtaining new statutory authority to enter into a lease-purchase contract or renegotiating lease terms to meet Office of Management and Budget Circulars No. A–11 and A–94 requirements for an operating lease.

Determine whether leasing rather than purchasing 20 Boeing KC–767A Tanker aircraft represents the best value to the government.

Ensure the General Counsel of the Department of Defense review the limitation of earning clause and determine whether it creates a prohibited cost-plus-a-percentage-of-cost system of contracting and review clauses C–016 "Aircraft Quantity," C–024 "Anti-Deficiency Act," and C–103 "Termination for Convenience—Pre-Construction Aircraft" in the proposed contract to determine whether the contract clauses and audit rights provide sufficient controls to adequately define the extent of the Government's termination liability and to prevent a possible Anti-Deficiency Act violation if less than the full quantity of aircraft and fleet support years are leased and purchased.

Ensure that the Program Director, KC–767A System Program Office:

Establishes a process to develop a performance metric for verifying that the tanker aircraft will meet the 40-year service life requirement.

Revises the system specification for the proposed tanker aircraft to include a requirement for protective measures to control corrosion and to include requirements in the Operational Requirements Document (ORD) for interoperability with other systems, integration of secure communications, and combat identification.

Completes the command, control, communications, computers, and intelligence support plan for the tanker aircraft; include it in the statement of work before award of the contracts and resolve issues identified before the system acceptance testing.

Ensure that the system specifications developed for the first spiral of the air refueling aircraft include at least all key performance parameters (KPPs) and that spiral two and three requirements are subsequently included in the first 100 and future aerial refueling aircraft.

Comply with the statutory provisions by conducting operational and survivability testing on production representative aircraft before committing to the production of all 100 Boeing KC–767A tanker aircraft.

DEFENSE SCIENCE BOARD TASK FORCE FINDINGS AND RECOMMENDATIONS ON AERIAL REFUELING

FINDINGS

Corrosion can be controlled.

KC–135 tanker Operation and Support (O&S) cost growth is not as large as was once projected. The Air Force overstated the case for an increase in these costs for KC–135 tankers.

The total requirement for tankers is uncertain; the Mobility Capabilities Study (MCS) needs to resolve this issue.

There is a need to embark on a tanker recapitalization program upon the completion of the Analysis of Alternatives (AOA) and the Mobility Capabilities Study (MCS); which doesn't necessarily mean acquiring new aircraft.

RECOMMENDATIONS

Do not use corrosion as a justification for tanker recapitalization.

Air Force has a robust corrosion control program.

Depot Major Structural Repairs (MSRs) appear to be decreasing.

Consensus view on corrosion is that it is manageable—DSB structural experts, commercial entities (i.e., FEDEX), other government entities (Department of the Navy (DON), U.S. Air Force 2001 Extended Service Life Study (ESLS), Congressional Research Service (CRS), General Accounting Office (GAO)).

Corrosion can be controlled with proper maintenance procedures to help reduce the cost of replacement.

Basic field level maintenance and inspection;

60-month (or shorter) cycle for depot maintenance;

Innovative procedures have reduced time in maintenance; and

Further improvements possible (i.e., sheltering, basing rotation, etc.).

It is acceptable to tolerate manageable growth in KC–135 Operation & Support (O&S) costs and defer major near-term recapitalization investments.

2001 USAF ESLS estimated—0.9% increase in O&S cost per year.

Corrosion is manageable.

Very recent USAF projection shows O&S peaked in FY04 and may turn down.

Update Tanker Requirements Study 05 (TRS05) to accommodate new tanker CONOPS.

Tanker Requirements Study 05 (TRS05) completed in FY01 was never promulgated.

TRS 05 concluded 500–600 tankers are adequate for current contingencies.

TRS 05 needs to be updated for changing tanker CONOPS.

Potential increases in requirements—"Efficiency tanking" for loitering aircraft in kill boxes;

New planning scenarios;

Homeland defense needs—could this requirement be contracted out (i.e., Omega Air, etc.); and

Potential decreases in requirements (i.e., re-engining of B–52's, F–22/JSF CONOPS, etc.).

Consider 2001 Defense Science Board Task Force recommendation to re- engine KC–135Es and February 2004 Defense Science Board Task Force recommendation which reconfirmed value of B–52 re-engining: 10,000 mile mission (US to Afghanistan and return) would only require one refueling versus two; Fuel offload demand declines from 276K pounds to 118K pounds; and F–22/JSF capabilities may allow refueling on mission egress only.

No compelling material or financial reason to initiate a replacement program prior to the completion of the Analysis of Alternatives (AoA) and the Mobility Capabilities Study (MCS).

Resolve long-term requirements through a thorough Mobility Capabilities Study (MCS).

Consider the following near-term options: lease/buy a new tanker aircraft, re-engine the KC-135Es, convert retired commercial aircraft, encourage commercial sources for CONUS tanking.

Consider refurbishing KC-10's in the near-term:

FEDEX has converted retired DC-10s for use as cargo carriers with 20-year life for $25-$30 million per aircraft. Northwest Airlines is flying 22 DC-10s with average cycles less than 20,000.

The design service goal for DC-10s is 42,000 cycles. There are 37 large DC-10s currently in the desert with average cycles of only 18,500 cycles. Cost to refurbish KC-10s in the desert is $1-$7 million.

Aerial refueling capability installation costs based on the Institute for Defense Analyses (IDA) estimate is $20M per airframe.

We should replace the 63 remaining KC-135Es with 25 refurbished KC-10s. Dutch KDC-10 tanker conversion total cost approximately $30-$45M each. One KC-10 is the equivalent of 2.4 KC-135Es equivalents.

Consider a potential hybrid recapitalization tanker program:

Consider retiring 61 KC-135Es in the near-term, under the USAF plan and make the KC-135E tanker aircraft available to commercial entities for use as commercial tankers for CONUS missions such as training and homeland defense operations.

Phase out the remaining 63 KC-135E tankers by FY 2011 and replace them with converted KC-10s by leveraging the mothballed DC-10s in the desert and the Northwest Airlines fleet.

Work with major airframe manufacturers to develop new tanker options with more modern airframes versus the more than 20-year old Boeing 767 design.

INDUSTRIAL COLLEGE OF THE ARMED FORCES, NATIONAL DEFENSE UNIVERSITY TANKER LEASE PROGRAM ACQUISITION "LESSONS LEARNED" OR "THE INNOVATOR'S DILEMMA"

FINDINGS

The enactment of Section 8159 of the FY 2002 Appropriations Act authorized a previously unarticulated requirement and specified the use of an operating lease, when it should not have done so.

The DOD budget process was by-passed with considerable risk, especially with the lost opportunity of vetting legitimate competing needs and beginning to identify total tanker program costs.

Leases, by their very nature, cost more than purchases.

The Operational Requirements Document (ORD) was not capabilities-based, as it should have been. Contractor selection was a foregone conclusion and was tailored to the Boeing 767 in the Joint Requirements Oversight Council (JROC) based on perceived guidance in the FY 2002 Appropriations Act, Section 8159.

There is a need to establish a definitive, consistent early requirements statement addressing warfighter needs founded on substantive analysis—this was not done in the Tanker Lease Program.

A program that operates in a sole source, commercial environment is especially hard pressed to carry out its charge of ensuring the government receives a fair price.

Defense program personnel do have adequate tools or training to obtain the fullest understanding of relevant commercial buying practices in acquisition of military items.

Innovation requires top-level management's constant involvement including direction, consultation and responsibility plus timely and frequent meetings of the empowered and the informed.

It should be clear that certain regulatory/statutory requirements were waived in the Tanker Lease Program: testing, independent cost estimates, Analysis of Alternatives, DAB approval, etc.

The Leasing Review Panel (LRP) was not a substitute for the Defense Acquisition Board (DAB).

RECOMMENDATIONS

Although leasing is not a preferred strategy, if DOD would pursue a lease, it needs to publish more explicit guidance on leasing in acquisition policy directives and the FAR/DFAR, at a minimum, to include the requirement to:

Formulate an early, transparent, comprehensive acquisition processes to be utilized and those to be bypassed with an assessment of associated internal and external risks.

Develop an early definitive, consistent requirements statement founded on substantive analysis and supported by a subsequent Analysis of Alternatives (AOA).

Establish an acceptable lease financing plan supported by an independent cost estimate (i.e., DOD IG, Comptroller General, etc.)

Develop a plan to maximize competition.

In all cases, convene a Defense Acquisition Board to provide for comprehensive senior management review.

DOD needs to understand when and how commercial buying practices are appropriate to satisfy military needs, if ever.

There is a need to establish procedures or authority to require both cost and pricing data for significant sole source, commercial leases or where supplier monopoly power is present. The government is not well served with only price data, particularly in a monopoly-monopsony relationship. Absent real competitive market forces, one cannot rely on pricing data to determine the appropriateness of a transaction. Legitimate monopolies are regulated by detailed cost data and prices are set on that basis. To do otherwise is to place too great a reliance for fair dealing on profit maximizing firms and to ignore the reality that firms appropriately act in their best interest.

Regardless of the foregoing, due diligence and fiduciary/stewardship responsibilities cannot be waived.

Ensure that an Analysis of Alternatives (AOA) is completed: A less than rigorous exploration/evaluation of alternative solutions than a formal Analysis of Alternatives (AOA) is unsatisfactory. There is no such thing as an "informal" AOA.

Authors of innovation need to develop action plans to "accommodate" those internal and external stakeholders who have a legitimate interest or say in the program. Ignoring such stakeholders, even if allowed by an appropriations act or management direction, is done with some peril and consequence as the stakeholders' unanswered or discounted objections may be encountered later as the program progresses.

There is no one, uniform commercial market. Each market has unique features that must be understood in order to obtain the best contract conditions, tailored to each buyer's needs.

Ensure the Leasing Panel focuses on ways and means of leasing.

The Tanker Lease Program should be approved by a Defense Acquisition Board (DAB) in accordance with DOD regulations.

A Defense Acquisition Board (DAB) would have exercised responsibility over the substantive acquisition review issues such as: The selection of the preferred system alternative; acceptance of the overall acquisition strategy; compliance with policy and statute; and would have required a substantial review and documentation to support analyses.

Relying on Section 8159 of the FY 2002 Defense Appropriations Act, the USAF/DoD bypassed many elements of the "normal" acquisition system. The Tanker Lease Program system solution and the acquisition strategy (i.e., Boeing 767 & operating lease scenario) were foregone conclusions based on Section 8159 of the FY 2002 Appropriations Act. The Leasing Review Panel was not an adequate substitute for the Defense Acquisition Board (DAB), which was never convened. Furthermore, the Leasing Review Panel (LRP) never recommended the lease of 100 Boeing 767 tankers.

DOD needs to follow cost and pricing guidelines.

There should be discussion and debate, within DOD, whether a realistic price was arrived at.

The government should not have very limited cost and pricing data.

The government should expend considerable time and resources to acquire commercial pricing analysis skills.

The Tanker Lease Program approved by DOD made only limited use of considerable government buying power and leverage to obtain maximum discounts.

DOD needs to utilize competitive processes, including negotiating directly with the engine manufacturer for engines, the contractor logistics support (CLS) function and the tanker modification. The USAF appeared to rely on Section 8159 of the FY 2002 Appropriations Act for commercial sole source authority. Competitive processes were not used in the February 2002 RFI to Boeing and EADS (also a finding of the DOD IG), because there was informal information gathering, and little expectation that Congress would allow leasing of Airbus aircraft. Competitive processes were not used June 2002 for the JROC briefing and the Operational Requirements Document (ORD) was written for a specific aircraft. (i.e., Boeing KC-767) and not based on the best capabilities for the warfighter.

Publish explicit DOD guidance on leasing to include policy directives and the FAR/DFAR.

Innovation requires more, not less up-front planning (e.g., development of an acquisition strategy establishing work-arounds for processes, requirements and stakeholders that are planned to be by-passed.)

Establish procedures to require both cost and pricing data on sole source or monopoly, commercial leases.

Big ticket acquisitions is a public process, despite the level of innovation, managers must always exercise good stewardship and fiduciary responsibility—this was not the case in the Tanker Lease Program.

It is prudent, at a minimum, to develop a full operational testing plan, to perform a much more substantive analysis of alternatives, and to do an independent cost estimate based on cost, not price.

Mr. LEAHY. Mr. President, I rise today to speak about a very simple amendment that everyone should support. This amendment requires the Inspector General of the Department of Defense, DOD-IG, in consultation with the Inspectors General of the State Department and the CIA, to conduct a comprehensive investigation into the programs and activities of the Iraqi National Congress, INC.

Over the last 10 years, we have seen funds from the United States Government spent in highly questionable, if not fraudulent, ways including money spent on oil paintings and health club memberships. But this is only the tip of the iceberg. A number of serious questions remain unanswered. Here are a couple of examples:

First, the INC spent millions in setting up offices around the world, including London, Prague, Damascus, and Tehran. The State Department's internal documents indicate that they really had no idea of what was happening in some of these offices—especially Tehran. In light of the recent press reports about INC intelligence sharing with Iran, I think the DOD-IG should take a look at this issue and see what was happening in the Tehran office. We need to get to the bottom of this.

Second, the INC spent millions to set up radio and television broadcasting inside Iraq. The radio program seemed redundant as the U.S. Government was, at the time, funding Radio Free Iraq. A New York Times article questioned the effectiveness of the TV broadcasting program. Kurdish officials indicated that, despite repeated attempts, they could never pick up the INC's TV broadcast inside Iraq. This, again, raises questions about how this money was being spent. The IG should examine this issue. We need to get to the bottom of this.

Third, the INC's Information Collection Program—funded initially by the State Department and later by the Defense Department—continues to be a source of controversy and mystery. I have a memo written by the INC to Appropriations Committee staff, detailing the INC's Information Collection Program. In this memo, the INC claims to have written numerous reports to senior administration officials, who are listed in this memo, on topics including WMD proliferation. The administration disputes this claim. Again, we need to get to the bottom of this.

I could go on and on. However, in the interest of time, I will simply say that there are many serious unanswered questions about the INC's activities. What was the INC doing with U.S. taxpayer dollars? What was going on in the Tehran office? Did the Information Collection Program contribute to intelligence failures in Iraq? Were the broadcasting programs at all effective in gathering support for U.S. efforts in Iraq?

To be sure, there have been a few investigations into INC. However, these have been incomplete offering only a glimpse of what occurred. A few years ago, the State Department Inspector General issued two reports the INC. But these reports only covered $4.3 million and examined only the Washington and London offices. The State Department IG informed my office yesterday that these are the only two audits they conducted and have no plans to conduct future audits on this issue.

A GAO report, published earlier this year, summarized the different grant agreements that the State Department entered into with the INC, but this report did not attempt to answer the myriad questions that remain about the INC.

Another GAO report is underway, but this looks only at the narrow question of whether the INC violated U.S. laws concerning the use of taxpayer funds to pay for publicity or propaganda.

Finally, according to press reports, the Intelligence Committee is looking into a few issues related to the INC. My amendment is consistent with these investigations. The DOD-IG does not have to re-invent the wheel. It can build off this existing body of work to answer questions that will remain long after these investigations have been completed.

My amendment is about transparency. My amendment is about accountability. My amendment is about getting to the bottom of one of the most mismanaged programs in recent history. Most importantly, my amendment is about learning from our mistakes so we do not repeat them in the past. I urge my colleagues to support my amendment.

AMENDMENT NO. 3399, AS MODIFIED

Mr. FEINGOLD. Mr. President, I thank the chairman and the ranking member of the Armed Services Committee for working with me to accept this amendment, which represents a first step toward enhancing and strengthening transition services that are provided to our military personnel. I also thank my cosponsor, the Senator from Maine, Ms. SNOWE, for her contributions to this amendment.

As we debate the Department of Defense authorization bill today, thousands of our brave men and women in uniform are in harm's way in Iraq, Afghanistan, and elsewhere around the globe. These men and women serve with distinction and honor, and we owe them our heartfelt gratitude.

We also owe them our best effort to ensure that they receive the benefits to which their service in our Armed Forces has entitled them. I have heard time and again from military personnel and veterans who are frustrated with the system by which they apply for benefits or appeal claims for benefits. I have long been concerned that tens of thousands of our veterans are unaware of Federal health care and other benefits for which they may be eligible, and I have undertaken numerous legislative and oversight efforts to ensure that the Department of Veterans Affairs makes outreach to our veterans and their families a priority.

While we should do more to support our veterans, we must also ensure that the men and women who are currently serving in our Armed Forces receive adequate pay and benefits, as well as services that help them to make the transition from active duty to civilian life. I am concerned that we are not doing enough to support our men and women in uniform as they prepare to retire or otherwise separate from the service or, in the case of members of our National Guard and Reserve, to demobilize from Active Duty assignments and return to their civilian lives while staying in the military or preparing to separate from the military. We must ensure that their service and sacrifice, which is much lauded during times of conflict, is not forgotten once the battles have ended and our troops have come home.

For those reasons, last month, I introduced the Veterans Enhanced Transition Services Act, VETS Act, which would improve transition services for our military personnel. My legislation would help to ensure that all military personnel receive the same services by making a number of improvements to the existing Transition Assistance Program/Disabled Transition Assistance Program, TAP/DTAP, and to the Benefits Delivery at Discharge program, by improving the process by which military personnel who are being demobilized or discharged receive medical examinations and mental health assessments, and by ensuring that military and veterans service organizations and State departments of veterans affairs are able to play an active role in assisting military personnel with the difficult decisions that are often involved in the process of discharging or demobilizing.

I am pleased that my original legislation is supported by a wide range of groups that are dedicated to serving our men and women in uniform and veterans and their families. These groups include: the American Legion; the Enlisted Association of the National Guard of the United States; the Paralyzed Veterans of America; the Reserve Officers Association; the Veterans of Foreign Wars; the Wisconsin Department of Veterans Affairs; the Wisconsin National Guard; the American Legion, Department of Wisconsin; Disabled American Veterans, Department of Wisconsin; the Wisconsin Paralyzed Veterans of America; the Veterans of Foreign Wars, Department of Wisconsin; and the Wisconsin State Council, Vietnam Veterans of America. I will continue to work with these and other veterans and military organizations on these important issues.

The amendment that I am offering today on behalf of myself and Senator

SNOWE is based on that legislation. This amendment will require the General Accounting Office, GAO, to undertake a comprehensive analysis of existing transition services for our military personnel that are administered by the Departments of Defense, Veterans Affairs, and Labor and to make recommendations to Congress on how these programs can be improved.

This study will focus on two issues: how to achieve the uniform provision of appropriate transition services to all military personnel, and the role of postdeployment and predischarge health assessments as part of the larger transition program.

I have heard from a number of Wisconsinites and members of military and veterans service organizations that our men and women in uniform do not all have access to the same transition counseling and medical services as they are demobilizing from service in Iraq, Afghanistan, and elsewhere. I have long been concerned about reports of uneven provision of services from base to base and from service to service. All of our men and women in uniform have pledged to serve our country, and all of them, at the very least, deserve to have access to the same services in return.

This amendment will require GAO to conduct an analysis of transition programs, including a history of how the programs were intended to be used when they were created and how they are being used now; whether the programs adequately address the specific needs of military personnel, including members of the National Guard and Reserve; and how transition programs differ among the services and across military installations. The GAO will also be required to make recommendations on how these programs can be improved, including an analysis of additional information that would be beneficial to members participating in transition briefings.

Under current law, the Department of Defense, together with the Departments of Veterans Affairs—VA—and Labor, provide preseparation counseling for military personnel who are preparing to leave the service. This counseling provides service members with valuable information about benefits that they have earned through their service to our country such as education benefits through the GI Bill and health care and other benefits through the VA. Personnel also learn about programs such as Troops to Teachers and have access to employment assistance for themselves and, where appropriate, their spouses.

Currently, participation in this program is encouraged, but not mandatory. Thus, most of the responsibility for getting information about benefits and programs falls on the military personnel themselves. Participation in preseparation counseling through a TAP/DTAP program is a valuable tool for personnel as they transition back to civilian life. The Department of Defense should make every effort to ensure that all members participate in this important program, and my amendment would require the GAO to analyze participation rates and make recommendations on how the Department of Defense could better encourage participation, and whether participation in a transition program should be mandatory.

In addition, GAO would be required to make recommendations on any information that should be added to the transition briefings, such as information on procurement opportunities for veterans with service-connected disabilities and for other veterans. I thank the Senator from Maine, Ms. SNOWE, the chairman of the Small Business Committee, for making the important point that Federal law requires that a certain percentage of contracts be awarded to firms owned by veterans with service-connected disabilities. Additionally, the Small Business Administration and other agencies administer programs to make all veterans aware of procurement opportunities. I agree with her that the transition process is a commonsense place to make these personnel aware of these opportunities. For that reason, our amendment also requires that the Department of Defense include information about these contracting opportunities in its transition program.

The amendment would also require the GAO to study how the transition programs administered by the VA and by the Department of Labor fit into this transition effort. This analysis would include a discussion of the joint DOD-VA Benefits Delivery at Discharge program, which assists personnel in applying for VA disability benefits before they are discharged from the military. This very successful program has helped to cut the redtape and to speed the processing time for many veterans who are entitled to VA disability benefits.

In addition, under current law, the Secretary of Defense may make use of the services provided by military and veterans service organizations as part of the transition process. But these groups tell me that they are not always allowed access to transition briefings that are conducted for our personnel. For that reason, this amendment would require GAO to include an analysis of the participation of military and veterans service organizations in preseparation briefings, including recommendations on how the Department of Defense could make better use of representatives of veterans service organizations who are recognized by the Secretary of Veterans Affairs for the representation of military personnel in VA proceedings.

The demobilization and discharge process presents our service members with a sometimes confusing and often overwhelming amount of information and paperwork that must be digested and sometimes signed in a very short period of time. The opportunity to speak with fellow veterans who have been through this process and who have been accredited to represent veterans in VA proceedings by the VA can be invaluable to military personnel as they seek to wade through this maze of paperwork. These veterans can offer important advice about benefits and other choices that military personnel have to make as they are being discharged or demobilized. I commend the Senator from Louisiana, Ms. LANDRIEU, for offering an amendment which has already been accepted to this bill that reaffirms the importance of allowing veterans service organizations to participate in transition briefings and that also encourages their involvement in counseling members of the National Guard and Reserve who have been demobilized. The Landrieu amendment is consistent with provisions in my legislation, the VETS Act, and I am pleased that the Senate has gone on record in support of allowing these dedicated members of our veterans service organizations, who have taken the time to get accredited by the Secretary of Veterans Affairs in order to counsel and represent their fellow veterans, to participate in transition briefings.

In addition to the uneven provision of transition services, I have long been concerned about the immediate and long-term health effects that military deployments have on our men and women in uniform. I regret that, too often, the burden of responsibility for proving that a condition is related to military service falls on the personnel themselves. Our men and women in uniform deserve the benefit of the doubt, and should not have to fight the Department of Defense or the VA for benefits that they have earned through their service to our Nation.

Part of the process of protecting the health of our men and women in uniform is to ensure that the Department of Defense carries out its responsibility to provide postdeployment physicals for military personnel. I am deeply concerned about stories of personnel who are experiencing long delays as they wait for their postdeployment physicals and who end up choosing not to have these important physicals in order to get home to their families that much sooner. I am equally concerned about reports that some personnel who did not receive such a physical—either by their own choice or because such a physical was not available—are now having trouble as they apply for benefits for a service-connected condition.

I am pleased that the underlying bill contains a provision that would require postdeployment physicals for military personnel who are separating from Active-Duty service. I firmly believe, as do the military and veterans groups that support my VETS Act legislation, that our men and women in uniform are entitled to a prompt, high quality physical examination as part of the demobilization process. These individuals have voluntarily put themselves in harm's way for our benefit. We should ensure that the Department of Defense makes every effort to determine whether they have experienced—or could experience—any health effects as a result of their service.

I am also pleased that the Senate has already adopted an amendment offered by the Senator from New York, Mrs. CLINTON, and the Senator from Missouri, Mr. TALENT, that will help to improve the medical readiness of our men and women in uniform and to ensure their health is monitored before, during, and after deployments so that there is a record of any service-connected conditions or exposures.

Building on this effort, my amendment would require the GAO to include in its study of transition services an analysis of the use of postdeployment and predischarge health screenings and whether and how these screenings and the transition program could be integrated into a single, coordinated preseparation program for military personnel who are being discharged or released from active duty. The analysis would also include information on how postdeployment questionnaires are used, the extent to which military personnel waive physical exams, and how and the extent to which personnel are referred for followup health care.

I am also concerned about the implementation of current law with respect to the current requirement that postdeployment medical examinations include a mental health assessment. Our men and women in uniform serve in difficult circumstances far from home, and too many of them witness or experience violence and horrific situations that most of us cannot even begin to imagine. These men and women, many of whom are just out of high school or college when they sign up, may suffer long-term physical and mental fallout from their experiences and may feel reluctant to seek counseling or other assistance to deal with their experiences.

We can and should do more to ensure that the mental health of our men and women in uniform is a top priority, and that the stigma that is too often attached to seeking assistance is ended. To that end, this amendment requires that GAO include in its analysis a discussion of the current process by which mental health screenings are conducted, followup mental health care is provided for, and services are provided in cases of posttraumatic stress disorder and related conditions in connection with discharge and release from active duty. This will include an analysis of the number of persons treated, the types of interventions, and the programs that are in place for each branch of the Armed Forces to identify and treat cases of PTSD and related conditions.

As part of its study on these important issues, GAO is directed to obtain views from the Secretary of Defense and the Secretaries of the military departments; the Secretaries of Veterans Affairs and Labor; military personnel who have received the transition assistance programs covered by this study and personnel who have declined to participate in these transition programs; representatives of military and veterans service organizations; and persons with expertise in health care, including mental health care, provided under the Defense Health Program, including personnel from the Departments of Defense and Veterans Affairs and persons in the private sector.

Finally, in response to concerns I have heard from a number of my constituents, this amendment also directs the Secretaries of Defense and Labor to jointly report tc Congress on ways in which DOD training and certification standards could be coordinated with Government and private-sector training and certification standards for corresponding civilian occupations.

Again, I thank the chairman and the ranking member of the committee for working with me to include these provisions in the bill. I will continue to work to ensure that we provide those serving in our Armed Forces with the help they need and deserve in making the often-difficult transition back to civilian life.

MILITARY HOUSING PRIVATIZATION

Mr. CHAMBLISS. Mr. President, I rise today to discuss a very important matter to me, to my home State of Georgia and to our Nation's military. A few years ago this Congress authorized the military housing privatization initiative. This program, which brings to bear private sector experience and financial strength to improve the quality of life for our soldiers, sailors, airmen, Marines and their families, has been a resounding success. To date, the U.S. Armed Forces have privatized over 60,000 housing units, leveraging more than $10 for every Government dollar invested. Out-dated, and World War II era, housing is being replaced with modern homes and amenities that our servicemen and women so richly deserve. This process is taking place across the country, from Camp Pendleton Marine Corps Base in California to Fort Bragg in North Carolina to Fort Benning, GA.

However, there is an issue which threatens the livelihood and progress of this program and which the Congress must act now to address. The way the Congressional Budget Office is scoring expenditures for this program causes the program to exceed the authorized spending cap. The CBO scoring assumes that the Government guarantees and the management of the housing projects in question have direct budget implications. However, military families sign leases and rent the units and private companies assume the investment risk, so the CBO scoring, incorrectly in my opinion, treats these costs as an obligation on behalf of the Government. I believe we need to either significantly raise the current cost cap for the program or eliminate it entirely in order to make available an adequate funding stream to see this important project through to completion.

The Department of Defense has established a master plan which will privatize approximately 160,000–170,000, or over 70 percent, of existing family housing units. Currently, DoD is about half way towards completing that goal. We should allow this well-functioning program to continue for the benefit of our men and women in uniform, and we should follow the traditional scoring guidelines which we have used for the past 5 years in order to accurately determine the actual costs.

I thank the Chair for the opportunity to discuss this very important issue, and I look forward to working with my colleagues in the relevant committees to resolve this situation in a positive manner.

Mr. FEINGOLD. Mr. President, I support passage of this year's Defense authorization bill because it contains many provisions that our brave men and women in uniform need and deserve. But before I go into the details of why I am supporting this legislation, I must first thank the members of the United States Armed Forces for their service to our country. They are performing admirably under difficult circumstances all over the world. Our soldiers, sailors, airmen, and Marines, along with their families, are making great sacrifices in service to our country. I am voting for this legislation to support these people who are serving the country with such courage.

I strongly support the 3.5 percent across-the-board pay raise for military personnel that this bill provides. We must make sure that our professional military is paid a fair wage. This bill also makes permanent the increase in family separation allowance and imminent danger pay, another important policy for our men and women in uniform. Once again, I was proud to support the expansion of full-time TRICARE health insurance for our National Guard and Reserve. The reserve component is being used more than at any other time since World War II. Forty percent of our troops in Iraq are reserve component troops. These citizen soldiers face additional burdens when they transition in and out of their civilian life and providing them and their families with TRICARE is one way we can ease those burdens.

Another aspect of this bill that I strongly support is the increased funding for force protection equipment. Last year, concerned Wisconsinites contacted my office telling me that they or their deployed loved ones were fighting for their country in Iraq without the equipment they needed. This situation is unconscionable. I have repeatedly pressed the Pentagon to fix this situation and I and my colleagues went a long way in addressing these shortages in the supplemental spending bill for Iraq and Afghanistan. The $925 million for additional up-armored HUMVEES and other ballistic protection as well as the $600 million in force protection gear and combat clothing in this bill above what was in the President's proposed budget further ensures that our troops have the equipment they need to perform their duties on the ground.

I am pleased that the Senate approved my amendment to ensure that the Inspector General for the Coalition Provisional Authority will continue to oversee U.S. reconstruction efforts in Iraq after June 30 of this year as the Special Inspector General for Iraq reconstruction. The American taxpayers have been asked to shoulder a tremendous burden in Iraq, and we must ensure that their dollars are spent wisely and efficiently. Today, the CPA is phasing out, but the reconstruction effort has only just begun. As of mid-May, only $4.2 billion of the $18.4 billion that Congress appropriated for reconstruction in November had even been obligated. With multiple agencies involved and a budget that exceeds the entire foreign operations appropriation for this fiscal year, U.S. taxpayer-funded reconstruction efforts should have a focused oversight effort. My amendment will ensure that the Inspector General's office can continue its important work even after June 30, rather than being compelled to start wrapping up and shutting down while so much remains to be done. This is good news for the reconstruction effort, and good news for American taxpayers.

I also want to thank the chairman and the ranking member of the Armed Services Committee for working with me to accept the amendment that I offered with the Senator from Maine, Ms. SNOWE, which represents a first step toward enhancing and strengthening transition services that are provided to our military personnel. This amendment will require the General Accounting Office to undertake a comprehensive analysis of existing transition services for our military personnel that are administered by the Department of Defense, Veterans Affairs, and Labor and to make recommendations to Congress on how these programs can be improved. This study will focus on two issues: how to achieve the uniform provision of appropriate transition services to all military personnel, and the role of post-deployment and pre-discharge health assessments as part of the large transition program. I very much look forward to reviewing the results of this study.

The Senate version of the Defense authorization bill also includes a provision finally fulfilling a goal for which I have been fighting for years—making sure that every State and territory has at least one Weapons of mass Destruction Civil Support Team, WMD–CST. I was delighted earlier this year when Wisconsin was chosen as one of 12 States to receive a WMD–CST authorized and appropriated for in FY2004, but I was also disappointed that the President's proposed budget for FY2005 included funding for only 4 of the 11 outstanding teams. I, along with 28 of my colleagues, wrote the Senate Armed Services Committee chairman and ranking member asking them to fully fund all 11 remaining teams. The chairman and ranking member have been very supportive of my efforts in this area over the years, and I thank them again this year for funding all 11 remaining WMD–CSTs.

This authorization bill addresses the grave threat our Nation faces from unsecured nuclear materials. It includes $409 million for the Cooperative Threat Reduction program and $1.3 billion for the Department of Energy nonproliferation programs. I was also proud to cosponsor the amendment offered by Senator DOMENICI and Senator FEINSTEIN that authorizes the Department of Energy to secure the tons of fissile material scattered around the world. This bipartisan initiative aims to dramatically accelerate current efforts to the world. This bipartisan initiative aims to dramatically accelerate current efforts to secure this dangerous material so that it cannot fall into the hands of those who aim to harm us. Time is of essence, and I was pleased to hear that the administration is fully supportive of this efforts through the Global Threat Reduction Initiative.

I also voted for an amendment offered by Senator REED that boosts the Army's end strength by 20,000. I did so because it has become clear that the Army is currently overstretched, and I believe that we need to ensure readiness to handle threats in the future. A recent Brookings Institution report says that the military is being stretched so thin that if we don't expand its size, it could break the back of our all-volunteer Army. One does not have to support all of the deployment decisions that brought us to this point today to see that we need to have the capacity to handle multiple crises with sufficient manpower and strength. I do not take lightly the decision to lock in a significant increase in spending. The need is great, however, and the deliberative defense authorization process, not the emergency supplemental process, is the place to do it.

I must note that, unfortunately, this bill has many of the same problems that I've been fighting to fix for years. Once again, we are spending billions upon billions of dollars for weapons systems more suited for the Cold War than the fight against terrorism. I was very disappointed that the Senate did not agree to Senator LEVIN's amendment that would have used a small percentage of the over $10 billion authorized for missile defense for critical unfunded homeland defense needs. This amendment, which I cosponsored, would have used $515.5 million now slated for additional untested interceptors and spent it instead on the top unfunded Department of Defense homeland defense priorities, research and development programs, radiation detection equipment at seaports, and other important defenses against terrorism. Budgeting is about setting priorities and I am sad to say that when the Senate failed to adopt Senator LEVIN's amendment, it missed a golden opportunity to adjust its priorities in order to face our country's most pressing threat—the threat of terrorism.

I was disappointed that the Senate failed to reduce the retirement age for those in the National Guard and Reserve from 60 to 55. Our country has placed unprecedented demands upon the Guard and Reserve since September 11, 2001, and will continue to do so for the foreseeable future. Considering the demands we are placing on them, it is time that we lower the Guard and Reserve's retirement age to the same level as civilian Federal employees.

Although my support for reducing the reserve component retirement age has been unwavering, because of the significant budgetary impact of this measure I had hoped that Congress would first receive reviews of reserve compensation providing all of the information that we need to address this issue responsibly. I patiently waited for several studies on this issue, including by the Defense Department, but when the studies came out they called for further study. This matter cannot continue to languish unaddressed indefinitely. As retired U.S. Air Force Colonel Steve Strobridge, government relations director for the Military Officers Association of America, MOAA, put it, "It is time to fish or cut bait." I agree with MOAA's analysis that, "Further delay on this important practical and emotional issue poses significant risks to long-term (Guard and Reserve) retention" and I was proud to vote for the amendment offered by the Senator from New Jersey, Mr. CORZINE.

I also believe that the Senate missed an opportunity to provide a small but needed measure of relief to military families when it failed to adopt my Military Family Leave Act amendment. This amendment would have allowed a spouse, child, or parent who already qualifies for Family and Medical

Leave Act, FMLA benefits—unpaid leave—to use those existing benefits for issues directly arising from the deployment of a family member. The Senate adopted a similar amendment by unanimous consent when I offered it to the Iraq supplemental spending bill. This amendment has the support of the Military Officers Association of America, the Enlisted Association of the National Guard of the United States, the Reserve Officers Association, the National Guard Association of the United States, the National Military Family Association, and the National Partnership for Women and Families.

I regret that a harmful second degree amendment was offered to my amendment and that I was not given the opportunity to have a straight up or down vote. Rather than taking up the Senate's time in a protracted debate about the second degree amendment, I withdrew my amendment so that this important Defense authorization bill could move forward. However, the need addressed by my amendment remains, and I will continue to fight to bring some relief to military families that sacrifice so much for all of us.

I want to bring attention to another element of the Defense Authorization bill that raises concerns for me. The Defense Authorization bill includes language that raises troop caps in Colombia from 400 to 800 military personnel and from 400 civilian contractors to 600. I am disappointed that Senator BYRD's amendment was not approved by the Senate, which would have limited the increases in these caps to the levels established by the bill. Most importantly, I worry about placing more Americans in harm's way in Colombia. Further deployments bring greater risks to an already overstretched military. We do not want to risk being drawn further into Colombia's civil war—certainly not without a thorough debate that the American people can follow. In addition, many of my constituents and I remain concerned that by raising these caps, the U.S. devotes greater resources to the military side of the equation in Colombia without balancing our approach through greater support for democratic institutions, increasing economic development, and supporting human rights.

There are other provisions in this bill with which I disagree, and the Senate rejected a number of amendments that would have made this bill better. However, on balance this legislation contains many good provisions for our men and women in uniform and their families and that is why I will vote for it.

Mr. McCAIN. Mr. President, I strongly support the passage of S. 2400, the National Defense Authorization Act for Fiscal Year 2005. This legislation funds $422.2 billion for defense programs, which is a 3.4 percent increase or $20.9 billion above the amount approved by Congress last year. I commend the bill managers, Senators WARNER and LEVIN, for their leadership both in the Committee and on the floor these past weeks. This is a very important bill, and I am pleased we are about to proceed to final passage.

Yesterday, I had a lengthy statement on the Boeing 767 Tanker Lease Program so I will not take up more of the Senate's time now, except to say that the amendment that was included in this bill is critical because congressional guidance is needed where the Air force's conduct on its Tanker Lease Program has, to date, been unacceptable. With regard to the Boeing 767 Tanker Lease Program, the Department of Defense and the Air Force leadership have obfuscated, delayed, and withheld information from Congress and the taxpayers. Therefore, the tanker amendment attempts to make sure that any effort by the Air Force to replace its fleet of tankers is done responsibly. We should expect no less from the Air Force.

The adopted amendment does much to inject needed sunlight on a program whose development has been largely insulated from public scrutiny. It will allow us to discharge responsibly and effectively our oversight obligations the next time around on this multi-billion dollar procurement proposal.

The men and women of our nation's Armed Forces put their lives on the line every day to protect the very freedoms we as Americans hold dear. It is our obligation to provide key quality of life benefits to the members of our military. Great strides will be made by this bill towards accomplishing that goal. For example, this bill authorizes a 3.5 percent across-the-board pay raise for all military personnel. It also repeals the requirement for military members to pay subsistence charges while hospitalized, and adds $7.8 million for expanded care and services at the Walter Reed Amputee Patient Care Center. Also included in the legislation is a permanent increase in the rate of family separation allowance from $100 per month to $250 per month as well as a permanent increase in the rate of special pay for duty subject to hostile fire or imminent danger from $150 per month to $225 per month.

We continue to be increasingly reliant on the men and women of our Reserve forces and National Guard. In fact, 40 percent of all the ground troops in Iraq and Afghanistan are composed of National Guard and Reserve forces as well as nearly all of the ground forces in Kosovo, Bosnia, and the Sinai. Many of these soldiers and sailors leave behind friends, families, and careers to defend our Nation. Accordingly, it is the responsibility of policy makers to ensure that we look after the needs of these patriots. Included in the legislation is the authorization for full medical and dental examinations and requisite inoculations when reservists mobilize and demobilize as well as a new requirement for pre-separation physical examinations for members of the reserve component. This provision is critical to maintain, and in some circumstances, will help to increase the readiness of the Total Force.

The Senate also adopted an important amendment to authorize an increase in the size of our Army by 20,000. This increase is absolutely vital in our Army's ability to carry out its mission in the Global War on Terror. There is no shortage of evidence supporting an increase in Army end strength. Recently, the Army pulled 3,600 troops out of South Korea to fill critical needs in Iraq. The Army is also looking to deploy to Iraq the 11th Armored Calvary Regiment. This is an elite unit that serves in desert training exercises. In addition, for the first time in over 10 years, the Army is pulling people out of the Individual Ready Reserve to fill critical needs. The Department of Defense should be able to move troops around as needed to address critical needs, however, in this instance, we are sacrificing our readiness on the Korean peninsula because we do not have enough soldiers serving in the Army.

After returning home for a short period of time, soldiers and Marines are already making preparations for their second tour in Iraq or Afghanistan in as many years. This is not good for morale, this is not good for retention, this is not good for readiness, and this is not good for the soldier's families. Eventually, recruitment will be seriously affected by these trends.

Additionally, the Army recently announced a new stop-loss policy. While I certainly recognize the Army's authority and necessity to issue stop loss orders, their issuance in this instance is yet another reason why we need to increase the size of the Army. For all the benefits in group cohesion that results from extended tours, the Army will be facing a serious crisis when it comes time for these soldiers to reenlist on their own accord. I am concerned about the effect that these stop-loss orders will have on the morale of our Army. While I still do not believe that we need a draft, we do need to increase the size of the Army to carry out important defense missions.

These are some aspects of this legislation that I do not support. For example, once again, this bill lent the opportunity for protectionist Buy America amendments. In a similar fashion as last year, the Senate had to beat back an amendment that sought to protect parochial interests at the cost of our defense industry and American jobs. It seems as if every year, we fight the same fight on the Senate floor.

A sound policy which the Senate has adopted in the past is that we need to provide American servicemen and women with the best equipment at the best price for the American taxpayer. This is the policy we need to continue to follow.

The international considerations of this amendment are immense. such an isolationist, go-it-alone approach would have serious consequences on our relationship with our allies. Furthermore, our country is threatened when we ignore our trade agreements. Currently, the U.S. enjoys a trade balance in defense exports of 6-to-1 in its favor with respect to Europe, and about 12-to-1 with respect to the rest of the world. We don't need protectionist measures to insulate our defense or aerospace industries. If we stumble down the road of protectionist policies, our allies will retaliate and the ability to sell U.S. equipment as a means to greater interoperability with NATO and non-NATO allies would be seriously undercut. Critical international programs, such as the Joint Strike Fighter and missile defense, would likely be terminated as our allies reassess our defense cooperative trading relationship.

On another important policy consideration, the Senate also successfully defeated an amendment aimed at canceling the upcoming BRAC round. BRAC has taken on a new significance in the War against Terror. Never has there been a time in recent memory when it has been more important not to waste money on non-essential expenditures. To continue to sustain an infrastructure that exceeds our strategic and tactical needs will make less funding available to the forces that we are relying on to destroy the international network of terrorism.

The Department of Defense has come out with very fair and reasonable criteria used to select what bases are chosen for BRAC. I have every confidence the Secretary of Defense will carry out this round of BRAC in a just and consistent manner. Sooner or later, surplus bases must be closed. Delaying or canceling BRAC would only make the process more difficult and painful than need be. The sooner the issue is addressed, the greater will be the savings that will ultimately go toward defense modernization and better pay and benefits for our hard-working service members.

I understand some of my colleagues may be concerned about the potential negative effects a base closure may have on their local economy. Previous base closure rounds have had many success stories. For example, after England Air Force Base closed in 1992, Alexandria, LA, benefited from the creation of over 1,400 jobs—nearly double the number of jobs lost. Across the U.S., about 60,000 new jobs have been created at closing military bases. At bases closed more than 2 years, nearly 75 percent of the civilian jobs have been replaced. This is not to say that base closures are easy for any community, but it does suggest that communities can and will continue to thrive.

Americans are blessed with nearly limitless freedoms and liberties. In exchange for all our country gives to us, it does not demand much in return. Yet throughout our history, millions of people have volunteered to give back to their nation through military service. The selfless acts of courage and sacrifice made by the men and women in our armed services have elevated our Nation to the greatness we enjoy today.

America is defined not by its power but by its ideals. One of the great strengths of the American public is the desire to serve a cause greater than our own self interest. All too often, our younger generations are accused of selfishness and an unwillingness to sacrifice. I disagree. I see generations of people yearning to serve and help their fellow citizens. Each year, thousands of our young Americans decide to dedicate a few years or even a full career to protecting the rights and liberties of others. They often do this with very real risks to their lives. They volunteer to do this not for profit, nor for self-promotion, but out of a sense of duty, service, and patriotism.

I urge my colleagues to support this important legislation.

Mr. WARNER. Mr. President, I wish to thank so many who made possible the next vote. First, our leadership and the members of our committee, our committee staff, and particularly my distinguished ranking member, with a special thanks to both the Democratic whip and the Republican whip for their special time on the floor.

I ask for the third reading of the bill.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. WARNER. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The bill having been read the third time, the question is, Shall the bill pass?

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Kansas (Mr. BROWNBACK) and the Senator from New Hampshire (Mr. SUNUNU) are necessarily absent.

I further announce that if present and voting the Senator from Kansas (Mr. BROWNBACK) would vote "yea."

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 146 Leg.]

YEAS—97

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Cornyn
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Pryor
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Talent
Thomas
Voinovich
Warner
Wyden

NOT VOTING—3

Brownback
Kerry
Sununu

The bill (S. 2400) was passed.

(The bill will be printed in a future edition of the RECORD.)

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, I ask unanimous consent that S. 2400 as amended be printed as passed.

The PRESIDING OFFICER. Without objection.

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate proceed immediately to the consideration en bloc of S. 2401 through S. 2403—Calendar Order Nos. 504, 505 and 506; that all after the enacting clause of those bills be stricken and the appropriate portion of S. 2400, as amended, be inserted in lieu thereof, according to the schedule which I am sending to the desk; that these bills be advanced to third reading and passed; that the motions to reconsider en bloc be laid upon the table; and that the above actions occur without intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2005

The bill (S. 2401) to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the

Armed Forces, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

(The text of the bill will be printed in a future edition of the RECORD.)

MILITARY CONSTRUCTION AUTHORIZATION ACT FOR FISCAL YEAR 2005

The bill (S. 2402) to authorize appropriations for fiscal year 2005 for military construction, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

(The text of the bill will be printed in a future edition of the RECORD.)

DEPARTMENT OF ENERGY NATIONAL SECURITY ACT FOR FISCAL YEAR 2005

The bill (S. 2403) to authorize appropriations for fiscal year 2005 for defense activities of the Department of Energy, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

(The text of the bill will be printed in a future edition of the RECORD.)

Mr. WARNER. Mr. President, with respect to H.R. 4200—Calendar Order No. 537—the House-passed version of the National Defense Authorization Act for Fiscal Year 2005, I ask unanimous consent that the Senate turn to its immediate consideration; that all after the enacting clause be stricken and the text of S. 2400, as passed, be substituted in lieu thereof; that the bill be advanced to third reading and passed; that the Senate insist on its amendment to the bill and request a conference with the House on the disagreeing votes of the two Houses, and the Chair be authorized to appoint conferees; that the motion to reconsider the above-mentioned votes be laid upon the table; and that the foregoing occur without intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, reserving the right to object, we are not prepared to go to conference tonight. We will consult with some of our colleagues tomorrow morning, and we certainly have no intention of delaying conference. But it is our hope that we will have an opportunity to consult a little bit more about some of the issues we expect to be raised.

For that purpose, I object to the portion of the request which would allow the conference to begin.

The PRESIDING OFFICER. Objection is heard.

Without objection, H.R. 4200, as amended, is passed.

Mr. WARNER. Mr. President, that concludes the matters addressing the bill. I thank the leadership of both sides, members of our committee, and the wonderful, fine staff we have, particularly my staff, Mrs. Ansley, and my good colleague over here, my partner for these 26 years we have been in the Senate. Guess we landed another one, not necessarily in record time. Our calculation is 16 legislative days. So perhaps we have set something of a record as the days were fairly consecutive.

I thank the chief of staff sitting here. Thank you, Captain.

Mr. LEVIN. Mr. President, as always, the Senate is very much in the debt of our chairman, JOHN WARNER, an extraordinary human being and leader. This could not have happened without his leadership.

My staff, Dick Debobes, and all of our minority staff deserve extraordinary credit for getting this done. It would have taken twice as long but for our staff. I don't know—16 legislative days. It would have been double that number of days but for our staff, Judy Ansley and her staff. We thank them. Our staff worked together on a bipartisan basis. The Nation and our men and women in the Armed Forces owe them a huge debt. It is our staff—they will never know the names of our staff, probably, but they will be safer, more secure, better trained, better equipped, and have better benefits because of the work of our staff and the members of our committee who worked on a bipartisan basis under the leadership of JOHN WARNER.

Again, I take my hat off to our chairman. He has really done a wonderful job on this bill. It took a little longer than expected, but again we worked through a huge number of amendments, perhaps a record number of amendments.

Mr. WARNER. I thank my friend. These many years we have worked, really, as partners, and achieved one of the highest degrees of bipartisanship in the discharge of our respective responsibilities, together with the staffs.

Mr. LEVIN. Mr. President, we would not be at this point in our deliberations were it not for the extraordinary work and cooperation on a bipartisan basis of all of our committee members and all of our committee staff. Once again, our Committee and the Senate have put the interests of our country first and we all can be very proud of that.

I take just a moment to acknowledge and thank the minority staff members of the Committee on Armed Services for their extraordinary work on S. 2400, the National Defense Authorization Act for Fiscal Year 2005. You don't get to final passage of this massive and important bill without having staff who are willing to give hours and hours of hard work and make many personal sacrifices. The committee and the Senate are so fortunate to have men and women of their expertise and dedication so ably assisting us on this bill. Rick DeBobes leads our minority staff of seventeen. Though small in numbers, they all make huge contributions to the work of the committee each and every day. Mr. President, as a tribute to their professionalism and with my thanks, I recognize Chris Cowart, Dan Cox, Madelyn Creedon, Mitch Crosswait, Rick DeBodes, Brie Eisen, Evelyn Farkas, Richard Fieldhouse, Creighton Greene, Jeremy Hekhuis, Bridget Higgins, Maren Leed, Gary Leeling, Peter Levine, Mike McCord, Bill Monahan, and Arun Seraphin.

Mr. WARNER. Mr. President, I ask unanimous consent to have the names of staff printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON ARMED SERVICES

Judith A. Ansley, Charles W. Alsup, Michael N. Berger, June M. Borawski, Leah C. Brewer, Alison E. Brill, Jennifer D. Cave, L. David Cherington, Marie Fabrizio Dickinson, Regina A. Dubey, Andrew W. Florell, Brian R. Green, William C. Greenwalt, Ambrose R. Hock, Gary J. Howard, Jennifer Key, Gregory T. Kiley, Thomas L. MacKenzie, Elaine A. McCusker, Lucian L. Niemeyer, Cindy Pearson, Paula J. Philbin, Lynn F. Rusten, Joseph T. Sixeas, Scott W. Stucky, Diana G. Tabler, Richard F. Walsh, Bridget E. Ward, Nicholas W. West, and Pendred K. Wilson.

Mr. WARNER. I am happy at this time to yield the desk back to the majority leader. I hope I never see this again for another year.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. I think the most recent tribute by each of the managers to each other is yet another illustration of the kind of bipartisanship that is so routinely achieved in the Armed Services Committee. Thanks for the extraordinary leadership and effort of these two genuine patriots. I admire the work they do. They set a standard for the rest of us. I admire, especially, the manner with which they have managed this legislation. This has been one of the toughest jobs we have had in a long time. They have done it admirably. We owe them a debt of gratitude, not only for the work done but for the manner with which they have done it. I congratulate them both.

Mr. WARNER. I thank the distinguished minority leader very much for his words.

Mr. FRIST. I, too, congratulate both of the managers. It has been a long month. It has been 16 days, but since March 17 we actually started the bill. There was a lot in the background people did not see in terms of progress being made, setbacks along the way and negotiations and discussions, both inside each caucus as well as debate on the floor. It is a real privilege to be the leader of both managers and of both caucuses, working together to produce a bill that a few minutes ago we passed, a bill we can all be very proud of. I appreciate everyone's cooperation.

participation, diligence, and focus throughout.

Mr. WARNER. I thank our distinguished majority leader, truly a very gracious soul and of pure heart.

Mr. FRIST. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHANGE OF VOTE

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH. Mr. President, I ask unanimous consent that my vote on amendment No. 3352 to S. 2400, rollcall No. 129, be changed to yea. I understand this will not change the outcome of the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

LOCAL LAW ENFORCEMENT ACT OF 2003

Mr. SMITH. Mr. President, I today speak about the need for hate crimes legislation. On May 1, 2003, Senator KENNEDY and I introduced the Local Law Enforcement Enhancement Act, a bill that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society.

In March 1999 in Decatur, IL, a university student was beaten by three men who allegedly made anti-gay remarks.

Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. By passing this legislation and changing current law, we can change hearts and minds as well.

HONORING USCG COMMANDER TIMOTHY ALAN COOK

Mrs. MURRAY. Mr. President, I rise today to honor Commander Timothy Alan Cook for his service to the United States Senate and his continued service to our country in the United States Coast Guard.

Commander Cook has been detailed to be the Coast Guard Liaison to the United States Senate since July 2001, and I am proud to have had the opportunity to work closely with him over the past 3 years. In my leadership roles on the Transportation and Homeland Security Appropriations Subcommittees, my staff and I have often relied on Commander Cook's tremendous grasp on the inner-workings of both the Coast Guard and the Senate.

Commander Cook began his Senate career in 1997 as the Coast Guard Fellow to the Commerce, Science, and Transportation Committee, Oceans and Fisheries Subcommittee. However, his Coast Guard career began more than a decade earlier as a 1986 graduate of the U.S. Coast Guard Academy.

Then-Ensign Cook's first tour was as Deck Watch Officer aboard the Medium Endurance Cutter DAUNTLESS (WMEC 624) then stationed in Miami Beach, FL. In 1988 he became Executive Officer of the Fast Patrol Boat MANITOU (WPB 1302) also stationed in Miami Beach, FL.

He was selected for the Coast Guard Academy Postgraduate Instructor Program in 1990 and attended Duke University where he received his Master of Arts degree in Public Policy. CDR Cook taught U.S. History and American Government in the Coast Guard Academy Humanities Department from 1992 to 1995. During this period he also qualified as Deck Watch Officer on the Coast Guard Tall Ship EAGLE (WIX 327).

In 1995 he assumed Command of the Fast Patrol Boat MAUI (WPB 1304) stationed in Miami Beach, FL. During this time he also completed a Master of Arts degree in Political Science from Brown University.

Then, following his service at the Senate Commerce Committee, Commander Cook became Executive Officer of the Medium Endurance Cutter BEAR (WMEC 901) at the mid-point of its 106-day Mediterranean cruise. During his tour he completed numerous patrols in the Caribbean conducting the Coast Guard law enforcement and search and rescue missions.

This week, Commander Cook will leave his post as the Coast Guard's Senate Liaison. He will be missed in the United States Senate, but the Coast Guard needs his expertise on the Deepwater Acquisition Program.

It has been my pleasure to work with Commander Cook. On behalf of the Senators and staff who have also been fortunate to work with him, I wish Commander Cook, his wife Nancy and their two sons, Evan and Joel, the best in all of their future endeavors.

RHODE ISLAND VETERANS POST OFFICE BUILDING

Mr. REED. Mr. President, I am pleased that the Senate passed legislation, H.R. 3942, earlier this month to redesignate the U.S. Post Office in Middletown the "Rhode Island Veterans Post Office Building," and I thank Congressman PATRICK KENNEDY for introducing this important legislation in the House of Representatives. I recognize the important contributions and sacrifices that our military veterans have made for our country. The celebration of the 60th anniversary of the D-Day invasion at Normandy this month again highlighted the great sacrifices that our brave soldiers have made, and continue to make today in Afghanistan, Iraq and throughout the world. I am proud to support naming the U.S. Post Office in Middletown in their honor.

LAW ENFORCEMENT OFFICERS SAFETY ACT

Mr. LEAHY. Mr. President, I am pleased to note the House passage today of the Law Enforcement Officers Safety Act, H.R. 218, by voice vote. This action has been a long time in coming. Representative RANDY "DUKE" CUNNINGHAM has been tirelessly working for over a decade to push this legislation and I commend him for his dedication to making our communities safer and providing better protection for our law enforcement personnel. I ask that the Senate follow suit and quickly take up and pass the House bill.

Law enforcement officers are never "off duty." They are dedicated public servants trained to uphold the law and keep the peace. To enable law enforcement officers nationwide to be prepared to answer a call to duty no matter where, when or in what form it comes, I am proud to join Senator CAMPBELL—my good friend and a knowledgeable Senate leader on law enforcement issues—and 69 other cosponsors, including Judiciary Chairman HATCH, Democratic Leader DASCHLE, Assistant Democratic Leader REID, Majority Leader FRIST and Assistant Majority Leader MCCONNELL, on the Senate version of the Law Enforcement Officers Safety Act, S. 253, which was reported out of the Senate Judiciary Committee in March 2003 by a vote of 18 to 1. Both H.R. 218 and S. 253 will permit off-duty and retired law enforcement officers to carry a firearm and be prepared to assist in dangerous situations.

These bills are strongly supported by the Fraternal Order of Police, FOP; the National Association of Police Organizations, NAPO; the Federal Law Enforcement Officers Association, FLEOA; the International Brotherhood of Police Officers, IBPO; the Law Enforcement Alliance of America; and the National Law Enforcement Council.

I was honored to work closely on this measure with the former FOP national president, Lieutenant Steve Young, whose death last year was a sad loss for us all. Steve was dedicated to this legislation because he understood the importance of having law enforcement officers across the Nation armed and prepared whenever and wherever threats to our public safety arise. I have continued my close work with the FOP and current national president, Major Chuck Canterbury, to make this legislation law.

Community policing and the outstanding work of so many law enforcement officers play a vital role in our crime control efforts. Unfortunately, during the past few years the downward trend in violent crime ended and violent crime rates have turned upward. The FBI has reported that crime rose slightly in the first half of 2002, including a 2.3 percent increase in murders. The preliminary numbers for 2002 follow an increase in crime in 2001 by 2.1 percent, compared with the year before.

There are more than 740,000 sworn law enforcement officers currently serving in the United States. Since the first recorded police death in 1792, there have been more than 17,200 law enforcement officers killed in the line of duty. Over 1,700 law enforcement officers died in the line of duty over the last decade, an average of 170 deaths per year. Roughly 5 percent of officers who die are killed while taking law enforcement action in an off-duty capacity. On average, more than 62,000 law enforcement officers are assaulted annually.

The Law Enforcement Officers Safety Act creates a mechanism by which qualified active-duty law enforcement officers would be permitted to travel interstate with a firearm, subject to certain limitations, provided that officers are carrying their official badges and photographic identification. An active-duty officer may carry a concealed firearm under this measure if he or she is authorized to engage in or supervise any violation of law; is authorized to use a firearm by the agency, meets agency standards to regularly use a firearm; and is not prohibited from carrying by Federal, State or local law. This measure would not interfere with any officer's right to carry a concealed firearm on private or government property while on duty or on official business.

Off-duty and retired officers should also be permitted to carry their firearms across State and other jurisdictional lines, at no cost to taxpayers, in order to better serve and protect our communities. H.R. 218 would permit qualified law enforcement officers and qualified retired law enforcement officers across the Nation to carry concealed firearms in most situations. It preserves any State law that restricts concealed firearms on private property and any State law that restricts the possession of a firearm on State or local government property.

To qualify for the measure's exemptions to permit a qualified off-duty law enforcement officer to carry a concealed firearm, notwithstanding the law of the State or political subdivision of the State, he or she must have authority to use a firearm by the law enforcement agency where he or she works; not be subject to any disciplinary action; satisfy every standard of the agency to regularly use a firearm; not be prohibited by Federal law from receiving a firearm; and carry a photo identification issued by the agency. The bill preserves any State law that restricts concealed firearms on private property, and any State law that restricts the possession of a firearm on State or local government property or park.

For a retired law enforcement officer to qualify for exemption from State laws prohibiting the carrying of concealed firearms, he or she must have retired in good standing; have been qualified by the agency to carry or use a firearm; have been employed at least 15 years as a law enforcement officer unless forced to retire due to a service-connected disability; have a non-forfeitable right to retirement plan benefits of the law enforcement agency; meet the same State firearms training and qualifications as an active officer; not be prohibited by Federal law from receiving a firearm; and be carrying a photo identification issued by the agency. Preserved would be any State law that permits restrictions of concealed firearms on private property, as well as any State law that restricts the possession of a firearm on State or local government property or park.

Last week, during the House Judiciary Committee markup of H.R. 218, amendments were accepted to bar officers or retired police from carrying arms in other jurisdictions if they are under the influence of alcohol or other intoxicating or hallucinatory drug or substance, and to require retired police to have proof they received arms training in the previous year before being permitted to carry concealed weapons. The bill was then reported out of committee by a vote of 23 to 9. The bill was passed overwhelmingly by the House earlier today by voice vote.

Convicted criminals often have long and exacting memories. A law enforcement officer is a target in uniform and out, active or retired, on duty or off duty. The bipartisan Law Enforcement Officers Safety Act is designed to establish national measures of uniformity and consistency to permit trained and certified on-duty, off-duty, or retired law enforcement officers to carry concealed firearms in most situations so that they may respond immediately to crimes across State and other jurisdictional lines, as well as to protect themselves and their families from vindictive criminals.

I look forward to the Senate approving this bipartisan, commonsense measure today to make our communities safer and to better protect law enforcement officers and their families.

EXEMPTION FROM TRUST REFORM REORGANIZATION

Mr. JOHNSON. Mr. President, I rise today in support of S. 2523, a bill to exempt the Great Plains Region and Rocky Mountain Region of the Bureau of Indian Affairs, BIA, from trust reform reorganization plans. I am happy to be an original cosponsor of this bill with my friend and colleague Senator TOM DASCHLE.

S. 2523 would exempt the BIA's Great Plains Region and the Rocky Mountain Region from the Department of the Interior's trust reform reorganization proposal, excluding efforts to reform Indian probate and address land consolidation, pending the submission of alternative agency-specific reorganization plans. The bill would direct that any funds appropriated to accomplish trust reform at the agency level in the Great Plains and Rocky Mountains Regions could be expended only under plans developed by local tribes in cooperation with and with the approval of the Department of the Interior. The bill authorizes $200,000 for the Great Plains Region and $200,000 for the Rocky Mountain Region to be used for the development of agency-specific reorganization plans.

The bill is an alternative to the Department of the Interior's "To-Be" trust reorganization plan. The BIA and the Office of Special Trustee, OSI, is in a state of ongoing reengineering of their trust management processes since the Department issued a new Department Manual in April, 2003. Since November, 2003, the Department has conducted informational meeting regarding its "To-Be" project, which would reengineer current fiduciary trust business process. This "To-Be" plan is unacceptable to our tribes. Simply, the administration's proposed changes to the way tribes receive trust services do not fit the needs of our area.

Specifically, our tribes require frequent land appraisals due to our large land base. Currently there is only one appraiser for the entire Great Plains Region. Under a proposed plan, money that would be spent hiring "trust officers" would be utilized by hiring appraisers at each agency on each reservation. Furthermore, as a region we are in need of technical positions involving land management, such as surveyors, range conservationists, lease compliance officers, rights of way specialists, and accountants. In sum, the tribes request a reversal of the reorganization process and that resources be redirected as to be more effectively used at the reservation level under control of the local agent.

The concepts in S. 2523 are particularly poignant in light of serious questions that have been raised regarding failures in the OST's entire management and administrative system. As a result of these questions, I have requested a wide-ranging investigation of the OST. This investigation centers on a number of concerns tribal leaders have raised in recent years as OST has expanded its mission from one designed to oversee trust reform efforts at the Interior Department to one implementing most major fixes. Under the Bush administration, the agency's budget has dramatically increased while funds for other Indian programs are being cut or flat-lined.

In addition to questioning funding considerations, I question whether the OST is operating in a manner consistent with the 1994 Act that created it. During the Bush administration, the agency has seen unprecedented growth and has slowly taken over programs formerly managed by BIA, including cash management, appraisals, probate and accounting. Tribal leaders and some lawmakers say this expansion violates the intent of Congress in creating the office.

I am honored to represent a State that has nine treaty tribes. Federally-recognized Indian tribes in South Dakota signed the Treaty of Fort Laramie with the desire to declare peace and thereby perpetuate a nation-to-nation relationship with the Federal Government. The treaty establishing the South Dakota Tribes is a contract negotiated between sovereign nations, relating to peace and alliance formally acknowledged by the signatories of the nations. The United States entered into such agreement because they desired peace and cessions of land from the Sioux Tribes, and in return they made promises that must be upheld.

It is important to point out that my treaty tribes opt to receive their services directly from the BIA. As such, it is essential to my tribes that they have a clear understanding of what their Bureau is up to and how its actions will affect the services received by my tribes. In South Dakota, the BIA affects our Indian people every single day. Their partnership with the Federal Government is paramount to their survival as nations and is vital to the health of its people. With this premise in mind, I implore the Department to do a better job of consulting with tribes, appropriately fund BIA programs, and have an open and frequent dialogue with Congress. As a member of both the Appropriations and Indian Affairs Committee, I must be made aware of the Bureau and the Office of Special Trustee's programming plans.

S.J. RESOLUTION 37

Mr. JOHNSON. Mr. President, I rise today in support of S.J. Resolution 37, a resolution to acknowledge a long history of official depredations and ill-conceived policies by the United States Government regarding Indian tribes and offer an apology to all native peoples on behalf of the United States.

A formal apology is the first appropriate step in reconciling relationships with Indian tribes and native peoples. However, an apology by itself is not enough to heal the wounds inflicted by some of the devastating policies adopted by our government. To really make amends with Indian tribes and native peoples, our government needs to return to the original understanding of the Federal-tribal relationship. The foundation of the Federal-tribal relationship is rooted in our great Constitution and the Indian treaties ratified pursuant to it. When a person reads the Founder's words pertaining to the sovereignty of Indian tribes, in conjunction with the early laws and treaties ratified by our government, he or she quickly realizes that the underpinnings of the Federal-tribal relationship is based upon mutual respect, trust responsibility, and the idea that our government must obtain consent from Indian tribes and native peoples before any Federal action can be taken.

Almost every Indian treaty recognizes that Indian tribes have control over their lands and that our government could not assert authority or take lands away from tribes unless there is an articulation of tribal consent. The first treaty our government signed with an Indian Nation was the 1778 Treaty of Fort Pitt. During the American Revolutionary War, our government signed this treaty to obtain permission from the Delaware Nation to allow General Washington's army to cross through their territory. If the Delaware Nation would not have permitted this crossing, the history of our United States might have turned out drastically differently.

As history teaches, when our government swayed away from the foundation of the Federal-tribal relationship, Indian tribes and native peoples suffered. For example, in 1830, Congress narrowly passed the Removal Act to remove all Native Americans west of the Mississippi River. However, the text and legislative history of the Removal Act clearly demonstrates that removal would not occur unless there was tribal consent. Because many Cherokee did not consent to being removed, in 1838, our government forced their removal, thus resulting in the Trail of Tears tragedy.

Chairman J.C. Crawford of the Sisseton-Wahpeton Tribe wrote to remind me that in 1862 nearly 400 Dakota Indians were tried by a military court without legal representation following a conflict arising out of our government not adhering to its treaty obligations. Eventually, on December 26, 1862, 38 Dakota men were hanged. To date, this has been the largest mass execution in American history.

Our government violated the 1868 Fort Laramie Treaty. Under the Fort Laramie Treaty, our government agreed that if any land is to be taken from the Lakota Nation, three-fourths of all adult males must agree to any cession. Because our government failed to obtain Lakota consent, three prominent historical tragedies occurred, the Battle of Little Big Horn, the Wounded Knee Massacre, and the taking of the Black Hills.

Additionally, in the late 1800s, our government violated numerous treaties and embarked upon a harsh assimilationist policy that ignored the foundations of the Federal-tribal relationship. For example, in 1887 our government enacted the General Allotment Act. Under the General Allotment Act, tribal lands were broken up, thus reducing tribal lands from 138 million acres in 1887 to 48 million acres in 1934. Although our government ended the harsh policies contained in the General Allotment by enacting the 1934 Indian Reorganization Act, by the 1950s our government quickly reversed course and implemented legislation that terminated the Federal-tribal relationship with some Indian tribes. Although many Indian tribes have been successful with regaining federal recognition status, some have not been as successful.

Currently, our government is committed to tribal self-determination and empowering tribal governments. However, to make this apology complete and to demonstrate that our government is sincere in apologizing to Indian tribes and native peoples, our government needs to allocate more resources to Indian tribes and native peoples and fulfill its trust obligation found in treaties and concurrent legislation.

Our government has adopted numerous laws and policies that undermined and adversely impacted the Federal-tribal relationship. For those reasons, I strongly support the apology articulated in S.J. Resolution 37. I urge my colleagues to similarly support this resolution and reflect on the meaning of the Federal-tribal relationship.

ADDITIONAL STATEMENTS

HONORING THE ACCOMPLISHMENTS OF ALLISON HAMMER

• Mr. BUNNING. Mr. President, I pay tribute and congratulate Allison Hammer of Summer Shade, KY, on being named a distinguished finalist for the Prudential Spirit of Community Awards. This award honors young people in middle level and high school grades for outstanding volunteer service to their communities.

Allison Hammer has proven herself to be an ideal volunteer. While she is only 14 years old, she has already done more volunteer work than many people will do in their whole life. After two of her friends were killed in an All-Terrain Vehicle (ATV) accident, she took it upon herself to start a 75-person ATV safety camp for the youths of Monroe County. In this excellent effort she recruited volunteers and raised the funds to make this camp a success.

The citizens of Monroe County are fortunate to have a young woman like Allison Hammer in their community. Her example of dedication, hard work and compassion should be an inspiration to all throughout the entire Commonwealth.

She has my most sincere appreciation for this work and I look forward to her continued service to Kentucky.•

RECOGNIZING KIMBERLY JOHNSON-SMITH

• Mr. ALLEN. Mr. President, I today recognize Kimberly Johnson-Smith for her community service and leadership. For over 16 years, Mrs. Johnson-Smith has selflessly lent her time and talents on behalf of various civic groups in Arlington County.

In addition to being a member of the Arlington County Civic Federation, Kimberly Johnson-Smith has held various leadership positions in the County, including: chairperson of the Executive Committee, co-chair of the Public Safety Committee, and co-chair of the 911 Scholarship Fund, which raised over $150,000 dollars for college-bound children of Arlington County public safety personnel. Mrs. Johnson-Smith was also a member of the Arlington Citizen Corps Council where she was the Chairperson for the Public Education for Emergency Preparedness task group as well as the planner and advisor for Arlington Prepares Door-to-Door. In addition, she was a founding member, advisor and scheduler of Arlington County Community Emergency Response Team.

Mrs. Johnson-Smith also spent time at the Arlington Animal Welfare League and helped establish Puppy Parties for Arlington Dogs. She was a member and past board member of the Arlington Outdoor Education Association and also involved herself in the Sheriff's Department and Crime Prevention Council's "SOS" program for seniors.

Among her professional recognitions, Kimberly Johnson-Smith was the recipient of the Journal Cup for Civic Activity and the President's Award for Civic Acts.

Arlington County will surely miss the great leadership and talents that Kimberly Johnson-Smith displayed in all of her activities. I congratulate her on her community service and wish her and her family well in their move to Madison County.•

RECOGNIZING HARRY C. MASON, JR.

• Mr. ALLEN. Mr. President, I am pleased to recognize Mr. Harry C. Mason, Jr. for his community service and leadership. Mr. Mason recently ended his 8-year term serving the citizens of the Town of Orange on the Orange Town Council. During his time as a councilman, Orange saw significant improvement in its quality of life: the town saw the design of a Raw Water Storage Basin project, improvements to the town's infrastructure, design of the new Public Works facility, the launch of the town's first public transit system, and the development of the road to the new middle school.

Throughout his life, Harry Mason has been a community leader and volunteer. He is an esteemed business person of the town of Orange and is an active member of the Orange County Chamber of Commerce and Orange Rotary Club. Mr. Mason is also a strong supporter of the Orange Volunteer Fire Department and Rescue squad. In addition, he participates in and sponsors the Orange County Public School System breakfast buddies program.

The Town of Orange will surely miss the leadership and talents that Councilman Mason displayed on the town council and would like to recognize him for his commitment to Orange. I congratulate him on his community service and wish him well in the future.•

RECOGNIZING EKATERINA MIKHAILOVICH RADZHABOVA

• Mr. ALLEN. Mr. President, I wish to honor Miss Ekaterina Mikhailovich Radzhabova who graduated this month with a master's degree in business from Xavier University in Cincinnati, OH. Miss Radzhabova is a Russian immigrant who came to the United States 5 years ago, at the age of 19, to seek an education and a better way of life.

Since coming to America, Miss Radzhabova has completed both her undergraduate and graduate programs at Xavier with the highest possible honors. This is particularly impressive considering that she accomplished this while speaking her second language, English.

Miss Radzhabova has not only proven herself dedicated through her hard work at school, but also through the volunteer work that she has performed in her extra time to help inner city children develop better skills in reading and arithmetic. On the weekends, she drives outside the city to help an elderly family with chores that they can no longer do on their own. Indeed, through her hard work and service, she has clearly demonstrated the American ideal of helping those who are less fortunate. Miss Radzhabova is not only an inspiration to the youth of Russia but also to all of our young Americans.

During her graduation ceremony this month, Ekaterina Radzhabova was surrounded by many of the friends that she made while living in the United States. Unfortunately, her family was unable to attend the ceremonies. One of those family members was her father, Mikhail Radzhabova, who passed away in October 2001. It was his dream to have his family come to the United States after the fall of the Soviet Union. Although her father was not able to attend the ceremony in person, I am sure that he was there in spirit, looking proudly upon his daughter, knowing that she had helped make his dream a reality. Unfortunately, her mother and brother were denied visas to attend her graduation. But, like her father, they are undoubtedly proud of her accomplishments.

Miss Radzhabova is a talented young woman who has overcome a great deal since she came to America to pursue her dream. She has proven to be a great success in her new country by not only accomplishing part of her father's dream, but also by inspiring countless people around her with her positive attitude and determination to succeed.•

EAST BRUNSWICK HIGH SCHOOL PLACING FIRST AT THE WE THE PEOPLE: THE CITIZEN AND THE CONSTITUTION PROGRAM

• Mr. LAUTENBERG. Mr. President, today I want to recognize students from East Brunswick High School in East Brunswick, NJ who placed first at the national finals for the We the People: The Citizen and the Constitution program. The national finals of the program simulates a congressional hearing whereby students testify as constitutional experts before a panel of judges. The students from East Brunswick defeated classes from every other State.

The program is administered by the Center for Civic Education and features an intensive curriculum which provides students with a fundamental understanding of the Constitution and the Bill of Rights and the principles and values they embody. More than 26.5 million students have participated in program during the last sixteen years.

I congratulate East Brunswick High School teacher Alan Brodman, State Coordinator Arlene Gardner, and District Coordinator Cole Kleitsch. I also congratulate the students on the East Brunswick team: Kian Barry, Patrick Bell, Kathleen Cammidge, Jessica Castles, Jennifer Chen, Ryan Citron, Jenna Elson, Daniel Gartenberg, Scott Goldschmidt, David Goldstein, Kristen Hamaoui, Marc Mondry, Jason Noah, Eric Nowicki, Nicholas Parals, Greg Parnas, Jessica Rebarber, Joa Roux, Blake Segal, Jody Shaw, Andrew Silver, Jeffrey Smith, Daniel Temkin, Abraham Tran, Arln Tuerk, and Haiwei Wang.•

30TH ANNIVERSARY OF NEW JERSEY ALLIANCE FOR ACTION

• Mr. LAUTENBERG. Mr. President, I congratulate The New Jersey Alliance for Action on its 30th Anniversary. For three decades the Alliance for Action has been New Jersey's foremost advocate of investment in infrastructure to benefit my home state's economy, environment, and overall quality of life.

New Jersey is the most densely populated state in the nation and we need to continually update infrastructure to help support our growing population. Most importantly, however, is that everyone at Alliance for Action understands how important their mission is. The organization is dedicated to working with legislators of both parties to accomplish their goals.

With the population of the United States and the world increasing rapidly, it is important to have organizations such as New Jersey Alliance for Action which works to support New Jersey's residents.

I ask my colleagues to join me in congratulating the New Jersey Alliance for Action on their 30th anniversary.•

HONORING CAPTAIN CHRIS CHRISTOPHER

• Ms. LANDRIEU. Mr. President, I speak today to honor the service of CPT Chris Christopher, who is currently the deputy director for future operations, communications and business initiatives at NMCI. Captain Christopher comes to this position after nearly 20 years of distinguished service to the Navy in the fields of aviation, public affairs, and intelligence.

Captain Christopher has spent most of his life in New Orleans, and he has made a wonderful home there with his wife Patti and their two daughters. He received undergraduate and graduate degrees from the University of New Orleans, and his work with NMCI still brings him back to the UNO campus. Though he is now stationed in Virginia, his heart and family remain in New Orleans. As a Louisiana Senator, I like that.

Captain Christopher's work at NMCI has been truly outstanding. The Navy Marine Corps Intranet is a progressive project whose ultimate goal is to transform the Department of the Navy's computer networks. NMCI will revolutionize command and control efficiencies within the Navy, and between the services, to ensure that our forces are operating in unison. This will save American lives, increase combat readiness and effectiveness, and, ultimately, make us stronger. Under Captain Christopher's leadership, many of these goals have been brought closer to reality.

From June 20 to 23, Captain Christopher organized the 2004 Navy Marine Corps Intranet Symposium in New Orleans. This event was an opportunity for all parties involved in NMCI to continue their dialogue on reshaping information technology in the Navy and Marine Corps. Captain Christopher made this event happen, and according to all parties involved, it was a complete success.

I once again thank my friend, CPT Chris Christopher, for his efforts on America's behalf. Future generations of sailors and marines will no doubt reap the benefits of his labor and America will be safer as a result. I am proud of your 'Louisiana-bred' success Chris, and I wish you well in your future endeavors.•

RECOGNIZING THE CONNECTICUT FOREST AND PARK ASSOCIATION

• Mr. LIEBERMAN. Mr. President, today I wish to honor the Connecticut Forest and Park Association of Rockfall, CT, on the occasion of the 75th Anniversary of the creation of its Blue Blazed Hiking Trail System. The Connecticut Forest and Park Association is Connecticut's oldest conservation organization and Connecticut's citizens owe this organization a great debt of gratitude for all it has done to protect Connecticut's precious natural resources.

Undoubtedly, the Blue Blazed Hiking Trail System is the crowning achievement in a long list of accomplishments that the Connecticut Forest and Park Association has realized since its founding in 1895. IN 1929, Edgar L. Heermance led a group of Connecticut Forest and Park Association members in establishing the Blue Blazed Hiking Trail System. Mr. Heermance and the dedicated group of volunteers that he led had a vision of a Statewide system of hiking trails that would serve to increase opportunities for all Connecticut residents to enjoy the outdoors and develop an appreciation for the immense beauty of the natural world. The first section of the Blue Blazed Hiking Trail system opened in 1931 and by 1937 the volunteers of the Connecticut Forest and Park Association had developed over four hundred miles of trails and published the Connecticut Walk Book; the first guidebook to the Blue Blazed Hiking Trail System.

Seventy-five years after Edgar Heermance made his vision of a Statewide hiking trail system a reality, the blue Blazed Hiking Trail System has over ninety volunteer Trail Managers and hundreds of active volunteers donating over 7,000 of their time each year to this spectacular system of hiking trails. Currently, the Blue Blazed Hiking Trail System encompasses over seven hundred miles of trails in 69 Connecticut towns. In a true testament to the spirit of cooperation that led to the founding of this hiking trail network, over seventy-five percent of the land included in the Blue Blazed Hiking Trail System is privately owned and exists only through the cooperation of private landowners who are interested in promoting conservation and increasing outdoor recreational opportunities.

This dynamic organization has continually both literally and figuratively blazed a trail for other conservation organizations to follow. I have confidence that the Connecticut Forest and Park Association and the Blue Blazed Hiking Trail System will enjoy continued success for many generations to come.

Congratulations to the Connecticut Forest and Park Association on the creation of a remarkable legacy of leadership and excellence in the areas of conservation and outdoor recreation.•

RETIREMENT OF MAJOR GENERAL JOHN "GENE" PRENDERGAST

• Mr. BAUCUS. Mr. President, today I honor and congratulate my friend MG Prendergast.

After 46 years of loyal military service to Montana and our Nation, the top officer of the Montana National Guard will step down from his post August 1, as age prevents Major General Prendergast from serving beyond his 64th birthday.

Some call him general, some call him husband, father, son. I call this outstanding individual, my friend. I have known Gene since the early years in our hometown of Helena, MT, where we both lived and played, studied and worked. In 1958, when Dwight Eisenhower was President, Major General Prendergast volunteered for his first of many military positions in the Montana Air National Guard while also working a civilian job at a local bank. I worked with him at the Union Bank during the summer months away from school. In 1960, he transferred into the Montana National Guard and received his commission in 1967 as an ordnance officer.

Major General Prendergast worked his way up through the ranks, and held various titles, including automotive platoon leader, instructor at the Montana Military Academy, assistant commandant and chief of staff of the Montana National Guard. He graduated from the Regents College of the State University of New York in 1993.

For his outstanding service and many years of commitment to our Nation, Major General Prendergast has been awarded the Meritorious Service Medal with two oak leaf clusters, Army Commendation Medal, Armed Forces Reserve Medal, and the Army Reserve Components Overseas Training Ribbon, among other medals.

Major General Prendergast is known among his colleagues, his friends, and all Montanans for his commitment to the American Nation. In his own words, "There is no higher calling than serving your country in uniform. What it's all about is the soldier in uniform."

Today I honor both the soldier and the man. I have been so fortunate to have this man as my friend over many years. In fact, my good friend shares with me a love for long-distance running, and I have enjoyed running many miles with the general under Montana's big sky. We run and talk, laugh and share family stories.

As I reflect on the years I have been fortunate to know MG Gene Prendergast, I am reminded of the plaque which hangs in his office that his wife, Kathy, had made for him, the long-distance runner:

> "The race is not always to the swift, but those who keep on running." Around the world in 22 years—running 25,000 miles—June 1978–August 2000.

For my friend, MG Gene Prendergast, the race has only just begun. You are a soldier's soldier. I salute you for your outstanding service to our State and to this Nation.●

MESSAGES FROM THE HOUSE

At 11:22 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4613. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes.

At 12:03 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 4226. An act to amend title 49, United States Code, to make certain conforming changes to provisions governing the registration of aircraft and the recordation of instruments in order to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, known as the "Cape Town Treaty".

H.R. 4372. An act to amend the Internal Revenue Code of 1986 to provide for the carryforward of $500 of unused benefits in cafeteria plans and flexible spending arrangements for dependent care assistance.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 13. Concurrent resolution recognizing the importance of blues music, and for other purposes.

H. Con. Res. 56. Concurrent resolution expressing the sense of the Congress that States should require candidates for driver's licenses to demonstrate an ability to exercise greatly increased caution when driving in the proximity of a potentially visually impaired individual.

H. Con. Res. 449. Concurrent resolution honoring the life and accomplishments of Ray Charles, recognizing his contributions to the Nation, and extending condolences to his family on his death.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

S. 1848. An act to amend the Bend Pine Nursery Land Conveyance Act to direct the Secretary of Agriculture to sell the Bend Pine Nursery Administration Site in the State of Oregon.

S. 2238. An act to amend the National Flood Insurance Act of 1968 to reduce losses to properties for which repetitive flood insurance claim payments have been made.

H.R. 3378. An act to assist in the conservation of marine turtles and the nesting habitats of marine turtles in foreign countries.

H.R. 3504. An act to amend the Indian Self-Determination and Education Assistance Act to redesignate the American Indian Education Foundation as the National Fund for Excellence in American Indian Education.

H.R. 4322. An act to provide for the transfer of the Nebraska Avenue Naval Complex in the District of Columbia to facilitate the establishment of the headquarters for the Department of Homeland Security, to provide for the acquisition by the Department of the Navy of suitable replacement facilities, and for other purposes.

The enrolled bills were signed subsequently by the President pro tempore (Mr. STEVENS).

At 5:07 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4635. An act to provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century.

ENROLLED BILL SIGNED

At 6:03 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 4589. An act to reauthorize the Temporary Assistance for Needy Families block grant program through September 30, 2004, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore (Mr. STEVENS).

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 4226. An act to amend title 49, United States Code, to make certain conforming changes to provisions governing the registration of aircraft and the recordation of instruments in order to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, known as the "Cape Town Treaty"; to the Committee on Commerce, Science, and Transportation.

H.R. 4372. An act to amend the Internal Revenue Code of 1986 to provide for the carryforward of $500 of unused benefits in cafeteria plans and flexible spending arrangements for dependent care assistance; to the Committee on Finance.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 13. Concurrent resolution recognizing the importance of blues music, and for other purposes; to the Committee on the Judiciary.

H. Con. Res. 56. Concurrent resolution expressing the sense of the Congress that States should require candidates for driver's licenses to demonstrate an ability to exercise greatly increased caution when driving in the proximity of a potentially visually impaired individual; to the Committee on Commerce, Science, and Transportation.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 4613. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes.

The following concurrent resolution was read, and placed on the calendar:

H. Con. Res. 449. Concurrent resolution honoring the life and accomplishments of Ray Charles, recognizing his contributions to the Nation, and extending condolences to his family on his death.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 23, 2004, she had presented to the President of the United States the following enrolled bills:

S. 1848. An act to amend the Bend Pine Nursery Land Conveyance Act to direct the Secretary of Agriculture to sell the Bend Pine Nursery Administration Site in the State of Oregon.

S. 2238. An act to amend the National Flood Insurance Act of 1968 to reduce losses to properties for which repetitive flood insurance claim payments have been made.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–8092. A communication from the Administrator, Small Business Administration, transmitting, pursuant to law, the Administration's Report to Congress on Minority Small Business and Capital Ownership Development for fiscal year 2003; to the Committee on Small Business and Entrepreneurship.

EC–8093. A communication from the Chairman, Federal Election Commission, transmitting, pursuant to law, the Commission's

2003 Annual Report; to the Committee on Rules and Administration.

EC–8094. A communication from the Chairman, Election Assistance Commission, transmitting, pursuant to law, the Commission's Fiscal Year 2003 Annual Report; to the Committee on Rules and Administration.

EC–8095. A communication from the Vice Chair, Federal Election Commission, transmitting, pursuant to law, the Commission's Fiscal Year 2005 Budget Request; to the Committee on Rules and Administration.

EC–8096. A communication from the Director, Office of Regulation Policy and Management, Veterans Benefits Administration, transmitting, pursuant to law, the report of a rule entitled "Change of Effective Date of Rule Adding a Disease Associate With Exposure to Certain Herbicide Agents: Type 2 Diabetes" (RIN2900–AL93) received on June 22, 2004; to the Committee on Veterans' Affairs.

EC–8097. A communication from the Director, Office of Regulation Policy and Management, Veterans Benefits Administration, transmitting, pursuant to law, the report of a rule entitled "Sensori-Neural Aids" (RIN2900–AL60) received on June 22, 2004; to the Committee on Veterans' Affairs.

EC–8098. A communication from the Director, Office of Regulation Policy and Management, Veterans Benefits Administration, transmitting, pursuant to law, the report of a rule entitled "VA Homeless Providers Grant and Per Diem Program; Religious Organizations" (RIN2900–AL63) received on June 22, 2004; to the Committee on Veterans' Affairs.

EC–8099. A communication from the Director, Office of Regulation Policy and Management, Board of Veterans' Appeals, transmitting, pursuant to law, the report of a rule entitled "Board of Veterans' Appeals: Rules of Practice—Motions for Revision of Decisions on Grounds of Clear and Unmistakable Error: Advancement on the Docket" (RIN2900–AJ85) received on June 22, 2004; to the Committee on Veterans' Affairs.

EC–8100. A communication from the Secretary of Veterans Affairs, transmitting, a draft of proposed legislation entitled the "Veterans Programs Improvement Act of 2004"; to the Committee on Veterans' Affairs.

EC–8101. A communication from the President, John F. Kennedy Center for the Performing Arts, transmitting, pursuant to law, a report relative to the Center's competitive sourcing competitions in fiscal year 2003; to the Committee on Rules and Administration.

EC–8102. A communication from the Secretary of Veterans' Affairs, transmitting, pursuant to law, the Department of Veterans' Affairs' Report on its competitive sourcing efforts for Fiscal Year 2003; to the Committee on Veterans' Affairs.

EC–8103. A communication from the Secretary of Veterans' Affairs, transmitting, pursuant to law, the Capital Asset Realignment for Enhanced Services (CARES) Decision for the Department of Veterans' Affairs; to the Committee on Veterans' Affairs.

EC–8104. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: NARCO Avionics Inc. AT150 Transponders; Doc. No. 2002–NE–32" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8105. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Eagle Aircraft Malaysta Sdn. Bhd Model Eagle 150B Airplanes; Doc. No. 2004–CE–14" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8106. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Defense and Space Group Model 234 Helicopters Doc. No. 2004–SW–09" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8107. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Agusta S.p.A Model A109E Helicopters Doc. No. 2003–SW–32" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8108. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747–400 and 400F Airplanes Equipped With Rolls Royce Engines Doc. No. 2003–NM–202" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8109. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Raytheon Model BAe.125 Series (Including C–29A and U–125 and 800 B Airplanes and Model Hawker 800 (Including U–125 A Variant), and 800 XP Airplanes Doc. No. 2003–NM–216" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8110. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: BAE Systems (Operations) Limited Model BAe 146 Airplanes Doc. No. 2003–NM–17" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8111. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Saab Model SAAB SF340A and SAAB 340B Series Airplanes Doc. No. 2003–NM–18" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8112. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Alexander Schleicher GmbH & Co. Segelflugzeubau Model ASH 25 M Sailplanes Doc. No. 2003–CE–64" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8113. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: GARMIN International Inc. GTX Model S Transponders and GTX 330D Diversity Mode S Transponders Doc. No. 2003–CE–39" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8114. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737–600, 700, 700C, 800, and 900 Airplanes Equipped With Certain Honeywell Start Converter Units Doc. No. 2001–NM–291" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8115. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC–10–30 Airplanes Doc. No. 2002–NM–237" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8116. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: BAE Systems (Operations) Limited Model BAe 146 and Avro 146–RJ Airplanes Doc. No. 2002–NM–343" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8117. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Class E Airspace; Oshkosh, NE Doc. No. 04–ACE–27" (RIN2120–AA66) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8118. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Class E Airspace; Mosby, MO Doc. No. 04–ACE–33" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8119. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 777–200 Airplanes Doc. No. 2003–NM–50" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8120. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model MD–11 and 11F Airplanes Doc. No. 2003–NM–75" (RIN2120–AA64) received on June 22 , 2004; to the Committee on Commerce, Science, and Transportation .

EC–8121. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Dornier Model 328–100 Airplanes Doc. No. 2003–NM–56" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8122. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Eurocopter France Model EC 130 B4 and AS 350 B3 Helicopters Doc. No. 2003–SW–29" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8123. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model CL–600 2B19 (Regional Jet Series 100 and 400) Airplanes Doc. No. 2001–NM–321" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8124. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Lycoming Engines (formerly Textron) Direct-Drive Reciprocating Engines Doc. No. 89–ANE–10" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8125. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model CL–215–b11 (CL215T Variant) Airplanes Doc. No. 2003–NM–199" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8126. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Glasfugel—Ing. E. Hanie Model GLASFUGEL Kestrel Sailplanes Doc. No. 2003–CE–60" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8127. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model CL–600–1–A11 (CL–600), CL–600–2–A12 (CL–601) and CL–600–2B16 (CL–601–3A, CL–601–3R, and CL–604 Airplanes Doc. No. 2003–NM–175" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

POM–452. A resolution adopted by the Senate of the Legislature of the State of Louisiana relative to the establishment of the Coastal Forest Reserve Program; to the Committee on Agriculture, Nutrition, and Forestry.

SENATE CONCURRENT RESOLUTION NO. 75

Whereas, Louisiana's coastal land loss problem is well known within the state and is gaining recognition across the country as one of the nation's most pressing conservation issues; and

Whereas, of recent concern in the state is the conservation and management of privately-owned coastal forests due to their importance in stabilizing soils and providing structural barriers against coastal erosion, in addition to their particular importance to neotropical migratory song birds and colonial wading birds; and

Whereas, the United States Congress has responded to the need to conserve and restore wildlife habitat throughout the nation by authorizing and funding numerous conservation incentive programs such as the Conservation and Wetlands Reserve Programs (CRP/WRP); and

Whereas, Conservation and Wetlands Reserve Programs are authorized to apply to agricultural lands and therefore are not available to provide incentives to coastal forest owners to preserve their forests or manage them sustainably; and

Whereas, considering the dramatic loss of coastal forests to saltwater intrusion and the importance of coastal forests, and individual trees, to the structural integrity of Louisiana's coastal wetlands, now popularized as "America's WETLAND," it is ironic that an incentive program is not available to secure the conservation of this critical resource: Therefore, be it

Resolved, That the Legislature of Louisiana memorializes the Congress of the United States to authorize and fund the establishment of a Coastal Forest Reserve Program to provide incentives to coastal forest owners to preserve and sustainably manage their coastal forests as part of the state and national initiative to restore the Mississippi River coastal delta and chenier plain of southwest Louisiana; be it further

Resolved, That the Legislature of Louisiana urges and requests the United States Department of Agriculture Forest Service, the Louisiana Department of Agriculture and Forestry, and the Louisiana State University School of Renewable Natural Resources, with assistance from the University of Louisiana at Lafayette and other Louisiana universities, to provide an inventory of coastal forests and assess their functional values for the purposes of establishing eligibility and priority ranking for enrollment in a Coastal Forest Reserve Program; be it further

Resolved, That a copy of this Resolution shall be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives, and to each member of the Louisiana delegation to the United States Congress; and be it further

Resolved, That a copy of this Resolution shall be transmitted to the chief of the United States Department of Agriculture Forest Service, the commissioner of the Louisiana Department of Agriculture and Forestry, the director of the Louisiana State University School of Renewable Natural Resources, and the president of the University of Louisiana at Lafayette.

POM–453. A resolution adopted by the Senate of the Legislature of the State of Hawaii relative to the Marine Corps Training Area in Waikane Valley, Hawaii; to the Committee on Armed Services.

Whereas, Waikane Valley contains undeveloped land in the ahupuaa of Waikane on Oahu's windward side; and

Whereas, 33 years ago, the United States Marine Corps obtained 187 acres in Waikane Valley, commonly referred to as the "Waikane Training Area," for military jungle and live ordnance training; and

Whereas, the United States Marine Corps has announced its intention to close the Waikane Training Area, but as recently as last year, the United States Marine Corps has sought to use Waikane Valley for more military jungle training; and

Whereas, ironically, Waikane Valley was abandoned as a training site by the United States Marine Corps because of safety concerns over the use of high explosive antitank and bazooka rounds used in the past and the insufficient data to determine the exact number of ammunition rounds fired in the valley; and

Whereas, the United States Marine Corps originally obtained the right to use the Waikane Training Area by a lease from the McCandless Estate and Waiahole Water Company in 1953 and subsequently by a lease from the same parties and the heirs of John Kamaka; and

Whereas, the Kamaka heirs acquired title to the Waikane Training Area by quitclaim deed in June of 1972 and terminated the lease with the United States Marine Corps in 1976; and

Whereas, between 1976 and 1993, the United States Marine Corps conducted several investigations and ordnance removal efforts on the property and concluded that the Waikane Training Area could never be certified as being clear of ordnance; and

Whereas, the United States Navy and Marine Corps acquired title to the Waikane Training Area in 1993 by condemnation as a means to address the problem of not being able to fulfill their lease obligations to return the property to the Kamaka heirs in an ordnance-free and safe condition; and

Whereas, land in Hawaii, and particularly agricultural and conservation land, is Hawaii's most precious and limited resource; and

Whereas, Waikane Valley has served historically as important agricultural area for the island of Oahu and contains precious archaeological and historic sites; and

Whereas, regardless of the 1993 condemnation, members of the Waikane community believe that the United States Marine Corps should live up to their commitment of cleaning up the land, and they have expressed their desire to have the Waikane Training Area restored to a condition that will permit them to return to the aina and engage in farming and other agricultural activities that would be appropriate based on the condition of the remediated property; and

Whereas, the federal government and military have previously demonstrated their will and capacity to honor their obligations to remediate and restore other equally or more severely contaminated installations upon closure under the Formerly Used Defense Site Program, Defense Environmental Restoration Program, Installation Restoration Program, other Department of Defense initiatives and programs, and with special appropriations from Congress; and

Whereas, the current official position of United States Department of Defense is that no ordnance-contaminated site can ever be certified as being clear of unexploded ordnance; and

Whereas, based on the inability to certify the Waikane Training Area as being clear of unexploded ordnance, the United States Navy and Marine Corps are considering permanent closure of the property to the general public by erecting a security fence around the area; and

Whereas, the permanent closure of the Waikane Training Area would be a devastating loss of precious agricultural, historical, cultural, and natural resources to Hawaii; and

Whereas, with sufficient funding from existing restoration programs or special appropriations from Congress, or both, the United States Navy and Marine Corps have the means to clean-up the Waikane Training Area to a condition that is reasonably safe for certain restricted uses, provided long-term monitoring and guidelines are established: Now, therefore, be it

Resolved by the Senate of the Twenty-Second Legislature of the State of Hawaii, Regular Session of 2004, That the federal government is requested to conduct a thorough evaluation of the condition of the Waikane Training Area, particularly with regard to environmental and ordnance-related hazards that exist on the property; and be it further

Resolved, That the federal government is requested to plan for and conduct as thorough a clean-up of the Waikane Training Area as is technologically possible, including the remediation or removal of all environmental hazards and contamination and removal of all practice and live ordnance; and be it further

Resolved, That the federal government is requested to conduct a post-clean-up environmental assessment of the Waikane Training Area evaluating the potential risks to human health and safety, for the purpose of determining the types of uses and activities that could appropriately be conducted on the property with minimal risk to potential users and the community at large; and be it further

Resolved, That the federal government is requested to return the Waikane Training Area to the State of Hawaii upon completion of the clean-up; and be it further

Resolved, that the federal government is requested to appropriate sufficient funds to plan for, implement, and complete the rehabilitation and transfer of the Waikane Training Area; and be it further

Resolved, That the members of Hawaii's congressional delegation are requested to assist in seeking and obtaining the relief sought above; and be it further

Resolved, That certified copies of this Resolution be transmitted to President of the United States, President of the United States Senate, Speaker of the United States House of Representatives, members of Hawaii's congressional delegation, the Commandant of the Marine Corps, and the Secretary of the Navy.

POM–454. A joint resolution adopted by the General Assembly of the State of Tennessee relative to United States government uniforms and equipment; to the Committee on Armed Services.

SENATE JOINT RESOLUTION NO. 64

Whereas, it is with great pride and honor that the hardworking employees of American factories craft the uniforms and equipment that clothe and protect the members of the United States government; and

Whereas, to take that privilege away from those Americans who ceaselessly toil to fulfill their patriotic duty to the men and women who serve our fine country is a grievous insult to the American people; and

Whereas, on October 28, 2002, Fechheimer Brothers Manufacturing Company in Martin learned that one of its largest accounts, the United States Postal Service, had certified a new supplier of postal uniforms, San Francisco Knitting Mills—one that cuts costs by manufacturing the product outside the United States; and

Whereas, according to a memo from Fechheimer President and CEO, Brad Kinstler, San Francisco Knitting Mills is "the first manufacturer to venture outside of the U.S. to make products for the postal market," an action which may result in setting a dangerous precedent; and

Whereas, the Fechheimer-Martin plant, formerly Martin Manufacturing Company, is one of four plants owned by the Fechheimer Corporation of Cincinnati; and

Whereas, three of the plants: Martin, Tennessee; Jefferson, Pennsylvania; and Grantsville, Maryland; manufacture uniform shirts. The corporation's plant in Hodgenville, Kentucky manufactures uniform trousers; and

Whereas, twenty percent of the Fechheimer Brothers Manufacturing Company's annual production consists of the postal service's purchases; the loss of the contract with the postal service could result in massive layoffs at the plant, possibly up to twenty percent of the company's 200 workers, which would then put a crimp in the local economy; and

Whereas, plant manager Marc Lemacks describes Fechheimer Brothers Manufacturing Company as the "Cadillac of the industry," a corporation that consistently provides its clients and customers with quality products and service; and

Whereas, Mr. Lemacks is aware of no complaints from the United States Postal Service in regards to the uniforms produced by his company; instead, he fears the postal service's decision to change suppliers is based on an attempt to secure a lower price with an offshore company; and

Whereas, not only will transferring production of postal service uniforms to another country rob the American people of their jobs and livelihoods, but it will result in a decrease in revenue to the American government through the loss of taxes paid by American workers; and

Whereas, it is crucial that the production of uniforms and equipment for United States government workers remain in American factories, for the producing and wearing of American-made products strengthens the morale of both government and civil service workers, boosts the country's economy, and manifests the pride of the American government toward its citizens: Now, therefore, be it

Resolved by the senate of the one hundred third General Assembly of the State of Tennessee, the House of Representatives concurring, That we respectfully urge the Congress of the United States to resolve this important issue and require that government uniforms and equipment be manufactured in the United States, thus saving the jobs of myriad Americans and strengthening the national economy; be it further

Resolved, That appropriate copies of this resolution be transmitted forthwith to the President of the United States, the Speaker and the Clerk of the United States House of Representatives, the President and the Secretary of the United States Senate, and to each member of the Tennessee Congressional Delegation.

POM–455. A resolution adopted by the Council of the city of Parma of the State of Ohio relative to funding for the Department of Housing and Urban Development's 2005 Budget; to the Committee on Banking, Housing, and Urban Affairs.

POM–456. A resolution adopted by the Senate of the General Assembly of the State of Iowa relative to funds for the National Park Service for Loess Hills in Iowa; to the Committee on Energy and Natural Resources.

Whereas, the Loess Hills in Iowa are a unique natural resource that are recognized worldwide for their unique landscape and geological value; and

Whereas, the Loess Hills are also recognized for their unique cultural and archaeological resources; and

Whereas, the National Park Service and a team of Iowa specialists, completed a Special Resource Study and Environmental Assessment of the Loess Hills in 2002; and

Whereas, the Special Resources Study provided national recognition that the Loess Hills in western Iowa with their extensive prairie ecosystems are of "exceptional value"; and

Whereas, the Special Resource Study catalogued a series of threats to the integrity of the Loess Hills including erosion, displacement of prairie, unplanned growth, and degradation of archaeological resources; and

Whereas, a comprehensive plan would complement and assist in synthesizing the efforts of a broad range of state, private, and federal programs; and

Whereas, the need for assistance is most acute in the twelve special landscape areas that have been identified in the Loess Hills; and

Whereas, federal assistance is needed to aid state and local governments and private landowners in the Loess Hills in their efforts to preserve these last native prairies of Iowa and this scenic landform; and

Whereas, the State of Iowa and the nation are celebrating the visit of the Lewis and Clark Corps of Discovery to this treasured Iowa landform 200 years ago. Now therefore, be it

Resolved by the senate, That the Iowa Senate urges Congress to immediately act to authorize and appropriate funding to the National Park Service so that the National Park Service can participate with the Loess Hills Development and Conservation Authority and with representatives of the Iowa Department of Agriculture and Land Stewardship, the Iowa Department of Natural Resources, the Iowa Department of Transportation, educational institutions, nongovernmental organizations, and private landowners in the development of a comprehensive plan to ensure the long-term protection of the Loess Hills in Iowa; and be it further

Resolved, That the Secretary of the Senate send copies of this Resolution to the President of the United States; the President of the United States Senate; the Speaker of the United States House of Representatives; and to members of Iowa's congressional delegation.

POM–457. A resolution adopted by the House of Representatives of the Legislature of the State of Louisiana relative to the proposed federal funding cuts to maintenance and operation of locks and dams along the Ouachita and Black River navigational system; to the Committee on Environment and Public Works.

HOUSE RESOLUTION NO. 39

Whereas, four locks and dams along the Ouachita and Black River navigational system maintain a nine-foot channel for approximately three hundred thirty-six miles in Louisiana and Arkansas, which is a remarkably efficient use of resources; and

Whereas, the Congress of the United States is considering a funding cut of eight million dollars per year, which would eliminate funding for the maintenance and operation of this system of locks and dams; and

Whereas, this federal funding cut has been proposed based solely on ton-miles analysis and has not been evaluated through public hearings; and

Whereas, numerous industries are dependent on the maintenance of these locks and dams, including a number of cities and industries which process the water for drinking purposes and industrial purposes; and

Whereas, such cities and industries would be dramatically affected by the lowering of the water levels in the Ouachita and Black River navigational system; and

Whereas, additionally, the Sparta Acquifier located in north Louisiana and south Arkansas is currently in crises and would be further harmed by a reduction in recharge from this river water; and

Whereas, in contrast to other federal procedures when deactivating facilities, no economic impact study has be conducted by the federal government prior to proposing these funding cuts, and it is unclear whether the United States Army Corps of Engineers can legally close these locks, thereby dramatically reducing the navigability of the Ouachita and Black Rivers: Therefore, be it

Resolved, That the House of Representatives of the Louisiana Legislature does hereby memorialize the United States Congress to oppose the proposed funding cuts to locks and dams along the Ouachita and Black River navigational system until such time as a proper economic impact study can be conducted by appropriate federal and state authorities and until a determination can be made regarding the legality of closing such locks; be it further

Resolved, That a copy of this Resolution be transmitted to the presiding officers of the Senate and House of Representatives of the Congress of the United States of America and to each member of the Louisiana congressional delegation.

POM-458. A resolution adopted by the Senate of the Legislature of the State of Louisiana relative to the proposed federal funding cuts to maintenance and operation of locks and dams along the Ouachita and Black River navigational system; to the Committee on Environment and Public Works.

SENATE RESOLUTION NO. 65

Whereas, four locks and dams along the Ouachita and Black River navigational system maintain a nine-foot channel for approximately three hundred thirty-six miles in Louisiana and Arkansas, which is a remarkably efficient use of resources; and

Whereas, the Congress of the United States is considering a funding cut of eight million dollars per year, which would eliminate funding for the maintenance and operation of this system of locks and dams; and

Whereas, this federal funding cut has been proposed based solely on ton-miles analysis and has not been evaluated through public hearings; and

Whereas, numerous industries are dependent on the maintenance of these locks and dams, including a number of cities and industries which process the water for drinking purposes and industrial purposes; and

Whereas, such cities and industries would be dramatically affected by the lowering of the water levels in the Ouachita and Black River navigational system; and

Whereas, additionally, the Sparta Acquifier located in north Louisiana and south Arkansas is currently in crises and would be further harmed by a reduction in recharge from this river water; and

Whereas, in contrast to other federal procedures when deactivating facilities, no economic impact study has been conducted by the federal government prior to proposing these funding cuts, and it is unclear whether the United States Army Corps of Engineers can legally close these locks, thereby dramatically reducing the navigability of the Ouachiata and Black Rivers: Therefore, be it

Resolved, That the Senate of the Legislature of Louisiana does hereby memorialize the United States Congress to oppose the proposed funding cuts to locks and dams along the Ouachita and Black River navigational system until such time as a proper economic impact study can be conducted by appropriate federal and state authorities and until a determination can be made regarding the legality of closing such locks; be it further

Resolved, That a copy of this Resolution be transmitted to the presiding officers of the Senate and House of Representatives of the Congress of the United Sates of America and to each member of the Louisiana congressional delegation.

POM-459. A concurrent resolution adopted by the Senate of the General Assembly of the Commonwealth of Pennsylvania relative to the Clean Water State Resolving Program; to the Committee on Environment and Public Works.

SENATE RESOLUTION NO. 98

Whereas, the Congress of the United States established the Clean Water State Revolving Fund to lend money to communities to help pay for urgently needed wastewater infrastructure projects; and

Whereas, the Clean Water State Revolving Fund has been one of the most effective and practical ways to address the United States' rapidly deteriorating water infrastructure system; and

Whereas, in 1994, when authorization for the Clean Water State Revolving Fund expired, the Congress continued to approve money to capitalize the Clean Water State Revolving Fund without authorization; and

Whereas, the United States Environmental Protection Agency's 200 Clean Watersheds Needs Survey Report to Congress documented five-year capital investment need for publicly owned wastewater treatment facilities that are eligible for funding under the Environmental Protection Agency's Clean Water State Revolving Loan Fund Program and found national needs of more than $181 billion; and

Whereas, that same study found the total needs across Pennsylvania to be in excess of $8 billion, including $1 billion for treatment facilities, $1.6 billion for new collector and interceptor sewers and more than $4 billion for the combined sewer overflow problem; and

Whereas, a 1999 Environmental Protection Agency Needs Gaps Study found that sanitary sewer overflow needs in the 1996 study were grossly underestimated, bringing the total national wastewater infrastructure needs to more than $200 billion; and

Whereas, independent studies indicate that when 20-year replacement costs are added, the total wastewater infrastructure needs will exceed $300 billion; and

Whereas, the performance of the Clean Water State Revolving Fund has leveraged more than $21.2 billion in capitalization grants into more than $38.7 billion in water infrastructure projects; and

Whereas, up to 55,000 new jobs are created for every $1 billion expended on water infrastructure; and

Whereas, the gap between funding and needs continues to grow despite the significant amounts contributed to the Clean Water State Revolving Fund in capitalization grants; and

Whereas, while the investor-owned utilities have had access to the Drinking Water State Revolving Fund (DW-SRF) since its inception, they have not had access to the Clean Water State Revolving Fund; and

Whereas, the benefits of investor-owned utility access would flow back to their customers, who are also taxpayers contributing to the State revolving funds; and

Whereas, investor-owned utilities could use the Clean Water State Revolving Fund to assist states with failing systems, compliance problems or underserved areas, while creating jobs and paying more taxes; Therefore be it

Resolved (the house of representatives concurring).That the General Assembly of the Commonwealth of Pennsylvania acknowledge the key role of the Clean Water State Revolving Fund Program in enhancing public health and safety, protecting the environment and maintaining a strong economic base by increasing labor productivity, creating jobs, rehabilitating old neighborhoods and ensuring the availability of recreational use of our waterways and shorelines; and be it further

Resolved, That the General Assembly of the Commonwealth of Pennsylvania recognize the Clean Water State Revolving Fund Program as the most pragmatic and effective program that provides states vital financial resources to address their wastewater infrastructure needs; and be it further

Resolved, That the General Assembly of the Commonwealth of Pennsylvania encourage all communities in the Commonwealth of Pennsylvania to participate in this important program; and be it further

Resolved, That the General Assembly of the Commonwealth of Pennsylvania urge the Congress of the United States to expand eligibility to the Clean Water State Revolving Fund so the customers of investor-owned utilities can share in the benefits of the Clean Water State Revolving Fund; and be it further

Resolved, That the General Assembly of the Commonwealth of Pennsylvania urge the Congress of the United States to increase the annual Federal capitalization grant to the Clean Water State Revolving Fund to better address the tremendous needs across the United States and the Commonwealth of Pennsylvania; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

POM-460. A resolution adopted by the House of Representatives of the Legislature of the State of Hawaii relative to repealing the changes made to the Clean Air Act in 2002; to the Committee on Environment and Public Works.

HOUSE RESOLUTION NO. 191

Whereas, according to the Clean Air Act, toxic substances such as mercury must be controlled by the "maximum achievable control technology" standard; and

Whereas, two years ago, the Environmental Protection Agency estimated that under a maximum achievable control technology standard, power plants using existing technologies could reduce ninety per cent of mercury emissions from power plants, bringing mercury emissions down from forty-eight tons to roughly five tons per year by 2008; and

Whereas, under changes made by the Bush administration in 2002, there is allowed a significant delay for cleaning up power plant mercury emissions and a standard that is far weaker than the maximum achievable control technology standard and is not protective of public health; and

Whereas, in effect, these changes would treat power plants' mercury emissions as non-hazardous air pollution and allow power plants to emit six to seven times more mercury into the nation's air, and for a decade longer, than the Clean Air Act requires; and

Whereas, additionally, changes made by the Bush administration allow some plants to avoid reducing mercury emissions altogether by purchasing pollution credits from other cleaner plants, which increases the chances that toxic "hotspots" could develop in communities where deposition is more prevalent: Now, therefore, be it

Resolved by the House of Representatives of the Twenty-second Legislature of the State of Hawaii, Regular Session of 2004, That the United States Congress is requested to repeal the changes made by the Bush administration to the Clean Air in 2002; and be it further

Resolved, That certified copies of this Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of Hawaii's congressional delegation.

POM-461. A resolution adopted by the House of Representatives of the Legislature of the State of Michigan relative to a wagering tax in gross receipts at Native American Casinos; to the Committee on Finance.

HOUSE RESOLUTION NO. 257

Whereas, fairness in taxation is a key to effective public policy and to fostering the faith and trust that are vital to the strength of our system of self-government. Inconsistency in the application of laws, including those assessing taxes, is frustrating to individual citizens, business enterprises of all types and sizes, and local and state governments; and

Whereas, an area of business activity where laws and taxes are applied inconsistently is gaming. The sovereignty of Native American tribes has resulted in a host of different arrangements, even among tribal facilities. There is even greater disparity between the operations of non-Native American gaming facilities and Native American casinos; and

Whereas, while the states, including Michigan, have a very limited capacity to rectify the differences in the treatment of non-Native American and Native American gaming operations, including taxation, the federal government could bring a needed measure of fairness to this situation: Now, therefore, be it

Resolved by the house of representatives, That we memorialize the Congress of the United States to implement a 36 percent federal wagering tax on gross receipts at Native American casinos and to redistribute the revenues to the states of origin; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

POM-462. A concurrent resolution adopted by the House of Representatives of the Legislature of the State of Hawaii relative to a center for the advancement of global health, welfare, education, and peace by and for children, youth, and families; to the Committee on Foreign Relations.

HOUSE CONCURRENT RESOLUTION NO. 153

Whereas, the Millennium Young People's Congress held in Hawaii in October 1999, demonstrated the value of a collective global vision by and for the children of the world as well as the need for a forum for international discussion of issues facing all children and youth; and

Whereas, the World Youth Congress and representatives from the Kingdom of Morocco met in Hawaii in March 2003, demonstrating the collaboration that a Center for the Advancement of Global Health, Welfare, Education, and Peace By and For Children, Youth, and Families can promote; and

Whereas, world peace is a major collaborative goal, and youth are key to attaining world peace, sustainability, and productivity for future generations; and

Whereas, the health, welfare, and education of children and families are part of the basic foundation of values shared globally that should be provided for all children; and

Whereas, the populations of countries in Asia and the Pacific Rim are the largest and fastest-growing segments of the world's population, with young people representing the largest percentage of those populations; and

Whereas, Hawaii's location at the center of the Pacific Rim between Asia and the Americans, its diverse culture, and its many shared languages provide an excellent strategic forum for shared languages provide an excellent strategic forum for meetings and exchanges, as demonstrated by the Millennium Young People's Congress, to:

(1) Discuss issues and solutions for health, welfare, peace, and the rights of children as a basic foundation for all children and youth; and

(2) Research pertinent issues and alternatives concerning children and youth and propose viable models for societal application and promotion of international peace and conflict resolution; Now, therefore, be it

Resolved by the House of Representatives of the Twenty-second Legislature of the State of Hawaii, Regular Session of 2004, the Senate concurring, That the United Nations (UN) is respectfully requested to consider establishing in Hawaii a Center for the Advancement of Global Health, Welfare, Education, and Peace By and For Children, Youth, and Families (Center); and be it further

Resolved, That the President of the United States and members of the United States Congress are urged to support the establishment of such a Center; and be it further

Resolved, That the Matsunaga Peace Institute, the United Nations Association in Hawaii, the House Committee on International Affairs, and the Keiki Caucus of the Hawaii State Legislature are requested to convene an exploratory task force to develop such a proposal for consideration by the UN; and be it further

Resolved, That assistance be sought from foundations and other nongovernmental organizations who might assist in funding the Center; and be it further

Resolved, That the World Youth Congress, which will be holding its third meeting in Glasgow, Scotland, in August 2005, is urged to establish a Center dedicated to UN Secretary General Kofi Annan; and be it further

Resolved, That certified copies of this Concurrent Resolution be transmitted to the Secretary General of the UN, Focal Point on Youth of the UN Office of the Secretary General, Senior Policy Advisor for the UN Children's Fund, President of the United States, President of the United States Senate, Speaker of the United States House of Representatives, members of Hawaii's congressional delegation, United States Representative to the UN, President of the University of Hawaii, President of the East-West Center, Superintendent of Education, Executive Director of the Hawaii Association of Independent Schools, President of the United Nations Association in Hawaii, Director of the Matsunaga Peace Institute, Program Director of the American Friends Service Committee—Hawaii, President of the Hawaii State Senate, and the Speaker of the Hawaii State House of Representatives.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. JOHNSON:

S. 2561. A bill to amend title 38, United States Code, to provide for certain servicemembers to become eligible for educational assistance under the Montgomery GI Bill; to the Committee on Veterans' Affairs.

By Mr. BAUCUS:

S. 2562. A bill to amend title XVIII of the Social Security Act to provide incentives for the furnishing of quality care under Medicare Advantage plans and by end stage renal disease providers and facilities, and for other purposes; to the Committee on Finance.

By Mr. KOHL (for himself and Mr. HATCH):

S. 2563. A bill to require imported explosives to be marked in the same manner as domestically manufactured explosives; to the Committee on the Judiciary.

By Mrs. HUTCHISON:

S. 2564. A bill to amend the Lower Rio Grande Valley Water Resources Conservation and Improvement Act of 2000 to authorize additional projects and activities under that Act, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CRAPO (for himself, Mr. FITZGERALD, Mr. LUGAR, Mr. SMITH, Mr. WYDEN, Mr. CRAIG, and Mr. ROBERTS):

S. 2565. A bill to amend the Agriculture Adjustment Act to convert the dairy forward pricing program into a permanent program of the Department of Agriculture; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BINGAMAN (for himself, Mr. CORZINE, Mr. LAUTENBERG, Ms. STABENOW, Mrs. CLINTON, Mr. JOHNSON, Ms. MIKULSKI, Mr. DURBIN, and Mr. DAYTON):

S. 2566. A bill to amend title II of the Social Security Act to phase out the 24-month waiting period for disabled individuals to become eligible for medicare benefits, to eliminate the waiting period for individuals with life-threatening conditions, and for other purposes; to the Committee on Finance.

By Mrs. FEINSTEIN:

S. 2567. A bill to adjust the boundary of Redwood National Park in the State of California; to the Committee on Energy and Natural Resources.

By Mr. BIDEN:

S. 2568. A bill to require the Secretary of the Treasury to mint coins in commemoration of the tercentenary of the birth of Benjamin Franklin, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Ms. SNOWE:

S. 2569. A bill to amend section 227 of the Communications Act of 1934 to clarify the prohibition on junk fax transmissions; to the Committee on Commerce, Science, and Transportation.

By Mr. SPECTER (for himself and Mr. HARKIN):

S. 2570. A bill entitled "The Health Care Assurance Act of 2004"; to the Committee on Finance.

By Mr. ENZI:

S. 2571. A bill to clarify the loan guarantee authority under title VI of the Native American Housing Assistance and Self-Determination Act of 1996; to the Committee on Indian Affairs with instructions that if the Committee reports, the bill be referred pursuant to the order of May 27, 1988, to the Committee on Banking, Housing, and Urban Affairs for a period not to exceed 60 days.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CAMPBELL (for himself, Mr. JOHNSON, Mr. BUNNING, Mr. CHAMBLISS, Mr. GRAHAM of South Carolina, Mr. BURNS, and Mrs. LINCOLN):

S. Res. 389. A resolution expressing the sense of the Senate with respect to prostate cancer information; to the Committee on Health, Education, Labor, and Pensions.

By Ms. MURKOWSKI (for herself and Mr. DASCHLE):

S. Res. 390. A resolution designating September 9, 2004, as "National Fetal Alcohol Spectrum Disorders Day"; considered and agreed to.

ADDITIONAL COSPONSORS

S. 1129

At the request of Mrs. FEINSTEIN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1129, a bill to provide for the protection of unaccompanied alien children, and for other purposes.

S. 1246

At the request of Mr. ROBERTS, the name of the Senator from Louisiana (Mr. BREAUX) was added as a cosponsor of S. 1246, a bill to amend the Internal Revenue Code of 1986 to provide for collegiate housing and infrastructure grants.

S. 1890

At the request of Mr. ENZI, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 1890, a bill to require the mandatory expensing of stock options granted to executive officers, and for other purposes.

S. 1900

At the request of Mr. LUGAR, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 1900, a bill to amend the African Growth and Opportunity Act to expand certain trade benefits to eligible sub-Saharan African countries, and for other purposes.

S. 1945

At the request of Mr. MCCAIN, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S . 1945, a bill to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage.

S. 2141

At the request of Mr. LUGAR, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 2141, a bill to amend the Farm Security and Rural Investment Act of 2002 to enhance the ability to produce fruits and vegetables on soybean base acres.

S. 2302

At the request of Mr. CONRAD, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 2302, a bill to improve access to physicians in medically underserved areas.

S. 2434

At the request of Mr. HATCH, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 2434, a bill to establish the Commission to Study the Potential Creation of a National Museum of the American Latino Community to develop a plan of action for the establishment and maintenance of a National Museum of the American Latino Community in Washington, D.C., and for other purposes.

S. 2502

At the request of Mr. CRAIG, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 2502, a bill to allow seniors to file their Federal income tax on a new Form 1040S.

S. 2522

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of S. 2522, a bill to amend title 38, United States Code, to increase the maximum amount of home loan guaranty available under the home loan guaranty program of the Department of Veterans Affairs, and for other purposes.

S. 2533

At the request of Ms. MIKULSKI, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 2533, a bill to amend the Public Health Service Act to fund breakthroughs in Alzheimer's disease research while providing more help to caregivers and increasing public education about prevention.

S. CON. RES. 119

At the request of Mr. CAMPBELL, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. Con. Res. 119, a concurrent resolution recognizing that prevention of suicide is a compelling national priority.

S. RES. 311

At the request of Mr. KOHL, his name was added as a cosponsor of S. Res. 311, a resolution calling on the Government of the Socialist Republic of Vietnam to immediately and unconditionally release Father Thadeus Nguyen Van Ly, and for other purposes.

S. RES. 357

At the request of Mr. CAMPBELL, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. Res. 357, a resolution designating the week of August 8 through August 14, 2004, as "National Health Center Week".

S. RES. 370

At the request of Ms. CANTWELL, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. Res. 370, a resolution designating September 7, 2004, as "National Attention Deficit Disorder Awareness Day".

S. RES. 387

At the request of Mr. FEINGOLD, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. Res. 387, a resolution commemorating the 40th Anniversary of the Wilderness Act.

AMENDMENT NO. 3302

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of amendment No. 3302 intended to be proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3303

At the request of Mr. CORZINE, the names of the Senator from Washington (Mrs. MURRAY), the Senator from Nebraska (Mr. NELSON), the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of amendment No. 3303 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3315

At the request of Ms. LANDRIEU, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of amendment No. 3315 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

At the request of Mr. ENSIGN, his name was added as a cosponsor of amendment No. 3315 proposed to S. 2400, supra.

AMENDMENT NO. 3353

At the request of Mr. REED, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of amendment No. 3353 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3371

At the request of Mr. INHOFE, his name was added as a cosponsor of amendment No. 3371 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3377

At the request of Mr. CORZINE, his name was added as a cosponsor of amendment No. 3377 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3409

At the request of Mr. CORZINE, his name was added as a cosponsor of amendment No. 3409 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3459

At the request of Mr. BINGAMAN, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of amendment No. 3459 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

AMENDMENT NO. 3468

At the request of Mr. DASCHLE, the names of the Senator from South Dakota (Mr. JOHNSON), the Senator from New York (Mrs. CLINTON), the Senator from Arkansas (Mrs. LINCOLN), the Senator from Washington (Ms. CANTWELL), the Senator from New Jersey (Mr. CORZINE) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of amendment No. 3468 proposed to S. 2400, an original bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JOHNSON:

S. 2561. A bill to amend title 38, United States Code, to provide for certain servicemembers to become eligible for educational assistance under the Montgomery GI Bill; to the Committee on Veterans' Affairs.

Mr. JOHNSON. Mr. President, I rise today to introduce a very important piece of legislation, the Montgomery GI Bill Enhancement Act. This bill will allow a one year open enrollment period for thousands of career military personal who are not allowed to sign up for education benefits under the Montgomery GI Bill (MGIB).

In 1976 Congress created the Veterans' Educational Assistance Program (VEAP) as a recruitment and retention tool for the post-Vietnam era. However, Congress greatly expanded education benefits in 1984 and allowed individuals with VEAP accounts to transfer their benefits to the new MGIB in 1996. The opportunity to convert to MGIB was important because the benefits available were much greater than those under VEAP.

However, those individuals who were on active duty before 1985 and did not participate in VEAP were not eligible to sign-up for MGIB, leaving a gap in available coverage for certain career military personnel. Congress has voted several times in the last decade to allow VEAP participants opportunities to transfer to MGIB, but there has never been an opportunity for those who did not have VEAP accounts to sign up for the new program, excluding them from taking advantage of MGIB educational benefits.

My bill would correct this inequity and allow individuals falling into this gap to attain MGIB benefits. Organizations such as the Non-Commissioned Officers Association, the Association of the United States Army, and the Military Coalition have come out in strong support for this legislation.

I believe that we must do more to honor our Nation's commitments to our military personnel. As the father of a soldier in the Army, I fully appreciate what a poor "quality of life" can do to the morale of military families. We have a long way to go, but I will continue to work with my colleagues to make sure our country's military personnel receive the benefits they deserve.

Today, there are fewer than 74,000 VEAP "decliners" on active duty. These men and women have dedicated their lives to a career of service to the Nation, and many are deployed in harms way leading our troops in Iraq and Afghanistan.

For these servicemen and women—many of whom are reaching retirement eligibility—time is running out. Therefore, before it is too late, I encourage my Senate colleagues to support the Montgomery GI Bill Enhancement Act and provide our servicemen and women with the benefits they deserve.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2561

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Montgomery GI Bill Enhancement Act of 2004".

SEC. 2. OPPORTUNITY FOR CERTAIN ACTIVE-DUTY PERSONNEL TO ENROLL UNDER THE MONTGOMERY GI BILL.

(a) IN GENERAL.—Chapter 30 of title 38, United States Code, is amended by inserting after section 3018C the following new section:

"§ 3018D. Opportunity for certain active-duty personnel to enroll

"(a)(1) Notwithstanding any other provision of this chapter, during the one-year period beginning on the date of the enactment of this section, a qualified individual (described in subsection (b)) may make an irrevocable election under this section to become entitled to basic educational assistance under this chapter.

"(2) The Secretary of each military department shall provide for procedures for a qualified individual to make an irrevocable election under this section in accordance with regulations prescribed by the Secretary of Defense for the purpose of carrying out this section or which the Secretary of Homeland Security shall provide for such purpose with respect to the Coast Guard when it is not operating as a service in the Navy.

"(b) A qualified individual referred to in subsection (a) is an individual who meets each of the following requirements:

"(1) The individual first became a member of the Armed Forces or first entered on active duty as a member of the Armed Forces before July 1, 1985.

"(2) The individual has served on active duty without a break in service since the date the individual first became such a member or first entered on active duty as such a member and continues to serve on active duty for some or all of the one-year period referred to in subsection (a).

"(3) The individual, before applying for benefits under this section, has completed the requirements of a secondary school diploma (or equivalency certificate) or has successfully completed (or otherwise received academic credit for) the equivalent of 12 semester hours in a program of education leading to a standard college degree.

"(4) The individual, when discharged or released from active duty, is discharged or released therefrom with an honorable discharge.

"(c)(1) Subject to the succeeding provisions of this subsection, with respect to a qualified individual who makes an election under this section to become entitled to basic educational assistance under this chapter—

"(A) the basic pay of the qualified individual shall be reduced (in a manner determined by the Secretary concerned) until the total amount by which such basic pay is reduced is $2,700; and

"(B) to the extent that basic pay is not so reduced before the qualified individual's discharge or release from active duty as specified in subsection (b)(4), at the election of the qualified individual—

"(i) the Secretary concerned shall collect from the qualified individual; or

"(ii) the Secretary concerned shall reduce the retired or retainer pay of the qualified individual by,

an amount equal to the difference between $2,700 and the total amount of reductions under subparagraph (A), which shall be paid into the Treasury of the United States as miscellaneous receipts.

"(2)(A) The Secretary concerned shall provide for an 18-month period, beginning on the date the qualified individual makes an election under this section, for the qualified individual to pay that Secretary the amount due under paragraph (1).

"(B) Nothing in subparagraph (A) shall be construed as modifying the period of eligibility for and entitlement to basic educational assistance under this chapter applicable under section 3031 of this title.

"(d) With respect to qualified individuals referred to in subsection (c)(1)(B), no amount of educational assistance allowance under this chapter shall be paid to the qualified individual until the earlier of the date on which—

"(1) the Secretary concerned collects the applicable amount under clause (i) of such subsection; or

"(2) the retired or retainer pay of the qualified individual is first reduced under clause (ii) of such subsection.

"(e) The Secretary, in conjunction with the Secretary of Defense, shall provide for notice of the opportunity under this section to elect to become entitled to basic educational assistance under this chapter.".

(b) CONFORMING AMENDMENTS.—Section 3017(b)(1) of such title is amended—

(1) in subparagraphs (A) and (C), by striking "or 3018C(e)" and inserting "3018C(e), or 3018D(c)"; and

(2) in subparagraph (B), by inserting "or 3018D(c)" after "under section 3018C(e)".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 30 of such title is amended by inserting after the item relating to section 3018C the following new item:

"3018D. Opportunity for certain active-duty personnel to enroll.".

By Mr. BAUCUS:

S. 2562. A bill to amend title XVIII of the Social Security Act provide incentives for the furnishing of quality care under Medicare Advantage plans and by end stage renal disease providers and facilities, and for other purposes; to the Committee on Finance.

Mr. BAUCUS. Mr. President, I rise today to introduce the "Medicare Quality Improvement Act of 2004."

This bill will establish a new payment incentive structure for quality health care, starting with the Medicare Advantage and End Stage Renal Disease programs. Under this policy, Medicare would give a financial boost to plans and renal care providers demonstrating the highest quality care and a bonus to those that are working hard to improve.

Why focus on quality? I hear from all corners that the U.S. health care system is unsustainable in its current form. Costs are rising, and the care provided is not always appropriate or necessary. Not to mention that 43 million Americans lack health insurance.

As I travel around Montana, I hear so much from so many constituents about the rising cost of health care. Countless parents tell me they are struggling to pay for health care for their families, afraid that one more illness will force them into bankruptcy. Working people tell me they fear their employers will raise their premiums or drop coverage altogether due to rising health care costs. And employers, both large industries and small enterprises, tell me they face competition from companies in countries where healthcare is significantly less expensive. While these employers are trying to keep jobs at home, health care costs are pushing them abroad.

And most recently, my personal experience with the health care system has brought the issue of health costs and quality even closer to home.

A few weeks ago, I chose to have an elective procedure to keep my heart healthy. I have excellent health care coverage, and I was able to seek out excellent doctors and nurses at the Mayo Clinic. In short, I am fortunate that the care I received was high-quality care. The doctors and nurses who took care of me were on the ball—making sure I got the right medications with no dangerous interactions, using proper surgical safety so I wouldn't get an infection, and providing good follow-up care so I could get back to my family and back to work.

My experience with the health system was a positive one. Unfortunately, not everyone is as lucky. Ninety-eight thousand people die every year in this country as a result of medical errors. That's 270 people each day. An appalling statistic. Many of these deaths can be prevented, and we must work to make sure that they are.

In addition to the cases of medical error we know about, there are many that go unreported and even undetected. Studies have shown that patients in the U.S. receive recommended care and treatment when they visit the doctor or hospital only about half of the time. Failure to follow proper patterns of care or recommended guidelines can lead to poor outcomes, and it is also more expensive in the short and long run.

Errors can mean more trips to the hospital or to the doctor, more drugs, and sometimes even additional surgeries. Each preventable medication error costs about $4,700 in added hospital costs alone, not to mention the personal costs of childcare and lost wages, and the societal costs of lost productivity.

While not as fatal as actual errors, missed health care opportunities also carry a cost. Each year, missed health care opportunities—inappropriate care and generally poor quality care costs the U.S. health system more than $1 billion dollars in avoidable hospital bills and 41 million lost work days, which costs American businesses about $11.5 billion. Improving the quality of health care can reduce health care costs and stimulate our economy. In a time of slow economic growth and large deficits, health care is a compelling place to start.

Last year's Medicare Modernization Act got the ball rolling. The Medicare bill ties hospital reimbursement to reporting data on specific quality indicators. And hospitals are responding. Today, almost 2,000 hospitals are sharing data with the Centers for Medicare and Medicaid on at least one of the quality measures. Knowing more about the care that is delivered across the country should help us target incentives and resources to improve quality. It also provides employers and patients with new information about where to find the best deal for their health care dollar. And it also provides hospitals a way to compare their performance to other hospitals.

The bill I am introducing today builds on this strong start. It would establish a mechanism to pay for quality in the Medicare Advantage and End Stage Renal Disease Programs, through bonus payments for the best quality nationwide and bonuses for improving from one year to the next. Rewards for improvement are an important piece of my proposal—last year, the top ten percent of health plans in the country reported perfect scores on a set of quality indicators. There is no doubt that they deserve recognition. But we don't want to leave behind smaller or historically poorer-performing organizations that are making major strides to improve.

Medicare Advantage plans, which tend to utilize a coordinated model of care, have a unique opportunity to impact a patient's health outcomes—plans have access to information about a patient's medical history, and can follow patients more closely to ensure that they are receiving appropriate preventive, acute, and follow-up care. Medicare Advantage plans can translate their own payments into quality incentives downstream. They can reward providers for performing certain procedures known to be effective, or for prescribing drugs known to have equal or greater effectiveness at a reduced cost. And they can improve a beneficiary's preventive and wellness benefits.

Dialysis clinics that participate in Medicare through the program for patients with End Stage Renal Disease have a momentous mission, helping these patients enjoy life for years longer than we might have thought possible just a few decades ago. Because dialysis is such a complex operation, quality of care is extremely important.

Plans and providers in the Medicare Advantage and ESRD programs have already started measuring and reporting on quality, which makes them an excellent place to start. But I want to be clear these programs should not be singled out simply because they are ahead of the game. Working with ESRD providers and Medicare Advantage plans heralds the beginning of a longer journey, and we need to stay the course.

First, we need to monitor this quality incentive program and ensure that the methods used to measure health care quality and evaluate performance are evidence-based and valid.

Second, we should evaluate the impact of a pay-for-performance program on health plans and providers—particularly small organizations and those that are just entering the market. Additionally, because last year's Medicare legislation made payment and policy changes to these providers—for example, a short-term payment increase for ESRD and a new payment policy and the addition of regional plans for Medicare Advantage—we would need to keep a close eye on the consequences of these changes and the interaction with the pay-for-performance quality initiative and take action where necessary.

Third, we should look with a wide lens and move forward with quality initiatives in all government health care programs. It is our responsibility to set an example for the industry through quality improvement programs in Medicare and Medicaid, including traditional fee-for-service Medicare.

As I mentioned, the National Voluntary Hospital Reporting Initiative is a groundbreaking program, but we need to do more in traditional Medicare to encourage high quality care. My bill sketches out a roadmap that will lead us toward expanding the quality measures currently collected for fee-for-service providers, and ultimately toward additional Medicare payment systems that promote quality improvement.

We can also do more to focus on quality care in Medicaid. Today, there are a number of people at the Centers for Medicare and Medicaid Services whose responsibility it is to improve the quality of care in Medicare. On the Medicaid side, there is one person—one person who, while given the responsibility for quality, has no resources or authority to develop program innovations.

You might say that quality is already addressed in Medicaid. I applaud my colleague and Chairman of the Finance Committee, Senator GRASSLEY, for encouraging CMS to increase its quality improvement activities for home and community-based services in Medicaid. We should build on this foundation and broaden the effort. We need to identify barriers to quality improvement throughout the Medicaid program, and take steps toward removing those barriers.

The bill I introduce today would target a few of those barriers, and it would require further studies to identify others. It authorizes money to hire new staff—experienced health professionals—to improve the quality and coordination of care delivered to Medicaid beneficiaries. It explores ways to integrate data on Medicaid beneficiaries who are also enrolled in Medicare—the dual-eligibles and coordinate the care they receive from both programs. Many dual-eligibles are among the sickest and costliest beneficiaries. By better coordinating their care we can improve health outcomes and save money in both programs at once.

As you can tell, I have a lot of ideas. But I have only scratched the surface of this issue and am deeply committed to working with my colleagues in the Senate to move forward. This bill is a good start, but it is just that—a start. We must do more.

Many of my colleagues in the Senate also care deeply about improving the health care system, and I commend their efforts to develop courageous proposals that will spark change. Senator CLINTON introduced a bill last year, the Health Information for Quality Improvement Act. More recently, Senator KENNEDY Introduced the Health Care Modernization, Cost Reduction, and Quality Improvement Act.

These bills lay out a comprehensive array of policies to improve health care quality and reduce costs, and my bill focuses on one piece of that picture—paying for quality. They represent the gold standard toward which we should all be working. But we share a common goal to make the most of the American health care dollar, so that we can provide better care to more people.

As I mentioned, health care in this country is more expensive than it is elsewhere. But we don't necessarily get more for our money. The United States spends twice as much on health care than any other country, but studies have shown that quality is about the same. Better in some areas, worse in others, but all in all about the same. No matter how you cut it, that means that the value of our health care—what we are getting for each dollar is less in the United States than in other developed countries.

I've always believed that Americans were all about value. We are the country of start-up companies and the home of Wal-Mart. We know about good business, and we know about hard work. We should know more—and do more—about health care.

We are an amazing country, but today our health care system is sick. Why? It is not the fault of hard-working doctors and nurses who put in long hours to make their patients healthy. It is our fault. We need to support the work of health care professionals by providing the right resources and designing payment systems to promote quality. Today, it takes an average 17 years for a new discovery in medical care to move from the lab bench into regular clinical practice. And for providers working in settings without regular Internet access or without the luxury of time to peruse medical journals, it may take even longer. As Members of Congress, we have the opportunity to change the system, to provide incentives for good care, funding for research into best medical practices, and to require the development and reporting of quality measures.

The road to this goal is long and difficult. I call on my colleagues for their energy and support, and I call on health care professionals and the health insurance industry to work with us. This is challenging work, and involves many difficult decisions. But I've never been one to shirk a challenge, and I hope you will join me. This bill is the beginning of what must be a strong bipartisan push to improve our health care system—to increase quality of care, to reduce costs, and to strengthen the American spirit.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2562

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) IN GENERAL.—This Act may be cited as the "Medicare Quality Improvement Act of 2004".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Medicare Advantage and reasonable cost reimbursement contract quality performance incentive payment program.
Sec. 4. Quality performance incentive payment program for providers and facilities that provide services to medicare beneficiaries with ESRD.
Sec. 5. Medicare innovative quality practice award program.
Sec. 6. Quality improvement demonstration program for pediatric renal dialysis facilities providing care to medicare beneficiaries with end stage renal disease.
Sec. 7. Medicare Quality Advisory Board.
Sec. 8. Studies and reports on financial incentives for quality items and services under the medicare program.
Sec. 9. MedPAC study and report on use of adjuster mechanisms under medicare quality performance incentive payment programs.

Sec. 10. Demonstration program on measuring the quality of health care furnished to pediatric patients under the medicaid and SCHIP programs.
Sec. 11. Provisions relating to medicaid quality improvements.
Sec. 12. Demonstration program for Medical Smart Cards.

SEC. 2. FINDINGS.

The Senate makes the following findings:

(1) The Institute of Medicine has highlighted problems with our health care system in the areas of quality and patient safety.

(2) The New England Journal of Medicine has published research in an article entitled "The Quality of Health Care Delivered to Adults in the United States" showing that adults in the United States receive recommended health care only about ½ of the time.

(3) Payment policies under the medicare program do not include mechanisms designed to improve the quality of care.

(4) The medicare program should reward health care providers who show, through measurement and reporting of quality indicators and through the practice of innovations, that they are working to deliver high quality health care to their patients.

(5) Reimbursement for services provided under the original medicare fee-for-service program under parts A and B of title XVIII of the Social Security Act should be based on a pay-for-performance system.

(6) A more aggressive research agenda on the development of appropriate quality measurement and payment methodologies under the medicare program is necessary.

SEC. 3. MEDICARE ADVANTAGE AND REASONABLE COST REIMBURSEMENT CONTRACT QUALITY PERFORMANCE INCENTIVE PAYMENT PROGRAM.

(a) PROGRAM.—Part C of title XVIII of the Social Security Act, as amended by section 241 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2214), is amended by adding at the end the following new section:

"QUALITY PERFORMANCE INCENTIVE PAYMENT PROGRAM

"SEC. 1860C–2. (a) PROGRAM.—

"(1) IN GENERAL.—The Secretary shall establish a program under which financial incentive payments are provided each year to Medicare Advantage organizations offering Medicare Advantage plans and organizations that are providing benefits under a reasonable cost reimbursement contract under section 1876(h) that demonstrate the provision of superior quality health care to enrollees under the plan or contract.

"(2) PROGRAM TO BEGIN IN 2007.—The Secretary shall establish the program so that National Performance Quality Payments (described in subsection (c)) and National Quality Improvement Payments (described in subsection (d)) are made with respect to 2007 and each subsequent year.

"(3) REQUIREMENT.—In order for an organization to be eligible for a financial incentive payment under this section with respect to a Medicare Advantage plan or a reasonable cost reimbursement contract under section 1876(h), the organization shall—

"(A) provide for the collection, analysis, and reporting of data pursuant to sections 1852(e)(3) and 1876(h)(8), respectively, with respect to the plan or contract; and

"(B) not later than a date specified by the Secretary during each baseline year (as defined in subsection (d)(4)), submit such data on the quality measures described in subsection (e)(2) as the Secretary determines appropriate for the purpose of establishing a baseline with respect to the plan or contract.

"(4) USE OF MOST RECENT DATA.—Financial incentive payments under this section shall be based upon the most recent available quality data.

"(5) TIMING OF QUALITY INCENTIVE PAYMENTS.—The Secretary shall ensure that financial incentive payments under this section with respect to a year are made by March 1 of the subsequent year.

"(6) APPLICABILITY OF PROGRAM TO MA PLANS.—For purposes of this section, the term 'Medicare Advantage plan' shall—

"(A) include both MA regional plans and MA local plans; and

"(B) not include an MA plan described in subparagraph (A)(ii) or (B) of section 1851(a)(2).

"(b) QUALITY INCENTIVE PAYMENTS.—

"(1) IN GENERAL.—Beginning with 2007, the Secretary shall allocate the total amount available for financial incentive payments in the year under subsection (f) as follows:

"(A) The per beneficiary payment amount for National Performance Quality Payments established under paragraph (2) shall be greater than the per beneficiary payment amount for National Quality Improvement Payments established under such paragraph.

"(B) With respect to National Performance Quality Payments, the per beneficiary payment amount established under paragraph (2) shall be greatest for the organizations offering the highest performing plans or contracts.

"(C) With respect to National Quality Improvement Payments, the per beneficiary payment amount established under paragraph (2) shall be greatest for the organizations offering plans or contracts with the highest degree of improvement.

"(2) AMOUNT OF QUALITY INCENTIVE PAYMENT.—

"(A) IN GENERAL.—The amount of a financial incentive payment under subsection (c) or (d) to a Medicare Advantage organization with respect to a Medicare Advantage plan or to an organization with respect to a reasonable cost reimbursement contract under section 1876(h) shall be determined by multiplying the number of beneficiaries enrolled under the plan or contract on the first day of the year for which the payment is provided by a dollar amount established by the Secretary (in this section referred to as the 'per beneficiary payment amount') that is the same for all beneficiaries enrolled under the plan or contract.

"(B) LIMITATION ON TOTAL AMOUNT OF QUALITY INCENTIVE PAYMENTS.—The total amount of all the financial incentive payments given with respect to a year shall be equal to the amount available for such payments in the year under subsection (f).

"(3) USE OF QUALITY INCENTIVE PAYMENTS.—Financial incentive payments received under this section may only be used for the following purposes:

"(A) To reduce any beneficiary cost-sharing applicable under the plan or contract.

"(B) To reduce any beneficiary premiums applicable under the plan or contract.

"(C) To initiate, continue, or enhance health care quality programs for enrollees under the plan or contract.

"(D) To improve the benefit package under the plan or contract.

"(4) REPORTING ON USE OF QUALITY INCENTIVE PAYMENTS.—Beginning in 2008, each MA organization that receives a financial incentive payment under this section shall report to the Secretary pursuant to section 1854(a)(7) on how the organization will use such payment.

"(5) LIMITATIONS ON QUALITY INCENTIVE PAYMENTS.—

"(A) PLAN ONLY ELIGIBLE FOR 1 PAYMENT IN A YEAR.—A Medicare Advantage organization offering a Medicare Advantage plan or an organization that is providing benefits under a reasonable cost reimbursement contract under section 1876(h) may not receive more than 1 financial incentive payment under this section in a year with respect to such plan or contract. If an organization with respect to the plan or contract is eligible for a National Performance Quality Payment and a National Quality Improvement Payment, the organization shall be given the National Performance Quality Payment.

"(B) PLAN MUST BE AVAILABLE FOR ENTIRE YEAR.—A Medicare Advantage organization offering a Medicare Advantage plan or an organization that is providing benefits under a reasonable cost reimbursement contract under section 1876(h) is not eligible for a financial incentive payment under this section with respect to such plan or contract unless the plan or contract offers benefits throughout the year in which the payment is provided.

"(c) NATIONAL PERFORMANCE QUALITY PAYMENTS.—The Secretary shall make National Performance Quality Payments to the Medicare Advantage organizations and organizations offering reasonable cost reimbursement contracts under section 1876(h) with respect to each Medicare Advantage plan or reasonable cost contract offered by the organization that receives ratings for the year in the top applicable percent of all plans and contracts rated by the Secretary pursuant to subsection (e) for the year. For purposes of the preceding sentence, the term 'applicable percent' means a percent determined appropriate by the Secretary in consultation with the Quality Advisory Board, but in no case less than 20 percent.

"(d) NATIONAL QUALITY IMPROVEMENT PAYMENTS.—

"(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall make National Quality Improvement Payments to Medicare Advantage organizations and organizations offering reasonable cost reimbursement contracts under section 1876(h) with respect to each Medicare Advantage plan or reasonable cost reimbursement contract offered by the organization that receives a rating under subsection (e) for the payment year that exceeds the rating received under such subsection for the plan or contract for the baseline year.

"(2) NATIONAL IMPROVEMENT STANDARD.—Beginning with 2009, the Secretary may implement a national improvement standard that Medicare Advantage plans and reasonable cost reimbursement contracts must meet in order to receive a National Quality Improvement Payment.

"(3) APPLICATION OF THRESHOLDS.—In determining whether a rating received under subsection (e) for the payment year exceeds the rating received under such subsection for the baseline year, the Secretary shall hold any applicable thresholds constant. For purposes of the preceding sentence, the term 'threshold' means norms used to assess performance.

"(4) BASELINE YEAR DEFINED.—In this subsection, the term 'baseline year' means the year prior to the payment year.

"(e) RATING METHODOLOGY.—

"(1) SCORING AND RANKING SYSTEMS.—

"(A) IN GENERAL.—The Secretary shall develop separate scoring and ranking systems for purposes of determining which organizations offering Medicare Advantage plans and reasonable cost reimbursement contracts under section 1876(h) qualify for—

"(i) National Performance Quality Payments; and

"(ii) National Quality Improvement Payments.

"(B) Requirements.—In developing, implementing, and updating the scoring and ranking systems, the Secretary shall—

"(i) consult with the Quality Advisory Board established under section 1898;

"(ii) take into account the report on health care performance measures submitted by the Institute of Medicine of the National Academy of Sciences under section 238 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003; and

"(iii) take into account the Managed Care Organization (MCO) standards and guideline methodology of the National Committee for Quality Assurance for awarding total Health Plan Employer Data and Information Set (HEDIS) points (based on HEDIS and Consumer Assessment of Health Plans Survey (CAHPS) measures).

"(2) Measures.—

"(A) In general.—Subject to subparagraph (B), in developing the scoring and ranking systems under paragraph (1), the Secretary shall use all measures determined appropriate by the Secretary. Such measures may include—

"(i) outcome measures for highly prevalent chronic conditions;

"(ii) audited HEDIS outcomes and process measures, CAHPS data, and other data reported to the Department of Health and Human Services; and

"(iii) the Joint Commission on Accreditation of Healthcare Organizations core measures.

"(B) Scoring and ranking system for National Performance Quality Payments only based on measures of clinical effectiveness.—The scoring and ranking system for National Performance Quality Payments shall only include measures of clinical effectiveness.

"(3) Weights of measures.—In developing the scoring and ranking systems under paragraph (1), the Secretary shall assign weights to the measures used by the Secretary under such system pursuant to paragraph (2). In assigning such weights, the Secretary shall provide greater weight to the measures that measure clinical effectiveness.

"(4) Risk adjustment.—In developing the scoring and ranking systems under paragraph (1), the Secretary shall establish procedures for adjusting the data used under the system to take into account differences in the health status of individuals enrolled under Medicare Advantage plans and reasonable cost contracts.

"(5) Update.—

"(A) In general.—The Secretary shall as determined appropriate, but in no case more often than once each 12-month period, update the scoring and ranking systems developed under paragraph (1), including the measures used by the Secretary under such system pursuant to paragraph (2), the weights established pursuant to paragraph (3), and the risk adjustment procedures established pursuant to paragraph (4).

"(B) Comparison for National Quality Improvement Payments.—Each update under subparagraph (A) of the scoring and ranking system for National Quality Improvement Payments shall allow for the comparison of data from one year to the next for purposes of identifying which plans or contracts will receive such Payments.

"(C) Consultation.—In determining when and how to update the scoring and ranking systems under subparagraph (A), the Secretary shall consult with the Quality Advisory Board.

"(f) Funding of Payments.—The amount available for financial incentive payments under this section with respect to a year shall be equal to the amount of the reduction in expenditures under the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund in the year as a result of the amendments made by section 3(b) of the Medicare Quality Improvement Act of 2004.".

(b) Reduction in Payments to Organizations in Order To Fund Program.—

(1) MA payments.—

(A) In general.—Section 1853(j) of the Social Security Act (42 U.S.C. 1395w–23(j)), as added by section 222(d) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2200), is amended—

(i) in subparagraphs (A) and (B) of paragraph (1), by inserting "and, beginning in 2007, reduced by 2 percent in the case of an MA plan described in subparagraph (A)(i) or (C) of section 1851(a)(2)" before the semicolon at the end; and

(ii) in paragraph (2), by inserting "and, beginning in 2007, reduced by 2 percent in the case of an MA plan described in subparagraph (A)(i) or (C) of section 1851(a)(2)" before the period at the end.

(B) Reductions in payments do not effect the government savings for bids below the benchmark.—Section 1854(b)(1)(C)(i) of the Social Security Act (42 U.S.C. 1395w–24(b)(1)(C)(i)), as added by section 222(b) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2196), is amended—

(i) by striking "75 percent" and inserting "100 percent"; and

(ii) by inserting the following before the period at the end: ", reduced by 25 percent of such average per capita savings (if any), as applicable to the plan and year involved, that would be computed if sections 1853(j) and 1860C–1(e)(1) was applied by substituting 'zero percent' for '2 percent' each place it appears".

(2) Reasonable cost contract payments.—Section 1876(h) of the Social Security Act (42 U.S.C. 1395mm(h)) is amended by adding at the end the following new paragraph:

"(6) Notwithstanding the preceding provisions of this subsection, the Secretary shall reduce each payment to an eligible organization under this subsection with respect to benefits provided on or after January 1, 2007, by an amount equal to 2 percent of the payment amount. The preceding sentence shall have no effect on payments to eligible organizations for the provision of qualified prescription drug coverage under part D.".

(3) CCA payments.—The first sentence of section 1860C–1(e)(1) of the Social Security Act, as added by section 241 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2214) is amended by inserting ", reduced by 2 percent in the case of an MA plan described in subparagraph (A)(i) or (C) of section 1851(a)(2)" before the period at the end.

(c) Requirement for Reporting on Use of Financial Incentive Payments.—

(1) MA plans.—Section 1854(a) of the Social Security Act (42 U.S.C. 1395w–24(a)), as amended by section 222(a) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2193), is amended—

(A) in paragraph (1)(A)(i), by striking "or (6)(A)" and inserting "(6)(A), or (7)"; and

(B) by adding at the end the following:

"(7) Submission of information of how financial incentive payments will be used beginning in 2008.—For an MA plan described in subparagraph (A)(i) or (C) of section 1851(a)(2) for a plan year beginning on or after January 1, 2008, the information described in this paragraph is a description of how the organization offering the plan will use any financial incentive payment that the organization received under section 1860C–2 with respect to the plan.".

(2) Eligible entities with reasonable cost contracts.—Section 1876(h) of the Social Security Act (42 U.S.C. 1395mm(h)), as amended by subsection (b)(2), is amended by adding at the end the following new paragraph:

"(7)(A) Not later than July 1 of each year (beginning in 2008), any eligible entity with a reasonable cost reimbursement contract under this subsection that receives a financial incentive payment under section 1860C–2 with respect to each plan year shall submit to the Secretary a report containing the information described in subparagraph (B).

"(B) The information described in this subparagraph is a description of how the organization offering the plan will use any financial incentive payment that the organization received under section 1860C–2 with respect to the plan.".

(d) Submission of Quality Data.—

(1) MA organizations.—Section 1852(e) of the Social Security Act (42 U.S.C. 1395w–22(e)), as amended by section 722 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2347), is amended—

(A) in paragraph (1), by striking "an MA private fee-for-service plan or"; and

(B) by striking paragraph (3) and inserting the following new paragraph:

"(3) Collection, analysis, and reporting.—

"(i) In general.—As part of the quality improvement program under paragraph (1), each MA organization shall provide for the collection, analysis, and reporting of data that permits the measurement of health outcomes and other indices of quality.

"(ii) Coordination with commercial enrollee reporting requirements.—The Secretary shall establish procedures to ensure the coordination of the reporting requirement under clause (i) with reporting requirements for the organization under this part relating to individuals enrolled with the organization but not under this part. Although such reporting requirements shall be coordinated pursuant to the preceding sentence, the use of the data reported may vary.".

(2) Eligible entities with reasonable cost contracts.—Section 1876(h) of the Social Security Act (42 U.S.C. 1395mm(h)), as amended by subsection (c)(2), is amended by adding at the end the following new paragraph:

"(8)(A) With respect to plan years beginning on or after January 1, 2006, an eligible entity with a reasonable cost reimbursement contract under this subsection shall provide for the collection, analysis, and reporting of data that permits the measurement of health outcomes and other indices of quality.

"(B) The Secretary shall establish procedures to ensure the coordination of the reporting requirement under subparagraph (A) with reporting requirements for the entity under this title relating to individuals enrolled with the entity but not receiving benefits under this title.".

SEC. 4. QUALITY PERFORMANCE INCENTIVE PAYMENT PROGRAM FOR PROVIDERS AND FACILITIES THAT PROVIDE SERVICES TO MEDICARE BENEFICIARIES WITH ESRD.

Section 1881(b) of the Social Security Act (42 U.S.C. 1395rr(b)), as amended by section 623(d)(1) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2313), is amended—

(1) in paragraph (11)(B), by striking “paragraphs (12) and (13)” and inserting “paragraphs (12), (13), and (14)”;

(2) in paragraph (12), by striking “In lieu of” and inserting “Subject to paragraph (14), in lieu of”;

(3) in paragraph (13)(A), in the matter preceding clause (i), by striking “The payment amounts” and inserting “Subject to paragraph (14), the payment amounts”; and

(4) by adding at the end the following new paragraph:

“(14) Renal dialysis performance incentive payment program.—

“(A) Establishment of program.—

“(i) In general.—The Secretary shall establish a program under which financial incentive payments are provided each year to providers of services and renal dialysis facilities that receive payments under paragraph (12) or (13) and demonstrate the provision of superior quality health care to individuals with end stage renal disease.

“(ii) Program to begin in 2007.—The Secretary shall establish the program so that National Performance Quality Payments (described in subparagraph (C)) and National Quality Improvement Payments (described in subparagraph (D)) are made with respect to 2007 and each subsequent year.

“(iii) Requirement.—In order for a provider of services or a renal dialysis facility to be eligible for a financial incentive payment under this section, the provider or facility shall, not later than a date specified by the Secretary during the baseline year (as defined in subparagraph (D)(iv)), submit such data on the quality measures as the Secretary determines appropriate for the purpose of establishing a baseline with respect to the provider or facility.

“(iv) Use of most recent data.—Financial incentive payments under this paragraph shall be based upon the most recent available quality data as provided by the Consolidated Renal Operations in a Web-enabled Network (CROWN) system.

“(v) Pediatric facilities not included in program.—For purposes of this paragraph, including subparagraph (F)(i), the terms ‘renal dialysis facility’ and ‘facility’ do not include a renal dialysis facility at least 50 percent of whose patients are individuals under 18 years of age.

“(B) Payments.—

“(i) In general.—Beginning with 2007, the Secretary shall allocate the total amount available for financial incentive payments in the year under subparagraph (F)(ii) as follows:

“(I) The amount allocated for National Performance Quality Payments shall be greater than the amount allocated for National Quality Improvement Payments.

“(II) With respect to National Performance Quality Payments, the per capita amount of the payments shall be greatest for the organizations offering the highest performing plans or contracts.

“(III) With respect to National Quality Improvement Payments, the per capita amount of the payments shall be greatest for the organizations offering plans or contracts with the highest degree of improvement.

“(ii) Amount of quality incentive payment.—

“(I) In general.—The amount of a financial incentive payment under subparagraph (C) or (D) to a provider of services or renal dialysis facility shall be determined by multiplying the number of beneficiaries who received dialysis services from the provider or facility during the year for which the payment is provided by a dollar amount established by the Secretary that is the same with respect to each beneficiary receiving dialysis services from the provider or facility.

“(II) Limitation on total amount of quality incentive payments.—The total amount of all the financial incentive payments given with respect to a year shall be equal to the amount available for such payments in the year under subparagraph (F)(ii).

“(iii) Use of quality incentive payments.—Financial incentive payments received under this paragraph may be used for the following purposes:

“(I) To invest in information technology systems that will improve the quality of care provided to individuals with end stage renal disease.

“(II) To initiate, continue, or enhance health care quality programs for individuals with end stage renal disease.

“(III) Any other purpose determined appropriate by the Secretary.

“(iv) Limitations on quality incentive payments.—

“(I) Only eligible for 1 payment in a year.—A provider of services or a renal dialysis facility may not receive more than 1 financial incentive payment under this paragraph in a year. If a provider of services or a renal dialysis facility is eligible for a National Performance Quality Payment and a National Quality Improvement Payment, the organization shall be given the National Performance Quality Payment.

“(II) Services must be available for entire year.—A provider of services or renal dialysis facility is not eligible for a financial incentive payment under this paragraph unless the provider or facility is in operation and providing dialysis services for the entire year for which the payment is provided.

“(C) National performance quality payments.—The Secretary shall make National Performance Quality Payments to the providers of services and renal dialysis facilities that receive ratings for the year in the top applicable percent of all providers and facilities rated by the Secretary pursuant to subparagraph (E) for the year. For purposes of the preceding sentence, the term ‘applicable percent’ means a percent determined appropriate by the Secretary in consultation with the Quality Advisory Board, but in no case less than 20 percent.

“(D) National quality improvement payments.—

“(i) In general.—National Quality Improvement Payments shall be paid to each provider of services and renal dialysis facility that receives ratings under subparagraph (E) for the payment year that exceed the ratings received under such subparagraph for the provider or facility for the baseline year.

“(ii) National improvement standard.—Beginning with 2009, the Secretary shall have the authority to implement a national improvement standard that providers of services and renal dialysis facilities must meet in order to receive a National Quality Improvement Payment.

“(iii) Application of thresholds.—In determining whether a rating received under subparagraph (E) for the payment year exceeds the rating received under such subsection for the baseline year, the Secretary shall hold any applicable thresholds constant.

“(iv) Baseline year defined.—In this subparagraph, the term ‘baseline year’ means the year prior to the payment year.

“(E) Rating methodology.—

“(i) Scoring and ranking systems.—

“(I) In general.—The Secretary shall develop separate scoring and ranking systems for purposes of determining which providers of services and renal dialysis facilities qualify for—

“(aa) National Performance Quality Payments; and

“(bb) National Quality Improvement Payments.

“(II) Requirements.—In developing, implementing, and updating the scoring and ranking systems, the Secretary shall—

“(aa) consult with the Quality Advisory Board established under section 1898 and the network administrative organizations designated under subsection (c)(1)(A)(i)(II); and

“(bb) take into account the report on health care performance measures submitted by the Institute of Medicine of the National Academy of Sciences under section 238 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

“(ii) Measures.—

“(I) In general.—Subject to subclause (II), in developing the scoring and ranking system under clause (i), the Secretary shall use all measures determined appropriate by the Secretary. Such measures may include the following:

“(aa) The measures profiled in the ESRD Clinical Performance Measures (CPM) project of the Centers for Medicare & Medicaid Services.

“(bb) The measures for bone disease to be determined by the K-DOQI project of the National Kidney Foundation.

“(II) Scoring and ranking system for national performance quality payments only based on measures of clinical effectiveness.—The scoring and ranking system for National Performance Quality Payments shall only include measures of clinical effectiveness.

“(iii) Weights of measures.—In developing the scoring and ranking systems under clause (i), the Secretary shall assign weights to the measures used by the Secretary under such system pursuant to clause (ii). In assigning such weights, the Secretary shall provide greater weight to the measures that measure clinical effectiveness.

“(iv) Risk adjustment.—In developing the scoring and ranking systems under clause (i), the Secretary shall establish procedures for adjusting the data used under the system to take into account differences in the health status of individuals receiving dialysis services from providers of services and renal dialysis facilities.

“(v) Update.—

“(I) In general.—The Secretary shall as determined appropriate, but in no case more often than once each 12-month period, update the scoring and ranking systems developed under clause (i), including the measures used by the Secretary under such system pursuant to clause (ii), the weights established pursuant to clause (iii), and the risk adjustment procedures established pursuant to clause (iv).

“(II) Comparison for national quality improvement payments.—Each update under subclause (I) of the National Quality Improvement Payments shall allow for the comparison of data from one year to the next for purposes of identifying which providers of services and renal dialysis facilities will receive such Payments.

"(III) Consultation.—In determining when and how to update the scoring and ranking systems under subclause (I), the Secretary shall consult with the Quality Advisory Board.

"(F) Funding of payments.—

"(i) Reduction in payments.—In order to provide the funding for the financial incentive payments under this paragraph, for each year (beginning with 2007), the Secretary shall reduce each payment under paragraphs (12) and (13) to a provider of service and a renal dialysis facility by an amount equal to 2 percent of the payment.

"(ii) Amount available.—The amount available for financial incentive payments under this section with respect to a year shall be equal to the amount of the reduction in expenditures under the Federal Supplementary Medical Insurance Trust Fund in the year as a result of the application of clause (i).".

SEC. 5. MEDICARE INNOVATIVE QUALITY PRACTICE AWARD PROGRAM.

(a) Establishment.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall establish a program under which the Secretary shall award bonus payments to entities and individuals providing items and services under the medicare program under title XVIII of the Social Security Act that demonstrate innovative practices, structural improvements, or capacity enhancements that improve the quality of health care provided to medicare beneficiaries by such entities and individuals.

(b) Period of Program.—Awards under the program shall be made during 2006, 2007, and 2008.

(c) Selection of Recipients.—

(1) In general.—The Secretary shall ensure that the entities and individuals that receive an award under this section have demonstrated improvements in the quality of health care provided to medicare beneficiaries by such entities and individuals through comparison with a control group or baseline evaluation. For purposes of the program, improvements in the quality of health care provided to medicare beneficiaries shall be defined as providing additional services, such as translator services and health literacy education services, or providing care to an expanded service area or an expanded population through telemedicine, increased cultural competence, or other means, in combination with improved health outcomes or reduced beneficiary costs.

(2) All entities and individuals eligible.—Any entity, including a plan, or individual that is providing services under the medicare program is eligible for receiving an award under this section.

(3) Consultation.—In selecting the recipients of the awards under this section, the Secretary shall consult with the Quality Advisory Board established under section 1898 of the Social Security Act, as added by section 7.

(d) Minimum Number of Awards.—The Secretary shall make at least 10 awards under this section in each year of the program.

(e) Application.—An entity or individual desiring an award under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(f) Amount of Award.—

(1) In general.—Subject to paragraph (2) and subsection (h), the Secretary shall determine the amount of awards under this section.

(2) Requirement.—In determining the amount of awards under this section, the Secretary shall ensure that—

(A) no single award is excessive; and

(B) consideration is given to the number of beneficiaries served by the entity or individual receiving the award.

(g) Report.—Not later than 6 months after the date on which the program established under subsection (a) ends, the Secretary shall submit to Congress a report on the program together with such recommendations for legislation or administrative action as the Secretary determines appropriate.

(h) Funding.—Out of any funds in the Treasury not otherwise appropriated, there are appropriated $10,000,000 for each of 2006, 2007, and 2008 to carry out this section.

SEC. 6. QUALITY IMPROVEMENT DEMONSTRATION PROGRAM FOR PEDIATRIC RENAL DIALYSIS FACILITIES PROVIDING CARE TO MEDICARE BENEFICIARIES WITH END STAGE RENAL DISEASE.

(a) Demonstration Projects.—

(1) Establishment.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall conduct a 3-year demonstration program under which the Secretary establishes demonstration projects that encourage pediatric dialysis facilities to provide superior quality health care to individuals with end stage renal disease.

(2) Consultation in selecting sites.—In selecting the demonstration project sites under this section, the Secretary shall consult with the Quality Advisory Board established under section 1898 of the Social Security Act, as added by section 7.

(3) Submission of quality data.—Under the demonstration projects, demonstration sites shall select appropriate measures of quality of care provided to individuals eligible for benefits under title XVIII of the Social Security Act who are under 18 years of age and shall report data on such measures to the Secretary.

(4) Assessment of measures.—The Secretary, in consultation with the Quality Advisory Board, shall assess the validity and reliability of the measures selected under paragraph (2).

(b) Waiver Authority.—The Secretary may waive such requirements of titles XI and XVIII as may be necessary to carry out the purposes of the demonstration program established under this section.

(c) Funding.—

(1) In general.—Subject to paragraph (2), the Secretary shall provide for the transfer from the Federal Supplementary Medical Insurance Trust Fund under section 1841 of the Social Security Act (42 U.S.C. 1395t) of such funds as are necessary for the costs of carrying out the demonstration program under this section.

(2) Budget neutrality.—In conducting the demonstration program under this section, the Secretary shall ensure that the aggregate expenditures made by the Secretary do not exceed the amount which the Secretary would have expended if the demonstration program under this section was not implemented.

(d) Report.—Not later than 6 months after the date on which the demonstration program established under this section ends, the Secretary shall prepare and submit to Congress a report on the demonstration program together with—

(1) recommendations on whether pediatric renal dialysis facilities should be included in the renal dialysis performance payment program under section 1881(b)(14) of the Social Security Act (42 U.S.C. 1395rr(b)(14)), as added by section 4(4); and

(2) such recommendations for legislation or administrative action as the Secretary determines appropriate.

(e) Pediatric Renal Dialysis Facility Defined.—The term "pediatric renal dialysis facility" means a renal dialysis facility that receives payments under paragraph (12) or (13) of section 1881(b) of the Social Security Act (42 U.S.C. 1395rr(b)) and is not eligible to participate in the renal dialysis performance payment program under paragraph (14) of such section (as added by section 4(4)) because of the application of subparagraph (A)(iv) of such paragraph.

SEC. 7. MEDICARE QUALITY ADVISORY BOARD.

Title XVIII of the Social Security Act, as amended by section 1016 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2447), is amended by adding at the end the following new section:

"QUALITY ADVISORY BOARD

"Sec. 1898. (a) Establishment.—The Secretary shall establish a Medicare Quality Advisory Board (in this section referred to as the 'Board').

"(b) Membership and Terms.—

"(1) In general.—Subject to paragraphs (3), (4), and (5), the Board shall be composed of representatives described in paragraph (2) who shall serve for such term as the Secretary may specify.

"(2) Representatives.—Representatives described in this subparagraph include representatives of the following:

"(A) Patients or patient advocate organizations.

"(B) Individuals with expertise in the provision of quality care, such as medical directors, heads of hospital quality improvement committees, health insurance plan representatives, and academic researchers.

"(C) Health care professionals and providers.

"(D) Organizations that focus on the measurement and reporting of quality indicators.

"(E) State government health care programs.

"(3) Majority nonproviders.—Individuals who are directly involved in the provision, or management of the delivery, of items and services covered under this title shall not constitute a majority of the membership of the Board.

"(4) Experience with urban and rural health care issues.—The membership of the Board should be representative of individuals with experience with urban health care issues and individuals with experience with rural health care issues.

"(5) Experience across a spectrum of activities.—The membership of the Board should be representative of individuals with experience across the spectrum of activities that the Secretary is responsible for with respect to this title, including the coverage of new services and technologies, payment rates and methodologies, beneficiary services, and claims processing.

"(c) Duties.—

"(1) Incentive programs.—

"(A) Advice.—The Board shall advise the Secretary regarding—

"(i) the development, implementation, and updating of the scoring and ranking systems under sections 1860C–2(e) and 1881(b)(14)(E);

"(ii) the determination of the applicable percent for national performance quality payments under sections 1860C–2(c) and 1881(b)(14)(C);

"(iii) the selection of recipients of innovative quality practice awards under the program under section 5 of the Medicare Quality Improvement Act of 2004;

"(iv) the selection of demonstration project sites and the assessment of measures of quality of care under the demonstration program under section 6 of the Medicare Quality Improvement Act of 2004; and

"(v) the study and report under section 8(b) of the Medicare Quality Improvement Act of 2004.

"(B) ANNUAL REPORT ON INCENTIVE PROGRAMS.—The Board shall submit an annual report to the Secretary and Congress on the programs under sections 1860C-2 and 1881(b)(14).

"(C) ADDITIONAL DUTIES.—The Board shall perform such additional functions to assist the Secretary in carrying out the programs described in clauses (ii) and (iii) of subparagraph (A) and in subparagraph (B) as the Secretary may specify.

"(2) DEVELOPMENT AND ASSESSMENT OF NATIONAL PRIORITIES AND AGENDA.—The Board shall develop and assess national priorities and an agenda for improving the quality of items and services furnished to individuals entitled to benefits under this title.

"(d) WAIVER OF ADMINISTRATIVE LIMITATION.—The Secretary shall establish the Board notwithstanding any limitation that may apply to the number of advisory committees that may be established (within the Department of Health and Human Services or otherwise).".

SEC. 8. STUDIES AND REPORTS ON FINANCIAL INCENTIVES FOR QUALITY ITEMS AND SERVICES UNDER THE MEDICARE PROGRAM.

(a) IOM STUDY AND REPORT ON HOW MEDICARE PAYMENTS FOR ITEMS AND SERVICES AFFECT THE QUALITY OF SUCH ITEMS AND SERVICES.—

(1) STUDY.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall request the Institute of Medicine of the National Academy of Sciences to conduct a study on how the payment mechanisms for items and services under the original medicare fee-for-service program under parts A and B of title XVIII of the Social Security Act effect the quality of such items and services.

(2) REPORT TO CONGRESS.—Not later than January 1, 2006, the Secretary shall submit to Congress a report on the results of the study described in paragraph (1) together with such recommendations for legislation or administrative action as the Secretary determines appropriate.

(b) HHS STUDY AND REPORT ON PROVIDING FINANCIAL INCENTIVES FOR QUALITY SERVICES UNDER THE ORIGINAL MEDICARE FEE-FOR-SERVICE PROGRAM.—

(1) STUDY.—The Secretary of Health and Human Services shall conduct a study on the actions necessary to establish a payment system under the original medicare fee-for-service program under parts A and B of title XVIII of the Social Security Act that aligns the quality of services provided under such program with the reimbursement provided under such program for such services.

(2) REPORT.—

(A) IN GENERAL.—Not later than January 1, 2008, the Secretary shall submit a report to Congress on the study conducted under paragraph (1).

(B) CONTENTS.—The report submitted under subparagraph (A) shall contain recommendations with respect to—

(i) the incremental steps necessary to develop the payment system described in paragraph (1);

(ii) the performance measures to be used under such payment system;

(iii) the incentive approaches to be used under such payment system;

(iv) the geographic and risk adjusters to be used under such payment system; and

(v) a strategy for aligning payment with performance across all parts of the medicare program.

(3) REQUIREMENT.—In conducting the study under paragraph (1) and preparing the report under paragraph (2), the Secretary shall—

(A) consult with the Quality Advisory Board established under section 1898 of the Social Security Act, as added by section 7; and

(B) take into account the report on health care performance measures submitted by the Institute of Medicine of the National Academy of Sciences under section 238 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2213).

SEC. 9. MEDPAC STUDY AND REPORT ON USE OF ADJUSTER MECHANISMS UNDER MEDICARE QUALITY PERFORMANCE INCENTIVE PAYMENT PROGRAMS.

(a) STUDY.—The Medicare Payment Advisory Commission shall conduct a study—

(1) to determine whether it is appropriate to incorporate a geographic adjuster into the quality performance incentive payment programs under sections 1860C–2 and 1881(b)(14) of the Social Security Act, as added by sections 3 and 4, respectively, to account for different environments of care, regional payment variation, regional variation of patient satisfaction, and regional case mix variation; and

(2) on the most appropriate methods to risk adjust data used under the scoring and ranking system under such programs pursuant to sections 1860C–2(e)(4) and 1881(b)(14)(E)(iv) of the Social Security Act.

(b) REPORT.—Not later than January 1, 2006, the Commission shall submit a report to Congress and the Secretary of Health and Human Services on the study conducted under subsection (a) together with recommendations for such legislation and administrative actions as the Commission considers appropriate. If such study concludes that a geographic adjuster described in subsection (a)(1) is appropriate, the Commission shall include in the report recommendations on how such adjuster could be incorporated into the quality performance incentive payment programs described in such subsection.

SEC. 10. DEMONSTRATION PROGRAM ON MEASURING THE QUALITY OF HEALTH CARE FURNISHED TO PEDIATRIC PATIENTS UNDER THE MEDICAID AND SCHIP PROGRAMS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall conduct a 3-year demonstration program to examine the development and use of quality measures, pay-for-performance programs, and other strategies in order to encourage providers to furnish superior quality health care to individuals under 18 years of age under the medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) and under the SCHIP program under title XXI of such Act (42 U.S.C. 1397aa et seq.).

(2) AUTHORITY.—The Secretary shall conduct the demonstration program under this section pursuant to the authority provided under this section and not under the authority provided under section 1115 of the Social Security Act (42 U.S.C. 1315).

(b) SITES TO INCLUDE MULTIPLE SETTINGS AND PROVIDERS.—In selecting the demonstration program sites under this section, the Secretary shall ensure that the sites include health care delivery in multiple settings and through multiple providers, such as school-based settings and mental health providers.

(c) WAIVER AUTHORITY.—The Secretary may waive such requirements of titles XI, XIX, and XXI of the Social Security Act (42 U.S.C. 1301 et seq.; 1396 et seq.; 1397aa et seq.) as may be necessary to carry out the purposes of the demonstration program under this section.

(d) FUNDING.—

(1) IN GENERAL.—Subject to paragraph (2), for purposes of conducting the demonstration program under this section, expenditures under the demonstration program shall be treated as medical assistance under section 1903 of the Social Security Act (42 U.S.C. 1396) or child health assistance under section 2105 of such Act (42 U.S.C. 1397).

(2) BUDGET NEUTRALITY.—In conducting the demonstration program under this section, the Secretary shall ensure that the aggregate expenditures made by the Secretary do not exceed the amount which the Secretary would have expended if the demonstration program under this section had not been implemented.

(e) REPORT.—Not later than 6 months after the date on which the demonstration program under this section ends, the Secretary shall submit to Congress a report on the demonstration program together with such recommendations for legislation or administrative action as the Secretary determines appropriate.

SEC. 11. PROVISIONS RELATING TO MEDICAID QUALITY IMPROVEMENTS.

(a) AUTHORIZATION FOR ADDITIONAL STAFF AT THE CENTER FOR MEDICAID AND STATE OPERATIONS.—

(1) ADDITIONAL STAFF.—The Secretary of Health and Human Services shall have the authority to hire 5 full-time employees to be employed within the Center for Medicaid and State Operations within the Centers for Medicare & Medicaid Services from among individuals who have experience with, or have been trained as, health professionals and who have experience in any of the following areas:

(A) Quality improvement.

(B) Chronic care management.

(C) Care coordination.

(2) REQUIREMENT FOE EXPERIENCE WITH PEDIATRIC POPULATIONS.—At least 1 of the individuals employed within the Center for Medicaid and State Operations pursuant to paragraph (1) shall have experience with pediatric populations.

(3) DUTIES OF ADDITIONAL STAFF.—The employees hired under paragraph (1) shall be responsible for developing strategies to access and promote quality improvement, chronic care management, and care coordination with the medicaid program and for providing technical assistance to the States.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

(b) CMS STUDY AND REPORT ON MEDICARE AND MEDICAID DATA COORDINATION.—

(1) STUDY.—The Secretary of Health and Human Services shall conduct a study to identify—

(A) efforts to coordinate and integrate data from the medicare program under title XVIII of the Social Security Act and the medicaid program under title XIX of such Act;

(B) barriers to data coordination;

(C) the potential benefits of data integration as perceived by medicare and medicaid program officials, policymakers, health care providers, and beneficiaries; and

(D) steps necessary to coordinate and integrate the beneficiary data from the medicare and medicaid programs.

(2) Report to congress.—Not later than December 31, 2004, the Secretary of Health and Human Services shall submit to Congress a report on the results of the study conducted under paragraph (1) together with such recommendations for legislation or administrative action as the Secretary determines appropriate.

(c) Medpac Study and Report on Beneficiaries Who Are Dually Eligible for Medicare and Medicaid.—

(1) Study.—The Medicare Payment Advisory Commission shall conduct a study to determine the characteristics of individuals who are eligible to receive benefits under both the medicare and medicaid programs under titles XVIII and XIX of the Social Security Act, respectively, identify the costliest groups of individuals who are eligible for benefits under both programs, identify the services used by such individuals, and develop recommendations on how the provision of those services could be better coordinated for improved health outcomes and reduced costs.

(2) Report.—Not later than June 30, 2005, the Commission shall submit a report to Congress on the study conducted under paragraph (1) together with recommendations for such legislation and administrative actions as the Commission considers appropriate.

(d) Medpac Study and Report on Care Coordination Programs for Dual-Eligibles.—

(1) Study.—The Medicare Payment Advisory Commission shall conduct a study on care coordination programs available to individuals who are eligible to receive benefits under both the medicare and medicaid programs under titles XVIII and XIX of the Social Security Act, respectively, the impact of such care coordination programs on those individuals, the impact of such care coordination programs on the costs of the medicare and medicaid programs to the Federal Government, and whether any savings from care coordination programs are counted as a benefit to either program.

(2) Report.—Not later than June 30, 2005, the Commission shall submit a report to Congress on the study conducted under paragraph (1) together with recommendations for such legislation and administrative actions as the Commission considers appropriate.

SEC. 12. DEMONSTRATION PROGRAM FOR MEDICAL SMART CARDS.

(a) In General.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall establish a 5-year demonstration program under which the Secretary shall award grants for the establishment of demonstration projects to provide for the development and use of Medical Smart Cards and to examine the impact of Medical Smart Cards on health care costs, quality of care, and patient safety.

(b) Eligibility.—To be eligible to receive a grant under subsection (a), an entity shall be a public or private nonprofit entity.

(c) Application.—An eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(d) Approval of Applications.—

(1) In general.—The Secretary shall approve applications for grants under this section in accordance with criteria established by the Secretary.

(2) Limitation.—The Secretary shall approve at least 1 application for a demonstration project that is conducted at a hospital or hospital system with a large rural service area.

(e) Use of Funds.—An eligible entity shall use amounts received under a grant under this section to carry out the purposes described in subsection (a).

(f) Report.—Not later than 6 months after the date on which the demonstration program established under subsection (a) ends, the Secretary shall submit to Congress a report on the demonstration program together with such recommendations for legislation or administrative action as the Secretary determines appropriate.

(g) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

By Mr. KOHL (for himself and Mr. Hatch):

S. 2563. A bill to require imported explosives to be marked in the same manner as domestically manufactured explosives; to the Committee on the Judiciary.

Mr. KOHL. Mr. President, I rise today with Senator Hatch to introduce the Imported Explosives Security Act. Domestic manufacturers are required to place identification markings on all explosive materials they produce for important security reasons. These markings enable law enforcement officers to determine the source of explosives and help them solve crimes. Yet, these same identifying markings are not required of those explosives manufactured overseas and imported into our country. This impedes law enforcement efforts and poses a security risk.

The legislation we have introduced today is simple and straightforward. The legislation would simply treat imported explosives just like those manufactured inside the United States, requiring all imported explosives to carry the same markings currently placed on domestic explosives. It would require the name of the manufacturer, along with the time, date and shift of manufacture, to be placed on all explosives materials, whether they are manufactured here or abroad. These markings can be a tremendously useful tool for law enforcement officials, enabling investigators to determine the source of explosive materials. According to the Bureau of Alcohol, Tobacco, Firearms and Explosives, the explosives can then be tracked through records kept by those who manufacture and sell them, often leading them to the criminal who has stolen or misused them. At a recent Senate hearing, FBI Director Mueller acknowledged that "determining the source of the components to any explosive device will assist you in determining who was responsible for any act using such a device."

The Bureau of Alcohol, Tobacco, Firearms and Explosives first sought to fill this gap in the law when it published a notice of a proposed rulemaking in November 2000. Now, nearly 4 years later, this rulemaking still has not been finalized. Each year, more than 25,000 pounds of stolen, lost, or abandoned explosives are recovered by law enforcement. When explosives do not carry appropriate markings, they cannot be quickly and effectively traced for criminal enforcement purposes.

Millions of pounds of unmarked explosives have already been distributed in this country. Each day we delay closing this loophole, we let more untraceable explosive materials cross our borders and undermine our national security. Failure to address this very straightforward issue in a timely manner unnecessarily hinders law enforcement's ability to solve crimes. Because the Department of Justice has not issued regulations to close this loophole in a timely manner, it is now incumbent upon us to act for them.

By Mr. CRAPO (for himself, Mr. Fitzgerald, Mr. Lugar, Mr. Smith, Mr. Wyden, Mr. Craig, and Mr. Roberts):

S. 2565. A bill to amend the Agriculture Adjustment Act to convert the dairy forward pricing program into a permanent program of the Department of Agriculture; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. CRAPO. Mr. President, I rise to introduce the Milk Forward Contracting Act, a bill to make permanent the dairy forward pricing pilot program.

Without question, dairy producers are subject to a very fickle dairy market. Dairy prices can go from all time highs to all time lows over a course of a year, making long-term planning extremely difficult. This legislation will ensure the continued availability of an important risk management tool for dairy producers and enable their long-term business planning.

Over the pat 4 years, dairy producers and processors have been able to voluntarily enter into agreements for the sale of a specific volume of milk for a set price over an established period of time trough the dairy forward pricing pilot program. Many producers in my home State of Idaho and nationwide have used this voluntary program to reduce marketing risk by securing stable prices. Unfortunately, this program expires in December of 2004, and dairy producers want to be able to continue to utilize this program.

Forward contracting is a very useful tool for dairy farmers. In fact, a 2002 U.S. Department of Agriculture USDA report to Congress demonstrated that the program has been effective in reducing price volatility. According to USDA data for the September 2000 through December 2002 period, contracted milk averages $14.06 per hundredweight with a range of $1.63 between high and low prices, while non-contracted milk averaged $13.68 per hundredweight with a range of $6.69. Additionally, the U.S. General Accounting Office GAO reported that forward contracting is a risk management tool most frequently used by producers of other farm commodities.

Likewise, dairy producers should also have access to this important tool. There is no reason that dairy farmers should be forced to ride a dairy price roller coaster, when the extension of this sensible program would provide farm families with an option to help plan for their futures.

By Mr. BINGAMAN (for himself, Mr. CORZINE, Mr. LAUTENBERG, Ms. STABENOW, Mrs. CLINTON, Mr. JOHNSON, Ms. MIKULSKI, Mr. DURBIN, and Mr. DAYTON):

S. 2566. A bill to amend title II of the Social Security Act to phase out the 24-month waiting period for disabled individuals to become eligible for medicare benefits, to eliminate the waiting period for individuals with life-threatening conditions, and for other purposes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, I rise today to introduce legislation entitled "Ending the Medicare Disability Waiting Period Act of 2004" with Senators CORZINE, LAUTENBERG, STABENOW, CLINTON, JOHNSON, MIKULSKI, DURBIN, and DAYTON. This legislation would phase-out the current 2-year waiting period that people with disabilities must endure after qualifying for Social Security Disability Insurance (SSDI). In the interim, the bill would also create a process by which the Secretary can immediately waive the waiting period for people with life-threatening illnesses.

When Medicare was expanded in 1972 to include people with significant disabilities, lawmakers created the 24-month waiting period. According to a July 2003 report from the Commonwealth Fund, it is estimated that over 1.2 million SSDI beneficiaries are in the Medicare waiting period at any given time, "all of whom are unable to work because of their disability and most of whom have serious health problems, low incomes, and limited access to health insurance."

As Karen Davis, president of the Commonwealth Fund, said of the report, "Individuals in the waiting period for Medicare suffer from a broad range of debilitating diseases and are in urgent need of appropriate medical care to manage their conditions. Eliminating the 2-year wait would ensure access to care for those already on the way to Medicare."

These are people who are the most seriously disabled in our society and most in need of immediate health services. And yet, it is estimated that one-third of the 1.2 million currently federal policy puts the disabled on hold for 2 long years. The consequences are unacceptable and are, in fact, dire.

In fact, various studies show that death rates among SSDI recipients are highest during the first two years of enrollment. For example, the Commonwealth Fund report, entitled Elimination of Medicare's Waiting Period for Seriously Disabled Adults: Impact on Coverage and Costs, 4 percent of these people die during the waiting period. Of the estimated 400,000 uninsured disabled Americans in the waiting period at any given time, 16,000 of them will die awaiting Medicare coverage. This is unacceptable.

Moreover, this does not factor in the serious health problems that others experience while waiting for Medicare coverage during the 2-year period. Although there is no direct data on the profile of SSDI beneficiaries in the 2-year waiting period, the Commonwealth Fund has undertaken a separate analysis of the Medicare Current Beneficiary Survey for 1998 to get a good sense of the demographic characteristics, income, and health conditions of this group.

According to the analysis, ". . . 45 percent of nonelderly Medicare beneficiaries with disabilities had incomes below the federal poverty line, and 77 percent had incomes below 200 percent of poverty. Fifth-nine percent reported that they were in fair or poor health; of this group, more than 90 percent reported that they suffered from one or more chronic illnesses, including arthritis (52%), hypertension (46%), mental disorder (36%), heart condition (35%), chronic lung disease (26%), cancer (20%), diabetes (19%), and stroke (12%)."

As the Medicare Rights Center has said, "By forcing Americans with disabilities to wait 24 months for Medicare coverage, the current law effectively sentences these people to inadequate health care, poverty, or death . . . Since disability can strike anyone, at any point in life, the 24-month waiting period should be of concern to everyone, not just the millions of Americans with disabilities today."

Although elimination of the Medicare waiting period will certainly increase Medicare costs, it is important to note that there will be some corresponding decrease in Medicaid costs. Medicaid, which is financed by both federal and state governments, often provides coverage for a subset of disabled Americans in the waiting period, as long as they meet certain income and asset limits. Income limits are typically at or below the poverty level, including at just 74 percent of the poverty line in New Mexico, with assets generally limited to just $2,000 for individuals and $3,000 for couples.

The Commonwealth Fund estimates that, of the 1.26 million people in the waiting period, 40 percent are enrolled in Medicaid. As a result, the Commonwealth Fund estimates that federal Medicaid savings would offset nearly 30 percent of the increased costs in its study. Furthermore, states, which have been struggling financially with their Medicaid programs, would reap a windfall that would help them better manage their Medicaid programs.

Furthermore, from a continuity of care point of view, it makes little sense that somebody with disabilities must leave their job and their health providers associated with that plan, move on the Medicaid to often have a different set of providers, to then switch to Medicare and yet another set of providers.

And finally, private-sector employers and employees in those risk-pools would also benefit from the passage of the bill. As the report notes, ". . . to the extent that disabled adults rely on coverage through their prior employer or their spouse's employer, eliminating the waiting period would also produce savings to employers who provide this coverage."

I urge passage of this legislation and ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2566

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Ending the Medicare Disability Waiting Period Act of 2004".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Phase out of waiting period for medicare disability benefits.
Sec. 3. Elimination of waiting period for individuals with life-threatening conditions.
Sec. 4. Institute of medicine study and report on delay and prevention of disability conditions.

SEC. 2. PHASE OUT OF WAITING PERIOD FOR MEDICARE DISABILITY BENEFITS.

(a) IN GENERAL.—Section 226(b) of the Social Security Act (42 U.S.C. 426(b)) is amended—

(1) in paragraph (2)(A), by striking ", and has for 24 calendar months been entitled to," and inserting ", and for the waiting period (as defined in subsection (k)) has been entitled to,";

(2) in paragraph (2)(B), by striking ", and has been for not less than 24 months," and inserting ", and has been for the waiting period (as defined in subsection (k)),";

(3) in paragraph (2)(C)(ii), by striking ", including the requirement that he has been entitled to the specified benefits for 24 months," and inserting ", including the requirement that the individual has been entitled to the specified benefits for the waiting period (as defined in subsection (k)),"; and

(4) in the flush matter following paragraph (2)(C)(ii)(II)—

(A) in the first sentence, by striking "for each month beginning with the later of (I) July 1973 or (II) the twenty-fifth month of his entitlement or status as a qualified railroad retirement beneficiary described in paragraph (2), and" and inserting "for each month beginning after the waiting period (as so defined) for which the individual satisfies paragraph (2) and";

(B) in the second sentence, by striking "the 'twenty-fifth month of his entitlement' refers to the first month after the twenty-fourth month of entitlement to specified benefits referred to in paragraph (2)(C) and"; and

(C) in the third sentence, by striking ", but not in excess of 78 such months".

(b) SCHEDULE FOR PHASE OUT OF WAITING PERIOD.—Section 226 of the Social Security Act (42 U.S.C. 426) is amended by adding at the end the following new subsection:

"(k) For purposes of subsection (b) (and for purposes of section 1837(g)(1) of this Act and section 7(d)(2)(ii) of the Railroad Retirement Act of 1974), the term 'waiting period' means—

"(1) for 2005, 18 months;

"(2) for 2006, 16 months;

"(3) for 2007, 14 months;

"(4) for 2008, 12 months;

"(5) for 2009, 10 months;

"(6) for 2010, 8 months;

"(7) for 2011, 6 months;

"(8) for 2012, 4 months;

"(9) for 2013, 2 months; and

"(10) for 2014 and each subsequent year, 0 months.".

(c) CONFORMING AMENDMENTS.—

(1) SUNSET.—Effective January 1, 2014, subsection (f) of section 226 of the Social Security Act (42 U.S.C. 426) is repealed.

(2) MEDICARE DESCRIPTION.—Section 1811(2) of such Act (42 U.S.C. 1395c(2)) is amended by striking "entitled for not less than 24 months" and inserting "entitled for the waiting period (as defined in section 226(k))".

(3) MEDICARE COVERAGE.—Section 1837(g)(1) of such Act (42 U.S.C. 1395p(g)(1)) is amended by striking "of the later of (A) April 1973 or (B) the third month before the 25th month of such entitlement" and inserting "of the third month before the first month following the waiting period (as defined in section 226(k)) applicable under section 226(b)".

(4) RAILROAD RETIREMENT SYSTEM.—Section 7(d)(2)(ii) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(d)(2)(ii)) is amended—

(A) by striking ", for not less than 24 months" and inserting ", for the waiting period (as defined in section 226(k) of the Social Security Act); and

(B) by striking "could have been entitled for 24 calendar months, and" and inserting "could have been entitled for the waiting period (as defined is section 226(k) of the Social Security Act), and".

(d) EFFECTIVE DATE.—Except as provided in subsection (c)(1), the amendments made by this section shall apply to insurance benefits under title XVIII of the Social Security Act with respect to items and services furnished in months beginning at least 90 days after the date of the enactment of this Act.

SEC. 3. ELIMINATION OF WAITING PERIOD FOR INDIVIDUALS WITH LIFE-THREATENING CONDITIONS.

(a) IN GENERAL.—Section 226(h) of the Social Security Act (42 U.S.C. 426(h)) is amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(2) in the matter preceding subparagraph (A) (as redesignated by paragraph (1)), by inserting "(1)" after "(h)";

(3) in paragraph (1) (as designated by paragraph (2))—

(A) in the matter preceding subparagraph (A) (as redesignated by paragraph (1)), by inserting "or any other life-threatening condition identified by the Secretary" after "amyotrophic lateral sclerosis (ALS)"; and

(4) in subparagraph (B) (as redesignated by paragraph (1)), by striking "(rather than twenty-fifth month)"; and

(5) by adding at the end the following new paragraph:

"(2) For purposes of identifying life-threatening conditions under paragraph (1), the Secretary shall compile a list of conditions that are fatal without medical treatment. In compiling such list, the Secretary shall consult with the Director of the National Institutes of Health (including the Office of Rare Diseases), the Director of the Centers for Disease Control and Prevention, the Director of the National Science Foundation, and the Institute of Medicine of the National Academy of Sciences.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to insurance benefits under title XVIII of the Social Security Act with respect to items and services furnished in months beginning at least 90 days after the date of the enactment of this Act.

SEC. 4. INSTITUTE OF MEDICINE STUDY AND REPORT ON DELAY AND PREVENTION OF DISABILITY CONDITIONS.

(a) STUDY.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall request that the Institute of Medicine of the National Academy of Sciences conduct a study on the range of disability conditions that can be delayed or prevented if individuals receive access to health care services and coverage before the condition reaches disability levels.

(b) REPORT.—Not later than the date that is 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report containing the results of the Institute of Medicine study authorized under this section.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $750,000 for the period of fiscal years 2005 and 2006.

By Mrs. FEINSTEIN:

S. 2567. A bill to adjust the boundary of Redwood National Park in the State of California; to the Committee on Energy and Natural Resources.

Mrs. FEINSTEIN. Mr. President, I am pleased to introduce companion legislation to H.R. 3638, a bill introduced by Congressman MIKE THOMPSON in November 2003. This bill will adjust the boundary of Redwood National Park in the State of California to include the addition of the Mill Creek property.

In 2002, the California Department of Parks and Recreation acquired from the Save-the-Redwoods League 25,500 acres of forest land known as the Mill Creek property in Del Norte County, which is contiguous with the Redwood National and State parks boundary. This bill would include within the park boundary the Mill Creek acquisition and about 900 acres of land acquired and added to the State redwood parks since the 1978 expansion of the Redwood National Park boundary. There would be no Federal costs for land acquisition or development resulting from this legislation.

These lands will be managed by the same cooperative management agreement between the National Park Service and the California Department of Parks and Recreation. This partnership is viewed as a model of interagency cooperative management efforts and will provide for more efficient and cost-effective management of an ecologically significant resource.

This bill enjoys strong support from local and Federal officials, including Del Norte County and the Department of the Interior. Given this support and lack of controversy, I believe introducing companion legislation to be of great importance to ensure that our Redwood National Park is further protected.

I have long held a deep interest in protecting California's magnificent Redwoods. The Headwaters Agreement that was negotiated in part in my offices in 1996 protected approximately 7,500 acres of old growth redwoods, which was the largest grove of redwoods held in private ownership at the time.

I applaud Congressman MIKE THOMPSON's commitment to this issue and hope that this bill receives strong bipartisan support.

I urge my colleagues to support this legislation.

By Mr. BIDEN:

S. 2568. A bill to require the Secretary of the Treasury to mint coins in commemoration of the tercentenary of the birth of Benjamin Franklin, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. BIDEN. Mr. President, I rise today to introduce the Benjamin Franklin Commemorative Coin Act. This bill will authorize the U.S. Mint to produce a limited edition silver coin, in two designs, to honor the achievements of Benjamin Franklin, America's distinguished scientist, statesman, inventor and diplomat.

In 2006, the United States will host a worldwide celebration marking the 300th anniversary of Franklin's birth on January 17, 1706. Activities, lectures and exhibits are being developed through the efforts of the Benjamin Franklin Tercentenary Commission, as ordered by the Benjamin Franklin Tercentenary Commission Act, Public Law 107-202. The Commission, on which I serve with other elected officials and private sector partners, is responsible for providing a proper tribute to one of our most remarkable founding fathers. Surcharges on the sale of the coin would help the commission pay for activities it plans for celebrating Benjamin Franklin's birthday.

During the American Revolution, Franklin designed the first American coin—the "Continental" penny—and, until 1979, he was the only non-President of the United States whose image graced circulating coin and paper currency. it is only fitting that we honor Franklin's legacy through issuance of a commemorative coin.

This bill is the Senate companion to H.R. 3024, which was introduced by my colleague from Delaware, Congressman MIKE CASTLE, and it presently enjoys 326 cosponsors. As celebrations for our great leader are planned, I hope that my colleagues will join me in supporting a commemorative coin for this important American. I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2568

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Benjamin Franklin Commemorative Coin Act".

SEC. 2. FINDINGS.

Congress finds that

(1) Benjamin Franklin made historic contributions to the development of our Nation in a number of fields, including government, business, science, communications, and the arts;

(2) Benjamin Franklin was the only Founding Father to sign all of our Nation's organizational documents;

(3) Benjamin Franklin spent his career as a successful printer, which included printing the official currency for the colonies of Pennsylvania, Delaware, New Jersey and Maryland;

(4) Franklin's "Essay on Paper Currency" of 1741 proposed methods to fix the rate of exchange between the colonies and Great Britain;

(5) Benjamin Franklin, during the American Revolution, designed the first American coin, the "Continental" penny;

(6) Franklin made "A Penny Saved is A Penny Earned" a household phrase to describe the American virtues of hard work and economical living;

(7) Franklin played a major role in the design of the Great Seal of the United States, which appears on the $1 bill, and other major American symbols;

(8) Before 1979, Benjamin Franklin was the only non-president of the United States whose image graced circulating coin and paper currency;

(9) the official United States half dollar from 1948–1963 showed Franklin's portrait, as designed by John Sinnock;

(10) Franklin's "Way to Wealth" has come to symbolize America's commitment to free enterprise;

(11) the Franklin Institute Science Museum in Philadelphia (in this Act referred to as the "Franklin Institute") is a museum with an interactive approach to science and technology dedicated to the work of Benjamin Franklin;

(12) the Franklin Institute houses the first steam printing machine for coinage used by the United States Mint, which was placed in service in 1836, the 130th anniversary year of Franklin's birth;

(13) in 1976, Franklin Hall in the Franklin Institute was named the Official National Monument to the great patriot, scientist, and inventor;

(14) the Franklin Institute and 4 other major Benjamin Franklin-related Philadelphia cultural institutions joined hands in 2000 to organize international programs to commemorate the forthcoming 300th anniversary of Franklin's birth in 2006; and

(15) in 2002, Congress passed the Benjamin Franklin Tercentenary Commission Act (Public Law 107-202), creating a panel of distinguished Americans to work with the private sector in recommending appropriate Tercentenary programs, with the Franklin Institute serving as its administrative secretariat.

SEC. 3. COIN SPECIFICATIONS.

(a) DENOMINATIONS.—The Secretary of the Treasury (in this Act referred to as the "Secretary") shall mint and issue the following coins:

(1) $1 SILVER COINS WITH YOUNGER FRANKLIN IMAGE ON OBVERSE.—Not more than 250,000 $1 coins bearing the designs specified in section 4(a)(2), each of which shall—

(A) weigh 26.73 grams;

(B) have a diameter of 1.500 inches; and

(C) contain 90 percent silver and 10 percent copper.

(2) $1 SILVER COINS WITH OLDER FRANKLIN IMAGE ON OBVERSE.—Not more than 250,000 $1 coins bearing the designs specified in section 4(a)(3), each of which shall—

(A) weigh 26.73 grams;

(B) have a diameter of 1.500 inches; and

(C) contain 90 percent silver and 10 percent copper.

(b) LEGAL TENDER.—The coins minted under this Act shall be legal tender, as provided in section 5103 of title 31, United States Code.

(c) NUMISMATIC ITEMS.—For purposes of section 5136 of title 31, United States Code, all coins minted under this Act shall be considered to be numismatic items.

(d) USE OF THE UNITED STATES MINT AT PHILADELPHIA, PENNSYLVANIA.—It is the sense of the Congress that the coins minted under this Act should be struck at the United States Mint at Philadelphia, Pennsylvania, to the greatest extent possible.

SEC. 4. DESIGN OF COINS.

(a) DESIGN REQUIREMENTS.—

(1) IN GENERAL.—The design of the coins minted under this Act shall be emblematic of the life and legacy of Benjamin Franklin.

(2) $1 COINS WITH YOUNGER FRANKLIN IMAGE.—

(A) OBVERSE.—The obverse of the coins minted under section 3(a)(1) shall bear the image of Benjamin Franklin as a young man.

(B) REVERSE.—The reverse of the coins minted under section 3(a)(1) shall bear an image related to Benjamin Franklin's role as a patriot and a statesman.

(3) $1 COINS WITH OLDER FRANKLIN IMAGE.—

(A) OBVERSE.—The obverse of the coins minted under section 3(a)(2) shall bear the image of Benjamin Franklin as an older man.

(B) REVERSE.—The reverse of the coins minted under section 3(a)(2) shall bear an image related to Benjamin Franklin's role in developing the early coins and currency of the new country.

(4) DESIGNATION AND INSCRIPTIONS.—On each coin minted under this Act, there shall be—

(A) a designation of the value of the coin;

(B) an inscription of the year "2006"; and

(C) inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(b) SELECTION.—The design for the coins minted under this Act shall be—

(1) selected by the Secretary after consultation with the Commission of Fine Arts; and

(2) reviewed by the Citizens Coin Advisory Committee established under section 5135 of title 31, United States Code.

SEC. 5. ISSUANCE OF COINS.

(a) QUALITY OF COINS.—Coins minted under this Act shall be issued in uncirculated and proof qualities.

(b) COMMENCEMENT OF ISSUANCE.—The Secretary may issue coins minted under this Act beginning January 1, 2006, except that the Secretary may initiate sales of such coins, without issuance, before such date.

(c) TERMINATION OF MINTING AUTHORITY.—No coins shall be minted under this Act after December 31, 2006.

SEC. 6. SALE OF COINS.

(a) SALE PRICE.—Notwithstanding any other provision of law, the coins issued under this Act shall be sold by the Secretary at a price equal to the face value, plus the cost of designing and issuing such coins (including labor, materials, dies, use of machinery, overhead expenses, and marketing).

(b) BULK SALES.—The Secretary shall make bulk sales of the coins issued under this Act at a reasonable discount.

(c) PREPAID ORDERS AT A DISCOUNT.—

(1) IN GENERAL.—The Secretary shall accept prepaid orders for the coins minted under this Act before the issuance of such coins.

(2) DISCOUNT.—Sale prices with respect to prepaid orders under paragraph (1) shall be at a reasonable discount.

(d) SALES OF SINGLE COINS AND SETS OF COINS.—Coins of each design specified under section 4 may be sold separately or as a set containing a coin of each such design.

SEC. 7. SURCHARGES.

(a) SURCHARGE REQUIRED.—All sales of coins minted under this Act shall include a surcharge of $10 per coin.

(b) DISTRIBUTION.—Subject to section 5134(f) of title 31, United States Code, all surcharges which are received by the Secretary from the sale of coins issued under this Act shall be promptly paid by the Secretary to the Franklin Institute, for purposes of the celebration of the Benjamin Franklin Tercentenary.

(c) AUDITS.—The Franklin Institute shall be subject to the audit requirements of section 5134(f)(2) of title 31, United States Code, for purposes of this Act.

By Ms. SNOWE:

S. 2569. A bill to amend section 227 of the Communications Act of 1934 to clarify the prohibition on junk fax transmissions; to the Committee on Commerce, Science, and Transportation.

Mr. SNOWE. Mr. President, I rise today to introduce the Junk Fax Prevention Act of 2004, a bill to strengthen our laws on protecting consumers and businesses from receiving unwanted commercial advertisements by facsimile, while at the same time preserving a key method of doing business for thousands of companies, large and small, across the United States. The sending of unsolicited commercial communications by facsimile—"junk faxes"—has been illegal since 1991, and the Federal Communications Commission is charged with enforcing that prohibition. Those who engage in "blast faxes" can and should be prosecuted to the full extent of the law, as their behavior imposes unreasonable expenses upon residential and business facsimile subscribers.

However, the FCC has long recognized an exception to this general ban on unsolicited faxes when the parties sending and receiving the fax have an established business relationship. Businesses of all shapes and sizes regularly conduct their transactions via facsimile, such as real estate agents, wholesalers and distributors, travel agents, and those in the convention industry. In our modern economy, companies that are often hundreds or thousands of miles away from each other do business together, often with the same or greater frequency as with those just up the street. And the reality of business is that sometimes you need to communicate in writing, and it needs to get there right away.

The established business relationship exemption recognized this reality, and ensured that government was not placing an undue hardship on business owners. Yet inexplicably, on June 26, 2003 the FCC issued a new rule that eliminated the established business relationship. Under this new rule—which is set to take effect on January 1, 2005—the sender of a fax would have to acquire, in writing, the permission of the recipient to receive an unsolicited fax before the fax could be sent, even if the recipient made a verbal request that the information be faxed.

As Chair of the Senate Small Business Committee, I can state that the business community has in unison called upon Congress to take action to rectify this situation. Industry groups estimate that it will cost businesses an average of $5,000 in the first year alone to comply with the new law, and as much as $3,000 each year thereafter in record-keeping costs. These numbers do not take into account the potential lost business that could easily result if a primary method of business-to-business communication is cut off. Quite simply, small businesses in particular will suffer significantly if these rules are allowed to take effect.

My bill will restore the established business relationship exemption, allowing standard business transactions to continue without inhibition. The term "Established business relationship" means the same thing in the Junk Fax Prevention Act as in the regulations governing the Federal Do-Not-Call Registry: it means that the fax subscriber has made a prior inquiry, application, purchase, or transaction from the fax sender.

The Junk Fax Prevention Act also strengthens the protections available to fax recipients by adding an opt-out provision that the current law does not have. Even if an established business relationship exists, a fax subscriber can still request to not receive unsolicited faxes. The senders of these faxes must, by law, honor these requests, and they must include a notification of this right on every fax they send.

As a strong supporter of consumer rights, I also want to assure my colleagues that this bill does not in any way place consumers at risk. Very few consumers own fax machines, and those who do are protected by the general ban on solicitation and the opt-out provision if they do have an existing business relationship. To ensure that the privacy of consumers and businesses is protected, my bill also provides for studies by both the General Accounting Office and the FCC to evaluate the effectiveness of enforcement.

Small businesses have weathered the storm of the economic downturn over the past several years. As our economy now climbs out of recession and people return back to work, American businesses—our nation's employers do not need these unnecessary economic restraints to further hinder their recovery. I call upon all of my colleagues to join me in bringing relief to American businesses and pass the Junk Fax Prevention Act.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2569

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. SHORT TITLE.

This Act may be cited as the "Junk Fax Prevention Act of 2004".

SEC. 2. PROHIBITION ON FAX TRANSMISSIONS CONTAINING UNSOLICITED ADVERTISEMENTS.

(a) PROHIBITION.—Subparagraph (C) of section 227(b)(1) of the Communications Act of 1934 (47 U.S.C. 227(b)(1)(C)) is amended to read as follows:

"(C) to use any telephone facsimile machine, computer, or other device to send, to a telephone facsimile machine, an unsolicited advertisement—

"(i) to a person who has made a request to such sender that complies with the requirements under paragraph (2)(D), not to send future unsolicited advertisements to a telephone facsimile machine; or

"(ii) to a person not described in clause (i), unless—

"(I) the sender has an established business relationship (which term, for purposes of this subclause, shall have the meaning given the term in section 64.1200 of the Commission's regulations, as in effect on January 1, 2003, except that such term shall apply to a business subscriber in the same manner in which it applies to a residential subscriber) with such person; and

"(II) the unsolicited advertisement contains a conspicuous notice on the first page of the unsolicited advertisement that—

"(aa) states that the recipient may make a request to the sender of the unsolicited advertisement not to send any future unsolicited advertisements to such telephone facsimile machine and that failure to comply, within the shortest reasonable time, as determined by the Commission, with such a request meeting the requirements under paragraph (2)(D) is unlawful;

"(bb) sets forth the requirements for a request under paragraph (2)(D); and

"(cc) includes a domestic contact telephone and facsimile number for the recipient to transmit such a request to the sender, neither of which may be a number for a pay-per-call service (as such term is defined in section 228(i)); any number supplied shall permit an individual or business to make a do-not-fax request during regular business hours; or".

(b) REQUEST TO OPT-OUT OF FUTURE UNSOLICITED ADVERTISEMENTS.—Paragraph (2) of section 227(b) of the Communications Act of 1934 (47 U.S.C. 227(b)(2)) is amended—

(1) in subparagraph (B), by striking "and" at the end;

(2) in subparagraph (C), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new subparagraphs:

"(D) shall provide, by rule, that a request not to send future unsolicited advertisements to a telephone facsimile machine complies with the requirements under this subparagraph only if—

"(i) the request identifies the telephone number of the telephone facsimile machine to which the request relates;

"(ii) the request is made to the telephone or facsimile number of the sender of such an unsolicited advertisement provided pursuant to paragraph (1)(C)(ii)(II)(cc) or by any other method of communication as determined by the Commission; and

"(iii) the person making the request has not, subsequent to such request, provided express invitation or permission to the sender, in writing or otherwise, to send such advertisements to such person at such telephone facsimile machine; and

"(E) may, in the discretion of the Commission and subject to such conditions as the Commission may prescribe, allow professional trade associations that are tax-exempt nonprofit organizations to send unsolicited advertisements to their members in furtherance of the association's tax-exempt purpose that do not contain the notice required by paragraph (1)(C)(ii)(II), except that the Commission may take action under this subparagraph only by regulation issued after notice and opportunity for public comment in accordance with section 553 of title 5, United States Code, and only if the Commission determines that such notice is not necessary to protect the right of the members of such trade associations to make a request to their trade associations not to send any future unsolicited advertisements.".

(c) UNSOLICITED ADVERTISEMENT.—Paragraph (4) of section 227(a) of the Communications Act of 1934 (47 U.S.C. 227(a)(4)) is amended by inserting ", in writing or otherwise" before the period at the end.

(d) REGULATIONS.—Not later than 270 days after the date of the enactment of this Act, the Federal Communications Commission shall issue regulations to implement the amendments made by this section.

SEC. 3. FCC ANNUAL REPORT REGARDING JUNK FAX ENFORCEMENT.

Section 227 of the Communications Act of 1934 (47 U. S.C. 227) is amended by adding at the end the following new subsection:

"(g) JUNK FAX ENFORCEMENT REPORT.—The Commission shall submit a report to the Congress for each year regarding the enforcement of the provisions of this section relating to sending of unsolicited advertisements to telephone facsimile machines, which shall include the following information:

"(1) The number of complaints received by the Commission during such year alleging that a consumer received an unsolicited advertisement via telephone facsimile machine in violation of the Commission's rules.

“(2) The number of such complaints received during the year on which the Commission has taken action.

“(3) The number of such complaints that remain pending at the end of the year.

“(4) The number of citations issued by the Commission pursuant to section 503 during the year to enforce any law, regulation, or policy relating to sending of unsolicited advertisements to telephone facsimile machines.

“(5) The number of notices of apparent liability issued by the Commission pursuant to section 503 during the year to enforce any law, regulation, or policy relating to sending of unsolicited advertisements to telephone facsimile machines.

“(6) For each such notice—

“(A) the amount of the proposed forfeiture penalty involved;

“(B) the person to whom the notice was issued;

“(C) the length of time between the date on which the complaint was filed and the date on which the notice was issued; and

“(D) the status of the proceeding.

“(7) The number of final orders imposing forfeiture penalties issued pursuant to section 503 during the year to enforce any law, regulation, or policy relating to sending of unsolicited advertisements to telephone facsimile machines.

“(8) For each such forfeiture order—

“(A) the amount of the penalty imposed by the order;

“(B) the person to whom the order was issued;

“(C) whether the forfeiture penalty has been paid; and

“(D) the amount paid.

“(9) For each case in which a person has failed to pay a forfeiture penalty imposed by such a final order, whether the Commission referred such matter to the Attorney General for recovery of the penalty.

“(10) For each case in which the Commission referred such an order to the Attorney General—

“(A) the number of days from the date the Commission issued such order to the date of such referral;

“(B) whether the Attorney General has commenced an action to recover the penalty, and if so, the number of days from the date the Commission referred such order to the Attorney General to the date of such commencement; and

“(C) whether the recovery action resulted in collection of any amount, and if so, the amount collected.”.

SEC. 4. GAO STUDY OF JUNK FAX ENFORCEMENT.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study regarding complaints received by the Federal Communications Commission concerning unsolicited advertisements sent to telephone facsimile machines, which shall determine—

(1) the number and nature of such complaints;

(2) the number of such complaints that result in final agency actions by the Commission;

(3) the length of time taken by the Commission in responding to such complaints;

(4) the mechanisms established by the Commission to receive, investigate, and respond to such complaints;

(5) the level of enforcement success achieved by the Commission and the Attorney General regarding such complaints;

(6) whether complainants to the Commission are adequately informed by the Commission of the responses to their complaints; and

(7) whether additional enforcement measures are necessary to protect consumers, including recommendations regarding such additional enforcement measures.

(b) ADDITIONAL ENFORCEMENT REMEDIES.—In conducting the analysis and making the recommendations required under paragraph (7) of subsection (a), the Comptroller General shall specifically examine—

(1) the adequacy of existing statutory enforcement actions available to the Commission;

(2) the adequacy of existing statutory enforcement actions and remedies available to consumers;

(3) the impact of existing statutory enforcement remedies on senders of facsimiles;

(4) whether increasing the amount of financial penalties is warranted to achieve greater deterrent effect; and

(5) whether establishing penalties and enforcement actions for repeat violators or abusive violations similar to those established by section 4 of the CAN-SPAM Act of 2003 (15 U.S.C. 7703) would have a greater deterrent effect.

(c) REPORT.—Not later than 270 days after the date of the enactment of this Act, the Comptroller General shall submit a report on the results of the study under this section to Committee on Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

By Mr. SPECTER (for himself and Mr. HARKIN):

S. 2570. A bill entitled “The Health Care Assurance Act of 2004”, to the Committee on Finance.

Mr. SPECTER. Mr. President, I have sought recognition to introduce the Health Care Assurance Act of 2004, which is legislation designed to cover the 43 million Americans who are currently not covered, and to provide for offsets in cost to cover the expenditures in covering the 43 million Americans who are now not covered.

The United States has the greatest health care system in the world, and it is desirable, in my opinion, to incrementally change the health care system to cover those who are now not covered as opposed to having some vast bureaucracy take over, with the Government taking all of the responsibility.

I have introduced health care legislation in some detail during the course of my tenure in the Senate and have been privileged to be the chairman of the Appropriations Subcommittee on Health and Human Services since 1995, where, working collaboratively with Senator HARKIN, the ranking, senior Democrat on the subcommittee, we have increased funding in the National Institutes of Health, done extensive work on stem cell research, and provided a great many health care programs. The legislation which I am introducing today I introduce on behalf of Senator HARKIN and myself.

The essence of this legislation would provide for small employer and individual group purchasing so small employers or individuals can have the benefit of what large companies get by virtue of more purchasing power. That expenditure would run, over a 10-year period, at $300 million.

There is considerable loss of coverage when people change jobs. On the so-called portability, this legislation provides in some detail for covering people between jobs, at a cost of about $101 billion over the course of the 10-year period.

Financial incentives for young adults are provided. There is an outreach program for Medicaid-eligible low-income families. There is expanded coverage for the State Children's Health Insurance Program and their families.

The total cost of the programs over a 10-year period would be $540 billion. There are savings specified and identified in the course of this bill to make up for that money, for one thing, improving the program integrity and efficiency in the Medicare Program by having more audits to stop fraud in a very active way by reducing medical errors. The Institute of Medicine published a report identifying up to 98,000 deaths a year due to medical errors. They specified a program for saving up to $150 billion over a 10-year period by reducing medical errors.

The Subcommittee on Health and Human Services, which I chair, had provided funding to move ahead in implementing the reduction in those errors. There would be savings from improving health care quality, efficiency, and consumer education, and there would be considerable savings in primary and preventative care providers.

There needs to be a great deal of additional education. One statistic which I found of concern was that there are 14 million Americans who qualify for Medicaid programs, being below the 200 percent of poverty, who don't seek the coverage and don't know of its availability. In our Health and Human Services bill, we are providing funding to try to move ahead with an educational program.

Last month, a nonpartisan campaign was launched to call attention to the plight of more than 43 million Americans under age 65 who lack health insurance coverage. Two former presidents—Gerald Ford and Jimmy Carter—cochaired the effort. They were supported by nine former Surgeons General and Department of Health and Human Services Secretaries, as well as some of the most influential organizations in this country, including the AFL-CIO and the U.S. Chamber of Commerce. Nearly 1,500 public events took place throughout the country, all designed to bring together diverse interests around a single objective: to insist that all Americans have access to health insurance coverage.

Here in the Senate, a special task force appointed by Majority Leader FRIST and headed by my distinguished colleague Senator JUDD GREGG issued a series of recommendations for addressing this problem.

Well before last month, we knew that, contrary to what some assume, the ranks of the uninsured consisted primarily of working families with low and moderate incomes—not just the unemployed.

We knew that the lack of insurance ultimately compromises a person's health because he or she is less likely to receive preventive care, is more likely to be hospitalized for avoidable health problems, and is more likely to be diagnosed in the late stages of diseases.

And we knew that the lack of insurance coverage leaves individuals and their families more financially vulnerable to higher out-of-pocket costs for their medical bills.

As I have said many times, we can fix the problems felt by uninsured Americans without resorting to big government and without completely overhauling our current system, one that works well for most Americans—serving over 82 percent of our non-elderly citizens. We must enact reforms that improve upon our current market-based health care system, as it is clearly the best health care system in the world.

When you hear the term "uninsured" you immediately think of men and women who are unemployed and their children. The unemployed make up approximately 18 percent of Americans who lack health insurance. However, nearly 26 million individuals are employed and still are without health care coverage. Approximately 14 million employed individuals have household incomes below 200 percent of the Federal poverty level and are eligible for public health insurance programs, but have not applied. This statistic includes 4 million children who are eligible for Medicaid and the State Children's Health Insurance program.

Because of early retirements, nearly 10 percent of people between the ages of 55 and 64, are uninsured.

Approximately 25 to 30 percent of young adults between the ages of 18 and 34 are uninsured.

Immigrants and their U.S.-born children represent more than 90 percent of the increase in the uninsured population since 1989.

In the United States, in 2003, $1.7 trillion was spent on health care or more than $5,800 per person. It is projected that annual health care expenditures will exceed $3.4 trillion by 2013 or 18 percent of gross domestic product. Costs of covering the uninsured in 2004 dollars is approximately $48 billion or $500 plus billion over 10 years. These costs are in addition to the $125 billion per year currently spent for Medicare and Medicaid payments, out of pocket expenses paid by the uninsured and other state and local programs.

Accordingly, today I am introducing the Health Care Assurance Act of 2004. This legislation would provide health care coverage for all Americans who are currently uninsured. The bill's $540 billion price tag, over the next 10 years, would be offset by improving program integrity and efficiency, a reduction in medical errors, increasing the use of medical technology, and preventive health measures, including improving health care quality and consumer education. Let me briefly summarize the provisions of this legislation.

(1) Small Employer and Individual Purchasing Groups: This legislation establishes voluntary small employer and individual purchasing groups designed to provide affordable, comprehensive health coverage options for employers, their employees, and other uninsured individuals and their families. Health plans offering coverage through such groups will: (1) provide a standard, actuarially equivalent health benefits package; (2) adjust community rated premiums by age and family size in order to spread risk and provide price equity to all; and (3) meet guidelines for marketing practices. This provision would cost $300 million over 10 years and provide coverage to approximately 15.6 million Americans who are currently uninsured.

(2) COBRA Portability Reform: For those persons who are uninsured between jobs and for insured persons who fear losing coverage should they lose their jobs, this legislation would reform the existing COBRA law by: (1) extending to 24 months the minimum time period in which COBRA may cover individuals through their former employers' plan; (2) expanding coverage options to include plans with a lower premium and a $1,000 deductible—saving a typical family of four 20 percent in monthly premiums—and plans with a lower premium and a $3,000 deductible—saving a family of four 52 percent in monthly premiums. This provision would cost $101.7 billion over 10 years and would cover 8.5 million people.

(3) State Based Program of Financial Incentives to Young Adults: This legislation creates a $4 billion a year grant program which consists of financial incentives for full-time independent college students, part-time students, recent graduates and other young adults without health insurance coverage. Coverage would be offered through existing State programs, such as State high risk insurance pools and would be limited so that when individuals are hired, they receive health insurance through their employer. This provision would cost $40 billion over 10 years and would cover 4 million people who are currently uninsured.

(4) Outreach Programs for Low-Income Families Who are Eligible to Enroll in Medicaid: This program is designed to improve coverage through existing public and private health care programs by making low-income parents aware of State child health insurance programs. The legislation would also improve knowledge concerning public health benefits of health insurance coverage, including the advantages of receiving prevention and wellness services. This new outreach program would involve the Departments of Agriculture, Health and Human Services, the Social Security Administration and other Federal agencies to improve knowledge about health insurance coverage available through public programs. Outreach will be targeted to eligible populations and be designed in a culturally appropriate manner and identify particularly hard to reach populations, including recent immigrants and migrant and seasonal farm workers. This provision would cost $4 billion over 10 years and would cover up to 3 million previously uninsured individuals.

(5) Expansion of the State Children's Health Insurance Program and Family Coverage: The legislation would increase the income eligibility to families with incomes at or below 235 percent of the Federal poverty level, $44,486 annually for a family of four, and would also, for the first time, provide health insurance to the child's family. This provision would cost $394 billion over 10 years and would cover 12.4 million children and extend coverage to their families.

(6) Improving Program Integrity and Efficiency in the Medicare Program: The bill would raise the cap on Medicare contractor audit funding/program integrity from $720 million to $1 billion over a 5-year period. This provision would save an estimated $60 billion over the next 10 years.

(7) Reducing Medical Errors and Increasing the Use of Medical Technology: A provision is included that would provide for demonstration programs to test best practices for reducing errors, testing the use of appropriate technologies to reduce medical errors, such as hand-held electronic medication systems, and research in geographically diverse locations to determine the causes of medical errors. To assist in the development by the private sector of needed technology standards, the bill would provide for ways to examine use of information technology and coordinate actions by the Federal Government and ensure that this investment will further the national health information and infrastructure. This section of the legislation is projected to save $150 billion over the next 10 years.

(8) Improving Health Care Quality, Efficiency and Consumer Education: The legislation would set up demonstration projects to educate the public regarding wise consumer choices about their health care, such as appropriate health care costs and quality control information. The Department of HHS would be tasked with developing public service announcements to

educate the public about their coverage choices, eligibility and preventive care services. Also included in this title is a provision on ways to improve the effectiveness and portability of advance directives and living wills. Projected cost savings of this section of the bill is $70 billion over the next 10 years.

(9) Primary and Preventive Care Services: Language is included to encourage the use of nonphysician providers such as nurse practitioners, physician assistants, and clinical nurse specialists by increasing direct reimbursement under Medicare and Medicaid without regard to the setting where services are provided. The bill also seeks to encourage students early on in their medical training to pursue a career in primary care and it provides assistance to medical training programs to recruit such students. The savings from this provision is estimated at $260 billion over a 10 year period.

The bill I am introducing today is distinct from my longstanding efforts regarding managed care reform. During the 105th, 106th, and 107th Congresses, I joined a bipartisan group of Senators to introduce the Promoting Responsible Managed Care Act of 1998, 1999, and 2001 balanced proposals which would ensure that patients receive the benefits and services to which they are entitled, without compromising the savings and coordination of care that can be achieved through managed care.

I have advocated health care reform in one form or another throughout my 24 years in the Senate. My strong interest in health care dates back to my first term, when I sponsored S. 811, the Health Care for Displaced Workers Act of 1983, and S. 2051, the Health Care Cost Containment Act of 1983, which would have granted a limited antitrust exemption to health insurers, permitting them to engage in certain joint activities such as acquiring or processing information, and collecting and distributing insurance claims for health care services aimed at curtailing then escalating health care costs. In 1985, I introduced the Community-based Disease Prevention and Health Promotion Projects Act of 1985, S. 1873, directed at reducing the human tragedy of low birth weight babies and infant mortality. Since 1983, I have introduced and cosponsored numerous other bills concerning health care in our country.

During the 102nd Congress, I pressed the Senate to take action on the health care market issue. On July 29, 1992, I offered an amendment to legislation then pending on the Senate floor, which included a change from 25 percent to 100 percent deductibility for health insurance purchased by self-employed individuals, and small business insurance market reforms to make health coverage more affordable for small businesses. Included in this amendment were provisions from a bill introduced by the late Senator John Chafee, legislation which I cosponsored and which was previously proposed by Senators Bentsen and Durenberger. When then-majority leader Mitchell argued that the health care amendment I was proposing did not belong on that bill, I offered to withdraw the amendment if he would set a date certain to take up health care, similar to an arrangement made on product liability legislation, which had been placed on the calendar for September 8, 1992. The majority leader rejected that suggestion, and the Senate did not consider comprehensive health care legislation during the balance of the 102nd Congress. My July 29, 1992 amendment was defeated on a procedural motion by a vote of 35 to 60, along party lines.

The substance of that amendment, however, was adopted later by the Senate on September 23, 1992, when it was included in a Bentsen/Durenberger amendment which I cosponsored to broaden tax legislation, H.R. 11. This amendment, which included essentially the same self-employed tax deductibility and small group reforms I had proposed on July 29 of that year, passed the Senate by voice vote. Unfortunately, these provisions were later dropped from H.R. 11 in the House-Senate conference.

On August 12, 1992, I introduced legislation entitled the Health Care Affordability and Quality Improvement Act of 1992, S. 3176, that would have enhanced informed individual choice regarding health care services by providing certain information to health care recipients, would have lowered the cost of health care through use of the most appropriate provider, and would have improved the quality of health care.

On January 21, 1993, the first day of the 103rd Congress, I introduced the Comprehensive Health Care Act of 1993, S. 18. This legislation consisted of reforms that our health care system could have adopted immediately. These initiatives would have both improved access and affordability of insurance coverage and would have implemented systemic changes to lower the escalating cost of care in this country. S. 18 is the principal basis of the legislation I introduced in the last five Congresses as well as this one.

On March 23, 1993, I introduced the Comprehensive Access and Affordability Health Care Act of 1993, S. 631, which was a composite of health care legislation introduced by Senators Cohen, Kassebaum, Bond, and McCain, and included pieces of my bill, S. 18. I introduced this legislation in an attempt to move ahead on the consideration of health care legislation and provide a starting point for debate. As I noted earlier, I was precluded by majority leader Mitchell from obtaining Senate consideration of my legislation as a floor amendment on several occasions. Finally, on April 28, 1993, I offered the text of S. 631 as an amendment to the pending Department of the Environment Act, S. 171, in an attempt to urge the Senate to act on health care reform. My amendment was defeated 65 to 33 on a procedural motion, but the Senate had finally been forced to contemplate action on health care reform.

On the first day of the 104th Congress, January 4, 1995, I introduced a slightly modified version of S. 18, the Health Care Assurance Act of 1995, also S. 18, which contained provisions similar to those ultimately enacted in the Kassebaum-Kennedy legislation, including insurance market reforms, an extension of the tax deductibility of health insurance for the self employed, and tax deductibility of long term care insurance.

I continued these efforts in the 105th Congress, with the introduction of Health Care Assurance Act of 1997, S. 24, which included market reforms similar to my previous proposals with the addition of a new Title I, an innovative program to provide vouchers to States to cover children who lack health insurance coverage. I also introduced Title I of this legislation as a stand-alone bill, the Healthy Children's Pilot Program of 1997, S. 435, on March 13, 1997. This proposal targeted the approximately 4.2 million children of the working poor who lacked health insurance at that time. These are children whose parents earn too much to be eligible for Medicaid, but do not earn enough to afford private health care coverage for their families.

This legislation would have established a $10 billion/5-year discretionary pilot program to cover these uninsured children by providing grants to States. Modeled after Pennsylvania's extraordinarily successful Caring and BlueCHIP programs, this legislation was the first Republican-sponsored children's health insurance bill during the 105th Congress.

I was encouraged that the Balanced Budget Act of 1997, signed into law on August 5, 1997, included a combination of the best provisions from many of the children's health insurance proposals throughout this Congress. The new legislation allocated $24 billion over 5 years to establish State Child Health Insurance Programs, funded in part by a slight increase in the cigarette tax.

During both the 106th and 107th Congresses, I again introduced the Health Care Assurance Act. These bills contained similar insurance market reforms, as well as new provisions to augment the new State Child Health Insurance Program, to assist individuals with disabilities in maintaining quality health care coverage, and to establish a National Fund for Health Research to supplement the funding of the National Institutes of Health. All these new initiatives, as well as the market reforms that I supported previously, work toward the goals of covering more individuals and stemming the tide of rising health costs.

My commitment to the issue of health care reform across all populations has been consistently evident during my tenure in the Senate, as I have taken to this floor and offered health care reform bills and amendments on countless occasions. I will continue to stress the importance of the Federal Government's investment in and attention to the system's future.

As my colleagues are aware, I can personally report on the miracles of modern medicine. Nearly 10 years ago, an MRI detected a benign tumor, meningioma, at the outer edge of my brain. It was removed by conventional surgery, with 5 days of hospitalization and 5 more weeks of recuperation.

When a small regrowth was detected by a follow-up MRI in June 1996, it was treated with high powered radiation using a remarkable device called the "Gamma Knife." I entered the hospital on the morning of October 11, 1996, and left the same afternoon, ready to resume my regular schedule. Like the MRI, the Gamma Knife is an innovation, coming into widespread use only in the past decade.

In July 1998, I was pleased to return to the Senate after a relatively brief period of convalescence following heart bypass surgery. This experience again led me to marvel at our health care system and made me more determined than ever to support Federal funding for biomedical research and to support legislation which will incrementally make health care available to all Americans.

My concern about health care has long pre-dated my own personal benefits from the MRI and other diagnostic and curative procedures. As I have previously discussed, my concern about health care began many years ago and has been intensified by my service on the Appropriations Subcommittee on Labor, Health and Human Services, and Education, which I now have the honor to chair.

My own experience as a patient has given me deeper insights into the American health care system beyond my perspective from the U.S. Senate. I have learned: (1) our health care system, the best in the world, is worth every cent we pay for it; (2) patients sometimes have to press their own cases beyond doctors' standard advice; (3) greater flexibility must be provided on testing and treatment; (4) our system has the resources to treat the 40.9 million Americans currently uninsured, but we must find the way to pay for it; and (5) all Americans deserve the access to health care from which I and others with coverage have benefited.

I have long been convinced that our Federal budget of $2.4 trillion could provide sufficient funding for America's needs if we establish our real priorities. Over the past 10 years, I believe we have learned a great deal about our health care system and what the American people are willing to accept from the Federal Government. The message we heard loudest was that Americans do not want a massive overhaul of the health care system. Instead, our constituents want Congress to proceed at a slower pace and to target what is not working in the health care system while leaving in place what is working.

While I would have been willing to cooperate with the Clinton administration in addressing this Nation's health care problems, I found many areas where I differed with President Clinton's approach to solutions. I believe that the proposals would have been deleterious to my fellow Pennsylvanians, to the American people, and to our health care system as a whole. Most importantly, as the President proposed in 1993, I did not support creating a large new government bureaucracy because I believe that savings should go to health care services and not bureaucracies.

On this latter issue, I first became concerned about the potential growth in bureaucracy in September 1993 after reading the President's 239-page preliminary health care reform proposal. I was surprised by the number of new boards, agencies, and commissions, so I asked my legislative assistant, Sharon Helfant, to make me a list of all of them. Instead, she decided to make a chart. The initial chart depicted 77 new entities and 54 existing entities with new or additional responsibilities.

When the President's 1,342-page Health Security Act was transmitted to Congress on October 27, 1993, my staff reviewed it and found an increase to 105 new agencies, boards, and commissions and 47 existing departments, programs and agencies with new or expanded jobs. This chart received national attention after being used by Senator Bob Dole in his response to the President's State of the Union address on January 24, 1994.

The response to the chart was tremendous, with more than 12,000 people from across the country contacting my office for a copy; I still receive requests for the chart nearly ten years later. Groups and associations, such as United We Stand America, the American Small Business Association, the National Federation of Republican Women, and the Christian Coalition, reprinted the chart in their publications—amounting to hundreds of thousands more in distribution. Bob Woodward of the Washington Post later stated that he thought the chart was the single biggest factor contributing to the demise of the Clinton health care plan. And during the November 1996 election, my chart was used by Senator Dole in his presidential campaign to illustrate the need for incremental health care reform as opposed to a big government solution.

The Department of Health and Human Services has stated that the health care, education, and child care for the 3.5 to 4 million low-birth-weight infants and children from their births to the time they reach 15 years old costs between $5.5 and $6 billion more than what it would have cost if those children had been born at normal weight. We know that in most instances, prenatal care is effective in preventing low-birth-weight babies. Numerous studies have demonstrated that low birth weight does not have a genetic link, but is instead most often associated with inadequate prenatal care or the lack of prenatal care. The short and long-term costs of saving and caring for infants of low birth weight are staggering.

It is a human tragedy for a child to be born weighing 16 ounces with attendant problems which last a lifetime. I first saw one pound babies in 1984 when I was astounded to learn that Pittsburgh, PA, had the highest infant mortality rate of African-American babies of any city in the United States. I wondered how that could be true of Pittsburgh, which has such enormous medical resources. It was an amazing thing for me to see a one pound baby, about as big as my hand. However, I am pleased to report that as a result of successful prevention initiatives like the Federal Healthy Start program, Pittsburgh's infant mortality has decreased 20 percent.

To improve pregnancy outcomes for women at risk of delivering babies of low birth weight and to reduce infant mortality and the incidence of low-birth-weight births, as well as improving the health and well-being of mothers and their families, I initiated action that led to the creation of the Healthy Start program in 1991. Working with the first Bush administration and Senator HARKIN, as chairman of the Appropriations Subcommittee, we allocated $25 million in 1991 for the development of 15 demonstration projects. This number grew to 22 in 1994, to 75 projects in 1998, and the Health Resources and Services Administration expects this number to continue to increase. For fiscal year 2004, we secured $98 million for this vital program.

To help children and their families to truly get a healthy start requires that we continue to expand access to Head Start. This important program provides comprehensive services to low income children and families, including health, nutritional and social services that children need to achieve the school readiness goal of Head Start. I have strongly supported expanding this program to cover more children and families. Since FY'00, funding for Head Start has increased from $5.3 billion to the FY'04 level of $6.8 billion. Additional funding has extended the reach of this important program to the current level of approximately 920,000 children.

Our attention to improved health of children shifts to the school house door, as all children enroll in schools throughout the Nation. And it is in the schools where we have taken our next steps to improve the overall health of the Nation and reduce preventable health care expenditures. In the past 15 years, obesity has increased by over 50 percent among adults and in the past 20 years, obesity has increased by 100 percent among children and adolescents. A recent analysis by the National Institute of Child Health and Human Development, NICHD, Study of Early Child Care and Youth Development found that third grade children in the study received an average of 25 minutes per week in school of moderate to vigorous activity, while experts in the United States have recommended that young people should participate in physical activity of at least moderate intensity for 30 to 60 minutes each day. That is why I have supported increased funding for the Carole M. White Physical Education for Progress program. Since it was first funded at $5 million in FY 2001, this program has grown to $70 million in FY 2004. These funds help school districts and community based programs across the country improve and expand physical education programs in school, while also helping children develop healthy lifestyles to combat the epidemic of obesity in the Nation.

The Labor-HHS bill also has made great strides in increasing funding for a variety of public health programs, such as breast and cervical cancer prevention, childhood immunizations, family planning, and community health centers. These programs are designed to improve public health and prevent disease through primary and secondary prevention initiatives. It is essential that we invest more resources in these programs now if we are to make any substantial progress in reducing the costs of acute care in this country.

As chairman of the Labor, HHS and Education Appropriations Subcommittee, I have greatly encouraged the development of prevention programs which are essential to keeping people healthy and lowering the cost of health care in this country. In my view, no aspect of health care policy is more important. Accordingly, my prevention efforts have been widespread.

I joined my colleagues in efforts to ensure that funding for the Centers for Disease Control and Prevention, CDC, increased $3.9 billion or 390 percent since 1989, for a fiscal year 2004 total of $4.9 billion. We have also worked to increase funding for CDC's breast and cervical cancer early detection program to $209.5 million in fiscal year 2004, almost double its 1993 total.

I have also supported programs at CDC which help children. CDC's childhood immunization program seeks to eliminate preventable diseases through immunization and to ensure that at least 90 percent of 2-year-olds are vaccinated. The CDC also continues to educate parents and caregivers on the importance of immunization for children under 2 years. Along with my colleagues on the Appropriations Committee, I have helped ensure that funding for this important program together with the complementary Vaccines for Children Program has grown from $914 million in 1999 to $1.8 billion in fiscal year 2004. The CDC's lead poisoning prevention program annually identifies about 50,000 children with elevated blood levels and places those children under medical management. The program prevents the amount of lead in children's blood from reaching dangerous levels and has grown from $38.2 million in fiscal year 2000 to $41.7 million in fiscal year 2004.

In recent years, we have also strengthened funding for Community Health Centers, which provide immunizations, health advice, and health professions training. These centers, administered by the Health Resources and Services Administration, provide a critical primary care safety net to rural and medically underserved communities, as well as uninsured individuals, migrant workers, the homeless, residents of public housing, and Medicaid recipients. Funding for Community Health Centers has increased from $1 billion in fiscal year 2000 to $1.6 billion in fiscal year 2004.

As former chairman of the Select Committee on Intelligence and current chairman of the Appropriations Subcommittee with jurisdiction over nondefense biomedical research, I have worked to transfer CIA imaging technology to the fight against breast cancer. Through the Office of Women's Health within the Department of Health and Human Services, I secured a $2 million contract in fiscal year 1996 for a research consortium led by the University of Pennsylvania to perform the first clinical trials testing the use of intelligence technology for breast cancer detection. My Appropriations subcommittee has continued to provide funds to continue these clinical trials.

In 1998, I cosponsored the Women's Health Research and Prevention Amendments, which was signed into law later that year. This bill revised and extended certain programs with respect to women's health research and prevention activities at the National Institutes of Health and the Centers for Disease Control and Prevention.

In 1996, I also cosponsored an amendment to the Fiscal Year 1997 VA-HUD Appropriations bill which required that health plans provide coverage for a minimum hospital stay for a mother and child following the birth of the child. This bill became law in 1996.

I have also been a strong supporter of funding for AIDS research, education, and prevention programs.

During the 101st Congress I cosponsored the Ryan White Comprehensive AIDS Resources Emergency Act of 1990 which amended the Public Health Service Act to direct the Secretary of Health and Human Services, through the administrator of the Health Resources and Services Administration, to make grants in any metropolitan area that has reported and confirmed more than 2,000 acquired immune deficiency syndrome, AIDS, cases or a per capita incidence of at least 0.0025, eligible area. This legislation requires that the grants be directed to the chief elected official of the city or urban county that administers the public health agency serving the greatest number of individuals with AIDS in the eligible area. This bill became law in 1990.

During the 104th Congress I cosponsored the Ryan White CARE Reauthorization Act of 1995 which provided federal funds to metropolitan areas and states to assist in health care costs and support services for individuals and families affected by acquired immune deficiency syndrome, AIDS, or infection with the human immunodeficiency virus, HIV. This bill became law in 1996.

Funding for Ryan White AIDS programs has increased from $757.4 million in 1996 to $2.02 billion for fiscal year 2004. Within the fiscal year 2004 funding, $73 million was included for pediatric AIDS programs and $749 million for the AIDS Drug Assistance Program, ADAP. AIDS research at the NIH totaled $742.4 million in 1989, and has increased to an estimated $2.9 billion in fiscal year 2004.

The health care community continues to recognize the importance of prevention in improving health status and reducing health care costs. The Balanced Budget Act of 1997 and the Consolidated Omnibus Appropriations Act of fiscal year 2001 established new and enhanced preventive benefits within the Medicare program, such as flu shots, bone mass measurements, yearly mammograms, biennial pap smears and pelvic exams, and coverage of colonoscopy for high risk patients. However, some of these "wellness" benefits have cost obligations, such as copayments or deductibles. In this bill, I have also included provisions which refine and strengthen preventive benefits within the Medicare program, including coverage of yearly pap smears, pelvic exams, and screening and diagnostic mammography with no copayment or Part B deductible; and coverage of insulin pumps for certain Type I Diabetics.

During the 102nd Congress, I cosponsored an amendment to the Veterans'

Medical Programs Amendments of 1992 which included improvements to health and mental health care and other services to veterans by the Department of Veterans Affairs. This bill became law in 1992.

During the 106th Congress, I sponsored the Veterans Benefits and Health Care Improvement Act of 2000 which increased amounts of educational assistance for veterans under the Montgomery GI Bill and enhanced health programs. This bill became law in 2000.

I also sponsored the Department of Veterans Affairs Long-Term Care and Personnel Authorities Enhancement Act which improved and enhanced the provision of health for veterans. This bill became law in 2003.

I cosponsored the Jobs and Growth Tax Relief Reconciliation Act which became law in 2003. This Act provided $20 billion in fiscal relief to the states, half of which went toward Medicaid relief.

In 1996, I cosponsored the Health Coverage Availability and Affordability Act, which improved the portability and continuity of health insurance coverage in the group and individual markets, combated waste, fraud, and abuse in health insurance and health care delivery, promoted the use of medical savings accounts, improved access to long-term care services and coverage, and simplified the administration of health insurance. This bill became law in 1996.

On November 29, 1999, the Institute of Medicine, IOM, issued a report entitled "To Err is Human: Building a Safer Health System." The IOM Report estimated that anywhere between 44,000 and 98,000 hospitalized Americans die each year due to avoidable medical mistakes. However only a fraction of these deaths and injuries are due to negligence; most errors are caused by system failures. The IOM issued a comprehensive set of recommendations, including the establishment of a nationwide, mandatory reporting system; incorporation of patient safety standards in regulatory and accreditation programs; and the development of a nonpunitive "culture of safety" in health care organizations. The report called for a 50 percent reduction in medical errors over 5 years.

After the report was issued I held a series of three LHHS hearings on medical errors: Dec. 13, 1999—to discuss the findings of the Institute of Medicine's report on medical errors; Jan. 25, 2000—a joint hearing with the Committee on Veterans' Affairs to discuss a national error reporting system and the VA's national patient safety program; Feb. 22, 2000—a joint hearing with the HELP Committee to discuss the Administration's strategy to reduce medical errors.

After hearing from Government witnesses and experts in the field on medical errors, I included $50 million in the FY 2001 Senate Labor, Health and Human Services and Education for a patient safety initiative. In the Senate report I also directed the Agency for Healthcare Research and Quality, AHRQ, to: (1) develop guidelines on the collection of uniform error data; (2) establish a competitive demonstration program to test "best practices;" and (3) research ways to improve provider training.

The committee also directed AHRQ to prepare an interim report to Congress concerning the results of the demonstration program within 2 years of the beginning of the projects. The FY 2002 Senate report directed AHRQ to submit a report detailing the results of its initiative to reduce medical errors. HHS combined both reports into one, which it submitted to me earlier this year.

Since FY 2001 the Labor/HHS Subcommittee has included within the Agency for Healthcare Research and Quality funding for research into ways to reduce medical errors. The FY 2002 appropriation was $55 million, in FY 2003 another $55 million was provided, in FY 2004 the appropriation was increased to $79.5 million and in FY 2005, while still pending Senate action a figure of $84 million is proposed.

Statistics find that 30 percent of Medicare expenditures occur during a person's last year of life and beyond the last year of life, a tremendous percentage of medical costs occur in the last month, in the last few weeks, in the last week, or in the last few days.

A New England Journal of Medicine article stated that as much as 3.3 percent of national health care costs could be saved yearly by reducing the use of end of life interventions. While some estimates of the end of life costs have been projected to be over $500 billion, over a 10-year period, the cost analysis in this bill does not include any of these estimates in the projected savings calculations.

The issue of cutting back on end of life treatments is such a sensitive subject and no one should decide for anybody else what that person should have by way of end-of-life medical care. What care ought to be available is a very personal decision.

Living wills give an individual an opportunity to make that judgment, to make a decision as to how much care he or she wanted near the end of his or her life and that is, to repeat, a matter highly personalized for the individual.

As part of a public education program, I included an amendment to the Medicare Prescription Drug and Modernization Act of 2003 which directed the Secretary of Health and Human Services to include in its annual "Medicare And You" handbook, a section that specifies information on advance directives and details on living wills and durable powers of attorney regarding a person's health care decisions.

As chairman of the Labor, Health and Human Services, and Education Appropriations Subcommittee, I have worked to provide much-needed resources for hospitals, physicians, nurses, and other health care professionals. The National Institutes of Health provides funding for biomedical research at our Nation's universities, hospitals, and research institutions. I led the effort to double funding for the National Institutes of Health over 5 years. Funding for the NIH has increased from $11.3 billion in fiscal year 1995 to $28 billion in fiscal year 2004.

An adequate number of health professionals, including doctors, nurses, dentists, psychologists, laboratory technicians, and chiropractors is critical to the provision of health care in the United States. I have worked to provide much needed funding for health professional training and recruitment programs. In fiscal year 2004, these vital programs received $436 million. Nurse education and recruitment alone has been increased from $58 million in fiscal year 1996 to $142 million in fiscal year 2004.

Once recruited and trained, health professionals must be given the resources to provide quality health care in all areas of the country. Differences in reimbursement rates between rural and urban areas have led to significant problems in health professional retention. During the debate on the Balanced Budget Refinement Act 2, which passed as part of the FY 2001 consolidated appropriations bill, I attempted to reclassify some Northeastern hospitals in Pennsylvania to a Metropolitan Statistical Area with higher reimbursement rates. Due to the large volume of requests from other states, we were not able to accomplish these reclassifications for Pennsylvania. However, as part of the FY 2004 Omnibus Appropriations bill, I secured $7 million for twenty northeastern Pennsylvania hospitals affected by area wage index shortfalls.

As part of the Medicare Prescription Drug and Medicare Improvement Act of 2003, which passed the Senate on November 25, 2003, a $900 million program was established to provide a one-time appeal process for hospital wage index reclassification. Thirteen Pennsylvania hospitals were approved for funding through this program in Pennsylvania.

The following table outlines the $540 billion in projected health care costs offset by the $540 billion in health care saving assumptions contained in the provisions of the Health Care Assurance Act of 2004. These costs and savings are for a 10-year period.

	Projected health care costs
Small Employer and Individual Purchasing Groups	$300,000,000
COBRA Portability Reform	101,700,000,000
Financial Incentives for Young Adults	40,000,000,000

	Projected health care costs
Outreach Program for Medicaid Eligible Low-Income Families	4,000,000,000
Expanded Coverage for the State Children's Health Insurance Program and Their Families	394,000,000,000
Total—Projected Health Care Costs	540,000,000,000

	Projected health care savings
Improving Program Integrity/Efficiency in the Medicare Program	$60,000,000,000
Reducing Medical Errors and Increasing Medical Technology	150,000,000,000
Improving Health Care Quality, Efficiency and Consumer Education	70,000,000,000
Primary and Preventive Care Providers	260,000,000,000
Total—Projected Health Care Savings	540,000,000,000

The provisions which I have outlined today contain my ideas for a framework to provide affordable, quality health care for all Americans. I am opposed to rationing health care. I do not want rationing for myself, for my family, or for America. I believe we can provide care for the 43 million Americans who are now not covered by savings in other areas of the $1.7 trillion currently being spent on health care. The time has come for concerted action in this arena. I urge my colleagues to move this legislation forward promptly.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 389—EXPRESSING THE SENSE OF THE SENATE WITH RESPECT TO PROSTATE CANCER INFORMATION

Mr. CAMPBELL (for himself, Mr. JOHNSON, Mr. BUNNING, Mr. CHAMBLISS, Mr. GRAHAM of South Carolina, Mr. BURNS, and Mrs. LINCOLN) submitted the following resolution; which was referred to the Committee on Health, Education, Labor and Pensions:

S. RES. 389

Whereas in 2004, it is estimated that approximately 230,000 new cases of prostate cancer will be diagnosed in the United States, and nearly 30,000 men in the United States will die from prostate cancer;

Whereas prostate cancer is the second leading cause of cancer death in men in the United States;

Whereas more than $4,700,000,000 is spent annually in the United States in direct treatment costs for prostate cancer;

Whereas African-American men are diagnosed with and die from prostate cancer more frequently than men of other ethnic backgrounds;

Whereas increased education among health care providers and patients regarding the need for prostate cancer screening tests has resulted in the diagnosis of approximately 86 percent of prostate cancer patients before the cancerous cells have spread appreciably beyond the prostate gland, thereby enhancing the odds of successful treatment;

Whereas the potential complication rates for significant side effects vary among the most common forms of treatment for prostate cancer;

Whereas prostate cancer often strikes elderly people in the United States, men should have an opportunity to learn about the benefits and limitations of testing for prostate cancer detection and of treatment of prostate cancer, so that they can make an informed decision with the assistance of a clinician; and

Whereas Congress as a whole, and Members of Congress as individuals, are in unique positions to support the fight against prostate cancer, to help raise public awareness about the need to make screening tests available to all people at risk for prostate cancer, and to provide prostate cancer patients with adequate information to assess the relative benefits and risks of treatment options: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) national and community organizations and health care providers have played a commendable role in supplying information concerning the importance of screening for prostate cancer and the treatment options for patients with prostate cancer; and

(2) the Federal Government and the States should ensure that health care providers supply prostate cancer patients with appropriate information and any other tools necessary for prostate cancer patients to receive readily understandable descriptions of the advantages, disadvantages, benefits, and risks of all medically efficacious screening and treatments for prostate cancer, including brachytherapy, hormonal treatments, external beam radiation, chemotherapy, surgery, and watchful waiting.

Mr. CAMPBELL. Mr. President, today I am pleased to be joined by my colleagues Senators JOHNSON, BUNNING, CHAMBLISS, LINDSEY GRAHAM, BURNS, and LINCOLN to submit legislation which would express the Sense of the Senate that physicians inform prostate cancer patients of all of their treatment options. The non-binding resolution which we are introducing stresses the importance of presenting all options to men diagnosed with prostate cancer.

Prostate cancer is the second leading cause of cancer death of men in this country and is particularly devastating for men over the age of 50. In 2004, it is estimated that approximately 230,000 new cases of prostate cancer will be diagnosed in the United States, and nearly 30,000 men will die from the disease. Clearly, the effort to raise public understanding about treatment options is crucial.

I believe that patients should be provided with accessible and comprehensive information about all available treatment options in an effort to enable them to select the therapy most appropriate for their unique conditions. Understanding both the cure rates and the quality of life implications of each approach is essential in making an educated decision.

Last week an identical resolution passed the House by a vote of 377–3. I urge my colleagues to support this legislation. Let's take an important step forward in the fight against prostate cancer.

SENATE RESOLUTION 390—DESIGNATING SEPTEMBER 9, 2004, AS "NATIONAL FETAL ALCOHOL SPECTRUM DISORDERS DAY"

Ms. MURKOWSKI (for herself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 390

Whereas the term "fetal alcohol spectrum disorders" has replaced fetal alcohol syndrome as the umbrella term describing the range of effects that can occur in an individual whose mother drank alcohol during pregnancy;

Whereas fetal alcohol spectrum disorders are the leading cause of mental retardation in western civilization, including the United States, and are 100 percent preventable;

Whereas fetal alcohol spectrum disorders are a major cause of numerous social disorders including learning disabilities, school failure, juvenile delinquency, homelessness, unemployment, mental illness, and crime;

Whereas the incidence rate of fetal alcohol syndrome is estimated at 1 out of 500 live births and of fetal alcohol spectrum disorders is estimated at 1 out of every 100 live births;

Whereas the economic cost of fetal alcohol syndrome alone to the Nation was $5,400,000,000 in 2003 and that each individual with fetal alcohol syndrome will cost United States taxpayers between an estimated $1,500,000 and $3,000,000 in his or her lifetime;

Whereas in February 1999, a small group of parents of children who suffer from fetal alcohol spectrum disorders came together with the hope that in 1 magic moment the world could be made aware of the devastating consequences of alcohol consumption during pregnancy;

Whereas the first International Fetal Alcohol Syndrome Awareness Day was observed on September 9, 1999;

Whereas Bonnie Buxton of Toronto, Canada, the co-founder of the first International Fetal Alcohol Syndrome Awareness Day, stated the purpose of the observance as: "What if . . . a world full of FAS/E parents all got together on the ninth hour of the ninth day of the ninth month of the year and asked the world to remember that during the 9 months of pregnancy a woman should not consume alcohol . . . would the rest of the world listen?"; and

Whereas on the ninth day of the ninth month of each year since 1999, communities around the world have observed International Fetal Alcohol Syndrome Awareness Day: Now, therefore, be it

Resolved, That the Senate—

(1) designates September 9, 2004, as "National Fetal Alcohol Spectrum Disorders Awareness Day"; and

(2) requests that the President issue a proclamation calling upon the people of the United States to—

(A) observe "National Fetal Alcohol Spectrum Disorders Awareness Day" with appropriate ceremonies to—

(i) promote awareness of the effects of prenatal exposure to alcohol;

(ii) increase compassion for individuals affected by prenatal exposure to alcohol;

(iii) minimize further effects; and

(iv) ensure healthier communities across the United States; and

(B) observe a moment of reflection on the ninth hour of September 9, 2004, to remember that during the 9 months of pregnancy a woman should not consume alcohol.

AMENDMENTS SUBMITTED & PROPOSED

SA 3474. Mr. CRAPO (for Mr. Cochran (for himself and Mr. Harkin)) proposed an amendment to the bill S. 2507, to amend the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to reauthorize child nutrition programs, and for other purposes.

SA 3475. Mr. WARNER (for Mr. Gregg) proposed an amendment to amendment SA 3400 proposed by Mr. Feingold (for himself, Mrs. Murray, Mr. Corzine, and Mr. Dayton) to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes.

SA 3476. Mr. WARNER proposed an amendment to the bill S. 2400, supra.

SA 3477. Mr. WARNER submitted an amendment intended to be proposed by him to the bill S. 2400, supra.

SA 3478. Mr. WARNER proposed an amendment to the bill S. 2400, supra.

SA 3479. Mr. WARNER proposed an amendment to the bill S. 2400, supra.

SA 3480. Mr. WARNER proposed an amendment to the bill S. 2400, supra.

SA 3481. Mr. WARNER proposed an amendment to the bill S. 2400, supra.

SA 3482. Mr. WARNER (for himself and Mr. Levin) proposed an amendment to the bill S. 2400, supra.

SA 3483. Mr. LEVIN (for Mr. Hollings) proposed an amendment to the bill S. 2400, supra.

SA 3484. Mr. WARNER proposed an amendment to the bill S. 2400, supra.

SA 3485. Mr. LEAHY (for himself, Mr. Corzine, Mr. Kennedy, Mr. Schumer, and Mr. Durbin) proposed an amendment to amendment SA 3387 proposed by Mr. Leahy to the bill S. 2400, supra.

TEXT OF AMENDMENTS

SA 3474. Mr. CRAPO (for Mr. Cochran (for himself and Mr. Harkin)) proposed an amendment to the bill S. 2507, to amend the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to reauthorize child nutrition programs, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Child Nutrition and WIC Reauthorization Act of 2004".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; Table of contents.

TITLE I—AMENDMENTS TO RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT

Sec. 101. Nutrition promotion.
Sec. 102. Nutrition requirements.
Sec. 103. Provision of information.
Sec. 104. Direct certification.
Sec. 105. Household applications.
Sec. 106. Duration of eligibility for free or reduced price meals.
Sec. 107. Runaway, homeless, and migrant youth.
Sec. 108. Certification by local educational agencies.
Sec. 109. Exclusion of military housing allowances.
Sec. 110. Waiver of requirement for weighted averages for nutrient analysis.
Sec. 111. Food safety.
Sec. 112. Purchases of locally produced foods.
Sec. 113. Special assistance.
Sec. 114. Food and nutrition projects integrated with elementary school curricula.
Sec. 115. Procurement training.
Sec. 116. Summer food service program for children.
Sec. 117. Commodity distribution program.
Sec. 118. Notice of irradiated food products.
Sec. 119. Child and adult care food program.
Sec. 120. Fresh fruit and vegetable program.
Sec. 121. Summer food service residential camp eligibility.
Sec. 122. Access to local foods and school gardens.
Sec. 123. Year-round services for eligible entities.
Sec. 124. Free lunch and breakfast eligibility.
Sec. 125. Training, technical assistance, and food service management institute.
Sec. 126. Administrative error reduction.
Sec. 127. Compliance and accountability.
Sec. 128. Information clearinghouse.
Sec. 129. Program evaluation.

TITLE II—AMENDMENTS TO CHILD NUTRITION ACT OF 1966

Sec. 201. Severe need assistance.
Sec. 202. State administrative expenses.
Sec. 203. Special supplemental nutrition program for women, infants, and children.
Sec. 204. Local wellness policy.
Sec. 205. Team nutrition network.
Sec. 206. Review of best practices in the breakfast program.

TITLE III—COMMODITY DISTRIBUTION PROGRAMS

Sec. 301. Commodity distribution programs.

TITLE IV—MISCELLANEOUS

Sec. 401. Sense of Congress regarding efforts to prevent and reduce childhood obesity.

TITLE V—IMPLEMENTATION

Sec. 501. Guidance and regulations.
Sec. 502. Effective dates.

TITLE I—AMENDMENTS TO RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT

SEC. 101. NUTRITION PROMOTION.

The Richard B. Russell National School Lunch Act is amended by inserting after section 4 (42 U.S.C. 1753) the following:

"SEC. 5. NUTRITION PROMOTION.

"(a) In General.—Subject to the availability of funds made available under subsection (g), the Secretary shall make payments to State agencies for each fiscal year, in accordance with this section, to promote nutrition in food service programs under this Act and the school breakfast program established under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(b) Total Amount for Each Fiscal Year.—The total amount of funds available for a fiscal year for payments under this section shall equal not more than the product obtained by multiplying—

"(1) ½ cent; by

"(2) the number of lunches reimbursed through food service programs under this Act during the second preceding fiscal year in schools, institutions, and service institutions that participate in the food service programs.

"(c) Payments to States.—

"(1) Allocation.—Subject to paragraph (2), from the amount of funds available under subsection (g) for a fiscal year, the Secretary shall allocate to each State agency an amount equal to the greater of—

"(A) a uniform base amount established by the Secretary; or

"(B) an amount determined by the Secretary, based on the ratio that—

"(i) the number of lunches reimbursed through food service programs under this Act in schools, institutions, and service institutions in the State that participate in the food service programs; bears to

"(ii) the number of lunches reimbursed through the food service programs in schools, institutions, and service institutions in all States that participate in the food service programs.

"(2) Reductions.—The Secretary shall reduce allocations to State agencies qualifying for an allocation under paragraph (1)(B), in a manner determined by the Secretary, to the extent necessary to ensure that the total amount of funds allocated under paragraph (1) is not greater than the amount appropriated under subsection (g).

"(d) Use of Payments.—

"(1) Use by state agencies.—A State agency may reserve, to support dissemination and use of nutrition messages and material developed by the Secretary, up to—

"(A) 5 percent of the payment received by the State for a fiscal year under subsection (c); or

"(B) in the case of a small State (as determined by the Secretary), a higher percentage (as determined by the Secretary) of the payment.

"(2) Disbursement to schools and institutions.—Subject to paragraph (3), the State agency shall disburse any remaining amount of the payment to school food authorities and institutions participating in food service programs described in subsection (a) to disseminate and use nutrition messages and material developed by the Secretary.

"(3) Summer food service program for children.—In addition to any amounts reserved under paragraph (1), in the case of the summer food service program for children established under section 13, the State agency may—

"(A) retain a portion of the funds made available under subsection (c) (as determined by the Secretary); and

"(B) use the funds, in connection with the program, to disseminate and use nutrition messages and material developed by the Secretary.

"(e) Documentation.—A State agency, school food authority, and institution receiving funds under this section shall maintain documentation of nutrition promotion activities conducted under this section.

``(f) REALLOCATION.—The Secretary may reallocate, to carry out this section, any amounts made available to carry out this section that are not obligated or expended, as determined by the Secretary.

``(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section, to remain available until expended.''.

SEC. 102. NUTRITION REQUIREMENTS.

Section 9(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(a)) is amended by striking paragraph (2) and inserting the following:

``(2) FLUID MILK.—

``(A) IN GENERAL.—Lunches served by schools participating in the school lunch program under this Act—

``(i) shall offer students fluid milk in a variety of fat contents;

``(ii) may offer students flavored and unflavored fluid milk and lactose-free fluid milk; and

``(iii) shall provide a substitute for fluid milk for students whose disability restricts their diet, on receipt of a written statement from a licensed physician that identifies the disability that restricts the student's diet and that specifies the substitute for fluid milk.

``(B) SUBSTITUTES.—

``(i) STANDARDS FOR SUBSTITUTION.—A school may substitute for the fluid milk provided under subparagraph (A), a nondairy beverage that is nutritionally equivalent to fluid milk and meets nutritional standards established by the Secretary (which shall, among other requirements to be determined by the Secretary, include fortification of calcium, protein, vitamin A, and vitamin D to levels found in cow's milk) for students who cannot consume fluid milk because of a medical or other special dietary need other than a disability described in subparagraph (A)(iii).

``(ii) NOTICE.—The substitutions may be made if the school notifies the State agency that the school is implementing a variation allowed under this subparagraph, and if the substitution is requested by written statement of a medical authority or by a student's parent or legal guardian that identifies the medical or other special dietary need that restricts the student's diet, except that the school shall not be required to provide beverages other than beverages the school has identified as acceptable substitutes.

``(iii) EXCESS EXPENSES BORNE BY SCHOOL FOOD AUTHORITY.—Expenses incurred in providing substitutions under this subparagraph that are in excess of expenses covered by reimbursements under this Act shall be paid by the school food authority.

``(C) RESTRICTIONS ON SALE OF MILK PROHIBITED.—A school that participates in the school lunch program under this Act shall not directly or indirectly restrict the sale or marketing of fluid milk products by the school (or by a person approved by the school) at any time or any place—

``(i) on the school premises; or

``(ii) at any school-sponsored event.''.

SEC. 103. PROVISION OF INFORMATION.

Section 9(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(a)) is amended by adding at the end the following:

``(4) PROVISION OF INFORMATION.—

``(A) GUIDANCE.—Prior to the beginning of the school year beginning July 2004, the Secretary shall issue guidance to States and school food authorities to increase the consumption of foods and food ingredients that are recommended for increased serving consumption in the most recent Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341).

``(B) RULES.—Not later than 2 years after the date of enactment of this paragraph, the Secretary shall promulgate rules, based on the most recent Dietary Guidelines for Americans, that reflect specific recommendations, expressed in serving recommendations, for increased consumption of foods and food ingredients offered in school nutrition programs under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).''.

SEC. 104. DIRECT CERTIFICATION.

(a) IN GENERAL.—Section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) is amended—

(1) by redesignating paragraphs (3) through (7) as paragraphs (9) through (13), respectively; and

(2) in paragraph (2)—

(A) in subparagraph (B)—

(i) by striking ``(B) Applications'' and inserting the following:

``(B) APPLICATIONS AND DESCRIPTIVE MATERIAL.—

``(i) IN GENERAL.—Applications'';

(ii) in the second sentence, by striking ``Such forms and descriptive material'' and inserting the following:

``(ii) INCOME ELIGIBILITY GUIDELINES.—Forms and descriptive material distributed in accordance with clause (i)''; and

(iii) by adding at the end the following:

``(iii) CONTENTS OF DESCRIPTIVE MATERIAL.—

``(I) IN GENERAL.—Descriptive material distributed in accordance with clause (i) shall contain a notification that—

``(aa) participants in the programs listed in subclause (II) may be eligible for free or reduced price meals; and

``(bb) documentation may be requested for verification of eligibility for free or reduced price meals.

``(II) PROGRAMS.—The programs referred to in subclause (I)(aa) are—

``(aa) the special supplemental nutrition program for women, infants, and children established by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

``(bb) the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

``(cc) the food distribution program on Indian reservations established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)); and

``(dd) a State program funded under the program of block grants to States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).'';

(B) by striking ``(C)(i)'' and inserting ``(3)''; and

(C) by striking clause (ii) of subparagraph (C) (as it existed before the amendment made by subparagraph (B)) and all that follows through the end of subparagraph (D) and inserting the following:

``(4) DIRECT CERTIFICATION FOR CHILDREN IN FOOD STAMP HOUSEHOLDS.—

``(A) IN GENERAL.—Subject to subparagraph (D), each State agency shall enter into an agreement with the State agency conducting eligibility determinations for the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

``(B) PROCEDURES.—Subject to paragraph (6), the agreement shall establish procedures under which a child who is a member of a household receiving assistance under the food stamp program shall be certified as eligible for free lunches under this Act and free breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), without further application.

``(C) CERTIFICATION.—Subject to paragraph (6), under the agreement, the local educational agency conducting eligibility determinations for a school lunch program under this Act and a school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall certify a child who is a member of a household receiving assistance under the food stamp program as eligible for free lunches under this Act and free breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), without further application.

``(D) APPLICABILITY.—This paragraph applies to—

``(i) in the case of the school year beginning July 2006, a school district that had an enrollment of 25,000 students or more in the preceding school year;

``(ii) in the case of the school year beginning July 2007, a school district that had an enrollment of 10,000 students or more in the preceding school year; and

``(iii) in the case of the school year beginning July 2008 and each subsequent school year, each local educational agency.''.

(b) ADMINISTRATION.—

(1) IN GENERAL.—Section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) (as amended by subsection (a)) is amended by inserting after paragraph (4) the following:

``(5) DISCRETIONARY CERTIFICATION.—

``(A) IN GENERAL.—Subject to paragraph (6), any local educational agency may certify any child as eligible for free lunches or breakfasts, without further application, by directly communicating with the appropriate State or local agency to obtain documentation of the status of the child as—

``(i) a member of a family that is receiving assistance under the temporary assistance for needy families program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995;

``(ii) a homeless child or youth (defined as 1 of the individuals described in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2));

``(iii) served by the runaway and homeless youth grant program established under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.); or

``(iv) a migratory child (as defined in section 1309 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6399)).''.

``(B) CHILDREN OF HOUSEHOLDS RECEIVING FOOD STAMPS.—Subject to paragraph (6), any local educational agency may certify any child as eligible for free lunches or breakfasts, without further application, by directly communicating with the appropriate State or local agency to obtain documentation of the status of the child as a member of a household that is receiving food stamps under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

``(6) USE OR DISCLOSURE OF INFORMATION.—

``(A) IN GENERAL.—The use or disclosure of any information obtained from an application for free or reduced price meals, or from a State or local agency referred to in paragraph (3)(F), (4), or (5), shall be limited to—

``(i) a person directly connected with the administration or enforcement of this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) (including a regulation promulgated under either Act);

"(ii) a person directly connected with the administration or enforcement of—

"(I) a Federal education program;

"(II) a State health or education program administered by the State or local educational agency (other than a program carried out under title XIX or XXI of the Social Security Act (42 U.S.C. 1396 et seq.; 42 U.S.C. 1397aa et seq.)); or

"(III) a Federal, State, or local means-tested nutrition program with eligibility standards comparable to the school lunch program under this Act;

"(iii)(I) the Comptroller General of the United States for audit and examination authorized by any other provision of law; and

"(II) notwithstanding any other provision of law, a Federal, State, or local law enforcement official for the purpose of investigating an alleged violation of any program covered by this paragraph or paragraph (3)(F), (4), or (5);

"(iv) a person directly connected with the administration of the State medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) or the State children's health insurance program under title XXI of that Act (42 U.S.C. 1397aa et seq.) solely for the purposes of—

"(I) identifying children eligible for benefits under, and enrolling children in, those programs, except that this subclause shall apply only to the extent that the State and the local educational agency or school food authority so elect; and

"(II) verifying the eligibility of children for programs under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); and

"(v) a third party contractor described in paragraph (3)(G)(iv).

"(B) Limitation on information provided.—Information provided under clause (ii) or (v) of subparagraph (A) shall be limited to the income eligibility status of the child for whom application for free or reduced price meal benefits is made or for whom eligibility information is provided under paragraph (3)(F), (4), or (5), unless the consent of the parent or guardian of the child for whom application for benefits was made is obtained.

"(C) Criminal penalty.—A person described in subparagraph (A) who publishes, divulges, discloses, or makes known in any manner, or to any extent not authorized by Federal law (including a regulation), any information obtained under this subsection shall be fined not more than $1,000 or imprisoned not more than 1 year, or both.

"(D) Requirements for waiver of confidentiality.—A State that elects to exercise the option described in subparagraph (A)(iv)(I) shall ensure that any local educational agency or school food authority acting in accordance with that option—

"(i) has a written agreement with 1 or more State or local agencies administering health programs for children under titles XIX and XXI of the Social Security Act (42 U.S.C. 1396 et seq. and 1397aa et seq.) that requires the health agencies to use the information obtained under subparagraph (A) to seek to enroll children in those health programs; and

"(ii)(I) notifies each household, the information of which shall be disclosed under subparagraph (A), that the information disclosed will be used only to enroll children in health programs referred to in subparagraph (A)(iv); and

"(II) provides each parent or guardian of a child in the household with an opportunity to elect not to have the information disclosed.

"(E) Use of disclosed information.—A person to which information is disclosed under subparagraph (A)(iv)(I) shall use or disclose the information only as necessary for the purpose of enrolling children in health programs referred to in subparagraph (A)(iv).

"(7) Free and reduced price policy statement.—

"(A) In general.—After the initial submission, a local educational agency shall not be required to submit a free and reduced price policy statement to a State educational agency under this Act unless there is a substantive change in the free and reduced price policy of the local educational agency.

"(B) Routine change.—A routine change in the policy of a local educational agency (such as an annual adjustment of the income eligibility guidelines for free and reduced price meals) shall not be sufficient cause for requiring the local educational agency to submit a policy statement.

"(8) Communications.—

"(A) In general.—Any communication with a household under this subsection or subsection (d) shall be in an understandable and uniform format and, to the maximum extent practicable, in a language that parents and legal guardians can understand.

"(B) Electronic availability.—In addition to the distribution of applications and descriptive material in paper form as provided for in this paragraph, the applications and material may be made available electronically via the Internet.".

(2) Agreement for direct certification and cooperation.—Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) is amended by adding at the end the following:

"(u) Agreement for Direct Certification and Cooperation.—

"(1) In general.—Each State agency shall enter into an agreement with the State agency administering the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

"(2) Contents.—The agreement shall establish procedures that ensure that—

"(A) any child receiving benefits under this Act shall be certified as eligible for free lunches under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and free breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), without further application; and

"(B) each State agency shall cooperate in carrying out paragraphs (3)(F) and (4) of section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)).".

(c) Funding.—

(1) In general.—On October 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to assist States in carrying out the amendments contained in this section and the provisions of section 9(b)(3) of the Richard B. Russell National School Lunch Act (as amended by section 105(a)) $9,000,000, to remain available until expended.

(2) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to assist States in carrying out the amendments made by this section and the provisions of section 9(b)(3) of the Richard B. Russell National School Lunch Act (as amended by section 105(a)) the funds transferred under paragraph (1), without further appropriation.

(d) Conforming Amendments.—

(1) Effective July 1, 2008, paragraph (5) of section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) (as added by subsection (b)(1)) is amended—

(A) by striking subparagraph (B);

(B) by striking "CERTIFICATION.—" and all that follows through "In general.—" and inserting "CERTIFICATION.—"; and

(C) by redesignating clauses (i) through (iv) as subparagraphs (A) through (D), respectively, and indenting appropriately.

(2) Section 9 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758) (as amended by subsection (a)(1)) is amended—

(A) in subsection (b)(12)(B), by striking "paragraph (2)(C)" and inserting "this subsection"; and

(B) in the second sentence of subsection (d)(1), by striking "subsection (b)(2)(C)" and inserting "subsection (b)(3)(G)".

(3) Section 11(e) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(e)) is amended in the first sentence by striking "section 9(b)(3)" and inserting "section 9(b)(9)".

SEC. 105. HOUSEHOLD APPLICATIONS.

(a) In General.—Section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) (as amended by section 104(a)(2)(B)) is amended by striking paragraph (3) and inserting the following:

"(3) Household applications.—

"(A) Definition of household application.—In this paragraph, the term 'household application' means an application for a child of a household to receive free or reduced price school lunches under this Act, or free or reduced price school breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), for which an eligibility determination is made other than under paragraph (4) or (5).

"(B) Eligibility determination.—

"(i) In general.—An eligibility determination shall be made on the basis of a complete household application executed by an adult member of the household or in accordance with guidance issued by the Secretary.

"(ii) Electronic signatures and applications.—A household application may be executed using an electronic signature if—

"(I) the application is submitted electronically; and

"(II) the electronic application filing system meets confidentiality standards established by the Secretary.

"(C) Children in household.—

"(i) In general.—The household application shall identify the names of each child in the household for whom meal benefits are requested.

"(ii) Separate applications.—A State educational agency or local educational agency may not request a separate application for each child in the household that attends schools under the same local educational agency.

"(D) Verification of sample.—

"(i) Definitions.—In this subparagraph:

"(I) Error prone application.—The term 'error prone application' means an approved household application that—

"(aa) indicates monthly income that is within $100, or an annual income that is within $1,200, of the income eligibility limitation for free or reduced price meals; or

"(bb) in lieu of the criteria established under item (aa), meets criteria established by the Secretary.

"(II) Non-response rate.—The term 'non-response rate' means (in accordance with guidelines established by the Secretary) the percentage of approved household applications for which verification information has not been obtained by a local educational agency after attempted verification under subparagraphs (F) and (G).

``(ii) Verification of sample.—Each school year, a local educational agency shall verify eligibility of the children in a sample of household applications approved for the school year by the local educational agency, as determined by the Secretary in accordance with this subsection.

``(iii) Sample size.—Except as otherwise provided in this paragraph, the sample for a local educational agency for a school year shall equal the lesser of—

``(I) 3 percent of all applications approved by the local educational agency for the school year, as of October 1 of the school year, selected from error prone applications; or

``(II) 3,000 error prone applications approved by the local educational agency for the school year, as of October 1 of the school year.

``(iv) Alternative sample size.—

``(I) In general.—If the conditions described in subclause (IV) are met, the verification sample size for a local educational agency shall be the sample size described in subclause (II) or (III), as determined by the local educational agency.

``(II) 3,000/3 percent option.—The sample size described in this subclause shall be the lesser of 3,000, or 3 percent of, applications selected at random from applications approved by the local educational agency for the school year, as of October 1 of the school year.

``(III) 1,000/1 percent plus option.—

``(aa) In general.—The sample size described in this subclause shall be the sum of—

``(AA) the lesser of 1,000, or 1 percent of, all applications approved by the local educational agency for the school year, as of October 1 of the school year, selected from error prone applications; and

``(BB) the lesser of 500, or ½ of 1 percent of, applications approved by the local educational agency for the school year, as of October 1 of the school year, that provide a case number (in lieu of income information) showing participation in a program described in item (bb) selected from those approved applications that provide a case number (in lieu of income information) verifying the participation.

``(bb) Programs.—The programs described in this item are—

``(AA) the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

``(BB) the food distribution program on Indian reservations established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)); and

``(CC) a State program funded under the program of block grants to States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995.

``(IV) Conditions.—The conditions referred to in subclause (I) shall be met for a local educational agency for a school year if—

``(aa) the nonresponse rate for the local educational agency for the preceding school year is less than 20 percent; or

``(bb) the local educational agency has more than 20,000 children approved by application by the local educational agency as eligible for free or reduced price meals for the school year, as of October 1 of the school year, and—

``(AA) the nonresponse rate for the preceding school year is at least 10 percent below the nonresponse rate for the second preceding school year; or

``(BB) in the case of the school year beginning July 2005, the local educational agency attempts to verify all approved household applications selected for verification through use of public agency records from at least 2 of the programs or sources of information described in subparagraph (F)(i).

``(v) Additional selected applications.—A sample for a local educational agency for a school year under clauses (iii) and (iv)(III)(AA) shall include the number of additional randomly selected approved household applications that are required to comply with the sample size requirements in those clauses.

``(E) Preliminary review.—

``(i) Review for accuracy.—

``(I) In general.—Prior to conducting any other verification activity for approved household applications selected for verification, the local educational agency shall ensure that the initial eligibility determination for each approved household application is reviewed for accuracy by an individual other than the individual making the initial eligibility determination, unless otherwise determined by the Secretary.

``(II) Waiver.—The requirements of subclause (I) shall be waived for a local educational agency if the local educational agency is using a technology-based solution that demonstrates a high level of accuracy, to the satisfaction of the Secretary, in processing an initial eligibility determination in accordance with the income eligibility guidelines of the school lunch program.

``(ii) Correct eligibility determination.—If the review indicates that the initial eligibility determination is correct, the local educational agency shall verify the approved household application.

``(iii) Incorrect eligibility determination.—If the review indicates that the initial eligibility determination is incorrect, the local educational agency shall (as determined by the Secretary)—

``(I) correct the eligibility status of the household;

``(II) notify the household of the change;

``(III) in any case in which the review indicates that the household is not eligible for free or reduced-price meals, notify the household of the reason for the ineligibility and that the household may reapply with income documentation for free or reduced-price meals; and

``(IV) in any case in which the review indicates that the household is eligible for free or reduced-price meals, verify the approved household application.

``(F) Direct verification.—

``(i) In general.—Subject to clauses (ii) and (iii), to verify eligibility for free or reduced price meals for approved household applications selected for verification, the local educational agency may (in accordance with criteria established by the Secretary) first obtain and use income and program participation information from a public agency administering—

``(I) the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

``(II) the food distribution program on Indian reservations established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b));

``(III) the temporary assistance for needy families program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

``(IV) the State medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.); or

``(V) a similar income-tested program or other source of information, as determined by the Secretary.

``(ii) Free meals.—Public agency records that may be obtained and used under clause (i) to verify eligibility for free meals for approved household applications selected for verification shall include the most recent available information (other than information reflecting program participation or income before the 180-day period ending on the date of application for free meals) that is relied on to administer—

``(I) a program or source of information described in clause (i) (other than clause (i)(IV)); or

``(II) the State plan for medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) in—

``(aa) a State in which the income eligibility limit applied under section 1902(l)(2)(C) of that Act (42 U.S.C. 1396a(*l*)(2)(C)) is not more than 133 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(*l*)(2)(A)); or

``(bb) a State that otherwise identifies households that have income that is not more than 133 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(*l*)(2)(A)).

``(iii) Reduced price meals.—Public agency records that may be obtained and used under clause (i) to verify eligibility for reduced price meals for approved household applications selected for verification shall include the most recent available information (other than information reflecting program participation or income before the 180-day period ending on the date of application for reduced price meals) that is relied on to administer—

``(I) a program or source of information described in clause (i) (other than clause (i)(IV)); or

``(II) the State plan for medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) in—

``(aa) a State in which the income eligibility limit applied under section 1902(l)(2)(C) of that Act (42 U.S.C. 1396a(*l*)(2)(C)) is not more than 185 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(*l*)(2)(A)); or

``(bb) a State that otherwise identifies households that have income that is not more than 185 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(*l*)(2)(A)).

``(iv) Evaluation.—Not later than 3 years after the date of enactment of this subparagraph, the Secretary shall complete an evaluation of—

``(I) the effectiveness of direct verification carried out under this subparagraph in decreasing the portion of the verification sample that must be verified under subparagraph (G) while ensuring that adequate verification information is obtained; and

``(II) the feasibility of direct verification by State agencies and local educational agencies.

``(v) Expanded use of direct verification.—If the Secretary determines that direct verification significantly decreases the portion of the verification sample that must be verified under subparagraph (G), while ensuring that adequate verification information is obtained, and can be conducted by most State agencies and local educational agencies, the Secretary may require a State agency or local educational agency to implement direct verification through 1 or more of the programs described in clause (i), as determined by the Secretary, unless the State agency or local educational agency demonstrates (under criteria established by the Secretary) that the State agency or local educational agency lacks the capacity to conduct, or is unable to implement, direct verification.

"(G) HOUSEHOLD VERIFICATION.—

"(i) IN GENERAL.—If an approved household application is not verified through the use of public agency records, a local educational agency shall provide to the household written notice that—

"(I) the approved household application has been selected for verification; and

"(II) the household is required to submit verification information to confirm eligibility for free or reduced price meals.

"(ii) PHONE NUMBER.—The written notice in clause (i) shall include a toll-free phone number that parents and legal guardians in households selected for verification can call for assistance with the verification process.

"(iii) FOLLOWUP ACTIVITIES.—If a household does not respond to a verification request, a local educational agency shall make at least 1 attempt to obtain the necessary verification from the household in accordance with guidelines and regulations promulgated by the Secretary.

"(iv) CONTRACT AUTHORITY FOR SCHOOL FOOD AUTHORITIES.—A local educational agency may contract (under standards established by the Secretary) with a third party to assist the local educational agency in carrying out clause (iii).

"(H) VERIFICATION DEADLINE.—

"(i) GENERAL DEADLINE.—

"(I) IN GENERAL.—Subject to subclause (II), not later than November 15 of each school year, a local educational agency shall complete the verification activities required for the school year (including followup activities).

"(II) EXTENSION.—Under criteria established by the Secretary, a State may extend the deadline established under subclause (I) for a school year for a local educational agency to December 15 of the school year.

"(ii) ELIGIBILITY CHANGES.—Based on the verification activities, the local educational agency shall make appropriate modifications to the eligibility determinations made for household applications in accordance with criteria established by the Secretary.

"(I) LOCAL CONDITIONS.—In the case of a natural disaster, civil disorder, strike, or other local condition (as determined by the Secretary), the Secretary may substitute alternatives for—

"(i) the sample size and sample selection criteria established under subparagraph (D); and

"(ii) the verification deadline established under subparagraph (H).

"(J) INDIVIDUAL REVIEW.—In accordance with criteria established by the Secretary, the local educational agency may, on individual review—

"(i) decline to verify no more than 5 percent of approved household applications selected under subparagraph (D); and

"(ii) replace the approved household applications with other approved household applications to be verified.

"(K) FEASIBILITY STUDY.—

"(i) IN GENERAL.—The Secretary shall conduct a study of the feasibility of using computer technology (including data mining) to reduce—

"(I) overcertification errors in the school lunch program under this Act;

"(II) waste, fraud, and abuse in connection with this paragraph; and

"(III) errors, waste, fraud, and abuse in other nutrition programs, as determined to be appropriate by the Secretary.

"(ii) REPORT.—Not later than 180 days after the date of enactment of this paragraph, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing—

"(I) the results of the feasibility study conducted under this subsection;

"(II) how a computer system using technology described in clause (i) could be implemented;

"(III) a plan for implementation; and

"(IV) proposed legislation, if necessary, to implement the system.".

(b) CONFORMING AMENDMENTS.—Section 1902(a)(7) of the Social Security Act (42 U.S.C. 1396a(a)(7)) is amended—

(1) by striking "connected with the" and inserting "connected with—

"(A) the";

(2) by adding "and" after the semicolon; and

(3) by adding at the end the following:

"(B) at State option, the exchange of information necessary to verify the certification of eligibility of children for free or reduced price breakfasts under the Child Nutrition Act of 1966 and free or reduced price lunches under the Richard B. Russell National School Lunch Act, in accordance with section 9(b) of that Act, using data standards and formats established by the State agency;".

(c) EVALUATION FUNDING.—

(1) IN GENERAL.—On October 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to conduct the evaluation required by section 9(b)(3)(F)(iv) of the Richard B. Russell National School Lunch Act (as amended by subsection (a)) $2,000,000, to remain available until expended.

(2) RECEIPT AND ACCEPTANCE.—The Secretary of Agriculture shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under paragraph (1), without further appropriation.

SEC. 106. DURATION OF ELIGIBILITY FOR FREE OR REDUCED PRICE MEALS.

Paragraph (9) of section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C.1758(b)) (as redesignated by section 104(a)(1)) is amended—

(1) by striking "(9) Any" and inserting the following:

"(9) ELIGIBILITY FOR FREE AND REDUCED PRICE LUNCHES.—

"(A) FREE LUNCHES.—Any";

(2) by striking "Any" in the second sentence and inserting the following:

"(B) REDUCED PRICE LUNCHES.—

"(i) IN GENERAL.—Any";

(3) by striking "The" in the last sentence and inserting the following:

"(ii) MAXIMUM PRICE.—The"; and

(4) by adding at the end the following:

"(C) DURATION.—Except as otherwise specified in paragraph (3)(E), (3)(H)(ii), and section 11(a), eligibility for free or reduced price meals for any school year shall remain in effect—

"(i) beginning on the date of eligibility approval for the current school year; and

"(ii) ending on a date during the subsequent school year determined by the Secretary.".

SEC. 107. RUNAWAY, HOMELESS, AND MIGRANT YOUTH.

(a) CATEGORICAL ELIGIBILITY FOR FREE LUNCHES AND BREAKFASTS.—Section 9(b)(12)(A) of the Richard B. Russell National School Lunch Act (as redesignated by section 104(a)(1) of this Act) is amended—

(1) in clause (ii), by striking "or" at the end;

(2) in clause (iii), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(iv) a homeless child or youth (defined as 1 of the individuals described in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2));

"(v) served by the runaway and homeless youth grant program established under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.); or

"(vi) a migratory child (as defined in section 1309 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6399)).".

(b) DOCUMENTATION.—Section 9(d)(2) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(d)(2)) is amended—

(1) in subparagraph (B), by striking "or";

(2) in subparagraph (C), by striking the period at the end and inserting a semicolon; and

(3) by inserting after subparagraph (C) the following:

"(D) documentation has been provided to the appropriate local educational agency showing that the child meets the criteria specified in clauses (iv) or (v) of subsection (b)(12)(A); or

"(E) documentation has been provided to the appropriate local educational agency showing the status of the child as a migratory child (as defined in section 1309 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6399)).".

SEC. 108. CERTIFICATION BY LOCAL EDUCATIONAL AGENCIES.

(a) CERTIFICATION BY LOCAL EDUCATIONAL AGENCY.—Section 9 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758) is amended—

(1) in the second sentence of subsection (b)(11) (as redesignated by section 104(a)(1)), by striking "Local school authorities" and inserting "Local educational agencies"; and

(2) in subsection (d)(2)—

(A) by striking "local school food authority" each place it appears and inserting "local educational agency"; and

(B) in subparagraph (A), by striking "such authority" and inserting "the local educational agency".

(b) DEFINITION OF LOCAL EDUCATIONAL AGENCY.—Section 12(d) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760(d)) is amended—

(1) by redesignating paragraph (8) as paragraph (3) and moving the paragraph to appear after paragraph (2);

(2) by redesignating paragraphs (3) through (7) (as those paragraphs existed before the amendment made by paragraph (1)) as paragraphs (5) through (9), respectively; and

(3) by inserting after paragraph (3) (as redesignated by paragraph (1)) the following:

"(4) LOCAL EDUCATIONAL AGENCY.—

"(A) IN GENERAL.—The term 'local educational agency' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(B) INCLUSION.—The term 'local educational agency' includes, in the case of a private nonprofit school, an appropriate entity determined by the Secretary.".

(c) School Breakfast Program.—Section 4(b)(1)(E)) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)(E)) is amended by striking "school food authority" each place it appears and inserting "local educational agency".

SEC. 109. EXCLUSION OF MILITARY HOUSING ALLOWANCES.

Section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) (as amended by section 104(a)(1)) is amended in paragraph (13) by striking "For each of fiscal years 2002 and 2003 and through June 30, 2004, the" and inserting "The".

SEC. 110. WAIVER OF REQUIREMENT FOR WEIGHTED AVERAGES FOR NUTRIENT ANALYSIS.

Section 9(f)(5) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(f)(5)) is amended by striking "September 30, 2003" and inserting "September 30, 2009".

SEC. 111. FOOD SAFETY.

Section 9(h) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(h)) is amended—

(1) in the subsection heading, by striking "Inspections";

(2) in paragraph (1)—

(A) by striking "Except as provided in paragraph (2), a" and inserting "A";

(B) by striking "shall, at least once" and inserting: "shall—

"(A) at least twice";

(C) by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

"(B) post in a publicly visible location a report on the most recent inspection conducted under subparagraph (A); and

"(C) on request, provide a copy of the report to a member of the public."; and

(3) by striking paragraph (2) and inserting the following:

"(2) State and local government inspections.—Nothing in paragraph (1) prevents any State or local government from adopting or enforcing any requirement for more frequent food safety inspections of schools.

"(3) Audits and reports by states.—For each of fiscal years 2006 through 2009, each State shall annually—

"(A) audit food safety inspections of schools conducted under paragraphs (1) and (2); and

"(B) submit to the Secretary a report of the results of the audit.

"(4) Audit by the secretary.—For each of fiscal years 2006 through 2009, the Secretary shall annually audit State reports of food safety inspections of schools submitted under paragraph (3).

"(5) School food safety program.—Each school food authority shall implement a school food safety program, in the preparation and service of each meal served to children, that complies with any hazard analysis and critical control point system established by the Secretary.".

SEC. 112. PURCHASES OF LOCALLY PRODUCED FOODS.

Section 9(j)(2)(A) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(j)(2)(A)) is amended by striking "2007" and inserting "2009".

SEC. 113. SPECIAL ASSISTANCE.

Section 11(a)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(a)(1)) is amended by inserting "or school district" after "school" each place it appears in subparagraphs (C) through (E) (other than as part of "school year", "school years", "school lunch", "school breakfast", and "4-school-year period").

SEC. 114. FOOD AND NUTRITION PROJECTS INTEGRATED WITH ELEMENTARY SCHOOL CURRICULA.

Section 12 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760) is amended by striking subsection (m).

SEC. 115. PROCUREMENT TRAINING.

Section 12 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760) (as amended by section 114) is amended by inserting after subsection (l) the following:

"(m) Procurement Training.—

"(1) In general.—Subject to the availability of funds made available under paragraph (4), the Secretary shall provide technical assistance and training to States, State agencies, schools, and school food authorities in the procurement of goods and services for programs under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) (other than section 17 of that Act (42 U.S.C. 1786)).

"(2) Buy american training.—Activities carried out under paragraph (1) shall include technical assistance and training to ensure compliance with subsection (n).

"(3) Procuring safe foods.—Activities carried out under paragraph (1) shall include technical assistance and training on procuring safe foods, including the use of model specifications for procuring safe foods.

"(4) Authorization of appropriations.—There is authorized to be appropriated to carry out this subsection $1,000,000 for each of fiscal years 2005 through 2009, to remain available until expended.".

SEC. 116. SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.

(a) Seamless Summer Option.—Section 13(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(a)) is amended by adding at the end the following:

"(8) Seamless summer option.—Except, as otherwise determined by the Secretary, a service institution that is a public or private nonprofit school food authority may provide summer or school vacation food service in accordance with applicable provisions of law governing the school lunch program established under this Act or the school breakfast program established under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).".

(b) Seamless Summer Reimbursements.—Section 13(b)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(b)(1)) is amended by adding at the end the following:

"(D) Seamless summer reimbursements.—A service institution described in subsection (a)(8) shall be reimbursed for meals and meal supplements in accordance with the applicable provisions under this Act (other than subparagraphs (A), (B), and (C) of this paragraph and paragraph (4)) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), as determined by the Secretary.".

(c) Summer Food Service Eligibility Criteria.—Section 13(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(a)) (as amended by subsection (a)) is amended by adding at the end the following—

"(9) Exemption.—

"(A) In general.—For each of calendar years 2005 and 2006 in rural areas of the State of Pennsylvania (as determined by the Secretary), the threshold for determining 'areas in which poor economic conditions exist' under paragraph (1)(C) shall be 40 percent.

"(B) Evaluation.—

"(i) In general.—The Secretary, acting through the Administrator of the Food and Nutrition Service, shall evaluate the impact of the eligibility criteria described in subparagraph (A) as compared to the eligibility criteria described in paragraph (1)(C).

"(ii) Impact.—The evaluation shall assess the impact of the threshold in subparagraph (A) on—

"(I) the number of sponsors offering meals through the summer food service program;

"(II) the number of sites offering meals through the summer food service program;

"(III) the geographic location of the sites;

"(IV) services provided to eligible children; and

"(V) other factors determined by the Secretary.

"(iii) Report.—Not later than January 1, 2008, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the evaluation under this subparagraph.

"(iv) Funding.—

"(I) In general.—On January 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subparagraph $400,000, to remain available until expended.

"(II) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subparagraph the funds transferred under subclause (I), without further appropriation.".

(d) Summer Food Service Rural Transportation.—Section 13(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(a)) (as amended by subsection (c)) is amended by adding at the end the following:

"(10) Summer food service rural transportation.—

"(A) In general.—The Secretary shall provide grants, through not more than 5 eligible State agencies selected by the Secretary, to not more than 60 eligible service institutions selected by the Secretary to increase participation at congregate feeding sites in the summer food service program for children authorized by this section through innovative approaches to limited transportation in rural areas.

"(B) Eligibility.—To be eligible to receive a grant under this paragraph—

"(i) a State agency shall submit an application to the Secretary, in such manner as the Secretary shall establish, and meet criteria established by the Secretary; and

"(ii) a service institution shall agree to the terms and conditions of the grant, as established by the Secretary.

"(C) Duration.—A service institution that receives a grant under this paragraph may use the grant funds during the 3-fiscal year period beginning in fiscal year 2005.

"(D) Reports.—The Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate—

"(i) not later than January 1, 2007, an interim report that describes—

"(I) the use of funds made available under this paragraph; and

"(II) any progress made by using funds from each grant provided under this paragraph; and

"(ii) not later than January 1, 2008, a final report that describes—

"(I) the use of funds made available under this paragraph;

"(II) any progress made by using funds from each grant provided under this paragraph;

"(III) the impact of this paragraph on participation in the summer food service program for children authorized by this section; and

"(IV) any recommendations by the Secretary concerning the activities of the service institutions receiving grants under this paragraph.

"(E) Funding.—

"(i) In general.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this paragraph—

"(I) on October 1, 2005, $2,000,000; and

"(II) on October 1, 2006, and October 1, 2007, $1,000,000.

"(ii) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this paragraph the funds transferred under clause (i), without further appropriation.

"(iii) Availability of funds.—Funds transferred under clause (i) shall remain available until expended.

"(iv) Reallocation.—The Secretary may reallocate any amounts made available to carry out this paragraph that are not obligated or expended, as determined by the Secretary.".

(e) Reauthorization.—Section 13(q) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(q)) is amended by striking "June 30, 2004" and inserting "September 30, 2009".

(f) Simplified Summer Food Programs.—

(1) Definition of eligible state.—Section 18(f) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)) is amended by striking paragraph (1) and inserting the following:

"(1) Definition of eligible state.—In this subsection, the term 'eligible State' means—

"(A) a State participating in the program under this subsection as of May 1, 2004; and

"(B) a State in which (based on data available in April 2004)—

"(i) the percentage obtained by dividing—

"(I) the sum of—

"(aa) the average daily number of children attending the summer food service program in the State in July 2003; and

"(bb) the average daily number of children receiving free or reduced price meals under the school lunch program in the State in July 2003; by

"(II) the average daily number of children receiving free or reduced price meals under the school lunch program in the State in March 2003; is less than

"(ii) 66.67 percent of the percentage obtained by dividing—

"(I) the sum of—

"(aa) the average daily number of children attending the summer food service program in all States in July 2003; and

"(bb) the average daily number of children receiving free or reduced price meals under the school lunch program in all States in July 2003; by

"(II) the average daily number of children receiving free or reduced price meals under the school lunch program in all States in March 2003.".

(2) Duration.—Section 18(f)(2) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)(2)) is amended by striking "During the period beginning October 1, 2000, and ending June 30, 2004, the" and inserting "The".

(3) Private nonprofit organizations.—Section 18(f)(3) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)(3)) is amended in subparagraphs (A) and (B) by striking "(other than a service institution described in section 13(a)(7))" both places it appears.

(4) Report.—Section 18(f) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)) is amended by striking paragraph (6) and inserting the following:

"(6) Report.—Not later than April 30, 2007, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that includes—

"(A) the evaluations completed by the Secretary under paragraph (5); and

"(B) any recommendations of the Secretary concerning the programs.".

(5) Conforming amendments.—Section 18(f) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)) is amended—

(A) by striking the subsection heading and inserting the following:

"(f) Simplified Summer Food Programs.—";

(B) in paragraph (2)—

(i) by striking the paragraph heading and inserting the following:

"(2) Programs.—"; and

(ii) by striking "pilot project" and inserting "program";

(C) in subparagraph (A) and (B) of paragraph (3), by striking "pilot project" both places it appears and inserting "program"; and

(D) in paragraph (5)—

(i) in the paragraph heading by striking "pilot projects" and inserting "programs"; and

(ii) by striking "pilot project" each place it appears and inserting "program".

SEC. 117. COMMODITY DISTRIBUTION PROGRAM.

Section 14(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1762a(a)) is amended by striking ", during the period beginning July 1, 1974, and ending June 30, 2004,".

SEC. 118. NOTICE OF IRRADIATED FOOD PRODUCTS.

Section 14 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1762a) is amended by adding at the end the following:

"(h) Notice of Irradiated Food Products.—

"(1) In general.—The Secretary shall develop a policy and establish procedures for the purchase and distribution of irradiated food products in school meals programs under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(2) Minimum requirements.—The policy and procedures shall ensure, at a minimum, that—

"(A) irradiated food products are made available only at the request of States and school food authorities;

"(B) reimbursements to schools for irradiated food products are equal to reimbursements to schools for food products that are not irradiated;

"(C) States and school food authorities are provided factual information on the science and evidence regarding irradiation technology, including—

"(i) notice that irradiation is not a substitute for safe food handling techniques; and

"(ii) any other similar information determined by the Secretary to be necessary to promote food safety in school meals programs;

"(D) States and school food authorities are provided model procedures for providing to school food authorities, parents, and students—

"(i) factual information on the science and evidence regarding irradiation technology; and

"(ii) any other similar information determined by the Secretary to be necessary to promote food safety in school meals;

"(E) irradiated food products distributed to the Federal school meals program under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) are labeled with a symbol or other printed notice that—

"(i) indicates that the product was irradiated; and

"(ii) is prominently displayed in a clear and understandable format on the container;

"(F) irradiated food products are not commingled in containers with food products that are not irradiated; and

"(G) schools that offer irradiated food products are encouraged to offer alternatives to irradiated food products as part of the meal plan used by the schools.".

SEC. 119. CHILD AND ADULT CARE FOOD PROGRAM.

(a) Definition of Institution.—

(1) In general.—Section 17(a)(2)(B)(i) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(a)(2)(B)(i)) is amended by striking "during" and all that follows through "2004,".

(2) Conforming amendment.—Section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) is amended by striking subsection (p).

(b) Duration of Determination as Tier I Family or Group Day Care Home.—Section 17(f)(3)(E)(iii) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(f)(3)(E)(iii)) is amended by striking "3 years" and inserting "5 years".

(c) Audits.—Section 17(i) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(i)) is amended by striking "(i) The" and inserting the following:

"(i) Audits.—

"(1) Disregards.—

"(A) In general.—Subject to subparagraph (B), in conducting management evaluations, reviews, or audits under this section, the Secretary or a State agency may disregard any overpayment to an institution for a fiscal year if the total overpayment to the institution for the fiscal year does not exceed an amount that is consistent with the disregards allowed in other programs under this Act and recognizes the cost of collecting small claims, as determined by the Secretary.

"(B) Criminal or fraud violations.—In carrying out this paragraph, the Secretary and a State agency shall not disregard any overpayment for which there is evidence of a violation of a criminal law or civil fraud law.

"(2) Funding.—The".

(d) Duration of Agreements.—Section 17(j) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(j)) is amended—

(1) by striking "(j) The" and inserting the following:

"(j) Agreements.—

"(1) In general.—The"; and

(2) by adding at the end the following:

"(2) Duration.—An agreement under paragraph (1) shall remain in effect until terminated by either party to the agreement.".

(e) Rural Area Eligibility Determination for Day Care Homes.—Section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) (as amended by subsection (a)(2)) is amended by inserting after subsection (o) the following:

"(p) Rural Area Eligibility Determination for Day Care Homes.—

“(1) DEFINITION OF SELECTED TIER I FAMILY OR GROUP DAY CARE HOME.—In this subsection, the term ‘selected tier I family or group day care home’ means a family or group day home that meets the definition of tier I family or group day care home under subclause (I) of subsection (f)(3)(A)(ii) except that items (aa) and (bb) of that subclause shall be applied by substituting ‘40 percent’ for ‘50 percent’.

“(2) ELIGIBILITY.—For each of fiscal years 2006 and 2007, in rural areas of the State of Nebraska (as determined by the Secretary), the Secretary shall provide reimbursement to selected tier I family or group day care homes (as defined in paragraph (1)) under subsection (f)(3) in the same manner as tier I family or group day care homes (as defined in subsection (f)(3)(A)(ii)(I)).

“(3) EVALUATION.—

“(A) IN GENERAL.—The Secretary, acting through the Administrator of the Food and Nutrition Service, shall evaluate the impact of the eligibility criteria described in paragraph (2) as compared to the eligibility criteria described in subsection (f)(3)(A)(ii)(I).

“(B) IMPACT.—The evaluation shall assess the impact of the change in eligibility requirements on—

“(i) the number of family or group day care homes offering meals under this section;

“(ii) the number of family or group day care homes offering meals under this section that are defined as tier I family or group day care homes as a result of paragraph (1) that otherwise would be defined as tier II family or group day care homes under subsection (f)(3)(A)(iii);

“(iii) the geographic location of the family or group day care homes;

“(iv) services provided to eligible children; and

“(v) other factors determined by the Secretary.

“(C) REPORT.—Not later than March 31, 2008, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the evaluation under this subsection.

“(D) FUNDING.—

“(i) IN GENERAL.—On October 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this paragraph $400,000, to remain available until expended.

“(ii) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this paragraph the funds transferred under clause (i), without further appropriation.”.

(f) MANAGEMENT SUPPORT.—Section 17(q)(3) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(q)(3)) is amended by striking “1999 through 2003” and inserting “2005 and 2006”.

(g) AGE LIMITS.—Section 17(t)(5)(A)(i) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(t)(5)(A)(i) is amended—

(1) in subclause (I)—

(A) by striking “12” and inserting “18”; and

(B) by inserting “or” after the semicolon;

(2) by striking subclause (II); and

(3) by redesignating subclause (III) as subclause (II).

(h) TECHNICAL AMENDMENTS.—Section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) is amended—

(1) in subsection (a)(6)(B), by inserting “and adult” after “child”; and

(2) in subsection (t)(3), by striking “subsection (a)(1)” and inserting “subsection (a)(5)”.

(i) PAPERWORK REDUCTION.—The Secretary of Agriculture, in conjunction with States and participating institutions, shall examine the feasibility of reducing paperwork resulting from regulations and recordkeeping requirements for State agencies, family child care homes, child care centers, and sponsoring organizations participating in the child and adult care food program established under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766).

(j) EARLY CHILD NUTRITION EDUCATION.—

(1) IN GENERAL.—Subject to the availability of funds made available under paragraph (6), for a period of 4 successive years, the Secretary of Agriculture shall award to 1 or more entities with expertise in designing and implementing health education programs for limited-English-proficient individuals 1 or more grants to enhance obesity prevention activities for child care centers and sponsoring organizations providing services to limited-English-proficient individuals through the child and adult care food program under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) in each of 4 States selected by the Secretary in accordance with paragraph (2).

(2) STATES.—The Secretary shall provide grants under this subsection in States that have experienced a growth in the limited-English-proficient population of the States of at least 100 percent between the years 1990 and 2000, as measured by the census.

(3) REQUIRED ACTIVITIES.—Activities carried out under paragraph (1) shall include—

(A) developing an interactive and comprehensive tool kit for use by lay health educators and training activities;

(B) conducting training and providing ongoing technical assistance for lay health educators; and

(C) establishing collaborations with child care centers and sponsoring organizations participating in the child and adult care food program under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) to—

(i) identify limited-English-proficient children and families; and

(ii) enhance the capacity of the child care centers and sponsoring organizations to use appropriate obesity prevention strategies.

(4) EVALUATION.—Each grant recipient shall identify an institution of higher education to conduct an independent evaluation of the effectiveness of the grant.

(5) REPORT.—The Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Health, Education, Labor, and Pensions, of the Senate a report that includes—

(A) the evaluation completed by the institution of higher education under paragraph (4);

(B) the effectiveness of lay health educators in reducing childhood obesity; and

(C) any recommendations of the Secretary concerning the grants.

(6) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection $250,000 for each of fiscal years 2005 through 2009.

SEC. 120. FRESH FRUIT AND VEGETABLE PROGRAM.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) is amended by striking subsection (g) and inserting the following:

“(g) FRESH FRUIT AND VEGETABLE PROGRAM.—

“(1) IN GENERAL.—For the school year beginning July 2004 and each subsequent school year, the Secretary shall carry out a program to make free fresh fruits and vegetables available, to the maximum extent practicable, to—

“(A) 25 elementary or secondary schools in each of the 4 States authorized to participate in the program under this subsection on May 1, 2004;

“(B) 25 elementary or secondary schools (as selected by the Secretary in accordance with paragraph (3)) in each of 4 States (including a State for which funds were allocated under the program described in paragraph (3)(B)(ii)) that are not participating in the program under this subsection on May 1, 2004; and

“(C) 25 elementary or secondary schools operated on 3 Indian reservations (including the reservation authorized to participate in the program under this subsection on May 1, 2004), as selected by the Secretary.

“(2) PROGRAM.—A school participating in the program shall make free fresh fruits and vegetables available to students throughout the school day in 1 or more areas designated by the school.

“(3) SELECTION OF SCHOOLS.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), in selecting additional schools to participate in the program under paragraph (1)(B), the Secretary shall—

“(i) to the maximum extent practicable, ensure that the majority of schools selected are those in which not less than 50 percent of students are eligible for free or reduced price meals under this Act;

“(ii) solicit applications from interested schools that include—

“(I) information pertaining to the percentage of students enrolled in the school submitting the application who are eligible for free or reduced price school lunches under this Act;

“(II) a certification of support for participation in the program signed by the school food manager, the school principal, and the district superintendent (or equivalent positions, as determined by the school); and

“(III) such other information as may be requested by the Secretary;

“(iii) for each application received, determine whether the application is from a school in which not less than 50 percent of students are eligible for free or reduced price meals under this Act; and

“(iv) give priority to schools that submit a plan for implementation of the program that includes a partnership with 1 or more entities that provide non-Federal resources (including entities representing the fruit and vegetable industry) for—

“(I) the acquisition, handling, promotion, or distribution of fresh and dried fruits and fresh vegetables; or

“(II) other support that contributes to the purposes of the program.

“(B) NONAPPLICABILITY TO EXISTING PARTICIPANTS.—Subparagraph (A) shall not apply to a school, State, or Indian reservation authorized—

“(i) to participate in the program on May 1, 2004; or

“(ii) to receive funding for free fruits and vegetables under funds provided for public health improvement under the heading ‘DISEASE CONTROL, RESEARCH, AND TRAINING’ under the heading ‘CENTERS FOR DISEASE CONTROL AND PREVENTION’ in title II of the Departments of Labor, Health and Human

Services, and Education, and Related Agencies Appropriations Act, 2004 (Division E of Public Law 108–199; 118 Stat. 238).

"(4) NOTICE OF AVAILABILITY.—To be eligible to participate in the program under this subsection, a school shall widely publicize within the school the availability of free fresh fruits and vegetables under the program.

"(5) REPORTS.—

"(A) INTERIM REPORTS.—Not later than September 30 of each of fiscal years 2005 through 2008, the Secretary, acting through the Administrator of the Food and Nutrition Service, shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an interim report that describes the activities carried out under this subsection during the fiscal year covered by the report.

"(B) FINAL REPORT.—Not later than December 31, 2008, the Secretary, acting through the Administrator of the Food and Nutrition Service, shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a final report that describes the results of the program under this subsection.

"(6) FUNDING.—

"(A) EXISTING FUNDS.—The Secretary shall use to carry out this subsection any funds that remain under this subsection on the day before the date of enactment of this subparagraph.

"(B) MANDATORY FUNDS.—

"(i) IN GENERAL.—On October 1, 2004, and on each October 1 thereafter, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection $9,000,000, to remain available until expended.

"(ii) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds made available under this subparagraph, without further appropriation.

"(C) AUTHORIZATION OF APPROPRIATIONS.—In addition to any amounts made available under subparagraphs (A) and (B), there are authorized to be appropriated such sums as are necessary to expand the program carried out under this subsection.

"(D) REALLOCATION.—The Secretary may reallocate any amounts made available to carry out this subsection that are not obligated or expended, as determined by the Secretary.".

SEC. 121. SUMMER FOOD SERVICE RESIDENTIAL CAMP ELIGIBILITY.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) is amended by adding at the end the following:

"(h) SUMMER FOOD SERVICE RESIDENTIAL CAMP ELIGIBILITY.—

"(1) IN GENERAL.—During the month after the date of enactment of this subsection through September, 2004, and the months of May through September, 2005, the Secretary shall modify eligibility criteria, at not more than 1 private nonprofit residential camp in each of not more than 2 States, as determined by the Secretary, for the purpose of identifying and evaluating alternative methods of determining the eligibility of residential private nonprofit camps to participate in the summer food service program for children established under section 13.

"(2) ELIGIBILITY.—To be eligible for the criteria modified under paragraph (1), a residential camp—

"(A) shall be a service institution (as defined in section 13(a)(1));

"(B) may not charge a fee to any child in residence at the camp; and

"(C) shall serve children who reside in an area in which poor economic conditions exist (as defined in section 13(a)(1)).

"(3) PAYMENTS.—

"(A) IN GENERAL.—Under this subsection, the Secretary shall provide reimbursement for meals served to all children at a residential camp at the payment rates specified in section 13(b)(1).

"(B) REIMBURSABLE MEALS.—A residential camp selected by the Secretary may receive reimbursement for not more than 3 meals, or 2 meals and 1 supplement, during each day of operation.

"(4) EVALUATION.—

"(A) INFORMATION FROM RESIDENTIAL CAMPS.—Not later than December 31, 2005, a residential camp selected under paragraph (1) shall report to the Secretary such information as is required by the Secretary concerning the requirements of this subsection.

"(B) REPORT TO CONGRESS.—Not later than March 31, 2006, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that evaluates the effect of this subsection on program participation and other factors, as determined by the Secretary.".

SEC. 122. ACCESS TO LOCAL FOODS AND SCHOOL GARDENS.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) (as amended by section 121) is amended by adding at the end the following:

"(i) ACCESS TO LOCAL FOODS AND SCHOOL GARDENS.—

"(1) IN GENERAL.—The Secretary may provide assistance, through competitive matching grants and technical assistance, to schools and nonprofit entities for projects that—

"(A) improve access to local foods in schools and institutions participating in programs under this Act and section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) through farm-to-cafeteria activities, including school gardens, that may include the acquisition of food and appropriate equipment and the provision of training and education;

"(B) are, at a minimum, designed to—

"(i) procure local foods from small- and medium-sized farms for school meals; and

"(ii) support school garden programs;

"(C) support nutrition education activities or curriculum planning that incorporates the participation of school children in farm-based agricultural education activities, that may include school gardens;

"(D) develop a sustained commitment to farm-to-cafeteria projects in the community by linking schools, State departments of agriculture, agricultural producers, parents, and other community stakeholders;

"(E) require $100,000 or less in Federal contributions;

"(F) require a Federal share of costs not to exceed 75 percent;

"(G) provide matching support in the form of cash or in-kind contributions (including facilities, equipment, or services provided by State and local governments and private sources); and

"(H) cooperate in an evaluation carried out by the Secretary.

"(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subsection for each of fiscal years 2004 through 2009.".

SEC. 123. YEAR-ROUND SERVICES FOR ELIGIBLE ENTITIES.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) (as amended by section 122) is amended by adding at the end the following:

"(j) YEAR-ROUND SERVICES FOR ELIGIBLE ENTITIES.—

"(1) IN GENERAL.—A service institution that is described in section 13(a)(6) (excluding a public school), or a private nonprofit organization described in section 13(a)(7), and that is located in the State of California may be reimbursed—

"(A) for up to 2 meals during each day of operation served—

"(i) during the months of May through September;

"(ii) in the case of a service institution that operates a food service program for children on school vacation, at anytime under a continuous school calendar; and

"(iii) in the case of a service institution that provides meal service at a nonschool site to children who are not in school for a period during the school year due to a natural disaster, building repair, court order, or similar case, at anytime during such a period; and

"(B) for a snack served during each day of operation after school hours, weekends, and school holidays during the regular school calendar.

"(2) PAYMENTS.—The service institution shall be reimbursed consistent with section 13(b)(1).

"(3) ADMINISTRATION.—To receive reimbursement under this subsection, a service institution shall comply with section 13, other than subsections (b)(2) and (c)(1) of that section.

"(4) EVALUATION.—Not later than September 30, 2007, the State agency shall submit to the Secretary a report on the effect of this subsection on participation in the summer food service program for children established under section 13.

"(5) FUNDING.—The Secretary shall provide to the State of California such sums as are necessary to carry out this subsection for each of fiscal years 2005 through 2009.".

SEC. 124. FREE LUNCH AND BREAKFAST ELIGIBILITY.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) (as amended by section 123) is amended by adding at the end the following:

"(k) FREE LUNCH AND BREAKFAST ELIGIBILITY.—

"(1) IN GENERAL.—Subject to the availability of funds under paragraph (4), the Secretary shall expand the service of free lunches and breakfasts provided at schools participating in the school lunch program under this Act or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) in all or part of 5 States selected by the Secretary (of which at least 1 shall be a largely rural State with a significant Native American population).

"(2) INCOME ELIGIBILITY.—The income guidelines for determining eligibility for free lunches or breakfasts under this subsection shall be 185 percent of the applicable family size income levels contained in the nonfarm income poverty guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with section 9(b)(1)(B).

"(3) EVALUATION.—

"(A) IN GENERAL.—Not later than 3 years after the implementation of this subsection, the Secretary shall conduct an evaluation to assess the impact of the changed income eligibility guidelines by comparing the school food authorities operating under this subsection to school food authorities not operating under this subsection.

"(B) Impact assessment.—

"(i) Children.—The evaluation shall assess the impact of this subsection separately on—

"(I) children in households with incomes less than 130 percent of the applicable family income levels contained in the nonfarm poverty income guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with section 9(b)(1)(B); and

"(II) children in households with incomes greater than 130 percent and not greater than 185 percent of the applicable family income levels contained in the nonfarm poverty income guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with section 9(b)(1)(B).

"(ii) Factors.—The evaluation shall assess the impact of this subsection on—

"(I) certification and participation rates in the school lunch and breakfast programs;

"(II) rates of lunch- and breakfast-skipping;

"(III) academic achievement;

"(IV) the allocation of funds authorized in title I of the Elementary and Secondary Education Act (20 U.S.C. 6301) to local educational agencies and public schools; and

"(V) other factors determined by the Secretary.

"(C) Cost assessment.—The evaluation shall assess the increased costs associated with providing additional free, reduced price, or paid meals in the school food authorities operating under this subsection.

"(D) Report.—On completion of the evaluation, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the evaluation under this paragraph.

"(4) Authorization of appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this subsection, to remain available until expended.".

SEC. 125. TRAINING, TECHNICAL ASSISTANCE, AND FOOD SERVICE MANAGEMENT INSTITUTE.

(a) In General.—Section 21(a)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b–1(a)(1)) is amended by striking "activities and" and all that follows and inserting "activities and provide—

"(A) training and technical assistance to improve the skills of individuals employed in—

"(i) food service programs carried out with assistance under this Act and, to the maximum extent practicable, using individuals who administer exemplary local food service programs in the State;

"(ii) school breakfast programs carried out with assistance under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773); and

"(iii) as appropriate, other federally assisted feeding programs; and

"(B) assistance, on a competitive basis, to State agencies for the purpose of aiding schools and school food authorities with at least 50 percent of enrolled children certified to receive free or reduced price meals (and, if there are any remaining funds, other schools and school food authorities) in meeting the cost of acquiring or upgrading technology and information management systems for use in food service programs carried out under this Act and section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), if the school or school food authority submits to the State agency an infrastructure development plan that—

"(i) addresses the cost savings and improvements in program integrity and operations that would result from the use of new or upgraded technology;

"(ii) ensures that there is not any overt identification of any child by special tokens or tickets, announced or published list of names, or by any other means;

"(iii) provides for processing and verifying applications for free and reduced price school meals;

"(iv) integrates menu planning, production, and serving data to monitor compliance with section 9(f)(1); and

"(v) establishes compatibility with statewide reporting systems;

"(C) assistance, on a competitive basis, to State agencies with low proportions of schools or students that—

"(i) participate in the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773); and

"(ii) demonstrate the greatest need, for the purpose of aiding schools in meeting costs associated with initiating or expanding a school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), including outreach and informational activities; and".

(b) Duties of Food Service Management Institute.—Section 21(c)(2)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b–1(c)(2)(B)) is amended—

(1) by striking clauses (vi) and (vii) and inserting the following:

"(vi) safety; including food handling, hazard analysis and critical control point plan implementation, emergency readiness, responding to a food recall, and food biosecurity training;"; and

(2) by redesignating clauses (viii) through (x) as clauses (vii) through (ix), respectively.

(c) Authorization of Appropriations.—

(1) Training activities and technical assistance.—Section 21(e)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b–1(e)(1)) is amended by striking "2003" and inserting "2009".

(2) Food service management institute.—Section 21(e)(2)(A) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b–1(e)(2)(A) is amended in the first sentence—

(A) by striking "provide to the Secretary" and all that follows through "1998, and" and inserting "provide to the Secretary"; and

(B) by striking "1999 and" and inserting "2004 and $4,000,000 for fiscal year 2005".

SEC. 126. ADMINISTRATIVE ERROR REDUCTION.

(a) Federal Support for Training and Technical Assistance.—Section 21 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b–1) is amended by adding at the end the following:

"(f) Administrative Training and Technical Assistance Material.—In collaboration with State educational agencies, local educational agencies, and school food authorities of varying sizes, the Secretary shall develop and distribute training and technical assistance material relating to the administration of school meals programs that are representative of the best management and administrative practices.

"(g) Federal Administrative Support.—

"(1) Funding.—

"(A) In general.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection—

"(i) on October 1, 2004, and October 1, 2005, $3,000,000; and

"(ii) on October 1, 2006, October 1, 2007, and October 1, 2008, $2,000,000.

"(B) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

"(C) Availability of funds.—Funds transferred under subparagraph (A) shall remain available until expended.

"(2) Use of funds.—The Secretary may use funds provided under this subsection—

"(A) to provide training and technical assistance and material related to improving program integrity and administrative accuracy in school meals programs; and

"(B) to assist State educational agencies in reviewing the administrative practices of local educational agencies, to the extent determined by the Secretary.".

(b) Selected Administrative Reviews.—

(1) In general.—Section 22(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c(b)) is amended by adding at the end the following:

"(3) Additional review requirement for selected local educational agencies.—

"(A) Definition of selected local educational agencies.—In this paragraph, the term 'selected local educational agency' means a local educational agency that has a demonstrated high level of, or a high risk for, administrative error, as determined by the Secretary.

"(B) Additional administrative review.—In addition to any review required by subsection (a) or paragraph (1), each State educational agency shall conduct an administrative review of each selected local educational agency during the review cycle established under subsection (a).

"(C) Scope of review.—In carrying out a review under subparagraph (B), a State educational agency shall only review the administrative processes of a selected local educational agency, including application, certification, verification, meal counting, and meal claiming procedures.

"(D) Results of review.—If the State educational agency determines (on the basis of a review conducted under subparagraph (B)) that a selected local educational agency fails to meet performance criteria established by the Secretary, the State educational agency shall—

"(i) require the selected local educational agency to develop and carry out an approved plan of corrective action;

"(ii) except to the extent technical assistance is provided directly by the Secretary, provide technical assistance to assist the selected local educational agency in carrying out the corrective action plan; and

"(iii) conduct a followup review of the selected local educational agency under standards established by the Secretary.

"(4) Retaining funds after administrative reviews.—

"(A) In general.—Subject to subparagraphs (B) and (C), if the local educational agency fails to meet administrative performance criteria established by the Secretary in both an initial review and a followup review under paragraph (1) or (3) or subsection (a), the Secretary may require the State educational agency to retain funds that would otherwise be paid to the local educational agency for school meals programs under procedures prescribed by the Secretary.

"(B) Amount.—The amount of funds retained under subparagraph (A) shall equal the value of any overpayment made to the local educational agency or school food authority as a result of an erroneous claim during the time period described in subparagraph (C).

"(C) TIME PERIOD.—The period for determining the value of any overpayment under subparagraph (B) shall be the period—

"(i) beginning on the date the erroneous claim was made; and

"(ii) ending on the earlier of the date the erroneous claim is corrected or—

"(I) in the case of the first followup review conducted by the State educational agency of the local educational agency under this section after July 1, 2005, the date that is 60 days after the beginning of the period under clause (i); or

"(II) in the case of any subsequent followup review conducted by the State educational agency of the local educational agency under this section, the date that is 90 days after the beginning of the period under clause (i).

"(5) USE OF RETAINED FUNDS.—

"(A) IN GENERAL.—Subject to subparagraph (B), funds retained under paragraph (4) shall—

"(i) be returned to the Secretary, and may be used—

"(I) to provide training and technical assistance related to administrative practices designed to improve program integrity and administrative accuracy in school meals programs to State educational agencies and, to the extent determined by the Secretary, to local educational agencies and school food authorities;

"(II) to assist State educational agencies in reviewing the administrative practices of local educational agencies in carrying out school meals programs; and

"(III) to carry out section 21(f); or

"(ii) be credited to the child nutrition programs appropriation account.

"(B) STATE SHARE.—A State educational agency may retain not more than 25 percent of an amount recovered under paragraph (4), to carry out school meals program integrity initiatives to assist local educational agencies and school food authorities that have repeatedly failed, as determined by the Secretary, to meet administrative performance criteria.

"(C) REQUIREMENT.—To be eligible to retain funds under subparagraph (B), a State educational agency shall—

"(i) submit to the Secretary a plan describing how the State educational agency will use the funds to improve school meals program integrity, including measures to give priority to local educational agencies from which funds were retained under paragraph (4);

"(ii) consider using individuals who administer exemplary local food service programs in the provision of training and technical assistance; and

"(iii) obtain the approval of the Secretary for the plan.".

(2) INTERPRETATION.—Nothing in the amendment made by paragraph (1) affects the requirements for fiscal actions as described in the regulations issued pursuant to section 22(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c(a)).

(c) TRAINING AND TECHNICAL ASSISTANCE.—Section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) is amended—

(1) in subsection (e)—

(A) by striking "(e) Each" and inserting the following:

"(e) PLANS FOR USE OF ADMINISTRATIVE EXPENSE FUNDS.—

"(1) IN GENERAL.—Each"; and

(B) by striking "After submitting" and all that follows through "change in the plan." and inserting the following:

"(2) UPDATES AND INFORMATION MANAGEMENT SYSTEMS.—

"(A) IN GENERAL.—After submitting the initial plan, a State shall be required to submit to the Secretary for approval only a substantive change in the plan.

"(B) PLAN CONTENTS.—Each State plan shall, at a minimum, include a description of how technology and information management systems will be used to improve program integrity by—

"(i) monitoring the nutrient content of meals served;

"(ii) training local educational agencies, school food authorities, and schools in how to use technology and information management systems (including verifying eligibility for free or reduced price meals using program participation or income data gathered by State or local agencies); and

"(iii) using electronic data to establish benchmarks to compare and monitor program integrity, program participation, and financial data.

"(3) TRAINING AND TECHNICAL ASSISTANCE.—Each State shall submit to the Secretary for approval a plan describing the manner in which the State intends to implement subsection (g) and section 22(b)(3) of the Richard B. Russell National School Lunch Act.";

(2) by redesignating subsection (g) as subsection (j); and

(3) by inserting after subsection (f) the following:

"(g) STATE TRAINING.—

"(1) IN GENERAL.—At least annually, each State shall provide training in administrative practices (including training in application, certification, verification, meal counting, and meal claiming procedures) to local educational agency and school food authority administrative personnel and other appropriate personnel, with emphasis on the requirements established by the Child Nutrition and WIC Reauthorization Act of 2004 and the amendments made by that Act.

"(2) FEDERAL ROLE.—The Secretary shall—

"(A) provide training and technical assistance to a State; or

"(B) at the option of the Secretary, directly provide training and technical assistance described in paragraph (1).

"(3) REQUIRED PARTICIPATION.—In accordance with procedures established by the Secretary, each local educational agency or school food authority shall ensure that an individual conducting or overseeing administrative procedures described in paragraph (1) receives training at least annually, unless determined otherwise by the Secretary.

"(h) FUNDING FOR TRAINING AND ADMINISTRATIVE REVIEWS.—

"(1) FUNDING.—

"(A) IN GENERAL.—On October 1, 2004, and on each October 1 thereafter, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection $4,000,000, to remain available until expended.

"(B) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

"(2) USE OF FUNDS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary shall use funds provided under this subsection to assist States in carrying out subsection (g) and administrative reviews of selected local educational agencies carried out under section 22 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c).

"(B) EXCEPTION.—The Secretary may retain a portion of the amount provided to cover costs of activities carried out by the Secretary in lieu of the State.

"(3) ALLOCATION.—The Secretary shall allocate funds provided under this subsection to States based on the number of local educational agencies that have demonstrated a high level of, or a high risk for, administrative error, as determined by the Secretary, taking into account the requirements established by the Child Nutrition and WIC Reauthorization Act of 2004 and the amendments made by that Act.

"(4) REALLOCATION.—The Secretary may reallocate, to carry out this section, any amounts made available to carry out this subsection that are not obligated or expended, as determined by the Secretary.".

SEC. 127. COMPLIANCE AND ACCOUNTABILITY.

Section 22(d) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c(d)) is amended by striking "$3,000,000 for each of the fiscal years 1994 through 2003" and inserting "$6,000,000 for each of fiscal years 2004 through 2009".

SEC. 128. INFORMATION CLEARINGHOUSE.

Section 26(d) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769g(d)) is amended in the first sentence—

(1) by striking "1998, and" and inserting "1998,"; and

(2) by striking "through 2003" and inserting "through 2004, and $250,000 for each of fiscal years 2005 through 2009".

SEC. 129. PROGRAM EVALUATION.

The Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) is amended by adding at the end the following:

"SEC. 28. PROGRAM EVALUATION.

"(a) PERFORMANCE ASSESSMENTS.—

"(1) IN GENERAL.—Subject to the availability of funds made available under paragraph (3), the Secretary, acting through the Administrator of the Food and Nutrition Service, may conduct annual national performance assessments of the meal programs under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(2) COMPONENTS.—In conducting an assessment, the Secretary may assess—

"(A) the cost of producing meals and meal supplements under the programs described in paragraph (1); and

"(B) the nutrient profile of meals, and status of menu planning practices, under the programs.

"(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $5,000,000 for fiscal year 2004 and each subsequent fiscal year.

"(b) CERTIFICATION IMPROVEMENTS.—

"(1) IN GENERAL.—Subject to the availability of funds made available under paragraph (5), the Secretary, acting through the Administrator of the Food and Nutrition Service, shall conduct a study of the feasibility of improving the certification process used for the school lunch program established under this Act.

"(2) PILOT PROJECTS.—In carrying out this subsection, the Secretary may conduct pilot projects to improve the certification process used for the school lunch program.

"(3) COMPONENTS.—In carrying out this subsection, the Secretary shall examine the use of—

"(A) other income reporting systems;

"(B) an integrated benefit eligibility determination process managed by a single agency;

"(C) income or program participation data gathered by State or local agencies; and

"(D) other options determined by the Secretary.

"(4) WAIVERS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Secretary may waive such provisions of this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) as are necessary to carry out this subsection.

"(B) PROVISIONS.—The protections of section 9(b)(6) shall apply to any study or pilot project carried out under this subsection.

"(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection such sums as are necessary.".

TITLE II—AMENDMENTS TO CHILD NUTRITION ACT OF 1966

SEC. 201. SEVERE NEED ASSISTANCE.

Section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) is amended by striking subsection (d) and inserting the following:

"(d) SEVERE NEED ASSISTANCE.—

"(1) IN GENERAL.—Each State educational agency shall provide additional assistance to schools in severe need, which shall include only those schools (having a breakfast program or desiring to initiate a breakfast program) in which—

"(A) during the most recent second preceding school year for which lunches were served, 40 percent or more of the lunches served to students at the school were served free or at a reduced price; or

"(B) in the case of a school in which lunches were not served during the most recent second preceding school year, the Secretary otherwise determines that the requirements of subparagraph (A) would have been met.

"(2) ADDITIONAL ASSISTANCE.—A school, on the submission of appropriate documentation about the need circumstances in that school and the eligibility of the school for additional assistance, shall be entitled to receive the meal reimbursement rate specified in subsection (b)(2).".

SEC. 202. STATE ADMINISTRATIVE EXPENSES.

(a) MINIMUM STATE ADMINISTRATIVE EXPENSE GRANTS.—Section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) is amended—

(1) by striking the section heading and all that follows through "(a)(1) Each" and inserting the following:

"SEC. 7. STATE ADMINISTRATIVE EXPENSES.

"(a) AMOUNT AND ALLOCATION OF FUNDS.—

"(1) AMOUNT AVAILABLE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), each";

(2) in subsection (a)—

(A) in paragraph (1)—

(i) by inserting after the first sentence the following:

"(B) MINIMUM AMOUNT.—In the case of each of fiscal years 2005 through 2007, the Secretary shall make available to each State for administrative costs not less than the initial allocation made to the State under this subsection for fiscal year 2004.";

(ii) by striking "The Secretary" and inserting the following:

"(C) ALLOCATION.—The Secretary"; and

(iii) by striking the last sentence; and

(B) in paragraph (2)—

(i) by striking "(2) The" and inserting the following:

"(2) EXPENSE GRANTS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the";

(ii) in the second sentence—

(I) by striking "In no case" and inserting the following:

"(B) MINIMUM AMOUNT.—

"(i) IN GENERAL.—In no case";

(II) by striking "this subsection" and inserting "this paragraph"; and

(III) by striking "$100,000" and inserting "$200,000 (as adjusted under clause (ii)"; and

(iii) by adding at the end the following:

"(ii) ADJUSTMENT.—On October 1, 2008, and each October 1 thereafter, the minimum dollar amount for a fiscal year specified in clause (i) shall be adjusted to reflect the percentage change between—

"(I) the value of the index for State and local government purchases, as published by the Bureau of Economic Analysis of the Department of Commerce, for the 12-month period ending June 30 of the second preceding fiscal year; and

"(II) the value of that index for the 12-month period ending June 30 of the preceding fiscal year.".

(b) TECHNOLOGY INFRASTRUCTURE IMPROVEMENT.—Section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) is amended by inserting after subsection (h) (as added by section 126(c)(3)) the following:

"(i) TECHNOLOGY INFRASTRUCTURE IMPROVEMENT.—

"(1) IN GENERAL.—Each State shall submit to the Secretary, for approval by the Secretary, an amendment to the plan required by subsection (e) that describes the manner in which funds provided under this section will be used for technology and information management systems.

"(2) REQUIREMENTS.—The amendment shall, at a minimum, describe the manner in which the State will improve program integrity by—

"(A) monitoring the nutrient content of meals served;

"(B) providing training to local educational agencies, school food authorities, and schools on the use of technology and,information management systems for activities including—

"(i) menu planning;

"(ii) collection of point-of-sale data; and

"(iii) the processing of applications for free and reduced price meals; and

"(C) using electronic data to establish benchmarks to compare and monitor program integrity, program participation, and financial data across schools and school food authorities.

"(3) TECHNOLOGY INFRASTRUCTURE GRANTS.—

"(A) IN GENERAL.—Subject to the availability of funds made available under paragraph (4) to carry out this paragraph, the Secretary shall, on a competitive basis, provide funds to States to be used to provide grants to local educational agencies, school food authorities, and schools to defray the cost of purchasing or upgrading technology and information management systems for use in programs authorized by this Act (other than section 17) and the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

"(B) INFRASTRUCTURE DEVELOPMENT PLAN.—To be eligible to receive a grant under this paragraph, a school or school food authority shall submit to the State a plan to purchase or upgrade technology and information management systems that addresses potential cost savings and methods to improve program integrity, including—

"(i) processing and verification of applications for free and reduced price meals;

"(ii) integration of menu planning, production, and serving data to monitor compliance with section 9(f)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(f)(1)); and

"(iii) compatibility with statewide reporting systems.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2005 through 2009, to remain available until expended.".

(c) REAUTHORIZATION.—Subsection (j) of section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) (as redesignated by section 126(c)(2)) is amended by striking "2003" and inserting "2009".

SEC. 203. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN.

(a) DEFINITIONS.—

(1) NUTRITION EDUCATION.—Section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) is amended by striking paragraph (7) and inserting the following:

"(7) NUTRITION EDUCATION.—The term 'nutrition education' means individual and group sessions and the provision of material that are designed to improve health status and achieve positive change in dietary and physical activity habits, and that emphasize the relationship between nutrition, physical activity, and health, all in keeping with the personal and cultural preferences of the individual.".

(2) SUPPLEMENTAL FOODS.—Section 17(b)(14) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(14)) is amended in the first sentence by inserting after "children" the following: "and foods that promote the health of the population served by the program authorized by this section, as indicated by relevant nutrition science, public health concerns, and cultural eating patterns".

(3) OTHER TERMS.—Section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) is amended by adding at the end the following:

"(22) PRIMARY CONTRACT INFANT FORMULA.—The term 'primary contract infant formula' means the specific infant formula for which manufacturers submit a bid to a State agency in response to a rebate solicitation under this section and for which a contract is awarded by the State agency as a result of that bid.

"(23) STATE ALLIANCE.—The term 'State alliance' means 2 or more State agencies that join together for the purpose of procuring infant formula under the program by soliciting competitive bids for infant formula.".

(b) ELIGIBILITY.—

(1) CERTIFICATION PERIOD.—Section 17(d)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(3)) is amended—

(A) by striking "(3)(A) Persons" and inserting the following:

"(3) CERTIFICATION.—

"(A) PROCEDURES.—

"(i) IN GENERAL.—Subject to clause (ii), a person"; and

(B) by adding at the end of subparagraph (A) the following:

"(ii) BREASTFEEDING WOMEN.—A State may elect to certify a breastfeeding woman for a period of 1 year postpartum or until a woman discontinues breastfeeding, whichever is earlier.".

(2) PHYSICAL PRESENCE.—Section 17(d)(3)(C)(ii) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(3)(C)(ii)) is amended—

(A) in subclause (I)(bb), by striking "from a provider other than the local agency; or" and inserting a semicolon;

(B) in subclause (II), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(III) an infant under 8 weeks of age—

"(aa) who cannot be present at certification for a reason determined appropriate by the local agency; and

"(bb) for whom all necessary certification information is provided.".

(c) ADMINISTRATION.—

(1) PROCESSING VENDOR APPLICATIONS; PARTICIPANT ACCESS.—Section 17(f)(1)(C) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(1)(C)) is amended—

(A) in clause (i) by inserting "at any of the authorized retail stores under the program" after "the program";

(B) by redesignating clauses (ii) through (x) as clauses (iii) through (xi), respectively; and

(C) by inserting after clause (i) the following:

"(ii) procedures for accepting and processing vendor applications outside of the established timeframes if the State agency determines there will be inadequate access to the program, including in a case in which a previously authorized vendor sells a store under circumstances that do not permit timely notification to the State agency of the change in ownership;".

(2) ALLOWABLE USE OF FUNDS.—

(A) IN GENERAL.—Section 17(f)(11) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(11) is amended—

(i) by striking "(11) The Secretary" and inserting the following:

"(11) SUPPLEMENTAL FOODS.—

"(A) IN GENERAL.—The Secretary";

(ii) in the second sentence, by striking "To the degree" and inserting the following:

"(B) APPROPRIATE CONTENT.—To the degree"; and

(iii) by adding at the end the following:

"(C) ALLOWABLE USE OF FUNDS.—Subject to the availability of funds, the Secretary shall award grants to not more than 10 local sites determined by the Secretary to be geographically and culturally representative of State, local, and Indian agencies, to evaluate the feasibility of including fresh, frozen, or canned fruits and vegetables (to be made available through private funds) as an addition to the supplemental foods prescribed under this section.

"(D) REVIEW OF AVAILABLE SUPPLEMENTAL FOODS.—As frequently as determined by the Secretary to be necessary to reflect the most recent scientific knowledge, the Secretary shall—

"(i) conduct a scientific review of the supplemental foods available under the program; and

"(ii) amend the supplemental foods available, as necessary, to reflect nutrition science, public health concerns, and cultural eating patterns.".

(B) RULEMAKING.—Not later than 18 months after the date of receiving the review initiated by the National Academy of Sciences, Institute of Medicine in September 2003 of the supplemental foods available for the special supplemental nutrition program for women, infants, and children authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), the Secretary shall promulgate a final rule updating the prescribed supplemental foods available through the program.

(3) USE OF CLAIMS FROM LOCAL AGENCIES.—Section 17(f)(21) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(21)) is amended—

(A) in the paragraph heading, by striking "VENDORS" and inserting "LOCAL AGENCIES, VENDORS,"; and

(B) by striking "vendors" and inserting "local agencies, vendors,".

(4) INFANT FORMULA BENEFITS.—

(A) IN GENERAL.—Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) is amended by adding at the end the following:

"(25) INFANT FORMULA BENEFITS.—A State agency may round up to the next whole can of infant formula to allow all participants under the program to receive the full-authorized nutritional benefit specified by regulation.".

(B) APPLICABILITY.—The amendment made by subparagraph (A) applies to infant formula provided under a contract resulting from a bid solicitation issued on or after October 1, 2004.

(5) NOTIFICATION OF VIOLATIONS.—Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) (as amended by paragraph (4)) is amended by adding at the end the following:

"(26) NOTIFICATION OF VIOLATIONS.—If a State agency finds that a vendor has committed a violation that requires a pattern of occurrences in order to impose a penalty or sanction, the State agency shall notify the vendor of the initial violation in writing prior to documentation of another violation, unless the State agency determines that notifying the vendor would compromise an investigation.".

(d) REAUTHORIZATION OF WIC PROGRAM.—Section 17(g) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(g)) is amended by striking "(g)(1)" and all that follows through "As authorized" in paragraph (1) and inserting the following:

"(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—

"(A) AUTHORIZATION.—There are authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2004 through 2009.

"(B) ADVANCE APPROPRIATIONS; AVAILABILITY.—As authorized".

(e) NUTRITION SERVICES AND ADMINISTRATION FUNDS; COMPETITIVE BIDDING; RETAILERS.—

(1) IN GENERAL.—Section 17(h)(2)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(2)(A)) is amended by striking "For each of the fiscal years 1995 through 2003, the" and inserting "The".

(2) HEALTHY PEOPLE 2010 INITIATIVE.—Section 17(h)(4) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(4)) is amended—

(A) in subparagraph (D), by striking "; and" and inserting a semicolon;

(B) in subparagraph (E), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(F) partner with communities, State and local agencies, employers, health care professionals, and other entities in the private sector to build a supportive breastfeeding environment for women participating in the program under this section to support the breastfeeding goals of the Healthy People 2010 initiative.".

(3) SIZE OF STATE ALLIANCES.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) is amended by adding at the end the following:

"(iv) SIZE OF STATE ALLIANCES.—

"(I) IN GENERAL.—Except as provided in subclauses (II) through (IV), no State alliance may exist among States if the total number of infants served by States participating in the alliance as of October 1, 2003, or such subsequent date determined by the Secretary for which data is available, would exceed 100,000.

"(II) ADDITION OF INFANT PARTICIPANTS.—In the case of a State alliance that exists on the date of enactment of this clause, the alliance may continue and may expand to serve more than 100,000 infants but, except as provided in subclause (III), may not expand to include any additional State agency.

"(III) ADDITION OF SMALL STATE AGENCIES AND INDIAN STATE AGENCIES.—Any State alliance may expand to include any State agency that served less than 5,000 infant participants as of October 1, 2003, or such subsequent date determined by the Secretary for which data is available, or any Indian State agency, if the State agency or Indian State agency requests to join the State alliance.

"(IV) SECRETARIAL WAIVER.—The Secretary may waive the requirements of this clause not earlier than 30 days after submitting to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a written report that describes the cost-containment and competitive benefits of the proposed waiver.".

(4) PRIMARY CONTRACT INFANT FORMULA.—

(A) IN GENERAL.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(8)(A)) (as amended by paragraph (3)) is amended—

(i) in clause (ii)(I), by striking "contract brand of" and inserting "primary contract";

(ii) in clause (iii), by inserting "for a specific infant formula for which manufacturers submit a bid" after "lowest net price"; and

(iii) by adding at the end the following:

"(v) FIRST CHOICE OF ISSUANCE.—The State agency shall use the primary contract infant formula as the first choice of issuance (by formula type), with all other infant formulas issued as an alternative to the primary contract infant formula.".

(B) APPLICABILITY.—The amendments made by subparagraph (A) apply to a contract resulting from a bid solicitation issued on or after October 1, 2004.

(5) REBATE INVOICES.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as amended by paragraph (4)(A)(iii)) is amended by adding at the end the following:

"(vi) REBATE INVOICES.—Each State agency shall have a system to ensure that infant formula rebate invoices, under competitive bidding, provide a reasonable estimate or an actual count of the number of units sold to participants in the program under this section.".

(6) UNCOUPLING MILK AND SOY BIDS.—

(A) IN GENERAL.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as amended by paragraph (5)) is amended by adding at the end the following:

"(vii) SEPARATE SOLICITATIONS.—In soliciting bids for infant formula under a competitive bidding system, any State agency, or State alliance, that served under the program a monthly average of more than 100,000 infants during the preceding 12-month period shall solicit bids from infant formula manufacturers under procedures that require that bids for rebates or discounts are solicited for milk-based and soy-based infant formula separately.".

(B) APPLICABILITY.—The amendment made by this paragraph applies to a bid solicitation issued on or after October 1, 2004.

(7) CENT-FOR-CENT ADJUSTMENTS.—

(A) IN GENERAL.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as amended by paragraph (6)(A)) is amended by adding at the end the following:

"(viii) CENT-FOR-CENT ADJUSTMENTS.—A bid solicitation for infant formula under the program shall require the manufacturer to adjust for price changes subsequent to the opening of the bidding process in a manner that requires—

"(I) a cent-for-cent increase in the rebate amounts if there is an increase in the lowest national wholesale price for a full truckload of the particular infant formula; and

"(II) a cent-for-cent decrease in the rebate amounts if there is a decrease in the lowest national wholesale price for a full truckload of the particular infant formula.".

(B) Conforming amendment.—Section 17(h)(8)(A)(ii) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)(ii)) is amended by striking "rise" and inserting "change".

(C) Applicability.—The amendments made by this paragraph apply to a bid solicitation issued on or after October 1, 2004.

(8) List of infant formula wholesalers, distributors, retailers, and manufacturers.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as amended by paragraph (7)(A)) is amended by adding at the end the following:

"(ix) List of infant formula wholesalers, distributors, retailers, and manufacturers.—The State agency shall maintain a list of—

"(I) infant formula wholesalers, distributors, and retailers licensed in the State in accordance with State law (including regulations); and

"(II) infant formula manufacturers registered with the Food and Drug Administration that provide infant formula.

"(x) Purchase requirement.—A vendor authorized to participate in the program under this section shall only purchase infant formula from the list described in clause (ix).".

(9) Funds for infrastructure, management information systems, and special nutrition education.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended by striking paragraph (10) and inserting the following:

"(10) Funds for infrastructure, management information systems, and special nutrition education.—

"(A) In general.—For each of fiscal years 2006 through 2009, the Secretary shall use for the purposes specified in subparagraph (B), $64,000,000 or the amount of nutrition services and administration funds and supplemental food funds for the prior fiscal year that have not been obligated, whichever is less.

"(B) Purposes.—Of the amount made available under subparagraph (A) for a fiscal year, not more than—

"(i) $14,000,000 shall be used for—

"(I) infrastructure for the program under this section;

"(II) special projects to promote breastfeeding, including projects to assess the effectiveness of particular breastfeeding promotion strategies; and

"(III) special State projects of regional or national significance to improve the services of the program;

"(ii) $30,000,000 shall be used to establish, improve, or administer management information systems for the program, including changes necessary to meet new legislative or regulatory requirements of the program; and

"(iii) $20,000,000 shall be used for special nutrition education such as breast feeding peer counselors and other related activities.

"(C) Proportional distribution.—In a case in which less than $64,000,000 is available to carry out this paragraph, the Secretary shall make a proportional distribution of funds allocated under subparagraph (B).".

(10) Vendor cost containment.—

(A) Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended by striking paragraph (11) and inserting the following:

"(11) Vendor cost containment.—

"(A) Peer groups.—

"(i) In general.—The State agency shall—

"(I) establish a vendor peer group system;

"(II) in accordance with subparagraphs (B) and (C), establish competitive price criteria and allowable reimbursement levels for each vendor peer group; and

"(III) if the State agency elects to authorize any types of vendors described in subparagraph (D)(ii)(I)—

"(aa) distinguish between vendors described in subparagraph (D)(ii)(I) and other vendors by establishing—

"(AA) separate peer groups for vendors described in subparagraph (D)(ii)(I);or

"(BB) distinct competitive price criteria and allowable reimbursement levels for vendors described in subparagraph (D)(ii)(I) within a peer group that contains both vendors described in subparagraph (D)(ii)(I) and other vendors; and

"(bb) establish competitive price criteria and allowable reimbursement levels that comply with subparagraphs (B) and (C), respectively, and that do not result in higher food costs if program participants redeem supplemental food vouchers at vendors described in subparagraph (D)(ii)(I) rather than at vendors other than vendors described in subparagraph (D)(ii)(I).

Nothing in this paragraph shall be construed to compel a State agency to achieve lower food costs if program participants redeem supplemental food vouchers at vendors described in subparagraph (D)(ii)(I) rather than at vendors other than vendors described in subparagraph (D)(ii)(I).

"(ii) Exemptions.—The Secretary may exempt from the requirements of clause (i)—

"(I) a State agency that elects not to authorize any types of vendors described in subparagraph (D)(ii)(I) and that demonstrates to the Secretary that—

"(aa) compliance with clause (i) would be inconsistent with efficient and effective operation of the program administered by the State under this section; or

"(bb) an alternative cost-containment system would be as effective as a vendor peer group system; or

"(II) a State agency—

"(aa) in which the sale of supplemental foods that are obtained with food instruments from vendors described in subparagraph (D)(ii)(I) constituted less than 5 percent of total sales of supplemental foods that were obtained with food instruments in the State in the year preceding a year in which the exemption is effective; and

"(bb) that demonstrates to the Secretary that an alternative cost-containment system would be as effective as the vendor peer group system and would not result in higher food costs if program participants redeem supplemental food vouchers at vendors described in subparagraph (D)(ii)(I) rather than at vendors other than vendors described in subparagraph (D)(ii)(I).

"(B) Competitive pricing.—

"(i) In general.—The State agency shall establish competitive price criteria for each peer group for the selection of vendors for participation in the program that—

"(I) ensure that the retail prices charged by vendor applicants for the program are competitive with the prices charged by other vendors; and

"(II) consider—

"(aa) the shelf prices of the vendor for all buyers; or

"(bb) the prices that the vendor bid for supplemental foods, which shall not exceed the shelf prices of the vendor for all buyers.

"(ii) Participant access.—In establishing competitive price criteria, the State agency shall consider participant access by geographic area.

"(iii) Subsequent price increases.—The State agency shall establish procedures to ensure that a retail store selected for participation in the program does not, subsequent to selection, increase prices to levels that would make the store ineligible for selection to participate in the program.

"(C) Allowable reimbursement levels.—

"(i) In general.—The State agency shall establish allowable reimbursement levels for supplemental foods for each vendor peer group that ensure—

"(I) that payments to vendors in the vendor peer group reflect competitive retail prices; and

"(II) that the State agency does not reimburse a vendor for supplemental foods at a level that would make the vendor ineligible for authorization under the criteria established under subparagraph (B).

"(ii) Price fluctuations.—The allowable reimbursement levels may include a factor to reflect fluctuations in wholesale prices.

"(iii) Participant access.—In establishing allowable reimbursement levels, the State agency shall consider participant access in a geographic area.

"(D) Exemptions.—The State agency may exempt from competitive price criteria and allowable reimbursement levels established under this paragraph—

"(i) pharmacy vendors that supply only exempt infant formula or medical foods that are eligible under the program; and

"(ii) vendors—

"(I)(aa) for which more than 50 percent of the annual revenue of the vendor from the sale of food items consists of revenue from the sale of supplemental foods that are obtained with food instruments; or

"(bb) who are new applicants likely to meet the criteria of item (aa) under criteria approved by the Secretary; and

"(II) that are nonprofit.

"(E) Cost containment.—If a State agency elects to authorize any types of vendors described in subparagraph (D)(ii)(I), the State agency shall demonstrate to the Secretary, and the Secretary shall certify, that the competitive price criteria and allowable reimbursement levels established under this paragraph for vendors described in subparagraph (D)(ii)(I) do not result in average payments per voucher to vendors described in subparagraph (D)(ii)(I) that are higher than average payments per voucher to comparable vendors other than vendors described in subparagraph (D)(ii)(I).

"(F) Limitation on private rights of action.—Nothing in this paragraph may be construed as creating a private right of action.

"(G) Implementation.—A State agency shall comply with this paragraph not later than 18 months after the date of enactment of this paragraph.".

(B) Conforming amendment.—Section 17(f)(1)(C)(i) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(1)(C)(i)) is amended by inserting before the semicolon the following: ", including a description of the State agency's vendor peer group system, competitive price criteria, and allowable reimbursement levels that demonstrate that the State is in compliance with the cost-containment provisions in subsection (h)(11).".

(11) Imposition of costs on retail stores.—Section 17(h) of the Child Nutrition

Act of 1966 (42 U.S.C. 1786(h)) is amended by striking paragraph (12) and inserting the following:

"(12) Imposition of costs on retail stores.—The Secretary may not impose, or allow a State agency to impose, the costs of any equipment, system, or processing required for electronic benefit transfers on any retail store authorized to transact food instruments, as a condition for authorization or participation in the program.".

(12) Universal product codes database.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) (as amended by paragraph (11)) is amended by adding at the end the following:

"(13) Universal product codes database.—The Secretary shall—

"(A) establish a national universal product code database for use by all State agencies in carrying out the program; and

"(B) make available from appropriated funds such sums as are required for hosting, hardware and software configuration, and support of the database.".

(13) Incentive items.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) (as amended by paragraph (12)) is amended by adding at the end the following:

"(14) Incentive items.—A State agency shall not authorize or make payments to a vendor described in paragraph (11)(D)(ii)(I) that provides incentive items or other free merchandise, except food or merchandise of nominal value (as determined by the Secretary), to program participants unless the vendor provides to the State agency proof that the vendor obtained the incentive items or merchandise at no cost.".

(f) Spend Forward Authority.—Section 17(i)(3)(A)(ii)(I) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(i)(3)(A)(ii)(I)) is amended by striking "1 percent" and inserting "3 percent".

(g) Migrant and Community Health Centers Initiative.—Section 17(j) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(j)) is amended—

(1) by striking paragraph (4); and

(2) by redesignating paragraph (5) as paragraph (4).

(h) Farmers' Market Nutrition Program.—

(1) Roadside stands.—Section 17(m)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(1)) is amended by inserting "and (at the option of a State) roadside stands" after "farmers' markets".

(2) Matching funds.—Section 17(m)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(3)) is amended by striking "total" both places it appears and inserting "administrative".

(3) Benefit value.—Section 17(m)(5)(C)(ii) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(5)(C)(ii)) is amended by striking "$20" and inserting "$30".

(4) Reauthorization.—Section 17(m)(9)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(9)(A)) is amended by striking clause (i) and inserting the following:

"(i) Authorization of appropriations.—There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2004 through 2009.".

(i) Demonstration Project Relating to Use of WIC Program for Identification and Enrollment of Children in Certain Health Programs.—

(1) In general.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by striking subsection (r).

(2) Conforming amendment.—Section 12 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760) is amended by striking subsection (p).

SEC. 204. LOCAL WELLNESS POLICY.

(a) In General.—Not later than the first day of the school year beginning after June 30, 2006, each local educational agency participating in a program authorized by the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall establish a local school wellness policy for schools under the local educational agency that, at a minimum—

(1) includes goals for nutrition education, physical activity, and other school-based activities that are designed to promote student wellness in a manner that the local educational agency determines is appropriate;

(2) includes nutrition guidelines selected by the local educational agency for all foods available on each school campus under the local educational agency during the school day with the objectives of promoting student health and reducing childhood obesity;

(3) provides an assurance that guidelines for reimbursable school meals shall not be less restrictive than regulations and guidance issued by the Secretary of Agriculture pursuant to subsections (a) and (b) of section 10 of the Child Nutrition Act (42 U.S.C. 1779) and sections 9(f)(1) and 17(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(f)(1), 1766(a)), as those regulations and guidance apply to schools;

(4) establishes a plan for measuring implementation of the local wellness policy, including designation of 1 or more persons within the local educational agency or at each school, as appropriate, charged with operational responsibility for ensuring that the school meets the local wellness policy; and

(5) involves parents, students, representatives of the school food authority, the school board, school administrators, and the public in the development of the school wellness policy.

(b) Technical Assistance and Best Practices.—

(1) In general.—The Secretary, in coordination with the Secretary of Education and in consultation with the Secretary of Health and Human Services, acting through the Centers for Disease Control and Prevention, shall make available to local educational agencies, school food authorities, and State educational agencies, on request, information and technical assistance for use in—

(A) establishing healthy school nutrition environments;

(B) reducing childhood obesity; and

(C) preventing diet-related chronic diseases.

(2) Content.—Technical assistance provided by the Secretary under this subsection shall—

(A) include relevant and applicable examples of schools and local educational agencies that have taken steps to offer healthy options for foods sold or served in schools;

(B) include such other technical assistance as is required to carry out the goals of promoting sound nutrition and establishing healthy school nutrition environments that are consistent with this section;

(C) be provided in such a manner as to be consistent with the specific needs and requirements of local educational agencies; and

(D) be for guidance purposes only and not be construed as binding or as a mandate to schools, local educational agencies, school food authorities, or State educational agencies.

(3) Funding.—

(A) In general.—On July 1, 2006, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection $4,000,000, to remain available until September 30, 2009.

(B) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

SEC. 205. TEAM NUTRITION NETWORK.

(a) Team Nutrition Network.—Section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1788) is amended to read as follows:

"SEC. 19. TEAM NUTRITION NETWORK.

"(a) Purposes.—The purposes of the team nutrition network are—

"(1) to establish State systems to promote the nutritional health of school children of the United States through nutrition education and the use of team nutrition messages and material developed by the Secretary, and to encourage regular physical activity and other activities that support healthy lifestyles for children, including those based on the most recent Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341);

"(2) to provide assistance to States for the development of comprehensive and integrated nutrition education and active living programs in schools and facilities that participate in child nutrition programs;

"(3) to provide training and technical assistance and disseminate team nutrition messages to States, school and community nutrition programs, and child nutrition food service professionals;

"(4) to coordinate and collaborate with other nutrition education and active living programs that share similar goals and purposes; and

"(5) to identify and share innovative programs with demonstrated effectiveness in helping children to maintain a healthy weight by enhancing student understanding of healthful eating patterns and the importance of regular physical activity.

"(b) Definition of Team Nutrition Network.—In this section, the term 'team nutrition network' means a statewide multidisciplinary program for children to promote healthy eating and physical activity based on scientifically valid information and sound educational, social, and marketing principles.

"(c) Grants.—

"(1) In general.—Subject to the availability of funds for use in carrying out this section, in addition to any other funds made available to the Secretary for team nutrition purposes, the Secretary, in consultation with the Secretary of Education, may make grants to State agencies for each fiscal year, in accordance with this section, to establish team nutrition networks to promote nutrition education through—

"(A) the use of team nutrition network messages and other scientifically based information; and

"(B) the promotion of active lifestyles.

"(2) Form.—A portion of the grants provided under this subsection may be in the form of competitive grants.

"(3) Funds from nongovernmental sources.—In carrying out this subsection, the Secretary may accept cash contributions from nongovernmental organizations made expressly to further the purposes of this section, to be managed by the Food and Nutrition Service, for use by the Secretary and the States in carrying out this section.

“(d) Allocation.—Subject to the availability of funds for use in carrying out this section, the total amount of funds made available for a fiscal year for grants under this section shall equal not more than the sum of—

“(1) the product obtained by multiplying ½ cent by the number of lunches reimbursed through food service programs under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) during the second preceding fiscal year in schools, institutions, and service institutions that participate in the food service programs; and

“(2) the total value of funds received by the Secretary in support of this section from nongovernmental sources.

“(e) Requirements for State Participation.—To be eligible to receive a grant under this section, a State agency shall submit to the Secretary a plan that—

“(1) is subject to approval by the Secretary; and

“(2) is submitted at such time and in such manner, and that contains such information, as the Secretary may require, including—

“(A) a description of the goals and proposed State plan for addressing the health and other consequences of children who are at risk of becoming overweight or obese;

“(B) an analysis of the means by which the State agency will use and disseminate the team nutrition messages and material developed by the Secretary;

“(C) an explanation of the ways in which the State agency will use the funds from the grant to work toward the goals required under subparagraph (A), and to promote healthy eating and physical activity and fitness in schools throughout the State;

“(D) a description of the ways in which the State team nutrition network messages and activities will be coordinated at the State level with other health promotion and education activities;

“(E) a description of the consultative process that the State agency employed in the development of the model nutrition and physical activity programs, including consultations with individuals and organizations with expertise in promoting public health, nutrition, or physical activity;

“(F) a description of how the State agency will evaluate the effectiveness of each program developed by the State agency;

“(G) an annual summary of the team nutrition network activities;

“(H) a description of the ways in which the total school environment will support healthy eating and physical activity; and

“(I) a description of how all communications to parents and legal guardians of students who are members of a household receiving or applying for assistance under the program shall be in an understandable and uniform format and, to the maximum extent practicable, in a language that parents and legal guardians can understand.

“(f) State Coordinator.—Each State that receives a grant under this section shall appoint a team nutrition network coordinator who shall—

“(1) administer and coordinate the team nutrition network within and across schools, school food authorities, and other child nutrition program providers in the State; and

“(2) coordinate activities of the Secretary, acting through the Food and Nutrition Service, and State agencies responsible for other children's health, education, and wellness programs to implement a comprehensive, coordinated team nutrition network program.

“(g) Authorized Activities.—A State agency that receives a grant under this section may use funds from the grant—

“(1)(A) to collect, analyze, and disseminate data regarding the extent to which children and youths in the State are overweight, physically inactive, or otherwise suffering from nutrition-related deficiencies or disease conditions; and

“(B) to identify the programs and services available to meet those needs;

“(2) to implement model elementary and secondary education curricula using team nutrition network messages and material developed by the Secretary to create a comprehensive, coordinated nutrition and physical fitness awareness and obesity prevention program;

“(3) to implement pilot projects in schools to promote physical activity and to enhance the nutritional status of students;

“(4) to improve access to local foods through farm-to-cafeteria activities that may include the acquisition of food and the provision of training and education;

“(5) to implement State guidelines in health (including nutrition education and physical education guidelines) and to emphasize regular physical activity during school hours;

“(6) to establish healthy eating and lifestyle policies in schools;

“(7) to provide training and technical assistance to teachers and school food service professionals consistent with the purposes of this section;

“(8) to collaborate with public and private organizations, including community-based organizations, State medical associations, and public health groups, to develop and implement nutrition and physical education programs targeting lower income children, ethnic minorities, and youth at a greater risk for obesity.

“(h) Local Nutrition and Physical Activity Grants.—

“(1) In general.—Subject to the availability of funds to carry out this subsection, the Secretary, in consultation with the Secretary of Education, shall provide assistance to selected local educational agencies to create healthy school nutrition environments, promote healthy eating habits, and increase physical activity, consistent with the Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341), among elementary and secondary education students.

“(2) Selection of schools.—In selecting local educational agencies for grants under this subsection, the Secretary shall—

“(A) provide for the equitable distribution of grants among—

“(i) urban, suburban, and rural schools; and

“(ii) schools with varying family income levels;

“(B) consider factors that affect need, including local educational agencies with significant minority or low-income student populations; and

“(C) establish a process that allows the Secretary to conduct an evaluation of how funds were used.

“(3) Requirement for participation.—To be eligible to receive assistance under this subsection, a local educational agency shall, in consultation with individuals who possess education or experience appropriate for representing the general field of public health, including nutrition and fitness professionals, submit to the Secretary an application that shall include—

“(A) a description of the need of the local educational agency for a nutrition and physical activity program, including an assessment of the nutritional environment of the school;

“(B) a description of how the proposed project will improve health and nutrition through education and increased access to physical activity;

“(C) a description of how the proposed project will be aligned with the local wellness policy required under section 204 of the Child Nutrition and WIC Reauthorization Act of 2004;

“(D) a description of how funds under this subsection will be coordinated with other programs under this Act, the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.), or other Acts, as appropriate, to improve student health and nutrition;

“(E) a statement of the measurable goals of the local educational agency for nutrition and physical education programs and promotion;

“(F) a description of the procedures the agency will use to assess and publicly report progress toward meeting those goals; and

“(G) a description of how communications to parents and guardians of participating students regarding the activities under this subsection shall be in an understandable and uniform format, and, to the extent maximum practicable, in a language that parents can understand.

“(4) Duration.—Subject to the availability of funds made available to carry out this subsection, a local educational agency receiving assistance under this subsection shall conduct the project during a period of 3 successive school years beginning with the initial fiscal year for which the local educational agency receives funds.

“(5) Authorized activities.—An eligible applicant that receives assistance under this subsection—

“(A) shall use funds provided to—

“(i) promote healthy eating through the development and implementation of nutrition education programs and curricula based on the Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341); and

“(ii) increase opportunities for physical activity through after school programs, athletics, intramural activities, and recess; and

“(B) may use funds provided to—

“(i) educate parents and students about the relationship of a poor diet and inactivity to obesity and other health problems;

“(ii) develop and implement physical education programs that promote fitness and lifelong activity;

“(iii) provide training and technical assistance to food service professionals to develop more appealing, nutritious menus and recipes;

“(iv) incorporate nutrition education into physical education, health education, and after school programs, including athletics;

“(v) involve parents, nutrition professionals, food service staff, educators, community leaders, and other interested parties in assessing the food options in the school environment and developing and implementing an action plan to promote a balanced and healthy diet;

“(vi) provide nutrient content or nutrition information on meals served through the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the school breakfast program established by section 4 of this Act and items sold a la carte during meal times;

"(vii) encourage the increased consumption of a variety of healthy foods, including fruits, vegetables, whole grains, and low-fat dairy products, through new initiatives to creatively market healthful foods, such as salad bars and fruit bars;

"(viii) offer healthy food choices outside program meals, including by making low-fat and nutrient dense options available in vending machines, school stores, and other venues; and

"(ix) provide nutrition education, including sports nutrition education, for teachers, coaches, food service staff, athletic trainers, and school nurses.

"(6) Report.—Not later than 18 months after completion of the projects and evaluations under this subsection, the Secretary shall—

"(A) submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Agriculture, Nutrition and Forestry of the Senate a report describing the results of the evaluation under this subsection; and

"(B) make the report available to the public, including through the Internet.

"(i) Nutrition Education Support.—In carrying out the purpose of this section to support nutrition education, the Secretary may provide for technical assistance and grants to improve the quality of school meals and access to local foods in schools and institutions.

"(j) Limitation.—Material prepared under this section regarding agricultural commodities, food, or beverages, must be factual and without bias.

"(k) Team Nutrition Network Independent Evaluation.—

"(1) In general.—Subject to the availability of funds to carry out this subsection, the Secretary shall offer to enter into an agreement with an independent, nonpartisan, science-based research organization—

"(A) to conduct a comprehensive independent evaluation of the effectiveness of the team nutrition initiative and the team nutrition network under this section; and

"(B) to identify best practices by schools in—

"(i) improving student understanding of healthful eating patterns;

"(ii) engaging students in regular physical activity and improving physical fitness;

"(iii) reducing diabetes and obesity rates in school children;

"(iv) improving student nutrition behaviors on the school campus, including by increasing healthier meal choices by students, as evidenced by greater inclusion of fruits, vegetables, whole grains, and lean dairy and protein in meal and snack selections;

"(v) providing training and technical assistance for food service professionals resulting in the availability of healthy meals that appeal to ethnic and cultural taste preferences;

"(vi) linking meals programs to nutrition education activities;

"(vii) successfully involving parents, school administrators, the private sector, public health agencies, nonprofit organizations, and other community partners;

"(viii) ensuring the adequacy of time to eat during school meal periods; and

"(ix) successfully generating revenue through the sale of food items, while providing healthy options to students through vending, student stores, and other venues.

"(2) Report.—Not later than 3 years after funds are made available to carry out this subsection, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives, the Committee on Health, Education, Labor, and Pensions and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the findings of the independent evaluation.

"(l) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section.".

(b) Conforming Amendment.—Section 21(c)(2)(E) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b–1(c)(2)(E)) is amended by striking ", including" and all that follows through "1966".

SEC. 206. REVIEW OF BEST PRACTICES IN THE BREAKFAST PROGRAM.

(a) Review.—

(1) In general.—Subject to the availability of funds under subsection (c), the Secretary of Agriculture shall enter into an agreement with a research organization to collect and disseminate a review of best practices to assist school food authorities in addressing existing impediments at the State and local level that hinder the growth of the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).

(2) Recommendations.—The review shall describe model breakfast programs and offer recommendations for schools to overcome obstacles, including—

(A) the length of the school day;

(B) bus schedules; and

(C) potential increases in costs at the State and local level.

(b) Dissemination.—Not later than 1 year after the date of enactment of this Act, the Secretary shall—

(1) make the review required under subsection (a) available to school food authorities via the Internet, including recommendations to improve participation in the school breakfast program; and

(2) transmit to Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a copy of the review.

(c) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section.

TITLE III—COMMODITY DISTRIBUTION PROGRAMS

SEC. 301. COMMODITY DISTRIBUTION PROGRAMS.

Section 15 of the Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note; Public Law 100–237) is amended by striking subsection (e).

TITLE IV—MISCELLANEOUS

SEC. 401. SENSE OF CONGRESS REGARDING EFFORTS TO PREVENT AND REDUCE CHILDHOOD OBESITY.

(a) Findings.—Congress finds that—

(1) childhood obesity in the United States has reached critical proportions;

(2) childhood obesity is associated with numerous health risks and the incidence of chronic disease later in life;

(3) the prevention of obesity among children yields significant benefits in terms of preventing disease and the health care costs associated with such diseases;

(4) further scientific and medical data on the prevalence of childhood obesity is necessary in order to inform efforts to fight childhood obesity; and

(5) the State of Arkansas—

(A) is the first State in the United States to have a comprehensive statewide initiative to combat and prevent childhood obesity by—

(i) annually measuring the body mass index of public school children in the State from kindergarten through 12th grade; and

(ii) providing that information to the parents of each child with associated information about the health implications of the body mass index of the child;

(B) maintains, analyzes, and reports on annual and longitudinal body mass index data for the public school children in the State; and

(C) develops and implements appropriate interventions at the community and school level to address obesity, the risk of obesity, and the condition of being overweight, including efforts to encourage healthy eating habits and increased physical activity.

(b) Sense of Congress.—It is the sense of Congress that—

(1) the State of Arkansas, in partnership with the University of Arkansas for Medical Sciences and the Arkansas Center for Health Improvement, should be commended for its leadership in combating childhood obesity; and

(2) the efforts of the State of Arkansas to implement a statewide initiative to combat and prevent childhood obesity are exemplary and could serve as a model for States across the United States.

TITLE V—IMPLEMENTATION

SEC. 501. GUIDANCE AND REGULATIONS.

(a) Guidance.—As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture shall issue guidance to implement the amendments made by sections 102, 103, 104, 105, 106, 107, 111, 116, 119(c), 119(g), 120, 126(b), 126(c), 201, 203(a)(3), 203(b), 203(c)(5), 203(e)(3), 203(e)(4), 203(e)(5), 203(e)(6), 203(e)(7), 203(e)(10), and 203(h)(1).

(b) Interim Final Regulations.—The Secretary may promulgate interim final regulations to implement the amendments described in subsection (a).

(c) Regulations.—Not later than 2 years after the date of enactment of this Act, the Secretary shall promulgate final regulations to implement the amendments described in subsection (a).

SEC. 502. EFFECTIVE DATES.

(a) In General.—Except as otherwise provided in this Act, this Act and the amendments made by this Act take effect on the date of enactment of this Act.

(b) Special Effective Dates.—

(1) July 1, 2004.—The amendments made by sections 106, 107, 126(c), and 201 take effect on July 1, 2004.

(2) October 1, 2004.—The amendments made by sections 119(c), 119(g), 202(a), 203(a), 203(b), 203(c)(1), 203(c)(5), 203(e)(5), 203(e)(8), 203(e)(10), 203(e)(13), 203(f), 203(h)(1), and 203(h)(2) take effect on October 1, 2004.

(3) January 1, 2005.—The amendments made by sections 116(f)(1) and 116(f)(3) take effect on January 1, 2005.

(4) July 1, 2005.—The amendments made by sections 102, 104, 105, 111, and 126(b) take effect on July 1, 2005.

(5) October 1, 2005.—The amendments made by sections 116(d) and 203(e)(9) take effect on October 1, 2005.

SA 3475. Mr. WARNER (for Mr. GREGG) proposed an amendment to amendment SA 3400 proposed by Mr.

FEINGOLD (for himself, Mrs. MURRAY, Mr. CORZINE, and Mr. DAYTON) to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

Strike the matter proposed to be inserted, and insert the following:

Subtitle F—Military Families Workplace Flexibility

SEC. 661. SHORT TITLE.

This subtitle may be cited as the “Military Families Workplace Flexibility Act”.

SEC. 662. BIWEEKLY WORK PROGRAMS AND FLEXIBLE CREDIT HOUR PROGRAMS.

(a) IN GENERAL.—The Fair Labor Standards Act of 1938 is amended by inserting after section 13 (29 U.S.C. 213) the following:

“SEC. 13A. BIWEEKLY WORK PROGRAMS AND FLEXIBLE CREDIT HOUR PROGRAMS.

“(a) ELIGIBLE EMPLOYEE.—For the purposes of this section, an employee who is a spouse, child (including an adopted child or stepchild), or parent of a member of the Armed Forces is eligible for the program benefits under this section during the following periods:

“(1) The period during which the member of the Armed Forces is serving on active duty and deployed to the area of operations of a contingency operation.

“(2) In the case of a member of the reserve components called or ordered to active duty pursuant to a provision of law referred to in section 101(a)(13)(B) of title 10, United States Code, the period—

“(A) beginning on the earlier of the date on which active duty commences or the date on which the member receives a delayed-effective-date active-duty order (as defined in section 1074(d)(2) of such title); and

“(B) ending on the date on which the member is released from the active duty to which so called or ordered.

“(b) VOLUNTARY PARTICIPATION.—

“(1) IN GENERAL.—Except as provided in paragraph (2), no eligible employee may be required to participate in a program described in this section. Participation in a program described in this section may not be a condition of employment.

“(3) COLLECTIVE BARGAINING AGREEMENT.—In a case in which a valid collective bargaining agreement exists between an employer and the labor organization that has been certified or recognized as the representative of the eligible employees of the employer under applicable law, an eligible employee may only be required to participate in such a program in accordance with the agreement.

“(c) BIWEEKLY WORK PROGRAMS.—

“(1) IN GENERAL.—Notwithstanding section 7, an employer may establish biweekly work programs that allow the use of a biweekly work schedule for an eligible employee—

“(A) that consists of a basic work requirement of not more than 80 hours, over a 2-week period; and

“(B) in which more than 40 hours of the work requirement may occur in a week of the period, except that no more than 10 hours may be shifted between the 2 weeks involved.

“(2) CONDITIONS.—An employer may carry out a biweekly work program described in paragraph (1) for eligible employees only pursuant to the following:

“(A) AGREEMENT.—The program may be carried out only in accordance with—

“(i) applicable provisions of a collective bargaining agreement between the employer and the labor organization that has been certified or recognized as the representative of the eligible employees under applicable law; or

“(ii) in the case of an eligible employee who is not represented by a labor organization described in clause (i), a written agreement arrived at between the employer and eligible employee before the performance of the work involved if the agreement was entered into knowingly and voluntarily by such eligible employee and was not a condition of employment.

“(B) STATEMENT.—The program shall apply to an eligible employee described in subparagraph (A)(ii) if such eligible employee has affirmed, in a written statement that is made, kept, and preserved in accordance with section 11(c), that the eligible employee has chosen to participate in the program.

“(C) MINIMUM SERVICE.—No eligible employee may participate, or agree to participate, in the program unless the eligible employee has been employed for at least 12 months by the employer, and for at least 1,250 hours of service with the employer during the previous 12-month period.

“(3) COMPENSATION FOR HOURS IN SCHEDULE.—Notwithstanding section 7, in the case of an eligible employee participating in such a biweekly work program, the eligible employee shall be compensated for each hour in such a biweekly work schedule at a rate not less than the regular rate at which the eligible employee is employed.

“(4) COMPUTATION OF OVERTIME.—All hours worked by the eligible employee in excess of such a biweekly work schedule or in excess of 80 hours in the 2-week period, that are requested in advance by the employer, shall be overtime hours.

“(5) OVERTIME COMPENSATION PROVISION.—The eligible employee shall be compensated for each such overtime hour at a rate not less than one and one-half times the regular rate at which the eligible employee is employed, in accordance with section 7(a)(1).

“(6) DISCONTINUANCE OF PROGRAM OR WITHDRAWAL.—

“(A) DISCONTINUANCE OF PROGRAM.—An employer that has established a biweekly work program under paragraph (1) may discontinue the program for eligible employees described in paragraph (2)(A)(ii) after providing 30 days' written notice to the eligible employees who are subject to an agreement described in paragraph (2)(A)(ii).

“(B) WITHDRAWAL.—An eligible employee may withdraw an agreement described in paragraph (2)(A)(ii) at the end of any 2-week period described in paragraph (1)(A), by submitting a written notice of withdrawal to the employer of the eligible employee.

“(d) FLEXIBLE CREDIT HOUR PROGRAMS.—

“(1) IN GENERAL.—Notwithstanding section 7, an employer may establish flexible credit hour programs, under which, at the election of an eligible employee, the employer and the eligible employee jointly designate hours for the eligible employee to work that are in excess of the basic work requirement of the eligible employee so that the eligible employee can accrue flexible credit hours to reduce the hours worked in a week or a day subsequent to the day on which the flexible credit hours are worked.

“(2) CONDITIONS.—An employer may carry out a flexible credit hour program described in paragraph (1) for eligible employees only pursuant to the following:

“(A) AGREEMENT.—The program may be carried out only in accordance with—

“(i) applicable provisions of a collective bargaining agreement between the employer and the labor organization that has been certified or recognized as the representative of the eligible employees under applicable law; or

“(ii) in the case of an eligible employee who is not represented by a labor organization described in clause (i), a written agreement arrived at between the employer and eligible employee before the performance of the work involved if the agreement was entered into knowingly and voluntarily by such eligible employee and was not a condition of employment.

“(B) STATEMENT.—The program shall apply to an eligible employee described in subparagraph (A)(ii) if such eligible employee has affirmed, in a written statement that is made, kept, and preserved in accordance with section 11(c), that the eligible employee has chosen to participate in the program.

“(C) MINIMUM SERVICE.—No eligible employee may participate, or agree to participate, in the program unless the eligible employee has been employed for at least 12 months by the employer, and for at least 1,250 hours of service with the employer during the previous 12-month period.

“(D) HOURS.—An agreement that is entered into under subparagraph (A) shall provide that, at the election of an eligible employee, the employer and the eligible employee will jointly designate, for an applicable workweek, flexible credit hours for the eligible employee to work.

“(E) LIMIT.—An eligible employee shall be eligible to accrue flexible credit hours if the eligible employee has not accrued flexible credit hours in excess of the limit applicable to the eligible employee prescribed by paragraph (3).

“(3) HOUR LIMIT.—

“(A) MAXIMUM HOURS.—An eligible employee who is participating in such a flexible credit hour program may accrue not more than 50 flexible credit hours.

“(B) COMPENSATION DATE.—Not later than January 31 of each calendar year, the employer of an eligible employee who is participating in such a flexible credit hour program shall provide monetary compensation for any flexible credit hours accrued during the preceding calendar year that were not used prior to December 31 of the preceding calendar year at a rate not less than the regular rate at which the eligible employee is employed on the date the eligible employee receives the compensation. An employer may designate and communicate to the eligible employees of the employer a 12-month period other than the calendar year, in which case the compensation shall be provided not later than 31 days after the end of the 12-month period.

“(4) COMPENSATION FOR FLEXIBLE CREDIT HOURS.—Notwithstanding section 7, in the case of an eligible employee participating in such a flexible credit hour program, the eligible employee shall be compensated for each flexible credit hour at a rate not less than the regular rate at which the eligible employee is employed.

“(5) COMPUTATION OF OVERTIME.—All hours worked by the eligible employee in excess of 40 hours in a week that are requested in advance by the employer, other than flexible credit hours, shall be overtime hours.

“(6) OVERTIME COMPENSATION PROVISION.—The eligible employee shall be compensated for each such overtime hour at a rate not less than one and one-half times the regular rate at which the eligible employee is employed, in accordance with section 7(a)(1).

“(7) USE OF TIME.—An eligible employee—

“(A) who has accrued flexible credit hours; and

“(B) who has requested the use of the accrued flexible credit hours,

shall be permitted by the employer of the eligible employee to use the accrued flexible credit hours within a reasonable period after making the request if the use of the accrued flexible credit hours does not unduly disrupt the operations of the employer.

“(8) DISCONTINUANCE OF PROGRAM OR WITHDRAWAL.—

“(A) DISCONTINUANCE OF PROGRAM.—An employer that has established a flexible credit hour program under paragraph (1) may discontinue the program for eligible employees described in paragraph (2)(A)(ii) after providing 30 days' written notice to the eligible employees who are subject to an agreement described in paragraph (2)(A)(ii).

“(B) WITHDRAWAL.—An eligible employee may withdraw an agreement described in paragraph (2)(A)(ii) at any time, by submitting a written notice of withdrawal to the employer of the eligible employee. An eligible employee may also request in writing that monetary compensation be provided, at any time, for all flexible credit hours accrued that have not been used. Within 30 days after receiving the written request, the employer shall provide the eligible employee the monetary compensation due at a rate not less than the regular rate at which the eligible employee is employed on the date the eligible employee receives the compensation.

“(e) PROHIBITION OF COERCION.—

“(1) IN GENERAL.—An employer shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any eligible employee for the purpose of—

“(A) interfering with the rights of the eligible employee under this section to elect or not to elect to work a biweekly work schedule;

“(B) interfering with the rights of the eligible employee under this section to elect or not to elect to participate in a flexible credit hour program, or to elect or not to elect to work flexible credit hours (including working flexible credit hours in lieu of overtime hours);

“(C) interfering with the rights of the eligible employee under this section to use accrued flexible credit hours in accordance with subsection (d)(7); or

“(D) requiring the eligible employee to use the flexible credit hours.

“(2) DEFINITION.—In paragraph (1), the term ‘intimidate, threaten, or coerce’ includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation) or effecting or threatening to effect any reprisal (such as deprivation of appointment, promotion, or compensation).

“(f) DEFINITIONS.—In this section:

“(1) BASIC WORK REQUIREMENT.—The term ‘basic work requirement’ means the number of hours, excluding overtime hours, that an eligible employee is required to work or is required to account for by leave or otherwise.

“(2) COLLECTIVE BARGAINING.—The term ‘collective bargaining’ means the performance of the mutual obligation of the representative of an employer and the labor organization that has been certified or recognized as the representative of the eligible employees of the employer under applicable law to meet at reasonable times and to consult and bargain in a good-faith effort to reach agreement with respect to the conditions of employment affecting such eligible employees and to execute, if requested by either party, a written document incorporating any collective bargaining agreement reached, but the obligation referred to in this paragraph shall not compel either party to agree to a proposal or to make a concession.

“(3) COLLECTIVE BARGAINING AGREEMENT.—The term ‘collective bargaining agreement’ means an agreement entered into as a result of collective bargaining.

“(4) ELECTION.—The term ‘at the election of’, used with respect to an eligible employee, means at the initiative of, and at the request of, the eligible employee.

“(5) EMPLOYEE.—The term ‘employee’ means an individual—

“(A) who is an employee (as defined in section 3);

“(B) who is not an employee of a public agency; and

“(C) to whom section 7(a) applies.

“(6) EMPLOYER.—The term ‘employer’—

“(A) means an employer (as defined in section 3 or as defined in section 101 of the Family and Medical Leave Act of 1993 (29 U.S.C. 2611)); but

“(B) does not include the General Accounting Office, the Library of Congress, or a public agency.

“(7) FLEXIBLE CREDIT HOURS.—The term ‘flexible credit hours’ means any hours, within a flexible credit hour program established under subsection (d), that are in excess of the basic work requirement of an eligible employee and that, at the election of the eligible employee, the employer and the eligible employee jointly designate for the eligible employee to work so as to reduce the hours worked in a week on a day subsequent to the day on which the flexible credit hours are worked.

“(8) OVERTIME HOURS.—The term ‘overtime hours’—

“(A) when used with respect to biweekly work programs under subsection (c), means all hours worked in excess of the biweekly work schedule involved or in excess of 80 hours in the 2-week period involved, that are requested in advance by an employer; or

“(B) when used with respect to flexible credit hour programs under subsection (d), means all hours worked in excess of 40 hours in a week that are requested in advance by an employer, but does not include flexible credit hours.

“(9) REGULAR RATE.—The term ‘regular rate’ has the meaning given the term in section 7(e).”.

(b) REMEDIES.—

(1) PROHIBITIONS.—Section 15(a)(3) of the Fair Labor Standards Act of 1938 (29 U.S.C. 215(a)(3)) is amended—

(A) by inserting “(A)” after “(3)”;

(B) by adding “or” after the semicolon; and

(C) by adding at the end the following:

“(B) to violate any of the provisions of section 13A;”.

(2) REMEDIES AND SANCTIONS.—Section 16 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216) is amended—

(A) in subsection (c)—

(i) in the first sentence—

(I) by inserting after “7 of this Act” the following: “, or of the appropriate legal or monetary equitable relief owing to any eligible employee or eligible employees under section 13A”; and

(II) by striking “wages or unpaid overtime compensation and” and inserting “wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, and”;

(ii) in the second sentence, by striking “wages or overtime compensation and” and inserting “wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, and”; and

(iii) in the third sentence—

(I) by inserting after “first sentence of such subsection” the following: “, or the second sentence of such subsection in the event of a violation of section 13A,”; and

(II) by striking “wages or unpaid overtime compensation under sections 6 and 7 or” and inserting “wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, or”;

(B) in subsection (e)—

(i) in the second sentence, by striking “section 6 or 7” and inserting “section 6, 7, or 13A”; and

(ii) in the fourth sentence, in paragraph (3), by striking “15(a)(4) or” and inserting “15(a)(4), a violation of section 15(a)(3)(B), or”; and

(C) by adding at the end the following:

“(f)(1) In addition to any amount that an employer is liable under the second sentence of subsection (b) for a violation of a provision of section 13A, an employer that violates section 13A(e) shall be liable to the eligible employee affected for an additional sum equal to that amount.

“(2) The employer shall be subject to such liability in addition to any other remedy available for such violation under this section or section 17.”.

(c) NOTICE TO EMPLOYEES.—Not later than 30 days after the date of enactment of this Act, the Secretary of Labor shall revise the materials the Secretary provides, under regulations contained in section 516.4 of title 29, Code of Federal Regulations, to employers for purposes of a notice explaining the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) to eligible employees (as defined in section 13A of such Act) so that the notice reflects the amendments made to the Act by this section.

SEC. 663. TERMINATION.

The authority provided by this subtitle and the amendments made by this subtitle terminates 5 years after the date of enactment of this Act.

SA 3476. Mr. WARNER proposed an amendment to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

On page 188, beginning on line 17, strike “Congress” and all that follows through line 20, and insert “the congressional defense committees, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives a plan for the management and oversight of contractor security personnel by Federal Government personnel in areas where the Armed Forces are engaged in military operations. In the preparation of such plan, the Secretary shall coordinate, as appropriate, with the heads of other departments and agencies of the Federal Government that would be affected by the implementation of the plan.”.

SA 3477. Mr. WARNER submitted an amendment intended to be proposed by him to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

On page 192, after line 22, insert the following:

(c) COORDINATION.—In the preparation of the report under this section, the Secretary of Defense shall coordinate, as appropriate, with the heads of any departments and agencies of the Federal Government that are involved in the procurement of services for the performance of functions described in subsection (a).

(d) ADDITIONAL CONGRESSIONAL RECIPIENTS.—In addition to submitting the report under this section to the congressional defense committees, the Secretary of Defense shall also submit the report to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

SA 3478. Mr. WARNER proposed an amendment to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

On page 246, between lines 7 and 8, insert the following:

(d) COORDINATION.—In the preparation of the report under this section, the Secretary of Defense shall coordinate with the heads of any other departments and agencies of the Federal Government that are affected by the performance of Federal Government contracts by contractor personnel in Iraq.

(e) ADDITIONAL CONGRESSIONAL RECIPIENTS.—In addition to submitting the report on contractor security under this section to the congressional defense committees, the Secretary of Defense shall also submit the report to any other committees of Congress that the Secretary determines appropriate to receive such report taking into consideration the requirements of the Federal Government that contractor personnel in Iraq are engaged in satisfying.

SA 3479. Mr. WARNER proposed an amendment to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

On page 249, line 16, strike "(d)" and insert the following:

(4) The reports under this subsection shall also be submitted to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

(d) JOINT UNDERTAKING WITH THE DIRECTOR OF CENTRAL INTELLIGENCE.—The Secretary of Defense shall conduct the review under this section, and submit the reports under subsection (c), jointly with the Director of Central Intelligence.

(e)

SA 3480. Mr. WARNER proposed an amendment to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

On page 252, beginning on line 10, strike "and the congressional defense committees" and insert ", the congressional defense committees, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives".

SA 3481. Mr. WARNER proposed an amendment to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

On page 269, line 16, before the period at the end insert "and, in any case in which section 104(e) of the National Security Act of 1947 (50 U.S.C. 403-4(e)) applies, the Director of Central Intelligence".

SA 3482. Mr. WARNER (for himself and Mr. LEVIN) proposed an amendment to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

On page 112, between the matter following line 5 and line 6, insert the following:

SEC. 574. SENSE OF THE SENATE REGARDING RETURN OF MEMBERS TO ACTIVE DUTY SERVICE UPON REHABILITATION FROM SERVICE-RELATED INJURIES.

(a) FINDINGS.—Congress makes the following findings:

(1) The generation of young men and women currently serving on active duty in the Armed Forces, which history will record as being among the greatest, has shown in remarkable numbers an individual resolve to recover from injuries incurred in such service and to return to active service in the Armed Forces.

(2) Since September 11, 2001, numerous brave soldiers, sailors, airmen, and Marines have incurred serious combat injuries, including (as of June 2004) approximately 100 members of the Armed Forces who have been fitted with artificial limbs as a result of devastating injuries sustained in combat overseas.

(3) In cases involving combat-related injuries and other service-related injuries it is possible, as a result of advances in technology and extensive rehabilitative services, to restore to members of the Armed Forces sustaining such injuries the capability to resume the performance of active military service, including, in a few cases, the capability to participate directly in the performance of combat missions.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) members of the Armed Forces who on their own initiative are highly motivated to return to active duty service following rehabilitation from injuries incurred in their service in the Armed Forces, after appropriate medical review should be given the opportunity to present their cases for continuing to serve on active duty in varied military capacities;

(2) other than appropriate medical review, there should be no barrier in policy or law to such a member having the option to return to military service on active duty; and

(3) the Secretary of Defense should develop specific protocols that expand options for such members to return to active duty service and to be retrained to perform military missions for which they are fully capable.

SA 3483. Mr. LEVIN (for Mr. HOLLINGS) proposed an amendment to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

On page 305, in the table preceding line 1, insert after the item relating to Naval Station Newport, Rhode Island, the following new item:

South Carolina ...	Naval Weapons Station, Charleston.	$18,140,000

On page 305, in the table preceding line 1, strike the amount identified as the total in the amount column and insert "$833,718,000".

On page 307, line 8, strike "$1,825,576,000" and insert "$1,843,716,000".

On page 307, line 11, strike "$676,198,000" and insert "$694,338,000".

On page 314, line 7, strike "$2,493,324,000", as previously amended, and insert "$2,485,542,000".

On page 315, line 3, strike "$863,896,000" and insert "$856,114,000".

On page 322, line 15, strike "$371,430,000" and insert "$361,072,000".

SA 3484. Mr. WARNER proposed an amendment to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

On page 24, between lines 9 and 10, insert the following:

SEC. 133. SENIOR SCOUT MISSION BED-DOWN INITIATIVE.

(a) AMOUNT FOR PROGRAM.—The amount authorized to be appropriated by section 103(1) is hereby increased by $2,000,000, with the amount of the increase to be available for a bed-down initiative to enable the C-130 aircraft of the Idaho Air National Guard to be the permanent carrier of the SENIOR SCOUT mission shelters of the 169th Intelligence Squadron of the Utah Air National Guard.

(b) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $2,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

SA 3485. Mr. LEAHY (for himself, Mr. CORZINE, Mr. KENNEDY, Mr. SCHUMER, and Mr. DURBIN) proposed an amendment to amendment SA 3387 proposed by Mr. LEAHY to the bill S. 2400, to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Services, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . REQUEST FOR DOCUMENTS AND RECORDS.

The Attorney General shall submit to the Committee on the Judiciary of the Senate all documents and records produced from January 20, 2001, to the present, and in the possession of the Department of Justice, describing, referring or relating to the treatment or interrogation of prisoners of war, enemy combatants, and individuals held in the custody or under the physical control of the United States Government or an agent of the United States Government in connection with investigations or interrogations by the military, the Central Intelligence Agency, intelligence, antiterrorist or counterterrorist offices in other agencies, or cooperating governments, and the agents or contractors of such agencies or governments.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Wednesday, June 23, 2004, at 9:30 a.m., to conduct a business meeting to consider legislation and committee resolutions.

The meeting will take place in SD-406 (Hearing room).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet in open Executive Session during the session on June 23, 2004, to review and make recommendations on proposed legislation implementing the U.S.-Australian Free Trade Agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 23, 2004, at 10 a.m., to hold a hearing on Nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 23, 2004, at 3 p.m., to hold a briefing on Iraq.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTTEE ON GOVERNMENTAL AFFAIRS

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Wednesday, June 23, 2004, at 11:30 a.m., to consider the nomination of David M. Stone to be Assistant Secretary of Homeland Security, Transportation Security Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Wednesday, June 23, 2004, at 10 a.m., in room 485 of the Russell Senate Office Building to conduct a business meeting on pending committee matters, to be followed immediately by an oversight hearing on Indian Tribal Detention Facilities.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Wednesday, June 23, 2004 at 10 a.m. on "The Law of Biologic Medicine" in the Dirksen Senate Office Building Room 226.

Witness List

Panel I: Dr. Lester Crawford, Acting Commissioner, Food and Drug Administration, Rockville, MD; and Mr. Daniel Troy, Associate General Counsel, Food and Drug Administration, Rockville, MD.

Panel II: Mr. David Beier, Senior Vice President, Global Regulatory Affairs, Amgen, Washington, DC; Mr. William B. Schultz, Zuckerman Spaeder LLP, Washington, DC; Carole Ben-Maimon, M.D., President and Chief Operating Officer, Barr Laboratories, Bala Cynwyd, PA; and William Hancock, M.D., Bradstreet Chair of Bioanalytical Chemistry, Northeastern University, Boston, MA.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON COMPETITION, FOREIGN COMMERCE, AND INFRASTRUCTURE

Mr. WARNER. Mr. President, I ask unanimous consent that the Subcommittee on Competition, Foreign Commerce, and Infrastructure be authorized to meet on Wednesday, June 23, 2004, at 2 p.m. on Peer-to-Peer (P2P).

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FINANCIAL MANAGEMENT, THE BUDGET, AND INTERNATIONAL SECURITY

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Government Affairs' Subcommittee on Financial Management, the Budget, and International Security be authorized to meet on Wednesday, June 23, 2004, at 2:30 p.m. for a hearing entitled, "International Smuggling Networks: Weapons of Mass Destruction Counterproliferation Initiatives."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FORESTS AND PUBLIC LANDS

Mr. WARNER. Mr. President, I ask unanimous consent that the Subcommittee on Forests and Public Lands of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, June 23, at 2:30 p.m. The purpose of the hearing is to review the grazing programs of the Bureau of Land Management and the Forest Service, including permit renewals recent and proposed changes to grazing regulations and related issues. The hearing will also examine the Wild Horse and Burro Program, as it relates to grazing, and the administration's proposal for sage-grouse habitat conservation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PRODUCTION AND PRICE COMPETITIVENESS

Mr. WARNER. Mr. President, I ask unanimous consent that the Subcommittee on Production and Price Competitiveness of the Committee on Agriculture, Nutrition, and Forestry be authorized to conduct a hearing during the session of the Senate on Wednesday, June 23, 2004. The purpose of this meeting will be to examine proposed legislation permitting the Administrator of the Environmental Protection Agency to register Canadian pesticides. Agenda: S. 1406.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that Peter Adelman on my staff have the right to the Senate floor for today's business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I ask unanimous consent that the privilege of the floor be granted to Michael Zabrensky, a detailee on my staff, during the remainder of this Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask consent that Mr. PAUL Thanos, a legislative fellow in the office of MARIA CANTWELL, be granted floor privileges for the remainder of the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL FETAL ALCOHOL SPECTRUM DISORDERS DAY

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 390, which was submitted earlier today by Senator MURKOWSKI.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 390) designating September 9, 2004, as "National Fetal Alcohol Spectrum Disorders Day."

The PRESIDING OFFICER. Is there objection to proceeding to the measure at this time?

Mr. DASCHLE. Mr. President, reserving the right to object, I ask unanimous consent to be added as a cosponsor of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the Senate proceeded to consider the resolution.

Ms. MURKOWSKI. Mr. President, the notion of reflecting for a moment at 9:09 a.m. on September 9, to recognize that during the 9 months of a pregnancy a woman should consume no alcohol, originated with three individuals. They weren't lobbyists or public relations consultants or social marketing experts. They were parents raising fetal alcohol children.

In February of 1999, Bonnie Buxton and Brian Philcox of Toronto, Canada and Teresa Kellerman of Tuscon, AZ, all parents of fetal alcohol children, asked each other a question.

The question was, "What if a world full of fetal alcohol parents all got together on the ninth hour, of the ninth day of the ninth month of the year and asked the world to remember that during the nine months of pregnancy a woman should not drink alcohol?" They asked, "Would the world listen?"

This simple question launched a worldwide, grassroots movement, organized on e-mail list serves and on the World Wide Web to ask that communities everywhere observe Fetal Alcohol Syndrome Awareness Day on September 9. The first International Fetal Alcohol Syndrome Awareness Day, or FASDAY as it is known, was observed on September 9, 1999. In the ensuing years, the number of communities observing FASDAY has grown and grown. I am proud that my State of Alaska strongly supports the observance of FASDAY and has published a kit of materials to help communities in my State and elsewhere plan their local observances.

Thanks to the support of my colleagues on both sides of the aisle, the U.S. Senate will add its voice in support of this worldwide observance, with the adoption of my resolution designating September 9, 2004, as National Fetal Alcohol Spectrum Disorders Day, which is the new name for FASDAY. I especially appreciate the support of the distinguished minority leader, a longstanding supporter of the fight against fetal alcohol related diseases and a founder of the National Organization on Fetal Alcohol Syndrome.

We choose to call September 9 National Fetal Alcohol Spectrum Disorders Day because science has established that Fetal Alcohol Syndrome is just one of a number of disorders that can befall a child born to a woman that consumes alcohol during pregnancy. The number of children born with Fetal Alcohol Syndrome each year dwarfs the number born with fetal alcohol spectrum disorders.

But whatever you call it, women must know that consumption of alcohol during pregnancy is the single largest contributor to mental retardation, learning disabilities and birth defects, and all of the fetal alcohol spectrum disorders are completely preventable if a woman consumes no alcohol during the 9 months of pregnancy.

By adopting this resolution we honor Bonnie and Brian and Teresa and all of the grassroots volunteers who have worked so hard in their communities around the globe to educate women about the dangers of alcohol during pregnancy and we recognize the States, counties and cities that have answered the call and organized local observances around International Fetal alcohol Syndrome Awareness Day.

A message is simple—alcohol and pregnancy don't mix. No alcohol during the 9 months of pregnancy, period. The world is listening.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to this matter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 390) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 390

Whereas the term "fetal alcohol spectrum disorders" has replaced fetal alcohol syndrome as the umbrella term describing the range of effects that can occur in an individual whose mother drank alcohol during pregnancy;

Whereas fetal alcohol spectrum disorders are the leading cause of mental retardation in western civilization, including the United States, and are 100 percent preventable;

Whereas fetal alcohol spectrum disorders are a major cause of numerous social disorders including learning disabilities, school failure, juvenile delinquency, homelessness, unemployment, mental illness, and crime;

Whereas the incidence rate of fetal alcohol syndrome is estimated at 1 out of 500 live births and of fetal alcohol spectrum disorders is estimated at 1 out of every 100 live births;

Whereas the economic cost of fetal alcohol syndrome alone to the Nation was $5,400,000,000 in 2003 and that each individual with fetal alcohol syndrome will cost United States taxpayers between an estimated $1,500,000 and $3,000,000 in his or her lifetime;

Whereas in February 1999, a small group of parents of children who suffer from fetal alcohol spectrum disorders came together with the hope that in 1 magic moment the world could be made aware of the devastating consequences of alcohol consumption during pregnancy;

Whereas the first International Fetal Alcohol Syndrome Awareness Day was observed on September 9, 1999;

Whereas Bonnie Buxton of Toronto, Canada, the co-founder of the first International Fetal Alcohol Syndrome Awareness Day, stated the purpose of the observance as: "What if . . . a world full of FAS/E parents all got together on the ninth hour of the ninth day of the ninth month of the year and asked the world to remember that during the 9 months of pregnancy a woman should not consume alcohol . . . would the rest of the world listen?"; and

Whereas on the ninth day of the ninth month of each year since 1999, communities around the world have observed International Fetal Alcohol Syndrome Awareness Day: Now, therefore, be it

Resolved, That the Senate—

(1) designates September 9, 2004, as "National Fetal Alcohol Spectrum Disorders Awareness Day"; and

(2) requests that the President issue a proclamation calling upon the people of the United States to—

(A) observe "National Fetal Alcohol Spectrum Disorders Awareness Day" with appropriate ceremonies to—

(i) promote awareness of the effects of prenatal exposure to alcohol;

(ii) increase compassion for individuals affected by prenatal exposure to alcohol;

(iii) minimize further effects; and

(iv) ensure healthier communities across the United States; and

(B) observe a moment of reflection on the ninth hour of September 9, 2004, to remember that during the 9 months of pregnancy a woman should not consume alcohol.

SURFACE TRANSPORTATION EXTENSION ACT OF 2004, PART III

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to consideration of H.R. 4635, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 4635) to provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 4635) was read the third time and passed.

AFRICAN GROWTH AND OPPORTUNITY ACT

Mr. FRIST. Mr. President, the House passed an African Growth and Opportunity Act extension by voice vote last week. This is an important bill for the continued economic development of sub-Saharan Africa.

To date, AGOA, as it is known—the African Growth and Opportunity Act—has created 150,000 jobs, some believe even many more than that.

We cleared that House bill on our side of the aisle last week. We are waiting for some other clearances from the other side of the aisle.

Initially, we were going to ask UC this evening to call up the bill and pass the House bill today. I think we are making tremendous progress. We have had discussions on the floor on both sides of the aisle today, and therefore I will withhold making that unanimous consent request. I am very hopeful, based on progress, that with some further discussions we will be able to clear this bill tomorrow.

Our intention is to clear the bill or, if not, to formally ask unanimous consent to pass the bill before we adjourn for the July 4 recess, given the importance of this bill.

Mr. DASCHLE. Mr. President, if the majority leader will yield.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I will just confirm the conversations that the majority leader alluded to. I think we have made real progress, certainly, on both sides of the aisle. There are a couple of other consultations required, but it would be my hope that before the end of the week we would be able to complete our work on the AGOA bill.

This is an important piece of legislation. It has demonstrated its job-building capacity in Africa in particular. We are very hopeful that we can continue that success in the years ahead by reauthorizing this important legislation. So we will have more to say about this tomorrow.

ORDERS FOR THURSDAY, JUNE 24, 2004

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 10 a.m. on Thursday, June 24. I further ask consent that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate proceed to executive session for the consideration en bloc of Calendar Nos. 715 and 731, the nomination of John Danforth to be Representative to the United Nations.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, tomorrow we will begin the day with the consideration of the nomination of our former colleague to be Representative to the United Nations. The nomination will require a little debate but then will not need a vote. We will also consider judicial nominations tomorrow. Therefore, rollcall votes will occur throughout the day.

Also, Chairman STEVENS will be here to begin consideration of the Defense Appropriations bill. We hope to begin that bill and finish that legislation prior to the recess. Therefore, Senators can expect a busy day with rollcall votes.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 11:45 p.m., adjourned until Thursday, June 24, 2004, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 23, 2004:

THE JUDICIARY

JUAN R. SANCHEZ, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA.

WALTER D. KELLEY, JR., OF VIRGINIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF VIRGINIA.

HOUSE OF REPRESENTATIVES—*Wednesday, June 23, 2004*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. SHAW).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 23, 2004.

I hereby appoint the Honorable E. CLAY SHAW, Jr. to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend Dr. Jack Davidson, Pastor, Redeemer Lutheran Church, Lancaster, Ohio, offered the following prayer:

Almighty and Gracious God, as we begin this new day, we seek Your forgiveness and blessing. As Creator and Governor of all, we pray that You will protect our country from all harm and attack. Restrain the plans of those who would do us evil. Change the hearts of our enemies that we may live with them in peace. Give to those who protect us the wisdom to defeat the plans of our enemies so that the people of this Nation will live in unity and peace.

Bless all those in service of our country. Endow our leaders with wisdom and knowledge, that by Your power, they will make God-pleasing decisions for the welfare of our citizens; through Jesus Christ Your Son Our Lord, who lives and reigns with You and the Holy Spirit, one God, world without end. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Arkansas (Mr. ROSS) come forward and lead the House in the Pledge of Allegiance.

Mr. ROSS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed without amendment a bill of the House of the following title:

H.R. 4589. An act to reauthorize the Temporary Assistance for Needy Families block grant program through September 30, 2004, and for other purposes.

The message also announced that the Senate has passed a joint resolution of the following title in which the concurrence of the House is requested:

S.J. Res. 33. Joint resolution expressing support for freedom in Hong Kong.

WELCOMING THE REVEREND DR. JOHN C. DAVIDSON

(Mr. HOBSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOBSON. Mr. Speaker, I rise today to recognize this morning's honored guest chaplain, Dr. John C. Davidson, who serves as the pastor of the Redeemer Lutheran Church in Lancaster, Ohio.

Dr. Davidson has been an ordained minister for 22 years and has faithfully served his parish and the Lancaster community during that time. He has earned two master's degrees and a doctorate degree from the Concordia Theological Seminary located in Fort Wayne, Indiana, and St. Louis, Missouri.

In addition to his parish duties, Dr. Davidson also serves as second vice chairman of the Lutheran Church-Missouri Synod, where he provides governing assistance to 172 congregations located in Ohio and portions of West Virginia and Kentucky.

Dr. Davidson is also known as a community leader. He serves as chaplain for the Charity Newsies in Fairfield County and the Fairfield County Coroner.

On the personal side, Dr. Davidson and his wife, Luann, have been married for 22 years and are blessed with four beautiful children, Rachel, Emily, Andrew, and Mark.

Dr. Davidson is an uplifting minister who is loved by his family and is well respected by the Lancaster community and the members of the Redeemer Lutheran Church.

As Ohio's Seventh District Congressman, I would like to take this opportunity to publicly recognize Dr. Davidson for his commitment to the church and his community over the years. His many contributions to the spiritual growth of central Ohio are noteworthy, and I thank him for his service.

SPENDING RESTRAINT

(Mr. RYUN of Kansas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RYUN of Kansas. Mr. Speaker, $164 billion of new Federal spending took place between 2001 and 2003, unrelated to defense and the events of 9/11. We are borrowing to spend, and we need to bring spending under control or we put future generations, our children and grandchildren, at risk with no hope of paying off this debt. We demonstrated that in 1998 with the balanced budget showing fiscal responsibility, but years of surpluses has sparked a spending spree that does not stop when the money runs out.

Alan Greenspan warned Congress that we must restrain spending. He said this last summer: "I would like to see the restoration of PAYGO and discretionary caps which essentially will restrain the expanse of the deficit and indeed ultimately contain it."

I urge my colleagues to heed Greenspan's remarks and to have the opportunity to reign in spending and update the budget process.

RESTORE BUDGET CUTS TO VETERANS PROGRAMS

(Mr. ROSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROSS. Mr. Speaker, on the 4th of July our Nation will celebrate its 228th birthday. On this day, we will remember how our Founding Fathers dedicated their lives to honor the novel ideas of liberty, equality, and democracy.

Today, our brave men and women in uniform exemplify the spirit, sacrifice, and commitment of the American people to securing freedom and democracy throughout the world, and our veterans are living examples of the ideals of our Founding Fathers.

Unfortunately, there are some in Congress who actually want to cut funding for our veterans. House Republicans passed a budget this year that slashes funding for veterans health care by $1 billion, and President Bush's

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☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

2006 budget is expected to include another $900 million in cuts for veterans health care.

Mr. Speaker, we promised our veterans health care for life, not health care someday. I urge my colleagues in Congress to restore these cuts to our veterans programs.

Our veterans are truly America's greatest generation, and this Congress should honor them.

ONE-YEAR ANNIVERSARY OF THE JOBS AND GROWTH ACT OF 2003

(Mr. FOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOLEY. Mr. Speaker, 1 year ago today, President Bush signed into law the Jobs and Growth Tax Relief Reconciliation Act of 2003, enabling American workers, families, and businesses to keep more of their own money and laying a foundation for economic growth and job creation now and for years to come.

Eleven million individuals and families will receive an average tax cut of $1,500; 49 million married couples will have an average tax cut of $2,600.

The President's tax relief is helping American job seekers. Unemployment has fallen to 5.6, the lowest average unemployment rate of the 1970s, 1980s, and 1990s. In my State of Florida, unemployment is at 4.7, showing jobs are being created and people are working.

The President's tax relief is helping the budget of America's families, increasing disposable income, allowing them to buy the things they need for their families and their homes. And the President's tax relief is helping America's businesses. The stock market is up 18 percent, increasing America's capital base by more than $2 trillion.

All in all, this is working, jobs are growing, the economy is strong. We salute the President for his leadership.

NO MORE JUDGMENT CALLS

(Mr. EMANUEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EMANUEL. Mr. Speaker, Deputy Secretary of Defense Paul Wolfowitz testified before Congress yesterday that he did not plan or expect an insurgency in Iraq. This observation, from one of the war's architects, whose record includes ridiculing former General of the Army, General Shinseki, by saying his troop estimate was "way off the mark." Now there are 150,000 Americans in the Iraqi theater.

He said that Iraqi oil would pay for reconstruction. U.S. taxpayers have been tabbed $20 billion to rebuild Iraq.

Secretary Wolfowitz could not remember how many troops had been killed in Iraq. At that point he guessed about 500. In fact, there had been 734 at the time. He was off by 30 percent.

Now he says he could not comprehend and did not plan for an Iraqi insurgency.

How many times do you have to be wrong in this administration and still have your job? Maybe Ahmed Chalabi did not tell him to plan for insurgency. Now he is telling us that our stay in Iraq could last years.

With a record like that, Mr. Wolfowitz, do not give us any more of your judgment calls.

ARCHIMEDES CLUB FAMILY BOAT WEEKEND

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to recognize the Archimedes Club, especially its chairman, Doron Zilbershtein. This wonderful organization in my South Florida district will be holding its first annual boat race hosted by the Coconut Grove Sailing Club.

This event will allow selected families, teamed up with underprivileged families, to spend time together building boats that they will race to the finish line.

The Archimedes Club has shown an unwavering dedication to the community by developing character traits and social skills through boating activities. Its members will be donating their time and boating knowledge the weekend of July 23 to give water sports fans the opportunity to participate in challenging competitions.

The Archimedes Club plans to build on this race and to donate the boats that are built to other communities around Florida. This act shows the unselfish and unwavering commitment of the Archimedes Club to help others, and it does not stop at the local level.

For the sincere concern and the outstanding dedication to underprivileged families, I congratulate the Archimedes Club for all it has done. The members will inspire many more citizens to follow in their steps.

MOUNTAIN OF DEBT FOR FUTURE GENERATIONS

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute.)

Mr. DEFAZIO. Mr. Speaker, I was pleased to hear one of my Republican colleagues precede me and talk about the impact of the debt, the growing deficit and the debt. I wish that the folks downtown were listening.

DICK CHENEY, Vice President DICK CHENEY, has declared that deficits do not matter. In fact, he now wants to send the result of this growing mountain of debt to an undisclosed location by hiding the fact that the United States of America is about to exceed its $7.3 trillion debt limit. For the second time in Bush's brief 3½ years in office, Congress is going to have to increase the debt limit of the country, a burden that will be passed on for the next 30 to 50 years for future generations of Americans. Now they want to do it in a stealth manner, by attaching some vague language to a defense bill in the hope that they will not have to take a vote on the product of what they have created here, which is another couple of trillion dollars of debt for the American people.

They should at least have the courage and the honesty of their convictions and bring up the debt limit on the floor of the House and vote on it so people can see the product of their economic and tax policies, which is a mountain of debt for future generations.

JOHN KERRY SHOULD APOLOGIZE FOR VIETNAM TESTIMONY

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, this week, the Vietnamese Government has weighed in on the Iraqi prison scandal, but the official Communist Vietnamese news agency is not citing the Geneva Conventions or the U.N.; it is citing testimony given by JOHN KERRY in 1971 in condemning our troops.

Mr. KERRY testified that American soldiers from top to bottom committed human rights violations, "cutting off ears, murder, rape, destruction," et cetera. The problem is, he relied on reports by a group of supposed Vietnam veterans who were not what they seemed. They claimed to be former Vietnam veterans. They were not. They were frauds. They were out only to discredit the military and our country.

But JOHN KERRY never repudiated or apologized for his statements. Instead, he has excused his behavior to youth. Now his misleading, inaccurate, hateful words are being used by a government with an atrocious human rights record against the United States.

That was a difficult time in our history. Passion and tensions were high. Whatever one's opinion of Vietnam, our troops suffered because of this kind of false witness to their efforts in Vietnam; and as a Vietnam veteran, I think Mr. KERRY should apologize once and for all and disavow those statements as false before other nations decide to use them.

SAUDI ARABIAN ANTI-SEMITISM

(Ms. BERKLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. BERKLEY. Mr. Speaker, I rise this morning to speak out against the continued pattern of anti-Semitism and racism by the Saudi royal family.

Last month, Crown Prince Abdullah was quoted as telling Saudi television that "Zionists" were behind the May 1 attack on contractors at the Saudi oil facility in Yanbu. The Crown Prince was also quoted in a story appearing in a Saudi newspaper as saying, "Our country is targeted; you know who is behind all of this. It is Zionism."

Enough is enough.

□ 1015

This is not the first time I have come to the floor to protest hatred emanating from the kingdom. It is the first time that I have come to the floor to protest the scapegoating of Israel and the Jewish people when, in fact, it was Saudi radicals who perpetrated these attacks. And it is not the first time that I have spoken of the danger of fueling the fires of religious extremism and hatred.

The irony is that it is the Saudis who have exported their homegrown terrorists throughout the world and have financed these murders for over 20 years. Only now when their own terrorists have turned back against the Saudi Royal Family are they remotely concerned with anything about terrorism.

Continually spreading and advancing of hateful and anti-Semitic rhetoric only provides ammunition who those who would support and condemn terrorism. Enough is enough. The Saudis have to stop.

VOTE YES ON THE SPENDING CONTROL ACT

(Mr. MARIO DIAZ-BALART of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARIO DIAZ-BALART of Florida. Mr. Speaker, for years, the Democrats have offered a simple approach to the American economy: Increased taxes on the hard working American people. For starters, we voted down three proposals by the Democrats during the debate on the budget. Each would have raised taxes by over its $00 billion minimum to the American people.

Last year Republicans rejected Democrats' alternatives to major legislation that would have added almost $1 trillion to the deficit, Mr. Speaker. Now I understand that they may be proposing a resolution to the floor calling for billions and billions of dollars of, again, increased taxes to the hard working American people.

I hope, and this week we should have a chance, to reign in spending by voting in favor of the Spending Control Act and some amendments to that Act.

As a member of the Committee on the Budget, Mr. Speaker, I have heard endless rhetoric by our friends the Democrats about the deficit, but at the end of the day, all they propose is more spending and more taxes. If they are serious, Mr. Speaker, about reducing the deficit, then they will join us voting yes on the Spending Control Act.

STOP THE CUTS IN VETERANS' HEALTH CARE

(Mrs. CAPPS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CAPPS. Mr. Speaker, as we approach the 4th of July, I rise in sharp disagreement with the priorities of this administration for our veterans. Americans everywhere will tell you that we owe our Nation's veterans a huge debt of gratitude. We must fulfill the promises we have made to them. During a time when hundreds of thousands of our troops stand in harm's way, we certainly must live up to our commitments to veterans. They deserve the very best health care our Nation can provide.

I believe all of us in Congress feel the same way, but why, then, will no one from the other side stand up to reject the Bush administration's plan to cut 900 million from veterans health care next year after the election? That is another massive cut coming on top of the budget that already underfunds veterans' health care by $1 billion.

Mr. Speaker, our veterans do not deserve this and they cannot afford it. I urge my colleagues to demand the Bush administration to stop the cuts in veterans health care.

AMERICAN FAMILY BUDGET ACT

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, the question on the hearts and minds of millions of Americans was expressed last week on the editorial pages of the Wall Street Journal. Will Republicans step up to control spending? In an age where we have seen an extraordinary increase in non-defense discretionary spending, as a conservative member of this institution, it is my honest hope that we will answer in the affirmative to that question.

And thanks to the leadership of the gentleman from Wisconsin (Mr. RYAN), the gentleman from California (Mr. COX), the gentleman from Texas (Mr. HENSARLING) and the gentleman from Indiana (Mr. CHOCOLA) with the American Family Budget Act Congress is poised to do just that.

Tomorrow we will consider the first major budget process reform in 3 decades on Capitol Hill. And their initiatives will be a part of the amendments. But some now are considering not even bringing budget process reform to the floor.

And I rise today to say, Mr. Speaker, that we must today answer the question in the affirmative. Will Republicans step up and control spending? To answer yes, Republicans must bring spending reform to the floor tomorrow. Debate it, amend it, and say yes to the American people that fiscal discipline is alive and well in the House of Representatives and in this Republican majority.

JOBS ARE COMING BACK IN OUR ECONOMY

(Mr. RYAN of Wisconsin asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RYAN of Wisconsin. Mr. Speaker, in this very negative bitter political year, we hear a lot of negative stories. I want to talk about something that is good that is happening in America, and that is jobs are coming back in our economy.

If you take a look at what is happening in this economy, our U.S. economy is growing at the fastest rate it has grown in 20 years. We have added 1.4 million jobs in economy since last August alone.

In my home State of Wisconsin, where we are so dependent on manufacturing jobs, we are seeing a great recovery in manufacturing. Over 3,000 jobs just last month alone in high paid manufacturing jobs, almost 12,000 jobs in total alone last month in the State of Wisconsin.

So what is happening is the tax cuts that passed a year ago, the good economic policies that have been put in place, the seeds that were planted are bearing fruit and we are now on the road to an economic recovery. Yes, everyone who lost a job has not yet found one, but the good news is the fastest growth in 20 years, over a million jobs created within a year, we are on record pace to earn back and build back the jobs that we lost and that is good news for America.

THE AMERICAN ECONOMY IS STRONG

(Mr. CRANE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRANE. Mr. Speaker, I have noted with interest that some prominent Democrats have decided that part of their election strategy is apparently to scare the American people into believing that the economy is weak.

I hate to rain on their parade, but here are some numbers: Inflation is at record lows; interest rates have been at record lows; real GDP has grown 5 percent during the last four quarters, the fastest annual rate in almost 20 years;

the unemployment rate is 5.6 percent, which is lower than the 30 year historical average. Real disposal personal income increased at 4.9 percent annual rate in the first quarter of 2004.

Mr. Speaker, it sounds to me like some of our colleagues on the other side of the aisle, including the presumptive nominee for President, have apparently failed to do their homework. I, for one, do not think the voters are going to be impressed by this nonsense.

THE REAL RECORD ON ECONOMIC GROWTH

(Mr. CAMP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CAMP. Mr. Speaker, I rise today to set the record straight on the economic outlook in America and in my home State of Michigan. Let us look at the facts. Real GDP has grown 5 percent during the last four quarters, the fastest annual growth in almost 20 years. Inflation remains low, productivity has grown at the fastest 3-year rate in 40 years. Business investment surged 12½ percent in the last four quarters. Industrial production saw its largest quarterly increase in nearly 4 years during the first quarter of 2004 and increased further in April. Yes, even in Michigan we added 8,300 jobs just last month.

But more important than all of these statistics is that real disposable income is on the rise. That is more money in the hands of moms and dads all across the country who can invest in their family and buy the things they need. More jobs for our workers and more prosperity for our families. Now, that is a record we can be proud of.

JOBS AND THE ECONOMY

(Mr. PORTMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTMAN. Mr. Speaker, I am here also to talk about our economy. The gentleman from Michigan (Mr. CAMP) just talked about all the positive economic indicators. I guess one could say the only economic indicator that is not positive are the statements from the presumptive Democrat nominee for President. And I do not know why he is doing it because it hurts the economy to badmouth the economy, to talk it down. It reduces consumer confidence at a time when we need to be sure that consumers are confident about where we are.

Before me, others talked about the fact that our unemployment numbers have gone from 6.3 percent down to 5.6 percent. That is lower than the average in the 1970s, 1980s, or 1990s. 1.4 million jobs have been created in the last 9 months.

Let me talk about those jobs. These are good-paying jobs. After tax income increased at a strong 4.9 percent annual rate in the first quarter of this year. Think about that. Hourly compensation in the last year has gone up 2.7 percent. That is faster than the 1.5 percent in the 1990s and people talk about its great growth. Average weekly earnings increased 2.5 percent from the same period a year ago.

So this notion that somehow we are creating jobs but they are not the right jobs or not increasing income are just wrong. Income is up. Productivity is up. Jobs are up.

Mr. Speaker, some politicians who are serving their own special interests are bad-mouthing this economy, but it is strong and good. It can get stronger if we take the right steps here in Congress.

UNFAIR ALLOCATION OF HOMELAND SECURITY FUNDS

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, I rise today to protest the unfair practice by the City of Miami, Florida, in allocating Federal urban area security money to Broward, Palm Beach, and Monroe Counties. Under the current definition, Broward and Palm Beach and Monroe are integral partners with Miami and Miami-Dade County in protecting south Florida's over 5 million residents.

However, in the over $30 million allocated to the south Florida urban area, only 10 percent was assigned to Broward County and zero dollars to Palm Beach and Monroe Counties, and, in fact, the other municipalities in Dade County.

Mr. Speaker, to neglect the necessary funding these other three counties deserve is simply outrageous. Both Palm Beach and Broward Counties have an international airport, seaport, and critical petroleum reserves. Let us not forget, Mr. Speaker, that this area was the home to al-Qaeda operatives prior to 9/11.

So I am here today to voice my unwavering support for the Department of Homeland Security, to create a new urban area for Palm Beach and Broward Counties. I am speaking for my constituents and will continue to do so until this outrageous offense is resolved.

PROVIDING FOR CONSIDERATION OF H.R. 4548, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2005

Mrs. MYRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 686 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 686

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4548) to authorize appropriations for fiscal year 2005 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Permanent Select Committee on Intelligence. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Permanent Select Committee on Intelligence now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived. No amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. PENCE). The gentlewoman from North Carolina (Mrs. MYRICK) is recognized for 1 hour.

Mrs. MYRICK. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, on Tuesday the Committee on Rules met and granted a structured rule for H.R. 4548, the Intelligence Authorization Act for Fiscal

Year 2005. This bill would authorize appropriations for the fiscal year for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency retirement and disability system.

☐ 1030

This is must-do legislation. It is also the most robust Intelligence Authorization Act the House has ever considered, and it is consistent with the Defense appropriations bill the House passed yesterday by an overwhelming vote of 403 to 17.

The classified annex to the committee report, which includes information on the budget and personnel levels, is available to all Members of the House of Representatives, subject to a requirement of clause 13 of rule XXIII.

This rule permits only those Members of the House who have signed the oath set out in clause 13 of House rule XXIII to have access to the classified information. Simply, this means they must agree not to release the information they see.

Intelligence has been, rightly so, recognized as a critical weapon in the global war on terrorism. Resources for, and demands on, the U.S. intelligence community have increased dramatically in the 2¾ years since September 11, 2001, and the attacks we all remember.

This increase is even more dramatic when one takes into consideration the depth of the cutbacks, underinvestment, and the near fatal loss of political support for the intelligence community in the prior administration.

That is why I am pleased that this bill authorizes more money than last year, even including the supplemental. This is the type of investment that our intelligence community deserves.

This legislation continues the sustained effort and long-term strategy to bring human intelligence, signals intelligence, imagery intelligence, and other intelligence systems and disciplines to life successfully.

H.R. 4548 also continues a similar commitment to build and maintain the analytic expertise and depth of coverage necessary to make wise and timely use of the information collected.

I want to take this opportunity to thank the CIA and all the members of our intelligence community who do make a vital contribution to our Nation's security.

I agree with President Bush that this is a mission of service and sacrifice in a world of great uncertainty and risk. America's commitments and responsibilities span the world in every time zone. Every day our intelligence community helps us to meet those responsibilities.

This bill provides the President with the intelligence tools needed to win the war on terrorism; and to that end, I urge my colleagues to support the rule.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentlewoman from North Carolina (Mrs. MYRICK) for yielding me the customary 30 minutes.

Mr. Speaker, the fact that the American intelligence apparatus is broken is well-known. In the global war on terror, the most important weapon we have to protect the Nation and its people is intelligence. Today, more than ever, we must make the creation of a strong and flexible intelligence apparatus one of the highest priorities of this body. The terrorist attacks of September 11, combined with the continuing threat of further attacks, underscore the importance of this legislation.

Unfortunately, Mr. Speaker, the bill reported out of the Permanent Select Committee on Intelligence falls far short of what our intelligence community has requested and what the American people expect. Now listen up. This bill provides less than a third of the key operational funding the intelligence agencies have told us that they need to prevent the next terrorist attack. The scheme for funding the counterterrorism operations is to give the agencies, listen, I want my colleagues to hear this, they are going to give them a third of the money they need, and then after the election they will come back and ask for the other two-thirds. Does this sound like we are concerned about the intelligence community? Does it sound like we are worried that we are at war? The answer is no. The election is the deciding point on when we come back and ask for the money.

The plan will starve the counterterrorism efforts, leaves the intelligence community anemic. Funding the intelligence community in bits and pieces, a portion now and a supplemental after the election, is not only irresponsible, it is reckless. Senior intelligence community officials have said that operating this way could jeopardize key counterterrorism operations. That is what they tell us.

Sadly, this year the bill fell victim to partisanship and the cold hard fiscal realities of tax cuts and spending caps. Every single Democrat member voted against favorably reporting this bill, and this is unprecedented. Typically, the importance of this bill trumps personal ideologies or the prevailing partisan winds; but knowing the ranking member and the other Democrat members of the Permanent Select Committee on Intelligence, I know that they must have very serious concerns to vote against the authorization bill.

Five dedicated distinguished Democrat members of the Permanent Select Committee on Intelligence, including the gentlewoman from California (Ranking Member HARMAN), offered five important amendments to the bill. However, the Committee on Rules tossed out four of these vital substantive amendments. The Committee on Rules will not allow the full House to consider and debate and amend to withhold a portion of the funding until the Secretary of Defense provides all information concerning the dealings of the Department of Defense and Ahmed Chalabi. This is information to which Congress is entitled. This is information the American people want to know. Who was this man who had such an incredible effect and so much influence on whether or not we went to war? What did we do besides give him $33 million?

Members will not be able to consider an amendment to restructure our dilapidated intelligence apparatus. Shockingly, the committee Republicans even made out of order an amendment to fully fund American counterterrorism efforts.

Yesterday, a member of the Committee on Rules tried to suggest that the amendments were proposed for political reasons. Far from it. Our Nation's security is at risk, and the integrity of the Permanent Select Committee on Intelligence, Democrats, and all Democrats, should not be questioned.

Reported out of committee on party lines, the rule does make in order an amendment to express the sense of Congress and support of the intelligence community and an amendment expressing the sense that the world is a safer place now that Libya has dismantled its weapons of mass destruction. These amendments were presumed to take precedence over the ones that really dealt with the committee and its budget. They do nothing to improve American counterterrorism operations.

Mr. Speaker, this is a seriously, fatally flawed bill; but, again, the Committee on Rules has muzzled debate on some of the most important issues concerning American intelligence operations. This is a double blow. It is another Committee on Rules strike against deliberation, discussion, and serious consideration; and it is a strike against the safety of America.

I am shocked at the rule and the underlying legislation before us this morning, and I urge my colleagues to oppose the rule so that the full House can participate in a comprehensive debate on the most important issue confronting us today and to consider the vital amendments to improve the intelligence community.

Mr. Speaker, I reserve the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. BOEHLERT).

Mr. BOEHLERT. Mr. Speaker, I thank the gentlewoman for yielding me the time, and I am glad that we are focusing on this very important issue.

Mr. Speaker, I rise as a member of the Permanent Select Committee on Intelligence, having served in that very distinguished group of bipartisan members concerned about intelligence for 8 years.

I wish to rise in strong support of this bill we are presenting to our colleagues and to the American people, the Intelligence Authorization Act. This is a well-thought-out bill, developed over many months of comprehensive deliberation, which provides much-needed guidance and support for the global, and let me emphasize that, the global war on terrorism and efforts to combat the very real threats to our national security.

We live in a dangerous world. Reminders of that harsh fact of 21st-century life face us on many fronts. Threats that were unimaginable just a few years ago have now become reality. Suicide bombers, anthrax, dirty bombs, these are but a few of the litany of weapons our enemies threaten us with.

To meet this new threat, our Nation requires a much more flexible and responsive intelligence community. H.R. 4548 helps provide that flexibility; and, importantly, it provides the increased funding to aggressively wage war on terrorism. Make no mistake, H.R. 4548 dramatically, let me emphasize that, dramatically increases counterterrorism funding.

As a member of the Permanent Select Committee on Intelligence for the 8 years that I have been privileged to serve in that body, one of my greatest concerns has been the lack of sufficient numbers of intelligence analysts and officers fluent in the languages that our enemies speak. This capability deficiency has literally crippled our ability to independently gather and evaluate information. It means that we have increasingly relied on contract linguists and allied intelligence services to translate information and to follow up leads. It means, for example, that there are literally miles and miles of captured Saddam Hussein documents that are still waiting to be read, translated, and made available for our analysis.

We have made substantial investment in technology, and rightly so; but more investment is necessary in human capital, people who serve as our eyes and ears at far distant points on the globe, and just adding to the numbers in our cadre is not enough by itself. We need individuals who are language proficient and possess an understanding of the culture being penetrated, who know and are able to appreciate not only who was saying what but also are conversant with the nuances and able to discern the true meaning of what is being said.

Of course, particularly in view of my position as chairman of the Committee on Science, I can appreciate the value of investment in technology; but that alone is not enough. There is no substitute for people. A satellite hundreds of miles in the heavens might be able to detect the movement of people or machines, and that is important; but it does not compare in value to someone inside a cell in Iraq or Afghanistan monitoring the words or actions of the bad guys.

For this reason, I have been part of a concerted effort over the past several years to place greater emphasis on and secure needed funds for a significant upgrading of our language program for the intelligence community.

Our committee has put together a broad and comprehensive package of language provisions. We establish a civilian linguistic reserve corps. We fund and expand existing programs that have demonstrated success. We look for creative ways to develop and utilize the vast talent pool that already exists in our country. We support the National Virtual Translation Center; and perhaps most importantly, we try to establish a culture in the intelligence community where language skills become an integral and necessary part of the job. It is the most important legislative effort on foreign languages since the Boren Act of 1992.

Mr. Speaker, H.R. 4548 is a worthy bill. It takes many of the necessary steps to ensure that our Nation's intelligence capabilities remain relevant in the 21st century. The gentleman from Florida (Chairman GOSS) is bringing forward an excellent package in what is his final authorization as chairman. He has performed exceptionally well during particularly challenging times, and he has presented us with a bill that all Members can and should support.

I urge support of the rule and the base bill.

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 5 minutes to the gentlewoman from California (Ms. HARMAN), the ranking member of the Permanent Select Committee on Intelligence.

Ms. HARMAN. Mr. Speaker, I thank the gentlewoman for her leadership on the Committee on Rules and for yielding time to me.

Mr. Speaker, I rise in strong opposition to this rule and to the previous question, which I understand will be offered, because it deprives our colleagues of the opportunity to strengthen the Intelligence Authorization Act.

Strong intelligence is our first line of defense in the war on terrorism; and make no mistake, we are at war. The gruesome beheadings of Danny Pearl, Nick Berg, Paul Johnson, and yesterday's murder of 33-year-old Kim Sun Il of South Korea are stark reminders of the nature of our enemy. Our brave men and women of the intelligence community are on the frontlines fighting that enemy.

□ 1045

They risked their lives for our freedom, and they deserve our unflinching support. Yet, unfortunately, Mr. Speaker, this rule deprives them of that support.

H.R. 4548 provides less than one-third of the key counterterrorism funding the intelligence community has told us it needs to fight the war on terrorism. Less than one-third. Members of our committee had proposed an amendment to fully fund counterterrorism operations. This rule denies us the opportunity to consider that amendment.

I think it is irresponsible of us to shortchange our counterterrorism efforts, particularly when we know al-Qaeda and other terrorist groups are planning attacks against us right now. By providing one-third of the counterterrorism funding, the majority's bill essentially says to the brave men and women of the intelligence community, you can count on operations for 3 or 4 more months, but after that, that is rough, until next April. That, Mr. Speaker, is exactly what this bill does, and that is not acceptable.

A better rule, a much better rule would have allowed the gentleman from Minnesota (Mr. PETERSON), the gentleman from Iowa (Mr. BOSWELL), and the gentleman from Alabama (Mr. CRAMER) of our committee to fix this bill with an amendment that would have provided for 100 percent of the funding that the intelligence agencies say they need. Their amendment would have done away with the dangerous practice of budgeting by supplemental, of saying let us kick this problem down the road. And in this case, let us kick it down the road until well after the November election.

A rule limiting amendments may be appropriate for other legislation, but this legislation is different, and here is why. As you know, Mr. Speaker, much of our work is classified and, therefore, is not discussed in the open. However, a large portion of our work on the intelligence policy is unclassified and is contained in the public portion of our legislation. This information does not compromise our intelligence sources and methods, and for that reason we asked the gentleman from Florida (Mr. GOSS) to hold the markup of the public portion of our bill in public.

On a party-line vote, the majority refused. Therefore, these amendments have never been debated or voted on in public, even though they are not classified and even though they would, if adopted, be part of the public part of our bill.

Mr. Speaker, there is no secret law in the United States, and it is anathema to this House to stifle open debate about important policy issues. For that reason, it is important that the full House have the opportunity to debate these amendments. This rule kills that debate, shuts down any effort to fully fund counterterrorism, and tries to sweep this issue under the rug. Well, this issue is too important, too vital to our national security to be swept under the rug.

The Democrats on the House Permanent Select Committee on Intelligence offered five amendments, all of which were good, all of which would have strengthened the bill and strengthened our oversight. All but one were rejected by this rule. That is a shame, Mr. Speaker, because instead of having a rule that could bring us together under one bipartisan banner, we have a rule that ensures this bill will trigger a bitter partisan divide.

In case the gentleman from Florida (Mr. Goss) and the Republicans have not noticed, the terrorists did not check our party labels before launching their attacks against us on 9/11, and they will not check them when they launch the next attack. I would have hoped that we could debate the bill not just as Democrats and Republicans, but as Americans. And for the sake of the country and for the sake of national security, I am sorry that the majority let us down.

Again, I ask for a "no" vote on the rule and a "no" vote on the previous question.

Mrs. MYRICK. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. LaHood).

Mr. LAHOOD. Mr. Speaker, I thank the gentlewoman for yielding me this time.

As a member of the committee now for 6 years, I want to say a special word of thanks to the chairman of the committee, the gentleman from Florida (Mr. Goss). This will be the last bill that he will present to the House of Representatives, as he is retiring from the House at the end of this year.

It is a great, great loss for the House of Representatives. I know it is a great loss for the people of Florida, who he represents, and it truly is a great loss for the Permanent Select Committee on Intelligence and the intelligence community. As someone who served in the CIA prior to coming to the House of Representatives, he has done as good a job as anyone on the committee, and certainly been an exemplary Chair of the committee. We all owe him a great debt of gratitude for the time and energy and devotion that he has given to the intelligence community, to the CIA, to people, men and women, all over the world who work so hard to collect the information and do the good professional work. He has been dedicated to them, he has been dedicated for them. And so I say congratulations to Porter Goss, and I think all House Members should do that for the work that he has done for the House and for the intelligence community.

As we debate the bill, I will obviously be speaking out on a number of things that I think are important, but let me just say this: I think it is unfortunate that bipartisanship has deteriorated. It no longer exists with this committee. Maybe our committee was the last bastion of bipartisanship, but apparently it is gone. And I think it really began a year ago when we considered our authorization bill.

I introduced into the record and put into the record a memo that came over from the other body that talked about a game plan on the part of the Democrats to politicize the intelligence process, not only in this body but also in the other body. And I am going to put that memo in the record again this year, because I think it was the beginning of the deterioration of bipartisanship for intelligence. That is unfortunate and sends the wrong message.

Congratulations Porter Goss, we have a good bill, and I hope all Members will support it.

Ms. SLAUGHTER. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota (Mr. Peterson).

Mr. PETERSON of Minnesota. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I find this rule very disappointing. It effectively shuts down debate on an amendment to fully fund the Permanent Select Committee on Intelligence's key counterterrorism operations. It is unusual for me to speak out like this, but 4 or 5 weeks ago it hit me, the current intelligence authorization bill that we are going to consider today is just not strong enough. It authorizes less than a third of the funds that the intelligence agencies need for key counterterrorism operations next year. That is just not right at a time when our Nation is under threat of terrorist attacks.

The administration admits that this is not sufficient funding, and says it will seek more money after November. But there is ample evidence that al-Qaeda may try to strike before November. If there is another terrorist attack, do we want the next 9–11 Commission to find that we in Congress failed in our duty to fully fund counterterrorism in the Permanent Select Committee on Intelligence?

We sit there day in and day out in closed session, windowless rooms, for hours on end listening to the intelligence agencies tell us how critical the funds are that the committee authorizes. They routinely criticize the practice of funding them in these small bits and pieces rather than in a full year, the way we are supposed to do it. They have told us how this prevents them from planning effectively, and they have told us they have to rob Peter to pay Paul while they wait for the additional funds to arrive. And they will probably not receive those additional funds that they need until April or May of next year, if at all.

This ridiculous practice of shortchanging intelligence at the start of the year has also been roundly criticized on a bipartisan basis by members of the Permanent Select Committee on Intelligence. The agencies have indicated with some precision the additional funds that they will need in the coming year for counterterrorism. There is no excuse for failing to make sure that the intelligence community has the resources it needs to protect against the next terrorist attack.

The amendment that I had intended to offer would have fully funded key counterterrorism operations in the next year for the agencies, as they have said they need them, 100 percent of the funding. And we had a detailed schedule of authorization to specify how the money should be spent. So this was not a blank check, as some have said.

The question before Congress is quite simple: Do we fully fund the global war on terrorism or do we want to take the chance that our intelligence community can make due until sometime next year? As it stands now, it is clear what the majority's answer is to this question. And with this rule the majority has made clear that they do not want to debate this issue. That is just not right, and I urge my colleagues to oppose this rule.

Mrs. MYRICK. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from North Carolina (Mr. Burr), another member of the Permanent Select Committee on Intelligence.

Mr. BURR. Mr. Speaker, I thank the gentlewoman from North Carolina for yielding me this time, and I thank both my colleagues on both sides of the aisle.

The Permanent Select Committee on Intelligence is a unique committee. We are selected by the leadership, we are asked to serve, we are asked to uphold the secrecy and the confidentiality of what goes on in that committee, and we are asked to reassure the Members of the House that do not have the type of access that we do that we are in fact doing our job. So let me assure every Member, Republican and Democrat, we are doing our job.

There is a difference today, and I do not hold the individuals on the other side of the aisle responsible. I think the gentleman from Illinois (Mr. LaHood) put it well, politics is alive and well in Washington. It is an election year, and I think that strings are getting pulled. And I make a pledge to the Members on that side of the aisle: That when this bill has passed, and I hope you vote for it on final passage, that we will work together in that committee. We will make sure that the tools are available to our intelligence community. We will make sure that the workings and the oversight are good enough that we can look our fellow Members in the eye and say we are doing our job.

But I think today we need to look back at why we are here. Sure, we are here because of the intelligence threat that exists today and the need for intelligence to grow, but we are here because of the devastation to the intelligence community in the 1990s. We are here because human intelligence was not important to anybody in this town. We are, in fact, trying to rebuild. And when I heard Director Tenet stand up in front of the independent commission and talk about 5 years, here was a man being honest at what it took to recruit people that could infiltrate; that we could take individuals who could fluently speak Arabic.

We have to remember that we went from a Cold War need for linguistics, which was Russia and Eastern Europe, to now a need for Arabic and a lot of different tribal languages that exist, and you cannot do it overnight and you cannot do it for no money. The reality is that both sides suggest funding levels at about the same, and that is above where the administration's request was. We have differences on how we get here. That is leadership and it is politics mixed in with it.

I am confident we can put politics aside and we can get passed not only this rule debate but the debate on the bill. Because the important thing is that our intelligence community knows that this Congress is united. We are united behind them, we are united behind the effort, we understand the value of what they do as it relates to the safety of the troops that we have who defend this country every day.

Mr. Speaker, I want to take this opportunity to also highlight the leadership of the chairman of the committee, the gentleman from Florida (Mr. GOSS). This will be a tremendous loss to the Congress, the entire Congress. The dedication of this man, the leadership, his experience and what he has brought to the Permanent Select Committee on Intelligence is invaluable. I am sure his years of community service are not over with his decision to leave Congress. But with him we lose a tremendous resource in our ability to understand and to become better in the world as it relates to our intelligence.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. CRAMER).

Mr. CRAMER. Mr. Speaker, I thank the gentlewoman from New York for yielding me this time, and I rise today to support my colleagues, the gentleman from Minnesota (Mr. PETERSON) particularly, in opposition to the rule that shuts off debate on fully funding the intelligence community's counterterrorism operations. I do this reluctantly, and I do not do this very often.

I want to say to my colleagues on the other side of the aisle that this should have been the opportunity for us to fully debate this issue, because there is no real debate as to whether this bill, when we get to the bill, provides full funding to the intelligence community for this global war on terrorism. We all know that this bill does not do that, and we have fallen into the trap ourselves. We are perpetuating the trap of continuing to fund the intelligence community in fits and starts, in bits and pieces.

The war in Iraq, as difficult as it is, is a war. The war on global terrorism, as unpredictable as it is, is a real war. Every day we are faced with warnings, with threats that we are going to be attacked, soon, between now and the elections.

□ 1100

Every administration, or at least the past several administrations, have fallen into this trap of using supplementals as a way to slowly but surely face the budget issues that we have to face. We are saying here today that we want to stop that, that we want to break that habit, that we want to up front tell the agencies what they will get and let them then tell us what they need so we can perform our oversight.

This is not a partisan issue. Both sides of the aisle have admitted through the hearing process, this year, last year as well, that we have got to stop this practice. The administration says this is not enough money this year; that later, whatever "later" means, we will get to the point where we will get to more funding.

This is not the way to do it. So today we must send a clear message that "business as usual" is no longer acceptable. Today we must put politics aside and do what is right for our intelligence community and for our national security. Today we must make sure the intelligence community has the resources it needs.

Oppose this rule.

Mrs. MYRICK. Mr. Speaker, I yield 30 seconds to the gentleman from New York (Mr. BOEHLERT).

Mr. BOEHLERT. Mr. Speaker, as a member of the committee, obviously I follow these things very closely, and I wish to point out to all my colleagues that the other body, their version of this bill closely mirrors ours, but is less generous, and that bill passed the other body by a unanimous vote, minority and majority. They are following our lead. I would suggest that we should evidence that same spirit of bipartisanship in this body.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa (Mr. BOSWELL).

Mr. BOSWELL. Mr. Speaker, I thank the gentlewoman for her hard work, and I thank the gentlewoman from California (Ms. HARMAN) for her hard work.

Mr. Speaker, I did take some notice of my good friend and colleague, the gentleman from Illinois (Mr. LAHOOD). I appreciated his remarks about the gentleman from Florida (Chairman GOSS). I agree. I think he has done an excellent job. But none of us are perfect. I think there was an exception here. I actually thought that he would plus-up this counterterrorism budget.

But here we are, and I rise to oppose the rule on the Intelligence Authorization Act. In particular, I am surprised that a number of Democratic amendments were ruled out of order, notably those of the gentleman from Minnesota (Mr. PETERSON), mine and the gentleman from Alabama (Mr. CRAMER), which would fully fund the counterterrorism budget needs of the intelligence agencies.

I wish the Republicans had been willing to debate this issue head on, rather than hide behind a procedure.

As the gentleman from Minnesota (Mr. PETERSON) has pointed out, the current bill authorizes less than one-third of the funds the intelligence agencies need to fight the war on terrorism. The intelligence agencies will have a tough time accomplishing their mission if they do not receive full funding for the counterterrorism operations.

At CIA, these funds do not go to the paper clips and photocopiers. They go towards mounting counterterrorism operations on every continent. They go towards collecting information on preventing terrorist attacks. They go towards funding operations in Afghanistan, to prevent resurgence of the terrorist sanctuaries in the remote mountains. They go towards working with partner governments on counterterrorism. They go towards capturing key al Qaeda leaders.

When there is uncertainty about funding, according to the agencies' testimony, it causes the agencies to hold off on operations, potentially putting lives in danger and ruining intelligence collection operations.

The administration officials have admitted they are not fully funding counterterrorism in this bill, but will send a request for the rest of the funds after the election, while at the same time urgently warning of a possible terrorist attack before the election. I say to my good friends and colleagues here today, what should the American people expect us to do? Is it acceptable to wait until after the election, when we already know what we need to do?

No, it is not acceptable. The American people expects us to debate these issues fully and openly and not hide behind procedures. If, as the administration officials keep warning us, there is a terrorist attack on the U.S. this summer, my colleagues in the majority will wish they had debated and settled the Peterson amendment, rather than squashing the debate. We will all wish that we had acted and fully funded counterterrorism.

Mr. Speaker, I fully urge the rejection of this rule, so that the important issues like the shortfall for counterterrorism in this bill can be properly debated.

Mrs. MYRICK. Mr. Speaker, I am pleased to yield 1 minute to the gentleman from California (Mr. DREIER), chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I rise in strong support of this rule, and I thank my friend from North Carolina for yielding me time.

Mr. Speaker, I would like to say that obviously we are praising the gentleman from Florida (Mr. GOSS) in light of the fact that this is going to be the last intelligence authorization bill that he will be presiding over before his retirement from this institution.

We had a very interesting discussion in the Committee on Rules yesterday about this issue of funding. As I listened to my friend from Iowa speaking about the fact that if we possibly saw another terrorist attack on the United States, we would all bemoan the fact we have not provided adequate funding, it seems to me that the statement that was made by the chairman of the Intelligence Committee yesterday before the Committee on Rules is a very important one to note. He is not concerned about the issue of funding, he is actually concerned about the management of the level of funding that we have right now. This view that all you need to do is throw a tremendous amount of money at a problem and that somehow is a panacea, that it is an insurance policy, is, I think, unfounded.

Mr. Speaker, I believe it is very important for us to note that the proper management over this program is the most important thing for us to do now, because we do feel that there is an adequate level of funding. So I strongly support this rule, I strongly support the underlying bill, so that we can come and work in a bipartisan way for what we all want to do, and that is ensure, ensure, that we never see another September 11, 2001, on our soil.

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 2 minutes to the gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Speaker, I thank the gentlewoman for yielding me time.

Mr. Speaker, I join my colleagues in congratulating the chairman, who has served so honorably as a Member of the House and for all of these years as chairman of the Permanent Select Committee on Intelligence, and wish him our absolute best.

I join my colleagues today in standing up in support of stronger intelligence. That is what this debate is about.

This bill is simply too weak and dangerously underfunds the intelligence efforts that are so absolutely essential to preventing the next big terrorist attack. Every American will understand that 100 percent is 100 percent. You cannot be committed 100 percent to funding if you only fund 33 percent, one-third, of the entire counterterrorism budget.

Opponents of the amendment to fully fund counterterrorism intelligence throw around a lot of numbers to try to argue that the level of funding in this bill is adequate. But you need to know only one thing: The President knows this is not enough funding, and said in his transmittal letter of May 12 of this year that he will ask for the rest of the money "in early 2005." That is an admission that this is not fully funded, and that is what we are debating.

The problem is the terrorists are not waiting until early 2005. There are indications that they plan to conduct a major attack inside the United States before the end of the year, according to administration officials. The CIA cannot wait until early 2005 to plan its operations to prevent that next attack.

Senior officials testified repeatedly to the Permanent Select Committee on Intelligence that the practice of funding counterterrorism by supplemental makes it impossible for them to plan, this is what they said to all of the members of the Permanent Select Committee on Intelligence, and it forces them to rob Peter to pay Paul in an effort to make due.

Does this body really want to make the men and women of the intelligence community make do when so much is at stake? They are the tip of the spear. We have to give them the resources they need. It is our job now, not in early 2005.

Mrs. MYRICK. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, I think it is ironic, some people up here on the floor say we are not spending enough. They have never served in the military. They vote to cut defense.

The last speaker, the gentlewoman from California, in 1993, the Frank amendment to cut Intel funding, she voted yes; in 1996, the Frank amendment to cut Intel funding, she voted yes; in 1998, the Iraq Liberalization Act, regime change, she voted yes; in 2002, authorization for military force, she voted no; in 2003, Iraq supplemental appropriations, she voted no; in 2003, intelligence authorization, to increase funding, she voted no.

This is a sad day, Mr. Speaker. I have got some very good friends on this committee. Some of them I hunt and fish with. The gentlewoman from California (Ms. HARMAN), during the Ronald Reagan funeral, I had tears in my eyes. She reached over and grabbed my hand to console me.

That is the kind of friendship that we have on this committee, and I think one of the saddest things I see is the partisanship coming out in election-year politicking. We will still be friends after this. You say, oh, this is not partisan. That is the spin. But it is, Mr. Speaker. It is sad, and I hate to see it.

All the way through, you have people that have fought the Republican Party on prescription drugs, Leave No Child Behind, energy, tax relief, the environment. You think the Republicans are the meanest people in the whole world, no matter what we do. But never before on this bill has it been so partisan, and I think it is sad, a sad day on this House floor, and election year politics.

I think when you look at yesterday's vote on defense appropriations, which is the authorization for this bill, most of my colleagues voted for that. That was less funding than this. The Senate has less funding in the bill. But what our great chairman, the gentleman from Florida (Mr. GOSS) did, is restrict some of the flow of the funding. We have taken and analyzed and cut a lot of waste, fraud and abuse out of every bill, defense, education, all these bills, and we have put the money to good use.

I think it is even sadder right now that we have got folks that choose to go along with their Democrat leadership. When you all elected your liberal Democrat leadership, we rejoiced, because we know there is a bill to cut the tax break for the rich in the next Bill, and we knew exactly what was going to happen to show the differences between Republicans and Democrats from your liberal leadership. But what is sad is how that leadership is driving some of the good people within your party to be partisan, and I think that is even sadder.

The defense authorization, I sat clear through that thing, and the gentleman that is filing ethics violations, that is leaving this body this year, filing ethics violations, demanded he see the Taguba report. Well, the gentleman from California (Mr. HUNTER) just so happened to have it on the desk. And, guess what, that individual has not even read the report.

There are 11 investigations going on. The Ronald Reagan event stopped hearings. There has never been a hearing that any member of this committee has asked for that we have not gotten, whether it is on Chalabi, whether it is on the prisons, or whether it is on other issues within that party.

The gentleman from Florida (Mr. GOSS) is one of the most bipartisan chairmen, and I think the gentlewoman from California would agree

Mr. Speaker, I also sit on the Defense Authorization Committee, and one of the liberal members said, "Well, we want the Secretary of Defense to step down." He said, "You know, I pray for you every day, Mr. Secretary. You are a good, respected man, but maybe you ought to step down." And I told the Secretary, next time someone prays for me, I hope they are not trying to put a knife in my back in the partisanship that is going on.

I think it is sad here today, we hunt and fish together, we are friends. But this is wrong. Vote for this bill.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. REYES).

Mr. REYES. Mr. Speaker, I thank the gentlewoman for yielding me time to rise in opposition to this rule.

First let me just say that like all of us in this House that represent communities around this great Nation of ours, I am proud of the job that our men and women are doing in the war against terrorism, whether they are in the military, whether they are in the intelligence community or civilians.

□ 1115

I am a member of the Permanent Select Committee on Intelligence and a veteran. But to me, today, the issue is about oversight and about funding the effort.

I think debate is healthy. I think we should exchange ideas and, yes, maybe even political philosophies from time to time. We go to the intelligence community and we ask them, what is it that you need? How much money will it take to get the job done? They tell us, they give us a budget, they give us a proposal; and then we come back and say, we can only give you 33 percent of that money. Do they give us 33 percent effort? No. They give us 100 percent, so we should fund them at 100 percent.

So why are we doing that? I am sure that our men and women that are putting their lives on the line are asking that very same question: Why? To them, it is not about politics, it is not about budgets, it is not about deficits, or even supplementals. To them, it is about support for their effort. To them, it is about funding that effort at 100 percent, and not giving them 33 percent and an IOU or a check-is-in-the-mail promise. It is about support for our men and women in an effort that is very important to our country.

Mr. Speaker, we can do better, we must do better; and, most of all, to the men and women of this body, we must do our job.

Mrs. MYRICK. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Florida (Mr. FOLEY).

Mr. FOLEY. Mr. Speaker, I support the rule, and I support the bill and the fine work of the gentleman from Florida (Mr. GOSS), the chairman of our committee; and I am certain that sometime today we are going to hear more about Abu Ghraib prison. I want to put things in context about the politics of what this town has become.

Mr. Speaker, I stand amazed and disappointed in the self-righteous, politically motivated diatribes coming from the other side about Abu Ghraib for the last several months. The guilty parties in the Abu Ghraib prison incidents are currently before the military justice system. They will be tried and justice will be carried out.

This House, the other body, the President, the Vice President, the Secretaries of Defense and State, and the National Security Adviser have all gone on record to express outrage over the abuses at the prison, as they should have.

But what I find especially appalling is the deafening silence from the other side following the savage beheadings of American civilians Nick Berg and Paul Johnson.

These cowardly terrorist organizations seek to intimidate our people through barbaric acts of demonic cruelty on American citizens.

While members on the other side have mentioned Abu Ghraib by name, 45 times since January during recorded debate on the House Floor, only four times did a Democratic member utter the name Nick or Nicholas Berg. No Democrat, not one single Democrat, has even mentioned Paul Johnson, the Lockheed Martin employee kidnapped in Saudi Arabia, cruelly beheaded, and videotaped for the world to see.

We are a self-policing society. We will punish those who commit abuses at Abu Ghraib. However, I would expect the Democrats in this body to express equal outrage over the savage killings of Nick Berg and Paul Johnson.

I urge my Democratic colleagues to break their silence and end their indifference to the atrocious acts of cruelty perpetrated on innocent Americans.

Too many are playing politics with Abu Ghraib, trying to score political points, while we have 200,000 troops fighting the war on terror and standing strong for America in the Middle East and Central Asia.

Ms. SLAUGHTER. Mr. Speaker, I am stunned at what the previous speaker has just said. What does he mean that no Democrat has expressed any outrage? Has the gentleman polled every Democrat in the country? Does he know that no Democrat has expressed outrage over the beheading of American citizens?

Mr. FOLEY. Mr. Speaker, if the gentlewoman will yield, not spoken on this floor. Not spoken on this floor. Not a word entered into the RECORD. I have checked with the Parliamentarian and the Clerk, not one mention of those names.

Ms. SLAUGHTER. Mr. Speaker, let me reclaim my time. I just think that is an outrageous statement to make, and I do not believe that anybody in America is going to be impressed by that.

Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. RUPPERSBERGER).

Mr. RUPPERSBERGER. Mr. Speaker, I rise to oppose the rule on the fiscal year 2005 Intelligence Authorization Act. In response to some of the comments made by our colleagues on the other side, let me just make this statement: this issue is not about politics; it is about national security.

Now, it is important in our work here in the House that we put America first. Equally important is a focus on ensuring that the men and women protecting us in the intelligence agencies and in the military have all the support and resources that they need.

I am surprised that a number of Democratic amendments were ruled out of order, notably the Peterson amendment which would fully fund the counterterrorism budget needs of the intelligence agencies.

As the gentleman from Minnesota (Mr. PETERSON) has pointed out, the current bill authorizes less than a third of the additional funds the intelligence agencies need to fight the war on terrorism. This one-third comes from the contingency emergency reserve fund that the President asked for on May 12, which is designed to bridge the gap between the budget request and a supplemental funding request that will not happen until after the election.

In his May 12 letter to the Speaker, President Bush said, "I have pledged to our troops that we will have all the resources they need to accomplish this vital mission." Yet, the intelligence agencies have told us in hearing after hearing that the current process of funding counterterrorism operations by supplemental has hampered their ability to plan and operate. And despite the President's lofty words, we know that the intelligence troops do not have all of the resources they need to accomplish the counterterrorism mission.

As a former county executive, I can relate to the agency's need to plan right to achieve success, and so I am concerned that these budgeting practices have to stop, for the good of the country and national security.

I was disappointed that the Republican majority on the Committee on Rules did not allow this amendment to come to the floor for debate. This issue needs to be debated. The public needs to know, we need to know, we need to debate this issue of national security.

If, as administration officials keep warning us, there is a terrorist attack this summer, we will all wonder if we could have done more to protect America. The answer to that question today is yes. For one thing, we could be debating the Peterson amendment today and finding a way to get the intelligence agencies the counterterrorism funding that they need.

I urge the rejection of this rule. It is so important that all of our intelligence agencies have the resources they need to deal with the issue of national security.

Mrs. MYRICK. Mr. Speaker, I yield 4 minutes to the gentleman from Nevada (Mr. GIBBONS).

Mr. GIBBONS. Mr. Speaker, I want to thank the gentlewoman from North Carolina for allowing me this time to speak.

I do want to begin by giving my great congratulations to the gentleman from Florida (Mr. GOSS) for tremendous service on this committee and for a tremendous bill which does exactly what this country's intelligence services need. It is actually a bill which should have been bipartisan but, for the first time, was not bipartisan in the committee.

I think I would like to begin with correcting some of the misstatements that have been made on the floor. First of all, this bill fully funds the base amount for every salary paycheck in the intelligence community. Not one intelligence community employee is going to go without a paycheck at the end of 3 months. It is just plain wrong to assert that, and I wanted to correct that.

I also wanted to say that, with regard to the funding of the contingent emergency reserve, this bill sets forth, I believe, the proper oversight for this committee. We have budgeted for one-quarter of the year, authorized for one-quarter of the year in order to give flexibility to the war on terrorism. This is an opportunity for us to exercise our oversight and exercise our oversight by giving smaller slices of the pie so we can control the money, where it is spent and how it is spent in our oversight authority, rather than giving a slush fund out there that can be spent without proper control.

We will fully fund the war on terrorism. I am struck by the dichotomy of each of the previous speakers on the Democratic side who voted yesterday in support of the Defense Appropriation bill which funds the war on terrorism to the same numbers that we have in this bill, and each one of my Democratic colleagues voted "yes," with the exception of the gentleman from Texas (Mr. REYES), who was absent.

So to stand here and say that you do not believe we are funding the war on terrorism when you supported the appropriation in the same amount strikes me as one of politics.

The last thing we want to do is have the intelligence community as a political wedge in the war on politics. They do not deserve it. This country does not deserve it. I am concerned that by what we are doing, by issuing these proclamations about not funding the war on terrorism, is giving aid and support to those people who are trying to attack this country.

More fiscal responsibility is certainly in this bill; more oversight by the Congress and the House Permanent Select Committee on Intelligence is exactly what this bill will do.

As the chairman of the Subcommittee on Human Intelligence, Analysis and Counterintelligence, I wanted to speak briefly about the points that are dealing with the analysis part of this bill because it is so critical and so important. This rule and this bill support the goals that our House Permanent Select Committee on Intelligence has expressed for years, and that is the importance of a well-trained, professional, and experienced staff.

Like many other components of the intelligence community, analysis is not a capability that can be developed overnight. It takes years of investment in people, technology, and training to create analysts capable of connecting the dots. Today, with this bill, through this rule, we will have more dots to connect than ever before. We can collect all we want, but if there is nobody to synthesize, analyze, and look at this information and deliver the proper and correct message to our Nation's policymakers, then there is little benefit to this country by standing here and politicizing this bill and the intelligence community over what we are doing.

That is why I am pleased to stand here and support the rule, support this bill, and congratulate the gentleman from Florida (Mr. GOSS) on what I believe to be a very fair and fundamentally correct bill to fund our intelligence community and to support this country's war on terrorism.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Speaker, I rise in opposition to this rule.

The American public, the citizens of America, are looking to us, to the Congress, to provide oversight over the intelligence community. My colleague, the gentleman from California, said that our committee has never been denied a hearing that we wanted. That may be true if one defines "hearing" very broadly. Yes, members of the intelligence community from the various agencies have come to meet with us; but we never learned, for example, that Mr. Rumsfeld actually approved ghost detainees, detainees who would be kept out of the system. We never really got level answers about the search for weapons of mass destruction in Iraq. It is a long, long list of things that we have been denied because we just did not ask exactly the right question.

The debate this morning is not about how many billions of dollars precisely will be added to the counterterrorism budget; it is whether they are going to present the budget to us in such a way that it is impossible for the committee to exercise oversight. That is what is at issue. By funding these programs through supplemental appropriations rather than through the normal appropriations process with authorization oversight, they dodge responsibility. They dodge the oversight. That is what is at stake here today. That is what this rule is denying, the American public the oversight that they expect, that they need for our national security, denying that that will be carried out by the committee.

So we are talking about a much more fundamental, longer-term issue; and for that reason, this rule is very flawed and should be opposed.

Mrs. MYRICK. Mr. Speaker, I yield 3 minutes to the gentlewoman from New Mexico (Mrs. WILSON); and, I might add, she is the only female military officer in this body.

□ 1130

Mrs. WILSON of New Mexico. Mr. Speaker, I thank my colleague from North Carolina for the time.

I rise to support this rule today. I have listened to this debate with some concern because I think there are things being said that just are not being straight with people. I want to talk about two of them in particular.

The first has to do with the funding levels that are authorized in this bill. The truth is here in the Congress, we have an arcane way of doing things some times. We have an authorizing bill that really sets the programs and the outlines of the programs that we intend to fund. But the money, the real money is put in the defense appropriations bill that we passed overwhelmingly yesterday from this House with what we call an open rule, which means anyone can come down this floor and move to change money around or increase counterterrorism funding. If one was serious about this, that is where the real money was, in the defense appropriations bill.

So what we hear this morning is more about posturing and politics than it is about policy. And that is really sad on the Permanent Select Committee on Intelligence that heretofore has been absent that kind of discussion.

And the second thing I wanted to raise is this issue of vigorous oversight. I have been an advocate for vigorous oversight in a wide variety of things. And I have been one of the principal advocates in the Committee on Armed Services for greater oversight of the Pentagon, including of Abu Ghraib, and cosponsored an amendment to do so with my colleague the gentleman from Missouri (Mr. SKELTON).

In this Congress, there are some committees that are vigorous about it and some that are not. I served on the Permanent Select Committee on Intelligence a couple of Congresses ago, and the Permanent Select Committee on Intelligence is one that is. Its members work very hard, ask tough questions. Many of them are when the cameras are off, and that is the way it has to be. But I am also particularly pleased at their openness to non-members of the committee participating in that process.

I have, from time to time, requested special briefings and the Permanent Select Committee on Intelligence has made that possible for me. No other committee in the House tends to be so open to that on the part the of nonmembers.

The structure of this bill encourages the continued vigorous oversight by the Congress of expenditure in the intelligence world. This is the kind of bill that we should be proud of as a Congress, as an example of vigorous oversight of one branch of government over another. We have to rebuild our intelligence services, particularly human intelligence and analysis. But this is too important to make a partisan issue.

After this is all over today, I hope that my colleagues will reconsider their decision to inject partisanship and election year politics into the House Permanent Select Committee on Intelligence. It has always been above that and, for the good of the Nation, should remain above that.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have no further requests for time, and I will close. I urge Members to vote no on the previous question. If the previous question is defeated, I will offer an amendment to the rule that will allow the House to vote on a critical amendment that was defeated on a straight party line vote last night at the Committee on Rules.

The amendment by the gentleman from Minnesota (Mr. PETERSON) would fully fund the counterterrorism needs of the intelligence community by increasing by 100 percent the funds authorized in the contingency emergency reserve. What many Members may not realize is that the President's budget request covered just a fraction of the intelligence community's counterterrorism requirements, less than a third. They say the rest of the funds will be requested only after the November election.

Well, the Nation's intelligence agencies have indicated that they need additional funds and the Peterson amendment will make sure that they receive them now, not after November elections.

Mr. Speaker, fighting terrorism is not now and has never been a partisan issue. After 9/11, Republicans and Democrats stood side by side on the steps of the Capitol united in our effort to root out terrorists and to keep America safe. It is hard for me to understand why Republicans would now actively work to keep the House from adequately funding the counterterrorism efforts.

The intelligence bill has long been considered in this House under an open rule. Any Member who wished to bring an amendment to the floor could do so, but last year things began to change. Republicans started to pass rules that restricted amendments, that allowed them to pick and choose which amendments could be debated in the floor of the House. This year they have taken it too far.

The Peterson amendment is far too important not to be considered and is far too important to be subject to petty partisan games. It deserves a separate vote here on the floor today.

So I urge Members on both sides of the aisle to vote no on the previous question. Let me make it very clear that a no vote will not stop the House from taking up the intelligence bill and will not prevent any of the amendments made in order from being offered. However, a yes vote will mean that the House will not have the opportunity to fully fund the Nation's counterterrorism needs.

Mr. Speaker, I ask unanimous consent to insert the text of the amendment immediately prior to the vote on the previous question.

The SPEAKER pro tempore (Mr. OSE). Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. SLAUGHTER. Mr. Speaker, I yield back the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just like to remind my colleagues in closing that there is more money in this bill than ever before. There is more money for counterterrorism than ever before. And whatever is needed will be provided, as always been the manner of this House and the other body to do.

I want to close by thanking the gentleman from Florida (Chairman GOSS) because he has always worked in a very bipartisan manner on the Permanent Select Committee on Intelligence, which all of us appreciate greatly, and with his background in intelligence, of course, that has been extremely important to have him there. We are going to miss him greatly, both as a chairman and as a long-serving, well respected Member of Congress from Florida.

So we wish him only the best as he goes on whatever new challenges he may take on.

Mr. LINDER. Mr. Speaker, I rise in support of this structured rule, and thank my friend and colleague from the Rules Committee, Mrs. MYRICK, for yielding me this time.

H. Res. 686 is a structured rule that provides for the consideration of H.R. 4548, the FY2005 Intelligence Authorization Act of 2005. It is a fair and balanced rule that deserves the support of the House. It makes in order a total of ten (10) separate amendments to the underlying bill, three from members of the minority and the remainder from members of the majority. These ten amendments were more than half of the 18 amendments submitted to the Rules Committee.

Mr. Speaker, I also rise in support of the underlying measure, H.R. 4548, which authorizes funding for critical intelligence programs for FY2005.

I want to commend Chairman GOSS for bringing this legislation to the floor. As Chairman of the House Permanent Select Committee on Intelligence for the past eight years, the gentleman from Sanibel, Florida has served this country with honor, integrity, and distinction.

His tenure has been marked by a tireless effort to improve and reform our nation's intelligence capabilities. He has never wavered in his steadfast desire to invest in this critical government function, and while there is still work to be done, his leadership has helped the intelligence community deal with a turbulent global environment.

Mr. Speaker, H.R. 4548 provides the tools necessary for a strong and effective U.S. intelligence mission as we wage a war against terrorism.

Intelligence efforts serve as the first line of defense against terrorism and oppression. Without a strong commitment to this effort, our freedoms and this democracy are vulnerable to the fear and terror of others.

It is incumbent on us to ensure that the blessings of liberty afforded to the citizens of this great nation are preserved under any possible means. By passing H.R. 4548, we are upholding this intention. As such, I urge my colleagues to join me in supporting H. Res. 686.

The material previously referred to by Ms. SLAUGHTER is as follows:

PREVIOUS QUESTION FOR H. RES. 686—RULE ON H.R. 4548 INTELLIGENCE AUTHORIZATION ACT FOR FY 2005

At the end of the resolution, add the following:

"SEC. 2. Notwithstanding any other provision of this resolution the amendment specified in section 3 shall be in order as though printed after the amendment numbered 1 in the report of the Committee on Rules if offered by Representative Peterson of Minnesota or a designee. That amendment shall be debatable for 60 minutes equally divided and controlled by the proponent and an opponent.

SEC. 3. The amendment referred to in section 2 is as follows:

At the end of title I, insert the following new section:

SEC. 105. INCREASE IN AUTHORIZATION OF APPROPRIATIONS TO FULLY FUND THE NATIONAL FOREIGN INTELLIGENCE PROGRAM.

The amounts authorized to be appropriated under section 101 for the conduct of the intelligence and intelligence-related activities of the elements listed in such section for the Contingency Emergency Reserve, as specified in the classified Schedule of Authorizations referred to in section 102, are increased 100 percent.

Mrs. MYRICK. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. SLAUGHTER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX further proceedings on this question will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken later in the day.

SURFACE TRANSPORTATION EXTENSION ACT OF 2004, PART III

Mr. YOUNG of Alaska. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4635) to provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century.

The Clerk read as follows:

H.R. 4635

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ``Surface Transportation Extension Act of 2004, Part III''.

SEC. 2. ADVANCES.

(a) In General.—Section 2(a) of the Surface Transportation Extension Act of 2003 (23 U.S.C. 104 note; 117 Stat. 1110; 118 Stat. 478; 118 Stat. 627) is amended by striking ``and the Surface Transportation Extension Act of 2004, Part II'' and inserting ``the Surface Transportation Extension Act of 2004, Part II, and the Surface Transportation Extension Act of 2004, Part III''.

(b) Programmatic Distributions.—

(1) Special rules for minimum guarantee.—Section 2(b)(4) of such Act is amended by striking ``$2,100,000,000'' and inserting ``$2,333,333,333''.

(2) Extension of off-system bridge set-aside.—Section 144(g)(3) of title 23, United States Code, is amended by striking ``June 30'' inserting ``July 31''.

(c) Authorization of Contract Authority.—Section 1101(c)(1) of the Transportation Equity Act for the 21st Century (117 Stat. 1111; 118 Stat. 478; 118 Stat. 627) is amended by striking ``$24,270,225,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$26,998,288,667 for the period of October 1, 2003, through July 31, 2004''.

(d) Limitation on Obligations.—Section 2(e) of the Surface Transportation Extension Act of 2003 (117 Stat. 1111; 118 Stat. 478; 118 Stat. 627) is amended—

(1) in the matter preceding subparagraph (A) of paragraph (1) by striking ``June 30'' and inserting ``July 31'';

(2) in paragraph (1)(A)—

(A) by striking ``of 2004 and'' and inserting ``of 2004,'';

(B) by inserting after ``Part II'' the following: ``, and the Surface Transportation Extension Act of 2004, Part III''; and

(C) by striking ``and such Act'' and inserting `` and such Acts'';

(3) in paragraph (1)(B) by striking ``9/12'' and inserting ``10/12'';

(4) in paragraph (2)—

(A) by striking ``June 30'' and inserting ``July 31'';

(B) by striking ``$25,382,250,000'' and inserting ``$28,202,500,000''; and

(C) by striking ``$479,250,000'' and inserting ``$532,500,000''; and

(5) in paragraph (3) by striking ``June 30'' and inserting ``July 31''.

SEC. 3. ADMINISTRATIVE EXPENSES.

Section 4(a) of the Surface Transportation Extension Act of 2003 (117 Stat. 1113; 118 Stat. 479; 118 Stat. 628) is amended by striking ``$337,500,000'' and inserting ``$343,628,000''.

SEC. 4. OTHER FEDERAL-AID HIGHWAY PROGRAMS.

(a) Authorization of Appropriations Under Title I of TEA-21.—

(1) Federal lands highways.—

(A) Indian reservation roads.—Section 1101(a)(8)(A) of the Transportation Equity Act for the 21st Century (112 Stat. 112; 117 Stat. 1113; 118 Stat. 479; 118 Stat. 628) is amended—

(i) in the first sentence by striking ``$206,250,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$229,166,667 for the period of October 1, 2003, through July 31, 2004''; and

(ii) in the second sentence by striking ``$9,750,000'' and inserting ``$10,833,333''.

(B) Public lands highways.—Section 1101(a)(8)(B) of such Act (112 Stat. 112; 117 Stat. 1113; 118 Stat. 480; 118 Stat. 628) is amended by striking ``$184,500,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$205,000,000 for the period of October 1, 2003, through July 31, 2004''.

(C) Park roads and parkways.—Section 1101(a)(8)(C) of such Act (112 Stat. 112; 117 Stat. 1113; 118 Stat. 480; 118 Stat. 628) is amended by striking ``$123,750,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$137,500,000 for the period of October 1, 2003, through July 31, 2004'' .

(D) Refuge roads.—Section 1101(a)(8)(D) of such Act (112 Stat. 112; 117 Stat. 1113; 118 Stat. 480; 118 Stat. 628) is amended by striking ``$15,000,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$16,666,667 for the period of October 1, 2003, through July 31, 2004''.

(2) National corridor planning and development and coordinated border infrastructure programs.—Section 1101(a)(9) of such Act (112 Stat. 112; 117 Stat. 1114; 118 Stat. 480; 118 Stat. 628) is amended by striking ``$105,000,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$116,666,667 for the period of October 1, 2003, through July 31, 2004''.

(3) Construction of ferry boats and ferry terminal facilities.—

(A) In general.—Section 1101(a)(10) of such Act (112 Stat. 113; 117 Stat. 1114; 118 Stat. 480; 118 Stat. 628) is amended by striking ``$28,500,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$31,666,667 for the period of October 1, 2003, through July 31, 2004''.

(B) Set aside for Alaska, New Jersey, and Washington.—Section 5(a)(3)(B) of the Surface Transportation Extension Act of 2003 (117 Stat. 1114; 118 Stat. 480; 118 Stat. 628) is amended—

(i) in clause (i) by striking ``$7,500,000'' and inserting ``$8,333,333'';

(ii) in clause (ii) by striking ``$3,750,000'' and inserting ``$4,166,667''; and

(iii) in clause (iii) by striking ``$3,750,000'' and inserting ``$4,166,667''.

(4) National scenic byways program.—Section 1101(a)(11) of the Transportation Equity Act for the 21st Century (112 Stat. 113; 117 Stat. 1114; 118 Stat. 480; 118 Stat. 629) is amended by striking ``$20,625,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$22,916,667 for the period of October 1, 2003, through July 31, 2004'' .

(5) Value pricing pilot program.—Section 1101(a)(12) of such Act (112 Stat. 113; 117 Stat. 1114; 118 Stat. 480; 118 Stat. 629) is amended by striking ``$8,250,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$9,166,667 for the period of October 1, 2003, through July 31, 2004''.

(6) Highway use tax evasion projects.—Section 1101(a)(14) of such Act (112 Stat. 113; 117 Stat. 1114; 118 Stat. 480; 118 Stat. 629) is amended by striking ``$3,750,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$4,166,667 for the period of October 1, 2003, through July 31, 2004''.

(7) Commonwealth of Puerto Rico highway program.—Section 1101(a)(15) of such Act (112 Stat. 113; 117 Stat. 1114; 118 Stat. 481; 118 Stat. 629) is amended by striking ``$82,500,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$91,666,667 for the period of October 1, 2003, through July 31, 2004''.

(8) Safety grants.—Section 1212(i)(1)(D) of such Act (23 U.S.C. 402 note; 112 Stat. 196; 112 Stat. 840; 117 Stat. 1114; 118 Stat. 481; 118 Stat. 629) is amended by striking ``$375,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$416,667 for the period of October 1, 2003, through July 31, 2004''.

(9) Transportation and community and system preservation pilot program.—Section 1221(e)(1) of such Act (23 U.S.C. 101 note; 112 Stat. 223; 117 Stat. 1114; 118 Stat. 481; 118 Stat. 629) is amended by striking ``$18,750,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$20,833,333 for the period of October 1, 2003, through July 31, 2004''.

(10) Transportation infrastructure finance and innovation.—Section 188 of title 23, United States Code, is amended—

(A) by striking subsection (a)(1)(F) and inserting the following:

``(F) $116,666,667 for the period of October 1, 2003, through July 31, 2004.'';

(B) in subsection (a)(2) by striking ``$1,500,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$1,666,667 for the period of October 1, 2003, through July 31, 2004''; and

(C) in the item relating to fiscal year 2004 in the table contained in subsection (c) by striking ``$1,950,000,000'' and inserting ``$2,166,666,667''.

(b) Authorization of Appropriations Under Title V of TEA-21.—

(1) Surface transportation research.—Section 5001(a)(1) of the Transportation Equity Act for the 21st Century (112 Stat. 419; 117 Stat. 1115; 118 Stat. 481; 118 Stat. 630) is amended by striking ``$78,750,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$87,500,000 for the period of October 1, 2003, through July 31, 2004''.

(2) Technology deployment program.—Section 5001(a)(2) of such Act (112 Stat. 419; 117 Stat. 1115; 118 Stat. 481; 118 Stat. 630) is amended by striking ``$41,250,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$45,833,333 for the period of October 1, 2003, through July 31, 2004''.

(3) Training and education.—Section 5001(a)(3) of such Act (112 Stat. 420; 117 Stat. 1115; 118 Stat. 481; 118 Stat. 630) is amended by striking ``$15,750,000 for the period of October 1, 2003, through June 30, 2004'' and inserting ``$17,500,000 for the period of October 1, 2003, through July 31, 2004''.

(4) Bureau of transportation statistics.—Section 5001(a)(4) of such Act (112 Stat. 420; 117 Stat. 1115; 118 Stat. 481; 118

Stat. 630) is amended by striking "$23,250,000 for the period of October 1, 2003, through June 30, 2004" and inserting "$25,833,333 for the period of October 1, 2003, through July 31, 2004".

(5) ITS STANDARDS, RESEARCH, OPERATIONAL TESTS, AND DEVELOPMENT.—Section 5001(a)(5) of such Act (112 Stat. 420; 117 Stat. 1115; 118 Stat. 481; 118 Stat. 630) is amended by striking "$86,250,000 for the period of October 1, 2003, through June 30, 2004" and inserting "$95,833,333 for the period of October 1, 2003, through July 31, 2004".

(6) ITS DEPLOYMENT.—Section 5001(a)(6) of such Act (112 Stat. 420; 117 Stat. 1116; 118 Stat. 482; 118 Stat. 630) is amended by striking "$93,000,000 for the period of October 1, 2003, through June 30, 2004" and inserting "$103,333,333 for the period of October 1, 2003, through July 31, 2004".

(7) UNIVERSITY TRANSPORTATION RESEARCH.—Section 5001(a)(7) of such Act (112 Stat. 420; 117 Stat. 1116; 118 Stat. 482; 118 Stat. 630) is amended by striking "$20,250,000 for the period of October 1, 2003, through June 30, 2004" and inserting "$22,500,000 for the period of October 1, 2003, through July 31, 2004".

(c) METROPOLITAN PLANNING.—Section 5(c)(1) of the Surface Transportation Extension Act of 2003 (117 Stat. 1116; 118 Stat. 482; 118 Stat. 630) is amended by striking "$180,000,000 for the period of October 1, 2003, through June 30, 2004" and inserting "$200,000,000 for the period of October 1, 2003, through July 31, 2004".

(d) TERRITORIES.—Section 1101(d)(1) of the Transportation Equity Act for the 21st Century (117 Stat. 1116; 118 Stat. 482; 118 Stat. 630) is amended by striking "$27,300,000 for the period of October 1, 2003, through June 30, 2004" and inserting "$30,333,333 for the period of October 1, 2003, through July 31, 2004".

(e) ALASKA HIGHWAY.—Section 1101(e)(1) of such Act (117 Stat. 1116; 118 Stat. 482; 118 Stat. 630) is amended by striking "$14,100,000 for the period of October 1, 2003, through June 30, 2004" and inserting "$15,666,667 for the period of October 1, 2003, through July 31, 2004".

(f) OPERATION LIFESAVER.—Section 1101(f)(1) of such Act (117 Stat. 1117; 118 Stat. 482; 118 Stat. 631) is amended by striking "$375,000 for the period of October 1, 2003, through June 30, 2004" and inserting "$416,667 for the period of October 1, 2003, through July 31, 2004".

(g) BRIDGE DISCRETIONARY.—Section 1101(g)(1) of such Act (117 Stat. 1117; 118 Stat. 482; 118 Stat. 631) is amended—

(1) by striking "$75,000,000" and inserting "$83,333,333"; and

(2) by striking "June 30" and inserting "July 31".

(h) INTERSTATE MAINTENANCE.—Section 1101(h)(1) of such Act (117 Stat. 1117; 118 Stat. 482; 118 Stat. 631) is amended—

(1) by striking "$75,000,000" and inserting "$83,333,333"; and

(2) by striking "June 30" and inserting "July 31".

(i) RECREATIONAL TRAILS ADMINISTRATIVE COSTS.—Section 1101(i)(1) of such Act (117 Stat. 1117; 118 Stat. 482; 118 Stat. 631) is amended by striking "$562,500 for the period of October 1, 2003, through June 30, 2004" and inserting "$625,000 for the period of October 1, 2003, through July 31, 2004".

(j) RAILWAY-HIGHWAY CROSSING HAZARD ELIMINATION IN HIGH SPEED RAIL CORRIDORS.—Section 1101(j)(1) of such Act (117 Stat. 1118; 118 Stat. 482; 118 Stat. 631) is amended—

(1) by striking "$3,937,500" and inserting "$4,375,000";

(2) by striking "$187,500" and inserting "$208,833"; and

(3) by striking "June 30" each place it appears and inserting "July 31".

(k) NONDISCRIMINATION.—Section 1101(k) of such Act (117 Stat. 1118; 118 Stat. 482; 118 Stat. 631) is amended—

(1) in paragraph (1) by striking "$7,500,000 for the period of October 1, 2003, through June 30, 2004" and inserting "$8,333,333 for the period of October 1, 2003, through July 31, 2004"; and

(2) in paragraph (2) by striking "$7,500,000 for the period of October 1, 2003, through June 30, 2004" and inserting "$8,333,333 for the period of October 1, 2003, through July 31, 2004".

(l) ADMINISTRATION OF FUNDS.—Section 5(l) of the Surface Transportation Extension Act of 2003 (117 Stat. 1118; 118 Stat. 483; 118 Stat. 631) is amended—

(1) by striking "and section 4 of the Surface Transportation Extension Act of 2004, Part II" and inserting "section 4 of the Surface Transportation Extension Act of 2004, Part II, and section 4 of the Surface Transportation Extension Act of 2004, Part III";

(2) by striking "or the amendment made by section 4(a)(1) of the Surface Transportation Extension Act, Part II" and inserting "the amendment made by section 4(a)(1) of the Surface Transportation Extension Act, Part II, or the the amendment made by section 4(a)(1) of the Surface Transportation Extension Act, Part III".

(m) REDUCTION OF ALLOCATED PROGRAMS.—Section 5(m) of such Act (117 Stat. 1119; 118 Stat. 483; 118 Stat. 632) is amended—

(1) by striking "and section 4 of the Surface Transportation Extension Act of 2004, Part II" and inserting "section 4 of the Surface Transportation Extension Act of 2004, Part II, and section 4 of the Surface Transportation Extension Act of 2004, Part III";

(2) by striking the second comma following "by this section" the second place it appears; and

(3) by striking "and by section 4 of the Surface Transportation Extension Act of 2004, Part II" each place it appears and inserting "by section 4 of the Surface Transportation Extension Act of 2004, Part II, and by section 4 of the Surface Transportation Extension Act of 2004, Part III".

(n) PROGRAM CATEGORY RECONCILIATION.—Section 5(n) of such Act (117 Stat. 1119; 118 Stat. 483; 118 Stat. 632) is amended by striking "and section 4 of the Surface Transportation Extension Act of 2004, Part II" and inserting "section 4 of the Surface Transportation Extension Act of 2004, Part II, and section 4 of the Surface Transportation Extension Act of 2004, Part III".

SEC. 5. EXTENSION OF HIGHWAY SAFETY PROGRAMS.

(a) SEAT BELT SAFETY INCENTIVE GRANTS.—Section 157(g)(1) of title 23, United States Code, is amended by striking "$84,000,000 for the period of October 1, 2003, through June 30, 2004" and inserting "$93,333,333 for the period of October 1, 2003, through July 31, 2004".

(b) PREVENTION OF INTOXICATED DRIVER INCENTIVE GRANTS.—Section 163(e)(1) of such title is amended by striking "$90,000,000 for the period of October 1, 2003, through June 30, 2004" and inserting "$100,000,000 for the period of October 1, 2003, through July 31, 2004".

SEC. 6. SPORT FISHING AND BOATING SAFETY.

(a) FUNDING FOR NATIONAL OUTREACH AND COMMUNICATIONS PROGRAM.—Section 4(c)(6) of the Dingell-Johnson Sport Fish Restoration Act (16 U.S.C. 777c(c)(6)) is amended to read as follows:

"(6) $8,333,332 for the period of October 1, 2003, through July 31, 2004;".

(b) CLEAN VESSEL ACT FUNDING.—Section 4(b)(4) of such Act (16 U.S.C. 777c(b)(4)) is amended—

(1) in the paragraph heading by striking "9 MONTHS" and inserting "10 MONTHS";

(2) in the matter preceding subparagraph (A)—

(A) by striking "April 30" and inserting "July 31"; and

(B) by striking "$61,499,999" and inserting "$68,333,332";

(3) in subparagraph (A) by striking "$7,499,999" and inserting "$8,333,332"; and

(4) in subparagraph (B) by striking "$6,000,001" and inserting "$6,666,668".

(c) BOAT SAFETY FUNDS.—Section 13106(c) of title 46, United States Code, is amended—

(1) by striking "$3,750,001" and inserting "$4,166,668"; and

(2) by striking "$1,500,001" and inserting "$1,666,668".

SEC. 7. EXTENSION OF FEDERAL TRANSIT PROGRAMS.

(a) ALLOCATING AMOUNTS.—Section 5309(m) of title 49, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking "June 30, 2004" each place it appears and inserting "July 31, 2004";

(B) in subparagraph (A) by striking "$899,540,711" and inserting "$999,489,679";

(C) in subparagraph (B) by striking "$986,987,712" and inserting "$1,096,653,013"; and

(D) in subparagraph (C) by striking "$452,713,140" and inserting "$503,014,600";

(2) by striking paragraph (2)(B)(iii) and inserting the following:

"(iii) OCTOBER 1, 2003 THROUGH JULY 31, 2004.—Of the amounts made available under paragraph (1)(B), $8,615,533 shall be available for the period beginning on October 1, 2003, and ending on July 31, 2004, for capital projects described in clause (i).";

(3) in paragraph (3)(B)—

(A) by striking "$2,236,725" and inserting "$2,485,250"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004"; and

(4) in paragraph (3)(C)—

(A) by striking "$37,278,750" and inserting "$41,420,833"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004".

(b) APPORTIONMENT OF APPROPRIATIONS FOR FIXED GUIDEWAY MODERNIZATION.—The heading for section 8(b)(1) of the Surface Transportation Extension Act of 2003 (49 U.S.C. 5337 note) is amended by striking "JUNE 30, 2004" and inserting "JULY 31, 2004".

(c) FORMULA GRANTS AUTHORIZATIONS.—Section 5338(a) of title 49, United States Code, is amended—

(1) in the heading to paragraph (2) by striking "JUNE 30, 2004" and inserting "JULY 31, 2004";

(2) in paragraph (2)(A)(vi)—

(A) by striking "$2,289,809,940" and inserting "$2,544,233,267"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004";

(3) in paragraph (2)(B)(vi)—

(A) by striking "$572,452,485" and inserting "$636,058,317"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004"; and

(4) in paragraph (2)(C) by striking "June 30, 2004" and inserting "July 31, 2004".

(d) FORMULA GRANT FUNDS.—Section 8(d) of the Surface Transportation Extension Act of

2003 (118 Stat. 633) is amended to read as follows:

"(d) Allocation of Formula Grant Funds for October 1, 2003, Through July 31, 2004.—Of the aggregate of amounts made available by or appropriated under section 5338(a)(2) of title 49, United States Code, for the period of October 1, 2003, through July 31, 2004—

"(1) $4,017,779 shall be available to the Alaska Railroad for improvements to its passenger operations under section 5307 of such title;

"(2) $41,420,833 shall be available for bus and bus facilities grants under section 5309 of such title;

"(3) $75,098,291 shall be available to provide transportation services to elderly individuals and individuals with disabilities under section 5310 of such title;

"(4) $199,323,382 shall be available to provide financial assistance for other than urbanized areas under section 5311 of such title;

"(5) $5,757,496 shall be available to provide financial assistance in accordance with section 3038(g) of the Transportation Equity Act for the 21st Century; and

"(6) $2,854,673,803 shall be available to provide financial assistance for urbanized areas under section 5307 of such title.".

(e) Capital Program Authorizations.—Section 5338(b)(2) of title 49, United States Code, is amended—

(1) in the heading by striking "June 30, 2004" and inserting "July 31, 2004";

(2) in subparagraph (A)(vi)—

(A) by striking "$1,871,393,250" and inserting "$2,079,325,834"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004"; and

(3) in subparagraph (B)(vi)—

(A) by striking "$467,848,313" and inserting "$519,831,458"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004".

(f) Planning Authorizations and Allocations.—Section 5338(c)(2) of such title is amended—

(1) in the heading by striking "June 30, 2004" and inserting "July 31, 2004";

(2) in subparagraph (A)(vi)—

(A) by striking "$43,690,695" and inserting "$48,545,217"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004": and

(3) in subparagraph (B)(vi)—

(A) by striking "$10,736,280" and inserting "$11,929,200"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004".

(g) Research Authorizations.—Section 5338(d)(2) of such title is amended—

(1) in the heading by striking "June 30, 2004" and inserting "July 31, 2004";

(2) in subparagraph (A)(vi)—

(A) by striking "$31,463,265" and inserting "$34,959,183"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004";

(3) in subparagraph (B)(vi)—

(A) by striking "$8,052,210" and inserting "$8,946,900"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004"; and

(4) in subparagraph (C) by striking "June 30, 2004" and inserting "July 31, 2004".

(h) Research Funds.—Section 8(h) of the Surface Transportation Extension Act of 2003 (118 Stat. 635) is amended to read as follows:

"(h) Allocation of Research Funds for October 1, 2003, Through July 31, 2004.—Of the funds made available by or appropriated under section 5338(d)(2) of title 49, United States Code, for the period of October 1, 2003, through July 31, 2004—

"(1) not less than $4,349,188 shall be available for providing rural transportation assistance under section 5311(b)(2) of such title;

"(2) not less than $6,834,438 shall be available for carrying out transit cooperative research programs under section 5313(a) of such title;

"(3) not less than $3,313,667 shall be available to carry out programs under the National Transit Institute under section 5315 of such title, including not more than $828,416 to carry out section 5315(a)(16) of such title; and

"(4) any amounts not made available under paragraphs (1) through (3) shall be available for carrying out national planning and research programs under sections 5311(b)(2), 5312, 5313(a), 5314, and 5322 of such title.".

(i) University Transportation Research Authorizations.—Section 5338(e)(2) of title 49, United States Code, is amended—

(1) in the heading by striking "June 30, 2004" and inserting "July 31, 2004";

(2) in subparagraph (A)—

(A) by striking "$3,578,760" and inserting "$3,976,400"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004";

(3) in subparagraph (B)—

(A) by striking "$894,690" and inserting "$994,100"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004"; and

(4) in subparagraph (C) by striking "June 30, 2004" each place it appears and inserting "July 31, 2004".

(j) University Transportation Research Funds.—

(1) In general.—Section 8(j) of the Surface Transportation Extension Act of 2003 (118 Stat. 635) is amended to read as follows:

"(j) Allocation of University Transportation Research Funds.—

"(1) In general.—Of the amounts made available under section 5338(e)(2)(A) of title 49, United States Code, for the period October 1, 2003, through July 31, 2004—

"(A) $1,656,833 shall be available for the center identified in section 5505(j)(4)(A) of such title: and

"(B) $1,656,833 shall be available for the center identified in section 5505(j)(4)(F) of such title.

"(2) Training and curriculum development.—Notwithstanding section 5338(e)(2) of title 49, United States Code, any amounts made available under such section for the period October 1, 2003, through July 31, 2004, that remain after distribution under paragraph (1), shall be available for the purposes specified in section 3015(d) of the Transportation Equity Act for the 21st Century (112 Stat. 857).".

(2) Conforming amendment.—Section 3015(d)(2) of the Transportation Equity Act for the 21st Century (49 U.S.C. 5338 note; 112 Stat. 857; 118 Stat. 487; 118 Stat. 636) is amended by striking "June 30, 2004" and inserting "July 31, 2004".

(k) Administration Authorizations.—Section 5338(f)(2) of title 49, United States Code, is amended—

(1) in the heading by striking "June 30, 2004" and inserting "July 31, 2004";

(2) in subparagraph (A)(vi)—

(A) by striking "$45,032,730" and inserting "$50,036,366"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004"; and

(3) in subparagraph (B)(vi)—

(A) by striking "$11,258,183" and inserting "$12,509,093"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004".

(l) Job Access and Reverse Commute Program.—Section 3037(l) of the Transportation Equity Act for the 21st Century (49 U.S.C. 5309 note) is amended—

(1) in paragraph (1)(A)(vi)—

(A) by striking "$74,557,500" and inserting "$82,841,667"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004";

(2) in paragraph (1)(B)(vi)—

(A) by striking "$18,639,375" and inserting "$20,710,416"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004";

(3) in paragraph (2) by striking "June 30, 2004, $7,455,750" and inserting "July 31, 2004, $8,284,166"; and

(4) in paragraph (4) by striking "$14,911,500" and inserting "$16,568,333".

(m) Rural Transportation Accessibility Incentive Program.—Section 3038(g) of the Transportation Equity Act for the 21st Century (49 U.S.C. 5310 note) is amended—

(1) in paragraph (1)(F)—

(A) by striking "$3,914,268" and inserting "$4,349,188"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004"; and

(2) in paragraph (2)—

(A) by striking "$1,267,478" and inserting "$1,408,308"; and

(B) by striking "June 30, 2004" and inserting "July 31, 2004".

(n) Urbanized Area Formula Grants.—Section 5307(b)(2) of title 49, United States Code, is amended—

(1) in the heading by striking "June 30, 2004" and inserting "July 31, 2004"; and

(2) in subparagraph (A) by striking "June 30, 2004" and inserting "July 31, 2004";

(o) Obligation Ceiling.—Section 3040(6) of the Transportation Equity Act for the 21st Century (112 Stat. 394; 118 Stat. 637) is amended—

(1) by striking "$5,449,407,675" and inserting "$6,054,897,417"; and

(2) by striking "June 30, 2004" and inserting "July 31, 2004".

(p) Fuel Cell Bus and Bus Facilities Program.—Section 3015(b) of the Transportation Equity Act for the 21st Century (112 Stat. 361; 118 Stat. 637) is amended—

(1) by striking "June 30, 2004" and inserting "July 31, 2004"; and

(2) by striking "$3,616,039" and inserting "$4,017,821".

(q) Advanced Technology Pilot Project.—Section 3015(c)(2) of the Transportation Equity Act for the 21st Century (49 U.S.C. 322 note; 118 Stat. 637) is amended—

(1) by striking "June 30, 2004" and inserting "July 31, 2004,"; and

(2) by striking "$3,727,876" and inserting "$4,142,083".

(r) Projects for New Fixed Guideway Systems and Extensions to Existing Systems.—Section 3030 of the Transportation Equity Act for the 21st Century (112 Stat. 373; 118 Stat. 637) is amended by striking "June 30, 2004" each place it appears and inserting "July 31, 2004".

(s) New Jersey Urban Core Project.—Section 3031(a)(3) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2122; 112 Stat. 379; 117 Stat. 1126; 118 Stat. 489; 118 Stat. 637) is amended by striking "June 30, 2004" each place it appears and inserting "July 31, 2004".

(t) Treatment of Funds.—Section 8(t) of the Surface Transportation Extension Act of 2003 (23 U.S.C. 101 note; 118 Stat. 637) is amended—

(1) in paragraph (1) by striking "and by section 7 of the Surface Transportation Extension Act of 2004, Part II" and inserting ",

by section 7 of the Surface Transportation Extension Act of 2004, Part II, and by section 7 of the Surface Transportation Extension Act of 2004, Part III"; and

(2) in paragraph (2) by striking "$^{9}/_{12}$" and inserting "$^{10}/_{12}$".

(u) LOCAL SHARE.—Section 3011(a) of the Transportation Equity Act for the 21st Century (49 U.S.C. 5307 note; 118 Stat. 637) is amended by striking "June 30" and inserting "July 31".

SEC. 8. NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION PROGRAMS.

(a) CHAPTER 4 HIGHWAY SAFETY PROGRAMS.—Section 2009(a)(1) of the Transportation Equity Act for the 21st Century (112 Stat. 337; 117 Stat. 1119; 118 Stat. 489; 118 Stat. 637) is amended by striking ", and $123,019,875 for the period of October 1, 2003, through June 30, 2004" and inserting ", and $136,688,750 for the period of October 1, 2003, through July 31, 2004".

(b) HIGHWAY SAFETY RESEARCH AND DEVELOPMENT.—Section 2009(a)(2) of such Act (112 Stat. 337; 117 Stat. 1119; 118 Stat. 489; 118 Stat. 637) is amended by striking "$53,681,400 for the period of October 1, 2003, through June 30, 2004" and inserting "$59,646,000 for the period of October 1, 2003, through July 31, 2004".

(c) OCCUPANT PROTECTION INCENTIVE GRANTS-.—Section 2009(a)(3) of such Act (112 Stat. 337; 117 Stat. 1120; 118 Stat. 489; 118 Stat. 638) is amended by striking "$14,911,500 for the period of October 1, 2003, through June 30, 2004" and inserting "$16,568,333 for the period of October 1, 2003, through July 31, 2004".

(d) ALCOHOL-IMPAIRED DRIVING COUNTERMEASURES INCENTIVE GRANTS.—Section 2009(a)(4) of such Act (112 Stat. 337; 117 Stat. 1120; 118 Stat. 489; 118 Stat. 638) is amended by striking "$29,823,000 for the period of October 1, 2003, through June 30, 2004" and inserting "$33,136,667 for the period of October 1, 2003, through July 31, 2004".

(e) NATIONAL DRIVER REGISTER.—Section 2009(a)(6) of such Act (112 Stat. 338; 117 Stat. 1120; 118 Stat. 638) is amended by striking "$2,684,070 for the period of October 1, 2003, through June 30, 2004" and inserting "$2,982,300 for the period of October 1, 2003, through July 31, 2004".

SEC. 9. FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION PROGRAM.

(a) ADMINISTRATIVE EXPENSES.—Section 7(a)(1) of the Surface Transportation Extension Act of 2003 (117 Stat. 1120; 118 Stat. 490; 118 Stat. 638) is amended by striking "$131,811,967 for the period October 1, 2003 through June 30, 2004" and inserting "$146,725,000 for the period October 1, 2003, through July 31, 2004".

(b) MOTOR CARRIER SAFETY ASSISTANCE PROGRAM.—Section 31104(a)(7) of title 49, United States Code, is amended to read as follows:

"(7) Not more than $140,833,333 for the period of October 1, 2003, through July 31, 2004.".

(c) INFORMATION SYSTEMS AND COMMERCIAL DRIVER'S LICENSE GRANTS.—

(1) AUTHORIZATION OF APPROPRIATION.—Section 31107(a)(5) of such title is amended to read as follows:

"(5) $16,666,667 for the period of October 1, 2003, through July 31, 2004.".

(2) EMERGENCY CDL GRANTS.—Section 7(c)(2) of the Surface Transportation Extension Act of 2003 (117 Stat. 1121; 118 Stat. 490; 118 Stat. 638) is amended—

(A) by striking "June 30," and inserting "July 31,"; and

(B) by striking "$748,634" and inserting "$833,333".

(d) CRASH CAUSATION STUDY.—Section 7(d) of such Act (117 Stat. 1121; 118 Stat. 490; 118 Stat. 638) is amended—

(1) by striking "$748,634" and inserting "$833,333"; and

(2) by striking "June 30" and inserting "July 31".

SEC. 10. EXTENSION OF AUTHORIZATION FOR USE OF TRUST FUNDS FOR OBLIGATIONS UNDER TEA-21.

(a) HIGHWAY TRUST FUND.—

(1) IN GENERAL.—Paragraph (1) of section 9503(c) of the Internal Revenue Code of 1986 is amended—

(A) in the matter before subparagraph (A), by striking "July 1, 2004" and inserting "August 1, 2004",

(B) by striking "or" at the end of subparagraph (G),

(C) by striking the period at the end of subparagraph (H) and inserting ", or",

(D) by inserting after subparagraph (H), the following new subparagraph:

"(I) authorized to be paid out of the Highway Trust Fund under the Surface Transportation Extension Act of 2004, Part III.", and

(E) in the matter after subparagraph (I), as added by this paragraph, by striking "Surface Transportation Extension Act of 2004, Part II" and inserting "Surface Transportation Extension Act of 2004, Part III".

(2) MASS TRANSIT ACCOUNT.—Paragraph (3) of section 9503(e) of such Code is amended—

(A) in the matter before subparagraph (A), by striking "July 1, 2004" and inserting "August 1, 2004",

(B) in subparagraph (E), by striking "or" at the end of such subparagraph,

(C) in subparagraph (F), by inserting ", or" at the end of such subparagraph,

(D) by inserting after subparagraph (F) the following new subparagraph:

"(G) the Surface Transportation Extension Act of 2004, Part III,", and

(E) in the matter after subparagraph (G), as added by this paragraph, by striking "Surface Transportation Extension Act of 2004, Part II" and inserting "Surface Transportation Extension Act of 2004, Part III".

(3) EXCEPTION TO LIMITATION ON TRANSFERS.—Subparagraph (B) of section 9503(b)(5) of such Code is amended by striking "July 1, 2004" and inserting "August 1, 2004".

(b) AQUATIC RESOURCES TRUST FUND.—

(1) SPORT FISH RESTORATION ACCOUNT.—Paragraph (2) of section 9504(b) of the Internal Revenue Code of 1986 is amended by striking "Surface Transportation Extension Act of 2004, Part II" each place it appears and inserting "Surface Transportation Extension Act of 2004, Part III".

(2) BOAT SAFETY ACCOUNT.—Subsection (c) of section 9504 of such Code is amended—

(A) by striking "July 1, 2004" and inserting "August 1, 2004", and

(B) by striking "Surface Transportation Extension Act of 2004, Part II" and inserting "Surface Transportation Extension Act of 2004, Part III".

(3) EXCEPTION TO LIMITATION ON TRANSFERS.—Paragraph (2) of section 9504(d) of such Code is amended by striking "July 1, 2004" and inserting "August 1, 2004".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(d) TEMPORARY RULE REGARDING ADJUSTMENTS.—During the period beginning on the date of the enactment of the Surface Transportation Extension Act of 2003 and ending on July 31, 2004, for purposes of making any estimate under section 9503(d) of the Internal Revenue Code of 1986 of receipts of the Highway Trust Fund, the Secretary of the Treasury shall treat—

(1) each expiring provision of paragraphs (1) through (4) of section 9503(b) of such Code which is related to appropriations or transfers to such Fund to have been extended through the end of the 24-month period referred to in section 9503(d)(1)(B) of such Code, and

(2) with respect to each tax imposed under the sections referred to in section 9503(b)(1) of such Code, the rate of such tax during the 24-month period referred to in section 9503(d)(1)(B) of such Code to be the same as the rate of such tax as in effect on the date of the enactment of the Surface Transportation Extension Act of 2003.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Alaska (Mr. YOUNG) and the gentleman from Minnesota (Mr. OBERSTAR) each will control 20 minutes.

The Chair recognizes the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of the H.R. 4635, the Surface Transportation Extension Act of 2004 Part III is the continuation of the highway construction and highway safety transit, motor carrier, and surface transportation research programs for an additional 10 months beyond the end of fiscal year 2003.

This is the fourth extension of the Transportation Equity Act of the 21st Century, which expired on September 30, 2003. In September 2003, we extended these programs for 5 months until February 29, 2004. Since then, we have passed two subsequent 2-month extensions, STEA 2004, parts 1 and 2, and are now facing the expiration of the current extension on June 30.

This extension will continue highway transit and highway safety programs for one more month until July 31, 2004. It is the hope of the conferees that H.R. 3550, the 6-year service transportation reauthorization bill, that we will complete conference before the extension expires.

H.R. 4635 authorizes almost $27 billion in contract authority to the States to continue the core Federal aid highway program.

This bill also authorizes $6 billion to continued grants to transit agencies around the country and other programs of the Federal Transit Administration.

It authorizes $306 million for the Federal Motor Carrier Safety Administration for State grants to enforce safety regulation on our Nation's highways and to continue safety inspections at our border with Mexico.

And, finally, the bill authorizes $249 million to the National Highway Traffic Safety Administration for highway safety grants, occupant protection grants, and impaired driving countermeasure grants.

Mr. Speaker, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the late Ronald Reagan was fond of saying, "Here we go again.'' This is the third act of a play that does not have a number of acts pinned to it yet. In fact, we are setting a record today. This will be the longest extension of a transportation bill while working out a conference in recent memory, at least in the last decade or so.

Now, that is not any fault of anyone in this body. Certainly not of the chairman. If the chairman had his way, we would have had this bill done 6 months to be at the $375 billion level. We will be building highways right now and bridges and transit systems. We would be investing in America. We would be on our way to having 475,000 new jobs in the marketplace by Labor Day and $80 billion of economic activity in the marketplace. We would have America back to work again if only the White House would have listened to our chairman.

And I must say, Mr. Speaker, I have the greatest admiration for our chairman for standing up to this administration saying what he thinks is right. I remember in days when we had a Democratic administration we were add odds with them. It was not pleasant, but one had to stand up for what our committee position is and what we believe is the right thing to do and we did it. And the gentleman from Alaska (Chairman YOUNG) has done so. And his wisdom has been rejected.

We should have had this conference all done and completed with. It is all over one issue, how much are we willing to invest in America in our transportation and mobility, in reducing congestion, improving productivity, moving America forward, reducing the cost of logistics in this country, that is what we ought to be doing, instead of dragging our feet over this issue of fiscal conservatism, some imagined effect upon the deficit.

The Federal aid highway program and transit program has no effect on our deficit unless you engage in some fanciful financing, some of which is included in the bill that is the only bill that is now in conference.

We can resolve all of that. The Federal highway trust fund is derived from the revenues collected at the pump which traveling America pays. They expect to get the return as they drive away from the pump in the form of improved roads and transit systems and bridges and safety. And we have performed. We have done that through the Surface Transportation Assistance Act of 1982 and 1987 and ISTEA in 1991, TEA–21 in 1998 and we are prepared to do that with TEA–LU.

The investment for the next 6 years is at a level that the Department of Transportation, not this committee, selected, the one that they studied as directed by TEA–21 to assess pavement condition, congestion, bridge conditions, safety needs and investment requirements for the future, and they came back with this figure of $375 billion.

We took them at their word. We held hearings on it. We traveled around the country. We went to congested areas of great need in America by holding public meetings, committee hearings. We validated that figure. We reported it out of our committee. With 74, 75 members, that does not get anymore bipartisan than that.

And I have said it many times, how can it be a political detriment to the President if the Democrats in the House, Democrats in the Senate all stand side by side with the Republicans and vote for this bill, a robust investment in the needs of America, in transportation, in mobility, in reducing the cost of logistics. If we all stand shoulder to shoulder, that is not a partisan issue. That is not a slur on the President.

□ 1145

There is no way he could be criticized for signing such a bill, and we are prepared to say this is the right thing to do. We have said it. So let us get on with this.

Now, there are discussions, back door, called it in one meeting kind of a Kabuki dance, wearing a mask, putting on a uniform and doing this dance, and we are supposed to understand what is happening behind the dance. On our side, we are not participants in that dance. We do not know what that number is going to come out of that dance, but so far the numbers are not good.

We did the right thing in this Committee on Transportation and Infrastructure. We agreed to scale back the 375, bring a smaller dollar amount to the House floor, with a wink from the leadership that if we bring this bill through the House, go to conference, that number will go up from the House figure. Nominally 275, actually 284, it will get up there to $300 billion, maybe even beyond; and I give the Speaker enormous credit because he understands what we need to do for America, for our mobility, to reduce congestion, create jobs. He understands that. He has argued. He has been an advocate at the White House. He has been turned down.

So now we are at that point in conference, and the wink is like the Cheshire cat's smile, fading. So we are going to go along with this Act III of a multiact play extension and trust in the enormous fortitude of our chairman, the advocate of what is right, as he has done right along, and advance the cause of transportation in America; but it is not going to be below the House number, I tell my colleagues that.

Mr. Speaker, I reserve the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin (Mr. PETRI), the chairman of the subcommittee that wrote this bill.

Mr. PETRI. Mr. Speaker, I thank my chairman for the time, and I assure my senior minority leader on the committee that it is often darkest before the dawn, and I think there will be a dawn before long for transportation in America. I certainly hope so. One way or another, we will meet our Nation's needs.

I rise in support of this bill to extend to July 30 current highway transit and highway safety programs. We have done it several times in the past. We are bringing this bill to the floor today in order to ensure that these programs continue to function and that funds be made available to the States while House and Senate conferees proceed with negotiations on a long-term bill.

Mr. Speaker, it is important we have a multiyear bill that provides adequate and needed resources to invest in our Nation's transportation systems. In preparation for this reauthorization effort, I and many of my colleagues on the Committee on Transportation and Infrastructure, as has been pointed out, traveled to meetings with Governors, mayors, local officials all across our country. Each of them showed us the pressing transportation needs that their cities and States have in order to improve safety, reduce congestion, and provide for a first-class transportation network that is essential for economic growth and opportunity.

There are many demands being placed upon us as we seek to reauthorize TEA–21. Donor States want to see improvement in their rate of return on Federal highway dollars. Members from States with trade corridors want to see adequate investment to construct needed roads like I–69, I–49 and Ports-to-Planes, to name only a few.

Cities and States that need to complete massive projects, such as the multibillion dollar viaduct project in Seattle or the rail consolidation project in Chicago, find themselves overwhelmed by their financial costs and are seeking Federal help, and almost every Member of this body has approached the committee regarding pressing transportation projects that are crucial in their district.

All of these are legitimate goals, but we must have the resources if we are, in fact, to respond.

As we continue negotiations to resolve these and other questions, I urge the approval of this extension so that needed funds can continue to flow to the States and so work on critical transportation projects can move forward.

Mr. OBERSTAR. Mr. Speaker, I would like to inquire of the Chair how much time remains on both sides.

The SPEAKER pro tempore (Mr. OSE). The gentleman from Minnesota (Mr. OBERSTAR) has 13 minutes remaining. The gentleman from Alaska (Mr. YOUNG) has 15½ minutes remaining.

Mr. OBERSTAR. Mr. Speaker, I yield 2½ minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy, and I appreciate his leadership.

We have another extension, another opportunity to do it right for America. We need to send signals to the vast team that builds, maintains, and repairs our infrastructure, to say nothing of the American people who own it and who use it and who depend upon it every day.

The bill in question goes far beyond bridges, bikes, and buses. It includes historic preservation, key environmental and economic revitalization for cities large and small, for suburbs and rural areas.

I hope that our conference committee will reject the White House insistence on somehow using this bill to atone for their budget problems and the sea of red ink that we are faced with with the deficit.

The $318 billion that was the bill funding level from the other body is a start to keep faith with the American public's needs and aspirations. I would hope that our conference committee, in the course of this next month, will hold strong, to set the level for what America needs, the bill that was so effectively championed by our committee chairman and ranking member. The $375 billion, after all, was not plucked out of the air. This was the figure that the administration's own Department of Transportation set as the needed level.

There is, I suppose, an opportunity for some sort of mechanism of a reopener. It may well be that we reach a point where these demands between the White House and what America needs and what various constituencies within this House require, that maybe we just decide that we kick the can down the road until after the election. But this is one area that we cannot afford to fail.

We are not just talking about the next 6 years of reauthorization. We are talking about a funding level, if we are not careful, that will establish a floor for the next generation where we will be playing catch-up.

I appreciate the leadership of the chairman, of the ranking member, and the conference committee. I wish them well, and I hope that when we come back next that we will have the bill that America deserves.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

I thank the gentleman for his comments and especially the gentleman from Minnesota (Mr. OBERSTAR) for his comments. I can assure him there will not be any less out of this conference than we passed in the House, and I am praying that there will be more.

It is ironic that when we meet with the other side of the aisle, I know I am not supposed to mention that, I want their number, and we are suggesting that maybe their number is correct, but I am faced with a very difficult task now of bringing a third party into this agreement; and I am not giving up on this legislation. I think it is vitally important for the Nation.

I think if we stand together shoulder to shoulder that we will eventually prevail. If we do not, it will be a terrible disservice to this Nation as far as our transportation, not wants, but needs; and I want to stress that.

I believe, Mr. Speaker, that when I first came out 3 years ago for $375 billion I was correct then. I am more correct now, and I will be more correct in the future. It is a number that we need to solve this very serious problem. We all know, and anybody on this floor that has constituents knows, that the one issue we all share in common is not the necessary fear of terrorism. That is very serious in itself, but it is the constant problem of moving oneself, be it their children or himself or herself, to and from the home, to school or to work, and to receive goods on time, and we have to understand that; and the public is crying out, let us solve this problem, and they are willing to pay for it.

I have lost that battle now, but in the House bill my colleagues are well aware we have a reopening clause, and I am going to continue the pursue, and I am confident that the public finally will raise up and say let us fix it. This extension gives us some time. I am hoping we will not have to ask for another, but let us fix the problem of this transportation challenge we have in this Nation. Let us do it quicker than later.

Mr. Speaker, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Speaker, I thank the ranking member for the time.

Well, as the chairman said, he is almost always correct, and he was certainly correct with the number of $375 billion. It was confirmed by our own Federal Department of Transportation.

This is an essential investment. This is an investment. There are a lot of things we do around here where we are spending money. We do not see a real product, but in this case it is an investment in the future of our country. As the chairman said, it has to do with our economic competitiveness.

We are concerned about the economy and the need to put people back to work and competitiveness in our businesses. This is about just-in-time delivery. We cannot have just-in-time delivery when we have to divert a truck for 2 or 300 miles because of a failing weight-limited bridge, as exists all over the country; and a number of bridges are in that condition on Interstate 5 in my State.

It is about livability. It is about dealing with congestion, management, movement of people; and it is also about jobs, and that is a very important part of this debate that we cannot leave out.

The difference between the number being asked at the White House and the number put forward by the chairman, supported by, I believe, every other member of the Committee on Transportation and Infrastructure, figures out to about 1 million jobs a year over 6 years. For every billion dollars we invest in the infrastructure of this country, transportation infrastructure, it yields about 47,000 jobs, direct construction jobs, small business suppliers, and spillover effects into our communities.

So the difference in the number, and I hope they are listening down at the White House, is 1 million jobs a year over 6 years. Now, why can we not get there? A lot of people do not seem to know about the Highway Trust Fund. We have a very robust Highway Trust Fund and a substantial balance. We can spend down some of that balance. We can capture the ethanol money that is being used to subsidize that product of dubious value. We could look at bonding. We could do all of this without increasing taxes. We could get to a much higher number, even a number higher than that in the United States Senate; but minimally, I would hope that that is where we can end up in these negotiations.

It has been 9 months, 9 months that we have been acting under temporary legislation that does not allow us to fully address the needs of this country and increase the investment in our infrastructure. Nine months is too long. Let us not let it go beyond this one more temporary extension. Let us get a robust bill this summer before Congress leaves for its August recess.

I thank the gentleman for yielding the time.

Mr. OBERSTAR. Mr. Speaker, can I inquire of my chairman whether he has any other speakers.

Mr. YOUNG of Alaska. Not at this time; I do not believe I will.

Mr. OBERSTAR. Mr. Speaker, I yield myself such time as I may consume. I will make a few remarks and close and yield back, and I thank the gentlemen from Oregon for their remarks. I appreciate their support all along, and I appreciate the leadership, once again I want to say, I cannot say it often enough, of our chairman who has stood up against remarkable odds.

The term that we use in this committee, "investment," is the way to describe what our committee is all about. This is a committee about building America, whether it is our inland waterways, our coastal ports, our inland ports, our St. Louis seaway, our passenger rail system, transit ways, bus ways, our airports, airways, Corps of

Engineer works, the water and sewer system needs of America, Economic Development Administration creating jobs. The Tennessee Valley Authority comes under the jurisdiction of our committee.

□ 1200

Airport, airways, safety of air traffic control system, everything this committee does is involved in building America, investing in our productivity, investing in logistics, the cost of moving people and goods. Because of those investments, we have improved the marketplace in America.

In 1987, the cost of logistics, moving people and goods, was 17 percent of our gross domestic product. In 1987. Last year, the cost of logistics was under 10 percent. That is a $700 billion gain in productivity in logistics, moving people and goods in the American economy, society and marketplace. That is a huge productivity gain. The stock market does not make that kind of gain. But we do, with the investments that we make in this committee that stimulate the national economy.

Now, when we talk about investment in surface transportation, think of the Romans and the Appian Way, the classic roadway built that is still there 2,000 years later. If we do not continue to improve, continue to invest, continue to tend to the needs of transportation, our roadways are not going to last for 2,000 years. They will not even last for 25 or 30 years. Airport runways are supposed to last for 25 years, and then suddenly they begin to deteriorate. That is why we have to continue to invest in the Airport Improvement Program, to keep America flying, keep our economy moving. And the same with our surface transportation needs.

We have the key to doing it in the $375 billion. And when that bill was introduced in the House last year, the price of gasoline was $1.34 a gallon. Now, it is, in some places, as much as $2.24 a gallon. And where is that 70, 80 cents going? It is not staying in America. It is going overseas. Going to OPEC. We are not getting the benefit from it, except that you can power your automobile. But if we had passed our bill with the 5 cent increase in the user fee, we would be making those investments right now. We would have people working improving our roadways, reducing congestion. We can do it.

Every 5-minute delay experienced by United Parcel Service costs $40 million nationwide. Multiply that cost over and you get to the $68 billion cost of congestion in just the 75 major metropolitan area in the country. That is why we need to do this legislation. That is why we need this bill passed and why we need the Chairman's leadership in the conference.

I want to stand for the reopener, I want to stand for the more robust investment we passed in the House, and I want to see this 30-day extension, this record-breaking extension passed.

Mr. Speaker, I yield back the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

I was listening to the gentleman speak on the issue about the needs for a user fee, and he is absolutely right. Again, I hope the American public will speak out, because every day that it goes up higher, I believe last year it was $2.55 for the premium gas, it is now $2.25 for regular, none of that goes into the highway construction. It goes overseas. Unless people like supporting those countries who are not friendly to us, those countries that take our dollars and use them for terrorism purposes, maybe unknowingly, I hope the American public will wake up and say enough is enough. If we have to spend this on fuel, then let us spend it in America.

So I compliment the gentleman for his comments and the concept that we will continue to talk about, which are the needs. Again, I want to stress, not the "wants," contrary to what you may read, but the "needs." So I do compliment the gentleman.

Mr. RUPPERSBERGER. Mr. Speaker, I rise in support of the Surface Transportation Extension Act before us today. I realize another extension is needed to keep the process moving forward. But I think we need to stop voting on extensions and solve the greater issue of passing a 6-year transportation reauthorization bill with enough funding behind it to put people back to work all across America.

The transportation infrastructure is critical to America for several reasons. First, our entire interstate highway system was created by President Eisenhower as a national security safety measure and that remains a priority today. Second, Americans rely on roads, bridges and tunnels to live their lives each and every day. We use them to get to and from work, to travel on vacation, and to visit friends and family. Third, and most important today, building and maintaining our transportation infrastructure means creating jobs all across America—over 2 million jobs that cannot be outsourced. Jobs to the cities, counties, towns and states throughout this nation that are vitally needed.

The construction industry is a key pillar to any economic recovery providing the much needed stimulus for thousands of related industry jobs. Unlike other important issues, transportation requires long-term planning and investments to keep the nation moving efficiently and safely. Short term extensions interrupt that planning. Two-year funding commitments threaten to destroy plans. This nation needs Congress to act now, to pass the bipartisan compromise of a $318 billion funding level for a six-year bill. Anything less will only short change the nation and keep Americans out of work.

Pushing for a conference report that provides the bill America needs should not be about partisan politics. As a former county executive, I understand what transportation funding means to people outside of the beltway. A six year $318 billion transportation reauthorization bill is supported by local leaders nationwide. It has been endorsed by the National Association of Counties, National League of Cities, United Conference of Mayors, American Public Works Association, Association of Metropolitan Planning Organizations, National Association of County Engineers, National Association of Development Organizations, and the National Association of Regional Councils.

Finally, it is important to remember that a large price tag on transportation reauthorization does not mean adding to the deficit. This bill is funded through the Highway Trust Fund and any measures not fully offset in the Senate version can be addressed in conference. If Members—both Democrat and Republican, both House and Senate—are serious about jump starting the economy for working Americans and putting Americans back to work we must enact the six year $318 billion reauthorization now.

I urge leadership on both sides of the aisle in both chambers to set the politics aside and do what is right for America. Let's bring this conference report to the floor immediately. Let's pass it and send it to the President.

Mr. YOUNG of Alaska. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMMONS). The question is on the motion offered by the gentleman from Alaska (Mr. YOUNG) that the House suspend the rules and pass the bill, H.R. 4635.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. OBERSTAR. Mr. Speaker, on that I demand the "yeas" and "nays".

The "yeas" and "nays" were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. YOUNG of Alaska. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 4635, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alaska?

There was no objection.

UNITED STATES INTERNATIONAL LEADERSHIP ACT OF 2004

Ms. ROS-LEHTINEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4053) to improve the workings of international organizations and multilateral institutions, and for other purposes.

The Clerk read as follows:

H.R. 4053

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States International Leadership Act of 2004".

TITLE I—UNITED STATES INTERNATIONAL LEADERSHIP

SEC. 101. FINDINGS.

The Congress makes the following findings:

(1) Decisions at many international organizations and other multilateral institutions, including membership and key positions, remain subject to determinations made by regional groups where democratic states are often in the minority and where there is intensive cooperation among repressive regimes. As a result, the United States has often been blocked in its attempts to take action in these institutions to advance its goals and objectives, including at the United Nations Human Rights Commission (where a representative of Libya was elected as chairman and the United States temporarily lost a seat).

(2) In order to address these shortcomings, the United States must actively work to improve the workings of international organizations and multilateral institutions, particularly by creating a caucus of democratic countries that will advance United States interests. In the second Ministerial Conference of the Community of Democracies in Seoul, Korea, on November 10–20, 2002, numerous countries recommended working together as a democracy caucus in international organizations such as the United Nations and ensuring that international and regional institutions develop and apply democratic standards for member states.

SEC. 102. ESTABLISHMENT OF A DEMOCRACY CAUCUS.

(a) IN GENERAL.—The President of the United States, acting through the Secretary of State and the relevant United States chiefs of mission, shall seek to establish a democracy caucus at the United Nations, the United Nations Human Rights Commission, the United Nations Conference on Disarmament, and at other broad-based international organizations.

(b) PURPOSES OF THE CAUCUS.—A democracy caucus at an international organization should—

(1) forge common positions, including, as appropriate, at the ministerial level, on matters of concern before the organization and work within and across regional lines to promote agreed positions;

(2) work to revise an increasingly outmoded system of regional voting and decision making; and

(3) set up a rotational leadership scheme to provide member states an opportunity, for a set period of time, to serve as the designated president of the caucus, responsible for serving as its voice in each organization.

SEC. 103. ANNUAL DIPLOMATIC MISSIONS ON MULTILATERAL ISSUES.

The Secretary of State, acting through the principal officers responsible for advising the Secretary on international organizations, shall ensure that a high-level delegation from the United States Government, on an annual basis, is sent to consult with key foreign governments in every region in order to promote the United States agenda at key international fora, such as the United Nations General Assembly, United Nations Human Rights Commission, the United Nations Education, Science, and Cultural Organization, and the International Whaling Commission.

SEC. 104. LEADERSHIP AND MEMBERSHIP OF INTERNATIONAL ORGANIZATIONS.

(a) UNITED STATES POLICY.—The President, acting through the Secretary of State and the relevant United States chiefs of mission, shall use the voice, vote, and influence of the United States to—

(1) where appropriate, reform the criteria for leadership and, in appropriate cases for membership, at all United Nations bodies and at other international organizations and multilateral institutions to which the United States is a member so as to exclude nations that violate the principles of the specific organization;

(2) make it a policy of the United Nations and other international organizations and multilateral institutions, of which the United States is a member, that a member state may not stand in nomination or be in rotation for a leadership position in such bodies if the member state is subject to sanctions imposed by the United Nations Security Council; and

(3) work to ensure that no member state stand in nomination or be in rotation for a leadership position in such organizations, or for membership of the United Nations Security Council, if the member state is subject to a determination under section 620A of the Foreign Assistance Act of 1961, section 40 of the Arms Export Control Act, or section 6(j) of the Export Administration Act.

(b) REPORT TO CONGRESS.—Not later than 15 days after a country subject to a determination under section 620A of the Foreign Assistance Act of 1961, section 40 of the Arms Export Control Act, or section 6(j) of the Export Administration Act of 1979 is selected for a leadership post in an international organization of which the United States is a member or a membership of the United Nations Security Council, the Secretary of State shall submit to the appropriate congressional committees a report on any steps taken pursuant to subsection (a)(3).

SEC. 105. INCREASED TRAINING IN MULTILATERAL DIPLOMACY.

(a) TRAINING PROGRAMS.—Section 708 of the Foreign Service Act of 1980 (22 U.S.C. 4028) is amended by adding after subsection (b) the following new subsection:

"(c) TRAINING IN MULTILATERAL DIPLOMACY.—

"(1) IN GENERAL.—The Secretary shall establish a series of training courses for officers of the Service, including appropriate chiefs of mission, on the conduct of diplomacy at international organizations and other multilateral institutions and at broad-based multilateral negotiations of international instruments.

"(2) PARTICULAR PROGRAMS.—The Secretary shall ensure that the training described in paragraph (1) is provided at various stages of the career of members of the service. In particular, the Secretary shall ensure that after January 1, 2006—

"(A) officers of the Service receive training on the conduct of diplomacy at international organizations and other multilateral institutions and at broad-based multilateral negotiations of international instruments as part of their training upon entry of the Service; and

"(B) officers of the Service, including chiefs of mission, who are assigned to United States missions representing the United States to international organizations and other multilateral institutions or who are assigned in Washington, D.C., to positions that have as their primary responsibility formulation of policy towards such organizations and institutions or towards participation in broad-based multilateral negotiations of international instruments receive specialized training in the areas described in paragraph (1) prior to beginning of service for such assignment or, if receiving such training at that time is not practical, within the first year of beginning such assignment.".

(b) TRAINING FOR CIVIL SERVICE EMPLOYEES.—The Secretary shall ensure that employees of the Department of State that are members of the civil service and that are assigned to positions described in section 708(c) of the Foreign Service Act of 1980 (as amended by this subtitle) have training described in such section.

(c) CONFORMING AMENDMENTS.—Section 708 of such Act is further amended—

(1) In subsection (a) by striking "(a) The" and inserting "(a) TRAINING ON HUMAN RIGHTS.—The"; and

(2) In subsection (b) by striking "(b) The" and inserting "(b) TRAINING ON REFUGEE LAW AND RELIGIOUS PERSECUTION.—The".

SEC. 106. PROMOTING ASSIGNMENTS TO INTERNATIONAL ORGANIZATIONS.

(a) PROMOTIONS.—

(1) IN GENERAL.—Section 603(b) of the Foreign Service Act of 1980 (22 U.S.C. 4003) is amended by striking the period at the end and inserting: ", and shall consider whether the member of the Service has served in a position whose primary responsibility is to formulate policy towards or represent the United States at an international organization, a multilateral institution, or a broad-based multilateral negotiation of an international instrument.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect January 1, 2011.

(b) ESTABLISHMENT OF A MULTILATERAL DIPLOMACY CONE IN THE FOREIGN SERVICE.—

(1) FINDINGS.—Congress finds the following:

(A) The Department of State maintains a number of United States missions both within the United States and abroad that are dedicated to representing the United States to international organizations and multilateral institutions, including missions in New York, Brussels, Geneva, Rome, Montreal, Nairobi, Vienna, and Paris, and which are responsible for United States representation to the United Nations Economics, Scientific and Cultural Organization (UNESCO) and the Organization on Economic Cooperation and Development (OECD).

(B) In offices at the Harry S. Truman Building, the Department maintains a significant number of positions in bureaus that are either dedicated, or whose primary responsibility is, to represent the United States to such organizations and institutions or at multilateral negotiations.

(C) Given the large number of positions in the United States and abroad that are dedicated to multilateral diplomacy, the Department of State may be well served in developing persons with specialized skills necessary to become experts in this unique form of diplomacy.

(2) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the appropriate congressional committees a report—

(A) evaluating whether a new cone should be established for the Foreign Service that concentrates on members of the Service that serve at international organizations and multilateral institutions or are primarily responsible for participation in broad-based multilateral negotiations of international instruments; and

(B) provides alternative mechanisms for achieving the objective of developing a core group of United States diplomats and other government employees who have expertise and broad experience in conducting multilateral diplomacy.

SEC. 107. IMPLEMENTATION AND ESTABLISHMENT OF OFFICE ON MULTILATERAL NEGOTIATIONS.

(a) Establishment of Office.—The Secretary of State is authorized to establish, within the Bureau of International Organizational Affairs, an Office on Multilateral Negotiations to be headed by a Special Representative for Multilateral Negotiations (in this section referred to as the "special representative").

(b) Appointment.—The special representative shall be appointed by the President with the advice and consent of the Senate and shall have the rank of Ambassador-at-Large. At the discretion of the President another official at the Department may serve as the special representative. The President may direct that the special representative report to the Assistant Secretary for International Organizations.

(c) Staffing.—The special representative shall have a staff of foreign service and civil service officers skilled in multilateral diplomacy.

(d) Duties.—The special representative shall have the following responsibilities:

(1) In general.—The primary responsibility of the special representative shall be to assist in the organization of, and preparation for, United States participation in multilateral negotiations, including the advocacy efforts undertaken by the Department of State and other United States agencies.

(2) Advisory role.—The special representative shall advise the President and the Secretary of State, as appropriate, regarding advocacy at international organizations and multilateral institutions and negotiations and, in coordination with the assistant Secretary of State for international organizational affairs, shall make recommendations regarding—

(A) effective strategies (and tactics) to achieve United States policy objectives at multilateral negotiations;

(B) the need for and timing of high level intervention by the President, the Secretary of State, the Deputy Secretary of State, and other United States officials to secure support from key foreign government officials for the United States position at such organizations, institutions, and negotiations;

(C) the composition of United States delegations to multilateral negotiations; and

(D) liaison with Congress, international organizations, nongovernmental organizations, and the private sector on matters affecting multilateral negotiations.

(3) Democracy caucus.—The special representative, in coordination with the Assistant Secretary for International Organizational Affairs, shall ensure the establishment of a democracy caucus.

(4) Annual diplomatic missions of multilateral issues.—The special representative, in coordination with the Assistant Secretary for International Organizational Affairs, shall organize annual diplomatic missions to appropriate foreign countries to conduct consultations between principal officers responsible for advising the Secretary of State on international organizations and high-level representatives of the governments of such foreign countries to promote the United States agenda at the United Nations General Assembly and other key international fora (such as the United Nations Human Rights Commission).

(5) Leadership and membership of international organizations.—The special representative, in coordination with the Assistant Secretary of International Organizational Affairs, shall direct the efforts of the United States Government to reform the criteria for leadership and membership of international organizations as described in section 104.

(6) Participation in multilateral negotiations.—The special representative, or members of the special representative's staff, may, as required by the President or the Secretary of State, serve on a United States delegation to any multilateral negotiation.

(e) Report.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall submit a plan to establish a democracy caucus to the appropriate congressional committees. The report required by section 106(b)(2) may be submitted together with the report under this subsection.

SEC. 108. DEFINITION.

In this title, the term "appropriate congressional committees" means the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate.

TITLE II—MISCELLANEOUS PROVISIONS

SEC. 201. REPORTS RELATING TO MAGEN DAVID ADOM SOCIETY.

(a) Findings.—Section 690(a) of the Foreign Relations Authorization Act, Fiscal Year 2003 (Public Law 107-228) is amended by adding at the end the following:

"(5) Since the founding of the Magen David Adom in 1930, the American Red Cross has regarded it as a sister national society forging close working ties between the two societies and has consistently advocated recognition and membership of the Magen David Adom in the International Red Cross and Red Crescent Movement.

"(6) The American Red Cross and Magen David Adom signed an important memorandum of understanding in November 2002, outlining areas for strategic collaboration, and the American Red Cross will encourage other societies to establish similar agreements with Magen David Adom.".

(b) Sense of Congress.—Section 690(b) of such Act is amended—

(1) in paragraph (3) after the semicolon by striking "and";

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) the High Contracting Parties to the Geneva Conventions of August 12, 1949, should adopt the October 12, 2000, draft additional protocol which would accord international recognition to an additional distinctive emblem; and".

(c) Report.—Section 690 of such Act is further amended by adding at the end the following:

"(c) Report.—Not later than 60 days after the date of the enactment of the United States International Leadership Act of 2004, and annually thereafter, the Secretary of State shall submit a report, on a classified basis if necessary, to the appropriate congressional committees describing—

"(1) efforts by the United States to obtain full membership for the Magen David Adom in the International Red Cross Movement;

"(2) efforts by the International Committee of the Red Cross to obtain full membership for the Magen David Adom in the International Red Cross Movement;

"(3) efforts of the High Contracting Parties to the Geneva Convention of 1949 to adopt the October 12, 2000, draft additional protocol; and

"(4) the extent to which the Magen David Adom of Israel is participating in the activities of the International Red Cross and Red Crescent Movement.".

SEC. 202. VOLUNTARY CONTRIBUTION TO ORGANIZATION OF AMERICAN STATES.

There are authorized to be appropriated $2,000,000 for a United States voluntary contribution to the Organization of American States for the Inter-American Committee Against Terrorism (CICTE) to identify and develop a port in the Latin American and Caribbean region into a model of best security practices and appropriate technologies for improving port security in the Western Hemisphere. Amounts authorized to be appropriated under this section are authorized to remain available until expended and are in addition to amounts otherwise available to carry out section 301 of the Foreign Assistance Act of 1961 (22 U.S.C. 2221).

SEC. 203. COMBATTING THE PIRACY OF UNITED STATES COPYRIGHTED MATERIALS.

(a) Authorization of Appropriations.—In addition to such amounts as may otherwise be authorized to be appropriated for such purpose, there are authorized to be appropriated for the Department of State, $10,000,000 to carry out the following activities in countries that are not members of the Organization for Economic Cooperation and Development (OECD):

(1) Provision of equipment and training for foreign law enforcement, including in the interpretation of intellectual property laws.

(2) Training for judges and prosecutors, including in the interpretation of intellectual property laws.

(3) Assistance in complying with obligations under appropriate international copyright and intellectual property treaties and agreements.

(b) Consultation With World Intellectual Property Organization.—In carrying out subsection (a), the Department of State should make every effort to consult with, and provide appropriate assistance to, the World Intellectual Property Organization to promote the integration of non-OECD countries into the global intellectual property system.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Florida (Ms. Ros-Lehtinen) and the gentleman from California (Mr. Lantos) each will control 20 minutes.

The Chair recognizes the gentlewoman from Florida (Ms. Ros-Lehtinen)

GENERAL LEAVE

Ms. ROS-LEHTINEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on H.R. 4053, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I ask that all my colleagues support H.R. 4053, the United States International Leadership Act of 2004. This bill was introduced by my distinguished colleague and ranking Democratic member of the House Committee on International Relations, and a dear friend of mine, the gentleman from California (Mr. Lantos), who was joined by the chairman of the Committee on Rules, the gentleman from

California (Mr. DREIER), in advancing this idea of boosting U.S. diplomatic leadership within multilateral organizations.

On a daily basis, the U.S. is participating in a wide range of multilateral organizations, and this requires a strong, well-trained diplomatic corps. There are also times when high profile issues are being debated within the U.N. Security Council, and those demand astute and skillful negotiators. This bill strengthens the U.S. diplomatic representatives in multilateral situations, it encourages participation of foreign service officers in such positions, and it authorizes the establishment of an Office on Multilateral Negotiations, which will facilitate U.S. participation in these negotiations.

This bill also encourages the Secretary of State to establish a Democracy Caucus at the United Nations to forge common positions and work to update regional voting schemes.

Mr. Speaker, as a former chair of the Subcommittee on International Operations and Human Rights, I witnessed firsthand the negative dynamics developing in international fora and the need for freedom-loving Democratic nations to join together to offset these negative destructive patterns. Some of the steps outlined in this Act could go a long way to better represent the interests and the concerns of these Democratic countries.

This measure moved smoothly through the Committee on International Relations, and I encourage my colleagues to vote "yes" on the passage.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Let me first pay tribute to my dear friend, the gentlewoman from Florida (Ms. ROS-LEHTINEN), for her effective leadership on this issue, as well as to the distinguished chairman of the Committee on Rules, my fellow Californian (Mr. DREIER), and the chairman of our committee, the Committee on International Relations, the gentleman from Illinois (Mr. HYDE).

Mr. Speaker, I rise in strong support of this legislation. Just a few short weeks ago, the members of a key United Nations committee gathered in New York to make a critically important decision related to internationally-recognized human rights. They met to determine next year's membership in the United Nations Human Rights Commission.

Shockingly, when Africa's turn came to nominate its candidate, they unveiled their choice: Sudan, a country which is currently engaged in a brutal campaign of ethnic cleansing in the Darfur region, where thousands and thousands of innocent men, women, and children have lost their lives in an orgy of assassinations.

Mr. Speaker, it is outrageous that the government of a totalitarian regime, currently engaged in the mass slaughter of its own citizens, would be entrusted with protecting human rights elsewhere across the globe. Properly, the United States delegation simply walked out of the meeting in disgust.

While I am a supporter of the United Nations, Mr. Chairman, for too many years we have allowed the deliberations of the U.N. General Assembly, the Human Rights Commission in Geneva, and many other critical multilateral bodies to be polluted by the machinations of rogue regimes. Despite the fact that the Cold War ended over 10 years ago, spurring a new wave of democratization across much of the globe, authoritarian regimes still maintain a chokehold on key decisions at the United Nations. Working through the so-called Non-aligned Movement, authoritarian and dictatorial regimes control the regional group caucuses in Africa, Asia, and some other parts of the world that form common positions on United Nations issues and nominate candidate countries for leadership positions.

Sudan's accession to the Human Rights Commission was only the latest example of a broken system which favors rotten regimes. Three years ago, the world's leading human rights abusers came together to unceremoniously vote the United States off the Human Rights Commission in Geneva. As a result, one of the world's greatest human rights violators, the government of the People's Republic of China, got a free pass that year. Also, in 2001, Mr. Speaker, the United Nations convened the World Conference on Racism in Durban, South Africa, which I attended. The conference itself went down in flames after it was hijacked and turned into a forum for nondemocratic regimes to launch vicious hateful attacks on the Democratic State of Israel.

Mr. Speaker, I, for one, am sick and tired of the world's dictatorships making key decisions at the United Nations, shouting out the voices of the democratic governments of the world. For that reason, I am pleased to join with my good friend and colleague, the gentleman from California (Mr. DREIER), in introducing this legislation before the House today.

The United States International Leadership Act of 2004 will require our Department of State to take effective measures to end this nonsense and to give our diplomats the tools they need to ensure that America once again punches at its weight class in New York.

The legislation accomplishes this important task by creating a Democracy Caucus to support democratic forces at the United Nations by directing the President to use our influence to reform United Nations rules so that rogue regimes cannot gain leadership positions, and by providing appropriate training to make our diplomats more effective in multilateral diplomacy.

□ 1215

Mr. Speaker, largely in response to this legislative initiative, the administration this year launched a democracy caucus in New York and in Geneva. Our leadership act will lend important new impetus for this effort, and it will help to ensure that it is broadened across the United Nations system.

But the recent failure to keep Sudan off the Human Rights Commission shows that much work needs to be done. Our diplomats should have known in advance that Sudan was soon to be nominated for the commission, and the world's democratic nations should have been ready to block this mind-numbing decision.

Our leadership act will force the Department of State to practice effective U.N. diplomacy. In coordination with our democratic partners, it will make it a much higher priority.

Mr. Speaker, there is no reason why new democracies in Latin America and Asia and Africa should continue to vote with the likes of Cuba and the Sudan. An effective democracy caucus will help states like Chile and Botswana and Thailand to have a positive alternative to mindless solidarity with authoritarian regimes.

I urge all of my colleagues to support H.R. 4053.

Mr. Speaker, I reserve the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER), our distinguished chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I thank the gentlewoman from Florida (Ms. ROS-LEHTINEN) for yielding me this time, and I appreciate the time and effort she has put into this very important effort here.

Mr. Speaker, having listened to the remarks of the gentleman from California (Mr. LANTOS), I have to say that this legislation is clearly bipartisanship at its best. We all know of the very famous line of Senator Vandenburg's that partisanship ends at the water's edge.

While in trying to deal with the challenge of the United Nations, it is absolutely essential that we pursue bipartisanship as well as we can, and we know within this structure, encouraging democracy is a very important basis of that; and that is why I would like to not only compliment the gentleman from California (Mr. LANTOS) and the others who have been involved in putting this legislation together but to compliment another very strong bipartisan effort, which actually was the brainchild for this important piece of legislation.

A couple of years ago as we looked at the great challenge of trying to deal with the United States' role in the United Nations, we put together a task force that was done by Freedom House and the Council on Foreign Relations; and I was very pleased to cochair that effort, along with our former colleague Lee Hamilton. And, again, it was bipartisanship at its best, in that we had a wide range of people from varied backgrounds who had been involved in the diplomatic realm, in private sector organizations, nongovernment organizations involved with dealing with challenges that exist in the United Nations.

We came up with some recommendations as to how we could enhance the leadership role of the United States of America in the United Nations, and I would commend to my colleagues this report. Actually, the report itself is only about 25 pages long, and it is a very good read. There are additional views. It goes through some other items in here; but basically the report itself, along with the conclusions, are about 25 pages.

And, again, it includes in it items that the gentleman from California (Mr. LANTOS) has just discussed. This concept of pursuing a democracy caucus, something that is very important for us to ensure that it is nations that are committed to self-determination, political pluralism, the rule of law, those things that we have a tendency to take for granted here in the United States that should be the true leaders within that very basic concept of the United Nations, and that is why this restructuring, the role that the Department of State will be able to play in having a structure that can help us, enhance our leadership and deal with the challenges that exist in nations, such as the Sudan, which was just referred to by my good friend.

I do believe that this legislation, Mr. Speaker, is going to be a great help to us as a Nation and to the world as we pursue those goals, and so I simply want to express my appreciation to the gentleman from California (Mr. LANTOS), to the gentlewoman from Florida (Ms. ROS-LEHTINEN), to the others, the gentleman from Illinois (Mr. HYDE), those who have focused on this, and also to express my appreciation to all of the organizations that worked with us with the task force that we put together, as well as individuals within the Department of State who have helped fashion this effort.

So this is a very important measure. I believe it will go a long way towards addressing the shared goals that we have, and I urge my colleagues to support it.

Mr. KENNEDY of Minnesota. Mr. Speaker, I rise today to show my strong support for this legislation's important language on the creation of a "Democracy Caucus" at the United Nations.

Mr. Speaker, there is a growing crisis at the UN. This crisis is the decline in the UN's focus on building democracies and spreading freedom throughout the world. Increasingly, the UN is becoming dominated by non- and, in far too many cases, anti-democratic governments. For example, the 191 members of the United Nations, 102 do not have completely free and democratic governments. 47 members are notorious dictatorships. 6 are even known terrorist states.

As the UN has lost its focus on promoting democracy, scandal has plagued the organization. Take the Oil-for-Food program. The world, particularly the Iraqi people, is waiting to learn the magnitude of corruption involved in the Oil for-Food scandal. Credible reports allege the UN paid itself at least $1.4 billion in commissions for its work on a program that stole as much as $10 billion in food and humanitarian relief from the Iraqi people it was designed to help. This is only the latest examples of a crisis of confidence at the UN.

Nearly half of the 53 countries sitting on the UN Human Rights Commission are known violators of the human rights of their own citizens. For example, take the Sudan, which was just reelected to the Human Rights Commission. This is the same country that UN Secretary General Kofi Annan has cited for its ongoing acts of ethnic cleansing against its people, which may result in the deaths of more than 320,000 people this year alone.

Mr. Speaker, the United Nations was created by the United States and the other victors of World War II to be an instrument for world peace and democracy. Instead, since its founding, there have been 291 wars which have resulted in over 22 million deaths. The UN needs a Democracy Caucus, and it needs one now.

Mr. Speaker, I rise in support of my friend's legislation, because I share his belief that the UN system is broken. Democracies and dictatorships are not the same, yet within the UN system they have the same vote. It is time for the democracies of the world to come together to provide the leadership that has been lacking for too long in the UN.

Mr. LANTOS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMMONS). The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and pass the bill, H.R. 4053.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Ms. ROS-LEHTINEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

REGARDING THE SECURITY OF ISRAEL AND THE PRINCIPLES OF PEACE IN THE MIDDLE EAST

Ms. ROS-LEHTINEN. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 460) regarding the security of Israel and the principles of peace in the Middle East.

The Clerk read as follows:

H. CON. RES. 460

Whereas the United States is hopeful that a peaceful resolution of the Israeli-Palestinian conflict can be achieved;

Whereas the United States is strongly committed to the security of Israel and its well-being as a Jewish state;

Whereas Israeli Prime Minister Ariel Sharon has proposed an initiative intended to enhance the security of Israel and further the cause of peace in the Middle East;

Whereas President George W. Bush and Prime Minister Sharon have subsequently engaged in a dialogue with respect to this initiative;

Whereas President Bush, as part of that dialogue, expressed the support of the United States for Prime Minister Sharon's initiative in a letter dated April 14, 2004;

Whereas in the April 14, 2004, letter the President stated that in light of new realities on the ground in Israel, including already existing major Israeli population centers, it is unrealistic to expect that the outcome of final status negotiations between Israel and the Palestinians will be a full and complete return to the armistice lines of 1949, but realistic to expect that any final status agreement will only be achieved on the basis of mutually agreed changes that reflect these realities;

Whereas the President acknowledged that any agreed, just, fair, and realistic framework for a solution to the Palestinian refugee issue as part of any final status agreement will need to be found through the establishment of a permanent alternative and the settling of Palestinian refugees there rather than in Israel;

Whereas the principles expressed in President Bush's letter will enhance the security of Israel and advance the cause of peace in the Middle East;

Whereas there will be no security for Israelis or Palestinians until Israel and the Palestinians, and all countries in the region and throughout the world, join together to fight terrorism and dismantle terrorist organizations;

Whereas the United States remains committed to the security of Israel, including secure, recognized, and defensible borders, and to preserving and strengthening the capability of Israel to deter enemies and defend itself against any threat;

Whereas Israel has the right to defend itself against terrorism, including the right to take actions against terrorist organizations that threaten the citizens of Israel;

Whereas the President stated on June 24, 2002, his vision of two states, Israel and Palestine, living side-by-side in peace and security and that vision can only be fully realized when terrorism is defeated, so that a new state may be created based on rule of law and respect for human rights; and

Whereas President Bush announced on March 14, 2003, that in order to promote a lasting peace, all Arab states must oppose terrorism, support the emergence of a peaceful and democratic Palestine, and state clearly that they will live in peace with Israel: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress—

(1) strongly endorses the principles articulated by President Bush in his letter dated April 14, 2004, to Israeli Prime Minister Ariel Sharon which will strengthen the security and well-being of the State of Israel; and

(2) supports continuing efforts with others in the international community to build the capacity and will of Palestinian institutions to fight terrorism, dismantle terrorist organizations, and prevent the areas from which Israel has withdrawn from posing a threat to the security of Israel.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Florida (Ms. ROS-LEHTINEN) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentlewoman from Florida (Ms. ROS-LEHTINEN).

GENERAL LEAVE

Ms. ROS-LEHTINEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the concurrent resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume, and I rise in strong support of House Concurrent Resolution 460, regarding the security of Israel and the principles of Middle East peace.

I want to thank the gentleman from Texas, our majority leader, for his unwavering commitment to the State of Israel and stability in the region, and commend him, as well as the gentleman from Maryland, the Democratic whip, for their efforts in drafting this measure. It is a resolution that supports the principles outlined in the President's April 14 letter, and in doing so it articulates our own vision of the path toward a lasting peace. It has long been our enduring hope that Israel's neighbors would see the wisdom of laying down their arms and negotiating in earnest, instead of killing. Egypt and Jordan arrived at this point and have found peace with Israel. There are others, however, who murder and employ terror against innocent civilians to achieve their political ends.

The people of Israel have done their part toward peace and have made terrible sacrifices in human and material terms for this effort, yet they continue in their search for closure to this long battle. Yasser Arafat, on the other hand, lacks the will to fulfill the commitments required of Palestinian officials. Arafat seems more intent on enriching himself and his cronies and in accommodating Hamas than he is in achieving peace with Israel so that his own people can reap the political and economic benefits that would come from that peace.

As the President noted in his recent letter, the United States stands ready to lead efforts to help achieve the goal of peace between Israel and the Palestinians, working with Egypt and Jordan to build the capacity and the will of Palestinian institutions to fight terrorism and bring a permanent end to such violence.

However, we have been down this road before. Arafat promises, but Arafat never delivers. The suicide bombings continue, and the death toll rises without so much as a modicum of effort from Arafat-controlled security forces to prevent it. He promises to disarm the radicals, to arrest them; but he does neither. Instead, he has acted as a revolving door for the terrorists that he pretends to arrest. He swore to end terrorism only to carry out a massive campaign of murder against innocent Israelis riding on school buses, shopping in open-air malls, and simply going about their daily lives. He has failed completely in his commitments, and he has brought only misery to a people seeking a peaceful existence.

As underscored in this resolution and articulated by the President, Israel has a sovereign and undeniable right to protect herself and her people, including taking actions against terrorist organizations. In the same vein, we remain strongly committed to Israel's security and well-being as a Jewish state. The President has clearly laid out his vision and has pursued it on multiple fronts. Through this resolution, we again declare our support for Israel for the great sacrifices she has made, and we congratulate the President for recognizing those sacrifices and the importance of Israel's commitment to peace.

We also call on the Palestinians to help build a peace that is mutual and lasting and not one of fleeting adherence and rhetorical assurances to score political points. Their adherence to peace must be real, and it must be enduring. For the welfare and security of the people of the State of Israel and for the future of the Palestinian people, Arafat and the Palestinian leadership must come to the realization that it is in their best interests to build the institutions necessary to fight and defeat terrorism in order to live side by side in peace together with Israel.

Mr. Speaker, this resolution expresses our support for principles that are crucial to Middle East peace, and it reflects the current reality on the ground. These principles are consistent with U.S. policy priorities, and I ask my colleagues to render their strong support for this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland (Mr. HOYER), the distinguished Democratic whip, who played a critical role in the drafting of this important resolution.

Mr. HOYER. I thank the gentleman from California, the ranking member of the committee, for yielding time; and I thank the gentlewoman from Florida for her statement.

Mr. Speaker, I urge all of my colleagues to support this important bipartisan resolution, which the majority leader (Mr. DELAY) and I have offered along with the chairman and ranking member of the Committee on International Relations, the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS).

This is a balanced resolution, Mr. Speaker, that will further the cause of peace in the Middle East, enhance the security of our staunch ally, the democratic State of Israel, and move the Palestinian people closer to the realization of a homeland of their own. In short, this resolution does two things. First, it strongly endorses the principles for Middle East peace articulated by President Bush in his April 14 letter to Prime Minister Sharon.

The Members may recall that the President's letter welcomed Prime Minister Sharon's disengagement plan calling for the withdrawal of military installations and settlements from Gaza and the West Bank. The President believes that this plan will make a real contribution towards peace, and so do I. This plan in my view is a bold, historic opportunity to break the deadlock in Israeli-Palestinian relations. In addition, the President, among other things, reaffirmed the United States' commitment to the implementation of the road map to Middle East peace; reiterated in the strongest terms our commitment to Israel's security; insisted that the Palestinian side immediately cease all acts of violence and terror against Israel and her citizens; expressed our support for the establishment of a Palestinian state that is viable, contiguous, sovereign, and independent; recognized that in light of the reality, on the ground it is unrealistic to expect that the outcome of final status negotiations will be a full and complete return to the armistice lines of 1949; and in addition indicated that any final status will need to include the establishment of a Palestinian state and the settling of Palestinian refugees there rather than in Israel.

Secondly, Mr. Speaker, this resolution supports continuing efforts by the international community to build the capacity and will of Palestinian institutions to fight terrorism, dismantle terrorist organizations, and prevent the areas from which Israel has withdrawn from posing a threat to the security of Israel.

□ 1230

Mr. Speaker, the plight of the Palestinian people must concern all of us. Their cause has been diminished by depraved and corrupt leaders, led by Yasser Arafat, who employ the tactic of terror, insight their people to hate, and refuse to seek peace, thereby tragically relegating their own people to poverty and severe insecurity. In fact, it is this absence of leadership on the Palestinian side, the absence of a sincere negotiating partner, that spurred Prime Minister Sharon to propose his recent disengagement plan, which is supported not only by President Bush, but also by JOHN KERRY and Members on both sides of the aisle here.

Thus again, Mr. Speaker, Israel has stepped up and shown its willingness to take risks for peace and security. And let no one be mistaken about the special relationship that has existed between our two nations since the State of Israel was founded. Ours is a relationship of principle and conscience, of shared values and common aspirations, of peace and opportunity, and of a mutual commitment to freedom and democracy.

This resolution, Mr. Speaker, is an important statement by this House. I urge all of my colleagues to support it.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

I want to thank the distinguished Democratic whip for his powerful and eloquent statement.

I rise in strong support of this historic resolution, Mr. Speaker. Our resolution represents a unique, bipartisan effort to demonstrate congressional support for the State of Israel and for Middle East peace by endorsing Prime Minister Sharon's bold disengagement plan.

Even before this resolution was introduced, expressions of bipartisan resolve regarding its core principles were already well on their way. President Bush warmly welcomed Prime Minister Sharon's plan and reaffirmed this Nation's strong support for Israel and for Middle East peace in his letter of April 14. Senator JOHN KERRY, the Democratic nominee for President, in turn endorsed both Prime Minister Sharon's proposal and the content of the President's letter.

In setting out some of the principles of peace such as those relating to territory and refugees, the President was clearly inspired by ideas presented during the Camp David negotiations in the summer of 2000 and by President Clinton's so-called "Parameters" of December, 2000. Thus like President Bush's April 14 letter, the resolution now before us distills the ideas of some of our Nation's most respected figures in both the Democratic and Republican parties.

Many of the principles in the resolution have been endorsed previously, some of them repeatedly by the Congress. All of them are crucial to achieving Middle East peace.

Mr. Speaker, Prime Minister Sharon has taken a bold risk and shown great courage in pursuing his plan for unilateral withdrawal from all of Gaza and parts of the West Bank. He did so because he believed it was the only way to break a deadlock in the peace process and to forge a historic path towards the separation of the Palestinian and Israeli peoples which is the prerequisite for a two-state solution. The prime minister decided that Middle East peace could no longer be held hostage to the failure of Palestinian leadership.

Prime Minister Sharon has pursued his plan despite repeated political obstacles. The Israeli people as a whole overwhelmingly embrace his initiative, but many of his traditional allies do not. In fact, Mr. Sharon's plan was defeated in a referendum of his own Likud parties membership. He has been forced to fire some members of his cabinet in order to assure cabinet support for the plan. Other ministers have resigned in protest. Mr. Sharon has lost his once formidable parliamentary majority and now leads a minority government. Perhaps most painfully for him, he has parted ways with a settlement movement that he once unofficially led. As one senior U.S. official recently expressed it to me, "A year ago we would have been shocked and pleased if Sharon had decided to dismantle one single settlement. Now he insists on dismantling two dozen."

Mr. Speaker, I met with Prime Minister Sharon in his office in Jerusalem a month ago. As critics were pronouncing his plan finished, he was buoyantly optimistic and firmly committed to overcoming opposition to his plan. He told me he would prevail in the cabinet, and now he has. There are more steps required before implementation, but Mr. Sharon is committed to the battle, and, in my view, he is fully up to the task.

Mr. Speaker, the Israeli people have endured considerable heartbreak in the peace process. They were stunned and many still are, as are we, that an inexcusable Palestinian intifada erupted 4 years ago in the wake of an incredibly generous Israeli peace offer. That intifada, with its repeated suicide bombings, has claimed nearly 1,000 innocent Israeli lives. Proportional to the U.S. population, that would be 50,000 lives lost at the hands of domestic terrorism.

Nevertheless, another Israeli leader has embarked on yet another bold and politically precarious peace initiative. That initiative deserves the support of the Congress. So does the vast majority of the Israeli people who, polls show, support the Sharon plan. And the Palestinian people deserve this body's support. They have endured all kinds of hardships, including incompetent, cynical, and violent leadership that has led them to the edge of the abyss.

Mr. Speaker, what we will do here today will reverberate throughout the Middle East. By strongly supporting Israeli security and this new initiative, we will embolden Israeli leaders to take further key and courageous steps toward the Middle East peace all sides desire, even in the face of spirited domestic opposition. And hopefully moderate Palestinians will be encouraged to push aside their failed authoritarian leadership and take control of their own lives.

Mr. Speaker, for the sake of a secure Israel, increased hope for Palestinians, and the all-important peace in the Middle East, I urge all of my colleagues to join me in supporting this resolution.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Nevada (Ms. BERKLEY), a distinguished member of the committee.

Ms. BERKLEY. Mr. Speaker, I want to thank the gentleman from California (Mr. LANTOS), ranking member of the Committee on International Relations; the gentlewoman from Florida (Ms. ROS-LEHTINEN); the gentleman from Maryland (Mr. HOYER); and the gentleman from Texas (Mr. DELAY) for their leadership on this very important and urgent issue.

I rise today in strong support of this resolution, in support of America's closest ally in the Middle East, and I rise with the hope that a peaceful solution to the Israeli-Palestinian conflict can be achieved.

No country in the world is more familiar with what Americans experienced on September 11 than Israel. Since Yasser Arafat turned his back on peace with Israel and fled Camp David to oversee the latest wave of violence, there have been over 130 suicide bombings responsible for the death of over 500 Israelis. Thousands more have been injured, and little progress has been made in forging a lasting peace between the Palestinians and the Israelis.

This resolution sends a strong, bipartisan message of support for strengthening the security and well-being of Israel.

The peace process is dead because the Palestinian Authority continues to refuse to fulfill its most basic obligations under the roadmap. It refuses to stop the terrorist attacks against Israel, dismantle the terrorist infrastructure, and begin a process of political reform.

It is time for the Palestinian leadership to express their desire for a Palestinian state living side by side peacefully with Israel rather than a Palestinian state in place of Israel.

Israel has the right to secure and defensible borders that reflect the demographic realities. The time is long past for the Palestinian people to reject terrorism and violence. America will never condone terrorist acts. America will never support those that perpetrate them, and America will stand side by side with Israel in its struggle against terrorism.

This resolution, once again, sends a clear message to the supporters of terrorism and the enemies of Israel. America will always side with democratic and peace-loving people. America should and does stand side by side with the people of the State of Israel. I urge my colleagues to vote for this resolution.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Speaker, I thank the gentlewoman for yielding me this time. I thank her for her extraordinary leadership on the Middle East and Central Asia Subcommittee. She is a great champion for that about which this resolution attends today, that strong and historic alliance between the United States of America and Israel.

I also speak in commendation of the gentleman from Texas (Mr. DELAY), majority leader; and the gentleman from Maryland (Mr. HOYER), minority whip, who have brought forward this House concurrent resolution regarding the security of Israel and the principles of Middle East peace. And I also congratulate the gentleman from California (Mr. LANTOS), my friend and mentor on these issues, a great leader on the world stage on behalf of human rights and Israel.

When I met Prime Minister Sharon during January of this year during my first journey to Israel, he asked me if I had ever been to that historic land, and I replied reflexively "Only in my dreams." And the truth is that for many millions of American Christians, Israel is just that. It is a dream. And it is a dream, make no mistake about it, Mr. Speaker, that American Christians cherish with a fervor and the fire of American members of the Jewish community. It was a dream that was made real by the leadership of the United States of America in 1948, and it is a dream the reality of which the American people, even the people across the heartland district that I serve, are dedicated to.

It was my passion for Israel that led me, after my return from Israel this year, to draft a resolution, along with the gentlewoman from Nevada (Ms. BERKLEY), who just spoke. We authored the Pence-Berkley resolution that was able to endorse Israel's right of self-defense openly as this resolution does and condemn the adjudication of Israel before the civil court of justice at the Hague. We were both, I think, pleasantly surprised to see over 160 Democrats and Republicans support that resolution.

So it was with special pride that I learned that the leadership of this Congress and the leadership of the House Committee on International Relations have come together in a bipartisan way to make an affirmative statement about Israel's right of self-defense.

□ 1245

The relationship between the United States and Israel is truly unique and precious. It is forged in the best values and hopes of the peoples of both nations, and it is forged in the uniqueness that at no other time in human history has one people so committed themselves to the reestablishment of another people in their historic homeland.

I see our relationship with Israel as one of stewardship. Until such a time that Israel has developed both the economic and military capability to stand on its own, the United States, as we are doing today, must stand with Israel as a protector, a friend, and a partner.

As a protector, this commitment begins with defending the territorial integrity of Israel through military aid and means if necessary. As a friend, this commitment includes foreign aid by the United States of America. And as partner, it means partnering in a process for peace in the Middle East, but recognizes that the role of the United States of America in that Middle East process is not one of an honest broker, but it is one of a partner on one side of the table, honestly dealing on behalf of peace.

I am specifically pleased to see this resolution endorsing Israel's right of self-defense. During my tour of Israel, we, along with Israeli defense forces, toured a large section of the security fence. Mr. Speaker, during the 2 hours that my wife and I toured that fence with military personnel, they received three separate calls for attempted terrorist incursions along the fence line.

When we arrived at their post, I asked the commander who had accompanied us, Havi, I said, "Is this a pretty busy day?" And he smiled the way that Israelis tend to do in the face of unthinkable threats and terror, and said, "Pretty typical day, Congressman." Three attempted terrorist incursions along the fence line.

It is that reality that sent me home to go to work here in Congress on behalf of the statement that we will make today in deafening and bipartisan terms. It is the firsthand reality of daily terror that the people of Israel face that makes it imperative that the United States of America, in bipartisan and deafening terms, be heard in this place and on this day.

I pray for the peace of Jerusalem, Mr. Speaker; and I close by saying that like millions of Americans, Republican and Democrat, as we see witness here today, liberal and conservative, as we see here today, I stand for the dream that is Israel. But I stand even more firmly for making that dream a reality; not just past, not just present, but a permanent and truly eternal reality of the Nation of Israel, with Jerusalem as her capital.

I thank the gentlewoman for yielding me time, I thank our leadership for their extraordinary effort on behalf of our great partner and ally.

Mr. LANTOS. Mr. Speaker, let me first commend my friend from Indiana for his powerful and eloquent statement, and let me yield 3 minutes to my distinguished colleague, the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Speaker, I thank the gentleman from California for yielding me time.

Mr. Speaker, I must remind my brother from Indiana that the Mideast is in reality a dream for Jews, Christians, and Muslims; and that is the approach. I am going to vote for this resolution probably, but I would like to take the opportunity to speak about what people in my area, my district, and abroad should take from the resolution.

The conflict in Israel is the axis on which much of Middle East politics spins. Let us not forget that what we do and say here has major implications all across the globe.

The United States is strongly committed to the security of Israel as a Jewish state. That is not debatable. There is no question that our friend and ally has every right to defend itself against terrorists who oppose freedom and democracy. This resolution takes a strong stand on that issue.

But equally important, this resolution stands in favor of a peaceful two-state solution to the Israeli-Palestinian conflict. Read it carefully.

A vital first step to a peaceful solution is the proposed withdrawal from Gaza, as the Prime Minister has planned and President Bush has endorsed. But we must not forget that this withdrawal should be a precursor to the restart of negotiations.

By passing a resolution that endorses the road map to peace and discusses what should be done during final status negotiations, the House is recognizing the importance of negotiations led by the United States and the quartet. We lost valuable time in the first 8 months of this administration when we did nothing. We separated ourselves from the issue.

On a parallel track, the Congress should be looking at ways to spur economic development throughout Israel, including the West Bank and Gaza.

Let us use this resolution as an opportunity to get back on track. We must work to get the two sides negotiating for an agreed-upon solution, rather than imposing one which will not have the legitimacy that is needed. The United States must use its leadership to get the Israelis and Palestinians and neighboring nations in the Middle East to the table and start the talks, so that when we look to the future, we will see Israeli and Palestinian children living in peace. This is what we want; and as committed as we are to Israel, that must be our commitment as well.

Mr. LANTOS. Mr. Speaker, I am delighted to yield to the gentleman from California (Mr. MATSUI), one of our great Democratic leaders.

Mr. MATSUI. Mr. Speaker, I thank the gentleman from California, the ranking member of the Committee on International Relations, for yielding me time.

I want to commend the gentlewoman from Florida, obviously the gentleman from California, the gentleman from Maryland (Mr. HOYER), and certainly the gentleman from Texas (Mr. DELAY) for bringing this resolution before the floor of the House at this particular time.

I have to say that, first, I think all of us acknowledge, particularly with what has been going on today in the Middle East, and Iraq in particular, that the whole issue of Israel's importance to the United States could not be more clear. Israel is important for the strategic defense of the United States in the free world. Given, as I said, the fact that it is the only democracy in that region, it is absolutely critical that Americans understand and this country understands the importance of Israel from our strategic perspective.

Secondly, there is no question that Israel has the absolute right to defend itself from terrorist activities, and this resolution will go a long way in fulfilling those two principles.

Certainly the negotiation process has broken down. When Prime Minister Barak was negotiating with Mr. Arafat with the help of Mr. Clinton, it was obvious Mr. Arafat was not able or willing to actually engage in an actual agreement. That being the case, the Palestinian Authority at this time has no one in charge to negotiate, and that is why the whole issue of the disengagement policy is the correct policy.

Our resolution today, with great support from both Democrats and Republicans on a bipartisan basis in the House of Representatives, would go a long way in at least trying to find some leader in the Palestinian Authority to stand up and say let us begin to talk, to negotiate, because obviously the status quo is unacceptable.

This resolution, to a large extent, just basically puts together what is a reality. It puts together the point of the fact that obviously the whole issue of the Palestinian refugee situation will be actually resolved once there is a Palestinian state. So I urge the adoption of this resolution.

Mr. LANTOS. Mr. Speaker, I ask unanimous consent that the time for debate on this resolution be extended for 20 minutes, to be equally divided between the two sides.

The SPEAKER pro tempore (Mr. SIMMONS). Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LANTOS. Mr. Speaker, I yield 2 minutes to my good friend and fellow Californian, the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Speaker, I thank my California colleague for yielding me time.

Mr. Speaker, I agree with some of the statements contained in this resolution. Most notably, it is important that Congress continue to recognize and endorse President Bush's vision of two states, Israel and Palestine, living side by side in peace and security.

I believe the resolution places too much emphasis on the recent exchange of letters between President Bush and Prime Minister Sharon, but I am pleased the legislation notes that changes to a final status agreement based on new realities on the ground must be mutually agreed to by Israel and the Palestinians.

I join the authors of this resolution in support of Prime Minister Sharon's plan to evacuate all settlers from Gaza and at least some from the West Bank. This is an important step, but it must be a first step.

The proposed Israeli withdrawal will increase Israel's security. It will also ease the economic and humanitarian crisis faced by the Palestinians.

But this plan must not be mistaken for a complete and comprehensive agreement that must be reached. The only hope for resolving the deadly status quo is for Israelis and Palestinians to negotiate a political settlement. For this to happen, both sides must live up to the agreements they have previously made. Palestinians must dismantle terrorist organizations, and Israel must impose a settlement freeze, knock down illegal outposts, and ease the harsh conditions of occupation.

None of this will transpire without the hands-on, vibrant commitment of the United States, election year or no election year. America's failure to engage in the Israeli-Palestinian conflict will not only doom those long-suffering peoples to continued violence and misery, but it harms vital U.S. national interests as well; and that is a risk we cannot afford to take.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. Mr. Speaker, I thank the gentlewoman from Florida for yielding me time, and I want to congratulate her and thank her for her leadership on this and many other issues, and also the gentleman from California (Mr. LANTOS) for his steadfast support of human rights across the globe, and as well thank the gentleman from Maryland (Mr. HOYER) and the majority leader, the gentleman from Texas (Mr. DELAY), for bringing this resolution to the floor.

I rise in support of H. Con. Res. 460 because I think it recognizes the tremendous accomplishments of the Bush administration, in particular President Bush, as far as the U.S.-Israel relationship is concerned. Make no mistake about it: this President, more than any other, has done more to strengthen that U.S.-Israel relationship, to recognize the importance of our relationship with our democrat ally in the Middle East, the State of Israel and its people. It is his policies under the Bush doctrine that I think reflect a very strong moral courage that again transcends into a moral clarity as he begins and as he continues to implement his foreign policy.

I think across the country what we see are Americans who now understand the fact that Israel has been fighting the same war against the terrorists that we are fighting today, and Israel has been doing it for decades. The bombings on the streets of Tel Aviv are no different than the bombings that occurred on September 11 in New York or here in Washington or in Pennsylvania. The absolute scale of a suicide bomber on a bus may be different than those planes running into those towers on September 11; but make no mistake about it, they were morally equivalent.

This resolution recognizes that this President and this House will never, ever accept terrorism under any, any situation and for any reason whatsoever.

In this resolution, we also keep the onus where it belongs, and that is on the Palestinian people and their leadership. We have for too long seen that they have failed to live up to the obligations that we continue to set forth in the road map for peace and other instances where we ask that they stop the terrorist attacks, that they dismantle the terrorist infrastructure and they institute political reform so they can ultimately achieve what their dream is, a state living alongside the Jewish State of Israel.

But it is not until we reach the point that we see the Palestinians recognizing Israel's right to exist as a Jewish state that this Congress or this President will ever allow Israel to go without secure borders and the ability to secure its population.

☐ 1300

Mr. LANTOS. Mr. Speaker, before recognizing my friend from New York, I would like to express my deep appreciation to the Republican leader for his extraordinary efforts on behalf of this resolution.

Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from New York (Mr. CROWLEY), my good friend and a distinguished member of the Committee on International Relations.

Mr. CROWLEY. Mr. Speaker, I thank my friend, the gentleman from California, for yielding me this time, and I want to thank the gentleman from Texas (Mr. DELAY), and the minority whip, the gentleman from Maryland (Mr. HOYER), for introducing this resolution.

I rise in strong support of this resolution, and I ask my colleagues to support it.

This bipartisan resolution shows the United States Congress is united in our support for our democratic ally in the Middle East, Israel. The United States must not only continue to support Israel because of our shared common values, but because we know the terrible repercussions of terrorist attacks on our own population.

The decision taken by Israeli Prime Minister Ariel Sharon on unilateral disengagement was necessary for the security of Israel and her people.

This bold initiative has received international support and needs the support of all governments to ensure it can be implemented to remove the fear of terrorist strikes within Israel.

This unilateral step has to be taken because the Palestinian Authority is currently not a viable partner in peace.

For too long, the Palestinian Authority has allowed terrorists to operate in the territory under their control and done little, if anything, to stop them from attacking civilians in Israel. In fact, in my opinion, they have been complicit in those attacks.

The terrorism against Israel and her people continues without a sign of it stopping. Over the past few weeks, I have seen countless reports of the Israeli Defense Force preventing terrorist plots to kill innocent Israeli civilians.

While I applaud the strength of the Israeli Defense Force, the people of Israel cannot and should not have to live like that. The United States must take a firm stance and continue its support of Israel without wavering when faced with criticism from the Arab world.

If the peace process is to continue to move forward, the United States must increase its engagement and stick with a consistent message as we continue positive support for a lasting and peaceful solution in the Middle East.

Once again, I want to thank the sponsor of this legislation and for bringing it forward today.

Ms. ROS-LEHTINEN. Mr. Speaker, I am proud to yield 1 minute to the gentleman from Texas (Mr. DELAY), our distinguished majority leader and the author and prime sponsor of this legislation.

Mr. DELAY. Mr. Speaker, I too want to express my thanks to the gentleman from California (Mr. LANTOS) for his incredible work on this issue and his cooperation and his friendship. I also want to thank the gentleman from Maryland (Mr. HOYER), the minority whip, for his cooperation in developing this resolution and for his help in bringing it to the floor today.

It is really important for two reasons for the record to note that this legislation is bipartisan. In the first place, it is always valuable in times of national conflict, and especially during election campaigns, to show that for all of our differences, we can all rise above our partisan allegiances and come together as Americans behind our President. Secondly, it shows not only to the country, but to the world, that one of those issues that we can unite behind is our national commitment to the people of Israel.

That commitment was reaffirmed on April 14 of this year when the President wrote a letter to Israeli Prime Minister Sharon expressing his support for Israel's right to self-defense in a war against Palestinian terror. In this letter, the President established two fundamental principles that, in light of the repeated and willful failure of the Palestinian Authority to dismantle the terrorist elements within it, have become unavoidable.

This resolution expresses the House's affirmation of those principles, specifically, that "it is unrealistic to expect that the outcome of final status negotiations will be a full and complete return to the Armistice lines of 1949." And that "any agreed, just, fair, and realistic framework for a solution to the Palestinian refugee issue will need to be found through the establishment of a permanent alternative and the settling of Palestinian refugees there, rather than in Israel."

Put simply, Mr. Speaker, Israel must not retreat behind its 1949 borders, and there is no so-called "right of return."

The people of Israel are at war, and it is our responsibility to help them win it. As long as the Palestinian Authority refuses to take the necessary steps to end terrorism within its ranks, we must stand with Israel.

We must stand by the commonsense principles established in the President's April 14 letter and stand against the voices of violence and appeasement that would sacrifice Israel's security.

Peace cannot be negotiated with unpeaceful men. Peace must be won. We must stand with Israel as they work every day towards its winning.

The alliance between the United States and Israel is not merely one of shared strategic goals and common interests, though it is that too. No, Mr. Speaker, the alliance between the United States and Israel is one of shared values and a common destiny. From Israel we have learned the need for an iron will in the face of terrorist evil; and from us, Israel has learned the value of steadfast friendship in good times and in bad times.

Today, both the United States and Israel are fighting a war on terror; and one day soon, we both will win it.

So I urge all of our Members to support this resolution before us today, which, once again, reaffirms the unbreakable bonds of freedom our two nations share.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield 10 minutes of my time to the gentleman from California (Mr. LANTOS), and I ask unanimous consent that he may be permitted to control that time.

The SPEAKER pro tempore (Mr. MILLER of Florida). Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Mr. LANTOS. Mr. Speaker, I want to thank my good friend, the gentlewoman from Florida (Ms. ROS-LEHTINEN), for her usual courtesy.

Mr. Speaker, I am delighted to yield 5 minutes to my good friend, the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. Mr. Speaker, I thank the distinguished gentleman from California for obtaining the extra time, as well as the gentlewoman from Florida for yielding that extra time to this side.

Mr. Speaker, I do want to state in the beginning, as one who has rather regularly opposed what in the past have traditionally been grossly one-sided resolutions, inappropriate, in this gentleman's opinion, for U.S. best interests in the Middle East, I do find the current resolution a minute, itsy bitsy, tiny bit headed in the right direction. And I do say that, taking into perspective what I view is in America's best interests in this region.

Mr. Speaker, it has well been documented, and many in this body have always pointed out, how U.S. credibility and morality across the world is at an all-time low today. I do not think there are many countries that would doubt that statement; and it is due to many, many factors: our go-it-alone approach to the war in Iraq, unprovoked attacks, an in-your-face type of attitude to our allies, many of whom we badly need at this point in time. There were no weapons of mass destruction found, false reliance upon the neoconservatives, bosom buddy, Ahmed Chalabi who gave us shabby information; an insurgency in Iraq that was more vigorous than even the neo-cons in the Pentagon could ever imagine, far from the statement that Americans would be greeted as liberators. We found no direct involvement of Saddam Hussein on 9/11, and I could go on and on.

But there is one particular false perception we were lead to believe that is tied directly into this resolution today. We were told by the administration that the victory over Saddam Hussein would lead to a peaceful resolution of the Israeli-Palestinian conflict. We are still looking for that statement to be proven correct. And, indeed, the Israeli-Palestinian conflict is linked to our actions in Iraq, linked to the view of Americans around the world, linked to our morality and credibility. It is all linked together.

Peace on the Palestinian-Israeli front I hope and pray is near; and perhaps in secret channels that may be the case. We have not had any suicide attacks, for example, in the last 3 or 4 months. There has not been, thank God, in this period an Israeli to lose his or her life in these horrendous, condemnable suicidal bombs that go off.

So now we come forth with this resolution from the U.S. Congress: "Regarding the Security of Israel and the Principles For Peace in the Middle East." I agree. Except I would add one word in that title, and that is Regarding the Security of Israel "and Palestinians" and the Principles of Peace in the Middle East.

The resolution goes on to state: "whereas, President Bush and Prime Minister Sharon have subsequently engaged in dialogue with respect to this initiative." My question would be, where were the Palestinians in this dialogue? Is it not their future at stake as well? Where were the Palestinians in this dialogue?

The response will come back, of course, that there is no credible Palestinian with whom to negotiate. There are credible Palestinians and moderate Palestinians and those who condemn suicidal bombings and terrorism as much as me and any other Member of this body. And they are the ones we should be reaching out to involve in these negotiations.

Continuing further to quote from the resolution, on the second page, second whereas clause: "but realistic to expect that any final status agreement will only be achieved on the basis of mutually agreed changes that reflect these realities." Again I ask, where are the Palestinians in discussions about these "mutually agreed upon" efforts?

The very next paragraph: "any final status agreement will need to be found through the establishment of a permanent alternative and settlement of Palestinian refugees there rather than in Israel." True. I would not dispute that. But where is that permanent alternative? Again, where are the Palestinians involved in discussions upon the no-return issue? Is their future not at stake here? Should they not be involved in the negotiations?

Mr. Speaker, I certainly agree with paragraphs in this resolution. On page 3, the second and third paragraphs, yes: two states, Israel and Palestine, living side by side in peace and security; and in the next paragraph, yes: all Arab states must oppose terrorism, support the emergence of a peaceful and democratic Palestine.

But there is a disconnect between those whereas clauses and the first paragraph of the resolved clause: stating the security and well being of the State of Israel, and again I would say the words "and Palestine" should be inserted therein.

Ms. ROS-LEHTINEN. Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, before yielding time, I yield myself such time as I may consume, because I would just would like to remind my colleague, the gentleman from West Virginia, that there may not have been any successful suicide attempts in some time; there are weekly suicide attempts which are thwarted by the vigilance of the Israeli Defense Force. So the fact that suicide bombers do not succeed in blowing up additional groups of innocent civilians is not an indication that the attempts at suicide bombings have come to an end.

Secondly, may I remind my friend that innocent civilians are killed in ways other than through suicide bombing. A pregnant mother and four of her young daughters were killed in cold blood just this past month. A pregnant woman with four small daughters in her car, all six of them were killed just this past month.

So I do not think it is accurate to portray a picture which would indicate that the attempts at extremist violent terrorism is over. The attempts are less successful than they were at a time when Israel was less prepared to deal with it.

Mr. RAHALL. Mr. Speaker, will the gentleman yield?

Mr. LANTOS. I yield to the gentleman from West Virginia.

Mr. RAHALL. Mr. Speaker, I appreciate the gentleman yielding. I would respond to the gentleman that I condemn those attacks as well, and I would say that there have been attempts thwarted by the Israeli security forces.

□ 1315

Mr. Speaker, the Israelis have not done that alone, they have had a great deal of information submitted to them from a lot of other countries, and from moderate Palestinians, working within whatever security apparatus they have left. The Palestinians who truly want to see peace and recognize how horrendous these actions are want to help stop terrorism.

In addition, let us not forget innocent Palestinians. I am sure the gentleman would agree there have been a number of those that have lost their lives since the Intifada and many other skirmishes.

I would say to the gentleman as well, I am sure he recognizes that under this administration, there have been over 900 Israelis and foreigners who have lost their lives during the last 3 or 4 years, which is 10 times more than the number of Israelis and foreigners that lost their lives under the Clinton administration.

So let us help this President take advantage of the opportunities that are presented to him to achieve a breakthrough in the region. I hope and pray to God such may be on the table today being worked through back channels.

Mr. LANTOS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, the principles that were articulated by President Bush in his April letter to Mr. Sharon can be seen as a first step in finding a resolution to the Israeli Palestinian dispute.

This resolution demonstrates that Congress's position is consistent with the majority of Israelis who endorse the evacuation of settlers from the Gaza Strip, and at least parts of the West Bank. This disengagement plan is a reflection of Israel's basic interests and a major recognition that settlements hurt Israel's security, economic prosperity, and demographic future. Disengagement will also help moderate Palestinian leaders to make concrete moves to finally establish a true democratic state.

By implementing this initiative, tensions between Israels and Palestinians should diminish, thus paving the way for more renewed and more constructive peace negotiations.

But disengagement should not be seen as a substitute for negotiation. Good faith negotiations are essential to any long-term reconciliation. The evacuation of Gaza must be seen as a first step but not the last in a comprehensive peace process. Simply on its own, withdrawal of Gaza will not result in peace or security for Israel. The end goal must be mutually agreed-upon, negotiated solutions by all parties involved that must address a host of other key and sensitive issues. Only then will long-term peace and stability be achievable.

Finally, Mr. Speaker, let us not forget our diplomatic and our moral obligation as well as our vital interest in halting the cycle of violence and in resolving this protracted conflict. Our failure to actively engage in the Middle East peace process has damaged our international credibility and it has hurt our ability to promote democracy in the region.

As we consider this resolution today we must urge the administration to bring both Israelis and Palestinians back to the negotiating table, encourage both sides to live up to previous commitments, and to have all parties rededicate themselves to the principles laid out in the so-called road map and the quest for security and peace in the Middle East. I believe that this resolution can represent a good starting point for long-term stability and peace in the region.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield an additional minute from our time to the gentleman from California (Mr. LANTOS) so that he can control it.

The SPEAKER pro tempore. Without objection, the gentleman from California will control an additonal minute.

There was no objection.

Mr. LANTOS. Mr. Speaker, I thank my friend from Florida.

Mr. Speaker, I yield 1 minute to the distinguished Democratic leader, the gentlewoman from California (Ms. PELOSI), my dear friend and good colleague.

Ms. PELOSI. Mr. Speaker, I wish to commend and thank the distinguished ranking member of the Committee on International Relations, the gentleman from California (Mr. LANTOS), for his great leadership on this issue and for bringing this resolution to the floor. He has been a champion supporter for a strong national defense for our country and knows that it is in our interest to have a secure and safe Israel.

I also want to commend the gentlewoman from Florida (Ms. ROS-LEHTINEN) for her leadership and consistent leadership on this issue as well. I commend also the makers of the motion, the majority leader the gentleman from Texas (Mr. DELAY) and the gentleman from Maryland (Mr. HOYER), our distinguished whip, for putting before us a resolution that I think we should all support. I think it gets right to the point, right to the point of what we need which is a negotiated settlement between the parties. This resolution preserves that right for those parties.

Mr. Speaker, we can never say it enough. America's commitment to the safety and security of the State of Israel is unwavering. There are unbreakable bonds of friendship between the United States of America and the State of Israel. That is for sure. The United States stands with Israel because of our common interest, our fundamental from in the most basic of all rights, the right to exist, the right to live free from fear, the right to put our children on a school bus in the morning knowing that they will come home safely in the afternoon.

Let there be no doubt the United States of America stands with the State of Israel because of those bonds of friendship but really first, and more fundamentally, because it is in our national interest to stand with the State of Israel. I view this resolution as an endorsement of a fresh start.

I listened intently to what my colleagues have said about concerns they have about the plight of the Palestinians in the region and I share them. This resolution preserves the right for final negotiations between the parties for those parties to resolve their differences. It recognizes that for Israel to be secure and safe, it is important and necessary for there to be a Palestinian state.

So when the Prime Minister of Israel Sharon announced withdrawal from Gaza, and we do not know the extent yet from the West Bank, I viewed it as a new, fresh opportunity for peace in the Middle East, which is in the national interest of our country and the international interest of the world and, certainly, the regional interest of those involved directly.

By passing this resolution, the House of Representatives will affirm the support of the United States already confirmed by President Bush for Prime Minister Sharon's withdrawal plan. The principles endorsed by the resolution are consistent with the framework for peace previously outlined by President Clinton and intended to facilitate the implementation for the road map for peace.

The road map remains the best chance for a comprehensive solution for the differences between Israelis and Palestinians. It is time for all parties to the road map to use the opportunities presented by the Sharon plan to bring an end to the violence and achieve lasting peace in the Middle East.

Mr. LANTOS. Mr. Speaker, I want to thank the distinguished Democratic Leader for her powerful and eloquent statement.

Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. EMANUEL), my good friend.

Mr. EMANUEL. Mr. Speaker, I rise in strong support of this resolution. I commend our colleagues for working in a bipartisan manner towards recognizing the historic agreement in April on some of the most important issues in the Israeli-Palestinian conflict.

This resolution puts Congress on record today to express unwavering support for the position we took in response to the ongoing failure of the Palestinian authority to crack down on terrorist attacks, dismantle terrorist organizations, or achieve political reform inside the PA.

We join with Israel in this fight and we will do all that we can to root out threats to our mutual security and allies in the Mideast. This resolution says to the people of Israel and to the rest of the people of the Mideast that the United States will never leave Israel's side as a friend, as we have since 1948 been the best friend America has in that area. We will remain united by a common bond of common values, of mutual love for both freedom and liberty.

Mr. Speaker, this resolution and the principles of the Mideast peace initiative will help preserve both of our Nations as unwavering symbols of freedom where intolerance and terrorism still threaten liberty and peace.

Mr. LANTOS. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. DAVIS) who, in this very brief time with us has made a notable contributions to the work of his body.

Mr. DAVIS of Alabama. Mr. Speaker, I thank my good friend from California for his commitment and the power of his example on this issue.

Mr. Speaker, I did not want this debate to end without adding my voice to it and my strong endorsement of this resolution. It follows a very long, very enduring bipartisan tradition, one that says that we are two lonely defenders of freedom, the United States and Israel. We are two lonely defenders in a very difficult neighborhood in this world and we do have a common obligation.

And that is something else that should be said from this side of the aisle, and our leader alluded to it very well. A lot of us on this side of the aisle have profound disagreements with the administration over policy in Iraq. A lot of us on this side of the aisle have profound disagreements with this administration over the skill with which it has gone about building a new course for Iraq and whether we should have gone in the first place. But none of that should obscure that the value behind that policy, if it is one of promoting democracy, if it is one of expanding the frontier of freedom, that is a value that we all share.

And when we think of Abu Ghraib and we think of all the mistakes that have been made in the last year and a half, the fact that those values may not have been defended so well does not diminish the power of those values.

And I would simply close on this observation: Whenever we think of our friends in Israel, their lonely struggle, we should recall the words of an old union general who came back to Gettysburg, an old Union soldier who came back to Gettysburg on the 50th anniversary of that fight, he reminded his daughter in a letter that when we talk about the cause of the Civil War, he said, "The men who won that day will always be right; the men who lost that day will always be wrong."

So it is when it comes to freedom. Those of us who believe in it, those of us who promote the frontier of democracy shall always be right and those who stand for oppression, authoritarianism, and who do not respect the dignity of men and women shall always be wrong. I am proud to support this resolution.

Mr. LANTOS. Mr. Speaker, I yield 1 minute to my colleague, the gentleman from Washington (Mr. BAIRD).

Mr. BAIRD. Mr. Speaker, because I believe it is important for this institution to express its ongoing support of Israel, because I believe that withdrawal from Gaza is an important step towards peace in the region, because I deplore the attacks of terrorists on innocent civilians, I intend to support this resolution.

I do want, however, to express two concerns: First, I believe Mr. RAHALL expressed a number of important considerations and I believe those should be taken under the deliberation of this body.

Second, in this resolution it commends principles outlined in the President's letter. And I just would express one reservation about an element to the President's letter. The President wrote, "The United States will do its utmost to prevent any attempt by anyone to impose any other plan." Now, I think the President has put forward some sound points, but we have many friends and allies within the region even and internationally our friends in

Egypt and Jordan and elsewhere who may have some good ideas.

I believe that it would be a mistake for us to say or assume that only our Nation can put forward a good plan and that all other proposals will be rejected. I would encourage the President and this body to consider various options.

Mr. LANTOS. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. GREEN), my good friend.

Mr. GREEN of Texas. Mr. Speaker, I rise in strong support of the resolution reconfirming the commitment of the United States and this House to support the people of Israel in their struggle for a lasting peace. Specifically, our resolution supports the principles of peaceful resolution of the Israeli-Palestinian conflict the President Bush and Israeli Prime Minister Sharon laid out when they met on April 14 of this year.

In absence of a viable Palestinian peace partner with whom to negotiate, Mr. Sharon has taken an unprecedented step forward by planning to unilaterally disengage from Gaza and parts of the West Bank.

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Since these settlements are seen by many as an obstacle to peace, this is a clear indication to the Palestinians that Israel is willing to make this effort to get the stalled peace process moving again. Peace will not be possible, however, without the combined commitment by Israel's neighbors and the Palestinian people to stop terrorism and stop supporting terrorism.

From my firsthand experience, from actually my first visit with the gentleman from California (Mr. LANTOS) in 1993 and a visit since, it is clear that there can be no lasting peace with Israel if it has to constantly worry about combating terrorists against Israeli citizens.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I am very pleased to yield a minute to my good friend, the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Mr. Speaker, in seeking a just and lasting peace in this region, I will be supporting this resolution, because it does recognize a fundamental change in Israeli policy of now withdrawing from at least a portion of the occupied territories, and we should recognize that although this seems an obvious first step, it is difficult in Israel; and we should recognize that accomplishment.

But there are two points I want to make. First, should these parties negotiate ultimately some residence in Israel of a number of Palestinians that does not threaten the Jewish character of the Israeli state, this Nation should not discourage that decision by these parties.

And, secondly, we should not act as enablers by silence in either party's taking actions that makes peace impossible. We should not enable Palestinians' violence by not being vocal against it, and we should not enable Israeli continued expansion in the West Bank, which is happening today.

I stand in unison with my Israeli friends who are speaking out against the continued expansion in the settlements in the West Bank, because it is an impediment to ultimate settlement.

Mr. LANTOS. Mr. Speaker, I yield 1 minute to the gentleman from Georgia (Mr. SCOTT.)

Mr. SCOTT of Georgia. Mr. Speaker, I am very delighted to join my colleagues in rising to offer great support for this resolution. It is so important and so timely at this time that this Congress of the United States stand united in their support of Israel.

I was over in Israel just a few months ago, and I had a wonderful visit; but your heart goes out for the tenacity and the strength of Israeli people. They are at the forefront in this world fight on terror, have been there for a long time. So it is very important for us to recognize the heroic role and the heroic struggle for world peace that Israel is in the forefront of, and it is very important for us to recognize their struggle and to give them the support as our strongest allies in the region of the Middle East.

It is a great honor on my part to be able to stand and give support to this resolution to a great nation that is fighting an extraordinary cause under extraordinary circumstances.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield an additional minute to the gentleman from California (Mr. LANTOS) from our time.

Mr. LANTOS. Mr. Speaker, I want to thank the gentlewoman from Florida (Ms. ROS-LEHTINEN) for yielding me this time.

Mr. Speaker, this is a historic resolution. It recognizes the security needs of the State of Israel. It holds out the hope for peaceful negotiations once a negotiating partner is found on the Palestinian side, and it underscores bipartisan American support for peace, tranquility, progress, and security in the region.

I am delighted that we are endorsing both the President's position and Senator KERRY's position, which on this issue are identical. I urge all of my colleagues to support this resolution.

Mr. Speaker, I reserve the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to close with the remainder of the time that I have.

Mr. Speaker, in closing I would like to congratulate the gentleman from California (Mr. LANTOS) for always being a leader on the human rights front and always being a strong supporter of peace in the Middle East, and I would like to highlight some of the more critical principles that are outlined in the resolution that is before us.

I want to read just four of the "whereas" clauses. It says, "Whereas in the April 14, 2004, letter the President stated that in light of new realities on the ground in Israel, including already existing major Israeli population centers, it is unrealistic to expect that the outcome of final status negotiations between Israel and the Palestinians will be a full and complete return to the armistice lines of 1949, but realistic to expect that any final status agreement will only be achieved on the basis of mutually agreed changes that reflect these realities."

Furthermore, it says, "Whereas, the President acknowledged that any agreed, just, fair and realistic framework for a solution to the Palestinian refugee issue as part of any final status agreement will need to be found through the establishment of a permanent alternative and the settling of Palestinian refugees there rather than in Israel."

And, "Whereas, the principles expressed in President Bush's letter will enhance the security of Israel and advance the cause of peace in the Middle East."

Whereas, there will be no security for Israelis or Palestinians until Israel and the Palestinians, and all countries in the region and throughout the world, join together to fight terrorism and dismantle terrorist organizations."

And, "Whereas, the United States remains committed to the security of Israel, including secure, recognized and defensible borders, and to preserving and strengthening the capability of Israel to deter enemies and defend itself against any threat."

And I think that on that wording, we can all come to agreement, because this resolution is in keeping with our national and international antiterrorism goals, our hopes for a lasting and profound peace and for a region of freedom-loving nations based on the rule of law, respect for human rights, and fundamental freedoms; and it shows a unity of purpose.

It sends a message to the world that the policies relating to Israel's security and existence as a Jewish state, relating to peace for Israel and the Palestinians and relating to combating terrorism are not just the President's policies or the position of the U.S. Congress but of the United States Government as a whole.

The path outlined in this resolution is clear. And what awaits us at the end of the road? Peace and stability. So let us join together and vote overwhelmingly for this measure.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

If I might be permitted, I would like to express our appreciation to the gentleman from Illinois (Chairman HYDE) for his extraordinary work in bringing this resolution before the body.

Mr. UDALL of Colorado. Mr. Speaker, I rise in support of this resolution, and I would like to elaborate upon the issues that are involved in securing Israel and peace in the Middle East.

I support the statements in the resolution declaring that the United States is strongly committed to the security of Israel and its well-being as a Jewish state and that there will be no security for Israelis or Palestinians until Israel and the Palestinians, and all countries in the region and throughout the world, join together to fight terrorism and dismantle terrorist organizations. I think it is vitally important that the resolution reemphasizes the U.S. commitment to the security of Israel, including secure, recognized, and defensible borders, and to preserving and strengthening the capability of Israel to deter enemies and defend itself against any threat.

However, I am concerned about the perception that the President's letter prejudges the final outcome of negotiations on issues like borders and refugees. It's important to recognize that Prime Minister Sharon's plan cannot be seen as a substitute for negotiations, that it is a first step, not the last. The plan can provide a window of opportunity, a short-term opening that might enable the two parties to return to the negotiating table. Only there, through mutual agreement, can Israel and the Palestinians resolve some of the most sensitive issues—and only then can there be real peace and security for Israel, which is so vital for Israel, the region and for the United States.

Ms. KILPATRICK. Mr. Speaker, today the House considered House Concurrent Resolution 460 regarding efforts to promote peace and security regarding the Israeli-Palestinian conflict. I gave thorough consideration to the resolution language and felt compelled to cast a nay vote.

I voted against the resolution because in my congressional district I have one of the largest Arab and Islamic populations in the nation. My vote reflected my humanitarian instincts, and my refusal to support language that was not inclusive. Although I reject terrorism and inhumane treatment by any person or government, I contend that the resolution failed to address fundamental and grave implications regarding the dangerous and ongoing conflict in the region. The resolution addressed Prime Minister Sharon's efforts to promote peace and security, and his dialog with President Bush. A major failure of the resolution is that it did not address other themes I consider important, specifically, the pain and suffering occurring in the region.

Although the resolution addressed the Israeli-Palestinian conflict, it said nothing about the plight of Palestinian civilians. Additionally, while Arab States are called upon to be part of the fight against terrorism, the resolution language did not acknowledge the difficulties confronting Palestinians. While I recognize the efforts of Israel to make concessions regarding thorny issues associated with land settlements, I believe much more needs to be done. Finally, the resolution failed to strike the humanitarian chord and sense of fairness that is essential if peace and security are to be realized in that region of the world.

Mr. KIND. Mr. Speaker, United States leadership in pursuit of peace in the Middle East is essential if we are to help bring about an equitable and fair peace accord between Israel and the Palestinians and end the bloodshed. The situation in the Middle East is a dominant issue on the minds of people in the region and throughout the world, and we cannot lose sight of the fact that stability in this region is tied directly to our own national security.

I applauded the United States leadership in crafting the "Roadmap" to Middle East peace coauthored by the European Union, Russia, and the United Nations. This promising commitment has suffered at the hands of continued bloodshed and disagreement. However, I believe we must push for follow-through on the principles embodied in the Roadmap as a building block for a viable Palestinian State and secure Israel.

Given the lack of progress in tandem by Israel and the Palestinian Authority, the region has suffered from the violence continuing to engulf the region. The need to break the deadlock is greatly apparent, and Prime Minister Sharon's proposal for Israel to unilaterally withdraw certain military installations and settlements from the Gaza Strip and West Bank is an opportunity for progress toward peace. Involvement by regional governments such as Egypt in pressuring reforms from the Palestinian Authority also hold promise that progress can be made. With continued involvement, we maintain the hope the next steps will be done through successful negotiation and compromise.

The resolution before us supports the concepts included in President Bush's letter to Prime Minister Sharon dated April 14, 2004, regarding recent actions taken by Israel and the United States commitment to the peace process. It includes a reaffirmation of America's commitment to Israel's security and reinforces that Israelis and Palestinians, and all states in the region and beyond, must work together to fight terrorism. It also highlights highly sensitive issues including future refugee resettlement and border lines based on negotiations, which have been part of peace talks started under President Clinton.

While I would prefer the language in this resolution to more closely focus on the international commitment to Middle East peace and the obligations of the parties involved, I believe the intention of the resolution is consistent with the Roadmap for Peace, and I will support it. We must stay engaged in this matter and constantly work toward peace and security for Israel and the Palestinian people.

Mr. PAUL. Mr. Speaker, I rise in opposition to this legislation. As I have argued so many times in the past when legislation like this is brought to the Floor of Congress, the resolution before us is in actuality an endorsement of our failed policy of foreign interventionism. It attempts to create an illusion of our success when the truth is rather different. It seeks not peace in the Middle East, but rather to justify our continued meddling in the affairs of Israel and the Palestinians. As recent history should make clear, our sustained involvement in that part of the world has cost the American taxpayer billions of dollars yet has delivered no results. On the contrary, despite our continued intervention and promises that the invasion of Iraq would solve the Israeli/Palestinian problem the conflict appears as intractable as ever.

Mr. Speaker, this resolution in several places asserts that the United States is "strongly committed" to the security of Israel. I find no provision in the Constitution that allows the United States Government to confiscate money from its own citizens and send it overseas for the defense of a foreign country. Further, this legislation promises that the United States "remains committed to . . . Israel, including secure, recognized, and defensible borders." So we are pledging to defend Israel's borders while we are not even able to control our own borders. Shouldn't we be concentrating on fulfilling our constitutional obligations in our own country first, before we go crusading around the world to protect foreign borders?

I do agree with one of the statements in this legislation, though it is hardly necessary for us to affirm that which is self-evident: ". . . Israel has the right to defend itself against terrorism, including the right to take actions against terrorist organizations that threaten the citizens of Israel." Yes, they do. But do the Israelis really need the U.S. Congress to tell them they are free to defend themselves?

I also must object to the one-sidedness of this legislation. Like so many that have come before it, this resolution takes sides in a conflict that has nothing to do with us. Among other things, it affirms Israel as a "Jewish state." Is it really our business to endorse a state church in a foreign country? What message does this send from the United States to Israeli citizens who are not Jewish?

Like my colleagues who have come to the floor to endorse this legislation, I would very much like to see peace in the Middle East—and elsewhere in this troubled world. But this is not the way to achieve that peace. As our Founders recognized, the best way for the United States to have peaceful relations with others is for Americans to trade freely with them. The best way to sow resentment and discontent among the other nations of the world is for the United States to become entangled in alliances with one power against another power, to meddle in the affairs of other nations. One-sided legislation such as this in reality just fuels the worst fears of the Muslim world about the intentions of the United States. Is this wise?

Mr. HYDE. Mr. Speaker, I rise in strong support of the pending resolution. The resolution gives us the opportunity to express our support for the President's statements about the Israeli government's plans to withdraw from its settlements from Gaza, and about other key matters related to the dispute between Israel and the Palestinians.

Our debate today also gives us an opportunity to look at the larger picture. It is critical that we continue to support President Bush's performance-based, goal-driven roadmap to a final and comprehensive settlement of the Israel-Palestinian conflict. Congress should join President Bush in pressing all parties to take necessary steps toward peace, as provided in the roadmap and in President Bush's statement of April 14, 2004.

According to the roadmap, during Phase I, the Palestinians should, among other things, reiterate their commitment to a two-state solution, immediately undertake a cessation of violence against Israelis and end official incitement, and reform their institutions. Israel should begin with affirming its commitment to a two-state solution, ending official incitement, and resuming security cooperation with the Palestinians; it should also freeze settlement activity, immediately dismantle unauthorized settlement outposts erected since March 2001, and improve the humanitarian situation by lifting curfews and easing restrictions on the movement of persons and goods.

Despite the great political risks involved, it is essential not only for the United States, but also for other governments in the region, to demonstrate their leadership by assisting the Palestinians and Israelis in fulfilling their responsibilities. Such actions will create an environment conducive to real achievements on the ground, allowing for a true peace to take root. I commend the leadership Egypt and Jordan have shown in this area, and welcome their continued efforts, which are alluded to in the Resolution under consideration.

As the House affirmed when it passed H.R. 1950,

> The United States has a vital national security interest in a Middle East in which two states, Israel and Palestine, will live side by side in peace and security, based on the terms of United Nations Security Council Resolutions 242 and 338. A stable and peaceful Palestinian state is necessary to achieve the security that Israel longs for. The Palestinian leadership and Israel should take concrete steps to support the emergence of a viable, credible Palestinian state.

I express full support for President Bush when he said the following on April 14, 2004:

> I welcome the disengagement plan prepared by the Government of Israel, under which Israel would withdraw certain military installations and all settlements from Gaza, and withdraw certain military installations and settlements in the West Bank. These steps will mark real progress toward realizing the vision I set forth in June of 2002 of two states living side by side in peace and security, and make a real contribution toward peace.

Even as we support Israel in the ways discussed in the Resolution, we also need to keep in mind Israel's commitments to the President and the American people that were part of the April 15 package.

I will vote for this resolution for the reasons I have stated. It should not need to be said, but our support for Israel, or the Palestinians, does not imply support for actions that violate human rights standards or the expectations established by the roadmap. Our credibility requires that we do not undermine our most important policies in any of our actions or statements.

Mr. WAXMAN. Mr. Speaker, I rise in strong support of H. Con. Res. 460 and Prime Minister Ariel Sharon's proposed disengagement plan to remove settlements and certain military outposts from Gaza and areas of the West Bank.

This initiative gives hope for the future of the peace process and the effort to end the suffering of the Israeli and Palestinian people.

Since putting forth a bold peace initiative at Camp David in 2000, the Israeli side has endured years of terrorist attacks that have taken the lives of nearly 1,000 civilians. Israeli troops are now reengaged in Palestinian areas they once hoped they had left for good.

Among Palestinians there is also despair. Instead of taking the measures to pursue statehood and independence, the Palestinian leadership has recruited their children for suicide attacks, and weakened their economy with corruption and the siphoning of funds for terrorist activities.

The disengagement plan presents a much needed opportunity to reduce tensions, make Israel more secure, and give the Palestinian people an opportunity for self-governance. The proposal will also set the stage for future negotiations by putting pressure on the Palestinian leadership to undertake the internal economic and political reforms necessary to improve quality of life and build the institutions for statehood.

I believe it is equally important that in endorsing the Sharon initiative on April 14, the President also underscored two fundamental realities to be taken into consideration once final status negotiations ultimately resume. First, that the open-ended Palestinian claim to a right of return for refugees is demographically untenable for Israel's future as a Jewish state. And second that existing demographics need to be taken into account in future negotiations to provide Israel with secure, recognized, and defensible borders and provide the territory for a Palestinian state.

Some say a clear U.S. position on these issues prejudges the outcome of the negotiations, but these realities are the very same principles that guided the peace effort initiated by President Clinton at Camp David. Those negotiations failed not because of the U.S. position, but because Yasser Arafat responded to Israel's offer with terrorism and violence instead of full-faith negotiations.

The Israeli and Palestinian people deserve a better future. I urge my colleagues to support his resolution and the commitment of the United States to remain engaged and stand prepared to broker a final status agreement when a credible and willing Palestinian leadership prepared to embrace peace emerges.

Mr. MATSUI. Mr. Speaker, this resolution affirms Congress's bipartisan support for the principles outlined by President Bush and Prime Minister Sharon regarding Israel's proposed disengagement plan. Congressional support for the disengagement from Gaza and removal of settlements is a positive step toward reducing tensions with the Palestinians and could help revitalize the stalled Mideast peace process.

Our nation's support for Israel is of the utmost importance and could not be clearer. We stand firmly in support of Israel in the fight against terrorism. We must acknowledge the strategic importance of Israel as the only democracy in the region and, above all, Israel's absolute right of self-defense. We will continue to offer our steadfast support as Israel faces the ongoing threat of terrorism.

In 2000, then Israeli Prime Minister Barak and Palestinian Authority Chairman Arafat were close to forging an accord on final status issues, but Arafat walked away. There is no doubt that Arafat is not capable of negotiating a peace agreement. At this time, Israel lacks a viable Palestinian partner to negotiate a peace agreement, yet the people of Israel continue to face the daily threat of suicide bombers. This status quo is unacceptable. The framework laid out by Prime Minister Sharon and President Bush provides a sound basis for Israelis to live their lives with a decreased threat of terror until a viable Palestinian partner emerges.

This resolution goes a long way toward acknowledging the realities on the ground today and the impact they will have on final status negotiations. It recognizes that the Palestinian claim to a right of return beyond the borders of a future Palestinian state is demographically untenable for Israel's future as a Jewish state. As such, negotiations must ensure that Israel can live as an independent state within secure, recognized and defensible borders that reflect this reality. At the same time, we recognize the importance and support the establishment of a separate Palestinian state that can live in peace with its neighbor, Israel.

Recently, Israel has been waging a significant campaign to eliminate the terrorist threat, resulting in a three-month period of calm despite terrorist groups' intent to continue violent attacks on Israelis. This period of calm combined with the steps taken in Sharon's disengagement plan could provide an opportunity to reassess of the status of peace negotiations and get the discussions back on track.

It is our hope that the Israeli and Palestinian people ultimately live as independent nations in peace and security. I sincerely hope these new efforts will revitalize the stalled Mideast peace process and bring all parties back to the negotiating table. Until those negotiations restart, the agreement reached by the President and Prime Minister Sharon will promote Israel's continuing efforts to defend itself from terrorism, and Congress fully supports this agreement.

Mr. STARK. Mr. Speaker, I rise in reluctant opposition to this resolution. Like my colleagues, I support a strong and stable State of Israel. Like my colleagues, I support the peace process and fervently hope that peace will someday come to this troubled land. This resolution, however; does not advance that process in any helpful or meaningful way.

This resolution does not call on both Israelis and Palestinians to work together to find a peaceful solution to this conflict. In order to reach peace, all parties in the process must work together. This resolution does not make that clear.

I am disappointed that the House Leadership brought this resolution to the floor instead of House Resolution 479, of which I am a cosponsor. House Resolution 479 applauds Israelis and Palestinians who are working together to conceive pragmatic, serious plans for achieving peace and encourages both Israeli and Palestinian leaders to capitalize on the opportunity offered by these peace initiatives. I'm enclosing, for the record, a copy of that resolution.

Ultimately, Middle East peace can only be achieved with all parties working together to find a solution. To play a constructive role, the United States must be perceived by all parties as an honest, objective broker. This resolution frustrates that goal.

H. Res. 479

Whereas ending the violence and terror that have devastated Israel, the West Bank, and Gaza since September 2000 is in the vital interests of the United States, Israel, and the Palestinians;

Whereas ongoing Israeli-Palestinian conflict strengthens extremists and opponents of peace throughout the region, including those who seek to undermine efforts by the United States to stabilize Iraq and those who want to see conflict spread to other nations in the region;

Whereas more than 3 years of violence, terror, and escalating military engagement have demonstrated that military means alone will not solve the Israeli-Palestinian conflict;

Whereas despite mutual mistrust, anger, and pain, courageous and credible Israelis and Palestinians have come together in a private capacity to develop serious model peace initiatives, like the People's Voice Initiative, One Voice, and the Geneva Accord;

Whereas those initiatives, and other similar private efforts, are founded on the determination of Israelis and Palestinians to put an end to decades of confrontation and conflict and to live in peaceful coexistence, mutual dignity, and security, based on a just, lasting, and comprehensive peace and achieving historic reconciliation;

Whereas those initiatives demonstrate that both Israelis and Palestinians have a partner for peace, that both peoples want to end the current vicious stalemate, and that both peoples are prepared to make necessary compromises in order to achieve peace;

Whereas each of the private initiatives addresses the fundamental requirements of both peoples, including preservation of the Jewish, democratic nature of Israel with secure and defensible borders and the creation of a viable Palestinian state; and

Whereas such peace initiatives demonstrate that there are solutions to the conflict and present precious opportunities to end the violence and restart fruitful peace negotiations: Now, therefore, be it

Resolved, That the House of Representatives—

(1) applauds the courage and vision of Israelis and Palestinians who are working together to conceive pragmatic, serious plans for achieving peace;

(2) calls on Israeli and Palestinian leaders to capitalize on the opportunity offered by these peace initiatives; and

(3) urges the President of the United States to encourage and embrace all serious efforts to move away from violent military stalemate toward achieving Israeli-Palestinian peace.

Mr. KUCINICH. Mr. Speaker, there is much in H. Con. Res. 460 that I do support. I support the finding that "there will be no security for Israelis or Palestinians until Israel and the Palestinians, and all countries in the region and throughout the world, join together to fight terrorism and dismantle terrorist organizations." I support the finding that "the United States remains committed to the security of Israel, including secure, recognized and defensible borders, and to preserving and strengthening the capability of Israel to deter enemies and defend itself against any threat." And I support the right of Israel to defend itself against terrorism.

But what I do not support, and what I think is inappropriate for Congress to do, is to predetermine the outcome of certain questions that the Israelis and Palestinians must themselves decide. It is not the place of the U.S. Congress, if we wish to preserve the U.S. as an honest broker of a negotiated peace, to circumscribe the rights of Palestinian refugees. It is not the place of the U.S. Congress to condone, as "new realities on the ground in Israel," unlawful settlements of Israelis in the Occupied Territories.

Congress did not have to make inappropriate judgments such as these to offer support for the security of Israel. I believe that H. Con. Res. 460 is more of a disservice than an aid to the peaceful resolution of the conflict, and for that reason, I must vote against it.

Mr. FRANKS of Arizona. Mr. Speaker, I will vote "Yes" on H. Con. Res. 460 because I strongly support Israel and desire to promote her security. However, I would like to express my hesitation and concern with certain aspects of the policy that the Resolution seems to affirm. I believe that it would be prudent to obtain some answers before we completely commit to affirming the plan to resettle Israelis currently living in Gaza. It is important to know what the United States' commitment will be in supporting Prime Minister Sharon's initiative, including any undertaking regarding funding, humanitarian aid or other assistance, or military personnel to police the area.

One of the major questions I have, Mr. Speaker, is whether supporting the Gaza pullout and a future Palestinian state is the proper diplomatic message we wish to send to those who would terrorize Israel, her people, and all of those who desire freedom and peace. I believe we must think proactively rather than reactively. We must ask ourselves, "how will supporting this plan affect our continued war against terrorism and what will be the eventual impact on Israel?" We must always be ready to re-evaluate our policies for the future in light of current circumstances and reflection on history.

Mr. Speaker, in resolving to support continuing efforts to build the capacity and will of Palestinian institutions to fight terrorism, I further urge caution and great care to be taken in distinguishing between those who have proved themselves willing to work for peace and those who have continued in their battle against it.

Mr. BLUNT. Mr. Speaker, the House of Representatives is committed to Israel's defense as a sovereign, independent, Jewish state. Its democratically-elected leaders face enormous challenges defending Israeli citizens in the face of a terrorist threat.

In this resolution, the House applauds the efforts of Israel's Prime Minister, Ariel Sharon, to further the peace process through a plan to withdraw from the Gaza Strip and to consider current realities in future negotiations on Israel's borders and the status of Palestinian refugees. It also credits the President of the United States with having the courage to support the Israeli government in this effort.

Mr. Speaker, the President was absolutely right when he stated, on April 14th in a letter to Prime Minister Sharon, that "it is unrealistic to expect that the outcome of final status negotiations between Israel and the Palestinians will be a full and complete return to the armistice lines of 1949." He was also correct in acknowledging that a final status agreement for Palestinian refugees will almost certainly not include their resettlement in the State of Israel.

None of this precludes the establishment of a Palestinian state. The President stated two years ago his vision of two states living side by side and remains committed to the Road Map as the only widely accepted path to peace in the region. But, Mr. Speaker, as this resolution accurately states, terrorist elements within Palestinian society must be defeated and the rule of law must prevail in any newly created Palestinian entity. And, perhaps as importantly, Arab states must state clearly that they will live in peace with Israel and support the emergence of a peaceful and democratic Palestine.

An end to the Israel-Palestinian conflict presents huge challenges and requires difficult decisions. Past leaders have opted for overly-simplified solutions that, I would argue, have made the problem worse. I strongly support the President's efforts to facilitate peace in the region, and to give his backing to Israel's democratically-elected leaders as they work to protect the citizens of Israel from terrorism.

Mr. BLUMENAUER. Mr. Speaker, I strongly support an end to terror and violence in the Middle East, so I voted for resolution supporting peace between the Israelis and Palestinians, and American engagement.

At the same time, this resolution does not tell the whole story. It rightfully holds the Palestinians to their commitments, but says nothing about the commitments made by Israel to freeze all settlement growth and remove illegal outposts in the West Bank. It rightfully supports the withdrawal of Israeli settlements and military installations from the Gaza Strip, but says nothing about the need for a return to negotiations.

The ultimate resolution of the Israeli-Palestinian conflict, the preservation of Israel as a Jewish and democratic state, and security for Israel can only come through a negotiated solution, the outline of which has been known for years. President Bush has diminished America's leadership role, despite backtracking only a week later in discussions with King Abdullah of Jordan.

American leadership is needed now more than ever to re-engage with regional allies and the Palestinian Authority to make the Israeli withdrawal from Gaza a success and to ensure that leaving Gaza is the first step towards peace. Helping Israel and the Palestinians to live up to their previous commitments and renewing negotiations can bring security to Israel, independence to the Palestinians, and peace to the region. An expression of support for Israel would be more effective if it dealt with the entire picture.

Mr. ISSA. Mr. Speaker, I rise today to join my colleagues in expressing support for the vision for peace that President George Bush outlined in his letter to Israeli Prime Minister Ariel Sharon on April 14, 2004. Today we are considering a resolution that affirms many of the principles laid out in the President's letter. These principles include recognition that the United States remains committed to the peace and security of the Israeli people. We believe that peace cannot be achieved until all states in the region, and the Palestinians themselves, join in the fight against terrorism. And we believe that Israel has a right to defend itself against terrorism.

But this resolution falls short of fully expressing the President's vision as it was articulated in his letter. Along with assurances to Israel, the President's letter also acknowledges that peace is not possible without a Palestinian state. As the President himself said, this state must be "viable; contiguous, sovereign, and independent, so that the Palestinian people can build their own future." President Bush, as President Clinton did before him, understands that a lasting peace cannot be achieved if the Palestinians are consigned to live in cantons and denied basic rights as citizens of a nation state.

This resolution makes only a passing reference to a Palestinian state, thereby missing a critical aspect of the formula for peace. Without the hope of a Palestinian state or the promise of democratic opportunity for the Palestinian people to live in their own country, lasting peace cannot be achieved. The true hope for peace lies in a Palestinian right to self-determination.

President Bush wisely recognized that, in order to prevent the Palestinian "Right of Return" to the Israeli state, Palestinian refugees must be able to return to their own homeland. Without their own state, millions of Palestinian refugees around the world will remain stateless people. As long as this is the case, peace will remain elusive.

Mr. Speaker, I appreciate this opportunity to recognize the progress that President Bush has made toward a just and lasting peace.

Mr. MICHAUD. Mr. Speaker, I rise today in support of H. Con. Res. 460 and the principles it supports.

The conflict between Israel and the Palestinian people has been a long and terrible blight in our shared human history. The harm this conflict has caused spreads far beyond the borders of Israel and it is incumbent upon all who support freedom and peace to resolve this situation.

I am strongly committed to the security and well-being of a Jewish state, and like President Bush, I do not believe lasting security and peace will come to the region until a two-state solution is achieved and the Palestinian people and surrounding nations actively pursue an end to terrorist organizations. Sadly, currently Israel has no partner for peace within the Palestinian leadership. As a result, both Israel and the Palestinian people are left to suffer.

Israel has a right to defend itself and its people from violence and the threat of terrorism. To further the security of Israel, Prime Minister Sharon will initiate a plan to withdraw all Israeli villages and military personnel from the Gaza Strip as well as other villages and military personnel from the West Bank and extend a temporary security fence. Like the resolution we now consider, I fully support "efforts to continue working with others in the international community to build the capacity and will of the Palestinian institutions to fight terrorism, dismantle terrorist organizations, and prevent the areas from which Israel has withdrawn from posing a threat to the security of Israel."

Like so many on both sides of this conflict and throughout the international community, I remain hopeful that peace can and will be achieved. My district is home to Seeds of Peace, which brings young Israelis and Palestinians together. I believe this is an extremely important program, and I believe we must continue to support and encourage both diplomatic and personal dialogue between Israel and Palestinians.

Mr. Speaker, again I would like to voice my support for H. Con. Res. 460, for lasting security for the state of Israel and for peace in the Middle East.

Mr. FROST. Mr. Speaker, I would like to express my support for the DeLay-Hoyer Israel resolution and urge Congress to strongly endorse the Sharon disengagement plan. Sharon is pursuing this plan even in the face of opposition from his own party.

This disengagement plan proves once again that Israel is willing to make difficult sacrifices in order to pursue a peace agreement. Dismantling settlements has always been discussed in the context of negotiations with the Palestinians, but offered only in exchange for an end to terrorism. Unfortunately, with Arafat still in power, the continued terrorism against Israeli civilians, and the political process on hold indefinitely, Israel is willing to take action for peace on its own.

The United States is engaged in a war on terrorism to defend our nation from the relentless men and women who hate our way of life and seek our destruction. We are taking whatever steps are necessary to protect our citizens. I sincerely hope that a viable two state solution can soon be reached, but in the meantime we must allow Israel, our friend, our ally, and a strong democracy that shares our values to do the same.

Israel has enjoyed steadfast bipartisan support from Congress for years. This resolution by Mr. DELAY and Mr. HOYER will send a strong message to Israel that despite our partisan disputes on many foreign and domestic issues, the Democrats and Republicans in this Congress stand with Israel.

Mr. PRICE of North Carolina. Mr. Speaker, I intend to vote for H. Con. Res. 460, a resolution regarding Israel's security and the principles of Middle East peace. I welcome this opportunity to explain my reasoning to my colleagues.

The resolution, which was formulated with more than the usual bipartisan consultation, affirms the goal of Israeli and Palestinian states "living side by side in peace and security." It acknowledges, as President Clinton did in the plan he offered at Taba, that the adjustment of boundaries must take into account the existence of Israeli population centers. But it makes clear that final boundaries would be subject to Israeli-Palestinian negotiation. Presumably this would leave open the consideration of land swaps and the contiguity of Palestinian territory, as did the Taba proposal.

The resolution has some curious and unfortunate omissions. There is no specific reference to settlement evacuation, the focus of the plan by Prime Minister Sharon, for which the United States is offering support. There is no mention of the Road Map, our country's primary current diplomatic initiative, very much in need of invigoration. In a more positive omission, the resolution declines to endorse Israeli construction of a "security" fence.

On balance, the resolution offers a timely endorsement of the proposed evacuation of all settlements in Gaza and some settlements in the West Bank. This proposal is under attack from the right wing of the Prime Minister's own party. It could be a first step toward returning to the path of negotiations envisioned in the Roadmap, and for that reason I intend to vote "yes."

Ms. WOOLSEY. Mr. Speaker, today this House passed a resolution expressing support for Israel's right to exist as a Jewish state, expressing support for a two-state solution to the Israeli-Palestinian conflict, and insisting that the Palestinians and all Arab states create and utilize the capacity to dismantle terrorist organizations and fight terrorism. These are all things we should and must support.

But once again, this House has missed an opportunity to express support not only for Israel's withdrawal from settlements in the Palestinian territories, but also support for the rebuilding of infrastructure in a future democratic Palestine.

This conflict isn't about who has the stronger military, and it's not about lines in the sand. It's about people's lives, and it's about the notion that we humans are better than all the death and destruction that's become so commonplace. There are channels in place to achieve peace; we must utilize them. I oppose unilateral action in peace just as I oppose unilateral action during war. Unilateralism may work in the short term, but it is unsustainable in the long term. That's why the U.S., the world's largest democracy, must provide leadership to both the Israelis and the Palestinians to take steps towards peace.

In 2002, President Bush established what he called the "Road Map" to Peace in the Middle East. This Road Map established bilateral, incremental steps that Israel and the Palestinians must take to attain peace. The Quartet—composed of the U.N., the U.S., the EU, and Russia—was intended to be the group overseeing this process. But the Bush Administration has chosen rhetoric over action, letters over deeds, meetings over negotiations. President Bush's letter to Ariel Sharon—the principles of which this resolution endorses—is not suitable compensation for neglecting to sit down with leaders on both sides to work out a peaceful resolution of this long-standing crisis.

This House must stop passing strongly-worded resolutions on behalf of a President who is unwilling to fully support those statements through diplomatic means in the Middle East. To achieve a real and lasting peace, we must instead engage in balanced efforts to reestablish trust, respect and cooperation between Israelis and Palestinians.

Mr. DINGELL. Mr. Speaker, I rise today with regret and oppose the resolution on the floor.

My opposition to this resolution does not stem from favoring one side over another, but rather because I favor peace above all else; and like previous resolutions passed by this institution will not help to bring about peace, security, and prosperity to the suffering on both sides of this conflict.

This resolution, like past resolutions, allows this Congress to emote, nothing more. It allows members—who take little real notice of the dreadful situation facing Israelis and Palestinians—to feel good about "doing something."

But in reality, what we are voting on makes no commitment about peace. It makes no effort to find common ground. It doesn't really hold terrorists accountable for the maelstrom of destruction and tragedy they have caused. It doesn't remove any illegal settlements. It doesn't invigorate legitimate Palestinian democracy. And most of all, it doesn't force our aggravatingly lethargic and timid peace initiatives to the importance it deserves.

The withdrawal of Israeli troops and settlements from the Gaza is a good step. No one can possibly deny it. But imposing a solution on the Palestinians will land their problems not just on the doorstep of Israel, but on the doorstep of the United States as well.

This withdrawal demands that it be followed by strong American action. I am afraid that this Congress and the current administration are unprepared to deal with a post-withdrawal Palestinian entity.

I am pleased that the resolution makes clear that this body supports a two state solution. I am also pleased that it encourages a continuation of dialogue between the parties.

The commitments of finding peace do not begin and end with one side. All sides, from the parties on the ground, to those orchestrating the negotiations have responsibilities that go far beyond what is on the floor today.

I am voting against this resolution not because of what it contains—although I do find some of the word choices problematic—I am voting against it because what it does not contain. That is, simply, a way to find peace in the bleakness following the collapse of Oslo.

Mr. ACKERMAN. Mr. Speaker, I rise in strong support of H. Con. Res. 460, and I thank the leadership on both sides of the aisle for their efforts in bringing this important statement of Congressional support for Israel to the floor. Few causes unite our political system as much as support for our beleaguered ally, our fellow democracy, the State of Israel, which long before September 11th was fighting daily against radical Islamist terrorism.

American support for Israel has been a key element of our foreign policy ever since President Harry Truman defied his advisors and chose to make the United States the first nation to recognize the new Jewish state in Palestine. That historic decision put the United States firmly in the camp of those who support the return of the Jewish people to Zion, with full sovereignty over their affairs, and perfect legitimacy in their right to live as a free and independent people in their own homeland.

In the sixties and seventies, when the rest of the world turned its back on Israel, during those years when the Arab states swore to destroy Israel and drive the Jews into the sea, it was the United States that sold Israel the arms it needed to defend itself. During the eighties and nineties, as the threat of armed conflict began to fade with the supply of U.S. military equipment to the Israel Defense Forces, and diplomacy began to displace the threat of war, it was the United States that led the world toward a peaceful resolution of the Arab-Israeli conflict. And so it is today.

Though many are now willing to grudgingly accept Israel's right to exist, they continue to resist its right to define its own identity as a democratic Jewish state. In this resolution we make perfectly clear our ironclad support for this principle.

Though many are now willing to grudgingly acknowledge that Israelis have the right to live in peace, they continue to shrink from recognizing Israel's right to self-defense. In this resolution we make perfectly clear our strong support for that right, particularly in Israel's decision to take the fight against terrorism directly to those responsible for the violence.

Though many are now willing to concede that Prime Minister Sharon's plan for disengagement from Gaza is an important step forward, they continue to resist accepting this step as a demonstration of Israel's genuine willingness to make sacrifices for peace. In this resolution we make perfectly clear our appreciation for the real courage and powerful leadership this step represents.

Guileful advocates complain about Palestinian refugee rights and speak innocently of their so-called "right of return." We know this is no more than a call for Israel's elimination by demographic means. Shrewd propagandists blandly describe the Palestinian campaign of terror, of bus-bombings and mass-murder in pizzerias and discos as an "uprising" and even have the nerve to complain of its cost to Palestinian civilians. We know the terrorists come from among the Palestinian people and it is incumbent on the Palestinian people to stop them without reward. Naive diplomats urge Israel to once again shake hands with terrorist thugs whose promises are worthless and whose intentions are only of Israel's ultimate demise. We know that political reform in the Palestinian Authority is an absolute prerequisite to achieving peace. Outrage and bile are spent in unlimited quantities over Israeli settlements, as if building a house and bombing a bus were somehow equivalent or even related. We know that Israel has already offered to make concessions for peace and that secure and recognized borders are essential for any final status agreement to hold. And we know too that ultimately, all the contentious issues between Israelis and Palestinians, over security, borders, refugees, water, Jerusalem and many others, will have to be decided not on a battlefield, but at a bargaining table; not by suicide bombers but by negotiators.

Mr. Speaker, Israel is engaged, as it has been since its first days as a sovereign state, in a fight for its life. Israel's enemies can fulminate and dispense their vitriol. We know, and we make clear today in this resolution that a safe, secure Israel is the fundamental requirement on which Arab-Israeli peace can, one day we hope, be made. I again thank the leaders of the House for bringing this important resolution to the floor and I urge all Members to join me in voting in support of it.

Mrs. MCCARTHY of New York. Mr. Speaker, I rise today on behalf of the people of the 4th Congressional District to express my support of the Hoyer-DeLay Israel Resolution, which intends to seek a peaceful resolution to the Israeli-Palestinian conflict.

I have always been a strong supporter of Israel and I believe the people of Israel have a fundamental right to defend themselves against terrorism and those trying to destroy the freedoms and rights of Israel. As a member of the U.S.-Israel Security Caucus, I believe the United States must assist Israel in its fight against terrorism because it is the only democracy in the Middle East and has proven to be a reliable ally.

The Hoyer-DeLay Israel Resolution begins the process of disengaging from the Gaza Strip and parts of the West Bank and is a positive step towards peace. I commend Prime Minister Ariel Sharon's plan to begin this process regardless of the absence of a viable Palestinian peace partner with whom to negotiate. The process will only be successful if backed by a democratic ally, the United States. I recognize this resolution as an important initiative that will hopefully reduce tensions with the Palestinians, perhaps revitalizing the seemingly stalled peace process.

The Hoyer-DeLay agreement enunciates a number of principles, which must be appropriately addressed before a lasting peace settlement can be reached. The resolution recognizes the need for Israel to have defensible borders reflecting demographic realities. It also appropriately recognizes the need for Palestinian refuges to understand they will not be returning to Israel and the need for Palestinians to end their campaign of terror. These intentions leave me hopeful in finding a way forward toward a resolution of the dispute.

I have voiced my concerns on numerous occasions that the United States must not dictate Israeli policy, but must encourage Israel to do what it believes is right to protect its people and prevent more Israeli deaths. I am pleased that the work of my colleagues and I is ensuring a steadfast commitment to Israel's security, which includes intentions of securing defensible borders and preserving and strengthening Israel's capacity to defend itself against any threat or possible combination of threats.

Israel and Palestine living side by side in peace and extended security is only a vision that can be fully achieved if terrorism is fully defeated. I have always been a strong supporter of Israel and will continue to support efforts of this government to fight for the security of Israel and the best interest of its people.

Mr. MARKEY. Mr. Speaker, I rise in support of House Concurrent Resolution 460, which endorses President Bush's April 14, 2004 letter embracing the disengagement plan proposed by Israeli Prime Minister Ariel Sharon to unilaterally withdraw from Gaza and parts of the West Bank.

Critics have expressed concern that President Bush's letter prejudges the final outcome of negotiations on sensitive issues like borders and refugees. However, the President and Secretary of State have indicated that it does not undermine the fundamental requirement that all issues be mutually agreed upon in final status negotiations.

The problem right now is that Israel has no reliable Palestinian partner capable of negotiating a final status agreement. Israel's disengagement plan responds to the void left by the failure of the current Palestinian leadership to lead. I would also suggest that the Israeli disengagement initiative is in the interests of Israelis and Palestinians alike. It will help Palestinians to take concrete moves to establish a democratic state, and it will help preserve both the Jewish and democratic character of Israel over the long term while contributing to its security.

It is also important to remember that policy articulated in the President's letter is consistent with the peace negotiations initiated by

President Clinton at Camp David. Those negotiations took into account the fact that the Palestinian claim to an open-ended right of return would be demographically untenable for Israel's future as a Jewish state. The Clinton negotiations also operated on the premise that the final settlement negotiated in accordance with UN Resolutions 242 and 338 would involve mutually agreed-upon adjustments to the 1949 armistice lines to provide Israel with secure, recognized, and defensible borders that reflect demographic realities and to provide the Palestinians with territory for their own state.

By passing this resolution today and expressing its support for the April 14 letter and the disengagement plan, I believe Congress can help show its support for an enduring and sustainable peace settlement in the Middle East.

Months of cooperation and shuttle diplomacy between Washington and Jerusalem led to a White House meeting on April 14th, 2004 and an historic agreement between President Bush and Prime Minister Sharon on some of the most important issues in the conflict. That agreement was included in a letter the President sent to Prime Minister Sharon, enunciating a number of principles that are specifically referenced in the resolution before this House today, among them: The need for Israel to have defensible borders that reflect demographic realities; the need for Palestinian refugees to understand that they will not be returning to Israel; the need for Palestinians to end their campaign of terror and for Israel to have the ability to defend itself against that terror.

H. Con. Res. 460 strongly endorses the principles articulated in the April 14th letter and sends a strong, bipartisan show of support for that agreement.

These principles are clearly framed as subject to future negotiations between the parties. They lay out basic parameters that reflect the reality of the Middle East today and, as such, could play a useful role in helping promote realistic peace negotiations.

The resolution also expresses support for "efforts to continue working with others in the international community to build the capacity and will of the Palestinian institutions to fight terrorism, dismantle terrorist organizations, and prevent the areas from which Israel has withdrawn from posing a threat to the security of Israel."

Such efforts are desperately needed, as it will not be possible to reach a comprehensive solution to the conflict in the Middle East until the Palestinians renounce the use of terror and return to the negotiating table. Today, for example, we know that Palestinian terrorists are continuing to smuggle guns and explosives from Egypt into Gaza. Recent press reports indicated that the terrorists are now using an elaborate network of tunnels to carry out such smuggling. For example, a May 16, 2004 article that appeared in the Jerusalem Post reported that:

> A short list of items smuggled via the tunnels to terrorists in the Gaza Strip includes Katyusha rockets, mortars, shoulder-mounted anti-aircraft missiles, antitank grenades, large amounts of explosives, ammunition, and rifles. The arms come from Egypt, Iraq, Sudan, and Libya. The underground smuggling is necessary because the navy has successfully blocked attempts by Palestinians to smuggle weapons into Gaza via the sea.
>
> The army frequently conducts operations along the Philadelphi Route and in the outskirts of Rafah in an attempt to uncover and destroy the tunnels. One of the painstaking tasks is similar to that in which the five soldiers died on Wednesday evening: boring holes meters under the ground, placing explosives to blow up tunnels.
>
> The IDF has uncovered and destroyed 11 tunnels this year—and close to 100 during the past three and a half years.

As Israel proceeds to withdraw from Gaza, the Bush Administration needs to put pressure on the Egyptian government to shut down these terrorist smuggling tunnels. Egypt is a substantial recipient of U.S. economic aid and an ally of the U.S., and it has a responsibility to ensure that its borders are not being used by terrorist organizations seeking to smuggle weapons into Gaza for use in terrorist attacks against Israel. The President and Secretary of State Colin Powell need to take forceful action now to convince Egypt to shut down all of these smuggling tunnels at once.

In closing, I believe that this resolution reflects the strong bipartisan support which exists in the Congress for Israel's security, and for the conclusion of a Middle East Peace agreement that is consistent with the protection of Israel's security and self determination for the Palestinian people, including a Palestinian state.

I urge adoption of the resolution.

Mr. LANTOS. Mr. Speaker, I have no further requests for time, and I yield back the balance of our time.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 460.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered..

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

HONORING 40TH ANNIVERSARY OF PASSAGE OF CIVIL RIGHTS ACT OF 1964

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 676) recognizing and honoring the 40th anniversary of congressional passage of the Civil Rights Act of 1964.

The Clerk read as follows:

H. RES. 676

Whereas 2004 marks the 40th anniversary of congressional passage of the Civil Rights Act of 1964 (Public Law 88-352);

Whereas the Civil Rights Act of 1964 was the result of decades of struggle and sacrifice of many Americans who fought for equality and justice;

Whereas generations of Americans of every background supported Federal legislation to eliminate discrimination against African Americans;

Whereas a civil rights movement developed to achieve the goal of equal rights for all Americans;

Whereas President John F. Kennedy on June 11, 1963, in a nationally televised address proposed that Congress pass a civil rights act to address the problem of invidious discrimination;

Whereas a broad coalition of civil rights, labor, and religious organizations, culminating in the 1963 march on Washington, created national support for civil rights legislation;

Whereas during consideration of the bill a historic prohibition against discrimination based on sex was added;

Whereas the Congress of the United States passed the Civil Rights Act of 1964, and President Lyndon Johnson signed the bill into law on July 2, 1964;

Whereas the Civil Rights Act of 1964, among other things, prohibited the use of Federal funds in a discriminatory fashion, barred unequal application of voter registration requirements, encouraged the desegregation of public schools and authorized the United States Attorney General to file suits to force desegregation, banned discrimination in hotels, motels, restaurants, theaters, and all other places of public accommodations engaged in interstate commerce, and established the Equal Employment Opportunity Commission;

Whereas title VII of the Act not only prohibited discrimination by employers on the basis of race, color, national origin, and religion but sex as well, thereby recognizing the national problem of sex discrimination in the workplace;

Whereas the Congress of the United States has amended the Civil Rights Act of 1964 from time to time, with major changes that strengthened the Act;

Whereas the 1972 amendments, among other things, gave the Equal Employment Opportunity Commission litigation authority, thereby giving the EEOC the right to sue nongovernment respondents, made State and local governments subject to title VII of the Act, made educational institutions subject to title VII of the Act, and made the Federal Government subject to title VII, thereby prohibiting Federal executive agencies from discriminating on the basis of race, color, sex, religion, and national origin;

Whereas the 1991 amendments to the Civil Rights Act overruled several Supreme Court decisions rendered in the late 1980s and allowed for the recovery of fees and costs in lawsuits where plaintiff prevailed, for jury trials, and for the recovery of compensatory and punitive damages in intentional employment discrimination cases, and also expanded title VII protections to include congressional and high level political appointees;

Whereas the Civil Rights Act of 1964 is the most comprehensive civil rights legislation in our Nation's history; and

Whereas we applaud all those whose support and efforts lead to passage of the Civil Rights Act of 1964: Now, therefore, be it

Resolved, That the House of Representatives—

(1) recognizes and honors the 40th anniversary of congressional passage of the Civil Rights Act of 1964; and

(2) encourages all Americans to recognize and celebrate the important historical milestone of the congressional passage of the Civil Rights Act of 1964.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Res. 676, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Res. 676, which recognizes the 40th anniversary of Congress' passage of the Civil Rights Act of 1964, and calls on all Americans to recognize and celebrate the historical milestone that it represents.

The Civil Rights Act of 1964 has been a cornerstone in the effort to end discrimination on the basis of race, color, national origin, religion, and sex. It has been used successfully by Federal prosecutors to desegregate hotels, motels, restaurants, theaters, and other places of public accommodation engaged in interstate commerce. Together with the Voting Rights Act of 1965 and the Fair Housing Act of 1968, and the Supreme Court's decision in Brown v. Board of Education, the Civil Rights Act of 1964 has done much to remedy the sad legacy of discrimination in America.

As I noted in my comments on the resolution commemorating the 50th anniversary of Brown on the House floor last month, the quest for civil rights has been, and must continue to be, a bipartisan effort. This was particularly true in the passage of the 1964 Civil Rights Act.

Recognizing that segregationists in the Democratic Party could forestall the passage of any civil rights legislation, the Kennedy administration actively sought to build a bipartisan consensus in favor of the bill from the moment of its introduction. In that spirit, Republican ranking member William M. McCulloch joined with Democratic chairman Emanuel Celler to guide the bill through the House Committee on the Judiciary. Their efforts ultimately led 138 Republicans to join 152, mostly Northern Democrats to overwhelmingly pass a compromise measure in the full House on February 10, 1964.

In the Senate, bipartisanship was even more important for passage of the act. Due to the rules of that body, a minority of Senators, mostly Southern Democrats, were able to prevent a vote on the act for 52 days. Against this backdrop, Republican Minority Leader Everett McKinley Dirksen succeeded in drafting an alternative clean bill with Majority Leader Mike Mansfield that kept most of the substantive provisions of the House bill, while tweaking it sufficiently to gain the support of a few swing Republican Senators. The Dirksen-Mansfield substitute worked. After an impassioned floor speech by Senator Dirksen, the Senate voted 71 to 29 to invoke cloture on June 10, 1964. After a few more days of procedural wrangling, 28 Republicans joined with 45 Democrats to pass the Civil Rights Act by a 73 to 27 margin.

When the Senate-passed measure returned to the House for final action, a bipartisan coalition succeeded in ensuring that the bill would go to the floor without an amendment. On July 2, 1964, the House passed the Civil Rights Act with yet another bipartisan vote of 289 to 126. The bill went to the White House where President Johnson signed it into law before a live television audience the same day.

The legislative history of the Civil Rights Act demonstrates what can happen when Republicans and Democrats work together. Neither side got everything it wanted, but they succeeded in passing landmark legislation that, while imperfect, did a great deal to remedy discrimination and promote equality of all Americans, regardless of color, creed, or sex.

Passage of the Civil Rights Act of 1964 was one of the highlights of the history of Congress, and I hope that all Members will join me in recognizing its importance.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the resolution which honors the 40th anniversary of the Civil Rights Act of 1964 and the many civil rights advances since its enactment.

I want to first commend our colleague, the gentlewoman from the District of Columbia, for introducing the resolution. I also want the record to reflect her long efforts to make real the promise of our civil rights laws as Chair of the Equal Employment Opportunity Commission, working with the New York Human Rights Commission as a legal scholar, and a distinguished Member of this House.

It is difficult to overstate the importance of the Civil Rights Act. It is a monumental achievement, reflecting the best values of this Nation: equality, fairness, and respect for the dignity of all people. No one should forget how difficult it was to get this legislation through, how hard the forces of bigotry fought its passage, how strong the resistance was, and still is, to its enforcement.

Reflecting on these past achievements should be an occasion, most of all, for us to learn from the past and to remember that our society has changed for the better. We can be more inclusive. We can fight Big Industry. We can continue our progress as a Nation toward the promise that all people are created equal and that our Nation will treat every person in that spirit.

The resolution notes that the struggle did not end with this watershed legislation. Rather, it marks an important milestone in the fight against discrimination.

☐ 1345

Today, as our Nation continues that fight, we should draw inspiration from this achievement to move forward and tackle the remaining threats to equality. This anniversary gives us the opportunity to reflect and remember that true progress is possible, even against tremendous odds. That experience proves that we have no right to resign ourselves to the remaining injustices because we know what is possible.

I urge my colleagues to support the resolution, and I commend the gentlewoman from Washington, DC, for introducing it.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Speaker, I yield 4 minutes to the gentlewoman from Washington, DC, (Ms. NORTON), the sponsor of the legislation.

Ms. NORTON. Mr. Speaker, I thank the gentleman from Virginia for yielding me this time, and I appreciate his work in managing this bill and bringing it forward on our side, and his own work for civil rights in his own State of Virginia. I want to thank the distinguished chairman, the gentleman from Wisconsin (Mr. SENSENBRENNER), for his support and cosponsorship of this important resolution. I also want to thank the ranking member, the gentleman from Michigan (Mr. CONYERS), for his work on the resolution as well as for his steadfast effort of four decades in establishing and preserving civil and human rights in the Congress and in our country.

Not surprisingly, but nevertheless with gratification, I note that this resolution is also cosponsored by all the members of the Congressional Black Caucus.

As a former chair of the Equal Employment Opportunity Commission, I was pleased to introduce this resolution and to work with the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Michigan (Mr. CONYERS) to perfect its wording.

The 1964, Civil Rights Act was enacted during the most fruitful period for civil rights legislation in our history since the Civil War. President

Kennedy called on Congress to pass a civil rights bill, and the great march on Washington of 1963 was perhaps the seminal event leading to passage. After much debate, on July 2, 1964, Congress passed the Act. President Lyndon Johnson, whose political skills and dedication to civil rights were vital to passage, signed the bill into law.

The 1964 Civil Rights Act is the most comprehensive civil rights legislation in the Nation's history. The Act, among other things, prohibits the use of Federal funds in a discriminatory fashion, bars unequal application of voter registration requirements, encouraged the desegregation of public schools, and authorized the United States Attorney General to file suits to compel desegregation. And very importantly in this period of many demonstrations, it banned discrimination in hotels, motels, restaurants, theaters, and all other places of public accommodation engaged in interstate commerce.

The Act contained a historic prohibition against discrimination based on sex. That was inserted at the very end, but has since changed the workplace and our country profoundly.

Perhaps the most important provision of this very important Act was the creation of the Equal Employment Opportunity Commission, which was established to administer the Nation's first Federal antidiscrimination employment law that had been a major goal of African Americans throughout the 20th Century.

Mr. Speaker, the 1964 Act is one of the great milestones of the United States Congress. We see the fruits of the Act virtually everywhere in our country. Forty years later, may the act inspire us to continue to do what is necessary to arm the EEOC and the Justice Department, and to arm ourselves to carry its work to completion.

Mr. SCOTT of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia (Mr. LEWIS), a stalwart in the Civil Rights movement.

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank my friend and colleague for yielding me this time.

Mr. Speaker, I rise today in support of House Resolution 676, recognizing the 40th anniversary of the congressional passage of the Civil Rights Act of 1964. I want to thank my good friend of many years, a colleague in the student nonviolent coordinating committee during the early 1960s, the gentlewoman from the District of Columbia (Ms. NORTON), for bringing forth this resolution.

In addition, Mr. Speaker, I want to thank her for all of her hard work for many years for civil rights and social justice, and for having the courage during and after law school at Yale University to come south and work in Mississippi during one of the most difficult periods in the history of our country and in the history of our struggle for civil rights. And for helping to organize the march on Washington 41 years ago, I thank her, thank her for keeping the faith, thank her for keeping her eyes on the prize.

Mr. Speaker, the Civil Rights Act of 1964 just did not happen. It just did not happen. It took many years, many months of struggle on the part of a disciplined and organized movement that created a climate, created an environment for action on the part of the President of the United States and the Members of the Congress.

One must understand that in the American south during the 1950s and 1960s, there were signs that said, "white men, colored men; white women, colored women; white waiting, colored waiting." Segregation and discrimination were the order of the day. As a child growing up in the American south, and as a participant in the civil rights movement, I saw those signs. There were separate water fountains in department stores, in public buildings. A sign in front of the fountain marked "white" and a spigot marked "colored" for people to get water to drink.

Black people could not go into a store, buy a pair of shoes. And sometimes they were not even allowed to try on those shoes. They would go into a store and they were not even allowed to try on a suit, and women were not allowed to try on a dress. They were welcome to go into a drugstore to get a prescription filled, but they were not allowed to sit down at the lunch counter and have a soda or something to eat. They had to take it out on the streets and stand up to drink or eat. There were separate waiting rooms in bus stations and train stations. People could not stay in the same hotel. People could not ride in the same taxi cabs.

When I look back on it, Mr. Speaker, the drama of the movement, the sit-ins, the freedom rides, the stand-ins at the theaters, the marches, all were the action of an ordinary people using the philosophy and the discipline of nonviolence. People had been beaten, people had been arrested and jailed, some had been shot and even killed. Medgar Evers was shot and killed in May of 1963 at his home in Jackson, Mississippi. Police Commissioner Bull Connor in Birmingham, Alabama, used fire hoses and dogs on nonviolent protestors. Four little girls were killed while attending Sunday school on Sunday morning September 15, 1963, when their church was bombed. Because of what happened in Birmingham, Alabama, and other parts of the American south, there was a sense of righteous indignation.

All across America, by the hundreds and thousands, people started demanding that the Federal Government act. People sent letters, telegrams, and petitions to Members of Congress and to the White House. And President Kennedy responded on June 11 in a nationally televised address to the Nation and he urged the Congress to pass a Civil Rights Act.

The Congress debated the proposed Act for many days, long nights, and it was finally passed on July 2, 1964. Forty years ago, President Lyndon Johnson signed into law that Act. I think it is fitting and appropriate, Mr. Speaker, for us to pause and celebrate the distance we have come and the progress we have made. Because of the actions of hundreds of our citizens, and because of the response of the United States Congress, President John F. Kennedy, and President Lyndon Johnson we have witnessed what I like to call a nonviolent revolution in America, a revolution of values, a revolution of ideas.

Today, because of the actions of 1964, we are a better Nation, we are a better people, better in the process of laying down the burdens of race. The signs that I saw back then, the young people today will never see. The only place they will see those signs will be in a museum, in a book, or a video. Those signs are gone, and they will never, ever return to America.

Mr. SENSENBRENNER. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. COX).

Mr. COX. Mr. Speaker, I thank the chairman for yielding me this time.

Today, we celebrate the anniversary of the Civil Rights Act of 1964, which was the subject of debate in this very body 40 years ago and which was enacted into law almost on this very day, on July 2. This anniversary is important because guaranteeing the equal treatment, the equal recognition of every American before the law has been a work in progress for the entirety of the existence of this Nation and it remains a work in progress still.

It is important also because with this enactment, the United States finally established in permanent, positive law the fulfillment of the vision of the grand words of our founders; that our Nation would not treat its citizens differently any more than they are treated differently in the eyes of God, their creator. The Act said that we will not tolerate discrimination against women or against men of any race or background or belief, even when the offense is not committed by a State government or by the Federal Government.

When the Congress finished this momentous work in 1964, our Nation had already made significant progress in advancing the rights of women and minorities. In 1964, Senator Margaret Chase Smith became the first woman to be considered by a major party for nomination to the Presidency of the United States. She finished second in the balloting to Barry Goldwater. But in that same year, reflecting how far we still had to go, and may have to go, a former Klu Klux Klansman filibustered the Civil Rights Act on the floor of the other body for 14 hours.

History will record that one of the great leaders in the passage of the 1964 Civil Rights Act was Senator Everett Dirksen, who indeed led the fight to protect the rights of all Americans here in the United States and, ultimately, to extend that vision around the world. Today, we can look back at the Civil Rights Act of 1964 in even greater appreciation, if not awe, of its significance.

Remember that this legislation had been enacted in prototypical form, in the 19th century by this Congress, but it had been stricken down by the Supreme Court. In 1964, the Congress acted and we made it stick. This legislation finally said to the world that if you are an American, our government will protect your freedom not only from outside aggressors, but from those in your own country who would deny employment benefits to you or deny you access to a public place because of your race, color, religion, sex or national origin.

This Act created a law enforcement organization, the Equal Employment Opportunity Commission, and it enhanced the power of the U.S. Department of Justice, which had been created initially to prevent discrimination against American citizens. Now the Department of Justice was given more tools to combat public and private discrimination. There were major steps in continuing a national tradition of expanding protection for individuals that dates back to the establishment of our Nation.

From the statement of equality in the first line of the Declaration of Independence to the founding of the Republican Party for the purpose of opposing slavery in 1854, to the first attempts to enact effective civil rights legislation in the years after the war, to the establishment of voting rights for women, to the defeat of fascism and Soviet communism, our Nation has moved deliberately, if not promptly, to become the Nation in which freedom for individuals is paramount.

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As a legal act, the Civil Rights Act of 1964 required courage, persistence, and dedication to enact. Countless lives were taken and sacrificed in attacks against the ideas it embodies. There were battles for this rule of law that made it possible. America had its very own domestic terrorist organization, the Ku Klux Klan, organized to murder opponents and to destroy the principle of freedom that we fight to protect today from terrorists around the world. As we memorialized President Reagan a few weeks ago, we were reminded of our national mission to protect freedom, and we once again heard the final line of the "Battle Hymn of the Republic." That simple line speaks to us even now as our soldiers are deployed around the world: "Let us die to make men free."

Forty years ago, this and the other body approved the Civil Rights Act with overwhelming bipartisan support. What we do here today while our soldiers still give their lives to make others free is remind the world once again that our Nation stands for freedom and equality. To us, these are priceless. I commend the authors of this resolution for so doing and urge its adoption.

Mr. SCOTT of Virginia. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE), a member of the Committee on the Judiciary.

Ms. JACKSON-LEE of Texas. Mr. Speaker, my first thought was to come to this podium with a prepared text to be able to salute the 40th anniversary of the congressional passage of the Civil Rights Act of 1964. But I thought it would be more appropriate to speak from the heart and recollection of the pain that was experienced by many in this country without the passage of this act.

Might I first give my accolades and appreciation to the gentlewoman from the District of Columbia (Ms. NORTON) for her fight on the battlefield for civil rights; to the gentleman from Georgia (Mr. LEWIS), our own special icon and warrior for peace; to the members of the Committee on the Judiciary and others, chairman and ranking member, for allowing us this small moment of acknowledgment in the backdrop of the death of Schwerner, Goodman and Chaney, three young men of different backgrounds and religious faiths who came together in destiny down in Mississippi just to be able to stand up for the opportunity and freedom for a people who had been disenfranchised from the time that they came to this Nation.

Is it not interesting that the 1964 act prohibited discrimination, if you will, in voter registration and public schools. Some would say, did we not have Brown v. Board of Education in 1954? And yet 10 years later we needed the Civil Rights Act to encourage desegregation in our schools. There are reasons that many of us support specific political philosophies because Lyndon Baines Johnson, a President from Texas, helped to be part of the movement of this bill and we had to organize, yes, some Southerners and Northerners and moderates, to come together to push for the support and legislation of this bill.

But most of all I believe that this day allows us to remember that we are on a journey of freedom and that journey is not yet complete, for now we suffer with unequal educational systems in our public schools, inner cities that are crumbling; and, yes, we suffer from an election system that is yet not fair.

So I stand before you to acknowledge the fact that we are grand and greater because of the 1964 Civil Rights Act; but what I would simply say to America, our journey is yet not finished and we would join together in working in our Congress to be able to have a fair and equitable system of health care, of an educational system, and of an economic system that treats all of us fairly.

I hope, finally, that we will address the question of an unequal criminal justice system because the Civil Rights Act of 1964 is that. It is the planting of the seed to ensure that all America joins in civil rights, not just African Americans, not just Hispanics, but immigrants, Anglos, Asians and all will join together and recognize that this Nation is a better place if you acknowledge first that race is a factor in this country and if you acknowledge first that we have not yet finished the journey for civil rights in America.

Mr. Speaker, I rise in strong support of H. Res. 676, a bill recognizing and honoring the 40th anniversary of Congressional passage of the Civil Rights Act of 1964. It is imperative that we take a step back to recognize the years of bondage and enslavement; needless lynching and bloodshed; and the years of discrimination and hatred that Civil Rights Act of 1964 sought to curtail.

The legal protection of U.S. citizens, regardless of race, color, sex, religion and national origin against the vice of discrimination in the workplace and places of public accommodation; the prohibition of unequal application of voter registration requirements; the encouragement of continued desegregation of public schools; and the establishment of the Equal Employment Opportunity Commission highlight the basic tenets set forth in the Civil Rights Act of 1964.

I speak out today to commemorate the progress we have made in casting out the demons of prejudice and discrimination. I speak out today to recognize the steps we have taken as a nation to get closer to the American Creed. However, I must speak out today to call attention to the progress we have yet to make in order to fulfill the tenets of Civil Rights Act of 1964. I speak out today to challenge this nation to uphold our founding principles of equal opportunity for all, regardless of race, color, sex, religion and national origin.

Despite the 40 year life span of the Civil Rights Act of 1964, in 2004, we still attempt to take the life out of this act by violating its principles. Although the U.S. Supreme Court affirmed Prairie View A&M University student voter rights in 1979 when it was challenged in Waller County, Texas, attempts to disenfranchise Prairie View A&M University students continue today.

On November 5, 2003, the Waller County, Texas District Attorney requested that the county Elections Administration bar the students at Historically Black College Prairie View A&M University from voting locally by virtue of his unilateral interpretation of "domicile" for voting purposes. Texas voter registration law only requires a person to be a resident of the county at least 30 days prior to the elections.

African-American students represent the majority of Prairie View A&M's student body of 7,000 members, and these students, constitute a major voting bloc in Waller County. The District Attorney's request sought to effectively disenfranchise African-American college students in this area; as such, this request suggested a form of voter intimidation and likely had the effect of denying or abridging the right to vote on account of race or color. Despite a prolonged dialogue with Texas officials regarding this matter, relief from the pressures and intimidation experienced by the students when attempting to exercise their rights was never provided. This example does not stand alone among the long list of discriminatory acts that continue to plague our nation.

I ask you, Mr. Speaker, my colleagues: Have we truly upheld the Civil Rights Act of 1964? If your answer is no, you are one step closer in helping us to realize our U.S. commitment to equality. You must now join the front lines in the battle against discrimination and injustice. If your answer is yes, I ask that you call your attention to all of the overt and covert discriminatory acts that occur across our nation, such as the attempted disenfranchisement of the Prairie View A&M University students in Waller County, Texas.

Mr. Speaker, in closing, I would like to ask my colleagues to support H. Res. 676 because of the significant and far-reaching impact the Civil Rights Act of 1964 continues to have on our nation. The Civil Rights Act of 1964 is one of the essential, yet fragile threads that keep our nation civil. In fact, the passage of the Civil Rights Act of 1964, helped to mend our nation's worn fabric, tattered by hostility and hatred, into a nation that strives for the liberties and rights of all.

The fight to achieve equality is by far not over, but honoring and reflecting upon legislation such as the Civil Rights Act of 1964 will bring this nation one step closer to upholding unity and justice for all. I implore all of my colleagues to keep the spirit of equality and equal opportunity, the spirit of the Civil Rights Act alive, when governing this nation. As an original cosponsor of this bill, I find this resolution not only pertinent, but a necessary reminder to encourage us to move in the right nation, which is a nation for all.

Mr. SCOTT of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from Alabama (Mr. DAVIS).

Mr. DAVIS of Alabama. Mr. Speaker, I thank my friend from the great State of Virginia for yielding time.

Mr. Speaker, there are three of us who are African American who were not even born when this act was passed: the gentleman from Tennessee (Mr. FORD), the gentleman from Florida (Mr. MEEK), and me. I should begin by saying that those of us who were born in the late 1960s, we are not only the legatees of what was done here 40 years ago; we are very much the hope of what was done here 40 years ago. It was somehow imagined by the people who sat in this Chamber 40 years ago close to this very day that if they made this change in our laws that they would somehow open up the talent base in this country, that they would somehow build an America that had never been; and the fact that we commend this day shows us the continuing power of law.

It is sometimes fashionable to say that you cannot legislate morality in this country, and all of us have said that on our favorite issue or another; but this is the reality: law can be used to shape our moral character; law can be used to set the boundaries of what we will tolerate and what we will not accept and that is exactly what we did 40 years ago. We used the power of law to shape the American dream and to talk about its outer aspirations.

It is ironic as I stand here, one of the reasons that more Members are not in this Chamber right now is because at this very moment an African American Secretary of State is briefing the Congress. Another reason more Members are not here is because at this very moment a young, dynamic black Democrat named Barak Obama is in this building receiving members of the Congressional Black Caucus. A black Secretary of State; a black U.S. Senator about-to-be, born in Illinois; a black national security adviser. Whatever we disagree on, that is an America that no one would have contemplated 40 years ago.

I end just on this note. By thinking about frankly a lot of people who never had the chance to serve in this Chamber, all of the brilliant African Americans who were born too early to be in Congress, who were born too early to shape this country's agenda, they could have been here if America had been a little bit fairer and if our dream had been a little bit more secure in this country.

They are really the people we ought to be thinking about today in some sense because when that Congress passed the civil rights law and Lyndon Johnson signed it into law, this is what it did: it created an America where talent is the outer limit of what you can be. And yes, as my friend from Texas said, we routinely fall short of that goal, but at least we have it as a value, at least we have it as a goal; and it somehow defines what we can be and what we can still dream.

So as one young African American Member of this institution, I simply say this. We are so much freer than we used to be as a country. We are also so much more American.

Mr. SCOTT of Virginia. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. BISHOP).

Mr. BISHOP of Georgia. Mr. Speaker, let me thank my colleague from Virginia, and let me thank everyone who has taken the time to commemorate this very, very historic law. The Civil Rights Act of 1964 certainly has changed the history of America. It certainly has affected my life and the lives of many others who were similarly situated, having grown up in the segregated South in Mobile, Alabama; having attended segregated schools; having segregated public accommodations.

I was just struck as I reflect every day on how different life is today in 2004 from the way that it was in 1964, the year that I graduated from high school. I am grateful that this Nation passed through the Congress the Civil Rights Act of 1964. I am grateful that I had an opportunity as a young attorney with the NAACP Legal Defense and Educational Fund as an Earl Warren Fellow to help in the implementation and the interpretation of the 1964 Civil Rights Act, particularly as it related to employment discrimination and the other aspects of it in terms of my early days as a civil rights attorney.

It was very meaningful to me. Certainly the interpretations have meant worlds for the changes that have been implemented in this country and the model that this has set for other nations around the world, particularly in South Africa. I, therefore, would like to just register my heartfelt thanks to all those who had a hand in passing this law and for all those who have paid the price and worked so hard to see that it is implemented in the way that Congress intended.

Mr. SCOTT of Virginia. Mr. Speaker, I yield myself the balance of my time. I again want to thank the gentlewoman from the District of Columbia for her leadership. I urge Members to not only remember the need for the Civil Rights Act but also to commit to support its principles.

Mr. Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, in listening to my friends from the other side of the aisle talk in support of this very important and meritorious resolution, they seem to have forgotten that the advances of civil rights that were passed in Congress in the 1960s were only made possible due to the fact that civil rights was a bipartisan project. Republicans and Democrats joined together to pass not only the civil rights bill of 1964 but the Voting Rights Act of 1965 and the Fair Housing Act of 1968.

When we talk about civil rights in the 21st century, it seems to me that we ought to hearken back on repeating what worked in the 20th century. I did not hear very much praise for the Republican efforts to get the civil rights acts passed. I would remind my friends on the Democratic side of the aisle that we are just as much for civil rights as you are; and when we work on this on a bipartisan basis, we can accomplish a lot more while each side maybe strikes a few fewer political points.

I urge the adoption of this resolution.

Mr. VISCLOSKY. Mr. Speaker, it is my honor to rise today in support of House Resolution 676 and to celebrate the 40th anniversary of congressional passage of the Civil Rights Act of 1964.

This landmark piece of legislation has been a cornerstone of our democracy for the past 40 years. The leaders who championed these important protections were visionaries armed with a truly moral cause. Congress sent the Civil Rights Act to President Johnson who signed the measure into law on July 2, 1964. That date will forever serve as the date our country embraced the fundamental right to equality. No longer would Americans tolerate injustice and discrimination.

As the Representative of a racially, ethnically, and spiritually diverse constituency, I have witnessed the blending of cultures and the strong and vital community that has resulted from those forces. The Civil Rights Act of 1964 was the pivotal moment in American history that ensured the vitality of Northwest Indiana, and all of our communities. Though this legislation required decades of struggle and sacrifice in order to be realized, the gains we have been able to achieve as its result have been unparalleled.

The Civil Rights Act of 1964 was passed in the 88th Congress to enforce the constitutional right to vote, tackling discriminatory tests and obstacles placed in the path of many who sought to have a voice in their representation. It banned discrimination in federally assisted programs and outlawed segregation in businesses such as theaters, restaurants, and hotels. Title VII of the Act took the fundamentally important step of prohibiting discrimination by employers on the basis of race, color, national origin, religion or sex. It provided crucial enforcement mechanisms, by enlisting the district courts, the Attorney General, the Commission on Civil Rights, and the newly established Commission on Equal Employment Opportunity. Each provides vigorous and proactive protection of constitutional rights and takes action against those who continue to discriminate. This piece of legislation was a critical step in our Nation's efforts to address the issues of fundamental rights and institutionalized discrimination.

This legislation was, above all "essentially moral in character," as Senate Minority Leader Everett M. Dirksen stated. Passing the legislation was the right thing to do at the time, and vigorously enforcing it is the right thing to do in our time.

Mr. Speaker, at this time I ask that you and my other distinguished colleagues join me in recognizing that the Civil Rights Act of 1964 was the result of many years of struggle and sacrifice by Americans who fought for equality and justice, to whom we owe a great debt of gratitude. I applaud all those whose support and efforts led to the passage of the Civil Rights Act of 1964, the most comprehensive civil rights legislation in our Nation's history. It is with great honor and pride that I commemorate the 40th anniversary of this landmark legislation.

Mr. CUMMINGS. Mr. Speaker, I rise in support of H. Res. 676, a resolution recognizing and honoring the 40th anniversary of the passage of the Civil Rights Act of 1964, brought to the floor by ELEANOR HOLMES NORTON from the District of Columbia and spearheaded by the venerable House Judiciary Committee ranking member, Representative JOHN CONYERS. I thank you both for your unwavering leadership.

Mr. Speaker, July 2, 2004 marks the 40th anniversary of President Lyndon B. Johnson's signing into law of the Civil Rights Act of 1964. This landmark legislation ended the disenfranchisement of millions of Americans and struck a final blow to the Jim Crow laws that existed in many parts of our country.

As many of us know, the Civil Rights bill ended de jure segregation and discrimination in public accommodations, publicly owned or operated facilities and schools, employment and union membership, and voter registration. Just imagine what this country would be like without the enactment of these laws—a country where some people are treated like second-class citizens solely because of the color of their skin? How atrocious a thought? Where people are denied employment because of their color, national origin, religion or sex? The Civil Rights Act of 1964 and its progeny secured equal rights under the law for all Americans—the importance of passage of this bill cannot be overstated.

In the early 1960s, millions of Americans continued to suffer under the oppressive hand of Jim Crow laws. The Freedom Rides of the 1960s, led by religious leaders, civil rights activists, students and many others, empowered African Americans to organize and attempt to vote throughout the Deep South. Many Freedom Riders, such as Chaney, Schwerner and Goodman gave their lives for the cause of equal rights for all. Their names are indelibly inked in our collective consciousness, but there were many equally brave and courageous individuals whose names will not be recorded in the history books. However, none are forgotten. Due to their courage, we celebrate the 40th anniversary of the passage of the Civil Rights Act of 1964. I believe that commemorating passage of the Act reflects our commitment to bring this Nation closer to the ideals and values that each of us holds dear—equality for all.

Mr. Speaker, while I have come here to commemorate these great laws, I must also recognize that while the Act brought our Nation closer to fulfilling the promises guaranteed in the Constitution, de facto discrimination continues to pervade many of our institutions. Though we are a country on the brink of embodying a truly democratic Nation, we are also a Nation grappling with ensuring that the goals of the Act are achieved. We only need look to the 2000 Presidential Election in which many African Americans reported being turned away from voting polls. Our election process was marred by the disenfranchisement of thousands in Florida and on a smaller scale in other states polling places. These incidents of disenfranchisement show that though we are close, we are not there yet.

Mr. Speaker, as we honor the enactment of this momentous law, it is imperative that we also acknowledge that many of our Nation's communities have not progressed much since 1964 and still suffer the ravages of discrimination. Though the Civil Rights Act of 1964 brought us closer to dismantling the legacy of slavery, many American men, women and children still feel its impact. Many of our schools remain segregated (de facto) and underfunded. In fact, the No Child Left Behind Act, which authorizes funding and establishes accountability for our public schools, will be underfunded by at least $8 billion in the FY 05 budget. Many African Americans remain in the lowest economic brackets, where unemployment often reaches double digits in some communities, including my own. Women still earn $0.76 on the dollar to men for the same work and the same hours.

On that note, as my time to speak is short, I leave with two quotes from Reverend Dr. Martin Luther King, Jr., whose name is synonymous with the peaceful advancement of the civil rights movement. The first is one of my favorites and is taken from writings during his time spent imprisoned for standing up to the ugly face of discrimination and segregation—"injustice anywhere is a threat to justice everywhere." (Letter from a Birmingham Jail, April 16, 1963). Until we promote economic and educational policies that level the playing field for those that have been left behind—left behind many times in fact—then the injustice of second class citizenship will persist.

The last is a quote by Dr. King that is not as often quoted but is equally remarkable in its insight—"[A]ll progress is precarious, and the solution of one problem brings us face to face with another problem." (Martin Luther King, Jr., "Strength to love," 1963). I find these words encouraging because they are wrought with optimism for the future. We are progressing steadily in our fight toward equality, and although we have many more problems to overcome and to confront, united, I am confident we will win this fight.

We must sustain the legacy of the Civil Rights Act of 1964 by continuing to enact legislation that represents what it stands for—our country's highest ideals of equality and opportunity for all citizens.

I call upon my colleagues to join me in honoring the 40th anniversary of the Civil Rights Act of 1964 by voting in favor of passage of this resolution.

Mr. HOYER. Mr. Speaker, I strongly support H.R. 676, which recognizes and honors the 40th anniversary of congressional passage of the Civil Rights Act of 1964.

On July 2nd, we will mark the passage of this historic act, which finally guaranteed equal rights for minorities in America. It is hard to believe that it was only 40 years ago when, facing prejudice and stubborn odds, President Lyndon Johnson guided the Civil Rights Act through the House and Senate and signed into law legislation that guaranteed rights that so many of our fellow citizens had been denied.

The Act made racial discrimination in public placed illegal and established standards to thwart the rigged voting system in the South. It also required employers to provide equal employment opportunities no matter a person's race. Projects involving federal funds could be halted if there was evidence of discrimination based on color, race or national origin. These are things inherent in our society today, but for much of the 20th century, these protections only existed for white Americans—not blacks.

Mr. Speaker, were it not for the unshakable faith and fierce determination of members of the civil rights movement—many who literally sacrificed their lives—the Civil Rights Act may have taken many more years to arrive.

Our own colleague, and my good friend, Senior Chief Deputy Whip JOHN LEWIS, was one of the leaders of that civil rights movement. He was just out of his teens when he was beaten because of his participation in the Freedom Rides. Yet he was not deterred. At the age of 23, he joined Dr. King on the steps of the Lincoln Memorial for the March on Washington, and in the years that followed, he continued the fight for freedom and human rights, despite more than 40 arrests, physical attacks and serious injuries.

In the years that followed its passage, the Civil Rights Act opened doors and created opportunities for black and minority Americans that were long overdue. With federal protections, blacks could attend any school or university, be hired for any job, and finally enjoy the Constitutional freedoms so many of us take for granted.

However, Mr. Speaker, despite much progress, minority Americans still struggle for equal access and advancement. Right now we face a struggling economy that is not producing enough jobs, and it has imposed even greater hardships on minorities. Since March 2000, black unemployment has soared to nearly 11 percent, almost double that of whites. And there is still a glaring wage gap confronting minorities in the workforce. Black men earned 73.9 percent of what white men earned in 2002, measured by median full-time wages and salaries. That's barely up from 73.4 percent a decade ago.

In our health system, minorities still repeatedly receive inferior care. Last year's Institute of Medicine report found that health care delivery is very unequal depending on the race or ethnicity of the patient. That inequality is thought to be a major reason that African-Americans frequently have worse health outcomes than whites. The black infant mortality rate in fact remains twice as high as the white rate, and 20 percent of black Americans lack regular access to health care compared with less than 16 percent of whites.

Without early and advanced education, individuals face a great handicap in this world. Yet in our school system today separate and unequal is still the reality in far too many places. Even in higher education, there exists a large gap between the percentage of whites with a college degree and the percentage of blacks.

So Mr. Speaker, today let us acknowledge that the Civil Rights Acts we passed in Congress was a crucial step forward for our Nation. Our laws require vigilance so that every citizen has an equal shot at the American dream. As Dr. Martin Luther King, Jr., said, "Human progress is neither automatic nor inevitable . . . Every step toward the goal of justice requires sacrifice, suffering, and struggle; the tireless exertions and passionate concern of dedicated individuals."

Today, we must redouble our commitment to the Civil Rights Act and the America envisioned by JOHN LEWIS and every citizen who fought for equal rights four decades ago, and continue the effort for justice and equality. We have not yet reached the Promised Land, but it is up to us to ensure that America achieves the full measure of its promise.

Mr. PAUL. Mr. Speaker, I rise to explain my objection to H. Res. 676. I certainly join my colleagues in urging Americans to celebrate the progress this country has made in race relations. However, contrary to the claims of the supporters of the Civil Rights Act of 1964 and the sponsors of H. Res. 676, the Civil Rights Act of 1964 did not improve race relations or enhance freedom. Instead, the forced integration dictated by the Civil Rights Act of 1964 increased racial tensions while diminishing individual liberty.

The Civil Rights Act of 1964 gave the federal government unprecedented power over the hiring, employee relations, and customer service practices of every business in the country. The result was a massive violation of the rights of private property and contract, which are the bedrocks of free society. The federal government has no legitimate authority to infringe on the rights of private property owners to use their property as they please and to form (or not form) contracts with terms mutually agreeable to all parties. The rights of all private property owners, even those whose actions decent people find abhorrent, must be respected if we are to maintain a free society.

This expansion of federal power was based on an erroneous interpretation of the congressional power to regulate interstate commerce. The framers of the Constitution intended the interstate commerce clause to create a free trade zone among the states, not to give the federal government regulatory power over every business that has any connection with interstate commerce.

The Civil Rights act of 1964 not only violated the Constitution and reduced individual liberty; it also failed to achieve its stated goals of promoting racial harmony and a color-blind society. Federal bureaucrats and judge's cannot read minds to see if actions are motivated by racism. Therefore, the only way the federal government could ensure an employer was not violating the Civil Rights Act of 1964 was to ensure that the racial composition of a business's workforce matched the racial composition of a bureaucrat or judges defined body of potential employees. Thus, bureaucrats began forcing employers to hire by racial quota. Racial quotas have not contributed to racial harmony or advanced the goal of a color-blind society. Instead, these quotas encouraged racial balkanization, and fostered racial strife.

Of course, America has made great strides in race relations over the past forty years. However, this progress is due to changes in public attitudes and private efforts. Relations between the races have improved despite, not because of, the 1964 Civil Rights Act.

In conclusion, Mr. Speaker, while I join in sponsors of H. Res. 676 in promoting racial harmony and individual liberty, the fact is the Civil Rights Act of 1964 did not accomplish these goals. Instead, this law unconstitutionally expanded federal power, thus reducing liberty. Furthermore, by prompting race-based quotas, this law undermined efforts to achieve a color-blind society and increased racial strife. Therefore, I must oppose H. Res. 676.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and agree to the resolution, H. Res. 676.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SCOTT of Virginia. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

IDENTITY THEFT PENALTY ENHANCEMENT ACT

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1731) to amend title 18, United States Code, to establish penalties for aggravated identity theft, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1731

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Identity Theft Penalty Enhancement Act".

SEC. 2. AGGRAVATED IDENTITY THEFT.

(a) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by adding after section 1028, the following:

"§ 1028A. Aggravated identity theft

"(a) OFFENSES.—

"(1) IN GENERAL.—Whoever, during and in relation to any felony violation enumerated in subsection (c), knowingly transfers, possesses, or uses, without lawful authority, a means of identification of another person shall, in addition to the punishment provided for such felony, be sentenced to a term of imprisonment of 2 years.

"(2) TERRORISM OFFENSE.—Whoever, during and in relation to any felony violation enumerated in section 2332b(g)(5)(B), knowingly transfers, possesses, or uses, without lawful authority, a means of identification of another person or a false identification document shall, in addition to the punishment provided for such felony, be sentenced to a term of imprisonment of 5 years.

"(b) CONSECUTIVE SENTENCE.—Notwithstanding any other provision of law—

"(1) a court shall not place on probation any person convicted of a violation of this section;

"(2) except as provided in paragraph (4), no term of imprisonment imposed on a person under this section shall run concurrently with any other term of imprisonment imposed on the person under any other provision of law, including any term of imprisonment imposed for the felony during which the means of identification was transferred, possessed, or used;

"(3) in determining any term of imprisonment to be imposed for the felony during which the means of identification was transferred, possessed, or used, a court shall not in any way reduce the term to be imposed for such crime so as to compensate for, or otherwise take into account, any separate term of imprisonment imposed or to be imposed for a violation of this section; and

"(4) a term of imprisonment imposed on a person for a violation of this section may, in the discretion of the court, run concurrently, in whole or in part, only with another term of imprisonment that is imposed by the court at the same time on that person for an additional violation of this section, provided that such discretion shall be exercised in accordance with any applicable guidelines and policy statements issued by the Sentencing Commission pursuant to section 994 of title 28.

"(c) DEFINITION.—For purposes of this section, the term 'felony violation enumerated in subsection (c)' means any offense that is a felony violation of—

"(1) section 641 (relating to theft of public money, property, or rewards), section 656 (relating to theft, embezzlement, or misapplication by bank officer or employee), or section 664 (relating to theft from employee benefit plans);

"(2) section 911 (relating to false personation of citizenship);

"(3) section 922(a)(6) (relating to false statements in connection with the acquisition of a firearm);

"(4) any provision contained in this chapter (relating to fraud and false statements), other than this section or section 1028(a)(7);

"(5) any provision contained in chapter 63 (relating to mail, bank, and wire fraud);

"(6) any provision contained in chapter 69 (relating to nationality and citizenship);

"(7) any provision contained in chapter 75 (relating to passports and visas);

"(8) section 523 of the Gramm-Leach-Bliley Act (15 U.S.C. 6823) (relating to obtaining customer information by false pretenses);

"(9) section 243 or 266 of the Immigration and Nationality Act (8 U.S.C. 1253 and 1306) (relating to willfully failing to leave the United States after deportation and creating a counterfeit alien registration card);

"(10) any provision contained in chapter 8 of title II of the Immigration and Nationality Act (8 U.S.C. 1321 et seq.) (relating to various immigration offenses); or

"(11) section 208, 811, 1107(b), 1128B(a), or 1632 of the Social Security Act (42 U.S.C. 408, 1011, 1307(b), 1320a-7b(a), and 1383a) (relating to false statements relating to programs under the Act).".

(b) AMENDMENT TO CHAPTER ANALYSIS.—The table of sections for chapter 47 of title 18, United States Code, is amended by inserting after the item relating to section 1028 the following new item:

"1028A. Aggravated identity theft.".

(c) APPLICATION OF DEFINITIONS FROM SECTION 1028.—Section 1028(d) of title 18, United States Code, is amended by inserting "and section 1028A" after "In this section".

SEC. 3. AMENDMENTS TO EXISTING IDENTITY THEFT PROHIBITION.

Section 1028 of title 18, United States Code, is amended—

(1) in subsection (a)(7)—

(A) by striking "transfers" and inserting "transfers, possesses,"; and

(B) by striking "abet," and inserting "abet, or in connection with,";

(2) in subsection (b)(1)(D), by striking "transfer" and inserting "transfer, possession,";

(3) in subsection (b)(2), by striking "three years" and inserting "5 years"; and

(4) in subsection (b)(4), by inserting after "facilitate" the following: "an act of domestic terrorism (as defined under section 2331(5) of this title) or".

SEC. 4. AGGREGATION OF VALUE FOR PURPOSES OF SECTION 641.

The penultimate paragraph of section 641 of title 18 of the United States Code is amended by inserting "in the aggregate, combining amounts from all the counts for which the defendant is convicted in a single case," after "value of such property" .

SEC. 5. DIRECTIVE TO THE UNITED STATES SENTENCING COMMISSION.

(a) IN GENERAL.—Pursuant to its authority under section 994(p) of title 28, United States Code, and in accordance with this section, the United States Sentencing Commission shall review and amend its guidelines and its policy statements to ensure that the guideline offense levels and enhancements appropriately punish identity theft offenses involving an abuse of position.

(b) REQUIREMENTS.—In carrying out this section, the United States Sentencing Commission shall do the following:

(1) Amend U.S.S.G. section 3B1.3 (Abuse of Position of Trust of Use of Special Skill) to apply to and punish offenses in which the defendant exceeds or abuses the authority of his or her position in order to obtain unlawfully or use without authority any means of identification, as defined section 1028(d)(4) of title 18, United States Code.

(2) Ensure reasonable consistency with other relevant directives, other sentencing guidelines, and statutory provisions.

(3) Make any necessary and conforming changes to the sentencing guidelines.

(4) Ensure that the guidelines adequately meet the purposes of sentencing set forth in section 3553(a)(2) of title 18, United States Code.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

In addition to any other sums authorized to be appropriated for this purpose, there is authorized to be appropriated to the Department of Justice, for the investigation and prosecution of identity theft and related credit card and other fraud cases constituting felony violations of law, $2,000,000 for fiscal year 2005 and $2,000,000 for each of the 4 succeeding fiscal years.

The SPEAKER pro tempore. Pursuant to the rule the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1731, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, identity theft and identity fraud are terms used to refer to all types of crime in which someone wrongfully obtains and uses another person's personal data in some way that involves fraud or deception, typically for economic or other gain including immigration benefits.

The Federal Trade Commission received 161,819 complaints of someone using another's information in 2002. In 2003 the FTC performed a random sampling of households. The results from the survey suggest that almost 10 million Americans were the victim of some form of ID theft within the last year, which means that despite all of the attention to this type of crime since September 11, 2001, the incidence of this crime is increasing.

As border security and international cooperation increases to combat terrorism, al Qaeda and other terrorist organizations increasingly turn to stolen identities to hide themselves from law enforcement. For example, according to testimony from the Inspector General of the Social Security Administration, five Social Security numbers associated with some of the September 11 terrorists appeared to be counterfeit. One was assigned to a child and four of the terrorists were associated with multiple Social Security numbers.

□ 1615

Since September 11, 2001, Federal and State officials have taken notice of this crime because of the potential threat to security. But the cost to the consumer and corporations is equally alarming. The FTC estimates that loss to business and financial institutions from identity theft to be $47.6 billion per year. The costs to individual consumers is estimated to be approximately $5 billion a year.

As this crime increases, we must find new ways to combat it. Web sites developed by the FTC and consumer groups encourage consumers to protect themselves by shredding mail and keeping a close watch over their credit report. Yet the FTC statistics suggest that identity thieves are obtaining an individual's personal information for misuse not only through "dumpster diving" but also through accessing information that was originally collected for an authorized purpose, a so-called "insider threat."

In one such case, U.S. attorneys charged a 33-year-old customer service representative from Long Island, New York with identity theft and fraud. This individual was using his position at a company that provided computer services to banks and lending companies to access personal consumer credit information from three credit reporting agencies. The scheme allowed him to access personal information of over 30,000 victims.

The insider threat from identity theft and identity fraud is a threat to personal security as well as national security. The U.S. Attorney in Atlanta charged 28 people as a part of a fraud ring to supply over 1,900 individuals with fraudulent Social Security cards. The cards were supplied by a Social Security Administration clerk in exchange for $70,000 in payoffs.

Under current law, many identity thieves are receiving short terms of imprisonment or probation; however, many of these thieves will use false identities to commit much more serious crimes. Thus H.R. 1731 provides enhanced penalties for persons who steal identities to commit terrorist acts, immigration violations, firearms offenses, and other serious crimes. The bill would amend current law to impose a higher maximum penalty for identity theft used to facilitate acts of terrorism.

This legislation will allow prosecutors to identify identity thieves who steal an identity, sometimes hundreds or even thousands of identities, for purposes of committing one or more crimes. Importantly, it will facilitate the prosecution of terrorists who steal identities with the intent of subsequently committing terrorists acts. It also directs the Sentencing Commission to apply the guidelines for abuse of trust to an insider who uses his position to steal identities.

I support this common sense legislation and urge my colleagues to join me in its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to H.R. 1731. Although I agree with the purpose of the bill, my position is based on the reliance in the bill of mandatory minimum sentencing. By adding mandatory minimum sentencing and denying probation and concurrent sentences, the bill imposes unnecessary and unproductive restrictions on the ability of the Sentencing Commission and judges, in individual cases, to assure a rational and just system of sentencing as a whole and for individuals.

The notion that Congress is in a better position to determine at the front end what the sentence has to be for an individual case than the judge who has heard the case and applies guidelines established by the sentencing professionals not only defeats the rational sentencing system that Congress adopted but also makes no sense in our separation of powers scheme of governance. Moreover, the notion of mandating a 2-year or 5-year sentence to someone who is already willing to risk a 15-year sentence is not likely to add any deterrence.

Mandatory sentences do not work. They have been studied extensively and have been shown to be ineffective in preventing crime. They distort the sentencing process. They discriminate against minorities in their application, and they waste money. In a study report entitled "Mandatory Drug Sentences: Throwing Away the Key or the Taxpayers Money?" The Rand Corporation concluded that mandatory minimum sentences were less effective than either discretionary sentencing or drug treatment in reducing drug-related crime and far more costly than either. The Judicial Conference of the United States has reiterated its opposition to mandatory minimum sentencing over a dozen times to Congress, noting that though sentences "severely distort and damage the Federal sentencing system . . . undermine the Sentencing Guideline regimen" established by Congress to promote fairness and proportionality," and "destroy honesty in sentencing by encouraging charge and fact plea bargains." The U.S. Sentencing Commission indicated its opposition to the Senate bill, which is virtually identical to this bill, for similar reasons.

Both the Judicial Center in its study report entitled "The General Effects of Mandatory Minimum Prison Terms: a Longitudinal Study of Federal Sentences Imposed" and the United States Sentencing Commission in its study entitled "Mandatory Minimum Penalties in the Federal Criminal Justice System" found that minorities were substantially more likely than whites under comparable circumstances to receive mandatory minimum sentences. The Sentencing Commission also reflected that mandatory minimum sentences increased the disparity in sentencing of like offenders with no evidence that mandatory minimum sentencing had any more crime-reduction impact than discretionary sentences.

Chief Justice Rehnquist has spoken often and loudly about these wasteful cost increases. One quote attributed to him says: "Mandatory minimums are perhaps a good example of the law of unintended consequences."

Mr. Speaker, there is one good part of the bill, and that is an authorization for funding to investigate consumer credit card fraud cases. I introduced in the committee a newspaper report of an identity theft case in which a Senator from New Mexico, Senator DOMENICI, was the victim. It involved about $800 worth of fraudulent credit card purchases. We checked with the FBI. No action is being taken on this case because of limitations on resources. That is not surprising because these cases often involve stolen credit cards with the card stolen in one jurisdiction, purchases made in another jurisdiction, a suspect living entirely somewhere else, and so the local place cannot effectively investigate these cases. They can be solved because there is usually a paper trail leading right back to the suspect, but it takes resources. Mandatory minimum sentences will do nothing in cases that are not investigated and not prosecuted, and this bill does provide funds to investigate and prosecute cases such as Senator DOMENICI's.

Unfortunately, Mr. Speaker, because this bill primarily focuses on the narrow piece of the identity theft problem, much of which has nothing to do with consumer identity theft, through the discredited and ineffective and costly mechanism of mandatory minimum sentencing, I cannot support the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. CARTER).

Mr. CARTER. Mr. Speaker, I am pleased to be the author and sponsor of H.R. 1731, the Identity Theft Penalty Enhancement Act, and appreciate the support of the gentleman from Wisconsin (Chairman SENSENBRENNER) and the fact that he advanced this important legislation. I would also like to thank the gentleman from California (Mr. SCHIFF) for his support as the lead co-sponsor on this bill.

This legislation addresses the growing occurrences of identity theft. It will facilitate the prosecution of criminals who steal identities in order to commit felonies.

Felonies arising from identity theft are a very serious problem. Four years in a row, the Federal Trade Commission has reported identity theft as the number one consumer-reported complaint filed with the Commission. More than 200,000 identity theft complaints were reported in 2003.

Mr. Speaker, unfortunately, the mentions of ID theft are becoming all too commonplace. Just recently, last month, I believe, two brothers were convicted in Dallas of running an ID theft ring to buy luxury cars and obtain bank loans worth over $1 million, sometimes using the names of dead people. In Collin County, Texas, a former Texas driver's license bureau clerk pleaded guilty to selling ID cards to illegal immigrants using stolen information from immigration papers.

Just as concerning, the trafficking of identities aids terrorist crimes. Terrorists can move more freely in the United States with illicit IDs, credit cards, and other documentation. Insufficient legislation and prosecution has allowed a situation to arise where identities are easy to steal without fear of reprisal. Last year, the U.S. Department of Homeland Security warned that would-be terrorists may try to use stolen IDs, uniforms, and vehicles to enter sensitive facilities in order to carry out an attack.

The Identity Theft Penalty Enhancement Act gives prosecutors greater power in convicting and sentencing identity theft. First, it creates a new separate crime of aggravated identity theft for any person who uses the identity of another person to commit certain felonies. It provides a separate sentence of 2 years for most felonies and 5 years for terror-related felonies is mandatory. It would run consecutively to any other sentences.

Second, the bill lessens the burden prosecutors face when seeking convictions of aggravated identity theft. Under this bill, if a thief uses the stolen identity in connection with another Federal crime and the intent of the underlying Federal crime is proven, the prosecutor may not need to prove the intent to use the false identity in a crime.

H.R. 1731 addresses the improper receipt that Social Security, Medicare, disability, veterans and other benefits by misuse of illegally obtained Social Security numbers. We have a responsibility to protect the benefit programs of the Social Security Administration from these identity thieves.

This legislation also addresses a prevalent mode of identity theft which is committed by insiders of organizations who illegally use or transfer individuals' identifying information which has been entrusted to them. This is an increasing problem which we must protect all our consumers from. Last year Texas witnessed an example of this when a University of Texas student who was trusted with access to the University's database stole 55,000 Social Security numbers, including one of my staffers.

A recent report by researchers at Michigan State University estimates about half of all identity crimes were the result of personal information being stolen from corporate databases. This legislation directs the U.S. Sentencing Commission to amend its guidelines to appropriately punish ID theft offenses involving the abuse of a position.

I urge my fellow colleagues to favorably support H.R. 1731. And, again, I thank the chairman for his support and the hard work of his staff on behalf of this legislation.

Mr. SCOTT of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. SCHIFF), a distinguished member of the Committee on the Judiciary and a former assistant U.S. Attorney.

Mr. SCHIFF. Mr. Speaker, I thank the gentleman for yielding me this time.

I also want to thank the gentleman from Wisconsin (Mr. SENSENBRENNER), our distinguished chairman; and the gentleman from North Carolina (Mr. COBLE), subcommittee Chair, for moving this legislation through the Committee on the Judiciary and onto the House floor.

I joined the gentleman from Texas (Mr. CARTER) in introducing this legislation in response to the plague of identity theft that has beset the country. Identity theft has now topped the list of consumer complaints filed with the FTC for the last 4 years in a row, impacting millions of Americans and costing consumers and businesses billions of dollars.

My home State of California ranks number three in the number of victims of identity theft per capita with over 37,000 complaints reported by consumers, costing over $40 million just last year alone. Nationally, California cities crowd the top ten list of metropolitan areas with the highest per capita rates of identity theft reported. The Los Angeles-Long Beach metropolitan area, which includes my district, is particularly prone to such crimes and ranks number two nationally with over 13,000 victims.

A victim of identity theft usually spends a year and a half working to restore his or her identity and good name. Many of my constituents have contacted me. Many of my colleagues have heard similar urging that Congress act quickly and effectively to crack down on this growing epidemic. For this reason, I joined the gentleman from Texas (Mr. CARTER) in introducing the Identity Theft Penalty Enhancement Act, legislation that will make it easier for prosecutors to target those identity thieves who steal an identity for the purpose of committing other serious crimes. The bill will stiffen penalties to deter such offenses and strengthen the ability of law enforcement to go after identity thieves and prove their case.

□ 1430

Our legislation also makes changes to close a number of gaps identified in current Federal law. Identical legislation was introduced by Senators FEINSTEIN and KYL, passing by unanimous consent in the Senate in January of last year. H.R. 1731 has also been endorsed by the Justice Department and the Federal Trade Commission.

I am very mindful of the reservations that my colleague, the gentleman from Virginia (Mr. SCOTT) has expressed about mandatory minimums in general, and I share those concerns about the practice of mandatory minimums. I think my difference with the gentleman from Virginia (Mr. SCOTT) comes in where there are appropriate exceptions. In this case, I believe there is an appropriate exception, and I believe the gentleman from Virginia (Mr. SCOTT) believes this is not an appropriate case for an exception. But let me outline why I believe that this is an appropriate exceptional case.

First, we have the epidemic nature of the crime, which rather than abate has merely grown and proliferated over the last several years.

Second, because the enhanced penalties are reserved for aggravated identity theft, they must be committed in connection with other serious felony offenses. But since the underlying offense and the identity theft are generally merged for sentencing purposes, prosecutors have little incentive to charge identity theft. This current sentencing structure and practice is flawed because it does not reflect the impact on the victim, in addition to the impact and loss to the financial institution.

I was pleased to work with the gentleman from Texas (Mr. CARTER) as well as sponsors from the other body in order to make some additional improvements to the bill in committee. These improvements respond to specific concerns that were raised by the Social Security Administration. In addition, we respond to the ever-growing problem of insider theft. A peer review study will be coming out later this year that will show perhaps as much as 70 percent of identity theft cases are facilitated through the workplace.

Homeland security concerns have certainly highlighted the need to protect against identity theft, given the potential ease with which a terrorist can assimilate to or move about in our society with stolen identity documents.

In order total protect the good credit of hard-working Americans and their reputations and to protect the homeland, the time to strengthen the law is now. I also support the effort of the gentleman from Virginia (Mr. SCOTT) to increase the resources for the enforcement of these laws. Merely increasing the deterrent value is not enough if the resources lag behind.

I want to thank my colleague for all his efforts along those lines, and again want to thank my colleagues, Mr. Speaker, for acting on this piece of legislation, and urge their support.

Mr. SCOTT of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from California for his remarks and also for his hard work on this legislation. As I have indicated, I agree with the purpose of the legislation. However, I disagree with the use of the mandatory minimums.

With mandatory minimums, low level offenders frequently get too much time. The more serious violators often get too little time. That is why we have the Sentencing Commission, that is why we have judges who will hear the evidence and impose the appropriate punishment in the individual case.

Mr. Speaker, I would hope that we would reject the legislation so that we could eliminate the mandatory minimums.

Mr. Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, the only opposition to this bill appears to come from those who are opposed in principle to mandatory minimum sentences. I think that opponents of mandatory minimums would have a much more compelling case if they could assure Congress that the judges are faithfully following the sentencing guidelines that were passed 20 years ago at the time when Congress abolished parole and passed the law establishing determinant sentencing. Sadly, I am afraid the evidence does not support that.

The most disturbing recent example of judges deciding to ignore the sentencing guideline's recommendations comes from Supreme Court justice Anthony Kennedy's testimony before a

House appropriations subcommittee in which he stated that judges who depart downward are courageous, and the judges should not have to blindly follow unjust guidelines.

Now, Congress creates crimes, Congress prescribes the penalties for crimes, and the reason that there were sentencing guidelines passed to begin with was to prevent both prosecutors and defense counsel from shopping around for judges to try cases that met with their own particular views on what the sentence should be, should the defendant be convicted.

Well, because of statements like Justice Kennedy's, we now have to have mandatory minimums when we feel the crime is important enough that somebody should at least spend a day in jail or more. That is why there are mandatory minimums in the bill that is before us that deals with identity theft and identity fraud.

I would urge the House to reject the argument that mandatory minimums are bad per se. We need a mandatory minimum in this burgeoning crime. I urge support of this bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 1731, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

LAW ENFORCEMENT OFFICERS SAFETY ACT OF 2003

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 218) to amend title 18, United States Code, to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns, as amended.

The Clerk read as follows:

H.R. 218

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Law Enforcement Officers Safety Act of 2003".

SEC. 2. EXEMPTION OF QUALIFIED LAW ENFORCEMENT OFFICERS FROM STATE LAWS PROHIBITING THE CARRYING OF CONCEALED FIREARMS.

(a) IN GENERAL.—Chapter 44 of title 18, United States Code, is amended by inserting after section 926A the following:

"§926B. Carrying of concealed firearms by qualified law enforcement officers

"(a) Notwithstanding any other provision of the law of any State or any political subdivision thereof, an individual who is a qualified law enforcement officer and who is carrying the identification required by subsection (d) may carry a concealed firearm that has been shipped or transported in interstate or foreign commerce, subject to subsection (b).

"(b) This section shall not be construed to supersede or limit the laws of any State that—

"(1) permit private persons or entities to prohibit or restrict the possession of concealed firearms on their property; or

"(2) prohibit or restrict the possession of firearms on any State or local government property, installation, building, base, or park.

"(c) As used in this section, the term 'qualified law enforcement officer' means an employee of a governmental agency who—

"(1) is authorized by law to engage in or supervise the prevention, detection, investigation, or prosecution of, or the incarceration of any person for, any violation of law, and has statutory powers of arrest;

"(2) is authorized by the agency to carry a firearm;

"(3) is not the subject of any disciplinary action by the agency;

"(4) meets standards, if any, established by the agency which require the employee to regularly qualify in the use of a firearm;

"(5) is not under the influence of alcohol or another intoxicating or hallucinatory drug or substance; and

"(6) is not prohibited by Federal law from receiving a firearm.

"(d) The identification required by this subsection is the photographic identification issued by the governmental agency for which the individual is employed as a law enforcement officer.

"(e) As used in this section, the term 'firearm' does not include—

"(1) any machinegun (as defined in section 5845 of the National Firearms Act);

"(2) any firearm silencer (as defined in section 921 of this title); and

"(3) any destructive device (as defined in section 921 of this title).".

(b) CLERICAL AMENDMENT.—The table of sections for such chapter is amended by inserting after the item relating to section 926A the following:

"926B. Carrying of concealed firearms by qualified law enforcement officers.".

SEC. 3. EXEMPTION OF QUALIFIED RETIRED LAW ENFORCEMENT OFFICERS FROM STATE LAWS PROHIBITING THE CARRYING OF CONCEALED FIREARMS.

(a) IN GENERAL.—Chapter 44 of title 18, United States Code, is further amended by inserting after section 926B the following:

"§926C. Carrying of concealed firearms by qualified retired law enforcement officers

"(a) Notwithstanding any other provision of the law of any State or any political subdivision thereof, an individual who is a qualified retired law enforcement officer and who is carrying the identification required by subsection (d) may carry a concealed firearm that has been shipped or transported in interstate or foreign commerce, subject to subsection (b).

"(b) This section shall not be construed to supersede or limit the laws of any State that—

"(1) permit private persons or entities to prohibit or restrict the possession of concealed firearms on their property; or

"(2) prohibit or restrict the possession of firearms on any State or local government property, installation, building, base, or park.

"(c) As used in this section, the term 'qualified retired law enforcement officer' means an individual who—

"(1) retired in good standing from service with a public agency as a law enforcement officer, other than for reasons of mental instability;

"(2) before such retirement, was authorized by law to engage in or supervise the prevention, detection, investigation, or prosecution of, or the incarceration of any person for, any violation of law, and had statutory powers of arrest;

"(3)(A) before such retirement, was regularly employed as a law enforcement officer for an aggregate of 15 years or more; or

"(B) retired from service with such agency, after completing any applicable probationary period of such service, due to a service-connected disability, as determined by such agency;

"(4) has a nonforfeitable right to benefits under the retirement plan of the agency;

"(5) during the most recent 12-month period, has met, at the expense of the individual, the State's standards for training and qualification for active law enforcement officers to carry firearms;

"(6) is not under the influence of alcohol or another intoxicating or hallucinatory drug or substance; and

"(7) is not prohibited by Federal law from receiving a firearm.

"(d) The identification required by this subsection is—

"(1) a photographic identification issued by the agency from which the individual retired from service as a law enforcement officer that indicates that the individual has, not less recently than one year before the date the individual is carrying the concealed firearm, been tested or otherwise found by the agency to meet the standards established by the agency for training and qualification for active law enforcement officers to carry a firearm of the same type as the concealed firearm; or

"(2)(A) a photographic identification issued by the agency from which the individual retired from service as a law enforcement officer; and

"(B) a certification issued by the State in which the individual resides that indicates that the individual has, not less recently than one year before the date the individual is carrying the concealed firearm, been tested or otherwise found by the State to meet the standards established by the State for training and qualification for active law enforcement officers to carry a firearm of the same type as the concealed firearm.

"(e) As used in this section, the term 'firearm' does not include—

"(1) any machinegun (as defined in section 5845 of the National Firearms Act);

"(2) any firearm silencer (as defined in section 921 of this title); and

"(3) a destructive device (as defined in section 921 of this title).".

(b) CLERICAL AMENDMENT.—The table of sections for such chapter is further amended by inserting after the item relating to section 926B the following:

"926C. Carrying of concealed firearms by qualified retired law enforcement officers.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

PARLIAMENTARY INQUIRY

Mr. CUNNINGHAM. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. CUNNINGHAM. Mr. Speaker, is it the committee position to pass this bill?

Mr. SENSENBRENNER. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Speaker, the committee position is to pass the bill, and I have made the motion to do so.

Mr. CUNNINGHAM. Mr. Speaker, reclaiming my time, is it the intent to divide time equally for and against the bill?

Mr. SENSENBRENNER. Mr. Speaker, if the gentleman will yield further, it is the intent of the chairman of the committee to divide time based upon requests that are made by Republican Members on this side. I have no idea how time on the Democratic side will be divided, since I would assume that the gentleman from Virginia (Mr. SCOTT), the ranking member of the subcommittee, will be recognized for 20 minutes to manage the time on the Democratic side.

The SPEAKER pro tempore. In answer to the gentleman's previous inquiry, a motion that the House suspend the rules is debatable for 40 minutes, one-half in favor of the motion, one-half in opposition thereto.

Mr. CUNNINGHAM. Mr. Speaker, further parliamentary inquiry. Since the chairman of this committee is opposed to his own committee's position, is it not uncommonly unfair to allow someone opposed to the bill, A, to manage the bill, and also to close? I understand the right to close at the end of the bill in favor of the committee position.

The SPEAKER pro tempore. The chairman of the committee offered the motion to pass the bill.

Mr. CUNNINGHAM. Mr. Speaker, I find this uncommonly unfair.

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 218, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield 4 minutes to the gentleman from North Carolina (Mr. COBLE).

Mr. COBLE. Mr. Speaker, I thank the gentleman from Wisconsin for yielding me time.

Mr. Speaker, as I said at the subcommittee hearing and as I said at the full committee hearing, and as I will reiterate today, reasonable men and women have adamantly supported this bill before us, and reasonable men and women have adamantly opposed it. So that is where we are.

Today I rise in support of H.R. 218, the Law Enforcement Officers Safety Enhancement Act of 2003. H.R. 218 would exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed firearms.

Currently, most States do not recognize within their borders concealed carry permits issued in other States. This legislation, Mr. Speaker, would allow active and retired law enforcement officers to carry a concealed weapon in any of our 50 states. There are important provisions in the bill that require such officers to maintain appropriate firearms training and to carry identification recognizing their affiliation with a law enforcement agency.

Further, the bill has garnered tremendous bipartisan support, and recently passed the House Committee on the Judiciary by a vote of 23 to 9. On June 15, the Subcommittee on Crime, Terrorism, and Homeland Security held a legislative hearing on H.R. 218, and some concerns were raised regarding States' rights, coordinating adequate training standards and the liability problems that may arise by having law enforcement officers using firearms outside of their respective jurisdictions.

While there may be room for improvement, I do believe that the bill before us is a positive step toward ensuring that law enforcement officers have the means to defend themselves and other innocent victims from potential acts of violence and crime.

Mr. Speaker, having said that, I would, at this time, like to engage in a colloquy with my good friend, the distinguished gentleman from Virginia (Mr. SCOTT), who is the ranking member on the Committee on the Judiciary Subcommittee on Crime, Terrorism, and Homeland Security.

The gentleman from Virginia (Mr. SCOTT) authored an amendment which passed the full committee, and which I supported, and I think which was supported in toto by the membership and which is included in the version of the bill we are considering today, that would exclude someone from the definition of qualified law enforcement officer if that person is under the influence of alcohol or any other intoxicating or hallucinatory drug. As I said, I supported the amendment.

I just want to clarify that the amendment only applies during the time that the officer involved is actually under the influence of the alcohol or drug. In other words, as an example, if an officer is going on a 3-day trip, for example, out of his home State, and he is going to be under the influence of alcohol or a drug during 2 hours of that trip, let us say, then he would only lose his coverage under this bill for that 2 hour period and not for the entire 3-day trip.

I just want to clarify that if he does carry his weapon during that 2-hour period, he would not be subject to any special penalty as a result of this law, but rather would just be subject to whatever the penalty is under the applicable local law.

I would ask my friend from Virginia, the ranking member, if that is his understanding as well.

Mr. SCOTT of Virginia. Mr. Speaker, will the gentleman yield?

Mr. COBLE. I yield to the gentleman from Virginia.

Mr. SCOTT of Virginia. Mr. Speaker, the gentleman has correctly stated the intent of my amendment.

Mr. COBLE. Mr. Speaker, reclaiming my time, I thank the gentleman.

Mr. SCOTT of Virginia. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in opposition to H.R. 218. This bill authorizes so-called qualified active and retired Federal and State law enforcement officers to carry concealed weapons interstate without regard to State and local laws prohibiting or regulating such carriage.

"Law enforcement officer" includes corrections, probation, parole and judicial officers, as well as police, sheriffs and other law enforcement officials, and just about anybody who has statutory power of arrest and anyone who is engaged through employment by a government agency in the prevention, detection, investigation, supervision, prosecution or incarceration of law violators.

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In the past, we have considered this bill under the title, Community Protection Act. The rhetoric surrounding the bill was an indication that its purpose was to aid in protecting the public by putting tens of thousands of additional armed law enforcement officers in a position to protect the public as officers travel from State to State and jurisdiction to jurisdiction.

From the name of the current bill, it appears that the emphasis now is on the safety of the officers as they travel. Yet the language is exactly the same.

One of the problems with even suggesting that purpose of a Federal law is for law enforcement officers to assist in protecting the public outside their jurisdictions is that it may give them encouragement or even a sense of obligation to do so.

I submitted for the record in the hearing before the subcommittee a long list of articles and reports in instances where, even in the same jurisdiction, off-duty plainclothes law enforcement officers have shot, or been shot by, other off-duty officers, or gotten shot by them or uniform officers, in gun battles because the plainclothes officers were mistaken as criminals.

If off-duty officers in the same jurisdiction are being shot by their fellow officers, encouraging out-of-state officers to join in such activities through a Federal law will certainly only add to the problem. Therefore, any perceived benefit that could arise from such engagement is of dubious value.

Now, this is especially true when there are officers from small jurisdictions who may not be trained in how to tell fellow police officers from criminals. Such training would be routine in large cities; but if it is a small jurisdiction where everyone knows everybody, that training would not take place.

It is this specter of individually determined engagement in law enforcement actions by out-of-state plainclothes off-duty officers who may not be trained for specific situations that gives police chiefs and local and State governments huge concern. Clearly, they see these officers as more of a challenge to law enforcement than a help.

The bill not only takes away the ability for local law enforcement leaders to manage concealed firearms activities from out-of-state officers, but it also overrides the ability of the police department to regulate its own officers.

The bill overrides a police chief's ability to regulate his own officers in what they do with their own private funds within their jurisdiction. It also eliminates control over concealed weapons activities of retired officers within their own jurisdiction.

Now, it also even overrides a police chief's ability to say what the officers can do with agency-issued guns in their possession within their own jurisdiction.

State legislatures can authorize out-of-state off-duty officers to carry concealed weapons within their jurisdictions. Some have, although most have not. I do not know what the liability implications are for local jurisdictions when officers become engaged in out-of-state shoot-outs. Which jurisdiction is liable for the conduct of the out-of-state active or retired officer who may be negligent? The jurisdiction viewed as allowing an unfamiliar, untrained officer to participate in the shoot-out or the jurisdiction that issued the gun and certified the officer to carry it or other concealed weapons across State lines? The liability insurance implications alone should give Congress pause in imposing an interstate concealed-carry provision on State and local governments.

Now, most organizations representing policymakers in law enforcement, like police chiefs, have opposed this legislation. Congress should not usurp State and local control of law enforcement activities, as this bill will do. So we should oppose this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. KELLER).

Mr. KELLER. Mr. Speaker, I thank the gentleman from Wisconsin (Mr. SENSENBRENNER) for yielding me this time.

Mr. Speaker, the Law Enforcement Officers Safety Act is a commonsense piece of legislation that will make our communities safer by allowing qualified law enforcement officers to carry their concealed firearms across State lines. Criminals do not recognize jurisdictional boundaries, particularly when it comes to seeking revenge against the police officers who arrested them.

If a doctor were traveling on vacation and he came across a child in a traffic accident who needed CPR to save his life, our society would expect the doctor to be a good Samaritan and save the child's life, regardless of State boundaries.

Similarly, law enforcement officers are, in effect, always on duty; and we are right to expect a police officer to come to the aid of a crime victim, and we are right to give that police officer the ability to provide that help by passing this important law.

If our airline pilots have the ability to carry firearms across jurisdictional boundaries, surely our police officers should have that same right.

Without this law, a police officer from Orlando, Florida, who wanted to take his family on a vacation to D.C. to see the monuments would have to travel through six separate States where he would face an instant patchwork of concealed weapons laws which would make it legal for him to have a gun in some jurisdictions and illegal in others. This law solves that problem and enhances the ability of that officer to defend his family and our communities.

For these reasons, I am proud to be a cosponsor of this legislation and was a vocal advocate in passing the bill through the Committee on the Judiciary in a clean form. It is a very popular bill. It has 296 cosponsors in the House. It passed the Senate by a vote of 90 to 8 as an amendment to another piece of gun legislation. It is supported by police officers and other organizations across the U.S.

In summary, Mr. Speaker, this is a good bill, and I urge my colleagues to vote "yes" on H.R. 218.

Mr. SCOTT of Virginia. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. DELAHUNT), a distinguished member of the Committee on the Judiciary and a highly respected district attorney from Massachusetts.

Mr. DELAHUNT. Mr. Speaker, I thank the gentleman from Virginia (Mr. SCOTT) for yielding me this time, and I rise in opposition to this proposal, which I consider dangerous as well as irresponsible. I guess the question that I would pose is, what has happened to States' rights?

The gentleman from Florida indicated that criminals do not respect jurisdictional lines. That is true, they do not. However, the United States Constitution respects State lines and State boundaries, because the Founders believed that Federalism was an important concept in our democracy. It seems that the evolution of the fundamental principle of the Reagan revolution is no longer operative in this Chamber. I would suggest that a true conservative should deplore what this proposal does to that core American concept of Federalism.

Mr. Speaker, I want to commend the chairman of the full committee, the gentleman from Wisconsin (Mr. SENSENBRENNER), for his opposition to this bill. I agree with his statement that it is an affront to State sovereignty and the Constitution. In fact, what we are doing is undermining the 10th amendment, which reserves so many rights to the States. We are doing it daily in this Chamber, and we are doing it in a way that should cause every American citizen, and particularly those who call themselves conservative, should cause them profound concern.

I can remember before I ran for office to this branch, in the previous election there was much to-do about a so-called Contract With America. Well, that contract seems to have been discarded. It no longer has value, presumably, at least political value. It is clear that States' rights and local control are no longer in vogue today. Washington knows best. I guess that is the current refrain. The new term is "preemption." Preemption of States' rights. Preemption is a word we have heard a lot about. It does not just apply to our foreign policy, I would suggest. It now applies to American democracy.

This bill represents a quantum leap, if you will, in terms of the erosion of the rights granted to States under the 10th amendment. It would amend title XVIII to exempt current and retired law enforcement officers from State and local laws that prohibit the carrying of concealed weapons. As the ranking member indicated, I served as the chief law enforcement officer, the elected district attorney in metropolitan Boston, for more than 20 years; and I cannot understand why Congress believes that it is in a better position than State and local law enforcement to make decisions as to what is best in their jurisdictions. It was the former Chair of the Committee on the Judiciary, the gentleman from Illinois (Mr. HYDE), who made the statement a while back that the best decisions on fighting crime are made at the local level, not here in Washington.

Congress has never passed a bill that gives anyone a right to carry weapons in violation of State and local laws until now, in our entire constitutional history. Purportedly, involving public safety, this bill will allow people from out of State to come into my home State with a loaded, concealed weapon without the duty to notify public safety officials in Massachusetts or in Boston or in any community in the Commonwealth of Massachusetts.

The reality is that this legislation will preempt, if you will, or supersede, the laws of 31 States that currently restrict carrying a concealed weapon to on-duty officers. That is the law in 31 States. Yet Washington knows best. Let us just discard those 31 State laws that regulate the carrying of concealed weapons by on-duty officers in their jurisdictions. Of course, it also disregards State laws that oppose conditions on how and when retired officers may carry a concealed weapon. And it ignores the reality that there has been constructive and thoughtful deliberative efforts by other State legislatures, as well as the State of New Jersey, that have addressed exactly these issues. These issues have been addressed in a thoughtful and deliberative way at the State and local level.

This bill does not limit the weapons that officers can carry, like some States do. This bill also does not limit the maximum age for an officer carrying a concealed weapon, like some States do. And this bill does not allow local departments to deny permits to retirees no matter where they come from, like some States do. Under this proposal, a retired Customs inspector from Alabama can come into Massachusetts carrying a concealed weapon, and my local sheriff or my local police chief can do nothing about it.

With the passage of this bill, Congress will enable officers who retire or resign, or resign while under investigation for domestic abuse, racial profiling, excessive force, or substance abuse to be eligible for a concealed weapon permit. It is all too easy to imagine a scenario where there will be a tragedy under these circumstances, and we will be responsible for it. The rationale often in support of this proposal is that law enforcement officers, whether active or retired, are never off duty.

Now, I have profound respect for the hard work of law enforcement officials everywhere. I was part of them. I know them. But when they go off duty and travel to my State and to my hometown, they should respect the rules and policies of the local police departments and the communities where I live and where they are visitors. The Federal Government should not strip sheriffs and police officers of the authority and discretion to determine who can carry concealed weapons within their jurisdictions. Why should Congress, of all places, why should Congress decide if an off-duty or retired police officer from another State can carry a hidden firearm into my community or into your community?

Mr. Speaker, by no means does this bill reflect Federal support for State and local law enforcement. It will not reduce violence; and I dare say, to the contrary, it very well may undermine public safety.

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So, for all these reasons, I urge my colleagues to defeat this proposal.

Mr. SENSENBRENNER. Mr. Speaker, I yield 6 minutes to the gentleman from California (Mr. CUNNINGHAM), the author of the bill.

Mr. CUNNINGHAM. Mr. Speaker, this bill has been a long time coming. And for those to say that this violates States rights, when they themselves have voted for hundreds of bills on this floor against States rights, I think is an oxymoron.

I also believe that one can spend this any way they want if one is opposed to it. But look who is for it. A super majority in the Senate has already passed this bill, this House floor, over 300 votes, on this floor.

We have policemen in D.C. that gave their lives to save Members of Congress and they are waiting outside for the passage of this bill, Mr. Speaker. They are so excited. This is the number one legislative act for law enforcement, the number one. During Memorial Day, we mourned our law enforcement agents that we lost. They had us up on the stage that support this bill as recognition. Those in opposition can spin this any way they want.

Who else supports this bill? The ranking member and the chairman in the subcommittee and the committee were overridden by their own committee on the amendments. The Scott amendment, which is good, and I think it improves the bill, and it does. I wish I had thought of it. But in this body to override a chairman and a ranking minority in their own committee takes guts, and it is guts because it supports the right thing.

We all say we support law enforcement. Well, they support this, even the Retired Chiefs of Police. We had a chief of police oppose this, but the Retired Chiefs of Police support this bill.

If one looks at what this bill does, the training that is required, all of the access to anyone that would use this bill is in the bill. The liability itself is in this bill. And I would say that if one takes a look also at who supports these positions, they wrote this, the law enforcement agencies helped over the years write this bill. It helps them. If one looks to Law Enforcement Alliance of America, LEAA, the National Association of Police, NAPO, the National Law Enforcement Council, and FOP, all of them support this bill, Mr. Speaker.

Very rarely can we come across and have a bill that is passed out of the committee over the objection of the chairman and the ranking member to make it to the floor, and that time be controlled by both the people that are opposed to this bill.

Now, the chairman granted me 5 minutes. I thank the chairman for that. But I also think it is unfair for someone that is opposed to the bill be on the floor closing, because that is usually in the committee position. The committee position is to pass this bill. Even though the chairman purported the bill to pass it, he is speaking against it. He wants to close, which I do not think is fair.

And who is it not fair for? It is not fair for the millions of law enforcement agents that risk their lives every day. They give their lives for us, almost as many of those have been lost in Iraq. When they arrest somebody that is not always a good guy, their families are getting killed when they retire. And they said, hey, we want protection. Give us protection against the bad guys. Because they do carry weapons.

I would like to submit, Mr. Speaker, the letter from the President of the United States. And I will read, "I am pleased to offer my support for the Law Enforcement Officers' Safety Act. Our Nation relies upon the men and women in law enforcement to keep the streets and neighborhoods safe. This legislation will better protect our Nation from danger by ensuring that these first responders are ready to handle an emergency, regardless of their location and duty status."

The President is saying this helps us in homeland security. We will be struck, Mr. Speaker, by some terrorist act. I think it is inevitable. And we want the people that are highly trained that protect us every day, to have the right to speak.

Mr. Speaker, I think we owe it to the very people what support this bill across the land. They are waiting outside. I am not supposed to speak about who is in the gallery, Mr. Speaker, but I was if allowed to do that, I would say that law enforcement agents are there to support this bill. And I do not know what I can do to have a position supported by the Senate super majority, a super majority of this body, a super, super majority of law enforcement agents, and someone to oppose it is just wrong.

Mr. Speaker, I thank the chairman for his courtesy of the 5 minutes and extra minute, but I also would submit my disappointment that the controlling of the time was not by the subcommittee as originally set, agreed upon, and that the right to close does not fall on someone that supports this bill.

Mr. Speaker, at this time, I will insert the letter that I referred to earlier in the RECORD.

THE WHITE HOUSE,
Washington, DC, June 18, 2004.
Mr. CHUCK CANTERBURY,
National President, Fraternal Order of Police, Grand Lodge, Washington, DC.

DEAR CHUCK:

I am pleased to offer my support for the Law Enforcement Officers' Safety Act. Our Nation relies upon the men and women in law enforcement to keep the streets and neighborhoods safe. This legislation will better protect our Nation from danger by ensuring that these first responders are ready to handle an emergency regardless of their location and duty status.

I am particularly pleased that the Senate sponsors named this provision after our mutual friend, Steven Young. I know how hard you and Steve worked for passage of this bill, and I look forward to honoring his memory by signing it.

Sincerely,
GEORGE W. BUSH.

Mr. SCOTT of Virginia. Mr. Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, I rise in opposition to this legislation and urge my colleagues to vote against it.

I would ask my colleagues to ignore the list of organizations that have supported the bill and read what the bill does. In Federalist Paper number 45, James Madison, in explaining the division of power between the States and the Federal Government envisioned, stated, "The powers reserved to the several States will extend to all objects which, in the ordinary course of affairs, concern the lives, liberties, and properties of the people, and the internal order, improvement, and prosperity of the State."

This legislation takes away the ability of the 50 States to govern their internal order. Just look at the title of the bill: "To amend title 18, United States Code, to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed weapons." In exercising its authority to keep internal order, the State has traditionally controlled who, within its borders, may carry concealed weapons and when law enforcement officers may carry firearms.

This legislation undermines the power of the individual states and frustrates the principles of Federalism. As long as they do not infringe on the rights granted under the second amendment to the Constitution, laws regulating the carrying of concealed firearms should remain within the jurisdiction of the State government where they can be more effectively monitored and enforced.

Currently Federal law is silent on the issue of allowing State and local law enforcement officers to carry concealed weapons across State lines, allowing each individual State to decide whether or not it wishes and to what extent to allow this practice.

Additionally, current Federal law does not mandate that the States allow both active and retired State and local law enforcement officers to carry a concealed weapon without the permission of each specific State. I understand that at least six States and the District of Columbia currently forbid officers from other States to carry concealed weapons. Thirty-one States restrict carrying a concealed weapon to an officer off duty. And nine States allow an out-of-state officer to carry a concealed weapon.

H.R. 218 would override State right to carry laws and mandate that active and retired police officers could carry a concealed weapon anywhere within the United States. Such a measure is an affront to State sovereignty and the Constitution.

I have received letters from the National League of Cities and State leaders around the country objecting to this legislation because it replaces the judgment of State and local governments with the judgment of Congress on an important safety issue. The International Association of Police Chiefs, the Major City Chiefs, and the Police Executive Research Forum also object to this legislation. So law enforcement is not unanimous in support of it.

The IACP testified at a hearing before the Subcommittee on Crime, Terrorism, and Homeland Security that H.R. 218 will create a dangerous situation for law enforcement and citizens alike because there is so much variation in training standards for law enforcement. In addition to these variations, it may be difficult for officers to recognize official badges held by legitimate officers and fake badges and fake ID cards, which are easily obtainable on the Internet.

I am also very concerned who will bear the responsibility and liability for potential actions that these officers might take while out of their State. It is a real possibility that the law enforcement agency that trained these officers could wind up being forced to defend itself against actions taken by an off duty, out-of-state officer.

I received a letter from Joseph Polisar, president of the International Association of Chiefs of Police. And I will insert it in the RECORD in total, but I would like to just read one paragraph.

"Finally, the IACP is concerned about or concerned over the liability of law enforcement agencies for the actions of off-duty officers who use or misuse their weapon while out of State. If an off-duty officer who uses or misuses their weapon while in another State, it is likely that their department will be forced to defend itself against liability charges in another State. The resources that mounting this defense would require could be better spent serving the communities we represent."

Because of all of the concerns that I have expressed, I must oppose this legislation and ask that my colleagues join me in my opposition. I realize this is a tough vote, but this is not a good bill. I believe that the issues at hand could be better addressed by the States in an appropriate manner through the use of reciprocity agreements, many of which already exist, rather than taking away the right of the States to legislate in this area which H.R. 218 does.

An approach of reciprocity agreements would allow individual States to have the final say on whether or not it believes allowing out-of-state officers to carry concealed weapons within its borders would enhance rather than undermine public safety.

The letter previously referred to follows:

INTERNATIONAL ASSOCIATION OF CHIEFS OF POLICE,
Alexandria, VA, June 23, 2004.
Hon. JAMES SENSENBRENNER,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE SENSENBRENNER: On behalf of the International Association of Chiefs of Police (IACP), I am writing to express our strong opposition to H.R. 218, the Law Enforcement Officers Safety Act of 2003. This bill would authorize off-duty and retired law enforcement officers to carry concealed weapons throughout the country.

It is the IACP's belief that states and localities should have the right to determine who is eligible to carry firearms in their communities. It is essential that state and local governments maintain the ability to legislate concealed carry laws that best fit the needs of their communities. This applies to laws covering private citizens as well as active and former law enforcement personnel.

The IACP strongly believes that each state should retain the power to determine whether they want police officers that are trained and supervised by agencies outside of their state carrying firearms in their jurisdictions. Why should a police chief who has employed the most rigorous training program, a strict standard of accountability and stringent policies be forced to permit officers who may not meet those standards to carry a concealed weapon in his or her jurisdiction?

However, in addition to these fundamental questions over the preemption of state and local firearms laws, the IACP is also concerned with the impact that this legislation may have on the safety of our officers and our communities.

There can be no doubt that police executives are deeply concerned for the safety of our officers. The IACP understands that the proponents of S. 253 contend that police officers need to protect themselves and their families while traveling, and that undercover officers may be targets if recognized on vacation or travel. These are considerations, but they must be balanced against the potential dangers involved. In fact, one of the reasons that this legislation is especially troubling to our nation's law enforcement executives is that it could in fact threaten the safety of police officers by creating tragic situations where officers from other jurisdictions are wounded or killed by the local officers. Police departments throughout the nation train their officers to respond as a team to dangerous situations. This teamwork requires months of training to develop and provides the officers with an understanding of how their coworkers will respond when faced with different situations. Injecting an armed, unknown officer, who has received different training and is operating under different assumptions, can turn an already dangerous situation deadly.

In addition, the IACP is concerned that the legislation specifies that only an officer who is not subject to a disciplinary action is eligible. This provision raises several concerns for law enforcement executives. For example, what types of disciplinary actions does this cover? Does this provision apply only to current investigations and actions? How would officers ascertain that an out-of-state law enforcement officer is subject to a disciplinary action and therefore ineligible to carry a firearm?

Additionally, while the legislation does contain some requirements to ensure that retirees qualify to have a concealed weapon, they are insufficient and would be difficult to implement. The legislation fails to take into account those officers who have retired under threat of disciplinary action or dismissal for emotional problems that did not rise to the level of "mental instability." Officers who retire or quit just prior to a disciplinary or competency hearing may still be eligible for benefits and appear to have left the agency in good standing. Even a police officer who retires with exceptional skills today may be stricken with an illness or other problem that makes him or her unfit to carry a concealed weapon, but they will not be overseen by a police management structure that identifies such problems in current officers.

Finally, the IACP is also concerned over the liability of law enforcement agencies for the actions of off-duty officer who uses or misuses their weapon while out of state. If an off-duty officer who uses or misuses their weapon while in another state, it is likely that their department will be forced to defend itself against liability charges in another state. The resources that mounting this defense would require could be better spent serving the communities we represent.

The IACP understands that at first glance this legislation may appear to be a simple solution to a complex problem. However, a careful review of these provisions reveals that it has the potential to significantly and negatively impact the safety of our communities and our officers.

Again, the IACP is strongly opposed to this legislation and we urge you to oppose it as well.

Thank you for attention to this important issue to law enforcement executives.

Sincerely,

JOSEPH POLISAR,
President.

Mr CUNNINGHAM. Mr. Speaker, I rise today to strongly urge Members to vote "yes" on my bill, the Law Enforcement Officers Safety Act of 2003 (H.R. 218) to allow qualified off-duty and retired law enforcement officers to carry concealed weapons in any jurisdiction. The bill has broad bipartisan support with 296 cosponsors.

The benefits of the legislation are twofold—officer safety and improved public safety. Many jurisdictions do not allow off-duty officers to carry concealed weapons. Due to the unique responsibilities and dangers that come with law enforcement, off-duty officers are at a greater risk than most Americans. It is not uncommon for off-duty officers to run into people they have arrested or helped to incarcerate. There have been documented instances where felons have sought retribution against officers who helped to put them in jail or prison. It is only right that the men and women who put their lives on the line everyday when they go to work be afforded the right to protect their families and themselves while they are off duty.

These concerns apply not only to off-duty officers, but to retired officers as well. A criminal who is seeking retribution does not care that the officer who put them away is retired. It is a disservice to those men and women who risked their lives to perform a public service to be deprived of the right to defend themselves and their families simply because they retired.

Legal issues are also posed when neighboring jurisdictions have different regulations for carrying concealed weapons. An off-duty officer is faced with a problem when he is traveling state to state or even city to city. In a circumstance where his/her home jurisdiction requires off-duty officers to carry, but he is traveling to a jurisdiction where the law prohibits carrying concealed weapons, the officer is forced to choose which law to break. Does he leave his gun at home and break the law in his home jurisdiction, or take it with him and break the law when he enters the next jurisdiction?

Aside from the issues of self-defense and jurisdictional conflicts, H.R. 218 provides additional officers to prevent crime, without the cost. There are countless stories of retired and off-duty officers who have prevented crime and protected everyday citizens because they were allowed to carry concealed weapons. In this time of heightened security, it seems only logical that additional means to prevent crime and even terrorism be implemented. Off-duty and retired law enforcement officers have the training to recognize suspicious activity and prevent crime. When qualified off-duty and retired police officers are allowed to carry, more law enforcement officers are put on the street at zero cost to taxpayers.

Mr. Speaker, I would like to take a minute to read some stories from around the United States where off-duty officers have prevented crimes, in part, because they were allowed to carry their firearm. The first story is from my hometown of San Diego.

Officer Finds Work on Her Day Off

(By Joe Hughes)

HILLCREST.—For San Diego police Officer Sandra Oplinger, it was anything but an off day. Olinger ended up capturing a suspected bank robber at gunpoint on her day off yesterday.

She happened to be in the area of Home Savings Of America on Fifth Avenue near Washington Street about 12:30 p.m. when she saw a man running from the bank, a trail of red smoke coming from an exploded red dye packet that had been inserted into a wad of the loot.

With her gun drawn, she tracked down and caught the man. Citizens helped by gathering up loose bank cash. The incident began when a man entered the bank and asked a teller if he could open an account. The teller gave him a blank form and he left. He returned 10 minutes later, approached the same teller and declared it was a robbery, showing a weapon and a demand note he had written on the same form the teller had given him.

He then grabbed some money and ran out the door. The dye pack exploded outside, leaving a trail of smoke that attracted Oplinger's attention and led to the suspect's arrest.

The names of the man and a possible accomplice in a nearby car were not immediately released. A gun was recovered.

Deputy Apparent Target of Robbery, Carjacking

Gunfire was exchanged on Milwaukee's north side Wednesday during an attempted robbery and carjacking.

An off-duty Milwaukee County Sheriff's deputy was the victim of an attempted robbery and carjacking Wednesday afternoon as he was leaving the Advance Auto Parts store near Teutonia and Hampton Avenues, WISN 12 News reported Ben Tracy said. The deputy, who had a gun exchanged fire with one of the suspects. No one was injured or hit by gunfire, Tracy reported. Milwaukee Police and Milwaukee County Sheriff's deputies were on the scene. They were examining a car they believe belongs to the suspects. They were searching for two suspects.

Off-duty Officer Shoots Attacker

An off-duty Houston police officer shot a man in southwest Houston early Sunday.

The officer, whose identity was not released, was working in the parking lot of a reception hall in the 9500 block of Wilcrest. About 3 a.m., he repeatedly asked two men who were talking to two women to leave the parking lot and go inside the building, officials said.

The men refused to leave and confronted the officer. The confrontation escalated to an assault, according to the Houston Police Department, with one of the men knocking off the officer's eyeglasses.

The officer, whose vision was impaired after being hit, said he saw a man approaching him with his arms near his pockets, police said. They said the officer asked him to stop, when he didn't, the officer drew his weapon and fired. Daryl D. Gorman, 30, was taken to Ben Taub Hospital with gunshot wounds to the hip and left side investigators said. He was listed in fair condition Sunday.

The officer, a 16-year veteran of the Fondren division, received facial injuries. No charges had been filed Sunday.

Off-duty Police Officer, Suspected Robber Shoot Each Other

SOUTH GATE, CA. (AP).—An off-duty police officer exchanged gunfire with a would-be robber early Saturday morning. Both men were wounded but were expected to survive, police said. Fabian Mejia, a three-year veteran of the Calexico Police Department, was using a corner pay phone shortly after midnight when a 19-year-old gunman demanded money from him, said Lt. Darren Sullivan of the South Gate Police Department.

After the men shot each other, the suspect got in a car and left as Mejia called 911. Police arrested the gunman and an 18-year-old woman with him after they arrived at a nearby hospital, Sullivan said. Their names were not immediately released. Mejia was in stable condition at a hospital while the suspected robber was in serious but stable condition, said Sullivan.

Mejia was in South Gate, just southwest of Los Angeles, to visit his parents, Sullivan said.

Officer Shoots at Yard-Statue Thieves

(By Peggy O'Hare)

An off-duty Houston police officer followed two men who stole concrete statues from his front yard Tuesday and fired at the driver when he pointed a gun at him, authorities said.

Officer J.H. Lynn said two men forced their way through his front yard's locked gate at 12:45 p.m., took two statues from the lawn and drove off.

The officer followed the thieves to get their license plate number. When they reached the 1000 block of West 25th, they turned around and drove toward Lynn, with the driver pointing a handgun at the officer.

Lynn fired his duty weapon one time at the driver, but the pair drove through a ditch and sped away.

Tulsa Policeman Shoots Intruder

(By Mick Hinton)

Tulsa.—A month after joining the Tulsa police force, Mark Sole shot the hand of an intruder early Monday in the front yard of the officer's home. The intruder and an accomplice are suspected of breaking into Sole's garage. Sole and his wife were awakened about 6 a.m. by noises coming from their garage, Sgt. Wayne Allen said. The officer found two men in his garage. Allen said one man ran, but Sole held the other at gunpoint in his front yard. "He ordered the suspect to take his hands out of his pocket, and the suspect had a dark metallic object," Allen said. The officer apparently thought it was a weapon and shot the man in the hand, Allen said.

Police arrested John Warren Kays, 29, of Tulsa and took him to Tulsa Regional Medical Center, where he was being treated, Allen said.

Cop Saves Teens From Pit Bulls

(By Bradley Cole)

East Chicago.—An East Chicago police officer shot and killed two pit bulls Tuesday as he came to the rescue of two local teens who faced serious injury. Police Officer John Mucha was asleep Tuesday afternoon after working a midnight shift when the piercing scream of a 16-year-old boy woke him up. Mucha ran to the window and saw two pit bulls attacking a young man in the 5000 block of Tod Avenue. Before he could react, Mucha watched as the boy, with the pit bulls chasing him, jumped a fence to safety. Then he heard a second scream. As Mucha turned to the window again, he saw the pit bulls pin a 14-year-old girl to the sidewalk and begin mauling her.

East Chicago Sgt. Joe De La Cruz said Mucha, in his underwear and T-shirt, grabbed his gun and ran barefoot into the street. As Mucha approached the girl, the two pit bulls turned their attention toward him, De La Cruz said. "Officer Mucha then positioned himself between the girl and the pit bulls," De La Cruz said. "The dogs made a pass at him, then attacked. He shot at the dogs, wounding them both, before they ran off." De La Cruz said Mucha took after the first dog, which he managed to corner. He said the dog tried to attack Mucha again, he shot it and killed it.

Within seconds, Mucha ran after and spotted the second dog on a nearby porch. Once again, as Mucha approached the dog, it tried to attack and was shot to death.

Police said the boy wasn't seriously injured, but the girl was taken to St. Catherine Hospital in East Chicago, where she was treated and released. De La Cruz said the dogs' owner, Anna Gonzalez, 24, of 5013 Tod Ave., received numerous tickets from East Chicago dog warden Steve Ruiz before the incident. He said she also received numerous tickets afterward and has prompted the city to once again crack down on pit bulls. "We passed an ordinance 10 years ago that anyone who owns a pit bull must have $1 million in insurance," De La Cruz said. "All pit bulls must be registered at City Hall. They must be on a leash and muzzled when they're walked." De La Cruz said pit bulls are becoming a problem again, and the city plans to step up its efforts to ensure that pit bull owners are complying with the law.

Mucha will receive an official commendation from East Chicago Police Chief Frank Alcala for his bravery, De La Cruz said.

H.R. 218 is strongly supported by the Law Enforcement Alliance of America, the Fraternal Order of Police, the National Troopers Coalition, the National Association of Police Organizations, the International Brotherhood of Police Officers, and many others. In most cases, H.R. 218 is their #1 legislative priority. These groups have worked tirelessly for over 10 years to see the passage of this legislation. I want to thank them for all their hard work and diligence in seeing H.R. 218 come to the Floor.

I also want to thank the 296 members who cosponsored H.R. 218 this year. Their support has been crucial in getting a vote on this bill this year.

During this time of heightened security, it makes sense to put more qualified officers in a position to prevent crime. Mr. Speaker, I strongly urge my colleagues to vote "yes" today on this crucial piece of legislation. I thank Members and so will their cops.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time, and ask for a no vote.

The SPEAKER pro tempore (Mr. TERRY). The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 218, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

INCREASING MAXIMUM AMOUNT OF HOME LOAN GUARANTY AVAILABLE UNDER HOME LOAN GUARANTY PROGRAM OF THE DEPARTMENT OF VETERANS AFFAIRS

Mr. BROWN of South Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4345) to amend title 38, United States Code, to increase the maximum amount of home loan guaranty available under the home loan guaranty program of the Department of Veterans Affairs, and for other purposes.

The Clerk read as follows:

H.R. 4345

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN, AND ANNUAL INDEXING OF, MAXIMUM AMOUNT OF HOME LOAN GUARANTY FOR CONSTRUCTION AND PURCHASE OF HOMES.

(a) Maximum Loan Guaranty Based on 100 Percent of the Freddie Mac Conforming Loan Rate.—Section 3703(a)(1) is amended by striking "$60,000" each place it appears in subparagraphs (A)(i)(IV) and (B) and inserting "the maximum guaranty amount (as defined in subparagraph (C))".

(b) Definition.—Such section is further amended by adding at the end the following new subparagraph:

"(C) In this paragraph, the term 'maximum guaranty amount' means the dollar amount that is equal to 25 percent of the Freddie Mac conforming loan limit limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) for a single-family residence, as adjusted for the year involved.".

□ 1515

The SPEAKER pro tempore (Mr. TERRY). Pursuant to the rule, the gentleman from South Carolina (Mr. BROWN) and the gentlewoman from California (Mrs. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from South Carolina (Mr. BROWN).

Mr. BROWN of South Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4345. This bill would provide the largest increase in the VA home loan guaranty since 1978, increasing the maximum home purchase guaranty from $240,000 to $333,700. That is a 39 percent increase.

Additionally, this measure would provide for annual increases in the home loan guaranty to match rising housing prices. It would do so by linking the VA loan limit with the conforming loan rate of the Federal Home Loan Mortgage Corporation. Not only would this measure assist our veterans, but it would ensure that our courageous servicemembers fighting in Iraq, Afghanistan, and throughout the world, along with their families, can take part in the American dream of homeownership.

In fiscal year 2003, the VA guaranteed 419,717 home loans for veterans and 57,129 home loans for active duty servicemembers. Since the program's inception in 1944, the VA has guaranteed more than 17.5 million home loans, thus providing homeownership opportunities to millions of veterans and their families.

This is a good bill; and I thank my colleagues, the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) and the gentlewoman from California (Mrs. DAVIS), for their bipartisan cooperation.

Mr. Speaker, I reserve the balance of my time.

Mrs. DAVIS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 4345. I would just like to begin by saying that managing this legislation for our side is particularly meaningful for me today because I have fought to improve the VA's home loan program since I was first elected to Congress over 3 years ago.

I also wanted to thank the gentleman from New Jersey (Chairman SMITH) and the gentleman from Illinois (Ranking Member EVANS) for bringing this legislation before the Committee on Veterans' Affairs and for sending it to the House floor.

I certainly want to thank my colleague, the gentlewoman from Florida (Ms. GINNY BROWN-WAITE), with whom I have been honored to serve on the Committee on Veterans' Affairs, for working with me over recent months to perfect legislation that brings significant improvements to the home loan program administered by the Department of Veterans Affairs.

Mr. Speaker, I have heard from many veterans in San Diego about the need to increase the loan amount under the VA's home loan program. Simply put, veterans living in high-cost areas cannot use the VA loan because the current limit of $240,000 is not nearly enough to purchase a home in regions such as San Diego where the median price for a home has now reached $500,000. Far too many of our veterans cannot take advantage of the benefits that come with a VA loan because of this low limit.

I also fear that many veterans in my community will never have the opportunity to buy a home without a subsidized VA loan. My staff heard from one disabled veteran shortly after I was elected who tried to purchase a home in San Diego; and unfortunately, with the low limit in the VA program, he was not able to find anything affordable and still lives in an apartment today.

It is my goal to let veterans know that homeownership is a real possibility for them.

The bill before Congress today, H.R. 4345, introduced by me and the gentlewoman from Florida (Ms. GINNY BROWN-WAITE), would not only increase the home loan limit to $333,700, but it would index the amount to the Freddie Mac criteria to guarantee automatic increases annually.

America's veterans deserve to be on an equal footing with the general public in today's competitive real estate markets. The bill before the House accomplishes exactly that. I urge my colleagues to support this important legislation.

Though passage of H.R. 4345 will be a victory for our veterans, I intend to keep working hard on this issue to ensure that they can continue to achieve homeownership and that the home loan program is effective.

Just last week, I introduced H.R. 4616 to extend a VA home loan pilot program set to expire in September of 2005, which would offer adjustable rate mortgages to veterans. Like the general public, our veterans should have the ability to choose the type of mortgage that will best suit their needs.

After fighting for the United States, our veterans deserve the opportunity to live in their own home. I am hopeful that my colleagues will continue to support improvements to our veterans home loan program.

Again, I am truly honored that the House is considering this legislation so that we may assure meaningful home loan benefits to America's veterans.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of South Carolina. Mr. Speaker, I yield 5 minutes to the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I am very pleased to speak on behalf of this legislation, which was introduced to improve the VA home loan program. The Veterans Housing Affordability Act, H.R. 4345, is a good government solution which will assist veterans across the Nation at no cost to the taxpayers.

Homeownership is one of the main building blocks of strong communities and also a strong economy. A home is the largest financial investment most American families will ever make, and it allows them to build financial security as the equity in their home increases. Moreover, this tangible asset provides a family with borrowing power to finance important needs such as the education of their children. It is also a nest egg with very reliable and significant returns on investment regardless of race, color, or creed.

The VA has been providing home loan guarantees to men and women who serve our country since 1944. Under this program, the veteran purchases a home through a private lender and the VA guarantees to pay the lender a portion of the loss if the veteran defaults on the loan. Because of this benefit, millions of veterans have been able to realize the American dream of owning their own home.

Since its inception in 1944, the VA has guaranteed $748 billion in loans for 16.9 million homeowners. In 2002, the VA guaranteed more than $40.1 billion in loans to finance the purchase or refinance 317,250 homes. Obviously, this program is a rip-roaring success. It has been a tremendous asset to veterans and their families at minimum cost to the government.

The first decade of the 21st century, however, has seen an expansive growth in home values. For homeowners this has been a tremendous boon. They have seen their tangible asset increase in value. In some regions, home values have more than doubled in the last 5 years.

However, those not fortunate to already be a homeowner are facing daunting prices for entry-level homes. In New Jersey, median housing prices hover in the 300 to $400,000 range. The same is true for other regions in Connecticut, California, Washington, Virginia, Maryland, Illinois, and even my home State of Florida.

Many soldiers postpone their homeownership until after they are out of the service. For these brave veterans, as median housing prices rise, the VA benefit actually decreases. The rising housing market erodes the purchasing power of the VA home loan. Depending on where the veteran lives, the $240,000 amount is simply insufficient to cover their housing needs.

This is simply wrong. At the very least, we owe our veterans the same chance at the American dream after their service as they had the day that they enlisted.

H.R. 4345 indexes the maximum VA guarantee amount to 25 percent of the Freddie Mac conforming loan rate. The prevailing VA loan limit would be $333,700, and it would continue to automatically adjust to the market and to the housing needs of veterans.

The good news is that the Congressional Budget Office has determined that this bill actually saves the government money. Imagine that, helping veterans and saving money. According to the CBO projection, it will save $39 million in 2005 and $208 million over 5 years and a whopping $288 million in 10 years.

We are all very proud of the men and women who serve our Nation past and present, and I hope that the Members will agree that the value of the veterans benefit should not vary depending on where they live or when they purchase a home. I think this legislation is important and very timely, and I urge support of this legislation.

I certainly want to thank the gentleman from New Jersey (Chairman SMITH) and also the gentleman from South Carolina (Mr. BROWN) for their leadership on issues affecting veterans; and the gentlewoman from California (Mrs. DAVIS), who was an original cosponsor on this legislation, should also be recognized for her strong support in bringing about this legislation.

Additionally, Senator CORZINE has introduced the bill in the Senate, and we are hoping for some speedy action there. This truly is obviously a bipartisan effort to assist veterans throughout our Nation, and I urge support of this legislation.

Mrs. DAVIS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. EVANS), ranking member of the Committee on Veterans' Affairs.

Mr. EVANS. Mr. Speaker, I rise in support of H.R. 4345. This bill is an example of bipartisan legislation that the House Committee on Veterans' Affairs has voted for.

It includes provisions drawn from H.R. 1735, introduced on April 10, 2003, by the gentlewoman from California (Mrs. DAVIS), and H.R. 4065, introduced by the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) in March of this year.

H.R. 4345, a compromise bill, increases the VA home loan amount to that provided by the Freddie Mac program for a single family residence. It also indexes the VA home loan amount to the Freddie Mac program, thereby taking into account future needs in this program. This is something that the veterans deserve.

In addition, I would like to note that the original Davis bill would have generated more savings than the original Brown-Waite bill, but this bill exceeds the CBO savings for either bill. These savings will be needed to pay for improvements to benefit our Nation's current and future veterans. The Committee on Veterans' Affairs has ordered these much-needed improvements reported to the House in H.R. 1716, which contains the provisions and cost savings of H.R. 4345. Veterans across the country are anxiously awaiting this bill's scheduling to come under suspension.

Mr. BROWN of South Carolina. Mr. Speaker, we have no further speakers at this time, and I reserve the balance of my time.

Mrs. DAVIS of California. Mr. Speaker, I yield 3 minutes to the gentleman from Maine (Mr. MICHAUD).

Mr. MICHAUD. Mr. Speaker, I thank the gentlewoman for yielding me time.

I rise in strong support of H.R. 4345, which provides an increase in the home loan amount for veterans.

I want to thank the gentlewoman from California for introducing H.R. 1735, which raised our awareness of this very important issue, and for her bipartisan work on this matter. I am glad that the provisions of H.R. 1735 are included in the bill we are considering today.

I also want to thank the gentlewoman from Florida for introducing her bill, H.R. 4065, and for her continued dedication to this issue.

H.R. 4345 is a bipartisan compromise bill which includes the best features of H.R. 1735 and H.R. 4065. I appreciate the gentlewoman from Florida's willingness to include the higher amount proposed by the gentlewoman from California's (Mrs. DAVIS) bill and to limit the loan amount to that provided under Freddie Mac for a single family home.

As a result, we obtain maximum savings for the home loan provision without including the higher amounts under the Freddie Mac program for multifamily units which have a significant higher foreclosure rate.

By limiting the amount to that for a single family dwelling, the risk of loss to the taxpayer is lessened.

In my hometown of East Millinocket, a person can buy a three-bedroom home for $35,000. However, I recognize in other parts of the country, and indeed other parts of the State of Maine, homes are much more costly.

□ 1530

This bill would provide necessary home loan benefits to veterans regardless of where they live, whether in East Millinocket or San Diego. Veterans who serve our Nation should be able to obtain homes through the Department of Veterans Affairs anywhere in the United States.

I note that a similar provision of H.R. 4345 has been included in section 301 of H.R. 1716, the "Veterans Earn and Learn Act." I would like to thank the chairman, the gentleman from New Jersey (Mr. SMITH), and the ranking member, the gentleman from Illinois (Mr. EVANS), and the subcommittee chairman, the gentleman from South Carolina (Mr. BROWN) for their leadership on this issue.

In closing, Mr. Speaker, I also would like to acknowledge the newest member of the Committee on Veterans' Affairs, the gentlewoman from South Dakota (Ms. Herseth), who will also be speaking on this bill. I look forward to working with the gentlewoman from South Dakota on the committee to improve benefits for our veterans.

Mrs. DAVIS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Speaker, I rise today in support of H.R. 4345, and would like to take this opportunity to thank my colleagues on the Committee on Veterans' Affairs, especially the gentlewoman from Florida (Ms. BROWN-WAITE) and the gentlewoman from California (Mrs. DAVIS) for bringing this issue forward.

For many years, the gentlewoman from California (Mrs. DAVIS) has been advocating for this, and I am glad that we are taking it up on suspension today. Like all Americans, our veterans dream of obtaining the American Dream of homeownership. Our veterans have fought selflessly on behalf of our country and are entitled to the benefits we have promised them, including home loan benefits.

Unfortunately, for many, the dream is faced with many obstacles. The current VA home loan limits of $240,000 prevents many veterans from using home loan benefits to purchase a home in many high-cost areas, like California, Florida, and many parts of the State of Texas, which affect my veterans who are retired.

This legislation indexes the maximum loan amount to 100 percent of the Freddie Mac Conforming Loan Rate to make the VA home loan program compatible with the home loans available to the public nationwide. Additionally, the legislation allows the maximum VA loan amount to adjust automatically each year to the Freddie Mac standard in order to remain compatible with the national housing market.

This legislation is extremely important. During 2003, three million veterans took advantage of the VA home loan program. Three million. And I am also very positive that more veterans will be able to take advantage of these benefits because of the improvements we have made today.

As our troops are fighting in Iraq and Afghanistan, we must continue to show them and to say thanks from a grateful Nation. This particular piece of legislation is something that is needed and I am real pleased we have had this opportunity. I cannot think of a better way of saying thanks to all our soldiers and our veterans than by improving the benefits to our soldiers with this legislation.

Once again, I thank the two authors.

Mrs. DAVIS of California. Mr. Speaker, I yield 3 minutes to the gentlewoman from South Dakota (Ms. Herseth).

Ms. HERSETH. Mr. Speaker, I thank the gentlewoman for yielding me this time, and I rise in support of H.R. 4345, which will provide an increase in the home loan amount for veterans. As a new Member of the House Committee on Veterans' Affairs, I am pleased to speak in support of this bipartisan measure.

As has been mentioned, H.R. 4345 would increase the amount of the VA loan guarantee to 25 percent of the Freddie Mac loan amount for a single-family home, and automatically increase the amount whenever the Freddie Mac amount was changed. This has the effect of matching the VA loan guarantee to that of Freddie Mac. As importantly, the bill generates savings of $288 million over 10 years.

This bill will impact veterans in South Dakota and around the country. Some areas, such as San Diego, have much higher real estate prices. However, I believe our veterans, no matter where they choose to live, should have an equal opportunity to obtain a home loan from the Department of Veterans Affairs. This bill will provide that opportunity.

As the gentleman from Maine (Mr. MICHAUD) noted, this bill contains provisions identical to those included in section 301 of H.R. 1716, which I have proudly cosponsored. While I am new to the Congress, I recognize the need to provide for the costs associated with improved benefits for veterans. The $288 million in savings from this bill would free up the resources for Congress to pay for many of the provisions in H.R. 1716, which will benefit the 76,000 veterans in South Dakota and millions of United States veterans who have served in wartime and in peacetime.

I would like to thank our chairman, the gentleman from New Jersey (Mr. SMITH) and the ranking member, the gentleman from Illinois (Mr. EVANS) for welcoming me to the Committee on Veterans' Affairs as well as for their work on this bill. I look forward to working with them and others to provide for our Nation's veterans.

Mrs. DAVIS of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from Guam (Ms. BORDALLO).

Ms. BORDALLO. Mr. Speaker, I, too, proudly rise today in support of H.R. 4345 and in support of all the veterans that stand to benefit from its passage.

I would like to thank the gentlewoman from California (Mrs. DAVIS) and the gentlewoman from Florida (Ms. BROWN-WAITE) for recognizing that veterans need help meeting the staggeringly high increases in the cost of buying their own home. And, Mr. Speaker, I would like to especially thank the gentlewoman from California (Mrs. DAVIS) for introducing her original legislation, H.R. 1735, which first brought attention to this issue last year by gathering 61 cosponsors of her proposal to increase the loan guarantee.

The old loan guarantee of $60,000, which provides a loan of $240,000, is not sufficient in Guam to meet the cost of buying a home, and I expect that this is also true in San Diego, Florida, and all over the United States. The new maximum amount in this legislation addresses this problem to help veterans secure the mortgage financing that they need.

I look forward to further opportunities to improve the benefits available to veterans, and urge my colleagues to support this important piece of legislation. This will be such good news for our veterans across the Nation. On Guam, it will be particularly welcomed, since many of our veterans feel shortchanged when it comes to veterans' benefits. I strongly support H.R. 4345.

Mrs. DAVIS of California. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore (Mr. TERRY). The gentlewoman from California has 7½ minutes remaining.

Mrs. DAVIS of California. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Speaker, I thank the gentlewoman for yielding me this time, and I thank the gentlewoman from California (Mrs. DAVIS) and the gentlewoman from Florida (Ms. BROWN-WAITE) for their work on this important issue.

Mr. Speaker, I am pleased to rise in support of H.R. 4345, and I am very proud to support opportunities for our veterans to own their own home. Who better can we support to realize the American Dream than those who fight to keep the American Dream alive for all Americans? Unfortunately, in many cities, including my home city of Los Angeles, the goal of owning a home is elusive for many families because of the high price of homes. However, this bill will provide significant assistance to veterans who wish to own their own home, and I am pleased to support it.

I am proud to be a cosponsor of the bill of the gentlewoman from California (Mrs. DAVIS), H.R. 1735, which would have increased the maximum amount of the home loan guarantee. However, I am pleased to support this bill, sponsored by the gentlewoman from Florida (Ms. BROWN-WAITE) and supported by the gentlewoman from California, which will increase the maximum loan guarantee to $333,700 and index loan amount to 25 percent of the Freddie Mac Conforming Loan Rate to make the VA's home loan program compatible with the home loans available to the public nationwide.

By indexing the loan rate Congress will assure that veterans will continue to have the opportunity to purchase homes regardless of how high the Conforming Loan Rate climbs.

Mr. Speaker, this bill is a small but important gesture to thank veterans for their service to our country. I am pleased to support this bill and urge my colleagues to support is also.

Mrs. DAVIS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I am delighted to be part of this bipartisan recognition that sometimes you have to expand government. There are times when government is too limited and too small to perform its vital social role, and, apparently, Members on both sides recognize this is a case where we have not given the government enough of a role in providing housing to our veterans.

Since our veterans, of course, fought for this country and served, it is appropriate that we do this. What this bill does is to raise the loan limit to the VA, which means, of course, into this very important government program, the Veterans' Affairs Department being part of the Federal Government and being supported by tax dollars, although this is a program that does not need a lot of subsidy, under this bill, this particular government program will be expanded. It will make more people eligible and it will cover more homes.

In particular, it will bring some States back into the union. In much of Massachusetts, in much of California, in parts of Illinois programs like the Veterans' Affairs housing and the FHA and others might as well be in Ukraine, for all the use the American citizens who live there can get from them because the housing prices have gone too far.

So I am very supportive of this. It is a very important way to show one more example of how we appreciate what our veterans have done. It is a very relevant example of the times when you should expand the reach of government so we can provide services that the private sector alone would not do. Obviously, if the private sector was entirely able to do this on their own, there would be no need for the VA guarantee.

This is a good example of how public and private sectors cooperate. It is not a case of either/or. It sets a useful precedent, too, for legislation that I hope we will be dealing with soon, that the gentleman from California (Mr. MILLER) and I and others have sponsored to do a similar adjustment for the FHA.

So I thank the members of the committee for this sensible recognition that we need to adjust programs to meet different conditions, and in particular, for understanding that there are times when the responsible thing for us to do, I hope on a unanimous basis, is to expand the role of the Federal Government.

Mrs. DAVIS of California. Mr. Speaker, I yield myself such time as I may consume to thank my colleagues for their support of this valuable piece of legislation for our veterans.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BROWN of South Carolina. Mr. Speaker, I yield myself such time as I may consume to commend the continued cooperation which has been so evident in the work of the Subcommittee on Benefits and urge my colleagues to support H.R. 4345.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from South Carolina (Mr. BROWN) that the House suspend the rules and pass the bill, H.R. 4345.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BROWN of South Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous materials on H.R. 4345.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, proceedings will resume on the following questions and motions to suspend the rules, which shall be taken in the following order:

The previous question on House Resolution 686, by the yeas and nays;

The adoption of House Resolution 686, if ordered;

H.R. 4635, by the yeas and nays;

H.R. 4053, by the yeas and nays; and

House Concurrent Resolution 460, by the yeas and nays.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

PROVIDING FOR CONSIDERATION OF H.R. 4548, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2005

The SPEAKER pro tempore. The pending business is the vote on ordering the previous question on House Resolution 686 on which the yeas and nays are ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The vote was taken by electronic device, and there were—yeas 222, nays 200, not voting 11, as follows:

[Roll No. 286]

YEAS—222

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—200

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—11

Bereuter
Berman
Carson (IN)
DeMint
Deutsch
Gephardt
Greenwood
Hastings (FL)
Israel
Tauzin
Weldon (PA)

□ 1608

Mr. DINGELL and Mr. RUSH changed their vote from "yea" to "nay."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. TERRY). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. SLAUGHTER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 220, noes 200, not voting 13, as follows:

[Roll No. 287]

AYES—220

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)

Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—200

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—13

Bereuter
Berman
Buyer
Carson (IN)
Cox
DeMint
Deutsch
Gephardt
Greenwood
Hastings (FL)
Israel
Tauzin
Weldon (PA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1616

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SURFACE TRANSPORTATION EXTENSION ACT OF 2004, PART III

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 4635.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alaska (Mr. YOUNG) that the House suspend the rules and pass the bill, H.R. 4635, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 418, nays 0, not voting 15, as follows:

[Roll No. 288]

YEAS—418

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Clyburn
Coble
Cole
Collins
Conyers
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hyde
Inslee
Isakson
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—15

Bereuter
Berman
Carson (IN)
DeMint
Deutsch
Gephardt
Greenwood
Hastings (FL)
Hunter
Israel
Jones (OH)
Meek (FL)
Tauzin
Taylor (NC)
Weldon (PA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. TERRY) (during the vote). There are 2 minutes left in this vote.

□ 1624

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

UNITED STATES INTERNATIONAL LEADERSHIP ACT OF 2004

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 4053.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and pass the bill, H.R. 4053, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 365, nays 56, not voting 12, as follows:

[Roll No. 289]

YEAS—365

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Ballenger
Barton (TX)
Bass
Beauprez
Becerra
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Castle
Chabot
Chandler
Clay
Clyburn
Cole
Conyers
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Emanuel
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Foley
Ford
Fossella
Frank (MA)
Frelinghuysen
Frost
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Hart
Hastings (WA)
Hefley
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore
Moran (VA)
Murphy
Murtha
Nadler
Napolitano
Neal (MA)
Nethercutt
Ney
Northup
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiberi
Tierney
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Vitter
Walden (OR)
Walsh
Waters
Watson
Watt
Waxman
Weiner
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—56

Aderholt
Akin
Barrett (SC)
Bartlett (MD)
Bishop (UT)
Bonner
Burgess
Cannon
Carter
Chocola
Coble
Collins
Cubin
Culberson
Davis, Jo Ann
Deal (GA)
Duncan
Emerson
Everett
Feeney
Flake
Forbes
Franks (AZ)
Garrett (NJ)
Goode
Goodlatte
Harris
Hayes
Hayworth
Hensarling
Herger
Hoekstra
Hostettler
Isakson
Johnson, Sam
Jones (NC)
King (IA)
Manzullo
Miller (FL)
Moran (KS)
Musgrave
Myrick
Neugebauer
Norwood
Otter
Paul
Pence
Renzi
Schrock
Shadegg
Smith (MI)
Tancredo
Tiahrt
Toomey
Wamp
Weldon (FL)

NOT VOTING—12

Bereuter
Berman
Carson (IN)
DeMint
Deutsch
Gephardt
Hastings (FL)
Israel
Meek (FL)
Souder
Tauzin
Weldon (PA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised 2 minutes remain in this vote.

□ 1632

Messrs. FEENEY, HAYWORTH, WAMP and BURGESS changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REGARDING THE SECURITY OF ISRAEL AND THE PRINCIPLES OF PEACE IN THE MIDDLE EAST

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 460.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 460, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 407, nays 9, answered "present" 3, not voting 14, as follows:

[Roll No. 290]

YEAS—407

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Clyburn
Coble
Cole
Collins
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
•Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)

Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kind
King (IA)
King (NY)
Kingston
Kleczka
Kline
Knollenberg
Kolbe
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NAYS—9

Conyers
Dingell
Kilpatrick
Kucinich
Lee
Paul
Stark
Waters
Woolsey

ANSWERED "PRESENT"—3

Payne
Watson
Watt

NOT VOTING—14

Bereuter
Berman
Boucher
Carson (IN)
DeMint
Deutsch
Gephardt
Hastings (FL)
Israel
Kirk
Meek (FL)
Neugebauer
Tauzin
Weldon (PA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. TERRY) (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1641

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. KIRK. Mr. Speaker, earlier today, I missed rollcall vote No. 290, H. Con. Res. 460, regarding the security of Israel and the principles of peace in the Middle East. As a strong supporter of the state of Israel had I been present I would have voted "yea".

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1205

Mr. CARSON of Oklahoma. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 1205.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3720

Mr. WEXLER. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 3720.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

GENERAL LEAVE

Mr. GOSS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4548, the bill about to be considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2005

The SPEAKER pro tempore. Pursuant to House Resolution 686 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4548.

□ 1641

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4548) to authorize appropriations for fiscal year 2005 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, with Mr. SIMPSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Florida (Mr. GOSS) and the gentlewoman from California (Ms. HARMAN) each will control 30 minutes.

The Chair recognizes the gentleman from Florida (Mr. GOSS).

Mr. GOSS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 4548, and I ask my colleagues on both sides of this great House to support this bill. Casting their vote is a vote of confidence, respect, and deep admiration for the honorable and heroic patriots who toil quietly, and usually without notice, throughout the intelligence community in order to keep us safe, prosperous, and free in this wonderful country. It is imperative that these men and women understand in these troubled times that this House holds them in the highest regard and appreciates that the work accomplished by them is critical to the defense of our liberty and security. Amid great sacrifice and often intense conditions, the men and women of the intelligence community continue to perform their missions with great energy and admirable devotion to duty. We commend these officers. The security of our Americans at home and abroad truly relies on their success.

Mr. Chairman, if my colleagues like the Defense appropriation bill that passed yesterday on a vote of 403 to 17, then this bill should equally please my colleagues today. Yesterday's Defense appropriation bill was coordinated closely with the House Permanent Select Committee on Intelligence, and our funding levels are very, very close. The Intelligence bill currently before the House, however, authorizes funding slightly above the level the appropriators set for intelligence funding. In fact, this Intelligence bill funds the intelligence community at its highest levels in history. It exceeds the total fiscal year 2004 appropriated level for the intelligence community, including all supplementals, approximately by hundreds of millions. As my colleagues know, we cannot be totally precise on the numbers we speak. For all intelligence programs in this bill, the committee authorizes a total of approximately 16 percent over the President's February request.

This bill increases investment in human intelligence and the capabilities that they represent for us, the core mission of our intelligence community. It improves intelligence analysis, coverage in depth, so that we have more focused, sharper information for our decisionmakers. It strengthens intelligence community language capabilities across the board, through both improved legislative authorities and initial investment, so we have the people who know the languages we need to know to do our job.

It improves the structure and management of the disparate elements of the intelligence community's information technology systems by creating an intelligence community Chief Information Officer, hopefully to get better coordination so that we can overcome some of the problems we learned as we reviewed the events of 9/11. It bolsters U.S. counterintelligence resource capabilities; and, specifically, it adds 22 percent above the President's request for human intelligence and human-related programs. That is the core business of intelligence. Substantial increases in funding for improved analytical capabilities, as I have said, are included.

Significant additional amounts for information technology infrastructure, what we call enterprise architecture, is included, and information-sharing capabilities, which are critical. Tens of millions are included for improved foreign language capabilities.

This money has been carefully applied; it is carefully managed. This bill is very close to the bill passed unanimously out of our sister committee in the other body, with one major exception, of course, that they did not have the benefit of the contingent emergency relief fund during their consideration.

□ 1645

So, it is fair to say that our bill is more generous to the global war on terror than the other body's version, and that bill enjoys bipartisan support, unanimous bipartisan support I am informed.

Some in the minority have suggested that voting down this bill somehow better supports our intelligence community and makes our country safer. In my view, that is a convolution to the point of absurdity. They say if an attack happens before the election, it will somehow be our fault for not funding the global war on terror.

I would point out that the 2004 fiscal year goes on until October, and any shortage of resources would be of interest to those who did not support the $87 billion supplemental bill for fiscal year 2004.

All I would say is that the majority in the House Permanent Select Committee on Intelligence voted to support the men and women of the intelligence community in this bill today. We did not vote against the community and we did not shortchange the community in the global war on terrorism.

Now, there is an irony here. For years, I have been trying to get more support for intelligence. Usually the record will show that usually the cutting amendments have come from certain Members of the minority, as is their right. Now, it seems my sin is to bring forth a bill that spends not enough on intelligence rather than too much. Frankly, I think I should declare victory and say thank you all for listening.

But I will be disappointed, on a serious note, if at the end of this day, Members on all sides cannot agree that this bill authorizes proper sums carefully managed and properly coordinated with the appropriators and the other affected committees.

This is a very good bill with many important aspects that I have outlined. Indeed, it is with some hope I note the classified version of the minority views in their very first paragraph admit as much. Members who took the time to come up to the committee spaces to review the classified annex, which is available to all Members as usual, have seen the important work this committee has done.

Our work is not done in the public with klieg lights all the time. But it is a little misleading to suggest, as some have, that the committee product is less worthy because we do take seriously the responsibility, our commitment it is, to safeguard properly classified material by using closed sessions. That, incidentally, has been the practice for all the recent Congresses that I have been on the committee.

We must also be mindful that our enemies watch and hear what we say. Our audience is the American people primarily. Those are the people to whom we are accountable and responsible and proud of the work we do, and are pleased to share it with them. But, unfortunately, our enemies are listening too, and we are a Nation at war. Sometimes the enemy is able to gauge their conduct on how this body acts. They are able to use psychological warfare to drive wedges. They also could gain an enormous advantage if we do not take the appropriate opportunities to keep from public discourse our committee discussion on the sensitive intelligence matters that we are charged with overseeing. And when we have that debate in committee, I like the committee to have the full range of conversation, so we start out with the idea in closed session and then we winnow out what we can talk about in public, which is why we are here today talking about what we can talk about in public.

For the past 7-plus years, I have been working to refit the intelligence community for its future, with the members of the committee, for whom I am extremely grateful, to posture it for the days ahead. We have always worked hard on the committee to create a constituency for intelligence inside and outside of this institution. We have insisted that the committee be both supportive advocates and constructive overseers. None of like gotcha politics when it comes to national security.

I have tried to engage the past two administrations on the needs to retool the Intelligence Community for smarter, better days ahead, and I have had the full support of the committee in our efforts so far. This bill continues that effort. I urge its adoption.

Mr. Chairman, I submit the following for the RECORD.

STATEMENT OF ADMINISTRATION POLICY—H.R. 4548—INTELLIGENCE AUTHORIZATION ACT FOR FY 2005

The Administration supports House passage of HR 4548, which authorizes appropriations for fiscal year 2005 for the conduct of the intelligence and intelligence-related activities of the United States Government. The committee-reported bill authorizes funding that strengthens core intelligence capabilities and supports intelligence activities that would sustain the Global War on Terror.

Now more than ever before, our Nation's security relies on accurate, timely, and actionable intelligence—and the challenges facing the intelligence community are difficult and complex. This makes it vitally important for the administration and Congress to work together to provide the intelligence community with the tools and resources it needs to enhance our national security posture, win the Global War on Terror, and reduce the proliferation of weapons of mass destruction.

We are making advances in our ability to collect, process, and analyze intelligence information. Although not part of this bill, crucial innovations such as the PATRIOT Act and the Terrorist Threat Integration Center are helping us to protect our homeland by sharing information better than ever before. The President has also expressed his interest in working with Congress, when the time is right, to examine structural reforms that may be needed to improve our intelligence capability in the future. The upcoming reports of the Senate intelligence Committee and the 9/11 Commission, along with the work of the Commission on Intelligence Capabilities Regarding Weapons of Mass Destruction, will provide important information that will help Congress and the Administration in this effort.

The Administration looks forward to working with Congress to support the vital work of the intelligence community, especially its counterterrorism activities, to assure continued strong, flexible intelligence capabilities, and to refine certain provisions in this bill, including relating to procurement, to ensure that these provisions maintain the flexibility the President needs to most effectively manage the ongoing war against terrorists of global reach.

Mr. Chairman, I reserve the balance of my time.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, strong intelligence is our first line of defense in the war on terrorism. And make no mistake, we are at war. The gruesome beheadings of Danny Pearl, Nick Berg, Paul Johnson, and yesterday's murder of 33-year-old

Kim Sun Il of South Korea are stark reminders of the nature of our enemy.

Our brave men and women in the intelligence community are on the front lines fighting that enemy. They risk their lives for our freedom and they deserve our unflinching support. Yet, unfortunately, Mr. Chairman, this legislation deprives them of full support. This bill provides less than one-third of the key funding that the intelligence community has told us they need to fight the war on terrorism. Less than one-third.

I want to use my time to engage the gentleman from Florida (Chairman GOSS) in a brief dialogue on this important issue. I would like to ask my colleague directly, on my time, Mr. Chairman, does this bill provide all of the counterterrorism funding that the intelligence agencies have told our committee they need for the coming year? Yes or no.

I yield to the gentleman.

Mr. GOSS. Mr. Chairman, officially yes, because we do have the statement of support from the administration on this bill.

Ms. HARMAN. Well, Mr. Chairman, I appreciate that response, but the classified schedule of authorizations in the majority's bill specifically states that the additional funds are only for the first quarter of the year. Well, that is woefully inadequate.

The gentleman from Alabama (Mr. CRAMER), the gentleman from Minnesota (Mr. PETERSON) and the gentleman from Iowa (Mr. BOSWELL) all proposed an amendment to fully fund counterterrorism. Let me demonstrate exactly what this full funding amendment does. The majority's bill funds only first quarter ops tempo for counterterrorism. The full funding amendment, which we hope to offer, funds a full year for counterterrorism.

The majority's bill gives the CIA 11 percent less than fiscal year 2004 funding, whereas the full funding amendment we had hoped to offer gives the CIA 5 percent more than 2004 funding. The majority's bill funds only 5 percent of the NRO's CT budget, 19 percent of NSA's CT budget, 26 percent of NGA's CT budget, and 35 percent of the CIA's CT budget. The full funding amendment funds 100 percent of these budgets.

Finally, the majority's bill provides no supplemental funding for critical CT HUMINT support functions whereas the full funding amendment provides full funding for all the HUMINT support functions.

In short, Mr. Chairman, H.R. 4548 is too weak. What is the President going to tell the American people when they learn that we are going to have a gap in counterterrorism funding next year? There could be a gap of 3 to 4 months before we pass a new supplemental. And during that gap, our Nation will be at unnecessary risk at a time when, for example, we will be having events like the presidential inauguration and the Super Bowl.

The majority has twisted itself into a pretzel trying to justify this weak bill, all the while bemoaning the harmful impact of budgeting-by-supplemental on our intelligence community's ability and our committee's ability to do robust oversight.

Jim Pavitt, the CIA's Deputy Director for Operations, gave a speech this week in which he said that, "there is no end in sight" to the terrorist threat we face. Terrorism is no longer a one-time emergency. It is no longer something we should scramble around to fund. It is our way of life. It is our central national security challenge. And if the White House or the majority does not understand that, then we are in serious danger.

In our committee we offered several amendments to strengthen intelligence and strengthen oversight. They were common sense measures. Yet, all of them were rejected on party line votes.

Mr. Chairman, we know terrorists are actively planning to attack us again. We know there is nuclear material out there that is unaccounted for for sale to the highest bidder. We know the next attack will be followed by the usual Washington hand-wringing about why we did not do more.

The rule under which we debate today has squandered an opportunity to do much more. We have lost an opportunity to strengthen intelligence, to strengthen congressional oversight, to retire the soon-to-be-vacant DCI position and replace it with a 21st century organization capable of integrating 15 intelligence agencies into one intelligence community and to keep full faith with the brave men and women who are on the front lines at this hour risking their lives for our freedom.

This bill is weaker, far weaker than the American people deserve.

Mr. Chairman, I reserve the balance of my time.

Mr. GOSS. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. YOUNG), the distinguished chairman of the House Committee on Appropriations.

Mr. YOUNG of Florida. Mr. Chairman, a world controlled by terrorists or threats of terrorists is not acceptable. A world controlled by dictators or dictatorial regimes or corrupt regimes is not acceptable. The United States of America is vulnerable on many fronts to these types of threats, but the more effective our intelligence operations, the better we are at what we do in the field of intelligence, whether it is technical intelligence or human intelligence. The more effective our intelligence is, the more secure America is and will be.

I believe we did very well in the area of overhead technology, as well as other types of technology, many of which we cannot even talk about here in this open session today, but we have not done nearly as well on human intelligence. And today's world requires a very effective human intelligence capability.

The gentleman from Florida (Chairman GOSS) and I have discussed this many, many times, because, as we appropriate for the intelligence activities, we work very closely with my colleague as he authorizes intelligence activities.

This bill, while I am sure you will hear much debate today that it is not a perfect piece of legislation, is a very good step toward making our intelligence capability far more effective. And I would say again, effective intelligence is good security. The more effective the intelligence is, the more secure our Nation and our people.

I commend the gentleman from Florida (Chairman GOSS) for the good work that he has done in preparing this legislation. I know that there will be serious debate. There will be amendments that will be offered. But I have to give credit to the chairman for having produced a good product.

I hope that the House will vote on this bill in big numbers. While we worked together in developing our appropriations bill that we passed yesterday, we actually came up with our own conclusions, but our conclusions were very similar in to those in this authorization.

So I support the bill and I commend the chairman.

Ms. HARMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri (Mr. SKELTON), the ranking member on the House Committee on Armed Services, the committee on which I was honored to serve for 6 years.

Mr. SKELTON. Mr. Chairman, this is an important bill. It provides for the programs and activities in our national intelligence agencies. As the attacks of September 11, 2001, and the war in Iraq have taught us, timely and accurate intelligence is so vitally important in both protecting our country domestically as well as enabling us to act militarily.

I view this bill from the perspective of having served on the Committee on Armed Services for over 25 years, and also as a former member of the Permanent Select Committee on Intelligence. Year in and year out, both of the bills from the Committee on Armed Services as well as Permanent Select Committee on Intelligence historically passed the House with broad bipartisan support.

That is why I am troubled by the path the intelligence authorization bill has taken this year. I cannot remember the last time an intelligence bill passed out of committee on a party line vote or when amendments offered in committee were all voted down on a party line. I am also disappointed that the Committee on Rules only made in order one Democratic amendment.

□ 1700

What is all the more disappointing is that apparently the reason for the posture of this bill is that the majority has been unwilling to provide as much funding for counterterrorism activities as intelligence agencies have told the committee they need. I would remind my colleagues that we are now in a war against terrorism. I would think that we should make sure that all the funding goes into the counterterrorist area.

So although this bill may provide an overall increase in funding, which is a positive note for these intelligence activities, the details really are important. It is unfortunate we cannot increase the budget in the places that need to have it the most; and though I will favor this bill, I must express my disappointment, my deep disappointment at the shortage in this area.

Mr. GOSS. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Nevada (Mr. GIBBONS), a chairman of a subcommittee of the committee.

Mr. GIBBONS. Mr. Chairman, I rise today in very strong support of H.R. 4548, the Intelligence Authorization Act for fiscal year 2005.

As the chairman of the Subcommittee on Human Intelligence, Analysis, and Counterintelligence, I can say unequivocally that H.R. 4548 is one of the best, most far-reaching, most constructively critical, and urgently needed authorization bills that I have been involved in.

The bill makes urgently needed fixes to the CIA's human intelligence collection capability that even the DCI suggested was 5 years away from being adequate. I do not believe we can or should wait 5 years, and it also authorizes a very sizeable amount beyond the DCI's base request to ensure we keep up the maximum possible operational tempo against the counterterrorism and counterproliferation targets, both inside and outside the theater of war.

In the area of analysis, significant new funds will be provided to address a critical concern: the simple lack of analytical depth. The DI analytical cadre is badly in need of bench strength and real expertise. We have been burning up our analysts in wartime conditions and shipping the majority of them to cover pressing counterterrorism requirements since the mid-1990s without being able to adequately backfill positions.

Those analysts need to have the right skills, firsthand exposure to countries or issues they cover, cultural appreciation and, if at all possible, the necessary foreign language skills in order to be effective, and H.R. 4548 addresses all of these issues, particularly with regard to language, which has consistently been a high-priority item for the Permanent Select Committee on Intelligence and a pressing need for the whole intelligence community.

The bill addresses counterintelligence shortfalls, ensures that the necessary infrastructure for field operations, training, and a host of other important activities are adequately funded, and brings astonishingly new technical tools into play.

The bill continues the committee's long-standing efforts to get the CIA's dangerously flawed compensation reform plan back on track; and it demonstrates that we strongly support a more aggressive, risk-taking, innovative intelligence collection posture. Such a posture would finally give us a fighting chance to penetrate terrorist groups. It would also allow us to tackle other hard-target countries, countries that have plans and intentions to do us harm.

Overall, H.R. 4548 demonstrates that we are going to back up our spies and our analysts when it counts the most.

To my distinguished colleagues on both sides of the aisle, this war we are in is not just about Iraq or about Afghanistan or about where Osama bin Laden may be hiding. It is truly a global war on terrorism with significant global challenges; and these include money laundering, illicit traffic, the preaching of hate, kidnapping, extortion, and even at the national level, as we saw, the Madrid train bombing and the elections that followed.

It is a war that is going to take time to win. It is a war that is going to take fortitude to win, and it is a war that is going to take a substantial and continued investment in our intelligence community.

I ask my distinguished colleagues to support H.R. 4548 for the sake of our Nation's security. Some of my colleagues across the aisle have decided that it is not important to provide for the intelligence community in the middle of the global war on terrorism, and I say it could not be more important.

This bill moves us closer to acquiring the capabilities and directions that are needed not only to win the war on terror but to win the peace in Iraq and to make sure we do not forget about the rest of the world. We must never forget that the actions of others affects U.S. national security interests. We must never retreat in the face of evil.

Vote "yes" on H.R. 4548 because it is urgently needed. The Nation simply cannot afford to shortchange its men and women out on the frontlines.

Ms. HARMAN. Mr. Chairman, those of us on this side of the aisle feel it is important to fund stronger intelligence in the global war on terror, and it is now my pleasure to yield 2 minutes to the gentleman from Texas (Mr. REYES), a dedicated member of our committee.

Mr. REYES. Mr. Chairman, I thank the gentlewoman for yielding me the time, and I also want to express my appreciation to the gentleman from Florida (Mr. GOSS), our chairman, and the ranking member for the hard work that they always put into these kinds of efforts and legislation.

Mr. Chairman, there is much that we expect from our military, from our intelligence personnel, and from our civilian employees in what we call this war on terrorism. We all take a great deal of pride in their work, their professionalism, their dedication, and, yes, sometimes the sacrifice that they make by making the ultimate sacrifice on behalf of our great Nation.

So my question this afternoon is, When we expect so much from them, why can we not expect the same from ourselves? Why can we not put together a piece of legislation that supports them with the same dedication, the same professionalism, the same level, 100 percent, of the funds that are required for them to succeed?

In this legislation, Mr. Chairman, I was pleased to see that some focus in this bill is on improving the functioning of the new intelligence analysis element of the Department of Homeland Security. I was also pleased that the bill, in general terms, recognizes the importance of sharing information between the Federal, local, and State levels and also the Federal levels such as the FBI.

I was, however, Mr. Chairman, disappointed that the bill did not include language supportive of focusing on the necessary resources of the El Paso Intelligence Center, such as enhancing the key contributions that it makes towards homeland security through intelligence analysis and information sharing. Just as the committee has increasingly supported the FBI's joint terrorism task forces as a potentially useful model for information sharing, EPIC is also a successful model for focusing intelligence and law enforcement resources on protecting the U.S. Southwestern border.

I am most disappointed, Mr. Chairman, that this bill does not include a provision like the Peterson amendment, which would have funded the intelligence requirements at the full 100 percent level in this war on terrorism. This is not about whether we supported the $87 billion supplemental, not about politics. It is not about anything other than giving the full amount of resources that are necessary to dedicated personnel in the field.

Mr. GOSS. Mr. Chairman, I am very pleased to yield 2 minutes to the gentleman from North Carolina (Mr. BURR), a valued member of the committee and distinguished Member.

Mr. BURR. Mr. Chairman, our enemies are watching us. The terrorists know it is an election year, and they want us to become divided. They believe that a terrorist act against our country will influence our elections.

They have a belief that democracy can be divided; yet they underestimate the passion of our citizens and their patriotism.

Despite the decision of minority Members to play politics with this bill, I believe we all are united against our enemies. These are serious times, and it is important that we send a message to our enemies that we cannot be divided. Support this intelligence bill. Send the message.

It sends the message that we are on the offensive to eliminate the threats to our homeland. Our intelligence community needs to know the United States Congress supports them 100 percent.

This bill increases the funding for the global war on terrorism. It increases by 22 percent our human intelligence. It supports our effort on counternarcotics to eliminate the 17,000 Americans that die every year from drug-related causes and the $160 billion annually in health care, social, and criminal costs. We have provided extra funding for the DCI to tackle this problem in this country.

On a personal note, Mr. Chairman, I would like to bid farewell to my colleagues on the House Permanent Select Committee on Intelligence. I have enjoyed serving under the leadership of the gentleman from Florida (Chairman GOSS), and I think we are all fortunate that he was in the Chair immediately following September 11. The gentleman from Florida (Chairman GOSS) was the right man for our country when we needed an intelligence community with expertise, intelligence, moral clarity, and compassion. We will miss him.

I would also like to recognize the gentleman from Nebraska (Mr. BEREUTER), who will also leave, and wish him good luck on his future endeavors. I have been proud to serve with both of them.

Immediately after September 11, the esteemed chairman of the Committee on International Relations came to this floor and quoted the words of Sir Winston Churchill which he wrote 6 decades ago: "Civilization will not last," Churchill wrote, "freedom will not survive, peace will not be kept, unless a very large majority of mankind unite together to defend them."

We were united on September 11. Let us unite today. Let us support the Intelligence authorization bill. Let us do it because it is the right thing to do.

Ms. HARMAN. Mr. Chairman, it is my pleasure to yield 3 minutes to the gentleman from Iowa (Mr. BOSWELL), ranking member of the Subcommittee on Human Intelligence, Analysis, and Counterintelligence.

Mr. BOSWELL. Mr. Chairman, I thank the gentlewoman for the time.

I thank the gentleman from Florida (Mr. GOSS) for his hard work. I agree with some things that have been said about the gentleman's good work. I actually thought, and I do not say this in anything but a gentleman's way, I thought he would accept our idea to fully fund counterterrorism. He surprised me, but I still do not take away from his good work, and I want him to understand that.

But the debate over the Intelligence authorization bill this year has been a hard fight. There are some serious disagreements about what the best bill to protect the American people ought to look like.

I believe this bill has not gone far enough to strengthen intelligence and strengthen oversight.

We, in this House and on the Permanent Select Committee on Intelligence, have not shied away from standing strong and debating these issues head-on. I believe what the American people deserve is our best effort to support what we believe is right.

A lot of good work has gone into the bill. As the ranking Democrat on the Subcommittee on Human Intelligence, Analysis, and Counterintelligence, I am glad to see funding and support for analysis.

As we have reviewed the intelligence on Iraq's WMD, it has become clear to us that analysis did not have the ability to examine the reliability of sources. It now appears, for example, that all four sources that Secretary Powell relied upon to describe Iraq's mobile bioweapons facilities were not solid. I hope that this bill's support will improve the quality of analysis so that a future Secretary of State has better intelligence at his or her disposal.

I am also pleased to see investment in long-term HUMINT needs, the hiring and training of new case officers. The demands of the counterterrorism campaign have been great and the intelligence agencies have worked hard to meet those demands, but the war in Iraq has stretched our resources. According to The Washington Post, one of the largest intelligence efforts since the Vietnam War is under way there.

I am concerned that the demands Iraq has placed on our intelligence resources have left large parts of the world alarmingly undercovered.

While this bill makes long-term investments, the bill falls short on addressing some of the most urgent needs. This bill only provides one-third of the additional funds the intelligence agencies say that they need to fight terrorism.

The President will not send the rest of the funding request to Congress until after the election, at the same time that he is urgently warning of a possible terrorist attack before the election. To me, this state of affairs is unacceptable.

I say to my good friends and colleagues here today, What should the American people expect us to do? They expect us to do what is right to provide them safety through funding counterterrorism. I hope the President will send this supplemental funding request to Congress before then so we can get on with the business of protecting the American people.

I had hoped that this bill would have been stronger, stronger in its support to the dedicated men and women of the intelligence community, and I look forward to working with my colleagues to improve it as we go through the conference.

Mr. GOSS. Mr. Chairman, I would say to the distinguished gentleman in the well who just finished that I would have been pleased to have the opportunity to try and work out his amendment if we had seen it ahead of time before committee.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Georgia (Mr. COLLINS).

□ 1715

Mr. COLLINS. Mr. Chairman, I thank the gentleman from Florida (Chairman GOSS) for yielding me this time.

Mr. Chairman, I rise in strong support of the Intelligence Authorization Act for the next fiscal year. Yes, we are at war. We are at war and a different kind of war than we have seen before. We are at war with an enemy who has no identity, who has no uniform and has no country. And I agree with the statement that was made earlier. I see no end in sight for this war. But, Mr. Chairman, I also see no end to the funding in sight for the intelligence community who does such a good job of providing us with valuable information.

The President said it right at the podium there just past February when he said we are a Nation of many responsibilities, but the primary responsibility of this country and this government is the safety of the American people. We are discussing the authorization for funding, funding that was passed yesterday in the defense appropriation bill. We disagree on the funding levels, yes. We also disagree on whether or not we should create a new bureaucracy, a new level of bureaucracy to head up what I call a super spy organization for the intelligence community.

But as we move forward with the changes that are being made today over at the CIA with the retirement of Director George Tenet, we need to also keep in sight those who are doing the job and make sure that they have the funds and the funds that would be available under this authorization to perform their duties.

We will debate the differences, the differences we have based on the different political parties, the different philosophy, and then we will vote on those differences later on in this process, but I urge those on both sides of the aisle that when it comes to the final passage of this authorization, we should all vote yes. We should vote to support those who are in harm's way gathering information so that we will have the correct information, as best as possible, to fight the war on terrorism and protect the American people.

Ms. HARMAN. Mr. Chairman, I would point out to the gentleman from Florida (Chairman GOSS) that our amendments were shared in advance and our views on budgeting by supplemental have been known for years and are shared by the majority.

Mr. Chairman, it is my pleasure to yield 2 minutes to the gentleman from Minnesota (Mr. PETERSON), a courageous member of our committee.

Mr. PETERSON of Minnesota. Mr. Chairman, here in general debate, I feel it is necessary to repeat what I said earlier for the sake of colleagues who may be listening in their offices before they come down here to vote.

This authorization bill has a lot of good things in it, and I want to commend the gentleman from Florida (Chairman GOSS) and the ranking member, the gentlewoman from California (Ms. HARMAN) and my colleagues for the work that they have put together in this bill. And to the gentleman from Florida (Chairman GOSS), I want to say that this Member will miss you when you are gone next year, and we appreciate your leadership.

But this bill just is not strong enough. It does not fully authorize funds for the intelligence community's key counterterrorism operations. It authorizes less than a third of the funds that the intelligence agency needs for key counterterrorism operations next year, and that is just not the right thing to do when the Nation is under threat from terrorism.

The administration has said that they are going to send down another supplemental request next year, but there is ample evidence that al Qaeda is plotting to strike us again this year, next year and into the future.

This bill leaves 3 to 4 months open funding before a supplemental bill can get through this Congress. If there is another terrorist attack, do we want the next 9/11 commission to find that the Congress failed in our duty to fully authorize funding for counterterrorism? I think not.

In the Permanent Select Committee on Intelligence, we sit up there for hours listening to the different agencies tell us how critical it is for these funds to be authorized. They roundly criticize the practice of funding them on recurring supplementals. Supplementals prevent them from planning effectively. They prevent us from doing adequate oversight. They have to rob Peter to pay Paul while we wait for these additional funds to arrive, and they will probably not receive those funds until sometime next year, in April or May, and as I said, it is going to leave 3 or 4 months open.

Supplementals have also been roundly criticized on our committee by a bipartisan membership in the committee. The agencies have indicated with some precision that additional funds that they will need in the coming year, what they are, and we have addressed that.

So the question before the Congress is quite simple. Do we want to fully authorize funds for the intelligence community's counterterrorism requirements, or do we not? As it stands now, the majority answer to that question is no, and I think we need a stronger bill.

Mr. GOSS. Mr. Chairman, could I inquire the status of the time on both sides?

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman from Florida (Mr. GOSS) has 12 minutes remaining. The gentlewoman from California (Ms. HARMAN) has 15½ minutes remaining.

Ms. HARMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama (Mr. CRAMER), a dedicated member of our committee, who is ranking member on the Subcommittee on Technical and Tactical Intelligence.

Mr. CRAMER. Mr. Chairman, I want to thank the gentlewoman from California (Ms. HARMAN), and I want to say to the gentleman from Florida (Chairman GOSS) that I have enjoyed his service on this committee. And even though we have had strong differences here at the very end, we have enjoyed his dedication to these issues and we will miss him.

To the gentlewoman from California (Ms. HARMAN), of course, I count on your leadership and your dedication to the field as well.

Mr. Chairman, I am the ranking member of the Subcommittee on Technical and Tactical Intelligence, and I served with the gentleman from Michigan (Mr. HOEKSTRA) on the other side of the aisle. And we have had another good year as well, and despite my differences over the counterterrorism funding, I want to talk about positive aspects of this bill that I do support.

In addition to the investments in human intelligence and language skills, the bill strengthens our Nation's tactical and technical collection and analytical capabilities.

I am proud to say that H.R. 4548 advances the analytical efforts at the Missile and Space Intelligence Center, known as MSIC, which is in Huntsville, Alabama, my Congressional district.

MSIC works to assess the capabilities of surface-to-air missiles that continue to be proliferated across the globe by illicit arms traffickers and terrorist groups threatening both military and civilian aircraft. And those men and women there at MSIC work very hard to make sure that we are right on the edge of analyzing that material, and we provide them the skills and the tools and the funding to do that with.

At this time, also I want to thank my colleague from the Alabama delegation, the gentleman from Alabama (Mr. EVERETT) who is also on this select committee. He looks after Alabama's involvement through the Missile and Space Intelligence Center through those good people there that work on those issues, and we in north Alabama thank our lower Alabama native for his dedication and support there as well.

But we will continue with this effort to make sure that we give the field the tools that they need to do the work that they should be able to do. A better understanding of the threat capability is needed, and this is a bill that provides for that as well.

So all in all, I think this is a good bill, and in spite of my strong feelings that we should have fully funded counterterrorism, there are strengths in this bill.

Ms. HARMAN. Mr. Chairman, I yield 2½ minutes to the gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Chairman, I thank the distinguished ranking member for her leadership in the committee, and to the chairman of the full committee, who has given much for this country, both in service and in representing his congressional district, as well as this committee. I salute him, and we all salute him for it.

To the gentleman from Nebraska (Mr. BEREUTER), who will be leaving the House of Representatives, I salute him as well for his wonderful service on the House Permanent Select Committee on Intelligence.

Mr. Chairman, last week was really quite an extraordinary week for those of us who serve on the House Permanent Select Committee on Intelligence. Breaking with past precedent, all committee Democrats voted against the intelligence authorization bill in the committee markup. And there was one primary reason for that, and that is that counterterrorism is underfunded significantly, by two-thirds, in this authorization bill.

I have said more than once you cannot have a 100 percent commitment to counterterrorism and the global war on terrorism if you are only going to fund it by 33 percent.

We have failed, I believe, to do everything we can to strengthen the oversight. Truth is the oxygen of democracy, and it is the responsibility of members of the House Permanent Select Committee on Intelligence to pursue the truth through strong oversight.

We offered amendments to fully fund the intelligence community's counterintelligence operations, and we offered amendments in the committee to strengthen oversight. They were rejected by the majority. I offered the amendment at getting the straight story on the Defense Department's relationship with a man by the name of Ahmad Chalabi.

I want to know why the Department invested so much political and financial capital in a man with such a checkered past. The CIA terminated its relationship with him because it found him to be unreliable. The State Department could not account for how he was spending U.S. Government funds. And despite the obvious warning signs, the Defense Department could not wait to give him more money. Now we are finding out that Mr. Chalabi's organization may have fed the intelligence community misleading or fabricated information on Iraq's weapons of mass destruction. He may have been instrumental in persuading the administration that the Iraqi people would welcome U.S. soldiers with open arms, rather than improvised explosive devices.

That is why we have come to the floor. That is why we have come to the floor with our objections. Bipartisanship means that people come together. It does not mean that one side stands and says, you have to meet us 100 percent in order to make it bipartisan. We should be able to agree on the money for counterterrorism and for stronger oversight.

Mr. GOSS. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Illinois (Mr. LAHOOD), the distinguished chairman of the Subcommittee on Terrorism and Homeland Security.

Mr. LAHOOD. Mr. Chairman, let me add to what I said in the rule about the chairman. No one in this House, for the last 10 years, has done more for the intelligence community, for the people who work in the intelligence community than the gentleman from Florida (Mr. GOSS). No one has.

As a former CIA agent, he came to the House with the kind of experience that I think most of us would relish, and he took it to the Permanent Select Committee on Intelligence and has done an extraordinary job. Now, does anybody believe that somebody like Porter Goss is going to sell short the intelligence community; is going to sell short the men and women who work in dark places in the world? It is not even believable.

He has been working at it for 10 years as a member of the committee, 8 years as the chairman, and he served as an officer of the CIA. This is nonsense for you to be coming to the floor trying to persuade people, the American people or Members of the House, that the chairman of the committee is going to sell short the CIA. Baloney. Do not believe it. If you are watching this on C-SPAN, do not believe it.

This guy has been committed to this stuff his whole life. You think he is going to take the committee down this primrose path? Of course, he is not. So do not come here with your charts and do not come here with your staged speeches and try and diminish the work this fellow has been doing on behalf of people all over this world to collect intelligence and do a good job.

No better person here in this House to talk about intelligence and funding it and making sure that we have the money to do it than PORTER GOSS. And we thank him for his service. Thank God he was the Chair of the committee when 9/11 happened.

And for people who come to the floor and have voted against opportunities to fund defense and to fund counterintelligence, really, to me, you have no standing here when you come down here and say we are selling it short. You know it is baloney. You know it is not factual. And you know that the American people are not going to buy it. This guy is not going to sell the intelligence community short.

Bipartisanship ended this year, but it started last year with a document in the other body, where a whole game plan was laid out where the Democrats were going to try to diminish this administration and use the intelligence community to do it. That is not right. It is not fair to people who work hard in this business, who spend their careers trying to find people who want to do harm to America. But that is the way it is. That is what happens around here.

And you have fallen into this trap where your leadership has decided they are going to use the intelligence community to try to diminish the work of people who work hard, for no good reason except for political gain. You know what? People in the House are not going to buy it.

I say support the bill. It is a good bill. It is a bill that was drafted in a way that will help the intelligence community do the hard work that needs to be done.

□ 1730

It will provide the funding that needs to be provided, and it is a tribute to the chairman of the committee. This is his last bill. And for those of my colleagues to stand on the floor and diminish that, I think is wrong.

Ms. HARMAN. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. HOLT), a reasonably recent and very dedicated member of our committee.

Mr. HOLT. Mr. Chairman, there are a few good features in this bill. For example, the bill supports the State Department's Bureau of Intelligence and Research funding request and provides additional funding for enhanced training of State Department intelligence activities. Following my request last year when my amendments with regard to foreign language instruction were rejected and the leadership assured me that we would take care of it this year, I worked closely with the gentleman from Nebraska (Mr. BEREUTER) on a number of important provisions. I am pleased to acknowledge the work that he did. Nearly $29 million of the $33 million in language programs that we find in this bill were what I had specifically recommended or even written. They will do a number of things to improve our proficiency in critical languages.

But I am very disappointed in a number of failures. There was a commonsense amendment I offered to provide foreign language instruction for students of science and engineering at American universities. It was a simple idea. We need it. It was voted down on party lines. But the fundamental problem, and this is what we keep coming back to today, all the world knows that there have been some major intelligence failures. We read it in the world's press. In fact, too often we read about these things in the world's press a day or two after critical people have come before our committee and failed to tell us what we need to know in order to exert oversight.

The reason we are talking about the underfunding here is because the approach that the administration is taking, the approach that the leadership here is endorsing is funding by supplemental appropriations. It removes the oversight process. A large fraction of the funding for counterterrorism is now removed from the oversight process, and it compromises the work of this committee, it compromises the work of this Congress, and it results in a fundamentally flawed authorization bill.

Mr. GOSS. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Michigan (Mr. HOEKSTRA), who is the chairman of our Subcommittee on Technical and Tactical Intelligence but was also on probably the most recent delegation back from Iraq, and I appreciate the extra effort that he and his colleagues made.

Mr. HOEKSTRA. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in strong support of H.R. 4548, the Intelligence Authorization Act. I am disappointed by some of the rhetoric that we have heard from the other side of the aisle today. The last speaker on the other side of the aisle referenced the unwillingness of the committee to accept an amendment. The problem is, there are other committees in this House that have jurisdiction. I have similar bills in the Committee on Education and the Workforce. The Permanent Select Committee on Intelligence accepted a significant portion of what the gentleman from New Jersey presented. We accepted it. The Committee on Education and the Workforce passed on jurisdiction, meaning that even though we have responsibility to review it, we respect the leadership of the chairman of the committee, we respected the work of the members of this committee, and we respected and realized how important it was to get that done. So we passed on it and we said, let the intelligence bill carry this forward.

But when it comes to the little amendment, there is no thank you, no thank you to the Committee on Education and the Workforce for passing the majority of what this individual wanted and letting it go without jurisdiction.

What I have learned out of this process is that perhaps the next time the gentleman from New Jersey proposes an amendment, we maybe accept the amendment with a realization that says the committee of jurisdiction also ought to have the process and also ought to have the opportunity to review.

This chairman has led the committee graciously and effectively for a long period of time. Members on the other side of the aisle are talking about funding. When they had the opportunity to fund the intelligence community earlier this year, the majority of the minority said, No, we are not going to give the intelligence community the money that they need. Thankfully, the will of the House went in the other direction.

What has happened in this process is a breakdown in bipartisanship. It has characterized this committee for as long as it has been on the Hill. I hope that as we move forward, as we move through conference we can come back to a bipartisan approach that the men and women in the field look to each and every day. They want to know that the people here in Washington and the people around the country support the effort.

I urge my colleagues to support this bill.

Ms. HARMAN. Mr. Chairman, I commend the last speaker for his sincere efforts at bipartisanship.

Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. RUPPERSBERGER), our rookie on the committee.

Mr. RUPPERSBERGER. Mr. Chairman, first I think I do have to respond to some of the comments made from the colleagues on the other side of the aisle. I do respect each and every member of this committee, and this committee should be bipartisan, and our goal is U.S.A. first. I think some of the comments that were made have to be addressed.

First, there is a lot of respect for our chairman, the gentleman from Florida. This is not about a personal attack on the gentleman from Florida. I respect the gentleman from Florida. I respect what he has done as it relates to the intelligence community throughout his career. He has done a great job. However, I was elected to come to the Halls and the floor of Congress to debate issues. It seems to me that the majority thinks that if we disagree on an issue that we are being unpatriotic. That is just not so. We disagree on one major issue and that is the major issue of the funding of counterterrorism. That is what the issue is here today.

My comments are basically about NSA. I happen to represent Maryland's Second Congressional District. NSA is located in my district. I want to acknowledge General Hayden and all the members of NSA both in Iraq and Afghanistan and throughout the world that do a superb job. Unfortunately, the American people should know more about what they do, but we cannot really talk about that.

The bill also makes some reductions in several NSA programs that I believe are too deep. All of the affected programs are essential to NSA's overall technology modernization program, which is key to the future success of the agency. I hope that these reductions will be addressed in conference with the Senate.

Congress last year transferred the authority to review and approve NSA's acquisitions programs to the Under Secretary of Defense for Acquisition in the Defense Department. NSA and the Under Secretary are faithfully implementing this direction, and NSA is, in my judgment, making good progress in restoring confidence in its acquisition management capabilities.

I want to express again my appreciation to the gentleman from Florida. He is an honorable man. He has done a great job. We have a disagreement on an issue. Again, I ask the majority to understand, because we disagree does not mean we are being political. It means that we think this is in the best interests of the United States of America and its national security.

Ms. HARMAN. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Chairman, I rise to engage in a colloquy with the gentlewoman from California, the ranking member of the Permanent Select Committee on Intelligence.

I want to thank the gentlewoman for her steady leadership on so many issues that are very, very grave related to our national security. Let me just say that I appreciate this opportunity to discuss an issue very briefly that is of great importance, that is, ensuring that our Federal intelligence dollars are not used to support groups or individuals engaged in efforts to overthrow democratically elected governments.

Ms. HARMAN. Mr. Chairman, will the gentlewoman yield?

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Ms. LEE. I yield to the gentlewoman from California.

Ms. HARMAN. I thank the gentlewoman for yielding. I want to assure her that I understand and fully support the general principle reflected in her point and appreciate her intention in raising this issue. I also want to assure the gentlewoman that, as this bill moves forward, we will be mindful of the issue and will try to be helpful.

Ms. LEE. I thank the gentlewoman for her attention to this issue. I look forward to working with her.

Mr. GOSS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California (Mr. CUNNINGHAM), a member of our committee who is probably better known as a world-class pilot.

Mr. CUNNINGHAM. I thank the chairman for yielding time. I am just an old man today.

Mr. Chairman, I would like to invoke two names: JACK MURTHA and IKE SKELTON. If you watched the defense bill go through here, both in authorization and appropriations, those gentlemen do not care who is President or who has the majority. They fight tooth, hook and nail for the military, for intelligence, and this Nation. I always felt that this committee that I serve on did the same thing, until, as it has been mentioned, last year, unfortunately in election year politics, the Democrat leadership has forced, I think, or at least led some of the more thoughtful members to be partisan. That is the saddest thing.

In the rule, I talked about the gentlewoman from California. During Ronald Reagan's burial, I had tears in my eyes. I could not hold them back. She reached over and took my hand to console me, patted my hand and said, "Duke, isn't it good to be friends?" I would tell the gentlewoman from California, we are good friends and the members on the committee I hunt and fish with, a lot of them. Some of the ladies I do not.

What is so disappointing, and I tell my friends on the other side, we could do this just like IKE SKELTON and JACK MURTHA and after sitting in the committee for several hours and watching the intentional partisanship, intent just to hurt the President, even though you know there were a couple of those amendments that I wanted to vote for, but there was no way I was going to vote for them after that and that is sad. I think that we can do better in this committee. We will have dinner together. We will hunt, we will fish, and we will cry together; but I just think it is sad at this.

PORTER GOSS is the finest chairman in defense that I have ever seen in 14 years. His experience at CIA and on this committee, sometimes during the committee I get upset, but the gentleman from Florida is levelheaded, sits there and meets with the ranking member and tries to work through these bills in a very bipartisan way. I think we do ourselves a disservice today in some cases.

I ask Members to vote for this bill.

Mr. GOSS. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Alabama (Mr. EVERETT).

Mr. EVERETT. Mr. Chairman, I rise today in support of H.R. 4548. Am I the only one that finds it odd that my colleagues from the other side are in the position of saying, "Well, you know, I voted for this thing before I voted against it"? Every one of them voted for it yesterday in the Defense appropriations bill.

Nevertheless, I am proud to serve as a member of this Permanent Select Committee on Intelligence, and it is a distinct privilege to serve as a crossover member on the House Committee on Armed Services. This bill takes the lead in defense intelligence and fully supports the Secretary of Defense and his initiatives to transform the Department for the future. I think we have a large, but responsible, spending plan here, including the contingent emergency reserve fund; and the challenge will be to integrate these initiatives into baseline efforts for the purpose of fighting terrorism.

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Mr. Chairman, I am disappointed, sincerely disappointed, that my friends on the other side did vote against this bill in committee. It is a sad departure from what we normally do in that committee. But it is a good bill. It properly supports intelligence.

I will submit my entire statement at this time in the RECORD.

Mr. Chairman, I rise today in support of H.R. 4548. I am proud to serve as a member of the Intelligence Committee, and it is a distinct privilege to serve as a crossover-Member on the House Armed Services Committee. I would like to commend the Chairman, Mr. GOSS, for bringing this bill to the floor at a time when it is needed most in our country's history.

H.R. 4548 addresses a critical need for the Intelligence Community and the Department of Defense's architectural strategy, integration, and information sharing among classic intelligence activities (like SIGINT and IMINT) and innovative or dynamic disciplines such as Measurement and Signatures Intelligence (MASINT), and Human Intelligence (HUMINT) that is being increasingly relied on, in our current global conflicts.

This bill takes the lead in Defense Intelligence and fully supports the Secretary of Defense and his initiatives to transform the Department for the future. I think we have a large, but responsible spending plan here, including the Contingent Emergency Reserve Fund, and the challenge will be to integrate these initiatives into baseline efforts for the fight against terrorism.

Mr. Chairman, I would however, also like to express my sincere disappointment on the decision of the minority Membership of the Committee not to vote for this bill. This is a bad departure from the strong tradition of bipartisan support for this legislation.

Mr. Chairman, I am pleased that this bill properly supports the Intelligence Community, and provides our best and first line of defense for America. I urge my colleagues to support H.R. 4548.

Mr. GOSS. Mr. Chairman, I yield 1 minute to the distinguished gentleman from California (Mr. HUNTER), who is actually known as the chairman of the House Committee on Armed Services, and otherwise known as our colleague and friend.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding me this time.

And let me just say that when we put the defense bill together, put together with bipartisan support, passed the committee unanimously, we bolted on $25 billion in supplemental for this next year. 2.2 billion of that, after consultation with the gentleman from Florida (Chairman GOSS), we put into the intel side which went into his intel budget. That is only for a couple of months. It was understood that was just for a couple of months.

And I would say to the gentlewoman who said we have underfunded counterterrorism to hold on to her horses because we have got a supplemental coming up for 2005, which will have a large intel piece to it and she will be tired of voting for intel increases.

So there is no cut to the intel budget. This was always intended to be a bridge. And everybody, everybody, on both sides of the aisle, we passed this thing 60 to zero in the committee, an overwhelmingly vote in the full House. It was only be supposed to be for a couple of months at the end of this year so our intel people and the people that wear the uniform would have that bridge in the winter months of this year.

So I want to applaud the gentleman for everything he has done. We did this with total synchronization, total coordination, and we have got a great budget for the folks who carry out the intel duties for this Nation.

Mr. GOSS. Mr. Chairman, I reserve the balance of my time.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would point out to our last speaker that the DOD appropriations bill is a $400 billion bill, a small fraction of which is for intelligence. In my view, that is not the place for this debate about fully funding counterterrorism intelligence. The intelligence bill is where we should make our stand. And I do appreciate the gentleman from California's (Mr. HUNTER) clarification, as he just said, that the additional counterterrorism funding in his bill is only for a couple of months.

That is the point we are trying to make, Mr. Chairman. We all are patriots. We all support the troops. We all support our intelligence personnel. We just think that the primary mission of the intelligence community ought to be funded in the base bill, the one we are voting on today.

Mr. Chairman, the Intelligence Authorization bill represents the culmination of many months of work by our community to provide the intelligence community with the resources it needs to safeguard our national security. It also presents an opportunity to lay down important oversight markers so that we can fulfill our constitutionally mandated duty to provide oversight of the intelligence community. The Intelligence Committees were created for precisely this reason, and if we simply become a rubber stamp for the administration, then we might as well cease to exist.

At the outset, let me commend our diligent staff on both sides of the aisle for their hard work and late nights, and let me commend all members of our committee on both sides of the aisle for their focus and dedication to getting it right. Four of them, the gentleman from Florida (Chairman GOSS), the gentleman from Nebraska (Mr. BEREUTER), the gentleman from North Carolina (Mr. BURR), and the gentleman from Georgia (Mr. COLLINS), will leave us this year, and I wish them fair winds. I also want to explain the gentleman from Florida's (Mr. HASTINGS) absence. Our thoughts are with him as he cares for his ailing mother.

Mr. Chairman, this debate has been very difficult, certainly for me. As everyone here knows, over five terms in Congress, I have voted for every intelligence authorization bill and every defense authorization bill, and I have often worked to try to plus-up amounts in those bills. The brave men and women of the intelligence community rely on us. Without us, they cannot do their job. I have traveled around the world and visited with them, and their bravery and courage speaks volumes about how much they love this country.

For all of these reasons, I stand here today with a heavy heart because I feel that unfortunately and needlessly, this bill could have and should have provided for stronger intelligence and stronger oversight.

Mr. HUNTER. Mr. Chairman, will the gentlewoman yield?

Ms. HARMAN. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I just wanted to say to the gentlewoman the reason we bolted on $25 billion, not $50 billion, not $75 billion, with a piece of that being carried for her committee was because we have a war in two theatres which is ebbing and flowing. We cannot see into the future. We may need more money in January and February than projected $50 billion or even $75 billion. So I would just say to the gentlewoman, there is plenty of money for current operations. Nobody is being short-changed in this year.

Ms. HARMAN. Mr. Chairman, reclaiming my time, if I could just respond to the gentleman, and I would be happy to yield again if I have any more time if he wants to respond to what I have to say, I appreciate that comment, but mine is a bit different. I understand that we may not fully know what we need. That is why we have supplementals. But in this case we do fully know what we need. We know what the agencies in the intelligence community need for counterterrorism because they have told us, and the amendments we wish had been in order had an unclassified piece, which basically says we should fully fund counterterrorism, and a classified piece, where we carefully allocated across the intelligence community all the money these agencies have told us they need. They told us it is hard to plan for their year without knowing for sure that they will get money.

And the last point I want to make to the gentleman, and I do appreciate what he is saying, is that I do not think we will pass another supplemental until sometime after the first quarter of next year. We will be gearing up in a new Congress, and if we pass the supplemental in next March or April, as I pointed out in my earlier remarks, we may have a gap in funding counterterrorism just at the time when we have the presidential inauguration and the Super Bowl, and those are huge events were maximum counterterrorism efforts are needed.

Mr. HUNTER. Mr. Chairman, will the gentlewoman yield?

Ms. HARMAN. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, let me just say to the gentlewoman that I too have looked at requirements. And intel requirements in those two war-fighting theatres, Afghanistan and Iraq, are as difficult for the intel experts to project as it is for our defense experts, our people who are leading uniformed troops, and there is plenty of money to carry this bridge. This is a bridge fund, and I might say 60 out of 60 people, Republicans and Democrats, agreed this was a good number, and this had the $2.2 billion intel piece embedded in it when we passed it. So I can just tell the gentlewoman there is not going to be a gap.

The CHAIRMAN. The gentlewoman's time has expired.

Mr. GOSS. Mr. Chairman, I yield myself such time as I may consume.

First of all, I want to assure the gentlewoman that I associate myself with stronger intelligence. Her poster, I think, is excellent, and I am delighted that we all agree on that.

Second of all, I want to tell the gentlewoman that I totally agree that the form is not pretty. I do not like supplementals either. We work with what we have to work with. But the substance, I think, came out as well as it could. And I want to thank the distinguished chairman of the Committee on Armed Services for reaching out to help us with the bridge.

In a more direct answer to the gentlewoman's question a while ago about what requests were, and I am going to be very candid, these were the requests we were working with. And they are not for the whole year, but they are the requests to deal with the war on terror. And we actually come up with 32 percent more than what the CIA requested, 100 percent of what DIA requested, 39 percent more than what NSA requested, 88 percent more than NRO, and 19 percent more than NGA.

So we are way ahead in bridging. But obviously, her point is we have not gone for a whole year, and we all understand that. The question is will there be a short-change? And my answer is no. And the problem I have with her solution that she had proposed, somewhat belatedly, if I may say that, and I will come to that point if I have time, is that authorized money without appropriated money behind it is monopoly money, as we all know, and that was part of the problem.

Now let me go to the gentleman from Missouri's (Mr. SKELTON) point, which I think was a very poignant point and I have huge regard for the gentleman from Missouri (Mr. SKELTON), as we all do: What happened this year? And the answer is that normally we do work out all of our differences before we bring our bill out. We get them done in committee. This year we are on a schedule. I thought we had all our differences worked out. I honestly did not know we were going to have some of these amendments that she came up with until a couple of hours before the meeting. I asked that they try to be worked out. Apparently they were.

Normally we need more than 2 or 3 hours to work out something as important as a budget. So I do not think there is any bad intention. What I think is that there is more work to be done, and there will be an opportunity between now and the conference.

I urge support for this bill because I think it is a great place to go forward.

Mr. HASTERT. Mr. Chairman, I rise today in support of this important Intelligence Authorization, and I urge my colleagues to support it.

First of all, I want to congratulate PORTER GOSS not only for his work on this legislation, but also for his distinguished career as a servant for the people.

Everyday, PORTER GOSS has come to work with one thought in mind: How do I make this country a better and safer place?

PORTER, we are going to miss you when you leave this House.

I had hoped that the Minority would give you the respect you deserve and work with you on this bill.

Instead, they want to play politics.

I have to hand it to the Minority. They have taken the strategy that the best defense is a good offense to its extreme.

They have no defense when it comes to their pathetic record on intelligence funding. So they try to cloud the issue by saying that we are not spending enough on intelligence.

What makes this strategy laughable is the fact that just yesterday, House Democrats voted overwhelmingly for intelligence funding in the Defense Appropriations bill.

Yesterday, the funding was just right. Today, they are simply shocked, shocked, that we don't spend enough.

Why the sudden change of heart? Politics, of course. Pure politics.

Throughout the 1990's, leading Democrats offered amendment after amendment to slash Intelligence funding. They offered amendment after amendment in an effort to hamstring the C.I.A. And the Clinton White House not only ignored the Intelligence Community, they disdained it. Bill Clinton himself rarely allowed the CIA Director into the Oval Office.

Let's not kid ourselves. The left wing of the Democratic Party has a long tradition of hostility to the C.I.A. They have never been comfortable with the world of intelligence gathering.

Even after 9–11, many in the Minority have sought to decimate intelligence funding. These same Members who today claim the pending bill is inadequate, voted against emergency supplemental intelligence funding last year.

For members of the Democratic Party to come to the House floor and say that they could do it better than PORTER GOSS is simply not believable.

Mr. Chairman, our intelligence community deserves better than partisan political stunts.

Without intelligence, we cannot win the war on terror.

Intelligence funding helped bring to justice Saddam Hussein and his evil sons, Qusay and Uday. And it has assisted in the death of or capture of 42 of the 55 most wanted criminals of the Saddam regime and of more than 2,700 Al-Qa'ida leaders and foot soldiers around the globe.

Perhaps most important, in the United States, nearly 200 suspected terrorist associates have been charged with crimes with the help of quality intelligence information.

We are doing the right thing with this authorization. Vote to make America safer. Vote for this Intelligence Authorization.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in opposition to several aspects of the legislation that we consider, H.R. 4548, the Intelligence Authorization Act for FY 2005. It is ridiculous that of eight quality amendments offered at the Rules * * *.

The most important of the eight amendments offered but not made in order, the Peterson-Cramer-Boswell amendment, would have fully funded the counterterrorism activities of the intelligence community at the amount that the intelligence agencies have suggested be requested. All nine Democrats who serve on the Permanent Select Committee on Intelligence voted unanimously to support this amendment at its markup.

Mr. Chairman, without this important amendment, our intelligence capabilities will be handicapped. The outlays called for in the Peterson-Cramer-Boswell amendment would have provided for additional oversight over intelligence, which is critical, especially in light of the state of confusion that we see in this Administration's intelligence program.

Like President Bush's request in his FY 2005 Budget, H.R. 4548 proposes to fund only a small fraction of the intelligence agencies' counterterrorism requirements. Only 20 percent of the funding requirements for the CIA Counterterrorism Center were called for in the Bush Budget. The fact that the administration then requested a supplemental allocation for the first quarter of FY 2005 evidences the dire need for these monies.

The intelligence community should not have to rely on supplemental funding to carry out its core functions! In the wake of 9/11 and new episodes of terrorism violence almost daily, it is not comforting to know that our intelligence community is operating on supplemental "crutches." While this nation sits in a vulnerable state, the Administration puts us on "ice" until November elections. Very scary.

The CIA Counterterrorism Center has had to wait for supplemental funding for 80 percent of its requirements! Reports from the Houston FBI's Field Intelligence Group (FIG), there have been several reports that one of Houston's major sources of vulnerability, either the airports, the Port of Houston, or the nuclear South Texas Project will be hit by al-Qaeda "sleeper cells." We need the most effective counterterrorism resources available to prevent such an occurrence. Waiting for supplemental funding will not keep our families safe, especially with upcoming events that would attract a potential terrorist such as the Democratic and Republican National Conventions, the November elections, and Independence Day celebrations.

Mr. Chairman, it is important that, should this legislation pass, the conferees address the fact that less than one-third of what the intelligence agencies have suggested is provided in the proposal. Therefore, I would fully support a motion to recommit for purpose of incorporating the critical addition of outlays to counterterrorism that are needed to secure our homeland.

Mr. Chairman, I urge my colleagues to support a motion to recommit.

Mr. PAUL. Mr. Chairman, I rise in opposition to this legislation. Though I certainly recognize the legitimate national security role of our intelligence community, I have concerns about this authorization and the questionable role played by components of the intelligence community.

Specifically, I am concerned about our history of secret regime changes carried out by our intelligence apparatus. More often than not, we see many of the problems we face today were created as a result of this unwise practice of forcibly changing regimes in secret.

The stories of such activities are numerous. In 1953 the CIA overthrew Mohammad Mossadegh in Iran, installing the Shah as dictator. This led to increasing anti-Americanism, the overthrow of the Shah in 1979, the kidnapping of Americans, the establishment of a hardline Islamic regime hostile to the United States. In the 1980s the United States provided covert support to Saddam Hussein's Iraq in its war with Iran. Ten years later the United States went to war against Saddam Hussein and then 11 years after that the United States went to war again against Saddam's Iraq. In the 1980s the United States provided weapons and training to the Taliban and what later became al-Qaeda in Afghanistan as they sought to overthrow the communist government in power. Some 20 years later, that same Taliban and Osama bin Laden struck out against the United States. The United States then went to war against that Taliban government.

I am also concerned about the efficacy of our intelligence community. The intelligence budget seems to grow every year, but seldom do my colleagues ask what exactly we are getting for our constituents' money. It may be unfair that we only hear about the intelligence community's failures and shortcomings, but we cannot help but be concerned over so many such failures in recent years. Despite the tens of billions we spend on these myriad intelligence agencies, it is impossible to ignore the failure of the intelligence community to detect and prevent the September 11, 2001 attacks.

Additionally, as we now see so clearly, our intelligence community failed completely to accurately assess the nature of the Iraqi threat. We were told of weapons of mass destruction capable of reaching the United States. This proved to be false. We were told of Iraq's relationship with al-Qaeda. This proved to be false. The intelligence community relied heavily—perhaps almost exclusively—on Iraqi exile and convicted criminal Ahmad Chalabi to provide intelligence on Iraq and most of it turned out to be incorrect, perhaps intentionally misleading. Now we are told that Chalabi and his organization may have passed sensitive intelligence to Iran. We have read reports of secret pseudo-agencies set up in the Pentagon and elsewhere whose role appears to have been to politicize intelligence in order to force predetermined conclusions. This does not serve the American people well. These are all by any measure grave failures, costing us incalculably in human lives and dollars. Yet from what little we can know about this bill, the solution is to fund more of the same. I would hope that we might begin coming up with new approaches to our intelligence needs.

I encourage my colleagues to reject this bill and instead begin looking for new ways to strengthen the legitimate functions of our intelligence community so as to better protect the borders and citizens of the United States.

Mr. GOSS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment and shall be considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 4548

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Intelligence Authorization Act for Fiscal Year 2005".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—INTELLIGENCE ACTIVITIES

Sec. 101. Authorization of appropriations.
Sec. 102. Classified schedule of authorizations.
Sec. 103. Personnel ceiling adjustments.
Sec. 104. Intelligence Community Management Account.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

Sec. 201. Authorization of appropriations.

TITLE III—GENERAL PROVISIONS

Sec. 301. Increase in employee compensation and benefits authorized by law.
Sec. 302. Restriction on conduct of intelligence activities.
Sec. 303. Assistant Director of Central Intelligence for Information Management.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

Sec. 401. Permanent extension of Central Intelligence Agency voluntary separation incentive program.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

Sec. 501. National Security Agency Emerging Technologies Panel.

TITLE VI—EDUCATION

Subtitle A—National Security Education Program

Sec. 601. Provision for annual funding.
Sec. 602. Modification of obligated service requirements under the National Security Education Program.
Sec. 603. Improvements to the National Flagship Language Initiative.
Sec. 604. Establishment of scholarship program for English language studies for heritage community citizens of the United States within the National Security Education Program.

Subtitle B—Improvement in Intelligence Community Foreign Language Skills

Sec. 611. Assistant Director of Central Intelligence for Language and Education.
Sec. 612. Requirement for foreign language proficiency for advancement to certain senior level positions in the intelligence community.
Sec. 613. Advancement of foreign languages critical to the intelligence community.
Sec. 614. Pilot project for Civilian Linguist Reserve Corps.
Sec. 615. Codification of establishment of the National Virtual Translation Center.
Sec. 616. Report on recruitment and retention of qualified instructors of the Defense Language Institute.

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2005 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.
(2) The Department of Defense.
(3) The Defense Intelligence Agency.
(4) The National Security Agency.
(5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
(6) The Department of State.
(7) The Department of the Treasury.
(8) The Department of Energy.
(9) The Department of Justice.
(10) The Federal Bureau of Investigation.
(11) The National Reconnaissance Office.
(12) The National Geospatial-Intelligence Agency.
(13) The Coast Guard.
(14) The Department of Homeland Security.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL CEILINGS.—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 2005, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany the bill H.R. 4548 of the One Hundred Eighth Congress.

(b) AVAILABILITY OF CLASSIFIED SCHEDULE OF AUTHORIZATIONS.—The Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

SEC. 103. PERSONNEL CEILING ADJUSTMENTS.

(a) AUTHORITY FOR ADJUSTMENTS.—With the approval of the Director of the Office of Management and Budget, the Director of Central Intelligence may authorize employment of civilian personnel in excess of the number authorized for fiscal year 2005 under section 102 when the Director of Central Intelligence determines that such action is necessary to the performance of important intelligence functions.

(b) NOTICE TO INTELLIGENCE COMMITTEES.—The Director of Central Intelligence shall notify promptly the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever the Director exercises the authority granted by this section.

SEC. 104. INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Intelligence Community Management Account of the Director of Central Intelligence for fiscal year 2005 the sum of $318,395,000. Within such amount, funds identified in the classified Schedule of Authorizations referred to in section 102(a) for advanced research and development shall remain available until September 30, 2006.

(b) AUTHORIZED PERSONNEL LEVELS.—The elements within the Intelligence Community Management Account of the Director of Central Intelligence are authorized 310 full-time personnel as of September 30, 2005. Personnel serving in such elements may be permanent employees of the Intelligence Community Management Account or personnel detailed from other elements of the United States Government.

(c) CLASSIFIED AUTHORIZATIONS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts authorized to be appropriated for the Intelligence Community Management Account by subsection (a), there are also authorized to be appropriated for the Intelligence Community Management Account for fiscal year 2005 such additional amounts as are specified in the classified Schedule of Authorizations referred to in section 102(a). Such additional amounts for research and development shall remain available until September 30, 2006.

(2) AUTHORIZATION OF PERSONNEL.—In addition to the personnel authorized by subsection (b) for elements of the Intelligence Community Management Account as of September 30, 2005, there are also authorized such additional personnel for such elements as of that date as are specified in the classified Schedule of Authorizations.

(d) REIMBURSEMENT.—Except as provided in section 113 of the National Security Act of 1947 (50 U.S.C. 404h), during fiscal year 2005 any officer or employee of the United States or a member of the Armed Forces who is detailed to the staff of the Intelligence Community Management Account from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

(e) NATIONAL DRUG INTELLIGENCE CENTER.—

(1) IN GENERAL.—Of the amount authorized to be appropriated in subsection (a), $29,811,000 shall be available for the National Drug Intelligence Center. Within such amount, funds provided for research, development, testing, and evaluation purposes shall remain available until September 30, 2006, and funds provided for procurement purposes shall remain available until September 30, 2007.

(2) TRANSFER OF FUNDS.—The Director of Central Intelligence shall transfer to the Attorney General funds available for the National Drug Intelligence Center under paragraph (1). The Attorney General shall utilize funds so transferred for the activities of the National Drug Intelligence Center.

(3) LIMITATION.—Amounts available for the National Drug Intelligence Center may not be used in contravention of the provisions of section 103(d)(1) of the National Security Act of 1947 (50 U.S.C. 403–3(d)(1)).

(4) AUTHORITY.—Notwithstanding any other provision of law, the Attorney General shall retain full authority over the operations of the National Drug Intelligence Center.

TITLE II—CENTRAL INTELLIGENCE AGENCY .RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 2005 the sum of $239,400,000.

TITLE III—GENERAL PROVISIONS

SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or the laws of the United States.

SEC. 303. ASSISTANT DIRECTOR OF CENTRAL INTELLIGENCE FOR INFORMATION MANAGEMENT.

(a) ESTABLISHMENT OF POSITION WITHIN THE OFFICE OF THE DIRECTOR OF CENTRAL INTELLIGENCE.—Subsection (e)(2) of section 102 of the National Security Act of 1947 (50 U.S.C. 403) is amended—

(1) by striking subparagraph (G); and

(2) by inserting after subparagraph (F) the following new subparagraph (G):

"(G) The Assistant Director of Central Intelligence for Information Management.".

(b) DUTIES.—Section 102 of such Act (50 U.S.C. 403) is amended—

(1) by striking subsection (h); and

(2) by inserting after subsection (g) the following new subsection (h):

"(h) ASSISTANT DIRECTOR OF CENTRAL INTELLIGENCE FOR INFORMATION MANAGEMENT.—(1) To assist the Director of Central Intelligence in carrying out the Director's responsibilities under this Act, there shall be an Assistant Director of Central Intelligence for Information Management who shall be appointed by the President, by and with the advice and consent of the Senate. The Assistant Director of Central Intelligence for Information Management is the chief information officer of the intelligence community.

"(2) Subject to the direction of the Director of Central Intelligence, the Assistant Director of Central Intelligence for Information Management shall—

"(A) manage activities relating to the information technology infrastructure and enterprise architecture requirements of the intelligence community;

"(B) have procurement approval authority over all information technology items related to the enterprise architectures of all intelligence community components;

"(C) direct and manage all information technology-related procurement for the intelligence community; and

"(D) ensure that all expenditures for information technology and research and development activities are consistent with the intelligence community enterprise architecture and the strategy of the Director of Central Intelligence for such architecture.

"(3) An individual serving in the position of Assistant Director of Central Intelligence for Information Management may not, while so serving, serve as the chief information officer of any other agency or department, or component thereof, of the United States.".

(c) REFERENCES.—Any reference to the Assistant Director of Central Intelligence for Administration in any law, regulation, document, paper, or other record of the United States shall be deemed to be a reference to the Assistant Director of Central Intelligence for Information Management.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. PERMANENT EXTENSION OF CENTRAL INTELLIGENCE AGENCY VOLUNTARY SEPARATION INCENTIVE PROGRAM.

(a) EXTENSION OF PROGRAM.—Section 2 of the Central Intelligence Agency Voluntary Separation Pay Act (50 U.S.C. 403–4 note) is amended—

(1) by striking subsection (f); and

(2) by redesignating subsections (g) and (h) as subsections (f) and (g), respectively.

(b) TERMINATION OF FUNDS REMITTANCE REQUIREMENT.—(1) Section 2 of such Act (50 U.S.C. 403–4 note) is further amended by striking subsection (i).

(2) Section 4(a)(2)(B)(ii) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C. 8331 note) is amended by striking ", or section 2 of the Central Intelligence Agency Voluntary Separation Pay Act (Public Law 103–36; 107 Stat. 104)".

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SEC. 501. NATIONAL SECURITY AGENCY EMERGING TECHNOLOGIES PANEL.

The National Security Agency Act of 1959 (50 U.S.C. 402 note) is amended by adding at the end the following new section:

"SEC. 19. (a) There is established the National Security Agency Emerging Technologies Panel. The panel is a standing panel of the National Security Agency. The panel shall be appointed by, and shall report directly to, the Director.

"(b) The National Security Agency Emerging Technologies Panel shall study and assess, and periodically advise the Director on, the research, development, and application of existing and emerging science and technology advances, advances on encryption, and other topics.

"(c) The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the National Security Agency Emerging Technologies Panel.".

TITLE VI—EDUCATION

Subtitle A—National Security Education Program

SEC. 601. PROVISION FOR ANNUAL FUNDING.

(a) IN GENERAL.—Title VIII of the Intelligence Authorization Act for Fiscal Year 1992 (Public Law 102–183; 105 Stat. 1271), as amended by section 311(c) of the Intelligence Authorization Act for Fiscal Year 1994 (Public Law 103–178; 107 Stat. 2037), is amended by adding at the end of section 810 the following new subsection:

"(c) FUNDING FROM INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT FOR FISCAL YEARS BEGINNING WITH FISCAL YEAR 2005.—In addition to amounts that may be made available to

the Secretary under the Fund for a fiscal year, the Director of Central Intelligence shall transfer to the Secretary from amounts appropriated for the Intelligence Community Management Account for each fiscal year, beginning with fiscal year 2005, $8,000,000, to carry out the scholarship, fellowship, and grant programs under subparagraphs (A), (B), and (C), respectively, of section 802(a)(1).".

(b) CONFORMING AMENDMENT.—Section 802(a)(2) of such Act (50 U.S.C. 1902(a)(2)) is amended in the matter preceding subparagraph (A) by inserting "or from a transfer under section 810(c)" after "National Security Education Trust Fund".

SEC. 602. MODIFICATION OF OBLIGATED SERVICE REQUIREMENTS UNDER THE NATIONAL SECURITY EDUCATION PROGRAM.

(a) IN GENERAL.—Subsection (b)(2) of section 802 of title VIII of the Intelligence Authorization Act for Fiscal Year 1992 (Public Law 102–183; 105 Stat. 1273), as amended by section 925(a) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1578), is amended by striking subparagraphs (A) and (B), and inserting the following:

"(A) in the case of a recipient of a scholarship, as soon as practicable but in no case later than three years after the completion by the recipient of the study for which scholarship assistance was provided under the program, the recipient shall work for a period of one year—

"(i) in a national security position that the Secretary certifies is appropriate to use the unique language and region expertise acquired by the recipient pursuant to such study in the Department of Defense, in any element of the intelligence community, in the Department of Homeland Security, or in the Department of State; or

"(ii) in such a position in any other Federal department or agency not referred to in clause (i) if the recipient demonstrates to the Secretary that no position is available in a Federal department or agency specified in clause (i); or

"(B) in the case of a recipient of a fellowship, as soon as practicable but in no case later than two years after the completion by the recipient of the study for which fellowship assistance was provided under the program, the recipient shall work for a period equal to the duration of assistance provided under the program, but in no case less than one year—

"(i) in a position described in subparagraph (A)(i) that the Secretary certifies is appropriate to use the unique language and region expertise acquired by the recipient pursuant to such study; or

"(ii) in such a position in any other Federal department or agency not referred to in clause (i) if the recipient demonstrates to the Secretary that no position is available in a Federal department or agency specified in clause (i); and".

(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out the amendment made by subsection (a). In prescribing such regulations, the Secretary shall establish standards that recipients of scholarship and fellowship assistance under the program under such section 802 are required to demonstrate to satisfy the requirement of a good faith effort to gain employment as required under subparagraphs (A) and (B) of subsection (b)(2) of such section.

(c) APPLICABILITY.—(1) The amendment made by subsection (a) shall apply with respect to service agreements entered into under the David L. Boren National Security Education Act of 1991 on or after the date of the enactment of this Act.

(2) The amendment made by subsection (a) shall not affect the force, validity, or terms of any service agreement entered into under the David L. Boren National Security Education Act of 1991 before the date of the enactment of this Act that is in force as of that date.

SEC. 603. IMPROVEMENTS TO THE NATIONAL FLAGSHIP LANGUAGE INITIATIVE.

(a) INCREASE IN ANNUAL FUNDING.—Title VIII of the Intelligence Authorization Act for Fiscal Year 1992 (Public Law 102–183; 105 Stat. 1271), as amended by section 311(c) of the Intelligence Authorization Act for Fiscal Year 1994 (Public Law 103–178; 107 Stat. 2037) and by section 333(b) of the Intelligence Authorization Act for Fiscal Year 2003 (Public Law 107–306; 116 Stat. 2397), is amended by striking section 811 and inserting the following new section 811:

"SEC. 811. FUNDING FOR THE NATIONAL FLAGSHIP LANGUAGE INITIATIVE.

"(a) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEARS 2003 and 2004.—In addition to amounts that may be made available to the Secretary under the Fund for a fiscal year, there is authorized to be appropriated to the Secretary for each fiscal year, beginning with fiscal year 2003, $10,000,000, to carry out the grant program for the National Flagship Language Initiative under section 802(a)(1)(D).

"(b) FUNDING FROM INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT FOR FISCAL YEARS BEGINNING WITH FISCAL YEAR 2005.—In addition to amounts that may be made available to the Secretary under the Fund for a fiscal year, the Director of Central Intelligence shall transfer to the Secretary from amounts appropriated for the Intelligence Community Management Account for each fiscal year, beginning with fiscal year 2005, $12,000,000, to carry out the grant program for the National Flagship Language Initiative under section 802(a)(1)(D).

"(c) AVAILABILITY OF APPROPRIATED FUNDS.—Amounts made available under this section shall remain available until expended.".

(b) REQUIREMENT FOR EMPLOYMENT AGREEMENTS.—(1) Section 802(i) of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1902(i)) is amended by adding at the end the following new paragraph:

"(5)(A) In the case of an undergraduate or graduate student that participates in training in programs under paragraph (1), the student shall enter into an agreement described in subsection (b), other than such a student who has entered into such an agreement pursuant to subparagraph (A)(ii) or (B)(ii) of section 802(a)(1).

"(B) In the case of an employee of an agency or department of the Federal Government that participates in training in programs under paragraph (1), the employee shall agree in writing—

"(i) to continue in the service of the agency or department of the Federal Government employing the employee for the period of such training;

"(ii) to continue in the service of such agency or department employing the employee following completion of such training for a period of two years for each year, or part of the year, of such training;

"(iii) to reimburse the United States for the total cost of such training (excluding the employee's pay and allowances) provided to the employee if, before the completion by the employee of the training, the employment of the employee by the agency or department is terminated due to misconduct by the employee or by the employee voluntarily; and

"(iv) to reimburse the United States if, after completing such training, the employment of the employee by the agency or department is terminated either by the agency or department due to misconduct by the employee or by the employee voluntarily, before the completion by the employee of the period of service required in clause (ii), in an amount that bears the same ratio to the total cost of the training (excluding the employee's pay and allowances) provided to the employee as the unserved portion of such period of service bears to the total period of service under clause (ii).

"(C) Subject to subparagraph (D), the obligation to reimburse the United States under an agreement under subparagraph (A) is for all purposes a debt owing the United States.

"(D) The head of an element of the intelligence community may release an employee, in whole or in part, from the obligation to reimburse the United States under an agreement under subparagraph (A) when, in the discretion of the head of the element, the head of the element determines that equity or the interests of the United States so require.".

(2) The amendment made by paragraph (1) shall apply to training that begins on or after the date that is 90 days after the date of the enactment of this Act.

(c) INCREASE IN THE NUMBER OF PARTICIPATING EDUCATIONAL INSTITUTIONS.—The Secretary of Defense shall take such steps as the Secretary determines will increase the number of qualified educational institutions that receive grants under the National Flagship Language Initiative to establish, operate, or improve activities designed to train students in programs in a range of disciplines to achieve advanced levels of proficiency in those foreign languages that the Secretary identifies as being the most critical in the interests of the national security of the United States.

(d) CLARIFICATION OF AUTHORITY TO SUPPORT STUDIES ABROAD.—Educational institutions that receive grants under the National Flagship Language Initiative may support students who pursue total immersion foreign language studies overseas of foreign languages that are critical to the national security of the United States.

SEC. 604. ESTABLISHMENT OF SCHOLARSHIP PROGRAM FOR ENGLISH LANGUAGE STUDIES FOR HERITAGE COMMUNITY CITIZENS OF THE UNITED STATES WITHIN THE NATIONAL SECURITY EDUCATION PROGRAM.

(a) SCHOLARSHIP PROGRAM FOR ENGLISH LANGUAGE STUDIES FOR HERITAGE COMMUNITY CITIZENS OF THE UNITED STATES.—(1) Subsection (a)(1) of section 802 of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1902) is amended—

(A) by striking "and" at the end of subparagraph (C);

(B) by striking the period at the end of subparagraph (D) and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(E) awarding scholarships to students who—

"(i) are United States citizens who—

"(I) are native speakers (commonly referred to as heritage community residents) of a foreign language that is identified as critical to the national security interests of the United States who should be actively recruited for employment by Federal security agencies with a need for linguists; and

"(II) are not proficient at a professional level in the English language with respect to reading, writing, and interpersonal skills required to carry out the national security interests of the United States, as determined by the Secretary,

to enable such students to pursue English language studies at an institution of higher education of the United States to attain proficiency in those skills; and

"(ii) enter into an agreement to work in a national security position or work in the field of education in the area of study for which the scholarship was awarded in a similar manner (as determined by the Secretary) as agreements entered into pursuant to subsection (b)(2)(A).".

(2) The matter following subsection (a)(2) of such section is amended—

(A) in the first sentence, by inserting "or for the scholarship program under paragraph (1)(E)" after "under paragraph (1)(D) for the National Flagship Language Initiative described in subsection (i)"; and

(B) by adding at the end the following: "For the authorization of appropriations for the scholarship program under paragraph (1)(E), see section 812.".

(3) Section 803(d)(4)(E) of such Act (50 U.S.C. 1903(d)(4)(E)) is amended by inserting before the period the following: "and section 802(a)(1)(E) (relating to scholarship programs for advanced English language studies by heritage community residents)".

(b) FUNDING.—The David L. Boren National Security Education Act of 1991 (50 U.S.C. 1901 et seq.) is amended by adding at the end the following new section:

"SEC. 812. FUNDING FOR SCHOLARSHIP PROGRAM FOR CERTAIN HERITAGE COMMUNITY RESIDENTS.

"(a) FUNDING FROM INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT.—In addition to amounts that may be made available to the Secretary under the Fund for a fiscal year, the Director of Central Intelligence shall transfer to the Secretary from amounts appropriated for the Intelligence Community Management Account for each fiscal year, beginning with fiscal year 2005, $4,000,000, to carry out the scholarship programs for English language studies by certain heritage community residents under section 802(a)(1)(E).

"(b) AVAILABILITY OF FUNDS.—Amounts made available under subsection (a) shall remain available until expended.".

Subtitle B—Improvement in Intelligence Community Foreign Language Skills

SEC. 611. ASSISTANT DIRECTOR OF CENTRAL INTELLIGENCE FOR LANGUAGE AND EDUCATION.

(a) IN GENERAL.—Section 102 of the National Security Act of 1947 (50 U.S.C. 403) is amended—

(1) by adding at the end the following new subsection:

"(i) ASSISTANT DIRECTOR OF CENTRAL INTELLIGENCE FOR LANGUAGE AND EDUCATION.—(1) To assist the Director of Central Intelligence in carrying out the Director's responsibilities under this Act, there shall be an Assistant Director of Central Intelligence for Language and Education who shall be appointed by the President, by and with the advice and consent of the Senate.

"(2) The Assistant Director of Central Intelligence for Language and Education shall carry out the following duties:

"(A) Overseeing and coordinating requirements for foreign language education and training of the intelligence community.

"(B) Establishing policy, standards, and priorities relating to such requirements.

"(C) Identifying languages that are critical to the capability of the intelligence community to carry out national security activities of the United States.

"(D) Monitoring the allocation of resources for foreign language education and training in order to ensure the requirements of the intelligence community with respect to foreign language proficiency are met.";

(2) in subsection (d)(2) by adding at the end the following:

"(E) Through the Assistant Director of Central Intelligence for Language and Education, ensuring the foreign language education and training requirements of the intelligence community are met."; and

(3) in subsection (e)(2)—

(A) by redesignating subparagraph (H) as subparagraph (I); and

(B) by inserting after subparagraph (G) the following new subparagraph (H):

"(H) The Assistant Director of Central Intelligence for Education and Language.".

(b) REPORTS.—Not later than 1 year after the date on which the Assistant Director of Central Intelligence for Language and Education is first appointed under section 102(i) of the National Security Act of 1947, as added by subsection (a), the Assistant Director shall submit to Congress the following reports:

(1) A report that identifies—

(A) skills and processes involved in learning a foreign language; and

(B) characteristics and teaching techniques that are most effective in teaching foreign languages.

(2)(A) A report that identifies foreign language heritage communities, particularly such communities that include speakers of languages that are critical to the national security of the United States.

(B) For purposes of subparagraph (A), the term "foreign language heritage community" means a community of residents or citizens of the United States—

(i) who are native speakers of, or who have fluency in, a foreign language; and

(ii) who should be actively recruited for employment by Federal security agencies with a need for linguists.

(3) A report on—

(A) the estimated cost of establishing a program under which the heads of elements of the intelligence community agree to repay employees of the intelligence community for any student loan taken out by that employee for the study of foreign languages critical for the national security of the United States; and

(B) the effectiveness of such a program in recruiting and retaining highly qualified personnel in the intelligence community.

SEC. 612. REQUIREMENT FOR FOREIGN LANGUAGE PROFICIENCY FOR ADVANCEMENT TO CERTAIN SENIOR LEVEL POSITIONS IN THE INTELLIGENCE COMMUNITY.

(a) IN GENERAL.—Section 104 of the National Security Act of 1947 (50 U.S.C. 403–4) is amended by adding at the end the following new subsection:

"(i) REQUIREMENT FOR FOREIGN LANGUAGE PROFICIENCY FOR CERTAIN SENIOR LEVEL POSITIONS IN THE CENTRAL INTELLIGENCE AGENCY.—(1) An individual may not be appointed to a position in the Senior Intelligence Service in the Directorate of Intelligence or the Directorate of Operations of the Central Intelligence Agency unless the Director of Central Intelligence determines that the individual—

"(A) has been certified as having a professional speaking and reading proficiency in a foreign language, such proficiency being at least level 3 on the Interagency Language Roundtable Language Skills Level or commensurate proficiency level on such other indicator of proficiency as the Director determines to be appropriate; and

"(B) is able to effectively communicate the priorities of the United States and exercise influence in that foreign language.

"(2) The Director shall carry out this subsection through the Assistant Director of Central Intelligence for Language and Education.".

(b) CONFORMING AMENDMENT.—Subsection (i) of section 102 of the National Security Act of 1947 (50 U.S.C. 403), as added by section 611(a), is amended in paragraph (2) by adding at the end the following new subparagraph:

"(E) Making determinations under section 104(i).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to appointments made on or after the date that is one year after the date of the enactment of this Act.

(d) REPORT ON EXCEPTIONS.—The Director of Central Intelligence shall submit to Congress a report that identifies positions within the Senior Intelligence Service in the Directorate of Intelligence or the Directorate of Operations of the Central Intelligence Agency that should be exempt from the requirements of section 104(i) of the National Security Act of 1947, as added by subsection (a), and that includes the rationale for the exemption of each such position identified by the Director.

SEC. 613. ADVANCEMENT OF FOREIGN LANGUAGES CRITICAL TO THE INTELLIGENCE COMMUNITY.

(a) IN GENERAL.—Title X of the National Security Act of 1947 (50 U.S.C.) is amended—

(1) by inserting before section 1001 (50 U.S.C. 441g) the following:

"Subtitle A—Science and Technology";

and

(2) by adding at the end the following new subtitles:

"Subtitle B—Foreign Languages Program

"PROGRAM ON ADVANCEMENT OF FOREIGN LANGUAGES CRITICAL TO THE INTELLIGENCE COMMUNITY

"SEC. 1011. (a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense and the Director of Central Intelligence may jointly establish a program to advance foreign languages skills in languages that are critical to the capability of the intelligence community to carry out national security activities of the United States (hereinafter in this subtitle referred to as the 'Foreign Languages Program').

"(b) IDENTIFICATION OF REQUISITE ACTIONS.—In order to carry out the Foreign Languages Program, the Secretary of Defense and the Director of Central Intelligence shall jointly determine actions required to improve the education of personnel in the intelligence community in foreign languages that are critical to the capability of the intelligence community to carry out national security activities of the United States to meet the long-term intelligence needs of the United States.

"EDUCATION PARTNERSHIPS

"SEC. 1012. (a) IN GENERAL.—In carrying out the Foreign Languages Program, the head of an element of an intelligence community entity may enter into one or more education partnership agreements with educational institutions in the United States in order to encourage and enhance the study of foreign languages that are critical to the capability of the intelligence community to carry out national security activities of the United States in educational institutions.

"(b) ASSISTANCE PROVIDED UNDER EDUCATIONAL PARTNERSHIP AGREEMENTS.—Under an educational partnership agreement entered into with an educational institution pursuant to this section, the head of an element of an intelligence community entity may provide the following assistance to the educational institution:

"(1) The loan of equipment and instructional materials of the element of the intelligence community entity to the educational institution for any purpose and duration that the head determines to be appropriate.

"(2) Notwithstanding any other provision of law relating to transfers of surplus property, the transfer to the educational institution of any computer equipment, or other equipment, that is—

"(A) commonly used by educational institutions;

"(B) surplus to the needs of the entity; and

"(C) determined by the head of the element to be appropriate for support of such agreement.

"(3) The provision of dedicated personnel to the educational institution—

"(A) to teach courses in foreign languages that are critical to the capability of the intelligence community to carry out national security activities of the United States; or

"(B) to assist in the development of such courses and materials for the institution.

"(4) The involvement of faculty and students of the educational institution in research projects of the element of the intelligence community entity.

"(5) Cooperation with the educational institution in developing a program under which students receive academic credit at the educational institution for work on research projects of the element of the intelligence community entity.

"(6) The provision of academic and career advice and assistance to students of the educational institution.

"(7) The provision of cash awards and other items that the head of the element of the intelligence community entity determines to be appropriate.

"VOLUNTARY SERVICES

"SEC. 1013. (a) AUTHORITY TO ACCEPT SERVICES.—Notwithstanding section 1342 of title 31, United States Code, and subject to subsection (b), the Foreign Languages Program under section 1011 shall include authority for the head of an element of an intelligence community entity to accept from any individual who is dedicated personnel (as defined in section 1016(3)) voluntary services in support of the activities authorized by this subtitle.

"(b) REQUIREMENTS AND LIMITATIONS.—(1) In accepting voluntary services from an individual under subsection (a), the head of the element shall—

"(A) supervise the individual to the same extent as the head of the element would supervise a compensated employee of that element providing similar services; and

"(B) ensure that the individual is licensed, privileged, has appropriate educational or experiential credentials, or is otherwise qualified under applicable law or regulations to provide such services.

"(2) In accepting voluntary services from an individual under subsection (a), the head of an element of the intelligence community entity may not—

"(A) place the individual in a policymaking position, or other position performing inherently government functions; or

"(B) except as provided in subsection (e), compensate the individual for the provision of such services.

"(c) AUTHORITY TO RECRUIT AND TRAIN INDIVIDUALS PROVIDING SERVICES.—The head of an element of an intelligence community entity may recruit and train individuals to provide voluntary services accepted under subsection (a).

"(d) STATUS OF INDIVIDUALS PROVIDING SERVICES.—(1) Subject to paragraph (2), while providing voluntary services accepted under subsection (a) or receiving training under subsection (c), an individual shall be considered to be an employee of the Federal Government only for purposes of the following provisions of law:

"(A) Subchapter I of chapter 81 of title 5, United States Code (relating to compensation for work-related injuries).

"(B) Section 552a of title 5, United States Code (relating to maintenance of records on individuals).

"(C) Chapter 11 of title 18, United States Code (relating to conflicts of interest).

"(2)(A) With respect to voluntary services accepted under paragraph (1) provided by an individual that are within the scope of the services so accepted, the individual is deemed to be a volunteer of a governmental entity or nonprofit institution for purposes of the Volunteer Protection Act of 1997 (42 U.S.C. 14501 et seq.).

"(B) In the case of any claim against such an individual with respect to the provision of such services, section 4(d) of such Act (42 U.S.C. 14503(d)) shall not apply.

"(3) Acceptance of voluntary services under this section shall have no bearing on the issuance or renewal of a security clearance.

"(e) COMPENSATION FOR WORK-RELATED INJURIES.—For purposes of determining the compensation for work-related injuries payable under chapter 81 of title 5, United States Code, to an individual providing voluntary services accepted under subsection (a), the monthly pay of the individual for such services is deemed to be equal to the amount determined by multiplying—

"(1) the average monthly number of hours that the individual provided the services, by

"(2) the minimum wage determined in accordance with section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)).

"(f) REIMBURSEMENT OF INCIDENTAL EXPENSES.—(1) The head of an element of the intelligence community entity may reimburse an individual for incidental expenses incurred by the individual in providing voluntary services accepted under subsection (a). The head of an element of the intelligence community entity shall determine which expenses are eligible for reimbursement under this subsection.

"(2) Reimbursement under paragraph (1) may be made from appropriated or nonappropriated funds.

"(g) AUTHORITY TO INSTALL EQUIPMENT.—(1) The head of an element of the intelligence community may install telephone lines and any necessary telecommunication equipment in the private residences of individuals who provide voluntary services accepted under subsection (a).

"(2) The head of an element of the intelligence community may pay the charges incurred for the use of equipment installed under paragraph (1) for authorized purposes.

"(3) Notwithstanding section 1348 of title 31, United States Code, the head of an element of the intelligence community entity may use appropriated funds or nonappropriated funds of the element in carrying out this subsection.

"REGULATIONS

"SEC. 1014. (a) IN GENERAL.—The Secretary of Defense and the Director of Central Intelligence jointly shall promulgate regulations necessary to carry out the Foreign Languages Program authorized under this subtitle.

"(b) ELEMENTS OF THE INTELLIGENCE COMMUNITY.—Each head of an element of an intelligence community entity shall prescribe regulations to carry out sections 1012 and 1013 with respect to that element including the following:

"(1) Procedures to be utilized for the acceptance of voluntary services under section 1013.

"(2) Procedures and requirements relating to the installation of equipment under section 1013(g).

"DEFINITIONS

"SEC. 1015. In this subtitle:

"(1) The term 'intelligence community entity' means an agency, office, bureau, or element referred to in subparagraphs (B) through (K) of section 3(4).

"(2) The term 'educational institution' means—

"(A) a local educational agency (as that term is defined in section 9101(26) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(26))),

"(B) an institution of higher education (as defined in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002) other than institutions referred to in subsection (a)(1)(C) of such section), or

"(C) any other nonprofit institution that provides instruction of foreign languages in languages that are critical to the capability of the intelligence community to carry out national security activities of the United States.

"(3) The term 'dedicated personnel' means employees of the intelligence community and private citizens (including former civilian employees of the Federal Government who have been voluntarily separated, and members of the United States Armed Forces who have been honorably discharged or generally discharged under honorable circumstances, and rehired on a voluntary basis specifically to perform the activities authorized under this subtitle).

"Subtitle C—Additional Education Provisions

"ASSIGNMENT OF INTELLIGENCE COMMUNITY PERSONNEL AS LANGUAGE STUDENTS

"SEC. 1021. (a) IN GENERAL.—The Director of Central Intelligence, acting through the heads of the elements of the intelligence community, may assign employees of such elements in analyst positions requiring foreign language expertise as students at accredited professional, technical, or other institutions of higher education for training at the graduate or undergraduate level in foreign languages required for the conduct of duties and responsibilities of such positions.

"(b) AUTHORITY FOR REIMBURSEMENT OF COSTS OF TUITION AND TRAINING.—(1) The Director may reimburse an employee assigned under subsection (a) for the total cost of the training described in subsection (a), including costs of educational and supplementary reading materials.

"(2) The authority under paragraph (1) shall apply to employees who are assigned on a full-time or part-time basis.

"(3) Reimbursement under paragraph (1) may be made from appropriated or nonappropriated funds.

"(c) RELATIONSHIP TO COMPENSATION AS AN ANALYST.—Reimbursement under this section to an employee who is an analyst is in addition to any benefits, allowances, travels, or other compensation the employee is entitled to by reason of serving in such an analyst position.".

(b) CLERICAL AMENDMENT.—The table of contents for the National Security Act of 1947 is amended by striking the item relating to section 1001 and inserting the following new items:

"Subtitle A—Science and Technology

"Sec. 1001. Scholarships and work-study for pursuit of graduate degrees in science and technology.

"Subtitle B—Foreign Languages Program

"Sec. 1011. Program on advancement of foreign languages critical to the intelligence community.
"Sec. 1012. Education partnerships.
"Sec. 1013. Voluntary services.
"Sec. 1014. Regulations.
"Sec. 1015. Definitions.

"Subtitle C—Additional Education Provisions

"Sec. 1021. Assignment of intelligence community personnel as language students.".

SEC. 614. PILOT PROJECT FOR CIVILIAN LINGUIST RESERVE CORPS.

(a) PILOT PROJECT.—The Director of Central Intelligence shall conduct a pilot project to establish a Civilian Linguist Reserve Corps comprised of United States citizens with advanced levels of proficiency in foreign languages who would be available upon a call of the President to perform such service or duties with respect to such foreign languages in the Federal Government as the President may specify.

(b) CONDUCT OF PROJECT.—Taking into account the findings and recommendations contained in the report required under section 325 of the Intelligence Authorization Act for Fiscal Year 2003 (Public Law 107–306; 116 Stat. 2393), in conducting the pilot project under subsection (a) the Director of Central Intelligence shall—

(1) identify several foreign languages that are critical for the national security of the United States;

(2) identify United States citizens with advanced levels of proficiency in those foreign languages who would be available to perform the services and duties referred to in subsection (a); and

(3) implement a call for the performance of such services and duties.

(c) DURATION OF PROJECT.—The pilot project under subsection (a) shall be conducted for a three-year period.

(d) AUTHORITY TO ENTER INTO CONTRACTS.—The Director of Central Intelligence may enter into contracts with appropriate agencies or entities to carry out the pilot project under subsection (a).

(e) REPORTS.—(1) The Director of Central Intelligence shall submit to Congress an initial and a final report on the pilot project conducted under subsection (a).

(2) Each report required under paragraph (1) shall contain information on the operation of the pilot project, the success of the pilot project in carrying out the objectives of the establishment of a Civilian Linguist Reserve Corps, and recommendations for the continuation or expansion of the pilot project.

(3) The final report shall be submitted not later than 6 months after the completion of the project.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Director of Central Intelligence for each of fiscal years 2005, 2006, and 2007 in order to carry out the pilot project under subsection (a) such sums as are specified in the classified Schedule of Authorizations referred to section 102.

SEC. 615. CODIFICATION OF ESTABLISHMENT OF THE NATIONAL VIRTUAL TRANSLATION CENTER.

(a) IN GENERAL.—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended by adding at the end the following new section:

"NATIONAL VIRTUAL TRANSLATION CENTER

"SEC. 119. (a) IN GENERAL.—There is an element of the intelligence community known as the National Virtual Translation Center under the direction of the Director of Central Intelligence.

"(b) FUNCTION.—The National Virtual Translation Center shall provide for timely and accurate translations of foreign intelligence for all other elements of the intelligence community.

"(c) FACILITATING ACCESS TO TRANSLATIONS.—In order to minimize the need for a central facility for the National Virtual Translation Center, the Center shall—

"(1) use state-of-the-art communications technology;

"(2) integrate existing translation capabilities in the intelligence community; and

"(3) use remote-connection capacities.

"(d) USE OF SECURE FACILITIES.—Personnel of the National Virtual Translation Center may carry out duties of the Center at any location that—

"(1) has been certified as a secure facility by an agency or department of the United States; and

"(2) the Director of Central Intelligence determines to be appropriate for such purpose.".

(b) CLERICAL AMENDMENT.—The table of sections for that Act is amended by inserting after the item relating to section 118 the following new item:

"Sec. 119. National Virtual Translation Center.".

SEC. 616. REPORT ON RECRUITMENT AND RETENTION OF QUALIFIED INSTRUCTORS OF THE DEFENSE LANGUAGE INSTITUTE.

(a) STUDY.—The Secretary of Defense shall conduct a study on methods to improve the recruitment and retention of qualified foreign language instructors at the Foreign Language Center of the Defense Language Institute. In conducting the study, the Secretary shall consider, in the case of a foreign language instructor who is an alien, to expeditiously adjust the status of the alien from a temporary status to that of an alien lawfully admitted for permanent residence.

(b) REPORT.—(1) Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to the appropriate congressional committees a report on the study conducted under subsection (a), and shall include in that report recommendations for such changes in legislation and regulation as the Secretary determines to be appropriate.

(2) DEFINITION.—In this subsection, the term "appropriate congressional committees" means the following:

(A) The Select Committee on Intelligence and the Committee on Armed Services of the Senate.

(B) The Permanent Select Committee on Intelligence and the Committee on Armed Services of the House of Representatives.

The CHAIRMAN. No amendment to the substitute is in order except the amendments printed in House Report 108–561. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent of the amendment, shall not be subject to amendment and shall not be subject to be a demand for division of the question.

It is now in order to consider amendment No. 1 printed in House Report 108–561.

AMENDMENT NO. 1 OFFERED BY MR. GOSS

Mr. GOSS. Mr. Chairman, I offer an amendment.

The Chairman. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. GOSS:

In section 104(e)(1), strike "$29,811,000" and insert "$37,811,000".

The CHAIRMAN. Pursuant to House Resolution 686, the gentleman from Florida (Mr. GOSS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida (Mr. GOSS).

Mr. GOSS. Mr. Chairman, I yield myself such time as I may consume.

The purpose of this amendment is very simple. It restores the funding for the National Drug Intelligence Center to the levels contained in the President's fiscal year 2005 budget request. In fact, a number of actions were taken in committee regarding NDIC this year in response to an ongoing investigation into activities there. This amendment does nothing to affect these investigations that are ongoing in any way. It does not change in any reporting requirements nor does it lift any fences that were put in place. But what it does do is it restores the authorization level to include $8 million that had been cut from the President's fiscal year 2005 budget request.

I am doing this to address the concern that the cut might significantly impact the important mission of the National Drug Intelligence Center, and the reason I have brought the amendment forward is because I wanted to have the distinguished gentleman from the Commonwealth of Pennsylvania (Mr. MURTHA), who I felt has actually been the person who is most instrumental in this particular program, have as much time as he wanted to address this issue. I wanted to make sure he had the opportunity.

In any event, I am assuming he would support the amendment. In the absence of knowing nothing beyond that, I am going to suggest that this amendment be adopted.

Mr. Chairman, I reserve the balance of my time.

Ms. HARMAN. Mr. Chairman, I do not oppose the amendment, but I ask to control the time on this side.

The CHAIRMAN. Without objection, the gentlewoman from California (Ms. HARMAN) may control the time.

There was no objection.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I support the Goss amendment to restore the level of funding requested for NDIC, the National Drug Intelligence Center. I was concerned to learn that these funds had been cut, as have others for key satellite programs, and I am pleased that the chairman has now decided to restore the level of funding the Center needs to carry out its important counternarcotics mission. Hopefully we will address other shortfalls that some on our side have identified in the conference.

Mr. Chairman, I would just like to make an additional comment about a subject the chairman raised at the end of general debate, and that was when he called additional budget authority monopoly money. I certainly share his view that we should appropriate the funds that we authorize. That is why this side wants to authorize additional funds and then hopefully to get them appropriated. I have spoken to the highest levels of this administration about my keen view that the amount of money to fully fund counterterrorism for fiscal year 2005 is not so great.

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It is not a big budget buster, certainly not as big as many other requests made by this administration.

I see the gentleman from California (Mr. LEWIS) in the room, for whom I have high regard. It would be my hope that sometime soon, even perhaps in the defense appropriations bill that comes out of conference, we will increase the funding for counterterrorism for fiscal year 2005.

Mr. Chairman, I support the Goss amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. GOSS. Mr. Chairman, pending the arrival of the gentleman from Pennsylvania (Mr. MURTHA), if he is able to be here, I would be very happy to yield such time as he may consume to the distinguished gentleman from California (Mr. LEWIS), the man with whom our committee works very closely. He is the appropriator for our business, and we are indeed indebted and grateful for the kind attention and the generosity that he bestows on the intelligence community.

Mr. LEWIS of California. Mr. Chairman, I thank the gentleman very much for yielding, and I appreciate the comments of the ranking member as well.

It was my privilege to serve on the Permanent Select Committee on Intelligence for some years, and I have great respect for the work you are about.

I must say that while the gentleman from Pennsylvania (Mr. MURTHA) and I have discussed this amendment and I know of his concerns and I am very supportive of his concerns, in the meantime, I really asked for the time because I am a bit disconcerted about what I sensed from the general debate as I was watching it over C-SPAN from my office.

There appears to be developing here a level of kind of partisanship that I am not used to seeing when we discuss intelligence. There is absolutely no question that intelligence work does not know a partisan divide, if things are happening as they should, and to see that developing in the committee is most disconcerting to this Member.

Over the years, we all know that intelligence funding was way, way below where it should be. The development of that lack of funding took place as the Congress some years ago was radically reducing defense spending. In those days, I used to say as defense spending is coming down, intelligence spending should go up, because the Commander-in-Chief needs better and more information at such a time, rather than less.

In the meantime, there is little doubt that during the 1990s, there were significant impacts that were negatively affecting our intelligence programming. In recent years, we have seen a movement in the other direction.

In the bill that came off the floor yesterday, there was a reflection of all of our concern. Indeed, within the base bill, the appropriations for defense, we spent more than was in the President's budget. And in the Committee's action on the amendment that came from the administration for some $25 billion, we provided substantial amounts of additional funding for intelligence work.

There is little doubt of the priority of this president, this administration, in making sure we have adequate funding, and I feel very strongly that we should know that especially the Commander-in-Chief does not see partisan value in this work.

The committee is a great committee, but there is a divide here that, I must say, reflects more than normally membership divide. If, at the staff level, we have people who are reacting for purely partisan purposes or their own biases, that is disconcerting to me. It is not healthy for the community, it is not healthy for our national defense, it clearly is not healthy for our intelligence community.

Mr. GOSS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would urge support for the amendment. Not knowing that there would be a contrary wish from the gentleman from Pennsylvania (Mr. MURTHA), whose guidance I would follow very closely on this, I am going to make that assumption. I hope that is a correct assumption and has the support of the other side, as we have heard expressed.

Ms. HARMAN. Mr. Chairman, will the gentleman yield?

Mr. GOSS. I yield to the gentlewoman from California.

Ms. HARMAN. Mr. Chairman, it has our support.

Mr. GOSS. Mr. Chairman, I yield back my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. GOSS).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider Amendment No. 2 printed in House Report 108-561.

AMENDMENT NO. 2 OFFERED BY MR. GALLEGLY

Mr. GALLEGLY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. GALLEGLY:

Add at the end the following new title:

TITLE VII—REFORM OF DESIGNATION OF FOREIGN TERRORIST ORGANIZATIONS

SEC. 701. DESIGNATION OF FOREIGN TERRORIST ORGANIZATIONS.

(a) PERIOD OF DESIGNATION.—Section 219(a)(4) of the Immigration and Nationality Act (8 U.S.C. 1189(a)(4)) is amended—

(1) in subparagraph (A)—

(A) by striking "Subject to paragraphs (5) and (6), a" and inserting "A"; and

(B) by striking "for a period of 2 years beginning on the effective date of the designation under paragraph (2)(B)" and inserting "until revoked under paragraph (5) or (6) or set aside pursuant to subsection (c)";

(2) by striking subparagraph (B) and inserting the following:

"(B) REVIEW OF DESIGNATION UPON PETITION.—

"(i) IN GENERAL.—The Secretary shall review the designation of a foreign terrorist organization under the procedures set forth in clauses (iii) and (iv) if the designated organization files a petition for revocation within the petition period described in clause (ii).

"(ii) PETITION PERIOD.—For purposes of clause (i)—

"(I) if the designated organization has not previously filed a petition for revocation under this subparagraph, the petition period begins 2 years after the date on which the designation was made; or

"(II) if the designated organization has previously filed a petition for revocation under this subparagraph, the petition period begins 2 years after the date of the determination made under clause (iv) on that petition.

"(iii) PROCEDURES.—Any foreign terrorist organization that submits a petition for revocation under this subparagraph must provide evidence in that petition that the relevant circumstances described in paragraph (1) have changed in such a manner as to warrant revocation with respect to the organization.

"(iv) DETERMINATION.—

"(I) IN GENERAL.—Not later than 180 days after receiving a petition for revocation submitted under this subparagraph, the Secretary shall make a determination as to such revocation.

"(II) CLASSIFIED INFORMATION.—The Secretary may consider classified information in making a determination in response to a petition for revocation. Classified information shall not be subject to disclosure for such time as it remains classified, except that such information may be disclosed to a court ex parte and in camera for purposes of judicial review under subsection (c).

"(III) PUBLICATION OF DETERMINATION.—A determination made by the Secretary under this clause shall be published in the Federal Register.

"(IV) PROCEDURES.—Any revocation by the Secretary shall be made in accordance with paragraph (6)."; and

(3) by adding at the end the following:

"(C) OTHER REVIEW OF DESIGNATION.—

"(i) IN GENERAL.—If in a 6-year period no review has taken place under subparagraph (B), the Secretary shall review the designation of the foreign terrorist organization in order to determine whether such designation should be revoked pursuant to paragraph (6).

"(ii) PROCEDURES.—If a review does not take place pursuant to subparagraph (B) in response to a petition for revocation that is filed in accordance with that subparagraph, then the review shall be conducted pursuant to procedures established by the Secretary. The results of such review and the applicable procedures shall not be reviewable in any court.

"(iii) PUBLICATION OF RESULTS OF REVIEW.—The Secretary shall publish any determination made pursuant to this subparagraph in the Federal Register.".

(b) ALIASES.—Section 219 of the Immigration and Nationality Act (8 U.S.C. 1189) is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following new subsection (b):

"(b) AMENDMENTS TO A DESIGNATION.—

"(1) IN GENERAL.—The Secretary may amend a designation under this subsection if the Secretary finds that the organization has changed its name, adopted a new alias, dissolved and then reconstituted itself under a different name or names, or merged with another organization.

"(2) PROCEDURE.—Amendments made to a designation in accordance with paragraph (1) shall be effective upon publication in the Federal Register. Subparagraphs (B) and (C) of subsection (a)(2) shall apply to an amended designation upon such publication. Paragraphs (2)(A)(i), (4), (5), (6), (7), and (8) of subsection (a) shall also apply to an amended designation.

"(3) ADMINISTRATIVE RECORD.—The administrative record shall be corrected to include the amendments as well as any additional relevant information that supports those amendments.

"(4) CLASSIFIED INFORMATION.—The Secretary may consider classified information in amending a designation in accordance with this subsection. Classified information shall not be subject to disclosure for such time as it remains classified, except that such information may be disclosed to a court ex parte and in camera for purposes of judicial review under subsection (c).".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Section 219 of the Immigration and Nationality Act (8 U.S.C. 1189) is amended—

(1) in subsection (a)—

(A) in paragraph (3)(B), by striking "subsection (b)" and inserting "subsection (c)";

(B) in paragraph (6)(A)—

(i) in the matter preceding clause (i), by striking "or a redesignation made under paragraph (4)(B)" and inserting "at any time, and shall revoke a designation upon completion of a review conducted pursuant to subparagraphs (B) and (C) of paragraph (4)"; and

(ii) in clause (i), by striking "or redesignation";

(C) in paragraph (7), by striking ", or the revocation of a redesignation under paragraph (6),"; and

(D) in paragraph (8)—

(i) by striking ", or if a redesignation under this subsection has become effective under paragraph (4)(B),"; and

(ii) by striking "or redesignation"; and

(2) in subsection (c), as so redesignated—

(A) in paragraph (1), by striking "of the designation in the Federal Register," and all that follows through "review of the designation" and inserting "in the Federal Register of a designation, an amended designation, or a determination in response to a petition for revocation, the designated organization may seek judicial review";

(B) in paragraph (2), by inserting ", amended designation, or determination in response to a petition for revocation" after "designation";

(C) in paragraph (3), by inserting ", amended designation, or determination in response to a petition for revocation" after "designation"; and

(D) in paragraph (4), by inserting ", amended designation, or determination in response to a petition for revocation" after "designation" each place that term appears.

(d) SAVINGS PROVISION.—For purposes of applying section 219 of the Immigration and Nationality Act on or after the date of enactment of this Act, the term "designation", as used in that section, includes all redesignations made pursuant to section 219(a)(4)(B) of the Immigration and Nationality Act (8 U.S.C. 1189(a)(4)(B)) prior to the date of enactment of this Act, and such redesignations shall continue to be effective until revoked as provided in paragraph (5) or (6) of section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a)).

SEC. 702. INCLUSION IN ANNUAL DEPARTMENT OF STATE COUNTRY REPORTS ON TERRORISM OF INFORMATION ON TERRORIST GROUPS THAT SEEK WEAPONS OF MASS DESTRUCTION AND GROUPS THAT HAVE BEEN DESIGNATED AS FOREIGN TERRORIST ORGANIZATIONS.

(a) INCLUSION IN REPORTS.—Section 140 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f) is amended—

(1) in subsection (a)(2)—

(A) by inserting "any terrorist group known to have obtained or developed, or to have attempted to obtain or develop, weapons of mass destruction," after "during the preceding five years,"; and

(B) by inserting "any group designated by the Secretary as a foreign terrorist organization under section 219 of the Immigration and Nationality Act (8 U.S.C. 1189)," after "Export Administration Act of 1979,";

(2) in subsection (b)(1)(C)(iii), by striking "and" at the end;

(3) in subsection (b)(1)(C)—

(A) by redesignating clause (iv) as clause (v); and

(B) by inserting after clause (iii) the following new clause:

"(iv) providing weapons of mass destruction, or assistance in obtaining or developing such weapons, to terrorists or terrorist groups; and"; and

(4) in subsection (b)(2)—

(A) by redesignating subparagraphs (C), (D), and (E) as (D), (E), and (F), respectively; and

(B) by inserting after subparagraph (B) the following new subparagraph:

"(C) efforts by those groups to obtain or develop weapons of mass destruction;".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply beginning with the first report under section 140 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f), submitted more than one year after the date of the enactment of this Act.

The CHAIRMAN. Pursuant to House Resolution 686, the gentleman from California (Mr. GALLEGLY) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from California (Mr. GALLEGLY).

Mr. GALLEGLY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment is very important to the question of how our government spends its resources fighting international terrorism. The amendment streamlines the very burdensome and time-consuming procedure for redesignating a group as a foreign terrorist organization, thereby allowing the Federal Government to focus on actually fighting terrorism and preventing new attacks.

Under existing law, the U.S. Government must devote significant amounts of its counterterrorist resources to the terrorist organization redesignation effort. This bureaucratic process must take place every 2 years, even though the vast majority of these groups do not even dispute their designation. And, as we all know, some groups, such as al Qaeda, openly boast of their terrorist activity.

This amendment would make two principle changes to the law. First, it would replace the requirement to formally redesignate terrorist organizations every 2 years with a procedure that allows the groups to petition the Secretary of State at 2-year intervals to have their designation revoked. It would also require the Secretary to review each group's designation every 6 years.

Let me be clear. This amendment does not change the procedure for placing a group on the foreign terrorist organization list. The government must still undergo the same lengthy process that exists today.

What changes under the amendment is the every 2 year redesignation process. Currently, the burden is on the State Department and other agencies to demonstrate that a group should stay on the list. This amendment shifts the burden to the terrorist organization to petition the government to be removed from the list. A terrorist group can petition the government every 2 years. Even if a terrorist group does not petition for formal removal from the terrorist list, the government must still review the designation every 6 years.

By streamlining the process, the State Department and other agencies, including our intelligence services, can focus on designating new groups as terrorist organizations and focus on preventing new attacks.

For example, last year, 29 of the 37 organizations on the foreign terrorist list were due for redesignation. As a result, the State, Justice, Treasury and the intelligence community spent thousands of hours in preparing a detailed administrative record for each of these groups.

Meanwhile, back in March, the State Department designated for the first time the group, Ansar al-Islam, as a foreign terrorist organization based in north Iraq. The group has been linked to al Qaeda and is known to have participated in attacks on both U.S. troops and Iraqi civilians. The designation of Ansar al-Islam took longer than it should have, because over the preceding 6 months, Federal counterterrorism groups were bogged down in the redesignation of large numbers of terrorist groups.

The modified redesignation requirement proposed by the amendment will still provide designated terrorist groups with plenty of procedural safeguards. For example, a group can still request a court review of designation within 30 days after its first designation. In addition, the amendment allows organizations to petition the Secretary every 2 years to revoke its designation. If that review is not to the group's satisfaction, the designation can still be challenged in court.

The amendment also establishes a new, expedited procedure for handling the situation in which a terrorist group changes its name or uses new aliases.

The language on foreign terrorist organizations is identical to the provisions contained in an en bloc amendment to the Department of State authorization bill that was passed by a voice vote here on the floor.

Given the importance of this measure, I introduced it as a separate bill. It was approved by the Subcommittee on International Terrorism, Nonproliferation and Human Rights on March 17. In addition, this provision has the support of both the State Department and the Department of Justice.

Lastly, section 702 of my amendment requires that the State Department's annual report on terrorism include information on countries and terrorist groups that are seeking to obtain weapons of mass destruction. Experts on terrorism, both within and outside the government, agree that the nexus between terrorism and weapons of mass destruction is the most dangerous security threat faced by the United States and our allies. Therefore, it makes absolute sense to have the State Department's main report on terrorism discuss this linkage.

Mr. Chairman, I urge passage of this important amendment.

Mr. Chairman, I reserve the balance of my time.

Ms. HARMAN. Mr. Chairman, I do not oppose this amendment, but I will control the time on this side.

The CHAIRMAN. Without objection, the gentlewoman from California is recognized for 10 minutes.

There was no objection.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to support the author of this amendment for his carefully crafted amendment and excellent remarks. I believe it is imperative that we maintain an effective and efficient process for designating foreign terrorist organizations and understand better the threat posed by those terrorist organizations and their links to weapons of mass destruction.

I understand, as the gentleman said, that the Committee on the Judiciary and the Committee on International Relations have been working on a stand-alone bill to require the Secretary of State to review designations every 4 years, not every 6, as this amendment provides.

I think this additional flexibility would be a good thing and would suggest, for example, that a bill, which I assume will be taken up at another time, should include a provision allowing the Secretary of State to remove groups from the list of foreign terrorist organizations if they renounce terrorism. This is one way of using our soft power instead of relying solely on military power to influence groups on the list. I would hope that these details and others could be worked out separately, or in the conference on this bill.

Mr. Chairman, I would just like to add that from 1999 to 2000, I served as a member of the so-called Bremer Commission on Terrorism, headed by former Ambassador L. Paul Bremer, who now serves as civil administrator in Iraq. The issue of listing groups and states as terrorist actors was something we considered carefully. In fact, we spoke out about one such state.

I think this is an excellent tool to help defeat the threats we face. I really want to commend the gentleman from California (Mr. GALLEGLY) for offering this improvement to our intelligence authorization bill.

Mr. Chairman, I reserve the balance of my time.

Mr. GALLEGLY. Mr. Chairman, I yield 2½ minutes to my good friend, the gentleman from Texas (Mr. SMITH).

Mr. SMITH of Texas. Mr. Chairman, I want to thank my friend, the gentleman from California (Mr. GALLEGLY) for offering this amendment.

In 1996, following a series of terrorist attacks throughout the world, Congress acted to make clear that this country is not to be used as a staging ground for those who seek to commit acts of terrorism against persons in other countries.

One of the components in the Committee on the Judiciary's 1996 anti-terrorism legislation was to authorize the Secretary of State to designate foreign terrorist organizations, or FTOs, that threaten U.S. residents or the national security of the United States.

Seven years of experience with the designation process has shown that it is needlessly burdensome, draining resources that are needed in the war on terrorism. There are now some 37 designated FTOs, and the redesignation of each requires intensive interagency review and the preparation of a voluminous administrative record. Which can take months, of course.

Few of the designated FTOs ever challenge their designation. For example, it is unlikely that al Qaeda will seek judicial review of the Secretary's designation of them as FTOs in the D.C. Circuit Court. Nevertheless, every 2 years the Federal Government must compile the record against them.

State and Justice Department officials have informed the Committee on the Judiciary that the cost of repeatedly proving that FTOs have retained their terrorist characteristics diverts resources from other pressing counterterrorism work, including pursuit of additional designations.

Mr. Chairman, the amendment offered by the gentleman from California (Mr. GALLEGLY) addresses each of these concerns in a way that still assures appropriate review. The text of this amendment tracks language in a bill that has been reviewed by the Committee on the Judiciary. This amendment would free up critical anti-terrorism resources that are now expended on the onerous and, for most groups, largely pointless task of redesignation, while assuring that affected groups have the opportunity to seek appropriate review.

I urge my colleagues to support this amendment.

Ms. HARMAN. Mr. Chairman, I reiterate my support for this amendment, and I yield back the balance of my time.

Mr. GALLEGLY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to thank my friend, the gentlewoman from California (Ms. HARMAN), for her positive comments and for the support.

Mr. Chairman, I have no further speakers, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. GALLEGLY).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider Amendment No. 3 printed in House Report 108-561.

AMENDMENT NO. 3 OFFERED BY MR. BOEHLERT

Mr. BOEHLERT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. BOEHLERT:

At the end of title III (page 11, after line 8), insert the following new section:

SEC. 304. SENSE OF CONGRESS ON THE DISMANTLING AND REMOVAL OF LIBYA'S WEAPONS OF MASS DESTRUCTION.

(a) FINDINGS.—The Congress finds the following:

(1) Libya has been listed as a state sponsor of terrorism by the Department of State each year since 1979.

(2) A German court found the Libyan Government guilty of the East Berlin La Belle disco bombing of 1986, in which two US servicemen were killed.

(3) A Scottish court in January 2001 found a former Libyan official guilty of the 1988 bombing of Pan Am Flight 103.

(4) Libya received and deserved world's condemnations for these horrific acts against innocents.

(5) In March 2003, while Coalition Forces were preparing to liberate Iraq, Libya quietly approached members of the intelligence services of the United States and United Kingdom and indicted a willingness to discuss Libya's weapons of mass destruction programs.

(6) On December 19, 2003, after nine months of intense negotiations, Libya publicly announced that it was prepared to eliminate all elements of its clandestine nuclear and chemical weapons programs.

(7) The United States, the United Kingdom, partners in the Proliferation Security Initiative and key arms control agencies, including the International Atomic Energy Agency (IAEA) and the Organization for the Prohibition of Chemical Weapons (OPCW), have worked in a multilateral and concerted fashion with Libya in an effort to completely dismantle Libya's weapons of mass destruction programs and the means to deliver them.

(8) Because of the hard work by the men and women of the intelligence community, United States policymakers were able to work successfully to convince Libya to relinquish its WMD programs.

(9) On January 27, 2004, a cargo plane flew from Libya to Knoxville, Tennessee, carrying 55,000 pounds of equipment and documents relating to Libya's nuclear weapons and missile programs.

(10) Documents relating to those programs indicate that Libya had purchased a virtual "turnkey facility" to produce parts for gas centrifuges together with assistance to assemble and test these centrifuges, and was otherwise attempting to develop a large uranium enrichment plant which could have produced enough fuel for several nuclear bombs a year.

(11) On January 24, 2004, Libya announced that it would accede to the Chemical Weapons Convention (CWC).

(12) On March 4, 2004, Libya submitted its Chemical Weapons Convention declaration,

including a full declaration of its chemical weapons, an inventory of its production capacity, a description of any industrial activity that could be involved in making illegal weapons, and a plan for destroying any banned materials.

(13) All of Libya's known chemical munitions have since been destroyed and the country's stocks of mustard gas have been consolidated within a single secure facility under the supervision of the OPCW.

(14) On May 6, 2004, a cargo ship departed Libya for the United States carrying an additional 1,000 tons of weapons of mass destruction equipment, including centrifuge parts and components needed to enrich uranium, the Libyan uranium conversion facility and all associated equipment, five SCUD-C missiles and launchers, and two partial missiles.

(15) In testimony before the Committee on International Relations of the House of Representatives on May 10, 2004, Assistant Secretary of State for Verification and Compliance, Paula DeSutter, indicated that Libya had signed the additional protocol for the IAEA in Vienna and announced "the complete dismantlement of Libya's longest range and most sophisticated missiles and the elimination of all of Libya's declared chemical munitions".

(16) International inspectors and monitors are expected to remain on the ground with full cooperation from Libya to ensure that Libya possesses no biological weapons programs and that its weapons of mass destruction programs have been fully dismantled and or converted to civilian use.

(17) The United States and Libya currently are engaged in talks to enter a third phase of negotiations focused on follow-up, verification, and long-term monitoring to ensure that Libya's weapons of mass destruction programs and the means to deliver them have been completely dismantled, as well as plans for the retraining of Libyan scientists and technicians for peaceful work.

(18) Libya's cooperation with international inspectors and revelations about procurement networks have helped identify numerous black market suppliers in an "international supermarket" for nuclear parts and weapons designs that also has aided such countries as Iran, Syria, and North Korea.

(19) Other countries voluntarily have dismantled their weapons of mass destruction programs, but Libya is the first and only country on the Department of State's list of State Sponsors of Terrorism to do so.

(20) Libya's decision to shed it pariah status and divest itself of its weapons of mass destruction programs can be directly attributed to the demonstrated resolve of the United States in the global war against terrorism, the liberation of Iraq by United States Armed Forces and Coalition Forces, and the adoption of policies in targeting and seizing shipments of such weapons.

(21) It is appropriate to pursue a policy of cautious and deliberate re-engagement with Libya based upon verifiable results, but the United States should not restore full diplomatic relations with Libya unless and until Libya has—

(A) agreed and submitted to comprehensive monitoring of the full dismantling of its weapons of mass destruction programs;

(B) severed all links to and support for acts of international terrorism;

(C) ceased all support for insurgency groups which have destabilized countries in Africa;

(D) demonstrated respect for human rights and the rule of law;

(E) implemented its pledge to cooperate in the further investigation of the destruction of Pan Am Flight 103; and

(F) settled all legal claims relating to past acts of international terrorism, including but not limited to the bombings of Pan Am Flight 103 and the La Belle Discotheque.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the world has been made safer with the dismantling and removal of Libya's weapons of mass destruction and the means to deliver them;

(2) this would not have been possible if not for the demonstrated resolve of the United States in the global war on terror and in the liberation of Iraq by United States and Coalition Forces;

(3) the President should be commended for having the courage to undertake those policies which persuaded Libya to agree to relinquish such weapons; and

(4) other countries such as Iran, Syria, and North Korea, should follow Libya's example, and voluntarily dismantle their weapons of mass destruction and submit their programs to international inspections.

□ 1815

The CHAIRMAN. Pursuant to House Resolution 686, the gentleman from New York (Mr. BOEHLERT) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from New York (Mr. BOEHLERT).

MODIFICATION TO AMENDMENT OFFERED BY MR. BOEHLERT

Mr. BOEHLERT. Mr. Chairman, I ask unanimous consent that the amendment be modified in the form at the desk.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment offered by Mr. BOEHLERT:

At the end of title III (page 11, after line 8), insert the following new section:

SEC. 304. SENSE OF CONGRESS ON THE DISMANTLING AND REMOVAL OF LIBYA'S WEAPONS OF MASS DESTRUCTION.

(a) FINDINGS.—The Congress finds the following:

(1) Libya has been listed as a state sponsor of terrorism by the Department of State each year since 1979.

(2) A German court found the Libyan Government guilty of the East Berlin La Belle disco bombing of 1986, in which two US servicemen were killed.

(3) A Scottish court in January 2001 found a former Libyan official guilty of the 1988 bombing of Pan Am Flight 103.

(4) Libya received and deserved world's condemnations for these horrific acts against innocents.

(5) "As a result of Libya's support for international terrorism and its destabilizing role in the international community, the United States maintained a comprehensive economic embargo on Libya for more than two decades, which was aided by multilateral sanctions imposed by United Nations Security Council Resolutions 731 and 742 in 1992, and which together hobbled the development of the Libyan economy."

(6) In March 2003, while Coalition Forces were preparing to liberate Iraq, Libya once again quietly approached members of the intelligence services of the United States and United Kingdom and indicted a willingness to discuss Libya's weapons of mass destruction programs, as it had previously in the 1990's.

(7) On December 19, 2003, after nine months of intense negotiations, Libya publicly announced that it was prepared to eliminate all elements of its clandestine nuclear and chemical weapons programs.

(8) The United States, the United Kingdom, partners in the Proliferation Security Initiative and key arms control agencies, including the International Atomic Energy Agency (IAEA) and the Organization for the Prohibition of Chemical Weapons (OPCW), have worked in a multilateral and concerted fashion with Libya in an effort to completely dismantle Libya's weapons of mass destruction programs and the means to deliver them.

(9) Because of the hard work by the men and women of the intelligence community, United States policymakers were able to work successfully to convince Libya to relinquish its WMD programs.

(10) On January 27, 2004, a cargo plane flew from Libya to Knoxville, Tennessee, carrying 55,000 pounds of equipment and documents relating to Libya's nuclear weapons and missile programs.

(11) Documents relating to those programs indicate that Libya had purchased a virtual "turnkey facility" to produce parts for gas centrifuges together with assistance to assemble and test these centrifuges, and was otherwise attempting to develop a large uranium enrichment plant which could have produced enough fuel for several nuclear bombs a year.

(12) On January 24, 2004, Libya announced that it would accede to the Chemical Weapons Convention (CWC).

(13) On March 4, 2004, Libya submitted its Chemical Weapons Convention declaration, including a full declaration of its chemical weapons, an inventory of its production capacity, a description of any industrial activity that could be involved in making illegal weapons, and a plan for destroying any banned materials.

(14) All of Libya's known chemical munitions have since been destroyed and the country's stocks of mustard gas have been consolidated within a single secure facility under the supervision of the OPCW.

(15) On May 6, 2004, a cargo ship departed Libya for the United States carrying an additional 1,000 tons of weapons of mass destruction equipment, including centrifuge parts and components needed to enrich uranium, the Libyan uranium conversion facility and all associated equipment, five SCUD-C missiles and launchers, and two partial missiles.

(16) In testimony before the Committee on International Relations of the House of Representatives on May 10, 2004, Assistant Secretary of State for Verification and Compliance, Paula DeSutter, indicated that Libya had signed the additional protocol for the IAEA in Vienna and announced "the complete dismantlement of Libya's longest range and most sophisticated missiles and the elimination of all of Libya's declared chemical munitions".

(17) International inspectors and monitors are expected to remain on the ground with full cooperation from Libya to ensure that Libya possesses no biological weapons programs and that its weapons of mass destruction programs have been fully dismantled and or converted to civilian use.

(18) The United States and Libya currently are engaged in talks to enter a third phase of negotiations focused on follow-up, verification, and long-term monitoring to ensure

that Libya's weapons of mass destruction programs and the means to deliver them have been completely dismantled, as well as plans for the retraining of Libyan scientists and technicians for peaceful work.

(19) Libya's cooperation with international inspectors and revelations about procurement networks have helped identify numerous black market suppliers in an "international supermarket" for nuclear parts and weapons designs that also has aided such countries as Iran, Syria, and North Korea.

(20) Other countries voluntarily have dismantled their weapons of mass destruction programs, but Libya is the first and only country on the Department of State's list of State Sponsors of Terrorism to do so.

(21) Libya's decision to shed it pariah status and divest itself of its weapons of mass destruction programs can be directly attributed to decades of United States and multilateral economic sanctions against Libya, the demonstrated resolve of the United States in the global war against terrorism, the liberation of Iraq by United States Armed Forces and Coalition Forces, and the adoption of policies in targeting and seizing shipments of such weapons.

(22) It is appropriate to pursue a policy of cautious and deliberate re-engagement with Libya based upon verifiable results, but the United States should not restore full diplomatic relations with Libya unless and until Libya has—

(A) agreed and submitted to comprehensive monitoring of the full dismantling of its weapons of mass destruction programs;

(B) severed all links to and support for acts of international terrorism;

(C) ceased all support for insurgency groups which have destabilized countries in Africa;

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(E) implemented its pledge to cooperate in the further investigation of the destruction of Pan Am Flight 103; and

(F) settled all legal claims relating to past acts of international terrorism, including but not limited to the bombings of Pan Am Flight 103 and the La Belle Discotheque.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the world has been made safer with the dismantling and removal of Libya's weapons of mass destruction and the means to deliver them;

(2) this would not have been possible if not for decades of United States and multilateral sanctions against Libya, the demonstrated resolve of the United States in the global war on terror and the liberation of Iraq by United States and Coalition Forces;

(3) the President and previous Administrations should be commended for having the courage to undertake those policies which persuaded Libya to agree to relinquish such weapons; and

(4) other countries such as Iran, Syria, and North Korea, should follow Libya's example, and voluntarily dismantle their weapons of mass destruction and submit their programs to international inspections.

Mr. BOEHLERT (during the reading). Mr. Chairman, I ask unanimous consent that the modified amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Ms. HARMAN. Mr. Chairman, reserving the right to object, though I will not object, I want to be sure that the language that has not been read is consistent with the language I just reviewed.

Mr. BOEHLERT. Mr. Chairman, will the gentlewoman yield?

Ms. HARMAN. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, I can assure the gentlewoman that that is the case.

Ms. HARMAN. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. Is there objection to the modification offered by the gentleman from New York?

There was no objection.

Mr. BOEHLERT. Mr. Chairman, I yield myself such time as I may consume.

Let me tell my colleagues a little bit about the genesis of this amendment. Early in February, as a senior member of the Permanent Select Committee on Intelligence, I was asked to lead a delegation for a mission to Iraq and Afghanistan. That delegation included the distinguished gentlewoman from California (Ms. HARMAN), the ranking member of the committee, and there were four others. There were six of us. We planned a most ambitious schedule for 6 days: six countries, 6 days.

Our purpose was not to determine the progress on the Constitution, important though that was; not to check on the morale of the troops, important though that always is; not to check on how we were spending our money on the reconstruction, and that too is very important. Our purpose as members of the Permanent Select Committee on Intelligence was to meet with members of the intelligence community on-site in that war zone to hear from them in their own words their assessment of the situation. I want to compliment all of the members of that delegation for the outstanding contribution they made to that mission.

But before we were going and still in the planning stages, I had a call from the State Department, Ambassador Burns, who directs the Near East desk. He said, Mr. Chairman, I would like you and the delegation to consider making an addition to your trip, another stop. I said, have you looked at our schedule? Six countries in 6 days. We do not have time to wind our watch. He said, let me talk to you about it. Then he came up to Capitol Hill; and in the secure sanctuary of the Permanent Select Committee on Intelligence rooms on the fourth floor of the Capitol, he said, We would like you to go to Libya. We would like your delegation to meet with Colonel Qadhafi. I said, Are you kidding? Are you serious? Libya is engaged in state-sponsored acts of terrorism against American citizens. It has endured U.N. sanctions; that has been going on for 20 years; disregarded world condemnation, and dismissed diplomatic settlements. What has changed? And he said, in the secure sanctuary of the Permanent Select Committee on Intelligence quarters on the fourth floor of the Capitol, There is movement; There is progress. We think it would be very valuable for your bipartisan delegation to go to Libya to meet Colonel Qadhafi, because we want to demonstrate in tangible form that if he begins to cooperate with us, we will cooperate with him.

After checking with the gentlewoman from California (Ms. HARMAN), she agreed. She thought it would be a good idea, and off we went. We spent 8 hours in the country, the final 2 hours in a tent in the middle of the Libyan desert outside of Surt, Colonel Qadhafi's hometown. We talked about weapons of mass destruction. We talked about the war on terrorism. We talked about the shooting down of Pan Am Flight 103, which has a searing impact on my soul forever more because there were 35 students from Syracuse University on that flight. We talked about all of the gut-wrenching issues that are so important to our security and the security of the Free World, and it was a meaningful discussion. And the gentlewoman from California (Ms. HARMAN) can characterize it from her standpoint what she thought of it.

Then we completed the rest of our mission. We went to Jordan, we went to Iraq, we went to Afghanistan, we went to Turkey. This was a world-wind visit of the Permanent Select Committee on Intelligence, very serious business, doing very important work. As a matter of fact, 3 of the 6 days, we did not even sleep in a hotel; we slept in the airplane. We got back home, and we reported everything to the committee and to the State Department.

Since then, there has been a great opening up with Libya. Colonel Qadhafi, I do not think he went to bed one night and suddenly woke up and said, Hey, those guys are right and I have been wrong. I am going to change my ways. I think he looked around at the world and he said, the war on terrorism could negatively impact him like it negatively impacted his neighbor to the north, who is now behind bars, Saddam Hussein. I think he said that he wants to be concerned about his legacy and in what shape he was going to leave that country. I think he decided that it would be best to cooperate.

What has happened since then? He has turned over the weapons of mass destruction, he has made his country open for inspection, and he is cooperating fully.

Does that mean we can clap our hands and say, boy, is this not a great victory? Although it is a great victory as far as it goes, and it does prove that leadership really results in something positive if we work together. But the fact of the matter is, we have to continue to be cautious, but we have to be very deliberate.

That country is moving in the right direction. Let us hope they continue that movement. We want signals to be sent to others. We want Iran and North Korea and other nations, others who are on the list of countries that sponsor state terrorism, to get the message; and we think that this amendment that I am offering, this sense of the Congress amendment, will do the right thing in the appropriate way.

Let me add that there are a number of Members on both sides of the aisle that have worked very cooperatively on this. The gentleman from California (Mr. LANTOS) had some suggestions for language. That is what my modifying amendment includes, the suggestions he made. That is the way we work best together, when we reach across the center aisle and find common ground.

So I would urge the adoption of my amendment.

Mr. Chairman, I reserve the balance of my time.

Ms. HARMAN. Mr. Chairman, I do not oppose the amendment, but I will control the time on this side; and I yield myself such time as I may consume.

I want to commend the gentleman from New York (Mr. BOEHLERT) not only for the amendment but for, as he said, engaging the gentleman from California (Mr. LANTOS) in a constructive effort to improve the amendment, and I think it is a lot better. Frankly, I wish that our bill that we are considering and voting on today had engaged the minority more constructively at an earlier stage; I think it would have been a lot better.

I do support the Boehlert amendment. I fondly remember our trip, six countries, 6 days. I think the gentleman left out Sicily, so we might add 7 countries in 6 days.

Mr. BOEHLERT. Mr. Chairman, will the gentlewoman yield?

Ms. HARMAN. I yield to the gentleman from New York.

Mr. BOEHLERT. The only reason we left out Sicily, because the initial was 6 countries in 6 days; but as the gentlewoman will recall, when we added Libya, there were requirements on the pilots in that they could not fly a certain amount of time beyond their standard time, so we could not go any farther than Sicily. We had to exit Libya, but we could not go any farther than Sicily, so we stayed overnight and got up the next morning and off we went.

Ms. HARMAN. Mr. Chairman, reclaiming my time, I thought our Sicily stop was outstanding, which is why I brought it up.

But I think that the improvements made to this amendment by the gentleman from California (Mr. LANTOS) are noteworthy. What he did, as I understand it, was to insert a bit of the history here, the role of sanctions initiated by President Reagan, the role of international legal negotiations to get Libya to renounce terrorism and turn over terrorism suspects to international courts, and the role of diplomacy in previous administrations and by the British and others before the beginning of this administration. Though this administration did play a role, and I commend it, in President Qadhafi's stunning decision to do the right thing, that should be reflected, and is, in this amendment.

Mr. Chairman, I will put two very important articles on this subject in the RECORD. One is by Dr. Flynt Leverett entitled "Why Libya Gave Up the Bomb" from the January 23, 2004, New York Times; and the second is a Middle East Institute Policy Brief by two former assistant Secretaries of State and former ambassadors, Martin Indyk and Edward S. Walker entitled "What Does Libya's Disarmament Teach About Rogue States?" dated April 7, 2004.

Finally, let me make two other points. We have seen in recent days troubling allegations that Colonel Qadhafi was himself involved in ordering assassinations of Saudi leaders. These are, of course, press reports. But these stories remind us that the success of our policies toward Libya remain an open question, and I am sure the gentleman from New York (Mr. BOEHLERT) agrees with me that we need to be clear-eyed and diligent to make certain that these promises by Colonel Qadhafi are kept, and that in other respects, he does not convert to any of his old habits.

Mr. BOEHLERT. Mr. Chairman, will the gentlewoman yield?

Ms. HARMAN. I yield to the gentleman from New York, the sponsor of the amendment.

Mr. BOEHLERT. Mr. Chairman, I thank the gentlewoman for yielding. Let me stress we have to be cautious, but deliberate. But as a favorite son of the gentlewoman's State, the great President that we just lost, I am reminded of his admonition: trust, but verify.

Ms. HARMAN. Mr. Chairman, I thank the gentleman for those comments and strongly agree with them.

In closing, Mr. Chairman, let me just mention that on that trip that was described, we did spend a day and evening in Baghdad. It was my second visit. We met with troops, but we also met with all of our intelligence personnel at the scene in addition to the leaders of the CPA. What is troubling about that, and I believe the gentleman from Florida (Chairman GOSS) has commented on this in another appearance, our appearance yesterday in the Committee on Rules, because the timing of our trip was February 2004. While we were in Baghdad, General Taguba was doing his investigation of prison abuse and so forth in Baghdad, and we were never told by these intelligence leaders that that investigation was ongoing. That was wrong. That diminishes our oversight, and those folks whom we support as robustly as we can need to be fully candid with our committee, especially when we are seeking them out to try to help them.

Mr. Chairman, I would conclude by saying that I support the gentleman's amendment as improved by the gentleman from California (Mr. LANTOS).

[From the New York Times, 23 January 2004]

WHY LIBYA GAVE UP ON THE BOMB.

(By Flynt Leverett)

WASHINGTON.—As President Bush made clear in his State of the Union address, he sees the striking developments in relations with Libya as the fruit of his strategy in the war on terrorism. The idea is that Col. Muammar el-Qaddafi's apparent decision to renounce weapons of mass destruction was a largely a result of the overthrow of Saddam Hussein, which thus retroactively justifies the war in Iraq and holds out the prospect of similar progress with other states that support terrorists, seek weapons of mass destruction and brutalize their own people.

However, by linking shifts in Libya's behavior to the Iraq war, the president misrepresents the real lessons of the Libyan case. This confusion undermines our chances of getting countries like Iran and Syria to follow Libya's lead.

The roots of the recent progress with Libya go back not to the eve of the Iraq war, but to the Bush administration's first year in office. Indeed, to be fair, some credit should even be given to the second Clinton administration. Tired of international isolation and economic sanctions, the Libyans decided in the late 1990s to seek normalized relations with the United States, and held secret discussions with Clinton administration officials to convey that message. The Clinton White House made clear that no movement toward better relations was possible until Libya met its responsibilities stemming from the downing of Pan Am Flight 103 over Lockerbie, Scotland, in 1988.

These discussions, along with mediation by the Saudi ambassador to the United States, Prince Bandar bin Sultan, produced a breakthrough: Libya turned over two intelligence officers implicated in the Pan Am 103 attack to the Netherlands for trial by a Scottish court, and in 1999 Washington acquiesced to the suspension of United Nations sanctions against Libya.

Then, in the spring of 2001, when I was a member of the State Department's policy planning staff, the Bush administration picked up on those discussions and induced the Libyans to meet their remaining Lockerbie obligations. With our British colleagues, we presented the Libyans with a "script" indicating what they needed to do and say to satisfy our requirements on compensating the families of the Pan Am 103 victims and accepting responsibility for the actions of the Libyan intelligence officers implicated in the case.

We also put an explicit quid pro quo on the table: if Libya met the conditions we laid out, the United States and Britain would allow United Nations sanctions to be lifted permanently. This script became the basis for three-party negotiations to resolve the Lockerbie issue.

By early 2003, after a Scottish appeals court upheld the conviction of one of the Libyan intelligence officers, it was evident that our approach would bear fruit. Indeed, Washington allowed the United Nations sanctions against Libya to be removed last summer after Libya reached a compensation agreement with the Pan Am 103 families and accepted responsibility for its officials' actions.

But during these two years of talks, American negotiators consistently told the Libyans that resolving the Lockerbie situation would lead to no more than elimination of United Nations sanctions. To get out from under the separate United States sanctions, Libya would have to address other concerns, particularly regarding its programs in weapons of mass destruction.

This is the content in which Libyan officials approached the United States and Britain last spring to discuss dismantling Libya's weapons program. The Iraq war, which had not yet started, was not the driving force behind Libya's move. Rather, Libya was willing to deal because of credible diplomatic representations by the United States over the years, which convinced the Libyans that doing so was critical to achieving their strategic and domestic goals. Just as with Lockerbie, an explicit quid pro quo was offered: American officials indicated that a verifiable dismantling of Libya's weapons projects would lead the removal of our own sanctions, perhaps by the end of this year.

The lesson is incontrovertible: to persuade a rogue regime to get out of the terrorism business and give up its weapons of mass destruction, we must not only apply pressure but also make clear the potential benefits of cooperation. Unfortunately, the Bush administration has refused to take this approach with other rogue regimes, notably Iran and Syria. Until the president is willing to employ carrots as well as sticks, he will make little headway in changing Iranian or Syrian behavior.

The president's lack of initiative on this point is especially disappointing because, in the diplomatic aftermath of the Sept. 11 attacks, the administration has a singular opportunity to effect strategic realignments by both Iran and Syria. Well-placed Iranians, including more pragmatic elements of Iran's conservative camp, have indicated through diplomatic channels and to former officials (including myself) their interest in a "grand bargain" with the United States. Basically, Tehran would trade off its ties to terrorist groups and pursuit of nuclear weapons for security guarantees, a lifting of sanctions and normalized relations with Washington.

Likewise, senior Syrian officials—including President Bashar al-Assad himself, in a conversation in Damascus last week—have told me that they want a better strategic understanding with the United States. To achieve this, however, Washington needs to be willing to spell out what Syria would get in return for giving up its ties to terrorists and its chemical weapons and ballistic missiles. As Mr. Assad told me, Syria is "a state, not a charity"—if it gives up something, it must know what it will gain in return.

One reason the Bush administration was able to take a more constructive course with Libya was that the White House, uncharacteristically, sidelined the administration's neoconservative wing—which strongly opposes any offer of carrots to state sponsors of terrorism, even when carrots could help end such problematic behavior—when crucial decisions were made. The initial approach on the Lockerbie case was approved by an informal coalition made up of Condoleezza Rice, the national security adviser, and Secretary of State Colin Powell. Likewise, in the lead up to the negotiations involving Libyan weapons of mass destruction, the neoconservatives at the Pentagon and in the shop of Under Secretary of State John Bolton were left out of the loop.

Perhaps a coalition among members of the State Department's bureau of Near Eastern affairs and the National Security Council's more pragmatic elements can chart a similar course involving Iran and Syria. However, until the administration learns the real lessons of the Libyan precedent, policy toward other rogue regimes is likely to remain stuck in the mind of ideology.

Flynn Leverett, a visiting fellow with the Saban Center for Middle East Politics at the Brookings Institution, was senior director for Middle Eastern affairs at the National Security Council from 2002 to 2003.

[From the Middle East Institute, April 7, 2004]

What Does Libya's Disarmament Teach About Rogue States?

(By Ambassador Martin S. Indyk; Ambassador Edward S. Walker)

Summary. Ambassadors Martin Indyk and Edward Walker discussed the bilateral negotiations begun in 1999 between the United States and Libya that led to Libyan leader Colonel Mu'ammar Qadhafi's radical change in foreign policy. These talks began during the Clinton Administration as part of a broader strategy that sought to "graduate" rogue states into the international community and establish normal relationships with the United States. Although initially wary of the process, the Bush Administration successfully forged ahead with the secret negotiations bringing about the recent rapprochement between the two countries.

Brief. When the secret US–Libyan negotiations began in 1999, Libya was engaged in an effective campaign in the United Nations to cease the multilateral sanctions imposed on it by the international community. The United States was in a difficult position because it was the only member that refused to lift the sanctions and therefore was in danger of becoming isolated in the Security Council. Had the United States merely vetoed a new UN resolution to lift the sanctions, the international consensus that made the sanctions regime effective would have eroded, and this potentially would have led to the failure of the US objectives regarding Libya: the halting of state sponsorship of terrorism, an admission of responsibility for the bombing of Pan Am Flight 103 over Lockerbie, Scotland, and the payment of compensation to families of Pan Am Flight 103's victims.

A New Strategy. The United States' primary short-term goal in the negotiations was to maintain the sanctions. At the same time, the US was pursuing a new strategy that went considerably beyond a policy of containment. The goal of this broader strategy was to try to change the behavior of rogue states and "graduate" them into the international community and normalize relations with the United States. Libya was a good test case for this new strategy because the broad international consensus that Colonel Qadhafi's actions were unacceptable provided the US with more flexibility. As for the Libyan goals, Qadhafi, having abandoned his pan-Arab aspirations, made a deliberate tactical decision to normalize relations with America.

The Negotiations. The negotiations began in May 1999, with Musa Kusa, Colonel Qadhafi's head of intelligence services, leading the Libyan delegation. Crown Prince Abdullah of Saudi Arabia and President Hosni Mubarak of Egypt strongly backed the process and at times even provided logistical support. The US put forth two initial conditions which Colonel Qadhafi fulfilled immediately: first, that Libya halt all efforts in the UN to have the sanctions lifted; and second, that the bilateral dialogue be kept secret. Surprisingly, Libya was prepared to accept subsequent US requirements with little negotiation. Among the additional requirements were the closure of all terrorist camps in the country, acknowledging responsibility for the Pan Am Flight 103 terrorist operation, paying compensation to families of the victims, and disclosing weapons of mass destruction (at the time only consisting of chemical weapons, as Libya had yet to begin a nuclear weapons program).

Ambassador Indyk suggested these negotiations could have proceeded more quickly, possibly concluding prior to the 2000 election season, had the United States not periodically instituted new demands to ensure Colonel Qadhafi's consistency and compliance. Another complicating factor was a strong and vocal anti-Libyan constituency among the families of Pan Am Flight 103 victims who slowed down the reconciliation. The negotiations were also put on hold for the 2000 American presidential elections out of concern that the process would be leaked to the press and result in a scandal. Once elected, although initially wary of the process, the Bush Administration resumed talks in a more public forum and "took them to their natural conclusion," which has led to the recent public US-Libyan rapprochement.

Although this has been a success story for this new strategy, it is not necessarily applicable to all rogue states. There were specific conditions with regard to Libya that made the process work. First, the international community was united in condemning Libya's terrorist actions. Though the United Nations contemplated lifting sanctions, the international consensus against Libya was largely still intact. Second, the United States had shown previously that it was willing to use military force against Libya, after the 1986 West Berlin nightclub bombing. Finally, Qadhafi had a change of heart. He decided that he wanted American companies specifically to develop Libya's oil fields and this strongly influenced his decision-making. The United States was able to use the carrot and the stick effectively throughout the process, and Colonel Qadhafi consistently reinforced his willingness to comply with US demands.

The Ambassadors added that one way to improve this type of strategy in the future would be for the US Administration to articulate from the outset the final goals of the engagement and identify concrete steps for compliance. On a final note, both Indyk and Walker believe that the new approach has been very effective and extend credit to the George W. Bush Administration for seeing this unusual policy to its conclusion.

Mr. Chairman, I yield back the balance of my time.

Mr. BOEHLERT. Mr. Chairman, I will complete the balance of my time by just once again emphasizing that all is not over, all is not hunky-dory, as the phrase goes; but there has been significant movement in the right direction, thanks to good intelligence, thanks to firm and decisive leadership. But we have to go forward with the admonition that we trust, but verify.

So I would urge strong support of this amendment for all the reasons that have just been enumerated by the gentlewoman from California (Ms. HARMAN) and this gentleman, and I would urge a "yes" vote on my amendment.

Mr. SHERMAN. Mr. Chairman, I voted against the Boehlert Amendment to the Intelligence Authorizations bill for 2005, H.R. 4548, due to the language which suggested that the war against Iraq and the policies of our commander-in-chief were the major factors in Libya's change with respect to the development of nuclear and other weapons of mass destruction. It was, in fact, concerted multilateral economic and diplomatic pressure which brought Libya's leader, Col. Qaddafi, to his senses to cut a deal to end U.S. and multilateral sanctions and relieve Libya's diplomatic isolation. I agree with the Ranking Member of the International Relations Committee, who insisted that language be added noting the effect sanctions had on the Libyan leader's policies. However, I cannot support legislation which suggests that the President's policy in Iraq played the major role in affecting policy in Tripoli.

I also voted against the Rogers Amendment. Though I agree with many of its provisions, I cannot support its partisan tone.

Mr. VAN HOLLEN. Mr. Chairman, this amendment represents another example of the Republican leadership playing politics with important matters of national security. The decision of Libya to renounce its program to develop weapons of mass destruction represents an important victory for U.S. diplomatic and foreign policy efforts. However, the attempt to directly tie that success to the war in Iraq is not supported by the facts. Consequently, while I agree with much that is contained in this amendment, I will not engage in this politically motivated farce.

Mr. BOEHLERT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from New York (Mr. BOEHLERT).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. BOEHLERT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment, as modified, offered by the gentleman from New York (Mr. BOEHLERT) will be postponed.

It is now in order to consider amendment No. 4 printed in House Report 108–561.

AMENDMENT NO. 4 OFFERED BY MR. SAM JOHNSON OF TEXAS

Mr. SAM JOHNSON of Texas. Mr. Chairman, I offer an amendment.

The Chairman. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. SAM JOHNSON of Texas:

At the end of title III (page 11, after line 8), insert the following new section:

SEC. 304. SENSE OF CONGRESS THAT THE APPREHENSION, DETENTION, AND INTERROGATION OF TERRORISTS ARE FUNDAMENTAL TO THE SUCCESSFUL PROSECUTION OF THE GLOBAL WAR ON TERROR.

(a) FINDINGS.—The Congress finds the following:

(1) Throughout the 1980s and 1990s, the people of the United States were too often brutalized again and again by deadly terrorist violence, as evidenced by the hundreds of American deaths in the Beirut and Lockerbie bombings, the attack on the World Trade Center in 1993, the destruction of the Khobar Towers military barracks, the bombing of the American embassies in Kenya and Tanzania, and the vicious attacks on the USS Cole in 2000.

(2) The terrorist violence targeted against the United States became more emboldened after each attack, culminating in the deadly attacks on the World Trade Center and the Pentagon on September 11, 2001, which killed thousands of innocent Americans, including innocent women and children.

(3) Since September 11, 2001, the citizens of the United States have remained the priority target of terrorist violence, with journalists and employees of non-governmental organizations being held hostage, tortured, and decapitated in the name of terror.

(4) Congress has authorized the President to use all necessary and appropriate means to defeat terrorism ; and on numerous occasions since September 11, 2001, and throughout the Global War on Terror, the interrogation of detainees has yielded valuable intelligence that has saved the lives of American military personnel and American citizens at home and abroad.

(5) The interrogation of detainees has also provided highly valuable insights into the structure of terrorist organizations, their target selection process, and the identities of key operational and logistical personnel that were previously unknown to the Intelligence Community.

(6) The lawful interrogation of detainees is consistent with the United States Constitution.

(7) The abuses against detainees documented at Abu Ghraib prison in Iraq were deplorable aberrations that were not part of United States policy and were not in keeping with the finest traditions of the United States military and the honorable men and women who serve.

(8) The loss of interrogation-derived information would have a disastrous effect on the Nation's intelligence collection and counterterrorism efforts and would constitute a damaging reversal in the Global War on Terror during this critical time.

(9) The apprehension, detention, and interrogation of terrorists are essential elements to successfully waging the Global War on Terror.

(10) The interrogation of detainees can and should continue by the United States within the bounds of the United States Constitution and the laws of the United States of America.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the apprehension, detention, and interrogation of terrorists are fundamental to the successful prosecution of the Global War on Terror.

The CHAIRMAN. Pursuant to House Resolution 686, the gentleman from Texas (Mr. SAM JOHNSON) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Texas (Mr. SAM JOHNSON).

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield myself such time as I may consume.

My amendment is pretty simple. It expresses the sense of Congress that the apprehension, detention, and legal interrogation of terrorists is imperative to winning the war on terrorism and stopping the barbarians.

The terrorist thugs that we are fighting today are well-organized, well-financed forces who have publicly declared war on the United States of America and the Free World. They have a global network of hide-outs and cells, set up solely to wage war on the United States and kill innocent American citizens.

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They have carried out attack after attack on Americans. They attacked the USS *Cole*. They attacked our barracks. They attacked our embassies, and we will always remember the highly coordinated attacks of September 11 on our own land.

This Congress has authorized the President to use all necessary and appropriate means to defeat terrorism. On numerous occasions since September 11 and throughout the global war on terror, the interrogation of detainees has yielded valuable intelligence. This intelligence has saved the lives of American military personnel and American citizens at home and abroad. The interrogation of detainees has also provided highly valuable insights into the structure of terrorist organizations and their target selection process and the identities of key operational and logistical personnel who were previously unknown.

The reported abuses against detainees at the Abu Ghraib prison in Iraq has led some to question our interrogation policy. Make no mistake. What happened at Abu Ghraib was not part of U.S. policy, not keeping with the finest traditions of the United States military.

The careers of those people are over. They are being punished. However, the deplorable actions of some should not jeopardize the use of interrogation by our armed services, and we should not let it tarnish the sterling representation of our military.

The loss of interrogation-derived information would have a disastrous effect on our Nation's intelligence, collection and counterterrorism efforts. It would constitute a damaging reversal in the global war on terror at this critical time.

Support this amendment for the safety of our troops for Americans all over the globe, and for the war on terror. It is imperative that lawful interrogation of detainees continue, and this Congress ought to support it.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Who seeks to control the time in opposition to the amendment?

Ms. HARMAN. Mr. Chairman, I do not oppose the amendment, but I will control the time on our side.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I will support the amendment, though I wish it had included a clear statement about the importance of U.S. obligations to adhere to international laws, conventions and treatises to prevent torture, cruel, inhumane and degrading treatment of human beings.

Mr. Chairman, one of the most troubling aspects of this whole detainee issue, besides the absolutely reprehensible abuse of prisoners, is the all-out assault on the rule of law that is clearly revealed in legal memos that seem to justify abuse and even torture of detainees.

None of us is naive here, and as a member of the Permanent Select Committee on Intelligence, I strongly believe in the importance of interrogations and understand that interrogations can yield information that protect thousands or millions of Americans. We have to interrogate prisoners, but over the many years of our country's history, we have always done those interrogations consistent with the rule of law, and only recently have some very troubling memoranda surfaced at the highest levels of the Justice Department and the Defense Department that raise questions and that actually assert that the President of the United States in his role as commander in chief could actually be above the law.

I thought, Mr. Chairman, that we had defeated that idea at Runnymede centuries and centuries ago and that our country was built on a foundation of the rule of law, and I worry, Mr. Chairman, that if we do not observe the rule of law, not only do we undercut our moral authority, but we endanger our troops who might be treated just the way some of our people are treating other troops.

Now, let me add quickly that the beheading of Americans and other nationals is absolutely outrageous, and nowhere do I think that behavior is consistent with even rational or humane behavior. It is abhorrent and appalling, and I strongly condemn it.

But in conclusion, I think it is important that we support this amendment, but I think it is also important that as we do support this amendment, we think about the fact that the rule of law must always apply as we treat detainees and proceed with the important work of interrogations.

Mr. Chairman, I reserve the balance of my time.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I thank the gentlewoman from California (Ms. HARMAN) for her comments, and I agree that it is barbarous what is going on over there.

Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. GOSS), the chairman of the Permanent Select Committee on Intelligence.

Mr. GOSS. Mr. Chairman, I thank the gentleman from Texas (Mr. JOHNSON) for bringing this amendment forward and for yielding me the time.

As my ranking member has said, the use of interrogation is absolutely critical. It is a very important tool in the war on terrorism. Getting information timely, not only saves lives for our forces, but in the type of unconventional war we are fighting today, it is critical to know where the next bad surprise is going to come from, because these folks do not fight fair, as you say.

Equally, in order to protect the tool that we have, the proper use of interrogation, we need to prevent the abuse of interrogation. We all understand that, and unfortunately, I think that those of us who understand it and have looked into it are a little puzzled by the fixation that the liberal media has assigned to some of this, what I would call, aberration problem that took place at Abu Ghraib, which was admittedly terrible, but I believe it is an aberration.

I would like to point out to the American people that our committee does have oversight over interrogation, and we have looked into what has happened in the intelligence aspects, the interrogation aspects. We have had numerous briefings, and we had a rather full-scale day of hearings settled for, I guess it was last Friday. Unfortunately, that was preempted by the sad events with President Reagan's, the national day of mourning for State ceremony for former President of the United States, Ronald Reagan. So the government was closed, and obviously we have had to postpone.

But we are on top of the hearings in keeping up with this, and we have reams of material and reports, and we are obviously going to have more, because more reports are taking place.

I think the purpose of the gentleman's amendment is very, very important. We must not lose sight that interrogation is a critical tool, and despite the hype and the sensationalism that the liberal media is fixing on, and it is a shame they do not talk more about the cruelty and the barbarity, as the gentleman has alluded to, of the enemy than they do of some people who got out of control on our team.

I would also like to say that for the record, it is my understanding, and we do not know all of the facts yet, that perhaps the reason that the gentlewoman did not get an intelligence briefing in February while she was in Iraq is because the prisoners that were involved, we are finding out, were prisoners of crimes, of murder and rape and so forth, and not necessarily subjects of intelligence interest.

Now, that needs to be pursued further, but you can understand that if they are just criminals, that there would not be a huge reason to go out and get the Permanent Select Committee on Intelligence involved, its abuse of prisoner handling, if that is the issue.

So we have got an area of jurisdiction there where we will sort out. I do think that it is extremely important that we support this amendment. And I thank the gentleman for bringing it forward. I think it is a huge improvement to our bill, and I will be very happy to accept it from our perspective.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would say to the gentleman from Texas that I appreciate his comments welcoming my comments. That, again, is in the spirit of bipartisanship. We all do better when we are bipartisan.

I would just also make a comment to the gentleman from Florida (Mr. GOSS). I certainly agree that a lot of material is in our committee spaces, but we will consider an amendment later this afternoon on this subject of the committee's ability to oversee the detainee problem. Some of us remain skeptical that our committee has gotten all the material we need and certainly skeptical that we have gotten adequate candid testimony from administration officials.

I would also point out to the gentleman from Florida (Mr. GOSS) that while we were in Baghdad, we should have been told about some issues directly relevant to our jurisdiction, such as this issue of ghosting of detainees as described by General Taguba in his report, and that is the placing of detainees without revealing their numbers or their identity in prisons so that, as I understand it, the International Red Cross and other outside observers would not be aware of their existence. This is a serious issue directly relevant to our jurisdiction. I believe that it was known to those we met with in Baghdad and they should have informed us; at least that is my personal opinion.

Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. HOLT), another member of our committee to comment on the Johnson amendment.

Mr. HOLT. Mr. Chairman, the amendment by our colleague from Texas indeed states a correct proposition that the detention and lawful interrogation of terrorists is fundamental to our national security. The key word, of course, is "lawful." And perhaps the amendment could have been improved by spelling out more explicitly the importance of adhering to international convention, international law, international standards.

There is no doubt that the gentleman from Texas has the admiration and appreciation of every Member here in this body for his service, and no one knows better than he, he has very personal and strong reasons for caring about the treatment of detainees and prisoners. And, in fact, I just wanted to underscore the point that I am sure the gentleman knows better than I, that the reason we do adhere to international standards, is for the protection of our own servicemen and women who may indeed become prisoners themselves.

We certainly deplore the barbaric treatment of Americans, Koreans and others by the terrorists. We understand that non-state terrorists sometimes do not feel bound by the international standards, but the gentleman's legislation with an emphasis on the word "lawful" makes a good point.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. LAHOOD).

Mr. LAHOOD. Mr. Chairman, I wanted to make a point about the fact that the gentleman from Florida (Chairman GOSS) had invited several of us on the committee to go to Guantanamo on two different occasions. We spent 2 full days on two separate occasions touring and observing and paying attention. And there is absolutely no question the work that goes on there is absolutely critical to our ability to win the war on terror. And it is absolutely critical to our work and the work of law enforcement people in this country to find those people that are still here in America, trying to hurt our country and trying to hurt our system.

And that is why the amendment of the gentleman from Texas is so important because it does point up the importance of the work that goes on. And the work that goes on in the Guantanamo is very professional work. It is done by the book. It is done in a way that, I think, has elicited the kind of information that has really helped those in this country and around the world get the information they need.

And so I support the amendment and I support those that are doing the hard work in Guantanamo because it will make a difference in our ability to win the war on terror.

Ms. HARMAN. Mr. Chairman, I see no additional speakers on our side. I support the amendment, and I yield back the balance of my time.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just say that I advocate lawful and legal interrogation, and it must continue because it does save lives on our side. And I would also like to point out that the Bush administration has recently declassified and released hundreds of pages of internal documents that show that torture against detainees has never been authorized and will never be authorized by our Nation.

Mr. BLUMENAUER. Mr. Chairman, I voted against the amendment because while the Abu Ghraib prison abuses should not be part of the United States' policy, the evidence is not clear that it was not part of the policy of the Bush administration. Given the disturbing documents that are coming to light, this amendment seemed to be partisan wishful thinking rather than a clear expression of policy supported by objective analysis.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. SAM JOHNSON).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas (Mr. SAM JOHNSON) will be postponed.

The point of no quorum is considered withdrawn.

It is now in order to consider amendment number 5 printed in House Report 108-561.

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AMENDMENT NO. 5 OFFERED BY MR. ROGERS OF MICHIGAN

Mr. ROGERS of Michigan. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. ROGERS of Michigan:

At the end of title III (page 11, after line 8), insert the following new section:

SEC. 304. SENSE OF CONGRESS ON SUPPORT FOR THE EFFORTS OF THE INTELLIGENCE COMMUNITY.

(a) FINDINGS.—The Congress finds the following:

(1) The men and women of the intelligence community are the backbone of the Nation's efforts to gather and collect the intelligence which is vital to the national security of the United States.

(2) The men and women of the intelligence community are great patriots who perform their jobs without fan fair and all too often without receiving the proper credit.

(3) The men and women of the intelligence community are combating vastly different threats to the Nation's security compared to their Cold War colleagues.

(4) Threats to the United States have evolved through the use of technology and non-state actions, demanding alternatives to traditional diplomatic actions.

(5) The 1995 "Deutch Guidelines" regarding the recruitment of foreign assets impeded human intelligence collection efforts and contributed to the creation of a risk averse environment. Despite repeated efforts by the intelligence oversight committees of Congress to convince the Director of Central Intelligence to drop the guidelines, these guidelines stood until formally repealed in 2001 by an Act of Congress.

(6) The President's budget request for the intelligence community fell by 11 percent from 1993 to 1995.

(7) Congress cut the President's budget request for the intelligence community each year from 1992 through 1994.

(8) The cutbacks in resources and political support during the middle of the previous decade has caused nearly irreversible damage.

(9) Widespread risk aversion in clandestine HUMINT collection and intelligence analysis resulted from lack of resources and, more importantly, of political support for the mission during the middle of the previous decade.

(10) Unnecessarily cumbersome legal impediments to the clandestine HUMINT collection mission were raised during the middle of the previous decade, leaving our intelligence officers unable to penetrate legitimate target organizations, such as terrorist groups.

(11) Congress and the current President have worked cooperatively to restore funding, personnel levels, and political support for intelligence.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the intelligence community should be revitalized by investing in the missions, people, and capabilities of the community; and

(2) the efforts of the men and women of the intelligence community should be recognized and commended.

The CHAIRMAN. Pursuant to House Resolution 686, the gentleman from Michigan (Mr. ROGERS) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Michigan (Mr. ROGERS).

Mr. ROGERS of Michigan. Mr. Chairman, I yield myself such time as I might consume.

I rise today, and I am not one that normally comes to the floor; but given my time as a special agent with the FBI and watching the intelligence community get really abused in the 1990s and to see this very partisan debate engaged in this Intelligence authorization, I felt compelled to come to the floor, at least to try to interject some common sense and some plea that we could get back to the serious work of protecting the United States of America. One way we do that is we stand tall and we stand together and we commend those who are risking their lives every day in what is an art, a skill, to some degree a science, of collecting intelligence around the world.

The 1990s was brutal to intelligence collection. Funding was reduced. As a matter of fact, the number of intelligence operatives declined by 27 percent from 1992 to 1999. From 1991 to 1997, the number of stations declined by 30 percent. The number of assets declined by 40 percent. The intelligence reporting declined by approximately 50 percent. As a matter of fact, George Tenet said in front of the commission, When I became DCI, I found a community and a CIA whose dollars were declining and whose expertise was ebbing.

There was a feeling in the community of intelligence that they were the stepchild; they were the sinister folks who we did not need to spend money on anymore, who had passed their prime after the close of the Cold War. They became the great awful folks that we wanted to blame for a lot of things.

As a matter of fact, in the Deutch guidelines of 1995, they basically said that CIA operatives around the world could not associate with unsavory characters. I have to tell my colleagues that as an agent of the FBI, if you were not dealing with some unsavory characters, you were not catching bad guys. That is exactly what we needed to do. My colleagues can imagine the morale and the confusing message that we send to somebody who is risking their life in some remote corner of the world, dealing with somebody who would just as soon slit your throat as to say hi, and say to them, boy, you cannot deal with unsavory characters to save and defend the United States of America; it might embarrass us somewhere along the way.

Well, if we are going to defeat terrorism, we need to deal exactly with those unsavory characters. The gentlemanly days of Ivy League spies are over. The threat today are those who behead their hostages. The threat today are those who use illegal operations and criminal enterprise to conduct horrible acts against the United States, including flying airplanes into buildings.

So what we do by this amendment is say, yes, we have made some mistakes; yes, we did not hold you in high regard in the last decade, but we do today and we appreciate your work. You will not be on TV. You probably will not write a book. You probably will not be famous, but you are risking your life every single day for the defense of the United States.

I talked to a CIA station chief just this weekend who said our business is really to steal secrets, and all we want is the appreciation of what we do, the art of getting to them before they get to us.

These are great Americans, and when we tell them not to do something, they will not do it. When we tell them that we care and believe in them, they are going to do it. So this amendment is exactly that. It is us standing together, trying to set aside our partisan differences on what should never be a partisan issue, the safety and security of the United States of America.

So, to every FBI agent who gets up in the morning and worries that on their watch something bad is going to happen, to every CIA agent, to every other intelligence operative that we have employed by the United States of America who stands tall as a patriot for their Nation, we ought to say today, we recognize we did not treat you well, but we understand how valuable you are today, and we will stand with you. We will stand with you all the way. We are going to give you the resources you need, and we are going to give you the respect that you should command.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Who seeks to control the time in opposition to the amendment?

Ms. HARMAN. Mr. Chairman, I rise in opposition to this amendment, and I will control the time on our side.

The CHAIRMAN. The gentlewoman from California (Ms. HARMAN) is recognized for 10 minutes.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

Let me just say to the sponsor of the amendment that all of us in this House, on a bipartisan basis, recognize and respect and honor the heroism and sacrifice of the men and women in the intelligence community. I have spoken to it two or three times already today. That is not the issue. The issue is additional language in this amendment.

Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland (Mr. RUPPERSBERGER), our rookie.

Mr. RUPPERSBERGER. Mr. Chairman, I thank the gentlewoman from California (Ms. HARMAN) for the time.

First, we appreciate the gentleman from Michigan's (Mr. ROGERS) service, and I agree with a lot of the comments he made about coming together and supporting our men and women who really toil in the intelligence community. They toil tirelessly in the shadows for sake of our Nation's security.

Today, we have heard complaints about our side being involved in partisan politics when, in fact, we are just trying to debate an issue that we disagree on; but I believe that certain parts of this amendment deal with a lot of politics, and I think it is important when we deal with the issue of politics that we then follow the facts because we need to be bipartisan as it relates to intelligence.

The problem with this amendment, basically, is that the facts are as follows: first, the cuts in the Intelligence budget began after the first Bush administration. The first President Bush ordered a 17.5 across-the-board cut in intelligence staffing from 1991 to 1997.

Now, let us talk about the reasons for some of these cuts. It was the end of the Cold War. The entire intelligence community was going through a transition that we are still going through today. So let us follow the facts.

House Republicans supported a 6 percent cut in President Clinton's Intelligence budget by voice vote in 1992. The Republicans have controlled the Congress in the last 10 years, which includes the purse strings. In 1996, Dr. Paul Wolfowitz, Under Secretary of Defense; the gentleman from Florida (Mr. GOSS), chairman of the Permanent Select Committee on Intelligence; and Senator WARNER were cosigners of the Brown-Rudman report calling for further staffing reductions in intelligence, 3 years after the World Trade Center bombing in 1993.

Senate Republicans cut $400 million from President Clinton's Intelligence budget in 1998, and these cuts were later restored.

In 1999, President Clinton's CIA Director, George Tenet, secured the largest single increase in intelligence funding in 15 years.

House Republicans increased President Clinton's fiscal year 2000 budget by just 1 percent.

From 1990 to 2003, overwhelming bipartisan majorities have supported every intelligence budget by a roll call or voice vote.

I think we all recognize what this amendment really is. Let us get back to national security, and let us get away from the politics.

Mr. ROGERS of Michigan. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Connecticut (Mr. SIMMONS), whose service in the CIA has been unparalleled, and his service to his country is unmatched.

Mr. SIMMONS. Mr. Chairman, I thank the gentleman for the time.

I rise in support of the amendment. As my colleague from Michigan mentioned, I spent 10 years in the Central Intelligence Agency. For all of those 10 years, I was a case officer. Five of those 10 years I served abroad on what I feel are difficult and dangerous missions. We have people today overseas serving under similarly difficult and dangerous conditions.

The life of a CIA officer operating undercover overseas is not easy. They are required to penetrate a host government, a terrorist organization, or some other entity that may do harm to our Nation. Of definition, you are going to be dealing with unsavory characters. Of definition, you are going to have to do things that you would not normally do to accomplish your mission.

This is stressful and this is dangerous, and so you can imagine what it must be like to operate in this environment when the DCI in 1995 issues the Deutch Guidelines, where cumbersome legal impediments are placed upon the clandestine operative in his or her effort to accomplish their mission.

I think this resolution correctly points out some of the difficulties that we have encountered over the last 3 years, and I would argue that some of those difficulties were encountered on both sides of the aisle, no question about it.

But I think it is also incumbent that we use this opportunity, this Intelligence authorization bill to discuss some of these issues so the American people better understand how regulations like the Deutch regulations, which sound good on the surface, which restrict us from dealing with unsavory characters, in fact, work to defeat the fundamental mission of our intelligence men and women operating undercover overseas.

I thank the gentleman for his amendment.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

I want to agree with the comments of the last speaker and commend his service as part of the Central Intelligence Agency. He brings great expertise to this House, and I as one Member value it enormously.

He may not know that the Bremer Commission on which I served recommended that the Deutch Guidelines not apply in the case of recruitment of terrorist spies. We, too, found that, though well-intended, and I believe they were well-intended, those guidelines inhibited the aggressive recruitment of people who had the qualifications to penetrate the worst terrorist organizations, which we need them to do. Yes, these are unsavory characters, and yes, we need them, provided that they are reasonably vetted so that we know that they are reliable, but nonetheless, yes, we need them. I do not want to be heard to be ambivalent about this at all.

A few years ago, our committee found that those guidelines had not been rescinded; and on a bipartisan basis, we directed that the DCI rescind them and replace them, and that was done at our direction. That was one of our impressive bipartisan actions, and so I would just point out that, while the language of this amendment commending our people in the field who take risk on our behalf is excellent, the problem we are having on this side is with the findings that very narrowly focus on a very few years of history.

The history is longer, and let me say in the spirit of bipartisanship that we all got it wrong after the Cold War. We all thought the world would be more peaceful. We all thought there would be a peace dividend. That is why the 41st President, President Bush, began to draw down both the Defense and Intelligence budgets, anticipating a more peaceful world, which obviously did not come to pass.

Mr. Chairman, I reserve the balance of my time.

Mr. ROGERS of Michigan. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois (Mr. LaHOOD).

Mr. LaHOOD. Mr. Chairman, well, I know that we like to have it both ways around here, all of us do; but you cannot have it both ways. You cannot come to the floor tonight and say that we are not doing enough and then vote against this amendment.

This amendment says that in the 1990s we did not put enough money in. You all know that. The cash cow when Clinton came into office was Defense and Intelligence, and what he did was he took the cash cow and he used the money for a lot of other things as all of you supported over there.

So the idea that we are not doing enough but they did enough sort of belies belief here, and what the gentleman's amendment talks about is the fact that in the 1990s they took the cash cow, which was Intelligence and Defense, emasculated it, drew it down as far as they could and used it on a lot of other things. These charts prove that.

Then the idea that the former head of the CIA, President Herbert Walker Bush, did not do that, that is fiction, too. You all know that. So you cannot come here and have it both ways. You cannot say you are saying that the chairman did not put a good mark up here because he did not fund fully the things that you want and yet during the 1990s they did. You know what, it does not work that way, but I guess it does work that way because you can come here and say anything you want; but the facts are the facts.

The gentleman has a good amendment, and you all ought to be supporting that.

Ms. HARMAN. Mr. Chairman, how much more time do we have?

The CHAIRMAN. The gentlewoman from California (Ms. HARMAN) has 5 minutes remaining. The gentleman from Michigan (Mr. ROGERS) has 2½ minutes remaining. The gentlewoman from California has the right to close.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

I would just point out to the gentleman from Illinois (Mr. LaHOOD) that the findings section of this amendment claims there was a funding reduction in the Intelligence budget of 11 percent between 1993 and 1995. This narrow period matches a period when President Clinton was in office and Democrats still controlled the Congress.

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But the decline commenced in the first Bush administration, in 1990, as the Soviet empire was collapsing. And the trend continued through the 6-year period of Republican control of Congress until 9–11.

It is good that we have increased the budget. I hope everyone in this House supports those increases. Certainly those of us on this side of the debate are talking about full funding of counterterrorism, because it turns out that the world was not more peaceful after the fall of the Berlin Wall. The world was more dangerous, and all of us underestimated the lethality of the threats we faced.

In hindsight, we all, over three administrations, should have done a lot more. In foresight, hopefully together on a bipartisan basis, we will.

Mr. Chairman, I reserve the balance of my time.

Mr. ROGERS of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. MURPHY).

Mr. MURPHY. Mr. Chairman, the rhetoric of this debate is not without its dangers. While this evening's discussion is ostensibly about the intelligence reauthorization, and I welcome the more temperate approach tonight has, on other days the vituperative words here and also on the campaign trails, I believe, may have harmful consequences that demand our attention.

We may be responsible for giving weapons of intelligence to the terrorists themselves. In World War II, the Germans launched V2 rockets towards England and waited to learn where they fell. Newspaper and radio accounts of the damage could help the Nazis adjust their fire accordingly.

Now, you do not have to be a psychologist to understand the behavior of terrorists towards us is based upon the feedback they get from us. Are they getting their ideas and marching orders from the evening news?

Politicians look to incite anger and blame over gas prices. Does this lead to bombing of refineries?

Politicians raise doubt about Iraqi security strength. Is that why they attack police barracks?

Politicians questioned if Iraqi leaders were ready to take over. Did that contribute to assassinations of Iraqi leaders?

Politicians screamed about enemy prisoner abuse. Did that contribute to the capture, torture, and decapitation of American citizens?

And politicians questioned if Americans could tolerate casualties of our soldiers. Could that be encouraging attacks on our troops?

Terrorists watch the evening news for our reactions to their crimes, listen to our speeches, listen for calls to run away, watch the polls, and are emboldened by any sign we are weakening, and are thwarted by signs we remain steadfast. We tell them where, how, and how severe to strike next. Our intelligence is important here.

After U.S. politicians began to apply the words "Vietnam" and "quagmire" in Iraq, al Qaeda added the same words to their daily lexicon.

Terrorists are looking for ways to sway public opinion. Look at Madrid. And now the ultimate question before them is: How will a direct attack on the U.S.A. affect our fall elections?

I believe these concerns are real. But even if only a remote chance of a link, should we not stop, think, and ask where we must draw the line.

And while we deliberate the intelligence bill tonight, let us stop aiding the enemies of freedom through politicized debate here or on the campaign trails. Unless we do, we risk having the blood of Americans on our hands. I say support the amendment.

Ms. HARMAN. Mr. Chairman, how much time is remaining on our side?

The CHAIRMAN. The gentlewoman from California (Ms. HARMAN) has 4 minutes remaining, and the gentleman from Michigan (Mr. ROGERS) has ½ minute remaining.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. HOLT), a member of our committee.

Mr. HOLT. Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. Chairman, I would subscribe to the comments of the gentleman from Connecticut (Mr. SIMMONS), and I would like to point out the problem with this amendment. It says it is the sense of Congress that the intelligence community should be revitalized by investing in its missions, people, and capabilities of the community. And, of course, that the efforts of the men and women of the intelligence community should be recognized and commended.

This is commendable. This is what we would like to do. But if you read the findings of this, you find out what is really at play here. It is a gratuitous swipe at an administration that has long been out of office.

If, in fact, we want to revitalize the community by reinvesting in its missions, we should be doing exactly what we have been talking about today, funding counterterrorism at something more than 30 percent of what the community, these people, say they need to carry out their missions and the capabilities that they need. Yes, we should revitalize by reinvesting. That is what we are asking to do today.

Mr. ROGERS of Michigan. Mr. Chairman, I yield myself such time as I may consume just to clarify and point out that in fiscal year 1993, President Bush requested a 4 percent increase, and the Democrat Congress that year cut the request by 10 percent, effectively reducing the funding by 5 percent from the 1992 appropriation.

I understand the politics of being a convert to intelligence. Thank you. Let us stand together and say, okay, that time has gone, we are going to move forward, we are going to stand with the intelligence community.

Mr. Chairman, I yield the remainder of my time to the gentleman from Florida (Mr. GOSS), the chairman of the committee.

Mr. GOSS. Mr. Chairman, I actually urge support of this. When something bad is going to happen, we want to make sure that it is the bad guys that get us and not the good guys. And we are concerned that we have not, in our own country, focused enough on that subject.

I think this amendment helps the good guys and hurts the bad guys, so I urge its support.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume. I do not think we have any further speakers on this amendment, but I would like to enter into a dialogue with the amendment's sponsor to suggest to him that we might agree by unanimous consent that the sense of Congress in his resolution be the entire resolution.

We strike the findings, because our side feels that they are not complete and that some of them may be misleading. And that, as I said, on a bipartisan basis we all were wrong in 1990 when the wall came down and we expected a more peaceful world.

Would the gentleman be amenable to striking the findings and having his resolution be the Sense of Congress, as he has drafted it, which I would predict would be adopted unanimously?

Mr. ROGERS of Michigan. Mr. Chairman, will the gentlewoman yield?

Ms. HARMAN. I yield to the gentleman from Michigan.

Mr. ROGERS of Michigan. Mr. Chairman, facts are very stubborn things. Given the sense of where the intelligence community is today, they are beleaguered at every corner. For years, their hands were tied behind their back. And now you have commissions coming out and say, gee, we tied your hands and now we are faulting you for not being super heroes and doing super work without the funding and resources.

I think it is accurate, and I think we should make that statement that we all recognize those shortcomings of 1990s, but we will stand with you today. It is an important commitment for the morale of the intelligence officers in the field.

Ms. HARMAN. Well, reclaiming my time, Mr. Chairman, I am disappointed in that answer only because I think there is plenty of blame to go around over three or four administrations and findings that made that clear, I think, would be more helpful.

Let me reiterate my strong view, and the view of everyone that I can imagine on our side, that we support the men and women of the intelligence community. That is something I have said over and over and over again in our committee briefings, hearings, and travels. Everywhere we go around the globe, and the gentleman from Florida (Mr. GOSS) and I and others have traveled to places like Pyongyang, and Baghdad and Kabul and Libya and elsewhere. We have always thanked the men and women of the intelligence community with whom we have met.

I wish that this would have been drafted on a bipartisan basis with what we would view as a fairer statement of findings over a longer period of time. I think that that would do more honor to the capable men and women who are now in harm's way. So I regrettably urge a "no" vote on this amendment.

Mr. OXLEY. Mr. Chairman, I stand in strong support of the Rogers Amendment recognizing the vital, groundbreaking work of our intelligence community.

As a former FBI special agent, I well understand the importance of human intelligence gathering. The patriots of our intelligence community are frequently unsung heroes, not receiving due credit for their tireless efforts. Due to the nature of their work, they don't make the headlines, but their work will continue to derail terrorist activities and thus prevent headlines from being made.

Mr. Chairman, we're facing significant new threats in the post-Cold War era, and certainly since September 11, 2001. New hot spots have emerged throughout the world, and new havens for terrorists and their supporters. The threats we encounter are no longer solely state-based, and require new methods to combat them.

Unfortunately, changing our Cold War ways has not kept pace with these new threats. It has taken too long to reverse the Church Commission's outdated and overreaching reforms that crippled our intelligence abilities, restricting human intelligence and limiting people from getting out in the field. The 2002 Joint Inquiry into the Terrorist Attacks confirmed that the lack of reliable human sources in al Qaeda "significantly limited the [intelligence] community's ability to acquire intelligence that could be acted upon before the September 11 attacks."

While human intelligence can be the force multiplier in many instances, our intelligence community has not received the funding or the support it requires to conduct operations. Through the leadership of Chairman GOSS and others, we're continuing to work toward revitalizing the community, giving our operatives what they need to continue their work and respond to the new threats we face. Their work stands at the center of our global war on terrorism.

I salute MIKE ROGERS for introducing this amendment to recognize the dedication and importance of our intelligence community, and thank Chairman GOSS for crafting this authorization to meet our current and future threats.

Ms. HARMAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. ROGERS).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. ROGERS of Michigan. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Michigan (Mr. ROGERS) will be postponed.

It is now in order to consider amendment No. 6 printed in House Report 108-561.

AMENDMENT NO. 6 OFFERED BY MR. ACKERMAN

Mr. ACKERMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. ACKERMAN:

At the end of title III, insert the following new section:

SEC. 304. REPORTS ON PAKISTANI EFFORTS TO CURB PROLIFERATION OF WEAPONS OF MASS DESTRUCTION AND TO FIGHT TERRORISM.

(a) IN GENERAL.—The Director of Central Intelligence shall submit to the appropriate committees of Congress classified reports on the following matters:

(1) The efforts by the Government of Pakistan, or individuals or entities in Pakistan, to acquire or transfer weapons of mass destruction and related technologies, or missile equipment and technology, to any other nation, entity, or individual.

(2) The steps taken by the Government of Pakistan to combat proliferation of weapons of mass destruction and related technologies.

(3) The steps taken by the Government of Pakistan to safeguard nuclear weapons and related technologies in the possession of the Government of Pakistan.

(4) The size of the stockpile of fissile material of the Government of Pakistan and whether any additional fissile material has been produced.

(5) The efforts by the Government of Pakistan to fight Al Qaeda and the Taliban as well as to dismantle terrorist networks operating inside of Pakistan.

(6) The efforts by the Government of Pakistan to establish and strengthen democratic institutions in Pakistan.

(b) DEADLINE FOR SUBMITTAL OF REPORTS.—(1) The Director of Central Intelligence shall submit the first report required under subsection (a) not later than 90 days after the date of the enactment of this Act.

(2) The Director shall submit subsequent reports required under subsection (a) on April 1 of 2005, 2006, 2007, 2008, and 2009.

(c) DEFINITIONS.—In this section:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term "appropriate committees of Congress" means the following:

(A) The Committee on Appropriations, the Committee on Armed Services, the Select Committee on Intelligence, and the Committee on Foreign Relations of the Senate.

(B) The Committee on Appropriations, the Committee on Armed Services, the Permanent Select Committee on Intelligence, and the Committee on International Relations of the House of Representatives.

(2) WEAPONS OF MASS DESTRUCTION.—The term "weapons of mass destruction" has the meaning given such term in section 1403(1) of the Defense Against Weapons of Mass Destruction Act of 1996. (Public Law 104-201).

(3) MISSILE EQUIPMENT AND TECHNOLOGY.—The term "missile equipment and technology" has the meaning given such term in section 74(a)(5) of the Arms Export Control Act (22 U.S.C. 2797c(a)(5)).

The CHAIRMAN. Pursuant to House Resolution 686 the gentleman from New York (Mr. ACKERMAN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York (Mr. ACKERMAN).

Mr. ACKERMAN. Mr. Chairman, I yield myself such time as I may consume.

Last year, Mr. Chairman, President Bush announced a 5-year, $3 billion aid package for Pakistan in return for Pakistan's continued cooperation in the global war on terrorism. At that time, the President, through his spokesman, said that Congress would be looking closely at Pakistan's efforts on nuclear nonproliferation, on combating al-Qaeda, the Taliban, and other terrorist groups, and the reestablishment of democracy.

Without question, Pakistani cooperation in the war on terrorism will be key to our success. Yet since the President's announcement, the media has been filled with reports of Pakistan's A.Q. Khan's nuclear network, where it turns out two-thirds of the axis got their nuclear technology and that Khan's agents tried to sell it to the other third.

In addition, there have been recent reports of uneven cooperation from Pakistan with regard to terrorism generally, and al-Qaeda in particular. These reports reach to the very heart of the administration's justification for supporting Pakistan.

Lastly, I do not think anyone can credibly say that the so-called referendum on General Musharraf's rule, or the parliamentary elections held last year, were either fair or free. Real democratization in Pakistan just does not seem to be high on General Musharraf's list, and we must do much more than to pretend it is high on ours.

My amendment would require the Director of Central Intelligence to issue a classified, that is classified report to the appropriate committees of Congress regarding, one, the efforts of any Pakistani entity or individuals to acquire or transfer weapons of mass destruction and related technologies or missile equipment and technology to any other nation, entity, or individual; two, Pakistan's efforts to curb proliferation of weapons of mass destruction and the means to deliver them; three, Pakistani steps to ensure that their own nuclear weapons are secure; four, Pakistani efforts to dismantle terrorist networks operating inside Pakistan, including but not limited to al-Qaeda and the Taliban; and, finally, five, Pakistani steps to restore democracy.

The point, Mr. Chairman, of my amendment, is to help Members establish, on a classified basis, some of the facts about Pakistan's efforts and cooperation on all of these subjects. We will all be asked to support substantial military and economic assistance to Pakistan over the next several years, and I strongly support that proposition, but I believe that Members should understand the whole picture as they are being asked to approve this substantial assistance.

While I understand that executive agencies generally do not like reporting requirements, we are a coequal part of government, and we have to learn the facts and the truth, we have to authorize and appropriate the money, and we must be informed. I have personally, as well as others have personally, tried to get the information from the administration, particularly regarding A.Q. Khan, and those efforts have been rebuffed.

I do not believe my amendment would be unduly burdensome to the CIA, since they are supposed to be following the events in Pakistan anyway. I am merely asking that they put their information into some useful form for Members.

Mr. Chairman, the administration has said repeatedly and properly that weapons of mass destruction and the possibility that they may be acquired by terrorists is the single biggest threat facing the United States, and in Pakistan, we have the epicenter of both of those threats. Our relationship with Pakistan is a complicated one and presents the United States with one of its most difficult near-term foreign policy challenges. I think the Members must make intelligent decisions regarding Pakistan, and we should have as much information on a classified basis as possible.

Mr. Chairman, I urge Members to support the amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. GOSS. Mr. Chairman, I rise in opposition, and I yield myself such time as I may consume.

Mr. Chairman, I do not have huge heartburn over this at all, but I am a little concerned on a couple of points.

The first is that Pakistan is one of our strongest allies in a very delicate part of the world with this global war of terrorism. I think it is important to remember that Pakistan's stability and continued cooperation in the war on terror is of paramount importance to the United States' national interest at this time, and we all know it. Without Pakistan's help, the war on terror would be much more difficult to fight and to win.

Anyone who doubts Pakistan's commitment need only see last week's report that Pakistani forces killed one of the country's best known, most wanted pro al-Qaeda militants, that would be Nek Mohammed, in a missile strike. Pakistani security forces have killed or captured dozens of al-Qaeda operatives since 9-11 and have sustained significant casualties in so doing, and considered high-level casualties there, too, I am sorry to say.

President Musharraf, moreover, is walking a political tightrope in helping us, as all of us who have been in that country know, yet he believes that the war on terror must be won, and is willing to take significant political, and I would say personal risk on his part to do it.

The stories about A.Q. Khan's proliferation exploits were not a surprise to the intelligence community. This was an example of very good work, and it is work that is continuing.

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The intelligence community and State Department are working diligently, constructively, carefully and quietly on the sensitive matters referred to in this amendment. The committees of jurisdiction are being kept well informed about the status of things.

The amendment offered by the gentleman from New York, I know the motivation is good, but nevertheless this requires the Director of Central Intelligence to report to eight congressional committees on Pakistan's efforts to curb WMD proliferation, fight terrorism, safeguard nuclear weapons, strengthen Pakistan's democratic institutions, and disclose the size of Pakistan's fissile material stockpile. Actually that is happening. I think that is all going on. I do not have any problem reiterating it, but I am a little concerned the amendment might be misconstrued by some, given the sensitive state of affairs in the region; and frankly I do not think it is helpful to U.S. interests.

As I say, I think much of the oversight noted in what he is trying to accomplish is already being done by the committees of jurisdiction. As I say, I do not have huge heartburn over this, but I am worried that it could upset a delicate balance.

Mr. ACKERMAN. Mr. Chairman, I am glad that the gentleman does not have heartburn. I appreciate his sentiments. Nobody is suggesting that we oppose aid to Pakistan.

Mr. Chairman, I am delighted to yield 2 minutes to the gentlewoman from California (Ms. HARMAN), the ranking member.

Ms. HARMAN. Mr. Chairman, I thank the gentleman for yielding me this time and commend him for this amendment and rise in support.

I do agree with Chairman GOSS that our committee is already studying these issues. I also agree with Chairman GOSS that these are touchy issues because we certainly want to communicate our strong support for the Government of Pakistan which has, after all, been an ally of ours in this very, very difficult global war on terror and which continues to take major risks on our behalf. So, yes, that is true.

On the other hand, I believe it is important to run to ground key questions, including the breadth and scope of the proliferation headed by A.Q. Khan, the number of customers, the degree of cooperation with other rogue states, and whether at any level there was complicity of the Pakistani Government. These are tough questions, and I think that what is requested in this amendment, which is a report on these questions, will certainly burden the agencies. Yes, it will. On the other hand, it will give us some answers that we need.

On balance, I think it is commendable that we focus additional attention on the damage done with respect to proliferation around the world by A.Q. Khan and his network and we recognize that there is a place, I think the place is now, in our consideration of these issues to get the clear answers we deserve.

I support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. ACKERMAN).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 7 printed in House Report 108–561.

AMENDMENT NO. 7 OFFERED BY MR. SHAYS

Mr. SHAYS. Mr. Chairman, I offer an amendment, and I ask unanimous consent that the amendment be read. It is short.

The CHAIRMAN. Without objection, the amendment will be read in full.

There was no objection.

The Clerk read as follows:

Amendment No. 7 offered by Mr. SHAYS:

At the end of title III (page 11, after line 8), insert the following new section:

SEC. 304. SENSE OF CONGRESS.

It is the Sense of Congress that the head of each element of the intelligence community, including the Central Intelligence Agency, the Federal Bureau of Investigation, and the intelligence elements of the Department of Defense, the Department of State, and the Department of the Treasury should make available upon a request from a committee of Congress with jurisdiction over matters relating to the Office of the Iraq Oil-for-Food Program of the United Nations, any information and documents in the possession or control of such element in connection with any investigation of that Office by such a committee.

The CHAIRMAN. Pursuant to House Resolution 686, the gentleman from Connecticut (Mr. SHAYS) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, I obviously move the adoption of the amendment.

Mr. Chairman, I yield 4½ minutes to the gentleman from California (Mr. OSE).

Mr. OSE. I thank the gentleman from Connecticut for yielding me this time.

Mr. Chairman, before you came to Congress doing business, were you ever ripped off? Just plainly and simply ripped off? Mr. Chairman, this oil-for-food program is a rip-off to trump any scheme or action perpetrated on any member of any country anytime anywhere. This oil-for-food program got hijacked, pure and simple.

The way it worked was, Iraq complained about not having enough money to buy food or medicine for its people, so the United Nations frankly in what turned out to be a moment of great generosity set up a program whereby a limited amount of Iraqi oil could be brought to market and sold to willing buyers for the purpose of generating revenue that Iraq could then use through the United Nations to buy food and medicine for its people.

Lo and behold, the grand bazaar of Baghdad turned out to be a rip-off of all rip-offs. Saddam Hussein hijacked this program, arguably with the knowledge beforehand of certain members of the United Nations staff responsible for oversight to make sure this did not happen and lined his pockets with up to $10 billion of surcharges and levies on this program. Over the course of the oil-for-food program, $67 billion worth of oil was sold. Half of that $67 billion in turn was used to purchase food and medicine and other supplies for the benefit of the Iraqi people. Keep in mind that under the United Nations resolution that set this program up, the purpose of these oil sales was to provide food and medicine to the starving and unhealthy population in Iraq.

However, let me tell my colleagues what the dictator of Baghdad purchased for the people of Iraq in part. The people of Iraq were asked to consume 1,500 ping-pong tables. They were provided with all sorts of soft ice cream machines. They purchased overpriced dental chairs from China. They even were able to acquire a warehouse full of undelivered wheelchairs and cigarettes. They paid $2 billion for presidential palaces. They bought 300 Mercedes-Benz sedans. They paid for a $200 million Olympic stadium. They bought limos. They even bought defective ultrasound machines from Algeria to feed their people with.

The purpose of the gentleman from Connecticut's amendment is to harness the energies and talents of America's agencies to help us get to the bottom of this. There is absolutely no rationale for allowing this kind of a rip-off to occur. The gentleman from Connecticut's amendment directs American agencies to cooperate with the different committees of Congress to get to the bottom of this.

I would close, Mr. Chairman, by, in effect, pardon my phrase, throwing back at the Secretary-General his words. Secretary-General Kofi Annan said, "I want to get to the truth and I want to get to the bottom of this." Mr. Chairman, we want the truth as well. We want some answers. We want to know, what was the purpose of Cotecna in this dynamic process? How come we had to send stuff through Jordan at discounts of upwards of 67 percent to true value? How come we were able to ship stuff through Syria for only a 33 percent discount? This thing begs for an investigation. Interestingly enough, between Benon Sevan and Kojo Annan and the people who were responsible for this, the future holds answers that are just going to fascinate us all.

I urge adoption of this amendment.

The CHAIRMAN. Who claims time in opposition to the amendment?

Ms. HARMAN. Mr. Chairman, I do not oppose the amendment, but I will control the time on this side.

The CHAIRMAN. Without objection, the gentlewoman from California is recognized for 10 minutes.

There was no objection.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as a strong supporter of congressional oversight, I believe that information should be readily available to those congressional committees of jurisdiction conducting investigations, including investigations of the U.N. oil-for-food program. Therefore, I am happy to support the amendment offered by the gentleman from Connecticut and feel it is very constructive.

Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland (Mr. RUPPERSBERGER), a member of our committee.

Mr. RUPPERSBERGER. Mr. Chairman, one of the issues we have been debating today is the issue of oversight with respect to the Permanent Select Committee on Intelligence. I am a member of that committee, but I am also a member of the Subcommittee on National Security of the Committee on Government Reform of which the gentleman from Connecticut (Mr. SHAYS) is our chairman. I support this amendment. I find that the gentleman from Connecticut is taking his responsibility for oversight very seriously. Not only has he ruled and really been in charge of this committee and trying to seek and follow the facts but he has gone to Iraq. He has done his investigation. It is important that we follow the facts and that we move forward because this oil-for-food program is a rip-off. People were taken advantage of. Our citizens were taken advantage of, as were the Iraqi citizens. We must follow this investigation.

Mr. OSE. Mr. Chairman, will the gentleman yield?

Mr. RUPPERSBERGER. I yield to the gentleman from California.

Mr. OSE. The gentleman from Maryland is very accurate in terms of talking about the oil-for-food program. I just want to highlight one thing. Some of the revenues that were used in this program in effect were used to buy food that had spoiled. We paid people to deliver food under this program that was spoiled. And Saddam collected commissions or levies or tariffs or something on it. We need to get to the bottom of this. I cannot tell the gentleman how pleased I am to have both sides interested in making this happen.

Mr. RUPPERSBERGER. Reclaiming my time, there is also an issue of Mr. Chalabi, who made allegations that he had evidence concerning this issue. We had under oath certain representatives representing Mr. Chalabi that were going to come forward with evidence. That did not occur. It is important that we move forward in a bipartisan way and follow the facts.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume. I do not think I need to use the whole debate, particularly given the gracious support of both sides of the aisle, the chairman of the full committee and ranking member, and say that they have always been a pleasure to work with. I thank the gentlewoman from California so much for all the work that she does and the gentleman from Florida. The gentleman from Maryland (Mr. RUPPERSBERGER) has been a tremendous supporter for our efforts. The gentleman from California (Mr. OSE) has really brought out a lot in the hearing that we had.

We know that we could not allow the sanctions to deprive Iraqi citizens of food and medicine. The problem was they did not get the food they paid for and they did not get the medicines they paid for, because Saddam Hussein was basically allowed to run the program with the oversight of the U.N. that chose not to provide oversight, particularly the Chinese and the Russians who did not believe that there should even be sanctions and did not go out of their way to make this system work.

So we had countries that knowingly allowed Saddam to rip off his own people. He undersold oil and then got huge kickbacks, and he overpaid for commodities and got huge kickbacks, $4.4 billion in the overcharges, the surcharges for the oil and the kickbacks on humanitarian purchases and an estimated $5.7 billion going through Syria. The Syrians and the Russians and, frankly, the French were not helpful in this process.

What I rejoice in was that this story was really outed by the free press in Iraq. We all knew that this was a corrupt program; but what happened was the Iraqi Governing Council, some in it, leaked information to their now free press that printed the names of almost 300 people. Well over 200. They were high-ranking government officials including, frankly, Kofi Annan's son allegedly involved, Benon Sevan in charge of the program, and so we have now an investigation of the U.N.

But Mr. Volker will tell you, it is kind of like being in the Senate. It is unanimous consent. He has to get the cooperation of everyone. He does not have the ability to just say, I want this information. If I don't get it we're going to subpoena it. So he is first looking at the U.N. and what they are doing to try to, in my judgment, go carefully to build credibility so he can go after what he thinks are more serious problems. The bottom line is we need to encourage much more aggressive activity on the part of the U.N. We can only do that if we get the information, information from the Permanent Select Committee on Intelligence and our criminal justice system. I want to also compliment the Committee on International Relations. They are working so well with our subcommittee and our subcommittee is working so well with them.

□ 1930

We are trading information. There is more than any one committee can do, and ultimately I think we will get to the truth of it. I just would say that the gentleman from California (Mr. OSE) was absolutely correct when he said that this is one of the largest rip-offs to any country, and it was a community rip-off by other nations. They allowed Saddam to make billions of dollars at the expense of his own people.

And it really suggests why in some cases some countries may not have been interested in our allowing the Iraqis to overthrow Saddam, getting this information that will expose him. I think they all thought it would just be quiet and that this program would continue ad infinitum.

I have spoken longer that I have chosen. I do not really have anything else to say other than to thank my colleagues and to them on a bipartisan basis we are going to get at the truth.

From its inception in 1996, the United Nations' Oil-for-Food Program (OFF) was susceptible to political manipulation and financial corruption. Trusting Saddam Hussein to exercise sovereign control over billions of dollars of oil sales and commodity purchases invited the illicit premiums and kickback schemes now coming to light.

But much is still not known about the exact details of Oil-for-Food transactions. That is one reason my Subcommittee on National Security, Emerging Threats, and International Relations convened a hearing on April 21st: to help pierce the veil of secrecy that still shrouds the largest humanitarian aid effort in history.

This much we know: The Hussein regime reaped an estimated $10.1 billion from this program: $5.7 in smuggled oil; $4.4 in oil surcharges and kickbacks on humanitarian purchases through the Oil-for-Food Program. There is no innocent explanation for this.

At the hearing, the Subcommittee heard the program, while successful in many ways, was riddled with corruption and the independent efforts of the Iraqis to investigate the fraud was being stifled by the Coalition Provisional Authority.

We want the State Department, the CPA, the intelligence community, and the U.N. to know there has to be a full accounting of all Oil-for-Food transactions, even if that unaccustomed degree of transparency embarrasses some members of the Security Council.

Two months ago, U.N. Secretary General Kofi Annan assured me he wants to get to the bottom of this scandal and restore faith in the ability of the U.N. to do its job. Subsequently, the Secretary General appointed Paul Volcker to lead an independent panel to look into the Oil-for-Food Program.

While Mr. Volcker brings expertise and prestige to the task, we are concerned about the slow pace of the U.N. investigation. The Volcker panel has just announced the hiring of senior staff. Nevertheless, they continue to say an interim report, possibly this summer, will address the conduct of U.N. employees and allegations about the Secretary General's son involvement.

But we also need to know more than what just happened at the U.N. We also need to know what happened at the U.S. Mission. We need to know what our intelligence community knew and knows.

Many of the allegations are true, we just don't know which ones yet. We should be long past asking whether something went wrong in OFF. It's time to find out exactly what went wrong and who is responsible.

Our staff has been through the minutes of the U.N. "661 Committee" of Security Council members responsible for sanctions monitoring and oversight of OFF. Those minutes tell a story of diplomatic obfuscation and an obvious, purposeful unwillingness to acknowledge the program was being corrupted. Questions about oil or commodity contracts were dismissed as dubious media rumors beneath the dignity of the U.N. to answer, while Saddam was given the undeserved benefit of every doubt.

We cannot ignore the profoundly serious allegations of malfeasance in the Oil-for-Food Program. To do so would be to deny the Iraqi people the accounting they deserve and leave the U.N. under an ominous cloud. This is the Iraqi's money we're talking about, so the Iraqi Governing Council and its successor should get cooperation from the CPA and the State Department in conducting its inquiries.

In Iraq, and elsewhere, the world needs an impeccably clean, transparent U.N. The dominant instrument of multilateral diplomacy should embody our highest principles and aspirations, not systematically sink to the lowest common denominator of political profiteering.

This emerging scandal is a huge black mark against the United Nations and only a prompt and thorough accounting, including punishment for any found culpable, will restore U.N. credibility and integrity.

That is why it is critical to get to the bottom of the corruption. In order to do that we need for the intelligence community to better assist the Congress in its investigations.

Mr. Chairman, this Sense of Congress will help address the difficulties many committees have had obtaining information and documents—especially from the intelligence community—pertaining to the Iraq Oil-for-Food Program. This amendment should reinforce the importance Congress places on the Oil-for-Food investigations.

Mr. Chairman, I yield back the balance of my time.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

As I have stated earlier and others on our side have stated, we support this amendment. We think congressional oversight matters. Committees can make a big difference, and on a bipartisan basis we think this amendment should be supported by the whole House.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. SHAYS).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. SHAYS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Connecticut (Mr. SHAYS) will be postponed.

It is now in order to consider amendment No. 8 printed in House Report 108–561.

AMENDMENT NO. 8 OFFERED BY MR. KUCINICH

Mr. KUCINICH. Mr. Chairman, I offer an amendment.

The Chairman. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Mr. KUCINICH:

At the end of title III (page 11, after line 8), insert the following new section:

SEC. 304. INSPECTOR GENERAL REPORT ON EVIDENCE OF RELATIONSHIP BETWEEN SADDAM HUSSEIN AND AL-QAEDA.

(a) AUDIT.—The Inspector General of the Central Intelligence Agency shall conduct an audit of the evidence of any relationship, existing before September 11, 2001, between the regime of Saddam Hussein and al-Qaeda, referenced in all intelligence reporting of the Central Intelligence Agency, including products, briefings and memoranda, distributed to the White House and Congress.

(b) REPORT TO CONGRESS.—Not later than one year after the date of the enactment of this Act, the Inspector General shall submit to Congress a report on the audit conducted under subsection (a).

The CHAIRMAN. Pursuant to House Resolution 686, the gentleman from Ohio (Mr. KUCINICH) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, President Bush told the Nation, "You can't distinguish between al Qaeda and Saddam." That assertion was one of the key justifications for the war in Iraq.

At the appropriate point in the debate, I shall enter into the RECORD 16 similar assertions by leading members of the administration and several other relevant documents.

Those assertions have, like the White House's other claim that Saddam Hussein had vast stockpiles of weapons of mass destruction, not found substantiation in fact. I quote 27 top-level U.S. diplomats and military commanders who have said, "The administration . . . justified the invasion of Iraq . . . by a cynical campaign to persuade the public that Saddam Hussein was linked to al Qaeda . . . The evidence did not support this argument."

One week ago, the 9–11 Commission published staff statement number 15 entitled "Overview of the Enemy," which found no credible evidence of a collaborative relationship between Saddam Hussein and al Qaeda. The staff statement was the product of professional people, all of whom were jointly appointed by both the Republican chairman and the Democratic vice chair of the Commission. Included among these staff people are former analysts with the intelligence agencies, investigators and academics.

Instead of accepting the finding of this Commission, which Congress and the President established in order to find the definitive answer to this and other questions, the Vice President went on national television to question the credibility of the Commission. He repeated the assertion that the administration has made so many times, and he said he "probably" has more information than the Commission about ties between al Qaeda and Saddam Hussein.

Does the administration have more information than the Commission, or does it not? Is the White House informing the public of substantiated facts, or is the White House engaged in what could be called a cynical campaign to disinform the American public?

As the St. Petersburg Times editorial of yesterday stated, "We don't know what information the Vice President is referring to, but we do know this: Every important public charge that the White House and its supporters did make against Iraq in the months leading up to war, such as the purchase of nuclear weapons materials from Africa, meetings between al Qaeda and Iraqi operatives in Prague, and mobile biological weapons labs in the Iraqi desert, have been discredited . . . The bipartisan Commission's credibility isn't in question. The administration's is. That is the most important reason for the Vice President to come forward and produce the evidence he alluded to." That is the question the Kucinich-Tauscher amendment seeks to answer.

SUBMISSION BY DENNIS J. KUCINICH IN SUPPORT OF THE KUCINICH/TAUSCHER AMENDMENT TO H.R. 4548, JUNE 23, 2004

The Kucinich/Tauscher amendment has been endorsed by:

Admiral Stansfield Turner, former DCI 1977–1981;

Greg Thielmann, former State Department Intelligence official;

Coleen Rowley, in her personal capacity, former FBI official;

Ray McGovern, former CIA analyst;

Gene Betit, former Army Intelligence official;

Ray Close, former CIA chief of station, Saudi Arabia;

David MacMichael, former National Intelligence Council analyst;

Mel Goodman, professor at National War College;

Col. Patrick Lang, retired U.S. Army Special Forces; Defense Intelligence Officer for the Middle East, at DIA;

Larry Johnson, former CIA and State Department intelligence analyst;

Veteran Intelligence Professionals for Sanity (VIPs), Steering Committee;

Center for American Progress.

These are just 16 of the many assertions by members of the Administration about the existence of a collaborative, operational relationship between Saddam Hussein and al-Qaeda.

"You can't distinguish between al-Qaeda and Saddam." President George Bush, White House website (9/26/2002).

"He's a threat because he is dealing with al Qaida." President George Bush, President Outlines Priorities, White House (11/7/2002).

"Saddam Hussein aids and protects terrorists, including members of al Qaeda. Secretly, and without fingerprints, he could provide one of his hidden weapons to terrorists, or help develop their own. . . . Imagine those 19 hijackers with other weapons and other planes—this time armed by Saddam Hussein. It would take one vial, one canister, one crate slipped into this country to bring a day of horror like none we have ever known." President George Bush, President Delivers "State of the Union", White House (1/28/2003).

"Saddam Hussein has longstanding, direct and continuing ties to terrorist networks. . . . Iraq has also provided al Qaeda with chemical and biological weapons training," President George Bush, President's Radio Address, White House (2/8/2003).

"We've removed an ally of al Qaeda, and cut off a source of terrorist funding," President George Bush, President Bush Announces Major Combat Operations in Iraq Have Ended, White House (5/1/2003).

"[Iraq] had the capacity to make a weapon and then let that weapon fall into the hands of a shadowy terrorist network." President George Bush, Meet the Press (2/8/2004).

"His regime has had high-level contacts with al Qaeda going back a decade and has provided training to al Qaeda terrorists." Vice President Richard Cheney, Remarks by the Vice President at the Air National Guard Senior Leadership Conference, White House (12/2/2002).

"He could decide secretly to provide weapons of mass destruction to terrorists for use against us." Vice President Richard Cheney, Vice President's Remarks at 30th Political Action Conference, White House (1/30/2003).

"We know that he has a long-standing relationship with various terrorist groups, including the al-Qaeda organization." Vice President Richard Cheney, Meet the Press, NBC (3/16/2003).

". . . in Iraq we've had a government—not only was it one of the worst dictatorships in modern times, but had oftentimes hosted terrorists in the past . . . but also an established relationship with the al Qaeda organization . . ." Vice President Richard Cheney, Vice president Dick Cheney Remarks at Luncheon for Congressman Jim Gerlach, White House (10/3/2003).

"We'll find ample evidence confirming the link . . . between al Qaida and the Iraqi intelligence services. They have worked together on a number of occasions." vice President Richard Cheney, Transcript of interview with Vice President Dick Cheney, Rocky Mountain News (1/9/2004).

"I think there's overwhelming evidence that there was a connection between al-Qaeda and the Iraqi government." Vice President Richard Cheney, Morning Edition, NPR (1/22/2004).

"It is the nexus between an Al-Qaeda type network and other terrorist network and a terrorist state like Saddam Hussein who has that weapons of mass destruction. As we sit here, there are senior Al-Qaeda in Iraq. They are there." Secretary of Defense Donald Rumsfeld, Secretary Rumsfeld Interview with Jim Lehrer, PBS (9/18/2002).

"We have what we consider to be very reliable reporting of senior-level contacts going back a decade, and of possible chemical- and biological-agent training. And when I say contacts, I mean between Iraq and al Qaeda." Secretary of Defense Donald Rumsfeld, Defense Department Regular Briefing, Defense Department (9/26/2002).

"They have occurred over a span of some eight or ten years to our knowledge. There are currently al-Qaeda in Iraq." Secretary of Defense Donald Rumsfeld, Secretary Rumsfeld Live Interview with Infinity CBS Radio, Infinity-CBS Radio (11/14/2002).

"The regime plays host to terrorists, including Al Qaida, as the president indicated." Secretary of Defense Donald Rumsfeld: Donald Rumsfeld and Richard Myers Hold Regular Defense Department Briefing, Defense Department (1/29/2003).

Diplomats & Military Commanders for Change

THE OFFICIAL STATEMENT

The undersigned have held positions of responsibility for the planning and execution of American foreign and defense policy. Collectively, we have served every president since Harry S Truman. Some of us are Democrats, some are Republicans or Independents, many voted for George W. Bush. But we all believe that current Administration policies have failed in the primary responsibilities of preserving national security and providing world leadership. Serious issues are at stake. We need a change.

From the outset, President George W. Bush adopted an overbearing approach to America's role in the world, relying upon military might and righteousness, insensitive to the concerns of traditional friends and allies, and disdainful of the United Nations. Instead of building upon America's great economic and moral strength to lead other nations in a coordinated campaign to address the causes of terrorism and to stifle its resources, the Administration, motivated more by ideology than by reasoned analysis, struck out on its own. It led the United States into an ill-planned and costly war from which exit is uncertain. It justified the invasion of Iraq by manipulation of uncertain intelligence about weapons of mass destruction, and by a cynical campaign to persuade the public that Saddam Hussein was linked to Al Qaeda and the attacks of September 11. The evidence did not support this argument.

Our security has been weakened. While American airmen and women, marines, soldiers and sailors have performed gallantly, our armed forces were not prepared for military occupation and nation building. Public opinion polls throughout the world report hostility toward us. Muslim youth are turning to anti-American terrorism. Never in the two and a quarter centuries of our history has the United States been so isolated among the nations, so broadly feared and distrusted. No loyal American would question our ultimate right to act alone in our national interest; but responsible leadership would not turn to unilateral military action before diplomacy had been thoroughly explored.

The United States suffers from close identification with autocratic regimes in the Muslim world, and from the perception of unquestioning support for the policies and actions of the present Israeli Government. To enhance credibility with Islamic peoples we must pursue courageous, energetic and balanced efforts to establish peace between Israelis and Palestinians, and policies that encourage responsible democratic reforms.

We face profound challenges in the 21st Century: proliferation of weapons of mass destruction, unequal distribution of wealth and the fruits of globalization, terrorism, environmental degradation, population growth in the developing world, HIV/AIDS, ethnic and religious confrontations. Such problems can not be resolved by military force, nor by the sole remaining superpower alone; they demand patient, coordinated global effort under the leadership of the United States.

The Bush Administration has shown that it does not grasp these circumstances of the new era, and is not able to rise to the responsibilities of world leadership in either style or substance. It is time for a change.

SIGNATORIES

The Honorable Avis T. Bohlen: Assistant Secretary of State for Arms Control, 1999; Ambassador to Bulgaria, 1996 (District of Columbia).

Admiral William J. Crowe, USN, Ret.; Chairman, President's Foreign Intelligence Advisory Committee; 1993; Ambassador to the Court of Saint James, 1993; Chairman, Joint Chiefs of Staff, 1985; Commander in Chief, United States Pacific Command (Oklahoma).

The Honorable Jeffrey S. Davidow; Ambassador to Mexico, 1998; Assistant Secretary of State for Inter-American Affairs, 1996; Ambassador to Venezuela, 1993; Ambassador to Zambia, 1988 (Virginia).

The Honorable William A. DePree; Ambassador to Bangladesh, 1987; Director of State Department Management Operations, 1983; Ambassador to Mozambique, 1976 (Michigan).

The Honorable Donald B. Easum; Ambassador to Nigeria, 1975; Assistant Secretary of State for African Affairs, 1974; Ambassador to Upper Volta, 1971 (Virginia).

The Honorable Charles W. Freeman, Jr.; Assistant Secretary of Defense, International Security Affairs, 1993; Ambassador to the Kingdom of Saudi Arabia, 1989 (Rhode Island).

The Honorable William C. Harrop; Ambassador to Israel, 1991; Ambassador to Zaire, 1987; Inspector General of the State Department and Foreign Service, 1983; Ambassador to Kenya and Seychelles, 1980; Ambassador to Guinea, 1975 (New Jersey).

The Honorable Arthur A. Hartman; Ambassador to the Soviet Union, 1981; Ambassador to France, 1977; Assistant Secretary of State for European Affairs, 1973 (New Jersey).

General Joseph P. Hoar, USMC, Ret.: Commander in Chief, United States Central Command, 1991; Deputy Chief of Staff, Marine Corps, 1990; Commanding General, Marine Corps Recruit Depot, Parris Island, 1987 (Massachusetts).

The Honorable H. Allen Holmes: Assistant Secretary of Defense for Special Operations, 1993; Ambassador at Large for Burdensharing, 1989; Assistant Secretary of State for Politico-Military Affairs, 1986; Ambassador to Portugal, 1982 (Kansas).

The Honorable Robert V. Keeley: Ambassador to Greece, 1985; Ambassador to Zimbabwe, 1980; Ambassador to Mauritius, 1976 (Florida).

The Honorable Samuel W. Lewis: Director of State Department Policy and Planning, 1993; Ambassador to Israel, 1977; Assistant Secretary of State for International Organization Affairs, 1975 (Texas).

The Honorable Princeton N. Lyman: Assistant Secretary of State for International Organization Affairs, 1997; Ambassador to South Africa, 1992; Director, Bureau of Refugee Programs, 1989; Ambassador to Nigeria, 1986 (Maryland).

The Honorable Jack F. Matlock, Jr.: Ambassador to the Soviet Union, 1987; Director for European and Soviet Affairs, National Security Council, 1983; Ambassador to Czechoslovakia, 1981 (Florida).

The Honorable Donald F. McHenry: Ambassador and U.S. Permanent Representative to the United Nations, 1979 (Illinois).

General Merrill A. (Tony) McPeak, USAF, Ret.: Chief of Staff, United States Air Force, 1990; Commander in Chief, Pacific Air Forces, 1988; Commander, 12th Air Force and U.S. Southern Command Air Forces, 1987 (Oregon).

The Honorable George E. Moose: Representative, United Nations European Office, 1997; Assistant Secretary of State for African Affairs, 1993; Ambassador to Senegal, 1988; Director, State Department Bureau of Management Operations, 1987; Ambassador to Benin, 1983 (Colorado).

The Honorable David D. Newsom: Secretary of State ad interim, 1981; Under Secretary of State for Political Affairs, 1978; Ambassador to the Philippines, 1977; Ambassador to Indonesia, 1973; Assistant Secretary of State for African Affairs, 1969; Ambassador to Libya, 1965 (California).

The Honorable Phyllis E. Oakley: Assistant Secretary of State for Intelligence and Research, 1997; Assistant Secretary of State for Population, Refugees, and Migration, 1994 (Nebraska).

The Honorable Robert Oakley: Special Envoy for Somalia, 1992; Ambassador to Pakistan, 1988; Ambassador to Somalia, 1982; Ambassador to Zaire, 1979 (Louisiana).

The Honorable James D. Phillips: Diplomat-in-Residence, the Carter Center of Emory University, 1994; Ambassador to the Republic of Congo, 1990; Ambassador to Burundi, 1986 (Kansas).

The Honorable John E. Reinhardt: Director of the United States Information Agency, 1977; Assistant Secretary of State for Public Affairs, 1975; Ambassador to Nigeria, 1971 (Maryland).

General William Y. Smith, USAF, Ret.: Chief of Staff for Supreme Headquarters Allied Powers Europe, 1979; Assistant to the Chairman, Organization of the Joint Chiefs of Staff, 1975; Director of National Security Affairs, Office of the Assistant Secretary of Defense for International Security Affairs, 1974 (Arkansas).

The Honorable Ronald I. Spiers: Under Secretary General of the United Nations for Political Affairs, 1989; Under Secretary of State for Management, 1983; Ambassador to Pakistan, 1981; Director, State Department Bureau of Intelligence and Research, 1980; Ambassador to Turkey, 1977; Ambassador to The Bahamas, 1973; Director, State Department Bureau of Politico-Military Affairs, 1969 (Vermont).

The Honorable Michael E. Sterner: Ambassador to the United Arab Emirates, 1974 (New York).

Admiral Stansfield Turner, USN, Ret.: Director of the Central Intelligence Agency, 1977; Commander in Chief, Allied Forces Southern Europe (NATO), 1975; Commander, U.S. Second Fleet, 1974 (Illinois).

The Honorable Alexander F. Watson: Assistant Secretary of State for Inter-American Affairs, 1993; Ambassador to Brazil, 1992; Deputy Permanent Representative to the United Nations, 1989; Ambassador to Peru, 1986 (Maryland).

[From the St. Petersburg Times, June 22, 2004]

WHERE'S THE PROOF?

If Vice President Cheney has secret evidence of a link between Saddam Hussein and al-Qaida, he has an obligation to share it with the 9/11 commission.

President Bush and Vice President Cheney vehemently dispute the 9/11 commission's conclusion that no "collaborative" relationship existed between al-Qaida and Saddam Hussein's regime, and the vice president says he "probably" has seen incriminating evidence that the commission has not reviewed. If so, the Bush administration has an obligation to share that evidence with the commission immediately. Members of the commission, who were appointed by the president, are cleared to see the most sensitive classified information, and the administration agreed more than a year ago to provide all documents the commission needs to complete its investigation into the worst terrorist attacks in our nation's history. Evidence of a more substantial link between al-Qaida and Hussein wouldn't just bolster the administration's case for having gone to war in Iraq; it also could help to complete the picture of al-Qaida's planning and support prior to 9/11.

The White House also has an obligation to share any such information with the American people and the world community. We live in a representative democracy, not an autocracy, and our government cannot successfully wage war for reasons that are not understood and supported by the public. We also are dependent on the cooperation of other governments around the world in the war against terrorism, and that support depends on our credibility.

We don't know what information the vice president is referring to, but we do know this: Every important public charge that the White House and its supporters did make against Iraq in the months leading up to war—such as the purchase of nuclear weapons from Africa, meetings between al-Qaida and Iraqi operatives in Prague and mobile biological weapons labs in the Iraqi desert—has been discredited.

No substantive evidence on the record supports the administration's claim that Iraq presented an immediate threat to U.S. security. Members of the 9/11 commission are understandably reluctant to engage in a semantic argument with the White House over the meaning of a "collaborative" relationship, but Thomas Kean, the Republican chairman of the commission, notes that al-Qaida had more substantial links to the governments of Iran and Pakistan prior to 9/11 than it had to Iraq.

The 9/11 commission's reports have been meticulous, straightforward and persuasive. They have dealt with Iraq only to the extent that allegations about Hussein's possible role in aiding al-Qaida prior to the attacks had to be investigated and put to rest. The bipartisan commission's credibility isn't in question. The administration's is. That's the most important reason for the vice president to come forward and produce the evidence he alluded to.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Who seeks to control time in opposition to the amendment?

Mr. GOSS. Mr. Chairman, I rise to control the time. I am not in opposition to the amendment, but I do have some remarks.

The CHAIRMAN. Without objection, the gentleman from Florida (Mr. Goss) will control the time.

There was no objection.

Mr. GOSS. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. LaHood).

Mr. LaHOOD. Mr. Chairman, I rise in support of this amendment, which calls for the CIA's Inspector General to submit a report to Congress detailing evidence of any relationship between Saddam Hussein's regime and al Qaeda prior to September 11, 2001. This report will help augment an already public record of such a relationship.

On November 4, 1998, the U.S. Federal Grand Jury issued an indictment against Osama bin Laden alleging that he and others engaged in a long-term conspiracy to attack U.S. facilities overseas. The same indictment states that "al Qaeda reached an agreement with the government of Iraq and that on particular projects, specifically including weapons development, al Qaeda would work cooperatively with the government of Iraq."

I would like to enter at the appropriate time the 1999 indictment into the Record.

An Iraq defector to Turkey told the London Sunday Times that he saw bin Laden's fighters in camps in Iraq in 1997. And I would also like to enter at the appropriate time the July 14, 2002, London Sunday Times article on this issue into the Record.

In October, 2000, an Iraqi intelligence operative was arrested along the Afghan border by Pakistani authorities, according to "Jane's Foreign Report." This respected international newsletter reported that the operative was shuttling between Iraq intelligence and al Qaeda's number two man and that throughout 2003, in the portion of northern Iraq loyal to Saddam Hussein, an Ansar al-Islam official admitted to Kurdish newspapers that when Ansar al-Islam was established in 2001, al Qaeda operatives offered a gift of $300,000 to assist the group in conducting suicide operations against Americans.

An al Qaeda leader went to Iraq after he was injured in Afghanistan in May, 2002. Once he recovered, he traveled to Lebanon where he met with Hezbollah just before the October, 2002, assassination of USAID official Lawrence Foley in Jordan. After Zarqawi's return to Iraq, he met with Ansar al-Islam officials in January, 2003, according to several AI terrorists arrested in Britain.

Zarqawi is currently in Iraq taking credit for suicide car bombings against innocent Iraqis and coalition forces.

More recently Abdul Rahman Yasin remains the only member of the al Qaeda cell that detonated the 1993 World Trade Center bomb to remain at large from the Clinton years. He fled to Iraq where U.S. forces recently uncovered a cache of documents in Saddam's hometown of Tikrit that show Yasin received both a house and monthly salary from Iraq.

A 9–11 Commission staff working paper stated that there appears to be no evidence that Iraq was linked to the September 11 attacks on the United

States, but several Commission members have corrected the record recently to state that "The Vice President is saying that there were connections between al Qaeda and Saddam Hussein's government. We don't disagree with that," and that the Commission has "found contacts between al Qaeda and Iraq, that some of it is shadowy, but there is no question that the contacts were there."

I would like to submit at the appropriate time the transcript of the Talk Radio News Service questioning of 9–11 Commission members Hamilton and Kean following the hearing of the 9–11 Commission on Thursday, June 17, 2004.

Lastly, we should not forget that Iraq was designated as the state sponsor of terrorism for more than a decade, including this administration as well as previous administrations.

I urge this amendment be adopted so we can further augment our understanding of the nature of any relationship between al Qaeda and the Hussein government.

INDICTMENT

In the United States District Court—Southern District of New York, United States of America v. Usama bin laden, Defendant.

COUNT ONE—CONSPIRACY TO ATTACK DEFENSE UTILITIES OF THE UNITED STATES

The Grand Jury charges:

Background: Al Qaeda

1. At all relevant times from in or about 1989 until the date of the filing of this Indictment, an international terrorist group existed which was dedicated to opposing non-Islamic governments with force and violence. This organization grew out of the "mekhtab al khidemat" (the "Services Office") organization which had maintained (and continues to maintain) offices in various parts of the world, including Afghanistan, Pakistan (particularly in Peshawar) and the United States, particularly at the Alkifah Refugee Center in Brooklyn. From in or about 1989 until the present, the group called itself "Al Qaeda" ("the Base"). From 1989 until in or about 1991, the group was headquartered in Afghanistan and Peshawar, Pakistan. In or about 1992, the leadership of Al Qaeda, including its "emir" (or prince) USAMA BIN LADEN, the defendant, and its military command relocated to the Sudan. From in or about 1991 until the present, the group also called itself the "Islamic Army." The international terrorist group (hereafter referred to as "Al Qaeda") was headquartered in the Sudan from approximately 1992 until approximately 1996 but still maintained offices in various parts of the world. In 1996, USAMA BIN LADEN and Al Qaeda relocated to Afghanistan. At all relevant times, Al Qaeda was led by its "emir," USAMA BIN LADEN. Members of Al Qaeda pledged an oath of allegiance to USAMA BIN LADEN and Al Qaeda.

2. Al Qaeda opposed the United States for several reasons. First, the United States was regarded as "infidel" because it was not governed in a manner consistent with the group's extremist interpretation of Islam. Second, the United States was viewed as providing essential support for other "infidel" governments and institutions, particularly the governments of Saudi Arabia and Egypt, the nation of Israel and the United Nations, which were regarded as enemies of the group. Third, Al Qaeda opposed the involvement of the United States armed forces in the Gulf War in 1991 and in Operation Restore Hope in Somalia in 1992 and 1993. In particular, Al Qaeda opposed the continued presence of American military forces in Saudi Arabia (and elsewhere on the Saudi Arabian peninsula) following the Gulf War. Fourth, Al Qaeda opposed the United States Government because of the arrest, conviction and imprisonment of persons belonging to Al Qaeda or its affiliated terrorist groups, including Sheik Omar Abdel Rahman.

3. Al Qaeda has functioned both on its own and through some of the terrorist organizations that have operated under its umbrella, including: the Islamic Group (also known as "al Gamaa Islamia" or simply "Gamaa't"), led by co-conspirator Sheik Omar Abdel Rahman," the al Jihad group based in Egypt; the "Talah e Fatah" ("Vanguards of Conquest") faction of al Jihad, which was also based in Egypt, which faction was led by co-conspirator Ayman al Zawahiri ("al Jihad"); Palestinian Islamic Jihad; and a number of jihad groups in other countries, including Egypt, the Sudan, Saudi Arabia, Yemen, Somalia, Eritrea, Kenya, Pakistan, Bosnia, Croatia, Algeria, Tunisia, Lebanon, the Philippines, Tajikistan, Chechnya, Bangladesh, Kashmir and Azerbaijan. In February 1998, Al Qaeda joined forces with Gamaa't, Al Jihad, the Jihad Movement in Bangladesh and the "Jamaat ul Ulema e Pakistan" to issue a fatwah (an Islamic religious ruling) declaring war against American civilians worldwide under the banner of the "International Islamic Front for Jihad on the Jews and Crusaders."

4. Al Qaeda also forged alliances with the National Islamic Front in the Sudan and with the government of Iran and its associated terrorist group Hezballah for the purpose of working together against their perceived common enemies in the West, particularly the United States. In addition, al Qaeda reached an understanding with the government of Iraq that al Qaeda would not work against that government and that on particular projects, specifically including weapons development, al Qaeda would work cooperatively with the Government of Iraq.

5. Al Qaeda had a command and control structure which included a majlis al shura (or consultation council) which discussed and approved major undertakings, including terrorist operations.

6. Al Qaeda also conducted internal investigations of its members and their associates in an effort to detect informants and killed those suspected of collaborating with enemies of Al Qaeda.

7. From at least 1991 until the date of the filing of this Indictment, in the Sudan, Afghanistan and elsewhere out of the jurisdiction of any particular state or district, USAMA BIN LADEN, a/k/a "Usamah Bin-Muhammad Bin-Laden," a/k/a "Shaykh Usamah Bin-Laden," a/k/a "Mujahid Shaykh," a/k/a "Abu Abdallah," a/k/a 'QaQa," the defendant, and co-conspirator not named as a defendant herein (hereafter "Co-conspirator") who was first brought to and arrested in the Southern District of New York, and others known and unknown to the grand jury, unlawfully, willfully and knowingly combined, conspired, confederated and agreed together and with each other to injure and destroy, and attempt to injure and destroy, national-defense material, national-defense premises and national-defense utilities of the United States with the intent to injure, interfere with and obstruct the national defense of the United States.

Overt Acts

8. In furtherance of the same conspiracy, and to effect the illegal object thereof, the following overt acts, among others, were committed:

a. At various times from at least as early as 1991 until at least in or about February 1998, USAMA BIN LADEN, the defendant, met with Co-conspirator and other members of Al Qaeda in the Sudan, Afghanistan and elsewhere;

b. At various times from at least as early as 1991, USAMA BIN LADEN, and others known and unknown, made efforts to obtain weapons, including firearms and explosives, for Al Qaeda and its affiliated terrorist groups;

c. At various times from at least as early as 1991, USAMA BIN LADEN, and others known and unknown, provided training camps and guesthouses in various areas, including Afghanistan and the Sudan, for the use of Al Qaeda and its affiliated terrorist groups;

d. At various times from at least as early as 1991, USAMA BIN LADEN, and others known and unknown, made efforts to produce counterfeit passports purporting to be issued by various countries and also obtained official passports from the Government of the Sudan for use by Al Qaeda and its affiliated groups;

e. At various times from at least as early as 1991, USAMA BIN LADEN, and others known and unknown, made efforts to recruit United States citizens to Al Qaeda in order to utilize the American citizens for travel throughout the Western world to deliver messages and engage in financial transactions for the benefit of Al Qaeda and its affiliated groups;

f. At various times from at least as early as 1991, USAMA BIN LADEN, and others known and unknown, made efforts to utilize non-Government organizations which purported to be engaged in humanitarian work as conduits for transmitting funds for the benefit of Al Qaeda and its affiliated groups;

g. At various times from at least as early as 1991, Co-conspirator and others known and unknown to the grand jury engaged in financial and business transactions on behalf of defendant USAMA BIN LADEN and Al Qaeda, including, but not limited to: purchasing land for training camps: purchasing warehouses for storage of items, including explosives; transferring funds between bank accounts opened in various names; obtaining various communications equipment, including satellite telephones; and transporting currency and weapons to members of Al Qaeda and its associated terrorist organizations in various countries throughout the world;

h. At various times from in or about 1992 until the date of the filing of this Indictment, USAMA BIN LADEN and other ranking members of Al Qaeda stated privately to other members of Al Qaeda that Al Qaeda should put aside its differences with Shiite Muslim terrorist organizations, including the Government of Iran and its affiliated terrorist group Hezballah, to cooperate against the perceived common enemy, the United States and its allies;

i. At various times from in or about 1992 until the date of the filing of this Indictment, USAMA BIN LADEN and other ranking members of Al Qaeda stated privately to other members of Al Qaeda that the United States forces stationed on the Saudi Arabian peninsula, including both Saudi Arabia and Yemen, should be attacked;

j. At various times from in or about 1992 until the date of the filing of this Indictment, USAMA BIN LADEN and other ranking members of Al Qaeda stated privately to other members of Al Qaeda that the United States forces stationed in the Horn of Africa, including Somalia, should be attacked;

k. Beginning in or about early spring 1993, Al Qaeda members began to provide training and assistance to Somali tribes opposed to the United Nations' intervention in Somalia;

l. On October 3 and 4, 1993, members of Al Qaeda participated with Somali tribesmen in an attack on United States military personnel serving in Somalia as part of Operation Restore Hope, which attack killed a total of 18 United States soldiers and wounded 73 others in Mogadishu;

m. On two occasions in the period from in or about 1992 until in or about 1995, Co-conspirator helped transport weapons and explosives from Khartoum to Port Sudan for transshipment to the Saudi Arabian peninsula;

n. At various times from at least as early as 1993, USAMA BIN LADEN and others known and unknown, made efforts to obtain the components of nuclear weapons:

o. At various times from at least as early as .1993, USAMA BIN LADEN and others known and unknown, made efforts to produce chemical weapons;

p. On or about August 23, 1996, USAMA BIN LADEN signed and issued a Declaration of Jihan entitled "Message from Usamah Bin-Muhammad Bin-Laden to His Muslim Brothers in the Whole World and Especially in the Arabian Peninsula: Declaration of Jihad Against the Americans Occupying the Land of the Two Holy Mosques; Expel the Heretics from the Arabian Peninsula" (hereafter "Declaration of Jihad") from the Hindu Kush mountains in Afghanistan. The Declaration of Jihad included statements that efforts should be pooled to kill Americans and encouraged other persons to join the jihad against the American "enemy";

q. In or about late August 1996, USAMA BIN LADEN read aloud the Declaration of Jihad and made an audiotape recording of such reading for worldwide distribution: and

r. In February 1998, USAMA BIN LADEN issued a joint declaration in the name of Gamaa't, Al Jihad, the Jihad Movement in Bangladesh and the "Jamaat ul Ulema e Pakistan" under the banner of the "International Islamic Front for Jihad on the Jews and Crusaders," which stated that Muslims should kill Americans—including civilians—anywhere in the world where they can be found.

(Title 18, United States Code. Section 2155(b).)

MARY JO WHITE,
United States Attorney.

[From the Sunday Times (London), July 14, 2002]

MILITIA DEFECTOR CLAIMS BAGHDAD TRAINED AL-QAEDA FIGHTERS IN CHEMICAL WARFARE

(By Gwynne Roberts)

A former colonel in Saddam Hussein's Fedayeen, one of Iraq's most brutal militias, has claimed that he trained with fighters from Osama Bin Laden's Al-Qaeda terrorist network in secret camps near Baghdad. The defector, who fled to Turkey three years ago, says that as long ago as 1997 and 1998, Islamic extremists were being taught how to use chemical and biological weapons.

Their instructors, he says, were from a military intelligence organisation known as Unit 999, which ran a six-month course for "foreigners" including the Iranian opposition organisation Mojahedin-e Khalq and the Turkish-Kurdish PKK rebel movement as well as Al-Qaeda.

Colonel "Abu Mohammed", whose real name is being withheld to protect him and his family near Ankara, says American officials who debriefed him in 1999 showed little interest in his information. If true, however, his story may acquire fresh significance as America seeks evidence of a link between Saddam Hussein and Bin Laden that could help it to justify an attack on Baghdad. In recent months several defectors have spoken of secret training camps in Iraq where Arabs from all over the Middle East have been trained in sabotage techniques by Mukhabarat (intelligence) instructors.

Mohammed said he was recruited into Saddam's Fedayeen in 1997 and trained at two secret facilities—at Salman Pak, southeast of Baghdad, and at the Unit 999 camp, northwest of the Iraqi capital. His first encounter with Bin Laden's fighters occurred at Salman Pak when he was on an induction course to become a Fedayeen officer, he said.

"We were met by Colonel Jamil Kamil, the camp manager, and Major Ali Hawas. I noticed that a lot of people were queueing for food.

(The major) said to me: 'You'll have nothing to do with these people. They are Osama Bin Laden's group and the PKK and the Mojahedin-e Khalq.

"They train for three months at Unit 999 and another three at the Mukhabarat school in Salman Pak. So there are two camps where they train Bin Laden's people."

Mohammed said he had attended another training course at Salman Pak and Unit 999 a year later, spending 15 days at each facility. Here, once again, he encountered Al-Qaeda fighters undergoing specialised sabotage training.

"There was training in the use of biological and chemical weapons there but they were not Iraqis doing it—only foreigners," he said.

"They were trained to put materials into small containers and study the biological effects. In the training areas there is a field especially for weapons of mass destruction. Here, experts hold lectures and conduct biological experiments—theoretical experiments, of course—on how to place explosives or how to pollute specific areas, water and public places and ventilation systems as well as power stations. They had maps of the USA, Britain, Turkey, Iran and Saudi Arabia."

Mohammed's claims illustrate the challenge American officials face in determining the quality of information from defectors whose hatred of the Iraqi regime may lead them to embellish their accounts.

The intelligence services have struggled to find convincing evidence of links between Iraq and Al-Qaeda. Saddam's secular regime has little in common with Bin Laden except for a shared hatred of America and Israel.

However, Abbas al-Janabi, who spent 15 years as personal assistant to Uday, Saddam's son, before fleeing to the West in 1998 and who is regarded as one of the most reliable senior defectors, is convinced that there is a connection between Bin Laden and Saddam. Last week he said he had learnt that Iraqi officials had visited Afghanistan and Sudan to strengthen ties with Al-Qaeda. He also knew of a top secret centre near Baghdad where "foreigners" trained with Iraqis.

"This was a sort of factory for turning out instructors," Janabi said. "They trained both Iraqis and foreign nationals. Suicide squads were trained in sabotage techniques using weapons of mass destruction. They were well paid, well fed and their families well looked after." Janabi predicted that in the event of war with the West, Saddam would deploy bio-weapons including smallpox.

The training described by Mohammed and Jannabi raises the possibility that Iraq has been passing on expertise learnt from the East Germans during the cold war. At Massow, a camp just south of Berlin, secret police instructors taught Iraqis how to attack civilian targets using chemical and biological warfare agents.

A former Stasi lieutenant-colonel said: "The courses emphasised chemical weapons which attack the nervous system. They were also taught how to deploy bacteriological weapons—influenza, anthrax and yellow fever."

In a Kurdish prison in Sulaimaniya, northern Iraq, further corroboration of claims that Saddam and Bin Laden have co-operated has come from an Iraqi who has admitted working for the Mukhabarat. He said that Bin Laden's second-in-command, the Egyptian doctor Ayman al-Zawahiri, had met Saddam in Baghdad in 1992. "I was one of the people responsible for his protection," he claimed.

The prisoner seemed well informed about Unit 999. Men attached to Al-Qaeda had been dispatched, from there to Afghanistan, Lebanon, Sudan and to a base in Somalia from where they were reassigned, he said. Some fighters trained by the Iraqis had joined Al-Ansar Al-Islam, the Allies of Islam, a militant Islamic group based in eastern Kurdistan.

Acts of terror by this group are beginning to pose a serious threat to stability in the area. Al-Ansar is blamed for trying to assassinate Dr Barham Salih, prime minister of the Kurdish regional government, in April. Two would-be assassins were killed and a third was captured. During the subsequent investigation the captive reportedly admitted that Al-Qaeda had recruited him in Jordan.

There is also growing evidence that Bin Laden's supporters are crossing through Iran from Afghanistan to join AlAnsar. Inhabitants of Halabja, the town gassed by the Iraqi army in 1988, live in fear of Al-Ansar reprisals against anyone considered pro-western.

With the prospect of American intervention in northern Iraq looming, Al-Ansar could prove dangerous. Its objective is to overthrow the pro-western Kurdish regional governments and to set up an Islamic state modelled on the Taliban's rule in Afghanistan.

[From Global Security.org, Dec. 14, 2002]

SALMAN PARK—IRAQ SPECIAL WEAPONS FACILITIES

Former Iraqi military officers have described a highly secret terrorist training facility at Salman Pak, where both Iraqis and non-Iraqi Arabs receive training on hijacking planes and trains, planting explosives in cities, sabotage, and assassinations.

The Salman Pak biological warfare facility was located on a peninsula caused by a bend in the Tigris river, approximately five kilometers (km) from the arch located in the town of Salman Pak. The facility area comprised more than 20 square km, and might have been known as a farmers (or agricultural) experimentation center. The peninsula was fenced off and patrolled by a large guard force. Immediately inside and to the east of the fence line were two opulent villas: the larger built for Iraqi president Saddam Hussein and the other for his half-brother, Barazan alTikriti. A main paved road ran through the center of the Salman Pak facility/peninsula.

Plans were made in the mid-1980's to develop the Salman Pak site into a secure biological warfare research facility. Dr Rihab Taha, head of a small biological weapons research team, continued to work with her team at al-Muthanna until 1987 when it moved to Salman Pak, which was under the control of the Directorate of General Intelligence.

Located at the facility are several buildings. The probable main research building at the site is a modern building, composed of twenty four rooms, housing a major BW research facility. Using current technology the research area alone had sufficient floor space to accommodate several continuous flow or batch fermenters that could produce daily sufficient anthrax bacteria to lethally assault hundreds of square kilometers. Adjacent to the research building is a storage area which contains four munitions type storage bunkers with lighting arrestors. Two of these bunkers have facilities for storage of temperature sensitive biological material. Approximately a mile down the road from the research area is a complex US intelligence believe to be an engineering area. One building in this complex was thought to contain a fermentation pilot plant capable of scale up production of BW agents. A construction project comprising several buildings was begun in early 1989 adjacent to the engineering area, and was near completion in 1990. This new complex was assessed as a pharmaceutical production plant. As such, this facility would have an extensive capability for biological agent production.

Salman Pak, located 30–40 km SE of Baghdad, engaged in laboratory scale research on Anthrax, Botulinum toxin, Clostridium, perfringens (gas gangrene), mycotoxins, aflatoxins, and Ricin. Researchers at this site carried out toxicity evaluations of these agents and examined their growth characteristics and survivability.

Equipment-moving trucks and refrigerated trucks were observed at the Salman Pak BW facility prior to the onset of bombing, suggesting that Iraq was moving equipment or material into or out of the facility. Information obtained after the conflict revealed that Iraq had moved BW agent production equipment from Salman Pak to the Al Hakam suspect BW facility.

The Qadisiya State Establishment [aka Al-Qadsia], involved in the program to produce Al Hussein class missiles, is apparently located nearby, along with the Al-Yarmouk facility which according to some reports was associated with the chemical munitions program [and which other reports place at Yusufiyah].

Iraq told UN inspectors that Salman Pak was an anti-terror training camp for Iraqi special forces. However, two defectors from Iraqi intelligence stated that they had worked for several years at the secret Iraqi government camp, which had trained Islamic terrorists in rotations of five or six months since 1995. Training activities including simulated hijackings carried out in an airplane fuselage [said to be a Boeing 707] at the camp. The camp is divided into distinct sections. On one side of the camp young, Iraqis who were members of Fedayeen Saddam are trained in espionage, assassination techniques and sabotage. The Islamic militants trained on the other side of the camp, in an area separated by a small lake, trees and barbed wire. The militants reportedly spent time training, usually in groups of five or six, around the fuselage of the airplane. There were rarely more than 40 or 50 Islamic radicals in the camp at one time.

[From townhall.com, June 18, 2004]

WRONG AGAIN

(By Richard Miniter)

Every day it seems another American soldier is killed in Iraq. These grim statistics have become a favorite of network news anchors and political chat show hosts. Nevermind that they mix deaths from accidents with actual battlefield casualties; or that the average is actually closer to one American death for every two days; or that enemy deaths far outnumber ours. What matters is the overall impression of mounting, pointless deaths.

That is why it is important to remember why we fight in Iraq—and who we fight. Indeed, many of those sniping at U.S. troops are al Qaeda terrorists operating inside Iraq. And many of bin Laden's men were in Iraq prior to the liberation. A wealth of evidence on the public record—from government reports and congressional testimony to news accounts from major newspapers—attests to longstanding ties between bin Laden and Saddam going back to 1994.

Those who try to whitewash Saddam's record don't dispute this evidence; they just ignore it. So let's review the evidence, all of it on the public record for months or years:

Abdul Rahman Yasin was the only member of the al Qaeda cell that detonated the 1993 World Trade Center bomb to remain at large in the Clinton years. He fled to Iraq. U.S. forces recently discovered a cache of documents in Tikrit, Saddam's hometown, that show that Iraq gave Mr. Yasin both a house and monthly salary.

Bin Laden met at least eight times with officers of Iraq's Special Security Organization, a secret police agency run by Saddam's son Qusay, and met with officials from Saddam's mukhabarat, its external intelligence service, according to intelligence made public by Secretary of State Colin Powell, who was speaking before the United Nations Security Council on February 6, 2003.

Sudanese intelligence officials told me that their agents had observed meetings between Iraqi intelligence agents and bin Laden starting in 1994, when bin Laden lived in Khartoum. Bin Laden met the director of the Iraqi mukhabarat in 1996 in Khartoum, according to Mr. Powell. An al Qaeda operative now held by the U.S. confessed that in the mid-1990s, bin Laden had forged an agreement with Saddam's men to cease all terrorist activities against the Iraqi dictator, Mr. Powell told the United Nations.

In 1999 the Guardian, a British newspaper, reported that Farouk Hijazi, a senior officer in Iraq's mukhabarat, had journeyed deep into the icy mountains near Kandahar, Afghanistan, in December 1998 to meet with al Qaeda men. Mr. Hijazi is "thought to have offered bin Laden asylum in Iraq," the Guardian reported.

In October 2000, another Iraqi intelligence operative, Salah Suleiman, was arrested near the Afghan border by Pakistani authorities, according to Jane's Foreign Report, a respected international newsletter. Jane's reported that Suleiman was shuttling between Iraqi intelligence and Ayman al Zawahiri, now al Qaeda's No. 2 man.

(Why are all of those meetings significant? The London Observer reports that FBI investigators cite a captured al Qaeda field manual in Afghanistan, which "emphasizes the value of conducting discussions about pending terrorist attacks face to face, rather than by electronic means.")

As recently as 2001, Iraq's embassy in Pakistan was used as a "liaison" between the Iraqi dictator and al Qaeda, Mr. Powell told the United Nations.

Spanish investigators have uncovered documents seized from Yusuf Galan—who is charged by a Spanish court with being "directly involved with the preparation and planning" of the Sept. 11 attacks—that show the terrorist was invited to a party at the Iraqi embassy in Madrid. The invitation used his "al Qaeda nom de guerre," London's Independent reports.

An Iraqi defector to Turkey, known by his cover name as "Abu Mohammed," told Gwynne Roberts of the Sunday Times of London that he saw bin Laden's fighters in camps in Iraq in 1997. At the time, Mohammed was a colonel in Saddam's Fedayeen. He described an encounter at Salman Pak, the training facility southeast of Baghdad. At that vast compound run by Iraqi intelligence, Muslim militants trained to hijack planes with knives—on a full-size Boeing 707. Col. Mohammed recalls his first visit to Salman Pak this way: "We were met by Colonel Jamil Kamil, the camp manager, and Major Ali Hawas. I noticed that a lot of people were queuing for food. (The major) said to me: 'You'll have nothing to do with these people. They are Osama bin Laden's group and the PKK and Mojahedin-e Khalq.'"

In 1998, Abbas al-Janabi, a longtime aide to Saddam's son Uday, defected to the West. At the time, he repeatedly told reporters that there was a direct connection between Iraq and al Qaeda.

The Sunday Times found a Saddam loyalist in a Kurdish prison who claims to have been Dr. Zawahiri's bodyguard during his 1992 visit with Saddam in Baghdad. Dr. Zawahiri was a close associate of bin Laden at the time and was present at the founding of al Qaeda in 1989.

Following the defeat of the Taliban, almost two dozen bin Laden associates "converged on Baghdad and established a base of operations there," Mr. Powell told the United Nations in February 2003. From their Baghdad base, the secretary said, they supervised the movement of men, materiel and money for al Qaeda's global network.

In 2001, an al Qaeda member "bragged that the situation in Iraq was 'good,'" according to intelligence made public by Mr. Powell.

That same year, Saudi Arabian border guards arrested two al Qaeda members entering the kingdom from Iraq.

Abu Musaab al-Zarqawi oversaw an al Qaeda training camp in Afghanistan, Mr. Powell told the United Nations. His specialty was poisons. Wounded in fighting with U.S. forces, he sought medical treatment in Baghdad in May 2002. When Zarqawi recovered, he restarted a training camp in northern Iraq. Zargawi's Iraq cell was later tied to the October 2002 murder of Lawrence Foley, an official of the U.S. Agency for International Development, in Amman, Jordan. The captured assassin confessed that he received orders and funds from Zarqawi's cell in Iraq, Mr. Powell said. His accomplice escaped to Iraq.

Zarqawi met with military chief of al Qaeda, Mohammed Ibrahim Makwai (aka Saif al-Adel) in Iran in February 2003, according to intelligence sources cited by the Washington Post.

Mohammad Atef, the head of al Qaeda's military wing until the U.S. killed him in

Afghanistan in November 2001, told a senior al Qaeda member now in U.S. custody that the terror network needed labs outside of Afghanistan to manufacture chemical weapons, Mr. Powell said. "Where did they go, where did they look?" said the secretary. "They went to Iraq."

Abu Abdullah al-Iraqi was sent to Iraq by bin Laden to purchase poison gases several times between 1997 and 2000. He called his relationship with Saddam's regime "successful," Mr. Powell told the United Nations.

Mohamed Mansour Shahab, a smuggler hired by Iraq to transport weapons to bin Laden in Afghanistan, was arrested by anti-Hussein Kurdish forces in May, 2000. He later told his story to American intelligence and a reporter for the New Yorker magazine.

Documents found among the debris of the Iraqi Intelligence Center show that Baghdad funded the Allied Democratic Forces, a Ugandan terror group led by an Islamist cleric linked to bin Laden. According to a London's Daily Telegraph, the organization offered to recruit "youth to train for the jihad" at a "headquarters for international holy warrior network" to be established in Baghdad.

Mullah Melan Krekar, ran a terror group (the Ansar al-Islam) linked to both bin Laden and Saddam Hussein. Mr. Krekar admitted to a Kurdish newspaper that he met bin Laden in Afghanistan and other senior al Qaeda officials. His acknowledged meetings with bin Laden go back to 1988. When he organized Ansar al Islam in 2001 to conduct suicide attacks on Americans, "three bin Laden operatives showed up with a gift of $300,000 'to undertake jihad,'" Newsday reported. Mr. Krekar is now in custody in the Netherlands. His group operated in portion of northern Iraq loyal to Saddam Hussein—and attacked independent Kurdish groups hostile to Saddam. A spokesman for the Patriotic Union of Kurdistan told a United Press International correspondent that Mr. Krekar's group was funded by "Saddam Hussein's regime in Baghdad."

After October 2001, hundreds of al Qaeda fighters are believed to have holed up in the Ansar al-Islam's strongholds inside northern Iraq.

Some skeptics dismiss the emerging evidence of a longstanding link between Iraq and al Qaeda by contending that Saddam ran a secular dictatorship hated by Islamists like bin Laden.

In fact, there are plenty of "Stalin-Roosevelt" partnerships between international terrorists and Muslim dictators. Saddam and bin Laden had common enemies, common purposes and interlocking needs. They shared a powerful hate for America and the Saudi royal family. They both saw the Gulf War as a turning point. Saddam suffered a crushing defeat which he had repeatedly vowed to avenge. Bin Laden regards the U.S. as guilty of war crimes against Iraqis and believes that non-Muslims shouldn't have military bases on the holy sands of Arabia. Al Qaeda's avowed goal for the past ten years has been the removal of American forces from Saudi Arabia, where they stood in harm's way solely to contain Saddam.

The most compelling reason for bin Laden to work with Saddam is money. Al Qaeda operatives have testified in federal courts that the terror network was always desperate for cash. Senior employees fought bitterly about the $100 difference in pay between Egyptian and Saudis (the Egyptians made more). One al Qaeda member, who was connected to the 1998 embassy bombings, told a U.S. federal court how bitter he was that bin Laden could not pay for his pregnant wife to see a doctor.

Bin Laden's personal wealth alone simply is not enough to support a profligate global organization. Besides, bin Laden's fortune is probably not as large as some imagine. Informed estimates put bin Laden's pre-Sept. 11, 2001 wealth at perhaps $30 million. $30 million is the budget of a small school district, not a global terror conglomerate. Meanwhile, Forbes estimated Saddam's personal fortune at $2 billion.

So a common enemy, a shared goal and powerful need for cash seem to have forged an alliance between Saddam and bin Laden. CIA Director George Tenet recently told the Senate Intelligence Committee: "Iraq has in the past provided training in document forgery and bomb making to al Qaeda. It also provided training in poisons and gasses to two al Qaeda associates; one of these [al Qaeda] associates characterized the relationship as successful. Mr. Chairman, this information is based on a solid foundation of intelligence. It comes to us from credible and reliable sources. Much of it is corroborated by multiple sources.

The Iraqis, who had the Third World's largest poison-gas operations prior to the Gulf War I, have perfected the technique of making hydrogen-cyanide gas, which the Nazis called Zyklon-B. In the hands of al Qaeda this would be a fearsome weapon in an enclosed space like a suburban mall or subway station.

[From Talk Radio News Service, June 17, 2004]

(Excerpt from the media availability following the hearing of the National Commission on Terrorist Attacks Upon the United States. Participants: Thomas Kean, Commission Chairman; Lee Hamilton, Commission Co-Chairman.)

QUESTION. The Associated Press is reporting this morning that President Bush has disputed your finding that there was no collaborative relationship between Saddam Hussein and al Qaeda. Would you like to comment on that?

Mr. KEAN. Well, what we're going on is the evidence we have found. What we have found is that, were there contacts between al Qaeda and Iraq? Yes. Some of it is shadowy, but there's no question they were there. That is correct. What our staff statement found is there is no credible evidence that we can discover, after a long investigation, that Iraq and Saddam Hussein in any way were part of the attack on the United States.

Mr. HAMILTON. I must say I have trouble understanding the flack over this. The vice president is saying, I think, that there were connections between al Qaeda and Saddam Hussein's government. We don't disagree with that. What we have said is what the governor just said, we don't have any evidence of a cooperative, or a corroborative relationship between Saddam Hussein's government and these al Qaeda operatives with regard to the attacks on the United States. So it seems to me the sharp differences that the press has drawn, the media has drawn, are not that apparent to me.

Mr. KUCINICH. Mr. Chairman, I yield myself such time as I may consume.

I want to thank the gentleman from Illinois for helping to demonstrate the very reason why it is important to have an Inspector General's audit because of all the conflicting information. So I appreciate his presenting his side.

Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. HARMAN), our ranking member.

Ms. HARMAN. Mr. Chairman, I thank the gentleman for yielding me this time.

I believe that having the CIA Inspector General conduct an impartial independent audit of the intelligence reporting on this matter is a good idea, and I support his amendment.

Let me just mention something that I do not believe has come up the debate, and that is that there is a real difference pre-war and post-war. From my review of the sources provided to our committee on the nature of this relationship, I have concluded that pre-war there were contacts but no operational relationship. Post-war is a different story. Post-war there is an operational relationship between terrorists and folks on the ground in Iraq. Saddam Hussein is no longer there, but there is a massive both recruiting and enabling effort in Iraq for terrorists around the world. Iraq has now become fly paper.

Let me just suggest to the amendment's sponsor that the results of the audit should be made public. I think that might help eradicate some of the confusion that has been discussed.

I think his amendment is a public service, and I support it.

Mr. GOSS. Mr. Chairman, I yield 1 minute to the distinguished gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Chairman, I do not oppose the amendment, but I resent the implication that the President did something wrong. And I would like to read.

"That's why I supported the Iraq thing. There was a lot of stuff unaccounted for. I thought the President had an absolute responsibility to go to the U.N. and say, 'Look, guys, after 9-11 you have got to demand that Saddam Hussein lets us finish the inspection process. I supported what he did going into Iraq. What I was far more worried about was that he'd sell this stuff or give it away. Same thing I've always been worried about North Korea's nuclear and al Qaeda, as well as North Korea giving away nuclear components."

This is President Bill Clinton. And al Qaeda was there in Iraq. Al Qaeda had significant ties to that. Saddam Hussein paid people to blow themselves up in Israel and kill American citizens. So the implication that al Qaeda was not in Iraq I oppose. But I do not oppose going in and researching exactly what those were.

[From Time Magazine, June 28, 2004]

You know, I have repeatedly defended President Bush against the left on Iraq, even though I think he should have waited until the U.N. inspections were over. I don't believe he went in there for oil. We didn't go in there for imperialist or financial reasons. We went in there because he bought the Wolfowitz-Cheney analysis that the Iraqis would be better off, we could shake up the authoritarian Arab regimes in the Middle East, and our leverage to make peace between the Palestinians and Israelis would be increased.

At the moment the U.N. inspectors were kicked out in 1998, this is the proper language: there were substantial quantities of botulinum and aflatoxin, as I recall, some bioagents, I believe there were those, and VX and ricin, chemical agents, unaccounted for. Keep in mind, that's all we ever had to work on. We also thought there were a few missiles, some warheads, and maybe a very limited amount of nuclear laboratory capacity.

After 9/11, let's be fair here, if you had been President, you'd think, Well, this fellow bin Laden just turned these three airplanes full of fuel into weapons of mass destruction, right? Arguably they were super-powerful chemical weapons. Think about it that way. So, you're sitting there as President, you're reeling in the aftermath of this, so, yeah, you want to go get bin Laden and do Afghanistan and all that. But you also have to say, Well, my first responsibility now is to try everything possible to make sure that this terrorist network and other terrorist networks cannot reach chemical and biological weapons or small amounts of fissile material. I've got to do that.

That's why I supported the Iraq thing. There was a lot of stuff unaccounted for. So I thought the President had an absolute responsibility to go to the U.N. and say, "Look, guys, after 9/11, you have got to demand that Saddam Hussein lets us finish the inspection process. You couldn't responsibly ignore [the possibility that] a tyrant had these stocks. I never really thought he'd [use them]. What I was far more worried about was that he'd sell this stuff or give it away. Same thing I've always been worried about North Korea's nuclear and missile capacity. I don't expect North Korea to bomb South Korea, because they know it would be the end of their country. But if you can't feed yourself, the temptation to sell this stuff is overwhelming. So that's why I thought Bush did the right thing to go back. When you're the President, and your country has just been through what we had, you want everything to be accounted for.

ON WHETHER THE IRAQ WAR WAS WORTH THE COSTS

It's a judgment that no one can make definitively yet. I would not have done it until after Hans Blix finished his job. Having said that, over 600 of our people have died since the conflict was over. We've got a big stake now in making it work. I want it to have been worth it, even though I didn't agree with the timing of the attack. I think if you have a pluralistic, secure, stable Iraq, the people of Iraq will be better off, and it might help the process of internal reform in Saudi Arabia and elsewhere. I think right now, getting rid of Saddam's tyranny, ironically, has made Iraq more vulnerable to terrorism coming in from the outside. But any open society is going to be more vulnerable than any tyranny to that.

Mr. KUCINICH. Mr. Chairman, I yield 45 seconds to the gentleman from Texas (Mr. REYES).

Mr. REYES. Mr. Chairman, I thank the gentleman for yielding me this time.

I rise in support of this amendment, and I appreciate the remarks of our colleagues on the other side of the aisle because it is important to set the record straight, let the facts come out and see where everything was.

I would remind everybody that for a whole year, post-9-11, when intelligence people would come and brief our committee, I would ask what was the connection between al Qaeda and Saddam Hussein, and repeatedly their answer was none. In one case, one individual said there might have been, if we stretch it, one instance. But I think it is important that we get to the bottom of this. This is a right way to do it. This is something that the whole House should support, and I applaud the gentleman for offering it.

Mr. KUCINICH. Mr. Chairman, I yield myself such time as I may consume.

I just want to thank all my colleagues for their perspectives as to why this is a necessary amendment and comment that today that Admiral Stansfield Turner has also endorsed this amendment. I want to thank the chairman and ranking member for supporting it.

Mr. KUCINICH. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. KUCINICH).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. KUCINICH. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Ohio (Mr. KUCINICH) will be postponed.

It is now in order to consider amendment No. 9 printed in House Report 108-561.

AMENDMENT NO. 9 OFFERED BY MR. SIMMONS

Mr. SIMMONS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. SIMMONS:

At the end of title III (page 11, after line 8), insert the following new section:

SEC. 304. REPORT ON USE OF OPEN SOURCE INTELLIGENCE.

Not later than 6 months after the date of the enactment of this Act, the Director of Central Intelligence shall submit to Congress an unclassified report on progress made by the intelligence community with respect to the use of Open Source Intelligence (OSINT).

The CHAIRMAN. Pursuant to House Resolution 686, the gentleman from Connecticut (Mr. SIMMONS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Connecticut (Mr. SIMMONS).

□ 1945

Mr. SIMMONS. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I rise today to urge my colleagues to support my amendment, and I thank the Committee on Rules and the distinguished chairman of the Permanent Select Committee on Intelligence for endorsing this amendment. It is quite simple. It directs the Director of Central Intelligence to prepare over a 6-month period a report on the progress of open sources of intelligence.

Open-source intelligence refers to an intelligence discipline based on information collected from open sources, generally available to the public.

In the mid-1990s, it was my honor to command the 434th Military Intelligence Detachment, a U.S. Army reserve unit affiliated with Yale University and located in New Haven, Connecticut. With the active participation of Chief Warrant Officer Tompkins and Sergeant Eliot Jardines, our unit wrote the first handbook for open-source intelligence for the U.S. Army.

Today, Mr. Jardines has provided me with some interesting photographs that at first look like highly classified aerial photographs of the uranium enrichment facility in Iran, and it shows here the enrichment facility being built; and then in this photograph, it has been covered with dirt, and you can see a large security or perimeter fence around it.

A closer look at this aerial image again shows the construction of the enrichment facility and then how it has been buried in Iran, presumably to keep it a secret from the rest of the world.

These are not classified. These images were obtained from open sources; and the beauty of open source in this particular instance, Mr. Chairman, is that these images can be e-mailed around the country and around the world for others to look at them and to assist in the analysis process.

Why is open source so important? It is important because there is a vast amount of information available in the public sector. It can be shared. It can be shared with other countries. It can be transported without concern about classification.

Recently, the Joint Military Intelligence Training Center published an open-source exploitation guide. A few years previously, the "Open-source Quarterly" published additional information on how we can enhance our intelligence capabilities with open source, but this May the U.S. Army distributed FM 2-0 on intelligence, and they left open source out altogether. That is unfortunate, at a time when our intelligence performance is being questioned.

At a time when every scrap of information is needed to piece together the puzzle presented by terrorist operations, there could be no better time than to incorporate the value of OSINT to our overall intelligence product and make it available to our policymakers and our military forces.

I ask my colleagues to join me in supporting this important amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Who seeks time in opposition to the amendment?

Ms. HARMAN. Mr. Chairman, I do not oppose the amendment, but I will control the time on this.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume, and I want the gentleman to know that I support his amendment.

For years the Permanent Select Committee on Intelligence has extolled the virtues of open-source reporting, as he calls it, OSINT. Often they are the most reliable form of intelligence available, as his charts illustrate. Yet, in spite of this, I believe the intelligence community has not invested sufficiently in open sources of information, and I am pleased that this amendment is being offered, and I think it improves the bill we are debating.

On that subject, Mr. Chairman, let me just return to an earlier conversation about full funding of counterterrorism. While we have been spending the last 4 hours on the floor, a letter was received from the DCI, George Tenet. It was addressed to me and to the gentleman from Florida (Chairman GOSS), and he states in his letter that he is planning to release it. It is a comment on the majority report language to the bill, and I just want to quote in part.

He says, this is a letter dated today: "I find it hard to accept that any serious observer would believe, as the committee apparently does, that there is an unhealthy emphasis on counterterrorism and counterproliferation efforts or that we are placing too much emphasis supporting the Nation's Iraq effort at the CIA. I am deeply disappointed at the way the report has chosen to question the leadership and capabilities of the clandestine service."

Now, these are the opinions of DCI George Tenet. I would just point out at this point in the debate that the minority was never consulted about the majority report. We filed our own report, and I would just like the record to reflect that these are the reactions of DCI George Tenet to portions of the majority report.

Mr. Chairman, I reserve the balance of my time.

Mr. SIMMONS. Mr. Chairman, I yield 1 minute to my friend and distinguished colleague, the gentleman from Illinois (Mr. KIRK), who is also a naval intelligence officer.

Mr. KIRK. Mr. Chairman, I rise in support of the Simmons amendment. Unlike some other amendments in this bill that are offered for partisan advantage, this amendment is offered by a former CIA officer with detailed knowledge of how the U.S. intelligence community works. To my knowledge, there are only three current Members of Congress who work with the CIA: our chairman, the gentleman from Florida (Mr. GOSS), the author of this amendment; the gentleman from Connecticut (Mr. SIMMONS); and me, who is detailed to the CIA from navy intelligence.

This amendment seeks to change our intelligence culture to become more effective in the age of the Internet. Today, every two-bit terror organization in the world has a Web site broadcasting information on its activities. Internet news, political parties, and foreign government sites all offer new material to our intelligence community.

For years in the cold war, our enemies collected open-source data on us, but we were forced to collect secret data on them. That is now changing. There is a wealth of open-source data on our adversaries. Every analyst in the community should be encouraged to use as much current and accurate open-source data as possible; and I applaud the gentleman, who knows the CIA so well, for offering this amendment to keep our culture up to date with the current technology.

Ms. HARMAN. Mr. Chairman, how much time is remaining on our side?

The CHAIRMAN. The gentlewoman from California (Ms. HARMAN) has 3 minutes remaining. The gentleman from Connecticut (Mr. SIMMONS) has 1 minute remaining.

Ms. HARMAN. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. HOLT), a member of our committee.

Mr. HOLT. Mr. Chairman, I rise in strong support of the Simmons amendment. To set the record straight, there is on this side an alumnus of the intelligence community. I also used to work in the intelligence community, and I can assure my colleagues that the agencies make much less use of the wealth of open-source information than they could.

Open sources mean more than searching the Internet for printed material or extending the reach of the foreign broadcast information service. There are now commercial companies with high-quality imagery from satellites. There is mature technology for using commercial radio and television broadcasts as illumination sources to passively detect and track aircraft. These techniques could be used to augment air surveillance, for example. The Internet, as we are all aware, could be exploited for many intelligence purposes and so on.

There is much we could do. Last year, I sponsored in this very authorization bill a provision that required the intelligence community to report to us on how new approaches of open-source intelligence would be incorporated into intelligence products. Although that report is, I am told, in final coordination now, we still have not received it. So I think it is appropriate to put this language into the bill, not just report language, so that the intelligence community will make full use of open-source information.

Mr. Chairman, I commend my colleague once again this evening for his statement and offer strong support for the Simmons amendment.

Mr. SIMMONS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the gentleman from New Jersey for his very appropriate comments, and I am glad to hear that we share a mutual interest.

In closing, I would simply like to draw attention to a book called "The New Craft of Intelligence," which focuses on open source. The distinguished chairman of the Senate committee made the comment in the preface, "Secret intelligence alone cannot protect America."

This amendment is designed to address that issue.

Mr. Chairman, I yield the balance of my time to the gentleman from Florida (Mr. GOSS), the distinguished chairman of the committee.

The CHAIRMAN. The gentleman from Florida is recognized for 30 seconds.

Mr. GOSS. Mr. Chairman, I rise in support, and associate myself with a distinguished member of the Permanent Select Committee on Intelligence who knows his stuff.

All-source intelligence sometimes gets confused with open-source intelligence. I think it is important to know that a huge percentage of all-source intelligence is open-source intelligence and is very valuable in the filters and the proper analysis. So I support the amendment.

Mr. Chairman, I also want to give notice that I am going to put at the proper time a statement of the Speaker of the House in the RECORD in support of this bill.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to reiterate my support for this amendment and point out one of the ironies, which is that our committee has been learning much of what it needs to do its oversight from open sources, rather than from the regular channels. I am glad we have open sources. Otherwise, we would have very little information. So that is just another reason why the gentleman's amendment is so useful, and I strongly support it.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. SIMMONS).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. SIMMONS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Connecticut (Mr. SIMMONS) will be postponed.

It is now in order to consider amendment No. 10, printed in House Report 108-561.

AMENDMENT NO. 10 OFFERED BY MR. REYES

Mr. REYES. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. REYES:

At the end of title III, insert the following new section:

SEC. 304. REQUIREMENT FOR IMMEDIATE SUBMITTAL OF DOCUMENTS RELATING TO DETAINEES OF THE UNITED STATES.

(a) WITHHOLDING OF 25 PERCENT OF FUNDING FOR CERTAIN PROGRAMS.—25 percent of amounts otherwise available to carry out the functions or duties under the following programs may not be obligated or expended until the date on which all of the documents described in subsection (b) are submitted to the appropriate congressional committees:

(1) The Central Intelligence Agency Program.

(2) The Army Tactical Intelligence and Related Activities Program.

(3) The General Defense Intelligence Program.

(4) The Joint Military Intelligence Program.

(b) DOCUMENTS DESCRIBED.—The documents referred to in subsection (a) are all documents, including reports, correspondence, legal memoranda, and electronic communications related to the handling and treatment of detainees under the custody and control of the United States or individuals held on behalf of the United States in Iraq, Afghanistan, Guantanamo Bay, Cuba, and elsewhere.

(c) APPROPRIATE CONGRESSIONAL COMMITTEES.—In this section, the term "appropriate congressional committees" means the following:

(1) The Select Committee on Intelligence, the Committee on Armed Services, and the Committee on Appropriations of the Senate.

(2) The Permanent Select Committee on Intelligence, the Committee on Armed Services, and the Committee on Appropriations of the House of Representatives.

The CHAIRMAN. Pursuant to House Resolution 686, the gentleman from Texas (Mr. REYES) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Texas (Mr. REYES).

Mr. REYES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I offer an amendment to the Intelligence authorization bill aimed at getting the full story on the prisoner abuse issue at places such as Abu Ghraib and Afghanistan.

The abuses of Iraqi detainees at Abu Ghraib were reprehensible; I think we can all agree on that. Colleagues on both sides of the aisle have agreed on that, particularly after reviewing the now-infamous photos behind closed doors that were made available to us on Capitol Hill.

I am equally disturbed by the indictment of CIA contractor David Passaro, who allegedly assaulted a detainee at a detention facility in Afghanistan. This indictment is yet another sobering reminder that the detainee abuses were not limited to the Abu Ghraib prison.

Make no mistake: interrogations are critical to the war on terrorism. I know that; I respect that. They are one way of generating dots that might lead to the intelligence community, providing information on the next terrorist plot.

But the prisoner abuse issue and the broader issue of our interrogation policy is one that cries out for stronger congressional oversight. Congress has got to get that straight and has got to get the story and understand how interrogations may have gone off track. Anything short of that would be a breach of faith with the American public which expects us to conduct vigorous oversight on issues of importance such as this.

The intelligence community has been trying to get the straight story on Abu Ghraib. We have had five hearings thus far. But, frankly, the witnesses that have appeared before our committee have not been very forthcoming, in my opinion. Nor up until last night has the Department of Defense been very forthright with key documents for the committee, documents that we have requested, including documents from the Defense Department, which they promised to provide to our committee.

Our sixth hearing was to be an all-day affair, the majority's chosen topic that day: the value of interrogations. While that is a legitimate area of inquiry, it is not what I would call hard-hitting oversight, nor would it have enhanced our understanding of the events that occurred at Abu Ghraib.

My amendment would strengthen oversight in the Intelligence authorization bill. It would hold the executive branch's feet to the fire by fencing a large sum of money until the committee received all the documents related to the handling and the treatment of detainees in Iraq, Afghanistan, Guantanamo Bay, and elsewhere. It is intended to underscore the seriousness of the prisoner abuse issue and the committee's determination to get the straight story. It will take the Department of Defense little time at all to comply with this request from our committee.

I offered this amendment during the committee's consideration of this bill. Although the amendment was defeated on straight party lines, I am pleased to report that yesterday the Department of Defense finally, finally, sent over a large batch of documents on interrogation policy.

It included many of the documents that the Permanent Select Committee on Intelligence was seeking, but not all of them. For example, it did not include the standard operating procedures for Guantanamo Bay which Major General Jeff Miller promised the committee; and it did not include documents related to interrogation policy in Iraq, signed by Lieutenant General Sanchez.

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Nor does it include Brigadier General Karpinski's December 2003 response to the Red Cross.

This authorization bill needs to be stronger on oversight. We need to do our job properly. We should not fall for the administration's selective provision of documents simultaneously released to us and to the media.

The majority's report language called this amendment a petty action masquerading as a good gesture. Petty or not, this amendment and other actions generated pressure that yielded results, which is more than a few hearings have accomplished to date.

I believe that there is more to the interrogation story, like the revelation last week that Secretary Rumsfeld ghosted a detainee at the request of CIA Director Tenet in direct conflict of testimony presented to our Permanent Select Committee on Intelligence.

For this and many other reasons that we have well documented, I urge my colleagues to support this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. GOSS. Mr. Chairman, I seek time in opposition.

The CHAIRMAN. The gentleman from Florida (Mr. GOSS) is recognized for 10 minutes.

Mr. GOSS. Mr. Chairman, I yield myself such time as I may consume.

This particular amendment was given very careful consideration in the committee, and it was voted down. We will have some reasons, and I am going to yield in a few minutes to the gentleman from Nevada (Mr. GIBBONS), not yet, to explain some of them, as the chairman of our Subcommittee on Human Intelligence, Analysis, and Counterintelligence.

But I think its it is important to note that our committee has really led, I think, very responsibly in the area of oversight. We have had, I believe it is five hearings now; we have something like close to 7,000 pages in seven or eight different categories. We are getting full cooperation. I do not understand exactly why it is there is a feeling that we need to go forward and shut down the money to the people who are carrying the war on terrorism because we feel they we are not getting enough cooperation. If we got much more cooperation, I would not have any staff available to prepare this bill, we have so many documents to work with. So there is no question that the oversight is being done.

I think to say this was a petty gesture posing as a grand gesture or whatever the language was is not off-base. It is unnecessary. I think we hashed this out in our committee, and I am sorry it has come back again. We are doing our job.

Now, before I yield to the gentleman from Nevada (Mr. GIBBONS), I do need to point out that, indeed, I just received the mail, my mail apparently does not come in quite as rapidly, but I too got the letter from Director Tenet; and it appears that Director Tenet is also having a problem with his mail, because he is referring here to language in a draft that is no longer relevant in making a complaint about language that does not exist.

It is true that in our report, and I will be happy to read on page 23 the offending language. The offending language is this: "The CIA must collect against all types of targets needed to gain the insights and the plans and intentions of our adversaries, be they terrorists, political, economic, military in nature. Countering the threat from terrorism is, of course, and should be at the top of the CIA's list of collection priorities, but the Central Intelligence Agency must continue to be much more than just a "central counterterrorism agency" if America is to be truly secure, prosperous, and free.

I do not think anybody disagrees with that. We have weapons of proliferation, we have counternarcotics efforts, we have racketeering, things going on. What we are saying here is what every member of the committee knows, that we have insufficiency of capability in the intelligence community to do all the tasks we need to protect America from all of the threats that are out there. And I quite agree that that is a matter that we have all expressed concern on, and that is what we have done.

I think for the Director to come back and suggest that there is an unhealthy emphasis on counterterrorism is a stretch; and I think he has had bad staff work, and I hope he takes care of it.

The second thing I would point out in the same letter is something that we have reported on today, and I am quoting: "The damage done by inattention to the clandestine service during the first half of the 1990s cannot be repaired in the blink of an eye."

We all know that. We all know we have an insufficiency problem, and we all understand that we have a threat that is serious and that we are trying to deal with it, and this bill builds back capability to deal with it.

Mr. Chairman, I yield such time as he may consume to the gentleman from Nevada (Mr. GIBBONS).

Mr. GIBBONS. Mr. Chairman, I thank the chairman for yielding me this time.

I rise in strong opposition to the amendment of my good friend, the gentleman from Texas (Mr. REYES), not only for what it says, but for what it does as well.

This amendment would withhold funding to the men and women of the intelligence community at the very time when they are engaged in the global war on terror. Let us be clear, Mr. Chairman, about what this amendment really does. They say it fences, but it really cuts, and I will explain that in a minute, it cuts vital intelligence funding. This is not just another innocuous document request.

This amendment cuts 25 percent of the funding going to our most critical intelligence program until Congress receives all of the documents relating to detainees in Iraq, Afghanistan, Guantanamo Bay, and elsewhere. The amendment does not name which documents; it just says all of the documents. That is as open-ended a question as any request could be, and I dare say that it would be impossible to ever satisfy that request.

What is really happening here is an attempt to play politics with intelligence funding at a time when we are at war. It is stunning to me to see this sort of thing happening. It is not right, and it should not happen. We should not be cutting off the funds for these agencies.

This is not the time to play politics or to be withholding intelligence funding. The ranking member says she is for more intelligence funding, and I believe that; yet she and her colleagues supported this measure in committee. It seems to me that if they were serious about the funding of the war on terrorism, they would not be offering this amendment.

American intelligence collectors and soldiers are under constant fire in Iraq, Afghanistan, and yes, elsewhere; and American civilians are being kidnapped and beheaded in gruesome videotaped ceremonies, and all the while this is happening, the opposition wants to withhold intelligence funding.

Mr. Chairman, the idea that someone is trying to hide documents from Congress or that the administration is stonewalling and is not providing the documents is foolishness. The committee has received excellent cooperation to date from the Defense Department and the CIA. This is just petty politics masquerading, as they say, as a grand gesture.

Here are the facts: earlier this month, the committee made an official request to Secretary Rumsfeld for the documents. That request, which was signed by both the HPSCI chairman and ranking member, is being honored. We have received thousands upon thousands of pages of documents, including the Miller report, the Ryder report, the Taguba report, and the Army's official interrogation manual.

Just yesterday, we received hundreds of pages of documents that included Presidential memos on al Qaeda and Taliban detainees, and internal DOD memoranda and Justice Department legal documents. We are getting the documents as fast as they can be gathered and forwarded to us.

The committee has held five, yes, five full committee meetings thus far on the detainee hearing. Our sixth hearing, the most substantial we have planned for to date, was scheduled for the same day as the Reagan funeral, so we had to reschedule it for July 13, 2004. But that hearing is going forward and will be an all-day affair, with three separate panels and some very senior people to talk to us about the detainee policy and procedures.

Mr. Chairman, we are getting the documents we requested. Let me also add that, as I said before, we have had a total of 63 different hearings on this between the Senate and the House on this issue. I think we are getting excellent cooperation. If we ask much more of these people on this issue, they will not be able to fight the war on terrorism; they will have to be here defending their position on this issue day in and day out.

This amendment is unnecessary, and it would only hurt the brave men and women who are out there trying to protect us.

Mr. Chairman, I ask all Members to oppose this amendment.

Mr. REYES. Mr. Chairman, I yield myself such time as I may consume.

I would remind my colleague that we have provided a specific list of documents that we required that have not been complied with. And as to giving them to us as quickly as they possibly can, how long does it take to have somebody copy the interrogation procedures of Guantanamo Bay and provide them to the committee? It takes at the most maybe a day, so they have not been forthcoming.

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. REYES. I yield to the gentleman from Florida.

Mr. GOSS. Mr. Chairman, what is the list the gentleman is referring to? The letter that the gentlewoman from California (Ms. HARMAN) and I have written we have had response to, and we are getting more response. What list is the gentleman referring to, may I ask?

Mr. REYES. Mr. Chairman, we have a comprehensive list of documents that have been put together. I will be glad to furnish it to the chairman.

Mr. GOSS. Mr. Chairman, if the gentleman will yield, is this a list that the committee has taken action on that has not been responded to?

Mr. REYES. Mr. Chairman, this was a list that we compiled of documents that were promised to us through the hearing process.

Mr. GOSS. May I ask who compiled the list? Who signed this request?

Mr. REYES. It was signed by the committee staff based on questions that we had and documents that had been provided.

If I may reclaim my time, Mr. Chairman, I yield 3 minutes to the gentleman from Washington (Mr. DICKS), my good friend and colleague and the former ranking member of this committee.

Mr. DICKS. Mr. Chairman, first of all, I want to rise in support of the Reyes amendment. I wanted to go back to the Rogers amendment just for a second, and I wanted to compliment the ranking member for opposing it.

Mr. Chairman, I served on the committee from 1990 to 1998. There was an understanding at the end of the Cold War, this was during the first Bush administration, that we were going to cut Defense by about 30 percent, 33 percent, but intelligence would be protected and held at about a 10 percent cut. It was believed that everything within this Defense budget should be reduced at that point in time.

So this was the policy laid down by DICK CHENEY and Colin Powell. This created the base for us, and when the new administration came into office in 1993, Jim Woolsey was the head of the CIA, and he felt that they had to make some contribution. But we protected Intelligence. We protected it at the time.

So the gentleman's information, the gentleman from Michigan's information, here is inaccurate; and I think it is too bad, really, that this is in these findings, because we all want to support the intelligence community tonight. But I could not support these findings. I could not ask one single Member of the Democratic Party to support these findings, because they are inaccurate. They are not correct, and they are distorted. Also, I thought we had a rule around here that we are not supposed to disclose intelligence information. I guess percentages do not count, but saying that the budget was cut a certain percentage, I think, is a mistake, and to acknowledge that publicly is a mistake.

So I just wanted to stand up here tonight and say this: the Reyes amendment is about not getting to the bottom of this. I remember when my good friend, the gentleman from Florida (Mr. GOSS), and I were on the committee together. We had every investigation imaginable into the Clinton administration. One could not think up something that we did not investigate. We went along with that, because we felt that doing the investigations was the right thing.

Now, on this one, guys, if we do not get to the bottom of this Guantanamo Bay and Iraqi prison thing, and if we do not insist that we get the information, I will be up here with a resolution of inquiry to demand that these Departments disclose this information.

Mr. GOSS. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Florida.

Mr. GOSS. Mr. Chairman, I thank my distinguished friend and colleague for yielding. I guarantee, if the gentleman came up and took a look at the record of what we are doing, have done and are continuing to do, you would be proud that the committee is doing oversight properly.

Now, I would also like, if the gentleman will allow me, to quote from the Director of Central Intelligence a letter.

Mr. DICKS. Mr. Chairman, I want to take back my time. The gentleman has time on his own now, and he can use his own time.

The CHAIRMAN. The gentleman's time has expired. The gentleman from Texas (Mr. REYES) has 1 minute remaining and the gentleman from Florida (Mr. GOSS) has 1½ minutes remaining.

Mr. REYES. Mr. Chairman, who has the right to close?

The CHAIRMAN. The gentleman from Florida has the right to close.

Mr. REYES. Mr. Chairman, I yield 45 seconds to the gentlewoman from California (Ms. HARMAN), the distinguished ranking member.

Ms. HARMAN. Mr. Chairman, I thank the gentleman for yielding me this time. I strongly support his amendment. I supported it in committee; I support it now.

We have not had full cooperation from the administration. We have not had candid testimony from witnesses. I would not say that this is a petty gesture. I think it is a profound gesture to insist that the oversight prerogative of our committee be respected and that the rule of law always apply to the interrogation of prisoners.

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Mr. REYES. Mr. Chairman, in closing I would like to remind our colleagues that Members on both sides of the aisle were exasperated many, many times because if we did not ask the right question or just the exact question, we were not provided the information that was requested.

Secondly, how many times have we held hearings and the day or weekend later we open up the newspaper and there is a conflicting story in there about information that we had been provided in the meeting.

So it is about our responsibility to do our oversight, it is about our responsibility to do this job right. I urge all Members to support this amendment.

Mr. Chairman, I yield back my time.

Mr. GOSS. Mr. Chairman, I want to respond just to my good friend the gentleman from Washington (Mr. DICKS) by giving you a statement that we just received from the Director of Central Intelligence. I just saw it. I read it a minute ago. "The damage done by inattention to the clandestine service during the first half of the 1990s cannot be repaired in the blink of an eye. It was severe."

Now, the problem is you want it both ways. You said it was protected. Actually, the administration did a pretty good job of trying to protect the administration. It was the democratically controlled Congress that cut the budget as we have pointed out earlier in this debate.

I will not defend or get involved in the Rogers amendment right now because we are talking about another amendment. But I will hold this up because this is why the problem exists. The promise was broken.

I quote, "Now that that struggle, the Cold War, is over, why is it that our vast intelligence apparatus continues to grow?" Now, that kind of statement just before no votes on supporting the intelligence community happens to have been made by such distinguished Members of the Congress as Senator JOHN KERRY. That was in May of 1997 from the RECORD. I got books full of that stuff. There is no doubt where the RECORD is. The Democratic party did not support the intelligence community.

If I said anything incorrect, I would be very happy to allow my colleague the opportunity on some other time to correct it, because he did not allow me to correct that.

But I will say that I think that we have covered the point that the gentleman from Texas (Mr. REYES) has asked. Is the letter that he is referring to is the letter that was signed only by minority Members? Is that the letter my colleague is referring to?

PREFERENTIAL MOTION OFFERED BY MR. DICKS

Mr. DICKS. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. DICKS moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The gentleman from Washington is recognized for 5 minutes in support of his preferential motion.

Mr. DICKS. Mr. Chairman, I want to take very strong exception to what the chairman of this committee, who I consider to be a personal friend, said to attack the Democrats in this House. And I was the ranking member of this committee for 4 years from 1994 to 1998. And we had bipartisan support for intelligence. And I think this is wrong to try to go back now and say after the Cold War was over, and there were some efforts, and it was first by the Bush administration, to reduce the money for defense. I mean, DICK CHENEY was one of the biggest budget hawks and cutters on defense. He cut the B–2, he tried to get rid of the V–22, the F–15, F–16. One can go right down the list.

Colin Powell was the chairman of the Joint Chiefs. They had what they called the base force which was one-third less than the size of the existing force. And as part of this downsizing, the intelligence community was cut by 10 percent.

That was the policy of the first Bush administration that was inherited by the Clinton administration. And I must say during the years that I was on the committee under Dan Glickman as chairman and Larry Combest and the gentleman from Florida (Mr. GOSS) as chairman, we were able to work on a bipartisan basis. And we supported intelligence. Now, we did not throw money at it. We tried to make sure that we invested wisely. We had to modernize all of our national technical means. But this was done on a bipartisan basis.

I am very sorry to see this breakdown this year, for the first time to see the partisanship enter into this. Because I do not think it is in the best interest of our Congress or our national security, and especially at a time when we are in a war-time situation. But to attack the Democrats, I say to the gentleman from Florida (Mr. GOSS), I think is uncalled for.

Ms. HARMAN. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentlewoman from California.

Ms. HARMAN. Mr. Chairman, I commend his service to the Congress and to the other body when we were both staffers. And I share his heat. I was standing on this floor just half an hour ago or so saying we all got it wrong. Mentioning the fact that starting in the first Bush administration and continuing in the early part of the Clinton administration, unfortunately, we disinvested in some critical parts of our intelligence and defense because we thought the world was safer.

And to see the chairman of this committee, my friend, the gentleman from Florida (Mr. GOSS), distort the record on the floor of the House is really surprising to me, stunning to me. I do not believe we on this side have done that. I think we have fairly shared across many administrations the mistakes that were made.

As my colleague from Florida has pointed out many times, Mr. Chairman, what changed at 9/11 was the audience. Then, finally, there was the political will to act in ways that many of us on a bipartisan basis thought were the correct ways way before 9/11. I commend the gentleman from Florida for thinking they were correct before 9/11. But, sadly, four hours of debate is reaching a very sorry end here.

The facts are the facts. The record should be accurate. And we on this side are trying to create an accurate record. And one of the things we have been urging is full funding of counterintelligence in this budget and that counterintelligence, the facts will show, is not fully funded.

Mr. DICKS. Mr. Chairman, I have to use the time. Again, I just want to say that during the time I was on the committee, we tried to do the best we could for the Permanent Select Committee on Intelligence and the intelligence community, we supported it. I am very proud of the record that was achieved, was done on a bipartisan basis. I hope we can go back to that.

I know it is painful when your person is in the White House and you have to defend the administration and you want to fend off all these investigations, I can just tell my colleague this, we investigated everything under the sun when Bill Clinton was at the White House because the majority party insisted on it. Now, when it is their person as President of the United States, they are not so excited about investigations and getting all this information. But I think it is important for the American people that we do get the information, that we do find out about these detainees, and that we do get in information in a timely way.

If they are going to stonewall, then we will have to use other tactics like a resolution of inquiry to get the information from the Department of Defense.

The CHAIRMAN. Does any Member claim time in opposition to the motion?

The gentleman from Florida (Mr. GOSS) is recognized for 5 minutes.

Mr. GOSS. Mr. Chairman, I did not make any comment or hold up this quote from the CONGRESSIONAL RECORD that indicates that Senator KERRY had doubts about intelligence to be combative or confrontational or to be insensitive or to in any way offend my colleagues on the other side.

Obviously, people like the gentleman from Washington (Mr. DICKS) have done a fabulous job over the years on a bipartisan basis. When he was in the majority he did that, and I am certain to say that. My comment is that when there was opposition to intelligence and year after year efforts to cut the intelligence budget, they did come from the Democratic side through the period of the 1990s.

I have the material here. I do not want to bore my colleague with it or embarrass him with it, but vote after vote after vote. If he would like to see it, come on over. If he wants me to read it into the RECORD, I will read it into the RECORD, however he likes.

The fact is that all the people who knew about intelligence worked together to make it work. And we succeeded. And that was a good thing. We did not succeed well enough.

Now, we can argue all day long and say because it was the Democratic leadership in the House or the Republican leadership in the House or so forth or because it was President Clinton did not care or did care, however you are going to characterize it, we could debate that all day long.

The facts are that the cutting amendments to intelligence came from the Democratic side of the aisle and were supported over the decade of the 1990s by large numbers of Democrats. That is all I am trying to convey.

I thank God for the Democrats who saw the light and supported the Intelligence Community, as I do now, and I see no reason why we cannot continue. I was trying to refer, perhaps in a hurried way, to the CONGRESSIONAL RECORD. As I say, I am happy to share it. I have no bones to pick, and I am not trying to create any kind of a firestorm or throw red meat out to the gentleman from Washington. I do not think this serves any further purpose. I hope he accepts my explanation.

The CHAIRMAN. The question is on the preferential motion by the gentleman from Washington (Mr. DICKS).

The preferential motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. REYES).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. REYES. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas (Mr. REYES) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: Amendment No. 3, as modified, offered by the gentleman from New York (Mr. BOEHLERT), amendment No. 4 offered by the gentleman from Texas (Mr. SAM JOHNSON), amendment No. 5 offered by the gentleman from Michigan (Mr. ROGERS), amendment No. 7 offered by the gentleman from Connecticut (Mr. SHAYS), amendment No. 8 offered by the gentleman from Ohio (Mr. KUCINICH), amendment No. 9 offered by the gentleman from Connecticut (Mr. SIMMONS), and amendment No. 10 offered by the gentleman from Texas (Mr. REYES).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 3, AS MODIFIED, OFFERED BY MR. BOEHLERT

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment, as modified, offered by the gentleman from New York (Mr. BOEHLERT) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 335, noes 83, not voting 15, as follows:

[Roll No. 291]

AYES—335

Ackerman
Aderholt
Akin
Alexander
Andrews
Baca
Bachus
Baird
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bell
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Calvert
Camp
Cannon
Cantor
Capito
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clyburn
Coble
Cole
Collins
Cooper
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Fattah
Feeney
Ferguson
Flake
Foley
Forbes
Ford
Fossella
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Majette
Manzullo
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
McNulty
Meek (FL)
Menendez
Mica
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moore
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sánchez, Linda T.
Sanchez, Loretta
Sandlin
Saxton
Schiff
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stearns
Stenholm
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Turner (TX)
Udall (CO)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Watson
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOES—83

Abercrombie
Allen
Baldwin
Becerra
Berkley
Blumenauer
Brown (OH)
Capps
Capuano
Conyers
Costello
Cummings
Davis (IL)
Delahunt
DeLauro
Doggett
Emanuel
Farr
Filner
Frank (MA)
Grijalva
Gutierrez
Hinchey
Honda
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jones (OH)
Kanjorski
Kilpatrick
Kleczka
Kucinich
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lynch
Maloney
Markey
McCollum
McGovern
Meehan
Meeks (NY)
Michaud
Millender-McDonald
Miller, George
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Owens
Pascrell
Pastor
Paul
Payne
Rahall
Roybal-Allard
Rush
Sabo
Sanders
Schakowsky
Scott (VA)
Serrano
Sherman
Slaughter
Solis
Stark
Strickland
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watt
Waxman
Woolsey

NOT VOTING—15

Bereuter
Berman
Buyer
Carson (IN)
Clay
DeMint
Deutsch
Gephardt
Hastings (FL)
Israel
McDermott
Moran (VA)
Rangel
Tauzin
Weiner

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. KLINE) (during the vote). Members are advised they have 2 minutes remaining in this vote.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). The Chair would advise Members to check their votes on the voting board to rule out a potential discrepancy between one of the voting stations and the board.

☐ 2055

Mrs. MALONEY, Messrs. NADLER, PASTOR, CONYERS, Ms. KILPATRICK, Mrs. CAPPS, Messrs. JACKSON of Illinois, ALLEN, NEAL of Massachusetts, MICHAUD, Ms. DELAURO, Messrs. THOMPSON of California, LYNCH, BROWN of Ohio, LEVIN, DOGGETT, TOWNS, STRICKLAND, DELAHUNT, LARSON of Connecticut, MEEHAN, INSLEE, Ms. WOOLSEY, Mr. RUSH, Mr. WAXMAN, Ms. ROYBAL-ALLARD, Messrs. VAN HOLLEN, PASCRELL, Ms. SOLIS, Mrs. NAPOLITANO, Messrs. SCOTT of Virginia, RAHALL, EMANUEL, Ms. MILLENDER-McDONALD, Ms. BERKELEY, and Messrs. DAVIS of Illinois, KANJORSKI and KLECZKA changed their vote from "aye" to "no."

Messrs. SANDLIN, GRAVES, and BAIRD changed their vote from "no" to "aye."

So the amendment, as modified, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 4 OFFERED BY MR. SAM JOHNSON OF TEXAS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Texas (Mr. SAM JOHNSON) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 366, noes 51, not voting 16, as follows:

[Roll No. 292]

AYES—366

Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clyburn
Coble
Cole
Collins
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dingell
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Fattah
Feeney
Ferguson
Flake
Foley
Forbes
Ford
Fossella
Franks (AZ)
Frelinghuysen

Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Issa
Istook
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Manzullo
Marshall
Matheson
McCarthy (MO)
McCarthy (NY)
McCotter
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moore
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pascrell
Paul
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schiff
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stearns
Stenholm
Strickland
Sullivan
Sweeney
Tancredo
Tanner
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOES—51

Abercrombie
Baldwin
Blumenauer
Capuano
Conyers
Cummings
Delahunt
DeLauro
Dicks
Doggett
Farr
Filner
Frank (MA)
Grijalva
Jackson (IL)
Jackson-Lee (TX)
Johnson, E. B.
Jones (OH)
Kanjorski
Kilpatrick
Kleczka
Kucinich
Larson (CT)
Lee
Levin
Lewis (GA)
Maloney
Markey
Matsui
McCollum
Millender-McDonald
Miller, George
Nadler
Owens
Pastor
Payne
Schakowsky
Scott (VA)
Serrano
Slaughter
Solis
Stark
Stupak
Tauscher
Thompson (CA)
Tierney
Velázquez
Waters
Watson
Watt
Woolsey

NOT VOTING—16

Bereuter
Berman
Buyer
Carson (IN)
Clay
DeMint
Deutsch
Gephardt
Hastings (FL)
Israel
Linder
McDermott
Moran (VA)
Rangel
Tauzin
Weiner

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised 2 minutes remain in this vote.

☐ 2103

Mr. PALLONE changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 5 OFFERED BY MR. ROGERS OF MICHIGAN

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Michigan (Mr. ROGERS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 222, noes 195, not voting 16, as follows:

[Roll No. 293]

AYES—222

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—195

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Reyes
Rodriguez
Ross

Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Wexler
Woolsey
Wu
Wynn

NOT VOTING—16

Bereuter
Berman
Buyer
Carson (IN)
Clay
DeMint
Deutsch
Gephardt
Hastings (FL)
Israel
Kolbe
McDermott
Moran (VA)
Rangel
Tauzin
Weiner

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised 2 minutes remain in this vote.

☐ 2110

Mr. WEXLER changed his vote from "aye to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Stated against:

Mr. MORAN of Virginia. Mr. Chairman, on rollcall No. 293, I was unavoidably detained off the Hill. Had I been present, I would have voted "no."

AMENDMENT NO. 7 OFFERED BY MR. SHAYS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Connecticut (Mr. SHAYS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 419, noes 0, not voting 14, as follows:

[Roll No. 294]

AYES—419

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clyburn
Coble
Cole
Collins
Conyers
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—14

Bereuter
Berman
Buyer
Carson (IN)
Clay
DeMint
Deutsch
Gephardt
Hastings (FL)
Israel
McDermott
Rangel
Tauzin
Weiner

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised 2 minutes remain in this vote.

☐ 2116

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 8 OFFERED BY MR. KUCINICH

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Ohio (Mr. KUCINICH) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 343, noes 76, not voting 14, as follows:

[Roll No. 295]

AYES—343

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Bachus
Baldwin
Bartlett (MD)
Bass
Beauprez
Becerra
Bell
Berkley
Berry
Biggert
Bishop (GA)
Bishop (NY)
Blumenauer
Boehlert
Bono
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burns
Burr
Burton (IN)
Calvert
Camp
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Castle
Chabot
Chandler
Chocola
Clyburn
Coble
Cole
Conyers
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Cummings
Cunningham
Davis (AL)
Davis (CA)

Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Foley
Forbes
Ford
Frank (MA)
Frelinghuysen
Frost
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hayes
Hayworth
Hefley
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hoyer
Hulshof
Inslee
Isakson
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
Kirk
Kleczka
Kline
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McGovern
McHugh
McInnis
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (FL)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murtha
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Rahall
Ramstad
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sessions
Shays
Sherman
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velazquez
Visclosky
Vitter
Walden (OR)
Walsh
Waters
Watson
Watt
Waxman
Weldon (PA)
Weller
Wexler
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOES—76

Aderholt
Akin
Baird
Baker
Ballenger
Barrett (SC)
Barton (TX)
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Boozman
Brady (TX)
Burgess
Cannon
Cantor
Carter
Collins
Culberson
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Everett
Feeney
Flake
Fossella
Franks (AZ)
Garrett (NJ)
Granger
Hart
Hastings (WA)
Hensarling
Herger
Hostettler
Houghton
Hunter
Hyde
Jenkins
Johnson, Sam
Kelly
King (NY)
Kingston
Knollenberg
Lewis (KY)
Lucas (OK)
McCrery
McKeon
Mica
Miller (MI)
Murphy
Musgrave
Neugebauer
Oxley
Petri
Putnam
Radanovich
Rogers (AL)
Ryan (WI)
Ryun (KS)
Schrock
Sensenbrenner
Shadegg
Shaw
Sherwood
Souder
Tancredo
Taylor (NC)
Thornberry
Wamp
Weldon (FL)
Whitfield
Wilson (SC)

NOT VOTING—14

Bereuter
Berman
Buyer
Carson (IN)
Clay
DeMint
Deutsch
Gephardt
Hastings (FL)
Israel
McDermott
Rangel
Tauzin
Weiner

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised that 2 minutes remain in this vote.

☐ 2123

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 9 OFFERED BY MR. SIMMONS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Connecticut (Mr. SIMMONS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 417, noes 1, not voting 15, as follows:

[Roll No. 296]

AYES—417

Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clyburn
Coble
Cole
Collins
Conyers
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin

Saxton
Schakowsky
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOES—1

Abercrombie

NOT VOTING—15

Bereuter
Berman
Buyer
Carson (IN)
Clay
DeMint
Deutsch
Gephardt
Hastings (FL)
Israel
McDermott
Rangel
Tauzin
Terry
Weiner

ANNOUNCEMENT BY THE CHAIRMAN

The **CHAIRMAN** (during the vote). Members are advised that 2 minutes remain in this vote.

☐ 2130

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 10 OFFERED BY MR. REYES

The **CHAIRMAN**. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Texas (Mr. REYES) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The **CHAIRMAN**. A recorded vote has been demanded.

A recorded vote was ordered.

The **CHAIRMAN**. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 149, noes 270, not voting 14, as follows:

[Roll No. 297]

AYES—149

Abercrombie
Ackerman
Allen
Andrews
Baca
Baldwin
Becerra
Bell
Berry
Bishop (GA)
Blumenauer
Brady (PA)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Clyburn
Conyers
Cramer
Crowley
Cummings
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Emanuel
Engel
Eshoo
Evans
Farr
Fattah
Filner
Frank (MA)
Gonzalez
Green (TX)
Grijalva
Gutierrez
Harman
Hinojosa
Hoeffel
Holt
Honda
Hooley (OR)
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kaptur
Kilpatrick
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Matsui
McCarthy (MO)
McCollum
McGovern
McIntyre
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mollohan
Moran (VA)
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Otter
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Rahall
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Solis
Stark
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Wexler
Wilson (NM)
Woolsey
Wu
Wynn

NOES—270

Aderholt
Akin
Alexander
Bachus
Baird
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Berkley
Biggert
Bilirakis
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (TX)
Brown (OH)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Coble
Cole
Collins
Cooper
Costello
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (AL)
Davis (CA)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Etheridge
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Ford
Fossella
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hyde
Inslee
Isakson
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (OK)
Manzullo
Marshall
Matheson
McCarthy (NY)
McCotter
McCrery
McHugh
McInnis
McKeon
McNulty
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Moore
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Oxley
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (OH)
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spratt
Stearns
Stenholm
Strickland
Sullivan
Sweeney
Tancredo
Tanner
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—14

Bereuter
Berman
Buyer
Carson (IN)
Clay
DeMint
Deutsch
Gephardt
Hastings (FL)
Israel
McDermott
Rangel
Tauzin
Weiner

ANNOUNCEMENT BY THE CHAIRMAN

The **CHAIRMAN** (during the vote). Members are advised 2 minutes remain in this vote.

☐ 2137

So the amendment was rejected.

The result of the vote was announced as above recorded.

The **CHAIRMAN**. There being no other amendments, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The **CHAIRMAN**. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ISAKSON) having assumed the chair, Mr. SIMPSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4548) to authorize appropriations for fiscal year 2005 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, pursuant to House Resolution 686, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The **SPEAKER** pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the committee of the whole?

Ms. HARMAN. Mr. Speaker, I demand a revote on the SAM JOHNSON of Texas amendment.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment?

PARLIAMENTARY INQUIRY

Mr. SAM JOHNSON of Texas. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. SAM JOHNSON of Texas. Mr. Speaker, even though our soldiers have been indicted and the President has released all his records, I would like to know if we can compare the votes of those who voted for against those who voted against.

POINT OF ORDER

Mr. FRANK of Massachusetts. Mr. Speaker, point of order.

The SPEAKER pro tempore. The gentleman will suspend.

The Chair recognizes the gentleman from Texas (Mr. SAM JOHNSON).

Mr. SAM JOHNSON of Texas. Mr. Speaker, even though the President has released all his records, I would like to ask, would we be able to compare the votes of those who voted for and those who vote against now?

POINT OF ORDER

Mr. FRANK of Massachusetts. Point of order, Mr. Speaker.

The SPEAKER pro tempore. The Chair could not hear due to another inquiry being made from the Chair's right. The gentleman from Texas may state a parliamentary inquiry.

Mr. SAM JOHNSON of Texas. Mr. Speaker, can we take a look and compare the votes of those who voted for the amendment the first time against those who voted for the amendment the second time?

The SPEAKER pro tempore. Members may take their own cognizance of such matters.

The gentleman from Massachusetts (Mr. FRANK) is recognized on his point of order.

Mr. FRANK of Massachusetts. Mr. Speaker, I withdraw the point of order, because the point of order no longer lies, the phraseology having been withdrawn.

The SPEAKER pro tempore. The Clerk will redesignate the amendment on which a separate vote has been demanded.

The Clerk redesignated the amendment.

The text of the amendment is as follows:

Amendment:

At the end of title III (page 11, after line 8), insert the following new section:

SEC. 304. SENSE OF CONGRESS THAT THE APPREHENSION, DETENTION, AND INTERROGATION OF TERRORISTS ARE FUNDAMENTAL TO THE SUCCESSFUL PROSECUTION OF THE GLOBAL WAR ON TERROR.

(a) FINDINGS.—The Congress finds the following:

(1) Throughout the 1980s and 1990s, the people of the United States were too often brutalized again and again by deadly terrorist violence, as evidenced by the hundreds of American deaths in the Beirut and Lockerbie bombings, the attack on the World Trade Center in 1993, the destruction of the Khobar Towers military barracks, the bombing of the American embassies in Kenya and Tanzania, and the vicious attacks on the USS *Cole* in 2000.

(2) The terrorist violence targeted against the United States became more emboldened after each attack, culminating in the deadly attacks on the World Trade Center and the Pentagon on September 11, 2001, which killed thousands of innocent Americans, including innocent women and children.

(3) Since September 11, 2001, the citizens of the United States have remained the priority target of terrorist violence, with journalists and employees of non-governmental organizations being held hostage, tortured, and decapitated in the name of terror.

(4) Congress has authorized the President to use all necessary and appropriate means to defeat terrorism; and on numerous occasions since September 11, 2001, and throughout the Global War on Terror, the interrogation of detainees has yielded valuable intelligence that has saved the lives of American military personnel and American citizens at home and abroad.

(5) The interrogation of detainees has also provided highly valuable insights into the structure of terrorist organizations, their target selection process, and the identities of key operational and logistical personnel that were previously unknown to the Intelligence Community.

(6) The lawful interrogation of detainees is consistent with the United States Constitution.

(7) The abuses against detainees documented at Abu Ghraib prison in Iraq were deplorable aberrations that were not part of United States policy and were not in keeping with the finest traditions of the United States military and the honorable men and women who serve.

(8) The loss of interrogation-derived information would have a disastrous effect on the Nation's intelligence collection and counterterrorism efforts and would constitute a damaging reversal in the Global War on Terror during this critical time.

(9) The apprehension, detention, and interrogation of terrorists are essential elements to successfully waging the Global War on Terror.

(10) The interrogation of detainees can and should continue by the United States within the bounds of the United States Constitution and the laws of the United States of America.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the apprehension, detention, and interrogation of terrorists are fundamental to the successful prosecution of the Global War on Terror.

The SPEAKER pro tempore. The question is on the amendment.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. HARMAN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. The gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Speaker, I ask unanimous consent to make this a 5-minute vote.

The SPEAKER pro tempore. The Chair cannot entertain that request.

The vote was taken by electronic device, and there were—ayes 304, noes 116, not voting 14, as follows:

[Roll No. 298]

AYES—304

Aderholt
Akin
Alexander
Andrews
Baca
Bachus
Baird
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bell
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Calvert
Camp
Cannon
Cantor
Capito
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Coble
Cole
Collins
Cooper
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cunningham
Davis (CA)
Davis (FL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Etheridge
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Ford
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hobson
Hoekstra
Holden
Holt
Hooley (OR)
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Lampson
Lantos
Larsen (WA)
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Manzullo
Marshall
Matheson
McCarthy (NY)
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
McNulty
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Moore
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pascrell
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Royce
Ruppersberger
Ryan (WI)
Ryun (KS)
Sanchez, Loretta
Sandlin
Saxton
Schiff
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman

Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tanner
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Turner (TX)
Upton
Van Hollen
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Young (AK)
Young (FL)

NOES—116

Abercrombie
Ackerman
Allen
Baldwin
Becerra
Berkley
Blumenauer
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Clyburn
Conyers
Costello
Cummings
Davis (AL)
Davis (IL)
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Emanuel
Eshoo
Evans
Farr
Fattah
Filner
Frank (MA)
Grijalva
Gutierrez
Harman
Hinchey
Hinojosa
Hoeffel
Honda
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kilpatrick
Kleczka
Kucinich
Langevin
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Majette
Maloney
Markey
Matsui
McCarthy (MO)
McCollum
McGovern
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mollohan
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Owens
Pastor
Payne
Pelosi
Rahall
Rodriguez
Roybal-Allard
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanders
Schakowsky
Scott (VA)
Serrano
Slaughter
Solis
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Woolsey
Wynn

NOT VOTING—14

Bereuter
Berman
Buyer
Carson (IN)
Clay
DeMint
Deutsch
Fossella
Gephardt
Hastings (FL)
Israel
McDermott
Rangel
Tauzin

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. ISAKSON) (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 2157

Mr. NEY changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. PETERSON OF MINNESOTA

Mr. PETERSON of Minnesota. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. PETERSON of Minnesota. I am, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Peterson of Minnesota moves to recommit the bill H.R. 4548 to the Permanent Select Committee on Intelligence with instructions to report the same back to the House forthwith with the following amendment:

At the end of title I (page 8, after line 4), insert the following new section:

SEC. 105. INCREASE IN AUTHORIZATION OF APPROPRIATIONS TO FULLY FUND THE NATIONAL FOREIGN INTELLIGENCE PROGRAM.

(a) INCREASE.—The amounts authorized to be appropriated under section 101 for the conduct of the intelligence and intelligence-related activities of the elements listed in such section for the Contingency Emergency Reserve, as specified in the classified Schedule of Authorizations referred to in section 102, are increased 100 percent, and such classified Schedule of Authorizations is modified accordingly.

(b) USE FOR COUNTERTERRORISM ACTIVITIES OF THE INTELLIGENCE COMMUNITY.—Amounts appropriated pursuant to the increase in authorization of appropriations under subsection (a) may only be used for counterterrorism activities of the intelligence community.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota (Mr. PETERSON) is recognized for 5 minutes.

Mr. PETERSON of Minnesota. Mr. Speaker, I yield 30 seconds to the gentlewoman from California (Ms. HARMAN), the ranking member of the committee.

Ms. HARMAN. Mr. Speaker, I thank my colleague for yielding me this time.

I want to explain to this House my request for a re-vote on the Johnson of Texas amendment. Like the gentleman from Texas (Mr. SAM JOHNSON), I believe that interrogations within the rule of law are essential to protect American lives. However, clause 7 of his amendment, upon rereading, I think was a bit difficult for many of us. It says, "the abuses were not part of United States policy," and I think that statement is premature until we review all of the documents and get additional testimony on the matter. That is why I requested another vote.

Mr. PETERSON of Minnesota. Mr. Speaker, I yield myself such time as I may consume.

The motion to recommit includes the 100 percent funding for counterterrorism that we have talked about on this floor probably more than some of my colleagues want to hear about. But we are very concerned about this, and we are offering that again in this motion to recommit.

I want everybody to be clear what is happening here. We kind of put the cart before the horse. Yesterday we passed the Defense appropriation bill, which had the money in it for these items. Today we are doing the authorization. This is not the way we should be doing things. We have the cart before the horse, if you will.

One of the reasons that we are doing this on this side is because we were not really in the loop on these negotiations that took place where they made the deal between the different committees to come up with these amounts. The staff was involved in some of the discussions, but the members were not. We did not get the final thing until about a day before the markup, and during this process, our staff had told the other side that we wanted 100 percent funding for counterterrorism, and it was not in the bill, so we offered this amendment.

□ 2200

And that is the spirit of what we are trying to accomplish here. And folks need to understand that the agencies have come in and asked us for a certain amount of money for counterterrorism. And what is in this bill is about one-third of what was asked for.

Now, to go through the list, for example, there is only 5 percent in this bill for the NRO, 19 percent for NSA, 26 percent for NGA, and 35 percent for the CIA. So they put the most money into the CIA, but in this bill, it is 11.1 percent less money in 2005 for the CIA than it was in 2004. So that is what is in this bill.

Now, obviously, everybody is going to know we are going to have a supplemental to try to plus that up. But the problem is that these agencies only have the money for the first 3 or 4 months, and we are not going to get that supplemental done until later. And there is going to be a gap. And that is a problem. Because the folks in the country expect us to be focused on terrorism, to put our emphasis on counterterrorism. And we do not think this bill gets us to where it needs to be.

We do not want to be in this position. We try to work these things out. But, frankly, we did not have the opportunity to work it out the way it happened through the committee process. So we are here this evening, asking your support to fund what the agencies say they need so we have 100 percent of the money available for counterterrorism to do what needs to be done to protect the people of this country.

Mr. Speaker, I yield 1 minute to the gentleman from Iowa (Mr. BOSWELL) who has worked with me on this amendment.

Mr. BOSWELL. Mr. Speaker, it has been an interesting process. I look over there at people I have a lot of confidence in, the gentleman from Illinois (Mr. LAHOOD) and the gentleman from

California (Mr. CUNNINGHAM) and many others, and the gentleman from Florida (Mr. GOSS). There are things that we have said that we really have wanted to do over this process was to plus up the money for counterterrorism, simple as that.

I say to the chairman, I really thought that would go. I realize he did not have a lot of warning, but I did not think it took a lot to do. When we went to the Committee on Rules yesterday, and we made our presentation there, I said clearly, and the ranking member agreed, I did not care who got the name on this thing. It did not make any difference. If the chairman of the Committee on Rules wanted it, we did not care. But we thought for the good of the country we needed to plus-up the counterterrorism.

Because the threat is out there. We are told about it all the time. We think about three major events that are coming up. And I even shared a little bit with one of my grandchildren what I would do if they wanted to go to one of those.

Now, the country is in peril. We got a lot going for us, I do not need to start that argument, but all we wanted to do was to plus-up counterterrorism and make it more viable and make it happen for the safety of this country.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Florida (Mr. GOSS) for 5 minutes.

Mr. GOSS. Mr. Speaker, I hope not to use all my time. It is late. We have had a long day. We have a heavy legislative day tomorrow. I simply want to give Members my side of this, the committee's side of this.

We have debated extensively. I guess I will start from the point that we have complaints from the other side of the aisle that we are not spending enough money in intelligence for the war on terrorism is a declaration of success that we have succeeded in getting the message across that we have a war on terrorism that we need it to fund and intelligence is important.

Because last year we lost a lot of Democrats on the authorization bill. And this year I hope we do not lose any. Because I can tell my colleagues about this bill. I rise in opposition to the motion to recommit because the bill takes care of our needs. We do provide for the funding for the war on terrorism. It exceeds the President's February request by 16 percent. It exceeds by hundreds of millions, I cannot tell Members the exact number, but hundreds of millions. It is a lot of money.

The intelligence appropriation for 2004, 2004 does not end until October. Even when you include in the 2004 the supplemental, it is still more. This bill has been coordinated with the House Committee on Armed Services. We have had testimony to that effect today from the gentleman from California (Mr. HUNTER), the chairman, the House Committee on Appropriations; we have had testimony today from the gentleman from California (Chairman Lewis) and from the gentleman from Florida (Chairman YOUNG) of the full committee. Their bills had bipartisan support. And, as we all know, the bill of the gentleman from California (Mr. LEWIS) passed yesterday with strong bipartisan support.

This bill authorizes more funds than the defense appropriations bill, which was voted on yesterday, but not many more. So there is not a bunch of hollow dollars in it. There are a few. But I will say that if you voted yesterday for the appropriation, there is no excuse not to vote for the authorization today.

Now, when I came out here today, I was a little concerned that my biggest problem was going to be selling to some of my colleagues that this is the largest intelligence authorization in history. It is the largest intelligence authorization in history. It is supported by the administration as the right bill, it is coordinated properly. We are prepared to do business with the Senate, which has passed their bill on a unanimous bipartisan vote. I think we have done our job well. And I hope that our colleagues on both sides of the aisle can see that.

Mr. Speaker, I yield to the distinguished Speaker of the House.

Mr. HASTERT. Mr. Speaker, I know the gentleman from Florida has made his case. And before we go to vote on this and then into final passage of this bill, I just wanted to salute the gentleman from Florida. He has many great years of service as chairman of this committee.

This is the last intelligence authorization that the gentleman from Florida will handle. He is retiring at the end of this year. We salute him as a great Member of this body and a great patriot. We thank him for his service.

Mr. GOSS. I thank the Speaker.

I am sufficiently embarrassed to say I very much appreciate that and I am going to sit down. I hope that the applause on the other side of the aisle was for the right reason. And I thank my colleagues, and I urge support of the bill and oppose the motion to recommit.

The SPEAKER pro tempore (Mr. ISAKSON). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. PETERSON of Minnesota. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of final passage.

The vote was taken by electronic device, and there were—yeas 197, nays 224, not voting 13, as follows:

[Roll No. 299]

YEAS—197

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NAYS—224

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)

DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—13

Bereuter
Berman
Buyer
Carson (IN)
Clay
DeMint
Deutsch
Gephardt
Hastings (FL)
Israel
McDermott
Rangel
Tauzin

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. ISAKSON) (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 2227

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LAHOOD. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 360, noes 61, not voting 13, as follows:

[Roll No. 300]

AYES—360

Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Calvert
Camp
Cannon
Cantor
Capito
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clyburn
Coble
Cole
Collins
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Etheridge
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Issa
Istook
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Marshall
Matheson
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Ortiz
Osborne
Ose
Owens
Oxley
Pascrell
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Royce
Ruppersberger
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOES—61

Abercrombie
Baldwin
Becerra
Blumenauer
Capps
Capuano
Conyers
Davis (IL)
DeLauro
Duncan
Eshoo
Evans
Farr
Fattah
Filner
Green (TX)
Grijalva
Holt
Honda
Jackson (IL)
Jackson-Lee (TX)
Jones (OH)
Kilpatrick
Kleczka
Kucinich
Larson (CT)
Lee
Lewis (GA)
Lofgren
Markey
Matsui
Miller, George
Mollohan
Napolitano
Oberstar
Obey
Olver
Otter
Pallone
Pastor
Paul
Payne
Reyes
Roybal-Allard
Rush
Ryan (OH)
Schakowsky
Serrano
Slaughter
Solis
Stark
Tauscher
Thompson (CA)
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Woolsey

NOT VOTING—13

Bereuter
Berman
Buyer
Carson (IN)
Clay
DeMint
Deutsch
Gephardt
Hastings (FL)
Israel
McDermott
Rangel
Tauzin

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. ISAKSON) (during the vote). There are 2 minutes remaining in this vote.

□ 2234

Ms. JACKSON-LEE of Texas and Mr. MARKEY changed their vote from "aye" to "no."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

A FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 2507. An act to amend the Richard B. Russell National School Lunch Act and the

Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to reauthorize child nutrition programs, and for other purposes.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3800 AND H.R. 4107

Mr. DAVIS of Tennessee. Mr. Speaker, I am currently a cosponsor of H.R. 3800 and H.R. 4107. I ask unanimous consent to be removed as a cosponsor of these bills.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

AUTHORIZING CLERK TO MAKE CHANGES IN ENGROSSMENT OF H.R. 4548, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2005

Mr. GOSS. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 4548, just passed, that the Clerk be authorized to make such technical and conforming changes as necessary to reflect the actions of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

MAKING IN ORDER AT ANY TIME CONSIDERATION OF HOUSE RESOLUTION 691, REGARDING TURNING OVER CONTROL OF IRAQ

Mr. TIAHRT. Mr. Speaker, I ask unanimous consent that it shall be in order at any time to consider House Resolution 691 in the House;

the resolution shall be considered as read for amendment;

the resolution shall be debatable for one hour equally divided and controlled by the majority leader and the minority leader or their designees; and

the previous question shall be considered as ordered on the resolution to final adoption without intervening motion or demand for division of the question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. GERLACH). Under the Speaker's announced policy of January 7, 2003, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

STATEMENT OF SMART SECURITY AND INTELLIGENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, there are few images more glamorous in our popular culture than that of the debonair spy. There is a reason that James Bond movies have been audience favorites for more than 40 years. But this is one case where art does not even come close to imitating life.

There is nothing romantic about the state of America's intelligence. It is a tired, rusty, bureaucratic, multi-headed beast that is letting down the American people. Fifteen different Federal Government agencies are a part of our intelligence apparatus, and that does not even include the ad hoc intelligence team the administration gathered to advance its phantom case that Saddam Hussein had weapons of mass destruction.

Fifteen agencies. That is 15 chains of command, 15 unique institutional cultures, 15 fiefdoms. It is a recipe for disaster, for turf battles, and ego clashes which stand in the way of the most critical work imaginable: Keeping the American people safe.

According to Bob Woodward's book, former CIA Director George Tenet told the President that he had a "slam dunk" case for war. In reality, Tenet could not get the different players on his own team to pass the ball to one another.

Here is what I want to know: If organizing the hodgepodge Department of Homeland Security was so important that people were called unpatriotic for opposing it, then why is it not just as urgent to unite U.S. intelligence under a single umbrella?

Earlier this week, the Permanent Select Committee on Intelligence considered H.R. 4104 introduced by the gentlewoman from California (Ms. HARMAN), which would have restructured the intelligence community. This bill would have coordinated the 15 intelligence agencies, making them accountable to a single Director of National Intelligence. The bill further integrates the agencies by promoting information sharing and creating incentives for cooperation between them. But the Republicans on the committee shot this bill down.

In the same meeting, the majority rejected an amendment to fully fund counterterrorism intelligence, instead providing only 25 percent of the additional funds that are needed. It is appalling that many of the same folks who were vigilant about keeping a tight lid on intelligence information have offered nothing more than a shrug at the news that Ahmad Chalabi revealed to the Iranians that he had intercepted their secret communication codes. It is unthinkable to me that on the heels of some of the most colossal and embarrassing intelligence failures in American history, the majority is eager to stick with the status quo.

This is a situation that is crying out for reform. We failed to connect the dots that might have enabled us to intercept the 9/11 plot. Our Iraqi intelligence in the run-up to the war was based on mistakes, at best; outright deception, at worst. The administration wants to rewrite the Constitution to say who can marry whom, to give tax breaks to the Americans who need them the least, to read our e-mail and examine our library-borrowing habits, neither of which has anything to do with detaining terrorists, but when faced with a genuine problem, like the state of American intelligence, one that truly endangers the American people, they do not have the will to act.

Mr. Speaker, I am prepared to act. I have introduced H. Con. Res. 392, to create a SMART security platform for the 21st century. SMART stands for Sensible Multilateral American Response to Terrorism. SMART security treats war as an absolute last resort. It fights terrorism with stronger intelligence and multilateral partnerships. It aggressively invests in the development of impoverished nations. It controls the spread of weapons of mass destruction with a renewed commitment to nonproliferation. And to meet every one of its goals, SMART security will rely on a robust, efficient, integrated intelligence community.

Until we get serious about overhauling U.S. intelligence, I fear that that very term, U.S. intelligence, may become an oxymoron.

REMEMBERING PRIVATE FIRST CLASS GEORGE D. TORRES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-MCDONALD) is recognized for 5 minutes.

Ms. MILLENDER-MCDONALD. Mr. Speaker, today I rise to honor and pay tribute to all of the brave men and women across the nation who have given their lives in defense of the freedoms we enjoy every single day, and all who leave behind families who miss their sons and daughters.

I'd like to speak specifically about the life of one of my constituents, Private First Class George D. Torres, who was recently killed in combat in Iraq.

Private Torres was assigned to the 1st Battalion, 5th Marine Regiment, 1st Marine Division, I Marine Expeditionary Force at Camp Pendleton. He was only 23 years old at the time of his death, and was killed in Al Anbar Province, Iraq due to enemy fire.

Mr. Speaker, the fifth of sixth children, Private First Class Torres joined the Corps in march of last year, and had just been overseas a month before his death.

As our soldiers, who removed Saddam Hussein from power, aim to protect the peace while a transitional democratic government run by the people of Iraq is being established, our troops are in a very dangerous situation.

Mr. Speaker, George was aware of the realities of military service, but always wanted to join the Marines, and "was very proud" after he returned to school and earned the high school diploma he needed to enlist, telling his sister that if he had to go serve in Iraq, then he'd go.

A Dodger's fan, he was known for his outgoing personality and in the words of his girlfriend, "was the best person in this world."

A memorial Web site set up for George Torres has received numerous emails, which is a testament to the strong relationships George built during his all-too-short lifetime.

His loving family, sisters Oralia Cisnernos, Olga and Evelyn Torres, brothers Fernando Torres Jr. and Francisco Torres, and his parents, Fernando and Genoveda Torres, survive Torres.

I would like to extend my condolences to the family and friends of Private First Class Torres, and my thoughts and prayers are with his family during this difficult time. George's valiant service to his country will be greatly remembered.

We owe him a great deal of gratitude for his service to a country he loved.

KERRY ATTACKS ON BUSH SCIENCE AND TECHNOLOGY RECORD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, I chair the Subcommittee on Research on the Committee on Science, and I am very concerned that science and technology should not be in the partisan politic arena for this election in November.

At a speech in Denver on Monday, JOHN KERRY kicked off a week of campaign politics focused on science and technology policy. He attacked President Bush for putting politics over science and promised to reinvigorate American innovation. As chairman of the House Subcommittee on Research, and a long-time advocate of expanded support for science and technology, I suggest Mr. KERRY is putting politics before science.

In the strongest possible way, I urge this issue must remain bipartisan. Even in today's highly charged political environment, I am disappointed that Senator KERRY has chosen to politicize science, and I feel compelled to respond to his misleading and actually sometimes false statements and attacks on this administration.

Senator KERRY's fact sheet promises to support scientific research based on facts, not ideology, and I respectfully suggest that a good place for the Senator to start would be to minimize the distortion of facts and ideological rhetoric that are so prevalent in his very own press releases on this subject.

A quick review of the Senator's recent press release on science and technology and its accompanying letter of endorsement, signed by some Nobel prize winning scientists, reveals several distortions and factual errors that should be brought to light. They include: Failure to disclose backgrounds of Democrat party activism by these scientists.

The KERRY campaign touted the endorsement of 48 scientists, as if they were speaking on behalf of the welfare of science and discovery itself. But, in fact, it is clear these scientists are, collectively, also very passionate liberal ideologues with an extensive record of support for the Democratic party.

Twenty-two of Senator KERRY's Nobel endorsers show up on the Federal Election Commission, the FEC Web site, as having donated $25,000 to Democrats for every $1,000 donated to Republicans. To repeat: $25,000 to the Democrats for every $1,000 to Republicans. Obviously, some bias for the Democrats.

The lead organizers of the letter, Burton Richter, Harold Varmus, and Mario Molina, announced their support for KERRY in a conference call as though they were nonpartisan objective observers that had no choice but to reluctantly support KERRY's campaign.

□ 2245

But by way of their public record of financial support for Democratic candidates, Richter, Varmus and Molina have consistently used their names outside of science, donating $13,950 to Democrats such as Wesley Clark, Al Gore, BARBARA BOXER and Bill Bradley.

If Senator KERRY wants to limit the exploitation of science for political gain, he should start by fully disclosing the history of political contributions by his prize-winning supporters, most of whom have had their research supported from government funds.

One of Mr. KERRY's false claims: The KERRY campaign "fact sheet" begins by stating that, "George W. Bush has led one of the most antiscience administrations in our Nation's history," and goes on to claim that the President "has proposed cutting research and development in most nondefense research programs through fiscal year 2009."

This projection is in fact not a Bush administration proposal but, rather, a particular result of the AAAS, the American Association for the Advancement of Science, that is based on multiyear revenue and spending projections, combined with the administration's goal to halve the deficit in five years. In short, it is not correct.

Let me report the assumptions that were made in reality, and what is grounded in reality is in the Bush administration and this Congress, there has been a stellar record of support for science and technology funding. By almost every measure, funding for science and technology under President Bush's watch has increased dramatically.

Since the President took office in 2001, Federal support for R&D has increased by 37 percent after adjusting for inflation, growing from $78 billion to $107 billion in constant 2000 dollars.

By comparison, Federal support for R&D actually decreased 4 percent in President Clinton's first term, going from $77.4 billion in 1993 to $74.4 billion the last year of Clinton's term (source: FY 2005 budget, historical tables).

False Claim of America's Scientific Demise. The title of Senator KERRY's press release, "Kerry Pledges to Once Again Make America the Leader in Science," is emblematic of the pessimistic approach to America he has taken with his campaign. If JOHN KERRY doesn't think America is the world leader in science and technology, what country does he think is better?

The truth is, by every measure, the United States is far and away the 800-pound gorilla when it comes to science and technology. The challenge is keeping it there and not letting it disrupt bipartisan support with a bunch of political cheap shots. The U.S. spends nearly three times as much on R&D as the second-place country, Japan. And more money is spent on R&D activities in the U.S. each year than the rest of the G–7 countries (Canada, France, Germany, Italy, Japan, and the United Kingdom) combined. The United States also holds strong leads in specific sectors. For example, the U.S. produces 32 percent of the entire world output in high-technology products. Technology products also account for a very large share of U.S. exports, thereby making a positive contribution to our overall trade balance (source: National Science Board Science and Engineering Indicators, 2004).

A Record To Run From. Finally, Senator KERRY likes to attack President Bush for "not having a record to run on." But while the President indeed does have a strong science and technology record, it is worthwhile for us to examine Senator KERRY's record on science and technology as a member of the Senate for the past two decades. A review of floor statements posted on Senator KERRY's web site show that, over the past 4 years, he's only mentioned science four times in floor statements. Further, even though Senator KERRY is a member of the influential Commerce, Science, and Transportation Committee, he has not introduced any legislation during this Congress on science and technology issues. Science, research, and innovation are vital to our country's future. Senator KERRY hasn't shown leadership on science and technology during his two decades in the Senate. Now he is dividing what has been bipartisan support for science and technology. Mr. KERRY, it is not good for science and it is not good for our country's future.

CONGRATULATING DR. MELVIN STEELY ON HIS RETIREMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. GINGREY) is recognized for 5 minutes.

Mr. GINGREY. Mr. Speaker, tonight I want to acknowledge the retirement of Dr. Mel Steely, a history professor and former colleague of then Professor Newt Gingrich. Dr. Steely is ending a 40-year career as a professor at the State University of West Georgia.

Born during Roosevelt's America May 9, 1939, Melvin Thomas Steely grew up in Cedartown, Georgia. With an interest in history, Dr. Steely aspired to teach, attaining both a master's and doctorate degree in history from Vanderbilt University. He taught at Lambuth College in Jackson, Tennessee before moving to West Georgia College to teach Modern European History in 1964.

Dr. Steely was the kind of a professor who would have no part of grade inflation, and a grade of "A" in his classroom was well-earned. Despite how much he may have cherished the student, there was no fast track to success in his courses. Much like life, he believed you have to work and learn in order to achieve success.

Although he was a member of many professional organizations, Dr. Steely's contributions as President and lobbyist for the American Association of University Professors earned him both the Sumberg and the State Akin awards. He has worked in political campaigns for both parties. He has served as the faculty adviser to the West Georgia College Republicans for 24 years and continues to this day to serve as Speaker Newt Gingrich's biographer and curator.

Along with the many students he influenced over a 40-year teaching career, Dr. Steely's most significant accomplishment and legacy will be as the director of Georgia's Political Heritage Program. In 1985 he started an audio/video collection of famous Georgia political leaders in an effort to preserve our State's political heritage. Moderated by West Georgia history professors, the collection includes rare interviews with former governors, lieutenant governors, United States Senators and Members of the United States House of Representatives.

The political heritage archive also collects the political papers of Speaker Newt Gingrich and House interviews with all but two former Georgia governors since World War II.

Other significant individuals featured in this collection include Governor Jimmy Carter, Governor Lester Maddox, Governor and current United States Senator ZELL MILLER, United States Senator Herman Talmadge and Ambassador Andrew Young.

Beyond politics and history, Dr. Steely is involved in numerous civic organizations, including the Moose and Elks clubs, the Kiwanis Club, the Boy Scouts, the Methodist Church and Governor Sonny Perdue's Civil War Commission. With his wife, two daughters and five grandchildren, Dr. Steely should have no problem keeping busy outside of his continued involvement with the West Georgia Political Heritage Program.

On behalf of the constituents of Georgia's 11th Congressional District, I appreciate Dr. Steely's service to our community and his help in preserving Georgia's history. I wish him well, and may he find many new adventures in his retirement.

CARING FOR OUR VETERANS AND THEIR FAMILIES

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Maine (Mr. MICHAUD) is recognized for half the time until midnight as the designee of the minority leader.

Mr. MICHAUD. Mr. Speaker, we are here this evening to discuss an issue that I believe should be one of the highest priorities in the budget, one of the highest priorities for Members of Congress and one of the highest priorities for our government. We are here this evening to discuss caring for our veterans and their families. We are here on the floor to show them the respect they deserve.

Since the beginning of our Nation's history, our veterans have answered the call to duty with dignity, with courage and with great honor. These brave men and women have never flinched in the face of danger and as we speak on the floor this evening, a new generation of veterans is being made in Iraq and Afghanistan. Like all Members of this body, I pray for their safety and hope that they may return home to their loved ones as soon as possible. Like the veterans before them, these brave men and women deserve our respect, our gratitude and our care, not just while they are in harm's way but also when they come home and take off the uniform. There are so many issues facing our veterans community now that we must address so that the VA can care for the needs of our newest generation of heroes. I believe we must encourage all veterans to enroll within the VA so they can fully understand the need within our communities. There is a program in my home State of Maine called Operation I Served which is working to identify and enroll as many veterans as it can. I believe this is a noble effort and one that I fully support. I personally ask all veterans to enroll in the programs.

Mr. Speaker, one of my greatest concerns when I came to Washington was to give over 150,000 veterans in my State a stronger voice on the issues that are important to them. I have been honored with being ranking member on the House veterans benefits subcommittee. During my time on the Committee on Veterans' Affairs, I have learned a great deal from the full committee ranking member the gentleman from Illinois (Mr. EVANS) and from the gentleman from New Jersey (Mr. SMITH), the chairman. The bipartisan effort of our committee has resulted in the passage of good legislation, including improved veterans education benefits, the enhanced self-employment opportunities and improvement in home loans and adapted housing benefits. The housing veterans' affairs committee has achieved a great deal for veterans because of the bipartisan spirit with which it pursues issues important to veterans and their families. Unfortunately, that bipartisan desire to care for veterans does not reach into the administration's budget request. Veterans in this country are all too aware of the growing mismatch between the demands for veterans services and the funding allocation to supply these services. Some would have us address this issue of mismatch by decreasing the demand for VA services by limiting access to certain veterans or by increasing copayments to those veterans. I believe this is absolutely the wrong policy to pursue. If we truly value the sacrifice our veterans have made for this country, we will work to ensure that all veterans have access to high quality care. We must make caring for our veterans a priority, not only in words but also in our budgets and we should give the VA the mandatory funding that it needs to take care of our veterans.

I look forward to discussing this issue further this evening with my colleagues here. I yield to the gentleman from Ohio.

Mr. STRICKLAND. It is great to be here with the gentleman from Maine (Mr. MICHAUD), the gentleman from Ohio (Mr. RYAN) and the gentleman from Maine (Mr. ALLEN). The fact is that we are here because we are concerned about veterans and the fact that this administration is woefully underfunding VA health care. The truth is that since President Bush came to office, he has sent to this Congress budgets which ask for greatly increased costs to our veterans. The President has asked that the cost of a prescription drug be increased from $7 a prescription to $15 a prescription. The President has asked in his budget that a $250 annual user fee be imposed upon our veterans. The President has asked that the cost of a clinic visit be increased. And the President through his administration has created a new category of veterans which they call priority group 8. These are veterans who are told that they can no longer participate in VA health care. These people can be combat decorated veterans and still be told by this administration that they cannot participate in VA health care.

What the President has already done is harmful enough to veterans, but just recently a memo surfaced from this administration from the Office of Management and Budget. It outlines what the President will likely do if he is reelected when it comes time to create the budget for 2006. In that memo, we find out that the Bush administration plans to cut about $900 million out of VA health care funding in the 2006 budget. The reason that is so bad is because we are already underfunding VA health care. We are already imposing additional costs on our veterans. Veterans are waiting months just to see their doctor for the first time in many cases and in many places around this country. Yet the President wants to fund VA health care at an even lower level for the 2006 budget period. What would that mean in Ohio? Ohio is a big State. We have 1,069,132 veterans in Ohio. These are men and women who have served the country with great honor. If the President's proposed cut were to happen, that would result in a cut of $36 million beneath the current levels of funding just for the State of Ohio alone. We cannot let that happen. That is why I think it is important that we meet as we are meeting here on the floor of the House tonight to discuss this issue, to inform not only our colleagues but to inform the American people and especially America's veterans as to what is being planned by this administration.

Mr. MICHAUD. I yield to the gentleman from Ohio.

Mr. RYAN of Ohio. Mr. Speaker, it is an honor to be here with the gentleman from Ohio (Mr. STRICKLAND), the gentleman from Maine (Mr. ALLEN) and the gentleman from Maine (Mr. MICHAUD). Maybe we can get a two-on-two basketball game going here, the Ohio guys against the Maine guys. I just want to say what an honor it is and how terrific it is I think that the gentleman from Maine became the ranking member on a subcommittee in the Committee on Veterans' Affairs in his freshman year. I think that speaks volumes of how he has been approaching the issues and how important it is to him. But the one issue I wanted to just touch base on for a few minutes, and I know it is getting late and our time is limited, about the mandatory funding. We have an opportunity to make sure that our veterans are funded every single year through the mandatory funding provisions that we want to implement. Right now it is discretionary funding, it is up to the whims of Congress on whether or not our veterans should get their health care. The request from the Secretary of the VA is completely underfunding the needs.

Everyone keeps saying, "Well, we're spending more on veterans now than we ever have. We are spending more. We have increased by X percent over the last few years." And the one point that continues to get ignored is that we have thousands of more veterans entering into the system. So although there is an increase, if you increase it by 5 percent and the numbers of veterans coming in increases by 10, 15 or 20 percent, then the money you have in the pot is not big enough to handle the needs for our veterans.

□ 2300

And what has happened under the current system, under the discretionary funding system, is that we have failed to keep pace with the medical inflation; we are rationing care to our veterans; we are denying services to some, as the gentleman from Ohio (Mr. STRICKLAND) said; we are foregoing a lot of the modernization techniques and investments.

And the one point that I really wanted to bring up because I think it is so appropriate given the state of war that our country is in, reducing the funding for research and development for prosthetics. The VA was award winning in the country for the kind of developments and the research that they would put in and the kind of advances that they have had regarding amputees and trying to help amputees who come back. In this war we have seen more amputees than we ever expected because we do not have the armored Humvees, and just the way this guerrilla war is being fought, we have a lot of veterans who are losing their arms, losing their legs, and now back at home we are cutting the investment for trying to improve on prosthetics.

Not only that, but when we take a step back and we look at the big picture, this is about choices and we can say we do not have enough money to fund all these programs for our veterans. That is a shame in itself if one has to say that, but at the same time they will not reduce the tax cut for millionaires.

We are not asking to reduce the tax cuts for anyone that has made under $300,000, $200,000. In fact, Democrats want to increase the child tax credit and increase the breaks for middle-class people. But when one says that they are not willing to repeal any portion of the tax cut for people who make more than $1 million to pay for this veterans funding, we have a problem in this country.

Mr. STRICKLAND. Mr. Speaker, will the gentleman yield?

Mr. MICHAUD. I yield to the gentleman from Ohio.

Mr. STRICKLAND. What the gentleman is describing here are the values embraced by this Congress, and some people seem to think it is more important to give tax cuts to people who make over $200,000 a year than it is to put sufficient resources into caring for our sick and disabled veterans. That is an argument we can have, but I think the American people are going to side with us. Especially during this time of war, and the gentleman from Maine (Mr. MICHAUD) knows this, as he visits his district, as I visit my district, as the gentleman from Maine (Mr. ALLEN) visits his district, we hear from people that they honor and revere the service that our veterans have given to our country, and they want us to put the needs of our sick and our disabled veterans at the top of the list. They do not want them to be at the bottom and get the leftovers. They want them to be at the top.

Sadly, this administration has decided that it is more important to take the resources we have and give those resources to the richest people among us in the form of tax breaks than to put sufficient resources into our health care.

Mr. MICHAUD. Mr. Speaker, I yield to the gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, I thank the gentleman for yielding to me.

This is a Maine/Ohio event tonight. I am not sure we are ready to play basketball with Hoosiers, but we are happy to talk with them tonight about the problems our veterans face.

We have 150,000 people over in Iraq and Afghanistan doing their level best to carry out an extraordinarily difficult assignment. And it is simply astonishing, it is a disgrace, that President Bush and the Republican leadership in this Congress have made tax cuts for the richest Americans a higher priority than funding health care for our veterans.

Just to put these numbers in perspective, Secretary Principi asked the administration for $1.2 billion in next year's budget that he could not get. He asked for $1.2 billion. That seems like a lot of money. How much are we spending every week in Iraq? A little over $1 billion. We spend $1 billion a week in Iraq, and we cannot find, the administration cannot find, $1 billion extra a year to fully fund veterans' health care in this country. It is just unbelievable.

In Maine we are doing better in some respects because we have got some additional clinics. We have got the CARES report that has been done and offers some hope that we are going to do a little better in the future. But nationally we are underfunding veterans' health care. There is no doubt about it. What is really going on, I think, is because the cost of health care, particularly the cost of prescription drugs, is rising so rapidly that more and more veterans are coming into the system, flooding the system, asking for help. And where is the United States Government, where is the United States Congress, when our veterans need extra help? Sadly, missing in action is where we have been.

The gentleman from Ohio (Mr. STRICKLAND) was just talking about the White House budget memo for the next fiscal year, not the one we are debating this year but the next fiscal year. That is a cut. In fiscal year 2006 President Bush's proposal is to cut VA health care by another $910 million, almost $1 billion, 1 week's worth of spending in Iraq. And if they succeed in driving veterans' health care down by that much, they will have cut veterans' health care to below the 2004 level, below the level that we are spending this year. And I find this proposal just absolutely shameful, especially when our servicemen and women and their families are sacrificing so much in Iraq, Afghanistan, and around the world.

We should be at this time showing renewed appreciation for our veterans, and that is why I support the gentleman from Wisconsin's (Mr. OBEY) resolution, H. Res. 685, that would reorder the Nation's budget priorities to increase the investments in veterans' health care. This House will vote on the resolution tomorrow, and H. Res. 685 would increase funding available for VA health care for fiscal year 2005 by an additional $1.3 billion, just slightly more than Secretary Principi asked the President for and did not get.

The resolution would be paid for by limiting unfair and disproportionate tax breaks for people making $1 million annually. And think about this. That would save just under $19 billion. In other words, here we are, the conflict going on in Iraq and Afghanistan, and in 1 year alone, people earning $1 million a year or more are going to take home $18.9 billion that they would not have had without these tax breaks. And we cannot find, the administration cannot find, the Republican Congress cannot find, $1.3 billion a year to help our veterans. If we were not in Washington, we would not believe it. What is happening is just absolutely unbelievable and needs to be changed.

Mr. STRICKLAND. Mr. Speaker, if the gentleman would yield, I want to comment on what the gentleman from Maine (Mr. ALLEN) has said. The fact is that we are more concerned about millionaires getting a few dollars in tax breaks than we are in providing health care to our veterans. It is a simple fact. The President and the leadership of this House can argue otherwise, but it is true. If we would just simply not be so concerned about giving millionaires more money in tax breaks, we could take care of America's sick and disabled veterans. These people who have fought the battles, paid the price by shedding their blood, losing their limbs. Some have been blinded, disfigured, and horribly wounded in a variety of ways. But this administration cares more for millionaires in terms of getting more money through tax breaks than caring for our veterans.

Mr. MICHAUD. Mr. Speaker, I agree with the good congressman. And I do not know what it is going to take because both the gentleman from Ohio (Mr. STRICKLAND) and the gentleman from Ohio (Mr. RYAN) also sit on the Committee on Veterans' Affairs, and I do not know what it is going to take, because in earlier years, as they know, we have got this independent budget for fiscal year 2005 where they spell out the money that they need to take care of our veterans here in this country, and it was unanimous. Then the President's own task force reported earlier the final report in 2003, Improved Health Care, Delivering for our Nation's Veterans, it says right in there that there is a significant mismatch in the VA between demand and available funding.

□ 2310

Something has to be done to take care of our veterans, and it is a matter of priority.

I served in the legislature for 22 years, and a lot of those years I served on the appropriations committee and we had to make the tough decisions. We had to live within a balanced budget because the Constitution of Maine requires that.

So we had to prioritize. That is what this is all about, is prioritization. I do not think the priorities of this Congress and this administration are set in the right places. I think definitely the veterans are a top priority and we ought to take care of them.

The gentleman from Ohio (Mr. RYAN) talked about the cutting of some of the research funding for our veterans. I had a chance to go visit Walter Reed hospital and went into the amputee ward. I am glad I did. I had a chance to talk to a lot of the soldiers that were there, and it really opened my eyes.

That is one area we definitely should not be cutting back, because the war in Iraq and Afghanistan will be over with eventually and people will tend to forget about it, but the people who will never forget about the war in Iraq or Afghanistan are those who lost a loved one or a veteran who came home and is missing a limb or two. They will never forget. That is always going to be on their minds.

That is why it is incumbent upon this Congress to make sure that we have adequate funding. And as stated by my good colleague the gentleman from Maine (Mr. ALLEN), actually when Secretary Principi came before the Committee on Veterans' Affairs to talk about his budget, he admitted they cut him back $1.2 billion. That is wrong, and that is not where my priorities are.

Mr. RYAN of Ohio. Mr. Speaker, if the gentleman will yield further, I want to share with the American people, because it is easy to say that the gentleman from Ohio (Mr. RYAN) or the gentleman from Ohio (Mr. STRICKLAND) or the gentleman from Maine (Mr. MICHAUD) are the ones saying we need to do this.

Almost every major veterans organization has backed the mandatory funding proposal. The American Legion, the AMVETS, Blinded Veterans Association, Disabled American Veterans, Jewish War Veterans of the USA, Military Order of the Purple Heart, Paralyzed Veterans of American, Veterans of Foreign Wars, Vietnam Veterans of America, these are veterans organizations who are saying this is something that we need and we are willing to put our names on it. I think that is important.

It is the same with mental health, homelessness and all the other issues that we talk a lot about in committee.

So I just want to thank the gentleman again for the opportunity to be here. It has been great over the last few weeks and months to watch all of the history of the World War II veterans and everything that has been shown on TV and on the history channel and the dedication of the monument and everything else.

I think when we are talking about values and talking about priorities, and as the gentleman from Maine said, as a legislature, you have to make these choices, and they are not always easy choices. But when you compare what we are doing and how many trillions of dollars we are giving a way to the top 1 percent of the people in this country, at the expense, it is not free money, it is at the expense of veterans, and where would those people be if these veterans did not protect the system, the economic system, the democratic system that we have in place right now that enables them to create the kinds of wealth they have created. God bless them. We are not here to say they should not make their money, but we are saying society has an obligation to treat these people fairly, and right now they are not.

Mr. MICHAUD. Mr. Speaker, reclaiming my time, I thank the gentleman.

Another issue I would like to discuss, and it is an issue that has plagued our veterans community for over 100 years, it is the issue of concurrent receipt, also known as the disabled veterans tax.

H.R. 303 which would address this issue has 382 bipartisan cosponsors, but this bill has not been brought to the floor by Republican leadership. My good friend the gentleman from Georgia (Mr. MARSHALL) has filed a discharge petition, but has only been able to get 206 signatures as a result of this action. And the grassroot movement, the veterans around the country, we were able to actually take a small step to address this issue in the national defense authorization.

But it is a crying shame, because when you look at in my State of Maine alone, two-thirds of the military retirees were left out of this provision, and I fully support total elimination of the ban on both the disability and retirement pay. I do not think we should stop until we get the full repeal of it.

Mr. STRICKLAND. Mr. Speaker, if the gentleman would yield, I think some people do not fully understand what is meant by concurrent receipt. Some people do not really understand what we mean when we talk about the disabled veterans tax. But it is a discrimination against veterans.

If a veteran is an individual who has served the country and has qualified to receive a pension, they get a pension. But if they have become disabled in some way and they qualify for disability benefits, they get disability benefits, or they qualify for disability benefits. But the tragic fact is, for every dollar that a veteran, a disabled veteran, gets in disability benefits, $1 is subtracted from their pension.

So, in other words, the disabled veteran is actually paying for his or her disability, and it is a discrimination, it is an injustice that needs to be corrected.

We would have corrected it. The Democrats in this House have been trying for months to correct this injustice, and the President fights our attempt to get rid of this disabled tax.

Mr. McHUGH. Mr. Speaker, will the gentleman yield?

Mr. STRICKLAND. I will not yield right now, but I will as soon as I finish my statement.

The fact is that we have been trying to get rid of this disabled veterans tax, and it is the Republican leadership in this House and the president of the United States who has fought our attempts to get rid of this terrible injustice. And it will not change, I believe, until the veterans of this country understand what is going on and speak out and speak up and demand change.

You know, talk is cheap, and it does not cost us anything to salute the flag or to appear with veterans in a parade. But the real reflection of our values as a people and as a Congress is seen in how we spend our money, those things which we are willing to support with our budget.

The fact is that this Congress has failed disabled veterans, and I just call upon the President, upon my colleagues in this House, to change their attitudes and change their minds and step up to the plate and allow the Republican Members to come down here and sign this discharge petition. Let us bring this bill to the floor, so that all Members of this Chamber can have a recorded vote, a public vote, so that the veterans know where we stand; not just what we say, but what we are willing to do with our vote to get rid of this injustice.

Mr. Speaker, I thank my friend for yielding.

Mr. MICHAUD. Mr. Speaker, reclaiming my time, talking about the disabled tax, that has been a very discouraging thing. I have heard a lot of veterans in Maine who do not receive much funding at all.

Mr. McHUGH. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore. Does the gentleman from Maine yield?

Mr. MICHAUD. Not at this time, Mr. Speaker.

Mr. Speaker, the biggest problem I see when you talk about veterans benefits and health care, sometimes those in the administration really do not understand the distance veterans have to go to get their health care.

The issue I want to bring forward is we have a lot of BSOs, and I hear a lot of complaint in the State of Maine. If a veteran in the northern part of the State has to get health care services and they go to Togas and then they have to get shipped to Boston, they stay overnight in Togas, then another day they go to Boston; they stay overnight in Boston, then they come back to Togas, then back up to the northern part. It is a 4-day trip.

That is wrong. I do not think veterans should have to go through that. It is wrong. We have to make sure they are taken care of, not only their health care, but this disability tax is another issue that I think we definitely should be voting on.

Mr. McHUGH. Mr. Speaker, will the gentleman yield?

Mr. MICHAUD. I yield to the gentleman from New York.

Mr. McHUGH. You will yield. I thank the gentleman.

Let me from the outset, Mr. Speaker, say that I deeply appreciate the two gentlemen's comments about the concerns with respect to veterans benefits. I think both sides of the aisle, Republican and Democrat, share that concern.

What troubles me is the comments the two gentleman have made with respect though the Republican majority in this House as it relates to concurrent receipt.

□ 2320

The fact of the matter is, this concept has existed since the 1860s, since just after the Civil War. The fact is, for the 40 years prior to the Republicans taking the majority of this House, my friends' party did absolutely nothing to correct the inequities, the wrongs associated with concurrent receipt that they so rightly cited.

Mr. MICHAUD. Mr. Speaker, would the gentleman quickly make his point?

Mr. McHUGH. I am making my point as quickly as I can. If the gentleman cares to reclaim his time, that is his right.

As the chairman of the subcommittee that has responsibility over concurrent receipt, I would say under the Republican majority, for the first time in more than 140 years, including 40 years of uninterrupted Democrat majorityship in this House, we have taken steps to cut the concurrent receipt inequities by more than half. It is not enough. We need to do more.

Mr. MICHAUD. Mr. Speaker, reclaiming my time.

Mr. McHUGH. But for these 2 Members to say we have done nothing is the most disingenuous comment I have heard in my 12 years here.

Mr. MICHAUD. Mr. Speaker, reclaiming my time, what was done 100 years ago is one thing. Veterans want the problem taken care of now.

Mr. McHUGH. Would the gentleman yield? * * *

Mr. STRICKLAND. Regular order, Mr. Speaker.

The SPEAKER pro tempore (Mr. GERLACH). The gentleman from Maine has the time.

Mr. MICHAUD. Mr. Speaker, I am a freshman Member of Congress. I was not here to deal with this issue in the past. I am here now, and it is an inequity, and I think it should be taken care of.

Mr. McHUGH. * * *

The SPEAKER pro tempore. The gentleman from Maine has the time.

Mr. MICHAUD. Mr. Speaker, I am not here to put blame on the past Congresses. I am in this Congress, and this is an issue where we have over 380 some odd Members of Congress signing it, and it is disingenuous for those Members of this body who signed it to be cosponsors and refuse to sign the discharge petition, and refuse to bring it out.

Mr. McHUGH. Will the gentleman yield?

Mr. STRICKLAND. Will the gentleman yield to me?

Mr. McHUGH. Will the gentleman yield?

Mr. MICHAUD. I yield to the gentleman from Ohio (Mr. STRICKLAND).

Mr. STRICKLAND. Mr. Speaker, the issue is this: a vast majority of the Members of this House have signed on as sponsors of a bill to solve this disabled veterans problem, to get rid of it. The leadership of this House will not allow that bill to be brought to the floor so that all of us; you, sir, as well as every other Member of this body, will have a chance to cast a public vote so that the veterans of this country know where we stand.

Mr. McHUGH. Mr. Speaker, will the gentleman yield?

Mr. STRICKLAND. I will not yield.

The fact is that we deserve a chance to have a public vote so that the veterans in your district and in Mr. MICHAUD's district and in my district can look at the record and see how we vote.

Now, why will not those who are sponsoring that legislation walk down here and sign their name to the discharge petition and allow that bill to be brought to the floor? All we are asking for is a public vote. Members can vote however they choose to vote. But the people of this country, especially the veterans of this country, deserve to know where we stand.

Talk is cheap in this chamber. It is the vote that counts.

Mr. McHUGH. Mr. Speaker, will the gentleman yield?

Mr. STRICKLAND. I will not yield. It is the vote that gives the benefits to the veteran, not the talk, and what we have is talk. As I have said before, rhetoric is empty unless it is followed up with the willingness to cast the vote to make the resources available to the veterans.

We are talking about disabled veterans, veterans who have suffered bodily injury as a result of their service to this country. For too long, these disabled veterans have been denied justice. We are simply asking for justice.

Mr. MICHAUD. Mr. Speaker, reclaiming my time, I would like to read an e-mail.

Mr. McHUGH. Mr. Speaker, will the gentleman yield?

Mr. MICHAUD. No.

I would like to read an e-mail I received from a constituent: "It is the veteran, not the preacher, who has given us freedom of religion.

"It is the veteran, not the reporter, who has given us freedom of the press.

"It is the veteran, not the poet, who has given us the freedom of speech.

"It is the veteran, not the campus organizer, who has given us the freedom of assembly.

"It is the veteran, not the lawyer, who has given us the right to a fair trial.

"It is the veteran, not the politician, who has given us the right to vote."

Mr. Speaker, I think that pretty much sums it up. It is the veterans that made this country what it is today. We should be taking care of our veterans, living up to the commitment, making sure that they get the proper health care that they deserve, and we ought to take care of some of the problems of concurrent receipts and mandatory funding.

THE GROWING ECONOMY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Kansas (Mr. TIAHRT) is recognized for the remaining time until midnight as the designee of the majority leader.

Mr. TIAHRT. Mr. Speaker, I thank the gentleman from Maine for giving us that wonderful quote about all of the benefits that have been provided to us by veterans. But when it comes to concurrent receipts, it has been the Republicans that have done the most to provide for concurrent receipts for veterans by making a progressive step in the right direction.

I will be glad to yield to the gentleman from New York (Mr. McHUGH) to explain what has happened when it comes to benefits for the veterans.

Mr. McHUGH. Mr. Speaker, I thank the gentleman for yielding. I am sorry we were unable to construct a constructive give-and-take discussion on this very important issue with my 2 colleagues who have now left the chamber, regrettably, on this issue.

As I said during the time they did yield to me, and I appreciate that opportunity, the fact of the matter is that when we come to the issue of concurrent receipt, this is a process that I strongly disagree with, and I think the majority of the House, Republican and Democrat, disagree with, and it has existed for more than 140 years. However, the fact is, in spite of my 2 friends' comments earlier, nothing has been done in that 140-year period to correct that situation until the last 3 years.

Over the last 3 years, we have taken significant steps to remediate the inequities that are associated with concurrent receipt. Based on the hard work of the House Committee on Armed Services controlled by, yes, the majority party, we have significantly improved the concurrent receipt situation. I think every veteran service organization in America would admit that.

What has not happened, however, is total correction. What concerns me, and what really I think is the key point with respect to the previous speakers' comments, that while one speaker, the gentleman from Maine, said he was not here, it was not his responsibility that nothing had been done, the other speaker, the gentleman from Ohio, was here and, in fact, was complicit in no corrective action.

I just want to rise tonight to express again my appreciation to the gentleman from Kansas (Mr. TIAHRT) for yielding to me to assure the veterans community who have been affected by this, that while we have implemented what amounts to multiple billions of dollars of corrections in this concurrent receipt debate, that we are going to continue to effect even further corrections until the inequity that has existed through the past 40 years of the minority's rule over this House, until equity, until the proper circumstance is corrected. And this is the silly season, the political season, and I just wanted the opportunity to state that, as the chairman has responsibility over this issue.

□ 2330

Mr. TIAHRT. Mr. Speaker, I thank the gentleman from New York (Mr. McHUGH), the chairman of the subcommittee that has jurisdiction on this area for all the progress that he has made for veterans in a long time. As it was stated here earlier by the Chairman, 140 years has gone by that this has been an issue, but it took a Republican Congress to act on it. And we have done more for veterans in the last 10 years since we have taken over the House of Representatives as the majority party than happened in the previous generation. So I thank him for his leadership and appreciate his time on the floor tonight.

Mr. Speaker, tonight I want to speak about three things. First, I want to talk a little bit about our economy and how it is growing, why it is growing, why the tax relief that we have passed has been so beneficial.

Second, I want to talk about what is going to be proposed tomorrow by the gentleman from Wisconsin (Mr. OBEY), the ranking member on the Committee on Appropriations. He is calling it "America's Top Ten Obligations." That is the title for a tax increase on what he claims are the top 1 percent of taxpayers in America. We will tell you who those people are.

The third thing I want to talk about is how we are going to bring jobs back into America. It is an agenda we call "Careers for the 21st Century." It is an eight-point plan to make America more competitive.

But first, Mr. Speaker, let me return to our economy. Our economy is robust. I have a chart here that shows how our economy is growing. It starts in the fourth quarter of 2002. As you recall, in the recent history of our economy, in 1999 we had a tech bust. It resulted in a dramatic drop in the NASDAQ because a lot of the tech industries lost value and many people were laid off.

Following that in about November of 2000, prior to George Bush being sworn in for office in January of 2001, the recession started. We saw other job losses. Then on September 11, 2001, terrorists attacked our country using our own technology against us and dealt a severe blow to our economy.

In my home area in south central Kansas, our community had a greater percentage loss of jobs compared to the total number of jobs in the community than any other community in the United States. We were hit very hard. So the terrorist attack had a dramatic impact.

What happened in Congress then is that we passed the President's plan for tax relief. It was an across-the-board tax relief plan in addition to some targeted tax relief. That across-the-board plan affected every individual that pays Federal income taxes in America. Every individual. All of us got a tax break if we paid Federal income taxes. It was a very fair and reasonable thing to do. The percentage was equal for every American.

So that tax increase did one of three things for people who got money back from the government, their money returned to them by the Federal Government. They either saved it, which was good, because that provided money for mortgages. As we have known, if one has been paying attention to new home starts in America, it has been dramatically growing. It has been the largest surge that we have seen in recent history. Two reasons: One, low interest rates; the second is there was money available because people took some of this money available from the tax relief and they saved it.

The second thing was invest it. By investing it it made money available to corporations to expand their companies and hire more people. And the charts will support that.

The third thing is that what Americans did with the tax relief is they spent the money. They went out there and they demanded goods and services. Those goods and services in turn created more jobs.

So the tax relief did those three things. All of it was good for our economy. The results are clear. The growth in our economy going back to the fourth quarter of 2002 they had a 1.3 percent growth. We were just seeing the effect of the tax relief. The next quarter, the first quarter of 2003, 2.0 percent growth. Then it started to climb, 3.1 in the second quarter. Third quarter spiked at 8.2 percent. It was really taking off. Then it leveled off to now 4.1 and then 4.4 for the first quarter of 2004.

The projection is the last half of the chart there looks like it is going to go to about 4.4. We are anticipating some increases in the interest rates from the Federal Reserve. So there may be a slight drop back. But this is the fastest growth that our economy has seen in the last 20 years, a tremendous advantage, and it was based on tax relief.

This surge has also created jobs. This is a by-month comparison of the jobs, the base level of jobs and then the month's increase of jobs. One can see the total number of jobs has grown dramatically in the last 3 months. We have seen in March of 2004, 353,000 jobs were created. In April of 2004 an additional 346,000 jobs were created. In May of 2004, this past May, 248,000 jobs were created. Since August of last year this economy has created 1.4 million jobs because we have had some tax relief and people have done one of those three things that I explained earlier.

Now, what does that mean when jobs increase? It means unemployment goes down. Unemployment now is down to where the average in 2004 is lower than the average of the 1970s, the 1980s and the 1990s. In Kansas where we have had 13,000 aerospace workers laid off, they are coming back to work. Our unemployment has just dropped three-tenths of a point in just the last couple months. So we have seen a real reduction in unemployment, which has been good for our economy. Not only are there more jobs out there, but the people with those jobs are earning more money.

Now, we have heard complaints from the other side of the aisle that, oh, sure, there are some more jobs out there but they are minimum wage jobs. These are jobs that only poor people can have. It is not a living wage. The truth is the average wage is going up. The people with these jobs are getting high-quality, high-paying jobs.

Now, I know we can do better, but the fact is people are making more money and we have more people working. Exports are also picking up, a good indication that our economy is doing very well. Also our investments are very strong. This goes back to what I was saying about those three points.

The President's tax cut has reduced the marginal effective tax rate for new investments and that has caused a growth of investments in America. Very important fact. Housing starts remain strong. We talked a little bit about that. That is one of the second points I made when people save money. I guess it is the first point I made, that when people save money it makes money available for home mortgages. And then home ownership starts, people buy houses and they build new homes. And those homes that are vacated are then sold on the market.

We have more people owning homes today than ever before in America's history. Minority ownership is at an all time. high, at 50.8 percent of families owning houses.

Other indicators in the housing markets are also strong. So this is good news for our economy. And it goes back to tax relief. Tax relief is very important to keep our economy strong.

Now, tomorrow the gentleman from Wisconsin is going to take a tip off the sheet of Mr. KERRY, the gentleman running for president, and that is going to be called America's Top Ten Obligations. Now, this plan, the intent of this plan is to scale back the tax cuts, the tax cuts that have been propping up this economy, as these charts have shown, propping up this economy during the terrorist attacks, the war against terrorism, it is a worldwide war, and the recession that we are coming out of.

But the problem is that Mr. KERRY and the gentleman from Wisconsin (Mr. OBEY) wanting to raise the tax burden, which they say is the top 1 percent of America, is actually raising taxes on the people that are creating the jobs.

Now, the Tax Foundation is drafting a report on the demographics of the top 1 percent of taxpayers in America. These are the so-called, quote unquote, "millionaires." And they are millionaires. For example, 83 percent of taxpayers with an income above $1 million have it from business income. Well, what does that mean? It means that they are the people that are out there creating jobs. Many of these jobs that we have seen on the charts here tonight are created by small business. 83 percent of these people are small business owners, pure and simple.

If you look at the statistics, 13.2 percent of them are in finance, real estate, or insurance. 8.1 percent of them are in manufacturing of durable goods. 6.9 percent of them are in educational services. 6.8 percent of them are in medical, except hospitals.

□ 2340

We have 6.0 percent of them that are business and repairs, including computer processing and business services, and 4.9 of them are in construction/manufacturing.

These other categories include agricultural, farming in other words, mining, utilities, wholesale trade, retail trade. These are small business owners, and in Kansas, it is four out of five jobs.

Now, if you look at Kansas, you will find that in Wichita, for example, it has the largest facility owned by Boeing outside the State of Washington. We also have Raytheon which owns Beech aircraft where they make Beech jets, many different models, and also, their single engine aircraft. We also have Cessna, which is owned by Textron. All their aircraft are made in south central Kansas, either in Independence, Kansas, and a majority of them remain right there in Wichita.

We also have Lear jet which is owned by Bombardier where they make the Lear 35, the Lear 45, the Lear 60 and they are looking at some other Bombardier models that are moving in there.

We also have a design shop for Airbus, designing the wing for the A-380, their new huge airplane that is going to be sold to airlines for passenger use. Plus, we have about 150 shops that supply the aircraft industry.

Well, a majority of those shops are just nothing more than small businesses. People look at, well, we have got 12,000 people at Boeing, 12,000 people at Cessna, 8,000 people at Raytheon, 4,000 people at Lear jet, 120 at Airbus, but then you look at all these small shops, and there are more people working in aerospace for small businessmen than there are for all the big corporations.

Well, those are the 83 percent of taxpayers in the top one percent that own those shops and hire those people.

Well, the plan that Mr. KERRY and the gentleman from Wisconsin (Mr. OBEY) have is to raise taxes on those people. What impact will it have when they have less money available to hire people to run their business? It will result in layoffs.

Now, if you have listened to the rhetoric during the presidential campaign, you will find out that the gloom and doom perspective are coming from Mr. KERRY and from the Democrats here in the House, and they have sort of this dark, stormy night view of America. I have sort of the sunshiny day, the optimistic side, where if we can allow people to have a little more in their pocket, where we can allow small businessmen to go out there and invest in their companies, they will do well, they will hire people that will do well, and our economy will do well, but instead, we have got to go down the path that they want to take us which is to raise taxes, take away jobs.

I found it interesting tonight that the gentleman from Maine created this scenario where rich people, it sounded like they were sitting on a beach somewhere in the Caribbean, sipping their

Margaritas or whatever, Margaritaville maybe, and that they were just living a life of leisure and they just had money stuck in their pockets everywhere, and we should take that money away from them and give it to the veterans which are having trouble getting health services. Well, in the last 10 years since I have been here we have doubled the amount of money that veterans are getting for health care, doubled it, more than they did in the previous generation.

But we also realize that these people that they are talking about, the top 1 percent, are not sitting on the beach somewhere drinking a Margarita, they are out there working 60, 70, 80 hours a week. They are creating jobs. They are trying to keep their businesses together. They are giving people opportunities by hiring them, letting them get skills, letting them work, letting them buy clothes for their kids, buy cars for themselves, putting their kids through college. They are letting their employees live the American dream, but that is going to change if Mr. KERRY or the gentleman from Wisconsin (Mr. OBEY) have their way. They are going to take away the money that they have in order to make their businesses healthy and grow.

So, the proposal the Democrats have is to kill the jobs. The tax breaks we have obviously have created jobs by just the charts I showed you earlier. It seems the House Democrats want to bring up a page out of the Kerry economic playbook to raise taxes on job creators and grow the size of government, and Mr. Speaker, Republicans welcome this chance to debate and defeat this job-killing bill tomorrow, along with the spending proposals.

The third thing I wanted to talk to you tonight is something that is very exciting because I showed you how well the economy is doing, but we know we can do better. When things got tough in America, I started talking to the CEOs back in my area, and I met with them several times. I listened to their concerns, their problems, and I realized that they basically control only a couple of different variables in their businesses.

Number one is wages, and that is the thing that we seem to always talk about, and I think the reason we do is probably because unions feel that that is their prime objective in life today. It is not about whether the lights are on or off or how warm it is in the workplace anymore. It is about wages, and they feel like they are unjustified unless they get a good wage package for their workers. That is what they are there for, and what I found is that the employers basically do not mind paying a good wage. They want high quality workers. They are willing to pay for them, but that is one of the few variables they have that they can control. So there is a lot of pressure on employers to try to keep wages down. It is very unfortunate, but I will tell you why later on.

The second thing, though, is overhead. Overhead is a variable. That is how many square feet they have in a building. That is how new of machines they have. That is basically keeping the lights on and having the equipment for their employees to work on. They can control how big the building is. In fact, they can sell it off if they have to. Right now, the Boeing company is looking at selling off a large part of the facility they have in Wichita. They have about 12.5 million square feet under roof in Wichita. They could spin off as much as half of that and have another company buy that, and that would reduce their overhead burden. That is one of the two variables that they have to look at.

The other variables are things that they do not get a vote on. They cannot really have much control over, for example, the health care plan. Right now, employers must have a health care plan to be competitive, but they do not get to vote on how much it grows each year. In fact, some of them have told me in Wichita that the growth in their health care costs for their employees have gone up by 30 percent in the last year, 30 percent. Now, they are looking at ways that they have to increase deductibles, trying to put more of the burden back on the employees. Well, that is a very unfortunate thing, but it is something that they have very little control over.

So what do they do? They look at wages and overhead. The result of that has been a job loss. They have been looking at going overseas because it is more difficult. Well, health care is just one issue.

We have divided the issues up into eight categories. Now, these issues have really been a problem created by Congress over the last generation. They have created costs and expenses that businesses have to put up with just by the sheer structure of the system, and it has limited their ability to do business in America, and it has caused job loss, jobs going overseas.

The eight categories are health care security. We have talked about health care a little bit. The other one is bureaucratic red tape. Educational policy, we call it lifelong learning. Energy self-sufficiency, research and development/innovation. Trade fairness is the sixth one. The seventh one is tax relief and simplification. The last one is ending lawsuit abuse and litigation management.

We have a scorecard on what we have done to change the business environment in America and make it more competitive. We have taken on the first four of these eight issues.

The first one was health care security. With health care security, we passed three pieces of legislation. Let me say up front that we have not solved the problems in health care all together, but we have put policies in place that will help lower the costs. We will not see the same dramatic growth we have seen in the past.

The three pieces of legislation we passed were flexible spending accounts that allowed employees to control part of this money. The employer would set aside an amount of money like $1,000. If the employees did not use that money, they could carry it over to the next year, and by doing that, then eventually, as we worked with this policy, it could be a system where an employee, if they stay healthy their whole lives, they could use that money for long-term health care in their elder years. That is always a worry that people have.

My parents are having that same concern. They have gone out and bought long-term care insurance. It costs them a lot of money a month, and it grieves me because they have to cut back on their lifestyle. It costs them almost $400 a month. My father is 85. My mother is 77. So it is a little difficult for them to fit that in their budget, but they are so worried about being a burden on their children that they have gone out and purchased this insurance.

Well, if an employee working chose a healthy lifestyle, was allowed to put this money away through their working career, it would go into an annuity that could pay for long-term health care insurance through flexible spending accounts.

We also passed medical malpractice liability limits, and that was a very good thing because it limited the amount of liability, and it allowed lower costs for insurance, for physicians and hospitals, and those who provide health care services, and that, in turn, helps keep costs down.

Now, you can look on a State-by-State basis where people have not limited medical malpractice, and we have had some outrageous settlements that have gone way beyond what any medical costs were associated for the loss or the injury and basically made a lot of lawyers rich. Well, this is a reasonable way that we have capped liability costs, and we followed some of the States.

□ 2350

And in those States where this has occurred, they have seen dramatic lower costs in their medical malpractice insurance, and the cost of health care has gone down. It has been a good example. So we adopted here in the Congress and passed medical malpractice liability limits.

We also passed the Small Business Health Fairness Act, or AHPs, associated health plans. These are plans that allow associations to go out and procure, especially small businesses, through their associations. They can go out and buy health care plans as a group rather than as an individuals.

If you take a small shop, like a small machine shop that is supplying the aircraft industry in Wichita, Kansas, they may have 10 employees. Well, those 10 employees have to buy their own package. The insurance company would come in and assess the risk for those ten employees. But through the associated health plans all the machine shops in Wichita, Kansas, some 40,000 employees, if they bought one package through the AHP it would not just be ten employees they would be looking at, it would be 40,000 employees. That would mean lower rates for all of them.

Because all that has that has to happen in a small shop of, say ten employees, is one of the spouses of one of the employees to contract cancer and go through a long severe medical treatment, and that would drive up the cost for the entire group. It may even make it so expensive they could not afford health the care costs. So by having AHPs, or associated health plans, its allows them to mitigate their costs over a larger group and lower the whole cost.

The next week we addressed the issue of bureaucratic red tape termination, and we focused on OSHA, or the Occupational Safety and Health Administration. We started out with the OSHA Small Business Day in Court, we went to OSHA Review Commission Efficiency Act, then we passed the OSHA Independent Review and OSHA Citations Act, and then we passed the OSHA Small Employer Access to Justice Act, and then we completed the week by passing the Paperwork and Regulatory Improvement Act.

All of this effort was designed to do two things: Number one is to remove the bureaucratic red tape; to limit it. What we found by talking to groups like the National Association of Manufacturers and employers themselves was that these costs are getting buried into our products and they are making us less competitive.

The National Association of Manufacturers says that 14 percent of the cost of any item manufactured in America is regulatory compliance. Well, just imagine if we could just cut that in half. We would be 6 percent more competitive worldwide. And I think that was the goal here.

The second part of what we were trying to do is to look at government agencies and realize that they do not have to work against our employers, against our small business owners, against our employees. They can work with them to achieve a common goal.

We still have legislation pending that will continue this process, but basically it will say to OSHA, let us go out to a facility and work with them to make it safer without any fines. Right now the way the system works is OSHA comes in and they do not leave until they have found something wrong. And it seems like they have to write a fine all of the time. Sometimes they stand off from the work site, through pictures or some kind of a judgment call, and they will decide that they need to assess some fine and they will send it to the employer in the mail. Sometimes they will go to a job site which has a contractor, a general contractor and ten or twelve subcontractors, and they will fine everybody there, even if there is just one of the subcontractors at fault.

Well, the new system we need to put in place would have OSHA go in and say, we have a ladder being improperly used and it is a danger to this work site, so we will educate your workers as to how to place it properly. They can come back in 6 months and see how people are handling ladders. That way both the employer and OSHA achieves the goal of safety on the workplace without assessing fines.

So that is a good place to work through bureaucratic red tape, reducing the amount of red tape and achieving the goals that are necessary.

The next week we went into life-long learning. In order to be competitive around the globe, we have to have people who are preparing themselves for the technical future we have coming up. We need people to be fluent in math and science and in engineering capabilities. They will have to have high-tech degrees. They will also have to be fluent in languages, as we are finding out today.

But we need to have a plan to create an environment so that people can get the skills they need in order to become ready for tomorrow, for the future, because it is going to be more and more technical, not less. So we passed the Teacher Training Enhancement Act, we passed the Priorities for Graduate Studies Act, the Back to Work Incentive Act, and the Workforce Research Investment and Adult Education Act. We had conferees appointed for that legislation.

The next week we went on to energy self-sufficiency. We passed the Energy Policy Act of 2004, the Renewable Energy Project Siting Improvement Act, and the U.S. Refinery Revitalization Act.

It is funny, because we have tried to pass energy policy several times. In fact, I have a chart that shows the activity of the House Republicans and what they have done to pass an energy bill. Back in January 1, 2001, shortly before George Bush took office, gas prices were about $1.32 in America. President Bush sent his energy plan to Congress and it was passed for the first time by the House on August 2, 2002. It then failed across the Capitol. We passed it again on April 11, 2003. We passed it a third time, after it failed again on the other side of the Capitol. We passed it a third time on November 18, 2003, and then we just passed it on June 15, 2004 for a fourth time.

Why is an energy bill so important? It is important because you can see, without it, gas prices are continuing to climb. We are now over $2. We must have a comprehensive plan where we can open up more energy reserves, where we can capitalize on renewable energy, and where we can open up new sites for refineries. We have not built a new refinery since 1976 in America. Even if we could produce more oil right now, we probably could not process it because we need more refineries to do that. So we are going to go into old sites, where old refineries are, and allow them to be opened up.

In the following month of July we are going to take on the last four issues that we have on this package of careers for the 21st century. We are going to take on tax relief and simplification. We are going to try to set up a system that is not so volatile in the way that it approaches businesses.

There is one success story I want to briefly mention before I run out of time, and it is called accelerated depreciation. In the aircraft industry, when you sell a business jet, it can cost $6 million. Well, through accelerated depreciation they can write off two-thirds of that aircraft in the very first year. Now, I have heard people on the other side of the aisle talk about what a great tax break for rich individuals and corporations that is. What they do not talk about, though, is all the jobs that are created in America.

Cessna Aircraft, which has seen the greatest benefit from accelerated depreciation, has sold every aircraft they had in the backlog, they are now building jets that are already sold, and it has put all their laid-off workers back to work, plus they have hired an additional 400 people. It is a jobs act. We need to get some more tax relief that will create more jobs in America, because we can do better.

Then we are going to move on to trade fairness and opportunity so that we can have a fair and equal trade policy and an enforceable trade policy. Then we are going to look at research and development and how we can spur innovation, and we are going to complete this with ending lawsuit abuse.

One of the beautiful things about trying to limit litigation is that, again, it will create jobs. And a good example back in the Fourth District of Kansas, back in 1994, Congress passed the statute of limitations which said basically that you cannot sue an airplane manufacturer for the design of the airplane after it has been flying for 23 years, if it is a heavy jet, or 18 years if it is a smaller aircraft. Now, think about that. If an airplane has been flying for 18 years, there is nothing wrong with the design. Yet every time a plane went down, these aircraft manufacturers always had to have some kind of defense system.

In fact, Raytheon told me that at Beech it cost them $300,000 for every crash, whether they were sued or not. So limiting liability is a very important part because, again, it will create jobs in America.

Well, these barriers, these eight barriers have been put in place by Congress. We can change the environment. The results of changing this environment will mean more jobs here in America, and it means we will have greater exports, we will be more competitive worldwide, and we will have a brighter future for ourselves and our children.

So, Mr. Speaker, I thank the staff tonight and the Speaker for hanging around. I think this is a very important issue, and I think it is the right debate to be having today.

RECESS

The SPEAKER pro tempore (Mr. GERLACH). Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at midnight), the House stood in recess subject to the call of the Chair.

☐ 0800

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DREIER) at 8 a.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4663, SPENDING CONTROL ACT OF 2004

Mr. HASTINGS of Washington, from the Committee on Rules, submitted a privileged report (Rept. No. 108–566) on the resolution (H. Res. 692) providing for consideration of the bill (H.R. 4663) to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to extend the discretionary spending limits and pay-as-you-go through fiscal year 2009, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. HASTINGS of Washington, from the Committee on Rules, submitted a privileged report (Rept. No. 108–567) on the resolution (H. Res. 693) waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HASTINGS of Florida (at the request of Ms. PELOSI) for today and the balance of the week on account of illness in the family.

Mr. ISRAEL (at the request of Ms. PELOSI) for today on account of attending his daughter's graduation.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. RYAN of Ohio) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Mr. LIPINSKI, for 5 minutes, today.

Mr. DOGGETT, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. TIAHRT) to revise and extend their remarks and include extraneous material:)

Mr. JONES of North Carolina, for 5 minutes, June 24.

Mr. OSBORNE, for 5 minutes, June 24.

Mr. SMITH of Michigan, for 5 minutes, today.

Mr. GINGREY, for 5 minutes, today.

ENROLLED BILLS SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3378. An act to assist in the conservation of marine turtles and the nesting habitats of marine turtles in foreign countries.

H.R. 3504. An act to amend the Indian Self-Determination and Education Assistance Act to redesignate the American Indian Education Foundation as the National Fund for Excellence in American Indian Education.

H.R. 4322. An act to provide for the transfer of the Nebraska Avenue Naval Complex in the District of Columbia to facilitate the establishment of the headquarters for the Department of Homeland Security, to provide for the acquisition by the Department of the Navy of suitable replacement facilities, and for other purposes.

H.R. 4589. An act to reauthorize the Temporary Assistance for Needy Families block grant program through September 30, 2004, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1848. An act to amend the Bend Pine Nursery Land Conveyance Act to direct the Secretary of Agriculture to sell the Bend Pine Nursery Administrative Site in the State of Oregon.

S. 2238. An act to amend the National Flood Insurance Act of 1968 to reduce losses to properties for which repetitive flood insurance claim payments have been made.

ADJOURNMENT

Mr. HASTINGS of Washington. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 2 minutes a.m.), the House adjourned until today, Thursday, June 24, 2004, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8722. A letter from the Principal Deputy Under Secretary for Personnel and Readiness, Department of Defense, transmitting Authorization of Lieutenant General James E. Cartwright, United States Marine Corps, to wear the insignia of the grade of general in accordance with title 10, United States Code, section 777; to the Committee on Armed Services.

8723. A letter from the Director, Defense Security Cooperation Agency, transmitting the Department of the Defense's proposed lease of defense articles to the Former Yugoslav Republic of Macedonia (Transmittal No. 02–04), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

8724. A letter from the Director, Defense Security Cooperation Agency, transmitting reports in accordance with Section 36(a) of the Arms Export Control Act, pursuant to 22 U.S.C. 2776(a); to the Committee on International Relations.

8725. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed manufacturing license agreement for the manufacture of significant military equipment abroad with France, Belgium, Germany and the United Kingdom (Transmittal No. DDTC 037–04), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

8726. A letter from the Deputy Secretary, Department of the Treasury, transmitting as required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Economic Powers Act, 50 U.S.C. 1703(c), and pursuant to Executive Order 13313 of July 31, 2003, a six-month periodic report on the national emergency with respect to the risk of nuclear proliferation created by the accumulation of weapons-usablefissile material in the territory of the Russian Federation that was declared in Executive Order 13159 of June 21, 2000; to the Committee on International Relations.

8727. A letter from the Secretary, Department of Education, transmitting the thirtieth Semiannual Report to Congress on Audit Follow-Up, covering the six-month period ending March 31, 2004 in compliance with the Inspector General Act Amendments of 1988, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8728. A letter from the Secretary, Smithsonian Institution, transmitting in accordance with Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, Pub. L. 108-199, the Institution's Report to Congress on FY 2003 Competitive Sourcing Efforts; to the Committee on Government Reform.

8729. A letter from the Director of Congressional Relations, Central Intelligence Agency, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

8730. A letter from the Secretary, Department of Education, transmitting in accordance with Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, Pub. L. 108-199, and the Office of Management and Budget Memorandum 04-07, the Department's Report to Congress on FY 2003 Competitive Sourcing Efforts; to the Committee on Government Reform.

8731. A letter from the Chairman, U.S. Parole Commission, Department of Justice, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act for the calendar year 2003, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

8732. A letter from the Administrator, Environmental Protection Agency, transmitting the semiannual report on activities of the Inspector General for the period October 1, 2003, through March 31, 2004, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8733. A letter from the Managing Director, Federal Home Loan Banks, transmitting the 2003 management reports of the 12 Federal Home Loan Banks (FHLBanks), Resolution Funding Corporation (REFCORP) and the Financing Corporation (FICO), pursuant to 31 U.S.C. 9106; to the Committee on Government Reform.

8734. A letter from the Chairman, International Trade Commission, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 2003 through March 31, 2004, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 8G(h)(2); to the Committee on Government Reform.

8735. A letter from the Executive Director for Operations, Nucelar Regulatory Commission, transmitting a report on Year 2003 Inventory of Commercial Activities and Inherently Governmental Functions, in accordance with the Federal Activities Inventory Reform Act (FAIR) of 1998 and with the Office of Management and Budget (OMB) Circular No. A-76, "Performance of Commercial Activities"; to the Committee on Government Reform.

8736. A letter from the Assistant Secretary For Fish and Wildlife and Parks, Department of the Interior, transmitting a draft bill "To modify the boundary of the Seip Earthwood unit of the Hopewell Culture National Historical Park in the State of Ohio, and for other purposes"; to the Committee on Resources.

8737. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting a draft bill "To revise the designation of wilderness areas in Cumberland Island National Seashore, and for other purposes"; to the Committee on Resources.

8738. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Excelsior Springs, MO. [Docket No. FAA-2004-17147; Airspace Docket No. 04-ACE-13] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8739. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Gideon, MO. [Docket No. FAA-2004-17150; Airspace Docket No. 04-ACE-16] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8740. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Cassville, MO. [Docket No. FAA-2004-17152; Airspace Docket No. 04-ACE-18] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8741. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Moberly, MO. [Docket No. FAA-2004-17420; Airspace Docket No. 04-ACE-21] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8742. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Gothenburg, NE. [Docket No. FAA-2004-17423; Airspace Docket No. 04-ACE-24] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8743. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Johnson, KS. [Docket No. FAA-2004-17151; Airspace Docket No. 04-ACE-17] received June 21. 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8744. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace; Platinum, AK [Docket No. FAA-2003-17042; Airspace Docket No. 04-AAL-03] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8745. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Wales, AK [Docket No. FAA-2004-17019; Airspace Docket No. 04-AAL-02] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8746. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Fulton, MO. [Docket No. FAA-2004-17149; Airspace Docket No. 04-ACE-15] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8747. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dassault Model Mystere-Falcon 50 Series Airplanes [Docket No. 2002-NM-204-AD; Amendment 39-13617; AD 2004-09-27] (RIN: 2120-AA64) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8748. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class D Airspace; Denton, TX [Docket No. FAA-2004-17261; Airspace Docket No. 2004-ASW-09] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8749. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Galliano, LA [Docket No. FAA-2004-17259; Airspace Docket No. 2004-ASW-07] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8750. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Clayton, NM [Docket No. FAA-2004-17260; Airspace Docket No. 2004-ASW-08] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8751. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Wahoo, NE. [Docket No. FAA-2004-17725; Airspace Docket No. 04-ACE-37] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8752. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Ogallala, NE. [Docket No. FAA-2004-17724; Airspace Docket No. 04-ACE-36] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8753. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; North Platte, NE. [Docket No. FAA-2004-17723; Airspace Docket No. 04-ACE-35] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8754. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Restricted Area 5115, NM; and Restricted Areas 6316, 6317, and 6318, TX [Docket No. FAA-2004-17612; Airspace Docket No. 04-ASW-03] (RIN: 2120-AA66) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8755. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Restricted Area 2204, Oliktok Point; AK [Docket No. FAA-2003-15410; Airspace Docket No. 03-AAL-1] (RIN: 2120-AA66) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8756. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Lynchburg, VA [Docket No. FAA-2004-17296; Airspace Docket No. 04-AEA-03] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8757. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; McCook, NE. [Docket No. FAA-2004-17722; Airspace Docket No. 04-ACE-34] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8758. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Mosby, MO. [Docket No. FAA-2004-17721; Airspace Docket No. 04-ACE-33] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8759. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Oshkosh, NE. [Docket No. FAA-2004-17427; Airspace Docket No. 04-ACE-27] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8760. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Revision of Federal Airway 137. [Docket No. FAA-2003-16437; Airspace Docket No. 03-AWP-02] (RIN: 2120-AA66) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8761. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace: Hamilton, MT. [Docket No. FAA 2003-16070; Airspace Docket 03-ANM-05] received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8762. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 777-200 Series Airplanes [Docket No. 2003-NM-50-AD; Amendment 39-13675; AD 2004-12-15] (RIN: 2120-AA64) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8763. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dornier Model 328-100 Series Airplanes [Docket No. 2003-NM-56-AD; Amendment 39-13674; AD 2004-12-14] (RIN: 2120-AA64) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8764. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model MD-11 and -11F Airplanes [Docket No. 2003-NM-75-AD; Amendment 39-13668; AD 2004-12-09] (RIN: 2120-AA64) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8765. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model CL-600-2B19 (Regional Jet Series 100 & 440) Airplanes [Docket No. 2001-NM-321-AD; Amendment 39-13633; AD 2004-10-03] (RIN: 2120-AA64) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8766. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model EC 130 B4 and AS 350 B3 Helicopters [Docket No. 2003-SW-29-AD; Amendment 39-13650; AD 2004-11-05] (RIN: 2120-AA64) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8767. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Saab Model SAAB SF340A and SAAB 340B Series Airplanes [Docket No. 2003-NM-18-AD; Amendment 39-13647; AD 2004-11-02] (RIN: 2120-AA64) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8768. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Lycoming Engines (formerly Textron Lycoming), Direct-Drive Reciprocating Engines [Docket No. 89-ANE-10-AD; Amendment 39-13644; AD 2004-10-14] (RIN: 2120-AA64) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8769. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Alexander Schleicher GmbH & Co. Segelflugzeugbau Model ASH 25M Sailplanes [Docket No. 2003-CE-64-AD; Amendment 39-13638; AD 2004-10-08] (RIN: 2120-AA64) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8770. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; GARMIN International Inc. GTX 330 Mode S Transponders and GTX 330D Diversity Mode S Transponders [Docket No. 2003-CE-39-AD; Amendment 39-13645; AD 2004-10-15] (RIN: 2120-AA64) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8771. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737-600, -700, -700C, -800, and -900 Series Airplanes Equipped with Certain Honeywell Start Converter Units [Docket No. 2001-NM-291-AD; Amendment 39-13640; AD 2004-10-10] (RIN: 2120-AA64) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POMBO: Committee on Resources. H.R. 1156. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to increase the ceiling on the Federal share of the costs of phase I of the Orange County, California, Regional Water Reclamation Project (Rept. 108-562). Referred to the Committee of the Whole House on the State of the Union.

Mr. POMBO: Committee on Resources. H.R. 646. A bill to expand the boundaries of the Fort Donelson National Battlefield to authorize the acquisition and interpretation of lands associated with the campaign that resulted in the capture of the fort in 1862, and for other purposes; with an amendment (Rept. 108-563). Referred to the Committee of the Whole House on the State of the Union.

Mr. POMBO: Committee on Resources. H.R. 142. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Inland Empire regional water recycling project, to authorize the Secretary to carry out a program to assist agencies in projects to construct regional brine lines in California, and to authorize the Secretary to participate in the Lower Chino Dairy Area desalination demonstration and reclamation project; with amendments (Rept. 108-564). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Transportation and Infrastructure. H.R. 4056. A bill to encourage the establishment of both long-term and short-term programs to address the threat of man-portable air defense systems (MANPADS) to commercial aviation; with an amendment (Rept. 108-565 Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XII the Committee on International Relations discharged from further consideration. H.R. 4056 referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

[Submitted June 24 (legislative day, June 23), 2004]

Mr. HASTINGS of Washington: Committee on Rules. House Reslution 692. Resolution providing for consideration of the bill (H.R. 4663) to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to extend the discretionary spending limits and pay-as-you-go through fiscal year 2009 (Rept. 108-566). Referred to the House Calendar.

Mr. SESSIONS: Committee on Rules. House Resolution 693. Resolution waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (Rept. 108-567). Referred to the House Calendar.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 of rule XII the following action was taken by the Speaker:

H.R. 4056. Referral to the Committee on International Relations extended for a period ending not later than June 23, 2004.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. SMITH of Michigan:

H.R. 4651. A bill to establish a Federal interagency task force to promote the benefits, safety, and potential uses of agricultural biotechnology outside the United States to improve human and animal nutrition, increase crop productivity, and improve agricultural sustainability while ensuring the safety of food and the environment, and for other purposes; to the Committee on International Relations.

By Mr. NUSSLE (for himself and Mr. LATHAM):

H.R. 4652. A bill to amend the Clean Air Act to prohibit the use of methyl tertiary butyl ether as a fuel additive, to require Federal fleet vehicles to use ethanol fuel, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TANCREDO:

H.R. 4653. A bill to amend the Internal Revenue Code of 1986 to provide that the medical expenses of a child with special needs shall be allowable as a medical expense deduction without regard to the 7.5 percent adjusted gross income threshold; to the Committee on Ways and Means.

By Mr. PORTMAN (for himself, Mr. Lantos, Mr. Ballenger, Mr. Royce, Ms. Ros-Lehtinen, Mr. Leach, Mr. Gallegly, Mr. Wexler, Mr. Faleomavaega, Mr. Sherman, Mr. Chabot, Mr. Houghton, Mr. Weller, Mr. Brown of Ohio, Mr. Pickering, Mr. Oxley, Mr. Cardin, Ms. Slaughter, Mr. Camp, Mr. Tanner, Mr. Hobson, Mr. Shaw, Mr. Ford, Mr. Ehlers, Mr. LaTourette, Mr. Gutierrez, Mr. English, Ms. Pryce of Ohio, Mr. Tiberi, and Mrs. Tauscher):

H.R. 4654. A bill to reauthorize the Tropical Forest Conservation Act of 1998 through fiscal year 2007, and for other purposes; to the Committee on International Relations.

By Mr. McGOVERN (for himself and Mr. Lantos):

H.R. 4655. A bill to amend the Internal Revenue Code of 1986 to provide to employers a tax credit for compensation paid during the period employees are performing service as members of the Ready Reserve or the National Guard; to the Committee on Ways and Means.

By Mr. HONDA:

H.R. 4656. A bill to provide for the establishment of the Nanomanufacturing Investment Partnership, and for other purposes; to the Committee on Science.

By Mr. TOM DAVIS of Virginia (for himself and Mr. Hoyer):

H.R. 4657. A bill to amend the Balanced Budget Act of 1997 to improve the administration of Federal pension benefit payments for District of Columbia teachers, police officers, and fire fighters, and for other purposes; to the Committee on Government Reform.

By Mr. SMITH of New Jersey (for himself and Mr. Evans):

H.R. 4658. A bill to amend the Servicemembers Civil Relief Act to make certain improvements and technical corrections to that Act; to the Committee on Veterans' Affairs.

By Mr. BROWN of South Carolina (for himself, Mr. Michaud, and Mr. Smith of New Jersey):

H.R. 4659. A bill to amend chapter 43 of title 38, United States Code, to extend the period for which an individual may elect to continue employer-sponsored health care coverage under the Uniform Services Employment and Reemployment Rights Act of 1994, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. LANTOS (for himself, Mr. Hyde, Mr. Berman, Mr. Burton of Indiana, Mr. Faleomavaega, Ms. Ros-Lehtinen, Mr. Brown of Ohio, Mr. Ballenger, Mr. Engel, Mr. Houghton, Mr. Meeks of New York, Mr. Green of Wisconsin, Ms. Lee, Mr. Weller, Mr. Crowley, Mr. McCotter, Mr. Hoeffel, Mr. Blumenauer, Mr. Schiff, and Ms. McCollum):

H.R. 4660. A bill to amend the Millennium Challenge Act of 2003 to extend the authority to provide assistance to countries seeking to become eligible countries for purposes of that Act; to the Committee on International Relations.

By Mr. GOODLATTE (for himself, Ms. Lofgren, and Mr. Smith of Texas):

H.R. 4661. A bill to amend title 18, United States Code, to discourage spyware, and for other purposes; to the Committee on the Judiciary.

By Mr. SHADEGG (for himself, Mr. Bartlett of Maryland, Mr. Cannon, Mr. Tom Davis of Virginia, Mr. Deal of Georgia, Mr. Feeney, Mr. Flake, Mr. Franks of Arizona, Mr. Garrett of New Jersey, Mr. Gingrey, Mr. Hoekstra, Mr. Jones of North Carolina, Mr. King of Iowa, Mr. Otter, Mr. Pence, Mr. Ryan of Wisconsin, Mr. Sensenbrenner, Mr. Sessions, Mr. Smith of New Jersey, Mr. Toomey, and Mr. Wilson of South Carolina):

H.R. 4662. A bill to amend the Public Health Service Act to provide for cooperative governing of individual health insurance coverage offered in interstate commerce; to the Committee on Energy and Commerce.

By Mr. NUSSLE:

H.R. 4663. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to establish discretionary spending limits and a pay-as-you-go requirement for mandatory spending; to the Committee on the Budget.

By Mr. BLUMENAUER (for himself, Mr. George Miller of California, Mr. Greenwood, and Mr. Wu):

H.R. 4664. A bill to direct the Secretary of Education to provide grants to establish sustainability centers, charged with developing and implementing integrated environmental, economic, and social sustainability programs through administrative and operational practices as well as multidisciplinary research, education, and outreach at institutions of higher education; to the Committee on Education and the Workforce.

By Mr. CONYERS (for himself and Ms. Harris):

H.R. 4665. A bill to protect America's food supply and facilitate lawful importation of safe and unadulterated food products; to the Committee on Energy and Commerce.

By Mr. DINGELL:

H.R. 4666. A bill to provide for and approve the settlement of certain land claims of the Sault Ste. Marie Tribe of Chippewa Indians; to the Committee on Resources.

By Mr. DUNCAN:

H.R. 4667. A bill to authorize and facilitate hydroelectric power licensing of the Tapoco Project, and for other purposes; to the Committee on Resources, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ENGEL (for himself and Mr. Gallegly):

H.R. 4668. A bill to designate the third floor of the Ellis Island Immigration Museum, located on Ellis Island in New York Harbor, as the "Bob Hope Memorial Library"; to the Committee on the Judiciary.

By Mr. HEFLEY:

H.R. 4669. A bill to require the Secretary of the Treasury to mint coins in commemoration of Ronald Wilson Reagan, the 40th President of the United States; to the Committee on Financial Services.

By Mr. HOLT (for himself, Mr. Houghton, Mr. Boehlert, Mr. Moran of Virginia, Mr. Honda, Mr. Gordon, Mr. McDermott, Mr. Waxman, Mr. Olver, Mr. Greenwood, Mr. Castle, Mr. Van Hollen, Mr. Frost, Mr. Berman, Mr. Ruppersberger, and Mr. Ehlers):

H.R. 4670. A bill to provide for the establishment of a Center for Scientific and Technical Assessment; to the Committee on Science.

By Ms. EDDIE BERNICE JOHNSON of Texas (for herself, Ms. Dunn, Ms. Slaughter, Mrs. Capito, Ms. Solis, Ms. Ginny Brown-Waite of Florida, Mrs. Maloney, Mrs. Biggert, Mr. Hobson, Mr. Osborne, and Ms. Schakowsky):

H.R. 4671. A bill to authorize assistance for education and health care for women and children in Iraq during the reconstruction of Iraq and thereafter, to authorize assistance for the enhancement of political participation, economic empowerment, civil society, and personal security for women in Iraq, to state the sense of Congress on the preservation and protection of the human rights of women and children in Iraq, and for other purposes; to the Committee on International Relations.

By Mr. KENNEDY of Rhode Island (for himself and Mr. Langevin):

H.R. 4672. A bill to amend part C of title XVIII of the Social Security Act to prohibit the comparative cost adjustment (CCA) program from operating in the State of Rhode Island; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KLECZKA:

H.R. 4673. A bill to require warning labels on consumer products containing radio frequency identification devices, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MARKEY:

H.R. 4674. A bill to prohibit the return of persons by the United States, for purposes of detention, interrogation, or trial, to countries engaging in torture or other inhuman treatment of persons; to the Committee on International Relations.

By Mrs. MYRICK:

H.R. 4675. A bill to amend the Caribbean Basin Economic Recovery Act to increase the quantity of T-shirts that may receive duty-free treatment during the 1-year period beginning October 1, 2003; to the Committee on Ways and Means.

By Mr. PORTMAN (for himself, Mr. Davis of Illinois, Mr. Souder, Mrs. Jones of Ohio, Mr. Chabot, and Mr. Cannon):

H.R. 4676. A bill to reauthorize the grant program of the Department of Justice for reentry of offenders into the community, to establish a task force on Federal programs and activities relating to the reentry of offenders into the community, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HYDE (for himself and Mr. Lantos):

H. Con. Res. 462. Concurrent resolution reaffirming unwavering commitment to the Taiwan Relations Act, and for other purposes; to the Committee on International Relations.

By Mr. FILNER:

H. Con. Res. 463. Concurrent resolution expressing the sense of the Congress that a postage stamp should be issued to honor law enforcement officers killed in the line of duty; to the Committee on Government Reform.

By Mr. HAYES (for himself, Mr. Hostettler, Mr. DeFazio, Mr. Nethercutt, Mr. Hobson, Mr. Peterson of Minnesota, Mr. Meek of Florida, Mr. Deutsch, Mr. Cardoza, Mr. Mollohan, and Mr. Hinojosa):

H. Con. Res. 464. Concurrent resolution honoring the 10 communities selected to receive the 2004 All-America City Award; to the Committee on Government Reform.

By Mr. CONYERS (for himself, Ms. Pelosi, Mr. Hoyer, Mr. Menendez, Mr. Clyburn, Mr. Dingell, Mr. Obey, Mr. Rangel, Mr. Waxman, Mr. Skelton, Mr. Lantos, and Mr. Hinchey):

H. Res. 689. A resolution of inquiry requesting the President and directing certain other Federal officials to transmit to the House of Representatives not later than 14 days after the date of the adoption of this resolution documents in the possession of the President and those officials relating to the treatment of prisoners or detainees in Iraq, Afghanistan, or Guantanamo Bay; to the Committee on Armed Services.

By Mr. WAXMAN (for himself, Ms. Pelosi, Mr. Hoyer, Mr. Menendez, Mr. Clyburn, Mr. Skelton, Mr. Dingell, Mr. Conyers, Mr. Obey, Mr. Rangel, Mr. Hinchey, and Mr. Spratt):

H. Res. 690. A resolution creating a select committee to investigate the abuses of detainees held in United States custody in connection with Operation Iraqi Freedom, Operation Enduring Freedom, or any operation within the Global War on Terrorism, in particular those abuses that have been documented by thousands of photographs and on video at Abu Ghraib prison; to the Committee on Rules.

By Mr. HYDE (for himself, Mr. Lantos, Mr. Hunter, and Mr. Skelton):

H. Res. 691. A resolution congratulating the Interim Government of Iraq on its forthcoming assumption of sovereign authority in Iraq; to the Committee on International Relations, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 290: Mr. Dingell and Mr. McCotter.

H.R. 296: Mr. Rahall and Mr. Pickering.

H.R. 584: Mr. McIntyre.

H.R. 742: Mr. Franks of Arizona and Ms. Bordallo.

H.R. 775: Mr. Feeney.

H.R. 936: Mr. Gutierrez.

H.R. 1051: Mrs. Tauscher.

H.R. 1160: Mr. Alexander.

H.R. 1231: Mr. Kline.

H.R. 1310: Mr. Bishop of Georgia.

H.R. 1357: Mr. Bishop of Georgia.

H.R. 1504: Mr. Bartlett of Maryland.

H.R. 1587: Mr. McCotter.

H.R. 1716: Mr. Sandlin.

H.R. 1726: Mr. Jones of North Carolina.

H.R. 1755: Mr. Rogers of Alabama.

H.R. 1769: Mr. Olver and Mr. Payne.

H.R. 2096: Mr. Chandler.

H.R. 2217: Mr. Bishop of Georgia.

H.R. 2256: Mr. Peterson of Minnesota.

H.R. 2260: Mr. Tancredo and Ms. Solis.

H.R. 2311: Mr. McCotter.

H.R. 2505: Mr. Waxman.

H.R. 2699: Mr. Gordon, Mr. Israel, and Mr. Hefley.

H.R. 2711: Mr. Ruppersberger, Mr. Cummings, and Mr. Thompson of Mississippi.

H.R. 2735: Mr. Lucas of Kentucky and Mr. Hoeffel.

H.R. 2814: Mr. Matsui.

H.R. 2890: Mr. Green of Wisconsin.

H.R. 3085: Mr. Vitter.

H.R. 3148: Mr. Johnson of Illinois, Mr. Hall, Mr. Murphy, Ms. McCarthy of Missouri, Mr. Hayworth, Mr. English, Ms. Ginny Brown-Waite of Florida, Mr. Conyers, Mrs. Capito, Mr. Lewis of California, Mr. Rangel, Mr. Acevedo-Vilá, Mrs. Christensen, Mr. Jackson of Illinois, Mr. Beauprez, Mr. Engel, Mr. Hyde, Mr. Moran of Kansas, Mr. Kind, and Ms. Kaptur.

H.R. 3313: Mr. McCotter and Mr. Jenkins.

H.R. 3384: Mr. Ruppersberger, Mr. Wexler, and Mr. Waxman.

H.R. 3450: Mr. Gutierrez and Mr. Udall of Colorado.

H.R. 3574: Mr. Ehlers.

H.R. 3579: Mr. Miller of Florida and Ms. Loretta Sanchez of California.

H.R. 3609: Mr. Duncan.

H.R. 3683: Mrs. McCarthy of New York.

H.R. 3693: Mr. Nadler.

H.R. 3780: Mr. Brown of Ohio, Mr. Gutierrez, and Ms. Eshoo.

H.R. 3801: Mr. Kline.

H.R. 3809: Mr. Pallone, Mr. Sanders, and Mr. Markey.

H.R. 3814: Mr. Renzi.

H.R. 3815: Mr. Gonzalez and Mr. Lewis of Georgia.

H.R. 3831: Mr. Inslee.

H.R. 3845: Mr. Brady of Pennsylvania.

H.R. 3921: Ms. Bordallo.

H.R. 3953: Mr. Larsen of Washington.

H.R. 3974: Mr. Cummings, Ms. Waters, and Mr. Kucinich.

H.R. 3988: Mr. Gonzalez and Ms. Woolsey.

H.R. 4003: Mr. Gutierrez.

H.R. 4155: Mr. Schiff.

H.R. 4205: Ms. Ros-Lehtinen and Mr. Owens.

H.R. 4242: Mr. Franks of Arizona.

H.R. 4262: Mr. McDermott, Ms. Woolsey, Ms. Lee, Mrs. Jones of Ohio, and Ms. DeLauro.

H.R. 4290: Mr. Inslee.

H.R. 4334: Mr. Hastings of Florida.

H.R. 4343: Mr. Manzullo.

H.R. 4348: Ms. Lee, Mr. McDermott, and Mr. Gutierrez.

H.R. 4350: Mr. Gutierrez.

H.R. 4367: Mr. Sandlin.

H.R. 4391: Mr. Owens, Ms. Ginny Brown-Waite of Florida, and Mr. Sessions.

H.R. 4394: Mr. McGovern.

H.R. 4414: Ms. Berkley.

H.R. 4426: Mr. Smith of New Jersey, Mr. Pitts, and Mr. Aderholt.

H.R. 4433: Ms. Majette, Mrs. Kelly, Mr. Thompson of Mississippi, Mr. Meeks of New York, Mr. Leach, Mr. Frank of Massachusetts, and Mr. Larsen of Washington.

H.R. 4440: Mr. Shimkus, Mr. McHugh, and Mr. Simpson.

H.R. 4448: Mr. Wexler.

H.R. 4504: Mr. Cantor and Mr. Price of North Carolina.

H.R. 4533: Mr. Pastor.

H.R. 4573: Ms. Harman.

H.R. 4574: Ms. Harman.

H.R. 4575: Mr. Frank of Massachusetts.

H.R. 4578: Mr. Sessions and Mr. Smith of Washington.

H.R. 4592: Mr. Rangel.

H.R. 4600: Mr. Lewis of Kentucky, Mr. Tiberi, Mr. Strickland, and Mr. Goode.

H.R. 4626: Mr. Sandlin and Ms. Dunn.

H.R. 4628: Mr. Boucher, Mr. Pastor, and Mr. Matsui.

H.R. 4629: Mr. Fossella and Mr. Saxton.

H.R. 4634: Mr. Blunt, Mr. Rogers of Michigan, Mr. Cunningham, Mr. King of New York, Ms. Norton, and Mrs. Capito.

H.R. 4640: Mr. English.

H. Con. Res. 111: Ms. Millender-McDonald.

H. Con. Res. 218: Mr. Tiberi.

H. Con. Res. 304: Mr. Price of North Carolina and Mr. Meehan.

H. Con. Res. 366: Mr. Chandler.

H. Con. Res. 392: Ms. Bordallo and Ms. Eddie Bernice Johnson of Texas.

H. Con. Res. 399: Mr. Gutierrez.

H. Con. Res. 422: Mr. McCotter.

H. Con. Res. 425: Ms. McCollum.

H. Con. Res. 436: Mrs. Jones of Ohio and Mr. McCotter.

H. Con. Res. 459: Mr. Holden, Mr. Shuster, Mr. Ford, and Mr. Murtha.

H. Res. 129: Mrs. Lowey.

H. Res. 471: Mr. Clay.

H. Res. 567: Mr. Bishop of Georgia and Mr. Menendez.

H. Res. 596: Mr. LaTourette.

H. Res. 650: Mr. Israel.

H. Res. 652: Mr. Deutsch, Mr. Berman, Mr. Blumenauer, Mr. Burton of Indiana, Ms. Kaptur, Mr. King of New York, Mr. Leach, Mr. Smith of New Jersey, Mrs. Jo Ann Davis of Virginia, Mr. Engel, and Mr. Bell.

H. Res. 667: Mr. Baker, Mr. Menendez, and Mr. McCotter.

H. Res. 673: Mr. Frost.

H. Res. 676: Ms. Hart and Mr. Bachus.

H. Res. 688: Mr. Neal of Massachusetts, Mr. Kennedy of Rhode Island, Ms. Ros-Lehtinen, and Mr. Porter.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1205: Mr. Carson of Oklahoma.

H.R. 3720: Mr. Wexler.

H.R. 3800: Mr. Davis of Tennessee.

H.R. 4107: Mr. Davis of Tennessee.

PETITIONS, ETC.

Under clause 3 of rule XII,

91. The SPEAKER presented a petition of Mr. Gregory D. Watson, a Citizen of Austin, Texas, relative to a petition urging the United States Congress to enact legislation that would reinstate the $500 paper currency denomination, bearing the likenesses of the late President Reagan and the United States Supreme Court Building; which was referred to the Committee on Financial Services.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 4614

OFFERED BY: MR. HEFLEY

AMENDMENT NO. 1: At the end of the bill (before the short title), insert the following:

SEC. . Total appropriations made in this Act (other than appropriations required to be made by a provision of law) are hereby reduced by $279,880,000.

H.R. 4614

OFFERED BY: MR. HEFLEY

AMENDMENT NO. 2: Page 38, line 11, after the dollar amount, insert the following: "(reduced by $28,500,000)".

EXTENSIONS OF REMARKS

SPEECH BY HUNGARIAN PRIME MINISTER PETER MEDGYESSY MARKING THE 60TH ANNIVERSARY OF THE HUNGARIAN HOLOCAUST OPENING THE HUNGARIAN HOLOCAUST MEMORIAL AND DOCUMENTATION CENTER

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. LANTOS. Mr. Speaker, I had the distinct honor to be in Hungary just a few weeks ago for the opening of the Holocaust Memorial and Documentation Center in Budapest, Hungary. As you know, this year marks the 60th Anniversary of the Nazi German occupation of Hungary and the Hungarian Holocaust. During these dark days sixty years ago, over half a million Hungarian Jews were sent to Nazi extermination camps.

By establishing an official Holocaust Memorial, the government of Hungary has finally acknowledged the responsibility of the Hungarian people for atrocities committed during the Hungarian Holocaust. It is my hope that this Memorial will teach the present and future generations of Hungarians that intolerance and hatred have no place in a free and open and democratic society.

Mr. Speaker, at the dedication of the Hungarian Holocaust Memorial and Documentation Center, many dignitaries and elected Hungarian officials gave moving and eloquent remarks, but none more so than the outstanding address of Hungary's current Prime Minister, Peter Medgyessy. The Prime Minister has been a critical voice in fostering democracy and respect for democratic principles in Hungary. His powerful and poignant remarks made at the opening of the memorial further confirmed his deep commitment to the values of political democracy.

Mr. Speaker, I ask that Prime Minister Medgyessy's speech at the dedication of the Holocaust Memorial in Budapest be placed in the RECORD, and I urge all of my colleagues to read and think about this excellent statement. I am certain they will find it as moving as I do.

ADDRESS BY PETER MEDGYESSY ON THE 60TH ANNIVERSARY OF THE HUNGARIAN HOLOCAUST

Ladies and Gentlemen, Dear Friends, remembering one of the gravest tragedies of the twentieth century, I would like to share a harrowing story with you. A historian friend of mine showed me a postcard, a few days ago that was written by two Hungarian sisters to their family. The postcard was thrown out of a train at Tatabanya in December 1944. Gyongyi and Erzsi, writers of the postcard try to reassure their loved ones. They write that they are well. The things of their relatives, Lajos and Imre are safe, while the luggage of another relative, Judit did not arrive to the ghetto because the gates were closed. They close the letter by sending many kisses to the children and promising that they would bring presents back from Germany.

Gyongyi was transported to Ravensbruck; and she survived. Her sister, Erzsebet—transported away with her—perished.

Ladies and Gentleman, this national tragedy—the murder of six hundred thousand Hungarians of Jewish origin was a terrible, evil, inhumane crime. It happened here, it happened to us. It happened to people who used to have names, families and lives. We can only live with our joint past if we never forget them. Not just the event but also the people: Gyongyi and Erzsebet, Lajos, Imre and Judit.

We will not forget them because we miss them. We miss them all badly. We have lost them and we have also lost their children and grandchildren. We have lost their dreams, memories, their talents, success and failures. We can see their absence. And we know that we are less in number and less in power without them. This is why this place is so important. We can never give back those many everyday people killed in the Holocaust to their families. However, talking about the past frankly and credibly in their stead is our responsibility. The Holocaust Documentation Center stands here not just for ourselves but rather for them: for Gyongyi and Erzsi.

As the Prime Minister of this Republic I declare that this heinous crime was committed by Hungarians against Hungarians. There is no excuse or explanation. But there are the memories, the common bereavement and—hopefully—reconciliation after sixty years. Reconciliation but no forgetting.

Because bereavement, my friends, the mourning of the nation is always our common pain. This suffering is common in concentration camps, in Recsk and on the 23rd of October 1956. It is the major obligation of every generation after the Holocaust to remember and to make others remember: our children, grandchildren, and all of us. Forgetting is the ally of tyranny. Forgiveness and remembrance are the allies of freedom. We have a task: to search and tell the truth, to correct those who are wrong, and to call to accounts those who lie. And first of all we must bow our heads to those who suffered.

Never before have we Hungarians had so much confidence in our future. Within a matter of days we will become part of an even larger community. New perspectives open up to Hungary. The shaping of a new European, modern Hungarian republic starts now.

This is the time to confirm that we believe in the power of learning and teaching. We are not too lazy to learn from our own history and the example of other nations. We remember the past for the future. We must say also here and now and again for our joint future: never again!

This should be the place of eternal remembrance. Understanding our past is a joint responsibility and a difficult one. Let's bow our heads to all victims of the Holocaust.

TRIBUTE TO LIEUTENANT COLONEL GEFFREY L. COOPER

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to Lieutenant Colonel Geffrey L. Cooper, the Commanding Officer of the 2nd Battalion, 23rd Marines, for his extraordinary leadership and bravery in action against enemy forces. He has shown strength and courage throughout his many years of heroic service with the United States Marine Corps.

A native of Aurora, Illinois, Lt. Col. Geffrey L. Cooper is married to June Madsen, and is the father of three daughters, Jennifer, Jessica, and Jacalyn. He graduated from the Marine Corps Recruit Depot in San Diego in November, 1973, and has since had a long and successful military career. In 1980, Lt. Col. Cooper was commissioned as Second Lieutenant upon his graduation from St. Cloud State University in Minnesota. In 1980, he was also assigned to 2nd Battalion, 7th Marine Regiment and served as an infantry platoon commander. He was appointed to Infantry Training School at Camp Pendleton, and served as Assistant Officer in Charge from 1983–1986. In 1986, he was assigned as Commanding Officer of Company B, 3rd Light Armored Vehicle Battalion.

Lt. Col. Cooper proved to be a strong leader as the Operations Officer for Headquarters Battalion, 3rd Marine Division, and as Commanding Officer, Headquarters Company, 4th Marine Regiment, Okinawa, Japan. After leaving active duty in 1992, he joined the Individual Mobilization Detachment, Tactical Training Evaluation Control Group (IMADET). He served as the head IMADET representative for more than 75 combined arms exercises. In 2003, he was again activated and assumed command of 2nd Battalion, 23rd Marine Regiment in support of Operation Noble Eagle at Camp Pendleton.

Lt. Col. Cooper, along with the entire 2nd Battalion, 23rd Marines, was activated on February 23, 2002, and was deployed in February 2003. Nine hundred members of this Marine Forces Reserve Unit, combined with the I Marine Expeditionary Force (MEF), conducted the longest series of synchronized combined arms and overland attacks in the history of the Marine Corps. The 800 kilometer advance, which began at the border between Kuwait and Iraq, experienced heavy combat with continued hostilities to the North of Baghdad. The combined combat force successfully destroyed nine Iraqi Divisions.

The battlefield swiftness of the I MEF during its campaign was unmatched by any force to date. The success of the operation was due to valiant efforts of men and women such as Lt.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Col. Cooper. Lt. Col. Cooper's many accomplishments are indicated by his many decorations, which include: Navy Marine Corps Medal, Meritorious Service Medal, Navy Achievement Medal with gold star in lieu of second award, Combat Action Ribbon, and the Good Conduct Medal.

Mr. Speaker and distinguished colleagues, please join me in saluting Lt. Col. Cooper's exceptional leadership in the 2nd Battalion, 23rd Marine Regiment. Also, I ask you to join me in wishing future success to Lt. Col. Geffrey L. Cooper at his new Command, the 1st Marine Division, Camp Pendelton.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2005

SPEECH OF

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 2004

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4568) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2005, and for other purposes.

Mr. MOORE. Mr. Chairman, as the House considers our fiscal year 2005 appropriations measure for the Department of the Interior, I rise to draw the House's attention to Haskell Indian Nations University, which is located in Lawrence, Kansas, within my congressional district.

Funded through the Interior Department's Bureau of Indian Affairs, Haskell was authorized by Congress, in partial fulfillment of treaty and trust obligations, to provide higher education to federally recognized tribal members. Haskell seeks to achieve this goal through the provision of tuition-free education, culturally sensitive curricula, innovative services and a commitment to academic excellence. Haskell has a program participation agreement with the U.S. Department of Education for eligible students to receive Pell Grants and other federal aid, such as direct student loans. This land grant institution is an intertribal university serving approximately 1,000 students representing 160 tribes from 30 states.

Unfortunately, however, federal support for Haskell has not kept pace with its obligations. Since 1993, Haskell's overall funding allocation has risen by only 27 percent, while the institution has made the transition from a junior college to a 4-year university, with its first baccalaureate degrees granted in 1997.

This table depicts Haskell's funding history over the past 10 years:

EXPENDITURES (TOTAL OBLIGATIONS) AT END OF FISCAL YEAR

Fiscal year	Allocation	Total	Personnel	Program
1993	$7,167,553	$7,180,049.45	$5,943,985.00	$1,236,064.45
1994	7,306,000	6,955,104.47	6,011,310.13	943,794.34
1995	7,511,380	7,537,328.30	5,866,751.23	1,670,577.07
1996	7,506,000	7,509,996.36	6,125,067.59	1,384,928.77
1997	7,924,500	7,889,782.31	6,276,850.36	1,612,931.95
1998	8,107,000	8,183,821.97	6,305,264.51	1,878,557.46
1999	8,267,000	8,195,109.40	6,877,615.69	1,317,493.71
2000	8,611,000	8,718,986.20	7,472,113.79	1,246,872.41
2001	8,776,649	8,756,727.25	7,748,714.10	1,008,013.15
2002	9,050,100	8,797,514.95	7,679,254.41	1,118,260.54
2003	9,141,100	9,017,657.02	7,887,447.54	1,130,209.48

Mr. Chairman, while Congress traditionally has not provided line item allocations of funds for institutions administered by the Bureau of Indian Affairs, I hope that a review of these statistics will bring to the attention of the Department of the Interior and the Office of Management and Budget the need to significantly enhance Haskells funding levels in the upcoming fiscal year.

Haskell has a unique and compelling history. Twenty-two American Indian children entered the doors of a new school in Lawrence, Kansas, in 1884 to begin an educational program that focused on agricultural education in grades one through five. Today, Haskell continues to serve the educational needs of American Indian and Alaska Native people from across the United States. For more than 117 years, American Indians and Alaska Natives have been sending their children to Haskell, and Haskell has responded by offering innovative curricula oriented toward American Indian/Alaska Native cultures.

The doors to Haskell officially opened under the name of the United States Indian Industrial Training School. Enrollment quickly increased from its original 22 to over 400 students within one semester's time. The early trades for boys included tailoring, wagon making, blacksmithing, harness making, painting, shoe making, and farming. Girls studied cooking, sewing and homemaking. Most of the students' food was produced on the Haskell farm, and students were expected to participate in various industrial duties.

Ten years passed before the school expanded its academic training beyond the elementary grades. A "normal school" was added because teachers were needed in the students' home communities. The commercial department, the predecessor of the business department, opened in 1895 with five typewriters. It is believed that the first touch-typing class in Kansas was taught at Haskell.

By 1927, high school classes were accredited by the state of Kansas, and Haskell began offering post high school courses in a variety of areas. Part of Haskell's attraction was not only its post high school curriculum but also its success in athletics. Haskell football teams in the early 1900's to the 1930's are legendary. And even after the 1930s, when the emphasis on football began to decrease, athletics remained a high priority to Haskell students and alumni. Today, Haskell continues to pay tribute to great athletes by serving as the home of the American Indian Athletic Hall of Fame.

Industrial training became an important part of the curriculum in the early 1930s, and by 1935 Haskell began to evolve into a post high school, vocational-technical institution. Gradually, the secondary program was phased out, and the last high school class graduated in 1965.

In 1970, Haskell began offering a junior college curriculum and became Haskell Indian Junior College. In 1992 the National Haskell Board of Regents recommended a new name to reflect its vision for Haskell as a national center for Indian education, research, and cultural preservation. In 1993, the Assistant Secretary for Indian Affairs of the U.S. Department of the Interior approved the change, and Haskell became "Haskell Indian Nations University."

Mr. Chairman, today, Haskell has an average enrollment of over 1,000 students each semester. Students represent federally recognized tribes from across the United States and are as culturally diverse as imaginable. Students select programs that will prepare them to enter baccalaureate programs in elementary teacher education, American Indian studies, business administration, and environmental science; to transfer to another baccalaureate degree-granting institution; or to enter directly into employment. Haskell continues to integrate American Indian/Alaska Native culture into all its curricula. This focus of the curriculum, besides its intertribal constituency and federal support through the Bureau of Indian Affairs, makes Haskell unique and provides exciting challenges which the Federal Government must assist them further in meeting in the years ahead.

CORRECTING PREVIOUS STATEMENT ON GOLDEN TEMPLE

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. TOWNS. Mr. Speaker, earlier this month I made a statement congratulating the Council of Khalistan on its commemoration of the twentieth anniversary of the massacre of Sikhs at the Golden Temple in June 1984. At that time, I intended to insert the Council of Khalistan's flyer into the RECORD. I even said that I was including it in the RECORD. Somehow, it did not get included. Therefore, I would like to place it in the RECORD at this time.

20TH ANNIVERSARY OF THE GOLDEN TEMPLE MASSACRE, JUNE 3–6, 1984

SIKHS MUST HAVE FREEDOM IN SOVEREIGN HOMELAND

"If the Indian government attacks the Golden Temple, it will lay the foundation stone of Khalistan."—Sant Jarnail Singh Bhindranwale.

From June 3 throughout 6, 1984, the Indian government brutally invaded the Golden Temple and 150 other Gurdwaras around Punjab. Over 20,000 people were killed in these attacks, including such Sikh leaders as Sant Jarnail Singh Bhindranwale, who was the strongest spokesman for Sikh rights and Sikh freedom. More than 100 young boys, ages 8 to 13, were taken outside into the courtyard and asked whether they supported Khalistan, the independent Sikh homeland. When they answered with the Sikh religious incantation "Bole So Nihal," they were summarily shot to death. The Guru Granth Sahib, the Sikh scripture, handwritten in the time of the ten Sikh Gurus, was shot full of bullet holes by the Indian military. Sant Bhindranwale warned that if the Indian government invaded the Golden Temple, it would "lay the foundation stone for Khalistan" and it did.

HOW CAN THIS HAPPEN IN A DEMOCRACY?

"The Indian government, all the time they boast that they are democratic, that they are secular. They have nothing to do with a democracy, nothing to do with a secularism. They just kill Sikhs to please the majority."—Narinder Singh, spokesman for the Golden Temple, on NPR August 1997.

U.S. Representative Dana Rohrabacher (R–Cal.) has said that for the minorities such as Sikhs and Kashmiris "India might as well be Nazi Germany."

A PATTERN OF REPRESSION AGAINST THE SIKH NATION

Over 250,000 Sikhs murdered since 1984.

52,268 Sikh political prisoners, according to the Movement Against State Repression

More than 50,000 Sikhs disappeared in Indian government's secret cremations. Their remains have never been given to their families.

Indian government paid over 41,000 cash bounties to police to kill Sikhs

Gurnihal Singh Pirzada, a senior officer in the IAS, arrested after allegedly being seen at a meeting of gathering of Punjab "dissidents." Pirzada denies attending such a meeting, but points out that it would not be illegal if he did.

Jaswant Singh Khalra kidnapped by police and murdered in police custody after exposing Indian policy of arresting Sikhs, torturing them, murdering them, cremating the bodies, as "unidentified."

Gurdev Singh Kaunke, former Jathedar of the Akal Takht, highest Sikh religious leader, murdered by police official Swaran Singh Ghotna, who has never been punished.

The Indian newspaper Hitavada reported that the Indian government paid the late Governor of Punjab, Surendra Nath, the equivalent of $1.5 billion to foment and support covert state terrorist activity in Punjab and Kashmir.

This is the state of freedom in Punhap, Khalistan under Indian rule.

"The mere fact that they have the right to choose their oppressors does not mean they live in a democracy."—Rep. Edolphus Towns (D–NY).

THE REPRESSION CONTINUES WHILE INDIA PROCLAIMS ITS SECULARISM AND DEMOCRACY

Half a million Indian forces have been sent to Punjab, Khalistan to subdue the freedom movement there. Another 700,000 are deployed in Kashmir. They join with the police in carrying out the kinds of atrocities described above. India calls this "protecting its territorial integrity."

In March 2000 in the village of Chithisinghpora, 35 Sikhs were massacred. Two studies of this massacre, one by the International Human Rights Organization, based in Ludhiana, and the other conducted jointly by the Punjab Human Rights Organization and the Movement Against State Repression, concluded that the massacre was the work of Indian forces, a conclusion supported by reporter Barry Bearak in the December 31, 2000 issue of the New York Times Magazine. In another village in Kashmir, Indian troops were caught red-handed trying to set fire to several Sikh houses and the local Gurdwara. Sikh and Muslim villagers joined together to stop this atrocity before it could be carried out

Sikhs ruled Punjab as an independent, secular country from 1765 to 1849. Sikhs have never accepted the Indian constitution. At the time of the transfer of power, Sikhs were equal partners who were to receive sovereignty along with Muslims and Hindus. When the Indian constitution was adopted in 1950, no Sikh representative signed it and no Sikh representative has signed it to this day.

On October 7, 1987, the Sikh Nation formally declared its independence from India, naming their new country Khalistan. Since then, Khalistan has been under illegal occupation by the Indian government and its forces.

"If a Sikh is not for Khalistan, he is not a Sikh."—Professor Darshan Singh, former Jathedar of the Akal Takht

Unfortunately, Sikhs are not the only victim of India's brutal tyranny.

India has murdered over 300,000 Christians in Nagaland since 1947, more than 85,000 Kashmiri Muslims since 1988, and tens of thousands of other minorities

Australian missionary Graham Staines and his two young sons were brutally murdered by being burned to death while they slept in their jeep by a mob of Hindu militants affiliated with the militant, pro-Fascist Rashtriya Swayamsewak Sangh (RSS) who chanted "Victory to Hannuman," a Hindu god.

An American missionary from Pennsylvania, Joseph Cooper, was expelled from the country after being so severely beaten by RSS goons that he had to spend a week in the hospital.

In January 2003, an American missionary and seven other individuals were attacked.

Christian schools and prayer halls have been attacked and destroyed.

A Christian religious festival was broken up by police gunfire.

In March 2002, between 2,000 and 5,000 Muslims were brutally murdered in Gujarat. India's National Human Rights Commission (NHRC), an official body, found evidence in the killings of premeditation by members of Hindu extremist groups and complicity by Gujarat state officials. A police officer confirmed to an Indian newspaper that the massacre was pre-planned by the government.

The most revered mosque in India, the Ayodhya mosque, was destroyed by Hindu mobs affiliated with the BJP and a Hindu temple was built on the site.

The states of Gujarat, Tamil Nadu, and Orissa have all passed bills barring religious conversions.

DEMOCRACIES DON'T COMMIT GENOCIDE; SUPPORT SELF-DETERMINATION IN SOUTH ASIA

The right to self-determination is the essence of democracy. Please urge your representatives to support self-determination for Khalistan, Kashmir, Nagaland, and all the stations seeking their freedom. Demand a free and fair plebiscite on the question of independence and an end to foreign aid to India until human rights are respected.

INTRODUCTION OF THE "IMPORTATION OF SAFE FOOD ACT OF 2004"

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. CONYERS. Mr. Speaker, I rise to announce the introduction of the "Importation of Safe Food Act of 2004." The Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (the Act) imposes new requirements intended to protect U.S. consumers from adulterated food products. Unfortunately, the U.S. Food and Drug Administration, in attempting to comply with the Act, has overstepped its authority in a manner that could lead to the unintended consequences of raising consumer prices, increasing job losses, and threatening legitimate U.S. businesses. This legislation would prevent the loss of these important jobs.

A proposed FDA regulation is scheduled for full enforcement on August 13, 2004, and would require that confidential manufacturing facility registration numbers appear on all prior notices submitted to the FDA as a condition of food import. This requirement would be impossible to meet for lawful third-party importers who do not deal directly with the manufacturers and thus have no means of obtaining the confidential numbers. The adversely-affected importers include food wholesalers distributing in the secondary marketplace or reimporting American-manufactured products, and manufacturers bringing competitors' articles into this country for sampling or testing.

The requirement also would create domestic job losses and raise consumer prices. For example, it is estimated that thousands of jobs within the secondary market industry alone could be at stake. In addition, numerous freight forwarders, truckers, and warehousemen who work in conjunction with the industry likely would face similarly substantial economic hardship. Moreover, the secondary market results in cost savings to consumers ranging between 10 and 15 percent. That is a major benefit to the American economy that cannot be discounted.

That is why we are introducing the Importation of Safe Food Act of 2004. This bill would clarify that (1) the notice must contain the name and address of the manufacturer and that the importer must identify those parties required to be shown by whatever means available to it; and (2) food articles may not be automatically rejected solely on the basis of an incomplete notice unless the Secretary is presented with additional evidence that the article poses a threat to the health of an animal or human. It also would give the government more authority in regulating food facilities so that tainted foods cannot enter the Nation's food supply.

PERSONAL EXPLANATION

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. BERMAN. Mr. Speaker I was unavoidably detained and unable to cast a number of rollcall votes. Had I been present, I would have voted "no" on rollcall No. 279, "no" on rollcall No. 280, "yes" on rollcall No. 281, "yes" on rollcall No. 282, "yes" on rollcall No. 283, "yes" on rollcall No. 284 and "yes" on rollcall No. 285.

TRIBUTE TO LIEUTENANT NED NEUSTROM OF JOHNSON COUNTY MED-ACT

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. MOORE. Mr. Speaker, I rise today to pay tribute to Lieutenant Edward "Ned" Neustrom of Johnson County Med-Act, who died unexpectedly of cardiac arrest while on duty on Friday, June 18th.

Lieutenant Neustrom was found by firefighters at the emergency response station located at 13801 Switzer in Overland Park, KS, where he was assigned. Neustrom was a respected paramedic and departmental mentor with more than 25 years experience with Johnson County's Med-Act Department. He began his career as an emergency medical technician in February 1978. In August 1980, he advanced to the paramedic level and was again promoted in 1984 to team leader and to the rank of lieutenant. Neustrom was involved in many aspects of the Med-Act Department, including the Disaster Response Team, the Special Operations Group, the Emergency Operations Team, and he also served as a field training officer. Most recently, he was an integral member of the team that created and launched a partnership between the city's fire department and the Johnson County Med-Act Department. Neustrom had been assigned as a paramedic to the Overland Park station since the partnership was formed in 2002.

Neustrom and his wife of 23 years, Linda, are the parents of three daughters. A family man with many friends, who enjoyed fly-fishing and playing guitar in his free time, he was 49 years old. I join with the grieving members of Johnson County Med-Act and the Overland Park Fire Department in paying tribute to this dedicated public servant, whose services were conducted with full public safety honors. Mr. Speaker, I commend to all members of this House the life and legacy of Lieutenant Ned Neustrom, and ask that you join me in this tribute.

UNITED STATES SHOULD NOT LET TYTLER ENTER COUNTRY

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. TOWNS. Mr. Speaker, I was disturbed to read that Jagdish Tytler, India's Minister of State for Non-Resident Indian Affairs, was coming to the United States to speak to the American Association of Physicians of Indian Origin. While there are many fine people of Indian origin, Jagdish Tytler is a person who is unfit to visit this country. He is the person most responsible for the genocide against Sikhs in Delhi in November 1984. To bring Jagdish Tytler to America is to give our implicit blessing to that massacre.

After the assassination of Indira Gandhi, Tytler and others organized bands of Hindus who grabbed Sikhs and burned them to death. He was one of the people responsible for getting the Sikh police locked in their barracks so that they could not intervene. Meanwhile, the state-run radio and TV screamed for more Sikh blood. In all, over 20,000 Sikhs were murdered.

Mr. Speaker, why is such a person being granted entry to the United States? And why is he in India's Cabinet? Unfortunately, rewarding people who carry out such activities is too common in India. We do not have to grant it our implicit approval.

As you know, over a quarter of a million Sikhs have been murdered at the hands of the Indian government since 1984. The Indian government has also killed more than 300,000 Christians in Nagaland, over 87,000 Muslims in Kashmir since 1988, and thousands upon thousands of other minorities as well. They continue to hold tens of thousands of political prisoners, according to Amnesty International. This includes over 52,000 Sikhs, some of whom have been held in illegal custody without charge or trial for 20 years. A democratic country should be embarrassed to have carried out acts like these, and I call on Prime Minister Singh to begin to rectify India's record by releasing the political prisoners and by removing Mr. Tytler and others involved in atrocities from his government. This will be a good first step towards restoring democracy for all the people.

America is the beacon of freedom. It is a country dedicated to the principles of freedom and equal rights. While we have not always been perfect in our efforts to follow these principles, they form the foundation of America. We embarrass ourselves and our principles by allowing the likes of Jagdish Tytler to come and make speeches in our country.

As long as people like Mr. Tytler are in the government, it is confirmation that there is no place for Sikhs and other minorities in India. Until it repudiates this and allows all people to exercise their full rights, we should provide no aid to India. And we should put ourselves on record in support of a free and fair vote on independence for the Sikh homeland, Khalistan, and for all the other nations seeking their freedom. And we should keep the leaders who practice brutality and commit atrocities out of our country.

INTRODUCTION OF RESOLUTION OF INQUIRY

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. CONYERS. Mr. Speaker, I am pleased to introduce a resolution of inquiry to request documents about the abuse of detainees and prisoners in Iraq, Afghanistan and Guantanamo Bay. Two weeks ago, Democrats publicly requested that the White House release all documents concerning the growing Iraq prison abuse scandal. We were ignored, so today I am offering a resolution of inquiry which formally requests that the White House to release the documents.

We are in the midst of one of the most serious incidents of human rights abuses in our Nation's history. In Iraq, Afghanistan and Guantanamo, it is increasingly clear that our Nation's military and civilian contractors—at the behest of the very highest officials in the administration—engaged in physical, psychological, and sexual abuse on a widespread basis. Scores of detainees were murdered. Numerous warnings were ignored. The Justice Department provided the legal cover necessary to justify torture.

The resolution I am offering today will ensure that the administration no longer picks and chooses what information it will share with us. While the administration released a number of documents yesterday pertaining to the treatment of detainees and prisoners, we've all learned that it only shares what information reflects on it best. There is no reason to believe that the memos made public yesterday represent all of what the President and his Cabinet approved.

The documents also touch on only one of many issues that need investigation. While understanding how the administration came to deny Geneva Convention protections to detainees is important, it is also critical to determine what the administration did once it realized its military was committing abuse, what role contractors had in this mess, whether warnings were ignored, and more. Therefore, I ask my colleagues to support this resolution so that we may get the rest of the documents in the administration's possession so that we may conduct a thorough investigation.

The prison scandal is a stain on our Nation and an impediment to the prosecution of the war against terror. If this Congress can't find the will to investigate an abuse of this magnitude, it calls into question our entire constitutional system of checks and balances.

We've given the President and the Republican majority every opportunity to participate in what any decent society demands—accountability for inhuman and degrading acts committed in our name. If they won't help us get to the bottom of why these atrocities happened, we'll do it without them.

H. RES.—

Resolved, That the President is requested, and the Secretary of State, the Secretary of Defense, and the Attorney General are each directed, to transmit to the House of Representatives not later than 14 days after the date of the adoption of this resolution all documents in their possession, except those documents in the Attorney General's possession that have been found by a court to be protected by Federal Rule of Criminal Procedure 6(e) in a proceeding at which the Attorney General or the Department of Justice is a party, relating to the treatment of prisoners or detainees in Iraq, Afghanistan, or Guantanamo Bay and any requisite instructions for handling such documents, including—

(1) every report, memorandum, or complaint from the International Committee of the Red Cross relating to the treatment of detainees or prisoners and any documents that reference such memorandum, report, or complaint by the President, by any Federal official covered by this resolution, or by any agency under any such Federal official;

(2) every report, memorandum, or complaint from Human Rights Watch, Amnesty International, Iraqi Human Rights Association, Afghan Human Rights Commission, Physicians for Human Rights, or Human Rights First relating to the treatment of detainees or prisoners and any documents that reference such memorandum, report, or complaint by the President, by any Federal official covered by this resolution, or by any agency under any such Federal official;

(3) every document relating to interrogation techniques;

(4) every internal report of a law enforcement, military, or intelligence agency or organization concerning interrogation or detention operations;

(5) every internal report of a law enforcement, military, or intelligence agency in response to allegations that the treatment of prisoners or detainees violated or continues to violate international or American law;

(6) every document and memorandum regarding the applicability of the Geneva Conventions, the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, the International Covenant on Political and Civil Rights, sections 2340–2340A of title 18, United States Code, the War Crimes Act of 1996, and the Fifth, Eighth, and Fourteenth Amendments to the Constitution of the United States to the treatment of prisoners or detainees;

(7) every document and memorandum relating to command relationships between military police units and military intelligence units;

(8) every document and memorandum directing personnel to abstain from using specific interrogation techniques or to withdraw themselves from interrogations being conducted by other departments;

(9) any Presidential directive or other writing authorizing the use of interrogation tactics or claiming the constitutional authority to do so;

(10) any documentation of training received by the 800th Military Police Brigade and the 205th Military Intelligence Brigade regarding the treatment of prisoners or detainees;

(11) any documentation of special access programs as they were applied to prisoners or detainees;

(12) all records of meetings regarding the treatment of prisoners or detainees at which one or more officials of the Department of State, Department of Defense, Department of Justice, or Central Intelligence Agency were present and the presence of those officials is apparent from the face of the record;

(13) every document and memorandum concerning the practice of keeping prisoners or detainees off the official roster;

(14) a list of every ongoing and completed investigation into the treatment of prisoners or detainees, and any written reports produced by any such investigation;

(15) every document relating to civilian contract employees and their role in prisons;

(16) all written statements of prisoners or detainees, military personnel, civilian employees of the Federal Government, or civilian contractors regarding the treatment of prisoners or detainees;

(17) all reports of interrogation of each prisoner or detainee that reflect a claim of abuse by military or civilian personnel or by civilian contractors;

(18) any documents for work under contracts (including subcontracts and task orders) and all reports on such documents, for interrogation or translation work by CACI International, Titan Corporation, and any other entity that may have performed such work;

(19) any documents or testimony presented to or prepared by the Detainee Assessment Branch at Abu Ghraib prison at any time after September 1, 2003 regarding the treatment of Iraqi prisoners or detainees by members of the Armed Forces or by civilian contractors working in Iraq employed on behalf of the Department of Defense;

(20) any complaint forms filled out and submitted at any time after March 1, 2003 by a member of the Armed Services or by a civilian contractor employed on behalf of the Department of Defense or Central Intelligence Agency regarding the treatment of detainees or prisoners; and

(21) any reports or documents reflecting the death or injury of prisoners or detainees.

TRIBUTE TO WYNNE BRIGHT, 2004 CALIFORNIA MOTHER OF THE YEAR

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to Wynne Bright, a remarkable woman from my Congressional District who was chosen as the 2004 California Mother of the Year. She earned this recognition for her lifelong dedication and unconditional love and support to her family, and for her many outstanding contributions to our community.

Wynne was born on August 25, 1923 in Los Angeles, CA. She graduated from Los Angeles High School in 1940, and despite being offered numerous scholarships to attend college, she stayed home to help take care of her ill father. Later, Wynne received an Associate Degree from Los Angeles City College.

In 1943, Wynne married Herbert C. Bright. Herbert graduated from the University of California, Los Angeles and served as a lieutenant in the Air Force during World War II. During the war, Wynne worked for the American Red Cross, helped start a nursery and preschool at Langley Field, and visited with parents who had lost children in the war.

Wynne gave birth to her first child, James, in 1949. James graduated from the University of Southern California with a degree in geology. Afterwards, he graduated from Loyola Law School. Wynne's second child, Cheryl Lee, was born in 1955. Cheryl Lee graduated from California State University Northridge and served as an executive at ARCO for many years. Richard, her youngest child, was born in 1962 and graduated from the University of Southern California. He is the Vice President of Ellis Reality. Wynne has five grandchildren: MacKenzie, Jennifer Ann, Ryan, Taylor, and Christopher.

Wynne's children are very proud of their mother and attribute their sense of self-worth, desire to achieve, and moral values to her good influence. She taught them that real success comes hand-in-hand with moral values, and that happiness comes from within. Their love of learning is a direct result of their mother's belief in the importance of education.

In addition to being a lifelong teacher to her children, Wynne has made extraordinary contributions to her community. For example, she is involved in the Studio City Residents' Association, is a volunteer at her PTA, is actively involved in the North Hollywood Junior Women's Club, and plays organ at her church.

Women like Wynne Bright give strength and joy to our communities, and I ask my colleagues to join me in saluting and honoring her for all of her outstanding accomplishments, and her exemplary commitment to family and community.

TRIBUTE TO COLONEL EDWARD OWSLEY

HON. JO ANN EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mrs. EMERSON. Mr. Speaker, I rise today to pay tribute to a great American and a great Missourian, Colonel Edward Owsley, who passed away Monday at the age of 91. Colonel Owsley represented the best attributes of our Nation, through his service and sacrifice to our Nation in World War II, and of our state, by returning to Missouri to improve our community in every way he could.

In his 26 years of active military service, Colonel Owsley attained the rank of colonel. He served with honor in the Far East Campaigns during World War II. Colonel Owsley retired in 1966, after his final duty as chief of staff at Fort Leonard Wood in Missouri.

But Colonel Ed (as we called him) did not stop serving our Nation when he retired from his post. As state president of the Association of the United States Army, Colonel Owsley combined his love of country with his love of the Army. As a member of the board that guided the military academy selection process with the Eighth District Congressional office, first for Bill and then for me, I knew Colonel Ed as an honest and fair man.

As active as he was on military matters, Colonel Ed was even more involved in our communities. For 20 years, he acted as executive vice president of the Rolla Area Chamber of Commerce. He served his community as a member of the Rolla City Council. Many of the building and development initiatives in and around Rolla over the last 40 years reflect his involvement.

Colonel Owsley was a man you identified with the city of Rolla. His work on behalf of the community was not for personal gain—it was the result of his patriotism and civic pride. It is too bad he was one-of-a-kind, because we need more good Americans like him. But he has provided a tremendous example of selflessness and volunteerism to guide the leaders of tomorrow. That spirit is his best legacy.

Colonel Ed was a true friend of Missouri. A vocal man, to be sure, but a man who always followed up his words with deeds. His death is a great loss to the American people. We will miss him dearly.

HONORING DAVID GRANT

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. RADANOVICH. Mr. Speaker, I rise today to recognize David Grant posthumously for his heroism and years of service to his community. Dave recently passed away on Monday, May 29, 2004.

David was known for his extraordinary work as a law enforcement officer with a knack for defusing tense, often dangerous, situations. He was a 15-year veteran of the Tuolumne County Sheriff's Department and had worked in law enforcement for a total of 26 years.

A Sonora resident and Tuolumne County native, Dave grew up in Tuolumne County and graduated from Sonora High School. In 1978, he embarked on a career in law enforcement with the Sonora Police Department where he served as a traffic officer and driving instructor. Three years later, Dave joined the Oceanside Police Department where he served for 8 years. He worked as a patrol officer and then served as a motor officer where he helped new officers hone their motorcycle driving skills. In 1989, Dave returned to Tuolumne County and joined the Sheriff's Department. He worked various assignments including patrol, investigations, narcotics, coroner, hostage negotiation, and was coordinator for the department's search-and-rescue team.

He is survived by his wife Richie Grant and his four children.

Mr. Speaker, I rise today to recognize David Grant for his remarkable service to his community. I invite my colleagues to join me in honoring him posthumously for his commitment to bettering this world through valiant service, touching lives both in the Central Valley of California and the law enforcement community statewide.

A PROCLAMATION IN MEMORY OF NINA DISCIPIO

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. NEY. Mr. Speaker:

Whereas, I hereby offer my heartfelt condolences to the family and friends of Nina DiScipio; and

Whereas, Nina DiScipio was a loving wife, mother, grandmother, and great grandmother to the members of her family; and

Whereas, Nina DiScipio took pride in her role as a mother and homemaker and was named the Ohio Valley Chamber of Commerce Mother of the Year in 1990, receiving recognition from the Ohio House of Representatives for this honor; and

Whereas, Nina, who gave continuous support to her community, earned an appointment, by Governor James A. Rhodes, to the Jefferson Technical Board of Trustees in 1980. In 2002, the Nina Gentile Scholarship was established in her honor; and

Whereas, in 2003, The Franciscan University Steubenville honored Nina and her husband Tony by naming the University's art gallery, The Gentile Gallery, and presenting them with the Founder's Award; and

Whereas, the kindness and compassion she showed towards others will stand as a reminder of a truly remarkable person. Her life and love gave joy to all who knew her; and

Therefore, while I understand how words cannot express our grief at this most trying of times, I offer this token of profound sympathy to the family and friends Nina DiScipio.

HONORING PRESIDENT HAMID KARZAI—PRESIDENT OF AFGHANISTAN

HON. ROB SIMMONS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. SIMMONS. Mr. Speaker, I rise today to reflect on the recent visit of Hamid Karzai, President of Afghanistan, to Washington, DC. In his address before Congress on Tuesday, June 15th, President Karzai spoke movingly about the troubled past, the current progress, and the promising future of Afghanistan. He called upon Congress to continue aiding Afghanistan in rebuilding a society that has been caught in an ideological crossfire for the past 25 years.

The United States was duly congratulated for completed work toward rebuilding Afghanistan and admonished for ignoring the Taliban's oppression until the regime's extremism was manifested so tragically in the attacks on the World Trade Center and the Pentagon. In his speech, President Karzai affirmed the importance of our presence in Afghanistan. We are in Afghanistan today not to dictate what Afghanistan will become, but to ensure an environment of stability and freedom that fosters democracy and true self-determination.

I commend President Karzai for the progress that already has been made—most recently the opening of the International Press Centre, which marked an important step toward the development of a free press. Today, five million Afghan girls and boys are attending school. The economy is estimated to have grown by 20 percent this year, and 3.8 million people have registered to vote, of which 35.4 percent are female. Health centers have been developed to provide basic services, especially to women and children.

The national army and the national police are being rebuilt. Three million refugees have returned to the country. Girls are returning to schools where their presence was once forbidden. Women, invisible under Taliban rule, are returning to the public sphere, where they can once again be productive members of society, contributing to cultural and economic growth. In the parliament, 25 percent of the seats have been reserved for women. Slowly but surely, Afghanistan is being rebuilt.

Despite this progress, our job is not yet complete. Our presence is needed until fair elections under a democratic system can be guaranteed to the people of Afghanistan. Private militias must be disarmed and disbanded. The production of narcotics must cease. Clean water and electricity must reach the Afghan people and health care must improve.

"Afghanistan is open for business and American companies are most welcome," Karzai stated. "Together, we will make Afghanistan a great success and an enduring example of a prosperous democratic society. Our shared success in Afghanistan is vital to achieving victory over the greatest menace the world faces today—terrorism and extremism." Afghanistan deserves to make its goals a reality. We must ensure that Afghanistan has the dignity that is afforded by democracy and that is the right of every human being.

As someone who served in a war zone, I was most struck by President Karzai's gratitude to the American people: "I thank you and the people of this great country for your generosity and the commitment to our people. You have supported us with your resources, with your leadership in the world community, and most importantly with the precious lives of your soldiers." He recognized the sacrifice and valor of the American soldiers who volunteered their lives so that an oppressed people in a distant land could be free.

Upon hearing President Karzai's words, I was reminded of Pat Tillman, the National Football League recruit who gave up a multimillion dollar contract to serve as an Army Ranger and lost his life in Afghanistan. Tillman refused interviews on the grounds that he was no better than any soldier who had volunteered to serve in the Armed Forces. His humility, his willingness to give up a comfortable life for a difficult one, his commitment to protecting American values and fighting tyranny proved him to be a true American hero.

I congratulate President Karzai on the progress he has made toward rebuilding Afghanistan. Our troops will continue to serve in that land so that a long-suffering people can prosper freely. I offer my whole-hearted support to him and the people of Afghanistan in building a nation where power lies once again in the hands of its people.

AMERICAN JOBS CREATION ACT OF 2004

SPEECH OF

HON. BETTY McCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 2004

Ms. McCOLLUM. Mr. Speaker, today the House is considering legislation touted as a bill to create jobs and help our struggling manufacturing industry when in fact it does nothing of the sort. Instead, H.R. 4520 would give U.S. multinational corporations more incentive to ship jobs overseas, adds $34 billion to the deficit and includes billions in tax breaks for special interests, while failing to help small businesses. Small business firms create 75 percent of all new U.S. jobs every year and should be receiving tax relief in today's legislation.

In addition to a $10 billion tobacco buyout, this legislation includes tax breaks for special interests such as bow and arrow makers, tackle box companies, and sonar fish finders. Unfortunately the House Republican leadership chose to use the FSC/ETI repeal to provide a broad and complex tax break for large corporations, rather than more focused relief that would also benefit smaller manufacturers and farm cooperatives that create jobs and have production solely in the U.S.

Even the Bush Administration has expressed concern over several of the provisions of the bill. This legislation, by offering tax relief to manufacturing firms, but not giving a clear definition of what a manufacturing firm is, creates incentive for firms to characterize themselves as in manufacturing opening the tax code up to new abuses. For example, efforts have already been underway to include food processing and the mixing of water and concentrate to make a soft drink in the definition of manufacturing. Congress should not be creating incentives for businesses to manipulate their services.

There is a bipartisan proposal in Congress to stop the sanctions and create American jobs, but the Republican leadership blocked Democrats from offering this legislation as a substitute. This substitute would strike the provisions that promote shipping jobs overseas, add provisions to create more jobs in the U.S. by giving tax relief to American manufacturing including small business and farmers, and strikes the narrow special interest provisions. Furthermore the substitute is paid for by cracking down on tax shelters and corporations and individuals that move abroad to avoid paying taxes.

I strongly support providing tax relief to our manufacturing firms, businesses and family farmers, but it is irresponsible to only provide tax relief to large multinational corporations. I urge my colleagues to oppose this legislation and instead pass a bill that would provide benefits to all U.S. manufacturing firms, big and small, without the costly special interest buyoffs found in this legislation.

HONORING EASTGATE BAPTIST CHURCH

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. KILDEE. Mr. Speaker, I rise before you today to acknowledge the 50th anniversary of Eastgate Baptist Church of Burton, MI, where the Rev. Levi Parish is pastor. On Sunday, July 4, 2004, the Church along with the community will commemorate this joyous occasion with a full day of festivities that will conclude with a flag raising ceremony.

A great event happened in the community of Burton, MI in 1954, when 32 individuals came together and formed one of the most spirit filled ministries in Genesee County. The church was named Providence Baptist until 1965 when the name changed to Eastgate Baptist. Also during that same year they relocated to their present place of worship at 4226 East Atherton Road. During the past 50 years Eastgate Baptist Church has made a significant impact on the community. The members of Eastgate have consistently heeded the call of Christ to assist all those who are in need of spiritual healing. The inspiration for living by Christian ideals is repeated again and again in the lives of the ministers and congregation of this church. I pray that during this glorious milestone the members and community of this magnificent church will come together and do as the Bible tells us in Psalms 33:1–4 "Rejoice in the Lord, O you righteous! For praise from upright is beautiful. Praise the Lord with the harp; make melody to Him with an instrument of ten strings. Sing to him a new song; play skillfully with a shout of joy. For the word of the Lord is right and all his work is done in truth."

Mr. Speaker, as the Member of Congress representing Burton, MI, I ask my colleagues in the 108th Congress to please join me in paying tribute to the Eastgate Baptist Church community for 50 years of spreading God's ministry to the people of Burton, MI, and in wishing them the best in years to come.

IN RECOGNITION OF THE 10TH ANNIVERSARY OF MENDOCINO COAST CLINICS, INC

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. THOMPSON of California. Mr. Speaker, I rise today in recognition of Mendocino Coast Clinics, Inc. as it celebrates its 10th anniversary of service to the community.

On July 1, 1994, direct medical services were transferred to Mendocino Coast Clinics, Inc. from the Mendocino County Public Health Department, so they could shift their focus from patient care to public health issues.

Over the past 10 years, Mendocino Coast Clinics, Inc. has grown substantially in response to community needs. In 1994, 9 employees provided 6,507 medical services to 2,546 patients. In 2004, 60 employees will provide a projected 27,300 medical consultations to 4,600 patients. A total of 169,612 patient encounters have been provided over the last 10 years and now include dental care, behavioral health, telemedicine and specialty medical services.

In 2003 Mendocino Coast Clinics, Inc. built a new facility to accommodate its expansion of services, including its bilingual and culturally appropriate care to residents. The need for comprehensive health services in this rural coastal area was acknowledged when the Mendocino Coast Clinics, Inc. received a New Start Community Health Center Program Grant from the Department of Health and Human Services in 2003.

Mr. Speaker, Mendocino Coast Clinics, Inc. has diligently provided health care services to this community with respect and dignity, regardless of a patient's ability to pay. It is therefore appropriate to honor Mendocino Coast Clinics, Inc. on its 10th anniversary and commend it for its success.

UNITED NATIONS INTERNATIONAL TORTURE SURVIVORS DAY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. KUCINICH. Mr. Speaker, I would like to thank the Congressional Human Rights Caucus co-Chairs, Congressman LANTOS and Congressman WOLF, for inviting me to speak at this important event.

June 26 marks the United Nations' international day in support of torture victims. This declared day honors the essential human right of freedom from torture for all, as guaranteed by international law and defined under the United Nations Convention against Torture. Despite this international law, however, over 117 countries still practice torture, according to Amnesty International.

It is a practice that occurs both in undemocratic societies as well as in countries that are U.S. allies and that receive significant U.S. foreign aid. Torture is used against politicians, union leaders, journalists, health professionals, human rights defenders, people in detention or prison, members of ethnic or religious minorities, student leaders, and ordinary citizens, children as well as adults.

The physical and psychological ramifications of torture are incomprehensible and can last a lifetime. There is an estimated 100 million torture survivors worldwide, with 500,000 foreign torture survivors residing in the United States. Rehabilitation centers have been set up around the world to treat victims of torture, yet more must still be done. Today we will hear testimonies from expert witnesses regarding the treatment of torture from the perspectives of human rights workers, physicians, and torture survivors.

At this time I would like to thank the Human Rights Caucus and the Torture Abolition and Survivors Support Committee for hosting this important and timely briefing.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, June 24, 2004 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 25

9:30 a.m.
Armed Services
To hold hearings to examine the transition to sovereignty in Iraq, focusing on U.S. policy, ongoing military operations, and status of U.S. Armed Forces.
SD–106

JULY 7

10 a.m.
Indian Affairs
Business meeting to consider pending calendar business.
SR–485

2 p.m.
Conferees
Meeting of conferees on H.R. 3550, to authorize funds for Federal-aid highways, highway safety programs, and transit programs.
Room to be announced

JULY 13

10 a.m.
United States Senate Caucus on International Narcotics Control
To hold hearings to examine the abuse of anabolic steroids and their precursors by adolescent amateur athletes.
SD–215

JULY 14

10 a.m.
Indian Affairs
Business meeting to consider pending calendar business; to be followed by an oversight hearing on the implementation of the American Indian Religious Freedom Act of 1978.
Room to be announced

JULY 21

10 a.m.
Indian Affairs
To hold hearings to examine S. 519, to establish a Native American-owned financial entity to provide financial services to Indian tribes, Native American organizations, and Native Americans.
SR–485

SEPTEMBER 21

10 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentation of the American Legion.
345 CHOB

SENATE—*Thursday, June 24, 2004*

The Senate met at 10:01 a.m. and was called to order by the Honorable CHRISTOPHER S. BOND, a Senator from the State of Missouri.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Lord, You are good. You chase our enemies into dark places and restrain those who plot against Your providence. No matter how strong evil may seem, O Lord, it is doomed because of Your power.

Strengthen our Nation. Snap the chains that bind it to anything that is not noble and true. Inspire our Senators with Your invincible presence. Help them to look to the hill from whence comes celestial help. Remind them that they are never alone, for You have promised to be with us until time is transformed into eternity.

Help us to remember that neither life nor death, angels nor principalities, powers nor problems, heights nor depths, past nor future, demons nor darkness can separate us from Your wondrous love. Empower us to so live that generations to come will call us blessed. Amen.

PLEDGE OF ALLEGIANCE

The Honorable CHRISTOPHER S. BOND led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STEVENS).

The assistant legislative clerk read the following letter:

> U.S. SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, DC., June 24, 2004.*
>
> *To the Senate:*
>
> Under the provisions of Rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable CHRISTOPHER S. BOND, a Senator from the State of Missouri, to perform the duties of the Chair.
>
> TED STEVENS,
> *President pro tempore.*

Mr. BOND thereupon assumed the Chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning I again congratulate Chairman WARNER and Senator LEVIN for their efforts throughout the Defense authorization bill. We were able to pass that bill last night. Looking at my notes, we had approximately 175 amendments disposed of over the course of 16 days of consideration and 31 rollcall votes. A lot of hard work, a lot of good negotiation, brought a very good bill, as reflected in the ultimate vote. I do want to thank both the managers who got us through the bill. That was the authorization.

Now we have a Defense appropriations bill ahead of us. Chairman STEVENS is prepared to begin that legislation, and we expect to finish that bill prior to the recess. We will be consulting further with the Democratic leadership, and hopefully we will have that scheduled shortly.

Immediately this morning we will be proceeding to executive session for the consideration of the nomination of one of our former colleagues, Jack Danforth, to be U.S. Ambassador to the United Nations.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. FRIST. Madam President, as in executive session, I ask unanimous consent that there be 1 hour of debate equally divided between the chairman and ranking member or designees, and that following that time, the Senate proceed to a vote on the nomination; provided further that following the vote, the President be immediately notified of the Senate's action and the Senate then resume legislative session.

The PRESIDING OFFICER (Ms. MURKOWSKI). Without objection, it is so ordered.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER. The Senator from Nevada is recognized.

JUDICIAL NOMINATIONS

Mr. REID. Madam President, it is my understanding the two leaders do not expect a recorded vote on that.

Mr. FRIST. That is correct. The nomination will not require a rollcall vote, and at the conclusion of the debate, Senator Danforth will be confirmed by voice vote.

In addition, we have the remaining judicial nominations to dispose of. There are four that will be scheduled for votes with no debate necessary. There are two we will lock in for votes following 1 hour of debate, and I expect to ask that consent momentarily. There is also one further nomination that will require a longer debate period, and we are consulting with Members as to whether to schedule that debate and vote.

In addition to these nominations, there are a number of ambassadorships we hope to consider prior to adjourning, although we do not anticipate rollcall votes on these.

There are other issues, including Burma sanctions, that we will likely address over the course of the day and tomorrow.

Finally, I would reiterate the need to finish the Defense appropriations measure. It is a priority for completion, and we need to work together to get that bill passed before the July 4 recess. We have spent 4 weeks on the Defense authorization where Senators have debated the issues and had ample opportunity to bring issues to the floor on defense and debate those. Thus, we should be able to proceed expeditiously on the Defense appropriations bill. It is now time to make sure we have the appropriate resources to support our troops, and we will continue to move forward.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. FRIST. Madam President, I ask unanimous consent that at a time determined by the majority leader, with the concurrence of the Democratic leader, the Senate proceed to executive session for the consideration of Executive Calendar No. 591, the nomination of Diane Sykes to be a U.S. Circuit Judge for the Seventh Circuit. I further ask unanimous consent that there be 60 minutes of debate equally divided in the usual form and that following that debate, the Senate proceed to a vote on the confirmation of the nomination with no intervening action or debate; provided further that immediately following that vote, the Senate proceed to a vote on the confirmation of Executive Calendar No. 604, Peter Hall to be U.S. Circuit Judge for the Second Circuit, again with no intervening action or debate. I finally ask consent that following these votes, the President be immediately notified of the Senate's action, and the Senate then resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. I yield the floor.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, the leadership time is reserved.

EXECUTIVE SESSION

NOMINATION OF JOHN C. DANFORTH TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO SESSIONS OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS

NOMINATION OF JOHN C. DANFORTH TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY, AND REPRESENTATIVE OF THE UNITED STATES OF AMERICA IN THE SECURITY COUNCIL OF THE UNITED NATIONS

The PRESIDING OFFICER. Under the previous order, the Senate will go into executive session for consideration en bloc of the following nominations which the clerk will report.

The assistant legislative clerk read the nomination of John C. Danforth, of Missouri, to be Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as Representative of the United States of America to the United Nations; John C. Danforth of Missouri, to be Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary, and Representative of the United States of America in the Security Council of the United Nations.

The PRESIDING OFFICER. There will now be 1 hour of debate equally divided on the nomination.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Madam President, on behalf of the manager of the nomination, the Senator from Indiana, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. BOND. Madam President, it is a privilege to rise today to commend to this body the confirmation of an individual whom I have had the honor of calling a colleague for over 30 years, and someone Members of this body have known for a long time. That is our good friend, former Senator John C. Danforth. There was something very delicious about the fact that the clerk noted he will become Ambassador Extraordinary and Plenipotentiary. That kind of sums it up.

Jack Danforth is an outstanding individual who will be having great responsibilities serving the United States as Ambassador at the United Nations.

Most of us who are familiar with Jack know of his many accomplishments and attributes. But there is one quality that always comes to mind when you ask people what do you know about or what do you think about when you think of Jack Danforth? The people who have worked with him and have had an opportunity to watch him would say one word: integrity. This is a man of great integrity, as well as dedication and compassion, and even a dry sense of humor, when appropriate.

Senator Danforth was born in St. Louis County and graduated from St. Louis Country Day High School. He graduated from Princeton University in 1958, and then Yale University Law School and Divinity School in 1963. He was admitted to practice in New York in 1963, and that same year he was ordained as part of the clergy of the Episcopal Church. As we all recently saw, he participated in the services honoring our late, great President Ronald Reagan.

I have been to many services conducted by Rev. John C. Danforth. One that particularly affected this body was the memorial service for our late colleague, John Heinz, the Senator from Pennsylvania. I can tell you, when we went to Pittsburgh for those services, there were many very deeply hurt and troubled Senators. There is not much one would think could be said, but Jack Danforth was able to bring us together and give us hope and help lighten the burden of that loss.

In addition, obviously, to being a clergyman, Jack began his political career in 1969, serving as Attorney General of Missouri, using his legal background. I had the privilege to serve as an assistant attorney general under him and was grateful for the opportunity to be there, to learn the high standards he set and demanded not only for himself but for everybody who worked for him.

In the Senate, to which he was elected in 1976, he served as chairman of the Committee on Commerce, Science and Transportation. He served on the Finance Committee and undertook many important responsibilities. He was a leader in the passage of the civil rights legislation that was enacted by the Congress. He went back to Missouri to resume the practice of law in St. Louis. Really, I think he went back to spend more time with his wonderful wife Sally, who is a tremendous friend to many of us who have a chance to know her, and his grandchildren, and also to watch Cardinal baseball.

Jack was called upon by President Bush to broker peace in the civil war in Sudan that had claimed some 2 million lives. He worked tirelessly and committed himself to improving the lives of others. He demonstrated once again to the U.S.—and this time to the world—his ability to understand and simplify complex political problems.

About 2 weeks ago, he called me at my home in Missouri and said: The President asked me to take on another assignment. I said: Jack, I hope it is not as dangerous an assignment as Sudan. He said: No, he asked me to be representative to the United Nations. I said: I think that may be less dangerous, I am not sure. We certainly hope it will be.

But I told him I could not think of someone who is better able to serve the United States. When our reputation and status in the world is being questioned—I happen to think unfairly and incorrectly—it is a matter of fact that we need a man of Jack Danforth's fairness and integrity to represent us in the U.N., to reach out to other nations. He will know when to assert our Nation's sovereignty and how to do so with a spirit of humbleness and cooperation, as he has shown me. I ask this body to confirm him unanimously.

I suggest the absence of a quorum and ask that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LUGAR. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Madam President, I yield myself as much time as I may require for this statement from the time allocated to our side.

Madam President, today the Senate will have the opportunity to consider many nominations for diplomatic posts of some very talented Americans who have made themselves available for public service—some as a career, and others for temporary periods—and who have come before the Senate Foreign Relations Committee in formal hearings, and whom the committee has sent to the floor for action by the Senate. It is my hope these nominations will be acted upon favorably today.

It is important to our country that these ambassadors and representatives to various other international organizations be in place as rapidly as possible. In an often-changing and sometimes dangerous world, we need that leadership. Our committee has tried to act in an expeditious manner to provide a fair degree of certainty to Senators, and a confidence level that these are good nominees who will represent our country well.

Prominent among those whom we recommend today is our former colleague, Senator John Danforth of Missouri. It is a great pleasure for me to address the nomination of Senator Danforth before the Senate now in this specific debate on his nomination. As a result of his three distinguished terms as a Senator from Missouri, he is well known to many Members of the Senate and to the Committee on Foreign Relations. It turns out that eight of us served with Senator Danforth in this body. We were able to identify ourselves during the hearing.

I had the privilege of coming into the Senate with Senator Danforth after the election of 1976, sworn in early in January, and had the pleasure of serving with him throughout the 18 years of his tenure.

After entering with Senator Danforth, as did Senator PAUL SARBANES of Maryland and Senator ORRIN HATCH of Utah, in what was a large class of Senators—eight Democrats and eight Republicans coming in as new Senators from the election of 1976—those of us who had the privilege of serving with him can certainly attest to his integrity, his intellect, his sound judgment, and his good humor.

President Bush has made a very wise choice, in my judgment, for an extremely important position. The Committee on Foreign Relations signaled its agreement by voting him out of committee unanimously last Tuesday.

I will mention parenthetically that in a meeting at the White House this morning, President Bush asked specifically for consideration for the leadership on the part of those of us on both sides of the aisle to make certain we are represented at the United Nations as our now-Ambassador to the United Nations, Ambassador Negroponte, goes on to these very important responsibilities in setting up the new embassy in Iraq.

The job before Senator Danforth is a daunting one that will require all of his talents and his experience. As the Security Council vote 2 weeks ago on Iraq demonstrated, critical decisions are being made at the United Nations that have a huge impact on the outcome in Iraq, on the welfare of our troops there, and on peace in the world.

Success in Iraq is unlikely to be achieved without the active cooperation of many other nations, reinforced by the international legitimacy that can be secured and underlined at the United Nations.

Beyond Iraq, that same week, the United Nations Security Council met to discuss sanctions on Liberia, the peacekeeping mission in Cypress, and weapons of mass destruction generally. Other United Nations bodies addressed in that same week issues as divergent as women's rights, the need for greater access to potable water in this world, efforts to expand freedom of expression, and the role that primary education plays in childhood development. The United Nations remains the focal point of our multilateral diplomacy on so many fronts.

Being U.S. Ambassador to the United Nations requires one not only to deal with policies and politics in New York, it requires one to manage these same issues back here in Washington where many in Congress are sometimes skeptical of the United Nations procedures.

Our U.N. Ambassador must be able to explain to Congress why it is important to pay our dues and to pay them on time, and why peacekeeping operations can benefit the United States. Every U.N. peacekeeper in the Congo, Haiti, and East Timor allows U.S. troops to focus on our missions in Iraq, Afghanistan, and elsewhere.

At the same time, our Ambassador must be a forceful spokesperson for greater efficiency and transparency at the United Nations and an intolerance of corruption at the United Nations. The recent revelations regarding the Oil-for-Food Program remind us that close oversight must be part of our role at the U.N.

Senator Danforth's years of experience in Washington ensure that he will keep Congress informed about U.S. policies at the U.N. His talents as a bridgebuilder and a communicator will serve him well as he seeks to articulate both to the world and to the Congress the nuances of his work in New York.

Since leaving the Senate, Senator John Danforth has continued his commitment to public service. From 1999 to 2001, he headed the independent inquiry into the Branch Davidian standoff at Waco, TX. Since September of 2001, he has served as President Bush's special envoy for peace in troubled Sudan where he has devoted his time and his talents to reducing the suffering in that troubled nation.

In this capacity, he has made seven trips to Sudan and other nations in the region. This experience will be particularly useful when the United Nations Security Council begins debate on whether to send peacekeepers to try to maintain the fragile peace framework signed in Nairobi on June 5. We wish him success in this endeavor and pray this framework evolves into a formal peace agreement that finally ends the civil war that has resulted in more than 2 million deaths and over 4 million displaced persons.

The United States and the United Nations must work together in Sudan, Iraq, Haiti, Afghanistan, and many other trouble spots throughout the world. American credibility in the world, progress in the war on terrorism, and our relationships with our allies will be greatly affected by what can be accomplished at the United Nations in the coming months and years.

Senator Danforth is eminently qualified to meet these and other challenges. We recognize the deep personal commitment necessary to undertake this difficult assignment. We are grateful that a leader of his stature is willing to step forward. I recommend Senator John Danforth to the full Senate and ask my colleagues to send him on his way to New York with a unanimous vote.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Madam President, I wish to join my colleague, the chairman of the full committee, today in support of the nomination of an old friend, Jack Danforth, to be Ambassador to the United Nations. As many of us, I have known Jack for a lot of years, and I have an inordinately high regard for him. The one point I continue to marvel at, but I am not at all surprised at, is that he keeps answering the call. Every tough job he is asked to do—in or out of government—he steps up to the plate and he does it. I think having Jack Danforth at the United Nations is going to be a very positive thing.

People say we should have professional diplomats. Jack Danforth is a professional diplomat. Jack Danforth is the ultimate professional diplomat. Jack Danforth knows how people think. From his years as an ordained minister, as a Senator, and an attorney general of his State, he knows how people think and feel and move. But, Madam President, do you know what I like best about Jack Danforth going to the United Nations? He will be absolutely straight—absolutely straight.

I have an incredibly high regard for Ambassador Negroponte, for whom I voted to become Ambassador to Iraq, probably the toughest job in the bag these days. This is not meant as a reflection on Ambassador Negroponte. But Jack Danforth has the stature to go to the President and say: Mr. President, I disagree; I think you should not. Or "I would recommend the following." He has the stature, just because of who Jack Danforth is—just because he knows. There are some men and women who just possess it. He possesses it. He has the stature. We know the expression, "command presence." Jack Danforth has command presence. What makes me feel good is the President is going to get unvarnished advice from Jack. Jack is a team player. Jack is a supporter of the President. Jack feels strongly that the President's mission is correct. But Jack will also, if he disagrees, not hesitate one minute to, in my view, privately tell the President. I think every President is best served when he has women and men around him with the conviction to tell the President honestly what they think.

When you walk into that White House, when you walk into that Oval Office, it is an intimidating place if you do not walk in with your shoulders back, your head up, and understand what your responsibility is. That is the quality in Jack that I am excited about in his going to the United Nations.

He also has stature, in my view, to turn to the French or Chinese or British Ambassadors, for example, and privately say: Look, cut this stuff this is what we have to get done. This is how we should try to work this.

I think stature matters in this job—at this moment, at this time, and in this administration. I think Jack Danforth has always stepped up to the critical moments in recent history. As the June 30 deadline for transfer of sovereignty in Iraq occurs very shortly, Iraq is one of many urgent issues on the United Nations agenda. There are many others: Sudan, Afghanistan, Haiti, just to name three.

The administration seems to have finally discovered the virtue of the United Nations. That sounds like a bit of a snide remark for me to stand here and say that the administration "finally discovered." But literally, I say "finally," because this administration ran for office and came to office expressing verbally, in writing and in their actions—it would be extreme to say "disdain" but not a particularly high regard for the United Nations. However, since then, the President has honored the United Nations by going to it and making clear America's position on the most urgent issues of the day.

Now the administration is back in the United Nations with both feet and is trying to rally international support in a way that, quite frankly, I hoped and wished we had done a year ago, or longer.

The reason I mention this is not to highlight when the administration should or should not have done it. I mention returning to the United Nations because it coincides with Jack Danforth being at the helm there. I think that his being there is good for this country. The administration, in its successful and unanimous vote on Security Council Resolution 1546 on June 11, moved in a direction in which it had been hesitant to move, in my view, before. That is good news because we have squandered a number of meaningful opportunities to share the burden in Iraq. I hope we do not miss any more. I know Senator Danforth's leadership can make a real difference on that front.

Last weekend, Senator LINDSEY GRAHAM of South Carolina, Senator DASCHLE, the Democratic leader from South Dakota, and I traveled to Iraq, Kuwait, and Jordan. The trip confirmed to me that turning over sovereignty on June 30 in Iraq is a starting point. It is not a turning point in the transition to self-government. I remain absolutely convinced that we can still get this right in Iraq and that we have to try because of the profound stakes we have in a successful transition. There is so much to lose if it fails.

We have to start leveling with the American people about what is and what is not happening on June 30. We are handing over sovereignty, but we are not handing over capacity. That is not a criticism. It is not as if we should be in a position to be able to hand over capacity. I think we could have been in a position to hand over much more, but it is not a criticism.

By "capacity," I mean the ability of the Iraqis to provide security for themselves, to defend their borders, to defeat insurgency, to deliver services, to run a government, and to begin to set a foundation for economic success. What is so frustrating is that because of a series of very wrong judgments, we lost at least a year in effectively building that capacity. As a result, we have made an inherently difficult mission even harder.

If there is anyplace where humility is in order, it is in suggesting how we should proceed in Iraq. I remember when the distinguished chairman, Senator HAGEL, and I visited Iraq last August and we sat with Ambassador Bremer. My friend may remember my looking at Ambassador Bremer in the only room in that whole facility that had air-conditioning and saying: Mr. Ambassador, I want to make it clear to you I think if the Lord Almighty came down and sat in the middle of this conference table and gave you the precise answer to the next 20 critical decisions you have to make, we still only have a 65-percent chance of getting this right.

Nobody has ever done this before. The Ottomans could not get it done. The Persians could not get it done. The Brits could not get it done. And they are not even dealing with what the country is today. Iraq is a polyglot made up of essentially what was left over in the region of three groups of noble people.

The fact is, this is a hard job by any standard. The central question is what we can do between June 30 when the sovereignty is handed over, and December of 2005 when a constitutionally elected Iraqi government is supposed to be seated. What can we do in that interim to help build that government that will be seated in December 2005? What can we do to help build the capacity for it to stand on its own? I think this should not be the sole responsibility of the United States.

The international community, through a unanimous vote on Security Council Resolution 1546, made clear that Iraq is the world's problem. All of the Security Council voted in favor of that. They voted for elements of the whole. One of the elements, for example, just to note parenthetically, says that there will be provided a brigade, 4,000 troops, to protect the U.N. when they go back in. What was not stated is who will provide the troops.

There are many other elements that the unanimous resolution laid out in the Security Council. The Permanent Five, and other members of the Security Council signed on. They did not just sign on saying the United States can stay. They signed on saying that Iraq is the world's responsibility.

The reason I go into this is to describe that it is going to take a man of Jack Danforth's stature—while we are working it from State, while Negroponte is working it from Baghdad, while the President is working from the White House—to work out the problem of how we get the world's major powers, Iraq's neighbors, and leading international institutions such as NATO, to pick up empowering the Iraqis to govern.

In a nutshell, I believe we are going to have to, and Senator Danforth is going to have to play a part in getting other nations to help us train and equip Iraqi security services—including the police and the army—commit to defeat the insurgency, and provide security for Iraqi elections, which is going to require a surge of forces, not a reduction of forces. They should not all be U.S. military forces. The rest of the world has to get in on the deal, preferably with NATO and other foreign troops.

We need civil affairs experts from our allies, and more special forces and intelligence assets from America. We have to provide, as called for in UN Security Council Resolution 1546, a special brigade, ideally from NATO, to protect the U.N. mission in Iraq, whose presence is critical for successful elections.

I know the Presiding Officer knows this but maybe not all of our colleagues have not focused on this: Thousands of polling places are going to have to open up. There are going to be U.N. people going into villages and going into towns throughout Iraq, over the next 6 months, to set up for the first election. That is going to be dangerous business. You have Zarqawi and others announcing that they are going to try to kill not only the interim government, but anybody who participates in making this work. So we need to assist the U.N. in doing its job—which is essential for our ultimate exit strategy—which is to support a secure Iraqi government—secure within its borders, not a threat to its neighbors, and not harboring weapons of mass destruction or terrorists.

How do we get from here to there? Jack, Senator Danforth, is going to have his hands full. We have to deploy an army of technical experts, primarily from other countries, to help Iraq run its government, and deliver essential services like electricity, water, and sanitation. By the way, I am not just talking about the major projects. The Russians pulled back from what seemed to them a pretty good contract, a contract to go out there and build electrical power capacity. Their folks were getting shot and killed, so they pulled back.

But there are thousands of little projects that are going to determine whether we succeed or fail in Iraq. One of the most impressive commanders I have met, and I spent a couple of hours with him in a briefing—is the Commander of the First Cavalry, an incredibly proud unit.

He said to all of us: Senators, look, I leave my tanks back in America. My tank drivers are now infantrymen. My infantrymen I had associated with this are now engineers.

On his big screen during this briefing he showed us Humvees. He has Sadr City as his responsibility. He showed Humvees going through sewage literally up to their hubcaps.

There is a company out in California that has done a remarkable job. It has created overlays for a number of things, such as utilities, that you would think were disparate and had nothing to do with one another. The overlays show where the greatest physical needs are, in terms of pollution and water problems, for example. Then the company overlaid, on top of that grid, a diagram of where the most fighters are coming from, and where the most terror is coming from.

This commander of the First Cavalry said: Take a look. In the places where we have gone in and done relatively small projects, such as getting potable water to homes, I don't have people coming out of and killing my guys and women. He said, Do you know what I need? I need a better mix of troops—not better troops but a better mix of troops and capability. He said there is about $450 million worth of projects that he has agreed and laid on, in Sadr City.

This is a commander who can shoot straight and kill. This is a serious guy. He said: You help me clean up the sewer, I will clean up Sadr City and I will get us peace in that area.

We have a lot of needs. The U.N. resolution, in my view, signs on the international community. Now it is time for them to sign up to take on some of these responsibilities.

The other thing we have to do, in which Senator Danforth is going to have to play a major part, is insist that other countries follow through on their financial pledges for more assistance, and demand that they provide significant debt relief. As a matter of fact, as my colleague brought up in a very important meeting this morning, we have to get money in there quickly. We can't wait to begin these major projects. We voted for about $18 billion for Iraq to rebuild it. We have spent a pittance of that. It has not been spent. None of it has happened. Less than a half billion dollars, less than $500 million of the $18 billion we appropriated, has been spent on projects. That is tragic. That is not particularly good management, in my view.

Furthermore, Senator Danforth will have to bring other Security Council members together to develop a viable U.N. strategy for dealing with this great tragedy that is occurring in western Sudan. If our U.N. Ambassador doesn't take the lead in the Security Council then, in my view, little is going to happen.

Senator Danforth was called to get involved, and he did a brilliant job in negotiating the north/south crisis in the Sudan. Over the past several years he has worked very hard as a special envoy to support the peace process between the Government of Khartoum and the Sudanese People's Liberation Movement.

With the signing of the last three protocols on May 26, that peace process is on the verge of a success and it is truly a significant achievement for the President and for Senator Danforth. But the impact of that agreement has almost completely been undermined by the horrific attacks on the civilians in Darfur by the Government of Sudan and its allied militias. These attacks have precipitated what the U.N. and U.S. officials call the worst humanitarian crisis in the world today.

We have already witnessed ethnic cleansing on a massive scale. Already as many as 30,000 people have been killed. Mr. Natsios, the administrator of the Agency for International Development, stated 3 weeks ago: "Under optimal conditions, we could see as many as 320,000 people die" in Darfur by the end of the year as a result of this violence, disease, and famine.

The U.N. factfinding team:

> . . . identified . . . massive human rights violations in Darfur, perpetrated by the Government of Sudan and its proxy militia, which may constitute war crimes and/or crimes against humanity.

I believe it is genocide.

The violations reported by the U.N. include the targeting of civilians during military strikes, the widespread rape of women and girls, destruction of homes, food stores, livestock, crops . . . the razing of villages, forced displacements, and disappearances.

The administration has responded with humanitarian aid and raised the issue of Darfur repeatedly in Khartoum, and the President told us this morning at breakfast that he raised it at the G–8 meeting as well. The U.N. sent teams out to investigate. These are all important steps, but they are not enough. The international community must condemn Khartoum's actions unequivocally. It must insist that Khartoum stop attacks on civilians by government troops and militia, and provide unfettered access to Darfur for humanitarian workers.

I will soon introduce legislation that our U.N. Representative, I hope, will push for in a U.N. Security Council resolution which reimposes sanctions on Khartoum if the attacks in Darfur do not stop. This action may not resolve the situation, but it will help. Senator Danforth knows more about this crisis than I do, and do most of us in this place. I hope he will pursue such a resolution as one of his first actions as Ambassador to the United Nations.

Congress has to do its part. The United States should bring real money to the table to respond to the crisis, rather than empty promises that the money is on the way. I am working on an amendment to the Defense Department appropriations bill that would provide money for Darfur which Mr. Natsios pledged earlier this month the United States will provide. But bilateral action by the United States is not enough. We need our international partners to assist in pursuing Khartoum to stop the terror campaign in Darfur.

There are many other pressing issues facing the United Nations in New York. We have a lot of diplomatic work to do to repair relations. We have a new team at the top in Jack Danforth and, assuming she is also confirmed, his deputy, Anne Patterson. But I think the President has chosen very well.

By himself, Jack Danforth cannot repair relations between the United States and other nations at the U.N. But he said in the confirmation hearing that the reason he finally took the job that he initially didn't want to take is that he saw that as his mission, the single most important thing he could do. A recognition as to how important that belief is, is in and of itself an important message to be sent around the world.

Jack Danforth is the right person at the right moment to help repair the breach, if the administration is committed to do so. And I am confident with Jack's leadership they will be able to do so.

In closing, I would like to extend my gratitude to Jack Danforth for agreeing to take on this difficult assignment. I thank his wife Sally for supporting him. I know I speak for all of my colleagues on this side of the aisle and, I suspect, although I wouldn't presume, the entire Senate. I speak for all us when I say, Thank you, Godspeed, count on us. I know you can count on the chairman of this committee, Senator LUGAR, and me to do all we can to help you make your mission at the United Nations workable and doable.

I yield the floor.

Mr. LUGAR. Madam President, I would like to yield time to the distinguished Senator from Missouri, Senator TALENT. I yield as much time as he might require.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. TALENT. Madam President, I thank my friend from Indiana. I certainly want to associate myself with the remarks made on this floor on behalf of Senator Danforth. I know they have been uniformly, without exception, complimentary to him—not in a typical way we as matter of gesture may compliment public figures, but these were remarks by people who knew and who have known and who have worked with Jack Danforth for years and years and know him to be a tremendous public servant of deep integrity, thoughtfulness, and courage.

I am proud to say that he hails from the great State of Missouri. President Bush has simply selected a great man for this post. When he called me and told me about it, I told him I was thrilled. I could not think of a more qualified person to represent the United States at the United Nations.

Like most of us who have been around politics and government, I have known Senator Danforth and his wife Sally for many years. He served his country and the people of Missouri with dignity and distinction. It is appropriate to take a moment to place on the RECORD again his background and his credentials.

He served two terms as the attorney general of Missouri; three terms in the U.S. Senate; handled, as Senator BIDEN said, the difficult task of trying to bring peace to the Sudan, the difficult and delicate task of investigating the tragedy that occurred at Waco and emerged from that job, which could very easily have led to censure and disapproval from this town because it was a very controversial type investigation, with plaudits from everyone who recognized the thoroughness, the effectiveness, and the fairness of that investigation.

He knows the importance of bipartisanship. We have seen that from the comments on this floor today. Most recently the Nation appreciated his eloquence and his thoughtfulness as he said goodbye to President Reagan during his memorial service.

He is, in short, a considerate man with character, diligence, and whose abilities qualify him to represent our Nation. The Senate will support him unanimously and without opposition.

As Senator BIDEN said, he is going to have a very difficult job. The United Nations is not an easy place. We are engaged in a war on terrorism. I want to say that, in my judgment, the United Nations has never really come to grips with the danger we are fighting. That will certainly be one of Senator Danforth's tasks.

One of the reasons this transnational movement of thugs we are now confronting grew to be as powerful as it became is because of the neglect of the international community and the United Nations. Policies of appeasement do not work with this group of people. I am not certain the United Nations realizes that.

I harken back to the end 2002 and the speech Prime Minister Blair gave to the Parliament, which I had an opportunity to watch, about negotiations within the United Nations about trying to deal with the threat against representative freedom by Saddam Hussein. Prime Minister Blair made the point then that after years and years and years of negotiations of containment, of watching him violate the obligations he had made after we defeated him in 1991, after a long record of aggression toward his neighbors, the use of weapons of mass destruction, deception, and the United States and Great Britain asked for one more resolution demanding that he show he had disarmed, with a threat of force if he failed to comply. That was blocked in the United Nations to which Jack Danforth is going to be an Ambassador.

The United Nations is, in my judgment, important in reconstructing Iraq. But it is important that the United Nations understand the threat we are confronting.

After Saddam was removed and the United Nations came to assist with humanitarian reconstruction, their headquarters was attacked by the terrorists. It was a terrible tragedy. While on one level you can understand it, on another level it was unfortunate that they lowered the flag and left. But that is what the United Nations did. The terrorists took that as a sign of weakness.

Senator Danforth is going to represent us in an organization which is highly bureaucratic, which is troubled by its own Food-for-Oil scandal, and whose resolve in the face of terrorism has been questionable in the past. I know he will do a great job of representing American interests. I believe he can help us draw close again to our traditional allies. He is the kind of person who knows how to be gracious and courageous at the same time.

I wish him well. He certainly has my support. I know the Senate will support him unanimously as well.

I yield the floor.

Mr. JEFFORDS. Mr. President, it is with a deep sense of honor and privilege that I speak today in support of the nomination of one of our former colleagues, John C. Danforth, to serve as the U.S. Ambassador to the United Nations.

While I served in the Congress for many years with Jack Danforth, our friendship was forged long before we arrived in Washington. Dating back to the late 1960s, he and I served our respective States as attorneys general: no small task given the turbulent times in which we were living. Jack and I, along with a few of our other attorneys general whose names are familiar—Slade Gorton and Warren Rudman—banded together to find common solutions to problems that our States were facing. Whether it was the threat of rampant development or the upsurge in illegal drug use, these problems had the potential to overwhelm our individual States. However, by working together through the National Association of Attorneys General, we made it through those tough times and I believe our States were better served for those relationships we forged.

Little did we know back then that years later, we would all be representing our States in this great Chamber, which Senator Danforth did with distinction from 1976 to 1995. I remember working with Jack Danforth on the Civil Rights Act of 1991, where his leadership was vital to passing that very important legislation. Through the course of a summer of seemingly endless meetings, discussions and negotiations with leaders of the contending factions, Jack Danforth was able to bring together support for a bill that guaranteed equal opportunity in the work place for all Americans. I stood with Senator Danforth through the entire process in 1991, and to this day remain awed by his ability to seek compromise, work in a bipartisan fashion and find common ground.

I was sad when Jack left the Senate, but his departure did not bring an end to his hard work. In a move that I believe speaks volumes about his character, he was selected by Attorney General Janet Reno to head the investigation of the FBI's role in the Waco, TX, tragedy. And in what was undoubtedly one of his toughest assignments, Jack was named Envoy for Peace in Sudan by President George Bush in September 2001.

All of his life experience leaves Senator Danforth amply qualified to represent our country in the United Nations, whose role in the world is so critical right now.

But perhaps there is one more item on his resume that should be mentioned. As we all witnessed at the recent funeral of President Ronald Reagan, Jack is also an Episcopal minister.

As I sat in the National Cathedral and listened to the Reverend Danforth deliver the homily on that day, I remembered what great admiration I had for his work in the Senate, and realized how I missed his company.

He gave us all comfort that day, and the words he spoke about the late President could be said for Jack Danforth as well. I quote: "He was not consumed by himself."

I believe Jack Danforth has demonstrated that he is a man of great diplomatic skill who has always put the needs of his nation first. he is well suited to be our ambassador to the United Nations.

Thank you.

Mr. WARNER. I rise today in support of the nomination of former Senator James Danforth to be U.S. Ambassador to the United Nations. I can think of no person better qualified to fill this critical position during the war on terrorism.

Senator Danforth is a true statesman, and is one of my closest friends over my 26 years of service in this

Chamber. During this time in the Senate, our friend was a valued colleague and an even more valuable servant of the people of Missouri. He was first elected in 1976, 2 years before I came to the Senate, and served 18 years in this body. The fact that he was elected to three consecutive 6-year terms from the "Show Me" State of Missouri illustrates his remarkable wisdom and his ability to listen to his constituents in deciding important issues of the day.

After leaving the Senate, our colleague remained in service to his country, chairing a committee that reviewed the Federal response to the Branch Davidian activity in Waco, TX. More recently, Senator Danforth served as special envoy to the Sudan—an area of the world experiencing a particularly difficult and tragic humanitarian situation. In this capacity, he continued to demonstrate the compassion and goodwill that we became so familiar with in this body.

Senator Danforth left the Senate to answer a calling to the Episcopal priesthood. Even while he served among us in the Senate, our colleague volunteered on occasion as a pastor at the National Cathedral, where my own uncle served as rector in St. Albans Parish nearly three-quarters of a century ago. I was baptized and confirmed there on the Cathedral close, and was married at a chapel of that Cathedral just this past year. Senator Danforth and I not only were close friends; we shared a special bond of affection for that great Cathedral, which played such an important role in both of our lives.

And most recently, our good friend did such a magnificent job officiating in that same Cathedral at the funeral of President Ronald Reagan. Hearing our colleague's voice at that historic and difficult occasion gave comfort to each of us who were humbled to attend that ceremony. He did us proud: and we expected no less.

Now our dear colleague opens the next chapter of his exemplary career in public service. In these most difficult of times, when our relations with our allies are so critical to our fight against a new enemy, I am confident that our good friend will carry himself with the same distinction—the same wisdom and thoughtfulness—that he demonstrated, over the years, next to us, in this very Chamber. Mr. President, each of us, as Americans, is fortunate that our colleague will once again be by our side in this critical public role.

I wish our dear friend all the best in his important new post.

Mr. LUGAR. Madam President, I am advised there are no other Senators here wishing to speak on the nominations. I am authorized to yield back time on both sides of the aisle.

The PRESIDING OFFICER. All time is yielded.

The question is, Will the Senate advise and consent to the nominations of John C. Danforth to be Representative of the United States of America to the General Assembly, to be Representative with the rank and status of Ambassador Extraordinary and Plenipotentiary, and Representative to the Security Council of the United Nations, en bloc?

The nominations were confirmed, en bloc.

Mr. LUGAR. Madam President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LUGAR. I thank the Chair.

The PRESIDING OFFICER. The President will be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

Mr. LUGAR. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ENSIGN). Without objection, it is so ordered.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that I be allowed to speak for 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF PETER W. HALL

Mr. JEFFORDS. Mr. President, in a few minutes, we will be considering the nomination of my good friend, Peter W. Hall, for a seat on the U.S. Second Circuit Court of Appeals.

Peter will come to the Second Circuit with an extensive and wide knowledge of the law. In addition, this nomination comes with the strong support of a large bipartisan group of Vermonters.

Jim Douglas, the Governor of Vermont, offered Peter's name to the President as the nominee for this seat, and both Senator LEAHY and I support his nomination.

My constituents also believe Peter will be an outstanding judge on the Second Circuit Court of Appeals.

Vermont has been proud to provide to the Second Circuit Court of Appeals a line of excellent judges to serve on that bench. That is a prestigious bench. I have the utmost faith that Peter will continue this line of excellence during his service.

I am a bit melancholy, though, as Peter will be filling the seat opened by the passing of my close friend, the late Fred Parker. Judge Parker left some big shoes to fill, both literally and figuratively, but Peter is the ideal candidate to accomplish this task.

Peter will bring a proper judicial temperament, strong values, and an exceptional judgment to the Second Circuit Court of Appeals. I believe these all come naturally to Peter through his upbringing in Vermont. I know Peter will serve in the Vermont tradition of prudence and fairness.

I recommend that my colleagues support his nomination.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF JACK DANFORTH AND THE CRISIS IN SUDAN

Mr. FRIST. Mr. President, I know we will be moving to other business in a few minutes. We have completed voting on Senator Danforth's nomination, but I wanted to come to the floor and speak to that nomination.

Senator Danforth has had a long and distinguished career in the Senate, and he has served this Nation capably, ably, and nobly since the time of that service. In particular, as has been mentioned over the course of the morning, he has served as President Bush's envoy to Sudan and has worked tirelessly to bring peace to that war-torn nation.

I focus on the Sudan because it is a country on a continent that means a lot to me personally. I was in the Sudan in September. I was there the year before that and the year before that and the year before that. I have been to Sudan many times and spent most of my time in the south of Sudan, a war-torn nation with 2 million people who have died and 5 million people displaced by an ongoing, still long-term civil war. I say "ongoing still," and I say that with the qualification that because of Senator Danforth's commitment, his noble service, we are much further along that road to having a long, established peace as we look to the future.

It has not been an easy mission. Senator Danforth, in spite of it not being an easy mission, has made huge progress. We are much closer to ending that terrible conflict of the civil war that has been ongoing now for over two decades than we were before Senator Danforth became involved.

On June 11, the United Nations Security Council endorsed the peace process and committed to taking those steps outlined to assist the parties in implementing a final comprehensive peace package once the agreement itself is reached, and that is real progress.

During my trips to Sudan, I had the opportunity to not go as a U.S. Senator—in fact, I have never been in the country as an official U.S. Senator—but as part of a medical mission group where I have had the opportunity to interact with the Sudanese people from many different tribes in the south of Sudan.

I have had the opportunity and the blessing—blessing for me because of the understanding it gives me—to have treated patients with war injuries. In fact, even in late August, early September of this year, I treated a patient who suffered a gunshot wound to the upper part of his leg. I treated that injury. And the time before that, I treated a patient who stepped on a landmine. There are still landmines throughout southern Sudan. We are making real progress on that issue.

But today, as the Sudan works toward a settlement, with the progress that has been made, we face a growing humanitarian emergency that was not thought about a year ago at all, and even today we are struggling to put the spotlight on and the purpose on—and it is not entirely a separate issue, but it is a separate issue from the traditional thought about civil war: north versus south, black versus white, or Muslim versus Christian, all the ways people have thought about a civil war in the past. This crisis is a relatively new one. It is the direct result of the actions taken by the government in Khartoum and their proxies, the government-supported militias against the Fur, Zaghawa, and the Masaalit peoples of Darfur. Members of this body have spoken to this issue over the last several days. We need to speak a lot more about this crisis.

Government-sponsored militias systematically attack African Muslim villages but leave Arab Muslim villages untouched. Government planes—and these planes are Antinov planes. I do not know how many there are, but they are government-sponsored, government-owned planes that historically have bombed indiscriminately in the south. In fact, they have bombed the very church and hospital in southern Sudan where I go each year.

These same planes seem to be bombing indiscriminately in this Darfur region, and these are government-owned planes. Crops are burned and wells are being poisoned, irrigation systems destroyed, houses are burned, and then the earth is left scorched and barren, and the population is being decimated.

There is an estimated population of about 6.5 million people in Sudan, and as many as 2.2 million people have been directly affected by this crisis. More than 1 million people have become displaced.

That is such a dry word. What does "displaced" mean? It means they had a home, and they had to leave that home and struggle to make their way in other regions, not having their occupation, their job, their land they tilled before. This is 1 million people.

Mr. President, 158,000 people have fled to neighboring Chad, and more than 30,000 have lost their lives.

The World Health Organization recently reported an alarming reemergence of polio in Darfur, a disease that has not been seen in years. Should polio get a foothold there this autumn, the polio high season will see thousands of children who could be struck, and that means struck with paralysis or even worse.

At this point in time, we need to make sure—and it is our responsibility—that Khartoum understands there cannot be peace in the south at the same time they have an ongoing war—many people have used the word "genocide"—in the west, which is where the Darfur region is. War anywhere in Sudan will lead to war everywhere.

Khartoum agreed to a cease-fire on April 11. The cease-fire was renewed on May 22. This agreement committed Khartoum to disbanding the Jingaweit militias.

The agreement included a protocol binding Khartoum to allow humanitarian access. Jingaweit militias continue to ravage the countryside while aid workers are turned away. Until we get aid workers in to deliver aid, to shine the spotlight, to report back on the travesty, I see no end to this problem, and that is where the international community must step up.

Khartoum claims to have lifted travel restrictions but, at the same time, Khartoum still places obstacles to the delivery of aid. That aid, I am convinced, will flow if those channels are opened.

Khartoum places difficulties on obtaining visas for relief personnel. Khartoum restricts the movement of relief workers within Darfur. Khartoum places obstacles to clearing relief supplies through customs. Khartoum interferes with relief workers seeking to protect civilians from harm.

Khartoum's actions simply cannot be tolerated. Khartoum's actions will not be tolerated. The United States must respond. The world community must respond. We should continue to pressure Khartoum to see that the government will find itself increasingly isolated in the world community if it continues to block the delivery of aid and relief, and that is food and health care supplies.

This administration has been working tirelessly over the last year to deliver aid to those in dire need in Darfur. Two more relief flights landed in Nyala last Saturday and Sunday, and a third flight was scheduled to land yesterday.

Since February of last year, USAID has done other things. It has dispatched plastic sheeting to build shelters for more than 160,000 people. It has provided 117,000 blankets, 2 water purification systems. The administration has provided 87,000 metric tons of food. The administration has devoted considerable resources and committed a great deal of political capital to assisting the southern Sudanese.

President Bush has played an active role in the peace process. We have engaged the United Nations and will continue to do so, to pressure Khartoum into ending its support for the militias in Darfur, to assist in the delivery of aid, and to rally the international community to come to Sudan's assistance. It is our responsibility. We must do it.

In closing, I do commend Senator Danforth for all of his work to help the people of Sudan. It has been tireless. It has been bold. He has done a superb job in the Senate and in all of his years of public service, especially in Sudan. I am delighted he has accepted and that we have approved his position at the United Nations. He is a great friend to us in the Senate and a great friend to the United States of America.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEFENSE APPROPRIATIONS

Mr. STEVENS. Mr. President, I am happy that the two leaders are in the Chamber because I wish to make an announcement to the Senate.

Previously, I had stated I did not think it would be possible for me to make the commitment that when the Defense appropriations bill goes to conference this year it would not come back with the provisions in the House-passed bill pertaining to the debt ceiling. I have had a series of conversations through the evening last night and this morning and I now believe I can commit that when we come back from this conference we will not bring back a bill that contains the provisions that were in the House-passed bill pertaining to the debt ceiling issues that we must face sometime this year.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I compliment the distinguished chairman of the Appropriations Committee for his statement and for the assurances that he is now prepared to give the Senate. He more than anyone—and I want to acknowledge as well our ranking member of the Appropriations Committee and the subcommittee for their extraordinary efforts to move this appropriations process along. They, more than anybody, understand how critical it is that we move these appropriations bills forward. The debt limit would have been extremely counterproductive and would have prevented us from completing our work.

With the assurances given by the manager and our chairman, I am prepared to commit to him that we will do all we can to finish our work on this bill today. I believe we can finish it today. I would anticipate some amendments, but there is no reason why, given what he has just committed in terms of the conference, that we cannot finish this today and look forward to other bills as soon as we come back after the Fourth of July recess.

I thank him for that commitment and pledge my support and partnership in working with him and our ranking member today to complete our work on time.

Mr. STEVENS. Mr. President, does the Senator from West Virginia wish to be recognized? I will be happy to yield to him.

Mr. BYRD. Yes. I thank the distinguished chairman.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. First of all, he is my friend and nothing as far as I am concerned will ever mar that friendship, but I have to say that my blood boiled last Monday evening when I learned that the House Republican leadership, with the support of Senate Republican leaders, I believe, had decided to put a placeholder amendment into the Defense appropriations bill that could be used in conference to increase the $7.4 trillion statutory debt limit perhaps to a level of $8.1 trillion, the level needed for 2005. That placeholder language meant that the House and the Senate conferees would be free to slip in language to increase the statutory debt limit by an untold amount, maybe $690 billion, maybe more, without either body of Congress ever having to vote in public on the matter.

This is a tough vote. I can understand how the Republican leadership in the House, the Senate, and downtown, the White House, would like to see that limit slipped into this bill in conference.

Again, the chairman of this committee has steadfastly shown great knowledge and great determination in his efforts to bring forth to the Senate for its consideration all 13 appropriations bills. That has been tough for him. I thank him for his commitment with respect to the Defense appropriations bill and the conference report which will be coming along. I thank him for that. He is a legislator in the true sense of the word.

Also, in 2002, when I was chairman of the Appropriations Committee, the House Republican leaders tried this same trick on the fiscal year 2002 supplemental appropriations bill. I refused. I steadfastly refused to include such language in the conference report. Instead, the Senate took up, debated, and passed a freestanding bill to increase the debt limit. The House then voted to approve the measure with a one-vote margin. That is the responsible way to increase the debt limit. We owe this to the American public. We should not cloak the debt increase in the camouflage uniform of a Defense appropriations bill.

So I thank Senator FRIST and Senator STEVENS for making a commitment today that the Defense appropriations conference report will not include an increase in the statutory debt limit. The Senate should vote on this issue on a freestanding bill.

I would like to ask the distinguished chairman of the Appropriations Committee—I had hoped the leader would be here so I could ask him—is he making a commitment and is the leader making a commitment that when the Senate considers the debt limit increase it will be on a freestanding bill and that it will not come to the Senate on any other appropriations conference report or in any other unrelated conference report? Can the committee chairman make that commitment?

Mr. STEVENS. Mr. President, who has the floor?

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). The Senator from West Virginia has the floor.

Mr. STEVENS. I will be back to answer that when I get the floor.

Mr. BYRD. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I will respond to my friend from West Virginia by saying the so-called Gephardt rule is not within the control of this Senator, nor the leaders. If the House chooses to take up the Gephardt rule and use it as it was used several times before, including, I believe, by Senator Mitchell when he was the leader, then that will be an issue that others will have to pursue. I am not in a position to make that commitment, and I do not think the leader is in a position to make that commitment.

I do want to proceed with the bill and I would hope my friend would accept that as being the position we are in now. I am in the position to make the commitment I have made with regard to this bill. I hope we can proceed on this bill.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2005

Mr. STEVENS. I now ask unanimous consent that the Senate proceed to the consideration of Calendar No. 594, H.R. 4613, the Defense Appropriations Committee bill.

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, and I shall not unduly delay the distinguished chairman, let me also thank our ranking member of that subcommittee, Mr. INOUYE. I thank again Senator STEVENS. He has been a great chairman of that committee, and he has always been fair with me. So once this bill is brought up before the Senate—and it will be up before the Senate very soon, within the next few minutes—I shall do everything I can to help to get action on this bill today.

But let me say to the Senate and to the Senate leaders and to the Republican leaders in the House, this matter of extending and increasing the debt limit is a matter which should be brought before the American people. It should be debated; it should be voted upon. I shall do my best to see to it, if it is on any appropriations bill or any other bill, that we get a freestanding vote, and we are going to try to debate this issue. The American people are entitled to hear the debate on this bill.

When I came to the Congress almost 52 years ago, they did not sneak the debt limit into an appropriations bill as the attempt might have been made here but for the good judgment of Senator STEVENS and Senator FRIST. They didn't sneak it into the bill. The Republicans controlled the House when I first came to the House of Representatives. They didn't do a thing like that. They laid everything on the table and they debated it. I hope we will get back to that point of debating the debt limit so the House Republicans will not be let off the hook. They have a responsibility to the American people to lay it on the table and to debate it.

I thank the distinguished Senator from Alaska, the chairman of the Appropriations Committee, for yielding to me. I do not object. I remove my reservation.

Mr. STEVENS. I thank the Senator and renew my request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The senior assistant bill clerk read as follows:

A bill (H.R. 4613) making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes.

Mr. STEVENS. I ask unanimous consent all after the enacting clause be stricken, the text of Calendar No. 593, S. 2559, the Senate committee-reported bill, be inserted in the RECORD in lieu thereof, and that bill, as amended, be considered as original text for the purpose of further amendment, provided no points of order be waived by reason of this agreement.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I just filed this report. It is the report that previously was intended to accompany the Senate bill. I ask it now be labeled as accompanying the House bill as amended by the previous motion.

Mr. BYRD. Mr. President, reserving the right to object, and I do not object, but I say this so the Republican leadership in the House, in particular, understands that sneaking the debt limit in an appropriations bill is not going to get by.

I thank the Senator. I no longer reserve.

Mr. STEVENS. I am happy to yield to the Senator from Nevada.

Mr. REID. Mr. President, through the Chair to the distinguished chairman of the committee, we have come so far in the last 12 hours. It would not have happened but for the Senator from Alaska and his advocacy, which is unparalleled. His advocacy is in a category all its own. The working relationship that the Senator has with Senator INOUYE, of course, is legend. We look forward to doing what the Democratic leader said and finish this bill today.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I am pleased to present this report and this bill to the Senate today. It reflects the bipartisan approach that my cochairman, Senator INOUYE, and I have always maintained regarding the Department of Defense. It is a pleasure to work with him and other members of the committee. I thank our distinguished ranking member and former chairman, the Senator from West Virginia, for his cooperation in helping us to get to the point we are now.

This bill was reported out of our full Appropriations Committee on June 22 by a unanimous vote of 29 members. No member voted against it. As we debate this bill today there are thousands of men and women in uniform deployed and serving our country in over 120 countries and throughout these United States. Their bravery and dedication to our country is extraordinary. Their sacrifices must not go unrecognized. They must be recognized here today.

Each year, the Department of Defense faces the critical challenge of balancing the cost of maintaining high levels of readiness, being ready to respond to the call wherever and whenever it is necessary to defend the interests of this country. The costs associated with simultaneously and adequately investing in transforming our Department of Defense to be ready to meet the threats of tomorrow are also concomitant with this critical challenge of balancing the costs of maintaining high levels of readiness.

I believe the bill Senator INOUYE and I present today reflects a prudent balance among these challenges. It recommends $416.2 billion in budget authority for the Department of Defense, including $25 billion of contingent emergency funding for costs associated with operations in Iraq, Afghanistan, and the war on terror. This amount is $1.7 billion below the President's amended fiscal year 2005 request but, in our judgment, meets the Defense Subcommittee's allocation for both budget authority and outlays.

The measure we present is consistent with both the objectives of the administration and the Senate National Defense authorization bill for 2005, which we passed last evening.

We sought to recommend a balanced approach, and we do recommend a balanced bill to the Senate. We believe it addresses the key requirements for readiness, quality of life, and transformation of our total force. It honors the commitment we have to our Armed Forces. It helps ensure that they will continue to have first-rate training, modernized equipment and quality infrastructure, and maintain their quality of life. It fully funds key readiness programs critical to the global war on terrorism. It makes continued progress in supporting our military personnel and their families.

Key initiatives included in this bill are these: First, an average military pay increase of 3.5 percent and full funding for benefit and medical programs; additional funding to pay for the increase of 20,000 to our Army end strength and TRICARE for Guard and Reserves. Both of these initiatives were included in the Senate version of the 2005 Defense authorization bill, and this bill funds both programs: For the Army, $3 billion for their ongoing transformation initiative, the future combat system, and the Stryker Brigade combat teams; for the Navy, $10.2 billion for shipbuilding, providing additional funding for the DD(X) destroyer and the Marine Corps' amphibious assault ship, LHA(R); for the Air Force, full funding for the acquisition of 14 C–17 aircraft and 24 F–22 Raptor aircraft; $10.2 billion is included for missile defense programs.

In light of the contributions of the Guard and Reserve, this bill adds $500 million in nondesignated equipment funding for modernization shortfall.

Again, I thank my cochairman Senator INOUYE for support, and for the support of the whole committee and the invaluable counsel we have received on this bill.

I yield for any statements he may wish to make.

I point out the contingent reserve in this bill funds a 5-month period. We fully anticipate there will be a supplemental again next year. We are talking about the last quarter of this calendar year which is the first quarter of fiscal year 2005 and an additional month beyond that after we are back in session and ready to receive the supplemental for that, if necessary.

Mr. President, we have a conflict because of Senator INOUYE's noon event, which I wish to also attend. It is my hope we will be back on the floor and start considering amendments at 2 p.m. today.

Does the Senator wish to comment?

Mr. INOUYE. Mr. President, I fully support the measure before us. I would like to say how proud I am to serve with my colleague from Alaska.

Once again, he has demonstrated to all of us his extraordinary legislative skill in pressing his case. I can assure my colleagues in the Senate, as I assure my chairman, that I will do my very best to see that his decision is carried out.

This bill provides $383.8 billion in new discretionary budget authority, consistent with the subcommittee's target, and another $25 billion in emergency budget authority to cover a portion of the anticipated costs for the ongoing wars in Iraq and Afghanistan.

The bill provides the necessary funds to support our men and women in uniform and their families—to include our Guard and Reserves. It recommends funding for a 3.5 percent pay raise for all service members and a 20,000 increase in army end strength as authorized by the Senate.

The bill supports the critical modernization programs requested by the Defense Department including the Navy's DDX Destroyer, the Army's Stryker vehicles and the Air Force's F–22 fighter. It scales back those programs that DoD is trying to advance before the technology is mature and those that are experiencing delays or technical problems.

The bill increases spending on research and development by nearly $1 billion with significant growth in medical programs, particularly those that directly impact warfighters in the current conflict. These include increased spending on amputee care, new technology bandages, and leishmaniasis.

Health care programs are fully funded in this measure. In addition, the committee recommends increases for Walter Reed, Madigan, Tripler, and other military hospitals and research facilities.

The Committee has made a significant effort to see that this bill is consistent with the decisions which have been made by the Senate on the Defense authorization bill. Many of my colleagues' amendments that have been adopted on the floor receive funding in this bill, such as the end strength increase which I already addressed. The committee has also included enhanced Guard and Reserve benefits as authorized and other proposals approved by the Senate.

This bill provides the support essential for the coming year and also provides $25 billion which DoD will require to cover its costs next fall and winter for its on-going efforts in Iraq and Afghanistan. I am pleased to report to the Senate that the committee has very carefully earmarked the funding for Iraq and Afghanistan to direct funding for the priorities of the military departments. We have also restricted the authorities sought by the administration to ensure proper congressional oversight of executive actions.

In recent years, the executive Branch has often argued that, as Commander in Chief, the President has almost unlimited powers in the conduct of day-to-day defense matters. It is clear that the Constitution provided the Congress the power of the purse. In drafting this measure the Committee has safeguarded its responsibilities and expects that the Defense Department will recognize the constitutional authority of the Congress to determine how funding will be utilized in executing this budget. We fully expect that the Defense Department will only fund activities that have been approved by the Congress, and in no case will funding be used to support programs which have been rejected by the legislative branch.

I am pleased to have worked with my good friend, our Chairman, Senator STEVENS on crafting this legislation. It is a very good bill and I would encourage all my colleagues to support it.

Mr. STEVENS. Mr. President, does the Senator wish the floor?

Mr. LEAHY. Mr. President, I will not take the floor if the Senator from Alaska has more to say. I was going to speak about one of the nominations which is coming up this afternoon.

Mr. STEVENS. Mr. President, it is my understanding there will be other matters considered.

I ask unanimous consent that our bill be set aside until the hour of 2 p.m.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Vermont.

Mr. LEAHY. Mr. President, I thank the distinguished Senator from Alaska and the distinguished Senator from Hawaii.

I am going to shortly speak for about 20 minutes on one of these nominees. First, if I might, I am going to ask that we go into a quorum call. It will be a matter of a minute or two. When we come out of the quorum call, I ask unanimous consent that I be recognized to speak regarding the nomination of Peter Hall.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF PETER HALL

Mr. LEAHY. Mr. President, we have heated debates, and we have times when we are happy and times when we are not here in the Senate. Today is a happy day. I am pleased that later I will be able to cast my vote in favor of Peter Hall for confirmation to the U.S. Court of Appeals for the Second Circuit. I know this will be a nomination that will be strongly supported on both sides of the aisle.

Mr. Hall is going to fill the Green Mountain State's seat on the U.S. Court of Appeals for the Second Circuit. He currently serves as the U.S. Attorney. He was nominated by President Bush. He has strong support not only of Governor Douglas but the entire Vermont delegation. I commend both the Republican and Democratic leadership for working out an accommodation that makes it possible to vote on his nomination.

By tradition, there is a Vermont seat on the Second Circuit. It is currently vacant. The reason it is vacant is because of the sudden and tragic death of the last judge to hold the seat, the late Fred Parker. Judge Parker was appointed to the U.S. District Court for Vermont in 1990 by the first President Bush. That was done on the strong recommendation of Senator JEFFORDS and with my support. He was a well-known Republican in Vermont, and he served as the deputy attorney general for the State of Vermont.

After distinguished service on the District Court bench, he was appointed by President Clinton to the Second Circuit with the strong support of Senator JEFFORDS. President Clinton knew that Fred Parker was a well-known Republican, but he also knew of his qualifications and of the high esteem in which he was held in Vermont, and so he nominated Judge Parker to the Second Circuit, and he was confirmed by the Senate.

I mention that because over the years Senator JEFFORDS and I—and before that Senator Stafford of Vermont and I—have tried to keep partisan politics out of the Judiciary. If you look at the quality of the people we recommended, you will see we have actually been quite successful in doing that. Fred Parker was such an example. He was a good man, a good lawyer, and a good judge. We were in Georgetown Law School together. I knew him from that time. He was in the Marine Corps. I knew him from then until his untimely death last year. I knew him to be a man of integrity and intelligence. He served the courts and the people of Vermont with dedication and fairness, and we miss him.

Peter Hall has big shoes to fill, but both from what everyone knows about him and from what I know personally in having worked with him, he is completely up to the job. He did have a couple strikes against him. He had the nerve to be born in one of those Southern States, Connecticut. He went all the way even further south to North Carolina for college, and then he attended law school in New York. But we decided to forgive him for those missteps in his career because he came to his senses as soon as he graduated from law school, and then he moved to Vermont. He has been there long enough to be considered a Vermonter.

He clerked for the well-respected Judge Albert Coffrin of the U.S. District Court for the District of Vermont.

We are a small State. When I first started practicing law, it was in Judge Coffrin's law firm, before he became a member of the bench. He was a good friend. His widow still lives in Vermont. He was without a doubt one of the most respected and one of the best trial judges we have had.

Peter Hall, showing the wisdom he has demonstrated, stayed in Vermont from that day forth. His career and the exemplary way he served the U.S. Government in the law are admirable.

After he completed his clerkship with Judge Coffrin, he joined the U.S. attorney's office in Vermont. He was a Federal prosecutor the next 18 years. He rose to the position of first assistant, later being named U.S. Attorney. During those years, he has gained invaluable trial experience so beneficial for any judge. He learned about Federal criminal law.

I was a prosecutor, so of course I always have a soft spot for someone who served as a prosecutor.

His resume is not limited to Government service. In 1986, he began a 15-year career in the private practice of law, focusing on civil practice, with a particular emphasis on mediation, showing a talent for that. He also used his time during that period to serve the bar. He provided ethics training to Vermont State prosecutors. He held the office of president of the Vermont Bar Association, and in that office as former prosecutor, advocated for funding for public defenders for equal access to justice.

In the best sense of those who make the best judges, he found time for pro bono work, getting involved in the Vermont family court system. He served as guardian ad litem for children caught up in disputes between their parents.

In 2001, President Bush nominated Peter Hall to be the U.S. Attorney for Vermont. His record in that office is one all prosecutors should hope to have, a tough but a fair prosecutor. I supported Peter's nomination to the U.S. Attorney's office. I support him now.

Lest there be any question, let us have no misunderstanding about Peter's party affiliation: He is a Republican through and through. From 1986 to 1993 he was variously a member of the town of Chittenden, Rutland County, and State of Vermont Republican committees and a member of the National Republican Party. He has helped run statewide Republican campaigns, and was an elected Republican official for 5 years, holding one of the most important offices a citizen in Vermont can hold, a member of the Select Board of the Town of Chittenden. Incidentally, Chittenden is named after the first Governor of Vermont, Thomas Chittenden. He was recommended to the President by Vermont's Republican Governor. Governor Douglas noted in his letter of support to this nomination, that Peter is "a dedicated public servant, a strong leader and will be an asset to the Second Circuit."

I ask consent the Governor's letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the Record, as follows:

STATE OF VERMONT,
OFFICE OF THE GOVERNOR,
March 10, 2004.

Hon. ORRIN G. HATCH,
Chairman,
Hon. PATRICK J. LEAHY,
Ranking Democratic Member, U.S. Senate, Committee on the Judiciary, Washington, DC.

DEAR SENATORS: I am writing to express my strongest support for U.S. Attorney Peter Hall for appointment to the U.S. Court of Appeals, 2nd Circuit.

Peter's record of service of the people of Vermont is exemplary. As U.S. Attorney, he has been a strong and effective leader in Vermont's anti-terrorism effort. Peter has been a principal organizer in promoting "Operation Safe Commerce," an international initiative aimed to track and monitor cargo shipments that could be susceptible to terrorist attacks.

In addition, Peter has been an active leader in promoting the President's "Project Safe Neighborhoods" initiative designed to make our streets safer by taking guns out of the hands of convicted felons.

I unequivocally support Peter for the judgeship. He is a dedicated public servant, a strong leader, and will be an asset to the 2nd Circuit.

Sincerely,

JAMES H. DOUGLAS,
Governor.

Mr. LEAHY. Equally clear, however, is Peter's commitment to the law, to fair judging, to leaving any partisan label or interest at the courthouse door. Unless somebody knew his background, they would have no idea whether he is Republican or Democrat. He is a committed officer of the court, totally fair to both sides. In fact, he is the type of nominee every President should send up. I wish we would see more like him. He is universally respected. He has proven himself over long years of Federal service and private practice to be a straight-shooting, fairminded person. Any litigant in a Federal courtroom can be confident they will get a fair hearing and a fair shake from him, no matter what their political affiliation is or whether they have any. I am pleased—I am more than pleased, I am proud—to support his confirmation.

One example of the fairness and lack of bias litigants in the Second Circuit can expect is seen in his answers to one of the questions I asked him at his nomination hearing before the Judiciary Committee. I asked him what his practice would be if a case came to the Second Circuit, a case that had been in the U.S. Attorney's office when he was there, even if he had not been the attorney handling the case. His answer, which I commend to all nominees, is a model of fairness, and was also a model of simplicity. He told me he would recuse himself from any case that had been before his office while he was there. No ifs, ands, or buts. That is one of the reasons why the Senate Judiciary Committee, which sometimes can be divided on issues, voted unanimously to support his nomination.

His qualifications, experience, and support across the political spectrum make him the kind of consensus nominee that proves when there is thoughtful consideration and collaboration, this process works as it should. That is why I will be pleased to vote to confirm him today.

Actually, an interesting sidebar on this, when he is confirmed to the Second Circuit, President George W. Bush will call his father, former President George Herbert Walker Bush, and say, I beat your record for judicial confirmations. During the 4 full years of the 41st President's administration, former President Bush managed to have 192 judicial nominees confirmed by the Senate. With today's vote, the Senate will have confirmed, even before the year is over, 193 of President George W. Bush's judicial nominations. That allows him to say he has had more judges confirmed with bipartisan cooperation by the Senate than President Reagan did in his first term of office, or his father did, or President Clinton in his last term of office.

I mention these statistics being of interest.

I am one lifelong Vermonter who is very proud of another Vermonter, Peter Hall. This is one of those things in our very special little State that will bring everybody together across the political spectrum. We have tried not to tell Peter he does have to spend some time in New York City each month because the Second Circuit sits there, but I think he will be able to work a great deal of his time in Vermont. Like me, that is one of the best of all possible worlds. You can be home on weekends.

I understand from the leadership we will vote on this and another judicial nomination later this afternoon.

Although I know the Presiding Officer is hanging on every word I might be saying, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. TALENT). Without objection, it is so ordered.

EXECUTIVE SESSION

NOMINATION OF DIANE S. SYKES TO BE UNITED STATES CIRCUIT JUDGE FOR THE SEVENTH CIRCUIT

Mr. HATCH. Mr. President, I ask that the Senate now proceed in executive session to consider Executive Calendar Nos. 591 and 604 as provided under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the nomination.

The legislative clerk read the nomination of Diane S. Sykes, of Wisconsin, to be United States Circuit Judge for the Seventh Circuit.

The PRESIDING OFFICER. There are 60 minutes evenly divided for debate on this nomination.

Mr. HATCH. I do not intend to take all of our time, and I hope the other side will not take all of its time.

I rise to support the nomination of Justice Diane S. Sykes to the Seventh Circuit Court of Appeals, and to urge my colleagues to support her. There is no doubt that she is well prepared to join the Federal bench. A graduate of Marquette University School of Law, Justice Sykes served as a law clerk to the Honorable Terrence T. Evans in the Eastern District of Wisconsin. As a litigator in private practice, she specialized in civil litigation in State and Federal court.

Justice Sykes will bring almost 12 years of judicial experience to the Seventh Circuit. Since 1999, when she was appointed by Governor Tommy Thompson to fill a mid-term vacancy, she has served on the Wisconsin Supreme Court. She won election for a ten-year term on the court in 2000 with 65 percent of the vote. Judge Sykes appealed to so many of her State's voters because she is a careful, qualified jurist and not an activist.

Before coming to the Wisconsin Supreme Court, Justice Sykes served as a trial judge on the Milwaukee County Circuit Court, winning election to a 6-year term in 1992. Prior to her service as a State judge, Justice Sykes practiced commercial litigation for 7 years at one of Wisconsin's most prestigious law firms. She also clerked for Judge Evans, district judge for the Eastern District of Wisconsin after her graduation from Marquette University Law School.

Not surprisingly, the ABA rated her well-qualified for appointment to the Seventh Circuit. She has also received broad support, including that of both Wisconsin Senators.

Despite her strong credentials and the level of support she enjoys, there continues to be some misinformation and distortions regarding her record. First, of course, is the suspicion by some that she might be pro-life and thus presumptively unqualified for service on the Federal bench. Opponents cite one 1993 case on which she ruled while she served as a county judge in Milwaukee. She was then accused of declaring admiration for pro-life protestors and issuing jury instructions favorable to those protestors.

The Milwaukee newspaper that printed these accusations issued a formal retraction and apology less than a month later. The apology noted, among other things, that the language of Justice Sykes' jury instruction was specifically recommended for use by the Wisconsin Criminal Jury Instructions Committee, and was used by judges throughout the State. The apology further noted that Justice Sykes sentenced the protestors to ⅔ of the maximum sentence permitted by law. The record is clear that Justice Sykes, during sentencing, stated "whether you like it or not, [an abortion clinic] is a legal, legitimate business, and it has the same right to be free from interference of this sort as any other business."

Justice Sykes also clarified, in answers to written questions that "my favorable comment about the goal [those] defendants sought to achieve was a reference to their underlying goal of reducing the number of abortions, as is clear from the following statement from my sentencing remarks: 'I think that people on both sides of the abortion issue would probably agree with you that reducing the number of abortions in this country is a desirable goal.' My sentencing remarks also reflect extensive consideration of the seriousness of the offense and criticism of the defendants' conduct and tactics. . . [A]nd the 60-day jail sentence I imposed, at two-thirds of the maximum, could not be characterized as unduly lenient or a 'validation' of the defendants' beliefs."

I hope it is not the argument of those who are concerned about Judge Sykes that any judge who at any time suggests that fewer abortions is a desirable goal is disqualified from the Federal judiciary.

I know also that some Senators are concerned about some of Justice Sykes' other answers to post-hearing written questions. A careful reading of her answers will show that Justice Sykes answered her written questions as completely and accurately as the Wisconsin Code of Judicial Conduct allows. Specifically, Wisconsin Supreme Court Rule 60.06(3) prohibits sitting judges from engaging in extra-judicial commentary with respect to particular cases or legal issues that would appear to commit the judge in advance or suggest a promise or commitment of a certain course of conduct regarding particular cases or legal issues. As her answers point out quite eloquently, "there is a range of opinion in the legal community regarding the scope of so-called 'commitments' clauses in judicial ethics codes. To the extent that [others] disagree, I must keep my own counsel and abide by my interpretation of the obligations of my oath, the duties of my office, and the requirements of the Code, which are binding on me."

In those same written questions Justice Sykes was asked whether she believed that the Supreme Court's decisions in Roe and Griswold constituted "judicial activism", whether they were "unprincipled" and whether they were consistent with "strict constructionist" philosophy.

Justice Sykes avoided criticizing these cases out of a good faith belief that to do so would violate her ethical obligations under Wisconsin law. Her answers followed the same path as at least four of President Clinton's Circuit Court nominees who refused to give their personal views or criticize Supreme Court precedent on various issues, precisely because those issues might come before them as sitting judges.

Justice Sykes did state as follows: "I can unequivocally state, however, that I believe that Roe and Miranda are the law of the land, and if I am confirmed to the Seventh Circuit, I would be duty bound to follow and would follow these and all other precedents of the United States Supreme Court." She further stated that she believes "that Roe and Griswold constitute binding precedent," which she would follow "without hesitation" if confirmed to the Seventh Circuit.

Justice Sykes has also been labeled as pro-prosecution and anti-Miranda, implying that she would not be a fair judge. Contrary to the misrepresentations of her opponents, she has often ruled in favor of criminal defendants in Fourth Amendment and other cases involving questions of constitutional criminal law, siding against government actors many times. Justice Sykes' real record shows that she reaches outcomes by applying the law to the facts, as she should.

For example, in the State v. Knapp case, Justice Sykes agreed with the majority in a case involving a custodial interrogation that the statements made by a suspect in custody were not in compliance with the dictates of Miranda and could not be used by the prosecution against him. In the State v. Church case, she overturned an increased sentence of an individual convicted of criminal assault, concluding that the increased sentence was presumptively vindictive, in violation of the defendant's right to due process, and that the presumption was not overcome by adequate, objective new factors in the record justifying the increase.

Also, in the State v. Schwarz case Justice Sykes ruled in favor of a probationer in a Fifth Amendment case because his probationary officer during offender treatment compelled him as a condition of probation to admit to the crime of which he was convicted. She specifically held that a probationer cannot be compelled to admit to the crime of conviction before the time for a direct appeal has expired or an appeal has been denied because the Fifth Amendment privilege extends to those already convicted, whether in prison or on probation.

There is another argument against Justice Sykes which I have heard, regarding her dissent in State v. Carlson, which needs to be set straight. She stands accused of improperly finding harmless error in a trial court's seating of a non-English speaking juror in a criminal case. At first blush this does seem like harmful, not harmless, error. Again, a careful reading of her response to this issue illuminates the truth of this matter. She clarified that there was significant evidence in the trial court record that the juror in question did understand English. He had lived in the country for 20 years and passed a citizenship test. He held a driver's license and a fishing license. He was employed as a factory worker, where presumably he had to comply with various State and Federal safety procedures, and he had previously testified, without an interpreter, at a post-conviction hearing. Justice Sykes stated, properly, that "when there is competing evidence, it is the job of the trial court—not the appellate court—to evaluate and weigh it, and make findings of fact. . . . Under well-established rules of appellate review, factual findings of the trial court are reviewed deferentially, and are not disturbed unless clearly erroneous, that is, factually unsupported. . . . The majority in Carlson disregarded this deferential standard of review and substituted its own view of the facts for that of the trial court; it was this failure to follow the applicable legal standard that I objected to in my dissent."

I thought we all wanted judges who understand their role and not pursue an activist agenda. I think we should be pleased that a nominee to a Federal appellate court properly understands her appellate role. It is quite unfortunate that some would misrepresent Justice Sykes' principled dissent in this case as evidence of activist tendencies. It is precisely the opposite. It demonstrates restraint and respect for her role as an appellate judge.

Justice Sykes' record represents the antithesis of the activism that I have heard all of my colleagues say they do not want to see from judges nominated to our Federal courts. The Senate should be in the business of approving judges who have demonstrated that they respect the judicial role and will not substitute their own policy preferences for those expressed by the legislature. Judge Sykes' record in this regard is impeccable, and I will be pleased to vote with Senators KOHL and FEINGOLD to confirm her to the Seventh Circuit. I urge my colleagues to vote with us.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KOHL. Mr. President, it is my pleasure to rise today in support of the nomination of Wisconsin Supreme Court Justice Diane Sykes to the Federal judiciary. She has been nominated to fill one of the Wisconsin seats on the Seventh Circuit Court of Appeals to replace retiring Judge John Coffey.

Justice Sykes brings an impressive background to this important position. She is a lifelong resident of Wisconsin. She was born in Milwaukee, attended Marquette University Law school, clerked for Federal Judge Terry Evans in Milwaukee, and practiced law for a top Wisconsin law firm. Justice Sykes left private practice in 1992 to serve as a Milwaukee County circuit judge, a position she held until 1999. She was then appointed to the Wisconsin Supreme Court in 1999, and she won reelection to a 10-year term in the year 2000. She is to be commended for her devotion to public service and praised for her qualifications for the Seventh Circuit Court of Appeals.

We are not the only ones to recognize her abilities. A bipartisan Wisconsin Federal Nominating Commission, which has been screening judicial candidates for Wisconsin Senators of both parties for 25 years, selected Justice Sykes and three others from an impressive list of applicants for this position. All four finalists were well qualified and all deserved to have their names forwarded to the President for his selection. Wisconsin's process should be a model because it finds qualified applicants and takes much of the politics out of judicial selection.

The American Bar Association agrees with our evaluations as well. A substantial majority of the committee rated her "well qualified."

It is worth discussing, if only briefly, that some have expressed opposition to Justice Sykes' nomination. We will likely hear some of that dissent during that debate today. The primary argument against her is she was not totally forthcoming in her answers to questions asked during her hearing. We do not find that argument compelling. Rather, she would not have received the support of our bipartisan nominating commission without answering their questions. Further, she would not have received my endorsement had she not answered in a forthright and direct manner the questions we asked of her during our interview with Justice Sykes.

Justice Sykes has earned a reputation as a fine lawyer and as a distinguished jurist during her career in Wisconsin. Lawyers throughout the State, regardless of their political persuasion, echo this sentiment.

We expect Justice Sykes to not only be a credit to Wisconsin, but also to administer fair justice for all who come before her. We look forward to her confirmation today, and to her taking a seat on the Seventh Circuit Court of Appeals.

Mr. FEINGOLD. Mr. President, for 25 years, the bipartisan Wisconsin Federal Nominating Commission has been recommending high-quality candidates for Federal judgeships in our State. First created in 1979 by Senators William Proxmire and Gaylord Nelson, the Commission is an independent panel selected by Wisconsin elected officials and the State Bar of Wisconsin to review applications for Federal District Court and Court of Appeals vacancies in Wisconsin, as well as U.S. attorney vacancies. The composition of the Commission assures that selections for these important positions will be made based on merit, not politics. Senator KOHL and I have worked hard to maintain and strengthen the Commission throughout our time in the Senate, and I am very proud that it has survived for the past quarter century, under Presidents and Wisconsin Senators from both political parties.

I am pleased to put the spotlight on the Commission today, on the occasion of the floor vote on Justice Diane Sykes, who is the latest product of this bipartisan process. I am pleased that Justice Sykes' nomination has proceeded swiftly, thanks to the collaborative nature of the Commission process. Despite some initial resistance, the Bush administration agreed to have candidates for this Seventh Circuit vacancy go through the Commission process. Under the joint leadership of Dean Joseph Kearny of the Marquette University Law School and Professor Frank Turkheimer of the University of Wisconsin Law School, the Commission worked extremely hard under a very tight deadline. It recommended four qualified candidates, including Justice Sykes. Senator KOHL and I, working with Representative SENSENBRENNER, the senior Republican officeholder in the State, decided to forward all four names to the White House, and the President selected Justice Sykes from the four.

I met with Justice Sykes late last summer after the Commission had recommended her along with the other three candidates. I had a chance to question her about her background, her qualifications, and her judicial philosophy. There are a number of topics on which we do not see eye to eye, but I believe Justice Sykes is well qualified to fill this seat on the Seventh Circuit. In particular, I have great respect for her commitment to public service. Talented young lawyers have many more remunerative options that they can pursue. She has been a judge in our State since 1992.

I have always maintained that with cooperation and consultation between the President and home State Senators, the judicial nomination process can be far less contentious and, frankly, far less frustrating, than it has been over the past several years. Recognizing that ideological differences are inevitable in this process as control in the Senate and in the White House change hands, it would serve those who choose and confirm Federal judicial nominees well to follow the example of the Wisconsin Federal Nominating Commission.

Mr. President, it is my hope that the work of the Wisconsin Federal Nominating Commission, the nomination of Justice Sykes, and her smooth confirmation will send a signal to the White House, to my colleagues on both sides of the aisle, and to the country, that we can, in fact, work together in a bipartisan way to fill judicial vacancies. I urge my colleagues to support this nomination.

Mr. LEAHY. Mr. President, today we are turning to the nomination of Justice Diane Sykes to a seat on the U.S. Court of Appeals for the Seventh Circuit. She has been nominated to a seat which is actually not even vacant yet. Justice Sykes is nominated to replace Judge John Coffey, who has not yet retired. Her confirmation vote today shows how fast the administration is moving to pack the courts, including future vacancies, with its ideological nominees.

Justice Sykes comes before us with the support of my colleagues, Senator KOHL and Senator FEINGOLD—two Senators whose opinions I value very much. She also comes before us with a 12-year judicial record—both at the trial court level and with the Supreme Court of her home State of Wisconsin. I have looked closely at her record and although I greatly value the opinion of my colleagues from the State of Wisconsin, I have made my own judgment regarding her fitness for this important lifetime appointment.

After reviewing Justice Sykes' written record, I was disturbed by the clear patterns that emerged. I worry that, if confirmed, Justice Sykes will continue to be an activist judge for a lifetime on the Federal bench. For this reason I voted against her nomination in committee and will oppose her confirmation today.

I share Justice Sykes' own concerns, which she described to the Federalist Society last year in a speech she delivered about the "politicization of the judiciary." As Members of the Senate we must ensure that we confirm nominees who will be impartial arbiters of justice. With today's vote we have confirmed 192 of this President's judicial nominations. These nominees have been from a variety of backgrounds. A significant percentage of them had been very active in the Republican Party and in ideological groups such as the Federalist Society. I voted to confirm nominees when I am confident that as judges they would be able to shed their historical advocacy and act impartially once they take their oath of office.

Unfortunately, Justice Sykes' record on the State court bench demonstrates that she has had difficulty separating her personal views from her judicial decisions. In civil cases, she consistently rules against workers and injured plaintiffs in favor of big business. In criminal cases, she routinely rules against the rights of criminal defendants in favor of broad rights for the Government.

Justice Sykes has repeatedly taken a very narrow approach to interpreting the fourth amendment, upholding broad exceptions to allow warrantless police searches. She continuously questions Miranda—a bedrock precedent of constitutional law. For example, Justice Sykes was the lone dissenter from the Wisconsin Supreme Court's decision to exclude evidence gained as the result of an interrogation that clearly violated a defendant's Miranda rights. Her rulings have jeopardized other constitutional rights of criminal defendants, as well. In one case, in a decision that was later reversed, Judge Sykes ruled that a lawyer's advice to a defendant to lie on the witness stand was not sufficient to conclude that the defendant was deprived of his right to effective counsel. Justice Sykes was also the lone dissenter on the Wisconsin Supreme Court arguing that a defendant had no right to a new trial when one of the jurors did not speak or understand English. Justice Sykes' pattern of going to great lengths to reduce the protections for criminal defendants enshrined in our Constitution is greatly disturbing.

In addition to what I was able to learn from her judicial record, I was equally disappointed by her testimony before the Judiciary Committee. Our distinguished colleague from Illinois, Senator DURBIN, submitted thoughtful questions to Justice Sykes following her hearing. She refused to answer many of his questions, including whether she believed that Roe and Griswold were "unprincipled decisions" or were "consistent with strict constructionism," whether the existence of the right to privacy was a "feat of judicial activism," and whether the Warren court went too far in creating individual rights. Her reason for not answering those questions was that she was precluded by Wisconsin's code of judicial conduct. However, that code only prohibits a judge from commenting on "particular cases or legal issues that would appear to commit the judge in advance or suggest a promise or commitment of a certain course of conduct in office regarding particular cases or legal issues." Her blanket refusals to respond to questions by members of the Judiciary Committee are unacceptable.

I am seriously concerned about the type of Federal judge Justice Sykes would be if confirmed and I vote against her nomination to the Seventh Circuit Court of Appeals.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. We are prepared to yield the remainder of our time and I believe the remainder of the time for the other side of the aisle, except for 20 minutes which should be reserved for Senator DURBIN on both nominees.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, in a short period of time, we are going to consider the nomination of Diane S. Sykes to be U.S. Circuit Judge for the Seventh Circuit.

I take this opportunity on the floor of the Senate to express specifically why I will vote against this nomination.

This is my home circuit, the Seventh Circuit, which includes Illinois, Wisconsin, and Indiana, so I believe I have a special responsibility to bring extra scrutiny to this nomination. I acknowledge that Judge Sykes has the support of her home State Senators, and I do not take that support lightly. Senators FEINGOLD and KOHL have worked hard to establish a bipartisan nominating commission in Wisconsin, both for district and circuit court nominations, and I know they have a special obligation to support the nominee who is the product of that process.

I was initially inclined to defer to my Wisconsin colleagues and support the nomination, but after taking a close look at Justice Sykes' background and many of her answers to my questions, I now regret to say I have serious doubts about her fitness for a lifetime appointment to the bench.

Let me be specific. First, let me address Justice Sykes track record regarding the criminally accused. As a member of the Wisconsin Supreme Court, Justice Sykes has not always treated criminal defendants fairly. We expect those who are guilty of crimes to be treated fairly and firmly. We understand the presumption of innocence and we understand that those who have committed terrible crimes must pay a price.

Listen to what Justice Sykes has said about her own judicial temperament. When she ran for reelection to the supreme court in Wisconsin in the year 2000, the Milwaukee Journal Sentinel said the following about Justice Sykes:

> In her five years on the felony bench, Sykes developed a reputation as one of the heaviest sentencing judges in Milwaukee County in recent memory.

Then the Wisconsin State Journal, Justice Sykes admitted:

> I have a reputation as a hanging judge, that's true.

I ask my colleagues, do these statements sound like the judicious statements of a person seeking a lifetime appointment to a position where she will be asked repeatedly by those who are presumed innocent to be treated fairly?

During her 2000 campaign for the Wisconsin Supreme Court, Justice Sykes ran radio ads stating that she was such a tough sentencer that defense lawyers tried to avoid her court. She also told a reporter that in light of her tough sentences, a wing of the Wisconsin maximum security prison was informally named after her.

Do these sound like temperate statements by a person who will be asked to honor the presumption of innocence and treat all persons in her court fairly?

Let me mention a specific case which troubles me greatly in which Justice Sykes anticriminal defendant bias reared its ugly head. In the case of State v. Carlson, the Wisconsin Supreme Court ruled 6 to 1 to overturn a conviction and permit a new trial—not to exonerate a defendant but to permanent a new trial—because one of the jurors in this criminal case did not speak or understand English. Justice Sykes was the lone dissenting vote. The juror in this case, whose native language was Lao, received a questionnaire which asked if he could understand the English language well enough to serve on the jury. The juror checked the box "no." He did not understand English well enough to serve on a jury. Under Wisconsin law, the clerk was required at that point to strike the juror from the jury pool. The trial judge, nevertheless, allowed that juror who did not understand the English language to remain on the jury and the defendant was convicted.

Justice Sykes, seeking a lifetime appointment to the second highest Federal court in the land, was the only member of the Wisconsin Supreme Court to vote to uphold the conviction, and concluded this was a harmless error, that a juror could sit in judgment in a criminal trial incapable of understanding the language being spoken in the courtroom. She was the only Wisconsin Supreme Court justice to conclude that such a juror was no obstacle to justice.

Would any one of us in the Senate or any of us following this debate want our fate decided by a juror who could not even understand the words spoken in our defense?

In another case in which she was the trial judge, State v. Fritz, Judge Sykes denied the defendant's ineffective assistance of counsel claim when the defendant's own attorney advised him to lie on the witness stand. Judge Sykes was unanimously reversed. The court of appeals wrote the overwhelming weight of authority is to the contrary; indeed, the sixth amendment of the Constitution is one such authority.

Let me speak to another concern about Justice Sykes. I have great concern about her candor. I believe she made misleading statements to the Senate about a 1993 case in which she was the trial court judge. The case involved the prosecution of two abortion clinic protesters who shut down a Milwaukee clinic by welding their legs to the front of a car parked at the clinic entrance. It took blowtorches and firefighters to remove them.

These defendants had a long history of anti-abortion activity. One had been arrested 80 times in abortion protests; another, 20 times. The defendants had injunctions against them for their protests. As the Milwaukee Journal Sentinel reported just this week, they had companion cases in front of Judge Sykes for other anti-abortion crimes they had committed. One of the defendants had appeared before her six times in one of those cases. They were leaders, well known in Milwaukee's anti-abortion community, at a time when that city was one of the Nation's hubs for that activity.

In a statement submitted to Judge Sykes just days before the sentencing, one of the defendants equated abortion with the Holocaust and slavery. He called abortion clinics "death camps." He called doctors "hired killers." At the sentencing hearing, Judge Sykes praised these defendants. She told them:

> I do respect you a great deal for having the courage of your convictions and for the ultimate goals that you sought to achieve by this conduct.

She also said:

> As far as your character and history and background, obviously, you possess fine characters. I agree with everything that's been said on that basis. It's a unique case in that respect, that you have otherwise been exemplary citizens. Your motivations were pure.

I asked Justice Sykes in writing why she heaped this praise on the defendants, given the fact they had been arrested 100 times for anti-abortion protests. She responded that she was unaware of their arrest records and that, in any event, there was no evidence in the record of a history of arrests in connection with their protest activity.

I ask unanimous consent to have printed in the RECORD a copy of my written questions to Justice Sykes and her written answers.

There being no objection, the material was ordered to be printed in the RECORD as follows:

9. You were the trial judge in a 1993 case involving two anti-abortion activists, Michael Scott and Jack Lightner, who were convicted of blocking a door to a Milwaukee abortion clinic. The protesters blocked the doorway by binding their legs with welded pipes to the front of a car; they were removed by firefighters with blowtorches. You sentenced the protesters to 60 days in prison with work-release privileges but not before praising their motives. You told the defendants: "I do respect you a great deal for having the courage of your convictions and for the ultimate goals that you sought to achieve by this conduct." You also stated: "As far as your character and history and background, obviously you possess fine characters" and are "exemplary citizens." And you told the defendants, "Your motivations were pure."

A. There are 3 factors that you considered in sentencing: (1) the nature of the offense, (2) the character, history, and background of the defendants, and (3) the interests of the community. With respect to the second factor, you stated that the defendants had "fine characters" and were "exemplary citizens." According to press reports, one of the defendants in this case had been arrested 80 times in abortion protests, and the other had been arrested 20 times. Why did you believe that they possessed "fine characters" and were "exemplary citizens"?

Answer: It is axiomatic under Wisconsin law that defendants have a right to be sentenced upon facts that are of record. McCleary v. State, 49 Wis. 2d 263, 277, 182 N.W.2d 512 (1971). The press reports referenced in your question, and the arrests which the question attributes to the press reports, were not facts of record in the case; I was, to the best of my recollection, unaware of these reports. Even if I had been aware of the press reports, it would have been legally improper for me to consider them as they were outside the record in the case.

The case in question was a 1993 misdemeanor disorderly conduct prosecution of two individuals arising out of an abortion clinic protest. Most disorderly conduct prosecutions in Milwaukee County involve acts of domestic violence, bar fights, and the like, and defendants in misdemeanor court are often recidivists with recent criminal records for offenses such as battery, theft, prostitution, drunk driving, and so forth. At sentencing in this case, the prosecutor took the unusual step of standing silent, choosing not to make a sentence recommendation. The defense attorneys and the defendants urged a sentence of community service.

Judges are required under Wisconsin sentencing law to take into account mitigating and aggravating factors regarding the gravity of the offense, the character and background of the offender, and the interests of the community. McCleary, 49 Wis. 2d at 276. At the sentencing in this case, the facts of record about the defendants' backgrounds demonstrated that they were atypical misdemeanor defendants: they were generally law-abiding, educated, employed individuals with stable families, no drug or alcohol problems, and no rehabilitative needs. Although one defendant had a couple of extremely old, minor convictions from the mid-1970s and a more recent disorderly conduct fine, this conduct was so remote and/or inconsequential as to not be relevant to that defendant's current status before the court. While both defendants admitted to active, continued involvement in anti-abortion protests, this was the first criminal conviction of this type for both defendants, and there was no evidence in the record of a history of arrests in connection with their protest activity. As I noted in my sentencing remarks, the offense was not committed out of any sort of self-interest, the defendants were not violent, assaultive or threatening, and they did not resist arrest in the case. Accordingly, none of the usual criminal motivations or sentence aggravating factors was present.

As a result, both defendants stood before the court, based upon the facts of record, as exemplary citizens with fine characters, which I was required to note as a mitigating factor separate and apart from the seriously disruptive and disorderly conduct they engaged in at the abortion clinic. I took substantial note of the seriousness of the offense during my sentencing remarks, including the following: "the community has a right to expect that the public order and that legitimate businesses will not be disrupted and interfered with in a way that rises to criminal dimensions, and this would be true even where the people who are engaging in this kind of conduct are exercising their free speech rights and free assembly rights and are in pursuit of goals that are not in and of themselves illegal." And further: "The community obviously . . . has a strong interest in deterring this type of conduct both by you and by others." And further: "What especially concerns me about this case is . . . your willingness and expressed intention to go beyond mere peaceful picketing to clinic blockades and other types of more dramatic methods to stop abortions from taking place, and these methods over time have the potential to cause the community even more serious harm, and to the extent that it can, my sentence has to protect the community at least for an interim period from these kind of tactics."

The options for sentencing in the case included community service, a fine, probation—or up to 90 days in jail. Based upon a balance of the mitigating and aggravating factors, I sentenced the defendants to 60 days in jail, which represented two-thirds of the potential maximum jail sentence for this crime.

B. Please explain what you mean when you told the defendants that you had a great deal of respect for "the ultimate goals you sought to achieve by this conduct."

Answer: The evidence in the case established that the goal the defendants sought to achieve by their protest was reduction of the number of abortions in our community. As I noted in my sentencing remarks: "I think that people on both sides of the abortion issue would probably agree with you that reducing the number of abortions in this country is a desirable goal." It was that ultimate goal that I respected.

C. The Milwaukee Journal Sentinel wrote that you gave the defendants in this case "unusual leeway to argue that the social value of their protest outweighed their violation of the law." However, during your campaign for the Wisconsin Supreme Court, you stated that you were "a firm believer in personal responsibility and individual accountability, and I'm well known that that." Why, in the case involving abortion protestors, did you give "unusual leeway" to the defendants?

Answer: There was nothing "unusual" about my handling of the case, as later admitted by The Milwaukee Journal. The newspaper properly corrected the record in a retraction dated April 8, 1993, in which the editors noted that applicable law and a well-accepted jury instruction allowed the jury to take into consideration any social value or contribution to the public interest of the defendants' conduct in determining whether it constituted disorderly conduct. I have attached a copy of that retraction. The jury instruction is based upon Wisconsin case law involving disorderly conduct prosecutions in the context of political protests. *See* WI Jury Instructions—Criminal, 1900, n.4. The abortion protester case, therefore, was unusual only in the sense that there are not very many disorderly conduct prosecutions arising out of political protests. My handling of the case did not, therefore, represent "unusual leeway" to the defendants in this context.

Mr. DURBIN. Mr. President, while it is true that there was no mention of the 100 arrests in the record of the case, this fact was well known because the Milwaukee Journal ran a story about this the day the defendants were convicted.

As to her claim there was no evidence in the record of the defendant's arrest history, that is just wrong. I reviewed the record of the case and it tells a totally different story than what Justice Sykes told the Senate. There are at least four different references in the record to the defendant's arrest history.

For example, the defendant's sentencing statement said:

> I have been in jail before for similar activities to the one in question before you today.

Another example, a statement by the assistant district attorney at the sentencing hearing. The prosecutor said:

> Here there is no evidence that these defendants have made any effort to conform their conduct to the requirements of law. Instead, both have been charged since this case has been pending with additional criminal violations.

The prosecutor noted that:

> [defendant Michael] Skott has also engaged in conduct which has precipitated his arrest and subsequent criminal hearing.

Now, when I asked Justice Sykes in her follow-up written questions to explain the discrepancies between her earlier statements and the actual record in court, she dissembled. She said her definition of "history of arrests" did not include arrests that stem from civil violations nor arrests that occurred during the pendency of the case.

These distinctions by Justice Sykes are completely artificial. An arrest is an arrest. But rather than admit she made a mistake in her initial answer, she persisted in her contradictory and confusing portrayal of the case.

I ask unanimous consent to have printed in the RECORD a copy of my follow-up written questions to Justice Sykes and her written answers.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Additional Questions of Senator Richard J. Durbin to Justice Diane Sykes, Nominee for the Seventh Circuit Court of Appeals—April 5, 2004

1. You were the presiding judge in a 1993 abortion case involving the conviction of two anti-abortion activists, Michael Skott and Jack Lightner, who were convicted of disorderly conduct for cementing their legs to a car in order to block the door to a Milwaukee abortion clinic.

In a previous question I posed to you, I asked why you called the defendants convicted in this case "fine characters" and "exemplary citizens" at their February 9, 1993 sentencing in light of the fact that one defendant had been arrested 80 times in abortion protests and the other 20 times. Although a January 22, 1993 Milwaukee Journal article about the defendants' conviction reported that Mr. Skott had been arrested 80 times in abortion protests and his co-defendant Jack Lightner had been arrested 20 times, you have stated that you were unaware of the press reports. You also stated that, in any event, "there was no evidence in the record of a history of arrests in connection with their protest activity."

However, a sentencing statement filed with the Court on February 4, 1993 by one of the defendants, Michael Skott, indicates otherwise. Mr. Skott wrote: "Now it is your job as en elected representative of this county to sentence me, Judge Skyes. I have been in jail before for similar activities to the one in question before you today." At the sentencing hearing, held on February 9, 1993, you stated: "I have reviewed carefully the sentencing statement by Mr. Skott."

Additionally, the Assistant District Attorney stated at the sentencing hearing: "Here there is no evidence that these defendants have made any effort to conform their conduct to the requirements of law. Instead, both have been charged since this case has been pending with additional criminal violations." The prosecutor also stated that "Mr. Skott has also engaged in conduct which has precipitated his arrest and subsequent criminal charging under the same—purview of the same issue," and "I understand and I know that he [Skott] has been many times found guilty in municipal court and has on occasion served time in the House of Correction for his failure to pay fines on commitments."

A. How do you reconcile your statement that "there was no evidence in the record of a history of arrests in connection with their protest activity" with Mr. Skott's statement that "I have been in jail before for similar activities to the one in question before you today"?

See below.

B. How do you reconcile your statement that "there was no evidence in the record of a history of arrests in connection with their protest activity" with the Assistant District Attorney's statement that "Here there is no evidence that these defendants have made any effort to conform their conduct to the requirements of law. Instead, both have been charged since this case has been pending with additional criminal violations"?

See below.

C. How do you reconcile your statement that "there was no evidence in the record of a history of arrests in connection with their protest activity" with the Assistant District Attorney's statement that "Mr. Skott has also engaged in conduct which has precipitated his arrest and subsequent criminal charging under the same—purview of the same issue"?

See below.

D. How do you reconcile your statement that "there was no evidence in the record of a history of arrests in connection with their protest activity" with the Assistant District Attorney's statement that "I understand and I know that he [Skott] has been many times found guilty in municipal court and has on occasion served time in the House of Correction for his failure to pay fines on commitments"?

ANSWER

In misdemeanor sentencing hearings in Milwaukee County Circuit Court during this time period, the prosecutor would typically advise the court of a defendant's prior criminal history as a part of the State's sentencing argument and recommendation. Unlike today, there were no computers on the bench and judges relied upon the prosecutor to present evidence of a defendant's prior criminal record at sentencing. Newspaper articles are outside the record and therefore not a proper source of sentencing information. A prior criminal record is an aggravating factor for sentencing purposes, and the lack of a prior criminal record is generally considered to be a mitigating factor. As I indicated in my earlier responses, the prosecutor in this case took the unusual step of standing silent at sentencing, making no record of the defendants' history in this regard and making no sentencing recommendation on behalf of the State.

After the defense attorneys made their sentencing arguments, the prosecutor belatedly requested an opportunity to address the court, which was granted. She stated, "I can inform the court I have no knowledge of Mr. Skott having any prior criminal conviction. I may be incorrect. I understand and know that he has been many times found guilty in municipal court and has on occasion served time in the House of Correction for his failure to pay fines on commitments. However, I am not aware of any criminal convictions. I see he's shaking his head no, so that's a correct statement." The prosecutor then noted that the other defendant, Mr. Lightner, had been convicted of two offenses nearly twenty years before (which, as I indicated in my earlier responses, was too remote and insignificant to the conduct before the court to have much bearing upon sentencing), and had more recently been fined for disorderly conduct (circumstances unspecified.) The prosecutor did not mention any history of municipal citations for protest activity on the part of Mr. Lightner. In his written sentencing statement Mr. Skott indicated only very generally that he had been in jail for his protest activities; as indicated above, he confirmed that the case before the court constituted his first criminal conviction.

I concluded from this very generalized record information that Mr. Skott's prior protest activity had generated only municipal citations rather than criminal arrests and charges. Municipal court in Milwaukee handles only local ordinance matters—traffic tickets and citations for ordinance violations punishable by civil forfeiture—not state crimes. Municipal violations are noncriminal and do not ordinarily involve arrests. Rather, they usually involve the issuance of a ticket or citation, which requires the defendant's appearance in municipal court or payment of a forfeiture in lieu of appearing in court. Occasionally, when a municipal forfeiture is imposed and remains unpaid, the defaulting defendant may be ordered to serve a few days in jail on a "commitment" for nonpayment of the forfeiture.

The matter remains civil in nature. Accordingly, having been found guilty in municipal court and having served time in jail on municipal "commitments" does not equate in our system to having a history of arrests or criminal convictions. As I have previously noted, the arrest histories mentioned in the newspaper article were not part of the sentencing record before the court.

The prosecutor in this case also made a generalized statement about a new charge that apparently had been issued against the defendants for protest-related conduct that occurred after the case then before the court had been charged. I did not construe this as a constituting a history of arrests, although the record reflects that I certainly took it into consideration for sentencing purposes, together with the information about the municipal court matters and the other relevant facts in the record. In my sentencing remarks I noted that the defendants "obviously have a history of this kind of behavior . . . and I need to take that into consideration." I also stated that "rehabilitation in the conventional sense in this case is unlikely to occur. I suppose it is possible that you would learn a lesson from this case and not continue in these activities if you view the trial as I do, and that is as a rejection by the community of these kinds of tactics." I concluded that "[b]ased on the record, however, and based on what I've heard of your intentions, I don't have a great deal of confidence that you will take that message to heart, and my sentence has to reflect that fact." As I indicated in my earlier responses, I imposed a sentence of 60 days in jail, two-thirds of the available maximum. In light of the record evidence regarding the seriousness of the offense, the defendants' character and backgrounds, and the interests of the community, this sentence was neither too harsh nor unduly lenient.

The trial and sentencing hearing in this case took place more than 11 years ago. My responses to these and your earlier questions are based primarily on my review of the pertinent parts of the case file, most notably the transcript of the sentencing hearing, a copy of which is enclosed. I have a generalized independent recollection of this case, but have relied on the enclosed transcript for the details, and have attempted to place those details in the context of the law and general sentencing practices in Wisconsin.

2. In his sentencing statement, Mr. Skott equated abortion with the Holocaust and slavery, and he called abortion clinics "death camps" where "a hired killer contracts out to end what has been labeled a problem." At the sentencing hearing, you told Mr. Skott and his co-defendant that "obviously you possess fine characters," "you have otherwise been exemplary citizens," "your motivations were pure," and "I do respect you a great deal for having the courage of your convictions and for the ultimate goals that you sought to achieve by this conduct." Can you understand why some people would view your favorable comments about the defendants as a validation of their beliefs?

ANSWER

I do not believe that my sentencing remarks, when read in their entirety and not out of context, could be considered a "validation" of the defendants' beliefs or rhetoric. My more favorable remarks about the defendants' "motivations," "courage of conviction" and "character" were not directed at the validity of their beliefs, but, rather, represented the legally-required evaluation of the defendants' character and motivations to determine whether any of the usual aggravating criminal motivations or background factors were present in the case. Also, my favorable comment about the goal the defendants sought to achieve was a reference to their underlying goal of reducing the number of abortions, as is clear from the following statement from my sentencing remarks: "I think that people on both sides of the abortion issue would probably agree with you that reducing the number of abortions in this country is a desirable goal." My sentencing remarks also reflect extensive consideration of the seriousness of the offense and criticism of the defendants' conduct and tactics, as I have previously discussed. My sentencing remarks were fair and even-handed, and the 60-day jail sentence I imposed, at two-thirds of the maximum, could not be characterized as unduly lenient or a "validation" of the defendants' beliefs.

Mr. DURBIN. In light of Justice Sykes' statements in the case, I have serious concerns about whether she recognizes the fundamental right of privacy and about her ability to rule fairly in cases involving constitutionally protected rights to privacy.

But let me be clear. My opposition to this nominee is not because I am pro-choice on the abortion record and Justice Sykes may be pro-life. I and my Democratic colleagues have voted for over 95 percent of President Bush's nominees—191 judges as of today. It is likely that the vast majority of them were pro-life on the abortion issue.

Deborah Cook, now a judge on the U.S. Court of Appeals for the Sixth Circuit, was endorsed by the Ohio Right to Life organization. Lavenski Smith, a judge on the Eighth Circuit, sought to make all abortions in Arkansas illegal except to save the life of the mother. Michael Fisher, now on the Third Circuit, advocated that abortion is wrong and should be illegal even in cases of rape and incest. I voted for all three of these pro-life nominees.

I voted for James Browning, a judge we recently confirmed to the district court in New Mexico. Judge Browning had spoken at pro-life rallies and called the pro-choice position "the tyranny of the majority over the minority." He called on people who are pro-choice to "make the choice of life, not holocaust." Despite his passionate feelings, I voted to confirm him.

Why? Because unlike Justice Sykes, these judicial nominees—all of them I have mentioned, who do not share my views on this important issue—were honest and candid and open in their dealings with the committee. I think that is the bottom line. Even if I disagree with the nominee's point of view, I expect them to be honest and candid.

I have appointed in the district courts of Illinois men and women who do not share my views on critical issues. But I do not ask that of them. I do not come to any nominee with a litmus test, nor do I come to Justice Sykes with such a test.

I am also disappointed that Justice Sykes chose not to answer some basic questions I asked about some fundamental constitutional rights. Instead, she tried to hide behind the Wisconsin Code of Judicial Conduct.

Justice Sykes' refusal to answer my questions is in stark contrast to an Ohio Supreme Court justice whom the Senate confirmed with my vote last year: Sixth Circuit nominee Deborah Cook.

I asked both nominees the exact same questions: whether they thought Roe v. Wade and Miranda v. Arizona—two landmark Supreme Court cases—were consistent with strict constructionism. I have asked this question over and over. Justice Cook answered my question with painful but direct honesty. This is what Justice Cook said:

> If strict constructionism means that rights do not exist unless explicitly mentioned in the Constitution, then the cases you mention likely would not be consistent with that label.

That is a candid answer. I am certain it is an answer Justice Cook knew I did not agree with personally, but she was honest, and I respected her for it.

When Senator DEWINE of Ohio came to me and said, "I believe she is a good and fair person," I said: "I will give her the benefit of the doubt. I will support her nomination because of her candor and honesty."

Now, contrast that with the answer I received from Justice Sykes to the exact same question. She said:

> This question requests a critique of certain United States Supreme Court cases that I am or will be required to interpret and apply as a judge in individual cases before the court. The Wisconsin Code of Judicial Conduct prohibits judges from engaging in extrajudicial commentary with respect to particular cases or legal issues that would appear to commit the judge in advance or suggest a promise or commitment of a certain course of conduct in office regarding particular cases or legal issues.

This is a major-league evasion. If judicial nominees could each hide behind the local code of ethics in their State and say they could not even tell us where they stand on landmark Supreme Court decisions, such as Miranda and Roe v. Wade, and whether these decisions are consistent with a certain judicial philosophy, then the Senate Judiciary Committee should turn out its lights and the Senate should walk away from any role in advising and consenting to judicial nominees. But that is not what I swore to uphold when I took the oath of office to serve in the Senate.

What Justice Sykes sent to me in response to that question was evasion with a capital "E," and I do not believe the Senate should accept such responses.

Justice Sykes' refusal to answer my questions was not only evasive but erroneous. I contacted Steven Lubet, an expert on judicial ethics and a law professor at Northwestern University Law

School in Chicago. I showed him Justice Sykes' responses to my questions, and he wrote a letter stating that the Wisconsin Code of Judicial Conduct does not prevent Justice Sykes from answering my questions.

So this is my conclusion, having considered these three elements: first, that Justice Sykes has taken pride in the fact that she is known as a hanging judge and is extreme in her sentencing procedures; second, that she was not open and honest with me in the sentencing of a case which involved people who were well known to be serial, at least, arrestees, if not criminals, because of their conduct; and, third, that she would not answer the most basic questions about her judicial philosophy, which I think goes to the core of our responsibility in the Senate Judiciary Committee.

Time and again, Justice Sykes has demonstrated she does not possess the qualities necessary to inspire the confidence we should expect from a Federal judge. She has been nominated to serve for the rest of her natural life on the second highest court in America. I do not believe she can provide the good judgment, candor, or fairmindedness that we must demand of each person seeking such an important appointment. I will vote "no" on this nomination.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. ALEXANDER. Mr. President, I ask unanimous consent to speak for up to 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. ALEXANDER and Ms. LANDRIEU pertaining to the introduction of the legislation are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

LEGISLATIVE SESSION

The PRESIDING OFFICER (Mr. ALEXANDER). The Senate will return to legislative session.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2005—Continued

Mr. STEVENS. Mr. President, I ask unanimous consent that the Chair lay before the Senate the Defense appropriations bill.

The PRESIDING OFFICER (Mr. ALEXANDER). Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4613) making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes.

AMENDMENT NO. 3490

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of the Senator from Montana, Mr. BAUCUS.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. BAUCUS, proposes an amendment numbered 3490.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To set aside an amount for a grant to Rocky Mountain College, Montana, for the purchase of aircraft for support of aviation training)

On page 112, between lines 13 and 14, insert the following:

SEC. 8021. Of the amount appropriated by title III under the heading "AIRCRAFT PROCUREMENT, AIR FORCE", $880,000 shall be available to the Secretary of the Air Force for a grant to Rocky Mountain College, Montana, for the purchase of three Piper aircraft, and an aircraft simulator, for support of aviation training.

Mr. STEVENS. Mr. President, this amendment has been agreed to on both sides. There may be allocated up to $880,000 for a specific project the Senator is interested in. I ask for adoption of the amendment.

The PRESIDING OFFICER. If there is no further debate, without objection, the amendment is agreed to.

The amendment (No. 3490) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote and to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3491

Mr. STEVENS. Mr. President, I send an amendment to the desk for Mr. CORZINE and ask that it be considered.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. CORZINE, proposes an amendment numbered 3491.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To make available, from amounts appropriated for "Research, Development, Test, and Evaluation, Navy", $4,000,000 for Aviation Data Management and Control System, Block II)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of the Act under the heading "Research, Development, Test, and Evaluation, Navy", up to $4,000,000 may be available for Aviation Data Management and Control System, Block II.

Mr. STEVENS. This amendment is for Senator CORZINE, who is seeking an earmark for up to $4 million for a specific project. It has been agreed upon. I ask unanimous consent that it be adopted.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3491) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3492

Mr. STEVENS. Mr. President, I send an amendment to the desk for Senators KENNEDY, KERRY, SCHUMER, and CLINTON.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. KENNEDY, Mr. KERRY, Mr. SCHUMER, and Mrs. CLINTON, proposes an amendment numbered 3492.

The amendment is as follows:

On page 118, insert the following new section on line 5:

"SEC. 9006. In addition to amounts otherwise made available in this Act, $50,000,000, is made available upon enactment for 'Office of Justice Programs—State and Local Law Enforcement Assistance' for discretionary grants under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs for reimbursement to State and local law enforcement entities for security and related costs, including overtime, associated with the 2004 Presidential Candidate Nominating Conventions, to remain available until September 30, 2005: *Provided*, That from funds provided in this section the Office of Justice Programs shall make grants in the amount of $25,000,000 to the City of Boston, Massachusetts; and $25,000,000 to the City of New York, New York: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 502 of H. Con. Res. 95, the concurrent resolution on the budget for fiscal year 2004: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $50,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined in H. Con. Res. 95, the concurrent resolution on the budget for fiscal year 2004, is transmitted by the President to the Congress."

Mr. STEVENS. Mr. President, this is an amendment, on an emergency basis, to add $25 million for the security at each of the party conventions in Boston and New York. It is consistent with past policy, and we have agreed to accept this amendment on an emergency basis. I ask for consideration of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3492) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, the Senator from Ohio has an amendment to offer.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

AMENDMENT NO. 3493

Mr. DEWINE. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Ohio [Mr. DEWINE] proposes an amendment numbered 3493.

Mr. DEWINE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To appropriate funds for the crisis in Darfur and Chad)

On page 118, between lines 4 and 5, insert the following:

TITLE X

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

INTERNATIONAL DISASTER AND FAMINE ASSISTANCE

For an additional amount for "International Disaster and Famine Assistance", $70,000,000, to remain available until expended: *Provided*, That funds appropriated by this paragraph shall be available to respond to the humanitarian crisis in the Darfur region of Sudan and in Chad: *Provided further*, That such amount is designated as an emergency requirement pursuant to section 502 of H. Con. Res. 95 (108th Congress): *Provided further*, That such amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in H. Con. Res. 95 (108th Congress), is transmitted by the President to Congress: *Provided further*, That funds shall be made available under this heading immediately upon enactment of this Act.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "Migration and Refugee Assistance", $25,000,000, to remain available until expended: *Provided*, That funds appropriated by this paragraph shall be available to respond to the humanitarian crisis in the Darfur region of Sudan and in Chad: *Provided further*, That such amount is designated as an emergency requirement pursuant to section 502 of H. Con. Res. 95 (108th Congress): *Provided further*, That such amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in H. Con. Res. 95 (108th Congress), is transmitted by the President to Congress: *Provided further*, That funds shall be made available under this heading immediately upon enactment of this Act.

Mr. DEWINE. Mr. President, Monday, I came to the floor to outline what we needed to see accomplished in Darfur, Sudan, where tens of thousands have died, hundreds of thousands are currently in peril, and millions more have lost their homes and their livelihoods. My last speech focused on what the government of Sudan needed to do. Today I want to focus on what we need to do, what the U.S. Government and the American people need to do.

Today, I am offering an amendment to the fiscal year 2005 Department of Defense appropriations bill, together with Senators LEAHY, BROWNBACK, ALEXANDER, FRIST, and MCCAIN. This critical amendment will provide $95 million in emergency funding to help address the current crisis in Darfur and eastern Chad. The House included the same $95 million in their bill this past Tuesday, and I hope we will do the same.

Specifically, the amendment would add $70 million to USAID's International Disaster and Famine Assistance programs in Darfur, as well as $25 million to the Department of State for refugee assistance in eastern Chad. This type of crisis is exactly why we created these accounts. Now we need to use them.

Mr. President, we simply need to do this. Ten years ago, we failed to act when close to a million people were slaughtered in Rwanda. We cannot go back now and change that, much as we would like to. But we can do something different today. What is occurring today is genocide. Hundreds of thousands of people are dying, and we can prevent it. To ignore this crisis would be a tragic mistake. To deny this funding would be to deny children the right to live and people the right to survive. We are not responsible for the genocide, but we will be responsible if we do not do something today to prevent these people, these children, men and women, from dying.

Many times, we come to the floor and talk about emergencies. Sometimes the word is almost debased. But if ever there was an emergency, this truly is an emergency. This truly is a crisis.

If this situation weren't so serious, we could wait and offer this amendment to another bill. Members of the Senate, time does not allow us to do that. Time is not on our side. Using this bill as the vehicle will make the emergency funding available as soon as we pass it, and it is signed into law. That is why we must act on this bill.

Every major humanitarian organization in the world has recognized Darfur as the worst humanitarian crisis in the world today. But a quote by the U.N. World Food Program Deputy Director in Chad captures it best:

> There will be a tragedy if nothing happens. I don't think any of the children under the age of 5 will make it [if nothing happens], and the pregnant women, too. For those who are under 5, there is no chance. They will simply die from starvation.

The U.S. Agency for International Development is also increasing their mortality figures, their estimates. They now say their original estimate that at least 350,000 people could die of disease and malnutrition over the next 9 months is conservative. That is because the violence that started all of this has not stopped, and because the conditions those individuals are facing are getting worse with the oncoming rains. Hundreds of thousands are now in shantytowns around the regional capitals or in refugee camps in eastern Chad. The conditions are quickly deteriorating because aid groups simply cannot accommodate the large numbers. The United States is currently meeting about 25 percent of the food needs. But that means that 75 percent of the food needs are not being met; 75 percent of the people face starvation.

Malnutrition and disease are our biggest enemies in a crisis such as this. The polio epidemic hitting Africa has spread to Darfur, and only 50 percent of the children are immunized. The race against the clock is well underway and we need to make sure that USAID and the State Department have the money they need to respond, and respond now. I have no doubt in my mind that the long-term needs in Darfur and eastern Chad exceed what this amendment calls for, but for now at least this will allow our aid agencies to begin to meet their immediate needs this year. The children cannot wait and, therefore, we cannot delay these funds any longer.

That is why I join my colleagues and ask my colleagues to join me in pressing, also, for a U.N. security resolution authorizing peacekeeping troops to monitor the cease-fire in Darfur and ensure, by force if necessary, that humanitarian aid is not obstructed. According to the U.S. Ambassador to Sudan, there is no evidence yet that the Government of Sudan is serious about addressing the militias which have caused so much of this problem. If the Government of Sudan refuses to address the ethnic cleansing that we have seen, then we should make sure the United States will.

Senator DURBIN and I have a letter that we are now circulating that we will send to Secretary Powell. This letter addresses this issue, and I invite my colleagues to sign this letter.

Finally, I want to alert my colleagues to another crisis that is beginning to emerge in Africa. We do not have time today to speak in detail about it, but we should watch for this crisis because we will have to address this crisis as well, and the world needs to address this crisis, and that is the crisis in the Congo.

Militant groups who escaped from Rwanda after the genocide there are now destabilizing the Congo. Mr. President, 3.3 million people are without humanitarian aid.

If we do not pay attention to the Congo, then the Congo is, in a short period of time, going to also look like Darfur, and we will have failed again and the world will have failed again.

The world must pay attention. We must learn to stop these events before they become crises. That is why our response to Darfur today in this amendment is so important. We need to set the precedent that we failed to set in Rwanda: that the U.S. Government will be watching for ethnic cleansing and genocide, and no matter where it is found, we will respond, and those responsible will be held accountable.

We simply cannot tolerate crimes against humanity, and we must speak out. If we fail in this effort, we doom not only the people of Darfur but the victims of future conflicts as well. We need to make "never again" a promise of the U.S. Government that is enforced by our actions. I, therefore, urge my colleagues to support this amendment and continue to call attention to what is happening in Darfur.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Mr. President, I join my colleague from Ohio in supporting this amendment that will put forward $95 million in emergency aid to the Sudan. I thank him for bringing this forward. I thank the Chair for holding a hearing on this recently to highlight what is taking place. He outlined what is occurring. This is happening before our very eyes.

I associate myself with my colleague's statement that we need to say to people around the world that when genocide occurs, we will respond. There will be consequences on governments that conduct genocide in their nations.

What we are seeing taking place today is something on a massive scale before our very eyes. We had satellite photographs appearing today. We see vast sections of communities wiped out, burned out. We see militias going in, backed by the government, burning communities, poisoning wells, putting dead animals down in the bottom of wells so they are not usable.

This is a marginal region in the first place, where, if you push people out of their homes and away from their encampments, it is difficult to survive. We now have by estimates about 1 million people on the move in this region. We have, by estimates, the capacity to feed 300,000 people, with 1 million people on the move. One can see that if the situation does not improve, we are going to have a large group of people who are not going to get fed, housed, and are vulnerable. Many will die. Many will perish. We are going into the rainy season in this region.

There are a couple of items we need to do. No. 1, we need to get this aid passed. I thank the chairman for allowing us to bring up this amendment, and I urge my colleagues to adopt it. We need to get the international community engaged with the international observers, the African Union, the United Nations, with observers and peacekeepers in this region. We need to force the Sudanese Government to stop their sponsorship of the Jingaweit. This is the Arab militia that is going into the region and burning communities and attacking communities with machine guns.

We need to stop the Sudanese Government from using helicopter gunships for aerial bombardments, from going into these communities and driving people out, killing them with bombings or by military attacks. We need to speak very clearly and then act decisively.

Time is of the essence. We need to act now for us to be able to save the lives in this region that are so vulnerable and will be lost if we do not act.

I applaud the Secretary of State for announcing today that he will be traveling next week to the Darfur region in the Sudan. Congressman WOLF and I will be traveling there shortly as well to view this situation and to put pressure on the Sudanese Government to stop this and to put pressure on the international community to effectively respond.

We can act, and we can stop this if we act now. Mother Teresa, when she came to this country and people were asking her what can they do to help the poor, to help those in trouble, responded by saying: We all have our Calcuttas. There are things each of us can do. We all have our Calcuttas.

Here is a situation to which we can respond. We can do something. We need to adopt this amendment. We need to put pressure on the international body and the Sudanese Government, and we can save lives by doing so. I urge the adoption of this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I ask unanimous consent to be added as a cosponsor of this important amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I particularly wish to thank my colleague, Senator DEWINE from Ohio, for his leadership, Senator BROWNBACK from Kansas, and the Presiding Officer, Senator ALEXANDER, for their leadership on this amendment.

In my hometown of Springfield, IL, my wife and I live next door to this family—we have lived in the neighborhood for over 25 years—and one of the young women in that family, after serving several years in the U.S. Air Force, left to work for the World Food Program, and then work for USAID. As we speak, she is in Sudan trying to bring necessary relief in this horrible situation.

It is in Robin May's honor that I am happy to add my name as a cosponsor to this important amendment.

I also acknowledge with gratitude the helpfulness of Senator STEVENS and Senator INOUYE in allowing us to offer this amendment.

If one reads the history of the last 10 years, one will be struck by the fact that at least in the situation of Rwanda, if not in other times, we in the United States turned a blind eye to genocide, to the massive killing of innocent people. We are not going to let that happen in the Sudan and Chad.

This commitment of funds, though modest in relation to the problems, shows that the United States is willing to step up and try to show leadership with the rest of the world in helping these poor innocent victims.

We are constantly defining ourselves to the world. Those definitions come out many times in photographs that are not complimentary and sometimes in photographs that are. I hope the world, in viewing this small but important effort, will understand that America does care, and cares for those who are suffering in the most remote regions of the world and in Africa, of course.

I am happy to add my name as a cosponsor to this amendment. I hope it is adopted with overwhelming support.

I yield the floor.

The PRESIDING OFFICER (Mr. DEWINE). The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, I thank the Senator from Ohio and the Senator from Illinois for their remarks. The Senator from Kansas has spent a great deal of time in Africa and has been a good teacher to the rest of us on this subject. The majority leader, Senator FRIST, has visited the Sudan many times. All of us are deeply concerned about what is happening in Darfur. Just at the time when we were starting to celebrate the beginning of a solution to a north-south conflict which has gone on for years and years, suddenly we are hit, literally in the face, with this terrible genocide in the western part of Sudan.

It is important to this body that we show that in the midst of all of the other things that are going on in the world that we recognize this situation.

We recognize the importance of it. We recognize that by our speaking out, by our actions, by visits by representatives of our administration, and by the Congress, we can make a difference in this genocide.

As the Senator from Ohio remarked, we all look back 10 years to a time in Rwanda when we were thinking that we cannot be a policeman everywhere in the world, we cannot deal with every problem, but at the same time that problem ballooned to such a massive size we are all embarrassed about the fact that as a country we did not do more.

That does not always mean we send troops into a country. It does not always mean we send ships nearby a country. But it does mean there are a number of things we can do, and with this bipartisan act today in the midst of perhaps the most important bill we have to discuss, which is the proper support for the men and women who are fighting to defend our country, we are taking a few minutes to say there is a terrible event happening in the western part of Sudan that could stop immediately if the Government in Khartoum would stop it. We ask them to do it in a bipartisan way and we further ask the United Nations, which in this case has more of a capacity than we do, to influence that government and to get busy and do its job. That is what we are asking today. The amendment of the Senator from Ohio appropriates $95 million to help in that effort.

Last week I chaired a hearing of the Senate Foreign Relations Committee on the situation in Sudan. The alarm could not have been sounded more loudly. I chaired that hearing because I am chairman of the African Affairs Subcommittee. One of our witnesses, John Prendergast of the International Crisis Group, told the committee the first phase of the genocide in Darfur is already complete. The Government of Sudan, largely through its Janjaweed militia, has pursued an active campaign of ethnic cleansing. Over 30,000—maybe 50,000—have already been killed by direct attacks on villages in Darfur. They have leveled hundreds of villages. Other Senators have spoken of the details, but that is what is happening.

So now the second phase of the genocide is underway. The Government of Sudan and its militias are forcing the starvation and death of hundreds of thousands of people. As the Senator from Kansas explained, these are people living on the margin. When they are moved away from their huts, when dead animals or dead people are thrown down their wells, they have very little ability to survive. As the rainy season comes, it makes it worse.

On top of that, the Government of Sudan, in addition to tolerating the killing of these people, is putting obstacles in the way of our efforts and the efforts of others in the world to provide food and aid to people who are starving and dying. It is an unconscionable set of actions by that government.

When we think of Sudan, we usually think of a conflict between a Muslim and Arab government, and an African and Christian insurgency. That is not the case here. This is Muslim against Muslim, but still Arab against African. Ethnicity, not religion, is the primary factor.

Another of our witnesses, Julie Flint of Human Rights Watch, was there writing a report this spring, travelling by horse and camel through the area. She talked about refugees who fled to neighboring Chad, about 200,000 of them, family members being raped and killed in front of loved ones. She said the region is now largely empty. Where villages were, only rubble remains. The Sudanese Government claims the Janjaweed forces in Darfur are acting on their own and the government wants to stop them. The evidence suggests otherwise.

Our administration has been a strong voice in this case, but the international community has failed to respond. The U.N. Human Rights Commission, which is supposed to confront flagrant abuses of human rights, especially when they occur on such a mass scale, failed to adopt a U.S. resolution condemning the atrocities. That body has become a travesty, condoning the very activity it was intended to prevent.

The Bush administration, this Government, has had remarkable success in the peace process between the north and the south. We are proud of that. Protocols addressing all the major outstanding issues in that process were signed in May. Senator Danforth, who was the President's special envoy, has been a real leader. Other nations have joined in that effort: Great Britain, Norway, Kenya.

Some of our friends are concerned if we confront the government in Khartoum, Sudan, too directly about the atrocities in the west, Darfur, that will jeopardize any prospect for lasting peace in southern Sudan. They may be right. But if hundreds of thousands of lives are the price of peace in southern Sudan, the price is too high.

So the amendment of the Senator from Ohio, which I am glad to cosponsor, will enable the United States to step up to this crisis quickly, providing relief to those in need.

Other nations are also contributing. I hope they will join the United States in condemning the actions of the Sudanese government in the U.N. Security Council and demand full humanitarian access to Darfur now. I congratulate the Senator from Ohio on this amendment. I am proud to support it.

I yield the floor.

Mr. LEAHY. Mr. President, I rise today to lend my strong support to the amendment offered by the Senator from Ohio. I would also like to recognize the leadership that the Senator from Kansas, Mr. BROWNBACK, and the Senator from Wisconsin, Mr. FEINGOLD, have shown on the issue of Sudan throughout the years.

This amendment mirrors efforts in the House of Representatives appropriations bill to add $95 million to address the humanitarian crisis in Darfur, Sudan and across the border in Chad.

It is a good start and I commend the chairman and ranking member of the Defense Subcommittee for accepting this amendment. However, it is only a start, and a modest one at that.

We should be providing at least double this amount to address what is the worst humanitarian crisis that exists in the world today. I hope that by the time we conclude debate on this bill the Senate will have agreed to additional funds for Sudan.

The Senate needs to act. The situation is abysmal. The situation is horrendous. The situation is intolerable.

Sudanese military forces and government-backed militia forces have left tens of thousands dead, over a million displaced, and hundreds of thousands at immediate, urgent risk. USAID has warned that without full humanitarian access, 350,000 displaced civilians may die or hunger and disease in the coming months.

The massacres and widespread rapes, the destruction of villages, mosques and farms—all of this violence and horror have given rise to a second, even more costly wave of suffering, as civilians are left with no capacity to sustain themselves as the rainy season approaches.

On top of this, the Sudan-Chad border is heavily patrolled to keep some of the most vulnerable civilians from fleeing to refugee camps in eastern Chad.

What is happening is appalling, it is an affront to all humanity, to all faiths, and we cannot stand by and simply watch this unfold.

The Sudanese government claims to have granted humanitarian access to Darfur. This is a sham. The government of Sudan has done virtually everything it can to prevent the international community from effectively addressing the crisis in Darfur. The government has stalled and delayed permission to travel, prevented the use of vehicles and radios in certain areas, and looked the other way as militias have attacked and threatened humanitarian workers.

Hundreds of thousands of people are at risk. We have a responsibility to act to address this terrible situation. I urge my colleges to support the DeWine amendment and I will be looking for ways to do more to help the catastrophe unfolding in Sudan.

Mrs. FEINSTEIN. Mr. President, I rise to express my support for the amendment introduced by Senator DEWINE to provide humanitarian assistance for the refugees in Darfur, Sudan. Of all the places on Earth, where killing and deaths are rampant, Darfur, Sudan leads the list.

The DeWine amendment will provide $95 million to respond to the crisis, including $70 million for International Disaster and Famine Assistance and $25 million for Migration and Refugee Assistance.

In response to attacks by rebel groups in the Western region of Darfur, Arab militias, known as Jangaweed, armed and aided by the government of Sudan, launched a brutal campaign of ethnic cleansing against non-Arab residents, including murder, rape, forced displacement, and looting. Over 30,000 have been killed and more than 2 million displaced.

The situation is dire. While the United Nations Security Council recently endorsed the peace process to end Africa's longest running civil war, USAID Administrator Andrew Natsios estimated that 300,000 refugees from Darfur may perish due to a lack of basic food and medicine. He added that that number could reach as high as one million.

Secretary of State Colin Powell has stated that the Administration is currently studying whether or not the rampage in Darfur can legally be defined as "genocide".

Whatever the legal conclusion—and in this Senator's mind the killings most certainly can be characterized as genocide—the United States and the international community have a moral obligation to provide assistance to the refugees and compel the government of Sudan to put a stop to the death squads.

It is past time for the U.N. Security Council to pass a resolution authorizing a robust monitoring and peacekeeping force and demanding that the government of Sudan disarm the Jangaweed and allow humanitarian assistance to reach the refugees.

Sadly, it appears that debate over such a resolution could take weeks and put countless lives at risk. Inaction will also threaten the peace process that so many people, including the new U.S. Ambassador to the United Nations, John Danforth, have worked so long to put in place.

While the Security Council waits, the U.S. Senate can act now. Earlier this month, Mr. Natsios pledged an additional $188.5 million in emergency assistance to address the humanitarian crisis in Darfur. While this amendment does not match that amount, it is a start and it will give the refugees some hope.

Ten years ago the world remained silent and stood by as the genocide unfolded in Rwanda. In the wake of hundreds of thousands of deaths, we committed ourselves to not make the same mistake twice.

The situation in Darfur is now testing the United States and the international community's will to fulfill that pledge. We must not fail those who are now facing displacement, starvation, and death. We must rise to the occasion.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I ask unanimous consent that this amendment be temporarily set aside so I can send to the desk an amendment which has been agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3497

Mr. STEVENS. I send an amendment to the desk for the Senator from Vermont, Mr. LEAHY.

The PRESIDING OFFICER (Mr. ALEXANDER). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. LEAHY, proposes an amendment numbered 3497.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To set aside an amount for procurement of aircrew bladder relief (ABRD) kits)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated by title under the heading "Other Procurement, Air Force", up to $2,000,000 may be used for aircrew bladder relief device (ABRD) kits.

Mr. STEVENS. I ask for adoption of the amendment. This is an amendment earmarking specific funds for a specific project for our crews.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3497) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I ask unanimous consent Senator DOLE be added as a cosponsor to amendment No. 3493.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I urge Senators to come present their amendments.

We will be pleased to yield the floor to the distinguished Senator from South Dakota, the Democratic leader.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. DASCHLE. Mr. President, let me again compliment our two managers. We want to encourage Senators to come over and offer their amendments. I hope over the course of the next couple of hours we can dispose of whatever pending amendments there are.

Mr. President, I understand the pending legislation is an amendment offered by the Senator from Ohio regarding Sudan.

The PRESIDING OFFICER. The Senator is correct.

Mr. DASCHLE. Mr. President, the history of the world's response to genocide is one of long memory and poor eyesight.

Each of us have, at one time or another, looked back upon the terrible history of the Holocaust and made a commitment, in public or in our hearts, not to stay silent should the first signs of a potential genocide come into view.

Every one of President Bush's six immediate predecessors gave voice to this common commitment. And yet each saw during their tenure a genocide somewhere in the world.

In the last quarter of the twentieth century, 1.7 million Cambodians were murdered by the Khmer Rouge; 100,000 Kurds were massacred by Saddam Hussein; 200,000 Bosnia Muslims were killed by Serb militia; and 800,000 Rwandan Tutsis and moderate Hutus were killed at the hands of Hutu mobs in just 100 days.

As these dangers gathered, and the cry for help went out to the world, the world stood by, each time.

Our failure has not been one of moral understanding. Our failure, simply, has been one of moral courage.

Today, a tragedy of all too familiar dimensions appears to be gathering in the Darfur region of Western Sudan.

Armed and protected by the Sudanese military, ethnic Arab militiamen have brought a plague of terror down on the African residents of Darfur.

Villages have been razed, crops destroyed, and cattle slaughtered. Women have been raped and enslaved.

More than 15,000 Sudanese men, women, and children have been killed, and a million more have been driven from their homes in fear.

As they torch villages, the Arab militia have been heard to shout, "We will not allow blacks here. . . . This land is only for Arabs."

On May 6, the Senate passed a resolution condemning the Sudanese government's complicity in the terrorizing of the civilian population of Darfur and warning of a potential crisis.

Since then, however, no real progress has been made either to stop the bloodshed or to bring sufficient aid to the refugees.

Humanitarian assistance has not been allowed to reach all of those in need.

Meanwhile, the annual rainy season is now beginning, making transportation more difficult, and making the health of the vulnerable even more precarious.

Most ominously, the people of Darfur are about to miss their planting season, raising the specter of a famine of epic proportions and rendering otherwise productive men and women dependent for at least another year.

Already, USAID predicts 320,000 have been effectively sentenced to death. Unless action is taken, 1 million Sudanese men, women, and children will die this year alone.

I repeat, 1 million people face death in Sudan.

Let's also be clear on this point. Most of these deaths are preventable, but only if the world chooses to act.

Genocide is a crime against humanity. And all humanity shares a common responsibility to respond.

Our revulsion at genocide joins all people, in all cultures throughout the world. Unilateral action in this sense would not be sufficient.

There are few clearer cases for the need to rally the world. America has both the opportunity and the obligation to unite the world community in trying to prevent yet another genocide.

My friends from Ohio and Vermont, Senators DEWINE and LEAHY, are urging us to take the first important step in stopping this gathering storm. This additional assistance will help thousands of people avert hunger.

But we also must ensure that we do everything possible to end this crisis.

The most effective tool against a potential disaster in Sudan is the United Nations.

The Bush administration must equip our new ambassador to the United Nations with the authority and support required to provide effective leadership on Sudan.

The administration should take the following steps in order to make sure that Senator Danforth is able to mobilize international action on Darfur:

First, the Administration must insist that Khartoum provide complete, unrestricted access for all humanitarian operations and aid workers.

Second, we must demand that the Sudanese government take verifiable steps to ensure that the militia forces are restrained, by allowing for the unrestricted movement and operations of observers deployed by the African Union.

In addition, the Sudanese government must stop providing arms and logistical support to the Janjaweed militia.

Third, we should require that Khartoum initiate, with U.N., African Union, and regional support and involvement, a dialogue with political, rebel, and civil society representatives in Darfur in order to achieve a long-term resolution of the political crisis and agreement on a plan for disarming militia forces and rebels.

Fourth, the administration should invest Senator Danforth with the authority to start work immediately on a Security Council resolution including each of these steps and establishing verifiable benchmarks for compliance.

In the event of noncompliance, we must call for Security Council sanctions, including freezing the assets and restricting the travel of Sudanese government officials.

In order to be effective, however, it is vital, that these sanctions be multilateral and the world community share fully in their implementation.

Fifth, Senator Danforth should also be empowered to put Khartoum on notice, in the strongest terms, that international support for implementation of the North-South peace agreement does not represent endorsement of Khartoum's actions in Darfur.

The agreements reached between warring parties in the North and South of Sudan, which could not have been accomplished without the leadership of Senator Danforth and the administration, are nonetheless just the first steps to bringing stability and peace to the entire country.

In no way does the Sudanese government's commitment to end hostilities with rebels in the South justify or compensate for its active support for Janjaweed militia in Darfur.

Sixth, in order to clarify Senator Danforth's authority, the State Department should make its final determination on whether the crisis in Darfur meets the legal definition of genocide.

Testimony from the victims in Darfur make it very clear that it does.

In order to remove any ambiguity or ambivalence from America's moral leadership, the State Department should make its determination quickly, so that we can bring together an appropriate response from the world community.

Finally, Senator Danforth should be empowered to initiate discussions within the Security Council on planning for an intervention force, if this should be required to ensure that lives are saved and a genocide prevented.

Consideration should be given to non-U.S. troops including from Europe and Africa; the Security Council should consult with the African Union.

The main point here is that the planning must be done now—even if the decision is delayed—both to make clear to Khartoum that the international community is serious and to be ready if it is necessary to intervene.

The history of genocide teaches us that this crisis needs to be addressed on several different levels.

First, on the humanitarian level, we need to provide immediate aid to refugees and to the internally displaced.

Second, we must insist on full accountability for all perpetrators of crimes against humanity.

In order to keep Sudan from spiraling downward into a cycle of retributive violence, all those responsible must be brought to justice.

Finally, a long-term resolution demands that the world focus on bringing about a political solution to the instability and violence of Sudan.

President Bush has spoken with force and eloquence on the need to match American action to American words and values.

Never is that more important than in the case of genocide when the lives of hundreds of thousands hang in the balance.

President Bush, like his predecessors, understands the moral imperative to take action to stop genocide.

Speaking after a tour of the Holocaust Museum in 2001, President Bush reaffirmed "America's commitment to the memory of 6 million who died in the Holocaust [and] our commitment to averting future tragedies."

The future has arrived. A tragedy stands at the world's doorstep. These words are engraved upon the conscience of the world: Never Again.

In the months ahead, we will learn what they mean to us.

Mr. STEVENS. Mr. President, I ask that amendment No. 3493, which is the Sudan amendment, be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3493) was agreed to.

Mr. STEVENS. The Senator from Virginia has an amendment, and I understand the Senator from South Dakota, the distinguished minority leader, wishes to have a discussion.

The PRESIDING OFFICER. The Senator from Virginia.

TRICARE

Mr. WARNER. Mr. President, I am available for the colloquy.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, the Senator from South Carolina is not on the Senate floor, but I do not think he would mind, given the fact——

Mr. WARNER. Mr. President, he spoke to me about it, and I expressed a willingness to indicate to both colleagues that the Senate bill contains a provision coauthored by my two distinguished colleagues on a subject that is of great importance to the men and women of our military. And it is the intention of the Senator from Virginia, as a conferee, to support the Senate positions as we proceed through the resolution of such differences as the House and the Senate may have.

Mr. DASCHLE. Mr. President, I appreciate the statement of support offered by the distinguished chairman of the Armed Services Committee. It had been our intention to offer an amendment to provide full 12-month funding, on this particular bill, for reservists' TRICARE.

I thank the distinguished chairman of the committee and our remarkable ranking member for their efforts and the acknowledgment of the need to address health care concerns among members of our Guard and Reserve. They have done so in this bill in a way that allows Guard members and reservists to obtain this health care coverage for 5 months, up until that time next year when we expect a supplemental to be brought again before the Senate, which would then afford us an opportunity to review the current program and extend it for the balance of the year. It would be in consultation with Senator GRAHAM.

We have concluded that a far better and more productive and long-lasting approach would be to complete our work in the bill where it belongs, the Defense authorization bill, the legislation we completed just last night, thanks to the able leadership of Chairman WARNER.

Our concern, of course, has been that even though TRICARE for reservists enjoyed the support of more than 70 Members, there may not be the degree of support in conference that will be required to sustain the Senate position. So it is our hope that will happen. The chairman's acknowledgment of his interest in protecting the Senate position is appreciated, and we will work with him to see that we are successful in that effort in committee.

Mr. WARNER. Mr. President, as always and customary with the distinguished Senator from South Dakota, you have spoken to the situation factually. Historically, that is the way we have dealt with those matters in the Senate. I appreciate you respect my position as a conferee. I cannot make ironclad commitments, other than I have always gone into a conference to try to support the position as taken by this collective body in its decision-making process.

Mr. President, I thank my colleague.

Mr. DASCHLE. Mr. President, I again thank the chairman. Simply stated, it is our expectation that we will succeed in conference this year. This issue has overwhelming bipartisan support not only in the Senate but the House as well. And, obviously, it will keep coming back year after year unless we do resolve it. It would be my hope this would be the year we do so successfully.

So, again, I thank my colleagues, and I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 3498

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of the Senator from Virginia, Mr. WARNER.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. WARNER, proposes an amendment numbered 3498.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To increase amounts for certain Navy shipbuilding and conversion programs, projects, and activities; and to provide an offset)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. (a) Of the amounts appropriated by title III under the heading “SHIPBUILDING AND CONVERSION, NAVY”—

(1) the amount provided under that heading specifically for the Carrier Replacement Program (AP) is hereby increased by $140,900,000;

(2) the amount provided under that heading specifically for CVN Refuelings (AP) is hereby increased by $110,000,000; and

(3) the total amount provided under that heading is hereby increased by $250,900,000.

(b) The amount of the reduction provided in section 8062(a) is hereby increased by $250,900,000.

Mr. STEVENS. Mr. President, I state to the Senate that this amendment has been cleared on both sides, and it is revenue neutral, as I understand it.

Mr. WARNER. Mr. President, I thank the distinguished managers of the bill. I appreciate that. This is a matter that is of great importance to the U.S. Navy. I am happy to do it.

Mr. STEVENS. Mr. President, I ask unanimous consent that Senator ALLEN of Virginia be added as a cosponsor to the amendment.

Mr. WARNER. Mr. President, I join in that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, has the amendment been adopted?

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3498) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3499

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of Senator ROBERTS and ask that it be considered.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. ROBERTS, proposes an amendment numbered 3499.

The amendment is as follows:

(Purpose: To make available, from amounts appropriated for “Research, Development, Test, and Evaluation, Air Force”, $6,000,000 for the Science, Mathematics, And Research for Transformation (SMART) Pilot Scholarship Program)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading “Research, Development, Test, and Evaluation, Air Force”, up to $6,000,000 may be available for the Science, Mathematics, And Research for Transformation (SMART) Pilot Scholarship Program.

Mr. STEVENS. Mr. President, this amendment would make available up to $6 million for a program that the Senator seeks to have considered. I urge its adoption. It has been cleared on both sides.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3499) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3500

Mr. STEVENS. Mr. President, I send to the desk an amendment on behalf of Senator SANTORUM and ask that it be considered.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. SANTORUM, proposes an amendment numbered 3500.

The amendment is as follows:

(Purpose: To make available, from amounts appropriated for “Operation and Maintenance, Defense-Wide”, $5,000,000 for Department of Defense Education Activity for the upgrading of security at Department of Defense dependents schools)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title II of this Act under the heading “OPERATION AND MAINTENANCE, DEFENSE-WIDE”, up to $5,000,000 may be available for Department of Defense Education Activity for the upgrading of security at Department of Defense schools.

Mr. STEVENS. Mr. President, this amendment on behalf of the Senator from Pennsylvania would make available up to $5 million for a project the Senator supports. It has been cleared on both sides. I urge adoption of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is agreed to.

The amendment (No. 3500) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3501

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of the Senator from Pennsylvania, Mr. SANTORUM, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. SANTORUM, proposes an amendment numbered 3501.

The amendment is as follows:

(Purpose: To make available, from amounts appropriated for “Research, Development, Test, and Evaluation, Army”, $3,000,000 for Medical Advanced Technology for the Intravenous Membrane Oxygenator)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this

Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY", up to $3,000,000 may be available for Medical Advanced Technology for the Intravenous Membrane Oxygenator.

Mr. STEVENS. Mr. President, this amendment would make available up to $3 million for another project that the Senator from Pennsylvania supports. I urge its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3501) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I state to the Senate that we have several Senators who have indicated they have amendments. I urge they come to the floor. We have business to conduct today following completion of this bill. We do hope we can complete this bill as early as possible. We do urge that Senators come to the floor.

Mr. President, I believe our distinguished colleague from West Virginia is here to offer an amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank my distinguished friend, the chairman of the Committee on Appropriations.

AMENDMENT NO. 3502

Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 3502.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To express the sense of the Senate on budgeting and funding of ongoing military operations overseas)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. It is the sense of the Senate that—

(1) any request for funds for a fiscal year for an ongoing military operation overseas, including operations in Afghanistan and Iraq, should be included in the annual budget of the President for such fiscal year as submitted to Congress under section 1105(a) of title 31, United States Code; and

(2) any funds provided for such fiscal year for such a military operation should be provided in appropriations Acts for such fiscal year through appropriations to specific accounts set forth in such Acts.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, last year, the Senate overwhelmingly approved an amendment that I offered to urge the President to budget for ongoing military operations. Mr. President, 81 Senators agreed that the administration should include in its budget request, which is sent to Congress in February each year, an estimate of the funds needed to support our troops in Iraq and Afghanistan.

The sense-of-the-Senate amendment that I authored was included in the fiscal year 2004 Defense Appropriations Act, as signed into law by the President on September 30, 2003. But there was no request for funds for our troops deployed overseas in the budget that came to Congress on February 2, 2004. That budget was stone-cold silent about our troops in Iraq and in Afghanistan.

It was as if the White House had no plan for how to pay our troops overseas, or how to pay for their fuel and ammunition. We sometimes hear Korea described as the forgotten war, but the President's budget forgot about the wars ongoing in Iraq and Afghanistan.

Senators on both sides of the aisle realized the folly of ignoring the massive costs of the wars in Iraq and Afghanistan. In an act of fiscal responsibility, the chairman of the Senate Budget Committee included in his mark of the fiscal year 2005 budget resolution an additional $30 billion reserve fund for the costs of the wars. The House of Representatives went even further by including a $50 billion reserve fund in its version of the budget resolution. Again, these funds were not requested by the President, but Congress decided to include them for the sake of fiscal sanity.

The Defense appropriations bill before the Senate today includes $25 billion to pay for our troops in Iraq and Afghanistan. The White House requested these funds literally at the last minute. The Armed Services Committee had completed its markup of the Defense authorization bill the week before the administration submitted its request for these moneys. Talk about hiding the ball, the administration stiff-arms Congress by not making any budget estimate for Iraq and Afghanistan until after the markup of the Defense authorization bill is completed.

Does anyone think this $25 billion will cover the cost of the wars for the next 12 months? Not a chance, Mr. President. According to the Department of Defense, the cost of operations in Iraq now averages $4 billion per month. The cost of operations in Afghanistan is up to $900 million-plus per month. At that rate of spending, the President's $25 billion reserve fund will not even last half a year.

Talk about short-changing our troops.

That is why, for better or worse, the White House is planning on springing a supplemental budget request of $50 billion or more on Congress and the American taxpayer sometime next year.

Tragically, all of these funds are being financed by deficit spending. Since the administration refuses to send Congress an estimate of how much the wars in Iraq and Afghanistan will cost, much less any plan for how to pay for those costs, each last-minute emergency request for funds that the President sends to Congress sends our country deeper into red ink.

Congress has already devoted $122 billion to Iraq, and every single dollar of that amount is going to have to be paid off by the sweat and toil of our children and grandchildren for decades to come, because it is the taxes the future generations will pay that will be used to finance the deficit spending of today. What kind of wars are we running when we saddle our children, and their children yet to be born, with the responsibility of paying for them?

I have heard all of the tired excuses about why the administration does not want to estimate the cost of the wars in Iraq and Afghanistan. I wish I had a nickel for every time I have heard someone say that the cost of the war is "unknowable."

For example, on July 9, 2003, at a hearing of the Armed Services Committee, I asked Secretary Rumsfeld for an estimate of how much is being spent in Iraq and Afghanistan. His response? "I would not want to venture a guess and be wrong." I wouldn't accept that answer. I told Secretary Rumsfeld to go call the Pentagon and find out. That's exactly what he did, and he finally reported back that we were spending $4.8 billion in Iraq and Afghanistan every month.

That's why I just don't buy it when the administration says it has no idea what it might cost to finance ongoing military operations. It is an open secret that the Defense Department is well able to produce an estimate of the cost of its operations. The only problem is that Congress has been continually stiff-armed in our attempts to learn about those estimates.

I have also heard time and again that the United States never budgets for the cost of wars in advance. That is just not true. The Congressional Research Service does state that "since 1990, Congress generally has funded combat operations with supplemental appropriations." However, the Congressional Research Service also concludes that as military operations become more predictable, such as in peacekeeping operations, Congress begins to fund those operations by a combination of regular budget appropriations and supplemental appropriations and, eventually, by regular appropriations alone.

Aside from the last decade, there is a long history of Presidents requesting funds in regular appropriations bills for ongoing military operations. CRS has reported that President Roosevelt requested regular appropriations for the conduct of World War II in fiscal years 1943, 1944, 1945, and 1946. Presidents Johnson and Nixon received funding for the Vietnam War in every Defense Appropriations Act from fiscal year 1966 through 1973. In fact, there were no supplemental appropriations. bills for the Vietnam War after 1969.

Even in more modern times, ongoing military operations in Bosnia, Kosovo, and the patrol of the no-fly zones over Iraq were made part of the regular budget and appropriations process. The amendment that I offer to urge the President to budget for the wars in Iraq and Afghanistan isn't a break with how our government pays for wars. My amendment says that the President should stick with historical precedent and fiscal responsibility in budgeting for the wars that we are now in.

The amendment that I offer today is precisely the same amendment that I offered to last year's Defense Appropriations bill, which was supported by 81 Senators. The amendment simply states the sense of the Senate that the President should request funds for ongoing military operations in his regular budget request, and that such funds should be appropriated in regular accounts.

The administration's practice for paying for the ongoing wars in Iraq and Afghanistan must change. This week, Deputy Defense Secretary Wolfowitz acknowledged to a House committee that our troops could be in Iraq for years to come. If that is true—and I hope that it is not—now is the time for Congress to get serious about making the President figure out a budget plan for paying for the massive cost of a long-term military presence in Iraq.

The alternative is to continue with the current administration policy: more last minute spending requests, more reports that our troops are running out of money, and more deficit spending. This is a recipe for a fiscal disaster. Current White House policy on paying for the war perpetuates an ongoing budgetary crisis for our troops overseas: rather than planing for their needs, we force our troops to bounce from one stop-gap spending measure to another. This is just plain wrong.

Congress should not allow itself to be streamrolled. It should not allow the President to send up an emergency supplemental, and then demand immediate action by the Congress. That is now mistakes are made. Last year, the President failed to request sufficient funds for body armor for our troops. Last year, the President failed to request sufficient funds for armor for Humvees. Last year, the President failed to request sufficient funds for locating and destroying conventional weapons in Iraq. Now all Americans know what tragic mistakes those were. Congress must insist on receiving a detailed budget request for the wars in Iraq and Afghanistan so that mistakes like those are not repeated.

The Byrd amendment tells the President that he should budget for the wars in Iraq and Afghanistan. This is a simple, common-sense approach that promotes fiscal responsibility. The Senate already endorsed this approach last year in an overwhelming vote, and I urge my colleagues to support my amendment again.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, we would be pleased to recommend the adoption of the amendment offered by Senator BYRD. I believe, if he would permit, we would be willing to adopt it on a voice vote. It was adopted last year, the same amendment, as the Senator said, by a substantial number of Senators. We see no reason not to support the amendment this year. If the Senator wishes to offer it, we would be pleased to have it.

Mr. BYRD. Mr. President, I thank my distinguished friend. I really wish to have a rollcall vote on this amendment. It was a very popular amendment last year. I thank the distinguished chairman for his willingness to proceed on a voice vote.

Mr. STEVENS. We would be happy to have a vote, but could we agree to a later time? There are a series of Senators in committee meetings right now, and they asked not to be disturbed for at least another half hour.

Mr. BYRD. Yes.

Mr. STEVENS. Could we ask for the yeas and nays and have a time agreed upon between yourself and the two managers of the bill?

Mr. BYRD. That would be very satisfactory.

Mr. STEVENS. I ask unanimous consent that it be in order to request the yeas and nays on this amendment at this time.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. The yeas and nays are ordered?

The PRESIDING OFFICER. The yeas and nays are ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that Senators BIDEN, CORZINE, and FEINGOLD be added as original cosponsors of amendment No. 3493.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, for Members of the Senate, we are very close to the end of the amendments that we know of, and we would probably be proceeding to third reading after the Byrd amendment, unless Members come forward and offer their amendments.

AMENDMENT NO. 3503

Mr. STEVENS. Mr. President, I have an amendment from the two Senators from Mississippi, Senators LOTT and COCHRAN. I ask that it be presented to the Senate.

The PRESIDING OFFICER. The clerk will report.

The Senator from Alaska [Mr. STEVENS], for Mr. LOTT and Mr. COCHRAN, proposes an amendment No. 3503.

The amendment is as follows:

(Purpose: To express the sense of Congress on the expansion of the Global Hawk Maritime Demonstration Program to include forward deployed forces of the Navy and the Marine Corps in the United States Central Command area of operations)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. It is the sense of the Senate that—

(1) the Global Hawk Maritime Demonstration Program should be expanded to include the participation of forward deployed forces of the Navy and the Marine Corps in the area of responsibility of the Commander of the United States Central Command; and

(2) the Secretary of the Navy should compile the lessons learned in the conduct of the demonstration program specifically in that area of responsibility and incorporate those lessons into the ongoing activities of the demonstration program for the development of concepts of operations.

Mr. STEVENS. Mr. President, it is a sense of the Senate concerning the Global Hawk.

Mr. INOUYE. No objection.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3503) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3504

Mr. STEVENS. Mr. President, I send to the desk an amendment on behalf of Senator REED.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. REED of Rhode Island, proposes an amendment 3504.

The amendment is as follows:

(Purpose: To make available, from amounts appropriated for Research, Development, Test, and Evaluation, Navy, $3,000,000 to establish the Consortium of Visualization Excellence for Underseas Warfare Modeling and Simulation (COVE))

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY", up to $3,000,000 may be available to establish the Consortium of Visualization Excellence for Underseas Warfare Modeling and Simulation (COVE).

Mr. STEVENS. Mr. President, this would make available up to $3 million for a project Senator REED supports. We have cleared it and ask that it be agreed to.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3504) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote and to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3505

Mr. STEVENS. Mr. President, I send to the desk an amendment on behalf of Senator BAYH.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. BAYH, proposes an amendment numbered 3505.

The amendment is as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated by title under the heading "OPERATION AND MAINTENANCE, ARMY", up to $21,900,000 may be used for M1A2 Tank Transmission Maintenance.

Mr. STEVENS. Mr. President, this amendment would make available up to $21.9 million for a project the Senator supports. We have cleared the amendment. I ask that it be agreed to.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3505) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3506

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of Senator REED.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. REED, proposes an amendment numbered 3506.

The amendment is as follows:

(Purpose: To make available, from amounts appropriated for Research, Development, Test, and Evaluation, Navy, $2,000,000 to conduct a demonstration of a prototype of the Improved Shipboard Combat Information Center)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY", up to $2,000,000 may be available to conduct a demonstration of a prototype of the Improved Shipboard Combat Information Center.

Mr. HATCH. Mr. President, I would like to compliment my friend, Senator STEVENS. He has been a tireless advocate for our Nation's military and has ensured that our service members receive the highest quality training possible. Senator STEVENS has also not forgotten that it is the families of our service members who play a vital role in supporting our troops and Congress has a important responsibility to lighten this heavy load. Therefore, I rise to ask the Senator's thoughts about the Navy's determination to revolutionize its training and leadership program curriculum.

Mr. STEVENS. I thank my colleague for his kind words. Improving the already-high quality of training is one of the Committee's highest priorities and, of course, this includes the Navy's training and leadership programs. As the Navy seeks to determine the best system in order to facilitate this modernization, the Committee encourages the service to evaluate thoroughly the potential effectiveness of a 'character-based, principle-centered program' designed to teach personnel how to efficiently focus and execute key priorities.

Mr. HATCH. I thank the Senator. I also hoped the Senator might share his thoughts on how we might better support our service members families?

Mr. STEVENS. The Committee continues to express concern about the plight of Army families who must deal with extended deployments of a spouse or a parent. These continued deployments place a significant burden on the modern military family. I hope it will reassure the Senator, who is concerned about military families, as am I, that the Committee encourages the Department of the Army to evaluate different training programs which can assist families in this critical time of need.

Mr. HATCH. I thank my friend, the distinguished Chairman.

Mr. STEVENS. Mr. President, this amendment would make available up to $2 million for a project the Senator supports. We have cleared the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3506) was agreed to.

Mr. STEVENS. Mr. President, I state to the Senate that Senator INOUYE and I have cleared the amendments presented to us. We have rejected several. We ask that Members come to the Senate floor and indicate if they intend to pursue the amendments they have suggested they might raise. We are currently clearing with leadership the time of 4 o'clock for the time Senator BYRD's amendment will come back.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3507

Mr. STEVENS. Mr. President, I send to the desk an amendment sponsored by Senators BIDEN, LUGAR, INOUYE, and myself.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for himself, Mr. BIDEN, Mr. LUGAR, and Mr. INOUYE, proposes an amendment numbered 3507.

The amendment is as follows:

(Purpose: To provide certain authorities related to the transfer of defense articles)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. (a)(1) Notwithstanding section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), the President may transfer to Israel, in exchange for concessions to be negotiated by the Secretary of Defense, with the concurrence of the Secretary of State, any or all of the items described in paragraph (2).

(2) The items referred to in paragraph (1) are armor, artillery, automatic weapons ammunition, missiles, and other munitions that—

(A) are obsolete or surplus items;

(B) are in the inventory of the Department of Defense;

(C) are intended for use as reserve stocks for Israel; and

(D) as of the date of enactment of this Act, are located in a stockpile in Israel.

(b) The value of concessions negotiated pursuant to subsection (a) shall be at least equal to the fair market value of the items transferred. The concessions may include cash compensation, services, waiver of charges otherwise payable by the United States, and other items of value.

(c) Not later than 30 days before making a transfer under the authority of this section, the President shall transmit a notification of the proposed transfer to the Committees on Foreign Relations and Armed Services of the Senate and the Committees on International Relations and Armed Services of the House of Representatives. The notification shall identify the items to be transferred and the concessions to be received.

(d) No transfer may be made under the authority of this section more than 2 years after the date of the enactment of this Act.

SEC. 8122. Section 514(b)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(2)) is amended—

(1) in subparagraph (A), by striking "for fiscal year 2003" and inserting "for each of fiscal years 2004 and 2005"; and

(2) in subparagraph (B), by striking "for fiscal year 2003" and inserting "for a fiscal year".

Mr. STEVENS. Mr. President, this amendment pertains to the drawdown authority of the State of Israel for defense stocks, and it is a technical amendment that has been cleared on both sides.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3507) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Again, we have disposed now of all of the amendments brought to the attention of the committee on both sides.

We will have a vote, we believe, at 4 o'clock. We will announce that soon. I urge Senators to notify us if they intend to offer any amendments to the bill. If not, we will move to third reading following the Byrd amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, after further consultation, I ask unanimous consent that the vote on the Byrd amendment occur at 4 p.m. today.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that there be no second-degree amendments in order to Senator BYRD's amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASUREMENT AND SIGNATURES INTELLIGENCE RESEARCH PROGRAM

Mr. BINGAMAN. I would like to engage the ranking member, Senator INOUYE, in a colloquy regarding the Measurement and Signatures Intelligence Research Program. Is the Senator aware of this program and how critical it is to the development of our next generation of MASINT sensors?

Mr. INOUYE. Yes, I believe that the program is important to future innovations for the MASINT community.

Mr. BINGAMAN. Would the Senator also agree that the MASINT Research Program has been a great success in bringing together some of the best thinking on this issue in Government, the private sector and our Nation's leading colleges and universities?

Mr. INOUYE. Yes, I would.

Mr. BINGAMAN. Finally, wouldn't you agree that the valuable work that the Measurement and Signatures Intelligence Research Program has done should be continued in Fiscal Year 2005 by retaining the funding level included in the House of Representatives' Defense Appropriations bill?

Mr. INOUYE. I would agree with the Senator from New Mexico, and I commend him for his hard work in support of this program.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3516

Mr. STEVENS. I have an amendment on behalf of Senator MIKULSKI and Senator SARBANES. I send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Ms. MIKULSKI, for herself and Mr. SARBANES, proposes an amendment numbered 3516.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To make available, from amounts appropriated for "Research, Development, Test, and Evaluation, Air Force", $7,000,000 for AN/APG–68(V)10 radar development for F–16 aircraft)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. (a) AVAILABILITY OF AMOUNT FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE, FOR RADAR DEVELOPMENT.—Of The amount appropriated or otherwise made available by title IV of this Act under the heading "Research, Development, Test, and Evaluation, Air Force", $7,000,000 may be available for AN/APG–68(V)10 radar development for F–16 aircraft.

(b) CONSTRUCTION OF AMOUNT.—The amount available under subsection (a) for the purpose specified in that subsection is in addition to any other amounts available in this Act for that purpose.

Mr. STEVENS. This makes available funds available for a stated amount on a project the Senator supports. We have cleared the amendment and ask for its immediate adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3516) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3517

Mr. STEVENS. I send an amendment to the desk on behalf of Senator BILL NELSON and ask that it be considered.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. NELSON of Florida, proposes an amendment numbered 3517.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the appropriate place in the bill insert the following:

Of the amount appropriated in title IV under the heading "OPERATIONAL TEST AND EVALUATION, DEFENSE" up to $5,000,000 may be made available for the Joint Test and Training Rapid Advanced Capabilities (JTTRAC) Program."

Mr. STEVENS. This amendment provides up to $5 million for a project the Senator supports. It has been cleared by both sides. I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3517) was agreed to.

AMENDMENT NO. 3518

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of Senator SHELBY and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. SHELBY, proposes an amendment numbered 3518.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . (a) Public Law 108–199 is amended in Division F, title I, section 110(g) by striking "Of the" and inserting "Prior to distributing"; striking "each" every time it appears and inserting "the"; striking "project" every time it appears and inserting "projects".

(b) The limitation under the heading "Federal-aid highways (Limitation on Obligations) (Highway Trust Fund)" in Public Law 108–199 is increased by such sums as may be necessary to ensure that each State receives an amount of obligation authority equal to what each State would have received under section 110(a)(6) of Public Law 108–199 but for the amendment made to section 110(g) of Public Law 108–199 by subsection (a) of this section: *Provided*, That such additional authority shall remain available during fiscal years 2004 and 2005.

Mr. STEVENS. This is a technical amendment to clarify the availability of funds in the 2004 appropriations bill. It has been cleared on both sides of the aisle. I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3518) was agreed to.

Mr. STEVENS. I move to reconsider the vote and lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT 3502

Mr. STEVENS. The hour of 4 has arrived. The yeas and nays have been ordered on the Byrd amendment?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. STEVENS. This is a sense of the Senate amendment that the Senator offered on the bill last year that was adopted by the Senate, and the yeas and nays have been ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Indiana (Mr. LUGAR) is necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 89, nays 9, as follows:

[Rollcall Vote No. 147 Leg.]

YEAS—89

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Ensign
Feingold
Feinstein
Fitzgerald
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchison
Inouye
Jeffords
Johnson
Kennedy
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Pryor
Reed
Reid
Roberts
Rockefeller
Sarbanes
Schumer
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Voinovich
Warner
Wyden

NAYS—9

Bunning
Cornyn
Dole
Enzi
Inhofe
Kyl
Santorum
Sessions
Thomas

NOT VOTING—2

Kerry
Lugar

The amendment (No. 3502) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. AKAKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. In a few minutes we will have a series of amendments which have been cleared and we may have one more amendment that is coming. That is all we know.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CRAIG). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BIDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, the Republican manager, the chairman of the committee, suggested that I move forward with my amendment, which will not take long at all. I can do this in less than 5 minutes.

AMENDMENT NO. 3520

Mr. President, I send my amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Delaware [Mr. BIDEN] proposes an amendment numbered 3520.

Mr. BIDEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To appropriate funds for bilateral economic assistance)

On page 118, between lines 4 and 5, insert the following:

TITLE X

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

INTERNATIONAL DISASTER AND FAMINE ASSISTANCE

For an additional amount for "International Disaster and Famine Assistance", $188,000,000, to remain available until expended: *Provided*, That funds appropriated by this paragraph shall be available to respond to the humanitarian crisis in the Darfur region of Sudan and in Chad: *Provided further*, That such amount is designated as an emergency requirement pursuant to section 502 of H. Con. Res. 95 (108th Congress).

Mr. BIDEN. Mr. President, I know it is getting late in this process, and I will try to make this as quick as possible. There has already been a significant amount of discussion on this floor, in this town, and actually, quite frankly, this morning in the meetings some of us had with the President of the United States on the situation in Darfur in the Sudan.

I want to begin by saying I respect the effort made by my friend, Senator DEWINE. I understand the managers are going to accept a proposal for $90 million or thereabouts to deal with this problem. There are already as many as 30,000 dead. Mr. President, 1.2 million people have been chased from their homes, and 200,000 refugees have fled to Chad. The civilians have been bombed from planes and helicopters by the Government of Sudan. And there are continued reports of systematic rape, murder, and torture by the Sudanese Government as well as by allied militia troops.

Now, the U.N. High Commissioner for Human Rights issued a report in which the U.N. investigators indicate they believe that crimes against humanity have been committed in Darfur.

Secretary of State Colin Powell has said that the State Department is contemplating whether Khartoum is engaged in the genocide. I think when they, in fact, finish they will conclude clearly that it is.

The Agency for International Development and its leader, Andrew Natsios, as well as U.N. officials, have said that what has happened in Darfur is the "worst humanitarian crisis in the world today."

They point out that under the best circumstances—not the worst, the best circumstances—according to Mr. Natsios, 320,000 people will die. That is the best they hope for. If everything turns around, there are going to be 320,000 dead. And he made that public statement on June 3. He said "more resources are desperately needed."

Now, to have to respond in a manner that is commensurate with the suffering seems to me to be our obligation. The President of the United States said he brought this to the attention of the G–8. We had this discussion this morning in the Cabinet Room, and he, quite frankly, indicated that he was not getting the kind of response that was warranted. Some of us suggested—and I was not one because others spoke first—that this is of an urgent need, and we have to lead.

Now, I know that my friend from Ohio has called our attention to this and, in fact, has gotten roughly $90 million appropriated or agreed to. But the fact is, Mr. Natsios pledged, in Geneva, in the first week in June, that the United States would come up with $188 million. That is the pledge this administration made in Geneva in June.

Now, the reason I bother to mention that is, the President pointed out this morning that the G–8 nations and the rest of the world do not seem seized with the same sense of urgency as we are, and that we have to lead.

If we have announced we are going to do $188 million, and we are trying to get the rest of the world in on the deal, and then we come out of here with less than half of that, it seems to me it undercuts the very point that is trying to be made by the President of the United States.

Now, I am not speaking for the President and implying that he is for or against this $188 million. I do not know. I assume he must have been for it or the head of his AID, under his administration, would not have pledged $188 million.

Now, this is $188 million as emergency money in this fiscal year. Most of the money Natsios pledged was 2005 money that has yet to be appropriated. In other words, he pledged money he does not have and may not get for quite some time for what he calls the "worst humanitarian crisis in the world today," where, if things go well, 320,000 will die.

The House bill gives less than half the money, only $70 million. I understand that—again, I am not being critical of my friend from Ohio, but as he said to me, he got what he could. That is good. It is better than nothing.

But keep in mind, the $188 million pledge was made, according to AID officials, in advance of the U.N.—in advance of the U.N.—issuing the revised numbers about how many people will be affected. Those numbers have increased.

So the House bill provides less than half of what might be an inadequate pledge to begin with.

I was asked not to offer this amendment because we give about half. Apparently that is going to be agreed to by the managers. But the Senate has the power to do a lot more than that. So let's give the administration what it said it will need to provide an emergency response in Darfur. If we do not, make no mistake about it, no one else is going to step to the plate.

Mr. LEAHY. Will the Senator yield for a request?

Mr. BIDEN. I would be happy to.

Mr. LEAHY. Mr. President, I ask unanimous consent that I be added as a cosponsor. This is a good amendment.

Mr. BIDEN. Mr. President, I ask unanimous consent that my friend from Vermont, Senator LEAHY, be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, I might add, this is an unusual position to be in. I do not usually come to the floor on matters and try to lead an initiative on which I am not the guy who has done the most work. I have not done the most work on it. There are others, including Senator LEAHY and others, who have been out in front on this issue. But I do not want to see us go through this wrap-up without us actually facing up to the facts.

Let's know what we are doing. Mr. President, $90 million is better than nothing, but it is not the $188 million, which is probably too little anyway, that we already pledged. I am worried about the impact that will have on the rest of the world as we try to generate support because we need support.

Now, look, our former colleague, Senator Danforth, who we just confirmed today, played a leading role in the Sudan in helping settle one of the real difficult issues, which was the north-south problem. Now we have an east-west problem.

The fact is, he got the international community to step up and come forward in order to deal with this incredibly humanitarian crisis. It seems to me that notwithstanding the fact Mr. Natsios was forced to make the pledge for money to get the first piece done, the north-south piece, it is not going to inspire any contributions from our partners and donor communities. The Congress has to provide these emergency funds. This money will not stop the attacks. It will not do all we need to do. But it will give essential assistance to the victims of Khartoum's atrocities.

How many times have we stood around this floor, those who have been here for the better part of the last decade, and lamented our failure to act in the last catastrophic African crisis with the Hutus and the Tutsis? How many times have we talked about it? Bill Clinton writes about it: We wish we had done more. President Bush talks about it.

Let's not do this. Let's not step back. Let's not be here 5 years from now, 10 years from now saying: If we only had acted.

Again, I urge my colleagues to support this amendment. At the appropriate time, I will ask for the yeas and nays. The chairman of the committee indicated he had a very important commitment that required him to be off the floor but wanted me to make my statement and get it moved on. I will not engage in anymore debate on this issue.

At the appropriate time, when the chairman or whoever is going to respond to this amendment makes that response, I am ready for a vote.

In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SMITH). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BIDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3520, AS MODIFIED

Mr. BIDEN. Mr. President, I am going to send a modification to the desk in a moment. I will take 60 seconds to explain it. My staff had drafted the amendment for $188 million, which was a pledge by Mr. Natsios, before Mr. DEWINE's $90 million was accepted. So I am not asking for $188 million on top of that. The amendment I am sending to the desk asks for an additional $118 million above the 90 which, in fact, apparently the committee has already accepted.

So I send a modification to the desk and ask unanimous consent that the amendment be so modified to say $118 million instead of $188 million.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

(Purpose: To appropriate funds for bilateral economic assistance)

On page 118, between lines 4 and 5, insert the following:

TITLE X

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

INTERNATIONAL DISASTER AND FAMINE ASSISTANCE

For an additional amount for "International Disaster and Famine Assistance", $118,000,000, to remain available until expended: *Provided*, That funds appropriated by this paragraph shall be available to respond to the humanitarian crisis in the Darfur region of Sudan and in Chad: *Provided further*, That such amount is designated as an emergency requirement pursuant to section 502 of H. Con. Res. 95 (108th Congress).

Mr. BIDEN. I thank the Chair and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. AKAKA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AKAKA. Mr. President, I ask that I be permitted 15 minutes to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. AKAKA are printed in today's RECORD under "Morning Business.")

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I ask that this amendment be temporarily set aside so I can take care of some amendments we are prepared to offer. We will come right back to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3522

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of Senator DODD, and I ask that it be considered.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. DODD, for himself, and Mr. LIEBERMAN, proposes an amendment numbered 3522.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To make available, from amounts appropriated for Research, Development, Test, and Evaluation, Army, $10,000,000 for the Broad Area Unmanned Responsive Resupply Operations aircraft program)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH DEVELOPMENT, TEST, AND EVALUATION, ARMY", up to $5,000,000 may be available for the Broad Area Unmanned Responsive Resupply Operations aircraft program.

Mr. STEVENS. Mr. President, this is an amendment that provides up to $5 million for a program the Senator supports. I ask for its adoption.

The PRESIDING OFFICER (Mr. VOINOVICH). Without objection, the amendment is agreed to.

The amendment (No. 3522) was agreed to.

Mr. STEVENS. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3523

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of Senator NICKLES and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. NICKLES, proposes an amendment numbered 3523.

The amendment is as follows:

(Purpose: To make available from amounts appropriated for "Research, Development, Test, and Evaluation, Navy", $2,000,000 for Handheld Breath Diagnostics)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated by title under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY", up to $2,000,000 may be used for Handheld Breath Diagnostics.

Mr. STEVENS. Mr. President, this amendment provides up to $2 million for a program supported by the Senator. I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3523) was agreed to.

AMENDMENT NO. 3524

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of Senator LANDRIEU and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Ms. LANDRIEU, proposes an amendment numbered 3524.

The amendment is as follows:

(Purpose: To set aside an amount for the Joint Logistics Information System program for the automated scheduling tool)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY", up to $1,800,000 may be used for the Joint Logistics Information System program for the automated scheduling tool.

Mr. STEVENS. Mr. President, this amendment earmarks up to $1.5 million of funds under the bill, and I ask for its adoption.

The PRESIDING OFFICER. Without objection, the agreement is agreed to.

The amendment (No. 3524) was agreed to.

AMENDMENT NO. 3525

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of Senator BUNNING and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. BUNNING, proposes an amendment numbered 3525.

The amendment is as follows:

(Purpose: To set aside an amount for the Anti-Sniper Infrared Targeting System)

At the end of Title VIII, insert the following:

SEC. . Of the amount appropriated in Title IV under the heading "Research, Development, Test and Evaluation, Navy", up to $4,000,000 may be used for the Anti-Sniper Infrared Targeting System.

Mr. STEVENS. Mr. President, this amendment provides up to $4 million in funds available in the bill. I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. STEVENS. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3526

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of the distinguished Senator from Ohio, Mr. VOINOVICH, and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. VOINOVICH, for himself, and Mr. DEWINE, proposes an amendment numbered 3526.

The amendment is as follows:

(Purpose: To make available, from amounts appropriated for Research, Development, Test, and Evaluation, Army, $3,500,000 for Laser Peening for Army helicopters)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY" and available for End Item Industrial Preparedness Activities, up to $3,500,000 may be available for Laser Peening for Army helicopters.

Mr. STEVENS. Mr. President, this amendment earmarks funds available in the bill for projects supported by the current occupant in the chair, and I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3526) was agreed to.

Mr. STEVENS. I move to reconsider the vote, and I move to lay that motion on the table.

AMENDMENT NO. 3527

Mr. STEVENS. Mr. President, I send to the desk another amendment on behalf of the Senator from Ohio, Mr. VOINOVICH, and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. VOINOVICH, for himself, and Mr. DEWINE, proposes an amendment numbered 3527.

The amendment is as follows:

(To make available, from amounts appropriated for Research, Development, Test, and Evaluation, Air Force, $2,000,000 for All Composite Military Vehicles)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE", up to $2,000,000 may be available for Composites for Unmanned Air Vehicles.

Mr. STEVENS. Mr. President, this amendment earmarks up to $2 million from funds available under the bill, and I ask for its consideration.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. STEVENS. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3528

Mr. STEVENS. Mr. President, I send to the desk an amendment on behalf of Senator BOXER, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mrs. BOXER, proposes an amendment numbered 3528.

The amendment is as follows:

(Purpose: To make available, from amounts appropriated for Research, Development, Test, and Evaluation, Defense-Wide, $4,500,000 for development of the Suicide Bomber Detection System Using a Portable Electronic Scanning Millimeter-Wave Imaging RADAR)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE-WIDE", up to $4,500,000 may be available for development of the Suicide Bomber Detection System Using a Portable Electronic Scanning Millimeter-Wave Imaging RADAR.

Mr. STEVENS. Mr. President, this amendment earmarks up to $4.5 million from funds available in the bill, and I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3528) was agreed to.

Mr. STEVENS. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3529

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of the Senator from Montana, Mr. BURNS, and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. BURNS, proposes an amendment numbered 3529.

The amendment is as follows:

On page 161 of the Senate report:

"Of the funds available in Research, Development, Test and Evaluation, Navy, up to $3 million may be made available for the 'Mobile On-Scene Sensor Aircraft Intelligence Command, Control and Computer Center'."

Mr. STEVENS. Mr. President, this amendment earmarks up to $3 million in funds in the bill. I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3529) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3530

Mr. STEVENS. Mr. President, I send another amendment on behalf of Senator BURNS to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. BURNS, proposes an amendment numbered 3530.

The amendment is as follows:

On page 147 of the Senate report:

"Of the funds available in Research, Development, Test and Evaluation, Army, up to $2 million may be made available for 'Care of Battlefield Wounds'."

Mr. STEVENS. Mr. President, this amendment earmarks $2 million for research concerning battlefield wounds from funds available in the bill. I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3530) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3531

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of the Senator from Kansas, Mr. ROBERTS, and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. ROBERTS, proposes an amendment numbered 3531.

The amendment is as follows:

(Purpose: To make available, from amounts appropriated for "Research, Development, Test, and Evaluation, Army," $3,000,000 for the United States Army Intelligence and Security Command's Information Dominance Center)

At the appropriate place in the bill, insert the following:

SEC. . Of the amount appropriated or otherwise made available by title of this Act under the heading "Research, Development, Test, and Evaluation, Army," up to $3,000,000 may be available to establish redundant systems to ensure continuity of operations and disaster recovery at the United States Army Intelligence and Security Command's Intelligence Dominance Center.

Mr. STEVENS. Mr. President, this amendment earmarks funds available in the bill up to $3 million for the project the Senator supports. I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3531) was agreed to.

Mr STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3532

Mr. STEVENS. Mr. President, I send to the desk an amendment on behalf of Senator KYL and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. KYL, proposes an amendment numbered 3532.

The amendment is as follows:

(Purpose: To specify the availability of amounts for the Subterranean Target Identification Program)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amounts appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" and available for electronic warfare technology, up to $2,000,000 may be made available for the Subterranean Target Identification Program.

Mr. STEVENS. Mr. President, this amendment earmarks $2 million from funds available in the bill, and I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3532) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3533

Mr. STEVENS. Mr. President, I send another amendment to the desk on behalf of Senator KYL and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. KYL, proposes an amendment numbered 3533.

The amendment is as follows:

(Purpose: To specify the availability of amounts for the Program for Intelligence Validation)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amounts appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" and available for Defense Research Sciences, up to $2,000,000 may be made available for the Program for Intelligence Validation.

Mr. STEVENS. Mr. President, this amendment earmarks up to $2 million from research funds in the bill. I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3533) was agreed to.

AMENDMENT NO. 3534

Mr. STEVENS. Mr. President, I send to the desk an amendment on behalf of Senator KYL and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. KYL, proposes an amendment numbered 3534.

The amendment is as follows:

(Purpose: To express the sense of Congress on the continued development of an end-to-end point of care clinical diagnostic network to combat terrorism)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. It is the sense of the Senate that—

(1) funds appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE" for chemical and biological defense programs should be made available for the continued development of an end-to-end point of care clinical diagnostic network to combat terrorism; and

(2) such funds should be distributed to partnerships that combine universities and non-profit organizations with industrial partners to ensure the rapid implementation of such clinical diagnostic network for clinical use.

Mr. STEVENS. Mr. President, this amendment pertains to earmarking funds throughout a whole area of the Department. It does not provide additional funds. It specifies where the funds should be allocated, and we believe it is necessary. I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment will be agreed to.

The amendment (No. 3534) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3535

Mr. STEVENS. Mr. President, I send another amendment to the desk on behalf of Senator KYL and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. KYL, proposes an amendment numbered 3535.

The amendment is as follows:

(Purpose: To specify the availability of amounts for the Versatile, Advanced Affordable Turbine Engine)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amounts appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE" and available for aerospace propulsion and technology, up to $3,000,000 may be made available for the Versatile, Advanced Affordable Turbine Engine.

Mr. STEVENS. Mr. President, this amendment pertains to earmarking funds for the turbine engine from funds available in the bill. We believe it is necessary. I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3535) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3536

Mr. STEVENS. I send an amendment to the desk on behalf of Senator TALENT and ask for its adoption.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. TALENT, proposes an amendment numbered 3536.

The amendment is as follows:

Purpose: To make available, from amounts appropriated for Research, Development, Test, and Evaluation, Air Force, $5,000,000 for X-43C development

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE", up to $5,000,000 may be available for X-43C development.

Mr. STEVENS. This earmarks up to $5 million for research and development. We believe it is a proper amendment, and I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3536) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3537

Mr. STEVENS. I send an amendment to the desk on behalf of Senator PRYOR and ask for its adoption.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. PRYOR, for himself, Mrs. DOLE, and Mrs. LINCOLN, proposes an amendment numbered 3537.

The amendment is as follows:

(Purpose: To make available from amounts appropriated for Research, Development, Test, and Evaluation, Defense-Wide, $5,000,000 for medical equipment and combat casualty care technologies)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE-WIDE", up to $5,000,000 may be available for medical equipment and combat casualty care technologies.

Mr. STEVENS. This amendment earmarks up to $5 million in the bill. It is acceptable to the managers of the bill. I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3537) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3538

Mr. STEVENS. I send an amendment to the desk on behalf of Senator SUNUNU and ask that it be adopted.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. SUNUNU, proposes an amendment numbered 3538.

The amendment is as follows:

At the appropriate place, insert the following:

Of the funds appropriated, up to $2,000,000 may be available for the Advanced Composite Radome Project.

Mr. STEVENS. This amendment earmarks up to $2 million for a Radome project, and we are prepared to accept the amendment. I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3538) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3539

Mr. STEVENS. I send to the desk an amendment on behalf of Senator LEVIN pertaining to Wurtsmith Air Force Base.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. LEVIN, proposes an amendment No. 3539.

The amendment is as follows:

(Purpose: To authorize the demolition of facilities and improvements on certain military installations approved for closure under the defense base closure and realignment process)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Notwithstanding any other provision of law, the Secretary of the Air Force may, using funds available to the Air Force, demolish or provide for the demolition of any facilities or other improvements on real property at the former Wurtsmith Air Force Base.

Mr. STEVENS. This directs that funds available to the Department be used for certain proposals on that Air Force base. We have examined it, and we are prepared to recommend the adoption of that amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3539) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3540

Mr. STEVENS. I send to the desk an amendment on behalf of Senator CONRAD and ask that it be adopted.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. CONRAD, proposes an amendment numbered 3540.

The amendment is as follows:

(Purpose: To set aside an amount for F-16 Theater Airborne Reconnaissance System upgrades)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated by title III under the heading "AIRCRAFT PROCUREMENT, AIR FORCE", up to $7,000,000 may be available for F-16 Theater Airborne Reconnaissance System upgrades.

Mr. STEVENS. This earmarks up to $7 million for a project the Senator supports from funds available within the bill. It does not increase funds. I ask for its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3540) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that Senator BURNS be added as an original cosponsor of amendment 3490.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3541

Mr. STEVENS. I send an amendment to the desk on behalf of Senator KOHL, which relates to authorizing the reprogramming of funds available to the Secretary for industrial technical services and ask that it be considered.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. KOHL, for himself, and Mr. REED, proposes an amendment numbered 3541.

The amendment is as follows:

(Purpose: To ensure the availability of sufficient fiscal year 2004 funding for the Manufacturing Extension Partnership program of the National Institute of Standards and Technology)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. For the purposes of applying sections 204 and 605 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2004 (division B of Public Law 108-199) to matters in title II of such Act under the heading "NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY" (118 Stat. 69), in the account under the heading "INDUSTRIAL TECHNOLOGY SERVICES", the Secretary of Commerce shall make all determinations based on the Industrial Technology Services funding level of $218,782,000 for reprogramming and transferring of funds for the Manufacturing Extension Partnership program and may submit such a reprogramming or transfer, as the case may be, to the appropriate committees within 30 days after the date of the enactment of this Act.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3541) was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3520, AS MODIFIED

Mr. STEVENS. Mr. President, with the exception of two items we may receive, that is the last of the amendments that have been called to our attention. I would inquire whether it would be in order for the managers of the respective sides of the aisle to return to the Biden amendment now and ask for a vote on the Biden amendment.

Is there any impediment to having a vote now, may I inquire of staff?

The PRESIDING OFFICER. The amendment is now pending.

Mr. STEVENS. Is the amendment now pending?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. Today, the Senate approved $70 million for disaster assistance and $25 million for refugee assistance, a total of $95 million to Sudan. This is an amount the House approved and the level the State Department informed our staff was necessary to carry the much needed food and other support for Darfur through spring of next year. This is the amount they efficiently execute and use in this year. In the spring, the State Department, with USAID and the U.N., will reassess the situation and determine if additional emergency funds are requested.

We have already declared an emergency for Sudan for $95 million. If we approved Senator BIDEN's amendment, this will be above the $188 million that State and USAID have already pledged for the 2005 funds. These funds will be allocated in the 2005 Foreign Operations bill, not this bill. In other words, we have added $95 million for disaster assistance from this Defense appropriations bill on an emergency basis to the Sudan. There already are requests before our Appropriations Committee under the Foreign Operations bill, a request for $188 million, which will come before the Senate in due course.

It is my request to our colleagues to stand by the $95 million we have added to the disaster assistance and refugee assistance provisions of our basic funding for the State Department. We have added to it already in the Defense bill. We approved that today. That is the amount that is in the House bill, and I do not believe we should go beyond the emergency level we have already agreed to, which was supported by both of our leaders.

I point out further that the U.N. appeal for Darfur for 2004 has led to $307 million as of June 3 of this year. That is now being revised upward to an estimated $349 million available. Excluding the U.S. Government, other donors pledged $134 million in Geneva. The U.S. Government pledge was for the remainder of fiscal year 2004 and 2005, and we have already exceeded that pledge. There is $245 million pledged from all the above donors, in addition to the contribution of the United States.

We have an enormous program going on on behalf of our Government. We have added $95 million to the $188 million. We are already ahead of the rest of the world, and we think we should not go further on this bill. If there are further emergency funds that are necessary, they should be added to the foreign assistance bill or the State Department bill when those bills come before the Senate but not to the Defense bill. This Defense bill is already amended at the request of both the majority leader and minority leader, the Senator from Ohio, and many others, to add $95 million. It is my position that we should not go further at this time. We should wait for the consideration of the other bills as far as additional emergency funds, if they are needed.

These funds cannot be needed before we will consider the supplemental after the first of 2005. Besides that, we still have to consider the 2005 regular bill for both State-Justice-Commerce and the foreign assistance bill. This is no place for this item. It is not an emergency to go beyond $95 million.

Does the Senator from Hawaii wish to make any statement?

I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. I wish to associate myself with the statement of the Senator from Alaska.

Mr. STEVENS. Mr. President, I move to table the Biden amendment, and I ask that we have a time for other Senators to become aware of the fact that we will have a vote. I ask unanimous consent that the vote commence at 5:30.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. STEVENS. I ask unanimous consent that it be in order at this time for me to have the yeas and nays on my motion to table this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3542

Mr. STEVENS. Mr. President, I have been informed there is another amendment that has been cleared. This is an amendment on behalf of Senator DEWINE, pertaining to a report on mental health services available to the armed services. I ask this amendment be considered at this time.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. DEWINE, proposes an amendment numbered 3542.

The amendment is as follows:

(Purpose: To require reports on mental health services available to members of the Armed Forces of the United States and their dependents)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. (a)(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on mental health services available to members of the Armed Forces and their dependents.

(2) The report required under paragraph (1) shall include the following:

(A) A comprehensive review of mental health services that are available—

(i) to members of the Armed Forces who are deployed in combat theaters;

(ii) to members of the Armed Forces at any facilities in the United States; and

(iii) to dependents of members of the Armed Forces during and after deployment of members overseas.

(B) Data on the average number of service days since September 11, 2001, on which members of the Armed Forces were absent or excused from duty for mental health reasons.

(C) A description of the current procedures for reducing the negative perceptions among members of the Armed Services that are often associated with mental health counseling.

(D) A description of—

(i) the mental health services available to members of the Armed Forces, including members of the reserve components, and their dependents; and

(ii) the barriers to access to such services.

(E) An analysis of the extent to which the Secretary of the Army has implemented the recommendations on mental health services that were made by the Mental Health Advisory Team of the Army on March 25, 2004.

(F) A plan for actions that the Secretary determines appropriate for improving the delivery of appropriate mental health services to members of the Armed Forces and their dependents.

(b) Not later than 360 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report that describes—

(1) the actions taken to implement the plan submitted under subsection (a)(2)(F); and

(2) the reasons why actions in the plan have not been completed, if any.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3542) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask no second-degree amendments be in order to the Biden amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3543

Mr. STEVENS. Mr. President, I have another amendment. It is on behalf of Senator FEINSTEIN. I ask unanimous consent that the pending amendment be set aside temporarily so we might consider Senator FEINSTEIN's amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mrs. FEINSTEIN, proposes an amendment numbered 3543.

The amendment is as follows:

(Purpose: To make available, from amounts appropriated for Research, Development, Test, and Evaluation, Navy, $5,000,000 for support of the TIGER pathogen detection system)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY", up to $5,000,000 may be available for support of the TIGER pathogen detection system.

Mr. STEVENS. This pertains to the earmarking of funds for pathogen research. We support that amendment and ask that it be adopted.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3543) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3544

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I send to the desk a technical amendment on behalf of Senator BYRON DORGAN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. DORGAN, proposes an amendment numbered 3544.

The amendment is as follows:

(Purpose: To provide funds for the North Dakota State School of Science, Bismarck State College, and Minot State University)

At the appropriate place, insert the following:

SEC. . FUNDING FOR NORTH DAKOTA STATE SCHOOL OF SCIENCE, BISMARCK STATE COLLEGE, AND MINOT STATE UNIVERSITY.

(a) RESCISSION.—There is rescinded an amount equal to $795,280 from the amount appropriated to carry out part B of title VII of the Higher Education Act of 1965, in title III of division E of the Consolidated Appropriations Act, 2004 (Public Law 108–199; 118 Stat. 3) This amount shall reduce the funds available for the projects specified in the statement of the managers on the Conference Report 108–401 accompanying the Consolidated Appropriations Act, 2004 (Public Law 108–199; 118 Stat. 3).

(b) DISREGARD AMOUNT.—In the statement of the managers on the Conference Report 108–401 accompanying the Consolidated Appropriations Act, 2004 (Public Law 108–199; 118 Stat. 3), in the matter in title III of division E, relating to the Fund for the Improvement of Postsecondary Education under the heading "Higher Education", the provision specifying $800,000 for Wahpeton State School of Science and North Dakota State University to recruit, retain and train pharmacy technicians shall be disregarded.

(c) APPROPRIATION.—There is appropriated an amount equal to $795,280 to the Department of Labor, Employment and Training Administration for "Training and Employment Services," available for obligation for the period from July 1, 2004, through June 30, 2005, of which—

(1) $200,000 shall be made available to the North Dakota State School of Science to recruit, retain, and train pharmacy technicians;

(2) $297,640 shall be made available to Bismarck State College for training and education related to its electric power plant technologies curriculum; and

(3) $297,640 shall be made available for Minot State University for the Job Corps Fellowship Training Program.

Mr. INOUYE. Mr. President, this is to correct certain errors that were in the original bill.

Mr. STEVENS. I am familiar with this amendment. We are prepared to accept the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3544) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3545

Mr. INOUYE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the clerk will report.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] proposes an amendment numbered 3545.

The amendment is as follows:

(Purpose: To set aside an amount for small business development and transition)

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY", up to $2,500,000 may be used for small business development and transition.

Mr. INOUYE. This amendment is to earmark some of the $2.5 million for research and development for the Department of Defense. It has been cleared on both sides.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3545) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that following the vote on the Biden amendment, no further business other than a colloquy or colloquies that I have to offer for the RECORD be in order, and that the Senate immediately go to third reading and final passage of this bill.

Mr. REID. Mr. President, I ask the chairman's request be modified: Or whatever the two managers agree on? Because there may be something.

Mr. STEVENS. Very well, I will amend that request: Unless there are other matters offered based on unanimous consent approved by both managers, that we immediately go to third reading and final passage of the bill following the Biden amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. STEVENS. I ask it be in order to get the yeas and nays on passage of the bill.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. I suggest the absence of a quorum for 3 minutes.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. It has been requested I ask this vote commence immediately. I ask unanimous consent that we start the vote on the Biden amendment. This is a motion to table the Biden amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCONNELL. I announce that the Senator from Indiana (Mr. LUGAR) is necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER (Mr. CHAMBLISS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 53, nays 45, as follows:

[Rollcall Vote No. 148 Leg.]

YEAS—53

Alexander
Allard
Allen
Baucus
Bennett
Bond
Brownback
Bunning
Burns
Byrd
Campbell
Chafee
Chambliss
Cochran
Coleman
Collins
Cornyn
Craig
Crapo
Dole
Domenici
Ensign
Enzi
Fitzgerald
Frist
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hollings
Hutchison
Inhofe
Inouye
Kyl
Lott
McCain
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith
Snowe
Stevens
Sununu
Talent
Thomas
Voinovich
Warner

NAYS—45

Akaka
Bayh
Biden
Bingaman
Boxer
Breaux
Cantwell
Carper
Clinton
Conrad
Corzine
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham (FL)
Harkin
Jeffords
Johnson
Kennedy
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Pryor
Reed
Reid
Rockefeller
Sarbanes
Schumer
Specter
Stabenow
Wyden

NOT VOTING—2

Kerry
Lugar

The motion was agreed to.

Mr. STEVENS. I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from California is recognized.

CHANGE OF VOTE

Mrs. FEINSTEIN. Mr. President, I beg the indulgence of the Chair. If I may, on rollcall No. 148, I voted "aye". It was my intention to vote "nay". Therefore, I ask unanimous consent that I be permitted to change my vote since it will not affect the outcome.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I ask unanimous consent that Senator BURNS be removed as a cosponsor of amendment No. 3490.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I have a list of the members of the subcommittee staff for the Defense Appropriations Subcommittee who have worked so hard on this bill. So often, Senator INOUYE and I as the cochairmen of the committee get credit for what is done, but I think we have the hardest working staff in the Congress. They have done an admirable job, and we have a fair and balanced bipartisan bill. I ask unanimous consent that the list of their names be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEFENSE SUBCOMMITTEE STAFF

Charlie Houy, Betsy Schmid, Nicole Diresta, Kraig Siracuse, Tom Hawkins, Alycia Farrell, Lesley Kalan, Jennifer Chartrand, Brian Wilson, Brian Potts, Kate Kaufer, Mazie Mattson, Janelle Treon, Steve Wacakaski, Bob Henke, and Sid Ashworth.

FUNDING EMBASSY-BAGHDAD OPERATIONS

Mr. HAGEL. I understand the State Department expects to fund the Embassy-Baghdad operations using emergency spending in Fiscal Year 2005. It is also my understanding that Senate Appropriations Committee agrees with the State Department on this issue.

The House version of the Fiscal Year 2005 Defense Appropriations bill includes $665 million in emergency spending for the Department of State to fund Embassy-Baghdad operations, IT costs, logistical support, and security requirements. Chairman STEVENS and Senator GREGG, and I understand that the Senate Defense Appropriations Committee will accept the House position on funding Embassy-Baghdad operations, IT costs, logistical support, and security requirements during the upcoming conference. I appreciate the support from Chairman STEVENS and Senator GREGG on this matter.

Mr. STEVENS. I agree with the Senator from Nebraska. The State Department has traditionally administered the funds necessary for embassy operations. Although the Senate bill does not allocate the funds to the State Department, we will do our most to support the House language in conference on this matter to ensure the State Department retains the authority to obligate the subject funds.

Mr. GREGG. I agree with Chairman STEVENS. We will do our most to support the House language. We are both aware of the significant funding needs the State Department is facing in the construction of a U.S. Embassy in Baghdad. I hope the Secretary of State will act expeditiously to address this funding need.

RAPID EQUIPPING FORCE

Mr. COCHRAN. Mr. President, I commend the chairman and the committee staff for their outstanding work in bringing this legislation to the Senate for consideration.

Mr. STEVENS. I thank the Senator for his kind comments.

Mr. COCHRAN. I note that the committee included funding in the Defense Appropriations bill to address the threat of Improvised Explosive Devices, IEDs, in the Iraq theater. Specifically, I am referring to the inclusion in Title IX of the bill which appropriates $25,000,000 for a force protection initiative using the Rapid Equipping Force concept.

Mr. STEVENS. The Senator is correct.

Mr. COCHRAN. It is my understanding that the money is to be used to help our deployed soldiers fight the current IED threat that we hear so much about in the war in Iraq.

Mr. STEVENS. That is the purpose of the appropriation.

Mr. COCHRAN. Would this money also be used to address the force protection issues of counter-fire and detection techniques that exist in the technology base, such as sensor technologies that have demonstrated real-time detection, classification and location of enemy fire?

Mr. STEVENS. The Senator's understanding is correct. These funds are also envisioned to be used for these types of force protection initiatives.

Mr. COCHRAN. I thank the Senator for his clarification of this issue.

M1A2 SEP TANK MODERNIZATION

Mr. SPECTER. Mr. President, I would like to take this opportunity to thank Chairman STEVENS for his leadership in ensuring the rapid modernization of our land combat forces both in the FY 2005 Defense Appropriations bill as well as the Contingent Emergency Reserve Fund. I would also like to take a moment to address the urgent need to fund continued modernization of the M1 Abrams main battle tank fleet.

It is encouraging that this Committee has taken a leadership role in resourcing the modernization of the Army's armored forces with the M1A2 SEP tank, the most modern battle tank in the world. As proven in its deployment to Iraq, the M1A2 SEP is designed for decisive combat and net-centric warfare; indeed, it represents a revolution in armored warfare. Is the Chairman aware of the capabilities afforded by the M1A2 SEP tank?

Mr. STEVENS. I am aware of the M1A2 SEP and its capabilities.

Mr. SPECTER. We have encouraged the Army to pure fleet its first-to-fight armored units with M1A2 SEP tanks primarily to ensure overwhelming lethality and survivability but also to reduce the logistics burden on our soldiers. However, it has come to my attention that the Army does not intend to pure fleet its armored forces with M1A2 SEP tanks. In fact, under the Army's current plan, the 3rd Infantry Division—which spearheaded Operation Iraqi Freedom—will continue to cope with M1A1 tanks that were produced 20 years ago. Is the Chairman aware of this fact?

Mr. STEVENS. I am.

Mr. SPECTER. I thank the Senator. I would also point out that 3rd Infantry Division is the first division to transform to a new force structure the Army calls modularity and also is likely to be called upon to return to Iraq within the next year. It strikes me as ironic that the Army's premier armored unit lacks the combat punch and network capability of the rest of the Army's major armored forces. Finally, there is the issue of the tank industrial base. In the next few months, the last Abrams Upgrade tank will roll off the production line, representing the end of significant tank work in this country. In late 2006, the last M1A2 SEP Retrofit tank—a less complex upgrade—will be produced for the 3rd Armored Cavalry Regiment. Absent funding in FY 2005 for continued tank production, the U.S. tank industrial base will cease to exist. We ignore the implications of this action at our own peril.

Mr. President, I urge the Chairman to consider the modernization of the 3rd Infantry Division with M1A2 SEP tanks.

FUTURE TACTICAL TRUCK SYSTEM

Mr. LEVIN. Mr. President, today we have before us S. 2559, the Fiscal Year 2005 Defense Appropriation bill. Included in this bill is important funding for a variety of tactical wheeled vehicle programs including the Future Tactical Truck System, FTTS. FTTS is an important program supported by the Army's National Automotive Center that will develop technologies that can increase the range, durability and survivability of our military tactical wheeled vehicle fleet. These advances will ensure that as the Army transforms itself it will have a technologically advanced tactical wheeled vehicle fleet that can best meet our Nation's security needs. I would ask my good friend, the Chairman of the Senate Appropriations Committee, if he is aware of this important program?

Mr. STEVENS. Mr. President, I join my good friend from Michigan in his support for this program and the National Automotive Center. I understand the Army and the Office of the Secretary of Defense have confirmed that the FTTS program is on track and possesses a transition pathway that will enable the insertion of new technologies into the Army's tactical wheeled vehicle fleet. These technologies will enable the Army to field a lighter, more mobile and more effective fighting force.

Mr. LEVIN. I thank my friend from Alaska, and agree with his characterization. I believe that this program is making important technical advances that will greatly benefit the Army. I am particularly appreciative of the committee's recommendation to increase the investment in the Army's Heavy Tactical Vehicles program, in order to support the transition of these types of technologies into Army systems, consistent with the Army's Tactical Wheeled Vehicle Strategy. However, I am concerned that the bill we are considering this program by $5 million. Such a cut would undermine this program and hinder efforts to further develop revoluntary technologies while defining the future scope of this program.

Mr. STEVENS. I concur with the Senator from Michigan. This is an important program, and I support investing in the FTTS science and technology efforts at the National Automotive Center at the level requested by the President. I assure him that I will work in conference to fund this program at the President's Budget request.

Mr. LEVIN. I thank the distinguished Chairman for this support.

Mr. NICKLES. Mr. President, the Department of Defense appropriations bill for FY 2005, S. 2259, as reported by the Senate Committee on Appropriations, provides $384.012 billion in budget authority and $401.785 billion in outlays in FY 2005 for the Department of Defense. Of these totals, $239 million is for mandatory programs in FY 2005.

Additionally, the bill provides $7.158 billion in budget authority and $7.054 billion in outlays in FY 2005, which are designated as emergency requirements.

The bill further provides $25 billion in budget authority in FY 2004, which is also designated as an emergency requirement. This budget authority generated $18.798 billion in outlays in FY 2005.

The bill provides total discretionary budget authority in FY 2005, including emergencies, of $390.931 billion. This amount is $1.684 billion less than the President's request and equal to the 302(b) allocation adopted by the House of Representatives.

I commend the distinguished chairman of the Appropriations Committee for bringing this legislation before the Senate, and I ask unanimous consent that a table displaying the Budget committee scoring of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2559, 2005 DEFENSE APPROPRIATIONS—SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 2005, $ millions]

	General purpose	Mandatory	Total
Senate-reported bill:[1]			
Budget authority	383,773	239	384,012
Outlays	401,546	239	401,785
House 302(b) allocation:[2]			
Budget authority	390,931	239	391,170
Outlays	415,987	239	416,226
2004 enacted:			
Budget authority	431,218	226	431,444
Outlays	423,935	226	424,161
President's request:			
Budget authority	392,615	239	392,854
Outlays	418,639	239	418,878
Senate-Reported bill compared to:			
House 302(b) allocation:			
Budget authority	−7,158	0	−7,158
Outlays	−14,441	0	−14,441
2004 enacted:			
Budget authority	−47,445	13	−47,432
Outlays	−22,389	13	−22,376
President's request:			
Budget authority	−8,842	0	−8,842
Outlays	−17,093	0	−17,093

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with scorekeeping conventions.

[1] In addition to the amounts shown above, the bill includes $18.798 billion in emergency outlays in 2005 flowing from the $25 billion supplemental for 2004 (Title IX). The bill contains other emergencies for 2005 totaling $7.158 billion in budget authority and $7.054 billion in outlays. Including all emergencies, the bill totals $416.170 billion in budget authority and $427.657 billion in outlays in 2004 and 2005.

[2] This table compares Senate action to the House 302(b) allocation for information purposes only, not for budget enforcement purposes. The House has deemed 302(b) allocations for 2005 based on the 302(a) appropriations allocation set out in the conference agreement on S. Con. Res. 95, the 2005 budget resolution, which the House has passed.

Mrs. BOXER. Mr. President, breast cancer is the second leading cause of cancer death in the United States today, and about 40,000 women will die from the disease this year. It is important that we maintain funding in 2005 for the Department of Defense's Breast Cancer Peer Reviewed Research Program.

The program has funded groundbreaking research, including the discovery of the drug Herceptin, which prolongs the lives of women with a particularly aggressive type of advanced breast cancer. This drug could not have been developed without research that was funded in part by the DOD Breast Cancer Research Program. This is a program, I should add, in which 90 percent of the funds go directly to research.

An overwhelming, bipartisan majority in the Senate supports this program every year. This year 66 Senators signed a letter to appropriators urging the continuation of the DOD Breast Cancer Peer Reviewed Research Program earmark at a funding level of $150 million for FY '05.

Mr. President, as we proceed to conference on the Department of Defense Appropriations bill, I urge my colleagues to maintain this level of funding for breast cancer research.

Mr. JOHNSON. Mr. President, I rise today to bring attention to an important program that could be facing fiscal shortfalls if we do not make necessary corrections. I am referring to my support for the Department of Defense Peer-Reviewed Breast Cancer Research Program. This program is a proven success and I support a $150 million earmark for the DOD Peer Reviewed Breast Cancer Research Program for fiscal year 2005.

The American Cancer Society estimates that in 2004 there will be 668,470 women diagnosed with cancer. Of this overall estimate of cases, 32 percent will be breast cancer. The 2004 estimated deaths from breast cancer will be 15 percent. These statistics only reemphasize the importance of cancer research, and our continued need to fund efforts that will ultimately eliminate the number of deaths from breast cancer.

Department of Defense Peer-Reviewed Breast Cancer Research Program is a one-of-a-kind research program that uses an innovative grants structure which brings scientists and consumers together to make key policy decisions about breast cancer research. Since its inception 12 years ago, this far-reaching, influential program has literally changed the way breast cancer research is done. The program has funded groundbreaking research, including the discovery of the drug Herceptin, which prolongs the lives of women with a particularly aggressive type of advanced breast cancer. This drug could not have been developed without research that was funded in part by the DOD Peer Reviewed Breast Cancer Research Program. New approaches and innovations in research, such as these, are the keys to finding a cure.

Not only is this program on the cutting edge of breast cancer research, but also is extremely streamlined. Every penny spent by this program and the researchers who receive funding are accounted for at a public meeting every 2 years. Ninety percent of the funds go directly to research and only 10 percent are used for administrative costs. I applaud this type of fiscal efficiency and hope that more research programs will be able to learn from the structure of this program.

An overwhelming, bipartisan majority in the Senate supports this program every year. This year, 66 Senators, including myself, signed a letter addressed to the Senate Appropriations Committee urging the continuation of the DOD Breast Cancer Peer Review Research Program earmark with level funding of $150 million for FY '05.

Unfortunately, the language in the Senate Department of Defense Appropriations Act for fiscal year 2005 threatens the funding and unique structure of the Breast Cancer Peer Reviewed Research Program. The Senate bill combines all of the congressionally directed cancer research programs into one account and reduces the total funding available to all.

As written, the Senate bill seriously threatens the integrity of the DOD breast cancer research program and will dismantle its one-of-a-kind peer review process involving patients and consumers that makes the program so successful and unique. The proposal will force cancer groups to compete with one another for reduced funding. And, a particularly dangerous component of the proposal is that it transfers funding to other cancer projects that are not recommended by a scientific peer reviewed process.

Mr. President, we cannot afford to cut any cancer research programs, especially when the President's budget is planning to only increase the National Institutes of Health by $728 million, and increase the National Cancer Institute budget by only $100 million, which both fall short of previous years' requests. In addition the President's budget cuts funding to the Centers for Disease Control and Prevention by $408 million. This proves troublesome for CDC programs, such as the National Breast and Cervical Cancer Early Detection Program which assists in funding State programs that help uninsured women undergo screenings for breast and cervical cancer. These inadequate funding requests fall drastically short of what the Institutes and CDC need in order to carry out their cancer research and assistance. This only reiterates why we must preserve critical programs such as the Department of Defense Peer-Reviewed Breast Cancer Research Program. I therefore call upon conferees to support the language passed in the House version of the Fiscal Year 2005 Department of Defense Appropriations Act.

Mr. HARKIN. Mr. President, I rise today in support of the Department of Defense, DOD, Peer Reviewed Breast Cancer Research Program. Almost 12 years ago, when I looked into the issue of breast cancer research, I discovered that barely $90 million in Federal funds was spent on breast cancer research. So I joined with Senator Alfonse D'Amato, R-NY, on legislation to dedicate specific money from the DOD budget for breast cancer research. The legislation passed and overnight it doubled Federal funding for breast cancer research. Since then, funding for breast cancer research has been included in the Defense Department budget every year.

Unfortunately, the language in the Senate Department of Defense Appropriations Act for fiscal year 2005 threatens both the existing funding and the current structure of the Breast Cancer Peer Reviewed Research Program. The Senate bill combines all of the congressionally directed cancer research programs into one account and then reduces the total funding available. This will inevitably lead to a major cut in funding for this important program.

The DOD Peer Reviewed Breast Cancer Research Program has been an unqualified success in providing innovative approaches to breast cancer prevention, detection and treatment. Over the past several years, we have made a great deal of progress against breast cancer, but there is still a long way to go.

More than 258,000 women are expected to be diagnosed with breast cancer and another 40,000 deaths are likely to result from this deadly cancer. Now is not the time to jeopardize a successful program that is critical to winning the battle against breast cancer.

As the Department of Defense Appropriations Act for fiscal year 2005 goes to conference, I plan to work to preserve the current structure and funding for this critical breast cancer research program. I urge my colleagues to support the language passed in the House and support a $150 million earmark for the DOD Peer Reviewed Breast Cancer Research Program for fiscal year 2005.

Mr. CORZINE. Mr. President, I support the Department of Defense, DoD, Peer-Reviewed Breast Cancer Research Program. This program is a proven success and I support a $150 million earmark for the DoD Peer Reviewed Breast Cancer Research Program for fiscal year 2005.

This one-of-a-kind research program uses an innovative grants structure that brings scientists and consumers together to make key policy decisions about breast cancer research. Since its inception 12 years ago, this far-reaching, influential program has literally changed the way breast cancer research is done. It has become a model that other research programs have sought to replicate.

The program has funded groundbreaking research, including the discovery of the drug Herceptin, which prolongs the lives of women with a particularly aggressive type of advanced breast cancer. This drug could not have been developed without research that was funded in part by the DoD Breast Cancer Research Program.

Not only is this program on the cutting edge of breast cancer research, but also is extremely streamlined. Every penny spent by this program and the researchers who receive funding are accounted for at a public meeting every 2 years. Ninety percent of the funds go directly to research and only 10 percent are used for administrative costs. This kind of efficiency and prudence in spending is unheard of in other federally funding research programs.

An overwhelming, bipartisan majority in the Senate supports this program every year. This year, 66 Senators signed the letter addressed to appropriators urging the continuation of the DoD Breast Cancer Peer Review Research Program earmark with level funding of $150 million for fiscal year 2005.

Unfortunately, the language in the Senate Department of Defense Appropriations Act for fiscal year 2005 threatens the funding and unique structure of the Breast Cancer Peer Reviewed Research Program. The Senate bill combines all of the congressionally Directed Cancer Research Programs into one account and reduces the total funding available to all.

Because the Senate version lumps all the cancer programs into one pot, rather than maintaining separate earmarks, the proposal will have multiple, negative outcomes. As written, the Senate bill seriously threatens the integrity of the DoD breast cancer research program and will dismantle its one-of-a-kind peer review process involving patients and consumers that makes the program so successful and unique. The proposal will force cancer groups to compete with one another for reduced funding. And, a particularly dangerous component of the proposal is that it transfers funding to other cancer projects that are not recommended by a scientific peer reviewed process.

We should ensure that all of the DoD's cancer research programs are fully funded. These programs play a critical role in the development of treatments and potential cures for cancer.

As the Department of Defense Appropriations Act for fiscal year 2005 goes to conference, I urge my colleagues to support the language passed in the House and preserve this critical program for breast cancer research.

Mr. SCHUMER. Mr. President, I rise today in support of the tradition of line-item funding for cancer research programs in the Department of Defense, DOD, appropriations bill. This practice has been abandoned in the fiscal year 2005 legislation before us now, and I fear that this could do great damage to the advances in cancer treatment that our scientists are working so hard to achieve every day.

The DOD Peer-Reviewed Research Programs provide funding for critical, life-saving research on breast cancer, prostate cancer, and ovarian cancer. Each of these is a devastating illness that challenges hundreds of thousands of new patients and their families every year. The Peer-Reviewed Research Programs are essential to bringing these families hope and new opportunities in cancer treatments.

The prostate cancer research program uses an innovative grants structure that brings scientists and consumers together to make key policy decisions about prostate cancer research. Since its inception 8 years ago, this far-reaching, influential program has literally changed the way prostate cancer research is done. It has become a model that other research programs have sought to replicate.

In recent years, the DOD breast cancer program funded groundbreaking research, such as the discovery of the drug Herceptin, which prolongs the lives of women with a particularly aggressive type of advanced breast cancer. This drug could not have been developed without research that was funded in part by the DOD breast cancer research program.

Like its counterparts for prostate cancer and breast cancer, the Ovarian Cancer Research Project fosters collaborative efforts and long-term institutional commitments to ovarian cancer research focusing on prevention and early detection, which are key to the development of a sustained commitment to ovarian cancer research.

Not only am I deeply disturbed by the cuts to these programs in the Senate bill, but it is my belief that given the Department of Defense's proven track record in conducting effective, efficient research to combat cancers and find new cures, the Department's efforts should instead be expanded to include desperately-needed research on other forms of the disease, including kidney cancer.

For a disease that has received very little research funding to date, kidney cancer affects a surprisingly large number of people. In 2003, 36,000 new cases were diagnosed, an increase of 12 percent over the previous year, while more than 12,000 individuals died of the disease. Supplementing current kidney cancer research funding with additional money from the Department of Defense would be a significant step toward providing meaningful treatments for kidney cancer patients.

My colleagues on both sides of the aisle have shown broad support for these programs in the past, urging the Senate to continue its support of each individual program. Many of us signed letters requesting that each program continue to receive at least the same amount of funding it received last year, which would have been consistent with the bill passed earlier this week by the House of Representatives.

The House language is not ideal. It funds each of the three Peer-Reviewed Research Programs at last year's levels, ignoring inflation and the increased cost of research. However, the House provision is far superior to a Senate version that forces cancer research programs to compete for a decreased amount of funding.

As the Department of Defense Appropriations Act for Fiscal Year 2005 goes to conference, I urge my colleagues to support the language passed in the House and preserve the integrity of each of these critical Peer-Reviewed Research Programs.

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

● Mr. KERRY. Mr. President, as ranking democrat on the Committee on Small Business and Entrepreneurship, I want to discuss two amendments that were included in the Defense Department Fiscal Year 2005 authorization bill, which passed yesterday. These amendments will ensure that small businesses are included in the analysis of policies that affect the procurement strategies or affect the technology and industrial base of this Nation. Before I discuss these amendments, however, I would like to thank the committee's chair, Senator OLYMPIA SNOWE, for her leadership, and for working hand-in-hand with me on these amendments that are vital to ensuring that small businesses continue to have a voice in the Federal procurement arena.

The Department of Defense is the largest purchaser of goods and services in the Federal Government. As a result, they are the driving force behind Federal agencies' ability to meet the Government-wide small business contracting goal of 23 percent. The Defense Authorization Act of 2004 included a provision requiring the administrator of the Office of Federal Procurement Policy, OFPP, to establish an advisory panel to review the laws and regulations regarding the use of commercial practices, performance-based contracting, the performance of acquisition functions across agency lines, and the use of Government-wide acquisition contracts, also known as GWACS.

Many small businesses have contacted my office regarding the negative impact these GWACS have been having on their ability to compete for Federal contracts. They are concerned that GWACS are being disproportionately awarded to larger firms, denying small business their fair share of contracts. The amendment, offered by Senators SNOWE, COLEMAN and myself, expands the authority of the advisory panel to include a report on the impact these tools have on small business concerns. It also allows the panel to offer recommendations regarding laws, regulations and policies they believe would afford small businesses increased opportunities to participate in the Federal procurement arena.

With respect to the second amendment, I want to commend Senator BYRD for taking the initiative to develop an amendment to ensure that small businesses have a voice with respect to Federal Government work on the future of the national technology and industrial base.

The DoD Authorization bill includes a provision establishing a Commission on the Future of the National Technology and Industrial Base. The duties of this 12-member, Presidentially-appointed commission include studying the issues associated with the future of the national technology and industrial base in the global economy. This study is particularly important with respect to the effect of our national technology and industrial base on United States national security and for assessing the future ability of meeting the objectives outlined in the bill. This amendment adds a provision to the study that will require that the role of small business concerns in strengthening the national technology and industrial base is incorporated in the report, due no later than March 1, 2007.

Small businesses have proved time and time again that they can provide the goods and services needed by the Federal Government, often more efficiently and more cost effectively than their large competitors. Unfortunately, they are consistently treated as an afterthought or completely ignored when the Federal Government considers procurement policies outside of the Small Business Administration. While the SBA is essential for providing access to capital, training and counseling, and for assistance in gaining access to the Federal marketplace, the vast majority of contracts for goods and services come from other agencies, such as the Department of Defense.

Small businesses should be provided the greatest opportunity to compete. When our national defense is in the process of regeneration and transitioning into a military of the future, as it is now, small businesses should be tapped to maximize the innovation, cost savings and efficiency they can contribute to the effort. Small businesses are critical to maintaining and strengthening the overall economy of the Nation and are the cornerstone of the Government's policy of ensuring a diverse supplier base. They should be included when the Government is developing industrial policy and considered in the analysis of policies that affect the procurement strategies or affect the technology and industrial base of this Nation. These amendments do just that. Again, I thank Senators SNOWE and BYRD for their leadership and my colleagues for their support for this Nation's small businesses. I would also like to thank Chairman WARNER and my colleague on the Senate Committee on Small Business and Entrepreneurship, Senator LEVIN, the Ranking Member of the Senate Committee on Armed Services for working closely with us and for making these amendments a part of this legislation.●

Mr. BOND. Mr. President, it is well recognized that mail sent from families and loved ones to U.S. forces based overseas has a tangible effect on troop morale. Concomitantly, mail that is delayed unnecessarily undermines morale and furthermore endangers the ability of absentee military voters to have their votes counted. Additionally, voting assistance programs that are ineffective undermine the ability of the absentee military voter to cast a vote. In an effort to improve these respective programs I have encouraged the Department of Defense to evaluate the effectiveness of the Military Postal Service Agency and the Voting Assistance Program to determine if these programs are sufficient in scope to resolve the problems that have been identified repeatedly in past reports and audits.

Mr. McCAIN. Mr. President, late last night, after several weeks of floor debate, the Senate completed action on the Defense Authorization Act. Both that legislation and the pending measure, S. 2559, the Defense Appropriations Act for Fiscal Year 2005, will enable us to make great strides towards providing our men and women in uniform with the equipment, benefits, and programs they need to carry out their critical missions. I would like to applaud the efforts of both committees to ensure that these brave men and women are provided for.

Even though it passed just last night, the Appropriations Committee worked to provide funding levels that are generally commensurate with the authorization bill. This is very important, and it will enable us to continue to meet our obligations to support service members in the fight against terror. The bill includes many critical funding provisions to which I lend strong support, such as the funding to increase Army end strength by 20,000 soldiers.

Unfortunately, and not surprisingly, the bill also includes a large number of unauthorized and unrequested provisions. I hope that the sponsors will carefully reconsider these damaging provisions as the bill works its way through the legislative process. While I appreciate the hard work and the laudable intentions of the members of the Committee, we must all be alarmed at these appropriations earmarks. They limit the ability of our Defense Department to expend needed resources according to its funding priorities.

With Americans deployed across the globe fighting terror, and with looming budget deficits at home, the Senate faces some tough choices. We must find a way to maintain our fiscal responsibility while fully providing for our military needs. The costs that go along with the conflicts in Afghanistan and Iraq demand now, more than ever, a new fiscal sanity in approaching our appropriations bills. A half-a-trillion dollar budget deficit means we simply cannot afford business as usual. We simply cannot continue the binge of pork barrel spending that consumes an ever growing proportion of our Federal budget. While the cost of an individual project may get lost in the fine print of lengthy bills, together, they all do real damage. Collectively, these earmarks significantly burden American taxpayers.

Not surprisingly, along with the growth in deficit spending over the past few years, there also has been a significant growth in earmarks and pork barrel spending. In fact, according to information compiled by the Congressional Research Service, the total number of earmarks has grown from 4,126 in Fiscal Year 1994 to 14,040 in FY 2004. That's an increase of 240 percent in 10 years. In dollar terms, the earmarking has risen from $26.6 billion to $47.9 billion over the same period.

Mr. President, based on the calculations of my office, the Fiscal Year 2002 Defense Appropriations Act contained $3.7 billion in pork. The conference report to the Fiscal Year 2003 Defense Appropriations Act contained $8.1 billion in pork, while the Senate version included $5.2 billion. The Fiscal Year 2004 Senate-passed Defense Appropriations Act contained well over $4 billion of pork. This year $6.9 billion was added in the bill and the report, a number which is much greater than last year's Senate version of the legislation. This is real money. Every year, countless important military and domestic programs go unfunded or underfunded. I find it hard to understand why we find the money to pay for member add ons, but then have to battle to fund important programs such as AmeriCorps.

Projects that appear on the Defense Appropriations Member Add-ons List are items that are requested by Senators but were not included in the President's budget request. They did not appear on the Joint Chiefs' Unfunded Priority List, and they were not authorized in the Defense Authorization bill. These criteria have been useful in ferreting out programs of questionable merit, and in determining the relative priority of projects requested by members for strictly parochial reasons, often at the expense of the readiness of our armed forces. But, the fact remains that throughout the years in which I have been identifying these add-ons, no offsets have been provided for any project. In a time when some of our soldiers and sailors still receive food stamps, or live in inadequate housing, we somehow found a way to provide over $4 billion in unnecessary spending to the Defense Appropriations bill. For example, the Joint Chiefs provided a list of critical requirements above what was provided for in the President's Budget Request. That list totaled nearly $18 billion for fiscal year 2005: We should provide additional funding for defense for items and programs which the Joint Chiefs need, not for programs that are important because of the state that they come from or because of the seniority of the Member of Congress.

Mr. President, this is an election year and, once again, the members of the Appropriations Committee are touting their earmarks on their websites and in their press releases. One committee member listed $102.6 million in earmarks spread over 16 different projects, while another member lauds funding for the Lewis and Clark Bicentennial. What is missing from these releases is the story about the authorized programs that will not receive full funding because there is not enough money to go around. Wouldn't it be more responsible to spend this money on pay raises or other important morale boosters instead of on parochial interests?

Earlier this week, I spoke at length on the Boeing 767 Tanker Lease Program so I will not take up much more of the Senate's time again now, except to say, that the amendment that was passed by the Senate in the National Defense Authorization Act for Fiscal Year 2005 is critical because Congressional guidance is needed. The Air Force's conduct on its Tanker Lease Program has, to date, been unacceptable. With regards to the Boeing 767 Tanker Lease Program, the Department of Defense and the Air Force leadership have obfuscated, delayed, and withheld information from Congress and the taxpayers.

Equally as unacceptable, the Appropriations Committee added $110 million in this report in—a table, under the heading "Tanker Replacement, Advance Procurement." There was no money for the tanker program in the President's defense budget submitted to Congress in February. The Senate Armed Services Committee did not authorize any funding for tanker recapitalization for fiscal year 2005. The Chief Staff of the Air Force, General John P. Jumper, USAF, did not request advance procurement for tanker replacement in his "Fiscal Year 2005 Unfunded Priority List," which he submitted to Congress in March 2005. The reason is simple—tanker replacement money is not needed NOW.

This latest procurement earmark is disturbingly similar to the $30 billion line item included in the Fiscal Year 2002 Defense Appropriations Act which gave rise to this entire controversy to begin with. The Air Force's proposal to acquire 100 Boeing KC-767A tankers was flawed from the beginning. Everything, including a complete investigation of possible Air Force misconduct, should be done to assure that this doesn't happen again.

Aspects of that deal, ranging from how the original proposal passed through Congress to the improper conduct of senior executives at the Boeing Company, have been exhaustively reviewed and fundamentally criticized by the Senate Committee on Armed Services; the Senate Committee on Commerce, Science and Transportation; the Department of Justice; the Defense Department's Office of the Inspector General; the Defense Science Board; the Congressional Budget Office; the General Accounting Office; the Congressional Research Service; the Office of Management and Budget; the Defense Department's Office of Programs, Analysis and Evaluation; the Institute for Defense Analyses; the Industrial College of the Armed Forces, National Defense University and others. Notably, White House Chief of Staff Andy Card and former Defense Department Comptroller General Dov Zakheim have also weighed in with serious concerns about various aspects of the tanker program.

Critically, the Defense Science Board task force found "there is no compelling material or financial reason to initiate a replacement program prior to the completion of the Analysis of Alternatives, AoA, and the Mobility Capabilities Study, MCS." Moreover, the task force observed that the Air Force overstated both the amount of corrosion throughout the KC-135 fleet and the KC-135's operation and support cost growth. It also found that the KC-135E can fly to 2040. In other words, the 'dominating rationale' cited by the Air Force to Congress for having taxpayers pay billions of dollars more for leasing Boeing's KC-767A tankers than they would for buying them outright, has been conclusively shown to be without merit. The Air Force's representations on this issue remains a matter of continuing investigative concern. The likelihood that the analysis of alternatives, AOA, and mobility capabilities study, MCS, if done properly, will recommend an acquisition method for these tankers now known to be wholly unsuitable here, is probably minimal. So, the Secretary's decision appears fatal to at least the lease component of the proposal.

Now what matters is that the AOA and MCS are conducted properly and objectively, and a new validated capabilities document, ORD, is completed that reflects, for the first time, the requirements of the warfighter. The Air Force's conduct to date in this matter has been egregious. The participation of the Air Force's FFRDC in the AOA is problematic. RAND has recently been receiving as much as $50 million per year from the Air Force and apparently prejudged the AOA in a recent report. Therefore, both should be disqualified from the process. The process going forward will remain an issue of continuing interest to me.

The bottom line here is this. The amendment adopted in the Fiscal Year 2005 National Defense Authorization Act will do much to inject needed sunlight on a program whose development has been largely insulated from public scrutiny. The tanker amendment attempts to make sure that any effort by the Air Force to replace its fleet of tankers is done responsibly. We should expect no less from the Air Force.

Some of the egregious examples of Defense pork for FY 2005, either in the bill or in the accompanying report, include:

Section 8063 of the General Provisions. The text states that, "each contract awarded by the Department of Defense during the current fiscal year for construction or service performed in whole or in part in a State which is not contiguous with another State and has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor, shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in such State that is not contiguous with another State, individuals who are residents of such State and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills." I am not making this text up. Let's call a spade a spade. This provision directly protects the jobs of only Hawaiians and Alaskans.

As previously mentioned, $1.8 million, for the Lewis and Clark Bicentennial celebration. You don't need to have the exploration skills of Lewis and Clark to see that this is a path to higher deficits.

$120 million for the Advanced Procurement of F–15s. The Air Force has decided to procure the F–22 to replace the F–15. Yet this earmark keeps the F–15 production line open, so I question the necessity of the F–22 procurement in the numbers of aircraft and at the funding levels requested by the Air Force. Apparently we just decided to pay for both.

$1 million for the Center for Political Logic Devices. I am the first one who would pay for logic if we could insert some into our political process, but this earmark won't do it.

$11 million for the Chameleon Miniaturized Wireless System. Chameleons change colors, but one thing does not change is the unrequested provisions in this bill.

$2 million for the Air Battle Captain program at the University of North Dakota. This provision sends students from West Point to North Dakota for their flight lessons. Instead of letting flight schools compete for the ability to train these cadets, we have earmarked their training to North Dakota. We are putting parochial interests over the necessity to provide the best training possible for the best price to our Army cadets.

$6 million for the LISA inspector. Who is this Lisa, and why does it cost $6 million to inspect her?

$4 million dollars for Project Albert. Hey Hey Hey. Seems like Albert could get pretty fat off all the pork in this bill.

$4 million for Hibernation Genomics. Looking around the Senate, I see a few tired people, so maybe we a little hibernation is in order. But I'd prefer not to pay $4 million for it.

$5.5 million for the C–135 Improved Waste Removal System. We need to improve the way we remove waste from this bill.

$700,000 for the United States Army Reserve Citizen Soldier Memorial Park.

Mr. President, I use humor in describing these earmarks, but the damage they do is deadly serious. They pull money away from legitimate funding priorities and they waste taxpayer dollars. Each year, many of the same earmarks appear in appropriations legislation, and each year I come to the floor and point them out to my colleagues. Some of the appropriators' perennial favorite projects include:

$5 million for the Smart Truck. This provision, which directly lines the pockets of the auto industry in Detroit, is not exactly smart.

$10 million for the 21st Century Truck. This program has been around for years and not once has the Department of Defense requested funding for it. While I'm sure we all would love to jump into a truck that could be in a James Bond movie, I'm not sure it is appropriate for the Department of Defense to pay for it.

$8.0 million for the New England Manufacturing Supply Chain. This is above and beyond the $14 million earmarked for them over the last two years.

$9 million for the Medical Free Electron Laser. The electrons might be free, but the laser sure isn't. This project was developed by the scientists at Vanderbilt University in Tennessee. The budget justification used by the DoD in previous years spelled out the plan to have this program funded through NIH by FY2003. Why hasn't this happened yet?

$44 million for the Maui Space Surveillance System. Arizona is home to the Lowell Observatory. Why should we provide $44 million to Maui, when there are many observatories in the United States, such as Lowell, that offer many of the same benefits as the Maui site?

$1 million for the Brown Tree Snakes. Once again, the brown tree snake has slithered its way into our defense appropriation bill. I'm sure the snakes are annoying—maybe even frightening to children and adults alike, but this funding does not belong in the Defense Appropriations Act.

Mr. President, there are many earmarks that funnel dollars to worthy programs, such as breast cancer research, but there is no compelling national defense reason for these items to be on this piece of legislation. This type of critical research should be funded through the Labor/HHS Appropriations bill. Our soldiers and sailors need to be provided with the best equipment, housing, and support possible. Scarce defense dollars should be used for these defense purposes, not others. Some examples of these inappropriate earmarks include:

$200 million for Peer Reviewed Cancer Research Program.

$50 million Peer Reviewed Medical Research Program.

$25 million for Hawaii Federal Health Care Network.

$2.5 million for the Alaska Federal Health Care Network.

$5 million for Pacific Island Health Care Referral.

I could go on and on—and on and on and on—listing all of the examples of pork in this legislation. We simply need to reassess our priorities.

This year's bill also includes a number of "Buy America" provisions. For example, it prevents the foreign purchase of welded shipboard anchor and mooring chain four inches in diameter and under. Another provision ensures that all carbon, alloy or steel plates are produced in the United States. Whew. I know we'll sleep better at night knowing that all of our carbon plates are manufactured in the U.S. Yet another section prohibits the Department of Defense from purchasing supercomputers from a foreign source.

Mr. President, I continue to be very concerned about the potential impact on readiness of our restrictive trade policies with our allies. Every year, Buy America restrictions cost the Department of Defense and the American taxpayers $5.5 billion. From a philosophical point of view, I oppose these types of protectionist policies, and from an economic point of view they are ludicrous. Free trade is both an important element in improving relations among nations and essential to economic growth. From a practical standpoint, "Buy America" restrictions could seriously impair our ability to compete freely in international markets and also could result in the loss of existing business from long-standing trade partners.

Some legislative enactments over the past several years have had the effect of establishing a monopoly for a domestic supplier in certain product lines. This not only adds to the pressure for our allies to "Buy European" but it also raises the costs of procurement for DoD, and cuts off access to potential state-of-the-art technologies. In order to maintain our troop strength and force readiness, the DoD must be able to be equipped with the best technologies available, regardless of country of origin. This would ensure both price and product competition.

Defense exports improve interoperability with friendly forces—increasingly necessary as we operate in coalition warfare and peacekeeping missions. These exports also increase our influence over recipient country actions, and, in a worse case scenario, allow the U.S. to terminate them. Exports lower the unit costs of systems to the U.S. military, and provide the same economic benefits to the U.S. as all other exports—well paying jobs, improved balance of trade, and increased tax revenue. These are really issues of acquisition policy, not appropriations matters. We had a floor debate on this a few days ago during consideration of the Defense Authorization Act. There is no justification for including these provisions in the Appropriations Act.

Finally, one of the more egregious "Buy America" provisions in this legislation is a section in which we dictate that we must buy only American seafood. While this provision has been included in a previous year's funding, I must ask: What is the compelling Department of Defense need to protect the American seafood industry? Why is an entire industry singled out for protection?

Mr. President, this bill spends money on Lewis and Clark and funnels cash to a center on "political logic devices." It protects the mooring chain industry and ensures that we only buy American seafood. If there is any food that should be mentioned in this bill, Mr. President, it is that Other White Meat. There is enough pork in this bill to feed an army—if only that we used our defense appropriations to do that. I suppose it is more important to pay Project Albert.

I wish it were not necessary for me to come to the Senate floor with every appropriations bill to criticize the amount of unrequested spending in the legislation. I do so because I believe it is critical for American taxpayers to understand where the money in their pockets is really going. I urge my colleagues to stop "porking up" our appropriations bills. In a time of huge spending deficits and scarce dollars, it is long past time to stop feeding at the trough.

Mr. REED. Mr. President, last week, the Senate by a vote of 94 to 3, passed the Reed-Hagel-McCain amendment to increase the Army's end strength by 20,000.

This overwhelming vote was an acknowledgement that the administration has consistently underestimated and tried to avoid publicly admitting the real number of troops needed to win the peace in Iraq. That amendment was one step to bring our Iraq policy in line with the realities of Iraq.

However, the Defense authorization bill and the Defense appropriations bill before us today both continue to sidestep the budgetary realities of our military involvement in Iraq. Just 2 days ago, Deputy Defense Secretary Wolfowitz testified that "it's entirely possible" that U.S. troops could be stationed in Iraq for years.

If a long-term deployment of U.S. troops is "entirely possible", then the administration and Congress have a duty to properly budget for it.

When we know we are adding more troops and we know that we have significant commitments in Iraq, Afghanistan, Korea, Colombia, and elsewhere, we should put those costs into the annual Defense appropriations bill, not a supplemental appropriations bill or a contingency fund as the administration calls it.

By making these known costs subject to supplemental appropriations, we not only pretend that these costs are not long term, we also create an ongoing budget problem for the Army. This situation is all the more shocking when one considers the consistent claims from both sides of the aisle that we will provide our military with whatever it needs to win the war in Iraq and Afghanistan. Indeed, since the Iraq war began, the Army has had to continuously cobble together the resources to pay for more troops out of its regular budget. So instead of replacing or repairing destroyed equipment, buying HUMVEEs or body armor, or fulfilling other obligations, the Army has had to eat its seed corn.

It is true that the Army has also gotten supplemental funds on occasion to pay for additional soldiers, but only after it has exhausted all of the reprogramming options I just mentioned.

In the short run, reprogramming and supplemental appropriations are an option, but Iraq, Afghanistan and Korea are not options. They are real, and the pressure on the Army's budget is real. Unless, we increase the size of the Army's regularly appropriated budget to include the costs of the Army's real personnel levels, I fear that the Army will continue to delay needed expenditures, put off necessary investments, all so the administration can attempt to minimize the costs of the war on terror.

I want to be clear, this is not the fault of the Appropriations Committee. It has done its job well and has continually worked to make the Army whole. But, the committee and the bill before us are constrained by the administration's inflexibility and demands that known, long-term costs must be hidden in contingency reserve accounts and other budgetary maneuvers.

It would be my desire to increase the size of the Army's personnel budget by moving the $2 billion in supplemental funds for this very purpose into the Army's annual fiscal year 2005 appropriation. I believe it would be more appropriate to take the $2 billion we know we'll spend out of the supplemental section of this bill and put it into the Army's regular budget just like all of the Army's other long term costs.

In deference to the chairman and ranking member and the fact that such a proposal would likely require waiving the Budget Act as well as the Senate's endorsement of my amendment and Senator LEVIN's amendment that calls on the administration to put the true costs of Army end strength in its fiscal year 2006 budget request, I did not offer this amendment.

However, if the administration persists in trying to sweep these costs under the rug, Congress must act to include these funds in the regular budget of the Army.

I am also concerned that this year's bill has consolidated the Peer Reviewed Cancer Research Program under a single line item. While the peer review programs are united in their goal of improving detection, treatment and hopefully one day, prevention of deadly diseases such as leukemia, prostate, ovarian and breast cancer, they are each unique in their design, focus and stage of development. However, there is a valid concern that placing these programs under a single line item may inevitably pit them against one another. The fledgling Ovarian Cancer Research Program, which was only established in 1997 and has been level funded at $10 million per year, will be competing with the much larger breast cancer program that has been in operation for over 12 years and is funded at a healthy $150 million.

I hope that I and other Senators can work with the Chairman and ranking member to find a way to protect the critical and specific health research on cancer that the Department of Defense has been able to support in the past.

Mr. ALLEN. Mr. President, I rise today in support of the Department of Defense—DOD—Peer-Reviewed Breast Cancer Research Program. This program is a proven success and I support a $150 million earmark for the DOD Peer Reviewed Breast Cancer Research Program for Fiscal Year 2005.

This one-of-a-kind research program uses an innovative grants structure that brings scientists and consumers together to make key policy decisions about breast cancer research. Since its inception 12 years ago, this far-reaching, influential program has literally changed the way breast cancer research is done. It has become a model that other research programs have sought to replicate.

The program has funded groundbreaking research, including the discovery of the drug Herceptin, which prolongs the lives of women with a particularly aggressive type of advanced breast cancer. This drug could not have been developed without research that was funded in part by the DOD Peer Reviewed Breast Cancer Research Program.

Not only is this program on the cutting edge of breast cancer research, but also is extremely streamlined. Every penny spent by this program and the researchers who receive funding are accounted for at public meeting every 2 years. Ninety percent of the funds go directly to research and only 10 percent are used for administrative costs. This kind of efficiency and prudence in spending is unheard of in other federally funding research programs.

An overwhelming, bipartisan majority in the Senate supports this program every year. This year, 66 Senators, including myself, signed the letter addressed to appropriators urging the continuation of the Department of Defense Breast Cancer Peer Review Research Program earmark with level funding of $150 million for fiscal year 2005.

Unfortunately, the language in the Senate Department of Defense Appropriations Act for Fiscal Year 2005 threatens the funding and unique structure of the Breast Cancer Peer Reviewed Research Program. The Senate bill combines all of the Congressionally Directed Cancer Research Programs into one account and reduces the total funding available to all.

Because the Senate version lumps all the cancer programs into one pot, rather than maintaining separate earmarks, the proposal will have multiple, negative outcomes. As written, the Senate bill seriously threatens the integrity of the Department of Defense breast cancer research program and will dismantle its one-of-a kind peer review process involving patients and consumers that makes the program so successful and unique. The proposal will force cancer groups to compete with one another for reduced funding. And, a particularly dangerous component of the proposal is that it transfers funding to other cancer projects that are not recommended by a scientific peer reviewed process.

I have heard the success stories that have manifested as a result of research that has come out of this program. I regularly meet with women and men alike, from my Commonwealth of Virginia, who commend the positive and innovative advances that this program produces. Just last month, I met with the Virginia Breast Cancer Foundation. Let me tell you, I believe Virginia is a model for other States on many issues, but I must say that the Virginia Breast Cancer Foundation is a leader in its advocacy for this issue.

As the Department of Defense Appropriations Act for Fiscal Year 2005 goes to conference, I urge my colleagues to support the language passed in the House and preserve this important program for breast cancer research. I understand that we are fighting a war on terror, but many individuals on our home front are fighting for their lives. I yield the floor.

Mr. STEVENS. Mr. President, I ask for third reading of the bill.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

Mr. STEVENS. We have already ordered the yeas and nays. This is final passage, Mr. President.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? The yeas and nays have been previously ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Indiana (Mr. LUGAR) is necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 149 Leg.]

YEAS—98

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Cornyn
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Pryor
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Voinovich
Warner
Wyden

NOT VOTING—2

Kerry
Lugar

The bill (H.R. 4613), as amended, was passed.

(The bill will be printed in a future edition of the RECORD.)

Mr. STEVENS. I move to reconsider the vote.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, on behalf of my good friend and co-chairman, I thank the Senate for coming together so quickly behind this enormous bill. This is the largest Defense appropriations bill in history, but it takes into account the needs of our men and women in uniform throughout the world. As I said, some 120 different countries have our men and women in uniform. It takes care of the great problems for those men and women in harm's way.

We thank all of our colleagues for their support and for their confidence in this bill. I again thank the staff.

I am overawed by the fact that it is a unanimous vote on this unanimous bill. I think it is a symbol to the country that we are willing to come together in times of crisis.

Mr. President, I ask unanimous consent that the Senate insist on its amendment, request a conference with the House on the disagreeing votes, and the Chair then appoint conferees on the part of the Senate.

There being no objection, the Presiding Officer (Mr. CHAMBLISS) appointed Mr. STEVENS, Mr. COCHRAN, Mr. SPECTER, Mr. DOMENICI, Mr. BOND, Mr. McCONNELL, Mr. SHELBY, Mr. GREGG, Mrs. HUTCHISON, Mr. BURNS, Mr. INOUYE, Mr. HOLLINGS, Mr. BYRD, Mr. LEAHY, Mr. HARKIN, Mr. DORGAN, Mr. DURBIN, Mr. REID, and Mrs. FEINSTEIN.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, I congratulate Chairman STEVENS and the ranking member of the Senate Defense Appropriations Subcommittee on the passage of the bill. It is my understanding this is one of the fastest, if not the fastest, Defense appropriations bills ever considered in the Senate. I thank them. I will have more to say a little bit later tonight about this.

RENEWAL OF IMPORT RESTRICTIONS IN THE BURMESE FREEDOM AND DEMOCRACY ACT OF 2003

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. J. Res. 39, the Burma import restrictions bill. I further ask unanimous consent that the statutory time limit be yielded back, and the joint resolution be read a third time and placed back on the Senate calendar. I further ask unanimous consent that the Senate then proceed to the immediate consideration of H. J. Res. 97, the House Burma resolution, and that all time be yielded back, and the Senate proceed to a vote on the resolution, with no intervening action or debate.

Mr. BYRD. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. What do these resolutions do?

Mr. McCONNELL. Mr. President, last year, the Senate passed a resolution imposing sanctions on the thug regime that has been running Burma for the last 25 years. It comes up for annual renewal, much like the most-favored-nation procedure we used to apply to China. This is that resolution renewing the sanctions for another year.

Mr. BYRD. I thank the Senator. I thought there was another resolution the Senator mentioned.

Mr. REID. We are going to do that one next.

Mr. BYRD. That was all, Mr. President, this one resolution?

Mr. McCONNELL. I am sorry, I did not hear.

Mr. BYRD. The Burma resolution, is that the only resolution to which the Senator referred?

Mr. McCONNELL. Yes, the only resolution.

Mr. REID. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Will the distinguished Senator from Kentucky modify his request to allow for a 10-minute vote rather than the normal 15 minutes?

Mr. McCONNELL. That is perfectly acceptable.

The PRESIDING OFFICER. Without objection, it is so ordered. There will be a 10-minute vote on this resolution.

The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S. J. Res. 39) approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Under the previous order, the joint resolution will be returned to the calendar.

The clerk will report H. J. Res. 97.

The assistant legislative clerk read as follows:

A joint resolution (H. J. Res. 97) approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003.

Mr. FEINGOLD. Mr. President, I am pleased to support S.J. Res. 39, approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003. I am a cosponsor of this resolution, and I believe that these sanctions must be renewed.

The resolution states that the State Peace and Development Council, SPDC, the military junta of Burma, has failed to make substantial progress toward implementing a democratic government and that import sanctions and other restrictions against the SPDC must remain in force until "Burma embarks on an irreversible path of reconciliation that includes the full and unfettered participation of the National League for Democracy and ethnic minorities in the country."

The situation in Burma remains disturbing. The military junta in Burma continues to commit egregious human rights abuses against its population. Human rights organizations have documented the systematic rape of Shan women on a massive scale by Burmese military forces and the recruitment of children, as young as 11, into the Burmese national army. Torture, extra judicial executions, forced labor and widespread political repression all characterize the Burmese political landscape. Aung San Suu Kyi, leader of the National League for Democracy, NLD, and other senior NLD members remain under house arrest. Approximately 1,300 political activists, including elected members of parliament, languish in Burmese prisons, as punishment for their nonviolent pursuit of democracy.

Despite the SPDC's announcement of a new political initiative, a "roadmap" to democracy, they continue to break their promises of political reform. On May 17, 2003, the junta opened a constitutional convention that the junta promoted as being a first step toward democracy and democratic elections. The NLD boycotted this convention, after the junta refused to free Aung San Suu Kyi. The SPDC's continuation of the convention without the key political parties of the NLD and the United Nationalities Alliance, a group of ethnic parties that participated in the 1990 elections, demonstrates the emptiness of the SPDC's commitments to reform.

The military junta not only creates hardship for the Burmese people, but threatens stability in the region and beyond. Reports have emerged that Burma and North Korea have reestablished military and trade links after a termination of diplomatic relations in 1983. The U.S. State Department accused North Korea of seeking to sell surface to surface missiles to Burma's government and reported that Washington was aware that the Burmese regime is interested in acquiring a nuclear research reactor.

In addition, Burma continues to be a primary source of narcotics in Asia, as one of the world's largest trafficker of methamphetamine and second largest producer of opium. In their International Narcotics Strategy report for 2003, the U.S. State Department reported that major Wa traffickers, of the ethnic Wa group in northeastern Shan State, continue to operate with apparent impunity. In addition, in the Annual Presidential Determinations of Major Illicit Drug-Producing and Drug-Transit Countries for 2003, the President designated Burma as having "failed demonstrably" to make substantial counter-narcotics efforts. According to U.S. State Department, the government of Burma continued to be deficient in dismantling drug organizations, attacking drug-related corruption and addressing money-laundering issues. Officials in China, Thailand and India have expressed serious concerns about illicit drugs flooding into their countries from Burma and the increase of drug addiction among their youth.

Human trafficking in Burma is also of enormous concern. In the State Department's Trafficking in Persons report for 2004, Burma was placed in Tier 3, a category for those countries which are not in compliance with the minimum standards of the Trafficking Victims Protection Reauthorization Act of 2003 and are not making significant efforts to bring themselves into compliance. According to the State Department, not only is Burma a source country for persons trafficked for forced labor and sexual exploitation, but government officials and the military are complicit in trafficking. Human Rights Watch states, "recruiters for Burma's army frequently apprehend boys at train and bus stations, markets and other public places, threatening them with jail if they refuse to join the army. . . . After brutal training, child soldiers are deployed into units, where some are forced to fight against ethnic armed opposition groups."

Adding to regional instability, over 1.6 million person have fled Burma due to persecution and violence. In addition, it is estimated that there are between 600,000 and 1 million internally displaced persons within the country.

The United States and its international partners, including the United Nations, ASEAN and the European Union must persist in their demands for political reform in Burma. The renewal of these sanctions sends a powerful message to Burma that the United States is not satisfied with their facade of democratization. I also strongly urge the European Union to strengthen their existing sanctions on Burma. The SPDC must take immediate steps to release Aung Sang Suu Kyi and other political prisoners and to create a broad-based democratic government that respects human rights and the rule of law.

Mr. McCAIN. Mr. President, I commend Senators McCONNELL and FEINSTEIN for their efforts to renew sanctions contained in last year's Burmese

Freedom and Democracy Act. I am proud to be an original cosponsor.

The world's democracies have a common moral obligation to promote human rights. In few places is the lack of freedom and justice more appalling than in Burma, a country in which a band of thugs, led by General Than Shwe, controls the population through violence and terror. The Burmese regime has a record of unchecked repression. It has murdered political opponents, used child soldiers and forced labor, and employed rape as a weapon of war. Last year, the Burmese military junta launched an orchestrated, violent attack against democracy leader Aung San Suu Kyi and hundreds of her supporters. Since then, the regime has kept more than 1,000 political activists imprisoned, including elected members of parliament.

Aung San Suu Kyi remains a captive. Because she stands for democracy, this heroic woman has endured attacks, arrest, captivity, and untold sufferings at the hands of the regime. The junta fears Aung San Suu Kyi because of what she represents—peace, freedom, and justice for all Burmese people. The thugs who run Burma have tried to stifle her voice, but they will never extinguish her moral courage. Her leadership and example shines brightly for the millions of Burmese who hunger for freedom, and for those of us outside Burma who seek justice for its people. She recently celebrated her 50th birthday, under house arrest.

Last month, the National League for Democracy courageously boycotted the junta's so-called "National Convention." The government portrayed this sham convention as the first step in a "roadmap to democracy," but it is clear that it is intended to blunt international pressure, rather than as a serious step in a democratic process. No "roadmap to democracy" will have any credibility so long as Aung Suu Kyi remains in confinement.

The work of Aung San Suu Kyi and the members of the National League for Democracy must be the world's work. We must continue to press the junta until it is willing to negotiate an irreversible transition to democratic rule. The Burmese people deserve no less.

In recognition of this, last year the Congress overwhelmingly passed the Burmese Freedom and Democracy Act. In doing so, we took active steps to pressure the military junta, and we sent a signal to the Burmese people that they are not forgotten—that the American people care about their freedom and will stand up for justice in their country.

For this reason I stand in support of the joint resolution that will renew the import restrictions contained in last year's legislation—sanctions that are supported by the National League for Democracy. These restrictions must remain until Burma embarks on a true path of reconciliation—a process that must include the NLD and Burmese ethnic minorities. I note, however, that while the American people have spoken with one voice in support of freedom in Burma, it is past time that the leaders of other nations do the same. No other country has yet implemented U.S.-style economic sanctions. The Europeans should reject half measures and join the United States in targeted sanctions against the military regime. China, Thailand, India, and other Asian nations uncomfortable with a tougher response to the junta's crimes must understand that diplomatic obfuscation and obstruction on Burma will profoundly affect their broader bilateral relationship with the western democracies.

The picture today in Burma is tragically clear. So long as a band of thugs rules Burma, its people will never be free. They will remain mired in poverty and suffering, cut off from the world, with only their indomitable spirit to keep them moving forward. With our action today, we will support this spirit.

Mr. BAUCUS. Mr. President, I speak about Burma and U.S. sanctions policy. Last year, thugs working for the illegitimate Burmese government attacked opposition leader Aung San Suu Kyi and her supporters with clubs and sharpened sticks, killing as many as 70 pro-democracy activists.

The government then held Suu Kyi in what it cynically called "protective custody." Those events prompted international outrage and led the United States to pass the Burmese Freedom and Democracy Act of 2003.

That Act banned all imports to the United States from Burma. Chairman GRASSLEY and I worked hard to ensure that these sanctions would be effective—and that Congress would continue to play a key role in their implementation.

I did not want Congress to impose trade sanctions on Burma without any opportunity to review the policy and revise it if it wasn't working. So the act requires that Congress debate and vote on whether to renew the import ban every year. That is why we are here today.

What has the import ban accomplished? In 2002, the last full year without a ban, Burma exported $356 million to the United States, mainly in garments and apparel products.

Since the U.S. blocked all imports from Burma, more than 100 garment and apparel factories have closed, throwing 50,000 to 60,000 people, mainly young women, out of work.

And according to the State Department, many of these young women, lacking jobs and opportunities are, in desperation, quote, "turning to work in the sex industry or being forced or duped into prostitution by traffickers."

On the other hand, Burma's military rulers are doing just fine. The State Department notes that "the military leaders' personal power and wealth have little connection to the well-being of the country. The country's economic and military elite derives its greatest earning power from the trade of natural resources with neighboring states and countries in the region."

I have long been critical of unilateral sanctions. They almost never work. They may be an effective expression of our rage, but as a rule, they do not destabilize oppressive regimes, and they often hurt the unfortunate people they are intended to help.

The ban on imports from Burma is no exception to this rule. Multilateral sanctions can be effective. That's why I insisted that the act require the administration to work toward making the sanctions multilateral. But to date, no country in the world has joined the United States in banning imports from Burma—not one.

Now, let me emphasize that Burma's government is despicable by any measure. Security forces commit murder, use rape as a weapon of war against ethnic minorities, and utilize forced labor. Democracy activists are arrested and dissent punished. Conscription of child soldiers is widespread.

There is no dispute that Burma's actions require a response. The question is whether unilateral trade sanctions are the proper response.

This is not an easy question. I hope that my colleagues have thought hard about the consequences. I hope they have made an honest assessment of the merits of maintaining the import ban.

We cannot forget that the votes we cast have real consequences. Those thousands of young women being forced into prostitution should serve as a harsh reminder.

After struggling with the issue for some time, I decided to support renewing the import ban for another year.

On balance, I believe we should allow the administration more time to try to convince other countries to join in sanctioning the outlaw regime in Burma. But I would urge the administration to make this more of a priority. Their efforts so far have produced little result.

If I am to find any consolation in this state of affairs, it comes from the fact that Congress has a say in whether the trade sanctions on Burma continue. We have retained our Constitutional authority over international commerce.

This is consolation to me because it is hard to evaluate any unilateral sanctions program without looking back on our failed sanctions against Cuba.

Since 1960, when the Cuban embargo was first put in place, the United States has pursued a unilateral policy of driving the Castro regime out of power. Even as the rest of the Soviet bloc collapsed, the Castro regime has retained its control on the Cuban island.

The U.S. embargo has failed. In fact, it is obvious to me that the embargo actually shelters Castro, and has directly contributed to the strength of his regime.

But the unilateral embargo has remained in place for more than forty years. Had Congress originally required an annual vote on the Cuban embargo, as we have now done with the Burma sanctions, the embargo would have been eliminated long ago.

Instead, the Cuban sanctions were created without any end in sight, without any exit strategy, without any plan for its removal. So, here we are, thirteen years beyond the fall of the Soviet Union, with the last vestige of the Cold War alive and well 90 miles from our shores.

That's why Senators ROBERTS, ENZI and I have introduced legislation to give Congress a voice on Cuba sanctions. This legislation mirrors the legislation on Burma that we are discussing today.

It would allow sanctions against Cuba to continue—but would require both Houses of Congress to vote annually to renew the sanctions. Absent such a vote, the sanctions would end.

This is a reasonable approach to Cuba, and to sanctions more generally. Of course, that's also why this legislation won't pass this year. The Administration and Congressional leadership are well aware that Cuba sanctions would not survive a Senate vote.

In fact, last year, overwhelming majorities in the Senate and House voted to suspend enforcement of the travel ban. Everyone here remembers that those votes were ignored by the leadership in both chambers, and the travel ban remained in place.

I hope that Congress can learn from the mistakes we have made—and are still making—in Cuba. I hope that Congress will work toward a more responsible sanctions regime. I stand ready to work with my colleagues to make that happen.

Let me close by thanking Senators McCONNELL, FEINSTEIN, and GRASSLEY for their work on the Burma legislation. Senators McCONNELL and FEINSTEIN have been tireless advocates for democracy in Burma. They deserve to be commended.

I would also like to acknowledge some of the staff who have worked hard on this issue—Paul Grove, Michael Schiffer, Everett Eissenstat, and Stephen Schaeffer.

Mrs. FEINSTEIN. Mr. President, I rise today with my colleague from Kentucky, Senator McCONNELL, in support of the joint resolution renewing the sanctions against Burma. The House has overwhelmingly and in a bipartisan manner passed this resolution, and I urge the Senate to do likewise.

Last year, following the brazen attack against the motorcade of Nobel Peace Prize winner and National League of Democracy leader Aung San Suu Kyi, the United States took a firm stand on the side of human rights and democracy for the Burmese people by passing the Burmese Freedom and Democracy Act and imposing a complete ban on Burmese imports.

One year later, Suu Ky remains under house arrest and the military junta, the State Peace and Development Council (SPDC), has failed to make "substantial and measurable progress" towards a true dialogue on national reconciliation and recognition of the results of the 1990 parliamentary elections, decisively won by the NLD.

As a result, the Senate has no choice but to support renewing the sanctions for another year.

Let me be clear. I do not believe sanctions are a panacea for every foreign policy dispute we have with another country.

I have long supported the reform of our sanctions policy, and, in my view, Congress should have the opportunity to revisit sanctions imposed on other countries on a case-by-case basis and in a timely fashion.

I am cosponsor of Senator BAUCUS's legislation to allow Congress to vote up or down on the sanctions imposed on Cuba for that very reason.

It seems clear to me that 40 years later, those sanctions have not achieved our foreign policy goals. Yet, under different circumstances and conditions, sanctions can be effective.

Burma, in my view, is such a case. One year is not a sufficient period of time to judge the effectiveness of the sanctions, and there is reason to believe that the international community is coming together to put additional pressure on the military regime.

I was disappointed that the European Union and the Association of Southeast Asian Nations (ASEAN) did not follow the United States' lead last year and impose tough sanctions on the military junta.

Nevertheless, the EU, for one, is beginning to realize that engagement with Rangoon has failed to achieve the desired results.

Last week, the EU refused to include Burma in two lower-level meetings with ASEAN representatives and, in response to ASEAN's demand that all of its members be allowed to attend, the EU canceled the meetings.

Supporters of freedom and democracy in Burma should welcome this move and continue to urge our allies to put additional pressure on the military regime.

There is also some positive movement within ASEAN itself, including Malaysia, the country that sponsored Burma's entry into the Association and has supported "non-interference" in domestic affairs of other members.

Earlier this month, a group of Malaysian parliamentarians—from the government and the opposition—formed a committee to press for democracy in Burma. The group called on the SPDC to immediately and unconditionally release all political prisoners and restore democratic government.

The parliamentary group stated: "The caucus also calls upon the (Burma) government to respect ASEAN and international opinion and return to the mainstream of responsible international norms and behavior."

Of course, we would all like to see ASEAN, the EU, and others to take additional steps to put pressure on Rangoon to respect human rights and restore democracy. But we must continue to take the lead.

I believe that by passing this resolution and renewing the sanctions on imports from Burma for another year, we will enhance our leadership in this area and rally the international community to our cause. Now is not the time to weaken our resolve.

Some may argue that the sanctions do no harm to the members of the military junta and instead place additional hardships on the Burmese people.

The military junta itself cynically suggested that the reason why human trafficking is a rampant problem in Burma—as cited in the latest State Department report—is due to the desperate economic conditions caused by the sanctions imposed by the United States.

Let us not forget that for over 15 years the military junta has brutalized its won citizens, engaged in numerous human rights abuses including rape, forced labor, and human trafficking of young boys and girls, and run the Burmese economy into the ground.

And the consequences of the regime's repressive rule extend far beyond its borders. As Senator McCONNELL and I pointed out in an op-ed that appeared in the Wall Street Journal, the spread of narcotics, HIV/AIDS, and refugees across the region can be traced back to Rangoon.

As South African Archbishop Desmond Tutu stated earlier this year: "To dismantle apartheid [in South Africa] took not only commitment, faith, and hard work, but also intense international pressure and sanctions. In Burma, the regime has ravaged the country, and the people, to fund its illegal rule. Governments and international institutions must move past symbolic gestures and cut the lifelines to Burma's military regime through well-implemented sanctions."

We cannot say for certain these sanctions will work. But we can be certain that if we do nothing and allow these sanctions to expire, the military junta will strengthen its grip on power and the day of Suu Kyi's release from house arrest and the re-birth of democracy in Burma will be put off further into the future.

We simply cannot afford to make that mistake and turn our backs on those who are looking to us for hope and inspiration.

I urge my colleagues to renew their support for freedom and democracy, Suu Kyi and the Burmese people and support this resolution.

Mr. McCONNELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is, Shall the joint resolution pass? The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Indiana (Mr. LUGAR) and the Senator from Kansas (Mr. ROBERTS) are necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 1, as follows:

[Rollcall Vote No. 150 Leg.]

YEAS—96

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Cornyn
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Edwards
Ensign
Feingold
Feinstein
Fitzgerald
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Pryor
Reed
Reid
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Sununu
Talent
Thomas
Voinovich
Warner
Wyden

NAYS—1

Enzi

NOT VOTING—3

Kerry
Lugar
Roberts

The joint resolution (H.J. Res. 97) was passed.

Mr. McCONNELL. Mr. President, I move to reconsider the vote.

Mr. BOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Kentucky.

ORDER OF PROCEDURE

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 393, which is at the desk; provided further that the Senate proceed immediately to a vote on the adoption of the resolution with no intervening action or debate. I further ask unanimous consent that following the vote, the preamble be agreed to and the motion to reconsider be laid upon the table. I further ask unanimous consent that following that vote the Senate proceed to executive session to the votes on the two previously debated judges; provided further that following those votes the Senate proceed to a vote on the confirmation of Executive Calendar No. 637, William D. Benton to be U.S. circuit court judge for the Eighth Circuit.

I further ask unanimous consent that following the votes the Senate proceed en bloc to the following nominations on the Executive Calendar: No. 433, No. 638, and No. 639.

I further ask unanimous consent that the nominations then be considered and confirmed en bloc, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and that the Senate then return to legislative session.

Mr. REID. Mr. President, will the Senator modify his request so all of these votes will be 10-minute votes?

Mr. McCONNELL. I so modify my request.

Mr. BYRD. Mr. President, reserving the right to object—I probably won't object—will the Senator identify the first resolution to which he alluded?

Mr. McCONNELL. Will the Chair identify the resolution?

MIDDLE EAST PEACE PROCESS

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 393) expressing the sense of the Senate in support of United States policy in the Middle East peace process.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, I remove my reservation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the resolution. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Indiana (Mr. LUGAR) is necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 95, nays 3, as follows:

[Rollcall Vote No. 151 Leg.]

YEAS—95

Akaka
Alexander
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Campbell
Cantwell
Carper
Chafee
Chambliss
Clinton
Cochran
Coleman
Collins
Conrad
Cornyn
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dole
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchison
Inhofe
Inouye
Johnson
Kennedy
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Pryor
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stabenow
Stevens
Talent
Thomas
Voinovich
Warner
Wyden

NAYS—3

Byrd
Jeffords
Sununu

NOT VOTING—2

Kerry
Lugar

The resolution (S. Res. 393) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 393

Whereas the Road Map, endorsed by the United States, Israel, the Palestinian Authority, the European Union, Russia, and the United Nations, remains a realistic and widely recognized plan for making progress toward peace;

Whereas, on April 14, 2004, President Bush welcomed the plan of Israeli Prime Minister Ariel Sharon to remove certain military installations and all settlements from Gaza, and certain military installations and settlements from the West Bank;

Whereas under the Road Map, Palestinians must undertake an immediate cessation of armed activity and all acts of violence against Israelis anywhere, all Palestinian institutions, organizations, and individuals must end incitement against Israel, the Palestinian leadership must act decisively against terror (including sustained, targeted, and effective operations to stop terrorism and dismantle terrorist capabilities and infrastructure), and Palestinians must undertake a comprehensive and fundamental political reform that includes a strong parliamentary democracy and an empowered prime minister;

Whereas Prime Minister Sharon noted Israel's responsibilities under the Road Map include limitations on the growth of settlements, removal of unauthorized outposts, and steps to increase, to the extent permitted by security needs, freedom of movement for Palestinians not engaged in terrorism;

Whereas there likely will be no security for Israelis or Palestinians until they and all states join together to fight terrorism and dismantle terrorist organizations;

Whereas the United States remains committed to Israel's security, and well-being as a Jewish State, including secure, recognized, and defensible borders, and to preserving and strengthening Israel's capability to deter enemies and defend itself against any threat;

Whereas Israel has the right to defend itself against terrorism, including to take actions against terrorist organizations that threaten Israel's citizens;

Whereas, after Israel withdraws from Gaza and parts of the West Bank, existing arrangements regarding control of airspace, territorial waters, and land passages relating to the West Bank and Gaza are planned to continue;

Whereas, as part of a final peace settlement, Israel must have secure and recognized borders, which should emerge from negotiations between the parties in accordance with United Nations Security Council Resolutions 242 and 338;

Whereas, in light of realities on the ground, including already existing major Israeli population centers, it is unrealistic to expect that the outcome of final status negotiations will be a full and complete return to the armistice lines of 1949, but realistic to expect that any final status agreement will only be achieved on the basis of mutually agreed changes that reflect these realities;

Whereas Israeli Prime Minister Ariel Sharon has stated: "the barrier being erected by Israel is a security rather than political barrier, is temporary rather than permanent, and should therefore not prejudice any final status issues including final borders, and its route should take into account, consistent with security needs, its impact on Palestinian communities";

Whereas an agreed just, fair, and realistic framework for a solution to the Palestinian refugee issue as part of any final status agreement will need to be found through the establishment of a Palestinian state, and the settling of Palestinian refugees there, rather than in Israel;

Whereas the United States supports the establishment of a Palestinian state that is viable, contiguous, sovereign, and independent, so that the Palestinian people can build their own future;

Whereas the United States will join with others in the international community to assist in fostering the development of Palestinian democratic political institutions and new leadership committed to those institutions, the reconstruction of civic institutions, the growth of a free and prosperous economy, and the building of capable security institutions dedicated to maintaining law and order and dismantling terrorist organizations; and

Whereas in order to promote a lasting peace, all states must oppose terrorism, support the emergence of a peaceful and democratic Palestine, and state clearly that they will live in peace with Israel: Now, therefore, be it

Resolved, That the Senate—

(1) endorses the above-mentioned principles and practices of United States policy in the Middle East, and ongoing actions to make progress toward realizing the vision of two states living side by side in peace and security, as a real contribution toward peace, and as important steps under the Road Map;

(2) reaffirms its commitment to a vision of two states, Israel and Palestine, living side by side in peace and security as the key to peace; and

(3) supports efforts to continue working with others in the international community, to build the capacity and will of Palestinian institutions to fight terrorism, dismantle terrorist organizations, and prevent the areas from which Israel has withdrawn from posing a threat to the security of Israel.

Mr. CHAFEE. Mr. President, in the world of diplomacy, some things are better left unsaid. For that reason, I would have preferred that President Bush not send the April 14, 2004 letter to Prime Minister Sharon.

Nevertheless, I gave my qualified support to S. Res. 393 because Israeli withdrawal from Gaza has the potential to jumpstart the Israeli-Palestinian peace process. There have been too many missed opportunities already. It would be a shame to miss another one.

My vote for S. Res. 393 is subject to two understandings. First, Prime Minister Sharon's disengagement plan should not be a substitute for bilateral negotiations between Israel and the Palestinians; and second, all final status issues should be mutually agreed upon by both parties.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. Mr. President, after the following judge vote, we are scheduled to consider another five additional judges this evening. Of the ones after this one—looking at those five—the next two are circuit judges, to be followed by three district judges.

It has been cleared on this side to have voice votes on all of those five judges.

I ask the ranking member of the Judiciary Committee if we could, out of consideration of the many different schedules tonight, voice vote the remaining nominations after the next rollcall vote.

Mr. LEAHY. Well, Mr. President, in response to my friend from Tennessee, normally I would say: Have rollcall votes. I also know with the Defense authorization bill we had some very late night schedules. This is pushing up against the Fourth of July recess. I think the Senator from Tennessee, the Senator from South Dakota, and the respective whips have the hardest jobs in the world trying to please everybody.

I will tell my friend from Tennessee, if that would make his life easier, I would be happy to accommodate him.

Mr. FRIST. Mr. President, I very much appreciate that.

On behalf of our colleagues, I thank the Senator.

Mr. LEAHY. I say to the majority leader, he has made a few other people happy.

Mr. President, is it my understanding on the first one there is a rollcall vote?

The PRESIDING OFFICER. No rollcall vote has yet been ordered.

EXECUTIVE SESSION

NOMINATION OF DIANE S. SYKES TO BE UNITED STATES CIRCUIT JUDGE FOR THE SEVENTH CIRCUIT—Continued

The PRESIDING OFFICER. Under the previous order, the Senate will now go into executive session, and the clerk will report the nomination.

The legislative clerk read the nomination of Diane S. Sykes, of Wisconsin, to be United States Circuit Judge for the Seventh Circuit.

Mr. LEAHY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. Mr. President, for the information of colleagues, after this vote, the next vote will be after the recess on July 6, sometime after 2:15 p.m.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Diane S. Sykes, of Wisconsin, to be United States Circuit Judge for the Seventh Circuit? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCONNELL. I announce that the Senator from Indiana (Mr. LUGAR) and the Senator from Oklahoma (Mr. NICKLES) are necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 70, nays 27, as follows:

[Rollcall Vote No. 152 Ex.]

YEAS—70

Alexander
Allard
Allen
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Chambliss
Cochran
Coleman
Collins
Conrad
Cornyn
Craig
Crapo
DeWine
Dodd
Dole
Domenici
Dorgan
Ensign
Enzi
Feingold
Fitzgerald
Frist
Graham (FL)
Graham (SC)
Grassley
Gregg
Hagel
Hatch
Hollings
Hutchison
Inhofe
Kohl
Kyl
Landrieu
Lincoln
Lott
McCain
McConnell
Miller
Murkowski
Nelson (NE)
Pryor
Roberts
Rockefeller
Santorum
Schumer
Sessions
Shelby
Smith
Snowe
Specter
Stevens
Sununu
Talent
Thomas
Voinovich
Warner

NAYS—27

Akaka
Baucus
Boxer
Clinton
Corzine
Daschle
Dayton
Durbin
Edwards
Feinstein
Harkin
Inouye

Jeffords
Johnson
Kennedy
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Murray
Nelson (FL)
Reed
Reid
Sarbanes
Stabenow
Wyden

NOT VOTING—3

Kerry
Lugar
Nickles

The nomination was confirmed.

NOMINATION OF PETER W. HALL TO BE UNITED STATES CIRCUIT JUDGE FOR THE SECOND CIRCUIT

The PRESIDING OFFICER. The clerk will report the nomination.

The legislative clerk read the nomination of Peter W. Hall, of Vermont, to be United States Circuit Judge for the Second Circuit.

Mr. HATCH. Mr. President, I rise today to express my strong support for the confirmation of Peter W. Hall, who has been nominated to the U.S. Court of Appeals for the Second Circuit.

Mr. Hall is an exceptional nominee and well-prepared for the Federal bench. A graduate of the University of North Carolina at Chapel Hill and a cum laude graduate from Cornell Law School, he served as a law clerk for United States District Court Judge Albert W. Coffrin in the District of Vermont. He then served in the United States Attorney's Office for the District of Vermont, first as an assistant U.S. Attorney, then as first assistant U.S. Attorney. From 1986 to 2001, Mr. Hall was a partner in the law firm of Reiber, Kenlan, Schwiebert, Hall & Facey, P.C. He then returned to the U.S. Attorney's Office—this time unanimously confirmed by the Senate—to be the United States Attorney for the District of Vermont, a position he holds today.

Mr. Hall has been very active very in his community. He served as President of the Vermont Bar Association from 1995–96, on the Federal District Court Advisory Committee for the United States District Court in Vermont as a Citizen Board Member of the Vermont Criminal Justice Training Council, and on the Board of the Vermont Karelia Rule of Law Project. From 1989–1994, he was a nonpartisan elected member of select board for the town of Chittenden, VT, and in 1995, he was the elected Justice of the Peace for Chittenden. He has also been involved in the lay leadership of his church.

Mr. Hall has overwhelming bipartisan support, including both of his home State Senators, PATRICK LEAHY and JIM JEFFORDS. The ABA unanimously rated him "well qualified." He is an outstanding candidate who has been nominated to fill a vacancy that has been designated by the National Judicial Conference as a judicial emergency. I urge my colleagues to join me in supporting his nomination.

The PRESIDING OFFICER. The question is, shall the Senate advise and consent to the nomination of Peter W. Hall, of Vermont, to be United States Circuit Judge for the Second Circuit.

The nomination was confirmed.

NOMINATION OF WILLIAM DUANE BENTON TO BE UNITED STATES CIRCUIT JUDGE FOR THE EIGHTH CIRCUIT

The PRESIDING OFFICER. The clerk will state the next nomination.

The legislative clerk read the nomination of William Duane Benton, of Missouri, to be United States Circuit Judge for the Eighth Circuit.

Mr. BOND. Mr. President, it is a pleasure to speak in support of a distinguished Missourian, my good friend Duane Benton, to serve on the United States Court of Appeals for the Eighth Circuit. Judge Benton is a respected jurist and committed public servant. I am very pleased the Senate is taking action on Judge Benton for this important position. The Members voting on this nomination, after reviewing his many accomplishments, will find Judge Benton to have an impressive record of public service and an exemplary judicial record and conclude that he will make an excellent addition to the federal judiciary.

Judge Benton currently serves on the Supreme Court of the State of Missouri. Judge Benton was appointed to the court in 1991, and also has served as its chief judge. Judge Benton has earned a reputation as a judge with a distinguished intellect who has a skill for uniting his colleagues on difficult questions. His work ethic, approach and reasoning are highly regarded by the lawyers of Missouri.

In addition to his service on the judiciary, Judge Benton brings an impressive breadth of experience to this position. His experience coupled with his judicial record give him a command of a wide range of legal matters. Judge Benton is a Certified Public Accountant—the only CPA serving on any supreme court in the United States. Judge Benton was Missouri's chief tax expert, serving as director of the Missouri Department of Revenue. Judge Benton was member of the United States Navy, serving as a judge advocate for a number of years.

Judge Benton earned his degree at Northwestern University; his law degree at Yale University School of Law, where he also served as editor of the Yale Law Journal; a Masters of Business Administration at Memphis State University and a Masters of Law at the University of Virginia.

Judge Benton has also found time to be active in the communities in which he has lived. While his activities are too numerous to name, he has given his time from coaching baseball to serving on the Board of Regents for Central Missouri State University.

He retired from the U.S. Naval Reserve as a captain, after 30 years of active and reserve duty. He is a Vietnam veteran, a member of the Veterans of Foreign Wars, the American Legion, the Navy League, the Vietnam Veterans of America and the Missouri Military Advisory Committee.

The U.S. Court of Appeals is truly the second most important court in the land. Nearly every Federal case ends up before the court in some manner. Its decisions impact every aspect of society. To these positions, I believe it is imperative that the President nominate people of distinguished intellect and character with a breadth of legal experience. This standard has been far surpassed with the nomination of Judge Benton. With his knowledge and experience, he will make an outstanding addition to the Federal judiciary.

Mr. HATCH. Mr. President, I rise today to express my strong support for the confirmation of William Duane Benton, who has been nominated to the U.S. Court of Appeals for the Eighth Circuit.

Judge William Benton is an ideal nominee and is well suited for the Federal bench. He is currently a judge on the Supreme Court of Missouri, where he has served for 13 years, including two years as chief justice of the court. He is highly respected by his peers, has broad bipartisan support, and received a unanimous "Well Qualified" rating from the American Bar Association. Both of Judge Benton's home State senators, Senators BOND and TALENT, enthusiastically support his nomination to the Eighth Circuit.

Before I go on, I want to note here that Judge Benton is the only certified public accountant serving on any State supreme court in the United States.

I would also note Judge Benton's military career. From 1975 to 1979, he served with the U.S. Navy as a judge advocate. A Vietnam veteran, Judge Benton retired from the U.S. Naval Reserve at the rank of Captain following 30 years of active and reserve service.

Judge Benton has an outstanding academic record and I want to list a few of his accomplishments: He graduated summa cum laude from Northwestern University, where he became a member of Phi Beta Kappa. He then attended Yale Law School, where he distinguished himself as both an editor and managing editor of the Yale Law Review. While on active duty in the Navy, he attended business school at night at the University of Memphis and received his master's in business administration—with highest honors. And in 1995, he received an L.L.M. from the University of Virginia.

Judge Benton has been a dedicated public servant throughout most of his career, serving in all three branches of the Government at the State or Federal level. He was confirmed by the Missouri Senate for many of those positions: Director of Revenue for the

Missouri Department of Revenue; the Chair of the Board of Trustees for the Missouri State Employees' Retirement, and Member of the Board of Regents for Central Missouri State University. Additionally, the governor of Missouri appointed Judge Benton to the Multistate Tax Commission prior to his service on the bench. The Missouri Senate also confirmed him for that position, and members from 32 other states elected him chair of the commission. Judge Benton also served as chief of staff to Missouri Congressman Wendell Bailey in the U.S. House of Representatives.

In addition to his many years as a public servant, Judge Benton maintained a law practice. During the 1980s, he had a general civil practice representing clients such as statewide associations and groups, small businesses, and local governments. He also represented several Federal inmates on a pro bono basis.

Judge Benton has the support of both home State senators. Furthermore, he has wide support from members of the Missouri bar, as well as community organizations such as the Jefferson City Branch of the N.A.A.C.P.

Judge Benton has a solid reputation for possessing a high level of integrity, and for being personable and engaging. I'm sure that my colleagues will agree that Judge Benton brings unmatchable expertise, as well as experience to the Federal bench.

Mr. President, I yield the floor.

Mr. LEAHY. Mr. President, a little more than a month ago we were able to obtain a firm commitment from the White House that there would be no further judicial recess appointments for the remainder of this presidential term. That undertaking led immediately and directly to the Senate vitiating a cloture vote and proceeding to confirm a district court nominee from Florida. Since that time I have been urging the Republican leadership to schedule consideration and votes on the other two dozen nominees to be considered. They started slowly but last week we were able to confirm nine of the judicial nominees. Today we will act on several more.

It is unfortunate that the Republican leadership did not schedule the debate that they know will be required before a vote on the Holmes nomination. There remains no Democratic hold on that nomination. The problem has been the failure of the Republican leadership to build that debate into the Senate schedule.

I am working with the Democratic leader and all Senators to complete action on all the other judicial nominees subject to the understanding. In order to accommodate Senators, we will proceed with some of the nominees by voice vote.

The facts are that Senate Democrats have been much more cooperative with this President than Republicans were when President Clinton was in the White House. Democrats in this Senate have shown great restraint and extensive cooperation in the confirmation of nearly 200 of this President's judicial nominations. We have reduced circuit court vacancies to the lowest level since the Republican Senate leadership irresponsibly doubled those vacancies in the years 1995 through 2001. We have already reduced overall Federal court vacancies to the lowest levels in 14 years, and after today we may hit a level of vacancies achieved only once in the last 20 years with less than 30.

Today we consider William Duane Benton, the fifth of President Bush's nominees to a circuit court we will have confirmed this year. This should be contrasted with the number of circuit court nominees confirmed in the 1996 session, the last year of President Clinton's first term. That session not a single circuit court nominee was permitted by the Republican majority to proceed to confirmation, not one. That year only 17 judges were allowed to be confirmed and all were to district court vacancies.

Judge Benton, who currently serves on the Supreme Court of Missouri, is an example of the sort of nominee that President Bush ought to send for the appellate courts. He has a reputation as a conservative, but fair-minded judge. As an attorney he had experience in a variety of areas of law, and on the State Supreme Court he has handled complex criminal and civil cases. He has written a number of excellent opinions, laying out the facts and the law with no hint of any personal bias. Judge Benton shows a willingness to listen to all litigants and to be fair.

I was especially struck by his fairness in death penalty cases. Far too often judges, especially elected judges, yield to the pressure of those who would sacrifice important constitutional principles in capital cases. As I look at his record, I see that of the 21 published opinions Judge Benton has written in death penalty cases, he has affirmed 12 and reversed nine. I think it is telling that he is willing to see beyond what are always terrible facts in these cases to ensure that justice and important constitutional safeguards are preserved.

I hope that my praise for his work in death penalty cases will not hurt Judge Benton's chances for confirmation. I remember not so long ago when another judge on the Supreme Court of Missouri, now-Chief Justice Ronnie White, was before the Senate as a nominee to a seat on the Federal bench. Sadly, Judge White's willingness to uphold the Constitution and ensure fair process in death penalty cases led to his being defeated by an unprecedented party-line vote of Republican Senators. His record was twisted and distorted for purposes of partisan politics.

Judge White was twice nominated by President Clinton to fill a seat on the U.S. District Court. The Judiciary Committee held two hearings on his nomination. Judge White was introduced enthusiastically by Senator BOND, and after each of these hearings the committee voted favorably to report his nomination to the full Senate. Despite this bipartisan support, however, his nomination was delayed for months and then years. When the time finally came for a vote on the Senate floor, Judge White was ambushed, and he was rejected in a party-line vote during which Republicans who had supported his nomination previously reversed position to scuttle it before the Senate.

The biggest distortions of Judge White's record were in death penalty cases. His record on the whole compares favorably to Judge Benton's. According to testimony at Attorney General Ashcroft's confirmation hearing, Judge White voted to affirm the death penalty in 69 percent of the cases he heard. Looking just at the opinions Judge Benton has authored, we see him writing to affirm the death penalty 58 percent of the time. If we factor in cases in which he did not write the opinion but voted to affirm a capital sentence, I am sure the percentage is higher, and approaches Judge White's record.

For opposing a capital sentence in dissent in a small minority of the cases he heard, Judge White was vilified. Then-Senator Ashcroft took to the Senate floor and pointed to Judge White's record in death penalty cases as evidence that he was "pro-criminal," further describing Ronnie White as a judge, "with a tremendous bent toward criminal activity or with a bent toward excusing or providing second chances or opportunities for those who have been accused in those situations." These were outrageous things to say about a man who had devoted his life to the law, who had served many years on the State's highest court, and who had voted to reverse a small number of death sentences in order to preserve the integrity of the Constitution. When Judge White came to testify at Attorney General Ashcroft's confirmation hearing, Senator SPECTER offered him an apology for the way in which he was treated.

I mention all of this, as I said, because it provides such a stark contrast to the treatment that Judge Benton has gotten throughout his confirmation process. I doubt anyone will look at the nine cases in which he wrote to reverse a death penalty—50 percent more cases than those Judge White voted to reverse—and accuse him of being "pro-criminal". I will be surprised if, because he has found reversible error in the imposition of nine different death sentences, each one involving terrible crimes and horrific facts, any Member of this Senate will accuse him of having a "tremendous bent toward criminal activity." I will be shocked if, because he exercised his best judgment and followed the law as he understood it, he will be vilified and humiliated in a sneak attack in the manner that Judge Ronnie White was treated.

Of course, none of that should happen to Judge Benton, just as none of that should have happened to Judge White. I hope that one day Judge White's name can come back before the Senate and that he can be treated with the integrity and respect he deserves, just as we treat Judge Benton. I will vote in favor of Judge Benton's confirmation.

The PRESIDING OFFICER. The question is, Shall the Senate advise and consent to the nomination of William Duane Benton, of Missouri, to be United States Circuit Judge for the Eighth Circuit?

The nomination was confirmed.

NOMINATION OF DORA L. IRIZARRY TO BE UNITED STATES DISTRICT JUDGE

NOMINATION OF GEORGE P. SCHIAVELLI TO BE UNITED STATES DISTRICT JUDGE

NOMINATION OF ROBERT BRYAN HARWELL TO BE UNITED STATES DISTRICT JUDGE

The PRESIDING OFFICER. The clerk will state the next set of nominations, en bloc.

The legislative clerk read the nominations of Dora L. Irizarry, of New York, to be United States District Judge for the Eastern District of New York;

George P. Schiavelli, of California, to be United States District Judge for the Central District of California;

Robert Bryan Harwell, of South Carolina, to be United States District Judge for the District of South Carolina.

Mr. HATCH. Mr. President, I rise today to express my support for the confirmation of Dora Irizarry, who has been nominated to the U.S. District Court for the Eastern District of New York.

Judge Irizarry has an impressive record of academic achievement and public service. She is a cum laude graduate of Yale University and a graduate of Columbia University School of Law. She has spent the great bulk of her career in public service, including 16 years as an assistant district attorney prosecuting complex narcotics cases. In 1995, then-Mayor Rudolph Guiliani appointed her to the New York City Criminal Court. Two years later, she was elevated by Governor George Pataki to the New York Court of Claims, where she served as an acting justice on the New York Supreme Court. After seven years of service as a judge, she left the bench in 2002 to campaign as the Republican candidate for State Attorney General. She is currently in private practice with the New York law firm of Hoguet Newman & Regal.

In acknowledging the questions that some of my colleagues have about Judge Irizarry, let me just say I have done my best to ensure her nomination is treated with fairness and respect, and I believe we've succeeded. During the confirmation hearing for Judge Irizarry, we heard from the ABA and we also heard from three distinguished members of the New York legal community. We heard from New York Supreme Court Justice Michael Pesce, the presiding justice, and New York Supreme Court Justice Lewis Douglass, as well as James Castro-Blanco, immediate past president of the Puerto Rico Bar Association. They praised her legal aptitude and experience, her integrity, and, most notably, her judicial temperament.

Furthermore, the Committee received a number of letters in support of Judge Irizarry's nomination from those who were unable to attend her hearing, as well as a strong letter in support from the Congressional Hispanic Caucus.

When I look at the full record in this case, including the impressive testimony on behalf of Judge Irizarry from her judicial colleagues and former associates, the endorsements of the Brooklyn, Asian American and Puerto Rican Bar associations, and her own answers to the questions that have been raised, I am persuaded that she is prepared to be a fine Federal judge. I support her confirmation, and I ask my colleagues to do the same.

Mr. President. I yield the floor.

Mr. LEAHY. Mr. President, today, we are asked to consider the nomination of Dora Irizarry to the United States District Court for the Eastern District of New York. There was some controversy with her nomination stemming from interviews conducted by the American Bar Association. A majority of the ABA Standing Committee members concluded that Judge Irizarry was "not qualified" for the Federal bench. I believe we must give considerable weight to such peer reviews.

Unfortunately, Judge Irizarry is one of 28 judicial nominees of this President to receive a partial or majority rating of "not qualified" from the ABA committee that conducts a peer evaluation of judicial nominees. When the ABA advises us that even a minority of the members of its review committee consider a nominee to be "not qualified," that is cause for concern. I know that the ABA representatives take their work very seriously.

Last October, the Judiciary Committee held a hearing on the nomination of Judge Irizarry, with the consent of both of the Senators from her homestate of New York. The senior Senator from New York, Senator SCHUMER, served as the ranking member at the hearing. On behalf of the Democratic minority, I worked with Chairman HATCH to allow that hearing to be scheduled on shorter notice than would normally be required under Senate rules. That was one of a series of accommodations Democrats have made to the Republican majority and to this administration without receiving acknowledgment or credit. At the hearing, the committee explored the nomination and the unfavorable recommendation of the ABA. We heard from the nominee, Judge Dora Irizarry, ABA representatives, and the witnesses speaking in support of her qualifications.

The Democratic members of the Judiciary Committee look very closely at the peer review ratings provided by the ABA. Nevertheless, we consider the views of the ABA an important but not a dispositive piece of information as part of our evaluation. We may not always agree with the recommendation. The Senate proceeded to confirm nominees with majority "Not Qualified" ratings from the ABA, and during the course of this administration the Senate has confirmed a number of nominees with partial "Not Qualified" ratings.

There are other factors that are critical considerations for these lifetime positions in the Federal judiciary beyond a favorable ABA rating. For example, in the judgment of some Members of the Senate, some of this President's judicial nominees do not have records that demonstrate that they will be fair judges and, instead, their backgrounds suggest precisely the opposite: that they were chosen with the hope that they would prejudge areas of constitutional law in order to move the law in a certain direction in tune with the political views of the right wing of the Republican party.

I have no concerns about the impartiality of the ABA member, Pat Hynes, who conducted the interviews in connection with the nomination of Judge Irizarry. Ms. Hynes, who is of counsel at Milberg Weiss, chaired the ABA standing committee during the beginning of the Bush administration and also served as the ABA's Second Circuit representative from 1995 to 2000. She is currently Chair of the Merit Selection Panel for Magistrate Judges for the Southern District of New York and serves on the Second Circuit Court of Appeals Rules Committee. She was chosen as a Fellow of the American

College of Trial Lawyers and has been named one of the Top 50 Women Litigators in the United States and one of the 50 Most Influential Women Lawyers in America.

The Senate Judiciary Committee's practice has been to invite the ABA's testimony in connection with a nomination when a circuit or district court nominee has earned a majority or unanimous rating of "not qualified." In providing such testimony, I know that the ABA takes pains to preserve the confidentiality of the attorneys and judges they interview as part of their review. I do wish the ABA would provide similar information, informally or formally, about other ratings they provide. Before President Bush ejected the ABA from the process of providing an informal rating before a nomination was made, the fact that temperament or ethics concerns were raised was conveyed, and sometimes past White Houses chose not to proceed after making further inquiry into such concerns. Additionally, when the ABA was involved in the process before nomination, I am confident that members of the legal community were more candid before a judicial candidate was given the imprimatur of the President.

I understand that in connection with the nomination of Judge Irizarry, the ABA heard a number of candid assessments from the lawyers and judges Ms. Hynes interviewed, some very positive and some troubling in the area of judicial temperament.

Judge Irizarry, who was born in Puerto Rico, is an attorney with the New York firm of Hoguet, Newman & Regal. A 1979 graduate of Columbia Law School, she was appointed to the Bronx County Criminal Court in 1996, and then served on the New York County Criminal Court, on the New York Supreme Court, which, despite its name, is a trial level court, in New York County and Kings County, and on the New York Court of Claims. She served as a judge until May 2002, when she resigned to run an unsuccessful campaign for State Attorney General against Eliot Spitzer. As I mentioned, based on concerns about temperament, a majority of the ABA committee found her to be "not qualified" for a Federal judgeship and a minority voted to find her "qualified." The New York City Bar Association's Judiciary Committee also found Judge Irizarry to be unqualified for a position on the Federal bench, citing a lack of Federal experience and complaints about her judicial temperament.

I have concerns about the serious temperament allegations that were made to the ABA standing committee but I trust the judgment of the senior Senator from the State of New York and I am prepared to support Judge Irizarry's confirmation to this lifetime position. I trust that she will conduct herself on the Federal bench in a way that is above reproach.

NOMINATION OF GEORGE SCHIAVELLI

Mr. HATCH. Mr. President, I am pleased today to speak in support of George P. Schiavelli to be United States District Judge for the Central District of California.

Judge Schiavelli has exceptional qualifications for the Federal bench. After graduating first in his class from UCLA Law School in 1974 he joined the law firm of O'Melveny & Myers LLP as an associate where he worked on litigation, labor, corporate and entertainment issues with an emphasis on commercial litigation. In 1976, Judge Schiavelli joined the litigation department of Ervin, Cohen & Jessup LLP. Ten years later, he was hired as a partner at Horvitz & Levy, LLP, an appellate law firm.

Judge Schiavelli began his distinguished career in public service by joining the Los Angeles Superior Court in 1994 where he served until 2000. Since that time, he has practiced principally in the area of alternative dispute resolution, ADR, acting as a mediator, arbitrator, referee, and special master. In addition to his ADR activities, Judge Schiavelli has been Of Counsel to the Appellate Group of Reed Smith LLP.

Judge Schiavelli's impressive credentials are reflected in his unanimous American Bar Association rating of Well Qualified. I urge my colleagues to join me in supporting his nomination.

Mr. LEAHY. Mr. President, today the Senate considers the nomination of George Schiavelli to the U.S. District Court for the Central District of California. He is currently of counsel at Reed Smith LLP in Los Angeles, where he has worked since 2000. Prior to joining Reed Smith, he served as a judge on the Los Angeles Superior Court from 1994–2000. He has significant litigation and judicial experience and I support his nomination.

Mr. Schiavelli's nomination is the product of a bipartisan judicial nominating commission maintained with the White House by Senators FEINSTEIN and BOXER. The State of California is well-served by its bipartisan judicial nominating commission, which recommends qualified, moderate nominees on whom members of both parties can agree. It is difficult to understand why President Bush has opposed similar bipartisan selections commissions since they clearly help Democrats and Republicans work together to staff an independent judiciary.

I thank Senators FEINSTEIN and BOXER for their steadfast efforts in maintaining the commission. It is a testament to their diligence that we have such well-qualified nominees heading to California's Federal courts. With this confirmation, the Senate will have confirmed 15 nominees to the district courts in California.

The Senate will now have confirmed more than two dozen judicial nominees of President Bush this year alone. Only 17 judges were confirmed under Republican leadership in the entire 1996 session and no circuit court nominees were confirmed that entire time. That was the last year in which a President was seeking reelection. We have far exceeded the number of judges confirmed, including circuit judges, that year.

With today's votes, the Senate will have confirmed nearly 200 judicial nominees of President Bush. In this Congress alone, the Senate has confirmed more Federal judges than were confirmed during the 2 full years of 1995 and 1996 when Republicans first controlled the Senate and President Clinton was in the White House. We have also exceeded the 2-year total at the end of the Clinton administration, when Republicans held the Senate majority in 1999 and 2000. I would note, however, that the Republican-controlled Senate has not confirmed in 25 months quite as many as the 100 the Democratic-led Senate confirmed in our 17 months in the majority in 2001 and 2002.

With nearly 200 confirmation of President Bush's judicial nominees, the Senate has confirmed more lifetime appointees for this President than were allowed to be confirmed in the most recent four-year presidential term—that of President Clinton from 1997 through 2000. We have confirmed more judicial nominees than the first President Bush appointed in his presidency and more than during President Reagan appointed during his entire term from 1981 through 1984.

I congratulate Mr. Schiavelli and his family on his confirmation today.

NOMINATION OF ROBERT B. HARWELL

Mr. HOLLINGS. Mr. President, I join LINDSEY GRAHAM in supporting Bryan Harwell to be a Federal judge in the Low Country. I support nominees from both parties no matter who is President, but I don't believe this Nation's courts should be filled with judges who are advancing a political agenda. We need to stay above politicizing the courts for short-term political gain. I have been disturbed by a few of the President's nominees, who have been outside the judicial mainstream, or are only marginally qualified, or are tainted by conflicts or their past political work for Kenneth Starr. We should not use the Federal bench to reward our political operatives.

Bryan Harwell has distinguished himself as a trial lawyer with a law firm in Florence and Marion, representing individuals and small businesses in general civil, criminal, workers compensation and family court matters. In particular, he has developed expertise in torts and insurance, product liability, malpractice and other negligence cases. His Martindale-Hubbell Rating is AV, the highest possible rating. As a veteran, I appreciate Mr. Harwell's service for a number of years in South Carolina's Army National Guard, during which he rose to the rank of JAG Captain. He has also contributed to his community as a Trustee of the Florence Darlington Technical College and as a business law professor there. Bryan Harwell will be a fine Federal judge.

Mr. GRAHAM of South Carolina. Mr. President, I have had the pleasure of knowing Bryan Harwell for a very long time. I have always respected his character as well as his legal abilities. Upon hearing of Judge Houck's intention to take Senior Status, I immediately thought of Bryan. He has distinguished himself in private practice since 1984, serving as a pillar of the Florence, SC legal community. Everyone I've talked to about his nomination has been unanimous in their admiration for him and his family.

As most of you know, I have based my judicial recommendations to the President on character, ability, and temperament. Bryan Harwell fulfills all of these criteria with a large measure to spare. Indeed, he has displayed excellence in all of these categories for as long as I have known him. Upon graduation from the University of South Carolina School of Law, where he finished his degree in just over 2 years, Bryan clerked for one of our most respected state Circuit Judges, Rodney Peeples. Finishing his clerkship with Judge Peeples, he then went on to clerk for one of our most accomplished Federal judges, U.S. District Judge G. Ross Anderson. Both have had high praise for Bryan's time in their service.

After his clerkships, Bryan entered private practice with the law firm of Harwell, Ballenger, Barth & Hoefer, where he currently practices. His practice has involved the complete spectrum of South Carolina's laws and he has argued cases before our State Supreme Court as well as the Fourth Circuit Court of Appeals. He has augmented his litigation practice with a thriving mediation and arbitration practice, an area I personally believe has great promise for addressing a number of our legal system's problems. Last, but certainly not least, he has served his country as a Judge Advocate General officer in the South Carolina National Guard.

In short, like many lawyers in South Carolina, he has represented the working man and the small businessman and he has served his country as well. I have a tremendous amount of respect for that type of lawyer, having been one myself.

While he has excelled in private practice, Mr. Harwell has also shown his deep commitment to his community. He has opened his practice to those who are less fortunate and who need a helping hand by serving as a referral attorney for Carolina Regional Legal Services. He has served as an adjunct business law instructor at Francis Marion University. Bryan has participated in the South Carolina Bar's Ask-a-Lawyer project, an important link between our legal community and our citizens, which often serves as the only opportunity many of our citizens have for knowledgeable advice regarding some of life's most important matters. And, reflecting his varied interests, he has also served on the Board of Trustees at Florence Darlington Technical College.

Bryan Harwell has also gone out of his way to serve South Carolina's legal community. He has served as a lecturer on arbitration and mediation law on a number of occasions for our South Carolina Bar.

In recognition of his accomplishments and service, I am proud that Mr. Harwell received a unanimous "Qualified" rating from the American Bar Association. I am certain that he will be an excellent addition to the Federal bench.

I am pleased that the Senate has voted to confirm Mr. Harwell today.

Mr. HATCH. Mr. President, I rise today to express my strong support for the confirmation of Robert Harwell, who has been nominated to the U.S. District Court for the District of South Carolina.

Mr. Harwell is an exceptional nominee. A graduate of the University of South Carolina School of Law, he brings more than 20 years of legal experience to the Federal bench. After graduation, he clerked consecutively for South Carolina Circuit Judge Rodney A. Peeples and U.S. District, South Carolina, Judge G. Ross Anderson, Jr.

Let me just say that Mr. Harwell, like my distinguished colleague from South Carolina, Senator LINDSEY GRAHAM, has served as judge advocate general in the South Carolina Army National Guard. I note that Senator GRAHAM served in the Air National Guard.

After his clerkships, Mr. Harwell entered private practice with the law firm of Harwell, Ballenger & DeBerry, now known as Harwell, Ballenger, Barth & Hoefer, LLP, where he currently practices. In addition to practicing law, he often serves as a mediator or arbitrator, skills that will undoubtedly serve him well on the bench.

I think my colleagues will agree that Mr. Harwell is a well-qualified nominee and will make a fine jurist.

Mr. President, I yield the floor.

Mr. LEAHY. Mr. President, today we vote on the nomination of Robert Harwell to the U.S. District Court for the District of South Carolina. Mr. Harwell is the name partner of a litigation firm in South Carolina, Harwell, Ballenger, Barth & Hoefer, LLP, where he has practiced law since 1984. He has significant litigation experience, and I support his nomination.

The Senate will now have confirmed more than two dozen judicial nominees of President Bush this year alone. Only 17 judges were confirmed under Republican leadership in the entire 1996 session and no circuit court nominees were confirmed that entire time. That was the last year in which a President was seeking reelection. We have far exceeded the number of judges confirmed, including circuit judges, that year.

With today's votes, the Senate will have confirmed nearly 200 judicial nominees of President Bush. In this Congress alone, the Senate has confirmed more Federal judges than were confirmed during the 2 full years of 1995 and 1996 when Republicans first controlled the Senate and President Clinton was in the White House. We have also exceeded the 2-year total at the end of the Clinton administration, when Republicans held the Senate majority in 1999 and 2000. I would note, however, that the Republican-controlled Senate has not confirmed quite as many as the 100 the Democratic-led Senate confirmed in our 17 months in the majority in 2001 and 2002.

With nearly 200 confirmation of President Bush's judicial nominees, the Senate has confirmed more lifetime appointees for this President than were allowed to be confirmed in the most recent four-year presidential term—that of President Clinton from 1997 through 2000. We have confirmed more judicial nominees than his father got confirmed and than during President Reagan's entire term from 1981 through 1984. Republicans should stop their false claims of obstructionism given these broken records.

With this confirmation, we have filled every vacant seat in South Carolina. It is a pleasure working with both of the Senators from South Carolina. I congratulate Mr. Harwell on his confirmation.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nominations, en bloc?

The nominations were agreed to en bloc.

The PRESIDING OFFICER. The motions to reconsider are laid upon the table, and the President will be notified of the foregoing Senate action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, does the Senator from Kentucky want to be recognized?

Mr. McCONNELL. Yes. If I could get in the queue here, I know the Senator from West Virginia is going to speak, followed by the Senator from North Carolina.

I ask unanimous consent that I be recognized after the Senator from North Carolina.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE EXPLANATION

Mr. BYRD. Mr. President, I voted against the Frist-Daschle resolution on the Middle East. My constituents are entitled to an explanation. I opposed the resolution, and I know the leaders, and indeed all of the Members of this body, are genuinely committed to advancing the cause of peace in the Middle East, but no one should be naive enough to think this resolution will move the process forward one centimeter. If anything, the lopsided pro-Israel slant of this resolution will serve only to strengthen the growing distrust of moderate Arab States toward the United States.

This resolution is a blatantly unfair reading of the current status of the Israel-Palestinian conflict. It claims that the President's roadmap for peace is still relevant, even though it has been completely stalled for more than a year. The resolution wholeheartedly endorses Prime Minister Sharon's view of the barrier wall being built in West Bank, without so much as a mention of the wide opposition to its construction from moderate Arab countries, such as Jordan.

The resolution contains language that could easily be construed to be in support of the controversial, and some claim illegal, practice of the targeted assassinations carried out by the Israeli Armed Forces. The United States is completely right to condemn the violence carried out by Palestinian terrorists, but we cannot turn a blind eye to the unwarranted excesses of the Israeli Government under Mr. Sharon. If our country truly wants to push both sides toward the negotiating table, we should condemn all violence arising from the Israeli-Palestinian conflict, including that which has claimed the lives of innocent Palestinians. There is blame to be shouldered by both sides. If we are to regain our credibility—let me say that again. If we are to regain our credibility as honest brokers in the Middle East, we need to acknowledge that fact. Progress will only be made in resolving the Middle East violence when the United States weighs in with a fair, evenhanded position that points out the wrongdoings of both sides.

Resolutions such as this one are a far cry from being fair, objective, or evenhanded.

Besides the specific provisions of this resolution, I oppose the thrust of the resolution, which is intended to express "the Sense of the Congress in Support of United States Policy for a Middle East Peace Process." The United States has been completely disengaged from the Israeli-Palestinian peace process for far too long, and the number of victims on both sides is growing far too fast. I cannot support a policy that boils down to a benign neglect of the violence in the Middle East.

Resolutions such as the one the Senate has taken up today may serve as a useful platform for a press release or a stump speech, but they do nothing to advance the cause of peace in the Middle East. I would jump at the chance to vote for a meaningful resolution that articulated the Senate's support of a viable policy to resolve the conflict between the Palestinians and the Israelis. But this administration has abandoned any pretense of promoting such a policy. To voice the Senate's support for what amounts to a set of empty promises and incendiary rhetoric is a foolish exercise of which I want no part.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

IRAQ AND AL-QAIDA

Mrs. DOLE. Mr. President, I find it troubling that the war in Iraq is not being equated to the overall war on terror. Polls have shown evidence that Americans are not making the connection. So the question at hand is, Was removing Saddam's government a positive step in the overall war on terror?

Our ability to turn over control to a peaceful and sovereign Iraqi government is an integral part of the overall war on terror. Collaboration of Iraq's former regime with terrorist groups and its funding of them have not been in question. Yet few critics and naysayers have passed up the chance to undermine a link between Iraq and al-Qaida.

Despite recent media reports that have clouded, or even misrepresented, the facts, there is compelling evidence that al-Qaida and Iraq have been linked for more than a decade. Democratic cochairman of the 9/11 Commission, former Representative Lee Hamilton of Indiana, told reporters there were connections between al-Qaida and Saddam Hussein's government.

In a speech earlier this afternoon, former Vice President Al Gore accused President Bush of lying about a connection between al-Qaida and Iraq. This is the same Al Gore who was a member of the same Clinton White House that first made charges about the dangers of Iraq passing chemical or biological weapons to al-Qaida. Those charges formed the basis for the missile strikes against alleged terrorist targets in Sudan in August 1998, according to on-the-record statements from no fewer than six top Clinton administration officials.

Documents discovered recently by U.S. forces at Saddam's hometown of Tikrit showed that Iraq gave Abdul Rahman Yasin both a home and a salary. Yasin was a member of the al-Qaida cell that detonated the 1993 World Trade Center bomb. Is this not a clear example of Iraq not only having a relationship with al-Qaida but also harboring and rewarding a terrorist, a person who was directly involved in a terrorist attack on our soil?

Let me highlight the case of Zarqawi, arguably the most dangerous terrorist in the world today. He and his men trained and fought with al-Qaida for years. Zarqawi's network helped establish and operate an explosives and poison facility in northeast Iraq. Not only was Zarqawi in Baghdad prior to Saddam's ousting, but nearly two dozen members of al-Qaida were there as well. One al-Qaida associate even described the situation in Iraq as good and stated that Baghdad could be transited quickly.

Let me be clear. Mistakes have been made in Iraq, and this operation has been far from perfect, as evidenced by the fact that Zarqawi and other terrorists continue to wreak havoc throughout Iraq. But those who undermine the rationale for our mission in Iraq for political gain make our mission even more difficult and certainly do not boost the morale of our men and women in uniform.

Many of these young men and women are from my home State of North Carolina. They seek to assist the Iraqi people in transforming a country that harbored and gave safe haven to terrorists, a country to which terrorists traveled to consort with one another about how to produce weapons and how to inflict them on a common enemy. The terrorists know what is at stake, which is why they are pulling out all the stops to derail our efforts. They understand that a free and democratic Iraq is a serious blow to their interests.

I want our men and women in uniform to know that this Senator understands and appreciates the importance and the magnitude of the great work they are doing in Iraq. As my colleague, Senator LIEBERMAN, stated very succinctly this morning, the war in Iraq is the central battleground in the war on terror. Because of the efforts and eventual success of many brave men and women, the American people and the world are much safer.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Kentucky is recognized.

RENEWAL OF SANCTIONS AGAINST BURMA

Mr. MCCONNELL. Mr. President, a few moments ago, the Senate voted to renew sanctions against one of the worst regimes in the world, the regime that runs Burma. The situation in Burma is dire. Suu Kyi and the other NLD prodemocracy leaders remain in prison; a crackdown on democracy activists continues; and the SPDC's—that is the name the military thugs who run the country have given themselves—inhumane policies of child and forced labor, rape as a weapon of war, narcotics, human trafficking, and the use of child soldiers remains unchanged.

The swift passage of this resolution, which we did a few moments ago, matches words of support for freedom in Burma with concrete actions. It is past time to judge the military regime in Burma not by what it says but by what it does. The junta misled governments throughout the region into thinking that the May 17 constitutional convention would be a step forward in the reconciliation process, but it was not. The convention was nothing more than a summer camp for the sycophants of the military regime.

I am pleased our allies are increasing pressure on the junta. The European Union recently cancelled the Asia-Europe meeting because of Burma. It is an important step in the right direction. The EU should consider additional sanctions against the military regime.

More must be done. The U.N. Security Council should take up Burma for a discussion and for sanction and ASEAN should abandon the outdated policy of noninterference in member states' affairs.

One common subject must remain and that is the full and unfettered participation of Suu Kyi and the NLD, her political party, and ethnic minorities in a meaningful reconciliation process. I have two words for the regional neighbors of Burma: ASEAN 2006. That is the year Burma takes over chairmanship. That is 2 short years from now, which would result in a tremendous loss of face for that association.

Despite their worst efforts over the past 14 years, the SPDC has failed to smother the flames of freedom in Burma. I continue to be inspired by reports of activists who bravely and nonviolently defy the junta's illegitimate rule, like the handful arrested last month for distributing pamphlets in several Burmese townships marking the 1-year anniversary of the Depayin massacre.

It would be wise for the SPDC to accept the time-tested fact that Suu Kyi and the NLD are not going anywhere. They, and the ethnic minorities, are an integral part of the solution to the Burmese problem.

To wit, the NLD and their supporters made the courageous and correct decision to boycott the sham SPDC-orchestrated constitutional convention last month. I am pleased that international condemnation by the United States, United Nations, European Union and regional neighbors of the hollow convention was rightly aimed at the SPDC. The generals in Rangoon made any number of assurances to foreign diplomats that the process would be inclusive. It clearly was not.

This only underscores the imperative to judge the SPDC not by what it says but by what it does.

The convention turned out to be nothing more than a summer camp for SPDC sycophants. According to the Washington Times, the junta required their handpicked delegates to "bathe at reasonable times, avoid junk food and live in self-contained camps where they can enjoy karaoke, movies and golf."

Import sanctions by the United States alone will not help facilitate a meaningful reconciliation process in Burma. We need the U.N., E.U., and regional neighbors to fully commit to the cause. This was made clear by the NLD in a recent plea to U.N. General-Secretary Kofi Annan to "take this matter to the Security Council".

The U.N. should help the NLD and the people of Burma by examining the clear and present danger Burma poses to the region. This must include narcotics production and trafficking, the spread of HIV/AIDS throughout the region, the gross human rights violations of the SPDC, the plight of Burmese refugees and IDPs, and alarming reports of the junta's interests in North Korean missiles and Russian nuclear technology.

The E.U. should help the NLD and the Burmese people by examining its sanctions regime and imposing further punitive measures against the junta. I am pleased that our allies in the E.U. recently canceled the upcoming Asia-Europe Meeting, ASEM, dialogue in Brussels over the attendance of the SPDC. The junta has no place at this multilateral table.

Regional neighbors should help the Burmese people buy reconsidering the Association of Southeast Asian Nation's, ASEAN, outdated policy of noninterference in the internal affairs of member states.

Asian leaders must recognize the regime for what it is, wholly illegitimate to the people of Burma, the international community and the region. The SPDC's export of illicit drugs and HIV/AIDS is, literally, burying the children of Asia. All of Asia's youth, not only those in Burma, face a future that is undermined by Burmese-spread drugs and disease.

The region cannot ignore the fact of the junta's chairmanship of ASEAN in 2006. There could be no greater loss of face for that association than being under the guidance of the SPDC.

Let me close by thanking all 53 of my colleagues who joined me in sponsoring the sanctions resolution. I want to recognize in particular the efforts of Senators FEINSTEIN and McCAIN and their respective staffs to support freedom and justice in Burma. The Burmese people have no greater friends in the Senate, or in Washington. I also appreciate the efforts by Senators GRASSLEY and BAUCUS and their respective staffs to expedite consideration of the legislation.

I would be remiss if I did not note the words of support of the NLD made by former Mongolian Prime Minister Tashika Elbegdorj, the Same Rainsy Party in Cambodia, and the cross-party Burma Caucus formed by Malaysian parliamentarians. Although they are engaged in their own efforts, and, in some cases, struggles, for democracy and human rights in their respective countries, they stand in solidarity with the people of Burma.

I encourage other neighbors to find their voice in support of the Suu Kyi and the NLD during these troubling times.

I thank the 53 cosponsors of this resolution, in particular Senators FEINSTEIN and McCAIN. Burma has no better friends in Washington than DIANNE FEINSTEIN and JOHN McCAIN.

I also appreciate the efforts of Senators GRASSLEY and BAUCUS and their respective staffs to move the bill in an expeditious manner.

I ask unanimous consent that a letter from Secretary of State Colin Powell indicating the State Department's support for the continuation of the sanctions we earlier today imposed with our vote in the Senate be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF STATE,
Washington, DC, April 30, 2004.

HON. MITCH McCONNELL,
Chairman, Subcommittee on Foreign Operations, Committee on Appropriations, United States Senate.

DEAR MR. CHAIRMAN: I am writing to reaffirm the State Department's support for the continuation of the restrictions on imports from Burma, as I stated in my testimony before the Senate Appropriations subcommittee on foreign operations on April 8. Our sanctions represent a clear and powerful expression of American disapproval of the developments in Burma. This action is a key component of our policy in bringing democracy and improved human rights to Burma, as well as supporting the morale of Burmese democracy activists.

I support wholeheartedly passage of the Joint Resolution you introduced along with Senator Feinstein. Thank you for your leadership on this issue.

Sincerely,

COLIN L. POWELL.

THERE IS A PRICE TO PAY FOR FREEDOM'S STRUGGLE

Mr. McCONNELL. Mr. President, almost a century and a half ago, the abolitionist Frederick Douglass spoke:

> The whole history of the progress of human liberty shows that all concessions yet made to her august claims, have been born of earnest struggle . . .
>
> If there is no struggle, there is no progress. Those who profess to favor freedom, and yet deprecate agitation, are men who want crops without plowing up the ground, they want rain without thunder and lightning.
>
> They want the ocean without the awful roar of its many waters.

We could find no wiser counsel as we approach the historic transitioning of Iraq to self-rule on June 30. Mr. Douglass' words which rang true in 1857 continue to do so through 2004. As one dark chapter closes and a new, brighter one is set to open in Iraq, we recall his words that the freedom of man has not yet been fully attained, nor is it freely conceded. There is a price to freedom's struggle that tragically includes loss.

In short, freedom is not free. As Iraq struggles to transition from dictatorship to democracy, we all suffer with the loss of each soldier. We all bear the pain of Iraqi men, women, and children suffering from terrorist attacks and Hussein holdovers. But not all shrink back from freedom's struggle upon hearing, feeling, and understanding its price.

The risks and travails of securing freedom are too easily forgotten by a complacent humanity. Yet, we do not need to leap back centuries to comprehend the expense of freedom's attainment. Just a few years ago, we understood that freedom has a price.

In 1983, the head of Solidarity in Poland, Lech Walesa, spoke of freedom's price when receiving his Nobel Prize:

> With deep sorrow I think of those who paid with their lives for the loyalty to "Solidarity"; of those who are behind prison bars and who are victims of repressions. I think of all those with whom I have traveled the same road and with whom I shared the trials and tribulations of our time.

Nor did the struggle for freedom end with the cold war. In his 1999 address to NATO, Vaclav Havel of Czechoslovakia stated:

> The fact that a former powerful strategic adversary has disappeared from the scene does not, however, mean that in the world of today, human lives, human rights, human dignity, and the freedom of nations are no longer in danger. They are, unfortunately, still being threatened, and collective defence of the democratic states of the Euro-Atlantic sphere of civilization, therefore, still remains a valid concept.

History did not end with the end of the cold war. Yet, despite the attack of 9/11, some want to believe that history has ended, or that struggling for freedom is unnecessary or obsolete. They believe either that mankind enjoys all the freedom that it is due, or that freedom cannot be preserved or expanded by means of force or combat.

In either case, any would-be leader of the Free World cannot both profess such beliefs and still claim the determination to protect freedom in the post-9/11 world.

Not for this Nation, not for this time, and not for this struggle.

President Bush believes otherwise. He understands what Frederick Douglass meant when he said:

> Power concedes nothing without a demand. It never did and it never will . . .

While we have not yet witnessed the conclusion of this most recent struggle for freedom, we have seen the trials and tribulations this President faces.

I believe President Bush is trying to wage the War on Terrorism against unprecedented and incredible words and deeds of disunity here at home. Every citizen is ensured the right to dissent. Every President who volunteers to serve in that high office understands and is sworn to uphold that right to dissent. While this Nation has had great leaders who have stood at the helm through many challenges to our national security, I wonder if they could have been successful without the support of those who put the best for their Nation ahead of the best for their party. For such is the unique challenge to victory this President confronts. Consider a historical comparison of the challenges this President faces now against those of a President in our recent past.

In World War II, President Roosevelt stated the national goal of "unconditional surrender." In the War on Terrorism, President Bush similarly outlined the national goal of "regime change" in Iraq. The paramount national goal in wartime should be a unifying force in any nation. In World War II, it was. Republicans echoed President Roosevelt's demand for the "unconditional surrender," not just of Japan, but of Germany and Italy as well.

In the War on Terror, Democrats have echoed President Bush's call for "regime change," but not in Iraq. Instead, they called for "regime change here at home." Democrats contend it is the President of the United States, not the dictator of Iraq, that's the "regime" that needs toppling for the world to be safe.

Perhaps this is just political sloganeering, but can anyone imagine the Republican candidate for President in 1944 calling for "unconditional surrender" here at home? That would have spurred a firestorm of criticism and probably doomed the candidate. In 2004, it has helped a candidate secure his nomination for President. Many of these critics justify cries of "regime change at home" because they believe the war was unnecessary. They believe that after the terrorist attack of 9/11, the war on Iraq was a diversion from the "real" war on terrorism.

Shortly after Pearl Harbor, President Roosevelt announced a "Germany First" strategy. In his judgment, Germany was a greater threat than Japan because of its wealth, location, and advanced weaponry. It became the theatre of World War II that commanded most of the attention and resources in that war.

Shortly after 9/11 and the opening operations against al-Qaida's puppet government in Afghanistan, President Bush announced that Iraq was a grave and gathering threat because of its wealth, location, and advanced weaponry.

It therefore has become the theatre in the war on terrorism that demands our greater attention and resources. If today's critics had existed then, President Roosevelt's "Germany First" strategy would have been roundly criticized. Today's critics would have claimed Roosevelt had always wanted to "get" Germany. They would have claimed that his War Department had been planning war against Germany ever since the previous war. They would claim Roosevelt was engaging in a personal anti-fascism campaign that ignored and diverted attention from the search for the attackers of Pearl Harbor. He would be charged with making America less safe as he failed to focus all resources solely upon Japan. And if Roosevelt had listened to these critics, Britain would have fallen, and likely the Soviet Union too, and the Third Reich would have covered the better part of three continents—Europe, Asia, and Africa. A new Dark Age would have descended.

For those who might have felt the "Germany First" strategy in World War II was misplaced or that the entire Germany effort was an "unnecessary war," one overwhelming discovery confirmed it was the right thing to do.

The horrific evidence of a holocaust was exposed at the end of the war. That gruesome discovery of wholesale genocide granted finality to the righteousness and sanctity that belonged to those who led and fought in the war against the Nazis. But the difference between now and then is that the Iraq holocaust does not justify our action; in fact, by many critics, it is not even noted. Think of that, Mr. President, 300,000 dead in Iraq and that is not a consideration for most critics of the war effort.

I defy anyone to show me where these critics devote even one sentence to this holocaust in the paragraphs and pages attacking this war as wrong, unnecessary, immoral, and unjust.

When did life become so cheap as to be irrelevant?

Thankfully, Roosevelt ignored his few misguided critics and this President should follow his lead. America needs the will of Churchill, not the waffling of Chamberlain. America needs leaders like Roosevelt and Reagan who recognized evil and were willing to call it by its rightful name. They knew the time to talk was over and the time to act was now, rather than never. Upon such will, such resolve, and such simple honesty lies the strength and endurance of our Nation and its precious freedoms. President Bush is a man of such mettle.

No one here or abroad doubts this President will act. He does not waffle, he does not double-talk, and he does not hide behind the timidity of others. Nor is he guided by his critics and their partisan agenda. He is a man for this time. Now, because of his leadership, on this June 30, the time has come for liberty to emerge from struggle and strife, and to again stride forward.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

60TH ANNIVERSARY OF D-DAY

Mr. FRIST. Mr. President, the hour is late, and I know we will be wrapping up in about 30 minutes or so. There is a lot of business with the recess tomorrow—and we will be in tomorrow—and we will be wrapping up tonight. It will take a while to wrap up. We will be doing that in about 30 minutes or so.

Thus, I would like to take a few minutes to come to the floor and take advantage of the time to talk about the fascinating trip I had the opportunity and the privilege to take about 3 weeks ago. I had the privilege of traveling to Normandy, France, to celebrate the 60th anniversary of the D-day landings.

That same week, as my colleagues know, we suspended business on the floor of the Senate to pay tribute to President Ronald Reagan—again, a wonderful week in that the messages were delivered and the tributes were shared.

In the midst of that, however, I did not have the opportunity to share with my colleagues some of my experiences from the D-day celebration in Normandy, France, and thus I would like to take this opportunity to do that.

This particular journey took with two of our colleagues, Senator BOB BENNETT and Senator JOHN ENSIGN. The three of us had a truly extraordinary experience. We spent the previous 2 days in Baghdad, Iraq, and in Kuwait, and then flew from Baghdad to the U.S.-French binational ceremony at Omaha Beach.

Back in 1944, in the thick of war, Fortress Europe was the strongest at this point, reinforced with layers of obstacles, mines, and gun positions with hardened bunkers. Some of those structures are still there today. You can see the remnants of others. These remnants stand today almost as ghostly reminders of those battles that I had the opportunity to hear described firsthand by the veterans who had come back for the celebration.

At Normandy, Nazi forces were commanded, as we all know, by none other than Field Marshal Erwin Rommel, the "Desert Fox" of North Africa fame who was regarded as the finest, the very best field commander in the German Army. He won practically every battle he enjoined. His defenses were considered impenetrable.

In the early morning of June 6, 1944—of course, that was the day so many years later that we were there—American soldiers, mainly from the 1st Infantry Division and 29th Infantry Division, landed at that beach we visited now several weeks ago. They were supported by the Army Air Force flying over and Naval gunfire. They struggled forward inch by inch, out of boats up the beach, as fellow soldiers were literally cut down one by one, wounded, and killed in this hail of enemy gunfire.

We have all read about what went on at that beach, but to have that opportunity to hear firsthand, as we walked along the ridge above that beach, from people who were there. Many of them had not talked a lot—at least they said they had not talked a lot about their experience. They seemed to open up as we were there. Many of them were there at the age of 16, 17, 18, or 19 years of age. And they all described the battle raging. Body counts swelled, and many expressed doubt that they would succeed—they described it as such—that every second seemed like an eternity.

It was clear that in spite of all this, soldiers, through boldness and through courage, persevered.

Further down the beach, the U.S. Army Rangers had scaled the cliffs at Pointe du Hoc and knocked out the German artillery positions that were there to disrupt any invasion force.

By the end of that blood-soaked day, our American boys had pierced that Atlantic wall. They seized their objectives. And, as history would prove, because we had the opportunity to celebrate, they launched the liberation of Europe.

Thousands of American soldiers perished in those few hours. Their heroism today is marked by the familiar pictures today with television and C-SPAN and video—the familiar pictures of all of those white crosses against that green grass and the Stars of David, all in very neat rows. Wherever you stand, you see them lined up parallel, horizontally and vertically, or diagonally. Wherever you stand, the symmetry jumps out at you. It goes on for acres and acres. I have no idea how big it is. But these crosses go on for acres.

There is a little path where the beach is right below. You can walk along these winding paths of the cemetery. As you do so—especially, I think on this day, when the sky was bright blue, the white crosses, the green grass—there were veterans by the hundreds and, indeed, by the thousands with their family members, with, obviously, their daughters, sons, grandchildren, and great-grandchildren huddling around them as they walked along those paths. One could not help but admire their bravery, their boldness at a time in their life when they were very young, at a time they had to be uncertain; they were far away from home, fighting a ruthless enemy. Each cross and each star, obviously, represents a young man, a young person who died on June 6th, 1944, defending his country.

The crowds would gather as we were there. A lot of people had come in. There was a lot of security at the gathering to hear President Bush and President Chirac. As the crowd gathered, we were seated amidst the sea of veterans. Usually they put the officials in one or two rows, separated, but, no, you would sit in the audience surrounded by scores and scores of veterans.

A few minutes ago I called Congressman CHARLIE RANGEL to talk about another bill we will be talking about later tonight. In that conversation I was reminded of the fact that 2 weeks ago he was there. He called me over to meet several veterans from New York. There was another woman, Grace Bender, a neighbor of mine in Washington, DC. I had no idea I would see her there. She was there a few rows away with her father, of whom she was clearly so proud.

The veterans were gathering with their buddies and with their family members, with their shipmates, with their fellow crewmen. Even after 60 years, they clearly regarded these colleagues, these comrades in arms, as brothers, bonds forged over that period of a day, weeks, and those months in the midst of this war.

I vividly remember standing for the national anthem. As we all stood up, the first people on their feet were those veterans, the "greatest generation." They were the first to stand. I also noted, they were the ones who would be singing the loudest. They seemed to stand the tallest. Their love of country clearly had even grown over time.

President Bush spoke and delivered captivating remarks. President Chirac also delivered stirring remarks. They both recounted specific moments and acts of heroism on D-day. We honored those who gathered and we paid tribute to those who were no longer with us, the soldiers and the sailors and the airmen who had made that ultimate sacrifice for the cause of freedom.

The ceremony ended with a ceremony of honor guards. Again, my heart filled with awe and admiration to be able to walk with those veterans on that D-day celebration. They were then, and they clearly remain today, true heroes.

After the ceremony, my colleagues and I boarded a bus to the town of Bayeaux, a small French village that was spared the heavy fighting and bombing on D-day and of the weeks that followed. As we rode the bus through the countryside, we passed through beautiful green fields, hedgerows, and small towns of the French countryside that were showered in 1944 by the American paratroopers of the 101st and the 82nd Airborne Divisions, the night before those Normandy landings.

I specifically mention the 101st because this past weekend I had the opportunity to be in Clarksville, TN, and Fort Campbell, KY, and had the opportunity to witness an air show in which the 101st Airborne participated. You can see dramatically their training exercises.

While I was in Kentucky last week, again, I was thinking back to what happened in 1944 when these paratroopers of the 101st and 82nd Airborne Divisions paratrooped in the night before. Thousands of those paratroopers, as we all know, were killed. Many of them drowned. Many were wounded that night. Many were wounded on the jump itself. The mission was specifically to jump behind enemy lines to distract the Nazis and seize important strategic or key terrain and to disrupt the Nazi reinforcements. Their heroism and success were ultimately crucial to the allied victories at Omaha Beach, at Juno, at Sword, and at Gold.

When we arrived in Bayeaux, we were greeted by the President of the French Senate. We had the opportunity to have lunch there with 33 members of their Senate. We also met with the town mayor, and many of the town citizens came out to speak of this. I don't speak French, but as I went over to the side and shook hands and introduced myself to an interpreter, immediately a smile came on their faces with an expression of appreciation and thanks.

Among the people we had the opportunity to meet were many survivors of war who had been small children at the time of the occupation. They did recall D-day and the American GIs who liberated their villages.

They treated us to a wonderful luncheon that day and, once again, representing America as officials, U.S. Senators from America, we were showered with praise and thanks, as well as a promise of continued friendship and alliance. This was a group of French Senators, so I did not expect that at the time, but that is what we received.

Our final event for the day was also very special. It was the multinational ceremony at Arromanches. We were joined by gatherings of heads of state from around the world, senior officials from countries around the world, and a number of our allied nations. We watched a whole range of demonstrations by various multinational military marching units. We had flyovers occur where a number of these nations demonstrated the very best of their aircraft in precision flights overhead. They had a wonderful multimedia presentation that combined the best of dance and video and audio to recount that history of World War II with a very special focus on Normandy.

During the final ceremony of the day, in which President Chirac delivered remarks, we did have the opportunity to reflect on those larger contours of the war and how America and her allies united to defeat tyranny and oppression.

As we sat among the survivors of D-day and as we listened to America's veterans recount their fears and exploits, I could not help but draw comparisons between the veterans of World War II and our proud troops serving abroad today, the very same troops which 2 days prior my colleagues and I had the opportunity to visit in Baghdad and in Kuwait. The parallel is there, not just because of the temporal relationship, but because of both groups' commitment to freedom and democracy and to a better life for others.

America was blessed in World War II on that June 6th, so long ago, yet so close, as it is now, to have the very same soldiers who have that strong character, who have that courage, that boldness, and that determination. Young patriots, then, as now, answered the call of duty, and through their bravery and through their selfless determination, they fought and they won the battle for freedom and security.

It was these traits that inspired a whole succession of American Presidents, including the late President Reagan to whom we paid tribute 2 weeks ago. He believed in a Europe and a world whole and free of the shadow of communism. The "greatest generation" threat involved nazism and fascism. For nearly 50 years, America confronted another hegemonic ideology, that being communism. Under the leadership and vision of President Reagan, we emerged from the cold war victorious and, as Margaret Thatcher rightly reminds us, without firing a single shot.

Today, we do fight a different enemy, but one that is no less ruthless, no less determined, no less uncompromising than our enemies of those wars past.

Once again, we must stay the course. Once again, we must have faith in our Armed Forces. Once again, we must hold tightly to the belief that freedom will prevail. That is our challenge. That is our calling. And I truly believe, like generations before us, we will look evil squarely in the eye, and we will not flinch, we will not run. We will gather up our courage to press forward. We will gather up our courage to press forward and defeat the forces of terror and secure the blessings of democracy.

AFRICAN GROWTH AND OPPORTUNITY ACT

Mr. FRIST. Mr. President, on a separate issue, I want to comment on an issue I mentioned this morning in opening the U.S. Senate, an issue that centers on something very close to my heart, and that is the continent of Africa.

I have had the opportunity to travel to Africa this year, to a number of African countries, and the year before that, and the year before that, and the year before that. Indeed, I have had the opportunity to travel to the continent of Africa yearly for the last several years.

In each case, with maybe one or two exceptions where I went as an official, I have had the opportunity to travel to Africa as part of a medical mission group, where I have the real privilege of being able to interact with the peoples of Africa—whether it is in Kenya, or Tanzania, or Uganda, or the Sudan; the Sudan is where I usually go—by delivering health care and medicine, and performing surgery, which is what I happen to do when I visit with peoples who might not otherwise have access to that health care.

I mention that only because it allows me to be able to talk to real people, not just as an official or a VIP coming in, not as somebody wearing a suit from the United States of America, but to have the opportunity to interact with real people in that doctor-patient relationship. I say doctor-patient relationship; really it is a friend-to-friend relationship. You hear stories, and you really cut through superfluous aspects of people's lives and go right to the heart of what affects them in their lives.

It really comes down to how they can provide for their families, how they can get a job, how they can earn an income, and how they can, in a very primitive way but a very real way, make the lives of their children better than theirs—the same desires we all have as Americans.

I am talking about people in the bush, people in the heart of Africa, people 1,000 miles south of Khartoum and 500 miles west of the Nile River, way in the bush. When you talk to people, you realize they struggle with the exact same things we do, and that is, dignity; that is, a concept of self-worth.

Also, I had the opportunity to travel to Uganda and Kenya and throughout East and Central Africa. What people will tell you is that policy in the United States makes a difference in their lives; that is, policy over the last several years. You may ask them: How do you know what we do? They know that a bill that was passed on the floor of the Senate and the House of Representatives not too many years ago, signed by President Clinton, called the Africa Growth and Opportunity Act, has made a difference in their lives.

Indeed, that particular act, passed by the Senate, has created at least 150,000 jobs. When President Museveni from Uganda was here, he said, no, it is more than that. It is 300,000 jobs. But the point is, thousands and thousands of jobs have been created in Africa because of legislation that passed on this floor. And a little bit later tonight, hopefully in a few minutes, it will be passed on this floor once again.

I mentioned a few minutes ago I called Congressman CHARLIE RANGEL. I did that to congratulate him because he has spearheaded, along with many of his colleagues in the House of Representatives, this particular bill, a bill that is called H.R. 4103, the AGOA Acceleration Act of 2004. AGOA simply stands for African Growth and Opportunity Act.

The bill we will be addressing here tonight extends the AGOA preference by 7 years, from 2008 to 2015, and, more importantly, it extends the third country fabric provisions that were due to expire this year for another 3 years.

The African Growth and Opportunity Act authorizes the President to provide duty-free treatment for certain articles imported from sub-Saharan African countries. It also provides duty- and quota-free access to the U.S. market for apparel made from U.S. fabric, yarn, and thread.

The program has been a huge success for U.S. policy toward sub-Saharan Africa. AGOA has helped expand African trade. It has created jobs, as I mentioned. It has brought about improvements in economic conditions that will be realized in a very sustained way throughout Africa. Expanded trade, as we all know, not only helps sub-Saharan African countries develop this sustainable economic base, but it also leads to efficient government practices, to transparency, and to political stability.

U.S. exports to sub-Saharan Africa increased 13 percent from 2002 to 2003. It has created jobs. The United States, today, is sub-Saharan Africa's largest single export market, accounting for 26 percent of the region's total exports in 2001 alone. U.S. imports under AGOA have almost doubled between 2001 and 2003—up to the 2003 level of over $13 billion.

One African leader described the program as "the greatest friendship act" by the U.S. Government towards Africa. In fact, the program has been so well received and effective in Africa that the European Union is now reexamining its preference program for Africa in light of AGOA's success.

So, Mr. President, I am pleased that we are going to address this legislation tonight. Again, having spent so much time in Africa, it is with great pride that I congratulate my colleagues for addressing this important issue tonight.

THIS WEEK IN THE SENATE

Mr. FRIST. Mr. President, it will still be a few minutes before we close tonight, and I do want to take the opportunity to thank my colleagues for all the tremendous work they have done over the course of this week. It has been a very busy week. But tomorrow we will be leaving on a recess for several days for the Fourth of July, and we can look back over the course of the past week with the satisfaction that we accomplished passage of a number of bills I will mention in a few minutes.

But two very significant pieces of legislation that address where the focus of the United States is and should be—and that is, the defense of our country, and the support of our troops overseas and the support of our troops here—are the Defense authorization bill, with passage yesterday, and the Defense appropriations bill, with passage today.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

POLITICS OF COMMON GROUND

Mr. DASCHLE. Mr. President, I want to talk, if I can, about another matter to which I have given a great deal of thought. I would like to share some thoughts with my colleagues on it this afternoon.

I would like to begin by referencing a trip I took last weekend. I traveled to Kuwait, Jordan, and Iraq with Senators BIDEN and GRAHAM. We went to Baghdad to talk with coalition and Iraqi leaders as they prepare for the historic transfer of sovereignty to Iraq 6 days from today. We went to thank our troops who are making enormous sacrifices, braving extraordinary risks every minute of the day. We wanted to assure them they have the support and respect of every Member of the Senate and all Americans.

Our trip was especially productive because of the experiences and insights of the Senators with whom I traveled. Senator JOE BIDEN, the ranking member of the Senate Foreign Relations Committee, has been a leading voice in the Senate on foreign policy issues for now almost a quarter century.

Senator LINDSEY GRAHAM has quickly established himself as one of the most authoritative and independent voices on the Senate Armed Services Committee. Senator GRAHAM, as we all know, is a colonel and a Reserve judge in the Air Force Court of Criminal Appeals. He and I have been working together for more than a year to improve health care benefits to National Guard members and their families. I know from working with him on the TRICARE bill that he is fiercely committed to American troops and American veterans.

LINDSEY GRAHAM is a proud Republican. JOE BIDEN and I are proud Democrats. But we are all, first and foremost, proud Americans. We are all committed to the safety of our troops. We all want the Iraqi people to succeed in building a stable, free, and pluralistic Iraq. It is in their interest, but it is also in America's interest and, I would argue, the world's interest.

Our trip to Iraq reminded me again how much this Senate and the American people benefit when we are able to focus on the problems that unite us.

No one who saw it will ever forget the cloudless, deep blue sky on the morning of September 11. Pilots have a term for visibility conditions on days like that—they call it "severe clear."

We all saw it clearly that day. We saw horrific acts of inhumanity, but we also saw, with equal clarity, countless acts of nobility and compassion. We saw beyond the labels of race, income, gender, and the other distinctions that too often divide us.

We are more alike than we are different. All Americans want to live in a world that is safe and secure and just. Whether we're Republicans or Democrats, or don't care one whit about politics, all Americans want to be able to earn enough to care for our families' basic needs. After a lifetime of working hard, all Americans want to be able to retire with dignity and security. All Americans need affordable health care. All Americans want to be able to send their children to good schools; that is not simply a Democratic or Republican aspiration, it is a necessity for our children's future and the economic, political, and social well-being of our Nation.

These are dangerous and challenging times, but Americans have faced danger and challenges before, and we must always remember that we have emerged stronger when we have faced those challenges together. We are stronger together than separately.

This afternoon, I want to talk about how I believe the Members of the Senate can work together more constructively to solve the big challenges facing our country today.

The result of all-or-nothing politics is too often nothing. We owe the American people better than that.

I believe in what I like to call the Politics of Common Ground. Practicing the Politics of Common Ground does not mean betraying one's principles. We can bend on details without abandoning our basic beliefs. The Politics of Common Ground is pragmatic, not dogmatic. It recognizes there can be different ways to reach the same goal. It puts our common interests ahead of personal or partisan interests. Instead of narrow ideological victories, the politics of common ground seeks broad, principled compromise.

I recognize some people may think this timing is strange, to talk about searching for common ground now in the midst of campaign season. But I actually believe it is exactly the right time.

The truth is, no one knows which party will control the Senate next year, or the House, or the White House, so neither party can be accused of embracing these ideas for partisan advantage.

The Politics of Common Ground rests on four fundamental commitments. Obviously it takes at least two to seek common ground. Neither party can make these principles work alone. If Democrats hold the majority in the next Senate, these are the four fundamental principles by which we would seek to govern:

First, deal in good faith with the executive branch, regardless of which party holds the majority.

Second, preserve and fulfill the historical role of the Senate regarding budgetary responsibilities, oversight, and advice and consent on nominees, regardless of which party holds the majority.

Third, respect the rights of the minority and seek to work in good faith with them.

Fourth, end the cycle of partisan retaliation.

This week marks the 40th anniversary of the passage of the 1964 Civil Rights Act, one of the greatest common ground victories in our Nation's history.

It was a Democratic President, Lyndon Johnson, who signed the Civil Rights Act, but it was a courageous Republican leader, Senator Everett Dirksen, who provided the political leadership that finally ended the years of opposition and put the civil rights bill on the President's desk.

There are some today who believe the only way to move America forward is to ignore or change the rules of the Senate. What their arguments fail to recognize is the Founding Fathers deliberately designed this Senate to protect the rights of the minority. They did so because they understood that the only way to make just and lasting change in a democracy is to first build broad support for it. They also understood, as Everett Dirksen said in calling for the vote on the Civil Rights Act, that nothing can stop an idea whose time has come.

Finding common ground requires that we follow the rules of the Senate, not ignore or rewrite them.

It requires that all Senators—whether they are in the majority or minority—be treated fairly. That means safeguarding the rights of every Senator. It means establishing fair representation on all Senate committees. And it means observing the traditional procedures for conference committees concerning the appointment of conferees, and the right of all conferees to participate fully in all meetings. A closed meeting that is a conference committee in name only is no place to look for common ground.

Finding common ground also means listening to each other.

Someone who was a good friend to many of us, Senator Pat Moynihan, used to blame television for what he saw as a decline in cross-party cooperation in the Senate. Before TV, he said, Senators from both parties used to spend their evenings talking to each other. It helped to see things from the other person's perspective.

I would like to see the Senate create more opportunities to increase cross-party understanding.

Next year, I would like to see the Senate hold bipartisan leadership meetings every 2 months at least, and bipartisan joint caucus meetings at least every quarter.

I would like to see us hold periodic, bipartisan policy forums for all Senators in the Old Senate Chamber, where the Missouri Compromise and other historic agreements were reached.

When Senator LOTT was majority leader, he established the Leaders Lecture Series to draw on the wisdom of former Senate leaders, from Mike Mansfield and Senator BYRD to Robert Dole and George Herbert Walker Bush.

The Leaders Lecture Series represents one of the most insightful seminars ever taught on common ground politics.

I would like to see us build on that success next year by inviting former Senate leaders to a summit where they can share their ideas with us, and with each other.

Senators DORGAN and KYL had a good idea recently to hold occasional, thoughtful, Lincoln-Douglas style debates here on the Senate floor on the most important issues of the day. Let us build on those debates next year.

President Reagan was as ideological a President as any of us have ever seen. But he understood that political adversaries don't have to be enemies.

He and Tip O'Neill had a rule: after 6 o'clock, they were always friends.

Something as simple as just getting our families together once in a while for a barbecue or a potluck supper—or even choosing an annual charity to which all Senators could contribute—could help Senators find common ground, I think, and may strengthen the bonds of friendship and trust between our two parties.

In addition, I would like to see the Senate reward the search for common ground solutions by giving special consideration to bills with strong bipartisan co-sponsorship.

There are questions of enormous consequence facing our Nation today—questions that will define what kind of Nation we are, and what sort of future we will leave for our children.

How de we balance freedom and security in a post-September 11 world?

How do we keep the good jobs we have and create more of them in a global economy?

How do we craft a national budget that reflects our national values?

How can we reduce our over-reliance on imported oil so the fate of our Nation is not tied so directly to the stability of some of the most dangerous and volatile places on Earth?

Last year, I got a note from a father in South Dakota who had lost a good-paying job as a machinist 2 years earlier when his employer moved out of state. He was working as a handyman, earning a fraction of his old income. The only health insurance he and his wife could afford had such a high deductible that they tried never to use it. He hadn't seen a doctor in 15 years or a dentist in 10 years. He felt ashamed. The worst part, he said, was having to tell his children, when they got sick, that there was no money for a doctor.

Because Republicans and Democrats in Congress had the courage to practice the Politics of Common Ground 7 years ago, I was able to tell that father about the Children's Health Insurance Program.

Today, if his children are sick, he takes them to the doctor. As he puts it, "I show the people in the doctor's office that card and I'm treated like a human being. It's the greatest thing in the world."

Across America today, the CHIP program is providing health insurance for nearly 4 million children from low-income families, and peace of mind for their parents. More than 9,300 children in South Dakota have health coverage through CHIP.

How can we now build on this common ground success? How do we make health care more affordable so that exploding health care costs don't break family budgets and eat up corporate profits that could be better used to create new jobs and invest in new plants and equipment?

We can chose to shrug our shoulders and say that the divisions in Congress simply reflect the increasing polarization in our society—and let it go at that. But I believe we have a higher responsibility. If society is divided, it is the responsibility of leaders to try to bridge the divide, not simply mirror or exploit it.

The Politics of Common Ground is the Politics of Common Good. It is more than a political challenge; it is a moral imperative.

Last weekend in Iraq, Senators BIDEN and GRAHAM and I met with members of the new Iraqi government, with Paul Bremer, the head of the Coalition Provisional Authority, and with senior military leaders. They were all impressive.

But the people who inspired me most were the soldiers.

We were helped by National Guard members from Minnesota, Kansas, Illinois and Texas, and we met troops from Mississippi, South Carolina, Delaware and other states. In fact, we met extraordinary people from almost every state. Every one of them deserves our profound appreciation.

I was especially moved by the dozens of South Dakotans I met.

One of those South Dakotans is a member of the South Dakota National Guard's 153rd Engineer Battalion. Home for him is a small family farm in South Dakota. But these days, his unit is deployed to Baghdad International Airport. He and his unit provided security for our delegation in Baghdad. When we left, he handed me a letter that reads, in part, "I am very proud to fight and to serve my country, like so many of my relatives before me."

He went on, in that letter, to talk about the challenges he and his family face today. He didn't want his wife and their teenage children to have to bear the burden of caring for the family's cattle while he was gone, so he sold the entire herd when he was deployed. When he returns—which may not be until sometime next year—he will buy the herd back. But he and his family will still be out 2 years' worth of income they would have earned from their cattle. He wasn't complaining. He just wanted us to know.

I met another soldier from South Dakota who is with the Army's First Cavalry Division. They have a dangerous mission: securing Baghdad. But he and the other members of the First "Cav" aren't complaining, either.

I met a family practice doctor who grew up in Rapid City. Today, she is healing the bodies and saving the lives of U.S. troops and Iraqi civilians at the Combat Support Hospital in Baghdad.

Finally, I got to eat supper in Kuwait on Saturday with a group of men and women whose families I have been working with for months: the members of the South Dakota National Guard's 740th Transportation Unit.

Two months ago, the members of the 740th had already packed their bags when they got word that their tour was being extended. It was their second extension.

They have now been deployed for 14 months—2 months longer than they were told was the longest they would be gone when they left South Dakota.

When I asked one soldier at super if they had been given a new date to return home, he told me "the second." I thought he meant their tour was ending on July 2nd. Then he explained, they will know when they are coming home the second they get on the plane.

Even these soldiers were not complaining—just trying to find a little humor in a tough situation.

Pride in one's party and the principles for which it stands is admirable. But there are causes that matter more than political parties.

There the values and hopes that transcend party labels and unite us all as Americans—so eloquently again related to me in conversations I had with those soldiers.

During campaigns, candidates and parties should be clear about where we stand on the issues and how we differ with our opponents so that voters can make a choice. That is part of the campaign. That is an essential part of democracy.

But we also have a responsibility to work together constructively, where we can, to find common ground.

Making the principled compromises necessary to make democracy work takes effort. It takes patience and trust and, often, a little humility.

It requires that we listen to others and admit that someone else just might have a better idea sometimes.

It's not simple or easy. But if our troops can give the extra measure of devotion and risk their lives because our Nation asks them to, surely we can make the extra effort to find solutions to the problems facing these soldiers' families, and all Americans—both in times of peace and war.

I yield the floor.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from Arkansas.

Mr. PRYOR. Mr. President, I echo the sentiment and the words of the minority leader today. I applaud him for bringing up this initiative, the politics of common ground. When I think about the term "common ground," sometimes I think about the concept of compromise. When we think about compromise, we know that means finding common ground without sacrificing your principles.

One thing the distinguished Senator from South Dakota is talking about is that we all have our differences. Lord knows, we have a lot of differences just on this side of the aisle. Trying to get on one page a lot of times is nearly impossible.

Certainly we have our differences in this body. That is OK. If you think about it, that is exactly the way the Founding Fathers intended it to be. They wanted Members to come here and do battle in the Senate and talk about ideas and concepts and policies that we all believe are good for our Nation. We may have different approaches on different issues, but certainly at the end of the day we should all work together, shake hands, and move on to the next issue.

When I was running for the Senate, one thing I heard from people all over my State, the State of Arkansas, was: There is too much partisan bickering in Washington. In fact, they would tell me when I traveled around the State, it looks a lot like trench warfare in Washington. The two sides are dug in, shooting at each other, but at the end of the process not a lot gets done, although there are a lot of casualties. People all over the country sense that. They know that.

As a Democrat in this Senate, I felt aggrieved by some things the other side has done. I have no doubt they feel aggrieved about some of the things we have done. It is incumbent upon Senators to put the past behind us, put all that aside, move forward, do what is right and do what is best for this Nation.

I hope this Senate will return to the best traditions of our democracy. I hope we will find it within ourselves to wipe the slate clean and accept today as a new day, with this initiative, the politics of common ground as our guiding principle.

One thing I love about the statement by the minority leader, he used words such as "good faith" and "respect," words that we need to take to heart as Senators. He talks about ending the cycle of partisan retaliation. Is there ever a time in our history more than today that we should do that? I don't think so. We need to end that cycle of partisan retaliation. We do not only owe it to our Founding Fathers who founded this democracy—and we occupy the seats they established—we not only owe it to the history of this Nation; we owe it to our children and our grandchildren. We also owe it to the people we work for, the people who sent us to Washington, to do their work for them.

There are many core principles in our democracy, principles that are indispensable. One of those principles is the idea of representation. Like it or not, the people of Arkansas sent me to Washington to represent them in this great body. Like it or not, people sent all 100 of us to represent them in this great body. I certainly hope each and every Senator will find it in their heart, find it in their mind to respect the will of the people from other States and respect the office each Senator has and the responsibility he or she has to represent his or her people to the best of his ability.

To make things better in this Senate and in this Congress and in this Government, quite frankly, it has to start with the majority party. We do not know in 7 months which will be the majority party in the Senate or in the House. We do not know who will be in the White House. But it is incumbent upon us that whoever is in the majority party should lead by example. They should demonstrate their leadership by demonstrating forgiveness. We need to say no to the politics of revenge. We need to return to our first principles, turn back to the things that make this country great.

We talk about respecting the rights of the minority in the politics of common ground. This body definitely, certainly, absolutely should respect majority rule but also we should respect minority rights. In fact, this body was created at the foundations of this country. This body was created to protect the minority. That is why small States such as Delaware and New Hampshire get equal representation in the Senate, as equal as much larger States such as New York and Virginia. We are all equal in this body, all 100 of us, all 50 States.

I hope we will follow this politics of common ground. In essence, it can be summarized by one thing, and that is to do right. That is what we need to see more of around here.

One thing I like about the minority leader's proposal is that we acknowledge we cannot change the world. We know that. We cannot raise a magic wand and make it better. My grandmother, Susie Pryor, said you cannot clean up the whole world but you can clean up your little corner.

I hope today Democrats, Republicans, and Independents will take the responsibility to clean up our little corner of it. Let's clean up the Senate and return to politics of common ground.

I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. I thank the distinguished Senator from Arkansas for his eloquent statement for being part of the inspiration for this proposal creating the Politics of Common Ground.

I will tell my colleagues, as I began thinking through many of these particular ideas and the suggestions we have now made, it was the Senator from Arkansas who was extraordinarily helpful and who had many creative ideas and thoughts on how we might discuss this matter and make these proposals.

I acknowledge the Senator's important contribution and thank him for his statement and appreciate the tone he has helped create virtually since he has arrived in the Senate. He believes in the Politics of Common Ground—but for him it is more than just words; it is deeds. He has again demonstrated that this afternoon. I am grateful.

DEBT BURDENS AND PREDATORY LENDING

Mr. AKAKA. Mr. President, I rise today to focus on the challenges facing America's working families. Rising health care costs, increases in gasoline prices, and the lack of affordable housing have contributed to making the lives of working families more difficult as they strain to meet their day-to-day needs. The ability of these families to meet their increasing financial obligations is hampered by their significant debt burdens, particularly credit card debt, and by predatory lending practices such as refund anticipation loans.

Mr. President, too many families are becoming overwhelmed by their debts. In 2003, consumer debt increased for the first time to more than $2 trillion, and continued to increase in March, 2004, for the 12th straight month according to the Federal Reserve. A key component of household debt can be attributed to the use of credit cards. Revolving debt, mostly comprised of credit card debt, has more than doubled from $313 billion in January 1994 to $756 billion in March 2004. These debt burdens will increase as interest rates rise. Bankruptcy filings have surged to record levels. In 2003, more than 1.6 million consumers filed for bankruptcy, increasing by 2.8 percent in the 12 months ending on March 30, 2004. Many of these are middle class Americans who continue to work hard to make ends meet.

It is imperative that we make consumers more aware of the long-term effects of their financial decisions, particularly in managing their credit card debt. Obtaining credit has become easier. Students are offered credit cards at earlier ages, particularly since credit card companies have been successful with aggressive campaigns targeted towards college students. Universities and alumni associations across the country have entered into marketing agreements with credit card companies. For example, the University of Oklahoma will receive $13 million over 10 years in exchange for the exclusive ability to market credit cards to students, alumni, and employees, and to issue cards with the university's name. In this agreement, the school also receives 0.4 percent of every credit purchase. More than 1,000 universities and colleges have affinity cards which are made as attractive as possible through the opportunity to earn various benefits and discounts. College students make up a very ripe market for such credit and to boot are considered by some very good customers for lenders based on their payment patterns. Nina Prikazsky, Nellie Mae's Vice President of Operations, was quoted in the Chronicles of Higher Education as saying, "Banks will take risks on young people the way they never would a decade ago, because they've discovered that students have become their best customers because they tend to make the minimum payments." Thus, college students, many already burdened with educational loans, are accumulating credit card debt. Forty-five percent of college students carry credit card debt, with the average debt over $3,000.

While it is relatively easy to obtain credit, especially on college campuses, not enough is being done to ensure that credit is properly managed. Currently, credit card statements fail to include all of the information necessary to allow individuals to make fully informed financial decisions. Mr. President, I recently introduced S. 2475, the Credit Card Minimum Payment Warning Act, along with Senators DURBIN, LEAHY, and SCHUMER. Our legislation will make it very clear what costs consumers incur if they make only the minimum payments on their credit cards. The personalized information consumers will receive for each of their credit card accounts will help them to make informed choices about the payments that they choose to make towards their balance.

The bill also requires that credit card companies provide useful information so that people can develop strategies to free themselves of credit card debt and have access to a toll-free number so that consumers can access trustworthy credit counselors. My bill represents sound legislation that aims to protect middle income and other families in this country.

Mr. President, the ability of families to survive financially is also hampered by predatory lending. Earned income tax credit, EITC, benefits intended for working families are increasingly being reduced by the growing use of refund anticipation loans, which typically carry triple digit interest rates. According to the Brookings Institution, an estimated $1.9 billion intended to assist low-income families was received by commercial tax preparers and affiliated national banks to pay for tax assistance, electronic filing of returns, and high-cost refund loans in 2002. The interest rates and fees charged on refund anticipation loans are not justified for the short length of time that these loans cover and the minimal risk they present. These loans do not carry much risk because of the Debt Indicator program. The Debt Indicator is a service provided by the Internal Revenue Service that informs the lender whether or not an applicant owes Federal or State taxes, child support, student loans, or other Government obligations, and this assists the tax preparer in ascertaining the applicant's ability to obtain their full refund so that the RAL is repaid. The Department of the Treasury should not be facilitating these predatory loans that allow tax preparers to reap outrageous profits that result from the exploitation of working families. More needs to be done to crack down on abusive refund anticipation loans and to provide additional opportunities for EITC families to access free tax preparation services. I appreciate the efforts of the Senate Finance Committee for incorporating several provisions of S. 685, the Low Income Taxpayer Protection Act, which Senator BINGAMAN and I introduced, into S. 882, the Tax Administration Good Government Act. One provision of special importance to me is an authorization for a grant program to link tax preparation services with the establishment of a bank or credit union account. Having a bank account allows individuals to receive their tax refund check faster than waiting for a paper check and without the need for using refund anticipation loans or check cashing services. It is important these provisions to provide additional consumer protections and expand opportunities of taxpayer assistance be enacted into law. We must work to provide alternatives to RALs and crack down on these exploitive loans.

Mr. President, unfortunately too many working families are susceptible to predatory lending because they are left out of the financial mainstream. Between 25 and 56 million adults are unbanked, or not using mainstream, insured financial institutions. The unbanked rely on alternative financial service providers to obtain cash from checks, pay bills, send remittances, utilize payday loans, and obtain credit. Many of the unbanked are low- and moderate-income families that can ill afford to have their earnings unnecessarily diminished by their reliance on these high-cost and often predatory financial services. In addition, the unbanked are unable to save securely to prepare for the loss of a job, a family illness, or a down payment on a first home or education expenses.

Mr. President, a Federal program, the First Accounts program, is intended to increase access for unbanked low- and moderate-income individuals to mainstream financial services. The program helps to offset the costs financial institutions incur in offering low-cost, electronic banking accounts. In addition, the program supports financial institution and nonprofit initiatives to provide financial education and counseling to low-income households. The First Accounts program has the potential for developing research into the financial services needs of low-income individuals and financial products designed to meet these needs. While the need is great, the President proposed in his fiscal year 2005 budget request to rescind the $4 million for the First Accounts program that had been previously appropriated in fiscal year 2002 and fiscal year 2003. I will continue to work with my colleagues to help preserve these funds for their intended purpose and bring people into the financial mainstream.

Mr. President, I look forward to continuing to work with my colleagues to help provide additional meaningful disclosure to consumers about their use of credit and expanding access to mainstream financial service opportunities. We owe it to our country's working families and their children.

TRIBUTE TO MANNY CORTEZ

Mr. REID. Mr. President, I rise to pay tribute to a man who has had a tremendous impact on southern Nevada, my good friend, Manny Cortez.

I haven't known Manny for years; I have known him for decades. In the 1970s, when I was in State government in Nevada, he was elected to the Clark County Commission. Since those days our paths have crossed many times. He has served on the board of governors of the University Medical Center, the Las Vegas Valley Water District, and other local agencies.

For the past 21 years, he has been the driving force behind the Las Vegas Convention and Visitors Authority—first as a member of the board of directors, and for the last 13 years as President.

It is no exaggeration to say that Manny Cortez is one of the visionaries who made Las Vegas what it is today—the convention and entertainment capital of the world.

In 1991, the year he assumed the leadership of the Convention and Visitors Authority, we had about 21 million visitors in southern Nevada. This year we are on track to almost double that number, with more than 37 million visitors. This is due in no small part to the brilliant promotional campaigns of the Convention and Visitors Authority.

Under Manny's watch at the LVCVA, our town has seen amazing changes. When he took the helm in 1991, the first of the new mega resorts, The Mirage, had just opened a few years earlier. We had about 73,000 hotel rooms in Las Vegas.

Within the next few years we witnessed the completion of other major resorts, including the MGM Grand, Bellagio and Mandalay Bay. Today, we have 130,000 hotel rooms, along with three major convention centers.

When our Nation was attacked by terrorists on 9/11, the tourism industry took a serious hit. But Manny didn't panic, and under his steady leadership, Las Vegas bounced back.

Manny has been honored many times, by many groups. Travel Agent magazine named him as its Person of the Year in 1999, calling him "one of the most astute marketers in the tourism industry." He was recently named to the U.S. Commerce Department's Travel and Tourism Advisory Board. But I think the recognition that means the most to Manny is the Clark County Elementary School that was named in his honor in 1999.

Manny has also been a leader of the Hispanic community in Las Vegas. His prominence in the city has sent a clear message that in southern Nevada a person can go as far as their dreams and their talent will take them.

Manny has lived in Las Vegas since 1944, when I was growing up down the road in Searchlight. I feel like I have known him all my life. So it is hard to believe he turned 65 a few months ago and that he is retiring at the end of this month.

It is true, though. Manny is leaving the LVCVB, but he is leaving it in good hands. He recently said that his biggest challenge over the last few years has been to stay out of the way of the great team he has assembled, so they could do their jobs. That is the kind of attitude that has made Manny Cortez such a beloved figure in our community.

I salute my old friend on his retirement, and I look forward to our paths crossing for many more years.

THE DONALD W. REYNOLDS FOUNDATION

Mr. REID. Mr. President, I rise today to recognize the Donald W. Reynolds Foundation for its strong commitment to preserving our Nation's artistic and cultural heritage.

Three years ago, as a gift to the Nation, the Donald W. Reynolds Foundation generously made possible the acquisition of Gilbert Stuart's iconic "Lansdowne" portrait of George Washington for the Smithsonian's National Portrait Gallery, which will reopen on July 4, 2006. In doing so, the Reynolds Foundation not only saved a national treasure but also provided a permanent home where future generations can appreciate this American masterpiece.

The Reynolds Foundation also made possible a 3-year, 8-city tour of the painting. This tour, which visited Las Vegas 2 years ago and is currently in Little Rock, has allowed millions of Americans to personally view a painting that is part of our national heritage.

By providing guides for teachers, newspapers for students, reproductions, reenactors, and history lessons about George Washington, the Foundation ensured an enriching educational experience for young people.

The exhibition of this painting at the Las Vegas Art Museum was not the first time that the generosity of the Reynolds Foundation enriched the lives of Nevadans. The Foundation has given millions of dollars to create the Donald W. Reynolds School of Journalism and Center for Advanced Media Studies at the University of Nevada, Reno, and the Donald W. Reynolds Student Services Center at the University of Nevada, Las Vegas. It has also supported medical research and health and human services programs.

It is my honor to recognize the Donald W. Reynolds Foundation's many charitable actions. Please join me in thanking the foundation for its generous gift to our Nation.

CONGRATULATIONS TO STAN COLTON

Mr. REID. Mr. President, I rise to pay tribute to Stan Colton, a man who has dedicated his life to serving the people of Nevada.

Stan hails from my hometown of Searchlight. In fact, he lives there today, on the same property that his grandfather and father owned. He runs a little grocery store and he owns the town's original gold claim, the Duplex.

Stan has served the people of Nevada in many different capacities. He was administrative coordinator in the Clark County District Attorney's office, the Voter Registrar of Clark County, and the Nevada State Treasurer.

After he left the Treasurer's office, Stan worked with the Las Vegas—

Clark County library district, where he managed the capital construction program that built 21 new libraries. He retired from that job but came out of retirement a few years ago to help the city of Henderson build a new library.

Stan has also been active in many civic groups, most recently as the President of the Henderson Rotary Club. He is stepping aside on Friday evening, and the members of the club will gather at that time to give him a good sendoff and share their stories about Stan.

Please join me in thanking Stan Colton for his service to the people of Nevada and the Henderson Rotary Club.

CINDY REID BIRTHDAY WISHES

Mr. REID. Mr. President, families are important to each of us. When you have children, one thing you wish for is that they will marry someone who will fit comfortably into your family.

My daughter-in-law Cindy is celebrating her 40th birthday. She has become such an important part of the close-knit Reid family that I can't imagine what our lives would be like if my son hadn't married her.

Cindy has been a loving and thoughtful partner to my son Rory, and a wonderful mother to my grandchildren, Ryan, Savannah and Mason.

She is an excellent teacher for her children, and a professional college teacher as well. She is a perfectionist of sorts, and when she sees a problem, she doesn't complain . . . she solves the problem.

Cindy's appreciation of literature is a goal I seek. And her opinions about food, music, movies and politics are always insightful.

One of the great blessings of having Cindy in our family has been the opportunity to become friends with her unique and wonderful mother, Helen, and her thoughtful and considerate father, Dean.

On this the celebration of two-score years, Landra and I wish Cindy a world of health and happiness, and the knowledge that she has our support and never-ending love.

ENSURING QUALITY AND ACCESS TO CANCER CARE ACT OF 2004

Mrs. HUTCHISON. Mr. President, I rise today to bring attention to concerns related to cancer care reimbursement.

Today, many oncology services are paid for through drug administration reimbursement because most are not covered by Medicare. These services include specially-trained oncology nurses and supportive care services important to performing first rate cancer care. Although the new Medicare law increases reimbursements to physicians and provides much needed compensation for oncology nursing, it reduces how much Medicare will reimburse for chemotherapy beginning in 2005. While I support the sound and innovative advancements the Medicare law provides, it is important not to jeopardize cancer care through decreases in reimbursements.

Congress understood the impact the Medicare law would have on patient access and included a temporary one-year increase in physicians' practice expenses. However, this provision will expire in 2005 and could reduce access to care.

The "Ensuring Quality and Access to Cancer Care Act of 2004" would extend the one-year transitional period already established in the law for an additional year. It allows a compromise so Congress has the time it needs to further debate this issue, ask important questions regarding the impact of payment reductions and better understand how Medicare should reimburse for services provided to cancer patients.

U.S. COMMISSION ON OCEAN POLICY

Mr. HOLLINGS. Mr. President, I rise today to again acknowledge the important work and contributions of the U.S. Commission on Ocean Policy. The Ocean Commission, consisting of 16 distinguished individuals, was established by the President pursuant to the Oceans Act of 2000, legislation I sponsored to bring special attention to the problems facing our oceans and coasts, and to lead to recommendations for a new national ocean policy. The Oceans Act directed the Ocean Commission to submit a report to Congress and the President of its findings and recommendations regarding national ocean policy. Exactly one month from now, the Ocean Commission will release its final report, which reflects the deliberations, findings, and comments generated by 15 public meetings, 17 site visits, 37 State Governors and over 700 stakeholders.

The last time an oceans report of this magnitude was issued was over thirty years ago. The report of the Stratton Commission led to the creation of the National Oceanic and Atmospheric Administration and passage of landmark legislation protecting our fisheries and coasts. I have read the preliminary report of this Ocean Commission, and I can tell you it is very balanced and comprehensive. The final report, when it is issued, will no doubt influence ocean policy for years to come, and has already inspired oceans legislation which my colleagues and I have introduced in the House and Senate. I am also currently developing legislation that will set out a national vision for ocean policy, conservation, research, and education, building upon the commission's recommendations.

Reports do not write themselves, and today I am taking a moment to acknowledge the tireless efforts of Admiral James Watkins, USN (Ret.), Chairman of the Ocean Commission, the Commissioners, and their staff. Admiral Watkins deserves to be commended for leading this monumental task and generating the attention it so wisely deserves. Dr. Tom Kitsos, as Executive Director, should also be recognized for bringing a well balanced report to completion. Each of the Commissioners should be applauded for lending their valuable expertise and a considerable amount of their own time to this task: Dr. Robert Ballard, Ted Beattie, Lillian Borrone, Dr. James Coleman, Ann D'Amato, Lawrence Dickerson, Vice Admiral Paul Gaffney, USN (Ret.), Marc Hershman, Paul Kelly, Christopher Koch, Dr. Frank Muller-Karger, Edward Rasmuson, Dr. Andrew Rosenberg, William Ruckelshaus, and Dr. Paul Sandifer.

I know Admiral Watkins, Dr. Kitsos and my colleagues share my appreciation of the commission staff, who wore many hats and put in countless hours to craft a fine report. The commissioners and Dr. Kitsos obtained invaluable advice and support from Terry Schaff and editorial expertise and advice from Morgan Gopnik. At the heart of the report were the staff who lent their considerable talents to developing the major themes in each of the working groups and in actually drafting the recommendations. Laura Cantral, Aimee David, and Gerhard Kuska contributed their expertise to the discussions on governance. The stewardship working group was ably assisted by Captain Malcolm Williams, USCG (Ret.), Brooks Bowen, Angela Corridore, and Frank Lockhart. Research, education, and marine operations issues were developed with the skilled support of Ken Turgeon, Captain George White, NOAA, Roxanne Nikolaus, and Chris Blackburn.

A report of this weight depends on careful execution of a public relations strategy. Kate Naughten, Peter Hill, and Michael Kearns are to be commended for their liaison work with the government and press. And we all know that every office would not function without a solid administrative support team. Lee Benner, Macy Moy, Polin Cohanne, Sylvia Boone, Robyn Scrafford, Stacy Pickstock and Nekesha Hamilton are to be congratulated for managing the day-to-day operations of the commission.

My heartfelt thanks go to everyone on the commission for a job well done.

ABUSE OF CONTRACT FUNDS IN IRAQ

Mr. AKAKA. Mr. President, I rise today to discuss the alarming incidence of U.S. contract funds being abused in Iraq. These violations range from the abandonment of vehicles, each worth $85,000, to significant project overruns involving tens of millions of tax dollars. The scope of these wasteful and fraudulent activities is both disturbing and unacceptable.

At this critical juncture in Iraq's rehabilitation, contractors and their administrators should be providing contracted services and goods with maximum efficiency.

As an American, I am proud of and thankful of the men and women who have traveled to Iraq to help restore this country. They risk their lives and, sadly, some have given their lives. However, stories of outright waste and fraud involving contract funds are deeply disturbing.

Three themes have emerged from the abuse of U.S. contracts in Iraq: task order violations, the absence of cost controls, and inconsistent oversight.

Numerous contract officers have used existing procurement or task orders to obtain services and goods beyond the scope of approved contracts. For instance, during December 2003, the Army acquired interrogators for Iraqi prisons via a contract marked for the Department of Interior information technology purchases. Interior contract officers negotiated interrogation services through an open-ended agreement laden with tenuous connections to technology. In such circumstances, new procurement items should only be obtained under open and fair competition.

The absence of consistent cost controls has also attributed to the misuse of contract funds. The General Accounting Office reports that a significant portion of task orders, associated with defense logistical support contracts in Iraq, have been granted without concrete specifications, deadlines, and prices. The prevalence of open-ended contracts have fueled inefficiency and numerous project overruns exceeding 100 percent. Unfortunately, the absence of a well-trained procurement workforce in Iraq has impeded efforts to counter these adverse outcomes.

In the presence of fragmented oversight, the misuse of contract funds has further escalated. Currently, the Coalition Provisional Authority, CPA, only has oversight of contracts associated with reconstruction and Task Order 44 of the U.S. Army's Logistical Operations Civil Acquisition Program, LOGCAP, which provides CPA logistical support, yet all other contractors in Iraq are audited by agency inspector General, IG, offices. It is anticipated that the challenges of fostering accountability will substantially increase after the handover of Iraq on June 30, 2004. The CPA IG reports that 60 days after the handover, CPA audit activities will be merged into the State Department's IG Office. This office will oversee all U.S. contracts in Iraq including those managed by the Department of Defense. Government officials forecast that this change in audit authority will generate confusion at a time when consistent oversight is most needed.

The widespread misuse of contract funds in Iraq warrants Senate attention. During these financially lean times, it is unacceptable to tolerate such outright abuse of U.S. tax dollars. It is imperative that we demand greater accountability and efficiency, and immediately focus on this critical issue. Senate hearings would help identify sources of misuse and assist in developing viable remedies. This war has cost hundreds of lives and billions of dollars. We should not ignore the price being paid, and the debt incurred, by this generation and future generations in this conflict.

UNSOLVED MURDER OF UKRAINIAN JOURNALIST HEORHIY GONGADZE

Mr. CAMPBELL. Mr. President, for nearly 4 years the case of murdered Ukrainian investigative journalist Heorhiy Gongadze has gone unsolved, despite repeated calls by the Helsinki Commission, the State Department, and the international community for a fair and impartial investigation into this case. As cochairman of the Helsinki Commission, I have met with Gongadze's widow and their young twin daughters. Besides the human tragedy of the case, the Gongadze murder is a case study of the Ukrainian authority's utter contempt for the rule of law.

Gongadze, who was editor of the Ukrainian Internet news publication Ukrainska Pravda, which was critical of high-level corruption in Ukraine, disappeared in September 2000. His headless body was found in November of that year. That same month, audio recordings by a former member of the presidential security services surfaced that included excerpts of earlier conversations between Ukrainian President Kuchma and other senior officials discussing the desirability of Gongadze's elimination.

Earlier this week, Ukraine's Prosecutor General's office announced that Ihor Honcharov, a high-ranking police officer who claimed to have information on how Ministry of Internal Affairs officials carried out orders to abduct Gongadze, died of "spinal trauma" while in police custody last year. This came on the heels of an article in the British newspaper, The Independent, which obtained leaked confidential documents from Ukraine indicating repeated obstruction into the Gongadze case at the highest levels. Furthermore, just yesterday, Ukraine's Prosecutor General announced that investigators are questioning a suspect who has allegedly admitted to killing Gongadze.

Many close observers of the Ukrainian authorities' mishandling, obfuscation and evasiveness surrounding this case from the outset are suspicious with respect to this announcement. Just one of numerous examples of the Ukrainian authorities' obstruction of the case was the blocking of FBI experts from examining evidence gathered during the initial investigation in April 2002, after the Bureau had been invited by these authorities to advise and assist in the case and earlier had helped in identifying Gongadze's remains.

The Ukrainian parliament's committee investigating the murder has recommended criminal proceedings against President Kuchma. This committee's work has been thwarted at every turn over the course of the last several years by the top-ranking Ukrainian authorities.

A serious and credible investigation of this case is long overdue—one which brings to justice not only the perpetrators of this crime, but all those complicit in Gongadze's disappearance and murder, including President Kuchma.

Ukraine faces critically important presidential elections this October. Last month, I introduced a bipartisan resolution urging the Ukrainian Government to ensure a democratic, transparent and fair election process. Unfortunately, there have been serious problems in Ukraine's pre-election environment.

Ukraine can do much to demonstrate its commitment to democracy and the rule of law by conducting free and fair elections and fully and honestly investigating those who were behind the murder of Heorhiy Gongadze. The Ukrainian people deserve no less.

CHILD NUTRITION AND WIC REAUTHORIZATION ACT OF 2004

Mr. LEAHY. Mr. President, I am pleased to speak in support of the Child Nutrition and WIC Reauthorization Act of 2004 as passed by the Senate. In the best tradition of the Senate, Members from both sides of the aisle have come together over the past year to renew and improve the School Lunch and Breakfast Programs, the Summer Food Service Program, the Child and Adult Care Food program, and the Special Supplemental Nutrition Program for Women, Infants and Children, WIC. I commend the chairman and ranking member of the Agriculture Committee, Senator COCHRAN and Senator HARKIN, as well as their staffs, for their hard work in support of the millions of children and families who rely on these vital programs to meet their daily food needs.

At the start of the 108th Congress, when we began the process of renewing the child nutrition programs, many of us had high hopes for improvements that might be made. I proposed legislation to provide financial incentives to schools that want to improve their nutritional environment, to renew Federal support for nutrition education in schools, and to expand and stabilize both the WIC and the WIC Farmer's Market Nutrition Programs. With my friend from Pennsylvania, Senator SPECTER, I proposed the creation of a farm-to-cafeteria program that would bring fresh foods from local farms into the cafeteria, and with my friend from Indiana, Senator LUGAR, I proposed giving the Secretary of Agriculture greater authority over the sale of soft drinks and junk foods in schools. Other proposals were made to eliminate the reduced price category for school meals, thereby providing free lunches to all children living in families with income below 185 percent of poverty. Unfortunately, the tight budget with which we had to work did not enable us to enact all of these worthy ideas. I am pleased, however, that the bill before us does include many of them and that at the same time it substantially improves program access and integrity.

Working together, we were able to ensure access to the programs for needy children through direct certification, targeted verification, and technical assistance to reduce administrative error, rather than simply requiring across-the-board increased verification that would have potentially caused eligible children to be erroneously and unacceptable kicked off the program.

We have maintained the historic role of milk in our school meals program, while granting parents the flexibility to help their children get a nutritionally equivalent beverage with lunch if they cannot drink milk. This legislation will also allow schools to have more flexibility on what to serve on the school lunch line. While the school lunch program currently restricts schools to offering only milk varieties that most students chose in the previous school year, this legislation would allow schools to expand choices based on what they believe are the best offerings for the student body, including flavored milk, lactose-free milk and milk of varying fat levels. In particular, I welcome the addition of lactose-free milk to the school lunch line, believing it will expand milk's appeal to those with special dietary needs.

We are also taking an important first step in beginning to conquer the problem of soda in our schools. Twenty years ago children consumed more than twice as much milk as soda; now they drink twice as much soda as milk. This is a huge problem for our children. Thus I am pleased this bill gives schools the authority to offer milk at anytime and anywhere on school premises or at school events. This will prevent restrictions on milk sales that are sometimes inserted in soft drink vending contracts with schools.

This legislation ensures that small States will receive an inflationary increase in their administrative expense grant—the money that they receive to administer and ensure the integrity of the Federal child nutrition programs. This provision is particularly important to my home State of Vermont as well as to other small and rural States that have not seen an increase in their grant in over 20 years despite inflation and expansion of the responsibilities of the States to oversee the programs.

I look forward to the many wonderful local school-farm partnerships that will be possible under my new farm-to-cafeteria grant program as authorized by this bill. Communities all across our Nation are beginning to explore the benefits of linking local farms and school cafeterias. When these connections are made, children get healthier fresh food choices at school, and hands-on knowledge about where their food comes from and how it is produced. And farmers not only strengthen their local markets but become more involved with the schools in their community. With just a little seed money and some technical assistance these schools can create a program that teaches children about good nutrition, shows them the importance of agriculture, and supports local farms by keeping food dollars within the community. Under this new program, communities will be able to apply for competitive grants from USDA for up to $100,000 to purchase adequate equipment to store and prepare fresh foods, to develop food procurement relationships with nearby farmers, to plan seasonal menus and promotional materials, and to develop hands-on nutrition education related to agriculture. As a member of the Appropriations Committee, I will now work to secure funding for this important new program.

My support for these new farm-to-cafeteria projects comes in part from the amazing successes demonstrated by the WIC Farmers Market Nutrition Program, FMNP. Years ago, I helped create this program, which provides vouchers to WIC families good for fruits and vegetables at the local farmers market. The effects of this program have been stunning, and I am very pleased that under that this bill the WIC FMNP voucher has been increased from $20 to $30 and that we have reduced the cost to States of administering the program.

These provisions and more mean that millions of children and their families will be better served by the Federal child nutrition programs. Though I wish we could have had more resources to do some of the other things we had considered, like expand access to the child care and summer programs in rural areas, provide mandatory funds for nutrition education, and eliminate the reduced price meal category, I support the package of reforms that we have before us and I pledge to keep working on the rest.

In particular, I will continue to work with my colleagues in the Senate to address the growing crisis of childhood obesity in America and the ready availability of junk foods in our schools and cafeterias. With more and more of our children suffering the health consequences of being overweight and obese, we have a responsibility to help them make smarter nutrition choices. But with all of the funds that Congress rightly appropriates each year for nutrition education and healthy school lunches and meals, our Nation's efforts are severely undermined when children have to walk through a gauntlet of vending machines offering unhealthy choices on the way to the cafeteria. We need to put limits on the availability of junk foods in our schools, to ensure that students are not substituting empty calorie sodas and snacks for their nutritious federally subsidized school meals. Though this measure's establishment of local wellness policies is a step in the right direction, I am concerned that we have sidestepped our responsibility to the health of our Nation's children yet again and I am hopeful that we will revisit this issue in the near future.

Once again, I thank Chairman COCHRAN and Senator HARKIN for their leadership on this important legislation, and I am pleased to express my strong support for its final passage.

DEPARTURE OF TAIWAN REPRESENTATIVE C. J. CHEN

Mr. ROCKEFELLER. Mr. President, a good friend of ours, Ambassador C. J. (Chien-Jen) Chen, will soon be leaving Washington, DC, after having served for nearly 4 years as Taiwan's principal representative. We are going to miss him very much.

C. J. brought a wealth of experience to his job. He was first assigned to Washington, DC in 1971, and he spent most of his distinguished 37-year career promoting good relations between Taiwan and the United States. Over the years, he won many friends for himself and for his country. An eloquent speaker and polished diplomat, C. J. also has a reputation for being a "straight shooter." He was always prepared to provide an informed, balanced, and fair opinion on the complex relationship between Taiwan and the United States as well as the broad range of political, economic, cultural and other issues of common interest to our two countries.

Owing in large part to his efforts, much progress has been made on these issues. During his most recent assignment in Washington, with U.S. support, Taiwan has acceded to the World Trade Organization and become our eighth largest trading partner. At the same time, Taiwan has also contributed greatly to U.S.-led international humanitarian efforts in places such as Afghanistan and Iraq, and it has cooperated with the United States in fighting proliferation, terrorism, and money laundering in Asia. All these matters required intensive communication and coordination, and we were lucky to have someone like C. J. in place to lead the way.

One of the most notable and likeable things about C. J. is his inexhaustible optimism. While the U.S.-Taiwan relationship has certainly experienced its fair share of twists and turns, ups and downs, as C. J. will surely attest, he has always remained consistently upbeat. His confidence is contagious, and I agree wholeheartedly with his observation, that Taiwan and the United States, united by shared values and common interests, will continue to work closely together, not only for their mutual benefit but also for the sake of lasting peace and prosperity in the Asia-Pacific.

Now, after having served as his chief representative in the United States, as his country's foreign minister, as member of Taiwan's Legislative Yuan, and as a university professor, this man of extraordinary talent and vision is leaving Washington, DC. While he will be sorely missed, I am certain that he has established an admirable legacy of friendship, trust, and cooperation that will long endure.

LOCAL LAW ENFORCEMENT ACT OF 2003

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. On May 1, 2003, Senator KENNEDY and I introduced the Local Law Enforcement Enhancement Act, a bill that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society.

On September 19, 1999, a group of men shouting anti-homosexual slurs assaulted five gay men.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

OREGON VETERAN HERO

Mr. SMITH. Mr. President, today I rise to honor a WWII veteran who has gone above and beyond the call of duty in his service to the United States and to the State of Oregon. Bob Maxwell was born in Boise, ID on October 26, 1920. Before joining the U.S. Army, Bob worked as a logger in Colorado. In the summer of 1942, he was shipped to Camp Roberts, CA for training.

Bob boarded a British troop ship heading for the European theater and landed in Casablanca in February of 1943. There he was assigned to the battered 3rd Infantry Division. Together with the 3rd Rangers, his Division landed in Licata on the south-central coast of Sicily in July of 1943. Fighting their way inland, Bob Maxwell's division successfully captured the city of Agrigento after seven intense days of battle.

Bob's dedication to the war effort was a valiant one. After landing near the town of Netuno, Italy on January 22, 1944, he was struck by shrapnel from a German artillery shell, severely injuring his leg. Maxwell returned to his duty repairing phone wires and working the switchboard after bandaging his leg. He did not go to the hospital until the next morning when his platoon leader forced him to go. He was later awarded the Silver Star for his efforts.

A few months later, stationed near Besancon, France, Maxwell and three other soldiers, armed only with .45 caliber automatic pistols, defended their battalion observation post against a nearly overwhelming attack by enemy infantrymen. Despite fire from automatic weapons and grenade launchers, the men aggressively fought off advancing enemy troops and, with his calmness, tenacity, and fortitude, Maxwell inspired his fellows to continue the struggle. When an enemy hand grenade was thrown in the midst of his squad, Maxwell unhesitatingly threw himself squarely upon it, using his blanket and his unprotected body to absorb the full force of the explosion.

For this action, Maxwell was awarded the Medal of Honor, the nation's highest military award. In addition, while serving with the 3rd Battalion, 7th Infantry of the United States Army, he was awarded two Purple Hearts, two Silver Stars, and a Bronze Star. Maxwell was honorably discharged from military service at Ft. Lewis, Washington June 13, 1945.

After moving to Oregon, Maxwell met his wife Beatrice—Bea—and they married on August 12, 1951. He and Bea are parents to four children, numerous grandchildren, and a great-grandchild. Bob spent 30 years further serving the public in the teaching profession.

For his selfless service to others, and to the United States in times of war, I salute Bob Maxwell as an Oregon Veteran Hero.

SALUTE TO AN OREGON SOLDIER

Mr. SMITH. Mr. President, today I rise to honor a courageous Oregonian who rushed to save the life of a wounded Taliban fighter. Sergeant Dan Trackwell, a native of Klamath Falls, OR, and a member of the Combined Anti-Armor Team, is currently serving in Afghanistan helping to secure that country's future.

On June 13, 2004, Marines with Battalion Landing Team 1st Battalion, 6th Marines and Afghan Militia Forces engaged three enemy soldiers on a mountain side. The guerillas were tracking and reporting on the Battalion Landing Team's activities when coalition forces opened fire and wounded at least one of them.

The Marines used a high-powered optical sight to observe the enemy fighters and to confirm that one was indeed wounded. As the other Taliban fighters escaped into the mountains the wounded man was left for dead.

Sergeant Dan Trackwell was one of the four Marines who ventured up the mountain to find the enemy. They located him hiding behind a rock. He and Corporal Jesse Clingan, of Unitown, Pennsylvania, determined that the fighter had lost a lot of blood and appeared to be in severe pain.

Corporal Daniel Dimaso, of Junction, NY, stripped off his own t-shirt and made a tourniquet to control the bleeding from the gunshot wound on the enemy fighter's lower left leg, while Pvt. 1st Class Daniel Fondonella, of Mt. Vernon, NY, provided security. Two hours earlier these men were hunting him down and now they were hurrying to save his life.

The Marines knew that the Taliban fighter would die if they did not get him off the mountain. They gathered the injured man and signaled for the corpsman at the vehicles in the canyon to prepare for their arrival. Sergeant Trackwell carried the enemy soldier down the mountain.

The wounded man was then taken to the battalion's command post, where the surgeon, Navy Lt. Brendon Drew, determined that he needed surgery soon. The Marines were instructed to keep an eye on the patient to ensure that he did not fall asleep while the wound was being worked on. As the surgeons worked on the patient, the Marines took turns holding the man's IV bag and blocking the bright Afghan sun from his eyes.

After the patient was stabilized he was taken to a nearby military medical facility for recovery. Lt. Drew determined that it was the immediate medical attention and the quick intervention from the corpsman that saved the man's life.

This story shows us that our Marines not only follow the rules of combat, they display a deep respect for humanity. For his selfless services to others, and to the United States in time of war, I salute Sergeant Dan Trackwell.

ABSENCE EXPLANATION

Mr. BROWNBACK. Mr. President, I regret that I was unable to participate in many of the important votes that took place on Wednesday, June 23, 2004. I was necessarily absent from the Senate yesterday as I was attending the funeral of a family member. Nevertheless, I believe it is important for my constituents in Kansas to know how I would have voted had I been here; thus, I indicated to the Majority Leader my position for each of the votes throughout the day.

TRIBUTE TO MATTIE STEPANEK

Mr. HARKIN. Mr. President, I ask the United States Senate to join me in tribute to Mattie Stepanek, a young man who accomplished so much, and sadly, was taken from us this past Tuesday, June 22 at the age of 13 years. Like his three older siblings, Mattie died from complications of a rare form of muscular dystrophy.

As anyone can testify who has seen Mattie on television, he was one brilliant person, and he had a big heart to match. At the age of three, he began writing poetry to cope with the death of his brother, writing messages of hope and inspiration, and selling millions of books. Mattie quickly became one of the most widely read poets in recent memory, and three of his volumes were on the New York Times' best-seller list.

I would like to share one of Mattie's most inspirational poems. It is titled, "On Being a Champion."

"A champion is a winner,
A hero . . .
Someone who never gives up
Even when the going gets rough.
A champion is a member of
A winning team . . .
Someone who overcomes challenges
Even when it requires creative solutions
A champion is an optimist,
A hopeful spirit . . .
Someone who plays the game,
Even when the game is called life . . .
Especially when the game is called life.
There can be a champion in each of us,
If we live as a winner,
If we live as a member of the team,
If we live with a hopeful spirit,
For life."

Mattie was a champion in every sense of the word and his poetry won the hearts of many admirers, from Oprah Winfrey to former President Carter. But famous or not, it seemed to matter little to Mattie, who said, "It's our inner beauty, our message, the songs in our hearts."

Mattie embodied the unlimited potential within all of us, and I hope that Mattie's mother, Judi Stepanek, will find some strength in knowing that Mattie inspired and touched so many people. We offer Judi a special place in our hearts, knowing there is nothing harder than losing a child. And we pray that she be given the strength, courage and wisdom needed to get through this difficult time.

Mattie believed his mission in life was to "spread peace in the world." And, today, I say to Mattie and to all who loved him: Mission accomplished.

AGRICULTURAL ASSISTANCE ACT OF 2004

Mr. DORGAN. Mr. President, I am pleased to join my colleague, Senator CONRAD, in introducing legislation that provides much needed relief to farmers and ranchers who have been devastated by weather conditions.

Farmers and ranchers from my state began the year with great optimism. Producers were eager to get their crop in the ground so they could get a good return on their investments and their hard work.

But, harsh weather conditions have plagued our state. In some regions of North Dakota, late snow followed by unusually high rainfall left much of our fields under water and unfit to plant. Preliminary reports estimate that as much as two million acres of crops were unable to be planted or had crops that were destroyed after planting. This has placed the livelihood of many North Dakota producers in serious jeopardy.

In the southwest portion of the state, the drought conditions have crippled livestock producers. Southwest North Dakota is terribly dry and has been for nearly two years. They have received almost no rain, making haying and grazing land very hard to come by, and causing feed expenses to soar.

These family farmers and ranchers ought not have to bear this burden alone. I am very pleased to join Senator CONRAD in introducing disaster legislation to help ease the financial burden of producers in their time of need. We need quick action on this legislation because producers need help, and they need it now.

The legislation being introduced today is very straightforward and almost identical to disaster legislation enacted in previous years, including last year.

Farmers experiencing crop loss of higher than 35 percent would be eligible for disaster assistance. Folks who bought crop insurance would be eligible for payments equal to 50 percent of the crop price, and those who did not purchase insurance would be eligible for payments equal to 40 percent of the crop price. Under this legislation, the uninsured producers will be required to purchase crop insurance for the following two years in order to receive any disaster assistance.

Also, ranchers suffering grazing losses will be eligible for assistance to help pay for the cost of feed. To be eligible, they must have suffered 40 percent loss during three consecutive months.

The weather conditions, beyond human control, have placed the livelihood of our farmers and ranchers at risk and I urge Congress to act quickly.

20 LEGISLATIVE DAYS AND COUNTING DOWN

Mr. LEVIN. Mr. President, as of today there are 20 legislative days left before the assault weapons ban expires. And as we get closer and closer to September 13, there are reports that gun manufacturers across the country are gearing up to flood the market with previously banned assault weapons. These weapons, according to the law enforcement community, were the weapons of choice for criminals before the ban and they have no place on our streets. The assault weapons ban is straightforward, commonsense public safety legislation that needs to be extended.

In addition to banning 19 specific weapons, the ban makes it illegal to "manufacture, transfer, or possess a semiautomatic" firearm that can accept a detachable magazine and has more than one of several specific military features, such as folding/telescoping stocks, protruding pistol grips, bayonet mounts, threaded muzzles or flash suppressors, barrel shrouds, or grenade launchers. These weapons are dangerous and they should not be on America's streets.

In response to Congress' inaction, some State legislatures have begun taking action of their own. In Massachusetts, State legislators voted Wednesday to bar the sale of the same 19 specific weapons mentioned in the Federal ban. According to the Coalition to Stop Gun Violence, Massachusetts is now one of six States with its own ban. Seven other States are considering enacting their own bans.

The National Rifle Association has said that the ban is ineffective and unnecessary. The association asserts that guns labeled as assault weapons are rarely used in violent crimes, and that many people use them for hunting and target shooting. But this assertion is not supported by the facts. According to statistics reported by the Brady Campaign to Prevent Gun Violence, from 1990 to 1994, assault weapons named in the ban constituted 4.82 percent of guns traced in criminal investigations. However, since the ban's enactment, these assault weapons have made up only 1.61 percent of the crime-related guns traced.

Unfortunately, despite Senate passage of a bipartisan amendment that would have extended the ban, it appears that this important gun safety law will be allowed to expire. The House Republican leadership opposes reauthorizing the law and President Bush, though he has said he supports it, has done little to help keep the law alive.

I am hopeful that the Congress will act in the 20 days it has remaining.

THE DECISION TO GO TO WAR

Mr. LEAHY. Mr. President, last month Americans across this Nation celebrated Memorial Day. It was a day that had special significance for millions of World War II veterans, tens of thousands of whom came to Washington to see the long awaited memorial on the Mall to honor them and the more than 10 million American veterans of that war who are no longer living.

This Memorial Day was also an opportunity to reflect for those of us too young to remember that war, but old enough to have parents or friends who fought, died, or in so many other ways sacrificed and labored together to defeat enemies that threatened the survival of the free world.

For me, it was a day of mixed emotions. It was uplifting for Marcelle and me to be on the Mall and to see so many World War Two veterans and their families together, many of them reuniting with members of their divisions or regiments for the first time in over half a century. It was extraordinarily moving to hear their stories of the war, told as if it were yesterday—stories of bone chilling fear, incredible suffering, and awe inspiring bravery.

It was also a somber occasion. I think each of us was reminded of how much we, and so many millions of people in countries around the world, owe to that generation of Americans.

There was much talk of D-Day, and the thousands of Americans who died on the beaches that first day of the invasion of Normandy. Having returned from Normandy for the 60th anniversary of D-Day, I can say that the feeling is similar to what one experiences when visiting Gettysburg or any of the great battlefields of the Civil War. It is difficult to fathom that so many men so young could face death with such undaunted courage.

It was my second visit to Normandy. I was last there for the 50th anniversary, and the sight of those rows, and rows, and rows of white crosses was every bit as moving this time as it was the last.

Three weeks ago I also attended the funeral of one of two young Vermonters who were killed in action in Iraq on May 25. Sgt. Kevin Sheehan and Spec. Alan Bean died when their base on the outskirts of Baghdad was attacked. Six other Vermonters were injured, three seriously. Sgt. Sheehan and Spec. Bean were the ninth and tenth Vermonters to die in Iraq.

Then on June 7, another Vermonter, Sgt. Jamie Gray, was killed and two members of his Battalion were injured when their vehicle was hit by an improvised explosive device. He was the eleventh Vermonter to die in Iraq. At his funeral, I thought how the past few weeks have been very sad ones in my State; but, of course, the same could be said for many other states.

As of today, 844 Americans have died in Iraq since the start of the war, and there are thousands more who we rarely hear of who have been wounded. They have lost legs, arms, their eyesight, or suffered other grievous injuries that will plague them for the rest of their lives.

And there are the tens of thousands of Iraqis, including many thousands of civilians caught in the crossfire, who have been killed or injured. Their numbers are not even reported.

When I am in Vermont, and I am there most weekends, there is one question that I am asked over and over. "What are you doing to bring our troops home?" It is a question that I found myself asking this Memorial Day weekend, and in Vermont during those funerals, and then again at Normandy. It arises from a fundamental disagreement with President Bush's decision to go to war in Iraq, and his rationale for continuing to keep tens of thousands of our troops there in harm's way indefinitely.

The attacks of 9/11 were unlike anything our Nation had experienced since that infamous day at Pearl Harbor over a half century ago. I supported the President's decision to use military force against al-Qaida and the Taliban who had shielded them in Afghanistan. It was the right response and the whole world was behind us.

But as so many people warned, the decision to launch a unilateral, preemptive war against Iraq, even though Saddam Hussein had nothing to do with 9/11 and had no plan or ability to attack us, was a fateful diversion from the real terrorist threat.

The President's most recent justification for the war—previous justifications having been proven false—is that the Iraqi people are better off without Saddam Hussein. They are. But that is not the measure of a policy that led us into a war based on a false premise, faulty, distorted intelligence, and an astounding lack of understanding or concern for the huge costs and liabilities.

Those of us who have to vote to spend the billions of dollars that are necessary to keep our forces there should ask whether the President's decision to "stay the course," apparently indefinitely, justifies the continued deaths of Americans—soldiers and civilians—at the dawn of their lives, often by the very people they were sent to liberate or to help recover.

No one questions that we were unforgivably vulnerable on 9/11. Our borders were porous. Several of the highjackers were living openly, and illegally, in this country. Simply securing the doors on airplane cockpits might have prevented those attacks. Our law enforcement and intelligence agencies were barely speaking to each other. Communication between the White House, the Strategic Air Command, the FAA and the Pentagon was hopelessly confused. Countless warnings were ignored.

No one questions that we need to do far more to protect ourselves from terrorists. Every American is a potential target, as we saw, again, last week with the sickening execution style murder of Paul Johnson in Saudi Arabia.

The question is how best to protect ourselves at home, and how best to build the alliances we need to combat terrorism around the world.

Imagine if instead of spending $150 billion, soon to be more than $200 billion, to invade and occupy Iraq, we had used that money differently.

Imagine if we had used it to increase fiftyfold the number of police officers in this country.

Imagine if we had used it to put two air marshals on every airplane in or entering American airspace.

Imagine if we had used it to tighten our border controls, so rather than inspecting 10 percent of the shipping containers and trucks entering this country, we inspected 100 percent.

Imagine if we had used it to increase fiftyfold the number of immigration officers at our ports of entry, and to increase fiftyfold the number of investigators to track down people who are here illegally.

Imagine if we had used it to increase fiftyfold our surveillance capabilities along the Canadian and Mexican borders.

Imagine if we had used it to increase tenfold the amount we spend to protect nuclear materials, reactors, and weapons sites from sabotage or theft by terrorists.

Imagine if we had used it to teach Arabic to 10,000 new intelligence officers, and stationed them around the world. Think of the schools we could build, the hospitals, the medical breakthroughs funded, and on and on.

Imagine how much safer we would be if we had done these things. Instead, we are spending that money in Iraq, and we will spend another $50 billion in Iraq next year. Yet even the Secretary of Defense testified that, after spending $150 billion, he does not know if we are winning the war against terrorism. I think it is safe to say that if he believed we were, he would be the first to say so.

When President Bush announced his decision to invade Iraq he said all the things he was expected to say. He said he made his decision only as a last resort, after exhausting every other option. He said it was the hardest decision of his presidency.

In fact, other options were far from exhausted, and the intelligence he relied on was manipulated, misinterpreted, and wrong.

In fact, we now know that it was a decision the President made after minimal debate and with little difficulty. He consulted only his closest political advisors who for years, despite never experiencing combat themselves, had called for the use of force to overthrow Saddam Hussein. Those outside the President's inner circle who had reservations were ignored. Those who understand the history and the culture and religious and ethnic rivalries of that part of the world, whom he might have listened to, were ignored.

Over 200,000 young Americans were sent to Iraq, and over 135,000 remain there. They were sent into war despite the absence of any tangible threat to the United States. They were sent to invade a country that had nothing to do with 9/11.

Many were sent without body armor, without adequate water, and without the proper armor on their vehicles. They were sent in insufficient numbers to prevent the chaos that has caused twice the casualties since the collapse of the Iraqi Government, when the President declared "Mission Accomplished." Many of our most severely wounded have come home to inadequate medical care, or foreclosures on their homes.

The Pentagon's leaders always insist that the safety and welfare of our troops is their highest priority, but history is replete with examples to the contrary and today we are seeing history repeating itself.

Even worse, as hundreds of Americans die and thousands suffer terrible wounds, the rest of the country goes about its daily business, packing for their summer vacations, as if the war is someone else's problem.

Our soldiers do not have the luxury of refusing to fight if they disagree with the President. That is why a decision by the nation's leaders to send America's sons and daughters into harm's way, and to keep them where they are being killed and wounded every day, should be made only if the security of the United States depends on it.

Aside from the usual patriotic cliches, the President has not explained why the security of the United States depends on keeping tens of thousands of Americans deployed in Iraq's cities where they are being blown up by roadside bombs and shot by snipers. What are they doing there that is worth the loss of lives?

There are encouraging steps as a new Iraqi government takes shape. But they do nothing—nothing—to obscure the grim reality that virtually every day more young American lives are lost. How long will this continue? The President says our troops will be there until they "finish the job." What job? It is more than a year since the fall of Baghdad, yet we still do not know what the mission is.

Is it to make Iraq a democracy? Is it, as our troops are told, to kill and capture "bad guys?" Is it to protect the oil wells and refineries and Halliburton's other investments there? Is it to remake the Middle East?

Even the President concedes that other countries are not going to donate significant numbers of their own troops.

The hard truth, which no one in this administration is willing to admit, is that regardless of almost anything else that happens in Iraq in the coming year, hundreds perhaps thousands more of America's sons and daughters are likely to be killed or wounded.

There are times when war is unavoidable, as it was when Germany invaded Europe, when Japan bombed Pearl Harbor, and when al-Qaida attacked New York and Washington. And when that happens, when the security of the country depends on it, the country unites and great sacrifices of life and limb are willingly made.

It is those sacrifices that we honor on Memorial Day, and which those of us who were just in Normandy were reminded of so vividly.

But the war against terrorism is a different kind of war.

It will not be won by invading and occupying countries.

It will not be won by alienating our friends and allies, nor by inciting the anger of Muslims around the world who now believe the United States is at war with Islam itself.

It will not be won by arresting people, calling them terrorists, torturing and humiliating them, and releasing them only after it becomes a public relations disaster. Why, if they were innocent, were they detained so long in the first place? It makes a mockery of the very idea of justice.

The war against terrorism will not be won by publicly claiming to respect the law when you are secretly declaring the law obsolete, breaking the law, and then refusing to disclose what was done.

It will not be won when half the American people do not believe the war in Iraq is making them safer.

It will not be won with self-serving rhetoric that distorts history and bears little resemblance to reality.

The war against terrorism will be best fought by using our military selectively, as we are by tracking down al-Qaida in Afghanistan.

It will be best fought by building alliances, by working closely and cooperatively with the law enforcement and intelligence agencies of other countries to infiltrate terrorist networks, capture their leaders, and seize their assets.

It will be best fought by doing far more to help create economic opportunities for the hundreds of millions of impoverished people, particularly in Muslim countries, who have little more than their faith and their anger, and who are the terrorist recruiters' greatest hope.

And it will be best fought by giving far higher priority to strengthening our defenses here at home.

ADDITIONAL STATEMENTS

TRIBUTE TO KEN ROBINSON

• Mr. HARKIN. Mr. President, today I want to remember Ken Robinson, a long time friend and community leader. Ken passed away on Friday, April 30, 2004 at the age of 89 years. I would like to pay tribute to the many contributions he has made to his community, to his profession, and to this country.

I have known Ken and his wife Mary Louise, both as personal friends and as the owners of the Bayard News, the Bagley Gazette, as well as several other Iowa newspapers. In 1940, he was one of the founders of the Bayard News which merged with the Bagley Gazette in 1973 to become the Bayard News Gazette. They received many awards over the years for their publishing including the National Newspaper Association's Amos Award which is given to a person who is considered to have done the most for the newspaper industry as well as for his own community.

When is came to being an advocate for publishers of newspapers in rural areas, Ken was the best. He was fearless, and nothing deterred him from approaching public officials, including the Post Master General or the President of the United States, to bring to their attention problems experienced by his newspaper readers due to delayed rural delivery service or postage price increases. He was a crusader in the best sense of the word when there was an issue that needed to be fixed.

He came to Washington, DC every year to participate in the annual conference sponsored by the National Newspaper Association. Ken was the one to ask the hard questions of the officials who would speak at the conference, holding their feet to the fire to follow up on commitments. At one association conference session at the White House, Iowa Newspaper Association Director Bill Monroe remembers worrying about Ken and why he had not shown up in time for the meeting. Just before the meeting began, Ken came out of the Oval Office just before President Reagan came out to meet the group. He had been in the office promoting Bayard's sesquicentennial and had sold President Reagan a raffle ticket.

Ken also served as mayor of Bayard for 24 years, as a State representative, and was active in many organizations, including the League of Iowa Municipalities, the Democratic Party, the Iowa Civil Rights Commission, and the board of Iowa Public Television. He was an active and loyal alumnus of Drake University from where he graduated with a major in economics. During his college years, he was managing editor of the Drake Times Delphic where he primarily wrote sports articles.

Ken was born near Panora, IA in 1914. In his junior year of high school, he was stricken with polio. As a person with a disability, long before the ADA was passed, Ken found ways to overcome barriers to achieve his long-time dream of owning and publishing a newspaper. He not only achieved his dream, but with his passion for justice and his impatience with inaction, he became a strong voice for common sense and fairness. As a civic leader, he had the kind of "can-do" attitude that motivates others to get involved to get things done. Who knows what Ken might have achieved if the ADA had been implemented while he was involved in so many aspects of community life. In this spirit, Ken was the first recipient of the Easter Seals of America Award to honor a person with a disability who had provided outstanding service to government and to community.

Ken and Mary Louise have been great friends to me and I will never forget them. People such as Ken and Mary are an inspiration to us all. They are among the leaders who are the fabric that gives shape and color to our rural communities. They have spent their life making their community, State, and Nation better places to live, work and raise families. And for that, we are forever grateful.●

NATIONAL HOMEOWNERSHIP MONTH—JUNE 2004

● Mr. SMITH. Mr. President, realizing the dream of homeownership is one of the greatest moments in a lifetime. I am pleased that June has been designated as National Homeownership Month and I have enjoyed working with my colleagues to increase the number of Americans who are able to own their own homes. Homeownership provides more than just a shelter. It is a symbol of security that more American families are enjoying each year.

Owning a home enhances our lives and contributes to thriving communities. Where homeownership flourishes, communities are more secure, residents are more civic-minded, schools are better and crime rates decline.

Today, the national homeownership rate stands at 68 percent. I am proud of the great strides we have made in order to raise it to the highest rate ever. But if you take a close look at that statistic, you'll see that there is still much work to be done. The fact is that homeownership rates have risen the most among groups that have always had the highest ownership, while they've actually fallen for households with children and those headed by someone under the age of 55. In addition, African American and Hispanic households' homeownership rates still lag behind those of white households by more than 25 percentage points.

I support President Bush in his goal of expanding the number of minority home owners by 5.5 million by 2010. As the lead sponsor of S. 198, the New Homestead Economic Opportunity Act, I am confident this legislation would go a long way toward increasing the number of American home owners—particularly first-time and minority home buyers. S. 198 will provide a tax credit for single-family homeownership. Modeled after the successful low-income rental housing tax credit, this proposal would allow States to allocate Federal tax credits to developers and investors who provide single-family homes for purchase by qualified buyers in qualified areas.

The legislation is sound public policy and makes good economic sense. It would foster revitalization of both urban and rural areas and help working Americans currently priced out of the market to buy their first home. It is estimated that each year the credit would produce some 50,000 new and rehabilitated homes, 120,000 jobs, $4 billion in wages and $2 billion in taxes and fees.

President Bush has stated that a home is:

> a foundation for families and a source of stability for communities. Part of economic security is owning your own home. Part of being a secure America is to encourage homeownership.

Today, in the midst of National Homeownership Month, those words ring even more loud and true. I ask that my colleagues show their support for homeownership by cosponsoring S. 198.●

HONORING STEPHAN KATHMAN AND DAVID SHEETS

● Mr. BUNNING. Mr. President, I pay tribute and congratulate both Stephan Kathman of Covington, KY, and David Sheets of Lexington, KY, on being named two of the seventy-eight outstanding U.S. high school students to attend the 21st annual Research Science Institute (RSI). The Institute, sponsored by the Center for Excellence in Education at the Massachusetts Institute of Technology and the California Institute of Technology, will take place this summer. Students in this program represent the upper one-percent of those in the United States who took the PSAT exam.

Science and technology is extremely important for the economic growth of this country, and we need to encourage young scholars to pursue careers of excellence and leadership in the field. These two young men and the others involved in this program are the future leaders of this country and deserve our recognition. These students are competitively selected to attend and, subsequently, are provided with assistance for the eight to ten years of their undergraduate and graduate studies.

So often we hear of failures of the U.S. educational system; however, students chosen for RSI are proof that good things are happening in our schools. Kentucky is doing its job to nurture some of the county's finest talent. I join my fellow Kentuckians to congratulate Stephan Kathman and David Sheets on their achievements and wish them luck this summer at the Research Science Institute.●

WVEMS

● Mr. LIEBERMAN. Mr. President, I am pleased to extend my congratulations and gratitude to the Westport Volunteer Emergency Medical Service, WVEMS, of Westport, CT, which is celebrating a quarter century of unparalleled dedication to public safety and public service.

Volunteerism is part of the American way, and the volunteer emergency personnel of WVEMS take on a particularly demanding and challenging form of community service. These men and women take time out of their busy lives and careers, or from well-earned retirement, to provide life-saving services 24 hours a day, 7 days a week. They work in close cooperation with police and fire departments, using state-of-the-art skills, in pre-hospital situations. WVEMS volunteers also perform other important community services, including teaching first aid and CPR classes.

The men and women of WVEMS have established a remarkable legacy. During their 25 years of service, they have logged over half a million volunteer hours and cared for over 45,000 ill or injured men, women, and children.

Fifteen of the original founders still serve with a selfless commitment to their cause, and each has been designated an American Red Cross Unsung Hero. These exceptional men and women are Edward and Elizabeth Audley, Patricia Audley, Sharon Barnett, Russel M. Blair, Susan DeWitt, Michael Feigin, Richard Frazier, Neil Harding, Thomas M. Keenan, Kathleen Todd, Alan Yoder, Isabel Blair, Alan Stolz, Nettie Skinner, and Pasquale Salvo. I would also like to commend Jay Paretzky and April Anne Yoder, who have also been with the WVEMS for a quarter century.

All of the other active members of the WVEMS certainly deserve our recognition, as well: William Puterbaugh, Norman Coltin, Sandra McPherson, Jeffrey T. Lea, Andrew Dinitz, Loretta S. Harsche, Marge Costa, Christine A. Evans, Todd M. Smith, Mark A. Blake, Anthony F. Santo, Donald E. Smith III, Thomas F. Burrows, Martha M. McGorry, Elizabeth Slattery, Chris VanDeusen, Diane Salvo, Benjamin Frimmer, Barbara F. Wood, Barbara Babash, Arlene M. Healy, Amy Smith, Linda Canterbury, Albert Bassett, Mary Jane Cross, KC Duffy, Linda Green, Carole Grob, Dorothy Harris, Gordon Joseloff, Chris Sanders, Whitney Cusa, James Flint, Nicole Donovan, Toni Cribari, Mary Minard, Terrence Blake, Michele Brewster, Michael Falbo, Cheryl Jones, Michael

Quan, Rico Tiberio, Sylvia Lempit, Susannah Kehl, AnnaLiisa Joseloff, James Hinckley, Nanci Jenkins, David Heinmiller, Rainy Broomfield, Ronald Carkner, Donna Patchen, Robert Redman, Olivia Weeks, Courtenay Quinn, Joseph Devermann, Linda Gale, Jean Marie Wiesen, Nancy Strong, Gregory Coghlan, Paul Resnick, Barbra Utting, Adam Sappern, Nancy Fusaro, Wendy Hill, Megan Watson, Kristin Ancona, Kathryn Min, William Min, Susan Parks, Jamie Talbot, Michael Rickard, Marc Hartog, Michael Engelskirger, Craig Kupson, Elizabeth Jennings, Glenn Eisen, Angela Chichila, Anna Dowdle, Ashley Hawley, Andrea Hoboken, Dustin Schur, Jackie Stenson, Carol Boas, Yannick Passemart, Kerry Volmar, Michael Wilmot, Danielle Faul, David Bodach, Christin Giordano, Zack Klomberg, Jordan Kunkes, Alma Loya, Whitney Riggio, Kimber Roberts, Alicia Wong, Karen Bizzak, Margaret Russell, Richard Arriaga, Carol Dixon, Gabrielle O'Halloran, Daniel Rappaport, Dora Sweet, Lois Benfield, Adele Donohue, Susan Shewchuk, Nancy Toll, Pamela Newnham, Matthew Rees, Richard Celotto, John Sommers, Caroline Andrew, James Gray, Stephanie Howson, Rebecca Kamins, Kaitlyn Mello, Elizabeth Parks, Christian Renne, Rob Stewart, Emma Trucks, Christina Voonasis, Maryanne Boyle, Robert Dowling, Yashasvi Jhangiani, Maribeth Nixon and Steve Brothers.

To the men and women of WVEMS, thank you for going above and beyond the call of duty to serve those in need. Well done.•

JUNE IS DAIRY MONTH

• Mr. FEINGOLD. Mr. President, June is National Dairy Month, the country's oldest and largest celebration of dairy products and the people who have made the industry the success it is today. During June, Wisconsinites will hold nearly 100 dairy celebrations across our State, including dairy breakfasts, ice cream socials, cooking demonstrations, festivals and other events.

Every State in the Union has dairy farms, which together produce over 170 billion pounds of milk annually. In my home State of Wisconsin, dairy farmers produce approximately 22 billion pounds of milk and 25 percent of the country's butter a year. Some of the world's finest cheeses are produced within Wisconsin's borders, in addition to a variety of other outstanding dairy products for people to enjoy.

The nutritional benefits of milk, yogurt, cottage cheese, and other dairy products are important to keeping Americans healthy and strong. Strong scientific evidence published in the Journal of the American Medical Association and JAMA indicates that dairy foods may play a role in reducing the risk of nine common diseases and conditions: obesity, hypertension, type 2 diabetes, coronary artery disease, stroke, kidney stones, osteoporosis, colorectal cancer, and pregnancy-related complications. Research continues to demonstrate the health benefits of consuming dairy products, particularly for children.

Throughout my time in the Senate, I have worked to keep my State's dairy industry healthy and strong. I have fought attempts to create and perpetuate regional disparities in dairy pricing. I have acted on the concerns of many Wisconsinites about the impact of milk protein concentrates on the Wisconsin dairy industry. I have advocated on behalf of the Wisconsin dairy industry to trade negotiators. I will continue to work to keep Wisconsin a leader in the dairy industry.

So here's to good health, a strong agricultural economy, and the pride of America's dairyland as we enjoy Wisconsin dairy products during the National Dairy Month and throughout the rest of the year.•

TRIBUTE TO CHUCK VEST

• Mr. KENNEDY. Mr. President, this month marks the end of a distinguished 14-year tenure for Chuck Vest as president of the Massachusetts Institute of Technology. He has been an excellent leader for this outstanding institution in our State. He has attracted and retained a world class faculty, including Nobel Prize winners. He's maintained an impressive balance between consistency and change to meet the changing needs of the university in the modern high-tech world, and he has developed the research capacity of the institution far beyond its abilities when he took the helm.

His commitment to diversity has also been impressive. In 1990, the undergraduate student body was 34 percent women and 14 percent underrepresented minorities; today the student body is 42 percent women and 20 percent underrepresented minorities—the result of a conscientious effort by President Vest and the community he cared about so much.

His leadership was marked by many innovative reforms. He decided to publish all course material online so that it is freely available to anyone in the world. He brought the unequal treatment of senior female faculty to the attention of the community, and held an open dialogue on how to correct the situation. He offered health benefits to same-sex partners. His leadership on financial aid methodologies laid the groundwork for the provisions that are now part of the Higher Education Act.

Chuck has worked skillfully as well to obtain increased support for scientific research—especially in the physical sciences, and he was a familiar figure in corporate boardrooms and to many of us in Congress. His cooperative work with Lincoln Labs, with Harvard and with the Broad Foundation and his commitment to the Cambridge and Boston Public Schools are important parts of all he has brought to MIT. When he was named in February to the President's Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction, he said, "I will concentrate on two priorities, MIT and the Commission.

There is so much to be said about Chuck Vest—his intelligence, his appealing personality, his modesty about his own high accomplishments, and his tireless pursuit of excellence in everything he does. All of us who know him wish him well in the years ahead, confident that we will continue to think and act boldly about the role of science and scientific education in our changing world and its fundamental importance to the future of our Nation and its best ideals.•

CONGRATULATIONS TO CARLOS BOOZER

• Ms. MURKOWSKI. Mr. President, I am pleased to honor a fellow Alaskan. This summer our country will display its patriotism on an international level during the 2004 Summer Olympic Games. It is important for us to recognize the men and women who dedicate their lives to representing the United States. Though the sacrifices these individuals make are not "life threatening" like those of our American men and women who serve in our Armed Forces, the individuals who represent our country in the Olympics nonetheless sacrifice themselves, and proudly represent this Nation. That is why I would like to take the time to recognize one fellow Alaskan who is about to compete at the highest international level. Recently, my fellow Alaskan, Carlos Boozer, was selected to the Men's 2004 Olympic Basketball team. He becomes the first Alaskan to be selected to the United States Men's Olympic Basketball team.

Unselfishly, Mr. Boozer has been a quiet winner his whole life. Carlos attended Juneau-Douglas High School, winning a State title in his junior season, and then in his senior season he was selected to the McDonald's All-American Team. He then enrolled in Duke University, where he won a national title with the Blue Devils. After receiving his degree from Duke in 3 years, Carlos was drafted in the second round of the 2002 NBA Draft by the Cleveland Cavaliers. With his workman-like mentality, he is becoming a model for those who dedicate themselves to perfection and team work, and not personal glory. Now he has the opportunity to represent this country in a quest for the Gold Medal in the Summer Olympic Games. I congratulate Carlos, not only for his recent achievement, but for his unselfish dedication. He has dedicated himself to Juneau his home town, Alaska his home state, Duke University, the Cleveland Cavaliers, and now the United States. This kind of continuous dedication is rare, and Carlos embodies it. In a time when professional athletes are opting out of the Olympic Games, Carlos has risen to the occasion and accepted a bid to represent his town, his State, his university, his team, and more importantly, his country. Again I congratulate Mr. Boozer and the rest of the men and women who will represent this great Nation in Athens this summer.●

IN RECOGNITION OF MR. WILLIAM GREENBLATT

● Mr. BOND. Mr. President, today I would like to recognize Mr. William Greenblatt, a man whose accomplishments are a true testament to what a business and community leader should be, as he celebrates his fiftieth birthday on June 9, 2004.

Mr. Greenblatt began his career providing photography services for commercial, industrial, public relations and non-profit organizations including the City of St. Louis, Make-A-Wish Foundation, United Way, and American Heart Association. He also serves as the St. Louis Fire Department's photographer recreating fire scene construction and investigations as well as documenting training and incidents.

During Mr. Greenblatt's career, he has had the honor of being the official photographer for many of Missouri's most prominent Federal, State, and local politicians, as well as St. Louis artists Nelly and Toya. In addition to his services at United Press International, he has contributed to numerous publications such as the Chicago Tribune, Los Angeles Times, Newsweek Magazine, New York Times, and the Washington Post.

Mr. Greenblatt has dedicated both his professional and personal life to the betterment of his community. He has served on several non-profit boards as well as being a member of several professional organizations including the St. Louis Regional Chamber and Growth Association, St. Louis Journalism Review Board of Editorial Advisors, Urban League of Metropolitan St. Louis, and the James S. McDonnell Board of Directors.

Throughout his service, Mr. Greenblatt has been honored with several achievements including placing in the Baseball Hall of Fame Photo Contest, Certificate of Appreciation from the City of St. Louis Emergency Management Agency, Outstanding Citizen Award.

Mr. Greenblatt has a distinguished record of service in his public and private life. I would like to thank him for his dedication to his profession as well as his contributions to the St. Louis Community. On behalf of Missouri, I wish him a happy 50th birthday.●

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

THE U.S.-AUSTRALIA FREE TRADE AGREEMENT AND THE AFRICAN GROWTH AND OPPORTUNITY ACT

● Mr. KERRY. Mr. President, I am pleased to announce today my support for the U.S.-Australia Free Trade Agreement. The United States has a trade surplus with Australia and this agreement will boost our exports still further by eliminating Australian tariffs on our manufactured goods and on several key agricultural exports. Not only does the agreement promote our economic interests and job creation here in America, but Australia is also an important ally, and we must do all we can to ensure a healthy and vibrant relationship between our two nations.

I am, however, disappointed that the Bush administration did not build on the model of the U.S.-Jordan agreement by including strong and enforceable labor standards in the core of the agreement. Although Australia already has very strong labor rights and an effective enforcement regime, the agreement represents a missed opportunity to set a higher benchmark for future trade agreements by cementing the principle that labor and environmental standards are in the core of all new agreements.

In addition, I am disappointed that the Bush administration did not do a better job negotiating an agreement that would protect our important beef and dairy industries. I was happy to support an amendment in the Finance Committee that helps ensure a level playing field for our domestic beef industry.

I am also pleased to announce today my intention to cosponsor the Milk Import Tariff Equity Act, S. 560, a bill to impose tariff-rate quotas on certain casein and milk protein concentrates and help ensure fair competition for our nation's dairy farmers.

As we look ahead I want to reiterate that this agreement and others I have supported should not be viewed as models for all future bilateral agreements under negotiation. In particular, it is important to have strong ties with our Central American neighbors. However, the lack of strong and enforceable labor and environmental standards are more serious in the CAFTA agreement because of the poor history the Central American countries have with labor issues. I oppose the current CAFTA agreement, and I hope that over time it can be improved to strengthen labor rights and our ties to our neighbors. The goal is to make sure that trade lifts all people up, that it creates growth with equity.

I also understand that last night Majority Leader FRIST and Minority Leader DASCHLE discussed the possibility that the Senate will soon pass an extension of the African Growth and Opportunity Act. While some Senators have concerns with AGOA III that must still be resolved, and we should provide adequate time to address those concerns, I would like the record to show that I support this important legislation and would like to see it enacted.

Today, the countries of sub-Saharan Africa face some of the world's greatest challenges to export growth, including insufficient domestic markets, lack of investment capital, and poor transportation and power infrastructures. Perhaps most devastating, the region continues to be ravaged by the growing HIV/AIDS pandemic. AGOA provides a door to a brighter future for these nations. By enhancing and enabling economic, legal and political reform, AGOA sets the stage for economic growth and political stability in the region, and helps lift up the lives of the people of Africa.

Through our trading relationships, the United States can help spread effective political, economic and legal institutions to regions of the world that are vulnerable to political instability, civil war and global terrorism. Ensuring sub-Sahara African economic integration is one of the surest ways to cultivate new and powerful allies in the war on terror.

AGOA is an integral part of a broader partnership with Africa that must also include progress on debt relief and stepped-up efforts to fight the scourage of HIV/AIDS. Given the importance of AGOA to the future we share with Africa, I hope the remaining concerns of my colleagues can be addressed to ensure the passage of AGOA III. Passing this critical extension of AGOA will send a powerful signal to Africa and the world that the United States is committed to extending the benefits of the global economy to all those willing to make the necessary economic, legal and political reforms.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE CONTINUATION OF THE NATIONAL EMERGENCY WITH RESPECT TO THE WESTERN BALKANS—PM 89

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Western Balkans emergency is to continue in effect beyond June 26, 2004, to the Federal Register for publication. The most recent notice continuing this emergency was published in the Federal Register on June 24, 2003, 68 Fed. Reg. 37389.

The crisis constituted by the actions of persons engaged in, or assisting, sponsoring, or supporting, (i) extremist violence in the former Yugoslav Republic of Macedonia, and elsewhere in the Western Balkans region, or (ii) acts obstructing implementation of the Dayton Accords in Bosnia or United Nations Security Council Resolution 1244 of June 10, 1999, in Kosovo, that led to the declaration of a national emergency on June 26, 2001, has not been resolved. Subsequent to the declaration of the national emergency, acts obstructing implementation of the Ohrid Framework Agreement of 2001 in the former Yugoslav Republic of Macedonia, have also become a concern. All of these actions are hostile to U.S. interests and pose a continuing unusual and extraordinary threat to the national security and foreign policy of the United States. For these reasons, I have determined that it is necessary to continue the national emergency declared with respect to the Western Balkans and maintain in force the comprehensive sanctions to respond to this threat.

GEORGE W. BUSH.

THE WHITE HOUSE, *June 24, 2004.*

MESSAGES FROM THE HOUSE

At 12:19 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 218. An act to amend title 18, United States Code, to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns.

H.R. 1731. An act to amend title 18, United States Code, to establish penalties for aggravated identity theft, and for other purposes.

H.R. 4053. An act to improve the workings of international organizations and multilateral institutions, and for other purposes.

H.R. 4345. An act to amend title 38, United States Code, to increase the maximum amount of home loan guaranty available under the home loan guaranty program of the Department of Veterans Affairs, and for other purposes.

H.R. 4548. An act to authorize appropriations for fiscal year 2005 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 460. Concurrent resolution regarding the security of Israel and the principles of peace in the Middle East.

At 3:21 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 2507. An act to amend the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to reauthorize child nutrition programs, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

S. 2017. An act to designate the United States courthouse and post office building located at 93 Atocha Street in Ponce, Puerto Rico, as the "Luis A. Ferre United States Courthouse and Post Office Building".

H.R. 4635. An act to provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century.

The enrolled bills were signed subsequently by the President pro tempore (Mr. STEVENS).

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 4053. An act to improve the workings of international organizations and multilateral institutions, and for other purposes; to the Committee on Foreign Relations.

H.R. 4345. An act to amend title 38, United States Code, to increase the maximum amount of home loan guaranty available under the home loan guaranty program of the Department of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 4548. An act to authorize appropriations for fiscal year 2005 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; to the Committee on Intelligence.

The following concurrent resolution was read the first and the second times by unanimous consent, and referred as indicated:

H. Con. Res. 460. Concurrent resolution regarding the security of Israel and the principles of peace in the Middle East; to the Committee on Foreign Relations.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 218. An act to amend title 18, United States Code, to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–8128. A communication from the Paralegal Specialist, Federal Aviation Administration, Department Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: BAAE Systems (Operations) Liminted (Jetstream) Model 4101 Airplanes Doc. No. 2002–NM–58" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8129. A communication from the Paralegal Specialist, Federal Aviation Administration, Department Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 727–100 and 200, 737–100 and 200; 737–100, 200, 200C, 300, 400, and 500 and 747 Airplanes Doc. No. 2001–NM–297" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8130. A communication from the Paralegal Specialist, Federal Aviation Administration, Department Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747–400, 400D, 400F, 757–20–0, 200PF, 200CB, 767–200, 300, and 300F Airplanes Doc. No. 2003–NM–40" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8131. A communication from the Paralegal Specialist, Federal Aviation Administration, Department Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A300 B4–600, 600R, and F4600R (Collectively Called A300 and 600) A310, A319, A320, A321, A330, and A340–200 and 300 Airplanes Doc. No. 2003–NM–19" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8132. A communication from the Paralegal Specialist, Federal Aviation Administration, Department Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747 Airplanes Doc. No. 2003–NM–47" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8133. A communication from the Paralegal Specialist, Federal Aviation Administration, Department Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Gulfstream Aerospace LP Model Galaxy and Gulfstream 200 Airplanes Doc. No. 2004–NM–70" (RIN2120–AA64) received on June 22, 2004; to the Committee on Commerce, Science, and Transportation.

EC–8134. A communication from the Acting Under Secretary of Defense for Acquisition, Technology, and Logistics, Department of Defense, transmitting, pursuant to law, the Department's Defense, Chemical, Biological, and Nuclear (CBRN) Defense Program Annual Report to Congress and the Department's CBRN Defense Program Performance Plan for Fiscal Years 2003–2005; to the Committee on Armed Services.

EC–8135. A communication from the Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "31 CFR Chapter V, Appendix A" received on June 22, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC–8136. A communication from the Director, Office of Personnel Policy, Department of the Interior, transmitting, pursuant to law, a report of the discontinuation of service in acting role for the position of Solicitor, Department of the Interior, received on June 21, 2004; to the Committee on Energy and Natural Resources.

EC–8137. A communication from the Director, Office of Personnel Policy, Department of the Interior, transmitting, pursuant to law, a report of the discontinuation of service in acting role for the position of Solicitor, Department of the Interior, received on June 21, 2004; to the Committee on Energy and Natural Resources.

EC–8138. A communication from the Executive Director for Operations, Nuclear Regulatory Commission, transmitting, pursuant to law, a report entitled "Performance of Commercial Activities"; to the Committee on Environment and Public Works.

EC–8139. A communication from the Commissioner, Social Security Administration, transmitting, pursuant to law, a report of the Administration's commercial and inherently governmental activities; to the Committee on Finance.

EC–8140. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Section 420—Waiver of Post-Retirement Health Benefits" (Rev. Rul. 2004–65) received on June 22, 2004; to the Committee on Finance.

EC–8141. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "TD 9130: Required Distributions from Retirement Plans" (RIN1545–BA60) received on June 22, 2004; to the Committee on Finance.

EC–8142. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Administrative Simplification of Section 481(a) Adjustment Periods in Various Regulations" (RIN1545–BB47) received on June 22, 2004; to the Committee on Finance.

EC–8143. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "TD 9132: Changes in Use Under Section 168(i)(5)" (RIN1545–BB05) received on June 22, 2004; to the Committee on Finance.

EC–8144. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Coordinated Issue: Credit for Increasing Research Activities—Qualified Research Expenses" received on June 22, 2004; to the Committee on Finance.

EC–8145. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Applicable Federal Rates—July 2004" (Rev. Rul. 2004–66) received on June 22, 2004; to the Committee on Finance.

EC–8146. A communication from the Chairman, Medicare Payment Advisory Commission, transmitting, pursuant to law, the Commission's report entitled "Sources of Financial Data on Medicare Providers"; to the Committee on Finance.

EC–8147. A communication from the Chief, Regulations Branch, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Overtime Compensation and Premium Pay for Customs Officers" (RIN1651–AA59) received on July 22, 2004; to the Committee on Finance.

EC–8148. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the texts and background statements of international agreements, other than treaties; to the Committee on Foreign Relations.

EC–8149. A communication from the Chairman of the Board, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of the Office of Inspector General for the period from October 1, 2003 through March 31, 2004; to the Committee on Governmental Affairs.

EC–8150. A communication from the Chairman, International Trade Commission, pursuant to law, the report of the Office of Inspector General for the period from October 1, 2003 through March 31, 2004; to the Committee on Governmental Affairs.

EC–8151. A communication from the Chairman, Federal Housing Finance Board, transmitting, pursuant to law, the report of the Office of Inspector General for the period from October 1, 2003 through March 31, 2004; to the Committee on Governmental Affairs.

EC–8152. A communication from the Chairman, National Science Board, transmitting, pursuant to law, the report of the Office of Inspector General for the period from October 1, 2003 through March 31, 2004; to the Committee on Governmental Affairs.

EC–8153. A communication from the Secretary of Veterans' Affairs, transmitting, pursuant to law, the report of the Office of Inspector General for the period from October 1, 2003 through March 31, 2004; to the Committee on Governmental Affairs.

EC–8154. A communication from the Attorney General of the United States, transmitting, pursuant to law, the report of the Office of Inspector General for the Department of Justice for the period from October 1, 2003 through March 31, 2004

EC–8155. A communication from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of the Office of Inspector General for the period from October 1, 2003 through March 31, 2004; to the Committee on Governmental Affairs.

EC–8156. A communication from the Director, Peace Corps, transmitting, pursuant to law, the report of the Office of Inspector General for the period from October 1, 2003 through March 31, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC–8157. A communication from the General Counsel, National Labor Relations Board, transmitting, pursuant to law, the report of the Office of Inspector General for the period from October 1, 2003 through March 31, 2004; to the Committee on Governmental Affairs.

EC–8158. A communication from the Chair, Equal Employment Opportunity Commission, transmitting, pursuant to law, the report of the Office of Inspector General for the period from October 1, 2003 through March 31, 2004; to the Committee on Governmental Affairs.

EC–8159. A communication from the Chairman, Federal Energy Regulatory Commission, transmitting, pursuant to law, the Commission's report under the Government in Sunshine Act for Calendar Year 2003; to the Committee on Governmental Affairs.

EC–8160. A communication from the Director, Strategic Human Resources Policy Division, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Federal Employees Health Benefits Program: Removal of Two Option Limitation for Health Benefits Plans and Continuation of Coverage for Annuitants Whose Plan Terminates an Option" received on June 22, 2004; to the Committee on Governmental Affairs.

EC–8161. A communication from the Director, National Gallery of Art, transmitting, pursuant to law, the Gallery's report of commercial and inherently governmental activities; to the Committee on Governmental Affairs.

PETITIONS AND MEMORIALS

POM–463. A concurrent resolution adopted by the Senate of the Legislature of the State of Louisiana relative to the National Finance Center in New Orleans, Louisiana; to the Committee on Governmental Affairs.

Senate Concurrent Resolution No. 47

Whereas, the U.S. Department of Agriculture (USDA) has been the forerunner in the application of computer technology in managing administrative functions; and

Whereas, in 1973, the USDA established the National Finance Center in New Orleans to provide consolidated payroll, personnel, and voucher and invoice payment systems and services to numerous government agencies; and

Whereas, today the National Finance Center in New Orleans also provides systems and support services for several government-wide processes, including the Federal Retirement Thrift Savings Plan; and

Whereas, the National Finance Center has become an asset not only to the government, but also the Greater New Orleans Area; and

Whereas, the National Finance Center in New Orleans employs over twelve hundred local federal employees; and

Whereas, the National Finance Center in New Orleans has recently been criticized by the Federal Retirement Thrift Investment Board (FRTIB), which oversees the Thrift Savings Plan; and

Whereas, the National Finance Center in New Orleans has dedicated over four hundred federal employees to the Thrift Savings Plan, who are responsible for answering phone calls from plan participants, processing loans, sending out statements, and maintaining the computer information systems; and

Whereas, at the request of the FRTIB, the National Finance Center in New Orleans installed a new and untested mainframe computer in order to manage the more than three million one hundred thousand plan participants accounts; and

Whereas, due to the flawed computer system, a problem that exceeded the scope of work performed by the National Finance Center's employees, numerous problems were encountered by the Thrift Savings Plan participants; and

Whereas, the problems were so serious that the National Finance Center became the subject of a congressional hearing which questioned the center's ability to effectively manage the Thrift Savings Plan; and

Whereas, as a result of these inquiries, more than four hundred federal employees of the National Finance Center are experiencing a profound loss of morale as they face a future of increasing job uncertainty due to the recent press attacks which have reflected poorly upon their personal work performances; and

Whereas, prior to the installation of this new, untested, and flawed mainframe computer by the FRTIB, the National Finance Center in New Orleans had enjoyed a long history of exemplary service and a solid reputation for its ability to effectively serve the needs of its customers: Therefore, be it

Resolved, That the Legislature of Louisiana memorializes the Congress of the United States to support and expand the operations of the National Finance Center in New Orleans, including the renewal of its contract with the Federal Retirement Thrift Investment Board. Be it further

Resolved, That a copy of this Resolution shall be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives and to each member of the Louisiana delegation to the United States Congress.

POM–464. A resolution adopted by the House of Representatives of the General Assembly of the Commonwealth of Kentucky relative to legislation to establish English as the official language of the United States; to the Committee on Health, Education, Labor, and Pensions.

HOUSE RESOLUTION NO. 242

Whereas, the United States of America is composed of individuals from diverse ethnic, cultural, and linguistic backgrounds, and continues to benefit from its rich diversity; and

Whereas, throughout the history of the United States, the common thread binding individuals of different backgrounds has been the English language; and

Whereas, declaring English as the official language is essential for uniting Americans who now speak more than 329 languages by providing a common means of communication; and

Whereas, U.S. immigrants would be encouraged to learn English in order to use government services and to participate in the democratic process; and

Whereas, learning English would be beneficial to immigrants who become United States Citizens because studies of Census data show that an immigrant's income rises about 30 percent as a result of learning English, leading to the realization of the American dream of increased economic opportunity and the ability to be a productive member of society; and

Whereas, in New York City schools, 54 percent of students who entered English as a Second Language programs in kindergarten scored above the 50th percentile in reading when they reached the 7th grade, compared with under 40 percent for students who entered bilingual programs at the same time; and in mathematics, the gap was even greater, 70 percent versus 51 percent; and

Whereas, the 2000 U.S. Census revealed that 21.3 million Americans, eight percent of the population, are classified as "limited English proficient," a 52 percent increase from 1990, and more than double the 1980 total; and

Whereas, the United States Government's efforts make it easy for immigrants to function in their native languages has not only proven to be expensive for American taxpayers, it has served to keep immigrants linguistically isolated, excluding them from the American "melting pot" which truly unites us as a people; and

Whereas, in 1983 the late Senator S. I. Hayakawa, an immigrant himself, founded U.S. English, Incorporated, a group dedicated to preserving the unifying role of the English language in the United States, declaring that "English is the key to full participation in the opportunities of American life"; and

Whereas, President Theodore Roosevelt stated that "We have room for but one language here, and that is the English language, for we intend to see that the crucible turns our people out as Americans"; and

Whereas, official English legislation does not mean "English only" because it does not prohibit government agencies from using other languages when there is a compelling public interest for doing so, such as protecting public health and safety, assuring equality before the law, promoting tourism, teaching foreign languages, providing for national defense, and many other legitimate, common sense needs: Now, therefore, be it

Resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Kentucky House of Representatives urges the Congress of the United States of America to enact legislation establishing English as the official language of the United States of America.

Section 2. That the Clerk of the House of Representatives is directed to mail a copy of this Resolution to the Clerk of the United States Senate, the Clerk of the United States House of Representatives, and to each member of Kentucky's Congressional delegation.

POM–465. A resolution adopted by the House of Representatives of the Legislature of the State of Hawaii relative to legislation to provide access prescription drugs by allowing purchase of prescription drugs from Canada and other countries that meet federal safety requirements; to the Committee on Health, Education, Labor, and Pensions.

HOUSE RESOLUTION NO. 47

Whereas, the cost of prescription drugs has risen steadily in recent years, affecting consumers, businesses or employers, and public programs, while the pharmaceutical industry has been named as the most profitable among the Fortune 500 Companies in 2002; and

Whereas, Americans pay more for prescription drugs than in any other industrialized nation; in Canada, for example, a three-month supply of the best selling prescription drug Lipitor is thirty-seven percent cheaper; Paxil is approximately fifty percent cheaper; Vioxx is fifty-eight percent cheaper; and the anti-psychotic drug Risperdal is eighty percent cheaper; and

Whereas, in May 2003, Hawaii's Attorney General joined thirty-seven other attorneys general in a letter to Congress, seeking relief for consumers from the high cost of prescriptions and pointing out that the high cost of many brand-name prescription drugs makes lifesaving medications out of reach for many individuals; and

Whereas, the federal Food and Drug Administration has refused to certify as safe for reimportation prescription medication from Canada and other foreign countries, which would allow United States citizens, state and county governments, and businesses access to prescription drugs at much lower prices; and

Whereas, to justify its refusal, the Food and Drug Administration contends that reimportation from other countries could jeopardize consumer safety because pharmaceuticals from other countries will not be subject to the same requirements imposed by the United States; and

Whereas, a number of governors and mayors already are taking steps to provide prescription drugs from Canada to state employees, retirees, and residents; and

Whereas, in recent legislation, Congress authorized drug reimportation from Canada, giving United States Health and Human Services Secretary Tommy Thompson the authority to grant exceptions to allow states to purchase Canadian drugs for state employees and retirees; and

Whereas, it is likely, however, that the practice of reimportation will remain illegal; for example, Secretary Thompson quickly denied Illinois Governor Rod Blagojevich's request for an exemption, declaring that he would waive federal regulations only if he could guarantee the safety of prescription drugs from Canada; and

Whereas, recent research indicates that Canada's drug approval system is as stringent as that of the United States and pharmacy practices in the Canadian provinces of Manitoba and Ontario were deemed equal to or superior to pharmacy practice in Illinois; and

Whereas, there is pending federal legislation that will enable the reimportation of prescription drugs from Canada and other industrialized countries that can meet regulatory requirements to ensure that consumers and government agencies have access to safe prescription drugs at reasonable costs: Now be it

Resolved by the House of Representatives of the Twenty-second Legislature of the State of Hawaii, Regular Session of 2004, That members of Congress, including Hawaii's congressional delegation, are urged to establish as an immediate priority the passage of legislation that makes safe, affordable prescription drugs accessible to all United States residents through reimportation and other means, including requesting the cooperation of the United States Secretary of Health and Human Services and the Food and Drug Administration; and be it further

Resolved, That certified copies of this Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the Secretary of Health and Human Services, the Food and Drug Administration, and members of Hawaii's delegation to the United States Congress.

POM–466. A concurrent resolution adopted by the House of Representatives of the Legislature of the State of Hawaii relative to the Employee Free Choice Act; to the Committee on Health, Education, Labor, and Pensions.

HOUSE CONCURRENT RESOLUTION NO. 195

Whereas, in 1935, the United States established, by law, that workers must be free to form unions; and

Whereas, the freedom to form or join a union is internationally recognized as a fundamental human right; and

Whereas, union membership provides workers better wages and benefits, and protection from discrimination and unsafe workplaces; and

Whereas, unions benefit communities by strengthening tax bases, promoting equal treatment, and enhancing civic participation; and

Whereas, workers want to organize, but are unable to, since more than forty million United States workers say they would join a union now if they had the opportunity; and

Whereas, even though, on paper, America's workers have the freedom to choose for themselves whether to have a union, in reality, workers across the nation are routinely denied that right; and

Whereas, when the right of workers to form a union is violated, wages fall, race and gender pay gaps widen, workplace discrimination increases, and job safety standards disappear; and

Whereas, many thousands of America's workers are routinely threatened, coerced, or fired each year because they attempt to form a union; and

Whereas, most violations of workers' freedom to choose a union occur behind closed doors and each year millions of dollars are spent to frustrate workers' efforts to form unions; and

Whereas, a worker's fundamental right to choose a union is a public issue that requires public policy solutions, including legislative remedies; and

Whereas, the Employee Free Choice Act (S. 1925 and H.R. 3619) has been introduced in the United States Congress in order to restore workers' freedom to join a union; and

Whereas, the Employee Free Choice Act has received broad bipartisan support with over two hundred congressional members as co-sponsors; and

Whereas, at its March 17 meeting, the Hawaii State AFL-CIO Executive Board unanimously endorsed the Employee Free Choice Act: Now, therefore, be it

Resolved by the House of Representatives of the Twenty-second Legislature of the State of Hawaii, Regular Session of 2004, the Senate concurring, That the Legislature supports the Employee Free Choice Act (S. 1925 and H.R. 3619), which would:

(1) Authorize the National Labor Relations Board to certify a union as the bargaining representative when a majority of employees voluntarily sign authorizations designating that union to represent them;

(2) Provide for first contract mediation and arbitration; and

(3) Establish meaningful penalties for violations of a worker's freedom to choose a union; and be it further

Resolved, That the Legislature urges Hawaii's congressional delegation to support the Employee Free Choice Act and to impel the United States Congress to pass this measure to protect America's workers and preserve their freedom to choose for themselves whether or not to form a union; and be it further

Resolved, That certified copies of this Concurrent Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of Hawaii's congressional delegation.

POM-467. A resolution adopted by the House of Representatives of the Legislature of the State of Hawaii relative to the No Child Left Behind Act; to the Committee on Health, Education, Labor, and Pensions.

HOUSE RESOLUTION NO. 42

Whereas, Hawaii commends President George W. Bush and the No Child Left Behind Act of 2001 for pursuing the laudable goals of increasing student performance and closing the achievement gap; and

Whereas, these are the same goals that states have been pursuing on their own behalf for years—well before the introduction of No Child Left Behind; and

Whereas, many aspects of this law, however, are misplaced and too prescriptive for the State and impose specific requirements on state education agencies; and

Whereas, many of the mandates inherent in No Child Left Behind will impose costs on the State above what it is receiving in federal money and could undermine current programs and policies; and

Whereas, it is unrealistic to require that all subgroups of students—those with disabilities, limited English proficiency—and ethnic and economically disadvantaged backgrounds—reach one hundred percent proficiency or adequate yearly progress, based on the same measures and standards; and

Whereas, it is unfair to identify a school as underperforming based upon the results of one subgroup, without taking into consideration the school's overall performance; and

Whereas, using a value-added model, based upon the growth of individual students from grade to grade, may be more appropriate for states and should be an acceptable option; and

Whereas, identifying an entire school as under-performing based solely on the ninety-five per cent participation requirement for testing is inappropriate and will cause major negative implications to the Hawaii school system; and

Whereas, requiring all teachers and paraprofessionals to meet a "highly qualified" definition is inappropriate for a state as remote as Hawaii and threatens to exacerbate current teacher shortages; and

Whereas, Hawaii is not in the proximity of other states that would allow the State to recruit "highly qualified" teachers from other areas; and

Whereas, each state is required to expand the frequency and scope of student testing to include testing of all students in reading or language arts and mathematics each year in grades three through eight, beginning in the 2005–2006 school year, and to adopt standards for the teaching of science and develop and administer science assessments by the 2007–2008 school year; and

Whereas, if a Title I (federally funded compensatory education program for low-income and at-risk students) school fails to make "adequate yearly progress", then certain consequences will follow. If the failure is:

(1) For two consecutive years, then the state department of education must: (a) give parents the option of transferring their children to another school, including a charter school, at the beginning of the third year, that has not been identified as needing improvement; and (b) provide technical assistance to help the school improve student performance and make adequate yearly progress;

(2) For three consecutive years, then the state department of education must give parents whose children remain at a school that has been identified as needing improvement the option of obtaining supplemental educational services (e.g., tutoring and other enrichment services that are in addition to instruction provided during the school day) for their children at the beginning of the fourth year;

(3) For four consecutive years, then the department must: (a) replace some school staff; (b) implement a new curriculum; (c) decrease the school's management authority; (d) appoint an outside adviser; (e) extend the school day or year; or (f) restructure the internal organization of the school; and

(4) For five consecutive years, then the department must implement one of the following alternative governance arrangements in accordance with the school's restructuring plan: (a) reopen the school as a charter school; (b) replace all or more of the school's staff; or (c) turn management of the school over to a private company; and

Whereas, according to the Department of Education's statistics for the 2002–2003 school year, one hundred sixty-seven of Hawaii's two hundred seventy-six schools, or nearly sixty-one percent, fell short of the federal requirements inherent in No Child Left Behind; and

Whereas, as testing requirements increase, teacher requirements come into affect, and adequate yearly progress benchmarks are raised, the likelihood will increase that more and more schools will not be able to meet these mandates; and

Whereas, there is a realistic possibility that all schools in Hawaii will fall short of the federal mandates within the first several years of the law's implementation; and

Whereas, the State commends the federal government for providing increased levels of federal resources to states for education; and

Whereas, Hawaii relies on federal aid for education, but is concerned that accepting funds related to No Child Left Behind will put the State in the precarious situation of having to spend its own money in order to meet the mandates of the law: Now, therefore, be it

Resolved by the House of Representatives of the Twenty-Second Legislature of the State of Hawaii, Regular Session of 2004, That this body requests Congress to amend the No Child Left Behind Act of 2001 to include waivers to help states meet the requirements of this law. Specifically, this body requests a waiver from deeming a school as failing based solely on participation rates; and be it further

Resolved, That the State requests the President and Congress to provide the State with sufficient funding necessary to meet the mandate to leave no child behind; and be it further

Resolved, That certified copies of this Resolution be transmitted to President George W. Bush, the President of the United States Senate, the Speaker of the United States House of Representatives, the members of Hawaii's congressional delegation, the Chairperson of the Board of Education and the Superintendent of Education.

POM-468. A concurrent resolution adopted by the House of Representatives of the Legislature of the State of Louisiana relative to the No Child Left Behind Act; to the Committee on Health, Education, Labor, and Pensions.

HOUSE CONCURRENT RESOLUTION NO. 13

Whereas, on January 8, 2002, President George W. Bush signed into law the "No Child Left Behind Act" of 2001 (NCLB), which requires the development of state educational standards, tests to measure against those standards, and collection and reporting of testing data; and

Whereas, NCLB contains several very expensive mandates for which Congress has not provided adequate funds to the states; and

Whereas, costs to individual states associated with NCLB mandates result from implementing assessment and accountability systems, data collection, teacher quality requirements, and new standards for paraprofessionals, among additional factors; and

Whereas, many of the mandates inherent in NCLB inflict costs of the states above what they receive in federal money, and unfunded mandates included in NCLB represent a serious imposition on individual states; and

Whereas, any federal mandate for which there are insufficient funds provided is sure to divert resources away from other laudable objectives of individual states; and

Whereas, adequate federal funding is a necessity if states are to fully meet the goals of NCLB. Therefore, be it

Resolved, That the Legislature of Louisiana does hereby urge and request the United States Congress to provide sufficient funding for full implementation of the "No Child Left Behind Act" of 2001. Be it further

Resolved, That a suitable copy of this Resolution be transmitted to the speaker of the United States House of Representatives, the president of the United States Senate, and each member of Louisiana's congressional delegation.

POM–469. A resolution adopted by the Board of Commissioners of the County of Cook of the State of Illinois relative to the renewal of the federal ban on military-style assault weapons; to the Committee on the Judiciary.

POM–470. A concurrent resolution adopted by the House of Representatives of the Legislature of the State of Hawaii relative to visa processing capacity in the consular section of the United States Embassy in Seoul in the Republic of Korea; to the Committee on the Judiciary.

HOUSE CONCURRENT RESOLUTION

Whereas, Hawaii remains one of the premier visitor destinations in the world and tourism remains the backbone of Hawaii's economy; and

Whereas, the United States and the Republic of Korea have a long history of friendly relations; and

Whereas, the Republic of Korea has been a trusted ally for over fifty years, is a major trading partner of the United States, and is the thirteenth largest economy in the world; and

Whereas, January 13, 2003 marked the centennial of the first arrival of Koreans in the United States; and

Whereas, in the past, the number of visitors from the Republic of Korea had reached as high as 100,000 annually; and

Whereas, however, this number has drastically decreased, in part, due to new security requirements prompted by the terrorist acts of September 11, 2001, and the fact that the Republic of Korea is not among the Asian countries currently included in the Visa Waiver Program for visitor entry into the United States; and

Whereas, in fact, among the Asian countries, only Japan and Singapore currently benefit from the Visa Waiver Program through which citizens from those countries may enter the United States without needing to obtain visitor visas; and

Whereas, due to increased security it has become much more difficult for citizens of the Republic of Korea, especially those living outside the capital city of Seoul, to obtain visitor visas that allow travel to the United States; and

Whereas, as part of the required security measures, the Republic of Korea is in the process of installing the equipment needed to enable passports to be machine-readable; and

Whereas, while the Republic of Korea is doing its part in facilitating the processing of travel requirements for its citizens, the United States should do its part in facilitating visitors from the Republic of Korea to travel to this country: Now, therefore, be it

Resolved by the House of Representatives of the Twenty-second Legislature of the State of Hawaii, Regular Session of 2004, the Senate concurring, That the Legislature urges the members of Hawaii's congressional delegation to introduce federal legislation to provide additional resources to expand visa processing capacity in the Consular Section of the United States Embassy in Seoul in the Republic of Korea, and to include the Republic of Korea in the Visa Waiver Program; and be it further

Resolved, That certified copies of this Concurrent Resolution be transmitted to the members of Hawaii's congressional delegation, the President of the United States, the Speaker of the United States House of Representatives, the President of the United States, the Speaker of the United States Senate, the Secretary of State, the Secretary for Homeland Security, and the Governor.

POM–471. A concurrent resolution adopted by the Senate of the Legislature of the State of Louisiana relative to a Veterans Clinic in Jennings, Louisiana; to the Committee on Veterans' Affairs.

SENATE CONCURRENT RESOLUTION NO. 60

Whereas, the United States Department of Veterans Affairs has conducted a Capital Asset Realignment for Enhanced Services (CARES) Commission Report to enhance the health care services for veterans dated February 2004; and

Whereas, the goal of CARES is to make a recommendation to the Secretary of Veterans Affairs on realignment and reallocation of Veterans Affairs health care facilities over the next twenty years, focused on accessibility and cost effectiveness and involved input from veterans, and their families; and

Whereas, the CARES Commission did not recommend the closure of the Jennings Community Based Outpatient Clinic; and

Whereas, the Director of the Veterans Medical Center in Alexandria recommended to the CARES Commission to relocate the Jennings Community Based Outpatient, Clinic (CBOC) to Lake Charles, Louisiana, in order to reduce veteran travel; and

Whereas, the Jennings CBOC facility was constructed by the Jennings American Legion Hospital and leased by the Veterans Affairs Medical Center (VAMC) Alexandria for ten years with two years remaining as a special use facility by the Veterans Affairs utilizing Veterans Affairs specifications; and

Whereas, the Jenning CBOC has become a centrally located Veterans Affairs clinic with easy access off of Interstate 10 to provide health care services to veterans of southwest Louisiana; and

Whereas, Louisiana Reserve military forces and National Guard have been activated to preserve freedom, combat terrorism, and enhance human rights in Iraq and Afghanistan; and

Whereas, the proposed closure of Jennings CBOC is a negative signal to our loyal, dedicated, Louisiana military forces in combat who will need community health care in the future; and

Whereas, the United State Department of Veterans Affairs has entered into a twenty year cooperative agreement with the state of Louisiana to construct a veterans nursing home in Jennings, Louisiana, located between the only two American Legion Hospitals in the United States within a few miles of Jennings CBOC; and

Whereas, veterans in southwest Louisiana and in the nursing home would benefit from the close proximity of an outpatient clinic in Jennings that would provide specialized health care in addition to primary care, instead of requiring those disabled World War II, Korean, Vietnam, and Gulf War veterans to travel over a four hour round trip for specialized health care services at VAMC Alexandria; and

Whereas, veterans in the Lake Charles area use the Jennings CBOC and due to the high volume of southwest Louisiana veterans using the Jennings CBOC, another CBOC is required in Lake Charles as recommended by the Director of VAMC Alexandria to the CARES Commission; and

Whereas, the Jennings CBOC is approximately halfway between the Lafayette CBOC and the proposed Lake Charles CBOC, by enhancing the Jennings CBOC to include specialized health care for 66,159 veterans would significantly reduce the time of travel for southwest Louisiana veterans who would otherwise spend over four hours traveling to the middle of Louisiana at VAMC Alexandria. Therefore, be it

Resolved, That the Legislature of Louisiana hereby memorializes the United States Congress to continue the operation of the Jennings CBOC by providing primary health care, and expand Veterans Affairs health care services to offer enhanced specialized health care at the centrally located Jennings CBOC, between Lafayette and Lake Charles, Louisiana, to reduce the travel of disabled southwest Louisiana veterans. Be it further

Resolved, That a copy of this Resolution be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives and to each member of the Louisiana delegation to the United States Congress.

POM–472. A concurrent resolution adopted by the Senate of the Legislature of the State of Hawaii relative to Filipino World War II Veterans and their families; to the Committee on Veterans' Affairs.

SENATE CONCURRENT RESOLUTION NO. 97

Whereas, in recognition of the courage and loyalty of the Filipino troops who fought alongside our armed forces in the Philippines during World War II, the United States Congress enacted legislation in 1990 that provided a waiver from certain immigration and naturalization requirements for those Filipino veterans; and

Whereas, as a result of that legislation, many of those Filipino veterans have become proud citizens and residents of this country; and

Whereas, because the 1990 legislation did not go far enough in extending those immigration and naturalization benefits to the children of those veterans, the result has been years long separations between the veterans and their children remaining in the Philippines awaiting the issuance of immigrant visas; and

Whereas, on November 21, 2003, H.R. 3587 was introduced in the United States House of Representatives to amend the Immigration and Naturalization Act to give priority in the issuance of immigration visas to the sons and daughters of Filipino World War II veterans who are or were naturalized citizens of the United States: Now, therefore, be it

Resolved by the Senate of the Twenty-second Legislature of the State of Hawaii, Regular Session of 2004, the House of Representatives concurring, That the President of the United States and the United States Congress are urged to support the passage of H.R. 3587 into law; and be it further

Resolved, That certified copies of this Concurrent Resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of Hawaii's congressional delegation.

POM-473. A concurrent resolution adopted by the House of Representatives of the Legislature of the State of Hawaii relative to benefits for Filipino veterans of World War II; to the Committee on Veterans' Affairs.

HOUSE CONCURRENT RESOLUTION NO. 258

Whereas, on December 8, 1941, thousands of Filipino men and women responded to President Roosevelt's call for help to preserve peace and democracy in the Philippines; and

Whereas, during the dark days of World War II, nearly 100,000 soldiers of the Philippine Commonwealth Army provided a ray of hope in the Pacific as they fought alongside United States and Allied forces for four long years to defend and reclaim the Philippine Islands from Japanese aggression; and

Whereas, thousands more Filipinos joined U.S. Armed Forces immediately after the war and served in occupational duty throughout the Pacific Theater; and

Whereas, valiant Filipino soldiers fought, died, and suffered in some of the bloodiest battles of World War II, defending beleaguered Bataan and Corregidor, and thousands of Filipino prisoners of war endured the infamous Bataan Death March and years of captivity; and

Whereas, their many guerrilla actions slowed the Japanese takeover of the Western Pacific region and allowed U.S. forces the time to build and prepare for the allied counterattack on Japan; and

Whereas, Filipino troops fought side-by-side with U.S. forces to secure their island nation as the strategic base from which the final effort to defeat Japan was launched; and

Whereas, President William J. Clinton proclaimed October 20, 1996, as a day honoring the Filipino Veterans of World War II, recalling the courage, sacrifice, and loyalty of Filipino veterans of World War II in defense of democracy and liberty; and

Whereas, for decades after their heroic service under the command of their leaders and General Douglas MacArthur, these men and women of Filipino-American national heritage were denied the benefits and privileges provided to their American compatriots who fought side-by-side with them; and

Whereas, the Rescission Act of 1946 withdrew the U.S. veteran's status of Filipino World War II soldiers, thereby denying them the benefits and compensation received by their American counterparts and soldiers of more than sixty-six other U.S. allied countries, who were similarly inducted into the U.S. military; and

Whereas, the Rescission Act discriminated against Filipinos, making them the only national group singled out for denial of full U.S. veterans status and benefits; and

Whereas, the passage of S. 68, now pending in the United States Senate, would extend full and equitable benefits, particularly health benefits, to Filipino veterans, considering their advanced age and poor health; and

Whereas, S. 68 proposes to amend Title 38 of the United States Code, to improve benefits for Filipino veterans of World War II and for the surviving spouses of those veterans; and

Whereas, S. 68 would increase the rate of payment of compensation benefits to certain Filipino veterans, designated in Title 38 United States Code section 107(b) and referred to as New Philippine Scouts, who reside in the United States and are United States citizens or lawful permanent resident aliens; and

Whereas, S. 68 would further increase the rate of payment of dependency and indemnity compensation of surviving spouses of certain Filipino veterans; and

Whereas, S. 68 would further make eligible for full disability pensions certain Filipino veterans who reside in the United States and are United States citizens or lawful permanent resident aliens; and

Whereas, S. 68 would further mandate the Secretary of Veterans Affairs to provide hospital and nursing home care and medical services for service-connected disabilities for any Filipino World War II veteran who resides in the United States and is a United States citizen or lawful permanent resident alien; and

Whereas, S. 68 would further require the Secretary of Veterans Affairs to furnish care and services to all Filipino World War II veterans for service-connected disabilities and nonservice-connected disabilities residing in the Republic of the Philippines on an outpatient basis at the Manila VA Outpatient Clinic: Now, therefore be it

Resolved by the House of Representatives of the Twenty-Second Legislature of the State of Hawaii, Regular Session of 2004, the Senate concurring, That the United States Congress is respectfully urged to support the passage of S. 68 to improve benefits for certain Filipino veterans of World War II; and be it further

Resolved, That certified copies of this Concurrent Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the members of the Hawaii Congressional delegation, and the Secretary of Veterans Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Appropriations:

Report to accompany S. 2559, an original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes (Rept. No. 108–284).

By Mr. INHOFE, from the Committee on Environment and Public Works, without amendment:

H.R. 1572. To designate the United States courthouse located at 100 North Palafox Street in Pensacola, Florida, as the "Winston E. Arnow United States Courthouse".

S. 2385. A bill to designate the United States courthouse at South Federal Place in Santa Fe, New Mexico, as the "Santiago E. Campos United States Courthouse".

S. 2398. A bill to designate the Federal building located at 324 Twenty-Fifth Street in Ogden, Utah, as the James V. Hansen Federal Building.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. WARNER for the Committee on Armed Services.

Air Force nomination of Lt. Gen. Paul V. Hester.

Air Force nomination of Maj. Gen. Henry A. Obering III.

Air Force nomination of Maj. Gen. John A. Bradley.

Air Force nomination of Maj. Gen. Jeffrey B. Kohler.

Air Force nomination of Maj. Gen. John F. Regni.

Air Force nomination of Maj. Gen. Michael W. Wooley.

Air Force nomination of Lt. Gen. Norton A. Schwartz.

Air Force nomination of Brig. Gen. Charles B. Green.

Air Force nominations beginning Col. Melissa A. Rank and ending Col. Thomas W. Travis, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on February 23, 2004.

Army nomination of Lt. Gen. Richard A. Cody.

Army nomination of George W. Casey, Jr.

Army nomination of Maj. Gen. Carl A. Strock.

Army nomination of Lt. Gen. Colby M. Broadwater III.

Army nomination of Lt. Gen. Joseph R. Inge.

Army nomination of Maj. Gen. Russel L. Honore.

Army nomination of Col. Gale S. Pollock.

Army nomination of Brig. Gen. George W. Weightman.

Army nomination of Brig. Gen. William E. Ingram, Jr.

Army nomination of Colonel James G. Champion.

Army nomination of Col. Frank R. Carlini.

Army nomination of Col. Carla G. Hawley-Bowland.

Army nomination of Col. Douglas A. Pritt.

Army nomination of Col. Thomas T. Galkowski.

Marine Corps nomination of Lt. Gen. Henry P. Osman.

Marine Corps nomination of Lt. Gen. James T. Conway.

Marine Corps nomination of Maj. Gen. John F. Sattler.

Marine Corps nominations beginning Brig. Gen. Robert C.

Dickerson, Jr. and ending Brig. Gen. Richard F. Natonski, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 11, 2004.

Navy nomination of Adm. Michael G. Mullen.

Navy nomination of Rear Adm. Donald C. Arthur, Jr.

Navy nomination of Rear Adm. Justin D. McCarthy.

Navy nomination of Rear Adm. Jonathan W. Greenert.

Navy nomination of Rear Adm. Kevin J. Cosgriff.

Navy nomination of Rear Adm. James M. Zortman.

Navy nomination of Rear Adm. James G. Stavridis.

Navy nomination of Rear Adm. John G. Morgan, Jr.

Navy nomination of Rear Adm. Ronald A. Route.

Navy nominations beginning Rear Adm. (lh) John M. Mateczun and ending Rear Adm. (lh) Dennis D. Woofter, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on September 8, 2003.

Navy nominations beginning Rear Adm. (lh) William V. Alford, Jr. and ending Rear

Adm. (lh) Stephen S. Oswald, which nominations were received by the Senate and appeared in the Congressional Record on June 8, 2004.

Navy nomination of Rear Adm. (lh) Paul V. Shebalin.

Navy nomination of Rear Adm. (lh) Thomas L. Andrews III.

Navy nominations beginning Rear Adm. (lh) Lewis S. Libby III and ending Rear Adm. (lh) Elizabeth M. Morris, which nominations were received by the Senate and appeared in the Congressional Record on June 15, 2004.

Navy nomination of Capt. Karen A. Flaherty.

Navy nomination of Capt. Marshall E. Cusic, Jr.

Navy nomination of Capt. Carol I. B. Turner.

Navy nomination of Capt. Thomas R. Cullison.

Navy nomination of Capt. Jeffrey A. Wieringa.

Navy nomination of Capt. David J. Dorsett.

Navy nomination of Capt. Wayne G. Shear, Jr.

Navy nomination of Capt. Sharon H. Redpath.

Navy nominations beginning Capt. James A. Barnett, Jr. and ending Capt. Robin M. Watters, which nominations were received by the Senate and appeared in the Congressional Record on February 9, 2004.

Navy nomination of Capt. Adam M. Robinson, Jr.

Mr. WARNER. Mr. President, for the Committee on Armed Services I report favorably the following nomination lists which were printed in the Records on the dates indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Air Force nominations beginning Edward Acevedo and ending Scott J. Zobrist, which nominations were received by the Senate and appeared in the Congressional Record on February 2, 2004.

Air Force nominations beginning Mark L. Allred and ending Barr D. Younker, Jr., which nominations were received by the Senate and appeared in the Congressional Record on February 2, 2004.

Air Force nominations beginning Brenda R. Bullard and ending Thomas E. Yingst, which nominations were received by the Senate and appeared in the Congressional Record on February 2, 2004.

Air Force nomination of Richard B. Goodwin.

Air Force nominations beginning Jeffrey P. Bowser and ending Gregory W. Johnson, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Air Force nominations beginning Bradley D. Bartels and ending William L. Stallings III, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Air Force nominations beginning Charles J. Law and ending David A. Weas, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Air Force nominations beginning Lozano Noemi Algarin and ending Barbara L. Wright, which nominations were received by the Senate and appeared in the Congressional Record on May 10, 2004.

Army nominations beginning Christian F. Achleithner and ending Richard J. Windhorn, which nominations were received by the Senate and appeared in the Congressional Record on January 22, 2004.

Army nominations beginning Kevin C. Abbott and ending Mark G. Ziemba, which nominations were received by the Senate and appeared in the Congressional Record on January 22, 2004.

Army nominations beginning Larry P. Adamsthompson and ending Timothy N. Willoughby, which nominations were received by the Senate and appeared in the Congressional Record on February 5, 2004.

Army nominations beginning Gerald V. Howard and ending David L. Weber, which nominations were received by the Senate and appeared in the Congressional Record on April 26, 2004.

Army nomination of John J. Sebastyn.

Army nomination of Elizabeth J. Barnsdale.

Army nominations beginning Raul Gonzalez and ending James F. King, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Army nominations beginning Richard J. Gallant and ending Eric R. Gladman, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Army nomination of Randall W. Cowell.

Army nomination of James C. Johnson.

Army nominations beginning Shannon D. Beckett and ending Leonard A. Cromer, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Army nomination of David P. Ferris.

Army nominations beginning Donald W. Myers and ending Terry W. Swan, which nominations were received by the Senate and appeared in the Congressional Record on May 10, 2004.

Army nominations beginning Edward L. Alexsonshk and ending Edward M. Zoeller, which nominations were received by the Senate and appeared in the Congressional Record on May 10, 2004.

Army nomination of Scott R. Sherretz.

Army nomination of Robert F. Setlik.

Army nomination of Paul R. Disney, Jr.

Army nomination of Eric R. Rhodes.

Army nominations beginning Edwin E. Ahl and ending Mark A. Zerger, which nominations were received by the Senate and appeared in the Congressional Record on May 20, 2004.

Army nomination of Robert J. Blok.

Marine Corps nomination of Scott P. Haney.

Marine Corps nomination of Michael J. Colburn.

Marine Corps nomination of Michelle A. Rakers.

Navy nomination of James K. Colton.

Navy nominations beginning Kevin S. Lerette and ending Kathleen M. Lindenmayer, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Navy nominations beginning Victor M. Beck and ending Elizabeth A. Jones, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Navy nominations beginning Edmund F. Cataldo III and ending Gary S. Petti, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Navy nominations beginning Elizabeth A. Carlos and ending Philip C. Wheeler, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Navy nominations beginning Paul L. Albin and ending Mark E. Svenningsen, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Navy nominations beginning John L. Bartley and ending Joseph A. Schmidt, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Navy nominations beginning Richard A. Colonna and ending Timothy J. Werre, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Navy nominations beginning John M. Burns and ending Roger W. Turner, Jr., which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Navy nominations beginning Dan D. Ashcraft and ending John E. Vastardis, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Navy nominations beginning Rodman P. Abbott and ending Steven Young, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Navy nominations beginning James S. Bailey and ending Jeffrey B. Wilson, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Navy nominations beginning Richard S. Morgan and ending Terry L.M. Swinney, which nominations were received by the Senate and appeared in the Congressional Record on April 29, 2004.

Navy nomination of Susan C. Farrar.

Navy nominations beginning William J. Alderson and ending Harold E. Pittman, which nominations were received by the Senate and appeared in the Congressional Record on May 20, 2004.

Navy nominations beginning Aaron L. Bowman and ending Maude E. Young, which nominations were received by the Senate and appeared in the Congressional Record on May 20, 2004.

Navy nominations beginning Thomas J. Brovarone and ending Mark R. Whitney, which nominations were received by the Senate and appeared in the Congressional Record on May 20, 2004.

Navy nominations beginning Kent R. Aitcheson and ending Kevin S. Zumbar, which nominations were received by the Senate and appeared in the Congressional Record on May 20, 2004.

Navy nominations beginning Richard L. Archey and ending Fred C. Smith, which nominations were received by the Senate and appeared in the Congressional Record on May 20, 2004.

Navy nominations beginning Thomas H. Bond, Jr. and ending Pamela J. Wynfield, which nominations were received by the Senate and appeared in the Congressional Record on May 20, 2004.

Navy nominations beginning Kenneth R. Campitelli and ending Timothy S. Matthews, which nominations were received by the Senate and appeared in the Congressional Record on May 20, 2004.

Navy nominations beginning Jeffrey J. Burtch and ending Jan E. Tighe, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 20, 2004.

Navy nominations beginning Edwin J. Burdick and ending Stephen K. Tibbitts, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 20, 2004.

Navy nominations beginning Andrew Brown III and ending Jonathan W. White, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 20, 2004.

Navy nominations beginning Jerry R. Anderson and ending James E. Knapp, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 20, 2004.

Navy nomination of Joseph P. Costello.

Navy nominations beginning Ralph W. Corey III and ending Edward S. White, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 1, 2004.

Navy nominations beginning Tobias J. Bacaner and ending Scott W. Zackowski, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Charlene M. Auld and ending Scott M. Smith, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Don C.B. Albia and ending Gregg W. Ziemke, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Brenda C. Baker and ending Maureen J. Zeller, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Michael J. Arnold and ending Dana S. Weiner, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Stephen S. Bell and ending James A. Worcester, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning William D. Devine and ending Paul R. Wrigley, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Edward L. Austin and ending David H. Waterman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Carla C. Blair and ending Cynthia M. Womble, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Nora A. Burghardt and ending Craig J. Washington, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Terry S. Barrett and ending Dean A. Wilson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Danelle M. Barrett and ending Michael L. Thrall, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Michael D. Bosley and ending Kevin D. Ziomek, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning William H. Anderson and ending Frank D. Whitworth, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Thomas W. Armstrong and ending Richard A. Thiel, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Joseph R. Brenner, Jr. and ending Greg A. Ulses, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Todd S. Bockwoldt and ending Forrest Young, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nominations beginning Steven W. Antcliff and ending Mark W. Yates, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 8, 2004.

Navy nomination of Richard L. Curbello.

Navy nominations beginning Louis E. Giordano and ending Robert A. Little, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 14, 2004.

Navy nominations beginning James O. Cravens and ending Ronald J. Wells, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 14, 2004.

Navy nominations beginning Stephen W. Bailey and ending Gary F. Woerz, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 14, 2004.

Navy nominations beginning Joseph J. Albanese and ending Steven L. Young, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 14, 2004.

Navy nominations beginning Benjamin M. Abalos and ending Glenn T. Ware, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 14, 2004.

Navy nominations beginning Patrick S. Agnew and ending Douglas R. Toothman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 14, 2004.

Navy nominations beginning Mark J. Belton and ending Robert E. Tolin, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 14, 2004.

Navy nominations beginning Civita M. Allard and ending Ann N. Tescher, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 14, 2004.

Navy nominations beginning Richard D. Baertlein and ending Jeffrey G. Williams, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on June 14, 2004.

Navy nomination of Carlos Varona.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mrs. CLINTON (for herself, Ms. COLLINS, and Mr. BREAUX):

S. 2572. A bill to amend the Older Americans Act of 1965 to provide for mental health screening and treatment services, to amend the Public Health Service Act to provide for integration of mental health services and mental health treatment outreach teams, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. CLINTON:

S. 2573. A bill to amend title 38, United States Code, to provide for the payment of a monthly stipend to the surviving parents (known as "Gold Star parents") of members of the Armed Forces who die during a period of war; to the Committee on Veterans' Affairs.

By Ms. MIKULSKI (for herself and Mr. SARBANES):

S. 2574. A bill to provide for the establishment of the National Institutes of Health Police, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. BOXER (for herself and Mr. SMITH):

S. 2575. A bill to direct the Secretary of Agriculture to conduct research, monitoring, management, treatment, and outreach activities relating to sudden oak death syndrome and to convene regular meetings of, or conduct regular consultations with, Federal, State, tribal, and local government officials to provide recommendations on how to carry out those activities; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. FEINGOLD:

S. 2576. A bill to establish an expedited procedure for congressional consideration of health care reform legislation; to the Committee on Rules and Administration.

By Mrs. CLINTON:

S. 2577. A bill to provide incentives to promote broadband, telecommunications services in rural America, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mrs. CLINTON:

S. 2578. A bill to provide grants and other incentives to promote new communications technologies, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mrs. CLINTON:

S. 2579. A bill to expand the Manufacturing Extension Program to bring the new economy to small and medium-sized businesses; to the Committee on Commerce, Science, and Transportation.

By Mrs. CLINTON:

S. 2580. A bill to amend the Internal Revenue Code of 1986 to provide an income tax credit to holders of bonds financing new communications technologies, and for other purposes; to the Committee on Finance.

By Mrs. CLINTON:

S. 2581. A bill to establish a grant program to support cluster-based economic development efforts; to the Committee on Environment and Public Works.

By Mrs. CLINTON:

S. 2582. A bill to establish a grant program to support broadband-based economic development efforts; to the Committee on Environment and Public Works.

By Mrs. CLINTON:

S. 2583. A bill to promote the use of anaerobic digesters by agricultural producers and rural small businesses to produce renewable energy and improve environmental quality; to the Committee on Agriculture, Nutrition, and Forestry.

By Mrs. CLINTON:

S. 2584. A bill to amend the Internal Revenue Code of 1986 to provide a tax credit for farmers' investments in value-added agriculture; to the Committee on Finance.

By Mrs. CLINTON:

S. 2585. A bill to amend the Internal Revenue Code of 1986 to expand the work opportunity tax credit for small business jobs creation; to the Committee on Finance.

By Mrs. CLINTON:

S. 2586. A bill to establish regional skills alliances, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Ms. STABENOW (for herself and Mrs. HUTCHISON):

S. 2587. A bill to amend title XVIII of the Social Security Act to adjust the amount of payment under the physician fee schedule for drug administration services furnished to medicare beneficiaries; to the Committee on Finance.

By Mr. BAYH (for himself, Mr. LEVIN, and Mr. BINGAMAN):

S. 2588. A bill to authorize appropriations for fiscal year 2005 and succeeding fiscal years for the Manufacturing Extension Partnership program of the National Institute of Standards and Technology; to the Committee on Commerce, Science, and Transportation.

By Mr. BUNNING (for himself, Mr. GRAHAM of Florida, Mr. SMITH, Mr. HATCH, Mr. CHAMBLISS, Mr. MILLER, Mr. DODD, and Mr. CONRAD):

S. 2589. A bill to clarify the status of certain retirement plans and the organizations which maintain the plans; to the Committee on Finance.

By Mr. ALEXANDER (for himself and Ms. LANDRIEU):

S. 2590. A bill to provide a conservation royalty from Outer Continental Shelf revenues to establish the Coastal Impact Assistance Program, to provide assistance to States under the Land and Water Conservation Fund Act of 1965, to ensure adequate funding for conserving and restoring wildlife, to assist local governments in improving local park and recreation systems, and for other purposes; to the Committee on Energy and Natural Resources.

By Mrs. CLINTON:

S. 2591. A bill to provide for business incubator activities, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CONRAD (for himself and Mr. DORGAN):

S. 2592. A bill to provide crop and livestock disaster assistance; to the Committee on Agriculture, Nutrition, and Forestry.

By Mrs. LINCOLN (for herself, Mr. REID, Mr. GRAHAM of Florida, Mr. KERRY, Ms. MIKULSKI, Mr. REED, Mr. SARBANES, Mr. BREAUX, Ms. COLLINS, Ms. LANDRIEU, Mrs. MURRAY, and Mrs. CLINTON):

S. 2593. A bill to amend title XVIII of the Social Security Act to provide medicare beneficiaries with access to geriatric assessments and chronic care management, and for other purposes; to the Committee on Finance.

By Mr. LIEBERMAN:

S. 2594. A bill to reduce health care disparities and improve health care quality, to improve the collection of racial, ethnic, primary language, and socio-economic determination data for use by healthcare researchers and policymakers, to provide performance incentives for high performing hospitals and community health centers, and to expand current Federal programs seeking to eliminate health disparities; to the Committee on Finance.

By Mr. GREGG (for himself, Mr. HARKIN, Mr. ROBERTS , Mr. KENNEDY, Mr. REED, Mrs. MURRAY, Mr. JEFFORDS, Mr. ENZI, and Mr. DODD):

S. 2595. A bill to establish State grant programs related to assistive technology and protection and advocacy services, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DURBIN (for himself and Mr. FITZGERALD):

S. 2596. A bill to name the Department of Veterans Affairs outpatient clinic located in Peoria, Illinois, as the "Bob Michel Department of Veterans Affairs Outpatient Clinic"; to the Committee on Veterans' Affairs.

By Mr. SCHUMER (for himself, Ms. MIKULSKI, Mr. CORZINE, Mrs. CLINTON, Mr. LEAHY, Ms. STABENOW, Mr. SARBANES, and Mr. NELSON of Florida):

S. 2597. A bill to require the Secretary of Health and Human Services to establish and maintain an Internet website that is designed to allow consumers to compare the usual and customary prices for covered outpatient drugs sold by retail pharmacies that participate in the medicaid program for each postal Zip Code, and for other purposes; to the Committee on Finance.

By Mr. AKAKA (for himself, Mr. LAUTENBERG, Mr. LEVIN, Mrs. FEINSTEIN, Mr. WYDEN, and Mr. INOUYE):

S. 2598. A bill to protect, conserve, and restore public land administered by the Department of the Interior or the Forest Service and adjacent land through cooperative cost-shared grants to control and mitigate the spread of invasive species, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CHAMBLISS (for himself and Mr. KYL):

S. 2599. A bill to strengthen anti-terrorism investigative tools, to enhance prevention and prosecution of terrorist crimes, to combat terrorism financing, to improve border and transportation security, and for other purposes; to the Committee on the Judiciary.

By Mrs. CLINTON (for herself, Mr. LEVIN, Mr. DODD, Ms. CANTWELL, Mr. SARBANES, Mr. SCHUMER, Ms. LANDRIEU, Mr. SANTORUM,. Mr. LIEBERMAN, Mrs. BOXER, Mr. SPECTER, Mr. ALEXANDER, Ms. STABENOW, Mrs. FEINSTEIN, Mrs. HUTCHISON, Ms. MIKULSKI, Ms. COLLINS, Mr. CORZINE, and Mr. PRYOR):

S. 2600. A bill to direct the Architect of the Capitol to enter into a contract to revise the statue commemorating women's suffrage located in the rotunda of the United States Capitol to include a likeness of Sojourner Truth; to the Committee on Rules and Administration.

By Mr. LAUTENBERG:

S. 2601. A bill to amend title 37, United States Code, to require the payment of monthly special pay for members of the uniformed services whose service on active duty is extended by a stop-loss order or similar mechanism, and for other purposes; to the Committee on Armed Services.

By Mr. DODD (for himself and Mr. BENNETT):

S. 2602. A bill to provide for a circulating quarter dollar coin program to honor the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SMITH (for himself, Mr. ALLEN, Mr. HOLLINGS, and Mr. SUNUNU):

S. 2603. A bill to amend section 227 of the Communications Act of 1934 (47 U.S.C. 227) relating to the prohibition on junk fax transmissions; to the Committee on Commerce, Science, and Transportation.

By Mr. SMITH (for himself and Mr. BREAUX):

S. 2604. A bill to amend the Internal Revenue Code of 1986 to reduce the recognition period for built-ins gains for subchapter S corporations; to the Committee on Finance.

By Mr. CRAIG (for himself and Mr. CRAPO):

S. 2605. A bill to direct the Secretary of the Interior and the heads of other Federal agencies to carry out an agreement resolving major issues relating to the adjudication of water rights in the Snake River Basin, Idaho, and for other purposes; to the Committee on Indian Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. NELSON of Florida:

S. Res. 391. A resolution designating the second week of December 2004 as "Conversations Before the Crisis Week"; to the Committee on the Judiciary.

By Mr. BINGAMAN (for himself, Mrs. HUTCHISON, and Ms. LANDRIEU):

S. Res. 392. A resolution conveying the sympathy of the Senate to the families of the young women murdered in the State of Chihuahua, Mexico, and encouraging increased United States involvement in bringing an end to these crimes; to the Committee on Foreign Relations.

By Mr. FRIST (for himself, Mr. DASCHLE, Mr. LEVIN, Mr. NELSON of Florida, Mrs. BOXER, Mr. LIEBERMAN , Ms. MIKULSKI, Ms. LANDRIEU, Mr. CORZINE, Mr. LAUTENBERG, and Mr. VOINOVICH):

S. Res. 393. A resolution expressing the sense of the Senate in support of United States policy for a Middle East peace process; considered and agreed to.

By Mr. FRIST (for himself and Mr. DASCHLE):

S. Res. 394. A resolution to authorize testimony and representation in United States v. Daniel Bayly, et al; considered and agreed to.

By Mr. FRIST (for himself and Mr. DASCHLE):

S. Res. 395. A resolution to authorize testimony, document production, and legal representation in Ulysses J. Ward v. Dep't of the Army; considered and agreed to.

By Mr. SANTORUM (for himself and Mr. SPECTER):

S. Res. 396. A resolution commemorating the 150th anniversary of the founding of The Pennsylvania State University; considered and agreed to.

By Mr. FRIST (for himself, Mr. DASCHLE, Mr. LUGAR, Mr. SESSIONS, Mr. LIEBERMAN, Mr. GRAHAM of South Carolina, and Mr. BIDEN):

S. Res. 397. A resolution expressing the sense of the Senate on the transition of Iraq to a constitutionally elected government; considered and agreed to.

By Mr. FRIST:

S. Con. Res. 120. A concurrent resolution providing for a conditional adjournment or recess of the Senate and the House of Representatives; considered and agreed to.

ADDITIONAL COSPONSORS

S. 310

At the request of Mr. THOMAS, the names of the Senator from North Dakota (Mr. CONRAD) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 310, a bill to amend title XVIII of the Social Security Act to provide for the coverage of marriage and family therapist services and mental health counselor services under part B of the medicare program, and for other purposes.

S. 344

At the request of Mr. AKAKA, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of S. 344, a bill expressing the policy of the United States regarding the United States relationship with Native Hawaiians and to provide a process for the recognition by the United States of the Native Hawaiian governing entity, and for other purposes.

S. 488

At the request of Mr. DORGAN, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 488, a bill to amend the Internal Revenue Code of 1986 to provide a 5-year extension of the credit for electricity produced from wind.

S. 556

At the request of Mr. CAMPBELL, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 556, a bill to amend the Indian Health Care Improvement Act to revise and extend that Act.

S. 617

At the request of Mr. LIEBERMAN, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 617, a bill to provide for full voting representation in Congress for the citizens of the District of Columbia, and for other purposes.

S. 738

At the request of Mrs. BOXER, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 738, a bill to designate certain public lands in Humboldt, Del Norte, Mendocino, Lake, Napa, and Yolo Counties in the State of California as wilderness, to designate certain segments of the Black Butte River in Mendocino County, California as a wild or scenic river, and for other purposes.

S. 875

At the request of Mr. SPECTER, his name was added as a cosponsor of S. 875, a bill to amend the Internal Revenue Code of 1986 to allow an income tax credit for the provision of homeownership and community development, and for other purposes.

S. 1010

At the request of Mr. SARBANES, his name was added as a cosponsor of S. 1010, a bill to enhance and further research into paralysis and to improve rehabilitation and the quality of life for persons living with paralysis and other physical disabilities.

S. 1129

At the request of Mrs. FEINSTEIN, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 1129, a bill to provide for the protection of unaccompanied alien children, and for other purposes.

S. 1735

At the request of Mr. CAMPBELL, his name was withdrawn as a cosponsor of S. 1735, a bill to increase and enhance law enforcement resources committed to investigation and prosecution of violent gangs, to deter and punish violent gang crime, to protect law abiding citizens and communities from violent criminals, to revise and enhance criminal penalties for violent crimes, to reform and facilitate prosecution of juvenile gang members who commit violent crimes, to expand and improve gang prevention programs, and for other purposes.

S. 1945

At the request of Mr. MCCAIN, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 1945, a bill to amend the Public Health Service Act and the Employee Retirement Income Security Act of 1974 to protect consumers in managed care plans and other health coverage.

S. 2062

At the request of Mr. GRASSLEY, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 2062, a bill to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes.

S. 2138

At the request of Mr. GRAHAM of South Carolina, the names of the Senator from Alabama (Mr. SESSIONS), the Senator from Georgia (Mr. MILLER), the Senator from California (Mrs. FEINSTEIN) and the Senator from Minnesota (Mr. DAYTON) were added as cosponsors of S. 2138, a bill to protect the rights of American consumers to diagnose, service, and repair motor vehicles purchased in the United States, and for other purposes.

S. 2278

At the request of Mr. ENSIGN, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of S. 2278, a bill to amend title 28, United States Code, to provide for the appointment of additional Federal circuit judges, to divide the Ninth Judicial Circuit of the United States into 3 circuits, and for other purposes.

S. 2328

At the request of Mr. DORGAN, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 2328, a bill to amend the Federal Food, Drug, and Cosmetic Act with respect to the importation of prescription drugs, and for other purposes.

S. 2363

At the request of Mr. COLEMAN, his name was added as a cosponsor of S. 2363, a bill to revise and extend the Boys and Girls Clubs of America.

S. 2417

At the request of Mr. COLEMAN, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 2417, a bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to furnish care for newborn children of women veterans receiving maternity care, and for other purposes.

S. 2422

At the request of Mr. SMITH, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 2422, a bill to amend the Internal Revenue Code of 1986 to allow certain modifications to be made to qualified mortgages held by a REMIC or a grantor trust.

S. 2433

At the request of Mr. THOMAS, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 2433, a bill to amend the Internal Revenue Code of 1986 to allow self-employed individuals to deduct health insurance costs in computing self-employment taxes.

S. 2447

At the request of Mr. LIEBERMAN, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 2447, a bill to amend the Public Health Service Act to authorize funding for the establishment of a program on children and the media within the National Institute of Child Health and Human Development to study the role and impact of electronic media in the development of children.

S. 2522

At the request of Mr. CORZINE, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. 2522, a bill to amend title 38, United States Code, to increase the maximum amount of home loan guaranty available under the home loan guaranty program of the Department of Veterans Affairs, and for other purposes.

S. 2529

At the request of Mr. GRASSLEY, the name of the Senator from Oklahoma (Mr. NICKLES) was added as a cosponsor of S. 2529, a bill to extend and modify the trade benefits under the African Growth and Opportunity Act.

S. 2533

At the request of Ms. MIKULSKI, the names of the Senator from Kansas (Mr.

BROWNBACK), the Senator from Alabama (Mr. SHELBY) and the Senator from Wisconsin (Mr. KOHL) were added as cosponsors of S. 2533, a bill to amend the Public Health Service Act to fund breakthroughs in Alzheimer's disease research while providing more help to caregivers and increasing public education about prevention.

S. 2535

At the request of Mr. GRAHAM of Florida, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 2535, a bill to amend title XVIII of the Social Security Act to modernize the medicare program by ensuring that appropriate preventive services are covered under such program.

S. 2566

At the request of Mr. BINGAMAN, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 2566, a bill to amend title II of the Social Security Act to phase out the 24-month waiting period for disabled individuals to become eligible for medicare benefits, to eliminate the waiting period for individuals with life-threatening conditions, and for other purposes.

S. 2569

At the request of Ms. SNOWE, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 2569, a bill to amend section 227 of the Communications Act of 1934 to clarify the prohibition on junk fax transmissions.

S. CON. RES. 78

At the request of Mr. LIEBERMAN, the names of the Senator from Maryland (Ms. MIKULSKI) and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of S. Con. Res. 78, a concurrent resolution condemning the repression of the Iranian Baha'i community and calling for the emancipation of Iranian Baha'is.

S. CON. RES. 110

At the request of Mr. CAMPBELL, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. Con. Res. 110, a concurrent resolution expressing the sense of Congress in support of the ongoing work of the Organization for Security and Cooperation in Europe (OSCE) in combating anti-Semitism, racism, xenophobia, discrimination, intolerance, and related violence.

S. CON. RES. 119

At the request of Mr. CAMPBELL, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. Con. Res. 119, a concurrent resolution recognizing that prevention of suicide is a compelling national priority.

S. RES. 311

At the request of Mr. BROWNBACK, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. Res. 311, a resolution calling on the Government of the Socialist Republic of Vietnam to immediately and unconditionally release Father Thadeus Nguyen Van Ly, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. CLINTON (for herself, Ms. COLLINS, and Mr. BREAUX):

S. 2572. A bill to amend the Older Americans Act of 1965 to provide for mental health screening and treatment services, to amend the Public Health Service Act to provide for integration of mental health services and mental health treatment outreach teams, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mrs. CLINTON. Mr. President, today, I rise to introduce the Positive Aging Act of 2004 to improve the accessibility and quality of mental health services for our rapidly growing population of older Americans with my colleagues Senators BREAUX and COLLINS. Representatives PATRICK KENNEDY and ILEANA ROS-LEHTINEN are also introducing a companion bill in the House this afternoon.

My colleagues JOHN BREAUX and PATRICK KENNEDY introduced this bill initially to focus on mental health programs, and with constituent input we decided to broaden it to involve the aging community as well. I want to acknowledge our partners from both the mental health and aging organizations who have collaborated with us and been working hard on these issues for a long time.

Our significant success in extending the life span of older adults has created a set of challenges related to the quality of life for American's senior citizens. It is critically important now to focus on making the extra years of life as productive and healthy as possible. This legislation is designed to do just that. It puts mental health services on a par with other primary care services in community settings that are easily accessible to the elderly. I firmly believe we must integrate mental health services with other essential primary care.

The Surgeon General's report on mental health in 1999 told us that disability due to mental illness in the elderly population is fast becoming a major public health problem. Depression, dementia, anxiety, and substance abuse are growing problems among older Americans that result in functional dependence, long-term institutional care and reduced quality of life.

Nearly 20 percent of those over age 55 experience mental illnesses that are not a part of "normal" aging, and are all too frequently undetected and untreated. The real tragedy is that we can effectively treat many of these conditions, but in far too many instances we are not making such treatments available. Unrecognized and untreated mental illness among elderly adults can be traced to gaps in training of health professionals, and in our failure to fully integrate mental health screening and treatment with other health services. Far too often physicians and other health professionals fail to recognize the signs and symptoms of mental illness. More troubling, knowledge about effective interventions is simply not accessible to many primary care practitioners.

Research has shown that treatment of mental illnesses can reduce the need for other health services and can improve health outcomes for those with other chronic diseases. These missed opportunities to diagnose and treat mental diseases are taking a huge toll on the elderly and increasing the burden on their families and our health care system.

I know there are a number of reasons for our failure to meet the mental health needs of our seniors. Regrettably, acknowledging and seeking mental health care can be impeded by the stigma associated with mental illness. In addition, Medicare benefit discrimination related to coverage of mental health services continues to be a barrier to appropriate care for the elderly.

Finally, the lack of coverage for prescription drugs in Medicare has until now imposed significant financial burdens on many older Americans. Notwithstanding the addition of a limited Medicare drug benefit, there remains the potential that drugs needed for the treatment of mental illness will be treated unfairly through formulary restrictions, prior authorization, and higher out-of-pocket expenses. We must be especially vigilant in our oversight of this benefit to prevent such discrimination on behalf of the millions of older Americans with mental illnesses.

The bill we are introducing today provides new authorities and resources to the Administration on Aging (AOA) and the Substance Abuse and Mental Health Services Administration (SAMHSA) in the Department of Health and Human Services. For over 35 years, the AOA has provided home and community-based services to millions of older persons through the programs funded under the Older Americans Act. SAMHSA provides block grants to the States and other financial support to develop and apply best practices in the identification and treatment of mental diseases at the community level. Working together these agencies have the potential for strengthening and extending the delivery of mental health services to older Americans.

This legislation focuses on getting mental health services to community sites where primary care and other social services are provided. It will promote the integration of mental health services and the use of evidence-based practice protocols. This approach has the advantage of building on existing structures and programs, and "mainstreaming" mental health care for these vulnerable populations.

The bill authorizes AOA to make formula grants to the states for the development and operation of systems for providing mental health screening and treatment services to older Americans. These funds may also be used for outreach programs to increase public awareness of the availability and effectiveness of mental health assessments and treatment. Priority will be given to areas that are medically underserved and include significant numbers of older adults. States will be required to coordinate projects with existing community agencies and voluntary organizations offering services to the targeted populations.

This legislation also establishes new grant authorities at AOA to support development and operation of projects for screening and treating mental illness among seniors in rural and urban areas.

Multidisciplinary teams of mental health professionals relying on evidence-based intervention and treatment protocols are required to deliver these services. To the maximum extent possible, the grants will be coordinated with activities in senior centers, adult day care programs, and naturally occurring retirement centers (NORCs).

This legislation also authorizes two new grant programs at SAMHSA to provide new resources to support mental health screening and treatment services in clinical settings. Primary care sites serving a geriatric patient population such as public or private nonprofit community health centers or private practices would be eligible for one of these new grant programs.

The other program will provide support for geriatric mental health outreach teams to foster collaboration between clinical sites and senior centers, assisted living facilities, and other social or residential service centers.

Since the projects supported by these new grant programs are based in clinical settings, these funds will help to inform primary care practitioners and increase their capabilities in screening and treatment for mental illness. These projects build on existing health care delivery systems and extend their reach to low-income seniors in the community.

I expect these demonstrations will be a catalyst for breaking down the barriers that have limited access to mental health services and retarded the dissemination of evidence-based protocols in the primary care setting. I have specifically set a priority for projects to serve a variety of populations, including racial and ethnic minorities and low-income populations, in both rural and urban areas.

Finally, we have included in this bill several administrative provisions to raise the profile of mental health services for older adults at AOA and SAMHSA. A new Office of Older Adult Mental Health Services is established at AOA to provide a senior level focus for initiatives to improve the access of seniors to appropriate mental health screening and treatment services. At SAMHSA, the bill creates a new deputy director for geriatric mental health services within the Center for Mental Health Services to develop and implement targeted programs for older adults.

There are practical and immediate opportunities to improve mental health care for older Americans. This legislation can help to target our resources on identifying and treating a population at high risk for disability and dependence.

We have an obligation to take what is known about effective treatments and improve the quality of life and overall health of millions of seniors. It's not only the right thing to do; it's also an investment that will return enormous dividends in terms of more economical use of health resources, improved patient outcomes, and a better quality of life for older Americans. I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2572

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Positive Aging Act of 2004".

TITLE I—AMENDMENTS TO THE OLDER AMERICANS ACT OF 1965

SEC. 101. DEFINITIONS.

Section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002) is amended by adding at the end the following:

"(44) Mental health screening and treatment services.—The term 'mental health screening and treatment services' means patient screening, diagnostic services, care planning and oversight, therapeutic interventions, and referrals that are—

"(A) provided pursuant to evidence-based intervention and treatment protocols (to the extent such protocols are available) for mental disorders prevalent in older individuals (including, but not limited to, mood and anxiety disorders, dementias of all kinds, psychotic disorders, and substances and alcohol abuse), relying to the greatest extent feasible on protocols that have been developed—

"(i) by or under the auspices of the Secretary; or

"(ii) by academicians with expertise in mental health and aging; and

"(B) coordinated and integrated with the services of social service, mental health, and health care providers in an area in order to—

"(i) improve patient outcomes; and

"(ii) assure, to the maximum extent feasible, the continuing independence of older individuals who are residing in the area.".

SEC. 102. OFFICE OF OLDER ADULT MENTAL HEALTH SERVICES.

Section 301(b) of the Older Americans Act of 1965 (42 U.S.C. 3021(b)) is amended by adding at the end the following:

"(3) The Assistant Secretary shall establish within the Administration an Office of Older Adult Mental Health Services, which shall be responsible for the development and implementation of initiatives to address the mental health needs of older individuals.".

SEC. 103. GRANTS TO STATES FOR THE DEVELOPMENT AND OPERATION OF SYSTEMS FOR PROVIDING MENTAL HEALTH SCREENING AND TREATMENT SERVICES TO OLDER INDIVIDUALS LACKING ACCESS TO SUCH SERVICES.

Title III of the Older Americans Act of 1965 (42 U.S.C. 3021 et seq.) is amended—

(1) in section 303 (42 U.S.C. 3023), by adding at the end the following:

"(f) There are authorized to be appropriated to carry out part F (relating to grants for programs providing mental health screening and treatment services) such sums as may be necessary for fiscal year 2005 and each of the 5 succeeding fiscal years.";

(2) in section 304(a)(1) (42 U.S.C. 3024(a)(1)), by inserting "and subsection (f)" after "through (d)"; and

(3) by adding at the end the following:

"PART F—MENTAL HEALTH SCREENING AND TREATMENT SERVICES FOR OLDER INDIVIDUALS

"SEC. 381. GRANTS TO STATES FOR PROGRAMS PROVIDING MENTAL HEALTH SCREENING AND TREATMENT SERVICES FOR OLDER INDIVIDUALS.

"(a) Program Authorized.—The Assistant Secretary shall carry out a program for making grants to States under State plans approved under section 307 for the development and operation of—

"(1) systems for the delivery of mental health screening and treatment services for older individuals who lack access to such services; and

"(2) programs to—

"(A) increase public awareness regarding the benefits of prevention and treatment of mental disorders; and

"(B) reduce the stigma associated with mental disorders and other barriers to the diagnosis and treatment of the disorders.

"(b) State Allocation and Priorities.—A State agency that receives funds through a grant made under this section shall allocate the funds to area agencies on aging to carry out this part in planning and service areas in the State. In allocating the funds, the State agency shall give priority to planning and service areas in the State—

"(1) that are medically underserved; and

"(2) in which there are a large number of older individuals.

"(c) Area Coordination of Services With Other Providers.—In carrying out this part, to more efficiently and effectively deliver services to older individuals, each area agency on aging shall—

"(1) coordinate services described in subsection (a) with other community agencies, and voluntary organizations, providing similar or related services; and

"(2) to the greatest extent practicable, integrate outreach and educational activities with existing (as of the date of the integration) health care and social service providers serving older individuals in the planning and service area involved.

"(d) Relationship to Other Funding Sources.—Funds made available under this part shall supplement, and not supplant, any Federal, State, and local funds expended by a State or unit of general purpose local government (including an area agency on aging) to provide the services described in subsection (a).".

SEC. 104. DEMONSTRATION PROJECTS PROVIDING MENTAL HEALTH SCREENING AND TREATMENT SERVICES TO OLDER INDIVIDUALS LIVING IN RURAL AREAS.

The Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) is amended—

(1) by inserting before section 401 (42 U.S.C. 3031) the following:

"TITLE IV—GRANTS FOR EDUCATION, TRAINING, AND RESEARCH";

and

(2) in part A of title IV (42 U.S.C. 3032 et seq.), by adding at the end the following:

"SEC. 422. DEMONSTRATION PROJECTS PROVIDING MENTAL HEALTH SCREENING AND TREATMENT SERVICES TO OLDER INDIVIDUALS LIVING IN RURAL AREAS.

"(a) Definition.—In this section, the term 'rural area' means—

"(1) any area that is outside a metropolitan statistical area (as defined by the Director of the Office of Management and Budget); or

"(2) such similar area as the Secretary specifies in a regulation issued under section 1886(d)(2)(D) of the Social Security Act (42 U.S.C. 1395ww(d)(2)(D)).

"(b) Authority.—The Assistant Secretary shall make grants to eligible public agencies and nonprofit private organizations to pay part or all of the cost of developing or operating model health care service projects involving the provision of mental health screening and treatment services to older individuals residing in rural areas.

"(c) Duration.—Grants made under this section shall be made for 3-year periods.

"(d) Application.—To be eligible to receive a grant under this section, a public agency or nonprofit private organization shall submit to the Assistant Secretary an application containing such information and assurances as the Secretary may require, including—

"(1) information describing—

"(A) the geographic area and target population (including the racial and ethnic composition of the target population) to be served by the project; and

"(B) the nature and extent of the applicant's experience in providing mental health screening and treatment services of the type to be provided in the project;

"(2) assurances that the applicant will carry out the project—

"(A) through a multidisciplinary team of licensed mental health professionals;

"(B) using evidence-based intervention and treatment protocols to the extent such protocols are available;

"(C) using telecommunications technologies as appropriate and available; and

"(D) in coordination with other providers of health care and social services (such as senior centers and adult day care providers) serving the area; and

"(3) assurances that the applicant will conduct and submit to the Assistant Secretary such evaluations and reports as the Assistant Secretary may require.

"(e) Reports.—The Assistant Secretary shall prepare and submit to the appropriate committees of Congress a report that includes summaries of the evaluations and reports required under subsection (d)(3).

"(f) Coordination.—The Assistant Secretary shall provide for appropriate coordination of programs and activities receiving funds pursuant to a grant under this section with programs and activities receiving funds pursuant to grants under sections 381 and 423, and sections 520K and 520L of the Public Health Service Act.".

SEC. 105. DEMONSTRATION PROJECTS PROVIDING MENTAL HEALTH SCREENING AND TREATMENT SERVICES TO OLDER INDIVIDUALS LIVING IN NATURALLY OCCURRING RETIREMENT COMMUNITIES IN URBAN AREAS.

Part A of title IV of the Older Americans Act of 1965 (42 U.S.C. 3032 et seq.), as amended by section 104, is further amended by adding at the end the following:

"SEC. 423. DEMONSTRATION PROJECTS PROVIDING MENTAL HEALTH SCREENING AND TREATMENT SERVICES TO OLDER INDIVIDUALS LIVING IN NATURALLY OCCURRING RETIREMENT COMMUNITIES IN URBAN AREAS.

"(a) Definitions.—In this section:

"(1) Naturally occurring retirement community.—The term 'naturally occurring retirement community' means a residential area (such as an apartment building, housing complex or development, or neighborhood) not originally built for older individuals but in which a substantial number of individuals have aged in place (and become older individuals) while residing in such area.

"(2) Urban area.—The term 'urban area' means—

"(A) a metropolitan statistical area (as defined by the Director of the Office of Management and Budget); or

"(B) such similar area as the Secretary specifies in a regulation issued under section 1886(d)(2)(D) of the Social Security Act (42 U.S.C. 1395ww(d)(2)(D)).

"(b) Authority.—The Assistant Secretary shall make grants to eligible public agencies and nonprofit private organizations to pay part or all of the cost of developing or operating model health care service projects involving the provision of mental health screening and treatment services to older individuals residing in naturally occurring retirement communities located in urban areas.

"(c) Duration.—Grants made under this section shall be made for 3-year periods.

"(d) Application.—To be eligible to receive a grant under this section, a public agency or nonprofit private organization shall submit to the Assistant Secretary an application containing such information and assurances as the Secretary may require, including—

"(1) information describing—

"(A) the naturally occurring retirement community and target population (including the racial and ethnic composition of the target population) to be served by the project; and

"(B) the nature and extent of the applicant's experience in providing mental health screening and treatment services of the type to be provided in the project;

"(2) assurances that the applicant will carry out the project—

"(A) through a multidisciplinary team of licensed mental health professionals;

"(B) using evidence-based intervention and treatment protocols to the extent such protocols are available; and

"(C) in coordination with other providers of health care and social services serving the retirement community; and

"(3) assurances that the applicant will conduct and submit to the Assistant Secretary such evaluations and reports as the Assistant Secretary may require.

"(e) Reports.—The Assistant Secretary shall prepare and submit to the appropriate committees of Congress a report that includes summaries of the evaluations and reports required under subsection (d)(3).

"(f) Coordination.—The Assistant Secretary shall provide for appropriate coordination of programs and activities receiving funds pursuant to grants made under this section with programs and activities receiving funds pursuant to grants made under sections 381 and 422, and sections 520K and 520L of the Public Health Service Act.".

TITLE II—PUBLIC HEALTH SERVICE ACT AMENDMENTS

SEC. 201. DEMONSTRATION PROJECTS TO SUPPORT INTEGRATION OF MENTAL HEALTH SERVICES IN PRIMARY CARE SETTINGS.

Subpart 3 of part B of title V of the Public Health Service Act (42 U.S.C. 290bb–31 et seq.) is amended—

(1) in subsection (b) of section 520(b) (42 U.S.C. 290bb–31(b))—

(A) by striking "and" at the end of paragraph (14);

(B) by striking the period at the end of paragraph (15) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following:

"(16) conduct the demonstration projects specified in section 520K.".; and

(2) by adding at the end the following:

"SEC. 520K. PROJECTS TO DEMONSTRATE INTEGRATION OF MENTAL HEALTH SERVICES IN PRIMARY CARE SETTINGS.

"(a) In General.—The Secretary, acting through the Director of the Center for Mental Health Services, shall award grants to public and private nonprofit entities for projects to demonstrate ways of integrating mental health services for older patients into primary care settings, such as health centers receiving a grant under section 330 (or determined by the Secretary to meet the requirements for receiving such a grant), other Federally qualified health centers, primary care clinics, and private practice sites.

"(b) Requirements.—In order to be eligible for a grant under this section, the project to be carried out by the entity shall provide for collaborative care within a primary care setting, involving psychiatrists, psychologists, and other licensed mental health professionals (such as social workers and advanced practice nurses) with appropriate training and experience in the treatment of older adults, in which screening, assessment, and intervention services are combined into an integrated service delivery model, including—

"(1) screening services by a mental health professional with at least a masters degree in an appropriate field of training;

"(2) referrals for necessary prevention, intervention, follow-up care, consultations, and care planning oversight for mental health and other service needs, as indicated; and

"(3) adoption and implementation of evidence-based protocols, to the extent available, for prevalent mental health disorders, including depression, anxiety, behavioral and psychological symptoms of dementia, psychosis, and misuse of, or dependence on, alcohol or medication.

"(c) Considerations in Awarding Grants.—In awarding grants under this section the Secretary, to the extent feasible, shall ensure that—

"(1) projects are funded in a variety of geographic areas, including urban and rural areas; and

"(2) a variety of populations, including racial and ethnic minorities and low-income populations, are served by projects funded under this section.

"(d) Duration.—A project may receive funding pursuant to a grant under this section for a period of up to 3 years, with an extension period of 2 additional years at the discretion of the Secretary.

"(e) Application.—To be eligible to receive a grant under this section, a public or private nonprofit entity shall—

"(1) submit an application to the Secretary (in such form, containing such information, and at such time as the Secretary may specify); and

"(2) agree to report to the Secretary standardized clinical and behavioral data necessary to evaluate patient outcomes and to facilitate evaluations across participating projects.

"(f) Evaluation.—Not later than July 31 of each calendar year, the Secretary shall submit to Congress a report evaluating the projects receiving awards under this section for such year.

"(g) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2005 and each fiscal year thereafter.".

SEC. 202. GRANTS FOR COMMUNITY-BASED MENTAL HEALTH TREATMENT OUTREACH TEAMS.

Subpart 3 of part B of title V of the Public Health Service Act (42 U.S.C. 290bb–31 et seq.), as amended by section 201, is further amended by adding at the end the following:

"SEC. 520L. GRANTS FOR COMMUNITY-BASED MENTAL HEALTH TREATMENT OUTREACH TEAMS.

"(a) In general.—The Secretary, acting through the Director of the Center for Mental Health Services, shall award grants to public or private nonprofit entities that are community-based providers of geriatric mental health services, to support the establishment and maintenance by such entities of multi-disciplinary geriatric mental health outreach teams in community settings where older adults reside or receive social services. Entities eligible for such grants include—

"(1) mental health service providers of a State or local government;

"(2) outpatient programs of private, nonprofit hospitals;

"(3) community mental health centers meeting the criteria specified in section 1913(c); and

"(4) other community-based providers of mental health services.

"(b) Requirements.—To be eligible to receive a grant under this section, an entity shall—

"(1) adopt and implement, for use by its mental health outreach team, evidence-based intervention and treatment protocols (to the extent such protocols are available) for mental disorders prevalent in older individuals (including, but not limited to, mood and anxiety disorders, dementias of all kinds, psychotic disorders, and substance and alcohol abuse), relying to the greatest extent feasible on protocols that have been developed—

"(A) by or under the auspices of the Secretary; or

"(B) by academicians with expertise in mental health and aging;

"(2) provide screening for mental disorders, diagnostic services, referrals for treatment, and case management and coordination through such teams; and

"(3) coordinate and integrate the services provided by such team with the services of social service, mental health, and medical providers at the site or sites where the team is based in order to—

"(A) improve patient outcomes; and

"(B) to assure, to the maximum extent feasible, the continuing independence of older adults who are residing in the community.

"(c) Cooperative Arrangements With Sites Serving as Bases for Outreach.—An entity receiving a grant under this section may enter into an agreement with a person operating a site at which a geriatric mental health outreach team of the entity is based, including—

"(1) senior centers;

"(2) adult day care programs;

"(3) assisted living facilities; and

"(4) recipients of grants to provide services to senior citizens under the Older Americans Act of 1965,

under which such person provides (and is reimbursed by the entity, out of funds received under the grant, for) any supportive services, such as transportation and administrative support, that such person provides to an outreach team of such entity.

"(d) Considerations in Awarding Grants.—In awarding grants under this section the Secretary, to the extent feasible, shall ensure that—

"(1) projects are funded in a variety of geographic areas, including urban and rural areas; and

"(2) a variety of populations, including racial and ethnic minorities and low-income populations, are served by projects funded under this section.

"(e) Application.—To be eligible to receive a grant under this section, an entity shall—

"(1) submit an application to the Secretary (in such form, containing such information, at such time as the Secretary may specify); and

"(2) agree to report to the Secretary standardized clinical and behavioral data necessary to evaluate patient outcomes and to facilitate evaluations across participating projects.

"(f) Coordination.—The Secretary shall provide for appropriate coordination of programs and activities receiving funds pursuant to a grant under this section with programs and activities receiving funds pursuant to grants under section 520K and sections 381, 422, and 423 of the Older Americans Act of 1965.

"(g) Evaluation.—Not later than July 31 of each calendar year, the Secretary shall submit to Congress a report evaluating the projects receiving awards under this section for such year.

"(h) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2005 and each fiscal year thereafter.".

SEC. 203. DESIGNATION OF DEPUTY DIRECTOR FOR OLDER ADULT MENTAL HEALTH SERVICES IN CENTER FOR MENTAL HEALTH SERVICES.

Section 520 of the Public Health Service Act (42 U.S.C. 290bb–31) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following:

"(c) Deputy Director for Older Adult Mental Health Services in Center for Mental Health Services.—The Director, after consultation with the Administrator, shall designate a Deputy Director for Older Adult Mental Health Services, who shall be responsible for the development and implementation of initiatives of the Center to address the mental health needs of older adults. Such initiatives shall include—

"(1) research on prevention and identification of mental disorders in the geriatric population;

"(2) innovative demonstration projects for the delivery of community-based mental health services for older Americans;

"(3) support for the development and dissemination of evidence-based practice models, including models to address dependence on, and misuse of, alcohol and medication in older adults; and

"(4) development of model training programs for mental health professionals and care givers serving older adults.".

SEC. 204. MEMBERSHIP OF ADVISORY COUNCIL FOR THE CENTER FOR MENTAL HEALTH SERVICES.

Section 502(b)(3) of the Public Health service Act (42 U.S.C. 269aa–1(b)(3)) is amended by adding at the end the following:

"(C) In the case of the advisory council for the Center for Mental Health Services, the members appointed pursuant to subparagraphs (A) and (B) shall include representatives of older Americans, their families, and geriatric mental health specialists.".

SEC. 205. PROJECTS OF NATIONAL SIGNIFICANCE TARGETING SUBSTANCE ABUSE IN OLDER ADULTS.

Section 509(b)(2) of the Public Health Service Act (42 U.S.C. 290bb–2(b)(2)) is amended by inserting before the period the following: ", and to providing treatment for older adults with alcohol or substance abuse or addiction, including medication misuse or dependence".

SEC. 206 CRITERIA FOR STATE PLANS UNDER COMMUNITY MENTAL HEALTH SERVICES BLOCK GRANTS.

(a) In General.—Section 1912(b)(4) of the Public Health Service Act (42 U.S.C. 300x–1(b)(4)) is amended to read as follows:

"(4) Targeted services to older individuals, individuals who are homeless, and individuals living in rural areas.—The plan describes the State's outreach to and services for older individuals, individuals who are homeless, and individuals living in rural areas, and how community-based services will be provided to these individuals.".

(b) Effective Date.—The amendment made by subsection (a) shall apply to State plans submitted on or after the date that is 180 days after the date of enactment of this Act.

Ms. COLLINS. Mr. President, I am pleased to join with my colleague from New York in introducing the Positive Aging Act, which will help to increase older Americans' access to quality mental health screening and treatment services in community-based care settings.

The legislation we are introducing today is particularly important for States, like Maine, that have a disproportionate number of elderly persons. Maine currently is our Nation's seventh "oldest" State. Moreover, our older population will continue to grow in the future and, by the year 2025, one in five Mainers will be over the age of 65.

One of the most daunting public health challenges facing our Nation today is how to increase access to quality mental health services for the more than 44 million Americans with severe, disabling mental disorders that can devastate their lives and the lives of the people around them.

What is often overlooked, however, is the prevalence of mental illness among our Nation's elderly. Studies have shown that more than one in five Americans aged 65 and older—including more than 32,000 Mainers—experience mental illness, and that as many as 80 percent of elderly persons in nursing homes suffer from some kind of mental impairment.

Particularly disturbing is that fact that the mental health needs of older Americans are often overlooked or not recognized because of the mistaken belief that they are a normal part of aging and therefore cannot be treated.

While older Americans experience the full range of mental disorders, the most prevalent mental illness afflicting older people is depression. Ironically, while recent advances have made depression an eminently treatable disorder, only a minority of elderly depressed persons are receiving adequate treatment. Unfortunately, the vast majority of depressed elderly don't seek help. Many simply accept their feelings of profound sadness and do not realize that they are clinically depressed.

Those who do seek help are often underdiagnosed or misdiagnosed, leading the National Institute of Mental Health to estimate that 60 percent of older Americans with depression are not receiving the mental health care that they need. Failure to treat this kind of disorder leads to poorer health outcomes for other medical conditions, higher rates of institutionalization, and increased health care costs.

Untreated depression can even lead to suicide. The sad fact is that Americans over 65 are more likely to commit suicide than any other age group. Among those over 85, the suicide rate is twice the national average. What is particularly disturbing about these statistics is that studies have shown that 40 percent of older people who commit suicide have had a visit with their primary care provider within one week of their death. Seventy percent of these elderly suicide victims had a primary care visit within 30 days of their death.

Fortunately, important research is being done that is helping to develop innovative approaches to improve the delivery of mental health care for older adults by integrating it into primary care settings. This research demonstrates that older adults are more likely to receive appropriate mental health care if there is a mental health professional on the primary care team, rather than simply referring them to a mental health specialist outside the primary care setting. Multiple appointments with multiple providers in multiple settings simply don't work for older patients who must also cope with concurrent chronic illnesses, mobility problems, and limited transportation options. The research also shows that there is less stigma associated with psychiatric services when they are integrated into general medical care.

The Positive Aging Act builds upon this research and authorizes funding for a range of projects that integrate mental health screening and treatment services into community sites and primary health care settings, including community health centers, senior centers, and assisted living facilities. Moreover, the evidence-based services under this legislation will be provided by interdisciplinary teams of mental health professionals working in collaboration with other providers of health and social services.

Among other provisions, our legislation authorizes the creation of an Office of Older Adult Mental Health Services in the Administration on Aging to develop and implement initiatives to address the mental health needs of older adults. In addition, the Administration on Aging would be authorized to provide grants to States for the development and testing of model mental health delivery systems for the diagnosis and treatment of mental illness and the elderly. It would also be authorized to award demonstration grants to projects targeted to providing screening and mental health services for seniors residing in rural areas, as well as grants to encourage the collaboration between mental health and other health and social services providers in providing screening and treatment services.

The legislation also authorizes the Substance Abuse and Mental Health Services Administration (SAMHSA) to award demonstration grants which would support the integration of evidence-based mental health services by geriatric mental health specialists into primary care settings and support the establishment of community-based mental health treatment outreach teams in settings where older adults reside or receive social services.

The Positive Aging Act will help to promote the mental health and well-being of our older citizens. It is an investment that will return tremendous dividends in terms of improved quality of life, better patient outcomes, and more efficient use of health care dollars. The legislation has been endorsed by the American Association for Geriatric Psychiatry, the National Council on Aging, the American Nurses Association, the American Psychological Association, the American Psychiatric Association and the National Association of Social Workers, and I urge all of our colleagues to join us as cosponsors.

By Ms. MIKULSKI (for herself and Mr. SARBANES):

S. 2574. A bill to provide for the establishment of the National Institutes of Health Police, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Ms. MIKULSKI. Mr. President, I rise today to introduce the NIH Security Act. The National Institutes of Health (NIH) is one of America's most successful investments. NIH saves lives and helps Americans to live longer and live better. Research funded by NIH has made breakthroughs on many different fronts, from cutting edge bioterrorism research to mapping the human genome. Much of the research depends on experts working with hazardous chemicals or biological substances. We must make sure NIH is safe and secure—both to protect important research that may save future lives, and to make sure hazardous materials don't fall into the wrong hands.

The main NIH campus and its satellite facilities contain approximately 3,000 research laboratories—2,500 of which are approved for the use of radioisotopes. NIH has 21 high-containment laboratories and two high-containment animal facilities. And NIH is constructing additional high-containment laboratories in order to tackle the challenging issue of defending the country against bioterrorism.

We count on the NIH Police to protect this national treasure. Yet NIH Police officers are overworked and underpaid. Security at NIH facilities may be at risk because NIH is having trouble recruiting and retraining qualified police officers, and because the Police Department is not authorized to protect all of NIH's facilities.

That's why I am introducing this bill to improve security at NIH by giving the NIH Police the authority they need to do their job and the pay and benefits they deserve for a job well done. This legislation does three things. It establishes a permanent police force at NIH. It expands their jurisdiction to cover all of NIH's campuses. And it gives NIH Police officers the same pay and retirement benefits that other Federal law enforcement officers have.

Historically, NIH Police salaries have been among the lowest for law enforcement officers in the Washington-Metropolitan area. From 1998–2002, the NIH Police had a 70 percent attrition rate. Most officers left for positions in other Federal and local law enforcement agencies that offered better pay and benefits. The constant turnover is having a devastating effect on morale, and it's costing taxpayers hundreds of thousands of dollars in overtime pay and lost training costs. That's because NIH invests in specialized training to make sure their officers are prepared to respond to potential biological, chemical, and nuclear disasters. But other agencies are able to lure these officers away. After spending the money to give their officers the training they need, NIH isn't able to give them the pay and benefits they deserve. My bill will ensure that NIH Police officers are getting the same pay and retirement benefits as other Federal law enforcement officers.

My bill also gives NIH Police officers the authority to carry firearms, serve warrants and conduct investigations on all properties under the custody and control of the NIH. Currently, the NIH Police's jurisdiction is limited to the main campus in Bethesda, leaving thousands of employees and numerous laboratories without their protection. NIH currently employs unarmed security guards at its satellite facilities in Maryland and across the country. These security guards do the best they can, but they don't have the authority to enforce laws, and they aren't as highly trained as the NIH Police.

NIH is serious about security. Dr. Zerhouni, the Director of NIH, fully recognizes the need for a highly quality police force to protect NIH and the surrounding community, and fully supports this legislation. Let's give the NIH Police the resources they need to make sure NIH is safe and secure. This is an important issue that must be addressed. I urge my colleagues to pass this important bill quickly, and I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2574

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "NIH Security Act".

SEC. 2. NATIONAL INSTITUTES OF HEALTH POLICE.

(a) ESTABLISHMENT.—The Director of the National Institutes of Health (in this section referred to as the "Director of NIH") shall establish a permanent police force, to be known as the National Institutes of Health Police (in this section referred to as the "NIH Police"), for the purpose of performing law enforcement, security, and investigative functions for property under the jurisdiction, custody, and control of, or occupied by, the National Institutes of Health.

(b) APPOINTMENT OF OFFICERS.—

(1) IN GENERAL.—The Director of NIH shall appoint a Chief, a Deputy Chief, and such other officers as may be necessary to carry out the purpose of the NIH Police.

(2) OFFICERS ABOVE MAXIMUM AGE.—The Director of NIH may appoint officers of the NIH Police without regard to standard maximum limits of age prescribed under section 3307 of title 5, United States Code. Officers appointed under this paragraph—

(A) may include the Chief and Deputy Chief of the NIH Police;

(B) shall have the same authorities and powers as other officers of the NIH Police;

(C) shall receive the same pay and benefits as other officers of the NIH Police; and

(D) shall not be treated as law enforcement officers for purposes of retirement benefits.

(c) POWERS.—Each officer of the NIH Police may—

(1) carry firearms, serve warrants and subpoenas issued under the authority of the United States, and make arrests without warrant for any offense against the United States committed in the officer's presence, or for any felony cognizable under the laws of the United States, if the officer has reasonable grounds to believe that the person to be arrested has committed or is committing such a felony;

(2) conduct investigations within the United States and its territories for offenses that have been or may be committed on property described in paragraph (1) or (2) of subsection (d); and

(3) protect in any area of the United States or its territories the Director of NIH and other officials, as authorized by the Director of NIH.

(d) JURISDICTION.—Officers of the NIH Police may exercise their powers—

(1) on all properties under the custody and control of the National Institutes of Health;

(2) on other properties occupied by the National Institutes of Health, as determined by the Director of NIH; and

(3) as authorized under paragraphs (2) and (3) of subsection (c).

(e) PAY, BENEFITS, RETIREMENT.—

(1) IN GENERAL.—Subject to subsection (b)(2)(D) and paragraph (2)(A), all officers of the NIH Police appointed under subsection (b) are—

(A) law enforcement officers as that term is used in title 5, United States Code, without regard to any eligibility requirements prescribed by law; and

(B) eligible for all pay and benefits prescribed by law for such law enforcement officers.

(2) PAY; RANKS.—

(A) PAY.—The officers of the NIH Police shall receive the same pay and benefits, as determined by the Director of NIH, as officers who hold comparable positions in the United States Park Police. For purposes of this subparagraph, the Chief of the NIH Police is deemed comparable to the Assistant Chief in the United States Park Police, and the Deputy Chief of the NIH Police is deemed comparable to the Deputy Chief in the United States Park Police.

(B) RANK.—The Chief and Deputy Chief of the NIH Police shall have ranks not lower than a colonel and a lieutenant colonel, respectively. Other ranks and equivalences shall be determined by the Director of NIH or the Director's designee.

By Mrs. BOXER (for herself and Mr. SMITH):

S. 2575. A bill to direct the Secretary of Agriculture to conduct research, monitoring, management, treatment, and outreach activities relating to sudden oak death syndrome and to convene regular meetings of, or conduct regular consultations with, Federal, State, tribal and local government officials to provide recommendations on how to carry out those activities; to the Committee on Agriculture, Nutrition, and Forestry.

Mrs. BOXER. Mr. President, I am introducing today with my colleague, Senator GORDON SMITH, a bill that addresses an ecological crisis in California and Oregon that quite literally threatens to change the face of our States, as well as others. The beloved oak trees are in grave peril. Thousands of black oak, coastal live oak, tan and Shreve's oak trees—among the most familiar and best loved features of California's landscape—are dying from a disease known as Sudden Oak Death Syndrome (SODS).

Caused by an exotic species of the Phytophthora fungus—the fungus responsible for the Irish potato famine—SODS first struck a small number of tan oaks in Marin County in 1995. Now the disease has spread to other oak species from Big Sur in the south to Humboldt County in the north. The loss of trees is approaching epidemic proportions, with tens of thousands of dead trees appearing in thousands of acres of forests, parks, and gardens. As the trees die, enormous expanses of forest, some adjacent to residential areas, are subject to extreme fire hazards. Dead oak trees near homes significantly increase fire hazards, so residents who built their homes around or among oak trees are in particular danger.

Yet, the spread of the fungus-like pathogen that causes SODS is not limited to oak trees. It has also been found on rhododendron plants in California nurseries, bay trees, wild huckleberry plants and other nursery stock and small fruit trees. Due to genetic similaries, this pathogen potentially endangers Red and Pin oak trees on the East Coast, as well as the Northeast's lucrative commercial blueberry and cranberry industries.

SODS has already had serious economic and environmental impacts. After the initial discovery of the Sudden Oak Death, the U.S. Department of Agriculture (USDA) imposed a quarantine on oak products and some nursery stock in 10 counties in Northern California and Curry County, Oregon. Subsequently, two other counties in Northern California were also put under quarantine. The discovery of the pathogen that causes SODS in two Southern California nurseries in March 2004 led the USDA to impose restrictions on the interstate movement of host and potential host plants—as well as plants within 10 meters of these plants—from all nurseries in California. To date, 17 States and Canada have placed their own restrictions on the importation of California's nursery stock, and some States have banned plants from California altogether.

If left unchecked, SODS could cause major damage to our commercial nurseries, as well the health, productivity and biodiversity of our forests. California is the nursery industry's lead producer of horticultural plants, valued at $2 billion a year. The State's oak woodlands provide shelter, habitat, and food to over 300 wildlife species. They also reduce soil erosion and help moderate extremes in temperature. Not only does SODS put all these benefits at risk, but dead and infected trees from this disease increase the threat of wildfire, threatening our communities.

More needs to be known about the pathogen that causes SODS. Scientists are struggling to better understand SODS, how the disease is transmitted, and what the best treatment options might be. In 2000, the U.S. Forest Service, the University of California, the State Departments of Forestry and Fire Protection, and County Agricultural Commissioners created an Oak

Mortality Task Force to help coordinate research, management, monitoring, education, and public policies aimed at addressing SODS. Although we have learned a great deal about SODS since the, adequate Federal support is needed if we are to stop the spread of this disease before it is too late.

That is why I am introducing the Sudden Oak Death Syndrome Control Act of 2004, which is based on legislation I introduced in 2001 and which passed the Senate in 2002. The Sudden Oak Death Syndrome Control Act of 2004 would authorize $44.2 million annually over the next five years for creation of a Sudden Oak Death research and monitoring program, management and treatment activities, fire prevention activities, and education and outreach. The bill would also provide funding for a comprehensive national survey of the fungus-like pathogen that causes SODS and a risk assessment of the threat posed by this pathogen to natural and managed plant resources. Combined with the efforts of state and local officials, this legislation will help to prevent the dire predictions from becoming a terrible reality.

This bill is endorsed by the American Nursery & Landscape Association, the California Association of Nurseries and Garden Centers, the Nursery Growers Association of California, the state, local and private members of the California Oak Mortality Task Force, and the Marin County Board of Supervisors.

I thank Senator SMITH for working with me on this bill and for joining me in introducing it. I urge my colleagues to join us in this effort to help ensure the protection of our nation's commercial nursery industry and precious woodlands.

I ask unanimous consent that letters from these organizations be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN NURSERY & LANDSCAPE ASSOCIATION,
Washington, DC, June 23, 2004.

Hon. GORDON SMITH,
Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATORS BOXER AND SMITH: The American Nursery & Landscape Association is the national trade organization representing nursery growers, landscape professionals, and retail garden centers in the U.S. On behalf of our industry of small and family businesses, we wish to thank you for your work to prepare and introduce legislation to address the current and expected challenges associated with the serious plant pathogen Phytophthora ramorum.

As you well know, the potential risks posed by P. ramorum to American forests, landscape, nurseries, and other agricultural producers necessitate strong federal leadership in such areas as survey and detection, risk mitigation, and research. Your legislative efforts will help to ensure the focus and funding necessary for a cohesive federal and state cooperative response.

We would like to commend the performance of your staff contacts, Laura Cimo and Matt Hill. Both have been professional, accessible, and open to suggestions toward improving the legislative language in preparation for its introduction.

ANLA is pleased to support your impending legislation, as a critical step toward solving the P. ramorum crisis. Please let us know how ANLA can be of further assistance.

Sincerely,

CRAIG J. REGELBRUGGE,
Senior Director of Government Relations.

CALIFORNIA ASSOCIATION OF NURSERIES AND GARDEN CENTERS,
Sacramento, CA 95834.

Re Sudden Oak Death Syndrome Control Act of 2004.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: We thank you for all of your efforts on the issue of Sudden Oak Death and especially your legislation, the Sudden Oak Death Syndrome Control Act of 2004, which we strongly endorse and support.

As you well know, many states closed their borders to all nursery plants in California after Sudden Oak Death was discovered in a southern California nursery. These blockades have included all plants, even those without the ability to transmit the pathogen, and they have included nurseries that the U.S. Department of agriculture has certified are free of Sudden Oak Death.

Quite clearly, there is much that needs to be learned about Sudden Oak Death so that regulations are based on risk and not on fear. Your much-needed legislation will improve both the research into the pathogen, its role relating to Sudden Oak Death, and the management and treatment of the disease. Significantly, your legislation will compel a "comprehensive and biologically sound national survey." Only by such a rigorous survey can policymakers understand the risk posed by the pathogen. After all, states that have barred California nursery plants may already harbor Sudden Oak Death but without a national survey they have every incentive to avoid even looking for the pathogen.

Again, thank you for drafting this important legislation.

Very truly yours,

ROBERT H. FALCONER,
Executive Vice President.

CALIFORNIA OAK MORTALITY TASK FORCE,
Sacramento, CA, June 24, 20004.

Re Sudden Oak Death Syndrome Control Act of 2004.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: The California Oak Mortality Task Force applauds your efforts to secure federal funding for research, monitoring, regulations, management and educational activities necessitated by Sudden Oak Death (Phytophthora ramorum). Resources are urgently needed to address this aggressive exotic pathogen in California and Oregon and protect other parts of the United States and other countries from becoming infested.

The California Oak Mortality Task Force represents over 75 organizations cooperating to limit the spread of the pathogen that causes Sudden Oak Death, a disease that has killed tens of thousands of tanoak, coast live oak, and black oak in coastal California. The pathogen also infects rhododendron, camellia and huckleberry, important nursery and agricultural plants.

There is much that urgently needs to be done to prevent further damage and protect commerce and natural resources. Some of the highest priorities:

Research to understand how the pathogen spreads, assess the potential for ecological, horticultural and agricultural damage, and improve diagnostic tools and treatments

Regulation enforcement to limit pathogen spread via commodities

Management that includes eradication protocols for new areas, fire prevention treatments for high risk areas, and diagnostic services

Monitoring/surveys to determine extent of damage, distribution and spread

Educatioal programs for professionals, land managers and homeowners to recognize the problem and determine what can be done about it, including Information and explanation of quarantine measures.

The state, local, and private members of the task force support your efforts to address Sudden Oak Death and protect the oak woodlands of the United States. Please contact Lucia Briggs, Coordinator of the CA Oak Mortality Task Force (lbriggs@nature.berkelkey.edu) if we can assist you.

Sincerely,

MARK R. STANLEY,
Chairperson, California Oak Mortality Task Force.

THE BOARD OF SUPERVISORS OF MARIN COUNTY,
San Rafael, CA, June 16, 2004.

Re "Sudden Oak Death Syndrome Control Act of 2004"—SUPPORT.

Hon. BARBARA BOXER,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR BOXER: As President of the Marin County California Board of Supervisors, I write to indicate our strong support of your efforts with regard to the "Sudden Oak Death Syndrome Control Act of 2004," which would authorize $44.2 million for FY2005 through FY2009, as compared to the $14.25 million already authorized for FY2003 through FY2007.

The legislation addresses the ever expanding need for resources for local, state and federal agencies to deal with the economic, environmental and policy impacts created by the infestation of this devastating plant disease. Marin County has lost tens of thousands of trees and has been at the center of this problem for several years as one of the original 12 California Counties placed under state and federal quarantine.

The recent documentation of Sudden Oak Death (SOD) infestation in commercial nurseries in Southern California has elevated the problem. The transmission of the disease across state lines, carried on nursery stock, to a number of states in the southern and eastern United States has triggered multiple state SOD quarantines against California and created enforcement and communication problems nationwide.

Funding increases proposed in the bill would provide much needed improvements in communication and intergovernmental coordination between USDA, APHIS, State Plant Quarantine Officials, California Agricultural Commissioners and Nursery Sock Producers. It would fund a national risk assessment to determine the possible biological and economic impacts of the disease. The bill would also address the need to strengthen domestic quarantine inspections to determine if the disease may be moving into the United States on nursery stock originating from Europe.

The Marin County Board of Supervisors strongly supports your proposed "Sudden Oak Death Syndrome Control Act of 2004" and thank you for your continued support in dealing with this critical issue.

Sincerely,

STEVE KINSEY,
President.

By Mr. FEINGOLD:

S. 2576. A bill to establish an expedited procedure for congressional consideration of health care reform legislation; to the Committee on Rules and Administration.

Mr. FEINGOLD. Mr. President, today I introduce the Health Care Reform Expedited Procedures Act of 2004, legislation that requires Congress to act on what may be the most pressing domestic policy issue of our time, namely health care reform.

I travel to each of Wisconsin's 72 counties every year to hold town hall meetings. Year after year, the number one issue raised at these Listening Sessions is the same—health care. The failure of our health care system brings people to these meetings in droves. The frustration I hear, the anger and the desperation, have convinced me that we must change the system.

So many people now come to tell me that they used to think government involvement was a terrible idea, but not anymore. Now they tell me that their businesses are being destroyed by health care costs, and they want the government to step in. These costs are crippling our economy just as the Nation is struggling to rebound from the loss of millions of manufacturing jobs.

Our health care system has failed to keep costs in check. Costs are skyrocketing, and there is simply no way we can expect businesses to keep up. So in all too many cases, employers are left to offer sub-par benefits, or to wonder whether they can offer any benefits at all. Employers cannot be the sole provider of health care when these costs are rising faster than inflation.

One option that could help employers, especially small businesses, reduce their health care costs is to have them form health care cooperatives, where employers lower costs by purchasing care as a group. I have introduced a bill in the Senate to make it easier for business to create these cooperatives.

But this legislation certainly isn't the magic bullet that can address the whole problem. We need to come up with more comprehensive ways to address rising costs. In most cases, costs are still passed on to employees, who then face enormous premiums that demand more and more of their monthly income. People tell me that they don't understand how anyone can afford these astronomical premiums, and what can you say to that?

We can say that it's time to move toward universal coverage. I believe we can find a way to make universal coverage work in this country. Universal coverage doesn't mean that we have to copy a system already in place in another country. We can harness our Nation's creativity and entrepreneurial spirit to design a system that is uniquely American. Universal coverage doesn't have to be defined by what's been attempted in the past. What universal coverage does mean is ending a system where nearly 44 million Americans are uninsured, and where those who are insured are struggling to pay their premiums, struggling to pay for prescription drugs, and struggling to find long term care.

We can't tolerate a system that strands so many Americans without the coverage they need. This system costs us dearly: Even though almost 44 million Americans are uninsured, the United States devotes more of its economy to health care than other industrial countries.

Leaving this many Americans uninsured affects all of us. Those who are insured pay more because the uninsured can't afford to pay their bills. And those bills are exceptionally high, because the uninsured wait so long to see a doctor. The uninsured often live sicker, and die earlier, than other Americans, so they also need a disproportionate amount of acute care.

In 2001 alone, health care providers provided $35 billion worth of uncompensated care. While providers absorb some of those costs, inevitably some of the burden is shifted to other patients. And of course the process of cost-shifting itself generates additional costs.

We are all paying the price for our broken health care system, and it is time to bring about change.

Over the years I have heard many different proposals for how we should change the health care system in this country. Some propose using tax incentives as a way to expand access to health care. Others think the best approach is to expand public programs. Some feel a national single payer health care system is the only way to go.

I don't think we can ignore any of these proposals. We need to consider all of these as we address our broken health care system.

As a former State legislator, I come to this debate knowing that States are coming up with some very innovative solutions to the health care problem. So in addition to the approaches already mentioned, I think we really need to look at what our States are doing, and add to the menu of possibilities an approach under which each State decides the best way to cover its residents.

I favor an American-style health care reform, where we encourage creative solutions to the health care problems facing our country, without using a one-size-fits-all approach. I believe that States have a better idea about what the health care needs of their residents are, and that they understand what types of reform will work best for their state. So I am in favor of a state-based universal health care system, where States, with the Federal Government's help, come up with a plan to make sure that all of their residents have health care coverage.

This approach would achieve universal health care, without the Federal Government dictating to all of the states exactly how to do it. The federal government would provide states with the financial help, technical assistance and oversight necessary to accomplish this goal. In return, a State would have to make sure that every resident has coverage at least as good as that offered in the Federal Employee Health Benefits Program, FEHBP—in other words, at least as good as the health insurance members of Congress have.

States would have the flexibility to expand coverage in phases, and would be offered a number of Federal "tools" to choose from in order to help them achieve universal coverage. States could use any number of these tools, or none of them, instead opting for a Federal contribution for a state-based "single-payer" system. In addition to designing and implementing a plan to achieve universal care, states would also be required to provide partial funding of these plans. The Federal Government would approve each State plan, and would conduct oversight of the implementation of these plans.

Federal tools that States could choose from to help expand health coverage could include an enhanced Medicaid and SCHIP federal match for expanding coverage to currently uninsured individuals; refundable and advanceable tax credits for the purchase of health insurance for individuals and/or businesses; the establishment of a community-rated health pool, similar to FEHBP, to provide affordable health coverage and expanded choices for those who enroll; and assistance with catastrophic care costs.

States could be creative in the state resources they use to expand health care coverage. For example, a state could use personal and/or employer mandates for coverage, use state tax incentives, create a single-payer system or even join with neighboring states to offer a regional health care plan.

The approach I have set forth would guarantee universal health care, but still leave room for the flexibility and creativity that I believe is necessary to ensure that everyone has access to affordable, quality health care.

As I have noted, there have been a number of interesting proposals to move us to universal health care coverage. While I will be advocating the state-based approach that I have just outlined, others have proposed alternative approaches that certainly merit consideration and debate.

And this brings us to the legislation I am introducing today, because, the reason we haven't reformed our health care system isn't because of a lack of good ideas. The problem is that Congress and the White House refuse to take this issue up. Despite the outcry from businesses, from health care providers, and from the millions who are uninsured, Washington refuses to address the problem in a comprehensive way.

That is why I am introducing this bill. My legislation will force Congress to finally address this issue. It requires the Majority and Minority Leaders of the Senate, as well as the Chairs of the Health, Education, Labor, and Pensions Committee and the Finance Committee, to each introduce a health care reform bill in the first 30 days of the next Congress. If a committee chair fails to introduce a bill within the first month, then the ranking minority party member of the respective committee may introduce a measure that qualifies for the expedited treatment outlined in my bill.

The measures introduced by the Majority Leader and Minority Leader will be placed directly on the Senate Calendar. The measures introduced by the two committee chairs, or ranking minority members, will be referred to their respective committees.

The committees have 60 calendar days not including recesses of 3 days or more to review the legislation. At the end of that time, if either committee fails to report a measure, the bills will be placed directly on the legislative calendar.

If the Majority Leader fails to move to one of the bills, any Member may move to proceed to any qualifying health care reform measure. The motion is not debatable or amendable. If the motion to proceed is adopted, the chamber will immediately proceed to the consideration of a measure without intervening motion, order, or other business, and the measure remains the unfinished business of the Senate until the body disposes of the bill.

Similar procedures are established for House consideration.

I want to emphasize, my bill does not prejudge what particular health care reform measure should be debated. There are many worthy proposals that would qualify for consideration, and this bill does not dictate which proposal, or combination of proposals, should be considered.

But what my bill does do is to require Congress to act.

It has been 10 years since the last serious debate over health care reform was killed by special interests and the soft money contributions they used to corrupt the legislative process. The legislative landscape is now much different. Soft money can no longer be used to set the agenda, and businesses and workers are crying out as never before for Congress to do something about the country's health care crisis.

It has been 10 years since we've had any debate on comprehensive health care reform. We cannot afford any further delay. I urge my colleagues to support the Health Care Reform Expedited Procedures Act of 2004.

Mr. President, I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2576

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Care Reform Expedited Procedures Act of 2004".

SEC. 2. SENATE CONSIDERATION OF HEALTH CARE REFORM LEGISLATION.

(a) INTRODUCTION.—

(1) IN GENERAL.—Not later than 30 calendar-days after the commencement of the first session of a Congress, the chair of the Senate Committee on Health, Education, Labor, and Pensions, the Chair of the Senate Committee on Finance, the Majority Leader of the Senate, and the Minority Leader of the Senate shall each introduce a bill to provide universal health care coverage for the people of the United States.

(2) MINORITY PARTY.—These bills may be introduced by request and only 1 qualified bill may be introduced by each individual referred to in paragraph (1) within a Congress. If either committee chair fails to introduce the bill within the 30-day period, the ranking minority party member of the respective committee may instead introduce a bill that will qualify for the expedited procedure provided in this section.

(3) QUALIFIED BILL.—

(A) IN GENERAL.—In order to qualify as a qualified bill—

(i) the title of the bill shall be "To reform the system of the United States and to provide insurance coverage for all Americans."; and

(ii) the bill shall reach the goal of providing health care coverage to 95 percent of Americans within 10 years.

(B) DETERMINATION.—Whether or not a bill meets the criteria in subparagraph (A) shall be determined by the Chair of the Senate Budget Committee, relying on estimates of the Congressional Budget Office, subject to the final approval of the Senate.

(b) REFERRAL.—

(1) COMMITTEE BILLS.—Upon introduction, the bill authored by the Chair of the Senate Committee on Finance shall be referred to that Committee and the bill introduced by the Chair of the Senate Committee on Health, Education, Labor, and Pensions shall be referred to that committee. If either committee has not reported the bill referred to it (or another qualified bill) by the end of a 60 calendar-day period beginning on the date of referral, the committee is, as of that date, automatically discharged from further consideration of the bill, and the bill is placed directly on the chamber's legislative calendar. In calculating the 60-day period, adjournments for more than 3 days are not counted.

(2) LEADER BILLS.—The bills introduced by the Senate Majority Leader and the Senate Minority Leader shall, on introduction, be placed directly on the Senate Calendar of Business.

(c) MOTION TO PROCEED.—

(1) IN GENERAL.—On or after the third day following the committee report or discharge or upon a bill being placed on the calendar under subsection (b)(2), it shall be in order for any Member, after consultation with the Majority Leader, to move to proceed to the consideration of any qualified bill. Notice shall first be given before proceeding. This motion to proceed to the consideration of a bill can be offered by a Member only on the day after the calendar day on which the Member announces his or her intention to offer it.

(2) CONSIDERATION.—The motion to proceed to a given qualified bill can be made even if a motion to the same effect has previously been rejected. No more than 3 such motions may be made, however, in any 1 congressional session.

(3) PRIVILEGED AND NONDEBATABLE.—The motion to proceed is privileged, and all points of order against the motion to proceed to consideration and its consideration are waived. The motion is not debatable, is not amendable, and is not subject to a motion to postpone.

(4) NO OTHER BUSINESS OR RECONSIDERATION.—The motion is not subject to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion to proceed is agreed to or disagreed to is not in order.

(d) CONSIDERATION OF QUALIFIED BILL.—

(1) IN GENERAL.—If the motion to proceed is adopted, the chamber shall immediately proceed to the consideration of a qualified bill without intervening motion, order, or other business, and the bill remains the unfinished business of the Senate until disposed of. A motion to limit debate is in order and is not debatable.

(2) ONLY BUSINESS.—The qualified bill is not subject to a motion to postpone or a motion to proceed to the consideration of other business before the bill is disposed of.

(3) RELEVANT AMENDMENTS.—Only relevant amendments may be offered to the bill.

SEC. 3. HOUSE CONSIDERATION OF HEALTH CARE REFORM LEGISLATION.

(a) INTRODUCTION.—

(1) IN GENERAL.—Not later than 30 calendar days after the commencement of the first session of a Congress, the chair of the House Committee on Energy and Commerce, the chair of the House Committee on Ways and Means, the Majority Leader of the House, and the Minority Leader of the House shall each introduce a bill to provide universal health care coverage for the people of the United States.

(2) MINORITY PARTY.—These bills may be introduced by request and only 1 qualified bill may be introduced by each individual referred to in paragraph (1) within a Congress. If either committee chair fails to introduce the bill within the 30-day period, the ranking minority party member of the respective committee may, within the following 30 days, instead introduce a bill that will qualify for the expedited procedure provided in this section.

(3) QUALIFIED BILL.—

(A) IN GENERAL.—To qualify for the expedited procedure under this section as a qualified bill, the bill shall reach the goal of providing healthcare coverage to 95 percent of Americans within 10 years.

(B) DETERMINATION.—Whether or not a bill meets the criteria in subparagraph (A) shall be determined by the Speaker's ruling on a point of order based on a Congressional Budget Office estimate of the bill.

(b) REFERRAL.—

(1) COMMITTEE BILLS.—Upon introduction, the bill authored by the Chair of the House Committee on Energy and Commerce will be referred to that committee and the bill introduced by the Chair of the House Committee on Ways and Means shall be referred to that committee. If either committee has not reported the bill referred to it (or another qualified bill) by the end of 60 days of consideration beginning on the date of referral, the committee shall be automatically discharged from further consideration of the bill, and the bill shall be placed directly on the Calendar of the Whole House on the State of the Union. In calculating the 60-day period, adjournments for more than 3 days are not counted.

(2) LEADER BILLS.—The bills introduced by the House Majority Leader and House Minority Leader will, on introduction, be placed directly on the Calendar of the Whole House on the State of the Union.

(c) MOTION TO PROCEED.—

(1) IN GENERAL.—On or after the third day following the committee report or discharge or upon a bill being placed on the calendar under subsection (b)(2), it shall be in order for any Member, after consultation with the Majority Leader, to move to proceed to the consideration of any qualified bill. Notice must first be given before proceeding. This motion to proceed to the consideration of a bill can be offered by a Member only on the day after the calendar day on which the Member announces his or her intention to offer it.

(2) CONSIDERATION.—The motion to proceed to a given qualified bill can be made even if a motion to the same effect has previously been rejected. No more than 3 such motions may be made, however, in any 1 congressional session.

(3) PRIVILEGED AND NONDEBATABLE.—The motion to proceed is privileged, and all points of order against the motion to proceed to consideration and its consideration are waived. The motion is not debatable, is not amendable, and is not subject to a motion to postpone.

(4) NO OTHER BUSINESS OR RECONSIDERATION.—The motion is not subject to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion to proceed is agreed to or disagreed to is not in order.

(d) CONSIDERATION OF A QUALIFIED BILL.—

(1) IN GENERAL.—If the motion to proceed is adopted, the chamber will immediately proceed to the consideration of a qualified bill without intervening motion, order, or other business, and the bill remains the unfinished business of the House until disposed of.

(2) COMMITTEE OF THE WHOLE.—The bill will be considered in the Committee of the Whole under the 5-minute rule, and the bill shall be considered as read and open for amendment at any time.

(3) LIMIT DEBATE.—A motion to further limit debate is in order and is not debatable.

(4) RELEVANT AMENDMENTS.—Only relevant amendments may be offered to the bill.

By Ms. STABENOW (for herself and Mrs. HUTCHISON):

S. 2587. A bill to amend title XVIII of the Social Security Act to adjust the amount of payment under the physician fee scheduled for drug administration services furnished to medicare beneficiaries; to the Committee on Finance.

Ms. STABENOW. Mr. President, I rise today to introduce the Ensuring Quality and Access to Cancer Care Act of 2004. I want to thank my colleague, Senator HUTCHISON, for working with me on this critical issue. Regardless of how we feel about the new Medicare law, I believe we all agree that there are legitimate concerns about changes in cancer care reimbursement. Critical services that help patients and their families may be in jeopardy because Medicare reimbursement is scheduled to be drastically cut in 2005.

I believe that these changes will be disruptive to patients' care. It is especially urgent in Michigan, which is ranked fourth in the Nation in number of residents with cancer.

Doctors administer more than 70 percent of all cancer chemotherapy in their offices, but the new Medicare law drastically cuts doctors' reimbursement for drug administration. Changes in the reimbursement system will mean that doctors will likely be paid dramatically less for chemotherapy. Preliminary estimates indicate that roughly $4.2 billion will be taken out of cancer care in the United States over the next 10 years.

Many critical services are paid for through drug administration reimbursement because they are not covered by Medicare. These include specially-trained oncology nurses and related staff; the handling, storage, and preparation of the toxic chemotherapy agents; and cognitive, nutrition, and support care services that are important indices of quality cancer care.

The result could be fewer and fewer doctors will treat cancer patients, leaving them without access to the best care possible. Furthermore, patients may lose access to vital support services.

Congress clearly recognized that questions related to the impact of the Medicare law on patient access needed to be answered. That's why the Medicare law included a temporary one-year increase in physicians' practice expenses. But access problems will likely emerge in 2005 when the temporary aid and drug reimbursement decrease significantly. And several programs to help oncologists and patients will not begin until 2006.

The "Ensuring Quality and Access to Cancer Care Act of 2004" would merely extend the 1-year transitional period built into the law for an additional year. It's a fair compromise so that we have time to answer important questions regarding the impact of the payment reductions. And it will ensure that policy changes do not disrupt patient access to quality cancer care.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2587

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ensuring Quality and Access to Cancer Care Act of 2004".

SEC. 2. TRANSITIONAL ADJUSTMENT TO PHYSICIAN FEE SCHEDULE FOR DRUG ADMINISTRATION SERVICES FURNISHED TO MEDICARE BENEFICIARIES.

(a) IN GENERAL.—Section 303(a)(4)(B)(ii) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2237) is amended by striking "3 percent" and inserting "32 percent".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of section 303(a)(4) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2237).

By Mr. ALEXANDER (for himself and Ms. LANDRIEU):

S. 2590. A bill to provide a conservation royalty from Outer Continental Shelf revenues to establish the Coastal Impact Assistance Program, to provide assistance to States under the Land and Water Conservation Fund Act of 1965, to ensure adequate funding for conserving and restoring wildlife, to assist local governments in improving local park and recreation systems, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. ALEXANDER. Mr. President, today, Senator LANDRIEU and I are introducing the Americans Outdoors Act of 2004, bipartisan legislation that will provide nearly $1.5 billion annually to help Americans in every State enjoy the great American outdoors.

The Americans Outdoors Act would provide a reliable stream of funding by collecting a conservation royalty on revenues from drilling for oil and gas on offshore Federal land. It would use this conservation royalty to fully fund three existing Federal programs: the so-called State side of the Land and Water Conservation Fund, $450 million annually; wildlife conservation, $350 million annually to fully fund that Federal program; and to fully fund urban parks initiatives, another $125 million. It would also provide an additional $500 million each year for coastal impact assistance, including wetlands protection.

In addition, Senator LANDRIEU and I intend to offer an amendment to our legislation that would fully fund the $450 million per year Federal side of the Land and Water Conservation Fund, but only after we have consulted further with our colleagues to develop a consensus.

We offer this legislation because there is nothing more central to the American character than the great

American outdoors. We offer it because we want to provide a conservation legacy for the next generation. We believe there is a huge conservation majority in America and in the Senate that will support this legislation.

In 1985, when I was Governor of Tennessee, President Ronald Reagan asked me to chair the President's Commission on American Outdoors. Gilbert Grosvenor, president of the National Geographic Society, was vice-chairman. Patrick Noonan of the Conservation Fund and other distinguished Americans served on the commission. President Reagan himself was an outdoorsman. The President challenged his commission to look ahead for a generation and tell the country how we can have appropriate places to do what we want to do outdoors.

In the report of our commission in 1987, we found many threats to the opportunity to enjoy the outdoors: exotic pollutants, loss of space through urban growth, and disappearance of wetlands. Changing lifestyles and new technology presented new challenges as well as opportunities. Differences in needs and Federal land ownership between the eastern and western States created challenging conflicts to resolve.

In our report we emphasized that most outdoors recreation occurs close to home, near towns or cities where 80 percent of us live. We therefore recommended more land trusts, greenways, city parks and scenic byways.

We suggested that most of this action be accomplished by a prairie fire of local concern rather than by action in Washington, DC, but we did recommend that Congress dedicate at least $1 billion a year from offshore oil and gas drilling revenues to provide a steady, reliable flow of funds to the Land and Water Conservation Fund.

Much of what we recommended has happened and is now law.

But it is now time to build on the commission's work of 20 years ago and look ahead for another generation.

By fully funding State wildlife grants, urban parks and the State programs of the Land and Water Conservation Fund, the Americans Outdoors Act of 2004 will continue that legacy. It will enlarge on the legacy by providing new funds for coastal assistance, including wetlands protection.

It will do so through a new steady stream of funding by creating what I think of as a "conservation royalty." This new conservation royalty is not such a new idea at all. This conservation royalty is modeled after the existing State royalty for onshore oil and gas drilling that was created in the Mineral Lands Leasing Act of 1920. That act gives 50 cents of every dollar from drilling—and in the case of Alaska, 90—as a royalty to the State in which the drilling occurs.

In a similar way, The Americans Outdoors Act of 2004 would create a conservation royalty of about 25 percent for revenues of the funds collected from offshore drilling on Federal lands. Some of the royalty would go to the States where the drilling occurs. More would go to all states for parks, game and fish commissions and projects funded by the Land and Water Conservation Fund.

The idea is very simple: if drilling for oil and gas creates an environmental impact, it is wise to use some of the proceeds to create an environmental benefit. In 2001, the Federal Government received $7.5 billion in oil and gas revenues from federal offshore leases. This revenue comes from the Outer Continental Shelf, which supplies more oil to the United States than any other country, including Saudi Arabia.

Chairman PETER DOMENICI has scheduled a hearing in the Energy and Natural Resources Committee on July 13. In the meantime Senator LANDRIEU and I will continue our discussion with other committee members and other colleagues to create a consensus.

There is at least one piece of unfinished business. At some point in the process, Senator LANDRIEU and I will offer an amendment to our own legislation that will fully fund—at $450 million a year—the Federal side of the Land and Water conservation Fund. It was this provision in earlier legislation that helped to cause the legislation not to be enacted by the Senate. We believe that by listening to our colleagues and developing more flexibility among states in how these dollars might be spent, we can develop legislation that will pass the Senate.

We are glad to see that Congressmen YOUNG and MILLER have introduced a similar piece of legislation in the House of Representatives. We look forward to working with them.

We are pleased tat already more than two dozen national organizations representing millions of Americans have expressed their support for the American outdoors Act of 2004. These organizations range from the U.S. Conference of Mayors, to the National Wildlife Federation, to Ducks Unlimited, and the City Parks Alliance. We invite all Americans and our colleagues of both political parties, to join with us in providing a legacy for the next generation to enjoy the great American outdoors.

Someone once said that Italy has its art, England its history, and the United States has the great American outdoors. Our magnificent land, as much of our love of liberty, is at the core of our character. It has inspired our pioneer spirit, our resourcefulness and our generosity. Its greatness has fueled our individualism and optimism, and made us believe that anything is possible. It has influenced our music, literature, science and language. It has served as the training ground of our athletes and philosophers, of poets and defenders of American ideals.

That is why there is a conservation majority—a large conservation majority—in the United States of America. That is why, I believe, that when this bill comes to the floor, there will be a large conservation majority in the U.S. Senate.

Mr. President, I ask unanimous consent that a list of the more than two dozen organizations—from the United States Conference of Mayors, to the National Wildlife Federation, to Ducks Unlimited, to the Conservation Council, and many others—representing millions of Americans in support of the Americans Outdoors Act of 2004 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LIST OF AMERICANS OUTDOORS BILL SUPPORTERS

National Governors Association has a policy consistent with this bill. National Governors Association has not formally endorsed the bill.
US Conference of Mayors
National Wildlife Federation
International Association of Fish and Wildlife Agencies
Outdoor Industry Association
American Sportfishing Association
National Wild Turkey Federation
United States Soccer Foundation
United States Soccer Federation
National Marine Manufacturers Association
American Planning Association
American Society of Landscape Architects
Americans for Our Heritage and Recreation
City Parks Alliance
The Conservation Fund
National Association of State Outdoor Recreation Liaison Officers
National Association of State Park Directors
National Council of Youth Sports
National Recreation and Park Association
Outdoor Industry Association
SGMA International
Smart Growth International
Archery Trade Association
Theodore Roosevelt Conservation Partnership
Boone and Crockett Club
The Wildlife Society
AZ Antelope Foundation
AZ Desert Bighorn Sheep Society
AZ Wildlife Conservation Council
BASS/ESPN Outdoors
WILDEATS Enterprises
Association of Native Americans
Trout Unlimited
Ducks Unlimited
PA BASS Federation
Western Clinton Sportsmen's Association
Hodgman, Inc
Federation of Fly Fishers
The Conservation Council
State of Louisiana

Mr. ALEXANDER. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2590

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Americans Outdoors Act of 2004".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—DISPOSITION OF OUTER CONTINENTAL SHELF REVENUES

Sec. 101. Disposition.

TITLE II—COASTAL IMPACT ASSISTANCE

Sec. 201. Coastal Impact Assistance Program.

TITLE III—LAND AND WATER CONSERVATION FUND

Sec. 301. Apportionment of amounts available for State purposes.
Sec. 302. State planning.
Sec. 303. Assistance to States for other projects.
Sec. 304. Conversion of property to other use.
Sec. 305. Water rights.

TITLE IV—CONSERVATION AND RESTORATION OF WILDLIFE

Sec. 401. Purposes.
Sec. 402. Definitions.
Sec. 403. Wildlife Conservation and Restoration Account.
Sec. 404. Apportionment to Indian tribes.
Sec. 405. No effect on prior appropriations.

TITLE V—URBAN PARK AND RECREATION RECOVERY PROGRAM

Sec. 501. Expansion of purpose of Urban Park and Recreation Recovery Act of 1978 to include development of new areas and facilities.
Sec. 502. Definitions.
Sec. 503. Eligibility.
Sec. 504. Grants.
Sec. 505. Recovery action programs.
Sec. 506. State action incentives.
Sec. 507. Conversion of recreation property.
Sec. 508. Treatment of transferred amounts.
Sec. 509. Repeal.

TITLE I—DISPOSITION OF OUTER CONTINENTAL SHELF REVENUES

SEC. 101. DISPOSITION.

Section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) is amended to read as follows:

"SEC. 9. DISPOSITION OF REVENUES.

"(a) In General.—For each of fiscal years 2005 through 2010, the Secretary of the Treasury shall deposit in the Treasury of the United States all qualified outer continental shelf revenues (as defined in section 31(a)).

"(b) Transfer for Conservation Royalty Expenditures.—For each of fiscal years 2005 through 2010, from amounts deposited for the preceding fiscal year under subsection (a), the Secretary of the Treasury shall transfer—

"(1) to the Secretary to make payments under section 31, $500,000,000;

"(2) to the Land and Water Conservation Fund to provide financial assistance to States under section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*-8), $450,000,000;

"(3) to the Federal aid to wildlife restoration fund established under section 3 of the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 669b) for deposit in the Wildlife Conservation and Restoration Account, $350,000,000; and

"(4) to the Secretary to carry out the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 et seq.), $125,000,000. ".

TITLE II—COASTAL IMPACT ASSISTANCE

SEC. 201. COASTAL IMPACT ASSISTANCE PROGRAM.

Section 31 of the Outer Continental Shelf Lands Act (43 U.S.C. 1356a) is amended to read as follows:

"SEC. 31. COASTAL IMPACT ASSISTANCE PROGRAM.

"(a) Definitions.—In this section:

"(1) Coastal political subdivision.—The term 'coastal political subdivision' means a political subdivision of a coastal State any part of which political subdivision is—

"(A) within the coastal zone (as defined in section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453)) of the coastal State; and

"(B) not more than 200 miles from the geographic center of any leased tract.

"(2) Coastal population.—The term 'coastal population' means the population, as determined by the most recent official data of the Census Bureau, of each political subdivision any part of which lies within the designated coastal boundary of a State (as defined in a State's coastal zone management program under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.)).

"(3) Coastal state.—The term 'coastal State' has the meaning given the term in section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453).

"(4) Coastline.—The term 'coastline' has the meaning given the term 'coast line' in section 2 of the Submerged Lands Act (43 U.S.C. 1301).

"(5) Distance.—The term 'distance' means the minimum great circle distance, measured in statute miles.

"(6) Leased tract.—The term 'leased tract' means a tract that is subject to a lease under section 6 or 8 for the purpose of drilling for, developing, and producing oil or natural gas resources.

"(7) Political subdivision.—The term 'political subdivision' means the local political jurisdiction immediately below the level of State government, including counties, parishes, and boroughs.

"(8) Producing state.—

"(A) In general.—The term 'producing State' means a coastal State with a coastal seaward boundary within 200 miles from the geographic center of a leased tract.

"(B) Exclusion.—The term 'producing State' does not include a leased tract or portion of a leased tract that is located in a geographic area subject to a leasing moratorium on January 1, 2002, unless the lease was in production on that date.

"(9) Qualified outer continental shelf revenues.—

"(A) In general.—The term 'qualified Outer Continental Shelf revenues' means all amounts received by the United States after January 1, 2003, from each leased tract or portion of a leased tract—

"(i) lying—

"(I) seaward of the zone covered by section 8(g); or

"(II) within that zone, but to which section 8(g) does not apply; and

"(ii) the geographic center of which lies within a distance of 200 miles from any part of the coastline of any coastal State.

"(B) Inclusions.—The term 'qualified Outer Continental Shelf revenues' includes bonus bids, rents, royalties (including payments for royalty taken in kind and sold), net profit share payments, and related late-payment interest from natural gas and oil leases issued under this Act.

"(C) Exclusion.—The term 'qualified Outer Continental Shelf revenues' does not include any revenues from a leased tract or portion of a leased tract that is located in a geographic area subject to a leasing moratorium on January 1, 2002, unless the lease was in production on that date.

"(10) Transferred amount.—The term 'transferred amount' means the amount transferred to the Secretary under section 9 to make payments to producing States and coastal political subdivisions under this section for a fiscal year.

"(b) Payments to Producing States and Coastal Political Subdivisions.—

"(1) In general.—For each of fiscal years 2005 through 2010, the transferred amount shall be allocated by the Secretary among producing States and coastal political subdivisions in accordance with this section.

"(2) Disbursement.—In each fiscal year, the Secretary shall, without further appropriation, disburse to each producing State for which the Secretary has approved a plan under subsection (c), and to coastal political subdivisions under paragraph (4), such funds as are allocated to the producing State or coastal political subdivision, respectively, under this section for the fiscal year.

"(3) Allocation among producing states.—

"(A) In general.—Except as provided in subparagraph (B), the transferred amount shall be allocated to each producing State in the proportion that, for the preceding 5-year period—

"(i) the amount of qualified outer Continental Shelf revenues generated off the coastline of the producing State; bears to

"(ii) the amount of qualified outer Continental Shelf revenues generated off the coastline of all producing States.

"(B) Multiple producing states.—In a case in which more than 1 producing State is located within 200 miles of any portion of a leased tract, the amount allocated to each producing State for the leased tract shall be inversely proportional to the distance between—

"(i) the nearest point on the coastline of the producing State; and

"(ii) the geographic center of the leased tract.

"(4) Payments to coastal political subdivisions.—

"(A) In general.—The Secretary shall pay 35 percent of the amount allocated under paragraph (3) to the coastal political subdivisions in the producing State.

"(B) Formula.—Of the amount paid by the Secretary to coastal political subdivisions under subparagraph (A)—

"(i) 25 percent shall be allocated to each coastal political subdivision in the proportion that—

"(I) the coastal population of the coastal political subdivision; bears to

"(II) the coastal population of all coastal political subdivisions in the producing State;

"(ii) 25 percent shall be allocated to each coastal political subdivision in the proportion that—

"(I) the number of miles of coastline of the coastal political subdivision; bears to

"(II) the number of miles of coastline of all coastal political subdivisions in the producing State; and

"(iii) 50 percent shall be allocated in amounts that are inversely proportional to the respective distances between the points in each coastal political subdivision that are closest to the geographic center of each leased tract, as determined by the Secretary.

"(C) Exception for the state of Louisiana.—For the purposes of subparagraph (B)(ii), the coastline for coastal political subdivisions in the State of Louisiana without a coastline shall be the average length of the coastline of all other coastal political subdivisions in the State of Louisiana.

"(D) Exception for the state of Alaska.—For the purposes of carrying out subparagraph (B)(iii) in the State of Alaska, the amounts allocated shall be divided equally among the 2 coastal political subdivisions that are closest to the geographic center of a leased tract.

“(E) Exclusion of certain leased tracts.—For purposes of subparagraph (B)(iii), a leased tract or portion of a leased tract shall be excluded if the tract or portion of a leased tract is located in a geographic area subject to a leasing moratorium on January 1, 2002, unless the lease was in production on that date.

“(5) No approved plan.—

“(A) In general.—Subject to subparagraph (B) and except as provided in subparagraph (C), in a case in which any amount allocated to a producing State or coastal political subdivision under paragraph (3) or (4) is not disbursed because the producing State does not have in effect a plan that has been approved by the Secretary under subsection (c), the Secretary shall allocate the undisbursed amount equally among all other producing States.

“(B) Retention of allocation.—The Secretary shall hold in escrow an undisbursed amount described in subparagraph (A) until such date as the final appeal regarding the disapproval of a plan submitted under subsection (c) is decided.

“(C) Waiver.—The Secretary may waive subparagraph (A) with respect to an allocated share of a producing State and hold the allocable share in escrow if the Secretary determines that the producing State is making a good faith effort to develop and submit, or update, a plan in accordance with subsection (c).

“(c) Coastal Impact Assistance Plan.—

“(1) Submission of state plans.—

“(A) In general.—Not later than July 1, 2005, the Governor of a producing State shall submit to the Secretary a coastal impact assistance plan.

“(B) Public participation.—In carrying out subparagraph (A), the Governor shall solicit local input and provide for public participation in the development of the plan.

“(2) Approval.—

“(A) In general.—The Secretary shall approve a plan of a producing State submitted under paragraph (1) before disbursing any amount to the producing State, or to a coastal political subdivision located in the producing State, under this section.

“(B) Components.—The Secretary shall approve a plan submitted under paragraph (1) if—

“(i) the Secretary determines that the plan is consistent with the uses described in subsection (d); and

“(ii) the plan contains—

“(I) the name of the State agency that will have the authority to represent and act on behalf of the producing State in dealing with the Secretary for purposes of this section;

“(II) a program for the implementation of the plan that describes how the amounts provided under this section to the producing State will be used;

“(III) for each coastal political subdivision that receives an amount under this section—

“(aa) the name of a contact person; and

“(bb) a description of how the coastal political subdivision will use amounts provided under this section;

“(IV) a certification by the Governor that ample opportunity has been provided for public participation in the development and revision of the plan; and

“(V) a description of measures that will be taken to determine the availability of assistance from other relevant Federal resources and programs.

“(3) Amendment.—Any amendment to a plan submitted under paragraph (1) shall be—

“(A) developed in accordance with this subsection; and

“(B) submitted to the Secretary for approval or disapproval under paragraph (4).

“(4) Procedure.—

“(A) In general.—Except as provided in subparagraph (B), not later than 90 days after the date on which a plan or amendment to a plan is submitted under paragraph (1) or (3), the Secretary shall approve or disapprove the plan or amendment.

“(B) Exception.—For fiscal year 2005, the Secretary shall approve or disapprove a plan submitted under paragraph (1) not later than December 31, 2005.

“(d) Authorized Uses.—

“(1) In general.—A producing State or coastal political subdivision shall use all amounts received under this section, including any amount deposited in a trust fund that is administered by the State or coastal political subdivision and dedicated to uses consistent with this section, in accordance with all applicable Federal and State law, only for 1 or more of the following purposes:

“(A) Projects and activities for the conservation, protection, or restoration of coastal areas, including wetland.

“(B) Mitigation of damage to fish, wildlife, or natural resources.

“(C) Planning assistance and the administrative costs of complying with this section.

“(D) Implementation of a federally-approved marine, coastal, or comprehensive conservation management plan.

“(E) Mitigation of the impact of outer Continental Shelf activities through funding of onshore infrastructure projects and public service needs.

“(2) Compliance with authorized uses.—If the Secretary determines that any expenditure made by a producing State or coastal political subdivision is not consistent with this subsection, the Secretary shall not disburse any additional amount under this section to the producing State or the coastal political subdivision until such time as all amounts obligated for unauthorized uses have been repaid or reobligated for authorized uses.”.

TITLE III—LAND AND WATER CONSERVATION FUND

SEC. 301. APPORTIONMENT OF AMOUNTS AVAILABLE FOR STATE PURPOSES.

Section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8) is amended—

(1) in the second sentence of subsection (a), by inserting “(including facility rehabilitation, but excluding facility maintenance)” after “(3) development”; and

(2) by striking subsection (b) and inserting the following:

“(b) Apportionment Among the States.—

“(1) Definition of state.—

“(A) In general.—Except as provided in subparagraph (B), in this subsection, the term ‘State’ means—

“(i) each of the States of the United States;

“(ii) the District of Columbia;

“(iii) the Commonwealth of Puerto Rico;

“(iv) the Commonwealth of the Northern Mariana Islands;

“(v) the United States Virgin Islands;

“(vi) Guam; and

“(vii) American Samoa.

“(B) Limitation.—For the purposes of paragraph (3), the States referred to in clauses (iii) through (vii) of subparagraph (A)—

“(i) shall be treated collectively as 1 State; and

“(ii) shall each receive an apportionment under that paragraph based on the ratio that—

“(I) the population of the State; bears to

“(II) the population of all the States referred to in clauses (iii) through (vii) of subparagraph (A).

“(2) Deduction for administrative expenses.—For each fiscal year, the Secretary may deduct, for payment of administrative expenses incurred by the Secretary in carrying out this section, not more than 1 percent of the amounts made available for financial assistance to States for the fiscal year under this Act.

“(3) Apportionment.—

“(A) In general.—Not later than 60 days after the end of the fiscal year, the Secretary shall apportion among the States the amounts remaining after making the deduction under paragraph (2).

“(B) Formula.—Subject to paragraph (5), of the amounts described in subparagraph (A) for each fiscal year—

“(i) 60 percent shall be apportioned equally among the States; and

“(ii) 40 percent shall be apportioned among the States based on the ratio that—

“(I) the population of each State (as reported in the most recent decennial census); bears to

“(II) the population of all of the States (as reported in the most recent decennial census).

“(4) Limitation.—For any fiscal year, the total apportionment to any 1 State under paragraph (3) shall not exceed 10 percent of the total amount apportioned to all States for the fiscal year.

“(5) State notification.—The Secretary shall notify each State of the amount apportioned to the State under paragraph (3).

“(6) Use of funds.—

“(A) In general.—Amounts apportioned to a State under paragraph (3) may be used for planning, acquisition, or development projects in accordance with this Act.

“(B) Limitation.—Amounts apportioned to a State under paragraph (3) shall not be used for condemnation of land.

“(7) Reapportionment.—

“(A) In general.—Any portion of an apportionment to a State under this subsection that has not been paid or obligated by the Secretary by the end of the second fiscal year that begins after the date on which notification is provided to the State under paragraph (5) shall be reapportioned by the Secretary in accordance with paragraph (3).

“(B) Limitation.—A reapportionment under this paragraph shall be made without regard to the limitation described in paragraph (4).

“(8) Apportionment to Indian tribes.—

“(A) Definition.—In this paragraph, the term ‘Indian tribe’—

“(i) in the case of the State of Alaska, means a Native corporation (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)); and

“(ii) in the case of any other State, has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

“(B) Apportionment.—For the purposes of paragraph (3), each Indian tribe shall be eligible to receive a share of the amount available under paragraph (3) in accordance with a competitive grant program established by the Secretary.

“(C) Total apportionment.—The total apportionment available to Indian tribes under subparagraph (B) shall be equal to the amount available to a single State under paragraph (3).

"(D) Amount of grant.—For any fiscal year, the grant to any 1 Indian tribe under this paragraph shall not exceed 10 percent of the total amount made available to Indian tribes under paragraph (3).

"(E) Use of funds.—Funds received by an Indian tribe under this paragraph may be used for the purposes specified in paragraphs (1) and (3) of subsection (a).

"(9) Local allocation.—Unless the State demonstrates on an annual basis to the satisfaction of the Secretary that there is a compelling reason not to provide grants under this paragraph, each State (other than the District of Columbia) shall make available, as grants to political subdivisions of the State, not less than 25 percent of the annual State apportionment under this subsection, or an equivalent amount made available from other sources.".

SEC. 302. STATE PLANNING.

(a) In General.—Section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8) is amended by striking subsection (d) and inserting the following:

"(d) Selection Criteria; State Action Agenda.—

"(1) Selection criteria.—Each State may develop priorities and criteria for selection of outdoor conservation and recreation acquisition and development projects eligible for grants under this Act, if—

"(A) the priorities and criteria developed by the State are consistent with this Act;

"(B) the State provides for public participation in the development of the priorities and criteria; and

"(C) the State develops a State action agenda (referred to in this section as a 'State action agenda') that includes the priorities and criteria established under this paragraph.

"(2) State action agenda.—

"(A) In general.—Not later than 5 years after the date of enactment of this subparagraph, the State, in partnership with political subdivisions of the State and Federal agencies and in consultation with the public, shall develop a State action agenda.

"(B) Required elements.—A State action agenda shall—

"(i) include strategies to address broad-based and long-term needs while focusing on actions that can be funded during the 5-year period covered by the State action agenda;

"(ii) take into account all providers of conservation and recreation land in each State, including Federal, regional, and local government resources;

"(iii) include the name of the State agency that will have authority to represent and act for the State in dealing with the Secretary for the purposes of this Act;

"(iv) describe the priorities and criteria for selection of outdoor recreation and conservation acquisition and development projects; and

"(v) include a certification by the Governor of the State that ample opportunity for public participation has been provided in the development of the State action agenda.

"(C) Update.—Each State action agenda shall be updated at least once every 5 years.

"(D) Certification.—The Governor shall certify that the public has participated in the development of the State action agenda.

"(E) Coordination with other plans.—

"(i) In general.—The State action agenda shall be coordinated, to the maximum extent practicable, with other State, regional, and local plans for parks, recreation, open space, fish and wildlife, and wetland and other habitat conservation.

"(ii) Recovery action programs.—

"(I) In general.—The State shall use recovery action programs developed by urban local governments under section 1007 of the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2506) as a guide to the conclusions, priorities, and action schedules contained in the State action agenda.

"(II) Requirements for local planning.—To minimize the redundancy of local outdoor conservation and recreation efforts, each State shall provide that, to the maximum extent practicable, the findings, priorities, and implementation schedules of recovery action programs may be used to meet requirements for local outdoor conservation and recreation planning that are conditions for grants under the State action agenda.

"(F) Comprehensive statewide outdoor recreation plan.—A comprehensive statewide outdoor recreation plan developed by a State before the date that is 5 years after the date of enactment of this subparagraph shall remain in effect in the State until a State action agenda is adopted under this paragraph, but not later than 5 years after the date of enactment of that Act.".

(b) Conforming Amendments.—

(1) Section 6(e) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8(e)) is amended—

(A) in the matter preceding paragraph (1), by inserting "or State action agenda" after "State comprehensive plan"; and

(B) in paragraph (1), by inserting "or State action agenda" after "comprehensive plan".

(2) Section 32(e) of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1011(e)) is amended in the last proviso of the first paragraph by striking "existing comprehensive statewide outdoor recreation plan found adequate for purposes of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897)" and inserting "comprehensive statewide outdoor recreation plan or State action agenda required by section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8)".

(3) Section 102(a)(2) of the National Historic Preservation Act (16 U.S.C. 470b(a)(2)) is amended by striking "comprehensive statewide outdoor recreation plan prepared pursuant to the Land and Water Conservation Fund Act of 1965 (78 Stat. 897)" and inserting "comprehensive statewide outdoor recreation plan or State action agenda required by section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8)".

(4) Section 6(a) of the Federal Water Project Recreation Act (16 U.S.C. 460*l*–17(a)) is amended by striking "State comprehensive plan developed pursuant to subsection 5(d) of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897)" and inserting "comprehensive statewide outdoor recreation plan or State action agenda required by section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8)".

(5) Section 8(a) of the National Trails System Act (16 U.S.C. 1247(a)) is amended in the first sentence—

(A) by inserting "or State action agendas" after "comprehensive statewide outdoor recreation plans"; and

(B) by inserting "of 1965 (16 U.S.C. 460*l*–4 et seq.)" after "Fund Act".

(6) Section 11(a)(2) of the National Trails System Act (16 U.S.C. 1250(a)(2)) is amended by striking "(relating to the development of Statewide Comprehensive Outdoor Recreation Plans)" and inserting "(16 U.S.C. 460*l*–8)".

(7) Section 11 of the Wild and Scenic Rivers Act (16 U.S.C. 1282) is amended—

(A) in subsection (a)—

(i) by inserting "or State action agendas" after "comprehensive statewide outdoor recreation plans"; and

(ii) by striking "(78 Stat. 897)" and inserting "(16 U.S.C. 460*l*–4 et seq.)"; and

(B) in subsection (b)(2)(B), by striking "(relating to the development of statewide comprehensive outdoor recreation plans)" and inserting "(16 U.S.C. 460*l*–8)".

(8) Section 206(d) of title 23, United States Code, is amended—

(A) in paragraph (1)(B), by striking "statewide comprehensive outdoor recreation plan required by the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–4 et seq.)" and inserting "comprehensive statewide outdoor recreation plan or State action agenda required by section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8)"; and

(B) in paragraph (2)(D)(ii), by striking "statewide comprehensive outdoor recreation plan that is required by the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–4 et seq.)" and inserting "comprehensive statewide outdoor recreation plan or State action agenda that is required by section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8)".

(9) Section 202(c)(9) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712(c)(9)) is amended by striking "statewide outdoor recreation plans developed under the Act of September 3, 1964 (78 Stat. 897), as amended" and inserting "comprehensive statewide outdoor recreation plans or State action agendas required by section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8)".

SEC. 303. ASSISTANCE TO STATES FOR OTHER PROJECTS.

Section 6(e) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8(e)) is amended—

(1) in paragraph (1), by striking ", but not including incidental costs relating to acquisition"; and

(2) in paragraph (2), by inserting before the colon the following: "or to enhance public safety in a designated park or recreation area".

SEC. 304. CONVERSION OF PROPERTY TO OTHER USE.

Section 6(f)(3) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8(f)(3)) is amended—

(1) by striking "(3) No property" and inserting the following:

"(3) Conversion of property to other use.—

"(A) In general.—No property"; and

(2) by striking the second sentence and inserting the following:

"(B) Requirements for approval.—The Secretary shall approve a conversion under subparagraph (A) if—

"(i) the State demonstrates that there is no other prudent or feasible alternative;

"(ii) the property no longer meets the criteria in the comprehensive statewide outdoor recreation plan or State action agenda for an outdoor conservation and recreation facility because of changes in demographics; or

"(iii) the property must be abandoned because of environmental contamination that endangers public health or safety.

"(C) Conditions.—A conversion under subparagraph (A) shall satisfy any conditions that the Secretary determines to be necessary to ensure the substitution of other conservation or recreation property that is—

"(i) of at least equal fair market value;

"(ii) of reasonably equivalent usefulness and location; and

"(iii) consistent with the comprehensive statewide outdoor recreation plan or State action agenda.".

SEC. 305. WATER RIGHTS.

Title I of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–4 et seq.) is amended by adding at the end the following:

"SEC. 14. WATER RIGHTS.

"Nothing in this title—

"(1) invalidates, preempts, or modifies any Federal or State water law or an interstate compact relating to water, including water quality and disposal;

"(2) alters the rights of any State to an appropriated share of the water of any body of surface water or groundwater, as established by interstate compacts entered into, legislation enacted, or final judicial allocations adjudicated before, on, or after the date of enactment of this Act; or

"(3) confers on any non-Federal entity the ability to exercise any Federal right to the waters of any stream or to any ground water resource.".

TITLE IV—CONSERVATION AND RESTORATION OF WILDLIFE

SEC. 401. PURPOSES.

The purposes of this title are—

(1) to ensure adequate funding of the program established under the amendments to the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 669 et seq.) enacted by title IX of H.R. 5548 of the 106th Congress, as enacted by section 1(a)(2) of Public Law 106–553 (114 Stat. 2762, 2762A–118); and

(2) to ensure the conservation and sustainability of fish and wildlife to provide and promote greater hunting, angling, and wildlife viewing opportunities.

SEC. 402. DEFINITIONS.

Section 2 of the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 669a) is amended—

(1) by redesignating paragraphs (1), (2), (3), (4), (5), (6), (7), and (8) as paragraphs (2), (4), (5), (6), (7), (8), (9), and (10), respectively;

(2) by inserting before paragraph (2) (as redesignated by paragraph (1)) the following:

"(1) Account.—The term 'Account' means the Wildlife Conservation and Restoration Account established by section 3(a)(2).";

(3) by inserting after paragraph (2) (as redesignated by paragraph (1)) the following:

"(3) Indian tribe.—The term 'Indian tribe'—

"(A) in the case of the State of Alaska, means a Native corporation (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)); and

"(B) in the case of any other State, has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).";

(4) in paragraph (6) (as redesignated by paragraph (1)), by striking "including fish" and inserting "(including, for purposes of section 4(d), fish)"; and

(5) in paragraph (10) (as redesignated by paragraph (1)), by striking "includes the wildlife conservation and restoration program and".

SEC. 403. WILDLIFE CONSERVATION AND RESTORATION ACCOUNT.

Section 3 of the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 669b) is amended—

(1) by striking "Sec. 3. (a)(1) An" and inserting the following:

"SEC. 3. FEDERAL AID TO WILDLIFE RESTORATION FUND.

"(a) In General.—

"(1) Federal aid to wildlife restoration fund.—An"; and

(2) in subsection (a)—

(A) in paragraph (1), by striking "Federal aid to wildlife restoration fund" and inserting "Federal Aid to Wildlife Restoration Fund"; and

(B) by striking paragraph (2) and inserting the following:

"(2) Wildlife conservation and restoration account.—

"(A) Establishment.—There is established in the fund a subaccount to be known as the 'Wildlife Conservation and Restoration Account'.

"(B) Funding.—Amounts transferred to the fund for a fiscal year under section 9(b)(3) of the Outer Continental Shelf Lands Act—

"(i) shall be deposited in the Account; and

"(ii) shall be available, without further appropriation, to carry out State wildlife conservation and restoration programs under section 4(d).".

SEC. 404. APPORTIONMENT TO INDIAN TRIBES.

(a) In General.—Section 4 of the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 669c) is amended—

(1) by redesignating the first subsection (c) as subsection (e); and

(2) in subsection (c), by striking paragraph (1) and inserting the following:

"(1) Apportionment to district of columbia, puerto rico, territories, and indian tribes.—

"(A) In general.—Subject to subparagraph (B), for each fiscal year, the Secretary shall apportion from amounts available in the Account for the fiscal year—

"(i) to each of the District of Columbia and the Commonwealth of Puerto Rico, an amount equal to not more than ½ of 1 percent of amounts available in the Account;

"(ii) to each of Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the United States Virgin Islands, a sum equal to not more than ¼ of 1 percent of amounts available in the Account; and

"(iii) to Indian tribes, an amount equal to not more than 2¼ percent of amounts available in the Account, of which—

"(I) ⅓ shall be apportioned based on the ratio that the trust land area of each Indian tribe bears to the total trust land area of all Indian tribes; and

"(II) ⅔ shall be apportioned based on the ratio that the population of each Indian tribe bears to the total population of all Indian tribes.

"(B) Maximum apportionment to indian tribes.—For each fiscal year, the amounts apportioned under subparagraph (A)(iii) shall be adjusted proportionately so that no Indian tribe is apportioned a sum that is more than 5 percent of the amount available for apportionment under subparagraph (A)(iii) for the fiscal year.".

(b) Conforming Amendments.—

(1) Section 3(c)(2) of the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 669b(c)(2)) is amended by striking "sections 4(d) and (e) of this Act" and inserting "subsection (c) and (d) of section 4".

(2) Section 4(b) of the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 669c(b)) is amended by striking "subsection (c)" and inserting "subsection (e)".

(3) Section 4(d) of the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 669c(d)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by redesignating clauses (i), (ii), and (iii) as subclauses (I), (II), and (III), respectively, and indenting the subclauses appropriately;

(ii) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and indenting the clauses appropriately;

(iii) by striking "(1) Any State" and inserting the following:

"(1) Requirements.—

"(A) In general.—Any State";

(iv) by striking "To apply" and inserting the following:

"(B) Plan.—To apply";

(v) in subparagraph (A) (as designated by clause (iii))—

(I) by inserting "or Indian tribe" before "may apply"; and

(II) by striking "develop a program" and inserting the following: "develop a program for the conservation and restoration of species of wildlife identified by the State";

(vi) in subparagraph (B) (as designated by clause (iv))—

(I) in the matter preceding clause (i) (as redesignated by clause (ii)), by inserting "or Indian tribe" before "shall submit"; and

(II) in clause (i) (as redesignated by clause (ii)), by inserting "or Indian tribe" after "State";

(vii) by redesignating subparagraph (D) as subparagraph (C); and

(viii) in subparagraph (C) (as redesignated by clause (vii))—

(I) in the matter preceding clause (i), by inserting "a State or Indian tribe shall" before "develop and begin";

(II) in clause (i), by inserting "or Indian tribe" before "deems appropriate";

(III) in clauses (ii), (iii), (iv), and (vii), by striking "paragraph (1)" and inserting "subparagraph (A)";

(IV) in clause (vi)—

(aa) by striking "State wildlife conservation strategy" and inserting "wildlife conservation strategy of the State or Indian tribe"; and

(bb) by striking the semicolon at the end and inserting "; and"; and

(V) in clause (vii), by inserting "by" after "feasible";

(B) in paragraph (2), by inserting "or Indian tribe" after "State";

(C) in paragraph (3), by inserting "or Indian tribe" after "State" each place it appears; and

(D) in paragraph (4)—

(i) in subparagraph (A), by striking "State's wildlife conservation and restoration program" each place it appears and inserting "wildlife conservation and restoration program of a State or Indian tribe"; and

(ii) in subparagraph (B)—

(I) by inserting "or Indian tribe" after "each State"; and

(II) by striking "State's wildlife conservation and restoration program" and inserting "wildlife conservation and restoration program of a State or Indian tribe".

(4) Section 8(b) of the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 669g(b)) is amended by striking "section 4(c)" and inserting "section 4(e)".

(5) Section 10 of the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 669h–1) is amended—

(A) in subsection (a)(1)—

(i) in subparagraph (A), by inserting "or obligated" after "used"; and

(ii) in subparagraph (B), by inserting "or obligated" after "used"; and

(B) by striking "section 4(c)" each place it appears and inserting "section 4(e)"

SEC. 405. NO EFFECT ON PRIOR APPROPRIATIONS.

Nothing in this title or any amendment made by this title applies to or otherwise affects the availability or use of any amounts appropriated before the date of enactment of this Act.

TITLE V—URBAN PARK AND RECREATION RECOVERY PROGRAM

SEC. 501. EXPANSION OF PURPOSE OF URBAN PARK AND RECREATION RECOVERY ACT OF 1978 TO INCLUDE DEVELOPMENT OF NEW AREAS AND FACILITIES.

Section 1003 of the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2502) is amended in the first sentence by striking "recreation areas, facilities," and inserting "recreation areas and facilities, the development of new recreation areas and facilities (including acquisition of land for that development),".

SEC. 502. DEFINITIONS.

Section 1004 of the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2503) is amended—

(1) by striking "When used in this title the term—" and inserting "In this title:";

(2) by redesignating paragraphs (1), (2), and (3) of subsection (d) as subparagraphs (A), (B), and (C), respectively, and indenting appropriately;

(3) by redesignating subsections (a), (b), (c), (d), (e), (f), (g), (h), (i), (j), and (k) as paragraphs (9), (10), (4), (1), (8), (6), (3), (12), (7), (13), and (5), respectively, and moving the paragraphs to appear in numerical order;

(4) in each of paragraphs (1), (3), (4), (5), (6), (7), (8), (9), (10), (12), and (13) (as redesignated by paragraph (3))—

(A)(i) by inserting " .—The term" before the first quotation mark; and

(ii) by inserting in the blank the term that is in quotations in each paragraph, respectively; and

(B) by capitalizing the first letter of the term as inserted in the blank under subparagraph (A)(ii);

(5) in each of paragraphs (1), (3), (4), (6), (7), (8), (9), (10), and (12) (as redesignated by paragraph (3)), by striking the semicolon at the end and inserting a period;

(6) in paragraph (13) (as redesignated by paragraph (3)), by striking "; and" at the end and inserting a period;

(7) by inserting after paragraph (1) (as redesignated by paragraph (3)) the following:

"(2) Development grant.—

"(A) In general.—The term 'development grant' means a matching capital grant made to a unit of local government to cover costs of development, land acquisition, and construction at 1 or more existing or new neighborhood recreation sites (including indoor and outdoor recreational areas and facilities, support facilities, and landscaping).

"(B) Exclusions.—The term 'development grant' does not include a grant made to pay the costs of routine maintenance or upkeep activities.";

(8) in paragraph (5) (as redesignated by paragraph (3)), by inserting "the Commonwealth of" before "Northern Mariana Islands"; and

(9) by inserting after paragraph (10) (as redesignated by paragraph (3)) the following:

"(11) Secretary.—The term 'Secretary' means the Secretary of the Interior.".

SEC. 503. ELIGIBILITY.

Section 1005 of the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2504) is amended by striking subsection (a) and inserting the following:

"(a) Eligibility for Assistance.—

"(1) Definition of general purpose local government.—For the purpose of determining eligibility for assistance under this title, the term 'general purpose local government' includes—

"(A) any political subdivision of a metropolitan, primary, or consolidated statistical area, as determined by the most recent decennial census;

"(B) any other city, town, or group of 1 or more cities or towns within a metropolitan statistical area described in subparagraph (A) that has a total population of at least 50,000, as determined by the most recent decennial census; and

"(C) any other county, parish, or township with a total population of at least 250,000, as determined by the most recent decennial census.

"(2) Selection.—The Secretary shall award assistance to general purpose local governments under this title on the basis of need, as determined by the Secretary.".

SEC. 504. GRANTS.

Section 1006(a) of the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2505(a)) is amended—

(1) in the first sentence, by striking "rehabilitation and innovative";

(2) in paragraph (1), by striking "rehabilitation and innovation"; and

(3) in paragraph (2), by striking "rehabilitation or innovative".

SEC. 505. RECOVERY ACTION PROGRAMS.

Section 1007(a) of the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2506(a)) is amended—

(1) in the first sentence, by inserting "development," after "commitments to ongoing planning,"; and

(2) in paragraph (2), by inserting "development and" after "adequate planning for".

SEC. 506. STATE ACTION INCENTIVES.

Section 1008 of the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2507) is amended—

(1) in the first sentence, by inserting "(a) In general.—" before "The Secretary is authorized"; and

(2) by striking the last sentence of subsection (a) (as designated by paragraph (1)) and inserting the following:

"(b) Coordination With Land and Water Conservation Fund Activities.—

"(1) In general.—The Secretary and general purpose local governments are encouraged to coordinate the preparation of recovery action programs required by this title with comprehensive statewide outdoor recreation plans or State action agendas required by section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8) (including by allowing flexibility in preparation of recovery action programs so that those programs may be used to meet State and local qualifications for local receipt of grants under that Act or State grants for similar purposes or for other conservation or recreation purposes).

"(2) Considerations.—The Secretary shall encourage States to consider the findings, priorities, strategies, and schedules included in the recovery action programs of the urban localities of the States in preparation and updating of comprehensive statewide outdoor recreation plans or State action agendas in accordance with the public participation and citizen consultation requirements of section 6(d) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–8(d)).".

SEC. 507. CONVERSION OF RECREATION PROPERTY.

Section 1010 of the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2509) is amended to read as follows:

"SEC. 1010. CONVERSION OF RECREATION PROPERTY.

"(a) In General.—Except as provided in subsection (b), no property developed, acquired, improved, or rehabilitated using funds from a grant under this title shall, without the approval of the Secretary, be converted to any purpose other than a public recreation purpose.

"(b) Approval.—

"(1) In general.—The Secretary shall approve the conversion of property under subsection (a) to a purpose other than a public recreation purpose only if the grant recipient demonstrates that no prudent or feasible alternative exists.

"(2) Applicability.—Paragraph (1) applies to property that—

"(A) is no longer viable for use as a recreation facility because of changes in demographics; or

"(B) must be abandoned because of environmental contamination or any other condition that endangers public health or safety.

"(c) Conditions.—Any conversion of property under this section shall satisfy such conditions as the Secretary considers necessary to ensure the substitution for the property of other recreation property that is—

"(1) at a minimum, equivalent in fair market value, usefulness, and location; and

"(2) subject to the recreation recovery action program of the grant recipient that is in effect as of the date of the conversion of the property.".

SEC. 508. TREATMENT OF TRANSFERRED AMOUNTS.

Section 1013 of the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2512) is amended to read as follows:

"SEC. 1013. FUNDING.

"(a) Treatment of Amounts Transferred From Get Outdoors Act Fund.—

"(1) In general.—Amounts transferred to the Secretary under section 9(b)(4) of the Outer Continental Shelf Lands Act (43 U.S.C. 1338(b)(4)) for a fiscal year shall be available to the Secretary, without further appropriation, to carry out this title.

"(2) Unpaid and unobligated amounts.—Any amount described in paragraph (1) that is not paid or obligated by the Secretary before the end of the second fiscal year beginning after the first fiscal year in which the amount is made available under paragraph (1) shall be reapportioned by the Secretary among grant recipients under this title.

"(b) Deduction for Administrative Expenses.—For each fiscal year, the Secretary may deduct, for payment of administrative expenses incurred by the Secretary in carrying out this section, not more than 4 percent of the amounts made available to the Secretary for the fiscal year under subsection (a).

"(c) Limitations on Annual Grants.—After making the deduction under subsection (b), of the amounts made available for a fiscal year under subsection (a)—

"(1) not more than 10 percent may be used for innovation grants under section 1006;

"(2) not more than 3 percent may be used for grants for the development of local park and recreation recovery action programs under subsections (a) and (c) of section 1007; and

"(3) not more than 15 percent, in the aggregate, may be provided in the form of grants for projects in any 1 State.

"(d) Limitation on Use for Grant Administration.—The Secretary shall establish a limit on the percentage, not to exceed 25 percent, of any grant under this title that may be used for grant and program administration.".

SEC. 509. REPEAL.

Sections 1014 and 1015 of the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2513, 2514) are repealed.

Ms. LANDRIEU. Mr. President, I am pleased to join my colleague Senator ALEXANDER as we introduce this very significant conservation legislation. The junior Senator from Tennessee has been a long-time effective advocate for the environment and for conservation, not only in his own State of Tennessee but for our Nation.

The legislation we introduce today is a new, enhanced version of a piece of legislation that was introduced several years ago. We believe it is a very promising approach to launch one of the most significant conservation efforts ever considered by Congress. The American Outdoors Act is a landmark multiyear commitment to conservation programs directly benefiting all 50 States and hundreds of local communities. It creates a conservation royalty derived from the production of oil and gas on the Outer Continental Shelf and directs it toward the restoration of coastal wetlands, preservation of wildlife habitat, and it helps build and maintain local and State parks for our children, our children's children, for generations to come.

By enacting this legislation, we will make the most significant commitment of Federal resources to conservation ever and ensure a positive legacy of protecting and enhancing critical wildlife habitat, estuaries, marshlands, mountain ranges, open green spaces, and expanded recreational opportunity for Americans today and generations to come. The legislation builds on a great and notable effort made during the 106th Congress that was supported by Governors, mayors, and a coalition of over 5,000 organizations throughout the country. Unfortunately, despite our bipartisan and very deep and widespread support, our efforts were cut short before a final bill could be signed into law. Instead, a commitment was made by those who opposed the legislation last time to guarantee funding for these programs. And unfortunately, we all know the story and the outcome of those promises.

As we have painfully witnessed since then, these programs have not only been reduced, some of them have been eliminated completely, and are terribly underfunded in terms of the critical needs that are presented to us today.

What has happened is exactly what those of us who initiated the effort always anticipated. Each of these significant programs has been shortchanged and a number of them have been left out altogether or forced to compete with each other for Federal resources.

The legislation we are introducing today provides reliable, significant, and steady funding for the urgent and worthy conservation and outdoor recreation needs of our states and rapidly growing urban areas. What makes more sense than to take a portion of revenues from a depleting capital asset of the Nation—offshore Federal oil and gas resources—and reinvest them into sustaining the natural resources of our Nation: wetlands; parks and recreation areas and wildlife.

The Americans Outdoors Act dedicates assured funding for four distinct programs and honors promises made long ago to the American people. The four programs include:

Coastal impact assistance—$500 million to oil and gas producing coastal States to mitigate the various impacts of States that serve as the "platform" for the crucial development of Federal offshore energy resources from the Outer Continental Shelf as well as provide for wetland restoration. This program merely acknowledges the impacts to and contribution of States that are providing the energy to run our country's economy. The Outer Continental Shelf supplies 25 percent of our Nation's oil consumption, more than any other country including Saudi Arabia, with the promise of more, expected to reach 40 percent by 2008. Since this frontier was officially opened to significant oil and gas exploration in 1953, no single region has contributed as much to the nation's energy production as the OCS. The OCS accounts for more than 25 percent of our Nation's natural gas and oil production. With annual returns to the Federal Government averaging $5 billion annually, no single area has contributed as much to the Federal Treasury as the OCS. In fact, since 1953, the OCS has contributed $140 billion to the U.S. Treasury. Allocation to States would be based on their proximity to production. Thirty-five percent of the State's allocation would be shared with coastal political subdivisions based on a formula of 50 percent proximity to production, 25 percent miles of coastline and 25 percent coastal population;

$450 million for the State side of the Land and Water Conservation Fund, LWC, to provide stable funding to States for the planning and development of State and local parks and recreation facilities. The allocation to States would be 60 percent equally among all 50 States and 40 percent based on relative population. This program provides greater revenue certainty for State and local governments to help them meet their recreational needs through recreational facility development and resource protection—all under the discretion of State and local authorities while protecting the rights of private property owners;

Wildlife conservation, education and restoration—$350 million is allocated to all 50 States through the successful program of Pittman-Robertson for the conservation of nongame and game species, with the principal goal of preventing species from becoming endangered or listed under the Endangered Species Act. By taking steps now to prevent species from becoming endangered we are able to not only conserve the significant cultural heritage of wildlife enjoyment for the people of this country, but also avoid the substantial costs associated with recovery for endangered species. Allocations to States would be based on a formula of ⅔ relative population and ⅓ relative land area; and

The Urban Parks and Recreation Recovery Program, UPARR—$125 million in the form of matching grants, 70 percent to provide direct assistance to our cities and towns so that they can focus on the needs of their populations within the more densely inhabited areas around the country where there are fewer green-spaces, playgrounds and soccer fields for our youth.

I would also like to acknowledge our interest in several programs that are not part of this initial package but will be considered as the bill moves through the process. For example, the Federal side of the Land and Water Conservation Fund which focuses primarily on Federal land acquisition. The goal of the Federal side of the LWCF was to share a significant portion of revenues from offshore development with States to provide for protection and public use of the natural environment. It is our intention to discuss this program with our colleagues on the Senate Energy and Natural Resources Committee with the goal of developing a compromise that will garner broad support. In addition, other worthy programs that are not part of the legislation we are introducing today but ideally would be part of a larger more comprehensive effort include Historic Preservation, Payment in Lieu of Taxes, PILT, and the Forest Legacy program.

While we confront a time of war, budget deficits and a struggling economy, setting aside a portion of oil and gas royalties to our states and localities for initiatives such as outdoor spaces or recreation facilities for our children to play could not be more crucial. Programs such as the State side of the Land and Water Conservation Fund are in fact the economic stimulus that our States and cities need in these times. The time has come to take the proceeds from a non-renewable resource for the purpose of reinvesting a portion of these revenues in the conservation and enhancement of our renewable resources. To continue to do otherwise, as we have over the last 50 years, is fiscally irresponsible.

As I said, the legislation we introduce today, therefore, provides a reliable, significant, and steady stream of funding that cannot be manipulated or tampered with at the whim of this or that, but will be there for conservation efforts that our local communities and States can count on to provide this great legacy and heritage for our grandchildren.

What makes more sense than taking a portion of the offshore oil and gas revenues that have generated almost $130 billion since the first well was drilled off of our shore on the Continental Shelf almost 100 years ago? What would make more sense than taking a small portion of that money and giving it back to the environment, back to our mountain ranges, to our marshes, to our coastal areas, protecting and preserving our great land for generations to come? The American Outdoors Act does exactly that.

It dedicates and assures funding for four distinct programs: Coastal impact assistance, of which Louisiana and other coastal States would benefit. Of course, we are proud to serve as oil and gas producers, helping us secure our energy independence from foreign sources, providing much critical feedstock, if you will, for our energy industry in the State, and expanding our economic opportunities. Because we produce so much oil and gas, we would deserve help with our vanishing coastline.

In addition, the other segment of this bill would fund the Land and Water Conservation Fund State side. As the Senator from Tennessee noted, he and I are firmly committed to also providing support and full funding for the Federal side of land and water, as this bill moves through the process.

Wildlife conservation, education, and restoration would be fully funded. That helps all of our States. The Urban Parks and Recreation Program, which has been so critical for quality-of-life issues and economic development in our cities, in our suburbs, our urban centers, would also be funded.

Time is not on our side. While other issues might be able to wait and other issues could maybe be funded gradually over time, for every month we delay, for every year we delay, we lose acres and acres, miles and miles of land we will never be able to recover.

Louisiana itself is literally washing away. We have lost the size of the State of Rhode Island off our coast in the last 100 years. If some foreign country attacked our country and tried to take a portion of land away from us, we would fight with every strength and every tool and every resource available. But we stand here literally in some ways twiddling our thumbs while this land is washed away into the Gulf of Mexico. And not just any land but very productive land and very necessary land, not just for Louisiana but for the entire United States.

I close with a quote from Teddy Roosevelt because it is appropriate. He was a great conservation President. Over 100 years ago he started many programs. I love taking my children to Theodore Roosevelt Island. We ride our bikes over there. I love telling them the story of Teddy Roosevelt. I explain many stories about what he did, hunting in Louisiana, the history of the black bear, et cetera.

In his autobiography he wrote of his experiences in Coastal Louisiana:

> And to lose the chance to see frigate birds soaring in circles above the storm or, a file of pelicans winging their way homeward across the crimson afterglow of the sunset, or a myriad of terns flashing in the bright light of midday as they hover in a shifting maze above the beach, why, the loss is like the loss of a gallery of masterpieces of the artists of old time.

This is what he said when he recalled his trip to Breton Island Sound, the second of over 540 national wildlife heritage areas designated in the last 100 years. The land in this picture is gone. It no longer exists because we have twiddled our thumbs for almost 100 years.

Today we introduce a bill to stop us from twiddling our thumbs, direct our resources, get serious about conservation, serious about the taxpayer money, and do something with it that the overwhelming majority of the taxpayers would stand up and cheer, if they had the chance to vote on it.

I thank the Chair. It will be a pleasure working with the Senator from Tennessee as we lead this great effort.

By Mr. CONRAD (for himself and Mr. DORGAN):

S. 2592. A bill to provide crop and livestock disaster assistance; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. CONRAD. Mr. President, today I am joined by my colleague from North Dakota, Senator DORGAN, in introducing legislation intended to address the twin natural disasters that are threatening the livelihoods of farmers and ranchers across our State.

For much of North Dakota, the year began with great promise. Record high crop and livestock prices offered the potential for much needed improvement in farm income for producers throughout the State. The stage was set for increased returns from the marketplace, and a corresponding reduction in current costs under the 2002 Farm Bill.

Then Mother Nature intervened.

In early May, just as fieldwork was set to begin in earnest, many farmers in the northern part of the State were hit with a late snowfall and continued, unseasonably cool weather. That was followed by weeks of repeated rains, sometime several inches at a time. The deluge, and continued low temperatures, left fields soggy or underwater, and delayed and eventually prevented the planting of crops across huge swaths of the northern and northeastern part of the state, generating numerous reports of farmers being forced to abandon one-third, one-half, and even more of their crop ground.

As one hard struck farmer described the situation to me:

> Our 2004 crop is late again, due to cold wet ground since May 10. Heavy snow on May 11 and 12 and continuous rain is delaying all field work. If we don't get some help we will be forced to sell out. Input costs—fuel, fertilizer, and repairs never end. We haven't been able to seed a kernel of grain yet for 2004 due to too much water.

In the southwestern corner of North Dakota, the problem faced by livestock producers is just the opposite. Conditions are bone dry, and even though it's relatively early in the season, the land is parched, thanks to virtually no moisture since the start of the year and the lingering effect of a drought that has robbed the land of subsoil moisture and that, for many producers, goes back two years or more.

Here's how one rancher explained what he's up against:

> I am a registered Angus Producer in SW North Dakota. Our moisture situation is bad. We have had approximately 1″ of rain all spring if you count all the little showers together. The cool weather is the only thing that has saved what little forage there is in the pasture. There will be no hay crop and that includes trying to hay the ditches.

Another one wrote me:

> I live in rural Sioux County North Dakota. I am a rancher. The drought situation is getting very serious. I am looking for options as far as feed & pasture for my cattle, but haven't found any yet. I have sold nearly half of my cattle since the dry conditions started in 2002. We appreciate any and all help that you can give us. This is cow country & I think we need to retain as much of our cattle numbers as we can.

These producers need real help and they need it urgently. That's why the bill I am introducing today follows closely the outline of disaster assistance legislation enacted in recent years, all in an effort to speed the delivery of crop and livestock assistance to those who livelihoods hang in the balance.

The essential provisions of the "Agricultural Assistance Act of 2004" are as follows:

First, in the case of crop losses, eligibility for assistance would be triggered by production losses exceeding 35 percent of normal yields. Under the bill, producers who had purchased crop insurance—which under the best of options covers only a portion of normal yields—would receive a payment equal to 50 percent of the "established price" for the crop. Those who did not purchase crop insurance would receive a payment equal to just 40 percent of the established price, and would be required to purchase crop insurance for each of the following two crop years. Assistance to individual producers would be limited as provided in previously-enacted disaster bills.

In the case of ranchers suffering grazing losses of 40 percent or more during three consecutive months, they would be eligible for payments to help defray the cost of purchasing feed. Payments under this program would similarly be limited as provided in past legislation.

Finally, I think it is important that in providing this assistance, we reinforce crop insurance as the foundation for agricultural risk management. This bill would do that. First, by not penalizing—as previous legislation did—those who had purchased crop insurance at higher coverage levels, and second, by decreasing the payment to those who purchased no crop insurance at all.

The natural disasters facing our farmers and ranchers demand immediate attention, and I urge the Congress, and the President, to act.

By Mr. LIEBERMAN:

S. 2594. A bill to reduce health care disparities and improve health care quality, to improve the collection of racial, ethnic, primary language, and socio-economic determination data for use by healthcare researchers and policymakers, to provide performance incentives for high performing hospitals and community health centers, and to expand current Federal programs seeking to eliminate health disparities; to the Committee on Finance.

Mr. LIEBERMAN. Mr. President, our Nation wrestles with a medical mystery that affects the health and very lives of millions of Americans every year: Why do patients with similar ailments have such disparate outcomes?

Albert Einstein once said: "I cannot believe that God plays dice with the world." I would never quibble with Einstein. And besides, I strongly believe that myself.

I also believe we should aspire to that ideal in the earthly institutions we create, like our health care system. Medical outcomes should not be a matter of luck. Treatment should be as predictable and equal as possible within the bounds of science and human fallibility.

But that is not the system we have today. Study after study shows that we have created a health care casino where the quality of care seems to have as much to do with the luck of the dice as anything else.

In America, good medical care for all should be a given—not a gamble.

That is why today I am introducing legislation I call FairCare. FairCare will give us the tools we need to begin eliminating these across-the-board problems of medical disparities among patients with identical ailments.

In the broadest sense, we know we have two problems—quality of care and disparity of care. While these problems are distinct and separate—solving either will help solve both.

Let me dramatize the kind of odds we are talking about when a patient enters the healthcare system. I would ask my colleagues to imagine for a moment that they are in a casino, rolling dice and need a five or a nine to win. The odds of you winning with either of those numbers is about 60 percent. Of course, that means you have a 40 percent chance of losing.

Now, if you enjoy gambling—and are not betting a lot of money—maybe that's fun. But would you bet your house on those odds? Or your children's college fund? Or your health—or your life?

Well, the odds in our imaginary dice game are the precise odds we send people into the health care system every day.

A recent study reported in the New England Journal of Medicine said that about 40 percent of patients reported medical errors in the care of either themselves or a loved one. The cost of these mistakes is staggering. Between 44,000 and 100,000 people die each year because of those medical mistakes.

To put those shocking numbers in perspective, imagine if you will that our nation experienced a day like September the 11th, at least twice a month, every month—for a year.

Overall, the cost of not getting it right the first time represents a yearly loss to the national economy of $17 to $29 billion. This is due largely to the medical complications that must be treated down the line because of the initial medical errors, as well as lost wages and productivity.

Now, while most Americans have problems finding high-quality health care at a reasonable cost, racial and ethnic minorities fare the worst.

Medical studies also show that:

When actors portrayed patients with identical complaints of chest pain, women and African Americans were 40 percent less likely to have their complaints taken seriously and be referred for further diagnostic tests.

Hispanics with asthma are almost twice as likely as white patients to face largely-avoidable emergency rooms visits or have the illness limit their daily activities.

Infants born to American Indians and Alaskan Natives are twenty-five percent more likely than the national average to die in the first year of life.

Asian American women are 20 percent less likely to get life-saving screening exams for cervical cancer than white women.

And many of these disparities persist, even when factors like income and access to health care are taken into account. Why is this? The answer is: We don't exactly know. But it is clear that we do not have a color blind healthcare system. And unequal treatment is Un-American. We cannot tolerate it. Rather, we must understand it, confront it, and fix it.

Besides, solving this medical mystery for the most severely affected minority groups will improve healthcare for everyone else as well. In other words, if we can dramatically increase the quality of medical care, unfair disparities will decline and all will benefit.

The clues to solving the problems of both medical quality and healthcare disparities are there. We just have to go find them. That will require gathering crucial information that will help us clearly identify the problems. Then we can help finance the solutions that will cure them.

That's why we need FairCare.

To begin, we need data—we need to see where we have quality problems and where we have disparities in care. FairCare will bring the medical and patient communities together to help us better measure healthcare quality in a scientific way that will give us our first comprehensive glimpse of where the problems lie.

Once glimpsed, FairCare can begin to fund improvement efforts developed by local hospitals and community health centers that fit the needs of their local neighborhoods. FairCare will use the reach and resources of Medicare to reward hospitals that improve quality and reduce disparities.

In recent testimony before the House Ways and Means Subcommittee on Health Care, Glenn Hackbarth, Chairman of Medicare Payment Advisory Commission, said he agreed with this approach. "It is time for Medicare to take the next step in quality improvement and put financial incentives for quality directly into its payment systems," he said.

Under FairCare, community health centers not part of the Medicare system will be eligible for grants and bonuses. In other words, FairCare is a carrots program, not a sticks program—it rewards hospitals and health centers that perform—that make progress in implementing quality healthcare and reducing healthcare disparities.

We will also provide tax relief to help FairCare providers cover the cost of their malpractice insurance.

Taken together, FairCare will give our most overburdened and financially strapped healthcare providers—that act to deliver quality medicine—the help they need to give their communities the help they need. And when they succeed, we will all win. When they succeed, good medical care for all will be a given—not a gamble.

Just as God does not play dice with the world, we will no longer play dice with the lives of our most vulnerable—the sick and the ailing.

Mr. President, I ask unanimous consent that the text of the bill and statements of support be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2594

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Faircare Act".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Definitions.

TITLE I—DEMOGRAPHIC DATA COLLECTION

Sec. 101. Data on race, ethnicity, highest education level attained, and primary language.
Sec. 102. Revision of HIPAA claims standards.

TITLE II—IMPROVED COLLECTION OF QUALITY DATA

Sec. 201. Authority of Agency for Healthcare Research and Quality.

"PART C—IMPROVED COLLECTION OF QUALITY DATA

"Sec. 921. General authority of the Agency to determine measures.
"Sec. 922. Use of hospital-specific measures.
"Sec. 923. Outpatient-specific measures.
"Sec. 924. Ranking of measures.
"Sec. 925. Advisory Committee on Quality.
"Sec. 926. Updates of conditions.
"Sec. 927. Reporting of measures.
"Sec. 928. Voluntary submission of data.
"Sec. 929. Authorization of appropriations.
Sec. 202. Office of national healthcare disparities and quality.

TITLE III—FAIRCARE HOSPITAL PROGRAM

Sec. 301. Faircare hospital program.
Sec. 302. Technical assistance grants.

TITLE IV—COMMUNITY HEALTH CENTERS.

Sec. 401. Authority of Bureau of Primary Health Care to develop new reporting standards.
Sec. 402. Faircare designation for health centers.
Sec. 403. Grants for technical assistance.
Sec. 404. Health disparity collaboratives.

TITLE V—REACH 2010

Sec. 501. Expansion of REACH 2010

TITLE VI—MALPRACTICE INSURANCE RELIEF

Sec. 601. Refundable tax credit for the cost of malpractice insurance for certain providers.
Sec. 602. Grants to non-profit hospitals.
Sec. 603. Grants for research into quality of care and medical errors.
Sec. 604. Authorization of appropriations.

SEC. 2. FINDINGS.

(a) EVIDENCE OF HEALTHCARE DISPARITIES.—With respect to evidence of healthcare disparities, Congress makes the following findings:

(1) Healthcare disparities affect the lives, health, and livelihood of Americans, and increase the overall cost of health care in the United States.

(2) Minority patients with chronic diseases have been found less likely to receive the necessary services required to manage effectively these illnesses, such as routine blood pressure checks or eye examinations, and are less likely to receive treatments to cure these conditions, such as heart surgeries or kidney transplants.

(3) Studies have shown that non-English speaking patients report more satisfaction with health encounters and have better health outcomes after encounters with healthcare providers who speak their primary language.

(4) The Institute of Medicine's report "In the Nation's Compelling Interest", concluded that racial and ethnic minority healthcare providers are significantly more likely than their white peers to serve minority and medically underserved communities, thereby helping to improve problems of limited minority access to care.

(5) Data from the National Center for Health Statistics demonstrates that minorities are less likely to receive routine cancer screenings even when they do have health insurance and access to healthcare providers, and once diagnosed with cancer, elderly minority patients are also less likely to receive appropriate treatment for pain associated with cancer.

(b) EVIDENCE OF INCONSISTENCIES IN HEALTHCARE QUALITY.—With respect to evidence of inconsistencies in healthcare quality, Congress makes the following findings:

(1) Inconsistent healthcare quality threatens the health of all Americans regardless of race, ethnicity, or socio-economic status.

(2) Studies by the RAND Corporation have shown that all patients in the United States have only a 55 percent possibility of receiving clinically appropriate care in the healthcare setting, despite the fact that the United States spends twice as much as other industrialized countries on health care.

(3) The control of hypertension is essential to reducing mortality from heart disease, stroke, and diabetes complications, yet, only 23 percent of Americans with hypertension are adequately treated.

(4) About 1 in 5 elderly Americans are prescribed inappropriate medications.

(5) Only 21 percent of Americans with diabetes get all recommended checkups.

(6) One of the safest, simplest, and most cost-effective ways to reduce cancer morbidity and mortality is to increase screening rates for selected cancers including colorectal cancers, yet, less than half of men and women over the age of 50 report screening for colorectal cancers.

(7) In the United States, over 1/4 of infants and toddlers of all races and ethnicities do not receive all recommended vaccines.

(8) Breakthroughs in treatments have enabled more patients to survive and live better, yet too many of these treatments are not being administered to all those who can benefit from them.

SEC. 3. DEFINITIONS.

In this Act:

(1) HEALTH DISPARITY POPULATIONS.—The term "health disparity populations" has the meaning given that term in section 485E(d) of the Public Health Service Act (42 U.S.C. 287c–31(d)).

(2) RACIAL AND ETHNIC MINORITY.—The term "racial and ethnic minority" has the meaning given the term "racial and ethnic minority group" in section 1707(g)(1) of the Public Health Service Act (42 U.S.C. 300u–6(g)(1)).

TITLE I—DEMOGRAPHIC DATA COLLECTION

SEC. 101. DATA ON RACE, ETHNICITY, HIGHEST EDUCATION LEVEL ATTAINED, AND PRIMARY LANGUAGE.

(a) PURPOSE.—It is the purpose of this section to promote data collection and reporting by race, ethnicity, highest education level attained, and primary language among federally supported health programs.

(b) AMENDMENT.—Part B of title II of the Public Health Service Act (42 U.S.C. 238 et seq.) is amended by adding at the end the following:

"SEC. 249. DATA ON RACE, ETHNICITY, HIGHEST EDUCATION LEVEL ATTAINED, AND PRIMARY LANGUAGE.

"(a) REQUIREMENTS.—

"(1) IN GENERAL.—Each health-related program operated by or that receives funding or reimbursement, in whole or in part, either directly or indirectly from the Department of Health and Human Services shall, in accordance with the schedule described in subsection (e)—

"(A) require the collection, by the agency or program involved, of data on the race, ethnicity, highest education level attained, and primary language of each applicant for and recipient of health-related assistance under such program—

"(i) using, at a minimum, the categories for race and ethnicity described in the 1997 Office of Management and Budget Standards for Maintaining, Collecting, and Presenting Federal Data on Race and Ethnicity;

"(ii) using the standards developed under subsection (d) for the collection of language data;

"(iii) where practicable, collecting data for additional population groups if such groups can be aggregated into the minimum race and ethnicity categories as defined by the Office of Management and Budget; and

"(iv) where practicable, through self-reporting;

"(B) with respect to the collection of the data described in subparagraph (A) for applicants and recipients who are minors or otherwise legally incapacitated, require that—

"(i) such data be collected from the parent or legal guardian of such an applicant or recipient; and

"(ii) the preferred language of the parent or legal guardian of such an applicant or recipient be collected; and

"(C) ensure that the provision of assistance to an applicant or recipient of assistance is not denied or otherwise adversely affected because of the failure of the applicant or recipient to provide race, ethnicity, highest education level attained, and primary language data.

"(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to permit the use of information collected under this subsection in a manner that would adversely affect any individual providing any such information.

"(b) PROTECTION OF DATA.—The Secretary shall ensure (through the promulgation of regulations or otherwise) that all data collected pursuant to subsection (a) is protected—

"(1) under the same privacy protections as the Secretary applies to other health data under the regulations promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191; 110 Stat. 2033) relating to the privacy of individually identifiable health information and other protections; and

"(2) from all inappropriate internal use by any entity that collects, stores, or receives the data, including use of such data in determinations of eligibility (or continued eligibility) in health plans, and from other inappropriate uses, as defined by the Secretary.

"(c) COMPLIANCE WITH STANDARDS.—Data collected under subsection (a) shall be obtained, maintained, and presented (including for reporting purposes) in accordance with, at a minimum, the 1997 Office of Management and Budget Standards for Maintaining, Collecting, and Presenting Federal Data on Race and Ethnicity.

"(d) LANGUAGE COLLECTION STANDARDS.—Not later than 1 year after the date of enactment of this section, the Director of the Office of Minority Health, in consultation with the Office for Civil Rights of the Department of Health and Human Services, shall develop and disseminate Standards for the Classification of Federal Data on Preferred Written and Spoken Language.

"(e) SCHEDULE OF COMPLIANCE.—Data collection under subsection (a) shall be required within the following time periods:

"(1) With respect to medicare-related data (under title XVIII of the Social Security Act), such data shall be collected not later than 2 years after the date of enactment of this section, including data related to—

"(A) the Medicare Hospital Quality Initiative;

"(B) the Center for Medicare and Medicaid Services Abstraction or Reporting Tools (referred to in this section as 'CART');

"(C) all CART equivalent private databases used to submit data for the Medicare Hospital Quality Initiative or medicare billing (including data for both medicare and non-medicare patients); and

"(D) all medicare billing communications.

"(2) With respect to data that is not currently mandated or collected and reported by the medicaid and State Children's Health Insurance Program (under titles XIX and XXI of the Social Security Act), such data shall be collected not later than 4 years after the date of enactment of this section.

"(3) With respect to data relating to biomedical and health services research that is described in subsection (a), such data shall be collected not later than 6 years after the date of enactment of this section.

"(4) With respect to data relating to all other programs described in subsection (a), such data shall be collected not later than 6 years after the date of enactment of this section.

"(f) TECHNICAL ASSISTANCE FOR THE COLLECTION AND REPORTING OF DATA.—

"(1) IN GENERAL.—The Secretary may, either directly or through grant or contract, provide technical assistance to enable a healthcare program or an entity operating under such program to comply with the requirements of this section.

"(2) TYPES OF ASSISTANCE.—Assistance provided under this subsection may include assistance to—

"(A) enhance or upgrade information technology that will facilitate race, ethnicity, highest education level attained, and primary language data collection and analysis;

"(B) improve methods for health data collection and analysis including additional population groups beyond the Office of Management and Budget categories if such groups can be aggregated into the minimum race and ethnicity categories;

"(C) develop mechanisms for submitting collected data subject to existing privacy and confidentiality regulations; and

"(D) develop educational programs to inform health insurance issuers, health plans, health providers, health-related agencies, and the general public that data collection and reporting by race, ethnicity, and preferred language are legal and essential for eliminating health and healthcare disparities.

"(g) GRANTS FOR DATA COLLECTION BY COMMUNITY HEALTH CENTERS AND HOSPITALS.—

"(1) IN GENERAL.—The Secretary, in consultation with the Administrator of the Centers for Medicare & Medicaid Services and the Administrator of the Health Resources and Services Administration, is authorized to award grants for the conduct of 100 demonstration programs, 50 percent of which shall be conducted by community health centers and 50 percent of which shall be conducted by hospitals, to enhance the ability of such centers and hospitals to collect, analyze, and report the data required under subsection (a).

"(2) ELIGIBILITY.—To be eligible to receive a grant under paragraph (1), a community health center or hospital shall—

"(A) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require; and

"(B) provide assurances that the community health center or hospital will use, at a minimum, the racial and ethnic categories and the standards for collection described in the 1997 Office of Management and Budget Standards for Maintaining, Collecting, and Presenting Federal Data on Race and Ethnicity and available standards for language.

"(3) ACTIVITIES.—A grantee shall use amounts received under a grant under paragraph (1) to—

"(A) collect, analyze, and report data by race, ethnicity, highest education level attained, and primary language for patients served by the hospital (including emergency room patients and patients served on an outpatient basis) or community health center;

"(B) enhance or upgrade computer technology that will facilitate racial, ethnic, highest education level attained, and primary language data collection and analysis;

"(C) provide analyses of disparities in health and healthcare, including specific disease conditions, diagnostic and therapeutic procedures, or outcomes;

"(D) improve health data collection and analysis for additional population groups beyond the Office of Management and Budget categories if such groups can be aggregated into the minimum race and ethnicity categories;

"(E) develop mechanisms for sharing collected data subject to privacy and confidentiality regulations;

"(F) develop educational programs to inform health insurance issuers, health plans, health providers, health-related agencies, patients, enrollees, and the general public that data collection, analysis, and reporting by race, ethnicity, and preferred language are legal and essential for eliminating disparities in health and healthcare; and

"(G) develop quality assurance systems designed to track disparities and quality improvement systems designed to eliminate disparities.

"(4) COMMUNITY HEALTH CENTER; HOSPITAL.—In this subsection:

"(A) COMMUNITY HEALTH CENTER.—The term 'community health center' means a Federally qualified health center as defined in section 1861(aa)(4) of the Social Security Act.

"(B) HOSPITAL.—The term 'hospital' means a hospital participating in the prospective payment system under section 1886 of the Social Security Act and that is submitting quality indicators data in accordance with section 1886(b)(3)(B)(vii)(II) of the Social Security Act.

"(h) DEFINITION.—In this section, the term 'health-related program' means a program—

"(1) under the Social Security Act (42 U.S.C. 301 et seq.) that pays for healthcare and services; and

"(2) under this Act that provides Federal financial assistance for healthcare, biomedical research, health services research, and other programs designated by the Secretary.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 2005, and such sums as may be necessary for each of fiscal years 2006 through 2015.".

SEC. 102. REVISION OF HIPAA CLAIMS STANDARDS.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall revise the regulations promulgated under part C of title XI of the Social Security Act (42 U.S.C. 1320d et seq.), as added by the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191), relating to the collection of data on race, ethnicity, highest education level attained, and primary language in a health-related transaction to require—

(1) the use, at a minimum, of the categories for race and ethnicity described in the 1997 Office of Management and Budget Standards for Maintaining, Collecting, and Presenting Federal Data on Race and Ethnicity;

(2) the establishment of new data code sets for highest education level attained and primary language; and

(3) the designation of the racial, ethnic, highest education level attained, and primary language code sets as "required" for claims and enrollment data.

(b) DISSEMINATION.—The Secretary of Health and Human Services shall disseminate the new standards developed under subsection (a) to all health entities that are subject to the regulations described in such subsection and provide technical assistance with respect to the collection of the data involved.

(c) COMPLIANCE.—Not later than 1 year after the final promulgation of the regulations developed under subsection (a), the Secretary of Health and Human Services shall require that health entities comply with such standards.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2005 through 2015.

TITLE II—IMPROVED COLLECTION OF QUALITY DATA

SEC. 201. AUTHORITY OF AGENCY FOR HEALTHCARE RESEARCH AND QUALITY.

Title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended—

(1) by redesignating part C as part D;

(2) by redesignating sections 921 through 928, as sections 931 through 938, respectively;

(3) in section 938(1) (as so redesignated), by striking "921" and inserting "931"; and

(4) by inserting after part B the following:

"PART C—IMPROVED COLLECTION OF QUALITY DATA

"SEC. 921. GENERAL AUTHORITY OF THE AGENCY TO DETERMINE MEASURES.

"(a) IN GENERAL.—The Agency, in consultation with the Centers for Medicare & Medicaid Services, the Health Resources and Services Administration, the Office for Civil Rights of the Department of Health and Human Services, and the Office of Minority Health, shall have the authority to develop a new set of quality measures for each of the most common treatment settings. Such settings shall include, but not be limited to, hospitals, outpatient facilities, community health centers, long term care facilities, and other independent health care facilities.

"(b) REQUIREMENTS.—The quality measures developed under subsection (a) shall—

"(1) as closely as possible reflect the healthcare priority areas determined by the Institute of Medicine, the National Quality Forum, the Quality Initiative, and other healthcare quality and health care disparity organizations as determined by the Secretary;

“(2) reflect the Institute of Medicine’s goal of inclusiveness, improvability, and impact, addressing pervasive health and healthcare problems that produce a high level of morbidity and mortality, that disproportionally affect health disparity populations, and that have the potential for improvement with the consistent application of proven medical interventions; and

“(3) where practical, employ process measures of care.

“SEC. 922. USE OF HOSPITAL-SPECIFIC MEASURES.

“(a) DEVELOPMENT.—

“(1) IN GENERAL.—The Agency, in conjunction with the Centers for Medicare & Medicaid Services, shall develop a set of hospital quality measures.

“(2) USE.—The Secretary shall ensure that the Hospital Quality Initiative and the Robust Project Measures of the Centers for Medicare & Medicaid Services, and other Centers for Medicare & Medicaid Services directed quality initiatives use the hospital quality measures developed under paragraph (1).

“(b) SUBMISSION.—The information required under the measures developed under subsection (a) shall be submitted in accordance with section 1886(b)(3)(B)(vii) except that any reference to ‘2007’ shall be deemed to be a reference to ‘2015’.

“SEC. 923. OUTPATIENT-SPECIFIC MEASURES.

“(a) IN GENERAL.—The Agency, in conjunction with the Bureau of Primary Health Care within the Health Resources and Services Administration, shall develop a set of outpatient quality measures. Such measures may be used as a supplement to existing demographic or quality reporting instruments or other quality reporting instruments utilized by the Health Resources and Services Administration.

“(b) VOLUNTARY SUBMISSION.—Submission of the supplementary information required under the measures developed under subsection (a) shall be voluntary.

“(c) DISCRETIONARY USE.—The measures developed under subsection (a) may be used as appropriate by the Hospital Quality Initiative and the Robust Project Measures and other Centers for Medicare & Medicaid Services-directed quality initiatives.

“SEC. 924. RANKING OF MEASURES.

“The Agency shall—

“(1) determine which of the quality measures developed under this part have the greatest potential to remedy healthcare disparities;

“(2) rank such quality measures according to such potential; and

“(3) rank such quality measures separately as applicable to hospitals and outpatients.

“SEC. 925. ADVISORY COMMITTEE ON QUALITY.

“(a) IN GENERAL.—The Agency shall establish an Advisory Committee on Quality (referred to in this section as the ‘Advisory Committee’) to recommend quality indicators for all quality data sets developed under this section. The Agency may designate a governmental or nongovernmental committee existing on the date of enactment of this part to serve as the Advisory Committee so long as the membership requirements of subsection (b) are complied with.

“(b) MEMBERSHIP.—The Advisory Committee shall be composed of not less than 10 members, including—

“(1) the Director;

“(2) the Administrator of the Centers for Medicare & Medicaid Services;

“(3) the Director of the Centers for Disease Control and Prevention;

“(4) the Administrator of the Health Resources and Services Administration;

“(5) the Director of the Office of Minority Health of the Department of Health and Human Services;

“(6) the Director of the Office for Civil Rights of the Department of Health and Human Services;

“(7) the Director of the Indian Health Service;

“(8) the chairperson of the Institute of Medicine National Roundtable on Healthcare Quality or other representatives of the Institute of Medicine;

“(9) the chairperson of the National Quality Forum;

“(10) the Director of the Joint Commission on Accreditation of Healthcare Organizations;

“(11) a representative of the Quality Initiative; and

“(12) other members to be appointed by the Secretary to represent other private, public, and non-profit stakeholders from medicine, healthcare, patient groups, and academia, who shall serve for a term of 3 years, and shall include a mix of different professions and broad geographic and culturally diverse representation

“(c) DUTIES.—The Advisory Committee shall—

“(1) for each 3 year period beginning with fiscal year 2005, report to the Agency recommendations of quality indicators for all quality data sets described in this part;

“(2) in making the recommendations described in paragraph (1), focus on how best to integrate the findings of the Institute of Medicine, the National Quality Forum, the Quality Initiative, and other healthcare quality and healthcare disparity organizations as determined by the Secretary into quality measures that can be used in carrying out sections 922 and 923; and

“(3) address issues of continuity of care between ambulatory care and inpatient settings to the maximum extent practicable.

“SEC. 926. UPDATES OF CONDITIONS.

“(a) IN GENERAL.—At least once during every 3-year period beginning in fiscal year 2006, the Secretary shall direct the Agency to update the list of measures as described in sections 922 and 923. Such updates shall be based on recommendations of the Advisory Committee established under section 925 and determined in consultation with the Centers for Medicare & Medicaid Services and the Health Resources and Services Administration.

“(b) REQUIREMENT.—For each period in which an update is undertaken under subsection (a), the Agency shall ensure that the recommendations referred to such subsection include measures for at least 4 additional conditions identified by the Institute of Medicine National Roundtable on Healthcare Quality, or measures developed by other healthcare disparity or healthcare quality organizations as determined by the Secretary, and not addressed by the quality reporting initiatives administered by the Secretary on the date of enactment of this part. The requirement of this section shall apply until there are measures for all Institute of Medicine priority areas.

“SEC. 927. REPORTING OF MEASURES.

“(a) IN GENERAL.—Not later than 5 years after the date of enactment of the Faircare Act, the Secretary shall enter into a contract with the Institute of Medicine to produce a report on the effectiveness of the quality measures developed by the Agency under this part in accurately assessing the quality of healthcare and healthcare disparities present in hospitals, community health centers, and other appropriate health care settings. Such report shall evaluate the progress made in improving the quality and consistency of healthcare and reducing healthcare disparities.

“(b) MANNER OF REPORTING.—All data reported under the Faircare Act (including data reported under this part) shall, to the maximum extent practicable, be reported by race, ethnicity, primary language, and highest educational level attained in accordance with section 249.

“SEC. 928. EFFECTIVENESS RESEARCH GRANTS.

“The Office of Minority Health shall have the authority to award grants to study the effectiveness of all measures and programs established under this part. The Office shall recommend ways to improve such measure and programs and to implement the findings of the study conducted under section 927.

“SEC. 929. PROTECTION OF DATA.

“(a) RULE OF CONSTRUCTION.—Nothing in this part shall be construed to permit the use of information collected under this part in a manner that would adversely affect any individual providing any such information.

“(b) PROTECTION OF DATA.—The Secretary shall ensure (through the promulgation of regulations or otherwise) that all data collected pursuant to this part is protected—

“(1) under the same privacy protections as the Secretary applies to other health data under the regulations promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191; 110 Stat. 2033) relating to the privacy of individually identifiable health information and other protections; and

“(2) from all inappropriate internal use by any entity that collects, stores, or receives the data, including use of such data in determinations of eligibility (or continued eligibility) in health plans, and from other inappropriate uses, as defined by the Secretary.

“SEC. 929A. AUTHORIZATION OF APPROPRIATIONS.

“There is authorized to be appropriated to carry out this section, $5,000,000 for each of fiscal years 2005 through 2007, and such sums as may be necessary for each of fiscal years 2008 through 2015.”.

SEC. 202. OFFICE OF NATIONAL HEALTHCARE DISPARITIES AND QUALITY.

Part A of title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended by adding at the end the following:

“SEC. 904. OFFICE OF NATIONAL HEALTHCARE DISPARITIES AND QUALITY.

“(a) IN GENERAL.—There is established within the Agency an Office of National Healthcare Disparities and Quality (referred to in this section as the ‘Office’). Such Office shall administer the development and submission of the annual National Healthcare Disparities Report (under section 903(a)(6)) and the National Healthcare Quality Report (under section 913(b)(2)) and carry out any other activities determined appropriate by the Secretary.

“(b) NATIONAL HEALTHCARE DISPARITIES AND QUALITY REPORTS.—

“(1) REPORTING REQUIREMENTS.—Not later than 1 year after the date of enactment of this section, and annually thereafter, the Office, in consultation with the Advisory Committee under section 925, the Office of Minority Health, and the Office for Civil Rights of the Department of Health and Human Services, shall submit to the Secretary, the appropriate committees of Congress, and the public—

“(A) a report on the disparities in healthcare which shall include data using the quality measures developed by the Agency under part C; and

"(B) a report on general healthcare quality.

"(2) LIMITATIONS.—The reports under paragraph (1) shall not identify individual hospitals or healthcare providers but shall include regional and State level data. To the maximum extent practicable, such reports shall—

"(A) indicate variations in healthcare quality between States and regions; and

"(B) to the maximum extent practicable, include data reported by race, ethnicity, primary language, and highest educational level attained in accordance with section 249.

"(3) AVAILABILITY.—The Office shall make such reports available to States, tribal organizations, and territorial governments upon request.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection, $10,000,000 for each of fiscal years 2005 through 2007, and such sums as may be necessary for each of fiscal years 2008 through 2015.

"(c) ACTIVITIES RELATING TO BEST PRACTICES.—

"(1) REPORT.—The Office of National Healthcare Disparities and Quality shall annually publish a report that describes the specific activities undertaken by Faircare Level I institutions, as designated under section 330P of this Act or section 1898(b) of the Social Security Act, that have resulted in a decrease in healthcare disparities or improved quality. Such reports shall include recommendations for carrying out such activities at other healthcare institutions.

"(2) CONFERENCE.—In conjunction with the publication of each report under paragraph (1), Office of National Healthcare Disparities and Quality shall hold an annual conference at which personnel from the Faircare institutions described in paragraph (1) can interact, advise, and consult with other healthcare institutions.

"(3) TECHNICAL ASSISTANCE.—The Office of National Healthcare Disparities and Quality shall offer technical assistance to healthcare institutions in reducing healthcare disparities, including through the dissemination of information through the Office Internet website, the development of an electronic mail list of best practices, the maintenance of a database and clearinghouse of best practices, and through other activities determined appropriate by the Office.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection, $5,000,000 for each of fiscal years 2005 to 2007, and such sums as may be necessary for each of fiscal years 2008 through 2015.".

TITLE III—FAIRCARE HOSPITAL PROGRAM

SEC. 301. FAIRCARE HOSPITAL PROGRAM.

(a) PURPOSES.—The purposes of this section are to—

(1) require the Administrator of the Center for Medicare & Medicaid Services to—

(A) determine which hospitals have successfully reduced healthcare disparities between health disparity populations and other patients and improved healthcare quality based on the Hospital Quality Initiative measures established by the Agency for Healthcare Research and Quality under part C of title IX of the Public Health Service Act, as added by title II;

(B) verify the accuracy of the data submitted by such hospitals for purposes of being designated as a Faircare Hospital; and

(C) designate such hospitals as Faircare hospitals; and

(2) provide such hospitals with increased payments under the medicare program.

(b) PROGRAM.—Title XVIII of the Social Security Act, as amended by section 1016 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2447), is amended by adding at the end the following new section:

"PERFORMANCE INCENTIVE PAYMENT PROGRAM

"SEC. 1898. (a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary shall establish a program under which financial incentive payments are made in accordance with subsection (c) to subsection (d) hospitals (as defined in paragraph (2)) that have been designated under subsection (b).

"(2) SUBSECTION (d) HOSPITAL.—In this section, the term 'subsection (d) hospital' has the meaning given that term in section 1886(d)(1)(B).

"(b) DESIGNATION OF FAIRCARE HOSPITALS.—

"(1) IN GENERAL.—For each of fiscal years 2006 through 2014, the Secretary shall designate subsection (d) hospitals as follows:

"(A) LEVEL III FAIRCARE HOSPITAL.—The Secretary shall designate a subsection (d) hospital as a Level III Faircare hospital if the following requirements are met:

"(i) The subsection (d) hospital submitted data described in section 249 of the Public Health Service Act and part C of title IX of such Act to the Secretary in such form and manner and at such time specified by the Secretary under such section and part and all such data submitted relating to patient quality includes data on the race, ethnicity, highest education level attained, and primary language of such patients.

"(ii) The Secretary determines that the subsection (d) hospital has improved the rate of delivery of high quality care during the 24-month period preceding such determination. A hospital shall be determined to meet the requirement in the preceding sentence if the Secretary determines that the hospital has increased the frequency of appropriate care for the majority of the applicable measures during such 24-month period by at least 5 percentage points within each such measure.

"(B) LEVEL II FAIRCARE HOSPITAL.—The Secretary shall designate a subsection (d) hospital as a Level II Faircare hospital if the following requirements are met:

"(i) The requirements described in clauses (i) and (ii) of subparagraph (A) are met.

"(ii) The Secretary determines that the subsection (d) hospital, during the 24-month period preceding such determination, has made a significant reduction in the disparities in the treatment of health disparity populations relative to other patients for—

"(I) the majority of the applicable measures; or

"(II) all of the 25 percent highest ranked applicable measures, as ranked for their importance for healthcare equity by the Agency for Healthcare Research and Quality under section 925 of the Public Health Service Act.

"(C) LEVEL I FAIRCARE HOSPITAL.—The Secretary shall designate a subsection (d) hospital as a Level I Faircare hospital if the following requirements are met:

"(i) The requirement described subparagraph (A)(i) is met.

"(ii) Either—

"(I) the requirement described in subparagraph (A)(ii) is met; or

"(II) the Secretary determines that the frequency of appropriate care provided by the subsection (d) hospital for each applicable measure is at least 10 percentage points greater than the national average for the frequency of appropriate care for each applicable measure.

"(iii) The Secretary determines that the subsection (d) hospital, during the 24-month period preceding such determination, has had no significant disparity in the treatment of health disparity populations relative to other patients for all of the 75 percent highest ranked applicable measures, as ranked for their importance for healthcare equity by the Agency for Healthcare Research and Quality under section 925 of the Public Health Service Act.

"(2) APPLICABLE MEASURES DEFINED.—For purposes of this subsection, the term 'applicable measures' means the Hospital Quality Initiative measures established by the Agency for Healthcare Research and Quality under part C of title IX of the Public Health Service Act.

"(3) HEALTH DISPARITY POPULATION DEFINED.—For purposes of this subsection, the term 'health disparity population' has the meaning given that term in section 485E(d) of the Public Health Service Act.

"(b) FINANCIAL INCENTIVE PAYMENTS.—

"(1) IN GENERAL.—Subject to paragraph (2) and subsection (d), for purposes of subclauses (XIX) and (XX) of section 1886(b)(3)(B)(i) for each of fiscal years 2007 through 2015, in the case of a subsection (d) hospital that has been designated under subsection (b) for a fiscal year, the Secretary shall increase the applicable percentage increase for the subsequent fiscal year for such hospital—

"(A) in the case of a Level I Faircare hospital, by 4 percentage points (or 8 percentage points in the case of such a hospital who is also described in subparagraph (B) of section 1923(b)(1)(B));

"(B) in the case of a Level II Faircare hospital, by 2 percentage points (or 4 percentage points in the case of such a hospital who is also described in subparagraph (B) of section 1923(b)(1)(B));; and

"(C) in the case of a Level III Faircare hospital, by 1 percentage point (or 2 percentage points in the case of such a hospital who is also described in subparagraph (B) of section 1923(b)(1)(B)).

"(2) REDUCTION IN FINANCIAL INCENTIVE PAYMENTS IF INSUFFICIENT FUNDING AVAILABLE.—If the Secretary estimates that the total amount of increased payments under paragraph (1) for a fiscal year will exceed the funding available under subsection (d) for such increased payments for the fiscal year, the Secretary shall proportionately reduce the percentage points described in subparagraphs (A), (B), and (C) of paragraph (1) in order to eliminate such excess.

"(3) INCREASED PAYMENT NOT BUILT INTO THE BASE.—Any increased payment under paragraph (1) shall only apply to the fiscal year involved and the Secretary shall not take into account any such increased payment in computing the applicable percentage increase under clause (i)(XIX) for a subsequent fiscal year.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for making payments under subsection (b) such sums as may be necessary for each of fiscal years 2007 through 2015.".

SEC. 302. TECHNICAL ASSISTANCE GRANTS.

(a) IN GENERAL.—The Secretary of Health and Human Services shall provide technical assistance to eligible entities for the conduct of demonstration projects to improve the quality of healthcare and to reduce healthcare disparities.

(b) ELIGIBILITY.—To be eligible to receive technical assistance under subsection (a), an entity shall—

(1) be a hospital—

(A) that, by legal mandate or explicitly adopted mission, provides patients with access to services regardless of their ability to pay;

(B) that provides care or treatment for a substantial number of patients who are uninsured, are receiving assistance under a State program under title XIX of the Social Security Act, or are members of health disparity populations, as determined by the Secretary; and

(C)(i) with respect to which, not less than 50 percent of the entity's patient population is made up of racial and ethnic minorities; or

(ii) that serves a disproportionate percentage of local, minority racial and ethnic patients, or that has a patient population, at least 50 percent of which is limited English proficient; and

(2) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) TYPES OF ASSISTANCE.—The type of technical assistance that may be provided under this section shall be determined by the Centers for Medicare & Medicaid Services. Such assistance may include competitively awarded grants and other forms of assistance.

(d) USE OF ASSISTANCE.—Assistance provided under this section shall be used to improve healthcare quality or to reduce healthcare disparities.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2005 through 2015.

TITLE IV—COMMUNITY HEALTH CENTERS.

SEC. 401. AUTHORITY OF BUREAU OF PRIMARY HEALTH CARE TO DEVELOP NEW REPORTING STANDARDS.

(a) IN GENERAL.—The Secretary of Health and Human Services, acting through the Bureau of Primary Health Care within the Health Resources and Services Administration, shall have the authority to—

(1) incorporate the outpatient measures of the Agency for Healthcare Research and Quality as developed under part C of title IX of the Public Health Service Act (as added by title II) into a supplement to existing demographic or quality reporting instruments or other quality reporting instruments utilized by the Health Resources and Services Administration;

(2) verify the submission of data under this title (and the amendments made by this title); and

(3) award Faircare designations in accordance with section 339P of the Public Health Service Act (as added by section 402).

(b) DISTRIBUTION.—Not later than 1 year after the date of enactment of this Act, the standards described in subsection (a) shall be designed and distributed to health centers under section 339P of the Public Health Service Act (as added by section 402).

SEC. 402. FAIRCARE DESIGNATION FOR HEALTH CENTERS.

Part P of title III of the Public Health Service Act (42 U.S.C. 280g et seq.) is amended by adding at the end the following:

"SEC. 399P. FAIRCARE DESIGNATION FOR HEALTH CENTERS.

"(a) DESIGNATION OF FAIRCARE HEALTH CENTERS.—

"(1) IN GENERAL.—For each of fiscal years 2006 through 2014, the Secretary shall designate health centers that receive Federal assistance as follows:

"(A) LEVEL III FAIRCARE HEALTH CENTER.—The Secretary shall designate a health center as a Level III Faircare health center if the following requirements are met:

"(i) The health center submitted data described in section 249 and part C of title IX to the Secretary in such form and manner and at such time specified by the Secretary under such section and part and all such data submitted relating to patient quality includes data on the race, ethnicity, highest education level attained, and primary language of such patients.

"(ii) The Secretary determines that the health center has improved the rate of delivery of high quality care during the 24-month period preceding such determination. A health center shall be determined to meet the requirement in the preceding sentence if the Secretary determines that the health center has increased the frequency of appropriate care for the majority of the applicable measures during such 24-month period by at least 5 percentage points within each such measure.

"(B) LEVEL II FAIRCARE HEALTH CENTER.—The Secretary shall designate a health center as a Level II Faircare health center if the following requirements are met:

"(i) The requirements described in clauses (i) and (ii) of subparagraph (A) are met.

"(ii) The Secretary determines that the health center, during the 24-month period preceding such determination, has made a significant reduction in the disparities in the treatment of health disparity populations relative to other patients for—

"(I) the majority of the applicable measures; or

"(II) all of the 25 percent highest ranked applicable measures, as ranked for their importance for healthcare equity by the Agency for Healthcare Research and Quality under section 925.

"(C) LEVEL I FAIRCARE HEALTH CENTER.—The Secretary shall designate a health center as a Level I Faircare health center if the following requirements are met:

"(i) The requirement described subparagraph (A)(i) is met.

"(ii) Either—

"(I) the requirement described in subparagraph (A)(ii) is met; or

"(II) the Secretary determines that the frequency of appropriate care provided by the health center for each applicable measure is at least 10 percentage points greater than the national average for the frequency of appropriate care for each applicable measure.

"(iii) The Secretary determines that the health center, during the 24-month period preceding such determination, has had no significant disparity in the treatment of health disparity populations relative to other patients for all of the 75 percent highest ranked applicable measures, as ranked for their importance for healthcare equity by the Agency for Healthcare Research and Quality under section 925.

"(2) APPLICABLE MEASURES DEFINED.—For purposes of this subsection, the term 'applicable measures' means the measures determined applicable under section 401(a) of the Faircare Act.

"(3) HEALTH DISPARITY POPULATION DEFINED.—For purposes of this subsection, the term 'health disparity population' has the meaning given that term in section 485E(d).

"(b) ELIGIBILITY FOR BONUSES.—A health center that is designated as a Faircare health center under subsection (a) shall be eligible for the following annual bonuses in the fiscal year following the year in which the health center is designated as a Faircare health center under this section, with respect to assistance received under Federal health care programs:

"(1) With respect to a health center that is designated as a Level III Faircare health center, the Secretary shall determine the amount of such bonus which shall not be less than $200,000.

"(2) With respect to a health center that is designated as a Level II Faircare health center, the Secretary shall determine the amount of such bonus which shall not be less than $300,000.

"(3) With respect to a health center that is designated as a Level I Faircare health center, the Secretary shall determine the amount of such bonus which shall not be less than $500,000.

"(c) REDUCTION IN FINANCIAL INCENTIVE PAYMENTS IF INSUFFICIENT FUNDING AVAILABLE.—If the Secretary estimates that the total amount of bonuses under subsection (b) for a fiscal year will exceed the funding available under subsection (e) for such bonuses for the fiscal year, the Secretary shall proportionately reduce the amount of the bonus payments described in paragraphs (1), (2), and (3) of subsection (b) in order to eliminate such excess.

"(d) DEFINITION.—For purposes of this section, the term 'health center' means a Federally qualified health center as defined in section 1861(aa)(4) of the Social Security Act.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2007 through 2015.".

SEC. 403. GRANTS FOR TECHNICAL ASSISTANCE.

Part P of title III of the Public Health Service Act (42 U.S.C. 280g et seq.), as amended by section 402, is further amended by adding at the end the following:

"SEC. 399Q. GRANTS FOR TECHNICAL ASSISTANCE IN IMPROVING QUALITY.

"(a) IN GENERAL.—If a health center reporting data described in section 399P(a)(1)(A) for 3 or more years has demonstrated no improvement or a decrease in healthcare quality on at least 30 percent of all quality measures as designated under section 401(a) of the Faircare Act, such health center shall be given priority to receive technical assistance from the Bureau of Primary Health Care within the Health Resources and Services Administration.

"(b) TYPE OF ASSISTANCE.—The type of technical assistance that may be provided under subsection (a) shall be determined by the Bureau of Primary Health Care and may include competitively awarded grants and other forms of assistance.

"(c) USE OF ASSISTANCE.—Assistance provided under this section shall be used by the health center to improve healthcare quality or reduce healthcare disparities.

"(d) DEFINITION.—For purposes of this section, the term 'health center' means a Federally qualified health center as defined in section 1861(aa)(4) of the Social Security Act.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection, such sums as may be necessary for each of fiscal years 2007 through 2015.".

SEC. 404. HEALTH DISPARITY COLLABORATIVES.

(a) IN GENERAL.—The Bureau of Primary Health Care within the Health Resources and Services Administration shall—

(1) provide technical assistance and funding to the Health Disparity Collaboratives; and

(2) expand the provision of technical assistance and funding, at the discretion of the Bureau, to priority areas designated by the Agency for Healthcare Research and Quality in consultation with the Advisory Committee established under section 925 of the Public Health Service Act.

(b) Funding.—The Bureau of Primary Health Care within the Health Resources and Services Administration shall continue to fund collaboratives with a goal of adding at least 50 new health centers each year.

(c) Definition.—For purposes of this section, the term 'health center' means a Federally qualified health center as defined in section 1861(aa)(4) of the Social Security Act.

(d) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2005 through 2015.

TITLE V—REACH 2010

SEC. 501. EXPANSION OF REACH 2010

(a) In General.—The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, shall award grants and carry out other activities to expand the Racial and Ethnic Approaches to Community Health Program (REACH 2010) program to support coalitions in all 50 States and territories.

(b) Eligibility.—To be eligible to receive a grant under this section an entity shall—

(1) be a coalition that is comprised of , at a minimum, a community-based organization and at least 3 other organizations, one of which is either a State or local health department or a university or research organization; and

(2) prepare and submit to the Secretary of Health and Human Services an application at such time, in such manner, and containing such information as the Secretary may require.

(c) Use of Grants.—Amounts provided under a grant under this section shall be used to support community coalitions in designing, implementing, and evaluating community-driven strategies to eliminate health disparities, with an emphasis on African Americans, American Indians, Alaska Natives, Asian Americans, Hispanic Americans, and Pacific Islanders.

(d) Priority Areas.—In carrying out the Racial and Ethnic Approaches to Community Health Program (REACH 2010) program, the Director of the Centers for Disease Control and Prevention shall include the following priority areas:

(1) Cardiovascular disease.

(2) Immunizations.

(3) Breast and cervical cancer screening and management.

(4) Diabetes.

(5) HIV/AIDS.

(6) Infant mortality.

(7) Asthma.

(8) Obesity.

(9) At the discretion of the Director of the Centers for Disease Control and Prevention, any additional priority areas determined appropriate by the Agency for Healthcare Research and Quality in consultation with the Advisory Committee established under section 925 of the Public Health Service Act.

(e) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section and the Racial and Ethnic Approaches to Community Health Program (REACH 2010) program, $200,000,000 for each of fiscal years 2005 to 2007, and such sums as may be necessary for each of fiscal years 2008 through 2015.

TITLE VI—MALPRACTICE INSURANCE RELIEF

SEC. 601. REFUNDABLE TAX CREDIT FOR THE COST OF MALPRACTICE INSURANCE FOR CERTAIN PROVIDERS.

(a) In General.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by redesignating section 36 as section 37 and by inserting after section 35 the following new section:

"SEC. 36. CERTAIN MALPRACTICE INSURANCE COSTS.

"(a) In General.—In the case of an eligible health care provider, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the applicable percentage of qualified malpractice insurance expenditures paid or incurred during the taxable year.

"(b) Applicable percentage.—For purposes of this section—

"(1) In general.—The applicable percentage shall be—

"(A) 10 percent for any taxable year for which the person claiming the credit is an eligible health care provider, plus

"(B) 5 percent for each consecutive prior taxable year ending after the date of enactment of this section for which such person was an eligible health care provider.

"(2) Limitation.—The applicable percentage shall not exceed 25 percent.

"(c) Eligible Health Care Provider.—For purposes of this section, the term 'eligible health care provider' means—

"(1) a public or private nonprofit hospital which is—

"(A) located in a medically underserved area (as defined in section 1302(7) of the Public Health Service Act) or in a health professional shortage area (as designated under section 332 of the Public Health Service Act), and

"(B) designated as a Level I Faircare Hospital under section 339P of the Public Health Service Act or section 1898 of the Social Security Act for the year in which such hospital's taxable year ends, and

"(2) a physician for whom not less than 66 percent of the practice for the taxable year is at a facility described in paragraph (1).

"(d) Qualified Medical Malpractice Insurance Expenditure.—The term 'qualified medical malpractice insurance expenditure' means so much of any professional insurance premium, surcharge, payment or other cost or expense required as a condition of State licensure which is incurred by an eligible health care provider in a taxable year for the sole purpose of providing or furnishing general medical malpractice liability insurance for such eligible health care provider.".

(b) Denial of Double Benefit.—Section 280C of the Internal Revenue Code of 1986 (relating to certain expenses for which credits are allowable) is amended by adding at the end the following new subsection:

"(d) Credit for Medical Malpractice Liability Insurance Premiums.—

"(1) In general.—No deduction shall be allowed for that portion of the qualified medical malpractice insurance expenditures otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit allowable for the taxable year under section 36.

"(2) Controlled groups.—In the case of a corporation which is a member of a controlled group of corporations (within the meaning of section 41(f)(5)) or a trade or business which is treated as being under common control with other trades or business (within the meaning of section 41(f)(1)(B)), this subsection shall be applied under rules prescribed by the Secretary similar to the rules applicable under subparagraphs (A) and (B) of section 41(f)(1).".

(c) Conforming Amendment.—Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period "or from section 36 of such Code".

(d) Clerical Amendment.—The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item related to section 36 and inserting the following new items:

"Sec. 36. Certain malpractice insurance costs.

"Sec. 37. Overpayments of tax.".

(e) Effective Date.—The amendments made by this section shall apply to expenditures incurred after December 31, 2005.

(f) Availability of Credit for Tax Exempt Organizations.—The Secretary of the Treasury shall administer the credit allowable under section 36 of the Internal Revenue Code of 1986 (as added by this section) in such a manner so as to minimize to the largest extent possible the administrative burden on tax exempt organizations claiming the credit.

SEC. 602. GRANTS TO NON-PROFIT HOSPITALS.

(a) In General.—The Secretary of Health and Human Services, acting through the Administrator of the Health Resources and Services Administration, shall award grants to eligible entities to assist such entities in defraying qualified medical malpractice insurance expenditures.

(b) Eligibility.—To be eligible to receive a grant under subsection (a), an entity shall—

(1) be a Faircare Level I non-profit hospital (as determined under section 1898(b) of the Social Security Act) in the preceding fiscal year;

(2) not be eligible to claim the tax credit under section 36 of the Internal Revenue Code of 1986;

(3) prepare and submit to the Secretary of Health and Human Services an application at such time, in such manner, and containing such information as the Secretary may require.

(c) Amount of Grant.—The amount of a grant awarded to an eligible entity under this section shall be—

(1) with respect to the first year of the grant, an amount equal to 10 percent of the qualified medical malpractice insurance expenditures of the entity for the year;

(2) with respect to the second year of the grant, an amount equal to 15 percent of the qualified medical malpractice insurance expenditures of the entity for the year;

(3) with respect to the third year of the grant, an amount equal to 20 percent of the qualified medical malpractice insurance expenditures of the entity for the year; and

(4) with respect to the fourth and subsequent years of the grant, an amount equal to 25 percent of the qualified medical malpractice insurance expenditures of the entity for the year.

(d) Definition.—In this section, the term "qualified medical malpractice insurance expenditure" has the meaning given such term in section 36(d) of the Internal Revenue Code of 1986.

SEC. 603. GRANTS FOR RESEARCH INTO QUALITY OF CARE AND MEDICAL ERRORS.

(a) In General.—The Secretary of Health and Human Services shall award grants to eligible entities to study the relationship between institutions that are designated as Faircare hospitals under section 1898(b) of the Social Security Act and medical errors or the rate of claims of malpractice.

(b) Eligibility.—To be eligible to receive a grant under subsection (a), an entity shall prepare and submit to the Secretary of Health and Human Services an application at such time, in such manner, and containing such information as the Secretary may require.

SEC. 604. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title, such sums as may be necessary for each of fiscal years 2005 through 2015.

STATEMENTS OF SUPPORT FOR THE LIEBERMAN FAIRCARE BILL

THE NATIONAL HEALTH LAW PROGRAM

"The National Health Law Program (NHeLP) commends the announcement of The Faircare Act. Recognizing that comprehensive and accurate data is critical to identifying and then eliminating health disparities, the Faircare Act would require race, ethnicity and primary language data collection throughout federally operated or funded health programs and provide crucial technical and financial assistance to healthcare providers to meet the challenges of eliminating health disparities."

JOINT COMMISSION ON ACCREDITATION OF HEALTHCARE ORGANIZATIONS

"The legislation comprehensively reflects current national research and programmatic initiatives such as those of the Joint Commission, private foundations, professional organizations, academic institutions, and state and national government agencies. For example, the Joint Commission has two externally funded research projects that are looking at issues related to culture and language. One, funded by the Commonwealth Fund, is looking at the impact of limited English proficiency on adverse medical events. Another, funded by The California Endowment, is looking at how hospitals across the nation are responding to issues of culture and language. In addition to research activities, the Joint Commission is engaging in field review of a proposed new standard to require the collection of information on patients' race, ethnicity, and primary language, is supporting the National Conference of Quality Health Care for Culturally Diverse Populations, and staff from the Joint Commission serve on a number of national advisory panels that are addressing issues of health care disparities, cultural and linguistic issues, and issues related to health literacy."

"Financial incentives, as proposed in this legislation, are timely and appropriate. Based on focus group feedback, and input from Joint Commission advisory groups, the lack of incentive, competing priorities, and limited resources for providing culturally and linguistically appropriate services is the main barrier to implementation, secondary, only to the lack of awareness of the issue."

THE PROGRESSIVE POLICY INSTITUTE

"Sen. Lieberman's FairCare Legislation would simultaneously make health care fairer and less wasteful by tackling one of the core problems with health care today: payment by procedure instead of performance. Too often, patients, especially minorities, do not receive basic high care quality like aspirin or beta-blockers for heart attack victims because providers can't charge for it. It's time for the federal government to make pay-for-performance a core feature of health care policy."

PHYSICIANS FOR HUMAN RIGHTS

"Senator Lieberman's Faircare bill is an important step toward eliminating racial and ethnic disparities in healthcare by both assuring quality of care and reducing care inequities. Quality care means making the same healthcare available to all Americans regardless of race or ethnicity."

THE OUT OF MANY, ONE COALITION

"We applaud Senator Lieberman's leadership in tying the elimination of health disparities to the improvement of healthcare quality in the Nation."

NATIONAL CONFERENCE FOR COMMUNITY AND JUSTICE

"By establishing quantifiable standards, and providing incentives to meet those standards, Faircare: A Bill to Decrease Disparities in Healthcare Through Improving Healthcare Quality for All can help raise the quality and consistency of healthcare for all of us, not just some of us. The issue of disparities in healthcare is a national crisis, and the National Conference for Community and Justice (NCCJ) remains committed to working with decision-makers and community leaders to address this crisis on a national and regional level. It is a critical part of America's unfinished business, and through education and advocacy, we will bridge the divides of quality healthcare so that all people receive the information and treatment needed to lead healthy lives."

By Mr. GREGG (for himself, Mr. HARKIN, Mr. ROBERTS, Mr. KENNEDY, Mr. REED, Mrs. MURRAY, Mr. JEFFORDS, Mr. ENZI, and Mr. DODD):

S. 2595. A bill to establish State grant programs related to assistive technology and protection and advocacy services, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. GREGG. Mr. President, today, I join my esteemed colleague, the Senator from Iowa, Senator HARKIN, and other members, in introducing the Improving Access to Assistive Technology for Individuals with Disabilities Act of 2004.

For the past 6 months we have been working in a bipartisan fashion on the reauthorization of the Assistive Technology Act. Our proposed legislation is designed to remove barriers that people with disabilities encounter when attempting to access and purchase assistive technology. Working with the disability, business, and research and development communities, the Departments of Education, Labor, and Commerce, and the Small Business Administration, we have completely rewritten the Act to accomplish this goal. More specifically, our efforts focused on three fundamental changes: improving access by reducing bureaucracy; fostering private/public sector relationships; and stabilizing the State projects funding stream

In a March 1993 report to the President and the Congress on the "Study on the Financing of Assistive Technology Devices and Services for Individuals with Disabilities," the National Council on Disability heard repeatedly from witnesses at public forums about the abandonment of equipment by persons with disabilities who had no opportunity prior to purchase to try it out or see it demonstrated.

Current law authorizes State projects to conduct system change activities and provide information and referral services to people with disabilities and their families. Although these are necessary and important duties, they do not immediately impact and help a person with a disability obtain assistive technology that he or she may need today.

This bill modifies the current list of authorized activities by expanding the authority of the State assistive technology act programs to increase the ability of persons with disabilities to experience or obtain assistive technology. Our bill, written by members of the Committee on Health Education, Labor and Pensions, provides the State projects with a tangible set of mandatory activities, yet at the same time provides State flexibility to address emerging State needs.

Therefore, the new functions require States to provide citizens with access to device loan, reutilization, and financing programs, and equipment demonstration centers directly by developing such programs, or partnering with another entity in the State currently conducting these programs. The purpose of these programs is to provide individuals with disabilities the opportunity to receive proper assessments and evaluations for assistive technology, test and obtain information about various devices, borrow or rent devices and equipment before it is purchased, and be able to access low interest loans to purchase needed technology. Each of these new requirements will help make the most of limited public resources in an environment that emphasizes consumer choice in and control of assistive technology services and funding. Further, they demonstrate the benefits and costs of assistive technology.

Additionally, our bill intensifies outreach efforts to employers, providers of employment and adult services, school systems, and health care providers that have direct contact with persons with disabilities to inform them about the beneficial aspects of assistive technology. Finally, we authorize States to create an advisory board to provide enhanced flexibility, guide the actions of the State programs and establish State priorities to meet the specific assistive technology needs of State residents.

The Committee on Health Education, Labor and Pensions learned through several public forums held this and last year that employers are frequently confused by the vast array of assistive technology devices available to employees, the costs associated with purchasing assistive technology, and how or where to purchase assistive technology to meet the needs of potential employees or employees acquiring disabilities due to age, accidents and other causes. However, various studies paint a different picture. The Office of Disability Employment Policy of the Department of Labor funds the Job Accommodation Network (JAN), a free consulting service designed to increase the employability of people with disabilities. According to an ongoing JAN evaluation, 71 percent of the businesses that used JAN for assistance on providing specific accommodation information for employees with disabilities found that the accommodation that the employee needed cost between $0.00 and $500.00.

This sent up a red flag, indicating that there is a disconnect or gap between the knowledge base as it currently exists and how that information reaches not only employers, but schools, school districts, hospitals and other entities. I imagine at schools and school officials in Berlin, NH, Clearmont, WY, Tribune, KS, or any other rural community would have a difficult time determining the assistive technology needs of a student with a disability without some type of assistance.

I am also sure that the same is true for small businesses. The Disability Business and Technical Assistance Centers (DBTACs), funded by the National Institute on Disability Rehabilitation and Research (NIDRR) Office of Special Education and Rehabilitative Services (OSERS) at the Department of Education, are regional Centers that provide training, information, and technical assistance on the Americans with Disabilities Act (ADA) to businesses, consumers, schools, and State and local governments. The DBTACs do wonderful work; however, a small business owner usually does not know where to go or where to send an employee if he or she needs an assessment or knowledge of various assistive devices so the small business can provide the necessary and appropriate assistive device.

According to statistics from the Small Business Administration office of Advocacy, small businesses pay 44.3 percent of the total private payroll in the United States, and have generated anywhere from 60 to 80 percent of net new jobs annually over the past decade. As a current high school student with disabilities graduates and looks for a job, there is a good chance that this young person will work for a small business. That being said, if the student has accommodation or technology needs, will the business know where to go for assistance?

There are quite a few State Assistive Technology Act projects that are currently conducting outreach and public awareness activities, providing technical assistance to the business community, but it is not occurring unilaterally across the Nation. While current law authorizes such activities it does not specifically state that public awareness activities should be focused on the business community.

This bill aggressively engages businesses, especially small businesses, by providing them with greater access to technical assistance so that they can accommodate employees with disabilities. Additionally, in an effort to improve access to assistive technology and to lower costs, the bill enhances competition and forges incentives for researchers and developers.

The bill accomplishes these goals by improving the utilization of federal dollars and collaborative efforts between the agency administering the Assistive Technology Act projects and other Federal departments and initiatives, such as the Small Business Administration's (SBA) and Department of Labor's (DOL) interagency initiative to improve employment opportunities for people with disabilities in small businesses.

This bill also strengthens relationships between federally funded programs, such as the Assistive Technology Act projects, with private sector employers and researchers, by directing the Office of Special Education and Rehabilitation Services at the Department of Education to make grants available to for-profit and non-profit entities to enhance public/private partnerships. These grant opportunities include creating grants to support the development of public service announcements, which can be modified for regional use, to reach out to small businesses, the aging population, and people with disabilities about the benefits of assistive technology. Grants can also fund a technical assistance provider to assist employers in addressing the needs of aging workers that are acquiring disabilities and may need assistive technology to maintain their current level of productivity.

When Congress passed the original Assistive Technology Act in 1988, Congressional intent was to provide States with time-limited Federal seed money to assist them in developing and implementing their own assistive technology programs. This Federal-State partnership has provided an important service to individuals with disabilities by strengthening the capacity of each State to assist individuals with disabilities of all ages with their assistive technology needs. However, thousands of people with disabilities could lose access to this infrastructure if the Federal contribution comes to an end. Additionally, the bill drafters have recognized that for-profit and non-profit entities have not put the necessary time and energy into fostering relationships with the State programs, fearing that the Federal contribution would end, and the State programs would no longer exist.

Three years ago, with the introduction of the President's New Freedom Initiative in the winter of 2001, the Administration launched new comprehensive programs to tell America that individuals with disabilities are valued citizens. Traditionally, individuals with disabilities have been outcasts of society—seen as burdensome and institutionalized—and have not been permitted to contribute to society or expected to pursue the American Dream that so many of us take for granted.

This Administration recognizes and believes in the full participation of people with disabilities in all areas of society. This belief has been put into action by increasing access to assistive and universally designed technologies, expanding educational and employment opportunities, promoting increased access into daily community life, and helping members of this misunderstood and underutilized group of citizens achieve and succeed. Compassionate Conservatism is what I believe our President calls it.

As the New Freedom Initiative states, "Assistive and universally designed technologies can be a powerful tool for millions of Americans with disabilities, dramatically improving one's quality of life and ability to engage in productive work. New technologies are opening opportunities for even those with the most severe disabilities." This new-found sense of purpose and urgency, occurring shortly after the Olmstead decision, has re-ignited the interest and support for a Federal-State partnership to provide comprehensive, statewide assistive technology services to individuals with disabilities.

Consequently, Congress must stabilize funding for the State programs by supporting State efforts to improve the provision of assistive technology for individuals with disabilities. Congress must also ensure that the Federal commitment to independent living, and the full participation of individuals with disabilities in society, guaranteed through the President's "New Freedom Initiative," is upheld. In this instance, that translates into providing States with the necessary funding to maintain the comprehensive Statewide programs of technology-related assistance for individuals with disabilities of all ages. However, the drafters of this legislation also expect States to take ownership of and expand upon the comprehensive Statewide programs of technology-related assistance.

Therefore, this bill removes the sunset provision in the 1998 Act and creates a typical reauthorization cycle, while slightly increasing the State minimum allotment to offset some of the costs for the additional requirements.

I would like to thank Senator HARKIN, and his staff, particularly Mary Giliberti, for their hard work and dedication in putting together a bi-partisan bill that will assist thousands of individuals with disabilities access services and devices that they so desperately need. I would also like to thank Senators ROBERTS, DEWINE, WARNER, ENSIGN, KENNEDY, and REED, and their staff members, Jennifer Swenson, Mary Beth Luna, John (JK) Robinson, Lindsay Lovlien, Kent Mitchell, Connie Garner, Elyse Wasch, and Erica Swanson as they were on board and helped make this a bipartisan process from the beginning.

Senator HARKIN and I were determined to make this a bipartisan process from the beginning. We have crafted a bill that we are confident will be overwhelmingly supported by both Republicans and Democrats—and most importantly by the disability community, providers of disability related services, States, employers and businesses, and the educational community.

I ask unanimous consent that the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2595

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Improving Access to Assistive Technology for Individuals with Disabilities Act of 2004".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) Over 54,000,000 individuals in the United States have disabilities, with almost half experiencing severe disabilities that affect their ability to see, hear, communicate, reason, walk, or perform other basic life functions.

(2) Disability is a natural part of the human experience and in no way diminishes the right of individuals to—

(A) live independently;

(B) enjoy self-determination and make choices;

(C) benefit from an education;

(D) pursue meaningful careers; and

(E) enjoy full inclusion and integration in the economic, political, social, cultural, and educational mainstream of society in the United States.

(3) Too many individuals with disabilities are outside the economic and social mainstream of society in the United States. For example, individuals with disabilities are less likely than their non-disabled peers to graduate from high school, participate in postsecondary education, work, own a home, participate fully in their community, vote, or use the computer and the internet.

(4) As President Bush's New Freedom Initiative states, "Assistive and universally designed technologies can be a powerful tool for millions of Americans with disabilities, dramatically improving one's quality of life and ability to engage in productive work. New technologies are opening opportunities for even those with the most severe disabilities. For example, some individuals with quadriplegia can now operate computers by the glance of an eye.".

(5) According to the National Council on Disability, "For Americans without disabilities, technology makes things easier. For Americans with disabilities, technology makes things possible.".

(6) Substantial progress has been made in the development of assistive technology devices, universally designed products, and accessible information technology and telecommunications systems. Those devices, products, and systems can facilitate communication, ensure independent functioning, enable early childhood development, support educational achievement, provide and enhance employment options, and enable full participation in community living. Access to such devices, products, and systems can also reduce expenditures associated with early childhood intervention, education, rehabilitation and training, health care, employment, residential living, independent living, recreation opportunities, and other aspects of daily living.

(7) Over the last 15 years, the Federal Government has invested in the development of statewide comprehensive systems of assistive technology, which have proven effective in assisting individuals with disabilities in accessing assistive technology devices and assistive technology services. Federal dollars fund statewide infrastructures that support equipment demonstration programs, short-term device loan programs, financial loan programs, equipment exchange and recycling programs, training programs, advocacy services, and information and referral services.

(8) Despite the success of the programs and services described in paragraph (7), individuals with disabilities who need assistive technology and accessible information technology continue to have a great need to know what technology is available, to determine what technology is most appropriate, and to obtain and utilize that technology to ensure their maximum independence and participation in society.

(9) The 2000 decennial Census indicates that over 21,000,000 individuals in the United States, more than 8 percent of the United States population, have a disability that limits their basic physical abilities such as walking, climbing stairs, reaching, lifting, or carrying. Nearly 12 percent of working-age individuals in the United States, or 21,300,000 of those individuals, have a disability that affects their ability to work.

(10) The combination of significant recent changes in Federal policy (including changes to section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d), accessibility provisions of the Help America Vote Act of 2002 (42 U.S.C. 15301 et seq.), Executive Order 13217 (42 U.S.C. 12131 note; relating to community-based alternatives for individuals with disabilities), and the amendments made by the No Child Left Behind Act of 2001) and the rapid and unending evolution of technology require a Federal investment in State assistive technology systems to ensure that individuals with disabilities reap the benefits of the technological revolution and participate fully in life in their communities.

(b) PURPOSES.—The purposes of this Act are—

(1) to enhance the ability of the Federal Government to provide States with financial assistance that supports statewide—

(A) activities to increase access to, and funding for, assistive technology devices and assistive technology services, including financing systems and financing programs;

(B) device demonstration, device loan, and device re-utilization programs;

(C) training and technical assistance in the provision or use of assistive technology devices and assistive technology services;

(D) information systems relating to the provision of assistive technology devices and assistive technology services; and

(E) improved interagency and public-private coordination that results in increased availability of assistive technology devices and assistive technology services; and

(2) to provide States with financial assistance to undertake activities that assist each State in maintaining and strengthening cross-disability, full-lifespan State assistive technology programs, consistent with the Federal commitment to full participation and independent living of individuals with disabilities.

SEC. 3. DEFINITIONS.

In this Act:

(1) ACCESSIBLE INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS.—The term "accessible information technology and telecommunications" means information technology or electronic and information technology as defined by section 1194.4 of title 36, Code of Federal Regulations (or any corresponding similar regulation or ruling) that conforms to the applicable technical standards set forth in sections 1194.21 through 1194.26 of such title (or any corresponding similar regulation or ruling).

(2) ADULT SERVICE PROVIDER.—The term "adult service provider" means a public or private entity that provides services to, or is otherwise substantially involved with the major life functions of, individuals with disabilities. Such term includes—

(A) entities and organizations providing residential, supportive, employment services, or employment-related services to individuals with disabilities;

(B) centers for independent living, such as the centers described in part C of title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796f et seq.);

(C) employment support agencies connected to adult vocational rehabilitation, including one-stop partners, as defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801); and

(D) other organizations or venders licensed or registered by the designated State agency, as defined in section 7 of the Rehabilitation Act of 1973 (29 U.S.C. 705).

(3) AMERICAN INDIAN CONSORTIUM.—The term "American Indian consortium" means a consortium established under subtitle C of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15041 et seq.).

(4) ASSISTIVE TECHNOLOGY.—The term "assistive technology" means technology designed to be utilized in an assistive technology device or assistive technology service.

(5) ASSISTIVE TECHNOLOGY DEVICE.—The term "assistive technology device" means any item, piece of equipment, or product system, whether acquired commercially, modified, or customized, that is used to increase, maintain, or improve functional capabilities of individuals with disabilities.

(6) ASSISTIVE TECHNOLOGY SERVICE.—The term "assistive technology service" means any service that directly assists an individual with a disability in the selection, acquisition, or use of an assistive technology device. Such term includes—

(A) the evaluation of the assistive technology needs of an individual with a disability, including a functional evaluation of the impact of the provision of appropriate assistive technology and appropriate services to the individual in the customary environment of the individual;

(B) a service consisting of purchasing, leasing, or otherwise providing for the acquisition of assistive technology devices by individuals with disabilities;

(C) a service consisting of selecting, designing, fitting, customizing, adapting, applying, maintaining, repairing, replacing, or donating assistive technology devices;

(D) coordination and use of necessary therapies, interventions, or services with assistive technology devices, such as therapies, interventions, or services associated with education and rehabilitation plans and programs;

(E) training or technical assistance for an individual with a disability or, where appropriate, the family members, guardians, advocates, or authorized representatives of such an individual; and

(F) training or technical assistance for professionals (including individuals providing education and rehabilitation services and entities that manufacture or sell assistive technology devices), employers, providers of employment and training services, or other individuals who provide services to, employ, or are otherwise substantially involved in the major life functions of individuals with disabilities.

(7) Capacity building and advocacy activities.—The term "capacity building and advocacy activities" means efforts that—

(A) result in laws, regulations, policies, practices, procedures, or organizational structures that promote consumer-responsive programs or entities; and

(B) facilitate and increase access to, provision of, and funding for, assistive technology devices and assistive technology services,

in order to empower individuals with disabilities to achieve greater independence, productivity, and integration and inclusion within the community and the workforce.

(8) Comprehensive statewide program of technology-related assistance.—The term "comprehensive statewide program of technology-related assistance" means a consumer-responsive program of technology-related assistance for individuals with disabilities, implemented by a State, and equally available to all individuals with disabilities residing in the State, regardless of their type of disability, age, income level, or location of residence in the State, or the type of assistive technology device or assistive technology service required.

(9) Consumer-responsive.—The term "consumer-responsive"—

(A) with regard to policies, means that the policies are consistent with the principles of—

(i) respect for individual dignity, personal responsibility, self-determination, and pursuit of meaningful careers, based on informed choice, of individuals with disabilities;

(ii) respect for the privacy, rights, and equal access (including the use of accessible formats) of such individuals;

(iii) inclusion, integration, and full participation of such individuals in society;

(iv) support for the involvement in decisions of a family member, a guardian, an advocate, or an authorized representative, if an individual with a disability requests, desires, or needs such involvement; and

(v) support for individual and systems advocacy and community involvement; and

(B) with respect to an entity, program, or activity, means that the entity, program, or activity—

(i) is easily accessible to, and usable by, individuals with disabilities and, when appropriate, their family members, guardians, advocates, or authorized representatives;

(ii) responds to the needs of individuals with disabilities in a timely and appropriate manner; and

(iii) facilitates the full and meaningful participation of individuals with disabilities (including individuals from underrepresented populations and rural populations) and their family members, guardians, advocates, and authorized representatives, in—

(I) decisions relating to the provision of assistive technology devices and assistive technology services to such individuals; and

(II) decisions related to the maintenance, improvement, and evaluation of the comprehensive statewide program of technology-related assistance, including decisions that affect capacity building and advocacy activities.

(10) Disability.—The term "disability" means a condition of an individual that is considered to be a disability or handicap for the purposes of any Federal law other than this Act or for the purposes of the law of the State in which the individual resides.

(11) Individual with a disability; individuals with disabilities.—

(A) Individual with a disability.—The term "individual with a disability" means any individual of any age, race, or ethnicity—

(i) who has a disability; and

(ii) who is or would be enabled by an assistive technology device or an assistive technology service to minimize deterioration in functioning, to maintain a level of functioning, or to achieve a greater level of functioning in any major life activity.

(B) Individuals with disabilities.—The term "individuals with disabilities" means more than 1 individual with a disability.

(12) Institution of higher education.—The term "institution of higher education" has the meaning given such term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)), and includes a community college receiving funding under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.).

(13) Protection and advocacy services.—The term "protection and advocacy services" means services that—

(A) are described in subtitle C of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15041 et seq.), the Protection and Advocacy for Individuals with Mental Illness Act (42 U.S.C. 10801 et seq.), or section 509 of the Rehabilitation Act of 1973 (29 U.S.C. 794e); and

(B) assist individuals with disabilities with respect to assistive technology devices and assistive technology services.

(14) Protection and advocacy system.—The term "protection and advocacy system" means a protection and advocacy system established under subtitle C of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15041 et seq.).

(15) Secretary.—The term "Secretary" means the Secretary of Education.

(16) State.—

(A) In general.—Except as provided in subparagraph (B), the term "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(B) Outlying areas.—In section 4(b):

(i) Outlying area.—The term "outlying area" means the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(ii) State.—The term "State" does not include the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(17) State assistive technology program.—The term "State assistive technology program", except as used in section 4(c)(2)(E), means a program authorized under section 4 or 6(a).

(18) Targeted individuals and entities.—The term "targeted individuals and entities" means—

(A) individuals with disabilities of all ages and their family members, guardians, advocates, and authorized representatives;

(B) underrepresented populations, including the aging workforce;

(C) individuals who work for public or private entities (including centers for independent living described in part C of title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796f et seq.), insurers, or managed care providers) that have contact with individuals with disabilities;

(D) educators at all levels (including providers of early intervention services, elementary schools, secondary schools, community colleges, and vocational and other institutions of higher education) and related services personnel;

(E) technology experts (including web designers and procurement officials);

(F) health, allied health, and rehabilitation professionals and hospital employees (including discharge planners);

(G) employers, especially small business employers, and providers of employment and training services;

(H) entities that manufacture or sell assistive technology devices;

(I) policymakers and service providers;

(J) entities that carry out community programs designed to develop essential community services in rural and urban areas, including AgrAbility projects, Rural Business-Cooperative Service programs, Community Development Financial Institution Fund programs, and other rural and urban programs; and

(K) other appropriate individuals and entities, as determined for a State by the State advisory council.

(19) Technology-related assistance.—The term "technology-related assistance" means assistance provided through capacity building and advocacy activities that accomplish the purposes described in section 2(b)(2).

(20) Underrepresented population.—The term "underrepresented population" means a population that is typically underrepresented in service provision, and includes populations such as persons who have low-incidence disabilities, persons who are minorities, poor persons, persons with limited English proficiency, older individuals, or persons from rural areas.

(21) Universal design.—The term "universal design" means a concept or philosophy for designing and delivering products and services that are usable by people with the widest possible range of functional capabilities, which include products and services that are directly accessible (without requiring assistive technologies) and products and services that are interoperable with assistive technologies.

SEC. 4. STATE GRANTS FOR ASSISTIVE TECHNOLOGY.

(a) Grants to States.—

(1) In general.—The Secretary shall award grants under subsection (b) to States to support activities that increase access to assistive technology and accessible information technology and telecommunications, for individuals with disabilities across the human lifespan and across the wide array of disabilities, on a statewide basis.

(2) Period of grant.—The Secretary shall provide assistance through such a grant to a State for not more than 5 years.

(b) Amount of Financial Assistance.—

(1) In general.—From funds appropriated under section 10(a) for a fiscal year and available to carry out this section, the Secretary shall award a grant to each eligible

State and eligible outlying area based on the corresponding allotment determined under paragraph (2).

(2) ALLOTMENTS.—

(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), from the funds described in paragraph (1), the Secretary shall allot not less than $500,000 to each State and not less than $150,000 to each outlying area for each fiscal year.

(B) LOWER APPROPRIATION YEAR.—For a fiscal year for which the amount of the funds described in paragraph (1) is less than $29,000,000, from those funds, the Secretary—

(i) shall allot to each State or outlying area the amount the State or outlying area received for fiscal year 2004 to carry out section 101 of the Assistive Technology Act of 1998, as in effect on the day before the date of enactment of this Act; and

(ii) from any funds remaining after the Secretary makes the allotments described in clause (i), shall allot to each State an equal amount.

(C) HIGHER APPROPRIATION YEAR.—For a fiscal year for which the amount of the funds described in paragraph (1) is not less than $29,000,000, from those funds, the Secretary—

(i) from a portion of the funds equal to $29,000,000, shall make the allotments described in clauses (i) and (ii) of subparagraph (B);

(ii) from any funds remaining after the Secretary makes the allotments described in clause (i), shall allot to each outlying area an additional amount, so that each outlying area receives a total allotment of not less than $150,000 under this paragraph; and

(iii) from any funds remaining after the Secretary makes the allotments described in clauses (i) and (ii)—

(I) shall allot to each State an amount that bears the same relationship to 80 percent of the remainder as the population of the State bears to the population of all States; and

(II) from 20 percent of the remainder, shall allot to each State an equal amount.

(3) CARRYOVER.—Any amount paid to a State program for a fiscal year under this section shall remain available to such program for obligation until the end of the next fiscal year for the purposes for which such amount was originally provided, except that program income generated from such amount shall remain available to such program until expended.

(c) LEAD AGENCY, IMPLEMENTING ENTITY, AND ADVISORY COUNCIL.—

(1) LEAD AGENCY AND IMPLEMENTING ENTITY.—

(A) LEAD AGENCY.—The Governor shall designate a lead agency to control and administer the funds made available through the grant awarded to the State under this section.

(B) IMPLEMENTING ENTITY.—

(i) IN GENERAL.—The Governor shall designate an agency, office, or other entity to carry out State activities under this section (referred to in this section as the "implementing entity"), if such implementing entity is different from the lead agency.

(ii) TYPE OF ENTITY.—In designating the implementing entity, the Governor may designate—

(I) a commission, council, or other official body appointed by the Governor;

(II) a public-private partnership or consortium;

(III) a public agency, including the immediate office of the Governor, a State oversight office, a State agency, a public institution of higher education, a University Center for Excellence in Developmental Disabilities Education, Research, and Service established under subtitle D of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15061 et seq.), or another public entity;

(IV) a council established under Federal or State law;

(V) an incorporated private nonprofit organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of that Code; or

(VI) another appropriate agency, office, or entity.

(iii) EXPERTISE, EXPERIENCE, AND ABILITY.—In designating the implementing entity, the Governor shall designate an entity with expertise, experience, and ability with respect to—

(I) providing leadership in developing State initiatives related to assistive technology and accessible information technology and telecommunications;

(II) responding to assistive technology and accessible information technology and telecommunications needs of individuals with disabilities with the full range of disabilities and of all ages; and

(III) promoting availability throughout the State of assistive technology devices, assistive technology services, and accessible information technology and telecommunications.

(C) CHANGE IN AGENCY OR ENTITY.—On obtaining the approval of the Secretary, the Governor may redesignate the lead agency, or the implementing entity, if the Governor shows to the Secretary good cause why the entity designated as the lead agency, or the implementing entity, respectively, should not serve as that agency or entity, respectively. The Governor shall make the showing in the application described in subsection (d) or other documentation requested by the Secretary.

(2) ADVISORY COUNCIL.—

(A) IN GENERAL.—There shall be established an advisory council to provide consumer-responsive, consumer-driven decisionmaking for, planning of, implementation of, and evaluation of the activities carried out through the grant.

(B) COMPOSITION AND REPRESENTATION.—

(i) INDIVIDUALS WITH DISABILITIES.—A majority, not less than 51 percent, of the members of the advisory council shall be individuals with disabilities that use assistive technology, or family members or guardians of such individuals.

(ii) COMPOSITION.—The advisory council shall be composed of—

(I) a representative of the designated State agency, as defined in section 7 of the Rehabilitation Act of 1973 (29 U.S.C. 705) and the State agency for individuals who are blind (within the meaning of section 101 of that Act (29 U.S.C. 721)), if such agency is separate;

(II) a representative of a State center for independent living described in part C of title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796f et seq.);

(III) a representative of the State workforce investment board established under section 111 of the Workforce Investment Act of 1998 (29 U.S.C. 2821);

(IV) a representative of the State educational agency, as defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801);

(V) a representative of the State agency for the medicaid program established under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.);

(VI) the Director of the State assistive technology program;

(VII) representatives of other State agencies, public agencies, and private organizations, as determined by the State; and

(VIII) individuals with disabilities, or parents, family members, or guardians of individuals with disabilities, who represent recipients of services from the entities identified in subclauses (I) through (VII).

(iii) REPRESENTATION.—The advisory council shall be geographically representative of the State and reflect the diversity of the State with respect to race, ethnicity, types of disabilities across the age span, and users of types of services that an individual with a disability may receive.

(C) EXPENSES.—The members of the advisory council shall receive no compensation for their service on the advisory council, but shall be reimbursed for reasonable and necessary expenses actually incurred in the performance of official duties for the advisory council.

(D) PERIOD.—The members of the State advisory council shall be appointed not later than 90 days after the approval of the State application described in subsection (d).

(E) IMPACT ON EXISTING STATUTES, RULES, OR POLICIES.—Nothing in this paragraph shall be construed to affect State statutes, rules, or official policies relating to advisory bodies for State assistive technology programs or require changes to governing bodies of incorporated agencies who carry out State assistive technology programs.

(d) APPLICATION.—

(1) IN GENERAL.—Any State that desires to receive a grant under this section shall submit an application to the Secretary, at such time, in such manner, and containing such information as the Secretary may require.

(2) LEAD AGENCY AND IMPLEMENTING ENTITY.—The application shall contain information identifying and describing the lead agency referred to in subsection (c)(1)(A). The application shall contain information identifying and describing the implementing entity referred to in subsection (c)(1)(B), including information describing the expertise, experience, and ability of the entity.

(3) ADVISORY COUNCIL.—The application shall contain an assurance that an advisory council will be established in accordance with subsection (c)(2).

(4) INVOLVEMENT OF PUBLIC AND PRIVATE ENTITIES.—The application shall describe how various public and private entities were involved in the development of the application and will be involved in the implementation of the activities to be carried out through the grant, including—

(A) in cases determined to be appropriate by the State or the State advisory council, a description of the nature and extent of resources that will be committed by public and private collaborators to assist in accomplishing identified goals; and

(B) a description of the mechanisms established to ensure coordination of activities and collaboration between the implementing entity and a State or entity that receives a grant under section 6(a).

(5) IMPLEMENTATION.—The application shall include a description of—

(A) how the State will implement each of the required activities described in subsection (e), except as provided in subparagraph (A) or (B) of subsection (e)(1); and

(B) how the State will allocate and utilize grant funds to implement the activities.

(6) ASSURANCES.—The application shall include assurances that—

(A) the State will annually collect data related to the required activities in order to prepare the progress reports required under subsection (f);

(B) funds received through the grant—

(i) will be expended in accordance with this section, on initiatives identified by the advisory council described in subsection (c)(2);

(ii) will be used to supplement, and not supplant, funds available from other sources for technology-related assistance, including the provision of assistive technology devices and assistive technology services;

(iii) will not be used to pay a financial obligation for technology-related assistance (including the provision of assistive technology devices or assistive technology services) that would have been paid with funds from other sources if funds had not been available through the grant; and

(iv) will not be commingled with State or other funds, except that the State may, subject to such documentation requirements as the Secretary may establish, pool funds received through the grant with other public or private funds to achieve a goal specified in an application approved under this section;

(C) the lead agency will control and administer the funds received through the grant;

(D) the State will adopt such fiscal control and accounting procedures as may be necessary to ensure proper disbursement of and accounting for the funds received through the grant; and

(E) the State (including the State lead agency) will not use more than 10 percent of the funds received through the grant for indirect costs.

(e) USE OF FUNDS.—

(1) IN GENERAL.—Any State that receives a grant under this section shall use the funds made available through the grant to carry out the activities described in paragraph (2), except that the State shall not be required to carry out an activity if—

(A) another entity in the State is providing the same or a similar activity; or

(B) the advisory council described in subsection (c)(2) determines through a needs assessment that the residents of the State consider the activity to be unwarranted.

(2) REQUIRED ACTIVITIES.—

(A) STATE FINANCING SYSTEMS.—The State shall support activities to increase access to, and funding for, assistive technology devices and assistive technology services (which shall not include direct payment for such a device or service for an individual with a disability but may include support and administration of a program to provide such payment), including development of systems to provide and pay for such devices and services, for targeted individuals described in section 3(18)(A), such as—

(i) support for the development of systems for the purchase, lease, or other acquisition of, or payment for, assistive technology devices and assistive technology services; or

(ii) support for the development of State-financed or privately financed alternative financing systems of subsidies (which may include studying the feasibility of, improving, administering, operating, providing capital for, or collaborating with an entity with respect to, such a system) for the provision of assistive technology devices (including related accessible information technology and telecommunications) and assistive technology services, such as—

(I) a low-interest loan fund;

(II) an interest buy-down program;

(III) a revolving loan fund;

(IV) a loan guarantee or insurance program;

(V) a program providing for the purchase, lease, or other acquisition of assistive technology devices or assistive technology services; or

(VI) another mechanism that is approved by the Secretary.

(B) DEVICE DEMONSTRATIONS.—

(i) IN GENERAL.—The State shall directly, or in collaboration with public and private entities, such as one-stop partners, as defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801), demonstrate, assist individuals in making informed choices regarding, and provide experiences with, a variety of assistive technology devices and assistive technology services, using personnel who are familiar with such devices and services and their applications.

(ii) COMPREHENSIVE INFORMATION.—The State shall directly, or through referrals, provide to individuals, to the extent practicable, comprehensive information about State and local assistive technology venders, providers, and repair services.

(C) DEVICE LOAN PROGRAMS.—The State shall directly, or in collaboration with public or private entities, carry out device loan programs that provide short-term loans of assistive technology devices to individuals, employers, public agencies, or others seeking to meet the needs of individuals with disabilities.

(D) DEVICE RE-UTILIZATION PROGRAMS.—The State shall directly, or in collaboration with public or private entities, carry out assistive technology device re-utilization programs that provide for the exchange, repair, recycling, or other re-utilization of assistive technology devices, which may include redistribution through device sales, loans, rentals, or donations.

(E) TRAINING AND TECHNICAL ASSISTANCE.—

(i) IN GENERAL.—The State shall directly, or provide support to public or private entities with demonstrated expertise in collaborating with public or private agencies that serve individuals with disabilities to develop and disseminate training materials, conduct training, and provide technical assistance, for individuals from local settings statewide, including representatives of State and local educational agencies, other State and local agencies, early intervention programs, adult service programs, hospitals and other health care facilities, institutions of higher education, and businesses.

(ii) AUTHORIZED ACTIVITIES.—In carrying out activities under clause (i), the State shall carry out activities that enhance the knowledge, skills, and competencies of individuals from local settings described in clause (i), which may include—

(I) general awareness training on the benefits of assistive technology and the Federal, State, and private funding sources available to assist targeted individuals and entities in acquiring assistive technology;

(II) skills-development training in assessing the need for assistive technology devices and assistive technology services;

(III) training to ensure the appropriate application and use of assistive technology devices, assistive technology services, accessible information technology and telecommunications, and accessible technology for e-government functions;

(IV) training in the importance of culturally competent and linguistically appropriate approaches to assessment and implementation; and

(V) technical training on integrating assistive technology into the development and implementation of service plans, including any education, health, discharge, Olmstead, employment, or other plan required under Federal or State law.

(F) PUBLIC AWARENESS.—

(i) IN GENERAL.—The State shall conduct public-awareness activities designed to provide information to targeted individuals and entities relating to the availability and benefits of assistive technology devices and assistive technology services.

(ii) COLLABORATION.—The State shall collaborate with a training and technical assistance provider described in section 7(b)(1) to carry out public awareness activities focusing on infants, toddlers, children, transition-age youth, employment-age adults, seniors, and employers.

(iii) STATEWIDE INFORMATION AND REFERRAL SYSTEM.—

(I) IN GENERAL.—The State shall directly, or in collaboration with public or private (such as nonprofit) entities, provide for the continuation and enhancement of a statewide information and referral system designed to meet the needs of targeted individuals and entities.

(II) CONTENT.—The system shall deliver information on—

(aa) assistive technology devices and accessible information technology and telecommunications products;

(bb) assistive technology services, with specific data regarding provider availability within the State; and

(cc) the availability of resources, including funding through public and private sources, to obtain assistive technology devices, accessible information technology and telecommunications products, and assistive technology services.

(G) INTERAGENCY COORDINATION AND COLLABORATION.—The State shall promote improved coordination of activities and collaboration among public and private entities that are responsible for policies, procedures, or funding for the provision of assistive technology devices and assistive technology services to individuals with disabilities, service providers, and others.

(H) TARGETED POPULATION ACTIVITY.—

(i) IN GENERAL.—The State shall directly, or in collaboration with public or private entities, carry out coordinated activities to improve access to assistive technology devices and assistive technology services for 1 State-chosen targeted population, consisting of—

(I) elementary and secondary school students, elementary and secondary education providers, and related personnel;

(II) adult service provider clients, adult service providers, and related personnel; or

(III) employees, employment providers, and related personnel.

(ii) REQUIRED ACTIVITIES.—In carrying out activities under clause (i), the State shall carry out targeted initiatives consisting of 2 or more of the required activities described in subparagraphs (A) through (F), including—

(I) public-awareness activities described in subparagraph (F); and

(II) training and technical assistance described in subparagraph (E) which shall include technical training described in subparagraph (E)(v).

(iii) OPTIONAL ACTIVITIES.—In carrying out activities under clause (i), the State may carry out State-identified improvement projects, which may include activities to—

(I) improve the timely acquisition or retention and utilization of appropriate assistive technology for students in transition;

(II) increase utilization of technology solutions to enhance community integration and aging in place; and

(III) increase integration of assistive technology and accessible information technology and telecommunications into the services provided at one-stop centers established under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2831 et seq.).

(3) CONDITIONS.—

(A) COVERED STATE.—In this paragraph, a "covered State" means a State that received funds for an alternative financing mechanism under—

(i) title III of the Assistive Technology Act of 1998, as in effect on the day before the date of enactment of this Act; and

(ii) a grant awarded under this section, to carry out activities described in paragraph (2)(A).

(B) REQUIREMENTS.—Each covered State shall meet the requirements of subparagraphs (B) and (C) of section 6(a)(5), except that references in those subparagraphs to a grant shall be considered to be references to the grant described in subparagraph (A)(ii).

(4) STATE FUNDS.—A State may use State funds to carry out activities described in paragraph (2)(A) for additional targeted individuals and entities (other than individuals and entities described in section 3(18)(A)) if the State advisory council described in subsection (c)(2) approves the additional targeted individuals and entities.

(f) PROGRESS REPORTS.—

(1) DATA COLLECTION.—States shall participate in data collection as required by law, including data collection required for preparation of the report described in paragraph (2).

(2) REPORTS.—

(A) IN GENERAL.—Not later than December 31 of each year, the Secretary shall prepare and submit to the President and to Congress a report on the activities funded under this Act.

(B) CONTENTS.—The report shall include data collected pursuant to this section and section 6(a)(7). The report shall document, with respect to activities carried out under this section and section 6(a)—

(i) the number and dollar amount of financial loans made;

(ii) the number and type of assistive technology device demonstrations provided;

(iii) the number and type of assistive technology devices loaned through device loan programs;

(iv) the number and estimated value of assistive technology devices exchanged, repaired, recycled, or re-utilized (including redistributed through device sales, loans, rentals, or donations) through device re-utilization programs;

(v)(I) the number and general characteristics of individuals who participated in training (such as individuals with disabilities, parents, educators, employers, providers of employment services, health care workers, counselors, other service providers, or vendors) and the topics of such training; and

(II) to the extent practicable, the geographic distribution of individuals who participate in training or technical assistance activities;

(vi) the amount and nature of technical assistance provided to State and local agencies and other entities;

(vii) the number of individuals assisted through the public-awareness activities and statewide information and reference system;

(viii) the outcomes of any improvement initiatives carried out by the State as a result of activities funded under this section, including a description of any written policies, practices, and procedures that the State has developed and implemented regarding access to, provision of, and funding for, assistive technology devices, accessible information technology and telecommunications, and assistive technology services, in the contexts of education, health care, employment, community living, and information technology and telecommunications, including e-government;

(ix) the outcomes of interagency coordination and collaboration activities carried out by the State that support access to assistive technology, including documenting—

(I) the type of, purpose for, and source of leveraged funding or other contributed resources from public and private entities, and the number of individuals served with those resources for which information is not reported under clauses (i) through (viii) or clause (x), and other outcomes accomplished as a result of such activities carried out with those resources; and

(II) the type of, purpose for, and amount of funding provided through subcontracts or other collaborative resource-sharing agreements with public and private entities, including community-based nonprofit organizations, and the number of individuals served through those agreements for which information is not reported under clauses (i) through (viii) or clause (x), and other outcomes accomplished as a result of such activities carried out through those agreements;

(x) measured outcomes of activities undertaken to improve access to assistive technology devices and assistive technology services for targeted populations; and

(xi) the level of customer satisfaction with, or the outcomes of, the services provided.

SEC. 5. STATE GRANTS FOR PROTECTION AND ADVOCACY SERVICES RELATED TO ASSISTIVE TECHNOLOGY.

(a) GRANTS.—

(1) IN GENERAL.—The Secretary shall make grants under subsection (b) to protection and advocacy systems in each State for the purpose of enabling such systems to assist in the acquisition, utilization, or maintenance of assistive technology devices or assistive technology services for individuals with disabilities.

(2) GENERAL AUTHORITIES.—In providing such services, protection and advocacy systems shall have the same general authorities as the systems are afforded under subtitle C of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15041 et seq.), as determined by the Secretary.

(b) GRANTS.—

(1) RESERVATION.—For each fiscal year, the Secretary shall reserve such sums as may be necessary to carry out paragraph (4).

(2) POPULATION BASIS.—On October 1 of each year, from the funds appropriated under section 10(b) and remaining after the reservations required by paragraph (1) have been made, the Secretary shall make a grant to a protection and advocacy system within each State in an amount bearing the same ratio to the remaining funds as the population of the State bears to the population of all States.

(3) MINIMUMS.—Subject to the availability of appropriations, the amount of a grant to a protection and advocacy system under paragraph (2) for a fiscal year shall—

(A) in the case of a protection and advocacy system located in American Samoa, Guam, the United States Virgin Islands, or the Commonwealth of the Northern Mariana Islands, not be less than $30,000; and

(B) in the case of a protection and advocacy system located in a State not described in subparagraph (A), not be less than $50,000.

(4) PAYMENT TO THE SYSTEM SERVING THE AMERICAN INDIAN CONSORTIUM.—

(A) IN GENERAL.—The Secretary shall make grants to the protection and advocacy system serving the American Indian Consortium to provide services in accordance with this section.

(B) AMOUNT OF GRANTS.—The amount of such grants shall be the same as provided under paragraph (3)(A), as increased under paragraph (5).

(5) MINIMUM GRANT INCREASE.—For each fiscal year for which the total amount appropriated under section 10(b) is $4,419,000 or more, and such appropriated amount exceeds the total amount appropriated under such section (or a predecessor authority) for the preceding fiscal year, the Secretary shall increase each of the minimum grant amounts described in subparagraphs (A) and (B) of paragraph (3) by a percentage equal to the percentage increase (if any) in the total amount appropriated under section 10(b) (or a predecessor authority) to carry out this section between the preceding fiscal year and the fiscal year involved.

(c) DIRECT PAYMENT.—Notwithstanding any other provision of law, the Secretary shall pay directly to any protection and advocacy system that complies with this section, the total amount of the grant made for such system under this section, unless the system provides otherwise for payment of the grant amount.

(d) CERTAIN STATES.—

(1) GRANT TO LEAD AGENCY.—Notwithstanding any other provision of this section, with respect to a State that, on November 12, 1998, was described in section 102(f)(1) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988, the Secretary shall pay the amount of the grant described in subsection (a), and made under subsection (b), to the lead agency designated under section 4(c)(1) for the State.

(2) DISTRIBUTION OF FUNDS.—A lead agency to which a grant is awarded under paragraph (1) shall determine the manner in which funds made available through the grant will be allocated among the entities that were providing protection and advocacy services in that State on the date described in such paragraph, and shall distribute funds to such entities. In distributing such funds, the lead agency shall not establish any additional eligibility or procedural requirements for an entity in the State that supports protection and advocacy services through a protection and advocacy system. Such an entity shall comply with the same requirements (including reporting and enforcement requirements) as any other entity that receives funding under this section.

(3) APPLICATION OF PROVISIONS.—Except as provided in this subsection, the provisions of this section shall apply to the grant in the same manner, and to the same extent, as the provisions apply to a grant to a system.

(e) CARRYOVER.—Any amount paid to a protection and advocacy system for a fiscal year under this section shall remain available to such system for obligation until the end of the next fiscal year for the purposes for which such amount was originally provided, except that program income generated from such amount shall remain available to such system until expended.

(f) ANNUAL REPORT.—Each protection and advocacy system that receives a payment under this section shall submit an annual report to the Secretary concerning the services provided and outcomes of services provided under this section to individuals with disabilities for the purposes of assisting in the acquisition, utilization, or maintenance of assistive technology devices or assistive technology services.

SEC. 6. SUPPLEMENTARY GRANTS AND PROJECTS OF NATIONAL SIGNIFICANCE.

(a) Supplementary Grants.—

(1) Grants.—

(A) In general.—The Secretary shall award supplementary grants, on a competitive basis, to States or other entities to carry out 1 or more of the activities described in paragraph (6), either directly or through subgrants to or other collaborative mechanisms with public or private entities, to allow individuals with disabilities and their family members, guardians, advocates, and authorized representatives to purchase or have increased access to assistive technology devices and assistive technology services. The Secretary shall award such a grant to not more than 1 entity in each State.

(B) Period of grants.—The Secretary shall award grants under this subsection for periods of 12 months.

(2) Eligibility.—To be eligible to receive a grant under this subsection, a State shall have received a grant under section 4 or under section 101 of the Assistive Technology Act of 1998, as in effect on the day before the date of enactment of this Act.

(3) Applications.—A State or entity that desires to receive a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including the following:

(A)(i) A description of—

(I) the goals the State or entity has identified for the supplementary grant; and

(II) the activities the State or entity will carry out to achieve such goals, in accordance with the requirements of paragraphs (5) and (6).

(ii) A description of how the State or entity will measure whether the goals identified by the State or entity have been achieved by the end of the grant period.

(B) A description of the proposed use of funds to meet the identified goals.

(C) If the application is submitted by an entity other than the implementing entity for the State assistive technology program, a description of the mechanisms established to ensure coordination of activities and collaboration with the implementing entity.

(D) In the case of an application for a grant for an alternative financing loan program described in paragraph (6)(A), information identifying and describing—

(i) a consumer-based organization that has individuals with disabilities involved in organizational decisionmaking at all organizational levels, that will administer the alternative financing loan program; and

(ii) a commercial lending institution, State financing agency, or other qualified entity who will facilitate implementation of the program.

(E) A description of resources that have been committed for the activities to be carried out under the grant and assurances that—

(i) the State or entity will provide any required non-Federal contributions toward the cost of the activities;

(ii) the State or entity will make every effort to continue the activities on a permanent basis;

(iii) the funds made available through the grant to support the activities will supplement and not supplant other funds available to provide such activities;

(iv) in the case of a grant for an alternative financing loan program described in paragraph (6)(A)—

(I) all funds that support the alternative financing loan program, including the grant funds, funds provided for the non-Federal contributions described in clause (i), funds repaid during the life of the program, and any interest or investment income resulting from the program, will be placed in a permanent separate account and identified and accounted for separately from any other funds;

(II) such account will be—

(aa) used only to support the alternative financing program;

(bb) administered by an organization that has individuals with disabilities involved in organizational decisionmaking at all organizational levels; and

(cc) administered with the same judgment and care that a person of prudence, discretion, and intelligence would exercise in the management of the financial affairs of such person; and

(III) if the funds in the account are invested, the funds will be invested in low-risk securities in which a regulated insurance company may invest under the law of the State.

(4) Preferences.—

(A) Experience.—In awarding grants under this subsection for activities described in subparagraph (A) or (B) of paragraph (6), the Secretary shall give preference to a State entity or other entity that—

(i) has experience carrying out similar activities; or

(ii) received a grant under title III of the Assistive Technology Act of 1998, as in effect on the day before the date of enactment of this Act, or a predecessor authority.

(B) No prior grant or low grant total.—In awarding grants under this subsection for activities described in paragraph (6)(A), the Secretary may give preference to a State, or an entity in a State, where the State has not received a grant, or has received less than a total of $1,000,000 in grant awards, under title III of the Assistive Technology Act of 1998, as in effect on the day before the date of enactment of this Act. In awarding grants under this subsection for activities described in paragraph (6)(B), the Secretary may give preference to a State, or an entity in a State, where the State has not operated a device loan program for assistive technology or assistive technology devices.

(C) Limitations.—A State, or an entity in a State, where the State has not received an alternative financing grant described in subparagraph (B) may not receive an initial grant under this subsection for activities described in paragraph (6)(A) in an amount greater than $1,000,000. A State, or an entity in a State, where the State has not operated a device loan program described in subparagraph (B) may not receive an initial grant under this subsection for activities described in paragraph (6)(B) in an amount greater than $1,000,000.

(5) Conditions on supplementary grants.—

(A) Payments to states or other entities.—Subject to the conditions specified in this subsection, the Secretary shall make payments to the States or entities that are selected to receive supplementary grants awarded under this subsection.

(B) Obligation and expenditure.—A State or entity that receives a grant under this subsection shall obligate and expend the funds made available through the grant during the period of the grant.

(C) Matching requirement.—With respect to the cost to be incurred by a State or entity that receives a grant under this subsection to carry out activities described in paragraph (6), a State or entity that receives such a grant in an amount of more than $500,000 shall make available non-Federal contributions in an amount not less than $1 for every $5 of Federal funds provided under the grant.

(D) Indirect costs.—No State or entity shall use more than 10 percent of the funds made available through a grant awarded under this subsection for indirect costs.

(6) Activities.—The State or entity may use funds made available through a grant awarded under this subsection to carry out 1 or more of the following activities:

(A) Alternative financing loan programs capital infusion grants.—The establishment or expansion, and administration, of an alternative financing loan program to allow targeted individuals and entities described in section 3(18)(A) to purchase assistive technology devices and assistive technology services, accessible information technology and telecommunications, and related goods and services required for the independence and productivity of an individual with a disability. The program may include—

(i) a low-interest loan fund program;

(ii) an interest buy-down program;

(iii) a revolving loan fund program;

(iv) a loan guarantee or insurance program; or

(v) a program based on another financing mechanism that is approved by the Secretary.

(B) Device loan programs capital infusion grants.—The expansion and administration of device loan programs to meet unique or comprehensive State needs, such as the expansion and administration of the programs through—

(i) joint funding agreements between the implementing entity for the State assistive technology program and educational agencies, vocational rehabilitation agencies, entities providing medical assistance, or other public or private entities who pay for assistive technology devices; or

(ii) a specialized State-specific funding stream or pool for the purchase of assistive technology to be loaned.

(C) State funds.—A State may use State funds to carry out activities described in subparagraph (A) for additional targeted individuals and entities (other than individuals and entities described in section 3(18)(A)) if the State advisory council described in section 4(c)(2) and the consumer-based organization described in paragraph (3)(D) approve the additional targeted individuals and entities.

(7) Progress reports.—

(A) in general.—Each State or entity that receives a grant under this subsection shall prepare and submit to the Secretary a status report not later than 7 months after the date on which the State or entity receives the grant and a final report not later than 18 months after the date on which the State or entity receives the grant. Each report shall document the progress of the State or entity in meeting the goals described in paragraph (3)(A)(i)(I).

(B) Alternative financing loan program data required.—A State or entity that receives a grant for an alternative financing loan program described in paragraph (6)(A) shall include in each report loan data with respect to the program for the period of the grant award, including—

(i) the number and dollar amount of loans made under that paragraph for—

(I) loan applications received;

(II) loan applications approved; and

(III) loan applications not approved;

(ii) the default rate of the loans;

(iii) the range of interest rates and average interest rate for the loans;

(iv) the range of income and average income of approved loan applicants for the loans;

(v) the types and dollar amounts of assistive technology financed through the loans; and

(vi) the outcomes of the loan program, including information relevant to the benefits to individuals utilizing the program.

(C) DEVICE LOAN PROGRAMS DATA REQUIRED.—A State that receives a grant for an device loan program described in paragraph (6)(B) shall include in each report loan data with respect to the program for the period of the grant award, including—

(i) the number and type of assistive technology devices loaned under that paragraph;

(ii) the general characteristics of borrowers (such as individuals with disabilities, parents, educators, employers, providers of employment services, health care workers, counselors, other service providers, or vendors);

(iii) the purposes for which the loans were made; and

(iv) the outcomes of the loans, including information relevant to the benefits to individuals utilizing the program.

(8) CONSTRUCTION.—Nothing in this subsection shall be construed as affecting the authority of a State to establish an alternative financing system under section 4.

(b) PROJECTS OF NATIONAL SIGNIFICANCE.—

(1) COMPETITIVE GRANT FOR DEVELOPMENT OF A NATIONAL PUBLIC-AWARENESS TOOLKIT.—

(A) PURPOSE.—The purpose of this paragraph is to support the development of a national public-awareness toolkit for dissemination to State assistive technology programs, in order to expand public-awareness efforts to reach targeted individuals and entities, as defined in subparagraphs (A), (B), (D), (F), (G), and (I) of section 3(18).

(B) COMPETITIVE TECHNICAL ASSISTANCE GRANT AUTHORIZED.—The Secretary may award a grant on a competitive basis to an eligible partnership, to enable the partnership to carry out the activities described in subparagraph (A).

(C) ELIGIBLE PARTNERSHIP.—To be eligible to receive the grant, the partnership—

(i) shall consist of—

(I) an implementing entity for a State assistive technology program or an organization or association that represents implementing entities for State assistive technology programs;

(II) a private or public entity from the media industry;

(III) a private entity from the assistive technology industry; and

(IV) a private employer or an organization or association that represents private employers; and

(ii) may include another entity determined by the Secretary to be appropriate.

(D) APPLICATIONS.—To be eligible to receive a grant under this paragraph, a partnership shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(E) USE OF FUNDS.—A partnership that receives a grant under this paragraph shall use the funds made available through the grant to develop a national public-awareness toolkit, which shall contain appropriate multimedia materials to reach targeted individuals and entities, as defined in subparagraphs (A), (B), (D), (F), (G), and (I) of section 3(18), for dissemination to State assistive technology programs.

(2) RESEARCH, DEVELOPMENT, AND EVALUATION.—

(A) COMPETITIVE RESEARCH, DEVELOPMENT, AND EVALUATION GRANTS AUTHORIZED.—The Secretary may award grants to eligible entities to carry out research, development, and evaluation of assistive technology.

(B) ELIGIBLE ENTITIES.—Entities eligible to receive a grant under this paragraph shall include—

(i) providers of assistive technology services and assistive technology devices;

(ii) public and private educational agencies serving students in kindergarten, elementary school, or secondary school;

(iii) institutions of higher education, including University Centers for Excellence in Developmental Disabilities Education, Research, and Service authorized under subtitle D of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15061 et seq.), or such institutions offering rehabilitation engineering programs, computer science programs, or information technology programs;

(iv) manufacturers of assistive technology and accessible information technology and telecommunications;

(v) consumer organizations concerned with assistive technology;

(vi) professionals, organizations, and agencies, providing services to individuals with disabilities; and

(vii) professionals, individuals, and organizations, providing employment services to individuals with disabilities.

(C) PRIORITY ACTIVITIES.—In awarding such grants, the Secretary shall give priority to funding projects that address 1 or more of the following:

(i) Developing standards for reliability and accessibility of assistive technology, and standards for interoperability (including open standards) of assistive technology with information technology, telecommunications products, and other assistive technology.

(ii) Developing and implementing measurements and tools that evaluate assistive technology for—

(I) conformity with reliability, accessibility and interoperability standards developed under clause (i);

(II) usability by individuals with disabilities to meet functional needs; or

(III) other characteristics that support increased functional performance of assistive technology.

(iii) Developing assistive technology that benefits individuals with disabilities or developing technologies or practices that result in the adaptation, maintenance, servicing, or improvement of assistive technology devices.

(D) INPUT.—An entity that receives a grant under this paragraph shall, in developing and implementing the project carried out through the grant, coordinate activities with the implementing entity for the State assistive technology program (or a national organization that represents such programs) and the State advisory council described in section 4(c)(2) (or a national organization that represents such councils).

(E) REPORT.—The entity shall prepare and submit a report to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(3) PERSONNEL PREPARATION CENTERS.—

(A) GRANTS.—The Secretary shall award grants, on a competitive basis, to public and private entities and institutions of higher education, including University Centers for Excellence in Developmental Disabilities Education, Research, and Service established under subtitle D of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15061 et seq.), to fund the establishment or expansion of personnel preparation centers.

(B) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this paragraph, an entity shall have—

(i) knowledge and skills to assess and evaluate the need for assistive technology devices and assistive technology services;

(ii) knowledge and skills to assist consumers in the selection and acquisition of the devices and services; and

(iii) experience training professionals in school districts, at early intervention service sites, and in adult service provider settings, in geographically diverse areas within the State.

(C) APPLICATION.—

(i) IN GENERAL.—To be eligible to receive a grant under this paragraph, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(ii) CONTENTS.—At a minimum, the application shall include—

(I) a description of the entity's knowledge and skills regarding assistive technology assessment and evaluation;

(II) a description of how the entity will collect training outcome data;

(III) a description of the manner in which the entity will carry out financial and programmatic responsibilities, including any shared responsibilities, in implementing the activities carried out under the grant;

(IV) a description of the relationship between the entity and school personnel, early intervention service personnel, and adult service provider personnel in the State; and

(V) a description of an advisory committee designated or established under subparagraph (E).

(D) USE OF FUNDS.—An entity that receives a grant under this paragraph shall use the funds made available through the grant to carry out the activities described in subparagraph (B).

(E) ADVISORY COMMITTEE.—

(i) IN GENERAL.—A council (which may be the advisory council described in section 4(c)(2)) shall be designated to serve as an advisory committee, or an advisory committee shall be established, to make recommendations for the training to be offered through the grant, the specific populations to receive the training, and the reporting requirements applicable to the entity under subparagraph (F).

(ii) COMPOSITION.—At a minimum, such advisory committee shall be composed of—

(I) consumers of assistive technology services and assistive technology devices;

(II) providers of assistive technology services and assistive technology devices;

(III) the implementing entity for the State assistive technology program; and

(IV) entities (other than the entity described in clause (i)) that receive grants under this paragraph.

(F) REPORTING REQUIREMENTS.—

(i) IN GENERAL.—An entity that receives a grant under this paragraph shall submit to the Secretary an annual report detailing outcomes achieved through activities carried out under the grant at such time, in such manner, and containing such information as the Secretary may require, after receiving the recommendations of the advisory committee described in subparagraph (E) for the entity.

(ii) CONTENTS.—At a minimum, the report shall include information on—

(I) the number and geographical distribution of teachers (broken down into general education and special education categories) and other school personnel who received training under this paragraph in the school year covered by the report;

(II) the number and geographical distribution of early intervention service personnel who received training under this paragraph in the year covered by the report; and

(III) the number and geographical distribution of adult service provider personnel who received training under this paragraph in the year covered by the report.

(4) PERIOD OF GRANTS.—The Secretary shall make grants under this subsection for periods of 12 months.

(5) CONDITIONS ON PROJECTS OF NATIONAL SIGNIFICANCE.—

(A) PAYMENTS TO PARTNERSHIPS AND ENTITIES.—Subject to the conditions specified in this paragraph, the Secretary shall make payments to the partnerships and entities that are selected to receive grants awarded under this subsection.

(B) OBLIGATION AND EXPENDITURE.—A partnership or entity that receives a grant under this subsection shall obligate and expend the funds made available through the grant during the period of the grant.

(C) MATCHING REQUIREMENT.—

(i) IN GENERAL.—With respect to the cost to be incurred by a partnership or entity that receives a grant under this subsection in carrying out the activities for which the grant was awarded, a partnership or entity that receives a grant under this subsection in an amount of more than $50,000 shall make available non-Federal contributions in an amount not less than $1 for every $3 of the portion of the grant amount that exceeds $50,000.

(ii) NON-FEDERAL CONTRIBUTIONS.—The partnership or entity may make the non-Federal contributions available in cash or in kind, fairly evaluated, including plant, equipment, or services.

SEC. 7. TRAINING, TECHNICAL ASSISTANCE, DATA-COLLECTION, REPORTING, AND INTERNET PROGRAMS.

(a) IN GENERAL.—In order to strengthen and support State assistive technology programs, and protection and advocacy systems authorized under section 5, the Secretary may award 1 or more grants, contracts, or cooperative agreements on a competitive basis under subsections (b) and (c) to provide training and technical assistance, and conduct data collection and reporting, about and for the State assistive technology programs and protection and advocacy systems.

(b) TRAINING AND TECHNICAL ASSISTANCE; DATA COLLECTION AND REPORTING.—

(1) STATE PROJECTS TRAINING AND TECHNICAL ASSISTANCE EFFORTS.—

(A) IN GENERAL.—The Secretary shall award grants, contracts, and cooperative agreements to provide training and technical assistance concerning State assistive technology programs.

(B) ELIGIBLE ENTITIES.—To be eligible to receive a grant, contract, or cooperative agreement under this paragraph, an entity shall have personnel with—

(i) documented experience and expertise in administering State assistive technology programs, including developing, implementing, and administering the required and discretionary activities described in sections 4 and 6(a); and

(ii) documented experience in and knowledge about banking, finance, and microlending.

(C) APPLICATION.—To be eligible to receive a grant, contract, or cooperative agreement under this paragraph, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(D) TRAINING AND TECHNICAL ASSISTANCE EFFORTS.—In awarding the grant, contract, or cooperative agreement, the Secretary shall ensure that the recipient conducts a training and technical assistance program, taking into account the required input and collaborations described in subparagraph (E), through which the recipient—

(i) addresses State-specific information requests concerning assistive technology and accessible information technology and telecommunications from implementing entities for State assistive technology programs funded under this Act and public and private entities not funded under this Act, including—

(I) requests for information on effective approaches to developing, implementing, evaluating, and sustaining required and discretionary activities identified in sections 4 and 6(a), and requests for assistance in developing corrective action plans;

(II) requests for examples of Federal, State, and local policies, practices, procedures, regulations, interagency agreements, administrative hearing decisions, or legal actions that facilitate, and overcome barriers to, the provision of funding for, and access to, assistive technology devices, accessible information technology and telecommunications, and assistive technology services for individuals with disabilities; and

(III) other requests for training and technical assistance from State assistive technology programs funded under this Act and public and private entities not funded under this Act, and other assignments specified by the Secretary; and

(ii) provides State-specific and national training and technical assistance concerning assistive technology and accessible information technology and telecommunications to implementing entities for State assistive technology programs, including financing systems, funded under section 4, other entities funded under this Act (with respect to the required or discretionary activities that the entities carry out under this Act and especially with respect to the establishment or expansion, and administration (including evaluation and sustenance), of alternative financing loan programs under section 6(a)), and public and private entities not funded under this Act, including—

(I) annually providing a forum for exchanging information and promoting program and policy improvements in required activities of the State assistive technology programs;

(II) facilitating on-site and electronic information sharing using state-of-the-art Internet technologies such as real-time online discussions, multipoint video conferencing, and web-based audio/video broadcasts, on emerging topics that affect State assistive technology programs and individuals with assistive technology and accessible information technology and telecommunications needs;

(III) convening experts from State assistive technology programs to discuss and make recommendations with regard to national emerging issues of importance to individuals with assistive technology and accessible information technology and telecommunications needs;

(IV) sharing best practice and evidence-based practices among State assistive technology programs;

(V) maintaining an accessible website that includes a link to State assistive technology programs, Federal departments and agencies, and associations and developing a national toll-free number that links callers from a State with the State assistive technology program in their State;

(VI) developing or utilizing existing (as of the date of the award involved) model cooperative volume-purchasing mechanisms designed to reduce the financial costs of purchasing assistive technology for required and discretionary activities identified in sections 4 and 6(a), and reducing duplication of activities among State assistive technology programs; and

(VII) providing access to experts in the areas of banking, microlending, and finance, for implementing entities for State assistive technology programs and other entities funded under this Act to administer alternative financing loan programs, through site visits, teleconferences, and other means, to ensure access to information for entities that are carrying out new programs or programs that are not making progress in achieving the objectives of the programs.

(E) REQUIRED INPUT AND COLLABORATION.—In providing training and technical assistance under this paragraph, a recipient of a grant, contract, or cooperative agreement under this paragraph shall meet the following requirements:

(i) INPUT.—The recipient shall involve, in the planning and identification of priority issues and needs, the directors of State assistive technology programs and other individuals the Secretary determines to be appropriate, especially—

(I) individuals with disabilities who use, and understand the barriers to the acquisition of, assistive technology and accessible information technology and telecommunications;

(II) family members, guardians, advocates, and authorized representatives of such individuals;

(III) relevant employees from other Federal departments and agencies;

(IV) businesses; and

(V) venders and public and private researchers and developers.

(ii) COLLABORATION.—The recipient shall collaborate, in developing and implementing training and technical assistance activities identified as priorities, with other organizations, in particular—

(I) national organizations representing State assistive technology programs;

(II) organizations representing State officials and agencies engaged in the delivery of assistive technology and accessible information technology and telecommunications;

(III) the data-collection and reporting providers described in paragraph (2); and

(IV) other providers of national programs or programs of national significance funded under this Act.

(2) STATE PROJECTS DATA-COLLECTION AND REPORTING PROGRAM.—

(A) IN GENERAL.—The Secretary shall award grants, contracts, and cooperative agreements to conduct data collection and reporting concerning State assistive technology programs.

(B) ELIGIBLE ENTITIES.—To be eligible to receive a grant, contract, or cooperative agreement under this paragraph, an entity shall have personnel with—

(i) documented experience and expertise in administering State assistive technology programs;

(ii) experience in collecting and analyzing data associated with implementing required and discretionary activities;

(iii) expertise necessary to identify additional data elements needed to provide comprehensive reporting of State activities and outcomes; and

(iv) experience in utilizing data to provide annual reports to State policymakers.

(C) APPLICATION.—To be eligible to receive a grant, contract, or cooperative agreement under this paragraph, an eligible applicant shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(D) DATA-COLLECTION AND REPORTING PROGRAM.—In awarding the grant, contract, or cooperative agreement, the Secretary shall ensure that the recipient conducts a data-collection and reporting program that enhances and improves the operations and conduct of a State assistive technology program. The Secretary shall ensure that the recipient achieves that enhancement and improvement by using quantitative and qualitative data elements, measuring the outcomes of the required activities described in section 4(e), and measuring the accrued benefits of the activities to individuals who need assistive technology and accessible information technology and telecommunications.

(E) REQUIRED DATA ELEMENTS.—The core set of the data elements shall, at a minimum, include data elements for—

(i) the number and dollar amount of financial loans made;

(ii) the number and type of assistive technology device demonstrations provided;

(iii) the number and type of assistive technology devices loaned through device loan programs;

(iv) the number and estimated value of assistive technology devices exchanged, repaired, recycled, or re-utilized (including redistributed through device sales, loans, rentals, or donations) through device re-utilization programs;

(v)(I) the number and general characteristics of individuals who participated in training (such as individuals with disabilities, parents, educators, employers, providers of employment services, health care workers, counselors, other service providers, or vendors) and the topics of such training; and

(II) to the extent practicable, the geographic distribution of individuals who participated in training or technical assistance activities;

(vi) the amount and nature of technical assistance provided to State and local agencies and other entities;

(vii) the number of individuals assisted through the public-awareness activities and statewide information and reference system;

(viii) the outcomes of any improvement initiatives carried out by the State as a result of activities funded under section 4;

(ix) the outcomes of interagency coordination and collaboration activities carried out by the State that support access to assistive technology;

(x) measured outcomes of activities undertaken to improve access to assistive technology devices and assistive technology services for targeted populations;

(xi) the outcomes of the services provided; and

(xii) the level of customer satisfaction with, or the outcomes of, the services provided.

(F) REQUIRED INPUT AND COLLABORATION.—In conducting data-collection and reporting activities under this paragraph, a recipient of a grant, contract, or cooperative agreement under this paragraph shall meet the following requirements:

(i) INPUT.—The recipient shall actively involve, in the development of the data-collection and reporting system, the directors of State assistive technology programs and other individuals the Secretary determines to be appropriate, especially—

(I) individuals with disabilities who use, and understand the barriers to the acquisition of, assistive technology and accessible information technology and telecommunications;

(II) family members, guardians, advocates, and authorized representatives of such individuals;

(III) relevant employees from other Federal departments and agencies;

(IV) businesses; and

(V) venders and public and private researchers and developers.

(ii) COLLABORATION.—The recipient shall actively collaborate, in developing and implementing the system, with other organizations, in particular—

(I) national organizations representing State assistive technology programs;

(II) the training and technical assistance providers described in paragraph (1); and

(III) entities carrying out projects of national significance funded under section 6(b), as appropriate.

(3) STATE PROTECTION AND ADVOCACY SERVICES TRAINING AND TECHNICAL ASSISTANCE EFFORTS.—

(A) GENERAL AUTHORITY.—The Secretary shall award grants, contracts, and cooperative agreements to provide training and technical assistance concerning protection and advocacy services.

(B) ELIGIBLE ENTITIES.—To be eligible to receive a grant, contract, or cooperative agreement under this paragraph to provide training and technical assistance, an entity shall have personnel with documented experience related to protection and advocacy services.

(C) APPLICATION.—To be eligible to receive a grant, contract, or cooperative agreement under this paragraph, an eligible applicant shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(D) TRAINING AND TECHNICAL ASSISTANCE EFFORTS.—

(i) TECHNICAL ASSISTANCE EFFORTS.—In awarding the grant, contract, or cooperative agreement, the Secretary shall ensure that the recipient conducts a technical assistance program through which the recipient—

(I) provides advocacy-related and management-related technical assistance;

(II) prepares publications, in numerous formats, on the funding of assistive technology through a variety of funding sources;

(III) makes available, through in-house resource libraries, documents related to the funding of assistive technology;

(IV) maintains a project website containing information concerning the funding of assistive technology, and containing publications and links to other web-based resources to support assistive technology advocacy efforts; and

(V) maintains a national assistive technology list serve.

(ii) TRAINING EFFORTS.—In awarding the grant, contract, or cooperative agreement, the Secretary shall ensure that the recipient conducts a training program through which the recipient—

(I) provides advocacy-related training through annual statewide or regional conferences and distance-training events; and

(II) provides management-related training at annual training events, assisting protection and advocacy managers and fiscal officers to meet grant obligations.

(iii) DATA COLLECTION AND REPORTING.—The recipient shall prepare and submit to the Secretary a report containing information on the activities carried out under this paragraph, including information on the following:

(I) Non-case services.

(II) Case services.

(III) Statistical information for individuals served.

(IV) Systemic activities and litigation.

(V) Priorities and objectives.

(VI) Agency administration.

(c) NATIONAL INFORMATION INTERNET SYSTEM.—

(1) IN GENERAL.—In order to provide information nationally on the availability of assistive technology, the Secretary may award 1 grant, contract, or cooperative agreement on a competitive basis to maintain, renovate, and update the National Public Internet Site established under section 104(c)(1) of the Assistive Technology Act of 1998 (29 U.S.C. 3014(c)(1)), as in effect on the date of enactment of this Act.

(2) ELIGIBLE ENTITY.—To be eligible to receive a grant, contract, or cooperative agreement under paragraph (1), an entity shall be a nonprofit organization, for-profit organization, or institution of higher education, that—

(A) emphasizes research and engineering;

(B) has a multidisciplinary research center; and

(C) has demonstrated expertise in—

(i) working with assistive technology, accessible information technology and telecommunications, and intelligent agent interactive information dissemination systems;

(ii) managing libraries of assistive technology, accessible information technology and telecommunications, and disability-related resources;

(iii) delivering to individuals with disabilities education, information, and referral services, including technology-based curriculum-development services for adults with low-level reading skills;

(iv) developing cooperative partnerships with the private sector, particularly with private-sector computer software, hardware, and Internet services entities; and

(v) developing and designing advanced Internet sites.

(3) APPLICATION.—To be eligible to receive a grant, contract, or cooperative agreement under this section, an eligible applicant shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(4) NATIONAL PUBLIC INTERNET SITE.—

(A) FEATURES OF INTERNET SITE.—The National Public Internet Site shall contain the following features:

(i) AVAILABILITY OF INFORMATION AT ANY TIME.—The site shall be designed so that any member of the public may obtain information posted on the site at any time.

(ii) INNOVATIVE AUTOMATED INTELLIGENT AGENT.—The site shall be constructed with an innovative automated intelligent agent that is a diagnostic tool for assisting users in problem definition and the selection of appropriate assistive technology devices and assistive technology services resources and accessible information technology and telecommunications.

(iii) RESOURCES.—

(I) LIBRARY ON ASSISTIVE TECHNOLOGY.—The site shall include access to a comprehensive working library on assistive technology and accessible information technology and telecommunications for all environments, including home, workplace, transportation, and other environments.

(II) Information on accommodating individuals with disabilities.—The site shall include access to evidence-based research and best practices concerning how assistive technology and accessible information technology and telecommunications can be used to accommodate individuals with disabilities in the areas of education, employment, health care, community living, and telecommunications and information technology.

(III) Resources for a number of disabilities.—The site shall include resources relating to the largest possible number of disabilities, including resources relating to low-level reading skills and cognitive disabilities.

(iv) Links to private-sector resources and information.—To the extent feasible, the site shall be linked to relevant private-sector resources and information, under agreements developed between the recipient of the grant, contract, or cooperative agreement and cooperating private-sector entities.

(v) Links to public-sector resources and information.—To the extent feasible, the site shall be linked to relevant public-sector resources and information, such as the Internet sites of the Office of Special Education and Rehabilitation Services of the Department of Education, the Office of Disability Employment Policy of the Department of Labor, the Small Business Administration, the Architectural and Transportation Barriers Compliance Board, and the Technology Administration of the Department of Commerce, the accessible website described in subsection (b)(1)(D)(ii)(V), the Jobs Accommodation Network funded by the Office of Disability Employment Policy of the Department of Labor, and other relevant sites.

(B) Minimum library components.—At a minimum, the National Public Internet Site shall maintain updated information on—

(i) State assistive technology program demonstration sites where individuals may try out assistive technology devices;

(ii) State assistive technology program device loan program sites where individuals may borrow assistive technology devices;

(iii) State assistive technology program device re-utilization program sites;

(iv) alternative financing programs or systems operated through, or independently of, State assistive technology programs, and other sources of funding for assistive technology devices; and

(v) various tax credits available to employers for hiring or accommodating employees who are individuals with disabilities.

(5) Input.—While providing information (including technical assistance) under this subsection, the Secretary and recipient of the grant, contract, or cooperative agreement under this subsection shall consider the input of the directors of State assistive technology programs and other individuals the Secretary determines to be appropriate, especially—

(A) individuals with disabilities who use, and understand the barriers to the acquisition of, assistive technology and accessible information technology and telecommunications;

(B) family members, guardians, advocates, and authorized representatives of such individuals;

(C) relevant employees from other Federal departments and agencies involved in the procurement or development of assistive technology devices, or the provision of assistive technology services;

(D) employers of people with disabilities, especially small business employers; and

(E) venders and public and private researchers and developers.

SEC. 8. TECHNOLOGY INDUSTRY ASSESSMENT.

(a) In General.—To better promote and serve the United States assistive technology industry, the Secretary may conduct a detailed assessment of the industry. Such assessment shall provide data and analysis concerning the industry's market, products, and services, for better strategic and business modeling.

(b) Contents.—The Secretary shall ensure that the assessment provides data and analysis including—

(1) data to better assess the industry's potential and provide metrics for future growth;

(2) information addressing strategies and certification practices of international trading partners; and

(3) details about programs within the Department of Commerce that facilitate assistive technology industry export efforts.

(c) Consultation.—The Secretary shall conduct the assessment after consultation with the Under Secretary for Technology of the Department of Commerce members of the assistive technology industry, the Interagency Committee on Disability Research established under section 203 of the Rehabilitation Act of 1973 (29 U.S.C. 763), and other appropriate agencies.

SEC. 9. ADMINISTRATIVE PROVISIONS.

(a) General Administration.—

(1) In general.—Notwithstanding any other provision of law, the Commissioner of the Rehabilitation Services Administration in the Office of Special Education and Rehabilitative Services of the Department of Education shall be responsible for the administration of this Act.

(2) Collaboration.—The Commissioner of the Rehabilitation Services Administration may make 1 or more grants to, or enter into 1 or more contracts, interagency agreements, or cooperative agreements with, the Director of the Office of Special Education Programs or the National Institute on Disability and Rehabilitation Research in the Office of Special Education and Rehabilitative Services of the Department of Education, the Assistant Secretary for Disability Employment Policy in the Department of Labor, the Under Secretary for Technology in the Department of Commerce, the Administrator of the Small Business Administration, or the head of any other entity approved by the Secretary to assist in the administration of this Act.

(3) Administration.—In administering this Act, the Commissioner of the Rehabilitation Services Administration shall ensure the provision of assistive technology, through comprehensive statewide programs of technology-related assistance, to individuals of all ages, whether the individuals will use the assistive technology to obtain or maintain employment or for other reasons.

(b) Review of Participating Entities.—The Secretary shall assess the extent to which entities that receive grants under this Act are complying with the applicable requirements of this Act and achieving goals that are consistent with the requirements of the grant programs under which the entities received the grants.

(c) Corrective Action and Sanctions.—

(1) Corrective action.—If the Secretary determines that an entity that receives a grant under this Act fails to substantially comply with the applicable requirements of this Act, the Secretary shall assist the entity, through technical assistance funded under section 7 or other means, within 90 days after such determination, to develop a corrective action plan.

(2) Sanctions.—If the entity fails to develop and comply with a corrective action plan described in paragraph (1) during a fiscal year, the entity shall be subject to 1 of the following corrective actions selected by the Secretary:

(A) Partial or complete termination of funding under the grant program.

(B) Ineligibility to participate in the grant program in the following year.

(C) Reduction in funding for the following year under the grant program.

(D) Required redesignation of the lead agency designated under section 4(c)(1).

(3) Appeals procedures.—The Secretary shall establish appeals procedures for entities that are determined to be in noncompliance with the applicable requirements of this Act.

(d) Construction.—Nothing in this section shall be construed to affect the enforcement authority of the Secretary, another Federal officer, or a court under part E of the General Education Provisions Act (20 U.S.C. 1234 et seq.) or other applicable law.

(e) Effect on Other Assistance.—This Act may not be construed as authorizing a Federal or State agency to reduce medical or other assistance available, or to alter eligibility for a benefit or service, under any other Federal law.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

(a) State Grants for Assistive Technology; Training, Technical Assistance, Data-Collection, Reporting, and Internet Programs.—

(1) In general.—There are authorized to be appropriated to carry out sections 4 and 7 $36,000,000 for fiscal year 2005, and such sums as may be necessary for each of fiscal years 2006 through 2010.

(2) Training, technical assistance, data-collection, reporting, and internet programs.—

(A) In general.—Of the amount appropriated under this subsection for a fiscal year, not more than $1,235,000 may be made available to carry out section 7.

(B) Reservations.—Of the amount made available to carry out section 7 for a fiscal year—

(i) not less than 45 percent shall be made available to carry out section 7(b)(1);

(ii) not less than 20 percent shall be made available to carry out section 7(b)(2);

(iii) not less than 15 percent shall be made available to carry out section 7(b)(3); and

(iv) not more than 20 percent shall be made available to carry out section 7(c).

(b) State Grants for Protection and Advocacy Services Related to Assistive Technology.—There are authorized to be appropriated to carry out section 5 $4,419,000 for fiscal year 2005 and such sums as may be necessary for each of fiscal years 2006 through 2010.

(c) Supplementary Grants and Projects of National Significance.—There are authorized to be appropriated to carry out section 6 such sums as may be necessary for each of fiscal years 2005 through 2010.

SEC. 11. REPEAL.

The Assistive Technology Act of 1998 (29 U.S.C. 3001 et seq.) is repealed.

Mr. HARKIN. Mr. President, today I join with my colleague from New

Hampshire, Senator GREGG, and others to introduce the Assistive Technology Act of 2004.

Assistive technology and accessible information technology and telecommunication are so critical to the lives of people with disabilities. An NOD/Harris poll released today shows that 35 percent of individuals with disabilities surveyed indicated that they would not be able to take care of themselves at home without assistive technology. Over a quarter of individuals with disabilities reported that they would not be able to get around outside of their homes. Assistive technology and accessible information technology and telecommunication also provide opportunities in education, employment and civic and social participation that would not otherwise be available to some individuals with disabilities.

To quote the National Council on Disability—"For Americans without disabilities, technology makes things easier. For Americans with disabilities, technology makes things possible."

The Assistive Technology Act that we introduce today builds upon the successes of this law, dating back to 1988. The state Assistive Technology programs have been very effective in providing information, training, and technical assistance to a wide array of individuals in their states, including people with disabilities, their families, educators, health care professionals and others. The Assistive Technology Act has also authorized alternate finance programs that have offered low interest loans and other financing to people with disabilities who otherwise could not access the funds needed to buy their assistive technology.

The most recent data available, FY 02, indicates that the programs are making a substantial difference in their states. In that year, there were 92,000 equipment demonstrations provided, 38,000 devices loaned to individuals with disabilities and over 6,000 devices exchanged or recycled. Also over 6 million dollars was loaned to individuals with disabilities so they could purchase assistive technology, ranging from a hearing device to an accessible van. The AT programs also provided needed information to a wide array of individuals, answering 151,000 requests for assistance and training over 172,000 people.

In this reauthorization, we strengthen this successful program and provide authorization for increased appropriations to carry out the many activities that are needed in the states. We emphasize programs that will improve access to assistive technology devices and also increase attention to some federal priorities, including improving education, promoting community integration, and increasing employment opportunities for individuals with disabilities.

While there are many important initiatives in this bill, I will highlight a few of the most significant.

First, the bill authorizes a minimum of $500,000 for each state program and includes an authorization of 36 million dollars in 2005 which would allow each state to receive that minimum. These funds will be used to support all of the activities specified in the law.

The bill also strengthens some of the core functions of the state assistive technology programs, focusing training and technical assistance to ensure statewide access to information and an emphasis on skills development and technical training to improve service planning for individuals with disabilities.

It further requires States focus their efforts on one of three target populations. These populations include 1. elementary and secondary school students, providers and related personnel; 2. adult service provider clients, providers and related personnel; and 3. employees, employment providers, and related personnel.

States will be required to focus their energies on service planning for one of these populations so we can ensure that assistive technology is getting out to where it is needed most—in the schools, on the job and in the community. The Senate has recently passed the Individuals with Disabilities Act and the Workforce Investment Act and we continue to be concerned about implementation of the ADA and the Olmstead decision. This targeted effort aligns the Assistive Technology Act with these other initiatives.

The bill includes provisions designed to increase access to assistive technology and accessible information technology and telecommunications by requiring that assistive technology programs operate equipment loan, device reutilization, device demonstration, and financing systems. The bill also seeks to improve information about service providers and vendors of assistive technology and accessible information technology.

Because individuals with disabilities still experience significantly fewer employment opportunities than individuals without disabilities, the bill places an emphasis on educating and targeting employers and employees. One of the projects of national significance authorized in the bill includes development of public service announcements and other means of reaching employers and others with information regarding assistive technology.

For the first time, the bill addresses the need to coordinate state program activities with the businesses that develop and produce much of the assistive technology and accessible information technology. The bill authorizes a project of national significance in research and development and authorizes the Secretary to conduct a detailed assessment of the assistive technology industry.

The bill also recognizes the ongoing contribution of protection and advocacy services in making assistive technology available to individuals with disabilities and increases minimum authorization levels for this important function. Iowa has had a very successful advocacy program, which will be continued under this bill.

These are just a few of the many significant issues addressed in this bill. It is a very comprehensive effort due to the hard work of the many stakeholders that participated.

I want to thank my colleague, Senator GREGG, and his staff, particularly Aaron Bishop and Annie White, for their work on this bipartisan initiative. I also want to recognize the work of Senators KENNEDY, ROBERTS, REED and WARNER and their staff members, Kent Mitchell, Connie Garner, Jennifer Swenson, Elyse Wasch, Erica Swanson, and John Robinson because this has truly been a collaborative and bipartisan effort to reauthorize this important legislation.

As part of this reauthorization process, committee staff have had extensive bipartisan briefings and met with a very wide array of stakeholders. Stakeholders also participated in work groups designed to forge consensus on many of the issues addressed in this bill. As a result, I believe we have a very strong bill. I want to thank the many individuals with disabilities, family members, assistive technology programs, vendors, members of the information technology industry, the financial and business community, service providers, advocates, educators and others who gave generously of their time and worked so hard on this bill.

This bill continues the tradition of bipartisan cooperation that has marked significant disability legislation. Just as the ADA, IDEA and other bills have been bipartisan, so is this Assistive Technology Act of 2004. I look forward to moving ahead and getting it enacted into law.

Mr. KENNEDY. Mr. President, I am proud to join Senators Gregg and Harkin in the introduction of the Assistive Technology Act of 2004, which will continue and expand our Nation's promise to improve access to assistive technology for individuals in every State and territory.

In the Senate we are dedicated to breaking down barriers to equal education, to employment opportunities and to quality and affordable health care. Assistive technology enables people with disabilities to break down the physical and other barriers which prevent them from reaching their full potential.

For an individual with difficulty communicating, a hand-writing aid or a communication board can open up a whole new world of relationships. A wheelchair or scooter can give them the freedom to engage in activities otherwise impossible. And switches and other devices can transform their home into an accessible environment and allow them to perform daily household tasks essential to independent living.

Since 1988, the Assistive Technology Act has funded projects in every State and territory to raise awareness about the enormous potential of assistive technology, give individuals an opportunity to test products, and connect them with low-cost options for purchasing technology. Each project has a different focus, but all are providing these core services, and providing them well.

In Massachusetts, the Massachusetts Assistive Technology Project trains individuals with disabilities to be self-advocates. They monitor implementation of State and Federal laws. And they operate an Equipment Exchange Trading Post for individuals to exchange or sell assistive technology products. This is just a small sample of what they are doing. They deserve great credit, and so do the other projects across the nation.

The Assistive Technology Act of 2004 makes a commitment to continue these projects. It asks them to perform device demonstrations, equipment loans, device refurbishment, and provide financing systems such as low-cost loan programs. It mandates a new focus on training local personnel who work every day with people with disabilities in adult service provider settings, in schools, and in employment settings. It gives States the flexibility to which populations to focus on, but asks that they work to make the promise of the Individuals with Disabilities Education Act, the Workforce Investment Act, and the Olmstead decision a reality.

I know they are up to the challenge, and I will work to ensure they have the resources to make it happen. To that end, the act authorizes additional resources and sets a higher minimum appropriation of $500,000 for each State project. It is vital that any final legislation include this recognition that these life-changing services need real resources.

I commend Senators GREGG, HARKIN, and REED for their hard work on this legislation. I also commend all of the disability advocates, organizations and project directors who informed this legislation. I look forward to working with them and my colleagues in the House of Representatives to get a bill signed into law this year.

Mr. REED. Mr. President, I rise as an original cosponsor of the Improving Access to Assistive Technology for Individuals with Disabilities Act of 2004. This important legislation reauthorizes the Assistive Technology, AT, Act, which helps States strengthen their capacity to address the assistive technology needs of individuals with disabilities and supports loan and device demonstration programs, for six years.

This legislation improves current law in several ways which will help individuals with disabilities gain access to the assistive technology devices and services that will help them lead full and productive lives. Importantly, the legislation removes the sunset provision included in the last reauthorization and increases the minimum State allotment to $500,000, ensuring that all States can continue this vital work. Assistive technology devices and services are increasingly necessary, particularly as our population ages and for soldiers returning from battle with injuries that used to be life ending.

I am particularly pleased that this legislation contains language I sought to address areas of need that I heard from assistive technology users, providers, advocates, and administrators in my State of Rhode Island. First, the bill enhances training activities to improve the capacity of local education, early intervention, adult providers, and employers to assess, implement, and integrate AT devices. Secondly, funding is authorized for inventing and developing new AT devices and adapting, maintaining, servicing, and improving existing AT devices. Finally, the bill makes great strides to promote interagency coordination and collaboration to effectively deliver assistive technology devices and services.

I want to thank Senators GREGG, KENNEDY, and HARKIN for working so closely with me and my staff on this bill. It is my hope that we will be able to maintain this same cooperative, bipartisan spirit in which this bill was crafted as the reauthorization process moves forward.

By Mr. SCHUMER (for himself, Ms. MIKULSKI, Mr. CORZINE, Mrs. CLINTON, Mr. LEAHY, Ms. STABENOW, Mr. SARBANES, and Mr. NELSON of Florida): .

S. 2597. A bill to require the Secretary of Health and Human Services to establish and maintain an Internet website that is designed to allow consumers to compare the usual and customary prices for covered outpatient drugs sold by retail pharmacies that participate in the medicaid program for each postal Zip Code, and for other purposes; to the Committee on Finance.

Mr. SCHUMER. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2597

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Prescription Drug Price Comparison for Savings Act of 2004".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Access to prescription drugs is important to all Americans.

(2) Many individuals cannot afford to purchase the drugs prescribed by their doctors. Others skip doses or split pills contrary to their doctor's orders because they cannot afford to refill their prescriptions.

(3) Individuals who use their limited financial resources to obtain needed drugs may do so by foregoing other expenditures important to their health and well-being.

(4) Among the objectives of the medicaid program set forth in section 1901 of the Social Security Act (42 U.S.C. 1396) is the objective to enable each State to furnish services to help low-income families and aged, blind, or disabled individuals "attain or retain capability for independence or self-care".

(5) Some States, such as Maryland, have established interactive Internet websites that use the usual and customary price information reported by pharmacies participating in the State's medicaid program to allow all residents of the State to comparison shop for prescription drugs.

(6) Requiring all States to collect from pharmacies that participate in the medicaid program ,the usual and customary price for prescription drugs sold by the pharmacies and to report that information to the Secretary of Health and Human Services in order that a national, interactive Internet website may be established and maintained for individuals to use to comparison shop for prescription drugs is consistent with the objectives of the medicaid program.

SEC. 3. STATE PLAN REQUIREMENT TO COLLECT AND REPORT USUAL AND CUSTOMARY PRICES FOR COVERED OUTPATIENT DRUGS SOLD UNDER THE MEDICAID PROGRAM.

Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended—

(1) in paragraph (66), by striking "and" at the end;

(2) in paragraph (67), by striking the period and inserting "; and"; and

(3) by inserting after paragraph (67), the following:

"(68) provide that the State shall—

"(A) require each retail pharmacy which receives payments under the plan to report to the State concurrent with the filling of a prescription for a covered outpatient drug (as defined in section 1927(k)(2)) for an individual receiving medical assistance under this title—

"(i) the usual and customary price (as defined in section 1927(k)(10)) for the strength, quantity, and dosage form of the covered outpatient drug, as of the date the prescription is filled; and

"(ii) the postal Zip Code in which the retail pharmacy is located; and

"(B) submit the information reported under subparagraph (A) to the Secretary on such frequent basis as the Secretary shall require so as to allow for monthly updates of the information posted on the Internet website required to be established under section 5 of the Prescription Drug Price Comparison for Savings Act of 2004.".

SEC. 4. USUAL AND CUSTOMARY PRICES FOR COVERED OUTPATIENT DRUGS.

(a) DEFINITION.—Section 1927(k) of the Social Security Act (42 U.S.C. 1396r–8(k)) is amended by adding at the end the following:

"(10) USUAL AND CUSTOMARY PRICE.—The term 'usual and customary price' means the price a retail pharmacy would charge an individual who does not have health insurance coverage for purchasing a specific strength, quantity, and dosage form of a covered outpatient drug.".

(b) Inclusion of Information in Annual Report to Congress.—Section 1927(i)(2)(E) of the Social Security Act (42 U.S.C. 1396r-8(i)(2)(E)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(2) by inserting after subparagraph (D), the following:

"(E) the range of usual and customary prices for specific strengths, quantities, and dosage forms of covered outpatient drugs, disaggregated by postal Zip Code;".

SEC. 5. REQUIREMENT TO ESTABLISH AND MAINTAIN PRESCRIPTION DRUG PRICE COMPARISON WEBSITE.

(a) Authority.—Not later than 6 months after the date of enactment of this Act, the Secretary shall establish and arrange for the maintenance of an Internet website that is designed to allow an individual to compare the usual and customary prices for a range of strengths and quantities of covered outpatient drugs sold by retail pharmacies that receive payments under the medicaid program for each postal Zip Code that corresponds to an area of a State.

(b) Requirements.—The Internet website required to be established and maintained under this section shall consist of—

(1) the information submitted to the Secretary in accordance with section 1902(a)(68)(B) of the Social Security Act (42 U.S.C. 1396a(a)(68)(B)) (as added by section 3(a)(3)); and

(2) such other information as the Secretary determines is appropriate.

(c) Definitions.—In this section:

(1) Covered outpatient drug.—The term "covered outpatient drug" has the meaning given that term in section 1927(k)(2) of the Social Security Act (42 U.S.C. 1396r-8(k)(2)).

(2) Secretary.—The term "Secretary" means the Secretary of Health and Human Services.

(3) State.—The term "State" has the meaning given that term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

By Mr. AKAKA (for himself, Mr. Lautenberg, Mr. Levin, Mrs. Feinstein, Mr. Wyden, and Mr. Inouye):

S. 2598. A bill to protect, conserve, and restore public land administered by the Department of the Interior or the Forest Service and adjacent land through cooperative cost-shared grants to control and mitigate the spread of invasive species, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. AKAKA. Mr. President, I rise today to introduce the Public Land Protection and Conservation Act of 2004. I am pleased to have my esteemed colleagues Senator Frank Lautenberg, Senator Carl Levin, Senator Dianne Feinstein, Senator Daniel Inouye, and Senator Ron Wyden cosponsoring the bill with me. This legislation encourages Federal, State, and local agencies, non-governmental entities, and Indian tribes to work together through a cost-shared, cooperative grant program to control the spread of terrestrial invasive species. The bill authorizes the Secretary of the Interior to provide state assessment grants to inventory and prioritize invasive species problems. It provides additional grants to control invasive species on Federal land or adjacent areas. And most importantly, it provides rapid response funds for states to eradicate serious new outbreaks.

Invasive species cause devastating environmental, human health, and economic consequences throughout the Nation and world. They are responsible for damage to native ecosystems and vital industries, such as agriculture, fisheries, and ranching. The impacts of invasive species are estimated to cost the United States at least $100 billion each year. Invasive species threaten the existence of 42 percent of threatened and endangered species in the United States, and this is an issue that must be confronted.

The implications of the nationwide invasive species problem are enormous. Nowhere, however, are the impacts greater than in my home State of Hawaii, which has always been known for its biodiversity. Approximately 11,000 species are believed to have evolved from roughly 20,000 ancestors that successfully colonized at a rate of one every 35,000 years. Today, 20 to 50 new nonnative species arrive in Hawaii every year.

In total, unwanted alien pests are entering Hawaii at a rate that is about two million times more rapid than the natural rate. Nonnative, invasive species comprise roughly 20 percent of the plants and animals in Hawaii. Invasive species are the number one cause of the decline of Hawaii's threatened and endangered species. This is a serious concern because Hawaii has more than 10,000 species found nowhere else on Earth. Of the 114 endangered species that have become extinct in the first 20 years of the Endangered Species Act, almost one-half were in Hawaii. The fragility of our native species is compounded by the fact that most introduced species have no natural predators in the state.

Let me give you just a few examples of invasive species problems in Hawaii. Control efforts for the Formosan ground termite are estimated to cost residents in Hawaii more than $150 million per year. Damage to our agricultural industry and the related control costs of the Mediterranean fruit fly are more than $450 million annually. Native birds in our rainforests are succumbing to malaria spread through introduced mosquitos.

Coqui frogs, accidentally imported on plants to Hawaii, can reach densities of 8,000 frogs per acre. Each one can produce a call at 90 decibels. The noise from 8,000 frogs at 90 decibels is equivalent to listening to a high-pitched jackhammer all night! Infestations of frogs are lowering property values and threatening Hawaii's export floriculture and nursery industries. Coqui frogs also consume more than 48,000 prey items per acre per night, depleting the food supply for threatened and endangered birds and spiders. Miconia, an invasive tree infesting over 15,000 acres of rainforest in Hawaii, eliminates the habitat of endangered plants and animals and causes serious erosion problems that threaten the water supply.

Miconia has overwhelmed all other species on these mountainsides. Miconia, like many invasives, is a major threat to native biodiversity.

The brown tree snake has invaded Guam and devastated native bird populations there. If it were to become established in Hawaii, economic costs have been estimated to exceed hundreds of millions of dollars.

Agriculture in Hawaii is threatened by the spread of the red imported fire ant, a serious problem in 14 southern states causing over $2 billion in annual damage. As you can see, the time to address the issue of invasive species is now, before there are even more serious problems.

My bill, the Public Land Protection and Conservation Act, authorizes the Secretary of the Interior to provide grants to states, nonprofit, and tribal entities to assess, control, and eradicate invasive species. There are three types of grants in this bill, one of which requires matching funds.

First, this legislation provides grants to states for assessment projects to identify, quantify, and prioritize invasive species threats. This step is a critical underpinning for invasives programs, but many states do not have the resources to carry out this assessment.

Second, the control grants supply appropriate public or private entities or Indian tribes with funding to carry out, in partnership with a Federal agency, an eradication, containment, or management project on Federal land or adjacent land. Control projects would receive a higher ranking for funding based on shared priorities in state and Federal plans, the extensiveness or severity of the invasive species impacts in a state, and whether the project fosters results through public-private partnerships, among other criteria.

Control grants are cost-shared with states. A maximum of 75 percent of funding shall be federally provided for control projects on adjacent land, with the exception of pilot or demonstration projects, or projects that conserve threatened or endangered species, which shall receive 85 percent federal funding. The Federal share of control projects carried out on Federal land shall be 100 percent.

Finally, rapid response funds, designated for States facing new outbreaks of invasive species, will provide timely resources to eradicate these organisms before they gain a foothold.

Rapid response funds are critical to States in order to combat newly identified invasives.

The impacts of invasive species are already costing the United States an estimated $100 billion each year. The Department of the Interior, in its FY 2005 budget request acknowledges that invasive species pose an enormous threat to the ecological and economic health of the Nation. The Department states that the economic costs associated with invasive species are enormous already, and increasing. The Department of the Interior and U.S. Forest Service together received approximately $126 million in FY 2004, and the combined FY 2005 request is identical. Although I applaud the current efforts of the Department of the Interior and the U.S. Forest Service, we need a more coordinated attack on invasive species. The attack must have robust funding if we are to work in partnership with the states.

An estimated 5,000 to 6,000 invasive species are established in the United States. With 73 percent of the continental United States held in private lands, our Federal lands will not be adequately protected without public-private partnerships because invasive species know no boundaries.

My bill requires coordination between the National Invasive Species Council, the Department of the Interior, the U.S. Department of Agriculture, and state invasive species councils and plans. It provides the support necessary for agencies, organizations, and individuals to implement cooperative projects to address new threats and long-standing invasive species problems.

I am particularly pleased that the State of Hawaii is taking a leadership role in addressing invasive species problems as our State is intimately familiar with the serious impacts. Hawaii's Department of Land and Natural Resources, the State government, and each county's Invasive Species Councils are committed to a proactive approach to preserve the environmental heritage and economic security of our communities for generations to come. Each of these Councils now coordinates their activities on the State level through the formation of the Hawaii Invasive Species Council in 2003.

In addition to the Council, many public and private partnerships have been formed to protect our common natural resources. The East Maui Watershed Partnership brings together multiple public and private landowners and the County of Maui to control invasive species and protect 100,000 acres of our prime watershed areas. This is just one example of many highly successful and dedicated partnerships in Hawaii working to preserve our invaluable resources.

This legislation is supported by the State of Hawaii's Department of Land and Natural Resources, which has primary responsibility for land use, forests, wildlife and oceans. In his letter of support, the Chairperson of the DLNR, Mr. Peter Young, states that "Increasing success in invasive species projects in Hawaii has come largely from the formation of strong partnerships between State, County and Federal agencies and private groups." The intent of this bill is to encourage partnerships like the East Maui Watershed Partnership and the Hawaii Invasives Species Council in their fight against invasives.

Most recently, the Hawaii State Legislature allocated $4 million of the $5 million requested by Governor Linda Lingle to support the Invasive Species Prevention and Control program. This request is part of the overall state proposal to earmark $20 million over the next four years. These actions demonstrate Hawaii's commitment to the problem. This money, however, is clearly not sufficient to control the nonnative species in Hawaii.

Despite their best efforts to reduce the devastation caused by invasive species, states lack the needed funds to adequately address this issue. The General Accounting Office (GAO) issued a report on September 5, 2003, documenting gaps and barriers in Federal invasive species legislation. The number one barrier identified in the report was insufficient Federal funding for state efforts to control invasive species. Another barrier identified was the inadequate amount of general information and research on invasive species. My legislation will provide States the desperately needed funding to start a serious battle against invasive species.

The GAO report also recommended authorizing the National Invasive Species Council as the most effective leadership structure for managing invasive species. I applaud Senators LEVIN and DEWINE for addressing this issue in legislation they have introduced during the 108th Congress, the National Aquatic Invasive Species Act of 2003. I am a cosponsor of their bill, S. 525, because aquatic invasives are important in Hawaii. I am also a cosponsor of Senator LARRY CRAIG's Noxious Weed Control Act of 2003, S. 144, that focuses on terrestrial weeds. My bill, the Public Land Protection and Conservation Act of 2004, will fill a needed gap by addressing all invasive organisms, flora and fauna, in and around federal lands through public-private partnerships.

The National Environmental Coalition on Invasive Species, a coalition of representatives from major environmental organizations, has extended its full support for this legislation. Its letter of support calls this bill "one of the best legislative proposals to date to deal with the growing threat that invasive species pose to our nation's ecological and economic health." The bill is also supported by The Conservation Council of Hawaii, the National Wildlife Federation affiliate in Hawaii. I greatly appreciate their endorsements.

Lastly, I want to acknowledge my colleague in the House, Representative NICK RAHALL, for recognizing the gaps in national legislation for controlling and eradicating invasive species on Federal and adjacent lands through cooperative grants. He introduced H.R. 2310, the Species Protection and Conservation of the Environment Act, on June 3, 2003. His legislation provided a solid blueprint that inspired my bill, and I am eager to join him in the eradication of invasive species on Federal and adjacent lands.

There are increasingly severe problems and economic burdens associated with invasive species in our nation. Federal support to states to combat this problem at the ground level is crucial. If ever there was a time to commit to defending the security of our domestic resources for the future, it is now.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2598

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Public Land Protection and Conservation Act of 2004".

SEC. 2. PURPOSE.

The purpose of this Act is to encourage partnerships among Federal, State, and local agencies, nongovernmental entities, and Indian tribes to protect, enhance, restore, and manage public land and adjacent land through the control of invasive species by—

(1) promoting the development of voluntary State assessments to establish priorities for controlling invasive species;

(2) promoting greater cooperation among Federal, State, and local land and water managers and owners of private land or other interests to implement strategies to control and mitigate the spread of invasive species through a voluntary and incentive-based financial assistance grant program;

(3) establishing a rapid response capability to combat incipient invasive species invasions; and

(4) modifying the requirements applicable to the National Invasive Species Council.

SEC. 3. DEFINITIONS.

In this Act:

(1) CONTROL.—The term "control" means—

(A) eradicating, suppressing, reducing, or managing invasive species in areas in which the species are present;

(B) taking steps to detect early infestations of invasive species on Public land and adjacent land that is at risk of being infested; and

(C) restoring native ecosystems to reverse or reduce the impacts of invasive species.

(2) COUNCIL.—The term "Council" means the National Invasive Species Council established by section 3 of Executive Order No. 13112 (64 Fed. Reg. 6184).

(3) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 4

of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(4) INVASIVE SPECIES.—The term "invasive species" means, with respect to a particular ecosystem, any animal, plant, or other organism (including biological material of the animal, plant, or other organism that is capable of propagating the species)—

(A) that is not native to the ecosystem; and

(B) the introduction of which causes or is likely to cause economic harm, environmental harm, or harm to human health.

(5) NATIONAL MANAGEMENT PLAN.—The term "National Management Plan" means the management plan referred to in section 5 of Executive Order No. 13112 (64 Fed. Reg. 6185) and entitled "Meeting the Invasive Species Challenge".

(6) PUBLIC LAND.—The term "Public land" means all land and water that is—

(A) owned by, or under the jurisdiction of, the United States; and

(B) administered by the Department of the Interior or the Forest Service.

(7) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(8) STATE.—The term "State" means—

(A) a State of the United States;

(B) the District of Columbia;

(C) the Commonwealths of Puerto Rico and the Northern Mariana Islands;

(D) the Territories of American Samoa, Guam, and the Virgin Islands;

(E) the Federated States of Micronesia;

(F) the Republic of the Marshall Islands; and

(G) the Republic of Palau.

SEC. 4. NATIVE HERITAGE ASSESSMENT AND CONTROL GRANT PROGRAM.

(a) ASSESSMENT GRANTS.—The Secretary may provide to a State a grant to carry out an assessment project consistent with relevant invasive species management plans of the State to—

(1) identify invasive species that occur in the State;

(2) survey the extent of invasive species in the State;

(3) assess the needs to restore, manage, or enhance native ecosystems in the State;

(4) identify priorities for actions to address those needs;

(5) incorporate, as applicable, the guidelines of the National Management Plan; and

(6) identify methods to—

(A) control or detect incipient infestations of invasive species in the State; or

(B) control or assess established populations of invasive species in the State.

(b) CONTROL GRANTS.—

(1) IN GENERAL.—The Secretary may provide grants to appropriate public or private entities and Indian tribes to carry out, in partnership with a Federal agency, control projects for the management or eradication of invasive species on Public land or adjacent land that—

(A) include plans for—

(i) monitoring the project areas; and

(ii) maintaining effective control of invasive species after the completion of the projects, including through the conduct of restoration activities;

(B) in the case of a project on adjacent land, are carried out with the consent of the owner of the adjacent land; and

(C) provide public notice to, and conduct outreach activities relating to the control projects in, communities in which control projects are carried out.

(2) PRIORITY.—In prioritizing grants for control projects, the Secretary shall consider—

(A) the extent to which a project would address—

(i) the priorities of a State for invasive species control; and

(ii) the priorities for invasive species management on Public land, such as the priorities for management on National Park System and National Forest System land;

(B) the estimated number of, or extent of infestation by, invasive species in the State;

(C) whether a project would encourage increased coordination and cooperation among 1 or more Federal agencies and State or local government agencies to control invasive species;

(D) whether a project—

(i) fosters public-private partnerships; and

(ii) uses Federal resources to encourage increased private sector involvement, including the provision of private funds or in-kind contributions;

(E) the extent to which a project would aid the conservation of species included on Federal or State lists of threatened or endangered species;

(F) whether a project includes pilot testing or a demonstration of an innovative technology that has the potential to improve the cost-effectiveness of controlling invasive species; and

(G) the extent to which a project—

(i) considers the potential for unintended consequences of control methods on native species; and

(ii) includes contingency measures to address the unintended consequences.

(c) DUTIES OF THE SECRETARY.—The Secretary shall—

(1) not later than 180 days after the date on which funds are made available to carry out this Act, publish guidelines and solicit applications for grants under this section;

(2) not later than 1 year after the date on which funds are made available to carry out this Act, evaluate and approve or disapprove applications for grants submitted under this section;

(3) consult with the Council on—

(A) any projects proposed for grants under this section, including the priority of proposed projects for the grants; and

(B) providing a definition of the term "adjacent land" for purposes of the control grant program under subsection (b);

(4) consult with the advisory committee established under section 3(b) of Executive Order No. 13112 (64 Fed. Reg. 6184) on projects proposed for a grant under this section, including the scientific merit, technical merit, and feasibility of a proposed project; and

(5) if a project is conducted on National Forest System land, consult with the Secretary of Agriculture.

(d) GRANT DURATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), a grant under this section shall provide funding for the Federal share of the cost of a project for not more than 2 fiscal years.

(2) RENEWAL OF CONTROL PROJECTS.—

(A) IN GENERAL.—If the Secretary, after reviewing the reports submitted under subsection (f) with respect to a control project, finds that the project is making satisfactory progress, the Secretary may renew a grant under this section for an additional 3 fiscal years.

(B) IMPLEMENTATION OF MONITORING AND MAINTENANCE PLAN.—The Secretary may renew a grant under this section to implement the monitoring and maintenance plan required for a control project under subsection (b) for not more than 10 years after the project is otherwise complete.

(e) DISTRIBUTION OF CONTROL GRANT AWARDS.—In making grants for control projects under subsection (b), the Secretary shall, to the maximum extent practicable, ensure that—

(1) at least 50 percent of control project funds are spent on land adjacent to Public land; and

(2) there is a balance of smaller and larger control projects conducted with grants under that subsection.

(f) REPORTING BY GRANT RECIPIENT.—

(1) ASSESSMENT PROJECTS.—Not later than 2 years after the date on which a grant is provided under subsection (a), a grant recipient carrying out an assessment project shall submit to the Secretary and the Governor of the State in which the assessment project is carried out a report on the assessment project.

(2) CONTROL PROJECTS.—A grant recipient carrying out a control project under subsection (b) shall submit to the Secretary—

(A) an annual synopsis of the control project; and

(B) a report on the control project not later than the earlier of—

(i) at least once every 2 years; or

(ii) the date on which the grant expires.

(3) CONTENTS.—A report submitted under this subsection shall include—

(A) a detailed accounting of—

(i) the funding made available for the project; and

(ii) any expenditures made for the project; and

(B) with respect to a control project—

(i) a chronological list of any progress made with respect to the project;

(ii) specific information on the methods and techniques used to control invasive species in the project area;

(iii) trends in the population size and distribution of invasive species in the project area; and

(iv) the number of acres of the native ecosystem protected or restored.

(g) COST-SHARING REQUIREMENT.—

(1) PROJECTS ON ADJACENT LAND.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share of the cost of a control project carried out on adjacent land shall be not more than 75 percent.

(B) CERTAIN CONTROL PROJECTS.—The Federal share of a control project carried out on adjacent land that uses pilot testing, demonstrates an innovative technology, or provides for the conservation of threatened or endangered species shall be 85 percent.

(2) PROJECTS ON PUBLIC LAND.—The Federal share of the cost of the portion of a control project that is carried out on Public land shall be 100 percent.

(3) APPLICATION OF IN-KIND CONTRIBUTIONS.—The Secretary may apply to the non-Federal share of the costs of a control project the fair market value of services or any other form of in-kind contribution to the project made by a non-Federal entity.

(4) DERIVATION OF NON-FEDERAL SHARE.—The non-Federal share of the cost of a control project carried out with a grant under this section may not be derived from a Federal grant program or other Federal funds.

(h) REPORTING BY SECRETARY.—

(1) IN GENERAL.—Not later than 3 years after the date of enactment of this Act and every 2 years thereafter, the Secretary shall submit to Congress a report that—

(A) describes the implementation of this section; and

(B) includes a determination whether the grants authorized under subsections (a) and (b) should be expanded to land and water that are owned and administered by Federal agencies other than the Department of the Interior or the Forest Service.

(2) CONTENTS.—A report under paragraph (1) shall include a review of control projects, including—

(A) a list of control projects selected, in progress, and completed;

(B) an assessment of project impacts, including—

(i) areas treated; and

(ii)(I) if feasible, a measurement of invasive species eradicated; or

(II) an estimate of the extent to which invasive species have been reduced or contained;

(C) the success and failure of control techniques used;

(D) an accounting of expenditures by Federal, State, regional, and local government agencies and other entities to carry out the projects;

(E) a review of efforts made to maintain an appropriate database of projects assisted under this section; and

(F) a review of the geographical distribution of Federal funds, matching funds, and in-kind contributions provided for projects.

SEC. 5. RAPID RESPONSE ASSISTANCE.

(a) IN GENERAL.—The Secretary may provide financial assistance to States, local governments, public or private entities, and Indian tribes for a period of 1 fiscal year to enable States, local governments, nongovernmental entities, and Indian tribes to rapidly respond to outbreaks of invasive species that are at a stage at which rapid eradication or control is possible.

(b) REQUIREMENTS FOR ASSISTANCE.—The Secretary shall—

(1) at the request of the Governor of a State—

(A) provide assistance under this section to the State, a local government, public or private entity, or Indian tribe for the eradication of an immediate invasive species threat in the State if—

(i) there is a demonstrated need for the assistance;

(ii) the invasive species is considered to be an immediate threat to native ecosystems, human health, or the economy, as determined by the Secretary; and

(iii) the proposed response of the State, local government, public or private entity, or Indian tribe to the threat—

(I) is technically feasible; and

(II) minimizes adverse impacts to native ecosystems and non-target species; or

(B) if the requirements under subparagraph (A) are not met, submit to the Governor of the State, not later than 30 days after the date on which the Secretary received the request, written notice that the State is not eligible for assistance under this section;

(2) determine the amount of financial assistance to be provided under this section, subject to the availability of appropriations, with respect to an outbreak of an invasive species;

(3) require that entities receiving assistance under this section monitor and report on activities carried out with such assistance in the same manner that control project grant recipients monitor and report on such activities; and

(4) expedite environmental and regulatory reviews to ensure that an outbreak of invasive species can be addressed within the 180-day period beginning on the date on which the State notifies the Secretary of the outbreak.

SEC. 6. RELATIONSHIP TO OTHER AUTHORITIES.

Nothing in this Act affects authorities, responsibilities, obligations, or powers of the Secretary under any other statute.

SEC. 7. BUDGET CROSSCUT.

Not later than March 31, 2005, and each year thereafter, the Director of the Office of Management and Budget, in consultation with the Council, shall submit to Congress—

(1) a comprehensive budget analysis and summary of Federal programs relating to invasive species; and

(2) a list of general priorities, ranked in high, medium, and low categories, of Federal efforts and programs in—

(A) prevention;

(B) early detection and rapid response;

(C) eradication, control, management, and restoration;

(D) research and monitoring;

(E) information management; and

(F) public outreach and partnership efforts.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

(a) ASSESSMENT GRANTS.—There are authorized to be appropriated to the Secretary to carry out assessment projects under section 4(a)—

(1) $25.000.000 for fiscal year 2005; and

(2) such sums as are necessary for each of fiscal years 2006 through 2009.

(b) CONTROL GRANTS.—There are authorized to be appropriated to the Secretary to carry out control projects under section 4(b)—

(1) $175,000,000 for fiscal year 2005; and

(2) such sums as are necessary for each of fiscal years 2006 through 2009.

(c) RAPID RESPONSE ASSISTANCE.—There are authorized to be appropriated to the Secretary to carry out section 5—

(1) $50.000.000 for fiscal year 2005; and

(2) such sums as are necessary for each of fiscal years 2006 through 2009.

(d) CONTINUING AVAILABILITY.—Amounts made available under this section shall remain available until expended.

(e) ADMINISTRATIVE EXPENSES OF SECRETARY.—Of amounts made available each fiscal year to carry out this Act, the Secretary may expend not more than 5 percent to pay the administrative expenses necessary to carry out this Act.

By Mr. CHAMBLISS (for himself and Mr. KYL):

S. 2599. A bill to strengthen anti-terrorism investigative tools, to enhance prevention and prosecution of terrorist crimes, to combat terrorism financing, to improve border and transportation security, and for other purposes; to the Committee on the Judiciary.

Mr. CHAMBLISS. Mr. President, I rise today to introduce a bill that will facilitate the sharing of information from Federal law enforcement agencies to State and local law enforcement. Right now, existing Federal law authorizes the FBI to obtain certain records and information, such as telephone records, bank records, and consumer credit records, in investigations of terrorist activities. One of the tools that the FBI uses for this purpose is the National Security Letter (or NSL), which is, in effect, a limited type of administrative subpoena that is directed to the institutions that have these records. The statutes authorizing the use of NSLs generally require that the requested information be relevant to an investigation of international terrorism or clandestine intelligence activities, and these statues prohibit investigations based solely on First Amendment-protected activities of people known under the law as "United States persons," which is a group consisting of U.S. citizens and permanent resident aliens.

Unfortunately, when the FBI receives records or information provided to it in response to NSLs, several different statutes govern the circumstances under which the Bureau may disseminate this information to other agencies. The standards differ from statute to statute—complicating the sharing of the information with other agencies that may need it for counterterrorism purposes—and a number of these provisions curiously are more restrictive about information sharing with other Federal agencies than with non-Federal agencies. The Information Sharing Improvement Act of 2004 (ISIA), which I introduce today along with my good friend from Arizona, JOHN KYL, would amend these statutes to allow the dissemination of information obtained through NSLs in conformity with consistent guidelines developed by the Attorney General.

The Information Sharing Improvement Act also amends a statute that authorizes sharing of national security-related investigative information with relevant Federal, State, and local officials, to make it clear that the statute applies regardless of whether the investigation in which the information was obtained is characterized as a "criminal" investigation or a "national security" investigation.

Finally, the Information Sharing Improvement Act would restore Homeland Security Act amendments that broaden the sharing of Federal grand jury information concerning threatened terrorist attacks with State and local authorities.

The Information Sharing Improvement Act does not expand the powers of the FBI or Federal prosecutors to acquire records or information, but it will improve their ability to share information—obtained under existing authorities—with Federal, State, and local agencies that need it to protect the public from terrorism.

By Mrs. CLINTON (for herself, Mr. LEVIN, Mr. DODD, Ms. CANTWELL, Mr. SARBANES, Mr. SCHUMER, Ms. LANDRIEU, Mr. SANTORUM, Mr. LIEBERMAN, Mrs. BOXER, Mr. SPECTER, Mr. ALEXANDER, Ms. STABENOW, Mrs. FEINSTEIN, Mrs. HUTCHISON, Ms. MIKULSKI, Ms. COLLINS, Mr. CORZINE, and Mr. PRYOR):

S. 2600. A bill to direct the Architect of the Capitol to enter into a contract to revise the statue commemorating women's suffrage located in the rotunda of the United States Capitol to include a likeness of Sojourner Truth; to the Committee on Rules and Administration.

Mrs. CLINTON. Mr. President, I rise today to introduce legislation, with strong bi-partisan support, calling for the women's suffrage statue located in the Capitol Rotunda to include a likeness of Sojourner Truth. As many of my colleagues know, in the majestic Capitol Rotunda sits a monument honoring three pioneers of the women's suffrage movement, which led to the women of our great nation being granted the right to vote in 1920.

The monument features the busts of Lucretia Mott, Elizabeth Cady Stanton, and Susan B. Anthony that were sculpted by Adelaide Johnson, who passed away in 1955. As the Architect of the Capitol has noted, the monument was presented to the Capitol as a gift from the women of the United States by the National Women's Party and was accepted on behalf of Congress by the Joint Committee on the Library on February 10, 1921. The unveiling ceremony was held in the Rotunda on February 15, 1921, the 101st anniversary of the birth of Susan B. Anthony, and was attended by representatives of over 70 women's organizations. The Committee authorized the installation of the monument in the Crypt, where it remained until by act of Congress in 1996, it was relocated to the Capitol Rotunda in May 1997.

In addition to the wonderful busts of Stanton, Mott, and Anthony, one of the interesting features of the monument is the existence of a large slab of stone that was never sculpted. Looking at the monument, it is clear that it was intended for a fourth person—another pioneer of the women's suffrage movement—to be sculpted. The legislation I am introducing today calls for Sojourner Truth to be that person.

Born into slavery as one of the youngest of thirteen children of James and Elizabeth in Hurley, which is in Ulster County, New York, in approximately 1897, Sojourner Truth's given name was Isabella Baumfree. Almost all of her brothers and sisters had been sold to other slave owners. Some of her earliest memories were of her parents' stories of the cruel loss of their other children.

Isabella was sold several times to various slave owners and suffered many hardships under slavery, but throughout her life she maintained a deep and unwavering faith that carried her through many difficult times.

In 1817, the New York State Legislature passed the New York State Emancipation Act, which granted freedom to those enslaved who were born before July 4, 1799. Unfortunately, however, this law declared that many men, women and children could not be freed until July 4, 1827, ten years later. While still enslaved and at the demand of her then owner, John Dumont, Isabella married an older slave named Thomas, with whom she had at least five children—Diane, Peter, Hannah, Elizabeth, and Sophia.

As the date of her release came near—July 4, 1827—she learned that Dumont was plotting to keep her enslaved, even after the Emancipation Act went into effect. For this reason, in 1826, she ran away from the Dumont plantation with her infant child, leaving behind her husband and other children.

She took refuge with a Quaker family—the family of Isaac Van Wagenen—and performed domestic work for them as well as missionary work among the poor of New York City. While working for the Van Wagenen's, she discovered that a member of the Dumont family had sold her youngest son Peter to a plantation owner in Alabama. At the time, New York law prohibited the sale of slaves outside New York State and so the sale of Peter was illegal. Isabella sued in court and won his return. In doing so, she became the first black woman in the United States to take a white man to court and win.

Isabella had always been very spiritual, and soon after being emancipated, she had a vision that affected her profoundly, leading her—as she later described it—to develop a "perfect trust in God and prayer." In 1843, deciding her mission was to preach the word of God, Isabella changed her name to Sojourner Truth—her name for a traveling preacher, one who speaks the truth—and left New York. That summer she traveled throughout New England, calling her own prayer meetings and attending those of others. She preached "God's truth and plan for salvation."

After months of travel, she arrived in Northampton, Massachusetts, and joined the Northampton Association for Education and Industry, where she met and worked with abolitionists such as William Lloyd Garrison, Frederick Douglas, and Olive Gilbert.

As we know, during the 1850s, slavery became an especially heated issue in the United States. In 1850, Congress passed the Fugitive Slave Law, which allowed runaway slaves to be arrested and jailed without a jury trial, and in 1857, the Supreme Court ruled in the Dred Scott case that those enslaved had no rights as citizens and that the government could not outlaw slavery in the new territories.

Nevertheless, these extraordinarily difficult times did not stop Sojourner Truth from continuing her mission. Her life story—"The Narrative of Sojourner Truth: A Northern Slave"—written with the help of friend Olive Gilbert, was published in 1850.

While traveling and speaking in states across the country, Sojourner Truth met many women abolitionists and noticed that although women could be part of the leadership in the abolitionist movement, they could neither vote nor hold public office. It was this realization that led Sojourner to become an outspoken supporter of women's rights.

In 1851, she addressed the Women's Rights Convention in Akron, Ohio, delivering her famous speech "Ain't I a Woman?" The applause she received that day has been described as "deafening." From that time on, she became known as a leading advocate for the rights of women. Indeed, she was one of the nineteenth century's most eloquent voices for the cause of anti-slavery and women's rights.

By the mid-1850s, Truth had earned enough money from sales of her popular autobiography to buy land and a house in Battle Creek, Michigan. She continued her lectures, traveling to Ohio, Indiana, Iowa, Illinois, and Wisconsin. When the Civil War erupted in 1861, she visited black troops stationed near Detroit, Michigan, and offered encouragement. After the Emancipation Proclamation of 1863, she worked in Washington as a counselor and educator for those who had been previously enslaved through the Freedman's Relief Association and the Freedmen's Hospital. It was during this time—in October 1864—that she met with President Abraham Lincoln.

Throughout the 1870s, Sojourner Truth continued to speak on behalf of women and African Americans. Failing health, however, soon forced Sojourner to return to her Battle Creek, Michigan home, where she died on November 26, 1883.

This brief recounting of Sojourner Truth's life story only begins to speak of her faith, courage, intelligence, and steadfastness in the face of extraordinary circumstances and volatile times in our Nation's history. Though she could neither read nor write, her eloquence commanded the attention of thousands of Americans, both black and white. It therefore comes as no surprise to learn that among her many friends, admirers and staunch supporters were Frederick Douglass, Amy Post, Olive Gilbert, Parker Pillsbury, Mrs. Francis Gage, Weldell Phillips, Willilam Lloyd Garrison, Laura Haviland, Lucretia Mott, and Susan B. Anthony.

The legislation I am introducing today pays tribute to Sojourner Truth by including her in the portrait monument with three of her fellow leading suffragettes. That is why this legislation has the strong bi-partisan support of so many of my colleagues and of many organizations, including the National Council of Women's Organizations.

I also want to take a moment to say a special thanks of appreciation to Dr. C. Delores Tucker, Chair of the National Congress of Black Women, who is the champion of this legislation and for all African American women, children and families today. I know that with her continued, unwavering support, this legislation will be enacted. I ask all of my colleagues to support it. Thank you.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2600

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress finds the following:

(1) Sojourner Truth was a towering figure among the founders of the movement for women's suffrage in the United States, and any monument that accurately represents this important development in our Nation's history should include her.

(2) The statue known as the Portrait Monument, originally presented to Congress in 1920 in honor of the passage of the Nineteenth Amendment guaranteeing women the right to vote and presently exhibited in the rotunda of the Capitol, portrays several early suffragists who were Sojourner Truth's contemporaries, but not Sojourner Truth herself, the only African American among the group.

SEC. 2. REVISION OF WOMEN'S SUFFRAGE STATUE.

Not later than the final day on which the One Hundred Ninth Congress is in session, the Architect of the Capitol shall enter into a contract to revise the statue commemorating women's suffrage located in the rotunda of the United States Capitol (commonly known as the "Portrait Monument") to include a likeness of Sojourner Truth.

Mr. SPECTER. Mr. President, I have sought recognition to co-sponsor legislation to add the likeness of Sojourner Truth to the statue commemorating women's suffrage located in the rotunda of the United States Capitol.

Sojourner Truth (1797?–1883) was the self-given name of a woman born into slavery. The year of her birth is uncertain, and is usually taken to be 1797. Originally Isabella Van Wagener, she escaped to Canada in 1827.

After New York State had abolished slavery in 1829, she returned and worked as a domestic servant for over a decade, and joined Elijah Pierson in evangelical preaching on street-corners. Later in life she became a noted speaker for both the Abolitionist movement and the women's rights movement. Perhaps one of her most famous speeches was Ain't I A Woman, a short but pointed commentary delivered in 1851 at the Women's Convention in Akron, Ohio.

During the American Civil War, she organized collection of supplies for the Union. In 1850, she worked with Olive Gilbert to produce a biography, the Narrative of Sojourner Truth.

This was a truly amazing woman who endeavored in her time to change the American experience both for her fellow freed slaves as well as women of all races. A courageous woman, Truth not only spoke out against the racial oppression that she had endured throughout her childhood but acted on her beliefs, inspiring men and women of all races with her personal strength, wisdom, and social activism.

Through her courage and perseverance, Sojourner Truth, her contemporaries, and future visionaries have led our nation and the world toward greater freedom and democracy for all. Three of these women—Lucretia Mott, Elizabeth Cady Stanton, and Susan B. Anthony—are already portrayed by the Portrait Monument, which was presented to Congress in 1920 in honor of the passage of the Nineteenth Amendment guaranteeing women the right to vote. Her recognition, as an African-American would be an appropriate, noteworthy addition to the statue.

I am pleased to offer this legislation to finally honor Sojourner Truth in the rotunda of the U.S. Capitol and encourage the retelling of her inspirational story to the American people. This is a long overdue effort and I encourage my colleagues to support this legislation.

By Mr. LAUTENBERG:

S. 2601. A bill to amend title 37, United States Code, to require the payment of monthly special pay for members of the uniformed services whose service on active duty is extended by a stop-loss order or similar mechanism, and for other purposes; to the Committee on Armed Services.

Mr. LAUTENBERG. Mr. President, I rise today to offer a bill that addresses a critical element of defense funding.

My bill will very simply compensate men and women from all services who will be deployed even after their service agreement has ended.

The so called "Stop Loss" policy that will keep over 10,000 troops forcefully conscripted is a direct result of perhaps the most dangerous error the administration made in its planning for the war in Iraq.

The administration gravely miscalculated the military personnel required in the post-invasion stage of the Iraq campaign. It drastically underestimated the challenges of the so called "Reconstruction Phase" and instead naively pretended we would be greeted as liberators, with sweets and tea.

The civilian leadership at the Pentagon failed to plan for adequate personnel to ensure the security of Iraq.

But this wasn't just failure by omission. This was a deliberate neglect of expert opinion, which warned the administration that hundreds of troops would be needed to secure a country the size of California. In January 2003, three star General Eric Shinseki told the White House, the Pentagon and the public that 300,000 troops were necessary to execute the war and post-war objectives.

Not only was his expert advice ignored, but he was also fired for offering a dissenting view.

In May 2003, the administration was given a second chance to bolster its troops in Iraq; it could have solicited the support of our major allies—such as Turkey, France, India and others—and NATO and urge a truly international coalition to maintain peace in Iraq.

Unfortunately, the opportunity to bolster our troops through a real multinational coalition was squandered and now it is too late.

In fact, our troop shortage is so dire in Iraq that we are paying non-military private contractors to perform typically military functions in Iraq—everything from serving meals to securing command centers.

We now have over 20,000 private security contractors in Iraq, which is approximately the same number of individuals as the international troops from the United Kingdom, Poland, Thailand, Italy and elsewhere who are in our coalition.

And now, the military is forced to rely on the policy of forcing individuals at the end of their service term to remain with their unit if it is deployed or will be deployed to the combat theaters.

The Pentagon has cleverly borrowed the corporate term "Stop Loss" to describe this new policy, which will affect over 10,000 new active duty and national guard and reservists.

I call the policy: "Going Back on Your Word." With the Stop Loss orders, thousands of men and women are being forcibly maintained in the services, just as they were packing their bags and preparing to return home to civilian life.

Stop Loss has an extremely large impact on all troops, but especially impacts the National Guard and Reservists, many of whom have already been deployed much longer than they expected.

These men and women have put jobs and families on hold and now the Pentagon is delaying their return further.

My bill addresses the serious strain that is currently being placed on our young men and women in uniform and their families back home. It requires the Pentagon to reimburse service members $2,000 a month for each month that they are forcibly maintained in the Armed Services, after their term of enlistment has extended.

Critics might claim that this bonus will unfairly reward some troops and not others. But the Army and other services already have instituted many different types of bonus awards that compensate service members above and beyond the base military pay. For example, we routinely give hazardous danger pay and separation pay and recently we've initiated new bonuses for those who enlist as a recruiting tool.

It's only fair that we compensate the troops who have already been fighting on the front lines of our two combat theaters.

These American heroes being sent back to war deserve a $2,000 a month bonus each and every month they are serving.

While the richest among us have been rewarded with tax cuts, the soldiers, sailors, marines, and air men and women and their families are living paycheck to paycheck. This is just one example of how this war is requiring sacrifices from only a small, overburdened segment of American society.

It is not fair and my Military Fairness Act of 2004 will begin to redress the inequity in sacrifice:

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2601

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MONTHLY SPECIAL PAY FOR ACTIVE DUTY SERVICE EXTENDED BY STOP-LOSS ORDERS.

(a) IN GENERAL.—(1) Chapter 5 of title 37, United States Code, is amended by adding at the end the following new section:

"§ 327. Special pay: active duty service extended by stop-loss order

"(a) SPECIAL PAY.—A member of the uniformed services entitled to basic pay whose enlistment or period of obligated service is extended, or whose eligibility for retirement is suspended, pursuant to the exercise of an authority referred to in subsection (b) is entitled while on active duty during the period of such extension or suspension to special pay in the amount specified in subsection (c).

"(b) EXTENSION AUTHORITIES.—An authority referred to in this section is an authority for the extension of an enlistment or period of obligated service, or for suspension of eligibility for retirement, of a member of the uniformed services under a provision of law as follows:

"(1) Section 123 of title 10.

"(2) Section 12305 of title 10.

"(3) Any other provision of law (commonly referred to as 'stop-loss authority') authorizing the President to extend an enlistment or period of obligated service, or suspend an eligibility for retirement, of a member of the uniformed services in time of war or of national emergency declared by Congress or the President.

"(c) MONTHLY AMOUNT.—The amount of special pay specified in this subsection is $2,000 per month.

"(d) CONSTRUCTION WITH OTHER PAYS.—Special pay payable under this section is in addition to any other pay payable to members of the uniformed services by law.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"327. Special pay: active duty service extended by stop-loss order.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as of March 20, 2003.

(c) FUNDING.—Amounts appropriated or otherwise made available for the Department of Defense for operation and maintenance for fiscal year 2005 shall be available for the payment of special pay under section 327 of title 37, United States Code (as added by subsection (a))—

(1) during fiscal year 2005; and

(2) for the period beginning on the effective date specified in subsection (b) and ending on September 30, 2004.

By Mr. DODD (for himself and Mr. BENNETT):

S. 2602. A bill to provide for a circulating quarter dollar coin program to honor the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. DODD. Mr. President, I rise today to introduce the District of Columbia and United States Territories Circulating Quarter Dollar Program Act. I am proud to cosponsor this important legislation with my colleague, Sen. ROBERT BENNETT, R-UT.

This legislation will provide the District of Columbia, American Samoa, Guam, Puerto Rico, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands the opportunity to put a design of their choice on the reverse side of a quarter coin. These jurisdictions were inadvertently excluded from the 50 States Quarter Commemorative Coin Program Act, Public Law 105-124, that gave each State the same right in 1997.

As part of the 50 State Quarter Program, over twenty-two billion quarter coins representing 27 states have been minted. All the coins are minted according to the year each State ratified the Constitution of the United States or were admitted into the Union. Although States have appropriate latitude, there are limitations as to what can be used as a design.

According to Public Law 105-124, the Secretary of the Treasury has the final approval of each design. The law gives clear guidance as to what is an acceptable design concept. Suitable design concepts include State landmarks, landscapes, historically significant buildings, symbols of State resources or industries, official State flora and fauna, State icons, and outlines of States. Among the examples of suitable coins already in circulation are New York's Statue of Liberty, Missouri's depiction of Lewis and Clark as they paddled down the Missouri River with the Gateway Arch in the background, and North Carolina's first successful airplane flight.

The District of Columbia has been the unfortunate target of acts of terror, yet citizens of the District have no one who can cast a vote in Congress on policies to protect their security. Citizens of Washington, D.C., pay income taxes just like every other American. In fact on a per capita basis, District residents have the second highest Federal tax obligation. And yet they have absolutely no say in how high those taxes will be or how their tax dollars will be spent.

This legislation is a reminder of the importance of including all Americans in the symbols of American citizenship. The residents of the District are American citizens, despite their lack of voting representation in the Congress.

I believe that the least that we can do is allow the residents of the District of Columbia, as citizens of the United States, to commemorate the symbols of their own jurisdiction.

The 50 States Commemorative Coin Program Act of 1997 states that "Congress finds that it is appropriate and timely to honor the unique Federal Republic of 50 States that comprise the United States; and to promote the diffusion of knowledge among the youth of the United States about the individual states, their history and geography, and the rich diversity of the national heritage" and to encourage "young people and their families to collect memorable tokens of all of the States for the face value of the coins."

I believe that it is of significant importance to America's youth to better understand and honor the rich, vibrant history of our nation's capital and territories, as well as that of our states. I urge my colleagues to support this meaningful legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2602

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "District of Columbia and United States Territories Circulating Quarter Dollar Program Act".

SEC. 2. ISSUANCE OF REDESIGNED QUARTER DOLLARS HONORING THE DISTRICT OF COLUMBIA AND EACH OF THE TERRITORIES.

Section 5112 of title 31, United States Code, is amended by inserting after subsection (m) the following new subsection:

"(n) REDESIGN AND ISSUANCE OF CIRCULATING QUARTER DOLLAR HONORING THE DISTRICT OF COLUMBIA AND EACH OF THE TERRITORIES.—

"(1) REDESIGN IN 2009.—

"(A) IN GENERAL.—Notwithstanding the fourth sentence of subsection (d)(1) and subsection (d)(2) and subject to paragraph (6)(B), quarter dollar coins issued during 2009 shall have designs on the reverse side selected in accordance with this subsection which are emblematic of the District of Columbia and the territories.

"(B) FLEXIBILITY WITH REGARD TO PLACEMENT OF INSCRIPTIONS.—Notwithstanding subsection (d)(1), the Secretary may select a design for quarter dollars issued during 2009 in which—

"(i) the inscription described in the second sentence of subsection (d)(1) appears on the reverse side of any such quarter dollars; and

"(ii) any inscription described in the third sentence of subsection (d)(1) or the designation of the value of the coin appears on the obverse side of any such quarter dollars.

"(2) SINGLE DISTRICT OR TERRITORY DESIGN.—The design on the reverse side of each quarter dollar issued during 2009 shall be emblematic of one of the following: The District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

"(3) Selection of design.—

"(A) In general.—Each of the 6 designs required under this subsection for quarter dollars shall be—

"(i) selected by the Secretary after consultation with—

"(I) the chief executive of the District of Columbia or the territory being honored, or such other officials or group as the chief executive officer of the District of Columbia or the territory may designate for such purpose; and

"(II) the Commission of Fine Arts; and

"(ii) reviewed by the Citizens Coinage Advisory Committee.

"(B) Selection and approval process.—Designs for quarter dollars may be submitted in accordance with the design selection and approval process developed by the Secretary in the sole discretion of the Secretary.

"(C) Participation.—The Secretary may include participation by District of Columbia or territorial officials, artists from the District of Columbia or the territory, engravers of the United States Mint, and members of the general public.

"(D) Standards.—Because it is important that the Nation's coinage and currency bear dignified designs of which the citizens of the United States can be proud, the Secretary shall not select any frivolous or inappropriate design for any quarter dollar minted under this subsection.

"(E) Prohibition on certain representations.—No head and shoulders portrait or bust of any person, living or dead, and no portrait of a living person may be included in the design of any quarter dollar under this subsection.

"(4) Treatment as numismatic items.—For purposes of sections 5134 and 5136, all coins minted under this subsection shall be considered to be numismatic items.

"(5) Issuance.—

"(A) Quality of coins.—The Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (4) in uncirculated and proof qualities as the Secretary determines to be appropriate.

"(B) Silver coins.—Notwithstanding subsection (b), the Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (4) as the Secretary determines to be appropriate, with a content of 90 percent silver and 10 percent copper.

"(C) Timing and order of issuance.—Coins minted under this subsection honoring the District of Columbia and each of the territories shall be issued in equal sequential intervals during 2009 in the following order: the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

"(6) Other provisions.—

"(A) Application in event of admission as a state.—If the District of Columbia or any territory becomes a State before the end of the 10-year period referred to in subsection (l)(1), subsection (l)(7) shall apply, and this subsection shall not apply, with respect to such State.

"(B) Application in event of independence.—If any territory becomes independent or otherwise ceases to be a territory or possession of the United States before quarter dollars bearing designs which are emblematic of such territory are minted pursuant to this subsection, this subsection shall cease to apply with respect to such territory.

"(7) Territory defined.—For purposes of this subsection, the term 'territory' means the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.".

By Mr. SMITH (for himself, Mr. Allen, Mr. Hollings, and Mr. Sununu):

S. 2603. A bill to amend section 227 of the Communications Act of 1934 (47 U.S.C. 227) relating to the prohibition on junk fax transmissions; to the Committee on Commerce, Science, and Transportation.

Mr. SMITH. Mr. President, I rise today with Senators Allen, Hollings and Sununu to introduce the "Junk Fax Prevention Act of 2004." This bill will strengthen existing laws by providing consumers the ability to prevent unsolicited fax advertisements and provide greater Congressional oversight of enforcement efforts by the Federal Communications Commission (FCC). This bill will also help businesses by allowing them to continue to send faxes to their customers in a manner that has proven successful with both businesses and consumers.

At the end of last summer, the FCC reconsidered its Telephone Consumer Protection Act (TCPA) rules and elected to eliminate the ability for businesses to contact their customers even where there exists an established business relationship. The effect of the FCC's rule would be to prevent a business from sending a fax solicitation to any person, whether it is a supplier or customer, without first obtaining prior written consent. This approach, while seemingly sensible, would impose significant costs on businesses in the form of extensive record keeping. Almost immediately after issuing this rule, the Commission stayed its implementation until January 1, 2005.

The purpose of this legislation is to preserve the established business relationship exception currently recognized under the TCPA. In addition, this bill will allow consumers to opt out of receiving further unsolicited faxes. This is a new consumer protection that does not exist under the TCPA today.

We believe that this bipartisan bill strikes the appropriate balance in providing significant protections to consumers from unwanted unsolicited fax advertisements and preserves the many benefits that result from legitimate fax communications. We hope that this body can pass this legislation in a timely manner, prior to January 1, 2005, when the FCC's stay expires.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2603

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Junk Fax Prevention Act of 2004".

SEC. 2. PROHIBITION ON FAX TRANSMISSIONS CONTAINING UNSOLICITED ADVERTISEMENTS.

(a) Prohibition.—Section 227(b)(1)(C) of the Communications Act of 1934 (47 U.S.C. 227(b)(1)(C)) is amended to read as follows:

"(C) to use any telephone facsimile machine, computer, or other device to send, to a telephone facsimile machine, an unsolicited advertisement, unless—

"(i) the unsolicited advertisement is from a sender with an established business relationship with the recipient; and

"(ii) the unsolicited advertisement contains a notice meeting the requirements under paragraph (2)(D), except that the exception under clauses (i) and (ii) shall not apply with respect to an unsolicited advertisement sent to a telephone facsimile machine by a sender to whom a request has been made not to send future unsolicited advertisements to such telephone facsimile machine that complies with the requirements under paragraph (2)(E); or".

(b) Definition of Established Business Relationship.—Section 227(a) of the Communications Act of 1934 (47 U.S.C. 227(a)) is amended—

(1) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively; and

(2) by inserting after paragraph (1) the following:

"(2) The term 'established business relationship', for purposes only of subsection (b)(1)(C)(i), shall have the meaning given the term in section 64.1200 of title 47, Code of Federal Regulations, as in effect on January 1, 2003, except that—

"(A) such term shall include a relationship between a person or entity and a business subscriber subject to the same terms applicable under such section to a relationship between a person or entity and a residential subscriber; and

"(B) an established business relationship shall be subject to any time limitation established pursuant to paragraph (2)(G))".

(c) Required Notice of Opt-Out Opportunity.—Section 227(b)(2) of the Communications Act of 1934 (47 U.S.C. 227(b)(2)) is amended—

(1) in subparagraph (B), by striking "and" at the end;

(2) in subparagraph (C), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(D) shall provide that a notice contained in an unsolicited advertisement complies with the requirements under this subparagraph only if—

"(i) the notice is clear and conspicuous and on the first page of the unsolicited advertisement;

"(ii) the notice states that the recipient may make a request to the sender of the unsolicited advertisement not to send any future unsolicited advertisements to a telephone facsimile machine or machines and that failure to comply, within the shortest reasonable time, as determined by the Commission, with such a request meeting the requirements under subparagraph (E) is unlawful;

"(iii) the notice sets forth the requirements for a request under subparagraph (E);

“(iv) the notice includes—

“(I) a domestic contact telephone and facsimile machine number for the recipient to transmit such a request to the sender; and

“(II) a cost-free mechanism for a recipient to transmit a request pursuant to such notice to the sender of the unsolicited advertisement; the Commission shall by rule require the sender to provide such a mechanism and may, in the discretion of the Commission and subject to such conditions as the Commission may prescribe, exempt certain classes of small business senders, but only if the Commission determines that the costs to such class are unduly burdensome given the revenues generated by such small businesses;

“(v) the telephone and facsimile machine numbers and the cost-free mechanism set forth pursuant to clause (iv) permit an individual or business to make such a request during regular business hours; and

“(vi) the notice complies with the requirements of subsection (d);”.

(d) Request to Opt-Out of Future Unsolicited Advertisements.—Section 227(b)(2) of the Communications Act of 1934 (47 U.S.C. 227(b)(2)), as amended by subsection (c), is further amended by adding at the end the following:

“(E) shall provide, by rule, that a request not to send future unsolicited advertisements to a telephone facsimile machine complies with the requirements under this subparagraph only if—

“(i) the request identifies the telephone number or numbers of the telephone facsimile machine or machines to which the request relates;

“(ii) the request is made to the telephone or facsimile number of the sender of such an unsolicited advertisement provided pursuant to subparagraph (D)(iv) or by any other method of communication as determined by the Commission; and

“(iii) the person making the request has not, subsequent to such request, provided express invitation or permission to the sender, in writing or otherwise, to send such advertisements to such person at such telephone facsimile machine;”.

(e) Authority to Establish Nonprofit Exception.—Section 227(b)(2) of the Communications Act of 1934 (47 U.S.C. 227(b)(2)), as amended by subsections (c) and (d), is further amended by adding at the end the following:

“(F) may, in the discretion of the Commission and subject to such conditions as the Commission may prescribe, allow professional or trade associations that are tax-exempt nonprofit organizations to send unsolicited advertisements to their members in furtherance of the association's tax-exempt purpose that do not contain the notice required by paragraph (1)(C)(ii), except that the Commission may take action under this subparagraph only—

“(i) by regulation issued after public notice and opportunity for public comment; and

“(ii) if the Commission determines that such notice required by paragraph (1)(C)(ii) is not necessary to protect the ability of the members of such associations to stop such associations from sending any future unsolicited advertisements; and”.

(f) Authority to Establish Time Limit on Established Business Relationship Exception.—Section 227(b)(2) of the Communications Act of 1934 (47 U.S.C. 227(b)(2)), as amended by subsections (c), (d), and (e) of this section, is further amended by adding at the end the following:

“(G)(i) may, consistent with clause (ii), limit the duration of the existence of an established business relationship to a period not shorter than 5 years and not longer than 7 years after the last occurrence of an action sufficient to establish such a relationship, but only if—

“(I) the Commission determines that the existence of the exception under paragraph (1)(C) relating to an established business relationship has resulted in a significant number of complaints to the Commission regarding the sending of unsolicited advertisements to telephone facsimile machines;

“(II) upon review of such complaints referred to in subclause (I), the Commission has reason to believe that a significant number of such complaints involve unsolicited advertisements that were sent on the basis of an established business relationship that was longer in duration than the Commission believes is consistent with the reasonable expectations of consumers;

“(III) the Commission determines that the costs to senders of demonstrating the existence of an established business relationship within a specified period of time do not outweigh the benefits to recipients of establishing a limitation on such established business relationship; and

“(IV) the Commission determines that, with respect to small businesses, the costs are not unduly burdensome, given the revenues generated by small businesses, and taking into account the number of specific complaints to the Commission regarding the sending of unsolicited advertisements to telephone facsimile machines by small businesses; and

“(ii) may not commence a proceeding to determine whether to limit the duration of the existence of an established business relationship before the expiration of the 3-year period that begins on the date of the enactment of the Junk Fax Prevention Act of 2004.”.

(g) Unsolicited Advertisement.—Section 227(a)(5) of the Communications Act of 1934, as so redesignated by subsection (b)(1), is amended by inserting “, in writing or otherwise” before the period at the end.

(h) Regulations.—Except as provided in section 227(b)(2)(G)(ii) of the Communications Act of 1934 (as added by subsection (f)), not later than 270 days after the date of enactment of this Act, the Federal Communications Commission shall issue regulations to implement the amendments made by this section.

SEC. 3. FCC ANNUAL REPORT REGARDING JUNK FAX ENFORCEMENT.

Section 227 of the Communications Act of 1934 (47 U. S.C. 227) is amended by adding at the end the following:

“(g) Junk Fax Enforcement Report.—The Commission shall submit an annual report to Congress regarding the enforcement during the past year of the provisions of this section relating to sending of unsolicited advertisements to telephone facsimile machines, which report shall include—

“(1) the number of complaints received by the Commission during such year alleging that a consumer received an unsolicited advertisement via telephone facsimile machine in violation of the Commission's rules;

“(2) the number of such complaints received during the year on which the Commission has taken action;

“(3) the number of such complaints that remain pending at the end of the year;

“(4) the number of citations issued by the Commission pursuant to section 503 during the year to enforce any law, regulation, or policy relating to sending of unsolicited advertisements to telephone facsimile machines;

“(5) the number of notices of apparent liability issued by the Commission pursuant to section 503 during the year to enforce any law, regulation, or policy relating to sending of unsolicited advertisements to telephone facsimile machines;

“(6) for each notice referred to in paragraph (5)—

“(A) the amount of the proposed forfeiture penalty involved;

“(B) the person to whom the notice was issued;

“(C) the length of time between the date on which the complaint was filed and the date on which the notice was issued; and

“(D) the status of the proceeding;

“(7) the number of final orders imposing forfeiture penalties issued pursuant to section 503 during the year to enforce any law, regulation, or policy relating to sending of unsolicited advertisements to telephone facsimile machines;

“(8) for each forfeiture order referred to in paragraph (7)—

“(A) the amount of the penalty imposed by the order;

“(B) the person to whom the order was issued;

“(C) whether the forfeiture penalty has been paid; and

“(D) the amount paid;

“(9) for each case in which a person has failed to pay a forfeiture penalty imposed by such a final order, whether the Commission referred such matter for recovery of the penalty; and

“(10) for each case in which the Commission referred such an order for recovery—

“(A) the number of days from the date the Commission issued such order to the date of such referral;

“(B) whether an action has been commenced to recover the penalty, and if so, the number of days from the date the Commission referred such order for recovery to the date of such commencement; and

“(C) whether the recovery action resulted in collection of any amount, and if so, the amount collected.”.

SEC. 4. GAO STUDY OF JUNK FAX ENFORCEMENT.

(a) In General.—The Comptroller General of the United States shall conduct a study regarding complaints received by the Federal Communications Commission concerning unsolicited advertisements sent to telephone facsimile machines, which study shall determine—

(1) the mechanisms established by the Commission to receive, investigate, and respond to such complaints;

(2) the level of enforcement success achieved by the Commission regarding such complaints;

(3) whether complainants to the Commission are adequately informed by the Commission of the responses to their complaints; and

(4) whether additional enforcement measures are necessary to protect consumers, including recommendations regarding such additional enforcement measures.

(b) Additional Enforcement Remedies.—In conducting the analysis and making the recommendations required under subsection (a)(4), the Comptroller General shall specifically examine—

(1) the adequacy of existing statutory enforcement actions available to the Commission;

(2) the adequacy of existing statutory enforcement actions and remedies available to consumers;

(3) the impact of existing statutory enforcement remedies on senders of facsimiles;

(4) whether increasing the amount of financial penalties is warranted to achieve greater deterrent effect; and

(5) whether establishing penalties and enforcement actions for repeat violators or abusive violations similar to those established under section 1037 of title 18, United States Code, would have a greater deterrent effect.

(c) REPORT.—Not later than 270 days after the date of the enactment of this Act, the Comptroller General shall submit a report on the results of the study under this section to Committee on Energy and Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

By Mr. SMITH (for himself and Mr. BREAUX):

S. 2604. A bill to amend the Internal Revenue Code of 1986 to reduce the recognition period for built-in gains for subchapter S corporations; to the Committee on Finance.

Mr. SMITH. Mr. President, I am very pleased today to introduce the Small Business Growth and Opportunity Act of 2004 along with my Finance Committee colleague, Senator BREAUX.

This legislation will allow S corporations to liquidate unproductive assets freeing up capital to be used to grow the business and create new jobs.

There are about 2.9 million of these small and family-owned businesses in all 50 States. Over the past few years, many of these small businesses have been forced to lay off workers and delay capital investment. At the same time, the tax code forces them to hold on to unproductive and inefficient assets or face the double tax period of the corporate "built-in gains" tax.

Under current law, businesses that convert from C corporation to S corporation status are penalized by a double tax burden for a period of 10 years if they sell assets they owned as a C corporation. This tax penalty is imposed at the corporate level on top of normal shareholder-level taxes, making the sale and reinvestment of these assets prohibitively expensive. In some States, this double-tax burden can exceed 70 percent of the built-in gain.

Clearly this tax penalty is neither justifiable nor sustainable as a reasonable business matter. The built-in gains tax 1. limits cash flow and availability, 2. encourages excess borrowing because the S corporation cannot access the locked-in value of its own assets, and 3. prevents these small businesses from growing and creating jobs.

While I would like to see even more generous relaxation of these rules, for revenue considerations this bill will reduce the built-in gains recognition period, the holding period, from 10 years to 7 years. This three-year reduction would be a significant start in easing this unproductive tax burden on these small and family-owned businesses.

I look forward to working with my colleagues on the Senate Finance Committee and hope the Committee will consider this proposal this year.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed as follows:

S. 2604

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDUCED RECOGNITION PERIOD FOR BUILT-IN GAINS.

(a) IN GENERAL.—Paragraph (7) of section 1374(d) (relating to definitions and special rules) is amended to read as follows:

"(7) RECOGNITION PERIOD.—The term 'recognition period' means the 7-year period beginning with the 1st day of the 1st taxable year for which the corporation was an S corporation. For purposes of applying this section to any amount includible in income by reason of distributions to shareholders pursuant to section 593(e), the preceding sentence shall be applied without regard to the duration of the recognition period in effect on the date such distribution.".

(b) EFFECTIVE DATE.—

(1) GENERAL RULE.—The amendment made by this section shall apply to any recognition period in effect on or after the date of the enactment of this Act.

(2) SPECIAL APPLICATION TO EXISTING PERIODS EXCEEDING 7 YEARS.— Any recognition period in effect on the date of the enactment of this Act, the length of which is greater than 7 years, shall end on such date.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 391—DESIGNATING THE SECOND WEEK OF DECEMBER 2004 AS "CONVERSATIONS BEFORE THE CRISIS WEEK"

Mr. NELSON of Florida submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 391

Whereas 2,400,000 people in the United States die each year;

Whereas research shows that a majority of people in the United States would prefer to die at home, surrounded by family and other loved ones, free from pain, and with their wishes honored;

Whereas only 30 percent of people in the United States living with life-limiting illness experience the interdisciplinary care that hospice provides to patients and their caregivers;

Whereas studies have shown that too many people do not get the care they want, with 70 percent dying in hospitals and nursing homes suffering needlessly from high levels of pain due to poor pain and symptom management;

Whereas individuals need to have more information and support in order to make informed choices and share these end-of-life care wishes with their families, doctors, lawyers, and clergy;

Whereas all people in the United States have the ability to make their end-of-life care wishes clear through the execution of an advance directive, which includes a living will describing the kind of care they would like to receive and the appointment of a health care agent or proxy to speak for them if they cannot speak for themselves;

Whereas only 15 to 20 percent of people in the United States currently have an advance directive and most do not know that there are options for good pain and symptom management and quality end-of-life care, and thus do not ask for them;

Whereas honoring a dying person's preferences is a critical element of quality end-of-life care and the right of all people in the United States;

Whereas advance directive documents are valid in all 50 states and are available without charge on the Internet;

Whereas a "Conversations Before the Crisis Week", and activities planned to support this week, would encourage family members to designate time during the week to talk to their loved ones about their personal end-of-life wishes and to document those wishes formally through the completion of a living will and appointing a medical power of attorney; and

Whereas the Senate believes educating people in the United States about end-of-life care choices and encouraging conversations about these issues before there is a medical crisis is of the utmost importance: Now, therefore, be it

Resolved, That the Senate—

(1) designates the second week of December 2004 as "Conversations Before the Crisis Week"; and

(2) requests that the President issue a proclamation calling on the people of the United States to observe the week with appropriate ceremonies and activities.

Mr. NELSON of Florida. Mr. President, last week my colleague Senator JAY ROCKEFELLER and I had the privilege of introducing the Advanced Directives Improvement and Education Act of 2004, which would improve an individual's understanding of the importance of advance directives and give people the opportunity to discuss their options with their doctor.

The goals of the legislation are important. But as we make advance directives more accessible, we must also reach out to the many Americans who feel uncomfortable discussing serious illness and death and help them learn how to make their end-of-life health care plans.

Accordingly, today I am pleased to submit a Resolution designating the second week of December 2004 to be "Conversations Before the Crisis Week." During this week, there will be town hall meetings, television and radio shows, educational events, newspaper articles, legal clinics, and other activities taking place in communities across the country. This coordinated effort will bring the discussion of dying out of the shadows and into the public square. There are difficult questions to ask and the answers are neither simple nor universal. But it is essential that we discuss them and that each of us find the best answer we can for ourselves and our families.

The alternative is unacceptable: once a terminal illness or tragedy strikes, it is infinitely more difficult to sort through the complex and confusing emotional, spiritual, legal, and medical concerns. We must begin having these conversations before the crisis because it is important to plan for end-of-life care without the anger, sadness, fear, and pain that may accompany a terminal diagnosis, and because knowing what you want is the greatest gift you can give to those who love you and may have to make medical decisions for you.

It is my hope that as we talk more we will learn more; and as we learn more, we will demand more. If we demand better end-of-life care, we will get it. One example: Medicare has an excellent hospice benefit but only 25–30 percent of eligible Medicare beneficiaries use this service. Even people who do use the hospice benefit stay for an average of 28 days—too short to provide maximum benefit. Since Medicare allows people who need it to have over 180 days of hospice care, this is very surprising. By supporting this resolution, and creating a "Conversations Before the Crisis Week," we can generate important public attention—attention that will help explain this mystery, and attention that will be crucial to helping people end their lives in a way that is as peaceful and as meaningful as possible.

SENATE RESOLUTION 392—CONVEYING THE SYMPATHY OF THE SENATE TO THE FAMILIES OF THE YOUNG WOMEN MURDERED IN THE STATE OF CHIHUAHUA, MEXICO, AND ENCOURAGING INCREASED UNITED STATES INVOLVEMENT IN BRINGING AN END TO THESE CRIMES

Mr. BINGAMAN (for himself, Mrs. HUTCHISON, and Ms. LANDRIEU) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 392

Whereas the Mexican border city of Ciudad Juarez has been plagued with the abduction, sexual assault, and brutal murders of more than 370 young women since 1993;

Whereas these abductions and murders have begun to spread south to the city of Chihuahua;

Whereas more than 90 of these murders show signs of being connected to 1 or more serial killers;

Whereas some of the victims are as young as 13 years old, and many were abducted in broad daylight in well-populated areas;

Whereas these murders have brought pain as the families and friends of the victims on both sides of the border struggle to cope with the loss of their loved ones;

Whereas many of the victims have yet to be positively identified;

Whereas the perpetrators of most of these heinous acts remain unknown;

Whereas the Mexican Federal Government has taken steps to prevent these abductions and murders, including setting up a commission to coordinate Federal and State efforts in Mexico, establishing a 40-point plan, appointing a special commissioner, and appointing a special prosecutor;

Whereas in 2003 the El Paso Field Office of the Federal Bureau of Investigation and the El Paso Police Department began providing Mexican authorities with training in investigation techniques and methods;

Whereas the government of the State of Chihuahua has jurisdiction over these crimes;

Whereas Mexico is a party to the following international treaties that relate to abductions and murders: the Charter of the Organization of American States, the American Convention on Human Rights, the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the Convention on the Elimination of all Forms of Discrimination Against Women, the United Nations Declaration on Violence Against Women, the Convention on the Rights of the Child, the Convention of Belem do Para, the Inter-American Convention to Prevent and Punish Torture, the Inter-American Convention on Forced Disappearance, and the United Nations Declaration on the Protection of All Persons From Enforced Disappearance; and

Whereas impunity for these crimes is a threat to the ability of Mexico to consolidate its growing democracy: Now, therefore, be it

Resolved, That the Senate—

(1) condemns the abductions and murders of young women in Ciudad Juarez and the city of Chihuahua in the State of Chihuahua, Mexico, since 1993;

(2) expresses its sincerest condolences and deepest sympathy to the families of the young women killed in the State of Chihuahua, Mexico, since 1993, many of whom appear to be victims of 1 or more serial murderers;

(3) recognizes the courageous struggle of the victims' families in seeking justice for the victims;

(4) urges the President and Secretary of State to continue to express concern over these abductions and murders to the Government of Mexico and to request that the investigative and preventative efforts of the Mexican Government become part of the bilateral agenda between the Governments of Mexico and the United States;

(5) urges the President and Secretary of State to continue to express support for the efforts of the victims' families to seek justice for the victims, to express concern relating to the continued harassment of these families and the human rights defenders with which they work, and to express concern with respect to impediments in the ability of the families to receive prompt and accurate information in their cases;

(6) supports multilateral efforts to create a DNA database that would allow families to positively identify the remains of the victims and encourages the Secretary of State to facilitate United States participation in such a DNA database;

(7) encourages the Secretary of State to continue to include in the annual Country Report on Human Rights of the Department of State all instances of improper investigatory methods, threats against human rights activists, and the use of torture with respect to cases involving the murder and abduction of young women in the State of Chihuahua;

(8) recommends that the United States Ambassador to Mexico visit Ciudad Juarez and the city of Chihuahua to meet with the families of the victims, women's rights organizations, and Mexican Federal and State officials responsible for investigating these crimes and preventing future such crimes;

(9) condemns the use of torture as a means of investigation into these crimes;

(10) encourages the Secretary of State to urge the Government of Mexico to ensure fair and proper judicial proceedings for the individuals accused of these abductions and murders and to impose appropriate punishment for those individuals subsequently determined to be guilty of such crimes;

(11) condemns all senseless acts of violence in all parts of the world and, in particular, violence against women; and

(12) expresses the solidarity of the people of the United States with the people of Mexico in the face of these tragic and senseless acts.

Mr. BINGAMAN. Mr. President, I rise today with my colleagues Senators HUTCHISON and LANDRIEU to submit a resolution to convey the deepest sympathy of the Senate to the families of the young women who have been tragically murdered in Ciudad Juarez and throughout the State of Chihuahua, and urge the governments of Mexico and the United States to work together to address this issue. This is an issue that has not only affected the people of Mexico, but has long troubled the communities in my home State and across the entire Southwest region. A similar resolution, H. Res. 466, has been introduced by Representative HILDA SOLIS and enjoys the bipartisan support of 125 cosponsors.

In 1993, the bodies of women began appearing in the deserts outside the city of Juarez, Mexico, marking the beginning of a horrendous epidemic that has plagued the United States-Mexico border region for more then 10 years. Since then, more than 370 women have been killed. Many of the young women were abducted in broad daylight in well-populated areas, held captive for several days and subjected to physical violence, humiliation, and sexual torture, before having their mutilated bodies discovered days, or sometimes years, later in deserted areas.

Unfortunately, these murders have continued into this year. Most recently, on May 28, 14-year-old Luisa Rocio Chavez Chavez was found murdered in the city of Chihuahua after disappearing the previous morning on her way home from the store. She had been raped and strangled to death, and her body was found partially clothed. And before that, on April 26, a 33-year-old factory worker, Teresa Torbellin, was found after being beaten to death and dragged through bushes and desert, eventually being dumped in a deserted area outside the city. Like these deaths, nearly all of the cases remain unsolved. In fact, many of the bodies of victims have yet to be positively identified. One can only imagine how much pain and suffering this has caused the families and friends of these young women. I want to make sure that these deaths are never forgotten, and that the governments on both sides of the border continue to give this issue the attention that it so rightly deserves.

National and international human rights groups, as well as Mexico's own special prosecutor, Maria Lopez Urbina, have reported that many times bodies were misidentified, evidence was contaminated or lost, key witnesses were not properly interviewed, and autopsies were inadequately performed. Some reports have even suspected local, state, and federal authorities of being involved or complicit in the women's murders.

It is my understanding that President Vicente Fox has taken steps to address this issue, by setting up the Commission to Prevent and Eradicate Violence Against Women, which is responsible for coordinating Federal and State efforts in preventing violence of women in Ciudad Juarez and Chihuahua, and appointing a special prosecutor for punishing those responsible for the murders in Ciudad Juarez and Chihuahua. Although I am pleased that President Fox has taken the initiative on these fronts, I continue to believe that there needs to be a more coordinated effort on the part of the Mexican and U.S. governments. That is why I stand here today to submit this vitally important resolution.

Specifically, this resolution would condemn the abductions and murders of young women in the State of Chihuahua, Mexico, express the sincerest condolences and deepest sympathy of the Senate to the families of the young women, and urge a continued multilateral effort on the part of the governments of Mexico and the United States to address this issue.

To this end, it would urge the governments of Mexico and the United States to support efforts to further develop a DNA database that would allow families to positively identify the remains of the victims, and encourage the Secretary of State to continue to facilitate U.S. participation with such a DNA database.

It would also encourage the Secretary of State to urge the Mexican government to ensure fair and proper judicial proceedings for the individuals accused of these abductions and murders, and to impose appropriate punishment for those individuals found guilty of such crimes. Additionally, it would condemn the use of torture as a means of investigation.

Lastly, this resolution would condemn all senseless acts of violence against women across the world and express the solidarity of the people of the United States with the people of Mexico in the face of these tragic and senseless acts.

This problem cannot be ignored. We have the chance to help end the suffering of these innocent families, and I hope that the Senate will join me in supporting this resolution.

SENATE RESOLUTION 393—EXPRESSING THE SENSE OF THE SENATE IN SUPPORT OF UNITED STATES POLICY FOR A MIDDLE EAST PEACE PROCESS

Mr. FRIST (for himself, Mr. DASCHLE, Mr. LEVIN, Mr. NELSON of Florida, Mrs. BOXER, Mr. LIEBERMAN, Ms. MIKULSKI, Ms. LANDRIEU, Mr. CORZINE, Mr. LAUTENBERG, and Mr. VOINOVICH) submitted the following resolution; which was considered and agreed to:

S. RES. 393

Whereas the Road Map, endorsed by the United States, Israel, the Palestinian Authority, the European Union, Russia, and the United Nations, remains a realistic and widely recognized plan for making progress toward peace;

Whereas, on April 14, 2004, President Bush welcomed the plan of Israeli Prime Minister Ariel Sharon to remove certain military installations and all settlements from Gaza, and certain military installations and settlements from the West Bank;

Whereas under the Road Map, Palestinians must undertake an immediate cessation of armed activity and all acts of violence against Israelis anywhere, all Palestinian institutions, organizations, and individuals must end incitement against Israel, the Palestinian leadership must act decisively against terror (including sustained, targeted, and effective operations to stop terrorism and dismantle terrorist capabilities and infrastructure), and Palestinians must undertake a comprehensive and fundamental political reform that includes a strong parliamentary democracy and an empowered prime minister;

Whereas Prime Minister Sharon noted Israel's responsibilities under the Road Map include limitations on the growth of settlements, removal of unauthorized outposts, and steps to increase, to the extent permitted by security needs, freedom of movement for Palestinians not engaged in terrorism;

Whereas there likely will be no security for Israelis or Palestinians until they and all states join together to fight terrorism and dismantle terrorist organizations;

Whereas the United States remains committed to Israel's security, and well-being as a Jewish State, including secure, recognized, and defensible borders, and to preserving and strengthening Israel's capability to deter enemies and defend itself against any threat;

Whereas Israel has the right to defend itself against terrorism, including to take actions against terrorist organizations that threaten Israel's citizens;

Whereas, after Israel withdraws from Gaza and parts of the West Bank, existing arrangements regarding control of airspace, territorial waters, and land passages relating to the West Bank and Gaza are planned to continue;

Whereas, as part of a final peace settlement, Israel must have secure and recognized borders, which should emerge from negotiations between the parties in accordance with United Nations Security Council Resolutions 242 and 338;

Whereas, in light of realities on the ground, including already existing major Israeli population centers, it is unrealistic to expect that the outcome of final status negotiations will be a full and complete return to the armistice lines of 1949, but realistic to expect that any final status agreement will only be achieved on the basis of mutually agreed changes that reflect these realities;

Whereas Israeli Prime Minister Ariel Sharon has stated: "the barrier being erected by Israel is a security rather than political barrier, is temporary rather than permanent, and should therefore not prejudice any final status issues including final borders, and its route should take into account, consistent with security needs, its impact on Palestinian communities";

Whereas an agreed just, fair, and realistic framework for a solution to the Palestinian refugee issue as part of any final status agreement will need to be found through the establishment of a Palestinian state, and the settling of Palestinian refugees there, rather than in Israel;

Whereas the United States supports the establishment of a Palestinian state that is viable, contiguous, sovereign, and independent, so that the Palestinian people can build their own future;

Whereas the United States will join with others in the international community to assist in fostering the development of Palestinian democratic political institutions and new leadership committed to those institutions, the reconstruction of civic institutions, the growth of a free and prosperous economy, and the building of capable security institutions dedicated to maintaining law and order and dismantling terrorist organizations; and

Whereas in order to promote a lasting peace, all states must oppose terrorism, support the emergence of a peaceful and democratic Palestine, and state clearly that they will live in peace with Israel: Now, therefore, be it

Resolved, That the Senate—

(1) endorses the above-mentioned principles and practices of United States policy in the Middle East, and ongoing actions to make progress toward realizing the vision of two states living side by side in peace and security, as a real contribution toward peace, and as important steps under the Road Map;

(2) reaffirms its commitment to a vision of two states, Israel and Palestine, living side by side in peace and security as the key to peace; and

(3) supports efforts to continue working with others in the international community, to build the capacity and will of Palestinian institutions to fight terrorism, dismantle terrorist organizations, and prevent the areas from which Israel has withdrawn from posing a threat to the security of Israel.

SENATE RESOLUTION 394—TO AUTHORIZE TESTIMONY AND REPRESENTATION IN UNITED STATES v. DANIEL BAYLY, ET AL.

Mr. FRIST (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 394

Whereas, by Senate Resolution 317, 107th Congress, the Senate authorized the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs to produce records from its investigation into the collapse of Enron Corporation to law enforcement and regulatory officials and agencies;

Whereas, in the case of United States v. Daniel Bayly, et al., Cr. No. H–03–363, pending in the United States District Court for the Southern District of Texas, the parties have requested testimony from Tim Henseler, a former employee of, and Jim Pittrizzi, a detailee to, the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That Tim Henseler and Jim Pittrizzi are authorized to testify in the case of United States v. Daniel Bayly, et al., except concerning matters for which a privilege should be asserted.

SEC. 2. The Senate Legal counsel is authorized to represent Tim Henseler and Jim Pittrizzi in connection with the testimony authorized in section one of this resolution.

SENATE RESOLUTION 395—TO AUTHORIZE TESTIMONY, DOCUMENT PRODUCTION, AND LEGAL REPRESENTATION IN ULYSSES J. WARD v. DEP'T OF THE ARMY

Mr. FRIST (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 395

Whereas, in the case of Ulysses J. Ward v. Dep't of the Army, No. AT-0752-04-0526-I-1, pending before the Merit Systems Protection Board, testimony and documents have been requested from Joshua Thomas, a former employee of the office of Senator Lamar Alexander;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial or administrative process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That Joshua Thomas is authorized to testify and produce documents in the case of Ulysses J. Ward v. Dep't of the Army, except concerning matters for which a privilege should be asserted.

SEC. 2. The Senate Legal Counsel is authorized to represent Joshua Thomas in connection with the testimony authorized in section one of this resolution.

SENATE RESOLUTION 396—COMMEMORATING THE 150TH ANNIVERSARY OF THE FOUNDING OF THE PENNSYLVANIA STATE UNIVERSITY

Mr. SANTORUM (for himself and Mr. SPECTER) submitted the following resolution; which was considered and agreed to:

S. RES. 396

Whereas in 1854, the Farmers' High School was founded in Centre County, Pennsylvania in response to the State Agricultural Society's interest in establishing an educational institution to bring general education and modern farming methods to the farmers of the Commonwealth of Pennsylvania;

Whereas in 1855, the Farmers' High School was granted a permanent charter by the Pennsylvania General Assembly;

Whereas the Morrill Land-Grant Act of 1862 provided for the distribution of grants of public lands owned by the Federal Government to the States for establishing and maintaining institutions of higher learning;

Whereas in 1863, the Commonwealth accepted a grant of land provided through such Act, establishing one of the first two land-grant institutions in the United States, and designated the Farmers' High School, renamed the Agricultural College of Pennsylvania, as the Commonwealth's sole land-grant institution;

Whereas in 1874, the Agricultural College of Pennsylvania was renamed The Pennsylvania State College and in 1953, such was renamed The Pennsylvania State University;

Whereas with a current enrollment of 83,000, The Pennsylvania State University consists of 11 academic schools, 20 additional campuses located throughout the Commonwealth, the College of Medicine, The Dickinson School of Law, and The Pennsylvania College of Technology;

Whereas 1 in every 8 Pennsylvanians with a college degree, 1 in every 720 Americans, 1 in every 50 engineers, and 1 in every 4 meteorologists are alumni of The Pennsylvania State University;

Whereas formed in 1870, The Pennsylvania State University Alumni Association is the largest dues-paying alumni association in the nation;

Whereas The Pennsylvania State University has the largest outreach effort in United States higher education, delivering programs to learners in 87 countries and all 50 States;

Whereas The Pennsylvania State University consistently ranks in the top 3 universities in terms of SAT scores received from high school seniors;

Whereas The Pennsylvania State University annually hosts the largest student-run philanthropic event in the world, which benefits the Four Diamonds Fund for families with children being treated for cancer;

Whereas the missions of instruction, research, outreach and extension continue to be the focus of The Pennsylvania State University;

Whereas The Pennsylvania State University is renown for the following: the rechargeable heart pacemaker design, the heart-assist pump design, 4 astronauts to have flown in space including the first African-American, and the first institution to offer an Agriculture degree; and

Whereas The Pennsylvania State University is one of the most highly regarded research universities in the nation, with an outreach extension program that reaches nearly 1 out of 2 Pennsylvanians a year and an undergraduate school of immense scope and popularity: Now, therefore, be it

Resolved, That the Senate commemorates the 150th anniversary of the founding of The Pennsylvania State University and congratulates its faculty, staff, students, alumni, and friends on the occasion.

SENATE RESOLUTION 397—EXPRESSING THE SENSE OF THE SENATE ON THE TRANSITION OF IRAQ TO A CONSTITUTIONALLY ELECTED GOVERNMENT

Mr. FRIST (for himself, Mr. DASCHLE, Mr. LUGAR, Mr. SESSIONS, Mr. LIEBERMAN, Mr. GRAHAM of South Carolina, and Mr. BIDEN) submitted the following resolution; which was considered and agreed to:

S. RES. 397

Whereas June 30, 2004, marks Iraq's assumption of sovereignty and the beginning of the transition of Iraq to a free and constitutionally elected government, which is to be established by December 31, 2005;

Whereas the Senate congratulates the Iraqi people, expresses its appreciation to the Iraqi Interim Government, and reaffirms the United States desire for the people of Iraq to live in peace and freedom;

Whereas the successful transition of Iraq to a constitutionally elected government requires that Iraq develop the capacity to provide security to its citizens, defend its borders, deliver essential services, create a transparent and credible political process, and set the conditions for economic prosperity;

Whereas the people of Iraq have a long tradition of cultural and technological achievement and a talented and dedicated population;

Whereas the United States desires peace and prosperity for the citizens of Iraq;

Whereas more than three decades of dictatorial rule have deprived the people of Iraq of the benefits of that tradition and history, caused extraordinary personal suffering, and robbed the people of Iraq of the opportunity to reach their full potential;

Whereas establishing security is a prerequisite to the successful transition to democracy and reconstruction of Iraq;

Whereas providing security to the people of Iraq will require a well-trained and well-equipped police force, a professional military accountable to civilian leadership, the disbanding of militias, and a fair and efficient judicial system;

Whereas the current program to train and equip Iraq security services could benefit from better vetting of candidates, expanded training time, follow-on field training with experienced police and military professionals, and the accelerated provision of equipment and resources;

Whereas the administration of the institutions of government and the delivery of essential services in Iraq will require technical expertise and training not yet fully developed in Iraq;

Whereas Iraq faces a shortage of essential services, including sanitation, safe water, and a reliable supply of electricity;

Whereas economic prosperity in Iraq will require viable financial institutions, conditions that encourage private investment, and the significant reduction of foreign debt incurred by the regime of Saddam Hussein;

Whereas the people of Iraq were the victims of three decades of economic mismanagement under the regime of Saddam Hussein, and have inherited $120,000,000,000 in debt incurred by that regime;

Whereas Prime Minister Allawi has requested assistance from the international community to aid in the rebuilding and security of Iraq, including assistance from the neighbors of Iraq to improve intelligence-sharing and to tighten controls of the borders with Iraq in order to prevent the infiltration of terrorists and illicit goods, and assistance from the North Atlantic Treaty Organization (NATO) to train and equip Iraqi Security Forces;

Whereas the international community, through a unanimous vote of the United Nations Security Council in Resolution 1546 (2004), called on United Nations member states and international and regional organizations to contribute to a multinational force in Iraq and a dedicated force to provide security for the United Nations presence in Iraq, to help Iraq build the capability of its security forces and governing institutions, to aid in rebuilding the capacity for governance in Iraq, and to commit additional resources to reconstruct and develop the economy of Iraq;

Whereas since the adoption of United Nations Security Council Resolution 1546, some members of the international community who have long expressed concern for the plight of the people of Iraq, and who voted for the adoption of the Resolution in the Security Council, have failed to respond to the urgent needs of the people of Iraq;

Whereas improved security in Iraq and the increased capacity of the people of Iraq to provide essential services will reduce the burdens on United States military personnel in the region;

Whereas the United States supports the determination of the Iraqi Interim Government to defeat the loyalists to Saddam Hussein, radical militias, common criminals, and terrorists who make up the insurgency in Iraq;

Whereas the United States is committed to assisting Iraq in reasserting its full sovereignty, consistent with United Nations Security Council Resolution 1546;

Whereas the Senate acknowledges the efforts and sacrifices of the Armed Forces, other employees of the United States Government, contractors, and their counterparts in the coalition to promote Iraq's security, recovery, and transition; and

Whereas the United States and other members of the international community have a profound stake in the success of the transition of Iraq to a constitutionally elected government: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the members of the Armed Forces and their families have performed courageously and nobly and have earned the deep gratitude of the people of the United States;

(2) success in Iraq is a global priority and therefore demands cooperation from all states and international organizations;

(3) states and international organizations should fulfill their commitments to contribute what resources and skills they can to the establishment and security of an independent Iraq with a constitutionally elected government;

(4) states and international organizations should fulfill the financial commitments they have already made to the reconstruction of Iraq;

(5) the international community should establish, to the highest standards, additional police training academies inside and outside of Iraq, contribute additional trainers to those academies, and dedicate experienced police to train Iraq police officers in the field;

(6) the North Atlantic Treaty Organization (NATO) is uniquely qualified to respond to the call for assistance in United Nations Security Council Resolution 1546 (2004) to meet the needs of the people of Iraq for security and stability, including by assisting in training the Iraq military, providing security for elections in Iraq, and helping secure the borders of Iraq and should, therefore, respond positively to the request of Interim Iraqi Prime Minister Allawi to provide training, equipment, and other forms of technical assistance that his government determines is appropriate to help Iraq's security forces defeat terrorism and reduce Iraq's reliance on foreign forces;

(7) in order to ensure that the United Nations can play the leading role called for by United Nations Security Council Resolution 1546, member states should contribute additional military and security forces, and other resources as appropriate, to provide security for a United Nations presence in Iraq;

(8) countries unable to contribute security personnel to help stabilize Iraq should contribute to the transition of Iraq in other ways, including by providing technical experts, civil engineers, municipal management advisers, and to fill other needs requested by the Iraqi government;

(9) countries holding debt incurred under the Saddam Hussein regime should meaningfully reduce amounts of that debt;

(10) the United States is committed to a free and peaceful Iraq; and

(11) it is appropriate to thank coalition partners and other countries that have helped promote security, stability, reconstruction, and democracy in Iraq.

SENATE CONCURRENT RESOLUTION 120—PROVIDING FOR A CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE AND THE HOUSE OF REPRESENTATIVES

Mr. FRIST submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 120

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns on any day from Thursday, June 24, 2004, through Monday, June 28, 2004, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Tuesday, July 6, 2004, or at such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Thursday, June 24, 2004, or Friday, June 25, 2004, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2:00 p.m. on Tuesday, July 6, 2004, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, or their respective designees, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and the House, respectively, to reassemble at such place and time as they may designate whenever, in their opinion, the public interest shall warrant it.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3486. Mr. BAYH (for himself and Mr. LUGAR) submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table.

SA 3487. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3488. Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3489. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3490. Mr. STEVENS (for Mr. BAUCUS) proposed an amendment to the bill H.R. 4613, supra.

SA 3491. Mr. STEVENS (for Mr. CORZINE) proposed an amendment to the bill H.R. 4613, supra.

SA 3492. Mr. STEVENS (for Mr. KENNEDY (for himself, Mr . KERRY, Mr. SCHUMER, and Mrs. CLINTON)) proposed an amendment to the bill H.R. 4613, supra.

SA 3493. Mr. DEWINE (for himself, Mr. LEAHY, Mr. ALEXANDER, Mr. BROWNBACK, Mr. MCCAIN, Mr. BIDEN, Mr. CORZINE, Mr. FEINGOLD, Mr. DURBIN, Mrs. DOLE, and Mrs. CLINTON) proposed an amendment to the bill H.R. 4613, supra.

SA 3494. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3495. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3496. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3497. Mr. STEVENS (for Mr. LEAHY) proposed an amendment to the bill H.R. 4613, supra.

SA 3498. Mr. STEVENS (for Mr. WARNER (for himself and Mr. ALLEN)) proposed an amendment to the bill H.R. 4613, supra.

SA 3499. Mr. STEVENS (for Mr. ROBERTS) proposed an amendment to the bill H.R. 4613, supra.

SA 3500. Mr. STEVENS (for Mr. SANTORUM) proposed an amendment to the bill H.R. 4613, supra.

SA 3501. Mr. STEVENS (for Mr. SANTORUM) proposed an amendment to the bill H.R. 4613, supra.

SA 3502. Mr. BYRD (for himself and Mr. CORZINE) proposed an amendment to the bill H.R. 4613, supra.

SA 3503. Mr. STEVENS (for Mr. LOTT (for himself and Mr. COCHRAN)) proposed an amendment to the bill H.R. 4613, supra.

SA 3504. Mr. STEVENS (for Mr. REED) proposed an amendment to the bill H.R. 4613, supra.

SA 3505. Mr. STEVENS (for Mr. BAYH (for himself and Mr. LUGAR)) proposed an amendment to the bill H.R. 4613, supra.

SA 3506. Mr. STEVENS (for Mr. REED) proposed an amendment to the bill H.R. 4613, supra.

SA 3507. Mr. STEVENS (for Mr. BIDEN (for himself, Mr. LUGAR, Mr. INOUYE, Mr. STEVENS, and Mr. SPECTER)) proposed an amendment to the bill H.R. 4613, supra.

SA 3508. Mr. VOINOVICH (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3509. Mr. VOINOVICH (for himself and Mr. DeWine) submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3510. Mr. ROBERTS (for himself and Mr. Warner) submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3511. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3512. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3513. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3514. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3515. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3516. Mr. STEVENS (for Ms. Mikulski) proposed an amendment to the bill H.R. 4613, supra.

SA 3517. Mr. STEVENS (for Mr. Nelson, of Florida) proposed an amendment to the bill H.R. 4613, supra.

SA 3518. Mr. STEVENS (for Mr. Shelby) proposed an amendment to the bill H.R. 4613, supra.

SA 3519. Mr. VOINOVICH (for himself and Mr. DeWine) submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3520. Mr. BIDEN (for himself, Mr. Leahy, Mr. Dodd, Mr. Corzine, Mr. Levin, and Mrs. Feinstein) proposed an amendment to the bill H.R. 4613, supra.

SA 3521. Mr. TALENT submitted an amendment intended to be proposed by him to the bill H.R. 4613, supra; which was ordered to lie on the table.

SA 3522. Mr. STEVENS (for Mr. Dodd (for himself and Mr. Lieberman)) proposed an amendment to the bill H.R. 4613, supra.

SA 3523. Mr. STEVENS (for Mr. Nickles) proposed an amendment to the bill H.R. 4613, supra.

SA 3524. Mr. STEVENS (for Ms. Landrieu) proposed an amendment to the bill H.R. 4613, supra.

SA 3525. Mr. STEVENS (for Mr. Bunning) proposed an amendment to the bill H.R. 4613, supra.

SA 3526. Mr. STEVENS (for Mr. Voinovich (for himself and Mr. DeWine)) proposed an amendment to the bill H.R. 4613, supra.

SA 3527. Mr. STEVENS (for Mr. Voinovich (for himself and Mr. DeWine)) proposed an amendment to the bill H.R. 4613, supra.

SA 3528. Mr. STEVENS (for Mrs. Boxer) proposed an amendment to the bill H.R. 4613, supra.

SA 3529. Mr. STEVENS (for Mr. Burns) proposed an amendment to the bill H.R. 4613, supra.

SA 3530. Mr. STEVENS (for Mr. Burns) proposed an amendment to the bill H.R. 4613, supra.

SA 3531. Mr. STEVENS (for Mr. Roberts) proposed an amendment to the bill H.R. 4613, supra.

SA 3532. Mr. STEVENS (for Mr. Kyl) proposed an amendment to the bill H.R. 4613, supra.

SA 3533. Mr. STEVENS (for Mr. Kyl) proposed an amendment to the bill H.R. 4613, supra.

SA 3534. Mr. STEVENS (for Mr. Kyl) proposed an amendment to the bill H.R. 4613, supra.

SA 3535. Mr. STEVENS (for Mr. Kyl) proposed an amendment to the bill H.R. 4613, supra.

SA 3536. Mr. STEVENS (for Mr. Talent) proposed an amendment to the bill H.R. 4613, supra.

SA 3537. Mr. STEVENS (for Mr. Pryor (for himself, Mrs. Dole, and Mrs. Lincoln)) proposed an amendment to the bill H.R. 4613, supra.

SA 3538. Mr. STEVENS (for Mr. Sununu) proposed an amendment to the bill H.R. 4613, supra.

SA 3539. Mr. STEVENS (for Mr. Levin) proposed an amendment to the bill H.R. 4613, supra.

SA 3540. Mr. STEVENS (for Mr. Conrad) proposed an amendment to the bill H.R. 4613, supra.

SA 3541. Mr. STEVENS (for Mr. Kohl (for himself, Mr. Reed, Ms. Snowe, Ms. Collins, and Mr. Levin)) proposed an amendment to the bill H.R. 4613, supra.

SA 3542. Mr. STEVENS (for Mr. DeWine) proposed an amendment to the bill H.R. 4613, supra.

SA 3543. Mr. STEVENS (for Mrs. Feinstein) proposed an amendment to the bill H.R. 4613, supra.

SA 3544. Mr. INOUYE (for Mr. Dorgan) proposed an amendment to the bill H.R. 4613, supra.

SA 3545. Mr. INOUYE proposed an amendment to the bill H.R. 4613, supra.

TEXT OF AMENDMENTS

SA 3486. Mr. BAYH (for himself and Mr. Lugar) submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

Sec. 8121. (a) Increase in Amount for Operation and Maintenance, Army.—The amount appropriated or otherwise made available by title II of this Act under the heading "Operation and Maintenance, Army" is hereby increased by $6,900,000.

(b) Availability of Amount.—(1) Of the amount appropriated or otherwise made available by title II of this Act under the heading "Operation and Maintenance, Army", as increased by subsection (a), $6,900,000 may be available for purposes of M1A1 Abrams Tank transmission maintenance.

(2) The amount available under paragraph (1) for the purpose specified in that paragraph is in addition to any other amounts available in this Act for that purpose.

SA 3487. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

Sec. 8121. (a) Increase in Amount for Research, Development, Test, and Evaluation, Defense-Wide.—The amount appropriated or otherwise made available by title IV of this Act under the heading "Research, Development, Test, and Evaluation, Defense-Wide" is hereby increased by $10,000,000.

(b) Availability of Amount for Medical Equipment and Combat Casualty Care Technologies.—Of the amount appropriated or otherwise made available by title IV of this Act under the heading "Research, Development, Test, and Evaluation, Defense-Wide", as increased by subsection (a), up to $10,000,000 may be available for medical equipment and combat casualty care technologies.

(c) Offset.—The amount appropriated or otherwise made available by title I of this Act under the heading "Military Personnel, Air Force" is hereby reduced by $10,000,000.

SA 3488. Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

Sec. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "Research, Development, Test, and Evaluation, Air Force", up to $10,000,000 may be available for the Science, Mathematics, And Research for Transformation (SMART) Pilot Scholarship Program.

SA 3489. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

Sec. 8121. (a) Notwithstanding any other provision of law, the Secretary of Defense, with the concurrence of the Secretary of State, may transfer funds to the Secretary of State to provide assistance during fiscal year 2005 to military or security forces in a foreign country to enhance the capability of such country to participate in an international peacekeeping or peace enforcement operation.

(b) Assistance provided under subsection (a) may be used to provide equipment, supplies, training, or funding.

(c) Assistance provided under subsection (a) may not exceed $100,000,000 in fiscal year 2005 from funds made available to the Department of Defense.

(d) The authority to provide assistance under this section is in addition to any other authority to provide assistance to a foreign country or the military or security forces of such country.

SA 3490. Mr. STEVENS (for Mr. Baucus) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8021. Of the amount appropriated by title III under the heading "AIRCRAFT PROCUREMENT, AIR FORCE", $880,000 shall be available to the Secretary of the Air Force for a grant to Rocky Mountain College, Montana, for the purchase of three Piper aircraft, and an aircraft simulator, for support of aviation training.

SA 3491. Mr. STEVENS (for Mr. CORZINE) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of the Act under the heading "RESEARCH, DEVELOPMENT, TEST, and EVALUATION, NAVY", up to $4,000,000 may be available for Aviation Data Management and Control System, Block II.

SA 3492. Mr. STEVENS (for Mr. KENNEDY (for himself, Mr. KERRY, Mr. SCHUMER, and Mrs. CLINTON)) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 118, insert the following new section on line 5:

"SEC. 9006. In addition to amounts otherwise made available in this Act, $50,000,000, is made available upon enactment for 'Office of Justice Programs—State and Local Law Enforcement Assistance' for discretionary grants under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs for reimbursement to State and local law enforcement entities for security and related costs, including overtime, associated with the 2004 Presidential Candidate Nominating Conventions, to remain available until September 30, 2005: *Provided*, That from funds provided in this section the Office of Justice Programs shall make grants in the amount of $25,000,000 to the City of Boston, Massachusetts; and $25,000,000 to the City of New York, New York: *Provided further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 502 of H. Con. Res. 95, the concurrent resolution on the budget for fiscal year 2004: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $50,000,000, that includes designation of the entire amount of the request as an emergency requirement as defined in H. Con. Res. 95, the concurrent resolution on the budget for fiscal year 2004, is transmitted by the President to the Congress."

SA 3493. Mr. DEWINE (for himself, Mr. LEAHY, Mr. ALEXANDER, Mr. BROWNBACK, Mr. MCCAIN, Mr. BIDEN, Mr. CORZINE, Mr. FEINGOLD, Mr. DURBIN, Mrs. DOLE, and Mrs. CLINTON) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 118, between lines 4 and 5, insert the following:

TITLE X

BILATERAL ECONOMIC ASSISTANCE FUNDS APPROPRIATED TO THE PRESIDENT

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

INTERNATIONAL DISASTER AND FAMINE ASSISTANCE

For an additional amount for "International Disaster and Famine Assistance", $70,000,000, to remain available until expended: *Provided*, That funds appropriated by this paragraph shall be available to respond to the humanitarian crisis in the Darfur region of Sudan and in Chad: *Provided further*, That such amount is designated as an emergency requirement pursuant to section 502 of H. Con. Res. 95 (108th Congress): *Provided further*, That such amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in H. Con. Res. 95 (108th Congress), is transmitted by the President to Congress: *Provided further*, That funds shall be made available under this heading immediately upon enactment of this Act.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "Migration and Refugee Assistance", $25,000,000, to remain available until expended: *Provided*, That funds appropriated by this paragraph shall be available to respond to the humanitarian crisis in the Darfur region of Sudan and in Chad: *Provided further*, That such amount is designated as an emergency requirement pursuant to section 502 of H. Con. Res. 95 (108th Congress): *Provided further*, That such amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in H. Con. Res. 95 (108th Congress), is transmitted by the President to Congress: *Provided further*, That funds shall be made available under this heading immediately upon enactment of this Act.

SA 3494. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY", up to $3,000,000 may be available for Medical Advanced Technology for the Intravenous Membrane Oxygenator.

SA 3495. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title II of this Act under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE", up to $5,000,000 may be available for Department of Defense Education Activity for the upgrading of security at Department of Defense schools.

SA 3496. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. (a) INCREASE IN AMOUNT FOR PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY.—The amount appropriated or otherwise made available by title III of this Act under the heading "PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY" is hereby increased by $5,000,000.

(b) AVAILABILITY OF AMOUNT FOR PROCUREMENT OF CERTAIN VEHICLES.—Of the amount appropriated or otherwise made available by title III of this Act under the heading "PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY", as increased by subsection (a), up to $5,000,000 may be available for procurement of, M109-based command-and-control vehicles or field artillery ammunition support vehicles.

(c) OFFSET.—The amount appropriated or otherwise made available by title I of this Act under the heading "MILITARY PERSONNEL, AIR FORCE" is hereby reduced by $5,000,000.

SA 3497. Mr. STEVENS (for Mr. LEAHY) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated by title under the heading "OTHER PROCUREMENT, AIR FORCE", up to $2,000,000 may be used for aircrew bladder relief device (ABRD) kits.

SA 3498. Mr. STEVENS (for Mr. WARNER (for himself and Mr. ALLEN)) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. (a) Of the amounts appropriated by title III under the heading "SHIPBUILDING AND CONVERSION, NAVY"—

(1) the amount provided under that heading specifically for the Carrier Replacement Program (AP) is hereby increased by $140,900,000;

(2) the amount provided under that heading specifically for CVN Refuelings (AP) is hereby increased by $110,000,000; and

(3) the total amount provided under that heading is hereby increased by $250,900,000.

(b) The amount of the reduction provided in section 8062(a) is hereby increased by $250,900,000.

SA 3499. Mr. STEVENS (for Mr. ROBERTS) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "Research, Development, Test, and Evaluation, Air Force", up to $6,000,000 may be available for the Science, Mathematics, And Research for Transformation (SMART) Pilot Scholarship Program.

SA 3500. Mr. STEVENS (for Mr. SANTORUM) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title II of this Act under the heading "OPERATION AND MAINTENANCE, DEFENSE-WIDE", up to $5,000,000 may be available for Department of Defense Education Activity for the upgrading of security at Department of Defense schools.

SA 3501. Mr. STEVENS (for Mr. SANTORUM) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY", up to $3,000,000 may be available for Medical Advanced Technology for the Intravenous Membrane Oxygenator.

SA 3502. Mr. BYRD (for himself and Mr. CORZINE) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. It is the sense of the Senate that—

(1) any request for funds for a fiscal year for an ongoing military operation overseas, including operations in Afghanistan and Iraq, should be included in the annual budget of the President for such fiscal year as submitted to Congress under section 1105(a) of title 31, United States Code; and

(2) any funds provided for such fiscal year for such a military operation should be provided in appropriations Acts for such fiscal year through appropriations to specific accounts set forth in such Acts.

SA 3503. Mr. STEVENS (for Mr. LOTT (for himself and Mr. COCHRAN)) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. It is the sense of Senate that—

(1) the Global Hawk Maritime Demonstration Program should be expanded to include the participation of forward deployed forces of the Navy and the Marine Corps in the area of responsibility of the Commander of the United States Central Command; and

(2) the Secretary of the Navy should compile the lessons learned in the conduct of the demonstration program specifically in that area of responsibility and incorporate those lessons into the ongoing activities of the demonstration program for the development of concepts of operations.

SA 3504. Mr. STEVENS (for Mr. REED) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY", up to $3,000,000 may be available to establish the Consortium of Visualization Excellence for Underseas Warfare Modeling and Simulation (COVE).

SA 3505. Mr. STEVENS (for Mr. BAYH (for himself and Mr. LUGAR)) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated by title under the heading "Operation and Maintenance, Army", up to $21,900,000 may be used for M1A1 Tank Transmission Maintenance.

SA 3506. Mr. STEVENS (for Mr. REED) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY", up to $2,000,000 may be available to conduct a demonstration of a prototype of the Improved Shipboard Combat Information Center.

SA 3507. Mr. STEVENS (for Mr. BIDEN (for himself, Mr. LUGAR, Mr. INOUYE, Mr. STEVENS, and Mr. SPECTER)) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. (a)(1) Notwithstanding section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), the President may transfer to Israel, in exchange for concessions to be negotiated by the Secretary of Defense, with the concurrence of the Secretary of State, any or all of the items described in paragraph (2).

(2) The items referred to in paragraph (1) are armor, artillery, automatic weapons ammunition, missiles, and other munitions that—

(A) are obsolete or surplus items;

(B) are in the inventory of the Department of Defense;

(C) are intended for use as reserve stocks for Israel; and

(D) as of the date of enactment of this Act, are located in a stockpile in Israel.

(b) The value of concessions negotiated pursuant to subsection (a) shall be at least equal to the fair market value of the items transferred. The concessions may include cash compensation, services, waiver of charges otherwise payable by the United States, and other items of value.

(c) Not later than 30 days before making a transfer under the authority of this section, the President shall transmit a notification of the proposed transfer to the Committees on Foreign Relations and Armed Services of the Senate and the Committees on International Relations and Armed Services of the House of Representatives. The notification shall identify the items to be transferred and the concessions to be received.

(d) No transfer may be made under the authority of this section more than 2 years after the date of the enactment of this Act.

SEC. 8122. Section 514(b)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(2)) is amended—

(1) in subparagraph (A), by striking "for fiscal year 2003" and inserting "for each of fiscal years 2004 and 2005"; and

(2) in subparagraph (B), by striking "for fiscal year 2003" and inserting "for a fiscal year".

SA 3508. Mr. VOINOVICH (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY" and available for Combat Vehicle and Automotive Advanced Technology, up to $5,000,000 may be available for All Composite Military Vehicles.

SA 3509. Mr. VOINOVICH (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY" and available for End Item Industrial Preparedness Activities, up to $3,500,000 may be available for Laser Peening for Army helicopters.

SA 3510. Mr. ROBERTS (for himself and Mr. WARNER) submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in the bill, insert the following:

SEC.   . Of the amount appropriated or otherwise made available by title   of this Act under the heading "Research, Development, Test, and Evaluation, Army, up to $8,000,000 may be available to establish redundant systems to ensure continuity of operations and disaster recovery at the United States Army Intelligence and Security Command's Intelligence Dominance Center.

SA 3511. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title III of this Act under the heading "PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY", up to $5,000,000 may be available for procurement of M109-based command-and-control vehicles or field artillery ammunition support vehicles.

SA 3512. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. It is the sense of the Senate that—

(1) funds appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE" for chemical and biological defense programs should be made available for the continued development of an end-to-end point of care clinical diagnostic network to combat terrorism; and

(2) such funds should be distributed to partnerships that combine universities and non-profit organizations with industrial partners to ensure the rapid implementation of such clinical diagnostic network for clinical use.

SA 3513. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amounts appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE" and available for aerospace propulsion and technology, up to $3,000,000 may be made available for the Versatile, Advanced Affordable Turbine Engine.

SA 3514. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amounts appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" and available for Defense Research Sciences, up to $3,000,000 may be made available for the Program for Intelligence Validation.

SA 3515. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amounts appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" and available for electronic warfare technology, up to $3,000,000 may be made available for the Subterranean Target Identification Program.

SA 3516. Mr. STEVENS (for Ms. MIKULSKI) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. (a) AVAILABILITY OF AMOUNT FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE, FOR RADAR DEVELOPMENT.—Of The amount appropriated or otherwise made available by title IV of this Act under the heading "Research, Development, Test, and Evaluation, Air Force", $7,000,000 may be available for AN/APG–68(V)10 radar development for F–16 aircraft.

(b) CONSTRUCTION OF AMOUNT.—The amount available under subsection (a) for the purpose specified in that subsection is in addition to any other amounts available in this Act for that purpose.

SA 3517. Mr. STEVENS (for Mr. NELSON of Florida) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

In the appropriate place in the bill insert the following:

Of the amount appropriated in title IV under the heading "OPERATIONAL TEST AND EVALUATION, DEFENSE" up to $5,000,000 may be made available for the Joint Test and Training Rapid Advanced Capabilities (JTTRAC) Program."

SA 3518. Mr. STEVENS (for Mr. SHELBY) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC.   . (a) Public Law 108–199 is amended in Division F, Title I, section 110(g) by striking "Of the" and inserting "Prior to distributing"; striking "each" every time it appears and inserting "the"; striking "project" every time it appears and inserting "projects".

(b) The limitation under the heading "Federal-aid Highways (Limitation on obligations) (Highway Trust Fund)" in Public Law 108–199 is increased by such sums as may be necessary to ensure that each State receives an amount of obligation authority equal to what each State would have received under section 110(a)(6) of Public Law 108–199 but for the amendment made to section 110(g) of Public Law 108–199 by subsection (a) of this section: *Provided*, That such additional authority shall remain available during fiscal years 2004 and 2005.

SA 3519. Mr. VOINOVICH (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE", up to $2,000,000 may be available for Composites for Unmanned Air Vehicles.

SA 3520. Mr. BIDEN (for himself, Mr. LEAHY, Mr. DODD, Mr. CORZINE, Mr. LEVIN, and Mrs. FEINSTEIN) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 118, between lines 4 and 5, insert the following:

TITLE X

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

INTERNATIONAL DISASTER AND FAMINE ASSISTANCE

For an additional amount for "International Disaster and Famine Assistance", $188,000,000, to remain available until expended: *Provided*, That funds appropriated by this paragraph shall be available to respond to the humanitarian crisis in the Darfur region of Sudan and in Chad: *Provided further*, That such amount is designated as an emergency requirement pursuant to section 502 of H. Con. Res. 95 (108th Congress).

SA 3521. Mr. TALENT submitted an amendment intended to be proposed by him to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; which was ordered to lie on the table; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE", up to $5,000,000 may be available for X-43C development.

SA 3522. Mr. STEVENS (for Mr. DODD (for himself and Mr. LIEBERMAN)) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY", up to $15,000,000 may be available for the Broad Area Unmanned Responsive Resupply Operations aircraft program.

SA 3523. Mr. STEVENS (for Mr. NICKLES) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY", up to $2,000,000 may be used for Handheld Breath Diagnostics.

SA 3524. Mr. STEVENS (for Ms. LANDRIEU) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY", up to $1,800,000 may be used for the Joint Logistics Information System program for the automated scheduling tool.

SA 3525. Mr. STEVENS (for Mr. BUNNING) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

At the end of Title VIII, insert the following:

SEC. . Of the amount appropriated in Title IV under the heading "Research Development, Test and Evaluation, Navy," up to $4,000,000 may be used for the Anti-Sniper Infrared Targeting System.

SA 3526. Mr. STEVENS (for Mr. VOINOVICH (for himself and Mr. DEWINE)) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY" and available for End Item Industrial Preparedness Activities, up to $3,500,000 may be available for Laser Peening for Army helicopters.

SA 3527. Mr. STEVENS (for Mr. VOINOVICH (for himself and Mr. DEWINE)) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE", up to $2,000,000 may be available for Composites for Unmanned Air Vehicles.

SA 3528. Mr. STEVENS (for Mrs. BOXER) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE-WIDE", up to $4,500,000 may be available for development of the Suicide Bomber Detection System Using a Portable Electronic Scanning Millimeter Wave Imaging RADAR.

SA 3529. Mr. STEVENS (for Mr. BURNS) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 161 of the Senate report:

"Of the funds available in Research, Development, Test & Evaluation, Navy, up to $3 million may be made available for the 'Mobile On-Scene Sensor Aircraft Intelligence Command, Control and Computer Center."

SA 3530. Mr. STEVENS (for Mr. BURNS) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 147 of the Senate report:

"Of the funds available in Research, Development, Test & Evaluation, Army, up to $2 million may be made available for 'Care of Battlefield Wounds'."

SA 3531. Mr. STEVENS (for Mr. ROBERTS) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

At the appropriate place in the bill, insert the following:

SEC. Of the amount appropriated or otherwise made available by title of this Act under the heading "Research, Development, Test, and Evaluation, Army, up to $3,000,000 may be available to establish redundant systems to ensure continuity of operations and disaster recovery at the United States Army Intelligence and Security Command's Intelligence Dominance Center.

SA 3532. Mr. STEVENS (for Mr. KYL) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amounts appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" and available for electronic warfare technology, up to $2,000,000 may be made available for the Subterranean Target Identification Program.

SA 3533. Mr. STEVENS (for Mr. KYL) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amounts appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY" and available for Defense Research Sciences, up to $2,000,000 may be made available for the Program for Intelligence Validation.

SA 3534. Mr. STEVENS (for Mr. KYL) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. It is the sense of the Senate that—

(1) funds appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE" for chemical and biological defense programs should be made available for the continued development of an end-to-end point of care clinical diagnostic network to combat terrorism; and

(2) such funds should be distributed to partnerships that combine universities and non-profit organizations with industrial partners to ensure the rapid implementation of such clinical diagnostic network for clinical use.

SA 3535. Mr. STEVENS (for Mr. KYL) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amounts appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE" and available for aerospace propulsion and technology, up to $3,000,000 may be made available for the Versatile, Advanced Affordable Turbine Engine.

SA 3536. Mr. STEVENS (for Mr. TALENT) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE", up to $5,000,000 may be available for X-43C development.

SA 3537. Mr. STEVENS (for Mr. PRYOR (for himself, Mrs. DOLE, and

Mrs. LINCOLN)) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE-WIDE", up to $5,000,000 may be available for medical equipment and combat casualty care technologies.

SA 3538. Mr. STEVENS (for Mr. SUNUNU) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

At the appropriate time, insert the following:

Of the funds appropriated, up to $2,000,000 may be available for the Advanced Composite Radome Project.

SA 3539. Mr. STEVENS (for Mr. LEVIN) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Notwithstanding any other provision of law, the Secretary of the Air Force may, using funds available to the Air Force, demolish or provide for the demolition of any facilities or other improvements on real property at the former Wurtsmith Air Force Base.

SA 3540. Mr. STEVENS (for Mr. CONRAD) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated by title III under the heading "AIRCRAFT PROCUREMENT, AIR FORCE", up to $7,000,000 may be available for F–16 Theater Airborne Reconnaissance System upgrades.

SA 3541. Mr. STEVENS (for Mr. KOHL (for himself, Mr. REED, Ms. SNOWE, Ms. COLLINS, and Mr. LEVIN)) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. For the purposes of applying sections 204 and 605 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2004 (division B of Public Law 108-199) to matters in title II of such Act under the heading "NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY" (118 Stat.69), in the account under the heading "INDUSTRIAL TECHNOLOGY SERVICES", the Secretary of Commerce shall make all determinations based on the Industrial Technology Services funding level of $218,782,000 for reprogramming and transferring of funds for the Manufacturing Extension Partnership program and may submit such a reprogramming or transfer, as the case may be, to the appropriate committees within 30 days after the date of the enactment of this Act.

SA 3542. Mr. STEVENS (for Mr. DEWINE) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. (a)(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on mental health services available to members of the Armed Forces and their dependents.

(2) The report required under paragraph (1) shall include the following:

(A) A comprehensive review of mental health services that are available—

(i) to members of the Armed Forces who are deployed in combat theaters;

(ii) to members of the Armed Forces at any facilities in the United States; and

(iii) to dependents of members of the Armed Forces during and after deployment of members overseas.

(B) Data on the average number of service days since September 11, 2001, on which members of the Armed Forces were absent or excused from duty for mental health reasons.

(C) A description of the current procedures for reducing the negative perceptions among members of the Armed Services that are often associated with mental health counseling.

(D) A description of—

(i) the mental health services available to members of the Armed Forces, including members of the reserve components, and their dependents; and

(ii) the barriers to access to such services.

(E) An analysis of the extent to which the Secretary of the Army has implemented the recommendations on mental health services that were made by the Mental Health Advisory Team of the Army on March 25, 2004.

(F) A plan for actions that the Secretary determines appropriate for improving the delivery of appropriate mental health services to members of the Armed Forces and their dependents.

(b) Not later than 360 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report that describes—

(1) the actions taken to implement the plan submitted under subsection (a)(2)(F); and

(2) the reasons why actions in the plan have not been completed, if any.

SA 3543. Mr. STEVENS (for Mrs. FEINSTEIN) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated or otherwise made available by title IV of this Act under the heading "RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY", up to $5,000,000 may be available for support of the TIGER pathogen detection system.

SA 3544. Mr. INOUYE (for Mr. DORGAN) proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . FUNDING FOR NORTH DAKOTA STATE SCHOOL OF SCIENCE, BISMARCK STATE COLLEGE, AND MINOT STATE UNIVERSITY.

(a) RESCISSION.—There is rescinded an amount equal to $795,280 from the amount appropriated to carry out part B of title VII of the Higher Education Act of 1965, in title III of division E of the Consolidated Appropriations Act, 2004 (Public Law 108–199; 118 Stat. 3). This amount shall reduce the funds available for the projects specified in the statement of the managers on the Conference Report 108–401 accompanying the Consolidated Appropriations Act, 2004 (Public Law 108–199; 118 Stat. 3).

(b) DISREGARD AMOUNT.—In the statement of the managers on the Conference Report 108–401 accompanying the Consolidated Appropriations Act, 2004 (Public Law 108–199; 118 Stat. 3), in the matter in title III of division E, relating to the Fund for the Improvement of Postsecondary Education under the heading "Higher Education", the provision specifying $800,000 for Wahpeton State School of Science and North Dakota State University to recruit, retain and train pharmacy technicians shall be disregarded.

(c) APPROPRIATION.—There is appropriated an amount equal to $795,280 to the Department of Labor, Employment and Training Administration for "Training and Employment Services," available for obligation for the period from July 1, 2004, through June 30, 2005, of which—

(1) $200,000 shall be made available to the North Dakota State School of Science to recruit, retain, and train pharmacy technicians;

(2) $297,640 shall be made available to Bismarck State College for training and education related to its electric power plant technologies curriculum; and

(3) $297,640 shall be made available for Minot State University for the Job Corps Fellowship Training Program.

SA 3545. Mr. INOUYE proposed an amendment to the bill H.R. 4613, making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes; as follows:

On page 112, between lines 13 and 14, insert the following:

SEC. 8121. Of the amount appropriated by title IV under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY", up to $2,500,000 may be used for small business development and transition.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on June 24, 2004, at 10 a.m., in open session to consider the nomination of General George W. Casey, Jr., USA, for reappointment to the grade of general and to be Commander, Multi-National Force—Iraq.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on June 24, 2004, at 3 p.m., in closed session to receive a briefing regarding ICRC reports on U.S. Military Detainee Operations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 24, 2004, at 2:30 p.m., to hold a hearing on Venezuela.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing entitled "Reauthorization of the Carl D. Perkins Vocational and Technical Education Act: Education for the 21st Century Workforce" during the session of the Senate on Thursday, June 24, 2004, at 10 a.m., in SD–430.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, June 24, 2004, at 9:30 a.m. in Dirksen Senate Building Room 226.

Tentative Agenda

I. Nominations

Claude A. Allen to be U.S. Circuit Judge for the Fourth Circuit and Michael H. Watson to be U.S. District Judge for the Southern District of Ohio

II. Legislation

S. 1735, Gang Prevention and Effective Deterrence Act of 2003 [Hatch, Feinstein, Grassley, Graham, Chambliss, Cornyn, Schumer, Biden];

S. 1635, L–1 Visa, Intracompany Transferee, Reform Act of 2003 [Chambliss];

S.J. Res. 4, Proposing an amendment to the Constitution of the United States authorizing Congress to prohibit the physical desecration of the flag of the United States Act of 2003 [Hatch, Feinstein, Craig, Sessions, DeWine, Grassley, Graham, Cornyn, Chambliss, Specter, Kyl];

S. 1700, Advancing Justice through DNA Technology Act of 2003 [Hatch, Biden, Specter, Leahy, DeWine, Feinstein, Kennedy, Schumer, Durbin, Kohl, Edwards]; and

S. 2396, Federal Courts Improvement Act of 2004 [Hatch, Leahy, Chambliss, Durbin, Schumer]

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AVIATION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Aviation be authorized to meet on Thursday, June 24, 2004, at 9:30 a.m., on Security Screening Options for Airports.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FORESTRY, CONSERVATION, AND RURAL REVITALIZATION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Forestry, Conservation and Rural Revitalization of the Committee on Agriculture, Nutrition, and Forestry be authorized to conduct a hearing during the session of the Senate on Thursday, June 24, 2004. The purpose of this meeting will be to review the implementation of the Healthy Forests Restoration Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NATIONAL PARKS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on National Parks of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, June 24, 2004, at 2:30 p.m. The purpose of the hearing is to receive testimony on S. 2543, to establish a program and criteria for national heritage areas in the United States, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY AND SPACE

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space be authorized to meet on Thursday, June 24, 2004, at 2:30 p.m., on H.R. 2608—National Earthquake Hazards Reduction Program Reauthorization Act of 2003.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. STEVENS. Mr. President, I ask unanimous consent that Steven Wackowski, an intern with the Defense Appropriations Subcommittee, Pete McAleer, a Defense fellow in Senator GREGG's office, and Brian Glackin, a Defense fellow in Senator COCHRAN's office, be granted privileges of the floor during the consideration of the fiscal year 2005 Defense appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that Paul Thanos, a legislative fellow in the offices of MARIA CANTWELL, be granted the privileges of the floor during consideration of the Defense appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that Reb Brownell, a detailee on the Foreign Operations Subcommittee, be granted the privilege of the floor throughout the Senate's consideration and voting on the resolution renewing sanctions against Burma.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE READ THE FIRST TIME—H.R. 218

Mr. FRIST. Mr. President, I understand that H.R. 218 is at the desk, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> A bill (H.R. 218) to amend title 18 United States Code, to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed handguns.

Mr. FRIST. I now ask for its second reading in order to place the bill on the calendar under the provisions of rule XIV and object to further proceedings on this matter.

The PRESIDING OFFICER. Objection is heard.

The bill will be read a second time on the next legislative day.

ESTABLISHING A DEMOCRACY CAUCUS WITHIN THE U.N.

Mr. FRIST. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. Con. Res. 83, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

> A concurrent resolution (S. Con. Res. 83) promoting the establishment of a democracy caucus within the United Nations.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. BIDEN. Mr. President, I thank my colleagues for their support of S. Con. Res. 83, a resolution that I introduced in support of the establishment of a Democracy Caucus within the United Nations. In particular, I thank Senators LUGAR, HAGEL, LIEBERMAN, and COLEMAN for their co-sponsorship of this resolution. I also want to thank Chairman LUGAR for permitting the resolution to come to the floor today.

I am pleased that the Bush administration also supports the establishment of a U.N. Democracy Caucus, and that significant progress was made on this front in Geneva at this year's Commission on Human Rights. In particular, Peru, Romania, East Timor, Poland, Chile, South Korea, India and Italy have been very engaged in collaborative democracy-promotion initiatives. I am encouraged by such joint efforts. The broader the international support for a caucus, the more effective it will be.

The establishment of a U.N. Democracy Caucus is not merely a project supported by Congress and the State Department. It is also endorsed by a broad-based coalition of U.S.-based organizations and advocacy groups such as Freedom House, Human Rights Watch, the American Jewish Committee, the American Bar Association and the Council for Community of Democracies. I also thank them for their work and advocacy on this issue.

The idea of establishing a Democracy Caucus within the United Nations makes extraordinary good sense. The basic principal is this: democratic nations share common values, and should work together at the United Nations to promote those values. We will be more effective in doing so.

Working together with like-minded nations in the United Nations and other multilateral organizations is a logical and practical way to conduct foreign policy. We build coalitions in American politics, in legislatures across the land and here in the Congress. Similarly, we should build coalitions of like-minded states in the United Nations, particularly to bolster global democratic principles, advance human rights, and promote international security and stability.

The administration has recently rediscovered the virtues of working in cooperation with other nations at the United Nations. There we are just one nation, though a very powerful one. We only have one vote, whether in the General Assembly or the Security Council. Other democratic states should be natural allies on many issues; a caucus of democracies will facilitate such cooperation. Forging a coalition of democracies is not merely a statement that nations have shared values; it is a hard-headed diplomatic approach. By joining forces to make common cause, the democracies can be more effective in the U.N. and other world bodies.

The unanimous passage of this resolution demonstrates the strong support of the Senate for the creation of a Democracy Caucus. I hope the Senate's action gives democracy-building efforts in the United Nations an important boost to this idea. I thank my colleagues within and outside the Senate for supporting this resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the preamble be agreed to, the concurrent resolution be agreed to, the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements relating to this measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 83) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 83

Whereas a survey conducted by Freedom House in 2003, entitled "Freedom in the World", found that of the 192 governments of nations of the world, 121 (or 63 percent) of such governments have an electoral democracy form of government;

Whereas, the Community of Democracies, an association of democratic nations committed to promoting democratic principles and practices, held its First Ministerial Conference in Warsaw, Poland, in June 2000;

Whereas, in a speech at that Conference, Kofi Annan, the Secretary-General of the United Nations, stated that "when the United Nations can truly call itself a community of democracies, the [United Nations] Charter's noble ideals of protecting human rights and promoting 'social progress in larger freedoms' will have been brought much closer", that "democratically governed states rarely if ever make war on one another", and that "in this era of intra-state wars, is the fact that democratic governance—by protecting minorities, encouraging pluralism, and upholding the rule of law—can channel internal dissent peacefully, and thus help avert civil wars";

Whereas a report by an Independent Task Force cosponsored by the Council on Foreign Relations and Freedom House in 2002, entitled "Enhancing U.S. Leadership at the United Nations", concluded that "the United States is frequently outmaneuvered and outmatched at the [United Nations]" because the 115 members of the nonaligned movement "cooperate on substantive and procedural votes, binding the organization's many democratic nations to the objectives and blocking tactics of its remaining tyrannies";

Whereas, at the First Ministerial Conference of the Community of Democracies, the representatives of the participating governments agreed to "collaborate on democracy-related issues in existing international and regional institutions, forming coalitions and caucuses to support resolutions and other international activities aimed at the promotion of democratic governance"; and

Whereas that agreement was reaffirmed at the Second Ministerial Conference of the Community of Democracies in Seoul, Korea, in November 2002: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. PROMOTION OF A DEMOCRACY CAUCUS WITHIN THE UNITED NATIONS.

Congress urges the President to instruct any representative of the United States to a body of the United Nations to use the voice and vote of the United States to seek to establish a democracy caucus within the United Nations as described in this Resolution.

SEC. 2. PURPOSE OF THE DEMOCRACY CAUCUS.

The purpose of the democracy caucus referred to in section 1 should be to advance the interests of the United States and other nations that are committed to promoting democratic norms and practices by—

(1) supporting common objectives, including bolstering democracy and democratic principles, advancing human rights, and fighting terrorism in accordance with the rule of law;

(2) forging common positions on matters of concern that are brought before the United Nations or any of the bodies of the United Nations;

(3) working within and across regional lines to promote the positions of the democracy caucus;

(4) encouraging democratic states to assume leadership positions in the bodies of the United Nations; and

(5) advocating that states that permit gross violations of human rights, sponsor terrorist activities, or that are the subject of sanctions imposed by the United Nations Security Council are not elected—

(A) to leadership positions in the United Nations General Assembly; or

(B) to membership or leadership positions in the Commission on Human Rights, the Security Council, or any other body of the United Nations.

SEC. 3. CRITERIA FOR PARTICIPATION IN THE DEMOCRACY CAUCUS.

Participation in the democracy caucus referred to in section 1 should be limited to countries that—

(1) are qualified to participate in the Community of Democracies, an association of democratic nations committed to promoting democratic principles and practices; and

(2) have demonstrated a commitment—

(A) to the core democratic principles and practices set out in the Final Warsaw Declaration of the Community of Democracies, adopted at Warsaw June 27, 2000; and

(B) to the democratic principles set forth in—

(i) the United Nations Charter;

(ii) the Universal Declaration of Human Rights; and

(iii) the International Covenant on Civil and Political Rights.

SEC. 4. ANNUAL MEETING.

The members of the democracy caucus referred to in section 1 should hold a ministerial-level meeting at least once each year to coordinate policies and positions of the caucus.

WESTERN SHOSHONE CLAIMS DISTRIBUTION ACT

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 592, H.R. 884.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 884) to provide for the use and distribution of the funds awarded to the Western Shoshone identifiable group under Indian Claims Commission Docket Numbers 326-A-1, 326-A-3, and 326-K, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 884) was read the third time and passed.

Mr. REID. Mr. President, the legislation just passed has been 30 years in the making. It deals with Shoshone Indians in the State of Nevada. It is a fund that has grown to about $150 million. Thousands of Indians will benefit from this fund.

These people live in such desperate straits, many of them. Large numbers are on welfare. The places they live in are very difficult.

I want everyone who reads this RECORD at some subsequent time to know that every entity that is involved with this legislation will receive thousands of dollars. They should also know that we are ready, willing, and able to meet with each one of them. If they have any problem with their land claims, we will work with them. This does not shut down any of their ability to change in some way, claim anything they had relating to land in the future.

I know the time is late, but I must mention Larry Pifero. He is dead. He was on kidney dialysis and died. But he worked so hard on this legislation. Why? Because he wanted his family to wind up with something. And Larry now should know that his family will wind up with something. The other person is Nancy Stewart. She has spent months and months of her life trying to work this out. There were a few dissidents—for lack of a better way to describe them—people who wanted to do anything they could to upset this settlement. They did things that were wrong, but because 95 percent of the Shoshones in the State of Nevada wanted this approval, we had two votes, and they voted for approval.

This is so important. Thousands of Indians have waited. Some, like Larry Pifero, are gone. They will never receive the benefit of this legislation, only their families will. But the Shoshone Indians of Nevada are better off today than they were yesterday. They have the hope of receiving some economic gain from their dealings with the U.S. Federal Government.

I am so happy this has been done. This is a big day for thousands of Nevada Indians.

Mr. FRIST. Mr. President, I very much appreciate the comments of the distinguished assistant minority leader. For me to be able to hear that is meaningful. It reminds me also that each piece of legislation we go to, we tend to go through quickly, especially at a late hour, has such a huge impact. It reflects the beauty in what we are able to accomplish by having the privilege of serving in this body.

AFRICAN GROWTH AND OPPORTUNITY ACT EXTENSION

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of H.R. 4103 at the desk.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (H.R. 4103) to extend and modify the trade benefits under the African Growth and Opportunity Act.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 4103) was read the third time and passed.

RECOGNIZING J. ROBERT OPPENHEIMER

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 531, S. Res. 321.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The legislative clerk read as follows:

A bill (S. Res. 321) recognizing the loyal service and outstanding contributions of J. Robert Oppenheimer to the United States and calling on the Secretary of Energy to observe the 100th anniversary of Dr. Oppenheimer's birth with appropriate programs at the Department of Energy and the Los Alamos National Laboratory.

There being no objection, the Senate proceeded to the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to en bloc, and the motion to reconsider be laid upon the table, that any statements relating to the measure be printed in the RECORD as if read, without any intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 321) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 321

Whereas from March 1943 to October 1945, J. Robert Oppenheimer was the first director of the Los Alamos Laboratory, New Mexico, which was used to design and build the nuclear weapons that ended the Second World War;

Whereas following the end of the Second World War, Dr. Oppenheimer served as a science adviser and consultant to each of the 3 principal committees planning for the post-war control of nuclear energy, including the Secretary of War's Interim Committee on Atomic Energy, the Secretary of State's Committee on Atomic Energy, and the United Nations Atomic Energy Committee;

Whereas from 1947 to 1952, Dr. Oppenheimer was the first chairman of the General Advisory Committee, which advised the Atomic Energy Commission on scientific and technical matters;

Whereas from 1947 to 1954, Dr. Oppenheimer also served on defense policy committees, including the Committee on Atomic Energy of the Joint Research and Development Board, the Science Advisory Committee of the Office of Defense Mobilization, and the Panel on Disarmament of the Department of State;

Whereas in addition to his service to the United States Government, Dr. Oppenheimer was the director of the Institute for Advanced Study at Princeton University from 1947 to 1965;

Whereas in 1946, President Truman conferred on Dr. Oppenheimer the Medal for Merit "for exceptionally meritorious conduct in the performance of outstanding service" as director of the Los Alamos Laboratory and for development of the atomic bomb;

Whereas in 1963, President Lyndon Johnson conferred on Dr. Oppenheimer the Enrico Fermi Award "for contributions to theoretical physics as a teacher and originator of ideas and for leadership of the Los Alamos Laboratory and the atomic energy program during critical years"; and

Whereas April 22, 2004, is the 100th anniversary of Dr. Oppenheimer's birth: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the loyal service of J. Robert Oppenheimer to the United States and the outstanding contributions he made to theoretical physics, the Los Alamos National Laboratory, the development of nuclear energy, and the common defense and security of the United States; and

(2) calls on the Secretary of Energy to observe the 100th anniversary of the birth of J. Robert Oppenheimer with appropriate ceremonies, activities, or programs at the Department of Energy and the Los Alamos National Laboratory.

AUTHORIZATION FOR TESTIMONY AND REPRESENTATION BY SENATE LEGAL COUNSEL

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 394, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 394) authorizing testimony and representation by Senate legal counsel in United States v. Daniel Bayly, et al.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, this resolution concerns a request for testimony and representation in a criminal case arising out of the Enron debacle. The Enron Task Force of the U.S. Department of Justice has brought a case in Federal court in Texas against six individuals formerly associated with the Enron Corporation and Merrill Lynch. The indictment alleges criminal conspiracy, false statements, obstruction of justice, and perjury relating to transactions involving electrical-generating power barges moored off the coast of Nigeria. The government is alleging that Enron in essence parked assets with Merrill Lynch to enhance fraudulently Enron's financial statements. This case is being tried this summer in Houston.

The transactions at the center of this case were the subject of extensive investigation and a hearing by the Permanent Subcommittee on Investigations of the Committee on Government Affairs during the last Congress. In the course of the subcommittee's investigation, subcommittee staff interviewed a Merrill Lynch executive, Robert S. Furst, who is now one of the defendants on trial, about these transactions.

Last Congress the Senate agreed to Senate Resolution 317, authorizing the Permanent Subcommittee on Investigations to cooperate with requests from law enforcement agencies for access to subcommittee records from its Enron Investigation. In response to requests for information an assistance, pursuant to this authority the Subcommittee has cooperated with inquiries made by the Justice Department's Enron Task Force.

The parties have now asked for authorization for a former subcommittee counsel and a subcommittee detailee who interviewed Mr. Furst to testify, if necessary, at this trial about the information the witness communicated to the Subcommittee at the interview.

The chairman and ranking member of the subcommittee would like to assist in this matter, should it prove necessary. According, this resolution would authorize the former subcommittee attorney and the subcommittee detailed to testify at this trial with representation by the Senate Legal Counsel.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to this measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 394) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 394

Whereas, by Senate Resolution 317, 107th Congress, the Senate authorized the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs to produce records from its investigation into the collapse of Enron Corporation to law enforcement and regulatory officials and agencies;

Whereas, in the case of United States v. Daniel Bayly, et al., Cr. No. H–03–363, pending in the United States District Court for the Southern District of Texas, the parties have requested testimony from Tim Henseler, a former employee of, and Jim Pittrizzi, a detailee to, the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That Tim Henseler and Jim Pittrizzi are authorized to testify in the case of United States v. Daniel Bayly, et al., except concerning matters for which a privilege should be asserted.

SEC. 2. The Senate Legal Counsel is authorized to represent Tim Henseler and Jim Pittrizzi in connection with the testimony authorized in section one of this resolution.

AUTHORIZING TESTIMONY, DOCUMENT PRODUCTION, AND LEGAL REPRESENTATION

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 395, which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 395) to authorize testimony, document production, and legal representation in Ulysses J. Ward v. Dep't of the Army.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, this resolution concerns a request for testimony, documents, and representation in an administrative proceeding before the Merit Systems Protection Board. The appellant in this administrative action is challenging his termination from employment by the U.S. Army Corps of Engineers for, among other things, transmitting to the office of Senator LAMAR ALEXANDER a written communication threatening to appellant's coworkers. The Corps has requested testimony at a deposition, and, if necessary, at an administrative hearing, of Joshua Thomas, a former employee of Senator ALEXANDER's office who received the communication. Senator ALEXANDER would like Mr. Thomas to be able to provide such testimony and any necessary documents.

The enclosed resolution would authorize Mr. Thomas to testify and produce documents in this matter with representation by the Senate Legal Counsel.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 395) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 395

Whereas, in the case of *Ulysses J. Ward* v. *Dep't of the Army*, No. AT–0752–04–0526–I–1, pending before the Merit Systems Protection Board, testimony and documents have been requested from Joshua Thomas, a former employee of the office of Senator Lamar Alexander;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial or administrative process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved that Joshua Thomas is authorized to testify and produce documents in the case of Ulysses J. Ward v. Dep't of the Army, except concerning matters for which a privilege should be asserted.

SEC. 2. The Senate Legal Counsel is authorized to represent Joshua Thomas in connection with the testimony authorized in section one of this resolution.

150TH ANNIVERSARY OF THE FOUNDING OF THE PENNSYLVANIA STATE UNIVERSITY

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 396, which was submitted earlier today by Senator SANTORUM.

The PRESIDING OFFICER. The clerk will read the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 396) commemorating the 150th anniversary of the founding of The Pennsylvania State University.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 396) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 396

Whereas in 1854, the Farmers' High School was founded in Centre County, Pennsylvania in response to the State Agricultural Society's interest in establishing an educational institution to bring general education and modern farming methods to the farmers of the Commonwealth of Pennsylvania;

Whereas in 1855, the Farmers' High School was granted a permanent charter by the Pennsylvania General Assembly;

Whereas the Morrill Land-Grant Act of 1862 provided for the distribution of grants of public lands owned by the Federal Government to the States for establishing and maintaining institutions of higher learning;

Whereas in 1863, the Commonwealth accepted a grant of land provided through such Act, establishing one of the first two land-grant institutions in the United States, and designated the Farmers' High School, renamed the Agricultural College of Pennsylvania, as the Commonwealth's sole land-grant institution;

Whereas in 1874, the Agricultural College of Pennsylvania was renamed The Pennsylvania State College and in 1953, such was renamed The Pennsylvania State University;

Whereas with a current enrollment of 83,000, The Pennsylvania State University consists of 11 academic schools, 20 additional campuses located throughout the Commonwealth, the College of Medicine, The Dickinson School of Law, and The Pennsylvania College of Technology;

Whereas 1 in every 8 Pennsylvanians with a college degree, 1 in every 720 Americans, 1 in every 50 engineers, and 1 in every 4 meteorologists are alumni of The Pennsylvania State University;

Whereas formed in 1870, The Pennsylvania State University Alumni Association is the largest dues-paying alumni association in the nation;

Whereas The Pennsylvania State University has the largest outreach effort in United States higher education, delivering programs to learners in 87 countries and all 50 States;

Whereas The Pennsylvania State University consistently ranks in the top 3 universities in terms of SAT scores received from high school seniors;

Whereas The Pennsylvania State University annually hosts the largest student-run philanthropic event in the world, which benefits the Four Diamonds Fund for families with children being treated for cancer;

Whereas the missions of instruction, research, outreach and extension continue to be the focus of The Pennsylvania State University;

Whereas The Pennsylvania State University is renown for the following: the rechargeable heart pacemaker design, the heart-assist pump design, 4 astronauts to have flown in space including the first African-American, and the first institution to offer an Agriculture degree; and

Whereas The Pennsylvania State University is one of the most highly regarded research universities in the nation, with an outreach extension program that reaches nearly 1 out of 2 Pennsylvanians a year and an undergraduate school of immense scope and popularity: Now, therefore, be it

Resolved, That the Senate commemorates the 150th anniversary of the founding of The Pennsylvania State University and congratulates its faculty, staff, students, alumni, and friends on the occasion.

EXPRESSING SENSE OF THE SENATE ON THE TRANSITION OF IRAQ

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 397, which was submitted earlier today by Senators FRIST and DASCHLE.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 397) expressing the sense of the Senate on the transition of Iraq to a constitutionally elected government.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 397) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 397

Whereas June 30, 2004, marks Iraq's assumption of sovereignty and the beginning of the transition of Iraq to a free and constitutionally elected government, which is to be established by December 31, 2005;

Whereas the Senate congratulates the Iraqi people, expresses its appreciation to the Iraqi Interim Government, and reaffirms the United States desire for the people of Iraq to live in peace and freedom;

Whereas the successful transition of Iraq to a constitutionally elected government requires that Iraq develop the capacity to provide security to its citizens, defend its borders, deliver essential services, create a transparent and credible political process, and set the conditions for economic prosperity;

Whereas the people of Iraq have a long tradition of cultural and technological achievement and a talented and dedicated population;

Whereas the United States desires peace and prosperity for the citizens of Iraq;

Whereas more than three decades of dictatorial rule have deprived the people of Iraq of the benefits of that tradition and history, caused extraordinary personal suffering, and robbed the people of Iraq of the opportunity to reach their full potential;

Whereas establishing security is a prerequisite to the successful transition to democracy and reconstruction of Iraq;

Whereas providing security to the people of Iraq will require a well-trained and well-equipped police force, a professional military accountable to civilian leadership, the disbanding of militias, and a fair and efficient judicial system;

Whereas the current program to train and equip Iraq security services could benefit from better vetting of candidates, expanded training time, follow-on field training with experienced police and military professionals, and the accelerated provision of equipment and resources;

Whereas the administration of the institutions of government and the delivery of essential services in Iraq will require technical expertise and training not yet fully developed in Iraq;

Whereas Iraq faces a shortage of essential services, including sanitation, safe water, and a reliable supply of electricity;

Whereas economic prosperity in Iraq will require viable financial institutions, conditions that encourage private investment, and the significant reduction of foreign debt incurred by the regime of Saddam Hussein;

Whereas the people of Iraq were the victims of three decades of economic mismanagement under the regime of Saddam Hussein, and have inherited $120,000,000,000 in debt incurred by that regime;

Whereas Prime Minister Allawi has requested assistance from the international community to aid in the rebuilding and security of Iraq, including assistance from the neighbors of Iraq to improve intelligence-sharing and to tighten controls of the borders with Iraq in order to prevent the infiltration of terrorists and illicit goods, and assistance from the North Atlantic Treaty Organization (NATO) to train and equip Iraqi Security Forces;

Whereas the international community, through a unanimous vote of the United Nations Security Council in Resolution 1546 (2004), called on United Nations member states and international and regional organizations to contribute to a multinational force in Iraq and a dedicated force to provide security for the United Nations presence in Iraq, to help Iraq build the capability of its security forces and governing institutions, to aid in rebuilding the capacity for governance in Iraq, and to commit additional resources to reconstruct and develop the economy of Iraq;

Whereas since the adoption of United Nations Security Council Resolution 1546, some members of the international community who have long expressed concern for the plight of the people of Iraq, and who voted for the adoption of the Resolution in the Security Council, have failed to respond to the urgent needs of the people of Iraq;

Whereas improved security in Iraq and the increased capacity of the people of Iraq to provide essential services will reduce the burdens on United States military personnel in the region;

Whereas the United States supports the determination of the Iraqi Interim Government to defeat the loyalists to Saddam Hussein, radical militias, common criminals, and terrorists who make up the insurgency in Iraq;

Whereas the United States is committed to assisting Iraq in reasserting its full sovereignty, consistent with United Nations Security Council Resolution 1546;

Whereas the Senate acknowledges the efforts and sacrifices of the Armed Forces, other employees of the United States Government, contractors, and their counterparts in the coalition to promote Iraq's security, recovery, and transition; and

Whereas the United States and other members of the international community have a profound stake in the success of the transition of Iraq to a constitutionally elected government: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the members of the Armed Forces and their families have performed courageously and nobly and have earned the deep gratitude of the people of the United States;

(2) success in Iraq is a global priority and therefore demands cooperation from all states and international organizations;

(3) states and international organizations should fulfill their commitments to contribute what resources and skills they can to the establishment and security of an independent Iraq with a constitutionally elected government;

(4) states and international organizations should fulfill the financial commitments they have already made to the reconstruction of Iraq;

(5) the international community should establish, to the highest standards, additional police training academies inside and outside of Iraq, contribute additional trainers to those academies, and dedicate experienced police to train Iraq police officers in the field;

(6) the North Atlantic Treaty Organization (NATO) is uniquely qualified to respond to the call for assistance in United Nations Security Council Resolution 1546 (2004) to meet the needs of the people of Iraq for security and stability, including by assisting in training the Iraq military, providing security for elections in Iraq, and helping secure the borders of Iraq and should, therefore, respond positively to the request of Interim Iraqi Prime Minister Allawi to provide training, equipment, and other forms of technical assistance that his government determines is appropriate to help Iraq's security forces defeat terrorism and reduce Iraq's reliance on foreign forces;

(7) in order to ensure that the United Nations can play the leading role called for by United Nations Security Council Resolution 1546, member states should contribute additional military and security forces, and other resources as appropriate, to provide security for a United Nations presence in Iraq;

(8) countries unable to contribute security personnel to help stabilize Iraq should contribute to the transition of Iraq in other ways, including by providing technical experts, civil engineers, municipal management advisers, and to fill other needs requested by the Iraqi government;

(9) countries holding debt incurred under the Saddam Hussein regime should meaningfully reduce amounts of that debt;

(10) the United States is committed to a free and peaceful Iraq; and

(11) it is appropriate to thank coalition partners and other countries that have helped promote security, stability, reconstruction, and democracy in Iraq.

Mr. FRIST. Mr. President, I do want to make a very brief statement on this resolution submitted by Senator DASCHLE and myself expressing the sense of the Senate on the transition of Iraq to a constitutionally elected government.

This resolution does a number of things. I will mention a couple. First, it congratulates Iraq on its transition to a free and constitutionally elected government. All of this is in reference to Iraq's assumption of full sovereignty on June 30, which will occur while we are on recess, and its transition to democracy in the months ahead.

Secondly, it expresses the Senate's appreciation for the service, courage, and commitment of the Iraqi interim government to a free and a democratic Iraq. It commends all members of the U.S. Armed Forces and their families for their noble and courageous service in this cause. It affirms that success in Iraq is a global priority that demands cooperation from all States and international organizations. It calls on the international community to assist Iraq in the training of police and security forces. It calls on NATO to respond positively to Iraqi Prime Minister Allawi's request of NATO to assist Iraq in the training and equipping of Iraq security forces. It urges countries that cannot provide security forces or similar resources to assist Iraq in other ways such as providing financial assistance or forgiving Iraq's debt.

The resolution thanks the U.S. coalition partners and other countries that have joined us in Iraq for their efforts in promoting Iraq's security, stability, reconstruction, and transition to democracy.

In particular, I also thank Senator SESSIONS for originating the idea of this resolution and for turning it into real language for his colleagues to consider. He initially proposed such a resolution that provided certain language. At that time, he was working in a bipartisan manner with Senator LIEBERMAN and other Members of both sides of the aisle on this bipartisan resolution. He later joined with Senators LINDSEY GRAHAM, JOE BIDEN, TOM DASCHLE, and myself—most of us have actually been in Iraq recently—to hammer out a resolution that not only celebrates the liberation of Iraq and its transition to full sovereignty but also prescribes a number of steps that should be taken in the coming months to ensure those fruits of our efforts are realized.

I thank Senator DASCHLE and his colleagues for their help in fine-tuning this resolution so the entire Senate can endorse it. It is a good resolution. The importance of its passage I do not think can be underscored given the fact we are about a week before Iraq's transition to full sovereignty. It sends a timely message, the right message, of thanks to our coalition partners and our support to the Iraqi interim government and the Iraqi people who are endeavoring to defeat terrorism and secure the blessings of democracy.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. If the distinguished majority leader will yield, following the meeting with the President this morning, which I had the good fortune of being able to attend, the one message that came out of the meeting to me is that the hero today in Iraq is the Prime Minister of Iraq. He is a man of great courage who has had a number of assassination attempts on his life, even when he did not live in Iraq, because of the people who were trying to get rid of him, and I wish him well. He is a man of courage. To take on this responsibility knowing that the evil forces that are in that country are out to dispense with him says a lot about the kind of man he is.

Speaking personally of the meeting at the White House this morning, I repeat the one thing that came out of that meeting today is the forceful nature of the man who is leading that country as of next Wednesday.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. I will just add to the comments of my friend from Nevada that I had the opportunity to meet with the Prime Minister a little over 2 weeks ago when we were in Baghdad.

I know Senator DASCHLE and Senator BIDEN and Senator GRAHAM also had the opportunity to meet with the Prime Minister on their recent trip. I mention that because 4 weeks ago nobody knew that he was going to be Prime Minister. In fact, he didn't know. It was not a position that he had asked for. The interim government, through this selection process, asked him to step forward, and he did just that. Uniformly, the people who met him and who have talked with him since he has assumed this position have been impressed with his courage, his determination, and his understanding of the role that is before him.

I should also add the distinguished assistant Democratic leader and I had the opportunity to meet with the President of Iraq who will be working with the Prime Minister. He, too, is very impressive in terms of his leadership and his vision, and the boldness we know is going to be required.

GAO HUMAN CAPITAL REFORM ACT OF 2004

Mr. FRIST. Mr. President, I ask unanimous consent that the Government Affairs Committee be discharged from further consideration of H.R. 2751, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2751) to provide new human capital flexibilities with respect to the GAO, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. I ask unanimous consent the bill be read a third time and passed, the motion to reconsider be laid on the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2751) was read the third time and passed.

EMPLOYEES OF THE DISTRICT OF COLUMBIA COURTS AS PARTICIPANTS IN LONG TERM CARE INSURANCE FOR FEDERAL EMPLOYEES

Mr. FRIST. I ask unanimous consent the Senate now proceed to immediate consideration of Calendar No. 590, S. 2322.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2322) to amend chapter 90 of title 5, United States Code, to include employees of the District of Columbia courts as participants in long term care insurance for Federal employees.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. I ask unanimous consent the bill be read a third time and passed, the motion to reconsider be laid on the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 2322) was read the third time and passed, as follows:

S. 2322

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LONG TERM CARE INSURANCE COVERAGE FOR EMPLOYEES OF THE DISTRICT OF COLUMBIA COURTS.

Section 9001(1) of title 5, United States Code, is amended—

(1) in subparagraph (C), by striking "and";

(2) in subparagraph (D), by striking the period and inserting a semicolon and "and"; and

(3) by adding at the end the following:

"(E) an employee of the District of Columbia courts.".

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, pursuant to Public Law 105–277, Section 710, 2(A)(ii), appoints the following individual to serve as a member of the Parents Advisory Council on Youth Drug Abuse: Laurens Tullock of Tennessee.

ADJOURNMENT OF THE HOUSE AND SENATE

Mr. FRIST. I ask unanimous consent that the Senate now proceed to the consideration of S. Con. Res. 120, the adjournment resolution, which is at the desk.

I further ask unanimous consent the concurrent resolution be agreed to and the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 120) was agreed to, as follows:

S. CON. RES. 120

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns on any day from Thursday, June 24, 2004, through Monday, June 28, 2004, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Tuesday, July 6, 2004, or at such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Thursday, June 24, 2004, or Friday, June 25, 2004, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2:00 p.m. on Tuesday, July 6, 2004, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, or their respective designees, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and the House, respectively, to reassemble at such place and time as they may designate whenever, in their opinion, the public interest shall warrant it.

UNANIMOUS CONSENT AGREEMENT—H.R. 4200, S. 2400, S. 2401, S. 2402, S. 2403

Mr. FRIST. Mr. President, with respect to H.R. 4200, which passed the Senate last night, I ask unanimous consent that the Senate insist on its amendment and request a conference with the House of Representatives on the disagreeing votes of the two Houses, and the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. I further ask unanimous consent with respect to S. 2400, S. 2401, S. 2402 and S. 2403, as just passed by the Senate, that if the Senate receives a message with respect to any of these bills from the House of Representatives, the Senate disagree with the House and its amendment or amendments to the Senate-passed bill and agree to or request a conference with the House of Representatives on the disagreeing votes of the two Houses, that the Chair be authorized to appoint conferees, and that the foregoing occur without any intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. FRIST. Mr. President, I ask unanimous consent the Senate immediately proceed to executive session to consider all nominations reported out by the Armed Services Committee today. I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid on the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

NOMINATIONS

IN THE AIR FORCE

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Lt. Gen. Paul V. Hester, 2071

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Henry A. Obering, III, 3819

The following named United States Air Force Reserve officer for appointment as Chief of Air Force Reserve, and for appointment to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., sections 8038 and 601:

To be lieutenant general

Maj. Gen. John A. Bradley, 1756

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Jeffrey B. Kohler, 6994

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. John F. Regni, 3576

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Michael W. Wooley, 9379

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Norton A. Schwartz, 7542

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. Charles B. Green, 6223

The following named officers for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

To be brigadier general

Col. Melissa A. Rank, 1159
Col. Thomas W. Travis, 2543

IN THE ARMY

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Lt. Gen. Richard A. Cody, 6483

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

George W. Casey, Jr., 1204

The following named officer for appointment as the Chief of Engineers/Commanding

General, United States Army Corps of Engineers, and appointment to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 3036:

To be lieutenant general

Maj. Gen. Carl A. Strock, 1502

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Colby M. Broadwater, III, 6269

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Joseph R. Inge, 8482

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Russel L. Honore, 9939

The following named officer for appointment as the Chief, Army Nurse Corps and for appointment to the grade indicated under title 10, U.S.C., section 3069:

To be major general

Col. Gale S. Pollock, 1175

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. George W. Weightman, 6988

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. William E. Ingram, Jr., 5691

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grades indicated under title 10, U.S.C., section 12203:

To be brigadier general

Colonel James G. Champion, 8508

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Frank R. Carlini, 3070

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be brigadier general

Col. Carla G. Hawley-Bowland, 5280

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Douglas A. Pritt, 9164

The following named officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Thomas T. Galkowski, 8505

IN THE MARINE CORPS

The following named officer for appointment in the United States Marine Corps to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Henry P. Osman, 9358

The following named officer for appointment in the United States Marine Corps to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. James T. Conway, 2270

The following named officer for appointment in the United States Marine Corps to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. John F. Sattler, 0580

The following named officers for appointment in the United States Marine Corps to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. Robert C. Dickerson, Jr., 2458
Brig. Gen. Richard S. Kramlich, 9829
Brig. Gen. Richard F. Natonski, 9548
Brig. Gen. Samuel T. Helland, 6309
Brig. Gen. Timothy F. Ghormley, 8863

IN THE NAVY

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be admiral

Adm. Michael G. Mullen, 9509

The following named officer for appointment as Chief of the Bureau of Medicine and Surgery and Surgeon General and for appointment to the grade indicated under title 10, U.S.C., sections 601 and 5137:

To be vice admiral

Rear Adm. Donald C. Arthur, Jr., 7104

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be vice admiral

Rear Adm. Justin D. McCarthy, 7761

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be vice admiral

Rear Adm. Jonathan W. Greenert, 8869

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be vice admiral

Rear Adm. Kevin J. Cosgriff, 3968

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be vice admiral

Rear Adm. James M. Zortman, 6747

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be vice admiral

Rear Adm. James G. Stavridis, 5127

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be vice admiral

Rear Adm. John G. Morgan, Jr., 4027

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C. section 601:

To be vice admiral

Rear Adm. Ronald A. Route, 7031

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. ("l"h) John M. Mateczun, 4993
Rear Adm. ("l"h) Dennis D. Woofter, 5921

The following named officers for appointment in the United States Naval Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral

Rear Adm. ("l"h) William V. Alford, Jr., 4792
Rear Adm. ("l"h) James E. Beebe, 2459
Rear Adm. ("l"h) Stephen S. Oswald, 2861

The following named officer for appointment in the United States Naval Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral

Rear Adm. ("l"h) Paul V. Shebalin, 4813

The following named officer for appointment in the United States Naval Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral

Rear Adm. (lh) Thomas L. Andrews, III, 5931

The following named officers for appointment in the United States Naval Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral

Rear Adm. (lh) Lewis S. Libby, III, 7663
Rear Adm. (lh) Elizabeth M. Morris, 6562

The following named officer for appointment in the United States Naval Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Capt. Karen A. Flaherty, 4900

The following named officer for appointment in the United States Naval Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Capt. Marshall E. Cusic, Jr., 4723

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Carol I.B. Turner, 9773

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Thomas R. Cullison, 0250

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Jeffrey A. Wieringa, 5245

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. David J. Dorsett, 6326

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Wayne G. Shear, Jr., 3891

The following named officer for appointment in the United States Naval Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Capt. Sharon H. Redpath, 7170

The following named officer for appointment in the United States Naval Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Capt. James A. Barnett, Jr., 4076
Capt. Jeffrey A. Lemmons, 2314
Capt. Robin M. Watters, 8044
Capt. Wendi B. Carpenter, 4980

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Adam M. Robinson, Jr., 9660

NOMINATIONS PLACED ON THE SECRETARY'S DESK

IN THE AIR FORCE

PN1296 AIR FORCE nominations (438) beginning EDWARD ACEVEDO, and ending SCOTT J. ZOBRIST, which nominations were received by the Senate and appeared in the Congressional Record of February 2, 2004.

PN1297 AIR FORCE nominations (18) beginning MARK L. ALLRED, and ending BARR D. YOUNKER JR., which nominations were received by the Senate and appeared in the Congressional Record of February 2, 2004.

PN1298 AIR FORCE nominations (12) beginning BRENDA R. BULLARD, and ending THOMAS E. YINGST, which nominations were received by the Senate and appeared in the Congressional Record of February 2, 2004.

PN1558 AIR FORCE nomination of Richard B. Goodwin, which was received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1559 AIR FORCE nominations (3) beginning JEFFREY P. BOWSER, and ending GREGORY W. JOHNSON, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1560 AIR FORCE nominations (7) beginning BRADLEY D. BARTELS, and ending WILLIAM L. STALLINGS III, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1561 AIR FORCE nominations (3) beginning CHARLES J. LAW, and ending DAVID A. WEAS, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1605 AIR FORCE nominations (119) beginning LOZANO NOEMI ALGARIN, and ending BARBARA L. WRIGHT, which nominations were received by the Senate and appeared in the Congressional Record of May 10, 2004.

IN THE ARMY

PN1252 ARMY nominations (24) beginning CHRISTIAN F. ACHLEITHNER, and ending RICHARD J. WINDHORN, which nominations were received by the Senate and appeared in the Congressional Record of January 22, 2004.

PN1253 ARMY nominations (91) beginning KEVIN C. ABBOTT, and ending MARK G. ZIEMBA, which nominations were received by the Senate and appeared in the Congressional Record of January 22, 2004.

PN1321 ARMY nominations (17) beginning LARRY P. ADAMSTHOMPSON, and ending TIMOTHY N. WILLOUGHBY, which nominations were received by the Senate and appeared in the Congressional Record of February 5, 2004.

PN1544 ARMY nominations (2) beginning GERALD V. HOWARD, and ending DAVID L. WEBER, which nominations were received by the Senate and appeared in the Congressional Record of April 26, 2004.

PN1545 ARMY nomination of John J. Sebastyn, which was received by the Senate and appeared in the Congressional Record of April 26, 2004.

PN1562 ARMY nomination of Elizabeth J. Barnsdale, which was received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1563 ARMY nominations (2) beginning RAUL GONZALEZ, and ending JAMES F. KING, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1564 ARMY nominations (2) beginning RICHARD J. GALLANT, and ending ERIC R. GLADMAN, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1565 ARMY nomination of Randall W. Cowell, which was received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1566 ARMY nomination of James C. Johnson, which was received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1567 ARMY nominations (2) beginning SHANNON D. BECKETT, and ending LEONARD A. CROMER, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1569 ARMY nomination of David P. Ferris, which was received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1606 ARMY nominations (2) beginning DONALD W. MYERS, and ending TERRY W. SWAN, which nominations were received by the Senate and appeared in the Congressional Record of May 10, 2004.

PN1607 ARMY nominations (191) beginning EDWARD L. ALEXSONSHK, and ending EDWARD M. ZOELLER, which nominations were received by the Senate and appeared in the Congressional Record of May 10, 2004.

PN1608 ARMY nomination of Scott R. Scherretz, which was received by the Senate and appeared in the Congressional Record of May 10, 2004.

PN1609 ARMY nomination of Robert F. Setlik, which was received by the Senate and appeared in the Congressional Record of May 10, 2004.

PN1655 ARMY nomination of Paul R. Disney, Jr., which was received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1656 ARMY nomination of Eric R. Rhodes, which as received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1657 ARMY nominations (35) beginning EDWIN E. AHL, and ending MARK A. ZERGER, which nominations were received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1702 ARMY nomination of Robert J. Blok, which was received by the Senate and appeared in the Congressional Record of June 8, 2004.

IN THE MARINE CORPS

PN1568 MARINE CORPS nomination of Scott P. Haney, which was received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1658 MARINE CORPS nomination of Michael J. Colburn, which was received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1703 MARINE CORPS nomination of Michelle A. Rakers, which was received by the Senate and appeared in the Congressional Record of June 8, 2004.

IN THE NAVY

PN1570 NAVY nomination of James K. Colton, which was received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1571 NAVY nominations (2) beginning KEVIN S. LERETTE, and ending KATHLEEN M. LINDENMAYER, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1572 NAVY nominations (5) beginning VICTOR M. BECK, and ending ELIZABETH A. JONES, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1573 NAVY nominations (3) beginning EDMUND F. CATALDO III, and ending GARY S. PETTI, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1574 NAVY nominations (4) beginning ELIZABETH A. CARLOS, and ending PHILIP C. WHEELER, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1575 NAVY nominations (5) beginning PAUL L. ALBIN, and ending MARK E. SVENNINGSEN, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1576 NAVY nominations (5) beginning JOHN L. BARTLEY, and ending JOSEPH A. SCHMIDT, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1577 NAVY nominations (14) beginning RICHARD A COLONNA, and ending TIMOTHY J WERRE, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1578 NAVY nominations (17) beginning JOHN M BURNS, and ending ROGER W TURNER JR, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1579 NAVY nominations (17) beginning DAN D ASHCRAFT, and ending JOHN E VASTARDIS, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1580 NAVY nominations (183) beginning RODMAN P ABBOTT, and ending SAMUEL R YOUNG, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1581 NAVY nominations (59) beginning JAMES S BAILEY, and ending JEFFREY B WILSON, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1582 NAVY nominations (2) beginning RICHARD S MORGAN, and ending TERRY8 L. M. SWINNEY, which nominations were received by the Senate and appeared in the Congressional Record of April 29, 2004.

PN1610 NAVY nomination of Susan C. Farrar, which was received by the Senate and appeared in the Congressional Record of May 10, 2004.

PN1659 NAVY nominations (6) beginning WILLIAM J. ALDERSON, and ending HAROLD E. PITTMAN, which nominations were received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1660 NAVY nominations (14) beginning AARON L BOWMAN, and ending MAUDE E YOUNG, which nominations were received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1661 NAVY nominations (17) beginning THOMAS J BROVARONE, and ending MARK R WHITNEY, which nominations were received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1662 NAVY nominations (245) beginning KENT R AITCHESON, and ending KEVIN S ZUMBAR, which nominations were received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1663 NAVY nominations (19) beginning RICHARD L. ARCHEY, and ending FRED C. SMITH, which nominations were received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1664 NAVY nominations (8) beginning THOMAS H. BOND JR., and ending PAMELA J. WYNFIELD, which nominations were received by the Senate and appeared in the Congressional Record on May 20, 2004.

PN1665 NAVY nominations (5) beginning KENNETH R. CAMPITELLI, and ending TIMOTHY S. MATTHEWS, which nominations were received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1666 NAVY nominations (8) beginning JEFFREY J. BURTCH, and ending JAN E. TIGHE, which nominations were received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1667 NAVY nominations (4) beginning EDWIN J. BURDICK, and ending STEPHEN K. TIBBITTS, which nominations were received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1668 NAVY nominations (6) beginning ANDREW BROWN III, and ending JONATHAN W. WHITE, which nominations were received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1669 NAVY nominations (7) beginning JERRY R. ANDERSON, and ending JAMES E. KNAPP JR., which nominations were received by the Senate and appeared in the Congressional Record of May 20, 2004.

PN1690 NAVY nomination of JOSEPH P. COSTELLO, which was received by the Senate and appeared in the Congressional Record of June 1, 2004.

PN1691 NAVY nominations (9) beginning RALPH W. COREY III, and ending EDWARD S. WHITE, which nominations were received by the Senate and appeared in the Congressional Record of June 1, 2004.

PN1704 NAVY nominations (28) beginning TOBIAS J BACANER, and ending SCOTT W ZACKOWSKI, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1705 NAVY nominations (17) beginning CHARLENE M AULD, and ending SCOTT M SMITH, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1706 NAVY nominations (31) beginning DON C B ALBIA, and ending GREGG W ZIEMKE, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1707 NAVY nominations (21) beginning BRENDA C BAKER, and ending MAUREEN J ZELLER, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1708 NAVY nominations (30) beginning MICHAEL J ARNOLD, and ending DANA S WEINER, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1709 NAVY nominations (19) beginning STEPHEN S BELL, and ending JAMES A WORCESTER, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1710 NAVY nominations (11) beginning WILLIAM D DEVINE, and ending PAUL R WRIGLEY, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1711 NAVY nominations (8) beginning EDWARD L. AUSTIN, and ending DAVID H. WATERMAN, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1712 NAVY nominations (27) beginning CARLA C BLAIR, and ending CYNTHIA M WOMBLE, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1713 NAVY nominations (10) beginning NORA A BURGHARDT, and ending CRAIG J WASHINGTON, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1714 NAVY nominations (21) beginning TERRY S BARRETT, and ending DEAN A WILSON, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1715 NAVY nominations (21) beginning DANELLE M BARRETT, and ending MICHAEL THRALL, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1716 NAVY nominations (11) beginning MICHAEL D BOSLEY, and ending KEVIN D ZIOMEK, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1717 NAVY nominations (40) beginning WILLIAM H ANDERSON, and ending FRANK D WHITWORTH, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1718 NAVY nominations (31) beginning THOMAS W ARMSTRONG, and ending RICHARD A THIEL JR, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1719 NAVY nominations (12) beginning JOSEPH R BRENNER JR, and ending GREG A ULSES, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1720 NAVY nominations (37) beginning TODD S BOCKWOLDT, and ending FORREST YOUNG, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1721 NAVY nominations (36) beginning STEVEN W ANTLCLIFF, and ending MARK W YATES, which nominations were received by the Senate and appeared in the Congressional Record of June 8, 2004.

PN1728 NAVY nomination of Richard L. Curbello, which was received by the Senate and appeared in the Congressional Record of June 14, 2004.

PN1729 NAVY nominations (2) beginning LOUISE E. GIORDANO, and ending ROBERT A. LITTLE, which nominations were received by the Senate and appeared in the Congressional Record of June 14, 2004.

PN1730 NAVY nominations (6) beginning JAMES O. CRAVENS, and ending RONALD J. WELLS, which nominations were received by the Senate and appeared in the Congressional Record of June 14, 2004.

PN1731 NAVY nominations (10) beginning STEPHEN W BAILEY, and ending GARY F WOERZ, which nominations were received by the Senate and appeared in the Congressional Record of June 14, 2004.

PN1732 NAVY nominations (12) beginning JOSEPH J ALBANESE, and ending STEVEN L YOUNG, which nominations were received by the Senate and appeared in the Congressional Record of June 14, 2004.

PN1733 NAVY nominations (12) beginning BENJAMIN M ABALOS, and ending GLENN T WARE, which nominations were received by the Senate and appeared in the Congressional Record of June 14, 2004.

PN1734 NAVY nominations (19) beginning PATRICK S AGNEW, and ending DOUGLAS R TOOTHMAN, which nominations were received by the Senate and appeared in the Congressional Record of June 14, 2004.

PN135 NAVY nominations (19) beginning MARK J BELTON, and ending ROBERT E TOLIN, which nominations were received by the Senate and appeared in the Congressional Record of June 14, 2004.

PN1736 NAVY nominations (24) beginning CIVITA M ALLARD, and ending ANN N TESCHER, which nominations were received by the Senate and appeared in the Congressional Record of June 14, 2004.

PN1737 NAVY nominations (25) beginning RICHARD D BAERTLEIN, and ending JEFFREY G WILLIAMS, which nominations were received by the Senate and appeared in the Congressional Record of June 14, 2004.

PN1738 NAVY nomination of Carlos Varona, which was received by the Senate and appeared in the Congressional Record of June 14, 2004.

APPOINTMENT OF CONFEREES—H.R. 4200

The PRESIDING OFFICER. The Chair appoints the following conferees on H.R. 4200: Senators WARNER, McCAIN, INHOFE, ROBERTS, ALLARD, SESSIONS, COLLINS, ENSIGN, TALENT, CHAMBLISS, GRAHAM of South Carolina, DOLE, CORNYN, LEVIN, KENNEDY, BYRD, LIEBERMAN, REED, AKAKA, NELSON of Florida, NELSON of Nebraska, DAYTON, BAYH, CLINTON, and PRYOR.

CONGRATULATING CHAIRMAN STEVENS AND SENATOR INOUYE

Mr. FRIST. Mr. President, I again congratulate Chairman STEVENS and Senator INOUYE on completing the first appropriations bill of the year. The record will show, I am sure, the time spent on this bill was one of the fastest, if not the fastest ever, that a Defense Appropriations Committee bill has been considered in the U.S. Senate.

We have to understand that it was only on Tuesday morning of this week that the Subcommittee on Defense reported the bill, and the full committee reported it out that afternoon. Here we are on Thursday night having completed this very important, critical bill.

I am sure this marathon would not have been possible without the excellent cooperation of many Senators and the terrific work of the Defense appropriations staff, under the leadership of Sid Ashworth for the majority and Charlie Houy for the minority.

I am also particularly happy that conferees on this important bill have been appointed and that hopefully shortly after the recess that conference can also be completed in record time so critical funds can be made available to our service men and women around the globe, fighting and standing guard to protect our freedoms and securities.

Also, I thank the chairman and Senator INOUYE for including today critical funding for humanitarian assistance in the Sudan. We simply can not stand by idly as half a million people are uprooted and forced to flee the Darfur region while also suffering unbelievable starvation, hunger, and murder from Sudan, government-backed Arab militias.

The funding we have provided today will go to USAID to assist these refugees but of course a political solution needs to found also for this part of our world.

Again, I thank Chairman STEVENS and Senator INOUYE for their hard work today.

ORDERS FOR FRIDAY, JUNE 25, 2004

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. on Friday, June 25. I further ask unanimous consent that following the prayer and pledge the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, tomorrow we will be in morning business throughout the day. There will be no rollcall votes during tomorrow's session. The next rollcall vote will be on July 6. I will have more to say about the schedule for July during tomorrow's session.

We expect we will be in for a brief period tomorrow. We hope to clear the remaining legislative business prior to the recess. We are also attempting to clear a number of important ambassadorships prior to the Fourth of July break.

Once again, I thank all of our colleagues for their patience over the last few days as we made real progress and as we wrapped up our work on two very important measures.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 9:06 p.m., adjourned until Friday, June 25, 2004, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 24, 2004:

DEPARTMENT OF DEFENSE

KIRON KANINA SKINNER, OF PENNSYLVANIA, TO BE A MEMBER OF THE NATIONAL SECURITY EDUCATION BOARD FOR A TERM OF FOUR YEARS, VICE HERSCHELLE S. CHALLENOR, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

CATHY M. MACFARLANE, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT, VICE DIANE LENEGHAN TOMB, RESIGNED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

DENNIS C. SHEA, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT, VICE ALBERTO FAUSTINO TREVINO, RESIGNED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

ROMOLO A. BERNARDI, OF NEW YORK, TO BE DEPUTY SECRETARY OF HOUSING AND URBAN DEVELOPMENT, VICE ALPHONSO R. JACKSON, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

DEPARTMENT OF TRANSPORTATION

KIRK VAN TINE, OF VIRGINIA, TO BE DEPUTY SECRETARY OF TRANSPORTATION, VICE MICHAEL P. JACKSON, RESIGNED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

DEPARTMENT OF THE INTERIOR

SUE ELLEN WOOLDRIDGE, OF VIRGINIA, TO BE SOLICITOR OF THE DEPARTMENT OF THE INTERIOR, VICE WILLIAM GERRY MYERS III, RESIGNED, WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

ENVIRONMENTAL PROTECTION AGENCY

CHARLES JOHNSON, OF UTAH, TO BE CHIEF FINANCIAL OFFICER, ENVIRONMENTAL PROTECTION AGENCY, VICE LINDA MORRISON COMBS, TO WHICH HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

ANN R. KLEE, OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE ROBERT E. FABRICANT, RESIGNED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

EXECUTIVE OFFICE OF THE PRESIDENT

ADAM MARC LINDEMANN, OF NEW YORK, TO BE A MEMBER OF THE ADVISORY BOARD FOR CUBA BROADCASTING FOR A TERM EXPIRING OCTOBER 27, 2005, VICE CHRISTOPHER D. COURSEN, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

AFRICAN DEVELOPMENT FOUNDATION

EDWARD BREHM, OF MINNESOTA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE AFRICAN DEVELOPMENT FOUNDATION FOR A TERM EXPIRING NOVEMBER 13, 2007, VICE CECIL JAMES BANKS, TERM EXPIRED, TO WHICH POSITION HE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

NATIONAL MUSEUM AND LIBRARY SERVICES BOARD

BEVERLY ALLEN, OF GEORGIA, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2008, VICE BETH WALKUP, TERM EXPIRED.

GAIL DALY, OF TEXAS, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2008. (NEW POSITION)

DONALD LESLIE, OF WISCONSIN, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2006. (NEW POSITION)

AMY OWEN, OF UTAH, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2008. (NEW POSITION)

SANDRA PICKETT, OF TEXAS, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2005. (NEW POSITION)

RENEE SWARTZ, OF NEW JERSEY, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2007. (NEW POSITION)

KIM WANG, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL MUSEUM AND LIBRARY SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2004. (NEW POSITION)

HARRY S TRUMAN SCHOLARSHIP FOUNDATION

JUANITA ALICIA VASQUEZ-GARDNER, OF TEXAS, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE HARRY S TRUMAN SCHOLARSHIP FOUNDATION FOR A TERM EXPIRING DECEMBER 10, 2009 (REAPPOINTMENT), TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

UNITED STATES PAROLE COMMISSION

DEBORAH ANN SPAGNOLI, OF CALIFORNIA, TO BE A COMMISSIONER OF THE UNITED STATES PAROLE COMMISSION FOR A TERM OF SIX YEARS, VICE JOHN R. SIMPSON, TERM EXPIRED, TO WHICH POSITION SHE WAS APPOINTED DURING THE LAST RECESS OF THE SENATE.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY VETERINARY CORPS UNDER TITLE 10, U.S.C., SECTIONS 3064 AND 3084:

To be brigadier general

COL. MICHAEL B. CATES, 7519

In the Navy

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

BRIAN S ADAMS, 6813
JAMES A AIKEN, 3538
BRIAN N ALBRO, 6311
NATHAN J ALLEN, 8808
ANTHONY L ALLOU III, 8740
RICHARD B ALSOP, 5877
JEFFREY M ALVES, 5674
ERIC L ANDALIS, 4968
MARK S ANDERSEN, 9531
EDWARD L ANDERSON, 8940
GREGORY L ANDERSON, 8918
JOSEPH C ANDREATTI, 8491
ANTHONY J ANGLIN, 8698
DOMINIC A ANTONELLI, 2607
LOUIS W ARNY IV, 1643
MONTY G ASHLIMAN JR., 1429
MICHAEL G BADORF, 8981
REGINALD BAKER, 9799
TIMOTHY C BARKDOLL, 4021
ERIC S BARKER, 6585
CHRISTOPHER K BARNES, 7487
DONALD A BASDEN, 3712
KENNETH D BATES, 7080
KENNETH R BECKER, 7632
MARK D BEHNING, 2805
JOSEPH E BELL, 1307
BASILIO D BENA, 8085
JON G BENAVENTE, 2921
RAYMOND J BENEDICT, 9002
PAUL T BENNETT, 2040
SHAWN M BENTLEY, 1178
PETER D BERARDI, 7065
LEIF E BERGEY, 0661
BRODERICK V BERKHOUT, 9286
VICTOR P BINDI III, 4311
JOHN G BISCHERI, 7064
CRAIG R BLAKELY, 8580
JOHN H BLALOCK JR., 0447
ROBERT W BODVAKE, 5735
BOBBY C BOLT, 7422
RICK D BONEAU, 4815
BARTEL J BOOGERD III, 0643
JAMES E BOSWELL, 7879
DENNIS R BOYER, 0345
STEVEN J BRACKETT, 5063
DANIEL M BRINTZINGHOFFER, 1707
RYAN K BROOKHART, 5258
CHAD D BROWN, 3735
WOODS R BROWN II, 4008
PUTNAM H BROWNE, 6290
MARK C BRUINGTON, 0884
DANIEL J BRUNK, 4077
DANIEL W BRYAN II, 7451
MICHEAL L BRYANT, 0001
ROBERT H BUCKINGHAM, 5896
WILLIAM A BULIS, 1216
ANDREW D BURDEN, 4983
CARL A BURKINS, 1907
EDWIN J BURNS, 0775
ANGELO D BURSTION, 1267
DERRICK J BUSSE, 9266
TIMOTHY P CALLAHAM, 5849
MICHAEL S CAMPBELL, 8096
FRANCIS J CAMPION, 6447
TIMOTHY D CARR, 4188
CLINTON A CARROLL, 8611
GUY N CARUSO, 6224
THOMAS G CAWLEY, 5097
ROBERT J CEPEK, 6932
THOMAS CHABY, 7120
ELEFTHERIOS N CHAPAS, 5477
ANNE L CHAPMAN, 0746
WILLIAM E CHASE III, 2489
RICHARD J CHEESEMAN, 9499

BYRON G CHEW, 0288
WILLIAM C CHINWORTH, 1943
HEEDONG CHOI, 6008
JOHN J CHOI, 7148
JAMES L CHRISTIE, 6072
CRAIG A CLAPPERTON, 9028
ROBERT J CLARK, 7853
DAVID D CLEMENT JR., 2435
HEATHER E COLE, 4668
DANIEL M COLMAN, 2719
WILLIAM M COMBES, 3458
DESMOND M CONNOLLY, 1856
JOHN P CONSIDINE, 4282
JAMES M CONWAY, 6160
WILLIAM K COOKE, 4948
CHARLES R CORDON, 5317
CHRISTOPHER M CORGNATI, 5435
MICHAEL R COUGHLIN, 3925
PETER T COURTNEY, 0622
MICHAEL J COX, 2977
GREGORY J COZAD, 3010
MARK A CREASEY, 4776
DENNIS R CREWS, 9619
SPENCER J CRISPELL, 7155
WAYNE A CROSS, 5778
ROGER L CURRY JR., 6003
DONALD E J CZARAPATA, 7501
JEFFREY J CZEREWKO, 9687
MICHAEL R DARGEL, 7077
CARL P DAVIS, 3432
CHRISTOPHER J DENNIS, 5720
TIMOTHY A DERNBACH, 3291
ANTHONY T DESMET, 3960
EDWARD W DEVINNEY II, 6871
STEVEN L DIAL, 4023
NICHOLAS J DIENNA, 5241
DUKE E DIETZ, 6405
KAMRAN A DIL, 0716
KEVIN L DIPPERY, 1640
THOMAS C DISY, 9109
DAVID J DITALLO, 5840
THAD J DOBBERT, 7672
WILLIAM A DODGE JR., 0214
LEONARD C DOLLAGA, 1533
JOHN H DONEY IV, 9262
JOHN M DONOVAN, 5187
ALAN D DORRBECKER, 8921
MICHAEL E DOUGLASS, 6428
EUGENE J DOYLE, 1034
STEVEN E DRADZYNSKI, 9476
JEFFREY B DRINKARD, 3609
TIMOTHY E DRY, 8226
CHRISTOPHER D DRYDEN, 7171
JAMES A DUFFORD, 4890
CHARLES H DUNAVANT JR., 4025
KENNETH E DURBIN, 9833
DANIEL P DUSEK, 5112
JOHN A DUVALL III, 7653
THOMAS A EBERHARD, 0831
DOUGLAS L EDSON, 1888
MARK A EDWARDS, 6540
PAUL F EICH, 5740
EMILSON M ESPIRITU, 4848
JAMES M ESQUIVEL, 6866
ERIK O ETZ, 7665
STEVEN T EVERARD, 4490
WILLIAM L EWALD, 2210
FREDERICK L FACYSON, 1583
GERARD R FEAGLES, 2921
RODOLFO FERNANDEZ, 6091
SCOTT W FEVER, 6168
KORY R FIERSTINE, 4740
JACQUELINE R FINCH, 2086
WILLIAM D FINCH, 0337
ERIK R FINO, 9761
HEIDI A FLEMING, 7159
MATTHEW G FLEMING, 6105
BRIAN P FORT, 0147
GEORGE F FRANZ, 0983
BRYAN P FRATELLO, 8488
FREDERICK P FREELAND JR., 3766
RICHARD A FREY, 0622
WALLACE J GABER JR., 9123
GEOFFREY S GAGE, 6230
PETER G GALLUCH, 4905
EDWARD M GALVIN, 7879
TIMOTHY L GAMACHE, 1786
ROBERT T GARRETSON, 7024
BRIAN M GARRISON, 8128
DOMINIC C GAUDIN, 9990
JASON L GEIGER, 1436
KENDALL GENNICK, 3774
ARTHUR GIBB III, 7718
BRYCE M GIBB, 5901
JAMES F GIBSON JR., 6457
MARK S GILBERT, 1705
CHARLES R GILLUM JR., 5847
DAVID T GLENISTER, 6856
WALTER H GLENN JR., 1749
CHARLES P GOOD, 0138
RICHARD A GOODWIN, 7932
CHRISTOPHER L GORDON, 9270
DANA R GORDON, 6597
ROBERT M GORDON, 7301
BRIAN J GOSZKOWICZ, 1108
OBRA L GRAY, 2858
RANDALL K GREEN, 0734
DEMETRIES A GRIMES, 6804
JEFFREY M GRIMES, 5912
CORNELIUS M GUINAN, 7713
FRANCIS R GUTIERREZ JR., 9686
CARLOS S GUZMAN, 7316
ANDREW J GWYER, 6119
DAVID W HAAS, 3250
RICHARD J J HABERLIN, 3509
HENRY J HAIGLER, 1539
TIMOTHY L HALL, 0502
JOHN H HALTOM, 4593
RANDALL C HARDY, 0372
JOSEPH M HART, 0814
MICHAEL T HART, 8246
BRUCE W HAY JR., 1411
CHARLES J HERBERT, 8067
JEFFREY W HICKOX, 0803
ROBERT R HILL JR., 2312
ANSEL L HILLS, 7827
KARL E HINES, 5201
LYLE E HOAG, 5196
ROBERT I HOAR JR., 3504
SHAUN D HOLLENBAUGH, 2738
CRAIG A HOLTSLANDER, 7168
JAMES B HOSKINS, 0280
KEITH W HOSKINS, 0059
WILLIAM J HOUSTON, 8560
HUGH W HOWARD III, 4034
JAMES E HOWE JR., 1198
BRIAN A HOYT, 1881
JOHN R HOYT, 2907
JOSEPH W HUFFAKER, 9292
DAVID C HUGHES, 9498
ADAM L HUNT, 8253
MICHAEL A HURNI, 4156
DEREK S IKEHARA, 0605
EDWARD J IOCCO, 9729
TIMOTHY E ISEMINGER, 4809
MARK D JACKSON, 1883
MARK H JACKSON, 9647
TROY S JACKSON, 4492
JAMES W JENKS, 6097
MICHAEL H JOHANSSON, 3242
ALLEN T JOHNSON JR., 9337
KEVIN B JOHNSON, 7258
FRANK C JONES, 0514
JAMES M JOYNER IV, 6040
MICHAEL JUNGE, 3764
FREDERICK W KACHER, 9075
EDWIN D KAISER, 5626
MARY A KARAYAKAYLAR, 8643
KYLE G KARSTENS, 9593
ROBERT D KATZ, 0758
STANLEY O KEEVE JR., 8134
MUHAMMAD M F KHAN, 3585
KEITH A KIMBERLY, 8930
BRIAN R KIPLE, 9704
JAMES A KIRK, 4595
CHRISTOPHER F KLINE, 1695
KEITH A KNUTSEN, 9822
MATTHEW A KOSNAR, 7110
MICHAEL A KOSTIUK, 9187
JEFFREY R KRUSLING, 0170
ROBERT J KUNKA, 4972
MICHAEL H KUTYBA, 7313
BRENT J KYLER, 1400
JAMES M LANDAS, 2979
CHRISTOPHER J LANDIS, 0641
JON E LAZAR, 8144
MICHAEL J LEHMAN, 5705
CURTIS C LENDERMAN, 5623
DEREK J LENEY, 2807
DARRYL J LENHARDT, 5650
KEVIN P LENOX, 8609
TIMOTHY G LEONARD, 3707
BRADLEY J LEONHARDT, 8742
MICHAEL LESCHINSKY, 4742
GLEN S LEVERETTE, 2936
JAMES A LEWIS, 3643
JEFFREY M LEWIS, 7764
LLEWELLYN D LEWIS, 6612
MICHAEL D LEWIS, 6346
TODD A LEWIS, 8551
WARREN N LIPSCOMB III, 8100
KENNETH S LONG, 6866
FREDRICK R LUCHTMAN, 4895
TERRENCE MACK, 1929
JOHN D MACTAVISH, 2154
CHARLES W MALONE, 6367
SHAWN P MALONE, 4499
PETER M MANTZ, 8338
NATHAN H MARTIN, 5351
MARK M MARTY, 3514
KENNETH M MASSON, 1729
KENT R MATHES, 6060
GARY L MATHIS, 5421
DONALD G MAY, 5632
CHRISTOPHER M MCCARTHY, 3778
MICHAEL A MCCARTNEY, 4041
JEFFREY W MCCAULEY, 8616
RICHARD C MCCORMACK, 1636
RUSSELL S MCCORMACK, 2033
ALLEN H MCCOY, 5580
DAVID M MCFARLAND, 4145
JAMES P MCGRATH III, 7508
JOHN P MCGRATH, 4640
MICHAEL D MCKENNA, 4177
WILLIAM C MCKINNEY, 0830
VAN P MCLAWHORN, 8768
JOSEPH E MCMAHON, 8354
MICHAEL M MCMILLAN JR., 9930
THOMAS E MCNERNEY III, 0685
GREGORY A MCWHERTER, 6988
TYLER L MEADOR, 7739
KURT C MERKLING JR., 3289
MICHAEL D MICHEL, 1657
JIMMIE L MILLER, 1061
WILLIAM G MILLER, 9917
WILLIAM K MIMS, 0488
DALE R MINICH, 4446
CHRISTOPHER C MISNER, 5988
REY R MOLINA, 4307
THOMAS J MONROE, 0752
KEITH G MOORE, 9331
MICHAEL R MOORE, 5342
SCOTT D MORAN, 5487
KEVIN R MORRISON, 6427
ROBERT K MORRISON III, 1680
BRIAN C MOUM, 8129
PATRICK T MOYNIHAN, 2938
JOSEPH P NAMAN, 6571
MICHAEL D NASH, 3364
PATRICK T NASH, 1628
DAVID A NELSEN, 9282
PAUL V NEUZIL, 5578
CLARK A NICHOLS III, 3845
MICHAEL K NORTIER, 8738
DAVID E NOSAL, 8165
MARK J OBERLEY, 1794
SEAN P OBRIEN, 7096
RICHARD F OCONNELL, 3531
KLAS W OHMAN, 6737
HAL S OKEY, 0484
EDWARD C OLSHAW, 1148
SCOTT E ORGAN, 6696
PAUL J OROURKE, 2858
JAMIE R OTTO, 0186
JOE V OVERSTREET, 2767
DAVID M PADULA, 8571
GREGORY J PARKER, 1697
SCOTT A PARVIN, 2607
LAURENCE M PATRICK, 9206
MICHAEL D PATTERSON, 3105
BRUCE L PECK JR., 1882
MARK E PELTON, 6509
WILLIAM P PENNINGTON, 9999
JOHN A PESTOVIC JR., 4522
AARON S PETERS, 9568
MICHAEL C PETERSON, 6147
JESSICA PFEFFERKORN, 0637
TUNG X PHAM, 7947
CLIFTON T PHILLIPS, 3596
CURTIS K M PHILLIPS, 7093
PETER C PHILLIPS, 1173
ERIC R PHIPPS, 0648
DAVID A PIERSON, 8762
PHILLIP W POLIQUIN, 5824
MALCOLM H POTTS, 4892
MATTHEW S PREGMON, 7033
MARK A PROKOPIUS, 8242
KEVIN J PROTZMAN, 8866
MARK D PYLE, 7083
ANDREW C QUIETT, 6074
GERARD F QUINLAN, 0775
HERBERT R RACE JR., 7671
JAMES R RAIMONDO, 0591
THOMAS A RAINVILLE, 2381
CHRISTOPHER P RAMSDEN, 1711
EUGENE R RATHGEBER, 5688
DEAN T RAWLS, 5367
DOUGLAS E RECKAMP, 6043
CARL S REED, 9435
LEONARD E REED, 0236
PHILIP N REGIER, 1976
JAMES J REICH, 2288
CURT A RENSHAW, 1052
JAY S RICHARDS, 6031
TIMOTHY P RICHARDT, 4246
JOHN D RICHMOND, 3982
JOHN D RICKARDS JR., 6773
TIMOTHY E RIEGLE, 6186
EDWARD J ROTH, 9318
MICHAEL S RYAN, 1938
STEPHEN P RYAN, 2201
JOHN A SAGER, 0406
CHRISTOPHER M SAINDON, 7488
DOUGLAS A SAMPSON, 5205
BENNIE SANCHEZ, 5191
MATTHEW R SANDBERG, 6933
JOHN P SANFORD, 7088
CARLOS A SARDIELLO, 5422
LOUIS J SCHAGER JR., 5791
CRAIG T SCHAUPPNER, 8104
MICHAEL C SCHROEDER, 1933
THEODORE H SCHROEDER, 7687
FRANK J SCHULLER JR., 0687
THOMAS S SCHUMACHER, 1438
JEFFREY R SCHWARZ, 7469
MARK C SCOTT, 5817
SHARI L SCOTT, 2250
JAMES K SELKIRK JR., 8834
SHAWN R SHAW, 1995
DONDI M SHEEHY, 2602
BRIAN K SHIPMAN, 8763
TODD M SIDDALL, 2036
JONATHAN T SKARDA, 8942
CALVIN D SLOCUMB, 0031
ROBERT E SMITH, 1189
WESLEY A SMITH, 1012
PAUL S SNODGRASS, 0168
CHARLES C SPARKS II, 5615
PAUL C SPEDERO JR., 2030
JOHN M SPEREDELOZZI, 3381
KENNETH R SPURLOCK, 7494
BRETTON C STAFFORD, 3169
CHRISTOPHER M STAMPER, 8222
ROBERT E STANDLEY, 2127
DOUGLAS H STANFORD, 3632
ROBERT M STELTENPOHL, 7621

MICHAEL J STEVENS, 8790
JAMES G STONEMAN, 8379
MARK R STOOPS, 7778
KIRK A STORK, 5627
HAROLD W STOUT, 9406
SHELBY STRATTON, 0960
RICHARD W STRAYER, 0660
CHRISTOPHER E SUND, 5533
SCOTT B SWENSON, 3437
DEREK L TEACHOUT, 4996
BRIAN T TEETS, 6205
THOMAS R TENNANT, 4102
KENT F THOMPSON, 4860
RICHARD W THOMPSON, 3367
TODD L TINSLEY, 0407
CLARK O TROYER, 1719
MARK A TRULUCK, 7756
DAVID M TRZECIAKIEWICZ, 7888
JOHN R TUCKER, 1202
ROGER R ULLMAN II, 3642
MONTE L ULMER, 6687
JOHN L VALADEZ, 1974
MICHAEL S VARNEY, 9868
PETER G VASELY, 4512
DOUGLAS C VERISSIMO, 8373
CHARLES H VICKERS, 6962
LAWRENCE S VINCENT, 9649
JOHN F WADE, 8456
DOUGLAS H WALKER, 3172
DAVID E WARD, 1421
JEFFREY A WARD, 9958
JOHN M WARD, 7389
DENNIS J WARREN, 6666
TODD M WATKINS, 0103
TIMOTHY R WEBER, 9523
VICTOR K WEBER, 1750
WILLIAM A WEEDON, 5709
ROBERT D WEISSENFELS, 0591
DANIEL A WELLS, 9510
KEVIN R WESLEY, 1402
MATTHEW G WESTFALL, 9610
JEFFREY D WESTON, 6084
EDWARD J WETZEL, 1491
CRAIG M WEVLEY, 3907
CHRISTOPHER K WHEELER, 9564
ERIC S WIESE, 4487
DONALD L WILBURN JR., 2614
ROBERT J WILLIAMS, 9169
CURTIS S WILMOT, 9933
WILLIAM P WOOD, 2523
HAROLD T WORKMAN, 9871
DANIEL C WORRA, 1891
JR D M WRIGHT, 7222
STEFAN D XAUDARO JR., 3985
THEODORE A ZOBEL, 0276
JOHN M ZUZICH, 2827

CONFIRMATIONS

Executive nominations confirmed by the Senate June 24, 2004:

DEPARTMENT OF STATE

JOHN C. DANFORTH, OF MISSOURI, TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE SESSIONS OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS DURING HIS TENURE OF SERVICE AS REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS.

JOHN C. DANFORTH, OF MISSOURI, TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS, WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY, AND THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA IN THE SECURITY COUNCIL OF THE UNITED NATIONS.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

DORA L. IRIZARRY, OF NEW YORK, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF NEW YORK.

DIANE S. SYKES, OF WISCONSIN, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SEVENTH CIRCUIT.

PETER W. HALL, OF VERMONT, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SECOND CIRCUIT.

WILLIAM DUANE BENTON, OF MISSOURI, TO BE UNITED STATES CIRCUIT JUDGE FOR THE EIGHTH CIRCUIT.

GEORGE P. SCHIAVELLI, OF CALIFORNIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA.

ROBERT BRYAN HARWELL, OF SOUTH CAROLINA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF SOUTH CAROLINA.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

LT. GEN. PAUL V. HESTER

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. HENRY A. OBERING III

THE FOLLOWING NAMED UNITED STATES AIR FORCE RESERVE OFFICER FOR APPOINTMENT AS CHIEF OF AIR FORCE RESERVE, AND FOR APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 8038 AND 601:

To be lieutenant general

MAJ. GEN. JOHN A. BRADLEY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JEFFREY B. KOHLER

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN F. REGNI

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. MICHAEL W. WOOLEY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. NORTON A. SCHWARTZ

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. CHARLES B. GREEN

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. MELISSA A. RANK
COL. THOMAS W. TRAVIS

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

LT. GEN. RICHARD A. CODY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

GEORGE W. CASEY, JR.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS THE CHIEF OF ENGINEERS/COMMANDING GENERAL, UNITED STATES ARMY CORPS OF ENGINEERS, AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601 AND 3036:

To be lieutenant general

MAJ. GEN. CARL A. STROCK

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. COLBY M. BROADWATER III

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. JOSEPH R. INGE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. RUSSEL L. HONORE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS THE CHIEF, ARMY NURSE CORPS AND FOR APPOINTMENT TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 3069:

To be major general

COL. GALE S. POLLOCK

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. GEORGE W. WEIGHTMAN

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. WILLIAM E. INGRAM, JR.

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADES INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COLONEL JAMES G. CHAMPION

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. FRANK R. CARLINI

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. CARLA G. HAWLEY-BOWLAND

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. DOUGLAS A. PRITT

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. THOMAS T. GALKOWSKI

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. HENRY P. OSMAN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. JAMES T. CONWAY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN F. SATTLER

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. ROBERT C. DICKERSON, JR.
BRIG. GEN. TIMOTHY F. GHORMLEY
BRIG. GEN. SAMUEL T. HELLAND
BRIG. GEN. RICHARD S. KRAMLICH
BRIG. GEN. RICHARD F. NATONSKI

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be admiral

ADM. MICHAEL G. MULLEN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS CHIEF OF THE BUREAU OF MEDICINE AND SURGERY AND SURGEON GENERAL AND FOR APPOINTMENT TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTIONS 601 AND 5137:

To be vice admiral

REAR ADM. DONALD C. ARTHUR, JR.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. JUSTIN D. MCCARTHY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. JONATHAN W. GREENERT

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. KEVIN J. COSGRIFF

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. JAMES M. ZORTMAN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. JAMES G. STAVRIDIS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. JOHN G. MORGAN, JR.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. RONALD A. ROUTE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) JOHN M. MATECZUN
REAR ADM. (LH) DENNIS D. WOOFTER

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) WILLIAM V. ALFORD, JR.
REAR ADM. (LH) JAMES E. BEEBE
REAR ADM. (LH) STEPHEN S. OSWALD

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) PAUL V. SHEBALIN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) THOMAS L. ANDREWS III

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) LEWIS S. LIBBY III
REAR ADM. (LH) ELIZABETH M. MORRIS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral (lower half)

CAPT. KAREN A. FLAHERTY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral (lower half)

CAPT. MARSHALL E. CUSIC, JR.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. CAROL I. B. TURNER

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. THOMAS R. CULLISON

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. JEFFREY A. WIERINGA

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. DAVID J. DORSETT

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. WAYNE G. SHEAR, JR.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral (lower half)

CAPT. SHARON H. REDPATH

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral (lower half)

CAPT. JAMES A. BARNETT, JR.
CAPT. WENDI B. CARPENTER
CAPT. JEFFREY A. LEMMONS
CAPT. ROBIN M. WATTERS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. ADAM M. ROBINSON, JR.

AIR FORCE NOMINATIONS BEGINNING EDWARD ACEVEDO AND ENDING SCOTT J. ZOBRIST, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 2, 2004.

AIR FORCE NOMINATIONS BEGINNING MARK L. ALLRED AND ENDING BARR D. YOUNKER, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 2, 2004.

AIR FORCE NOMINATIONS BEGINNING BRENDA R. BULLARD AND ENDING THOMAS E. YINGST, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 2, 2004.

AIR FORCE NOMINATION OF RICHARD B. GOODWIN.

AIR FORCE NOMINATIONS BEGINNING JEFFREY P. BOWSER AND ENDING GREGORY W. JOHNSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

AIR FORCE NOMINATIONS BEGINNING BRADLEY D. BARTELS AND ENDING WILLIAM L. STALLINGS III, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

AIR FORCE NOMINATIONS BEGINNING CHARLES J. LAW AND ENDING DAVID A. WEAS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

AIR FORCE NOMINATIONS BEGINNING LOZANO NOEMI ALGARIN AND ENDING BARBARA L. WRIGHT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 10, 2004.

ARMY NOMINATIONS BEGINNING CHRISTIAN F. ACHLEITHNER AND ENDING RICHARD J. WINDHORN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JANUARY 22, 2004.

ARMY NOMINATIONS BEGINNING KEVIN C. ABBOTT AND ENDING MARK G. ZIEMBA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JANUARY 22, 2004.

ARMY NOMINATIONS BEGINNING LARRY P. ADAMSTHOMPSON AND ENDING TIMOTHY N. WILLOUGHBY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 5, 2004.

ARMY NOMINATIONS BEGINNING GERALD V. HOWARD AND ENDING DAVID L. WEBER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 26, 2004.

ARMY NOMINATION OF JOHN J. SEBASTYN.

ARMY NOMINATION OF ELIZABETH J. BARNSDALE.

ARMY NOMINATIONS BEGINNING RAUL GONZALEZ AND ENDING JAMES F. KING, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

ARMY NOMINATIONS BEGINNING RICHARD J. GALLANT AND ENDING ERIC R. GLADMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

ARMY NOMINATION OF RANDALL W. COWELL.

ARMY NOMINATION OF JAMES C. JOHNSON.

ARMY NOMINATIONS BEGINNING SHANNON D. BECKETT AND ENDING LEONARD A. CROMER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

ARMY NOMINATION OF DAVID P. FERRIS.

ARMY NOMINATIONS BEGINNING DONALD W. MYERS AND ENDING TERRY W. SWAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 10, 2004.

ARMY NOMINATIONS BEGINNING EDWARD L ALEXSONSHK AND ENDING EDWARD M ZOELLER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 10, 2004.

ARMY NOMINATION OF SCOTT R. SHERRETZ.

ARMY NOMINATION OF ROBERT F. SETLIK.

ARMY NOMINATION OF PAUL R. DISNEY, JR.

ARMY NOMINATION OF ERIC R. RHODES.

ARMY NOMINATIONS BEGINNING EDWIN E. AHL AND ENDING MARK A. ZERGER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 20, 2004.

ARMY NOMINATION OF ROBERT J. BLOK.

MARINE CORPS NOMINATION OF SCOTT P. HANEY.

MARINE CORPS NOMINATION OF MICHAEL J. COLBURN.

MARINE CORPS NOMINATION OF MICHELLE A. RAKERS.

NAVY NOMINATION OF JAMES K. COLTON.

NAVY NOMINATIONS BEGINNING KEVIN S. LERETTE AND ENDING KATHLEEN M. LINDENMAYER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

NAVY NOMINATIONS BEGINNING VICTOR M. BECK AND ENDING ELIZABETH A. JONES, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

NAVY NOMINATIONS BEGINNING EDMUND F. CATALDO III AND ENDING GARY S. PETTI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

NAVY NOMINATIONS BEGINNING ELIZABETH A. CARLOS AND ENDING PHILIP C. WHEELER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

NAVY NOMINATIONS BEGINNING PAUL L. ALBIN AND ENDING MARK E. SVENNINGSEN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

NAVY NOMINATIONS BEGINNING JOHN L. BARTLEY AND ENDING JOSEPH A. SCHMIDT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

NAVY NOMINATIONS BEGINNING RICHARD A COLONNA AND ENDING TIMOTHY J WERRE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

NAVY NOMINATIONS BEGINNING JOHN M BURNS AND ENDING ROGER W TURNER, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

NAVY NOMINATIONS BEGINNING DAN D ASHCRAFT AND ENDING JOHN E VASTARDIS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

NAVY NOMINATIONS BEGINNING RODMAN P ABBOTT AND ENDING STEVEN YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

NAVY NOMINATIONS BEGINNING JAMES S BAILEY AND ENDING JEFFREY B WILSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

NAVY NOMINATIONS BEGINNING RICHARD S. MORGAN AND ENDING TERRY L. M. SWINNEY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 29, 2004.

NAVY NOMINATION OF SUSAN C. FARRAR.

NAVY NOMINATIONS BEGINNING WILLIAM J. ALDERSON AND ENDING HAROLD E. PITTMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 20, 2004.

NAVY NOMINATIONS BEGINNING AARON L BOWMAN AND ENDING MAUDE E YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 20, 2004.

NAVY NOMINATIONS BEGINNING THOMAS J BROVARONE AND ENDING MARK R WHITNEY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 20, 2004.

NAVY NOMINATIONS BEGINNING KENT R AITCHESON AND ENDING KEVIN S ZUMBAR, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 20, 2004.

NAVY NOMINATIONS BEGINNING RICHARD L ARCHEY AND ENDING FRED C SMITH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 20, 2004.

NAVY NOMINATIONS BEGINNING THOMAS H. BOND, JR. AND ENDING PAMELA J. WYNFIELD, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 20, 2004.

NAVY NOMINATIONS BEGINNING KENNETH R. CAMPITELLI AND ENDING TIMOTHY S. MATTHEWS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 20, 2004.

NAVY NOMINATIONS BEGINNING JEFFREY J. BURTCH AND ENDING JAN E. TIGHE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 20, 2004.

NAVY NOMINATIONS BEGINNING EDWIN J. BURDICK AND ENDING STEPHEN K. TIBBITTS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 20, 2004.

NAVY NOMINATIONS BEGINNING ANDREW BROWN III AND ENDING JONATHAN W. WHITE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 20, 2004.

NAVY NOMINATIONS BEGINNING JERRY R. ANDERSON AND ENDING JAMES E. KNAPP, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 20, 2004.

NAVY NOMINATION OF JOSEPH P. COSTELLO.

NAVY NOMINATIONS BEGINNING RALPH W. COREY III AND ENDING EDWARD S. WHITE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 1, 2004.

NAVY NOMINATIONS BEGINNING TOBIAS J BACANER AND ENDING SCOTT W ZACKOWSKI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING CHARLENE M AULD AND ENDING SCOTT M SMITH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING DON C B ALBIA AND ENDING GREGG W ZIEMKE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING BRENDA C BAKER AND ENDING MAUREEN J ZELLER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING MICHAEL J ARNOLD AND ENDING DANA S WEINER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING STEPHEN S BELL AND ENDING JAMES A WORCESTER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING WILLIAM D DEVINE AND ENDING PAUL R WRIGLEY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING EDWARD L. AUSTIN AND ENDING DAVID H. WATERMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING CARLA C BLAIR AND ENDING CYNTHIA M WOMBLE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING NORA A BURGHARDT AND ENDING CRAIG J WASHINGTON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING TERRY S BARRETT AND ENDING DEAN A WILSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING DANELLE M BARRETT AND ENDING MICHAEL L THRALL, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING MICHAEL D BOSLEY AND ENDING KEVIN D ZIOMEK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING WILLIAM H ANDERSON AND ENDING FRANK D WHITWORTH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING THOMAS W ARMSTRONG AND ENDING RICHARD A THIEL, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING JOSEPH R BRENNER, JR. AND ENDING GREG A ULSES, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING TODD S BOCKWOLDT AND ENDING FORREST YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATIONS BEGINNING STEVEN W ANTCLIFF AND ENDING MARK W YATES, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 8, 2004.

NAVY NOMINATION OF RICHARD L. CURBELLO.

NAVY NOMINATIONS BEGINNING LOUIS E. GIORDANO AND ENDING ROBERT A. LITTLE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 14, 2004.

NAVY NOMINATIONS BEGINNING JAMES O. CRAVENS AND ENDING RONALD J. WELLS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 14, 2004.

NAVY NOMINATIONS BEGINNING STEPHEN W BAILEY AND ENDING GARY F WOERZ, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 14, 2004.

NAVY NOMINATIONS BEGINNING JOSEPH J ALBANESE AND ENDING STEVEN L YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 14, 2004.

NAVY NOMINATIONS BEGINNING BENJAMIN M ABALOS AND ENDING GLENN T WARE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 14, 2004.

NAVY NOMINATIONS BEGINNING PATRICK S AGNEW AND ENDING DOUGLAS R TOOTHMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 14, 2004.

NAVY NOMINATIONS BEGINNING MARK J BELTON AND ENDING ROBERT E TOLIN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 14, 2004.

NAVY NOMINATIONS BEGINNING CIVITA M ALLARD AND ENDING ANN N TESCHER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 14, 2004.

NAVY NOMINATIONS BEGINNING RICHARD D BAERTLEIN AND ENDING JEFFREY G WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 14, 2004.

NAVY NOMINATION OF CARLOS VARONA.

HOUSE OF REPRESENTATIVES—*Thursday, June 24, 2004*

The House met at 10 a.m.

The Reverend Dr. Keith Boone, Pastor, First United Methodist Church, Rockwall, Texas, offered the following prayer:

O Lord God, You call us to do the right thing for the right reasons, that from sea to shining sea we may experience the joy of freedom, and the benefits of our labor.

We are a Nation under You, O God, under Your grace and under Your judgment.

We are a blessed Nation, but confess we squander many of the resources You so freely give us.

May we live in such a way that our behaviors match our beliefs.

Grant us courage to speak for those who are voiceless, to seek justice for the powerless, and to stand as a beacon of compassion before a dark and desperate world.

May we be mindful and thankful for those whose sacrifice allows us an abundance of blessings.

Above all, may we honor our heritage, embrace the present, and discern the future You would will for our Nation.

In Your Holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Alabama (Mr. BONNER) come forward and lead the House in the Pledge of Allegiance.

Mr. BONNER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed without amendment, a bill of the House of the following title:

H.R. 4635. An act to provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century.

WELCOMING DR. KEITH BOONE, PASTOR, FIRST UNITED METHODIST CHURCH

Mr. HALL. Mr. Speaker, I thank the Speaker for having my pastor here to pray over this Congress and to pray over the Nation. Keith Payne Boone is a native of Dallas, Texas, a graduate of my alma mater Southern Methodist University. He has Methodist in his veins from head to toe. His grandfather was the legendary Bolton Boone who headed up the Golden Cross. It was the first ecumenical charity. I was a member of that board some 50 years in Dallas. Keith was not around at that time, but he is a leader in the Methodist Church of Rockwall, Texas. The Dallas News carried, I think 3 months ago, that Rockwall County was the fastest-growing county in the United States. That is how fast our church is growing with the great pastor.

I thank Pastor Keith Boone, my friend, friend of my family, Mary Ellen and my entire family, friend of Methodists, Baptists, and all denominations alike in Rockwall. Thank him for the prayer. Thank him for what he has done, what he is doing, and what he will do for this Nation.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will recognize 10 one-minutes on each side.

DRILLING IN ANWR

(Mr. BURGESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURGESS. Mr. Speaker, this week is the first week in summer. Gasoline prices are high as we enter into the summer driving season. So energy independence should be a goal of this Congress. Worldwide demand for petroleum has increased in the last decade, but the growth in production has been relatively flat.

The inevitable result is higher prices at the gasoline pump. The reality is it takes a long time to go from an oil field to a gas station. We have lost considerable time in that regard.

In 1995 in the 104th Congress, H.R. 2491 would have allowed oil exploration and drilling in the Alaska National Wildlife Refuge. The Department of Energy has estimated that between 1 and 1.3 million barrels of oil a day could be derived from this source. Unfortunately, this legislation was vetoed by the previous administration. And that was nearly 10 years ago. Given a timeline of 7 to 14 years for building a pipeline, it is time that we could scarcely afford.

Mr. Speaker, I have been to ANWR. The vast coastal plain is unsuitable for habitation during the summer months because of its marshy consistency. The people who live in ANWR are counting on this Congress to do the right thing and allow them, the rightful owners of these mineral rights, to begin developing the resources that were granted to them upon statehood in 1959.

As we say in Texas, "Time's a wasting."

INCREASING DEBT AND OVERPROMISING

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, I wore my Adam Smith tie this morning because today we are going to talk about some ways that might help us give discipline to ourselves on how much money we spend and how much overpromising we do.

Two areas. One, I am from a farm in Michigan. That is where we usually try to reduce the mortgage so our kids have a little better chance. In this Chamber and in the Senate and the White House, what we have been doing for the last 20 years is increasing the debt. Every year for the last 20 years the debt subject to the debt limit has been going up. Plus, we have been overpromising in Medicare, Social Security. The unfunded liability is a huge burden on our children.

So, hopefully, today we can join together to help give ourselves discipline on overspending by changing the law.

ECONOMY

(Ms. KILPATRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KILPATRICK. Mr. Speaker, just 3 short years ago when this administration took over, there was $236 billion surplus, 22 million jobs had been created, and the country was experiencing its lowest drop in poverty in a decade. Now, all those trends have reversed themselves.

Today the unemployment rate is 30 percent higher. 8.2 million people are looking for work, and more jobs are disappearing in our country every day.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Outsourcing, sending good manufacturing jobs out of our country.

I am from the State of Michigan. We have lost over 200,000 jobs and 136,000 of those in the manufacturing sector. Something must be done. We must take care of American citizens first. People are paying more for their food, for their clothing, for their gasoline. We have got to do something about this.

Let us invest in America and American families. Health care is a debacle. We can fix that. America needs new leadership. Make sure you get out and extend your right.

BEAUFORT FAMILY TREE FARM SERVES AS A NATIONAL MODEL

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, I rise today to commend the Burris family of Beaufort, South Carolina, upon receiving the 2003 South Carolina Environmental Awareness Award for their Cypress Bay Plantation, one of the best tree farms in America.

The entire family, which includes Dr. "Skeet" Burris, his wife Gail, and their sons Hank, Andy, Ben, Tony and Charlie, have themselves worked the 1,600-acre tree farm in Hampton County since 1986.

They have won many awards including the South Carolina Tree Farm of the Year in 1995, National Outstanding Tree Farmers of the Year award in 2000, and Private Conservationist of the Year in 2001.

Today, the beautiful lands of Cypress Bay Plantation contain well over 200,000 trees teeming with wildlife, and are used to educate local children on the environment.

I ask all my colleagues to join me in commending the Burris family for their commitment to environmental excellence.

In conclusion, may God bless our troops; and we will never forget September 11.

VETERANS PROGRAMS ARE BEING UNDERFUNDED

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, over 200 years ago, our Founding Fathers pledged their lives, their fortunes, and their sacred honor to the untested ideas of liberty, equality, and democracy. But today as a new generation of veterans is being created in Iraq and Afghanistan, Republicans are underfunding the programs that are vitally important to our veterans by passing a budget that underfunds veterans health care by $1 billion and rejecting Democratic efforts to fully fund VA health care.

What is even worse is that this will not stop this year because the Bush administration's plan for the 2006 budget includes a $900 million cut in funding for veterans health care. And this will conveniently not come into effect until after the election.

No Republican has come forward and rejected the Bush administration's latest proposals to cut veterans programs. Not one. This is outrageous.

Democrats are fighting to honor veterans by honoring their sacrifices. Why are the Republicans making our sons and daughters fight bravely on the battlefield and come home and fight the government for their benefits?

THE LIBERAL MEDIA BIAS OF CBS

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, earlier this month we learned of more good economic news about the expanding economy. 947,000 new jobs created in March, April, and May alone. One might think that almost a million new jobs in 3 months constitutes big news, but it was not big news on "CBS Evening News."

"The CBS Evening News" spent 20 seconds glossing over the creation of nearly a million new jobs. CBS then aired a 2-minute report about 1,300 people being laid off in Ohio. The laying off of 1,300 workers and their families at any time is sad. I have hope and faith that those families will soon be back on their feet. But for CBS to bury the good news about a million new jobs and magnify the bad news of 1,300 layoffs smacks of partisan media bias. Twenty seconds for good economic news, 2 minutes for bad economic news. If it is not liberal media bias, I do not know what is.

ARE WE BETTER OFF?

(Ms. WATSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WATSON. Mr. Speaker, the Bush administration has demonstrated a complete failure to plan for our operations in Iraq and a complete failure to plan here at home. One has to ask, Are we better off than we were 4 years ago?

When President Bush took office, we had a $236 billion budget surplus and the Nation had created 22 million jobs over the previous 8 years.

□ 1015

The number of uninsured had decreased for the first time in 12 years, and the country had the lowest poverty rate in 20 years.

Today, 8.2 million are Americans looking for work; 1.8 million private sector jobs have been lost. The number of uninsured has increased by 3.8 million, and gas prices are at a 23-year high. Household income has decreased by almost $1,500, and college tuition is up by 28 percent. This is absolutely not acceptable, and it is not something that just happened.

President Bush had only one economic policy when he took office and he had only one today, tax cuts for those who need them least.

FUNDAMENTAL DIFFERENCE BETWEEN REPUBLICANS AND DEMOCRATS

(Mr. BONNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONNER. Mr. Speaker, if the American people have somehow stumbled on to C–SPAN this morning, trying to find either Oprah or Regis, let me urge you to set your VCRs because later today you are going to get a chance to see the fundamental difference between our side of the aisle and the other side of the aisle.

You see, our friends on the other side have suppressed their appetite to raise your taxes long enough, and just like that chain smoker who has to go to the drawer and find that little addiction, they are coming back to it again today with a proposal to raise your taxes $18.9 billion.

This tax increase would not be to go to support our troops in the war on terror. It would not be to cut the deficit or to pay town the debt. No, it would be to spend more money on social programs to the tune of $150 billion over the next decade.

If you set your VCR and you ever want to know the difference, play it over and over again, and if you happen to lose the tape, you can just play "Nightmare on Elm Street" because that is what this tax hike would do to the American people.

BUSH ADMINISTRATION'S ECONOMIC POLICIES AND THE IMPACT ON TEXAS

(Ms. EDDIE BERNICE JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise to speak about how Texas families and workers are struggling to survive during this administration's handling of our economy.

While Democrats here in the U.S. House of Representatives have been fighting to stop the exportation of American jobs and create more jobs here at home, the administration has chosen a completely different path.

In my State of Texas, we have lost over 175,000 manufacturing jobs. Health insurance premiums have increased by 65 percent since the beginning of the Bush administration. The cost of a college education has increased by 28 percent in the State since the beginning of the current administration. Household income has decreased by $204 over the past 2 years. 808,000 have joined the ranks of the uninsured in Texas since the beginning of this administration.

How long are we going to sit here and just talk about each other instead of addressing these issues?

As the law-making body, Mr. Speaker, of a system created to serve, protect and enhance American ideals, liberty and longevity, we must rebuild our economy, put families first before corporations and stop the rampant outsourcing of our jobs overseas.

BROWARD COUNTY FUNDING

(Mr. SHAW asked and was given permission to address the House for 1 minute.)

Mr. SHAW. Mr. Speaker, I rise today to discuss the Urban Area Security Initiative grants. The Department of Homeland Security awards these grants to urban areas based on credible threat information, population density, and critical infrastructure.

Broward County, which is in my district, has been designated an embarrassing and unacceptable 10 percent of this homeland security money by the city of Miami who has kept the rest.

Mr. Speaker, Broward County is the home of 1.6 million people. It also houses Port Everglades, which is home to 19 cruise lines. It also houses a large petroleum tank farm, which is the sole provider of fuel for 12 south Florida counties, including Miami Dade. The port ploys 10,000 people and generates $1.7 billion in business activity and $545 million in wage annually.

Broward also has an international airport, which is located within close proximity of both Port Everglades and the petroleum tank farm. Broward County remains an extremely vulnerable terrorist target, and it must be treated as such.

So I am here to voice my unwavering support for the Department of Homeland Security to create a new urban area for Broward, as well as Palm Beach County.

This is my second consecutive day to come to the floor about this issue. I am speaking for my constituents and will continue to do so until this outrageous offense by the city of Miami is corrected.

THE ECONOMY

(Mr. FARR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FARR. Mr. Speaker, California's the fifth largest economy in the world. One would think that the Republican administration would be paying attention to the economic indicators in California and realize that all is not well in the economy.

Since President Bush took office, 1.9 million jobs have been lost. Californian unemployment remains above the national average, and one in 10 persons in my District is unemployed. Jobs that have been created are low-paying and do not provide benefits such as health care and other important benefits.

There is a direct link between getting a good education and getting a good job, but the ability to get that good education has been undermined by the inability to adequately fund the best higher education system in the United States, the California higher education system, because students are now being turned away. Eligible to get in, all the tests, all the ability to get in, but no room in the inn. Why? Because this administration has failed to adequately fund the Pell grants and Perkins loans for students to make education accessible.

During the 1980s, we learned that voodoo economics did not stimulate the economy. Neither is hoodoo economics stimulating the economy today.

HONORING FATHER'S DAY

(Mr. RYUN of Kansas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RYUN of Kansas. Mr. Speaker, last Sunday was Father's Day. This is a day specifically set aside to reflect and honor fathers.

Being a father is not something that should be taken lightly. A study by child psychologist Michael Lamb demonstrates exactly how important the presence of a father is in the development of a child. It found that a strong bond between a father and a child has a positive effect upon the development of the child.

It is a statistical fact that children with involved loving fathers are significantly more likely to do well in school, have healthy self-esteem, exhibit empathy and pro-social behavior. These children are also more likely to avoid high-risk behavior such as the use of drugs, truancy and criminal activity, than to children who have uninvolved fathers.

Mr. Speaker, even though the time to celebrate Father's Day has come and gone, the importance of being a father never diminishes. I rise today to recognize the caring and loving fathers for all they do for their families and also encourage them to continue to fulfill their role in the family.

HIGHWAY BILL EXTENSION

(Mr. RAHALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAHALL. Mr. Speaker, yesterday we passed a fourth extension of the highway bill that expired last fall. That is all fine and good, but no longer can we leave the States holding the bag because of a veto threat from the Bush administration and a reluctance by the Republican leadership to lend the necessary investment that industry, commerce and the workers of this Nation want in our infrastructure.

Investment in our infrastructure spells jobs. Tell me what is wrong with a bill that creates jobs. One would think that Mr. CHENEY and Mr. Bush would jump on a chance to create jobs.

Since the first day the Cheney-Bush leadership took over in Washington, 9.9 million private sector jobs have been lost. Today, 8.2 million people are looking for work, and 4.7 million people are working part-time for economic reasons.

Unfortunately, this highway bill has fallen victim to political differences within a divided Republican party. Even though we have had enough support to pass this bill since last year, the divided Republican party has held up passage of a fully funded bill for months.

The President opposes congressional Republicans from both the House and the Senate. House Republicans are divided against each other. The President has even gone against his own Department of Transportation when they say what is necessary for investment in infrastructure in this country.

TAX CUTS AND JOB GROWTH

(Mr. GINGREY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGREY. Mr. Speaker, look at all of these new jobs: 1.4 million since August 2003. Mr. Speaker, this recovery is further proof that cutting taxes and reducing the burden of government on American citizens and businesses stimulates economic growth, as President Reagan understood so well.

In fact, there is one very telling statistic. In the last 100 days, there have been over 1 million jobs created. Let me restate that, 1 million jobs in 100 days.

This is a true sign of the times, a time of prosperity and opportunity. President Bush was correct in his policy to cut taxes to stimulate economic growth, and now we have substantial job growth.

Once again, Mr. Speaker, it is time to make these tax cuts permanent. I know of 1.4 million people and counting who most certainly would agree.

THE CONTINUED IMPROVING STATE OF OUR ECONOMY

(Mr. WELDON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON of Florida. Mr. Speaker, the numbers from the month of May reveal that the American people are improving their lives under the leadership of George W. Bush and the Republican Congress.

Two-hundred-and-forty-eight thousand jobs were created in May, and more than 1 million jobs have been created over the last 100 days. The unemployment rate is down to 5.6 percent. This is lower than the averages in the 1970s, 1980s and 1990s. Homeownership has risen to the highest level ever at 68.6 percent. Real disposable personal income is up 3.9 percent. Consumer confidence is up and business investment in equipment and software is up at an annual rate of 14 percent, and the stock market is up 18 percent.

Now, some Republicans may try to take all the credit for the economic growth we have been witnessing. However, we can only take credit for freeing up the American people from the burdens of high taxes and government intrusion. We Republicans removed those barriers, and the economy improved due to the ingenuity and the entrepreneurial spirit of the American people.

IRAQ'S FUTURE

(Mr. BARRETT of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARRETT of South Carolina. Mr. Speaker, June 30 is not the beginning of the end of Iraq, as some would want us to believe but, rather, the beginning of their future.

There is no doubt that challenges lay ahead, but I am optimistic about Iraq's future. I am optimistic because just 15 months ago, Saddam Hussein was a threat to the world and Iraqis had no voice.

Today, thanks to the brave and selfless sacrifices of American and coalition troops, Saddam is no longer in power and millions of Iraqis are shaping their own destinies by participating in Iraq's political process.

The Iraq people are showing tremendous courage as they face enemies of freedom. Neither the will of the Iraqis nor the coalition will be deterred by violence and terror.

Mr. Speaker, next week Iraq officially becomes a sovereign Nation, and I am optimistic because this is no doubt that a free Iraq will be a decisive blow to terrorism and a victory for the civilized world and the security of America.

PROVIDING FOR CONSIDERATION OF H.R. 4663, SPENDING CONTROL ACT OF 2004

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 692 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 692

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4663) to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to extend the discretionary spending limits and pay-as-you-go through fiscal year 2009. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered as read. All points of order against the bill are waived. No amendment to the bill shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived except that upon adoption of an amendment in the nature of a substitute, only the last amendment printed in the report of the Committee on Rules shall be in order. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. LATOURETTE). The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

☐ 1030

Mr. Speaker, House Resolution 692 is a structured rule providing 1 hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget. The rule waives all points of order against the bill and its consideration and makes in order only those amendments printed in the Committee on Rules report accompanying the resolution.

The rule further provides that the amendments printed in the report shall be considered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report, equally divided and controlled by a proponent and an opponent, shall not be subject to amendment, and shall not be subject to demand for a division of the question in the House or in the Committee of the Whole.

Finally, the rule waives all points of order against the amendments printed in the report, except that upon adoption of an amendment in the nature of a substitute, only the last amendment printed in the report shall be in order. The rule provides one motion to recommit with or without instructions.

Mr. Speaker, as the only Member of the House serving on both the Committee on Rules and the Committee on the Budget, I have become increasingly convinced of the need for significant changes in the congressional budget process, particularly with respect to the spending side of the budget ledger. Enactment of H.R. 4663 would make major strides toward providing the House with the tools needed to enforce spending discipline in a time of unacceptable high Federal deficits.

Like many Members, I wish the bill reported went even further, but it is an important first step. For that reason, I am pleased that the Committee on Rules has made in order a long list of proposed amendments to provide the House with multiple opportunities to strengthen the base bill.

At the heart of the bill are proposals to reinstate spending caps on discretionary spending, consistent with the levels set forth in the budget resolution, and a 2-year extension of the pay-as-you-go, or PAYGO, requirements for mandatory spending. It should be noted, Mr. Speaker, that this latter provision requires that bills increasing entitlement spending must be offset by reductions in other spending and not by raising taxes.

The bill also provides that any breach of either of these spending disciplines would result in automatic spending cuts known as "sequesters."

Finally, the bill takes the responsible approach to the sometimes legitimate need for "emergency" spending by permitting such measures only when they result from circumstances that are truly unanticipated, temporary, and are needed for the preservation of life, property, or national security. The bill also requires that future spending projections no longer assume that these one-time "emergency" spending levels will continue in future years.

Mr. Speaker, the congressional budget process was a badly needed reform back in 1974; and while it served us well in that time period, it can serve us better. This bill is an important step towards that goal; and, accordingly, I encourage Members to support both the rule and the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from Washington for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

Mr. Speaker, early this morning the Committee on Rules passed a lopsided rule packed with Republican amendments. It is shocking that of the 19 amendments made in order, only one Democrat amendment and one bipartisan amendment are in order. Senior Democrats were shut out, while the rule makes the amendments of junior Members in order on the Republican side. The rule provides for one-sided debate on H.R. 4663. The House will be allowed to discuss and vote on Republican amendments, but Democratic ideas and amendments have been virtually excluded in the important debate on budget process reform.

Mr. Speaker, the question before us is whether or not the current budget process creates a product that embodies our budget policies and our priorities. The Federal Government has gone from having historic surpluses of $5.26 trillion to having historic deficits of $2.3 trillion. If we are unsatisfied with a budget, are policies or the budget process to blame? Should the budget process enforcement mechanism be policy neutral or should the process force or enable Congress to make policy decisions?

Earlier this spring, the Subcommittee on Legislative and Budget Process of the Committee on Rules held a series of hearings on these questions. The message that came out of the hearings seemed to be, I thought, that the budget process is not at fault. Its structural flaws in the budget process did not produce Federal budgets with massive debt. Instead, the budgets are products of policy choices. The issue is not the mechanisms we employ. The real issue is that people are now unhappy with policy choices made over the last 3½ years. This concern is bubbling up as criticism over the budget process, turning process, not policy, into the villain.

Since the adoption of the Congressional Budget Act of 1974, many reforms have been proposed and tried. Biannual budget, joint budget resolution, sequestration, caps on discretionary spending, caps on entitlement spending, pay-as-you-go requirements, constitutional amendments, and other ideas were part of previous discussions, and part, again, of the current budget reform debate. We all know that caps on discretionary spending and PAYGO requirements on mandatory spending and tax cuts, which is an important point, worked well in the 1990s.

The underlying legislation is fatally flawed in that it leaves future tax cuts unchecked and applies PAYGO only to mandatory spending. The historic deficits are in large part the product of the tax cuts, which primarily benefit the wealthiest Americans. The Congressional Budget Office has said that the $2.3 trillion deficit has been caused by the tax cuts and the associated debt services.

During the second subcommittee hearing, budget expert Stan Collender offered this advice: enacting a new budget process without first developing the consensus necessary to make it work will be perpetuating a political hoax. You will be promising results the process cannot possibly deliver, allowing the process to be used to justify policy changes that will not otherwise seem appropriate and allowing policymakers to hide behind both procedural votes that, at best, will be confusing and, at worst, completely indecipherable.

The body is sharply divided, Mr. Speaker; and there is no consensus on budget reform. This debate is not an academic exercise. Changes to the process will affect millions of Americans. Caps on mandatory spending will dramatically choke vital programs, like Medicare, Medicaid, veterans benefits and student loans. I urge my colleagues to oppose this rule so that all ideas, not just the majority suggestions, may be considered and debated.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. GUTKNECHT), a senior member of the Committee on the Budget and a leader in the budget reform process in the House.

Mr. GUTKNECHT. Mr. Speaker, I thank the gentleman for yielding me this time.

This is an important debate, Mr. Speaker, so I hope that Members are paying attention. The real power of the purse rests with us here, in the people's House. I am proud of what we did through most of the 1990s. When we came here, when I was elected in 1994 and came here in the spring of 1995, I remember we had some meetings with some of the economists and people from the Congressional Budget Office. And we have to go back and remember what was happening in America. We were running deficits every year of $250 billion and more, and we can all point fingers and blame this and blame that; but at the end of the day, we were spending more than the taxpayers were sending in, and America wanted us to do something about this.

At one of the meetings we were at, we had some economists saying, if Congress does not get serious about balancing the Federal budget, that by the time my children got to be my age they would be paying an effective tax rate to the Federal Government of over 80 percent, just to pay the interest on the national debt.

Now, I come from a rural district, and I think most folks from rural communities understand this, because it really has been part of the rural ethic, particularly those who are farm families, to pay off the mortgage and leave the kids the farm. What we have been doing is we were literally selling the farm and leaving our kids the mortgage. We knew that it was not just bad public policy; it was fundamentally immoral.

So what we did is we began to limit the growth in Federal spending, and I am proud to report that from 1995 until the year 2000, the Federal budget was growing at a slower rate than the average family budget. That, combined with a fairly strong economy, we literally went from a $250 billion shortfall every year to a $250 billion surplus.

In fact, just 3 years ago, the Congressional Budget Office told us that we could look forward to surpluses in the Federal Treasury over the next 10 years of $5.4 trillion. Now, that same Congressional Budget Office today is telling us that we can look forward to deficits of $1.6 trillion over the next 10 years. The only thing we can really say about the Congressional Budget Office's forecasts is that they are both wrong.

What we do know that is right is that over the last several years we have allowed Federal spending to grow at a rate double what it grew through most of the 1990s. And part of the reason that happened is we allowed some of the budgetary rules to expire, the things that control the growth in Federal spending.

There was a farmer who told me several years ago, we were talking about the deficit, and he said, you know, the problem with you guys in Washington is you do not quite get it. The problem is not that we are not sending enough money to Washington. The problem is you spend it faster than we send it in. He probably expressed it more accurately and more simply than any of us would like to admit.

What we want to do today, and this is an important event and these are important votes, we want to bring back some of the rules that controlled Congress with regard to spending. One of them is PAYGO. That means if you want to have a new program, you have to figure out a way to pay for it. And I do not think that is too much to ask. The other is setting up some spending caps.

Let me give some ideas why I think that is important. Over the last several years, we have passed some pretty good budgets, some very tough budgets here in the House of Representatives. Back in fiscal year 2002, for example, our budget resolution which we passed here in the House called for spending $661 billion in what we call discretionary spending. But by the time we were done negotiating with the Senate, we ended up spending $734.6 billion. Well, in the next year we said in the House budget resolution that we would agree to spend $759 billion in discretionary spending. But before the year was over, we actually spent $849 billion. Last year, our budget resolution called for spending $784.5 billion. But when all the numbers were in and the spending was done and the conference committees at last had concluded, the number actually was $873 billion.

Pogo was right. We have met the enemy, and he is us.

I think there was a certain amount of hubris that, well, we have done a pretty good job of balancing the budget over the 5- or 6-year period. We had actually paid down over a half trillion dollars of publicly held debt, and I think we began to think we did not need these budget rules any more. I am here to say that I think we were wrong, and we have to get back to some of those rules.

This is a very important debate. I support this rule. I know there will be people who will say, well, we did not get to offer our amendment, or this amendment was not made in order. But I think we are going to have a very vigorous debate over the next several hours on the rule and the bill. Mr. Speaker, I hope later I will have a chance to visit more about the rule and the bill.

Ms. SLAUGHTER. Mr. Speaker, I yield 30 seconds to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I want to thank the gentleman from Minnesota, who just noted that between 1995 and 2000 government spending grew more slowly than did the economy as a whole and that we, in the process, paid off almost $.5 trillion in debt.

I very much appreciate the endorsement of the economic policies of the Clinton administration. It is too bad that those policies were reversed by the incumbent administration.

Mr. HASTINGS of Washington. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 6 minutes to the gentleman from South Carolina (Mr. SPRATT), who is the ranking member on the Committee on the Budget.

□ 1045

Mr. SPRATT. Mr. Speaker, this is called the Spending Control Act of 2004. The last time I looked, the Republicans control the House, Republicans control the Senate, and Republicans control the White House. So it begs the question, why can they not control spending? Why do we need this piece of legislation to control spending?

As one looks at the bill and asks that question, another question arises: Why does this bill have nothing to do with revenues? Basically what this bill would do is affect discretionary spending for 2 years, not 5, and put in place a PAYGO rule, a pay as you go rule which applied to mandatory spending, entitlement spending increases but not to tax reductions.

Do we disagree on the problem before us? Absolutely not. We have got a problem. The best evidence of the problem was signaled this week when we had a defense appropriations bill in which was buried a provision that will increase the debt ceiling over the next several years by a substantial sum of money.

Let us look first at what has happened over the last several years on the watch of the Bush administration with respect to the debt that we have accumulated, the mountainous debt that we are building up now. The best indicator of that is where does the debt ceiling stand? There is a statutory ceiling on the amount of debt we can incur. When President Bush came to office, it was $5.95 trillion. Within a year, he had to increase that by $450 billion. Last year he had to increase it by, get this, $984 billion. The other day they increased it by $650 billion, to $8.74 trillion once it finally passes the Congress.

That is the record of the last 4 years, three increases in the debt ceiling in 4 years, from $5.9 trillion to $8 trillion and this is the bad news: It does not stop here. The Congressional Budget Office tells us looking at the President's budget out over the next 10 years, as they are required by law to do, that if we follow the policies laid down by the Bush administration, the debt of this country will grow in 2014 to $13.6 trillion. That is where the debt ceiling will have to be taken in order to accommodate their fiscal policies.

What does this bill propose with respect to this problem? As it turns out, very, very little. Before going any further, it is worth reminding everybody what happened in the 1990s. It can be done. If you put your shoulder to the wheel and the President supports it and the leadership of the Congress supports it, we can bring the deficit to heel. We did it in the 1990s. We went from a deficit of $290 billion at the end of fiscal year 1992 to a surplus of $236 billion in 1998. Just as a reminder from 1997 to 2000 on the watch of the Clinton administration, we reduced the debt of this country by $362 billion. If you added fiscal year 2001, which was basically the Clinton budget, we reduced the debt by more than $400 billion. What a fiscal reversal we have seen in the last 4 years.

What does this bill propose to do? Essentially it proposes to clamp down on that wedge of the budget called domestic non-homeland discretionary spending. That is, discretionary spending from which we have backed out international spending and from which we have backed out homeland security, because in both of those categories, they foresee substantial increases, but they are going to bring all the force of their efforts to bear on this wedge of the budget which constitutes 16 percent of the budget.

Let us ask the question, is this where the problem arises, in this segment called domestic non-homeland discretionary spending? This is what has happened over the last three fiscal years to that particular account: $383 billion in 2002, $382 billion in 2003, $383 billion in 2004. The problem does not arise here. But this is where they go for a solution. On the other hand, look what the solution is. The President proposes to take domestic non-homeland security resources down to $376 in 2005. That is a reduction of $7 billion. Actually it is hard to do but in truth, we have got a deficit this year of between $400 billion and $500 billion, you have only dented the problem once you have done it.

This is where the problem lies. If you want to look at spending, which this bill does not do, over the last 4 fiscal years, 90 to 95 percent of the increase in discretionary spending has occurred in defense, homeland security and our response to 9/11. But this bill ignores that particular aspect of the problem. And where is the rest of the problem? When the Bush administration held their tax cuts out to us and when they were passed, they told us this is the path that revenues will follow, between $1 trillion and $1.1 trillion. This is where revenues, income taxes, have actually gone over that period of time, largely responsible to their tax cuts.

And this is what has happened to spending generally. Spending generally has gone up in the Bush administration. Revenues have gone down. Spending, however, is still as we can see from this chart below the historic norm for the last 25 years. Revenues, on the other hand, are at an all-time low. Personal income taxes as a percentage of GDP are at their lowest level since the early 1950s. So revenues are low, spending is high, and this bill unfortunately does nothing about the problem at hand.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Speaker, I want to respond to some of the things that our colleague the gentleman from South Carolina has just said. Much of what he said, I do not disagree with. But there is something I think we need to clarify for all of the Members. Even if we had a balanced budget last year and this year, we would have to raise the debt ceiling. That is something I think it is hard for many Members and frankly I think most Americans. They wonder how in the world can that be. It is kind of a complicated thing to explain but even in a very strong economy with surpluses, we would probably have to raise the debt ceiling. The reason is this. When money comes into the Social Security trust fund, there are only two things they can do. They can either pay benefits or they can buy government bonds. When they buy government bonds they in effect drive up the debt. I know that is hard for people to understand, so yes, we are going to have to raise the debt ceiling, but even if we were balancing the budget we would have to do that.

I would also like to at least remind Members that things did change a lot in this country on September 11, 2001. I think we all know that. We all have to be cognizant of that and it has changed the priorities of how we spend money. Is that an excuse to allow other Federal spending to be going up? No. And have we been a little too profligate with the Defense Department and homeland security? My opinion would be yes. We have allowed our emotions to get the better of us and we have just said, we will spend more money and maybe we will be safer. I am not sure that is the answer. I am not sure that having 50 guards at every airport entrance makes us all that much safer and that is an argument and a debate we should have.

The debate today is how much are we going to allow Federal spending to go up, and is there really a good reason to allow the Federal budget to grow at a rate twice the rate of the average family budget?

The numbers we were talking about, from 1995 until 2000, the Federal budget went up at an average rate of about 3.2 percent. Since that time, we have allowed the Federal budget to grow at a rate of 6.4 percent. That assumes that we will enforce the numbers that we passed in this year's House budget resolution and that is really what we are debating today; that is, it is one thing to pass a budget, it is another thing to make certain that we enforce the budget.

There will be two great issues we are going to discuss today that I think are important. First of all, are we going to enforce the budgets that we pass here in the House of Representatives? We are the keepers of the public purse. I think we ought to enforce that budget. The second thing we are going to debate today is changing the process by which we derive a budget. The process today all leans towards more spending. In fact, I think the Wall Street Journal did a beautiful editorial last week which really underscored that point. Everything we do here, and frankly that is what we do, is we spend the public's money, but all of the rules today tend to make it easier to spend more money. What we want to do is level the rules so that at least we have a counterbalance to all of that pressure to spend more money.

I might just say this. We all have different reasons, and some say it is the tax cuts, but I would remind people that we cut taxes in almost every year during the 1990s, and we did it under PAYGO and spending cap rules. It can be done. We just have to find offsets for those. And we did. In fact, most of the supplemental spending bills that we passed we found offsets for those. It can be done. It means making some tough choices, but I always remind my colleagues, our constituents did not send us here just to make the easy choices. They sent us here to make tough choices. We are going to make some tough choices today in terms of whether we really mean what we say about holding the line on Federal spending and whether or not we are going to level the playing field in terms of the rules by which we make our budgets. This is an important debate.

The debate about raising the debt ceiling is clearly an important debate, but I think we have to be clear. Even if we had a balanced budget, because of the surpluses coming in in the Social Security trust fund, we would still have to raise the debt ceiling.

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I come to the floor very disappointed because once again the majority has chosen not to allow the Blue Dogs to have our amendment considered. I would like to ask the gentleman from Washington, why did his committee allow 19 amendments, most of which should be offered by the minority party, but are being offered by the majority party? Why did he not allow the Blue Dogs to have 5 minutes, 10 minutes, a simple up and down vote on our proposal?

Mr. HASTINGS of Washington. Mr. Speaker, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Washington.

Mr. HASTINGS of Washington. Mr. Speaker, I thank the gentleman for yielding. As the gentleman knows, I would respond to my friend from Texas, our committee has to make a lot of difficult decisions sometimes with the number of amendments that are brought in. Sometimes we have to make choices that are going to disappoint some Members. My friend from Texas has been here, and I confess that maybe he has been disappointed more than once.

Mr. STENHOLM. I take back my time from the gentleman. I appreciate the honesty in which he comes forward and with a straight face attempts to say why they denied us a chance. They can find time for 19 amendments, most of which are a joke. The rhetoric sounds good. The gentleman from Minnesota just spoke, there is a lot he and I can work together on. What we offered in our amendment is a chance to work together on something, but we are constantly denied and why? Because if they allowed our amendment on the floor, there is bipartisan support for it and it might have a chance to pass.

Any resemblance to democracy in this House is purely coincidental with the running of it by the current leadership in the House. Purely coincidental. I ask my colleague why they denied our amendment but allowed 19 others. We heard the answer.

The rule before us presents us with a false choice. Let me remind everyone, Republicans control the House, Republicans control the Senate, Republicans control the White House. The only thing Republicans cannot control is spending. Spending has gone up more in the last 3 years than in the previous 8. And when you talk about spending, I have been here 25 years. Spending has gone down by one-half of 1 percent as a percent of gross domestic product since I was elected in 1978. Revenue has gone down by 5 percent. That creates the deficits. I agree with the gentleman who just spoke a moment ago. Raising the debt ceiling would have to be done. But we should never raise it without putting a change in the manner in which our economic program is working that will just continue to have the debt ceiling going on as far as the eye can see. That makes no sense.

Some of us would like to work with you but we are constantly denied the opportunity to come before this body and have a vote. What we asked for is pay as you go that applies to both spending and to revenue. If you are going to spend more, you have got to cut someplace else. We agree with the President, President George W. Bush's spending limits for 2 years. We agree. There is no argument on spending. But there is an argument on deficits. And with all due respect, if you want to cut taxes, you have got to cut spending. Do not just talk about it. Do not just come and make the speeches we are going to hear all day today about how tough we are going to be on spending. You are in the majority. Anybody offering some of those amendments you are offering, you ought to be doing it. Nobody is keeping you from doing it. You have got the votes. You can do anything you want if you have got the votes. But what do you do?

You bring 19 amendments to the floor that you used to offer when you were in the minority party, and I agreed with you. I agreed with you on many of those. But now you are in the majority and I disagree with the manner in which you are running this House. But that is a right of the majority. All we asked for is a chance to have our idea debated and through the wisdom of, oh, well, you are going to disappoint some from time to time, there are folks on your side that agree with us and you deny them the right to vote with us.

□ 1100

That is shameful. Applying pay-as-you-go rules to tax cuts does not prevent Congress from cutting taxes, and do not say that over here. You know it is not true. It makes great sense, pleases a lot of folks, I suppose. But all it says is if we are going to reduce our revenues, we need to reduce spending by the same amount. Do it. Do not just come to this floor and spend 12 hours debating some of the silliest amendments that we could have if you are serious about doing something. If we really want to do it, let us do it like we did in 1990, like we did in 1997, when we had bipartisan support for doing something about the deficit.

The hand is still here on this side. I wish somebody over there would take it just once before this year is over.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. RYAN), a member of the Committee on Ways and Means.

Mr. RYAN of Wisconsin. Mr. Speaker, I thank the gentleman for yielding me this time.

And I would like to say to the last speaker the hand was reached out on an amendment and the last speaker took the hand and that is why he and I have an amendment on the floor today on a very important item. So while all the minority's amendments were not made in order, there are a couple of amendments that were bipartisan that he and I have. And I hope that he does not count among the silly amendments the one that he and I have.

Mr. STENHOLM. Mr. Speaker, will the gentleman yield?

Mr. RYAN of Wisconsin. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Speaker, I appreciate the gentleman's yielding, and I appreciate that fact, and I do not consider all of the amendments silly. I consider some of them very silly, but the one that I am agreeing with him on I do not consider silly.

Mr. RYAN of Wisconsin. Mr. Speaker, reclaiming my time, I appreciate the clarification.

Mr. Speaker, let me frame what this is all about. What are we doing here today? What we are trying to accomplish here today is to clean up this silly budget process we have here in Washington. All of us have different ideas on how to fix this system.

There are some differences in philosophies. We heard the gentleman talking about the PAYGO, their version of PAYGO, our version of PAYGO, that the basis of that philosophical difference is we do not believe fiscal discipline in Washington should come from tax increases. We believe fiscal discipline in Washington should come from spending cuts. And when we have the PAYGO system, much like what we have had in the past, history already shows that it puts a bias in the law for tax increases, not spending cuts.

So what we want to accomplish, because we believe this, we want the discipline, we want the inertia, we want the pressure to be on controlling spending, not raising taxes. There is the big philosophy difference.

But going down the road of the system we have here in Washington, Mr. Speaker, I would argue that we have this thing in place since 1974; and since 1974, Washington has had a horrible record of getting its handle on our budgets, when Republicans ran things and when Democrats ran things. For a while in the 1990s, we did a pretty good job, but since then we have not; and I would argue that.

We are doing well in many years, but when we look at a system, for example, that allows some appropriations to come to the floor, say, adding $50 million for a rain forest museum in Coraville, Iowa, and if we want to come to this floor and pass an amendment so that we can do so on behalf of our taxpayer constituents to say I do not think we should pay $50 million for a rain forest museum in Coraville, Iowa, I have an amendment to strike that proposal. We could pass that amendment. But by the rules of this institution from the 1974 Budget Act, that $50 million would have to be re-spent somewhere else in the Federal Government. It could not be saved. That is ridiculous. That is just one example of how crazy this budget system is that we have today.

Another crazy example of these rules is when we pass budgets, and we really work hard on passing these budget resolutions, as soon as we pass these budget resolutions, they amount to nothing more than mere guidelines. They are not actual, enforceable budgets. They do not take the force of law.

What we propose today, through an amendment and through a couple of substitutes, is that when we actually pass a budget here, it means something. We stick to it. We enforce it. It is honest. It is going to work. It is going to happen. That is not what happens today.

So we want to have a budget process that is done at the beginning of the budget process where the President signs it into law, and because the budget becomes law, it therefore is enforceable so that we can make sure we stick to the budget, that we plan the finances of this country so that we can factor in all the things we need to think about: the level of taxation, the level of debt, the deficits, getting ready for the baby boomer retirement, all of those things so that when we actually pass a budget, it works and it is enforceable. These are not really crazy ideas. These are commonsense ideas to bring common sense to a budget system that is broken.

I would challenge anyone to come to the floor and argue on behalf of this current budget system to say that this is the epitome of common sense, that this thing works right as it should. We have not changed this system since 1974. It is high time we changed it. We are going to have a lot of amendments to try to do that. We are going to have some big substitute votes on big bills to do that. This is the product of a collaborative work. It is a product of Democrats and Republicans. It is a product that needs to come to this floor. It is a product that needs to pass into law so that we bring common sense back to our budget process.

Ms. SLAUGHTER. Mr. Speaker, I yield 3½ minutes to the gentleman from Illinois (Mr. EMANUEL).

Mr. EMANUEL. Mr. Speaker, I thank my colleague from Rochester for yielding me this time.

Mr. Speaker, I rise in strong support of the gentleman from South Carolina (Mr. SPRATT) and the Democratic substitute.

It would have made incredible common sense to deal with the budget reform before voting on the budget. But that kind of common sense regularly escapes the majority, and that is why there has been a 4-month impasse on their budget between the two Chambers, their party.

The truth is this Congress has been on a recess on dealing with the crisis that is facing the American people for the last year dealing with health care costs, college costs, and retirement savings problems. You are scared to be honest with the American people about the fact that you have been on a recess. But given how they feel about this Congress and given the fact that they have given you a failing grade so far, none of these Hail Mary passes is going to confuse them about where you are and what you have done in addressing their health care crisis, their college education crisis, and their savings crisis.

This bill ignores the advice of Chairman Greenspan, who said it would be a grave mistake to let go of the PAYGO budget rules. This bill even ignores the advice of the gentleman from Iowa, chairman of the Committee on the Budget, who said just 2 years ago the PAYGO rules contributed to obtaining the deficits. The chairman voted for those rules in 1997. That vote ensured that we made choices, lived within our means, and were accountable for what we do. Maybe with maturity over the last 2 years, he has decided to change his view on that. It is possible. Or maybe like the rest of us, he got the disease that is rampant in Washington where one is firm in one's opinions, but very flexible on one's principles. That is a possibility too.

The 1990s were good economic times. We created 22 million jobs, raised income for all levels, had more access for the uninsured to health care. College was more accessible to more Americans, and savings were up. We balanced the budget and accumulated surpluses reaching nearly $300 billion. And what we did not do was say that every tax cut is good or every tax cut is bad. We made choices. We made choices on spending.

In the 1993 budget, we cut taxes for the middle class, and we also reduced spending. In 1997 we cut taxes for people earning $100,000 and, yes, gave them the first-ever $500-per-child tax cut. And we made choices by investing in children's health care, investing in the environment, investing in Medicaid, and also investing in people's retirement and strengthening our Social Security system.

But your economic plan has led to $3 trillion in additional debt, an annual budget deficit of $500 billion, 44 million Americans without health insurance, 2 million more middle-class families who have moved from the middle class to poverty, and the highest rate of foreclosures in the last 3 years on personal bankruptcy. You have turned your back on what worked in the 1990s.

And let me add one additional point. The majority party in the 1990 budget did not vote for it. It took Democratic votes that put us on the path to fiscal discipline. The majority party in 1993 contributed not a single vote that built on the 1990 agreement that also reduced the deficit and put us on the path to a balanced budget. You did not become a player in deficit discipline until 1997 with that agreement, which was the last yard.

So let us not rewrite history here. Some of us do not have a foggy memory of what happened in the 1990 agreement, the 1993 agreement. We made choices and difficult choices, and some sat on the sidelines and were really good critics.

Mr. Speaker, this so-called budget process bill says hands off when it comes to making the tough choices, and it says that we do not have the political courage to make those choices.

We must make choices when it comes to tax cuts and spending and be honest with the American people, but it takes both to deal with putting our fiscal house back in order.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 6 minutes to the gentleman from Texas (Mr. HENSARLING), a member of the Committee on the Budget and also a leader on budget reform.

Mr. HENSARLING. Mr. Speaker, I thank the gentleman for yielding me this time.

I think this is an incredibly important debate that this House needs to have today. Not only is it a critically important debate to have; but, frankly, it reduces itself down to a very simple debate to have. Simple perhaps, not easy.

The simple proposition is this: Do we believe there should be any limit to government? It is a very simple proposition. Do we believe that there should be any limit to government whatsoever?

Many in this body do not believe it. Many do, however. Many know the struggles and challenges that families face. Some of us believe that it is time to protect the family budget from the Federal budget.

Since I have been alive, the Federal budget has grown seven times faster than the family budget when measured by median worker income. Seven times faster. I believe that is an unsustainable and unconscionable growth rate.

The government is now spending over $20,000 per American household for only the fourth time in the entire history of our Nation and for the first time since World War II. That figure is up from $16,000 per household just 5 short years ago, just 5 short years ago. This represents the largest expansion of the Federal Government in 50 years. At what point do we say enough is enough? I know the Founding Fathers believed in limited government. The question is do we believe in limited government?

There is going to be a bill. There are going to be a number of substitutes. There are going to be a number of amendments. But all of them are going to reduce down to two simple propositions: Should the family budget be protected from the Federal budget? Do we believe in limited government? And second of all, once we pass a budget, will we abide by that budget? Will we live by that budget like American families do each and every day? Because we cannot have unlimited government and unlimited opportunity.

Many of us believe strongly that we must have unlimited opportunity. It would be wonderful if all of this government spending magically turned into love and happiness and kindness; and, indeed, there is much great work done by the Federal Government. But, indeed, there is also much waste and much fraud and much abuse and much duplication. And I fear until we limit, limit, the growth of government, that this body will not take the steps necessary to protect the family budget from the Federal budget and root this out.

Up until recently, Medicare would routinely pay three, four, five times as much for a wheelchair as the VA did and had for years. Why? Because one would competitively bid and the other would not. The Department of the Interior maintains approximately 31,000 Web sites, almost one for every two employees. Does this meet the reasonableness test? I do not believe so.

In the last year of the Clinton administration, HUD spent over 10 percent of their budget, $3 billion, paying out payments to people who did not even qualify for the program. We spent over $800,000 for one toilet in one national park, and it did not even work.

My point is we are just scratching the surface here. When we begin to look at the 10,000 Federal programs spread across 500, 600 government agencies, we discover that they routinely waste 5, 10, 15, perhaps 20, percent of their taxpayer-funded budgets and have for years.

This money is not free. It is not ours. It belongs to the families of America. And when we take it away from their kitchen tables to fund our programs, what are we taking away from them? Maybe the opportunity for them to buy a computer, a home computer, to further the education of their children. Maybe it is that first downpayment on a home. Maybe it is a couple months of child care.

We must limit the size, the scope, the power, and the expense of the Federal Government. And this is what this legislation is all about. So no matter how many different ways people try to obfuscate it and try to make it confusing and cumbersome, it boils down to one simple proposition: Do we believe in limited government, or do we not believe in limited government? And that is why we need this rule for this very critical debate to go forward.

I know, from listening to the debate on the other side, what we will hear all day. We will hear about Draconian cuts in the budget. As I read the legislation, government is still going to grow under every single amendment. Government will still grow. All we are saying is that maybe, just maybe, the government budget should not grow faster than the family budget.

And we hear so much about how tax relief is causing these massive deficits.

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Well, it is interesting, when we actually look at the numbers, and last year's budget, which was a 10-year budget, we had almost $27 trillion of spending compared to $350 billion of tax relief. Now, if we buy into the opposition's argument, that tax relief represents a government expenditure, if we do the math, we figure out that the tax relief is roughly 1.5 percent of the spending. We could take it all the way and make no dent in the challenge whatsoever.

I continue to be perplexed why people who talk so much about their concern for the deficit will focus all of their rhetoric on 1 percent of the challenge and ignore 99 percent of the challenge, which is on the spending side. And, by the way, tax relief is proven to be part of the solution and not part of the problem.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. FATTAH).

Mr. FATTAH. Mr. Speaker, I thank the gentlewoman for yielding me this time.

If the American people want to buy more of what we just heard, they are going to get a chance in November. But if they want to really think about the fiscal future of this country, then think about how we have moved from hundreds of billions of surpluses to hundreds of billions of deficits. Think about what Treasury Secretary O'Neill said in his book when he raised the concern about this deficit spending by the majority and by the Republican party.

He said that Vice President CHENEY said, oh, do not worry about deficits. It did not hamper Reagan, when we quadrupled the national debt. Now we are raising the debt limit 3 times, up to $8 trillion, so that our children and our grandchildren will have to pay for the cost of our expenditures.

And he said well, we do not want to have PAYGO affect tax cuts, we just want it on the spending side because it is philosophical. Well, it was philosophical about whether the earth was flat or not, or round. The facts are stubborn things, Reagan said, and I remember that. Because when we think about the real facts: 44 million Americans without health insurance, millions without jobs, a 50-year high on mortgage foreclosures, an historic high the third year in a row on personal bankruptcies.

This majority has controlled spending and tax cuts for the last 10 years. They come on the floor and want to blame it on what they affectionately refer to as "the other side." Where is the willingness to be accountable, to take responsibility for their own actions?

The majority has decided to take this country on a course of fiscal irresponsibility. What we need to really think about now is whether we want to continue to go in that direction, whether we want to continue to have future generations having to pay for the choices we are making today, or whether we are prepared to pay for our own choices.

Mr. HASTINGS of Washington. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee (Mr. TANNER).

Mr. TANNER. Mr. Speaker, I come over here with a degree of sadness, because the rule prohibits the consideration of the Blue Dog substitute on budget enforcement.

The gentleman from Wisconsin (Mr. RYAN) made a speech a while ago that I could not say any better about why the Blue Dog budget enforcement ought to be passed. My other young friend talked about spending. If we want to talk about wasteful spending, let me just talk about it for a second.

In July of 2002, the debt ceiling in this country was raised $450 billion. On Memorial Day weekend last year, it was raised another $980 billion. The other night in the defense bill, we had to raise it again, $650-plus. In the last 3 years, the debt of this country, the debt ceiling has been raised over $2 trillion. At 5 percent interest, what we have done following this economic game plan is raise taxes $100 billion a year every year, and my Republican colleagues want to talk about wasteful spending. I can think of nothing more wasteful than interest, because we get no health care, no military, no education, no nothing.

But it is even worse than that. Years ago, when we heard about the GDP, percentage of GDP and the deficit, they said, do not worry about it. Do my colleagues know who was buying our debt then? Americans. Do my colleagues know who is financing our debt now? Seventy percent of our debt last year was financed by foreign interests.

I am telling all of my colleagues, sooner or later, the hocking of this country to anybody in the world that will buy our paper is going to, if it is not already, become a national security issue. We are going to not only do a generational mugging on our children and grandchildren by what we are doing here now, but we are going to put future policymakers in a position where there will be leverage on them by foreign powers who do not see the world the same way the United States does in such a way that it is going to be a national security problem for them.

I can think of no other better way to control spending than to apply PAYGO to tax cuts. Do my colleagues know why? Because then, when we cut taxes, we have to cut spending. Now, we cut taxes, and I voted for some of them, but we did not cut spending. Spending keeps going up. If we are really serious about cutting spending, apply pay-go to both. Then we will have to cut spending when we cut taxes, and that is what the Blue Dog budget enforcement has in it. Without that, all we are hearing is rhetoric, rhetoric, rhetoric.

It has not worked. It will not work. And I tell my colleagues, when the American people find out what is going on here, I think they are going to be not only disappointed, but appalled.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Speaker, I would like to respond to some of the things that were just said.

First of all, I happen to believe that PAYGO rules ought to apply to tax cuts, too. But this is all about the politics of the possible, and we cannot get that done this year. So we can take this step this year, this day to begin to constrain Federal spending.

Let me also respond to something else. Our friends on the left cannot have it both ways. They cannot say, well, we need to invest in this program and that program and this program for people, and if we put more money into education, the argument is we will get it back ten-fold, but we do not want to pay any interest on that money. We cannot have it both ways. Fifty-five percent of what we will spend this year will be for what are called entitlement programs, and many of those entitlement programs were sold as investments in people. Now we are being told, but we get no return on that investment. This is just an expenditure, and it is lost forever.

So as we debate this, I know that people are going to come at this from different perspectives, but let us try to at least be honest with ourselves. We have a system right now, and the rules and the way the system works encourages more and more spending.

The debate today simply is about this: are we going to enforce the budgets that we pass here in the House and are we going to change the rules to give the taxpayers an even break? That is what the debate is about today. We can debate all of those other issues some other day. But we need support on both sides of the aisle to make certain that the American people understand that we are going to enforce the budgets we pass in the House.

We are the keepers of the public purse. We are going to enforce those budgets, and we are going to begin to amend the rules to make it more difficult to spend more than we take in.

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, back in 1990, Congress instituted the pay-as-you-go rules with bipartisan support, including the support of the first President Bush. However, those rules were based on the principle that if you are digging yourself deeper into a hole, the first thing you do is stop digging. And the 1990 rules which required that both mandatory spending increases and tax cuts be offset helped keep the deficit hole from getting deeper, and eventually helped produce record budget surpluses.

Unfortunately, my colleagues on the other side of the aisle evidently have completely forgotten this sound concept. The Republican bill we debate here today is a deeply flawed and ineffective version of the earlier pay-as-you-go requirements. Specifically, this legislation lets the Congress keep digging deeper to make the deficit bigger. By covering only mandatory spending, tax cuts would not have to be paid for, and entitlement increases would ultimately have to be paid for by cutting other entitlements. That is Social Security, Medicare, and Medicaid. In essence, this is the way in which they mask the dismantling of entitlement priorities.

In addition, the measured spending caps would be set at unrealistically low levels, which would lead either to devastating cuts in domestic spending, in education, in health care, in research, or, to the ignoring of the caps. RECORD deficits are not due to discretionary spending. If we eliminated all nondefense discretionary spending, we would not eliminate the anticipated fiscal year budget deficit of $478 billion, all nondefense discretionary spending. Forget about it. Eliminate it all. We still would not take care of the deficit.

So since most Federal benefits for low and middle class people are provided through entitlement programs, and most government subsidies for high-income individuals and corporations are in the Tax Code, this measure would then turn the policy practice on its head in favor of the affluent and against the low and middle income families of this country.

The bill was designed so that the new spending caps would be set at discretionary spending levels contained in the conference report on the budget resolution, which calls for cutting domestic discretionary programs outside of homeland security by $77 billion over the next 5 years.

Unlike the caps imposed in the 1990s, the new caps require much deeper cuts and would not be part of a balanced deficit reduction package that puts every part of the budget, every part of the budget on the table and calls for shared sacrifice.

Finally, on this rule, Republicans clearly are afraid of the views expressed on this side of the aisle that everything must be on the table when there are 19 amendments and 17 are Republican, and leading democratic voices who are known in this Congress are not given the opportunity to present on these issues. It is shameful. The rule needs to be voted down, as does the bill.

Mr. HASTINGS of Washington. Mr. Speaker, I am very pleased to yield 4 minutes to the gentleman from Florida (Mr. YOUNG), the distinguished chairman of the Committee on Appropriations.

Mr. YOUNG of Florida. Mr. Speaker, I am going to vote for this rule, but I do not support it. I do not think it is a good rule. I want to explain in just the couple of minutes that I have why that is the case.

First, I think I should make it known, especially to Members on my side of the aisle who have heard recently that I have been opposing budgetary caps, that that is not true. I do not oppose caps on the budget. To the contrary, my colleagues have heard me here on the floor many times saying that I need a budget. I cannot help it that the budget committees cannot get together and give us a real budget, but I need a budget to have discipline in the committee when there are amendments on the floor to raise spending by billions of dollars. So I need a budget with a budget cap.

However, I will not support statutory budget caps. This rule provides for a bill that provides for statutory budget caps. The reason I will not support statutory budget caps is very simple. It goes beyond politics, it goes beyond the House and the Senate. It is the Constitution of the United States that has established checks and balances by separation of powers. The budget process is the responsibility and the jurisdiction of the Congress of the United States. Statutory budget caps put the executive branch into the mix. We would be hearing from OMB on a daily basis that they cannot accept this or they cannot accept that; that you are going to have to do it our way, or we will not sign the bill. That is what statutory budget caps are going to do to this process.

The current process is already unworkable. We need real budget process reform, but we need budget process reform that is going to work. And the budget process that we are working under today does not work.

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We do not have a budget, and that is an example that the current process does not work. But let me say this: when we have had a real budget resolution, the Committee on Appropriations stays within their cap. Discretionary spending has not exceeded the budget caps since this gentleman has been chairman of the committee.

Where Congress ought to be looking is mandatory programs, because mandatory spending, which is basically two-thirds of all government spending, is the spending that runs us deeper into debt every year.

So I do not think the bill that this rule provides consideration for is a good bill. And I do not intend to support the bill. But I am going to vote for this rule, although I do not really agree with what it does. But in order to get the bill on the floor so the House can work its will, I will vote for the rule, but not for this bill.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge Members to vote "no" on the previous question. If the previous question is defeated, I will offer an amendment to the rule that will allow the House to vote on an important substitute amendment that was not allowed under the rule.

This substitute by the gentleman from Texas (Mr. STENHOLM), the gentleman from Utah (Mr. MATHESON), the gentleman from California (Mr. THOMPSON), the gentleman from Indiana (Mr. HILL), the gentleman from Kansas (Mr. MOORE), and the gentleman from Tennessee (Mr. TANNER) would reinstate for 2 years the provisions of the Budget Enforcement Act.

It also provides for pay-as-you-go rules for legislation that increases the deficit, sets discretionary spending limits, and calls for a separate vote to consider legislation that would increase those discretionary spending limits or waive the PAYGO requirement.

It is certainly worthy of discussion and a vote in this debate on the House budget process. Unfortunately, the Republican leadership blocked this amendment, and it was voted down in the Committee on Rules early this morning on a straight party-line vote.

When asked why so few or no Democrat amendments were allowed, the Chair of the Committee on Rules said, Because we are the majority.

Mr. Speaker, there are few Members in this House who have worked as hard and long to improve the budget process and control the deficit, as has the gentleman from Texas (Mr. STENHOLM); yet he was denied an opportunity after his thoughtful and responsible substitute. Three Republican substitutes were made in order under the rule and 15 other amendments, but the amendment of the gentleman from Texas (Mr. STENHOLM) was arbitrarily denied.

It seems that every time we get on the floor to do a rule, the other side talks about how fair and balanced their rule is. Well, there is nothing fair and balanced about shutting out of the budget reform debate one of the House's experts on this matter. If one does not support the Stenholm substitute, one does not have to vote for it, but at least let it come before the House for a debate in an up-or-down vote.

I urge Members on both sides of the aisle to vote "no" on the previous question. Let me make it clear that a "no" vote will not stop the House from taking up the Spending Control Act and will not prevent any of the amendments made in order by the rule from being offered. However, a "yes" vote will preclude the House from consideration of the Stenholm substitute, a substitute that would add greatly to this process.

So do the right thing, please vote "no" on the previous question. Mr. Speaker, I ask unanimous consent to insert the text of the amendment into the CONGRESSIONAL RECORD immediately prior to the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. SLAUGHTER. Mr. Speaker, again, vote "no" on the previous question.

Mr. Speaker, I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a serious issue, and it is one that needs to be debated as we can see by the debate that we have had here simply on the rule. We expect a more vigorous debate as the issues are presented and as amendments are offered.

Mr. Speaker, I urge a "yes" vote on the previous question.

The material previously referred to by Ms. SLAUGHTER is as follows:

PREVIOUS QUESTION FOR H. RES. 692—RULE ON H.R. 4663 SPENDING CONTROL ACT OF 2004

At the end of the resolution, add the following:

"SEC. 2. Notwithstanding any other provision of this resolution the amendment specified in section 3 shall be in order as though printed after the amendment numbered 17 in the report of the Committee on Rules if offered by Representative Stenholm of Texas or a designee. That amendment shall be debatable for 60 minutes equally divided and controlled by the proponent and an opponent.

"SEC. 3. The amendment referred to in section 2 is as follows:

AMENDMENT TO H.R. 3973, AS REPORTED

OFFERED BY MR. STENHOLM OF TEXAS, MR. MATHESON OF UTAH, MR. THOMPSON OF CALIFORNIA, MR. HILL OF INDIANA, MR. MOORE OF KANSAS, OR MR. TANNER OF TENNESSEE

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Living Within Our Means Act of 2004".

TITLE I—REINSTATING AND STRENGTHENING BUDGET ENFORCEMENT

SEC. 101. EXTENSION OF THE DISCRETIONARY SPENDING CAPS.

(a) DISCRETIONARY SPENDING LIMITS.—(1) Section 251(c)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by inserting a dash after "2005", by redesignating the remaining portion of such paragraph as subparagraph (D) and by moving it two ems to the right, and by inserting after the dash the following new subparagraphs:

"(A) for the general purpose discretionary category: $819,697,000,000 in new budget authority and $862,247,000,000 in outlays;

"(B) for the highway category: $30,585,000,000 in outlays; and

"(C) for the mass transit category: $1,554,000,000 in new budget authority and $6,787,000,000 in outlays; and".

(2) Section 251(c)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by inserting a dash after "2006", by redesignating the remaining portion of such paragraph as subparagraph (D) and by moving it two ems to the right, and by inserting after the dash the following new subparagraphs:

"(A) for the general purpose discretionary category: $837,271,000,000 in new budget authority and $853,170,000,000 in outlays;

"(B) for the highway category: $33,271,000,000 in outlays; and

"(C) for the mass transit category: $1,671,000,000 in new budget authority and $7,585,000,000 in outlays; and".

(b) ADVANCE APPROPRIATIONS.—(1) Section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by inserting at the end the following new subsection:

"(d) ADVANCE APPROPRIATIONS.—In fiscal years 2005 through 2009, the total amount of discretionary advance appropriations provided in appropriation Acts shall not exceed $23,158,000. Any amount enacted in excess of such amount shall be counted against the discretionary spending limits for the fiscal year for which the appropriation Act containing the advance appropriation is enacted.".

(2) Section 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new paragraph:

"(20) The term 'advance appropriation' refers to the following budget accounts or portions thereof that become available one fiscal year or more beyond the fiscal year for which the appropriation Act making such funds available is enacted:

"(A) 89-5428-0-2-0271 (Elk Hills);

"(B) 16-0174-1-504 (Training and Employment Services);

"(C) 91-0900-01-501 (Education for the Disadvantaged);

"(D) 91-1000-01-501 (School Improvement);

"(E) 75-1536-0-1-506 (Children and Family Services (Head Start));

"(F) 91-0300-0-1-501 (Special Education);

"(G) 91-0400-0-1-501 (Vocational and Adult Education);

"(H) 18-1001-0-1-372 (Payment to the Postal Service Fund); or

"(I) 86-0319-0-1-604 (Housing Certificate Fund (Section 8 Renewal).".

(c) EXPIRATION.—Section 275 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 note) is amended by striking subsection (b).

(b) DEFINITIONS.—Section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in subparagraph (B), by—

(A) striking "the Transportation Equity Act for the 21st Century and the Surface Transportation Extension Act of 2003" and inserting "the Transportation Equity Act: A Legacy for Users"; and

(B) inserting before the period at the end the following new clauses:

"(v) 69-8158-0-7-401 (Motor Carrier Safety Grants).

"(vi) 69-8159-0-7-401 (Motor Carrier Safety Operations and Programs).";

(2) in subparagraph (C), by—

(A) inserting "(and successor accounts)" after "budget accounts"; and

(B) striking "the Transportation Equity Act for the 21st Century and the Surface Transportation Extension Act of 2003 or for which appropriations are provided pursuant to authorizations contained in those Acts (except that appropriations provided pursuant to section 5338(h) of title 49, United States Code, as amended by the Transportation Equity Act for the 21st Century, shall not be included in this category)" and inserting "the Transportation Equity Act: A Legacy for Users or for which appropriations are provided pursuant to authorizations contained in that Act"; and

(3) in subparagraph (D)(ii), by striking "section 8103 of the Transportation Equity Act for the 21st Century" and inserting "section 8103 of the Transportation Equity Act: A Legacy for Users".

SEC. 102. ADJUSTMENTS TO ALIGN HIGHWAY SPENDING WITH REVENUES.

Subparagraphs (B) through (E) of section 251(b)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 are amended to read as follows:

"(B) ADJUSTMENT TO ALIGN HIGHWAY SPENDING WITH REVENUES.—(i) When the President submits the budget under section 1105 of title 31, United States Code, OMB shall calculate and the budget shall make adjustments to the highway category for the budget year and each outyear as provided in clause (ii)(I)(cc).

"(ii)(I)(aa) OMB shall take the actual level of highway receipts for the year before the current year and subtract the sum of the estimated level of highway receipts in subclause (II) plus any amount previously calculated under item (bb) for that year.

(bb) OMB shall take the current estimate of highway receipts for the current year and subtract the estimated level of receipts for that year.

"(cc) OMB shall add one-half of the sum of the amount calculated under items (aa) and (bb) to the obligation limitations set forth in the section 8103 of the Transportation Equity Act: A Legacy for Users and, using current estimates, calculate the outlay change resulting from the change in obligations for the budget year and the first outyear and the outlays flowing therefrom through subsequent fiscal years. After making the calculations under the preceding sentence, OMB shall adjust the amount of obligations set forth in that section for the budget year and the first outyear by adding one-half of the sum of the amount calculated under items (aa) and (bb) to each such year.

"(II) The estimated level of highway receipts for the purposes of this clause are—

"(aa) for fiscal year 2004, $30,572,000,000;

"(bb) for fiscal year 2005, $34,260,000,000;

"(cc) for fiscal year 2006, $35,586,000,000;

"(dd) for fiscal year 2007, $36,570,000,000;

"(ee) for fiscal year 2008, $37,603,000,000; and

"(ff) for fiscal year 2009, $38,651,000,000.

"(III) In this clause, the term 'highway receipts' means the governmental receipts credited to the highway account of the Highway Trust Fund.

"(C) In addition to the adjustment required by subparagraph (B), when the President submits the budget under section 1105 of title 31, United States Code, for fiscal year 2006, 2007, 2008, or 2009, OMB shall calculate and the budget shall include for the budget year and each outyear an adjustment to the limits on outlays for the highway category and the mass transit category equal to—

"(i) the outlays for the applicable category calculated assuming obligation levels consistent with the estimates prepared pursuant to subparagraph (D), as adjusted, using current technical assumptions; minus

"(ii) the outlays for the applicable category set forth in the subparagraph (D) estimates, as adjusted.

"(D)(i) When OMB and CBO submit their final sequester report for fiscal year 2004, that report shall include an estimate of the outlays for each of the categories that would result in fiscal years 2005 through 2009 from obligations at the levels specified in section 8103 of the Transportation Equity Act: A Legacy for Users using current assumptions.

"(ii) When the President submits the budget under section 1105 of title 31, United States Code, for fiscal year 2006, 2007, 2008, or 2009, OMB shall adjust the estimates made in clause (i) by the adjustments by subparagraphs (B) and (C).

"(E) OMB shall consult with the Committees on the Budget and include a report on adjustments under subparagraphs (B) and (C) in the preview report.".

SEC. 103. LEVEL OF OBLIGATION LIMITATIONS.

(a) HIGHWAY CATEGORY.—For the purposes of section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, the level of obligation limitations for the highway category is—

(1) for fiscal year 2004, $34,309,000,000;
(2) for fiscal year 2005, $35,671,000,000;
(3) for fiscal year 2006, $36,719,000,000;
(4) for fiscal year 2007, $37,800,000,000;
(5) for fiscal year 2008, $38,913,000,000; and
(6) for fiscal year 2009, $40,061,000,000.

(b) MASS TRANSIT CATEGORY.—For the purposes of section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, the level of obligation limitations for the mass transit category is—

(1) for fiscal year 2004, $7,266,000,000;
(2) for fiscal year 2005, $7,750,000,000;
(3) for fiscal year 2006, $8,266,000,000;
(4) for fiscal year 2007, $8,816,000,000;
(5) for fiscal year 2008, $9,403,000,000; and
(6) for fiscal year 2009, $10,029,000,000.

For purposes of this subsection, the term "obligation limitations" means the sum of budget authority and obligation limitations.

SEC. 104. REVENUE ADJUSTMENT.

If an amendment is designated to be used to offset a decrease in receipts for a fiscal year pursuant to section 316(c)(1)(D) or section 317(c)(1)(D) of the Congressional Budget Act of 1974, then the applicable level of revenues for such fiscal year for purposes of section 311(a) of such Act shall be reduced by the amount of such amendment.

SEC. 105. EXTENSION OF PAY-AS-YOU-GO REQUIREMENT.

(a) PURPOSE.—Section 252(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "2002" and inserting "2009".

(b) SEQUESTRATION.—Section 252(b)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "2002" and inserting "2009".

SEC. 106. REPORTS.

Subsections (c)(2) and (f)(2)(A) of section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 are amended by striking "2002" and inserting "2009".

SEC. 107 EXPIRATION.

Section 275(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "2002" and inserting "2009" and by striking "2006" and inserting "2013".

SEC. 108 AUTOMATIC BUDGET ENFORCEMENT FOR MEASURES CONSIDERED ON THE FLOOR.

(a) IN GENERAL.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

"BUDGET EVASION POINTS OF ORDER

"SEC. 316. (a) DISCRETIONARY SPENDING CAPS.—It shall not be in order in the House of Representatives to consider any bill or resolution (or amendment, motion, or conference report on that bill or resolution) that waives or suspends the enforcement of section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 or otherwise would alter the spending limits set forth in that section.

"(b) PAY-AS-YOU-GO.—It shall not be in order in the House of Representatives or the Senate to consider any bill or resolution (or amendment, motion, or conference report on that bill or resolution) that waives or suspends the enforcement of section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 or otherwise would alter the balances of the pay-as-you-go scorecard pursuant to that section.

"(c) DIRECTED SCORING.—It shall not be in order in the House of Representatives or the Senate to consider any bill or resolution (or amendment, motion, or conference report on that bill or resolution) that directs the scorekeeping of any bill or resolution.

"(d) FAR-OUTYEARS.—It shall not be in order in the House of Representatives or the Senate to consider any bill or resolution (or amendment, motion, or conference report on that bill or resolution) that contains a provision providing new budget authority or which reduces revenues which first takes effect after the first five fiscal years covered in the most recently adopted concurrent resolution on the budget and would have the effect of reducing the surplus or increasing the deficit in any fiscal year.

"(e) ENFORCEMENT IN THE HOUSE OF REPRESENTATIVES.—(1) It shall not be in order in the House of Representatives to consider a rule or order that waives the application of this section.

"(2)(A) This subsection shall apply only to the House of Representatives.

"(B) In order to be cognizable by the Chair, a point of order under this section must specify the precise language on which it is premised.

"(C) As disposition of points of order under this section, the Chair shall put the question of consideration with respect to the proposition that is the subject of the points of order.

"(D) A question of consideration under this section shall be debatable for 10 minutes by each Member initiating a point of order and for 10 minutes by an opponent on each point of order, but shall otherwise be decided without intervening motion except one that the House adjourn or that the Committee of the Whole rise, as the case may be.

"(E) The disposition of the question of consideration under this subsection with respect to a bill or joint resolution shall be considered also to determine the question of consideration under this subsection with respect to an amendment made in order as original text.".

(b) TABLE OF CONTENTS.—The table of contents for the Congressional Budget Act of 1974 is amended by inserting after the item for section 315 the following:

"Sec. 316. Budget evasion points of order.".

SEC. 109. REQUIREMENTS FOR BUDGET ACT WAIVERS IN THE HOUSE OF REPRESENTATIVES.

(a) JUSTIFICATION FOR BUDGET ACT WAIVERS.—Clause 6 of rule XIII of the Rules of the House of Representatives is amended by adding at the end the following new paragraph:

"(h) It shall not be in order to consider any resolution from the Committee on Rules for the consideration of any reported bill or joint resolution which waives section 302, 303, 311, or 401 of the Congressional Budget Act of 1974, unless the report accompanying such resolution includes a description of the provision proposed to be waived, an identification of the section being waived, the reasons why such waiver should be granted, and an estimated cost of the provisions to which the waiver applies.".

(b) SEPARATE VOTE TO WAIVE MAJOR BUDGET ACT POINT OF ORDER.—(1) Section 905 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

"(h)(1) It shall not be in order in the House of Representatives to consider a rule or order that waives the application of a major budget act point of order as defined in paragraph (2).

"(2) For the purposes of this subsection, the term 'major budget point of order' means any point of order arising under any section listed in section 904.

"(3)(A) In order to be cognizable by the Chair, a point of order under the sections referenced in paragraph (2) must specify the precise language on which it is premised.

"(B) As disposition of points of order under the sections referenced in paragraph (2), the Chair shall put the question of consideration with respect to the proposition that is the subject of the points of order.

"(C) A question of consideration under the sections referenced in paragraph (2) shall be debatable for 10 minutes by each Member initiating a point of order and for 10 minutes by an opponent on each point of order, but shall otherwise be decided without intervening motion except one that the House adjourn or that the Committee of the Whole rise, as the case may be.

"(D) The disposition of the question of consideration under this subsection with respect to a bill or joint resolution shall be considered also to determine the question of consideration under this subsection with respect to an amendment made in order as original text.".

SEC. 110. CBO SCORING OF CONFERENCE REPORTS.

(a) The first sentence of section 402 of the Congressional Budget Act of 1974 is amended as follows:

(1) Insert "or conference report thereon," before and submit".

(2) In paragraph (1), strike "bill or resolution" and insert "bill, joint resolution, or conference report".

(3) At the end of paragraph (2) strike "and", at the end of paragraph (3) strike the period and insert "; and", and after such paragraph (3) add the following new paragraph:

"(4) A determination of whether such bill, joint resolution, or conference report provides direct spending.".

(b) The second sentence of section 402 of the Congressional Budget Act of 1974 is amended by inserting before the period the following: ", or in the case of a conference report, shall be included in the joint explanatory statement of managers accompanying such conference report if timely submitted before such report is filed".

TITLE II—INCREASED AND ACCOUNTABILITY AND INFORMATION IN CONGRESSIONAL BUDGET PROCESS

SEC. 201. DISCLOSURE OF INTEREST COSTS.

Section 308(a)(1) of the Congressional Budget Act of 1974 (2 U.S.C. 639(a)(1)) is amended—

(1) in subparagraph (B), by striking "and" after the semicolon;

(2) in subparagraph (C), by striking the period and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(D) containing a projection by the Congressional Budget Office of the cost of the debt servicing that would be caused by such measure for such fiscal year (or fiscal years) and each of the four ensuing fiscal years.".

SEC. 202. ACCOUNTABILITY IN EMERGENCY SPENDING.

(a) OMB EMERGENCY CRITERIA.—Section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end the following new paragraph:

"(11)(A) The term 'emergency' means a situation that—

"(i) requires new budget authority and outlays (or new budget authority and the outlays flowing therefrom) for the prevention or mitigation of, or response to, loss of life or property, or a threat to national security; and "(ii) is unanticipated.

"(B) As used in subparagraph (A), the term 'unanticipated' means that the situation is—

"(i) sudden, which means quickly coming into being or not building up over time;

"(ii) urgent, which means a pressing and compelling need requiring immediate action;

"(iii) unforeseen, which means not predicted or anticipated as an emerging need; and

"(iv) temporary, which means not of a permanent duration.".

(b) Development of Guidelines for Application of Emergency Definition.—Not later than five months after the date of enactment of this Act, the chairmen of the Committees on the Budget (in consultation with the President) shall, after consulting with the chairmen of the Committees on Appropriations and applicable authorizing committees of their respective Houses and the Directors of the Congressional Budget Office and the Office of Management and Budget, jointly publish in the Congressional Record guidelines for application of the definition of emergency set forth in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974.

(c) Contingency Operations Related to Global War on Terrorism.—Section 251(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new subparagraph:

"(I) Contingency operations related to global war on terrorism.—If supplemental appropriations for discretionary accounts are enacted for contingency operations related to the global war on terrorism that, pursuant to this subparagraph, the President designates as a contingency operation related to the global war on terrorism and the Congress so designates in statute, the adjustment shall be the total of such appropriations in discretionary accounts so designated and the outlays flowing in all fiscal years from such appropriations.".

(d) Separate House Vote on Emergency Designation.—(1) Rule XXII of the Rules of the House of Representatives is amended by adding at the end the following new clause:

"13. In the consideration of any measure for amendment in the Committee of the Whole containing any emergency spending designation, it shall always be in order unless specifically waived by terms of a rule governing consideration of that measure, to move to strike such emergency spending designation from the portion of the bill then open to amendment.".

(2) The Committee on Rules shall include in the report required by clause 1(d) of rule XI (relating to its activities during the Congress) of the Rules of the House of Representatives a separate item identifying all waivers of points of order relating to emergency spending designations, listed by bill or joint resolution number and the subject matter of that measure.

(e) Committee Notification of Emergency Legislation.—Whenever the Committee on Appropriations or any other committee of either House (including a committee of conference) reports any bill or joint resolution that provides budget authority for any emergency, the report accompanying that bill or joint resolution (or the joint explanatory statement of managers in the case of a conference report on any such bill or joint resolution) shall identify all provisions that provide budget authority and the outlays flowing therefrom for such emergency and include a statement of the reasons why such budget authority meets the definition of an emergency pursuant to the guidelines described in subsection (b).

SEC. 203. APPLICATION OF BUDGET ACT POINTS OF ORDER TO UNREPORTED LEGISLATION.

(a) Section 315 of the Congressional Budget Act of 1974 is amended by striking "reported" the first place it appears.

(b) Section 303(b) of the Congressional Budget Act of 1974 is amended—

(1) in paragraph (1), by striking "(A)" and by redesignating subparagraph (B) as paragraph (2) and by striking the semicolon at the end of such new paragraph (2) and inserting a period; and

(2) by striking paragraph (3).

SEC. 204. BUDGET COMPLIANCE STATEMENTS.

Clause 3(d) of rule XIII of the Rules of the House of Representatives is amended by adding at the end the following new subparagraph:

"(4) A budget compliance statement prepared by the chairman of the Committee on the Budget, if timely submitted prior to the filing of the report, which shall include assessment by such chairman as to whether the bill or joint resolution complies with the requirements of sections 302, 303, 306, 311, and 401 of the Congressional Budget Act of 1974 or any other requirements set forth in a concurrent resolution on the budget and may include the budgetary implications of that bill or joint resolution under section 251 or 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, as applicable.".

SEC. 205. PROJECTIONS UNDER SECTION 257.

Section 257(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by inserting after paragraph (6) the following new paragraph:

"(7) Emergencies.—New budgetary resources designated under section 251(b)(2)(A) or 251(b)(2)(I) shall not be assumed beyond the fiscal year for which they have been enacted.".

SEC. 206. TECHNICAL CORRECTIONS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.

Part C of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended as follows:

(1) In section 250(a), strike "SEC. 256. GENERAL AND SPECIAL SEQUESTRATION RULES" and insert "Sec. 256. General and special sequestration rules" in the item relating to section 256.

(2) In subparagraphs (F), (G), (H), (I), (J), and (K) of section 250(c)(4), insert "subparagraph" after "described in" each place it appears.

(3) In section 250(c)(18), insert "of" after "expenses".

(4) In section 251(b)(1)(A), strike "committees" the first place it appears and insert "Committees".

(5) In section 251(b)(1)(C)(i), strike "fiscal years" and insert "fiscal year".

(6) In section 251(b)(1)(D)(ii), strike "fiscal years" and insert "fiscal year".

(7) In section 252(b)(2)(B), insert "the" before "budget year".

(8) In section 252(c)(1)(C)(i), strike "paragraph (1)" and insert "subsection (b)".

(9) In section 254(c)(3)(A), strike "subsection" and insert "section".

(10) In section 254(f)(4), strike "subsection" and insert "section" and strike "sequesterable" and insert "sequestrable".

(11) In section 255(g)(1)(B), move the fourteenth undesignated clause 2 ems to the right.

(12) In section 255(g)(2), insert "and" after the semicolon at the end of the next-to-last undesignated clause.

(13) In section 255(h)—

(A) strike "and" after the semicolon in the ninth undesignated clause;

(B) insert "and" after the semicolon at the end of the tenth undesignated clause; and

(C) strike the semicolon at the end and insert a period.

(14) In section 256(k)(1), strike "paragraph (5)" and insert "paragraph (6)".

(15) In section 257(b)(2)(A)(i), strike "differenes" and insert "differences".

Mr. HASTINGS of Washington. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. LaTourette). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. SLAUGHTER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this matter will be postponed.

REVISING THE CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2005 AS IT APPLIES IN THE HOUSE OF REPRESENTATIVES

Mr. DeLay. Mr. Speaker, pursuant to the order of the House of June 22, 2004, I call up the resolution (H. Res. 685) revising the concurrent resolution on the budget for fiscal year 2005 as it applies in the House of Representatives, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The text of House Resolution 685 is as follows:

H. Res. 685

Resolved, That the conference report on Senate Concurrent Resolution 95, and the accompanying joint explanatory statement, as made applicable to the House by section 2 of House Resolution 649, shall have force and effect in the House as though such conference report and accompanying statement included the following modifications:

(1) In section 101 (relating to recommended levels and amounts for the budget year):

(A) In paragraph (4) (relating to the deficit), the amount of the deficit for fiscal year 2005 shall be reduced by $4,675,000,000.

(B) In paragraph (1) (relating to Federal revenues), the recommended level of Federal revenues for fiscal year 2005 shall be increased by $12,285,000,000 and the amount by which the aggregate level of Federal revenues should be changed shall be increased by $12,285,000,000.

(C) In paragraph (2) (relating to new budget authority), the appropriate level of total new budget authority for fiscal year 2005 shall be increased by $14,200,000,000.

(D) In paragraph (3) (relating to budget outlays), the appropriate level of total budget outlays for fiscal year 2005 shall be increased by $7,610,000,000.

(2) In section 103 (relating to major functional categories):

(A) In paragraph (1) (relating to National Defense (050)), the amount of new budget authority shall be increased by $1,000,000,000 and the amount of outlays shall be increased by $740,000,000, to improve the quality of life and provide livable housing for military personnel and their families.

(B) In paragraph (5) (relating to Natural Resources and Environment (300)), the amount of new budget authority shall each be increased by $825,000,000 and the amount of outlays shall be increased by $550,000,000, to provide clean water and open spaces for future generations.

(C) In paragraph (6) (relating to Agriculture (350)), the amount of new budget authority shall be increased by $380,000,000 and the amount of outlays shall be increased by $330,000,000, to inspect and secure our Nation's food supply and to improve economic opportunities, infrastructure, and the quality of life for rural Americans.

(D) In paragraph (10) (relating to Education, Training, Employment, and Social Services (500)), the amount of new budget authority shall be increased by $6,075,000,000 and the amount of outlays shall be increased by $2,430,000,000, to create opportunities for our children and young adults, and to address the needs of low-income communities and assist the long-term unemployed.

(E) In paragraph (11) (relating to Health (550)), the amount of new budget authority shall each be increased by $1,370,000,000 and the amount of outlays shall be increased by $530,000,000, to provide health care for children and others in need, control infectious diseases, foster medical research, and alleviate shortages of nurses and other health professionals .

(F) In paragraph (13) (relating to Income Security (600)), the amounts of new budget authority shall each be increased by $250,000,000 and the amount of outlays shall be increased by $170,000,000, to help States provide energy assistance to poor and alleviate the impact of refugees on State and local communities.

(G) In paragraph (15) (relating to Veterans Benefits and Series (700)), the amounts of new budget authority shall each be increased by $1,300,000,000(for a total of $2,500,000,000 above the President's request) and the amount of outlays shall be increased by $1,210,000,000, to maintain quality health care for veterans.

(H) To improve our hometown response capabilities, strengthen our borders and meet our security mandates, amounts of new budget authority and outlays for fiscal year 2005 shall be further modified as follows:

(i) In paragraph (9) (relating to community and regional development (450)), increase new budget authority by $1,200,000,000 and outlays by $240,000,000.

(ii) In paragraph (16) (relating to Administration of Justice (750)), increase new budget authority by $950,000,000 and outlays by $830,000,000.

(iii) In paragraph (8) (relating to Transportation (400)), increase new budget authority by $550,000,000 and outlays by $460,000,000.

(iv) In paragraph (11) (relating to Health (550)), increase new budget authority by $300,000,000 and outlays by $120,000,000.

(3) On page 113 of House Report 108–498, the section 302(a) allocation made to the Committee on Appropriations shall be adjusted by modifying amounts in the table titled "Allocation Spending Authority to House Committees for Budget Year 2005–Committees on Appropriations" as follows:

(A) By increasing the amount for "Discretionary Action: General Purpose: BA" and the amount for "Total Discretionary Action BA:" by $14,2000,000,000.

(B) By increasing the amount for "Discretionary Action: General Purpose: OT" and the amount for "After Section 313 Adjustments of Discretionary OT:" shall each be increased by $7,610,000.

(4) In section 211 (relating to reconciliation in the House of Representatives), by inserting at the end the following new subsection:

"(c) Reduction in Tax Cuts for Taxpayers With Incomes Above $1,000,000.—The Committee on Ways and Means shall also include in the reconciliation bill reported pursuant to subsection (a) changes in tax laws sufficient to increase revenues by $18,900,000,000, to be achieved by reducing or offsetting the tax reductions received during tax year 2005 by taxpayers with adjusted gross income above $1,000,000 for taxpayers filing joint returns and comparable amounts for taxpayers with other filing statuses as a result of the Economic Growth and Tax Relief Reconciliation Act of 2001 and the Jobs and Growth and Tax Relief Reconciliation Act of 2003.".

The SPEAKER pro tempore. Pursuant to the order of the House of Tuesday June 22, 2004, the gentleman from Texas (Mr. DELAY) and the gentlewoman from California (Ms. PELOSI) each will control 45 minutes.

The Chair recognizes the gentleman from Texas (Mr. DELAY).

Mr. DELAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong and, frankly, enthusiastic opposition to this resolution. But I should add I rise in strong and enthusiastic support for its addition to the House calendar this week.

The resolution before us, bravely introduced by the gentleman from Wisconsin (Mr. OBEY), crystallizes the debate in this country between Republicans and Democrats to a degree rarely witnessed in these days of homogenized, air conditioned, political discourse. And for this debate, I thank the gentleman from Wisconsin who, even in an election year, has the courage and confidence to know that vigorous partisan debates between conservatism and liberalism are all together good and healthy for American democracy.

What this resolution before us comes down to is two questions: First, are small business taxes in America too high or too low? And, second, does the Federal Government spend too much money or too little?

Now, if you pay attention, you will notice the proponents of this resolution will speak grandly about the needs for shared sacrifice and will assert that this resolution would only impact taxpayers earning more than $1 million in 2005. It is a clever debating trick, this impression that this tax increase will only get the idle rich to pay their fair share, but it is false. As proponents of this resolution no doubt know, 83 percent of the taxpayers fleeced by this resolution report business income.

Small businesses, Mr. Speaker, sole proprietorships, subchapter S corporations, partnerships, family farms, we are not just talking about the cast of "Friends" here. Instead, we are talking about the people, the entrepreneurs, the risk-takers, the opportunity makers who are creating the jobs that are fueling what is now, beyond dispute, a full-fledged economic recovery. Indeed, these are the exact same taxpayers for whom Democrats just last week proposed cutting taxes. I guess it is just another example of Democrats voting for something before they vote against it.

Mr. Speaker, this resolution is a direct punitive attack against the men and women of American small businesses, against the owners who have risked and invested to compete in the marketplace, against the managers who have generated the economic growth of the last 2 years, and against the new employees who have leapt at the opportunities those owners and managers have created.

Hiking taxes on those small businesses, farmers, doctors, and families would immediately stifle the economic recovery that we are now enjoying, a recovery it must be noted, that is already producing government revenues greater than would have been generated without the Republican tax relief this resolution is trying to undo.

How bad would it be? Estimates suggest damage in the neighborhood of 100,000 lost jobs, $11 billion in lost GDP, and $30 billion in lost family income in just the first 5 years. The 12-digit tax increase that is being proposed, therefore, would only serve to increase government revenues by $19 billion over the next 5 years, and thereby add to the deficits he says he wants to cut, add to them, in fact, by more than $82 billion in the same time frame.

And as if that is not enough, Mr. Speaker, this resolution, after gutting the economic expansion and failing to generate sufficient government revenue to meet our needs, would then go for the Triple Crown of fiscal suicide, massive spending increases.

I know Democrats often complain that Republicans try to cast them as just tax-and-spend liberals. Well, Mr. Speaker, this resolution only does two things, tax and spend. I would love to call them tax-cutting, fiscally-sound supply-siders, Mr. Speaker, but if a party wants to tax like Mondale, spend like Dukakis, and stagnate the economy like Carter, and the worst thing we call them is liberal, frankly, I think they are getting off pretty easy.

Mr. Speaker, the ideas at the very core of the proposal of the gentleman from Wisconsin (Mr. OBEY), indeed at the core of the Democrat Party today, is that the government will be making more decisions, and individuals families and small businesses should be making fewer; that Washington should have more money and more power, and the American people, they should have less. That is what the Democrats believe is what this resolution would write into law, and that is why it must fail.

Now, while I thank the gentleman from Wisconsin (Mr. OBEY) for bringing this, albeit bad idea, to the floor for debate, I must urge all Members to vote "no" and make sure American jobs, economic health, and fiscal security are protected from the bone-crushing futility of liberal economic incompetence.

Mr. Speaker, I reserve the balance of my time, the remainder of which is to be controlled by my designee, the gentleman from Iowa (Chairman NUSSLE).

Mr. OBEY. Mr. Speaker, as the designee of the minority leader, I rise in support of the resolution.

The SPEAKER pro tempore. The gentleman from Wisconsin is recognized for 45 minutes.

Mr. OBEY. Mr. Speaker I yield myself 9 minutes.

Mr. Speaker, this resolution is bringing to the House floor a debate on how best to make this country stronger and more just. The distinguished gentleman from Texas has just said that this is about raising taxes. One of the worst problems that can happen to you in Washington D.C. is when you begin to believe your own baloney. That is not what this resolution is about.

The situation is very simple: we have a war. That war by next year will have cost us $250 billion. And the question is, how are we going to pay for it? We have two choices. One is to charge the bill mostly to our kids by raising the deficit, which is what is happening, and along with that making every American pay through the nose with less security for our homeland on our borders, in our ports, in our air ports, less security for veterans who are not receiving adequate health care, less educational opportunity for middle-class families because of budget squeezes, less health coverage for hundreds of thousands of children all over this country, less help for workers who are out of work; or will we choose the other way, as this resolution seeks to do.

Will we choose to ask the most well-off 200,000 people in this country, less than 1 percent of all taxpayers, will we ask them to make the supreme sacrifice? Those who make more than $1 million a year, will you ask them to make the sacrifice of limiting their tax cut to $24,000 on average rather than the $120,000 average that they will otherwise get under the existing budget of this House? I think the answer is quite clear.

I plead fully guilty to wanting to see the most privileged and blessed people in this society accept a somewhat smaller tax cut in order to provide greater opportunity for others in society to get the basic requirements on education, health care, veterans health care, and the rest.

□ 1145

Now, this resolution is very simple. It raises over $18 billion by limiting the average size tax cut for persons who make more than $1 million a year to about $24,000 a year. That is what the average tax cuts will be for someone who makes between $500,000 a year and $1 million. We are asking those that make $1 million to live by that same amount. That is hardly an outrageous sacrifice.

We then use 25 percent of that money for deficit reduction. We use the remaining $14 billion to eliminate the real reductions in domestic appropriations that are contained in the President's budget. If this amendment is adopted, we will simply be adjusting education, health, veterans programs and all the rest by the amount that is equivalent to inflation plus population growth. That is all. We would get back to a standstill level on that score.

We put $3 billion into homeland security. Why? Because the Hart-Rudman Commission told us we have a need of $190 billion at the local level, and we have only met 15 percent of that need so far. We do it because only 13 percent of fire departments in this country are equipped to handle a full-blown hazardous material attack. We do it because only a tiny fraction of cargo in passenger planes is presently inspected for explosives. We do it because we have some 2,000 fewer people on the northern border protecting our border than the PATRIOT Act told us that we would have. We do it because only 20 of the most important 45 ports in America which ship goods into the United States have adequate inspection systems to make certain that there is not nuclear material or explosive material in ships that come to our shores.

We then put $1.3 billion into veterans health care so that we can cut the claims backlog of 327,000 veterans so that we can shorten the waiting time of veterans at VA hospitals, so that we can strengthen critical mental health services for returning veterans. We add $1 billion to military housing because more than 120,000 of military families in this country serve in lousy housing, and they deserve better.

We put $5.7 billion into education to close the gap between what this Congress promised it would provide local schools and what it is actually giving them. We put a billion and a half dollars into Title I so that 500,000 more poor kids and disadvantaged kids can get better instruction in reading and math.

We put $1.2 billion into special education so that local school districts will receive more help from the Federal Government to meet Federal mandates to educate every disabled child. We put $300 million in in order to help 400,000 more children receive adequate child care and after school care.

We put $2 billion in so that we can increase Pell grants to help those who otherwise could not afford to go to college. We want to increase the maximum grant by $450. Pell grants today pay only for 35 percent of the cost of instruction at a 4-year university. Twenty years ago they paid for 75 percent. Can we not do better than that?

Then we use $200 million to provide additional employment and training opportunities for people who have lost their jobs. We also address a number of other matters. We fund a number of other programs that are high priority programs, as demonstrated by the letters from the minority side as well as the majority side of this House to our own committee, asking that our committee provide funding for these programs.

So that is what we do, and I would ask support for this resolution, and I repeat the same thing that I said when I began. We have one choice. We can either pay for this war by shoving the bill to our kids and by cutting back on educational opportunities, cutting back on veterans health care, cutting back on decent housing for the military, squeezing dangerously our homeland security expenditures, or we can ask the most well-off, the most prosperous people in this country to share a little bit more of the load by limiting the size of their tax cut to $24,000 rather than the average $120,000 tax cut they would ordinarily get.

I believe the majority of those people are patriotic enough to say, "Do it, we do not need that extra supersized tax cut as much as this country needs to have its fiber strengthened by providing the investments that I have just talked about." I would urge a "yes" vote for the resolution.

The SPEAKER pro tempore (Mr. LATOURETTE). The gentleman from Iowa (Mr. NUSSLE) is the designee of the majority leader.

Mr. NUSSLE. Mr. Speaker, I yield myself 1 minute before I yield to the gentleman from Ohio.

Mr. Speaker, I hear from Members on both sides of the aisle that this is really a waste of time today. It is kind of a silly exercise. We ought to be having appropriation debate on the floor. We have got appropriations bill that are waiting in line with no prospect of getting them done on time this year, and yet we have got to do this.

I hear from some that this is really an exercise as a price to prevent obstructionism on the floor for consideration of appropriation bills, that if we do not debate that, somebody is going to obstruct the floor.

Regardless, let me say a couple of things. There is a budget. The House has deemed the budget. We await consideration in the other body of the budget, and this is a nonbinding resolution that we are about to talk about for the next couple of hours here instead of talking about appropriation bills, but I guess we are going to go through this exercise.

As the majority leader said, we are going to have some fun because we get to point out our differences, but let us just face it. This is a nonbinding, somewhat silly exercise, but we are going to go through the process and talk about the differences.

Mr. Speaker, in order to do that, I yield 5 minutes to the gentleman from Ohio (Mr. PORTMAN), a member of the Committee on Ways and Means and a member of the Committee on the Budget.

Mr. PORTMAN. Mr. Speaker, I thank my chairman for allowing me to speak this morning, and it is true, this is a non-binding exercise. On the other hand, it is a very important debate, and it is a philosophical difference.

I appreciated the comments from my colleague from Wisconsin talking about the need to get the deficit down. I think what we have learned over the last couple of decades is the only way to get the deficit under control is to grow the economy and restrain spending. We learned it in the 1990s. We are relearning it now, and what is exciting to me is the fact that part of that, which is restraining spending, we are doing with regard to the budget and the budget that the House passed and based on the deeming resolution will keep our spending under control in the House this year. That is very important, keeping spending at about 4 percent, trying to keep it close to what the family budget is is extremely important.

Second, we are growing the economy, and there is an incredible story out there. It is probably the most underreported story of the year. The only economic indicator that is not improving right now is what we are hearing from the other side of the aisle about the economy. Jobs are increasing, fastest growth in 20 years. The unemployment rate is now 5.6 percent in this country, down from 6.3 percent. That makes it lower than the average unemployment in the vaunted 1990s, in the 1980s or the 1970s. People are going back to work.

Just last month, we created over 225,000 new jobs in this country. We have created over 1.4 million jobs in this country in the last 9 months. People are going to work, and not only are jobs increasing but they are good jobs. Wages are going up. Wages are going up faster than they did in the 1990s. We are seeing actual take-home pay going up. We are seeing productivity high, inflation low, interest rates are low. We are seeing the economy that is the envy of the rest of the industrialized world.

Part of the reason for that, I believe a big part of it, is that this Congress has taken the right steps in terms of fiscal policy, keeping spending under control and growing the economy by smart tax relief that provides incentives for growth. That is what the Bush tax cuts were all about. That is what is under attack today.

If my colleagues are to vote for the gentleman from Wisconsin's (Mr. OBEY) amendment, my colleagues are showing that they have a philosophical difference with that. Instead, my colleagues believe that just as the economy has turned, just as jobs are coming back, just as we have seen real growth and real wages, that we ought to be repealing the very tax relief that has led to that. I do not get that.

Here is a chart showing that today there are more Americans working than ever before. Employment is at a record high in May of 2004, 138.8 million people. Here is what unemployment would be without the tax relief that we passed in the last 3 years. Again, 5.6 percent unemployment today. Without the tax relief, we believe it would be over 7 percent. Now, what does that translate into? Over 2 million jobs. Over 2 million jobs.

I just think it is crazy that at the point at which we are turning the corner, we are bringing back jobs, things are going so well, that again the rest of the world is looking up and saying now America is the engine of economic growth again, that the people back home who punch a time clock every day are seeing their wages going up, that we would want to jeopardize that.

Increasing spending is, again, a philosophical divide. We can talk about whether we should be increasing spending within the allocation we have for homeland defense, intelligence and so on as we did yesterday on the floor of the House, but let me show my colleagues what would happen with the gentleman from Wisconsin's (Mr. OBEY) amendment.

He said it is an increase in spending of about $14.2 billion next year. Well, over a 10-year period, that is $150 billion. Here is the spending increase that is in the legislation that is before us today or in the resolution before us. Again, we are not going to get the deficit under control unless we restrain that spending. Adding another $150 billion over 10 years is not the solution, $194 billion over 10 years. It is more than 150.

Now, let us talk about the tax increase. The tax increase, the gentleman from Wisconsin (Mr. OBEY) said, is $18.9 billion in fiscal year 2005, and it is, but we have to take that over 10 years, too. Let us look at the 10-year number there. We are talking about individual income tax increases by $269 billion, over $250 billion over the next 10 years.

I know, again, we have a philosophical difference on who should be paying. Let me just make the point that if those tax returns that the gentleman from Wisconsin (Mr. OBEY) talked about, that he wants to affect, over 75 percent of those tax returns have business income. Why is that? Because 90 percent of small businesses in this country are not C corporations. They are so-called pass-through entities. What does that mean? They pay taxes at the individual level.

So part of what my colleagues are doing, there is no free lunch around here. When they are saying they are going to go after the rich, who are they going after? They are going after a lot of businesses. These are the entrepreneurial businesses, the small businesses that are pass-through entities, so-called subchapter S companies, sole proprietors, LLC companies, partnerships that are creating the jobs out there.

Look, in our districts, it is not the large companies that are creating these net new jobs. It is these companies. It is the entrepreneurial companies that are taking a risk, that are pass-through entities. Ninety percent of small businesses pay taxes at the individual level. We are hitting them hard if we do this.

Again, let us not take this risk. Let us go back to what we know works. Let us restrain our spending. Let us grow this economy. Let us not go back to taxing and spending. That does not work. It is going to hurt our economy. It is going to hurt the very workers the gentleman from Wisconsin (Mr. OBEY) said he would like to help.

Mr. OBEY. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from New York (Mr. RANGEL), the ranking member of the Committee on Ways and Means.

Mr. RANGEL. Mr. Speaker, first let me thank the gentleman from Wisconsin (Mr. OBEY) for giving us an opportunity to define who we are as a Congress. There are some who truly believe that we are going through a political period of polarization and disdain for each other and that this is corrupting the system. That may be so, but I think we might look at it in a more optimistic way is that we are making it abundantly clear to the American people, especially those who decide not to participate politically, that they will never, never be able to say this year that there is no difference between Republicans and Democrats, and I think that this is so important.

We do not need lectures on Economics 101. All we want to know is are you working, do you have health care and do you think you are getting a fair shake from the government, and not as a Democrat, but also as an American, I would also add, and do you think our kids in the Armed Forces and our Reservists and the National Guard are getting a fair shake? Are we doing all that we can to protect them?

□ 1200

I do not really think people are going to be looking at our label, Democrats and Republicans; but they want to know what we stand for. If some of you believe that it is more important to excite the economy by finding the wealthiest people in America, that God has already blessed and given them large incomes, that by exciting them that you are helping the guy looking for a job, do not explain it to us. And do not get annoyed with us if we do not understand it.

Explain it to the people out there listening to us each and every day. Ask them whether or not the Republican majority has made their life any easier. Ask them why over half of the budget is appropriated for things that do not concern education and health care and improving the quality of life. Ask them whether or not they are prepared, given the opportunity, to pay for it.

I really, truly believe, from the bottom of my political heart, that most Americans are willing to say, if you can make this great country of ours better educated, if you can make them healthier, if you can make them more productive, then this is what I do not mind spending my dollars for.

If you believe that obligation is not a national obligation, but should be one that should be picked up by local and State governments and charitable organizations, even as the IRS steps up the investigations of not-for-profit organizations, then, for God's sake, between now and November do not change your minds. Stick to your guns. Provide the tax cuts for the rich, and let those people who are not as fortunate fend for themselves. If they cannot do it, let the mayors do it. If they cannot do it, let the government do it. And if they cannot do it, vote with your feet and forget about them.

We have to vote for the bottom line, as you say, and that is profits. So stick with your guns, and we will be here to publicize your position every chance we get. And that is why we appreciate the gentleman from Wisconsin (Mr. OBEY). He is not saying tax and spend, he is saying invest and give Americans an opportunity to have the revenues to do it.

For those of us who have grandchildren, we wonder what we can say, if we live long enough and they ask us, well, granddad, what were you doing when they sold away our country? What were you doing when this debt increased to such an extent that you knew that they were leaving it for me to pay? Well, the gentleman from Wisconsin (Mr. OBEY) has given us a chance to say what we would do is to vote against those injustices.

It is wrong. It borders on being corrupt. And the people understand what this body is all about. Thank you, thank you, thank you, Mr. OBEY.

Mr. NUSSLE. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. MARIO DIAZ-BALART), a member of the Committee on the Budget to continue the debate on the Democrat increase-taxes-and-spending proposal.

Mr. MARIO DIAZ-BALART of Florida. Mr. Speaker, I was moved by this last speech. I really was. It was beautiful rhetoric and impressive rhetoric. But what I have learned here since I have been in D.C. is there are some Members of the Democratic Party who just will not let the facts confuse the issue.

Let us look at some of those facts. You see, there is a huge difference, I agree with the gentleman from New York who has just spoken, there is a huge difference between the two parties; and these are the facts. The big difference is that our friends in the minority party will find every opportunity to raise the taxes of every living American. No, no, let me correct myself. Not only every living American, but they will even try to raise taxes of Americans who have died, at every single opportunity, including a nonbinding resolution that will do absolutely nothing, by the way, if it were to pass. But they just cannot help it. They have to try to raise taxes on every single hardworking American family and every single hardworking American business and every single small business, which are the ones that create the jobs in this country.

This resolution would raise taxes by almost $19 billion, with a B, billion dollars in just 2005. It would increase spending by $14.2 billion next year. And according to the Joint Committee on Taxation, this resolution, again which is nonbinding, would be equivalent to a tax increase of $4.62 on those families and those small businesses in this country. And, again, that would cause possibly the loss of 130,000 jobs.

They keep saying, well, some of these people can afford that tax increase. But how about those 130,000 people who would lose their jobs if this were to happen? Can they afford more taxation? Can they afford this kind of resolution? The answer is no.

But, you see, they are consistent. Democrats are consistent. They are consistent because they offered three amendments to the Republican budget that would have raised taxes by over $100 billion. They offered alternatives to major legislation just last year that would have added close to $1 trillion to the deficit. And yet their rhetoric is beautiful. Actually, it is very nice. Mine cannot compare with that.

This is right off the page of Senator JOHN KERRY: raise taxes, increase spending, decrease the family budget in order to grow the Federal budget, in order to hire more bureaucracy, more bureaucrats up here.

American families and American small businesses do not need more tax employees. American families do not need more bureaucrats taking more money out of their hard-earned pockets to send to D.C. It is their money, not the government's money.

What they need is for us to continue growing this economy. And the way to do it, and it has been proven, is cutting taxes, cutting taxes like we have done. That is why the economy is doing well. We do not need tax increases on every American. What we need is to, again, continue to have sound fiscal policy.

Mr. OBEY. Mr. Speaker, I yield myself 30 seconds. Let me simply say, Mr. Speaker, that this is no less binding than is the budget resolution passed by the Republican majority.

Let me also say that we have heard a lot of concern about small business. I would like to see how many small businesses in each of our districts have profits of $1 million per owner to qualify under this bill.

Thirdly, we are not raising taxes; we are asking people who make $1 million a year or more to limit themselves to a $24,000, on average, tax cut, which is still 25 times as much as the average person in this country making $50,000 a year will get.

Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. PELOSI), the distinguished minority leader.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding me this time and for his exceptional leadership in this House on behalf of America's working families. He is a champion for middle-class families in our country, and once again that is reflected in the initiative that he has put forth today. Democrats are united behind the gentleman and his efforts.

As we all know, the budget should be a blueprint for meeting our obligations and moving forward as a country. But the Republican budget is a blueprint for disaster. Today, thanks to the gentleman from Wisconsin (Mr. OBEY), we have an opportunity to have a real impact on the budget. We have a chance to correct some of the imbalance in the Republicans' distorted priorities.

This vote matters. Congress will choose between giving tax cuts to people making over $1 million a year or making critical investments in homeland security, education, our veterans, health care, and the environment.

Mr. Speaker, we all know, and it has been said over and over again on this floor, that our budget should be a statement of our national values. What is important to us as a country should be reflected in that budget. So I ask my colleagues, is it a statement of your values to give a tax cut, an additional tax cut to people making over $1 million per year and leaving children behind because they are not receiving the proper education? Would you rather give a tax cut to people making over $1 million a year or would you rather improve education by adding $1.5 billion for disadvantaged schools, putting us on a path for full funding of the No Child Left Behind?

If the Republican budgets had prevailed over a 10-year period, nearly $20 billion would have been spent on education, and they can see this. It is below the line for every year except fiscal year 2002, and it is just slightly above the line. Ask any economist, and certainly Bob Rubin would attest to this, educating the American people is the best investment that we can make, certainly from a humanitarian standpoint; but from a practical budgetary and fiscal standpoint nothing brings more money into the Treasury than educating the American people.

Early childhood, K through 12, higher education, post-grad, and life-time learning brings more money into the Federal Treasury than any tax cut or anything that you can name. And yet, and yet, the Republicans reject that, despite what it does for the growth of our country, what it does to bring money into the Treasury, and, instead, want to give tax cuts to people making over $1 million a year.

Is it a statement of my colleagues' values to give a tax cut to people making over $1 million a year instead of improving veterans health care and shortening waiting times at VA health care facilities? The Paralyzed Veterans of America call this bill vital. They call this bill vital because, instead of those tax cuts, it truly honors our veterans. We talk a lot about veterans on this floor and how we honor their service to our country, but we dishonor them if we say they do not get the proper priority they should have; that we do not value them in our budget.

Is it a statement of Republican values that in this time of uncertainty in terms of our homeland security to give a tax cut to people making over $1 million a year instead of improving our homeland security; adding $3 billion to give our first responders the equipment and training they need to increase security at our ports and at our airports? Most of the wealthy people I know who make over $1 million a year say they do not need the tax cut, and they would rather have investments in America's children and in America's security. They know that it comes to them at a cost to our society.

This bill is also fiscally responsible. What the gentleman from Wisconsin (Mr. OBEY) has proposed would reduce the deficit by almost $5 billion. That would be about 25 percent of this money that comes from these people making over $1 million a year. He has investments in education, in veterans, in homeland security, in the environment, and a major investment in deficit reduction. What happened to the Republican deficit hawks? Have you become an endangered species?

Let us be clear. This bill does not raise taxes. The previous gentleman from Florida spoke about this raising taxes on every living being. If everybody he knows makes over $1 million a year, maybe that is the circle he travels in; maybe that is his awareness of society. But it simply ain't so. And the gentleman is right, the speaker previous to him said "there ain't no free lunch." There certainly is not. We should be paying as we go, and we will be addressing that in the substitute of the gentleman from South Carolina (Mr. SPRATT) later.

But let us be clear that this does not raise taxes. It does make major investments in our education, health care, homeland security, and environment. It does reduce the deficit by nearly $5 billion, but it does not raise taxes. It halts a future tax cut, for those, again I keep repeating, making over, making over $1 million a year, and stopping the fiscally irresponsible giveaway of $19 billion next year to those who need it least.

And let us be equally clear, we would not spend one penny more than the Republicans would. We just spend it differently. They have passed an ill-conceived Medicare bill that will cost taxpayers $534 billion and which gives $149 billion in windfall profits to big drug companies. They have chosen to ignore a bipartisan approach to pay as you go.

Today, we see the stark difference between the two parties: Democrats are focused on the aspirations and the needs of all Americans; Republicans are solely focused on tax cuts for the wealthy few, many of whom, as I have said, realize that these tax cuts for them take a tremendous toll on society in general.

□ 1215

The gentleman from Wisconsin's bill is a fiscally sound bill that invests in the American people. I urge my colleagues to support this bill.

Mr. NUSSLE. Mr. Speaker, I yield myself 30 seconds to read the last line of the bill. The minority leader may want to read page 5 of the resolution she just defended. It is not a tax increase? My goodness. What does "changes in tax laws sufficient to increase revenues by $18 billion" mean? I heard one time if it walks like a duck, it looks like a duck and quacks like a duck, it might be a duck. This is a tax increase.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BRADY), a member of the Committee on Ways and Means, to talk further about this Democrat tax increase resolution.

Mr. BRADY of Texas. Mr. Speaker, I know that this resolution is offered in good faith, but this is just a terrible idea for America. It offers something for nothing, like we often do here in Washington, D.C. We say, let's tax a few people behind the tree over there, the super wealthy, and then let's give everyone else in America something good. It almost sounds like a lot of things, too good to be true, and it is.

Let us start with the tax increase. They will tell you it is for the super wealthy, but eight out of the 10 people that they propose to tax more are just small businesspeople. Eighty-three percent of those in this category are small businesspeople who do not file as big corporations but rather as individuals like you and me. And so we are not talking about taxing Bill Gates. We are talking about taxing Bill's dairy farm, Bill's print shop and Bill's grocery stores. Make no mistake, when we tax them more, we will send 130,000 Americans out of their jobs, out of work because we chose to tax these small businesses at a time we are just recovering our economy as a Nation.

And then it promises spending increases on good things, no question about it. But here is the catch. The tax increase is for 2 years. The spending goes on forever. At the end of 10 years, not only have we cost 130,000 people their jobs, we have added $130 billion to the national debt. 130,000 jobs we lose, $130 billion we add to this debt. This is a terrible idea.

I will finish with this. What we ought to be doing is cutting wasteful spending up here. In Washington, every program duplicates five others. We have got 340 economic development programs stretched across 13 different agencies. We waste your money just horribly. If we want to increase spending on certain areas, I am all for it as long as we cut out the horrible waste we have. The bottom line is Washington has all the money it needs, it just does not have all the money it wants, and it needs to learn the difference.

Mr. OBEY. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from South Carolina (Mr. SPRATT), ranking member of the Committee on the Budget.

Mr. SPRATT. Mr. Speaker, we have sat here for 3 or 4 years and watched tax cuts erode away the surplus and then, after the surplus was gone, watched tax cuts add to the budget deficit. We have asked ourselves where are we headed? What is the point of all of this? And we have suspected, long suspected, that the next step was to take us to the stage we are in now where we will hear increasingly, we just don't have the funds to meet our obligations for veterans' health care, we don't have the funds to fund education at the level we promised when we passed the Leave No Child Behind bill, and the pitch will be that all of this has been forced upon us by some outside events and we can't help it, we simply have to conform the budget to fiscal reality.

Well, we do have a choice and this bill today shows us in one clear illustration what that choice is. We have a choice. It is not inevitable that we cut veterans' health care. It is not inevitable that we do not fully fund education or health care generally. We have a choice. We can move around, just a little bit, $18.9 billion and do a world of good. Where does the money come from? From those making over $1 million. How much do we take? $18.9

billion and still leave them a tax cut. And where does it go? $4.7 billion goes to deficit reduction. $14.2 billion goes to various selected needs.

Let me give my colleagues just a few examples. Veterans' health care. Our own Veterans' Committee tells us we have funded veterans' health care at $1.3 billion below what is needed to meet our obligations. We have promises to keep and surely this is one we could keep, should keep, to our veterans. Selected pay increases for junior officers and senior NCOs. We did not fund it this year. We could fund it with this bill.

Education. We passed a bill called Leave No Child Behind. We set a high level because we were imposing mandates on school districts across this country. We promised them money. We are $8.8 billion below the level that we set for ourselves in passing Leave No Child Behind.

Homeland security. There are a host of unmet needs here. We are skating on thin ice. One is port security, funded at all of $124 million in this year's bill. That is twice what the administration requested. The Coast Guard tells us they need $5.8 billion over the next 10 years. We are not on that track. We can at least provide more for needs like that, glaring needs in that particular area.

After 9/11, one of the questions quickly raised was what about the fire next time? What if this had been a radiological attack or a biological attack? A number of Members went down to CDC, the Centers for Disease Control, in Atlanta. They were really troubled when they saw those facilities and security at that facility in particular. So what do we do with CDC this year? The budget request from the President called for a $410 million cut in CDC. This amount of money would allow us to plus it up.

Allied health care professions. We all know there are acute shortages of nurses coming up. The President's request this year cuts allied health care professions by 64 percent. Will this money be used better? Will it do more good for more people if we take some away from those whose AGI, adjusted gross income, is above $1 million and put it to these pressing needs? You better believe it will. That is why we should vote for this bill.

Mr. NUSSLE. Mr. Speaker, to continue the debate on this small business job-killing bill, I yield 2 minutes to the gentleman from Texas (Mr. HENSARLING), a member of the Committee on the Budget.

Mr. HENSARLING. I thank the gentleman for yielding me this time.

Mr. Speaker, since coming to Congress, I have heard a number of bad ideas, but I cannot think of one worse than raising taxes on small businesses in America, the job-creating machine in America.

Let me just give you one example of why this is such a bad idea. Recently I was in Jacksonville, Texas touring a plant, Jacksonville Industries, a zinc and aluminum die cast business. Because of competitive pressures, they were considering laying off two of the 22 workers that they had. But thanks to President Bush's economic growth program that we passed in this House, that tax relief for that small business enabled them to buy a new piece of machinery, I could not tell you what its name is, I could not tell you what it does, it is big, it makes a lot of noise, but most importantly, it makes them more efficient. And instead of having to lay off two people, they hired three new workers in just one plant in one small town in Texas, thanks to tax relief. That is five people who could have been on welfare, five people that could have been on unemployment. But instead it is five people with good, productive, tax-paying jobs.

Mr. Speaker, we have a choice today. We can choose to continue the historic economic growth we have seen over the past year or we can turn back the clock to recession and stagnant growth. We can choose to keep creating hundreds of thousands of new jobs or we can send Americans back to the unemployment line. We can choose to limit the growth of government or we can expand the Federal bureaucracy by another $150 billion over the next decade.

Mr. Speaker, thanks to tax relief that Congress has passed, our economy is growing at the fastest rate in two decades. Thanks to tax relief, we have created 1.4 million new jobs since last August. Thanks to tax relief, the stock market is up, incomes are on the rise and the national rate of homeownership is at an all-time high.

Mr. Speaker, I urge all of my colleagues to choose tax relief. I urge all of my colleagues to choose economic growth. I urge all of my colleagues to choose jobs for American families and soundly defeat the Obey amendment.

Mr. OBEY. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Speaker, it is unfortunate that we are forced to debate these very important topics within a nonbinding resolution, but the public ought to know that we are forced to debate these topics within a nonbinding resolution because of the corruption of the process by the Republican leadership in this House where we cannot debate these same items in the budget resolution.

Yesterday we saw that they would not face up to the debt limit extension, so they had to hide it in the defense bill to be added someday in the dark of night in some conference committee in the future. We have seen the corruption of legitimate debate and the exchange of ideas on the floor of the House. I do not know if the Republicans would really want the American public to know that over the last 10 years, the House Republicans have voted for $20 billion less in education spending than was finally appropriated by the Congress of the United States. I do not know if the Republicans really want in real debate the public to know that the House Republicans have decided that we will never have full funding of special education, special education that is very expensive for the school districts of this Nation, where school boards and superintendents and parents and children have come and lobbied this Congress and we have a bipartisan coalition to vote for full funding of special education.

But the Republicans will never get there. They have turned back the promises, they have turned back their votes of the past, they have decided they will add $1 billion a year to special education, and that means we will never get to the promise we made to this country of full funding. The gentleman from Wisconsin adds another $1.2 billion to that and in 6 years we would achieve the goal of full funding and take the pressure off those school districts to increase taxes at the lower level, but more importantly to be able to provide them the resources necessary for the education of those children with special needs.

I do not think the Republicans want to have a real debate about their position on the Pell grants that they have frozen over the last 3 years after the President of the United States promised that these young people would have access to a Pell grant to help them achieve their college education. But the Republicans do not really want to have a real up or down vote on increasing the Pell grants. Once again, they have promised to do that, they simply do not want to get caught voting against that promise, so they have us in a nonbinding resolution.

I do not think the Republicans want to get in a real vote on whether or not they are going to fully fund No Child Left Behind, where currently they are $29 billion behind the curve that they have promised America's schoolchildren, their parents, their families that they would provide because we have provided the most significant reforms in the last 35 years in Federal education policy.

What does that mean? That means that if they do not adopt this resolution, and it is nonbinding, that means that 500,000 low-income children will not get the academic assistance that they need. That means that over 350,000 children will not have access to after-school care that they need where they get tutored and they get mentored and they get academic help. That means that thousands of teachers will not complete the process by which they become highly qualified teachers in the classrooms of our children. So another year goes by and thousands of more teachers enter the classroom without the professional development, without the credentials, without the certifications necessary to provide a first-class education to America's children.

The Republicans have so corrupted the process that they can continue to make the promises to the public that they are for full funding of No Child Left Behind, they are for increasing the Pell grants to $5,100, they are for full funding of special education, but they do not have to deliver on them because they hide their budget in a conference committee. It was due out here weeks, months ago, it has not been passed, so they deemed a budget, not a budget that they voted on, they just deemed a budget. What incredible dishonesty in the face of the needs of America's families and children to acquire a good education to participate to the full extent of their potential in the American society and in the American economy. What corruption. What dishonesty by the Republican leadership.

Mr. NUSSLE. Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey (Mr. GARRETT), a member of the Committee on the Budget, to continue the debate on this more-money-solves-all-problems proposal.

□ 1230

Mr. GARRETT of New Jersey. This amendment, and furthermore any move that would raise taxes on American workers and businesses, is going to reverse the positive effects of the progrowth economic initiatives that this House passed just last year. Those initiatives were the largest tax relief since Ronald Reagan. The U.S. economy is strong, it is growing stronger, and it is proving that the Republicans' clear, comprehensive progrowth agenda is working for America.

This Republican-led Congress understands that the best way to expand the economy and further great jobs is simply to leave more money in the hands of the people who earned it.

Now, if the Democrats do not believe this, all they have to do is look at the negative effects that States such as California, the Democrats there have spent with the tax-and-spend policies, it has had on that State.

California's tax and regulatory structure crippled that State. In 1 month alone, California lost 21,000 jobs, more than any other State, more than the rest of the country combined. When you compare that to other States, the once invincible California economy was suffering from competitiveness crisis.

Simply this, when taxes are raised, businesses leave, and jobs and wages are lost, negatively affecting the economy.

This week in my home State of New Jersey, the Democratic Governor, Jim McGreevey, passed what he is calling the millionaire's tax, a tax increase on New Jersey taxpayers. It is set to increase the marginal tax rate by 41 percent, the fifth highest now in the country. It is really a Robin Hood-like grab Democratic Governor Jim McGreevey has taken from these taxpayers, money that the Federal tax relief measures that we passed before restored to them, that were put in place by this Republican Congress to spur the economy along.

The Democratic Governor, Jim McGreevey justified his scheme of this millionaire's tax by saying, "I will only tax that which the rich have gotten back from the Bush tax cuts."

Well, now the gentleman from Wisconsin wants to eliminate that Bush tax cut altogether. So I ask, when is enough enough? The Democrats really are speaking from both sides of this argument, and they have shown their true colors: if given an inch, they will take a mile.

The small business owners of New Jersey, they are the ones who have spurred on the economy, and it was due to the tax cuts initiative of last year. And now under this initiative in our own State, they would lose the State tax cuts, and now by the initiatives on the other side of the aisle, they would lose the Federal tax cuts as well.

So I say to the Democrats in my home State of New Jersey in Trenton, and the Democrats in Washington as well, I say stop killing the Nation's economic recovery. No more taxes.

Mr. Speaker, the Democratic Governor of New Jersey's, Mr. McGreevey, move to take away this tax savings will wreak havoc on the positive economic upswing that is occurring right now in my home State of New Jersey. As a matter of fact, the Center For Policy Research in New Jersey has shown that the tax cuts that we are talking about now will result in 28,000 jobs lost in the next 5 years, proving that this tax hike will only hurt the people of New Jersey.

Today, many of the new jobs that are created in New Jersey are by employers that were fleeing to the other States' higher tax levels. Businesses will flee now out of New Jersey, just as businesses fled out of California.

With this amendment on the other side of the aisle, we will now be raising taxes across the entire country, and the question will be, where are we telling businesses to flee to, then?

I would ask the sponsor of this amendment and Governor McGreevey, the Democrats in New Jersey as well, to take a look at the crippling effects that their policies have had in New Jersey and California and to say let us have some common sense to leave our economic recovery alone and let the people keep their own money. I urge my colleagues to vote against the amendment.

Mr. OBEY. Mr. Speaker, could I inquire how much time is remaining.

The SPEAKER pro tempore (Mr. FOSSELLA). The gentleman from Wisconsin (Mr. OBEY) has 23½ minutes remaining. The gentleman from Ohio (Mr. NUSSLE) has 21½ minutes remaining.

Mr. OBEY. Mr. Speaker, I yield 3½ minutes to the gentleman from Maryland (Mr. HOYER), the distinguished minority whip.

Mr. HOYER. Mr. Speaker, the Republicans in this House believe if you say something enough, long enough, somebody somewhere will believe it. I have heard on this floor somebody refer to the famous Russell Long, who said, "Don't tax me. Don't tax thee. Tax the man behind the tree." They did so, of course, properly with derision, and the public who hears that must hear it with derision as well; but my friends, the Republicans have found out how to do that; and during the 8 years of the Reagan administration, they plunged this Nation deeper and deeper and deeper into debt, and during the 4 years of the Bush One administration, they plunged this country deeper, deeper, deeper into debt.

And then in 1993 those Republicans who were here came on the floor and said those Democrats are proposing a program that will plunge us deeper into debt, cause large unemployment and destroy our economy. You have heard me say it before on the floor. They were 180 degrees wrong, absolutely, incontrovertibly wrong. And they are wrong today.

The Republicans have said charge overseas. Spend more money overseas, $25 billion in a bill just yesterday. Did we pay for it? We did not. Who was the man behind the tree who will pay for it? My three daughters and my three grandchildren. They are the man behind the tree. They will pay this bill, because you continue to spend. You spend more than was spent before. You create more debt than was created before. In fact, in the last 4 years of the Clinton administration, we never once raised the debt. Not once. Because we had a responsible economic policy. But you will raise it $2.1 trillion in 4 years. That is a pretty stark difference, my friends.

What the gentleman from Wisconsin (Mr. OBEY) says is we need to invest in America. If we are going to invest overseas, if we need to help the people in Iraq, that is fine, but do not leave behind America's children. Do not leave behind America's veterans. Do not leave behind America's infrastructure while we help those overseas.

That is what the gentleman from Wisconsin (Mr. OBEY) is saying. And the gentleman from Wisconsin (Mr. OBEY) is saying, yes, we have a problem. Terrorism needs to be confronted, needs to be defeated, and America needs to be kept safe. So what does the gentleman from Wisconsin (Mr. OBEY) say?

Let us follow what the gentleman from Florida (Mr. YOUNG), the Republican chairman of the Committee on Appropriations and the gentleman from Wisconsin (Mr. OBEY), the Democratic ranking member, said we ought to do 2 years ago: invest further funds in the safety of our people here in America. Invest in homeland security.

Mr. Speaker, we have heard it and the public has heard it. Eighty-three percent of the small businesses are going to be affected by that. That is baloney, baloney. That is the politest word I can think to use at this present period of time. The IRS says there are 3.8 percent of small businesses who claim more than $1 million in taxable income. That is almost as much of a mistake as you made on your Medicare bill and almost as much of a mistake as this administration made in terms of telling us how much their Medicare bill was going to cost. They only missed by 25 percent.

And we heard about waste, fraud, and abuse, as if somebody else is in charge of Washington. For 40 months, 40 months, the Republicans have had the Presidency, the Senate, and the House; and there is still waste in Washington.

What is wrong with your administration? We have a larger infrastructure than we had when you took office. You talk about smaller government. It was smaller under President Clinton.

Mr. Speaker, vote for the Obey amendment. Vote for honesty and investment in America and Americans.

Mr. NUSSLE. Mr. Speaker, to continue our debate on this Democrat increased-taxes bill, I yield 4 minutes to the gentleman from Georgia (Mr. BURNS).

Mr. BURNS. Mr. Speaker, I thank the chairman for yielding me this time.

I have heard a lot of baloney, and there appears to be a good bit in the House. I have great respect for the minority whip, but there is beef in the gentleman from Wisconsin's (Mr. OBEY) job-cutting proposal.

This is about jobs. This is about taxes. This is about spending. And I have only been here a short time, but this has got to be one of the worst ideas I have ever seen come from our colleagues across the aisle. It is bad for the Nation. It is bad for working America. We are going to cut the heart out of a recovering economy. We are going to destroy the momentum that we are enjoying all because the Democrats want to tax, and they want to spend. They want to tax, and they want to spend. And they want to do it at America's expense. At America's expense.

Just last week, just last week, they were complaining about our not doing enough to create jobs. We created 1.1 million jobs just this year. They want to take away that momentum.

It really is about the people who create jobs, the small businesses, the farmers in the 12th District of Georgia. It is about people who create jobs; 200,000 hardworking taxpayers, of which 80-plus percent are small businesses, will see their taxes go up. And that is the engine that creates the jobs for America. These are precisely the small businesses and farms that we need to protect and to encourage by providing them the deserved tax relief that they currently enjoy.

Mr. Speaker, we need to finish this business pretty quickly because there is no telling whose jobs or whose money the Democrats are going to go after next.

Mr. OBEY. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, the previous speaker has not listened to the debate. We are going to ask people making over $1 million a year to make a small sacrifice during this time of war. That is who is going to pay for investment into America's future.

In Congress, our values are expressed more by our budget priorities than by our speeches. And the Obey resolution reflects American values far better than this year's Republican budget, and this is why: the Republican budget continues the same old status quo, a failed philosophy that has led to unprecedented deficits. That philosophy was expressed by the gentleman from Texas (Mr. DELAY), majority leader, on March 12, 2003: "Nothing is more important in the face of war than cutting taxes." A direct quote.

That bizarre philosophy flies in the face of the basic American value of shared sacrifice during time of war. Can anyone imagine Franklin Roosevelt having stood here on December 8 of 1941 saying to the American people it is time to cut taxes, nothing is more important than that after Pearl Harbor? In World War II, fortunately, President Roosevelt did something different. He inspired all Americans to make sacrifices to support the war and our servicemen and -women, and it was the right thing to do.

Unfortunately, as we now face the war on terrorism, the Republican budget reflects the gentleman from Texas's (Mr. DELAY) flawed philosophy that tax cuts should trump sacrifice and services for veterans and military families during time of war. What is the result of this ideologically driven budget? First, the consequence is that this year's deficit is the largest deficit in American history. With massive unpaid-for tax cuts, we are borrowing billions of dollars to pay for the Iraqi war, and that means that young soldiers from my district at Fort Hood fighting in that war today will have to come home and help pay for it after the war is over. Billionaires living safely here at home, getting multimillion-dollar-a-year tax cuts while young soldiers have to fight for the war in Iraq and then pay for it. Where is the fairness in that?

To add insult to injury, the Republican budget pays for its tax cuts to the wealthiest 1 percent of Americans by reducing veterans health care and freezing military housing improvement programs. If the American people find out about this dirty little secret in the Republican budget, they will be outraged, as they should be. And as a representative of nearly 40,000 soldiers who fought in Iraq over the last 18 months, I am certainly outraged.

These are the facts: fact number one, the gentleman from New Jersey (Mr. SMITH), Republican chairman of the Committee on Veterans' Affairs, has said it would take $2.5 billion of increased VA health care spending just to keep from having to reduce veterans health care services because of health care inflation.

□ 1245

Fact number two: The Republican budget underfunds present services for VA health care by $1.3 billion. That means real cuts to millions of real veterans.

Fact number three: several weeks ago, on the same day the House Republican leadership voted to give Members of Congress a tax cut, they pushed through a Defense authorization bill that will freeze the most important military housing improvement program in American history. Over 24,000 military families will not receive the new housing they deserve. No new housing for thousands of military families, while we get thousands in tax cuts, we Members of Congress. Where is the fairness in that? Where is the American value in that?

There is a better choice, a clear choice, a choice that reflects the true values of the American people. The Obey resolution will prevent cuts in veterans health care and will prevent cuts in military housing. It is the right thing to do for America.

Mr. NUSSLE. Mr. Speaker, to continue our debate on this tax-increase, job-killing bill, I yield 5 minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I wanted to put in my comments on this very good debate here, and it is a debate that is good, because it shows clashing two philosophies: one of higher taxes for more spending, versus lower taxes for more private sector growth, more jobs through the private sector.

The proposal in front of us today is for a $270 billion tax increase over a 10-year period of time. So taxes would go up in a fashion like that, $270 billion; and the justification that we are hearing is so that we can spend more money.

But I want to say this as a fiscal conservative: if you look at what we have been doing since 1994, we have in fact been spending a lot of money, and, ironically, in the very areas where we are being accused of not spending enough.

But this is a Committee on the Budget chart, and it shows since 1994 how much our spending has in fact increased. We are being accused of not spending enough on education; but here is one education program alone, title I. Since 1999, it has gone up this much, nearly, I am going to guess, about $6 billion. The exact math is available, but I just want to show the chart to illustrate.

Pell grant funding, an important scholarship program, has increased in a similar fashion of about maybe $5 billion. The gentleman from Iowa can correct me if my quick, on-the-spot-math is wrong.

No Child Left Behind. The irony about No Child Left Behind, an important Bush initiative on education, is we hear a lot of critics say, you are not funding it. Yet look at No Child Left Behind. Growth in education under President Bush has increased 40 percent.

Special education, something that has a lot of bipartisan support, since 1999 we have gone from about $4 billion in spending to nearly $12 billion in spending. So where is the cut in education? There is not one to show.

Veterans programs. Often the liberals hide behind veterans programs and say, you are not spending enough. But here, again, since 1985 to 2004, budget authority has gone from $27 billion to $60 billion. The gentleman from New York (Chairman WALSH) and the gentleman from New Jersey (Chairman SMITH) have worked hard to champion that and done it on a good bipartisan basis. Spending per veteran during that period of time has gone from $950 to $2,400. Veterans spending has in fact increased.

Another criticism we are getting is spending to combat terrorism has not increased. Here we are, from 2001, spending about $20 billion, to $87 billion today. So where are these cuts that we are suffering from? There are not any cuts.

Now, as I said, I am a fiscal conservative. I wish these charts did go in a different direction in many cases. I wish that I could honestly be accused of cutting a lot of government programs. Unfortunately, we failed in that. But the will of the House, the will of the Senate takes a long time for the process to go through. I am just saying that the spending cuts are not there.

But who do we propose to get the income from? We keep hearing about these big, bad, horrible people called millionaires in American society today. Let us examine who these millionaires are.

These millionaires, for the most part, are small business owners; people who are farmers, people who own bicycle shops, people who are contractors. They have $1 million in revenue, and therefore they are taxed in the 35 percent bracket. How many? Is that just a few? Hardly. It is 73 percent of them.

What about in the group that earns from $200,000 to $499,000? 68 percent. What about in the big bad group that grosses from $500,000 to $1 million? 76 percent. And $1 million in revenue and above, 82 percent of them are small business owners.

So what are we talking about doing? What we are talking about doing is beating up on the small employers out there, the folks who are turning this economy around.

Here we are looking at the job charts, what is happening in the economy. Right now we have nearly 140 million Americans working, the highest level in history. Yet we want to reverse that trend by killing the goose that is laying the golden egg, and that is the small business owner.

If you are for jobs, the correct vote on this is "no." If you want to kill economic prosperity, if you want to kill the small business employer, if you want to kill jobs, vote "yes," because that is exactly what will happen.

Mr. OBEY. Mr. Speaker, I yield myself 10 seconds.

Mr. Speaker, despite the fiction we have just heard, you have to make $1 million a year profit in order to be covered by this. To suggest small businessmen are hurt by that is laughable.

Mr. NUSSLE. Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Pennsylvania (Mr. FATTAH).

Mr. FATTAH. Mr. Speaker, let me thank the ranking member for yielding me time.

Mr. Speaker, the majority started this country on a ride a few years ago, and the signposts along the way are fairly clear. We have a record-high deficit, hundreds of billions of dollars; we have a record trade deficit; we have a 50-year high on mortgage foreclosures; we have 3 years in a row of historic highs in personal bankruptcies. And yet, they suggest that we should operate on the same forecast that they were operating on when they started out on this trip, when they said we had 10 years of surpluses coming our way, trillions of dollars; and we can afford to give the wealthiest among us a tax break.

So they did that, and they do not see the other signposts: $200 billion for a war in Iraq. They do not look at the other signposts along the road that show that we have lost millions of jobs.

Now we have replaced 1 million-or-so of those jobs that we lost, and they want to say that we have created new jobs. They are a long way off from creating a new job that is a net new job, but they do not want to talk about that. They do not want to look at these signposts. They want to keep going down this road.

What the Obey resolution suggests is we should take a different course. We should say to millionaire taxpayers that rather than take $124,000 in tax cuts, take $24,000. Let us pay our way for this war. Let us pay our way in terms of investing in the needed resources of our country.

Albert Einstein said a long time ago that we have to have a different level of thinking to solve problems than the level of the thinking that we used when we created these problems.

This program that the Republican majority has taken us toward as a country is leading us to fiscal bankruptcy. This majority has to understand that we have to take into account that we live in a different forecast now, with dark clouds on the horizon. We are at war. We should pay the costs now, and we should do it by saying a little less tax cut for those who are doing very, very well. That is what the gentleman from Wisconsin (Mr. OBEY) does. I ask that this resolution be supported.

Mr. NUSSLE. Mr. Speaker, to continue the debate on the Democrat tax-increase proposal, I yield 2 minutes to the gentleman from Wisconsin (Mr. RYAN), a member of the Committee on Ways and Means.

Mr. RYAN of Wisconsin. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I want to repeat a couple things said in the past. If a small business makes $1 million, what does that mean? That means they are making money and hiring people. Two-thirds of our jobs in America come from small businesses. Two-thirds of all those who file in the top bracket are small businesses. In this new rate structure being proposed, this new tax increase, 75 percent of those people are small business people.

Why would we want to tax the recovery of this economy at this time? What we accomplished in the last tax bill was finally lowering the tax rate on small businesses down to a level large corporations pay.

Remember, Mr. Speaker, that before the July tax cuts, we were charging small business owners higher tax rates than we charged the largest corporations in America, like Exxon or IBM or General Motors. What this bill will do is do that again. It will increase taxes on small businesses and make small businesses pay higher tax rates than the largest corporations in America. Why would we want to reintroduce that injustice back into the Tax Code?

We want to keep low tax rates on small businesses. That is who are creating jobs right now. Two-thirds of our jobs today come from small businesses. This big tax increase on small businesses is not the way to go. We want small businesses making money. This is a tax on their income that they reinvest in their businesses.

More importantly, this proposal adds $130 billion to our deficit over the next 10 years. It is fiscally irresponsible, taxing small business and spending more money. Adding to the deficits is what has given us this hole we are trying to dig out of in the first place.

Mr. OBEY. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, again, despite all of the misinformation that we have just heard, the IRS has told us that fewer than six-tenths of 1 percent of all returns with small business income have incomes of more than $1 million. To suggest that this is even laying a glove on small business is a colossal red herring fiction.

Mr. NUSSLE. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. RYAN) to respond.

Mr. RYAN of Wisconsin. Mr. Speaker, two-thirds of all those who file their taxes in the top bracket are people who report small business income, subchapter S corporations, limited liability corporations. Seventy-five percent of all those in this new tax bracket covered in this bill are those who report small business income.

Small businesses do not pay taxes as corporations; they pay taxes as people. So we are not talking about tax increases on millionaires who are hanging out on yachts. We are talking about tax increases on people who are running businesses. They have 25 employees, they have 50 employees, they have 100 employees, they have two employees, they have five employees.

The point is, these small businesses, the engine of economic growth, the job creator of this economy, pay their taxes on the individual rate; and these are the people whose taxes are being increased under this proposal.

Mr. OBEY. Mr. Speaker, I yield myself 30 seconds.

The gentleman refers to one-third of the top bracket. This does not touch everybody in the top bracket. The top bracket is $319,000 or more. We do not touch anybody with an income of less than one million bucks, less than one million bucks. That is not $300,000. Do not try to bamboozle people.

Mr. NUSSLE. Mr. Speaker, we do not want to "bamboozle," so I would yield 1 additional minute to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Speaker, my friend and I, we get along very well personally when the mikes are not on; but I just have to say, that is not what this proposal says. This proposal says "reduction in tax cuts for taxpayers with incomes above $1 million," period, end of story. The committee figures out how to do the rest of it.

The point is, if businesses are becoming successful, that means they are going to start hiring people again. We do not want to raise their taxes

Mr. NUSSLE. Mr. Speaker, will the gentleman yield?

Mr. RYAN of Wisconsin. I yield to the gentleman from Iowa.

Mr. NUSSLE. Mr. Speaker, the point of this all is, this is a tax increase. They are admitting it. There were so many Members who came to the floor and said, oh, no, no, no, we are not really increasing taxes. But what the colloquy between the two gentleman from Wisconsin proves is, once and for all, this is a tax increase.

So if one wants to come to the floor today in the middle of an economic recovery and vote to increase taxes on small business, knock yourself out.

Mr. OBEY. Mr. Speaker, I yield myself 30 seconds.

Line 22 and line 23 of page 6: The only taxpayers that are affected are "taxpayers with adjusted gross income above $1 million." Period.

Mr. NUSSLE. Mr. Speaker, I reserve the balance of my time.

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Mr. OBEY. Mr. Speaker, I yield 1½ minutes to the gentleman from Massachusetts (Mr. OLVER).

Mr. OLVER. Mr. Speaker, I rise to support the resolution offered by the gentleman from Wisconsin (Mr. OBEY) to address priorities that have been severely underfunded by the House leadership's budget. I will mention only two or three of those, depending upon the time, but ones which effect millions of people.

The Obey resolution provides $500 million for the National Park Service, which has been forced to absorb huge unbudgeted items over the last 3 years, including natural disaster damage, competitive sourcing contracts, and antiterrorism requirements. The Park Service has been forced to cut personnel, reduce services, defer maintenance, and ignore resource protection. One million visitors every day to our national parks this summer are going to be the victims of that neglect.

Second, for education, this resolution adds $1.5 billion in additional Title I funds toward keeping this Congress's promise to Leave No Child Behind. No Child Left Behind challenged America's public schools to achieve higher standards and promised Federal dollars to help. But Congress has failed to provide schools full funding. The budget resolution for 2005 falls far below the $20.5 billion for Title I grants authorized by No Child Left Behind. The $1.5 billion added by the Obey resolution does not meet the whole promise, but without it, we will surely leave more and more children behind.

Mr. NUSSLE. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Mr. Speaker, I think it would be good for history's sake to look at the last time that we dramatically increased taxes. We did that; when President Clinton came into office, we had the largest tax increase in history, and what was the effect of that on spending? During those years of the Clinton administration, we increased spending by 33 percent. During those periods, we increased the debt limit three times. So we have dramatically demonstrated that if we have more money, we are going to have more spending.

I would suggest that there has to be some limit, and the overall bill gives us some intestinal fortitude, gives us some guts to resist the temptation to promise more and spend more has to be incorporated.

Mr. Speaker, I hope we can have the kind of votes and support to give us that discipline in this kind of budget reorganization.

Mr. OBEY. Mr. Speaker, I yield 1½ minutes to the gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Speaker, I rise in strong support of the Obey resolution.

Mr. Speaker, I feel like this is Alice in Wonderland. In 3 years, at the end of the Clinton administration, we had the largest surpluses in American history, and now, after 3 years under Republican rule, both the presidency and the House and the Senate, we have the largest deficits in American history.

The Republicans used to call themselves fiscal conservatives. They cannot say that anymore. What has happened to the heart and soul of the Republican Party? We are having an orgy of tax cuts and we are leaving a legacy of debt to our children and grandchildren. It is unconscionable.

Every day people come into my office and need more money for desperately needed programs. Veterans are pleading; they need more money for health care The Republicans say no. People who have kids in schools want more money for No Child Left Behind in education. Republicans say no. In health care, we want a prescription drug bill, seniors tell me, that will really help seniors; not the phony one passed by the House. Republicans say no.

So what Democrats are trying to say is that in programs that we desperately need, homeland security, first responders for police and firemen, putting homeland security dollars for trains and things where people know we need it, Republicans say no. And what is the Republicans' proposal? To give great tax breaks to millionaires and billionaires.

The Obey proposal would simply say, if your adjusted income is $1 million or more, you ought to give back a little bit of those tax breaks to help us with priorities in this country. The borrow-and-spend Republicans say no.

The Obey proposal ought to be voted on. It ought to set priorities for our country. Let us help our veterans. Let us help our kids. Let us help our seniors. Support the Obey proposal.

Mr. NUSSLE. Mr. Speaker, I yield myself such time as I may consume.

Respectfully, because I know the Speaker is from New York, let me yield myself 30 seconds and say I think a lot of that money we borrowed was sent up to New York. So when the gentleman is talking about what happened and Alice in Wonderland, let me just remind the gentleman that we sent a lot of that to New York. We had a terrorist attack. I know the gentleman knows that, and he voted for it then, and he did not say a word about it then. He said send the money. We need it. Do whatever it takes. Now he comes to the floor and he says, gee, I guess we borrowed too much money.

Well, maybe we did, but the gentleman should have complained about it then.

Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. TIAHRT).

Mr. TIAHRT. Mr. Speaker, I thank the chairman, the gentleman from Iowa, for yielding me this time.

I just think we ought to remember how we got in the situation we are in today, because we have seen charts and heard rhetoric that said the reason Federal revenues are down is because of Republican economic policy, but they have overlooked some of the hard and cold facts; and facts are stubborn things, some hard and cold facts that have happened over the last few years.

For example, in 1999 we had a huge tech bust. The NASDAQ dropped more than half. It was not based on Republican policy. Then we had the recession that happened while President Clinton was still in office. It began in November of 2000, before President Bush was sworn in. And then on September 11, 2001, terrorists attacked our homeland and drove our economy down the tubes. The result was a 14 percent reduction in federal revenue. That reduction was not based on Republican policy at all; it was based on those series of events, the most tragic being the attack by terrorists on September 11.

Well, what did the Republicans do to respond to that? We lowered taxes across the board for everyone, including the top 1 percent, the same percentage as everybody else, and the result was that today we have more Americans working than ever before in the history of our Nation. And the income of our workers is up higher than it has ever been in the history of our Nation. Homeownership is up, higher than ever before in the history of our Nation, as well as minority ownership of homes.

We have had tremendous success because of Republican policy. But now we are trying to regress and tax those people who are creating the jobs. Mr. Speaker, 83 percent of the people in the top 1 percent of income earners in America are small business owners. They are farmers, they are people who own little machine shops, they are the people down at the local drugstore, or retailers.

If we start taxing them in addition, up to near 40 percent of their income, less money will be available to create jobs.

So there are two different philosophies we are hearing today. We have the dark and stormy liberalism that says raise taxes, and we have the bright and sunny conservatism that says lower taxes and let Americans become successful, because the result is more Americans working, greater jobs, stronger economy.

Mr. NUSSLE. Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Speaker, I thank my friend, the gentleman from Wisconsin, for putting this very important motion forward.

The Republicans cannot win this argument in the world of reality, so they have created a world of illusion that they are speaking to today.

One of their illusions is that this is a tax increase bill. If you make less than $1 million a year of taxable income, this bill has absolutely nothing to do with you. The second illusion is that this bill will have a devastating and crushing effect on those who do file more than $1 million a year of adjusted gross income.

Well, first of all, we have heard the statistic over and over and over again about small businesses. Fewer than 4 percent of the small businesses in this country file more than $1 million a year of adjusted gross income. And for those that do, under this proposal, their taxes would be $24,000 a year lower than they were 3 years ago. This makes their tax cut smaller than it was; their taxes would still be $24,000 a year lower than they were 3 years ago.

And the third illusion is that we are disrupting this masterful economic strategy that is bringing this boon to our country.

Well, this masterful economic strategy has lost 1.9 million more jobs than it has created. The rate for people making more than $1 million a year that is in this bill is the strategy that resulted in 23 million more jobs being created than were lost. So much for the world of illusion.

In the world of reality, the Republicans cannot explain this vote, if they vote no, because when they go to the VFW hall and they are asked by the members of the VFW why they are not doing something about reducing the waiting lines at the VA health clinics, they will not be able to explain why they did not vote for more money for VA health care. When they sit down with the members of the Board of Education in their towns and the board members say, why do you not fully fund special education, and they all sign letters that say they support that and they introduce bills that say they support that, they will not be able to explain why they did not vote for a $1 billion-plus increase in special education that would lower property taxes and go right to the local schools.

When they visit with the environmental community in their hometowns, and they hear, why can you not do more to clean up the Superfund sites that are in our area, and why can you not do more to bring environmental progress to our area, they will not be able to explain why they voted against a bill that significantly increases investments in environmental protection.

This bill is filled with all of the promises that everyone here makes: more veterans' health care, more money for education. When they visit the fire company and police department in their hometown and they are asked why those guys and women still do not have biochem suits and training to deal with the terrorist attack, they will not be able to explain why they voted against this bill, which adds money for those firefighters and first responders.

So because they will not be able to explain this vote at the fire station or the Board of Education or the VFW hall or the local Sierra Club, they have created a world of illusion: It is a tax increase. No, it is not. It will crush small businesses. No, it will not. It will interfere with the masterful management of the U.S. economy by this administration, which has lost nearly 2 million more jobs than it has created.

Mr. Speaker, if the argument against this bill is that it disrupts the Bush economic policy, I say that is the finest argument I could hear to vote yes on this bill. If there ever was a policy that needed disruption, this is the one.

Vote yes for the things that you say that you support when you are back home.

Mr. NUSSLE. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut (Mr. SHAYS), the vice chairman of the Committee on the Budget.

Mr. SHAYS. Mr. Speaker, I thank the gentleman for yielding me this time.

My favorite Member of Congress is the gentleman who just spoke, Robert Andrews of New Jersey. I consider him the most articulate Member of Congress; but I think as articulate as he was on this issue, he is missing the whole point.

This is a bill that spends more money and increases taxes. And we believe with all our hearts and souls that when we added 58 percent more on veterans' spending in the last 4 years, that is a spending increase for a very good cause and has enabled us to improve veterans' services every year, we are continuing to include more and more for our veterans. Only in Washington when you spend so much more money do people call it a cut.

On No Child Left Behind, we have increased spending by 40 percent in the last 4 years. It is not funded at the highest level the authorizers have allowed but we are spending far more than we have ever spent.

We are at war. We are at war not just in Iraq, but against terrorism around the world. And I think a 9 percent increase in Defense and Homeland Security is a huge increase in spending. The huge increases in spending that we have in our entitlements shows a tremendous amount of concern that our government has for the people of our country.

But when President Bush inherited a recession and then inherited September 11, and then inherited a breakdown in the structure of the business community with Enron and WorldCom, it is remarkable how well our economy has grown, with new jobs being created and new revenue coming into our coffers, and an incredible increase in productivity.

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We believe in large measure growth in our economy is the result of economic policy centered around tax cuts.

And so for me I am happy to have this debate, happy to go into the election this fall and emphasize we are against tax increases and ever increasing spending.

When we had the budget meeting and the budget votes, our colleagues on the other side of the aisle said we voted against veterans, we voted against this, we voted against that. They failed to say in each one of those amendments was a tax increase. We voted against the amendments because there were tax increases at a time when we think it is unwise. So we have a difference of opinion that we will obviously fight out this fall.

So I thank the gentleman from Wisconsin (Mr. OBEY) for providing this opportunity to distinguish the differences between the two parties. We do not want a tax increase. We do not want a lot more government spending.

Let me end by saying this: 5 percent of the American people pay 55 percent of the taxes. 50 percent of the American people pay 96 percent of the taxes. When we passed our tax cuts, we gave the tax cuts to the people who pay taxes. That is the reality of what we did.

Mr. OBEY. Mr. Speaker, I yield 30 seconds to the gentleman from Illinois (Mr. EMANUEL).

Mr. EMANUEL. Mr. Speaker, this bill is very clear. With the war on terror going on, what this bill says is that every American has their skin in the game. I have seen my Marine units going. And on the war on terror, not all of America is fighting. So when it comes down to investing in the war on terror, when it comes to making sure that we have access to higher education, health care so our veterans are taken care of, every American has their skin in the game to make sure the 21st century is the American century.

And I have seen many, many a wealthy American. I would stop and ask our colleagues to appeal to their patriotism, not just their selfishness. There are patriotic wealthy Americans who are ready to make sure America is safe and secure in the 21st century.

Mr. OBEY. Mr. Speaker, I yield myself the remainder of the time.

Mr. Speaker, this amendment is pure and simple about shared sacrifice, as the gentleman from Illinois has just indicated. What we are asking is that those lucky people in this country who make more than $1 million a year, that includes the one-half of 1 percent of small businessmen who make profits of over $1 million a year, we are asking them to accept a scaled-back tax cut so that they only get, on average, $24,000 in tax cuts. That is 24 times as large as someone will get if they make $50,000 a year.

And, instead, we are saying please, for the sake of the country, take a little bit smaller tax cut so that we have some room in the budget to strengthen protection on our borders, to strengthen protection in our ports, to strengthen protection at our airports, to provide stronger opportunities for education, to provide more civilized health care for our veterans, to provide better housing for our military personnel, to provide a little better shot at protecting the environment, to help local communities so that they do not have to lay off hundreds of thousands of kids from health care programs like SCHIP and Badger Care in my own State. This is an effort to see to it that we can enrich the many and enrich the few at the same time.

Trickle-down economics is what we have heard from our friends on the other side of the aisle today. They say if you just give enough to the people at the top, eventually some will trickle down to people at the bottom.

My old friend Harvey Dueholm in the legislature used to describe it this way. He said trickle-down economics is the theory that if you just feed the horses enough oats, eventually some of it will filter down to the sparrows. Think about it. And vote "yes." It is the fair, it is the right, it is the just thing to do.

Mr. NUSSLE. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, that is the difference between Republicans and Democrats. It all comes down to who is doing the feeding of the oats. The government does not feed oats. That is not where the economic advantage of this country comes from. We do not pass out money to people here and say here is government money, we printed it, you get to have it. They get it from working. They get it from farming. They get it from taking risk. They get it from unlocking their door in the morning and letting in the public to their flower shop, to their shoe store, to their bank, to whatever it might be, unlocking that door and letting the energy and the economic engine of this country work.

That is what we want to continue: working. We do not want this to kill jobs. Just at the moment when we are increasing jobs, look what we have done. Yes, there was a downturn. In the aftermath of 9/11 and in the aftermath of the dot-com bubble busting and the aftermath of the Clinton recession, there is no question, look right here; that is what that is, that little downturn. But look how it is going back up.

And it is going up because the engine of America is working. It is not going up because of the chart on spending. When we increase spending in Washington, that does not drive the economy. That does not do anything except it spends money in Washington. What drives the economy are people in Wisconsin and Iowa taking a risk, building a business, employing people so that when they balance their checkbook around their kitchen table and they meet their obligations and pay for their kids' college and pay for health care and turn on the lights and pay for groceries, they can do it. It is not because, with all due respect to the gentleman from Wisconsin (Mr. OBEY), we send them a check. Because that does not do anything.

The check they want to make is a paycheck, not a government check. Every single person in America wants a paycheck. And that is what we have done. We have created paychecks. Look what the spending side of this does. They are saying we are not spending enough in Washington. Look at all of this increase. Look at all of the debt that they are complaining about. And on top of all of that, they say, no, the problem is we are still not spending enough money in Washington. And the thing they misconnect is that that money in Washington came from somebody, a taxpayer.

Money does not start in Washington. Money starts in Iowa, in Wisconsin, across the country, in people's pockets, in small businesses. That is where it starts. And they want to take more of it, they want to kill those jobs, so that they can hand out more money, so that they in Washington can have the power. We do not want that to happen. We want the power to be around the kitchen tables of Iowa and Wisconsin. That is why we have opposed their big tax increases.

As far as the spending, the taxes, that is obvious those increases are ridiculous. But the increases in spending, one can always say we want to hand out more money in order to demonstrate our compassion. And we have told them about the increases in education, the increases in veterans, the increases in health care, the increases for the environment, for all sorts of programs, and to make sure our country was protected. But on top of that, they say, you know what, I think we can even be more compassionate. We are going to hand out money and tell people we care.

Well, quite honestly, I think it is time for us start looking around for the waste. I believe that, instead of this debate on the floor today, what we should have done is had an appropriation bill come up. That is what we should have done. We should have started going through all the accounts and look for ways where the Federal Government is not spending that money as wisely as the people back home in Iowa and Wisconsin.

We do not want to kill jobs; we do not need to increase spending. We do not need a resolution like the Democrat proposal on the floor today to tax and spend and tax and spend and tax and spend and tax and spend more and more in Washington. This needs to be done around the kitchen tables of Iowa, not the committee tables in Washington.

Mr. Speaker, I hope Members vote against this ill conceived proposal.

Mr. HASTERT. Mr. Speaker, I want to thank DAVID OBEY for offering this budget amendment, even if I fundamentally disagree with it. I have great respect for Mr. OBEY, and I think he makes a valuable contribution to this House. And the Obey amendment is important, because it clarifies the distinctions between the two parties.

As then candidate Ronald Reagan said to then President Jimmy Carter, "There they go again." The Obey amendment is a return to the traditional Democratic philosophy of tax and spend. If the Democrats were to create their own "Contract with America", the first two promises would be tax more and spend more. This budget amendment raises taxes by $18 billion in the first year, more than $250 billion in ten years. These tax increases are aimed at the job creators, the entrepreneurs, the small business owners. This amendment raises taxes on these job creators by about five percent. Increasing costs on a business by five percent is the difference between success and failure.

If you increase costs on a small business by five percent, the small business owner has two choices. They can pass the cost increase onto consumers by raising prices. Or they can cut costs elsewhere. Because of stiff price competition from our competitors, the usual result is cutting costs elsewhere. That means a small business owner won't hire that extra worker.

The Heritage Foundation says that a tax cut of this size will kill 130,000 jobs in the next year. Increasing taxes now, just as the economy is ready to take off, is a cruel joke to play on Americans who need a job.

Remember several years ago, when Democrats decided to increase taxes on luxury items like yachts. The Democrats thought they were being clever. But those middle class boat builders who lost their jobs because of that tax increase didn't think it was so funny. We ended up repealing the so-called luxury tax a year later.

The second part of the Obey plan is also familiar: Increase government spending. Clearly, today's Democrats reject President Clinton's promise that the era of big government is over. We need to control spending in the Federal government. We don't need another spending spree. But by spending over $200 billion over ten years on a variety of politically attractive programs, the Obey amendment is just that: Another spending spree.

Mr. Speaker, I urge my colleagues to vote against this budget amendment. Let's support smaller and smarter government. Let's support more job creation in this country. And let's reject this tax and spend scheme once and for all.

Mr. EVANS. Mr. Speaker, I rise in support of the amendment offered by the gentleman from Wisconsin, Mr. OBEY, and I want to express my appreciation to the gentleman for recognizing the great need in the veterans' health care system.

I also want to state my opposition to some of the other measures we are considering today that would cap discretionary spending and reinstate pay-as-you-go measures through fiscal year 2009. These rules would have significant impacts on VA health care and many other domestic discretionary and mandatory programs.

This February, Veterans Affairs Chairman CHRIS SMITH and I recommended that the budget committee add $2.5 billion to the President's request for VA discretionary programs. We agreed, on a bipartisan basis, that this was the bare minimum necessary to continue to operate current services in fiscal year 2005.

Mr. OBEY's amendment adds the other half of the recommended funding that the House neglected to provide in passing its budget resolution. This will ensure that veterans can rely upon the system created to serve their special needs rather than being subjected to increased copayments, new enrollment fees and the waiting lists for care that could reappear and worsen in the absence of adequate funding.

As dangerous as the budget proposed by the Administration for fiscal year 2005 is, the budget planned for future years is even more perilous for our veterans' programs. Ranking Member SPRATT and I have produced a report to be released tomorrow that will identify some of the scenarios that could come from the planning guidance issued by the Office of Management and Budget.

The planning guidance leaked to the press recently indicates that VA should find $910 million to cut from its fiscal year 2006 budget request for VA discretionary programs. This guidance was offered in the absence of discretionary caps and pay-as-you-go enforcement for mandatory funding. We could expect even worse if there were an overall ceiling applied to discretionary spending. In the Spending Control bill, only the tax cuts that benefit our wealthiest Americans are protected.

We could do things far differently and far more fairly. If we must impose discipline upon ourselves, we should subject tax cuts to the same enforcement we would impose upon our veterans' benefits. As it now stands, tax cuts are driving vital funding and policy decisions for all of our veterans' programs. Tax cuts have taken so much out of the pie that all of our appropriated programs are fighting to keep what they've got rather than growing to fulfill new or evolving needs. There is no question that we must provide adequate resources to our fighting men and women in Iraq and Afghanistan for as long as we choose to continue these engagements. Prioritizing tax cuts in a time of war is flat out irresponsible.

If we trust ourselves to impose self-discipline on decisions regarding tax cuts, why shouldn't we trust ourselves to have the same restraint in regard to high-priority programs? Why subject Congress to the double standard H.R. 3973 would impose?

I hope Congress will wake up and realize that we do have limited resources and our funding choices must reflect our priorities. Those who value tax cuts from the wealthiest Americans more than social programs for veterans, for the environment, for our less fortunate Americans, for children and education, and for our seniors will make that clear by supporting Mr. NUSSLE's bill.

Mr. OBEY's resolution on Democratic priorities is a much better reflection of my values than the standing House-passed budget resolution. I urge my colleagues to support it.

Mrs. LOWEY. Mr. Speaker, I rise today in support of the Fiscal Year 2005 budget authored by Ranking Member OBEY. I also want to thank the House Leadership as well as Chairmen NUSSLE and YOUNG for allowing an up-or-down vote on an alternative budget. Until today, the budget process had operated under severe restraints—doing a disservice to this chamber and an injustice to the millions of Americans whose lives are improved by Federal government programs.

My colleagues, federally-funded programs are critical. We provide the children of working parents with safe places to go after school. We recruit young professionals into nursing—a profession with a looming shortage that will affect all Americans who seek health services. We help law enforcement officers and public safety officials obtain needed equipment and training. We prevent our most vulnerable from having to choose between food and heat. We make owning a home—the pinnacle of the American dream—a reality. We help put kids through college.

These activities benefit every fabric, every member of our society. Yet, many of these services will be cut short if we continue down the current path.

It is important my colleagues remember that on the heels of this year's limited budget will come an even skimpier spending proposal in fiscal year 2006. America was put on notice in May, when the Administration circulated a memorandum indicating that the future spending cuts outlined in this year's budget will be implemented. What does that mean? —huge reductions in spending on health, education, and homeland security.

Whether you vote for the Obey budget today or not, the sad reality is the forecast for our future is troubling. That is, unless we change course.

Mr. Speaker, I urge passage of the Obey budget. Too many of the initiatives and programs that benefit our constituents and our communities are at stake.

Mr. BLUMENAUER. Mr. Speaker, House Resolution 685 is an alternative to the Republican leadership's failed economic policies. Unbalanced priorities, escalating spending, and three rounds of tax cuts have led to the highest budget deficits in history while shortchanging our children, seniors, and our troops and veterans. Before "borrowing" from the Social Security trust fund, this year's deficit is expected to total $638 billion.

This resolution is a small but significant step to reverse the unfortunate trend of the last three years. By limiting tax reductions for those earning over $1 million annually, we can help fund promises this Congress made to the American public, to make our country safer, improve our schools, and provide real healthcare benefits to those who need it the most.

Mr. LEVIN. Mr. Speaker, the choices we make define us, our priorities, and our values. The Obey resolution before the House today gives members of Congress the clearest choice possible. Our vote on this measure today will speak volumes about our priorities and values and what we stand for as representatives in the People's House.

Four years ago, the President came before Congress and proposed a sweeping tax cut. Citing a large projected surplus in the budget over ten years, the President said that he was here to claim a refund on behalf of the American people. I voted against the President's proposal for two key reasons: The lion's share of tax relief in the President's plan goes to the very richest households in America, instead of the middle-income families I represent. Indeed, millionaires receive annual tax cuts averaging over $120,000, while middle-income families receive annual tax cuts averaging somewhere between $317 and $1,186 a year.

The other reason I voted against the President's tax plan is because it relied on improbable blue-sky economic forecasts that left no margin for error. As we have seen, the economy has not performed as well as the Administration predicted. The tax plan has left this nation with insufficient resources to fund the wars in Iraq and Afghanistan as well as the improvements needed in this country's homeland security in the aftermath of 9–11. This has led the Majority Party in Congress to short-change fundamental commitments we have made in the areas of education, veterans health care, medical research, public health, homeland security, and protecting our environment.

The resolution before the House presents us with a clear choice. We can stay on the path we are on and continue to underfund the most basic needs of our children, veterans and communities, or we can make a small adjustment in the tax code and ask the very richest among us—those with incomes exceeding $1 million a year—to accept a smaller tax cut next year than they currently receive. The taxpayers affected by this resolution would still receive tax cuts that average thousands of dollars—even tens of thousands of dollars—more than most other American families receive.

This small adjustment in revenue would generate $18.9 billion. This resolution would redirect a quarter of this, $4.7 billion, to deficit reduction. The balance would go to fulfill basic needs that this Congress and the Bush Administration have underfunded. It would invest $3 billion to bolster homeland security and ensure that first responders have the equipment and training they need. The resolution would also provide $1.3 billion to keep our promise to fund veterans' health care. It also provides $5.7 billion for key education programs and help our community schools meet the requirements Congress imposed on them in the No Child Left Behind Act. In addition, it provides additional funds for Pell Grants to help families afford college. It would also invest in critically needed medical research at the National Institutes of Health and help control infectious diseases and expand immunizations.

Mr. Speaker, the answer to every problem is not to throw money at it. But we must acknowledge that some problems won't be addressed without spending money. As I said, this Congress faces a defining choice today. Do we stay the course we set four years ago, or do we act to address the most pressing needs confronting this country? For me, this is not a difficult choice. Vote for the Obey resolution.

The SPEAKER pro tempore (Mr. FOSSELLA). Pursuant to the order of the House of Tuesday, June 22, 2004, the resolution is considered read for amendment and the previous question is ordered.

The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. NUSSLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 8 of rule XX this 15-minute vote on adopting House Resolution 685 will be followed by 5-minute votes, as ordered, on ordering the previous question on House Resolution 692; adopting House Resolution 692; and suspending the rules and adopting House Resolution 676.

The vote was taken by electronic device, and there were—yeas 184, nays 230, not voting 19, as follows:

[Roll No. 301]

YEAS—184

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Wilson (NM)
Woolsey
Wu
Wynn

NAYS—230

Aderholt
Akin
Alexander
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hill
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline

Knollenberg
Kolbe
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas (OK)
Manzullo
Marshall
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moore
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Sandlin
Saxton
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tanner
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—19

Barton (TX)
Bereuter
Berman
Brown (OH)
Carson (IN)
DeMint
Deutsch
Doyle
Gephardt
Granger
Hastings (FL)
Jones (OH)
Linder
McDermott
Meeks (NY)
Quinn
Reyes
Smith (TX)
Tauzin

☐ 1352

Mrs. EMERSON, Ms. HART, and Messrs. CRANE, NEY, KENNEDY of Minnesota, KING of Iowa, BACHUS, BRADY of Texas and HALL changed their vote from "yea" to "nay."

Messrs. HINCHEY, CLYBURN and BISHOP of Georgia changed their vote from "nay" to "yea."

So the resolution was not agreed to.

The result of the vote was announced as above recorded.

Stated against:

Mr. LAHOOD. Mr. Speaker, on rollcall No. 301 I inadvertently voted "yea" I meant to vote "nay."

PROVIDING FOR CONSIDERATION OF H.R. 4663, SPENDING CONTROL ACT OF 2004

The SPEAKER pro tempore (Mr. FOSSELLA). The pending business is the question of ordering the previous question on House Resolution 692 on which further proceedings were postponed earlier today.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 217, nays 197, not voting 19, as follows:

[Roll No. 302]

YEAS—217

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Collins
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—197

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—19

Barton (TX)
Bereuter
Berman
Brown (OH)
Carson (IN)
Cole
DeMint
Deutsch
Gephardt
Granger
Hastings (FL)
Jones (OH)
Linder
McDermott
Meeks (NY)
Quinn
Smith (TX)
Tauzin
Tiberi

☐ 1400

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. SLAUGHTER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 217, noes 197, not voting 19, as follows:

[Roll No. 303]

AYES—217

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns

Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Graves
Green (WI)
Greenwood
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—197

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—19

Barton (TX)
Bereuter
Berman
Brown (OH)
Carson (IN)
DeMint
Deutsch
Gephardt
Granger
Gutknecht
Hastings (FL)
Jones (OH)
Kirk
Linder
McDermott
Meeks (NY)
Quinn
Smith (TX)
Tauzin

☐ 1407

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. KIRK. Mr. Speaker, today, I missed rollcall vote number 303: H. Res. 692, to provide consideration of H.R. 4663. Had I been present I would have voted "yea" on this vote.

HONORING 40TH ANNIVERSARY OF PASSAGE OF CIVIL RIGHTS ACT OF 1964

The SPEAKER pro tempore (Mr. FOSSELLA). The unfinished business is the question of suspending the rules and agreeing to the resolution, H. Res. 676.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and agree to the resolution, H. Res. 676, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 414, nays 1, not voting 18, as follows:

[Roll No. 304]

YEAS—414

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Becerra
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Clyburn
Coble
Cole
Collins
Conyers
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle

Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—1

Paul

NOT VOTING—18

Barton (TX)
Bereuter
Berman
Brown (OH)
Carson (IN)
DeMint
Deutsch
Doolittle
Gephardt
Granger
Hastings (FL)
Jones (OH)
Linder
McDermott
Meeks (NY)
Quinn
Smith (TX)
Tauzin

□ 1415

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BERMAN. Mr. Speaker, I was unavoidably detained and unable to cast a number of rollcall votes. Had I been present, I would have voted "no" on rollcall No. 293, "yes" on rollcall No. 294, "yes" on rollcall No. 295, "yes" on rollcall No. 296, "yes" on rollcall No. 299, "yes" on rollcall No. 300, "yes" on rollcall No. 301, "no" on rollcall No. 302, "no" on rollcall No. 303, and "yes" on rollcall No. 304.

CHILD NUTRITION AND WIC REAUTHORIZATION ACT OF 2004

Mr. BOEHNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2507) to amend the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to reauthorize child nutrition programs, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. SIMPSON). Is there objection to the request of the gentleman from Ohio?

Mr. GEORGE MILLER of California. Mr. Speaker, reserving the right to object, although I do not intend to object, I ask the gentleman to offer an explanation of his request.

Mr. BOEHNER. Mr. Speaker, will the gentleman yield?

Mr. GEORGE MILLER of California. I yield to the gentleman from Ohio.

Mr. BOEHNER. Mr. Speaker, I appreciate the gentleman yielding to me.

Mr. Speaker, I rise in support of this measure, which represents months of hard work and commitment to bipartisan cooperation.

In that spirit we have before us a bill that will extend the life of the Federal child nutrition programs while strengthening program integrity, ensuring effective use of Federal resources, and providing continued nutritional services for millions of American children. And I am pleased to have reached a bipartisan, bicameral consensus that finally will allow the President to sign these important reforms into law.

First and foremost, I want to recognize the gentleman from Delaware (Mr. CASTLE), chairman; and the gentlewoman from California (Ms. WOOLSEY), ranking member of the Education Reform Subcommittee, who deserve a great deal of credit for their hard work and cooperation that have brought this bill before us today. I also want to thank the gentleman from California (Mr. GEORGE MILLER), the ranking member of the committee, for his continued commitment to a bipartisan, cooperative process.

The Federal child nutrition programs ensure millions of needy children have access to nutritious meals. While we all know that a healthful diet is necessary for children to achieve full physical development and long-term health and is critical for academic success as well in school, for this reason the investment in these programs is considerable. And so is our obligation to ensure our Federal resources are being used effectively and efficiently. Children and families depend on Federal child nutrition programs, and they depend on us to ensure that these programs are being administered with integrity.

The Child Nutrition and WIC Reauthorization Act extends the National School Lunch and Breakfast programs; Child and Adult Care Food Program; After-School Snack Program; the Summer Food Service Program; and the Special Supplemental Nutrition Program for Women, Infants, and Children, the WIC program. Taken together, the reforms in this bill will help ensure we are making the most of Federal resources to improve the nutritional health of children while being mindful of program quality and integrity.

The bill before us strikes an important balance between our desire to promote healthy nutritional choices and physical activity among children and the need to preserve local control for our schools. The gentleman from Delaware (Mr. CASTLE), the author of the House version of this legislation, has been a leader in our efforts to reduce the epidemic of child obesity by promoting a comprehensive approach that includes nutrition education and physical activity. In particular, the establishment of a local wellness policy, written at the local level to reflect local needs, marks significant progress that will promote nutrition education and increased physical activity in schools while maintaining local control.

To improve integrity in the Federal child nutrition programs and ensure access for eligible children, the legislation makes a number of positive reforms. The bill allows children whose parents who are in the Armed Forces and living in privatized military housing to continue to receive free or reduced-price meals at school if they meet the eligibility requirements. It also helps parents by allowing them to submit a single application for multiple children and ensures enrollment of eligible children through the use of direct certification of school lunch eligibility for those children and families receiving food stamps.

The Child Nutrition and WIC Reauthorization Act also takes steps to reduce paperwork by allowing school lunch certifications to be valid for 1 full year, preventing situations in which schools are forced to repeatedly certify children within a single school year. The bill also includes a provision originally proposed by the gentleman from Florida (Mr. KELLER) to help reduce the stigma amongst children receiving free and reduced-priced lunches by helping schools make technological improvements, such as automated meal card systems that keep students' financial status confidential to increase the efficiency of program operations.

In recognition of the success and popularity of the Fruit and Vegetable Pilot program, which currently provides fresh and dried fruits and fresh vegetables to children in 25 schools in each of four States and one Indian reservation, I am pleased that the bill before us authorizes the continuation and expansion of this valuable pilot program.

And since this measure originally passed the House, we have worked closely with Members on both sides of the aisle and in both legislative bodies to reach a consensus, which is embodied in the bill that we have before us today. And through that process, we have reached an agreement on additional reforms that will further strengthen and improve child nutrition programs. We have included a demonstration program that will allow us to evaluate the impact of eliminating the reduced-price meal category, an initiative many of us are interested in exploring, and authorize six additional States, including my home State of Ohio, to participate in the Lugar pilot program under the Summer Feeding Program.

Additionally, I am pleased to have reached a commonsense solution to address concerns about the most efficient use of taxpayer resources particularly within the WIC program. The bill includes strong cost-containment measures to ensure that WIC food costs and voucher payments are consistent with competitive retail prices for supplemental foods. And this will ensure efficient use of taxpayer dollars while protecting our ability to serve the greatest number of eligible women, infants, and children.

The Child Nutrition and WIC Reauthorization Act will prevent important nutritional programs from expiring while ensuring that they continue to operate effectively and efficiently. And I am pleased to support this measure and would encourage my colleagues to do so.

There are a number of staff members from our committee who I believe deserve special recognition and thanks. And they include Stephanie Milburn, Krisann Pearce, Cindy Herrle, Julian Baer, Denise Forte, Linda Theif. And I also want to thank Tyson Redpath on my staff and Sarah Rittling on the gentleman from Delaware's (Mr. CASTLE) staff. And Kate Houston, she wrote it. Kate Houston spent hundreds and hundreds and hundreds of hours over this last year shepherding this and working with staff on both sides of the aisle. And I think all of our colleagues realize that we could not do the job that we do as Members without having terrific staff, and on our committee we have got terrific staff on both sides of the aisle. I want to thank all of them.

I include letters for the RECORD.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, DC, June 21, 2004.

Hon. JOHN BOEHNER,
Chairman, House Committee on Education and the Workforce, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN BOEHNER: As you are aware, the Senate Committee on Agriculture, Nutrition and Forestry reported S. 2507, the Child Nutrition and WIC Reauthorization Act of 2004, on June 7. As reported, S. 2507 contains matters within the jurisdiction of the Committee on Agriculture.

Section 104(b)(2) amends the Food Stamp Act of 1977, and section 301 amends the Commodity Distribution Reform Act and WIC Amendments of 1987. Both the Food Stamp Act and the Commodity Distribution Act are within the jurisdiction of the Committee on Agriculture. In the interest of expediting this matter, however, our committee will not seek referral of S. 2507. I do so with the understanding that by discharging the bill the Committee on Agriculture does not waive any future jurisdictional claim over this or similar measures. In addition, in the event a conference with the Senate is requested on this matter, the Committee on Agriculture reserves the right to seek appointment of conferees, if one should become necessary.

I also ask that you insert a copy of our exchange of letters in the Congressional Record during consideration of S. 2507 on the Floor.

Sincerely,

BOB GOODLATTE,
Chairman.

COMMITTEE ON EDUCATION AND THE WORKFORCE, U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, June 22, 2004.

Hon. BOB GOODLATTE,
Chairman, Committee on Agriculture, Longworth House Office Building, Washington, DC.

DEAR CHAIRMAN GOODLATTE: This letter is to confirm our agreement regarding S. 2507, the Child Nutrition and WIC Reauthorization. I thank you for working with me, specifically regarding the amendments included in the Senate amendment specifically, Section 104(b)(2) *Agreement for Direct Certification and Cooperation* and Title III, *Commodity Distribution Programs*, which are within the jurisdiction of the Committee on Agriculture.

While these provisions are within the jurisdiction of the Committee on Agriculture, I appreciate your willingness to work with me in moving S. 2507 forward without the need for additional consideration in your Committee. I agree that this procedural route should not be construed to prejudice the jurisdictional interest and prerogatives of the Committee on Agriculture on this provision or any other similar legislation and will not be considered as precedent for consideration of matters of jurisdictional interest to your Committee in the future.

I thank you for working with me regarding this matter. I will include a copy of your letter and this response in the Congressional Record during consideration of S. 2507 on the House floor.

Sincerely,

JOHN A. BOEHNER,
Chairman.

COMMITTEE ON EDUCATION AND THE WORKFORCE, U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, June 22, 2004.

Hon. JOE BARTON,
Chairman, Committee on Energy and Commerce, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN BARTON: This letter is to confirm our agreement regarding S. 2507, the Child Nutrition and WIC Reauthorization. I thank you for working with me, specifically regarding the amendments included in the Senate bill specifically, Section 105(b) Conforming Amendments and Title IV, Miscellaneous which are within the jurisdiction of the Committee on Energy and Commerce.

While these provisions are within the jurisdiction of the Committee on Energy and Commerce, I appreciate your willingness to work with me in moving S. 2507 forward without the need for additional consideration in your Committee. I agree that this procedural route should not be construed to prejudice the jurisdictional interest and prerogatives of the Committee on the Energy and Commerce on this provision or any other similar legislation and will not be considered as precedent for consideration of matters of jurisdictional interest to your Committee in the future.

I thank you for working with me regarding this matter. I will include a copy of this letter in the Congressional Record during consideration of S. 2507 on the House floor.

Sincerely,

JOHN A. BOEHNER,
Chairman.

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentleman for his explanation.

Continuing under my reservation of objection, I yield to the gentlewoman from California (Ms. WOOLSEY), ranking member of the committee.

Ms. WOOLSEY. Mr. Speaker, I thank the ranking member for yielding to me.

Mr. Speaker, I rise in support of S. 2507, the Child Nutrition and WIC Reauthorization Act of 2004. This reauthorizes the Federal child nutrition programs, one of the most important bills I think that we consider here in the House of Representatives. This has become, through considerable effort on all sides, a bipartisan, bicameral bill. And I thank my colleagues and staff on both sides of the aisle and in both Chambers who have worked so hard and in such good faith.

A lot of positive compromises were made to get to this point. I think that every Member who was involved in the negotiations, and even some who were not, gave up something while gaining in the long run. But we were determined all through the effort that the Federal child nutrition programs would continue to provide nutritious food for low-income infants and children at home, in child care centers, in family day care homes, at school, and when school is out for the day or the year. And that is what this bill before us today does.

While I would have liked to include a full expansion of the Free Breakfast Program for all kids and tighter restrictions on the junk food that is sold in schools, the Child Nutrition and WIC Reauthorization Act does improve the Federal child nutrition programs in many ways, and I am not going to list all those ways because we have other people that would like to speak. But I want the Members to know that those of us that are here support exactly what is in this bill, and we are glad that we are able to support it. What I hope and what I expect is that one of the most significant benefits to hungry children since the first Federal school lunch, and that is the pilot program that will allow five States to examine the impact of eliminating the reduced/free category in school meals, that this will be a huge success supported around the Nation so we will prove that children who have a nutritious meal, a nutritious breakfast learn better, they have better attendance, they have better scores on their tests, and they behave better in school. So that we will have learned something very significant by the end of this reauthorization. Our children will get nutritious meals. They will get snacks. They will develop better eating habits as a result of the Child Nutrition and WIC Reauthorization, and I urge all my colleagues to support it.

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentlewoman for her explanation. And also I want to thank her for all of her hard work and her advocacy on behalf of children in this program and families in this program. She has very much made a difference in the outcome of this legislation by her efforts.

Mr. Speaker, continuing under my reservation of objection, I yield to the gentleman from Delaware (Mr. CASTLE) for his remarks.

Mr. CASTLE. Mr. Speaker, I thank the distinguished gentleman from California for yielding to me. I also want to thank him for all of his help and cooperation on this legislation; as well as the distinguished gentleman in Ohio (Mr. BOEHNER) for his work; and obviously my ranking member, with whom I worked closely on this; and particularly the staff, Kate Houston, and Sarah on my staff, as well as all the other staff people.

Obviously I rise in support of the legislation as well. The bill before us today does represent several months of hard work, cooperation, and dedication to strengthening nutritional services for vulnerable children. I am pleased to have the bill before us and to have an agreement that spans both sides of the aisle in addition to both sides of the Capitol.

The Child Nutrition and WIC Reauthorization Act of 2004 makes a number of positive reforms focusing on reaching three main goals: ensuring eligible children have access to services, promoting comprehensive solutions to the health and nutrition of children, and strengthening program integrity to ensure Federal resources are being effectively leveraged to serve children who qualify. The bill reauthorizes the National School Lunch and Breakfast programs, Child and Adult Care Food Program, After-School Snack Program, Summer Food Service Program, and the Special Supplemental Nutrition Program for Women, Infants, and Children. I believe that in this bill we have gone a long way in strengthening these programs on behalf of disadvantaged children and their families.

While the bill includes a variety of important reforms, there are a few I would like to mention specifically. With little money to work with, we were able to increase access to child nutrition programs for eligible children. For example, the bill extends participation for eligible children whose parents are in the Armed Forces and living in privatized military housing so these children may continue receiving free or reduced-priced meals. This provision alone would benefit 250 children in my home State of Delaware and up to 100,000 children nationwide.

The Federal Government invests roughly $16 billion annually in child nutrition programs. Ensuring the effective use of these resources by enhancing program integrity has been a top priority during the reauthorization process. We have moved to ensure that children who deserve these services are receiving them and not being excluded by those who are not eligible. To this end, we have taken steps to reduce administrative error, improve accuracy, and enhance accountability for program administration.

Finally, I would like to highlight an issue of particular concern to me, the growing problem of childhood obesity. During visits to schools over the past several years, I have noticed a growing number of obese children. We all recognize the fact that obesity has reached epidemic proportions in our Nation. Defeating this crisis will require the work of many, including schools, parents, government, the health community, and industry.

The bill before us today also includes important steps to promote comprehensive solutions to child health and nutrition, including provisions to promote nutritional education and physical activity at the State and local level.

The Child Nutrition and WIC Reauthorization Act of 2004 is a result of cooperative bipartisan and bicameral efforts to strengthen nutritional services provided to needy children and families through the various child nutrition programs. I would like to thank my colleagues for their cooperation in bringing this bill forward, and I urge its passage.

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentleman from Delaware for his explanation. I also want to thank him for all of his work and his participation. He is one of those individuals in this institution that makes a bipartisan agreement like this able to be brought up on unanimous consent because of his cooperation and his advocacy on behalf of our children. So I thank the gentleman from Delaware (Mr. CASTLE).

Mr. Speaker, continuing under my reservation of objection, I yield to the gentleman from New Jersey (Mr. ANDREWS), a member of the committee.

Mr. ANDREWS. Mr. Speaker, I thank the gentleman from California for yielding to me.

I would like to thank the gentleman from Ohio (Chairman BOEHNER); the gentleman from Delaware (Chairman CASTLE); the gentleman from California (Mr. GEORGE MILLER), our ranking member; and the gentlewoman from California (Ms. WOOLSEY), ranking member of the subcommittee, for their outstanding work that will benefit my constituents and children throughout the country.

□ 1430

I thank the gentleman for his cooperation and comity, and for working with us on this.

I particularly want to thank the committee for incorporating three issues in this bill that I was involved in working on with members on both sides.

The first is a provision that will permit school districts to more easily automatically enroll children in the child nutrition programs if they are eligible for some other assistance program that has similar or the same eligibility requirements. There are a lot of children who do not get enrolled because their moms and dads do not send the forms back or because there is some kinds of bureaucratic problem. This will help many, many children, and it is greatly appreciated.

Secondly, I appreciate the committee's efforts to be sure that children who attend private for-profit pre-kindergarten programs are given full and equal opportunity to participate in this program.

Third, I salute the committee leadership for their very artful and fair compromise on the issue of soy milk, which is important medically and culturally for many children and many families. This will permit parents who wish to make the choice of soy milk to make that choice.

I also want to commend the staff on both sides of the aisle for their outstanding participation and help in this. I am proud to support this bill.

Mr. GEORGE MILLER of California. Mr. Speaker, continuing my reservation, I thank the gentleman for his remarks.

Mr. Speaker, I yield to my colleague the gentlewoman from California (Ms. LEE), and thank her for her participation in this legislation.

Ms. LEE. Mr. Speaker, first let me thank the chairman of the subcommittee, the gentleman from Delaware (Mr. CASTLE); the chairman of the full committee, the gentleman from Ohio (Mr. BOEHNER); my colleague, our ranking member, the gentleman from California (Mr. GEORGE MILLER); and the gentlewoman from California (Ms. WOOLSEY) for making sure that this is a bipartisan bill and for incorporating many of our new policies and ideas into this bill, and ensuring that one provision is included in the bill that I introduced actually back in September of 2003, the Right to Know School Nutrition Act.

Basically, today over 27 million low-income children throughout the nation have come to rely on the national school lunch program and the national breakfast program for a healthy and nutritious meal. Oftentimes this is the only source of nutrition that these kids will receive all day, so it is incredibly important that we provide healthy, nutritious meals to these students and we make sure we notify their parents about what they are eating.

But, believe it or not, when it comes to the issue of irradiated food, food that is bombarded with gamma rays or electrons, there is no requirement in law that schools must notify their parents or their children about what they are eating, or even that the irradiated food was being served in school. This provision of the bill basically notifies parents and children about irradiated food, while providing a possible alternative, if the schools can so provide for that.

So I am very delighted that both the House and the other body have seen fit to include a large part of my bill in this bill. I think it is very important for the health and safety of our children. It is very important that parents and children know that their food is irradiated and have some alternatives for their health. That is basically what it is about.

I just want to thank the chairman of the full committee, the chairman of the subcommittee, our ranking member and the gentlewoman from California (Ms. WOOLSEY), our ranking subcommittee member, for all of their assistance in this. I fully support the bill, and hope we have a bipartisan vote.

Mr. GEORGE MILLER of California. Mr. Speaker, continuing to reserve the right to object, I thank the gentlewoman for her remarks.

Mr. Speaker, I yield to the gentlewoman from Los Angeles, California (Ms. WATERS).

Ms. WATERS. Mr. Speaker, I rise in strong support of the Child Nutrition and WIC Reauthorization Act of 2004.

I am very pleased to commend my colleagues, the gentleman from Ohio (Chairman BOEHNER); the ranking member the gentleman from California (Mr. GEORGE MILLER); and my good friend the gentlewoman from California (Ms. WOOLSEY) on the wonderful work they have done, along with all of the other members of the committee.

I just want to give recognition to the fact that there was some controversy that developed around the WIC-only stores, but a good compromise has been worked out, and the compromise language in the bill is intended to make sure that the program serves the maximum number of eligible women, infants and children.

The language is not intended to eliminate WIC-only stores or to force the WIC-only stores to price their products less than the larger retail stores. The WIC-only operators have agreed that they will make their prices more competitive, because that was one of the criticisms. I commend the WIC-only stores for providing special services to limited English speaking families and poor families that allows them to receive this valuable service with dignity and respect. The language in the bill also allows the WIC-only stores to use promotional items in the same way that the larger retail stores are allowed to do.

I would like to thank again all of my colleagues for working this out. The compromise language makes good sense, and this helps us to move forward in ways that serve the maximum number of women, infants and children.

Mr. GEORGE MILLER of California. Mr. Speaker, continuing my reservation of objection, I thank the gentlewoman for her comments and participation in the resolution of the issue concerning the WIC-only stores.

Mr. Speaker, I yield to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, I want to thank the ranking member for yielding.

Mr. Speaker, I want to commend the gentleman from Ohio (Chairman BOEHNER) and the ranking member, the gentleman from California (Mr. GEORGE MILLER), as well as all of those who have actually been involved to make sure that we had a good, solid, bipartisan piece of legislation that affords the greatest opportunity for our school children to get nutritious meals and to make sure that those individuals who are in need of this kind of action on the part of our Congress do in fact receive it.

I think this is one of the greatest examples of bipartisanship, of the opportunity that people have to work cooperatively together. It has been a great process, and I think the results are going to be even greater.

So, again, I commend the chairman of the Committee on Education and the Workforce, our ranking member, and, of course the ranking member of my subcommittee, the gentlewoman from California (Ms. WOOLSEY). It has been a great process.

Mr. GEORGE MILLER of California. Mr. Speaker, continuing my reservation, I thank the gentleman for his comments.

Mr. Speaker, I again want to support this legislation. I want to thank the gentleman from Ohio (Chairman BOEHNER); the subcommittee chairman, the gentleman from Delaware (Mr. CASTLE); and the gentlewoman from California (Ms. WOOLSEY) for all of their work and cooperation. I know it continues to mystify some people in the House how the gentleman from Ohio (Mr. BOEHNER) and I can continue to work together, and that the gentleman from Delaware (Mr. CASTLE) can come to these bipartisan agreements with the gentlewoman from California (Ms. WOOLSEY) on my side.

We have serious philosophical differences on many issues, but we have been able to put them aside from time to time on behalf of the children of this Nation, and here I think we have made major improvements in this legislation to the benefit of the 27 million children who participate in this program every school day, to the 2 million children who will participate in the summer feeding and the child care programs in this country, and nearly 7.5 million poor women and children who participate in the Women, Infants and Children program, a program that has demonstrated that we get many, many, many times the return on the money we invest in the WIC program in the reduction of health care costs to the mother and the newborn child because we are able to interact with them and give them good advice about their pregnancy, about the birth of their child and about the care of their child in the early moments of life.

It was almost 30 years ago this year in this Congress when I stood here on a similar unanimous consent request to extend and make permanent the Women, Infants and Children program. It has returned billions of dollars in savings to this country, and, more importantly, it has provided for millions of newborn babies to be born healthy, to avoid the problems of low birth weight and their mothers the problems of troubled pregnancies and premature births.

For that, we are very grateful to the people who work so hard in this program to develop its nutritional benefits and its healthcare benefits.

I also want to thank my colleagues for working so hard to try to expand the efforts to eliminate and reduce paperwork and to make sure that we are coordinating these programs with other programs, such as the Medicaid agencies and food stamp offices, to make sure they know of the accessibility to these programs, to remove the barriers to migrant children and homeless and runaway youth and to expand the opportunities to military families.

It is unfortunate that in this country we have so many people in poverty or have such low wages, many of whom work the year-round, that are eligible for this program, but it is also very fortunate for those individuals and good for our country that we have this program to extend these nutritional and health benefits to them.

I wish we would have been able to make a better statement, a greater statement, and a better direction for this country on the problems of childhood obesity. These rates have doubled in children and tripled in adolescents in the last two decades. We cannot ignore the opportunity we have to work with these children on a whole range of solutions to the problems of obesity while we have them in school. One which is very important to be transmitted to them is the benefit of a good and healthy diet. This program should be compatible with those goals. I hope we have sent a message to the program that we want them to develop a healthier diet, a better diet, but we also want to send the message of exercise, of healthy living outside of school by those young people.

Finally, we have all thanked one another, but this is a rare moment in this session of Congress, in these 2 years, that stand here reporting under unanimous consent a bipartisan piece of legislation of this significance. So I do want to thank again the gentleman from Ohio (Chairman BOEHNER) for all of his cooperation in moving this legislation in a timely fashion, so we would have an opportunity to work with the Senate; to the gentleman from Delaware (Mr. CASTLE) and the gentlewoman from California (Ms. WOOLSEY) for developing the substance of this legislation, the changes in this legislation, the reforms in this legislation and the expansion of opportunity for these children and for their families.

I certainly want to thank Senator HARKIN, who I came to Congress with, for all of his hard and continuing work on child nutrition and food programs in this Nation and internationally, and Chairman COCHRAN, who I have had an opportunity to work with on so many programs affecting children in literacy and nutrition and other benefits such as that.

Finally, I want to thank the staff members of our committee. On our side of the aisle, Lynda Theil, Denise Forte and Joe Novotny; the people from CRS, Joe Richardson and Donna Porter, who provided us so much technical assistance and expertise; to Tyson Redpath on the staff of the gentleman from Ohio (Mr. BOEHNER), and Sarah Rittling on the staff of the gentleman from Delaware (Mr. CASTLE); and the Republican staff in the House, Kate Houston, Stephanie Milburn, Sally Lovejoy, Krisann Pearce and Julian Baer, for all of their work, for their consistence.

The fact of the matter is, it was the cooperation among the staffs that allowed this bill to be reported on a timely basis as we come toward the end of this session of Congress.

I would also like to thank Derek Miller of Senator HARKIN's staff and Dave Johnson of Senator COCHRAN's staff.

Mr. Speaker, I think the House and the Senate can be very proud of this legislation, and I know that those individuals, the American School Food Service Association, the Food Research and Action Center, the WIC directors, the United Fresh Fruit and Vegetable Association, the Center for Budget and Policy Priorities, and so many others that I will submit for the RECORD, were great advocates of the improvements made in this legislation and the expansion of nutritional and health opportunities for the participants.

Mr. Speaker, I include for the RECORD the list of supporters of this legislation.

American Association of School Administrators.

American Commodity Distribution Association.

American Dietetic Association.

American Federation of State, County, and Municipal Employees (AFSCME).

American School Food Service Association (ASFSA).

America's Second Harvest.

Anti Hunger Action Committee.

Association of Farmworker Opportunity Programs.

Bread for the World.

Catholic Charities USA.

Central Coast Hunger Coalition.

Chicago Jobs Council.

Children's Defense Fund.

Children's Foundation.

Coalition of Labor Union Women.

Coalition of Religious Communities (Utah).

Coalition on Human Needs.

Colorado Anti-Hunger Network.

Colorado Center on Law and Policy.

Community Food Security Coalition.

Congressional Hunger Center.

Connecticut Association for Human Services.

Crossroads Urban Center.

Denver Urban Ministries.

EBT Industry Council of the Electronic Funds Transfer Association.

Evangelical Lutheran Church in America.

Food and Allied Service Trades Department (FAST), AFL–CIO.

Food Research and Action Center (FRAC).

FOOD Share, Inc.

Greater Upstate Law Project, NY.

Green Consulting Services, Miami, FL.

Hudson Valley Poverty Law Center, NY.

Human Services Coalition of Dade County.

Hunger Action Network of New York State.

I Am Your Child Foundation.

Indiana Coalition on Housing and Homeless Issues, Inc.

Institute Justice Team, Sisters of Mercy of the Americas.

Jewish Council for Public Affairs.

Just Harvest, Pittsburgh, PA.

Lutheran Advocacy Ministry—Colorado.

Migrant Legal Action Program.

Monterey County Farm to School Partnership.

National Advocacy Center of the Sisters of the Good Shepherd.

National Association for the Education of Young Children (NAEYC).

National Association of Protection and Advocacy Systems.

National Association of State Boards of Education.

National Coalition for the Homeless.

National Council of Churches of Christ in the USA.

National Council of Jewish Women.

National Farmers Union.

National Grange.

National Head Start Association.

National Priorities Project.

National PTA.

National Student Campaign Against Hunger and Homelessness.

National WIC Association (NWA).

National Women's Law Center.

Northeast Missouri Client Council for Human Needs, Inc.

Presbyterian Church (U.S.A.) Washington Office.

Public Children Services Association of Ohio.

Public Interest Law Office of Rochester, NY.

Public Justice Center.

RESULTS.

Sargent Shriver National Center on Poverty Law.

Second Harvest Food Bank of Santa Cruz and San Benito Counties.

Share Our Strength (SOS).

The Advocacy for the Poor, Inc., Winston-Salem, NC.

The Partnership Center, Ltd.

Union for Reform Judaism.

United Food and Commercial Workers International Union (UFCW).

United Fresh Fruit & Vegetable Association.

WHEAT, Phoenix, AZ.

Women of Reform Judaism.

World Hunger Year.

Mr. KENNEDY of Minnesota. Mr. Speaker, I rise today in strong support of S. 2507, the Child Nutrition and WIC Reauthorization Act. Federal child nutrition programs were conceived to offer wholesome meals and snacks to children in need, and to support the health of lower-income pregnant women, new mothers, and their young children. Federal child nutrition programs touch the lives of countless children. The National School Lunch Program alone serves an average of 29 million children each school day. Fifty-eight percent of these children receive a nutritious lunch each school day for free or at a reduced price. Nearly eleven million children also take part in school breakfast, after-school snacks, and summer meals. These programs provide an extraordinary opportunity to send a strong, consistent message to children about maintaining a healthy, active lifestyle.

Along with nutritional provisions, this legislation works to streamline the eligibility criteria and paperwork parents and guardians need to participate. For schools, lunch certifications will now be valid for a full year. Additionally, parents will be allowed to submit a single application for multiple children, and to file school lunch applications electronically. And, eligible children whose parents live in privatized military housing will continue to receive free- or reduced-price meals.

This bill also addresses the Women, Infant and Children program commonly know as WIC. This important program helps safeguard the health of nutritionally at-risk pregnant women and new mothers, infants, and children up to age five. It provides vital nutrient-dense foods to supplement diets, along with nutrition education and referrals for health care and other social services. WIC is based on the premise that early intervention programs can prevent future medical and developmental problems in at-risk individuals. The success of WIC is well documented. Participation in WIC has led to better pregnancy outcomes—fewer infant deaths, fewer premature births, and increased birth weights. Through this legislation, WIC is authorized through 2009 and a number of enhancements are made to program access and operations.

Finally, this bill also ensures that supplemental foods available through WIC are consistent with current nutritional science, a key link in fighting youth obesity. Mr. Speaker, The Child Nutrition and WIC Reauthorization Act will help strengthen and improve all these programs which are so valuable to children and their families. I urge my colleagues to support this important legislation and yield back the balance of my time.

Mr. GRIJALVA. Mr. Speaker, I rise today in support of S. 2507, the bipartisan bill to reauthorize the Child Nutrition and WIC Programs. In this hot political climate, I am pleased to see that members crossed the aisle to compromise in the interests of hungry children. There are a number of provisions in this bill which will improve the program through increased access and innovative programs.

Migrant and seasonal farm working families, the families that put food on our tables, face unique challenges in accessing this program. The average farm worker earns just $7,500 a year—leaving most of their families well below poverty level. The hardships that the children in these families face are only amplified by their migratory lifestyle. Their parents, who are poor, uneducated, and often with limited literacy in their native language, face many barriers helping their children apply for services every time they move. S. 2507 would make homeless, runaway and migrant children automatically eligible for free lunch and breakfast. It will extend automatic eligibility to children who qualify for migrant educational services under the Elementary and Secondary Education Act.

It will be easier for parents to apply for free or reduced price meals by requiring only one application for the household and making that application valid for the full school year. Additionally, children in Food Stamp and TANF households will be directly certified to participate in the program.

Common sense and scientific knowledge tells us that eating breakfast improves school performance. Yet a number of barriers keep schools from offering this service, ranging from cost, stigma, and transportation. This bill would encourage more schools to serve breakfast by studying the logistical impediments that make it difficult, and finding ways to reduce those impediments.

Children who are hungry during the school day suffer even more during the summer when the appropriate resources are not available. S. 2507 authorizes a new pilot project to examine ways to reduce transportation barriers and increase access to summer feeding programs in rural areas.

Childhood obesity has become a national epidemic. Nearly a quarter of Hispanic children are overweight, and at high risk for Type II Diabetes. This program is in the position to significantly impact this national health crisis. In addition to requiring schools to create a wellness policy, this bill would authorize grants for outreach and education on obesity prevention activities to communities with high Limited English Proficiency populations.

This bill would expand the Fruit and Vegetable Pilot program, allowing it to target high poverty areas. Additionally, it authorizes an evaluation of the impact of fruits and vegetables on childhood obesity through pilot programs in WIC.

I stand today in support of this reauthorization bill because it offers real solutions to families and children who are most in need of our help. S. 2507 is a comprehensive piece of legislation that increases access, simplifies the application process, offers outreach, creates innovative pilot programs for targeted communities, and promotes the health and well being of all children served in the program. I encourage my colleagues to support this important bipartisan reauthorization.

Mr. HINOJOSA. Mr. Speaker, I rise in strong support of S. 2507, The Child Nutrition and WIC Reauthorization Act of 2004. I would like to commend the leadership of the Education and the Workforce Committee and the Senate Agriculture Committee for negotiating a bipartisan bill that will improve access to the child nutrition programs.

I am pleased that this compromise bill contains a number of provisions that were supported by the Congressional Hispanic Caucus and national Hispanic organizations. S. 2507 will make a difference for Hispanic children and families.

Measures to allow for the direct certification of migrant students and the direct verification of eligibility will protect our most at risk students from being dropped from the program, not for lack of eligibility but for lack of understanding or fear.

The provisions to ensure that school lunch information—throughout the entire process—is in a language and form that the parents can understand will go a long way to building understanding and trust. These are significant improvements to the program.

Additionally, the bill strengthens nutrition education. Childhood obesity and diabetes are reaching epidemic proportions in the Hispanic community and across the Nation. We must do more to help young people develop healthy lifestyles. This legislation is a step in the right direction.

S. 2507 provides important resources to expand access through innovative programs. The bill expands the Lugar summer food program, establishes a pilot program for rural areas, and allows 5 states to examine the impact of replacing the reduced priced lunches with free lunches—a goal that has strong bipartisan support.

This legislation also takes steps to safeguard the integrity of the WIC program, ensuring that WIC food packages reach the maximum number of women, infants, and children.

I urge my colleagues to vote yes on S. 2507.

Ms. DELAURO. Mr. Speaker, I rise in support of the Child Nutrition and Women, Infants, and Children reauthorization bill. These vital programs—school lunch and breakfast programs, after-school snack programs, WIC—improve the day-to-day-lives of American families. WIC touches the lives of every 5 people in the United States, including over 37 million children and nearly 2 million lower-income and postpartum women. It guarantees young women and their children receive adequate nutrition and health advice—preventing future illnesses and other health problems.

Our experience with the WIC nutrition program shows that it is a sound and wise long-term investment that pays off by improving the health and development of the women and young children who participate in the program. Each dollar invested in WIC saves more than three dollars in other government spending on programs such as Medicaid. WIC helps young mothers and their children start off on the right foot and saves money at the same time.

As a member of the House Appropriations Subcommittee on Agriculture, I work every year with my colleagues to ensure sufficient funding for the WIC program and to enact measures to streamline and improve the integrity of the program. But while I am largely pleased with the bill the other body produced, it unfortunately did not expand the school lunch program to all children who are in need.

There is no more important measure of our nation's values than how we care for and ensure the health and nutrition of our children—none.

We still have a way to go with respect to the full funding of WIC this year. But I am encouraged by this reauthorization, Mr. Speaker, and will continue to work toward fully funding the program in the coming year.

Mr. HOLT. Mr. Speaker, I rise in support of this Child Nutrition Act. This bill is a step in the right direction of important reforms in federal child nutrition programs. I would like to thank Chairmen BOEHNER, and CASTLE and Ranking Members MILLER and WOOLSEY for their hard work on the bill. I would also like to thank the Chairman for taking my amendment during the committee process eliminating the cost-accounting requirement for severe need breakfast programs.

This paperwork problem was brought to my attention by the Director of the New Jersey Child Nutrition Programs, Kathy Kuser. Many states, such as New Jersey, Wisconsin and Illinois, are making significant efforts to improve their school breakfast participation rate, and reducing the paperwork requirements would help these efforts.

Under current law, schools would qualify for severe-need breakfast assistance if at least 40 percent of the lunches served during the second preceding school year were free or reduced price. They calculate their cost per breakfast by prorating their labor costs, and figuring out their food, supplies and other costs associated with the school breakfast program. They have to save their receipts and calculations and submit them in order to get the severe-need reimbursement. Removing the cost-accounting requirement would be a significant paperwork reduction for the schools without significantly increasing cost for the government.

I also want to commend the committee for including direct certification for children from food stamp households for free school meals. Many schools are not aware of this method to determine eligibility for free meals. Direct certification improves access to free school lunches and improves program integrity, according to a study done by Mathematica.

I am also pleased to see a bill authorizing grants for "farm-to-cafeteria" projects, including nutrition education activities. These activities incorporate the participation of school children in farm and agricultural education projects and procure local foods from small- and medium-sized farms for school meals.

The expansion of eligibility for Child and Adult Care Food Program (CACFP) for children in shelters from age 13 to 18 who live in domestic violence shelters and homeless shelters is a wonderful improvement to the previous child nutrition legislation. My constituents who participate in Mercer Street Friends, Anchor House, Triad House, Family Preservation Center (Homefront) and the Family Preservation House would benefit from this change to CACFP eligibility. These organizations depend on food donations to feed their clients who are nutritionally at risk and should be eligible for this important nutrition support program.

Finally, I am pleased to see that the bill we are considering today has some positive improvements to the bill that first passed in March. The bill now authorizes grants to states for comprehensive nutrition education and physical activity programs.

It also authorizes grants to schools for nutrition and physical activity projects. Today's bill provides training and technical assistance to schools to develop healthy school nutrition environments and local wellness policies.

The bill also expands from 5 to 8 the number of states participating in the successful Fruit and Vegetable Pilot.

Mr. Speaker, once again I want to thank my colleagues and their staffs on the for their hard work. I ask my colleagues to support this bill, which will eliminate barriers to participation for low-income children and families and ensure greater access to these critical nutrition programs.

Mr. KIND. Mr. Speaker, I rise today in strong support of the Child Nutrition and WIC Reauthorization Act. As a member of the Education and the Workforce or Committee, I am pleased with the process in which this bill has been considered; it is a critical bill that will greatly benefit our nation's children as well as family farmers.

Ensuring that our youth receive proper nutrition is a top priority for me in Congress. I have traveled across western Wisconsin, meeting with people both in and out of the schools who are active in administering child nutrition programs, and consistently I hear how important these programs are for our youth. I have also met with parents and children who participate, and I hear how many of these families depend on federal child nutrition programs for a healthy start in life and healthy meals as their children grow. Sadly, too often, a federally subsidized meal is the only complete meal some children eat in a day. This reality underscores the importance of this bill that will improve access to such important programs while also increasing the nutritional value of federal food programs.

Specifically, I am pleased that several provisions were included in the base bill, which I coauthored in previous legislation. H.R. 3250, the Child Nutrition Improvement Act of 2003, which I sponsored with Representatives BENNIE THOMPSON, GIL GUTKNECHT, and TOM PETRI, will combat the increasing problem of child obesity through increased child milk consumption by preventing commercial beverage companies from pressuring schools to remove milk vending machines. Another provision included in the base bill from H.R. 3250 will improve child nutrition by making it easier for schools to offer milk in a variety of flavors and fat contents to better meet students' varying tastes and needs. With 90 percent of teenage girls and 70 percent of teenage boys currently not getting enough calcium, it is imperative to provide increased availability of milk products in schools.

Additionally, S. 2507 includes legislation that I sponsored with Representative UPTON, H.R. 2626, The Farm-to-Cafeteria Projects Act of 2003. This provision focuses on connecting local agriculture to schools in every state through a competitive, one-time matching grant directly to local communities. This allows each locality to design a farm-to-cafeteria project tailored to specific farm and school community needs. Experience has shown that kids' food choices can be improved by connecting farms to the lunchroom.

Mr. Speaker, again, I am proud to support this bill on the Floor today. Our goal in the 21st century should be to ensure that every child receives proper nutrition needed to succeed in school. It is a simple fact: good nutrition is an educational tool that improves children's performance in school.

Mr. SHAYS. Mr. Speaker, I rise in support of the Child Nutrition and WIC Reauthorization Act today.

I support child nutrition programs. The link between child nutrition and academic performance is a strong one, and I believe we need to do everything we can to make sure these programs are available to the children who need them most.

Under current law, reduced-price school meals are offered only to children with family incomes between 130 percent and 185 percent of the poverty level. Many families in the reduced-price income category find it difficult to pay the fee. As a result, many children who could benefit from the program do not.

I am pleased the Child Nutrition and WIC Reauthorization Act incorporates a pilot program to evaluate the effect of legislation I introduced which provides free meals under the Richard B. Russell National School Lunch Act to all children whose family incomes are less than 185 percent of the poverty line.

Under my legislation, each year the income eligibility threshold for free meals would rise, so that by the beginning of the school year that begins July 1, 2008, all children who are currently eligible for a reduced-price meal would be eligible for a free meal.

For Connecticut's Fourth Congressional District, this means 3,943 more children would be eligible for free meals, an increase of 13 percent.

S. 2507 would authorize a demonstration program in five States or parts of States to evaluate the impact of eliminating the reduced-price meal category.

The bottom line is reducing school hunger will increase academic performance.

Children cannot learn on an empty stomach. We need to ensure all children who can't afford lunches have guaranteed access to free meals. With the bounty of food we have in America, there is no reason for a child to be hungry in school. I urge support of this legislation.

Mr. CARTER. Mr. Speaker. I rise in support of S. 2507, Child Nutrition and WIC Reauthorization Act of 2004, which includes language that I offered to stop infant formula theft.

Stolen infant formula is a major problem throughout the country, including the State of Texas.

In 2003, international crime rings stole as much as $2.5 million worth of baby formula a month in Texas, and testimony before Congress revealed that some of the proceeds may go to fund terrorism.

After being stolen, the formula was stored and sometimes repackaged with phony expiration dates, then it was sold to small convenience stores in the United States.

This legislation requires State agencies to license and maintain a list of infant formula manufacturers, wholesalers, distributors, and retailers approved to provide infant formula to vendors.

This section closes a loophole that would allow crime rings to steal infant formula and resell this formula to retailers, who often are unaware that the formula was stolen.

This list would include food manufacturers, wholesalers, distributors, and retailers licensed in the State to distribute infant formula and food manufacturers registered with the U.S. Food and Drug Administration that provide infant formula, with vendors required to purchase infant formula from the list.

The stolen formula is often resold to customers using vouchers from the federally funded Women, Infants, and Children program.

I want to thank Education and the Workforce Chairman JOHN BOEHNER and the Subcommittee on Education Reform Chairman MICHAEL CASTLE, along with this staff, Kate Howston and Stephanie Milburn for their important work on this legislation.

Thank you, Mr. Speaker. I urge that my colleagues support this important legislation.

Mr. OSBORNE. Mr. Speaker, I rise in strong support of this legislation, which will do so much to assist children across the county.

I would like to point out a few things specifically that I believe make this an excellent reauthorization. We all know that childhood obesity has grown to epidemic proportions. The Centers for Disease Control and Prevention estimates that over 15 percent of children ages 6 to 11 were overweight in 1999 and 2000, more than triple the average of 4.2 percent from 1962 to 1970.

While this bill does not dictate to a school how to set priorities on nutrition and exercise, it does require schools to set locally determined wellness policies that encourage nutrition and physical activity. Although this language does not go as far as I would personally like to see, I believe it is a strong step in the right direction and I applaud the Chairman of the Education and the Workforce Committee Mr. BOEHNER, and especially Chairman of the Subcommittee on Education Reform, Mr. CASTLE for their efforts in this area.

In addition, the bill authorizes and expands the fresh fruit and vegetable pilot program, which is currently operating in a number of schools around the country with tremendous success. The bill also strengthens partnerships between local schools and local farmers in an effort to see more locally grown produce on school lunch tables.

I think this is a fair bill, a good bill, and our Nation's children will benefit from the commonsense reforms in this legislation. I urge passage of S. 2507.

Mr. EHLERS. Mr. Speaker, I rise today in support of S. 2507. I thank Chairman BOEHNER and Mr. CASTLE for work on this legislation. I particularly thank them for their willingness to retain direct certification of migrant children and policies promoting wellness during negotiations with the Senate.

This legislation works to protect eligible children's access to the child nutrition programs by extending automatic eligibility to children who qualify for migrant educational services under Title 1, part C of the No Child Left Behind Act. It allows for direct certification of migrant children if they are identified by the district's migrant education coordinator. Such a change makes it easier for migrant children to receive school meals as soon as they enter a new school.

In addition, this legislation promotes nutritional education and physical activity. I am very pleased that this legislation promotes such education and physical activity at the state and local levels to prevent childhood obesity. I am hopeful that the local school wellness policies, which will be established by schools participating in the school nutrition programs, will promote health and prevent childhood obesity throughout schools in Michigan and throughout the Nation.

Finally, I support strengthening partnerships between local agriculture and schools. I cosponsored Representative UPTON and Representative KIND's Farm-To-Cafeteria Projects Act, and I am pleased to see these provisions included. This legislation will promote partnerships between local Michigan farms and the child nutrition programs to ensure that children receive fresh and local produce.

In closing, I urge my colleagues to vote in favor of the Child Nutrition and WIC Reauthorization Act of 2004.

Mr. KELLER. Mr. Speaker, I rise today in strong support of S. 2507, the Child Nutrition and WIC Reauthorization Act of 2004.

I support this legislation not only because it strengthens the current school lunch program, but more specifically, it will reduce the stigma among children receiving free and reduced-priced lunches by helping schools make technological improvements, such as automated "meal card" systems, that keep students' financial status confidential so that children aren't embarrassed or singled out in the lunch line in front of their peers as participants in the free or reduced lunch program.

I am pleased that yesterday the Senate passed this legislation, and followed the House in incorporating my "Pride in the Lunch Line Act" legislation to allow schools access to existing Federal funds to purchase technology that will allow low-income children to go through the lunch line without the stigma or embarrassment of being identified as recipients of the free or reduced lunch program.

I modeled my legislation after a program in one of my local school districts, Lake County, Florida, that uses technology to enable every child to go through the school lunch line without being identified as a free or reduced lunch program recipient. Regardless of family income, every child has the same debit card which either their parents deposit money into or is funded by the program.

This legislation will expand existing Federal funds to allow more schools across the Nation to implement similar technology programs as Lake County did, reduce the stigma for students, and reduce the paperwork for schools.

I encourage my colleagues to vote for the Child Nutrition and WIC Reauthorization Act of 2004. Let's help children eat their lunch with pride.

Mr. GEORGE MILLER of California. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. SIMPSON). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2507

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Child Nutrition and WIC Reauthorization Act of 2004".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; Table of contents.

TITLE I—AMENDMENTS TO RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT

Sec. 101. Nutrition promotion.
Sec. 102. Nutrition requirements.
Sec. 103. Provision of information.
Sec. 104. Direct certification.
Sec. 105. Household applications.
Sec. 106. Duration of eligibility for free or reduced price meals.
Sec. 107. Runaway, homeless, and migrant youth.
Sec. 108. Certification by local educational agencies.
Sec. 109. Exclusion of military housing allowances.
Sec. 110. Waiver of requirement for weighted averages for nutrient analysis.
Sec. 111. Food safety.
Sec. 112. Purchases of locally produced foods.
Sec. 113. Special assistance.
Sec. 114. Food and nutrition projects integrated with elementary school curricula.
Sec. 115. Procurement training.
Sec. 116. Summer food service program for children.
Sec. 117. Commodity distribution program.
Sec. 118. Notice of irradiated food products.
Sec. 119. Child and adult care food program.
Sec. 120. Fresh fruit and vegetable program.
Sec. 121. Summer food service residential camp eligibility.
Sec. 122. Access to local foods and school gardens.
Sec. 123. Year-round services for eligible entities.
Sec. 124. Free lunch and breakfast eligibility.
Sec. 125. Training, technical assistance, and food service management institute.
Sec. 126. Administrative error reduction.
Sec. 127. Compliance and accountability.
Sec. 128. Information clearinghouse.
Sec. 129. Program evaluation.

TITLE II—AMENDMENTS TO CHILD NUTRITION ACT OF 1966

Sec. 201. Severe need assistance.
Sec. 202. State administrative expenses.
Sec. 203. Special supplemental nutrition program for women, infants, and children.
Sec. 204. Local wellness policy.
Sec. 205. Team nutrition network.
Sec. 206. Review of best practices in the breakfast program.

TITLE III—COMMODITY DISTRIBUTION PROGRAMS

Sec. 301. Commodity distribution programs.

TITLE IV—MISCELLANEOUS

Sec. 401. Sense of Congress regarding efforts to prevent and reduce childhood obesity.

TITLE V—IMPLEMENTATION

Sec. 501. Guidance and regulations.
Sec. 502. Effective dates.

TITLE I—AMENDMENTS TO RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT

SEC. 101. NUTRITION PROMOTION.

The Richard B. Russell National School Lunch Act is amended by inserting after section 4 (42 U.S.C. 1753) the following:

"SEC. 5. NUTRITION PROMOTION.

"(a) IN GENERAL.—Subject to the availability of funds made available under subsection (g), the Secretary shall make payments to State agencies for each fiscal year, in accordance with this section, to promote nutrition in food service programs under this Act and the school breakfast program established under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(b) TOTAL AMOUNT FOR EACH FISCAL YEAR.—The total amount of funds available for a fiscal year for payments under this section shall equal not more than the product obtained by multiplying—

"(1) ½ cent; by

"(2) the number of lunches reimbursed through food service programs under this Act during the second preceding fiscal year in schools, institutions, and service institutions that participate in the food service programs.

"(c) PAYMENTS TO STATES.—

"(1) ALLOCATION.—Subject to paragraph (2), from the amount of funds available under subsection (g) for a fiscal year, the Secretary shall allocate to each State agency an amount equal to the greater of—

"(A) a uniform base amount established by the Secretary; or

"(B) an amount determined by the Secretary, based on the ratio that—

"(i) the number of lunches reimbursed through food service programs under this Act in schools, institutions, and service institutions in the State that participate in the food service programs; bears to

"(ii) the number of lunches reimbursed through the food service programs in schools, institutions, and service institutions in all States that participate in the food service programs.

"(2) REDUCTIONS.—The Secretary shall reduce allocations to State agencies qualifying for an allocation under paragraph (1)(B), in a manner determined by the Secretary, to the extent necessary to ensure that the total amount of funds allocated under paragraph (1) is not greater than the amount appropriated under subsection (g).

"(d) USE OF PAYMENTS.—

"(1) USE BY STATE AGENCIES.—A State agency may reserve, to support dissemination and use of nutrition messages and material developed by the Secretary, up to—

"(A) 5 percent of the payment received by the State for a fiscal year under subsection (c); or

"(B) in the case of a small State (as determined by the Secretary), a higher percentage (as determined by the Secretary) of the payment.

"(2) DISBURSEMENT TO SCHOOLS AND INSTITUTIONS.—Subject to paragraph (3), the State agency shall disburse any remaining amount of the payment to school food authorities and institutions participating in food service programs described in subsection (a) to disseminate and use nutrition messages and material developed by the Secretary.

"(3) SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.—In addition to any amounts reserved under paragraph (1), in the case of the summer food service program for children established under section 13, the State agency may—

"(A) retain a portion of the funds made available under subsection (c) (as determined by the Secretary); and

"(B) use the funds, in connection with the program, to disseminate and use nutrition messages and material developed by the Secretary.

"(e) DOCUMENTATION.—A State agency, school food authority, and institution receiving funds under this section shall maintain documentation of nutrition promotion activities conducted under this section.

"(f) REALLOCATION.—The Secretary may reallocate, to carry out this section, any amounts made available to carry out this section that are not obligated or expended, as determined by the Secretary.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section, to remain available until expended.".

SEC. 102. NUTRITION REQUIREMENTS.

Section 9(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(a)) is amended by striking paragraph (2) and inserting the following:

"(2) FLUID MILK.—

"(A) IN GENERAL.—Lunches served by schools participating in the school lunch program under this Act—

"(i) shall offer students fluid milk in a variety of fat contents;

"(ii) may offer students flavored and unflavored fluid milk and lactose-free fluid milk; and

"(iii) shall provide a substitute for fluid milk for students whose disability restricts their diet, on receipt of a written statement from a licensed physician that identifies the disability that restricts the student's diet and that specifies the substitute for fluid milk.

"(B) SUBSTITUTES.—

"(i) STANDARDS FOR SUBSTITUTION.—A school may substitute for the fluid milk provided under subparagraph (A), a nondairy beverage that is nutritionally equivalent to fluid milk and meets nutritional standards established by the Secretary (which shall, among other requirements to be determined by the Secretary, include fortification of calcium, protein, vitamin A, and vitamin D to levels found in cow's milk) for students who cannot consume fluid milk because of a medical or other special dietary need other than a disability described in subparagraph (A)(iii).

"(ii) NOTICE.—The substitutions may be made if the school notifies the State agency that the school is implementing a variation allowed under this subparagraph, and if the substitution is requested by written statement of a medical authority or by a student's parent or legal guardian that identifies the medical or other special dietary need that restricts the student's diet, except that the school shall not be required to provide beverages other than beverages the school has identified as acceptable substitutes.

"(iii) EXCESS EXPENSES BORNE BY SCHOOL FOOD AUTHORITY.—Expenses incurred in providing substitutions under this subparagraph that are in excess of expenses covered by reimbursements under this Act shall be paid by the school food authority.

"(C) RESTRICTIONS ON SALE OF MILK PROHIBITED.—A school that participates in the school lunch program under this Act shall not directly or indirectly restrict the sale or marketing of fluid milk products by the school (or by a person approved by the school) at any time or any place—

"(i) on the school premises; or

"(ii) at any school-sponsored event.".

SEC. 103. PROVISION OF INFORMATION.

Section 9(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(a)) is amended by adding at the end the following:

"(4) PROVISION OF INFORMATION.—

"(A) GUIDANCE.—Prior to the beginning of the school year beginning July 2004, the Secretary shall issue guidance to States and school food authorities to increase the consumption of foods and food ingredients that are recommended for increased serving consumption in the most recent Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341).

"(B) RULES.—Not later than 2 years after the date of enactment of this paragraph, the Secretary shall promulgate rules, based on the most recent Dietary Guidelines for Americans, that reflect specific recommendations, expressed in serving recommendations, for increased consumption of foods and food ingredients offered in school nutrition programs under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).".

SEC. 104. DIRECT CERTIFICATION.

(a) IN GENERAL.—Section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) is amended—

(1) by redesignating paragraphs (3) through (7) as paragraphs (9) through (13), respectively; and

(2) in paragraph (2)—

(A) in subparagraph (B)—

(i) by striking "(B) Applications" and inserting the following:

"(B) APPLICATIONS AND DESCRIPTIVE MATERIAL.—

"(i) IN GENERAL.—Applications";

(ii) in the second sentence, by striking "Such forms and descriptive material" and inserting the following:

"(ii) INCOME ELIGIBILITY GUIDELINES.—Forms and descriptive material distributed in accordance with clause (i)"; and

(iii) by adding at the end the following:

"(iii) CONTENTS OF DESCRIPTIVE MATERIAL.—

"(I) IN GENERAL.—Descriptive material distributed in accordance with clause (i) shall contain a notification that—

"(aa) participants in the programs listed in subclause (II) may be eligible for free or reduced price meals; and

"(bb) documentation may be requested for verification of eligibility for free or reduced price meals.

"(II) PROGRAMS.—The programs referred to in subclause (I)(aa) are—

"(aa) the special supplemental nutrition program for women, infants, and children established by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

"(bb) the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

"(cc) the food distribution program on Indian reservations established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)); and

"(dd) a State program funded under the program of block grants to States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).";

(B) by striking "(C)(i)" and inserting "(3)"; and

(C) by striking clause (ii) of subparagraph (C) (as it existed before the amendment made by subparagraph (B)) and all that follows through the end of subparagraph (D) and inserting the following:

"(4) DIRECT CERTIFICATION FOR CHILDREN IN FOOD STAMP HOUSEHOLDS.—

"(A) IN GENERAL.—Subject to subparagraph (D), each State agency shall enter into an agreement with the State agency conducting eligibility determinations for the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

"(B) PROCEDURES.—Subject to paragraph (6), the agreement shall establish procedures under which a child who is a member of a household receiving assistance under the food stamp program shall be certified as eligible for free lunches under this Act and free breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), without further application.

"(C) CERTIFICATION.—Subject to paragraph (6), under the agreement, the local educational agency conducting eligibility determinations for a school lunch program under this Act and a school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall certify a child who is a member of a household receiving assistance under the food stamp program as eligible for free lunches under this Act and free breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), without further application.

"(D) APPLICABILITY.—This paragraph applies to—

"(i) in the case of the school year beginning July 2006, a school district that had an enrollment of 25,000 students or more in the preceding school year;

"(ii) in the case of the school year beginning July 2007, a school district that had an enrollment of 10,000 students or more in the preceding school year; and

"(iii) in the case of the school year beginning July 2008 and each subsequent school year, each local educational agency.".

(b) ADMINISTRATION.—

(1) IN GENERAL.—Section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) (as amended by subsection (a)) is amended by inserting after paragraph (4) the following:

"(5) DISCRETIONARY CERTIFICATION.—

"(A) IN GENERAL.—Subject to paragraph (6), any local educational agency may certify any child as eligible for free lunches or breakfasts, without further application, by directly communicating with the appropriate State or local agency to obtain documentation of the status of the child as—

"(i) a member of a family that is receiving assistance under the temporary assistance for needy families program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995;

"(ii) a homeless child or youth (defined as 1 of the individuals described in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2));

"(iii) served by the runaway and homeless youth grant program established under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.); or

"(iv) a migratory child (as defined in section 1309 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6399)).".

"(B) CHILDREN OF HOUSEHOLDS RECEIVING FOOD STAMPS.—Subject to paragraph (6), any local educational agency may certify any child as eligible for free lunches or breakfasts, without further application, by directly communicating with the appropriate State or local agency to obtain documentation of the status of the child as a member of a household that is receiving food stamps under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

"(6) Use or disclosure of information.—

"(A) In general.—The use or disclosure of any information obtained from an application for free or reduced price meals, or from a State or local agency referred to in paragraph (3)(F), (4), or (5), shall be limited to—

"(i) a person directly connected with the administration or enforcement of this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) (including a regulation promulgated under either Act);

"(ii) a person directly connected with the administration or enforcement of—

"(I) a Federal education program;

"(II) a State health or education program administered by the State or local educational agency (other than a program carried out under title XIX or XXI of the Social Security Act (42 U.S.C. 1396 et seq.; 42 U.S.C. 1397aa et seq.)); or

"(III) a Federal, State, or local means-tested nutrition program with eligibility standards comparable to the school lunch program under this Act;

"(iii)(I) the Comptroller General of the United States for audit and examination authorized by any other provision of law; and

"(II) notwithstanding any other provision of law, a Federal, State, or local law enforcement official for the purpose of investigating an alleged violation of any program covered by this paragraph or paragraph (3)(F), (4), or (5);

"(iv) a person directly connected with the administration of the State medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) or the State children's health insurance program under title XXI of that Act (42 U.S.C. 1397aa et seq.) solely for the purposes of—

"(I) identifying children eligible for benefits under, and enrolling children in, those programs, except that this subclause shall apply only to the extent that the State and the local educational agency or school food authority so elect; and

"(II) verifying the eligibility of children for programs under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); and

"(v) a third party contractor described in paragraph (3)(G)(iv).

"(B) Limitation on information provided.—Information provided under clause (ii) or (v) of subparagraph (A) shall be limited to the income eligibility status of the child for whom application for free or reduced price meal benefits is made or for whom eligibility information is provided under paragraph (3)(F), (4), or (5), unless the consent of the parent or guardian of the child for whom application for benefits was made is obtained.

"(C) Criminal penalty.—A person described in subparagraph (A) who publishes, divulges, discloses, or makes known in any manner, or to any extent not authorized by Federal law (including a regulation), any information obtained under this subsection shall be fined not more than $1,000 or imprisoned not more than 1 year, or both.

"(D) Requirements for waiver of confidentiality.—A State that elects to exercise the option described in subparagraph (A)(iv)(I) shall ensure that any local educational agency or school food authority acting in accordance with that option—

"(i) has a written agreement with 1 or more State or local agencies administering health programs for children under titles XIX and XXI of the Social Security Act (42 U.S.C. 1396 et seq. and 1397aa et seq.) that requires the health agencies to use the information obtained under subparagraph (A) to seek to enroll children in those health programs; and

"(ii)(I) notifies each household, the information of which shall be disclosed under subparagraph (A), that the information disclosed will be used only to enroll children in health programs referred to in subparagraph (A)(iv); and

"(II) provides each parent or guardian of a child in the household with an opportunity to elect not to have the information disclosed.

"(E) Use of disclosed information.—A person to which information is disclosed under subparagraph (A)(iv)(I) shall use or disclose the information only as necessary for the purpose of enrolling children in health programs referred to in subparagraph (A)(iv).

"(7) Free and reduced price policy statement.—

"(A) In general.—After the initial submission, a local educational agency shall not be required to submit a free and reduced price policy statement to a State educational agency under this Act unless there is a substantive change in the free and reduced price policy of the local educational agency.

"(B) Routine change.—A routine change in the policy of a local educational agency (such as an annual adjustment of the income eligibility guidelines for free and reduced price meals) shall not be sufficient cause for requiring the local educational agency to submit a policy statement.

"(8) Communications.—

"(A) In general.—Any communication with a household under this subsection or subsection (d) shall be in an understandable and uniform format and, to the maximum extent practicable, in a language that parents and legal guardians can understand.

"(B) Electronic availability.—In addition to the distribution of applications and descriptive material in paper form as provided for in this paragraph, the applications and material may be made available electronically via the Internet.".

(2) Agreement for direct certification and cooperation.—Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) is amended by adding at the end the following:

"(u) Agreement for Direct Certification and Cooperation.—

"(1) In general.—Each State agency shall enter into an agreement with the State agency administering the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

"(2) Contents.—The agreement shall establish procedures that ensure that—

"(A) any child receiving benefits under this Act shall be certified as eligible for free lunches under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and free breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), without further application; and

"(B) each State agency shall cooperate in carrying out paragraphs (3)(F) and (4) of section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)).".

(c) Funding.—

(1) In general.—On October 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to assist States in carrying out the amendments contained in this section and the provisions of section 9(b)(3) of the Richard B. Russell National School Lunch Act (as amended by section 105(a)) $9,000,000, to remain available until expended.

(2) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to assist States in carrying out the amendments made by this section and the provisions of section 9(b)(3) of the Richard B. Russell National School Lunch Act (as amended by section 105(a)) the funds transferred under paragraph (1), without further appropriation.

(d) Conforming Amendments.—

(1) Effective July 1, 2008, paragraph (5) of section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) (as added by subsection (b)(1)) is amended—

(A) by striking subparagraph (B);

(B) by striking "certification.—" and all that follows through "In general.—" and inserting "certification.—"; and

(C) by redesignating clauses (i) through (iv) as subparagraphs (A) through (D), respectively, and indenting appropriately.

(2) Section 9 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758) (as amended by subsection (a)(1)) is amended—

(A) in subsection (b)(12)(B), by striking "paragraph (2)(C)" and inserting "this subsection"; and

(B) in the second sentence of subsection (d)(1), by striking "subsection (b)(2)(C)" and inserting "subsection (b)(3)(G)".

(3) Section 11(e) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(e)) is amended in the first sentence by striking "section 9(b)(3)" and inserting "section 9(b)(9)".

SEC. 105. HOUSEHOLD APPLICATIONS.

(a) In General.—Section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) (as amended by section 104(a)(2)(B)) is amended by striking paragraph (3) and inserting the following:

"(3) Household applications.—

"(A) Definition of household application.—In this paragraph, the term 'household application' means an application for a child of a household to receive free or reduced price school lunches under this Act, or free or reduced price school breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), for which an eligibility determination is made other than under paragraph (4) or (5).

"(B) Eligibility determination.—

"(i) In general.—An eligibility determination shall be made on the basis of a complete household application executed by an adult member of the household or in accordance with guidance issued by the Secretary.

"(ii) Electronic signatures and applications.—A household application may be executed using an electronic signature if—

"(I) the application is submitted electronically; and

"(II) the electronic application filing system meets confidentiality standards established by the Secretary.

"(C) Children in household.—

"(i) In general.—The household application shall identify the names of each child in the household for whom meal benefits are requested.

"(ii) Separate applications.—A State educational agency or local educational agency may not request a separate application for each child in the household that attends schools under the same local educational agency.

"(D) VERIFICATION OF SAMPLE.—

"(i) DEFINITIONS.—In this subparagraph:

"(I) ERROR PRONE APPLICATION.—The term 'error prone application' means an approved household application that—

"(aa) indicates monthly income that is within $100, or an annual income that is within $1,200, of the income eligibility limitation for free or reduced price meals; or

"(bb) in lieu of the criteria established under item (aa), meets criteria established by the Secretary.

"(II) NON-RESPONSE RATE.—The term 'nonresponse rate' means (in accordance with guidelines established by the Secretary) the percentage of approved household applications for which verification information has not been obtained by a local educational agency after attempted verification under subparagraphs (F) and (G).

"(ii) VERIFICATION OF SAMPLE.—Each school year, a local educational agency shall verify eligibility of the children in a sample of household applications approved for the school year by the local educational agency, as determined by the Secretary in accordance with this subsection.

"(iii) SAMPLE SIZE.—Except as otherwise provided in this paragraph, the sample for a local educational agency for a school year shall equal the lesser of—

"(I) 3 percent of all applications approved by the local educational agency for the school year, as of October 1 of the school year, selected from error prone applications; or

"(II) 3,000 error prone applications approved by the local educational agency for the school year, as of October 1 of the school year.

"(iv) ALTERNATIVE SAMPLE SIZE.—

"(I) IN GENERAL.—If the conditions described in subclause (IV) are met, the verification sample size for a local educational agency shall be the sample size described in subclause (II) or (III), as determined by the local educational agency.

"(II) 3,000/3 PERCENT OPTION.—The sample size described in this subclause shall be the lesser of 3,000, or 3 percent of, applications selected at random from applications approved by the local educational agency for the school year, as of October 1 of the school year.

"(III) 1,000/1 PERCENT PLUS OPTION.—

"(aa) IN GENERAL.—The sample size described in this subclause shall be the sum of—

"(AA) the lesser of 1,000, or 1 percent of, all applications approved by the local educational agency for the school year, as of October 1 of the school year, selected from error prone applications; and

"(BB) the lesser of 500, or ½ of 1 percent of, applications approved by the local educational agency for the school year, as of October 1 of the school year, that provide a case number (in lieu of income information) showing participation in a program described in item (bb) selected from those approved applications that provide a case number (in lieu of income information) verifying the participation.

"(bb) PROGRAMS.—The programs described in this item are—

"(AA) the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

"(BB) the food distribution program on Indian reservations established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)); and

"(CC) a State program funded under the program of block grants to States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995.

"(IV) CONDITIONS.—The conditions referred to in subclause (I) shall be met for a local educational agency for a school year if—

"(aa) the nonresponse rate for the local educational agency for the preceding school year is less than 20 percent; or

"(bb) the local educational agency has more than 20,000 children approved by application by the local educational agency as eligible for free or reduced price meals for the school year, as of October 1 of the school year, and—

"(AA) the nonresponse rate for the preceding school year is at least 10 percent below the nonresponse rate for the second preceding school year; or

"(BB) in the case of the school year beginning July 2005, the local educational agency attempts to verify all approved household applications selected for verification through use of public agency records from at least 2 of the programs or sources of information described in subparagraph (F)(i).

"(v) ADDITIONAL SELECTED APPLICATIONS.—A sample for a local educational agency for a school year under clauses (iii) and (iv)(III)(AA) shall include the number of additional randomly selected approved household applications that are required to comply with the sample size requirements in those clauses.

"(E) PRELIMINARY REVIEW.—

"(i) REVIEW FOR ACCURACY.—

"(I) IN GENERAL.—Prior to conducting any other verification activity for approved household applications selected for verification, the local educational agency shall ensure that the initial eligibility determination for each approved household application is reviewed for accuracy by an individual other than the individual making the initial eligibility determination, unless otherwise determined by the Secretary.

"(II) WAIVER.—The requirements of subclause (I) shall be waived for a local educational agency if the local educational agency is using a technology-based solution that demonstrates a high level of accuracy, to the satisfaction of the Secretary, in processing an initial eligibility determination in accordance with the income eligibility guidelines of the school lunch program.

"(ii) CORRECT ELIGIBILITY DETERMINATION.—If the review indicates that the initial eligibility determination is correct, the local educational agency shall verify the approved household application.

"(iii) INCORRECT ELIGIBILITY DETERMINATION.—If the review indicates that the initial eligibility determination is incorrect, the local educational agency shall (as determined by the Secretary)—

"(I) correct the eligibility status of the household;

"(II) notify the household of the change;

"(III) in any case in which the review indicates that the household is not eligible for free or reduced-price meals, notify the household of the reason for the ineligibility and that the household may reapply with income documentation for free or reduced-price meals; and

"(IV) in any case in which the review indicates that the household is eligible for free or reduced-price meals, verify the approved household application.

"(F) DIRECT VERIFICATION.—

"(i) IN GENERAL.—Subject to clauses (ii) and (iii), to verify eligibility for free or reduced price meals for approved household applications selected for verification, the local educational agency may (in accordance with criteria established by the Secretary) first obtain and use income and program participation information from a public agency administering—

"(I) the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

"(II) the food distribution program on Indian reservations established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b));

"(III) the temporary assistance for needy families program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

"(IV) the State medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.); or

"(V) a similar income-tested program or other source of information, as determined by the Secretary.

"(ii) FREE MEALS.—Public agency records that may be obtained and used under clause (i) to verify eligibility for free meals for approved household applications selected for verification shall include the most recent available information (other than information reflecting program participation or income before the 180-day period ending on the date of application for free meals) that is relied on to administer—

"(I) a program or source of information described in clause (i) (other than clause (i)(IV)); or

"(II) the State plan for medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) in—

"(aa) a State in which the income eligibility limit applied under section 1902(l)(2)(C) of that Act (42 U.S.C. 1396a(l)(2)(C)) is not more than 133 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(l)(2)(A)); or

"(bb) a State that otherwise identifies households that have income that is not more than 133 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(l)(2)(A)).

"(iii) REDUCED PRICE MEALS.—Public agency records that may be obtained and used under clause (i) to verify eligibility for reduced price meals for approved household applications selected for verification shall include the most recent available information (other than information reflecting program participation or income before the 180-day period ending on the date of application for reduced price meals) that is relied on to administer—

"(I) a program or source of information described in clause (i) (other than clause (i)(IV)); or

"(II) the State plan for medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) in—

"(aa) a State in which the income eligibility limit applied under section 1902(l)(2)(C) of that Act (42 U.S.C. 1396a(l)(2)(C)) is not more than 185 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(l)(2)(A)); or

"(bb) a State that otherwise identifies households that have income that is not more than 185 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(l)(2)(A)).

"(iv) Evaluation.—Not later than 3 years after the date of enactment of this subparagraph, the Secretary shall complete an evaluation of—

"(I) the effectiveness of direct verification carried out under this subparagraph in decreasing the portion of the verification sample that must be verified under subparagraph (G) while ensuring that adequate verification information is obtained; and

"(II) the feasibility of direct verification by State agencies and local educational agencies.

"(v) Expanded use of direct verification.—If the Secretary determines that direct verification significantly decreases the portion of the verification sample that must be verified under subparagraph (G), while ensuring that adequate verification information is obtained, and can be conducted by most State agencies and local educational agencies, the Secretary may require a State agency or local educational agency to implement direct verification through 1 or more of the programs described in clause (i), as determined by the Secretary, unless the State agency or local educational agency demonstrates (under criteria established by the Secretary) that the State agency or local educational agency lacks the capacity to conduct, or is unable to implement, direct verification.

"(G) Household verification.—

"(i) In general.—If an approved household application is not verified through the use of public agency records, a local educational agency shall provide to the household written notice that—

"(I) the approved household application has been selected for verification; and

"(II) the household is required to submit verification information to confirm eligibility for free or reduced price meals.

"(ii) Phone number.—The written notice in clause (i) shall include a toll-free phone number that parents and legal guardians in households selected for verification can call for assistance with the verification process.

"(iii) Followup activities.—If a household does not respond to a verification request, a local educational agency shall make at least 1 attempt to obtain the necessary verification from the household in accordance with guidelines and regulations promulgated by the Secretary.

"(iv) Contract authority for school food authorities.—A local educational agency may contract (under standards established by the Secretary) with a third party to assist the local educational agency in carrying out clause (iii).

"(H) Verification deadline.—

"(i) General deadline.—

"(I) In general.—Subject to subclause (II), not later than November 15 of each school year, a local educational agency shall complete the verification activities required for the school year (including followup activities).

"(II) Extension.—Under criteria established by the Secretary, a State may extend the deadline established under subclause (I) for a school year for a local educational agency to December 15 of the school year.

"(ii) Eligibility changes.—Based on the verification activities, the local educational agency shall make appropriate modifications to the eligibility determinations made for household applications in accordance with criteria established by the Secretary.

"(I) Local conditions.—In the case of a natural disaster, civil disorder, strike, or other local condition (as determined by the Secretary), the Secretary may substitute alternatives for—

"(i) the sample size and sample selection criteria established under subparagraph (D); and

"(ii) the verification deadline established under subparagraph (H).

"(J) Individual review.—In accordance with criteria established by the Secretary, the local educational agency may, on individual review—

"(i) decline to verify no more than 5 percent of approved household applications selected under subparagraph (D); and

"(ii) replace the approved household applications with other approved household applications to be verified.

"(K) Feasibility study.—

"(i) In general.—The Secretary shall conduct a study of the feasibility of using computer technology (including data mining) to reduce—

"(I) overcertification errors in the school lunch program under this Act;

"(II) waste, fraud, and abuse in connection with this paragraph; and

"(III) errors, waste, fraud, and abuse in other nutrition programs, as determined to be appropriate by the Secretary.

"(ii) Report.—Not later than 180 days after the date of enactment of this paragraph, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing—

"(I) the results of the feasibility study conducted under this subsection;

"(II) how a computer system using technology described in clause (i) could be implemented;

"(III) a plan for implementation; and

"(IV) proposed legislation, if necessary, to implement the system.".

(b) Conforming Amendments.—Section 1902(a)(7) of the Social Security Act (42 U.S.C. 1396a(a)(7)) is amended—

(1) by striking "connected with the" and inserting "connected with—

"(A) the";

(2) by adding "and" after the semicolon; and

(3) by adding at the end the following:

"(B) at State option, the exchange of information necessary to verify the certification of eligibility of children for free or reduced price breakfasts under the Child Nutrition Act of 1966 and free or reduced price lunches under the Richard B. Russell National School Lunch Act, in accordance with section 9(b) of that Act, using data standards and formats established by the State agency;".

(c) Evaluation Funding.—

(1) In general.—On October 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to conduct the evaluation required by section 9(b)(3)(F)(iv) of the Richard B. Russell National School Lunch Act (as amended by subsection (a)) $2,000,000, to remain available until expended.

(2) Receipt and acceptance.—The Secretary of Agriculture shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under paragraph (1), without further appropriation.

SEC. 106. DURATION OF ELIGIBILITY FOR FREE OR REDUCED PRICE MEALS.

Paragraph (9) of section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C.1758(b)) (as redesignated by section 104(a)(1)) is amended—

(1) by striking "(9) Any" and inserting the following:

"(9) Eligibility for free and reduced price lunches.—

"(A) Free lunches.—Any";

(2) by striking "Any" in the second sentence and inserting the following:

"(B) Reduced price lunches.—

"(i) In general.—Any";

(3) by striking "The" in the last sentence and inserting the following:

"(ii) Maximum price.—The"; and

(4) by adding at the end the following:

"(C) Duration.—Except as otherwise specified in paragraph (3)(E), (3)(H)(ii), and section 11(a), eligibility for free or reduced price meals for any school year shall remain in effect—

"(i) beginning on the date of eligibility approval for the current school year; and

"(ii) ending on a date during the subsequent school year determined by the Secretary.".

SEC. 107. RUNAWAY, HOMELESS, AND MIGRANT YOUTH.

(a) Categorical Eligibility for Free Lunches and Breakfasts.—Section 9(b)(12)(A) of the Richard B. Russell National School Lunch Act (as redesignated by section 104(a)(1) of this Act) is amended—

(1) in clause (ii), by striking "or" at the end;

(2) in clause (iii), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(iv) a homeless child or youth (defined as 1 of the individuals described in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2));

"(v) served by the runaway and homeless youth grant program established under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.); or

"(vi) a migratory child (as defined in section 1309 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6399)).".

(b) Documentation.—Section 9(d)(2) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(d)(2)) is amended—

(1) in subparagraph (B), by striking "or";

(2) in subparagraph (C), by striking the period at the end and inserting a semicolon; and

(3) by inserting after subparagraph (C) the following:

"(D) documentation has been provided to the appropriate local educational agency showing that the child meets the criteria specified in clauses (iv) or (v) of subsection (b)(12)(A); or

"(E) documentation has been provided to the appropriate local educational agency showing the status of the child as a migratory child (as defined in section 1309 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6399)).".

SEC. 108. CERTIFICATION BY LOCAL EDUCATIONAL AGENCIES.

(a) Certification by Local Educational Agency.—Section 9 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758) is amended—

(1) in the second sentence of subsection (b)(11) (as redesignated by section 104(a)(1)), by striking "Local school authorities" and inserting "Local educational agencies"; and

(2) in subsection (d)(2)—

(A) by striking "local school food authority" each place it appears and inserting "local educational agency"; and

(B) in subparagraph (A), by striking "such authority" and inserting "the local educational agency".

(b) Definition of Local Educational Agency.—Section 12(d) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760(d)) is amended—

(1) by redesignating paragraph (8) as paragraph (3) and moving the paragraph to appear after paragraph (2);

(2) by redesignating paragraphs (3) through (7) (as those paragraphs existed before the amendment made by paragraph (1)) as paragraphs (5) through (9), respectively; and

(3) by inserting after paragraph (3) (as redesignated by paragraph (1)) the following:

"(4) LOCAL EDUCATIONAL AGENCY.—

"(A) IN GENERAL.—The term 'local educational agency' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(B) INCLUSION.—The term 'local educational agency' includes, in the case of a private nonprofit school, an appropriate entity determined by the Secretary.".

(c) SCHOOL BREAKFAST PROGRAM.—Section 4(b)(1)(E)) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)(E)) is amended by striking "school food authority" each place it appears and inserting "local educational agency".

SEC. 109. EXCLUSION OF MILITARY HOUSING ALLOWANCES.

Section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)) (as amended by section 104(a)(1)) is amended in paragraph (13) by striking "For each of fiscal years 2002 and 2003 and through June 30, 2004, the" and inserting "The".

SEC. 110. WAIVER OF REQUIREMENT FOR WEIGHTED AVERAGES FOR NUTRIENT ANALYSIS.

Section 9(f)(5) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(f)(5)) is amended by striking "September 30, 2003" and inserting "September 30, 2009".

SEC. 111. FOOD SAFETY.

Section 9(h) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(h)) is amended—

(1) in the subsection heading, by striking "INSPECTIONS";

(2) in paragraph (1)—

(A) by striking "Except as provided in paragraph (2), a" and inserting "A";

(B) by striking "shall, at least once" and inserting: "shall—

"(A) at least twice";

(C) by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

"(B) post in a publicly visible location a report on the most recent inspection conducted under subparagraph (A); and

"(C) on request, provide a copy of the report to a member of the public."; and

(3) by striking paragraph (2) and inserting the following:

"(2) STATE AND LOCAL GOVERNMENT INSPECTIONS.—Nothing in paragraph (1) prevents any State or local government from adopting or enforcing any requirement for more frequent food safety inspections of schools.

"(3) AUDITS AND REPORTS BY STATES.—For each of fiscal years 2006 through 2009, each State shall annually—

"(A) audit food safety inspections of schools conducted under paragraphs (1) and (2); and

"(B) submit to the Secretary a report of the results of the audit.

"(4) AUDIT BY THE SECRETARY.—For each of fiscal years 2006 through 2009, the Secretary shall annually audit State reports of food safety inspections of schools submitted under paragraph (3).

"(5) SCHOOL FOOD SAFETY PROGRAM.—Each school food authority shall implement a school food safety program, in the preparation and service of each meal served to children, that complies with any hazard analysis and critical control point system established by the Secretary.".

SEC. 112. PURCHASES OF LOCALLY PRODUCED FOODS.

Section 9(j)(2)(A) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(j)(2)(A)) is amended by striking "2007" and inserting "2009".

SEC. 113. SPECIAL ASSISTANCE.

Section 11(a)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(a)(1)) is amended by inserting "or school district" after "school" each place it appears in subparagraphs (C) through (E) (other than as part of "school year", "school years", "school lunch", "school breakfast", and "4-school-year period").

SEC. 114. FOOD AND NUTRITION PROJECTS INTEGRATED WITH ELEMENTARY SCHOOL CURRICULA.

Section 12 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760) is amended by striking subsection (m).

SEC. 115. PROCUREMENT TRAINING.

Section 12 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760) (as amended by section 114) is amended by inserting after subsection (l) the following:

"(m) PROCUREMENT TRAINING.—

"(1) IN GENERAL.—Subject to the availability of funds made available under paragraph (4), the Secretary shall provide technical assistance and training to States, State agencies, schools, and school food authorities in the procurement of goods and services for programs under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) (other than section 17 of that Act (42 U.S.C. 1786)).

"(2) BUY AMERICAN TRAINING.—Activities carried out under paragraph (1) shall include technical assistance and training to ensure compliance with subsection (n).

"(3) PROCURING SAFE FOODS.—Activities carried out under paragraph (1) shall include technical assistance and training on procuring safe foods, including the use of model specifications for procuring safe foods.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $1,000,000 for each of fiscal years 2005 through 2009, to remain available until expended.".

SEC. 116. SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.

(a) SEAMLESS SUMMER OPTION.—Section 13(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(a)) is amended by adding at the end the following:

"(8) SEAMLESS SUMMER OPTION.—Except as otherwise determined by the Secretary, a service institution that is a public or private nonprofit school food authority may provide summer or school vacation food service in accordance with applicable provisions of law governing the school lunch program established under this Act or the school breakfast program established under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).".

(b) SEAMLESS SUMMER REIMBURSEMENTS.—Section 13(b)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(b)(1)) is amended by adding at the end the following:

"(D) SEAMLESS SUMMER REIMBURSEMENTS.—A service institution described in subsection (a)(8) shall be reimbursed for meals and meal supplements in accordance with the applicable provisions under this Act (other than subparagraphs (A), (B), and (C) of this paragraph and paragraph (4)) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), as determined by the Secretary.".

(c) SUMMER FOOD SERVICE ELIGIBILITY CRITERIA.—Section 13(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(a)) (as amended by subsection (a)) is amended by adding at the end the following—

"(9) EXEMPTION.—

"(A) IN GENERAL.—For each of calendar years 2005 and 2006 in rural areas of the State of Pennsylvania (as determined by the Secretary), the threshold for determining 'areas in which poor economic conditions exist' under paragraph (1)(C) shall be 40 percent.

"(B) EVALUATION.—

"(i) IN GENERAL.—The Secretary, acting through the Administrator of the Food and Nutrition Service, shall evaluate the impact of the eligibility criteria described in subparagraph (A) as compared to the eligibility criteria described in paragraph (1)(C).

"(ii) IMPACT.—The evaluation shall assess the impact of the threshold in subparagraph (A) on—

"(I) the number of sponsors offering meals through the summer food service program;

"(II) the number of sites offering meals through the summer food service program;

"(III) the geographic location of the sites;

"(IV) services provided to eligible children; and

"(V) other factors determined by the Secretary.

"(iii) REPORT.—Not later than January 1, 2008, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the evaluation under this subparagraph.

"(iv) FUNDING.—

"(I) IN GENERAL.—On January 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subparagraph $400,000, to remain available until expended.

"(II) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subparagraph the funds transferred under subclause (I), without further appropriation.".

(d) SUMMER FOOD SERVICE RURAL TRANSPORTATION.—Section 13(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(a)) (as amended by subsection (c)) is amended by adding at the end the following:

"(10) SUMMER FOOD SERVICE RURAL TRANSPORTATION.—

"(A) IN GENERAL.—The Secretary shall provide grants, through not more than 5 eligible State agencies selected by the Secretary, to not more than 60 eligible service institutions selected by the Secretary to increase participation at congregate feeding sites in the summer food service program for children authorized by this section through innovative approaches to limited transportation in rural areas.

"(B) ELIGIBILITY.—To be eligible to receive a grant under this paragraph—

"(i) a State agency shall submit an application to the Secretary, in such manner as the Secretary shall establish, and meet criteria established by the Secretary; and

"(ii) a service institution shall agree to the terms and conditions of the grant, as established by the Secretary.

"(C) DURATION.—A service institution that receives a grant under this paragraph may use the grant funds during the 3-fiscal year period beginning in fiscal year 2005.

"(D) REPORTS.—The Secretary shall submit to the Committee on Education and the

Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate—

"(i) not later than January 1, 2007, an interim report that describes—

"(I) the use of funds made available under this paragraph; and

"(II) any progress made by using funds from each grant provided under this paragraph; and

"(ii) not later than January 1, 2008, a final report that describes—

"(I) the use of funds made available under this paragraph;

"(II) any progress made by using funds from each grant provided under this paragraph;

"(III) the impact of this paragraph on participation in the summer food service program for children authorized by this section; and

"(IV) any recommendations by the Secretary concerning the activities of the service institutions receiving grants under this paragraph.

"(E) FUNDING.—

"(i) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this paragraph—

"(I) on October 1, 2005, $2,000,000; and

"(II) on October 1, 2006, and October 1, 2007, $1,000,000.

"(ii) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this paragraph the funds transferred under clause (i), without further appropriation.

"(iii) AVAILABILITY OF FUNDS.—Funds transferred under clause (i) shall remain available until expended.

"(iv) REALLOCATION.—The Secretary may reallocate any amounts made available to carry out this paragraph that are not obligated or expended, as determined by the Secretary.".

(e) REAUTHORIZATION.—Section 13(q) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(q)) is amended by striking "June 30, 2004" and inserting "September 30, 2009".

(f) SIMPLIFIED SUMMER FOOD PROGRAMS.—

(1) DEFINITION OF ELIGIBLE STATE.—Section 18(f) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)) is amended by striking paragraph (1) and inserting the following:

"(1) DEFINITION OF ELIGIBLE STATE.—In this subsection, the term 'eligible State' means—

"(A) a State participating in the program under this subsection as of May 1, 2004; and

"(B) a State in which (based on data available in April 2004)—

"(i) the percentage obtained by dividing—

"(I) the sum of—

"(aa) the average daily number of children attending the summer food service program in the State in July 2003; and

"(bb) the average daily number of children receiving free or reduced price meals under the school lunch program in the State in July 2003; by

"(II) the average daily number of children receiving free or reduced price meals under the school lunch program in the State in March 2003; is less than

"(ii) 66.67 percent of the percentage obtained by dividing—

"(I) the sum of—

"(aa) the average daily number of children attending the summer food service program in all States in July 2003; and

"(bb) the average daily number of children receiving free or reduced price meals under the school lunch program in all States in July 2003; by

"(II) the average daily number of children receiving free or reduced price meals under the school lunch program in all States in March 2003.".

(2) DURATION.—Section 18(f)(2) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)(2)) is amended by striking "During the period beginning October 1, 2000, and ending June 30, 2004, the" and inserting "The".

(3) PRIVATE NONPROFIT ORGANIZATIONS.—Section 18(f)(3) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)(3)) is amended in subparagraphs (A) and (B) by striking "(other than a service institution described in section 13(a)(7))" both places it appears.

(4) REPORT.—Section 18(f) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)) is amended by striking paragraph (6) and inserting the following:

"(6) REPORT.—Not later than April 30, 2007, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that includes—

"(A) the evaluations completed by the Secretary under paragraph (5); and

"(B) any recommendations of the Secretary concerning the programs.".

(5) CONFORMING AMENDMENTS.—Section 18(f) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)) is amended—

(A) by striking the subsection heading and inserting the following:

"(f) SIMPLIFIED SUMMER FOOD PROGRAMS.—";

(B) in paragraph (2)—

(i) by striking the paragraph heading and inserting the following:

"(2) PROGRAMS.—"; and

(ii) by striking "pilot project" and inserting "program";

(C) in subparagraph (A) and (B) of paragraph (3), by striking "pilot project" both places it appears and inserting "program"; and

(D) in paragraph (5)—

(i) in the paragraph heading by striking "PILOT PROJECTS" and inserting "PROGRAMS"; and

(ii) by striking "pilot project" each place it appears and inserting "program".

SEC. 117. COMMODITY DISTRIBUTION PROGRAM.

Section 14(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1762a(a)) is amended by striking ", during the period beginning July 1, 1974, and ending June 30, 2004,".

SEC. 118. NOTICE OF IRRADIATED FOOD PRODUCTS.

Section 14 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1762a) is amended by adding at the end the following:

"(h) NOTICE OF IRRADIATED FOOD PRODUCTS.—

"(1) IN GENERAL.—The Secretary shall develop a policy and establish procedures for the purchase and distribution of irradiated food products in school meals programs under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(2) MINIMUM REQUIREMENTS.—The policy and procedures shall ensure, at a minimum, that—

"(A) irradiated food products are made available only at the request of States and school food authorities;

"(B) reimbursements to schools for irradiated food products are equal to reimbursements to schools for food products that are not irradiated;

"(C) States and school food authorities are provided factual information on the science and evidence regarding irradiation technology, including—

"(i) notice that irradiation is not a substitute for safe food handling techniques; and

"(ii) any other similar information determined by the Secretary to be necessary to promote food safety in school meals programs;

"(D) States and school food authorities are provided model procedures for providing to school food authorities, parents, and students—

"(i) factual information on the science and evidence regarding irradiation technology; and

"(ii) any other similar information determined by the Secretary to be necessary to promote food safety in school meals;

"(E) irradiated food products distributed to the Federal school meals program under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) are labeled with a symbol or other printed notice that—

"(i) indicates that the product was irradiated; and

"(ii) is prominently displayed in a clear and understandable format on the container;

"(F) irradiated food products are not commingled in containers with food products that are not irradiated; and

"(G) schools that offer irradiated food products are encouraged to offer alternatives to irradiated food products as part of the meal plan used by the schools.".

SEC. 119. CHILD AND ADULT CARE FOOD PROGRAM.

(a) DEFINITION OF INSTITUTION.—

(1) IN GENERAL.—Section 17(a)(2)(B)(i) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(a)(2)(B)(i)) is amended by striking "during" and all that follows through "2004,".

(2) CONFORMING AMENDMENT.—Section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) is amended by striking subsection (p).

(b) DURATION OF DETERMINATION AS TIER I FAMILY OR GROUP DAY CARE HOME.—Section 17(f)(3)(E)(iii) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(f)(3)(E)(iii)) is amended by striking "3 years" and inserting "5 years".

(c) AUDITS.—Section 17(i) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(i)) is amended by striking "(i) The" and inserting the following:

"(i) AUDITS.—

"(1) DISREGARDS.—

"(A) IN GENERAL.—Subject to subparagraph (B), in conducting management evaluations, reviews, or audits under this section, the Secretary or a State agency may disregard any overpayment to an institution for a fiscal year if the total overpayment to the institution for the fiscal year does not exceed an amount that is consistent with the disregards allowed in other programs under this Act and recognizes the cost of collecting small claims, as determined by the Secretary.

"(B) CRIMINAL OR FRAUD VIOLATIONS.—In carrying out this paragraph, the Secretary and a State agency shall not disregard any overpayment for which there is evidence of a violation of a criminal law or civil fraud law.

"(2) FUNDING.—The".

(d) DURATION OF AGREEMENTS.—Section 17(j) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(j)) is amended—

(1) by striking "(j) The" and inserting the following:

“(j) Agreements.—

“(1) In general.—The”; and

(2) by adding at the end the following:

“(2) Duration.—An agreement under paragraph (1) shall remain in effect until terminated by either party to the agreement.”.

(e) Rural Area Eligibility Determination for Day Care Homes.—Section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) (as amended by subsection (a)(2)) is amended by inserting after subsection (o) the following:

“(p) Rural Area Eligibility Determination for Day Care Homes.—

“(1) Definition of selected tier I family or group day care home.—In this subsection, the term ‘selected tier I family or group day care home’ means a family or group day home that meets the definition of tier I family or group day care home under subclause (I) of subsection (f)(3)(A)(ii) except that items (aa) and (bb) of that subclause shall be applied by substituting ‘40 percent’ for ‘50 percent’.

“(2) Eligibility.—For each of fiscal years 2006 and 2007, in rural areas of the State of Nebraska (as determined by the Secretary), the Secretary shall provide reimbursement to selected tier I family or group day care homes (as defined in paragraph (1)) under subsection (f)(3) in the same manner as tier I family or group day care homes (as defined in subsection (f)(3)(A)(ii)(I)).

“(3) Evaluation.—

“(A) In general.—The Secretary, acting through the Administrator of the Food and Nutrition Service, shall evaluate the impact of the eligibility criteria described in paragraph (2) as compared to the eligibility criteria described in subsection (f)(3)(A)(ii)(I).

“(B) Impact.—The evaluation shall assess the impact of the change in eligibility requirements on—

“(i) the number of family or group day care homes offering meals under this section;

“(ii) the number of family or group day care homes offering meals under this section that are defined as tier I family or group day care homes as a result of paragraph (1) that otherwise would be defined as tier II family or group day care homes under subsection (f)(3)(A)(iii);

“(iii) the geographic location of the family or group day care homes;

“(iv) services provided to eligible children; and

“(v) other factors determined by the Secretary.

“(C) Report.—Not later than March 31, 2008, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the evaluation under this subsection.

“(D) Funding.—

“(i) In general.—On October 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this paragraph $400,000, to remain available until expended.

“(ii) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this paragraph the funds transferred under clause (i), without further appropriation.”.

(f) Management Support.—Section 17(q)(3) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(q)(3)) is amended by striking “1999 through 2003” and inserting “2005 and 2006”.

(g) Age Limits.—Section 17(t)(5)(A)(i) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(t)(5)(A)(i) is amended—

(1) in subclause (I)—

(A) by striking “12” and inserting “18”; and

(B) by inserting “or” after the semicolon;

(2) by striking subclause (II); and

(3) by redesignating subclause (III) as subclause (II).

(h) Technical Amendments.—Section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) is amended—

(1) in subsection (a)(6)(B), by inserting “and adult” after “child”; and

(2) in subsection (t)(3), by striking “subsection (a)(1)” and inserting “subsection (a)(5)”.

(i) Paperwork Reduction.—The Secretary of Agriculture, in conjunction with States and participating institutions, shall examine the feasibility of reducing paperwork resulting from regulations and recordkeeping requirements for State agencies, family child care homes, child care centers, and sponsoring organizations participating in the child and adult care food program established under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766).

(j) Early Child Nutrition Education.—

(1) In general.—Subject to the availability of funds made available under paragraph (6), for a period of 4 successive years, the Secretary of Agriculture shall award to 1 or more entities with expertise in designing and implementing health education programs for limited-English-proficient individuals 1 or more grants to enhance obesity prevention activities for child care centers and sponsoring organizations providing services to limited-English-proficient individuals through the child and adult care food program under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) in each of 4 States selected by the Secretary in accordance with paragraph (2).

(2) States.—The Secretary shall provide grants under this subsection in States that have experienced a growth in the limited-English-proficient population of the States of at least 100 percent between the years 1990 and 2000, as measured by the census.

(3) Required activities.—Activities carried out under paragraph (1) shall include—

(A) developing an interactive and comprehensive tool kit for use by lay health educators and training activities;

(B) conducting training and providing ongoing technical assistance for lay health educators; and

(C) establishing collaborations with child care centers and sponsoring organizations participating in the child and adult care food program under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) to—

(i) identify limited-English-proficient children and families; and

(ii) enhance the capacity of the child care centers and sponsoring organizations to use appropriate obesity prevention strategies.

(4) Evaluation.—Each grant recipient shall identify an institution of higher education to conduct an independent evaluation of the effectiveness of the grant.

(5) Report.—The Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Health, Education, Labor, and Pensions, of the Senate a report that includes—

(A) the evaluation completed by the institution of higher education under paragraph (4);

(B) the effectiveness of lay health educators in reducing childhood obesity; and

(C) any recommendations of the Secretary concerning the grants.

(6) Authorization of appropriations.—There are authorized to be appropriated to carry out this subsection $250,000 for each of fiscal years 2005 through 2009.

SEC. 120. FRESH FRUIT AND VEGETABLE PROGRAM.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) is amended by striking subsection (g) and inserting the following:

“(g) Fresh Fruit and Vegetable Program.—

“(1) In general.—For the school year beginning July 2004 and each subsequent school year, the Secretary shall carry out a program to make free fresh fruits and vegetables available, to the maximum extent practicable, to—

“(A) 25 elementary or secondary schools in each of the 4 States authorized to participate in the program under this subsection on May 1, 2004;

“(B) 25 elementary or secondary schools (as selected by the Secretary in accordance with paragraph (3)) in each of 4 States (including a State for which funds were allocated under the program described in paragraph (3)(B)(ii)) that are not participating in the program under this subsection on May 1, 2004; and

“(C) 25 elementary or secondary schools operated on 3 Indian reservations (including the reservation authorized to participate in the program under this subsection on May 1, 2004), as selected by the Secretary.

“(2) Program.—A school participating in the program shall make free fresh fruits and vegetables available to students throughout the school day in 1 or more areas designated by the school.

“(3) Selection of schools.—

“(A) In general.—Except as provided in subparagraph (B), in selecting additional schools to participate in the program under paragraph (1)(B), the Secretary shall—

“(i) to the maximum extent practicable, ensure that the majority of schools selected are those in which not less than 50 percent of students are eligible for free or reduced price meals under this Act;

“(ii) solicit applications from interested schools that include—

“(I) information pertaining to the percentage of students enrolled in the school submitting the application who are eligible for free or reduced price school lunches under this Act;

“(II) a certification of support for participation in the program signed by the school food manager, the school principal, and the district superintendent (or equivalent positions, as determined by the school); and

“(III) such other information as may be requested by the Secretary;

“(iii) for each application received, determine whether the application is from a school in which not less than 50 percent of students are eligible for free or reduced price meals under this Act; and

“(iv) give priority to schools that submit a plan for implementation of the program that includes a partnership with 1 or more entities that provide non-Federal resources (including entities representing the fruit and vegetable industry) for—

“(I) the acquisition, handling, promotion, or distribution of fresh and dried fruits and fresh vegetables; or

“(II) other support that contributes to the purposes of the program.

"(B) NONAPPLICABILITY TO EXISTING PARTICIPANTS.—Subparagraph (A) shall not apply to a school, State, or Indian reservation authorized—

"(i) to participate in the program on May 1, 2004; or

"(ii) to receive funding for free fruits and vegetables under funds provided for public health improvement under the heading 'DISEASE CONTROL, RESEARCH, AND TRAINING' under the heading 'CENTERS FOR DISEASE CONTROL AND PREVENTION' in title II of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2004 (Division E of Public Law 108–199; 118 Stat. 238).

"(4) NOTICE OF AVAILABILITY.—To be eligible to participate in the program under this subsection, a school shall widely publicize within the school the availability of free fresh fruits and vegetables under the program.

"(5) REPORTS.—

"(A) INTERIM REPORTS.—Not later than September 30 of each of fiscal years 2005 through 2008, the Secretary, acting through the Administrator of the Food and Nutrition Service, shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an interim report that describes the activities carried out under this subsection during the fiscal year covered by the report.

"(B) FINAL REPORT.—Not later than December 31, 2008, the Secretary, acting through the Administrator of the Food and Nutrition Service, shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a final report that describes the results of the program under this subsection.

"(6) FUNDING.—

"(A) EXISTING FUNDS.—The Secretary shall use to carry out this subsection any funds that remain under this subsection on the day before the date of enactment of this subparagraph.

"(B) MANDATORY FUNDS.—

"(i) IN GENERAL.—On October 1, 2004, and on each October 1 thereafter, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection $9,000,000, to remain available until expended.

"(ii) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds made available under this subparagraph, without further appropriation.

"(C) AUTHORIZATION OF APPROPRIATIONS.—In addition to any amounts made available under subparagraphs (A) and (B), there are authorized to be appropriated such sums as are necessary to expand the program carried out under this subsection.

"(D) REALLOCATION.—The Secretary may reallocate any amounts made available to carry out this subsection that are not obligated or expended, as determined by the Secretary.".

SEC. 121. SUMMER FOOD SERVICE RESIDENTIAL CAMP ELIGIBILITY.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) is amended by adding at the end the following:

"(h) SUMMER FOOD SERVICE RESIDENTIAL CAMP ELIGIBILITY.—

"(1) IN GENERAL.—During the month after the date of enactment of this subsection through September, 2004, and the months of May through September, 2005, the Secretary shall modify eligibility criteria, at not more than 1 private nonprofit residential camp in each of not more than 2 States, as determined by the Secretary, for the purpose of identifying and evaluating alternative methods of determining the eligibility of residential private nonprofit camps to participate in the summer food service program for children established under section 13.

"(2) ELIGIBILITY.—To be eligible for the criteria modified under paragraph (1), a residential camp—

"(A) shall be a service institution (as defined in section 13(a)(1));

"(B) may not charge a fee to any child in residence at the camp; and

"(C) shall serve children who reside in an area in which poor economic conditions exist (as defined in section 13(a)(1)).

"(3) PAYMENTS.—

"(A) IN GENERAL.—Under this subsection, the Secretary shall provide reimbursement for meals served to all children at a residential camp at the payment rates specified in section 13(b)(1).

"(B) REIMBURSABLE MEALS.—A residential camp selected by the Secretary may receive reimbursement for not more than 3 meals, or 2 meals and 1 supplement, during each day of operation.

"(4) EVALUATION.—

"(A) INFORMATION FROM RESIDENTIAL CAMPS.—Not later than December 31, 2005, a residential camp selected under paragraph (1) shall report to the Secretary such information as is required by the Secretary concerning the requirements of this subsection.

"(B) REPORT TO CONGRESS.—Not later than March 31, 2006, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that evaluates the effect of this subsection on program participation and other factors, as determined by the Secretary.".

SEC. 122. ACCESS TO LOCAL FOODS AND SCHOOL GARDENS.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) (as amended by section 121) is amended by adding at the end the following:

"(i) ACCESS TO LOCAL FOODS AND SCHOOL GARDENS.—

"(1) IN GENERAL.—The Secretary may provide assistance, through competitive matching grants and technical assistance, to schools and nonprofit entities for projects that—

"(A) improve access to local foods in schools and institutions participating in programs under this Act and section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) through farm-to-cafeteria activities, including school gardens, that may include the acquisition of food and appropriate equipment and the provision of training and education;

"(B) are, at a minimum, designed to—

"(i) procure local foods from small- and medium-sized farms for school meals; and

"(ii) support school garden programs;

"(C) support nutrition education activities or curriculum planning that incorporates the participation of school children in farm-based agricultural education activities, that may include school gardens;

"(D) develop a sustained commitment to farm-to-cafeteria projects in the community by linking schools, State departments of agriculture, agricultural producers, parents, and other community stakeholders;

"(E) require $100,000 or less in Federal contributions;

"(F) require a Federal share of costs not to exceed 75 percent;

"(G) provide matching support in the form of cash or in-kind contributions (including facilities, equipment, or services provided by State and local governments and private sources); and

"(H) cooperate in an evaluation carried out by the Secretary.

"(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subsection for each of fiscal years 2004 through 2009.".

SEC. 123. YEAR-ROUND SERVICES FOR ELIGIBLE ENTITIES.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) (as amended by section 122) is amended by adding at the end the following:

"(j) YEAR-ROUND SERVICES FOR ELIGIBLE ENTITIES.—

"(1) IN GENERAL.—A service institution that is described in section 13(a)(6) (excluding a public school), or a private nonprofit organization described in section 13(a)(7), and that is located in the State of California may be reimbursed—

"(A) for up to 2 meals during each day of operation served—

"(i) during the months of May through September;

"(ii) in the case of a service institution that operates a food service program for children on school vacation, at anytime under a continuous school calendar; and

"(iii) in the case of a service institution that provides meal service at a nonschool site to children who are not in school for a period during the school year due to a natural disaster, building repair, court order, or similar case, at anytime during such a period; and

"(B) for a snack served during each day of operation after school hours, weekends, and school holidays during the regular school calendar.

"(2) PAYMENTS.—The service institution shall be reimbursed consistent with section 13(b)(1).

"(3) ADMINISTRATION.—To receive reimbursement under this subsection, a service institution shall comply with section 13, other than subsections (b)(2) and (c)(1) of that section.

"(4) EVALUATION.—Not later than September 30, 2007, the State agency shall submit to the Secretary a report on the effect of this subsection on participation in the summer food service program for children established under section 13.

"(5) FUNDING.—The Secretary shall provide to the State of California such sums as are necessary to carry out this subsection for each of fiscal years 2005 through 2009.".

SEC. 124. FREE LUNCH AND BREAKFAST ELIGIBILITY.

Section 18 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769) (as amended by section 123) is amended by adding at the end the following:

"(k) FREE LUNCH AND BREAKFAST ELIGIBILITY.—

"(1) IN GENERAL.—Subject to the availability of funds under paragraph (4), the Secretary shall expand the service of free lunches and breakfasts provided at schools participating in the school lunch program under this Act or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) in all or part of 5 States selected by the Secretary (of which at least 1 shall be a largely rural State with a significant Native American population).

"(2) Income eligibility.—The income guidelines for determining eligibility for free lunches or breakfasts under this subsection shall be 185 percent of the applicable family size income levels contained in the nonfarm income poverty guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with section 9(b)(1)(B).

"(3) Evaluation.—

"(A) In general.—Not later than 3 years after the implementation of this subsection, the Secretary shall conduct an evaluation to assess the impact of the changed income eligibility guidelines by comparing the school food authorities operating under this subsection to school food authorities not operating under this subsection.

"(B) Impact assessment.—

"(i) Children.—The evaluation shall assess the impact of this subsection separately on—

"(I) children in households with incomes less than 130 percent of the applicable family income levels contained in the nonfarm poverty income guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with section 9(b)(1)(B); and

"(II) children in households with incomes greater than 130 percent and not greater than 185 percent of the applicable family income levels contained in the nonfarm poverty income guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with section 9(b)(1)(B).

"(ii) Factors.—The evaluation shall assess the impact of this subsection on—

"(I) certification and participation rates in the school lunch and breakfast programs;

"(II) rates of lunch- and breakfast-skipping;

"(III) academic achievement;

"(IV) the allocation of funds authorized in title I of the Elementary and Secondary Education Act (20 U.S.C. 6301) to local educational agencies and public schools; and

"(V) other factors determined by the Secretary.

"(C) Cost assessment.—The evaluation shall assess the increased costs associated with providing additional free, reduced price, or paid meals in the school food authorities operating under this subsection.

"(D) Report.—On completion of the evaluation, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the evaluation under this paragraph.

"(4) Authorization of appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this subsection, to remain available until expended.".

SEC. 125. TRAINING, TECHNICAL ASSISTANCE, AND FOOD SERVICE MANAGEMENT INSTITUTE.

(a) In General.—Section 21(a)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b-1(a)(1)) is amended by striking "activities and" and all that follows and inserting "activities and provide—

"(A) training and technical assistance to improve the skills of individuals employed in—

"(i) food service programs carried out with assistance under this Act and, to the maximum extent practicable, using individuals who administer exemplary local food service programs in the State;

"(ii) school breakfast programs carried out with assistance under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773); and

"(iii) as appropriate, other federally assisted feeding programs; and

"(B) assistance, on a competitive basis, to State agencies for the purpose of aiding schools and school food authorities with at least 50 percent of enrolled children certified to receive free or reduced price meals (and, if there are any remaining funds, other schools and school food authorities) in meeting the cost of acquiring or upgrading technology and information management systems for use in food service programs carried out under this Act and section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), if the school or school food authority submits to the State agency an infrastructure development plan that—

"(i) addresses the cost savings and improvements in program integrity and operations that would result from the use of new or upgraded technology;

"(ii) ensures that there is not any overt identification of any child by special tokens or tickets, announced or published list of names, or by any other means;

"(iii) provides for processing and verifying applications for free and reduced price school meals;

"(iv) integrates menu planning, production, and serving data to monitor compliance with section 9(f)(1); and

"(v) establishes compatibility with statewide reporting systems;

"(C) assistance, on a competitive basis, to State agencies with low proportions of schools or students that—

"(i) participate in the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773); and

"(ii) demonstrate the greatest need, for the purpose of aiding schools in meeting costs associated with initiating or expanding a school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), including outreach and informational activities; and".

(b) Duties of Food Service Management Institute.—Section 21(c)(2)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b-1(c)(2)(B)) is amended—

(1) by striking clauses (vi) and (vii) and inserting the following:

"(vi) safety, including food handling, hazard analysis and critical control point plan implementation, emergency readiness, responding to a food recall, and food biosecurity training;"; and

(2) by redesignating clauses (viii) through (x) as clauses (vii) through (ix), respectively.

(c) Authorization of Appropriations.—

(1) Training activities and technical assistance.—Section 21(e)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b-1(e)(1)) is amended by striking "2003" and inserting "2009".

(2) Food service management institute.—Section 21(e)(2)(A) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b-1(e)(2)(A) is amended in the first sentence—

(A) by striking "provide to the Secretary" and all that follows through "1998, and" and inserting "provide to the Secretary"; and

(B) by striking "1999 and" and inserting "2004 and $4,000,000 for fiscal year 2005".

SEC. 126. ADMINISTRATIVE ERROR REDUCTION.

(a) Federal Support for Training and Technical Assistance.—Section 21 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b-1) is amended by adding at the end the following:

"(f) Administrative Training and Technical Assistance Material.—In collaboration with State educational agencies, local educational agencies, and school food authorities of varying sizes, the Secretary shall develop and distribute training and technical assistance material relating to the administration of school meals programs that are representative of the best management and administrative practices.

"(g) Federal Administrative Support.—

"(1) Funding.—

"(A) In general.—Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection—

"(i) on October 1, 2004, and October 1, 2005, $3,000,000; and

"(ii) on October 1, 2006, October 1, 2007, and October 1, 2008, $2,000,000.

"(B) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

"(C) Availability of funds.—Funds transferred under subparagraph (A) shall remain available until expended.

"(2) Use of funds.—The Secretary may use funds provided under this subsection—

"(A) to provide training and technical assistance and material related to improving program integrity and administrative accuracy in school meals programs; and

"(B) to assist State educational agencies in reviewing the administrative practices of local educational agencies, to the extent determined by the Secretary.".

(b) Selected Administrative Reviews.—

(1) In general.—Section 22(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c(b)) is amended by adding at the end the following:

"(3) Additional review requirement for selected local educational agencies.—

"(A) Definition of selected local educational agencies.—In this paragraph, the term 'selected local educational agency' means a local educational agency that has a demonstrated high level of, or a high risk for, administrative error, as determined by the Secretary.

"(B) Additional administrative review.—In addition to any review required by subsection (a) or paragraph (1), each State educational agency shall conduct an administrative review of each selected local educational agency during the review cycle established under subsection (a).

"(C) Scope of review.—In carrying out a review under subparagraph (B), a State educational agency shall only review the administrative processes of a selected local educational agency, including application, certification, verification, meal counting, and meal claiming procedures.

"(D) Results of review.—If the State educational agency determines (on the basis of a review conducted under subparagraph (B)) that a selected local educational agency fails to meet performance criteria established by the Secretary, the State educational agency shall—

"(i) require the selected local educational agency to develop and carry out an approved plan of corrective action;

"(ii) except to the extent technical assistance is provided directly by the Secretary, provide technical assistance to assist the selected local educational agency in carrying out the corrective action plan; and

"(iii) conduct a followup review of the selected local educational agency under standards established by the Secretary.

"(4) Retaining funds after administrative reviews.—

"(A) IN GENERAL.—Subject to subparagraphs (B) and (C), if the local educational agency fails to meet administrative performance criteria established by the Secretary in both an initial review and a followup review under paragraph (1) or (3) or subsection (a), the Secretary may require the State educational agency to retain funds that would otherwise be paid to the local educational agency for school meals programs under procedures prescribed by the Secretary.

"(B) AMOUNT.—The amount of funds retained under subparagraph (A) shall equal the value of any overpayment made to the local educational agency or school food authority as a result of an erroneous claim during the time period described in subparagraph (C).

"(C) TIME PERIOD.—The period for determining the value of any overpayment under subparagraph (B) shall be the period—

"(i) beginning on the date the erroneous claim was made; and

"(ii) ending on the earlier of the date the erroneous claim is corrected or—

"(I) in the case of the first followup review conducted by the State educational agency of the local educational agency under this section after July 1, 2005, the date that is 60 days after the beginning of the period under clause (i); or

"(II) in the case of any subsequent followup review conducted by the State educational agency of the local educational agency under this section, the date that is 90 days after the beginning of the period under clause (i).

"(5) USE OF RETAINED FUNDS.—

"(A) IN GENERAL.—Subject to subparagraph (B), funds retained under paragraph (4) shall—

"(i) be returned to the Secretary, and may be used—

"(I) to provide training and technical assistance related to administrative practices designed to improve program integrity and administrative accuracy in school meals programs to State educational agencies and, to the extent determined by the Secretary, to local educational agencies and school food authorities;

"(II) to assist State educational agencies in reviewing the administrative practices of local educational agencies in carrying out school meals programs; and

"(III) to carry out section 21(f); or

"(ii) be credited to the child nutrition programs appropriation account.

"(B) STATE SHARE.—A State educational agency may retain not more than 25 percent of an amount recovered under paragraph (4), to carry out school meals program integrity initiatives to assist local educational agencies and school food authorities that have repeatedly failed, as determined by the Secretary, to meet administrative performance criteria.

"(C) REQUIREMENT.—To be eligible to retain funds under subparagraph (B), a State educational agency shall—

"(i) submit to the Secretary a plan describing how the State educational agency will use the funds to improve school meals program integrity, including measures to give priority to local educational agencies from which funds were retained under paragraph (4);

"(ii) consider using individuals who administer exemplary local food service programs in the provision of training and technical assistance; and

"(iii) obtain the approval of the Secretary for the plan.".

(2) INTERPRETATION.—Nothing in the amendment made by paragraph (1) affects the requirements for fiscal actions as described in the regulations issued pursuant to section 22(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c(a)).

(c) TRAINING AND TECHNICAL ASSISTANCE.—Section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) is amended—

(1) in subsection (e)—

(A) by striking "(e) Each" and inserting the following:

"(e) PLANS FOR USE OF ADMINISTRATIVE EXPENSE FUNDS.—

"(1) IN GENERAL.—Each"; and

(B) by striking "After submitting" and all that follows through "change in the plan." and inserting the following:

"(2) UPDATES AND INFORMATION MANAGEMENT SYSTEMS.—

"(A) IN GENERAL.—After submitting the initial plan, a State shall be required to submit to the Secretary for approval only a substantive change in the plan.

"(B) PLAN CONTENTS.—Each State plan shall, at a minimum, include a description of how technology and information management systems will be used to improve program integrity by—

"(i) monitoring the nutrient content of meals served;

"(ii) training local educational agencies, school food authorities, and schools in how to use technology and information management systems (including verifying eligibility for free or reduced price meals using program participation or income data gathered by State or local agencies); and

"(iii) using electronic data to establish benchmarks to compare and monitor program integrity, program participation, and financial data.

"(3) TRAINING AND TECHNICAL ASSISTANCE.—Each State shall submit to the Secretary for approval a plan describing the manner in which the State intends to implement subsection (g) and section 22(b)(3) of the Richard B. Russell National School Lunch Act.";

(2) by redesignating subsection (g) as subsection (j); and

(3) by inserting after subsection (f) the following:

"(g) STATE TRAINING.—

"(1) IN GENERAL.—At least annually, each State shall provide training in administrative practices (including training in application, certification, verification, meal counting, and meal claiming procedures) to local educational agency and school food authority administrative personnel and other appropriate personnel, with emphasis on the requirements established by the Child Nutrition and WIC Reauthorization Act of 2004 and the amendments made by that Act.

"(2) FEDERAL ROLE.—The Secretary shall—

"(A) provide training and technical assistance to a State; or

"(B) at the option of the Secretary, directly provide training and technical assistance described in paragraph (1).

"(3) REQUIRED PARTICIPATION.—In accordance with procedures established by the Secretary, each local educational agency or school food authority shall ensure that an individual conducting or overseeing administrative procedures described in paragraph (1) receives training at least annually, unless determined otherwise by the Secretary.

"(h) FUNDING FOR TRAINING AND ADMINISTRATIVE REVIEWS.—

"(1) FUNDING.—

"(A) IN GENERAL.—On October 1, 2004, and on each October 1 thereafter, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection $4,000,000, to remain available until expended.

"(B) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

"(2) USE OF FUNDS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary shall use funds provided under this subsection to assist States in carrying out subsection (g) and administrative reviews of selected local educational agencies carried out under section 22 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c).

"(B) EXCEPTION.—The Secretary may retain a portion of the amount provided to cover costs of activities carried out by the Secretary in lieu of the State.

"(3) ALLOCATION.—The Secretary shall allocate funds provided under this subsection to States based on the number of local educational agencies that have demonstrated a high level of, or a high risk for, administrative error, as determined by the Secretary, taking into account the requirements established by the Child Nutrition and WIC Reauthorization Act of 2004 and the amendments made by that Act.

"(4) REALLOCATION.—The Secretary may reallocate, to carry out this section, any amounts made available to carry out this subsection that are not obligated or expended, as determined by the Secretary.".

SEC. 127. COMPLIANCE AND ACCOUNTABILITY.

Section 22(d) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c(d)) is amended by striking "$3,000,000 for each of the fiscal years 1994 through 2003" and inserting "$6,000,000 for each of fiscal years 2004 through 2009".

SEC. 128. INFORMATION CLEARINGHOUSE.

Section 26(d) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769g(d)) is amended in the first sentence—

(1) by striking "1998, and" and inserting "1998,"; and

(2) by striking "through 2003" and inserting "through 2004, and $250,000 for each of fiscal years 2005 through 2009".

SEC. 129. PROGRAM EVALUATION.

The Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) is amended by adding at the end the following:

"SEC. 28. PROGRAM EVALUATION.

"(a) PERFORMANCE ASSESSMENTS.—

"(1) IN GENERAL.—Subject to the availability of funds made available under paragraph (3), the Secretary, acting through the Administrator of the Food and Nutrition Service, may conduct annual national performance assessments of the meal programs under this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(2) COMPONENTS.—In conducting an assessment, the Secretary may assess—

"(A) the cost of producing meals and meal supplements under the programs described in paragraph (1); and

"(B) the nutrient profile of meals, and status of menu planning practices, under the programs.

"(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $5,000,000 for fiscal year 2004 and each subsequent fiscal year.

"(b) CERTIFICATION IMPROVEMENTS.—

"(1) IN GENERAL.—Subject to the availability of funds made available under paragraph (5), the Secretary, acting through the Administrator of the Food and Nutrition Service, shall conduct a study of the feasibility of improving the certification process used for the school lunch program established under this Act.

"(2) PILOT PROJECTS.—In carrying out this subsection, the Secretary may conduct pilot projects to improve the certification process used for the school lunch program.

"(3) COMPONENTS.—In carrying out this subsection, the Secretary shall examine the use of—

"(A) other income reporting systems;

"(B) an integrated benefit eligibility determination process managed by a single agency;

"(C) income or program participation data gathered by State or local agencies; and

"(D) other options determined by the Secretary.

"(4) WAIVERS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Secretary may waive such provisions of this Act and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) as are necessary to carry out this subsection.

"(B) PROVISIONS.—The protections of section 9(b)(6) shall apply to any study or pilot project carried out under this subsection.

"(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection such sums as are necessary.".

TITLE II—AMENDMENTS TO CHILD NUTRITION ACT OF 1966

SEC. 201. SEVERE NEED ASSISTANCE.

Section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) is amended by striking subsection (d) and inserting the following:

"(d) SEVERE NEED ASSISTANCE.—

"(1) IN GENERAL.—Each State educational agency shall provide additional assistance to schools in severe need, which shall include only those schools (having a breakfast program or desiring to initiate a breakfast program) in which—

"(A) during the most recent second preceding school year for which lunches were served, 40 percent or more of the lunches served to students at the school were served free or at a reduced price; or

"(B) in the case of a school in which lunches were not served during the most recent second preceding school year, the Secretary otherwise determines that the requirements of subparagraph (A) would have been met.

"(2) ADDITIONAL ASSISTANCE.—A school, on the submission of appropriate documentation about the need circumstances in that school and the eligibility of the school for additional assistance, shall be entitled to receive the meal reimbursement rate specified in subsection (b)(2).".

SEC. 202. STATE ADMINISTRATIVE EXPENSES.

(a) MINIMUM STATE ADMINISTRATIVE EXPENSE GRANTS.—Section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) is amended—

(1) by striking the section heading and all that follows through "(a)(1) Each" and inserting the following:

"SEC. 7. STATE ADMINISTRATIVE EXPENSES.

"(a) AMOUNT AND ALLOCATION OF FUNDS.—

"(1) AMOUNT AVAILABLE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), each";

(2) in subsection (a)—

(A) in paragraph (1)—

(i) by inserting after the first sentence the following:

"(B) MINIMUM AMOUNT.—In the case of each of fiscal years 2005 through 2007, the Secretary shall make available to each State for administrative costs not less than the initial allocation made to the State under this subsection for fiscal year 2004.";

(ii) by striking "The Secretary" and inserting the following:

"(C) ALLOCATION.—The Secretary"; and

(iii) by striking the last sentence; and

(B) in paragraph (2)—

(i) by striking "(2) The" and inserting the following:

"(2) EXPENSE GRANTS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the";

(ii) in the second sentence—

(I) by striking "In no case" and inserting the following:

"(B) MINIMUM AMOUNT.—

"(i) IN GENERAL.—In no case";

(II) by striking "this subsection" and inserting "this paragraph"; and

(III) by striking "$100,000" and inserting "$200,000 (as adjusted under clause (ii)"; and

(iii) by adding at the end the following:

"(ii) ADJUSTMENT.—On October 1, 2008, and each October 1 thereafter, the minimum dollar. amount for a fiscal year specified in clause (i) shall be adjusted to reflect the percentage change between—

"(I) the value of the index for State and local government purchases, as published by the Bureau of Economic Analysis of the Department of Commerce, for the 12-month period ending June 30 of the second preceding fiscal year; and

"(II) the value of that index for the 12-month period ending June 30 of the preceding fiscal year.".

(b) TECHNOLOGY INFRASTRUCTURE IMPROVEMENT.—Section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) is amended by inserting after subsection (h) (as added by section 126(c)(3)) the following:

"(i) TECHNOLOGY INFRASTRUCTURE IMPROVEMENT.—

"(1) IN GENERAL.—Each State shall submit to the Secretary, for approval by the Secretary, an amendment to the plan required by subsection (e) that describes the manner in which funds provided under this section will be used for technology and information management systems.

"(2) REQUIREMENTS.—The amendment shall, at a minimum, describe the manner in which the State will improve program integrity by—

"(A) monitoring the nutrient content of meals served;

"(B) providing training to local educational agencies, school food authorities, and schools on the use of technology and information management systems for activities including—

"(i) menu planning;

"(ii) collection of point-of-sale data; and

"(iii) the processing of applications for free and reduced price meals; and

"(C) using electronic data to establish benchmarks to compare and monitor program integrity, program participation, and financial data across schools and school food authorities.

"(3) TECHNOLOGY INFRASTRUCTURE GRANTS.—

"(A) IN GENERAL.—Subject to the availability of funds made available under paragraph (4) to carry out this paragraph, the Secretary shall, on a competitive basis, provide funds to States to be used to provide grants to local educational agencies, school food authorities, and schools to defray the cost of purchasing or upgrading technology and information management systems for use in programs authorized by this Act (other than section 17) and the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

"(B) INFRASTRUCTURE DEVELOPMENT PLAN.—To be eligible to receive a grant under this paragraph, a school or school food authority shall submit to the State a plan to purchase or upgrade technology and information management systems that addresses potential cost savings and methods to improve program integrity, including—

"(i) processing and verification of applications for free and reduced price meals;

"(ii) integration of menu planning, production, and serving data to monitor compliance with section 9(f)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(f)(1)); and

"(iii) compatibility with statewide reporting systems.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2005 through 2009, to remain available until expended.".

(c) REAUTHORIZATION.—Subsection (j) of section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) (as redesignated by section 126(c)(2)) is amended by striking "2003" and inserting "2009".

SEC. 203. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN.

(a) DEFINITIONS.—

(1) NUTRITION EDUCATION.—Section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) is amended by striking paragraph (7) and inserting the following:

"(7) NUTRITION EDUCATION.—The term 'nutrition education' means individual and group sessions and the provision of material that are designed to improve health status and achieve positive change in dietary and physical activity habits, and that emphasize the relationship between nutrition, physical activity, and health, all in keeping with the personal and cultural preferences of the individual.".

(2) SUPPLEMENTAL FOODS.—Section 17(b)(14) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(14)) is amended in the first sentence by inserting after "children" the following: "and foods that promote the health of the population served by the program authorized by this section, as indicated by relevant nutrition science, public health concerns, and cultural eating patterns".

(3) OTHER TERMS.—Section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) is amended by adding at the end the following:

"(22) PRIMARY CONTRACT INFANT FORMULA.—The term 'primary contract infant formula' means the specific infant formula for which manufacturers submit a bid to a State agency in response to a rebate solicitation under this section and for which a contract is awarded by the State agency as a result of that bid.

"(23) STATE ALLIANCE.—The term 'State alliance' means 2 or more State agencies that join together for the purpose of procuring infant formula under the program by soliciting competitive bids for infant formula.".

(b) ELIGIBILITY.—

(1) CERTIFICATION PERIOD.—Section 17(d)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(3)) is amended—

(A) by striking "(3)(A) Persons" and inserting the following:

"(3) CERTIFICATION.—

"(A) PROCEDURES.—

"(i) IN GENERAL.—Subject to clause (ii), a person"; and

(B) by adding at the end of subparagraph (A) the following:

"(ii) BREASTFEEDING WOMEN.—A State may elect to certify a breastfeeding woman for a period of 1 year postpartum or until a woman discontinues breastfeeding, whichever is earlier.".

(2) PHYSICAL PRESENCE.—Section 17(d)(3)(C)(ii) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(3)(C)(ii)) is amended—

(A) in subclause (I)(bb), by striking "from a provider other than the local agency; or" and inserting a semicolon;

(B) in subclause (II), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(III) an infant under 8 weeks of age—

"(aa) who cannot be present at certification for a reason determined appropriate by the local agency; and

"(bb) for whom all necessary certification information is provided.".

(c) ADMINISTRATION.—

(1) PROCESSING VENDOR APPLICATIONS; PARTICIPANT ACCESS.—Section 17(f)(1)(C) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(1)(C)) is amended—

(A) in clause (i) by inserting "at any of the authorized retail stores under the program" after "the program";

(B) by redesignating clauses (ii) through (x) as clauses (iii) through (xi), respectively; and

(C) by inserting after clause (i) the following:

"(ii) procedures for accepting and processing vendor applications outside of the established timeframes if the State agency determines there will be inadequate access to the program, including in a case in which a previously authorized vendor sells a store under circumstances that do not permit timely notification to the State agency of the change in ownership;".

(2) ALLOWABLE USE OF FUNDS.—

(A) IN GENERAL.—Section 17(f)(11) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(11) is amended—

(i) by striking "(11) The Secretary" and inserting the following:

"(11) SUPPLEMENTAL FOODS.—

"(A) IN GENERAL.—The Secretary";

(ii) in the second sentence, by striking "To the degree" and inserting the following:

"(B) APPROPRIATE CONTENT.—To the degree"; and

(iii) by adding at the end the following:

"(C) ALLOWABLE USE OF FUNDS.—Subject to the availability of funds, the Secretary shall award grants to not more than 10 local sites determined by the Secretary to be geographically and culturally representative of State, local, and Indian agencies, to evaluate the feasibility of including fresh, frozen, or canned fruits and vegetables (to be made available through private funds) as an addition to the supplemental foods prescribed under this section.

"(D) REVIEW OF AVAILABLE SUPPLEMENTAL FOODS.—As frequently as determined by the Secretary to be necessary to reflect the most recent scientific knowledge, the Secretary shall—

"(i) conduct a scientific review of the supplemental foods available under the program; and

"(ii) amend the supplemental foods available, as necessary, to reflect nutrition science, public health concerns, and cultural eating patterns.".

(B) RULEMAKING.—Not later than 18 months after the date of receiving the review initiated by the National Academy of Sciences, Institute of Medicine in September 2003 of the supplemental foods available for the special supplemental nutrition program for women, infants, and children authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), the Secretary shall promulgate a final rule updating the prescribed supplemental foods available through the program.

(3) USE OF CLAIMS FROM LOCAL AGENCIES.—Section 17(f)(21) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(21)) is amended—

(A) in the paragraph heading, by striking "VENDORS" and inserting "LOCAL AGENCIES, VENDORS,"; and

(B) by striking "vendors" and inserting "local agencies, vendors,".

(4) INFANT FORMULA BENEFITS.—

(A) IN GENERAL.—Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) is amended by adding at the end the following:

"(25) INFANT FORMULA BENEFITS.—A State agency may round up to the next whole can of infant formula to allow all participants under the program to receive the full-authorized nutritional benefit specified by regulation.".

(B) APPLICABILITY.—The amendment made by subparagraph (A) applies to infant formula provided under a contract resulting from a bid solicitation issued on or after October 1, 2004.

(5) NOTIFICATION OF VIOLATIONS.—Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) (as amended by paragraph (4)) is amended by adding at the end the following:

"(26) NOTIFICATION OF VIOLATIONS.—If a State agency finds that a vendor has committed a violation that requires a pattern of occurrences in order to impose a penalty or sanction, the State agency shall notify the vendor of the initial violation in writing prior to documentation of another violation, unless the State agency determines that notifying the vendor would compromise an investigation.".

(d) REAUTHORIZATION OF WIC PROGRAM.—Section 17(g) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(g)) is amended by striking "(g)(1)" and all that follows through "As authorized" in paragraph (1) and inserting the following:

"(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—

"(A) AUTHORIZATION.—There are authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2004 through 2009.

"(B) ADVANCE APPROPRIATIONS; AVAILABILITY.—As authorized".

(e) NUTRITION SERVICES AND ADMINISTRATION FUNDS; COMPETITIVE BIDDING; RETAILERS.—

(1) IN GENERAL.—Section 17(h)(2)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(2)(A)) is amended by striking "For each of the fiscal years 1995 through 2003, the" and inserting "The".

(2) HEALTHY PEOPLE 2010 INITIATIVE.—Section 17(h)(4) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(4)) is amended—

(A) in subparagraph (D), by striking "; and" and inserting a semicolon;

(B) in subparagraph (E), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(F) partner with communities, State and local agencies, employers, health care professionals, and other entities in the private sector to build a supportive breastfeeding environment for women participating in the program under this section to support the breastfeeding goals of the Healthy People 2010 initiative.".

(3) SIZE OF STATE ALLIANCES.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) is amended by adding at the end the following:

"(iv) SIZE OF STATE ALLIANCES.—

"(I) IN GENERAL.—Except as provided in subclauses (II) through (IV), no State alliance may exist among States if the total number of infants served by States participating in the alliance as of October 1, 2003, or such subsequent date determined by the Secretary for which data is available, would exceed 100,000.

"(II) ADDITION OF INFANT PARTICIPANTS.—In the case of a State alliance that exists on the date of enactment of this clause, the alliance may continue and may expand to serve more than 100,000 infants but, except as provided in subclause (III), may not expand to include any additional State agency.

"(III) ADDITION OF SMALL STATE AGENCIES AND INDIAN STATE AGENCIES.—Any State alliance may expand to include any State agency that served less than 5,000 infant participants as of October 1, 2003, or such subsequent date determined by the Secretary for which data is available, or any Indian State agency, if the State agency or Indian State agency requests to join the State alliance.

"(IV) SECRETARIAL WAIVER.—The Secretary may waive the requirements of this clause not earlier than 30 days after submitting to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a written report that describes the cost-containment and competitive benefits of the proposed waiver.".

(4) PRIMARY CONTRACT INFANT FORMULA.—

(A) IN GENERAL.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(8)(A)) (as amended by paragraph (3)) is amended—

(i) in clause (ii)(I), by striking "contract brand of" and inserting "primary contract";

(ii) in clause (iii), by inserting "for a specific infant formula for which manufacturers submit a bid" after "lowest net price"; and

(iii) by adding at the end the following:

"(v) FIRST CHOICE OF ISSUANCE.—The State agency shall use the primary contract infant formula as the first choice of issuance (by formula type), with all other infant formulas issued as an alternative to the primary contract infant formula.".

(B) APPLICABILITY.—The amendments made by subparagraph (A) apply to a contract resulting from a bid solicitation issued on or after October 1, 2004.

(5) REBATE INVOICES.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as amended by paragraph (4)(A)(iii)) is amended by adding at the end the following:

"(vi) REBATE INVOICES.—Each State agency shall have a system to ensure that infant formula rebate invoices, under competitive bidding, provide a reasonable estimate or an actual count of the number of units sold to participants in the program under this section.".

(6) UNCOUPLING MILK AND SOY BIDS.—

(A) IN GENERAL.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as amended by paragraph (5)) is amended by adding at the end the following:

"(vii) SEPARATE SOLICITATIONS.—In soliciting bids for infant formula under a competitive bidding system, any State agency, or State alliance, that served under the program a monthly average of more than 100,000 infants during the preceding 12-month period shall solicit bids from infant formula manufacturers under procedures that require that bids for rebates or discounts are solicited for milk-based and soy-based infant formula separately.".

(B) APPLICABILITY.—The amendment made by this paragraph applies to a bid solicitation issued on or after October 1, 2004.

(7) CENT-FOR-CENT ADJUSTMENTS.—

(A) IN GENERAL.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as amended by paragraph (6)(A)) is amended by adding at the end the following:

"(viii) CENT-FOR-CENT ADJUSTMENTS.—A bid solicitation for infant formula under the program shall require the manufacturer to adjust for price changes subsequent to the opening of the bidding process in a manner that requires—

"(I) a cent-for-cent increase in the rebate amounts if there is an increase in the lowest national wholesale price for a full truckload of the particular infant formula; and

"(II) a cent-for-cent decrease in the rebate amounts if there is a decrease in the lowest national wholesale price for a full truckload of the particular infant formula.".

(B) CONFORMING AMENDMENT.—Section 17(h)(8)(A)(ii) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)(ii)) is amended by striking "rise" and inserting "change".

(C) APPLICABILITY.—The amendments made by this paragraph apply to a bid solicitation issued on or after October 1, 2004.

(8) LIST OF INFANT FORMULA WHOLESALERS, DISTRIBUTORS, RETAILERS, AND MANUFACTURERS.—Section 17(h)(8)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as amended by paragraph (7)(A)) is amended by adding at the end the following:

"(ix) LIST OF INFANT FORMULA WHOLESALERS, DISTRIBUTORS, RETAILERS, AND MANUFACTURERS.—The State agency shall maintain a list of—

"(I) infant formula wholesalers, distributors, and retailers licensed in the State in accordance with State law (including regulations); and

"(II) infant formula manufacturers registered with the Food and Drug Administration that provide infant formula.

"(x) PURCHASE REQUIREMENT.—A vendor authorized to participate in the program under this section shall only purchase infant formula from the list described in clause (ix).".

(9) FUNDS FOR INFRASTRUCTURE, MANAGEMENT INFORMATION SYSTEMS, AND SPECIAL NUTRITION EDUCATION.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended by striking paragraph (10) and inserting the following:

"(10) FUNDS FOR INFRASTRUCTURE, MANAGEMENT INFORMATION SYSTEMS, AND SPECIAL NUTRITION EDUCATION.—

"(A) IN GENERAL.—For each of fiscal years 2006 through 2009, the Secretary shall use for the purposes specified in subparagraph (B), $64,000,000 or the amount of nutrition services and administration funds and supplemental food funds for the prior fiscal year that have not been obligated, whichever is less.

"(B) PURPOSES.—Of the amount made available under subparagraph (A) for a fiscal year, not more than—

"(i) $14,000,000 shall be used for—

"(I) infrastructure for the program under this section;

"(II) special projects to promote breastfeeding, including projects to assess the effectiveness of particular breastfeeding promotion strategies; and

"(III) special State projects of regional or national significance to improve the services of the program;

"(ii) $30,000,000 shall be used to establish, improve, or administer management information systems for the program, including changes necessary to meet new legislative or regulatory requirements of the program; and

"(iii) $20,000,000 shall be used for special nutrition education such as breast feeding peer counselors and other related activities.

"(C) PROPORTIONAL DISTRIBUTION.—In a case in which less than $64,000,000 is available to carry out this paragraph, the Secretary shall make a proportional distribution of funds allocated under subparagraph (B).".

(10) VENDOR COST CONTAINMENT.—

(A) Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended by striking paragraph (11) and inserting the following:

"(11) VENDOR COST CONTAINMENT.—

"(A) PEER GROUPS.—

"(i) IN GENERAL.—The State agency shall—

"(I) establish a vendor peer group system;

"(II) in accordance with subparagraphs (B) and (C), establish competitive price criteria and allowable reimbursement levels for each vendor peer group; and

"(III) if the State agency elects to authorize any types of vendors described in subparagraph (D)(ii)(I)—

"(aa) distinguish between vendors described in subparagraph (D)(ii)(I) and other vendors by establishing—

"(AA) separate peer groups for vendors described in subparagraph (D)(ii)(I);or

"(BB) distinct competitive price criteria and allowable reimbursement levels for vendors described in subparagraph (D)(ii)(I) within a peer group that contains both vendors described in subparagraph (D)(ii)(I) and other vendors; and

"(bb) establish competitive price criteria and allowable reimbursement levels that comply with subparagraphs (B) and (C), respectively, and that do not result in higher food costs if program participants redeem supplemental food vouchers at vendors described in subparagraph (D)(ii)(I) rather than at vendors other than vendors described in subparagraph (D)(ii)(I).

Nothing in this paragraph shall be construed to compel a State agency to achieve lower food costs if program participants redeem supplemental food vouchers at vendors described in subparagraph (D)(ii)(I) rather than at vendors other than vendors described in subparagraph (D)(ii)(I).

"(ii) EXEMPTIONS.—The Secretary may exempt from the requirements of clause (i)—

"(I) a State agency that elects not to authorize any types of vendors described in subparagraph (D)(ii)(I) and that demonstrates to the Secretary that—

"(aa) compliance with clause (i) would be inconsistent with efficient and effective operation of the program administered by the State under this section; or

"(bb) an alternative cost-containment system would be as effective as a vendor peer group system; or

"(II) a State agency—

"(aa) in which the sale of supplemental foods that are obtained with food instruments from vendors described in subparagraph (D)(ii)(I) constituted less than 5 percent of total sales of supplemental foods that were obtained with food instruments in the State in the year preceding a year in which the exemption is effective; and

"(bb) that demonstrates to the Secretary that an alternative cost-containment system would be as effective as the vendor peer group system and would not result in higher food costs if program participants redeem supplemental food vouchers at vendors described in subparagraph (D)(ii)(I) rather than at vendors other than vendors described in subparagraph (D)(ii)(I).

"(B) COMPETITIVE PRICING.—

"(i) IN GENERAL.—The State agency shall establish competitive price criteria for each peer group for the selection of vendors for participation in the program that—

"(I) ensure that the retail prices charged by vendor applicants for the program are competitive with the prices charged by other vendors; and

"(II) consider—

"(aa) the shelf prices of the vendor for all buyers; or

"(bb) the prices that the vendor bid for supplemental foods, which shall not exceed the shelf prices of the vendor for all buyers.

"(ii) PARTICIPANT ACCESS.—In establishing competitive price criteria, the State agency shall consider participant access by geographic area.

"(iii) SUBSEQUENT PRICE INCREASES.—The State agency shall establish procedures to ensure that a retail store selected for participation in the program does not, subsequent to selection, increase prices to levels that would make the store ineligible for selection to participate in the program.

"(C) ALLOWABLE REIMBURSEMENT LEVELS.—

"(i) IN GENERAL.—The State agency shall establish allowable reimbursement levels for supplemental foods for each vendor peer group that ensure—

"(I) that payments to vendors in the vendor peer group reflect competitive retail prices; and

"(II) that the State agency does not reimburse a vendor for supplemental foods at a level that would make the vendor ineligible for authorization under the criteria established under subparagraph (B).

"(ii) PRICE FLUCTUATIONS.—The allowable reimbursement levels may include a factor to reflect fluctuations in wholesale prices.

"(iii) PARTICIPANT ACCESS.—In establishing allowable reimbursement levels, the State agency shall consider participant access in a geographic area.

"(D) EXEMPTIONS.—The State agency may exempt from competitive price criteria and allowable reimbursement levels established under this paragraph—

"(i) pharmacy vendors that supply only exempt infant formula or medical foods that are eligible under the program; and

"(ii) vendors—

"(I)(aa) for which more than 50 percent of the annual revenue of the vendor from the sale of food items consists of revenue from the sale of supplemental foods that are obtained with food instruments; or

"(bb) who are new applicants likely to meet the criteria of item (aa) under criteria approved by the Secretary; and

"(II) that are nonprofit.

"(E) COST CONTAINMENT.—If a State agency elects to authorize any types of vendors described in subparagraph (D)(ii)(I), the State agency shall demonstrate to the Secretary, and the Secretary shall certify, that the competitive price criteria and allowable reimbursement levels established under this paragraph for vendors described in subparagraph (D)(ii)(I) do not result in average payments per voucher to vendors described in subparagraph (D)(ii)(I) that are higher than average payments per voucher to comparable vendors other than vendors described in subparagraph (D)(ii)(I).

"(F) LIMITATION ON PRIVATE RIGHTS OF ACTION.—Nothing in this paragraph may be construed as creating a private right of action.

"(G) IMPLEMENTATION.—A State agency shall comply with this paragraph not later than 18 months after the date of enactment of this paragraph.".

(B) CONFORMING AMENDMENT.—Section 17(f)(1)(C)(i) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(1)(C)(i)) is amended by inserting before the semicolon the following: ", including a description of the State agency's vendor peer group system, competitive price criteria, and allowable reimbursement levels that demonstrate that the State is in compliance with the cost-containment provisions in subsection (h)(11).".

(11) IMPOSITION OF COSTS ON RETAIL STORES.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended by striking paragraph (12) and inserting the following:

"(12) IMPOSITION OF COSTS ON RETAIL STORES.—The Secretary may not impose, or allow a State agency to impose, the costs of any equipment, system, or processing required for electronic benefit transfers on any retail store authorized to transact food instruments, as a condition for authorization or participation in the program.".

(12) UNIVERSAL PRODUCT CODES DATABASE.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) (as amended by paragraph (11)) is amended by adding at the end the following:

"(13) UNIVERSAL PRODUCT CODES DATABASE.—The Secretary shall—

"(A) establish a national universal product code database for use by all State agencies in carrying out the program; and

"(B) make available from appropriated funds such sums as are required for hosting, hardware and software configuration, and support of the database.".

(13) INCENTIVE ITEMS.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) (as amended by paragraph (12)) is amended by adding at the end the following:

"(14) INCENTIVE ITEMS.—A State agency shall not authorize or make payments to a vendor described in paragraph (11)(D)(ii)(I) that provides incentive items or other free merchandise, except food or merchandise of nominal value (as determined by the Secretary), to program participants unless the vendor provides to the State agency proof that the vendor obtained the incentive items or merchandise at no cost.".

(f) SPEND FORWARD AUTHORITY.—Section 17(i)(3)(A)(ii)(I) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(i)(3)(A)(ii)(I)) is amended by striking "1 percent" and inserting "3 percent".

(g) MIGRANT AND COMMUNITY HEALTH CENTERS INITIATIVE.—Section 17(j) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(j)) is amended—

(1) by striking paragraph (4); and

(2) by redesignating paragraph (5) as paragraph (4).

(h) FARMERS' MARKET NUTRITION PROGRAM.—

(1) ROADSIDE STANDS.—Section 17(m)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(1)) is amended by inserting "and (at the option of a State) roadside stands" after "farmers' markets".

(2) MATCHING FUNDS.—Section 17(m)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(3)) is amended by striking "total" both places it appears and inserting "administrative".

(3) BENEFIT VALUE.—Section 17(m)(5)(C)(ii) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(5)(C)(ii)) is amended by striking "$20" and inserting "$30".

(4) REAUTHORIZATION.—Section 17(m)(9)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(9)(A)) is amended by striking clause (i) and inserting the following:

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2004 through 2009.".

(i) DEMONSTRATION PROJECT RELATING TO USE OF WIC PROGRAM FOR IDENTIFICATION AND ENROLLMENT OF CHILDREN IN CERTAIN HEALTH PROGRAMS.—

(1) IN GENERAL.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by striking subsection (r).

(2) CONFORMING AMENDMENT.—Section 12 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760) is amended by striking subsection (p).

SEC. 204. LOCAL WELLNESS POLICY.

(a) IN GENERAL.—Not later than the first day of the school year beginning after June 30, 2006, each local educational agency participating in a program authorized by the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall establish a local school wellness policy for schools under the local educational agency that, at a minimum—

(1) includes goals for nutrition education, physical activity, and other school-based activities that are designed to promote student wellness in a manner that the local educational agency determines is appropriate;

(2) includes nutrition guidelines selected by the local educational agency for all foods available on each school campus under the local educational agency during the school day with the objectives of promoting student health and reducing childhood obesity;

(3) provides an assurance that guidelines for reimbursable school meals shall not be less restrictive than regulations and guidance issued by the Secretary of Agriculture pursuant to subsections (a) and (b) of section 10 of the Child Nutrition Act (42 U.S.C. 1779) and sections 9(f)(1) and 17(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(f)(1), 1766(a)), as those regulations and guidance apply to schools;

(4) establishes a plan for measuring implementation of the local wellness policy, including designation of 1 or more persons within the local educational agency or at each school, as appropriate, charged with operational responsibility for ensuring that the school meets the local wellness policy; and

(5) involves parents, students, representatives of the school food authority, the school board, school administrators, and the public in the development of the school wellness policy.

(b) TECHNICAL ASSISTANCE AND BEST PRACTICES.—

(1) IN GENERAL.—The Secretary, in coordination with the Secretary of Education and in consultation with the Secretary of Health and Human Services, acting through the Centers for Disease Control and Prevention, shall make available to local educational agencies, school food authorities, and State educational agencies, on request, information and technical assistance for use in—

(A) establishing healthy school nutrition environments;

(B) reducing childhood obesity; and

(C) preventing diet-related chronic diseases.

(2) CONTENT.—Technical assistance provided by the Secretary under this subsection shall—

(A) include relevant and applicable examples of schools and local educational agencies that have taken steps to offer healthy options for foods sold or served in schools;

(B) include such other technical assistance as is required to carry out the goals of promoting sound nutrition and establishing healthy school nutrition environments that are consistent with this section;

(C) be provided in such a manner as to be consistent with the specific needs and requirements of local educational agencies; and

(D) be for guidance purposes only and not be construed as binding or as a mandate to schools, local educational agencies, school food authorities, or State educational agencies.

(3) FUNDING.—

(A) IN GENERAL.—On July 1, 2006, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection $4,000,000, to remain available until September 30, 2009.

(B) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

SEC. 205. TEAM NUTRITION NETWORK.

(a) TEAM NUTRITION NETWORK.—Section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1788) is amended to read as follows:

"SEC. 19. TEAM NUTRITION NETWORK.

"(a) PURPOSES.—The purposes of the team nutrition network are—

"(1) to establish State systems to promote the nutritional health of school children of the United States through nutrition education and the use of team nutrition messages and material developed by the Secretary, and to encourage regular physical activity and other activities that support healthy lifestyles for children, including those based on the most recent Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341);

"(2) to provide assistance to States for the development of comprehensive and integrated nutrition education and active living programs in schools and facilities that participate in child nutrition programs;

"(3) to provide training and technical assistance and disseminate team nutrition messages to States, school and community nutrition programs, and child nutrition food service professionals;

"(4) to coordinate and collaborate with other nutrition education and active living programs that share similar goals and purposes; and

"(5) to identify and share innovative programs with demonstrated effectiveness in helping children to maintain a healthy weight by enhancing student understanding of healthful eating patterns and the importance of regular physical activity.

"(b) DEFINITION OF TEAM NUTRITION NETWORK.—In this section, the term 'team nutrition network' means a statewide multidisciplinary program for children to promote healthy eating and physical activity based on scientifically valid information and sound educational, social, and marketing principles.

"(c) GRANTS.—

"(1) IN GENERAL.—Subject to the availability of funds for use in carrying out this section, in addition to any other funds made available to the Secretary for team nutrition purposes, the Secretary, in consultation with the Secretary of Education, may make grants to State agencies for each fiscal year, in accordance with this section, to establish team nutrition networks to promote nutrition education through—

“(A) the use of team nutrition network messages and other scientifically based information; and

“(B) the promotion of active lifestyles.

“(2) Form.—A portion of the grants provided under this subsection may be in the form of competitive grants.

“(3) Funds from nongovernmental sources.—In carrying out this subsection, the Secretary may accept cash contributions from nongovernmental organizations made expressly to further the purposes of this section, to be managed by the Food and Nutrition Service, for use by the Secretary and the States in carrying out this section.

“(d) Allocation.—Subject to the availability of funds for use in carrying out this section, the total amount of funds made available for a fiscal year for grants under this section shall equal not more than the sum of—

“(1) the product obtained by multiplying ½ cent by the number of lunches reimbursed through food service programs under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) during the second preceding fiscal year in schools, institutions, and service institutions that participate in the food service programs; and

“(2) the total value of funds received by the Secretary in support of this section from nongovernmental sources.

“(e) Requirements for State Participation.—To be eligible to receive a grant under this section, a State agency shall submit to the Secretary a plan that—

“(1) is subject to approval by the Secretary; and

“(2) is submitted at such time and in such manner, and that contains such information, as the Secretary may require, including—

“(A) a description of the goals and proposed State plan for addressing the health and other consequences of children who are at risk of becoming overweight or obese;

“(B) an analysis of the means by which the State agency will use and disseminate the team nutrition messages and material developed by the Secretary;

“(C) an explanation of the ways in which the State agency will use the funds from the grant to work toward the goals required under subparagraph (A), and to promote healthy eating and physical activity and fitness in schools throughout the State;

“(D) a description of the ways in which the State team nutrition network messages and activities will be coordinated at the State level with other health promotion and education activities;

“(E) a description of the consultative process that the State agency employed in the development of the model nutrition and physical activity programs, including consultations with individuals and organizations with expertise in promoting public health, nutrition, or physical activity;

“(F) a description of how the State agency will evaluate the effectiveness of each program developed by the State agency;

“(G) an annual summary of the team nutrition network activities;

“(H) a description of the ways in which the total school environment will support healthy eating and physical activity; and

“(I) a description of how all communications to parents and legal guardians of students who are members of a household receiving or applying for assistance under the program shall be in an understandable and uniform format and, to the maximum extent practicable, in a language that parents and legal guardians can understand.

“(f) State Coordinator.—Each State that receives a grant under this section shall appoint a team nutrition network coordinator who shall—

“(1) administer and coordinate the team nutrition network within and across schools, school food authorities, and other child nutrition program providers in the State; and

“(2) coordinate activities of the Secretary, acting through the Food and Nutrition Service, and State agencies responsible for other children's health, education, and wellness programs to implement a comprehensive, coordinated team nutrition network program.

“(g) Authorized Activities.—A State agency that receives a grant under this section may use funds from the grant—

“(1)(A) to collect, analyze, and disseminate data regarding the extent to which children and youths in the State are overweight, physically inactive, or otherwise suffering from nutrition-related deficiencies or disease conditions; and

“(B) to identify the programs and services available to meet those needs;

“(2) to implement model elementary and secondary education curricula using team nutrition network messages and material developed by the Secretary to create a comprehensive, coordinated nutrition and physical fitness awareness and obesity prevention program;

“(3) to implement pilot projects in schools to promote physical activity and to enhance the nutritional status of students;

“(4) to improve access to local foods through farm-to-cafeteria activities that may include the acquisition of food and the provision of training and education;

“(5) to implement State guidelines in health (including nutrition education and physical education guidelines) and to emphasize regular physical activity during school hours;

“(6) to establish healthy eating and lifestyle policies in schools;

“(7) to provide training and technical assistance to teachers and school food service professionals consistent with the purposes of this section;

“(8) to collaborate with public and private organizations, including community-based organizations, State medical associations, and public health groups, to develop and implement nutrition and physical education programs targeting lower income children, ethnic minorities, and youth at a greater risk for obesity.

“(h) Local Nutrition and Physical Activity Grants.—

“(1) In general.—Subject to the availability of funds to carry out this subsection, the Secretary, in consultation with the Secretary of Education, shall provide assistance to selected local educational agencies to create healthy school nutrition environments, promote healthy eating habits, and increase physical activity, consistent with the Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341), among elementary and secondary education students.

“(2) Selection of schools.—In selecting local educational agencies for grants under this subsection, the Secretary shall—

“(A) provide for the equitable distribution of grants among—

“(i) urban, suburban, and rural schools; and

“(ii) schools with varying family income levels;

“(B) consider factors that affect need, including local educational agencies with significant minority or low-income student populations; and

“(C) establish a process that allows the Secretary to conduct an evaluation of how funds were used.

“(3) Requirement for participation.—To be eligible to receive assistance under this subsection, a local educational agency shall, in consultation with individuals who possess education or experience appropriate for representing the general field of public health, including nutrition and fitness professionals, submit to the Secretary an application that shall include—

“(A) a description of the need of the local educational agency for a nutrition and physical activity program, including an assessment of the nutritional environment of the school;

“(B) a description of how the proposed project will improve health and nutrition through education and increased access to physical activity;

“(C) a description of how the proposed project will be aligned with the local wellness policy required under section 204 of the Child Nutrition and WIC Reauthorization Act of 2004;

“(D) a description of how funds under this subsection will be coordinated with other programs under this Act, the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.), or other Acts, as appropriate, to improve student health and nutrition;

“(E) a statement of the measurable goals of the local educational agency for nutrition and physical education programs and promotion;

“(F) a description of the procedures the agency will use to assess and publicly report progress toward meeting those goals; and

“(G) a description of how communications to parents and guardians of participating students regarding the activities under this subsection shall be in an understandable and uniform format, and, to the extent maximum practicable, in a language that parents can understand.

“(4) Duration.—Subject to the availability of funds made available to carry out this subsection, a local educational agency receiving assistance under this subsection shall conduct the project during a period of 3 successive school years beginning with the initial fiscal year for which the local educational agency receives funds.

“(5) Authorized activities.—An eligible applicant that receives assistance under this subsection—

“(A) shall use funds provided to—

“(i) promote healthy eating through the development and implementation of nutrition education programs and curricula based on the Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341); and

“(ii) increase opportunities for physical activity through after school programs, athletics, intramural activities, and recess; and

“(B) may use funds provided to—

“(i) educate parents and students about the relationship of a poor diet and inactivity to obesity and other health problems;

“(ii) develop and implement physical education programs that promote fitness and lifelong activity;

“(iii) provide training and technical assistance to food service professionals to develop more appealing, nutritious menus and recipes;

“(iv) incorporate nutrition education into physical education, health education, and after school programs, including athletics;

“(v) involve parents, nutrition professionals, food service staff, educators, community leaders, and other interested parties in assessing the food options in the school environment and developing and implementing an action plan to promote a balanced and healthy diet;

"(vi) provide nutrient content or nutrition information on meals served through the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the school breakfast program established by section 4 of this Act and items sold a la carte during meal times;

"(vii) encourage the increased consumption of a variety of healthy foods, including fruits, vegetables, whole grains, and low-fat dairy products, through new initiatives to creatively market healthful foods, such as salad bars and fruit bars;

"(viii) offer healthy food choices outside program meals, including by making low-fat and nutrient dense options available in vending machines, school stores, and other venues; and

"(ix) provide nutrition education, including sports nutrition education, for teachers, coaches, food service staff, athletic trainers, and school nurses.

"(6) REPORT.—Not later than 18 months after completion of the projects and evaluations under this subsection, the Secretary shall—

"(A) submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Agriculture, Nutrition and Forestry of the Senate a report describing the results of the evaluation under this subsection; and

"(B) make the report available to the public, including through the Internet.

"(i) NUTRITION EDUCATION SUPPORT.—In carrying out the purpose of this section to support nutrition education, the Secretary may provide for technical assistance and grants to improve the quality of school meals and access to local foods in schools and institutions.

"(j) LIMITATION.—Material prepared under this section regarding agricultural commodities, food, or beverages, must be factual and without bias.

"(k) TEAM NUTRITION NETWORK INDEPENDENT EVALUATION.—

"(1) IN GENERAL.—Subject to the availability of funds to carry out this subsection, the Secretary shall offer to enter into an agreement with an independent, nonpartisan, science-based research organization—

"(A) to conduct a comprehensive independent evaluation of the effectiveness of the team nutrition initiative and the team nutrition network under this section; and

"(B) to identify best practices by schools in—

"(i) improving student understanding of healthful eating patterns;

"(ii) engaging students in regular physical activity and improving physical fitness;

"(iii) reducing diabetes and obesity rates in school children;

"(iv) improving student nutrition behaviors on the school campus, including by increasing healthier meal choices by students, as evidenced by greater inclusion of fruits, vegetables, whole grains, and lean dairy and protein in meal and snack selections;

"(v) providing training and technical assistance for food service professionals resulting in the availability of healthy meals that appeal to ethnic and cultural taste preferences;

"(vi) linking meals programs to nutrition education activities;

"(vii) successfully involving parents, school administrators, the private sector, public health agencies, nonprofit organizations, and other community partners;

"(viii) ensuring the adequacy of time to eat during school meal periods; and

"(ix) successfully generating revenue through the sale of food items, while providing healthy options to students through vending, student stores, and other venues.

"(2) REPORT.—Not later than 3 years after funds are made available to carry out this subsection, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives, the Committee on Health, Education, Labor, and Pensions and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the findings of the independent evaluation.

"(l) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.".

(b) CONFORMING AMENDMENT.—Section 21(c)(2)(E) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b-1(c)(2)(E)) is amended by striking ", including" and all that follows through "1966".

SEC. 206. REVIEW OF BEST PRACTICES IN THE BREAKFAST PROGRAM.

(a) REVIEW.—

(1) IN GENERAL.—Subject to the availability of funds under subsection (c), the Secretary of Agriculture shall enter into an agreement with a research organization to collect and disseminate a review of best practices to assist school food authorities in addressing existing impediments at the State and local level that hinder the growth of the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).

(2) RECOMMENDATIONS.—The review shall describe model breakfast programs and offer recommendations for schools to overcome obstacles, including—

(A) the length of the school day;

(B) bus schedules; and

(C) potential increases in costs at the State and local level.

(b) DISSEMINATION.—Not later than 1 year after the date of enactment of this Act, the Secretary shall—

(1) make the review required under subsection (a) available to school food authorities via the Internet, including recommendations to improve participation in the school breakfast program; and

(2) transmit to Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a copy of the review.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

TITLE III—COMMODITY DISTRIBUTION PROGRAMS

SEC. 301. COMMODITY DISTRIBUTION PROGRAMS.

Section 15 of the Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note; Public Law 100-237) is amended by striking subsection (e).

TITLE IV—MISCELLANEOUS

SEC. 401. SENSE OF CONGRESS REGARDING EFFORTS TO PREVENT AND REDUCE CHILDHOOD OBESITY.

(a) FINDINGS.—Congress finds that—

(1) childhood obesity in the United States has reached critical proportions;

(2) childhood obesity is associated with numerous health risks and the incidence of chronic disease later in life;

(3) the prevention of obesity among children yields significant benefits in terms of preventing disease and the health care costs associated with such diseases;

(4) further scientific and medical data on the prevalence of childhood obesity is necessary in order to inform efforts to fight childhood obesity; and

(5) the State of Arkansas—

(A) is the first State in the United States to have a comprehensive statewide initiative to combat and prevent childhood obesity by—

(i) annually measuring the body mass index of public school children in the State from kindergarten through 12th grade; and

(ii) providing that information to the parents of each child with associated information about the health implications of the body mass index of the child;

(B) maintains, analyzes, and reports on annual and longitudinal body mass index data for the public school children in the State; and

(C) develops and implements appropriate interventions at the community and school level to address obesity, the risk of obesity, and the condition of being overweight, including efforts to encourage healthy eating habits and increased physical activity.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the State of Arkansas, in partnership with the University of Arkansas for Medical Sciences and the Arkansas Center for Health Improvement, should be commended for its leadership in combating childhood obesity; and

(2) the efforts of the State of Arkansas to implement a statewide initiative to combat and prevent childhood obesity are exemplary and could serve as a model for States across the United States.

TITLE V—IMPLEMENTATION

SEC. 501. GUIDANCE AND REGULATIONS.

(a) GUIDANCE.—As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture shall issue guidance to implement the amendments made by sections 102, 103, 104, 105, 106, 107, 111, 116, 119(c), 119(g), 120, 126(b), 126(c), 201, 203(a)(3), 203(b), 203(c)(5), 203(e)(3), 203(e)(4), 203(e)(5), 203(e)(6), 203(e)(7), 203(e)(10), and 203(h)(1).

(b) INTERIM FINAL REGULATIONS.—The Secretary may promulgate interim final regulations to implement the amendments described in subsection (a).

(c) REGULATIONS.—Not later than 2 years after the date of enactment of this Act, the Secretary shall promulgate final regulations to implement the amendments described in subsection (a).

SEC. 502. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act take effect on the date of enactment of this Act.

(b) SPECIAL EFFECTIVE DATES.—

(1) JULY 1, 2004.—The amendments made by sections 106, 107, 126(c), and 201 take effect on July 1, 2004.

(2) OCTOBER 1, 2004.—The amendments made by sections 119(c), 119(g), 202(a), 203(a), 203(b), 203(c)(1), 203(c)(5), 203(e)(5), 203(e)(8), 203(e)(10), 203(e)(13), 203(f), 203(h)(1), and 203(h)(2) take effect on October 1, 2004.

(3) JANUARY 1, 2005.—The amendments made by sections 116(f)(1) and 116(f)(3) take effect on January 1, 2005.

(4) JULY 1, 2005.—The amendments made by sections 102, 104, 105, 111, and 126(b) take effect on July 1, 2005.

(5) OCTOBER 1, 2005.—The amendments made by sections 116(d) and 203(e)(9) take effect on October 1, 2005.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BOEHNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. 2507.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Ms. Wanda Evans, one of his secretaries.

CONGRATULATING THE INTERIM GOVERNMENT OF IRAQ ON ITS FORTHCOMING ASSUMPTION OF SOVEREIGN AUTHORITY IN IRAQ

Mr. HYDE. Mr. Speaker, pursuant to the previous order of the House, and as the designee of the majority leader, I call up the resolution (H. Res. 691) congratulating the Interim Government of Iraq on its forthcoming assumption of sovereign authority in Iraq, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The text of H. Res. 691 is as follows:

H. RES. 691

Whereas in April 2003, the United States Armed Forces and other Coalition forces liberated the people of Iraq from the dictatorial regime of Saddam Hussein;

Whereas United Nations Security Council Resolution 1483 (May 22, 2003) and the laws and usages of war authorized the Coalition Provisional Authority to govern Iraq on a temporary basis;

Whereas the Coalition Provisional Authority established an Iraqi Governing Council, broadly representative of the major geographic, ethnic, and religious groupings of Iraq, as well as a Cabinet, to assist in the governing of Iraq, and the Council was recognized by many members of the international community as a legitimate voice of the Iraqi people;

Whereas the United States and other Coalition members, in response to the desire of the Iraqi people for early self-government, worked with the Iraqi Governing Council to accelerate the transfer of power to the Iraqi people, with sovereignty to be transferred no later than the end of June 2004;

Whereas the Coalition Provisional Authority and the Iraqi Governing Council on March 8, 2004, agreed upon a Law of Administration for the State of Iraq for the Transitional Period that strongly protects the civil and political rights of Iraqis;

Whereas that Law and its Annex provide for a transition of power to an Iraqi Interim Government, for elections by the end of January 2005, for a Transitional National Assembly, which shall form an Iraqi Transitional Government and provide for the drafting and adoption of a permanent constitution, and, by the end of 2005, for a government chosen under the new constitution;

Whereas the Iraqi people have begun electing local officials in parts of Iraq under Coalition auspices and will have the opportunity to express their will in free and meaningful national elections for the first time in Iraq's history;

Whereas the United Nations Secretary General appointed a Special Adviser to conduct political consultations aimed at putting in place an Interim Government to assume sovereignty over Iraq;

Whereas the Iraqi Governing Council made recommendations about the composition of the Interim Government, after which, when the recommendations were accepted by the Coalition Provisional Authority, the Council dissolved itself;

Whereas on June 8, 2004, the United Nations Security Council unanimously adopted Resolution 1546, welcoming the formation and forthcoming "assumption of full responsibility and authority by a fully sovereign and independent Interim Government of Iraq" and authorizing the multinational force under unified command to continue its activities;

Whereas the Coalition Provisional Authority will dissolve at the end of June 2004 and will not be replaced;

Whereas members of the United States Armed Forces, a total force consisting of active, reserve, and National Guard personnel, have performed their mission with great skill and courage, in the process being awarded at least 18 Distinguished Service Crosses, 6 Distinguished Flying Crosses, 133 Silver Stars, 16,551 Bronze Stars, and 4,161 Purple Hearts;

Whereas, as of June 23, 2004, 833 members of the United States Armed Forces, approximately 100 members of the Coalition forces, and many members of the Iraqi security services, have given their lives to advance the cause of liberty in Iraq, and thousands of members of the United States Armed Forces and Coalition forces, and many members of the Iraqi security services, have suffered wounds for that cause;

Whereas the families of American soldiers, sailors, airmen, Marines, and Coast Guardsmen have made and continue to make enormous sacrifices for their country;

Whereas in addition, Coalition forces, civilians employed by or assisting the Coalition Provisional Authority, the Iraqi government and its employees, international organizations, and American and other international volunteers, as well as large numbers of Iraqis, have made and continue to make enormous efforts to reconstruct the country and improve the lives of the Iraqi people;

Whereas Ambassador L. Paul Bremer, III, Presidential Envoy to Iraq and Administrator of the Coalition Provisional Authority, has ably advanced the international coalition's goals in Iraq of transforming Iraq into a safe, secure, stable, sovereign, democratic state that serves the interests of the Iraqi people;

Whereas the United States will be represented in Iraq by an Embassy led by Ambassador John D. Negroponte, and the United States will deal with the Government of Iraq on the basis of the sovereign equality of states under international law, including the Vienna Convention on Diplomatic Relations, to which both the United States and Iraq are parties;

Whereas after June 30, 2004, the Interim Government of Iraq and its successors, and United States Armed Forces and Coalition forces, will cooperate to meet ongoing security challenges and to extend security and stability to all regions of Iraq; and

Whereas the United States has never desired to exercise permanent sovereignty over Iraq and welcomes the formation of the Iraqi Interim Government and its imminent assumption of authority: Now, therefore, be it—

Resolved, That the House of Representatives—

(1) congratulates the Interim Government of Iraq on its forthcoming assumption of sovereign authority in Iraq;

(2) offers its continued support to the people and government of Iraq as they deal with the consequences of decades of misrule by the former regime of Saddam Hussein;

(3) expresses its gratitude to the United States Armed Forces for their ongoing valiant service to their country and commitment to the highest ideals and traditions of the American people;

(4) expresses its gratitude to the families of United States Armed Forces personnel, especially the families of those who have lost loved ones in Operation Iraqi Freedom and of those wounded in the service of their country, for their sacrifices;

(5) expresses its condolences to the families of the innocent Iraqis who have been killed or wounded during the conflict, including those who were victimized by the illegal and terrorist tactics of the enemy, and despite the concerted efforts by the Coalition forces to minimize civilian casualties;

(6) expresses its gratitude to the Coalition forces, the Coalition Provisional Authority, the Iraqi Governing Council, the current Iraqi cabinet and government officials, and the many international bodies and voluntary organizations which have come to the aid of the people of Iraq in an effort to help them address the consequences of decades of misrule by the former regime of Saddam Hussein, as well as to the families of those mentioned in this paragraph, who have been lost in Iraq;

(7) offers its continued support to the United States Armed Forces, civilians associated with the United States Government, Coalition forces, and Iraqi security forces who continue to bear the burden of attacks from former regime elements, foreign and Iraqi terrorists, and other criminals who are attempting to undermine the interests of the Iraqi people and thwart their evident desire to live in peace;

(8) calls on the entire international community to promote the welfare of the Iraqi people by rendering, in addition to the generous assistance provided by the American people and, in varying degrees, by some nations, immediate, tangible, and generous assistance to the Iraqi people in the reconstruction of their nation, including, in response to requests from the Iraqi government coordinated with the command of the multinational forces, forces capable of assisting in the provision of security to the Iraqi people;

(9) reaffirms—

(A) that the United States Armed Forces operating in Iraq after June 30, 2004, will remain under the full authority, direction, and control of their American commanders; and

(B) the need to ensure that such Armed Forces will possess all necessary authority to fulfill their mission effectively and to provide for their operational safety; and

(10) urges the people of the United States and of other countries to celebrate the restoration of freedom to the people of Iraq through the efforts of the peoples of the United States, the Coalition, and Iraq.

The SPEAKER pro tempore. Pursuant to the order of the House of Wednesday, June 24, 2004, the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) each will control 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Speaker, I am pleased to yield 3 minutes to the distinguished gentlewoman from Florida (Ms. ROS-LEHTINEN).

Ms. ROS-LEHTINEN. Mr. Speaker, I thank my esteemed chairman for yielding me time.

□ 1445

I rise in strong support of this resolution.

On June 30, as all of us know, Iraq will assume control of its own destiny. Iraq will enter the post-Saddam era with the hope of the world resting upon them. No longer will the Iraqi people be subjected to a climate of fear and desperation. Saddam's murderous, thieving cronies have been removed. Uday and Qusay's henchmen likewise will no longer be free to roam the streets, terrorizing people.

The challenge now for the Iraqi people and their new government is to set their future on a course of open thought, popular choice for their leaders, and freedom of action in which to conduct their lives.

The Iraqi people understand that with this new-found freedom comes responsibility, a responsibility to remember the interests of all Iraqis. Each and every Iraqi has a stake in that Nation's future, and now, with our transfer of sovereignty to them, that stake can be fully realized.

We are honored to have played a role in empowering the Iraqi people and supporting them in their efforts to rebuild their country after decades of corruption and oppression. They have the opportunity to make their Nation a shining light for all to see, not only in the Middle East, but around the world. A nation filled with talent beyond imagination, Iraq can create a climate of freedom and opportunities for others to emulate.

Yes, problems have arisen. Yet, we must acknowledge the positive developments that could not have happened without the brave men and women of the United States military and our allies. Through their courage, commitment, and sacrifice, we have managed to free an enslaved people. We have brought down a tyrant who has killed as many as 1 million of his own people. Thus, history will record that the United States brought a beacon of light and hope to a people that had only known misery, suffering, and brutality under Saddam Hussein.

The future will judge us to have done right by the Iraqi people, and for our own Nation as well.

We are, however, not naive about the challenges that lie ahead. Freedom and democracy take time and hard work. They take vigilance and dedication, dedication to truth and commitment to justice. These are things that come with patience.

The terrorists want to deprive the Iraqi people of their future, but Iraq can and will prevail. Iraq's chance is now. Let us stand by the Iraqi people as they struggle to enjoy these rights and liberties that they were denied for so very long. Let us be motivated by the knowledge that we have helped make the world a better place for the Iraqi people and for all.

As our beloved former President Ronald Wilson Reagan would say, "You and I have a rendezvous with destiny. If we fail, at least let our children and our children's children say of us, we justified our brief moment here. We did all that could be done," and that we have done for the Iraqi people.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume, and I rise in strong support of H. Res. 691.

On June 30, a momentous date in the history of Iraq, after 45 years of dictatorship and one year of occupation, a sovereign government representative of the Iraqi people is about to assume power in Baghdad. We take justifiable pride in the U.S. role in achieving that milestone, and we pay tribute to our soldiers who have achieved this incredible feat.

But there is no fooling ourselves, Mr. Speaker. The Iraq that Prime Minister Iyad al-Alawi and his colleagues will inherit is far from stable and it is far from prosperous, nor is it ready to assume full responsibility for its Nation's security. For the United States, the challenges of ensuring security, promoting reconstruction, and fostering liberal and decent governance will continue essentially unchanged for now. Whether we and the Iraqis look back at June 30, 2004 as an historic turning point for the good will be determined by our joint ability to meet those ongoing and gigantic challenges.

Mr. Speaker, developments on our home front encourage the hope that we can meet those challenges, as the positions on Iraq taken by leaders of both of our parties are fundamentally congruent. The administration has shown signs that it is willing to alter the course when necessary in order to get the job done. I am pleased that the President embraced the wisdom of acknowledging a major role for the United Nations. As a result of the United Nations unanimously-adopted resolution, the soon-to-be sovereign Iraqi government will have far greater domestic and international legitimacy than otherwise it would have.

I think it is important to underscore that the likely nominee of the Democratic Party for president, Senator KERRY, shares the basic vision, and I quote: "While we may have differed on how we went to war, Americans of all political persuasions are united in our determination to succeed. The extremists attacking our forces should know that they will not succeed in dividing America, or in sapping American resolve, or in forcing the premature withdrawal of U.S. troops. Our country is committed to help the Iraqis build a stable, peaceful, and pluralistic society."

The most important line in my quotation from Senator KERRY is as follows: "No matter who is elected President in November, we will persevere in that mission."

Mr. Speaker, success in Iraq is a bipartisan, national interest. Not only is the credibility of the United States at stake in the region and around the globe, but an Iraq collapsing into chaos would be a heart of darkness in the Middle East.

Mr. Speaker, Senator KERRY and President Bush are also on the same page in calling on our NATO allies to show solidarity by reinforcing our efforts in Iraq. Even though NATO nations may not have many deployable troops to spare, there is nevertheless much that they can do to. And the opportunity for NATO to make these important decisions in the highest-profile manner possible will present itself next week at the NATO summit in Istanbul.

As the NATO Secretary General said, we have a Security Council resolution, a fully legitimate interim government in Iraq; NATO has no excuse to slam the door in Iraq's face.

NATO States can and must provide training for the new Iraqi Army, and they should do so in Iraq itself without requiring Iraqi troops to go to a third country as some are suggesting.

One of the most brilliant of our military leaders, General David Petraeus, is leading the U.S. effort to train Iraqi forces, and his presence in that role should give all of us confidence in our ultimate success. But building a fighting force capable of defeating Iraq's fundamentalists and Saddamist thugs is a mammoth undertaking. NATO nations are ideally positioned to support the efforts of General Petraeus.

NATO troops can provide election security to support the all-important Iraqi elections in January. If Iraq is to hold its first free and democratic elections in its history, security is paramount.

Mr. Speaker, let us be clear. The European members of NATO, all of them, should not contribute to Iraq's security as a favor to us, even though the peace and prosperity that reigns in Europe today was won with American blood and American treasure. They should do it as a favor to themselves but, most importantly, to the Iraqi people. Europe's stake in the stability of Iraq and the Middle East is greater than our own. Europe borders the Middle East and is far more dependent on its energy resources than are we here in the United States.

Europe's moral credibility is also at stake in Iraq. For years, the States of the European Union, most of whom belong to NATO, have trumpeted their commitment to democracy. Now it is time for them to prove that this is more than rhetoric. When Iraqi President al-Yawar was in town recently, he told a group of us that the presence of European troops is crucial to Iraq. He emphasized that Iraq needs security forces from law-abiding societies where human rights are valuable to the people.

Mr. Speaker, Iraq is undertaking history's boldest experiment in trying to build a more free and open society. If Europe is not with us, its message to the Iraqi people and to the world is that it just does not care about democratic developments outside its borders.

I call on President Chirac and Chancellor Schroeder and other reluctant NATO leaders to stand up at the Istanbul summit and be counted on behalf of the Iraqi people and democratic values.

Mr. Speaker, we already have many fine allies, NATO and nonNATO alike, in our coalition in Iraq. Tony Blair's United Kingdom has shown extraordinary courage and leadership. South Korea's determination was tested by tragedy just this week, and it proved itself a model of resolve. These nations are doing work from which all of Europe will benefit, and they too deserve Europe's, and that means NATO's, backing and help.

As the loyal opposition, we Democrats will continue to call this administration to account for its errors in Iraq. We will continue to offer constructive advice, as our duty demands, particularly from our position of oversight authority in the legislative branch. But all of us, Democrats and Republicans alike, are united in our commitment to achieving success in giving rise to a durable, pluralistic, more open and free society in Iraq.

It is not merely a simple matter of restoring sovereignty. George Bernard Shaw observed, "Liberty means responsibility. That is why most men dread it." The new stewards of the sovereign Iraq will prove that they are up to the task. As they do, we want them to know that we will stand by them.

Mr. Speaker, I strongly support this resolution, and I urge all of my colleagues to do so.

Mr. Speaker, I reserve the balance of my time.

Mr. HYDE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we live indeed in a very historic moment in history, and our world is engulfed in conflict of a very new and terrible kind. But it is remarkably consoling to come together today in unity, and we are certainly in bipartisan unity, on a resolution taking note of some very important accomplishments in the quest for freedom in the near east.

This resolution is cosponsored by the gentleman from California (Mr. LANTOS) as the ranking Democrat on the Committee on International Relations; the gentleman from California (Mr. HUNTER), the chairman of the Committee on Armed Services; the gentleman from Missouri (Mr. SKELTON), the ranking Democrat on that committee, as well as myself.

□ 1500

And that sponsorship should indicate the fact that there is agreement on the very important points made in this resolution. There is a new sovereign interim Iraqi government that is assuming power. Provincial governments are governing, courts are dispensing justice, political parties are forming, civil society is emerging, and independent media is operating, and preparations are being made for nationwide elections.

The interim Constitution states that Iraq's system of government will be republican, federal, democratic, and pluralistic and that federalism will be based on geography, history, and the separation of powers, not on ethnicity or sect.

On July 1, a new day will dawn on Iraq's future. Iraq will no longer be about the United States and its occupying role. Rather, it will be about the new self-governing Iraq and the decisions Iraq's leaders will be making in order to further the democratic ideals and principles.

This resolution, as I say, is bipartisan. It congratulates the interim government of Iraq on its forthcoming assumption of sovereign authority. It expresses its gratitude to the United States Armed Forces on their valiant service to their country, expresses its gratitude to the families of United States Armed Forces personnel, especially families of those who have lost loved ones. It expresses its condolences to the families of the innocent Iraqis who have been killed or wounded. It expresses gratitude to the coalition forces, the Coalition Provisional Authority, the Iraqi Governing Council, the current Iraqi cabinet government officials, and the many international bodies and voluntary organizations which have come to the aid of the people of Iraq.

It offers continued support to the U.S. Armed Forces, civilians associated with the U.S. Government, coalition forces, Iraqi security forces, and all of the people who are collaborating and making Iraq a new and democratic state.

So this is something that I cannot imagine anybody not being proud to vote for. And I look forward to an affirmative vote.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, before recognizing our next speaker, I want to pay tribute to the gentleman from Illinois (Chairman HYDE) for his leadership on this resolution and on this entire issue.

Mr. Speaker, I yield 2 minutes to my colleague, the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Speaker, first let me thank our chairman, the gentleman from Illinois (Mr. HYDE), and our ranking member, the gentleman from California (Mr. LANTOS), for their leadership on the Committee on International Relations, a committee on which I am proud to serve, and for their consistent efforts to ensure that there is bipartisanship in this body and our committee.

Let me just say to them today that I respectfully rise to disagree with them on this issue. This resolution does, however, express condolences to the families of the dead soldiers and innocent Iraqis who have been killed in Iraq. Today, unfortunately, many more lives were lost. My thoughts and my prayers go out to these families and the families of all of those who have been wounded in this unnecessary war.

As a daughter of a career military officer, I know what it means to support our troops, and I do. However, this resolution paints a totally false picture of the situation in Iraq, the fact that it ignores the blamelessness of the President's claims that led us into this unjust war, and that it endorses a failed Bush policy in Iraq.

As an example of what I mean, let me just draw my colleagues' attention to page 4, the third paragraph down which says, "Paul Bremer, the administrator of the Coalition Provisional Authority, has ably advanced the international coalition's goals in Iraq of transforming Iraq into a safe, secure, stable, sovereign, democratic state that serves the interests of the Iraqi people."

This resolution also commits our troops to an indefinite period of time in Iraq.

Mr. Speaker, this undue praise flies in the face of reality on the ground. Again, as I said earlier, just today it is reported that 92 people have lost their lives including three United States soldiers and more than 320 people wounded.

Moreover, this resolution completely ignores the false basis for the war and its cost. It also leaves out the fact that we were misled regarding the weapons of mass destruction and the alleged cooperation between al Qaeda and Iraq as it relates to 9/11. It makes it sound as if the occupation and the aftermath of this unjust war is a success.

Again, that ignores reality. We had choices; we had options. I offered an amendment that would authorize the United Nations to continue with this inspection process. Unfortunately, that failed. Now we have a resolution that celebrates the war. I respectfully disagree, and I must vote against it.

Mr. HYDE. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. HUNTER), the distinguished chairman of the Committee on Armed Services, the cosponsor of the bill.

Mr. HUNTER. Mr. Speaker, I want to congratulate the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) for their wonderful bipartisan effort in putting this together and also my great colleague from the Committee on Armed Services, my partner, the gentleman from Missouri (Mr. SKELTON), for his work and contribution.

I will be very brief, but there are two messages in this resolution. I think it is appropriate that this resolution follows the funding of our Defense bills and our Intelligence bills because those are the bills that give our forces the tools to get the job done.

I think we have done an excellent job in putting together bills that give the force protection, the surveillance capability, the extra troops that are going to be needed over the next several years, and the funding for those troops, and particularly that $25 billion bolt-on that we did on the Defense authorization bill and the Defense appropriations bill.

So it is appropriate that this resolution, this message to the people of Iraq and the people of the United States, follow those funding bills because this is a very important message that the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) and the gentleman from Missouri (Mr. SKELTON) and many others are sending.

The message to the American people can be found in this resolution that the command of American forces will remain with American commanders. That is very important to moms and dads and people who care about our uniformed people, that that chain of command will remain firmly in place, that we will continue to pursue our mission against terrorists, and that operation will be overseen and supervised by U.S. leaders. That is a very important message.

But to the Iraqi people there is also a message, and the message is that we are giving them a running start. We are handing over a country divested now of the leadership of Saddam Hussein. We are handing over to them a chance to maintain freedom in a very, very difficult part of the world. We are going to provide for them this military shield just as we have in other countries around the world as they stand up this free government.

But I think it is important for the Iraqi people to understand that too, and I think they do understand it, that this enduring, the endurance of this government in a very difficult neighborhood is going to require some real grit on the part of the Iraqi people and that no country, not our country, not any country, is guaranteed perpetual freedom.

We are giving them a running start. We have given them the sacrifice of many brave Americans and the continued sacrifice right through this day in terms of Americans KIA, killed in action, and wounded in action, as well as coalition partners, as well as many Iraqis. But they are going to have to take hold, and they are going to have to be able to lift that weight.

I hope that under the good leadership that is now forming, that is taking over on the 30th of this month, they are going to be able to make that transition. This is only when the Americans were in Iraq, one thing that can be said from the dawn of time until the end of time, only when the American came to Iraq did they have a chance to have a free and fair government. We are giving them this chance.

Mr. LANTOS. Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from Missouri (Mr. SKELTON), the distinguished ranking member of the Committee on Armed Services.

Mr. SKELTON. Mr. Speaker, I appreciate the opportunity to follow my friend from California (Mr. HUNTER) in supporting this resolution. And I thank the gentleman from California (Mr. LANTOS) and the gentleman from Illinois (Chairman HYDE) for cosponsoring this, and I am a cosponsor along with you.

June 30 should be a proud day for the Iraqi people, but one for which they are continuing to pay a heavy price. Today's coordinated bloody attacks demonstrate how much of a challenge they still face.

We congratulate the interim Iraqi government on the upcoming assumption of sovereignty. This is a great step, a real step toward a permanent government elected by the Iraqi people. I sincerely hope it works. Lasting peace and political progress will only come when Iraq is secure. This will remain an ongoing partnership between American forces and Iraqis for a long time.

I commend our troops; I commend their families. They have given so much and are feeling the real meaning of sacrifice every day. Deputy Secretary Paul Wolfowitz confirmed to our Committee on Armed Services this week that our troops could be in Iraq for years.

We need a plan for our partnership with the Iraqis, to move the security of their country to them as soon as they are ready. Until then, I commend this resolution for its reiteration of the full authority of the U.S. commanders in Iraq over American forces. That is so important. I feel strongly that we should have a status of forces agreement. Without it, we need at least a clear statement that our commanders can do what they must do to protect our troops and accomplish their mission.

I join my colleagues in congratulating the Iraqi people. I urge strong support for this resolution.

Mr. LANTOS. Mr. Speaker, I yield 2 minutes to our distinguished colleague, the gentleman from Massachusetts (Mr. FRANK), my good friend.

Mr. FRANK of Massachusetts. Mr. Speaker, I know that this is being carried on C–SPAN, but I think we should broaden our broadcast efforts. When we did the tax bill last week, I thought eBay should have been transmitting it. Today I think it really belongs on the Cartoon Network.

There is much in this resolution I agree with, but what is most important is what is left out. The gentleman from California, a very distinguished and thoughtful legislator, although, unfortunately, in the minority and not in a position to write resolutions, said that it is our democratic responsibility to express legitimate criticisms of the administration. I agree. Sadly, because the majority is in control, there are none of them in this resolution.

This resolution is a cartoon. It describes an Iraq that resembles nothing as much as Brigadoon. I expect maybe it will appear once every hundred years. I agree with many of the aspirations of this resolution. I agree that our troops deserve credit for the terrible situation in which they have been put. But if one read this resolution and had not read the newspapers or watched television about Iraq, one would not know what country was being discussed.

The gentlewoman from California alluded to our congratulating Mr. Bremer for ably advancing the goals of making Iraq safe, secure, stable, sovereign, and democratic. The Iraq that is safe, secure, stable, sovereign, and democratic, are there two countries named Iraq? Is this Iraq anywhere near the Iraq that we have been worried about? I wish Iraq could become that. But to congratulate ourselves as if it already had is simply not accurate.

I am troubled by the procedures we are seeing. The majority obviously feels concerned that the public no longer shares its view so they have decided to legislate opinion. They have a pattern now of coming forward with resolutions which include some things Members agree with, like support for our troops and aspirations, and then they wrap into that a lot of misrepresentative, inaccurate descriptions of reality and then demand that people vote it. We are told if we do not vote for a resolution that talks about

Iraq as a safe, secure, stable, sovereign, democratic state, that somehow we are not in favor of the troops. It is a misrepresentation of the situation of Iraq, and a grievous misuse of the legislative process.

□ 1515

Mr. HYDE. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. MCCOTTER).

Mr. MCCOTTER. Mr. Speaker, we are daily inundated with the rhetoric of terrorists selling their singular savagery to the world as revolution. Yet, when did we cease to be a revolutionary country? Never.

One look about this weary, wanting world sufficiently reminds us it is we, the Americans, who were, are and continued throughout our democracy always must be the embodiment of the revolutionary ideals, powering the emancipation of populations throughout the globe.

Thus, today is this resolution offered and its adoption urged in order that we might hearten our Iraqi allies in this dark hour before the dawn of their democracy, in order that we might unmask the archaic barbarians of evil and find, not revolutionaries, but lying reactionaries; and, finally, hopefully, in order that we might recall our own indispensable, indisputable revolutionary role in the advancement of man.

Let us, then, pass this resolution and duly honor our revolutionary brethren, the Iraqi people, upon the occasion of the assumption of their sovereignty and the advancement toward their democracy, which like ourselves since our inception, they must win and keep.

I urge support of the resolution.

Mr. LANTOS. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. KUCINICH), my friend and a distinguished colleague.

Mr. KUCINICH. Mr. Speaker, the gentleman from Massachusetts (Mr. FRANK) has pointed out that this resolution is being covered by C–SPAN. I would suggest it ought to be covered by the Science Fiction Network. Let us not be fooled by this bill, which endorses an illegal war which this Nation entered into based on lies and misrepresentation. Lest we forget, Iraq had nothing to do with 9/11, with al Qaeda's role in 9/11. Iraq had no weapons of mass destruction. It was wrong to go in, and it is wrong to stay in. The June 30 sovereignty this resolution discusses is a hoax. What kind of sovereignty will Iraq have with 130,000 U.S. troops present? What kind of sovereignty does Iraq have when the U.S. is now selling Iraqi oil and spending the money as it sees fit?

This bill states that we are handing Iraq a safe, secure and stable state. In effect, it declares a desert an oasis, a swamp a garden, a lie the truth.

The continued U.S. occupation of Iraq will not end on June 30, and it is counterproductive. Make no mistake about it, when July 1 comes, the violence will continue, the attacks will not stop, and our troops will still be in harm's way. It is time for us to recognize the Nation went down the wrong path in Iraq. The policy is unsustainable and it is a failure. We cannot continue with it. It is time for a peace plan with an exit strategy. It is time for us to get the U.N. community involved and to bring our troops home. U.N. in, U.S. out.

We should not be fooled. We should vote against this resolution, and we should be looking towards bringing this Congress together with a new direction to truly have a peace plan with an exit strategy. This resolution does not do this. This resolution is a farce and should be defeated.

Mr. HYDE. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, I rise in strong support of H. Res. 691, and I would like to congratulate the gentleman from Illinois (Mr. HYDE) for the leadership that he has provided and the gentleman from California (Mr. LANTOS) for the leadership that he has provided in not only this piece of legislation but in guiding our country through a very delicate moment of history.

Mr. Speaker, ladies and gentlemen, and my colleagues, we are Americans. We are not Republicans. We are not Democrats. We are Americans today. Our country is at war with a force, a hostile force that hates everything that we stand for. That the gentleman from California (Mr. LANTOS) and the gentleman from Illinois (Mr. HYDE) of both parties are united in supporting this historic effort to defeat an enemy which would slaughter our people before our eyes and cut the heads off of American citizens and try to intimidate our entire Nation in order to make us cowards, the fact that we stand together is the one thing that gives us strength.

H. Res. 691 reaffirms that we Americans are standing together behind the central purpose of the operation in Iraq, which is nothing more or nothing less than providing the Iraqi people the means to determine their own destiny through the ballot box; and by taking this stand, we take a stand for democracy that will be available to those in the Islamic world. It is a strategic move on our part but, yet, something totally consistent with our values as a people, as the American people.

Thus, it is fitting today that we stand, as I say, not as Republicans and Democrats, but we stand behind our President and this noble effort in Iraq to get rid of a tyrant who slaughtered hundreds of thousands of his people and help those people in Iraq establish a democratic government so that all our children will live at peace and this evil force of radical Islam that threatens us will be defeated.

Mr. LANTOS. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. NADLER), our distinguished colleague.

Mr. NADLER. Mr. Speaker, these feel-good resolutions that we passed last night and are considering today do not change the facts. The facts are that this country is not united. It is very divided over this war. The facts are we did not invade Iraq for the purpose of instituting a democracy. We invaded Iraq because we were told that Iraq threatened us with weapons of mass destruction and that Iraq was responsible, to some extent, for collaborating with al Qaeda and producing the catastrophe of 9/11.

We were misled into Iraq by the administration that either lied to the American people or led us into war by use of falsehoods stated out of ignorance. We are told by this resolution that we are creating a sovereign Iraq now; and, yet, on page 7 of the resolution the American troops there remain under American command. That is a slight contradiction. How can Iraq be sovereign when we control the military over there?

We are told that we are creating a democratic Iraq. Anybody who knows anything knows we are not going to have a democratic Iraq for many years, maybe decades. We will be happy to figure out a way to get out of this quagmire without leaving behind mass chaos, civil war, communal slaughter and betraying the Kurds a third time. We also know that this war in Iraq is a diversion from the real war against the Islamic terrorists who thrust war upon us, a war we must fight but that we are being diverted from. We know that it is harder to take the necessary action, if it may be necessary, if a real nuclear threat of nuclear proliferation arises perhaps in Iran because we cried wolf in Iraq.

How will we persuade Congress or the American people that we have to do something real if a real threat arises, not a phantom threat that we reacted to?

Our actions in Abu Ghraib and perhaps elsewhere still to be properly investigated have shamed this Nation and engendered further hatred of the United States across the world. So let us not celebrate this catastrophe. Let us not pass resolutions that do not bear any relation to the world. Let us figure out how to get out of this catastrophe as best we can.

Mr. LANTOS. Mr. Speaker, I am very pleased to yield 2 minutes to our distinguished colleague, the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Speaker, let me first say that I have a great deal of respect for both the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) and for the work that they do here, and there is much in this resolution with which I agree. However, there is a lot in here that is misleading. In fact, I think that much of this resolution is an exercise in self-deception as well as an attempt to deceive others.

Let me just give my colleagues an example. We have here on page 4, the House of Representatives offers its continued support to the people and government of Iraq as they deal with the consequences of decades of misrule by the former regime of Saddam Hussein.

Well, that is interesting and right, but it does not say that we supported that regime of Saddam Hussein. Saddam Hussein took office in 1980. It was not more than 3 years later that the government of President Reagan sent Donald Rumsfeld to Iraq to begin a relationship with that country, and the relationship resulted in the transfer of billions of dollars of American material and money to the government of Saddam Hussein right on up to the advent of the first Gulf War.

Why are we not talking about that in this resolution, how we supplied the government of Saddam Hussein with money, how we supplied the government of Saddam Hussein with both conventional, biological and chemical weapons from the United States, from France, from Germany and from Chile, all orchestrated by the government under the administration of Ronald Reagan and George H.W. Bush? Why are we not talking about that in this resolution?

We are giving our sympathy and our condolences to the innocent people who were killed in Iraq. What about the innocent people who were killed unnecessarily as a result of this unjust, unnecessary war?

This is a war that will be a rock around the neck of this country for decades. It will be a long time before we get over the results of this. That is particularly true with regard to the treatment of prisoners in Abu Ghraib and Camp Cropper and others. Why are we not discussing that in this resolution?

There is much to be embarrassed about. This is not something that we should congratulate ourselves about. Try not to deceive ourselves either.

Mr. HYDE. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. DELAY), the majority leader.

Mr. DELAY. Mr. Speaker, I appreciate the gentleman yielding.

I am just a little overwhelmed by the previous two speakers. What we are here for is a resolution that celebrates successes in the war on terror. Yet, to make their arguments, they might as well go back to World War II and all kinds of things that have nothing to do with the war on terror, with the national security of this Nation, with trying to protect the American people, and while we are doing that, spreading freedom and democracy around the world, because, Mr. Speaker, next Wednesday, the whole world is going to stop what it is doing and it is going to look toward the Tigres and the Euphrates Rivers, the cradle of civilization, and witness the miracle of democracy taking hold in Iraq.

For a generation, the proud and resilient people of that great nation were brutalized by a dictator. Today, they are free, and next Wednesday they will take up their God-given, human right to self-determination.

The resolution before us acknowledges all that has been won in Operation Iraqi Freedom and all that has been sacrificed in that victory. Words, of course, cannot replace the years lost to millions of Iraqi families during Saddam Hussein's reign of terror nor can they bring back the brave American heroes lost in battle since the war began last March.

Despite the finest planning, equipment and training in military history, servicemen and women of the American armed forces are still at war, and no matter how just and how necessary wars may be, they still rob us of the bravest and truest of the young.

Just as the miracle of June 30 will be a celebration of the Iraqi people, it will also be a celebration of the men and women who liberated them from evil and especially a celebration of the legacy of service left by those who will not make it home. That legacy, Mr. Speaker, is not one of grief and regret but of service, duty, love and courage. It is a legacy of honor which cannot be undone by the unyielding winds of history or the frantic storms of politics. It cannot be undone because we will not let it. Those young men and women will not have died in vain.

Therefore, this resolution affirms Congress' absolute support for democracy and freedom in Iraq and for the forthcoming Iraqi interim government sworn to provide both. It also reaffirms our commitment to see the job of stabilizing and securing Iraq to the end.

Terrorists remain in Iraq targeting Iraqi government officials and American and coalition troops.

□ 1530

Terrorists remain in Iraq, targeting Iraqi government officials and American and coalition troops. Those terrorists, like all terrorists in this war on terror, must be killed or captured before democracy can truly be secured in Iraq or anywhere else in the world.

In order for America's war on terror to succeed, Iraq's interim government, and ultimately the democratic government elected next year, must also succeed. Its success depends on the continued military, economic, and diplomatic support of the United States and the international community, which President Bush has pledged and garnered since before Operation Iraqi Freedom began. That support will remain in place as long as it is necessary, and I know all Americans hope for a strong and enduring alliance between the United States and a sovereign democratic Iraq.

Before I close, Mr. Speaker, there is one man who deserves special thanks in this debate, a man who stared down enemies and appeasers alike and marshaled the civilized world to victory in Iraq. Were it not for the courage and vision of George W. Bush, June 30 would be just another Wednesday in Iraq. Instead, it is a day to be remembered, fraught with danger, to be sure, a day, too, of unfinished business, but a day of pride in this country.

For June 30 is not the end of the road, but it is just another step along mankind's unending journey toward freedom. We will not be divided by our enemies or deterred from our goals in the war on terror in Iraq, Afghanistan, or anywhere else in the world, and that is due to the steadfast leadership of our Commander in Chief. Thank you, Mr. President.

So I urge all Members to support this resolution and send a signal of solidarity from the American people to the people of Iraq and to the nations around the world that all people who seek to be free are now and will always be our friends.

Mr. LANTOS. Mr. Speaker, I am very pleased to yield 2½ minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, a soldier in the service of his nation never dies in vain. But that soldier's sacrifice should affirm the fact that criticism, diverse opinion, and the right to challenge government is precious and privileged and protected by the Constitution.

Might I add my appreciation to the gentleman from California (Mr. LANTOS), the ranking member, and the gentleman from Illinois (Mr. HYDE) for the collegiality and the respect given to Members in this debate and the language of this legislation.

I oppose this war with every fiber in my body, but I believe today is a time to be able to emphasize elements of unity that will say to the world that we do want success. I believe there is failure; and so for that reason, for the record, I will indicate that I will not support pages 1 to 5, at the top; but I am going to support this resolution on the basis of the resolution, how we resolve.

What are we resolving? We recognize the people of Iraq, the most innocent. We are offering our support to them that they might survive and experience democracy. We are expressing gratitude to the Armed Forces and to the families, families who I had to sit with as they buried their young. And, as well, we are giving condolences to them for the soldiers who died on the frontline. No matter whether we have won or lost, their sacrifice will never be in vain.

I offer to the families in Houston my appreciation. But as I do that, Mr. Speaker, let me emphasize that our job is not yet done. I can assure my colleagues that I do not speak from the well of the House. I have been to Afghanistan. I have been to Iraq. I have sat with soldiers, and in so doing I have heard them say this is a frustrating job, but we are here in order to have the opportunity to press American principles.

But, Mr. Speaker, we did not press American principles by having an unconstitutional war, a unilateral and preemptive strike. We did not observe constitutional principles by allowing the U.N. inspections or not fulfilling our responsibility in Abu Ghraib, or have an exit strategy, or the intelligence failure when we went into the war on the basis of weapons of mass destruction.

So, Mr. Speaker, I stand in the well of the House so that everyone will know I do not step away from my opposition to this war, but I stand alongside families, those who lost their young loved ones, those who still fight, and, yes, the Iraqi people, who, I hope, with a new strategy and a new opportunity, will face democracy in the 21st century.

Mr. HYDE. Mr. Speaker, I am pleased to yield 3 minutes to the distinguished gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Speaker, I rise in strong support of this important statement of the people's House, congratulating the interim government of Iraq for its forthcoming assumption of sovereign authority and congratulating the United States Armed Forces and coalition forces for their sacrifice. I commend the gentleman from California (Mr. LANTOS) and our chairman, the gentleman from Illinois (Mr. HYDE), for their usual and extraordinary and timely leadership on this issue.

When I sat in Baghdad in the coalition provisional headquarters on March 1, we sat with Ambassador Bremer across from the hall where was debated the interim Constitution of Iraq. Within 24 hours, these words would enter into the history forever of a free Iraqi people in the preamble of Iraq's transitional administrative law: "The people of Iraq, striving to reclaim their freedom, which was usurped by the previous tyrannical regime, rejecting violence and coercion in all its forms, and particularly when used as instruments of governance, have determined that they shall hereafter remain a free people governed under the rule of law."

The preamble of a new Constitution for a free and democratic Iraq. When just 2 years ago we think of the Iraq that existed on the world scene, Saddam Hussein was still imprisoning, torturing, and killing tens of thousands of innocent Iraqis; financially supporting and encouraging terrorism; illegally profiting from the U.N.'s Oil-For-Food program, denying millions of Iraqis needed medicines and food; and flouting and ignoring 16 different U.N. Security Council resolutions.

Thanks to the leadership of President George W. Bush and the sacrifice of U.S. and coalition forces, those days are over. And on this June 30 that we commemorate in this resolution, the United States will disengage and those words of that preamble will begin to become the reality of a new free and democratic Iraq.

And know this, Mr. Speaker. The people of Iraq are grateful. As we stood in the midst of 30 or 40 men and women in Basra the day before we were in Baghdad, I will never forget as people approached me one after the other, tears in their eyes, taking me by the hand and saying, please, when you go home to America, tell the people you serve that we will never forget what the United States has done for our people in Iraq.

The people I met in Iraq have an undying gratitude that will begin to express itself most eloquently in the advance of freedom and democracy for themselves and their posterity. I support this resolution. I embrace all that it celebrates, and I thank the chairman and the ranking member for their leadership in bringing it forward at this time.

Mr. HYDE. Mr. Speaker, I am pleased to yield 3 minutes to the distinguished gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I thank the gentleman for yielding me this time, and it is a privilege to speak on the resolution of two people for whom I have the utmost respect, the chairman and ranking member of the Committee on International Relations. I thank them for this resolution.

I have been in Iraq five times, and four of those times I have been outside the umbrella of the military as well as being under the umbrella of the military. I have talked to everyday Iraqis, attended a wedding, visited schools, hospitals, businesses, met with community and religious leaders, as well as visited the very poorest of the poor in their own homes, and slept in Iraqi villages. I cannot tell you how important June 30 is. There is not an Iraqi I spoke to who did not tell me they want this to be an Iraqi revolution, not an American revolution. They are eager to run their own country.

Now, we have made some mistakes. It is clear that we should have prevented the looting. It is also clear to me we should not have disbanded the government, the army or the police. Certainly the bad folks within should have been taken out. So we have made some mistakes.

When you speak to Iraqis, they will tell you they are suspicious of the United States because to them we are strangers. As good a Nation as we are, and as important as removing Saddam is, they never had a government they could trust. So why would they trust a foreign government to lead them for a year? They blame the United States for the sanctions, not Saddam, ironically. And they also told me of the loved ones they lost when we told them to rebel against Saddam, but we left the Republican Guard in place to kill their loved ones. They ae angry about this.

They would tell me all those things, and they mean them. But in spite of their suspicion and anger they are so grateful to be free from Saddam. The most important decision the President made was to say, against the opposition of some, on June 30 sovereignty will be passed to the Iraqi people in an interim government. It is their country, and they should run their own country and they are eager to do it.

I am so proud to be in the presence of those Iraqis who have taken the mantle of leadership. If you asked me are their lives in danger and how likely is it they will be there a year from now, I cannot tell you with any confidence they will survive. But they are willing to take on this task in spite of the dangers they face.

So I salute our troops for the 840 men and women we have lost and for the thousands that have been injured. I salute the Iraqi people, who have done everything they can to be free people and now have the chance to run their own country. I particularly appreciate that we have an opportunity to speak on a resolution that says, uncategorically, on June 30, the Iraqi people reign. They will run their own country. Ambassador Negroponte will not be a Mr. Bremer. He is our ambassador who is there at the invitation of the Iraqi people.

May God bless Iraq, may God bless the United States of America. I put my hand to my heart in appreciation for what we are doing and with appreciation and gratitude for the friends I have made with so many good and brave Iraqis.

Mr. HYDE. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from Missouri (Mr. BLUNT), the distinguished whip.

Mr. BLUNT. Mr. Speaker, I thank the gentleman for yielding me this time and for his work in bringing this resolution to the floor.

Two weeks ago, I had the opportunity to have a discussion with the new President of Iraq, President Yawar, about his vision of a stable, sovereign, and democratic Iraq. All of us who joined with him in this building that day were impressed by his resolve and, frankly, impressed by his courage, the courage of Prime Minister Illawi, and the courage of hundreds of others who have demonstrated great bravery and resolve by taking the reins of the Iraqi Governing Council in the aftermath of Izzedeen Salim's assassination in mid-May, in the face of daily attacks, and this desperate attempt of tyrants and tyranny to prevail in a part of the world that has experienced tyranny for far too long.

□ 1545

Why, in the prime of their lives, are Iraq's new leaders risking everything, including their very lives, for such a cause? It is because, Mr. Speaker, they desire liberty. It is because they desire freedom. The men and women who will officially become Iraq's interim leaders June 30 all share a vision of their native land free at last of Saddam Hussein's brutal oppression. This vision respects the rule of law and will listen to the voice of the people. This government, of course, is one step toward elections and an elected government that we hope to see in Iraq in just a few months.

We should not forget that our Nation was built on the backs and the minds and the hearts and the hands of the same kind of brave and heroic figures. Two hundred twenty-eight years ago, 56 Americans challenged the British crown by signing the Declaration of Independence, risking their families, their fortunes and their lives for the cause, again just like Iraqis today, the cause of liberty.

Today, Mr. Speaker, in supporting the brave Iraqi leaders and the millions of Iraqi citizens who are standing up to the terrorists and insurgents for the cause of freedom for the Iraqi people, we recall the sacrifices made by brave Americans throughout history for our own freedom. We express our pride in the men and women of our Armed Forces who are making this day possible for the Iraqi people. Even after next week's handover, the cause of freedom in Iraq will continue to require sacrifices by the American people and by our brave soldiers. The American people must be prepared to help the fledgling government financially as it generates the type of infrastructure necessary to support a stable democracy. We must be prepared to encourage this government as it moves to free and fair elections.

Iraq is still a dangerous place. Terrorists continue to target our troops as well as innocent men, women and children in an effort to ruin Iraq's attempt at democracy. But democratic institutions are forming and our soldiers and civilian advisers continue to train Iraqi police and other security forces. During today's deadly terrorist attacks, the reports of Iraqi soldiers fighting side by side with their American counterparts demonstrate just how determined Iraqis are to destroy this insurgency and live in peace for the first time in 30 years.

Mr. Speaker, with today's resolution, the House reaffirms that the United States' motives in Iraq are founded on virtue. We do not desire any territory. We do not desire an empire. We seek stability both at home and in the Middle East. The President's decision to intervene in Iraq was made in the best interests of Americans and Iraqis. Saddam Hussein is in a jail cell, no longer able to pursue weapons of mass destruction or encourage global terrorism that threatens the lives of freedom-loving people. Most importantly in the context of today's debate, Iraqis at last have the chance to demonstrate to the world that democracy can spring forth in the cradle of civilization.

I urge my colleagues to support this resolution, and even beyond that, I urge all of us and all Americans to support this great effort, this great experiment in freedom that we encourage today and in the days ahead.

Mr. LANTOS. Mr. Speaker, I yield myself the balance of my time.

Robust debate is the hallmark of this body and this afternoon we had a sampling of it for which we are all pleased. The difficulty in dealing with the issues that we face in this world is that we do not confront elegant alternatives but exasperating realities. It is in that context that I wish to quote from the person who will be the nominee of the Democratic Party at the upcoming convention on his views of this resolution and of this undertaking. I am quoting from Senator KERRY:

"While we may have differed on how we went to war, Americans of all political persuasions are united in our determination to succeed. The extremists attacking our forces should know that they will not succeed in dividing America, or in sapping American resolve, or in forcing the premature withdrawal of U.S. troops. Our country is committed to help the Iraqis build a stable, peaceful and pluralistic society. No matter who is elected President in November, we will persevere in that mission."

Mr. Speaker, these are difficult days for our country, but we stand united in our commitment to our troops and in our commitment to our values. I urge all of my colleagues to support this resolution.

Mr. Speaker, I yield back the balance of my time.

Mr. HYDE. Mr. Speaker, I yield myself the balance of my time.

I want to thank the gentleman from California and everyone who has participated in this debate. As the gentleman from California said, robust debate is a hallmark of democracy and we have had that here. I have strenuously tried to keep politics out of this because I am so pleased this is a bipartisan resolution and truly it is one that is appropriate because it is a magnificent achievement to have a country such as Iraq under a dictator, a tyrant, turn into a working democracy where they are going to have free elections and have all of the additional assets that go with a democracy. I think it is a joyous occasion and one that no matter our differences we ought to be able to join in congratulating them.

Mr. Speaker, we did not start this war. On September 11, 2001, some people declared war on us and committed an act of war. Does anyone doubt if they had access to nuclear materials they would have used them? And then we would mourn the deaths of 3 million people, not 3,000 people. Does anybody doubt for one minute that chemical and biological warfare agents, if available to these people, they would not use them? They could poison an awful lot of water systems in this country and paralyze this country. War is different today. It is not declared. They do not put uniforms on and march in formation. They sneak up on you in the dark and stab you in the back. And so if you wait for the smoking gun, you might find one of your major cities is the smoking gun.

The fact that Libya threw its cards on the table and said we will not pursue weapons of mass destruction is glossed over as though that was not a substantial achievement. The fact that weapons of mass destruction have not been found in Iraq does not mean that they were not ever there or that there were not programs to develop these things. And the history of Saddam Hussein is one that indicates he would use them in a minute given the opportunity.

We are in a terrible war. We cannot win a war like this unless we are unified. I would ask all of us, Republicans and Democrats, when we start to argue this issue, think. Is what we are saying going to help us or not help us in this struggle that may last for generations? It is very important, because we all have children and grandchildren whose future ought to be a prime concern. Everything in this resolution is nonpartisan. It is praiseworthy. It recognizes one of the great accomplishments, the transformation of a country like Iraq into a functioning democracy and setting the example in that region of the world. And so let us join hands and acknowledge this accomplishment and join the Iraqi people in celebrating their new democracy.

Ms. WOOLSEY. Mr. Speaker, once again this House has passed a resolution celebrating the manner in which the war in Iraq has been fought, and the burgeoning democracy it has ostensibly established. In reality, H. Res. 691 speaks to the profound failure of the Bush Administration's Iraq policies and the lack of an appropriate rationale for invading another country: The war was fought because President Bush's desire to take down Saddam Hussein, not out of a desire to fight global terror; it was about a highly ideological plan to extend America's reach in the Middle East, not about ridding the world of nuclear weapons. In short, the war was about the Bush Administration's priorities—not Iraq's.

This resolution also expresses unequivocal support for our Armed Forces. We must be sure to honor the brave men and women who put themselves in harm's way; already 833 American soldiers who have died during the course of this conflict. Accordingly, I hope we will honor future veterans when they return home, as thousands of them will require prosthetic arms and legs, physical therapy, and years of health care for injuries incurred during the war.

H. Res. 691 is not without its merits. This resolution contains important language expressing condolences to the families of the innocent Iraqis who have been killed or wounded during the conflict. In fact, an estimated 12,000–14,000 unarmed, innocent Iraqi civilians have died since the United States invaded the country last year.

However, while I support many parts of this resolution, I am disappointed that the House Republican leadership has once again pushed for passage of a resolution the contents of which are either inaccurate or downright wrong.

An entire clause of this resolution is devoted to the claim that Iraq has been transformed "into a safe secure, stable, sovereign, democratic state that serves the interests of the Iraqi people." Secure? Stable? Sovereign? Iraq is none of these things, and it still won't be any of these things when the United States transfers authority back to the Iraqi people on June 30th. The Bush Administration needs to realize and admit to the American people that Iraq is neither secure nor stable, and will not be either of these things for a great many years. The Administration's policies in Iraq have been a colossal failure.

The fact is, President Bush and his Administration want to have it both ways. They want to appear to have finished up work in Iraq in time for the November elections, while at the same time maintaining over 100,000 soldiers there to ensure they maintain a high degree of control over the country's fate. Not to mention the new American Embassy overseen by the controversial John Negroponte will be the largest in the world.

Instead of continuing to pass resolutions of inaction, Congress should be pressing the administration to truly engage the international community to stabilize an insecure Iraq—particularly in light of the recent resolution endorsing the turnover of power back to the Iraqi people that was passed unanimously by the U.N. Security Council. We've already entered into a fight that has diverted resources from the real fight against terrorism and from important domestic programs. Now is the time for taking measures so that we do not repeat our mistakes. Now is the time we must invest in an international coalition before the international will to endorse our efforts in Iraq runs dry.

Mr. FRELINGHUYSEN. Mr. Speaker, I rise in support of this resolution for the transfer of sovereignty to the Iraqi people on June 30. June 30 will be the start of a new Iraq. Life for the people of Iraq will be a world away from the cruelty and tyranny of the regime that once ruled them for decades. A new sovereign, interim Iraqi government—representing the diversity of Iraq—will assume power, provincial governments will be put in place, courts will be overseen by Iraqi justices, political parties will be formed and preparations for national elections will be made.

After June 30, the U.S., under the leadership of Ambassador John Negroponte, will provide support to the new Iraqi Interim Government as it assumes control of managing day-to-day operations, preparations for new elections, and rebuilding the country's infrastructure and economy.

Leading up to June 30, infrastructure improvements—led by coalition forces—and the shift to self-government have already completely transformed the face of Iraq. Schools, medical clinics and hospitals have been reopened. An army and more effective police force have been rebuilt. A fair judicial system has been constituted. And an interim constitution has been signed—laying the foundation for democratic elections.

The ability to transfer authority to a new sovereign Iraq only 14 months after liberation efforts began is a major step forward for freedom. We should be proud of our young servicemen and women and civilian contractors in Iraq for their work in liberating 25 million Iraqis from the grip of Saddam Hussein's regime and rebuilding a country that was in disrepair for nearly two decades. America appreciates their sacrifice and commitment to the security of our Nation. Those who have made the ultimate sacrifice to protect our freedom and defend America will never be forgotten.

Mr. Speaker, July 1, 2004 will be the dawn of a new day for the men, women and children of Iraq. This day will not mean an end to terrorist violence, but it will be a radical departure from the decades of governmental and personal abuse that existed under Saddam's ruthless regime.

Ms. KILPATRICK. Mr. Speaker, I rise today to oppose H. Res. 691. My position is consistent with my opposition to our invasion of Iraq and my belief that any congratulations we extend to the interim government are muted by the reality of ongoing death and mayhem that occur daily in Iraq.

Additionally, I want to express my condolences to all of the victims of our invasion into Iraq. My heart is heavy for the Iraqi families that have suffered permanent losses as a result of the war and continuing insurgency efforts. Furthermore, I mourn for the families of U.S. and foreign military personnel; valiant soldiers, men and women, who have sacrificed their lives to promote the reality of freedom for Iraqis.

However, Mr. Speaker, I disagree with many of the notions put forward in the resolution because I believe some of them are simplistic, naive and wrong. While it is true that Iraqis have participated in elections, widespread antagonisms persist and violent behavior continues to be directed at our forces. Our soldiers are imperiled because of how and why they entered Iraq, in addition to their continued presence in Iraq. Second, the notion that Iraq is more secure now than before is also wrong. While it is true that the government of Saddam Hussein was toppled, Iraq continues to be a besieged nation. Violence is prevalent, and the victims of the bombings and assassinations are largely innocent Iraqis.

I appreciate the spirit in which the Resolution was drafted, but I strongly disagree with the underlying premise that we are celebrating the Iraqi freedom. Iraqis will not be free until they are capable of installing a representative government devoid of foreign intervention. Iraqis will not be free until they overcome the challenges of enfranchising diverse segments of its diverse population of Kurds, Sunnis and Shiites into a form of democracy that suits their needs and not the designs of the United States.

Finally, while June 30, 2004 is a monumental date for the people of Iraq, we should not delude ourselves, nor mislead the people of Iraq that in the near term, democracy will bear the fruit of liberty and peace that they have been promised. As a mother and grandmother who worries about the future of our Nation and the world, I am ruled by my conscience, and my conscience dictates that I cast a "no" vote on H. Res. 691.

Mr. HYDE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). All time for debate has expired.

Pursuant to the order of the House of Wednesday, June 23, 2004, the resolution is considered read for amendment and the previous question is ordered.

The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. KUCINICH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO THE WESTERN BALKANS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 108–196)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of The United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the FEDERAL REGISTER and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Western Balkans emergency is to continue in effect beyond June 26, 2004, to the *Federal Register* for publication. The most recent notice continuing this emergency was published in the *Federal Register* on June 24, 2003, 68 Fed. Reg. 37389.

The crisis constituted by the actions of persons engaged in, or assisting, sponsoring, or supporting, (i) extremist violence in the former Yugoslav Republic of Macedonia, and elsewhere in the Western Balkans region, or (ii) acts obstructing implementation of the Dayton Accords in Bosnia or United Nations Security Council Resolution 1244 of June 10, 1999, in Kosovo, that led to the declaration of a national emergency on June 26, 2001, has not been resolved. Subsequent to the declaration of the national emergency, acts obstructing implementation of the Ohrid Framework Agreement of 2001 in the former Yugoslav Republic of Macedonia, have also become a concern. All of these actions are hostile to U.S. interests and pose a continuing unusual and extraordinary threat to the national security and foreign policy of the United States. For these reasons, I have determined that it is necessary to continue the national emergency declared with respect to the Western Balkans and maintain in force the comprehensive sanctions to respond to this threat.

GEORGE W. BUSH.

THE WHITE HOUSE, *June 24, 2004*.

SPENDING CONTROL ACT OF 2004

The SPEAKER pro tempore. Pursuant to House Resolution 692 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4663.

The Chair designates the gentleman from Ohio (Mr. LATOURETTE) as Chairman of the Committee of the Whole, and requests the gentleman from Arkansas (Mr. BOOZMAN) to assume the chair temporarily.

☐ 1558

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4663) to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to establish discretionary spending limits and a pay-as-you-go requirement for mandatory spending, with Mr. BOOZMAN (Chairman pro tempore) in the Chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Iowa (Mr. NUSSLE) and the gentleman from South Carolina (Mr. SPRATT) each will control 30 minutes.

The Chair recognizes the gentleman from Iowa (Mr. NUSSLE).

Mr. NUSSLE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the most important job of the House Committee on the Budget which I have the honor of being the Chair is really twofold. First is to put together and pass in the House a responsible, realistic blueprint to guide the spending and revenue decisions for the Federal Government. We did that. We completed a budget over a month ago when this Chamber adopted the conference report for the budget for fiscal year 2005. Getting a budget is difficult enough. Now comes the second part of the job and that is to ensure that you stick to it. Getting the budget means that you have been able to get a majority of Members to agree on the levels for spending, on the levels for revenues and to bring together those very different ideas because, trust me, there is no such thing as a perfect budget by any stretch of the imagination. My good friend from Florida reminds me of that every once in a while.

☐ 1600

But we do get a document that tries to mold and shape the hopes and dreams and the budget priorities for the Nation in a document, and then we work to stick to it.

Since the gentleman from Florida came on the floor, the very distinguished chairman of the Committee on Appropriations, let me say something about the House and our ability to stick to that plan. We have passed budgets in years past that have been difficult. We have dealt with terrorist attacks. We have dealt with a downturn in the economy. We have dealt with the need to borrow resources to deal with emergencies we never managed. We had to deal with new priorities no one had ever heard of, new Departments like Homeland Security; and new initiatives such as a global war on terrorism, a war in Iraq, and a war in Afghanistan. And I have to tell the Members that in each one of those turns, committees have worked together in order to accomplish that. There is no doubt that once in a while committees will have difficulty coming to agreement on certain priorities and ideas; but once we do it, there is general agreement and effort to stick to it. And when we talk about sticking to it, the gentleman from Florida (Mr. YOUNG), chairman of the Committee on Appropriations, and his committee have done an excellent job of sticking to it.

We have increased spending over the last number of years at a rate that has been unprecedented, in many respects because we have had unprecedented need, particularly in homeland security, national defense, intelligence, and emergencies that we have had to deal with. But even the nondefense or nonsecurity accounts have increased at an alarming rate, twice the rate of inflation. And so it is no wonder that Members will come to the floor from time to time, we saw that debate earlier today, and say, look, spending is out of control.

Unfortunately, we often focus far too much attention and energy on just what we call the discretionary appropriation accounts, the 13 bills that the chairman of the Committee on Appropriations has to shepherd not only through the House floor but also through the Senate and to final passage. That process has been difficult. We are behind in that process, and I have no doubt the chairman will remind me that having this discussion probably puts us even further behind.

But we are having this debate, nonetheless, because once we have a budget, we also want to make sure we stick to it. And that is why an enforcement bill has come to the floor.

I will definitely report to my colleagues that I would much rather have this debate after the other body had passed the conference report, but they are tied in knots over there across the rotunda on the other side of the Capitol. Politics, Presidential elections, all sorts of things are tying up all sorts of items in the other body, going to make it very difficult for us to pass budgets, appropriations, get judges confirmed, all sorts of a myriad of issues that make that difficult.

As a result of having some difficulty in spending and having difficulty in getting a budget through the other body, the third item which I want to bring up is huge increases in what we call mandatory spending through our Federal Government. Mandatory spending, as most of my colleagues know, are those spending initiatives which are on auto pilot, meaning we have passed a law to fund a program, and unless we change the law, the funding continues. Medicare is probably one of the best examples of that. We just had a huge change in Medicare to provide a first-ever prescription drug benefit for seniors. It costs a lot of money, though, and that has grown much faster as a result than even many of the discretionary accounts.

So as a result, there are Members who come to the floor frustrated by the increases in spending, frustrated because there are times when the budget is not followed, and thinking that if we change the process on how we achieve the budget or if we change the process on how we discuss appropriation bills, that will solve everything. And I am part of that camp from time to time.

But I must remind all of us before we start this debate that when everything is said and done here today, it still comes down to how we vote. One can blame the process. One can blame the budget. One can blame the Committee on Appropriations. One can blame individual Members. One can blame past administrations. One can blame current administrations. But no matter what one blames, they had better look in the mirror today before they come down here to vote on anything and realize that spending increases when Members vote to increase spending.

And already the appropriation bills that we have seen cross this floor have had huge majorities, huge majorities, for very valid increases, in defense and intelligence, other issues that have come before our body. Why? Because the need is there. So those Members who come to the floor today and say let us blame the process or let us blame the procedure or let us blame another committee also need to take their fair share of the responsibility for how the process runs.

I believe that we need discipline, and we need enforcement of a budget once we get it. That requires what we used to have in this body, and that is caps in PAYGO. Caps in PAYGO, statutory caps in PAYGO, I believe, are necessary because it gives the force of law to what we have done. It makes sure that all three entities, the President; the Senate, the other body; and the House, are all together when the discussion occurs on spending, when the discussion occurs on taxes, when the discussion occurs on mandatory or entitlement increases. It ensures that everybody is there because we are all in this together. We cannot do one without the other. We cannot say it is only the Congress's prerogative because the President has to sign the check, he has got to sign the bill if, in fact, that is what he agrees to.

But it starts here in a process called the budget, called the appropriations process, and called the authorization process. So in order for us to deal with this, we are asking that the body today consider capping spending at the rate we just passed in the budget resolution, and just for 2 years, do not bind another Congress, just for these 2 years, and to also for really the first time address mandatory spending and its out-of-control nature by applying what we used to apply and that is pay-as-you-go to entitlements or mandatory spending. We believe this will help us. It will not be the be all and end all because there are still emergencies; there are still other ways that Congress spends money outside of that process. But this is one of the ways that we found in the 1990s to help ensure that spending control could occur.

Members are going to come to the floor with different opinions, and I respect those opinions. There is no question that people have a variety of ideas on how we should do this. But I would ask each and every one of them to remember that this is about each and every one of us, as Members, what our priorities are and how we vote. We cannot give that to another process. Nothing we do here today given to another process will, in and of itself, stop the madness of increases in spending that have been what many Members believe are out of control. The only way, when everything is said and done, is to cast our vote to control spending, and that is done in the individual processes of the bills that we consider here on the floor.

So we believe this is a work product worth consideration. There will be amendments to consider changes in the budget process and the appropriations process in order to help get a handle on spending concerns and on mandatory spending. But as I say, when everything is said and done, we have got to have a budget, we have got to enforce it, and we have got to vote that way on each and every bill in order for spending to be controlled.

Mr. Chairman, I reserve the balance of my time.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. BOOZMAN). The Chair would remind Members to refrain from improper references to the Senate.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill we have before us, H.R. 4663, the Spending Control Act of 2004, causes me to say to my friends across the aisle, and I cannot help but take a little jab at them, our Republican friends control the House, they control the Senate, they control the White House. Why can they not control spending? And will this bill make a difference?

I ask that question because there is a particular irony about this bill. This is a budget enforcement bill, but there is no budget to enforce. For the first time since 1974 when the Budget Act was first adopted, the party that controls both branches of the government, the Congress and the White House, is unable to get its act together and pass a budget. And now they propose new rules to the budget process if they cannot comply with the rules we have got.

This bill before us is hardly a consensus bill. There is a lot of dissension about it even as it comes to the floor. When it was filed, 28 amendments were filed with the Committee on Rules to change it. All but one of those amendments, which is my amendment, focused solely on spending as the source, the cause of the deficit that we are incurring today. We are supposed to have a deficit this year of over $521 billion. The prognosis has gotten a bit better, but it looks like it will be at least 430 to $450 billion, 1 year, a half trillion dollars. Only my substitute deals with the other side of the problem, and that is revenues.

Two rules of all the rules we will see today, two rules that stood the test of time, they have worked. They have helped us wipe out deficits. They did in the 1990s. One rule caps discretionary spending at fixed levels over the next 5 years. That was the rule that we put in effect in 1990, extended in 1993, and again in 1997; and it helped us balance the budget for the first time in 40 years. The other rule is what we call the pay-as-you-go rule, which requires us to pay as we go, that is, to offset new tax cuts and new entitlement increases by new revenues or by equal spending cuts so that they do not add to the deficit, pay-as-you-go, discretionary spending caps.

As I said, the base bill and all the amendments except mine focus entirely on spending and not at all on tax cuts as the source of the problem. Yet if we look at the period 2002 through 2011, the 10-year period that covers the first 4 years of the Bush administration, $2.3 trillion of our total fiscal reversal during that period has been caused by substantial tax cuts and related debt service; and that revenue deficit grows as tax cuts that expire are renewed and new tax cuts are adopted, as the Bush administration proposes and pushes for more.

This bill promises deficit reduction; but it ignores the elephant in the room, one of the chief causes now and well into the future, and that is the deficit in revenues.

Do we have a problem? You bet we have a problem. In the last 3 years of the Clinton administration, I remind everybody, we ran surpluses for the first time in 30 to 40 years. We paid off $400 billion in debt. In the first 4 years of the Bush administration, Congress has had to raise the statutory ceiling on the national debt three times, three times in 4 years, to accommodate President Bush's budget. Congress raised the ceiling by $450 billion in 2002; by $984 billion in 2003; and shortly, the process is already under way here, by $650 billion this year. In all of the last 4 years by $2.1 trillion in order to accommodate Mr. Bush's fiscal policy.

And these increases in the statutory debt ceiling are by no means over. They are part of a series. The Congressional Budget Office told us last March, when they examined the President's budget, that if we implemented, if we enacted that budget, the President's budget, we would have to raise the debt ceiling to $13.5 trillion in the year 2014. Not my number. It is the number of the Congressional Budget Office, which is a neutral, nonpartisan arm of the Congress.

So we have a problem; but this bill, unfortunately, does not deal with it. It takes off in pursuit of red herrings and Draconian solutions that will not work, if they were ever enacted; and I doubt they will be enacted. It trots out almost every budget process idea that has ever been thought of, but the two that have worked, the two rules that have worked so well that, as I said, we moved the budget from a deficit of $290 billion in 1992 to a surplus of $236 billion in 1998.

□ 1615

One is a double-edge PAYGO rule that requires both tax cuts and entitlement increases to be deficit neutral; and the other is discretionary spending caps over 5 years. They do not work unless you extend them out for some period of time. The caps in the base bill only go out for 2 years and are set to boot at unrealistically low levels. They are lower than the President's request, yet they provide more for transportation. I think the gentleman from Florida (Mr. YOUNG) will tell you if he talks about the appropriations bind he is in right now, he cannot take much more reduction in the allocation of discretionary spending than we have already given him.

So we have got here a set of proposals that simply do not address the problem at hand, which is a substantial problem, except for one particular provision. All I am calling for and all I would recommend the House would do, but it would be a good day's work if we did it, is go back and reinstate the PAYGO rule, which worked so well in the 1990s; reinstate the 5-year spending caps, which worked so well in the 1990s; and then we can get to work on balancing the budget.

Mr. Chairman, I reserve the balance of my time.

Mr. NUSSLE. Mr. Chairman, I yield 4 minutes to my friend, the gentleman from Florida (Mr. YOUNG), the very distinguished chairman of the Committee on Appropriations.

Mr. YOUNG of Florida. Mr. Chairman, I appreciate the gentleman yielding me time, especially since he knows that I disagree with his package. But he also is a fair player, because he understands that the Committee on Rules did not give the Committee on Appropriations any time under this rule. That is strange, inasmuch as the Committee on Appropriations will be affected more than any other committee in the House based on what happens here today. Even so, we were given no time under the rule. But I voted for the rule, just to keep the process going.

I want to say again, as I did earlier this morning, we need a budget. We need budget caps. And I have said that in defense of resolutions presented by the gentleman from Iowa (Mr. NUSSLE) on numerous occasions. As chairman, I need the budget caps to have the discipline in committee to keep spending from running wild. As a matter of fact, last year the Committee on Appropriations denied $18 billion worth of amendments that would have increased spending.

But I do not appreciate his package. I think we do need budget process reform, and I cannot describe everything that I think needs to be done in the 2 minutes I have left. What I suggest is in an amendment I offered but was not made in order by the Committee on Rules. What we need is a commission or committee, bipartisan and bicameral, of this Congress, to sit down and thoroughly study the problems and make a recommendation, without regard to politics, without regard to this person or that person or somebody else. This Committee would make a recommendation to the Congress as to what budget process will work.

Now, the one main reason that I am opposed to the budget process bill offered by the gentleman from Iowa (Mr. NUSSLE) is, first of all, it has multiyear caps. When it was first reported, it had 5-year multiyear caps with no numbers. No numbers. We were going to set 5-year caps, but with no numbers.

Well, as of last night, a decision was made to change that bill and make it 2-year caps with numbers. At one point I was promised that my committee could have some input into what those numbers would be. I did not hear what the numbers were until I read it in Congress Daily yesterday morning. I think that we deserved a little more consideration than that.

But the big concern is statutory caps, which is what this package presents. Statutory caps are different than caps set by a concurrent resolution. Statutory caps would bring the executive branch into the mix of setting a budget. That is not the role of the executive branch of government.

The Constitution provides for separation of powers. The Constitution gives the responsibility of spending, financial matters, to the Congress. The President gets his chance when the appropriations bills are sent to him and he has an opportunity to veto.

But statutory caps would mean that the executive branch, OMB, would be up here every day saying, no, we will not accept these caps, or we will veto these caps. That puts the executive branch in the driver's seat when it comes to setting our budget caps, and that is just not right.

For that reason alone, I cannot support this package today, although I recognize my friend, the gentleman from Iowa (Mr. NUSSLE), has worked very hard. We do not have a budget this year. In the House we have a deemed budget, but the process did not work because the other body cannot get their act together on a budget.

The gentleman from Iowa (Mr. NUSSLE) has done a good job in getting that budget, and we are working under his budget. The gentleman has worked hard under difficult procedures; and he is right, the budget process needs to be changed. But it ought to be changed only after very serious thought and consideration.

I really am disappointed that the Committee on Rules did not make my amendment in order that would have created a bipartisan, bicameral committee or commission of this Congress to thoroughly study, and, in a serious, sincere way, recommend what our budget process ought to be.

I thank the gentleman from Iowa (Chairman NUSSLE) for the hard work he does and for the time he gave me. The gentleman has an extremely difficult job. I agree with the gentleman a lot of the time. Sometimes I do not; but we are still friends.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. BOOZMAN). The Chair would remind Members to refrain from improper references to the Senate.

Mr. SPRATT. Mr. Chairman, I yield 4 minutes to the gentleman from Maryland (Mr. HOYER), the Democratic whip.

Mr. HOYER. I thank the gentleman for yielding me time.

Mr. Chairman, for the first time since 1974, it appears that Congress will not adopt a budget when the same political party controls the House, the Senate, and the White House. In other words, in 28 years we have not been in this position of not being able to pass a budget.

Why can the Republican majority not fulfill one of the most basic tests of effective government, adopting a budget? Because they cling to the fiction that we can rein in record deficits and runaway debt by applying pay-as-you-go budget rules to mandatory spending only. They do this as they preside over record budget deficits, and, just this week, trying to hide a $690 billion increase in the debt ceiling in the rule on the Defense appropriation bill.

As the New York Times stated this morning, applying PAYGO rules to spending, but not taxes, is "like swearing off demon rum while continuing to binge on vodka martinis." Even some Republicans reject this dilution, to wit, four Members of the other body.

Earlier this year, my friend, the chairman of the Committee on Appropriations, whom I have so much respect for, speaking for our committee, but more, much more, importantly, speaking for fiscal responsibility, said, "No one should expect significant deficit reduction as a result of austere, non-defense discretionary spending limits. The numbers simply do not add up." The chairman was right.

The fact is, we could eliminate all nondefense discretionary spending, and we would still be running deficits of more than $100 billion. That is how much we put our country into the red.

Perhaps the height of irony, perhaps the height of irony, is that just 7 years ago, in 1997, 193 Republicans voted for a pay-as-you-go affecting spending and revenues, or taxes. That included the gentleman from Illinois (Speaker HASTERT), who voted for PAYGO affecting both; the majority leader, the gentleman from Texas (Mr. DELAY); the conference chairwoman, the gentlewoman from Ohio (Ms. PRYCE); the chairman of the Committee on the Budget, the gentleman from Iowa (Chairman NUSSLE); and the chairman of the Committee on Ways and Means, the gentleman from California (Chairman THOMAS). And the Bush administration itself endorsed pay-as-you-go rules affecting both revenues and expenditures in 2002, 2003, and 2004.

I have here next to me the language of the fiscal 2002 budget. I hope it is on the screen. The Bush administration endorsed it, as you can see, affecting both spending and tax legislation. In fact, I will quote. It states: "The President also proposes to extend the PAYGO requirement for entitlement spending and tax legislation."

Why? Because he knew you could not do what you say you can do. And for 3 years he stuck to that principle. This is the first year he has not.

I would hope that those who believe in fiscal responsibility would vote for this Democratic substitute, which would restore the original PAYGO rules adopted in 1990 that apply to mandatory spending and taxes as they were originally established on a bipartisan basis, as we did in 1997 when the gentleman from Iowa (Mr. NUSSLE) and I both voted for a balanced budget proposal, which, in fact, was very helpful in assuring that balance.

Mr. Chairman, I do not think we ought to let our majority colleagues get away with this charade. Do not let them preen as deficit hawks, as some of you perceive yourselves to be, and not apply discipline to both expenditures and revenues.

I tell my colleagues, it is oh, so easy. I have been in a legislative body for 35 years, and every year I have found it so easy to vote for tax reductions, but so difficult to vote for cuts in spending.

Let us have discipline. Vote for this substitute. Do not pretend your PAYGO has any effect.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. PORTMAN), a member of the Committee on the Budget.

Mr. PORTMAN. Mr. Chairman, I thank the chairman of the Committee on the Budget for yielding me time, and I thank him for bringing this resolution to the floor.

What we are talking about in this resolution is not so much budget process reform, although we will have an opportunity through various amendments to get into that issue. What we are talking about here is enforcing the budget we have.

I think what the Committee on the Budget reported out and what is before us on the floor today is the right way to do it, and that is putting a cap on discretionary spending and having PAYGO apply to mandatory.

I was going to talk a little about the importance of growing the economy to our budget, but I think we have really gone over that in the previous debate. Instead, let me talk for a minute about what my friend from Maryland was just saying with regard to tax relief.

If in 2001 we had applied PAYGO to the tax relief, which was in effect, by the way, we would not have the economy we have today. That is what I believe. I believe that the economic growth we have seen over the last year, and remember now, we have added 1.4 million jobs to our economy in the last 9 months, we have the best growth in 20 years; we are the envy of the entire industrialized world: we are growing jobs; we are increasing wages; we are seeing real growth, which is resulting in higher revenues, which is why CBO is going to come back later this year and tell us our deficit is not as big this year as they thought it was going to be, because more revenue is coming in. If we had PAYGO on taxes in 2001 and applied it, we would not have put the tax breaks in place. That is my belief.

Second, there is a bias in our system right now. Think about it. With regard to spending, the gentleman said it is hard for him to vote for cuts in spending. It is not hard for any of us to vote for increases in spending. We do it all the time. Then it becomes a baseline. Then, in terms of the budgetary consequence, it continues, forever.

There is no budgetary consequence once an appropriation, an authorization, expires; but there is when tax relief expires. When tax relief expires, there is a budgetary consequence.

We have to find a way to account for it. That is a bias within our system. And to add PAYGO to both would, therefore, be unfair, both because the tax cuts, unlike spending, add directly to economic growth. And it is incredibly important, we can have that debate without having the PAYGO, but have that debate, an honest debate. Second is the fact that in our current system, let us face it, there is a bias right now in favor of spending.

I thank, again, the chairman for bringing this to the floor. I think it is a responsible approach to just enforcing the budget we have, to be sure the chairman of the Committee on Appropriations can do his job, and do it well.

Mr. SPRATT. Mr. Chairman, I yield 10 seconds it the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, had I had the time, I would have simply asked, why did the gentleman vote for this in 1997?

Mr. SPRATT. Mr. Chairman, I yield 5 seconds to the gentleman from Ohio (Mr. PORTMAN) to respond.

Mr. NUSSLE. Mr. Chairman, I yield the gentleman from Ohio 10 seconds.

The CHAIRMAN pro tempore. The gentleman from Ohio (Mr. PORTMAN) is recognized for 15 seconds.

Mr. PORTMAN. Mr. Chairman, I would tell the gentleman two things. Number one, at that time we were working on a bipartisan basis to try to get a balanced budget agreement through the Congress, which we did support. We wanted a cap on spending, you wanted it on taxes, and we came up with a compromise in order to get that 1997 balanced budget agreement through, which was a good agreement in the sense that it restrained spending. That part of it was good, and the economy grew; and I think we should learn from that.

Today, what we are trying do again is to get this economy growing and restrain spending through these caps. That is the key.

□ 1630

Mr. SPRATT. Mr. Chairman, I yield myself 10 seconds to remind the gentleman that we have 1.3 million fewer jobs today than we had on March 1, 2001 at the beginning of the Bush administration. First amendment, first recession since the end of the Second World War with that result.

Mr. Chairman, I yield 2½ minutes to the gentleman from Alabama (Mr. DAVIS).

Mr. DAVIS of Alabama. Mr. Chairman, let me thank the gentleman from South Carolina (Mr. SPRATT) for yielding me time.

Mr. Chairman, if I can purport to get into the heads of the majority and answer that question for myself for a minute. I think it is fairly basic. I would guess, Mr. Chairman, the reason is about 5, 6 years ago there was an overwhelming consensus in this body that we apply PAYGO to both tax and spending for a very simple reason. It is good common sense. It is only basic fairness.

If I can, Mr. Chairman, let me make this point. This sounds like a very esoteric debate to a lot of people who are listening right now. Do we apply PAYGO to revenues? Do we apply PAYGO to spending? And there is a certain technical-sounding aspect to it.

There is a way to cut to the chase and make this a whole lot simpler. Who do we make bear the brunt of discipline and sacrifice in this country? It is very clear after listening to a lot of the very able adversaries on the other side of the aisle that they are not terribly interested in asking but a few people to sacrifice in this country. They are only interested in seeking to impose discipline on but a few of us, and they in the name of tax cuts would seal off a whole portion of our population, namely people who are receiving huge tax cuts because of their income, from the brunt and burden of sacrifice.

This is what we ought to understand today. We may argue about all kinds of aspects of the Clinton years, but they were enormously successful in bringing this economy back, creating jobs and leading us into surplus.

These facts are indisputable. When William Jefferson Clinton left the White House, we had a surplus of $122 billion. Today as George W. Bush submits himself to the country for re-election, we have a deficit of around $500 billion. If any CEO in America had gone from having that kind of surplus to that kind of a deficit in 4 years, his contract would absolutely not be renewed. This is a fundamental question of how fair we are as a people. Are we fairer now than we were four years ago?

And I would submit that it is fundamentally wrong and fiscally irresponsible to only ask people who do not have certain influence, who do not have a certain voice in this society to bear the brunt.

So the reality is if we decide, we are going to apply these PAYGO rules, there ought to be a very simple test, Mr. Chairman, number one, what would bring us closer to fiscal soundness and, number two, what provides for fairness. It is only fair and only reasonable that we do what an overwhelming majority of the Republicans wanted to do 5 years ago. What is good for the goose is good for the gander, and if we can somehow make these rules work, then we will be back on the way to fiscal stability in this country.

Mr. NUSSLE. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. TOOMEY), a member of the Committee on the Budget.

Mr. TOOMEY. Mr. Chairman, let me just suggest to the gentleman from Maryland who raised the question about 1997, there is a big difference between imposing PAYGO on the revenue side in 1997 versus doing so today, and the big difference is doing it in 1997 did not result necessarily in a big tax increase. Doing it today, as the minority party would like to do, would absolutely result in a huge tax increase because of the provisions in the Senate. That is a big difference. A huge tax increase versus not having a huge tax increase is a big difference.

Let me just say, I congratulate our chairman and the members of the committee who got this bill to this point on the floor. It is so important that we find a way to control and limit the growth in spending for a number of reasons, as this bill does, but I think that one of the main reasons is it is just so fundamentally important and incumbent upon us to be adopting policies that allow the American people to maximize economic growth and prosperity, opportunity for themselves, for their wages to grow and their standard of living to improve. That is what we ought to be all about.

Well, the empirical evidence is very clear that one of the greatest threats to that kind of prosperity comes from excessive government intervention in the economy. The government intervenes and threatens economic growth in lots of ways, but the two biggest ways that the government does that is through excessive government spending and excessive taxes.

On the spending side, I think we ought to acknowledge that on the margin, excessive growth spending results in less economic growth. That is what happens. It is because the government essentially misallocates capital.

Let us face it. When we are here in Washington spending money, what we are doing is allocating capital based on political needs. Members of Congress tend to vote to spend money on that which they think will help them get reelected. That does not make us bad people. That is the natural tendency of a represented body. That is what governments do. But what it means, this political self-preservation, what it ends up meaning is that the excess spending of other people's money, by the way, might maximize incumbent retention, but it certainly does not maximize economic growth. And I think that is what we ought to be all about here.

In fact, the tendency is forever more government spending. We see that now we are spending over 20 percent of GDP; whereas, just 3 years ago it was only 18 percent. We have got larger deficits now. The government is growing faster than the economy. All the things point in the same direction. We need some limits on spending growth. That is what this is all about.

Let us keep in mind that the caps that we have on discretionary spending in this bill, the PAYGO provision that we have on mandatory spending, there is no spending cuts. Nothing is cut. Frankly, I would like to cut some spending. I wish there were, but there is not.

And we all know that there is no guarantee that the caps will even hold. If we could get them passed and signed into law, you know, Congress usually has a way of busting the caps, but what they do and the important role that they can play is they help on the margin to provide a break on the rate of growth of spending, and that is what is so important.

I mentioned the other big way in which government intervention harms economic growth, and that is excessive taxes. And there is just no question. The evidence is overwhelming. And the good news is that when we have taken the measures of lowering the tax burden as we did, if we can make those tax cuts permanent, we can continue to enjoy the tremendous economic growth that is underway right now.

So I urge my colleagues to reject the Democratic substitute and support this underlying bill.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Chairman, this is one fine exercise in utter budget hypocrisy. The crowd in charge of this House has failed to produce a budget. We have no budget agreement with the Senate, it remains deadlocked in conference committee, and now they direct us to spend an afternoon on the floor in this charade of an exercise in budget responsibility.

The budget debate has been something to watch. It has been contentious, it has been mean, it has turned personal, and that is just between the Republicans. They control the White House, they control the House, they control the Senate, and they have not produced a budget. No party has had solid control of all three points of power and not produced a budget in years and years and years.

Yet, rather than resolve that naughty little issue of not having a budget, they come to the floor and preen about with this budget enforcement resolution. It is a joke.

If on the face of it, it was not ridiculous already, just look behind the circumstances, briefly. The people who have brought this to the floor are the people who have pushed this country deeply into deficits, spiraling deficits that have forced us to increase the national borrowing limit of our Nation twice because we have hit the credit limit of the United States of America. Yesterday they put one in, and this week they have put a place-holder in to raise it yet a third time, bringing debt borrowing authority to over $8 trillion. We are screaming in red ink, and they cannot get a budget.

Secondly, they bring a sham PAYGO requirement up that has nothing to do with revenues. Can my colleagues imagine a family trying to get a hold of their finances saying, honey, we have to cut back on the expenses, but because we do not count the revenue side, I am going to half-time at work because I do not want to put in so many hours.

Of course you cannot balance a budget without looking at spending, without looking at revenue, but that is expressly prohibited under their PAYGO requirement. This is a sham. It is an embarrassment to this House. Reject it.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. PUTNAM), a member of the Committee on the Budget.

Mr. PUTNAM. Mr. Chairman, I thank my chairman for yielding me this time.

It is an important debate that we are having today, I think one that cuts across party lines, it cuts across generational lines, this issue of fiscal responsibility, and really keeping our word, keeping our commitment to a process that was put in place 30 years ago with the creation of the Committee on the Budget, with the commitment to control spending, to send forward a blueprint of priorities for the Federal Government, and then follow through on it.

Many people would be amazed to know, and if we could, please pull up chart 16; many people would be amazed to know that two-thirds of the Federal budget is on auto pilot. It is on auto pilot. Only one-third of the budget is subject to annual review, change that leads to a debate that leads to a vote that all of us are then held accountable for through the regular appropriations process. But two-thirds of the budget continues to grow year after year, really without direct input from the Committee on Appropriations or from the Congress as a whole. That is not good, long-term fiscal policy.

The programs within mandatory spending are worthwhile. They are important, but they are not so important that they should be exempt from congressional review. And as we move through this debate, and it is going to be a long debate, but it is an important debate; as we move through this, it is a healthy process for us to move forward with reform efforts that bring that two-thirds back under the control of the Congress and let us exert the control and take the responsibility that we were hired to take on.

I applaud our chairman and the distinguished Chairman of the Committee on Appropriations for working through these issues and having this important discussion about retaking congressional responsibility for the fiscal future of this country.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. WOLF).

Mr. WOLF. Mr. Chairman, I rise in strong opposition to this bill.

Let me tell my colleagues what James Madison from Virginia said. James Madison, who is called the Father of the Constitution, devoted five Federalist papers to an explanation of how the executive, legislative and judicial branches were to be wholly independent of each other, yet this bill would enable the President to determine what this Congress does. Madison, the Father of the Constitution, said, "The accumulation of all powers, legislative, executive, and judicial, in the same hands, whether of one, a few, or many, may justly be pronounced the very definition of tyranny."

Madison believed the preservation of liberty depends on the separation of powers. He said, "Its several constituent parts may, by their mutual relations, be the means of keeping each other in their proper places."

This bill does not keep each body in its proper place. This bill, in essence, says we will save the Congress from itself. Let us save us, and not have the President decide.

Lastly, George Washington, the Father of our country in his Farewell Address, spoke of the "love of power and the proneness to abuse which predominates in the human heart" and warned of the "necessity of reciprocal checks of political power, by dividing and distributing it into different depositories and constituting each the guardian against invasions by the others."

This basically is an invasion of the executive branch. I love President Bush. I pray for President Bush every single night. I want President Bush to be successful, but we ought not give authority and power to any branch. This should be held by the Congress.

For that reason, and for Madison, Monroe, Washington, and Jefferson, I ask for a no vote on this bill.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from Florida (Ms. GINNY BROWN-WAITE), a member of the Committee on the Budget.

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, spending discipline is needed and it is needed now. The time for talk is over. We have to focus on a basic budget problem, and that is spending. America cannot spend its way out of our deficit. Real action is needed, and the Nussle resolution demonstrates Congress's commitment to protecting America's taxpayers.

Mr. Chairman, earlier this year, we had a budget here in the committee and on the floor, and that budget helped to combat the deficit, cut back on the deficit. It is amazing that those same people on the other side of the aisle who say that they care so much about the deficit, so many of them did not vote in favor of it.

This resolution guarantees that we will win the budget battle. It reinstates spending controls with the force of law and ensures that Congress will stay the course in promoting a fiscally responsible budget.

□ 1645

There are some fears that by adopting this resolution Congress will turn its back on those most in need. What a great opportunity for opportunists to engage in frightening discourse trying to frighten our most vulnerable people. Obviously, this is very untrue.

First of all, we have always made funding for various groups, whether it be veterans or seniors, a top priority. Number two, we fought for these on very often a bipartisan level in the past and will continue to fight for them. Number three, will we have to make some tough decisions if spending caps are imposed? Absolutely. We will have more domestic spending, and maybe we will spend a little bit less on some of the countries that we give foreign aid to who turn their backs on us when we need them.

Our country needs a practical remedy to the deficit crisis. And this bill is the right solution at the right time.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. Mr. Chairman, the Republican pay-as-you-go proposal makes no fiscal sense. Leaving revenues out of the picture is like trying to fill a bucket with a gaping hole in it. It simply will not work.

We did it right in 1990 when Congress and the President came together on a bipartisan basis and undertook a courageous effort to balance the Federal budget. Integral to this effort was a real pay-as-you-go rule that controlled both spending and tax cuts. The result was budget discipline that worked, and eventually the first budget surplus in decades.

Deficits are not caused by discretionary spending alone or by entitlement spending alone or by revenue shortfalls alone. All three elements contribute. And it is folly to pretend that fiscal balance can be attained without addressing all three.

Mr. Chairman, we could cut every last dime of domestic discretionary spending; we could eliminate funding for education, highways, health research, veterans health care, the environment and all the rest of the domestic discretionary budget and we would still run a deficit. Why? Because we have enacted trillions of dollars in tax cuts mainly benefiting our country's wealthiest people. And we have not paid for them.

The President and this Congress have defied the budget rules. They have abandoned fiscal sanity. The result is deficits now approaching $500 billion a year. And far from correcting this folly, this Republican budget reform bill would actually codify it.

This bill is a sham. I know it. My colleagues know it. The leadership of this Chamber knows it. And soon the American people will know it too.

Vote "no" on the Republicans' leaky bucket; vote "yes" on the Spratt substitute.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. FEENEY).

Mr. FEENEY. Mr. Chairman, I thank the distinguished chairman and appreciate his great work on this issue. I will tell my colleagues that the problem of spending in democracies is nothing new. It is not endemic to America. Churchill once said, "There is nothing so easily learned by one government from the last government as spending other people's money." Indeed, spending other people's money is a very intoxicating experience.

Our Democratic friends say that PAYGO applications, finding the money as you go, ought to apply equally to tax cuts as they do to spending. I have got two reasons why that is so true. In the first place, according to Americans for Tax Reform, the average Floridian, where I represent, has to work until July 8 this year to pay for his or her share of Federal, State, local taxation and regulation. I think our Democratic friends would like every Floridian to have to work until August 8 every year to pay for their fair share of the government burden.

Secondly, what our Democratic friends do not understand is that spending is too high, but taxes are not too low.

The other last point I would make about applying PAYGO equally to tax cuts is this: if we had dynamic scoring where people could estimate the actual effects of the tax burden on people, it might be a reasonable idea. Our Democratic friends think if we trim the taxes on something like we did in the case of the luxury tax, we will get 300 percent of the revenue. What we really did was put people out of business, put people more on welfare.

On the other hand, in 1986 the Congress cut the capital gains tax from 28 percent to 20 percent, Federal revenues doubled.

Mr. Chairman, the time now is to restrain ourselves. The chairman of the Committee on the Budget and the entire committee have done a great job. I applaud them for their efforts.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, I am obviously opposed to this irresponsible bill. We had some debate on May 12 when we first took up the budget resolution; and as hard as we listened, we never really got an adequate explanation for why in 1997 the Chair of the Committee on the Budget, and virtually all House Republicans voted for what is now the Democratic alternative. That was a responsible approach.

But now they are suggesting that the budget can be balanced with only a one-sided approach, which we continually explain is impossible to do. Even if you eliminate all nonmilitary domestic discretionary spending, we would not come close to balancing the budget.

So are we really talking about balancing the budget, or are we talking about another agenda? I am afraid the agenda is being driven by the right wing of the Republican Party, who would just as soon eliminate all domestic discretionary spending, Head Start, school lunch programs, health research, you name it; it should be on the cutting block as far as they are concerned. That is not what this country wants. It is not what this country deserves.

Thanks to the Republicans' tax cuts, revenues have plunged now to the lowest level of GDP since 1950. And over the last 3 years, revenue has declined 12 percent. And yet we are suggesting that we leave the revenue side of the budget alone? That is nonsense. You cannot do it when you combine the administration's out-of-control spending with this decline in revenue. The result is a budget deficit that is expected to reach half a trillion dollars this year and will reach $4.5 trillion of deficit over the next decade. That is a realistic number. That is the direction in which you are driving us. It is wrong.

The first President Bush understood that we have got to have balanced PAYGO rules. He was in favor of the Democratic approach. The Federal Reserve Chairman, Alan Greenspan, said we have got to approach both sides of the budget, the revenue side and the spending side. But yet we are going to ignore the experts, we are going to go ahead with this right wing ideological agenda, and our children are the ones who are going to pay the price for it.

I call on my colleagues to defeat this resolution, Mr. Chairman.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Chairman, I thank the chairman and the leadership of this Congress for tonight's debate of this budget resolution that will be tough and real and a discussion of meaningful reforms. And they are timely, and they are timeless.

In the year 55 B.C., Cicero wrote, "The national budget must be balanced. The public debt must be reduced; the arrogance of the authorities must be moderated and controlled. Payments to foreign governments must be reduced, if the Nation does not want to go bankrupt."

Real Federal spending today is at its highest level per person since World War II. And despite the conservative instincts of many of our appropriators in this Congress, the current budget process adopted by a liberal Democratic Congress in 1974 was designed for one purpose and one purpose only: to guarantee the growth of the Federal Government. And that Big Government Democratic spending scheme has worked like a charm for 30 years. In a word, Mr. Chairman, it is not the appropriators; it is the appropriation process.

So let us gather tonight in that spirit, to focus on the changes that will give our spending committee the tools that they need to do what Republicans came to Washington to do, to practice fiscal responsibility, to put our fiscal house in order and achieve a balanced Federal budget. And the stakes could not possibly be higher.

Abraham Lincoln said, and I quote, "If we do not make common cause to save the good old ship of the Union on this voyage, nobody will have a chance to pilot her on another."

Let us get behind these resolutions, these changes in this budget process; let us engage in the debate and serve the public's interest in the best way that a Republican Congress knows how, through fiscal discipline, through real reform.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Nevada (Ms. BERKLEY).

Ms. BERKLEY. Mr. Chairman, I rise today in strong opposition to this most fiscally irresponsible Republican budget enforcement bill. My colleagues on the other side of the aisle are right on one thing, this Congress does need to control the outrageous budget deficit that is fast approaching $500 billion. However, if we want to make serious progress in reducing this deficit, PAYGO rules must be applied to spending and tax cuts. Exempting tax cuts from these budget enforcement rules makes no fiscal sense. Additionally, it threatens to increase the deficit and the burden on our children and our grandchildren; the one that they will have to bear is unfathomable if we do not act responsibly today.

The original PAYGO rules passed by Congress and signed by the first President Bush were essential to restoring this country's fiscal health the last time we faced record deficits. Those rules worked because they applied it to both sides of the equation, spending and tax cuts.

If my colleagues on the other side of the aisle are serious about fiscal responsibility, they would be offering a PAYGO proposal that applies it to entitlement program spending as well as tax cuts. Failing to apply PAYGO rules to tax cuts is little more than a smoke screen that seeks to hide the major contributing factor of this Nation's growing deficit.

As this country faces record deficits in increased spending on homeland security and the war in Iraq, now is the time for fiscal discipline.

When I was a freshman, the thing I was most proud of, the issues I was most proud of serving were that we had a good surplus, we had low unemployment, and we had a good budget.

This is a shame to all of us that are here. We ought to act responsibly on a bipartisan basis and come up with a decent budget proposal that not only affects spending but tax cuts as well.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. GUTKNECHT), a member of the Committee on the Budget.

Mr. GUTKNECHT. Mr. Chairman, Members, I have been listening to this debate, and I would like to distill as best I can the arguments against this bill that we are debating today.

The first one seems to be that it is not tough enough, that it does not include the ability for immediate tax increases. And if that is your reason, that is fine. Go ahead and vote against this.

The other one I think is much more complicated. I want to talk about that for a moment, and that is the separation-of-powers argument in the Constitution. Members, nothing in this bill today changes the constitutional powers that we in the Congress and the executive branch have. The President of the United States would still have the power to veto any appropriation bill or the budget bill. It simply brings the President and the Congress, both bodies in the Congress, together earlier so that we work on a common blueprint.

Imagine, if you will, just for a moment in this great structure, if we had the masons using one blueprint, and we had the carpenters using another blueprint, and the iron workers using a third blueprint. We would not wind up with this building.

What we are saying is we think everybody ought to be in there making the same blueprint from the beginning. That makes sense to every one of our constituents.

Members, look at what has happened over the last several years. From 1995 to 2000, Federal spending grew at an average rate of 3.2 percent. Since we let spending caps and PAYGO expire, that number has doubled to 6.4 percent.

This is a modest attempt to get this Congress and this Federal Government back on an even keel. I think this makes a lot of sense. It makes sense to me. It makes sense to the people that we represent. It makes sense to Alan Greenspan.

But, Members, if you are going to vote against this today, please understand you will be asked about it. Because this vote is going to be scored by the American Conservative Union, the Americans for Tax Reform, Citizens for a Sound Economy, Council for the Citizens Against Government Waste, and the National Taxpayers' Union. People are paying attention to this vote. They want us to have a solid budget. They want us to enforce it. They want us to get back to fiscal sanity, and that begins today.

□ 1700

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Chairman, I thank my colleague for the time.

Mr. Chairman, I rise in strong support of the Spratt substitute.

The underlying bill continues to avoid the elephant in the room, the cost of endless tax cutting and its role in helping create the largest deficits in American history.

The Spratt substitute, on the other hand, will reinstitute real PAYGO provisions that might just reign in the reckless Republican majority's mismanagement of the Federal budget. I believe that this mismanagement is intentional.

While my colleagues on the other side say that they believe deficits do matter, their actions speak otherwise. In this session of Congress alone, the House has passed hundreds of billions of dollars in tax cuts. The tax cuts come even as we do not even have a budget, and the supporters do not care that the cost of these cuts will be borne by our children in the form of more debt that they will get saddled with.

Why are we allowing these huge and growing deficits? It is called "starving the beast," making the deficit so huge that it gives an argument against spending for the very programs the vast majority of Americans support, support because of our beliefs in what this country stands for and where we place our values.

This fiscally irresponsible underlying bill ill serves this country.

Also, disappointing, but not surprising, is the process under which these amendments are being debated, denying the House an opportunity to have a full and open debate on such an important issue. For example, the Stenholm substitute was not allowed on the floor and the reason is simple. It would probably win. The Republican leadership simply does not want to allow the House to vote on issues where the leadership cannot win, and we have seen this time and time again. Amendments where the majority of the House is in opposition to the leadership just never see the light of day.

It is wrong and I hope Members will support the Spratt substitute and help bring a little sanity to our Federal budget.

Mr. NUSSLE. Mr. Chairman, I yield such time as he may consume to the gentleman from Alaska (Mr. YOUNG), the chairman of the Committee on Transportation and Infrastructure, for the purpose of a colloquy.

Mr. YOUNG of Alaska. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, this bill reinstates the discretionary spending caps for fiscal year 2005 and 2006 and extends the highway and transit firewalls for fiscal years 2004 through 2009 at the levels contained in H.R. 3550, as passed by the House earlier this year.

The inclusion of the highway and transit firewalls in the bill before us today is an important statement that the House intends to continue the budget reforms that were achieved for the Highway Trust Fund in TEA-21.

It is my understanding that the level of the highway and transit firewalls will ultimately be determined by the conference of H.R. 3550 in which the gentleman is a member, in accordance with the fiscal year 2005 budget resolution, which provided for an adjustment in the transportation funding levels.

I would like to clarify my views with the gentleman from Iowa and ask for his assistance in ensuring that the highway and transit firewalls ultimately enacted into law will reflect the agreement of the conferees on H.R. 3550.

Mr. NUSSLE. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Iowa.

Mr. NUSSLE. Mr. Chairman, the chairman is correct. This will, in no way, limit the decision of the conferees for H.R. 3550, the level of highway and transit firewalls. It will be determined consistent with the fiscal year 2005 budget resolution and the contingency procedure contained therein in the conference report on H.R. 3550.

In either case, this is consistent with the fiscal year 2005 budget resolution, and it allows not as a ceiling but a floor to that conference report.

Mr. YOUNG of Alaska. Mr. Chairman, I thank the gentleman for this colloquy.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The Chair would advise that the gentleman from Iowa's (Mr. NUSSLE) time has expired.

Mr. SPRATT. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Mr. Chairman, I thank my friend for yielding me time, and I rise in opposition to the Republican budget legislation.

Mr. Chairman, we are here today to debate a very important issue, and that is reinstituting fiscal disciplinary rules in the budget process. We need a meaningful pay-as-you-go rule, one that offsets both spending and tax cuts to achieve balance.

Unfortunately, what is before us today is more like "pray-as-you-go" or more like "pay-a-little-bit-as-you-go" and leave a legacy of debt to the next generation to inherit.

Unfortunately, we hear a lot of talk on the other side that the problem is always spending, too much spending. Well, if that is the case, then what have you been doing the last 4 years? Republicans have been in control of the House of Representatives. Republicans have been in control of the Senate. There is a Republican President sitting in the White House, and he has not vetoed one spending bill in the last 4 years. Instead, he inherits a 5.6 projected surplus, converts it into a $3 trillion deficit and now claims that spending has run away.

Instead, we could go back to a tried and true method that worked in the 1990s, a pay-as-you-go rule that made sense and brought balance and then budget surpluses that actually allowed us to reduce the national debt. That is what the Spratt substitute allows, and I encourage my colleagues to support the Spratt substitute.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. EMANUEL).

Mr. EMANUEL. Mr. Chairman, I rise in strong opposition to the Republican smokescreen.

It makes infinitely more sense to debate budget reform before voting on a budget, but that kind of common sense regularly escapes this majority and it is why there has not been a budget agreement for over 4 months. In fact, this House has been on a session-long recess when it comes to addressing the health care crisis, educational crisis and retirement security crisis in America.

That is because the majority is scared of being honest with the American people. This is a smoke screen, none of which is going to fool the American people that you are responsible for $3 trillion in additional debt and an annual deficit of $500 billion dollars.

This legislation ignores the advice of Chairman Greenspan, who said it would be a grave mistake to let pay-as-you-go budget enforcement rules expire. This bill even ignores the advice of the gentleman from Iowa, the chairman of the Committee on the Budget, who said just 2 years ago that pay-as-you-go contributed to taming the deficits.

The chairman voted for those rules in 1997. They were good in 1997; they are good now. That vote ensured we made choices, lived within our means and ensured we were held accountable for what we do. Those who voted for the bill in 1997 made sure that we lived within our means, that we made choices as we governed.

The 1990s achieved record economic times: 22 million more jobs; health care and tax cuts for middle class families; 10 million more children without health insurance got insurance; college doors were opened; Social Security was secure. Those are the choices we made and we did it and balanced the budget while we cut taxes for middle class families. Those are the right economic times.

Today, what do we have? Health care costs have gone up by a third. College costs have gone up by 26 percent in the last 2 years. Personal bankruptcies are up by a third since 2000, and in fact, you all want to lay the sign "mission Accomplished" above the economy. This economy is not working for the American people and your budget and your $500 billion worth of deficits are the results that the American people have to turn to their children and make them pay their way out of it.

We turned our back on what we learn in the 1990s. If you are in a hole, the first thing to do is stop digging.

The CHAIRMAN. The gentleman from South Carolina (Mr. SPRATT) has 3 minutes remaining.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the distinguished ranking member for the time. I also thank him for the good work he has done in bringing some rationale and reason to this process that really impacts the lives of Americans and really the lives of our friends and allies around the world.

I would like to remind my friends that we are at war. This is a difficult time for America. It is a time of sacrifice, but I think it is important to note that the budget resolution that my good friends on the other side of the aisle are trying to shove down this Congress' throat is $18.9 billion for individuals making over $1 million. Is that sacrifice, Mr. Chairman? It is not.

We are standing here today to ask for at least a little hope, a little understanding, a little reason. The Spratt amendment, the substitute that will be on the floor, speaks to reason. Would my colleagues accept the fact that we are at war? Three of our young men, women lost their lives in the last 24 hours in Iraq; $25 billion is going out over the next couple of days; more money will be asked for Iraq and Afghanistan, and yet we want to give $18.9 billion away.

Mr. Chairman, that is not creating any jobs in America, but yet we have legislation that we hope will pass that will invest in quality health care for veterans. Can my colleagues believe it, they are cutting veterans dollars.

Give us critical investments in education. Help us with the long-term unemployed. Some of them are off the unemployment list and never heard from again. Provide for the children who are vulnerable and as well provide the investment in clean water.

We are at war. It is time for sacrifice. We need the Spratt substitute. We do not need $18.9 billion to be given to those making over $1 million. I would ask for a "no" vote, and a "yes" vote on the Spratt amendment.

Mr. SPRATT. Mr. Chairman, I yield the balance of our time, 1½ minutes, to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT of Virginia. Mr. Chairman, I thank the gentleman for yielding me time.

We have heard a lot of people say the budget is good. We have heard some people say it is bad. We have heard some people casting blame, and we have heard some people making excuses. I think it is just helpful to start off with what the facts are.

This is a chart showing the deficit back to the Johnson administration, a little bit of deficit, Nixon, Ford, Carter, Reagan and Bush deficit, Clinton from deficit to surplus, Bush deficit. The swing from the surplus to the deficit, $750 billion.

Now, let us put that in perspective. If we look at the revenue, individual income tax, what everybody pays in individual income tax, $800 billion; deterioration in the deficit, 750. Now, when we run up that kind of debt, we run up interest in the national debt. This is the chart that showed that by 2009, we would be paying virtually nothing in interest on the national debt because we had enough surplus to pay off the national debt. This chart shows that we are going to be paying $300 billion a year in interest in the national debt, $300 billion. At $30,000 each, that is enough to hire 10 million people, more than the total number of people drawing unemployment today.

We said we got into that mess to create jobs. This is the chart showing the average job growth, Ford administration back to the Hoover administration. Everybody is net plus until we get to this administration. People look at this chart and say the job growth is good, job growth is bad. Make your own decision.

Mr. BACA. Chairman, I ask unanimous consent to revise and extend my remarks. I rise in opposition to H.R. 4663, the Republican Budget Enforcement bill and in support of the Spratt Democratic substitute.

This bill is an irresponsible attempt to place the burden of reducing the large budget deficit brought about by huge, new tax cuts on the backs of the vast majority of Americans. The bill relies on one-sided pay-as-you-go rules that will worsen the deficit rather than improve it. The Budget Enforcement bill slashes spending on public services important to all Americans but allows unlimited deficits for tax cuts.

If that wasn't bad enough, the Republican amendments also included this pay-go provision as well as an entitlement cap that would put important government services at risk. Republicans would require that any improvements in entitlement programs be offset with cuts in programs like Medicaid, Medicare, veterans programs, food stamps, and student loans. As a result of the entitlement cap, veterans will get $1.3 billion less than what the House Veterans' Affairs Committee says it needs for veterans' health care programs next year. Education would be cut by more than $1.5 billion in 2006. All these programs would be cut so that important national priorities like tax cuts for the wealthy can be spared. This is their definition of compassionate conservatism.

Because the republican bill would cap nondefense discretionary spending, investments in real priorities like education, veterans' medical care, and law enforcement would be reduced. More Americans will be without access to adequate health care, more students will be left without financial resources to go to college, and more families will be left without hope.

Instead, I support the Spratt substitute amendment, which would establish effective pay-go rules for both spending and tax cuts. Just in case I need to remind anyone, that is the plan that led us out of the first Bush recession into an era of record surpluses in the 1990s.

Let's give our children, our veterans and all Americans the resources they need and support the Spratt substitute amendment and oppose the Republican Budget Enforcement bill.

Mr. PAUL. Mr. Chairman, I support H.R. 4663, the Spending Control Act of 2004, because I believe those of us concerned about the effects of excessive government spending on American liberty and prosperity should support any effort to rein in spending. However, I hold no great expectations that this bill will result in a new dawn of fiscal responsibility. In fact, since this bill is unlikely to pass the Senate, the main effect of today's vote will be to allow members to brag to their constituents that they voted to keep a lid on spending. Many of these members will not tell their constituents that later this year they will likely vote for a budget busting, pork laden, omnibus spending bill that most members will not even have a chance to read before voting. In fact, last week, many members who I am sure will vote for H.R. 4663 voted against cutting funding for the National Endowment for the Arts (NEA). Last November, many of these same members voted for the greatest expansion of the welfare state since the Great Society. If Congress cannot even bring itself to cut the budget of the NEA or refuse to expand the welfare state, what are the odds that Congress will make the tough choices necessary to restore fiscal order, much less Constitutional government?

Even if this bill becomes law, it is likely that the provision in this bill allowing spending for emergency purposes to exceed the bill's spending caps will prove to be an easily abused loophole allowing future Congresses to avoid the spending limitations in this bill. I am also concerned that, by not applying the spending caps to international or military programs, this bill invites future Congresses to misplace priorities, and ignores a major source of fiscal imprudence. Congress will not get our fiscal house in order until we seriously examine our overseas commitments, such as giving welfare to multinational corporations and subsidizing the defense of allies who are perfectly capable of defending themselves.

Congress already has made numerous attempts to restore fiscal discipline, and none of them has succeeded. Even the much-heralded "surpluses" of the nineties were due to the Federal Reserve creating an economic boom and Congress continuing to raid the Social Security trust fund. The surplus was not caused by a sudden outbreak of fiscal conservativism in Washington, DC.

The only way Congress will cease excessive spending is by rejecting the idea that the Federal Government has the authority and the competence to solve all ills, both domestic and international. If the last century taught us anything, it was that big government cannot create utopia. Yet, too many members believe that we can solve all economic problems, eliminate all social ills, and bring about worldwide peace and prosperity by simply creating new federal programs and regulations. However, the well-intended efforts of Congress have exacerbated America's economic and social problems. Meanwhile our international meddling has failed to create perpetual peace but rather lead to perpetual war for perpetual peace.

Every member of Congress has already promised to support limited government by swearing to uphold the United States Constitution. The Constitution limits the Federal Government to a few, well-defined functions. A good start toward restoring Constitutional government would be debating my Liberty amendment (H.J. Res. 15). The Liberty amendment repeals the 16th amendment, thus eliminating the income tax the source of much of the growth of government and loss of individual liberty. The Liberty amendment also explicitly limits the Federal Government to those functions it is Constitutionally authorized to perform.

If Congress were serious about reining in government, it would also eliminate the Federal Reserve Board's ability to inflate the currency. Federal Reserve policy enables excessive government spending by allowing the government to monitorize the debt, and hide the cost of big government through the hidden tax of inflation.

In 1974, during debate on the Congressional Budget Reform and Impoundment Control Act, Congressman H.R. Gross, a libertarian-conservative from Iowa, eloquently addressed the flaws in thinking that budget process reform absent the political will to cut spending would reduce the size of government. Mr. Speaker, I would like to conclude my remarks by quoting Mr. Gross:

Every Member knows that he or she cannot for long spend $75,000 a year on a salary of $42,500 and remain solvent. Every member knows this Government cannot forever spend billions beyond tax revenue and endure.

Congress already has the tools to halt the headlong flight into bankruptcy. It holds the purse strings. No President can impound funds or spend unwisely unless an improvident, reckless Congress makes available the money.

I repeat, neither this nor any other legislation will provide morality and responsibility on the part of Members of Congress.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill is considered read for amendment under the 5-minute rule.

The text of H.R. 4663 is as follows:

H.R. 4663

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Spending Control Act of 2004".

SEC. 2. EXTENSION OF DISCRETIONARY SPENDING LIMITS.

(a) Discretionary Spending Limits.—(1) Section 251(c)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 (relating to fiscal year 2004) is amended—

(A) in subparagraph (A), by striking "$31,834,000,000" and inserting "$28,052,000,000"; and

(B) in subparagraph (B), by striking "$1,462,000,000" and inserting "$1,436,000,000" and by striking "$6,629,000,000" and inserting "$6,271,000,000".

(2) Section 251(c)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by inserting a dash after "2005", by redesignating the remaining portion of such paragraph as subparagraph (D) and by moving it two ems to the right, and by inserting after the dash the following new subparagraphs:

"(A) for the general purpose discretionary category: $817,726,000,000 in new budget authority and $866,056,000,000 in outlays;

"(B) for the highway category: $30,585,000,000 in outlays; and

"(C) for the mass transit category: $1,554,000,000 in new budget authority and $6,787,000,000 in outlays; and".

(3) Section 251(c)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by inserting a dash after "2006", by redesignating the remaining portion of such paragraph as subparagraph (D) and by moving it two ems to the right, and by inserting after the dash the following new subparagraphs:

"(A) for the general purpose discretionary category: $839,167,000,000 in new budget authority and $851,731,000,000 in outlays;

"(B) for the highway category: $33,271,000,000 in outlays; and

"(C) for the mass transit category: $1,671,000,000 in new budget authority and $7,585,000,000 in outlays; and".

(4) Section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by redesignating paragraphs (4) through (9) as paragraphs (7) through (12) and inserting after paragraph (3) the following new paragraphs:

"(4) with respect to fiscal year 2007—

"(A) for the highway category: $35,248,000,000 in outlays; and

"(B) for the mass transit category: $1,785,000,000 in new budget authority and $8,110,000,000 in outlays;

"(5) with respect to fiscal year 2008—

"(A) for the highway category: $36,587,000,000 in outlays; and

"(B) for the mass transit category: $1,890,000,000 in new budget authority and $8,517,000,000 in outlays; and

"(6) with respect to fiscal year 2009—

"(A) for the highway category: $37,682,000,000 in outlays; and

"(B) for the mass transit category: $2,017,000,000 in new budget authority and $8,968,000,000 in outlays;".

(b) Definitions.—Section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in subparagraph (B), by—

(A) striking "the Transportation Equity Act for the 21st Century and the Surface Transportation Extension Act of 2003" and inserting "the Transportation Equity Act: A Legacy for Users"; and

(B) inserting before the period at the end the following new clauses:

"(v) 69-8158-0-7-401 (Motor Carrier Safety Grants).

"(vi) 69-8159-0-7-401 (Motor Carrier Safety Operations and Programs).";

(2) in subparagraph (C), by—

(A) inserting "(and successor accounts)" after "budget accounts"; and

(B) striking "the Transportation Equity Act for the 21st Century and the Surface Transportation Extension Act of 2003 or for which appropriations are provided pursuant to authorizations contained in those Acts (except that appropriations provided pursuant to section 5338(h) of title 49, United States Code, as amended by the Transportation Equity Act for the 21st Century, shall not be included in this category)" and inserting "the Transportation Equity Act: A Legacy for Users or for which appropriations are provided pursuant to authorizations contained in that Act"; and

(3) in subparagraph (D)(ii), by striking "section 8103 of the Transportation Equity Act for the 21st Century" and inserting "section 8103 of the Transportation Equity Act: A Legacy for Users".

SEC. 3. ADJUSTMENTS TO ALIGN HIGHWAY SPENDING WITH REVENUES.

Subparagraphs (B) through (E) of section 251(b)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 are amended to read as follows:

"(B) Adjustment to align highway spending with revenues.—(i) When the President submits the budget under section 1105 of title 31, United States Code, OMB shall calculate and the budget shall make adjustments to the highway category for the budget year and each outyear as provided in clause (ii)(I)(cc).

"(ii)(I)(aa) OMB shall take the actual level of highway receipts for the year before the current year and subtract the sum of the estimated level of highway receipts in subclause (II) plus any amount previously calculated under item (bb) for that year.

(bb) OMB shall take the current estimate of highway receipts for the current year and subtract the estimated level of receipts for that year.

"(cc) OMB shall add one-half of the sum of the amount calculated under items (aa) and (bb) to the obligation limitations set forth in the section 8103 of the Transportation Equity Act: A Legacy for Users and, using current estimates, calculate the outlay change resulting from the change in obligations for the budget year and the first outyear and the outlays flowing therefrom through subsequent fiscal years. After making the calculations under the preceding sentence, OMB shall adjust the amount of obligations set forth in that section for the budget year and the first outyear by adding one-half of the sum of the amount calculated under items (aa) and (bb) to each such year.

"(II) The estimated level of highway receipts for the purposes of this clause are—

"(aa) for fiscal year 2004, $30,572,000,000;

"(bb) for fiscal year 2005, $34,260,000,000;

"(cc) for fiscal year 2006, $35,586,000,000;

"(dd) for fiscal year 2007, $36,570,000,000;

"(ee) for fiscal year 2008, $37,603,000,000; and

"(ff) for fiscal year 2009, $38,651,000,000.

"(III) In this clause, the term 'highway receipts' means the governmental receipts credited to the highway account of the Highway Trust Fund.

"(C) In addition to the adjustment required by subparagraph (B), when the President submits the budget under section 1105 of title 31, United States Code, for fiscal year 2006, 2007, 2008, or 2009, OMB shall calculate and the budget shall include for the budget year and each outyear an adjustment to the limits on outlays for the highway category and the mass transit category equal to—

"(i) the outlays for the applicable category calculated assuming obligation levels consistent with the estimates prepared pursuant to subparagraph (D), as adjusted, using current technical assumptions; minus

"(ii) the outlays for the applicable category set forth in the subparagraph (D) estimates, as adjusted.

"(D)(i) When OMB and CBO submit their final sequester report for fiscal year 2004, that report shall include an estimate of the outlays for each of the categories that would result in fiscal years 2005 through 2009 from obligations at the levels specified in section 8103 of the Transportation Equity Act: A Legacy for Users using current assumptions.

"(ii) When the President submits the budget under section 1105 of title 31, United States Code, for fiscal year 2006, 2007, 2008, or 2009, OMB shall adjust the estimates made in clause (i) by the adjustments by subparagraphs (B) and (C).

"(E) OMB shall consult with the Committees on the Budget and include a report on adjustments under subparagraphs (B) and (C) in the preview report.".

SEC. 4. LEVEL OF OBLIGATION LIMITATIONS.

(a) HIGHWAY CATEGORY.—For the purposes of section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, the level of obligation limitations for the highway category is—

(1) for fiscal year 2004, $34,309,000,000;

(2) for fiscal year 2005, $35,671,000,000;

(3) for fiscal year 2006, $36,719,000,000;

(4) for fiscal year 2007, $37,800,000,000;

(5) for fiscal year 2008, $38,913,000,000; and

(6) for fiscal year 2009, $40,061,000,000.

(b) MASS TRANSIT CATEGORY.—For the purposes of section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, the level of obligation limitations for the mass transit category is—

(1) for fiscal year 2004, $7,266,000,000;

(2) for fiscal year 2005, $7,750,000,000;

(3) for fiscal year 2006, $8,266,000,000;

(4) for fiscal year 2007, $8,816,000,000;

(5) for fiscal year 2008, $9,403,000,000; and

(6) for fiscal year 2009, $10,029,000,000.

For purposes of this subsection, the term "obligation limitations" means the sum of budget authority and obligation limitations.

SEC. 5. ADVANCE APPROPRIATIONS.

Section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new subsection:

"(d) ADVANCE APPROPRIATIONS.—In any of fiscal years 2005 through 2006, discretionary advance appropriations provided in appropriation Acts in excess of $23,558,000,000 shall be counted against the discretionary spending limits for the fiscal year for which the appropriation Act containing the advance appropriation is enacted.".

SEC. 6. EXTENSION OF PAY-AS-YOU-GO REQUIREMENT.

(a) PURPOSE.—Section 252(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

"(a) PURPOSE.—The purpose of this section is to assure that any legislation that is enacted before October 1, 2009, that causes a net increase in direct spending will trigger an offsetting sequestration.".

(b) TIMING.—Section 252(b)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "any net deficit increase" and all that follows through "2002," and by inserting "any net increase in direct spending enacted before October 1, 2009,".

(c) CALCULATION OF DIRECT SPENDING INCREASE.—Section 252(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) by striking "deficit" the first place it appears and inserting "direct spending";

(2) in subparagraph (A) by striking "and receipts";

(3) in subparagraph (C) by striking "and receipts"; and

(4) by amending the heading to read as follows: "CALCULATION OF DIRECT SPENDING INCREASE.—".

(d) CONFORMING AMENDMENTS.—(1) The heading of section 252(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows: "ELIMINATING A DIRECT SPENDING INCREASE.—".

(2) Paragraphs (1), (2), and (4) of section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 are amended by striking "or receipts" each place it appears.

(3) Section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "or receipts" and by striking ", outlays, and receipts" and inserting "and outlays".

(4) Section 254(c)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(A) in subparagraph (A) by striking "net deficit increase or decrease" and by inserting "net increase or decrease in direct spending";

(B) in subparagraph (B) by striking "amount of deficit increase or decrease" and by inserting "increase or decrease in direct spending"; and

(C) in subparagraph (C) by striking "a deficit increase" and by inserting "an increase in direct spending".

SEC. 7. DEFINITIONS.

(a) IN GENERAL.—Section 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new paragraphs:

"(20) The term 'advance appropriation' means appropriations that first become available one fiscal year or more beyond the fiscal year for which an appropriation Act making such funds available is enacted.

"(21)(A) Except as provided by subparagraph (B), the term 'emergency requirement' means any provision that provides new budget authority and resulting outlays for a situation that poses a threat to life, property, or national security and is—

"(i) sudden, quickly coming into being, and not building up over time;

"(ii) an urgent, pressing, and compelling need requiring immediate action;

"(iii) subject to subparagraph (B), unforeseen, unpredictable, and unanticipated; and

"(iv) not permanent, temporary in nature.

"(B) An emergency that is part of an aggregate level of anticipated emergencies, particularly when normally estimated in advance, is not unforeseen.".

(b) FIRE SUPPRESSION; CONTINGENCY OPERATIONS RELATED TO GLOBAL WAR ON TERRORISM.—Section 251(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new subparagraph:

"(I) FIRE SUPPRESSION.—(i) If a bill or joint resolution is enacted that provides new budget authority for wildland fire suppression for fiscal year 2005 or fiscal year 2006 that would cause the level of total new budget authority for wildland fire suppression to exceed the base amount for that fiscal year, the adjustment for that fiscal year shall be the additional new budget authority provided for such purpose and the additional outlays flowing from such amounts, but shall not exceed—

"(I) for the Forest Service for fiscal year 2005 or fiscal year 2006 (as applicable), $400,000,000; and

"(II) for the Department of the Interior for fiscal year 2005 or fiscal year 2006 (as applicable), $100,000,000.

"(ii) For this subparagraph, the term "base amount" refers to the average of the obligations of the 10 fiscal years preceding the current year for wildfire suppression in the Forest Service and in the Department of the Interior, as calculated by OMB, but for fiscal year 2005 the base amount is $880,000,000.

"(J) CONTINGENCY OPERATIONS RELATED TO GLOBAL WAR ON TERRORISM.—If, for fiscal year 2005, appropriations for discretionary accounts are enacted for contingency operations related to the global war on terrorism that, pursuant to this subparagraph, the President designates as a contingency operation related to the global war on terrorism and the Congress so designates in statute, the adjustment shall be the total of such appropriations in discretionary accounts so designated, but not to exceed $50,000,000,000, and the outlays flowing in all fiscal years from such appropriations.".

(c) CONFORMING AMENDMENT.—The second sentence of section 250(c)(4)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows: "The general purpose discretionary category shall consist of accounts designated in the joint explanatory statement of managers accompanying the conference report on the Spending Control Act of 2004.".

SEC. 8. PROJECTIONS UNDER SECTION 257.

Section 257(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by inserting after paragraph (6) the following new paragraph:

"(7) EMERGENCIES.—New budgetary resources designated under section 251(b)(2)(A) or 251(b)(2)(J) shall not be assumed beyond the fiscal year for which they have been enacted.".

SEC. 9. EXCEPTION FOR OUTLAY COMPONENTS OF EXPIRING RECEIPTS LEGISLATION.

Section 252(d)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "and" at the end of subparagraph (A), by striking the period and inserting "; and" at the end of subparagraph (B), and by adding at the end the following new subparagraph:

"(C) extending provisions in the Economic Growth and Tax Relief Reconciliation Act of 2001 or provisions in sections 101 through 104, section 202, or sections 301 and 302 of the Jobs and Growth Tax Relief Reconciliation Act of 2003.".

SEC. 10. REPORTS.

Subsections (c)(2) and (f)(2)(A) of section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 are amended by striking "2002" and inserting "2006 (or 2009 solely for purposes of enforcing the discretionary spending limits for the highway and mass transit categories)".

SEC. 11. EXPIRATION.

Section 275(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "2002" and inserting "2006 (or 2009 solely for purposes of enforcing the discretionary spending limits for the highway and mass transit categories)" and by striking "2006" and inserting "2013".

SEC. 12. TECHNICAL CORRECTIONS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.

Part C of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended as follows:

(1) In section 250(a), strike "SEC. 256. GENERAL AND SPECIAL SEQUESTRATION RULES" and insert "Sec. 256. General and special sequestration rules" in the item relating to section 256.

(2) In subparagraphs (F), (G), (H), (I), (J), and (K) of section 250(c)(4), insert "subparagraph" after "described in" each place it appears.

(3) In section 250(c)(18), insert "of" after "expenses".

(4) In section 251(b)(1)(A), strike "committees" the first place it appears and insert "Committees".

(5) In section 251(b)(1)(C)(i), strike "fiscal years" and insert "fiscal year".

(6) In section 251(b)(1)(D)(ii), strike "fiscal years" and insert "fiscal year".

(7) In section 252(b)(2)(B), insert "the" before "budget year".

(8) In section 252(c)(1)(C)(i), strike "paragraph (1)" and insert "subsection (b)".

(9) In section 254(c)(3)(A), strike "subsection" and insert "section".

(10) In section 254(f)(4), strike "subsection" and insert "section" and strike "sequesterable" and insert "sequestrable".

(11) In section 255(g)(1)(B), move the fourteenth undesignated clause 2 ems to the right.

(12) In section 255(g)(2), insert "and" after the semicolon at the end of the next-to-last undesignated clause.

(13) In section 255(h)—

(A) strike "and" after the semicolon in the ninth undesignated clause;

(B) insert "and" after the semicolon at the end of the tenth undesignated clause; and

(C) strike the semicolon at the end and insert a period.

(14) In section 256(k)(1), strike "paragraph (5)" and insert "paragraph (6)".

(15) In section 257(b)(2)(A)(i), strike "differenes" and insert "differences".

The CHAIRMAN. No amendment to the bill shall be in order except those printed in House Report 108–566. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered read, debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

It is now in order to consider amendment No. 1 printed in House Report 108–566.

AMENDMENT NO. 1 OFFERED BY MR. BRADY OF TEXAS

Mr. BRADY of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. Brady of Texas:

Page 2, after line 3, insert the following: "TITLE . I—EXTENSION OF DISCRETIONARY SPENDING LIMITS AND PAY-AS-YOU-GO REQUIREMENTS".

Redesignate sections 2 through 9 as sections 101 through 108, respectively, and on page 10, after line 21, add the following new title:

TITLE II—ESTABLISHMENT OF FEDERAL AGENCY SUNSET COMMISSION

SEC. 201. REVIEW AND ABOLISHMENT OF FEDERAL AGENCIES.

(a) Schedule for Review.—Not later than one year after the date of the enactment of this Act, the Federal Agency Sunset Commission established under section 202 (in this title referred to as the "Commission") shall submit to Congress a schedule for review by the Commission, at least once every 12 years (or less, if determined appropriate by Congress), of the abolishment or reorganization of each agency.

(b) Review of Agencies Performing Related Functions.—In determining the schedule for review of agencies under subsection (a), the Commission shall provide that agencies that perform similar or related functions be reviewed concurrently to promote efficiency and consolidation.

(c) Abolishment of Agencies.—

(1) In general.—Each agency shall—

(A) be reviewed according to the schedule created pursuant to this section; and

(B) be abolished not later than one year after the date that the Commission completes its review of the agency pursuant to such schedule, unless the agency is reauthorized by the Congress.

(2) Extension.—The deadline for abolishing an agency may be extended for an additional two years after the date described in paragraph (1)(B) if the Congress enacts legislation extending such deadline by a vote of a super majority of the House of Representatives and the Senate.

SEC. 202. ESTABLISHMENT OF COMMISSION.

(a) Establishment.—There is established a commission to be known as the "Federal Agency Sunset Commission".

(b) Composition.—The Commission shall be composed of 12 members (in this title referred to as the "members") who shall be appointed as follows:

(1) Six members shall be appointed by the Speaker of the House of Representatives, one of whom may include the Speaker of the House of Representatives, with minority members appointed with the consent of the minority leader of the House of Representatives.

(2) Six members shall be appointed by the majority leader of the Senate, one of whom may include the majority leader of the Senate, with minority members appointed with the consent of the minority leader of the Senate.

(c) Qualifications of Members.—

(1) In general.—(A) Of the members appointed under subsection (b)(1), four shall be members of the House of Representatives (not more than two of whom may be of the same political party), and two shall be an individual described in subparagraph (C).

(B) Of the members appointed under subsection (b)(2), four shall be members of the Senate (not more than two of whom may be of the same political party) and two shall be an individual described in subparagraph (C).

(C) An individual under this subparagraph is an individual—

(i) who is not a member of Congress; and

(ii) with expertise in the operation and administration of Government programs.

(2) Continuation of membership.—If a member was appointed to the Commission as a Member of Congress and the member ceases to be a Member of Congress, that member shall cease to be a member of the Commission. The validity of any action of the Commission shall not be affected as a result of a member becoming ineligible to serve as a member for the reasons described in this paragraph.

(d) Initial Appointments.—All initial appointments to the Commission shall be made not later than 90 days after the date of the enactment of this Act.

(e) Chairman; Vice Chairman.—

(1) Initial chairman.—An individual shall be designated by the Speaker of the House of Representatives from among the members initially appointed under subsection (b)(1) to serve as chairman of the Commission for a period of 2 years.

(2) Initial vice-chairman.—An individual shall be designated by the majority leader of the Senate from among the individuals initially appointed under subsection (b)(2) to serve as vice-chairman of the Commission for a period of two years.

(3) Alternate appointments of chairmen and vice-chairmen.—Following the termination of the two-year period described in paragraphs (1) and (2), the Speaker and the majority leader shall alternate every two years in appointing the chairman and vice-chairman of the Commission.

(f) Terms of Members.—

(1) Members of congress.—Each member appointed to the Commission who is a member of Congress shall serve for a term of six years, except that, of the members first appointed under paragraphs (1) and (2) of subsection (b), 2 members shall be appointed to serve a term of three years under each such paragraph.

(2) Other members.—Each member of the Commission who is not a member of Congress shall serve for a term of three years.

(3) Term limit.—(A) A member of the Commission who is a member of Congress and who serves more than three years of a term may not be appointed to another term as a member.

(B) A member of the Commission who is not a member of Congress and who serves as a member of the Commission for more than 56 months may not be appointed to another term as a member.

(g) Powers of Commission.—

(1) Hearings and sessions.—The Commission may, for the purpose of carrying out this title, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths to witnesses appearing before it.

(2) Obtaining information.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out its duties under this title. Upon request of

the Chairman, the head of that department or agency shall furnish that information to the Commission in a full and timely manner.

(3) Subpoena power.—(A) The Commission may issue a subpoena to require the attendance and testimony of witnesses and the production of evidence relating to any matter under investigation by the Commission.

(B) If a person refuses to obey an order or subpoena of the Commission that is issued in connection with a Commission proceeding, the Commission may apply to the United States district court in the judicial district in which the proceeding is held for an order requiring the person to comply with the subpoena or order.

(4) Immunity.—The Commission is an agency of the United States for purposes of part V of title 18, United States Code (relating to immunity of witnesses).

(5) Contract authority.—The Commission may contract with and compensate government and private agencies or persons for services without regard to section 3709 of the Revised Statutes (41 U.S.C. 5).

(h) Commission Procedures.—

(1) Meetings.—The Commission shall meet at the call of the Chairman.

(2) Quorum.—Seven members of the Commission shall constitute a quorum but a lesser number may hold hearings.

(i) Personnel Matters.—

(1) Compensation.—Members shall not be paid by reason of their service as members.

(2) Travel expenses.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(3) Director.—The Commission shall have a Director who shall be appointed by the Chairman. The Director shall be paid at a rate not to exceed the maximum rate of basic pay payable for GS–15 of the General Schedule.

(4) Staff.—The Director may appoint and fix the pay of additional personnel as the Director considers appropriate.

(5) Applicability of certain civil service laws.—The Director and staff of the Commission shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates.

(j) Other Administrative Matters.—

(1) Postal and printing services.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the United States.

(2) Administrative support services.—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its duties under this title.

(3) Experts and consultants.—The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(k) Sunset of Commission.—The Commission shall terminate on December 31, 2026, unless reauthorized by Congress.

SEC. 203. REVIEW OF EFFICIENCY AND NEED FOR FEDERAL AGENCIES.

(a) In General.—The Commission shall review the efficiency and public need for each agency in accordance with the criteria described in section 204.

(b) Recommendations; Report to Congress.—The Commission shall submit to Congress and the President not later than September 1 of each year a report containing—

(1) an analysis of the efficiency of operation and public need for each agency to be reviewed in the year in which the report is submitted pursuant to the schedule submitted to Congress under section 201;

(2) recommendations on whether each such agency should be abolished or reorganized;

(3) recommendations on whether the functions of any other agencies should be consolidated, transferred, or reorganized in an agency to be reviewed in the year in which the report is submitted pursuant to the schedule submitted to Congress under section 201; and

(4) recommendations for administrative and legislative action with respect to each such agency, but not including recommendations for appropriation levels.

(c) Draft Legislation.—The Commission shall submit to Congress and the President not later than September 1 of each year a draft of legislation to carry out the recommendations of the Commission under subsection (b).

(d) Information Gathering.—The Commission shall—

(1) conduct public hearings on the abolishment of each agency reviewed under subsection (b);

(2) provide an opportunity for public comment on the abolishment of each such agency;

(3) require the agency to provide information to the Commission as appropriate; and

(4) consult with the General Accounting Office, the Office of Management and Budget, the Comptroller General, and the chairman and ranking minority members of the committees of Congress with oversight responsibility for the agency being reviewed regarding the operation of the agency.

(e) Use of Program Inventory.—The Commission shall use the program inventory prepared under section 208 in reviewing the efficiency and public need for each agency under subsection (a).

SEC. 204. CRITERIA FOR REVIEW.

The Commission shall evaluate the efficiency and public need for each agency pursuant to section 203(a) using the following criteria:

(1) The effectiveness, and the efficiency of the operation of, the programs carried out by each such agency.

(2) Whether the programs carried out by the agency are cost-effective.

(3) Whether the agency has acted outside the scope of its original authority, and whether the original objectives of the agency have been achieved.

(4) Whether less restrictive or alternative methods exist to carry out the functions of the agency.

(5) The extent to which the jurisdiction of, and the programs administered by, the agency duplicate or conflict with the jurisdiction and programs of other agencies.

(6) The potential benefits of consolidating programs administered by the agency with similar or duplicative programs of other agencies, and the potential for consolidating such programs.

(7) The number and types of beneficiaries or persons served by programs carried out by the agency.

(8) The extent to which any trends, developments, and emerging conditions that are likely to affect the future nature and extent of the problems or needs that the programs carried out by the agency are intended to address.

(9) The extent to which the agency has complied with the provisions contained in the Government Performance and Results Act of 1993 (Public Law 103–62; 107 Stat. 285).

(10) The promptness and effectiveness with which the agency seeks public input and input from State and local governments on the efficiency and effectiveness of the performance of the functions of the agency.

(11) Whether the agency has worked to enact changes in the law that are intended to benefit the public as a whole rather than the specific business, institution, or individuals that the agency regulates.

(12) The extent to which the agency has encouraged participation by the public as a whole in making its rules and decisions rather than encouraging participation solely by those it regulates.

(13) The extent to which the public participation in rulemaking and decisionmaking of the agency has resulted in rules and decisions compatible with the objectives of the agency.

(14) The extent to which the agency complies with section 552 of title 5, United States Code (commonly known as the "Freedom of Information Act").

(15) The extent to which the agency complies with equal employment opportunity requirements regarding equal employment opportunity.

(16) The extent of the regulatory, privacy, and paperwork impacts of the programs carried out by the agency.

(17) The extent to which the agency has coordinated with State and local governments in performing the functions of the agency.

(18) The potential effects of abolishing the agency on State and local governments.

(19) The extent to which changes are necessary in the authorizing statutes of the agency in order that the functions of the agency can be performed in the most efficient and effective manner.

SEC. 205. COMMISSION OVERSIGHT.

(a) Monitoring of Implementation of Recommendations.—The Commission shall monitor implementation of laws enacting provisions that incorporate recommendations of the Commission with respect to abolishment or reorganization of agencies.

(b) Monitoring of Other Relevant Legislation.—

(1) In general.—The Commission shall review and report to Congress on all legislation introduced in either house of Congress that would establish—

(A) a new agency;

(B) a new program to be carried out by an existing agency.

(2) Report to congress.—The Commission shall include in each report submitted to Congress under paragraph (1) an analysis of whether—

(A) the functions of the proposed agency or program could be carried out by one or more existing agencies;

(B) the functions of the proposed agency or program could be carried out in a less restrictive manner than the manner proposed in the legislation; and

(C) the legislation provides for public input regarding the performance of functions by the proposed agency or program.

SEC. 206. RULEMAKING AUTHORITY.

The Commission may promulgate such rules as necessary to carry out this title.

SEC. 207. RELOCATION OF FEDERAL EMPLOYEES.

If the position of an employee of an agency is eliminated as a result of the abolishment of an agency in accordance with this title, there shall be a reasonable effort to relocate such employee to a position within another agency.

SEC. 208. PROGRAM INVENTORY.

(a) PREPARATION.—The Comptroller General and the Director of the Congressional Budget Office, in cooperation with the Director of the Congressional Research Service, shall prepare an inventory of Federal programs (in this title referred to as the "program inventory") within each agency.

(b) PURPOSE.—The purpose of the program inventory is to advise and assist the Congress and the Commission in carrying out the requirements of this title. Such inventory shall not in any way bind the committees of the Senate or the House of Representatives with respect to their responsibilities under this title and shall not infringe on the legislative and oversight responsibilities of such committees. The Comptroller General shall compile and maintain the inventory and the Director of the Congressional Budget Office shall provide budgetary information for inclusion in the inventory.

(c) INVENTORY CONTENT.—The program inventory shall set forth for each program each of the following matters:

(1) The specific provision or provisions of law authorizing the program.

(2) The committees of the Senate and the House of Representatives which have legislative or oversight jurisdiction over the program.

(3) A brief statement of the purpose or purposes to be achieved by the program.

(4) The committees which have jurisdiction over legislation providing new budget authority for the program, including the appropriate subcommittees of the Committees on Appropriations of the Senate and the House of Representatives.

(5) The agency and, if applicable, the subdivision thereof responsible for administering the program.

(6) The grants-in-aid, if any, provided by such program to State and local governments.

(7) The next reauthorization date for the program.

(8) A unique identification number which links the program and functional category structure.

(9) The year in which the program was originally established and, where applicable, the year in which the program expires.

(10) Where applicable, the year in which new budget authority for the program was last authorized and the year in which current authorizations of new budget authority expire.

(d) BUDGET AUTHORITY.—The report also shall set forth for each program whether the new budget authority provided for such programs is—

(1) authorized for a definite period of time;

(2) authorized in a specific dollar amount but without limit of time;

(3) authorized without limit of time or dollar amounts;

(4) not specifically authorized; or

(5) permanently provided,

as determined by the Director of the Congressional Budget Office.

(e) CBO INFORMATION.—For each program or group of programs, the program inventory also shall include information prepared by the Director of the Congressional Budget Office indicating each of the following matters:

(1) The amounts of new budget authority authorized and provided for the program for each of the preceding four fiscal years and, where applicable, the four succeeding fiscal years.

(2) The functional and subfunctional category in which the program is presently classified and was classified under the fiscal year 2001 budget.

(3) The identification code and title of the appropriation account in which budget authority is provided for the program.

(f) MUTUAL EXCHANGE OF INFORMATION.—The General Accounting Office, the Congressional Research Service, and the Congressional Budget Office shall permit the mutual exchange of available information in their possession which would aid in the compilation of the program inventory.

(g) ASSISTANCE BY EXECUTIVE BRANCH.—The Office of Management and Budget, and the Executive agencies and the subdivisions thereof shall, to the extent necessary and possible, provide the General Accounting Office with assistance requested by the Comptroller General in the compilation of the program inventory.

SEC. 209. DEFINITION OF AGENCY.

As used in this title, the term "agency" has the meaning given that term by section 105 of title 5, United States Code, except that such term includes an advisory committee as that term is defined in section 102(2) of the Federal Advisory Committee Act.

SEC. 210. OFFSET OF AMOUNTS APPROPRIATED.

Amounts appropriated to carry out this title shall be offset by a reduction in amounts appropriated to carry out programs of other Federal agencies.

The CHAIRMAN. Pursuant to House Resolution 692, the gentleman from Texas (Mr. BRADY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Texas (Mr. BRADY).

Mr. BRADY of Texas. Mr. Chairman, I yield myself such time as I may consume.

I rise today with my colleague the gentleman from Texas (Mr. TURNER) to offer the elimination of obsolete agencies and Federal sunset amendment.

President Reagan once said, The closest thing to immortality on this earth is a Federal program. President Carter said, "Too many Federal programs have been allowed to continue indefinitely without examining whether they are accomplishing what they were meant to do. The country's needs and priorities change, and we must assure that government programs change with them." That is why he supported a Federal sunset law.

Republicans and Democrats can agree together that our Federal Government is simply too wasteful. In a time of war and deficits, we need to make sure that every dollar counts.

A Federal sunset law is a proven and thoughtful way to balance obsolete Federal programs, eliminate duplication and hold every Federal agency accountable to taxpayers.

The sunset law creates a bipartisan, 12-member sunset commission, appointed half by the House and half by the Senate, half by Republicans and half by Democrats. It assigns an expiration date to every Federal agency and program. It requires them to justify their existence to taxpayers, not their value 50 years ago when they were created, but does it justify our precious tax dollars today.

The problem is that once a program is created Congress clones it again and again. The average Federal program duplicates five others. At last count, there were 64 separate welfare programs, over 100 different job training programs, and over 300 economic development programs stretched over 13 separate agencies. With our deficit so large, and Congress constantly scratching for resources to meet America's true priorities, can we afford this wasteful spending?

Best of all, under this Act, there are no sacred cows. Every agency is held equally accountable and must regularly prove to taxpayers that it deserves our precious tax dollars today. The days where Federal programs live to eternity whether they are needed or not will be over.

For the first time, we tell Federal programs to put up or shut up, produce or leave, and then Congress can invest those precious tax dollars in programs and people that succeed and not one dime for those that do not.

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Successful programs thrive under sunset, and this program works. More than over half the States in America have sunset acts. In Texas, where I served in the legislature, they have thoughtfully eliminated some 44 programs and saved State taxpayers over a billion dollars. Results vary from State to State; but with a strong commitment, this can work well in the Federal Government as well.

Savings alone are not the only benefit. It is amazing how responsive agencies become in the years prior to sunset. Treating taxpayers promptly, fairly, and with respect becomes a key to their survival, just like in business, and just the way government should always treat our taxpayers.

Legislatively, sunsetting often causes agencies to hew much closer to legislative intent because they know they face a regular thorough examination in future years.

The Federal sunset amendment has strong support across the political spectrum. My Democrat colleague, the gentleman from Texas (Mr. TURNER), who is at an important national security briefing as we speak, is a strong champion for this. We have support from everyone from Common Cause to American Conservative Union. We have broad support across the Members of Congress in this House. And in a recent national survey, over 77 percent of American taxpayers believe this would be helpful for cutting wasteful spending and spending our precious tax dollars where they belong.

This is a powerful tool. Let us set sunset on wasteful spending. We can do better.

Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. TURNER).

Mr. TURNER of Texas. Mr. Chairman, I thank the gentleman for yielding me this time.

This amendment, creating a sunset process, has been successful in many of our States. The gentleman from Texas (Mr. BRADY) and I have had personal experience with it in our State, where we have been able to eliminate unnecessary agencies. We have been able to streamline the activities of agencies.

I know that at the Federal level we all understand that it is very difficult job within our existing committee structures to really take a good, hard and complete look at the management and the functioning of our Federal agencies in the course of the appropriations process and the oversight responsibilities of our authorizing committees. So by creating a bipartisan commission of six Democrats and six Republicans, we do this with a long-term view to accomplish some goals that perhaps we are not as good at accomplishing in our usual process.

Mr. SPRATT. Mr. Chairman, I rise to claim the time in opposition, and I yield myself such time as I may consume.

Mr. Chairman, like a lot of Members, many of the provisions offered here are matters of first impression. I have not seen this bill before, so I would like to ask either of the cosponsors a question about a critical provision of the bill for their clarification.

It is my understanding that this amendment would require that after each commission completes its review of an agency every 12 years, that agency would be abolished automatically, would be extinguished unless, within a year, Congress reauthorized the agency. Is that correct? Am I reading it correctly?

Mr. BRADY of Texas. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Texas.

Mr. BRADY of Texas. Yes, the gentleman is correct.

Mr. SPRATT. You would have automatic abolition of an agency? It would simply sunset?

Mr. BRADY of Texas. Mr. Chairman, if the gentleman will continue to yield, in the States that have used that, yes, that is correct; but it has rarely happened. It has been the tool for Congress to come together on reviewing it. Yes, sir.

Mr. SPRATT. Mr. Chairman, reclaiming my time, I see the merit in having some sort of conscious, affirmative periodic review of the huge morass of agencies we have in the Federal Government; but I have some concern here that if a President disagreed with the Congress, you could have 289 Members of the House and 66 Members of the Senate who thought this agency should be reestablished, but the President could veto the bill that would reauthorize it; and, therefore, it would not come back into existence.

Mr. TURNER of Texas. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Texas.

Mr. TURNER of Texas. Mr. Chairman, I understand the gentleman's concern, but I can assure him that in practice this has worked very well in Texas. We have never had the occurrence that the gentleman describes.

In trying to alleviate some of the concerns that he has expressed, the gentleman from Texas and I put in this bill clear language that would say that the laws administered by these agencies do not sunset. There have been Members from time to time who have said, well, if an agency happened to sunset, then all the laws we passed that that agency administers would then go away and a lot of valuable programs disappear. We specifically have language here to ensure that the laws that administer various programs, and that are important to a lot of constituencies, do not disappear when the agency disappears.

Having said that, in practical terms, when a sunset commission makes a recommendation to the Congress, if the Congress failed to be able to come to grips with the recommendations of the commission, what happens in most States, and it has certainly happened on a couple of occasions in Texas, is that the legislature, and I would hope the Congress, would simply extend the agency as it is and set a new sunset date to allow the process of review of that agency to continue.

What we are trying to do here is create a bipartisan entity that has the credibility to make recommendations for change in operations of an agency, create new efficiencies, eliminate obsolete programs and obsolete offices, and to do it in a way that that commission and its recommendations have the same kind of weight that we all hope the 9/11 Commission will have, where once they have reported, there is some momentum behind what this bipartisan group has recommended to the Congress.

So I think in terms of our efforts in the years ahead, to try to figure out how to make government more efficient, to be sure that we are eliminating unnecessary spending, that this is a very powerful tool that we should take advantage of. And I think the concern that the gentleman from South Carolina expressed is not one that is likely to occur.

Mr. SPRATT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. BRADY).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. BRADY of Texas. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas (Mr. BRADY) will be postponed.

The point of no quorum is considered withdrawn.

It is now in order to consider amendment No. 2, printed in House Report 108-566.

AMENDMENT NO. 2 OFFERED BY MR. CHOCOLA

Mr. CHOCOLA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. CHOCOLA:

Page 2, after line 3, insert the following:

TITLE I—EXTENSION OF DISCRETIONARY SPENDING LIMITS AND PAY-AS-YOU-GO REQUIREMENTS

Redesignate sections 2 through 9 as sections 101 through 108, respectively; on page 5, lines 23 and 24, strike "paragraphs" and insert "paragraph"; on page 6, line 5, insert quotation marks after the period and strike line 6 and all that follows thereafter through page 7, line 12; on page 7, line 13, strike "(c)" and insert "(b)"; and on page 7, strike line 25 and insert the following: "covered by subsection (b) or (c) of section 316 of the Congressional Budget Act of 1974".

At the end, add the following new titles:

TITLE II—ONE-PAGE BUDGET RESOLUTIONS

SEC. 201. ONE-PAGE BUDGET RESOLUTIONS.

(a) CONTENT OF ANNUAL CONCURRENT RESOLUTIONS ON THE BUDGET.—Section 301(a)(4) of the Congressional Budget Act of 1974 is amended to read as follows:

"(4) subtotals of new budget authority and outlays for nondefense discretionary spending, defense discretionary spending, direct spending (excluding interest), interest, and emergencies (for the reserve fund in section 316(b) and for military operations in section 316(c));".

(b) ADDITIONAL MATTERS IN CONCURRENT RESOLUTION.—Section 301(b) of the Congressional Budget Act of 1974 is amended as follows:

(1) Strike paragraphs (2), (4), and (6) through (9).

(2) After paragraph (1), insert the following new paragraph:

"(2) require such other congressional procedures, relating to the budget, as may be appropriate to carry out the purposes of this Act;".

(3) At the end of paragraph (3), insert "and" and redesignate paragraph (5) as paragraph (4) and in such paragraph strike the semicolon and insert a period.

(c) REQUIRED CONTENTS OF REPORT.—Section 301(e)(2) of the Congressional Budget Act of 1974 is amended as follows:

(1) Redesignate subparagraphs (A), (B), (C), (D), (E), and (F) as subparagraphs (B), (C), (E), (F), and (G), respectively.

(2) Before subparagraph (B) (as redesignated), insert the following new subparagraph:

"(A) new budget authority and outlays for each major functional category, based on allocations of the total levels set forth pursuant to subsection (a)(1);".

(3) In subparagraph (C) (as redesignated), strike "mandatory" and insert "direct spending".

(d) ADDITIONAL CONTENTS OF REPORT.—Section 301(e)(3) of the Congressional Budget

Act of 1974 is amended by striking "and" at the end of subparagraph (D), by striking the period and inserting "; and" at the end of subparagraph (E), and by adding at the end the following new subparagraph:

"(F) reconciliation directives described in section 310.".

(e) President's Budget Submission to the Congress.—(1) The first two sentences of section 1105(a) of title 31, United States Code, are amended to read as follows:

"On or after the first Monday in January but not later than the first Monday in February of each year the President shall submit a budget of the United States Government for the following fiscal year which shall set forth the following levels:

"(A) totals of new budget authority and outlays;

"(B) total Federal revenues and the amount, if any, by which the aggregate level of Federal revenues should be increased or decreased by bills and resolutions to be reported by the appropriate committees;

"(C) the surplus or deficit in the budget;

"(D) subtotals of new budget authority and outlays for nondefense discretionary spending, defense discretionary spending, direct spending (excluding interest), interest, and emergencies (for the reserve fund in section 316(b) and for military operations in section 316(c)); and

"(E) the public debt.

Each budget submission shall include a budget message and summary and supporting information and, as a separately delineated statement, the levels required in the preceding sentence for at least each of the 4 ensuing fiscal years.".

(2) The third sentence of section 1105(a) of title 31, United States Code, is amended by inserting "submission" after "budget".

(f) Conforming Amendments to Section 310 Regarding Reconciliation Directives.—(1) Section 310(a) of such Act is amended by striking "A" and inserting "The joint explanatory statement accompanying the conference report on a".

(2) The first sentence of section 310(b) of such Act is amended by striking "If" and inserting "If the joint explanatory statement accompanying the conference report on".

(3) Section 310(c)(1) of such Act is amended by inserting "the joint explanatory statement accompanying the conference report on" after "pursuant to".

TITLE III—EMERGENCIES

SEC. 301. REPEAL OF ADJUSTMENTS FOR EMERGENCIES.

(a) Elimination of Emergency Designation.—Sections 251(b)(2)(A), 252(e), and 252(d)(4)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985 are repealed.

(b) Elimination of Adjustments.—Section 314(b) of the Congressional Budget Act of 1974 is amended by striking paragraph (1) and by redesignating paragraphs (2) through (5) as paragraphs (1) through (4), respectively.

(c) Conforming Amendment.—Clause 2 of rule XXI of the Rules of the House of Representatives is amended by repealing paragraph (e) and by redesignating paragraph (f) as paragraph (e).

SEC. 302. OMB EMERGENCY CRITERIA.

(a) Definition of Emergency.—Section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end the following new paragraph:

"(11)(A) The term 'emergency' means a situation that—

"(i) requires new budget authority and outlays (or new budget authority and the outlays flowing therefrom) for the prevention or mitigation of, or response to, loss of life or property, or a threat to national security; and

"(ii) is unanticipated.

"(B) As used in subparagraph (A), the term 'unanticipated' means that the situation is—

"(i) sudden, which means quickly coming into being or not building up over time;

"(ii) urgent, which means a pressing and compelling need requiring immediate action;

"(iii) unforeseen, which means not predicted or anticipated as an emerging need; and

"(iv) temporary, which means not of a permanent duration.".

(b) Conforming Amendment.—The term 'emergency' has the meaning given to such term in section 3 of the Congressional Budget and Impoundment Control Act of 1974.".

SEC. 303. DEVELOPMENT OF GUIDELINES FOR APPLICATION OF EMERGENCY DEFINITION.

Not later than 5 months after the date of enactment of this Act, the chairmen of the Committees on the Budget (in consultation with the President) shall, after consulting with the chairmen of the Committees on Appropriations and applicable authorizing committees of their respective Houses and the Directors of the Congressional Budget Office and the Office of Management and Budget, jointly publish in the Congressional Record guidelines for application of the definition of emergency set forth in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974.

SEC. 304. RESERVE FUND FOR EMERGENCIES IN PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code is amended by adding at the end the following new sentences: "Such budget submission shall also comply with the requirements of subsections (b) and (c) of section 316 of the Congressional Budget Act of 1974 and, in the case of any budget authority requested for an emergency, such submission shall include a detailed justification of why such emergency is an emergency within the meaning of section 3(11) of the Congressional Budget Act of 1974.".

SEC. 305. BUDGETING FOR EMERGENCIES.

(a) Emergencies.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

"EMERGENCIES

"Sec. 316. (a) Adjustments.—

"(1) In general.—After the reporting of a bill or joint resolution or the submission of a conference report thereon that provides budget authority for any emergency as identified pursuant to subsection (d) that is not covered by subsection (c)—

"(A) the chairman of the Committee on the Budget of the House of Representatives or the Senate shall determine and certify, pursuant to the guidelines referred to in section 303 of the Spending Control Act of 2004, the portion (if any) of the amount so specified that is for an emergency within the meaning of section 3(11); and

"(B) such chairman shall make the adjustment set forth in paragraph (2) for the amount of new budget authority (or outlays) in that measure and the outlays flowing from that budget authority.

"(2) Matters to be adjusted.—The adjustments referred to in paragraph (1) are to be made to the allocations made pursuant to the appropriate concurrent resolution on the budget pursuant to section 302(a) and shall be in an amount not to exceed the amount reserved for emergencies pursuant to the requirements of subsection (b).

"(b) Reserve Fund for Nonmilitary Emergencies.—The amount set forth in the reserve fund for emergencies for budget authority and outlays for a fiscal year pursuant to section 301(a)(4) shall equal—

"(1) the average of the enacted levels of budget authority for emergencies (other than those covered by subsection (c)) in the 5 fiscal years preceding the current year; and

"(2) the average of the levels of outlays for emergencies in the 5 fiscal years preceding the current year flowing from the budget authority referred to in paragraph (1), but only in the fiscal year for which such budget authority first becomes available for obligation.

"(c) Treatment of Emergencies To Fund Certain Military Operations.—Whenever the Committee on Appropriations reports any bill or joint resolution that provides budget authority for any emergency that is a threat to national security and the funding of which carries out a military operation authorized by a declaration of war or a joint resolution authorizing the use of military force (or economic assistance funding in furtherance of such operation) and the report accompanying that bill or joint resolution, pursuant to subsection (d), identifies any provision that increases outlays or provides budget authority (and the outlays flowing therefrom) for such emergency, the enactment of which would cause the total amount of budget authority or outlays provided for emergencies for the budget year in the joint resolution on the budget (pursuant to section 301(a)(4)) to be exceeded:

"(1) Such bill or joint resolution shall be referred to the Committee on the Budget of the House or the Senate, as the case may be, with instructions to report it without amendment, other than that specified in paragraph (2), within 5 legislative days of the day in which it is reported from the originating committee. If the Committee on the Budget of either House fails to report a bill or joint resolution referred to it under this subparagraph within such 5-day period, the committee shall be automatically discharged from further consideration of such bill or joint resolution and such bill or joint resolution shall be placed on the appropriate calendar.

"(2) An amendment to such a bill or joint resolution referred to in this subsection shall only consist of an exemption from section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 of all or any part of the provisions that provide budget authority (and the outlays flowing therefrom) for such emergency if the committee determines, pursuant to the guidelines referred to in section 303 of the Spending Control Act of 2004, that such budget authority is for an emergency within the meaning of section 3(11).

"(3) If such a bill or joint resolution is reported with an amendment specified in paragraph (2) by the Committee on the Budget of the House of Representatives or the Senate, then the budget authority and resulting outlays that are the subject of such amendment shall not be included in any determinations under section 302(f) or 311(a) for any bill, joint resolution, amendment, motion, or conference report.

"(d) Committee Notification of Emergency Legislation.—Whenever the Committee on Appropriations or any other committee of either House (including a committee of conference) reports any bill or joint resolution that provides budget authority for any emergency, the report accompanying that bill or joint resolution (or the joint explanatory statement of managers in the case of a conference report on any such bill or joint resolution) shall identify all provisions that provide budget authority and the outlays flowing therefrom for such emergency and include a statement of the reasons why such budget authority meets the definition of an emergency pursuant to the guidelines referred to in section 303 of the Spending Control Act of 2004.''.

(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 315 the following new item:

``Sec. 316. Emergencies.''.

SEC. 306. APPLICATION OF SECTION 306 TO EMERGENCIES IN EXCESS OF AMOUNTS IN RESERVE FUND.

Section 306 of the Congressional Budget Act of 1974 is amended by inserting at the end the following new sentence: ``No amendment reported by the Committee on the Budget (or from the consideration of which such committee has been discharged) pursuant to section 316(c) may be amended.''.

SEC. 307. UP-TO-DATE TABULATIONS.

Section 308(b)(2) of the Congressional Budget Act of 1974 is amended by striking ``and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ``; and'', and by adding at the end the following new subparagraph:

``(D) shall include an up-to-date tabulation of amounts remaining in the reserve fund for emergencies.''.

The CHAIRMAN. Pursuant to House Resolution 692, the gentleman from Indiana (Mr. CHOCOLA) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Indiana (Mr. CHOCOLA).

Mr. CHOCOLA. Mr. Chairman, I yield myself 2½ minutes.

The amendment I have offered is very straightforward. It is about simplicity, and it is about honesty in the budget process, which does not exist today.

It is about simplicity because it replaces 20 budget functions that we currently have in our annual budget process with five. Those five would include mandatory spending, defense and nondefense discretionary spending, interest, and emergency spending, or a rainy day fund.

By simplifying the process in this way, we make the budget process much easier; and we expedite it by focusing on overall spending, rather than focusing on 20 different so-called spending priorities. We spend too much time, frankly, debating and amending these spending priorities, when in the end they are not binding and they are ultimately, on too many occasions, ignored in the appropriations process.

My amendment is about honesty because it budgets money that we know we are going to spend. Every year we spend money on emergencies that are not budgeted. My amendment changes this practice by creating a rainy day fund that is based on the rolling 5-year average of actual money we spend on emergencies. By doing that, we will expedite the delivery of needed funds in the event of a true emergency, and we will provide a clearer definition of what an emergency is to deter characterizing routine spending and spending money in and above the budgeted and appropriated levels.

So, Mr. Chairman, this amendment would bring more clarity to the process; it would bring more simplification and bring more honesty. I encourage all of my colleagues to support this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. SPRATT. Mr. Chairman, I claim the time in opposition.

Mr. Chairman, this amendment, if adopted, would reduce the budget process to one page. And while the budget process has its flaws and has not worked well, it has certain advantages to it. First of all, it gives the House one of the few opportunities we have to make a judgment among competing priorities: how much money we will spend for education, versus how much money we will spend for housing, versus how much we will spend for defense.

Secondly, it gives us some kind of central mechanism where everybody can make a decision about whether or not we want to increase taxes and decrease taxes, and expedite the process for doing so by way of reconciliation. Or we may feel it is necessary that we reduce entitlement spending.

The committees of jurisdiction of those particular programs do not normally cotton to the idea of taking a cut out of the entitlement which falls under their jurisdiction. Once again, the reconciliation process in the budget helps us accomplish those ends.

And then, finally, one of the problems that I have, and I have served here 20 years, and I think many other Members would confess they have it too, is that everything we do is so broken up into so many different parcels and pieces that it is hard to get a picture of the whole. The budget resolution at least gives us a picture of the whole. It helps us keep a tab on spending, and it also allows us to know whether or not aggregate spending estimates and aggregate revenue estimates are accurate.

If you reduce spending to one total for discretionary spending, for example, you can claim that spending can be shrunk. But unless you have 20 different functions to show how that shrinkage will take place, how those reductions would be achieved and affected, then nobody can judge whether or not, or will not be able to judge as well whether or not, that spending reduction, which you are claiming is reasonable and pragmatic and achievable, is indeed that.

If you have to break it up into 20 different functions, it is one way the House gets together early in a session, expresses its priorities about those different functions; but it is also a way that we can tell whether or not that is realistic. On the other hand, if individual functions, whether it is defense or housing or health care or whatever, are understated well before this year's level, we may say that is not politically realistic, or that is not something I would like to see us do. And the budget resolution gives us an opportunity to vote on that as a House, one of the rare opportunities we get to express ourselves collectively.

That is why I would strenuously oppose the notion of reducing the budget process to this summary kind of process.

Mr. Chairman, I reserve the balance of my time.

Mr. CHOCOLA. Mr. Chairman, it is my pleasure to yield 1 minute to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in support of this amendment.

I am not sure how it benefits this House to vote on categories that have no enforcement ability whatsoever. When we have 13 appropriation bills and 20 budget functions that never meet, we are losing sight of another very important function that this budget ought to serve, and that is the function of protecting the family budget from the Federal budget.

Spending is out of control. It is a very important debate between relative expenditures within the Federal budget, but we also have to focus on how much money are we going to take away from the American family; how are we going to impact their dreams and their ability to realize their housing programs, their education programs, their child care programs.

We need to focus on what is enforceable, and we need to focus on protecting the family budget from the Federal budget. And if we believe in limited government, we will support this amendment.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume to simply say again, how do we know if the spending amounts that are provided for in the budget resolution in the aggregate are reasonable or attainable unless you break it down into their component parts and can see what is provided for defense and nondefense programs from entitlements and for discretionary programs alike?

This is not a good idea. It is a bad idea. It decimates the budget process, and I hope the House will reject it.

Mr. Chairman, I reserve the balance of my time.

Mr. CHOCOLA. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. RYAN).

□ 1730

Mr. RYAN of Wisconsin. Mr. Chairman, I just want to comment on a couple other aspects of this amendment that I think are very important. This amendment really dovetails well with another amendment that is coming, which is breaking it into five simple categories so that we do not have these stalemates we have every year in Congress between the other Chamber and the White House. What we want to do is make the budget amendment easier to achieve in the beginning of the process. Also what this does is it has emergency spending protection so that we save for emergencies ahead of time, so that we have a rainy day fund to prepare for these kinds of emergencies.

We also clean up the definition of emergencies in this amendment. Far too often in this body, we designate things that really do not pass the smell test as to what are emergencies. We want to have real emergencies being funded under the emergency spending reserve fund, not nonemergencies. That is why we think we need to clean up that rule that allows Congress to designate things like a summit house on top of Pikes Peak an emergency.

So this bill makes it easier to get a budget agreement, cleans up our emergency spending designation and helps us set money aside so we can prepare for these inevitable emergencies that occur every year Congress spends this money.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would simply say if the object of what we are doing tonight is to try to put some starch into the budget process, put some structure into it so we can get our hands around spending, get our hands around revenues, this is the opposite direction we should go.

Mr. CHOCOLA. Mr. Chairman, may I inquire how much time is remaining?

The CHAIRMAN. The gentleman from Indiana (Mr. CHOCOLA) has 1½ minutes remaining. The gentleman from South Carolina (Mr. SPRATT) has 1 minute and the right to close.

Mr. CHOCOLA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just conclude by saying as I started out that this amendment is straightforward, and it is about simplicity and honesty. I think we owe the American people a simplified budget that they can understand, and by reducing the number of budget functions from 20 to 5, I think we are accomplishing that goal.

The 20 budget functions that we have already, as has been pointed out, are unenforceable and too often ignored in the budget appropriations process, and we are simply budgeting money that we know we are going to spend. Every single year we spend Federal money for emergencies that we spend above the budget and appropriated levels. So we are being honest with the American people, which I think they deserve.

So I encourage my colleagues to support this amendment, because it is based on simplicity and honesty. It is exactly what we should be doing here every day, exactly what the American taxpayers and the American citizens deserve.

Mr. Chairman, I yield back the balance of my time.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, once again, if we want to make the budget process opaque, more opaque, less transparent, then this will be the way to do it, but if you think we need more visibility, the House should assert more control, then we should have the kind of numbers we need to make honest judgments about the budget. We should stick at least with the process we have got. It is flawed, but this would be a travesty. This would destroy the budget process as it has existed since 1974.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. CHOCOLA).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. CHOCOLA. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Indiana (Mr. CHOCOLA) will be postponed.

AMENDMENT NO. 3 OFFERED BY MR. CASTLE

Mr. CASTLE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. CASTLE:

At the end, add the following new section:

SEC. . ESTABLISHMENT OF MACROECONOMIC CONGRESSIONAL BUDGETS.

(a) MACROECONOMIC CATEGORIES.—Section 301(a) of the Congressional Budget Act of 1974 (2 U.S.C. 632(a)) is amended by striking paragraph (4) and by redesignating paragraphs (5) through (7) as paragraphs (4) through (6), respectively.

(b) ADDITIONAL MATTERS.—Section 301(b) of the Congressional Budget Act of 1974 (2 U.S.C. 632(b)) is amended by striking "and" at the end of paragraph (8), by striking the period and inserting "; and" at the end of paragraph (9), and by adding at the end the following new paragraph:

"(10) set forth appropriate levels for each fiscal year covered by such concurrent resolution for new budget authority and outlays for each major functional category established by the Committees on the Budget (after consultation with each other), based on allocations of the total levels set forth pursuant to subsection (a)(1).".

The CHAIRMAN. Pursuant to House Resolution 692, the gentleman from Delaware (Mr. CASTLE) and the gentleman from South Carolina (Mr. SPRATT) each will control 5 minutes.

The Chair recognizes the gentleman from Delaware (Mr. CASTLE).

Mr. CASTLE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment is somewhat different but somewhat similar to the amendment we just had before us, which I would also support, but the challenge of passing a budget resolution, as we have seen particularly in recent years, and subsequent appropriation bills in a timely manner has proven to be an extraordinarily difficult series of tasks.

In my opinion, this is, in large part, due to the fact that there are 20 budget functions, 17 for broad areas of national need and 3 to ensure full coverage of the budget. This structure, therefore, forces us to engage in duplicitous debates over spending priorities.

The gentleman from Washington (Mr. HASTINGS) and I believe that by eliminating the requirement of the budget functions, that we will provide the Committee on the Budget increased flexibility in moving the process forward each year.

Specifically under this amendment, the Committee on the Budget will be given the opportunity to eliminate or restructure the budget functions. By granting the Committee on the Budget this ability, we will be giving them the ability to structure a budget in the most fair and efficient manner.

Let me give my colleagues an example of how this may happen. Under this amendment, the committee would have the freedom to see a macro budget consisting of four aggregate numbers as opposed to the current 20 budget functions. These aggregate numbers include total revenues, total budget authority and outlays, the surplus or deficit and the resultant debt.

A macro budget may also include the amount by which revenues would be lowered. Under a macro budget the resulting resolution would also contain reconciliation instruction to expedite action, primarily by the Senate, as well as separate titles to reconciliation instructions, enforcement procedures and possible reserve accounts, thus preserving the importance of the budget resolution and helping guide Congress.

The ability to use a macro budget empowers the committee to operate as they were originally intended, to provide the blueprint for the year's budget and to allow the appropriators to work out the details.

Our focus should be on the larger macroeconomic impact of budget policies rather than a summation of proposed spending, and I happen to believe that the current functional categories have really become dysfunctional mechanisms for setting our priorities as a Nation.

While I do not claim to have the perfect solution to fit our budget process into our fiscal timetable, I do, however, believe that minimizing duplication of issue deliberations could significantly accelerate the budget and appropriations process. As we all know, one of the main holdups of the budget process is having the same debates on the same issues twice. I believe the details of spending within the set guidelines should fall to the appropriators. When the Committee on the Budget was formed in the 1970s, the intent was to look at the large blueprint. By eliminating the requirement of budget functions we allow the Committee on the Budget to set the broad parameters.

The Hastings-Castle amendment provides the Budget Committees with the discretion to include whatever functional categories, if any, that they deem appropriate. I encourage my colleagues to support this amendment as it will prevent us from constraining the economy by being beholden to the antiquated procedures that we have had over the past three decades.

Mr. Chairman, I reserve the balance of my time.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

I wish there were some procedure in the House where we could give a hand signal or maybe use a code word and incorporate by reference all of our comments previously made on the same subject. I have to repeat myself because this amendment is, to some extent, the same as the amendment previously offered. This amendment would eliminate the requirement that the annual budget resolution include 20 budget functions. Once again, this is one of the opportunities we have as a House collectively, all of us, to have a debate in-depth about our priorities, whether we want to spend more for education or whether we need to spend more for defense or highways, priorities that are big functions of our budget. It takes away that opportunity. It also takes away our perception into the budget to see whether or not it is adequate to provide for the many things we want to do.

Secondly, as I have said, there are a lot of centrifugal forces in this House. There is a lot of fragmentation of what we do. It is very hard in this House and in the Congress to keep a picture of the whole, of what is happening altogether. The budget resolution gives us the ability to keep the puzzle kind of together, so we can get a perception into what is happening altogether. This particular budget resolution would not even require that discretionary spending allocations be split between defense and nondefense.

It would simply call for a total of all new budget authority and outlays. So the House would forgo the opportunity to say we want to do more for defense while we are going to do less for nondefense in order to pay for the additional commitment to defense. It calls for an aggregate statement of revenues, but nothing with respect to the House's expression to the Committee on Ways and Means as to what those revenues might be, no reconciliation instructions, so a key function of the Committee on the Budget, a key means of exerting discipline and control in the institution, would be lost, and then a simple statement of the surplus or deficit.

To me this is letting the reins go, giving up what little control and structure we have got, what little ability we have got to keep a picture of the whole composed at all times. I think it is a bad idea.

If we want to do away with the budget resolution, let us just repeal it altogether because what this leaves in place is practically useless.

Mr. Chairman, I reserve the balance of my time.

Mr. CASTLE. Mr. Chairman, I yield myself such time as I may consume. I disagree with the distinguished gentleman from South Carolina on the basis of what I have seen here in the years that I have been here. I have a great deal of faith in the Committee on the Budget. I have a great deal of faith in the gentleman as the ranking member and the chairman, but I have seen this process literally almost collapse in recent years. My judgment is that the transparency that the gentleman requests is not there and that the reality is that the Committee on the Budget's responsibility is to do something which we have not been doing which is to make sure that we are managing within the dollars that we have and setting parameters around those particular dollars but should not carry over to the functions of how the individual amounts of money are going to be spent. In addition, we do not necessarily match up the appropriations with the various designations in the budget resolution which we have.

It is my sense we need to break that impasse in some way or another so that we have some sense of the dollars we are spending in the House and the Senate and be working together in order to advance as far as the future is concerned.

I reiterate what I have already stated, and, that is, that I think we need to start moving in that direction. But I would also point out to the gentleman, and I think this is important, that this amendment does not disallow doing as much as the Committee on the Budget wishes to do. They could still do what they have done before. It just will be a simplification methodology which could be used in case you cannot come to agreement on that or for whatever reason we are not able to get the budget resolution passed and it has to be simplified. That is what it is all about, trying to give more power to the Committee on the Budget to make sure we do have a budget in place that we have all voted on, shaken hands on and that we all are going to live under. I am trying to give flexibility to it, not a limited solution to the problem of not being able to get a budget done.

Mr. Chairman, I reserve the balance of my time.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

I am just suggesting to my good friend and someone for whom I have great respect that he gives so much flexibility to it that it is limp when we get through with it. There is nothing left. It is a process without any teeth, without any structure, without any starch to it. It is almost meaningless. It is the last rites for the budget process. If we are going to do this we may as well just not do it at all.

A couple of speakers have noted that the functions that we designate in the budget resolution do not correspond to the 302(b) allocation made by the members of the Committee on Appropriations. That is true. That is an old, old compromise. If we dared back away from that compromise, the gentleman from Florida (Mr. YOUNG) would be on his feet, I am sure, protesting vigorously that usurpation of their authority on the Committee on Appropriations. But it is an opportunity.

When the Committee on the Budget and one party or the other party wants to propose new initiatives in certain areas, it might be education, it might be NIH in health care, it might be defense, it gives us an opportunity to make that proposal, to show what the consequences are for the bottom line and for trade-offs against other programmatic areas and then allows us to have a debate on that subject on the House floor.

These aggregate numbers do not signify anything. They do not really tell you what is going to be cut and what is going to be increased, and that is the problem I have. We do not get the process started with that sort of message and direction that the budget resolution now gives to the process and the opportunity it gives to the House as a whole to make a statement of priorities and have something of a debate on programmatic priorities for the next 1 to 5 fiscal years.

Mr. Chairman, I reserve the balance of my time.

Mr. CASTLE. Mr. Chairman, I yield myself the balance of my time.

It does encompass total revenues, total budget authority and outlays, the surplus or deficit and the resultant debt. To me that is what the Committee on the Budget should be doing, not necessarily setting the priorities in the 20 different areas which is done now, although that could still happen. That is why I think that we should adopt this amendment.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

This would be making a distinction between defense and nondefense spending. This gives you one big aggregate for all discretionary spending. That is how far back it takes us and how little definition it leaves to what we end up doing. We come up with three or four big numbers and that is the end of the budget. The gentleman is suggesting we could do something much more elaborate, but this would be the only statutory prerogative we would have which would mean that pretty soon we would probably not be doing any function allocations at all. It would not have any statutory basis. I am not saying they get great deference from the Committee on Appropriations today, but once we reduce the budget process to this, I doubt the Committee on the Budget would get any deference from the appropriators.

Mr. CASTLE. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Delaware.

Mr. CASTLE. On that particular subject, there may be times when we do need to put more money into discretionary spending. We may be in one of those times now in terms of the war in Iraq. There may be other emergency things that we have to deal with. For that reason, I believe that flexibility should be in the Committee on Appropriations.

Mr. HASTINGS of Washington. Mr. Chairman, this amendment would remove the requirement that 20 functional categories be included in the annual budget resolution, and grant the Budget Committee the discretion to include such categories, if any, as they deem appropriate.

With this change to the 30-year old Congressional Budget Act, we can properly return debate to the "big picture," macroeconomic budget issues that were intended to be the focus of the budget resolution when the act was passed in 1974.

Annual budget debates have been bogged down in recent years by often bitter disputes over funding for scores of Federal programs within these 20 budget functions. This has become an enormous distraction for lawmakers on both sides of the aisle and harmed the process of making rational decisions about overall Federal fiscal policy.

The 20 functional categories are intended to illustrate how the Federal spending could be allocated under the budget resolution. However, the functions do not direct how much money is eventually spent for programs covered by each specific function. Function totals also do not specifically mandate how the Appropriations Committee makes allocations to its 13 subcommittees.

Yet, despite the reality that these functions have no real power over actual spending decisions, every year tremendous time, energy and resources are dedicated to influencing the levels of particular functions.

Interest groups mobilize and massive lobbying efforts are undertaken to try and affect often very slight changes in functions' totals and in budget report language. Yet, at the end of the day, these efforts do not effect the spending and taxing decisions the Congress will make later in the year.

This is a severe distraction from critically important budget questions that deserve attention and clear debate.

In the midst of the debate over how much to spend on this program, or that program or in this function or that function—what can get lost are the most fundamental matters of what the budget is going to look like:

How much is the government going to spend next year?

How much is going to be collected in taxes?

Will the government's budget be in balance? Or will there be a surplus or deficit?

How do all of these affect the public debt?

I believe we must clear away the distractions that have overtaken the budget process. The first step in the annual budget process in Congress should be discussion and reaching agreement on overall spending, tax and debt levels in a budget resolution. We must be a real handle on the federal budget and the macroeconomic factors that the budget resolution is designed to guide and over which it actually has control.

Decisions on spending on individual programs do not need to be debated twice—once during consideration of the budget resolution and again during open debate on Appropriations bills.

As the fiscal challenges that our Nation will face with the effects of a retiring Baby Boom generation, it is more important than ever to focus our budget decisions in a manner that best directs attention to the critical choices we face today and the effects they will have on our children and the country's future.

I urge all of my colleagues to support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Delaware (Mr. CASTLE).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. SPRATT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Delaware (Mr. CASTLE) will be postponed.

It is now in order to consider amendment No. 4 printed in House Report 108–566.

AMENDMENT NO. 4 OFFERED BY MR. HENSARLING

Mr. HENSARLING. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. HENSARLING:

Page 2, after line 3, insert the following:

TITLE I—EXTENSION OF DISCRETIONARY SPENDING LIMITS AND PAY-AS-YOU-GO REQUIREMENTS

Redesignate sections 2 through 9 as sections 101 through 108, respectively, and, at the end, add the following new titles:

TITLE II—SPENDING CAPS ON GROWTH OF ENTITLEMENTS AND MANDATORIES

SEC. 201. SPENDING CAPS ON GROWTH OF ENTITLEMENTS AND MANDATORIES.

(a) CONTROL OF ENTITLEMENTS AND MANDATORIES.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding after section 252 the following new section:

“SEC. 252A. ENFORCING CONTROLS ON DIRECT SPENDING.

“(a) CAP ON GROWTH OF ENTITLEMENTS.—Effective for fiscal year 2005 and for each ensuing fiscal year, the total level of direct spending for all direct spending programs, projects, and activities (excluding social security) for any such fiscal year shall not exceed the total level of spending for all such programs, projects, and activities for the previous fiscal year after the direct spending for each such program, project, or activity is increased by the higher of the change in the Consumer Price Index for All Urban Consumers or the inflator (if any) applicable to that program, project, or activity and the growth in eligible population for such, project, or activity.

“(b) SEQUESTRATION.—Within 15 days after Congress adjourns to end a session (other than of the second session of the One Hundred Eighth Congress), and on the same day as a sequestration (if any) under section 251, there shall be a sequestration to reduce the amount of direct spending for the fiscal year beginning in the year the Congress adjourns by any amount necessary to reduce such spending to the level set forth in subsection (a) unless that amount is less than $250,000,000.

“(c) UNIFORM REDUCTIONS; LIMITATIONS.—The amount required to be sequestered for the fiscal year under subsection (a) shall be obtained from nonexempt direct spending accounts by actions taken in the following order:

“(1) FIRST.—The reductions in the programs specified in section 256(a) (National Wool Act and special milk), section 256(b) (student loans), and section 256(c) (foster care and adoption assistance) shall be made.

“(2) SECOND.—Any additional reductions that may be required shall be achieved by reducing each remaining nonexempt direct spending account by the uniform percentage necessary to achieve those additional reductions, except that—

“(A) the low-income programs specified in section 256(d) shall not be reduced by more than 2 percent;

“(B) the retirement and veterans benefits specified in sections 256(f), (g), and (h) shall not be reduced by more than 2 percent in the manner specified in that section; and

“(C) the medicare programs shall not be reduced by more than 2 percent in the manner specified in section 256(i).

The limitations set forth in subparagraphs (A), (B), and (C) shall be applied iteratively, and after each iteration the uniform percentage applicable to all other programs under this paragraph shall be increased (if necessary) to a level sufficient to achieve the reductions required by this paragraph.

“(d) EXCLUSION OF MEDICARE PRESCRIPTION DRUG PROGRAM UNTIL FULLY OPERATIONAL.—For purposes of this section with respect to the limitation under subsection (a) for a fiscal year before fiscal year 2008, direct spending programs and direct spending shall not be construed to include part D of title XVIII of the Social Security Act (or spending under part C of such title that is attributable to such part D).”.

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents set forth in 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding after the item relating to section 252 the following new item:

“Sec. 252A. Enforcing controls on direct spending.”.

SEC. 202. EXEMPT PROGRAMS AND ACTIVITIES.

Section 255 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

“SEC. 255. EXEMPT PROGRAMS AND ACTIVITIES.

“(a) SOCIAL SECURITY BENEFITS; TIER I RAILROAD RETIREMENT BENEFITS; AND CERTAIN MEDICARE BENEFITS.—(1) Benefits payable under the old-age, survivors, and disability insurance program established under title II of the Social Security Act, and benefits payable under section 3(a), 3(f)(3), 4(a), or 4(f) of the Railroad Retirement Act of 1974, shall be exempt from reduction under any order issued under this part.

“(2) Payments made under part A of title XVIII (relating to part A medicare hospital insurance benefits) of the Social Security Act and payments made under part C of such title (relating to the Medicare Advantage program) insofar as they are attributable to part A of such title shall be exempt from reduction under any order issued under this part.

“(b) DESCRIPTIONS AND LISTS.—The following budget accounts or activities shall be exempt from sequestration:

“(1) net interest;

“(2) all payments to trust funds from excise taxes or other receipts or collections properly creditable to those trust funds;

“(3) all payments from one Federal direct spending budget account to another Federal budget account; and all intragovernmental funds including those from which funding is derived primarily from other Government accounts, except to the extent that such funds are augmented by direct appropriations for the fiscal year for which the order is in effect;

“(4) activities resulting from private donations, bequests, or voluntary contributions to the Government;

“(5) payments from any revolving fund or trust-revolving fund (or similar activity) that provides deposit insurance or other Government insurance, Government guarantees, or any other form of contingent liability, to the extent those payments result from contractual or other legally binding commitments of the Government at the time of any sequestration;

“(6) credit liquidating and financing accounts;

“(7) the following accounts, which largely fulfill requirements of the Constitution or otherwise make payments to which the Government is committed:

“Administration of Territories, Northern Mariana Islands Covenant grants (14–0412–0–1–806);

“Armed Forces Retirement Home Trust Fund, payment of claims (84–8930–0–7–705);

“Bureau of Indian Affairs, miscellaneous payments to Indians (14–230–0–1–452);

“Bureau of Indian Affairs, miscellaneous trust funds, tribal trust funds (14–9973–0–7–999);

“Claims, defense;

“Claims, judgments, and relief act (20–185–0–1–806);

“Compact of Free Association, economic assistance pursuant to Public Law 99 (14–0414–0–1–806);

“Compensation of the President (11–0001–0–1–802);

“Customs Service, miscellaneous permanent appropriations (20–9992–0–2–852);

“Eastern Indian land claims settlement fund (14–2202–0–1–806);

“Farm Credit Administration, Limitation on Administration Expenses (78–4131–0–3–351);

“Farm Credit System Financial Assistance Corporation, interest payments (20–1850–0–1–351);

“Internal Revenue collections of Puerto Rico (20–5737–0–2–852);

“Panama Canal Commission, operating expenses and capital outlay (95–5190–0–2–403);

“Payments of Vietnam and USS Pueblo prisoner-of-war claims (15–0104–0–1–153);

“Payments to copyright owners (03–5175–0–2–376);

“Payments to health care trust funds (75–0580–0–1–571);

“Payments to social security trust funds (75–0404–0–1–651);

“Payments to the United States territories, fiscal assistance (14–0418–0–1–801);

“Payments to widows and heirs of deceased Members of Congress (00–0215–0–1–801);

“Pension Benefit Guaranty Corporation Fund (16–4204–0–3–601);

“Salaries of Article III judges;

“Washington Metropolitan Area Transit Authority, interest payments (46–0300–0–1–401);

“(8) the following noncredit special, revolving, or trust-revolving funds:

“Coinage profit fund (20–5811–0–2–803);

“Comptroller of the Currency;

“Director of the Office of Thrift Supervision;

“Exchange Stabilization Fund (20–4444–0–3–155);

“Federal Housing Finance Board;

“Foreign Military Sales trust fund (11–82232–0–7–155);

“National Credit Union Administration, central liquidating facility (25–4470–0–3–373);

“National Credit Union Administration, credit union insurance fund (25–4468–0–3–373);

“National Credit Union Administration operating fund (25–4056–0–3–373); and

“Resolution Trust Corporation Revolving Fund (22–4055–0–3–373);

“(9) Thrift Savings Fund;

“(10) appropriations for the District of Columbia to the extent they are appropriations of locally raised funds;

“(11)(A) any amount paid as regular unemployment compensation by a State from its account in the Unemployment Trust Fund (established by section 904(a) of the Social Security Act);

“(B) any advance made to a State from the Federal unemployment account (established by section 904(g) of such Act) under title XII of such Act and any advance appropriated to the Federal unemployment account pursuant to section 1203 of such Act; and

“(C) any payment made from the Federal Employees Compensation Account (as established under section 909 of such Act) for the purpose of carrying out chapter 85 of title 5, United States Code, and funds appropriated or transferred to or otherwise deposited in such Account; and

“(12)(A) FDIC, Bank Insurance Fund (51–4064–0–3–373);

“(B) FDIC, FSLIC Resolution Fund (51–4065–0–3–373); and

“(C) FDIC, Savings Association Insurance Fund (51–4066–0–3–373);

“(c) FEDERAL RETIREMENT AND DISABILITY ACCOUNTS.—The following Federal retirement and disability accounts shall be exempt from reduction under any order issued under this part:

“Civil service retirement and disability fund (24–8135–0–7–602).

“Black Lung Disability Trust Fund (20–8144–0–7–601).

“Foreign Service Retirement and Disability Fund (19–8186–0–7–602).

“District of Columbia Judicial Retirement and Survivors Annuity Fund (20–8212–0–7–602).

“Judicial Survivors' Annuities Fund (10–8110–0–7–602).

“Payments to the Railroad Retirement Accounts (60–0113–0–1–601).

“Tax Court Judges Survivors Annuity Fund (23–8115–0–7–602).

“Employees Life Insurance Fund (24–8424–0–8–602).

“(d) FEDERAL ADMINISTRATIVE EXPENSES.—

“(1) Notwithstanding any provision of law other than paragraph (3), administrative expenses incurred by the departments and agencies, including independent agencies, of the Government in connection with any program, project, activity, or account shall be subject to reduction pursuant to any sequestration order, without regard to any exemption, exception, limitation, or special rule otherwise applicable with respect to such program, project, activity, or account, and regardless of whether the program, project, activity, or account is self-supporting and does not receive appropriations.

“(2) Payments made by the Government to reimburse or match administrative costs incurred by a State or political subdivision under or in connection with any program, project, activity, or account shall not be considered administrative expenses of the Government for purposes of this section, and shall be subject to sequestration to the extent (and only to the extent) that other payments made by the Government under or in connection with that program, project, activity, or account are subject to that reduction or sequestration; except that Federal payments made to a State as reimbursement of administrative costs incurred by that State under or in connection with the unemployment compensation programs specified in subsection (a)(11) shall be subject to reduction or sequestration under this part notwithstanding the exemption otherwise granted to such programs under that subsection.

“(3) Notwithstanding any other provision of law, the administrative expenses of the following programs shall be exempt from sequestration:

“(A) Comptroller of the Currency.

“(B) Federal Deposit Insurance Corporation.

“(C) Office of Thrift Supervision.

“(D) National Credit Union Administration.

“(E) National Credit Union Administration, central liquidity facility.

“(F) Federal Retirement Thrift Investment Board.

“(G) Resolution Funding Corporation.

“(H) Resolution Trust Corporation.

“(I) Board of Governors of the Federal Reserve System.

“(e) VETERANS' PROGRAMS.—The following programs shall be exempt from reduction under any order issued under this part:

“General Post Funds (36–8180–0–7–705).

“Veterans Insurance and Indemnities (36–0120–0–1–701).

“Service-Disabled Veterans Insurance Funds (36–4012–0–3–701).

“Veterans Reopened Insurance Fund (36–4010–0–3–701).

“Servicemembers' Group Life Insurance Fund (36–4009–0–3–701).

“Post-Vietnam Era Veterans Education Account (36–8133–0–7–702).

“National Service Life Insurance Fund (36–8132–0–7–701).

“United States Government Life Insurance Fund (36–8150–0–7–701).

“Veterans Special Life Insurance Fund (36–8455–0–8–701).

“(f) OPTIONAL EXEMPTION OF DEFENSE AND HOMELAND SECURITY ACCOUNTS.—

“(1) IN GENERAL.—The President may, with respect to any defense or homeland security account, exempt that account from sequestration or provide for a lower uniform percentage reduction than would otherwise apply.

“(2) LIMITATION.—The President may not use the authority provided by paragraph (1) unless the President notifies the Congress of the manner in which such authority will be exercised on or before the date specified in section 254(a) for the budget year.”.

SEC. 203. EXCEPTIONS, LIMITATIONS, AND SPECIAL RULES.

(a) IN GENERAL.—Section 256 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

“SEC. 256. EXCEPTIONS, LIMITATIONS, AND SPECIAL RULES.

“(a) NATIONAL WOOL ACT AND THE SPECIAL MILK PROGRAM.—Automatic spending increases are increases in outlays due to changes in indexes in the following programs:

“(1) National Wool Act; and

“(2) Special milk program.

In those programs all amounts other than the automatic spending increases shall be exempt from reduction under any sequestration order.

“(b) STUDENT LOANS.—For all student loans under part B or D of title IV of the Higher Education Act of 1965 made during the period when a sequestration order under section 254 is in effect as required by section 252 or 253, origination fees under sections 438(c)(2) and 455(c) of that Act shall each be increased by 0.50 percentage point.

“(c) FOSTER CARE AND ADOPTION ASSISTANCE PROGRAMS.—Any sequestration order shall make the reduction otherwise required under the foster care and adoption assistance programs (established by part E of title IV of the Social Security Act) only with respect to payments and expenditures made by States in which increases in foster care maintenance payment rates or adoption assistance payment rates (or both) are to take effect during the fiscal year involved, and only to the extent that the required reduction can be accomplished by applying a uniform percentage reduction to the Federal matching payments that each such State would otherwise receive under section 474 of that Act (for such fiscal year) for that portion of the State's payments attributable to the increases taking effect during that year. No State's matching payments from the Government for foster care maintenance payments or for adoption assistance maintenance payments may be reduced by a percentage exceeding the applicable domestic sequestration percentage. No State may, after the date of the enactment of this Act, make any change in the timetable for making payments under a State plan approved under part E of title IV of the Social Security Act which has the effect of changing the fiscal year in which expenditures under such part are made.

“(d) LOW-INCOME PROGRAMS.—(1) Benefit payments or payments to States or other entities for the programs listed in paragraph (2) shall not be reduced by more than 2 percent under any sequestration order. When reduced under an end-of-session sequestration order, those benefit reductions shall occur starting with the payment made at the start of January. When reduced under a within-session sequestration order, those benefit reductions shall occur starting with the next periodic payment.

“(2) The programs referred to in paragraph (1) are the following:

“Child Nutrition (12–3539–0–1–605).

“Food Stamp Programs (12–3505–0–1–605).

“Grants to States for Medicaid (75–0512–0–1–551).

“State Children's Health Insurance Fund (75–0515–0–1–551).

“Supplemental Security Income Program (75–0406–0–1–609).

“Temporary Assistance for Needy Families (75–1552–0–1–609).

“Special supplemental nutrition program for women, infants, and children (WIC) (12–3510–0–1–605).

“(e) VETERANS' MEDICAL CARE.—The maximum permissible reduction in budget authority for Veterans' medical care (36–0160–0–1–703) for any fiscal year, pursuant to an order issued under section 254, shall be 2 percent.

“(f) FEDERAL RETIREMENT PROGRAMS.—

“(1) For each of the programs listed in paragraph (2) and except as provided in paragraph (3), monthly (or other periodic) benefit payments shall be reduced by the uniform percentage applicable to direct spending sequestrations for such programs, which shall in no case exceed 2 percent under any sequestration order. When reduced under an end-of-session sequestration order, those benefit reductions shall occur starting with the payment made at the start of January or 7 weeks after the order is issued, whichever is later. When reduced under a within-session sequestration order, those benefit reductions shall occur starting with the next periodic payment.

“(2) The programs subject to paragraph (1) are:

“Central Intelligence Agency Retirement and Disability Fund (56–3400–0–1–054).

“Comptrollers General Retirement System (05–0107–0–1–801).

“Judicial Officer' Retirement Fund (10–8122–0–7–602).

“Claims Judges' Retirement Fund (10–8124–0–7–602).

“Pensions for former Presidents (47–0105–0–1–802).

“National Oceanic and Atmospheric Administration Retirement (13–1450–0–1–306).

“Railroad Industry Pension Fund (60–8011–0–7–601).

“Retired pay, Coast Guard (70–0602–0–1–403).

“Retirement pay and medical benefits for commissioned officers, Public Health Service (75–0379–0–1–551).

“Payments to Civil Service Retirement and Disability Fund (24–0200–0–1–805).

“Payments to the Foreign Service Retirement and Disability Fund (72–1036–0–1–153).

“Payments to Judiciary Trust Funds (10–0941–0–1–752).

“(g) VETERANS PROGRAMS.—To achieve the total percentage reduction required by any order issued under this part, the percentage reduction that shall apply to payments under the following programs shall in no event exceed 2 percent:

“Canteen Service Revolving Fund (36–4014–0–3–705).

“Medical Center Research Organizations (36–4026–0–3–703).

“Disability Compensation Benefits (36–0102–0–1–701).

“Education Benefits (36–0137–0–1–702).

“Vocational Rehabilitation and Employment Benefits (36–0135–0–1–702).

“Pensions Benefits (36–0154–0–1–701).

“Burial Benefits (36–0139–0–1–701).

“Guaranteed Transitional Housing Loans For Homeless Veterans Program Account (36–1119–0–1–704).

“Housing Direct Loan Financing Account (36–4127–0–1–704).

“Housing Guaranteed Loan Financing Account (36–4129–0–3–704).

“Vocational Rehabilitation and Education Direct Loan Financing Account (36–4259–0–3–702).

“(h) MILITARY HEALTH CARE AND RETIREMENT.—To achieve the total percentage reduction in military retirement required by any order issued under this part, the percentage reduction that shall apply to payments under the Military retirement fund (97–8097–0–7–602), payments to the military retirement fund (97-0040–0–1–054), and the Defense Health Program (97–0130–0–1–051) shall in no event exceed 2 percent.

“(i) MEDICARE PROGRAM.—

“(1) CALCULATION OF REDUCTION IN INDIVIDUAL PAYMENT AMOUNTS.—To achieve the total percentage reduction in those programs required by any order issued under this part, the percentage reduction that shall apply to payments under the health insurance programs under title XVIII of the Social Security Act (other than payments described in section 255(a)(2)) that are subject to such order for services furnished after any sequestration order is issued shall be such that the reduction made in payments under that order shall achieve the required total percentage reduction in those payments for that fiscal year as determined on a 12-month basis. However, the percentage reduction under any such program shall in no case exceed 2 percent under any sequestration order.

“(2) TIMING OF APPLICATION OF REDUCTIONS.—If a reduction is made under paragraph (1) in payment amounts pursuant to a sequestration order, the reduction shall be applied to payment for services furnished after the effective date of the order.

“(3) NO INCREASE IN BENEFICIARY CHARGES IN ASSIGNMENT-RELATED CASES.—If a reduction in payment amounts is made under paragraph (1) for services for which payment under part B of title XVIII of the Social Security Act is made on the basis of an assignment described in section 1842(b)(3)(B)(ii), in accordance with section 1842(b)(6)(B), or under the procedure described in section 1870(f)(1) of such Act, the person furnishing the services shall be considered to have accepted payment of the reasonable charge for the services, less any reduction in payment amount made pursuant to a sequestration order, as payment in full.

“(4) APPLICATION TO PARTS C AND D.—The reductions otherwise required under parts C and D of title XVIII of the Social Security Act with respect to a fiscal year shall be applied to the calendar year that begins after the end of the fiscal year to which the applicable sequestration order applies.

“(j) FEDERAL PAY.—

“(1) IN GENERAL.—For purposes of any order issued under section 254, new budget authority to pay Federal personnel shall be reduced by the applicable uniform percentage, but no sequestration order may reduce or have the effect of reducing the rate of pay to which any individual is entitled under any statutory pay system (as increased by any amount payable under section 5304 of title 5, United States Code, or section 302 of the Federal Employees Pay Comparability Act of 1990) or the rate of any element of military pay to which any individual is entitled under title 37, United States Code, or any increase in rates of pay which is scheduled to take effect under section 5303 of title 5, United States Code, section 1009 of title 37, United States Code, or any other provision of law.

“(2) DEFINITIONS.—For purposes of this subsection:

“(A) The term 'statutory pay system' shall have the meaning given that term in section 5302(1) of title 5, United States Code.

"(B) The term 'elements of military pay' means—

"(i) the elements of compensation of members of the uniformed services specified in section 1009 of title 37, United States Code,

"(ii) allowances provided members of the uniformed services under sections 403a and 405 of such title, and

"(iii) cadet pay and midshipman pay under section 203(c) of such title.

"(C) The term 'uniformed services' shall have the meaning given that term in section 101(3) of title 37, United States Code.

"(k) CHILD SUPPORT ENFORCEMENT PROGRAM.—Any sequestration order shall accomplish the full amount of any required reduction in expenditures under sections 455 and 458 of the Social Security Act by reducing the Federal matching rate for State administrative costs under such program, as specified (for the fiscal year involved) in section 455(a) of such Act, to the extent necessary to reduce such expenditures by that amount.

"(l) EXTENDED UNEMPLOYMENT COMPENSATION.—(1) A State may reduce each weekly benefit payment made under the Federal-State Extended Unemployment Compensation Act of 1970 for any week of unemployment occurring during any period with respect to which payments are reduced under an order issued under this title by a percentage not to exceed the percentage by which the Federal payment to the State under section 204 of such Act is to be reduced for such week as a result of such order.

"(2) A reduction by a State in accordance with subparagraph (A) shall not be considered as a failure to fulfill the requirements of section 3304(a)(11) of the Internal Revenue Code of 1954.

"(m) COMMODITY CREDIT CORPORATION.—

"(1) POWERS AND AUTHORITIES OF THE COMMODITY CREDIT CORPORATION.—This title shall not restrict the Commodity Credit Corporation in the discharge of its authority and responsibility as a corporation to buy and sell commodities in world trade, to use the proceeds as a revolving fund to meet other obligations and otherwise operate as a corporation, the purpose for which it was created.

"(2) REDUCTION IN PAYMENTS MADE UNDER CONTRACTS.—(A) Payments and loan eligibility under any contract entered into with a person by the Commodity Credit Corporation prior to the time any sequestration order has been issued shall not be reduced by an order subsequently issued. Subject to subparagraph (B), after any sequestration order is issued for a fiscal year, any cash payments made by the Commodity Credit Corporation—

"(i) under the terms of any one-year contract entered into in or after such fiscal year and after the issuance of the order; and

"(ii) out of an entitlement account,

to any person (including any producer, lender, or guarantee entity) shall be subject to reduction under the order.

"(B) Each contract entered into with producers or producer cooperatives with respect to a particular crop of a commodity and subject to reduction under subparagraph (A) shall be reduced in accordance with the same terms and conditions. If some, but not all, contracts applicable to a crop of a commodity have been entered into prior to the issuance of any sequestration order, the order shall provide that the necessary reduction in payments under contracts applicable to the commodity be uniformly applied to all contracts for succeeding crops of the commodity, under the authority provided in paragraph (3).

"(3) DELAYED REDUCTION IN OUTLAYS PERMISSIBLE.—Notwithstanding any other provision of this title, if any sequestration order is issued with respect to a fiscal year, any reduction under the order applicable to contracts described in paragraph (2) may provide for reductions in outlays for the account involved to occur in the fiscal years following the fiscal year to which the order applies.

"(4) UNIFORM PERCENTAGE RATE OF REDUCTION AND OTHER LIMITATIONS.—All reductions described in paragraph (2) that are required to be made in connection with any sequestration order with respect to a fiscal year—

"(A) shall be made so as to ensure that outlays for each program, project, activity, or account involved are reduced by a percentage rate that is uniform for all such programs, projects, activities, and accounts, and may not be made so as to achieve a percentage rate of reduction in any such item exceeding the rate specified in the order; and

"(B) with respect to commodity price support and income protection programs, shall be made in such manner and under such procedures as will attempt to ensure that—

"(i) uncertainty as to the scope of benefits under any such program is minimized;

"(ii) any instability in market prices for agricultural commodities resulting from the reduction is minimized; and

"(iii) normal production and marketing relationships among agricultural commodities (including both contract and non-contract commodities) are not distorted.

In meeting the criterion set out in clause (iii) of subparagraph (B) of the preceding sentence, the President shall take into consideration that reductions under an order may apply to programs for two or more agricultural commodities that use the same type of production or marketing resources or that are alternative commodities among which a producer could choose in making annual production decisions.

"(5) CERTAIN AUTHORITY NOT TO BE LIMITED.—Nothing in this title shall limit or reduce in any way any appropriation that provides the Commodity Credit Corporation with funds to cover the Corporation's net realized losses.

"(n) POSTAL SERVICE FUND.—Notwithstanding any other provision of law, any sequestration of the Postal Service Fund shall be accomplished by a payment from that Fund to the General Fund of the Treasury, and the Postmaster General of the United States shall make the full amount of that payment during the fiscal year to which the presidential sequestration order applies.

"(o) EFFECTS OF SEQUESTRATION.—The effects of sequestration shall be as follows:

"(1) Budgetary resources sequestered from any account other than an entitlement trust, special, or revolving fund account shall revert to the Treasury and be permanently canceled.

"(2) Except as otherwise provided, the same percentage sequestration shall apply to all programs, projects, and activities within a budget account (with programs, projects, and activities as delineated in the appropriation Act or accompanying report for the relevant fiscal year covering that account, or for accounts not included in appropriation Acts, as delineated in the most recently submitted President's budget).

"(3) Administrative regulations or similar actions implementing a sequestration shall be made within 120 days of the sequestration order. To the extent that formula allocations differ at different levels of budgetary resources within an account, program, project, or activity, the sequestration shall be interpreted as producing a lower total appropriation, with that lower appropriation being obligated as though it had been the pre-sequestration appropriation and no sequestration had occurred.

"(4) Except as otherwise provided, obligations in sequestered direct spending accounts shall be reduced in the fiscal year in which a sequestration occurs and in all succeeding fiscal years.

"(5) If an automatic spending increase is sequestered, the increase (in the applicable index) that was disregarded as a result of that sequestration shall not be taken into account in any subsequent fiscal year.

"(6) Except as otherwise provided, sequestration in accounts for which obligations are indefinite shall be taken in a manner to ensure that obligations in the fiscal year of a sequestration and succeeding fiscal years are reduced, from the level that would actually have occurred, by the applicable sequestration percentage.".

(b) CONFORMING AMENDMENT.—The table of contents set forth in 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by amending the item relating to section 256 to read as follows:

"Sec. 256. Exceptions, limitations, and special rules.".

SEC. 204. TECHNICAL AND CONFORMING AMENDMENTS.

The Balanced Budget and Emergency Deficit Control Act of 1985 is amended as follows:

(1) Section 251(a)(1) is amended by inserting ", section 252A," after "section 252".

(2) Section 254(c)(4)(B) is amended by inserting "or section 252A" after "section 252".

(3) Section 254(c) is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

"(5) DIRECT SPENDING CONTROL SEQUESTRATION REPORTS.—The preview reports shall set forth, for the current year and the budget year, estimates for each of the following:

"(A) The total level of direct spending for all programs, projects, and activities (excluding social security).

"(B) The sequestration percentage or (if the required sequestration percentage is greater than the maximum allowable percentage for medicare) percentages necessary to comply with section 252A.".

(4) Section 254(f) is amended by redesignating paragraphs (4) and (5) as paragraphs (5) and (6) and by inserting after paragraph (3) the following new paragraph:

"(4) DIRECT SPENDING CONTROL SEQUESTRATION REPORTS.—The final reports shall contain all the information required in the direct spending control sequestration preview reports. In addition, these reports shall contain, for the budget year, for each account to be sequestered, estimates of the baseline level of sequesterable budgetary resources and resulting outlays and the amount of budgetary resources to be sequestered and resulting outlay reductions. The reports shall also contain estimates of the effects on outlays of the sequestration in each outyear for direct spending programs.".

(5) Section 258C(a)(1) is amended by inserting ", 252A," after "section 252".

TITLE III—LONG-TERM UNFUNDED OBLIGATIONS AND OTHER AMENDMENTS

SEC. 301. LONG-TERM UNFUNDED OBLIGATIONS.

(a) IN GENERAL.—Title IV of the Congressional Budget Act of 1974 is amended by adding at the end the following:

PART C—LONG-TERM UNFUNDED OBLIGATIONS

"SEC. 441. ANALYSIS OF LONG-TERM UNFUNDED OBLIGATIONS.

"Beginning in fiscal year 2006, the President's budget shall include an analysis of long-term unfunded obligations. This analysis shall include:

"(1) An analysis of the impact of long-term unfunded obligations in applicable entitlement programs on the long-term level of unified budget outlays and the unified budget surplus or deficit, in relation to the projected level of the Gross Domestic Product.

"(2) A report on the impact of legislation enacted during the previous session of Congress that increases the long-term unfunded obligation in any applicable group of entitlement program.

"(3) An analysis of the impact of legislation proposed in the President's budget on the long-term unfunded obligation in any applicable entitlement program.

"SEC. 442. STANDARD FOR DETERMINING INCREASE IN LONG-TERM UNFUNDED OBLIGATION.

"For the purpose of this part, legislation shall be considered to increase the long-term unfunded obligation of an applicable group of entitlement programs if it either—

"(1) increases the excess of the discounted present value of the expenditures of programs in the group above the discounted present value of the dedicated receipts of programs in the group over a long-term estimating period by more than an applicable threshold; or

"(2) increases the dollar level of the expenditures of programs in the group above the dedicated receipts of programs in the group above the dedicated receipts of programs in the group in the last year of the estimating period by more than the applicable threshold.

"SEC. 443. LONG-TERM UNFUNDED OBLIGATION ANALYSES BY CONGRESSIONAL BUDGET OFFICE.

"The Director of the Congressional Budget Office shall, to the extent practicable, prepare for each bill or resolution of a public character reported by any committee of the House of Representatives or the Senate (except the Committee on Appropriations of each House), and submit to such committee—

"(1) an estimate of any increase of the long-term unfunded obligation of any applicable entitlement program which would be incurred in carrying out such bill or resolution as measured by the increase of the excess of the discounted present value of the expenditures of such program above the discounted present value of the dedicated receipts of such program over a long-term estimating period by more than an applicable threshold; and

"(2) an estimate of any increase in the dollar level of the expenditures of such program above the dedicated receipts of such program above the dedicated receipts of such program in the last year of the estimating period by more than the applicable threshold.

The estimates and description so submitted shall be included in the report accompanying such bill or resolution if timely submitted to such committee before such report is filed.

"SEC. 444. DEFINITIONS.

"As used in this part—

"(1) the term 'applicable entitlement program' shall be defined as any one of the following programs:

"(A) Old Age, Survivors, and Disability Insurance.

"(B) Medicare (combined hospital insurance and supplemental medical insurance).

"(C) Civilian retirement and disability (combined Civil Service Retirement System and Federal Employees Retirement System).

"(D) Foreign Service Retirement and Disability (combined Foreign Service Retirement and Disability System and Foreign Service Pension System).

"(E) Retired Employees Health Benefits.

"(F) Military Retirement System.

"(G) Uniformed Services Retiree Health Care System.

"(H) Railroad Retirement System (combined Rail Industry Pension Fund, Social Security Equivalent Benefit Account, and National Railroad Retirement Investment Trust).

"(I) Supplemental Security Income (SSI).

"(J) For estimates made on or after January 1, 2006, veterans disability compensation.

"(K) Any other entitlement program with regularly available long-term estimates.

"(2) The term 'entitlement program with regularly available long-term estimates' means a program for which the Director of the Congressional Budget Office, in consultation with the Committees on the Budget of the House of Representatives and the Senate and the Director of the Office of Management and Budget, has determined that it is feasible to make long-term estimates of expenditures and dedicated receipts based on explicit demographic, economic, and other estimating assumptions. The Director shall notify the House and Senate Committees on the Budget in writing, whenever he or she makes such a determination.

"(3) The term 'applicable group of entitlement programs' shall be defined as any of the following:

"(A) Old Age, Survivors, and Disability Insurance.

"(B) All applicable entitlement programs except Old Age, Survivors, and Disability Insurance.

"(4) The term 'long-term estimating period' shall be defined as 75 years, starting with the current year, for all applicable entitlement programs except for Old Age, Survivors, and Disability Insurance. For Old Age, Survivors, and Disability Insurance, the term shall be defined as the infinite period of years utilized in the most recent annual report of the Board of Trustees provided pursuant to section 201(c)(2) of the Social Security Act.

"(5) The term 'last year of the estimating period' shall be defined as the 75th year of the long-term estimating period.

"(6) The term 'dedicated receipts' shall be defined, for all applicable entitlement programs other than Medicare, as taxes and fees received from the public, payments received from Federal agencies on behalf of Federal agency employees who are participants in the program, transfers received by the program under section 7(c)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(c)(2)), and transfers from the general fund of amounts equivalent to income tax receipts under section 86 of the Internal Revenue Code. Dedicated receipts shall not include payments from the general fund to amortize a program's unfunded liability or payments of interest on a program's trust fund holdings. For Medicare, 'dedicated receipts' shall be defined according to section 801(c)(3) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

"(7) The term 'expenditures' shall be defined, for all applicable entitlement programs other than Medicare, to include benefit payments, administrative expenses to the extent paid from a dedicated fund, and transfers to other programs made under section 7(c)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(c)(2)). For Medicare, 'expenditures' shall be defined according to section 801(c)(4) of the Medicare prescription Drug, Improvement, and Modernization Act of 2003.

"(8) The term 'applicable threshold' shall be defined as:

"(A) For a group of applicable entitlement programs over a long-term estimating period—

"(i) 0.02 percent of the present value of the taxable payroll of the group of programs over the estimating period, for legislation affecting Old Age, Survivors, and Disability Insurance or Medicare; and

"(ii) 1 percent of the present value of the expenditures over the estimating period of the programs in the group that are affected by the legislation.

"(B) For a group of applicable entitlement programs in the last year of the estimating period—

"(i) 0.02 percent of the taxable payroll of the group of programs in that year, for legislation affecting Old Age, Survivors, and Disability Insurance or Medicare;

"(ii) 0.01 percent of Gross Domestic Product in that year; or

"(iii) 1 percent of the expenditures in that year of the programs in the group that are affected by the legislation.".

(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding after the item relating to section 428 the following:

"PART C—LONG-TERM UNFUNDED OBLIGATIONS

"Sec. 441. Analysis of long-term unfunded obligations.
"Sec. 442. Standard for determining increase in long-term unfunded obligation.
"Sec. 443. Long-term unfunded obligation analyses by congressional budget office.
"Sec. 444. Definitions.

The CHAIRMAN. Pursuant to House Resolution 692, the gentleman from Texas (Mr. HENSARLING) and the gentleman from South Carolina (Mr. SPRATT) each will control 5 minutes.

The Chair recognizes the gentleman from Texas (Mr. HENSARLING).

□ 1745

Mr. HENSARLING. Mr. Chairman, I yield myself such time as I may consume.

First, I want to offer my congratulations to the gentleman from Iowa (Chairman NUSSLE) for his fine work on an incredibly important topic that we take up today, and that is the topic of limiting the size, the scope, the power, the expense of government. In his underlying bill, he has placed a cap on the growth, on the growth of discretionary spending.

This amendment would also offer a cap on the growth of mandatory spending, again, a cap on the growth. Under this particular amendment, mandatory spending would grow by either CPI, the consumer price index, or the program inflator, plus new enrollees. There are certain exemptions, certain programs that, if this were to be enforced by a sequester, would have a 2 percent protection.

But the truth is this is an amendment that goes to the heart of the question: Does this body believe in limited government? Is government ever too big? Is spending ever out of control? Should we ever do anything to protect the family budget from the Federal budget? Many of us believe that spending is indeed out of control.

Mr. Chairman, since I have been on the face of the planet, the Federal budget has grown seven times faster, seven times faster, than the family budget as measured by median worker income. I believe that is an unsustainable growth rate, and an unconscionable growth rate. If we look at it on a per capita basis, net interest outlays have increased 3.6 percent faster than inflation each year since 1997. We see where the trend lines are headed. Ten years of spending history: total spending growth has averaged 5 percent each year since 1994, and the incline gets greater and greater and greater.

Until we finally draw a line in the sand and tell the American people at some point we are going to quit taking money away from them, at some we are going to go in and begin to reform programs, we are going to prioritize programs, we are going to go in and begin to root out the waste, the fraud, the abuse, the duplication that permeates every corner, then American families will not be able to realize their dreams, their dream of a better tomorrow, their dream of better education for their children, their dream of better health care for their family. We must decide at some point that we are going to limit the growth of government, and this amendment would do that.

Mr. Chairman, I reserve the balance of my time.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill would set an arbitrary cap on some of the most important spending in the Federal budget, the spending that supports Medicare, on which millions depend for their health care; the spending that supports Medicaid. All kinds of spending falls under the rubric of category of direct spending or mandatory spending, including debt service, the interest we pay on our national debt. So we fix a level that corresponds to the existing level of expenditure, and then every year it increases.

The gentleman does allow for the spending level to increase with the rate of inflation measured by the CPI. As everyone in this room knows, the cost of health care every year, for as long as I have known it, goes up substantially more than the consumer price index so that over time in holding Medicare to no more than the rate of growth of the CPI, while the rest of health care spending is going up at a substantially higher rate, this is going to erode away spending authority for Medicare. It is going to result in automatic cuts in Medicare and other programs, affected programs. If the cuts are not taken out of Medicare, they will have to come all the more out of other programs.

Secondly, since debt service, the interest we pay on the national debt, is included, we could have this anomaly: we could have a huge tax cut that would result in a substantial deficit, requiring us to borrow large sums of money. Interest on the principal for the additional debt would go up, and that increment over and above the entitlement cap would have to be taken out of other spending programs like the Medicaid or children's health insurance or TRICARE for Life, trade adjustment assistance. All of these programs fall under that category and would be subject to automatic cuts if we had any anomalous action like that.

So this is not a good idea. Certainly these are not programs we want to put in that kind of jeopardy. We would like to exercise some control over their growth, and we have from time to time in the past voted to reduce rates of expenditure to curb the growth in Medicare and Medicaid and these other programs. But to do it automatically, to do it mindlessly, to do it with a meat cleaver is not the way to go on these programs on which so many people depend.

Mr. Chairman, I reserve the balance of my time.

Mr. HENSARLING. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, I just want to respond to a few things the gentleman from South Carolina said.

Number one, the cap is indexed to inflation at the CPI or another inflation adjuster, such as, in the case of Medicare, medical inflation, Medicare price. So how can he say that it is a cut if each of these programs grows by inflation plus new beneficiaries and the inflation within those kinds of programs?

The problem we have, Mr. Chairman, is when we put most of the Federal Government off limits to budget discipline, it grows out of control. I hope that those who are in charge of discretionary spending in Congress also join with us in trying to control mandatory spending, because if we can control mandatory spending, we can get our hands around the big problem in our budget system in the Federal Government, and that is out-of-control spending. We do this in an honest way, we do this in a sincere way, and we do this in a way to protect those. That is why earned entitlements are off limits, like Social Security and Medicare benefits. We do this in a way that we protect beneficiaries, we protect them from inflation, and we get our hands around the biggest part of our Federal budget, entitlements.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

In response to the gentleman's statement, it is still my understanding that child care, direct student loans, farm price supports, TRICARE for Life, military health care benefits, and trade adjustment assistance, among other things, would be subject to these automatic cuts. If there was some sort of growth over and above the cap that he has imposed, all of these things would get whacked unless Congress somehow intervened and saved them from being cut by administering cuts elsewhere in the budget.

It is not a good idea. It is not a workable idea. And I continue to oppose the amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. HENSARLING. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, I thank the gentleman from Texas for yielding me this time, and I commend him for this amendment.

If we are serious about getting spending under control, we simply have to address the mandatory side. It is as simple as that. In 1963 mandatory spending was 25 percent of the Federal budget. Today it is over 60 percent; and it is on its way up in absolute terms, as a percentage term. It is growing faster than any reasonable measure. And to allow, as this amendment does, for it to grow at the sum of the rate of growth of the population and inflation, allows us to maintain the level of benefits. It just puts a break on the out-of-control spending.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT of Virginia. Mr. Chairman, I thank the gentleman for yielding me this time.

This amendment points out the difficulty in the one-way PAYGO. If we have a crunch, we can only deal with it by cutting spending. We cannot deal with it any other kind of way. With the one-way PAYGO, if we want to deal with the problem through tax cuts, if we have health care we want to deliver, we can do it in tax cuts. Just give tax credits. There is no limit to what we can do. But if we have a crunch and the budget is tight, we have got to have this mindless across-the-board cut. If we do it through tax cuts, we could have tax cuts at the same time that we are cutting the spending.

This is what happens when we have a two-way PAYGO, that is, if we are going to cut taxes, we have to cut spending. If we increase spending, we have got to raise taxes or any combination. The green was with PAYGO; the red is what happens when we have unlimited tax cuts with PAYGO. This just says we have got to cut mindlessly across the board with spending. If we have a crunch and we have a new need, we cannot make it; we cannot meet it. If we want to meet it, the only way we can do it is through some tax plan where we are unlimited. But if we have a new program, if there is a housing need, if there is a health care need, something new we want to do, we cannot do it. This is why we need a two-way PAYGO and a more sensible way to deal with our budget, not mindless across-the-board tax cuts.

Mr. HENSARLING. Mr. Chairman, I yield the balance of my time to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Chairman, I thank the gentleman for yielding me this time.

I rise in strong support of this amendment. My colleagues on the Committee on Appropriations correctly point out that the engine driving the train here is entitlement spending, not discretionary spending, over which they have control. And they are right.

Every American, I think, understands in their gut that entitlement spending is out of control. It is out of control because there are no restraints on it. I would like to point out, as my colleague from Pennsylvania did just a moment ago, in 1963, not that long ago, 25 percent of our spending was entitlement spending. Today it is over 60 percent of all our spending. We have to control that, and this is a rational basis to do it because it limits the growth to the growth in the population of the constituency plus inflation. That is the only way we can rationally limit spending. And it is not a meat cleaver.

I urge my colleagues to support the amendment.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the caps that are being proposed here could create shortfalls of billions of dollars over the next 10 years, triggering huge cuts. And let me tell the Members the programs that would be cut: veterans compensation, veterans pensions, food stamps, Medicaid, children's health insurance, childcare, direct student loans, farm price supports, TRICARE for Life, military benefits, and trade adjustment assistance among others.

This is not a good plan. We do not need to put those in jeopardy of automatic cuts, and I oppose the amendment and urge others to do so also.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. HENSARLING).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. SPRATT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas (Mr. HENSARLING) will be postponed.

It is now in order to consider amendment No. 5 printed in House Report 108–566.

AMENDMENT NO. 5 OFFERED BY MR. HENSARLING

Mr. HENSARLING. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. HENSARLING:

At the end, add the following new section:

SEC. . GOVERNMENT SHUTDOWN PROTECTION.

(a) IN GENERAL.—Chapter 13 of title 31, United States Code, is amended by inserting after section 1310 the following new section:

"§ 1311. Continuing appropriations

"(a)(1) If any regular appropriation bill for a fiscal year does not become law before the beginning of such fiscal year or a joint resolution making continuing appropriations is not in effect, there are appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any project or activity for which funds were provided in the preceding fiscal year—

"(A) in the corresponding regular appropriation Act for such preceding fiscal year; or

"(B) if the corresponding regular appropriation bill for such preceding fiscal year did not become law, then in a joint resolution making continuing appropriations for such preceding fiscal year.

"(2) Appropriations and funds made available, and authority granted, for a project or activity for any fiscal year pursuant to this section shall be at a rate of operations not in excess of the lower of—

"(A) the rate of operations provided for in the regular appropriation Act providing for such project or activity for the preceding fiscal year;

"(B) in the absence of such an Act, the rate of operations provided for such project or activity pursuant to a joint resolution making continuing appropriations for such preceding fiscal year;

"(C) the rate of operations provided for in the regular appropriation bill as passed by the House of Representatives or the Senate for the fiscal year in question, except that the lower of these two versions shall be ignored for any project or activity for which there is a budget request if no funding is provided for that project or activity in either version; or

"(D) the annualized rate of operations provided for in the most recently enacted joint resolution making continuing appropriations for part of that fiscal year or any funding levels established under the provisions of this Act.

"(3) Appropriations and funds made available, and authority granted, for any fiscal year pursuant to this section for a project or activity shall be available for the period beginning with the first day of a lapse in appropriations and ending with the earlier of—

"(A) the date on which the applicable regular appropriation bill for such fiscal year becomes law (whether or not such law provides for such project or activity) or a continuing resolution making appropriations becomes law, as the case may be; or

"(B) the last day of such fiscal year.

"(b) An appropriation or funds made available, or authority granted, for a project or activity for any fiscal year pursuant to this section shall be subject to the terms and conditions imposed with respect to the appropriation made or funds made available for the preceding fiscal year, or authority granted for such project or activity under current law.

"(c) Appropriations and funds made available, and authority granted, for any project or activity for any fiscal year pursuant to this section shall cover all obligations or expenditures incurred for such project or activity during the portion of such fiscal year for which this section applies to such project or activity.

"(d) Expenditures made for a project or activity for any fiscal year pursuant to this section shall be charged to the applicable appropriation, fund, or authorization whenever a regular appropriation bill or a joint resolution making continuing appropriations until the end of a fiscal year providing for such project or activity for such period becomes law.

"(e) This section shall not apply to a project or activity during a fiscal year if any other provision of law (other than an authorization of appropriations)—

"(1) makes an appropriation, makes funds available, or grants authority for such project or activity to continue for such period; or

"(2) specifically provides that no appropriation shall be made, no funds shall be made available, or no authority shall be granted for such project or activity to continue for such period.

"(f) For purposes of this section, the term 'regular appropriation bill' means any annual appropriation bill making appropriations, otherwise making funds available, or granting authority, for any of the following categories of projects and activities:

"(1) Agriculture, rural development, Food and Drug Administration, and related agencies programs.

"(2) The Departments of Commerce, Justice, and State, the Judiciary, and related agencies.

"(3) The Department of Defense.

"(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

"(5) Energy and water development.

"(6) Foreign operations, export financing, and related programs.

"(7) The Department of Homeland Security.

"(8) The Department of the Interior and related agencies.

"(9) The Departments of Labor, Health and Human Services, and Education, and related agencies.

"(10) The Legislative Branch.

"(11) Military construction, family housing, and base realignment and closure for the Department of Defense.

"(12) The Departments of Transportation and Treasury, and independent agencies.

"(13) The Departments of Veterans Affairs and Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.".

(b) CLERICAL AMENDMENT.—The analysis of chapter 13 of title 31, United States Code, is amended by inserting after the item relating to section 1310 the following new item:

"1311. Continuing appropriations."

The CHAIRMAN. Pursuant to House Resolution 692, the gentleman from Texas (Mr. HENSARLING) and the gentleman from South Carolina (Mr. SPRATT) each will control 5 minutes.

The Chair recognizes the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a very simple amendment. In the past when this House has not agreed with the other body on a budget, occasionally we have faced a government shutdown, a train wreck. The government has shut down 17 times since 1977, for a total of 109 days. These shutdowns should not happen. They are not good for the American people. Parks close. Applications for visas go unprocessed. Toxic waste clean-up is postponed.

This amendment is very simple. It says if for whatever reason we cannot come to an agreement on the budget, we do not shut down the government. We go back to the last agreement on the table. We put in place a continuing resolution until such time as we can come to agreement so we do not hold the American people hostage.

Mr. Chairman, I reserve the balance of my time.

Mr. SPRATT. Mr. Chairman, I yield 2½ minutes to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding me this time.

I will speak quickly because time is so limited. We are dealing with a constitutional issue in what we are talking about today. We have raised that issue many times.

Section 9 of article I is very specific: "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law." But it goes further to say "and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time."

If we were to agree to put into place an automatic continuing resolution, we would not follow the Constitution. We put the administration on auto pilot; and we let the Congress say that it is going to be a lot easier to avoid those difficult days and hours, those difficult decisions. Just go on automatic pilot with a CR. Ignore the Constitution.

This is not a good amendment.

□ 1800

This is not a good plan. I supported the first amendment of the gentleman, but I cannot support this amendment. I think it flies in the face of the Constitution.

Mr. Chairman, I yield back the balance of my time.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this particular amendment could have a perverse and unintended result, and that is it could lower, lessen the incentive for Congress to get its work done, knowing that if we could not come together and pass appropriation bills, all 13 of them, if we could not get them on the President's desk in time, why, it would be automatic. This continuing resolution would just automatically kick into effect.

Anyone bent upon sort of disrupting the process and preventing an appropriations bill that he thought was maybe too much or maybe too little could manipulate this result, manipulate the situation if this rule were in place. So I do not think it helps the process at all.

I think when we have to pass a continuing resolution, it is a bit embarrassing that we have to get up and say to the country and the public, as well as the President, we have not gotten our work done yet, so keep on spending money at the existing level. It gives us a strong incentive to go ahead and finally come to those final compromises that help us close the appropriations process.

So this would probably complicate, prolong the process, and lead to situations where we did not even pass appropriation bills because there would be an automatic reversion to the prior year's spending level.

It is not a good idea. It has been debated before, debated more thoroughly than it has been debated tonight, and there is a good reason it has never become law, it is not a workable or viable idea.

Mr. Chairman, I reserve the balance of my time.

Mr. HENSARLING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first I would like to thank the gentleman from Florida for allowing me to bat 500 with him.

Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, this is, I think, just a matter of responsible government. This is a very good amendment. It is responsible because the status quo is not. It is not responsible to have the threat of a government shutdown looming over this process. It is not responsible to have the American people wondering whether or not government services are going to be suspended, whether or not important functions are going to be disrupted. That is what is irresponsible.

What is responsible is to say if we are unable to come to a resolution and pass a new appropriation bill, then we will, by an act of Congress, continue under the previously enacted appropriation bill.

Contrary to my good friend and a colleague I respect, the gentleman from Florida, I do not see any constitutional problem with this whatsoever. It still is an exercise in Congressional authority in establishing the level of appropriations, but it happens to do so at the previous year's level. There is nothing in the Constitution that says we have to change the level of spending from one year to the next, so I tend to disagree with that.

The other problem I have with the status quo and the reason that I like this amendment so much is that in the absence of an automatic continuing CR, let us face it, we know what happens. There is a big game of political chicken that happens.

If we do not have an agreement, there is a big tension, a big question about which side is going to get the blame if there is a government shutdown. If one side thinks there is political gain to be had from precipitating a shutdown, it has an incentive to precipitate one, to cause it. That goes back to the issue of responsible government. That is not the way we ought to be running this place. So that is a second thing.

Here is a third reason why I think this makes a lot of sense, and some of my colleagues do not like this reason. But the fact is sometimes we have operated for months on end with a continuing resolution, continuing spending at the previous year's level. And do you know what we discovered? No huge outcry. No great catastrophe. American society did not collapse, it was not the end of the world. We discovered that basically freezing spending at the previous year's level in many areas was no big deal.

Now, if you are interested in more spending, that is a problem. But if you are interested in getting spending under control, this is a very good amendment, and I urge my colleagues to support it.

Mr. SPRATT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Texas has 2 minutes remaining.

Mr. HENSARLING. Mr. Chairman, I yield 30 seconds to the gentleman from Iowa (Mr. NUSSLE), the esteemed chairman of the Committee on the Budget.

Mr. NUSSLE. Mr. Chairman, I support the gentleman's amendment.

More than anything else, I just want to make an observation: There has been a lot of coming to the floor and saying the budget process is broken. Part of the reason that this amendment is being offered is because it is the appropriations process that cannot get done on time.

We have had so many years when appropriations do not get done on time, and, because of that, the threat hangs over for government shutdown. It is the reason why we are looking, grappling for a way to make sure that does not happen. But it is because of the appropriations process that with the budget process and other processes around here have some challenges.

So do not come down and just talk about the budget. It is also the appropriations process that has challenges.

Mr. HENSARLING. Mr. Chairman, I yield 30 seconds to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, I just would like to bring some illumination to this with numbers. This brinksmanship that this process brings us to has brought us a lot of extra spending. In fiscal year 2002, the discretionary spending level in the budget resolution was $661 billion. We spent $734 billion.

In FY 2003, the discretionary spending level was set out in the budget resolution at $750 billion. We ended up spending $849 billion.

In FY 2004, the discretionary spending was $784 billion. We ended up spending $873 billion.

This brinksmanship brings us to this overspending limit. This amendment stops that.

Mr. HENSARLING. Mr. Chairman, I yield 30 seconds to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Chairman, I thank the gentleman for yielding me time, and I rise in support of this amendment.

Mr. Chairman, the reality is, it is a common-sense amendment. I was here in 1995 when the government shut down. My colleague from South Carolina said look, it is simply not needed. The current process works and this process helps us.

Since 1977, in 27 years, we have shut this government down 17 different times for a total of 109 days. What that means to the American people is that in 1995, 368 national parks closed, 7 million visitors were turned away, a loss of $14 million in tourism revenue, and 20,000 to 30,000 applications for visas went unprocessed every single day.

It is not a yielding of our constitutional authority, it is indeed a rational way to deal with the process. We need to do our budget work, and if we cannot get it done in time, we need a process to keep the government open and running to serve the people.

Mr. Chairman, I urge my colleagues to support the amendment.

Mr. HENSARLING. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I have the greatest amount of respect for the gentleman from Florida, the chairman of the Committee on Appropriations, and the ranking member on the Committee on the Budget, but it seems to me rarely has an amendment been endowed with such common sense as this one. Why do we shut down the government if we cannot get our business done? Do we understand the implications to the average American out there in the street?

This is common sense. It needs to get done. On behalf of the people of America, I would urge its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. HENSARLING).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. HENSARLING. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas (Mr. HENSARLING) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 1 offered by Mr. BRADY of Texas; amendment No. 2 offered by Mr. CHOCOLA of Indiana; amendment No. 3 offered by Mr. CASTLE of Delaware; amendment No. 4 offered by Mr. HENSARLING of Texas; and amendment No. 5 offered by Mr. HENSARLING of Texas.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 1 OFFERED BY MR. BRADY OF TEXAS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Texas (Mr. BRADY) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 15-minute vote, followed by four 5-minute votes.

The vote was taken by electronic device, and there were—ayes 272, noes 140, not voting 21, as follows:

[Roll No. 305]

AYES—272

Aderholt
Akin
Alexander
Baca
Bachus
Baird
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Bell
Berry
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite,
  Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chocola
Coble
Cole
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (TN)
Davis, Jo Ann
Deal (GA)
DeFazio
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doggett
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graves
Green (TX)
Green (WI)
Gutknecht
Hall
Harman
Hart
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Hooley (OR)
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Israel
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Lampson
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Marshall
Matheson
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Mica
Millender-
  McDonald
Miller (FL)
Miller, Gary
Moore
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Ortiz
Osborne
Otter
Oxley
Pascrell
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Royce
Ruppersberger
Ryan (WI)
Ryun (KS)
Sandlin
Saxton
Schiff
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tanner
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Turner (TX)
Udall (NM)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (SC)
Wu
Young (AK)

NOES—140

Abercrombie
Ackerman
Allen
Andrews
Baker
Baldwin
Becerra
Berkley
Bishop (GA)
Bishop (NY)
Blumenauer
Boucher
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Chandler
Clay
Clyburn
Conyers
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doyle
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frelinghuysen
Greenwood
Grijalva
Gutierrez
Hinchey
Holt
Honda
Hoyer
Inslee
Jackson (IL)
Jackson-Lee
  (TX)
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kolbe
Kucinich
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
Meek (FL)
Menendez
Michaud
Miller (MI)
Miller (NC)
Miller, George
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ose

Owens
Pallone
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Scott (VA)
Serrano
Sherman
Simpson
Slaughter
Solis
Spratt
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Van Hollen
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Wilson (NM)
Wolf
Woolsey
Wynn
Young (FL)

NOT VOTING—21

Barton (TX)
Bereuter
Berman
Carson (IN)
Collins
Davis, Tom
Deutsch
Gephardt
Granger
Harris
Hastings (FL)
Hastings (WA)
Jefferson
Jones (OH)
McDermott
Meeks (NY)
Mollohan
Rothman
Roybal-Allard
Tauzin
Velázquez

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 1837

Ms. JACKSON-LEE of Texas, Ms. CORRINE BROWN of Florida, Ms. DeGETTE, Ms. McCARTHY of Missouri, Mr. EVANS, and Mr. CROWLEY changed their vote from "aye" to "no."

Mrs. EMERSON, and Messrs. LEWIS of California, BOEHNER, PETERSON of Pennsylvania, GILCHREST, WICKER, RUPPERSBERGER, SNYDER and EHLERS changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Stated for:

Ms. HARRIS. Mr. Chairman, on rollcall No. 305 I was unavoidably detained. Had I been present, I would have voted "aye."

AMENDMENT NO. 2 OFFERED BY MR. CHOCOLA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Indiana (Mr. CHOCOLA) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 126, noes 290, not voting 17, as follows:

[Roll No. 306]

AYES—126

Akin
Bachus
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Boozman
Boswell
Brady (TX)
Burgess
Burns
Burton (IN)
Camp
Cannon
Carter
Castle
Chabot
Chocola
Coble
Cole
Cox
Crane
Cubin
Davis, Jo Ann
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Duncan
Dunn
Ehlers
Feeney
Flake
Foley
Forbes
Fossella
Franks (AZ)
Garrett (NJ)
Gerlach
Gingrey
Goode
Goodlatte
Green (TX)
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hayworth
Hensarling
Herger
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Isakson
Johnson (CT)
Johnson, Sam
Jones (NC)
Keller
Kennedy (MN)
King (IA)
Kirk
Kline
Leach
Manzullo
McCrery
McInnis
McKeon
Miller (FL)
Miller, Gary
Moore
Moran (KS)
Murtha
Musgrave
Myrick
Neugebauer
Ney
Norwood
Otter
Pearce
Pence
Petri
Pitts
Platts
Pryce (OH)
Radanovich
Ramstad
Reynolds
Rogers (AL)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Smith (MI)
Smith (WA)
Souder
Stearns
Sullivan
Tancredo
Thornberry
Tiberi
Toomey
Upton
Vitter
Weller
Wilson (NM)
Wilson (SC)

NOES—290

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Baird
Baker
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Boehlert
Bonilla
Bonner
Bono
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burr
Buyer
Calvert
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Edwards
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Ford
Frank (MA)
Frelinghuysen
Frost
Gallegly
Gibbons
Gilchrest
Gillmor
Gonzalez
Gordon
Goss
Graves
Grijalva
Gutierrez
Hall
Harman
Hayes
Hefley
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Holt
Honda
Hooley (OR)
Hoyer
Hunter
Hyde
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (IL)
Johnson, E. B.
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McGovern
McHugh
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, George
Moran (VA)
Murphy
Nadler
Napolitano
Neal (MA)
Nethercutt
Northup
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Peterson (PA)
Pickering
Pombo
Pomeroy
Porter
Portman
Price (NC)
Putnam
Quinn
Rahall
Rangel
Regula
Rehberg
Renzi
Reyes
Rodriguez
Rogers (KY)
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Shays
Sherman
Sherwood
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Tiahrt
Tierney
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Wexler
Whitfield
Wicker
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—17

Barton (TX)
Bereuter
Berman
Blumenauer
Carson (IN)
Collins
Davis, Tom
Deutsch
Gephardt
Granger
Hastings (FL)
Hastings (WA)
Jones (OH)
McDermott
Mollohan
Rothman
Tauzin

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised 2 minutes remain in this vote.

☐ 1845

Mr. RADANOVICH changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 3 OFFERED BY MR. CASTLE

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Delaware (Mr. CASTLE) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 185, noes 230, not voting 18, as follows:

[Roll No. 307]

AYES—185

Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Biggert

Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Bradley (NH)
Brady (TX)
Brown (SC)
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Carter
Castle
Chabot
Chocola
Cole
Cox
Crane
Crenshaw
Culberson
Davis (TN)
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor

Gingrey
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall
Harman
Harris
Hart
Hayworth
Hensarling
Herger
Herseth
Hoekstra
Holden
Hostettler
Hulshof
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Latham
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Manzullo
McCrery
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Murtha
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nussle
Osborne
Ose

Paul
Pearce
Pence
Petri
Pickering
Pitts
Platts
Portman
Pryce (OH)
Putnam
Ramstad
Regula
Rehberg
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Simmons
Skelton
Smith (MI)
Smith (TX)
Smith (WA)
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tanner
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden (OR)
Wamp
Weldon (PA)
Whitfield
Wicker
Wilson (SC)

NOES—230

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Brown-Waite, Ginny
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Chandler
Clay
Clyburn
Coble
Cooper

Costello
Cramer
Crowley
Cubin
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez

Goode
Goodlatte
Gordon
Goss
Graves
Grijalva
Gutierrez
Hayes
Hefley
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Holt
Honda
Hooley (OR)
Houghton
Hoyer
Hunter
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (IL)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kildee

Kilpatrick
Kind
King (NY)
Kleczka
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (OK)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McGovern
McHugh
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, George

Moore
Moran (VA)
Murphy
Nadler
Napolitano
Neal (MA)
Nunes
Oberstar
Obey
Olver
Ortiz
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Peterson (PA)
Pombo
Pomeroy
Porter
Price (NC)
Quinn
Radanovich
Rahall
Rangel
Renzi
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton

Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Sherwood
Simpson
Slaughter
Smith (NJ)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walsh
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—18

Barton (TX)
Bereuter
Berman
Carson (IN)
Case
Collins

Conyers
Davis, Tom
Deutsch
Gephardt
Granger
Hastings (FL)

Hastings (WA)
Jones (OH)
McDermott
Mollohan
Rothman
Tauzin

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised 2 minutes remain in this vote.

□ 1852

Ms. HARMAN changed her vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 4 OFFERED BY MR. HENSARLING

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Texas (Mr. HENSARLING) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 96, noes 317, not voting 20, as follows:

[Roll No. 308]

AYES—96

Akin
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Bishop (UT)
Blackburn
Blunt
Boehner
Brady (TX)
Burgess
Burns
Cannon
Cantor
Carter
Chabot
Chocola
Coble
Cole
Cox
Crane
Cubin
Culberson
Deal (GA)
DeLay
DeMint
Diaz-Balart, M.
Doolittle
Duncan
Dunn
Feeney

Flake
Forbes
Franks (AZ)
Garrett (NJ)
Gibbons
Gingrey
Goode
Goodlatte
Green (WI)
Gutknecht
Hall
Harris
Hayworth
Hefley
Hensarling
Hoekstra
Hostettler
Isakson
Istook
Johnson, Sam
Keller
Kennedy (MN)
King (IA)
Kingston
Kline
Manzullo
McKeon
Miller (FL)
Moran (KS)
Murphy
Musgrave
Myrick

Neugebauer
Norwood
Ose
Otter
Paul
Pearce
Pence
Pitts
Pombo
Putnam
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Schrock
Sensenbrenner
Sessions
Shadegg
Shimkus
Smith (MI)
Souder
Stearns
Sullivan
Tancredo
Taylor (NC)
Thornberry
Tiahrt
Toomey
Vitter
Wamp
Weldon (FL)
Wilson (SC)

NOES—317

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Becerra
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Boehlert
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burr
Burton (IN)
Buyer
Calvert
Camp
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Castle
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crenshaw
Crowley
Cummings

Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Dreier
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Foley
Ford
Fossella
Frank (MA)
Frelinghuysen
Frost
Gallegly
Gerlach
Gilchrest
Gillmor
Gonzalez
Gordon
Goss
Graves
Green (TX)
Greenwood
Grijalva
Gutierrez
Harman
Hayes
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel

Holden
Holt
Honda
Hooley (OR)
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney

Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McGovern
McHugh
McInnis
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Nethercutt
Ney
Northup
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Platts
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Shaw
Shays
Sherman
Sherwood
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Tiberi
Tierney
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—20

Barton (TX)
Bereuter
Berman
Carson (IN)
Collins
Davis, Tom
Deutsch
Gephardt
Granger
Hart
Hastings (FL)
Hastings (WA)
Herger
Issa
Jones (OH)
McDermott
Mollohan
Ros-Lehtinen
Rothman
Tauzin

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised 2 minutes remain in this vote.

□ 1859

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Ms. HART. Mr. Chairman, on rollcall No. 308 I was unavoidably detained. Had I been present, I would have voted "aye."

Mr. HERGER. Mr. Chairman, on rollcall No. 308 I was unavoidably detained. Had I been present, I would have voted "aye."

Stated against:

Ms. ROS-LEHTINEN. Mr. Chairman, on rollcall No. 308 I was unavoidably detained. Had I been present, I would have voted "no."

AMENDMENT NO. 5 OFFERED BY MR. HENSARLING

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Texas (Mr. HENSARLING) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 111, noes 304, not voting 18, as follows:

[Roll No. 309]

AYES—111

Akin
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Bilirakis
Bishop (UT)
Blackburn
Boehner
Brady (TX)
Brown-Waite, Ginny
Burr
Cannon
Cantor
Chabot
Chocola
Coble
Cole
Cox
Crane
Cubin
Davis, Jo Ann
Deal (GA)
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Duncan
Dunn
English
Feeney
Flake
Foley
Forbes
Fossella
Franks (AZ)
Garrett (NJ)
Gibbons
Gillmor
Gingrey
Goode
Goodlatte
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hayworth
Hefley
Hensarling
Herger
Hoekstra
Hostettler
Hulshof
Isakson
Issa
Johnson, Sam
Keller
Kennedy (MN)
King (IA)
Kline
Linder
Manzullo
McCrery
McInnis
McKeon
Mica
Miller (FL)
Moran (KS)
Musgrave
Myrick
Neugebauer
Norwood
Nunes
Nussle
Ose
Otter
Paul
Pence
Pitts
Pombo
Radanovich
Ramstad
Reynolds
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Schrock
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Smith (MI)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thomas
Tiberi
Toomey
Upton
Vitter
Walden (OR)
Wilson (NM)
Wilson (SC)

NOES—304

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Biggert
Bishop (GA)
Bishop (NY)
Blumenauer
Blunt
Boehlert
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brown (OH)
Brown (SC)
Brown, Corrine
Burgess
Burns
Burton (IN)
Buyer
Calvert
Camp
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Edwards
Ehlers
Emanuel
Emerson
Engel
Eshoo
Etheridge
Everett
Farr
Fattah
Ferguson
Filner
Ford
Frank (MA)
Frelinghuysen
Frost
Gallegly
Gerlach
Gilchrest
Gonzalez
Gordon
Goss
Graves
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hayes
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Houghton
Hoyer
Hunter
Hyde
Inslee
Israel
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McGovern
McHugh
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Moore
Moran (VA)
Murphy
Murtha
Nadler
Napolitano
Neal (MA)
Nethercutt
Ney
Northup
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Platts
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Rahall
Rangel
Regula
Rehberg
Renzi
Reyes
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Shaw
Sherman
Sherwood
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tierney
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walsh
Wamp
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—18

Barton (TX)
Bereuter
Berman
Carson (IN)
Collins
Davis, Tom
Deutsch
Evans
Gephardt
Granger
Hastings (FL)
Hastings (WA)
Jones (OH)
McDermott
Mollohan
Rothman
Tauzin
Waters

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). There are 2 minutes remaining in this vote.

□ 1906

Mr. NUNES changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. NUSSLE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. TERRY) having assumed the chair, Mr.

LATOURETTE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4663) to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to establish discretionary spending limits and a pay-as-you-go requirement for mandatory spending, had come to no resolution thereon.

PERMISSION FOR AMENDMENT NO. 18 TO BE CONSIDERED OUT OF SEQUENCE AND WITHDRAWN AFTER DEBATE DURING FURTHER CONSIDERATION OF H.R. 4663, SPENDING CONTROL ACT OF 2004

Mr. DREIER. Mr. Speaker, I ask unanimous consent that during further consideration of H.R. 4663 pursuant to House Resolution 692, amendment No. 18 in House Report 108-566 may be considered out of sequence in the Committee of the Whole, and that the amendment may be withdrawn by its proponent after debate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

SPENDING CONTROL ACT OF 2004

The SPEAKER pro tempore. Pursuant to House Resolution 692 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4663.

□ 1905

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4663) to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to establish discretionary spending limits and a pay-as-you-go requirement for mandatory spending, with Mr. BASS (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose earlier today, amendment No. 5 printed in House Report 108-566 offered by the gentleman from Texas (Mr. HENSARLING) had been disposed of.

Pursuant to the order of the House of today, amendment No. 18 printed in the report may be considered out of sequence and may be withdrawn by its proponent after debate thereon.

AMENDMENT NO. 18 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. YOUNG OF FLORIDA

Mr. YOUNG of Florida. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment No. 18 in the nature of a substitute No. 18 offered by Mr. YOUNG of Florida:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Spending Control Act of 2004".

SEC. 2. EXTENSION OF DIRECT SPENDING CONTROLS.

(a) PURPOSE.—Section 252(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

"(a) PURPOSE.—The purpose of this section is to assure that any legislation that causes a net increase in direct spending will trigger an offsetting sequestration.".

(b) TIMING.—Section 252(b)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "any net deficit increase" and all that follows through "2002," and by inserting "any net increase in direct spending,".

(c) CALCULATION OF DIRECT SPENDING INCREASE.—(1) Section 252(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

"(2) CALCULATION OF DIRECT SPENDING INCREASE.—OMB shall calculate the amount of increase or decrease in direct spending. If, in the President's budget submission pursuant to section 1105(a) of title 31, United States Code, baseline estimates for direct spending for the current year exceed the direct spending baseline estimates for the current year assumed in the previous year's budget as a result of legislation enacted since the previous budget, that shall be treated as an increase in direct spending for purposes of this section.

(2) CONFORMING AMENDMENT.—Section 1105(a) of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(35) a separate statement identifying the changes in direct spending baseline estimates for the current year resulting from economic factors, technical factors, or enacted legislation.".

(d) CONFORMING AMENDMENTS.—(1) The heading of section 252(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows: "ELIMINATING A DIRECT SPENDING INCREASE.—".

(2) Paragraphs (1), (2), and (4) of section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 are amended by striking "or receipts" each place it appears.

(3) Section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "or receipts" and by striking ", outlays, and receipts" and inserting "and outlays".

(4) Section 254(c)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(A) in subparagraph (A) by striking "net deficit increase or decrease" and by inserting "net increase or decrease in direct spending";

(B) in subparagraph (B) by striking "amount of deficit increase or decrease" and by inserting "increase or decrease in direct spending"; and

(C) in subparagraph (C) by striking "a deficit increase" and by inserting "an increase in direct spending".

SEC. 3. PROJECTIONS UNDER SECTION 257.

Section 257(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by inserting after paragraph (6) the following new paragraph:

"(7) EMERGENCIES.—New budgetary resources designated under section 251(b)(2)(A) or 251(b)(2)(I) shall not be assumed beyond the fiscal year for which they have been enacted.".

SEC. 4. EXCEPTION FOR OUTLAY COMPONENTS OF EXPIRING RECEIPTS LEGISLATION.

Section 252(d)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "and" at the end of subparagraph (A), by striking the period and inserting "; and" at the end of subparagraph (B), and by adding at the end the following new subparagraph:

"(C) extending provisions in the Economic Growth and Tax Relief Reconciliation Act of 2001 or provisions in sections 101 through 104, section 202, or sections 301 and 302 of the Jobs and Growth Tax Relief Reconciliation Act of 2003.".

SEC. 5. TECHNICAL CORRECTIONS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.

Part C of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended as follows:

(1) In section 250(a), strike "SEC. 256. GENERAL AND SPECIAL SEQUESTRATION RULES" and insert "Sec. 256. General and special sequestration rules" in the item relating to section 256.

(2) In subparagraphs (F), (G), (H), (I), (J), and (K) of section 250(c)(4), insert "subparagraph" after "described in" each place it appears.

(3) In section 250(c)(18), insert "of" after "expenses".

(4) In section 251(b)(1)(A), strike "committees" the first place it appears and insert "Committees".

(5) In section 251(b)(1)(C)(i), strike "fiscal years" and insert "fiscal year".

(6) In section 251(b)(1)(D)(ii), strike "fiscal years" and insert "fiscal year".

(7) In section 252(b)(2)(B), insert "the" before "budget year".

(8) In section 252(c)(1)(C)(i), strike "paragraph (1)" and insert "subsection (b)".

(9) In section 254(c)(3)(A), strike "subsection" and insert "section".

(10) In section 254(f)(4), strike "subsection" and insert "section" and strike "sequesterable" and insert "sequestrable".

(11) In section 255(g)(1)(B), move the fourteenth undesignated clause 2 ems to the right.

(12) In section 255(g)(2), insert "and" after the semicolon at the end of the next-to-last undesignated clause.

(13) In section 255(h)—

(A) strike "and" after the semicolon in the ninth undesignated clause;

(B) insert "and" after the semicolon at the end of the tenth undesignated clause; and

(C) strike the semicolon at the end and insert a period.

(14) In section 256(k)(1), strike "paragraph (5)" and insert "paragraph (6)".

(15) In section 257(b)(2)(A)(i), strike "differenes" and insert "differences".

SEC. 6. CHANGE OF FISCAL YEAR.

(a) FISCAL YEAR TO BEGIN NOVEMBER 1.—Section 1102 of title 31, United States Code, is amended by striking "October 1" and inserting "November 1" and by striking "September 30" and inserting "October 31".

(b) TITLE OF APPROPRIATION ACTS.—Section 105 of title 1, United States Code, is amended by striking "September 30" and inserting "October 31".

(c) TRANSITION TO NEW FISCAL YEAR.—(1) As soon as practicable, the President shall prepare and submit to the Congress—

(A) after consultation with the Committees on Appropriations of the House of Representatives and the Senate, budget estimates for the United States Government for the period commencing October 1, 2005, and ending October 31, 2005, in such form and detail as he may determine; and

(B) propose legislation he considers appropriate with respect to changes in law necessary to provide authorizations of appropriations for that period.

(2) The Director of the Office of Management and Budget shall provide, by regulation or otherwise, for the orderly transition of all departments, agencies, and instrumentalities of the United States Government and the government of the District of Columbia from the use of the fiscal year in effect on the date of enactment of this Act to the use of the new fiscal year prescribed by section 1102 of title 31, United States Code, (as amended by subsection (a)). The Director shall prepare and submit to the Congress such additional proposed legislation as he considers necessary to accomplish this objective.

(d) EFFECTIVE DATE.—This section and the amendments made by it (except for subsection (c)) apply to fiscal year 2006 and subsequent fiscal years.

SEC. 7. SUNSETTING OF DISCRETIONARY PROGRAMS AND UNEARNED ENTITLEMENTS.

(a) FISCAL YEAR 2007.—Effective October 1, 2006, authorizations for all programs (except earned entitlements) shall terminate unless such programs are reauthorized after the date of enactment of this Act and before October 1, 2006.

(b) DEFINITIONS.—For purposes of subsection (a), the term "earned entitlement" means an entitlement earned by service or paid for in total or in part by assessments or contributions such as social security, veterans' benefits, retirement programs, and medicare.

SEC. 8. SPECIAL RULE FOR FISCAL YEAR 2005.

For purposes of ensuring the full funding of the transportation guarantees in fiscal year 2005, the amounts provided for fiscal year 2005 for discretionary new budget authority and outlays allocated to the House Committee on Appropriations as though under section 302(a) of the Congressional Budget Act of 1974 shall be increased by not less than $2,057,000,000 in budget authority and $634,000,000 in outlays.

The CHAIRMAN pro tempore. Pursuant to House Resolution 692, the gentleman from Florida (Mr. YOUNG) and a Member opposed each will control 15 minutes.

The Chair recognizes the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I offer this substitute, which includes many similar amendments to those we have already considered and others we will consider, as a total substitute for the bill. However, the primary reason I offer this substitute is because my friends on the Committee on Rules did not give appropriators any time at all under the rule to have a serious debate on our position relative to this bill. So we are taking this approach.

Now, I want to announce to the Members that I agree that the budget process needs to be changed and needs to be improved. And I am not suggesting that my chairman, the gentleman from Iowa (Mr. NUSSLE), has done anything wrong. It is just the fact that the current process is not working, especially at the other end of the Capitol. But what I intended to do in one of the amendments I submitted and the Committee on Rules rejected, was to create a commission, a bicameral, bipartisan group of Members of the House and the Senate, to sit down and study this problem from all perspectives not just that of the Committee on the Budget, or the Committee on Appropriations, or the Committee on Ways and Means, or the authorizing committees—but from all perspectives. Everybody has something good to offer if they are given an opportunity.

But my amendment was not made in order, so we are not going to do that here today. So what I intend to do, Mr. Chairman, is to develop a bill on my own. And I intend to seek and solicit the ideas and information from all of those committees that I have mentioned and then I will propose, what I would consider to be, a very realistic budget reform proposal. That is the way I intend to proceed.

Now, although I am going to withdraw this amendment, I think as appropriators who are affected by this bill more than anyone else in the Congress, that we do have a right to have some additional time to state our views. So I will use this amendment to obtain that time.

Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky (Mr. ROGERS), the chairman of the Subcommittee on Homeland Security.

Mr. ROGERS of Kentucky. Mr. Chairman, I thank the chairman for yielding me this time.

I think we all share the zeal to reform the budget process. It is broken. But in that zeal, I want us to be sure we do not step on the Constitution. One of the hallmarks of that great Constitution that has sustained us so far is the separation of powers between the executive, the legislative, and the judicial. It is the Congress, by the Constitution, that has the prerogative and, in fact, the duty to allocate the spending for the executive branch.

Nowhere in the Constitution does it allow the executive to tell the Congress how the money should be spent, how much money should be spent. The Congress enacts appropriation bills, spending bills, and the executive executes those bills.

The budget resolution that is before us calls for statutory spending limits. Now, I understand the motivation behind that is to try to get something that will cap spending. We all want that. But the President would have to sign such a budget resolution. That brings the executive branch, OMB, into the process of negotiating a figure, a cap, for those years. To me, that violates the separation of powers.

We would not be able to enact a budget resolution, a statutory cap, independent of the White House because the President must sign the bill; and, therefore, he will exact his impressions on that.

So I would hope that the chairman of my committee will follow through on his promise just now to work on a process of bringing spending under control. In the meantime, let us do not step on the U.S. Constitution by requiring a statutory Presidentially signed spending cap.

The CHAIRMAN pro tempore. Who claims time in opposition to the amendment?

Mr. NUSSLE. Mr. Chairman, I claim time in opposition, and I reserve the balance of my time.

Mr. SPRATT. Mr. Chairman, I certainly have no objection to the gentleman's withdrawing the amendment.

Mr. NUSSLE. Mr. Chairman, if the gentleman wishes to debate, I would be happy to yield half the time in opposition to the gentleman from South Carolina (Mr. SPRATT).

The CHAIRMAN pro tempore. Without objection, the gentleman from South Carolina (Mr. SPRATT) will control half of the time claimed by the gentleman from Iowa (Mr. NUSSLE).

There was no objection.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

As I was just informing the House, Mr. Chairman, I have, obviously, no objection to what the gentleman wishes to do. I understand all of his sentiments. This process needs to be fixed.

If the gentleman from Florida (Mr. YOUNG) will remember, we had a conference in 1997 when we did the balanced budget agreement of 1997. Most of the budget principles, when they were affected, the subcommittee chairmen of the Committee on Appropriations came. It would be good if we could get together again, something like that, where you do have interest from all of the House, and we could sit down and I would hope in a nonpartisan way try to come up with a better process than we have right now, because the process we have now is in the ditch.

I would still have problems with the gentleman's amendment because it does not provide for the full double-edged PAYGO. It has now a provision in it that changes the fiscal year to November 1. I do not quite understand why the gentleman would want to do that.

But, nevertheless, it is a moot point now. We appreciate the gentleman's removing it from consideration. There are some ideas in there I do agree with. For example, the gentleman would tell CBO not to assume that expiring tax provisions are not going to be renewed. They are most likely going to be renewed, and that is the way the projection ought to be carried out, I think. And so I agree with a number of those provisions like that in the gentleman's proposal.

Mr. Chairman, I reserve the balance of my time.

Mr. YOUNG of Florida. Mr. Chairman, I yield myself such time as I may consume to tell the gentleman that I appreciate his comments. This is a way for me to get time and for Members of my committee to get time, but we are not going to pursue this amendment.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California (Mr. LEWIS), chairman of the Subcommittee on Defense of the Committee on Appropriations, who successfully passed his bill a couple of days ago with 403 votes, and he reports to me just now that the Senate has now passed it on a vote of 98 to 0.

□ 1915

Mr. LEWIS of California. Mr. Chairman, I thank the gentleman from Florida (Mr. YOUNG) for yielding me this time.

Mr. Chairman, it is interesting for me to note that throughout the history of the country, there was that kind of constant understanding that the President in the arena of spending proposes and the Congress disposes.

The President, the executive makes a decision about spending in a specific area, and over time, the committees that affect that area make a decision as to exactly what our policy should be and what direction we should take by way of finally spending. Eventually that became the President's budget proposing, and then us disposing.

Over the years, it seems the Congress finds itself spending a lot more money than they had. A deficit began to accumulate over time. People were frustrated with one another about who had the right kind of priorities, et cetera. That led to specially a budget committee to help provide advice and counsel to the big committees, the Committee on Appropriations, the Subcommittee on Defense, the Committee on Ways and Means, et cetera.

That was going to solve all of our problems, and indeed, about the time I arrived, it was presumed that maybe that advice and counsel might work. And, yet, the deficit continued to expand.

Not so shortly thereafter, the majority changed, and in the budget process the whole committee made the decision to try to make sense out of an annual budget balance. And, indeed, that led to our putting voluntary limitations within the process using the budget to do that, and pretty well the Committee on Appropriations has stuck to those limits. And it has worked reasonably well, even though at times of war, like currently, we have great difficulty with that. Nonetheless, overall, it worked pretty well.

There seems to be a bit of stumble here in recent years, people not being happy with the way that process has worked for them in terms of priority, maybe not cutting spending as much as some like versus others, but as of this moment, we are at war. As of this moment, this bill includes statutory caps, which not only affects the President's budget, but has the President in a position to renegotiate again, essentially giving the administration a second bite at the apple. That concerns me; and, therefore, the chairman is absolutely correct. We need to go at this one more time. And I appreciate my colleague yielding.

Mr. YOUNG of Florida. Mr. Chairman, I would like to inquire of the gentleman from Iowa (Mr. NUSSLE), the chairman of the Committee on the Budget, if he intends to use any time, and if so, maybe we could alternate.

Mr. NUSSLE. Mr. Chairman, I only have one speaker, and that is to close.

Mr. YOUNG of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. WALSH), the chairman of the Subcommittee on VA, HUD and Independent Agencies.

Mr. WALSH. Mr. Chairman, we all know from our study of history that the Founding Fathers provided the executive, legislative and judicial branch with powers, separating powers. Within the Legislature, they gave the House the power of the purse. We all know in our dealings with the Senate that, they have certain powers and abilities that we do not have, but we have the purse.

Now, we already tried once to give part of that power to the Executive Branch. We passed a line-item veto, and the Supreme Court saved us from ourselves. I suspect that if any legislation that passed this Congress that allowed us to submit to mandatory or statutory caps on spending, the Supreme Court would do the same thing again. We have got to stop trying to hand off our responsibilities to someone else to save ourselves from ourselves. What we are seeing is Band-Aids laid over an elegant but simple process, statutory budget caps, line-item vetos, automatic continuing resolutions.

My goodness, New York State, my State, passed automatic continuing resolutions. They have not passed a budget on time in 20 years. They even went so far as to say we will not pay ourselves until we pass a budget, and even that did not work. We have to have some discipline. We have the responsibility and have had it for 150 years to deal with these priorities.

In 1974, when we passed a budget resolution, the Budget Reform Act, the deficits have gone through the roof since that occurred. I would submit, with all due respect to the Committee on the Budget, the simplest and most elegant solution is to eliminate the Committee on the Budget and take the discretionary spending and get control of it by making mandatory spending discretionary. We cannot continue on allowing mandatory spending to go through the roof.

I appreciate the difficulty the job the Committee on the Budget has. I appreciate the effort that they have made, but we cannot continue to overlay Band-Aids on a system that does not work.

So I would urge to reject the underlying bill and support the chairman's amendment if he retains it.

Mr. YOUNG of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. HOBSON), the distinguished chairman of the Subcommittee on Energy and Water Development, whose bill will be on the floor tomorrow.

Mr. HOBSON. Mr. Chairman, I have been a member of the Committee on the Budget when we balanced the budget. I was the Speaker's delegate to the budget, so I know the difficult problems that can go on in the Committee on the Budget, but I think this so-called budget reform does harm to our process. We have a process that we need to follow and maintain. We cannot abrogate our responsibilities to make those hard choices here on the floor by giving the President, or whoever the administration is, three bites at the apple.

Recently I have had experience with this. We passed a bill in the House that solved the problem for two Members that had been going on for 14 years. The bill was signed by the President of the United States. OMB decided they were not going to follow it. They just were not going to do it. So we have had to go back and do it again. I do not think we should give up our process to people like that when we are dealing with this.

There are reforms to discretionary spending enforcements that should be considered in the broader reforms, such as meaningful controls on the growth of mandatory programs and putting the Congressional authorization process back on track. I would urge the defeat of the underlying bill.

Mr. YOUNG of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. REGULA), chairman of the Subcommittee on Labor, Health and Human Services, Education and Related Agencies.

Mr. REGULA. Mr. Chairman, the gentleman from Florida and I were probably the only two Members who were here when the Budget Committee was created and the budget process that we are talking about today. We had at that time great hopes that this would accomplish the goals of achieving fiscal responsibility. I think it is time that we take a look at this process to see if there are changes that can be made. I, for one, think that we might take a look at a 2-year budget as a possibility so that we can bring more certainty to the process. Because what we are doing is setting the parameters for those who execute the decisions that we make in terms of policy. But keep in mind, we always say this is the people's House. This is not the Office of Management and Budget's House. That is what we are talking about here, whether we would give OMB the ability to establish the priorities for the people. That is our job. That is why we get elected.

That is why Daniel Webster, if you read the statement above the Speaker's chair said, "Let us develop the resources of our land, call forth its powers, built up its institutions, promote all its great interests and see whether we also in our day and generation may not perform things worthy to be remembered." Daniel Webster was a Member of the House. He was speaking in terms of the people's House. I think we have a responsibility to make these priority decisions. The subcommittee I chair is second only to defense in terms of funding levels and it is the one that touches the lives of 280 million Americans, providing funding for education, health research, and labor. We have dozens of hearings to give the people a chance to tell us what their priorities are and what is important in their lives. That is why it is essential that we have the responsibility for establishing through the budget process the broad parameters of spending, but more precisely the specific appropriations that reflect the priorities of the people should remain in the people's House.

If we truly want to make this the people's House and keep it that way, I think we should retain control of setting those priorities.

Mr. YOUNG of Florida. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. FRELINGHUYSEN), chairman of the Subcommittee on the District of Columbia.

Mr. FRELINGHUYSEN. I thank the gentleman for yielding me this time.

Mr. Chairman, I also rise in support of the Young amendment, but recognize, like others before me, that the underlying bill violates the separation of powers devised by the Framers of the Constitution, and our system of shared power that we know from our history books as checks and balances, and that even the Young amendment cannot salvage the Budget Enforcement Act from its fatal flaws.

Mr. Chairman, we are a Nation at war fighting a global war on terror. We are a country with a growing, yet evolving economy and changing national priorities. This Congress, this Appropriations Committee, this Budget Committee, needs the flexibility to address priorities on an annual basis. We need the ability to deal with the challenges and opportunities as they arise on a State-by-State, district-by-district, month-by-month, year-to-year basis. This Budget Enforcement Act makes it almost impossible to do it.

Mr. YOUNG of Florida. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Kansas (Mr. TIAHRT), a very important member of the Committee on Appropriations.

Mr. TIAHRT. I thank the gentleman from Florida for yielding me this time.

Mr. Chairman, the problem that we are facing tonight is the control of spending, how do we control spending and reduce the Federal deficit. The easy target is the appropriations process because that is where we spend most of our time. We develop 13 bills for discretionary spending and we focus on all 13. But the real culprit is mandatory spending and off-budget items.

If we look at Medicare which is mandatory spending, for example, it grew 14 percent last year, much faster than the rate of inflation. Yet we do not have nearly the time focused on Medicare that we do on these 13 appropriations bills. We also have the highway bill coming up, TEA–LU, which is moving towards $318 billion over the next 6 years. That is going to exceed what the trust fund provides. Where will that excess money come from? It will come out of the appropriations process for discretionary spending and once again, this burden will be there and the blame once again will be placed on the appropriations process.

If we are going to control spending, we are going to have to learn how to focus on mandatory spending as well as off-budget items, because the appropriations process has all 13 appropriation bills submitted within budget. It is mandatory where the real problem is, and we are failing to deal with it.

Mr. YOUNG of Florida. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, let me say that this appropriations committee is made up of very good Members of both parties. They work hard. They are here whether the House is in session or whether the House is not in session. This committee passes 13 appropriations bills every year, and two to three supplementals. Then we go to conference with the other body, and despite the suggestion that the appropriations process is broken, since I have had the privilege of chairing this committee, we have gotten all of those bills done eventually, some sooner and some later. And we have to work with real numbers. We cannot assume numbers. We cannot pick a number out of the air. We have to work with real numbers and with real laws.

The chairman of the Committee on the Budget should understand the problems we have in moving 15 bills through conference because he has one budget resolution to move and he has trouble getting that done, not by any fault of his, but the fault of the other body.

I know I am not supposed to say that, but nevertheless it is the fact. That information is not classified.

The Appropriations Committee is a very good committee. It works hard and it produces good legislation. I would say that just in the last fiscal year, your Appropriations Committee defeated amendments that would have increased spending by $18 billion. Most of those amendments sounded really good. They would have been nice to vote for. But we did not have the money. We were committed to staying within the budget and we did. I would also say that it is the mandatory spending programs that we have no control over. We do not deal with them and it is mandatory spending that is causing this deficit to rise higher and higher and higher.

I would suggest that just one example: we had a colloquy today between the chairman of the Committee on Transportation and Infrastructure and the chairman of the Committee on the Budget on firewalls for the transportation bill, TEA–LU. I support that bill. We need to improve our infrastructure and our bridges and our highways in our communities. The problem, and what they never really admit and concede, is that there are guarantees in that bill. If the trust funds do not make up the guarantees, the appropriations committee has to swallow the guarantees. That means we have to take it away from education or health benefits or something else. The 302(a)s should be adjusted if we are saddled with a mandatory spending of this kind.

Mr. Chairman, I yield back the balance of my time.

□ 1930

Mr. NUSSLE. Mr. Chairman, I yield myself such time as I may consume.

First of all, let me say this has been a fascinating thing to listen to. Let me start by saying "methinks thou doth protest" just a little bit too much.

It is fascinating to me that in the middle of the appropriations process, all of these very good friends of mine, who are every one from the Committee on Appropriations chairman himself to the, what are often time around here called cardinals, subcommittee Chairs, who have the job of managing these appropriation bills, seem to find the time to come to the floor for this somewhat innocuous debate today. It is kind of interesting they spent their entire afternoon on the floor concerned about this process.

And I would suggest that it is not because the Committee on the Budget is where everyone is pointing the fingers. The Committee on the Budget did not cause the deficits that we are faced with here today any more than the Committee on Appropriations did, any more than the Committee on Ways and Means did, any more than the Republicans or the Democrats or the President or the Congress did. We spend so much time blaming other people and pointing fingers around here that we forget sometimes to look in the mirror as to how this all happened. And everyone is going to have their own version. I am not going to bore everyone with mine. But if they do not remember a couple of things that are important over the last few years, they are really missing the point.

We created a budget in 2001, and we had a surplus on September 10 of 2001. And then we all know what happened the next day. And thank goodness we had a budget, and thank goodness we had the flexibility in the budget to go into a room and say guess what, guys, the jig is up. We had to create a new Department of Homeland Security. I was in the room when the bidding began on how much money to send to New York. Do my colleagues know what the opening bid was? I will never forget it. I will never forget the way the meeting went. It started by someone mentioning that we might have to send $6 billion up to New York. Does the gentleman from Florida (Chairman YOUNG) remember that? And by the end of a half hour meeting, the number was $40 billion. We went from 6 to 40 in one half hour.

Was it the right thing to do? Yes. Did the budget allow it to happen? Yes. Did the Committee on Appropriations cause it to happen? Yes. Did the American people support it? Yes. Did it add to the deficit? Yes. And thank goodness we have got the full faith and credit and the great economy that can bounce back from something like that so that we can do it.

So do not come here today, please, I beg of my colleagues, and blame the Committee on Appropriations for the deficit, or as I heard a gentleman actually suggest not too long ago that maybe it was because of the Budget Committee that we had a deficit. I mean, my goodness, let us be real about this.

The next thing I would like to say is that there was a gentleman who mentioned a moment ago about a perceived spending problem. Okay. If that is how he would like to refer to it as a perceived spending problem, that is fine. But would he please go home and talk to his constituents, because if they are like the constituents I represent in Iowa, there is no perception about it. They are telling me there is a spending problem in Washington that we have got to get a handle on. And, yes, Mr. Chairman, it is on the appropriations side, and 60 percent of it is also on the mandatory side. And I have said that until I am blue in the face. Unfortunately, a lot of the people who spoke have now left, and they never get the benefit of hearing me say that I do not blame the Committee on Appropriations for everything.

Last but not least, let me just mention the offer that the very distinguished gentleman from Florida, who is an excellent friend of mine, and I am honored to have the opportunity to even stand next to him on the floor and debate, the gentleman from Florida does an amazing job under extremely difficult circumstances, and he is right; I only have it to do this once. I have only got to pass one budget. He has to do it 13 times. Yes, that is heavy lifting. No question about that, and I respect that.

But having said that, to suggest we can come together and come to an agreement on a new process and leave out the Committee on Appropriations and to suggest this does not have at least one small part to do with how the Committee on Appropriations operates or how Committee on Appropriations' bills come to the floor, that is where we break down. It is when the Committee on Ways and Means says, You can do that, but just do not include me; or the Committee on Transportation and Infrastructure says, as the gentleman said, Do for everything but what we firewall off; or the Committee on Appropriations says, Blame it on the Budget Committee, our appropriations process should not be part of this discussion.

If we are going to have this discussion, we all have to have the discussion, and we have got to put all our rules on the table. We cannot say, just say separation of powers say that we have the right to do this. And let me end with that.

There was a gentleman who came to the floor who said that this Committee on the Budget and the budget process was created to provide advice. No, it was not. It was created because back in the 1960s, there was absolutely no coordination during the 5 months Congress was in session. That is it. During the 5 months Congress was in session, the Committee on Appropriations and the Committee on Ways and Means, who managed revenues and appropriations, never talked to each other. And at the end of the year, maybe miraculously in a good year, there might be a surplus, but most of the time there were deficits. There was never a coordination.

And so the main reason why this was established was to reconcile those two processes, and that is why we have something now called the reconciliation process. And I overheard the gentleman and he is right. When was the last time we did that? We do not do it anymore. And that is why the process is broken. Because Members have been taken out of the process. The political part of this, small "p," has been taken out, and we are trusting that a process can get us to a result. And at the end of the day, I have got to tell the Members we can monkey with this process all day long until we are blue in the face. It still comes back to how I opened the debate. It is still about how we as individual Members want to operate in here.

If the gentleman from South Carolina (Mr. SPRATT) and I want to argue for the next 10 years and have differences of opinion, we will never come together. If for some miraculous reason we could sit down one day and come up with a joint list of priorities, it would work. That is what it comes down to, Members working together. The process cannot supplant that. It still has to be Members making political, small "p," decisions about how to represent their districts in this Congress.

So I respect everything that my friends from the Committee on Appropriations have said, but I would just remind them that "methinks thou doth protest" just a little bit too much. This is not about them. This is about us.

The CHAIRMAN pro tempore (Mr. BASS). The time of the gentleman from Iowa (Mr. NUSSLE) has expired.

Mr. SPRATT. Mr. Chairman, I yield the balance of my time to the gentleman from Florida (Mr. YOUNG) and ask unanimous consent that he be allowed to control that time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Florida (Mr. YOUNG) has 6 minutes remaining.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding me this time. We were rather rushed in trying to get some of our speakers to the floor.

Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Georgia (Mr. KINGSTON), chairman of the Legislative Subcommittee of the Committee on Appropriations.

Mr. KINGSTON. Mr. Chairman, I thank the gentleman for yielding me this time.

I rise in opposition to the Nussle budget reform proposal, but I do so with great respect for the Committee on the Budget and his leadership on that, and I want to say that this is the proper discussion and a discussion which we should be having.

As a member of the Committee on Appropriations, I see it a little bit differently. I think that we are both going towards the same goal, the Committee on the Budget and the Committee on Appropriations; yet we are taking a different course. What our concern is about is the so-called statutory caps in the Nussle proposal give the executive branch, the President, three different bites of the apple: one when he submits the budget, the next using his veto pen, and then another one forcing his will on Congress. He will very much be at the table. And as our Founding Fathers established the separation of powers, I believe that there should be a little more than a philosophical firewall between the executive and the legislative branches. That is our view on it.

I believe, as an alternative, what the Committee on Appropriations would like to see is a little more cross-pollination between the Committee on the Budget and the Committee on Appropriations and perhaps the Committee on Ways and Means.

I come from the State legislature. I was a member of the Ways and Means Committee of the Georgia legislature for 8 years, and it seemed ridiculous to me when I got here that we split up our budget process into three dynamic committees all with a point of view and yet none of them with the franchise and the final responsibility of getting the job done at the end of the day.

I would like to see us work not just more closely with the Committee on the Budget but actually have some voting influence on each other, and I think there are some things that we can discuss in that vein.

I am also a supporter of a bill by the gentleman from Kansas (Mr. TIAHRT) that would set up a BRAC-type Base Realignment and Closure Commission for spending that would sort of pick up some pieces of some of the Grace Commission thoughts, but something of that nature where we could take a step outside the process and say, okay, how do we get this together?

Another alternative is the Istook Balanced Budget Amendment, which I have supported. We need to get that on the floor. We need to get the other body to pass it and the President to put it into law.

We also need to have good old-fashioned fiscal discipline. As the chairman of the Legislative Subcommittee, I am proud I have worked with the gentleman from Virginia (Mr. MORAN). We brought in a level funding bill this year; and in addition to that, we had a lot of other reforms, some outsourcing, some privatization, some reduction of committee spending and agency spending, some cuts, real cuts. Not just reductions in the projected increase, but less money than last year. We did that after a lot of debate back and forth. We want the other body to hold the spending on this. I believe that we as a legislative body could have even more cuts. We offered other amendments for cuts, and they were not approved by the committee. But perhaps on the floor we can get those done.

We are in the same church. We are only in a different pew when it comes to controlling spending.

Mr. YOUNG of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. CULBERSON), who is one of the newer, but one of the dynamic, members of the Committee on Appropriations.

Mr. CULBERSON. Mr. Chairman, I want to focus in this 2 minutes on the merits of the gentleman from Florida's (Chairman YOUNG) proposal which he is withdrawing tonight so that he can work with the members of the Committee on the Budget, Members of this House, and listen to all of the best advice that he can gather to come up with some substantive and meaningful reform of our appropriations process and the budget process.

We all recognize the Committee on Appropriations only controls about 20 percent of Federal spending. The gentleman from Florida's (Chairman YOUNG) proposal, which really merits our support, has laid out a system to shut down or sequester mandatory spending in the event the Office of Management and Budget baseline estimates are exceeded because Congress has passed more mandatory spending programs. And that is where the bulk of the problem lies, because Congress continues to pass programs that require us to spend more money.

The gentleman from Florida's (Chairman YOUNG) bill would also establish baseline estimates that do not include emergency spending. Obviously, in time of war emergency, we need to move bills through. We are going to spend money that we did not contemplate. The chairman's bill would also set out a change of start date of the fiscal year to November 1.

But the part that I am particularly pleased about and excited to see, the chairman has proposed sunsetting of all Federal programs, except earned entitlements, effective October 1 of 2006 unless reauthorized. And I know the chairman, coming out of the State legislature in Florida, is interested in listening to and hearing advice from our State legislators. The American Legislative Exchange Council is meeting in Seattle this summer, a very good organization made up of State legislators whom we need to listen to and talk to about how we can help them balance their State budgets and how they can help us with their best ideas on balancing the Federal budget.

I believe the gentleman from Florida's (Chairman YOUNG) amendment, which he will turn into a bill, merits our support. I look forward to working with him, as I know he will work with the Committee on the Budget and all Members of this Congress to bring together the best ideas so we can truly bring spending under control.

Mr. YOUNG of Florida. Mr. Chairman, I yield myself the balance of my time.

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Mr. Chairman, again I want to thank the gentleman from South Carolina (Mr. SPRATT) for giving me the advantage of the additional time he had allocated to him. We have tried to use it in a constructive way.

I also want to thank the gentleman from Iowa (Chairman NUSSLE) for the good debate and for the understanding, that he has exhibited, of our concerns. He said this is not about the appropriators or the Committee on the Budget. He said it is about us, and he is right. It is about the entire Congress, and that is what we are concerned about today: the prerogatives, the privileges and the constitutional responsibilities of the Congress of the United States.

So I want everybody to know that the gentleman from Iowa (Chairman NUSSLE) and I are still very good friends. We were before this started; we will be after the final vote. We just tend to have some honest differences; and that is what this place is all about—to air the differences. If we did not do that, then I would like to be in charge and we would do everything my way.

But that is not the way it happens. That is why we have this great debating society in the United States House of Representatives.

I would say to the gentleman from Iowa (Chairman NUSSLE), while he was walking down the aisle, that I complimented him for the conduct of this debate, which I appreciate very much.

Mr. Chairman, under the previously agreed to unanimous consent request, I withdraw this amendment.

The CHAIRMAN pro tempore (Mr. BASS). The amendment is withdrawn.

It is now in order to consider amendment No. 6, printed in House Report 108-566.

AMENDMENT NO. 6 OFFERED BY MR. KIRK

Mr. KIRK. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. KIRK:

At the end, add the following new section:

SEC. . ANNUAL CBO REPORTS ON ENTITLEMENT SPENDING.

Section 202(e) of the Congressional Budget Act of 1974 is amended by adding at the end the following new paragraph:

"(4) On or before February 15 of each year, the Director shall submit to the Committees on the Budget of the House of Representatives and the Senate, a report for the fiscal year ending on September 30 of the preceding year, with respect to entitlement spending, including (A) a comparison of actual spending for entitlements, on an account by account basis, with projected spending for such entitlements assumed in the concurrent resolution of the budget for that fiscal year and (B) an identification of those entitlements for which the actual spending exceeded the projected spending.".

The CHAIRMAN pro tempore. Pursuant to House Resolution 692, the gentleman from Illinois (Mr. KIRK) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Illinois (Mr. KIRK).

Mr. KIRK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have all heard of forecasting to estimate future spending by our government. Our experience with forecasting the cost of entitlement spending shows wild inaccuracies.

A classic example comes from forecasts we used on the spending under a new entitlement program to care for patients suffering from kidney failure. Under estimates before our Congress, Representatives were told 90,000 patients would enroll for taxpayer-funded dialysis by 1995. 90,000 patients enrolled in this new Federal entitlement program by 1985, 10 years earlier than expected. By 1995, there were 239,000 patients in the program, not the 90,000 estimated. Today, in fact, there are 400,000 patients in this program, so spending is wildly above that which was estimated when the program was voted on before this House.

My point with the amendment before us is simple: we need better forecasts before we change or improve entitlement spending programs. We would do that if we started a process which every budget analyst fears, and that is called backcasting. Backcasting by the Congressional Budget Office would require analysts to look at the actual spending over the previous year, with an eye to reviewing the actual errors they made in the estimates used the previous year.

Backcasting would give our budget analysts a grade. It would show the Congress clearly where actual spending of a program differed from the assumptions used in the previous forecast.

Backcasting is now a standard procedure used in nearly every investment house on Wall Street, and every American family with an IRA reviews the estimates of promised performance by their mutual funds and then compares it to what actually happened with their retirement nest egg.

I think it is about time we use this time-tested procedure to improve estimates used to prepare our budget using a rigorous analysis, comparing our previous estimates and the errors made compared to our actual budget experience.

This amendment comes just in time for the budget history of the United States. Right now, over 60 percent of our budget is spent through entitlement spending. Soon 70 percent of the budget will be spent in entitlement spending. This means that the estimates we use to set benefits and beneficiaries are not just important; they are crucial to the long-term financial strength of the United States.

We make vital promises to America's seniors. We must use advanced forecasting and backcasting to make sure that the promises we make to America's seniors are promises that taxpayers can afford to keep.

I appreciate the support of the gentleman from Iowa (Chairman NUSSLE) on this amendment and the lack of opposition from our senior, very distinguished ranking Democratic member on this.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. Who seeks time in opposition?

Mr. SPRATT. Mr. Chairman, I claim the time in opposition. I should claim it before the gentleman completely commits me to the support of his amendment.

The CHAIRMAN pro tempore. The gentleman from South Carolina (Mr. SPRATT) is recognized for 5 minutes.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have no great objection to it, it is true, simply because I think CBO already does this. You get every year the economic forecast and budget outlook. You get one in January. You get the President's budget again. There will be one coming up in August. The levels of entitlement spending are there. It may not be in quite the format you anticipate here, but if you want to go back to the previous year's volume and lay out what spending was that year, you can find projected levels in the baseline. It can be done.

Mr. Chairman, I will not object to this. I will accept it. But I honestly think it is redundant to what CBO is already doing and already providing.

Mr. KIRK. Mr. Chairman, I yield such time as he may consume to the gentleman from Iowa (Mr. NUSSLE), my distinguished chairman.

Mr. NUSSLE. Mr. Chairman, my only purpose for asking for the time, like the gentleman from South Carolina (Mr. SPRATT), I have no objection to this at all. It sounds not only like a good idea, but something I think we do already, but maybe not in the detail the gentleman from Illinois is looking for.

What I would certainly offer to do with the gentleman is to approach CBO in a bipartisan way and see if we cannot work out some way to achieve what the gentleman is asking for, possibly even without the necessity of having an amendment to the budget to do that. But the gentleman can proceed how he would like. If the gentleman wants more detail so that we can have more information about the accuracy, I am all for that. That may be something that the gentleman from South Carolina and I can do.

Mr. SPRATT. Mr. Chairman, will the gentleman yield?

Mr. NUSSLE. I yield to the gentleman from South Carolina.

Mr. SPRATT. Mr. Chairman, that is an excellent idea. The three of us can sit down with CBO and our staff and come up with the information the gentleman wants, and we will not be bound by statutory language, but by a good-faith commitment to get it done.

Mr. KIRK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would urge adoption of the amendment. You can imagine CBO analysts do not exactly want to be forced to go back and compare exactly how actual performance deviated from the estimate that they provided.

Mr. NUSSLE. Mr. Chairman, if the gentleman would yield further, since it is possible this bill may not become law, if that is possible, and I have heard that, why do we not work on this anyway as a project. I think it would be important to get that information.

Mr. KIRK. Mr. Chairman, reclaiming my time, absolutely. You can imagine CBO analysts are somewhat reticent for us to formally go back and see how their estimates varied.

I urge adoption of the amendment.

The CHAIRMAN pro tempore. The time of the gentleman from Illinois (Mr. KIRK) has expired.

Mr. SPRATT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Illinois (Mr. KIRK).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. KIRK. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Illinois (Mr. KIRK) will be postponed.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 7 printed in House Report 108-566.

AMENDMENT NO. 7 OFFERED BY MR. RYAN OF WISCONSIN

Mr. RYAN of Wisconsin. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Mr. RYAN of Wisconsin:

At the end, add the following new sections:

SEC. . JOINT BUDGET RESOLUTIONS.

(a) DEFINITIONS.—Paragraph (4) of section 3 of the Congressional Budget Act of 1974 is amended to read as follows:

"(4) the term 'joint resolution on the budget' means—

"(A) a joint resolution setting forth the congressional budget for the United States Government for a fiscal year as provided in section 301; and

"(B) any other joint resolution revising the congressional budget for the United States Government for a fiscal year as described in section 304.".

(b) JOINT RESOLUTION ON THE BUDGET.—(1) Section 301(a) of the Congressional Budget Act of 1974 is amended by striking "concurrent resolution" each place it appears including in the caption and inserting "joint resolution".

(2) Section 301(b) of such Act is amended by striking "concurrent resolution" each place it appears including in the caption and inserting "joint resolution".

(3) Section 301(c) of such Act is amended by striking "concurrent resolution" each place it appears and inserting "joint resolution".

(4) Section 301(e) of such Act is amended by striking "concurrent resolution" each place it appears and inserting "joint resolution".

(5) Section 301(f) of such Act is amended by striking "concurrent resolution" each place it appears and inserting "joint resolution".

(6) Section 301(g) of such Act is amended by striking "concurrent resolution" each place it appears and inserting "joint resolution".

(7) Section 301(h) of such Act is amended by striking "concurrent resolution" and inserting "joint resolution".

(8) Section 301(i) of such Act is amended by striking "concurrent resolution" each place it appears and inserting "joint resolution".

(9) The section heading of section 301 of such Act is amended by striking "**ANNUAL ADOPTION OF CONCURRENT**" and inserting "**ANNUAL ADOPTION OF JOINT**".

(10) The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking "Annual adoption of the concurrent" in the item relating to section 301 and inserting "Annual adoption of the joint".

(11) Section 302 of such Act is amended by striking "concurrent resolution" each place it appears and inserting "joint resolution".

(12) Section 303 of such Act, including the heading, is amended by striking "concurrent resolution" each place it appears and inserting "joint resolution".

(13) The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking "Concurrent" in the item relating to section 303 and inserting "Joint".

(14) Section 304 of such Act is amended by striking "concurrent resolution", including in the heading, each place it appears and inserting "joint resolution".

(15) The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking "Concurrent" in the item relating to section 304 and inserting "Joint".

(16) Section 305 of such Act is amended by striking "concurrent resolution", including in the heading, each place it appears and inserting "joint resolution".

(17) Section 308 of such Act is amended by striking "concurrent resolution" each place it appears and inserting "joint resolution".

(18) Section 310 of such Act is amended by striking "concurrent resolution" each place it appears and inserting "joint resolution".

(19) Section 311 of such Act is amended by striking "concurrent resolution" each place it appears and inserting "joint resolution".

SEC. . BUDGET REQUIRED BEFORE SPENDING BILLS MAY BE CONSIDERED; FALLBACK PROCEDURES IF PRESIDENT VETOES JOINT BUDGET RESOLUTION.

(a) Amendments to Section 302.—Section 302(a) of the Congressional Budget Act of 1974 is amended by striking paragraph (5).

(b) Amendments to Section 303 and Conforming Amendments.—(1) Section 303 of the Congressional Budget Act of 1974 is amended—

(A) in subsection (b), by striking paragraph (2), by inserting "or" at the end of paragraph (1), and by redesignating paragraph (3) as paragraph (2); and

(B) by striking its section heading and inserting the following new section heading: "CONSIDERATION OF BUDGET-RELATED LEGISLATION BEFORE BUDGET BECOMES LAW".

(2) Section 302(g)(1) of the Congressional Budget Act of 1974 is amended by striking "and, after April 15, section 303(a)".

(3)(A) Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "303(a)," before "305(b)(2),".

(B) Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "303(a)," before "305(b)(2),".

(C) Subsection (e) of section 904 of the Congressional Budget Act of 1974 is repealed.

(c) Expedited Procedures Upon Veto of Joint Resolution on the Budget.—(1) Title III of the Congressional Budget Act of 1974 is amended by adding after section 315 the following new section:

"EXPEDITED PROCEDURES UPON VETO OF JOINT RESOLUTION ON THE BUDGET

"Sec. 316. (a) Special Rule.—If the President vetoes a joint resolution on the budget for a fiscal year, the majority leader of the House of Representatives or Senate (or his designee) may introduce a concurrent resolution on the budget or joint resolution on the budget for such fiscal year. If the Committee on the Budget of either House fails to report such concurrent or joint resolution referred to it within five calendar days (excluding Saturdays, Sundays, or legal holidays except when that House of Congress is in session) after the date of such referral, the committee shall be automatically discharged from further consideration of such resolution and such resolution shall be placed on the appropriate calendar.

"(b) Procedure in the House of Representatives and the Senate.—

"(1) Except as provided in paragraph (2), the provisions of section 305 for the consideration in the House of Representatives and in the Senate of joint resolutions on the budget and conference reports thereon shall also apply to the consideration of concurrent resolutions on the budget introduced under subsection (a) and conference reports thereon.

"(2) Debate in the Senate on any concurrent resolution on the budget or joint resolution on the budget introduced under subsection (a), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours and in the House such debate shall be limited to not more than 3 hours.

"(c) Contents of Concurrent Resolutions.—Any concurrent resolution on the budget introduced under subsection (a) shall be in compliance with section 301.

"(d) Effect of Concurrent Resolution on the Budget.—Notwithstanding any other provision of this title, whenever a concurrent resolution on the budget described in subsection (a) is agreed to, then the aggregates, allocations, and reconciliation directives (if any) contained in the report accompanying such concurrent resolution or in such concurrent resolution shall be considered to be the aggregates, allocations, and reconciliation directives for all purposes of sections 302, 303, and 311 for the applicable fiscal years and such concurrent resolution shall be deemed to be a joint resolution for all purposes of this title and the Rules of the House of Representatives and any reference to the date of enactment of a joint resolution on the budget shall be deemed to be a reference to the date agreed to when applied to such concurrent resolution.".

(2) The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 315 the following new item:

"Sec. 316. Expedited procedures upon veto of joint resolution on the budget.".

(e) Limitation on Contents of Budget Resolutions.—Section 305 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

"(e) Limitation on Contents.—(1) It shall not be in order in the House of Representatives or in the Senate to consider any joint resolution on the budget or any amendment thereto or conference report thereon that contains any matter referred to in paragraph (2).

"(2) Any joint resolution on the budget or any amendment thereto or conference report thereon that contains any matter not permitted in section 301(a) or (b) shall not be treated in the House of Representatives or the Senate as a budget resolution under subsection (a) or (b) or as a conference report on a budget resolution under subsection (c) of this section.".

The CHAIRMAN pro tempore. Pursuant to House Resolution 692, the gentleman from Wisconsin (Mr. Ryan) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. Ryan).

Mr. RYAN of Wisconsin. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, let me just briefly explain what this amendment does. What this does is this elevates the budget resolution to a level of a law.

Specifically, this would change the current nonbinding concurrent budget resolution into a joint resolution, which would give the force of law when signed by the President. This would encourage the President to get involved early in the process, instead of having this typical annual brinksmanship that we have in the budget process at the end of the year, so that we can settle on the numbers between the other body, this body, and the White House and move on to good legislation.

A joint resolution would be binding and have the force of law so that both the Congress and the White House would work these issues out in the beginning of the annual year.

The simplicity of this budget resolution makes agreements easier to reach because negotiations will be forced early on in the process.

I would like to go through how this would work. I have a chart that makes it easier for me to explain this.

First, like we have anytime, the President submits his budget. Then Congress would pass a joint budget resolution. Then the question is whether the President would sign it or not. If with those negotiations the President then signs that joint budget resolution, then Congress passes its appropriations, its reconciliation, its tax and entitlement bills and its conference reports, and the President signs those bills into law. Very easy, very clear process.

If, for example, the President does not sign that joint budget resolution, there is a fallback provision similar to what we have today, where it would go back to Congress and Congress would adopt a concurrent resolution, much like we have right now.

For example, this year, where we actually do not have a concurrent resolution in place because we could not get one through the other body, we would end up deeming it.

The point is this, Mr. Chairman: we have to front-load this system so we can get these agreements reached at the beginning of the year so we can move forward on the same page. Most importantly, we need to make this budget have the force of law so that it can be enforced. That is the problem. Our budget resolutions ends up becoming mere guidelines and do not actually have the force of law. Therefore, they are not enforceable. We always break our budgets.

If we make this have the force of law, it becomes enforceable. Therefore, we can actually stick to the budgets we have.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. Who seeks time in opposition?

Mr. SPRATT. Mr. Chairman, I claim the time in opposition.

The CHAIRMAN pro tempore. The gentleman from South Carolina (Mr. SPRATT) is recognized for 5 minutes.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have heard some eloquent statements from members of the Committee on Appropriations, largely Republican members of the Committee on Appropriations, to the effect that the President already has, as they put it, three bites at the apple. This gives the President a fourth bite, and, believe me, a big bite.

This clearly is a shift of leverage from the House and the Senate, the Congress, to the Presidency. The President would emerge from this kind of deal with much, much greater authority in dictating what the budget is going to be. You have heard it more eloquently from members of the Committee on Appropriations, what the results would be in determining priorities. This definitely would be a big shift.

Now, would it make the budget process any stronger, any more effective? My concern is, contrary to the belief that it might streamline the process by elevating the status of the budget resolution, I think it would probably prolong the process, protract the process. As a result, we would find ourselves with less time to do appropriation bills because it would take a much longer time to get the budget resolution done, because not only would we have to agree among ourselves, from party to party, we would have to agree with the White House.

There is some advantage to that, trying to bring us together; but I think there is a lot of disadvantage, and there is a lot of room for chicanery. There is a lot of room for manipulating the process if we do it, and it could result in a protracted budget process, such that every year we will be, as we are now, in the heart of the summer, trying to pass appropriation bills before the fiscal year ends.

This has been around the track a number of times. It has a certain appeal to it, until you begin considering all the ramifications and the transfer of power that it would effect, a very subtle transfer, but a real one.

I would suggest this is an idea that we should not adopt.

Mr. Chairman, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Chairman, before yielding to my cosponsor of this amendment, I yield myself 10 seconds.

Number one, the President already has the power to sign these bills into law. He signs appropriation bills, he signs tax bills, he signs entitlement bills. So this does not give him new power he does not already have.

Number two, the gentleman from South Carolina, who is a leader in this area, has been a leader in this area for a long time, sponsored a bill in 1991 that did just this. So I think this is a good idea.

Mr. SPRATT. Mr. Chairman, I yield myself 15 seconds to respond to that.

Mr. Chairman, I do not know what bill the gentleman is referring to, but the gentleman from Iowa (Mr. NUSSLE) proposed this idea some time ago. I never did support this idea. I never have.

Mr. RYAN of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Wisconsin.

Mr. RYAN of Wisconsin. Mr. Chairman, it is my understanding the gentleman supported this in the past. Either way, good people can disagree on these things.

Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Chairman, one of my favorite Rodney Dangerfield routines is when he comes home one night and his wife is packing, and he asked her, "Are you leaving?" She said, "Yes." He looked at her and said, "Is there another man?" She said, "There must be."

When you look at the system we have today, and I have listened to the debate so far, people are in a sense saying the system is broken, but we cannot fix it.

The system is broken, and if you look at the way the system works, it guarantees that we will overspend.

Now, earlier today I went through the numbers, and I have done this several times, what we passed in our budget resolution and what we ended up spending. And a lot of people are walking around saying, gee, I do not know how that happened. Well, here is how it happens. Here is the dirty little secret.

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What happens is, we over here in the House might low-ball certain things and high-ball other things, and the folks over in the Senate will low-ball certain things and high-ball other things, and what we wind up doing with a lot of these things, and we all know this happens, is we go to conference at one level and the Senate is at another level and we end up compromising at another level beyond the other 2, and the reason is we are all working off different blueprints. We have what the President proposes and what he ultimately will agree to, and then what the House proposes and what the Senate proposes.

What we are saying with this amendment is, and I think it is pretty simple: let us get all of the players on the same page early in the process.

Some people say, well, that will take away the constitutional powers of the House. If you stop and think about it, I say to my colleagues, that is ludicrous. The House will still maintain the power of the purse, and the President will still have that one arrow in his quiver called the veto. But we are going to try to bring everybody to the table early so that we are all using the same blueprint, so that at the end of the day, we build a house we can all be proud of.

Is there a better way? There must be.

Now, maybe this is not perfect, but I think this would be a giant step in the right direction. Let me remind my colleagues, I think most of our constituents think that that is the way the system is today. When we explain to them that the budget resolution does not have the power of law, they look at us with a blank look.

We ought to pass this amendment 300 to nothing.

Let me begin with an analogy that might explain the purpose of this amendment—If you're constructing a building and the steel workers, architects and masons are all working with a different blueprint, you're bound to build one ugly building. But, that's exactly what's happening with the budget process. The House, Senate and Administration are all using a different blueprint, and the result is a pretty ugly budget.

The Joint Budget Resolution is very basic but does one extremely important thing—forces both Congress and President to stay within the budget resolution levels. The budget would be signed by the President into law.

Another vital aspect of this amendment is that Congress and the Administration would be engaged and working on the same priorities from day one. This amendment would go a long way to eliminating the practice of waiving budget points of order and large omnibus spending bills. A law cannot be waived or broken.

When Congress allowed our spending caps and PAYGO expire, spending rose. Numbers are stubborn things and let me provide some history . . .

Discretionary Spending in FY 2002 Budget Resolution was $661.3 billion. Congress spent $734.6 billion. Discretionary Spending in FY 2003 Budget Resolution was $759 billion. Congress spent $849.1 billion. Discretionary Spending FY 2004 Budget Resolution was

$784.5 billion. Congress spent $873.1 billion. The Joint Budget Resolution is not a radical idea—it's common sense. That is why grassroots organizations like Americans for Tax Reform, American Conservative Union, Citizens Against Government Waste, Citizens for a Sound Economy and the National Taxpayers Union have endorsed this amendment.

We need a budget that will be enforced and that is why I have offered this amendment to restore fiscal sanity back to the federal budget process. We need to protect the taxpayers from Congress' bad spending habits. If you believe that we need to control spending and put common sense back into the budget process—I urge your support on the Ryan/Gutknecht Amendment.

From 1995—2000, overall spending has increased by an average of 3.2% (House Budget Committee).

Since 2001, overall spending has increased by an average of 6.4% (House Budget Committee).

Since 2001, discretionary spending has increased on average of 9.7% (House Budget Committee).

Sine 9–11 the weak economy has been the #1 factor contributing to our deficits. As our economy recovered, spending increased substantially, becoming the #2 factor contributing to our deficits (Joint Economic Committee).

Post 9–11, spending grew by 11% (2001–2003), which represents the largest two-year increase in nearly a decade. This does not include defense and 9–11 costs (Heritage Foundation).

Mandatory spending now represents 55% of the entire federal budget—this does not include the recently enacted medicare bill (House Budget Committee).

The federal budget now totals more than $20,000 per household—the first time since WWII (Heritage Foundation).

"The progress in the 1990s in reducing budget deficits might have been elusive were it not for the budget rules that worked far better than many skeptics, myself included, had expected." (Alan Greenspan, House Budget Committee, September 2002).

"Now is not the time to abandon the discipline and structure that worked so well for so long. The framework enacted in the Budget Enforcement Act of 1990 . . . must be preserved." (Alan Greenspan, House Budget Committee, September 2002).

"I would like to see the restoration of PAYGO and discretionary caps which essentially will restrain the expansion of the deficit and indeed, ultimately contain it. It did that back in the early '90s and I thought it was quite and surprisingly successful in restraining what had been a budget which had gotten out of kilter." (Alan Greenspan, House Budget Committee, July 2003).

"I do believe that tax cuts, if properly constructed, can be a significant factor in long-term economic growth, but it obviously requires that if you cut taxes and maintain a viable long-term budget deficit, or surplus policy, you have to address spending as well." (Alan Greenspan, House Budget Committee, July 2003).

"We don't have a trillion-dollar debt because we haven't taxed enough—we have a trillion dollar debt because we spend too much." (President Ronald Reagan, 1982).

Mr. SPRATT. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Chairman, I thank the gentleman for yielding me this time.

I think it is useful to put this debate into perspective: enthusiastic ideas about how the budget process can work; talking about building a new house for the construction of the Nation's budget. It reminds me of a contractor that you might hire that has left the house in utter shambles, the project nowhere done, no hope of completion, yet he wants to talk to you about the next house, the next project.

We do not have a budget. We have a Republican President, we have a Republican Senate, we have a Republican House, and they cannot pass a budget.

So what is the amendment before us? It says we have to have a concurrent law for a budget. That will make it all right.

Mr. Chairman, if we just took all of this time and put it to work in trying to get a budget; after all, it should not be so hard: Republican controlled, Republican controlled, Republican controlled. If they just did the task in front of them, that would be a really good place to start. And in the absence of getting the budget done, all of the rest of this does not mean anything.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield myself such time as I may consume.

The current system we have is dysfunctional. It has games built into the system so that the House can do one thing; the other body, the Senate, but I am not supposed to say that word, can do another; and the President can do a third thing. What happens in the current budget system is we go into a stalemate and to get out of that stalemate at the end of the year, we end up spending more money than the budget ever planned on spending.

What we simply want to do is to bring this budget up to the level of the law so that we are all on the same page at the beginning of the budget process so that we can enforce that budget because it is in law.

The budgets we pass here are not really binding, they are guidelines. They are not legally protected. We cannot protect and enforce our budget if it does not rise to the level of the law. We cannot be on the same page at the beginning of the year, if we are not on the same page at the beginning of the year. That is why we are trying to pass this very common sense idea, so that we are all on the same page and so that this can be law and, therefore, our budgets can be enforced.

I urge adoption of this amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I honestly fail to see what we will accomplish, except protracting the process; what we will accomplish positively by making this concurrent resolution a joint resolution that has the effect of law. I really do not know what will be different from what we have right now, except we would have to come to some agreement with the White House much, much sooner in the year than we otherwise have to.

What is going to be different? The statutory? What would be different about it?

Mr. RYAN of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Wisconsin.

Mr. RYAN of Wisconsin. Mr. Chairman, this is part of our larger effort, which is in our substitute. But what this will do is allow to have a sequester to kick in if Congress exceeds its spending items. Just like the sequesters we have talked about before in the old Committee on the Budget days, if Congress overspends, because we have this in law, a sequester kicks in and brings spending back into conformity with the budget.

Mr. SPRATT. But that is done already under existing law.

Mr. RYAN of Wisconsin. But we waive our budget caps all of the time under the current system.

Mr. SPRATT. Sure. We would waive them again, put it in a bill, send it to the White House, the President would sign it.

Mr. RYAN of Wisconsin. This way the President could veto breaking the budget caps early in the process and we could keep to these numbers.

Mr. SPRATT. Well, I am convinced it will prolong the process, complicate the process, and lead to less results rather than better results. It is something we can long argue about.

Mr. NUSSLE. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Iowa.

Mr. NUSSLE. Mr. Chairman, I am not going to change the gentleman's mind, I understand that. But we have heard a lot today about bringing everybody together. There is nothing like bringing everybody together by the need to pass a law as opposed to just passing a resolution. By doing it by resolution, the House can have a version, the other body can have a version, the President has a version. You can go through the entire year with three versions.

I understand we are not going to change the gentleman's mind or probably a lot of people's minds, but what the gentleman is suggesting is by doing it this way, everyone has to come together at least once. That is the reason.

The CHAIRMAN pro tempore (Mr. BASS). The time of the gentleman from South Carolina (Mr. SPRATT) has expired. All time has expired.

The question is on the amendment offered by the gentleman from Wisconsin (Mr. RYAN).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. SPRATT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Wisconsin (Mr. RYAN) will be postponed.

It is now in order to consider Amendment No. 8 printed in House report 108–566.

AMENDMENT NO. 8 OFFERED BY MR. RYAN OF WISCONSIN

Mr. RYAN of Wisconsin. Mr. Chairman, I offer an amendment.

The Chairman pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Mr. RYAN of Wisconsin:

At the end, add the following new sections:

SEC. . ESTABLISHMENT OF BUDGET PROTECTION MANDATORY ACCOUNT.

(a) BUDGET PROTECTION MANDATORY ACCOUNT.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new sections:

“BUDGET PROTECTION MANDATORY ACCOUNT

“SEC. 316. (a) ESTABLISHMENT OF ACCOUNT.—The chairman of the Committee on the Budget of the House of Representatives and of the Senate shall each maintain an account to be known as the ‘Budget Protection Mandatory Account’. The Account shall be divided into entries corresponding to the House or Senate committees, as applicable, that received allocations under section 302(a) in the most recently adopted concurrent resolution on the budget, except that it shall not include the Committee on Appropriations of that House and each entry shall consist of the ‘First Year Budget Protection Balance’ and the ‘Five Year Budget Protection Balance’.

“(b) COMPONENTS.—Each entry shall consist only of amounts credited to it under subsection (c). No entry of a negative amount shall be made.

“(c) CREDITING OF AMOUNTS TO ACCOUNT.—(1) Whenever a Member or Senator, as the case may be, offers an amendment to a bill that reduces the amount of mandatory budget authority provided either under current law or proposed to be provided by the bill under consideration, that Member or Senator may state the portion of such reduction achieved in the first year covered by the most recently adopted concurrent resolution on the budget and in addition the portion of such reduction achieved in the first five years covered by the most recently adopted concurrent resolution on the budget that shall be—

“(A) credited to the First Year Budget Protection Balance and the Five Year Budget Protection Balance in the House or Senate, as applicable;

“(B) used to offset an increase in other new budget authority;

“(C) allowed to remain within the applicable section 302(a) allocation; or

“(D) used to offset a decrease in receipts.

If no such statement is made, the amount of reduction in new budget authority resulting from the amendment shall be credited to the First Year Budget Protection Balance and the Five Year Budget Protection Balance, as applicable, if the amendment is agreed to.

“(2) Except as provided by paragraph (3), the chairman of the Committee on the Budget of the House or Senate, as applicable, shall, upon the engrossment of any bill, other than an appropriation bill, by the House or Senate, as applicable, credit to the applicable entry balances amounts of new budget authority and outlays equal to the net amounts of reductions in budget authority and in outlays resulting from amendments agreed to by that House to that bill.

“(3) When computing the net amounts of reductions in budget authority and in outlays resulting from amendments agreed to by the House or Senate, as applicable, to a bill, the chairman of the Committee on the Budget of that House shall only count those portions of such amendments agreed to that were so designated by the Members or Senators offering such amendments as amounts to be credited to the First Year Budget Protection Balance and the Five Year Budget Protection Balance, or that fall within the last sentence of paragraph (1).

“(4) The chairman of the Committee on the Budget of the House and of the Senate shall each maintain a running tally of the amendments adopted reflecting increases and decreases of budget authority in the bill as reported to its House. This tally shall be available to Members or Senators during consideration of any bill by that House.

“(d) CALCULATION OF LOCK-BOX SAVINGS IN HOUSE AND SENATE.—For the purposes of enforcing section 302(a), upon the engrossment of any bill, other than an appropriation bill, by the House or Senate, as applicable, the amount of budget authority and outlays calculated pursuant to subsection (c)(3) shall be counted against the 302(a) allocation provided to the applicable committee or committees of that House which reported the bill as if the amount calculated pursuant to subsection (c)(3) was included in the bill just engrossed.

“(e) DEFINITION.—As used in this section, the term ‘appropriation bill’ means any general or special appropriation bill, and any bill or joint resolution making supplemental, deficiency, or continuing appropriations through the end of fiscal year 2005 or any subsequent fiscal year, as the case may be.”.

SEC. . ESTABLISHMENT OF BUDGET PROTECTION DISCRETIONARY ACCOUNT.

“BUDGET PROTECTION DISCRETIONARY ACCOUNT

“SEC. 317. (a) ESTABLISHMENT OF ACCOUNT.—The chairman of the Committee on the Budget of the House of Representatives and of the Senate shall each maintain an account to be known as the ‘Budget Protection Discretionary Account’. The Account shall be divided into entries corresponding to the subcommittees of the Committee on Appropriations of that House and each entry shall consist of the ‘Budget Protection Balance’.

“(b) COMPONENTS.—Each entry shall consist only of amounts credited to it under subsection (c). No entry of a negative amount shall be made.

“(c) CREDITING OF AMOUNTS TO ACCOUNT.—(1) Whenever a Member or Senator, as the case may be, offers an amendment to an appropriation bill to reduce new budget authority in any account, that Member or Senator may state the portion of such reduction that shall be—

“(A) credited to the Budget Protection Balance;

“(B) used to offset an increase in new budget authority in any other account;

“(C) allowed to remain within the applicable section 302(b) suballocation or

“(D) used to offset a decrease in receipts.

If no such statement is made, the amount of reduction in new budget authority resulting from the amendment shall be credited to the Budget Protection Balance, as applicable, if the amendment is agreed to.

“(2) Except as provided by paragraph (3), the chairman of the Committee on the Budget of the House or Senate, as applicable, shall, upon the engrossment of any appropriation bill by the House or Senate, as applicable, credit to the applicable entry balances amounts of new budget authority and outlays equal to the net amounts of reductions in budget authority and in outlays resulting from amendments agreed to by that House to that bill.

“(3) When computing the net amounts of reductions in new budget authority and in outlays resulting from amendments agreed to by the House or Senate, as applicable, to an appropriation bill, the chairman of the Committee on the Budget of that House shall only count those portions of such amendments agreed to that were so designated by the Members offering such amendments as amounts to be credited to the Budget Protection Balance, or that fall within the last sentence of paragraph (1).

“(4) The chairman of the Committee on the Budget of the House and of the Senate shall each maintain a running tally of the amendments adopted reflecting increases and decreases of budget authority in the bill as reported to its House. This tally shall be available to Members or Senators during consideration of any bill by that House.

“(d) CALCULATION OF LOCK-BOX SAVINGS IN HOUSE AND SENATE.—(1) For the purposes of enforcing section 302(a), upon the engrossment of any appropriation bill by the House or Senate, as applicable, the amount of budget authority and outlays calculated pursuant to subsection (c)(3) shall be counted against the 302(a) allocation provided to the Committee on Appropriations as if the amount calculated pursuant to subsection (c)(3) was included in the bill just engrossed.

“(2) For purposes of enforcing section 302(b), upon the engrossment of any appropriation bill by the House or Senate, as applicable, the 302(b) allocation provided to the subcommittee for the bill just engrossed shall be deemed to have been reduced by the amount of budget authority and outlays calculated, pursuant to subsection (c)(3).

“(e) DEFINITION.—As used in this section, the term ‘appropriation bill’ means any general or special appropriation bill, and any bill or joint resolution making supplemental, deficiency, or continuing appropriations through the end of fiscal year 2005 or any subsequent fiscal year, as the case may be.”.

(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 315 the following new items:

“Sec. 316. Budget protection mandatory account.
“Sec. 317. Budget protection discretionary account.”.

SEC. . REVENUE ADJUSTMENT.

If an amendment is designated to be used to offset a decrease in receipts for a fiscal year pursuant to section 316(c)(1)(D) or section 317(c)(1)(D) of the Congressional Budget Act of 1974, then the applicable level of revenues for such fiscal year for purposes of section 311(a) of such Act shall be reduced by the amount of such amendment.

The CHAIRMAN pro tempore. Pursuant to House Resolution 692, the gentleman from Wisconsin (Mr. RYAN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, I yield myself such time as I may consume.

I bring this amendment to the desk with my cosponsor, the gentleman from Texas (Mr. NEUGEBAUER). Let me briefly explain it.

This is what we call budget protection accounts. Here is how the current appropriations process works. If we have a piece of spending in the budget that we think is wasteful, let me take two examples here; the $200,000 for the Rock and Roll Hall of Fame in Cleveland, Ohio, or the $500,000 for the Anaheim Resort Transit to fund buses at Disneyland, or the $50 million to fund the Coralville Rain Forest Museum in Coralville, Iowa.

Let us take, for example, if we want to get rid of that spending, we can bring an amendment to the floor, pass it, make sure that spending does not go to those projects, but by the rules of this institution, that money has to be spent somewhere else in the Federal government. That is ridiculous, Mr. Chairman.

All we are proposing is this: if Members can come to the floor with amendments to eliminate or reduce wasteful spending, they ought to be able to save that money. That is all we are proposing.

So what we do here is when a cutting amendment comes to the floor to reduce spending, the entire 302(a) allocation, the entire discretionary allocation goes down by the amount of that amendment. So that at the end of the year, that money either goes to reducing the deficit or that money goes to reduce taxes. We have a mechanism that makes sure that this reconciles with the other body appropriately.

Mr. Chairman, I reserve the balance of my time.

Mr. SPRATT. Mr. Chairman, I claim the time in opposition, and I yield myself such time as I may consume.

Mr. Chairman, like many of the amendments that were offered to this base bill, I have only had the chance to peruse quickly this one. This is an idea that has been around the track before. In the late 1980s, early 1990s, we were searching for ways to get our hands around the problem. This is one of the things that was proposed by several different people in several different variations.

Anyone who tried to implement this and have legislative counsel draw it in a form that would be truly enforceable ran into multiple complications. It is maddeningly complicated, as the gentleman can tell from reading the bill. The bill takes it a step further than any version of this idea I have ever read before, and it taxed all my concentration here on the House Floor to make it from the first page to the last page, and I am in a maze. I do not really know how it works.

Mr. RYAN of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Wisconsin.

Mr. RYAN of Wisconsin. Mr. Chairman, I can explain it. Basically, it works like this. A Member brings an amendment to the House Floor to cut spending. The 302(a) allocation goes down by that amount. At the end of the day, the conference report for the appropriation bills goes down by the lower of the two different amounts between the House amendments and the Senate amendments. At the end of the year, because the 302(a) will have gone down by that amount, the Committee on Ways and Means can use the savings for tax relief. If it does not do that by the end of the fiscal year, the savings, the lower of the amendments between the House or the Senate, is going toward deficit reduction.

That is essentially how it works. I know it is complicated.

Mr. SPRATT. Mr. Chairman, reclaiming my time, keep in mind that other body called the Senate moves in a separate orbit from this body, and somebody over there is going to have a different idea, and there is going to be an entry under a different program. When we go to conference, the conferees are going to have a different idea, and the bookkeepers around here are going to be switching credits from account to account, taking back credits as the money that was saved is now spent. The project that was going to be killed or cut is now restored, and it becomes a nightmare.

That is why this idea has had all of the longevity of a lead balloon. It has never gotten off the ground.

Mr. RYAN of Wisconsin. Mr. Chairman, will the gentleman briefly yield again?

Mr. SPRATT. I yield to the gentleman from Wisconsin.

Mr. RYAN of Wisconsin. Mr. Chairman, I appreciate the gentleman's indulgence. First of all, it is true that you could eliminate a piece of pork here on the House Floor and it could get placed back in on the Senate floor. But by these rules, at least that amount of money would have to be saved, because the 302(a) allocation will go down by that amount. It would be up to the Committee on Appropriations to decide where that money comes from. But the point is, that money would have to be saved.

Mr. SPRATT. Mr. Chairman, if one could keep the trail of it, and that is the problem.

Mr. RYAN of Wisconsin. Mr. Chairman, that is up to the Committee on the Budget.

Mr. SPRATT. Mr. Chairman, reclaiming my time, the core idea is basically an appealing idea and lots of Members around here have had the experience where they have found something that they thought could be a legitimate saving, they have offered the amendment and prevailed, only to see the money is spent somewhere else. I disagree with the gentleman when he said a little while ago, and I think it was in a moment of zealousness, that if the savings were taken out of, say, the Cleveland Rock and Roll Museum, it would have to be spent somewhere else. It does not have to be spent somewhere else; it can be saved, and this mechanism was a way on to sort of lock box money, so that it could not be used again.

But there are so many moving pieces. We have an authorization bill, an appropriation bill; a House and a Senate conference committee, and any time anybody makes any kind of change or different entry, there has to be an adjustment. This is a $2.2 trillion budget, and I think the bookkeepers, their minds would be boggled trying to keep account of this, as mine was when I was trying to read the gentleman's bill.

So I do not discredit the idea, it is just the mechanism for enforcing it and truly making it work is so complicated, I think it collapses upon itself.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. The gentleman from South Carolina (Mr. SPRATT) has 1 minute remaining; the gentleman from Wisconsin (Mr. RYAN) has 3½ minutes remaining.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 2 minutes to the cosponsor of this amendment, the gentleman from Texas (Mr. NEUGEBAUER).

Mr. NEUGEBAUER. Mr. Chairman, I rise today in support of the Budget Accounts amendment. I appreciate having the chance to work with the gentleman from Wisconsin (Mr. RYAN) on this amendment which enhances the budget legislation we are considering today.

In this and other debates today, we have heard a lot of talk about a provision called PAYGO. Well, I think this amendment creates something that I call save-go.

Budget Protection Accounts allow us to actually save money for the taxpayers as we go through the appropriations and other spending bills; money that is set aside for the taxpayers, either in the form of tax relief or debt reduction.

When Members offer amendments on appropriations bills today that reduce spending, any money reduced automatically becomes available to be spent on another program or a project in that bill or in another bill. If the Budget Projection Accounts are created, Members would be able to direct savings resulting from their amendments to the debt reduction or tax relief. Members are not required to do so, but they are simply given that option. Imagine being able to go home back to your district and actually tell your constituents that you saved them some money.

This is an important option to have if we are serious about doing something about reducing spending. Members have little incentive to offer amendments that reduce spending when they know that the money the amendment claims to save is automatically given to other projects. If Members have the option to direct savings to relief of deficit reduction or incentive to go after other waste and fraud, they will actually do so.

Budget Protection Accounts allow Members to be for savings and fiscally responsible, rather than always against projects or programs.

Let us give the House the opportunity to save the taxpayers some money when we are going through spending bills and the opportunity to use those savings for the benefit of the taxpayers. As many have said today, and I continue to say, Mr. Chairman, we do not have an income problem, we have a spending problem, and I believe that the Budget Protection Accounts help us with that problem.

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Mr. SPRATT. Mr. Chairman, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield the remaining time to the gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, this is really a simple idea. And I think I am understanding the gentleman from South Carolina to say that he agrees with the concept, the concept being that if you identify a specific item that appears to one of the Members here as wasteful and he prevails in his vote on the floor, that that money should not be spent somewhere else. It is not that complicated. And, God knows, we got a lot of items that fit this description. The last omnibus spending bill we allocated $4 million to study fruit flies in France, $2 million to teach kids to play golf in Florida, and, yes, $50 million to build an indoor tropical rain forest in Iowa.

The gentleman from South Carolina, if I understand correctly, seems to be objecting to the amendment on the grounds that it is difficult to draft this in a way that really works. And I am the first to say it is tricky. But we got a lot of very bright people in this town. If this is not the absolute perfect way to draft it, although it might be, I appreciate my colleague conceding that the gentleman from Wisconsin (Mr. RYAN) has done an excellent job, maybe the best job yet on this, I would say let us support the amendment and let us work on refining it and improving it and let us dedicate both sides' staffs to figuring out how to get this done.

But the concept of saying if a certain amount of spending is going to be withheld on this floor, that that money is not available to be spent anywhere else, that is not that hard. I am convinced we can do it.

So I would urge my colleagues to reconsider and to support this amendment and work together to find the language that achieves the objective that apparently we all agree with.

Mr. SPRATT. Mr. Chairman, to close I yield the remaining time to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Chairman, this proposal would allow a vote on the Senate to reduce the House 302(b) allocation. A vote on the Senate reduces our allocation. This is an absurd idea on its face. But it perverts the name "lockbox." Previously we all agreed on lockbox. Lockbox meant we did not spend Social Security, we did not spend Medicare revenues on anything but Social Security and Medicare.

The deficit policies of the majority now spend every nickel of the surplus of Social Security and Medicare, every nickel; $500 billion this year alone. They want to get up on the floor of the House and talk about creating this Mickey Mouse lockbox of theirs to capture fruit fly spending. It is ridiculous.

Let us talk about the real issue: blowing all the revenues of Social Security, all the revenues of Medicare, all of the surplus intended to strengthen these programs, gone because of runaway deficit spending, the absolute core result of Republican fiscal policies.

Rather than pass a budget to deal responsibly with beginning to get us out of this hole, they put us through this charade tonight. Shame on my colleagues. Defeat this amendment.

The CHAIRMAN pro tempore (Mr. BASS). The question is on the amendment offered by the gentleman from Wisconsin (Mr. RYAN).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. SPRATT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Wisconsin (Mr. RYAN) will be postponed.

It is now in order to consider amendment No. 9 printed in House Report 108–566.

AMENDMENT NO. 9 OFFERED BY MR. RYAN OF WISCONSIN

Mr. RYAN of Wisconsin. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. RYAN of Wisconsin:

At the end, add the following new section:

SEC. . ENHANCED CONSIDERATION OF CERTAIN PROPOSED RESCISSIONS.

(a) IN GENERAL.—Part B of title X of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 681 et seq.) is amended by redesignating sections 1013 through 1017 as sections 1014 through 1018, respectively, and by inserting after section 1012 the following new section:

"ENHANCED CONSIDERATION OF CERTAIN PROPOSED RESCISSIONS

"SEC. 1013. (a) PROPOSED RESCISSION OF BUDGET AUTHORITY IDENTIFIED AS WASTEFUL SPENDING.—The President may propose, at the time and in the manner provided in subsection (b), the rescission of any budget authority provided in an appropriation Act that he identifies as wasteful spending. If the President proposes a rescission of budget authority, he may also propose to reduce the appropriate discretionary spending limits for new budget authority and outlays flowing therefrom set forth in section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 by an amount that does not exceed the amount of the proposed rescission. Funds made available for obligation under this procedure may not be proposed for rescission again under this section.

"(b) TRANSMITTAL OF SPECIAL MESSAGE.—

"(1) The President may transmit to Congress a special message proposing to rescind amounts of budget authority and include with that special message a draft bill that, if enacted, would only rescind that budget authority unless the President also proposes a reduction in the appropriate discretionary spending limits set forth in section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985. That bill shall clearly identify the amount of budget authority that is proposed to be rescinded for each program, project, or activity to which that budget authority relates.

"(2) In the case of an appropriation Act that includes accounts within the jurisdiction of more than one subcommittee of the Committee on Appropriations, the President in proposing to rescind budget authority under this section shall send a separate special message and accompanying draft bill for accounts within the jurisdiction of each subcommittee.

"(3) Each special message shall specify, with respect to the budget authority proposed to be rescinded, the following:

"(A) The amount of budget authority which he proposes to be rescinded.

"(B) Any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific project or governmental functions involved.

"(C) The reasons why the budget authority should be rescinded, including why he considers it to be wasteful spending.

"(D) To the maximum extent practicable, the estimated fiscal, economic, and budgetary effect (including the effect on outlays and receipts in each fiscal year) of the proposed rescission.

"(E) All facts, circumstances, and considerations relating to or bearing upon the proposed rescission and the decision to effect the proposed rescission, and to the maximum extent practicable, the estimated effect of the proposed rescission upon the objects, purposes, and programs for which the budget authority is provided.

"(F) A reduction in the appropriate discretionary spending limits set forth in section

251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985, if proposed by the President.

"(c) PROCEDURES FOR EXPEDITED CONSIDERATION.—

"(1)(A) Before the close of the second legislative day of the House of Representatives after the date of receipt of a special message transmitted to Congress under subsection (b), the majority leader or minority leader of the House of Representatives shall introduce (by request) the draft bill accompanying that special message. If the bill is not introduced as provided in the preceding sentence, then, on the third legislative day of the House of Representatives after the date of receipt of that special message, any Member of that House may introduce the bill.

"(B) The bill shall be referred to the Committee on Appropriations. The committee shall report the bill without substantive revision and with or without recommendation. The bill shall be reported not later than the seventh legislative day of that House after the date of receipt of that special message. If that committee fails to report the bill within that period, that committee shall be automatically discharged from consideration of the bill, and the bill shall be placed on the appropriate calendar.

"(C) A vote on final passage of the bill shall be taken in the House of Representatives on or before the close of the 10th legislative day of that House after the date of the introduction of the bill in that House. If the bill is passed, the Clerk of the House of Representatives shall cause the bill to be engrossed, certified, and transmitted to the Senate within one calendar day of the day on which the bill is passed.

"(2)(A) A motion in the House of Representatives to proceed to the consideration of a bill under this section shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(B) Debate in the House of Representatives on a bill under this section shall not exceed 4 hours, which shall be divided equally between those favoring and those opposing the bill. A motion to further limit debate shall not be debatable. It shall not be in order to move to recommit a bill under this section or to move to reconsider the vote by which the bill is agreed to or disagreed to.

"(C) Appeals from decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a bill under this section shall be decided without debate.

"(D) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of a bill under this section shall be governed by the Rules of the House of Representatives. It shall not be in order in the House of Representatives to consider any rescission bill introduced pursuant to the provisions of this section under a suspension of the rules or under a special rule.

"(3) A bill transmitted to the Senate pursuant to paragraph (1)(D) shall be referred to its Committee on Appropriations. That committee shall report the bill without substantive revision and with or without recommendation. The bill shall be reported not later than the seventh legislative day of the Senate after it receives the bill. A committee failing to report the bill within such period shall be automatically discharged from consideration of the bill, and the bill shall be placed upon the appropriate calendar.

"(4)(A) A motion in the Senate to proceed to the consideration of a bill under this section shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(B) Debate in the Senate on a bill under this section, and all debatable motions and appeals in connection therewith (including debate pursuant to subparagraph (C)), shall not exceed 10 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(C) Debate in the Senate or any debatable motion or appeal in connection with a bill under this section shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill, except that in the event the manager of the bill is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control of the passage of a bill, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(D) A motion in the Senate to further limit debate on a bill under this section is not debatable. A motion to recommit a bill under this section is not in order.

"(d) AMENDMENT AND DIVISIONS PROHIBITED.—No amendment to a bill considered under this section shall be in order in either the House of Representatives or the Senate. It shall not be in order to demand a division of the question in the House of Representatives (or in a Committee of the Whole) or in the Senate. No motion to suspend the application of this subsection shall be in order in either House, nor shall it be in order in either House to suspend the application of this subsection by unanimous consent.

"(e) REQUIREMENT TO MAKE AVAILABLE FOR OBLIGATION.—Any amount of budget authority proposed to be rescinded in a special message transmitted to Congress under subsection (b) shall be made available for obligation on the day after the date on which either House rejects the bill transmitted with that special message.

"(f) DEFINITIONS.—For purposes of this section:

"(1) The term 'appropriation Act' means any general or special appropriation Act, and any Act or joint resolution making supplemental, deficiency, or continuing appropriations.

"(2) The term 'legislative day' means, with respect to either House of Congress, any day of session.

"(3) The term 'rescind' means, with respect to an appropriation Act, to reduce the amount of budget authority appropriated in that Act, and reducing budget authority shall include reducing obligation limitations set forth in that Act.".

(b) EXERCISE OF RULEMAKING POWERS.—Section 904 of the Congressional Budget Act of 1974 (2 U.S.C. 621 note) is amended—

(1) in subsection (a), by striking "and 1017" and inserting "1012, and 1017"; and

(2) in subsection (d), by striking "section 1017" and inserting "sections 1012 and 1017".

(c) CONFORMING AMENDMENTS.—

(1) Section 1011 of the Congressional Budget Act of 1974 (2 U.S.C. 682(5)) is amended by repealing paragraphs (3) and (5) and by redesignating paragraph (4) as paragraph (3).

(2) Section 1014 of such Act (2 U.S.C. 685) is amended—

(A) in subsection (b)(1), by striking "or the reservation"; and

(B) in subsection (e)(1), by striking "or a reservation" and by striking "or each such reservation".

(3) Section 1015(a) of such Act (2 U.S.C. 686) is amended by striking "is to establish a reserve or", by striking "the establishment of such a reserve or", and by striking "reserve or" each other place it appears.

(4) Section 1017 of such Act (2 U.S.C. 687) is amended—

(A) in subsection (a), by striking "rescission bill introduced with respect to a special message or";

(B) in subsection (b)(1), by striking "rescission bill or", by striking "bill or" the second place it appears, by striking "rescission bill with respect to the same special message or", and by striking ", and the case may be,";

(C) in subsection (b)(2), by striking "bill or" each place it appears;

(D) in subsection (c), by striking "rescission" each place it appears and by striking "bill or" each place it appears;

(E) in subsection (d)(1), by striking "rescission bill or" and by striking ", and all amendments thereto (in the case of a rescission bill)";

(F) in subsection (d)(2)—

(i) by striking the first sentence;

(ii) by amending the second sentence to read as follows: "Debate on any debatable motion or appeal in connection with an impoundment resolution shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event that the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee.";

(iii) by striking the third sentence; and

(iv) in the fourth sentence, by striking "rescission bill or" and by striking "amendment, debatable motion," and by inserting 'debatable motion';

(G) in paragraph (d)(3), by striking the second and third sentences; and

(H) by striking paragraphs (4), (5), (6), and (7) of paragraph (d).

(d) CLERICAL AMENDMENTS.—The table of sections for subpart B of title X of the Congressional Budget and Impoundment Control Act of 1974 is amended by redesignating the item relating to sections 1014 through 1018 as items 1015 through 1019, respectively, and by inserting after the item relating to section 1012 the following new item:

"Sec. 1013. Enhanced consideration of certain proposed rescissions.".

The CHAIRMAN pro tempore. Pursuant to House Resolution 692, the gentleman from Wisconsin (Mr. RYAN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I will explain this. We are going to go after wasteful spending in another direction with this amendment. This is a bipartisan amendment with the gentleman from Texas (Mr. STENHOLM), also with the gentleman from Delaware (Mr. CASTLE), who is not here with us on the floor this moment, supporting this amendment. This is what we call enhanced rescissions.

The way this amendment works is that the President, after signing a bill into law, an appropriations bill into law, has the ability to pull out a wasteful spending measure or a number of wasteful spending measures that he or she deems wasteful.

Now, this makes sure that we retain the power of the purse so that that bill comes back to the House and the Senate among expedited procedures where we vote up or down on that rescission package.

Now, if my colleagues will recall, during the line item veto debate of a number of years ago, the Supreme Court ended up striking down the line item veto. The reason the Supreme Court struck down the line item veto is a reason I agree with, which was it is unconstitutional for the legislative branch to delegate its lawmaking power to the executive branch the power of the purse.

So what we are doing in place of that is this. As a consequence to those who oppose the line item veto at the same time, they were the folks who were actually proposing this legislation, what happens is the President pulls out spending from a spending bill, sends it back to Congress on an expedited procedural basis. Congress votes up or down on those spending cuts. And we have the final say as to whether or not that spending occurs.

Now, the great point of all of this is we end up having tc vote on these huge appropriation bills. Last year's omnibus appropriation bill had seven different appropriation bills bundled into one. So we had one vote on the conference report up or down. So we had to vote on veterans health care, on Labor Department spending, on Health and Human Services; but we also had to vote for the $50 million rain forest museum in Coralville, Iowa.

This gives the President the ability to say we probably should not be spending money on that rain forest museum in Coralville, Iowa, and a few other things. I am pulling those out of this bill and sending it back to Congress for a revote, and then Congress has the final decision as to whether or not that spending takes place.

We retain the power of the purse, but we have a tool to go after wasteful spending.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. Who claims time in opposition to the amendment?

Mr. SPRATT. Mr. Chairman, I claim the time in opposition, but I may not oppose the bill. I simply claim the time.

The CHAIRMAN pro tempore. Without objection, the gentleman from South Carolina will control the time.

There was no objection.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, I am very happy to join with the gentleman from Wisconsin (Mr. RYAN) and the gentleman from Delaware (Mr. CASTLE) to offer this amendment tonight.

Expedited rescission has been around a long time. Dan Quayle first introduced it in 1975. Senator CARPER, Dick Armey did yeoman's work in passing this legislation. I have been working in support of expedited rescission legislation since 1992. And I worked with many Members on my side of the aisle, including the gentleman from South Carolina (Mr. SPRATT), the gentleman from Michigan (Mr. CONYERS), and others on similar proposals.

There is a fundamental question that we need to ask. Line item veto was unconstitutional, and I was never comfortable giving any President one-third-plus-one minority override over a decision of Congress, and the Supreme Court upheld that as being unconstitutional, but imperfectly willing to give any President line item veto over any pork spending, if that is what you want to call it, by me or the gentleman from Wisconsin (Mr. RYAN) or anyone else, provided I have an opportunity to have a majority of the House agree with me or to agree with the President. That is what expedited rescission is all about.

I respect the concern of Members on my side of the aisle that that amendment will give too much power to the President, but it matters not to me who is President. I am perfectly willing to give any President that opportunity because it will have a very cleansing effect because anyone that sticks in as many add-ons as we have been adding on to the appropriation process, and I found it rather amusing listening to the appropriators a moment ago, when you look at what has happened with all of the add-ons, all of the add-ons that have been added in the appropriations process, I would love to see a President come in and line item veto that, even if it is mine or anyone else's, because it would have a cleansing effect.

If one cannot stand up on the floor and defend that which he has asked appropriators to put in the bill, he should not do it. And that is what this amendment is all about.

This amendment will not make a significant dent in our deficit, and I do not claim that it will. But it will have a very real cleansing effect on the legislative process. And it will take a step towards reducing the public cynicism about the political process.

The time has come for to us support this additional tool for accountability and fiscal responsibility.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 2 minutes to gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, we have talked about a number of individual items that we have found questionable in past omnibus bills, including, in particular, a tropical rain forest that, by the way, was not in the district of the Committee on the Budget chairman.

One of the points that I want to make about the beauties of this particular amendment is that often, this is going to be shocking to people listening to this debate, but often we have an appropriation bill, especially when it is an omnibus appropriation bill, that can be thousands and thousands of pages long, and who knows how many tens of thousands of lines in this. And sometimes we have had all of several hours to go through every single line in these thousands and thousands of pages. The stack is usually here somewhere, set up here. If one can get here and they are the first person there, then they can get it and they can look through and they can discover the $4 million for fruit flies in France or whatever else it might be. And they could raise their objection and deal with that. But sometimes you might not get the opportunity to go through this whole thing. In fact, as a practical matter, none of us do. We discover later on what all has been inserted in this bill.

What this mechanism does is it provides an opportunity after the bill, and many of us do not want to vote against veterans funding or important programs that are also in these bills, ends up passing; but what this amendment does, it gives the President an opportunity to say, okay, hold on a second here, we got a little out of hand, let us take the following handful of items and let us rethink that on an up-or-down vote just these items.

This is just common sense, responsible budgeting and appropriating. So I would urge my colleagues to support this amendment.

Mr. SPRATT. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I have actually sponsored legislation like this in the past. I have voted for it and argued for it on the House floor. When we had the vote on the line item veto, I came over here and tried to offer an alternate amendment to it and argued to the House, the other side principally, that if they would adopt this, and the Supreme Court did what I predicted they would do and held it unconstitutional, then this would be in place as the alternative. We would have it by now if that had been attempted, the bill passed. And that was not put in it.

There was a strong suspicion on my colleagues' side that if we put that in, the Senate would take out the line item veto and pass the rescission provisions. In truth, there are certain Senators who are probably laying in wait for this rescission provision already.

We did add some features to it that I would recommend for your consideration. One is when it came through the Committee on Government Reform we added a provision that would not only allow spending to be treated this way, but also targeted tax cuts. Because these targeted tax cuts are often tax expenditures and they were defined as tax cuts which had a beneficiary class, a few of them. I thought it was a good idea and a good improvement on the bill.

We bring these tax bills over here to the floor, they are not amendable. We vote on them up or down. At least on the appropriations bill, if one wants to, they have an opportunity to go after individual items. Instead, the tax bills have all kinds of provisions.

We also had some provisions in it about how you could break out for separate treatment all or certain parts of the package if one could get a petition with so many Members. This is an idea that has been around and around the track, and it is actually an idea that has been embellished and improved as it went around the track. I am not quite sure how many of those ideas there are in this particular version of it, but I recommend those for my colleagues' consideration.

Mr. Chairman, I reserve the balance of my time.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield myself the remainder of the time.

Mr. Chairman, I want to answer the points the gentleman from South Carolina made. We did look at the issue of whether there are tax expenditures included in the enhanced rescission power, and some raised the constitutional question. Because in article I, section 7, the U.S. Constitution clearly states that bills for raising revenue shall originate only in the House of Representatives.

There are some who have a constitutional concern, and this is a debated point, that it would be unconstitutional for the President to alter tax legislation because this would be an originating bill even after this other bill would be passed into law.

So there is a constitutional question about the tax expenditure side. But, more importantly, we want to focus on spending. We wanted to focus this tool to go after wasteful spending.

Let me just conclude with showing a few things that we have done around here. Both parties are to blame for this; 13.4 million for community resilience project in Virginia.

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Mr. Chairman, $916,000 for a study about what makes a meaningful day, $500,000 for the Anaheim Resort Transit to fund buses for Disneyland, $270,000 for wool research in Montana and Wyoming, $72,000 for the study by the National Institute of Health on dorm room wall decorations and Web pages.

These are ridiculous expenditures that I believe are an embarrassment to this body, and it is a good thing, and I think we all agree, to have the President have the ability to bring those things out and send it back and have us vote on those things in the light of day instead of tucking them in big appropriations bill.

Mr. SPRATT. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, sometimes it is rather amusing if you have been around for a few years, as I have. The last time this was seriously discussed, my friends on this side of the aisle opposed it. They believe the expedited rescission was a bad idea and that we ought to go with line-item veto. The person that interjected taxes into this was Bob Michel, the minority leader, in suggesting that if you really want to do this in a way in which it will work, you put everything on the table.

The gentleman from South Carolina (Mr. SPRATT) supported that, and today it is why it is so difficult. The gentleman from Iowa (Chairman NUSSLE) was talking about, it is us. It is we. It is pretty difficult for "we" to work on things when we keep changing what we think because of the current political environment that we have.

Mr. Chairman, I am happy to yield to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, a couple of us were not in Congress back then when you guys decided that, so we have been consistent.

Mr. STENHOLM. I know, but it is great. You can come in here and get 85 votes, and it does not get things done. We can get 300 votes.

Mr. CASTLE. Mr. Chairman, I rise today in support of the Ryan/Castle/Stenholm amendment. I have supported this executive power in many forms, but I see this amendment as a version that all of us can stand behind.

Under this power, the President, regardless of party, may submit to Congress, provisions from a spending bill that he deems wasteful. The difference between our approach, and the Line-Item Veto which was overturned by the Supreme Court in 1998, is that Congress remains the deciding factor. The power of the purse remains in the hands of Congress.

This "expedited" rescission is intended to ensure a vote on those rescission requests sent from the President. Under expedited rescission, Congressional approval would still be necessary to cancel the funding by an up-or-down vote on an individual spending provision.

I believe that Congressional power is actually increased under this amendment—because Members are able to exercise more discretion over wasteful spending. Additionally, I believe that under this provision, Members will hesitate to abuse the practice of earmarking funds when they are held accountable to the full House.

The Line Item Veto Act of 1996 amended the Congressional Budget and Impoundment Control Act of 1974, to give the President "enhanced rescission authority" to cancel certain items. The President was only to exercise the cancellation authority if he determined that such cancellation would reduce the federal budget deficit and would not impair essential government functions or harm the national interest; and then notified the Congress. The act provided 30 days for the expedited congressional consideration of disapproval bills to reverse the cancellations from the President.

When the Supreme Court overturned the Line item Veto in 1998, the subsequent policy discussions produced alternative versions that would address issues of Constitutionality. This enhanced rescission would give lawmakers the ability to clean up waste in spending bills while protecting the priorities of the bill.

We believe that this amendment has the opportunity to eliminate wasteful and abusive spending, while maintaining Congressional power of the purse and I encourage my colleagues to support Ryan/Castle/Stenholm.

The CHAIRMAN pro tempore (Mr. BASS). The question is on the amendment offered by the gentleman from Wisconsin (Mr. RYAN).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. RYAN of Wisconsin. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Wisconsin (Mr. RYAN) will be postponed.

It is now in order to consider in sequence amendments numbered 10 through 14 printed in House Report 108–566. The Chair has been advised that the amendments will not be offered.

AMENDMENT NO. 15 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. SPRATT

Mr. SPRATT. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment No. 15 in the Nature of a Substitute Offered by Mr. SPRATT

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Budget Enforcement Act of 2004".

SEC. 2. EXTENSION OF DISCRETIONARY SPENDING LIMITS.

(a) DISCRETIONARY SPENDING LIMITS.—(1) Section 251(c)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 (relating to fiscal year 2004) is amended—

(A) in subparagraph (A), by striking "$31,834,000,000" and inserting "$28,052,000,000"; and

(B) in subparagraph (B), by striking "$1,462,000,000" and inserting "$1,436,000,000" and by striking "$6,629,000,000" and inserting "$6,271,000,000".

(2) Section 251(c)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by inserting a dash after "2005", by redesignating the remaining portion of such paragraph as subparagraph (D) and by moving it two ems to the right, and by inserting after the dash the following new subparagraphs:

"(A) for the general purpose discretionary category: $832,474,000,000 in new budget authority and $870,895,000,000 in outlays;

"(B) for the highway category: $30,585,000,000 in outlays; and

"(C) for the mass transit category: $1,554,000,000 in new budget authority and $6,787,000,000 in outlays; and".

(3) Section 251(c)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by inserting a dash after "2006", by redesignating the remaining portion of such paragraph as subparagraph (D) and by moving it two ems to the right, and by inserting after the dash the following new subparagraphs:

"(A) for the general purpose discretionary category: $856,879,000,000 in new budget authority and $865,993,000,000 in outlays;

"(B) for the highway category: $33,271,000,000 in outlays; and

"(C) for the mass transit category: $1,671,000,000 in new budget authority and $7,585,000,000 in outlays; and".

(4) Section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by redesignating paragraphs (4) through (9) as paragraphs (7) through (12) and inserting after paragraph (3) the following new paragraphs:

"(4) with respect to fiscal year 2007—

"(A) for the highway category: $35,248,000,000 in outlays; and

"(B) for the mass transit category: $1,785,000,000 in new budget authority and $8,110,000,000 in outlays;

"(5) with respect to fiscal year 2008—

"(A) for the highway category: $36,587,000,000 in outlays; and

"(B) for the mass transit category: $1,890,000,000 in new budget authority and $8,517,000,000 in outlays; and

"(6) with respect to fiscal year 2009—

"(A) for the highway category: $37,682,000,000 in outlays; and

"(B) for the mass transit category: $2,017,000,000 in new budget authority and $8,968,000,000 in outlays;".

(b) DEFINITIONS.—Section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in subparagraph (B), by—

(A) striking "the Transportation Equity Act for the 21st Century and the Surface Transportation Extension Act of 2003" and inserting "the Transportation Equity Act: A Legacy for Users"; and

(B) inserting before the period at the end the following new clauses:

"(v) 69-8158-0-7-401 (Motor Carrier Safety Grants).

"(vi) 69-8159-0-7-401 (Motor Carrier Safety Operations and Programs).";

(2) in subparagraph (C), by—

(A) inserting "(and successor accounts)" after "budget accounts"; and

(B) striking "the Transportation Equity Act for the 21st Century and the Surface Transportation Extension Act of 2003 or for which appropriations are provided pursuant to authorizations contained in those Acts (except that appropriations provided pursuant to section 5338(h) of title 49, United States Code, as amended by the Transportation Equity Act for the 21st Century, shall not be included in this category)" and inserting "the Transportation Equity Act: A Legacy for Users or for which appropriations are provided pursuant to authorizations contained in that Act"; and

(3) in subparagraph (D)(ii), by striking "section 8103 of the Transportation Equity Act for the 21st Century" and inserting "section 8103 of the Transportation Equity Act: A Legacy for Users".

SEC. 3. ADJUSTMENTS TO ALIGN HIGHWAY SPENDING WITH REVENUES.

Subparagraphs (B) through (E) of section 251(b)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 are amended to read as follows:

"(B) ADJUSTMENT TO ALIGN HIGHWAY SPENDING WITH REVENUES.—(i) When the President submits the budget under section 1105 of title 31, United States Code, OMB shall calculate and the budget shall make adjustments to the highway category for the budget year and each outyear as provided in clause (ii)(I)(cc).

"(ii)(I)(aa) OMB shall take the actual level of highway receipts for the year before the current year and subtract the sum of the estimated level of highway receipts in subclause (II) plus any amount previously calculated under item (bb) for that year.

"(bb) OMB shall take the current estimate of highway receipts for the current year and subtract the estimated level of receipts for that year.

"(cc) OMB shall add one-half of the sum of the amount calculated under items (aa) and (bb) to the obligation limitations set forth in the section 8103 of the Transportation Equity Act: A Legacy for Users and, using current estimates, calculate the outlay change resulting from the change in obligations for the budget year and the first outyear and the outlays flowing therefrom through subsequent fiscal years. After making the calculations under the preceding sentence, OMB shall adjust the amount of obligations set forth in that section for the budget year and the first outyear by adding one-half of the sum of the amount calculated under items (aa) and (bb) to each such year.

"(II) The estimated level of highway receipts for the purposes of this clause are—

"(aa) for fiscal year 2004, $30,572,000,000;

"(bb) for fiscal year 2005, $34,260,000,000;

"(cc) for fiscal year 2006, $35,586,000,000;

"(dd) for fiscal year 2007, $36,570,000,000;

"(ee) for fiscal year 2008, $37,603,000,000; and

"(ff) for fiscal year 2009, $38,651,000,000.

"(III) In this clause, the term 'highway receipts' means the governmental receipts credited to the highway account of the Highway Trust Fund.

"(C) In addition to the adjustment required by subparagraph (B), when the President submits the budget under section 1105 of title 31, United States Code, for fiscal year 2006, 2007, 2008, or 2009, OMB shall calculate and the budget shall include for the budget year and each outyear an adjustment to the limits on outlays for the highway category and the mass transit category equal to—

"(i) the outlays for the applicable category calculated assuming obligation levels consistent with the estimates prepared pursuant to subparagraph (D), as adjusted, using current technical assumptions; minus

"(ii) the outlays for the applicable category set forth in the subparagraph (D) estimates, as adjusted.

"(D)(i) When OMB and CBO submit their final sequester report for fiscal year 2004, that report shall include an estimate of the outlays for each of the categories that would result in fiscal years 2005 through 2009 from obligations at the levels specified in section 8103 of the Transportation Equity Act: A Legacy for Users using current assumptions.

"(ii) When the President submits the budget under section 1105 of title 31, United States Code, for fiscal year 2006, 2007, 2008, or 2009, OMB shall adjust the estimates made in clause (i) by the adjustments by subparagraphs (B) and (C).

"(E) OMB shall consult with the Committees on the Budget and include a report on adjustments under subparagraphs (B) and (C) in the preview report.".

SEC. 4. LEVEL OF OBLIGATION LIMITATIONS.

(a) HIGHWAY CATEGORY.—For the purposes of section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, the level of obligation limitations for the highway category is—

(1) for fiscal year 2004, $34,309,000,000;

(2) for fiscal year 2005, $35,671,000,000;

(3) for fiscal year 2006, $36,719,000,000;

(4) for fiscal year 2007, $37,800,000,000;

(5) for fiscal year 2008, $38,913,000,000; and

(6) for fiscal year 2009, $40,061,000,000.

(b) MASS TRANSIT CATEGORY.—For the purposes of section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, the level of obligation limitations for the mass transit category is—

(1) for fiscal year 2004, $7,266,000,000;

(2) for fiscal year 2005, $7,750,000,000;

(3) for fiscal year 2006, $8,266,000,000;

(4) for fiscal year 2007, $8,816,000,000;

(5) for fiscal year 2008, $9,403,000,000; and

(6) for fiscal year 2009, $10,029,000,000.

For purposes of this subsection, the term "obligation limitations" means the sum of budget authority and obligation limitations.

SEC. 5. EXTENSION OF PAY-AS-YOU-GO REQUIREMENT.

Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended' "2002" both places it appears and inserting "2009".

SEC. 6. REPORTS.

Subsections (c)(2) and (f)(2)(A) of section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 are amended by striking "2002" and inserting "2006 (or 2009 solely for purposes of enforcing the discretionary spending limits for the highway and mass transit categories)".

SEC. 7. EXPIRATION.

Section' 275(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "2002" and inserting "2006 (or 2009 solely for purposes of enforcing the discretionary spending limits for the highway and mass transit categories)" and by striking "2006" and inserting "2013".

SEC. 8. TECHNICAL CORRECTIONS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.

Part C of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended as follows:

(1) In section 250(a), strike "SEC. 256. GENERAL AND SPECIAL SEQUESTRATION RULES" and insert "Sec. 256. General and special sequestration rules" in the item relating to section 256.

(2) In subparagraphs (F), (G), (H), (I), (J), and (K) of section 250(c)(4), insert "subparagraph" after "described in" each place it appears.

(3) In section 250(c)(18), insert "of" after "expenses".

(4) In section 251(b)(1)(A), strike "committees" the first place it appears and insert "Committees".

(5) In section 251(b)(1)(C)(i), strike "fiscal years" and insert "fiscal year".

(6) In section 251(b)(1)(D)(ii), strike "fiscal years" and insert "fiscal year".

(7) In section 252(b)(2)(B), insert "the" before "budget year".

(8) In section 252(c)(1)(C)(i), strike "paragraph (1)" and insert "subsection (b)".

(9) In section 254(c)(3)(A), strike "subsection" and insert "section".

(10) In section 254(f)(4), strike "subsection" and insert "section" and strike "sequesterable" and insert "sequestrable".

(11) In section 255(g)(1)(B), move the fourteenth undesignated clause 2 ems to the right.

(12) In section 255(g)(2), insert "and" after the semicolon at the end of the next-to-last undesignated clause.

(13) In section 255(h)—

(A) strike "and" after the semicolon in the ninth undesignated clause;

(B) insert "and" after the semicolon at the end of the tenth undesignated clause; and

(C) strike the semicolon at the end and insert a period.

(14) In section 256(k)(1), strike "paragraph (5)" and insert "paragraph (6)".

(15) In section 257(b)(2)(A)(i), strike "differenes" and insert "differences".

The CHAIRMAN pro tempore. Pursuant to House Resolution 692, the gentleman from South Carolina (Mr. SPRATT) and a Member opposed each will control 15 minutes.

The Chair recognizes the gentleman from South Carolina (Mr. SPRATT).

Mr. SPRATT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this substitute would extend the so-called PAYGO rule through September 30, 2009, to require that both the cost of all net direct, mandatory or entitlement spending increases and all tax cuts both, this is two-edged, double-edged PAYGO, enacted during a session be fully offset. In other words, this amendment would reinstate the rules that expired two years ago, the rule that is applicable to entitlement increases, the rule that is applicable to tax cuts known as the PAYGO rule.

In addition, this amendment would set total discretionary spending limits for 2005 and 2006 equal to the levels in the Democratic budget resolution which we offered on the House floor a few months ago. There are no total funding caps for other years.

Like H.R. 4663, it specifies that annual mass transit and highway funding for each year through 2009 will be set at the levels also included in the House-passed transportation reauthorization bill, known as TEA–LU.

Mr. Chairman, in the 1980s and 1990s, as we have struggled with deficits and as the effects of Gramm-Rudman-Hollings fizzled out, various rules, some of which have been surfaced on the House floor tonight, were proposed and tried. Two, however, emerged as meritorious and were included in what became the Budget Enforcement Act of 1991. It was a spin-off from the Bush Budget Summit in the year 1990. These were the disciplinary tools to implement the Bush Budget Summit Agreement, which really has not gotten the credit it is due for laying the foundation for what we accomplished in the 1990s. Neither have these rules gotten the full credit of their due, but they got a nice accolade from a source who admitted that he was a cynic, if not a skeptic, at that time, Chairman Alan Greenspan of the Federal Reserve.

He told our committee, the Committee on the Budget, just a few weeks ago when we asked him about the renewal of these rules, if he thought from his observation as an outside observer of the budget that these were worthwhile tools. He said, you know, I was a skeptic. I did not think they would work. I thought they were diversionary tactic, but I have been proven wrong. They were remarkably effective.

And when we questioned him and asked him, he said, I would reinstate both rules, both the discretionary spending caps, and I would reinstate the pay-as-you-go rule, which provides that if you want to have a tax cut when you have got a deficit, then you have to make it deficit neutral; you have to have an offset. You either cut entitlement spending one place in the budget, or you increase revenues as an offset in another place.

And by the same token, if you want to enhance an entitlement, you have got to identify a revenue stream to pay for it, or you have to have a commensurate cut and another entitlement program elsewhere in the budget so that in all respects, they are deficit neutral at the end of the session.

These two rules, the PAYGO rule, the double-edged PAYGO rule and the statutory spending caps on discretionary spending, are the heart and soul of this particular substitute that I am offering here. This cuts to the very core.

Rather than go through all of these convoluted rules, let us go back to two rules that work. Let us be pragmatic. Let us pick from the past experience that we have had those rules that contributed the most to our success in the 1990s, and after all, we moved the budget from a $290 deficit to a $236 surplus in six fiscal years, and these two rules helped us do it.

They have both expired now. We could do a world of good for the budget process, for the budget, for the deficit, by reinstating these two rules, and really, it is all we need to do that and fixing realistically discretionary spending caps.

Let me say, we proposed 5 years of spending caps. The chairman has reduced his effort to just 2 years. In an effort to get something that he could possibly pass over there, he went with two years. I really do not think we have effective discretionary spending limits unless we have longer terms than that. So we have a 5-year spending limitation on discretionary spending, and I should acknowledge that we have set this a bit above current service, a bit above the CBO baseline. Why did we do that? Because we fully accommodated the President's defense request, nondefense discretionary, and our cap is pretty close to baseline, pretty close to current services, just a bit over.

Total discretionary is somewhat more in excess of the CBO baseline because we followed the President's defense members. We put in the $50 billion this year for the Iraq and Afghanistan and supplemental expenses. That is realistic, and there is one rule that we learned in the 1990s we should apply here, too. It applies to the 1997 budget which was uniquely successful when we set the statutory caps on discretionary spending at a very, very tight and unrealistic level.

When we got to the ideas, we fudged on them substantially and that is primarily because partly because we set them too tight to start with. Here, we have set them realistically. We have got two rules that work. They have proved their worth.

The chairman of the Federal Reserve says I do not see why you would not reinstate them and make the PAYGO rule in particular applicable to tax cuts as well as entitlement increases. I submit to the House, if we want to do something tonight, if we want some concrete, valuable outcome for all of our efforts, these two things would do a world of good, and we could leave here feeling that we had done something good for the budget and something successful tonight.

Mr. Chairman, I reserve the balance of my time.

Mr. NUSSLE. Mr. Chairman, I claim the time in opposition, and I yield 2 minutes to the gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, I thank the chairman for the time, and I would like to stress there are two big problems with this approach and reasons that I oppose this amendment.

First of all, with respect to the discretionary spending caps, I commend the gentleman from South Carolina for extending them longer than we have in our bill. I think it is a constructive idea. Unfortunately, he starts off with caps at higher levels so we end up spending considerably more money, not only in the first couple of years, but thereafter as well, and so I have to strongly disagree with that approach on the discretionary spending caps side.

I also want to talk about the change that the gentleman from South Carolina proposes with regards to the PAYGO provisions and specifically the idea that we ought to apply this PAYGO provision to the tax cuts, as well as to the mandatory spending increases, which is what we have in the majority bill.

Now, obviously the superficial appeal of this idea is that both an increase in mandatory spending or a decrease in taxes appear to have the same directional effect on the size of the deficit in the short run. With respect to the government's budget, that is, of course, true, but there is something I think much more important here. The fact is that increasing spending and cutting taxes are not equivalent to the American people because the former, increasing mandatory spending, which we try to control, that slows down economic growth, and it reduces personal freedom, but the latter, cutting taxes, that accelerates economic growth and it expands personal freedom. The difference is just night and day.

In addition to that, the former, which is to say increasing mandatory spending, which we control in our bill, in the absence of that constraint which we impose, then we definitely increase the size of the structural deficit. That is clearly a problem that we are trying to rein in.

On the other hand, as we have seen time and time again, when you lower the tax burden, essentially you do it right by lowering marginal tax rates. You, in fact, improve the deficit picture over the long run as accelerating economic growth and enhancing revenue.

So I would urge my colleagues to reject this amendment and support the underlying bill.

Mr. NUSSLE. Mr. Chairman, I yield myself such time as I may consume.

Let me just make a couple of comments, and then we have no other speakers, and I would be ready to yield back the balance of our time.

Let me just say, first of all, the gentleman from Pennsylvania said it very well. Let me just underscore a couple of things.

We have had number of votes on the floor, and I understand we may have yet another one tonight as a motion to recommit with regard to PAYGO for taxes, as it has been called here on the floor, and every time this year we rejected that, and we basically said, look, the only people who pay for taxes are taxpayers. The government does not have to pay for taxes because the government is not the one that pays taxes. It is taxpayers that pay for taxes.

So we have made it very clear that tonight we want to discuss spending, mandatory spending, discretionary spending. That is the reason we apply the PAYGO provisions to mandatory spending, and it is the reason why we set discretionary caps.

What the gentleman from South Carolina (Mr. SPRATT) has done follows that exact rubric. He has a PAYGO provision, but he extends it to revenue; therefore, I would oppose that.

On the discretionary side, he increases spending above the caps where we are now or above the budget resolution by $12.5 billion. In my estimation, that is unnecessary spending at this time. Certainly, as we all know, during the appropriation process many people will come to the floor and suggest that we could spend money on this or we could spend more money on that or we could increase over here or we could increase over there, but again, so many of our colleagues on both sides have talked about restraining spending. I do not believe an increase in the cap is what we need to do.

So I would oppose the amendment. The discretionary cap does not need to be lifted an additional $12.5 billion, number one; and number two, we do not believe that anyone in this country pays for taxes except taxpayers. Therefore, I would oppose the amendment as a substitute.

As I said to the gentleman from South Carolina (Mr. SPRATT), we have no other speakers.

Mr. Chairman, I reserve the balance of our time.

□ 2045

Mr. SPRATT. Could the Chair please advise me how much time I have?

The CHAIRMAN pro tempore (Mr. BASS). The gentleman from South Carolina has 8½ minutes remaining.

Mr. SPRATT. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, once again what we are trying to do here is to cut through all the rhetoric, go through all of these complicated rules, sometimes convoluted rules, and come up with two basic rules, two pragmatic rules that have proven themselves over a period of 10 years to work and work well. Indeed, they were part of the success we enjoyed in the 1990s when we moved the budget from a deficit of $290 billion in 1992 to a surplus of $236 billion in the year 2000.

First of all, we would impose a statutory cap on discretionary spending at a level that we think is realistic. And what do we mean by that? We take current services, basically treading water, with inflationary adjustment, and we add to it the Bush defense budget. But we want to make a point here, and that is this is the totality of domestic nonhomeland discretionary spending in the budget. This is one-sixth of the budget. Wipe it all out, you do not have an FBI, you do not have a court system, you do not have a Park Service, you do not have highways; but you still have a deficit, notwithstanding the fact you have wiped the whole thing out.

If you look back over the last 4 years, what is the source of this spending that everybody is decrying tonight? What you find is it certainly is not domestic nonhomeland security; 383, 382, 383. Now, Mr. Bush said he would like to cut it down to $376 billion. Well and good. This is one of the reasons the appropriators are out here tonight. They are struggling with the attainment of that goal. That saves $7 billion on a deficit that is estimated at over $400 billion next year. That is how much blood you can squeeze out of this turnip.

Where then have the cost increases come from? This chart tells it all. These bar charts show 2001, 2002, 2003, 2004, and they show that 90 to 95 percent of the increase in spending in those four fiscal years occurred in defense, homeland security, and the response to 9/11, not in what we call domestic nondefense discretionary spending. Therefore, the cap will have an effect, but not a great effect.

Basically, what we have done is we have capped nondefense discretionary spending at a current services level. We provided, as I said, realistically for the Bush defense budget for the other half of discretionary spending in the cap we have set.

Complicated chart. It says one thing in particular. When Bush came to office, when the President came to office several years ago, the Bush defense budget, the defense budget for the next 10 years was $3.6 trillion. Today, by our calculation, it is more like $5 trillion. We have seen defense spending go up over that time frame by $1.4 trillion.

And what about revenues? This is where the Bush administration told us revenues would go if we had tax cuts as we did in 2001, 2002 and 2003; that they would follow this blue dotted line. They have not followed the blue dotted line. They have taken a precipitous decline downward over this period of time from over $1 trillion to less than $800 billion in a period of about 3 or 4 fiscal years.

So if you want to solve the problem, you have to get to the source of the problem. You have to go to the budget and look at where the problem exists, and you cannot rule out revenues and expect to resolve a $521 billion estimate. That was the last official estimate we got from OMB of a deficit for this year.

That is why we have, number one, spending caps on discretionary spending at realistic levels that accommodate for defense. Get real. We are not going to be reining in those accounts by any substantial amount in the near future, given our obligations that are still being worked out.

And, secondly, we have acknowledged that revenues are a significant part of the problem. Indeed, when we resolved the problem of the deficit in the 1990s, and CBO looked back on it, they said 48 percent of your success was due to the fact that you were able to enhance revenues, 52 percent was due to the fact you curbed spending. Those two together produced the phenomenal results we enjoyed in the 1950s.

Here it is right here. It can be done. The Clinton administration came to office and outlays were 22 percent of GDP. When he left office, outlays had been reduced to about 18 percent of GDP. Revenues were about 17 to 18 percent of GDP. They were taken up over 20 percent of GDP. And there is the measure of the success in the Clinton administration right there, the $200 billion surplus we have been talking about.

And here is what happened with the Bush administration. Revenues have plummeted and spending outlays have gone up. But outlays are still below historic norms. Revenues, however, are pretty close to historic levels. Income taxes, as a percent of GDP, are about where they were in 1950.

So you have to do all these things to have a successful budget process package, and that is why we suggest to you we have got before you now in this substitute a package of two simple and basic rules which we say to you pragmatically worked, worked phenomenally well, and ought to be reinstated so we can tackle this difficult problem and approach it and try to begin working down the deficit.

I would suggest to the House that this would be the simplest way and the best way to resolve this whole debate. Adopt this substitute and wrap it up by reinstating the PAYGO rule with a double edge applicable to tax cuts and spending increases alike.

Mr. Chairman, I reserve the balance of my time.

Mr. NUSSLE. Mr. Chairman, I reserve the balance of my time, and I am prepared to yield back.

Mr. SPRATT. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Chairman, I thank the gentleman for yielding me this time.

We would have liked the opportunity to present an amendment to this bill that teed up cleanly the prospects of pay-as-you-go, including both the revenue and spending sides. Remember, pay-as-you-go on spending. That does not mean anything, because a budget is revenue and a budget is outflow. If you only do outflow without revenue, you will never get to balance. Never get to balance. It is not even a serious effort.

What did they do to the request we had to have a clean vote on it, the request by the Blue Dogs? They did not make it in order in the Committee on Rules. We have been working the last several hours through 19 amendments. They have made every cockamamie idea under the sun in order. But when we wanted to have a straight pay-as-you-go to address this budget deficit, it was not made in order. It again shows why I believe the underlying bill is not a serious effort in budgeting whatsoever, and the effort put forward by my friend and colleague, the gentleman from South Carolina (Mr. SPRATT), represents an alternative in a bad situation. That is a situation we should support.

Mr. SPRATT. Mr. Chairman, I yield the balance of my time to the gentlewoman from California (Ms. PELOSI), the minority leader.

Ms. PELOSI. Mr. Chairman, I thank the gentleman from South Carolina (Mr. SPRATT) for yielding me this time, but more especially for the excellent leadership that he has provided as the ranking member on the Committee on the Budget, and I thank him for bringing this substitute to the floor.

I think it would be really very important for the American people to understand the standing that the gentleman from South Carolina (Mr. SPRATT) has on this issue. He has, without any inkling of partisanship, addressed the issues of a fiscal soundness for our country and a budget that reflects our values in a way that has been, again, nonpartisan, professional, and responsible. He knows the facts and the figures. He takes responsibility for what he puts forth and will answer and defend the conclusions that he advances. So when he speaks about his own substitute that will lead to reducing the deficit, you can take him at his word. When he introduces this substitute for pay-as-you-go, it is as responsible as it sounds.

Earlier in the debate, on the Obey amendment, one of our Republican colleagues said there is no such thing as a free lunch. This pay-as-you-go budget really validates that statement, because it says in order for us to provide for the needs and the aspirations of the American people, we must do so in a fiscally sound way, and we must not fool ourselves about the consequences of our actions.

You can talk all day about the dynamic, as our Republican colleagues would say, about the dynamic impact of their tax cuts. They have been cutting taxes and cutting taxes and cutting taxes. Democrats like tax cuts too. We wanted to cut the taxes for the middle class. We want to cut the taxes for Americans who will then spend the money and put it back into the economy, injecting demand into the economy, creating jobs, growing the economy to create jobs.

We want to use our investments in our budget to invest in education. There is no better investment that we can make in terms of helping and meeting the needs and aspirations of the American people in terms of educating them, early childhood, K through 12, higher ed, post-graduate and life-time learning. And nothing does more to grow the economy and bring money into the Federal Treasury than to educate the American people.

So the investments that we talk about with pay-as-you-go are investments that bring money into the Treasury, that put tax cuts where they belong, where they will generate jobs and, again, inject demand. The gentleman from South Carolina (Mr. SPRATT) very, very carefully presented to us how the pay-as-you-go, when it was in effect, created a situation where we had zero deficit in 1999. This was not an accident. It was not a fluke. It was part of a plan. It was not a situation where we kept trying one thing and another. It was part of a plan. When the pay-as-you-go expired, we now have returned to these growing deficits; this year, $.5 trillion, a historically large deficit.

So, Mr. Chairman, when the Republicans say that we should subscribe to their reckless economic plan because it is going to create jobs, the success of their economic plan has not hit home for middle-class Americans. Yes, some jobs have been created, but they have been lower-paying jobs than the ones that were lost. The purchasing power of Americans has not increased. In fact, the increase in wages since this spring, since March, has been about a nickel. About a nickel. So that is not an economic policy that has been successful for middle-class Americans.

Their policy about tax cuts has been to go to those who need them least. Most of those people know they do not need the tax cuts and would rather they be investments into our society for educating our children. They do not want to, on top of it all, grow the deficit. We keep feeling the effects of that policy in lost jobs, wages that do not keep pace with inflation, and most dramatically, again, in record budget deficits.

When President Bush took office, as was indicated by the charts the gentleman from South Carolina (Mr. SPRATT) showed, we were on a path to a $5.6 trillion surplus. A $5.6 trillion surplus. Today, the budget deficit is projected to be over $3 trillion over the next 10 years, a $9 trillion fiscal collapse. We now have a deficit again for this year that is more than $.5 trillion for 1 year alone. That is an astounding burden on our children.

□ 2100

We should be giving our children opportunity, not fiscal obligations because of the Republicans' reckless economic policies.

These deficits matter. Federal Reserve Chairman Alan Greenspan has said, "History suggests that an abandonment of fiscal discipline will eventually push up interest rates, crowd out capital spending, lower productivity growth, and force harder choices upon us in the future."

Economists agree, deficits are a drag on the economy. Higher deficits mean higher interest rates, which mean families pay more for homes, cars and college tuition. Higher deficits mean lower incomes. And higher deficits mean fewer good-paying jobs.

Our country is at a crossroads on this issue, Mr. Chairman, and today we can choose between two distinct paths. One, as the gentleman from South Carolina suggests, is the road back to fiscal responsibility. The other is the road to fiscal ruin. The road to fiscal responsibility runs right through the Democratic substitute offered by the gentleman from South Carolina, which would put the budget on a pay-as-you-go system in which both tax cuts and spending increases must be paid for, a real pay-as-you-go system.

Alan Greenspan agrees. He recently testified before the Senate Banking Committee that pay-as-you-go should apply to both taxes and spending. These rules were in effect throughout the 1990s, as was mentioned, and they were effective. As a result of these rules, we turned record deficits that we had received into the 1990s into record surpluses as we left the 1990s. We could do it again today. The road to fiscal ruin runs through the unrestrained deficits of the Republican proposal. The Republican bill on the floor today is a sham. It steals the mantle of pay-as-you-go without requiring the discipline that real pay-as-you-go would require. By failing to offset tax cuts, the Republican bill will make the deficit even worse.

The issue is simple: The Democratic pay-as-you-go proposal has a record of success. The Republican approach has a record of deficits. If you want to return to fiscal responsibility, vote for the Democratic substitute on pay-as-you-go.

Mr. Chairman, I again want to salute the gentleman from South Carolina and again commend what he has to say to the American people because he speaks truth about the budget and about the deficit. He knows of what he speaks. He knows the discipline that is needed to reduce the deficit. We are all blessed by his leadership.

Mr. NUSSLE. Mr. Chairman, I yield myself the balance of my time.

First of all I would say to the very distinguished minority leader that the gentleman from South Carolina is a lot of things. He is a professional. She has hit the nail on the head. I would just quarrel with one comment she made and that is that he is nonpartisan. He is a very effective partisan, I would just say. We get along very well. He does it in a spirit that may appear to be nonpartisan at times, but he is a very effective Democrat and I would never take that away from him. He is a very effective spokesman for their philosophy, for their priorities and while we sometimes disagree, it is okay that he can do it in a partisan way and not a mean way at all, or a disagreeable way.

There are a couple of things I would just like to point out. First of all, the reason we came to balance in 1999 was, as the minority leader said, cause we had a plan. That was a plan that was passed by this Congress, this Republican Congress. Second, she said that there were some jobs being created. Well, yes, some 1.4 million jobs since last August alone. If you want to create more of them or if you want to make sure that they get paid better salaries or if you want to make sure that they have more job security, I would just suggest to you that appropriating more money than we have in these huge increases for education, that is not going to increase their salaries.

For our kids, it may help them out and that is why we are increasing education, but that does not create more jobs. It does not increase their salaries. Taxing small business like the proposal that the gentleman from Wisconsin (Mr. OBEY) brought to the floor earlier today that we had the wisdom to defeat does not create jobs. In fact, most of those people that were being taxed under his proposal were those small businesses that are creating those jobs. Last but not least, you do not create jobs by driving businesses overseas with our tax policy in this country and many of the challenges that we have with our economy continuing to drive those businesses overseas to look for opportunities as opposed to allowing them to stay here and be competitive.

Reforming our trade laws and by voting to give the President the ability to go in and negotiate those agreements is something that we need to do.

We do have a plan. We have a budget. It has worked in the past. You do not need a pay-as-you-go rule for taxes for the government to worry about because the people who pay taxes in this country and pay for taxes, who pay as they go with regard to taxes, are taxpayers. Every time you increase taxes, they are the ones that pay. They pay as you go. As you go for more taxes, they pay. That is what we do not need. That is why we oppose the Spratt substitute, even though I can agree with the gentlewoman that he is, by far, someone who is not only very professional, but someone I am very pleased to work with.

I do it as gently as possible, but with obviously a note of partisanship that we often have to have in order to support our different sides of these issues.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in opposition to the base bill, H.R. 4663, the Spending Control Act of 2004 and in support of the amendment as proposed by the gentleman from South Carolina. The underlying bill proposes cuts before we even have a budget resolution passed in Congress and is therefore premature.

The bill caps non-emergency discretionary funding for 2005 at $821.5 billion, essentially the same level as in the conference agreement on the budget resolution. The conference agreement contains an additional $50 billion in emergency funding for military operations in Afghanistan and Iraq where we truly need it.

The conference report for this proposal provides $1.3 billion less than what the House Veterans' Affairs Committee says is needed for veterans health care programs for 2005. The allocation to the Appropriations Subcommittee on Veterans-HUD-Independent Agencies is $4.6 billion (4.7 percent) below the amount needed to maintain services at the 2004 level, which could cause deep cuts to veterans' health care.

This Administration must not continue to run up deficits because they cause the government to use the surpluses of the Social Security Trust Fund for other government purposes rather than to pay down the debt and help our Nation prepare for the coming retirement of the Baby Boomers. In essence, every dollar that we add to the Federal debt is a dollar that our children will have to pay back in higher taxes or fewer government benefits in the future.

The GOP PAYGO proposal would increase the Federal debt instead of chip away at it. PAYGO will fail to help our deficit because it exempts tax cuts from the enforcement rules, thereby precipitating the introduction of more tax cuts that will bring us even deeper into the red.

The Spratt Amendment is smart and will undo the mess that our friends on the other side of the aisle have created. It would restore the budget rules that aim to decrease the deficit. Reestablishing the effective PAYGO rules for spending as well as for tax cuts, the philosophy behind this amendment helped to turn record deficits into record surpluses in the 1990's.

Mr. Chairman, we must stop using Social Security surpluses to fund other government programs. We must stop creating more debt for our children to pay off. We must continue the discipline of the budget process.

Since President Bush took office, a projected ten-year surplus of $5.6 trillion has turned into a projected deficit of $2.9 trillion—which is a wrong turn worth $8.5 trillion. The substitutes offered by Rep. MARK KIRK and by Rep. BILL YOUNG include a similar PAYGO provision. the substitute offered by Rep. JEB HENSARLING establishes an equivalent point of order that applies only to mandatory spending, not tax cuts.

The original PAYGO rule that applied to tax cuts as well as spending was instrumental during the 1990s in bringing us from record deficits to record surpluses. The original PAYGO rule was renewed in July 1997 on a bipartisan basis, with a large majority of the House Republicans—including most of the Republican leadership—joining a large majority of House Democrats in voting to extend the PAYGO requirement applying to both tax cuts and mandatory spending.

Tax cuts have played a central role in producing the staggering deficits we now face. The Congressional Budget Office reports that, measured over the 2002–2011 budget window, $2.3 trillion of the fiscal reversal that has occurred since January 2001 has been caused by tax cuts and the debt service that come with them. Extending PAYGO to cover only mandatory spending—as the Republican bill proposes—takes our focus away from the deficit problem.

Mr. Chairman, I would urge my colleagues to support the Spratt Amendment, and I oppose the base bill, H.R. 4663.

Mr. NUSSLE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. BASS). The question is on the amendment in the nature of a substitute offered by the gentleman from South Carolina (Mr. SPRATT).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. SPRATT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from South Carolina (Mr. SPRATT) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: amendment No. 6 offered by the gentleman from Illinois (Mr. KIRK), amendment No. 7 offered by the gentleman from Wisconsin (Mr. RYAN), amendment No. 8 offered by the gentleman from Wisconsin (Mr. RYAN), amendment No. 9 offered by the gentleman from Wisconsin (Mr. RYAN), and amendment in the nature of a substitute No. 15 offered by the gentleman from South Carolina (Mr. SPRATT).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 6 OFFERED BY MR. KIRK

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Illinois (Mr. KIRK) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 289, noes 121, not voting 23, as follows:

[Roll No. 310]

AYES—289

Akin
Alexander
Bachus
Baird
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Berry
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Bonner
Bono
Boozman
Boswell
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite,
Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Coble
Cole
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (CA)
Davis (FL)
Davis (TN)
Davis, Jo Ann
Deal (GA)
DeFazio
Delahunt
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Eshoo
Feeney
Ferguson
Flake
Foley
Forbes
Ford
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Graves
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall
Harman
Harris
Hart
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hobson
Hoeffel
Hoekstra
Holden
Hooley (OR)
Hostettler
Houghton
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Lampson
Langevin
Lantos
Larsen (WA)
Latham
Leach
Levin
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Marshall
Matheson
McCarthy (NY)
McCotter
McCrery
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Moore
Moran (KS)
Murphy
Musgrave
Myrick
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Pascrell
Pastor
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Royce
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sanchez, Loretta
Sandlin
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stearns
Stenholm
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Wicker
Wilson (NM)
Wilson (SC)
Wu
Rush
Sabo
Sánchez, Linda
T.
Sanders
Saxton
Schakowsky
Serrano
Simpson
Slaughter
Solis
Stark
Strickland
Thompson (MS)
Towns
Velázquez
Visclosky
Waters
Watson
Waxman
Weiner
Wexler
Whitfield
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOES—121

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Baca
Baker
Baldwin
Becerra
Bell
Berkley
Bishop (GA)
Bishop (NY)
Boehner
Bonilla
Boucher
Brady (PA)
Brown (OH)
Brown, Corrine
Cardin
Clay
Clyburn
Conyers
Crowley
Cummings
Davis (AL)
Davis (IL)
DeGette
DeLauro
Dicks
Dingell
Doggett
Edwards
Emanuel
Engel
Etheridge
Evans
Everett
Farr
Fattah
Filner
Frank (MA)
Gonzalez
Grijalva
Gutierrez
Hinchey
Hinojosa
Holt
Honda
Hoyer
Jackson (IL)
Jackson-Lee
(TX)
Jefferson
Johnson, E. B.
Kaptur
Kildee
Kilpatrick
Kucinich
LaHood
Larson (CT)
LaTourette
Lee
Lewis (CA)
Lewis (GA)
Lowey
Markey
Matsui
McCarthy (MO)
McCollum
McGovern
McHugh
Menendez
Millender-
McDonald
Moran (VA)
Murtha
Nadler
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Payne
Pelosi
Porter
Quinn
Radanovich
Rahall
Rangel
Reyes
Rodriguez
Rogers (KY)
Roybal-Allard
Ruppersberger

NOT VOTING—23

Barton (TX)
Bereuter
Berman
Carson (IN)
Collins
Davis, Tom
Deutsch
Doyle
Fossella
Gephardt
Goss
Granger
Hastings (FL)
Hastings (WA)
Jones (OH)
Kanjorski
Kleczka
McDermott
Meeks (NY)
Mollohan
Rothman
Tauzin
Watt

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. BASS) (during the vote). Two minutes remain in this vote.

□ 2133

Mr. SAXTON and Mr. SERRANO changed their vote from "aye" to "no."

Mrs. NAPOLITANO and Messrs. STUPAK, RYAN of Ohio, CUNNINGHAM, MILLER of North Carolina, PRICE of North Carolina, INSLEE, ROSS, TIAHRT, TIERNEY, GEORGE MILLER of California, KINGSTON, PETRI and DEFAZIO changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 7 OFFERED BY MR. RYAN OF WISCONSIN

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Wisconsin (Mr. RYAN) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 97, noes 312, not voting 24, as follows:

[Roll No. 311]

AYES—97

Akin
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Beauprez
Biggert
Bilirakis
Blackburn
Boehlert
Boehner
Brady (TX)
Brown-Waite,
Ginny
Burgess
Burns
Camp
Cardin
Carter
Case
Castle
Chabot
Chocola
Coble
Cole
Crane
Cubin
Davis (FL)
DeMint
Diaz-Balart, M.
Doggett
Duncan
English
Feeney
Flake
Franks (AZ)
Garrett (NJ)
Gibbons
Gillmor
Gingrey
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hayworth
Hensarling
Herger
Hoekstra
Hostettler
Hulshof

Isakson
Johnson, Sam
Jones (NC)
Keller
Kennedy (MN)
King (IA)
Kirk
Kline
Langevin
Linder
Lucas (KY)
Manzullo
Matheson
McInnis
Miller (FL)
Moore
Musgrave
Myrick
Neugebauer
Nussle
Otter
Paul
Pence
Peterson (MN)
Portman
Ramstad
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Schrock
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Souder
Stearns
Stenholm
Tancredo
Terry
Thornberry
Toomey
Upton
Vitter
Walden (OR)
Wilson (SC)

NOES—312

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baldwin
Bass
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blumenauer
Blunt
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brown (OH)
Brown (SC)
Brown, Corrine
Burr
Burton (IN)
Buyer
Calvert
Cannon
Cantor
Capito
Capps
Capuano
Cardoza
Carson (OK)
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart, L.
Dicks
Dingell
Dooley (CA)
Doolittle
Dreier
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Foley
Forbes
Ford
Frank (MA)
Frelinghuysen
Frost
Gallegly
Gerlach
Gilchrest
Gonzalez
Goode
Goodlatte
Gordon
Graves
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hayes
Hefley
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Houghton
Hoyer
Hunter
Hyde
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Kaptur
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kingston
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (OK)
Lynch
Majette
Maloney
Markey
Marshall
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McGovern
McHugh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Moran (KS)
Moran (VA)
Murphy
Murtha
Nadler
Napolitano
Neal (MA)
Nethercutt
Ney
Northup
Norwood
Nunes
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Rangel
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schiff
Scott (GA)
Scott (VA)
Serrano
Shaw
Sherman
Sherwood
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Sullivan
Sweeney
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Tiahrt
Tiberi
Tierney
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walsh
Wamp
Waters
Watson
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—24

Barton (TX)
Bereuter
Berman
Carson (IN)
Collins
Cox
Davis, Tom
Deutsch
Doyle
Fossella
Gephardt
Goss
Granger
Hastings (FL)
Hastings (WA)
Jones (OH)
Kanjorski
Kleczka
McDermott
Mollohan
Rothman
Schakowsky
Tauzin
Watt

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (during the vote). Two minutes remain in this vote.

□ 2141

Mr. PETRI changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 8 OFFERED BY MR. RYAN OF WISCONSIN

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Wisconsin (Mr. RYAN) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 137, noes 272, not voting 24, as follows:

[Roll No. 312]

AYES—137

Akin
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Biggert
Bishop (UT)
Blackburn
Boehlert
Boehner
Boswell
Bradley (NH)
Brady (TX)
Brown-Waite, Ginny
Burgess
Burns
Burr
Camp
Cannon
Capito
Carson (OK)
Carter
Case
Castle
Chabot
Chocola
Coble
Cole
Crane
Cubin
Davis (FL)
Davis (TN)
Deal (GA)
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doggett
Duncan
Dunn
Feeney
Ferguson
Flake
Foley
Forbes
Franks (AZ)
Gallegly
Garrett (NJ)
Gibbons
Gillmor
Gingrey
Goode
Goodlatte
Green (WA)
Greenwood
Gutknecht
Hall
Harman
Harris
Hart
Hayworth
Hefley
Hensarling
Herger
Herseth
Hill
Hoekstra
Hostettler
Hulshof
Isakson
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
Kline
Langevin
Linder
LoBiondo
Lucas (KY)
Manzullo
Matheson
McCrery
McInnis
McIntyre
McKeon
Miller (FL)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Norwood
Ose
Otter
Oxley
Paul
Pence
Peterson (MN)
Pitts
Putnam
Radanovich
Ramstad
Renzi
Reynolds
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Schrock
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Smith (MI)
Smith (TX)
Smith (WA)
Souder
Stearns
Stenholm
Tancredo
Tanner
Terry
Thornberry
Toomey
Turner (TX)
Upton
Vitter
Walden (OR)
Wilson (NM)
Wilson (SC)

NOES—272

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Becerra
Bell
Berkley
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Blunt
Bonilla
Bonner
Bono
Boozman
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown (SC)
Brown, Corrine
Burton (IN)
Buyer
Calvert
Cantor
Capps
Capuano
Cardin
Cardoza
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Jo Ann
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dicks
Dingell
Dooley (CA)
Doolittle
Dreier
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Filner
Ford
Frank (MA)
Frelinghuysen
Frost
Gerlach
Gilchrest
Gonzalez
Gordon
Graves
Green (TX)
Grijalva
Gutierrez
Hayes
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Houghton
Hoyer
Hunter
Hyde
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson, E. B.
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Lipinski
Lofgren
Lowey
Lucas (OK)
Lynch
Majette
Maloney
Markey
Marshall
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McGovern
McHugh
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, George
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Nethercutt

Ney
Northup
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (PA)
Petri
Pickering
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Rahall
Rangel
Regula
Rehberg
Reyes
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Shaw
Sherman
Sherwood
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Sullivan
Sweeney
Tauscher
Taylor (MS)
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Tiahrt
Tiberi
Tierney
Towns
Turner (OH)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walsh
Wamp
Waters
Watson
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—24

Barton (TX)
Bereuter
Berman
Carson (IN)
Collins
Cox
Davis, Tom
Deutsch
Doyle
Fossella
Gephardt
Goss
Granger
Hastings (FL)
Hastings (WA)
Jones (OH)
Kanjorski
Kleczka
Lewis (CA)
McDermott
Mollohan
Rothman
Tauzin
Watt

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. Bass) (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 2148

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 9 OFFERED BY MR. RYAN OF WISCONSIN

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Wisconsin (Mr. Ryan) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 174, noes 237, not voting 22, as follows:

[Roll No. 313]

AYES—174

Akin
Alexander
Andrews
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonner
Boozman
Boswell
Boyd
Bradley (NH)
Brady (TX)
Brown-Waite, Ginny
Burns
Burr
Camp
Cannon
Cantor
Capito
Cardin
Cardoza
Case
Castle
Chabot
Chocola
Coble
Cole
Cooper
Cox
Crane
Cubin
Davis (FL)
Davis (TN)
Deal (GA)
DeFazio
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doggett
Dooley (CA)
Duncan
Dunn
Ehlers
English
Etheridge
Feeney
Ferguson
Flake
Foley
Forbes
Franks (AZ)
Frost
Gallegly
Garrett (NJ)
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Green (WI)
Greenwood
Gutknecht
Harman
Harris
Hart
Hayworth
Hefley
Hensarling
Herger
Herseth
Hoeffel
Hoekstra
Hooley (OR)
Hostettler
Hoyer
Hulshof
Isakson
Issa
John
Johnson (CT)
Johnson, E. B.
Keller
Kelly
Kennedy (MN)
Kind
King (IA)
Kirk
Kline
Lampson
Langevin
Linder
LoBiondo
Lofgren
Lucas (KY)
Majette
Manzullo
Marshall
Matheson
McCrery
McInnis
McIntyre
McKeon
Miller (FL)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Pence
Peterson (MN)
Petri
Pitts
Platts
Pombo
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Radanovich
Ramstad
Rehberg
Rohrabacher
Ros-Lehtinen
Royce
Ruppersberger
Ryan (WI)
Ryun (KS)
Sandlin
Schrock
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Smith (MI)
Smith (TX)
Smith (WA)
Snyder
Spratt
Stearns
Stenholm
Tanner
Taylor (MS)
Terry
Thornberry
Toomey
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Vitter
Walden (OR)
Wilson (NM)
Wilson (SC)

NOES—237

Abercrombie
Ackerman
Aderholt
Allen
Baca
Bachus
Baird
Baker
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Bonilla
Bono
Boucher
Brady (PA)
Brown (OH)
Brown (SC)
Brown, Corrine
Burgess
Burton (IN)
Buyer
Calvert
Capps
Capuano
Carson (OK)
Carter
Chandler
Clay
Clyburn
Conyers
Costello
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Jo Ann
DeGette
Delahunt
DeLauro
DeLay
Dicks
Dingell
Doolittle
Doyle
Dreier
Edwards
Emanuel
Emerson
Engel
Eshoo
Evans
Everett
Farr
Fattah
Filner
Ford
Frank (MA)
Frelinghuysen
Gerlach
Gonzalez
Graves
Green (TX)
Grijalva
Gutierrez
Hall
Hayes
Hill
Hinchey
Hinojosa
Hobson
Holden
Holt
Honda
Houghton
Hunter
Hyde
Inslee
Israel
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
King (NY)
Kingston
Knollenberg
Kolbe
Kucinich
LaHood
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
Lowey
Lucas (OK)
Lynch
Maloney
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McGovern
McHugh
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, George
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Nethercutt
Ney
Northup
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Peterson (PA)
Pickering
Pomeroy
Quinn
Rahall
Regula
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ross
Roybal-Allard
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Scott (GA)
Scott (VA)
Serrano
Shaw
Sherman
Sherwood
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Solis
Souder
Stark
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tauscher
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Tiahrt
Tiberi
Tierney
Towns
Van Hollen
Velázquez
Visclocky
Walsh
Wamp
Waters
Watson
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—22

Barton (TX)
Bereuter
Berman
Carson (IN)
Collins
Davis, Tom
Deutsch
Fossella
Gephardt
Goss
Granger
Hastings (FL)
Hastings (WA)
Jones (OH)
Kleczka
McDermott
Mollohan
Rangel
Rothman
Schiff
Tauzin
Watt

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 2155

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 15 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. SPRATT

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment in the nature of a substitute offered by the gentleman from South Carolina (Mr. Spratt) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment in the nature of a substitute.

The Clerk redesignated the amendment in the nature of a substitute.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 179, noes 233, not voting 21, as follows:

[Roll No. 314]

AYES—179

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (NC)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moore
Moran (VA)
Nadler
Napolitano
Neal (MA)
Oberstar
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tauscher
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Waxman
Weiner
Wexler
Wilson (NM)
Woolsey
Wu
Wynn

NOES—233

Aderholt
Akin
Alexander
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Berry
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cantor
Capito
Carson (OK)
Carter
Castle
Chabot
Chocola
Coble
Cole
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hayes
Hayworth
Hefley
Hensarling
Herger
Hill
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Marshall
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Obey
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Sweeney
Tancredo
Tanner
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—21

Barton (TX)
Bereuter
Berman
Cannon
Carson (IN)
Collins
Davis, Tom
Deutsch
Fossella
Gephardt
Granger
Hastings (FL)
Hastings (WA)
Jones (OH)
Kleczka
McDermott
Mollohan
Rothman
Sullivan
Tauzin
Watt

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. BASS) (during the vote). Members are advised 2 minutes remain in this vote.

□ 2202

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. KLECZKA. Mr. Chairman, on rollcall Nos. 310, 311, 312, 313 and 314, had I been present, I would have voted "no" on 310, "no" on 311, "no" on 312, "no" on 313 and "aye" on rollcall 314.,

AMENDMENT NO. 16 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. HENSARLING

Mr. HENSARLING. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment No. 16 in the nature of a substitute offered by Mr. HENSARLING:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Family Budget Protection Act of 2004".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Effective date.

TITLE I—A SIMPLE AND BINDING BUDGET

Subtitle A—Joint Budget Resolutions

Sec. 101. Declaration of purposes for the Budget Act.
Sec. 102. The timetable.
Sec. 103. Annual joint resolutions on the budget.
Sec. 104. Budget required before spending bills may be considered
Sec. 105. Amendments to effectuate joint resolutions on the budget.

Subtitle B—Budgeting for Emergencies

Sec. 111. Purpose.
Sec. 112. Repeal of adjustments for emergencies.
Sec. 113. OMB emergency criteria.
Sec. 114. Development of guidelines for application of emergency definition.
Sec. 115. Reserve fund for emergencies in President's budget.
Sec. 116. Adjustments and reserve fund for emergencies in joint budget resolutions.
Sec. 117. Application of section 306 to emergencies in excess of amounts in reserve fund.
Sec. 118. Up-to-date tabulations.
Sec. 119. Prohibition on amendments to emergency reserve fund.

Subtitle C—Biennial Budget Option

Sec. 121. Effective date.
Sec. 122. Revision of timetable.
Sec. 123. Amendments to the Congressional Budget and Impoundment Control Act of 1974.
Sec. 124. Amendments to Rules of House of Representatives.
Sec. 125. Amendments to title 31, United States Code.
Sec. 126. Two-year appropriations; title and style of appropriation Acts.
Sec. 127. Multiyear authorizations.
Sec. 128. Government strategic and performance plans on a biennial basis.
Sec. 129. Biennial appropriation bills.
Sec. 130. Assistance by Federal agencies to standing committees of the Senate and the House of Representatives.

Subtitle D—Prevention of Government Shutdown

Sec. 141. Amendment to title 31.

Subtitle E—The Baseline

Sec. 151. Elimination of inflation adjustment.
Sec. 152. The President's budget.
Sec. 153. The congressional budget.
Sec. 154. Congressional Budget Office reports to committees.
Sec. 155. Treatment of emergencies.

TITLE II—PUTTING A LID ON THE FEDERAL BUDGET

Subtitle A—Spending Safeguards on the Growth of Entitlements and Mandatories

Sec. 201. Spending caps on growth of entitlements and mandatories.
Sec. 202. Exempt programs and activities.
Sec. 203. Exceptions, limitations, and special rules.
Sec. 204. Point of order.

Sec. 205. Technical and conforming amendments.
Sec. 206. Establishment of Family Budget Protection Mandatory Account.

Subtitle B—Discretionary Spending Limits

Sec. 211. Enforcing discretionary spending limits.
Sec. 212. Establishment of Family Budget Protection Discretionary Account.
Sec. 213. Revenue adjustment.

Subtitle C—Long-term Unfunded Obligations

Sec. 221. Long-term unfunded obligations.
Sec. 222. Points of order.
Sec. 223. Social security.

TITLE III—COMBATING WASTE, FRAUD, AND ABUSE.

Subtitle A—Sunsetting

Sec. 301. Reauthorization of discretionary programs and unearned entitlements.
Sec. 302. Point of order.
Sec. 303. Decennial sunsetting.

Subtitle B—Enhanced Rescissions of Budget Authority Identified by the President as Wasteful Spending

Sec. 311. Enhanced consideration of certain proposed rescissions.

Subtitle C—Commission to Eliminate Waste, Fraud, and Abuse

Sec. 331. Establishment of Commission.
Sec. 332. Duties of the Commission.
Sec. 333. Powers of the Commission.
Sec. 334. Commission personnel matters.
Sec. 335. Termination of the Commission.
Sec. 336. Congressional consideration of reform proposals.
Sec. 337. Authorization of appropriations.

TITLE IV—TRUTH IN ACCOUNTING

Subtitle A—Accrual Funding of Pensions and Retirement Pay for Federal Employees and Uniformed Services Personnel

Sec. 401. Civil Service Retirement System.
Sec. 402. Central Intelligence Agency Retirement and Disability System.
Sec. 403. Foreign Service Retirement and Disability System.
Sec. 404. Public Health Service Commissioned Corps Retirement System.
Sec. 405. National Oceanic and Atmospheric Administration Commissioned Officer Corps Retirement System.
Sec. 406. Coast Guard Military Retirement System.

Subtitle B—Accrual Funding of Post-Retirement Health Benefits Costs for Federal Employees

Sec. 411. Federal employees health benefits fund.
Sec. 412. Funding uniformed services health benefits for all retirees.
Sec. 413. Effective date.

Subtitle C—Limit on the Public Debt

Sec. 421. Findings.
Sec. 422. Purpose.
Sec. 423. Limit on public debt.

Subtitle D—Risk-Assumed Budgeting

Sec. 431. Federal insurance programs.

TITLE V—MAINTAINING A COMMITMENT TO THE FAMILY BUDGET

Subtitle A—Further Enforcement Amendments

Sec. 501. Super-majority points of order in the House of Representatives and the Senate.
Sec. 502. Budget resolution enforcement point of order.
Sec. 503. Point of order waiver protection.

Subtitle B—The Byrd Rule

Sec. 511. Limitation on Byrd Rule.

Subtitle C—Treatment of Extraneous Appropriations in Omnibus Appropriation Measures

Sec. 521. Treatment of extraneous appropriations.

SEC. 2. EFFECTIVE DATE.

Except as otherwise specifically provided, this Act and the amendments made by this Act shall become effective on the date of enactment of this Act and shall apply with respect to fiscal years beginning after September 30, 2004.

TITLE I—A SIMPLE AND BINDING BUDGET

Subtitle A—Joint Budget Resolutions

SEC. 101. DECLARATION OF PURPOSES FOR THE BUDGET ACT.

Paragraphs (1) and (2) of section 2 of the Congressional Budget and Impoundment Control Act of 1974 are amended to read as follows:

"(1) to assure effective control over the budgetary process;

"(2) to facilitate the determination each year of the appropriate level of Federal revenues and expenditures by the Congress and the President;".

SEC. 102. THE TIMETABLE.

Section 300 of the Congressional Budget Act of 1974 is amended to read as follows:

"TIMETABLE

"SEC. 300. The timetable with respect to the congressional budget process for any fiscal year is as follows:

"On or before:	Action to be completed:
First Monday in February.	President submits his budget.
February 15	Congressional Budget Office submits report to Budget Committees.
Not later than 6 weeks after President submits budget.	Committees submit views and estimates to Budget Committees.
April 1	Senate Budget Committee reports joint resolution on the budget.
April 15	Congress completes action on joint resolution on the budget.
June 10	House Appropriations Committee reports last annual appropriation bill.
June 15	Congress completes action on reconciliation legislation.
June 30	House completes action on annual appropriation bills.
October 1	Fiscal year begins.".

SEC. 103. ANNUAL JOINT RESOLUTIONS ON THE BUDGET.

(a) CONTENT OF ANNUAL JOINT RESOLUTIONS ON THE BUDGET.—Section 301(a)(4) of the Congressional Budget Act of 1974 is amended to read as follows:

"(4) subtotals of new budget authority and outlays for nondefense discretionary spending, defense discretionary spending, direct spending (excluding interest), and interest; and for emergencies (for the reserve fund in section 316(b) and for military operations in section 316(c));".

(b) ADDITIONAL MATTERS IN JOINT RESOLUTION.—Section 301(b) of the Congressional Budget Act of 1974 is amended as follows:

(1) Strike paragraphs (2), (4), and (6) through (9).

(2) After paragraph (3), insert "and" and redesignate paragraph (5) as paragraph (4) and in such paragraph strike the semicolon and insert a period.

(c) REQUIRED CONTENTS OF REPORT.—Section 301(e)(2) of the Congressional Budget Act of 1974 is amended as follows:

(1) Redesignate subparagraphs (A), (B), (C), (D), (E), and (F) as subparagraphs (B), (C), (E), (F), (H), and (I), respectively.

(2) Before subparagraph (B) (as redesignated), insert the following new subparagraph:

"(A) new budget authority and outlays for each major functional category, based on allocations of the total levels set forth pursuant to subsection (a)(1);".

(3) In subparagraph (C) (as redesignated), strike "mandatory" and insert "direct spending".

(4) After subparagraph (C) (as redesignated), insert the following new subparagraph:

"(D) a measure, as a percentage of gross domestic product, of total outlays, total Federal revenues, the surplus or deficit, and new outlays for nondefense discretionary spending, defense spending, and direct spending as set forth in such resolution;".

(5) After subparagraph (F) (as redesignated), insert the following new subparagraph:

"(G) if the joint resolution on the budget includes any allocation to a committee other than the Committee on Appropriations of levels in excess of current law levels, a justification for not subjecting any program, project, or activity (for which the allocation is made) to annual discretionary appropriations;".

(d) ADDITIONAL CONTENTS OF REPORT.—Section 301(e)(3) of the Congressional Budget Act of 1974 is amended as follows:

(1) Redesignate subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively, strike subparagraphs (C) and (D), and redesignate subparagraph (E) as subparagraph (D).

(2) Before subparagraph (B), insert the following new subparagraph:

"(A) reconciliation directives described in section 310;".

(e) PRESIDENT'S BUDGET SUBMISSION TO THE CONGRESS.—(1) The first two sentences of section 1105(a) of title 31, United States Code, are amended to read as follows:

"On or after the first Monday in January but not later than the first Monday in February of each year the President shall submit a budget of the United States Government for the following fiscal year which shall set forth the following levels:

"(A) totals of new budget authority and outlays;

"(B) total Federal revenues and the amount, if any, by which the aggregate level of Federal revenues should be increased or decreased by bills and resolutions to be reported by the appropriate committees;

"(C) the surplus or deficit in the budget;

"(D) subtotals of new budget authority and outlays for nondefense discretionary spending, defense discretionary spending, direct spending (excluding interest), and interest, and for emergencies (for the reserve fund in section 316(b) and for military operations in section 316(c)); and

"(E) the public debt.

Each budget submission shall include a budget message and summary and supporting information and, as a separately delineated statement, the levels required in the preceding sentence for at least each of the 9 ensuing fiscal years.".

(2) The third sentence of section 1105(a) of title 31, United States Code, is amended by inserting "submission" after "budget".

(f) LIMITATION ON CONTENTS OF BUDGET RESOLUTIONS.—Section 305 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

“(e) Limitation on Contents.—(1) It shall not be in order in the House of Representatives or in the Senate to consider any joint resolution on the budget or any amendment thereto or conference report thereon that contains any matter referred to in paragraph (2).

“(2) Any joint resolution on the budget or any amendment thereto or conference report thereon that contains any matter not permitted in section 301(a) or (b) shall not be treated in the House of Representatives or the Senate as a budget resolution under subsection (a) or (b) or as a conference report on a budget resolution under subsection (c) of this section.”.

SEC. 104. BUDGET REQUIRED BEFORE SPENDING BILLS MAY BE CONSIDERED

(a) Amendments to Section 302.—Section 302(a) of the Congressional Budget Act of 1974 is amended by striking paragraph (5).

(b) Amendments to Section 303 and Conforming Amendments.—(1) Section 303 of the Congressional Budget Act of 1974 is amended by striking “(a) In General.—”, by striking “as reported to the House or Senate”, by striking “to become effective” in paragraph (1), and by striking subsections (b) and (c); and

(2) by striking its section heading and inserting the following new section heading: “CONSIDERATION OF BUDGET-RELATED LEGISLATION BEFORE BUDGET BECOMES LAW”.

(c) Additional Amendments.—(1) Section. 302(g)(1) of the Congressional Budget Act of 1974 is amended by striking “and, after April 15, section 303”.

(2)(A) Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting “303,” before “305(b)(2),”.

(B) Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting “303,” before “305(b)(2),”.

(d) Expedited Procedures Upon Veto of Joint Resolution on the Budget.—(1) Title III of the Congressional Budget Act of 1974 (as amended by section 116) is further amended by adding after section 316 the following new section:

“EXPEDITED PROCEDURES UPON VETO OF JOINT RESOLUTION ON THE BUDGET

“Sec. 317. (a) Special Rule.—If the President vetoes a joint resolution on the budget for a fiscal year, the majority leader of the House of Representatives or Senate (or his designee) may introduce a concurrent resolution on the budget or joint resolution on the budget for such fiscal year. If the Committee on the Budget of either House fails to report such concurrent or joint resolution referred to it within five calendar days (excluding Saturdays, Sundays, or legal holidays except when that House of Congress is in session) after the date of such referral, the committee shall be automatically discharged from further consideration of such resolution and such resolution shall be placed on the appropriate calendar.

“(b) Procedure in the House of Representatives and the Senate.—

“(1) Except as provided in paragraph (2), the provisions of section 305 for the consideration in the House of Representatives and in the Senate of joint resolutions on the budget and conference reports thereon shall also apply to the consideration of concurrent resolutions on the budget introduced under subsection (a) and conference reports thereon.

“(2) Debate in the Senate on any concurrent resolution on the budget or joint resolution on the budget introduced under subsection (a), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours and in the House such debate shall be limited to not more than 3 hours.

“(c) Contents of Concurrent Resolutions.—Any concurrent resolution on the budget introduced under subsection (a) shall be in compliance with section 301.

“(d) Effect of Concurrent Resolution on the Budget.—Notwithstanding any other provision of this title, whenever a concurrent resolution on the budget described in subsection (a) is agreed to, then the aggregates, allocations, and reconciliation directives (if any) contained in the report accompanying such concurrent resolution or in such concurrent resolution shall be considered to be the aggregates, allocations, and reconciliation directives for all purposes of sections 302, 303, and 311 for the applicable fiscal years and such concurrent resolution shall be deemed to be a joint resolution for all purposes of this title and the Rules of the House of Representatives and any reference to the date of enactment of a joint resolution on the budget shall be deemed to be a reference to the date agreed to when applied to such concurrent resolution.”.

(2) The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 316 the following new item:

“Sec. 317. Expedited procedures upon veto of joint resolution on the budget.”.

SEC. 105. AMENDMENTS TO EFFECTUATE JOINT RESOLUTIONS ON THE BUDGET.

(a) Definition.—Paragraph (4) of section 3 of the Congressional Budget Act of 1974 is amended to read as follows:

“(4) the term ‘joint resolution on the budget’ means—

“(A) a joint resolution setting forth the budget for the United States Government for a fiscal year as provided in section 301; and

“(B) any other joint resolution revising the budget for the United States Government for a fiscal year as described in section 304.”.

(b) Additional Amendments to the Congressional Budget and Impoundment Control Act of 1974.—(1)(A) Sections 301, 302, 303, 305, 308, 310, 311, 312, 314, 405, and 904 of the Congressional Budget Act of 1974 (2 U.S.C. 621 et seq.) are amended by striking “concurrent” each place it appears and inserting “joint”.

(B)(i) Sections 302(d), 302(g), 308(a)(1)(A), and 310(d)(1) of the Congressional Budget Act of 1974 are amended by striking “most recently agreed to concurrent resolution on the budget” each place it occurs and inserting “most recently enacted joint resolution on the budget or agreed to concurrent resolution on the budget (as applicable)”.

(ii) The section heading of section 301 is amended by striking “adoption of concurrent resolution” and inserting “joint resolutions”; and

(iii) Section 304 of such Act is amended to read as follows:

“PERMISSIBLE REVISIONS OF BUDGET RESOLUTIONS

“Sec. 304. At any time after the joint resolution on the budget for a fiscal year has been enacted pursuant to section 301, and before the end of such fiscal year, the two Houses and the President may enact a joint resolution on the budget which revises or reaffirms the joint resolution on the budget for such fiscal year most recently enacted.”.

(C) Sections 302, 303, 310, and 311, of such Act are amended by striking “agreed to” each place it appears and by inserting “enacted”.

(2)(A) Paragraph (4) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking “concurrent” each place it appears and by inserting “joint”.

(B) The table of contents set forth in section 1(b) of such Act is amended—

(i) in the item relating to section 301, by striking “adoption of concurrent resolution” and inserting “joint resolutions”;

(ii) by striking the item relating to section 303 and inserting the following:

“Sec. 303. Consideration of budget-related legislation before budget becomes law.”;

(iii) by striking “concurrent” and inserting “joint” in the item relating to section 305.

(c) Conforming Amendments to the Rules of the House of Representatives.—Clauses 1(e)(1), 4(a)(4), 4(b)(2), 4(f)(1)(A), and 4(f)(2) of rule X, clause 10 of rule XVIII, and clause 10 of rule XX of the Rules of the House of Representatives are amended by striking “concurrent” each place it appears and inserting “joint”.

(d) Conforming Amendments to the Balanced Budget and Emergency Deficit Control Act of 1985.—Section 258C(b)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 907d(b)(1)) is amended by striking “concurrent” and inserting “joint”.

(e) Conforming Amendments to Section 310 Regarding Reconciliation Directives.—(1) The side heading of section 310(a) of the Congressional Budget Act of 1974 (as amended by section 105(b)) is further amended by inserting “Joint Explanatory Statement Accompanying Conference Report on” before “Joint”.

(2) Section 310(a) of such Act is amended by striking “A” and inserting “The joint explanatory statement accompanying the conference report on a”.

(3) The first sentence of section 310(b) of such Act is amended by striking “If” and inserting “If the joint explanatory statement accompanying the conference report on”.

(4) Section 310(c)(1) of such Act is amended by inserting “the joint explanatory statement accompanying the conference report on” after “pursuant to”.

(f) Conforming Amendments to Section 3 Regarding Direct Spending.—Section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end the following new paragraph:

“(11) The term ‘direct spending’ has the meaning given to such term in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

Subtitle B—Budgeting for Emergencies

SEC. 111. PURPOSE.

The purposes of this subtitle are to—

(1) develop budgetary and fiscal procedures for emergencies;

(2) subject spending for emergencies to budgetary procedures and controls; and

(3) establish criteria for determining compliance with emergency requirements.

SEC. 112. REPEAL OF ADJUSTMENTS FOR EMERGENCIES.

(a) Elimination of Emergency Designation.—Sections 251(b)(2)(A), 252(e), and 252(d)(4)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985 are repealed.

(b) Elimination of Emergency Adjustments.—Section 314(b) of the Congressional Budget Act of 1974 is amended by striking paragraph (1) and by redesignating paragraphs (2) through (5) as paragraphs (1) through (4), respectively.

(c) CONFORMING AMENDMENT.—Clause 2 of rule XXI of the Rules of the House of Representatives is amended by repealing paragraph (e) and by redesignating paragraph (f) as paragraph (e).

SEC. 113. OMB EMERGENCY CRITERIA.

DEFINITION OF EMERGENCY.—Section 3 of the Congressional Budget and Impoundment Control Act of 1974 (as amended by section 105(e)) is further amended by adding at the end the following new paragraph:

"(12)(A) The term 'emergency' means a situation that—

"(i) requires new budget authority and outlays (or new budget authority and the outlays flowing therefrom) for the prevention or mitigation of, or response to, loss of life or property, or a threat to national security; and

"(ii) is unanticipated.

"(B) As used in subparagraph (A), the term 'unanticipated' means that the situation is—

"(i) sudden, which means quickly coming into being or not building up over time;

"(ii) urgent, which means a pressing and compelling need requiring immediate action;

"(iii) unforeseen, which means not predicted or anticipated as an emerging need; and

"(iv) temporary, which means not of a permanent duration.".

(b) CONFORMING AMENDMENT.—The term 'emergency' has the meaning given to such term in section 3 of the Congressional Budget and Impoundment Control Act of 1974.".

SEC. 114. DEVELOPMENT OF GUIDELINES FOR APPLICATION OF EMERGENCY DEFINITION.

Not later than 5 months after the date of enactment of this Act, the chairmen of the Committees on the Budget (in consultation with the President) shall, after consulting with the chairmen of the Committees on Appropriations and applicable authorizing committees of their respective Houses and the Directors of the Congressional Budget Office and the Office of Management and Budget, jointly publish in the Congressional Record guidelines for application of the definition of emergency set forth in section 3(12) of the Congressional Budget and Impoundment Control Act of 1974.

SEC. 115. RESERVE FUND FOR EMERGENCIES IN PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code is amended by adding at the end the following new sentences: "Such budget submission shall also comply with the requirements of subsections (b) and (c) of section 316 of the Congressional Budget Act of 1974 and, in the case of any budget authority requested for an emergency, such submission shall include a detailed justification of why such emergency is an emergency within the meaning of section 3(12) of the Congressional Budget Act of 1974.".

SEC. 116. ADJUSTMENTS AND RESERVE FUND FOR EMERGENCIES IN JOINT BUDGET RESOLUTIONS.

(a) EMERGENCIES.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

"EMERGENCIES

"SEC. 316. (a) ADJUSTMENTS.—

"(1) IN GENERAL.—After the reporting of a bill or joint resolution or the submission of a conference report thereon that provides budget authority for any emergency as identified pursuant to subsection (d) that is not covered by subsection (c)—

"(A) the chairman of the Committee on the Budget of the House of Representatives or the Senate shall determine and certify, pursuant to the guidelines referred to in section 114 of the Family Budget Protection Act of 2004, the portion (if any) of the amount so specified that is for an emergency within the meaning of section 3(12); and

"(B) such chairman shall make the adjustment set forth in paragraph (2) for the amount of new budget authority (or outlays) in that measure and the outlays flowing from that budget authority.

"(2) MATTERS TO BE ADJUSTED.—The adjustments referred to in paragraph (1) are to be made to the allocations made pursuant to the appropriate joint resolution on the budget pursuant to section 302(a) and shall be in an amount not to exceed the amount reserved for emergencies pursuant to the requirements of subsection (b).

"(b) RESERVE FUND FOR NONMILITARY EMERGENCIES.—The amount set forth in the reserve fund for emergencies for budget authority and outlays for a fiscal year pursuant to section 301(a)(4) shall equal—

"(1) the average of the enacted levels of budget authority for emergencies (other than those covered by subsection (c)) in the 5 fiscal years preceding the current year; and

"(2) the average of the levels of outlays for emergencies in the 5 fiscal years preceding the current year flowing from the budget authority referred to in paragraph (1), but only in the fiscal year for which such budget authority first becomes available for obligation.

"(c) TREATMENT OF EMERGENCIES TO FUND CERTAIN MILITARY OPERATIONS.—Whenever the Committee on Appropriations reports any bill or joint resolution that provides budget authority for any emergency that is a threat to national security and the funding of which carries out a military operation authorized by a declaration of war or a joint resolution authorizing the use of military force (or economic assistance funding in furtherance of such operation) and the report accompanying that bill or joint resolution, pursuant to subsection (d), identifies any provision that increases outlays or provides budget authority (and the outlays flowing therefrom) for such emergency, the enactment of which would cause the total amount of budget authority or outlays provided for emergencies for the budget year in the joint resolution on the budget (pursuant to section 301(a)(4)) to be exceeded:

"(A) Such bill or joint resolution shall be referred to the Committee on the Budget of the House or the Senate, as the case may be, with instructions to report it without amendment, other than that specified in subparagraph (B), within 5 legislative days of the day in which it is reported from the originating committee. If the Committee on the Budget of either House fails to report a bill or joint resolution referred to it under this subparagraph within such 5-day period, the committee shall be automatically discharged from further consideration of such bill or joint resolution and such bill or joint resolution shall be placed on the appropriate calendar.

"(B) An amendment to such a bill or joint resolution referred to in this subsection shall only consist of an exemption from section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 of all or any part of the provisions that provide budget authority (and the outlays flowing therefrom) for such emergency if the committee determines, pursuant to the guidelines referred to in section 114 of the Family Budget Protection Act of 2004, that such budget authority is for an emergency within the meaning of section 3(12).

"(C) If such a bill or joint resolution is reported with an amendment specified in subparagraph (B) by the Committee on the Budget of the House of Representatives or the Senate, then the budget authority and resulting outlays that are the subject of such amendment shall not be included in any determinations under section 302(f) or 311(a) for any bill, joint resolution, amendment, motion, or conference report.

"(d) COMMITTEE NOTIFICATION OF EMERGENCY LEGISLATION.—Whenever the Committee on Appropriations or any other committee of either House (including a committee of conference) reports any bill or joint resolution that provides budget authority for any emergency, the report accompanying that bill or joint resolution (or the joint explanatory statement of managers in the case of a conference report on any such bill or joint resolution) shall identify all provisions that provide budget authority and the outlays flowing therefrom for such emergency and include a statement of the reasons why such budget authority meets the definition of an emergency pursuant to the guidelines referred to in section 114 of the Family Budget Protection Act of 2004.".

(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 315 the following new item:

"Sec. 316. Emergencies.".

SEC. 117. APPLICATION OF SECTION 306 TO EMERGENCIES IN EXCESS OF AMOUNTS IN RESERVE FUND.

Section 306 of the Congressional Budget Act of 1974 is amended by inserting at the end the following new sentence: "No amendment reported by the Committee on the Budget (or from the consideration of which such committee has been discharged) pursuant to section 316(c) may be amended.".

SEC. 118. UP-TO-DATE TABULATIONS.

Section 308(b)(2) of the Congressional Budget Act of 1974 is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting "; and", and by adding at the end the following new subparagraph:

"(D) shall include an up-to-date tabulation of amounts remaining in the reserve fund for emergencies.".

SEC. 119. PROHIBITION ON AMENDMENTS TO EMERGENCY RESERVE FUND.

(a) POINT OF ORDER.—Section 305 of the Congressional Budget Act of 1974 (as amended by section 103(f)) is further amended by adding at the end the following new subsection:

"(f) POINT OF ORDER REGARDING EMERGENCY RESERVE FUND.—It shall not be in order in the House of Representatives or in the Senate to consider an amendment to a joint resolution on the budget which changes the amount of budget authority and outlays set forth in section 301(a)(4) for emergency reserve fund.".

(b) TECHNICAL AMENDMENT.—(1) Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "305(e), 305(f)," after "305(c)(4),".

(2) Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "305(e), 305(f)," after "305(c)(4),".

Subtitle C—Biennial Budget Option

SEC. 121. EFFECTIVE DATE.

If—

(1) as part of the President's budget submission under section 1105(a) of title 31, United States Code, during the first session of any Congress, the President includes a request that the joint resolution on the budget

that will be considered during the first session of the next Congress be for a biennium consisting of two consecutive fiscal years; and

(2) the joint resolution on the budget for the fiscal year to which the President's submission relates contains a provision stating that the joint resolution on the budget that will be considered during the first session of the next Congress shall be for a biennium consisting of two consecutive fiscal years;

then the provisions of this subtitle shall take effect on January 1 of the calendar year in which that next Congress commences and apply to that Congress and each Congress thereafter.

SEC. 122. REVISION OF TIMETABLE.

Section 300 of the Congressional Budget Act of 1974 (2 U.S.C. 631) is amended to read as follows:

"TIMETABLE

"Sec. 300. (a) In General.—Except as provided by subsection (b), the timetable with respect to the congressional budget process for any Congress (beginning with the One Hundred Tenth Congress or a subsequent Congress, as applicable) is as follows:

"On or before:	**"First Session Action to be completed:**
First Monday in February.	President submits budget recommendations.
February 15	Congressional Budget Office submits report to Budget Committees.
Not later than 6 weeks after budget submission.	Committees submit views and estimates to Budget Committees.
April 1	Budget Committees report joint resolution on the biennial budget.
May 15	Congress completes action on joint resolution on the biennial budget.
May 15	Biennial appropriation bills may be considered in the House.
June 10	House Appropriations Committee reports last biennial appropriation bill.
June 30	House completes action on biennial appropriation bills.
October 1	Biennium begins.
"On or before:	**"Second Session Action to be completed:**
February 15	President submits budget review.
Not later than 6 weeks after President submits budget review.	Congressional Budget Office submits report to Budget Committees.
The last day of the session.	Congress completes action on bills and resolutions authorizing new budget authority for the succeeding biennium.

"(b) Special Rule.—In the case of any first session of Congress that begins in any year during which the term of a President (except a President who succeeds himself) begins, the following dates shall supersede those set forth in subsection (a):

"On or before:	**"First Session Action to be completed:**
First Monday in April	President submits budget recommendations.
April 20	Committees submit views and estimates to Budget Committees.
May 15	Budget Committees report joint resolution on the biennial budget.
June 1	Congress completes action on joint resolution on the biennial budget.
June 1	Biennial appropriation bills may be considered in the House.
July 1	House Appropriations Committee reports last biennial appropriation bill.
July 20	House completes action on biennial appropriation bills.
October 1	Biennium begins.".

SEC. 123. AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.

(a) Declaration of Purpose.—Section 2(2) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 621(2)) is amended by striking "each year" and inserting "biennially".

(b) Definitions.—

(1) Budget resolution.—Section 3(4) of such Act (2 U.S.C. 622(4)) is amended by striking "fiscal year" each place it appears and inserting "biennium".

(2) Biennium.—Section 3 of such Act (2 U.S.C. 622) (as amended by section 111(a)) is further amended by adding at the end the following new paragraph:

"(13) The term 'biennium' means the period of 2 consecutive fiscal years beginning on October 1 of any odd-numbered year.".

(c) Biennial Joint Resolution on the Budget.—

(1) Contents of resolution.—Section 301(a) of such Act (2 U.S.C. 632(a)) is amended—

(A) in the matter preceding paragraph (1) by—

(i) striking "April 15 of each year" and inserting "May 15 of each odd-numbered year";

(ii) striking "the fiscal year beginning on October 1 of such year" the first place it appears and inserting "the biennium beginning on October 1 of such year";

(iii) striking "the fiscal year beginning on October 1 of such year" the second place it appears and inserting "each fiscal year in such period"; and

(iv) striking "each of the four ensuing fiscal years" and inserting "each fiscal year in the next 2 bienniums";

(B) in paragraph (6), by striking "for the fiscal year" and inserting "for each fiscal year in the biennium"; and

(C) in paragraph (7), by striking "for the fiscal year" and inserting "for each fiscal year in the biennium".

(2) Additional matters.—Section 301(b) of such Act (2 U.S.C. 632(b)) is amended—

(A) in paragraph (3), by striking "for such fiscal year" and inserting "for either fiscal year in such biennium"; and

(B) in paragraph (7), by striking "for the first fiscal year" and inserting "for each fiscal year in the biennium".

(3) Views of other committees.—Section 301(d) of such Act (2 U.S.C. 632(d)) is amended by inserting "(or, if applicable, as provided by section 300(b))" after "United States Code".

(4) Hearings.—Section 301(e)(1) of such Act (2 U.S.C. 632(e)) is amended by—

(A) striking "fiscal year" and inserting "biennium"; and

(B) inserting after the second sentence the following: "On or before April 1 of each odd-numbered year (or, if applicable, as provided by section 300(b)), the Committee on the Budget of each House shall report to its House the joint resolution on the budget referred to in subsection (a) for the biennium beginning on October 1 of that year.".

(5) Goals for reducing unemployment.—Section 301(f) of such Act (2 U.S.C. 632(f)) is amended by striking "fiscal year" each place it appears and inserting "biennium".

(6) Economic assumptions.—Section 301(g)(1) of such Act (2 U.S.C. 632(g)(1)) is amended by striking "for a fiscal year" and inserting "for a biennium".

(7) Section heading.—The section heading of section 301 of such Act is amended by striking "**ANNUAL**" and inserting "**BIENNIAL**".

(8) Table of contents.—The item relating to section 301 in the table of contents set forth in section 1(b) of such Act is amended by striking "Annual" and inserting "Biennial".

(d) Committee Allocations.—Section 302 of such Act (2 U.S.C. 633) is amended—

(1) in subsection (a)(1) by—

(A) striking "for the first fiscal year of the resolution," and inserting "for each fiscal year in the biennium,";

(B) striking "for that period of fiscal years" and inserting "for all fiscal years covered by the resolution"; and

(C) striking "for the fiscal year of that resolution" and inserting "for each fiscal year in the biennium";

(2) in subsection (f)(1), by striking "for a fiscal year" and inserting "for a biennium";

(3) in subsection (f)(1), by striking "first fiscal year" and inserting "either fiscal year of the biennium";

(4) in subsection (f)(2)(A), by—

(A) striking "first fiscal year" and inserting "each fiscal year of the biennium"; and

(B) striking "the total of fiscal years" and inserting "the total of all fiscal years covered by the resolution"; and

(5) in subsection (g)(1)(A), by striking "April" and inserting "May".

(e) Section 303 Point of Order.—Section 303 of such Act (2 U.S.C. 634(a)) is amended by striking "for a fiscal year" and inserting "for a biennium" and by striking "the first fiscal year" and inserting "each fiscal year of the biennium".

(f) Permissible Revisions of Joint Resolutions on the Budget.—Section 304 of such Act (2 U.S.C. 635) is amended—

(1) by striking "fiscal year" the first two places it appears and inserting "biennium";

(2) by striking "for such fiscal year"; and

(3) by inserting before the period "for such biennium".

(g) Procedures for Consideration of Budget Resolutions.—Section 305(a)(3) of such Act (2 U.S.C. 636(b)(3)) is amended by striking "fiscal year" and inserting "biennium".

(h) Completion of House Committee Action on Appropriation Bills.—Section 307 of such Act (2 U.S.C. 638) is amended—

(1) by striking "each year" and inserting "each odd-numbered year (or, if applicable, as provided by section 300(b), July 1)";

(2) by striking "annual" and inserting "biennial";

(3) by striking "fiscal year" and inserting "biennium"; and

(4) by striking "that year" and inserting "each odd-numbered year".

(i) Quarterly Budget Reports.—Section 308 of such Act (2 U.S.C. 639) is amended by adding at the end the following new subsection:

"(d) Quarterly Budget Reports.—The Director of the Congressional Budget Office shall, as soon as practicable after the completion of each quarter of the fiscal year, prepare an analysis comparing revenues, spending, and the deficit or surplus for the current fiscal year to assumptions included in the congressional budget resolution. In preparing this report, the Director of the Congressional Budget Office shall combine actual budget figures to date with projected revenue and spending for the balance of the fiscal year. The Director of the Congressional Budget Office shall include any other information in this report that it deems useful for a full understanding of the current fiscal position of the Government. The reports mandated by this subsection shall be transmitted by the Director to the Senate and House Committees on the Budget, and the Congressional Budget Office shall make such reports available to any interested party upon request.".

(j) Completion of House Action on Regular Appropriation Bills.—Section 309 of such Act (2 U.S.C. 640) is amended—

(1) by striking "It" and inserting "Except whenever section 300(b) is applicable, it";

(2) by inserting "of any odd-numbered calendar year" after "July";

(3) by striking "annual" and inserting "biennial"; and

(4) by striking "fiscal year" and inserting "biennium".

(k) Reconciliation Process.—Section 310 of such Act (2 U.S.C. 641) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking "any fiscal year" and inserting "any biennium";

(2) in subsection (a)(1), by striking "such fiscal year" each place it appears and inserting "any fiscal year covered by such resolution"; and

(3) by striking subsection (f) and redesignating subsection (g) as subsection (f).

(l) Section 311 Point of Order.—

(1) In the house.—Section 311(a)(1) of such Act (2 U.S.C. 642(a)) is amended—

(A) by striking "for a fiscal year" and inserting "for a biennium";

(B) by striking "the first fiscal year" each place it appears and inserting "either fiscal year of the biennium"; and

(C) by striking "that first fiscal year" and inserting "each fiscal year in the biennium".

(2) In the senate.—Section 311(a)(2) of such Act is amended—

(A) in subparagraph (A), by striking "for the first fiscal year" and inserting "for either fiscal year of the biennium"; and

(B) in subparagraph (B)—

(i) by striking "that first fiscal year" the first place it appears and inserting "each fiscal year in the biennium"; and

(ii) by striking "that first fiscal year and the ensuing fiscal years" and inserting "all fiscal years".

(3) Social security levels.—Section 311(a)(3) of such Act is amended by—

(A) striking "for the first fiscal year" and inserting "each fiscal year in the biennium"; and

(B) striking "that fiscal year and the ensuing fiscal years" and inserting "all fiscal years".

(m) Maximum Deficit Amount Point of Order.—Section 312(c) of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended—

(1) by striking "for a fiscal year" and inserting "for a biennium";

(2) in paragraph (1), by striking "first fiscal year" and inserting "either fiscal year in the biennium";

(3) in paragraph (2), by striking "that fiscal year" and inserting "either fiscal year in the biennium"; and

(4) in the matter following paragraph (2), by striking "that fiscal year" and inserting "the applicable fiscal year".

SEC. 124. AMENDMENTS TO RULES OF HOUSE OF REPRESENTATIVES.

(a) Clause 4(a)(1)(A) of rule X of the Rules of the House of Representatives is amended by inserting "odd-numbered" after "each".

(b) Clause 4(a)(4) of rule X of the Rules of the House of Representatives is amended by striking "fiscal year" and inserting "biennium".

(c) Clause 4(b)(2) of rule X of the Rules of the House of Representatives is amended by striking "each fiscal year" and inserting "the biennium".

(d) Clause 4(b) of rule X of the Rules of the House of Representatives is amended by striking "and" at the end of subparagraph (5), by striking the period and inserting "; and" at the end of subparagraph (6), and by adding at the end the following new subparagraph:

"(7) use the second session of each Congress to study issues with long-term budgetary and economic implications, which would include—

"(A) hold hearings to receive testimony from committees of jurisdiction to identify problem areas and to report on the results of oversight; and

"(B) by January 1 of each odd-number year, issuing a report to the Speaker which identifies the key issues facing the Congress in the next biennium.".

(e) Clause 4(e) of rule X of the Rules of the House of Representatives is amended by striking "annually" each place it appears and inserting "biennially" and by striking "annual" and inserting "biennial".

(f) Clause 4(f) of rule X of the Rules of the House of Representatives is amended—

(1) by inserting "during each odd-numbered year" after "submits his budget";

(2) by striking "fiscal year" the first place it appears and inserting "biennium"; and

(3) by striking "that fiscal year" and inserting "each fiscal year in such ensuing biennium".

(g) Clause 11(i) of rule X of the Rules of the House of Representatives is amended by striking "during the same or preceding fiscal year".

(h) Clause 3(d)(2)(A) of rule XIII of the Rules of the House of Representatives is amended by striking "five" both places it appears and inserting "six".

(i) Clause 5(a)(1) of rule XIII of the Rules of the House of Representatives is amended by striking "fiscal year after September 15 in the preceding fiscal year" and inserting "biennium after September 15 of the calendar year in which such biennium begins".

SEC. 125. AMENDMENTS TO TITLE 31, UNITED STATES CODE.

(a) Definition.—Section 1101 of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(3) 'biennium' has the meaning given to such term in paragraph (13) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(13)).".

(b) Budget Contents and Submission to the Congress.—

(1) Schedule.—The matter preceding paragraph (1) in section 1105(a) of title 31, United States Code, is amended to read as follows:

"(a) On or before the first Monday in February of each odd-numbered year (or, if applicable, as provided by section 300(b) of the Congressional Budget Act of 1974), beginning with the One Hundred Tenth Congress or a subsequent Congress (as applicable), the President shall submit to the Congress the budget for the biennium beginning on October 1 of such calendar year. The budget transmitted under this subsection shall include a budget message and summary and supporting information. The President shall include in each budget the following:".

(2) Expenditures.—Section 1105(a)(5) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting "each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 years".

(3) Receipts.—Section 1105(a)(6) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting "each fiscal year in the biennium for which the budget is submitted and in the succeeding 4 years".

(4) Balance statements.—Section 1105(a)(9)(C) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".

(5) Government functions and activities.—Section 1105(a)(12) of title 31, United States Code, is amended in subparagraph (A), by striking "the fiscal year" and inserting "each fiscal year in the biennium".

(6) Allowances.—Section 1105(a)(13) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".

(7) Allowances for unanticipated and uncontrollable expenditures.—Section 1105(a)(14) of title 31, United States Code, is amended by striking "that year" and inserting "each fiscal year in the biennium for which the budget is submitted".

(8) Tax expenditures.—Section 1105(a)(16) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".

(9) Estimates for future years.—Section 1105(a)(17) of title 31, United States Code, is amended—

(A) by striking "the fiscal year following the fiscal year" and inserting "each fiscal year in the biennium following the biennium";

(B) by striking "that following fiscal year" and inserting "each such fiscal year"; and

(C) by striking "fiscal year before the fiscal year" and inserting "biennium before the biennium".

(10) Prior year outlays.—Section 1105(a)(18) of title 31, United States Code, is amended—

(A) by striking "the prior fiscal year," and inserting "each of the 2 most recently completed fiscal years,";

(B) by striking "for that year" and inserting "with respect to those fiscal years"; and

(C) by striking "in that year" and inserting "in those fiscal years".

(11) Prior year receipts.—Section 1105(a)(19) of title 31, United States Code, is amended—

(A) by striking "the prior fiscal year" and inserting "each of the 2 most recently completed fiscal years";

(B) by striking "for that year" and inserting "with respect to those fiscal years"; and

(C) by striking "in that year" each place it appears and inserting "in those fiscal years".

(c) Estimated Expenditures of Legislative and Judicial Branches.—Section 1105(b) of title 31, United States Code, is amended by striking "each year" and inserting "each even-numbered year".

(d) Recommendations To Meet Estimated Deficiencies.—Section 1105(c) of title 31, United States Code, is amended—

(1) by striking "the fiscal year for" the first place it appears and inserting "each fiscal year in the biennium for";

(2) by striking "the fiscal year for" the second place it appears and inserting "each fiscal year of the biennium, as the case may be,"; and

(3) by striking "that year" and inserting "for each year of the biennium".

(e) Capital Investment Analysis.—Section 1105(e)(1) of title 31, United States Code, is amended by striking "ensuing fiscal year" and inserting "biennium to which such budget relates".

(f) Supplemental Budget Estimates and Changes.—

(1) In general.—Section 1106(a) of title 31, United States Code, is amended—

(A) in the matter preceding paragraph (1), by—

(i) inserting "and before February 15 of each even-numbered year" after "Before July 16 of each year"; and

(ii) striking "fiscal year" and inserting "biennium";

(B) in paragraph (1), by striking "that fiscal year" and inserting "each fiscal year in such biennium";

(C) in paragraph (2), by striking "4 fiscal years following the fiscal year" and inserting "4 fiscal years following the biennium"; and

(D) in paragraph (3), by striking "fiscal year" and inserting "biennium".

(2) Changes.—Section 1106(b) of title 31, United States Code, is amended by—

(A) striking "the fiscal year" and inserting "each fiscal year in the biennium"; and

(B) inserting "and before February 15 of each even-numbered year" after "Before July 16 of each year".

(g) Current Programs and Activities Estimates.—

(1) The president.—Section 1109(a) of title 31, United States Code, is amended—

(A) by striking "On or before the first Monday after January 3 of each year (on or before February 5 in 1986)" and inserting "At the same time the budget required by section 1105 is submitted for a biennium"; and

(B) by striking "the following fiscal year" and inserting "each fiscal year of such period".

(2) Joint economic committee.—Section 1109(b) of title 31, United States Code, is amended by striking "March 1 of each year" and inserting "within 6 weeks of the President's budget submission for each odd-numbered year (or, if applicable, as provided by section 300(b) of the Congressional Budget Act of 1974)".

(h) Year-Ahead Requests for Authorizing Legislation.—Section 1110 of title 31, United States Code, is amended by—

(1) striking "May 16" and inserting "March 31"; and

(2) striking "year before the year in which the fiscal year begins" and inserting "calendar year preceding the calendar year in which the biennium begins".

SEC. 126. TWO-YEAR APPROPRIATIONS; TITLE AND STYLE OF APPROPRIATION ACTS.

Section 105 of title 1, United States Code, is amended to read as follows:

"§ 105. Title and style of appropriations Acts

"(a) The style and title of all Acts making appropriations for the support of the Government shall be as follows: 'An Act making appropriations (here insert the object) for each fiscal year in the biennium of fiscal years (here insert the fiscal years of the biennium).'.

"(b) All Acts making regular appropriations for the support of the Government shall be enacted for a biennium and shall specify the amount of appropriations provided for each fiscal year in such period.

"(c) For purposes of this section, the term 'biennium' has the same meaning as in section 3(13) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(13)).".

SEC. 127. MULTIYEAR AUTHORIZATIONS.

(a) In General.—Title III of the Congressional Budget Act of 1974 (as amended by section 116(a)) is further amended by adding at the end the following new section:

"MULTIYEAR AUTHORIZATIONS OF APPROPRIATIONS

"Sec. 318. (a) It shall not be in order in the House of Representatives or the Senate to consider any measure that contains a specific authorization of appropriations for any purpose unless the measure includes such a specific authorization of appropriations for that purpose for not less than each fiscal year in one or more bienniums.

"(b)(1) For purposes of this section, a specific authorization of appropriations is an authorization for the enactment of an amount of appropriations or amounts not to exceed an amount of appropriations (whether stated as a sum certain, as a limit, or as such sums as may be necessary) for any purpose for a fiscal year.

"(2) Subsection (a) does not apply with respect to an authorization of appropriations for a single fiscal year for any program, project, or activity if the measure containing that authorization includes a provision expressly stating the following: 'Congress finds that no authorization of appropriation will be required for [Insert name of applicable program, project, or activity] for any subsequent fiscal year.'.

"(c) For purposes of this section, the term 'measure' means a bill, joint resolution, amendment, motion, or conference report.".

(b) Amendment to Table of Contents.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding after the item relating to section 317 the following new item:

"Sec. 318. Multiyear authorizations of appropriations.".

SEC. 128. GOVERNMENT STRATEGIC AND PERFORMANCE PLANS ON A BIENNIAL BASIS.

(a) Strategic Plans.—Section 306 of title 5, United States Code, is amended—

(1) in subsection (a), by striking "September 30, 1997" and inserting "September 30, 2007";

(2) in subsection (b)—

(A) by striking ""at least every three years" and all that follows thereafter and inserting "at least every 4 years, except that strategic plans submitted by September 30, 2007, shall be updated and revised by September 30, 2010"; and

(B) by striking "five years forward" and inserting "six years forward"; and

(3) in subsection (c), by inserting a comma after "section" the second place it appears and adding "including a strategic plan submitted by September 30, 2007, meeting the requirements of subsection (a)".

(b) Budget Contents and Submission to Congress.—Paragraph (28) of section 1105(a) of title 31, United States Code, is amended by striking "beginning with fiscal year 1999, a" and inserting "beginning with fiscal year 2010, a biennial".

(c) Performance Plans.—Section 1115 of title 31, United States Code, is amended—

(1) in subsection (a)—

(A) in the matter before paragraph (1)—

(i) by striking "section 1105(a)(29)" and inserting "section 1105(a)(28)"; and

(ii) by striking "an annual" and inserting "a biennial";

(B) in paragraph (1) by inserting after "program activity" the following: "for both years 1 and 2 of the biennial plan";

(C) in paragraph (5) by striking "and" after the semicolon;

(D) in paragraph (6) by striking the period and inserting a semicolon; and inserting "and" after the inserted semicolon; and

(E) by adding after paragraph (6) the following:

"(7) cover each fiscal year of the biennium beginning with the first fiscal year of the next biennial budget cycle.";

(2) in subsection (d) by striking "annual" and inserting "biennial"; and

(3) in paragraph (6) of subsection (f) by striking "annual" and inserting "biennial".

(d) Managerial Accountability and Flexibility.—Section 9703 of title 31, United States Code, relating to managerial accountability, is amended—

(1) in subsection (a)—

(A) in the first sentence by striking "annual"; and

(B) by striking "section 1105(a)(29)" and inserting "section 1105(a)(28)";

(2) in subsection (e)—

(A) in the first sentence by striking "one or" before "two years";

(B) in the second sentence by striking "a subsequent year" and inserting "for a subsequent 2-year period"; and

(C) in the third sentence by striking "three" and inserting "four".

(e) Strategic Plans.—Section 2802 of title 39, United States Code, is amended—

(1) in subsection (a), by striking "September 30, 1997" and inserting "September 30, 2007";

(2) in subsection (b), by striking "at least every three years" and inserting "at least every 4 years except that strategic plans submitted by September 30, 2007, shall be updated and revised by September 30, 2010";

(3) in subsection (b), by striking "five years forward" and inserting "six years forward"; and

(4) in subsection (c), by inserting a comma after "section" the second place it appears and inserting "including a strategic plan submitted by September 30, 2007, meeting the requirements of subsection (a)".

(f) Performance Plans.—Section 2803(a) of title 39, United States Code, is amended—

(1) in the matter before paragraph (1), by striking "an annual" and inserting "a biennial";

(2) in paragraph (1), by inserting after "program activity" the following: "for both years 1 and 2 of the biennial plan";

(3) in paragraph (5), by striking "and" after the semicolon;

(4) in paragraph (6), by striking the period and inserting "; and"; and

(5) by adding after paragraph (6) the following:

"(7) cover each fiscal year of the biennium beginning with the first fiscal year of the next biennial budget cycle.".

(g) Committee Views of Plans and Reports.—Section 301(d) of the Congressional Budget Act (2 U.S.C. 632(d)) is amended by adding at the end "Each committee of the Senate or the House of Representatives shall review the strategic plans, performance plans, and performance reports, required under section 306 of title 5, United States Code, and sections 1115 and 1116 of title 31, United States Code, of all agencies under the jurisdiction of the committee. Each committee may provide its views on such plans or reports to the Committee on the Budget of the applicable House.".

SEC. 129. BIENNIAL APPROPRIATION BILLS.

(a) In the House of Representatives.—Clause 2(a) of rule XXI of the Rules of the House of Representatives is amended by adding at the end the following new subparagraph:

"(3)(A) Except as provided by subdivision (B), an appropriation may not be reported in a general appropriation bill (other than a supplemental appropriation bill), and may not be in order as an amendment thereto, unless it provides new budget authority or establishes a level of obligations under contract authority for each fiscal year of a biennium.

"(B) Subdivision (A) does not apply with respect to an appropriation for a single fiscal year for any program, project, or activity if the bill or amendment thereto containing that appropriation includes a provision expressly stating the following: 'Congress finds that no additional funding beyond one fiscal year will be required and the [Insert name of applicable program, project, or activity] will be completed or terminated after the amount provided has been expended.'.

"(C) For purposes of paragraph (b), the statement set forth in subdivision (B) with respect to an appropriation for a single fiscal year for any program, project, or activity may be included in a general appropriation bill or amendment thereto.".

(b) CONFORMING AMENDMENT.—Clause 5(b)(1) of rule XXII of the House of Representatives is amended by striking "or (c)" and inserting "or (3) or 2(c)".

SEC. 130. ASSISTANCE BY FEDERAL AGENCIES TO STANDING COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES.

(a) INFORMATION REGARDING AGENCY APPROPRIATIONS REQUESTS.—To assist each standing committee of the House of Representatives and the Senate in carrying out its responsibilities, the head of each Federal agency which administers the laws or parts of laws under the jurisdiction of such committee shall provide to such committee such studies, information, analyses, reports, and assistance as may be requested by the chairman and ranking minority member of the committee.

(b) INFORMATION REGARDING AGENCY PROGRAM ADMINISTRATION.—To assist each standing committee of the House of Representatives and the Senate in carrying out its responsibilities, the head of any agency shall furnish to such committee documentation, containing information received, compiled, or maintained by the agency as part of the operation or administration of a program, or specifically compiled pursuant to a request in support of a review of a program, as may be requested by the chairman and ranking minority member of such committee.

(c) SUMMARIES BY COMPTROLLER GENERAL.—Within thirty days after the receipt of a request from a chairman and ranking minority member of a standing committee having jurisdiction over a program being reviewed and studied by such committee under this section, the Comptroller General of the United States shall furnish to such committee summaries of any audits or reviews of such program which the Comptroller General has completed during the preceding six years.

(d) CONGRESSIONAL ASSISTANCE.—Consistent with their duties and functions under law, the Comptroller General of the United States, the Director of the Congressional Budget Office, and the Director of the Congressional Research Service shall continue to furnish (consistent with established protocols) to each standing committee of the House of Representatives or the Senate such information, studies, analyses, and reports as the chairman and ranking minority member may request to assist the committee in conducting reviews and studies of programs under this section.

Subtitle D—Prevention of Government Shutdown

SEC. 141. AMENDMENT TO TITLE 31.

(a) IN GENERAL.—Chapter 13 of title 31, United States Code, is amended by inserting after section 1310 the following new section:

"§ 1311. Continuing appropriations

"(a)(1) If any regular appropriation bill for a fiscal year (or, if applicable, for each fiscal year in a biennium) does not become law before the beginning of such fiscal year or a joint resolution making continuing appropriations is not in effect, there are appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any project or activity for which funds were provided in the preceding fiscal year—

"(A) in the corresponding regular appropriation Act for such preceding fiscal year; or

"(B) if the corresponding regular appropriation bill for such preceding fiscal year did not become law, then in a joint resolution making continuing appropriations for such preceding fiscal year.

"(2) Appropriations and funds made available, and authority granted, for a project or activity for any fiscal year pursuant to this section shall be at a rate of operations not in excess of the lower of—

"(A) the rate of operations provided for in the regular appropriation Act providing for such project or activity for the preceding fiscal year;

"(B) in the absence of such an Act, the rate of operations provided for such project or activity pursuant to a joint resolution making continuing appropriations for such preceding fiscal year;

"(C) the rate of operations provided for in the regular appropriation bill as passed by the House of Representatives or the Senate for the fiscal year in question, except that the lower of these two versions shall be ignored for any project or activity for which there is a budget request if no funding is provided for that project or activity in either version; or

"(D) the annualized rate of operations provided for in the most recently enacted joint resolution making continuing appropriations for part of that fiscal year or any funding levels established under the provisions of this Act.

"(3) Appropriations and funds made available, and authority granted, for any fiscal year pursuant to this section for a project or activity shall be available for the period beginning with the first day of a lapse in appropriations and ending with the earlier of—

"(A) the date on which the applicable regular appropriation bill for such fiscal year becomes law (whether or not such law provides for such project or activity) or a continuing resolution making appropriations becomes law, as the case may be; or

"(B) the last day of such fiscal year.

"(b) An appropriation or funds made available, or authority granted, for a project or activity for any fiscal year pursuant to this section shall be subject to the terms and conditions imposed with respect to the appropriation made or funds made available for the preceding fiscal year, or authority granted for such project or activity under current law.

"(c) Appropriations and funds made available, and authority granted, for any project or activity for any fiscal year pursuant to this section shall cover all obligations or expenditures incurred for such project or activity during the portion of such fiscal year for which this section applies to such project or activity.

"(d) Expenditures made for a project or activity for any fiscal year pursuant to this section shall be charged to the applicable appropriation, fund, or authorization whenever a regular appropriation bill or a joint resolution making continuing appropriations until the end of a fiscal year providing for such project or activity for such period becomes law.

"(e) This section shall not apply to a project or activity during a fiscal year if any other provision of law (other than an authorization of appropriations)—

"(1) makes an appropriation, makes funds available, or grants authority for such project or activity to continue for such period; or

"(2) specifically provides that no appropriation shall be made, no funds shall be made available, or no authority shall be granted for such project or activity to continue for such period.

"(f) For purposes of this section, the term 'regular appropriation bill' means any annual appropriation bill making appropriations, otherwise making funds available, or granting authority, for any of the following categories of projects and activities:

"(1) Agriculture, rural development, Food and Drug Administration, and related agencies programs.

"(2) The Departments of Commerce, Justice, and State, the Judiciary, and related agencies.

"(3) The Department of Defense.

"(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

"(5) Energy and water development.

"(6) Foreign operations, export financing, and related programs.

"(7) The Department of Homeland Security.

"(8) The Department of the Interior and related agencies.

"(9) The Departments of Labor, Health and Human Services, and Education, and related agencies.

"(10) The Legislative Branch.

"(11) Military construction, family housing, and base realignment and closure for the Department of Defense.

"(12) The Departments of Transportation and Treasury, and independent agencies.

"(13) The Departments of Veterans Affairs and Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.".

(b) CLERICAL AMENDMENT.—The analysis of chapter 13 of title 31, United States Code, is amended by inserting after the item relating to section 1310 the following new item:

"1311. Continuing appropriations.".

Subtitle E—The Baseline

SEC. 151. ELIMINATION OF INFLATION ADJUSTMENT.

Section 257(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in paragraph (1) by striking "for inflation as specified in paragraph (5),"; and

(2) by striking paragraph (5) and redesignating paragraph (6) as paragraph (5).

SEC. 152. THE PRESIDENT'S BUDGET.

(a) Paragraph (5) of section 1105(a) of title 31, United States Code, is amended to read as follows:

"(5) except as provided in subsection (b) of this section, estimated expenditures and appropriations for the current year and estimated expenditures and proposed appropriations the President decides are necessary to support the Government in the fiscal year for which the budget is submitted and the 4 fiscal years following that year, and, except for detailed budget estimates, the percentage change from the current year to the fiscal year for which the budget is submitted for estimated expenditures and for appropriations.".

(b) Section 1105(a)(6) of title 31, United States Code, is amended to read as follows:

"(6) estimated receipts of the Government in the current year and the fiscal year for which the budget is submitted and the 4 fiscal years after that year under—

"(A) laws in effect when the budget is submitted; and

"(B) proposals in the budget to increase revenues,

and the percentage change (in the case of each category referred to in subparagraphs (A) and (B)) between the current year and the fiscal year for which the budget is submitted and between the current year and each of the 9 fiscal years after the fiscal year for which the budget is submitted.".

(c) Section 1105(a)(12) of title 31, United States Code, is amended to read as follows:

"(12) for each proposal in the budget for legislation that would establish or expand a Government activity or function, a table showing—

"(A) the amount proposed in the budget for appropriation and for expenditure because of the proposal in the fiscal year for which the budget is submitted;

"(B) the estimated appropriation required because of the proposal for each of the 4 fiscal years after that year that the proposal will be in effect; and

"(C) the estimated amount for the same activity or function, if any, in the current fiscal year,

and, except for detailed budget estimates, the percentage change (in the case of each category referred to in subparagraphs (A), (B), and (C)) between the current year and the fiscal year for which the budget is submitted.".

(d) Section 1105(a)(18) of title 31, United States Code, is amended by inserting "new budget authority and" before "budget outlays".

(e) Section 1105(a) of title 31, United States Code, is amended by adding at the end the following new paragraphs:

"(35) a comparison of levels of estimated expenditures and proposed appropriations for each function and subfunction in the current fiscal year and the fiscal year for which the budget is submitted, along with the proposed increase or decrease of spending in percentage terms for each function and subfunction.

"(36) a table on sources of growth in total direct spending under current law and as proposed in this budget submission for the budget year and the ensuing 9 fiscal years, which shall include changes in outlays attributable to the following: cost-of-living adjustments; changes in the number of program recipients; increases in medical care prices, utilization and intensity of medical care; and residual factors.".

(f) Section 1109(a) of title 31, United States Code, is amended by inserting after the first sentence the following new sentence: "For discretionary spending, these estimates shall assume the levels set forth in the discretionary spending limits under section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, as adjusted, for the appropriate fiscal years (and if no such limits are in effect, these estimates shall assume the adjusted levels for the most recent fiscal year for which such levels were in effect).".

SEC. 153. THE CONGRESSIONAL BUDGET.

Section 301(e) of the Congressional Budget Act of 1974 (as amended by section 103) is further amended—

(1) in paragraph (1), by inserting at the end the following: "The basis of deliberations in developing such joint resolution shall be the estimated budgetary levels for the preceding fiscal year. Any budgetary levels pending before the committee and the text of the joint resolution shall be accompanied by a document comparing such levels or such text to the estimated levels of the prior fiscal year. Any amendment offered in the committee that changes a budgetary level and is based upon a specific policy assumption for a program, project, or activity shall be accompanied by a document indicating the estimated amount for such program, project, or activity in the current year."; and

(2) in paragraph (2), by striking "and" at the end of subparagraph (H) (as redesignated), by striking the period and inserting "; and" at the end of subparagraph (I) (as redesignated), and by adding at the end the following new subparagraph:

"(J) a comparison of levels for the current fiscal year with proposed spending and revenue levels for the subsequent fiscal years along with the proposed increase or decrease of spending in percentage terms for each function.".

SEC. 154. CONGRESSIONAL BUDGET OFFICE REPORTS TO COMMITTEES.

(a) The first sentence of section 202(e)(1) of the Congressional Budget Act of 1974 is amended by inserting "compared to comparable levels for the current year" before the comma at the end of subparagraph (A) and before the comma at the end of subparagraph (B).

(b) Section 202(e)(1) of the Congressional Budget Act of 1974 is amended by inserting after the first sentence the following new sentence: "Such report shall also include a table on sources of spending growth in total direct spending for the budget year and the ensuing 4 fiscal years, which shall include changes in outlays attributable to the following: cost-of-living adjustments; changes in the number of program recipients; increases in medical care prices, utilization and intensity of medical care; and residual factors.".

(c) Section 308(a)(1)(B) of the Congressional Budget Act of 1974 is amended by inserting "and shall include a comparison of those levels to comparable levels for the current fiscal year" before "if timely submitted".

SEC. 155. TREATMENT OF EMERGENCIES.

Section 257(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by section 151) is further amended by adding at the end the following new paragraph:

"(7) Emergencies.—Budgetary resources for emergencies shall be at the level provided in the reserve fund for emergencies for that fiscal year pursuant to section 301(a)(4) of the Congressional Budget Act of 1974.".

TITLE II—PUTTING A LID ON THE FEDERAL BUDGET

Subtitle A—Spending Safeguards on the Growth of Entitlements and Mandatories

SEC. 201. SPENDING CAPS ON GROWTH OF ENTITLEMENTS AND MANDATORIES.

(a) Control of Entitlements and Mandatories.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding after section 252 the following new section:

"SEC. 252A. ENFORCING CONTROLS ON DIRECT SPENDING.

"(a) Cap on Growth of Entitlements.—Effective for fiscal year 2005 and for each ensuing fiscal year, the total level of direct spending for all direct spending programs, projects, and activities (excluding social security) for any such fiscal year shall not exceed the total level of spending for all such programs, projects, and activities for the previous fiscal year after the direct spending for each such program, project, or activity is increased by the higher of the change in the Consumer Price Index for All Urban Consumers or the inflator (if any) applicable to that program, project, or activity and the growth in eligible population for such, project, or activity.

"(b) Sequestration.—Within 15 days after Congress adjourns to end a session (other than of the second session of the One Hundred Eighth Congress), and on the same day as a sequestration (if any) under section 251, there shall be a sequestration to reduce the amount of direct spending for the fiscal year beginning in the year the Congress adjourns by any amount necessary to reduce such spending to the level set forth in subsection (a) unless that amount is less than $250,000,000.

"(c) Uniform Reductions; Limitations.—The amount required to be sequestered for the fiscal year under subsection (a) shall be obtained from nonexempt direct spending accounts by actions taken in the following order:

"(1) First.—The reductions in the programs specified in section 256(a) (National Wool Act and special milk), section 256(b) (student loans), and section 256(c) (foster care and adoption assistance) shall be made.

"(2) Second.—Any additional reductions that may be required shall be achieved by reducing each remaining nonexempt direct spending account by the uniform percentage necessary to achieve those additional reductions, except that—

"(A) the low-income programs specified in section 256(d) shall not be reduced by more than 2 percent;

"(B) the retirement and veterans benefits specified in sections 256(f), (g), and (h) shall not be reduced by more than 2 percent in the manner specified in that section; and

"(C) the medicare programs shall not be reduced by more than 2 percent in the manner specified in section 256(i).

The limitations set forth in subparagraphs (A), (B), and (C) shall be applied iteratively, and after each iteration the uniform percentage applicable to all other programs under this paragraph shall be increased (if necessary) to a level sufficient to achieve the reductions required by this paragraph.

"(d) Exclusion of Medicare Prescription Drug Program Until Fully Operational.—For purposes of this section with respect to the limitation under subsection (a) for a fiscal year before fiscal year 2008, direct spending programs and direct spending shall not be construed to include part D of title XVIII of the Social Security Act (or spending under part C of such title that is attributable to such part D).".

(b) Table of Contents Amendment.—The table of contents set forth in 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding after the item relating to section 252 the following new item:

"Sec. 252A. Enforcing controls on direct spending.".

SEC. 202. EXEMPT PROGRAMS AND ACTIVITIES.

Section 255 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

"SEC. 255. EXEMPT PROGRAMS AND ACTIVITIES.

"(a) SOCIAL SECURITY BENEFITS; TIER I RAILROAD RETIREMENT BENEFITS; AND CERTAIN MEDICARE BENEFITS.—(1) Benefits payable under the old-age, survivors, and disability insurance program established under title II of the Social Security Act, and benefits payable under section 3(a), 3(f)(3), 4(a), or 4(f) of the Railroad Retirement Act of 1974, shall be exempt from reduction under any order issued under this part.

"(2) Payments made under part A of title XVIII (relating to part A medicare hospital insurance benefits) of the Social Security Act and payments made under part C of such title (relating to the Medicare Advantage program) insofar as they are attributable to part A of such title shall be exempt from reduction under any order issued under this part.

"(b) DESCRIPTIONS AND LISTS.—The following budget accounts or activities shall be exempt from sequestration:

"(1) net interest;

"(2) all payments to trust funds from excise taxes or other receipts or collections properly creditable to those trust funds;

"(3) all payments from one Federal direct spending budget account to another Federal budget account; and all intragovernmental funds including those from which funding is derived primarily from other Government accounts, except to the extent that such funds are augmented by direct appropriations for the fiscal year for which the order is in effect;

"(4) activities resulting from private donations, bequests, or voluntary contributions to the Government;

"(5) payments from any revolving fund or trust-revolving fund (or similar activity) that provides deposit insurance or other Government insurance, Government guarantees, or any other form of contingent liability, to the extent those payments result from contractual or other legally binding commitments of the Government at the time of any sequestration;

"(6) credit liquidating and financing accounts;

"(7) the following accounts, which largely fulfill requirements of the Constitution or otherwise make payments to which the Government is committed:

"Administration of Territories, Northern Mariana Islands Covenant grants (14–0412–0–1–806);

"Armed Forces Retirement Home Trust Fund, payment of claims (84–8930–0–7–705);

"Bureau of Indian Affairs, miscellaneous payments to Indians (14–2303–0–1–452);

"Bureau of Indian Affairs, miscellaneous trust funds, tribal trust funds (14–9973–0–7–999);

"Claims, defense;

"Claims, judgments, and relief act (20–1895–0–1–806);

"Compact of Free Association, economic assistance pursuant to Public Law 99–658 (14–0415–0–1–806);

"Compensation of the President (11–0001–0–1–802);

"Customs Service, miscellaneous permanent appropriations (20–9992–0–2–852);

"Eastern Indian land claims settlement fund (14–2202–0–1–806);

"Farm Credit Administration, Limitation on Administration Expenses (78–4131–0–3–351);

"Farm Credit System Financial Assistance Corporation, interest payments (20–1850–0–1–351);

"Internal Revenue collections of Puerto Rico (20–5737–0–2–852);

"Panama Canal Commission, operating expenses and capital outlay (95–5190–0–2–403);

"Payments of Vietnam and USS Pueblo prisoner-of-war claims (15–0104–0–1–153);

"Payments to copyright owners (03–5175–0–2–376);

"Payments to health care trust funds (75–0580–0–1–571);

"Payments to social security trust funds (75–0404–0–1–651);

"Payments to the United States territories, fiscal assistance (14–0418–0–1–801);

"Payments to widows and heirs of deceased Members of Congress (00–0215–0–1–801);

"Pension Benefit Guaranty Corporation Fund (16–4204–0–3–601);

"Salaries of Article III judges;

"Washington Metropolitan Area Transit Authority, interest payments (46–0300–0–1–401);

"(8) the following noncredit special, revolving, or trust-revolving funds:

"Coinage profit fund (20–5811–0–2–803);

"Comptroller of the Currency;

"Director of the Office of Thrift Supervision;

"Exchange Stabilization Fund (20–4444–0–3–155);

"Federal Housing Finance Board;

"Foreign Military Sales trust fund (11–82232–0–7–155);

"National Credit Union Administration, central liquidating facility (25–4470–0–3–373);

"National Credit Union Administration, credit union insurance fund (25–4468–0–3–373);

"National Credit Union Administration operating fund (25–4056–0–3–373); and

"Resolution Trust Corporation Revolving Fund (22–4055–0–3–373);

"(9) Thrift Savings Fund;

"(10) appropriations for the District of Columbia to the extent they are appropriations of locally raised funds;

"(11)(A) any amount paid as regular unemployment compensation by a State from its account in the Unemployment Trust Fund (established by section 904(a) of the Social Security Act);

"(B) any advance made to a State from the Federal unemployment account (established by section 904(g) of such Act) under title XII of such Act and any advance appropriated to the Federal unemployment account pursuant to section 1203 of such Act; and

"(C) any payment made from the Federal Employees Compensation Account (as established under section 909 of such Act) for the purpose of carrying out chapter 85 of title 5, United States Code, and funds appropriated or transferred to or otherwise deposited in such Account; and

"(12)(A) FDIC, Bank Insurance Fund (51–4064–0–3–373);

"(B) FDIC, FSLIC Resolution Fund (51–4065–0–3–373); and

"(C) FDIC, Savings Association Insurance Fund (51–4066–0–3–373).

"(c) FEDERAL RETIREMENT AND DISABILITY ACCOUNTS.—The following Federal retirement and disability accounts shall be exempt from reduction under any order issued under this part:

"Civil service retirement and disability fund (24–8135–0–7–602).

"Black Lung Disability Trust Fund (20–8144–0–7–601).

"Foreign Service Retirement and Disability Fund (19–8186–0–7–602).

"District of Columbia Judicial Retirement and Survivors Annuity Fund (20–8212–0–7–602).

"Judicial Survivors' Annuities Fund (10–8110–0–7–602).

"Payments to the Railroad Retirement Accounts (60–0113–0–1–601).

"Tax Court Judges Survivors Annuity Fund (23–8115–0–7–602).

"Employees Life Insurance Fund (24–8424–0–8–602).

"(d) FEDERAL ADMINISTRATIVE EXPENSES.—

"(1) Notwithstanding any provision of law other than paragraph (3), administrative expenses incurred by the departments and agencies, including independent agencies, of the Government in connection with any program, project, activity, or account shall be subject to reduction pursuant to any sequestration order, without regard to any exemption, exception, limitation, or special rule otherwise applicable with respect to such program, project, activity, or account, and regardless of whether the program, project, activity, or account is self-supporting and does not receive appropriations.

"(2) Payments made by the Government to reimburse or match administrative costs incurred by a State or political subdivision under or in connection with any program, project, activity, or account shall not be considered administrative expenses of the Government for purposes of this section, and shall be subject to sequestration to the extent (and only to the extent) that other payments made by the Government under or in connection with that program, project, activity, or account are subject to that reduction or sequestration; except that Federal payments made to a State as reimbursement of administrative costs incurred by that State under or in connection with the unemployment compensation programs specified in subsection (a)(11) shall be subject to reduction or sequestration under this part notwithstanding the exemption otherwise granted to such programs under that subsection.

"(3) Notwithstanding any other provision of law, the administrative expenses of the following programs shall be exempt from sequestration:

"(A) Comptroller of the Currency.

"(B) Federal Deposit Insurance Corporation.

"(C) Office of Thrift Supervision.

"(D) National Credit Union Administration.

"(E) National Credit Union Administration, central liquidity facility.

"(F) Federal Retirement Thrift Investment Board.

"(G) Resolution Funding Corporation.

"(H) Resolution Trust Corporation.

"(I) Board of Governors of the Federal Reserve System.

"(e) VETERANS' PROGRAMS.—The following programs shall be exempt from reduction under any order issued under this part:

"General Post Funds (36–8180–0–7–705).

"Veterans Insurance and Indemnities (36–0120–0–1–701).

"Service-Disabled Veterans Insurance Funds (36–4012–0–3–701).

"Veterans Reopened Insurance Fund (36–4010–0–3–701).

"Servicemembers' Group Life Insurance Fund (36–4009–0–3–701).

"Post-Vietnam Era Veterans Education Account (36–8133–0–7–702).

"National Service Life Insurance Fund (36–8132–0–7–701).

"United States Government Life Insurance Fund (36–8150–0–7–701).

"Veterans Special Life Insurance Fund (36–8455–0–8–701).

"(f) OPTIONAL EXEMPTION OF DEFENSE AND HOMELAND SECURITY ACCOUNTS.—

"(1) IN GENERAL.—The President may, with respect to any defense or homeland security account, exempt that account from sequestration or provide for a lower uniform percentage reduction than would otherwise apply.

“(2) LIMITATION.—The President may not use the authority provided by paragraph (1) unless the President notifies the Congress of the manner in which such authority will be exercised on or before the date specified in section 254(a) for the budget year.”.

SEC. 203. EXCEPTIONS, LIMITATIONS, AND SPECIAL RULES.

(a) IN GENERAL.—Section 256 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

“SEC. 256. EXCEPTIONS, LIMITATIONS, AND SPECIAL RULES.

“(a) NATIONAL WOOL ACT AND THE SPECIAL MILK PROGRAM.—Automatic spending increases are increases in outlays due to changes in indexes in the following programs:

“(1) National Wool Act; and

“(2) Special milk program.

In those programs all amounts other than the automatic spending increases shall be exempt from reduction under any sequestration order.

“(b) STUDENT LOANS.—For all student loans under part B or D of title IV of the Higher Education Act of 1965 made during the period when a sequestration order under section 254 is in effect as required by section 252 or 253, origination fees under sections 438(c)(2) and 455(c) of that Act shall each be increased by 0.50 percentage point.

“(c) FOSTER CARE AND ADOPTION ASSISTANCE PROGRAMS.—Any sequestration order shall make the reduction otherwise required under the foster care and adoption assistance programs (established by part E of title IV of the Social Security Act) only with respect to payments and expenditures made by States in which increases in foster care maintenance payment rates or adoption assistance payment rates (or both) are to take effect during the fiscal year involved, and only to the extent that the required reduction can be accomplished by applying a uniform percentage reduction to the Federal matching payments that each such State would otherwise receive under section 474 of that Act (for such fiscal year) for that portion of the State's payments attributable to the increases taking effect during that year. No State's matching payments from the Government for foster care maintenance payments or for adoption assistance maintenance payments may be reduced by a percentage exceeding the applicable domestic sequestration percentage. No State may, after the date of the enactment of this Act, make any change in the timetable for making payments under a State plan approved under part E of title IV of the Social Security Act which has the effect of changing the fiscal year in which expenditures under such part are made.

“(d) LOW-INCOME PROGRAMS.—(1) Benefit payments or payments to States or other entities for the programs listed in paragraph (2) shall not be reduced by more than 2 percent under any sequestration order. When reduced under an end-of-session sequestration order, those benefit reductions shall occur starting with the payment made at the start of January. When reduced under a within-session sequestration order, those benefit reductions shall occur starting with the next periodic payment.

“(2) The programs referred to in paragraph (1) are the following:

“Child Nutrition (12–3539–0–1–605).

“Food Stamp Programs (12–3505–0–1–605).

“Grants to States for Medicaid (75–0512–0–1–551).

“State Children's Health Insurance Fund (75–0515–0–1–551).

“Supplemental Security Income Program (75–0406–0–1–609).

“Temporary Assistance for Needy Families (75–1552–0–1–609).

“Special supplemental nutrition program for women, infants, and children (WIC) (12–3510–0–1–605).

“(e) VETERANS' MEDICAL CARE.—The maximum permissible reduction in budget authority for Veterans' medical care (36–0160–0–1–703) for any fiscal year, pursuant to an order issued under section 254, shall be 2 percent.

“(f) FEDERAL RETIREMENT PROGRAMS.—

“(1) For each of the programs listed in paragraph (2) and except as provided in paragraph (3), monthly (or other periodic) benefit payments shall be reduced by the uniform percentage applicable to direct spending sequestrations for such programs, which shall in no case exceed 2 percent under any sequestration order. When reduced under an end-of-session sequestration order, those benefit reductions shall occur starting with the payment made at the start of January or 7 weeks after the order is issued, whichever is later. When reduced under a within-session sequestration order, those benefit reductions shall occur starting with the next periodic payment.

“(2) The programs subject to paragraph (1) are:

“Central Intelligence Agency Retirement and Disability Fund (56–3400–0–1–054).

“Comptrollers General Retirement System (05–0107–0–1–801) Payments to the Foreign Service Retirement and Disability Fund (72–1036–0–1–153).

“Judicial Officers' Retirement Fund (10–8122–0–7–602).

“Claims Judges' Retirement Fund (10–8124–0–7–602).

“Pensions for former Presidents (47–0105–0–1–802).

“National Oceanic and Atmospheric Administration Retirement (13–1450–0–1–306).

“Railroad Industry Pension Fund (60–8011–0–7–601).

“Retired pay, Coast Guard (70–0602–0–1–403).

“Retirement pay and medical benefits for commissioned officers, Public Health Service (75–0379–0–1–551).

“Payments to Civil Service Retirement and Disability Fund (24–0200–0–1–805).

“Payments to the Foreign Service Retirement and Disability Fund (72–1036–0–1–153).

“Payments to Judiciary Trust Funds (10–0941–0–1–752).

“(g) VETERANS PROGRAMS.—To achieve the total percentage reduction required by any order issued under this part, the percentage reduction that shall apply to payments under the following programs shall in no event exceed 2 percent:

“Canteen Service Revolving Fund (36–4014–0–3–705).

“Medical Center Research Organizations (36–4026–0–3–703).

“Disability Compensation Benefits (36–0102–0–1–701).

“Education Benefits (36–0137–0–1–702).

“Vocational Rehabilitation and Employment Benefits (36–0135–0–1–702).

“Pensions Benefits (36–0154–0–1–701).

“Burial Benefits (36–0139–0–1–701).

“Guaranteed Transitional Housing Loans For Homeless Veterans Program Account (36–1119–0–1–704).

“Housing Direct Loan Financing Account (36–4127–0–1–704).

“Housing Guaranteed Loan Financing Account (36–4129–0–3–704).

“Vocational Rehabilitation and Education Direct Loan Financing Account (36–4259–0–3–702).

“(h) MILITARY HEALTH AND RETIREMENT.—To achieve the total percentage reduction in military retirement required by any order issued under this part, the percentage reduction that shall apply to payments under the Military retirement fund (97–8097–0–7–602), payments to the military retirement fund (97–0040–0–1–054), and the Defense Health Program (97–0130–0–1–051) shall in no event exceed 2 percent.

“(i) MEDICARE PROGRAM.—

“(1) CALCULATION OF REDUCTION IN INDIVIDUAL PAYMENT AMOUNTS.—To achieve the total percentage reduction in those programs required by any order issued under this part, the percentage reduction that shall apply to payments under the health insurance programs under title XVIII of the Social Security Act (other than payments described in section 255(a)(2)) that are subject to such order for services furnished after any sequestration order is issued shall be such that the reduction made in payments under that order shall achieve the required total percentage reduction in those payments for that fiscal year as determined on a 12-month basis. However, the percentage reduction under any such program shall in no case exceed 2 percent under any sequestration order.

“(2) TIMING OF APPLICATION OF REDUCTIONS.—If a reduction is made under paragraph (1) in payment amounts pursuant to a sequestration order, the reduction shall be applied to payment for services furnished after the effective date of the order.

“(3) NO INCREASE IN BENEFICIARY CHARGES IN ASSIGNMENT-RELATED CASES.—If a reduction in payment amounts is made under paragraph (1) for services for which payment under part B of title XVIII of the Social Security Act is made on the basis of an assignment described in section 1842(b)(3)(B)(ii), in accordance with section 1842(b)(6)(B), or under the procedure described in section 1870(f)(1) of such Act, the person furnishing the services shall be considered to have accepted payment of the reasonable charge for the services, less any reduction in payment amount made pursuant to a sequestration order, as payment in full.

“(4) APPLICATION TO PARTS C AND D.—The reductions otherwise required under parts C and D of title XVIII of the Social Security Act with respect to a fiscal year shall be applied to the calendar year that begins after the end of the fiscal year to which the applicable sequestration order applies.

“(j) FEDERAL PAY.—

“(1) IN GENERAL.—For purposes of any order issued under section 254, new budget authority to pay Federal personnel shall be reduced by the applicable uniform percentage, but no sequestration order may reduce or have the effect of reducing the rate of pay to which any individual is entitled under any statutory pay system (as increased by any amount payable under section 5304 of title 5, United States Code, or section 302 of the Federal Employees Pay Comparability Act of 1990) or the rate of any element of military pay to which any individual is entitled under title 37, United States Code, or any increase in rates of pay which is scheduled to take effect under section 5303 of title 5, United States Code, section 1009 of title 37, United States Code, or any other provision of law.

“(2) DEFINITIONS.—For purposes of this subsection:

"(A) The term 'statutory pay system' shall have the meaning given that term in section 5302(1) of title 5, United States Code.

"(B) The term 'elements of military pay' means—

"(i) the elements of compensation of members of the uniformed services specified in section 1009 of title 37, United States Code,

"(ii) allowances provided members of the uniformed services under sections 403a and 405 of such title, and

"(iii) cadet pay and midshipman pay under section 203(c) of such title.

"(C) The term 'uniformed services' shall have the meaning given that term in section 101(3) of title 37, United States Code.

"(k) Child Support Enforcement Program.—Any sequestration order shall accomplish the full amount of any required reduction in expenditures under sections 455 and 458 of the Social Security Act by reducing the Federal matching rate for State administrative costs under such program, as specified (for the fiscal year involved) in section 455(a) of such Act, to the extent necessary to reduce such expenditures by that amount.

"(l) Extended Unemployment Compensation.—(1) A State may reduce each weekly benefit payment made under the Federal-State Extended Unemployment Compensation Act of 1970 for any week of unemployment occurring during any period with respect to which payments are reduced under an order issued under this title by a percentage not to exceed the percentage by which the Federal payment to the State under section 204 of such Act is to be reduced for such week as a result of such order.

"(2) A reduction by a State in accordance with subparagraph (A) shall not be considered as a failure to fulfill the requirements of section 3304(a)(11) of the Internal Revenue Code of 1954.

"(m) Commodity Credit Corporation.—

"(1) Powers and authorities of the Commodity Credit Corporation.—This title shall not restrict the Commodity Credit Corporation in the discharge of its authority and responsibility as a corporation to buy and sell commodities in world trade, to use the proceeds as a revolving fund to meet other obligations and otherwise operate as a corporation, the purpose for which it was created.

"(2) Reduction in payments made under contracts.—(A) Payments and loan eligibility under any contract entered into with a person by the Commodity Credit Corporation prior to the time any sequestration order has been issued shall not be reduced by an order subsequently issued. Subject to subparagraph (B), after any sequestration order is issued for a fiscal year, any cash payments made by the Commodity Credit Corporation—

"(i) under the terms of any one-year contract entered into in or after such fiscal year and after the issuance of the order; and

"(ii) out of an entitlement account,

to any person (including any producer, lender, or guarantee entity) shall be subject to reduction under the order.

"(B) Each contract entered into with producers or producer cooperatives with respect to a particular crop of a commodity and subject to reduction under subparagraph (A) shall be reduced in accordance with the same terms and conditions. If some, but not all, contracts applicable to a crop of a commodity have been entered into prior to the issuance of any sequestration order, the order shall provide that the necessary reduction in payments under contracts applicable to the commodity be uniformly applied to all contracts for succeeding crops of the commodity, under the authority provided in paragraph (3).

"(3) Delayed reduction in outlays permissible.—Notwithstanding any other provision of this title, if any sequestration order is issued with respect to a fiscal year, any reduction under the order applicable to contracts described in paragraph (2) may provide for reductions in outlays for the account involved to occur in the fiscal years following the fiscal year to which the order applies.

"(4) Uniform percentage rate of reduction and other limitations.—All reductions described in paragraph (2) that are required to be made in connection with any sequestration order with respect to a fiscal year—

"(A) shall be made so as to ensure that outlays for each program, project, activity, or account involved are reduced by a percentage rate that is uniform for all such programs, projects, activities, and accounts, and may not be made so as to achieve a percentage rate of reduction in any such item exceeding the rate specified in the order; and

"(B) with respect to commodity price support and income protection programs, shall be made in such manner and under such procedures as will attempt to ensure that—

"(i) uncertainty as to the scope of benefits under any such program is minimized;

"(ii) any instability in market prices for agricultural commodities resulting from the reduction is minimized; and

"(iii) normal production and marketing relationships among agricultural commodities (including both contract and non-contract commodities) are not distorted.

In meeting the criterion set out in clause (iii) of subparagraph (B) of the preceding sentence, the President shall take into consideration that reductions under an order may apply to programs for two or more agricultural commodities that use the same type of production or marketing resources or that are alternative commodities among which a producer could choose in making annual production decisions.

"(5) Certain authority not to be limited.—Nothing in this title shall limit or reduce in any way any appropriation that provides the Commodity Credit Corporation with funds to cover the Corporation's net realized losses.

"(n) Postal Service Fund.—Notwithstanding any other provision of law, any sequestration of the Postal Service Fund shall be accomplished by a payment from that Fund to the General Fund of the Treasury, and the Postmaster General of the United States shall make the full amount of that payment during the fiscal year to which the presidential sequestration order applies.

"(o) Effects of Sequestration.—The effects of sequestration shall be as follows:

"(1) Budgetary resources sequestered from any account other than an entitlement trust, special, or revolving fund account shall revert to the Treasury and be permanently canceled.

"(2) Except as otherwise provided, the same percentage sequestration shall apply to all programs, projects, and activities within a budget account (with programs, projects, and activities as delineated in the appropriation Act or accompanying report for the relevant fiscal year covering that account, or for accounts not included in appropriation Acts, as delineated in the most recently submitted President's budget).

"(3) Administrative regulations or similar actions implementing a sequestration shall be made within 120 days of the sequestration order. To the extent that formula allocations differ at different levels of budgetary resources within an account, program, project, or activity, the sequestration shall be interpreted as producing a lower total appropriation, with that lower appropriation being obligated as though it had been the pre-sequestration appropriation and no sequestration had occurred.

"(4) Except as otherwise provided, obligations in sequestered direct spending accounts shall be reduced in the fiscal year in which a sequestration occurs and in all succeeding fiscal years.

"(5) If an automatic spending increase is sequestered, the increase (in the applicable index) that was disregarded as a result of that sequestration shall not be taken into account in any subsequent fiscal year.

"(6) Except as otherwise provided, sequestration in accounts for which obligations are indefinite shall be taken in a manner to ensure that obligations in the fiscal year of a sequestration and succeeding fiscal years are reduced, from the level that would actually have occurred, by the applicable sequestration percentage.".

(b) Conforming Amendment.—The table of contents set forth in 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by amending the item relating to section 256 to read as follows:

"Sec. 256. Exceptions, limitations, and special rules.".

SEC. 204. POINT OF ORDER.

(a) Entitlement Point of Order.—Section 312 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

"(g) Entitlement Point of Order.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, or conference report that—

"(1) increases aggregate level of direct spending for any ensuing fiscal year or

"(2) includes any provision that has the effect of modifying the application of section 252A of the Balanced Budget and Emergency Deficit Control Act of 1985 to any entitlement program subject to sequestration or exempt from sequestration under such Act.".

SEC. 205. TECHNICAL AND CONFORMING AMENDMENTS.

The Balanced Budget and Emergency Deficit Control Act of 1985 is amended as follows:

(1) Section 251(a)(1) is amended by inserting ", section 252A," after "section 252".

(2) Section 254(c)(4)(B) is amended by inserting "or section 252A" after "section 252".

(3) Section 254(c) is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

"(5) Direct spending control sequestration reports.—The preview reports shall set forth, for the current year and the budget year, estimates for each of the following:

"(A) The total level of direct spending for all programs, projects, and activities (excluding social security).

"(B) The sequestration percentage or (if the required sequestration percentage is greater than the maximum allowable percentage for medicare) percentages necessary to comply with section 252A.".

(4) Section 254(f) is amended by redesignating paragraphs (4) and (5) as paragraphs (5) and (6) and by inserting after paragraph (3) the following new paragraph:

"(4) Direct spending control sequestration reports.—The final reports shall contain all the information required in the direct spending control sequestration preview reports. In addition, these reports shall contain, for the budget year, for each account to be sequestered, estimates of the baseline level of sequesterable budgetary resources and resulting outlays and the amount of budgetary resources to be sequestered and resulting outlay reductions. The reports shall also contain estimates of the effects on outlays of the sequestration in each outyear for direct spending programs.".

(5) Section 258C(a)(1) is amended by inserting ", 252A," after "section 252".

SEC. 206. ESTABLISHMENT OF FAMILY BUDGET PROTECTION MANDATORY ACCOUNT.

(a) Budget Protection Mandatory Account.—Title III of the Congressional Budget Act of 1974 (as amended by section 521) is further amended by adding at the end the following new sections:

"BUDGET PROTECTION MANDATORY ACCOUNT

"Sec. 320. (a) Establishment of Account.—The chairman of the Committee on the Budget of the House of Representatives and of the Senate shall each maintain an account to be known as the 'Budget Protection Mandatory Account'. The Account shall be divided into entries corresponding to the House or Senate committees, as applicable, that received allocations under section 302(a) in the most recently adopted concurrent resolution on the budget, except that it shall not include the Committee on Appropriations of that House and each entry shall consist of the 'First Year Budget Protection Balance' and the 'Five Year Budget Protection Balance'.

"(b) Components.—Each entry shall consist only of amounts credited to it under subsection (c). No entry of a negative amount shall be made.

"(c) Crediting of Amounts to Account.—(1) Whenever a Member or Senator, as the case may be, offers an amendment to a bill that reduces the amount of mandatory budget authority provided either under current law or proposed to be provided by the bill under consideration, that Member or Senator may state the portion of such reduction achieved in the first year covered by the most recently adopted concurrent resolution on the budget and in addition the portion of such reduction achieved in the first five years covered by the most recently adopted concurrent resolution on the budget that shall be—

"(A) credited to the First Year Budget Protection Balance and the Five Year Budget Protection Balance in the House or Senate, as applicable;

"(B) used to offset an increase in other new budget authority;

"(C) allowed to remain within the applicable section 302(a) allocation; or

"(D) used to offset a decrease in receipts.

If no such statement is made, the amount of reduction in new budget authority resulting from the amendment shall be credited to the First Year Budget Protection Balance and the Five Year Budget Protection Balance, as applicable, if the amendment is agreed to.

"(2) Except as provided by paragraph (3), the chairman of the Committee on the Budget of the House or Senate, as applicable, shall, upon the engrossment of any bill, other than an appropriation bill, by the House or Senate, as applicable, credit to the applicable entry balances amounts of new budget authority and outlays equal to the net amounts of reductions in budget authority and in outlays resulting from amendments agreed to by that House to that bill.

"(3) When computing the net amounts of reductions in budget authority and in outlays resulting from amendments agreed to by the House or Senate, as applicable, to a bill, the chairman of the Committee on the Budget of that House shall only count those portions of such amendments agreed to that were so designated by the Members or Senators offering such amendments as amounts to be credited to the First Year Budget Protection Balance and the Five Year Budget Protection Balance, or that fall within the last sentence of paragraph (1).

"(4) The chairman of the Committee on the Budget of the House and of the Senate shall each maintain a running tally of the amendments adopted reflecting increases and decreases of budget authority in the bill as reported to its House. This tally shall be available to Members or Senators during consideration of any bill by that House.

"(d) Calculation of Lock-Box Savings in House and Senate.—For the purposes of enforcing section 302(a), upon the engrossment of any bill, other than an appropriation bill, by the House or Senate, as applicable, the amount of budget authority and outlays calculated pursuant to subsection (c)(3) shall be counted against the 302(a) allocation provided to the applicable committee or committees of that House which reported the bill as if the amount calculated pursuant to subsection (c)(3) was included in the bill just engrossed.

"(e) Definition.—As used in this section, the term 'appropriation bill' means any general or special appropriation bill, and any bill or joint resolution making supplemental, deficiency, or continuing appropriations through the end of fiscal year 2005 or any subsequent fiscal year, as the case may be.".

Subtitle B—Discretionary Spending Limits

SEC. 211. ENFORCING DISCRETIONARY SPENDING LIMITS.

(a) Discretionary Spending Limits.—Sections 251(b) and (c) of the Balanced Budget and Emergency Deficit Control of Act of 1985 are amended to read as follows:

"(b) Discretionary Spending Limit.—As used in this part, the term 'discretionary spending limit' means—

"(1) with respect to fiscal year 2005—

"(A) $864,261,000,000 in new budget authority of which no more than $400,625,000,000 shall be for the nondefense category; and

"(B) $850,495,800,000 in outlays of which no more than $433,158,400,000 shall be for the nondefense category;

"(2) with respect to fiscal year 2006—

"(A) $838,669,000,000 in new budget authority of which no more than $409,038,100,000 shall be for the nondefense category; and,

"(B) $872,471,400,000 in outlays of which no more than $448,440,900,000 shall be for the nondefense category;

"(3) with respect to fiscal year 2007—

"(A) $856,281,000,000 in new budget authority of which no more than $417,627,900,000 shall be for the nondefense category; and

"(B) $886,373,800,000 in outlays of which no more than $458,828,900,000 shall be for the nondefense category;

"(4) with respect to fiscal year 2008—

"(A) $874,263,000,000 in new budget authority of which no more than $426,398,100,000 shall be for the nondefense category; and

"(B) $907,923,200,000 in outlays of which no more than $466,518,700,000 shall be for the nondefense category;

"(5) with respect to fiscal year 2009—

"(A) $892,622,000,000 in new budget authority of which no more than $435,352,500,000 shall be for the nondefense category; and

"(B) $922,436,600,000 in outlays of which no more than $472,403,700,000 shall be for the nondefense category;

"(6) with respect to fiscal year 2010—

"(A) $911,367,000,000 in new budget authority of which no more than $444,494,900,000 shall be for the nondefense category; and

"(B) $942,949,400,000 in outlays of which no more than $483,388,200,000 shall be for the nondefense category;

"(7) with respect to fiscal year 2011—

"(A) $930,506,000,000 in new budget authority of which no more than $453,829,300,000 shall be for the nondefense category; and

"(B) $966,467,600,000 in outlays of which no more than $492,649,700,000 shall be for the nondefense category;

"(8) with respect to fiscal year 2012—

"(A) $950,047,000,000 in new budget authority of which no more than $463,359,700,000 shall be for the nondefense category; and

"(B) $977,831,100,000 in outlays of which no more than $502,049,800,000 shall be for the nondefense category;

"(9) with respect to fiscal year 2013—

"(A) $969,998,000,000 in new budget authority of which no more than $473,090,200,000 shall be for the nondefense category; and

"(B) $1,001,230,000,000 in outlays of which no more than $511,597,600,000 shall be for the nondefense category;

"(10) with respect to fiscal year 2014—

"(A) $990,368,000,000 in new budget authority of which no more than $483,025,100,000 shall be for the nondefense category; and

"(B) $1,020,567,000,000 in outlays of which no more than $521,375,000,000 shall be for the nondefense category;".

(b) Discretionary Spending Limit Point of Order.—Section 312 of the Congressional Budget Act of 1974 (as amended by section 214(a)) is further amended by adding at the end the following new subsection:

"(h) Discretionary Spending Limit Point of Order.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, or conference report that—

"(1) increases the discretionary spending limits for any ensuing fiscal year after the budget year; or

"(2) would cause the discretionary spending limits for the budget year to be breached.".

(c) Advance Appropriation Point of Order.—Section 312 of the Congressional Budget Act of 1974 (as amended by this section) is further amended by adding at the end the following new subsection:

"(i) Advance Appropriation Point of Order.—It shall not be in order in the House of Representatives or the Senate to consider any appropriation bill or joint resolution, or amendment thereto or conference report thereon, that provides advance discretionary new budget authority that first becomes available for any fiscal year after the budget year at an amount for any program, project, or activity above the amount of appropriations for fiscal year 2004 for such program, project, or activity.".

SEC. 212. ESTABLISHMENT OF FAMILY BUDGET PROTECTION DISCRETIONARY ACCOUNT.

(a) Budget Protection Mandatory Account.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

"BUDGET PROTECTION MANDATORY ACCOUNT

"Sec. 321. (a) Establishment of Account.—The chairman of the Committee on the Budget of the House of Representatives and of the Senate shall each maintain an account to be known as the 'Budget Protection Mandatory Account'. The Account shall be divided into entries corresponding to the House or Senate committees, as applicable, that received allocations under section 302(a) in the most recently adopted concurrent resolution on the budget, except that it shall not include the Committee on Appropriations of that House and each entry shall consist of the 'First Year Budget Protection Balance' and the 'Five Year Budget Protection Balance'.

"(b) COMPONENTS.—Each entry shall consist only of amounts credited to it under subsection (c). No entry of a negative amount shall be made.

"(c) CREDITING OF AMOUNTS TO ACCOUNT.—(1) Whenever a Member or Senator, as the case may be, offers an amendment to a bill that reduces the amount of mandatory budget authority provided either under current law or proposed to be provided by the bill under consideration, that Member or Senator may state the portion of such reduction achieved in the first year covered by the most recently adopted concurrent resolution on the budget and in addition the portion of such reduction achieved in the first five years covered by the most recently adopted concurrent resolution on the budget that shall be—

"(A) credited to the First Year Budget Protection Balance and the Five Year Budget Protection Balance in the House or Senate, as applicable;

"(B) used to offset an increase in other new budget authority;

"(C) allowed to remain within the applicable section 302(a) allocation; or

"(D) used to offset a decrease in receipts.

If no such statement is made, the amount of reduction in new budget authority resulting from the amendment shall be credited to the First Year Budget Protection Balance and the Five Year Budget Protection Balance, as applicable, if the amendment is agreed to.

"(2) Except as provided by paragraph (3), the chairman of the Committee on the Budget of the House or Senate, as applicable, shall, upon the engrossment of any bill, other than an appropriation bill, by the House or Senate, as applicable, credit to the applicable entry balances amounts of new budget authority and outlays equal to the net amounts of reductions in budget authority and in outlays resulting from amendments agreed to by that House to that bill.

"(3) When computing the net amounts of reductions in budget authority and in outlays resulting from amendments agreed to by the House or Senate, as applicable, to a bill, the chairman of the Committee on the Budget of that House shall only count those portions of such amendments agreed to that were so designated by the Members or Senators offering such amendments as amounts to be credited to the First Year Budget Protection Balance and the Five Year Budget Protection Balance, or that fall within the last sentence of paragraph (1).

"(4) The chairman of the Committee on the Budget of the House and of the Senate shall each maintain a running tally of the amendments adopted reflecting increases and decreases of budget authority in the bill as reported to its House. This tally shall be available to Members or Senators during consideration of any bill by that House.

"(d) CALCULATION OF LOCK-BOX SAVINGS IN HOUSE AND SENATE.—For the purposes of enforcing section 302(a), upon the engrossment of any bill, other than an appropriation bill, by the House or Senate, as applicable, the amount of budget authority and outlays calculated pursuant to subsection (c)(3) shall be counted against the 302(a) allocation provided to the applicable committee or committees of that House which reported the bill as if the amount calculated pursuant to subsection (c)(3) was included in the bill just engrossed.

"(e) DEFINITION.—As used in this section, the term 'appropriation bill' means any general or special appropriation bill, and any bill or joint resolution making supplemental, deficiency, or continuing appropriations through the end of fiscal year 2005 or any subsequent fiscal year, as the case may be.".

(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 319 the following new items:

"Sec. 320. Family budget protection mandatory account.
"Sec. 321. Family budget protection discretionary account.".

SEC. 213. REVENUE ADJUSTMENT.

If an amendment is designated to be used to offset a decrease in receipts for a fiscal year pursuant to section 320(c)(1)(D) or section 321(c)(1)(D) of the Congressional Budget Act of 1974, then the applicable level of revenues for such fiscal year for purposes of section 311(a) of such Act shall be reduced by the amount of such amendment.

Subtitle C—Long-term Unfunded Obligations

SEC. 221. LONG-TERM UNFUNDED OBLIGATIONS.

(a) IN GENERAL.—Title IV of the Congressional Budget Act of 1974 is amended by adding at the end the following:

PART C—LONG-TERM UNFUNDED OBLIGATIONS

"SEC. 441. ANALYSIS OF LONG-TERM UNFUNDED OBLIGATIONS.

"Beginning in fiscal year 2006, the President's budget shall include an analysis of long-term unfunded obligations. This analysis shall include:

"(1) An analysis of the impact of long-term unfunded obligations in applicable entitlement programs on the long-term level of unified budget outlays and the unified budget surplus or deficit, in relation to the projected level of the Gross Domestic Product.

"(2) A report on the impact of legislation enacted during the previous session of Congress that increases the long-term unfunded obligation in any applicable group of entitlement program.

"(3) An analysis of the impact of legislation proposed in the President's budget on the long-term unfunded obligation in any applicable entitlement program.

"SEC. 442. POINT OF ORDER AGAINST LEGISLATION INCREASING LONG-TERM UNFUNDED OBLIGATIONS.

"It shall not be in order in the House of Representatives or in the Senate to consider any bill, joint resolution, motion, amendment, or conference report that would increase the long-term unfunded obligation in any applicable group of entitlement programs.

"SEC. 443. STANDARD FOR DETERMINING INCREASE IN LONG-TERM UNFUNDED OBLIGATION.

"For the purpose of this part, legislation shall be considered to increase the long-term unfunded obligation of an applicable group of entitlement programs if it either—

"(1) increases the excess of the discounted present value of the expenditures of programs in the group above the discounted present value of the dedicated receipts of programs in the group over a long-term estimating period by more than an applicable threshold; or

"(2) increases the dollar level of the expenditures of programs in the group above the dedicated receipts of programs in the group above the dedicated receipts of programs in the group in the last year of the estimating period by more than the applicable threshold.

"SEC. 444. LONG-TERM UNFUNDED OBLIGATION ANALYSES BY CONGRESSIONAL BUDGET OFFICE.

The Director of the Congressional Budget Office shall, to the extent practicable, prepare for each bill or resolution of a public character reported by any committee of the House of Representatives or the Senate (except the Committee on Appropriations of each House), and submit to such committee—

"(1) an estimate of any increase of the long-term unfunded obligation of any applicable entitlement program which would be incurred in carrying out such bill or resolution as measured by the increase of the excess of the discounted present value of the expenditures of such program above the discounted present value of the dedicated receipts of such program over a long-term estimating period by more than an applicable threshold; and

"(2) an estimate of any increase in the dollar level of the expenditures of such program above the dedicated receipts of such program above the dedicated receipts of such program in the last year of the estimating period by more than the applicable threshold.

The estimates and description so submitted shall be included in the report accompanying such bill or resolution if timely submitted to such committee before such report is filed.

"SEC. 445. DEFINITIONS.

"As used in this part—

"(1) the term 'applicable entitlement program' shall be defined as any one of the following programs:

"(A) Old Age, Survivors, and Disability Insurance.

"(B) Medicare (combined hospital insurance and supplemental medical insurance).

"(C) Civilian retirement and disability (combined Civil Service Retirement System and Federal Employees Retirement System).

"(D) Foreign Service Retirement and Disability (combined Foreign Service Retirement and Disability System and Foreign Service Pension System).

"(E) Retired Employees Health Benefits.

"(F) Military Retirement System.

"(G) Uniformed Services Retiree Health Care System.

"(H) Railroad Retirement System (combined Rail Industry Pension Fund, Social Security Equivalent Benefit Account, and National Railroad Retirement Investment Trust).

"(I) Supplemental Security Income (SSI).

"(J) For estimates made on or after January 1, 2006, veterans disability compensation.

"(K) Any other entitlement program with regularly available long-term estimates.

"(2) The term 'entitlement program with regularly available long-term estimates' means a program for which the Director of the Congressional Budget Office, in consultation with the Committees on the Budget of the House of Representatives and the Senate and the Director of the Office of Management and Budget, has determined that it is feasible to make long-term estimates of expenditures and dedicated receipts based on explicit demographic, economic, and other estimating assumptions. The Director shall notify the House and Senate Committees on the Budget in writing, whenever he or she makes such a determination.

"(3) The term 'applicable group of entitlement programs' shall be defined as any of the following:

“(A) Old Age, Survivors, and Disability Insurance.

“(B) All applicable entitlement programs except Old Age, Survivors, and Disability Insurance.

“(4) The term ‘long-term estimating period’ shall be defined as 75 years, starting with the current year, for all applicable entitlement programs except for Old Age, Survivors, and Disability Insurance. For Old Age, Survivors, and Disability Insurance, the term shall be defined as the infinite period of years utilized in the most recent annual report of the Board of Trustees provided pursuant to section 201(c)(2) of the Social Security Act.

“(5) The term ‘last year of the estimating period’ shall be defined as the 75th year of the long-term estimating period.

“(6) The term ‘dedicated receipts’ shall be defined, for all applicable entitlement programs other than Medicare, as taxes and fees received from the public, payments received from Federal agencies on behalf of Federal agency employees who are participants in the program, transfers received by the program under section 7(c)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(c)(2)), and transfers from the general fund of amounts equivalent to income tax receipts under section 86 of the Internal Revenue Code. Dedicated receipts shall not include payments from the general fund to amortize a program’s unfunded liability or payments of interest on a program’s trust fund holdings. For Medicare, ‘dedicated receipts’ shall be defined according to section 801(c)(3) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

“(7) The term ‘expenditures’ shall be defined, for all applicable entitlement programs other than Medicare, to include benefit payments, administrative expenses to the extent paid from a dedicated fund, and transfers to other programs made under section 7(c)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(c)(2)). For Medicare, ‘expenditures’ shall be defined according to section 801(c)(4) of the Medicare prescription Drug, Improvement, and Modernization Act of 2003.

“(8) The term ‘applicable threshold’ shall be defined as:

“(A) For a group of applicable entitlement programs over a long-term estimating period—

“(i) 0.02 percent of the present value of the taxable payroll of the group of programs over the estimating period, for legislation affecting Old Age, Survivors, and Disability Insurance or Medicare; and

“(ii) 1 percent of the present value of the expenditures over the estimating period of the programs in the group that are affected by the legislation.

“(B) For a group of applicable entitlement programs in the last year of the estimating period—

“(i) 0.02 percent of the taxable payroll of the group of programs in that year, for legislation affecting Old Age, Survivors, and Disability Insurance or Medicare;

“(ii) 0.01 percent of Gross Domestic Product in that year; or

“(iii) 1 percent of the expenditures in that year of the programs in the group that are affected by the legislation.”.

(b) Conforming Amendment.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding after the item relating to section 428 the following:

‘Part C—Long-Term Unfunded Obligations

“Sec. 441. Analysis of long-term unfunded obligations.

“Sec. 442. Point of order against legislation increasing long-term unfunded obligations.

“Sec. 443. Standard for determining increase in long-term unfunded obligation.

“Sec. 444. Long-term unfunded obligation analyses by congressional budget office.

“Sec. 445. Definitions.

SEC. 222. POINTS OF ORDER.

Section 904 of the Congressional Budget Act of 1974 is amended as follows:

(1) Subsection (c)(1) is amended by adding “442,” after “310(d)(2), 313,”.

(2) Subsection (d)(2) is amended by adding “442,” after “310(d)(2), 313,”.

SEC. 223. SOCIAL SECURITY.

Section 13302(a) of subtitle C of the Budget Enforcement Act of 1990 is amended to read as follows:

“(a) In General.—It shall be not be. in order in the House of Representatives to consider any bill, or joint resolution, as reported, or any amendment thereto or conference report thereon, if, upon enactment, such legislation under consideration would increase the long-term unfunded obligation of the OASDI program, as defined in section 443 of the Congressional Budget Act of 1974.”.

TITLE III—COMBATING WASTE, FRAUD, AND ABUSE.

Subtitle A—Sunsetting

SEC. 301. REAUTHORIZATION OF DISCRETIONARY PROGRAMS AND UNEARNED ENTITLEMENTS.

(a) Fiscal Year 2008.—Effective October 1, 2007, spending authority for each unearned entitlement and high-cost discretionary spending program is frozen at then current levels unless such spending authority is reauthorized after the date of enactment of this Act.

(b) Fiscal Year 2009.—Effective October 1, 2008, spending authority for each discretionary spending program (not including high-cost discretionary spending programs) is frozen at then current levels unless such spending authority is reauthorized after the date of enactment of this Act.

(c) Definitions.—For purposes of this title—

(1) the term “unearned entitlement” means an entitlement not earned by service or paid for in total or in part by assessments or contributions such as Social Security, veterans’ benefits, retirement programs, and medicare; and

(2) the term “high-cost discretionary program” means the most expensive one-third of discretionary program within each budget function account.

SEC. 302. POINT OF ORDER.

(a) In General.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, or conference report that includes any provision that appropriates funds above current levels unless such appropriation has been previously authorized by law.

(b) Waiver or Suspension.—This section may be waived or suspended in the House of Representatives or the Senate only by the affirmative vote of two-thirds of the Members, duly chosen and sworn.

SEC. 303. DECENNIAL SUNSETTING.

(a) First Decennial Census Year.—Effective on the first day of the fiscal year beginning in the first decennial census year after the year 2010 and each 10 years thereafter, the spending authority described in section 301(a) is terminated unless such spending authority is reauthorized after the last date the spending authority was required to be reauthorized under this title.

(b) First Decennial Census Year.—Effective on the first day of the fiscal year beginning in the year after the first decennial census year after the year 2010 and each 10 years thereafter, the spending authority described in section 301(b) is terminated unless such spending authority is reauthorized after the last date the spending authority was required to be reauthorized under this title.

Subtitle B—Enhanced Rescissions of Budget Authority Identified by the President as Wasteful Spending

SEC. 311. ENHANCED CONSIDERATION OF CERTAIN PROPOSED RESCISSIONS.

(a) In General.—Part B of title X of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 681 et seq.) is amended by redesignating sections 1013 through 1017 as sections 1014 through 1018, respectively, and by inserting after section 1012 the following new section:

“ENHANCED CONSIDERATION OF CERTAIN PROPOSED RESCISSIONS

“Sec. 1013. (a) Proposed Rescission of Budget Authority Identified as Wasteful Spending.—The President may propose, at the time and in the manner provided in subsection (b), the rescission of any budget authority provided in an appropriation Act that he identifies as wasteful spending. If the President proposes a rescission of budget authority, he may also propose to reduce the appropriate discretionary spending limits for new budget authority and outlays flowing therefrom set forth in section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 by an amount that does not exceed the amount of the proposed rescission. Funds made available for obligation under this procedure may not be proposed for rescission again under this section.

“(b) Transmittal of Special Message.—

“(1) The President may transmit to Congress a special message proposing to rescind amounts of budget authority and include with that special message a draft bill that, if enacted, would only rescind that budget authority unless the President also proposes a reduction in the appropriate discretionary spending limits set forth in section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985. That bill shall clearly identify the amount of budget authority that is proposed to be rescinded for each program, project, or activity to which that budget authority relates.

“(2) In the case of an appropriation Act that includes accounts within the jurisdiction of more than one subcommittee of the Committee on Appropriations, the President in proposing to rescind budget authority under this section shall send a separate special message and accompanying draft bill for accounts within the jurisdiction of each subcommittee.

“(3) Each special message shall specify, with respect to the budget authority proposed to be rescinded, the following:

“(A) The amount of budget authority which he proposes to be rescinded.

“(B) Any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific project or governmental functions involved.

“(C) The reasons why the budget authority should be rescinded, including why he considers it to be wasteful spending.

"(D) To the maximum extent practicable, the estimated fiscal, economic, and budgetary effect (including the effect on outlays and receipts in each fiscal year) of the proposed rescission.

"(E) All facts, circumstances, and considerations relating to or bearing upon the proposed rescission and the decision to effect the proposed rescission, and to the maximum extent practicable, the estimated effect of the proposed rescission upon the objects, purposes, and programs for which the budget authority is provided.

"(F) A reduction in the appropriate discretionary spending limits set forth in section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, if proposed by the President.

"(c) Procedures for Expedited Consideration.—

"(1)(A) Before the close of the second legislative day of the House of Representatives after the date of receipt of a special message transmitted to Congress under subsection (b), the majority leader or minority leader of the House of Representatives shall introduce (by request) the draft bill accompanying that special message. If the bill is not introduced as provided in the preceding sentence, then, on the third legislative day of the House of Representatives after the date of receipt of that special message, any Member of that House may introduce the bill.

"(B) The bill shall be referred to the Committee on Appropriations. The committee shall report the bill without substantive revision and with or without recommendation. The bill shall be reported not later than the seventh legislative day of that House after the date of receipt of that special message. If that committee fails to report the bill within that period, that committee shall be automatically discharged from consideration of the bill, and the bill shall be placed on the appropriate calendar.

"(C) A vote on final passage of the bill shall be taken in the House of Representatives on or before the close of the 10th legislative day of that House after the date of the introduction of the bill in that House. If the bill is passed, the Clerk of the House of Representatives shall cause the bill to be engrossed, certified, and transmitted to the Senate within one calendar day of the day on which the bill is passed.

"(2)(A) A motion in the House of Representatives to proceed to the consideration of a bill under this section shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(B) Debate in the House of Representatives on a bill under this section shall not exceed 4 hours, which shall be divided equally between those favoring and those opposing the bill. A motion to further limit debate shall not be debatable. It shall not be in order to move to recommit a bill under this section or to move to reconsider the vote by which the bill is agreed to or disagreed to.

"(C) Appeals from decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a bill under this section shall be decided without debate.

"(D) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of a bill under this section shall be governed by the Rules of the House of Representatives. It shall not be in order in the House of Representatives to consider any rescission bill introduced pursuant to the provisions of this section under a suspension of the rules or under a special rule.

"(3) A bill transmitted to the Senate pursuant to paragraph (1)(D) shall be referred to its Committee on Appropriations. That committee shall report the bill without substantive revision and with or without recommendation. The bill shall be reported not later than the seventh legislative day of the Senate after it receives the bill. A committee failing to report the bill within such period shall be automatically discharged from consideration of the bill, and the bill shall be placed upon the appropriate calendar.

"(4)(A) A motion in the Senate to proceed to the consideration of a bill under this section shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(B) Debate in the Senate on a bill under this section, and all debatable motions and appeals in connection therewith (including debate pursuant to subparagraph (C)), shall not exceed 10 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(C) Debate in the Senate or any debatable motion or appeal in connection with a bill under this section shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill, except that in the event the manager of the bill is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control of the passage of a bill, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(D) A motion in the Senate to further limit debate on a bill under this section is not debatable. A motion to recommit a bill under this section is not in order.

"(d) Amendment and Divisions Prohibited.—No amendment to a bill considered under this section shall be in order in either the House of Representatives or the Senate. It shall not be in order to demand a division of the question in the House of Representatives (or in a Committee of the Whole) or in the Senate. No motion to suspend the application of this subsection shall be in order in either House, nor shall it be in order in either House to suspend the application of this subsection by unanimous consent.

"(e) Requirement To Make Available for Obligation.—Any amount of budget authority proposed to be rescinded in a special message transmitted to Congress under subsection (b) shall be made available for obligation on the day after the date on which either House rejects the bill transmitted with that special message.

"(f) Definitions.—For purposes of this section:

"(1) The term 'appropriation Act' means any general or special appropriation Act, and any Act or joint resolution making supplemental, deficiency, or continuing appropriations.

"(2) The term 'legislative day' means, with respect to either House of Congress, any day of session.

"(3) The term 'rescind' means, with respect to an appropriation Act, to reduce the amount of budget authority appropriated in that Act, and reducing budget authority shall include reducing obligation limitations set forth in that Act.".

(b) Exercise of Rulemaking Powers.—Section 904 of the Congressional Budget Act of 1974 (2 U.S.C. 621 note) is amended—

(1) in subsection (a), by striking "and 1017" and inserting "1012, and 1017"; and

(2) in subsection (d), by striking "section 1017" and inserting "sections 1012 and 1017".

(c) Conforming Amendments.—

(1) Section 1011 of the Congressional Budget Act of 1974 (2 U.S.C. 682(5)) is amended by repealing paragraphs (3) and (5) and by redesignating paragraph (4) as paragraph (3).

(2) Section 1014 of such Act (2 U.S.C. 685) is amended—

(A) in subsection (b)(1), by striking "or the reservation"; and

(B) in subsection (e)(1), by striking "or a reservation" and by striking "or each such reservation".

(3) Section 1015(a) of such Act (2 U.S.C. 686) is amended by striking "is to establish a reserve or", by striking "the establishment of such a reserve or", and by striking "reserve or" each other place it appears.

(4) Section 1017 of such Act (2 U.S.C. 687) is amended—

(A) in subsection (a), by striking "rescission bill introduced with respect to a special message or";

(B) in subsection (b)(1), by striking "rescission bill or", by striking "bill or" the second place it appears, by striking "rescission bill with respect to the same special message or", and by striking ", and the case may be,";

(C) in subsection (b)(2), by striking "bill or" each place it appears;

(D) in subsection (c), by striking "rescission" each place it appears and by striking "bill or" each place it appears;

(E) in subsection (d)(1), by striking "rescission bill or" and by striking ", and all amendments thereto (in the case of a rescission bill)";

(F) in subsection (d)(2)—

(i) by striking the first sentence;

(ii) by amending the second sentence to read as follows: "Debate on any debatable motion or appeal in connection with an impoundment resolution shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event that the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee.";

(iii) by striking the third sentence; and

(iv) in the fourth sentence, by striking "rescission bill or" and by striking "amendment, debatable motion," and by inserting 'debatable motion';

(G) in paragraph (d)(3), by striking the second and third sentences; and

(H) by striking paragraphs (4), (5), (6), and (7) of paragraph (d).

(d) Clerical Amendments.—The table of sections for subpart B of title X of the Congressional Budget and Impoundment Control Act of 1974 is amended by redesignating the item relating to sections 1014 through 1018 as items 1015 through 1019, respectively, and by inserting after the item relating to section 1012 the following new item:

"Sec. 1013. Enhanced consideration of certain proposed rescissions.".

Subtitle C—Commission to Eliminate Waste, Fraud, and Abuse

SEC. 331. ESTABLISHMENT OF COMMISSION.

(a) Establishment.—There is established the Commission to Eliminate Waste, Fraud, and Abuse (hereafter in this subtitle referred to as the "Commission").

(b) Membership.—

(1) In general.—The Commission shall consist of 12 members, all of whom shall be appointed by the President not later than 90 days after the date of enactment of this Act.

(2) Chairperson and vice chairperson.—The President shall designate a chairperson and vice chairperson from among the members of the Commission.

(c) Period of Appointment; Vacancies.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) Meetings.—

(1) Initial meeting.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(2) Subsequent meetings.—The Commission shall meet at the call of the chairperson.

(e) Quorum.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

SEC. 332. DUTIES OF THE COMMISSION.

(a) Definitions.—In this section, the following definitions shall apply:

(1) Agency.—The term "agency" has the meaning given the term "Executive agency" under section 105 of title 5, United States Code.

(2) Program.—The term "program" means any activity or function of an agency.

(b) In General.—The Commission shall—

(1) evaluate all agencies and programs within those agencies, using the criteria under subsection (c); and

(2) submit to Congress—

(A) a plan with recommendations of the agencies and programs that should be realigned or eliminated; and

(B) proposed legislation to implement the plan described under subparagraph (A).

(c) Criteria.—

(1) Duplicative.—If 2 or more agencies or programs are performing the same essential function and the function can be consolidated or streamlined into a single agency or program, the Commission shall recommend that the agency or program be realigned.

(2) Wasteful or inefficient.—The Commission shall recommend the realignment or elimination of any agency or program that has wasted Federal funds by—

(A) egregious spending;

(B) mismanagement of resources and personnel; or

(C) use of such funds for personal benefit or the benefit of a special interest group.

(3) Outdated, irrelevant, or failed.—The Commission shall recommend the elimination of any agency or program that—

(A) has completed its intended purpose;

(B) has become irrelevant; or

(C) has failed to meet its objectives.

(d) Systematic Assessment of Programs.—

(1) In general.—Not later than 1 year after the date of enactment of this Act, the President shall—

(A) establish a systematic method for assessing the effectiveness and accountability of agency programs; and

(B) submit, to the Commission, assessments of not less than ½ of all programs covered under subsection (b)(1) that use the method established under subparagraph (A).

(2) Method objectives.—The method established under paragraph (1) shall—

(A) recognize different types of federal programs;

(B) assess programs based primarily on the achievement of performance goals (as defined under section 1115(f)(4) of title 31, United States Code); and

(C) assess programs based in part on the adequacy of the program's performance measures, financial management, and other factors determined by the President.

(3) Development.—The method established under paragraph (1) shall not be implemented until it has been reviewed and accepted by the Commission.

(4) Consideration of assessments.—The Commission shall consider assessments submitted under this subsection when evaluating programs under subsection (b)(1).

(e) Common Performance Measures.—Not later than 1 year after the date of enactment of this Act, the President shall identify common performance measures for programs covered in subsection (b)(1) that have similar functions and, to the extent feasible, provide the Commission with data on such performance measures.

(f) Report.—

(1) In general.—Not later than 2 years after the date of enactment of this Act, the Commission shall submit to the President and Congress a report that includes—

(A) the plan described under subsection (b)(2)(A), with supporting documentation for all recommendations; and

(B) the proposed legislation described under subsection (b)(2)(B).

(2) Relocation of federal employees.—The proposed legislation under paragraph (1)(B) shall provide that if the position of an employee of an agency is eliminated as a result of the implementation of the plan under paragraph (1)(A), the affected agency shall make reasonable efforts to relocate such employee to another position within the agency or within another Federal agency.

SEC. 333. POWERS OF THE COMMISSION.

(a) Hearings.—The Commission or, at its direction, any subcommittee or member of the Commission, may, for the purpose of carrying out this subtitle—

(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and administer such oaths as any member of the Commission considers advisable;

(2) require, by subpoena or otherwise, the attendance and testimony of such witnesses as any member of the Commission considers advisable; and

(3) require, by subpoena or otherwise, the production of such books, records, correspondence, memoranda, papers, documents, tapes, and other evidentiary materials relating to any matter under investigation by the Commission.

(b) Subpoenas.—

(1) Issuance.—Subpoenas issued under subsection (a) shall bear the signature of the chairperson of the Commission and shall be served by any person or class of persons designated by the chairperson for that purpose.

(2) Enforcement.—In the case of contumacy or failure to obey a subpoena issued under subsection (a), the United States district court for the judicial district in which the subpoenaed person resides, is served, or may be found, may issue an order requiring such person to appear at any designated place to testify or to produce documentary or other evidence. Any failure to obey the order of the court may be punished by the court as a contempt of that court.

(c) Information From Federal Agencies.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out this Act. Upon request of the chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(d) Postal Services.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Government.

(e) Gifts.—The Commission may accept, use, and dispose of gifts or donations of services or property.

SEC. 334. COMMISSION PERSONNEL MATTERS.

(a) Compensation of Members.—

(1) Non-federal members.—Except as provided under subsection (b), each member of the Commission who is not an officer or employee of the Government shall not be compensated.

(2) Federal officers or employees.—All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) Travel Expenses.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) Staff.—

(1) In general.—The chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) Compensation.—Upon the approval of the chairperson, the executive director may fix the compensation of the executive director and other personnel without regard to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the maximum rate payable for a position at GS–15 of the General Schedule under section 5332 of such title.

(3) Personnel as federal employees.—

(A) In general.—The executive director and any personnel of the Commission who are employees shall be employees under section 2105 of title 5, United States Code, for purposes of chapters 63, 81, 83, 84, 85, 87, 89, and 90 of that title.

(B) Members of commission.—Subparagraph (A) shall not be construed to apply to members of the Commission.

(d) Detail of Government Employees.—Any Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) Procurement of Temporary and Intermittent Services.—The chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 335. TERMINATION OF THE COMMISSION.

The Commission shall terminate 90 days after the date on which the Commission submits the report under section 232(f).

SEC. 336. CONGRESSIONAL CONSIDERATION OF REFORM PROPOSALS.

(a) DEFINITIONS.—In this section:

(1) IMPLEMENTATION BILL.—The term "implementation bill" means only a bill which is introduced as provided under subsection (b), and contains the proposed legislation included in the report submitted to Congress under section 232, without modification.

(2) CALENDAR DAY.—The term "calendar day" means a calendar day other than 1 on which either House is not in session because of an adjournment of more than 3 days to a date certain.

(b) INTRODUCTION; REFERRAL; AND REPORT OR DISCHARGE.—

(1) INTRODUCTION.—On the first calendar day on which both Houses are in session, on or immediately following the date on which the report is submitted to Congress under section 232, a single implementation bill shall be introduced (by request)—

(A) in the Senate by the Majority Leader of the Senate, for himself and the Minority Leader of the Senate, or by Members of the Senate designated by the Majority Leader and Minority Leader of the Senate; and

(B) in the House of Representatives by the Speaker of the House of Representatives, for himself and the Minority Leader of the House of Representatives, or by Members of the House of Representatives designated by the Speaker and Minority Leader of the House of Representatives.

(2) REFERRAL.—The implementation bills introduced under paragraph (1) shall be referred to any appropriate committee of jurisdiction in the Senate and any appropriate committee of jurisdiction in the House of Representatives. A committee to which an implementation bill is referred under this paragraph may report such bill to the respective House without amendment.

(3) REPORT OR DISCHARGE.—If a committee to which an implementation bill is referred has not reported such bill by the end of the 15th calendar day after the date of the introduction of such bill, such committee shall be immediately discharged from further consideration of such bill, and upon being reported or discharged from the committee, such bill shall be placed on the appropriate calendar.

(c) FLOOR CONSIDERATION.—

(1) IN GENERAL.—When the committee to which an implementation bill is referred has reported, or has been discharged under subsection (b)(3), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the implementation bill, and all points of order against the implementation bill (and against consideration of the implementation bill) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the implementation bill is agreed to, the implementation bill shall remain the unfinished business of the respective House until disposed of.

(2) AMENDMENTS.—An implementation bill may not be amended in the Senate or the House of Representatives.

(3) DEBATE.—Debate on the implementation bill, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the implementation bill is not in order. A motion to reconsider the vote by which the implementation bill is agreed to or disagreed to is not in order.

(4) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on an implementation bill, and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the implementation bill shall occur.

(5) RULINGS OF THE CHAIR ON PROCEDURE.—Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to an implementation bill shall be decided without debate.

(d) COORDINATION WITH ACTION BY OTHER HOUSE.—If; before the passage by 1 House of an implementation bill of that House, that House receives from the other House an implementation bill, then the following procedures shall apply:

(1) NONREFERRAL.—The implementation bill of the other House shall not be referred to a committee.

(2) VOTE ON BILL OF OTHER HOUSE.—With respect to an implementation bill of the House receiving the implementation bill—

(A) the procedure in that House shall be the same as if no implementation bill had been received from the other House; but

(B) the vote on final passage shall be on the implementation bill of the other House.

(e) RULES OF SENATE AND HOUSE OF REPRESENTATIVES.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of an implementation bill described in subsection (a), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

SEC. 337. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary for carrying out this subtitle for each of the fiscal years 2006 through 2008.

TITLE IV—TRUTH IN ACCOUNTING

Subtitle A—Accrual Funding of Pensions and Retirement Pay for Federal Employees and Uniformed Services Personnel

SEC. 401. CIVIL SERVICE RETIREMENT SYSTEM.

(a) CIVIL SERVICE RETIREMENT AND DISABILITY FUND.—Chapter 83 of title 5, United States Code, is amended—

(1) in section 8331—

(A) in paragraph (17)—

(i) by striking "normal cost" and inserting "normal cost percentage"; and

(ii) by inserting "and standards (using dynamic assumptions)" after "practice";

(B) by amending paragraph (18) to read as follows:

"(18) 'Fund balance' means the current net assets of the Fund available for payment of benefits, as determined by the Office in accordance with appropriate accounting standards, but does not include any amount attributable to—

"(A) the Federal Employees' Retirement System; or

"(B) contributions made under the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 by or on behalf of any individual who became subject to the Federal Employees' Retirement System;"

(C) by amending paragraph (19) to read as follows:

"(19) 'accrued liability' means the estimated excess of the present value of all benefits payable from the Fund to employees and Members, and former employees and Members, subject to this subchapter, and their survivors, over the present value of deductions to be withheld from the future basic pay of employees and Members currently subject to this subchapter and of future agency contributions to be made in their behalf;"

(D) in paragraph (27) by striking "and" at the end;

(E) in paragraph (28) by striking the period at the end and inserting a semicolon; and

(F) by adding at the end the following paragraphs:

"(29) 'dynamic assumptions' means economic assumptions that are used in determining actuarial costs and liabilities of a retirement system and in anticipating the effects of long-term future—

"(A) investment yields;

"(B) increases in rates of basic pay; and

"(C) rates of price inflation; and

"(30) 'unfunded liability' means the estimated excess of—

"(A) the actuarial present value of all future benefits payable from the Fund under this subchapter based on the service of current or former employees or Members, over

"(B) the sum of—

"(i) the actuarial present value of deductions to be withheld from the future basic pay of employees and Members currently subject to this chapter pursuant to section 8334;

"(ii) the actuarial present value of the future contributions to be made pursuant to section 8334 with respect to employees and Members currently subject to this subchapter;

"(iii) the Fund balance, as defined in paragraph (18), as of the date the unfunded liability is determined; and

"(iv) any other appropriate amount, as determined by the Office of Personnel Management in accordance with generally accepted actuarial practices and principles.";

(2) in section 8334—

(A) in subsection (a)(1)—

(i) by striking the last two sentences;

(ii) by redesignating that subsection, as so amended, as (a)(1)(A); and

(iii) by adding at the end the following new subparagraphs:

"(B) Except as provided in subparagraph (E), each employing agency having any employees or Members subject to subparagraph (A) shall contribute from amounts available for salaries and expenses an amount equal to the sum of—

"(i) the product of—

"(I) the normal cost percentage, as determined for employees (other than employees covered by clause (ii)), multiplied by

"(II) the aggregate amount of basic pay payable by the agency, for the period involved, to employees (under subclause (I)) who are within such agency; and

"(ii) the product of—

"(I) the normal cost percentage, as determined for Members, Congressional employees, law enforcement officers, firefighters, air traffic controllers, bankruptcy judges, Court of Federal Claims judges, United States magistrates, judges of the United States Court of Appeals for the Armed Forces, members of the Capitol Police, nuclear materials couriers, and members of the Supreme Court Police, multiplied by

"(II) the aggregate amount of basic pay payable by the agency for the period involved, to employees and Members (under subclause (I)) who are within such agency.

"(C) In determining the normal cost percentage to be applied under subparagraph (B), amounts provided for under subparagraph (A) shall be taken into account.

"(D) Contributions under this paragraph shall be paid—

"(i) in the case of law enforcement officers, firefighters, air traffic controllers, bankruptcy judges, Court of Federal Claims judges, United States magistrates, judges of the United States Court of Appeals for the Armed Forces, members of the Supreme Court Police, nuclear materials couriers and other employees, from the appropriations or fund used to pay such law enforcement officers, firefighters, air traffic controllers, bankruptcy judges, Court of Federal Claims judges, United States magistrates, judges of the United States Court of Appeals for the Armed Forces, members of the Supreme Court Police, nuclear materials couriers and other employees, respectively;

"(ii) in the case of elected officials, from an appropriation or fund available for payment of other salaries of the same office or establishment; and

"(iii) in the case of employees of the legislative branch paid by the Clerk of the House of Representatives, from the contingent fund of the House.

"(E) In the case of the United States Postal Service, the Metropolitan Washington Airports Authority, and the government of the District of Columbia, an amount equal to that withheld under subparagraph (A) shall be contributed from the appropriation or fund used to pay the employee."; and

(B) in subsection (k)—

(i) in paragraph (1)—

(I) in subparagraph (A) by striking "the first sentence of subsection (a)(1) of this section" and inserting "subsection (a)(1)(A)"; and

(II) by amending subparagraph (B) to read as follows:

"(B) the amount of the contribution under subsection (a)(1)(B) shall be the amount which would have been contributed under such subsection if this subsection had not been enacted."; and

(ii) in paragraph (2)(C)(iii) by striking "the first sentence of subsection (a)(1)" and inserting "subsection (a)(1)(A)"; and

(3) in section 8348—

(A) by repealing subsection (f);

(B) by amending subsection (g) to read as follows:

"(g)(1)(A) Not later than June 30, 2005, the Office of the Actuary shall determine the unfunded liability of the Fund, as of September 30, 2004, attributable to benefits payable under this chapter and make recommendations regarding its liquidation. After considering such recommendations, the Office shall establish an amortization schedule, including a series of annual installments commencing October 1, 2005, which provides for the liquidation of such liability by October 1, 2044.

"(B) The Office shall redetermine the unfunded liability of the Fund as of the close of the fiscal year, for each fiscal year beginning after September 30, 2004, through the fiscal year ending September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability by October 1, 2044.

"(C) The Office shall redetermine the unfunded liability of the Fund as of the close of the fiscal year for each fiscal year beginning after September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability over five years.

"(D) Amortization schedules established under this paragraph shall be set in accordance with generally accepted actuarial practices and principles, with interest computed at the rate used in the most recent valuation of the Civil Service Retirement System.

"(2) At the beginning of each fiscal year, beginning on October 1, 2005, the Office shall notify the Secretary of the Treasury of the amount of the first installment under the most recent amortization schedule established under paragraph (1). The Secretary shall credit that amount to the Fund, as a Government contribution, out of any money in the Treasury of the United States not otherwise appropriated.

"(3) For the purpose of carrying out paragraph (1) with respect to any fiscal year, the Office may—

"(A) require the Board of Actuaries of the Civil Service Retirement System to make actuarial determinations and valuations, make recommendations, and maintain records in accordance with section 8347(f); and

"(B) use the latest actuarial determinations and valuations made by such Board of Actuaries.";

(C) in subsections (h), (i), and (m) by striking "unfunded" and inserting "accrued" each place it appears; and

(D) by adding at the end the following new subsection:

"(n) Under regulations prescribed by the Office, the head of an agency may request reconsideration of any amount determined to be payable with respect to such agency under section 8334(a)(1)(B)-(D). Any such request shall be referred to the Board of Actuaries of the Civil Service Retirement System. The Board of Actuaries shall review the computations of the Office and may make any adjustment with respect to any such amount which the Board determines appropriate. A determination by the Board of Actuaries under this subsection shall be final.".

(b) GOVERNMENT CONTRIBUTIONS.—Section 8423 of title 5, United States Code, is amended—

(1) in subsection (a)(2) by striking "section 8422" and inserting "section 8422(a)"; and

(2) in subsection (b)(2) by striking "equal annual installments" and inserting "annual installments set in accordance with generally accepted actuarial practices and principles".

SEC. 402. CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM.

(a) Section 101 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2001) is amended—

(1) in paragraph (5), to read as follows:

"(5) UNFUNDED LIABILITY.—The term 'unfunded liability' means the estimated excess of—

"(A) the actuarial present value of all future benefits payable from the Fund under title II of this Act based on the service of current or former participants, over

"(B) the sum of—

"(i) the actuarial present value of deductions to be withheld from the future basic pay of participants currently subject to title II of this Act pursuant to section 211;

"(ii) the actuarial present value of the future contributions to be made pursuant to section 211 with respect to participants currently subject to title II of this Act;

"(iii) the Fund balance, as defined in paragraph (4), as of the date the unfunded liability is determined; and

"(iv) any other appropriate amount, as determined by the Director in accordance with generally accepted actuarial practices and principles.";

(2) in paragraph (6)—

(A) by striking "'normal cost'" and inserting "'normal cost percentage'"; and

(B) by inserting "and standards (using dynamic assumptions)" after "practice"; and

(3) by adding at the end the following paragraph:

"(10) DYNAMIC ASSUMPTIONS.—The term 'dynamic assumptions' means economic assumptions that are used in determining actuarial costs and liabilities of a retirement system and in anticipating the effects of long-term future—

"(A) investment yields;

"(B) increases in rates of basic pay; and

"(C) rates of price inflation.";

(b) Section 202 of such Act (50 U.S.C. 2012) is amended by adding at the end the following: "The Fund is appropriated for the payment of benefits as provided by this title.".

(c) Section 211(a)(2) of such Act (50 U.S.C. 2021(a)(2)) is amended to read as follows:

"(2) AGENCY CONTRIBUTIONS.—The Agency shall contribute to the Fund the amount computed in a manner similar to that used under section 8334(a) of title 5, United States Code, pursuant to determinations of the normal cost percentage of the Central Intelligence Agency Retirement and Disability System by the Director. Contributions under this paragraph shall be paid from amounts available for salaries and expenses."; and

(d) Section 261 of such Act (50 U.S.C. 2091) is amended—

(1) by striking subsections (c), (d), and (e); and

(2) by inserting after subsection (b) the following new subsections:

"(c)(1) Not later than June 30, 2005, the Director shall cause to be made actuarial valuations of the Fund that determine the unfunded liability of the Fund, as of September 30, 2004, attributable to benefits payable under this title and make recommendations regarding its liquidation. After considering such recommendations, the Director shall establish an amortization schedule, including a series of annual installments commencing October 1, 2005, which provides for the liquidation of such liability by October 1, 2044.

"(2) The Director shall redetermine the unfunded liability of the Fund as of the close of the fiscal year, for each fiscal year beginning after September 30, 2004, through the fiscal year ending September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability by October 1, 2044.

"(3) The Director shall redetermine the unfunded liability of the Fund as of the close of the fiscal year for each fiscal year beginning after September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on

October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability over five years.

"(4) Amortization schedules established under this subsection shall be set in accordance with generally accepted actuarial practices and principles, with interest computed at the rate used in the most recent valuation of the Civil Service Retirement and Disability System.

"(d) At the beginning of each fiscal year, beginning on October 1, 2005, the Director shall notify the Secretary of the Treasury of the amount of the first installment under the most recent amortization schedule established under subsection (c). The Secretary shall credit that amount to the Fund, as a Government contribution, out of any money in the Treasury of the United States not otherwise appropriated. For the purposes of Section 504 of the National Security Act of 1947, this amount shall be considered authorized.".

(e)(1) Title III of such Act (50 U.S.C. 2151 et seq.) is amended by adding at the end the following new section:

"SEC. 308. FULL FUNDING OF RETIREE COSTS FOR EMPLOYEES DESIGNATED UNDER SECTION 302.

"(a) In addition to other government contributions required by law, the Agency shall contribute to the Civil Service Retirement and Disability fund (hereinafter in this section referred to as the 'Fund') amounts calculated in accordance with section 8423 of title 5, United States Code, based on the projected number of employees to be designated pursuant to section 302 of this Act. In addition, the Agency, in a manner similar to that established for employee contributions to the Fund by section 8422 of title 5, United States Code, will contribute an amount equal to the difference between that which would be contributed by the number of employees projected to be designated under section 302 and the amounts that are actually being deducted and contributed from the basic pay of an equal number of employees pursuant to section 8422. The amounts of the Agency's contributions under this subsection shall be determined by the Director of the Office of Personnel Management, in consultation with the Director, and shall be paid by the Agency from funds available for salaries and expenses. Agency employees designated pursuant to section 302 of this Act shall, commencing with such designation, have deducted from their basic pay the full amount required by section 8422 of title 5, United States Code, and such deductions shall be contributed to the Fund.

"(b)(1) The Director of the Office of Personnel Management, in consultation with the Director, shall determine the total amount of unpaid contributions (government and employee contributions) and interest attributable to the number of individuals employed with the Agency on September 30, 2005, who are projected to be designated under section 302 of this Act, but are not yet designated under that section as of that date. The amount shall be referred to as the section 302 unfunded liability.

"(2) Not later than June 30, 2006, the Director of the Office of Personnel Management, in consultation with the Director, shall establish an amortization schedule, setting forth a series of annual installments commencing September 30, 2006, which provides for the liquidation of the section 302 unfunded liability by September 30, 2013.

"(3) At the end of each fiscal year, beginning on September 30, 2006, the Director shall notify the Secretary of the Treasury of the amount of the annual installment under the amortization schedule established under paragraph (2) of this subsection. Before closing the accounts for that fiscal year, the Secretary shall credit that amount to the Fund, out of any money in the Treasury of the United States not otherwise appropriated.

"(c) Amounts paid by the Agency pursuant to this section are deemed to be specifically authorized by the Congress for the purposes of section 504 of the National Security Act of 1947.".

(2) The table of contents of such Act is amended by inserting after the item relating to section 307 the following new item:

"Sec. 308. Full funding of retiree costs for employees designated under section 302.".

SEC. 403. FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM.

(a) Chapter 8 of Title I of the Foreign Service Act of 1980, Public Law 96–465, (22 U.S.C. 4041 et seq.) 94 Stat. 2071, as amended, is further amended in section 804 (22 U.S.C. 4044)—

(1) by amending paragraph (5) to read as follows:

"(5) 'normal cost percentage' means the entry-age normal cost computed in accordance with generally accepted actuarial practice and standards (using dynamic assumptions) and expressed as a level percentage of aggregate basic pay;";

(2) by amending paragraph (14) to read as follows:

"(14) 'unfunded liability' means the estimated excess of—

"(A) the actuarial present value of all future benefits payable from the Fund under this part based on the service of current or former participants, over

"(B) the sum of—

"(i) the actuarial present value of deductions to be withheld from the future basic pay of participants currently subject to this part pursuant to section 805;

"(ii) the actuarial present value of the future contributions to be made pursuant to section 805 with respect to participants currently subject to this part;

"(iii) the Fund balance, as defined in paragraph (7), as of the date the unfunded liability is determined, excluding any amount attributable to the Foreign Service Pension System, or contributions made under the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 by or on behalf of any individual who became subject to the Foreign Service Pension System; and

"(iv) any other appropriate amount, as determined by the Secretary of the Treasury in accordance with generally accepted actuarial practices and principles."; and

(3)(A) by striking the period at the end of paragraph (15) and inserting "; and"; and

(B) by adding at the end the following new paragraph:

"(16) 'dynamic assumptions' means economic assumptions that are used in determining actuarial costs and liabilities of a retirement system and in anticipating the effects of long-term future—

"(A) investment yields;

"(B) increases in rates of basic pay; and

"(C) rates of price inflation.";

(b) in section 852 (22 U.S.C. 4071a)—

(1) in paragraph (4)—

(A) by striking "normal cost" and inserting "normal cost percentage"; and

(B) by striking "by the Secretary of State";

(2) in paragraph (7)—

(A) by striking "supplemental" and inserting "unfunded";

(B) in subparagraph (B)(i) by striking "(I)" and "and (II) contributions for past civilian and military service"; and

(C) in subparagraph (B)(ii) by inserting before the semicolon "with respect to participants currently subject to this part"; and

(3)(A) at the end of paragraph (8) by striking "and";

(B) at the end of paragraph (9) by striking the period and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(10) 'dynamic assumptions' means economic assumptions that are used in determining actuarial costs and liabilities of a retirement system and in anticipating the effects of long-term future—

"(A) investment yields;

"(B) increases in rates of basic pay; and

"(C) rates of price inflation.";

(c) in section 805(a)(1) (22 U.S.C. 4045(a)(i))—

(1) by striking the second sentence;

(2) (by redesignating that subsection, as so amended, as (a)(1)(A);

(3) by redesignating the last sentence of that subsection, as so amended as (a)(1)(C);

(4) by inserting after subparagraph (A) the following new subparagraph:

"(B) Each employing agency having participants shall contribute to the Fund the amount computed in a manner similar to that used under section 8334(a) of title 5, United States Code, pursuant to determinations of the normal cost percentage of the Foreign Service Retirement and Disability System. Contributions under this subparagraph shall be paid from the appropriations or fund used for payment of the salary of the participant.";

(5) in subsection (a)(2)(A) by striking "An equal amount shall be contributed by the Department" and inserting in its place "Each employing agency having participants shall contribute to the Fund the amount computed in a manner similar to that used under section 8334(a) of title 5, United States Code, pursuant to determinations of the normal cost percentage of the Foreign Service Retirement and Disability System"; and

(6) in subsection (a)(2)(B) by striking "An equal amount shall be contributed by the Department" and inserting in its place "Each employing agency having participants shall contribute to the Fund from amounts available for salaries and expenses the amount computed in a manner similar to that used under section 8334(a) of title 5, United States Code, pursuant to determinations of the normal cost percentage of the Foreign Service Retirement and Disability System";

(d) by repealing sections 821 and 822 (22 U.S.C. 4061 and 4062) and by adding the following new section:

"SEC. 821. UNFUNDED LIABILITY.—(a)(1) Not later than June 30, 2005, the Secretary of State shall cause to be made actuarial valuations of the Fund that determine the unfunded liability of the Fund, as of September 30, 2004, attributable to benefits payable under this subchapter and make recommendations regarding its liquidation. After considering such recommendations, the Secretary of State shall establish an amortization schedule, including a series of annual installments commencing October 1, 2004, which provides for the liquidation of such liability by October 1, 2044.

"(2) The Secretary of State shall redetermine the unfunded liability of the Fund as of the close of the fiscal year, for each fiscal year beginning after September 30, 2004, through the fiscal year ending September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability by October 1, 2044.

"(3) The Secretary of State shall redetermine the unfunded liability of the Fund as of the close of the fiscal year for each fiscal year beginning after September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability over five years.

"(4) Amortization schedules established under this subsection shall be set in accordance with generally accepted actuarial practices and principles, with interest computed at the rate used in the most recent valuation of the Foreign Service Retirement and Disability System.

"(b) At the beginning of each fiscal year, beginning on October 1, 2005, the Secretary of State shall notify the Secretary of the Treasury of the amount of the first installment under the most recent amortization schedule established under paragraph (1). The Secretary of the Treasury shall credit that amount to the Fund, as a Government contribution, out of any money in the Treasury of the United States not otherwise appropriated.";

(e) in section 857(b)(1) (22 U.S.C. 4071f(b)(1)) by striking "equal annual installments" and inserting "annual installments set in accordance with generally accepted actuarial practices and principles";

(f) in section 859 (22 U.S.C. 4071h) by adding "percentage" after "normal cost";

(g) in section 802 (22 U.S.C. 4042) by adding at the end the following: "The Fund is appropriated for the payment of benefits as provided by this subchapter."; and

(h) in section 818 (22 U.S.C. 4058) by striking "System" and inserting "Systems under this subchapter".

SEC. 404. PUBLIC HEALTH SERVICE COMMISSIONED CORPS RETIREMENT SYSTEM.

(a) IN GENERAL.—Title II of the Public Health Service Act (42 U.S.C. 202 et seq.) is amended by adding at the end the following new part:

"PART C—PUBLIC HEALTH SERVICE COMMISSIONED CORPS RETIREMENT SYSTEM

"ESTABLISHMENT AND PURPOSE OF FUND

"SEC. 251. There is established on the books of the Treasury a fund to be known as the Public Health Service Commissioned Corps Retirement Fund (hereinafter in this part referred to as the 'Fund'), which shall be administered by the Secretary. The Fund shall be used for the accumulation of funds in order to finance on an actuarially sound basis liabilities of the Department of Health and Human Services for benefits payable on account of retirement, disability, or death to commissioned officers of the Public Health Service and to their survivors pursuant to part A of this title.

"ASSETS OF THE FUND

"SEC. 252. There shall be deposited into the Fund the following, which shall constitute the assets of the Fund:

"(1) Amounts paid into the Fund under section 255.

"(2) Any return on investment of the assets of the Fund.

"(3) Amounts transferred into the Fund pursuant to section 404(c) of the Family Budget Protection Act of 2004.

"PAYMENT FROM THE FUND

"SEC. 253. There shall be paid from the Fund benefits payable on account of retirement, disability, or death to commissioned officers of the Public Health Service and to their survivors pursuant to part A of this title.

"DETERMINATION OF CONTRIBUTIONS TO THE FUND

"SEC. 254. (a)(1) Not later than June 30, 2005, the Secretary shall determine the unfunded liability of the Fund attributable to service performed as of September 30, 2004, which is 'active service' for the purpose of section 212. The Secretary shall establish an amortization schedule, including a series of annual installments commencing October 1, 2005, which provides for the liquidation of such liability by October 1, 2044.

"(2) The Secretary shall redetermine the unfunded liability of the Fund as of the close of the fiscal year, for each fiscal year beginning after September 30, 2004, through the fiscal year ending September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability by October 1, 2044.

"(3) The Secretary shall redetermine the unfunded liability of the Fund as of the close of the fiscal year for each fiscal year beginning after September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability over 5 years.

"(b) The Secretary shall determine each fiscal year, in sufficient time for inclusion in the budget request for the following fiscal year, the total amount of Department of Health and Human Services contributions to be made to the Fund during the fiscal year under section 255(a). That amount shall be the sum of—

"(1) the product of—

"(A) the current estimate of the value of the single level percentage of basic pay to be determined under subsection (c)(1) at the time of the most recent actuarial valuation under subsection (c); and

"(B) the total amount of basic pay expected to be paid during that fiscal year to commissioned officers of the Public Health Service on active duty (other than active duty for training); and

"(2) the product of—

"(A) the current estimate of the value of the single level percentage of basic pay and of compensation (paid pursuant to section 206 of title 37, United States Code) to be determined under subsection (c)(2) at the time of the most recent actuarial valuation under subsection (c); and

"(B) the total amount of basic pay and of compensation (paid pursuant to section 206 of title 37, United States Code) expected to be paid during the fiscal year to commissioned officers of the Reserve Corps of the Public Health Service (other than officers on full-time duty other than for training) who are not otherwise described in subparagraph (A).

"(c) Not less often than every four years thereafter (or by the fiscal year end prior to the effective date of any statutory change affecting benefits payable on account of retirement, disability, or death to commissioned officers or their survivors), the Secretary shall carry out an actuarial valuation of benefits payable on account of retirement, disability, or death to commissioned officers of the Public Health Service and to their survivors pursuant to part A of this title. Each such actuarial valuation shall be signed by an enrolled Actuary and shall include—

"(1) a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay for commissioned officers of the Public Health Service on active duty (other than active duty for training); and

"(2) a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay and of compensation (paid pursuant to section 206 of title 37, United States Code) of commissioned officers of the Reserve Corps of the Public Health Service (other than officers on full time duty other than for training) who are not otherwise described in paragraph (1).

"(d) All determinations under this section shall be in accordance with generally accepted actuarial principles and practices and, where appropriate, shall follow the general pattern of methods and assumptions approved by the Department of Defense Retirement Board of Actuaries.

"(e) The Secretary shall provide for the keeping of such records as are necessary for determining the actuarial status of the Fund.

"PAYMENTS INTO THE FUND

"SEC. 255. (a) From amounts available to the Department of Health and Human Services for salaries and expenses, the Secretary shall pay into the Fund at the end of each month the amount that is the sum of—

"(1) the product of—

"(A) the level percentage of basic pay determined using all the methods and assumptions approved for the most recent (as of the first day of the current fiscal year) actuarial valuation under sections 254(c)(1) (except that any statutory change affecting benefits payable on account of retirement, disability, or death to commissioned officers or their survivors that is effective after the date of that valuation and on or before the first day of the current fiscal year shall be used in such determination); and

"(B) the total amount of basic pay accrued for that month by commissioned officers of the Public Health Service on active duty (other than active duty for training); and

"(2) the product of—

"(A) the level percentage of basic pay and of compensation (paid pursuant to section 206 of title 37, United States Code) determined using all the methods and assumptions approved for the most recent (as of the first day of the current fiscal year) actuarial valuation under section 254(c)(2) (except that any statutory change affecting benefits payable on account of retirement, disability, or death to commissioned officers or their survivors that is effective after the date of that valuation and on or before the first day of the current fiscal year shall be used in such determinations); and

"(B) the total amount of basic pay and of compensation (paid pursuant to section 206 of title 37, United States Code) accrued for that month by commissioned officers of the Reserve Corps of the Public Health Service (other than officers on full-time duty other than for training).

"(b) At the beginning of each fiscal year, beginning on October 1, 2005, the Secretary shall certify to the Secretary of the Treasury the amount of the first installment under the most recent amortization schedule established under section 254(a). The Secretary of the Treasury shall pay into the Fund from the General Fund of the Treasury the amount so certified. Such payment shall be the contribution to the Fund for that fiscal year.

"INVESTMENTS OF ASSETS OF FUND

"Sec. 256. The Secretary may request the Secretary of the Treasury to invest such portion of the Fund as is not, in the judgment of the Secretary, required to meet the current needs of the Fund. Such investments shall be made by the Secretary of the Treasury in public debt securities with maturities suitable to the needs of the Fund, as determined by the Secretary, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income on such investments shall be credited to and form a part of the Fund.

"IMPLEMENTATION YEAR EXCEPTIONS

"Sec. 257. (a) To avoid funding shortfalls in the first year should formal actuarial determinations not be available in time for budget preparation, the amounts used in the first year in sections 255(a)(1)(A) and 255(a)(2)(A) shall be set equal to those estimates in sections 254(b)(1)(A) and 254(b)(2)(A) if final determinations are not available. The original unfunded liability as defined in section 254(a) shall include an adjustment to correct for this difference between the formal actuarial determinations and the estimates in sections 254(b)(1)(A) and 254(b)(2)(A).".

(b) Conforming Amendments.—

(1) Condition of detail.—Section 214 of the Public Health Service Act (42 U.S.C. 215) is amended by adding at the end the following new subsection:

"(e) The Secretary shall condition any detail under subsection (a), (b), or (c) upon the agreement of the executive department, State, subdivision, Committee of the Congress, or institution concerned to pay to the Department of Health and Human Services, in advance or by way of reimbursement, for the full cost of the detail including that portion of the contributions under section 255(a) that is attributable to the detailed personnel.".

(2) Sequestration rule.—Section 256(f) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 906(f)) is amended—

(A) by inserting after the item relating to "payment to the foreign service retirement and disability fund" the following item: "Payment to the Public Health Service Commissioned Corps Retirement Fund (75–0380–0–1–551);"; and

(B) by inserting after the item relating to the "Pensions for former Presidents" the following item: "Public Health Service Commissioned Corps Retirement Fund (75–8274–0–7–602);".

(c) Transfer of Appropriations.—There shall be transferred on October 1, 2006, into the fund established under section 251 of the Public Health Service Act, as added by subsection (a), any obligated or unobligated balances of appropriations made to the Department of Health and Human Services that are currently available for benefits payable on account of retirement, disability, or death to commissioned officers of the Public Health Service and to their survivors pursuant to part A of title II of the Public Health Service Act, and amounts so transferred shall be part of the assets of the Fund.

SEC. 405. NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION COMMISSIONED OFFICER CORPS RETIREMENT SYSTEM.

(a) In General.—The National Oceanic and Atmospheric Administration Commissioned Officer Corps Act of 2002 (title II of Public Law 107–372) is amended by inserting after section 246 (33 U.S.C. 3046) the following new section:

"Sec. 246A. (a) Establishment and Purpose of NOAA Commissioned Officer Corps Retirement Fund.—(1) There is established on the books of the Treasury a fund to be known as the National Oceanic and Atmospheric Administration Commissioned Officer Corps Retirement Fund (hereinafter in this section referred to as the 'Fund'), which shall be administered by the Secretary. The Fund shall be used for the accumulation of funds in order to finance on an actuarially sound basis liabilities of the Department of Commerce under military retirement and survivor benefit programs for the commissioned officers corps.

"(2) The term 'military retirement and survivor benefit program' means—

"(A) the provisions of this title and title 10, United States Code, creating entitlement to, or determining, the amount of retired pay;

"(B) the programs under the jurisdiction of the Department of Defense providing annuities for survivors and members and former members of the Armed Forces, including chapter 73 of title 10, section 4 of Public Law 92–425, and section 5 of Public Law 96–202, as made applicable to the commissioned officer corps by section 261.

"(b) Assets of the Fund.—There shall be deposited into the Fund the following, which shall constitute the assets of the Fund:

"(1) Amounts paid into the Fund under subsection (e).

"(2) Any return on investment of the assets of the Fund.

"(3) Amounts transferred into the Fund pursuant to section 405(c) of the Family Budget Protection Act of 2004.

"(c) Payments From the Fund.—There shall be paid from the Fund benefits payable on account of military retirement and survivor benefit programs to commissioned officers of the commissioned officer corps and their survivors.

"(d) Determination of Contributions to the Fund.—(1)(A) Not later than June 30, 2004, the Secretary shall determine the unfunded liability of the Fund attributable to service performed as of September 30, 2004, which is 'active service' for the purpose of this title. The Secretary shall establish an amortization schedule, including a series of annual installments commencing October 1, 2005, which provides for the liquidation of such liability by October 1, 2044.

"(B) The Secretary shall redetermine the unfunded liability of the Fund as of the close of the fiscal year, for each fiscal year beginning after September 30, 2004, through the fiscal year ending September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on September 30 of the subsequent fiscal year, which provides for the liquidation of such liability by October 1, 2044.

"(C) The Secretary shall redetermine the unfunded liability of the Fund as of the close of the fiscal year for each fiscal year beginning after September 30, 2039, and shall establish a new authorization schedule, including series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability over 5 years.

"(2) The Secretary shall determine each fiscal year, in sufficient time for inclusion in the budget request for the following fiscal year, the total amount of Department of Commerce contributions to be made to the Fund during that fiscal year under (e). The amount shall be the product of—22 "(A) the current estimate of the value of the single level percentage of basic pay to be determined under subsection (e) at the time of the most recent actuarial valuation under paragraph (3); and

"(B) the total amount of basic pay expected to be paid during that fiscal year to commissioned officers of NOAA on active duty.

"(3) Not less often then every four years (or by the fiscal year end before the effective date of any statutory change affecting benefits payable on account of retirement, disability, or death to commissioned officers or their survivors), the Secretary shall carry out an actuarial valuation of benefits payable on account of military retirement and survivor benefit programs to commissioned officers of the Administration and to their survivors. Each such actuarial valuation shall be signed by an enrolled Actuary and shall include a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay for commissioned officers on active duty.

"(4) All determinations under this section shall be in accordance with generally accepted actuarial principles and practices, and, where appropriate, shall follow the general pattern of methods and assumptions approved by the Department of Defense Retirement Board of Actuaries.

"(5) The Secretary shall provide for the keeping of such records as are necessary for determining the actuarial status of the Fund.

"(e) Payments Into the Fund.—(1) From amounts appropriated to the National Oceanic Atmospheric Administration for salaries and expenses, the Secretary shall pay into the Fund at the end of each month the amount that is the product of—

"(A) the level percentage of basic pay determined using all the methods and assumptions approved for the most recent (as of the first day of the current fiscal year) actuarial valuation under subsection (d) (except that any statutory change affecting benefits payable on account of military retirement and survivor benefit programs to commissioned officers of the Administration and to their survivors that is effective date after the date of that valuation and on or before the first day of the current fiscal year shall be used in such determination); and

"(B) the total amount of basic pay accrued for that month by commissioned officers on active duty.

"(2)(A) At the beginning of each fiscal year, the Secretary shall determine the sum of—

"(i) the amount of the payment for that year under the amortization of the original unfunded liability of the Fund;

"(ii) the amount (including any negative amount) for that year under the most recent amortization schedule determined by the Secretary for the amortization of any cumulative actuarial gain or loss to the Fund, resulting from changes in benefits; and

"(iii) the amount (including any negative amount) for that year under the most recent amortization schedule determined by the Secretary for the amortization or any cumulative actuarial gain or loss to the Fund resulting from changes in actuarial assumptions and from experience different from the assumed since the last valuation.

The Secretary shall promptly certify the amount of the sum to the Secretary of the Treasury.

"(B) Upon receiving the certification pursuant to paragraph (1), the Secretary of the Treasury shall promptly pay into the Fund from the General Fund of the Treasury the amount so certified. Such payment shall be the contribution to the Fund for that fiscal year.

"(f) Investment of Assets of the Fund.—The Secretary may request the Secretary of the Treasury to invest such portion of the Fund as is not, in the judgment of the Secretary, required to meet the current needs of the Fund. Such investments shall be made by the Secretary of the Treasury in public debt securities with maturities suitable to the needs of the Fund, as determined by the Secretary, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income of such investments shall be credited to and form a part of the Fund.

"(g) Implementation Year Exceptions.—(1) To avoid funding shortfalls in the first year should formal actuarial determinations not be available in time for budget preparation, the amounts used in the first year in subsection (e)(1)(A) shall be set equal to the estimate in subsection (d)(2)(A) if final determinations are not available. The original unfunded liability as determined in subsection (d)(1) shall include an adjustment to correct for this difference between the formal actuarial determinations and the estimates in subsection (d)(2)(A).".

(b) Sequestration Rule.—Section 256(f) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 906(f)) is amended by striking "National Oceanic and Atmospheric Administration retirement (13-1450-0-1-306):" and inserting "National Oceanic and Atmospheric Administration Commissioned Officer Corps Retirement Fund;".

(c) Transfer of Appropriations.—There shall be transferred on October 1, 2006, into the fund established under section 246A(a) of the National Oceanic and Atmospheric Administration Commissioned Officer Corps Act of 2002 (title II of Public Law 107-372, as added by subsection (a)), any obligated and unobligated balance of appropriations made to the Department of Commerce that are available as of the date of the enactment of this Act for benefits payable on account of military retirement and survivor benefit programs to commissioned officers of the NOAA Commissioned Officer Corps and to their survivors, and amounts so transferred shall be part of the assets of the Fund, effective October 1, 2006.

(d) Effective Date.—Subsection (c) (relating to payments from the Fund) and (e) (relating to payments into the Fund) of section 246A of the National Oceanic and Atmospheric Administration Commissioned Officer Corps Act of 2002 (title II of Public Law 107-372, as added by subsection (a)), shall take effect on October 1, 2006.

SEC. 406. COAST GUARD MILITARY RETIREMENT SYSTEM.

(a) Accrual Funding for Coast Guard Retirement.—

(1) In general.—Chapter 11 of title 14, United States Code, is amended by adding at the end the following new subchapter:

"SUBCHAPTER V—COAST GUARD MILITARY RETIREMENT FUND

"§ 441. Establishment and purpose of Fund; definitions

"(a) Establishment of Fund; Purpose.—There is established on the books of the Treasury a fund to be known as the Coast Guard Military Retirement Fund (hereinafter in this subchapter referred to as the 'Fund'), which shall be administered by the Secretary. The Fund shall be used for the accumulations of funds in order to finance on an actuarially sound basis liabilities of the Coast Guard under military retirement and survivor benefit programs.

"(b) Military Retirement and Survivor Benefit Programs Defined.—In this subchapter, the term 'military retirement and survivor benefit programs' means—

"(1) the provisions of this title and title 10 creating entitlement to, or determining the amount of, retired pay;

"(2) the programs providing annuities for survivors of members and former members of the armed forces, including chapter 73 of title 10, section 4 of Public Law 92-425, and section 5 of Public Law 96-402; and

"(3) the authority provided in section 1048(h) of title 10.

"(c) Secretary Defined.—In this subchapter, the term 'Secretary' means the Secretary of Homeland Security when the Coast Guard is not operating as a service in the Navy and the Secretary of Defense when the Coast Guard is operating as a service in the Navy.

"§ 442. Assets of the Fund

"There shall be deposited into the Fund the following, which shall constitute the assets of the Fund:

"(1) Amounts paid into the Fund under section 445 of this title.

"(2) Any return on investment of the assets of the Fund.

"(3) Amounts transferred into the Fund pursuant to section 406(d) of the Family Budget Protection Act of 2004.

"§ 443. Payments from the Fund

"(a) In General.—There shall be paid from the Fund the following:

"(1) Retired pay payable to persons on the retired list of the Coast Guard.

"(2) Retired pay payable under chapter 1223 of title 10 to former members of the Coast Guard and the former United States Lighthouse Service.

"(3) Benefits payable under programs that provide annuities for survivors of members and former members of the armed forces, including chapter 73 of title 10, section 4 of Public Law 92-425, and section 5 of Public Law 96-402.

"(4) Amounts payable under section 1048(h) of title 10.

"(b) Availability of Assets of the Fund.—The assets of the Fund are hereby made available for payments under subsection (a).

"§ 444. Determination of contributions to the Fund

"(a) Initial Unfunded Liability.—(1) Not later than June 30, 2005, the Secretary shall determine the unfunded liability of the Fund attributable to service performed as of September 30, 2004, which is 'active service' for the purposes of section 212. The Secretary shall establish an amortization schedule, including a series of annual installments commencing October 1, 2005, which provides for the liquidation of such liability by October 1, 2044.

"(2) The Secretary shall redetermine the unfunded liability of the Fund as of the close of the fiscal year, for each beginning after September 30, 2004, through the fiscal year ending September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability by October 1, 2044.

"(3) The Secretary shall redetermine the unfunded liability of the Fund as of the close of the fiscal year for each fiscal year beginning after September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability over five years.

"(b) Annual Contributions for Current Services.—(1) The Secretary shall determine each fiscal year, in sufficient time for inclusion in the budget request for the following fiscal year, the total amount of Department of Homeland Security, or Department of Defense, contributions to be made to the Fund during that fiscal year under section 445(a) of this title. That amount shall be the sum of the following:

"(A) The product of—

"(i) the current estimate of the value of the single level percentage of basic pay to be determined under subsection (c)(1)(A) at the time of the most recent actuarial valuation under subsection (c); and

"(ii) the total amount of basic pay expected to be paid during that fiscal year to members of the Coast Guard on active duty (other than active duty for training).

"(B) The product of—

"(i) the current estimate of the value of the single level percentage of basic pay and of compensation (paid pursuant to section 206 of title 37) to be determined under subsection (c)(1)(B) at the time of the most recent actuarial valuation under subsection (c); and

"(ii) the total amount of basic pay and compensation (paid pursuant to section 206 of title 37) expected to be paid during that fiscal year to members of the Coast Guard Ready Reserve (other than members on full-time Reserve duty other than for training) who are not otherwise described in subparagraph (A)(ii).

"(2) The amount determined under paragraph (1) for any fiscal year is the amount needed to be appropriated to the Department of Homeland Security for that fiscal year for payments to be made to the Fund during that year under section 445(a) of this title. The President shall include not less than the full amount so determined in the budget transmitted to Congress for that fiscal year under section 1105 of title 31. The President may comment and make recommendations concerning any such amount.

"(c) Periodic Actuarial Valuations.—(1) Not less often than every four years (or before the effective date of any statutory change affecting benefits payable on account of retirement, disability, or death to members of the Coast Guard or their survivors), the Secretary shall carry out an actuarial valuation of the Coast Guard military retirement and survivor benefit programs. Each actuarial valuation of such programs shall be signed by an enrolled actuary and shall include—

"(A) a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay for members of the Coast Guard on active duty (other than active duty for training); and

"(B) a determination (using the aggregate entry-age normal cost method) of single level percentage of basic pay and of compensation (paid pursuant to section 206 of title 37) for members of the Ready Reserve of the Coast Guard (other than members on full-time Reserve duty other than for training) who are not otherwise described in subparagraph (A).

"(2) Such single level percentages shall be used for the purposes of subsection (b) and section 445(a) of this title.

"(d) Use of Generally Accepted Actuarial Principles and Practices.—All determinations under this section shall be in accordance with generally accepted actuarial principles and practices and, where appropriate, shall follow the general pattern of methods and assumptions approved by the Department of Defense Retirement Board of Actuaries.

"(e) Records.—The Secretary shall provide for the keeping of such records as are necessary for determining the actuarial status of the Fund.

"§ 445. Payments into the Fund

"(a) Monthly Accrual Charge for Current Services.—From amounts appropriated to the Coast Guard for salaries and expenses, the Secretary shall pay into the Fund at the end of each month as the Department of Homeland Security, or Department of Defense, contribution to the Fund for that month the amount that is the sum of the following:

"(1) The product of—

"(A) the level percentage of basic pay determined using all the methods and assumptions approved for the most recent (as of the first day of the current fiscal year) actuarial valuation under section 444(c)(1)(A) of this title (except that any statutory change in the military retirement and survivor benefit systems that is effective after the date of that valuation and on or before the first day of the current fiscal year shall be used in such determination); and

"(B) the total amount of basic pay accrued for that month by members of the Coast Guard on active duty (other than active duty for training).

"(2) The product of—

"(A) the level percentage of basic pay and compensation (accrued pursuant to section 206 of title 37) determined using all the methods and assumptions approved for the most recent (as of the first day of the current fiscal year) actuarial valuation under section 444(c)(1)(B) of this title (except that any statutory change in the military retirement and survivor benefit systems that is effective after the date of that valuation and on or before the first day of the current fiscal year shall be used in such determination); and

"(B) the total amount of basic pay and of compensation (paid pursuant to section 206 of title 37) accrued for that month by members of the Ready Reserve (other than members of full-time Reserve duty other than for training) who are not otherwise described in paragraph (1)(B).

"(b) Annual Payment for Unfunded Liabilities.—(1) At the beginning of each fiscal year, beginning on October 1, 2005, the Secretary shall certify to the Secretary of the Treasury the amount of the first installment under the most recent amortization schedule established under section 254(a). The Secretary of the Treasury shall promptly pay into the Fund from the General Fund of the Treasury the amount so certified. Such payment shall be the contribution to the Fund for that fiscal year.

"§ 446. Investment of assets of the Fund

"The Secretary may request the Secretary of the Treasury to invest such portion of the Fund as is not, in the judgment of the Secretary, required to meet the current needs of the Fund. Such investments shall be made by the Secretary of the Treasury in public debt securities with maturities suitable to the needs of the Fund, as determined by the Secretary, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income on such investments shall be credited to and form a part of the Fund.".

(2) Technical amendments.—Such chapter is further amended—

(A) by amending the center heading after the table of sections to read as follows:

"SUBCHAPTER I—OFFICERS";

(B) by amending the center heading after section 336 to read as follows:

"SUBCHAPTER II—ENLISTED MEMBERS";

(C) by amending the center heading after section 373 to read as follows:

"SUBCHAPTER III—GENERAL PROVISIONS";

and

(D) by amending the center heading after section 425 to read as follows:

"SUBCHAPTER IV—SPECIAL PROVISIONS".

(3) Clerical amendments.—The table of sections at the beginning of such chapter is amended—

(A) by striking "OFFICERS" at the beginning of the table and inserting "SUBCHAPTER I—OFFICERS";

(B) by striking "ENLISTED MEMBERS" after the item relating to section 336 and inserting "SUBCHAPTER II—ENLISTED MEMBERS";

(C) by striking "GENERAL PROVISIONS" after the item relating to section 373 and inserting "SUBCHAPTER III—GENERAL PROVISIONS";

(D) by striking "SPECIAL PROVISIONS" after the item relating to section 425 and inserting "SUBCHAPTER IV—SPECIAL PROVISIONS"; and

(E) by adding at the end the following:

"SUBCHAPTER V—COAST GUARD MILITARY RETIREMENT FUND

"441. Establishment and purpose of Fund; definitions.
"442. Assets of the Fund.
"443. Payments from the Fund.
"444. Determination of contributions to the Fund.
"445. Payments into the Fund.
"446. Investment of assets of the Fund.".

(b) Implementation Year Exceptions.—To avoid funding shortfalls in the first year of implementation of subchapter V of chapter 11 of title 14, United States Code, as added by subsection (a), if formal actuarial determinations are not available in time for budget preparation, the amounts used in the first year under sections 445(a)(1)(A) and 445(a)(2)(A) of such title shall be set equal to those estimates in sections 444(b)(1)(A)(i) and 444(b)(1)(B)(i), respectively, of such title if final determinations are not available. The original unfunded liability, as defined in section 444(a) of such title, shall include an adjustment to correct for this difference between the formal actuarial determinations and the estimates in sections 444(b)(1)(A)(i) and 444(b)(1)(B)(i) of such title.

(c) Conforming Amendment.—Section 256(f) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 906(f)) is amended by striking "Retired Pay, Coast Guard (69–0241–0–1–403)" and inserting "Coast Guard Military Retirement Fund (69–0241–01–403)".

(d) Transfer of Existing Balances.—

(1) Transfer.—There shall be transferred into the Fund on October 1, 2005, any obligated and unobligated balances of appropriations made to the Department of Homeland Security that are currently available for retired pay, and amounts so transferred shall be part of the assets of the Fund.

(2) Fund defined.—For purposes of paragraph (1), the term "Fund" means the Coast Guard Military Retirement Fund established under section 441 of title 14, United States Code, as added by subsection (a).

(e) Effective Date.—Sections 443 (relating to payments from the Fund) and 445 (relating to payments into the Fund) of title 14, United States Code, as added by subsection (a), shall take effect on October 1, 2005.

Subtitle B—Accrual Funding of Post-Retirement Health Benefits Costs for Federal Employees

SEC. 411. FEDERAL EMPLOYEES HEALTH BENEFITS FUND.

(a) Section 8906 of title 5, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (c)(1) and by adding at the end the following new paragraphs:

"(2) In addition to Government contributions required by subsection (b) and paragraph (1), each employing agency shall contribute amounts as determined by the Office to be necessary to prefund the accruing actuarial cost of post-retirement health benefits for each of the agency's current employees who are eligible for Government contributions under this section. Amounts under this paragraph shall be paid by the employing agency separate from other contributions under this section, from the appropriations or fund used for payment of the salary of the employee, on a schedule to be determined by the Office.

"(3) Paragraph (2) shall not apply to the United States Postal Service or the government of the District of Columbia."; and

(2) by amending subsection (g)(1) to read as follows:

"(g)(1) Except as provided in paragraphs (2) and (3), all Government contributions authorized by this section for health benefits for an annuitant shall be paid from the Employees Health Benefits Fund to the extent that funds are available in accordance with section 8909(h)(6) and, if necessary, from annual appropriations which are authorized to be made for that purpose and which may be made available until expended.".

(b) Section 8909 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(h)(1) Not later than June 30, 2006, the Office shall determine the existing liability of the Fund for post-retirement health benefits, excluding the liability of the United States Postal Service for service under section 8906(g)(2), under this chapter as of September 30, 2006. The Office shall establish an amortization schedule, including a series of annual installments commencing September 30, 2006, which provides for the liquidation of such liability by September 30, 2043.

"(2) At the close of each fiscal year, for fiscal years beginning after September 30, 2005, the Office shall determine the supplemental liability of the Fund for post-retirement health benefits, excluding the liability attributable to the United States Postal Service for service subject to section 8906(g)(2), and shall establish an amortization schedule, including a series of annual installments commencing on September 30 of the subsequent fiscal year, which provides for liquidation of such supplemental liability over 30 years.

"(3) Amortization schedules established under this paragraph shall be set in accordance with generally accepted actuarial practices and principles.

"(4) At the end of each fiscal year on and after September 30, 2006, the Office shall notify the Secretary of the Treasury of the amounts of the next installments under the most recent amortization schedules established under paragraphs (1) and (2). Before closing the accounts for the fiscal year, the Secretary shall credit the sum of these amounts (including in that sum any negative amount for the amortization of the supplemental liability) to the Fund, as a Government contribution, out of any money in the Treasury of the United States not otherwise appropriated.

"(5) For the purpose of carrying out paragraphs (1) and (2), the Office shall perform or arrange for actuarial determinations and valuations and shall prescribe retention of such records as it considers necessary for making periodic actuarial valuations of the Fund.

"(6) Notwithstanding subsection (b), the amounts deposited into the Fund pursuant to this subsection and section 8906(c)(2) to prefund post-retirement health benefits costs shall be segregated within the Fund so that such amounts, as well as earnings and proceeds under subsection (c) attributable to them, may be used exclusively for the purpose of paying Government contributions for post-retirement health benefits costs. When such amounts are used in combination with amounts withheld from annuitants to pay for health benefits, a portion of the contributions shall then be set aside in the Fund as described in subsection (b).

"(7) Under this subsection, 'supplemental liability' means—

"(A) the actuarial present value for future post-retirement health benefits that are the liability of the Fund, less

"(B) the sum of—

"(i) the actuarial present value of all future contributions by agencies and annuitants to the Fund toward those benefits pursuant to section 8906;

"(ii) the present value of all scheduled amortization payments to the Fund pursuant to paragraphs (1) and (2);

"(iii) the Fund balance as of the date the supplemental liability is determined, to the extent that such balance is attributable to post-retirement benefits; and

"(iv) any other appropriate amount, as determined by the Office in accordance with generally accepted actuarial practices and principles.".

SEC. 412. FUNDING UNIFORMED SERVICES HEALTH BENEFITS FOR ALL RETIREES.

Title 10, United States Code, is amended—

(1) in the title of chapter 56, by striking "**DEPARTMENT OF DEFENSE MEDICARE-ELIGIBLE**" and inserting "**UNIFORMED SERVICES**";

(2) in section 1111—

(A) in subsection (a)—

(i) by striking "Department of Defense Medicare-Eligible" and inserting "Uniformed Services";

(ii) by striking "Department of Defense under"; and

(iii) by striking "for medicare-eligible beneficiaries";

(B) in subsection (c)—

(i) by striking "The Secretary of Defense may" and inserting "The Secretary of Defense shall";

(ii) by striking "with any other" and inserting "with each";

(iii) by striking "Any such agreement" and inserting "Such agreements"; and

(iv) by striking "administering Secretary may" and inserting "administrative Secretary shall";

(3) in section 1113—

(A) in subsection (a)—

(i) by striking "and are medicare eligible";

(ii) by striking "who are medicare eligible"; and

(iii) by adding at the end the following new sentence: "For the fiscal year starting October 1, 2004, only, the payments will be solely for the costs of members or former members of a uniformed service who are entitled to retired or retainer pay and are medicare-eligible, and eligible dependents or survivors who are medicare-eligible.";

(B) in subsection (c)(1), by striking "who are medicare-eligible";

(C) in subsection (d), by striking "who are medicare-eligible"; and

(D) in subsection (f), by striking "If" and inserting "When";

(4) in section 1114, in subsection (a)(1), by striking "Department of Defense Medicare-Eligible" and inserting "Uniformed Services":

(5) in section 1115—

(A) in subsection (b)(2), by striking "The amount determined under paragraph (1) for any fiscal year is the amount needed to be appropriated to the Department of Defense (or to the other executive department having jurisdiction over the participating uniformed service)" and inserting "The amount determined under paragraph (1), or the amount determined under section 1111(c) for a participating uniformed service, for any fiscal year, is the amount needed to be appropriated to the Department of Defense (or to any other executive department having jurisdiction over a participating uniformed service)";

(B) in subsection (c)(2), by striking "for medicare eligible beneficiaries"; and

(C) by adding at the end the following new subsection:

"(f) For the fiscal year starting October 1, 2004, only, the amounts in this section shall be based solely on the costs of medicare-eligible benefits of beneficiaries and the costs for their eligible dependents or survivors who are medicare-eligible, and shall be recalculated thereafter to reflect the cost of beneficiaries defined in section 1111."; and

(6) in section 1116—

(A) in subsection (a)(1)(A), by striking "for medicare-eligible beneficiaries";

(B) in subsection (a)(2)(A), by striking "for medicare-eligible beneficiaries"; and

(C) in subsection (c), by striking "subsection (a) shall be paid from funds available for the health care programs" and inserting "subsection (a) and section 1111(c) shall be paid from funds available for the pay of members of the participating uniformed services under the jurisdiction of the respective administering secretaries".

SEC. 413. EFFECTIVE DATE.

Except as otherwise provided, this title shall take effect upon enactment with respect to fiscal years beginning after 2005.

Subtitle C—Limit on the Public Debt

SEC. 421. FINDINGS.

The Congress finds the following:

(1) Since 1997, Congress has paid down and retired approximately $450,000,000,000 of the Government's debt which was previously held by the public.

(2) This reduction in the Government's debt to the public should permit a lowering of the statutory debt ceiling. However, the statutory definition mingles both the public debt and intragovernment liabilities, the latter of which do not represent resource withdrawals for the economy.

(3) Intragovernment accounts such as the social security trust funds, the Civil Service Retirement and Disability Fund, the Department of Defense Military Retirement Fund, and the Unemployment Trust Fund constitute accrued liabilities of the Government which will be paid from future receipts, taxes, or borrowing. If the Government issues debt to the public to fund such liabilities in the future, that debt will properly be subject to the debt ceiling.

(4) Properly defining the debt of the Government would permit lowering the debt ceiling to take account of, and lock in, the fiscal progress that has been made.

SEC. 422. PURPOSE.

It is the purpose of this subtitle to properly define the public debt to exclude intragovernment obligations.

SEC. 423. LIMIT ON PUBLIC DEBT.

Section 3101 of title 31, United States Code, is amended to read as follows:

"§ 3101. Public debt limit

"(a) In this section, the current redemption value of an obligation issued on a discount basis and redeemable before maturity at the option of its holder is deemed to be the face amount of the obligation.

"(b) The face amount of obligations issued under this chapter and the face amount of obligations whose principal and interest are guaranteed by the United States Government (except guaranteed obligations held by the Secretary of the Treasury and intragovernmental holdings) may not be more than '$4,393,000,000,000 outstanding at one time, subject to changes periodically made in that amount as provided by law.

"(c) For purposes of this section, the face amount, for any month, of any obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

"(1) the original issue price of the obligation, plus

"(2) the portion of the discount on the obligation attributable to periods before the beginning of such month (as determined under the principles of section 1272(a) of the Internal Revenue Code of 1986 without regard to any exceptions contained in paragraph (2) of such section).

"(d) For purposes of this section, the term 'intragovernment holding' is any obligation issued by the Secretary of the Treasury to any Federal trust fund or Government account, whether in respect of public money, money otherwise required to be deposited in the Treasury, or amounts appropriated.".

Subtitle D—Risk-assumed Budgeting

SEC. 431. FEDERAL INSURANCE PROGRAMS.

(a) IN GENERAL.—The Congressional Budget Act of 1974 is amended by adding after title V the following new title:

"TITLE VI—BUDGETARY TREATMENT OF FEDERAL INSURANCE PROGRAMS

"SEC. 602. BUDGETARY TREATMENT.

"(a) PRESIDENT'S BUDGET.—Beginning with fiscal year 2011, the budget of the Government pursuant to section 1105(a) of title 31, United States Code, shall be based on the risk-assumed cost of Federal insurance programs.

"(b) BUDGET ACCOUNTING.—For any Federal insurance program—

"(1) the program account shall—

"(A) pay the risk-assumed cost borne by the taxpayer to the financing account, and

"(B) pay actual insurance program administrative costs;

"(2) the financing account shall—

"(A) receive premiums and other income,

"(B) pay all claims for insurance and receive all recoveries, "(C) transfer to the program account on not less than an annual basis amounts necessary to pay insurance program administrative costs;

"(3) a negative risk-assumed cost shall be transferred from the financing account to the program account, and shall be transferred from the program account to the general fund; and

"(4) all payments by or receipts of the financing accounts shall be treated in the budget as a means of financing.

"(c) APPROPRIATIONS REQUIRED.—(1) Notwithstanding any other provision of law, insurance commitments may be made for fiscal year 2011 and thereafter only to the extent that new budget authority to cover their risk-assumed cost is provided in advance in an appropriation Act.

"(2) An outstanding insurance commitment shall not be modified in a manner that increases its risk-assumed cost unless budget authority for the additional cost has been provided in advance.

"(3) Paragraph (1) shall not apply to Federal insurance programs that constitute entitlements.

"(d) REESTIMATES.—The risk-assumed cost for a fiscal year shall be reestimated in each subsequent year. Such reestimate can equal zero. In the case of a positive reestimate, the amount of the reestimate shall be paid from the program account to the financing account. In the case of a negative reestimate, the amount of the reestimate shall be paid from the financing account to the program account, and shall be transferred from the program account to the general fund. Reestimates shall be displayed as a distinct and separately identified subaccount in the program account.

"(e) ADMINISTRATIVE EXPENSES.—All funding for an agency's administration of a Federal insurance program shall be displayed as a distinct and separately identified subaccount in the program account.

"SEC. 603. TIMETABLE FOR IMPLEMENTATION OF ACCRUAL BUDGETING FOR FEDERAL INSURANCE PROGRAMS.

"(a) AGENCY REQUIREMENTS.—Agencies with responsibility for Federal insurance programs shall develop models to estimate their risk-assumed cost by year through the budget horizon and shall submit those models, all relevant data, a justification for critical assumptions, and the annual projected risk-assumed costs to OMB with their budget requests each year starting with the request for fiscal year 2007. Agencies will likewise provide OMB with annual estimates of modifications, if any, and reestimates of program costs.

"(b) DISCLOSURE.—When the President submits a budget of the Government pursuant to section 1105(a) of title 31, United States Code, for fiscal year 2007, OMB shall publish a notice in the Federal Register advising interested persons of the availability of information describing the models, data (including sources), and critical assumptions (including explicit or implicit discount rate assumptions) that it or other executive branch entities would use to estimate the risk-assumed cost of Federal insurance programs and giving such persons an opportunity to submit comments. At the same time, the chairman of the Committee on the Budget shall publish a notice for CBO in the Federal Register advising interested persons of the availability of information describing the models, data (including sources), and critical assumptions (including explicit or implicit discount rate assumptions) that it would use to estimate the risk-assumed cost of Federal insurance programs and giving such interested persons an opportunity to submit comments.

"(c) REVISION.—(1) After consideration of comments pursuant to subsection (b), and in consultation with the Committees on the Budget of the House of Representatives and the Senate, OMB and CBO shall revise the models, data, and major assumptions they would use to estimate the risk-assumed cost of Federal insurance programs.

"(2) When the President submits a budget of the Government pursuant to section 1105(a) of title 31, United States Code, for fiscal year 2008, OMB shall publish a notice in the Federal Register advising interested persons of the availability of information describing the models, data (including sources), and critical assumptions (including explicit or implicit discount rate assumptions) that it or other executive branch entities used to estimate the risk-assumed cost of Federal insurance programs.

"(d) DISPLAY.—

"(1) IN GENERAL.—For fiscal years 2008, 2009, and 2010 the budget submissions of the President pursuant to section 1105(a) of title 31, United States Code, and CBO's reports on the economic and budget outlook pursuant to section 202(e)(1) and the President's budgets, shall for display purposes only, estimate the risk-assumed cost of existing or proposed Federal insurance programs.

"(2) OMB.—The display in the budget submissions of the President for fiscal years 2008, 2009, and 2010 shall include—

"(A) a presentation for each Federal insurance program in budget-account level detail of estimates of risk-assumed cost;

"(B) a summary table of the risk-assumed costs of Federal insurance programs; and

"(C) an alternate summary table of budget functions and aggregates using risk-assumed rather than cash-based cost estimates for Federal insurance programs.

"(3) CBO.—In the second session of the 109th Congress and the 110th Congress, CBO shall include in its estimates under section 308, for display purposes only, the risk-assumed cost of existing Federal insurance programs, or legislation that CBO, in consultation with the Committees on the Budget of the House of Representatives and the Senate, determines would create a new Federal insurance program.

"(e) OMB, CBO, AND GAO EVALUATIONS.—(1) Not later than 6 months after the budget submission of the President pursuant to section 1105(a) of title 31, United States Code, for fiscal year 2010, OMB, CBO, and GAO shall each submit to the Committees on the Budget of the House of Representatives and the Senate a report that evaluates the advisability and appropriate implementation of this title.

"(2) Each report made pursuant to paragraph (1) shall address the following:

"(A) The adequacy of risk-assumed estimation models used and alternative modeling methods.

"(B) The availability and reliability of data or information necessary to carry out this title.

"(C) The appropriateness of the explicit or implicit discount rate used in the various risk-assumed estimation models.

"(D) The advisability of specifying a statutory discount rate (such as the Treasury rate) for use in risk-assumed estimation models.

"(E) The ability of OMB, CBO, or GAO, as applicable, to secure any data or information directly from any Federal agency necessary to enable it to carry out this title.

"(F) The relationship between risk-assumed accrual budgeting for Federal insurance programs and the specific requirements of the Balanced Budget and Emergency Deficit Control Act of 1985.

"(G) Whether Federal budgeting is improved by the inclusion of risk-assumed cost estimates for Federal insurance programs.

"(H) The advisability of including each of the programs currently estimated on a risk-assumed cost basis in the Federal budget on that basis.

"SEC. 604. DEFINITIONS.

"For purposes of this title:

"(1) The term 'Federal insurance program' means a program that makes insurance commitments and includes the list of such programs included in the joint explanatory statement of managers accompanying the conference report on the Comprehensive Budget Process Reform Act of 1999.

"(2) The term 'insurance commitment' means an agreement in advance by a Federal agency to indemnify a nonfederal entity against specified losses. This term does not include loan guarantees as defined in title V or benefit programs such as social security, medicare, and similar existing social insurance programs.

"(3)(A) The term 'risk-assumed cost' means the net present value of the estimated cash flows to and from the Government resulting from an insurance commitment or modification thereof.

"(B) The cash flows associated with an insurance commitment include—

"(i) expected claims payments inherent in the Government's commitment;

"(ii) net premiums (expected premium collections received from or on behalf of the insured less expected administrative expenses);

"(iii) expected recoveries; and

"(iv) expected changes in claims, premiums, or recoveries resulting from the exercise by the insured of any option included in the insurance commitment.

"(C) The cost of a modification is the difference between the current estimate of the net present value of the remaining cash flows under the terms of the insurance commitment, and the current estimate of the net present value of the remaining cash flows under the terms of the insurance commitment as modified.

"(D) The cost of a reestimate is the difference between the net present value of the amount currently required by the financing account to pay estimated claims and other expenditures and the amount currently available in the financing account. The cost of a reestimate shall be accounted for in the current year in the budget of the Government pursuant to section 1105(a) of title 31, United States Code.

"(E) For purposes of this definition, expected administrative expenses shall be construed as the amount estimated to be necessary for the proper administration of the insurance program. This amount may differ from amounts actually appropriated or otherwise made available for the administration of the program.

"(4) The term 'program account' means the budget account for the risk-assumed cost, and for paying all costs of administering the insurance program, and is the account from which the risk-assumed cost is disbursed to the financing account.

"(5) The term 'financing account' means the nonbudget account that is associated with each program account which receives payments from or makes payments to the program account, receives premiums and other payments from the public, pays insurance claims, and holds balances.

"(6) The term 'modification' means any Government action that alters the risk-assumed cost of an existing insurance commitment from the current estimate of cash flows. This includes any action resulting from new legislation, or from the exercise of administrative discretion under existing law, that directly or indirectly alters the estimated cost of existing insurance commitments.

"(7) The term 'model' means any actuarial, financial, econometric, probabilistic, or other methodology used to estimate the expected frequency and magnitude of loss-producing events, expected premiums or collections from or on behalf of the insured, expected recoveries, and administrative expenses.

"(8) The term 'current' has the same meaning as in section 250(c)(9) of the Balanced Budget and Emergency Deficit Control Act of 1985.

"(9) The term 'OMB' means the Director of the Office of Management and Budget.

"(10) The term 'CBO' means the Director of the Congressional Budget Office.

"(11) The term 'GAO' means the Comptroller General of the United States.

"SEC. 605. AUTHORIZATIONS TO ENTER INTO CONTRACTS; ACTUARIAL COST ACCOUNT.

"(a) Authorization of Appropriations.—There is authorized to be appropriated $600,000 for each of fiscal years 2005 through 2010 to the Director of the Office of Management and Budget and each agency responsible for administering a Federal program to carry out this title.

"(b) Treasury Transactions With the Financing Accounts.—The Secretary of the Treasury shall borrow from, receive from, lend to, or pay the insurance financing accounts such amounts as may be appropriate. The Secretary of the Treasury may prescribe forms and denominations, maturities, and terms and conditions for the transactions described above. The authorities described above shall not be construed to supersede or override the authority of the head of a Federal agency to administer and operate an insurance program. All the transactions provided in this subsection shall be subject to the provisions of subchapter II of chapter 15 of title 31, United States Code. Cash balances of the financing accounts in excess of current requirements shall be maintained in a form of uninvested funds, and the Secretary of the Treasury shall pay interest on these funds.

"(c) Appropriation of Amount Necessary To Cover Risk-Assumed Cost of Insurance Commitments at Transition Date.—(1) A financing account is established on September 30, 2010, for each Federal insurance program.

"(2) There is appropriated to each financing account the amount of the risk-assumed cost of Federal insurance commitments outstanding for that program as of the close of September 30, 2010.

"(3) These financing accounts shall be used in implementing the budget accounting required by this title.

"SEC. 606. EFFECTIVE DATE.

"(a) In General.—This title shall take effect immediately and shall expire on September 30, 2012.

"(b) Special Rule.—If this title is not reauthorized by September 30, 2012, then the accounting structure and budgetary treatment of Federal insurance programs shall revert to the accounting structure and budgetary treatment in effect immediately before the date of enactment of this title.".

(b) Conforming Amendment.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 507 the following new items:

"TITLE VI—BUDGETARY TREATMENT OF FEDERAL INSURANCE PROGRAMS

"Sec. 601. Short title.
"Sec. 602. Budgetary treatment.
"Sec. 603. Timetable for implementation of accrual budgeting for Federal insurance programs.
"Sec. 604. Definitions.
"Sec. 605. Authorizations to enter into contracts; actuarial cost account.
"Sec. 606. Effective date.".

TITLE V—MAINTAINING A COMMITMENT TO THE FAMILY BUDGET

Subtitle A—Further Enforcement Amendments

SEC. 501. SUPER-MAJORITY POINTS OF ORDER IN THE HOUSE OF REPRESENTATIVES AND THE SENATE.

(a) Section 904 of the Congressional Budget Act of 1974 is amended as follows:

(1) In subsection 904(c)(1), insert "312(g), (h), (i), and (j)," before "313,", and insert "316, 318," before "904(c),".

(2) In subsection (c) strike "three-fifths" each place it appears and insert "two-thirds".

(3)(A) In subsection (d)(2), insert "312(g), (h), (i), and (j)," before "313,", and insert "316, 318," before "904(c),".

(B) In subsection (d), strike "three-fifths" each place it appears and insert "two-thirds".

(4)(A) In subsections (c)(2) and (d)(3), strike "311(a),".

(B) In subsections (c)(1) and (d)(2) insert "311(a)," after "310(d)(2),".

(5) In subsections (c)(1), (c)(2), (d)(2), and (d)(3) by inserting "or the House of Representatives" after "Senate" each place it appears.

(6) In subsection (e), strike "2002" and insert "2010".

SEC. 502. BUDGET RESOLUTION ENFORCEMENT POINT OF ORDER.

(a) Entitlement Point of Order.—Section 312 of the Congressional Budget Act of 1974 (as amended by section 221(d)) is further amended by adding at the end the following new subsection:

"(j) Budget Resolution Enforcement Point of Order.—It shall not be in order in the House of Representatives or the Senate to consider any joint resolution on the budget for a fiscal year, or amendment thereto or conference report thereon, that—

"(1) is not consistent with the discretionary spending limits set forth in section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

"(2) provides for an increase in the aggregate level of direct spending for the fiscal year of the resolution or any ensuing fiscal year included in such resolution.".

SEC. 503. POINT OF ORDER WAIVER PROTECTION.

Rule XIII of the Rules of the House of Representatives is amended by adding at the end the following new clause:

"8. (a) It shall not be in order to consider a rule or order that would waive waive the provisions of any section of the Congressional Budget Act of 1974 referred to in section 904(c)(1) of such Act or of section 302 of the Family Budget Protection Act of 2004.

"(b) As disposition of a point of order under paragraph (a), the Chair shall put the question of consideration with respect to the proposition that is the subject of the point of order. A question of consideration under this clause shall be debatable for 10 minutes by the Member initiating the point of order and for 10 minutes by an opponent of the point of order, but shall otherwise be decided without intervening motion except one that the House adjourn or that the Committee of the Whole rise, as the case may be.

"(c) The disposition of the question of consideration under this clause with respect to a bill or joint resolution shall be considered also to determine the question of consideration under this clause with respect to an amendment made in order as original text.".

Subtitle B—The Byrd Rule

SEC. 511. LIMITATION ON BYRD RULE.

(a) Protection of Conference Reports.—Section 313 of the Congressional Budget Act of 1974 is amended—

(1) in subsection (b)(1), by striking subparagraph (E) through the semicolon at the end thereof and by redesignating subparagraph (F) as subparagraph (E);

(2) in subsection (c), by striking "and again upon the submission of a conference report on such a reconciliation bill or resolution,";

(3) by striking subsection (d);

(4) by redesignating subsection (e) as subsection (d); and

(5) in subsection (e), as redesignated—

(A) by striking ", motion, or conference report" the first place it appears and inserting ", or motion"; and

(B) by striking ", motion, or conference report" the second and third places it appears and inserting "or motion".

(b) Conforming Amendment.—The first sentence of section 312(e) of the Congressional Budget Act of 1974 is amended by inserting ", except for section 313," after "Act".

Subtitle C—Treatment of Extraneous Appropriations in Omnibus Appropriation Measures

SEC. 521. TREATMENT OF EXTRANEOUS APPROPRIATIONS.

(a) In General.—Title III of the Congressional Budget Act of 1974 (as amended by section 127(a)) is further amended by adding at the end the following new section:

"TREATMENT OF EXTRANEOUS APPROPRIATIONS IN OMNIBUS APPROPRIATION MEASURES

"Sec. 319. (a) Point of Order.—It shall not be in order in the House of Representatives or the Senate to consider an omnibus appropriation measure, or any amendment thereto or conference report thereon, that appropriates funds for any program, project, or activity that is not within the subject-matter jurisdiction of any subcommittee of the Committee on Appropriations of the House of Representatives or Senate, as applicable, with jurisdiction over any regular appropriation bill contained in such measure.

"(b) Definitions.—As used in this section:

"(1) The term 'omnibus appropriation measure' means any bill or joint resolution making continuing appropriations for a fiscal year and that is comprised of more than one regular appropriation bills.

"(2) The term 'regular appropriation bill' means any annual appropriation bill making appropriations, otherwise making funds available, or granting authority, for any of the following categories of projects and activities:

"(A) Agriculture, rural development, Food and Drug Administration, and related agencies programs.

"(B) The Departments of Commerce, Justice, and State, the Judiciary, and related agencies.

"(C) The Department of Defense.

"(D) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

"(E) Energy and water development.

"(F) Foreign operations, export financing, and related programs.

"(G) The Department of Homeland Security.

"(H) The Department of the Interior and related agencies.

"(I) The Departments of Labor, Health and Human Services, and Education, and related agencies.

"(J) The Legislative Branch.

"(K) Military construction, family housing, and base realignment and closure for the Department of Defense.

"(L) The Departments of Transportation and Treasury, and independent agencies.

"(M) The Departments of Veterans Affairs and Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.".

(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 318 the following new item:

"Sec. 319. Treatment of extraneous appropriations in omnibus appropriation measures.".

The CHAIRMAN pro tempore. Pursuant to House Resolution 692, the gentleman from Texas (Mr. HENSARLING) and a Member opposed each will control 15 minutes.

The Chair recognizes the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Chairman, I yield myself as much time as I may consume.

Mr. Chairman, how much government is enough? Can we ever have enough? It seems many Members in this Chamber would say no. They seem to believe there should be no limit to the size, to the power, to the expense of the Federal Government.

Mr. Chairman, the Founding Fathers disagreed. They believed in limited government. They warned us of the pitfalls of allowing government to grow out of control. James Madison wrote in the Federalist Papers: "There will be little avail to the people that laws are made by men of their own choice if the laws be so voluminous that they cannot be read or so incoherent they cannot be understood."

Thomas Jefferson wrote that the natural progress of things is for liberty to yield and for government to gain ground.

Well, Mr. Chairman, just how much ground has government gained? Since I was born, the Federal budget has grown seven times faster than the family budget, as you can see from the attached chart. For only the fourth time in the history of our Nation, the Federal Government is now spending over $20,000 per household. This figure is up from $16,000 per household just 5 years ago. This represents the largest expansion of the Federal Government in 50 years.

Last year what we call mandatory spending reached 11 percent of our economy for the first time ever. Nondefense discretionary spending is now almost 4 percent of the economy for the first time in 20 years.

In fact, almost every major department of the government has grown precipitously way beyond the rate of inflation. By any reasonable measure, spending is out of control. And when we get more government, we get less freedom, fewer opportunities, fewer opportunities for Americans to choose the best health care for their families, to choose the best educational opportunities for their children, or to find the best job in a competitive market economy. You cannot have unlimited government and unlimited opportunity.

What else do we get for all this government spending? Unfortunately, we get a lot of waste, fraud, abuse, and duplication.

Until recently, Medicare had routinely paid as much as five times for a wheelchair as the VA had, simply because one would bid competitively and the other did not. In the last year of the Clinton administration, HUD wasted over 10 percent of their budget, $3 billion just lost making improper payments to people who did not qualify.

We have spent almost $800,000 on an outhouse in one national park, and it did not even work. We have over 342 different economic development programs in the Federal Government, and by the way, what does the Federal Government know about economic development anyway?

We are just scratching the surface here. Example after example shows that many Federal programs routinely waste 5, 10, 15, even 20, percent of their taxpayer-funded budgets in the last 4 decades. Government is inherently wasteful. It does almost nothing as well as we the people; and until we limit it, we will never prioritize, much less root out, the waste, the fraud, the abuse, the duplication that permeates every corner of the Federal Government and robs every family.

Recently, many of us in this Chamber spoke very eloquently about the legacy of President Ronald Reagan. Well, Mr. Chairman, I would remind us that it was President Reagan who said the answer to a government that is too big is to stop feeding its growth.

It was President Reagan who said we can no longer afford things simply because we think of them, and it was President Reagan who stood in this Chamber and called on Congress to limit government and fix a broken-down budget process.

Now, there are many ways that we can honor the memory of President Reagan. Tonight, I can think of no better way than passing the bill that would accomplish his dream.

Mr. Chairman, the time to act is now. We have the opportunity to realize the vision of Ronald Reagan, or we can continue with the largest expansion of government in 50 years. We can protect the family budget from the Federal budget, or we can continue to operate under a budget process that only serves to grow bigger and bigger government.

That is why, along with my colleagues, the gentleman from California (Mr. COX), the gentleman from Wisconsin (Mr. RYAN), the gentleman from Indiana (Mr. CHOCOLA), I offer as a substitute the Family Budget Protection Act, along with more than a hundred cosponsors.

And our bill has two simple propositions. Number one, it says the Federal budget should not grow faster than the family budget. Quite simply, there should be some ceiling on the growth of government. At some point we say enough is enough. We will take no more money away from American families.

Secondly, it says if Congress passes a budget, it ought to abide by the budget. It ought to enforce the budget. It ought to live by the budget. It is really that simple.

Mr. Chairman, I reserve the balance of my time.

Mr. NUSSLE. Mr. Chairman, I claim the time in opposition, and I ask unanimous consent that the gentleman from South Carolina (Mr. SPRATT) be yielded half of that time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from South Carolina (Mr. SPRATT).

Mr. SPRATT. Mr. Chairman, I yield myself 2 minutes.

For those who have voted against the previous amendments dealing with automatic extension of continuing resolutions, dealing with expedited rescission, for various other reasons they should be aware that this budget reincorporates all of those other provisions which they found onerous and objectionable in the past and would instate them in a bigger bill.

The chief feature of this bill which is objectionable is the effort it makes to put a cap on entitlement spending. According to the Center on Budget and Policy Priorities, if enacted, this particular provision would trigger the most severe budget cuts in modern history, calculation by which it would require entitlement cuts of $1.8 trillion over the next 10 years.

There are a couple of things to be aware of. When they say they are capping entitlement, they are capping not only entitlements like Medicare, Medicaid; they are also capping interest on the national debt. So one can have a result that certain Members would seek to have a large tax cut and succeed, which would increase the deficit and, therefore, increase the national debt and result in higher interest payments. And those interest payments would then have to be accommodated within the cap that will be imposed on entitlement spending.

Take also the level at which the cap is set and how it treats the Medicare program. The cost of the new Medicare drug benefit enacted last year to real spending occurs until the year 2006. The cap will be set at 2005 spending levels. So there will be a substantial amount of additional spending for Medicare which will have to be recouped from cuts in entitlements like Medicare.

This bill is full of anomalies that could have disastrous effect upon the programs in this country upon which people depend.

I will come back and explain further why this bill should be defeated soundly.

Mr. Chairman, I reserve the balance of my time.

Mr. HENSARLING. Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, I would like to address a few of the things that the gentleman from South Carolina said. As far as the estimate on the $1.8 trillion cut, that is not accurate for this bill. Number one, this bill addresses those issues that were raised in that estimate. Number two, entitlement spending will go up. It will go up by the number of beneficiaries coming to these programs, it will go up by inflation, and medical inflation in Medicare's instance. And we do take care of putting into the baseline the new prescription drug benefit.

I would like to just quickly go through the summary of what this legislation actually accomplishes in a very, very quick order. Number one, what this budget does is it raises the budget to the point of law by making a joint budget resolution so we do not have these stalemates at the end of Congress every year like we do.

It also has a one-page budget so it is easier for the Congress, the House, the Senate, and the President to agree on a budget at the beginning of the session. It also abolishes the practice of designating everything as emergencies. One of the problems we have is we can designate just about anything an emergency. The census was designated an emergency. We knew that one was coming.

So what we are trying to do is tighten up that definition so true emergencies are designated emergencies. We go to biennial budget so that we do our budgeting in the first year of our cycle, and then in the second year we conduct oversight. We think that Congress does not do nearly enough government oversight into how our taxpayers' dollars are being spent.

We also have government shut-down protection so that, if for some reason we have this brinksmanship which has been common around here, we do not hold hostage government workers and shut down the government. We keep things going with an automatic continuing resolution.

We also have very important spending caps which we have been talking about on discretionary and entitlement spending. It will take two-thirds of a vote in Congress to break those spending caps. This is the real heart of this bill so that we do not violate our spending caps. Because all too often, we will pass a budget, we will set spending caps, lo and behold, a couple months go by, we break the spending caps.

In this bill, it takes two-thirds of the vote in the House and Senate to break those spending caps. We also protect ourselves from the point of order so we here in this body, unlike those in the other body who can have this power, we can raise points of order if they try to waive points of the Budget Act so that House Members can also play a role in enforcing the budget act. We also make sure we amend the Byrd Rule so we do not have temporary tax cuts. That was an arcane rule that occurred that is now giving us the largest tax increase we will ever see if we fail to make these tax cuts permanent.

We also try and clean up this omnibus appropriation problem so we do not bundle all these big bills that we have at the end of the cycle. For instance, last year 7 appropriations bills bundled into one bill. Each of us on the floor had one vote up or down on half of the discretionary spending in the Federal Government.

We also have very important spending control provisions. We talked about some of these. Discretionary caps, having the ability to save money when you bring amendments to the floor to stop wasteful spending. Having the ability to make sure that we can give the President the power to take bad, wasteful spending out of the budget.

We also have an amendment that did pass already which is a commission to look at all of our Federal programs with respect to our earned entitlements, but also have a sunset in law of our programs on a rotating basis so that Congress actually does its oversight to see if the programs we have in our Federal Government are really meeting the spirit of the original intent of the law or whether they are really serving our constituents and serving our taxpayers so that we can make sure that no wasteful spending continues in this government.

□ 2215

The problem we have basically is that our budget process is not a clean process. It is not a functional process. It is not honest. It is not transparent, and we want to make it so.

We want to pass a budget and stick to a budget. We want to make sure that the American people really see how their money is being spent, and we want to make sure that those of us who want to see wasteless spending go away have the tools in which we can do that. That is what we are trying to accomplish with this bill.

What we simply want is the ability to treat our constituents' money like it ought to be treated. It is their money. That is what we are trying to do. It is a very big bill and project. We have 102 cosponsors. I urge passage of this substitute amendment.

Mr. SPRATT. Mr. Chairman, I yield 1½ minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, I do not know what is happening to this institution. We work a couple of days a week. We cannot even get a budget resolution passed. It is overdue by months, and then we get these amendments that are really designed to eliminate the appropriations process, as though we have no capacity to apply judgment to the decisions that we have to make.

Would it not be nice if the world was as simple as this? Let us just impose entitlement caps. Let us give it all over to the President, for example. We cite waste, fraud and abuse as though that is the problem. The Republican party controls the White House. They control the Senate. They control the House. Eliminate waste, fraud and abuse if that is the problem.

The real problem is that we are not willing to make the tough decisions that have to be made, and now they are suggesting an entitlement cap.

We have done an analysis of this entitlement cap. Over the next decade it would take $674 billion out of Medicare, $332 billion out of Medicaid, $100 billion out of Federal civilian retirement, $60 billion out of unemployment comp, $56 billion out of military retirement. I could go on and on, $45 billion out of veterans benefits, $11 billion out of TRICARE For Life, and on and on.

This is not the way to run a government. These are important programs. Make the tough decisions. To put in an amendment like this that supposedly limits entitlement programs so that we are going to all of the sudden solve the budget crisis, we have a budget crisis because we are not willing to balance our responsibilities to limit tax cuts and to limit spending at the same time. We know that is what has to be done, but now we are in a budget crisis. We are going to have $4.5 trillion of debt, and the answer is not to make it worse by putting in an entitlement cap.

This is one of the worst amendments that we have had presented all night in a long string of simplistic, irresponsible amendments that consumes our time. We will have another opportunity to take another shot at this.

Mr. HENSARLING. Mr. Chairman, I yield myself 15 seconds.

I am not sure which bill the gentleman was reading. He appears not to have read this one. Every single government program grows some by a factor of inflation. No government program is cut here, only the rate of growth. However, the gentleman and other gentlemen and ladies on that side of the aisle in the last budget resolution voted for an extra trillion dollars in spending.

Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. CHOCOLA), a coauthor.

Mr. CHOCOLA. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I came to Congress from the business world, and my first impression when I got here is that Congress, as a whole, is a lot like 535 general managers with no CEO. With all due respect to the Speaker and our leadership, there is no individual who can set spending priorities in the face of limited resources. We do not have a leadership problem here. We have a process problem.

When we take the facts, combined together that our budget process does not contain any of the realities that every family and every business in America faces; combined with the fact that our process is not enforceable; combined with the fact that our process only measures success by how much money we spend, never by how well we spend it; combined with the fact that people in this Chamber will come down here with a straight face and say that smaller increases are actually cuts; if we combine those facts with human nature, what we have is a lack of fiscal discipline and runaway spending.

I used to be a chairman of a publicly traded company, and if I accounted for and budgeted for my business the way government accounts and budgets for its business, I would, at best, be bankrupt and fired. I would more than likely be in jail. I find it very ironic when Members of Congress lecture business executives about truth in accounting and the importance of integrity in financial disclosure.

Mr. Chairman, what we need is a budget process that provides a framework of discipline. It simply fixes the process. It strengthens our enforcement tools. It requires truth in accounting, increases accountability and combats waste, fraud and abuse, and this is exactly what this amendment does. I encourage all of my colleagues to support it.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Chairman, we have a lot of energetic young legislators earnestly talking about budgets. I have got some advice for them. We do not have a budget this year. Their party, Republican party, controls the White House. They are part of the House majority. Their party controls the Senate. All these high-falutin ideas you bundled in this bill are not going to go anywhere. You ought to put your efforts where it might matter, getting a budget this year, getting a budget this year. The majority cannot produce a budget this year, and yet they run us out on a day-long adventure full of ill-founded ideas.

The gentleman from Texas speaks movingly about a budget, but in reality what he is proposing is very close scrutiny. I do not think I have seen a more irresponsible budget plan proposed in this House. He would propose excruciating cuts on essential programs while allowing any tax cut that might ever be passed irrespective of consequences to the deficit to go without check.

What are the spending cuts proposed? The Center For Budget Priorities analyzes that over 10 years, $674 billion in Medicare reduction. At time when we are in the military conflict, they come after veterans with a vengeance: military retirement, $56 billion in cuts; veterans benefits, $45 billion in cuts; TRICARE For Life, $11 billion for cuts. These are calculated on the proportional reductions that you have to make across mandatory spending programs that I know do not stop there. Nutrition programs for the little children of this country, reduced $19 billion in the gentleman's proposal. Cutting food for children.

Beyond that, student loans. At a time when our college tuitions are soaring, as our families know all across the country, proportional reductions would be $9 billion in student loan funding.

I believe this is a mean-spirited, ill-advised amendment. I urge my colleagues to vote "no."

Mr. NUSSLE. Mr. Chairman, I yield myself such time as I may consume.

Let me just take a minute to respond briefly to one of the comments from the gentleman, and we can have an honest disagreement about substitute amendments and all sorts of things on the floor today, but we do have a conference report on the budget. That conference report on the budget was passed by the House of Representatives. That conference report on the budget was deemed to be the budget for the House of Representatives. The chairman of the Committee on Appropriations is operating under that budget that was passed by the House of Representatives. We have a budget.

What we are not sure we have is the other body. They have not acted. They have not even brought it to a vote. I do not know what they are doing. I can understand the gentleman's frustration. I share that frustration. We hear that a certain party may be in the majority over there, but from time to time that does not always manifest itself.

But we have a budget. We will operate under that budget. It is a budget that ensures that we can strengthen our economy and keep it growing; that we can protect our country; and that we can make sure that our important priorities are funded. We have a budget. Those who continue to say we do not have a budget, it is simply not correct.

The fact that the other body has not yet voted on a budget is for them to answer, not for us to answer here tonight, and be that as it may, let me just make one other point.

They are not arguing over the spending levels. The arguments are over technical amendments that the other body put on to control their own process because they were having a difficult time managing it, not anything that binds the House. We are not bound by that particular challenge that the other body is wrestling with.

We have a budget. It has been deemed the budget. We will operate under that budget, and so I just wanted to correct the record and remind all of us that we will continue to operate under the rules of that budget.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. WALDEN of Oregon). Members are reminded to refrain from improper references to the Senate.

Mr. NUSSLE. Mr. Chairman, I need a refresher. I keep referring to it as the other body. What am I saying wrong? I want to know. When they do not pass the budget, I guess I have been trying to be as polite as possible.

The CHAIRMAN pro tempore. The gentleman is reminded not to refer to Senate action or inaction, whether he calls it the Senate or the other body.

Who yields time?

Mr. SPRATT. Mr. Chairman, I yield 15 seconds to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Chairman, I have no malice at my friends on the other side, but this is no laughing matter. They do not have a budget under the Budget Act without the House and the Senate passing versions, coming to agreement in conference committee and passing the final budget.

Mr. HENSARLING. Mr. Chairman, can I inquire as to the time I have remaining?

The CHAIRMAN pro tempore. The gentleman from Texas (Mr. HENSARLING) has 4 minutes remaining.

Mr. HENSARLING. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. COX), a coauthor of the amendment.

Mr. COX. Mr. Chairman, the House voted today to recognize and commemorate the 40th anniversary of the Civil Rights Act of 1964, a law that was approved with broad bipartisan support and that has proven its worth in enforcing the principles of freedom and individual rights that undergird our Nation.

We commemorate a much sadder anniversary today, the 30th anniversary of the Budget Act of 1974. Unlike the Civil Rights Act, which was a bipartisan achievement approved with over 80 percent of Republican support and 62 percent of Democrat support, the 1974 Budget Act was approved over the strong objections of Republicans. The results of the Budget Act have been precisely what Republicans predicted.

The House Policy Committee, which I chair, criticized the current budget process even before it took effect in 1973 and predicted precisely the runaway spending it would enable.

In 1973, policy chairman John Rhodes issued a statement of the official position of House Republicans that said, "Any limitation on expenditures should cover not only budgetary outlays handled through the Appropriations Committee, but also programs funded separately from the annual appropriations process." The 1974 Budget Act decided to ignore that advice, and in every year since, we have suffered from runaway Federal spending.

In 1975, after the first year, the Policy Committee issued another statement reflecting on what a miserable failure the new Budget Act had been in organizing the process. "Major legislative efforts are needed," the Policy Committee said at that time, "to rein in 'uncontrollable' items and to establish a new pattern of legislative authorizations and appropriations." The Congress has never yet fixed this problem, and in every year since 1974, we have suffered from runaway government spending.

This legislation is about protecting the right of Americans to see their tax dollars wisely spent. It is about getting rid of a legislative contraption that has proved over 30 years it is utterly incapable of producing the budget that the minority wishes we had between the House and Senate. It is about getting rid of a budget process that has grown our Federal Government from less than $1 trillion when I first became a Member of Congress not many years ago to over $2 trillion today.

Our economy has not doubled. Our population has not doubled, but what has happened is our government is growing at rates that far outstrip the economy which supports it.

This ongoing displacement of the private sector by government is driven inexorably by the one-way leftward ratchet we euphemistically refer to as the budget process.

It is time to junk this contraption which does not work. It is time to protect the family budget. It is time to make the tough choices between government and the people and bring fiscal sanity and honest accounting back to Washington.

□ 2230

It is time to vote "aye" on the Hensarling amendment.

Mr. SPRATT. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I want to correct the record. Earlier I said that the Center on Budget and Policy Priorities had done an analysis of this proposal and found that it would cut entitlement programs like Medicare and Medicare and TRICARE for Life by $1.8 trillion over the next 10 years. They have done a revised study. It was correct. They have revised that study and their revised study shows that the cut will only be $1.551 trillion. That is in entitlement programs. It comes out of child nutrition, its comes out of TRICARE for Life, it comes out of veterans benefits. Across the board people will be hurt.

I did not mention earlier the discretionary spending. Discretionary spending in the Hensarling proposal would increase each year at 2.1 percent a year. At the end of the 10-year period of time, because they take it out of the full 10-year time frame, this substitute would limit discretionary spending to $220 billion below what the President has recommended. And one of the reasons we do not have a budget right now is we are still struggling with the numbers the President has prepared, trying to bring it within the framework of what he has recommended.

So this would have severe consequences; and it would have severe consequences upon, in the words of the AARP, the health and economic security of millions of vulnerable Americans.

Finally, to remind everyone, if you voted against the automatic continuing resolution, if you voted against the joint budget resolution making the budget resolution a law signed by the President, if you are opposed to biennial budgeting, if you voted against expedited rescission, this bill reinstates all of those, and is an additional reason to oppose it.

Mr. NUSSLE. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. SHADEGG), even though I claimed the time in opposition.

Mr. SHADEGG. Mr. Chairman, I thank the gentleman for yielding me this time so graciously, and I want to compliment him on his service as the Committee on the Budget chairman. I think he has done an exemplary job in a very, very difficult position.

I want to point out that in my tenure here in the Congress, and I am in my ninth year, I have worked very, very hard to honor the budget and support the budget we adopt. Indeed, early in my tenure in Congress, I served on that Committee on the Budget under John Kasich, and the current chairman of the committee was on the committee at the time. We labored long and hard to produce a workable budget. But the sad truth is, and I doubt if all of our colleagues here in Congress, much less the people across America, understand that that budget, while it is always a product that entails a lot of work, is almost never honored.

In 1995 and 1996 we honored the budget that we adopted. But from 1996 to this year, we dishonor that budget. We outspend that budget year after year. And that is why I rise in strong support of the Family Budget Protection Act, because the reality is that the hard work that the gentleman from Iowa (Mr. NUSSLE) and the members of his committee put in to write a budget and to craft it and to have it work becomes meaningless, or at least near meaningless as we go through the process. Because, quite frankly, it is not law. It is only the resolution, hopefully, of the two bodies. And so its goes out the door.

That is why my colleague, the gentleman from Texas (Mr. HENSARLING), is proposing that we make the budget resolution not a resolution but a law, so that all the work that Chairman NUSSLE and members of his committee put in works, and so that we can tell the American people that we are going to live within a budget.

But how do we break that budget? We break that budget year after year after year after year by trick and game. One of those has been talked about here tonight, and that is emergency spending. We called the census, which is commanded by the U.S. Constitution, the decennial census; we called that emergency spending and we spent outside the budget.

The American people, I think, get it. They think we should have a budget that we live within, a budget that we honor and that we should not spend at two or three times the rate of growth of the family budget. So I rise in strong support of the Family Budget Protection Act.

Mr. HENSARLING. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, if people will read this legislation, this puts a cap on the growth of the government. Every single government program will grow under this legislation.

After 6 hours of debate, we have heard much angst, anxiety, and grave concern over the deficit, over explosive spending, over a broken budget process. But, unfortunately, we have also heard that we just cannot do anything about it; there are committee jurisdiction issues, there are complexity issues, there are balance of power issues. When do we address family budget issues?

This debate before the House boils down to two simple questions. Number one, does this body believe once a budget is passed it should be enforced? Yes or no. Number two, does this body believe that the Federal budget should not be allowed to grow faster than the family budget? In other words, should there be any limit whatsoever placed on the government?

For the sake of the family budget, for the sake of personal freedom, for the sake of America's future, I hope the answer is yes and people support the Family Budget Protection amendment.

Mr. NUSSLE. Mr. Chairman, I yield myself such time as I may consume to close, and I first want to commend the gentleman from Texas for his work, and all of the Members who have helped him and labored through so many of these provisions. They have done a good job. They have done an excellent job.

I heard someone refer to it as the gold standard of budget process reform. It may very well be. It is not perfect, there is no question. There is no such thing as perfect. My job tonight is to defend the committee product, which is the underlying bill; so I gently oppose the gentleman's amendment because so many of these things look very familiar to me. I voted for a few of them earlier tonight. And I think a couple of them I might even have had an opportunity to write at an earlier time. But I gently oppose them.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. WALDEN of Oregon). The question is on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. HENSARLING).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. HENSARLING. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. HENSARLING) will be postponed.

It is now in order to consider amendment No. 17 printed in House Report 108–566.

AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 17 OFFERED BY MR. KIRK

Mr. KIRK. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute No. 17 offered by Mr. KIRK:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Deficit Control Act of 2004".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Effective date.
Sec. 3. Protection of social security and medicare benefits.

TITLE I—A SIMPLIFIED BUDGET

Subtitle A—Rainy Day Fund for Emergencies

Sec. 101. Purpose.
Sec. 102. Repeal of adjustments for emergencies.
Sec. 103. OMB emergency criteria.
Sec. 104. Development of guidelines for application of emergency definition.
Sec. 105. Reserve fund for emergencies in President's budget.
Sec. 106. Adjustments and reserve fund for emergencies in concurrent budget resolutions.
Sec. 107. Up-to-date tabulations.
Sec. 108. Prohibition on amendments to emergency reserve fund.
Sec. 109. Content of budget resolutions.

Subtitle B—The Baseline

Sec. 111. Elimination of inflation adjustment.
Sec. 112. The President's budget.
Sec. 113. The congressional budget.
Sec. 114. Congressional budget office reports to committees.
Sec. 115. Treatment of emergencies.

TITLE II—IMPLEMENTING FEDERAL SPENDING DISCIPLINE

Subtitle A—Spending Safeguards on the Growth of Entitlements and Mandatories

Sec. 201. Spending caps on growth of entitlements and mandatories.
Sec. 202. Exempt programs and activities.
Sec. 203. Exceptions, limitations, and special rules.
Sec. 204. Point of order.
Sec. 205. Technical and conforming amendments.

Subtitle B—Discretionary Spending Limits

Sec. 211. Enforcing discretionary spending limits.
Sec. 212. Annual joint resolution establishing discretionary spending limits.

TITLE III—COMBATING WASTE, FRAUD, AND ABUSE.

Subtitle A—Enhanced Rescissions of Budget Authority Identified by the President as Wasteful Spending

Sec. 301. Enhanced consideration of certain proposed rescissions.

Subtitle B—Commission to Eliminate Waste, Fraud, and Abuse

Sec. 311. Establishment of Commission.
Sec. 312. Duties of the Commission.
Sec. 313. Powers of the Commission.
Sec. 314. Commission personnel matters.
Sec. 315. Termination of the Commission.
Sec. 316. Authorization of appropriations.

TITLE IV—TRUTH IN ACCOUNTING

Subtitle A—Accrual Funding of Pensions and Retirement Pay for Federal Employees and Uniformed Services Personnel

Sec. 401. Civil Service Retirement System.
Sec. 402. Central Intelligence Agency Retirement and Disability System.
Sec. 403. Foreign Service Retirement and Disability System.
Sec. 404. Public Health Service Commissioned Corps Retirement System.
Sec. 405. National Oceanic and Atmospheric Administration Commissioned Officer Corps Retirement System.
Sec. 406. Coast Guard Military Retirement System.

Subtitle B—Accrual Funding of Post-Retirement Health Benefits Costs for Federal Employees

Sec. 411. Federal employees health benefits fund.
Sec. 412. Funding uniformed services health benefits for all retirees.
Sec. 413. Effective date.

Subtitle C—Limit on the Public Debt

Sec. 421. Limit on public debt.

TITLE V—PAYGO EXTENSION

Sec. 501. PAYGO extension.

SEC. 2. EFFECTIVE DATE.

Except as otherwise specifically provided, this Act and the amendments made by this Act shall become effective on the date of enactment of this Act and shall apply with respect to fiscal years beginning after September 30, 2005.

SEC. 3. PROTECTION OF SOCIAL SECURITY AND MEDICARE BENEFITS.

Notwithstanding any other provision in law, nothing in titles I through V shall be construed to reduce benefits entitled to Americans through social security and medicare.

TITLE I—A SIMPLIFIED BUDGET

Subtitle A—Rainy Day Fund for Emergencies

SEC. 101. PURPOSE.

The purposes of this subtitle are to—

(1) develop budgetary and fiscal procedures for emergencies;

(2) subject spending for emergencies to budgetary procedures and controls; and

(3) establish criteria for determining compliance with emergency requirements.

SEC. 102. REPEAL OF ADJUSTMENTS FOR EMERGENCIES.

(a) ELIMINATION OF EMERGENCY DESIGNATION.—Sections 252(e) and 252(d)(4)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985 are repealed.

(b) ELIMINATION OF ADJUSTMENTS.—Section 314 of the Congressional Budget Act of 1974 is repealed.

(c) CONFORMING AMENDMENT.—Clause 2 of rule XXI of the Rules of the House of Representatives is amended by repealing paragraph (e) and by redesignating paragraph (f) as paragraph (e).

SEC. 103. OMB EMERGENCY CRITERIA.

(a) DEFINITION OF EMERGENCY.—Section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end the following new paragraph:

"(11)(A) The term 'emergency' means a situation that—

"(i) requires new budget authority and outlays (or new budget authority and the outlays flowing therefrom) for the prevention or mitigation of, or response to, loss of life or property, or a threat to national security; and

"(ii) is unanticipated.

"(B) As used in subparagraph (A), the term 'unanticipated' means that the situation is—

"(i) sudden, which means quickly coming into being or not building up over time;

"(ii) urgent, which means a pressing and compelling need requiring immediate action;

"(iii) unforeseen, which means not predicted or anticipated as an emerging need; and

"(iv) temporary, which means not of a permanent duration.".

(b) CONFORMING AMENDMENT.—Section 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new paragraph:

"(20) The term 'emergency' has the meaning given to such term in section 3 of the Congressional Budget and Impoundment Control Act of 1974.".

SEC. 104. DEVELOPMENT OF GUIDELINES FOR APPLICATION OF EMERGENCY DEFINITION.

Not later than 5 months after the date of enactment of this Act, the chairmen of the Committees on the Budget (in consultation with the President) shall, after consulting with the chairmen of the Committees on Appropriations and applicable authorizing committees of their respective Houses and the Directors of the Congressional Budget Office and the Office of Management and Budget, jointly publish in the Congressional Record guidelines for application of the definition of emergency set forth in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974.

SEC. 105. RESERVE FUND FOR EMERGENCIES IN PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code is amended by adding at the end the following new sentences: “Such budget submission shall also comply with the requirements of section 316(b) of the Congressional Budget Act of 1974 and, in the case of any budget authority requested for an emergency, such submission shall include a detailed justification of why such emergency is an emergency within the meaning of section 3(11) of the Congressional Budget Act of 1974.”.

SEC. 106. ADJUSTMENTS AND RESERVE FUND FOR EMERGENCIES IN CONCURRENT BUDGET RESOLUTIONS.

(a) EMERGENCIES.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

“EMERGENCIES

“SEC. 316. (a) ADJUSTMENTS.—

“(1) IN GENERAL.—After the reporting of a bill or joint resolution or the submission of a conference report thereon that provides budget authority for any emergency as identified pursuant to subsection (d) that is not covered by subsection (c)—

“(A) the chairman of the Committee on the Budget of the House of Representatives or the Senate shall determine and certify, pursuant to the guidelines referred to in section 104 of the Deficit Control Act of 2004, the portion (if any) of the amount so specified that is for an emergency within the meaning of section 3(11); and

“(B) such chairman shall make the adjustment set forth in paragraph (2) for the amount of new budget authority (or outlays) in that measure and the outlays flowing from that budget authority.

“(2) MATTERS TO BE ADJUSTED.—The adjustments referred to in paragraph (1) are to be made to the allocations made pursuant to the appropriate concurrent resolution on the budget pursuant to section 302(a) and shall be in an amount not to exceed the amount reserved for emergencies pursuant to the requirements of subsection (b).

“(b) RESERVE FUND FOR EMERGENCIES.—

“(1) AMOUNTS.—The amount set forth in the reserve fund for emergencies (other than those covered by subsection (c)) for budget authority and outlays for a fiscal year pursuant to section 301(a)(4) shall equal—

“(A) the average of the enacted levels of budget authority for emergencies (other than those covered by subsection (c)) in the 5 fiscal years preceding the current year; and

“(B) the average of the levels of outlays for emergencies in the 5 fiscal years preceding the current year flowing from the budget authority referred to in subparagraph (A), but only in the fiscal year for which such budget authority first becomes available for obligation.

“(2) AVERAGE LEVELS.—For purposes of paragraph (1), the amount used for a fiscal year to calculate the average of the enacted levels when one or more of such 5 preceding fiscal years is any of fiscal years 2000 through 2004 is as follows: the amount of enacted levels of budget authority and the amount of new outlays flowing therefrom for emergencies, but only in the fiscal year for which such budget authority first becomes available for obligation for each of such 5 fiscal years, which shall be determined by the Committees on the Budget of the House of Representatives and the Senate after receipt of a report on such matter transmitted to such committees by the Director of the Congressional Budget Office 6 months after the date of enactment of this section and thereafter in February of each calendar year.

“(c) TREATMENT OF EMERGENCIES TO FUND CERTAIN MILITARY OPERATIONS AND OTHER EXTRAORDINARY AND CRITICAL NEEDS.—Whenever the Committee on Appropriations reports any bill or joint resolution that provides budget authority for any emergency that is a threat to national security and the funding of which carries out a military operation authorized by a declaration of war or a joint resolution authorizing the use of military force, or for any other emergency designated by the President and the Congress as relating to extraordinary and critical needs, and the report accompanying that bill or joint resolution, pursuant to subsection (d), identifies any provision that increases outlays or provides budget authority (and the outlays flowing therefrom) for such emergency, the enactment of which would cause the total amount of budget authority or outlays provided for emergencies for the budget year in the concurrent resolution on the budget (pursuant to section 301(a)(4)) to be exceeded, such bill or joint resolution may be considered in the House or the Senate, as the case may be.

“(d) COMMITTEE NOTIFICATION OF EMERGENCY LEGISLATION.—Whenever the Committee on Appropriations or any other committee of either House (including a committee of conference) reports any bill or joint resolution that provides budget authority for any emergency, the report accompanying that bill or joint resolution (or the joint explanatory statement of managers in the case of a conference report on any such bill or joint resolution) shall identify all provisions that provide budget authority and the outlays flowing therefrom for such emergency and include a statement of the reasons why such budget authority meets the definition of an emergency pursuant to the guidelines referred to in section 104 of the Deficit Control Act of 2004.”.

(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 315 the following new item:

“Sec. 316. Emergencies.”.

SEC. 107. UP-TO-DATE TABULATIONS.

Section 308(b)(2) of the Congressional Budget Act of 1974 is amended by striking “and” at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting “; and”, and by adding at the end the following new subparagraph:

“(D) shall include an up-to-date tabulation of amounts remaining in the reserve fund for emergencies.”.

SEC. 108. PROHIBITION ON AMENDMENTS TO EMERGENCY RESERVE FUND.

(a) POINT OF ORDER.—Section 305 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

“(e) POINT OF ORDER REGARDING EMERGENCY RESERVE FUND.—It shall not be in order in the House of Representatives or in the Senate to consider an amendment to a concurrent resolution on the budget which changes the amount of budget authority and outlays set forth in section 301(a)(4) for emergency reserve fund.”.

(b) TECHNICAL AMENDMENT.—(1) Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting “305(e),” after “305(c)(4),”.

(2) Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting “305(e),” after “305(c)(4),”.

SEC. 109. CONTENT OF BUDGET RESOLUTIONS.

Section 301(a)(4) of the Congressional Budget Act of 1974 is amended by inserting before the semicolon at the end the following: “, and for emergencies (for the reserve fund in section 316(b) and for military operations in section 316(c))”.

Subtitle B—The Baseline

SEC. 111. ELIMINATION OF INFLATION ADJUSTMENT.

Section 257(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in paragraph (1) by striking “for inflation as specified in paragraph (5),”; and

(2) by striking paragraph (5) and redesignating paragraph (6) as paragraph (5).

SEC. 112. THE PRESIDENT'S BUDGET.

(a) Paragraph (5) of section 1105(a) of title 31, United States Code, is amended to read as follows:

“(5) except as provided in subsection (b) of this section, estimated expenditures and appropriations for the current year and estimated expenditures and proposed appropriations the President decides are necessary to support the Government in the fiscal year for which the budget is submitted and the 4 fiscal years following that year, and, except for detailed budget estimates, the percentage change from the current year to the fiscal year for which the budget is submitted for estimated expenditures and for appropriations.”.

(b) Section 1105(a)(6) of title 31, United States Code, is amended to read as follows:

“(6) estimated receipts of the Government in the current year and the fiscal year for which the budget is submitted and the 4 fiscal years after that year under—

“(A) laws in effect when the budget is submitted; and

“(B) proposals in the budget to increase revenues,

and the percentage change (in the case of each category referred to in subparagraphs (A) and (B)) between the current year and the fiscal year for which the budget is submitted and between the current year and each of the 9 fiscal years after the fiscal year for which the budget is submitted.”.

(c) Section 1105(a)(12) of title 31, United States Code, is amended to read as follows:

“(12) for each proposal in the budget for legislation that would establish or expand a Government activity or function, a table showing—

“(A) the amount proposed in the budget for appropriation and for expenditure because of the proposal in the fiscal year for which the budget is submitted;

“(B) the estimated appropriation required because of the proposal for each of the 4 fiscal years after that year that the proposal will be in effect; and

“(C) the estimated amount for the same activity or function, if any, in the current fiscal year, and, except for detailed budget estimates, the percentage change (in the case of each category referred to in subparagraphs (A), (B), and (C)) between the current year and the fiscal year for which the budget is submitted.”.

(d) Section 1105(a)(18) of title 31, United States Code, is amended by inserting "new budget authority and" before "budget outlays".

(e) Section 1105(a) of title 31, United States Code, is amended by adding at the end the following new paragraphs:

"(35) a comparison of levels of estimated expenditures and proposed appropriations for each function and subfunction in the current fiscal year and the fiscal year for which the budget is submitted, along with the proposed increase or decrease of spending in percentage terms for each function and subfunction.

"(36) a table on sources of growth in total direct spending under current law and as proposed in this budget submission for the budget year and the ensuing 9 fiscal years, which shall include changes in outlays attributable to the following: cost-of-living adjustments; changes in the number of program recipients; increases in medical care prices, utilization and intensity of medical care; and residual factors.".

(f) Section 1109(a) of title 31, United States Code, is amended by inserting after the first sentence the following new sentence: "For discretionary spending, these estimates shall assume the levels set forth in the discretionary spending limits under section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, as adjusted, for the appropriate fiscal years (and if no such limits are in effect, these estimates shall assume the adjusted levels for the most recent fiscal year for which such levels were in effect).".

SEC. 113. THE CONGRESSIONAL BUDGET.

Section 301(e) of the Congressional Budget Act of 1974 (as amended by section 103) is further amended—

(1) in paragraph (1), by inserting at the end the following: "The basis of deliberations in developing such concurrent resolution shall be the estimated budgetary levels for the preceding fiscal year. Any budgetary levels pending before the committee and the text of the concurrent resolution shall be accompanied by a document comparing such levels or such text to the estimated levels of the prior fiscal year. Any amendment offered in the committee that changes a budgetary level and is based upon a specific policy assumption for a program, project, or activity shall be accompanied by a document indicating the estimated amount for such program, project, or activity in the current year."; and

(2) in paragraph (2), by striking "and" at the end of subparagraph (H) (as redesignated), by striking the period and inserting "; and" at the end of subparagraph (I) (as redesignated), and by adding at the end the following new subparagraph:

"(J) a comparison of levels for the current fiscal year with proposed spending and revenue levels for the subsequent fiscal years along with the proposed increase or decrease of spending in percentage terms for each function.".

SEC. 114. CONGRESSIONAL BUDGET OFFICE REPORTS TO COMMITTEES.

(a) The first sentence of section 202(e)(1) of the Congressional Budget Act of 1974 is amended by inserting "compared to comparable levels for the current year" before the comma at the end of subparagraph (A) and before the comma at the end of subparagraph (B).

(b) Section 202(e)(1) of the Congressional Budget Act of 1974 is amended by inserting after the first sentence the following new sentence: "Such report shall also include a table on sources of spending growth in total direct spending for the budget year and the ensuing 4 fiscal years, which shall include changes in outlays attributable to the following: cost-of-living adjustments; changes in the number of program recipients; increases in medical care prices, utilization and intensity of medical care; and residual factors.".

(c) Section 308(a)(1)(B) of the Congressional Budget Act of 1974 is amended by inserting "and shall include a comparison of those levels to comparable levels for the current fiscal year" before "if timely submitted".

(d) Section 202(e) of the Congressional Budget Act of 1974 is amended by adding at the end the following new paragraph:

"(4) On or before February 15 of each year, the Director shall submit to the Committees on the Budget of the House of Representatives and the Senate, a report for the fiscal year ending on September 30 of the preceding year, with respect to entitlement spending, including (A) a comparison of actual spending for entitlements, on an account by account basis, with projected spending for such entitlements assumed in the concurrent resolution of the budget for that fiscal year and (B) an identification of those entitlements for which the actual spending exceeded the projected spending.".

SEC. 115. TREATMENT OF EMERGENCIES.

Section 257(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by section 111) is further amended by adding at the end the following new paragraph:

"(6) EMERGENCIES.—Budgetary resources for emergencies shall be at the level provided in the reserve fund for emergencies for that fiscal year pursuant to section 301(a)(4) of the Congressional Budget Act of 1974.".

TITLE II—IMPLEMENTING FEDERAL SPENDING DISCIPLINE

Subtitle A—Spending Safeguards on the Growth of Entitlements and Mandatories

SEC. 201. SPENDING CAPS ON GROWTH OF ENTITLEMENTS AND MANDATORIES.

(a) CONTROL OF ENTITLEMENTS AND MANDATORIES.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding after section 252 the following new section:

"SEC. 252A. ENFORCING CONTROLS ON DIRECT SPENDING.

"(a) CAP ON GROWTH OF ENTITLEMENTS.—Effective for fiscal year 2006 and for each ensuing fiscal year, the total level of direct spending for all direct spending programs, projects, and activities (excluding social security, medicare, and net interest spending) for any such fiscal year shall not exceed the total level of spending for all such programs, projects, and activities for the previous fiscal year after the direct spending for each such program, project, or activity is increased by—

"(1) the higher of the change in the Consumer Price Index for All Urban Consumers or the inflator (if any) applicable to that program, project, or activity; and

"(2) the growth in eligible population for such program, project, or activity.

"(b) SEQUESTRATION.—Within 15 days after Congress adjourns to end a session (other than of the second session of the One Hundred Eighth Congress), and on the same day as a sequestration (if any) under section 251, there shall be a sequestration to reduce the amount of direct spending for the fiscal year beginning in the year the Congress adjourns by any amount necessary to reduce such spending to the level set forth in subsection (a) unless that amount is less than $250,000,000.

"(c) UNIFORM REDUCTIONS; LIMITATIONS.—The amount required to be sequestered for the fiscal year under subsection (a) shall be obtained from nonexempt direct spending accounts by actions taken in the following order:

"(1) FIRST.—The reductions in the programs specified in section 256(a) (National Wool Act and special milk), section 256(b) (guaranteed student loans), and section 256(c) (foster care and adoption assistance) shall be made.

"(2) SECOND.—Any additional reductions that may be required shall be achieved by reducing each remaining nonexempt direct spending account by the uniform percentage necessary to achieve those additional reductions, except that—

"(A) the low-income programs specified in section 256(d) shall not be reduced by more than 2 percent; and

"(B) the retirement and veterans benefits specified in sections 256(f), (g), and (h) shall not be reduced by more than 2 percent in the manner specified in that section.

The limitations set forth in subparagraphs (A) and (B) shall be applied iteratively, and after each iteration the uniform percentage applicable to all other programs under this paragraph shall be increased (if necessary) to a level sufficient to achieve the reductions required by this paragraph.".

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents set forth in 250(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding after the item relating to section 252 the following new item:

"Sec. 252A. Enforcing controls on direct spending.".

SEC. 202. EXEMPT PROGRAMS AND ACTIVITIES.

Section 255 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

"SEC. 255. EXEMPT PROGRAMS AND ACTIVITIES.

"(a) SOCIAL SECURITY BENEFITS; TIER I RAILROAD RETIREMENT BENEFITS; AND MEDICARE BENEFITS.—(1) Benefits payable under the old-age, survivors, and disability insurance program established under title II of the Social Security Act, and benefits payable under section 3(a), 3(f)(3), 4(a), or 4(f) of the Railroad Retirement Act of 1974, shall be exempt from reduction under any order issued under this part.

"(2) Payments made under title XVIII (relating to medicare of the Social Security Act shall be exempt from reduction under any order issued under this part.

"(b) DESCRIPTIONS AND LISTS.—The following budget accounts or activities shall be exempt from sequestration:

"(1) net interest;

"(2) all payments to trust funds from excise taxes or other receipts or collections properly creditable to those trust funds;

"(3) all payments from one Federal direct spending budget account to another Federal budget account; and all intragovernmental funds including those from which funding is derived primarily from other Government accounts, except to the extent that such funds are augmented by direct appropriations for the fiscal year for which the order is in effect;

"(4) activities resulting from private donations, bequests, or voluntary contributions to the Government;

"(5) payments from any revolving fund or trust-revolving fund (or similar activity) that provides deposit insurance or other Government insurance, Government guarantees, or any other form of contingent liability, to the extent those payments result from contractual or other legally binding commitments of the Government at the time of any sequestration;

“(6) credit liquidating and financing accounts;

“(7) the following accounts, which largely fulfill requirements of the Constitution or otherwise make payments to which the Government is committed:

“Administration of Territories, Northern Mariana Islands Covenant grants (14–0412–0–1–806);

“Armed Forces Retirement Home Trust Fund, payment of claims (84–8930–0–7–705);

“Bureau of Indian Affairs, miscellaneous payments to Indians (14–2303–0–1–452);

“Bureau of Indian Affairs, miscellaneous trust funds, tribal trust funds (14–9973–0–7–999);

“Claims, defense;

“Claims, judgments, and relief act (20–1895–0–1–806);

“Compact of Free Association, economic assistance pursuant to Public Law 99–658 (14–0415–0–1–806);

“Compensation of the President (11–0001–0–1–802);

“Customs Service, miscellaneous permanent appropriations (20–9992–0–2–852);

“Eastern Indian land claims settlement fund (14–2202–0–1–806);

“Farm Credit Administration, Limitation on Administration Expenses (78–4131–0–3–351);

“Farm Credit System Financial Assistance Corporation, interest payments (20–1850–0–1–351);

“Internal Revenue collections of Puerto Rico (20–5737–0–2–852);

“Panama Canal Commission, operating expenses and capital outlay (95–5190–0–2–403);

“Payments of Vietnam and USS Pueblo prisoner-of-war claims (15–0104–0–1–153);

“Payments to copyright owners (03–5175–0–2–376);

“Payments to health care trust funds (75–0580–0–1–571);

“Payments to social security trust funds (75–0404–0–1–651);

“Payments to the United States territories, fiscal assistance (14–0418–0–1–801);

“Payments to widows and heirs of deceased Members of Congress (00–0215–0–1–801);

“Pension Benefit Guaranty Corporation Fund (16–4204–0–3–601);

“Salaries of Article III judges;

“Washington Metropolitan Area Transit Authority, interest payments (46–0300–0–1–401);

“(8) the following noncredit special, revolving, or trust-revolving funds:

“Coinage profit fund (20–5811–0–2–803);

“Comptroller of the Currency;

“Director of the Office of Thrift Supervision;

“Exchange Stabilization Fund (20–4444–0–3–155);

“Federal Housing Finance Board;

“Foreign Military Sales trust fund (11–82232–0–7–155);

“National Credit Union Administration, central liquidating facility (25–4470–0–3–373);

“National Credit Union Administration, credit union insurance fund (25–4468–0–3–373);

“National Credit Union Administration operating fund (25–4056–0–3–373); and

“Resolution Trust Corporation Revolving Fund (22–4055–0–3–373);

“(9) Thrift Savings Fund;

“(10) appropriations for the District of Columbia to the extent they are appropriations of locally raised funds;

“(11)(A) any amount paid as regular unemployment compensation by a State from its account in the Unemployment Trust Fund (established by section 904(a) of the Social Security Act);

“(B) any advance made to a State from the Federal unemployment account (established by section 904(g) of such Act) under title XII of such Act and any advance appropriated to the Federal unemployment account pursuant to section 1203 of such Act; and

“(C) any payment made from the Federal Employees Compensation Account (as established under section 909 of such Act) for the purpose of carrying out chapter 85 of title 5, United States Code, and funds appropriated or transferred to or otherwise deposited in such Account;

“(12)(A) FDIC, Bank Insurance Fund (51–4064–0–3–373);

“(B) FDIC, FSLIC Resolution Fund (51–4065–0–3–373); and

“(C) FDIC, Savings Association Insurance Fund (51–4066–0–3–373); and

“(13) Food Stamp Programs (12–3505–0–1–605)..

“(c) Federal Retirement and Disability Accounts.—The following Federal retirement and disability accounts shall be exempt from reduction under any order issued under this part:

“Civil service retirement and disability fund (24–8135–0–7–602).

“Black Lung Disability Trust Fund (20–8144–0–7–601).

“Foreign Service Retirement and Disability Fund (19–8186–0–7–602).

“District of Columbia Judicial Retirement and Survivors Annuity Fund (20–8212–0–7–602).

“Judicial Survivors' Annuities Fund (10–8110–0–7–602).

“Payments to the Railroad Retirement Accounts (60–0113–0–1–601).

“Tax Court Judges Survivors Annuity Fund (23–8115–0–7–602).

“Employees Life Insurance Fund (24–8424–0–8–602).

“(d) Federal Administrative Expenses.—

“(1) Notwithstanding any provision of law other than paragraph (3), administrative expenses incurred by the departments and agencies, including independent agencies, of the Government in connection with any program, project, activity, or account shall be subject to reduction pursuant to any sequestration order, without regard to any exemption, exception, limitation, or special rule otherwise applicable with respect to such program, project, activity, or account, and regardless of whether the program, project, activity, or account is self-supporting and does not receive appropriations.

“(2) Payments made by the Government to reimburse or match administrative costs incurred by a State or political subdivision under or in connection with any program, project, activity, or account shall not be considered administrative expenses of the Government for purposes of this section, and shall be subject to sequestration to the extent (and only to the extent) that other payments made by the Government under or in connection with that program, project, activity, or account are subject to that reduction or sequestration; except that Federal payments made to a State as reimbursement of administrative costs incurred by that State under or in connection with the unemployment compensation programs specified in subsection (a)(11) shall be subject to reduction or sequestration under this part notwithstanding the exemption otherwise granted to such programs under that subsection.

“(3) Notwithstanding any other provision of law, the administrative expenses of the following programs shall be exempt from sequestration:

“(A) Comptroller of the Currency.

“(B) Federal Deposit Insurance Corporation.

“(C) Office of Thrift Supervision.

“(D) National Credit Union Administration.

“(E) National Credit Union Administration, central liquidity facility.

“(F) Federal Retirement Thrift Investment Board.

“(G) Resolution Funding Corporation.

“(H) Resolution Trust Corporation.

“(I) Board of Governors of the Federal Reserve System.

“(e) Veterans' Programs.—The following programs shall be exempt from reduction under any order issued under this part:

“General Post Funds (36–8180–0–7–705).

“Veterans Insurance and Indemnities (36–0120–0–1–701).

“Service-Disabled Veterans Insurance Funds (36–4012–0–701).

“Veterans Reopened Insurance Fund (36–4010–0–3–701).

“Servicemembers' Group Life Insurance Fund (36–4009–0–3–701).

“Post-Vietnam Era Veterans Education Account (36–8133–0–7–702).

“National Service Life Insurance Fund (36–8132–0–7–701).

“United States Government Life Insurance Fund (36–8150–0–7–701).

“Veterans Special Life Insurance Fund (36–8455–0–8–701).

“(f) Optional Exemption of Defense and Homeland Security Accounts.—

“(1) In general.—The President may, with respect to any defense or homeland security account, exempt that account from sequestration or provide for a lower uniform percentage reduction than would otherwise apply.

“(2) Limitation.—The President may not use the authority provided by paragraph (1) unless the President notifies the Congress of the manner in which such authority will be exercised on or before the date specified in section 254(a) for the budget year.”.

SEC. 203. EXCEPTIONS, LIMITATIONS, AND SPECIAL RULES.

(a) In General.—Section 256 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

“SEC. 256. EXCEPTIONS, LIMITATIONS, AND SPECIAL RULES.

“(a) National Wool Act and the Special Milk Program.—Automatic spending increases are increases in outlays due to changes in indexes in the following programs:

“(1) National Wool Act; and

“(2) Special milk program.

In those programs all amounts other than the automatic spending increases shall be exempt from reduction under any sequestration order.

“(b) The Guaranteed Student Loan Program.—(1) Any reductions which are required to be achieved from the student loan programs operated pursuant to part B of title IV of the Higher Education Act of 1965 under any sequestration order shall be achieved only from loans described in paragraphs (2) and (3) by the application of the measures described in such paragraphs.

“(2) For any loan made during the period beginning on the date that a sequestration order takes effect with respect to a fiscal year, the rate used in computing the special allowance payment pursuant to section 438(b)(2)(A)(iii) of such Act for each of the first four special allowance payments for such loan shall be adjusted by reducing such rate by the lesser of—

"(A) 0.40 percent, or

"(B) the percentage by which the rate specified in such section exceeds 3 percent.

"(3) For any loan made during the period beginning on the date that a sequestration order takes effect with respect to a fiscal year, the origination fee which is authorized to be collected pursuant to section 438(c)(2) of such Act shall be increased by 0.50 percent.

"(c) Foster Care and Adoption Assistance Programs.—Any sequestration order shall make the reduction otherwise required under the foster care and adoption assistance programs (established by part E of title IV of the Social Security Act) only with respect to payments and expenditures made by States in which increases in foster care maintenance payment rates or adoption assistance payment rates (or both) are to take effect during the fiscal year involved, and only to the extent that the required reduction can be accomplished by applying a uniform percentage reduction to the Federal matching payments that each such State would otherwise receive under section 474 of that Act (for such fiscal year) for that portion of the State's payments attributable to the increases taking effect during that year. No State's matching payments from the Government for foster care maintenance payments or for adoption assistance maintenance payments may be reduced by a percentage exceeding the applicable domestic sequestration percentage. No State may, after the date of the enactment of this Act, make any change in the timetable for making payments under a State plan approved under part E of title IV of the Social Security Act which has the effect of changing the fiscal year in which expenditures under such part are made.

"(d) Low-Income Programs.—(1) Benefit payments or payments to States or other entities for the programs listed in paragraph (2) shall not be reduced by more than 2 percent under any sequestration order. When reduced under an end-of-session sequestration order, those benefit reductions shall occur starting with the payment made at the start of January. When reduced under a within-session sequestration order, those benefit reductions shall occur starting with the next periodic payment.

"(2) The programs referred to in paragraph (1) are the following:

"Child Nutrition (12-3539-0-1-605).

"Grants to States for Medicaid (75-0512-0-1-551).

"State Children's Health Insurance Fund (75-0515-0-1-551).

"Supplemental Security Income Program (75-0406-0-1-609).

"Temporary Assistance for Needy Families (75-1552-0-1-609).

"Special supplemental nutrition program for women, infants, and children (WIC) (12-3510-0-1-605).

"(e) Veterans' Medical Care.—The maximum permissible reduction in budget authority for Veterans' medical care (36-0160-0-1-703) for any fiscal year, pursuant to an order issued under section 254, shall be 2 percent.

"(f) Federal Retirement Programs.—

"(1) For each of the programs listed in paragraph (2) and except as provided in paragraph (3), monthly (or other periodic) benefit payments shall be reduced by the uniform percentage applicable to direct spending sequestrations for such programs, which shall in no case exceed 2 percent under any sequestration order. When reduced under an end-of-session sequestration order, those benefit reductions shall occur starting with the payment made at the start of January or 7 weeks after the order is issued, whichever is later. When reduced under a within-session sequestration order, those benefit reductions shall occur starting with the next periodic payment.

"(2) The programs subject to paragraph (1) are:

"Central Intelligence Agency Retirement and Disability Fund (56-3400-0-1-054).

"Comptrollers General Retirement System (05-0107-0-1-801)

"Judicial Officers' Retirement Fund (10-8122-0-7-602).

"Claims Judges' Retirement Fund (10-8124-0-7-602).

"Pensions for former Presidents (47-0105-0-1-802).

"National Oceanic and Atmospheric Administration Retirement (13-1450-0-1-306).

"Railroad Industry Pension Fund (60-8011-0-7-601).

"Retired pay, Coast Guard (70-0602-0-1-403).

"Retirement pay and medical benefits for commissioned officers, Public Health Service (75-0379-0-1-551).

"Payments to Civil Service Retirement and Disability Fund (24-0200-0-1-805).

"Payments to the Foreign Service Retirement and Disability Fund (72-1036-0-1-153)

"Payments to Judiciary Trust Funds (10-0941-0-1-752).

"(g) Veterans Programs.—To achieve the total percentage reduction required by any order issued under this part, the percentage reduction that shall apply to payments under the following programs shall in no event exceed 2 percent:

"Canteen Service Revolving Fund (36-4014-0-3-705).

"Medical Center Research Organizations (36-4026-0-3-703).

"Disability Compensation Benefits (36-0102-0-1-701).

"Education Benefits (36-0137-0-1-702).

"Vocational Rehabilitation and Employment Benefits (36-0135-0-1-702).

"Pensions Benefits (36-0154-0-1-701).

"Burial Benefits (36-0139-0-1-701).

"Guaranteed Transitional Housing Loans For Homeless Veterans Program Account (36-1119-0-1-704).

"Housing Direct Loan Financing Account (36-4127-0-1-704).

"Housing Guaranteed Loan Financing Account (36-4129-0-3-704).

"Vocational Rehabilitation and Education Direct Loan Financing Account (36-4259-0-3-702).

"(h) Military Retirement.—To achieve the total percentage reduction in military retirement required by any order issued under this part, the percentage reduction that shall apply to payments under the military retirement fund (97-8097-0-7-602) and payments to the military retirement fund (97-0040-0-1-054) shall in no event exceed 2 percent.

"(i) Federal Pay.—

"(1) In general.—For purposes of any order issued under section 254, new budget authority to pay Federal personnel shall be reduced by the applicable uniform percentage, but no sequestration order may reduce or have the effect of reducing the rate of pay to which any individual is entitled under any statutory pay system (as increased by any amount payable under section 5304 of title 5, United States Code, or section 302 of the Federal Employees Pay Comparability Act of 1990) or the rate of any element of military pay to which any individual is entitled under title 37, United States Code, or any increase in rates of pay which is scheduled to take effect under section 5303 of title 5, United States Code, section 1009 of title 37, United States Code, or any other provision of law.

"(2) Definitions.—For purposes of this subsection:

"(A) The term 'statutory pay system' shall have the meaning given that term in section 5302(1) of title 5, United States Code.

"(B) The term 'elements of military pay' means—

"(i) the elements of compensation of members of the uniformed services specified in section 1009 of title 37, United States Code,

"(ii) allowances provided members of the uniformed services under sections 403a and 405 of such title, and

"(iii) cadet pay and midshipman pay under section 203(c) of such title.

"(C) The term 'uniformed services' shall have the meaning given that term in section 101(3) of title 37, United States Code.

"(j) Child Support Enforcement Program.—Any sequestration order shall accomplish the full amount of any required reduction in expenditures under sections 455 and 458 of the Social Security Act by reducing the Federal matching rate for State administrative costs under such program, as specified (for the fiscal year involved) in section 455(a) of such Act, to the extent necessary to reduce such expenditures by that amount.

"(k) Extended Unemployment Compensation.—(1) A State may reduce each weekly benefit payment made under the Federal-State Extended Unemployment Compensation Act of 1970 for any week of unemployment occurring during any period with respect to which payments are reduced under an order issued under this title by a percentage not to exceed the percentage by which the Federal payment to the State under section 204 of such Act is to be reduced for such week as a result of such order.

"(2) A reduction by a State in accordance with subparagraph (A) shall not be considered as a failure to fulfill the requirements of section 3304(a)(11) of the Internal Revenue Code of 1954.

"(l) Commodity Credit Corporation.—

"(1) Powers and authorities of the Commodity Credit Corporation.—This title shall not restrict the Commodity Credit Corporation in the discharge of its authority and responsibility as a corporation to buy and sell commodities in world trade, to use the proceeds as a revolving fund to meet other obligations and otherwise operate as a corporation, the purpose for which it was created.

"(2) Reduction in payments made under contracts.—(A) Payments and loan eligibility under any contract entered into with a person by the Commodity Credit Corporation prior to the time any sequestration order has been issued shall not be reduced by an order subsequently issued. Subject to subparagraph (B), after any sequestration order is issued for a fiscal year, any cash payments made by the Commodity Credit Corporation—

"(i) under the terms of any one-year contract entered into in or after such fiscal year and after the issuance of the order; and

"(ii) out of an entitlement account,

to any person (including any producer, lender, or guarantee entity) shall be subject to reduction under the order.

"(B) Each contract entered into with producers or producer cooperatives with respect to a particular crop of a commodity and subject to reduction under subparagraph (A) shall be reduced in accordance with the same terms and conditions. If some, but not all, contracts applicable to a crop of a commodity have been entered into prior to the issuance of any sequestration order, the order shall provide that the necessary reduction in payments under contracts applicable to the commodity be uniformly applied to all contracts for succeeding crops of the commodity, under the authority provided in paragraph (3).

"(3) DELAYED REDUCTION IN OUTLAYS PERMISSIBLE.—Notwithstanding any other provision of this title, if any sequestration order is issued with respect to a fiscal year, any reduction under the order applicable to contracts described in paragraph (2) may provide for reductions in outlays for the account involved to occur in the fiscal years following the fiscal year to which the order applies.

"(4) UNIFORM PERCENTAGE RATE OF REDUCTION AND OTHER LIMITATIONS.—All reductions described in paragraph (2) that are required to be made in connection with any sequestration order with respect to a fiscal year—

"(A) shall be made so as to ensure that outlays for each program, project, activity, or account involved are reduced by a percentage rate that is uniform for all such programs, projects, activities, and accounts, and may not be made so as to achieve a percentage rate of reduction in any such item exceeding the rate specified in the order; and

"(B) with respect to commodity price support and income protection programs, shall be made in such manner and under such procedures as will attempt to ensure that—

"(i) uncertainty as to the scope of benefits under any such program is minimized;

"(ii) any instability in market prices for agricultural commodities resulting from the reduction is minimized; and

"(iii) normal production and marketing relationships among agricultural commodities (including both contract and non-contract commodities) are not distorted.

In meeting the criterion set out in clause (iii) of subparagraph (B) of the preceding sentence, the President shall take into consideration that reductions under an order may apply to programs for two or more agricultural commodities that use the same type of production or marketing resources or that are alternative commodities among which a producer could choose in making annual production decisions.

"(5) CERTAIN AUTHORITY NOT TO BE LIMITED.—Nothing in this title shall limit or reduce in any way any appropriation that provides the Commodity Credit Corporation with funds to cover the Corporation's net realized losses.

"(m) POSTAL SERVICE FUND.—Notwithstanding any other provision of law, any sequestration of the Postal Service Fund shall be accomplished by a payment from that Fund to the General Fund of the Treasury, and the Postmaster General of the United States shall make the full amount of that payment during the fiscal year to which the presidential sequestration order applies.

"(n) EFFECTS OF SEQUESTRATION.—The effects of sequestration shall be as follows:

"(1) Budgetary resources sequestered from any account other than an entitlement trust, special, or revolving fund account shall revert to the Treasury and be permanently canceled.

"(2) Except as otherwise provided, the same percentage sequestration shall apply to all programs, projects, and activities within a budget account (with programs, projects, and activities as delineated in the appropriation Act or accompanying report for the relevant fiscal year covering that account, or for accounts not included in appropriation Acts, as delineated in the most recently submitted President's budget).

"(3) Administrative regulations or similar actions implementing a sequestration shall be made within 120 days of the sequestration order. To the extent that formula allocations differ at different levels of budgetary resources within an account, program, project, or activity, the sequestration shall be interpreted as producing a lower total appropriation, with that lower appropriation being obligated as though it had been the pre-sequestration appropriation and no sequestration had occurred.

"(4) Except as otherwise provided, obligations in sequestered direct spending accounts shall be reduced in the fiscal year in which a sequestration occurs and in all succeeding fiscal years.

"(5) If an automatic spending increase is sequestered, the increase (in the applicable index) that was disregarded as a result of that sequestration shall not be taken into account in any subsequent fiscal year.

"(6) Except as otherwise provided, sequestration in accounts for which obligations are indefinite shall be taken in a manner to ensure that obligations in the fiscal year of a sequestration and succeeding fiscal years are reduced, from the level that would actually have occurred, by the applicable sequestration percentage.".

(b) CONFORMING AMENDMENT.—The table of contents set forth in 250(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by amending the item relating to section 256 to read as follows:

"Sec. 256. Exceptions, limitations, and special rules.".

SEC. 204. POINT OF ORDER.

(a) ENTITLEMENT POINT OF ORDER.—Section 312 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

"(g) ENTITLEMENT POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, or conference report that—

"(1) increases aggregate level of direct spending for any ensuing fiscal year or

"(2) includes any-provision that has the effect of modifying the application of section 252A of the Balanced Budget and Emergency Deficit Control Act of 1985 to any entitlement program subject to sequestration or exempt from sequestration under such Act.".

SEC. 205. TECHNICAL AND CONFORMING AMENDMENTS.

The Balanced Budget and Emergency Deficit Control Act of 1985 is amended as follows:

(1) Section 251(a)(1) is amended by inserting ", section 252A," after "section 252".

(2) Section 254(c)(4)(B) is amended by inserting "or section 252A" after "section 252".

(3) Section 254(c) is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

"(5) DIRECT SPENDING CONTROL SEQUESTRATION REPORTS.—The preview reports shall set forth, for the current year and the budget year, estimates for each of the following:

"(A) The total level of direct spending for all programs, projects, and activities (excluding social security).

"(B) The sequestration percentage or (if the required sequestration percentage is greater than the maximum allowable percentage for medicare) percentages necessary to comply with section 252A.".

(4) Section 254(f) is amended by redesignating paragraphs (4) and (5) as paragraphs (5) and (6) and by inserting after paragraph (3) the following new paragraph:

"(4) DIRECT SPENDING CONTROL SEQUESTRATION REPORTS.—The final reports shall contain all the information required in the direct spending control sequestration preview reports. In addition, these reports shall contain, for the budget year, for each account to be sequestered, estimates of the baseline level of sequesterable budgetary resources and resulting outlays and the amount of budgetary resources to be sequestered and resulting outlay reductions. The reports shall also contain estimates of the effects on outlays of the sequestration in each outyear for direct spending programs.".

(5) Section 258C(a)(1) is amended by inserting ", 252A," after "section 252".

Subtitle B—Discretionary Spending Limits

SEC. 211. ENFORCING DISCRETIONARY SPENDING LIMITS.

(a) DISCRETIONARY SPENDING LIMITS.—Sections 251(b) and (c) of the Balanced Budget and Emergency Deficit Control of Act of 1985 are amended to read as follows:

"(b) DISCRETIONARY SPENDING LIMIT.—As used in this part, the term 'discretionary spending limit' means with respect to fiscal year 2005: $818,736,000,000 in new budget authority and $901,816,000,000 in outlays.".

(b) DISCRETIONARY SPENDING LIMIT POINT OF ORDER.—Section 312 of the Congressional Budget Act of 1974 (as amended by section 204(a)) is further amended by adding at the end the following new subsection:

"(h) DISCRETIONARY SPENDING LIMIT POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, or conference report that—

"(1) increases the discretionary spending limits for any ensuing fiscal year after the budget year; or

"(2) would cause the discretionary spending limits for the budget year to be breached.".

SEC. 212. ANNUAL JOINT RESOLUTION ESTABLISHING DISCRETIONARY SPENDING LIMITS.

(a) IN GENERAL.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

"ANNUAL JOINT RESOLUTION ESTABLISHING DISCRETIONARY SPENDING LIMITS

"SEC. 317. (a) INTRODUCTION.—Before the close of the Second legislative day of the House of Representatives after the date of House passage of a concurrent resolution on the budget, the chairman of the Committee on the Budget of the House shall introduce a joint resolution that amends section 251(b) of the Balanced Budget and Emergency Deficit Control of Act of 1985 to establish a discretionary spending limit for the fiscal year of the concurrent resolution.

"(b) EXPEDITED CONSIDERATION.—For purposes of the consideration of a joint resolution introduced pursuant to subsection (a), the provisions of subsections (c) and (d) of section 1013 (other than subsection (c)(1)(A)) shall be applied by substituting 'joint resolution' and 'Committee on the Budget' for 'bill' and 'Committee on Appropriations', respectively.".

(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 316 the following new item:

"Sec. 317. Annual joint resolution establishing discretionary spending limits.".

TITLE III—COMBATING WASTE, FRAUD, AND ABUSE.

Subtitle A—Enhanced Rescissions of Budget Authority Identified by the President as Wasteful Spending

SEC. 301. ENHANCED CONSIDERATION OF CERTAIN PROPOSED RESCISSIONS.

(a) In General.—Part B of title X of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 681 et seq.) is amended by redesignating sections 1013 through 1017 as sections 1014 through 1018, respectively, and by inserting after section 1012 the following new section:

"ENHANCED CONSIDERATION OF CERTAIN PROPOSED RESCISSIONS

"Sec. 1013. (a) Proposed Rescission of Budget Authority Identified as Wasteful Spending.—The President may propose, at the time and in the manner provided in subsection (b), the rescission of any budget authority provided in an appropriation Act that he identifies as wasteful spending. If the President proposes a rescission of budget authority, he may also propose to reduce the appropriate discretionary spending limits for new budget authority and outlays flowing therefrom set forth in section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 by an amount that does not exceed the amount of the proposed rescission. Funds made available for obligation under this procedure may not be proposed for rescission again under this section.

"(b) Transmittal of Special Message.—

"(1) The President may transmit to Congress a special message proposing to rescind amounts of budget authority and include with that special message a draft bill that, if enacted, would only rescind that budget authority unless the President also proposes a reduction in the appropriate discretionary spending limits set forth in section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985. That bill shall clearly identify the amount of budget authority that is proposed to be rescinded for each program, project, or activity to which that budget authority relates.

"(2) In the case of an appropriation Act that includes accounts within the jurisdiction of more than one subcommittee of the Committee on Appropriations, the President in proposing to rescind budget authority under this section shall send a separate special message and accompanying draft bill for accounts within the jurisdiction of each subcommittee.

"(3) Each special message shall specify, with respect to the budget authority proposed to be rescinded, the following:

"(A) The amount of budget authority which he proposes to be rescinded.

"(B) Any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific project or governmental functions involved.

"(C) The reasons why the budget authority should be rescinded, including why he considers it to be wasteful spending.

"(D) To the maximum extent practicable, the estimated fiscal, economic, and budgetary effect (including the effect on outlays and receipts in each fiscal year) of the proposed rescission.

"(E) All facts, circumstances, and considerations relating to or bearing upon the proposed rescission and the decision to effect the proposed rescission, and to the maximum extent practicable, the estimated effect of the proposed rescission upon the objects, purposes, and programs for which the budget authority is provided.

"(F) A reduction in the appropriate discretionary spending limits set forth in section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, if proposed by the President.

"(c) Procedures for Expedited Consideration.—

"(1)(A) Before the close of the second legislative day of the House of Representatives after the date of receipt of a special message transmitted to Congress under subsection (b), the majority leader or minority leader of the House of Representatives shall introduce (by request) the draft bill accompanying that special message. If the bill is not introduced as provided in the preceding sentence, then, on the third legislative day of the House of Representatives after the date of receipt of that special message, any Member of that House may introduce the bill.

"(B) The bill shall be referred to the Committee on Appropriations. The bill shall be reported not later than the seventh legislative day of that House after the date of receipt of that special message. If that committee fails to report the bill within that period, that committee shall be automatically discharged from consideration of the bill, and the bill shall be placed on the appropriate calendar.

"(C) A vote on final passage of the bill shall be taken in the House of Representatives on or before the close of the 10th legislative day of that House after the date of the introduction of the bill in that House. If the bill is passed, the Clerk of the House of Representatives shall cause the bill to be engrossed, certified, and transmitted to the Senate within one calendar day of the day on which the bill is passed.

"(2)(A) A motion in the House of Representatives to proceed to the consideration of a bill under this section shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(B) Debate in the House of Representatives on a bill under this section shall not exceed 4 hours, which shall be divided equally between those favoring and those opposing the bill. A motion to further limit debate shall not be debatable. It shall not be in order to move to recommit a bill under this section or to move to reconsider the vote by which the bill is agreed to or disagreed to.

"(C) Appeals from decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a bill under this section shall be decided without debate.

"(D) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of a bill under this section shall be governed by the Rules of the House of Representatives. It shall not be in order in the House of Representatives to consider any rescission bill introduced pursuant to the provisions of this section under a suspension of the rules or under a special rule.

"(3) A bill transmitted to the Senate pursuant to paragraph (1)(D) shall be referred to its Committee on Appropriations. That committee shall report the bill without substantive revision and with or without recommendation. The bill shall be reported not later than the seventh legislative day of the Senate after it receives the bill. A committee failing to report the bill within such period shall be automatically discharged from consideration of the bill, and the bill shall be placed upon the appropriate calendar.

"(4)(A) A motion in the Senate to proceed to the consideration of a bill under this section shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(B) Debate in the Senate on a bill under this section, and all debatable motions and appeals in connection therewith (including debate pursuant to subparagraph (C)), shall not exceed 10 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(C) Debate in the Senate or any debatable motion or appeal in connection with a bill under this section shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill, except that in the event the manager of the bill is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control of the passage of a bill, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(D) A motion in the Senate to further limit debate on a bill under this section is not debatable. A motion to recommit a bill under this section is not in order.

"(d) Amendment and Divisions Prohibited.—No amendment to a bill considered under this section shall be in order in either the House of Representatives or the Senate. It shall not be in order to demand a division of the question in the House of Representatives (or in a Committee of the Whole) or in the Senate. No motion to suspend the application of this subsection shall be in order in either House, nor shall it be in order in either House to suspend the application of this subsection by unanimous consent.

"(e) Requirement To Make Available for Obligation.—Any amount of budget authority proposed to be rescinded in a special message transmitted to Congress under subsection (b) shall be made available for obligation on the day after the date on which either House rejects the bill transmitted with that special message.

"(f) Definitions.—For purposes of this section:

"(1) The term 'appropriation Act' means any general or special appropriation Act, and any Act or joint resolution making supplemental, deficiency, or continuing appropriations.

"(2) The term 'legislative day' means, with respect to either House of Congress, any day of session.

"(3) The term 'rescind' means, with respect to an appropriation Act, to reduce the amount of budget authority appropriated in that Act, and reducing budget authority shall include reducing obligation limitations set forth in that Act.".

(b) Exercise of Rulemaking Powers.—Section 904 of the Congressional Budget Act of 1974 (2 U.S.C. 621 note) is amended—

(1) in subsection (a), by striking "and 1017" and inserting "1012, and 1017"; and

(2) in subsection (d), by striking "section 1017" and inserting "sections 1012 and 1017".

(c) Conforming Amendments.—

(1) Section 1011 of the Congressional Budget Act of 1974 (2 U.S.C. 682(5)) is amended by repealing paragraphs (3) and (5) and by redesignating paragraph (4) as paragraph (3).

(2) Section 1014 of such Act (2 U.S.C. 685) is amended—

(A) in subsection (b)(1), by striking "or the reservation"; and

(B) in subsection (e)(1), by striking "or a reservation" and by striking "or each such reservation".

(3) Section 1015(a) of such Act (2 U.S.C. 686) is amended by striking "is to establish a reserve or", by striking "the establishment of such a reserve or", and by striking "reserve or" each other place it appears.

(4) Section 1017 of such Act (2 U.S.C. 687) is amended—

(A) in subsection (a), by striking "rescission bill introduced with respect to a special message or";

(B) in subsection (b)(1), by striking "rescission bill or", by striking "bill or" the second place it appears, by striking "rescission bill with respect to the same special message or", and by striking ", and the case may be,";

(C) in subsection (b)(2), by striking "bill or" each place it appears;

(D) in subsection (c), by striking "rescission" each place it appears and by striking "bill or" each place it appears;

(E) in subsection (d)(1), by striking "rescission bill or" and by striking ", and all amendments thereto (in the case of a rescission bill)";

(F) in subsection (d)(2)—

(i) by striking the first sentence;

(ii) by amending the second sentence to read as follows: "Debate on any debatable motion or appeal in connection with an impoundment resolution shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event that the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee.";

(iii) by striking the third sentence; and

(iv) in the fourth sentence, by striking "rescission bill or" and by striking "amendment, debatable motion," and by inserting 'debatable motion';

(G) in paragraph (d)(3), by striking the second and third sentences; and

(H) by striking paragraphs (4), (5), (6), and (7) of paragraph (d).

(d) Clerical Amendments.—The table of sections for subpart B of title X of the Congressional Budget and Impoundment Control Act of 1974 is amended by redesignating the item relating to sections 1014 through 1018 as items 1015 through 1019, respectively, and by inserting after the item relating to section 1012 the following new item:

"Sec. 1013. Enhanced consideration of certain proposed rescissions.".

Subtitle B—Commission to Eliminate Waste, Fraud, and Abuse

SEC. 311. ESTABLISHMENT OF COMMISSION.

(a) Establishment.—There is established the Commission to Eliminate Waste, Fraud, and Abuse (hereafter in this subtitle referred to as the "Commission").

(b) Membership.—

(1) In general.—The Commission shall consist of 12 members, all of whom shall be appointed by the President not later than 90 days after the date of enactment of this Act.

(2) Chairperson and vice chairperson.—The President shall designate a chairperson and vice chairperson from among the members of the Commission.

(c) Period of Appointment; Vacancies.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) Meetings.—

(1) Initial meeting.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(2) Subsequent meetings.—The Commission shall meet at the call of the chairperson.

(e) Quorum.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

SEC. 312. DUTIES OF THE COMMISSION.

(a) Definitions.—In this section, the following definitions shall apply:

(1) Agency.—The term "agency" has the meaning given the term "Executive agency" under section 105 of title 5, United States Code.

(2) Program.—The term "program" means any activity or function of an agency.

(b) In General.—The Commission shall—

(1) evaluate all agencies and programs within those agencies, using the criteria under subsection (c); and

(2) submit to Congress a plan with recommendations of the agencies and programs that should be realigned or eliminated.

(c) Criteria.—

(1) Duplicative.—If 2 or more agencies or programs are performing the same essential function and the function can be consolidated or streamlined into a single agency or program, the Commission shall recommend that the agency or program be realigned.

(2) Wasteful or inefficient.—The Commission shall recommend the realignment or elimination of any agency or program that has wasted Federal funds by—

(A) egregious spending;

(B) mismanagement of resources and personnel; or

(C) use of such funds for personal benefit or the benefit of a special interest group.

(3) Outdated, irrelevant, or failed.—The Commission shall recommend the elimination of any agency or program that—

(A) has completed its intended purpose;

(B) has become irrelevant; or

(C) has failed to meet its objectives.

(d) Systematic Assessment of Programs.—

(1) In general.—Not later than 1 year after the date of enactment of this Act, the President shall—

(A) establish a systematic method for assessing the effectiveness and accountability of agency programs; and

(B) submit, to the Commission, assessments of not less than ½ of all programs covered under subsection (b)(1) that use the method established under subparagraph (A).

(2) Method objectives.—The method established under paragraph (1) shall—

(A) recognize different types of federal programs;

(B) assess programs based primarily on the achievement of performance goals (as defined under section 1115(f)(4) of title 31, United States Code); and

(C) assess programs based in part on the adequacy of the program's performance measures, financial management, and other factors determined by the President.

(3) Development.—The method established under paragraph (1) shall not be implemented until it has been reviewed and accepted by the Commission.

(4) Consideration of assessments.—The Commission shall consider assessments submitted under this subsection when evaluating programs under subsection (b)(1).

(e) Common Performance Measures.—Not later than 1 year after the date of enactment of this Act, the President shall identify common performance measures for programs covered in subsection (b)(1) that have similar functions and, to the extent feasible, provide the Commission with data on such performance measures.

(f) Report.—Not later than 2 years after the date of enactment of this Act, the Commission shall submit to the President and Congress a report that includes the plan described under subsection (b)(2), with supporting documentation for all recommendations.

SEC. 313. POWERS OF THE COMMISSION.

(a) Hearings.—The Commission or, at its direction, any subcommittee or member of the Commission, may, for the purpose of carrying out this subtitle—

(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and administer such oaths as any member of the Commission considers advisable;

(2) require, by subpoena or otherwise, the attendance and testimony of such witnesses as any member of the Commission considers advisable; and

(3) require, by subpoena or otherwise, the production of such books, records, correspondence, memoranda, papers, documents, tapes, and other evidentiary materials relating to any matter under investigation by the Commission.

(b) Subpoenas.—

(1) Issuance.—Subpoenas issued under subsection (a) shall bear the signature of the chairperson of the Commission and shall be served by any person or class of persons designated by the chairperson for that purpose.

(2) Enforcement.—In the case of contumacy or failure to obey a subpoena issued under subsection (a), the United States district court for the judicial district in which the subpoenaed person resides, is served, or may be found, may issue an order requiring such person to appear at any designated place to testify or to produce documentary or other evidence. Any failure to obey the order of the court may be punished by the court as a contempt of that court.

(c) Information From Federal Agencies.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out this Act. Upon request of the chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(d) Postal Services.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Government.

(e) Gifts.—The Commission may accept, use, and dispose of gifts or donations of services or property.

SEC. 314. COMMISSION PERSONNEL MATTERS.

(a) Compensation of Members.—

(1) Non-federal members.—Except as provided under subsection (b), each member of the Commission who is not an officer or employee of the Government shall not be compensated.

(2) Federal officers or employees.—All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) Travel Expenses.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—Upon the approval of the chairperson, the executive director may fix the compensation of the executive director and other personnel without regard to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the maximum rate payable for a position at GS–15 of the General Schedule under section 5332 of such title.

(3) PERSONNEL AS FEDERAL EMPLOYEES.—

(A) IN GENERAL.—The executive director and any personnel of the Commission who are employees shall be employees under section 2105 of title 5, United States Code, for purposes of chapters 63, 81, 83, 84, 85, 87, 89, and 90 of that title.

(B) MEMBERS OF COMMISSION.—Subparagraph (A) shall not be construed to apply to members of the Commission.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 315. TERMINATION OF THE COMMISSION.

The Commission shall terminate 90 days after the date on which the Commission submits its report.

SEC. 316. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary for carrying out this subtitle for each of the fiscal years 2006 through 2008.

TITLE IV—TRUTH IN ACCOUNTING

Subtitle A—Accrual Funding of Pensions and Retirement Pay for Federal Employees and Uniformed Services Personnel

SEC. 401. CIVIL SERVICE RETIREMENT SYSTEM.

(a) CIVIL SERVICE RETIREMENT AND DISABILITY FUND.—Chapter 83 of title 5, United States Code, is amended—

(1) in section 8331—

(A) in paragraph (17)—

(i) by striking "normal cost" and inserting "normal cost percentage"; and

(ii) by inserting "and standards (using dynamic assumptions)" after "practice";

(B) by amending paragraph (18) to read as follows:

"(18) 'Fund balance' means the current net assets of the Fund available for payment of benefits, as determined by the Office in accordance with appropriate accounting standards, but does not include any amount attributable to—

"(A) the Federal Employees' Retirement System; or

"(B) contributions made under the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 by or on behalf of any individual who became subject to the Federal Employees' Retirement System;"

(C) by amending paragraph (19) to read as follows:

"(19) 'accrued liability' means the estimated excess of the present value of all benefits payable from the Fund to employees and Members, and former employees and Members, subject to this subchapter, and their survivors, over the present value of deductions to be withheld from the future basic pay of employees and Members currently subject to this subchapter and of future agency contributions to be made in their behalf;"

(D) in paragraph (27) by striking "and" at the end;

(E) in paragraph (28) by striking the period at the end and inserting a semicolon; and

(F) by adding at the end the following paragraphs:

"(29) 'dynamic assumptions' means economic assumptions that are used in determining actuarial costs and liabilities of a retirement system and in anticipating the effects of long-term future—

"(A) investment yields;

"(B) increases in rates of basic pay; and

"(C) rates of price inflation; and

"(30) 'unfunded liability' means the estimated excess of—

"(A) the actuarial present value of all future benefits payable from the Fund under this subchapter based on the service of current or former employees or Members, over

"(B) the sum of—

"(i) the actuarial present value of deductions to be withheld from the future basic pay of employees and Members currently subject to this chapter pursuant to section 8334;

"(ii) the actuarial present value of the future contributions to be made pursuant to section 8334 with respect to employees and Members currently subject to this subchapter;

"(iii) the Fund balance, as defined in paragraph (18), as of the date the unfunded liability is determined; and

"(iv) any other appropriate amount, as determined by the Office of Personnel Management in accordance with generally accepted actuarial practices and principles.";

(2) in section 8334—

(A) in subsection (a)(1)—

(i) by striking the last two sentences;

(ii) by redesignating that subsection, as so amended, as (a)(1)(A); and

(iii) by adding at the end the following new subparagraphs:

"(B) Except as provided in subparagraph (E), each employing agency having any employees or Members subject to subparagraph (A) shall contribute from amounts available for salaries and expenses an amount equal to the sum of—

"(i) the product of—

"(I) the normal cost percentage, as determined for employees (other than employees covered by clause (ii)), multiplied by

"(II) the aggregate amount of basic pay payable by the agency, for the period involved, to employees (under subclause (I)) who are within such agency; and

"(ii) the product of—

"(I) the normal cost percentage, as determined for Members, Congressional employees, law enforcement officers, firefighters, air traffic controllers, bankruptcy judges, Court of Federal Claims judges, United States magistrates, judges of the United States Court of Appeals for the Armed Forces, members of the Capitol Police, nuclear materials couriers, and members of the Supreme Court Police, multiplied by

"(II) the aggregate amount of basic pay payable by the agency for the period involved, to employees and Members (under subclause (I)) who are within such agency.

"(C) In determining the normal cost percentage to be applied under subparagraph (B), amounts provided for under subparagraph (A) shall be taken into account.

"(D) Contributions under this paragraph shall be paid—

"(i) in the case of law enforcement officers, firefighters, air traffic controllers, bankruptcy judges, Court of Federal Claims judges, United States magistrates, judges of the United States Court of Appeals for the Armed Forces, members of the Supreme Court Police, nuclear materials couriers and other employees, from the appropriations or fund used to pay such law enforcement officers, firefighters, air traffic controllers, bankruptcy judges, Court of Federal Claims judges, United States magistrates, judges of the United States Court of Appeals for the Armed Forces, members of the Supreme Court Police, nuclear materials couriers and other employees, respectively;

"(ii) in the case of elected officials, from an appropriation or fund available for payment of other salaries of the same office or establishment; and

"(iii) in the case of employees of the legislative branch paid by the Clerk of the House of Representatives, from the contingent fund of the House.

"(E) In the case of the United States Postal Service, the Metropolitan Washington Airports Authority, and the government of the District of Columbia, an amount equal to that withheld under subparagraph (A) shall be contributed from the appropriation or fund used to pay the employee."; and

(B) in subsection (k)—

(i) in paragraph (1)—

(I) in subparagraph (A) by striking "the first sentence of subsection (a)(1) of this section" and inserting "subsection (a)(1)(A)"; and

(II) by amending subparagraph (B) to read as follows:

"(B) the amount of the contribution under subsection (a)(1)(B) shall be the amount which would have been contributed under such subsection if this subsection had not been enacted."; and

(ii) in paragraph (2)(C)(iii) by striking "the first sentence of subsection (a)(1)" and inserting "subsection (a)(1)(A)"; and

(3) in section 8348—

(A) by repealing subsection (f);

(B) by amending subsection (g) to read as follows:

"(g)(1)(A) Not later than June 30, 2005, the Office of the Actuary shall determine the unfunded liability of the Fund, as of September 30, 2004, attributable to benefits payable under this chapter and make recommendations regarding its liquidation. After considering such recommendations, the Office shall establish an amortization schedule, including a series of annual installments commencing October 1, 2005, which provides for the liquidation of such liability by October 1, 2044.

"(B) The Office shall redetermine the unfunded liability of the Fund as of the close of the fiscal year, for each fiscal year beginning after September 30, 2004, through the fiscal year ending September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability by October 1, 2044.

"(C) The Office shall redetermine the unfunded liability of the Fund as of the close of the fiscal year for each fiscal year beginning after September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability over five years.

"(D) Amortization schedules established. under this paragraph shall be set in accordance with generally accepted actuarial practices and principles, with interest computed at the rate used in the most recent valuation of the Civil Service Retirement System.

"(2) At the beginning of each fiscal year, beginning on October 1, 2005, the Office shall notify the Secretary of the Treasury of the amount of the first installment under the most recent amortization schedule established under paragraph (1). The Secretary shall credit that amount to the Fund, as a Government contribution, out of any money in the Treasury of the United States not otherwise appropriated.

"(3) For the purpose of carrying out paragraph (1) with respect to any fiscal year, the Office may—

"(A) require the Board of Actuaries of the Civil Service Retirement System to make actuarial determinations and valuations, make recommendations, and maintain records in accordance with section 8347(f); and

"(B) use the latest actuarial determinations and valuations made by such Board of Actuaries.";

(C) in subsections (h), (i), and (m) by striking "unfunded" and inserting "accrued" each place it appears; and

(D) by adding at the end the following new subsection:

"(n) Under regulations prescribed by the Office, the head of an agency may request reconsideration of any amount determined to be payable with respect to such agency under section 8334(a)(1)(B)–(D). Any such request shall be referred to the Board of Actuaries of the Civil Service Retirement System. The Board of Actuaries shall review the computations of the Office and may make any adjustment with respect to any such amount which the Board determines appropriate. A determination by the Board of Actuaries under this subsection shall be final.".

(b) GOVERNMENT CONTRIBUTIONS.—Section 8423 of title 5, United States Code, is amended—

(1) in subsection (a)(2) by striking "section 8422" and inserting "section 8422(a)"; and

(2) in subsection (b)(2) by striking "equal annual installments" and inserting "annual installments set in accordance with generally accepted actuarial practices and principles".

SEC. 402. CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM.

(a) Section 101 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2001) is amended—

(1) in paragraph (5), to read as follows:

"(5) UNFUNDED LIABILITY.—The term 'unfunded liability' means the estimated excess of—

"(A) the actuarial present value of all future benefits payable from the Fund under title II of this Act based on the service of current or former participants, over

"(B) the sum of—

"(i) the actuarial present value of deductions to be withheld from the future basic pay of participants currently subject to title II of this Act pursuant to section 211;

"(ii) the actuarial present value of the future contributions to be made pursuant to section 211 with respect to participants currently subject to title II of this Act;

"(iii) the Fund balance, as defined in paragraph (4), as of the date the unfunded liability is determined; and

"(iv) any other appropriate amount, as determined by the Director in accordance with generally accepted actuarial practices and principles.";

(2) in paragraph (6)—

(A) by striking "'normal cost'" and inserting "'normal cost percentage'"; and

(B) by inserting "and standards (using dynamic assumptions)" after "practice"; and

(3) by adding at the end the following paragraph:

"(10) DYNAMIC ASSUMPTIONS.—The term 'dynamic assumptions' means economic assumptions that are used in determining actuarial costs and liabilities of a retirement system and in anticipating the effects of long-term future—

"(A) investment yields;

"(B) increases in rates of basic pay; and

"(C) rates of price inflation.".

(b) Section 202 of such Act (50 U.S.C. 2012) is amended by adding at the end the following: "The Fund is appropriated for the payment of benefits as provided by this title.".

(c) Section 211(a)(2) of such Act (50 U.S.C. 2021(a)(2)) is amended to read as follows:

"(2) AGENCY CONTRIBUTIONS.—The Agency shall contribute to the Fund the amount computed in a manner similar to that used under section 8334(a) of title 5, United States Code, pursuant to determinations of the normal cost percentage of the Central Intelligence Agency Retirement and Disability System by the Director. Contributions under this paragraph shall be paid from amounts available for salaries and expenses.".

(d) Section 261 of such Act (50 U.S.C. 2091) is amended—

(1) by striking subsections (c), (d), and (e); and

(2) by inserting after subsection (b) the following new subsections:

"(c)(1) Not later than June 30, 2005, the Director shall cause to be made actuarial valuations of the Fund that determine the unfunded liability of the Fund, as of September 30, 2004, attributable to benefits payable under this title and make recommendations regarding its liquidation. After considering such recommendations, the Director shall establish an amortization schedule, including a series of annual installments commencing October 1, 2005, which provides for the liquidation of such liability by October 1, 2044.

"(2) The Director shall redetermine the unfunded liability of the Fund as of the close of the fiscal year, for each fiscal year beginning after September 30, 2004, through the fiscal year ending September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability by October 1, 2044.

"(3) The Director shall redetermine the unfunded liability of the Fund as of the close of the fiscal year for each fiscal year beginning after September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability over five years.

"(4) Amortization schedules established under this subsection shall be set in accordance with generally accepted actuarial practices and principles, with interest computed at the rate used in the most recent valuation of the Civil Service Retirement and Disability System.

"(d) At the beginning of each fiscal year, beginning on October 1, 2005, the Director shall notify the Secretary of the Treasury of the amount of the first installment under the most recent amortization schedule established under subsection (c). The Secretary shall credit that amount to the Fund, as a Government contribution, out of any money in the Treasury of the United States not otherwise appropriated. For the purposes of Section 504 of the National Security Act of 1947, this amount shall be considered authorized.".

(e)(1) Title III of such Act (50 U.S.C. 2151 et seq.) is amended by adding at the end the following new section:

"SEC. 308. FULL FUNDING OF RETIREE COSTS FOR EMPLOYEES DESIGNATED UNDER SECTION 302.

"(a) In addition to other government contributions required by law, the Agency shall contribute to the Civil Service Retirement and Disability fund (hereinafter in this section referred to as the 'Fund') amounts calculated in accordance with section 8423 of title 5, United States Code, based on the projected number of employees to be designated pursuant to section 302 of this Act. In addition, the Agency, in a manner similar to that established for employee contributions to the Fund by section 8422 of title 5, United States Code, will contribute an amount equal to the difference between that which would be contributed by the number of employees projected to be designated under section 302 and the amounts that are actually being deducted and contributed from the basic pay of an equal number of employees pursuant to section 8422. The amounts of the Agency's contributions under this subsection shall be determined by the Director of the Office of Personnel Management, in consultation with the Director, and shall be paid by the Agency from funds available for salaries and expenses. Agency employees designated pursuant to section 302 of this Act shall, commencing with such designation, have deducted from their basic pay the full amount required by section 8422 of title 5, United States Code, and such deductions shall be contributed to the Fund.

"(b)(1) The Director of the Office of Personnel Management, in consultation with the Director, shall determine the total amount of unpaid contributions (government and employee contributions) and interest attributable to the number of individuals employed with the Agency on September 30, 2005, who are projected to be designated under section 302 of this Act, but are not yet designated under that section as of that date. The amount shall be referred to as the section 302 unfunded liability.

"(2) Not later than June 30, 2006, the Director of the Office of Personnel Management, in consultation with the Director, shall establish an amortization schedule, setting forth a series of annual installments commencing September 30, 2006, which provides for the liquidation of the section 302 unfunded liability by September 30, 2013.

"(3) At the end of each fiscal year, beginning on September 30, 2006, the Director shall notify the Secretary of the Treasury of the amount of the annual installment under the amortization schedule established under paragraph (2) of this subsection. Before closing the accounts for that fiscal year, the Secretary shall credit that amount to the Fund, out of any money in the Treasury of the United States not otherwise appropriated.

"(c) Amounts paid by the Agency pursuant to this section are deemed to be specifically authorized by the Congress for the purposes of section 504 of the National Security Act of 1947.".

(2) The table of contents of such Act is amended by inserting after the item relating to section 307 the following new item:

"Sec. 308. Full funding of retiree costs for employees designated under section 302.".

SEC. 403. FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM.

Chapter 8 of title I of the Foreign Service Act of 1980, Public Law 96–465 (22 U.S.C. 4041 et seq.) 94 Stat. 2071, as amended, is further amended—

(1) in section 804 (22 U.S.C. 4044)—

(A) by amending paragraph (5) to read as follows:

"(5) 'normal cost percentage' means the entry-age normal cost computed in accordance with generally accepted actuarial practice and standards (using dynamic assumptions) and expressed as a level percentage of aggregate basic pay;";

(B) by amending paragraph (14) to read as follows:

"(14) 'unfunded liability' means the estimated excess of—

"(A) the actuarial present value of all future benefits payable from the Fund under this part based on the service of current or former participants over

"(B) the sum of—

"(i) the actuarial present value of deductions to be withheld from the future basic pay of participants currently subject to this part pursuant to section 805;

"(ii) the actuarial present value of the future contributions to be made pursuant to section 805 with respect to participants currently subject to this part;

"(iii) the Fund balance, as defined in paragraph (7), as of the date the unfunded liability is determined, excluding any amount attributable to the Foreign Service Pension System, or contributions made under the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 by or on behalf of any individual who became subject to the Foreign Service Pension System; and

"(iv) any other appropriate amount, as determined by the Secretary of the Treasury in accordance with generally accepted actuarial practices and principles."; and

(C)(i) by striking the period at the end of paragraph (15) and inserting "; and"; and

(ii) by adding at the end the following new paragraph:

"(16) 'dynamic assumptions' means economic assumptions that are used in determining actuarial costs and liabilities of a retirement system and in anticipating the effects of long-term future—

"(A) investment yields;

"(B) increases in rates of basic pay; and

"(C) rates of price inflation.";

(2) in section 852 (22 U.S.C. 4071a)—

(A) in paragraph (4)—

(i) by striking "normal cost" and inserting "normal cost percentage"; and

(ii) by striking "by the Secretary of State";

(B) in paragraph (7)—

(i) by striking "supplemental" and inserting "unfunded";

(ii) in subparagraph (B)(i) by striking "(I)" and "and (II) contributions for past civilian and military service"; and

(iii) in subparagraph (B)(ii) by inserting before the semicolon "with respect to participants currently subject to this part"; and

(C)(i) at the end of paragraph (8) by striking "and";

(ii) at the end of paragraph (9) by striking the period and inserting "; and"; and

(iii) by adding at the end the following new paragraph:

"(10) 'dynamic assumptions' means economic assumptions that are used in determining actuarial costs and liabilities of a retirement system and in anticipating the effects of long-term future—

"(A) investment yields;

"(B) increases in rates of basic pay; and

"(C) rates of price inflation.";

(3) in section 805(a)(1) (22 U.S.C. 4045(a)(1))—

(A) by striking the second sentence;

(B) by redesignating that subsection, as so amended, as (a)(1)(A);

(C) by redesignating the last sentence of that subsection, as so amended as (a)(1)(C);

(D) by inserting after subparagraph (A) the following new subparagraph:

"(B) Each employing agency having participants shall contribute to the Fund the amount computed in a manner similar to that used under section 8334(a) of title 5, United States Code, pursuant to determinations of the normal cost percentage of the Foreign Service Retirement and Disability System. Contributions under this subparagraph shall be paid from the appropriations or fund used for payment of the salary of the participant.";

(E) in subsection (a)(2)(A) by striking "An equal amount shall be contributed by the Department" and inserting in its place "Each employing agency having participants shall contribute to the Fund the amount computed in a manner similar to that used under section 8334(a) of title 5, United States Code, pursuant to determinations of the normal cost percentage of the Foreign Service Retirement and Disability System"; and

(F) in subsection (a)(2)(B) by striking "An equal amount shall be contributed by the Department" and inserting in its place "Each employing agency having participants shall contribute to the Fund from amounts available for salaries and expenses the amount computed in a manner similar to that used under section 8334(a) of title 5, United States Code, pursuant to determinations of the normal cost percentage of the Foreign Service Retirement and Disability System";

(4) by repealing sections 821 and 822 (22 U.S.C. 4061 and 4062) and by adding the following new section:

"Sec. 821. Unfunded Liability.—(a)(1) Not later than June 30, 2005, the Secretary of State shall cause to be made actuarial valuations of the Fund that determine the unfunded liability of the Fund, as of September 30, 2004, attributable to benefits payable under this subchapter and make recommendations regarding its liquidation. After considering such recommendations, the Secretary of State shall establish an amortization schedule, including a series of annual installments commencing October 1, 2004, which provides for the liquidation of such liability by October 1, 2044.

"(2) The Secretary of State shall redetermine the unfunded liability of the Fund as of the close of the fiscal year, for each fiscal year beginning after September 30, 2004, through the fiscal year ending September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability by October 1, 2044.

"(3) The Secretary of State shall redetermine the unfunded liability of the Fund as of the close of the fiscal year for each fiscal year beginning after September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability over five years.

"(4) Amortization schedules established under this subsection shall be set in accordance with generally accepted actuarial practices and principles, with interest computed at the rate used in the most recent valuation of the Foreign Service Retirement and Disability System.

"(b) At the beginning of each fiscal year, beginning on October 1, 2005, the Secretary of State shall notify the Secretary of the Treasury of the amount of the first installment under the most recent amortization schedule established under paragraph (1). The Secretary of the Treasury shall credit that amount to the Fund, as a Government contribution, out of any money in the Treasury of the United States not otherwise appropriated.";

(5) in section 857(b)(1) (22 U.S.C. 4071f(b)(1)) by striking "equal annual installments" and inserting "annual installments set in accordance with generally accepted actuarial practices and principles";

(6) in section 859 (22 U.S.C. 4071h) by adding "percentage" after "normal cost";

(7) in section 802 (22 U.S.C. 4042) by adding at the end the following: "The Fund is appropriated for the payment of benefits as provided by this subchapter."; and

(8) in section 818 (22 U.S.C. 4058) by striking "System" and inserting "Systems under this subchapter".

SEC. 404. PUBLIC HEALTH SERVICE COMMISSIONED CORPS RETIREMENT SYSTEM.

(a) In General.—Title II of the Public Health Service Act (42 U.S.C. 202 et seq.) is amended by adding at the end the following new part:

"PART C—PUBLIC HEALTH SERVICE COMMISSIONED CORPS RETIREMENT SYSTEM

"ESTABLISHMENT AND PURPOSE OF FUND

"Sec. 251. There is established on the books of the Treasury a fund to be known as the Public Health Service Commissioned Corps Retirement Fund (hereinafter in this part referred to as the 'Fund'), which shall be administered by the Secretary. The Fund shall be used for the accumulation of funds in order to finance on an actuarially sound basis liabilities of the Department of Health and Human Services for benefits payable on account of retirement, disability, or death to commissioned officers of the Public Health Service and to their survivors pursuant to part A of this title.

"ASSETS OF THE FUND

"Sec. 252. There shall be deposited into the Fund the following, which shall constitute the assets of the Fund:

"(1) Amounts paid into the Fund under section 255.

"(2) Any return on investment of the assets of the Fund.

"(3) Amounts transferred into the Fund pursuant to section 404(c) of the Deficit Control Act of 2004.

"PAYMENT FROM THE FUND

"SEC. 253. There shall be paid from the Fund benefits payable on account of retirement, disability, or death to commissioned officers of the Public Health Service and to their survivors pursuant to part A of this title.

"DETERMINATION OF CONTRIBUTIONS TO THE FUND

"SEC. 254. (a)(1) Not later than June 30, 2005, the Secretary shall determine the unfunded liability of the Fund attributable to service performed as of September 30, 2004, which is 'active service' for the purpose of section 212. The Secretary shall establish an amortization schedule, including a series of annual installments commencing October 1, 2005, which provides for the liquidation of such liability by October 1, 2044.

"(2) The Secretary shall redetermine the unfunded liability of the Fund as of the close of the fiscal year, for each fiscal year beginning after September 30, 2004, through the fiscal year ending September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability by October 1, 2044.

"(3) The Secretary shall redetermine the unfunded liability of the Fund as of the close of the fiscal year for each fiscal year beginning after September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability over 5 years.

"(b) The Secretary shall determine each fiscal year, in sufficient time for inclusion in the budget request for the following fiscal year, the total amount of Department of Health and Human Services contributions to be made to the Fund during the fiscal year under section 255(a). That amount shall be the sum of—

"(1) the product of—

"(A) the current estimate of the value of the single level percentage of basic pay to be determined under subsection (c)(1) at the time of the most recent actuarial valuation under subsection (c); and

"(B) the total amount of basic pay expected to be paid during that fiscal year to commissioned officers of the Public Health Service on active duty (other than active duty for training); and

"(2) the product of—

"(A) the current estimate of the value of the single level percentage of basic pay and of compensation (paid pursuant to section 206 of title 37, United States Code) to be determined under subsection (c)(2) at the time of the most recent actuarial valuation under subsection (c); and

"(B) the total amount of basic pay and of compensation (paid pursuant to section 206 of title 37, United States Code) expected to be paid during the fiscal year to commissioned officers of the Reserve Corps of the Public Health Service (other than officers on full-time duty other than for training) who are not otherwise described in subparagraph (A).

"(c) Not less often than every four years thereafter (or by the fiscal year end prior to the effective date of any statutory change affecting benefits payable on account of retirement, disability, or death to commissioned officers or their survivors), the Secretary shall carry out an actuarial valuation of benefits payable on account of retirement, disability, or death to commissioned officers of the Public Health Service and to their survivors pursuant to part A of this title. Each such actuarial valuation shall be signed by an enrolled Actuary and shall include—

"(1) a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay for commissioned officers of the Public Health Service on active duty (other than active duty for training); and

"(2) a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay and of compensation (paid pursuant to section 206 of title 37, United States Code) of commissioned officers of the Reserve Corps of the Public Health Service (other than officers on full time duty other than for training) who are not otherwise described in paragraph (1).

"(d) All determinations under this section shall be in accordance with generally accepted actuarial principles and practices and, where appropriate, shall follow the general pattern of methods and assumptions approved by the Department of Defense Retirement Board of Actuaries.

"(e) The Secretary shall provide for the keeping of such records as are necessary for determining the actuarial status of the Fund.

"PAYMENTS INTO THE FUND

"SEC. 255. (a) From amounts available to the Department of Health and Human Services for salaries and expenses, the Secretary shall pay into the Fund at the end of each month the amount that is the sum of—

"(1) the product of—

"(A) the level percentage of basic pay determined using all the methods and assumptions approved for the most recent (as of the first day of the current fiscal year) actuarial valuation under sections 254(c)(1) (except that any statutory change affecting benefits payable on account of retirement, disability, or death to commissioned officers or their survivors that is effective after the date of that valuation and on or before the first day of the current fiscal year shall be used in such determination); and

"(B) the total amount of basic pay accrued for that month by commissioned officers of the Public Health Service on active duty (other than active duty for training); and

"(2) the product of—

"(A) the level percentage of basic pay and of compensation (paid pursuant to section 206 of title 37, United States Code) determined using all the methods and assumptions approved for the most recent (as of the first day of the current fiscal year) actuarial valuation under section 254(c)(2) (except that any statutory change affecting benefits payable on account of retirement, disability, or death to commissioned officers or their survivors that is effective after the date of that valuation and on or before the first day of the current fiscal year shall be used in such determinations); and

"(B) the total amount of basic pay and of compensation (paid pursuant to section 206 of title 37, United States Code) accrued for that month by commissioned officers of the Reserve Corps of the Public Health Service (other than officers on full-time duty other than for training).

"(b) At the beginning of each fiscal year, beginning on October 1, 2005, the Secretary shall certify to the Secretary of the Treasury the amount of the first installment under the most recent amortization schedule established under section 254(a). The Secretary of the Treasury shall pay into the Fund from the General Fund of the Treasury the amount so certified. Such payment shall be the contribution to the Fund for that fiscal year.

"INVESTMENTS OF ASSETS OF FUND

"SEC. 256. The Secretary may request the Secretary of the Treasury to invest such portion of the Fund as is not, in the judgment of the Secretary, required to meet the current needs of the Fund. Such investments shall be made by the Secretary of the Treasury in public debt securities with maturities suitable to the needs of the Fund, as determined by the Secretary, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income on such investments shall be credited to and form a part of the Fund.

"IMPLEMENTATION YEAR EXCEPTIONS

"SEC. 257. (a) To avoid funding shortfalls in the first year should formal actuarial determinations not be available in time for budget preparation, the amounts used in the first year in sections 255(a)(1)(A) and 255(a)(2)(A) shall be set equal to those estimates in sections 254(b)(1)(A) and 254(b)(2)(A) if final determinations are not available. The original unfunded liability as defined in section 254(a) shall include an adjustment to correct for this difference between the formal actuarial determinations and the estimates in sections 254(b)(1)(A) and 254(b)(2)(A).".

(b) CONFORMING AMENDMENTS.—

(1) CONDITION OF DETAIL.—Section 214 of the Public Health Service Act (42 U.S.C. 215) is amended by adding at the end the following new subsection:

"(e) The Secretary shall condition any detail under subsection (a), (b), or (c) upon the agreement of the executive department, State, subdivision, Committee of the Congress, or institution concerned to pay to the Department of Health and Human Services, in advance or by way of reimbursement, for the full cost of the detail including that portion of the contributions under section 255(a) that is attributable to the detailed personnel.".

(2) EXEMPTION FROM SEQUESTRATION.—Section 255(g)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)) is amended—

(A) in subparagraph (A), by inserting after the item relating to "payment to the foreign service retirement and disability fund" the following item: "Payment to the Public Health Service Commissioned Corps Retirement Fund (75–0380–0–1–551);"; and

(B) in subparagraph (B), by inserting after the item relating to the "Pensions for former Presidents" the following item: "Public Health Service Commissioned Corps Retirement Fund (75–8274–0–7–602);".

(c) TRANSFER OF APPROPRIATIONS.—There shall be transferred on October 1, 2006, into the fund established under section 251 of the Public Health Service Act, as added by subsection (a), any obligated or unobligated balances of appropriations made to the Department of Health and Human Services that are currently available for benefits payable on account of retirement, disability, or death to commissioned officers of the Public Health Service and to their survivors pursuant to part A of title II of the Public Health Service Act, and amounts so transferred shall be part of the assets of the Fund.

SEC. 405. NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION COMMISSIONED OFFICER CORPS RETIREMENT SYSTEM.

(a) IN GENERAL.—The National Oceanic and Atmospheric Administration Commissioned

Officer Corps Act of 2002 (title II of Public Law 107–372) is amended by inserting after section 246 (33 U.S.C. 3046) the following new section:

"Sec. 246A. (a) Establishment and Purpose of NOAA Commissioned Officer Corps Retirement Fund.—(1) There is established on the books of the Treasury a fund to be known as the National Oceanic and Atmospheric Administration Commissioned Officer Corps Retirement Fund (hereinafter in this section referred to as the 'Fund'), which shall be administered by the Secretary. The Fund shall be used for the accumulation of funds in order to finance on an actuarially sound basis liabilities of the Department of Commerce under military retirement and survivor benefit programs for the commissioned officers corps.

"(2) The term 'military retirement and survivor benefit program' means—

"(A) the provisions of this title and title 10, United States Code, creating entitlement to, or determining, the amount of retired pay;

"(B) the programs under the jurisdiction of the Department of Defense providing annuities for survivors and members and former members of the Armed Forces, including chapter 73 of title 10, section 4 of Public Law 92–425, and section 5 of Public Law 96–202, as made applicable to the commissioned officer corps by section 261.

"(b) Assets of the Fund.—There shall be deposited into the Fund the following, which shall constitute the assets of the Fund:

"(1) Amounts paid into the Fund under subsection (e).

"(2) Any return on investment of the assets of the Fund.

"(3) Amounts transferred into the Fund pursuant to section 405(c) of the Deficit Control Act of 2004.

"(c) Payments From the Fund.—There shall be paid from the Fund benefits payable on account of military retirement and survivor benefit programs to commissioned officers of the commissioned officer corps and their survivors.

"(d) Determination of Contributions to the Fund.—(1)(A) Not later than June 30, 2004, the Secretary shall determine the unfunded liability of the Fund attributable to service performed as of September 30, 2004, which is 'active service' for the purpose of this title. The Secretary shall establish an amortization schedule, including a series of annual installments commencing October 1, 2005, which provides for the liquidation of such liability by October 1, 2044.

"(B) The Secretary shall redetermine the unfunded liability of the Fund as of the close of the fiscal year, for each fiscal year beginning after September 30, 2004, through the fiscal year ending September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on September 30 of the subsequent fiscal year, which provides for the liquidation of such liability by October 1, 2044.

"(C) The Secretary shall redetermine the unfunded liability of the Fund as of the close of the fiscal year for each fiscal year beginning after September 30, 2039, and shall establish a new authorization schedule, including series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability over 5 years.

"(2) The Secretary shall determine each fiscal year, in sufficient time for inclusion in the budget request for the following fiscal year, the total amount of Department of Commerce contributions to be made to the Fund during that fiscal year under (e). The amount shall be the product of—

"(A) the current estimate of the value of the single level percentage of basic pay to be determined under subsection (e) at the time of the most recent actuarial valuation under paragraph (3); and

"(B) the total amount of basic pay expected to be paid during that fiscal year to commissioned officers of NOAA on active duty.

"(3) Not less often then every four years (or by the fiscal year end before the effective date of any statutory change affecting benefits payable on account of retirement, disability, or death to commissioned officers or their survivors), the Secretary shall carry out an actuarial valuation of benefits payable on account of military retirement and survivor benefit programs to commissioned officers of the Administration and to their survivors. Each such actuarial valuation shall be signed by an enrolled Actuary and shall include a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay for commissioned officers on active duty.

"(4) All determinations under this section shall be in accordance with generally accepted actuarial principles and practices, and, where appropriate, shall follow the general pattern of methods and assumptions approved by the Department of Defense Retirement Board of Actuaries.

"(5) The Secretary shall provide for the keeping of such records as are necessary for determining the actuarial status of the Fund.

"(e) Payments Into the Fund.—(1) From amounts appropriated to the National Oceanic Atmospheric Administration for salaries and expenses, the Secretary shall pay into the Fund at the end of each month the amount that is the product of—

"(A) the level percentage of basic pay determined using all the methods and assumptions approved for the most recent (as of the first day of the current fiscal year) actuarial valuation under subsection (d) (except that any statutory change affecting benefits payable on account of military retirement and survivor benefit programs to commissioned officers of the Administration and to their survivors that is effective date after the date of that valuation and on or before the first day of the current fiscal year shall be used in such determination); and

"(B) the total amount of basic pay accrued for that month by commissioned officers on active duty.

"(2)(A) At the beginning of each fiscal year, the Secretary shall determine the sum of—

"(i) the amount of the payment for that year under the amortization of the original unfunded liability of the Fund;

"(ii) the amount (including any negative amount) for that year under the most recent amortization schedule determined by the Secretary for the amortization of any cumulative actuarial gain or loss to the Fund, resulting from changes in benefits; and

"(iii) the amount (including any negative amount) for that year under the most recent amortization schedule determined by the Secretary for the amortization or any cumulative actuarial gain or loss to the Fund resulting from changes in actuarial assumptions and from experience different from the assumed since the last valuation.

The Secretary shall promptly certify the amount of the sum to the Secretary of the Treasury.

"(B) Upon receiving the certification pursuant to paragraph (1), the Secretary of the Treasury shall promptly pay into the Fund from the General Fund of the Treasury the amount so certified. Such payment shall be the contribution to the Fund for that fiscal year.

"(f) Investment of Assets of the Fund.—The Secretary may request the Secretary of the Treasury to invest such portion of the Fund as is not, in the judgment of the Secretary, required to meet the current needs of the Fund. Such investments shall be made by the Secretary of the Treasury in public debt securities with maturities suitable to the needs of the Fund, as determined by the Secretary, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income of such investments shall be credited to and form a part of the Fund.

"(g) Implementation Year Exceptions.—(1) To avoid funding shortfalls in the first year should formal actuarial determinations not be available in time for budget preparation, the amounts used in the first year in subsection (e)(1)(A) shall be set equal to the estimate in subsection (d)(2)(A) if final determinations are not available. The original unfunded liability as determined in subsection (d)(1) shall include an adjustment to correct for this difference between the formal actuarial determinations and the estimates in subsection (d)(2)(A).".

(b) Exemption From Sequestration.—Section 255(g)(1)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)(B)) is amended by striking "National Oceanic and Atmospheric Administration retirement (13–1450–0–1–306);" and inserting "National Oceanic and Atmospheric Administration Commissioned Officer Corps Retirement Fund;".

(c) Transfer of Appropriations.—There shall be transferred on October 1, 2006, into the fund established under section 246A(a) of the National Oceanic and Atmospheric Administration Commissioned Officer Corps Act of 2002 (title II of Public Law 107–372, as added by subsection (a)), any obligated and unobligated balance of appropriations made to the Department of Commerce that are available as of the date of the enactment of this Act for benefits payable on account of military retirement and survivor benefit programs to commissioned officers of the NOAA Commissioned Officer Corps and to their survivors, and amounts so transferred shall be part of the assets of the Fund, effective October 1, 2006.

(d) Effective Date.—Subsection (c) (relating to payments from the Fund) and (e) (relating to payments into the Fund) of section 246A of the National Oceanic and Atmospheric Administration Commissioned Officer Corps Act of 2002 (title II of Public Law 107–372, as added by subsection (a)), shall take effect on October 1, 2006.

SEC. 406. COAST GUARD MILITARY RETIREMENT SYSTEM.

(a) Accrual Funding for Coast Guard Retirement.—

(1) In general.—Chapter 11 of title 14, United States Code, is amended by adding at the end the following new subchapter:

"SUBCHAPTER V—COAST GUARD MILITARY RETIREMENT FUND

"§441. Establishment and purpose of Fund; definitions

"(a) Establishment of Fund; Purpose.—There is established on the books of the Treasury a fund to be known as the Coast Guard Military Retirement Fund (hereinafter in this subchapter referred to as the

'Fund'), which shall be administered by the Secretary. The Fund shall be used for the accumulations of funds in order to finance on an actuarially sound basis liabilities of the Coast Guard under military retirement and survivor benefit programs.

"(b) MILITARY RETIREMENT AND SURVIVOR BENEFIT PROGRAMS DEFINED.—In this subchapter, the term 'military retirement and survivor benefit programs' means—

"(1) the provisions of this title and title 10 creating entitlement to, or determining the amount of, retired pay;

"(2) the programs providing annuities for survivors of members and former members of the armed forces, including chapter 73 of title 10, section 4 of Public Law 92-425, and section 5 of Public Law 96-402; and

"(3) the authority provided in section 1048(h) of title 10.

"(c) SECRETARY DEFINED.—In this subchapter, the term 'Secretary' means the Secretary of Homeland Security when the Coast Guard is not operating as a service in the Navy and the Secretary of Defense when the Coast Guard is operating as a service in the Navy.

"§ 442. Assets of the Fund

"There shall be deposited into the Fund the following, which shall constitute the assets of the Fund:

"(1) Amounts paid into the Fund under section 445 of this title.

"(2) Any return on investment of the assets of the Fund.

"(3) Amounts transferred into the Fund pursuant to section 406(d) of the Deficit Control Act of 2004.

"§ 443. Payments from the Fund

"(a) IN GENERAL.—There shall be paid from the Fund the following:

"(1) Retired pay payable to persons on the retired list of the Coast Guard.

"(2) Retired pay payable under chapter 1223 of title 10 to former members of the Coast Guard and the former United States Lighthouse Service.

"(3) Benefits payable under programs that provide annuities for survivors of members and former members of the armed forces, including chapter 73 of title 10, section 4 of Public Law 92-425, and section 5 of Public Law 96-402.

"(4) Amounts payable under section 1048(h) of title 10.

"(b) AVAILABILITY OF ASSETS OF THE FUND.—The assets of the Fund are hereby made available for payments under subsection (a).

"§ 444. Determination of contributions to the Fund

"(a) INITIAL UNFUNDED LIABILITY.—(1) Not later than June 30, 2005, the Secretary shall determine the unfunded liability of the Fund attributable to service performed as of September 30, 2004, which is 'active service' for the purposes of section 212. The Secretary shall establish an amortization schedule, including a series of annual installments commencing October 1, 2005, which provides for the liquidation of such liability by October 1, 2044.

"(2) The Secretary shall redetermine the unfunded liability of the Fund as of the close of the fiscal year, for each beginning after September 30, 2004, through the fiscal year ending September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability by October 1, 2044.

"(3) The Secretary shall redetermine the unfunded liability of the Fund as of the close of the fiscal year for each fiscal year beginning after September 30, 2039, and shall establish a new amortization schedule, including a series of annual installments commencing on October 1 of the second subsequent fiscal year, which provides for the liquidation of such liability over five years.

"(b) ANNUAL CONTRIBUTIONS FOR CURRENT SERVICES.—(1) The Secretary shall determine each fiscal year, in sufficient time for inclusion in the budget request for the following fiscal year, the total amount of Department of Homeland Security, or Department of Defense, contributions to be made to the Fund during that fiscal year under section 445(a) of this title. That amount shall be the sum of the following:

"(A) The product of—

"(i) the current estimate of the value of the single level percentage of basic pay to be determined under subsection (c)(1)(A) at the time of the most recent actuarial valuation under subsection (c); and

"(ii) the total amount of basic pay expected to be paid during that fiscal year to members of the Coast Guard on active duty (other than active duty for training).

"(B) The product of—

"(i) the current estimate of the value of the single level percentage of basic pay and of compensation (paid pursuant to section 206 of title 37) to be determined under subsection (c)(1)(B) at the time of the most recent actuarial valuation under subsection (c); and

"(ii) the total amount of basic pay and compensation (paid pursuant to section 206 of title 37) expected to be paid during that fiscal year to members of the Coast Guard Ready Reserve (other than members on full-time Reserve duty other than for training) who are not otherwise described in subparagraph (A)(ii).

"(2) The amount determined under paragraph (1) for any fiscal year is the amount needed to be appropriated to the Department of Homeland Security for that fiscal year for payments to be made to the Fund during that year under section 445(a) of this title. The President shall include not less than the full amount so determined in the budget transmitted to Congress for that fiscal year under section 1105 of title 31. The President may comment and make recommendations concerning any such amount.

"(c) PERIODIC ACTUARIAL VALUATIONS.—(1) Not less often than every four years (or before the effective date of any statutory change affecting benefits payable on account of retirement, disability, or death to members of the Coast Guard or their survivors), the Secretary shall carry out an actuarial valuation of the Coast Guard military retirement and survivor benefit programs. Each actuarial valuation of such programs shall be signed by an enrolled actuary and shall include—

"(A) a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay for members of the Coast Guard on active duty (other than active duty for training); and

"(B) a determination (using the aggregate entry-age normal cost method) of single level percentage of basic pay and of compensation (paid pursuant to section 206 of title 37) for members of the Ready Reserve of the Coast Guard (other than members on full-time Reserve duty other than for training) who are not otherwise described in subparagraph (A).

"(2) Such single level percentages shall be used for the purposes of subsection (b) and section 445(a) of this title.

"(d) USE OF GENERALLY ACCEPTED ACTUARIAL PRINCIPLES AND PRACTICES.—All determinations under this section shall be in accordance with generally accepted actuarial principles and practices and, where appropriate, shall follow the general pattern of methods and assumptions approved by the Department of Defense Retirement Board of Actuaries.

"(e) RECORDS.—The Secretary shall provide for the keeping of such records as are necessary for determining the actuarial status of the Fund.

"§ 445. Payments into the Fund

"(a) MONTHLY ACCRUAL CHARGE FOR CURRENT SERVICES.—From amounts appropriated to the Coast Guard for salaries and expenses, the Secretary shall pay into the Fund at the end of each month as the Department of Homeland Security, or Department of Defense, contribution to the Fund for that month the amount that is the sum of the following:

"(1) The product of—

"(A) the level percentage of basic pay determined using all the methods and assumptions approved for the most recent (as of the first day of the current fiscal year) actuarial valuation under section 444(c)(1)(A) of this title (except that any statutory change in the military retirement and survivor benefit systems that is effective after the date of that valuation and on or before the first day of the current fiscal year shall be used in such determination); and

"(B) the total amount of basic pay accrued for that month by members of the Coast Guard on active duty (other than active duty for training).

"(2) The product of—

"(A) the level percentage of basic pay and compensation (accrued pursuant to section 206 of title 37) determined using all the methods and assumptions approved for the most recent (as of the first day of the current fiscal year) actuarial valuation under section 444(c)(1)(B) of this title (except that any statutory change in the military retirement and survivor benefit systems that is effective after the date of that valuation and on or before the first day of the current fiscal year shall be used in such determination); and

"(B) the total amount of basic pay and of compensation (paid pursuant to section 206 of title 37) accrued for that month by members of the Ready Reserve (other than members of full-time Reserve duty other than for training) who are not otherwise described in paragraph (1)(B).

"(b) ANNUAL PAYMENT FOR UNFUNDED LIABILITIES.—(1) At the beginning of each fiscal year, beginning on October 1, 2005, the Secretary shall certify to the Secretary of the Treasury the amount of the first installment under the most recent amortization schedule established under section 254(a). The Secretary of the Treasury shall promptly pay into the Fund from the General Fund of the Treasury the amount so certified. Such payment shall be the contribution to the Fund for that fiscal year.

"§ 446. Investment of assets of the Fund

"The Secretary may request the Secretary of the Treasury to invest such portion of the Fund as is not, in the judgment of the Secretary, required to meet the current needs of the Fund. Such investments shall be made by the Secretary of the Treasury in public debt securities with maturities suitable to the needs of the Fund, as determined by the Secretary, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income on such investments shall be credited to and form a part of the Fund.".

(2) TECHNICAL AMENDMENTS.—Such chapter is further amended—

(A) by amending the center heading after the table of sections to read as follows:

"SUBCHAPTER I—OFFICERS";

(B) by amending the center heading after section 336 to read as follows:

"SUBCHAPTER II—ENLISTED MEMBERS";

(C) by amending the center heading after section 373 to read as follows:

"SUBCHAPTER III—GENERAL PROVISIONS";

and

(D) by amending the center heading after section 425 to read as follows:

"SUBCHAPTER IV—SPECIAL PROVISIONS".

(3) CLERICAL AMENDMENTS.—The table of sections at the beginning of such chapter is amended—

(A) by striking "OFFICERS" at the beginning of the table and inserting "SUBCHAPTER I—OFFICERS";

(B) by striking "ENLISTED MEMBERS" after the item relating to section 336 and inserting "SUBCHAPTER II—ENLISTED MEMBERS";

(C) by striking "GENERAL PROVISIONS" after the item relating to section 373 and inserting "SUBCHAPTER III—GENERAL PROVISIONS";

(D) by striking "SPECIAL PROVISIONS" after the item relating to section 425 and inserting "SUBCHAPTER IV—SPECIAL PROVISIONS"; and

(E) by adding at the end the following:

"SUBCHAPTER V—COAST GUARD MILITARY RETIREMENT FUND

"441. Establishment and purpose of Fund; definitions.
"442. Assets of the Fund.
"443. Payments from the Fund.
"444. Determination of contributions to the Fund.
"445. Payments into the Fund.
"446. Investment of assets of the Fund.".

(b) IMPLEMENTATION YEAR EXCEPTIONS.—To avoid funding shortfalls in the first year of implementation of subchapter V of chapter 11 of title 14, United States Code, as added by subsection (a), if formal actuarial determinations are not available in time for budget preparation, the amounts used in the first year under sections 445(a)(1)(A) and 445(a)(2)(A) of such title shall be set equal to those estimates in sections 444(b)(1)(A)(i) and 444(b)(1)(B)(i), respectively, of such title if final determinations are not available. The original unfunded liability, as defined in section 444(a) of such title, shall include an adjustment to correct for this difference between the formal actuarial determinations and the estimates in sections 444(b)(1)(A)(i) and 444(b)(1)(B)(i) of such title.

(c) CONFORMING AMENDMENT.—Subparagraph (B) of section 255(g)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)) is amended by striking "Retired Pay, Coast Guard (69–0241–0–1–403)" and inserting "Coast Guard Military Retirement Fund (69–0241–01–403)".

(d) TRANSFER OF EXISTING BALANCES.—

(1) TRANSFER.—There shall be transferred into the Fund on October 1, 2005, any obligated and unobligated balances of appropriations made to the Department of Homeland Security that are currently available for retired pay, and amounts so transferred shall be part of the assets of the Fund.

(2) FUND DEFINED.—For purposes of paragraph (1), the term "Fund" means the Coast Guard Military Retirement Fund established under section 441 of title 14, United States Code, as added by subsection (a).

(e) EFFECTIVE DATE.—Sections 443 (relating to payments from the Fund) and 445 (relating to payments into the Fund) of title 14, United States Code, as added by subsection (a), shall take effect on October 1, 2005.

Subtitle B—Accrual Funding of Post-Retirement Health Benefits Costs for Federal Employees

SEC. 411. FEDERAL EMPLOYEES HEALTH BENEFITS FUND.

(a) Section 8906 of title 5, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (c)(1) and by adding at the end the following new paragraphs:

"(2) In addition to Government contributions required by subsection (b) and paragraph (1), each employing agency shall contribute amounts as determined by the Office to be necessary to prefund the accruing actuarial cost of post-retirement health benefits for each of the agency's current employees who are eligible for Government contributions under this section. Amounts under this paragraph shall be paid by the employing agency separate from other contributions under this section, from the appropriations or fund used for payment of the salary of the employee, on a schedule to be determined by the Office.

"(3) Paragraph (2) shall not apply to the United States Postal Service or the government of the District of Columbia."; and

(2) by amending subsection (g)(1) to read as follows:

"(g)(1) Except as provided in paragraphs (2) and (3), all Government contributions authorized by this section for health benefits for an annuitant shall be paid from the Employees Health Benefits Fund to the extent that funds are available in accordance with section 8909(h)(6) and, if necessary, from annual appropriations which are authorized to be made for that purpose and which may be made available until expended.".

(b) Section 8909 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(h)(1) Not later than June 30, 2006, the Office shall determine the existing liability of the Fund for post-retirement health benefits, excluding the liability of the United States Postal Service for service under section 8906(g)(2), under this chapter as of September 30, 2006. The Office shall establish an amortization schedule, including a series of annual installments commencing September 30, 2006, which provides for the liquidation of such liability by September 30, 2043.

"(2) At the close of each fiscal year, for fiscal years beginning after September 30, 2005, the Office shall determine the supplemental liability of the Fund for post-retirement health benefits, excluding the liability attributable to the United States Postal Service for service subject to section 8906(g)(2), and shall establish an amortization schedule, including a series of annual installments commencing on September 30 of the subsequent fiscal year, which provides for liquidation of such supplemental liability over 30 years.

"(3) Amortization schedules established under this paragraph shall be set in accordance with generally accepted actuarial practices and principles.

"(4) At the end of each fiscal year on and after September 30, 2006, the Office shall notify the Secretary of the Treasury of the amounts of the next installments under the most recent amortization schedules established under paragraphs (1) and (2). Before closing the accounts for the fiscal year, the Secretary shall credit the sum of these amounts (including in that sum any negative amount for the amortization of the supplemental liability) to the Fund, as a Government contribution, out of any money in the Treasury of the United States not otherwise appropriated.

"(5) For the purpose of carrying out paragraphs (1) and (2), the Office shall perform or arrange for actuarial determinations and valuations and shall prescribe retention of such records as it considers necessary for making periodic actuarial valuations of the Fund.

"(6) Notwithstanding subsection (b), the amounts deposited into the Fund pursuant to this subsection and section 8906(c)(2) to prefund post-retirement health benefits costs shall be segregated within the Fund so that such amounts, as well as earnings and proceeds under subsection (c) attributable to them, may be used exclusively for the purpose of paying Government contributions for post-retirement health benefits costs. When such amounts are used in combination with amounts withheld from annuitants to pay for health benefits, a portion of the contributions shall then be set aside in the Fund as described in subsection (b).

"(7) Under this subsection, 'supplemental liability' means—

"(A) the actuarial present value for future post-retirement health benefits that are the liability of the Fund, less

"(B) the sum of—

"(i) the actuarial present value of all future contributions by agencies and annuitants to the Fund toward those benefits pursuant to section 8906;

"(ii) the present value of all scheduled amortization payments to the Fund pursuant to paragraphs (1) and (2);

"(iii) the Fund balance as of the date the supplemental liability is determined, to the extent that such balance is attributable to post-retirement benefits; and

"(iv) any other appropriate amount, as determined by the Office in accordance with generally accepted actuarial practices and principles.".

SEC. 412. FUNDING UNIFORMED SERVICES HEALTH BENEFITS FOR ALL RETIREES.

Title 10, United States Code, is amended—

(1) in the title of chapter 56, by striking "**DEPARTMENT OF DEFENSE MEDICARE-ELIGIBLE**" and inserting "**UNIFORMED SERVICES**";

(2) in section 1111—

(A) in subsection (a)—

(i) by striking "Department of Defense Medicare-Eligible" and inserting "Uniformed Services";

(ii) by striking "Department of Defense under"; and

(iii) by striking "for medicare-eligible beneficiaries";

(B) in subsection (c)—

(i) by striking "The Secretary of Defense may" and inserting "The Secretary of Defense shall";

(ii) by striking "with any other" and inserting "with each";

(iii) by striking "Any such agreement" and inserting "Such agreements"; and

(iv) by striking "administering Secretary may" and inserting "administrative Secretary shall";

(3) in section 1113—

(A) in subsection (a)—

(i) by striking "and are medicare eligible";

(ii) by striking "who are medicare eligible"; and

(iii) by adding at the end the following new sentence: "For the fiscal year starting October 1, 2004, only, the payments will be solely for the costs of members or former members of a uniformed service who are entitled to retired or retainer pay and are medicare-eligible, and eligible dependents or survivors who are medicare-eligible.";

(B) in subsection (c)(1), by striking "who are medicare-eligible";

(C) in subsection (d), by striking "who are medicare-eligible"; and

(D) in subsection (f), by striking "If" and inserting "When";

(4) in section 1114, in subsection (a)(1), by striking "Department of Defense Medicare-Eligible" and inserting "Uniformed Services";

(5) in section 1115—

(A) in subsection (b)(2), by striking "The amount determined under paragraph (1) for any fiscal year is the amount needed to be appropriated to the Department of Defense (or to the other executive department having jurisdiction over the participating uniformed service)" and inserting "The amount determined under paragraph (1), or the amount determined under section 1111(c) for a participating uniformed service, for any fiscal year, is the amount needed to be appropriated to the Department of Defense (or to any other executive department having jurisdiction over a participating uniformed service)";

(B) in subsection (c)(2), by striking "for medicare eligible beneficiaries"; and

(C) by adding at the end the following new subsection:

"(f) For the fiscal year starting October 1, 2004, only, the amounts in this section shall be based solely on the costs of medicare-eligible benefits of beneficiaries and the costs for their eligible dependents or survivors who are medicare-eligible, and shall be recalculated thereafter to reflect the cost of beneficiaries defined in section 1111."; and

(6) in section 1116—

(A) in subsection (a)(1)(A), by striking "for medicare-eligible beneficiaries";

(B) in subsection (a)(2)(A), by striking "for medicare-eligible beneficiaries"; and

(C) in subsection (c), by striking "subsection (a) shall be paid from funds available for the health care programs" and inserting "subsection (a) and section 1111(c) shall be paid from funds available for the pay of members of the participating uniformed services under the jurisdiction of the respective administering secretaries".

SEC. 413. EFFECTIVE DATE.

Except as otherwise provided, this title shall take effect upon enactment with respect to fiscal years beginning after 2005.

"Sec. 601. Short title.
"Sec. 602. Budgetary treatment.
"Sec. 603. Timetable for implementation of accrual budgeting for Federal insurance programs.
"Sec. 604. Definitions.
"Sec. 605. Authorizations to enter into contracts; actuarial cost account.
"Sec. 606. Effective date.".

Subtitle C—Limit on the Public Debt

SEC. 421. LIMIT ON PUBLIC DEBT.

Section 3101 of title 31, United States Code, is amended to read as follows:

"§ 3101. Public debt limit

"(a) In this section, the current redemption value of an obligation issued on a discount basis and redeemable before maturity at the option of its holder is deemed to be the face amount of the obligation.

"(b) The face amount of obligations issued under this chapter and the face amount of obligations whose principal and interest are guaranteed by the United States Government (except guaranteed obligations held by the Secretary of the Treasury and intragovernmental holdings) may not be more than $4,393,000,000,000 outstanding at one time, subject to changes periodically made in that amount as provided by law.

"(c) For purposes of this section, the face amount, for any month, of any obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

"(1) the original issue price of the obligation, plus

"(2) the portion of the discount on the obligation attributable to periods before the beginning of such month (as determined under the principles of section 1272(a) of the Internal Revenue Code of 1986 without regard to any exceptions contained in paragraph (2) of such section).

"(d) For purposes of this section, the term 'intragovernment holding' is any obligation issued by the Secretary of the Treasury to any Federal trust fund or Government account, whether in respect of public money, money otherwise required to be deposited in the Treasury, or amounts appropriated.".

TITLE V—PAYGO EXTENSION

SEC. 501. EXTENSION OF PAY-AS-YOU-GO REQUIREMENT.

(a) PURPOSE.—Section 252(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:,

"(a) PURPOSE.—The purpose of this section is to assure that any legislation that is enacted before October 1, 2007, that causes a net increase in direct spending will trigger an offsetting sequestration.".

(b) TIMING.—Section 252(b)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "any net deficit increase" and all that follows through "2002," and by inserting "any net increase in direct spending enacted before October 1, 2007,".

(c) CALCULATION OF DIRECT SPENDING INCREASE.—Section 252(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) by striking "deficit" the first place it appears and inserting "direct spending";

(2) in subparagraph (A) by striking "and receipts";

(3) in subparagraph (C) by striking "and receipts"; and

(4) by amending the heading to read as follows: "CALCULATION OF DIRECT SPENDING INCREASE.—".

(d) CONFORMING AMENDMENTS.—(1) The heading of section 252(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows: "ELIMINATING A DIRECT SPENDING INCREASE.—".

(2) Paragraphs (1), (2), and (4) of section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 are amended by striking "or receipts" each place it appears.

(3) Section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "or receipts" and by striking ", outlays, and receipts" and inserting "and outlays".

(4) Section 254(c)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(A) in subparagraph (A) by striking "net deficit increase or decrease" and by inserting "net increase or decrease in direct spending";

(B) in subparagraph (B) by striking "amount of deficit increase or decrease" and by inserting "increase or decrease in direct spending"; and

(C) in subparagraph (C) by striking "a deficit increase" and by inserting "an increase in direct spending".

The CHAIRMAN pro tempore. Pursuant to House Resolution 692, the gentleman from Illinois (Mr. KIRK) and a Member opposed each will control 15 minutes.

The Chair recognizes the gentleman from Illinois (Mr. KIRK).

Mr. KIRK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I urge support for the Republican Consensus Budget Substitute. In sum, the consensus substitute saves $445 billion to help protect Social Security and Medicare.

This substitute includes 10 consensus principles that help restrain spending and make it difficult to create new government programs. It represents the work of the Conservative Republican Study Committee and the Moderate Republican Tuesday Group to put spending restraint as a core value of this Congress.

We know that Medicare's unfunded liability is in the red $21 trillion. We know that Social Security's unfunded liability is in the red $10 trillion. In just 5 years, the first baby boomers will start collecting Social Security checks. The number of people collecting Social Security checks will then climb from 40 million Americans to 80 million Americans. To honor our commitment to Social Security and Medicare, we must restrain spending on other programs. Our substitute would cut the growth of other entitlement programs by $445 billion, saving that to meet our Social Security and Medicare commitments.

Now, the Federal Government has made two important promises to the American people: one, to provide for the common defense; and, two, to ensure some retirement security. To honor those expensive financial commitments, we must hold back spending on other programs to keep those promises. In this substitute, we do some things, and we do not do other things. We do not cut Social Security and Medicare. We do honor our commitment to America's retirement security.

And we have other reforms. Ten reforms. They are: a rainy day fund for emergencies, so that we stop our process of emergency appropriations outside the budget.

We have baselines without automatic spending increase inflation adjustments, to begin to slow down the process of spending.

We have annual caps to make sure that we can keep track of the actual budget targets we set.

We have spending controls, automatic reductions, in non-Social Security, non-Medicare accounts to make sure that a budget we pass is one that we actually keep.

We keep promises to seniors by ensuring that Social Security and Medicare are not cut and have additional resources at the government's command to make sure that those programs are strengthened.

We have enhanced rescission protections to make sure that the President would be able to eliminate pork barrel spending projects, like greenhouses in Iowa.

We would be able to also focus on government inefficiencies with a new bipartisan commission.

We would be able to have proper accounting of long-term liability through accrual accounting.

We also have a clear showing of the Federal debt through more transparent reforms.

And, lastly, we maintain our fiscal discipline by making sure pay-as-you-go rules apply to entitlement spending.

Now, many criticize this effort, because while we do not touch Social Security or Medicare, we do hold other spending to the rate of inflation. Some say we must allow government spending to grow much faster than inflation. But if spending grows faster than taxes, we will run out of money; and every senior knows that.

Even Senator KERRY does not agree with the Center on Budget and Policy Priorities. They say that we cannot slow health care costs. But Senator KERRY disagrees. And in his latest TV ad he says the following, and I quote: "We spend about $1.5 trillion every year on health care in America. $350 billion of that has nothing to do with care. It is all paperwork. We will literally save billions of dollars in health care costs in America by becoming more streamlined and more efficient." And he could not be more right.

Ask your seniors a question: Should we cut other entitlement programs so that $445 billion can go to protect Social Security and Medicare? Our seniors are savvy citizens. They know that spending in other programs threatens the long-term future of Social Security and Medicare, and they know that the retirement of the baby boom means that we will need to cut other programs to protect Social Security and Medicare.

Mr. Chairman, I urge adoption of the substitute.

Mr. Chairman, I reserve the balance of my time.

Mr. NUSSLE. Mr. Chairman, I claim the time in opposition, and I ask unanimous consent that half of that time be yielded to the gentleman from South Carolina (Mr. SPRATT).

The CHAIRMAN pro tempore. Without objection, the gentleman from South Carolina (Mr. SPRATT) and the gentleman from Iowa (Mr. NUSSLE) each will control 7½ minutes.

There was no objection.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Iowa (Mr. NUSSLE).

Mr. NUSSLE. Mr. Chairman, I reserve the balance of my time.

Mr. SPRATT. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, the Kirk substitute is Hensarling light, just as objectionable for most of the same reasons, only less so.

He just put up his sign over there which said it would save $445 billion and which could be spent on Medicare and Social Security. That is the estimated savings produced by the Center on Budget and Policy Priorities. The gentleman from Illinois (Mr. KIRK) just said they are wrong, and yet he was holding up a sign indicating that the savings that he would accomplish are just what they indicated they would be.

□ 2245

So he saves $445 billion for Medicare but he gets it by taking $175 billion out of Medicaid, $50 billion out of Federal civil service retirement and disability, $28 billion out of military retirement, $22 billion out of veterans' benefits, on down the list. That is how that $445 billion adds up. He limits the safety net programs to 2 percent. It is true, he picks out some programs that are sensitive, we might call them safety net programs, and he provides they will not be cut more than 2 percent, another difference between him and the gentleman from Texas.

But this provision means that other programs are not deemed to be sensitive and they include child care payments, price supports, farm price supports, crop insurance, TRICARE military health benefits, among others; these face unlimited cuts, larger cuts because the other programs are shielded. These cuts could reach 43 percent by 2014 based on current projections according to the Center on Budget and Policy Priorities.

So this particular substitute is just as bad, only not in dollar terms quite as great, it is just as flawed, has just as many anomalies in it, and for the same reason should be rejected by everyone in this House.

Mr. Chairman, I reserve the balance of my time.

Mr. KIRK. Mr. Chairman, I yield 4 minutes to the gentleman from Delaware (Mr. CASTLE), the chairman of the moderate Republican Tuesday Group.

Mr. CASTLE. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of the Kirk substitute and encourage my colleagues to support this compromise approach. I know this is ancient history, but in the 1970s, my home State of Delaware struggled greatly. I know it is a small State, but we were not balancing budgets, we were borrowing money and had the highest tax rate in the United States of America, a 19.8 percent personal income tax rate. In an effort to rectify the situation, the business community got together with then Governor Pete DuPont and decided they had to make procedural changes. These changes included rainy day funds, other set-asides, estimates of revenues, and procedures.

These have been in place, and enforced, since then, resulting in a balanced budget every year. In my opinion, the fact that Delaware has a strongly enforced process has led us to have one of the healthiest economic reports of any State in the country. I am particularly pleased that this substitute includes some of the specific provisions that made such a difference in the State of Delaware.

But as we all know, the existence of process is not enough. It must be enforced. I believe we can all agree on that. At the Federal Government level, we see a great deal of unenforced process when it comes to budgets and appropriations. This leads one to often wonder why we bother doing it. We can do something about this. Enforced process could make a vast difference, not necessarily in balancing the budget but in the reliability of our process. Oversight is also imperative in the enforcement of the process, something I would argue that is not done well in the Congress of the United States.

Finally, any measure of reforming the budget process should improve the transparency of our practice. Our procedure should empower Americans to hold us accountable for our choices. Eliminating structural impediments and obvious loopholes in the process would be a great step in this direction and could improve our ability to pass a budget resolution and individual appropriations bills.

Months ago, the gentleman from Illinois and I got together in an attempt to develop a package that represented a host of balanced approaches to restrain spending and control deficits, including process, oversight, enforcement and transparency. I would like to only highlight a couple of the provisions in the substitute.

We recognized that it was important to create a bipartisan congressional commission to identify wasteful spending and the Kirk substitute includes such a demand on our oversight responsibilities. As we work to get our financial House in order, we must be willing to identify where we are wasting money. While we do have a number of mechanisms at the Federal level to study the effectiveness and efficiency of programs, I do believe we should be paying more attention to wasteful spending each budget cycle.

Today's substitute also addresses PAYGO. I support full PAYGO and believe that both revenues and spending should be included. I have long been arguing that to truly balance our budget everything really should be on the table. I recognize, however, that compromise is a necessity in Congress: without it we can debate ourselves silly, but in the end it is compromise that moves this country forward. For that reason, I support today's substitute despite the fact that it is not full PAYGO.

In an effort to ensure we are abiding by PAYGO rules, today's substitute includes automatic sequesters. This is difficult to swallow, and most of us would never want a sequester triggered. It is, however, necessary to establish boundaries. Unfortunately, many guidelines we have used to control spending and reduce deficits have been and continue to be circumvented. The automatic sequester will require us to live within the guidelines we have set for ourselves, ultimately helping to balance our country's budget.

The Kirk substitute takes a very balanced approach to meeting in the middle. I am in full support of this substitute and encourage its passage.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Chairman, I have a lot of respect for the sponsor of this amendment and the gentleman who just spoke, but let me make it very clear. There is nothing moderate about this proposal. Not to be too graphic, but imagine going to the deli. The person puts that little ham or turkey up there and an automatic slicer starts going. Just imagine further that the slicer keeps going until the hand goes into the slicer, up to the wrist, up to the forearm. Not a pretty picture.

This is the budget equivalent that is created in this bill. It puts automatic cuts in place by a process and then those cuts cut and they cut. They cut the fat, they cut the skin, they cut the meat, they cut the bone. They cut and they cut and they cut.

Entitlement caps under this proposal would devastate so many programs: Medicaid, medical assistance to the poor, estimated cut at $175 billion. The President of the American Legion has written to express his profound concern about entitlement caps, as well he should because the projected cuts of the Kirk proposal, $28 military retirement and disability, $22 billion veterans' benefits, TRICARE for life, $6 billion.

We also see student loans once again taking a hit. They also hard freeze other programs, discretionary programs, no inflation. That means again put the automatic slicer in place and the cuts start happening. The cuts under that proposal alone on discretionary programs would take, as a proportion of the Federal Government discretionary program, spending down to a level not seen since Herbert Hoover was President. Herbert Hoover was a Republican. And he was the last Republican other than the existing President to have a job loss under their administration.

It appears that this is no accident. Herbert Hoover seems to be someone that they aspire to, because this economic plan takes the Federal Government to the days of Herbert Hoover. There is nothing moderate about it. Reject it.

Mr. KIRK. Mr. Chairman, I yield 1 minute to the gentlewoman from Pennsylvania (Ms. HART).

Ms. HART. Mr. Chairman, I thank the gentleman from Illinois for yielding time. The facts are simple. When we look at the facts, we see that our spending here in the Federal Government has increased by significantly more from year to year in the last 4 years than has the family budget. If we are spending more from year to year than families are earning from year to year, I think it is obvious that we are taking too much money from the general public. It is important for us to live within our means like they have to do.

This amendment that the gentleman from Illinois has offered will help us do that. It sets caps. It forces us to keep within the budget that we state that we will keep within. It is that simple. It is an enforcement mechanism. It forces us to identify waste. It forces us to eliminate waste. Clearly we have not done that if we look at the chart.

What is also important about this amendment is that it protects Social Security and Medicare, so our seniors will not lose. It is important for us to live within a budget. It is important for us to protect our seniors. I urge support of the Kirk amendment.

Mr. SPRATT. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, how nice it would be if we could come up with a magic bullet to all of a sudden fix our fiscal crisis, but it is not that easy. It certainly is not going to be fixed by radical proposals like this. I say radical because this would cut spending in domestic discretionary programs, including defense. In fact, defense would be cut by $1.1 trillion, it is estimated, over the next decade. We could go down a long list of programs that would be deeply cut, but really what is at stake here is a fundamental philosophy. The proposal as most of the other proposals, in fact, I think all of the amendments and substitutes tonight, would exempt tax cuts. We exempt tax cuts because we do not want to hurt the most affluent people in this country.

The richer you are, the more benefit you get from tax cuts. But the poorer you are, the more dependent you are upon entitlement programs, Medicare, Medicaid, food stamps, child nutrition, foster care, disability payments, veterans' benefits. Those go to people who need help, to enable us to have a civil society in this country, not a survival of the fittest.

Some people are not born into wealth. Some people have disabilities. Some people suffer all their lives through the accident of birth. Yet what we would do with these proposals to try to balance the budget is to afford the tax cuts by taking the money away from the people who need it the most. We will take it from Medicaid, we will take it from student loans, we will take it from child nutrition, from food stamps. To heck with them. Veterans. They are out there risking their lives for us and most of them are not the children of affluent and middle-class families.

This is a perverse budget amendment as have been the other substitutes. It is a simplistic proposal that ought to be soundly defeated. I urge defeat of this substitute amendment.

Mr. SPRATT. Mr. Chairman, I yield myself the balance of my time.

My good friend, the gentleman from Illinois, comes to the floor and he acknowledges, he touts this amendment as requiring cuts that equal $445 billion over the next 10 years in entitlement programs, except for Social Security and Medicare, but they come out of Medicaid and Federal civil service retirement and military retirement and family support and TRICARE for life.

The list goes on and on. He acknowledges that these programs will be cut by $445 billion. But he holds up the sign and says, but look, this money can be used to shore up Medicare and Social Security. But I defy you to read this substitute and find in it one line, one word, anything that will say that these savings must go to Social Security or Medicare. More likely than not, they will be used to offset tax cuts, maybe to offset the deficit but unlikely they will go to Social Security and Medicare. So what we have here is an across-the-board entitlement cap proposal that by the author's own acknowledgment will cut key programs by a substantial amount. It does protect some, limiting the cuts to 2 percent. But by limiting the cuts in some to 2 percent, the Center on Budget and Policy Priorities makes it clear that this provision means that other programs, child care payments, farm price supports, crop insurance, TRICARE military benefits, face unlimited cuts that could reach 43 percent by 2014.

Unless you want to vote for this kind of Draconian budget, vote against the Kirk amendment.

Mr. KIRK. Mr. Chairman, I yield myself such time as I may consume. We have an argument here. One side urges spending restraint and the other side urges higher taxes. I lean toward spending restraint and believe that Americans are taxed enough. This Congress was run by the other party in the 1980s and we raised taxes back then.

But spending went up even faster than we raised taxes. We remember in the 1980s that for every $1 in taxes raised, the Congress lifted spending by $1.24. Therefore, taxes went up and so did the deficit.

Ask your seniors this question. Should we cut other programs to make sure that we have $445 billion to help protect Social Security? The gentleman asks, what commitment is there by the United States Government to make sure that these savings go to Social Security and Medicare? As I referred to in my opening, we have an unfunded liability in Medicare of $21 trillion, and we have an unfunded liability in Social Security of $10 trillion. There is a sacred bond and a piece of paper from the Treasury Department to the Social Security Administration that says that the American taxpayer will honor these debts.

☐ 2300

But, with what money? Ask seniors this question: Should we cut entitlement spending to make sure that the money is there for Social Security and Medicare? Should we make sure that their basic retirement security and their basic health care program has the money it needs to cover those sacred promises?

As I said before, we made two sacred promises to the people of the United States: one, that we would provide for the common defense. We made that promise in 1776. And, two, that we would protect at a minimum level their retirement security. But as I said, we are $21 trillion in the hole on Medicare and $10 trillion in the hole on Social Security. To honor those commitments, we have got to restrain spending. We have got to make sure that we have the money available to protect America's seniors, and with that I urge adoption of the substitute.

Mr. Chairman, I yield back the balance of my time.

Mr. NUSSLE. Mr. Chairman, I yield myself the balance of my time.

I say first to my friend from Illinois, great job. He and the gentleman from Delaware (Mr. CASTLE) have probably done something here tonight that none of the other amendments or substitutes even attempted to do, and that was to bridge the many varied ideas within our conference into one document, one amendment, one substitute.

It is going to have some opposition because it is imperfect. This entire day, one could argue, was an imperfect day. Some may have a different way of putting it, but today was about controlling spending. And as far as I am concerned, any day we can debate how to control spending is a good day. At the end of this day, and we are getting close to the end of the day, it is possible nothing will pass and there will be some people, including myself as I am driving back home, wondering why did we go through this then, if, in fact, absolutely nothing passes?

That is not going to be easy to necessarily understand for everybody that is listening except that we have got to start this discussion. We really do. I mean, there are too many situations out there that are going unchecked. They are going unchecked in the appropriations process. They are going unchecked in the authorization process. They are unchecked in the way we spend money on the discretionary side. They are going unchecked in the way we spend money on the mandatory side. And today was a discussion about how we can finally bring that into a system to put it into some modicum of check and balance.

It is not going to be easy to figure out. We saw a lot of different votes today from Members who oppose some things, they support others. The bottom line is we had to have this discussion. We had to have this debate. We had to have it out here on the floor in the light of day because nothing was working behind the scenes either. But we knew that we had to have this debate in order to begin the discussion about how we are going to control spending.

This is not about tax increases. I know the other side wants to have a tax increase. In fact, we had one of those debates earlier today on an Obey resolution that wanted to increase taxes. That is fine. We defeated that. This is not about an increase in taxes. The motion to recommit is going to be automatic tax increases. The motion to recommit this bill is going to say we ought to have what is called pay-as-you-go, as we described, for taxes or for revenue. All that is going to do is amount to an automatic tax increase that we do not need.

Today is going to be focused on spending, on controlling spending; and that is why we have we will have, as our last vote today, an opportunity on the base bill to vote up or down whether or not we want to have 2 years of caps for discretionary spending and pay-as-you-go for mandatory spending. That is what the vote will be about, and we will have the opportunity to support that or oppose that.

But let me remind us why we are doing it. We are doing it because these are the only two measures of spending control and budget enforcement that have proven to work anytime in the last 20 years, the only two, short of our own personal restraint and ability to vote.

And that is the last thing I would remind Members. Even if this does not pass tonight, even if nothing passes tonight, we are going to go back into the appropriations process. We will go back into the authorization process. And in that process, Members cannot just say let us turn this over to somebody else to do or another process to enforce. They have got to enforce controlling spending with every single vote they cast on this floor throughout the year. This cannot be the only time we discuss this in a process or try to blame someone else. We have got to start doing it on a day-to-day basis in the oversight we do and the votes that we cast on the floor.

Mr. KIRK. Mr. Chairman, will the gentleman yield?

Mr. NUSSLE. I yield to the gentleman from Illinois.

Mr. KIRK. Mr. Chairman, I do want to commend the gentleman for a very trying and difficult debate. But this was one of the few times in the Congress where we did not have a scripted debate. This was one of the few times where we did not know how the votes would turn out. And the American people have seen that we are now wrestling with a very difficult problem of how to bring spending under control so that we meet the commitments to Social Security, to Medicare, to the Nation's defense that we have already made.

Mr. NUSSLE. Mr. Chairman, reclaiming my time, the good news is it is working. The deficit this year will be reduced by almost $100 billion, we are hearing reports already, over what was predicted just 6 months ago, $100 billion because of the work that we are doing reducing the deficit, which helps keep that economy moving. That is good news. We have got to do more. We have got to continue the debate. This is the first step in controlling spending.

Unfortunately, I do not think we are going to pass much today, but we needed to begin that debate today.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. WALDEN of Oregon). The question is on the amendment in the nature of a substitute offered by the gentleman from Illinois (Mr. KIRK).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. KIRK. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Illinois (Mr. KIRK) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: amendment No. 16 offered by the gentleman from Texas (Mr. HENSARLING), amendment No. 17 offered by the gentleman from Illinois (Mr. KIRK).

The Chair will reduce to 5 minutes the time for the second electronic vote.

AMENDMENT NO. 16 OFFERED BY MR. HENSARLING

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Texas (Mr. HENSARLING) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 88, noes 326, not voting 19, as follows:

[Roll No. 315]

AYES—88

Akin
Ballenger
Barrett (SC)
Bartlett (MD)
Beauprez
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Brady (TX)
Burgess
Cannon
Cantor
Carter
Chabot
Chocola
Coble
Cole
Cox
Crane
Cubin
Deal (GA)
DeMint
Diaz-Balart, M.
Duncan
Dunn
English
Feeney
Flake
Franks (AZ)
Garrett (NJ)
Gibbons
Gingrey
Goode
Green (WI)
Gutknecht
Harris
Hart
Hayworth
Hefley
Hensarling
Herger
Hoekstra
Hostettler
Isakson
Jenkins
Johnson, Sam
Jones (NC)
Kennedy (MN)
King (IA)
Kline
Manzullo
McCrery
McKeon
Miller (FL)
Miller, Gary
Moran (KS)
Musgrave
Myrick
Neugebauer
Norwood
Otter
Paul
Pence
Pitts
Putnam
Radanovich
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Schrock
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Stearns
Sullivan
Tancredo
Terry
Thornberry
Toomey
Turner (OH)
Vitter
Wilson (SC)

NOES—326

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baldwin
Bass
Becerra
Bell
Berkley
Berry
Biggert
Bishop (GA)
Bishop (NY)
Blumenauer
Boehlert
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Castle
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Diaz-Balart, L.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Edwards
Ehlers
Emanuel
Emerson
Engel
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Foley
Forbes
Ford
Fossella
Frank (MA)
Frelinghuysen
Frost
Gallegly
Gerlach
Gilchrest
Gillmor
Gonzalez
Goodlatte
Goss
Graves
Green (TX)
Greenwood
Grijalva
Gutierrez
Hall
Harman
Hayes
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Hulshof
Hunter
Hyde
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Kanjorski
Kaptur
Keller
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McGovern
McHugh
McInnis
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, George
Moore
Moran (VA)
Murphy
Murtha
Nadler
Napolitano
Neal (MA)
Nethercutt
Ney
Northup
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Shaw
Shays
Sherman
Sherwood
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stenholm
Strickland
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Tiahrt
Tiberi
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—19

Baker
Barton (TX)
Bereuter
Berman
Carson (IN)
Collins
Deutsch
Gephardt
Gordon
Granger
Hastings (FL)
Hastings (WA)
Houghton
Istook
Jones (OH)
McDermott
Mollohan
Rothman
Tauzin

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. WALDEN of Oregon) (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 2333

Ms. WOOLSEY, Ms. GINNY BROWN-WAITE of Florida, and Messrs. FORBES, WEINER, and BOEHLERT changed their vote from "aye" to "no."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

☐ 2330

AMENDMENT NO. 17 IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. KIRK

The CHAIRMAN pro tempore (Mr. WALDEN of Oregon). The pending business is the demand for a recorded vote on the amendment in the nature of a substitute offered by the gentleman from Illinois (Mr. KIRK) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment in the nature of a substitute.

The Clerk redesignated the amendment in the nature of a substitute.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 120, noes 296, not voting 17, as follows:

[Roll No. 316]

AYES—120

Akin
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Biggert
Bishop (UT)
Blackburn
Blunt
Boehlert
Bonner
Bono
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Cannon
Cantor
Carter
Castle
Chabot
Chocola
Coble
Cole
Cox
Crane
Cubin
Deal (GA)
DeLay
DeMint
Diaz-Balart, M.
Duncan
Dunn
Ehlers
English
Feeney
Flake
Forbes
Fossella
Franks (AZ)
Garrett (NJ)
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hayworth
Hefley
Hensarling
Herger
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Jenkins
Johnson (CT)
Johnson, Sam
Kennedy (MN)
King (IA)
Kirk
Kline
Linder
Manzullo
McCrery
McInnis
McKeon
Miller (FL)
Miller, Gary
Murphy
Musgrave
Myrick
Neugebauer
Norwood
Nunes
Otter
Paul
Pence
Pitts
Portman
Pryce (OH)
Putnam
Radanovich
Rehberg
Reynolds
Rogers (MI)
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Schrock
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Smith (MI)
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Weller
Wilson (SC)

NOES—296

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews

Baca
Bachus
Baird
Baker
Baldwin
Becerra
Bell
Berkley
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Boehner
Bonilla
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brown (OH)
Brown, Corrine
Burns
Burr
Buyer
Calvert
Camp
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Edwards
Emanuel
Emerson
Engel
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Foley
Ford
Frank (MA)
Frelinghuysen
Frost
Gallegly
Gerlach
Gonzalez
Goss
Graves
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hayes
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (IL)
Johnson, E. B.
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McGovern
McHugh
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, George
Moore
Moran (KS)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Platts
Pombo
Pomeroy
Porter
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Regula
Renzi
Reyes
Rodriguez
Rogers (AL)
Rogers (KY)
Ros-Lehtinen
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Shaw
Sherman
Sherwood
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stenholm
Strickland
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Wexler
Whitfield
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—17

Barton (TX)
Bereuter
Berman
Carson (IN)
Collins
Deutsch
Gephardt
Gordon
Granger
Hastings (FL)
Hastings (WA)
Houghton
Jones (OH)
McDermott
Mollohan
Rothman
Tauzin

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

☐ 2340

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. The Chair is advised that amendment No. 19 is not to be offered.

Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. SHIMKUS) having assumed the chair, Mr. WALDEN of Oregon, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4663) to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to establish discretionary spending limits and a pay-as-you-go requirement for mandatory spending, pursuant to House Resolution 692, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. STENHOLM

Mr. STENHOLM. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentlemen opposed to the bill?

Mr. STENHOLM. I am, Mr. Speaker, in its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Stenholm moves to recommit the bill H.R. 4663 to the Committee on the Budget with instructions to report the same back to the House forthwith with the following amendments:

Amend section 6 to read as follows:

SEC. 6. EXTENSION OF PAY-AS-YOU-GO REQUIREMENT.

Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended "2002" both places it appears and inserting "2009".

Strike section 9 and redesignate the succeeding sections accordingly.

☐ 2340

The SPEAKER pro tempore (Mr. SHIMKUS). The gentleman from Texas (Mr. STENHOLM) is recognized for 5 minutes.

Mr. STENHOLM. Mr. Speaker, my motion will make one simple change to the base bill. It will reinstate the original pay-as-you-go rules for all legislation which would increase the deficit. The motion would leave in place the discretionary spending limits and other provisions of the base bill.

The original pay-as-you-go legislation was part of the bipartisan 1990 budget agreement between President George Bush and the Democratic Congress. Pay-as-you-go rules applying to changes in revenues in the mandatory spending were extended in the 1993 Budget Reconciliation Act, the 1995 budget resolution, and the bipartisan balanced budget agreement in 1997.

The pay-as-you-go rules enacted in 1990 have been tested and they worked. They were instrumental in going from large deficits in the early 1980s and early 1990s to budget surpluses in the late 1990s.

The Concord Coalition, Federal Reserve Chairman Alan Greenspan, the Committee for a Responsible Federal Budget, the AARP and a bipartisan majority in the other body and a bipartisan majority in this body, for more than 20 minutes, when the gentleman from California (Mr. THOMPSON) offered this the first time, have all expressed support for reinstating balanced and effective PAYGO rules that applies to all legislation that would increase the deficit.

These rules are based on a simple concept that all families understand, and we have heard so much of this today. If we want to reduce our revenues or increase spending, we need to say how we would pay for these changes.

If we are truly serious about restoring fiscal discipline, budget enforcement rules must apply to all legislation which would increase the deficit through increased spending or reductions in revenues.

All parts of the budget must be on the table. It is irresponsible and politically unrealistic to propose budget rules that apply to one part of the budget but not others.

It is irresponsible and politically unrealistic to propose budget rules that apply to one part of the budget but not to others. Both sides need to be willing to apply budget discipline to their own priorities, not just the other side's priorities.

Applying pay-as-you-go rules to tax cuts do not prevent Congress from passing more tax cuts or increasing spending. All it says is that if we are going to reduce our revenues we need to reduce our spending by the same amount, and if we want to increase spending, we need to make room in the budget for the increased spending by cutting other spending or raising revenues.

Enacting meaningful budget enforcement legislation will require bipartisan support. This recommittal will bring bipartisan support.

I conclude by saying again, and listen carefully, applying pay-as-you-go rules to tax cuts do not prevent Congress from passing more tax cuts. All it says is that if we are going to reduce our revenues we need to reduce our spending by the same amount.

If my friends on the other side of the aisle actually mean what they have said over and over about controlling spending, if all of those that have just offered the last two substitutes really mean what they say about controlling spending, they should have no problem with applying pay-as-you-go to tax cuts because it would force Congress to actually control spending when we pass tax cuts instead of just promising to do so in the future.

In fact, requiring Congress to offset tax cuts could be a tool to force Congress to control spending. The problem is that we have not matched our actions with our rhetoric. We propose cutting taxes without cutting spending. We run up the deficits and we pass the difference on to our children and grandchildren.

This motion to recommit, very simple, will accomplish that which we have talked about all day.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. For what purpose does the gentleman from Iowa (Mr. NUSSLE) seek recognition?

Mr. NUSSLE. Mr. Speaker, I rise in opposition to the motion.

The SPEAKER pro tempore. The gentleman from Iowa is recognized for 5 minutes in opposition.

Mr. NUSSLE. Mr. Speaker, the gentleman from Texas is correct. We have been debating this all day, and he is exactly right, but you just do not get it because you equate taxes with spending. You equate when the government does not take in taxes, somehow that is spending, and the reason you do that is because you believe that decisions should start here in Washington rather than at the small businesses and the farms and the kitchen tables of America. Those are the people who pay taxes.

We are not going to raise taxes. We have decided that. Seven times this year we have had this vote, and so we want to get to that vote, but let me just remind us of a couple of things.

Today was a good debate because any day you discuss controlling spending is a good day. Any day you discuss that is a good day. What is not quite good about today is that we are probably not going to pass anything, and that is because they do not want to control spending. I know that was tough, but before we start pointing fingers at each other, all I was going to say is that we are all in this together.

We can blame processes, we can blame appropriators, we can blame Democrats and we can blame Republicans. We can blame Presidents. Oh, sure, we can blame the other body. We can blame all sorts of things for what we do every day when we cast our votes in committee or on the floor to have spending continue out of control, and we can devise all sorts of very interesting processes to try and rein us in and to convince our constituents that if all we did was to pass a new law or pass a new process, somehow all of it would be fixed. This is about us. This is not about one particular committee or another.

Now, I understand why the appropriators today, with all due respect, came to the floor just a little bit paranoid about this process. Even paranoids have enemies. I understand, but rightfully so, they are concerned that we have spent way too much time only looking at discretionary spending, and that is why in final analysis what this bill does is it manages the mandatory spending process with a pay-as-you-go requirement, and it manages the discretionary process by setting caps for only 2 years at the budget that we have all voted for.

We have a budget. We should stick to that budget. If we stick to that budget, we will control spending, and as a result already, if we stick to that budget, we are going to protect the country, make sure that our homeland is secure, make sure we can win the global war on terrorism, make sure our economy can continue to grow like it has for the last 6 months, which has been the fastest in over 20 years, and continue to create jobs.

The payoff is even better than that. If we stick to this plan, we will already see, I predict within this next month a reduction in the prediction for the deficit for this year alone by $100 billion. That my friends is controlling spending, and that is a good day's work, even if this does not quite make it to the finish line.

Mr. Speaker, I yield back the balance of our time.

□ 2350

The SPEAKER pro tempore (Mr. SHIMKUS). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. STENHOLM. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on passage of H.R. 4663 and agreeing to House Resolution 691.

The vote was taken by electronic device, and there were—ayes 196, noes 218, not voting 19, as follows:

[Roll No. 317]

AYES—196

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Green (TX)
Grijalva
Gutierrez
Harman
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—218

Aderholt
Akin
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert

Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—19

Ballenger
Barton (TX)
Bereuter
Berman
Carson (IN)
Collins
Deutsch
Gephardt
Gordon
Granger
Hastings (FL)
Hastings (WA)
Houghton
Jones (OH)
McDermott
Mollohan
Rothman
Smith (MI)
Tauzin

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SHIMKUS) (during the vote). Two minutes remain in this vote.

□ 0009

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SPRATT. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 146, noes 268, not voting 19, as follows:

[Roll No. 318]

AYES—146

Akin
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Biggert
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Cole
Cox
Crane
Cubin
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dreier
Duncan
Dunn
Ehlers
Feeney
Flake
Foley
Forbes
Fossella
Franks (AZ)
Gallegly
Garrett (NJ)
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hayworth
Hefley
Hensarling
Herger
Hoekstra
Hostettler
Hulshof
Isakson
Issa
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
Kirk
Kline
Linder
Lucas (OK)
Manzullo
McCotter
McCrery
McInnis
Miller (FL)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Norwood
Nunes
Nussle
Ose
Otter
Oxley
Paul
Pearce
Pence
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Rehberg
Reynolds
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Schrock
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Stearns
Sullivan
Tancredo
Terry
Thomas
Thornberry
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Weldon (PA)
Wilson (SC)
Young (AK)

NOES—268

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Bell
Berkley
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Bonilla
Bonner
Bono
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Calvert
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Case
Chandler
Clay
Clyburn
Coble
Conyers
Cooper
Costello
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Edwards
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Ford
Frank (MA)
Frelinghuysen
Frost
Gerlach
Gonzalez
Goss
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hayes
Herseth
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Hunter
Hyde
Inslee
Israel
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McHugh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, George
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Nethercutt
Northup
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Peterson (PA)
Pomeroy
Porter
Price (NC)
Quinn
Rahall
Rangel
Regula
Renzi
Reyes
Rodriguez
Rogers (AL)
Rogers (KY)
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Shaw
Sherman
Sherwood
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stenholm
Strickland
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Thompson (CA)
Thompson (MS)
Tiahrt
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOT VOTING—19

Ballenger
Barton (TX)
Bereuter
Berman
Carson (IN)
Collins
Deutsch
Gephardt
Gordon
Granger
Hastings (FL)
Hastings (WA)
Houghton
Jones (OH)
McDermott
Mollohan
Rothman
Smith (MI)
Tauzin

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SHIMKUS) (during the vote). Members are advised there are 2 minutes left in this vote.

□ 0016

So the bill was not passed.

The result of the vote was announced as above recorded.

CONGRATULATING THE INTERIM GOVERNMENT OF IRAQ ON ITS FORTHCOMING ASSUMPTION OF SOVEREIGN AUTHORITY IN IRAQ

The SPEAKER pro tempore. The pending business is the question of agreeing to the resolution, House Resolution 691, on which further proceedings were postponed earlier today.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 352, nays 57, not voting 24, as follows:

[Roll No. 319]

YEAS—352

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Becerra
Bell
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chandler
Chocola
Clyburn
Coble
Cole
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeLauro
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Etheridge
Evans
Everett
Fattah
Feeney
Ferguson
Flake
Foley
Forbes
Ford
Fossella
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Goss
Graves
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall
Harman
Harris
Hart
Hayes
Hayworth
Hensarling
Herger
Herseth
Hill
Hinojosa
Hoeffel
Hoekstra
Holden
Hooley (OR)
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Manzullo
Marshall
Matheson
Matsui
McCarthy (NY)
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
McNulty
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Moore
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Napolitano
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Obey
Ortiz
Osborne
Ose
Otter
Oxley
Pascrell
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roybal-Allard
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schiff
Scott (GA)
Sensenbrenner
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Watson
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NAYS—57

Baldwin
Blumenauer
Brown (OH)
Clay
Conyers
Cummings
DeGette
Delahunt
Eshoo
Farr
Filner
Frank (MA)
Grijalva
Gutierrez
Hinchey
Holt
Honda
Jackson (IL)
Kaptur
Kilpatrick
Kleczka
Kucinich
Larson (CT)
Lee
Lewis (GA)
Lofgren
Maloney
Markey
McCarthy (MO)
McCollum
McGovern
Meehan
Miller, George
Nadler
Neal (MA)
Oberstar
Olver
Owens
Pallone
Pastor
Paul
Payne
Rangel
Rush
Sabo
Schakowsky
Scott (VA)
Serrano
Solis
Stark
Tierney
Towns
Velázquez
Waters
Watt
Wexler
Woolsey

NOT VOTING—24

Ballenger
Barton (TX)
Bereuter
Berman
Carson (IN)
Collins
Deutsch
Gephardt
Gordon
Granger
Hastings (FL)
Hastings (WA)
Hefley
Hobson
Houghton
Jones (OH)
McDermott
Mollohan
Murtha
Rothman
Schrock
Sessions
Smith (MI)
Tauzin

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SHIMKUS) (during the vote). Members are advised 2 minutes remain in this vote.

☐ 0023

Mr. WEXLER and Mr. DELAHUNT changed their vote from "yea" to "nay."

So the the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. JONES of Ohio. Mr. Speaker, I ask unanimous consent that the following statement appear in the appropriate place in the CONGRESSIONAL RECORD behind the votes for Thursday, June 24, 2004: unfortunately, I was unavoidably detained. Had I been present for the recorded Rollcall votes Nos. 301–319, I would have voted in the following way:

No. 301, H. Res. 685—Resolution offered by Mr. OBEY of Wisconsin revising the concurrent resolution on the budget for FY 2005. I would have voted "yes."

No. 302, On ordering the previous question providing for consideration of the bill H.R. 4663. I would have voted "no."

No. 303, Rule providing for consideration of H.R. 4663—Pay-as-you-go Budget Enforcement bill. I would have voted "no."

No. 304, H. Res. 676—40th Anniversary of passage of the Civil Rights Act of 1964. I would have voted "aye."

No. 305, Brady/Turner Amendment to establish a Commission on Elimination of Federal Agencies. I would have voted "no."

No. 306, Chocola Amendment to replace the 20 budget functions with a one page budget that divides spending into 5 categories. I would have voted "no."

No. 307, Hastings/Castle amendment to eliminate the requirement to include 20 budget functions and replace it with 4 basic pieces of budget data. I would have voted "no."

No. 308, Hensarling #11 Amendment setting yearly caps on total entitlement spending. I would have voted "no."

No. 309, Hensarling #12 Amendment which would have provided for an automatic Continuing Resolution if spending bills are not passed by the beginning of the fiscal year. I would have voted "no."

No. 310, Kirk Amendment which would require the CBO to report by February 15 on spending priorities exceeding projections. I would have voted "no."

No. 311, The Ryan (WI)/Gutknecht amendment converting the concurrent resolution on the budget into a joint resolution. I would have voted "no."

No. 312, Ryan (WI)/Neugebauer on the lock box approach to budget savings. I would have voted "no."

No. 313, Ryan (WI)/Stenholm/Castle—an amendment providing for expedited rescissions. I would have voted "no."

No. 314, Spratt Substitute—To extend the PAYGO requirement through September 30, 2009. I would have voted "yes."

No. 315, Hensarling Substitute which sets yearly caps on total entitlement spending. I would have voted "no."

No. 316, Kirk Substitute—Caps spending on all entitlements other than Social Security, medicare and Railroad Retirement. I would have voted "no."

No. 317, Motion to Recommit—The Stenholm motion would restore the Pay-as-you-go law requiring both taxcuts and spending be paid for. I would have voted "yes."

No. 318, Final Passage of H.R. 4663—Pay-as-you-go Budget Enforcement bill. I would have voted "no."

No. 319, H. Res. 691—Congratulating the interim government of Iraq on its assumption of full responsibility and authority as a sovereign government. I would have voted "yes."

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4614, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2005

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report (Rept. No. 108–569) on the resolution (H. Res. 694) providing for consideration of the bill (H.R. 4614) making appropriations for energy and water development for the fiscal year ending September 30, 2005, and for other purposes, which was referred to the House Calendar and ordered to be printed.

GENERAL LEAVE

Mr. SESSIONS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4663.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

APPOINTMENT AS MEMBER OF ELECTION ASSISTANCE COMMISSION BOARD OF ADVISORS

The SPEAKER pro tempore. Pursuant to Section 214(a) of the Help America Vote Act of 2002 (42 USC 15344), and the order of the House of December 8, 2003, the Chair announces the Speaker's appointment of the following member on the part of the House to the Election Assistance Commission Board of Advisors for a term of two years:

Mr. J.C. Watts, Jr., Norman, Oklahoma.

PATRIOTIC EMPLOYERS OF GUARD AND RESERVISTS ACT OF 2004

(Mr. McGOVERN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include therein extraneous material.)

Mr. McGOVERN. Mr. Speaker, currently over 170,000 National Guard and Reservists are on active duty serving in Afghanistan, Iraq, and elsewhere. President Bush just activated an additional 47,000 Reservists. Most are serving extended tours of duty, deployed for longer periods than their families or their employers expected. Seventy percent of these Guard and Reservists work in small or medium-size businesses. When called to active duty, their civilian job and salary is put on hold.

They begin receiving military pay, which is often less than their civilian salary, placing undue hardship on families already suffering the absence of a loved one.

Yesterday, I introduced H.R. 4655, the Patriotic Employers of Guard and Reservists Act. The bill provides tax relief to those employers who close the pay gap of Guardsmen and Reservists serving overseas and tax credits to defray the cost of training new workers to fill these temporary vacancies.

H.R. 4655 helps our troops and their families and encourages more companies to keep their employees on payroll when serving our Nation. I urge my colleagues to support H.R. 4655. And I urge that it move rapidly through this House.

BASIC FACTS AND BACKGROUND INFORMATION ON H.R. 4655, THE PATRIOTIC EMPLOYERS OF GUARD AND RESERVISTS ACT OF 2004

Since September 11th, more than 350,000 members of the National Guard and Reserves have been called to active duty, and the Pentagon increasingly relies on the Army, Navy and Air Force Reserves and our National Guard to achieve its missions. Currently, over 170,000 are serving on active duty in Iraq, Afghanistan and elsewhere. President Bush recently activated an additional 47,000 Reservists. Not since World War II have so many National Guard members been called to serve abroad.

The U.S. Chamber Of Commerce estimates that 70 percent of military Reservists called to active duty work in small- or medium-size companies.

Most Guard and Reservists are serving extended tours of duty and have been deployed for longer periods than they, their families, or their employers expected. The continuing, extended activation of Guard and Reserve members has imposed a tremendous burden on many companies, small businesses and manufacturers, as well as placing an undue financial burden on families already suffering the absence of a loved one. Currently, more than 41 percent of military Reservists and National Guard members face a pay cut when they are called to active duty.

In January, the Commander of the Army Reserve, Lt. General James R. Helmly, warned of a recruiting-retention crisis in the future for the National Guard and Reserves. A recent U.S. military questionnaire of returning Army National Guard soldiers projected a resignation rate of double what it was in November 2001. From October to December 2003, almost one-quarter of National Guard members who have had the opportunity to re-enlist have opted not to do so. Recently, the U.S. Army developed a plan to pay Reservists up to $10,000 to re-enlist in order to stop a developing problem.

H.R. 4655 encourages all employers, especially small businesses, to pay their reservist employees when they face a reduction in salary due to their military activation. Employers who continue to pay their reservist all or part of their civilian salary will be eligible to receive a tax credit up to $15,000 of the wages they pay per employee who has been called up to active duty by the National Guard or Reserves for as long as the Reservist is on active duty status (up to a maximum of two years).

Additionally, many small employers currently have a difficult time hiring and training temporary workers to fill the temporary vacancies caused by employees called to active duty. H.R. 4655 provides a tax credit of 50 percent up to $6,000 to help companies defray the costs of hiring and training a replacement worker, and up to $10,000 for small manufacturers.

The Joint Committee on Taxation estimates this measure would cost $2 billion through FY 2014, or approximately $200 million annually; $1.2 billion of those costs would occur in FY 2005 through FY 2009, given the current unusually large-scale and extended deployments of National Guard and Reserve forces.

The proposal to provide tax credits to employers and close the pay-gap for Reservists and National Guardsmen is supported by the United States Conference of Mayors, the National Guard Association of the United States, and the Reserve Officers Association of the United States.

COSPONSOR H.R. 4655, THE PATRIOTIC EMPLOYERS OF GUARD AND RESERVISTS ACT

DEAR COLLEAGUE. When a national Guardsman or Reservist is called up to active duty, their civilian job—and salary— is put on hold, and they begin receiving military pay, which is often much less than their civilian salary. This places undue hardship on many families who are already suffering the absence of a loved one. The military increasingly relies on our Reserves and National Guard forces to achieve its missions. Currently, over 170,000 National Guard and Reservists are on active duty, with many serving in Iraq, Afghanistan or elsewhere on the front lines of the war against terror. Furthermore, most are serving extended tours of duty, deployed for longer periods than they, their families, or their employers expected.

We invite you to join us as cosponsors to H.R. 4655, the Patriotic Employers of Guard and Reservists Act of 2004. This bill provides tax credits to those employers who continue to pay the salary of National Guardsmen and Reservists serving overseas and tax credits to help these employers defray the costs of hiring and training new workers to fill these temporary vacancies. H.R. 4655 will do a lot to help our troops' families and encourage more companies to keep their employees on salary while serving our nation.

Specifically, H.R. 4655 will:

Provide a 50% tax credit to employers continuing to pay activated Guard and Reserve employees, with a cap of $30,000 (i.e. $15,000 credit) per employee;

Cover salaries paid on days when the employee is activated for up to 2 years to cover the entirety of the deployment; and

Provide a 50% tax credit to employers up to $12,000 in costs (i.e. $6,000 tax credit) to help companies, especially small businesses and manufacturers, hire and train temporary workers to fill-in for activated employees.

We all know the continuing activation of our Guard and Reservists has imposed a tremendous burden on many of our country's companies, small businesses, and manufacturers. The U.S. Chamber of Congress estimates that 70 percent of military reservists called to active duty work in small- or medium-sized businesses. The proposal to provide tax credits to employers and close the pay-gap for Reservists and National Guard is supported by the U.S. Conference of Mayors, the National Guard Association of the United States (NGAUS), and the Reserve Officers Association of the United States.

Please join us in helping businesses weather the loss of an employee to active duty and protecting employees and their families from suffering financial hardship when serving our nation in uniform. to cosponsor H.R. 4655, please feel free to contact us or Cindy Buhl at 5–6101 (cindy.buhl@mail.house.gov).

Sincerely,

JAMES P. MCGOVERN,
Member of Congress.
TOM LANTOS,
Member of Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. CARSON of Indiana (at the request of Ms. PELOSI) for today on account of personal reasons.

Mr. BARTON of Texas (at the request of Mr. DELAY) for today on account of attending the funeral of a district staff member.

Mr. HASTINGS of Washington (at the request of Mr. DELAY) for today after 2:00 p.m. and the balance of the week on account of his son's wedding.

Mr. LINDER (at the request of Mr. DELAY) for today until 6:00 p.m. on account of a commitment in the district.

ENROLLED BILL SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4635: An act to provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2017. An act to designate the United States courthouse and post office building located at 93 Atocha Street in Ponce, Puerto Rico, as the "Luis A. Ferré United States Courthouse and Post Office Building."

BILLS PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on June 23, 2004 he presented to the President of the United States, for his approval, the following bills.

H.R. 3378. To assist in the conservation of marine turtles and the nesting habitats of marine turtles in foreign countries.

H.R. 3504. To amend the Indian Self-Determination and Education Assistance Act to redesignate the American Indian Education Foundation as the National Fund for Excellence in American Indian Education.

H.R. 4322. To provide for the transfer of the Nebraska Avenue Naval Complex in the District of Columbia to facilitate the establishment of the headquarters for the Department of Homeland Security, to provide for the acquisition by the Department of the Navy of suitable replacement facilities.

Jeff Trandahl, Clerk of the House reports that on June 24, 2004 he presented to the President of the United States, for his approval, the following bills.

H.R. 4589. To reauthorize the Temporary Assistance for Needy Families block grant program through September 30, 2004, and for other purposes.

H.R. 4635. To provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century.

ADJOURNMENT

Mr. SESSIONS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 23 minutes a.m.), the House adjourned until today, Friday, June 25, 2004, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8772. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule — Defense Federal Acquisition Regulation Supplement; Contracting for Architect-Engineer Services [DFARS Case 2003-D105] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8773. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule — Defense Federal Acquisition Regulation Supplement; Fish, Shellfish, and Seafood Products [DFARS Case 2002-D034] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8774. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule — Defense Federal Acquisition Regulation Supplement; Follow-On Production Contracts for Products Developed Pursuant to Prototype Projects [DFARS Case 2002-D023] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8775. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule — Defense Federal Acquisition Regulation Supplement; Production Surveillance and Reporting [DFARS Case 2002-D015] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8776. A letter from the Acting General Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Elevation Determinations [Docket No. FEMA-D-7557] received June 17, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8777. A letter from the Acting General Counsel, FEMA, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Elevation Determinations [Docket No. FEMA-B-7446] received June 17, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8778. A letter from the Acting General Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Elevation Determinations — received June 17, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8779. A letter from the Acting General Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Suspension of Community Eligibility [Docket No. FEMA-7833] received June 17, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8780. A letter from the Acting General Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received June 17, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8781. A letter from the Assistant Secretary for Special Education and Rehabilitative Services, Department of Education, transmitting the Department's final rule — National Institute on Disability and Rehabilitation Research (RIN: 1820-ZA34) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8782. A letter from the Assistant Secretary for Special Education and Rehabilitative Services, Department of Education, transmitting the Department's final rule — National Institute on Disability and Rehabilitation Research (RIN: 1820-ZA37) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8783. A letter from the Assistant Secretary for Special Education and Rehabilitative Services, Department of Education, transmitting the Department's final rule — National Institute on Disability and Rehabilitation Research (RIN: 1820-ZA26) received May 28, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8784. A letter from the Deputy Under Secretary, Department of Education, transmitting the Department's final rule — Safe Schools/Healthy Students (RIN: 1865-ZA02) received June 3, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8785. A letter from the Director, OSHA Standards and Guidance, Department of Labor, transmitting the Department's final rule — Mechanical Power Transmission Apparatus; Mechanical Power Presses; Telecommunications; Hyrdrogen — received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8786. A letter from the Assistant Secretary for Employee Benefits Security Administration, Department of Labor, transmitting the Department's final rule — Health Care Continuation Coverage (RIN: 1210-AA60) Recieved May 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8787. A letter from the Director, Corporate Policy and Research Department, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule — Benefits Payable in Terminated Single-Employer Plans; Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits — received June 2, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8788. A letter from the Director, Regulations Policy and Management Sta., FDA, Department of Health and Human Services, transmitting the Department's final rule — Requirements for Liquid Medicated Animal Feed and Free-Choice Medicated Animal Feed [Docket No. 1993P-0174] received June 14, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8789. A letter from the Director, Regulations Policy and Management Sta., FDA, Department of Health and Human Services, transmitting the Department's final rule —

Medical Device Reports; Reports of Corrections and Removals; Establishment Registration and Device Listing; Premarket Approval Supplements; Quality System Regulation; Importation of Electronic Products; Technical Amendment; Correction — received May 17, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8790. A letter from the Chief, Policy and Rules Division, Federal Communications Commission, transmitting the Commission's final rule — Review of Part 15 and other Parts of the Commission's Rules [ET Docket No. 01-278; RM-9375; RM-10051] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8791. A letter from the Legal Advisor, Office of the Bureau Chief, WTB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Part 97 of the Rules Governing the Amateur Radio Services [Dkt No.04-140, RM-10313, RM-10352, RM-10353, RM-10354, RM-10355, RM-10412, RM-10413, RM-10492, RM-10521, RM-10582, RM-10620, RM-10621] Amendment of Section 97.111 of the Amateur Radio Service Rules to Limit Transmissions of Information Bulletins; Conforming Amendments to Part 97 of the Commission's Rules to Implement the Worlds Radio Conference 1997 Final Acts; Amendment of Part 97 to Provide Color-coded License Documents; Amendment of Part 97 to Allow Instant Temporary Licensing; Amendment of the Amateur Service Rules to Limit to the Committee on Energy and Commerce.

8792. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Chase City, Virginia, and Creedmoor, Ahoskie, Gatesville, and Nashville, North Carolina) [MB Docket No. 03-232; RM-10819] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8793. A letter from the Legal Advisor, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b) FM Table of Allotments, FM Broadcast Stations. (Glasgow and Bowling Green, Kentucky) [MB Docket No. 04-42; RM-10850] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8794. A letter from the Legal Advisor to Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations. (Anniston, Alabama) [MB Docket No. 03-229; RM-10795] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8795. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Arlington, The Dalles, Moro, Fossil, Astoria, Gladstone, Portland, Tillamook, Coos Bay, Springfield-Eugene, Manzanita and Hermiston, Oregon, and Covington, Trout Lake, Shoreline, Bellingham, Forks, Hoquiam, Aberdeen, Walla Walla, Kent, College Place, Long Beach and Ilwaco, Washington) [MB Docket No. 02-136; RM-10458; RM-10663, RM-10667, RM-10668] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8796. A letter from the Attorney Advisor, Federal Communications Commission, transmitting the Commission's final rule — Amendment of the Commission's Rules Regarding Dedicated Short-Range Communication Services in the 5.850-5.925 GHz Band (5.9 GHz Band) [WT Docket No. 01-90] Amendment of Parts 2 and 90 of the Commission's Rules to Allocate the 5.850-5.925 GHz Band to the Mobile Service for Dedicated Short Range Communications of Intelligent Transportation Services [ET Docket No. 98-95; RM-9096] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8797. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Arthur and Hazelton, North Dakota) [MB Docket No. 03-208; RM-10793] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8798. A letter from the Legal Advisor to Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations. (Roswell, New Mexico) [MB Docket No. 04-16; RM-10840] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8799. A letter from the Senior Legal Advisor, International Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of the Commission's Space Station Licensing Rules and Policies [IB Docket No. 02-34] Mitigation of Orbital Debris [IB Docket No. 02-54] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8800. A letter from the Legal Advisor, International Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of the Commission's Space Station Licensing Rules and Regulations [IB Docket No. 02-34] 2000 Biennial Regulatory Review — Streamlining and Other Revisions of Part 25 of the Commission's Rules Governing the Licensing of, and Spectrum Usage by, Satellite Network Earth Stations and Space Stations [IB Docket No. 00-248] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8801. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule — Voluntary Fire Protection Requirements for Light Water Reactors; Adoption of NFPA 805 as a Risk-Informed, Performance-Based Alternative (RIN: 3150-AG48) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

8802. A letter from the General Counsel, Federal Retirement Thrift Investment Board, transmitting the Board's final rule — Methods of Withdrawing Funds From the Thrift Savings Plan; Court Orders and Legal Processes Affecting Thrift Savings Plan Accounts; Loan Program; Thrift Savings Plan— received June 2, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8803. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule — Prevailing Rate Systems; Change in Federal Wage System Survey Job (RIN: 3206-AJ79) received May 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8804. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule — Pay Administration (General) (RIN: 3206-AK47) received May 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8805. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule — Physicians' Comparability Allowances (RIN: 3206-AJ96) received May 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8806. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule — Federal Employees Health Benefits Program: Modification of Two-Option Limitation for Health Benefits Plans and Continuation of Coverage for Annuitants Whose Plan Terminates an Option (RIN: 3206-AK48) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8807. A letter from the Attorney Advisor, Federal Communications Commission, transmitting the Commission's final rule — Amendments to Parts 1, 2, 27, and 90 of the Commission's Rules to License Services in the 216-220 MHz, 1390-1395 MHz, 1427-1429 MHz, 1429-1432 MHz, 1432-1435 MHz, 1670-1675 MHz, and 2385-2390 MHz Government Transfer Bands [WT Docket No. 02-8; RM-9267, RM-9692, RM-9797, RM-9854, RM-9882] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8808. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries Off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Inseason Action #1 — Adjustments of the Commercial Fishery from the U.S. — Canada Border to Cape Falcon, Oregon [Docket No. 040429134-4135-01; I.D. 051704B] received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8809. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Zone Off Alaska; "Other Flatfish" in the Bering Sea and Aleutian Islands [Docket No. 031124287-4060-02; I.D. 060104A] received June 17, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8810. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Yellowfish Sole in the Bering Sea and Aleutian Islands [Docket No. 031124287-4060-02; I.D. 060304C] received June 17, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8811. A letter from the Acting DIrector, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Northeastern United States; Atlantic Mackerel, Squid, and Butterfish Fisheries; Closure of the Quarter II Fishery for Loligo Squid [Docket No.031104274-4011-02; I.D. 060804G] received June 17, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8812. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries off West

Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Groundfish Observer Program [Docket 980702167-4150-03; I.D. 031901A] (RIN: 0648-AK26] received June 17, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8813. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Magnuson-Stevens Fishery Conservation and Management Act Provisions; Fisheries of the Northeastern United States; Northeast (NE) Multispecies Fishery; Amendment 13 Regulatory Amendment [Docket No. 040112010-4167-03; I.D.122203A] (RIN: 0648-AN17) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8814. A letter from the Deputy Assistant Administrator for Operations, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Endangered and Threatened Wildlife; Sea Turtle Conservation Requirements [Docket No. 040412113-4152-01; I.D. 040104C] (RIN: 0648-AS02) received June 16, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8815. A letter from the Acting Under Secretary and Acting Director, U.S. Patent and Trademark Office, Department of Commerce, transmitting the Department's final rule — Changes to Representation of Others Before The United States Patent and Trademark Office [Docket No. 2002-C-005] (RIN: 0651-AB55) received June 21, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

8816. A letter from the Acting Under Secretary and Acting Director, U.S. Patent and Trademark Office, Department of Commerce, transmitting the Department's final rule — Revision of Power of Attorney and Assignment Practice [Docket No.: 2003-P-019] (RIN: 0651-AB63) received May 26, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

8817. A letter from the Regulations Coordinator, Department of Health and Human Services, transmitting the Department's final rule — Procedures for Designating Classes of Employees as Members of the Special Exposure Cohort under the Energy Employees Occupations Illness Compensation Program Act of 2000; Final Rule (RIN: 0920-AA07) received May 28, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

8818. A letter from the Assistant Administrator for Procurement, National Aeronautics and Space Administration, transmitting the Administration's final rule — Representations and Certifications—Other Than Commercial Items (RIN: 2700-AC97) received April 1, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

8819. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Compensation for labor or personal services (Rev. Proc. 2004-37) received June 14, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8820. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Compensation for Injuries or Sickness (Also Amounts received Under Accident and Health Plans) (Rev. Rul. 2004-55) received June 14, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8821. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Weighted Average Interest Rates Update [Notice 2004-42] received June 14, 2004, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. OXLEY: Committee on Financial Services. H.R. 3916. A bill to improve circulation of the $1 coin, create a new bullion coin, and for other purposes; with an amendment (Rept. 108–568). Referred to the Committee of the Whole House on the State of the Union.

[Filed on June 25 (legislative day, June 24), 2004]

Mr. SESSIONS: Committee on Rules. House Resolution 694. Resolution providing for consideration of the bill (H.R. 4614) making appropriations for energy and water development for the fiscal year ending September 30, 2005, and for other purposes (Rept. 108–569). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. JONES of North Carolina:

H.R. 4677. A bill to name the lake known as Falls Lake in North Carolina after United States Senator Jesse Helms; to the Committee on Transportation and Infrastructure.

By Mr. DAVIS of Florida:

H.R. 4678. A bill to bar certain additional restrictions on travel and remittances to Cuba; to the Committee on International Relations.

By Mr. FRANK of Massachusetts (for himself, Mr. Kanjorski, Ms. Waters, Mr. Sanders, Mrs. Maloney, Mr. Gutierrez, Ms. Velázquez, Mr. Watt, Ms. Carson of Indiana, Ms. Lee, Mr. Capuano, Mr. Crowley, Mr. Clay, Mr. Israel, Mrs. McCarthy of New York, Mr. Baca, Mr. Lynch, Mr. Emanuel, Mr. Scott of Georgia, and Mr. Davis of Alabama):

H.R. 4679. A bill to authorize the Secretary of Housing and Urban Development to provide assistance for privately owned low- and moderate-income housing with expiring Federal subsidies to prevent displacement of low- and moderate-income tenants, and for other purposes; to the Committee on Financial Services.

By Mr. HAYWORTH:

H.R. 4680. A bill to amend the National Labor Relations Act to ensure that Indian tribes and any organizations owned, controlled, or operated by Indian tribes are not considered employers for purposes of such Act; to the Committee on Education and the Workforce.

By Mr. CARDIN (for himself, Mr. Pallone, and Mr. McNulty):

H.R. 4681. A bill to require the Secretary of Health and Human Services to establish and maintain an Internet website that is designed to allow consumers to compare the usual and customary prices for covered outpatient drugs sold by retail pharmacies that participate in the Medicaid Program for each postal Zip Code, and for other purposes; to the Committee on Energy and Commerce.

By Mr. CASTLE (for himself, Ms. DeGette, Mr. Dooley of California, Mr. Bass, Mrs. Biggert, Mr. Gibbons, Mr. Gilchrest, Mr. Greenwood, Mr. Houghton, Mrs. Johnson of Connecticut, Mr. Kirk, Mr. Kolbe, Mr. Leach, Mr. Ramstad, Mr. Shays, Ms. Baldwin, Mr. Brown of Ohio, Mr. Evans, Mr. Langevin, Mrs. Maloney, Mr. Waxman, Mr. Stark, Mr. Moore, Mrs. Capps, Mr. Hoyer, and Ms. Solis):

H.R. 4682. A bill to amend the Public Health Service Act to provide for human embryonic stem cell research; to the Committee on Energy and Commerce.

By Mr. CLYBURN (for himself, Mr. Brown of South Carolina, and Mrs. Christensen):

H.R. 4683. A bill to enhance the preservation and interpretation of the Gullah/Geechee cultural heritage, and for other purposes; to the Committee on Resources.

By Mr. ENGLISH:

H.R. 4684. A bill to extend the Temporary Extended Unemployment Compensation Act of 2002, and for other purposes; to the Committee on Ways and Means.

By Mr. KIND (for himself, Mr. Pickering, Mr. Thompson of California, Mr. Weldon of Pennsylvania, Mr. Berry, Mr. Boswell, Mr. Boehlert, and Mr. Peterson of Minnesota):

H.R. 4685. A bill to direct the Secretary of the Interior to conduct a pilot program under which up to 15 States may issue electronic Federal migratory bird hunting stamps; to the Committee on Resources.

By Mr. KIND (for himself and Ms. McCollum):

H.R. 4686. A bill to revitalize the Mississippi River; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KIND (for himself and Mr. Osborne):

H.R. 4687. A bill to amend part C of title XVIII of the Social Security Act to require Medicare Advantage (MA) organizations to pay for critical access hospital services and rural health clinic services at a rate that is at least 101 percent of the payment rate otherwise applicable under the Medicare Program; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GILCHREST (for himself, Mr. Scott of Virginia, Mr. Schrock, Mr. Cardin, Mrs. Capito, Mr. Ruppersberger, Mr. Van Hollen, Mr. Castle, Mr. Weldon of Pennsylvania, Mr. Boehlert, Mr. Platts, Mr. English, Mr. Cummings, Mr. Wynn, Mr. Murtha, Mr. Hoyer, and Mr. Bartlett of Maryland):

H.R. 4688. A bill to amend the Federal Water Pollution Control Act to reauthorize the Chesapeake Bay Program; to the Committee on Transportation and Infrastructure.

By Mr. GREEN of Texas (for himself, Mr. Hinchey, Mr. Rangel, Mr. Frost, Mr. Gutierrez, and Mr. Engel):

H.R. 4689. A bill to amend title XVIII of the Social Security Act to provide Medicare beneficiaries with access to geriatric assessments and chronic care management, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HASTINGS of Washington:

H.R. 4690. A bill to transfer certain lands along the Cle Elum River in the State of Washington to the administrative jurisdiction of the Secretary of the Interior, to support a land exchange involving a portion of such lands, and for other purposes; to the Committee on Resources.

By Mr. HEFLEY (for himself, Mr. BEAUPREZ, and Mr. TANCREDO):

H.R. 4691. A bill to authorize the Secretary of the Interior to engage in a feasibility study relating to long-term water needs for the area served by the Fryingpan-Arkansas Project, Colorado, and for other purposes; to the Committee on Resources.

By Mr. INSLEE (for himself, Mrs. WILSON of New Mexico, Mr. SMITH of Washington, Mr. DICKS, Mr. LARSEN of Washington, Mr. McDERMOTT, Mr. UDALL of New Mexico, Mr. PEARCE, and Mr. BAIRD):

H.R. 4692. A bill to amend title XXI of the Social Security Act to permit qualifying States to use a portion of their allotments under the State children's health insurance program for any fiscal year for certain Medicaid expenditures, and for other purposes; to the Committee on Energy and Commerce.

By Ms. KAPTUR:

H.R. 4693. A bill to require persons who seek to retain seed harvested from the planting of patented seeds to register with the Secretary of Agriculture and pay fees set by the Secretary for retaining such seed, and for other purposes; to the Committee on Agriculture, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KENNEDY of Rhode Island (for himself and Ms. ROS-LEHTINEN):

H.R. 4694. A bill to amend the Older Americans Act of 1965 to provide for mental health screening and treatment services, to amend the Public Health Service Act to provide for integration of mental health services and mental health treatment outreach teams, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LARSEN of Washington:

H.R. 4695. A bill to amend the Small Business Act to extend the redesignation period for certain Historically Underutilized Business Zones (HUBZones) in States with persistently high unemployment; to the Committee on Small Business.

By Mr. McHUGH:

H.R. 4696. A bill to promote the use of anaerobic digesters by agricultural producers and rural small businesses to produce renewable energy and improve environmental quality; to the Committee on Agriculture.

By Mr. McHUGH:

H.R. 4697. A bill to amend the Internal Revenue Code of 1986 to provide for a permanent extension of the credit for producing electricity from wind; to the Committee on Ways and Means.

By Mr. McHUGH:

H.R. 4698. A bill to establish a grant program to support cluster-based economic development efforts; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. McHUGH:

H.R. 4699. A bill to establish a grant program to support broadband-based economic development efforts; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. McINNIS:

H.R. 4700. A bill to provide special authority to the Secretary of Agriculture to convey certain Forest Service administrative sites in the White River National Forest in Colorado, to reserve the proceeds from such conveyances to help resolve the facilities needs of that national forest, and for other purposes; to the Committee on Resources.

By Mr. NADLER (for himself, Mr. FRANK of Massachusetts, Ms. BALDWIN, Mr. KENNEDY of Rhode Island, and Mr. GRIJALVA):

H.R. 4701. A bill to provide for entitlement to dependents' and survivors' benefits under the old-age, survivors, and disability insurance program under title II of the Social Security Act based on permanent partnership as well as marriage; to the Committee on Ways and Means.

By Mr. NEUGEBAUER:

H.R. 4702. A bill to require farmers to be offered supplemental crop insurance based on an area yield and loss plan of insurance; to the Committee on Agriculture.

By Mr. OSBORNE (for himself, Mr. HOEKSTRA, and Mr. FORD):

H.R. 4703. A bill to establish a Federal Youth Development Council to improve the administration and coordination of Federal programs serving youth, and for other purposes; to the Committee on Education and the Workforce.

By Mr. OSE (for himself, Mr. DOOLITTLE, Mr. CARSON of Oklahoma, and Mr. DOOLEY of California):

H.R. 4704. A bill to amend the Internal Revenue Code of 1986 to establish tax credits for climate neutral combustion technologies; to the Committee on Ways and Means.

By Mr. POMEROY:

H.R. 4705. A bill to provide crop and livestock disaster assistance; to the Committee on Agriculture.

By Mr. RAHALL (for himself, Mr. FARR, Mr. JACKSON of Illinois, Ms. LEE, Ms. McCOLLUM, Mrs. CAPPS, Mr. GEORGE MILLER of California, Mr. WEXLER, Mr. GRIJALVA, Mr. GUTIERREZ, Mr. CASE, Mr. MORAN of Virginia, Mr. HONDA, Mr. KUCINICH, Mr. VAN HOLLEN, and Mr. SCHIFF):

H.R. 4706. A bill to amend the Magnuson-Stevens Fishery Conservation and Management Act to provide for stewardship of fishery resources for the American public, and for other purposes; to the Committee on Resources.

By Mr. RANGEL (for himself and Mr. HOUGHTON):

H.R. 4707. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage diversity of ownership of telecommunications businesses, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. RYAN of Ohio:

H.R. 4708. A bill to allow workers certified to receive trade adjustment assistance under the Trade Act of 1974 who are rehired by the same employer to continue to receive such assistance if they are subsequently unable to work because of a lock-out in the course of a labor dispute; to the Committee on Ways and Means.

By Ms. LORETTA SANCHEZ of California:

H.R. 4709. A bill to amend the Uniform Code of Military Justice to bring sexual assault crimes under military law into parallel with sexual assault crimes under Federal law, and for other purposes; to the Committee on Armed Services.

By Ms. SLAUGHTER (for herself, Mr. HINCHEY, and Mr. GRIJALVA):

H.R. 4710. A bill to clarify the congressional intent concerning, and to codify, certain requirements of the Communications Act of 1934 that ensure that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance; to the Committee on Energy and Commerce.

By Mr. SNYDER (for himself and Mr. BOOZMAN):

H.R. 4711. A bill to amend title 38, United States Code, to eliminate reductions of basic pay for eligibility for basic educational assistance for veterans under the Montgomery GI Bill; to the Committee on Veterans' Affairs, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TIAHRT (for himself, Mr. BALLENGER, Mr. NORWOOD, and Mr. WILSON of South Carolina):

H.R. 4712. A bill to amend the Occupational Safety and Health Act of 1970 with respect to enforcement provisions; to the Committee on Education and the Workforce.

By Mr. McGOVERN (for himself, Ms. SCHAKOWSKY, and Mr. HONDA):

H. Con. Res. 465. Concurrent resolution commending the efforts of women in the Republic of Colombia to promote peace; to the Committee on International Relations.

By Mr. HOLT (for himself, Mr. WOLF, Mr. GEORGE MILLER of California, and Mr. LANTOS):

H. Con. Res. 466. Concurrent resolution urging the Government of India to conduct a thorough and transparent investigation of the scope of abusive child labor in circuses throughout India and to pursue immediate and effective remedies to end such abuse, and to provide immediate and continuous police protection to secure the personal safety of Kailash Satyarthi, his family, and his colleagues in the South Asian Coalition Against Child Servitude; to the Committee on International Relations.

By Mr. PAYNE (for himself, Mr. CUMMINGS, Mr. JEFFERSON, Mr. WYNN, Ms. LEE, Ms. MAJETTE, Mrs. CHRISTENSEN, Mr. DAVIS of Illinois, Ms. WATERS, Mr. JACKSON of Illinois, Ms. NORTON, Mr. SCOTT of Georgia, Ms. MILLENDER-McDONALD, Mr. DAVIS of Alabama, Mr. RUSH, Mr. TOWNS, Ms. SCHAKOWSKY, Mr. FATTAH, Mr. OWENS, Mr. RANGEL, Mr.

Thompson of Mississippi, Ms. Eddie Bernice Johnson of Texas, Mr. Watt, Mr. Meeks of New York, Ms. Corrine Brown of Florida, Ms. Watson, Ms. Jackson-Lee of Texas, Mr. Lewis of Georgia, Mr. Clyburn, Mr. Conyers, Mr. Scott of Virginia, Mr. Ford, Ms. Kilpatrick, Mr. Tancredo, and Mr. Bishop of Georgia):

H. Con. Res. 467. Concurrent resolution declaring genocide in Darfur, Sudan; to the Committee on International Relations.

By Mr. CARDIN (for himself, Mr. Gilchrest, Mr. Hoyer, Mr. Cummings, Mr. Van Hollen, Mr. Wynn, Mr. Bartlett of Maryland, Mr. Ruppersberger, Mr. Grijalva, Mr. Waxman, Mr. McDermott, Mr. Burton of Indiana, Ms. McCarthy of Missouri, Mr. Moran of Virginia, Mr. Honda, Ms. Jackson-Lee of Texas, and Mr. Matsui):

H. Res. 695. A resolution expressing the condolences of the House of Representatives to the family and friends of Mattie Stepanek on his passing, and honoring the life of Mattie Stepanek for his braveness, generosity of spirit, and efforts to raise awareness of muscular dystrophy; to the Committee on Government Reform.

By Mr. FROST:

H. Res. 696. A resolution providing for consideration of the bill (H.R. 3767) to amend title XVIII of the Social Security Act to deliver a meaningful benefit and lower prescription drug prices under the Medicare Program; to the Committee on Rules.

By Mr. RYAN of Ohio (for himself and Mr. Manzullo):

H. Res. 697. A resolution urging the Government of the People's Republic of China to take certain actions regarding exports of coke; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. MILLER of Florida introduced A bill (H.R. 4713) for the relief of Christine L. Barrott; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 99: Mr. Bartlett of Maryland.

H.R. 173: Mr. McCotter.

H.R. 284: Mr. Hastings of Washington.

H.R. 303: Ms. Herseth.

H.R. 344: Mr. Otter.

H.R. 594: Ms. Herseth.

H.R. 715: Mr. Gallegly.

H.R. 792: Mr. Ackerman, Mr. Neugebauer, Ms. DeLauro, and Mr. Neal of Massachusetts.

H.R. 953: Ms. Herseth.

H.R. 962: Mr. Wu.

H.R. 1080: Mr. Shays.

H.R. 1355: Mr. Stark.

H.R. 1466: Mr. Hoeffel.

H.R. 1501: Mr. Rangel, Mr. Lynch, Mr. Neal of Massachusetts, Mr. McGovern, Mr. Frank of Massachusetts, Ms. Bordallo, and Mr. Case.

H.R. 1563: Mr. Renzi.

H.R. 1684: Mr. Doggett and Mr. Skelton.

H.R. 1746: Mr. Pomeroy.

H.R. 1824: Mr. Crane.

H.R. 2079: Mr. Kleczka.

H.R. 2176: Mr. Larsen of Washington and Mr. Pickering.

H.R. 2239: Mr. Kanjorski.

H.R. 2262: Mr. Gutierrez.

H.R. 2318: Mr. Fattah.

H.R. 2387: Mr. Frank of Massachusetts.

H.R. 2536: Mr. Crowley, Mr. Boehlert, and Mr. Baird.

H.R. 2598: Mr. Souder, Mr. Weiner, Mr. Larson of Connecticut, and Mr. Baca.

H.R. 2959: Mr. Israel and Mr. Porter.

H.R. 3009: Ms. Harris and Mr. Shimkus.

H.R. 3148: Mr. Alexander, Mr. Ross, Mr. Jefferson, Ms. Majette, Mr. Dicks, and Mr. Larson of Connecticut.

H.R. 3180: Mr. Waxman.

H.R. 3192: Mr. Frank of Massachusetts, Mr. Davis of Illinois, Mr. Kildee, and Mr. Reyes.

H.R. 3194: Ms. Eshoo.

H.R. 3313: Mr. Simpson and Mr. Otter.

H.R. 3327: Mr. Case.

H.R. 3424: Mr. Conyers.

H.R. 3425: Mr. Conyers.

H.R. 3558: Mr. Deal of Georgia, Mr. Norwood, Mr. Rogers of Michigan, Mr. Smith of New Jersey, and Mr. Gibbons.

H.R. 3574: Ms. Dunn.

H.R. 3579: Mr. Cunningham and Mr. Lantos.

H.R. 3619: Ms. Herseth.

H.R. 3642: Mrs. Tauscher.

H.R. 3672: Ms. Herseth.

H.R. 3676: Ms. Tierney.

H.R. 3684: Mr. Payne and Mr. Kline.

H.R. 3728: Mr. Frank of Massachusetts.

H.R. 3767: Mr. Brown of Ohio and Mr. Frost.

H.R. 3804: Mr. Bishop of New York.

H.R. 3810: Mr. Berman, Mr. Meeks of New York, and Mr. Pastor.

H.R. 3831: Mr. Case, Mr. Langevin, Mr. Ruppersberger, Mr. Delahunt, Mr. Markey, Mr. Evans, Ms. Slaughter, Mr. Farr, Mr. Lewis of Georgia, Ms. Kilpatrick, Ms. Waters, Mr. Van Hollen, Mr. Sabo, Ms. Eshoo, Mr. Gonzalez, Mr. Becerra, Mr. Honda, Mr. Menendez, Mr. Pallone, Mr. Matsui, Mr. Crowley, Mr. McDermott, Mrs. Capps, and Mr. Capuano.

H.R. 3858: Mr. Beauprez, Ms. Hooley of Oregon, Mr. McCotter, and Mr. Boehner.

H.R. 3988: Mr. Neal of Massachusetts.

H.R. 4026: Mr. Neal of Massachusetts.

H.R. 4046: Mr. Bishop of New York, Mr. Meeks of New York, Mr. Frost, Mr. Weiner, Mr. Towns, Mr. Israel, Mrs. Maloney, Mr. McHugh, Mrs. McCarthy of New York, Mr. Serrano, Ms. Slaughter, Mr. Owens, Mr. Hinchey, Mr. Boehlert, and Mrs. Lowey.

H.R. 4067: Mr. Langevin and Ms. Eshoo.

H.R. 4093: Mr. Grijalva.

H.R. 4097: Ms. Kaptur.

H.R. 4100: Mr. Doggett, Mr. Faleomavaega, Mrs. Christensen, Mr. Acevedo-Vilá, Mr. Holt, Mr. Green of Texas, Mr. Frank of Massachusetts, Mr. Kildee, Mr. McIntyre, Mr. Boucher, Ms. Baldwin, Ms. Eddie Bernice Johnson of Texas, Mr. McNulty, Mr. McDermott, Ms. Lee, Mr. Stark, Ms. Woolsey, Mr. Lipinski, Mr. Clay, Mr. Meehan, Mr. Tierney, Ms. McCarthy of Missouri, Mr. Sanders, Mr. Kucinich, Mr. Berman, Mr. Inslee, Mrs. Davis of California, Ms. Carson of Indiana, Mr. Ford, Ms. Schakowsky, and Ms. Slaughter.

H.R. 4110: Mr. Smith of New Jersey and Ms. Lee.

H.R. 4119: Mr. English, Mr. Isakson, Mr. Souder, Mr. Marshall, and Mr. Green of Texas.

H.R. 4124: Mr. Bishop of Georgia.

H.R. 4131: Mr. Ose and Mr. Fossella.

H.R. 4150: Mr. Simmons.

H.R. 4169: Mr. Miller of Florida, Mr. Hastings of Washington, and Mr. Jones of North Carolina.

H.R. 4187: Mr. Lincoln Diaz-Balart of Florida, Mr. Mario Diaz-Balart of Florida, Ms. Ros-Lehtinen, and Mr. Sessions.

H.R. 4206: Mr. Frost, Mr. McNulty, and Mr. Van Hollen.

H.R. 4207: Mr. Waxman.

H.R. 4242: Mr. Reyes.

H.R. 4261: Mr. Meek of Florida.

H.R. 4263: Mrs. Napolitano, Mr. Bishop of New York, Mr. Serrano, Mr. Green of Texas, Mrs. Tauscher, Mr. Weiner, Ms. Slaughter, Mr. Filner, Mr. Holt, and Ms. Solis.

H.R. 4269: Mr. Fattah.

H.R. 4284: Mr. Sullivan, Mr. Duncan, Mr. Paul and Mr. Deal of Georgia.

H.R. 4303: Mr. McNulty, Mr. Greenwood, Mr. Crowley, Mr. Davis of Florida, and Mr. McCotter.

H.R. 4306: Mr. Rogers of Michigan.

H.R. 4343: Mr. Culberson.

H.R. 4354: Mr. Doyle.

H.R. 4415: Mr. Lantos, Mr. Ackerman, and Ms. DeLauro.

H.R. 4420: Mr. Stenholm, Mr. Sessions, and Mrs. Musgrave.

H.R. 4430: Mr. Bonilla, Mr. Miller of Florida, Mr. Kingston, and Mr. Brady of Texas.

H.R. 4433: Mrs. Miller of Michigan.

H.R. 4440: Mr. Carter and Mr. Jenkins.

H.R. 4449: Mr. Honda.

H.R. 4472: Mr. Frost, Ms. Harman, Mr. McNulty, Mr. John, Mr. Sanders, and Mr. Brady of Pennsylvania.

H.R. 4502: Ms. Norton, Mr. McInnis, and Mr. Saxton.

H.R. 4511: Mrs. Maloney, Mr. Payne, Mr. Grijalva, and Mr. Bishop of Georgia.

H.R. 4521: Mr. Bachus.

H.R. 4530: Mr. English.

H.R. 4533: Mr. Nunes.

H.R. 4561: Mr. Souder.

H.R. 4576: Mr. Hinojosa, Mr. McInnis, Mr. Kline, Mr. Pence, Mr. Young of Alaska, Mr. Oxley, Mr. Bradley of New Hampshire, Mr. Moran of Virginia, Mr. Blunt, Mr. Petri, and Mr. Renzi.

H.R. 4584: Mr. Renzi.

H.R. 4600: Ms. McCarthy of Missouri, Mr. Whitfield, and Mr. Davis of Tennessee.

H.R. 4608: Mr. Smith of New Jersey.

H.R. 4610: Mr. Nethercutt, Mr. Thompson of Mississippi, Ms. Linda T. Sánchez of California, Mrs. Capps, Ms. Pelosi, Ms. Harman, Mr. Honda, Mr. Filner, Mrs. Tauscher, Ms. Lofgren, Mr. Cardoza, Ms. Solis, Mr. McNulty, and Mr. Becerra.

H.R. 4622: Mr. Snyder, Mr. Capuano, Mr. Bishop of Georgia, and Mr. Isakson.

H.R. 4634: Mr. Tiberi, Mr. Marshall, Mr. Sandlin, Mr. Green of Texas, Mr. Ryun of Kansas, Mr. Ferguson, and Mr. Wilson of South Carolina.

H.R. 4636: Mr. Matheson, Mr. McIntyre, Mr. Davis of Tennessee, Mr. Jenkins, Mr. English, Mr. Costello, Mr. Cooper, and Mr. Cardoza.

H.R. 4655: Mr. Hoeffel, Mr. Brown of Ohio, Mr. Rodriguez, Mr. Sandlin, Mr. Blumenauer, and Ms. Norton.

H.R. 4671: Mr. Towns, Ms. Jackson-Lee of Texas, Mrs. Jones of Ohio, Mr. McDermott, Mr. Grijalva, and Mr. McNulty.

H. Con. Res. 330: Mr. Rangel and Mr. Gutierrez.

H. Con. Res. 375: Mr. Matsui, Ms. Lee, and Mr. Deutsch.

H. Con. Res. 418: Ms. McCollum and Mr. McCotter.

H. Con. Res. 431: Mr. Marshall.

H. Con. Res. 442: Mr. Simpson, Mr. Davis of Illinois, Ms. Schakowsky, Mr. Gutknecht, Mr. Inslee, Ms. Baldwin, and Mr. Kleczka.

H. Con. Res. 459: Mr. OBERSTAR, Mr. ROGERS of Kentucky, and Mr. SHIMKUS.

H. Con. Res. 462: Mr. CHABOT, Mr. LEACH, Ms. ROS-LEHTINEN, Mr. WEXLER, Mr. BERMAN, Mr. MEEKS of New York, Mr. MCCOTTER, Mrs. JOANN DAVIS of Virginia, Mr. SMITH of New Jersey, Mr. ROHRABACHER, Mr. CHANDLER, Mr. GONZALEZ, Mr. MCNULTY, Mr. SOUDER, Ms. BERKLEY, Mr. ACKERMAN, Mr. TANCREDO, Mr. SHIMKUS, Mr. WU, Mr. KIRK, Mr. HOEFFEL, Mr. SCHIFF, Mr. DEUTSCH, and Mr. KING of New York.

H. Res. 60: Mr. SHAW.

H. Res. 466: Mr. UDALL of Colorado.

H. Res. 485: Mr. COLE and Mr. RODRIGUEZ.

H. Res. 556: Mr. GREENWOOD.

H. Res. 570: Mr. RUPPERSBERGER.

H. Res. 667: Mr. EVANS and Mrs. MYRICK.

H. Res. 687: Mrs. JONES of Ohio, Mr. MCDERMOTT, Ms. JACKSON-LEE of Texas, and Mr. SABO.

H. Res. 688: Mr. WELLER and Mr. BARTLETT of Maryland.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 4614

OFFERED BY: MR. KING OF IOWA

AMENDMENT NO. 3. At the end of the bill (before the short title), insert the following:

SEC.   . None of the funds made available in this Act that are provided to the United States Fish and Wildlife Service or a State department of natural resources for the purpose of carrying out habitat restoration measures for endangered species pursuant to the Corps of Engineers Missouri River Master Water Control Manual may be used for any other purpose.

H.R. 4614

OFFERED BY: MS. NORTON

AMENDMENT NO. 4. Page 3, line 17, after the dollar amount insert the following: "(increased by $20,000,000) (reduced by $20,000,000)".

H.R. 4614

OFFERED BY: MR. SANDERS

AMENDMENT NO. 5. Page 19, line 14, after the dollar amount, insert the following: "(increased by $30,000,000)".

Page 23, line 5, after the dollar amount, insert the following: "(reduced by $30,000,000)".

EXTENSIONS OF REMARKS

HONORING ASSISTANT SHERIFF RICHARD BRESHEARS

HON. DENNIS A. CARDOZA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. CARDOZA. Mr. Speaker, I rise today to honor Assistant Sheriff Richard Breshears. Richard Breshears has had a long and exemplary career in law enforcement that has lasted nearly 35 years.

Mr. Breshears began his career as a Stanislaus County Sheriff in 1970. He soon became an investigator, where he dedicated almost 18 years, rising from the ranks of detective to Lieutenant and working on several high profile cases that garnered national attention. In 1991, he was promoted to Captain and served as Commander of both the Custodial and Operations Divisions. In 1997, he was appointed to the position of assistant Sheriff and continues to command the Operations Division.

Mr. Breshears has not limited his dedication to law enforcement and his community to working hours. He has continuously engaged in, and often led activities that allowed him and the Stanislaus County Sheriff's Department to better serve the community. In 1982, he graduated from the FBI academy in Quantico, VA. He has been a member of countless law enforcement associations and organizations over the years. He has dutifully served such organizations as the Stanislaus County Advisory Board on Substance Abuse, the U.S. Attorney's Law Enforcement Executive Council, and as President of the Stanislaus County Police Activities League for the past eight years.

Richard Breshears' selfless service to his community has not gone unnoticed. His community has bestowed upon him such honors as the "Assyrian Community Presidential Award," the California Attorney General's "Certificate of Commendation for Meritorious Service," and the Stanislaus Sheriff Department's "Medal of Merit" for exceptional service.

It is my honor and privilege to join the community in recognizing Richard Breshears for his lengthy, dedicated service to his community. Throughout his career, he has distinguished himself as a leader and mentor. I am delighted to recognize his service and his retirement as I wish him the very best in the years to come.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2005

SPEECH OF

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4613) making appropriations for the Department of Defense for the fiscal year ending September 30, 2005, and for other purposes:

Ms. DELAURO. Mr. Chairman, I rise today to thank the Chairmen and Ranking Members of the Subcommittee and the Committee for their excellent work in crafting a bipartisan bill that will provide our troops with the tools they need to continue their outstanding service to our country.

Our troops have done an amazing job under very difficult circumstances in Iraq and Afghanistan. I fear that their job will only get tougher in the weeks and months ahead, but this bill will help ensure that our troops will be prepared for whatever they may face in Iraq and in the war on terror.

I am especially grateful to my colleagues Mr. MURTHA and Mr. LEWIS for including in the report accompanying this bill important language that calls for a comprehensive study of mental health services available to service members and their families both during and after deployment to combat theaters.

Despite a growing awareness of the importance of mental health issues, there remains too much of a stigma associated with mental health care. The fact is that the pressures of war and lengthy separation from friends and family can take their toll on our soldiers, and we ought to do more to help our brave soldiers and their families.

Mr. Speaker, I have seen this first-hand. The 439th Quartermaster Company is an Army reserve unit based in New Haven. They have performed admirably well in setting up fuel depots in southern Iraq on the road from Kuwait to Baghdad. But they have been in the Iraqi theater for 14 months now, and will be there for at least a few months more. I have been working with Yale University's Child Study Center to make sure the families of this great unit have access to mental health services. But the military ought to do more to help.

I might add that our commitment to our troops should not stop when they return from the field. Experience has taught us that for service members and their families, the difficulties associated with deployment do not always cease when the service member returns. In the case of Reserve and National Guard troops, who often live far from a military installation, it is especially important that top-quality mental health services are available to them to ease the transition from deployment to civilian life.

This benchmark study will give us some indications about how we can overcome barriers to care, and how we can do better by our soldiers, sailors and marines. It is my hope that the Congress will use this study as a starting point to better fund mental health services for military personnel and their families, and I look forward to working with my colleagues on this issue.

So again I thank Chairman YOUNG, Chairman LEWIS, Mr. OBEY and Mr. MURTHA for taking this issue so seriously and including my amendment.

HONORING MERLE McDOUGALD "DOUG" WERNER

HON. TOM DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today to honor and remember Merle McDougald Werner, a correspondent who filed one of the first reports of the D-Day invasion in 1944. Mr. Werner died May 19, 2004 at his home in Falls Church, VA at the age of ninety-one.

Mr. Werner was born January 28, 1913, in Bladen, Nebraska. He attended the University of Nebraska and received a bachelor's degree in journalism from the University of Missouri in 1934. During the years 1934 to 1937, Mr. Werner worked for several newspapers in Nebraska and Wyoming when he became employed with the United Press, a precursor of United Press International located in Des Moines. In 1941, Mr. Werner transferred to United Press' Washington bureau and was appointed as a war correspondent based in London where he worked with Walter Cronkite.

Surrounded by gunfire and deep cold waters, Werner stepped onto Utah Beach four hours after the beginning of the attack in which 156,000 Allied troops took part. He pulled out his typewriter and began an account of the day from a foxhole that was dug for his protection. Mr. Werner's account became one of the first of the invasion to reach Americans in the states.

During World War II, Werner also covered the German bombing of London, the liberation Paris in August 1944, the U.S. occupation of Berlin in 1945 and the Potsdam Conference.

Additionally, Mr. Werner's recollections of his D-Day experiences are on display in a current online issue of the Newseum, a museum dedicated to journalism. He is also believed to be the last surviving journalist of those who accompanied the invasion forces.

Mr. Werner was viewed as a calm and stoic man who considered himself to be very fortunate to have not only survived the war, but also to have participated in covering the biggest news event of his generation.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. Speaker, in closing, I would like to express my gratitude to Merle McDougald Werner for his service to his country. I call upon my colleagues to join me in applauding Mr. Werner's past accomplishments and remembering him for his dedication to his country and fellow Americans.

RECOGNIZING THE IMPORTANCE OF BLUES MUSIC

SPEECH OF

HON. MARSHA BLACKBURN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 22, 2004

Mrs. BLACKBURN. Mr. Speaker, today I rise to recognize the importance of Blues music in the Memphis region, across Tennessee, and to people the world over.

The Blues is a historic treasure that must be preserved and studied for posterity. The Blues, created to express the hardship and tough times faced by many in the Delta region, have comforted millions, brought diverse communities of people together, and created a uniquely American tradition.

Almost all the music we know and love today—including jazz, country, even some classical—has been influenced by the Blues. America's musical heritage cannot be understood without the Blues, and Rock and Roll as we know it wouldn't exist.

Memphis has been a wellspring of musical creativity since the first Mississippi Delta bluesmen started drifting north. When the great W.C. Handy arrived on Beale Street from the Delta in 1908, he brought along this magical new genre. Memphis legends like W.C. Handy and B.B. King are just a few among the many legends of Blues music in the United States who should be recognized.

As Co-Chairman of the House Songwriters Caucus and a Tennessean, I am proud to help represent one of America's true music capitals.

Mr. Speaker, I join my colleagues in support of H. Con. Res. 13.

TRIBUTE TO BRISTOL-MYERS SQUIBB COMPANY

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. WALSH. Mr. Speaker, I rise today in tribute to the Bristol-Myers Squibb Company's Syracuse, New York facility, which will receive the 2004 Presidential Green Chemistry Challenge Award in the alternative synthetic pathways category presented by the United States Environmental Protection Agency (EPA).

Bristol-Myers Squibb earned this great honor through the development of an environmentally friendly synthesis for the cancer drug Taxol®. The EPA's Presidential Green Chemistry Challenge Program has been promoting pollution prevention through voluntary partnership with the chemical community since 1996. The annual awards recognize outstanding accomplishments in the development of chemical technologies that incorporate the principles of green chemistry into chemical design, manufacture, and use. To date winning technologies have eliminated over 460 million pounds of chemical and solvent pollutants, saved over 440 million gallons of water, and eliminated over 170 million pounds of atmospheric carbon dioxide emissions.

I express my congratulations to the men and women of the Bristol-Myers Squibb Company in Syracuse for receiving such an outstanding honor. Bristol-Myers Squibb has truly shown itself to be a leader in environmental technology innovation.

POPULATION CONNECTION'S 2004 "KID-FRIENDLY CITIES REPORT CARD"

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Ms. BALDWIN. Mr. Speaker, last week Population Connection released its 2004 Kid-Friendly Cities Report Card. This report rates cities in terms of the quality of life they provide for children by using data in sixteen comprehensive areas including health care, education, and community.

I am proud that Madison, my hometown, ranked third among large cities in America in terms of providing a high quality of life for children. We scored very highly in the education and community categories. The people of Madison deserve to feel proud of the quality of life we provide for the children in our city.

There is much good news for Madison in this report, but there's much more to be done. We must remember that far too many children in our city and, indeed, across America are being left behind. I applaud Population Connection for their efforts in working hard to achieve the day that every city is kid-friendly, the day that every kid can look forward to a future that offers unlimited opportunity. This report from Population Connection shows us the map to get there. And while cities and states can do a lot on their own, many of the problems that young people face are national problems that require national solutions.

The first step is to get serious about reducing teen pregnancy. In Madison, like in much of America, this is one of the most significant challenges we face. We should act to ensure that not one more federal penny is spent on ineffective programs, like "abstinence-only" programs that leave kids simply uninformed at best and woefully ill-equipped for real-life decision-making at worst. Such programs have been shown to have little to no impact on the likelihood that young people will be sexually active, but they do reduce the chance that young people will use contraceptives when they do have sex, leading to unintended pregnancy and exposure to sexually transmitted infections. Let's put our money into more effective, more worthy programs that can be shown to have a real impact on the lives of young people.

Also, we should act to ensure that every woman, every mother, has access to affordable reproductive health care, family planning and effective contraceptives. Too often, contraceptives are excluded from prescription drug coverage in health insurance plans. Federal funding for family planning for low-income Americans has fallen nearly 60 percent in real dollars over the past two decades, leaving fully half the women who need subsidized family planning aid without access to services. Family planning gives mothers the ability to properly space their births. It makes it more likely that they will receive pre-natal care, and it helps to ensure that every pregnancy is planned and every child is wanted. These programs are worthy of increased investment. The return is enormous. In fact, research has shown that every dollar of public money invested in family planning and reproductive health care saves more than four dollars in future costs.

I urge my colleagues in the United States Congress to take the funds that the president has proposed for failed abstinence-only programs and use it to double the funding for the Title X family planning program. This program has a long history of success in providing basic reproductive health care, family planning information and contraceptives to low-income Americans. We must always remember one basic fact: healthy mothers and healthy children go hand in hand.

We should all be grateful to Population Connection for providing us with this information that can help guide the policies we adopt. Now that they've provided the information, we in Congress must act to adopt policies that will bring us quickly to the day that such a report is unnecessary . . . the day when every city gets an "A".

PROTECT PERSONAL PRIVACY BY NOTIFYING CONSUMERS OF THE PRESENCE OF TRACKING DEVICES IN EVERYDAY ITEMS

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. KLECZKA. Mr. Speaker, today I am introducing privacy legislation in response to the growing use of technology known as "radio frequency identification," or RFID, that businesses are beginning to use as a means of tracking shipments of goods.

RFID chips, which can be embedded by manufacturers in clothing or other products, transmit unique identification data to a receiver so that a merchant can track the movement or presence of specific goods, such as to verify that a container has a complete order of items inside without opening it. It makes good business sense to keep track of inventory, and RFID offers an easier, more efficient way for many companies to do so.

However, in an age in which the advent of new technology is often accompanied by a loss of control over one's personal information or privacy, consumers should be made aware when an item that they have purchased contains technology that potentially allows for their movements or purchase history to be tracked. Furthermore, a person that so desires should be able to have the tracking chip disabled or removed.

Presently, RFID chips come in all shapes and sizes, with some the size of a grain of rice or smaller. Many of these chips are only able to transmit to a receiver in close proximity, and do nothing more than signal the presence of a specific item of clothing or other retail product. As technology advances, it will be easier for such technology to be linked to the individual's personal information, such as the purchaser's name, address, transaction history, and so forth. In addition, the distances over which RFID chips could transmit to a receiver will undoubtedly increase, enabling the tracking of RFID-tagged goods far from the point of purchase.

My legislation would require the Federal Trade Commission to craft rules to ensure that businesses could not sell products with RFID devices unless the product carries a warning label and the person purchasing the item is provided with the option of having the RFID device removed or permanently disabled at the time of purchase. This is a common sense solution would allow businesses to continue to utilize this technology while at the same time it would grant consumers the ability to protect their privacy.

Although I recognize that time is running out in the present session of Congress, it is important that this issue be raised. Congress should act to give our constituents the opportunity to have these tracking devices removed or disabled on articles they purchase, and I urge my colleagues to cosponsor this legislation.

TROPICAL FOREST CONSERVATION ACT REAUTHORIZATION

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. PORTMAN. Mr. Speaker, I rise today to announce that I am joined by Tom Lantos and 28 of our colleagues in introducing a bill to reauthorize the Tropical Forest Conservation Act (TFCA) through FY 2007. This bipartisan conservation incentive program helps to protect the world's most valuable tropical forests through "debt-for-nature" mechanisms.

This bipartisan reauthorization we are introducing today was developed with the Bush Administration, the Nature Conservancy, the World Wildlife Fund, Conservation International, and the Wildlife Conservation Society. The Administration and these highly respected environmental organizations are to be commended for all of their excellent work on the TFCA and this bill.

In the 105th Congress I, along with our former colleagues Lee Hamilton and John Kasich, introduced the legislation that established the TFCA. It was overwhelmingly approved and enacted in 1998. The TFCA was reauthorized in 2001 through the end of this year.

The TFCA is based on the previous Bush Administration's Enterprise for the Americas Initiative (EAI) that allows the President to restructure debt in exchange for conservation efforts in Latin America. The TFCA expands on the EAI and allows protection of threatened tropical forests worldwide. A conservative estimate of 39.5 million acres of tropical forests will be protected by TFCA agreements since its enactment in 1998.

The United States has a significant national interest in protecting tropical forests in developing countries. Tropical forests provide a wide range of benefits. They harbor 50–90 percent of the earth's terrestrial biodiversity. They act as "carbon sinks," absorbing massive quantities of carbon dioxide from the atmosphere, thereby reducing greenhouse gases. They regulate rainfall on which agriculture and coastal resources depend, and they are of great importance to regional and global climate. Furthermore, tropical forests are breeding grounds for new medicines. Twenty-five percent of prescription drugs come from tropical forests. The United States National Cancer Institute has identified over 3000 plants that are active against cancer. Seventy percent of them can be found in rainforests.

Regrettably, tropical forests are rapidly disappearing. It is estimated that 30 million acres (an area larger than the State of Pennsylvania) are lost each year. The heavy debt burden of many countries is a contributing factor because they must resort to exploitation of their natural resources (particularly the extraction of timber, oil, and precious metals) to generate revenue to service their external debt. At the same time, poor governments tend to have few resources available to set aside and protect tropical forests. The TFCA addresses these economic pressures by authorizing the President to allow eligible countries to engage in debt swaps, buybacks or reduction/restructuring in exchange for protecting threatened tropical forests on a sustained basis.

The debt for nature mechanisms in the TFCA have proven to be an effective, market-oriented means to leverage scarce funds available for international conservation. The host country places an amount in its tropical forest fund that typically exceeds the cost to the U.S. government of the debt reduction agreement. Furthermore, because these tropical forest funds have integrity and are broadly supported within the host country, conservation organizations are interested in placing their own money in these tropical forest funds producing additional leverage of Federal conservation dollars.

Seven TFCA agreements have been concluded to date: Bangladesh, El Salvador, Belize, Peru, the Philippines, Panama and Colombia. These agreements have generated more than $70 million in long-term income commitments for tropical forest conservation. Private donors have contributed more than $5 million to TFCA swaps, leveraging the U.S. government funds. Active deals are currently being negotiated with Jamaica and Sri Lanka. Several other countries have expressed interest in the program including Guatemala, Ecuador, Paraguay, St. Vincent, Botswana, Costa Rica, the Dominican Republic, India, Indonesia, Brazil, and Kenya.

This bill will improve the TFCA and reauthorize it at $20 million in FY 2005, which is included in the President's budget request; $25 million in FY 2006; and $30 million in FY 2007.

The Tropical Forest Conservation Act is an excellent program that is working well and worthy of reauthorization. I urge all members to support this important, market-oriented approach to conserving the world's most threatened tropical forests.

INTRODUCTION OF LEGISLATION PROHIBITING EXTRAORDINARY RENDITION

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. MARKEY. Mr. Speaker, the prison abuses at Abu Ghraib were a national disgrace and have rightly been the subject of anger and condemnation. But another torture practice continues to go on without any public attention. Under the name "extraordinary rendition", the CIA reportedly sends terrorism suspects, sometimes on the flimsiest of evidence, to foreign countries that are known to employ torture in prisoner interrogation. This practice is against all U.S. and international law and is a moral outrage, and it must be stopped.

The practice of extraordinary rendition, the extra-judicial removal of people in U.S. custody both domestically and abroad to foreign governments that are known to use torture, has received little attention because of the degree of secrecy with which it occurs. Attention was drawn to the practice in September 2002 when Maher Arar, a Canadian citizen, was seized while in transit to Canada through JFK airport, and sent to Jordan and later Syria at the request of the CIA. While in Syria, Arar was tortured and held in a dark, 3-by-6–foot cell for nearly a year. He was ultimately released and detailed his story to the media upon his return to Canada.

Although the more recent numbers have not been made public, outgoing CIA director George Tenet testified to the 9/11 Commission in October 2002 that over 70 people had been subject to rendition before September 11, 2001. Human rights organizations including Amnesty International, Human Rights Watch, the Center for Constitutional Rights and the ACLU have detailed numerous other cases and are pursuing litigation in some of them. On June 21, the Canadian government launched an investigation into Arar's case.

My bill directs the State Department to compile a list of countries that commonly practice torture or cruel, inhuman or degrading treatment during detention and interrogation, and prohibits rendition to any nation on this list, unless the Secretary of State certifies that the nation has made significant progress in human rights. It also specifies that written or verbal assurances from a foreign government that a person will not be tortured are not sufficient basis to override this prohibition. The bill explicitly permits legal, treaty-based extradition, in which suspects have the right to appeal in a U.S. court to block the proposed transfer based on the likelihood that they would be subjected to torture or other inhumane treatment.

Extraordinary rendition is outsourcing torture, and it is morally repugnant to allow such a practice to continue. President Bush has asserted that 'the values of this country are such that torture is not a part of our soul and our being.' The legislation I am introducing today is designed to ensure that we not only ban torture conducted by our own forces but we also stop the practice of contracting out torture to other nations. Torture enabled by extraordinary rendition is outrageous and must be stopped.

40TH ANNIVERSARY OF THE DEDICATION OF THE UKRAINIAN MONUMENT TO TARAS SHEVCHENKO

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. WELDON of Pennsylvania. Mr. Speaker, on Saturday, June 26, 2004, the Ukrainian-American community will celebrate the 401h anniversary of the Taras Shevchenko monument in Washington, DC. The monument inspired and united Ukrainians to speak about the cruelty and injustice of the former Soviet Union and attracted international support. Since independence, Ukraine has made significant progress in its transition to a democratic society.

Taras Shevchenko continues to serve as a source of inspiration to Ukrainians almost 200 years after his untimely demise. Born into serfdom, as a child, Shevchenko excelled in painting even though he received no formal training. His talent eventually attracted the attention of the best artists, who bought Shevchenko's freedom. A brilliant artist, Shevchenko turned out to be an even more talented poet, who through his works gave strength and hope to millions of freedom fighters. The intensity of his words have resonated in the hearts of many, igniting the fire of freedom and inspiring a continued struggle for liberation. He led not just by his word, but by personal example as well. Throughout his life, Shevchenko organized and participated in societies promoting the liberation of Ukraine from the Russian Empire, which cost him his freedom on several occasions and ultimately cost him his life. Still his legacy endures and on this day we celebrate Shevchenko's great spirit of love for Ukraine, freedom and equality.

As a longtime supporter of the Ukrainian American community, I welcome the community's efforts to unite and stand strong on the issues that concern it in the United States and Ukraine. More than ever Ukraine needs a strong, unified voice in the United States to highlight Ukraine's achievements and evaluate its current policies. I am glad to see that Ukrainian Americans remain active in political and civic life in the United States and continue to cooperate with the governments of the United States and Ukraine.

INTRODUCTION OF H.R. 4658, SERVICEMEMBERS LEGAL PROTECTION ACT OF 2004

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. SMITH of New Jersey. Mr. Speaker, I rise today to introduce H.R. 4658, the Servicemembers Legal Protection Act of 2004, legislation to further strengthen the legal and financial rights of military servicemembers, particularly those called up to active duty in Iraq, Afghanistan and other duty stations around the world. This legislation would amend a prior law I sponsored, that President Bush signed last year, the Servicemembers Civil Relief Act, Public Law 108–189.

Mr. Speaker, this morning I chaired a hearing of the Veterans' Affairs Committee to examine how well the federal statutes protecting our servicemembers rights were being enforced. Testifying before the Committee were several servicemembers and family members with personal experiences in which their rights were not properly protected under existing laws.

One witness, Ms. Tammy Kimmel whose husband served in the Army at Fort Hood in Texas, told the Committee that when her husband was ordered to a new duty location, her landlord refused to release her from their joint housing lease as required by law. The landlord claimed that the law required the servicemember to be released, but not the spouse.

The legislation I am introducing today would help prevent such misinterpretations as well as strengthen and expand several existing legal and financial protections.

Mr. Speaker, with more than 150,000 Guard and reserve members activated in the continuing war on terrorism, we must ensure that the laws protecting their rights are fully and faithfully executed and enforced. Congress approved the Servicemembers Civil Relief Act last year precisely because of perceived ambiguities and weaknesses in longstanding federal statutes covering military personnel called to active duty or redeployed to new duty locations.

Regrettably, despite sixty years of federal case law, culminating with the passage last year of the Servicemembers Civil Relief Act, there are still some individuals, businesses, and organizations who cynically refuse to provide all the reliefs required by statute.

We will neither tolerate outright violations nor attempts to distort the clear purposes of the laws Congress has enacted. The evidence from today's hearing is overwhelming and the intention of the law is clear. Those men and women who put their lives on hold and on the line must not suffer economic or legal harm that results from their military service. This Committee and this Congress will continue to do all that can be done to protect the legal and financial rights of all of our servicemembers, whether they are active duty, reserve or Guard.

As introduced, H.R. 4658, the Servicemembers Legal Protection Act, would:

Strengthen the lease termination protections for dependants of servicemembers relocating per military orders;

Expand the definition of court and administrative judgments and rulings covered by the law:

Require that waivers of their rights by servicemembers must be duly executed in separate, clearly written documents:

Extend to plaintiffs the same relief granted to defendants in civil court proceedings:

Extend the housing and automobile lease termination relief to servicemembers relocated from states or territories outside the contiguous United States (e.g., Hawaii, Alaska):

Strengthen the leases termination provisions for servicemembers affected by individual deployments:

Prevent double taxation of servicemembers due to differences in state and local excise, use, or other similar taxes.

Mr. Speaker, the Servicemembers Civil Relief Act that passed last year both restated and expanded the Soldiers and Sailors Civil Relief Act first approved in 1940. This federal statute is designed to help ensure that U.S. military personnel are not disadvantaged when they have been called to active duty and are therefore unable to be present at legal proceedings.

Among the most important protections added by the Servicemembers Civil Relief Act last year were automatic 90-day stays for civil and administrative proceedings, protections for servicemembers and their families from housing evictions, the right of servicemembers and their spouses to terminate housing and automobile leases, and protection from repossessions of automobiles.

Enactment of the legislation I am introducing today, H.R. 4658, the Servicemembers Legal Protection Act, would provide an additional level of support for all of the brave men and women defending our nation and our freedom around the world. I urge my colleagues to look at this important legislation and lend their support to protecting the legal and financial rights of all of our servicemen and women.

A SPECIAL TRIBUTE TO THE CITY OF WAUSEON, OHIO ON THE OCCASION OF THEIR SESQUICENTENNIAL

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. GILLMOR. Mr. Speaker, it is my privilege to pay tribute to a special in Ohio's Fifth Congressional District. This year, the community of Wauseon, Ohio will celebrate the sesquicentennial of its founding.

Mr. Speaker, the City of Wauseon was officially recorded as a town in 1854 upon the arrival of the New York Central Railroad. The City earns its name from the long heritage of the Maumee Indian tribe. The last council of the Maumee tribe was held with the United States government 16 years before the founding of the City. It was at this council that Chief Wauseon conveyed all Maumee tribe lands in the Northwest Territory to the United States Government.

From its very beginning, Wauseon had a strong connection with the railroad. Its very creation came as a result of the railroad moving to Northwest Ohio. The first settlement in

Wauseon came in anticipation of the arrival of the New York Central Railroad. Wauseon contributed to the prosperity of our young nation, the strength of our economy and the birth of our industrial might. Wauseon has a deep understanding and appreciation of their vibrant culture and long history.

Today, we honor the June 26th Heritage Days event in Wauseon, Ohio. This event will mark the 150th anniversary of the founding of the City of Wauseon. The festival will include a Civil War encampment, Native American pow-wow, and music and food from the 1850's. Pioneer life will be on display throughout the celebration.

As the county seat of Fulton County and its largest city, Wauseon embraces their long and significant heritage and will continue to share this with visitors and members of their community. Building a community mindful of the past and ready for the future speaks to the wisdom and dedication of Wauseon's citizens.

Mr. Speaker, I ask my colleagues to join me in paying special tribute to the diligent effort and unwavering spirit of the citizens of Wauseon. I am confident that Wauseon's sesquicentennial will serve as an essential reminder to the past and promise of our great land.

COMMENDING THE PASCO COUNTY SHERIFF'S OFFICE

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. BILIRAKIS. Mr. Speaker, I rise today to commend the Pasco County Sheriff's Office earning national commendations for its efforts to control crime, make the community safer, and improve the lives of Pasco County residents, many of whom live in my congressional district.

The office, led by Sheriff Bob White, recently became one of the first law enforcement agencies in the country to receive accreditation from the Commission on Accreditation for Law Enforcement Agencies (CALEA), an honor which only about one of every four law enforcement agencies ever earn.

The Sheriff's Office received this accreditation after an exhaustive review of its policies and procedures. The Office began preparing for its assessment in early 2003 by reviewing its readiness for such a formal and comprehensive review. The men and women in its employ scrutinized hundreds of policies and procedures and revised and rewrote those which needed altering to comply with CALEA standards.

The formal assessment for CALEA accreditation then began last summer. CALEA assessors descended on the Sheriff's office to conduct an inspection which lasted four days. They reviewed files, toured the agency, inspected personnel, tested equipment, listened to presentations, and rode-along on patrols. They then recommended the Office, which met or exceeded nearly all of CALEA's standards, receive full accreditation late last year. The Sheriff's Office must continue to comply with these standards and will undergo the same scrutiny every three years to maintain its accreditation.

The CALEA accreditation means that the Pasco County Sheriff's Office has met accepted law enforcement standards in preventing and controlling crime, increased agency effectiveness and efficiency in the delivery of law enforcement services, improved coordination with other law enforcement agencies, and bolstered employee and community confidence in its goals, objectives, policies, and practices.

Mr. Speaker, I believe that the Pasco County Sheriff's Office is one of the most dedicated and professional law enforcement agencies in the state of Florida and around the country. I am both proud and thankful that Sheriff Bob White and his charges are on the job protecting me and my constituents and representing the law enforcement community so ably and honorably. I hope that our colleagues are as fortunate as my constituents are to have such dedicated men and women protecting them.

HOMEOWNERSHIP OPPORTUNITIES FOR NATIVE AMERICANS ACT OF 2004

HON. JIM MATHESON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. MATHESON. Mr. Speaker, I rise today to express my strong support for H.R. 4471, the Home Ownership Opportunities for Native Americans Act. I was pleased to introduce this bill with my friend and colleague on the Financial Services Committee, Mr. RENZI.

Many Native Americans continue to live in appalling housing conditions even as those in much of the nation have improved. American Indian and Alaska Native populations live in housing that is often and justifiably compared to third world nations. One out of every five Indian homes lacks complete plumbing facilities. Over 90,000, American Indians and Alaska Natives are homeless or underhoused.

On May 3, the Housing Subcommittee of the Financial Services Committee conducted a field hearing on the Navajo Reservation in an effort to better understand the challenges facing Native Americans in obtaining housing and to find ways to improve housing opportunities for Native Americans.

The Home Ownership Opportunities for Native Americans Act is the first of many needed legislative efforts to address the issues raised during our field hearing. This bill makes a simple and necessary correction—it will statutorily confirm a 95% loan guarantee under Title VI of the Native American Housing Assistance and Self-Determination Act (NAHASDA).

While this vital Native American housing program at the Department of Housing and Urban Development (HUD) has operated at a 95% loan guarantee level since its implementation, a recent determination by the Office of Management and Budget (OMB) has indicated that only an 80% loan guarantee level is authorized without further action from Congress. H.R. 4471 makes this needed change and ensures that this important housing program will continue to be used to help Native Americans obtain housing.

I appreciate the strong leadership of my colleague from Arizona, Mr. RENZI, Ranking Member WATERS, and Chairman NEY on this issue. I urge my colleagues to support this legislation and I look forward to continuing to work with my colleagues to address the many difficult challenges facing Native Americans in achieving home ownership.

RECOGNIZING THE SACRIFICE OF AN AMERICAN HERO: SPECIALIST ERIC McKINLEY

HON. DARLENE HOOLEY

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Ms. HOOLEY of Oregon. Mr. Speaker, I rise today to recognize the very special life of Eric MCKINLEY.

Eric, like most young men, loved his family, enjoyed his job, and dreamed of doing something important with the time given him.

But Specialist Eric McKinley was different from most. Simply put, Eric did more in his brief twenty-four years than many ever will. This local hero volunteered to serve his community, his State, and his Nation for a six year enlistment with the Oregon Army National Guard.

He proudly did his duty, and then he did more. You see, Eric was due to come home and be discharged in early April. His family, his friends, and his coworkers at the bakery shop in Corvallis where he worked longed for his laugh, his smile—his gentle presence.

But it was not to be.

Like a lot of young soldiers, Eric McKinley's service was extended in Iraq because his special skills were needed to rebuild a broken state, protect a delicate peace, and foster a climate within which a vulnerable but growing seed of democracy might take root.

Eric took his duty seriously, he knew the risks, and yet this self-sacrificing man chose to serve. He accepted his charge without complaint, he understood the need of the extension and quietly soldiered on as he always had.

Eric is the face of the Guard—but he is also the face of our community.

His desire was simple: lift young people up; provide them with new and viable alternatives for a healthy life, and provide a place for safe and meaningful fun.

Eric McKinley will not have the opportunity to build his own business as he had dreamed and watch the young people of Benton County enjoy the fun of a safe haven.

We are all now indebted to Eric's spirit and sacrifice. We are all now accountable to seek out the opportunities of tomorrow to help the young people that he cared so much about. We must stretch ourselves to make Eric's vision a new reality. All of us must join together to take up Eric's personal commitment in seeking to provide opportunities for the young people in our lives.

As the seasons come and the time passes, the pain of our loss will slowly subside. But the sacrifice of Eric McKinley will be as significant then as it is today: he gave his all so that others could have life, liberty, and the pursuit of happiness.

Eric's sacrifice must always be remembered.

It is now, and will be forever, our turn to repay the debt.

TRIBUTE TO COMMAND SERGEANT MAJOR BILLY TENTION

HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. SPRATT. Mr. Speaker, I am honored to recognize the career of an extraordinary South Carolinian, United States Army Command Sergeant Major (CSM) Billy Tention. Following 30 years of distinguished service and after reaching the Army's highest enlisted rank, CSM Tention will retire from active duty on July 9, 2004. The significance of this milestone is matched only by his devoted service.

General George C. Marshall once said, "There is no limit to the good you can do if you don't care who gets the credit." This defines the military career of CSM Tention.

Born in September 1953, in Camden, South Carolina, he entered the Army in September 1974, after graduating from Ashwood Central High School. He underwent basic training at Fort Jackson, South Carolina and received his Advanced Training at Fort Sam Houston, Texas. CSM Tention then excelled at every rung up the leadership ladder. From his early days as non-commissioned officer in charge of the Services Branch at Eisenhower Army Medical Center to Hospital Command Sergeant Major at Fort Leonard Wood, CSM Tention has demonstrated the Army's core values: selfless service, loyalty, honor, and integrity.

His dedicated 30-year commitment to the Army speaks of his loyalty, loyalty to his country, the Army, and most importantly, his fellow soldiers. "Do your duty in all things," General Robert E. Lee once said. "You can never do more. You should never wish to do less." CSM Tention did his duty through service in numerous assignments including war-fighting during the first Persian Gulf War and other overseas duty in Europe and Asia. There's an old Army saying: "Take care of your people, and they'll take care of you." CSM Tention has been taking care of his people for 30 years. Whether it's exceeding recruitment/retention goals, yielding the highest Expert Field Medical Badge graduation rate, or spearheading Dining In's and ethnic recognition programs, CSM Tention's actions reflect the highest respect and honor among seniors, peers, and subordinates alike.

CSM Tention's awards and decorations include two Legions of Merit, the Bronze Star Medal, two Meritorious Service Medals, the Army Commendation Medal, the Army Achievement Medal, 10 Good Conduct Medals, the Kuwait Liberation Medal (Saudi Arabia), the Kuwait Liberation Medal (Kuwait), the Expert Field Medical Badge, the Air Assault Badge, and the Recruiter Badge with 3 Gold Stars.

CSM Tention earned a Bachelor of Arts degree from Columbia College in 2004 and is working towards a Master's degree in Human Resource Management from Webster University.

I am proud to represent all South Carolinians in thanking CSM Tention and his family for their dedication, commitment to country, and service. CSM Tention is a credit to the United States Army and to the United States of America. I wish him all the best as he makes the transition to civilian life.

COMMENDING MILAN OPACICH

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. VISCLOSKY. Mr. Speaker, it is my distinct honor to commend one of Northwest Indiana's most distinguished citizens, Milan Opacich, of Schererville, Indiana. Milan is one of twelve exemplary master folk and traditional artists chosen to receive the 2004 National Heritage Fellowship by the National Endowment for the Arts. On Thursday, September 30, 2004, he will be honored by the United States Government for his artistic excellence and his contributions to the art field. Milan's praiseworthy contributions will be recognized in Washington, D.C., at an awards ceremony on Capitol Hill.

Since 1982, the Endowment has awarded more than 282 National Heritage Fellowships. Recipients include bluesman B.B. King, Irish step dancer Michael Flately, and acclaimed performers Shirley Caesar, Doc Watson, and Bill Monroe. Recipients are nominated, often by members of their own communities, and then judged by a panel on the basis of their continuing artistic accomplishments and contributions as practitioners or teachers. Milan was chosen for his expertise and commitment to passing on his skills and cultural traditions to a new generation. I can truly say that Milan is a dedicated, distinguished and committed citizen. I have known him for many years and consider him a close personal friend.

Milan was born and raised in Gary, Indiana by a Croatian mother and a Serbian father. He became interested in string music at the age of four, and at the age of fourteen he began playing country music. At the age of eighteen he took up tamburitza music. After high school, Milan became a journeyman tool and die maker, honing the skills he used to build the tamburitza, a stringed instrument resembling the mandolin. He built instruments for himself, family, and friends; he also played in one of several orchestras.

In 1958 Milan joined the Gary Fire Department. He set up a small workshop in the basement of the firehouse to continue making his instruments during down times. When he wasn't fighting fires, Milan was in the basement of the firehouse making instruments. He worked for the Gary Fire Department for 20 years, retiring 26 years ago. Milan now resides in Schererville, Indiana. He has converted his garage into a workshop similar to a museum of musical instruments. He has several pictures highlighting the different bands he has played with over the years, most recently the Drina Tamburitza Orchestra. Today he is recognized as this Nation's premiere tamburitza maker. His instruments have been exhibited at both the Renwick Gallery of the Smithsonian Institution and at the Roy Acuff Museum. In 2002, he was named to the Tamburitza Association of America Hall of Fame.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in commending Milan Opacich for his outstanding contributions to the arts. His family and friends should be proud of his accomplishments. I ask you and my other distinguished colleagues to join me in commending Milan Opacich for his lifetime of remarkable accomplishments and enduring service.

HIGHER EDUCATION SUSTAINABILITY ACT OF 2004

HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. BLUMENAUER. Mr. Speaker, today I am introducing the "Higher Education Sustainability Act of 2004," which would authorize $50 million for six Sustainability Education Centers across the country to develop and implement integrated environmental, economic, and social sustainability programs. Each Sustainability Center will focus on multidisciplinary research, education, and outreach at institutions of higher education.

Sustainable development practices are being advanced by hundreds of U.S. cities and companies and through a variety of international agencies including the United Nations and the world Business Council for Sustainable Development. As population growth, urban development and extreme weather incidents place great stress on ecosystems around the globe, the need for developing innovative and successful sustainable development practices becomes critical to sustaining our economic competitiveness, improving our environmental health and creating more livable communities.

In my home State of Oregon, we have many great examples of sustainable development and livable communities. Portland State University, located in my hometown, provides an excellent example of how to incorporate sustainability throughout the curriculum. Faculty from the departments of social sciences, life sciences, physical sciences, humanities, as well as the professional schools have been working to incorporate sustainability principles in their coursework and research. PSU has developed several new initiatives developed, including a Certificate in Sustainability Program focusing on PSU's partnerships with Asia and Europe.

Portland State University's Sustainability Initiative has placed a high priority on Green Buildings that use smart technology to improve operational performance and produce significant energy savings. Their green Stephen Epler Residence Hall, opened this fall, uses harvested rainwater in restrooms and features low-flow water fixtures for showers and toilets. Its integrated energy design is projected to produce an expected $29,000 a year in annual energy cost savings. PSU will save an additional $275,000 in energy cost across the campus this year simply by installing energy-efficient equipment and lighting fixtures and adjusting temperature settings. These savings translate into the tuition costs for nearly for nearly 80 students—a significant figure, given the rising cost of college today!

These innovations are just a few among many that are already underway in colleges and universities across the nation. This legislation will ensure that we can extend these innovations to all our institutions of higher learning. I look forward to working with my colleagues to pass this bill and make a commitment to making our educational communities more sustainable and livable.

INTRODUCTION OF H.R. 4659, USERRA HEALTH CARE COVERAGE EXTENSION ACT OF 2004

HON. HENRY E. BROWN, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. BROWN of South Carolina. Mr. Speaker, as Chairman of the Subcommittee on Benefits of the Committee on Veterans' Affairs, I am pleased to introduce H.R. 4659, the "USERRA Health Care Coverage Extension Act of 2004." I introduce this measure jointly with Representative MICHAEL MICHAUD, ranking member of the Benefits Subcommittee.

The bill would increase to 24 months, up from 18 months, the maximum period of employer-provided health care coverage that an employee covered by the Uniformed Services Employment and Reemployment Rights Act (USERRA) may elect to continue to receive while mobilized as a reservist or Guard member. This legislation would also reinstate reporting requirements for the Department of Labor in consultation with the Office of Special Counsel and the Department of Justice on USERRA cases.

Mr. Speaker, due to the technical nature of this bill, I have kept it in draft form until now. This approach has afforded the Committee on Veterans' Affairs the opportunity to take testimony on the bill, today in fact, as part of a hearing titled, "Protecting the Rights of Those Who Protect Us: Public Sector Compliance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and Improvements to the Servicemembers Civil Relief Act (SCRA)." I am grateful to Chairman CHRISTOPHER SMITH and ranking member LANE EVANS for convening today's hearing because America has mobilized 387,986 reserve and Guard members in support of Operation Noble Eagle, Operation Enduring Freedom, and Operation Iraqi Freedom. We need to continue to assist these selfless individuals. About 153,000 of them are still mobilized.

At today's hearing on the draft legislation, six Administration officials testified to the overall support of the bill. Craig Duehring, Principal Deputy Assistant Secretary of Defense for Reserve Affairs, stated in his testimony that, "Increasing from 18 months to 24 months the maximum period of employer-provided health care plan coverage that an employee covered by USERRA may elect to continue is an important amendment that will align this coverage period with the length of time for which reservists can be mobilized under the current mobilization authority."

The extension of health care coverage will be especially helpful to federal government employees. Dan Blair, Deputy Director of the Office of Personnel Management, informed the Committee this morning that, "Last year, we asked agencies how much of the Federal Employees Health Benefits they pay for these reservists. I am pleased to report most agencies pay both shares. Of the 114 agencies surveyed, 96 pay the full premium." The "full premium" means the employer-employee share. The federal government needs to be the model employer when it comes to reserve and Guard members.

With regard to reinstating the reporting requirements for the Department of Labor, Office of Special Counsel, and Department of Justice, all three supported this measure. In fact, Mr. Charles Ciccolella, Deputy Assistant Secretary for Veterans' Employment and Training at the Department of Labor, stated in his testimony that, "In the past, the Department found this requirement to be useful."

With the documented support of the "USERRA Health Care: Coverage Extension Act of 2004," I encourage my colleagues to add their names in support of this timely legislation.

ELKINS HIGH SCHOOL'S VARSITY SOFTBALL CHAMPIONS

HON. TOM DeLAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. DELAY. Mr. Speaker, I want to take a moment to recognize some special constituents of mine, the members of the Elkins High School varsity softball team from Missouri City, for capping off their perfect 2004 season with the school's first Texas State championship.

To Coach Jim McClanahan, and assistant coaches Jim Smittle and Amy Mattes, thank you for the enormous amount of time and effort you gave to this team and for helping these girls live up to their potential. Without your hard work and dedication, this team could not have gotten where it is today.

And to the team itself—Alyssa Garza, Caryn Danielson, Abbie Palmieri, Amy Palmieri, Brittni Taylor, Courtney Cornett, Erin Howe, Erin Tresselt, Jamie Hinshaw, Jessie Rodriguez, Rachel Isenhower, Ragan Blake, Sam Dyess, Tiffany Williams, Ryan Graybill, Jenna Lamoreux, Shallon Watson, and Ashley Patterson—congratulations! I'm proud to represent you all in the House of Representatives.

While it's pretty clear from their record that there's a lot of talent on this team, you can't win 39 straight games on talent alone. It takes hard work, perseverance, and dedication—virtues this team has exemplified during its stellar season.

It's great to have talent, but it's better to have commitment. As someone once said, "It doesn't matter how good you are if you don't work hard."

These girls set themselves a goal this year and accomplished it. To have gone an entire season without a single loss is an amazing achievement and a testament to the character of these young ladies.

I am honored to enter their names and accomplishments into the RECORD today.

IN RECOGNITION OF RITA MORENO

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. RANGEL. Mr. Speaker, I rise today to recognize an outstanding performer, actress, and entertainer Rita Moreno for receiving the "nation's highest civilian award recognizing exceptional meritorious service," the Presidential Medal of Freedom.

Rita Moreno has been an inspiration to many throughout her remarkable career as an actress on screen and stage. Her performances have been recognized with Grammy, Tony, and Emmy Awards, and she received an Oscar in 1961 for her performance as Anita in West Side Story. She has, in fact, been listed in the Guinness Book of World Records for her achievements and being the only female performer to have won all four of the most prestigious performing arts awards. Today, June 23, 2004 she will be honored at a White House ceremony with the presentation of the Presidential Medal of Freedom.

A dramatic actress, singer, dancer, comedienne, Ms. Moreno has portrayed a variety of different roles going beyond traditional limitations and proving that Latino performers are not limited to "ethnic" roles. Her versatility has led to decades of success on stage, screen, and television.

Ms. Moreno was born Rosa Delores Alverio in Humacao, a small town in Puerto Rico. At the age of five years old, she joined her mother in New York and the following year she started her dancing lessons. Rosita's immense talent became evident at a young age. By the age of thirteen, Rita Moreno had made her Broadway debut in "Skydrift". She signed her first movie contract at the age of seventeen.

Ms. Moreno made some thirty films early in her career, and was often typecast as a Mexican spitfire or an Indian maiden. After a decade of these stereotypical roles she was cast as the strong-willed and independent Anita in the movie version of West Side Story. It was only after Rita Moreno won an Oscar for her outstanding performance as "Anita", which gained international acclaim, that she was finally recognized as a major talent. Indeed, the film's depiction of ethnic division and urban violence can be seen as a foreshadowing of the civil rights struggles and general social turbulence of subsequent years. Rita Moreno's depiction of a young woman believing in and pursuing the American dream was vivid and memorable.

In the early 1970s Ms. Moreno appeared in children's television programs providing inspiration to Hispanic children, with the intent to assure them of their value as citizens of society. Rita Moreno has also been the guest star on a wide variety of television productions, both here and abroad, including highly regarded educational television programs as well as starring in her own TV series.

Becoming engaged in so many facets of entertainment, Rita Moreno, early in 1978, turned her attention for the first time to live performances, creating an act that has attracted outstanding critical acclaim. All things considered, Rita Moreno's success goes far beyond her ability to act and sing or win awards. She has strived throughout her career to push past the boundaries that have marginalized actors who did not seem to represent mainstream America and cast Latinos and other minorities in menial roles. She continues to keep busy performing concerts across the country as a guest artist with symphony orchestras. In addition to her film, stage, television and concert careers, Ms. Moreno fills her spare time by lecturing to various organizations as well as to university audiences. She is also involved with a number of civic and charitable organizations and events.

Rita Moreno is a member of the Board of Directors of Third World Cinema, a company which is interested in creating opportunities in the film industry for minority groups, and has served as a member of the Board of Directors of the National Foundation for the Arts, the Alvin Alley Dance Company, the Joffrey Ballet and the Los Angeles Theatre Center, as well as many other worthwhile organizations. Ms. Moreno is currently a member of the President's Committee on the Arts and Humanities and a commissioner of the very prestigious Presidential Fellowship Committee.

It is a special honor for me to recognize Rita Moreno and her great work in performing arts and to salute her leadership and achievements.

HONORING BRIAN BRADY

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Ms. WOOLSEY. Mr. Speaker, I rise today to honor my constituent Brian Brady who is retiring as Chief of Police of Novato, California. He has served in this capacity since 1992, undertaking many innovative projects in the city and earning the respect of the community.

Educated at Golden Gate University and Sonoma State University, Chief Brady served in several cities in California and New Mexico before coming to Novato in 1982 as Captain of both the Operations and Services and Administration Divisions. With a commitment to the principles of Community Policing, he assisted in the development of the city's first Police Advisory and Review Board and the Multi-Cultural Oversight Committee. A broad community collaboration that involved all officers, including service on boards of directors, Community Policing resulted in constant interactions, constructive dialogues and creation of additional successful programs such as:

School Resource Officers project uses uniformed officers on campus as part of the day to day operations at high schools and middle schools.

Project X is a youth team building project in which officers work with an Auto Shop Class at San Marin High School to build and maintain a drag racing vehicle. It has been painted to look like a police car and has been raced successfully, bringing money back to the program.

Girls Forum, developed after incidents of sexual assault, offers self-defense classes as well as instruction in self-esteem with women officers as role models. It is also supported by Soroptomist and Rotary.

Chief Brady's tenure will be especially remembered for his leadership in confronting hate crimes. I had the privilege of observing his work first hand after the racially motivated stabbing of a young Asian man outside a supermarket in Novato. Under his direction, the Police Department treated the incident as a hate crime from the outset by assigning top staff to the case and comforting the victim. Novato held public meetings to address the crime, resulting in the filming of Not in Our Town II, in which the city's response to hate crime is featured as an example to the nation. He continues to promote the use of diversity materials, including those that deal with lesbians and gays, in local classrooms.

Mr. Speaker, Brian Brady's inclusive vision for police work promotes the best in our communities. It is an honor to consider him a friend and to have shared in some of his inspiration and success.

ENACTMENT OF THE NATIONAL GREAT BLACK AMERICANS COMMEMORATION ACT OF 2003, H.R. 2424 AND S. 1233

HON. ELIJAH E. CUMMINGS

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. CUMMINGS. Mr. Speaker, I rise to recognize the enactment of the National Great Black Americans Commemoration Act of 2003, H.R. 2424 and S. 1233, companion legislation that I introduced along with my friend Senator BARBARA MIKULSKI of Maryland. This bill received bipartisan support in both committees of jurisdiction in the House, as well as bicameral support—having passed quickly to the floor from the Senate Judiciary Committee. I thank the President for signing this legislation into law on June 22, 2004.

With valued input from Drs. Elmer and Joanne Martin, founders of the Great Blacks in Wax Museum, I introduced this bill to help bring long overdue recognition to African Americans who have served our Nation with great distinction, but whose names, faces and achievements may not be well-known by the average citizen. Rest assured that this recognition can and will be accomplished and preserved through expansion of the Great Blacks in Wax Museum—a national treasure located in my district in Baltimore, Maryland.

In addition to the 200 existing figures at the museum, I am pleased to inform that a priority will be placed on exhibits presenting the 22 Black Americans who served in Congress during the 19th century. Several of these 22 were born into slavery. All of these Americans proudly served their constituencies and their Nation. Other members from the 1900s such as Senator Edward Brooke, Representatives Julian Dixon (D–CA), Oscar Stanton De Priest (R–IL), Louis Stokes (D–OH), Parren J. Mitchell (D–MD), J.C. Watts, Jr. (R–OK) and others will also receive special recognition. Several of the existing figures depict Colin Powell, Harriet Tubman, Martin Luther King, Jr., Mary McLeod Bethune and former Representatives Mickey Leland of Texas, as well as, Shirley Chisholm and Adam Clayton Powell of New York.

The expanded museum will focus on Black military veterans of various military engagements, including the Buffalo Soldiers and Tuskegee Airmen; on Black judges and prominent attorneys; and on the role of Blacks in the discovery and settlement of America. It will also showcase Blacks who served in senior civilian Executive Branch positions, such as Ralph Bunche (FDR administration), E. Frederic Morrow (Eisenhower administration), Robert Weaver (Johnson Administration), William Coleman (Ford administration), Patricia Harris (Carter administration), Louis Sullivan (George H.W. Bush administration), and others who have not received appropriate recognition.

Lastly, this legislation authorizes assistance in establishing a Justice Learning Center as a component of the expanded Museum complex. The Justice Learning Center will include state-of-the art facilities and resources to educate the public, especially at-risk youth, about the role of African Americans in our nation's judicial system. It will include a special focus on the civil rights movement, and on the role of African Americans as lawmakers, attorneys and in the Judiciary.

Mr. Speaker, the Great Blacks in Wax Museum was founded in 1983 by Dr. Elmer Martin and Dr. Joanne Martin, who started the museum with their own funds carrying a few figures and exhibit materials around the country in their car. Today I am proud to report that the museum currently occupies part of a city block in East Baltimore and includes more than 200 wax figures. It is America's first wax museum of Black history. The museum now receives well over 200,000 visitors a year—more than half of these visitors are school children. I also will mention that several members of Congress and their staff have visited the museum and relayed to me the awesome nature of their visit—how the figures and exhibits both moved and informed—resulting in a truly enriching experience. Enactment makes certain that the Museum can continue its mission to preserve a great part of our nation's history.

I would be remiss if I did not relay to you how important and inspiring this Museum is to its East Baltimore community. The Great Blacks in Wax Museum functions as more than just a museum. It is a stalwart in its community. The Martins established the Museum with the primary motivation "to use education, history and example to help mainly disadvantaged youth overcome feelings of alienation, defeatism and despair." It provides a safehaven for at-risk youth and offers opportunities for young people in the community to take part in employment, intern and volunteer programs. The Museum has enrichment programs for individuals, families, daycare centers, churches, schools and other non-profit organizations. In keeping with its commitment to community involvement, the Museum's many programs serve as a means for taking learning and cultural enrichment beyond the school walls. The Justice Learning Center will extend the outreach efforts of the Museum to homeless shelters, halfway houses, adult day care, domestic violence centers, youth residential facilities and other places to reach disadvantaged and/or at-risk youth and families.

Mr. Speaker, enactment of this legislation is a testament to the Martins' persistence and vision. Enactment also means that the National Great Blacks in Wax Museum—a national treasure—will receive needed federal support to ensure that generations yet unborn will be told the story of these great Americans. The Museum will assure that History never forgets this legacy.

Finally, again, I want to thank Representative SENSENBRENNER and his staff Joseph Gibson and Katy Crooks, Representative CONYERS and his staff Lillian German, as well as Representatives POMBO and RAHALL and their staffers, Frank Vitello, Richard Healy and David Watkins for all of their hard work in moving this legislation through their respective Committees. I would especially like to thank my legislative director, Kimberly Ross, in seeing this legislation through to its successful end.

PAYING TRIBUTE TO JIM THRASH

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. MCINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and legacy of Jim Thrash of New Meadows, Idaho. Jim bravely battled the Storm King Mountain Fire outside the town of Glenwood Springs, Colorado in 1994, but succumbed to the blaze along with thirteen fellow firefighters while working to protect the city. I personally served as a firefighter and understand the risks they face each and everyday. Witnessing the awful inferno that fateful July day, I know Jim and his comrades battled the fire with the utmost courage and valor. With the tenth anniversary of the Storm King Fire approaching, I believe it appropriate to recognize the sacrifice Jim and the Storm King Firefighters made on behalf of a grateful community, state and Nation.

Jim grew up in Arizona and moved to Idaho with his wife in 1973 where he taught high school Spanish and social studies, and coached varsity baseball. Jim and his wife owned and operated a big game hunting business in Idaho, and he was a member of the Idaho Outfitters and Guides Association where he was president, served on the board, and chaired the wilderness committee. He joined the McCall Smokejumpers in 1981, an elite group of firefighters who parachute into rough, mountainous terrain to fight wildfires in areas of forests inaccessible by any other means. He was a dedicated member of his crew, and received a great deal of satisfaction from helping others. Above all, he was devoted to his family and friends.

Mr. Speaker, it is an honor to rise before this body of Congress and this Nation to pay tribute to the life and memory of Firefighter Jim Thrash. Jim was committed to providing high quality professional fire management services to protect our natural resources; putting himself in harms way for unfamiliar people and places. He made the ultimate sacrifice doing what he loved, and I, along with the Glenwood Springs community and the State of Colorado are eternally grateful to this brave man.

HONORING PAUL T. McCARTHY

HON. MARK STEVEN KIRK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. KIRK. Mr. Speaker, over 22 years ago, Paul T. McCarthy became the Village Manager of Glenview, IL, located in my Congressional District. Since that time, Mr. McCarthy has played the leading role in the development of one of suburban Chicago's most prosperous communities.

Upon arriving in Glenview, Mr. McCarthy embarked upon an ambitious program to attract businesses and residents to the community. One of his first projects was to improve the bond rating of the Village as an incentive to investors and capital. Within 8 years, Glenview had achieved Moody's highest bond rating of AAA. It has maintained that rating ever since.

With this strong financial foundation, Mr. McCarthy began to implement his vision for the Village. In 1990, he negotiated the Willow Road Corridor Agreement between Glenview and Northbrook. In 1997, he negotiated the purchase of the privately-owned water company, North Suburban Public Utilities. He also oversaw the closing of the Lutter/Krohn landfill and its redevelopment as a golf course. These 3 initiatives, along with numerous other projects, had tangible, beneficial affects upon Glenview residents and were the direct result of Mr. McCarthy's leadership and vision.

Mr. McCarthy's biggest challenge was ahead of him. In the second or third round of military base closings, the massive Glenview Naval Air Station was shut down, opening up thousands of prime real estate acres for development. Mr. McCarthy led the development of this area with extraordinary success. The Glen, as the area is now known, has become a nationally recognized and award winning mixed use development, representing $1 billion in public and private investment.

In his 22 years of service, Mr. McCarthy has led the Village of Glenview with tremendous foresight and success. When he entered city hall as Village Manager, Glenview had a budget of $15.4 million and 180 employees. As Mr. McCarthy retires, the Glenview budget is $80.7 million and the Village employs 320 individuals. Mr. McCarthy's leadership as Village Manager of Glenview, IL, is worthy of the highest commendation. I wish him and his wife much happiness in retirement. Mr. Speaker, I hope my colleagues will join me in recognizing this extraordinary individual.

CONGRATULATIONS TO FRATERNAL ORDER OF POLICE

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. CUNNINGHAM. Mr. Speaker, I rise today to congratulate the Fraternal Order of Police on their outstanding victory today on the passage of the Law Enforcement Officer's Safety Act (H.R. 218).

This afternoon, H.R. 218 passed the House by a voice vote, affirming this body's support for police officers across America. H.R. 218 is the number one priority for law enforcement across the country and allows qualified off-duty and retired law enforcement officers to carry concealed weapons in any jurisdiction. The bill has broad bipartisan support with 296 cosponsors.

The F.O.P. has been absolutely instrumental in working with Members of Congress to bring this legislation to the floor. The F.O.P. is an outstanding organization that has served their membership well in their tireless work to bring their number one legislative priority to the House Floor. Many of us know the long history of H.R. 218 and I can safely say that were it not for the efforts of the F.O.P., their current President Chuck Canterbury, and former President Steve Young, this bill may have never seen the light of day.

The benefits of H.R. 218 are two-fold—officer safety and improved public safety. Many jurisdictions do not allow off-duty officers to carry concealed weapons. Due to the unique responsibilities and dangers that come with law enforcement, off-duty officers are at a greater risk than most Americans. It is not uncommon for off-duty officers to run into people they have arrested or helped to incarcerate. There have been documented instances where felons have sought retribution against officers who helped to put them in jail or prison. It is only right that the men and women who put their lives on the line everyday when they go to work be afforded to right to protect their families and themselves while they are off-duty.

These concerns apply not only to off-duty officers, but to retired officers as well. A criminal who is seeking retribution does not care that the officer who put them away is retired. It is a disservice to those men and women who risked their lives to perform a public service to be deprived of the right to defend themselves and their families simply because they retired.

Mr. Speaker, I am grateful to the F.O.P. for all their efforts on behalf of H.R. 218 and for cops across the country. Today, I am happy to join with them in celebrating House passage of this crucial legislation and look forward to working with the F.O.P. in the future to see H.R. 218 signed into law.

PAYING TRIBUTE TO ROB JOHNSON

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. MCINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and legacy of Rob Johnson of Redmond, Oregon. Rob bravely battled the Storm King Mountain Fire outside the town of Glenwood Springs, Colorado in 1994, but succumbed to the blaze along with thirteen fellow firefighters while working to protect the City. I personally served as a firefighter and understand the risks they face each and every day. Witnessing the awful inferno that fateful July day, I know Rob and his comrades battled the fire with the utmost courage and valor. With the tenth anniversary of the Storm King Fire approaching, I believe it appropriate to recognize the sacrifice Rob and the Storm King Firefighters made on behalf of a grateful community, state and nation.

Rob grew up in Roseburg, Oregon, and graduated from high school in the top ten percent of his class. He attended Oregon State University and graduated with a Bachelor of Science in business administration with honors in 1991, and passed the Certified Public Accounting Exam on his first attempt. He began working as a firefighter in 1987 to help pay for his education and joined the Prineville Hotshots in 1992, an elite group of firefighters who specialize in wildland fire suppression. An avid outdoorsman, Rob enjoyed skiing, hunting, fishing, water skiing, golf, and soccer. He was a hard worker and dedicated member of his crew. Above all, he was devoted to his family and friends.

Mr. Speaker, it is an honor to rise before this body of Congress and this nation to pay tribute to the life and memory of Firefighter Rob Johnson. Rob personified the Hotshots credo of Safety, Teamwork, and Professionalism; putting himself in harm's way for unfamiliar people and places. He made the ultimate sacrifice doing what he loved, and I, along with the Glenwood Springs community and the State of Colorado are eternally grateful to this brave young man.

RECOGNIZING KAREN HIRAI OLEN

HON. HILDA L. SOLIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Ms. SOLIS. Mr. Speaker, I rise today to recognize a true champion and extraordinary public servant, Karen Hirai Olen. Karen has provided an array of services throughout Los Angeles County as an advocate for the physically challenged, impoverished families, and senior citizens. After 35 years of service to the residents of Los Angeles County, she will retire today.

I have personally known Karen and consider her to be a dear friend and advocate of social change. Karen began her career in 1968 as a Social Worker for the Los Angeles County Department of Public Social Services. Karen's passion to ensure the rights of children led her to become a Children's Services Worker from 1969 to 1979. From 1982 to 1986, Karen served as the Director of the Carson/Samoan center where she brought a new approach and innovative concepts to providing extensive quality services, such as the Peace Corps funded Samoan Youth Employment Project which she directed and implemented.

From 1986 to 1988, Karen also served as Project Director for Foodnet where she led a grassroots effort in organizing faith-based organizations and social service agencies to join forces to provide nutritious food to impoverished families.

Karen was later named Director of Centro Maravilla Service Center by the Department of Community and Senior Services for the County of Los Angeles. Through her leadership, residents from Los Angeles County have received direct services such as emergency food, mediation services, crisis intervention, resource information for victims of domestic violence, and case management for housing.

The residents from the East Los Angeles community greatly respect and admire Karen for her courage, leadership, and compassion. I wish her the very best in her retirement.

LEADER OF DELHI MASSACRE OF SIKHS COMING TO U.S. TO MAKE A SPEECH

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. BURTON of Indiana. Mr. Speaker, on October 31, 1984, Indian Prime Minister Indira Gandhi was assassinated by her two Sikh bodyguards after she ordered an attack upon the Golden Temple, which is the center and seat of the Sikh religion. In the aftermath of the assassination, thousands of Sikhs were killed in anti-Sikh riots. The massacre was by any definition a brutal atrocity, and one of the most prominent figures accused of helping to orchestrate the violence was Jagdish Tytler.

Now, Mr. Tytler, who led mobs of Hindus in killing Sikhs, some by burning them to death, and who saw to it that Sikh police were locked in their barracks and therefore unable to respond to the massacre, has been invited to speak at the convention of the American Association of Physicians of Indian Origin in San Diego, which begins on June 25th. As someone who has long championed the cause of freedom, democracy, and equal rights for the Sikh community and other oppressed minorities in that part of the world, I am deeply concerned about this man coming to the United States, and I would urge the American Association of Physicians of Indian Origin to reconsider their invitation to Mr. Tytler.

I am also deeply concerned to learn that Mr. Tytler has been given a position in the government of Prime Minister Manmohan Singh. Prime Minister Singh is a Sikh, and the Sikh community naturally had high hopes that Manmohan Singh's appointment to India's top job would bridge the gap between the Sikh and Hindu peoples. It is difficult to understand how this can be accomplished when Prime Minister Singh is willing to bring a person like Mr. Tytler into his government, as many Sikhs, including my good friend Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, consider Mr. Tytler's presence in the government an affront to the Sikh people.

So long as people like Jagdish Tytler are in the India government, it draws into question whether India is truly willing to uphold the democratic values that it preaches. In addition Mr. Speaker, it should also draw into question the wisdom of the hard-working taxpayers of this country supporting a government that rewards the Jagdish Tytler's of the world with power and authority.

PAYING TRIBUTE TO ROGER ROTH

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. MCINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and legacy of Roger Roth. Roger bravely battled the Storm King Mountain Fire outside the town of Glenwood Springs, Colorado in 1994, but succumbed to the blaze along with thirteen fellow firefighters while working to protect the City. I personally served as a firefighter and understand the risks they face each and everyday. Witnessing the awful inferno that fateful July day, I know Roger and his comrades battled the fire with the utmost courage and valor. With the tenth anniversary of the Storm King Fire approaching, I believe it appropriate to recognize the sacrifice Roger and the Storm King Firefighters made on behalf of a grateful community, state and Nation.

A member of the Oneida tribe of the Iroquois Nation, Roger grew up in Michigan and attended Northern Michigan University. He spent seven summers as a trail crew leader at Isle Royale National Park on Lake Superior. He became a firefighter in 1989, first as a hotshot, an elite group of firefighters who specialize in wildland fire suppression, and then became a smokejumper, providing initial attack on forest fires in remote, mountainous areas. He worked winters for the Fish & Wildlife Service at the Florida Panther National Wildlife Refuge and was a private helicopter pilot. An avid outdoorsman, Roger enjoyed fishing and hunting. He was a hard worker and dedicated member of his crew. Above all, he was devoted to his family and friends.

Mr. Speaker, it is an honor to rise before this body of Congress and this nation to pay tribute to the life and memory of Firefighter Roger Roth. Roger personified the Hotshots credo of Safety, Teamwork, and Professionalism; putting himself in harms way for unfamiliar people and places. He made the ultimate sacrifice doing what he loved, and I, along with the Glenwood Springs community and the State of Colorado are eternally grateful to this brave man.

DEMOCRACY CAUCUS AT THE UNITED NATIONS

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. WOLF. Mr. Speaker, I would like to commend my co-chair of the Congressional Human Rights Caucus and ranking member of the House International Relations Committee, TOM LANTOS, for introducing this important and timely legislation. I would also like to thank Chairman HYDE and Chairman DREIER for their leadership on this important issue.

The strength of the United Nations has been declining in recent years. Corrupt dictatorships now hold many seats on the U.N. Human Rights Commission. It is incredible that the leading world body charged with protecting and exposing human rights has some of the worst human rights abusers sitting in judgment. I was extremely concerned when the United Nations Commission on Human Rights passed a watered down draft discussion on the slaughter occurring in Darfur, Sudan. I commend the administration for taking a stand on the importance on the commission passing strong resolution and applaud the U.S. delegation for walking out when the commission failed in its responsibility to expose and condemn the human rights abuses taking place in Darfur.

It was unfathomable that on May 4 the commission allowed Sudan to renew its seat on the panel. Over one million people have now been displaced in Darfur. Thousands are dying. Women raped. Boys and men slaughtered. The rainy season has begun, and the roads will soon become impassable. Massive numbers face death while the Government of Sudan blocks humanitarian aid, continuing to worsen an already tragic situation. The Government of Sudan must be held accountable for what is occurring in Darfur.

The United States must continue to take a leadership role in calling the world's attention to the human rights abuses occurring across the globe. The creation of a democracy caucus at the United Nations is a first step in reducing the power of abusive nations which sit at the United Nations. This caucus can help fill the seats on the Human Rights Commission with freedom loving democracies which respect and protect the human rights of their people.

TRIBUTE TO BISHOP ZEDEKIAH LAZETT GRADY

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Bishop Zedekiah Lazett Grady, one of eight legendary leaders of the African Methodist Episcopal (AME) Church who will be retiring this year at the Quadrennial Conference in Indianapolis, Indiana.

Bishop Zedekiah Lazett Grady was born in Loughman, Florida, the son of the late Walter and Sylvia Bynum Grady. He was educated in the public schools of Sanford, Florida and is a graduate of Crooms Academy. He further matriculated at Edwards Waters College and the B.L. Lee Theological Seminary, where he received an Associate of Arts and the Bachelor of Theology degrees. He also attended Allen University, where he received the Bachelor of Arts degree and Dickerson Theological Seminary, where he earned the Bachelor of Divinity and Masters of Divinity degrees. He furthered his graduate theological studies at the Union Theological Seminary in New York, New York and the Urban Training Center in Chicago, Illinois. He has received honorary doctorate degrees from Kittrell College in North Carolina, Allen University, and Edwards Waters College.

Bishop Grady has served the church and African Methodism for well over 40 years as a distinguished pastor, capable administrator, civic organizer, ecumenical leader, social reformer, teacher and Presiding Elder. He has served as pastor in Florida and South Carolina. For almost twenty years he was pastor of my home church, Morris Brown in Charleston, South Carolina. During his tenure there, Bishop Grady burned several mortgages, renovated the sanctuary, purchased and developed additional property, organized and developed several social service programs, and added 1,100 members to the church roll.

While serving as Presiding Elder of the historically rich Edisto District, the South Carolina Conference in the 7th Episcopal District, Bishop Grady distinguished himself by realizing a 10 percent increase in membership each year and increasing the number of pastoral charges from 24 to 35.

Bishop Grady has been lauded for his services as a key negotiator in the 1969 hospital strike in Charleston, South Carolina. He has also served as chairman and vice-chairman of the South Carolina Juvenile Parole Board, strategist and advisor of several State and municipal elected officials, and is a past Chairman of the Charleston Community Race Relations Committee. Bishop Grady was a member of the Charleston Housing Authority and has served as a delegate to five World Methodist Conferences. He also served on the local boards of C&S National Bank and NationsBank. He holds life memberships in Beta Mu Sigma Chapter, Phi Beta Sigma Fraternity, Inc., and the NAACP.

On July 14, 1992, Bishop Grady was elected the 111th Bishop of the African Methodist Episcopal Church and has served in the 16th and 9th Episcopal Districts and currently serves the 1st Episcopal District.

Bishop Grady is married to Carrie Etta Robertson Grady of Winnsboro, South Carolina. They have four children.

Mr. Speaker, I ask that you and my colleagues join me in paying tribute to Bishop Zedekiah Lazette Grady upon his retirement from the Bishopric. In addition to being a great religious leader, he has been a trusted personal confidant. I am proud to have called him my pastor and even prouder to call him my friend.

PAYNG TRIBUTE TO DON MACKEY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. MCINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and legacy of Don Mackey. Don bravely battled the Storm King Mountain Fire outside the town of Glenwood Springs, Colorado in 1994, but succumbed to the blaze along with thirteen fellow firefighters while working to protect the City. I personally served as a firefighter and understand the risks they face each and everyday. Witnessing the awful inferno that fateful July day, I know Don and his comrades battled the fire with the utmost courage and valor. With the tenth anniversary of the Storm King Fire approaching, I believe it appropriate to recognize the sacrifice Don and the Storm King Firefighters made on behalf of a grateful community, state and nation.

Don grew up in Hamilton, Montana where he attended Hamilton High School. He became a firefighter in 1984 working in the Bitterroot National Forest. He later became a hotshot in 1985 and 1986, an elite group of firefighters who specialize in wildland fire suppression. In 1987 he became a Missoula smokejumper, where he, along with fellow smokejumpers would parachute into rough, mountainous terrain to fight wildfires in areas of forests inaccessible by any other means. He was a dedicated member of his crew, and received a great deal of satisfaction from helping others. Above all, he was devoted to his family and friends.

Mr. Speaker, it is an honor to rise before this body of Congress and this Nation to pay tribute to the life and memory of Firefighter Don Mackey. Don was committed to providing high quality professional fire management services to protect our natural resources, putting himself in harms way for unfamiliar people and places. He made the ultimate sacrifice doing what he loved, and I, along with the Glenwood Springs community and the State of Colorado are eternally grateful to this brave man.

A TRIBUTE IN HONOR OF 2004 LEGRAND SMITH OUTSTANDING TEACHER AWARD WINNER LORI SYKES OF BRONSON, MICHIGAN

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. SMITH of Michigan. Mr. Speaker, education is the key to our Nation's future prosperity and security. The formidable responsibility of molding and inspiring young minds to the avenues of hope, opportunity and achievement partially rests in the hands of our teachers. Today, I would like to recognize a teacher from Bronson, Michigan that significantly influenced and motivated exceptional students in academics and leadership who were winners of the LeGrand Smith Scholarship.

Lori Sykes teaches Mathematics and Science at Litchfield High School in Litchfield.

She is credited with instilling in students an enthusiasm for not only these subjects, but also for life. As one of her students, Lindsey Teller, said, "She taught me a strong work ethic, as she always expected the very best from me. I felt like she was a real person, not just a teacher." The respect and gratitude of her students speak well of Lori's ability to challenge young minds and encourage them to always put forth their best effort.

Lori Sykes' extraordinary work as a teacher has challenged and inspired countless students to move beyond the teenage tendency of superficial study and encourage them to foster deeper thought and connections to the real world. Arguably, no profession is more important because of its daily influence upon the future leaders of our community and our country, and Lori's impact on her students is certainly worthy of recognition.

On behalf of the Congress of the United States of America, I am proud to extend our highest praise to Lori Sykes. We thank her for her continuing dedication to teaching and her willingness and ability to challenge and inspire students to strive for success.

RECOGNITION OF MAJOR GENERAL WILLIAM H. RUSS' RETIREMENT AND HIS INVALUABLE SERVICE TO OUR COUNTRY

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. PALLONE. Mr. Speaker, it is with great honor that I rise today to recognize the accomplishments and career of Major General William H. Russ upon his retirement from the United States Army. Formerly the Commanding General of the United States Army Signal Command of Fort Huachuca, Arizona and the Director for Programs and Architecture, Office of the Director of Information Systems for Command, Control, Communications and Computers in Washington, DC, Major General Russ will be relinquishing his position as Commanding General of the United States Army Communications-Electronics Command at Fort Monmouth, New Jersey on Friday, June 25, 2004.

Before pursuing military education, Major General Russ completed a Bachelor of Science degree in Electronics from Florida A&M University and a Master of Science degree in Public Administration from Shippensburg University in Pennsylvania. His military education includes the Signal Basic and Advanced Courses, the Armed Forces Staff College, and the United States Army War College.

His military career has taken him from serving as Communications Officer for the 1st battalion, 32nd Armor, 3rd Armored Division, United States Army Europe and Seventh Army to his current position as Commanding General U.S. Army Communications-Electronics Command and Fort Monmouth, New Jersey. During that time he has earned numerous military awards and decorations including: Army Distinguished Service Medal, Defense Superior Service Medal, and the Meritorious Service Medal (with four Oak Leaf Clusters), to name a few.

A career such as this merits strong praise, Mr. Speaker, and as such I would like to extend my sincerest gratitude to Major General William H. Russ for his service and dedication to this country. My congratulations go to Brigadier General Michael R. Mazzucchi, who will be assuming Major General Russ' station, and my best wishes to Major General Russ and his family upon his retirement.

PAYING TRIBUTE TO BONNIE HOLTBY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and legacy of Bonnie Holtby of Prineville, Oregon. Bonnie bravely battled the Storm King Mountain Fire outside the town of Glenwood Springs, Colorado in 1994, but succumbed to the blaze along with thirteen fellow firefighters while working to protect the City. I personally served as a firefighter and understand the risks they face each and every day. Witnessing the awful inferno that fateful July day, I know Bonnie and her comrades battled the fire with the utmost courage and valor. With the tenth anniversary of the Storm King Fire approaching, I believe it appropriate to recognize the sacrifice Bonnie and the Storm King Firefighters made on behalf of a grateful community, state and nation.

A third generation firefighter, Bonnie was in her third season with the Prineville Hotshots, an elite group of firefighters who specialize in wildland fire suppression. An exceptional student-athlete, Bonnie participated in basketball, track, cross-country, and weight training during high school, receiving numerous scholar-athlete awards. She was also active in 4–H, which now provides a memorial award in her honor to a 4–H member who exhibits leadership, sportsmanship, and overall success in 4–H livestock and small animal projects. She was a dedicated member of her crew, and received a great deal of satisfaction from helping others. Above all, she was devoted to her family and friends.

Mr. Speaker, it is an honor to rise before this body of Congress and this nation to pay tribute to the life and memory of Firefighter Bonnie Holtby. Bonnie personified the Hotshots credo of Safety, Teamwork and Professionalism; putting herself in harm's way for unfamiliar people and places. She made the ultimate sacrifice doing what she loved, and I, along with the Glenwood Springs community and the State of Colorado are eternally grateful to this brave young woman.

SCOTT LILLY DEDICATION

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. YOUNG of Florida. Mr. Speaker, I rise today to pay tribute to a dedicated public servant. Scott Lilly has spent 31 years serving the House of Representatives. Scott's career in Congress started in 1973, coincidentally, the same year I was appointed to the Appropriations Committee. While he has held many distinguished positions during his long tenure in the House, most of his time was spent working in some capacity for the House Appropriations Committee.

Scott started and ended his career working for my friend and Ranking Member, David Obey. He had a brief tenure as the Clerk and Staff Director of the House Appropriations Committee and has spent the last nine years as director of the minority staff of the committee.

Scott is an unapologetic liberal and we have vigorous debates and differences in our committee. But Scott never allowed a political dispute to become personal. We could have a knock-down drag-out fight in committee and after it was over Scott and the staff from both sides of aisle would retire to the Committee's appointed space and enjoy an adult beverage. There was never any lingering ill will or hard feelings.

Scott is a consummate professional. His knowledge and expertise of appropriations matters is rivaled by few. He is a shrewd floor tactician and legislative strategist. Scott will now be able to spend more time in the academic world, a world where he is able draw on his great intellect and wealth of Congressional experience. Our loss is his student's gain. Every class he teaches will be enriched by his thoughtful consideration of complex political and policy questions.

Scott will be sorely missed. I can say with confidence that he will not miss our long markups, our late night conferences and the marathon sessions on the floor. He is a great patriot, a great public servant and a great appropriator. I wish him all the success in his future endeavors.

TRIBUTE TO BISHOP FRANK CURTIS CUMMINGS

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Bishop Frank Curtis Cummings, one of eight legendary leaders of the African Methodist Episcopal Church (AME) who will be retiring at this year's Quadrennial Conference in Indianapolis, Indiana. A native of Alabama, Bishop Cummings is the son of Edmond and Annie M. Cummings.

He received a Bachelor of Arts degree from Daniel Payne College, a Bachelor of Arts degree from Seattle Pacific College, and a Doctor of Divinity degree from Shorter College. Bishop Cummings followed not only God's call but also his country's call and served in the United States Air Force for three years, and attended the Urban Training Center.

Bishop Cummings was ordained an Itinerant Deacon in 1948 and an Itinerant Elder in 1952. While in those positions, he pastored churches in Aldridge, Alabama; Bremerton, Washington; Santa Barbara, California; and St. Louis, Missouri.

In 1968, he was elected Secretary-Treasurer of the AME's Department of Church Expansion. He founded Allen Travel Service and served as the first Black Vice Chairman on the Civil Service Commission in St. Louis. In addition, he served as President of the Board of Directors for the West End Hospital Association.

Bishop Cummings was elected the 95th Bishop of the African Methodist Episcopal Church at the 1976 General Conference in Atlanta, Georgia. He has presided over the 8th, 1st, 11th, and 6th Episcopal Districts, and entertained the General Conference in New Orleans. He also served as national co-chairman of the first National Assemble of Black Churches in April 1984 in New Orleans. Bishop Cummings is married to Martha Colly Cummings and the couple has one child.

Mr. Speaker, I ask you and my colleagues to join me in paying tribute to Bishop Frank Curtis Cummings upon his retirement from the Bishopric. He has provided tremendous leadership for the AME Church. His long history of educational leadership and service will influence future generations for ages to come. AME founder Richard Allen would be deeply proud of his Episcopal descendent.

PAYING TRIBUTE TO DOUGLAS DUNBAR

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. MCINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and legacy of Douglas Dunbar of McKenzie Bridge, Oregon. Doug bravely battled the Storm King Mountain Fire outside the town of Glenwood Springs, Colorado in 1994, but succumbed to the blaze along with thirteen fellow firefighters while working to protect the City. I personally served as a firefighter and understand the risks they face each and everyday. Witnessing the awful inferno that fateful July day I know Doug and his comrades battled the fire with the utmost courage and valor. With the tenth anniversary of the Storm King Fire approaching, I believe it appropriate to recognize the sacrifice Doug and the Storm King Firefighters made on behalf of a grateful community, state, and nation.

Born and raised in Mckenzie Bridge, Oregon, Doug attended McKenzie High School where he was an honor student, all star baseball player, and award-winning saxophonist. He was attending Southern Oregon State College where he was completing his business degree. In 1990 he began working for the Forest Service to help pay for his education. Doug immensely enjoyed the job and the people he worked with on the Prineville Hotshot Crew, an elite group of firefighters who specialize in wildland fire suppression. Doug had a true love for the outdoors, and was an accomplished skier who was pursuing a career in the ski industry. Above all, he was devoted to his family and friends.

Mr. Speaker, it is an honor to rise before this body of Congress and this Nation to pay tribute to the life and memory of Firefighter Douglas Dunbar. Doug personified the Hotshots credo of Safety, Teamwork, and Professionalism; putting himself in harm's way for unfamiliar people and places. He made the ultimate sacrifice doing what he loved, and I, along with the Glenwood Springs community and the State of Colorado are eternally grateful to this brave, young man.

A TRIBUTE IN HONOR OF 2004 LEGRAND SMITH OUTSTANDING TEACHER AWARD WINNER J. BARRY WELDON

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. SMITH of Michigan. Mr. Speaker, education is the key to our Nation's future prosperity and security. The formidable responsibility of molding and inspiring young minds to the avenues of hope, opportunity and achievement partially rests in the hands of our teachers. Today, I would like to recognize a teacher from Jackson, Michigan that significantly influenced and motivated exceptional students in academics and leadership who were winners of the LeGrand Smith Scholarship.

J. Barry Weldon teaches Modern American History and Government at Morenci High School in Morenci. He is credited with instilling in students an enthusiasm for not only these subjects, but also for life. As one of his students, Rosanna Green said, Mr. Weldon is an amazing educator. In everything he teaches he adds excitement for learning. He also taught me important life lessons and influenced me to always try hard and be the best I possibly can be." The respect and gratitude of his students speaks well of Barry's ability to challenge young minds and encourage them to always put forth their best effort.

J. Barry Weldon's extraordinary work as a teacher has challenged and inspired countless students to move beyond the teenage tendency of superficial study and encourage them to foster deeper thought and connections to the real world. Arguably, no profession is more important because of its daily influence upon the future leaders of our community and our country, and Barry's impact on his/her students is certainly worthy of recognition.

On behalf of the Congress of the United States of America, I am proud to extend our highest praise to J. Barry Weldon. We thank him for his continuing dedication to teaching and his willingness and ability to challenge and inspire students to strive for success.

RECOGNITION OF NADINE "DINEY" GOLDSMITH, IN MEMORIAM

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. PALLONE. Mr. Speaker, I rise today to honor the late Nadine "Diney" Goldsmith, an outstanding woman and community leader. As a business owner, artist, wife, mother, and advocate, Nadine Goldsmith was a great friend to the people of the Sixth District of New Jersey.

In life, Nadine Goldsmith served as a Foundation Trustee at Monmouth Medical Center, a hospital that serves a substantial population of the Sixth Congressional District. With her husband, she funded the creation of the Leon Hess Cancer Center's Goldsmith Wellness Center.

The Goldsmith Wellness Center provided innovative therapy to cancer patients, allowing them to unite their mental wellness with their physical healing. Nadine was never a bystander at her center: she worked closely with Smitha Gollamudi, M.D., Chair of the Institute for Advanced Radiation Oncology, to plan the center's program.

Mr. Speaker, Nadine Goldsmith has given so much to the people in my district. She dedicated her time, her talent, and character throughout her life. She has touched those blessed enough to meet her, and helped many she has never even met. Once again, I ask that my colleagues join me today in honoring this remarkable woman.

PAYING TRIBUTE TO TERRI HAGEN

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. MCINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and legacy of Terri Hagen of Prineville, Oregon. Terri bravely battled the Storm King Mountain Fire outside the town of Glenwood Springs, Colorado in 1994, but succumbed to the blaze along with thirteen fellow firefighters while working to protect the City. I personally served as a firefighter and understand the risks they face each and everyday. Witnessing the awful inferno that fateful July day, I know Terri and her comrades battled the fire with the utmost courage and valor. With the tenth anniversary of the Storm King Fire approaching, I believe it appropriate to recognize the sacrifice Terri and the Storm King Firefighters made on behalf of a grateful community, state and nation.

Terri was an undergraduate student at Oregon State University working towards a Bachelor of Science degree in Entomology and a Bachelor of Arts in History. Their Department of Entomology now has a Terri Hagen Memorial Library and Scholarship. She was a member of the Onondaga tribe of the Iroquois Nation, and had answered her nation's call to duty, serving in the Army as a medic, and had completed airborne training with the National Guard. An avid outdoorswoman, Terri enjoyed horse training, mountain biking, hiking, hunting, basketball, teaching, swimming, and was a rodeo team roper. Her love of the outdoors and adventurous spirit took her to joining the Prineville Hotshots, an elite group of firefighters who specialize in wildland fire suppression. She was a dedicated member of her crew, and received a great deal of satisfaction from helping others. Above all, she was devoted to her family and friends.

Mr. Speaker, it is an honor to rise before this body of Congress and this nation to pay tribute to the life and memory of Firefighter Terri Hagen. Terri personified the Hotshots credo of Safety, Teamwork and Professionalism; putting herself in harms way for unfamiliar people and places. She made the ultimate sacrifice doing what she loved, and I, along with the Glenwood Springs community and the State of Colorado are eternally grateful to this brave young woman.

INTRODUCTION OF THE INTERNET SPYWARE (I-SPY) PREVENTION ACT

HON. BOB GOODLATTE

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. GOODLATTE. Mr. Speaker, I rise today to introduce the Internet Spyware (I–SPY) Prevention Act. This important legislation will punish those that use software to break into consumers' computers to conduct nefarious activities.

Spyware is a growing and serious problem. The Federal Trade Commission has testified that "Spyware appears to be a new and rapidly growing practice that poses a risk of serious harm to consumers." Not only does Spyware provide the tools for criminals to crack into computers to commit crimes, but it can also provide the means to alter a computer's security settings or even take over the memory of a users' computer in order to send spam or conduct other despicable acts.

The I–Spy Prevention Act would impose criminal penalties on the most egregious behaviors associated with spyware. Specifically, this legislation would impose up to a five-year prison sentence on anyone who uses software to intentionally break into a computer and uses that software in furtherance of another federal crime. In addition, it would impose up to a two-year prison sentence on anyone who uses software to intentionally break into a computer and then either alters the computer's security settings, or obtains personal information with the intent to defraud or injure a person or with the intent to damage a computer. By imposing stiff penalties on these bad actors, this legislation will help deter the use of Spyware, and will thus help protect consumers from these aggressive attacks.

In addition, this legislation would not interfere with the ability of companies to continue to develop innovative technological solutions to block Spyware. Any successful solution to Spyware must consist of a combination of tough penalties for the really bad actors and innovative technologies to combat Spyware. This legislation leaves the door open for technology to continue to combat Spyware programs.

Mr. Speaker, criminal penalties are necessary to deter the proliferation of the most egregious behaviors associated with Spyware, and I urge each of my colleagues to support this important legislation.

TRIBUTE TO BISHOP HENRY ALLEN BELIN, JR.

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Bishop Henry Allen Belin, Jr., one of eight legendary leaders of the African Methodist Episcopal Church (AME) who will be retiring at this year's Quadrennial Conference in Indianapolis, Indiana. A native of Louisiana, Bishop Belin is the son of Beatrice Boney Belin and Henry Allen Belin, Sr. His father was an active minister in the 8th Episcopal District for more that 60 years. He received his Bachelor of Arts and Bachelor of Theology degrees from Leland College in Baker, Louisiana and his Masters of Arts degree from the Lampton School of Religion in Jackson, Mississippi.

Bishop Belin pastored, remodeled, and built churches in both the 8th and 13th Episcopal Districts, including Payne Chapel in Nashville, Tennessee. He served as Presiding Elder in the 8th Episcopal District.

Prior to his elevation to the Bishopric, Bishop Belin was elected Secretary-Treasury of the AME Church Sunday School Union at the 1972 General Conference in Dallas, Texas. During his tenure, he bought land and built the new million dollar Publishing House Headquarters and remodeled the John Avery Apartment Complex. As publisher, he produced Cecil Cone's Identity in Crisis in Black Theology, George Champion's Pastor's Manual, volumes I and II, and Black Methodism's Basic Beliefs; George Sewell's Where Are You Going. He also produced Howard Gregg's The History of the AME Church, James Madison Granberry's The History of the AMEC Pension Department, and Robert H. Reid, Jr.'s Irony of African American History. In 1984, he finished one phase of his remarkable career when he published The AME Church Bicentennial Hymnal.

Bishop Belin was elected the 104th Bishop of the African Methodist Episcopal Church at the 1984 General Conference in Kansas City, Missouri, and has presided over the 15th, 16th, 12th, 3rd, and 7th Episcopal Districts.

Bishop Belin is married to Lucinda Crawford Belin, and the couple has three children.

Mr. Speaker, I ask you and my colleagues to join me in paying tribute to Bishop Henry Allen Belin, Jr. He has provided tremendous leadership for the AME Church and his long history of educational leadership and service will influence future generations for ages to come. AME founder Richard Allen would be deeply proud of his Episcopal descendent.

PAYING TRIBUTE TO JON KELSO

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 23, 2004

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and legacy of Jon Kelso of Prineville, Oregon. Jon bravely battled the Storm King Mountain Fire outside the town of Glenwood Springs, Colorado in 1994, but succumbed to the blaze along with thirteen fellow firefighters while working to protect the City. I personally served as a firefighter and understand the risks they face each and everyday. Witnessing the awful inferno that fateful July day, I know Jon and his comrades battled the fire with the utmost courage and valor. With the tenth anniversary of the Storm King Fire approaching, I believe it appropriate to recognize the sacrifice Jon and the Storm King Firefighters made on behalf of a grateful community, state and nation.

Born and raised in Prineville, Jon attended Crook County High School where he was very active in athletics as a member on the golf team, the manager of the football team, a swimming teacher, and a lifeguard. He received a degree in wildlife sciences from Oregon State University, and had completed his first year of studies to become a civil engineer. In 1985, he joined the Prineville Hotshots, an elite group of firefighters who specialize in wildland fire suppression. He was a smoke jumper and a squad boss for the sawyers, a skilled crew that cuts down trees to prevent the spread of fires. Recognizing Jon's excellent academic record and leadership of his hotshot crew, the Bureau of Land Management Wildland Firefighter Academy named a Memorial Award after Jon that goes to the most outstanding firefighter of the class. He was a dedicated member of his crew, and received a great deal of satisfaction from helping others. Above all, he was devoted to his family and friends.

Mr. Speaker, it is an honor to rise before this body of Congress and this nation to pay tribute to the life and memory of Firefighter Jon Kelso. Jon personified the Hotshots credo of Safety, Teamwork, and Professionalism; putting himself in harms way for unfamiliar people and places. He made the ultimate sacrifice doing what he loved, and I, along with the Glenwood Springs community and the State of Colorado are eternally grateful to this brave young man.

A TRIBUTE IN HONOR OF 2004 LEGRAND SMITH OUTSTANDING TEACHER AWARD WINNER KATHY RIZOR OF BATTLE CREEK, MICHIGAN

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

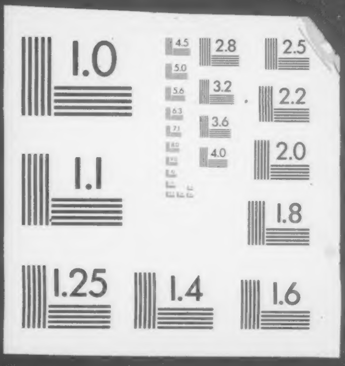
Wednesday, June 23, 2004

Mr. SMITH of Michigan. Mr. Speaker, education is the key to our Nation's future prosperity and security. The formidable responsibility of molding and inspiring young minds to the avenues of hope, opportunity and achievement partially rests in the hands of our teachers. Today, I would like to recognize a teacher from Battle Creek, Michigan that significantly influenced and motivated exceptional students in academics and leadership who were winners of the LeGrand Smith Scholarship.

Kathy Rizor teaches Advanced Biology at Harper Creek High School in Battle Creek. She is credited with instilling in students an enthusiasm for not only these subjects, but also for life. As one of her students, Renee Burdick said, "She encouraged me to excel in all aspects of my life ranging from academics to extracurricular activities. Not only did she facilitate the position of a great educator for me, but she served as a strong leader for my other classmates, Harper Creek and the greater Battle Creek community." The respect and gratitude of her students speak well of Kathy's ability to challenge young minds and encourage them to always put forth their best effort.

Kathy Rizor's extraordinary work as a teacher has challenged and inspired countless students to move beyond the teenage tendency of superficial study and encourage them to foster deeper thought and connections to the real world. Arguably, no profession is more important because of its daily influence upon the future leaders of our community and our country, and Kathy's impact on her students is certainly worthy of recognition.

On behalf of the Congress of the United States of America, I am proud to extend our highest praise to Kathy Rizor. We thank her for her continuing dedication to teaching and her willingness and ability to challenge and inspire students to strive for success.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